

Digest

Nov 11, 2003

**Brief Interim consolidated Financial Report for the Year ending March 31, 2004
(April 1, 2003 – September 30, 2003)**

Listed company name: **Asgent, Inc.**

Code #: **4288**

Head office: **19-7 Nihonbashi Koami-cho, Chuo-ku, Tokyo Japan**

President & CEO: **Takahiro (Shuji) Sugimoto**

Contact: **Shinji Suzuki, Director of Corporate Development & Planning**

Phone #: **+81-3-5643-2581**

Date of Board of Directors Meeting: **Nov 10, 2003**

Adoption of US GAAP: **NO**

No half year B/S & C/F disclosure for FY2002 according to Japanese GAAP.

1. Results for the year ending March 31, 2004 (April 1, 2003 - September 30, 2003)

(1) Consolidated Business Results

(Millions of yen)

	FY2002 (1st Half)	FY2003 (1st Half)	FY2002 (Full Year)
Net Sales	-	1,665	3,718
Operating Income	-	0	247
Income Before Income Taxes	-	35	246
Net Income	-	9	128
Per Share Data:			
Average Number of Shares Outstanding During the Term	-	39,330	39,286
Net Income per share (Yen)	-	¥ 237.67	¥ 3,282.11

Note 1. Investment profit and loss arising from equity method: None

2. Changes to accounting policies: Evaluation Method for Foreign Currency Future Contract. No Profit/Loss impact as of Sept 30, 2003 since there is no contract balance.

3. Company's fiscal year is April 1-March 31(FY2002=Apr 1, 2002-Mar 31, 2003 FY2003=Apr 1, 2003 - Mar 31, 2004)

(2) Consolidated Financial Position (as of September 30, 2003)

(Millions of yen)

	As of September 30, 2002	As of September 30, 2003	As of March 31, 2003
Total Assets	3,130	3,299	3,130
Stockholders' Equity	1,928	1,926	1,928
Equity Ratio	61.6	58.4 %	61.6 %
Per Share Data:			
Outstanding Number of Shares at the term end	39,330	39,330	39,330
Stockholders' Equity (Yen)	¥49,028.99	¥48,986.21	¥49,028.99

(3) Consolidated Cash Flows (April 1, 2003 - September 30, 2003)

(Millions of yen)

	FY2002 (1st Half)	FY2003 (1st Half)	FY2002 (Full Year)
Cash Flows from Operating Activities	-	215	(139)
Cash Flows from Investing Activities	-	(122)	(188)
Cash Flows from Financing Activities	-	283	495
Cash and Cash Equivalents at the term end	-	1,536	1,160

2. Forecast of consolidated business results for the year ending March 31, 2004

(April 1, 2003 - March 31, 2004)

(Millions of yen)

	FY2003 (Full Year)
Net Sales	4,180
Net Income	104
Expected Net Income per share (Yen)	¥2,644.29

3. Interim Consolidated Financial Statements

3-1 Interim Consolidated Balance Sheets

(In thousand yen, rounded down)

	At Interim Closing for FY2002 As of September 30, 2002		At Interim Closing for FY2003 As of September 30, 2003		Balance Sheet As of March 31, 2003	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
<ASSETS>						
Current Assets						
1.Cash and Deposits	801,002		1,315,857		1,140,540	
2.Accounts Receivable-trade	596,504		624,225		947,210	
3.Marketable Securities	190,348		220,347		20,362	
4.Inventories	293,595		314,996		248,212	
5.Deferred Tax	16,260		23,789		12,583	
6.Suspense Paid Consumption Tax	71,865		74,357		-	
7.Others	95,366		26,976		71,701	
Total Current Assets	2,064,942	77.4	2,600,551	78.8	2,440,609	78.0
Fixed Assets						
Property, Equipment less Depreciation						
1.Building	14,797		55,329		41,519	
2.Tools, Furniture and Fixtures	29,439		38,883		40,839	
3.Land	469		469		469	
Sub-total	44,707	1.7	94,683	2.9	82,828	2.6
Intangibles Fixed Assets						
1.Software	182,519		174,085		178,078	
2.Consolidated Adjustment Account	96,396		106,996		109,837	
3.Others	1,626		103,053		53,875	
Sub-total	280,542	10.5	384,135	11.6	341,791	10.9
Investment and Other Asset						
1.Investment Securities	93,720		92,880		96,040	
2.Deposits	38,370		55,873		38,370	
3.Deferred Taxes	9,032		7,834		7,144	
4.Future Foreign Exchange Contracts	118,551		-		79,260	
5.Others	17,934		56,283		41,990	
Sub-total	277,609	10.4	212,870	6.5	262,805	8.4
Total Fixed Assets	602,858	22.6	691,689	21.0	687,424	21.9
Deferred Assets	-	-	6,824	0.2	2,833	0.1
Total Assets	2,667,801	100.0	3,299,066	100.0	3,130,869	100.0

(In thousand yen, rounded down)

	At Interim Closing for FY2002 As of September 30, 2002		At Interim Closing for FY2003 As of September 30, 2003		Balance Sheet As of March 31, 2003	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
<LIABILITIES>						
Current Liabilities:						
1.Accounts Payable-trade	268,529		251,376		337,456	
2.Accounts payable	53,675		35,251		85,275	
3.Accrued Income Taxes	52,324		63,562		2,878	
4.Reserve for Bonus Payment	34,673		38,978		33,987	
5.Consumption Tax Received	77,584		83,295		-	
6.Current Portion of Bonds	-		60,000		-	
7.Deferred hedge profit	97,442		-		82,354	
8.Others	113,454		30,617		65,802	
Total Current Liabilities	697,684	26.1	563,082	17.1	607,755	19.4
Fixed Liabilities:						
1.Bond	-		740,000		500,000	
2.Reserve for Retirement Allowance	8,596		10,164		9,059	
Total Fixed Liabilities	8,596	0.3	750,164	22.7	509,059	16.3
Total Liabilities	706,281	26.4	1,313,247	39.8	1,116,814	35.7
<Minority Equity>						
Minority Equity	86,701	3.3	59,191	1.8	85,744	2.7
<Stockholders' Equity>						
Capital Stock	768,000	28.8	768,000	23.3	768,000	24.5
Capital Surplus	704,300	26.4	704,300	21.3	704,300	22.5
Earned Surplus	426,597	16.0	485,202	14.7	485,687	15.5
Appraisal Loss on Investment Securities	(6,173)	(0.2)	(3,971)	(0.1)	(3,520)	(0.1)
Exchange Conversion Adjustment Account	(17,905)	(0.7)	(26,903)	(0.8)	(26,156)	(0.8)
Total Stockholders' Equity	1,874,819	70.3	1,926,627	58.4	1,928,310	61.6
Total Liabilities, Minority Equity and Shareholders' Equity	2,667,801	100.0	3,299,066	100.0	3,130,869	100.0

3-2 Interim Consolidated Statements of Income

(In thousand yen, Rounded down)

	At Interim Closing for FY2003 (From Apr 1, 2003 to Sep 30, 2003)		Statements of Income for FY2002 (From Apr 1, 2002 to Mar 31, 2003)	
	Amount	Ratio	Amount	Ratio
Net Sales	1,665,586	100.0	3,718,783	100.0
Cost of Sales	1,104,907	66.3	2,500,766	67.3
Gross Profit	560,678	33.7	1,218,016	32.7
Selling, General and Administrative Expenses	560,371	33.6	970,986	26.1
Operating Income	307	0.0	247,029	6.6
Non-Operating Profit				
1.Interest Received	973		2,797	
2.Exchange Gain	9,367		1,050	
3.Others	1,818		382	
	12,159	0.7	4,231	0.1
Non-Operating Expenses				
1.Interest Paid	2,989		410	
2.Amortization of Bond Issue Expense	708		1,416	
3.Others	873		2,742	
	4,570	0.2	4,570	0.1
Ordinary Profit	7,896	0.5	246,690	6.6
Extraordinary Gain				
1.Cancellation of future exchange Contract	27,180	1.6	-	-
Income Before Income Taxes	35,076	2.1	246,690	6.6
Income Taxes & tax adjustments	51,995	3.1	136,243	3.6
Minority Shareholder Loss	26,267	1.6	18,495	0.5
Net Income	9,347		128,942	3.5

<Business Segment Information>

(In thousand yen, Rounded down)

		At Interim Closing for FY2003 (From Apr 1, 2003 to Sep 30, 2003)	FY2002 (From Apr 1, 2002 to Mar 31, 2003)
Packaged Software	Security	1,453,164	3,112,915
	Hi-availability & Data Solution	120,822	316,837
	Sub-Total	1,573,986	3,429,752
Service (Consultation & MSP)		91,599	289,030
Grand Total		1,665,586	3,718,783

3-3 Consolidated Statements of Cash Flows

(In thousand yen, Rounded down)

	At Interim Closing for FY2003 (From Apr 1, 2003 to Sep 30, 2003)	FY2002 (From Apr 1, 2002 to Mar 31, 2003)
Cash Flow from Operating Activities		
Income Before Income Tax	35,076	246,690
Adjustments to Reconcile Net Income to Net Cash used in Operating Activities:		
Depreciation and Amortization	35,969	42,506
Amortization of Consolidated Adjustment Account	2,841	3,830
Decrease in Reserve for Bad Debts	(466)	(1,731)
Increase in Reserve for Bonus Payment	1,115	1,276
Increase in Reserve for Retirement Allowance	835	989
Interest and Dividends Received	(973)	(2,248)
Interest Paid	2,989	410
Exchange Loss and Gain	1	7,959
Decrease in Notes and Accounts Receivable	323,451	140,816
Decrease (Increase) in Inventories	(66,873)	25,341
Decrease in Notes and Accounts Payable	(86,080)	(285,058)
Others	(27,998)	2,028
Sub-total	219,976	182,813
Interest and Dividends Received	973	2,248
Interest Paid	(2,989)	-
Income Taxes Paid	(2,899)	(325,002)
Net Cash Provided Used in Operating Activities	215,061	(139,940)
Cash Flows from Investing Activities		
Payments for Purchases of Tangible Fixed Assets	(32,910)	(67,514)
Payments for Purchase of Intangible Fixed Assets	(66,353)	(113,925)
Others	(22,936)	(6,953)
Net Cash Used in Investing Activities	(122,200)	(188,394)
Cash Flows from Financing Activities		
Revenue by Bond Issue	293,190	495,750
Revenue by Stock Issue	-	1,300
Payments of dividend	9,829	-
Others	-	(1,120)
Net Cash Provided by Financing Activities	283,360	495,930
Effect of Exchange rate Changes on Cash and Cash Equivalents	(918)	(44,049)
Net Increase in Cash and Cash Equivalents	375,302	123,546
Cash and Cash Equivalents at the Beginning of the Fiscal Year	1,160,902	1,037,356
Cash and Cash Equivalents at the End of the Fiscal Year	1,536,205	1,160,902

3-4 Interim Consolidated Surplus Statements

(In thousand yen, Rounded down)

	At Interim Closing for FY2003 (From Apr 1, 2003 to Sep 30, 2003)	FY2002 (From Apr 1, 2002 to Mar 31, 2003)
<Capital Surplus>		
Capital Surplus at the Beginning of the Fiscal Year	704,300	704,300
Capital Surplus at the End of the Fiscal Year	704,300	704,300
<Earned Surplus>		
Earned Surplus at the Beginning of the Fiscal Year	485,687	356,745
Increase in Earned Surplus		
1.Net Income	9,347	128,942
Decrease in Earned Surplus		
1.Dividend	9,832	-
Earned Surplus at the End of the Fiscal Year	485,202	485,687