

Asgent, Inc.

Summary of Non-Consolidated Financial Results Financial Highlights (For the Year Ended March 31, 2013)

Listed Company Name: Asgent, Inc.

Listing Exchange: JASDAQ

Security Code No:4288

URL: <http://www.asgent.co.jp/>

Representative: Takahiro Sugimoto

President & CEO

Enquiries: Takenori Katsuragi

Managing Director & CFO

TEL: +81-3-6853-7401

1. Business Results

(1) Operating Results

Note: Figures less than one million yen omitted, except for EPS and BPS

| | Net sales | Operating Income | Ordinary income | Net income |
|--------------------|-------------------------|-----------------------|-----------------------|-----------------------|
| For the Year Ended | Millions of yen | Millions of yen | Millions of yen | Millions of yen |
| Mar. 31, 2013 | 3,537 \triangle 11.8% | 226 6.6% | 233 6.8% | 134 20.4% |
| Mar. 31, 2012 | 4,009 \triangle 0.1% | 212 \triangle 46.3% | 218 \triangle 44.8% | 111 \triangle 57.8% |

Note: the% value represents the changes from the same quarter of the previous year

| | Basic EPS | Diluted EPS |
|--------------------|-----------|-------------|
| For the Year Ended | Yen | Yen |
| Mar. 31, 2013 | 3,434.39 | - |
| Mar. 31, 2012 | 2,825.76 | - |

(2) Financial Conditions

| | Total Assets | Shareholders' Equity | Shareholders' Equity ratio | BPS |
|---------------|-----------------|----------------------|----------------------------|-----------|
| As of | Millions of yen | Millions of yen | % | Yen |
| Mar. 31, 2013 | 2,653 | 1,996 | 75.1% | 51,095.76 |
| Mar. 31, 2012 | 2,847 | 1,902 | 66.8% | 48,050.49 |

(3) Forecast for the Financial Results (For the year ending March 31, 2014)

| | Net sales | Operatind income | Ordinary income | Net income | EPS |
|-------------------|-----------------|----------------------|----------------------|----------------------|--------|
| For period ending | Millions of yen | Millions of yen | Millions of yen | Millions of yen | Yen |
| Mar. 31, 2014 | 3,540 0.1% | 30 \triangle 86.8% | 30 \triangle 87.2% | 18 \triangle 86.6% | 461.30 |

2. Financial statements

(For the Year Ended Mar 31, 2013)

(1) Balance Sheets

Note: Figures less than one thousand yen omitted

| Account Title | Mar. 31, 2012 | Mar. 31, 2013 |
|--|------------------|------------------|
| | Amount | Amount |
| Assets | | |
| Current assets | | |
| Cash and deposits | 1,038,661 | 1,107,845 |
| Accounts receivable-trade | 1,263,173 | 991,077 |
| Short-term investment securities | 100,000 | — |
| Merchandise and finished goods | 36,874 | 86,523 |
| Work in process | 178 | 7,601 |
| Supplies | — | 6 |
| Advance payments-trade | 212 | 34,394 |
| Prepaid expenses | 9,437 | 17,582 |
| Deferred tax assets | 49,387 | 24,600 |
| Other | 10,758 | 22,990 |
| Allowance for doubtful accounts | (101) | (79) |
| Total current assets | 2,508,583 | 2,292,541 |
| Noncurrent assets | | |
| Property, plant and equipment | | |
| Buildings | 41,309 | 62,019 |
| Accumulated depreciation | (3,464) | (11,053) |
| Buildings, net | 37,845 | 50,965 |
| Tools, furniture and fixtures | 525,563 | 536,831 |
| Accumulated depreciation | (362,288) | (374,578) |
| Tools, furniture and fixtures, net | 163,274 | 162,252 |
| Land | 819 | 1,314 |
| Construction in progress | 1,095 | 1,095 |
| Total property, plant and equipment | 203,035 | 215,627 |
| Intangible assets | | |
| Patent right | 324 | — |
| Right of trademark | 863 | 430 |
| Software | 13,167 | 10,080 |
| Total intangible assets | 14,355 | 10,511 |
| Investments and other assets | | |
| Investment securities | 8,386 | 8,098 |
| Lease deposits | 38,879 | 38,879 |
| Long-term prepaid expenses | — | 7,788 |
| Deferred tax assets | 37,028 | 29,327 |
| Other | 37,407 | 50,281 |
| Total investments and other assets | 121,700 | 134,375 |
| Total noncurrent assets | 339,091 | 360,514 |
| Total assets | 2,847,674 | 2,653,055 |

Note: Figures less than one thousand yen omitted

| Account Title | Mar. 31, 2012 | Mar. 31, 2013 |
|---|---------------|---------------|
| | Amount | Amount |
| Liabilities | | |
| Current liabilities | | |
| Accounts payable-trade | 368,934 | 232,966 |
| Short-term loans payable | 100,000 | 125,000 |
| Current portion of long-term loans payable | 15,000 | — |
| Accounts payable-other | 158,668 | 102,154 |
| Accrued expenses | 45,711 | 34,869 |
| Income taxes payable | 88,466 | 24,715 |
| Accrued consumption taxes | 27,909 | — |
| Advances received | — | 273 |
| Deposits received | 18,133 | 9,004 |
| Unearned revenue | 4,077 | 4,143 |
| Provision for bonuses | 47,240 | 40,648 |
| Other | 598 | 887 |
| Total current liabilities | 874,740 | 574,662 |
| Noncurrent liabilities | | |
| Provision for retirement benefits | 70,374 | 81,805 |
| Total noncurrent liabilities | 70,374 | 81,805 |
| Total liabilities | 945,115 | 656,468 |
| Net assets | | |
| Shareholders' equity | | |
| Capital stock | 771,110 | 771,110 |
| Legal capital surplus | 705,200 | 705,200 |
| Retained earnings brought forward | 429,107 | 543,992 |
| Treasury stock | — | (22,890) |
| Total shareholders' equity | 1,905,417 | 1,997,412 |
| Valuation and translation adjustments | | |
| Valuation difference on available-for-sale securities | (3,368) | (3,656) |
| Total valuation and translation adjustments | (3,368) | (3,656) |
| Subscription rights to shares | 510 | 2,830 |
| Total net assets | 1,902,559 | 1,996,586 |
| Total liabilities and net assets | 2,847,674 | 2,653,055 |

(2) Statements of Income

Note: Figures less than one thousand yen omitted

| Account Title | Mar. 31, 2012 | Mar. 31, 2013 |
|--|---------------|---------------|
| | Amount | Amount |
| I Net Sales | 4,009,169 | 3,537,214 |
| II Cost of Sales | 2,590,333 | 2,204,164 |
| Gross Profit | 1,418,836 | 1,333,050 |
| III Selling, General and Administrative Expenses | 1,206,198 | 1,106,344 |
| Operating Income | 212,637 | 226,706 |
| IV Non-operating Income | 8,139 | 8,161 |
| V Non-operating Expenses | 2,106 | 1,343 |
| Ordinary Income | 218,670 | 233,523 |
| VI Extraordinary Income | 1,843 | 340 |
| VII Extraordinary Losses | 25,122 | 496 |
| Income Before Taxes | 195,391 | 233,367 |
| Tax Expenses | 83,505 | 98,683 |
| Income After Taxes | 111,886 | 134,683 |

(3) Statements of Cash Flows

Note: Figures less than one thousand yen omitted.

| | The Year Ended March 31, 2012 Amount | The Year Ended March 31, 2013 Amount |
|---|--|--|
| I Cash Flow from Operating Activities | | |
| Income before income taxes | 195,391 | 233,367 |
| Depreciation and amortization | 97,164 | 92,379 |
| Increase (decrease) in allowance for doubtful accounts | 32 | (21) |
| Increase (decrease) in provision for bonuses | 1,499 | (6,592) |
| Increase (decrease) in provision for retirement benefits | 10,869 | 11,431 |
| Interest income | (931) | (2,350) |
| Interest expenses | 1,872 | 1,039 |
| Foreign exchange losses (gains) | (34) | (133) |
| Loss on retirement of noncurrent assets | 8,999 | 460 |
| Loss (gain) on sales of noncurrent assets | 686 | 35 |
| Decrease (increase) in notes and accounts receivable-trade | (409,134) | 272,095 |
| Decrease (increase) in inventories | 29,533 | (57,077) |
| Loss on abandonment of inventories | 12,389 | — |
| Increase (decrease) in notes and accounts payable-trade | 49,616 | (135,967) |
| Increase (decrease) in accrued consumption taxes | 12,785 | (47,227) |
| Decrease (increase) in advance payments | 83,945 | (34,181) |
| Increase (decrease) in accounts payable-other | 65,813 | (25,224) |
| Other, net | 36,334 | (34,259) |
| Subtotal | 196,836 | 267,770 |
| Interest and dividends income received | 931 | 2,350 |
| Interest expenses paid | (1,747) | (970) |
| Income taxes paid | (18,795) | (129,509) |
| Net cash provided by (used in) operating activities | 177,225 | 139,641 |
| II Cash Flows from Investing Activities | | |
| Purchase of short-term investment securities | (100,000) | — |
| Proceeds from redemption of securities | — | 100,000 |
| Purchase of property, plant and equipment | (99,206) | (130,520) |
| Proceeds from sales of property, plant and equipment | — | 7,306 |
| Purchase of intangible assets | (378) | (3,741) |
| Proceeds from collection of guarantee deposits | 325 | 500 |
| Payments for guarantee deposits | — | (1,800) |
| Payments for lease deposits | (38,879) | — |
| Collection of lease deposits | 55,873 | — |
| Other, net | (1,885) | (250) |
| Net cash provided by (used in) investing activities | (184,150) | (40,796) |
| III Cash Flows from Financing Activities | | |
| Net increase (decrease) in short-term loans payable | — | 25,000 |
| Repayment of long-term loans payable | (34,000) | (15,000) |
| Redemption of bonds | (34,000) | — |
| Proceeds from issuance of subscription rights to shares | — | 2,660 |
| Purchase of treasury stock | — | (22,890) |
| Cash dividends paid | (19,564) | (19,565) |
| Net cash provided by (used in) financing activities | (87,564) | (29,795) |
| IV Effect of Exchange Rate on Cash and Cash Equivalents | 34 | 133 |
| V Net Increase(Decrease) in Cash and Cash Equivalents | (94,454) | 69,183 |
| VI Cash and Cash Equivalents at the Beginning of the Fiscal Year | 1,133,115 | 1,038,661 |
| VII Cash and Cash Equivalents at the End of Period | 1,038,661 | 1,107,845 |