

Asgent, Inc.

Summary of Non-Consolidated Financial Results Financial Highlights (For the Year Ended March 31, 2014)

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, 2014	3,342 Δ 5.5%	11 Δ 95.0%	18 Δ 92.1%	0 Δ 99.6%
Mar. 31, 2013	3,537 Δ 11.8%	226 6.6%	233 6.8%	134 20.4%

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, 2014	0.14	—
Mar. 31, 2013	34.34	—

Note: The company implemented a stock split of 1 to 100 as of April 1st, 2014.

Earnings per share is hypothetically calculated, providing stock split was executed at the beginning of the fiscal year (April 1st, 2013).

(2) Financial Conditions

	Total Assets	Shareholders' Equity	Shareholders' Equity ratio	BPS
As of	Millions of yen	Millions of yen	%	Yen
Mar. 31, 2014	2,594	1,963	75.6%	507.09
Mar. 31, 2013	2,653	1,996	75.1%	510.96

Note: The company implemented a stock split of 1 to 100 as of April 1st, 2014.

Earnings per share is hypothetically calculated, providing stock split was executed at the beginning of the fiscal year (April 1st, 2013).

(3) Forecast for the Financial Results (For the year ending March 31, 2015)

	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
Sep. 30, 2014	1,600 1.0%	Δ 150 —	Δ 150 —	Δ 90 —	Δ 23.27
Mar. 31, 2015	3,600 7.7%	30 162.8%	30 62.7%	10 —	2.59

Note: The company implemented a stock split of 1 to 100 as of April 1st, 2014.

Earnings per share is calculated by (excluding treasury shares) of the number of shares outstanding after the stock split.

2. Financial statements

(For the Year Ended Mar 31, 2014)

(1) Balance Sheets

Note: Figures less than one thousand yen omitted

Account Title	Mar. 31, 2013	Mar. 31, 2014
	Amount	Amount
Assets		
Current assets		
Cash and deposits	1,107,845	1,142,677
Accounts receivable-trade	991,077	914,322
Merchandise and finished goods	86,523	34,059
Work in process	7,601	663
Supplies	6	—
Advance payments-trade	34,394	456
Prepaid expenses	17,582	25,462
Deferred tax assets	24,600	19,128
Other	22,990	41,213
Allowance for doubtful accounts	(79)	(27)
Total current assets	2,292,541	2,177,955
Noncurrent assets		
Property, plant and equipment		
Buildings	62,019	66,719
Accumulated depreciation	(11,053)	(17,749)
Buildings, net	50,965	48,969
Tools, furniture and fixtures	536,831	577,422
Accumulated depreciation	(374,578)	(386,403)
Tools, furniture and fixtures, net	162,252	191,018
Land	1,314	1,854
Construction in progress	1,095	—
Total property, plant and equipment	215,627	241,843
Intangible assets		
Right of trademark	430	185
Software	10,080	8,449
Software in progress	—	35,050
Total intangible assets	10,511	43,685
Investments and other assets		
Investment securities	8,098	2,853
Lease deposits	38,879	38,879
Long-term prepaid expenses	7,788	5,575
Deferred tax assets	29,327	30,259
Membership	26,990	32,216
Other	23,291	21,630
Total investments and other assets	134,375	131,414
Total noncurrent assets	360,514	416,943
Total assets	2,653,055	2,594,898

Note: Figures less than one thousand yen omitted

Account Title	Mar. 31, 2013	Mar. 31, 2014
	Amount	Amount
Liabilities		
Current liabilities		
Accounts payable-trade	232,966	297,357
Short-term loans payable	125,000	50,000
Accounts payable-other	102,154	109,252
Accrued expenses	34,869	29,932
Income taxes payable	24,715	3,392
Accrued consumption taxes	—	9,384
Advances received	273	273
Deposits received	9,004	5,112
Unearned revenue	4,143	4,368
Provision for bonuses	40,648	36,387
Other	887	828
Total current liabilities	574,662	546,288
Noncurrent liabilities		
Provision for retirement benefits	81,805	84,904
Total noncurrent liabilities	81,805	84,904
Total liabilities	656,468	631,193
Net assets		
Shareholders' equity		
Capital stock	771,110	771,110
Legal capital surplus	705,200	705,200
Retained earnings brought forward	543,992	525,031
Treasury stock	(22,890)	(40,226)
Total shareholders' equity	1,997,412	1,961,114
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	(3,656)	6
Total valuation and translation adjustments	(3,656)	6
Subscription rights to shares	2,830	2,584
Total net assets	1,996,586	1,963,705
Total liabilities and net assets	2,653,055	2,594,898

(2) Statements of Income

Note: Figures less than one thousand yen omitted

Account Title	Mar. 31, 2013	Mar. 31, 2014
	Amount	Amount
I Net Sales	3,537,214	3,342,893
II Cost of Sales	2,204,164	2,164,734
Gross Profit	1,333,050	1,178,158
III Selling, General and Administrative Expenses	1,106,344	1,166,742
Operating Income	226,706	11,416
IV Non-operating Income	8,161	8,110
V Non-operating Expenses	1,343	1,088
Ordinary Income	233,523	18,438
VI Extraordinary Income	340	415
VII Extraordinary Losses	496	10,466
Income Before Taxes	233,367	8,387
Tax Expenses	98,683	7,838
Income After Taxes	134,683	548

(3) Statements of Cash Flows

Note: Figures less than one thousand yen omitted.

	The Year Ended March 31, 2013 Amount	The Year Ended March 31, 2014 Amount
I Cash Flow from Operating Activities		
Income before income taxes	233,367	8,387
Depreciation and amortization	92,379	90,332
Increase (decrease) in allowance for doubtful accounts	(21)	(51)
Increase (decrease) in provision for bonuses	(6,592)	(4,260)
Increase (decrease) in provision for retirement benefits	11,431	3,098
Interest income	(2,350)	(252)
Interest expenses	1,039	909
Foreign exchange losses (gains)	(133)	(782)
Loss on retirement of noncurrent assets	460	347
Loss (gain) on valuation of investment securities	—	6,060
Loss (gain) on sales of noncurrent assets	35	—
Decrease (increase) in notes and accounts receivable-trade	272,095	76,755
Decrease (increase) in inventories	(57,077)	59,408
Increase (decrease) in notes and accounts payable-trade	(135,967)	64,391
Increase (decrease) in accrued consumption taxes	(47,227)	9,384
Decrease (increase) in advance payments	(34,181)	33,937
Increase (decrease) in accounts payable-other	(25,224)	883
Other, net	(34,259)	(2,716)
Subtotal	267,770	345,832
Interest and dividends income received	2,350	252
Interest expenses paid	(970)	(999)
Income taxes paid	(129,509)	(54,715)
Net cash provided by (used in) operating activities	139,641	290,369
II Cash Flows from Investing Activities		
Proceeds from redemption of securities	100,000	2,849
Purchase of property, plant and equipment	(130,520)	(119,611)
Proceeds from sales of property, plant and equipment	7,306	—
Purchase of intangible assets	(3,741)	(23,915)
Purchase of memberships	(12,290)	(3,726)
Proceeds from collection of guarantee deposits	500	—
Payments for guarantee deposits	(1,800)	(500)
Other, net	(250)	250
Net cash provided by (used in) investing activities	(40,796)	(144,654)
III Cash Flows from Financing Activities		
Net increase (decrease) in short-term loans payable	25,000	(75,000)
Repayment of long-term loans payable	(15,000)	—
Proceeds from issuance of subscription rights to shares	2,660	169
Purchase of treasury stock	(22,890)	(17,336)
Cash dividends paid	(19,565)	(19,498)
Net cash provided by (used in) financing activities	(29,795)	(111,664)
IV Effect of Exchange Rate on Cash and Cash Equivalents	133	782
V Net Increase(Decrease) in Cash and Cash Equivalents	69,183	34,832
VI Cash and Cash Equivalents at the Beginning of the Fiscal Year	1,038,661	1,107,845
VII Cash and Cash Equivalents at the End of Period	1,107,845	1,142,677