

Asgent, Inc.

Summary of Non-Consolidated Financial Results Financial Highlights (For the 6Months Ended September 30, 2014)

Listed Company Name: Asgent, Inc.

Listing Exchange: JASDAQ

Security Code No:4288

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

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President & CEO

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1. Business Results

(1) Operating Results

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

	Net sales	Operating Income	Ordinary income	Net income
For the 6Months Ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Sep. 30, 2014	1,277 Δ 19.4%	Δ 154 —	Δ 151 —	Δ 99 —
Sep. 30, 2013	1,584 Δ 8.5%	19 Δ 83.7%	22 Δ 81.8%	9 Δ 88.4%

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

	Basic EPS	Diluted EPS
For the 6Months Ended	Yen	Yen
Sep. 30, 2014	Δ 25.90	—
Sep. 30, 2013	2.43	—

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

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

(2) Financial Conditions

	Total Assets	Shareholders' Equity	Shareholders' Equity ratio
As of	Millions of yen	Millions of yen	%
Sep. 30, 2014	2,420	1,827	75.4%
Mar. 31, 2014	2,594	1,963	75.6%

(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
Mar. 31, 2015	3,200 Δ 4.3%	Δ 100 —	Δ 100 —	Δ 70 —	Δ 18.21

2. Financial statements

(For the 6Months Ended September 30, 2014)

(1) Balance Sheets

Note: Figures less than one thousand yen omitted

Account Title	Mar. 31, 2014	Sep. 30, 2014
	Amount	Amount
Assets		
Current assets		
Cash and deposits	1,142,677	1,033,618
Accounts receivable-trade	914,322	537,111
Merchandise and finished goods	34,059	45,066
Work in process	663	2,038
Advance payments-trade	456	277,447
Prepaid expenses	25,462	31,437
Deferred tax assets	19,128	71,009
Other	41,213	13,132
Allowance for doubtful accounts	(27)	(16)
Total current assets	2,177,955	2,010,846
Noncurrent assets		
Property, plant and equipment		
Buildings, net	48,969	52,578
Tools, furniture and fixtures, net	191,018	172,306
Land	1,854	1,854
Total property, plant and equipment	241,843	226,739
Intangible assets	43,685	53,665
Investments and other assets	131,414	128,924
Total noncurrent assets	416,943	409,329
Total assets	2,594,898	2,420,175
Liabilities		
Current liabilities		
Accounts payable-trade	297,357	225,628
Short-term loans payable	50,000	100,000
Accounts payable-other	109,252	55,522
Accrued expenses	29,932	30,595
Income taxes payable	3,392	3,234
Accrued consumption taxes	9,384	—
Advances received	273	1,363
Deposits received	5,112	6,286
Unearned revenue	4,368	5,233
Provision for bonuses	36,387	41,520
Other	828	34,913
Total current liabilities	546,288	504,298

Note: Figures less than one thousand yen omitted

Account Title	Mar. 31, 2014	Sep. 30, 2014
	Amount	Amount
Noncurrent liabilities		
Provision for retirement benefits	84,904	88,513
Total noncurrent liabilities	84,904	88,513
Total liabilities	631,193	592,812
Net assets		
Shareholders' equity		
Capital stock	771,110	771,110
Capital surplus	705,200	705,200
Retained earnings	525,031	406,143
Treasury stock	(40,226)	(57,572)
Total shareholders' equity	1,961,114	1,824,881
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	6	(102)
Total valuation and translation adjustments	6	(102)
Subscription rights to shares	2,584	2,584
Total net assets	1,963,705	1,827,362
Total liabilities and net assets	2,594,898	2,420,175

(2) Statements of Income

Note: Figures less than one thousand yen omitted

Account Title	Sep. 30, 2013	Sep. 30, 2014
	Amount	Amount
I Net Sales	1,584,286	1,277,679
II Cost of Sales	1,032,007	822,110
Gross Profit	552,278	455,569
III Selling, General and Administrative Expenses	532,854	610,281
Operating Income (loss)	19,424	(154,711)
IV Non-operating Income	3,263	4,006
V Non-operating Expenses	428	612
Ordinary income (loss)	22,258	(151,317)
VI Extraordinary Income	415	—
VII Extraordinary Losses	1,357	231
Income (loss) Before Taxes	21,316	(151,549)
Tax Expenses	11,821	(51,999)
Income (loss) After Taxes	9,495	(99,550)

(3) Statements of Cash Flows

Note: Figures less than one thousand yen omitted.

	6Months Ended Sep 30, 2013 Amount	6Months Ended Sep 30, 2014 Amount
I Cash Flow from Operating Activities		
Income (loss) before income taxes	21,316	(151,549)
Depreciation	41,904	44,149
Increase (decrease) in allowance for doubtful accounts	(60)	(11)
Increase (decrease) in provision for bonuses	(1,545)	5,133
Increase (decrease) in provision for retirement benefits	(661)	3,609
Interest income	(131)	(115)
Interest expenses	427	266
Foreign exchange losses (gains)	1,159	(1,902)
Loss on retirement of property, plant and equipment and intangible assets	312	231
Decrease (increase) in notes and accounts receivable-trade	357,806	377,211
Decrease (increase) in inventories	41,564	(12,383)
Increase (decrease) in notes and accounts payable-trade	(101,814)	(71,729)
Decrease (increase) in advance payments	(79,218)	(276,991)
Increase (decrease) in accounts payable-other	(46,895)	(40,065)
Other, net	21,207	21,138
Subtotal	255,370	(103,008)
Interest and dividends income received	131	115
Interest expenses paid	(430)	(248)
Income taxes paid	(22,822)	29,605
Net Cash Provided by Operating Activities	232,249	(73,536)
II Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(42,891)	(28,244)
Purchase of intangible assets	(1,565)	(24,312)
Purchase of memberships	(3,466)	—
Proceeds from redemption of securities	—	1,825
Other, net	250	—
Net Cash Used in Investing Activities	(47,673)	(50,731)
III Cash Flows from Financing Activities		
Purchase of treasury shares	—	(17,346)
Net increase (decrease) in short-term loans payable	(25,000)	50,000
Cash dividends paid	(19,390)	(19,347)
Net cash provided by (used in) financing activities	(44,390)	13,305
IV Effect of Exchange Rate on Cash and Cash Equivalents	(1,159)	1,902
V Net Decrease in Cash and Cash Equivalents	139,025	(109,059)
VI Cash and Cash Equivalents at Beginning of Period	1,107,845	1,142,677
VII Cash and Cash Equivalents at the End of Period	1,246,870	1,033,618