

Asgent, Inc.

Summary of Non-Consolidated Financial Results Financial Highlights (For the 6Months Ended September 30, 2017)

Listed Company Name: Asgent, Inc.

Listing Exchange: JASDAQ

Security Code No:4288

[URL: http://www.asgent.co.jp/](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

	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, 2017	2,126	8.4%	28	94.2%	25	40.6%	18	56.3%
Sep. 30, 2016	1,962	38.7%	14	—	18	—	11	—

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, 2017	4.89	—
Sep. 30, 2016	3.13	—

(2) Financial Conditions

	Total Assets	Shareholders' Equity	Shareholders' Equity ratio
As of	Millions of yen	Millions of yen	%
Sep. 30, 2017	2,509	1,740	69.3%
Mar. 31, 2017	2,842	1,740	61.2%

2. Financial statements

(For the 6Months Ended September 30, 2017)

(1) Balance Sheets

Note: Figures less than one thousand yen omitted

Account Title	Mar. 31, 2017	Sep. 30, 2017
	Amount	Amount
Assets		
Current assets		
Cash and deposits	785,032	1,077,767
Accounts receivable-trade	1,335,948	681,395
Merchandise and finished goods	66,519	33,992
Work in process	4,966	11,636
Supplies	2,057	530
Advance payments-trade	10,218	—
Prepaid expenses	41,143	29,875
Deferred tax assets	33,363	32,953
Other	4,068	2,610
Allowance for doubtful accounts	(26)	(13)
Total current assets	2,283,290	1,870,747
Noncurrent assets		
Property, plant and equipment		
Buildings, net	40,537	38,624
Tools, furniture and fixtures, net	320,836	305,548
Land	1,854	1,854
Total property, plant and equipment	363,228	346,027
Intangible assets	67,120	56,503
Investments and other assets	128,474	235,808
Total noncurrent assets	558,823	638,339
Total assets	2,842,114	2,509,087
Liabilities		
Current liabilities		
Accounts payable-trade	302,799	210,618
Short-term loans payable	200,000	200,000
Accounts payable-other	199,267	56,423
Accrued expenses	40,656	53,819
Income taxes payable	67,507	11,624
Consumption tax payable	107,496	32,174
Advances received	3,054	3,614
Deposits received	5,403	17,641
Unearned revenue	24,789	20,310
Provision for bonuses	54,627	59,031
Other	2,633	3,999
Total current liabilities	1,008,236	669,258

Note: Figures less than one thousand yen omitted

Account Title	Mar. 31, 2017	Sep. 30, 2017
	Amount	Amount
Noncurrent liabilities		
Provision for retirement benefits	93,074	98,831
Total noncurrent liabilities	93,074	98,831
Total liabilities	1,101,310	768,089
Net assets		
Shareholders' equity		
Capital stock	771,110	771,110
Capital surplus	705,200	705,200
Retained earnings	264,099	263,697
Treasury stock	—	(160)
Total shareholders' equity	1,740,409	1,739,847
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	(1,846)	(1,090)
Total valuation and translation adjustments	(1,846)	(1,090)
Subscription rights to shares	2,240	2,240
Total net assets	1,740,803	1,740,997
Total liabilities and net assets	2,842,114	2,509,087

(2) Statements of Income

Note: Figures less than one thousand yen omitted

Account Title	Sep. 30, 2016	Sep. 30, 2017
	Amount	Amount
I Net Sales	1,962,507	2,126,442
II Cost of Sales	1,281,409	1,369,958
Gross Profit	681,098	756,484
III Selling, General and Administrative Expenses	666,428	727,993
Operating Income	14,669	28,490
IV Non-operating Income	6,001	447
V Non-operating Expenses	2,387	3,233
Ordinary Income	18,283	25,704
VI Extraordinary Income	84	79
VII Extraordinary Losses	—	1,782
Income Before Taxes	18,368	24,001
Tax Expenses	6,416	5,324
Income After Taxes	11,952	18,676

(3) Statements of Cash Flows

Note: Figures less than one thousand yen omitted.

	6Months Ended Sep 30, 2016 Amount	6Months Ended Sep 30, 2017 Amount
I Cash Flow from Operating Activities		
Income (loss) before income taxes	18,368	24,001
Depreciation	49,426	78,179
Increase (decrease) in allowance for doubtful accounts	(11)	(13)
Increase (decrease) in provision for bonuses	6,696	4,403
Increase (decrease) in provision for retirement benefits	1,243	5,757
Interest income	(11)	(59)
Interest expenses	694	678
Foreign exchange losses (gains)	(22)	(394)
Loss (gain) on sales of membership	—	1,782
Loss (gain) on investments in partnership	1,584	1,931
Loss (gain) on sales of property, plant and equipment	—	(79)
Gain on reversal of subscription rights to shares	(84)	—
Decrease (increase) in notes and accounts receivable-trade	97,624	654,553
Decrease (increase) in inventories	13,312	27,383
Increase (decrease) in notes and accounts payable-trade	(99,188)	(92,181)
Increase (decrease) in accrued consumption taxes	32,598	(75,321)
Decrease (increase) in consumption taxes refund receivable	2,076	—
Decrease (increase) in advance payments	(134)	10,218
Increase (decrease) in accounts payable-other	149	(143,586)
Other, net	19,268	29,746
Subtotal	143,592	527,000
Interest and dividends income received	11	59
Interest expenses paid	(645)	(641)
Income taxes paid	(2,258)	(53,774)
Net Cash Provided by Operating Activities	140,700	472,643
II Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(43,100)	(50,352)
Purchase of intangible assets	—	812
Purchase of memberships	(2,794)	(113,541)
Proceeds from sales of membership	—	1,944
Net Cash Used in Investing Activities	(45,895)	(161,137)
III Cash Flows from Financing Activities		
Purchase of treasury shares	—	(160)
Cash dividends paid	(222)	(19,005)
Net cash provided by (used in) financing activities	(222)	(19,165)
IV Effect of Exchange Rate on Cash and Cash Equivalents	22	394
V Net Decrease in Cash and Cash Equivalents	94,606	292,735
VI Cash and Cash Equivalents at Beginning of Period	758,572	785,032
VII Cash and Cash Equivalents at the End of Period	853,178	1,077,767