Helios Techno

May 13, 2011

Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2011

[Japanese GAAP]

Company name: Helios Techno Holding Co., Ltd.　Listings: Tokyo and Osaka
Stock code: 6927　URL: http://www.heliostec-hd.co.jp/
Representative: Hiroya Tahara, President
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Scheduled date of General Meeting of Shareholders: June 24, 2011
Scheduled date of filing of Annual Securities Report: June 27, 2011
Scheduled date of payment of dividend: June 27, 2011
Preparation of supplementary materials for financial results: Yes
Holding of financial results meeting: Yes (for institutional investors and securities analysts)

(All amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2011 (April 1, 2010 – March 31, 2011)

(1) Consolidated results of operations

(Percentages for net sales, operating income, recurring profit and net income represent year-on-year changes)

	Net sales		Operating income		Recurring profit		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended Mar. 31, 2011	13,921	32.1	259	-	470	-	360	-
Fiscal year ended Mar. 31, 2010	10,536	72.3	(157)	-	(20)	-	(314)	-

Note) Comprehensive income (million yen)　FY3/11: 352 (n.a.)　FY3/10: (307) (n.a.)

	Net income per share (basic)	Net income per share (diluted)	ROE	Recurring profit to total assets	Operating income on net sales
	Yen	Yen	%	%	%
Fiscal year ended Mar. 31, 2011	19.33	-	4.7	3.9	1.9
Fiscal year ended Mar. 31, 2010	(14.32)	-	(3.8)	(0.2)	(1.5)

Reference) Equity in earnings of affiliates (million yen)　FY3/11: -　FY3/10: -

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Mar. 31, 2011	11,516	7,200	62.5	435.13
As of Mar. 31, 2010	12,841	8,231	64.1	372.30

Reference) Shareholders' equity (million yen)　Mar. 31, 2011: 7,200　Mar. 31, 2010: 8,231

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended Mar. 31, 2011	189	(206)	(1,074)	1,597
Fiscal year ended Mar. 31, 2010	817	(184)	(193)	2,689

2. Dividends

	Dividend per share					Total dividends	Payout ratio (Consolidated)	Dividend on equity (Consolidated)
	1Q-end	2Q-end	3Q-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended Mar. 31, 2010	-	0.00	-	2.00	2.00	44	-	0.5
Fiscal year ended Mar. 31, 2011	-	0.00	-	5.50	5.50	91	28.5	1.4
Fiscal year ending Mar. 31, 2012 (forecast)	-	0.00	-	1.50	1.50		31.6	

3. Consolidated Forecast for the Fiscal Year Ending March 31, 2012 (April 1, 2011 – March 31, 2012)

(Percentages represent year-on-year changes)

	Net sales		Operating income		Recurring profit		Net income		Net income per share (basic)
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	8,903	21.8	170	(35.1)	245	(5.6)	98	(39.6)	5.92
Full year	14,345	3.0	33	(87.0)	155	(66.9)	78	(78.2)	4.75

4. Others

(1) Changes in consolidated subsidiaries during the period (changes in scope of consolidation): None

(2) Changes in accounting principles, procedures, presentation methods, etc.

1) Changes caused by revision of accounting standards: Yes

2) Other changes: None

Note: Please refer to "Changes in Significant Accounting Policies in the Preparation of the Consolidated Financial Statements" on page 16 for further information.

(3) Number of shares outstanding (common stock shares)

1) Number of shares outstanding at the end of period (including treasury stock shares)

As of Mar. 31, 2011:	22,806,900 shares	As of Mar. 31, 2010:	22,806,900 shares

2) Number of treasury stock shares at the end of period

As of Mar. 31, 2011:	6,259,410 shares	As of Mar. 31, 2010:	697,311 shares

3) Average number of shares outstanding during the period

Fiscal year ended Mar. 31, 2011:	18,628,847 shares	Fiscal year ended Mar. 31, 2010:	21,992,194 shares

Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results (April 1, 2010 – March 31, 2011)

(1) Non-consolidated results of operations (Percentages represent year-on-year changes)

	Net sales		Operating income		Recurring profit		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended Mar. 31, 2011	426	(2.1)	0	(95.6)	56	(17.3)	120	80.0
Fiscal year ended Mar. 31, 2010	435	(91.8)	18	-	67	-	66	-

	Net income per share (basic)	Net income per share (diluted)
	Yen	Yen
Fiscal year ended Mar. 31, 2011	6.46	-
Fiscal year ended Mar. 31, 2010	3.04	-

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Mar. 31, 2011	8,325	7,142	85.8	431.61
As of Mar. 31, 2010	9,242	8,409	91.0	380.34

Reference) Shareholders' equity (million yen) Mar. 31, 2011: 7,142 Mar. 31, 2010: 8,409

2. Non-consolidated Forecast for the Fiscal Year Ending March 31, 2012 (April 1, 2011 – March 31, 2012)

No non-consolidated forecast is shown because Helios Techno Holding Co., Ltd. has no sales to external customers following the Company's conversion to a holding company.

* Indication of audit procedure implementation status

This summary report is not subject to the audit procedures based on the Financial Instruments and Exchange Law. At the time when this report is released, the audit procedures for financial statements have not been completed.

* Cautionary statement with respect to forward-looking statements and other special items

Forecasts of future performance in this report are based on assumptions judged to be valid and information currently available to the Company. Actual results are affected by various factors and may differ substantially. For discussion of the assumptions and other factors considered by the Company in preparing the above projections, please refer to page 2 of the attachments "Analysis of Results of Operations."

Contents of Attachments

1. Results of Operations

(1) Analysis of Results of Operations

Overview of the current fiscal year

1. General economic and market trends

The Japanese economy was healthy in the current fiscal year. Exports and manufacturing recovered along with economic growth in Asia's emerging countries, and consumer spending in Japan is rebounding primarily because of government economic stimulus programs. Despite this strength, the outlook for the economy is still somewhat unclear. Capital expenditures remain low, there has been no change in Japan's high unemployment and the yen remains strong since the rapid appreciation that started toward the end of the second quarter. In addition, the March 11 Great East Japan Earthquake could have a significant impact on the outlook for the economy in Japan.

Under these challenging conditions, the Helios Techno Group took several actions during the previous fiscal year to further strengthen its operating base. The Group expanded its business beyond the core lamp business to inspection and measuring equipment and made two companies consolidated subsidiaries. Nippon Gijutsu Center Co., Ltd. manufactures inspection and measuring equipment and operates a staffing service for engineers. NAKAN Techno Co., Ltd. is engaged mainly in the manufacture of alignment layer printing machines.

As a result, net sales in the current fiscal year increased 3,384 million yen or 32.1% over the previous fiscal year to 13,921 million yen and there were an operating income of 259 million yen, a recurring profit of 470 million yen and a net income of 360 million yen.

2. Operation results by segment

1) Lamp business

In the lamp business, demand for projector lamps has stabilized after a period of slowdown. Nevertheless, the downturn in lamp prices has continued due to the recent appreciation of the yen. On the other hand, demand for projectors used by companies, schools, and other applications have recovered. As a result, sales of projector lamps increased 1.9% to 3,289 million yen. Sales of general lighting lamps, driven by LED lamps, were favorable rising 49.9% to 2,631 million yen. At the same time, orders for multi-lamp-system (MLS) units (a light source for exposure equipment) rose as the market took a turn for the better and sales rose 388.9% to 377 million yen. Overall segment sales were up 24.6% to 6,300 million yen.

2) Manufacturing equipment business

In the manufacturing equipment business, NAKAN Techno Co., Ltd. worked on deepening ties with current clients while attracting new customers. Aggressive capital expenditures continues in the flat-panel display market as more flat-panel manufacturers are drawing up plans for investment in equipment for new products such as touch-screen panels and 3-D panels in the wake of rising demand in Asia, particularly in China. Segment sales rose 107.0% to 5,486 million yen as this business went into full-scale operation.

3) Inspection equipment business

In the inspection equipment business, demand for macro inspection equipment (penetrant testing device) has peaked for the time being. Although new products were developed and introduced, segment sales fell 38.7% to 651 million yen.

4) Staffing services business

In the staffing services business, the number of workers on assignment was stable. Furthermore, our active response to the changes in the structure of the business in which demand is shifting from temporary staffing to subcontracting also helped. The result was a 0.9% increase in sales to 1,828 million yen.

Net sales and operating income by business segment (Millions of yen, %)

Business segment	FY3/10			FY3/11		
	Net sales	Composition	Operating income	Net sales	Composition	Operating income
Lamp business	5,058	48.0	119	6,300	45.3	205
Manufacturing equipment business	2,650	25.2	187	5,486	39.4	508
Inspection equipment business	1,061	10.1	(56)	651	4.7	(38)
Staffing services business	1,811	17.2	9	1,828	13.1	18
Adjustments	(45)	(0.4)	(417)	(345)	(2.5)	(435)
Total	10,536	100.0	(157)	13,921	100.0	259

In the previous fiscal years, the Group used three business segments: the lamp business, industrial equipment business and staffing services business. Beginning with the current fiscal year, “Accounting Standard for Disclosures about Segments of an Enterprise and Related Information” (Accounting Standards Board of Japan (ASBJ) Statement No. 17, March 27, 2009) and “Guidance on the Accounting Standard for Disclosures about Segments of an Enterprise and Related Information” (ASBJ Guidance No. 20, March 21, 2008) have been applied. As the result of this change, operations are categorized into four business segments: the lamp business, the manufacturing equipment business, the inspection equipment business and the staffing services business.

Outlook for new fiscal year

While the Helios Techno Group has not been directly affected by the Great East Japan Earthquake, indirect effects to a certain extent are unavoidable but are likely to be limited. The Helios Techno Group is committed to improving its business performance. The initiatives toward that goal are as follows:

1) Lamp business

In the lamp business, the downturn in the projector market, the primary source of sales at PHOENIX Electric, came to an end as a recovery took place in demand for projectors used in companies, schools and other locations. However, lower-priced products are still accounting for a rising share of sales. One goal is increasing sales by deepening ties with current customers and establishing relationships with new customers. Another goal is to become more cost competitive by reducing costs through greater collaboration among sales, technology, production and procurement activities. In the LED lamp sector, the Company expects sales to post steady growth. One reason is that sales activities are raising awareness of these lamps. Another reason is the development of high-intensity lamps, which makes it possible to offer a broad lineup of LED lamps. There is substantial demand for these lamps at operators of restaurants, hotels and retail stores and another source of demand is emerging as tie-ups are formed with luminaire manufacturers.

2) Manufacturing equipment business

In the manufacturing equipment business, although large-scale capital expenditures in China have largely been completed, aggressive capital expenditures continues in the flat-panel display market as more flat-panel manufacturers are drawing up plans for investment in equipment for new products such as touch-screen panels, 3-D panels, slate PCs and other products. NAKAN Techno Co., Ltd. has not only been aggressively developing new products to respond to the demand from these capital expenditures but also developing inkjet printers and high-precision printing equipment to diversify into new businesses.

3) Inspection equipment business

In the inspection equipment business, the Helios Techno Group will continue aggressive sales activities for macro inspection equipment for smart phones. At the same time, the Group will actively promote its newly developed penetrant testing device (S-LIGHT) to continue to expand its inspection equipment business.

4) Staffing services business

In the staffing services business, the downturn in performance was not severe because this business handles primarily engineers. Nevertheless, a significant recovery is not expected in the fiscal year ending on March 31, 2012. Operations in this business will be further upgraded by improving the quality of the staff and offering services that precisely meet the needs of customers.

Based on this outlook, the Company is forecasting consolidated net sales of 14,345 million yen, operating income of 33 million yen, recurring profit of 155 million yen and net income of 78 million yen in the fiscal year ending on March 31, 2012.

(2) Analysis of Financial Position

Analysis of balance sheet position and cash flows

1) Balance sheet position

Assets

Current assets decreased by 1,213 million yen from the end of the previous fiscal year. The main factors of increase were 541 million yen in notes and accounts receivable and 178 million yen in raw materials and supplies. The main factors of decrease were 1,382 million yen in cash and deposits with banks and 432 million yen in work in process.

Fixed assets decreased by 111 million yen from the end of the previous fiscal year. The main factors of increase were 182 million yen in investment securities and a 219 million yen decrease in allowance for doubtful accounts, a contra account. The main factors of decrease were 122 million yen in property, plant and equipment and 320 million yen in long-term accounts receivable-other.

As a result of the above, total assets decreased 10.3% from the end of the previous fiscal year to 11,516 million yen.

Liabilities

Current liabilities decreased by 463 million yen from the end of the previous fiscal year. The main factors of increase were 229 million yen in notes and accounts payable and 77 million yen in accrued income taxes. The main factors of decrease were 383 million yen in advances received and a 103 million yen in accrued expense that are included in others under current liabilities.

Long-term liabilities increased by 170 million yen from the end of the previous fiscal year. The main factor of increase was 382 million yen in long-term borrowings. The main factors of decrease were 92 million yen in deferred tax liabilities and 40 million yen in negative goodwill.

As a result, total liabilities decreased 6.4% to 4,316 million yen.

Net assets

Total net assets decreased 1,031 million yen from the end of the previous fiscal year. The main factor of increase was 295 million yen in retained earnings. The main factor of decrease was 1,319 million yen in treasury stock. Retained earnings increased mainly due to a 360 million yen increase in net income while being reduced 44 million yen for cash dividends paid

As a result, total net asset declined 12.5% to 7,200 million yen.
Consequently, shareholders’ equity ratio fell from 64.1% at the end of the previous fiscal year to 62.5%.

2) Cash flows

Cash flows from operating activities

Net cash provided by operating activities was 189 million yen compared with 817 million yen one year earlier. Major sources of cash were income before income taxes of 611 million yen, depreciation and amortization of 422 million yen and an increase of 229 million yen in notes and accounts payable. Major uses of cash included an increase of 541 million yen in notes and accounts receivable and an increase of 383 million yen in advances received.

Cash flows from investing activities

Net cash used in investing activities was 206 million yen compared with 184 million yen one year earlier. While major source of cash was 510 million yen proceeds from time deposits, there were payments of 283 million yen for the purchase of property, plant and equipment and payments of 199 million yen to purchase investment securities.

Cash flows from financing activities

Net cash used in financing activities was 1,074 million yen compared with 193 million yen one year earlier. While major source of cash was proceeds from long-term borrowings of 650 million yen, major uses of cash include a 1,539 million yen payment for acquisition of treasury stock, repayment of long-term borrowings of 281 million yen and cash dividends paid of 44 million yen.

As a result of the above, cash and cash equivalents at the end of the current fiscal year decreased 1,092 million yen from the end of the previous fiscal year to 1,597 million yen.

(Reference) Cash Flow Indicators

	FY3/07	FY3/08	FY3/09	FY3/10	FY3/11
Shareholders’ equity ratio (%)	83.8	88.5	92.2	64.1	62.5
Shareholders’ equity ratio at market cap (%)	109.6	53.7	41.9	52.3	28.6
Interest-bearing debt to cash flow ratio (years)	0.3	0.2	0.0	1.0	6.2
Interest coverage ratio	178.4	258.0	663.9	54.5	10.5

Shareholders’ equity ratio: shareholders’ equity/ total assets

Shareholders’ equity ratio at market cap: market capitalization/ total assets

Interest-bearing debt to cash flow ratio: interest-bearing debt/ cash flow

Interest coverage ratio: cash flow/ interests paid

Note 1 All of the above indicators are calculated using figures from the consolidated financial statements.

Note 2 Market capitalization is calculated based on the number of outstanding shares (net of treasury stock).

Note 3 Cash flows refers to “net cash provided by operating activities” as shown on the statements of cash flows.

Note 4 Interest-bearing debt refers to the total of liabilities shown on the consolidated balance sheets on which interest is paid.

2. Management Policies

(1) Fundamental Management Policies

The Helios Techno Group is dedicated to meeting the expectations of shareholders, customers, suppliers, employees, communities and all other stakeholders. For this purpose, the Group is committed to using its collective strengths to increase sales and earnings, maximize corporate value and fulfill its obligations as a responsible corporate citizen.

As part of this commitment, the Group has diversified its business operations beyond the core lamp business. One step was the April 1, 2009 management integration with Nippon Gijutsu Center Co., Ltd., which manufactures inspection equipment and operates a staffing service for engineers. On July 28, 2009, the Group purchased the manufacturing equipment business of NAKAN Corporation, which was undergoing civil rehabilitation proceedings in order to rebuild its operations. This business was transferred to NAKAN Techno Co., Ltd., a subsidiary established by the Company. Currently, the Group consists of parent company Helios Techno Holding Co., Ltd. (a pure holding company) and subsidiaries PHOENIX Electric Co., Ltd., Nippon Gijutsu Center Co., Ltd., NAKAN Techno Co., Ltd., and LUX Co., Ltd.

The Group is using this management integration and acquisition to utilize the resources of these companies for the purpose of complementing each other’s strengths. The goals are to expand business operations and create value by building an even stronger base of operations that can generate synergies and accelerate growth. Consequently, following the management integration and acquisition, the Group has achieved a qualitative shift to become an organization with four businesses: the lamp business, manufacturing equipment business, inspection equipment business and staffing services business.

(2) Medium- and Long-term Management Strategies

The Group’s objective is to use the holding company structure with Helios Techno Holding Co., Ltd. as the parent company to expand the scale of operations and establish a stable base of operations with four profit centers: the lamp business, manufacturing equipment business, inspection equipment business and staffing services business.

In the lamp business, PHOENIX Electric Co., Ltd. bases its operations on a code of conduct that places priority on taking advantage of the company’s small scale to be of greater assistance to customers. This company aims to establish a distinctive presence in niche markets where it can create distinctive competitive strategies and leverage its unique competitive strengths. In the newly created LED lamp sector as well, the goal is to grow by using distinctive competitive strategies.

In the manufacturing equipment business, the core precision printing technology expertise of NAKAN Techno Co., Ltd. will be further upgraded to enter new market sectors and develop new products.

In the inspection equipment business, the Group plans to combine the expertise of Nippon Gijutsu Center Co., Ltd. involving many types of inspection equipment and the optical design technologies of PHOENIX Electric Co., Ltd. to develop new inspection equipment that can contribute to the growth of the inspection equipment business.

The staffing services business, which has a staff of engineers with highly advanced specialized technical skills, will be expanded to become a consistent source of earnings for the Group.

- A unique strategy for competing successfully
- Consistent growth
- A solid base of operations
- A prominent industry stature
- A sophisticated management system
- Unique attributes that competitors cannot match
- Happy shareholders, suppliers and employees
- A solid number-one position among customers

The Company strives to achieve further refinements in its operations in the above respects to become a “true middle-market company."

(3) Important Issues

The Group allocates resources only to carefully selected business fields. Other goals are building a powerful management structure and sustaining growth in business operations. To accomplish these goals, the Group is concentrating on the following issues.

1) Make each business more competitive and more profitable by optimizing the Group's business portfolio that includes the lamp business, manufacturing equipment business, inspection equipment business and staffing services business.
2) Combine technologies in the fields of lamps, optics, precision printing, equipment design and image processing, using new product development and other activities to contribute to the rapid growth of the industrial equipment business.
3) Develop lamps, with particular emphasis on LED lamps, that meet customer demands for better performance (longer life and greater brightness), improved reliability and help protect the environment.
4) Become more cost competitive by using collaboration among group companies.
5) Launch new businesses by targeting opportunities in new business fields.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Thousands of yen)

	FY3/10 (As of Mar. 31, 2010)	FY3/11 (As of Mar. 31, 2011)
Assets		
Current assets		
Cash and deposits with banks	2,999,821	1,617,737
Notes and accounts receivable	2,300,053	2,841,474
Merchandise and finished goods	236,135	256,548
Work in process	1,325,718	893,180
Raw materials and supplies	462,691	640,714
Deferred tax assets	90,174	85,880
Others	592,098	475,036
Allowance for doubtful accounts	(8,021)	(25,085)
Total current assets	7,998,673	6,785,485
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	1,655,767	1,532,976
Machinery and vehicles, net	543,887	611,919
Land	1,250,227	1,250,227
Lease assets	151,296	103,034
Construction in progress	137,043	121,015
Others, net	70,979	67,227
Total property, plant and equipment	3,809,201	3,686,400
Intangible assets		
Goodwill	267,580	200,685
Others	39,195	76,551
Total intangible assets	306,776	277,237
Investments and other assets		
Investment securities	74,853	257,230
Deferred tax assets	3,118	4,260
Long-term accounts receivable-other	1,094,130	773,353
Others	110,077	69,030
Allowance for doubtful accounts	(555,751)	(336,295)
Total investments and other assets	726,427	767,579
Total fixed assets	4,842,405	4,731,216
Total assets	12,841,078	11,516,701

(Thousands of yen)

	FY3/10 (As of Mar. 31, 2010)	FY3/11 (As of Mar. 31, 2011)
Liabilities		
Current liabilities		
Notes and accounts payable	933,453	1,162,908
Current portion of long-term borrowings	269,420	254,820
Lease obligations	53,192	44,307
Accrued income taxes	154,302	231,987
Accrued bonuses	163,384	176,150
Provision for product warranties	13,832	17,736
Provision for loss on construction contracts	104,545	88,374
Others	1,377,106	629,126
Total current liabilities	3,069,237	2,605,410
Long-term liabilities		
Long-term borrowings	413,650	796,330
Lease obligations	114,950	70,643
Deferred tax liabilities	534,641	442,039
Accrued employees' retirement benefits	165,380	158,713
Long-term accounts payable	139,942	111,622
Negative goodwill	170,651	130,497
Others	1,200	1,200
Total long-term liabilities	1,540,416	1,711,046
Total liabilities	4,609,653	4,316,457
Net assets		
Shareholders' equity		
Common stock	2,133,177	2,133,177
Capital surplus	2,563,867	2,563,867
Retained earnings	3,770,739	4,065,923
Treasury stock	(248,126)	(1,567,420)
Total shareholders' equity	8,219,658	7,195,548
Accumulated other comprehensive income		
Unrealized holding gain on other securities	11,766	4,696
Total accumulated other comprehensive income	11,766	4,696
Total net assets	8,231,425	7,200,244
Total liabilities and net assets	12,841,078	11,516,701

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Consolidated Statements of Income

(Thousands of yen)

	FY3/10 (Apr. 1, 2009 – Mar. 31, 2010)	FY3/11 (Apr. 1, 2010 – Mar. 31, 2011)
Net sales	10,536,437	13,921,378
Cost of goods sold	8,217,734	10,874,951
Gross profit	2,318,702	3,046,426
Selling, general, and administrative expenses	2,476,093	2,787,096
Operating income (loss)	(157,391)	259,329
Non-operating income		
Interest income	5,875	1,123
Dividend income	755	1,504
Subsidy income	16,039	-
Fiduciary obligation fee	96,555	294,355
Amortization of negative goodwill	30,033	40,153
Miscellaneous revenue	29,309	30,228
Total non-operating income	178,569	367,365
Non-operating expenses		
Interest expense	14,984	17,202
Foreign exchange losses	22,265	118,973
Miscellaneous loss	4,318	20,015
Total non-operating expenses	41,568	156,191
Recurring profit (loss)	(20,391)	470,503
Extraordinary income		
Gain on sales of fixed assets	-	2,560
Reversal from allowance for doubtful accounts	-	139,018
Total extraordinary income	-	141,578
Extraordinary loss		
Loss on disposal of fixed assets	559	242
Product warranty	108,623	-
Total extraordinary losses	109,183	242
Income (loss) before income taxes	(129,574)	611,839
Income taxes-current	163,802	336,377
Income taxes-deferred	21,603	(84,565)
Total income taxes	185,406	251,812
Income before minority interests	-	360,027
Net income (loss)	(314,980)	360,027

Consolidated Statements of Comprehensive Income

(Thousands of yen)

	FY3/10 (Apr. 1, 2009 – Mar. 31, 2010)	FY3/11 (Apr. 1, 2010 – Mar. 31, 2011)
Income before minority interests	-	360,027
Other comprehensive income		
Unrealized holding gain on other securities	-	(7,070)
Total other comprehensive income	-	*2 (7,070)
Comprehensive income	-	*1 352,956
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	-	352,956
Comprehensive income attributable to minority interests	-	-

(3) Consolidated Statements of Changes in Shareholders' Equity

(Thousands of yen)

	FY3/10 (Apr. 1, 2009 – Mar. 31, 2010)	FY3/11 (Apr. 1, 2010 – Mar. 31, 2011)
Shareholders' equity		
Common stock		
Balance at the end of previous period	2,133,177	2,133,177
Balance at the end of current period	2,133,177	2,133,177
Capital surplus		
Balance at the end of previous period	2,563,867	2,563,867
Balance at the end of current period	2,563,867	2,563,867
Retained earnings		
Balance at the end of previous period	4,384,368	3,770,739
Changes of items during the period		
Dividends from surplus	(46,526)	(44,219)
Disposal of treasury stock	-	(20,624)
Net income (loss)	(314,980)	360,027
Decrease by share exchanges	(252,121)	-
Total changes of items during the period	(613,629)	295,183
Balance at the end of current period	3,770,739	4,065,923
Treasury stock		
Balance at the end of previous period	(754,979)	(248,126)
Changes of items during the period		
Disposal of treasury stock	507,108	220,611
Purchase of treasury stock	(255)	(1,539,905)
Total changes of items during the period	506,853	(1,319,293)
Balance at the end of current period	(248,126)	(1,567,420)
Total shareholders' equity		
Balance at the end of previous period	8,326,433	8,219,658
Changes of items during the period		
Dividends from surplus	(46,526)	(44,219)
Decrease by share exchanges	(252,121)	-
Net income (loss)	(314,980)	360,027
Disposal of treasury stock	507,108	199,987
Purchase of treasury stock	(255)	(1,539,905)
Total changes of items during the period	(106,775)	(1,024,109)
Balance at the end of current period	8,219,658	7,195,548

(Thousands of yen)

	FY3/10 (Apr. 1, 2009 – Mar. 31, 2010)	FY3/11 (Apr. 1, 2010 – Mar. 31, 2011)
Accumulated other comprehensive income		
Unrealized holding gain on other securities		
Balance at the end of previous period	3,954	11,766
Changes of items during the period		
Net changes of items other than shareholders' equity	7,812	(7,070)
Total changes of items during the period	7,812	(7,070)
Balance at the end of current period	11,766	4,696
Total accumulated other comprehensive income		
Balance at the end of previous period	3,954	11,766
Changes of items during the period		
Net changes of items other than shareholders' equity	7,812	(7,070)
Total changes of items during the period	7,812	(7,070)
Balance at the end of current period	11,766	4,696
Total net assets		
Balance at the end of previous period	8,330,388	8,231,425
Changes of items during the period		
Dividends from surplus	(46,526)	(44,219)
Decrease by share exchanges	(252,121)	-
Net income (loss)	(314,980)	360,027
Disposal of treasury stock	507,108	199,987
Purchase of treasury stock	(255)	(1,539,905)
Net changes of items other than shareholders' equity	7,812	(7,070)
Total changes of items during the period	(98,963)	(1,031,180)
Balance at the end of current period	8,231,425	7,200,244

(4) Consolidated Statements of Cash Flows

(Thousands of yen)

	FY3/10 (Apr. 1, 2009 – Mar. 31, 2010)	FY3/11 (Apr. 1, 2010 – Mar. 31, 2011)
Cash flows from operating activities		
Income (loss) before income taxes	(129,574)	611,839
Depreciation and amortization	466,777	422,268
Amortization of goodwill	36,861	26,742
Loss on valuation of inventories	(25,383)	-
Increase (decrease) in accrued bonuses	463	12,765
Increase (decrease) in allowance for doubtful accounts	3,597	(202,391)
Increase (decrease) in provision for loss on construction contracts	18,817	(16,171)
Increase (decrease) in provision for product warranties	5,932	3,903
Increase (decrease) in accrued employees' retirement benefits	8,765	-
Interest and dividend income	(6,631)	(2,627)
Interest expense	14,984	17,202
Loss (gain) on valuation of investment securities	(1,173)	5,003
Loss (gain) on sale of fixed assets	-	(2,560)
Loss on disposal of fixed assets	559	242
Decrease (increase) in notes and accounts receivable	86,910	(541,420)
Decrease (increase) in inventories	(525,890)	234,103
Decrease (increase) in other accounts receivable	845,697	74,364
Decrease (increase) in advance payments	-	(21,911)
Increase (decrease) in notes and accounts payable	(324,444)	229,454
Increase (decrease) in accrued consumption taxes	(116,405)	75,608
Increase (decrease) in other accounts payable	(5,848)	(12,611)
Increase (decrease) in advances received	524,646	(383,468)
Increase (decrease) in long-term accounts payable	(11,468)	(28,320)
Others	(140,618)	(24,893)
Subtotal	726,575	477,121
Interests and dividends received	11,146	2,799
Interests paid	(14,984)	(18,043)
Income taxes refund	127,339	2,041
Income taxes paid	(33,017)	(274,863)
Net cash provided by operating activities	817,059	189,055

(Thousands of yen)

	FY3/10 (Apr. 1, 2009 – Mar. 31, 2010)	FY3/11 (Apr. 1, 2010 – Mar. 31, 2011)
Cash flows from investing activities		
Payment for time deposits	-	(220,000)
Proceeds from time deposits	1,500,000	510,000
Payment for purchase of securities	(500,000)	-
Proceeds from sale of securities	500,151	-
Proceeds from cancellation of insurance funds	185,563	36,848
Payment for purchase of property, plant and equipment	(312,070)	(283,390)
Proceeds from sale of property, plant, and equipment	-	2,565
Payment for purchase of intangible assets	(13,194)	(53,508)
Payment for purchase of investment securities	(120)	(199,335)
Proceeds from purchase of investments in subsidiaries resulting in change in scope of consolidation	211,421	-
Payment for transfer of business	(1,738,850)	-
Others	(17,118)	-
Net cash used in investing activities	(184,218)	(206,820)
Cash flows from financing activities		
Proceeds from long-term borrowings	-	650,000
Repayment of long-term borrowings	(73,020)	(281,920)
Increase (decrease) in equipment notes payable	(16,513)	(5,595)
Increase (decrease) in accounts payable-equipment	(1,995)	526
Repayment of lease obligations	(55,385)	(53,192)
Payment for acquisition of treasury stock	(255)	(1,539,905)
Proceeds from sales of treasury stock	-	199,987
Cash dividends paid	(46,526)	(44,219)
Net cash used in financing activities	(193,695)	(1,074,319)
Increase (decrease) in cash and cash equivalents	439,146	(1,092,084)
Cash and cash equivalents at beginning of period	2,250,675	2,689,821
Cash and cash equivalents at end of period	2,689,821	1,597,737

(5) Going Concern Assumption

Not applicable.

(6) Changes in Significant Accounting Policies in the Preparation of the Consolidated Financial Statements

Changes in accounting method

FY3/10 (Apr. 1, 2009 – Mar. 31, 2010)	FY3/11 (Apr. 1, 2010 – Mar. 31, 2011)
―――――	(Accounting standard for asset retirement obligations) Beginning with the current fiscal year, “Accounting Standard for Asset Retirement Obligations” (ASBJ Statement No. 18, March 31, 2008) and “Guidance on Accounting Standard for Asset Retirement Obligations” (ASBJ Guidance No. 21, March 31, 2008) have been applied. The effect of this change has no impact on profit/loss.

Reclassification

FY3/10 (Apr. 1, 2009 – Mar. 31, 2010)	FY3/11 (Apr. 1, 2010 – Mar. 31, 2011)
(Consolidated balance sheets) “Long-term accounts receivable-other,” included in “Others” under investments and other assets in the previous fiscal year, is reclassified and presented as a separate line item, given that it now exceeds 5/100 of total assets. “Long-term accounts receivable-other” totaled 1,630,000 yen in the previous fiscal year.	―――――
―――――	(Consolidated statements of income) Following the application of “Cabinet Office Ordinance Partially Revising Regulation for Terminology, Forms and Presentation of Financial Statements” (Cabinet Office Ordinance No. 5, March 24, 2009) based on the “Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No. 22, December 26, 2008) an item “Income before minority interests” is presented in the current fiscal year.

Supplementary information

FY3/10 (Apr. 1, 2009 – Mar. 31, 2010)	FY3/11 (Apr. 1, 2010 – Mar. 31, 2011)
―――――	(Accounting standard for presentation of comprehensive income) Beginning with the current fiscal year, “Accounting Standard for Presentation of Comprehensive Income (ASBJ Statement No. 25, June 30, 2010) has been applied. However, the “Accumulated other comprehensive income” and “Total accumulated other comprehensive income” items for the previous fiscal year show the amounts for “Valuation and translation adjustments” and “Total valuation and translation adjustments,” respectively.

(7) Notes to Consolidated Financial Statements

Notes to Consolidated Statements of Comprehensive Income

FY3/11 (Apr. 1, 2010 – Mar. 31, 2011)

*1. Comprehensive income in the previous fiscal year *(Thousands of yen)*

Comprehensive income attributable to owners of the parent	(307,168)
Comprehensive income attributable to minority interests	-
Total	(307,168)

*2. Other comprehensive income in the previous fiscal year *(Thousands of yen)*

Unrealized holding gain on other securities	7,812
Total	7,812

Segment Information

Operating segment information

FY3/10 (Apr. 1, 2009 – Mar. 31, 2010)

(Thousands of yen)

	Lamp business	Industrial equipment business	Staffing services business	Total	Elimination or corporate	Consolidated
I Net sales						
(1) Sales to third parties	5,058,143	3,699,433	1,778,859	10,536,437	-	10,536,437
(2) Intergroup sales and transfers	153	12,910	32,603	45,668	(45,668)	-
Total	5,058,297	3,712,344	1,811,463	10,582,105	(45,668)	10,536,437
Operating expenses	4,938,942	3,581,204	1,802,156	10,322,303	371,524	10,693,828
Operating income (loss)	119,355	131,139	9,306	259,801	(417,192)	(157,391)
II Asset, depreciation and capital expenditures						
Assets	5,296,962	5,261,273	784,692	11,342,928	1,498,150	12,841,078
Depreciation	340,015	121,379	5,383	466,777	-	466,777
Capital expenditures	120,023	89,366	612	210,001	-	210,001

Notes: 1. Business classification is based on categories adopted for purpose of internal management.

2. Major products in businesses

(1) Lamp business: Projector lamps, general halogen lamps, and LED lamps

(2) Industrial equipment business: Industrial machinery, inspection and measurement equipment, alignment layer printing machine, specialty printing machine

(3) Staffing services business: Temporary placement of engineers, temporary placement of manufacturing workers

3. Unallocated operating expenses (417,192 thousand yen) included in “Elimination or corporate” consist primarily of expenses related to the administration divisions, including the director compensation, general affairs and accounting at Helios Techno Holding.

4. Corporate assets (1,498,151 thousand yen) included in “Elimination or corporate” consist operating of assets (cash and deposits with banks, marketable securities, etc.) at Helios Techno Holding.

Geographical segment information

FY3/10 (Apr. 1, 2009 – Mar. 31, 2010)

The geographic segment information is not presented since the combined segment sales and assets in Japan represented more than 100% of total sales and assets.

Overseas sales

FY3/10 (Apr. 1, 2009 – Mar. 31, 2010)

(Thousands of yen)

	N. America	Asia	Other regions	Total
I. Overseas sales	428,170	4,198,254	50,759	4,677,184
II. Consolidated sales	-	-	-	10,536,437
III. Overseas sales as a percentage of consolidated sales (%)	4.1	39.8	0.5	44.4

Notes: 1. The geographic segmentation is decided by geographic proximity.
2. Major countries and regions, excluding Japan, included in geographic segmentation
* North America: The United States, Canada, and Mexico
* Asia: China, Taiwan, Hong Kong, Malaysia, Singapore, India, Saudi Arabia, etc.
* Other regions: Europe, Oceania, South America, Africa, etc.
3. Overseas sales represent sales of the Company and its consolidated subsidiaries, excluding sales in Japan.

Segment information

1. Overview of reportable segments

Segments used for financial reporting are the Group's constituent units for which separate financial information is available and for which the Board of Directors performs periodic studies for the purposes of determining the allocation of resources and evaluating performance.

The Group establishes comprehensive strategies for individual products and services and conducts associated business activities. This system is used to divide operations into four business segments: the lamp business, the manufacturing equipment business, the inspection equipment business and the staffing services business.

The lamp business includes the manufacture and sale of projector lamps, general halogen lamps and LED lamps. The manufacturing equipment business includes the manufacture and sale of alignment layer printing machines, specialty printing machines and other equipment. The inspection equipment business includes the manufacture and sale of industrial machinery and inspection and measurement equipment. The staffing services business includes the temporary placement of engineers, temporary placement of manufacturing workers and services provided on an outsourcing basis.

2. Calculation methods for net sales, profits/losses, assets, and other items for each reportable segment

The accounting treatment methods for reportable segments are generally the same as those listed in "Significant Accounting Policies in the Preparation of Consolidated Financial Statements."

Profits for reportable segments are generally operating income figures. Intergroup sales and transfers are based on market prices.

3. Information related to net sales, profit/losses, assets and other items for each reportable segment

FY3/10 (Apr. 1, 2009 – Mar. 31, 2010) *(Thousands of yen)*

	Reportable segment					Adjustment (Note 1)	Amounts shown on consolidated financial statements (Note 2)
	Lamp business	Manufacturing equipment business	Inspection equipment business	Staffing services business	Total		
Net sales							
Sales to third parties	5,058,143	2,650,416	1,049,016	1,778,859	10,536,437	-	10,536,437
Intergroup sales and transfers	153	-	12,910	32,603	45,668	(45,668)	-
Total	5,058,297	2,650,416	1,061,927	1,811,463	10,582,105	(45,668)	10,536,437
Segment profit (loss)	119,355	187,507	(56,368)	9,306	259,801	(417,192)	(157,391)
Segment assets	5,296,962	4,361,701	899,571	784,692	11,342,928	1,498,150	12,841,078
Other items							
Depreciation and amortization	340,016	109,118	12,259	5,383	466,777	-	466,777
Amortization of goodwill	-	-	6,689	60,205	66,895	-	66,895
Increase in property, plant and equipment and intangible fixed assets	120,022	48,246	41,119	612	210,000	-	210,000

Notes: 1. The above adjustments to segment profits are as follows.

(1) The (417,192 thousand yen) adjustment to segment profit (loss) includes a (417,192 thousand yen) in corporate costs that cannot be allocated to reportable segments. Corporate costs mainly include general and administrative expenses that cannot be attributed to reportable segments.

(2) The 1,498,150 thousand yen adjustment to segment assets includes 1,498,150 thousand yen in corporate assets that cannot be allocated to reportable segments. Corporate assets mainly include operating assets (cash and deposits with banks, marketable securities, etc.) that cannot be attributed to reportable segments.

2. Segment profit is adjusted to be consistent with operating income shown on the consolidated statements of income.

FY3/11 (Apr. 1, 2010 – Mar. 31, 2011) *(Thousands of yen)*

	Reportable segment					Adjustment (Note 1)	Amounts shown on consolidated financial statements (Note 2)
	Lamp business	Manufacturing equipment business	Inspection equipment business	Staffing services business	Total		
Net sales							
Sales to third parties	6,297,541	5,486,923	410,674	1,726,239	13,921,378	-	13,921,378
Intergroup sales and transfers	2,974	-	240,762	102,122	345,860	(345,860)	-
Total	6,300,515	5,486,923	651,437	1,828,362	14,267,238	(345,860)	13,921,378
Segment profit (loss)	205,966	508,058	(38,246)	18,811	694,589	(435,259)	259,329
Segment assets	5,591,115	4,324,310	782,917	572,232	11,270,576	246,125	11,516,701
Other items							
Depreciation and amortization	234,892	165,743	12,543	4,929	418,109	4,158	422,268
Amortization of goodwill	-	-	6,689	60,205	66,895	-	66,895
Increase in property, plant and equipment and intangible fixed assets	81,316	208,252	11,631	9,368	310,570	24,390	334,960

Notes: 1. The above adjustments to segment profits are as follows.

(1) The (435,259 thousand yen) adjustment to segment profit (loss) includes (9,870 thousand yen) in elimination of inter-segment transactions and (425,388 thousand yen) in company-wide costs that cannot be allocated to reportable segments. Company-wide costs mainly include general and administrative expenses that cannot be attributed to reportable segments.

(2) The 246,125 thousand yen adjustment to segment assets includes (157,078 thousand yen) in elimination of inter-segment receivables and payables and 403,203 thousand yen of company-wide assets that cannot be allocated to reportable segments. Company-wide assets mainly include operating assets (cash and deposits with banks, marketable securities, etc.) that cannot be attributed to reportable segments.

(3) The 24,390 thousand yen adjustment to increase in property, plant and equipment and intangible fixed assets includes capital investment associated with the computer systems in the head office.

2. Segment profit is adjusted to be consistent with operating income shown on the consolidated statements of income.

Supplementary information

Beginning with the current fiscal year, the “Accounting Standard for Disclosures about Segments of an Enterprise and Related Information” (ASBJ Statement No. 17, March 27, 2009) and “Guidance on the Accounting Standard for Disclosures about Segments of an Enterprise and Related Information” (ASBJ Guidance No. 20, March 21, 2008) have been applied.

Per Share Data

(Yen)

FY3/10 (Apr. 1, 2009 – Mar. 31, 2010)	FY3/11 (Apr. 1, 2010 – Mar. 31, 2011)
Net assets per share 372.30 Net loss per share (14.32) Net income per share (diluted) is not presented since the Company posted net loss, and has no outstanding potential stock.	Net assets per share 435.13 Net income per share 19.33 Net income per share (diluted) is not presented since there is no outstanding potential stock.

Note: Basis for calculation

1. Net assets per share *(Thousands of yen)*

Item	FY3/10 (As of Mar. 31, 2010)	FY3/11 (As of Mar. 31, 2011)
Total net assets on the consolidated balance sheets	8,231,425	7,200,244
Net assets applicable to common stock	8,231,425	7,200,244
Number of shares outstanding (shares)	22,806,900	22,806,900
Number of treasury stock shares (shares)	697,311	6,259,410
Number of common stock shares used in calculation of net assets per share (shares)	22,109,589	16,547,490

2. Net loss per share *(Thousands of yen)*

Item	FY3/10 (Apr. 1, 2009 – Mar. 31, 2010)	FY3/11 (Apr. 1, 2010 – Mar. 31, 2011)
Net income (loss) on the consolidated statements of income	(314,980)	360,027
Net income (loss) available to common stock	(314,980)	360,027
Amount not attributable to common stock shareholders	-	-
Average number of shares outstanding (shares)	21,992,194	18,628,847

Subsequent Events

Not applicable.

Note: This is a translation of Japanese kessan Tanshin (including attachments), a summary of financial statements prepared in accordance with accounting principles generally accepted in Japan. This translation is prepared and provided for the purpose of the reader's convenience. All readers are recommended to refer to the original version in Japanese of the report for complete information.