



**Summary of Consolidated Financial Results for the First Quarter
of Fiscal Year Ending March 31, 2024
(Three Months Ended June 30, 2023)**

[Japanese GAAP]

Company name: Helios Techno Holding Co., Ltd.

Listing: Tokyo

Stock code: 6927

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Scheduled date of filing of Quarterly Report:

August 8, 2023

Scheduled date of payment of dividend:

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Preparation of supplementary materials for quarterly financial results:

None

Holding of quarterly financial results meeting:

None

Note: The original disclosure in Japanese was released on August 8, 2023 at 16:00 (GMT +9).

(Amounts are rounded down to the nearest million yen)

**1. Consolidated Financial Results for the Three Months Ended June 30, 2023
(April 1, 2023 – June 30, 2023)**

(1) Consolidated results of operations

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Recurring profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended Jun. 30, 2023	1,500	(20.5)	(37)	-	8	(96.4)	539	233.4
Three months ended Jun. 30, 2022	1,886	17.1	193	-	239	-	161	-

Note: Comprehensive income (million yen) Three months ended Jun. 30, 2023: 134 (down 12.0%)
Three months ended Jun. 30, 2022: 152 (up 88.2%)

	Net income per share (basic)	Net income per share (diluted)
	Yen	Yen
Three months ended Jun. 30, 2023	29.71	-
Three months ended Jun. 30, 2022	8.92	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of Jun. 30, 2023	17,438	15,002	86.0
As of Mar. 31, 2023	17,639	15,013	85.1

Reference: Equity (million yen) As of Jun. 30, 2023: 15,002

As of Mar. 31, 2023: 15,013

2. Dividends

	Dividend per share				
	End of first quarter	End of second quarter	End of third quarter	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Mar. 31, 2023	-	0.00	-	8.00	8.00
Fiscal year ending Mar. 31, 2024	-	-	-	-	-
Fiscal year ending Mar. 31, 2024 (forecast)	-	0.00	-	8.00	8.00

Note: Revisions to the most recently announced dividend forecast: No

3. Consolidated Forecast for the Fiscal Year Ending March 31, 2024 (April 1, 2023 – March 31, 2024)

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Recurring profit		Profit attributable to owners of parent		Net income per share (basic)
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	2,900	(32.1)	(430)	-	(440)	-	890	130.9	49.06
Full year	10,200	27.7	700	65.9	720	46.3	1,710	530.6	94.26

Note: Revisions to the most recently announced consolidated forecast: No

*** Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in changes in scope of consolidation): None

(2) Application of special accounting methods in the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies and accounting-based estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, others: None

2) Changes in accounting policies other than the above: None

3) Changes in accounting-based estimates: None

4) Restatements: None

(4) Number of shares issued (common stock)

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

As of Jun. 30, 2023:	22,806,900 shares	As of Mar. 31, 2023:	22,806,900 shares
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2) Number of treasury shares at the end of period

As of Jun. 30, 2023:	4,662,537 shares	As of Mar. 31, 2023:	4,662,537 shares
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3) Average number of shares outstanding during the period

Three months ended Jun. 30, 2023:	18,144,363 shares	Three months ended Jun. 30, 2022:	18,132,459 shares
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Note 1: The quarterly financial report is not subject to quarterly review by certified public accountants or auditing firms.

Note 2: Cautionary statement with respect to forward-looking statements and other special items

Note concerning forward-looking statements

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 3 of the attachments “1. Qualitative Information on Quarterly Consolidated Financial Results, (3) Explanation of Consolidated Forecast and Other Forward-looking Statements.”

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1. Qualitative Information on Quarterly Consolidated Financial Results

(1) Explanation of Results of Operations

In the first three months of the current fiscal year (the “period under review”), the Japanese economy showed a gradual recovery trend due to the normalization of economic activities in response to the reclassification of COVID-19 into Class 5. However, the world economy continued to face an uncertain outlook, given the prolonged Ukraine situation, surging energy prices, supply constraints due to raw material shortages, the yen depreciation, and concerns about inflation.

Also, the Asian markets centering on China, the Group’s main market, are seeing a slowdown of economic growth, while the economy is recovering due to a rebound in consumption. The outlook for capital investment demand is also uncertain.

Under such a business environment, the Group’s net sales for the period under review were 1,500 million yen (down 385 million yen, or 20.5%, from a year earlier). Operating loss was 37 million yen (compared with operating profit of 193 million yen a year earlier). Recurring profit was 8 million yen (down 230 million yen, or 96.4%, from a year earlier). Profit attributable to owners of parent was 539 million yen (up 377 million yen, or 233.4%, from a year earlier).

Operating results by business segment are described below. Each of the amounts shown includes inter-segment transactions.

i) Lamp Business

In the Lamp Business, shipments of light source units for exposure equipment, our core industrial lamp products, exceeded the plan thanks to some front-loaded shipments.

For industrial LEDs, sales were slower than planned, partly due to the extended evaluation period in the product development stage. However, we will continue active sales operations and product development to meet customers’ needs while establishing a system for mass production and expanding sales channels.

Consequently, the segment sales for the period under review were 612 million yen (up 15.7% from a year earlier), with a segment profit of 72 million yen (up 313.4% from a year earlier).

ii) Manufacturing Equipment Business

The Manufacturing Equipment Business progressed generally in line with the plan, while net sales remained sluggish compared with the same period of the previous year. This was because the schedules of shipments and receiving inspections for the Group’s core products, such as printing equipment for alignment layers, inkjet printing systems, and light source units for exposure equipment, are concentrated in the third quarter of the current fiscal year or later.

Consequently, the segment sales for the period under review were 888 million yen (down 34.8% from a year earlier), with a segment profit of 0 million yen (down 99.8% from a year earlier).

(2) Explanation of Financial Position

Assets

Current assets increased by 331 million yen from the end of the previous fiscal year to 13,361 million yen. This was mainly due to a 237 million yen increase in cash and deposits with banks, a 50 million yen increase in electronically recorded monetary claims - operating, and a 284 million yen increase in work in process, which were partially offset by a 238 million yen decrease in notes and accounts receivable, and contract assets.

Fixed assets decreased by 532 million yen from the end of the previous fiscal year to 4,077 million yen. This was mainly due to a 48 million yen increase in leasehold and guarantee deposits included in others of investments and other assets, which was partially offset by a 578 million yen decrease in investment securities.

As a result, total assets decreased by 200 million yen, or 1.1%, from the end of the previous fiscal year to 17,438 million yen.

Liabilities

Current liabilities decreased by 6 million yen from the end of the previous fiscal year to 2,002 million yen. This was mainly due to a 122 million yen decrease in notes and accounts payable, a 100 million yen decrease in short-term borrowings, and a 138 million yen decrease in contract liabilities, which were partially offset by a 22 million yen increase in electronically recorded obligations - operating, a 225 million yen increase in accrued income taxes, a 58 million yen increase in accounts payable - other included in others of current liabilities, and a 46 million yen increase in deposits received.

Long-term liabilities decreased by 183 million yen from the end of the previous fiscal year to 433 million yen. This was mainly due to a 185 million yen decrease in deferred tax liabilities included in others of long-term liabilities.

As a result, total liabilities decreased by 190 million yen, or 7.2%, from the end of the previous fiscal year to 2,435 million yen.

Net assets

Net assets decreased by 10 million yen, or 0.1%, from the end of the previous fiscal year to 15,002 million yen. This was mainly due to the payment of dividends from surplus of 145 million yen and a 404 million yen decrease in unrealized holding gain on other securities, which were partially offset by the recording of profit attributable to owners of parent of 539 million yen.

As a result, the equity ratio increased 0.9 percentage points from the end of the previous fiscal year to 86.0% at the end of the period under review, mainly reflecting the decreases in total assets and liabilities as described above.

(3) Explanation of Consolidated Forecast and Other Forward-looking Statements

There are no revisions to the first-half and full-year consolidated earnings forecast for the fiscal year ending March 31, 2024, released on June 21, 2023.

2. Quarterly Consolidated Financial Statements and Notes**(1) Consolidated Balance Sheets***(Thousands of yen)*

	FY3/23 (As of Mar. 31, 2023)	First quarter of FY3/24 (As of Jun. 30, 2023)
Assets		
Current assets		
Cash and deposits with banks	8,208,538	8,446,430
Notes and accounts receivable, and contract assets	1,940,591	1,701,825
Electronically recorded monetary claims - operating	85,162	135,221
Merchandise and finished goods	143,521	113,385
Work in process	1,601,368	1,885,948
Raw materials and supplies	755,054	743,876
Advance payments	31,128	23,019
Others	268,362	311,689
Allowance for doubtful accounts	(3,474)	(16)
Total current assets	13,030,254	13,361,381
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	683,181	670,176
Land	722,733	722,733
Others, net	354,673	367,687
Total property, plant and equipment	1,760,588	1,760,598
Intangible assets		
Others	15,961	12,198
Total intangible assets	15,961	12,198
Investments and other assets		
Investment securities	2,786,913	2,208,760
Others	78,214	134,975
Allowance for doubtful accounts	(32,493)	(39,392)
Total investments and other assets	2,832,634	2,304,342
Total fixed assets	4,609,184	4,077,139
Total assets	17,639,438	17,438,520

(Thousands of yen)

	FY3/23 (As of Mar. 31, 2023)	First quarter of FY3/24 (As of Jun. 30, 2023)
Liabilities		
Current liabilities		
Notes and accounts payable	631,407	508,562
Electronically recorded obligations - operating	22,761	45,486
Short-term borrowings	100,000	-
Current portion of long-term borrowings	107,752	104,416
Accrued income taxes	41,069	266,472
Provision for bonuses	179,309	169,135
Provision for product warranties	11,263	10,347
Provision for loss on construction contracts	36,124	31,612
Contract liabilities	400,140	261,912
Others	478,980	604,061
Total current liabilities	2,008,810	2,002,008
Long-term liabilities		
Long-term borrowings	60,000	60,000
Others	557,094	373,778
Total long-term liabilities	617,094	433,778
Total liabilities	2,625,905	2,435,787
Net assets		
Shareholders' equity		
Common stock	2,133,177	2,133,177
Capital surplus	2,570,043	2,570,043
Retained earnings	9,691,058	10,085,061
Treasury shares	(1,167,377)	(1,167,377)
Total shareholders' equity	13,226,902	13,620,905
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,786,631	1,381,828
Total accumulated other comprehensive income	1,786,631	1,381,828
Total net assets	15,013,533	15,002,733
Total liabilities and net assets	17,639,438	17,438,520

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income**Consolidated Statements of Income****(For the Three-month Period)***(Thousands of yen)*

	First three months of FY3/23 (Apr. 1, 2022 – Jun. 30, 2022)	First three months of FY3/24 (Apr. 1, 2023 – Jun. 30, 2023)
Net sales	1,886,810	1,500,840
Cost of goods sold	1,089,982	972,416
Gross profit	796,828	528,423
Selling, general and administrative expenses	603,105	566,078
Operating profit (loss)	193,723	(37,655)
Non-operating income		
Interest income	2	10
Dividend income	15,900	25,100
Foreign exchange profit	25,829	32,352
Subsidy income	630	–
Miscellaneous revenue	4,115	3,556
Total non-operating income	46,477	61,020
Non-operating expenses		
Interest expenses	476	630
Commission expenses	–	13,024
Miscellaneous loss	137	1,035
Total non-operating expenses	614	14,690
Recurring profit	239,585	8,674
Extraordinary income		
Gain on sale of investment securities	–	766,145
Total extraordinary income	–	766,145
Extraordinary loss		
Loss on retirement of fixed assets	515	0
Total extraordinary losses	515	0
Profit before income taxes	239,070	774,819
Income taxes-current	60,769	249,427
Income taxes-deferred	16,597	(13,764)
Total income taxes	77,366	235,662
Profit	161,704	539,157
Profit attributable to owners of parent	161,704	539,157

Consolidated Statements of Comprehensive Income
(For the Three-month Period)

(Thousands of yen)

	First three months of FY3/23 (Apr. 1, 2022 – Jun. 30, 2022)	First three months of FY3/24 (Apr. 1, 2023 – Jun. 30, 2023)
Profit	161,704	539,157
Other comprehensive income		
Unrealized holding gain on other securities	(9,114)	(404,802)
Total other comprehensive income	(9,114)	(404,802)
Comprehensive income	152,590	134,354
Comprehensive income attributable to:		
Owners of parent	152,590	134,354
Non-controlling interests	–	–

(3) Notes to Quarterly Consolidated Financial Statements**Going Concern Assumption**

Not applicable.

Significant Changes in Shareholders' Equity

Not applicable.

Segment Information

I. First three months of FY3/23 (Apr. 1, 2022 – Jun. 30, 2022)

Information related to net sales, profit and loss for each reportable segment and breakdown on revenue

(Thousands of yen)

	Reportable segment			Adjustment (Note 1)	Amounts shown on consolidated statements of income (Note 2)
	Lamp Business	Manufacturing Equipment Business	Total		
Net sales					
Japan	252,290	530,885	783,176	–	783,176
China	182,712	363,846	546,558	–	546,558
Asia (excluding China)	88,067	467,418	555,485	–	555,485
Others	1,093	496	1,590	–	1,590
Revenue from contracts with customers	524,164	1,362,646	1,886,810	–	1,886,810
Sales to external customers	524,164	1,362,646	1,886,810	–	1,886,810
Inter-segment sales and transfers	4,850	–	4,850	(4,850)	–
Total	529,014	1,362,646	1,891,661	(4,850)	1,886,810
Segment profit	17,534	283,196	300,731	(107,008)	193,723

Notes: 1. The minus 107,008 thousand yen adjustment to segment profit represents company-wide expenses that are not allocated to reportable segments. Company-wide expenses mainly include general and administrative expenses that cannot be attributed to reportable segments.

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

II. First three months of FY3/24 (Apr. 1, 2023 – Jun. 30, 2023)

Information related to net sales, profit and loss for each reportable segment and breakdown on revenue

(Thousands of yen)

	Reportable segment			Adjustment (Note 1)	Amounts shown on consolidated statements of income (Note 2)
	Lamp Business	Manufacturing Equipment Business	Total		
Net sales					
Japan	241,544	134,696	376,240	–	376,240
China	235,363	329,715	565,079	–	565,079
Asia (excluding China)	129,118	423,792	552,910	–	552,910
Others	6,112	496	6,609	–	6,609
Revenue from contracts with customers	612,139	888,700	1,500,840	–	1,500,840
Sales to external customers	612,139	888,700	1,500,840	–	1,500,840
Inter-segment sales and transfers	–	–	–	–	–
Total	612,139	888,700	1,500,840	–	1,500,840
Segment profit (loss)	72,492	602	73,095	(110,751)	(37,655)

Notes: 1. The minus 110,751 thousand yen adjustment to segment profit (loss) represents company-wide expenses that are not allocated to reportable segments. Company-wide expenses mainly include general and administrative expenses that cannot be attributed to reportable segments.

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

Note: This is a translation of the Company's Kessan Tanshin (including attachments) in Japanese, 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.