

**Summary of Consolidated Financial Results for the Third Quarter  
of Fiscal Year Ending March 31, 2021  
(Nine Months Ended December 31, 2020)**

[Japanese GAAP]

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Scheduled date of filing of Quarterly Report: February 8, 2021  
 Scheduled date of payment of dividend: -  
 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 February 5, 2021 at 16:00 (GMT +9).

(Amounts are rounded down to the nearest million yen)

**1. Consolidated Financial Results for the Nine Months Ended December 31, 2020**

(April 1, 2020 – December 31, 2020)

(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	%
Nine months ended Dec. 31, 2020	5,865	(48.0)	370	175.0	443	203.7	266	-
Nine months ended Dec. 31, 2019	11,283	(35.3)	134	(93.4)	146	(92.8)	13	(99.1)

Note: Comprehensive income (million yen) Nine months ended Dec. 31, 2020: 361 (up 330.3%)

Nine months ended Dec. 31, 2019: 83 (down 93.7%)

	Net income per share (basic)	Net income per share (diluted)
	Yen	Yen
Nine months ended Dec. 31, 2020	14.69	-
Nine months ended Dec. 31, 2019	0.74	-

Note: Net income per share (diluted) is not presented since there is no outstanding potential stock.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of Dec. 31, 2020	15,110	12,877	85.2
As of Mar. 31, 2020	14,609	12,621	86.4

Reference: Equity (million yen)

As of Dec. 31, 2020: 12,877

As of Mar. 31, 2020: 12,621

**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, 2020	-	0.00	-	6.00	6.00
Fiscal year ending Mar. 31, 2021	-	0.00	-	-	-
Fiscal year ending Mar. 31, 2021 (forecast)	-	-	-	6.00	6.00

Note: Revisions to the most recently announced dividend forecast: None

**3. Consolidated Forecast for the Fiscal Year Ending March 31, 2021 (April 1, 2020 – March 31, 2021)**

(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
Full year	8,380	(40.1)	520	34.9	580	57.2	360	(37.5)	19.87

Note: Revisions to the most recently announced consolidated forecast: Yes

**\* 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 outstanding (common stock)

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

As of Dec. 31, 2020:	22,806,900 shares	As of Mar. 31, 2020:	22,806,900 shares
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2) Number of treasury shares at the end of period

As of Dec. 31, 2020:	4,687,914 shares	As of Mar. 31, 2020:	4,699,399 shares
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3) Average number of shares outstanding during the period

Nine months ended Dec. 31, 2020:	18,114,308 shares	Nine months ended Dec. 31, 2019:	18,104,194 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

Earnings forecasts

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 nine months of the current fiscal year (the “period under review”), the Japanese economy experienced significant stagnation and slowdown in social and economic activities especially after the government declared a state of emergency to prevent the spread of the COVID-19 infection. While the economic activities started to slowly resume following the lifting of the declaration, the outlook remained uncertain because the spread of the infection became more serious with the number of newly infected people increasing again since the latter half of November 2020.

Affected by uncertainties in overseas economies caused by the prolonged U.S.-China trade issues, Asian markets centered in China, the key market for the Helios Techno Group (the “Group”), continued to face difficult business environments with curtailed demand for capital investment, and the Group focused on implementing the cost-cutting measures. Nevertheless, the effects of the spread of COVID-19 infection were limited, and the economic activities were on a track to recovery.

Under such business environments, net sales of the Group for the period under review decreased 5,418 million yen, or 48.0%, year on year to 5,865 million yen. Operating profit increased 235 million yen, or 175.0%, year on year to 370 million yen. Recurring profit increased 297 million yen, or 203.7%, year on year to 443 million yen. Profit attributable to owners of parent increased 252 million yen, or 1,889.5%, year on year to 266 million yen.

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

Please note that the Group sold all of the shares of its consolidated subsidiary Nippon Gijutsu Center Co., Ltd. and excluded it from the scope of consolidation during the third quarter of the previous fiscal year. Accordingly, the Human Resource Service Business was eliminated from the reportable segment structure from the first quarter of the current fiscal year.

#### i) Lamp Business

In the Lamp Business, the general lighting lamps sector turned to a moderate recovery trend in the latter half of the period under review, while sales and production activities were restricted due to the spread of the COVID-19 infection, the number of orders received decreased, and their delivery timings were delayed. On the other hand, the number of shipments of industrial lamps including light source units for exposure equipment, our core product, continued to increase steadily.

Consequently, the segment sales for the period under review decreased 6.1% year on year to 2,123 million yen with a segment profit of 199 million yen (compared with a segment loss of 133 million yen a year earlier).

#### ii) Manufacturing Equipment Business

The Manufacturing Equipment Business continued to face very challenging environments. While the demand for capital investment was on a track to moderate recovery in Asian markets centered in China, our key market, the spread of the COVID-19 infection continued to significantly restrict our sales and launching activities in overseas markets, resulting in delay in shipments and inspection work of alignment layer manufacturing equipment and other products.

Consequently, the segment sales for the period under review decreased 23.5% year on year to 3,749 million yen with a segment profit of 486 million yen, down 0.4% year on year.

### (2) Explanation of Financial Position

#### Assets

Current assets increased 428 million yen from the end of the previous fiscal year to 12,369 million yen. This was mainly due to a 2,352 million yen increase in cash and deposits with banks, which was partially offset by a 1,730 million yen decrease in notes and accounts receivable and a 253 million yen decrease in income taxes receivable included in others of current assets.

Fixed assets increased 71 million yen from the end of the previous fiscal year to 2,740 million yen. This was mainly due to a 136 million yen increase in investment securities included in others of investments and other assets, which was partially offset by a 50 million yen decrease in machinery and equipment included in others, net of property, plant and equipment.

As a result, total assets increased 500 million yen, or 3.4%, from the end of the previous fiscal year to 15,110 million yen.

#### Liabilities

Current liabilities increased 229 million yen from the end of the previous fiscal year to 1,955 million yen. This was mainly due to a 387 million yen increase in advances received, which was partially offset by a 128 million yen decrease in notes and accounts payable.

Long-term liabilities increased 14 million yen from the end of the previous fiscal year to 276 million yen. This was mainly due to an 8 million yen increase in long-term borrowings and an 8 million yen increase in deferred tax liabilities included in others of long-term liabilities.

As a result, total liabilities increased 243 million yen, or 12.3%, from the end of the previous fiscal year to 2,232 million yen.

#### Net assets

Net assets increased 256 million yen, or 2.0%, from the end of the previous fiscal year to 12,877 million yen. This was mainly due to a profit attributable to owners of parent of 266 million yen and a 94 million yen increase in unrealized holding gain on other securities, which were partially offset by the payment of dividends from surplus of 108 million yen.

As a result, the equity ratio dropped 1.2 percentage points from the end of the previous fiscal year to 85.2% at the end of the period under review, reflecting the increases in both assets and liabilities as described above.

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

Based on the results for the period under review, we have revised the consolidated forecast for the fiscal year ending March 31, 2021 announced on November 6, 2020. For more details, please refer to the press release titled "Notice of Revisions to the Consolidated Forecast," which was announced today on February 5, 2021.

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

	FY3/20 (As of Mar. 31, 2020)	Third quarter of FY3/21 (As of Dec. 31, 2020)
<b>Assets</b>		
Current assets		
Cash and deposits with banks	3,718,554	6,071,319
Notes and accounts receivable	4,453,017	2,722,784
Electronically recorded monetary claims - operating	581,362	517,037
Merchandise and finished goods	204,925	315,834
Work in process	1,813,160	1,706,453
Raw materials and supplies	726,982	859,129
Advance payments	43,265	47,355
Others	399,886	130,048
Allowance for doubtful accounts	(162)	(150)
Total current assets	11,940,993	12,369,812
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	827,225	784,274
Land	722,733	722,733
Others, net	607,392	589,133
Total property, plant and equipment	2,157,351	2,096,142
Intangible assets		
Others	27,654	22,924
Total intangible assets	27,654	22,924
Investments and other assets		
Others	527,809	665,131
Allowance for doubtful accounts	(43,900)	(43,926)
Total investments and other assets	483,908	621,205
Total fixed assets	2,668,914	2,740,271
Total assets	14,609,908	15,110,084

	<i>(Thousands of yen)</i>	
	FY3/20 (As of Mar. 31, 2020)	Third quarter of FY3/21 (As of Dec. 31, 2020)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable	613,400	485,120
Electronically recorded obligations - operating	218,611	125,910
Short-term borrowings	100,000	150,000
Current portion of long-term borrowings	100,032	100,032
Accrued income taxes	20,711	103,106
Accrued bonuses	141,718	45,593
Provision for product warranties	21,449	13,720
Advances received	79,964	467,294
Others	430,167	464,532
Total current liabilities	1,726,054	1,955,311
<b>Long-term liabilities</b>		
Long-term borrowings	206,542	215,406
Others	55,804	61,509
Total long-term liabilities	262,346	276,915
Total liabilities	1,988,401	2,232,227
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Common stock	2,133,177	2,133,177
Capital surplus	2,567,357	2,568,397
Retained earnings	8,994,084	9,151,576
Treasury shares	(1,176,606)	(1,173,730)
Total shareholders' equity	12,518,013	12,679,420
<b>Accumulated other comprehensive income</b>		
Unrealized holding gain on other securities	103,494	198,436
Total accumulated other comprehensive income	103,494	198,436
Total net assets	12,621,507	12,877,857
Total liabilities and net assets	14,609,908	15,110,084

**(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income****Consolidated Statements of Income****(For the Nine-month Period)**

	<i>(Thousands of yen)</i>	
	First nine months of FY3/20 (Apr. 1, 2019 – Dec. 31, 2019)	First nine months of FY3/21 (Apr. 1, 2020 – Dec. 31, 2020)
Net sales	11,283,650	5,865,213
Cost of goods sold	8,398,310	3,841,003
Gross profit	2,885,340	2,024,210
Selling, general and administrative expenses	2,750,551	1,653,544
Operating profit	134,789	370,666
Non-operating income		
Interest income	1,358	1,952
Dividend income	16,508	15,508
Subsidy income	-	52,578
Miscellaneous revenue	18,761	14,282
Total non-operating income	36,628	84,320
Non-operating expenses		
Interest expense	4,658	3,441
Foreign exchange loss	12,672	6,389
Commission for syndicated loans	1,890	1,183
Miscellaneous loss	6,036	84
Total non-operating expenses	25,257	11,098
Recurring profit	146,159	443,887
Extraordinary income		
Gain on sales of fixed assets	152	318
Total extraordinary income	152	318
Extraordinary loss		
Loss on COVID-19	-	72,110
Loss on retirement of fixed assets	4,151	1,296
Total extraordinary losses	4,151	73,407
Profit before income taxes	142,160	370,798
Income taxes-current	20,999	137,803
Income taxes-deferred	107,784	(33,142)
Total income taxes	128,783	104,661
Profit	13,376	266,137
Profit attributable to owners of parent	13,376	266,137



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

	<i>(Thousands of yen)</i>	
	First nine months of FY3/20 (Apr. 1, 2019 – Dec. 31, 2019)	First nine months of FY3/21 (Apr. 1, 2020 – Dec. 31, 2020)
Profit	13,376	266,137
Other comprehensive income		
Unrealized holding gain on other securities	70,537	94,942
Total other comprehensive income	70,537	94,942
Comprehensive income	83,914	361,079
Comprehensive income attributable to		
Owners of parent	83,914	361,079
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 nine months of FY3/20 (Apr. 1, 2019 – Dec. 31, 2019)

## 1. Information related to net sales, profit and loss for each reportable segment

*(Thousands of yen)*

	Reportable segment			Total	Adjustment (Note 1)	Amounts shown on consolidated statements of income (Note 2)
	Lamp Business	Manufacturing Equipment Business	Human Resource Service Business			
Net sales						
Sales to external customers	2,244,046	4,903,194	4,136,409	11,283,650	-	11,283,650
Inter-segment sales and transfers	17,108	-	31,868	48,976	(48,976)	-
Total	2,261,155	4,903,194	4,168,277	11,332,627	(48,976)	11,283,650
Segment profit (loss)	(133,784)	488,644	200,816	555,676	(420,886)	134,789

Notes: 1. The minus 420,886 thousand yen adjustment to segment profit (loss) represents the elimination of inter-segment transactions of 691 thousand yen and company-wide expenses of minus 421,578 thousand yen 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 profit shown on the consolidated statements of income.

## II. First nine months of FY3/21 (Apr. 1, 2020 – Dec. 31, 2020)

## 1. Information related to net sales, profit and loss for each reportable segment

*(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					
Sales to external customers	2,115,386	3,749,827	5,865,213	-	5,865,213
Inter-segment sales and transfers	8,220	-	8,220	(8,220)	-
Total	2,123,606	3,749,827	5,873,434	(8,220)	5,865,213
Segment profit	199,876	486,818	686,695	(316,029)	370,666

Notes: 1. The minus 316,029 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.

## 2. Change in reportable segments

The Group sold all of the shares of its consolidated subsidiary Nippon Gijutsu Center Co., Ltd. and excluded it from the scope of consolidation during the third quarter of FY3/20. Accordingly, the Human Resource Service Business was eliminated from the reportable segment structure from the first quarter of FY3/21.

## **Additional Information**

### **Impact of COVID-19**

While it is difficult to reasonably estimate the impact of the spread of COVID-19 infections at this time, the Group makes accounting estimates based primarily on external information, assuming that the impact will continue for a certain period of time in the fiscal year ending March 31, 2021.

However, numerous uncertainties about the impact mentioned above may affect the Group's financial position and results of operations.

### **Application of tax effect accounting associated with the transition from the consolidated taxation system to the group tax sharing system**

With regard to the transition to the group tax sharing system established under the "Act for Partial Amendment of the Income Tax Act, etc." (Act No. 8 of 2020) and the items for which the non-consolidated taxation system was revised in line with the transition to the group tax sharing system, pursuant to Paragraph 3 of the "Practical Solution on the Treatment of Tax Effect Accounting for the Transition from the Consolidated Taxation System to the Group Tax Sharing System" (Accounting Standards Board of Japan (ASBJ) Practical Issues Task Force (PITF) No. 39, issued on March 31, 2020), the Company and certain domestic consolidated subsidiaries did not apply the provision of Paragraph 44 of the "Implementation Guidance on Tax Effect Accounting" (ASBJ Guidance No. 28, issued on February 16, 2018). Accordingly, the amounts of deferred tax assets and deferred tax liabilities are based on the provisions of the tax laws before the revision.

*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.*