

**Summary of Consolidated Financial Results for the Second Quarter
of Fiscal Year Ending March 31, 2019
(Six Months Ended September 30, 2018)**

[Japanese GAAP]

Company name: Helios Techno Holding Co., Ltd. Listing: Tokyo
 Stock code: 6927 URL: <http://www.heliostec-hd.co.jp/>
 Representative: Yoshihisa Sato, President and Representative Director
 Contact: Youichi Kawasaka, Managing Director, General Manager, Administration Control Dept.
 Tel: +81-79-263-9500

Scheduled date of filing of Quarterly Report: November 9, 2018
 Scheduled date of payment of dividend: -
 Preparation of supplementary materials for quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes (for institutional investors and securities analysts)

Note: The original disclosure in Japanese was released on November 6, 2018 at 16:15 (GMT +9).

(Amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Six Months Ended September 30, 2018 (April 1, 2018 – September 30, 2018)

(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	%
Six months ended Sep. 30, 2018	12,478	9.8	1,571	(7.9)	1,575	(4.7)	1,110	(5.9)
Six months ended Sep. 30, 2017	11,362	24.3	1,705	57.7	1,654	60.4	1,180	65.3

Note: Comprehensive income (million yen) Six months ended Sep. 30, 2018: 1,057 (down 22.7%)

Six months ended Sep. 30, 2017: 1,369 (up 98.3%)

	Net income per share (basic)	Net income per share (diluted)
	Yen	Yen
Six months ended Sep. 30, 2018	61.35	-
Six months ended Sep. 30, 2017	65.26	65.22

Note: Net income per share (diluted) for the six months ended September 30, 2018 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 Sep. 30, 2018	17,327	12,007	69.3
As of Mar. 31, 2018	18,463	11,492	62.2

Reference: Equity (million yen) As of Sep. 30, 2018: 12,007 As of Mar. 31, 2018: 11,492

Note: Starting with the beginning of the first quarter of the fiscal year ending March 31, 2019, Helios Techno is applying "Partial Amendments to Accounting Standard for Tax Effect Accounting" (Accounting Standards Board of Japan (ASBJ) Statement No. 28, February 16, 2018). Total assets and equity ratio as of March 31, 2018 have been adjusted retroactively to conform with this accounting standard.

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, 2018	-	0.00	-	30.00	30.00
Fiscal year ending Mar. 31, 2019	-	0.00	-	30.00	30.00
Fiscal year ending Mar. 31, 2019 (forecast)	-	0.00	-	30.00	30.00

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

3. Consolidated Forecast for the Fiscal Year Ending March 31, 2019 (April 1, 2018 – March 31, 2019)

(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	24,300	3.5	2,300	(24.3)	2,300	(22.9)	1,630	(24.7)	90.06

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 Sep. 30, 2018:	22,806,900 shares	As of Mar. 31, 2018:	22,806,900 shares
----------------------	-------------------	----------------------	-------------------

2) Number of treasury shares at the end of period

As of Sep. 30, 2018:	4,708,712 shares	As of Mar. 31, 2018:	4,708,710 shares
----------------------	------------------	----------------------	------------------

3) Average number of shares outstanding during the period

Six months ended Sep. 30, 2018:	18,098,189 shares	Six months ended Sep. 30, 2017:	18,083,764 shares
---------------------------------	-------------------	---------------------------------	-------------------

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

How to view supplementary information at the financial results meeting

Each year, the Company holds information meetings for securities analysts for results of operations for the first half and for the full fiscal year. Materials distributed at these events are available on the Company’s website.

Contents of Attachments

1. Qualitative Information on Quarterly Consolidated Financial Results	2
(1) Explanation of Results of Operations	2
(2) Explanation of Financial Position	3
(3) Explanation of Consolidated Forecast and Other Forward-looking Statements	4
2. Quarterly Consolidated Financial Statements and Notes	5
(1) Consolidated Balance Sheets	5
(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income	7
(3) Consolidated Statements of Cash Flows	9
(4) Notes to Quarterly Consolidated Financial Statements	11
Going Concern Assumption	11
Significant Changes in Shareholders' Equity	11
Segment Information	11
Additional Information	11

1. Qualitative Information on Quarterly Consolidated Financial Results

(1) Explanation of Results of Operations

There remained robust demand for the capital investment in production facilities of liquid crystal panels—a key market for the Helios Techno Group (“the Group”)—particularly for G8.5 and G10 type panels. We also expect continued demand for capital investment in organic EL displays although it is no longer as buoyant as it once was.

In this business environment, the Group’s sales largely trended in line with plans. Specifically, it continued achieving steady sales of flexo printing equipment for alignment layers and light source units for exposure equipment. In addition, sales in the Human Resource Service Business remained strong thanks to an increase in the number of staff dispatched. In terms of profitability, we exceeded initial projections thanks to an increased profit margin on certain projects and the lowering of after-sales costs for delivered equipment.

In addition, Phoenix Electric Co., Ltd., a consolidated subsidiary of Helios Techno Holding Co., Ltd., has developed the world’s first LED light emitter that irradiates an extremely wide band of light from near ultraviolet (350nm) to near infrared (1200nm) in cooperation with National Institute of Advanced Industrial Science and Technology (AIST) and SIALON Co. Ltd.—a venture company endorsed by National Institute of Materials Science (NIMS).

In the first half of the current fiscal year (“the period under review”), net sales increased 1,116 million yen, or 9.8%, year on year to 12,478 million yen, operating profit decreased 134 million yen, or 7.9%, to 1,571 million yen, recurring profit decreased 78 million yen, or 4.7%, to 1,575 million yen, and profit attributable to owners of parent decreased 69 million yen, or 5.9%, to 1,110 million yen.

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

i) Lamp Business

In the Lamp Business, sales of UV lamps increased as those of light source units for exposure equipment increased steadily, which helped offset a decline in sales of general lighting lamps including LED lamps.

Consequently, the segment sales for the period under review increased 1.1% year on year to 1,610 million yen with a segment loss of 16 million yen (compared with a segment loss of 6 million yen for the same period of the previous fiscal year).

ii) Manufacturing Equipment Business

The Manufacturing Equipment Business posted a robust increase in sales as we successfully delivered alignment layer manufacturing equipment used for large flat-panel displays and light source units for exposure equipment as planned. In addition, we have successfully delivered relocation projects for used equipment.

Consequently, the segment sales for the period under review increased 8.6% year on year to 8,404 million yen with a segment profit of 1,712 million yen, down 6.3% year on year.

Furthermore, the order backlog as of the end of the period under review reached 5,720 million yen.

iii) Human Resource Service Business

The Human Resource Service Business includes the temporary staffing for engineers, design subcontracting and temporary staffing to the manufacturing sector. Because temporary staffing for engineers and design subcontracting are closely linked to the geographical areas served, we have achieved stable performance by strengthening our sales capabilities with improved quality of workers and services that meet customers’ needs. In the staffing to the manufacturing sector, we have achieved an increase in the number of staff dispatched to both existing and new customers as a result of focusing on the effort to secure human resources for staffing.

Consequently, the segment sales for the period under review increased 21.8% year on year to 2,511 million yen with a segment profit of 116 million yen, up 24.1% year on year.

(2) Explanation of Financial Position

i) Assets, liabilities and net assets

Assets

Current assets decreased 1,009 million yen from the end of the previous fiscal year to 14,264 million yen. This was mainly due to a 953 million yen decrease in cash and deposits with banks, a 1,153 million yen decrease in work in process, and a 699 million yen decrease in advance payments, while there was a 1,548 million yen increase in notes and accounts receivable and a 223 million yen increase in electronically recorded monetary claims - operating.

Fixed assets decreased 126 million yen from the end of the previous fiscal year to 3,063 million yen. This was mainly due to a 93 million yen decrease in deferred tax assets included in the investments and other assets section.

As a result, total assets decreased 1,135 million yen, or 6.2%, from the end of the previous fiscal year to 17,327 million yen.

Liabilities

Current liabilities decreased 1,509 million yen from the end of the previous fiscal year to 4,980 million yen. This was mainly due to a 234 million yen decrease in accrued income taxes, a 206 million yen decrease in accrued bonuses, and a 1,070 million yen decrease in advances received.

Long-term liabilities decreased 141 million yen from the end of the previous fiscal year to 339 million yen. This was mainly due to an 80 million yen decrease in long-term borrowings and a 54 million yen decrease in other accounts payable included in "Others" of the long-term liabilities section.

As a result, total liabilities decreased 1,650 million yen, or 23.7%, from the end of the previous fiscal year to 5,320 million yen.

Net assets

Net assets increased 515 million yen, or 4.5%, from the end of the previous fiscal year to 12,007 million yen. This was mainly due to the reporting of profit attributable to owners of parent of 1,110 million yen, which was partially offset by the payment of dividends from surplus of 542 million yen.

As both total assets and total liabilities decreased as stated above, the equity ratio rose 7.1 percentage points from the end of the previous fiscal year to 69.3% at the end of the period under review.

ii) Cash flows

Cash flows from operating activities

Net cash used in operating activities was 326 million yen, compared with net cash provided of 233 million yen one year earlier. The main factors were profit before income taxes of 1,574 million yen, depreciation and amortization of 113 million yen, a 206 million yen decrease in accrued bonuses, and a 1,769 million yen increase in notes and accounts receivable.

Cash flows from investing activities

Net cash used in investing activities was 160 million yen, compared with net cash used of 94 million yen one year earlier. The main factor was a purchase of property, plant and equipment of 160 million yen.

Cash flows from financing activities

Net cash used in financing activities was 466 million yen, compared with net cash provided of 458 million yen one year earlier. The main factors were a net increase in short-term borrowings of 200 million yen, repayment of long-term borrowings of 122 million yen, and cash dividends paid of 542 million yen.

As a result of the above, cash and cash equivalents at the end of the period under review decreased 953 million yen from the end of the previous fiscal year to 3,156 million yen.

(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, 2019 that was announced on May 8, 2018. For more details, please see the press release titled “Notice of Differences between the Consolidated Forecast and Results for the First Half of FY3/19 and Revisions to the Consolidated Forecast for FY3/19” that was announced today on November 6, 2018.

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

	FY3/18 (As of Mar. 31, 2018)	Second quarter of FY3/19 (As of Sep. 30, 2018)
Assets		
Current assets		
Cash and deposits with banks	4,165,806	3,212,537
Notes and accounts receivable	4,685,341	6,233,785
Electronically recorded monetary claims - operating	1,284,762	1,507,838
Merchandise and finished goods	202,264	145,987
Work in process	3,401,949	2,248,809
Raw materials and supplies	565,844	637,354
Advance payments	854,510	155,269
Others	117,170	124,129
Allowance for doubtful accounts	(3,675)	(1,425)
Total current assets	15,273,974	14,264,285
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	815,972	838,830
Land	841,913	841,913
Others, net	564,533	609,441
Total property, plant and equipment	2,222,419	2,290,185
Intangible assets		
Goodwill	10,672	-
Others	78,965	77,767
Total intangible assets	89,637	77,767
Investments and other assets		
Others	924,524	740,237
Allowance for doubtful accounts	(46,932)	(44,673)
Total investments and other assets	877,592	695,563
Total fixed assets	3,189,649	3,063,516
Total assets	18,463,623	17,327,801

	<i>(Thousands of yen)</i>	
	FY3/18 (As of Mar. 31, 2018)	Second quarter of FY3/19 (As of Sep. 30, 2018)
Liabilities		
Current liabilities		
Notes and accounts payable	1,719,312	1,571,297
Electronically recorded obligations - operating	713,915	896,910
Short-term borrowings	100,000	300,000
Current portion of long-term borrowings	327,528	285,049
Accrued income taxes	583,697	348,914
Accrued bonuses	466,001	259,709
Provision for product warranties	27,807	31,848
Advances received	1,373,711	303,161
Others	1,177,773	983,690
Total current liabilities	6,489,746	4,980,581
Long-term liabilities		
Long-term borrowings	336,625	256,590
Others	144,512	82,846
Total long-term liabilities	481,137	339,436
Total liabilities	6,970,884	5,320,017
Net assets		
Shareholders' equity		
Common stock	2,133,177	2,133,177
Capital surplus	2,563,867	2,563,867
Retained earnings	7,716,343	8,283,808
Treasury shares	(1,179,109)	(1,179,110)
Total shareholders' equity	11,234,278	11,801,742
Accumulated other comprehensive income		
Unrealized holding gain on other securities	258,460	206,041
Total accumulated other comprehensive income	258,460	206,041
Total net assets	11,492,738	12,007,784
Total liabilities and net assets	18,463,623	17,327,801

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

	First six months of FY3/18 (Apr. 1, 2017 – Sep. 30, 2017)	First six months of FY3/19 (Apr. 1, 2018 – Sep. 30, 2018)
Net sales	11,362,414	12,478,620
Cost of goods sold	7,879,118	9,075,599
Gross profit	3,483,295	3,403,021
Selling, general and administrative expenses	1,777,514	1,831,774
Operating profit	1,705,780	1,571,247
Non-operating income		
Interest income	77	60
Dividend income	7,658	8,658
Miscellaneous revenue	7,504	7,509
Total non-operating income	15,239	16,227
Non-operating expenses		
Interest expense	5,973	6,442
Foreign exchange loss	13,834	2,060
Commission for syndicate loan	43,640	1,871
Miscellaneous loss	3,494	1,358
Total non-operating expenses	66,942	11,733
Recurring profit	1,654,077	1,575,742
Extraordinary income		
Gain on sales of non-current assets	103	213
Total extraordinary income	103	213
Extraordinary loss		
Loss on disposal of fixed assets	232	1,730
Loss on sales of non-current assets	-	18
Total extraordinary losses	232	1,748
Profit before income taxes	1,653,948	1,574,207
Income taxes-current	498,912	352,852
Income taxes-deferred	(25,039)	110,943
Total income taxes	473,873	463,796
Profit	1,180,075	1,110,411
Profit attributable to owners of parent	1,180,075	1,110,411

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

	<i>(Thousands of yen)</i>	
	First six months of FY3/18 (Apr. 1, 2017 – Sep. 30, 2017)	First six months of FY3/19 (Apr. 1, 2018 – Sep. 30, 2018)
Profit	1,180,075	1,110,411
Other comprehensive income		
Unrealized holding gain on other securities	189,384	(52,419)
Total other comprehensive income	189,384	(52,419)
Comprehensive income	1,369,460	1,057,992
Comprehensive income attributable to		
Owners of parent	1,369,460	1,057,992
Non-controlling interests	-	-

(3) Consolidated Statements of Cash Flows*(Thousands of yen)*

	First six months of FY3/18 (Apr. 1, 2017 – Sep. 30, 2017)	First six months of FY3/19 (Apr. 1, 2018 – Sep. 30, 2018)
Cash flows from operating activities		
Profit before income taxes	1,653,948	1,574,207
Depreciation and amortization	114,526	113,670
Amortization of goodwill	10,672	10,672
Increase (decrease) in accrued bonuses	(59,380)	(206,292)
Increase (decrease) in allowance for doubtful accounts	6,267	(4,508)
Increase (decrease) in provision for product warranties	13,057	4,040
Interest and dividend income	(7,735)	(8,718)
Interest expense	5,973	6,442
Loss (gain) on sales of fixed assets	(103)	(195)
Loss on disposal of fixed assets	232	1,730
Decrease (increase) in notes and accounts receivable	154,516	(1,769,261)
Decrease (increase) in inventories	(1,064,127)	1,137,908
Decrease (increase) in other accounts receivable	182,843	(7,616)
Decrease (increase) in advance payments	(457,662)	699,241
Increase (decrease) in notes and accounts payable	425,046	34,980
Decrease/increase in consumption taxes receivable/payable	104,925	(56,636)
Increase (decrease) in other accounts payable	14,137	(106,988)
Increase (decrease) in advances received	(606,478)	(1,070,549)
Others	43,420	(124,704)
Subtotal	534,080	227,423
Interests and dividends received	7,734	8,717
Interests paid	(5,851)	(6,430)
Income taxes paid	(302,545)	(555,827)
Net cash provided by (used in) operating activities	233,417	(326,117)
Cash flows from investing activities		
Payment for purchase of property, plant and equipment	(71,731)	(160,869)
Proceeds from sale of property, plant, and equipment	150	245
Payment for purchase of intangible assets	(18,540)	(13,606)
Others	(4,460)	14,077
Net cash provided by (used in) investing activities	(94,582)	(160,153)

(Thousands of yen)

	First six months of FY3/18 (Apr. 1, 2017 – Sep. 30, 2017)	First six months of FY3/19 (Apr. 1, 2018 – Sep. 30, 2018)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	451,100	200,000
Proceeds from long-term borrowings	500,000	-
Repayment of long-term borrowings	(140,011)	(122,514)
Payment for acquisition of treasury stock	-	(1)
Repayment of lease obligations	(882)	(1,537)
Proceeds from disposal of treasury shares from exercise of Share acquisition rights	9,420	-
Cash dividends paid	(360,763)	(542,945)
Net cash provided by (used in) financing activities	458,862	(466,998)
Net increase (decrease) in cash and cash equivalents	597,698	(953,269)
Cash and cash equivalents at beginning of period	4,125,220	4,109,727
Increase in cash and cash equivalents from newly consolidated subsidiary	290,175	-
Cash and cash equivalents at end of period	5,013,094	3,156,458

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

Not applicable.

Significant Changes in Shareholders' Equity

Not applicable.

Segment Information

I. First six months of FY3/18 (Apr. 1, 2017 – Sep. 30, 2017)

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	Human Resource Service Business	Total		
Net sales						
Sales to external customers	1,569,216	7,738,363	2,054,834	11,362,414	-	11,362,414
Inter-segment sales and transfers	23,506	504	6,094	30,105	(30,105)	-
Total	1,592,723	7,738,867	2,060,928	11,392,519	(30,105)	11,362,414
Segment profit (loss)	(6,739)	1,827,896	94,023	1,915,180	(209,399)	1,705,780

Notes: 1. The minus 209,399 thousand yen adjustment to segment profit includes company-wide expenses that cannot be 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 six months of FY3/19 (Apr. 1, 2018 – Sep. 30, 2018)

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	Human Resource Service Business	Total		
Net sales						
Sales to external customers	1,583,066	8,404,235	2,491,319	12,478,620	-	12,478,620
Inter-segment sales and transfers	27,390	180	19,799	47,370	(47,370)	-
Total	1,610,456	8,404,415	2,511,118	12,525,991	(47,370)	12,478,620
Segment profit (loss)	(16,641)	1,712,732	116,715	1,812,805	(241,558)	1,571,247

Notes: 1. The minus 241,558 thousand yen adjustment to segment profit represents company-wide expenses that cannot be 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.

Additional Information

Starting with the beginning of the first quarter of FY3/19, Helios Techno is applying “Partial Amendments to Accounting Standard for Tax Effect Accounting” (ASBJ Statement No. 28, February 16, 2018). Accordingly, deferred tax assets and deferred tax liabilities have been presented in the investments and other assets section and the long-term liabilities section of the balance sheet, respectively.

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.