

March 16, 2018

To Whom It May Concern,

Corporate Name: TechnoPro Holdings, Inc.  
(Code: 6028, TSE First Section)

Representative: Yasuji Nishio, President, Representative Director & CEO

Contact: Hiroshi Sato, Director & CFO  
(Tel. 03-6385-7998)

## Announcement Concerning Acquisition of Common Shares of Helius Technologies Pte Ltd.

On March 16, 2018, the TechnoPro Holdings, Inc. board of directors resolved via written resolution (based on the provisions of Article 370 of the Companies Act) to acquire 51.0 percent of the common shares issued and outstanding of Helius Technologies Pte Ltd. Helius Technologies, which will become a subsidiary of TechnoPro Holdings, is a Singapore-based engineer staffing company operating in three Asian countries.

### 1. Purpose of the Acquisition

TechnoPro Holdings has identified globalization as one growth strategy in the company's new medium-term management plan as published July 31, 2017. Two aspects of globalization are providing stronger support for local Japanese-affiliated companies and leveraging the use of non-Japanese engineers. One key to this strategy is to invest in (including joint equity investments) or acquire human resources and technical staffing companies to build a solid business structure based on partnerships with local managements. More specifically, TechnoPro Holdings looks for two conditions when selecting M&A candidates: (1) capable of providing local engineer talent to Japanese-affiliated companies and (2) capable of serving as an off-shore development center for contract projects from TechnoPro Group customers.

Helius Technologies employs approximately 600 engineers, providing IT staffing augmentation services to companies based in Singapore, India, and Malaysia. The company offers strengths and a solid track record, making it an ideal candidate for investment:

- Capability to hire and assign high-level engineers from India and other countries in Asia quickly
- Unique business model combining engineer staffing and work facilities
- Strong track record in helping financial institutions digitize operations



TechnoPro Holdings will work in collaboration with Helius Technologies to expand support for Japanese-affiliated companies in Asia:

- ✓ Expand technological services in Southeast Asia
- ✓ Leverage the high-growth population of engineers in India

TechnoPro Holdings is driving growth toward becoming a *global technology human resource services company with technology at our core*, aiming at higher corporate value.

## 2. Overview of Helius Technologies Pte Ltd

- (1) Company Name                      Helius Technologies Pte Ltd
- (2) Head Office                         10 Anson Road #12-14 International Plaza Singapore (079903)
- (3) Representative  
(Name, Title)                         Dinesh Krishnaji Nerlekar
- (4) Business Lines                      Staffing augmentation service
- (5) Capital                                SGD100,000
- (6) Established                         May 22, 2006
- (7) Relationship between  
TechnoPro Holdings and  
Helius Technologies                 No equity, personal, or business relationships exist between TechnoPro Holdings and Helius Technologies

- (8) Helius Technologies Business Performance and Financial Condition for the Most-Recent Three Years  
(SDG thousands [JPY millions\*], except per share data)

Fiscal Year	March 2015	March 2016	March 2017
Net Assets	12,296 [984]	19,801 [1,584]	15,272 [1,222]
Total Assets	17,173 [1,374]	24,189 [1,935]	22,869 [1,830]
Net Sales	36,692 [2,935]	51,871 [4,150]	62,706 [5,016]
Income before Taxes	8,426 [674]	8,780 [702]	6,799 [544]
Net Income	7,102 [568]	7,570 [606]	5,894 [472]
Net Income per Share	71 [5,682]	76 [6,056]	59 [4,716]

## 3. Number of Acquired Shares, Acquisition Price, and Ownership Ratios Before and After Acquisition

- (1) No. of shares owned before transfer    0 shares  
(Voting shares: 0 shares)  
(Ownership ratio: 0%)
- (2) No. of shares to be acquired            51,000 shares (acquirer: TechnoPro Holdings, Inc.)  
(Voting shares: 51,000 shares)  
(Ownership ratio: 51.0%)
- (3) Acquisition price  
(SGD thousands [JPY millions])    Common shares of Helius Technologies stock    32,000 [2,560]  
Due diligence and other fees (estimate)            300 [24]  
Total (estimate)    32,300 [2,584]
- (4) No. of shares owned after transfer    51,000 shares  
(Voting shares: 51,000 shares)  
(Ownership ratio: 51.0%)
- (5) Purchase price calculation method    After due diligence performed by outside experts (finance, tax, law), enterprise value was assigned according to the EBITDA valuation multiple and other methods calculated using normalized earnings. Net debt was calculated based on an assessment of non-operating assets, interest-bearing debt, and debt-like items. The parties agreed to the purchase price based on the preceding calculations after prudent discussions.

## 4. Schedule

- (1) Board Resolution                    March 16, 2018
- (2) Agreement Date                      March 16, 2018
- (3) Share Transfer Date                 March 16, 2018 (scheduled)

\* Calculated at SGD1 = JPY80

## 5. Future Outlook

TechnoPro Holdings does not expect this stock acquisition to have a material impact on consolidated earnings for the fiscal year ending June 2018. Accordingly, the company has not revised earnings projections. TechnoPro Holdings forecasts Heliux Technologies net sales and EBITDA<sup>1</sup> of SGD72 million (JPY5,760 million) and SGD8.3 million (JPY664 million) to be reflected in consolidated earnings for the fiscal year ending June 2019.

(Reference) FY2018 Earnings Guidance (published February 2, 2018) and Consolidated Earnings for the Prior Fiscal Year  
(Units: JPY millions)

	Revenue	Operating profit	Profit before income taxes	Net profit attributable to owners of the parent company
FY Ending June 2018 (guidance)	111,500	11,100	11,000	8,100
FY Ended June 2017	100,095	9,647	9,559	7,717

### Note

This document is a provided for informational purpose only. If there are any discrepancies between this and the original, the original Japanese document prevails.

---

<sup>1</sup> earning before interest, taxes, depreciation and amortization