

ANNUAL REPORT  
**2012**

Fiscal year ended March 31, 2012

**JEOL**



## Company Philosophy

On the basis of "Creativity" and "Research and Development," JEOL positively challenges the world's highest technology, thus forever contributing to the progress in both Science and Human Society through its products.

## Corporate History

Corporate History	Product Development History
Japan Electron Optics Laboratory Co., Ltd. established	1949 JEM-1 electron microscope completed
	1956 JEM-5G electron microscope first exported to the CEA Saclay Atomic Energy Research Institute, France; JNM-1, Japan's first nuclear magnetic resonance system, completed
Company name changed to JEOL Ltd.	1961
JEOL listed on the Second Section of the Tokyo Stock Exchange	1962 JXA-3 X-ray microanalyzer completed
JEOLCO (USA) INC. established as the first overseas subsidiary	
	1963 JMS-01 double-focusing mass spectrometer completed; JLC-01 General-purpose automatic recording fluid chromatograph completed
JEOL listed on the First Section of the Tokyo Stock Exchange	1966 JSM-1 scanning electron microscope completed; JEM-1000 1000kV ultrahigh voltage electron microscope completed
	1967 JEBX-2A electron beam lithography system completed
	1968 JLC-5AH, world's first fully automated amino acid analyzer, completed
	1972 JCA-1KM "Clinalyzer" automated biochemical analyzer completed
	1974 JAMP-3 auger microprobe and JESCA-2 photoelectron spectrometer diffraction system completed
"Tokyo Meeting," first overseas marketing meeting, held	1976
	1982 JEPAS-1000 electron beam measuring instrument completed
	1983 JIBL-100 focused ion beam instrument completed
	1989 JSTM-4000XV ultrahigh-vacuum scanning tunnel microscope completed
"JEOL 21," corporate management vision for the 21st century, announced	1991
	1993 JEIP-900F high-density reactive ion plating system completed
"BS EN ISO 9001" obtained	1995
Launch of the JEOL Group website ( <a href="http://www.jeol.co.jp">http://www.jeol.co.jp</a> )	1996 High-speed next-generation automated biochemical analyzer "BioMajesty" completed
"JEOL SPIRIT-1" management vision announced on JEOL's 50th anniversary	1999
"Bright Plan 1000," medium-term management plan for the JEOL Group, announced	2000
New JEOL TECHNICS LTD. building completed	2001
YAMAGATA CREATIVE CO., LTD. (YMCC) established, and the New Datum Hall completed	2002
Obtained ISO 14001 certification for environmental management system	
JEOL Group's Environmental Statement announced	2003
Medium-term management plan for the JEOL Group, "Focus Plan 2006," announced	2004
YMCC Tendo Factory completed	
Agreed to set up an industry-academia collaboration office with the University of Tokyo	2005 Ion source for mass spectrometers "DART" completed
New YMCC Tendo Factory building completed	
JEOL Group new medium-term management plan, "ACTION 60," announced	2007
New clean room in Building 3 completed	
New building of JEOL FINETECH CO., LTD. completed	
The third phase of construction work to enlarge YMCC completed	2008 "BioMajesty series" automated biochemical analyzer won the "Technology Prize" awarded by the Japan Society of Clinical Chemistry
	JCM-5000 "Neo Scope" won the "Tokyo Metropolitan Governor's Award" in the Tokyo Invention Exhibition held in 2008
	The "Development of Scanning Electron Microscope Capable of Observing Cells in Solution," a joint development project with the National Institute of Advanced Industrial Science and Technology, announced
The 60th anniversary of our foundation	2009 JMS-T100GCV gas chromatography time-of-flight mass spectrometer completed
JEOL DATUM LTD. and JEOL ACTIVE CO., LTD. absorbed	JEM-ARM200F atomic resolution analytical electron microscope completed
	ClairScope JASM-6200 completed
JEOL BRASIL Instrumentos Cientificos Ltda. established	2010 JMS-S3000 SpiralTOF, matrix assisted laser desorption/ionization time-of-flight mass spectrometer, completed
JEOL (BEIJING) CO., LTD. established	InTouchScope JSM-6010LA completed
JEOL FINETECH CO., LTD. and JEOL ENGINEERING CO., LTD. absorbed	
The JEOL Group's medium-term management plan, "CHALLENGE 5," announced	2011 JIB-4000 focused ion beam milling/imaging system completed
JEOL SYSTEM TECHNOLOGY CO., LTD. absorbed	
JEOL (RUS) LLC established	
JEOL INDIA PVT. LTD. established	2012 New thermal field emission scanning electron microscope JSM-7100F completed
JEOL RESONANCE Inc. established	New desktop scanning electron microscope JCM-6000 "NeoScope™" completed
	New 0.75-mm solid-state NMR probe completed

# Consolidated Financial Highlights

JEOL Ltd. and consolidated subsidiaries, for the years ended March 31, 2012 and 2011

	Millions of yen		Thousands of U.S. dollars <sup>(Note)</sup>
	2012	2011	2012
<b>For the year:</b>			
Net sales	¥ 83,192	¥75,274	\$1,012,067
Operating (loss) income	(1,175)	1,020	(14,299)
(Loss) income before income taxes and minority interests	(4,692)	295	(57,078)
Net (loss) income	(9,051)	53	(110,106)
<b>Per share data (in yen and U.S. dollars):</b>			
Net (loss) income	¥(115.60)	¥ 0.67	\$ (1.41)
Total equity	181.94	303.50	2.21
<b>At year-end:</b>			
Total assets	¥ 93,820	¥99,529	\$1,141,358
Total equity	14,388	24,047	175,040

Note: The U.S. dollar amounts have been translated from yen, for convenience only, at the rate of ¥82.2 to U.S.\$1 (the approximate exchange rate on March 31, 2012).

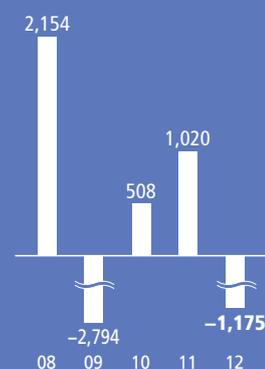
## Net sales

Millions of yen



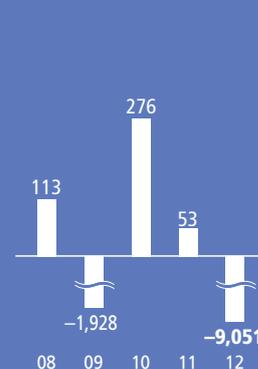
## Operating income (loss)

Millions of yen



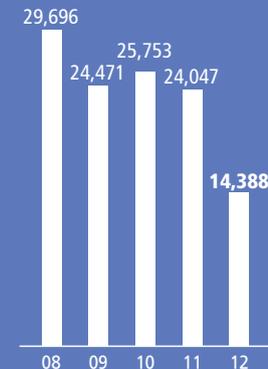
## Net income (loss)

Millions of yen



## Total equity

Millions of yen



## Contents

2	President's Message	10	Consolidated Financial Analysis
4	"CHALLENGE 5," Medium-Term Management Plan	14	Consolidated Balance Sheet
5	JEOL: Global Solutions Provider for Advanced Technology	16	Consolidated Statement of Operations
6	Research & Development	17	Consolidated Statement of Comprehensive Loss
7	Environmental Activities / CSR	18	Consolidated Statement of Changes in Equity
8	Board of Directors, Corporate Auditors and Corporate Officers	19	Consolidated Statement of Cash Flows
9	Consolidated Five-Year Summary	20	Notes to Consolidated Financial Statements
		34	Independent Auditors' Report
		35	Corporate Outline

### Disclaimer Regarding Forward-Looking Statements

The information contained in this annual report is given for the sole purpose of providing information regarding the business performance of JEOL Ltd. during the fiscal year ended March 31, 2012, and is not intended to solicit investment in any securities issued by the Company. Any statements with respect to JEOL's current plans, strategies and forecasts are forward-looking statements based upon information available as of March 31, 2012, and involve known and unknown risks and uncertainties.

Actual events and results may differ materially from those anticipated in these statements.

## President's Message

**JEOL** *Global Solutions Provider  
for Advanced Technology*



**Gon-emon Kurihara**

President and  
Representative Director

### What is your assessment of the Company's performance for the fiscal year ended March 31, 2012?

Looking at the Japanese economy during the consolidated fiscal year under review, the consistent recovery of the supply chain from the disruption caused by the Great East Japan Earthquake brought about an increase in exports and a recovery of production in the manufacturing sector, but the yen's sharp appreciation worked to suppress corporate earnings. In overseas markets, emerging countries, especially China, continued to grow at a solid rate, but there were several negative factors in Europe and the U.S., such as the financial problems in several south European countries and the downgrading of the U.S. credit rating.

In these conditions, the JEOL Group tried hard to implement the prioritized strategies defined in its medium-term management plan, "CHALLENGE 5" (FY 2010 to FY 2012) to enhance its enterprise value and management base as well as increase orders and sales.

In particular, we decided to restructure and streamline the semiconductor-related equipment business in which we need to invest heavily in research and development even in a shrinking market. This means reviewing the business structure in terms of business scale as the final phase of "promotion of management structure reforms," one of the prioritized strategies in "CHALLENGE 5." Specifically, we wrote down the inventory value and recognized an impairment loss on the related equipment. In addition, after assessing the collectability of deferred tax assets rigorously, we removed ¥5,000 million in deferred tax assets from the balance sheet.

Net sales for the consolidated fiscal year under review were ¥83,192 million (up 10.5% compared with ¥75,274 million in the previous year). With regard to profit and loss, the operating loss was ¥1,175 million (compared with operating income of ¥1,020 million in the previous year), and the net loss was ¥9,051 million (compared to net income of ¥53 million in the previous year).

As a result of posting the losses stated above, our equity capital decreased significantly. Although the decrease in equity capital was unlikely to have a direct impact on our business, we decided to issue Class one preferred stock with a total value of ¥3,000 million to enhance our financial position. This measure will enable us to strengthen our financial standing. In addition, we will focus R&D investment on our electron microscope, clinical biochemistry analyzer and other core businesses with strong growth potential to improve the competitiveness of our products in the global market and to enhance our earnings base.

### Please tell us about the JEOL Group medium-term management plan, "CHALLENGE 5."

The JEOL Group is striving to grow beyond being solely a manufacturer of scientific instruments to become a "Global Solutions Provider for Advanced Technology," supplying total solutions.

With “nanotechnology, life science, environment, and quality control” set as our target markets based on our medium-term management plan, “CHALLENGE 5,” we aim to enhance the JEOL brand by positively promoting five challenges: (1) promotion of management structure reforms; (2) enhancement of R&D capabilities; (3) strengthening of the solution business; (4) further penetration into emerging markets; and (5) further reinforcement of the supply chain.

To promote management structure reforms, so far we have implemented several measures, such as (1) reducing fixed costs through the reduction of the workforce by approximately 500 employees, including 146 regular employees who left the JEOL Group through an early retirement program; (2) reduction of production costs and miscellaneous expenses; (3) promotion of group-wide optimization through the integration of five subsidiaries and affiliates; (4) the spin-off of the nuclear magnetic resonance (NMR) business and the acceptance of capital contributions to the spun-off entity (JEOL RESONANCE Inc.) from the Innovation Network Corporation of Japan (INCJ) and Japan Superconductor Technology, Inc. (JASTEC); and (5) disposal of real estate (land and parking facilities).



**Please tell us about the tasks to be addressed by the Company.**

1. In terms of development, we will narrow down the strategic lineup for efficient investment to provide technologically competitive products on a timely basis.
2. In addition to our conventional business model with a strong focus on selling our products, for the purpose of maximizing customer satisfaction we will strengthen our peripheral businesses, including the sale of consumables and peripheral equipment, analysis services, provision of expertise and related technologies, maintenance services, and consulting, thereby expanding our solution business in the fields of nanotechnology, biotechnology, life science, environment and other leading-edge solution businesses.
3. With regard to production, we will pursue further cost reductions to realize product costs that allow us to secure a reasonable level of profit amid the fluctuating foreign exchange rates and severe price competition.

4. We promoted management structure reforms. In April 2011, we spun off the NMR and electric spin resonance equipment businesses and established JEOL RESONANCE Inc. with a capital injection from INCJ, a public-private investment fund. In addition, we restructured and streamlined the semiconductor-related equipment business (that is, we reviewed the business structure in terms of business scale).

5. We will continue to allocate management resources to emerging markets with strong growth potential.

6. In May 2011, we conducted a cutover of our new Enterprise Resource Planning system. We expect that a more refined and timely management based on actual figures will be achieved, thus further promoting “visualization.”

In addition, while continuously addressing management structure reforms and construction of a stable earnings structure, all of us throughout the Group are determined to work on environmental preservation and reinforce the management base to achieve sustainable growth through the enhancement of compliance, strict adherence to corporate ethics, and the development of a worthy and exemplary corporate culture.



**What are your views on return of profits to shareholders and dividends?**

Our basic policy for profit distribution is to maintain stable dividends from a long-term perspective based on our efforts to improve financial standing and corporate structure.

However, for the fiscal year under review, in light of our business performance and financial situation, we were unable to pay a final dividend at the end of the term. The full-year dividend including the interim dividend for the fiscal year was therefore ¥2 per share. It is to our great regret that we were unable to pay a final dividend and we would like to express our sincere apologies to our shareholders. However, by pursuing profit-oriented management, we will continue to enhance our enterprise value and improve our earnings base. We look forward to your understanding on these matters.

### ● Past Measures and Accomplishments

- Promotion of “visualization” of managerial performance through the enhancement of management structure reforms
- Reduction of the workforce by approximately 500, including 146 regular employees who left the JEOL Group through an early retirement program
- Promotion of group-wide optimization through integration of five subsidiaries and affiliates
- Reduction of production costs and miscellaneous expenses (reinforcement of the supply chain)
- Spin-off of the NMR business and acceptance of capital contributions to the spun-off entity (JEOL RESONANCE Inc.) from INCJ and JASTEC

▶ We will implement further reforms in the final year of our medium-term management plan.

### ● Completion of Management Structure Reforms

#### Restructuring and Streamlining of the Semiconductor-Related Equipment Business

We pushed through measures to restructure and streamline the semiconductor-related equipment business in which we need to invest heavily in R&D even in a shrinking market.

- Disposal of inventories (sell-off of four units in FY 2011)
- Booking of a loss on disposal of inventories and loss on write-down of inventories (reduction in the book value of inventories to market value)
- Booking of an impairment loss on related equipment
- Reallocation of human resources in proportion to each business’s size (prioritized allocation of management resources to core businesses such as the electron microscope business)

#### Implementation of the Capital Reinforcement Plan

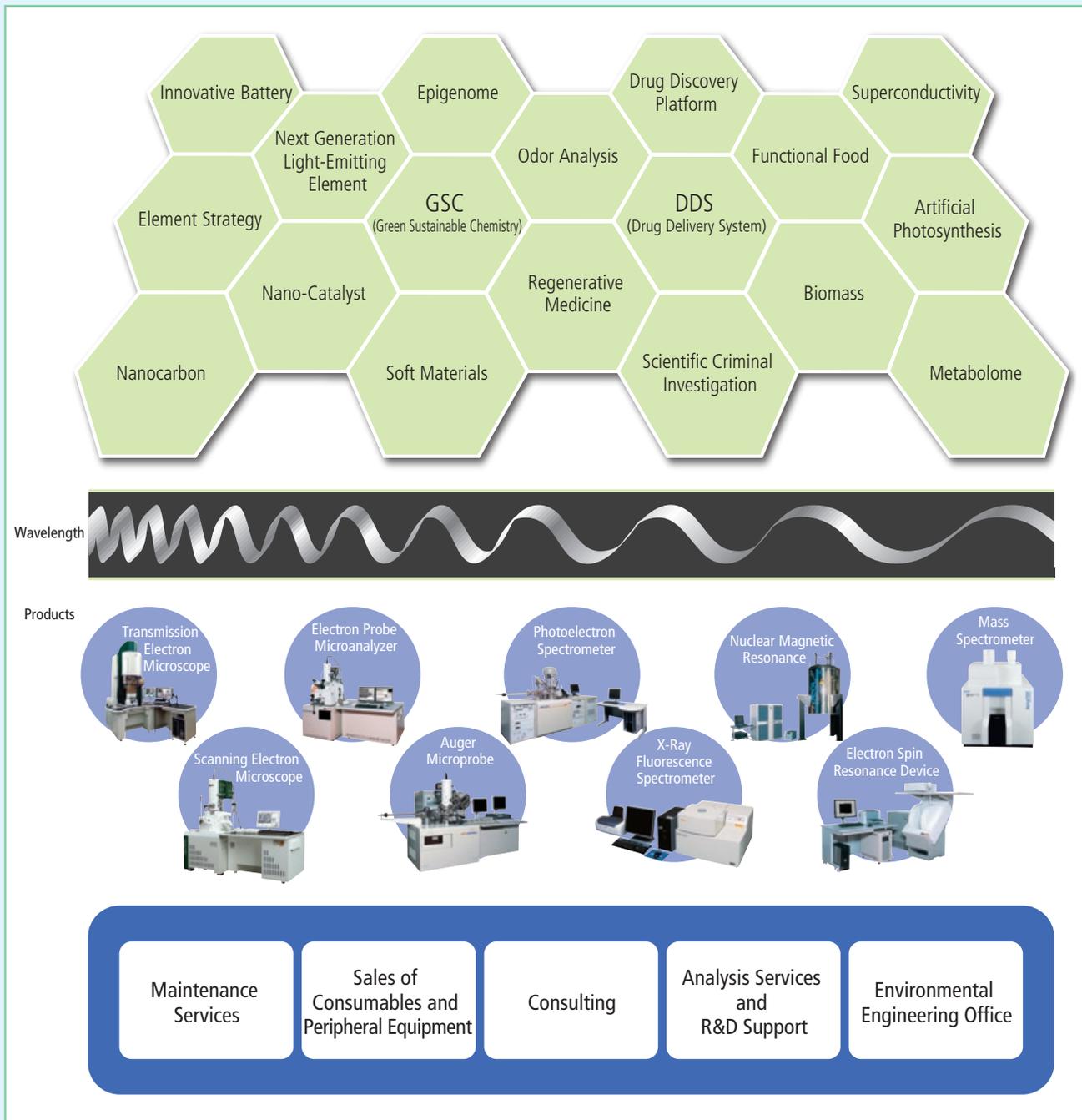
We made a private allocation of Class A preferred shares with a total value of ¥3,000 million to Japan Industrial Solutions No. 1 Limited Partnership to strengthen our financial position, specifically addressing the decline of our own capital attributable to the removal of deferred tax assets and the posting of restructuring costs regarding the semiconductor-related equipment business.

### ● In addition to accomplishing the management structure reforms discussed above, we will continue to enhance our enterprise value with a focus on the following growth strategies:

- Reinforcing R&D capabilities
- Developing emerging markets
- Promoting a brand strategy
- Enhancing our solution business
- Focusing management resources on our core businesses

▶ Securing a V-shaped recovery

**Provision of total solutions for developing cutting-edge technologies**



- Provision of high-end scientific and analytical instrument for the development of leading-edge technologies
- World's No. 1 wide-ranging lineup of high-end instruments
- Well-organized structure to meet development of cutting-edge applications and global operation and services

Examples of JEOL's solution service addressing cutting-edge application with the full combination of JEOL product lines



# Research & Development

April 2011

## JEOL's instruments contributed to the analysis of particles collected by HAYABUSA (a Japanese spacecraft)

In an additional volume of *Newton Graphic Science Magazine*, issued on April 15, 2011, an article titled "Space New Era to Be Cultivated by Hayabusa" (in Japanese) reported that JEOL's electron probe microanalyzer (EPMA) had contributed to the analysis of particles.

JXA-8530F



April 2011

July 2011

## JEOL launched the new thermal field emission scanning electron microscope JSM-7800F

The JSM-7800F, a next-generation thermal field emission scanning electron microscope, is the ultimate analytical tool that answers a wide variety of users' needs. With its new super hybrid objective lens, the microscope is capable of high-resolution imaging as well as high-speed, high-precision elemental analysis.



August 2011

## JEOL renewed its production and distribution relationship with Siemens

The robust partnership focused on new innovations for the next-generation clinical chemistry platform



September 2011

## InTouchScope received two awards

InTouchScope JSM-6010LA was awarded the MT-10 Award for Microscopy Innovation from *Microscopy Today*, the journal of the Microscopy Society of America, and the R&D 100 Awards in 2011 sponsored by *R&D Magazine*.



February 2012

## "Itokawa" asteroid particles were displayed for the first time to the world through a JEOL electron microscope

A JEOL thermal field emission scanning electron microscope, remotely operated by a team of researchers at Okayama University, played a role in displaying images of Itokawa asteroid particles for the first time to the world.



April 2012

## JEOL launched the new desktop scanning electron microscope JCM-6000 "NeoScope II™"

A touch panel controlled multifunctional desktop scanning electron microscope



April 2012

## JEOL launched the world's fastest and smallest solid state NMR probe (detector)

The world's smallest 0.75-mm solid-state NMR probe is capable of high-resolution sample analysis by spinning the sample at 110 kHz, the world's fastest spinning speed for an NMR.

## Lithium Ion Capacitor Premlis®

In February 2012, Advanced Capacitor Technologies, Inc. developed and launched a hybrid power supply system for ceiling cranes in collaboration with a crane manufacturer. The new hybrid system enables users to reduce power consumption by 30% through the recovery and reuse of energy. We have already commenced negotiations with many potential users who expressed interest in buying Premlis®. In addition, a customer has already decided to make environmental measurement equipment by combining solar power, Premlis® and communications equipment. The lithium ion capacitor is increasingly recognized as offering longer life and safety, and its use is expected to grow.



April 2012

## Environmental Activities

### 《ISO Policy of the JEOL Group》

Based on this corporate philosophy, the JEOL Group intends to conduct business activities that contribute to a better global environment by providing products such as environmental measurement and analyzing equipment and related services. Toward the realization of a recycling-based society that can develop sustainably, the JEOL Group will engage in business activities with an awareness of its responsibility as a "global corporate citizen."

### Promotion of Environmental Conservation Activities

The IMS Management Committee plays a central role in carrying out the integrated management system (IMS), which combines ISO 9001 and ISO 14001. The Group set up the Environmental Regulation Committee to meet the requirements of European Union directives on Waste Electrical and Electronic Equipment (WEEE) and Restrictions on Hazardous Substances (RoHS) contained in electrical and electronic equipment. Under the Tokyo Metropolitan Government's Tokyo CO<sub>2</sub> Emission Reduction Program based on the Tokyo Metropolitan Environmental Security Ordinance, the JEOL Group actively promoted the SF<sub>6</sub> gas recovery and regeneration system, and installation of energy-saving devices. We achieved a 74.8% reduction in carbon dioxide emissions, which ranked us No. 1 in the Tokyo metropolitan area.

### Ranked Highest in the DBJ Environmental Ratings

JEOL was awarded the highest rank in the environmental ratings of Development Bank of Japan Inc. (DBJ). In particular, our environmental management efforts utilizing IMS with a high level of technology were highly valued.



### Participation in a Network of Enterprises That Consider the Environment in Akishima City

Based on the concept of contribution from the regional level to the global environment, we have actively participated from the beginning in the "Network of Enterprises That Consider the Environment in Akishima City," which was set up in April 2005 and which involves Akishima City in the Tokyo metropolitan area and enterprises in Akishima. JEOL assumed the responsibility of leading the activities as the chair enterprise in FY 2009 and FY 2010, and has filled the role of the vice-chair enterprise since FY 2011.

### Expansion of the "Don't-Throw-Away" Campaign (Campaign for Cleaning Up Commuting Routes)

Since 1994, the JEOL Group has been conducting a campaign to clean up areas around the Company's premises and routes from the Company to a nearby railway station. The clean-up activity has been held more than 100 times.

Environment-related website

URL <http://www.jeol.co.jp/envi/>

In order to present our approach toward environmental issues and to provide various environment-related information, the JEOL Group offers useful, detailed contents through its environment-related website.



## CSR

### Science Class Support and Science Camp

As part of the commemorative projects for the 60th anniversary of the founding of the JEOL Group, Science Class Support has been continuously conducted since December 2007 for neighboring elementary schools and others. This special class sees instructors sent from the JEOL Group, and pupils can actually observe plant pollen and others using desktop scanning electron microscopes. In November 2011, a special lesson was given to pupils at elementary schools in Ishinomaki City and Sendai City, which were devastated by the Great East Japan Earthquake. Furthermore, since March 2004, the JEOL Group has been carrying out training camp-type learning activities ("Science Camp") sponsored by the Japan Science and



Technology Agency, which is an independent administrative corporation. In these camps, learning is performed using the JEOL Group's cutting-edge devices under the theme of "observing the nanometer world through electrons."

### Kazato Research Foundation

In commemoration of the 20th anniversary of the founding of the Company, the Kazato Research Foundation was founded in 1969 by a donation from Kenji Kazato, the founder of JEOL, for the purpose of promoting research and development of electron microscopes and related equipment, as well as research using electron microscopes and related equipment.



# Board of Directors, Corporate Auditors and Corporate Officers

As of June 28, 2012

## President and Representative Director



Gon-emon Kurihara

## Representative Director and Senior Executive Officer



Masashi Iwatsuki

## Director and Senior Executive Officer



Shin-ichi Watanabe

## Directors and Executive Officers



Masayuki Tajimi



Yoshihiro Sawada



Koichi Fukuyama



Hideyuki Nimura



Hiroshi Akao\*

## Outside Director

## Standing Corporate Auditors



Toshihito Suzuki



Kazufumi Adachi

## Outside Auditors



Hajime Miyakawa



Yoshiaki Ueda

## Executive Officers

Masaki Saito  
 Youichi Shibuki  
 Hirofumi Kusano  
 Tsutomu Morita  
 Yasuho Toyoda  
 Muneaki Mitsuta

## Corporate Officers

Wataru Wakamiya  
 Yasutoshi Nakagawa  
 Hideaki Suma  
 Toyohiko Tazawa  
 Shin Saitoh  
 Katsumoto Yaguchi  
 Yuji Kojima  
 Peter Genovese  
 Yoshihiro Okura

\* Outside Director Hiroshi Akao was appointed on July 6, 2012.

## Consolidated Five-Year Summary

JEOL Ltd. and consolidated subsidiaries, for the years ended March 31, 2012, 2011, 2010, 2009, and 2008

<b>For the year (Millions of yen):</b>	2012	2011	2010	2009	2008
Net sales	¥83,192	¥75,274	¥84,770	¥83,872	¥93,889
Scientific and measurement instruments	53,875	53,420	—	—	—
Scientific instrument	—	—	40,955	35,803	39,090
Industrial equipment	11,268	6,724	—	—	—
Industrial equipment	—	—	43,815	48,069	54,799
Medical equipment	18,049	15,130	—	—	—
—	—	—	—	—	—
Selling, general and administrative expenses	23,307	22,745	24,690	27,529	29,372
Operating (loss) income	(1,175)	1,020	508	(2,794)	2,154
Ordinary (loss) profit	(2,408)	505	210	(2,734)	1,952
Net (loss) income	(9,051)	53	276	(1,928)	113
Capital expenditures	2,408	2,890	3,257	3,527	6,118
Scientific and measurement instruments	1,505	990	—	—	—
Scientific instrument	—	—	1,346	1,333	1,911
Industrial equipment	183	1,114	—	—	—
Industrial equipment	—	—	1,885	2,104	4,191
Medical equipment	69	26	—	—	—
—	—	—	—	—	—
Eliminations/Corporate	651	760	26	90	16
Depreciation expense	2,890	3,168	3,403	3,642	2,923
Research and development costs	4,384	4,417	4,543	5,644	6,486
Scientific and measurement instruments	3,446	3,460	—	—	—
Scientific instrument	—	—	1,653	2,477	2,809
Industrial equipment	460	594	—	—	—
Industrial equipment	—	—	2,890	3,167	3,677
Medical equipment	478	363	—	—	—
—	—	—	—	—	—
<b>At year-end (Millions of yen):</b>					
Total assets	¥93,820	¥99,529	¥102,917	¥104,582	¥106,322
Total equity	14,388	24,047	25,753	24,471	29,696
<b>Per share data (Yen):</b>					
Net (loss) income	¥(115.60)	¥ 0.67	¥ 3.52	¥ (24.63)	¥ 1.42
Total equity	181.94	303.50	322.15	311.93	377.78
Cash dividends	2.00	4.00	4.00	4.00	7.50
<b>Value indicators (%):</b>					
Return on equity (ROE)	(47.6)%	0.2%	1.1%	(7.1)%	0.4%
Return on assets (ROA)	(9.6)	0.05	0.2	(1.8)	0.1

Note: Effective from the fiscal year ended March 31, 2011, the Company and its consolidated subsidiaries conduct business in three segments: Scientific and Measurement Instruments, Industrial Equipment, and Medical Equipment. For details, please see Segment Information on page 11.



Deloitte Touche Tohmatsu LLC  
MS Shibaura Building  
4-13-23, Shibaura  
Minato-ku, Tokyo 108-8530  
Japan  
Tel: +81 (3) 3457 7321  
Fax: +81 (3) 3457 1694  
www.deloitte.com/jp

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of JEOL Ltd.:

We have audited the accompanying consolidated balance sheet of JEOL Ltd. (the "Company") and consolidated subsidiaries as of March 31, 2012, and the related consolidated statements of operations, comprehensive loss, changes in equity, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, all expressed in Japanese yen.

### Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in conformity with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in conformity with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of JEOL Ltd. and consolidated subsidiaries as of March 31, 2012, and the consolidated results of their operations and their cash flows for the year then ended in conformity with accounting principles generally accepted in Japan.

### Emphasis of Matter

- (1) As discussed in Note 19 to the consolidated financial statements, the Board of Directors meeting on May 11, 2012, approved to put a resolution of issuance of class one preferred stock through a third-party allotment to the annual shareholders meeting on June 28, 2012, and the resolution passed the annual shareholders meeting.
- (2) As discussed in Note 19 to the consolidated financial statements, the Board of Directors meeting on May 11, 2012, approved to put a resolution of reduction of capital surplus and legal reserve and appropriation of retained earnings to the annual shareholders meeting on June 28, 2012, and the resolution passed the annual shareholders meeting.
- (3) As discussed in Note 19 to the consolidated financial statements, the Board of Directors meeting on May 11, 2012, decided to reduce stated capital and additional paid-in capital subject to the effectuation of the issuance of the class one preferred stock.

### Convenience Translation

Our audit also comprehended the translation of Japanese yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made in conformity with the basis stated in Note 1. Such U.S. dollar amounts are presented solely for the convenience of readers outside Japan.

*Deloitte Touche Tohmatsu LLC*

June 28, 2012

Member of  
Deloitte Touche Tohmatsu Limited

# Corporate Outline

As of March 31, 2012

**Corporate Name:** JEOL Ltd.  
**Address:** 1-2, Musashino 3-chome, Akishima, Tokyo 196-8558, Japan  
 TEL: +81-42-543-1111 FAX: +81-42-546-3353  
**Establishment:** May 30, 1949  
**Capital:** ¥6,740 million  
**Number of Employees:** Consolidated 2,709 Non-consolidated 1,905

**Stock Information:** Authorized shares: 200,000,000  
 Issued shares: 79,365,600  
 Number of shareholders: 10,768

**Head Office and Branch Offices:** Head Office: Factory  
 Tokyo Office  
 Tokyo Branch Office  
 Sapporo Branch Office  
 Sendai Branch Office  
 Tsukuba Branch Office  
 Yokohama Branch Office  
 Nagoya Branch Office  
 Osaka Branch Office  
 Kansai Application Research Center  
 Hiroshima Branch Office  
 Takamatsu Branch Office  
 Fukuoka Branch Office

**Domestic Subsidiaries and Affiliated Companies:** JEOL TECHNICS LTD.  
 JEOL TECHNOSERVICE CO., LTD.  
 YAMAGATA CREATIVE CO., LTD.  
 Advanced Capacitor Technologies, Inc.  
 DATUM INSTRUMENTS INC.  
 JEOL RESONANCE Inc.

**Overseas Subsidiaries**

JEOL USA, INC. [USA]	11 Dearborn Road, Peabody, MA 01960, USA TEL. 1-978-535-5900
JEOL (EUROPE) SAS [France]	Espace Claude Monet, 1 Allee de Giverny 78290 Croissy-sur-Seine, France TEL. 33-13015-3737
JEOL (U.K.) LTD. [U.K.]	JEOL House, Silver Court, Watchmead, Welwyn Garden City, Herts AL7 1LT, U.K. TEL. 44-1707-377117
JEOL (EUROPE) B. V. [the Netherlands]	Lireweg 4, NL-2153 PH Nieuw-Vennep, The Netherlands TEL. 31-252-623500
JEOL (SKANDINAVISKA) A.B. [Sweden]	Hammarbacken 6A Box 716 191 27 Sollentuna, Sweden TEL. 46-8-28-2800
JEOL (GERMANY) GmbH [Germany]	Oskar-Von-Miller-Strasse 1, 85386 Eching, Germany TEL. 49-8165-77346
JEOL (ITALIA) S.p.A. [Italy]	Centro Direzionale Green Office Via Dei Tulipani, 1, 20090 Pieve, Emanuele (MI), Italy TEL. 39-2-9041431
JEOL ASIA PTE. LTD. [Singapore]	2 Corporation Road #01-12 Corporation Place, Singapore 618494 TEL. 65-6565-9989
JEOL TAIWAN SEMICONDUCTORS LTD. [Taiwan]	11F, No. 346, Pei-Ta Road, Hsin-Chu City 300, Taiwan, Republic of China TEL. 886-3-523-8490
JEOL DE MEXICO S.A. DE C.V. [Mexico]	Arkansas 11 Piso 2 Colonia Nápoles Delegación Benito Juárez C.P. 03810, Mexico D.F. Mexico TEL. 52-5-55-211-4511
JEOL CANADA, INC. [Canada]	5757 Cavendish Boulevard, Suite 504, Montreal, Quebec H4W 2W8, Canada TEL. 1-514-482-6427
JEOL BRASIL Instrumentos Cientificos Ltda. [Brazil]	Av. Jabaquara, 2958-5º andar-cj. 52 04046-500 Sao Paulo, SP, Brazil TEL. 55-11-5070-4000
JEOL (MALAYSIA) SDN BHD [Malaysia]	205, Block A, Mezzanine Floor, Kelana Business Center 97, Jalan SS 7/2, Kelana Jaya, 47301 Petaling Jaya, Selangor, Malaysia TEL. 60-3-7492-7722
JEOL (AUSTRALASIA) PTY. LTD. [Australia]	Suite 1, Level 2, 18 Aquatic Drive, Frenchs Forest NSW 2086, Australia TEL. 61-2-9451-3855
JEOL (BEIJING) CO., LTD. [China]	Room B1110/11, Wantong New World Plaza No. 2 Fuchengmenwai Street, Xicheng District, Beijing 100037, China TEL. 86-10-6804-6321
JEOL Shanghai Semiconductors Ltd. [China]	34A World Plaza No. 855 PuDong Nan Road, Shanghai, China TEL. 86-21-6888-0770
JEOL DATUM Shanghai Co., Ltd. [China]	Room 1507&1508, Ben Ben Mansion, No. 300 Xikang Road, Jingan Area, Shanghai 200040, China TEL. 86-21-5836-6350
JEOL (RUS) LLC [Russia]	Krasnoproletarskaya Street, 16, Bld. 2, 127473, Moscow, Russian Federation TEL. 7-495-748-7791
JEOL INDIA PVT. LTD.	Elegance Tower, Level 2, 212B Old Mathura Road, Jasola Business District, Jasola, New Delhi-110025, Delhi, India TEL. 91-11-6472-2578
JEOL KOREA LTD. [Korea]	Dongwoo Bldg 7F, 1443, Yangjae Daero, Gangdong-Gu, Seoul, 134-010, Korea TEL. 82-2-511-5501

# JEOL

1-2, Musashino 3-chome, Akishima, Tokyo 196-8558, Japan  
TEL: +81-42-543-1111 FAX: +81-42-546-3353  
E-mail: [ir@jeol.co.jp](mailto:ir@jeol.co.jp)  
URL <http://www.jeol.com/>



Printed in Japan