

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

## Summary of Consolidated Financial Results for the Year Ended March 31, 2011 (Based on Japanese GAAP)

May 13, 2011

Company name: JEOL Ltd.  
 Stock exchange listing: Tokyo  
 Stock code: 6951 URL <http://www.jeol.co.jp>  
 Representative: President and Representative Director Gon-emon Kurihara  
 Inquiries: Director and Corporate Officer, Koichi Fukuyama TEL +81-42-543-1111  
 General Manager, Management Strategy  
 Planning Division

Scheduled date of ordinary general meeting of shareholders: June 29, 2011  
 Scheduled date to file Securities Report: June 29, 2011  
 Scheduled date to commence dividend payments: June 30, 2011  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the year ended March 31, 2011 (from April 1, 2010 to March 31, 2011)

#### (1) Consolidated financial results

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2011	75,274	(11.2)	1,020	101.0	504	140.2	52	(80.9)
Year ended March 31, 2010	84,769	1.1	507	-	210	-	275	-

	Net income per share	Diluted net income per share	Net income/equity	Ordinary income/total assets	Operating income/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2011	0.67	-	0.2	0.5	1.4
Year ended March 31, 2010	3.52	3.45	1.1	0.2	0.6

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2011	99,529	24,046	23.9	303.50
As of March 31, 2010	102,916	25,752	24.5	322.15

#### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2011	2,980	1,393	(3,384)	7,504
Year ended March 31, 2010	1,085	(257)	(2,849)	6,978

### 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2010	-	2.50	-	1.50	4.00	313	113.5	1.2
Year ended March 31, 2011	-	2.00	-	2.00	4.00	313	597.0	1.3
Year ending March 31, 2012 (Forecast)	-	-	-	-	-	-	-	-

3. Forecast of consolidated financial results for the year ending March 31, 2012 (from April 1, 2011 to March 31, 2012)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2012	33,000	14.1	(2,500)	–	(2,500)	–	(1,500)	–	(19.16)
Full year	86,000	14.2	1,900	86.3	1,500	197.1	900	–	11.50

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2011

(changes in specified subsidiaries resulting in the change in scope of consolidation):

No

(2) Changes in accounting policies and procedures, and methods of presentation

Changes in accounting policies due to revisions to accounting standards and other regulations:

Yes

Changes in accounting policies due to other reasons:

No

(3) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2011	79,365,600 shares	As of March 31, 2010	79,365,600 shares
----------------------	-------------------	----------------------	-------------------

Number of treasury shares at the end of the period

As of March 31, 2011	1,073,680 shares	As of March 31, 2010	1,070,236 shares
----------------------	------------------	----------------------	------------------

Average number of shares during the period

Year ended March 31, 2011	78,293,646 shares	Year ended March 31, 2010	78,296,046 shares
---------------------------	-------------------	---------------------------	-------------------

**Consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2010	As of March 31, 2011
<b>Assets</b>		
Current assets		
Cash and deposits	7,143	7,572
Notes and accounts receivable-trade	27,474	23,383
Merchandise and finished goods	14,784	15,462
Work in process	16,746	17,905
Raw materials and supplies	2,797	3,305
Deferred tax assets	1,764	1,847
Income taxes receivable	120	3
Consumption taxes receivable	219	438
Other	1,364	1,203
Allowance for doubtful accounts	(315)	(226)
<b>Total current assets</b>	<b>72,100</b>	<b>70,896</b>
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	19,732	19,602
Accumulated depreciation	(12,384)	(12,930)
Buildings and structures, net	7,347	6,671
Machinery, equipment and vehicles	3,697	3,626
Accumulated depreciation	(2,952)	(2,956)
Machinery, equipment and vehicles, net	744	670
Tools, furniture and fixtures	18,095	18,099
Accumulated depreciation	(13,957)	(15,061)
Tools, furniture and fixtures, net	4,137	3,037
Land	1,480	1,357
Lease assets	1,175	1,689
Accumulated depreciation	(128)	(331)
Lease assets, net	1,047	1,357
Construction in progress	510	549
<b>Total property, plant and equipment</b>	<b>15,268</b>	<b>13,644</b>
Intangible assets		
Software	281	199
Lease assets	20	120
Software in progress	491	1,147
Other	300	235
<b>Total intangible assets</b>	<b>1,093</b>	<b>1,702</b>
Investments and other assets		
Investment securities	7,249	5,619
Deferred tax assets	5,816	6,104
Other	1,270	1,485
Allowance for doubtful accounts	(73)	(72)
<b>Total investments and other assets</b>	<b>14,261</b>	<b>13,137</b>
<b>Total noncurrent assets</b>	<b>30,623</b>	<b>28,484</b>
Deferred assets		
Bond issuance cost	192	147
<b>Total deferred assets</b>	<b>192</b>	<b>147</b>
<b>Total assets</b>	<b>102,916</b>	<b>99,529</b>

(Millions of yen)

	As of March 31, 2010	As of March 31, 2011
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable-trade	17,303	17,769
Short-term loans payable	21,755	21,646
Current portion of bonds	2,581	2,241
Lease obligations	250	368
Accounts payable-other	1,478	1,284
Income taxes payable	246	330
Accrued consumption taxes	142	45
Deferred tax liabilities	1	0
Advances received	5,381	5,919
Provision for bonuses	546	760
Other	4,382	4,302
<b>Total current liabilities</b>	<b>54,070</b>	<b>54,669</b>
<b>Noncurrent liabilities</b>		
Bonds payable	7,987	6,546
Long-term loans payable	7,346	6,472
Lease obligations	870	1,164
Deferred tax liabilities	43	29
Provision for retirement benefits	6,117	5,944
Provision for directors' retirement benefits	432	317
Asset retirement obligations	–	142
Other	294	196
<b>Total noncurrent liabilities</b>	<b>23,093</b>	<b>20,813</b>
<b>Total liabilities</b>	<b>77,164</b>	<b>75,482</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	6,740	6,740
Capital surplus	6,346	6,346
Retained earnings	13,532	13,311
Treasury stock	(531)	(532)
<b>Total shareholders' equity</b>	<b>26,087</b>	<b>25,865</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	1,199	369
Deferred gains or losses on hedges	(23)	(12)
Foreign currency translation adjustment	(2,040)	(2,459)
<b>Total accumulated other comprehensive income</b>	<b>(864)</b>	<b>(2,103)</b>
<b>Minority interests</b>	<b>529</b>	<b>284</b>
<b>Total net assets</b>	<b>25,752</b>	<b>24,046</b>
<b>Total liabilities and net assets</b>	<b>102,916</b>	<b>99,529</b>

**Consolidated statements of income and consolidated statements of comprehensive income**  
**Consolidated statements of income**

(Millions of yen)

	Year ended March 31, 2010	Year ended March 31, 2011
Net sales	84,769	75,274
Cost of sales	59,571	51,509
Gross profit	25,198	23,765
Selling, general and administrative expenses		
Selling, general and administrative expenses	20,147	18,327
Research and development expenses	4,543	4,417
Total selling general and administrative expenses	24,690	22,745
Operating income	507	1,020
Non-operating income		
Interest income	25	29
Dividends income	116	99
Insurance income	63	101
Revenue from acceptance of development services	284	104
Equity in earnings of affiliates	23	37
Insurance return	110	7
Foreign exchange gains	43	185
Other	221	126
Total non-operating income	889	691
Non-operating expenses		
Interest expenses	650	612
Loss on sales of accounts receivable	183	219
Loss on retirement of inventories	117	84
Other	234	289
Total non-operating expenses	1,186	1,206
Ordinary income	210	504
Extraordinary income		
Gain on sales of noncurrent assets	5	1,656
Gain on sales of investment securities	800	599
Reversal of allowance for doubtful accounts	1	84
Surrender value of insurance	125	–
Gain on change in equity	327	–
Gain on prior periods adjustment	52	
Other	6	66
Total extraordinary income	1,318	2,407

(Millions of yen)

	Year ended March 31, 2010	Year ended March 31, 2011
Extraordinary loss		
Loss on sales of noncurrent assets	2	10
Loss on retirement of noncurrent assets	208	52
Loss on valuation of investment securities	220	41
Early extra retirement payments	–	1,747
Compensation of product	372	–
Penalty	232	–
Other	183	764
Total extraordinary losses	1,220	2,616
Income before income taxes and minority interests	308	295
Income taxes-current	523	399
Income taxes-deferred	(355)	87
Total income taxes	167	487
Loss before minority interests	–	(192)
Minority interests in loss	(134)	(244)
Net income	275	52

**Consolidated statements of comprehensive income**

(Millions of yen)

	Year ended March 31, 2010	Year ended March 31, 2011
Loss before minority interests	–	(192)
Other comprehensive income		
Valuation difference on available-for-sale securities	–	(830)
Deferred gains or losses on hedges	–	10
Foreign currency translation adjustment	–	(125)
Share of other comprehensive income of associates accounted for using equity method	–	(293)
Total other comprehensive income	–	(1,238)
Comprehensive income	–	(1,430)
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	–	(1,186)
Comprehensive income attributable to minority interests	–	(244)

Consolidated statements of changes in net assets

(Millions of yen)

	Year ended March 31, 2010	Year ended March 31, 2011
<b>Shareholders' equity</b>		
<b>Capital stock</b>		
Balance at the end of previous period	6,740	6,740
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	6,740	6,740
<b>Capital surplus</b>		
Balance at the end of previous period	6,346	6,346
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	6,346	6,346
<b>Retained earnings</b>		
Balance at the end of previous period	13,569	13,532
Changes of items during the period		
Dividends from surplus	(313)	(274)
Net income	275	52
Total changes of items during the period	(37)	(221)
Balance at the end of current period	13,532	13,311
<b>Treasury stock</b>		
Balance at the end of previous period	(530)	(531)
Changes of items during the period		
Purchase of treasury stock	(0)	(1)
Total changes of items during the period	(0)	(1)
Balance at the end of current period	(531)	(532)
<b>Total shareholders' equity</b>		
Balance at the end of previous period	26,125	26,087
Changes of items during the period		
Dividends from surplus	(313)	(274)
Net income	275	52
Purchase of treasury stock	(0)	(1)
Total changes of items during the period	(37)	(222)
Balance at the end of current period	26,087	25,865



(Millions of yen)

	Year ended March 31, 2010	Year ended March 31, 2011
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at the end of previous period	334	1,199
Changes of items during the period		
Net changes of items other than shareholders' equity	864	(830)
Total changes of items during the period	864	(830)
Balance at the end of current period	1,199	369
Deferred gains or losses on hedges		
Balance at the end of previous period	(88)	(23)
Changes of items during the period		
Net changes of items other than shareholders' equity	64	10
Total changes of items during the period	64	10
Balance at the end of current period	(23)	(12)
Foreign currency translation adjustment		
Balance at the end of previous period	(1,948)	(2,040)
Changes of items during the period		
Net changes of items other than shareholders' equity	(91)	(419)
Total changes of items during the period	(91)	(419)
Balance at the end of current period	(2,040)	(2,459)
Total accumulated other comprehensive income		
Balance at the end of previous period	(1,702)	(864)
Changes of items during the period		
Net changes of items other than shareholders' equity	837	(1,238)
Total changes of items during the period	837	(1,238)
Balance at the end of current period	(864)	(2,103)
Minority interests		
Balance at the end of previous period	47	529
Changes of items during the period		
Net changes of items other than shareholders' equity	482	(244)
Total changes of items during the period	482	(244)
Balance at the end of current period	529	284
Total net assets		
Balance at the end of previous period	24,470	25,752
Changes of items during the period		
Dividends from surplus	(313)	(274)
Net income	275	52
Purchase of treasury stock	(0)	(1)
Net changes of items other than shareholders' equity	1,319	(1,483)
Total changes of items during the period	1,281	(1,705)
Balance at the end of current period	25,752	24,046

**Consolidated statements of cash flows**

(Millions of yen)

	Year ended March 31, 2010	Year ended March 31, 2011
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	308	295
Depreciation and amortization	3,403	3,167
Increase (decrease) in provision for bonuses	(287)	222
Increase (decrease) in provision for retirement benefits	42	(153)
Increase (decrease) in provision for directors' retirement benefits	(422)	(114)
Loss (gain) on sales and retirement of noncurrent assets	205	(1,592)
Loss (gain) on sales of investment securities	(800)	(599)
Loss (gain) on valuation of investment securities	220	41
Loss (gain) on cancellation of insurance contract	(125)	–
Loss (gain) on change in equity	(327)	–
Early extra retirement payments	–	1,747
Compensation of product	372	–
Penalty	232	–
Equity in (earnings) losses of affiliates	(23)	(37)
Interest and dividends income	(142)	(128)
Gain on maturity of insurance contract	(110)	–
Interest expenses	650	612
Loss on sales of notes and accounts receivable-trade	183	219
Decrease (increase) in notes and accounts receivable-trade	(6,684)	3,439
Decrease (increase) in inventories	4,818	(2,845)
Increase (decrease) in notes and accounts payable-trade	621	1,057
Decrease/increase in consumption taxes receivable/payable	435	(308)
Increase (decrease) in advances received	(366)	715
Other, net	453	(108)
Subtotal	2,658	5,630
Interest and dividends income received	143	138
Interest expenses paid	(648)	(599)
Loss on sales of notes and accounts receivable-trade paid	(183)	(219)
Income taxes (paid) refund	(745)	(222)
Payments for early extra retirement payments	–	(1,747)
Penalty paid	(139)	–
Net cash provided by (used in) operating activities	1,085	2,980

(Millions of yen)

	Year ended March 31, 2010	Year ended March 31, 2011
Net cash provided by (used in) investing activities		
Payments into time deposits	(61)	(27)
Proceeds from withdrawal of time deposits	19	120
Purchase of investment securities	(10)	(1)
Proceeds from sales of investment securities	1,229	1,164
Purchase of property, plant and equipment	(1,651)	(884)
Proceeds from sales of property, plant and equipment	163	1,759
Purchase of intangible assets	(322)	(237)
Purchase of investments in subsidiaries	(23)	(212)
Proceeds from cancellation of insurance funds	382	–
Proceeds from maturity of insurance funds	193	–
Other, net	(175)	(287)
Net cash provided by (used in) investing activities	(257)	1,393
Net cash provided by (used in) financing activities		
Increase (decrease) in short-term loans payable	(1,865)	(2,014)
Proceeds from long-term loans payable	4,300	3,500
Repayment of long-term loans payable	(3,398)	(2,462)
Proceeds from issuance of bonds	3,903	784
Redemption of bonds	(1,731)	(2,581)
Redemption of convertible bonds	(4,588)	–
Proceeds from stock issuance to minority shareholders	972	–
Cash dividends paid	(313)	(276)
Other, net	(128)	(335)
Net cash provided by (used in) financing activities	(2,849)	(3,384)
Effect of exchange rate change on cash and cash equivalents	(37)	(250)
Net increase (decrease) in cash and cash equivalents	(2,059)	739
Cash and cash equivalents at beginning of period	9,037	6,978
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	–	(212)
Cash and cash equivalents at end of period	6,978	7,504