

Translation

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## Summary of Consolidated Financial Results for the Year Ended March 31, 2013 (Based on Japanese GAAP)

May 14, 2013

Company name	JEOL Ltd.		
Stock exchange listing	Tokyo		
Stock code	6951	URL	<a href="http://www.jeol.co.jp">http://www.jeol.co.jp</a>
Representative	President and Representative Director	Gon-emon Kurihara	
Inquiries	General Manager, Management Strategy		Izumi Oi
	Planning Division		
Scheduled date of ordinary general meeting of shareholders	June 27, 2013		
Scheduled date to file Securities Report	June 27, 2013		
Scheduled date to commence dividend payments	June 28, 2013		
Preparation of supplementary material on earnings	Yes		
Holding of earnings performance review	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, 2013 (from April 1, 2012 to March 31, 2013)

#### (1) Consolidated operating 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, 2013	79,629	(4.3)	2,966	–	1,909	–	1,598	–
Year ended March 31, 2012	83,191	10.5	(1,175)	–	(2,408)	–	(9,050)	–

	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, 2013	19.01	18.27	9.4	2.0	3.7
Year ended March 31, 2012	(115.60)	–	(47.6)	(2.5)	(1.4)

#### (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, 2013	98,533	19,830	20.1	213.58
As of March 31, 2012	93,819	14,388	15.2	181.94

#### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Period-end cash and cash equivalents
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
As of March 31, 2013	(5,703)	(1,446)	2,821	5,158
As of March 31, 2012	3,385	(2,440)	70	8,226

### 2. Cash dividends

	Annual dividends					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, 2012	–	2.00	–	0.00	2.00	156	(1.7)	0.8
Year ended March 31, 2013	–	0.00	–	2.00	2.00	156	10.5	1.0
Year ending March 31, 2014 (Forecast)	–	2.50	–	2.50	5.00		11.9	

3. Forecast of consolidated financial results for the year ending March 31, 2014 (from April 1, 2013 to March 31, 2014)

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, 2013	41,700	19.3	(200)	–	(400)	–	(600)	–	(7.66)
Full year	90,400	13.5	4,000	34.8	3,500	83.3	3,300	106.5	42.15

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2013

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

Yes

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections

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

Yes

Changes in accounting policies due to other reasons:

No

Changes in accounting estimates:

Yes

Restatement of prior period financial statements after error corrections:

No

(3) Number of issued shares

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

As of March 31, 2013	79,365,600 shares	As of March 31, 2012	79,365,600 shares
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Number of shares of treasury stock at the end of the period

As of March 31, 2013	1,076,668 shares	As of March 31, 2012	1,074,628 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Year ended March 31, 2013	78,289,674 shares	Year ended March 31, 2012	78,291,535 shares
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**Consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2012	As of March 31, 2013
<b>Assets</b>		
Current assets		
Cash and deposits	8,301	5,643
Notes and accounts receivable-trade	22,577	24,609
Merchandise and finished goods	12,729	14,147
Work in process	20,708	22,007
Raw materials and supplies	2,260	2,321
Deferred tax assets	2,106	2,753
Income taxes receivable	6	20
Consumption taxes receivable	680	285
Other	1,718	2,052
Allowance for doubtful accounts	(182)	(152)
Total current assets	70,906	73,687
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	19,780	19,661
Accumulated depreciation	(13,678)	(13,907)
Buildings and structures, net	6,102	5,754
Machinery, equipment and vehicles	3,391	3,487
Accumulated depreciation	(2,907)	(2,910)
Machinery, equipment and vehicles, net	484	576
Tools, furniture and fixtures	16,617	16,735
Accumulated depreciation	(14,879)	(14,637)
Tools, furniture and fixtures, net	1,737	2,097
Land	1,500	1,743
Lease assets	1,871	2,735
Accumulated depreciation	(1,283)	(1,408)
Lease assets, net	588	1,327
Construction in progress	356	486
Total property, plant and equipment	10,769	11,987
Intangible assets		
Software	1,569	1,426
Lease assets	97	73
Software in progress	56	–
Other	35	52
Total intangible assets	1,758	1,552
Investments and other assets		
Investment securities	6,647	7,534
Deferred tax assets	1,947	1,578
Other	1,700	2,166
Allowance for doubtful accounts	(6)	(36)
Total investments and other assets	10,289	11,243
Total noncurrent assets	22,817	24,782
Deferred assets		
Bond issuance cost	95	63
Total deferred assets	95	63
Total assets	93,819	98,533

(Millions of yen)

	As of March 31, 2012	As of March 31, 2013
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable-trade	20,777	15,543
Short-term loans payable	24,974	27,655
Current portion of bonds	4,761	1,565
Lease obligations	400	554
Accounts payable-other	1,792	1,514
Income taxes payable	424	417
Accrued consumption taxes	77	166
Deferred tax liabilities	0	1
Advances received	5,896	8,108
Provision for bonuses	587	626
Other	4,125	5,947
<b>Total current liabilities</b>	<b>63,818</b>	<b>62,101</b>
<b>Noncurrent liabilities</b>		
Bonds payable	2,285	1,720
Long-term loans payable	5,399	5,917
Lease obligations	994	1,365
Deferred tax liabilities	27	33
Provision for retirement benefits	6,275	6,960
Provision for directors' retirement benefits	256	210
Asset retirement obligations	145	143
Other	228	250
<b>Total noncurrent liabilities</b>	<b>15,612</b>	<b>16,601</b>
<b>Total liabilities</b>	<b>79,431</b>	<b>78,702</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	6,740	6,740
Capital surplus	6,346	9,346
Retained earnings	3,947	5,545
Treasury stock	(532)	(533)
<b>Total shareholders' equity</b>	<b>16,501</b>	<b>21,099</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	530	1,290
Deferred gains or losses on hedges	(142)	(710)
Foreign currency translation adjustment	(2,644)	(1,848)
<b>Total accumulated other comprehensive income</b>	<b>(2,256)</b>	<b>(1,268)</b>
<b>Minority interests</b>	<b>143</b>	<b>—</b>
<b>Total net assets</b>	<b>14,388</b>	<b>19,830</b>
<b>Total liabilities and net assets</b>	<b>93,819</b>	<b>98,533</b>

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

(Millions of yen)

	Fiscal year ended March 31, 2012	Fiscal year ended March 31, 2013
Net sales	83,191	79,629
Cost of sales	61,059	52,304
Gross profit	22,132	27,324
Selling, general and administrative expenses		
Research and development expenses	4,384	4,290
Other	18,923	20,066
Total selling, general and administrative expenses	23,307	24,357
Operating income (loss)	(1,175)	2,966
Non-operating income		
Interest income	24	32
Dividends income	70	66
Insurance income	3	135
Revenue from acceptance of development services	6	2
Fiduciary obligation fee	58	38
Other	143	242
Total non-operating income	307	517
Non-operating expenses		
Interest expenses	587	546
Loss on sales of accounts receivable	218	240
Loss on retirement of inventories	128	102
Equity in losses of affiliates	220	9
Foreign exchange losses	189	393
Other	196	283
Total non-operating expenses	1,540	1,575
Ordinary income (loss)	(2,408)	1,909
Extraordinary income		
Gain on sales of noncurrent assets	6	0
Gain on sales of investment securities	5	148
Gain on change in equity	157	–
Gain on donation of stock	31	–
Other	6	13
Total extraordinary income	206	162
Extraordinary loss		
Loss on sales of noncurrent assets	12	0
Loss on retirement of noncurrent assets	27	19
Impairment loss	1,773	–
Loss on valuation of investment securities	511	51
Loss on sales of stocks of subsidiaries and affiliates	–	117
Loss on liquidation of subsidiaries and affiliates	–	93
Other	164	23
Total extraordinary losses	2,490	305
Income (loss) before income taxes and minority interests	(4,691)	1,765
Income taxes-current	631	524
Income taxes-deferred	4,027	(213)
Total income taxes	4,658	311
Income (loss) before minority interests	(9,350)	1,454
Minority interests in loss	(299)	(143)
Net income (loss)	(9,050)	1,598

## Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2012	Fiscal year ended March 31, 2013
Income (loss) before minority interests	(9,350)	1,454
Other comprehensive income		
Valuation difference on available-for-sale securities	161	760
Deferred gains or losses on hedges	(129)	(568)
Foreign currency translation adjustment	(122)	433
Share of other comprehensive income of associates accounted for using equity method	(62)	362
Total other comprehensive income	(153)	988
Comprehensive income	(9,503)	2,442
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	(9,204)	2,586
Comprehensive income attributable to minority interests	(299)	(143)

## Consolidated statements of changes in net assets

(Millions of yen)

	Fiscal year ended March 31, 2012	Fiscal year ended March 31, 2013
Shareholders' equity		
Capital stock		
Balance at the beginning of current period	6,740	6,740
Changes of items during the period		
Issuance of new shares	–	1,500
Transfer to other capital surplus from capital stock	–	(1,500)
Total changes of items during the period	–	–
Balance at the end of current period	6,740	6,740
Capital surplus		
Balance at the beginning of current period	6,346	6,346
Changes of items during the period		
Issuance of new shares	–	1,500
Transfer to other capital surplus from capital stock	–	1,500
Total changes of items during the period	–	3,000
Balance at the end of current period	6,346	9,346
Retained earnings		
Balance at the beginning of current period	13,311	3,947
Changes of items during the period		
Dividends from surplus	(313)	–
Net income (loss)	(9,050)	1,598
Total changes of items during the period	(9,363)	1,598
Balance at the end of current period	3,947	5,545
Treasury stock		
Balance at the beginning of current period	(532)	(532)
Changes of items during the period		
Purchase of treasury stock	(0)	(0)
Total changes of items during the period	(0)	(0)
Balance at the end of current period	(532)	(533)
Total shareholders' equity		
Balance at the beginning of current period	25,865	16,501
Changes of items during the period		
Issuance of new shares	–	3,000
Dividends from surplus	(313)	–
Net income (loss)	(9,050)	1,598
Purchase of treasury stock	(0)	(0)
Total changes of items during the period	(9,363)	4,598
Balance at the end of current period	16,501	21,099

(Millions of yen)

	Fiscal year ended March 31, 2012	Fiscal year ended March 31, 2013
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at the beginning of current period	369	530
Changes of items during the period		
Net changes of items other than shareholders' equity	161	760
Total changes of items during the period	161	760
Balance at the end of current period	530	1,290
Deferred gains or losses on hedges		
Balance at the beginning of current period	(12)	(142)
Changes of items during the period		
Net changes of items other than shareholders' equity	(129)	(568)
Total changes of items during the period	(129)	(568)
Balance at the end of current period	(142)	(710)
Foreign currency translation adjustment		
Balance at the beginning of current period	(2,459)	(2,644)
Changes of items during the period		
Net changes of items other than shareholders' equity	(184)	796
Total changes of items during the period	(184)	796
Balance at the end of current period	(2,644)	(1,848)
Total accumulated other comprehensive income		
Balance at the beginning of current period	(2,103)	(2,256)
Changes of items during the period		
Net changes of items other than shareholders' equity	(153)	988
Total changes of items during the period	(153)	988
Balance at the end of current period	(2,256)	(1,268)
Minority interests		
Balance at the beginning of current period	284	143
Changes of items during the period		
Net changes of items other than shareholders' equity	(141)	(143)
Total changes of items during the period	(141)	(143)
Balance at the end of current period	143	—
Total net assets		
Balance at the beginning of current period	24,046	14,388
Changes of items during the period		
Issuance of new shares	—	3,000
Dividends from surplus	(313)	—
Net income (loss)	(9,050)	1,598
Purchase of treasury stock	(0)	(0)
Net changes of items other than shareholders' equity	(294)	844
Total changes of items during the period	(9,658)	5,442
Balance at the end of current period	14,388	19,830



## Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2012	Fiscal year ended March 31, 2013
Net cash provided by (used in) operating activities		
Income (loss) before income taxes and minority interests	(4,691)	1,765
Depreciation and amortization	2,890	2,276
Impairment loss	1,773	–
Increase (decrease) in provision for bonuses	(136)	17
Increase (decrease) in provision for retirement benefits	729	629
Increase (decrease) in provision for directors' retirement benefits	(61)	(36)
Loss (gain) on sales and retirement of noncurrent assets	33	19
Loss (gain) on sales of investment securities	(5)	(148)
Loss (gain) on valuation of investment securities	511	51
Loss (gain) on change in equity	(157)	–
Equity in (earnings) losses of affiliates	220	9
Interest and dividends income	(95)	(98)
Interest expenses	587	546
Loss on sales of notes and accounts receivable-trade	218	240
Decrease (increase) in notes and accounts receivable-trade	649	(884)
Decrease (increase) in inventories	(1,124)	(3,090)
Increase (decrease) in notes and accounts payable-trade	3,203	(6,948)
Decrease/increase in consumption taxes receivable/payable	(210)	458
Increase (decrease) in advances received	114	629
Other, net	151	132
Subtotal	4,601	(4,431)
Interest and dividends income received	104	118
Interest expenses paid	(600)	(535)
Loss on sales of notes and accounts receivable-trade-paid	(218)	(240)
Income taxes (paid) refund	(501)	(613)
Net cash provided by (used in) operating activities	3,385	(5,703)
Net cash provided by (used in) investing activities		
Payments into time deposits	(8)	(348)
Purchase of investment securities	(151)	–
Proceeds from sales of investment securities	14	438
Purchase of property, plant and equipment	(879)	(843)
Proceeds from sales of property, plant and equipment	8	62
Purchase of intangible assets	(1,118)	(239)
Purchase of investments in subsidiaries	(67)	(56)
Payments for sales of investments in subsidiaries resulting in change in scope of consolidation	–	(114)
Other, net	(235)	(344)
Net cash provided by (used in) investing activities	(2,440)	(1,446)

(Millions of yen)

	Fiscal year ended March 31, 2012	Fiscal year ended March 31, 2013
Net cash provided by (used in) financing activities		
Increase (decrease) in short-term loans payable	5,161	1,698
Proceeds from long-term loans payable	1,400	4,100
Repayment of long-term loans payable	(4,307)	(2,600)
Proceeds from issuance of bonds	489	981
Redemption of bonds	(2,241)	(4,761)
Proceeds from issuance of common stock	–	2,954
Proceeds from stock issuance to minority shareholders	280	–
Cash dividends paid	(313)	(3)
Proceeds from sale and leaseback	–	918
Other, net	(399)	(466)
Net cash provided by (used in) financing activities	70	2,821
Effect of exchange rate change on cash and cash equivalents	(45)	616
Net increase (decrease) in cash and cash equivalents	971	(3,712)
Cash and cash equivalents at beginning of period	7,504	8,226
Increase in cash and cash equivalents from newly consolidated subsidiary	–	644
Decrease in cash and cash equivalents resulting from corporate	(250)	–
Cash and cash equivalents at end of period	8,226	5,158