

**Translation**

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**Summary of Consolidated Financial Results  
for the Year Ended March 31, 2014  
(Based on Japanese GAAP)**

May 13, 2014

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: Corporate Officer Izumi Oi TEL 042(543)1111  
 Scheduled date of ordinary general meeting of shareholders: June 27, 2014  
 Scheduled date to file Securities Report: June 27, 2014  
 Scheduled date to commence dividend payments: June 30, 2014  
 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, 2014 (from April 1, 2013 to March 31, 2014)

(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, 2014	99,331	24.7	6,024	103.1	3,340	75.0	3,984	149.3
Year ended March 31, 2013	79,629	(4.3)	2,966	-	1,909	-	1,598	-

	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, 2014	47.98	47.13	16.4	3.2	6.1
Year ended March 31, 2013	19.01	18.27	9.4	2.0	3.7

(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, 2014	111,452	28,791	25.8	276.72
As of March 31, 2013	98,533	19,830	20.1	213.58

(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, 2014	1,812	(2,779)	2,835	7,640
Year ended March 31, 2013	(5,703)	(1,446)	2,821	5,158

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, 2013	-	0.00	-	2.00	2.00	156	10.5	1.0
Year ended March 31, 2014	-	2.50	-	2.50	5.00	437	10.4	2.0
Year ending March 31, 2015 (Forecast)	-	2.50	-	2.50	5.00		18.6	

3. Forecast of consolidated financial results for the year ending March 31, 2015 (from April 1, 2014 to March 31, 2015)

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, 2014	40,000	4.1	(1,900)	–	(2,000)	–	(1,900)	–	(19.66)
Full year	100,000	0.7	4,000	(33.6)	3,500	4.8	2,600	(34.7)	26.90

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2014

(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

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: No

Restatement of prior period financial statements after error corrections: 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, 2014	97,715,600 shares	As of March 31, 2013	79,365,600 shares
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Number of treasury shares at the end of the period

As of March 31, 2014	1,078,538 shares	As of March 31, 2013	1,076,668 shares
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Average number of shares during the period

Year ended March 31, 2014	79,657,216 shares	Year ended March 31, 2013	78,289,674 shares
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**Consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2013	As of March 31, 2014
Assets		
Current assets		
Cash and deposits	5,643	8,027
Notes and accounts receivable - trade	24,609	34,222
Merchandise and finished goods	14,147	11,830
Work in process	22,007	21,264
Raw materials and supplies	2,321	2,003
Deferred tax assets	2,753	2,651
Income taxes receivable	20	75
Consumption taxes receivable	285	223
Other	2,052	1,567
Allowance for doubtful accounts	(152)	(183)
Total current assets	73,687	81,682
Non-current assets		
Property, plant and equipment		
Buildings and structures	19,661	20,100
Accumulated depreciation	(13,907)	(14,506)
Buildings and structures, net	5,754	5,593
Machinery, equipment and vehicles	3,487	3,560
Accumulated depreciation	(2,910)	(2,941)
Machinery, equipment and vehicles, net	576	619
Tools, furniture and fixtures	16,735	17,160
Accumulated depreciation	(14,637)	(14,517)
Tools, furniture and fixtures, net	2,097	2,643
Land	1,743	1,846
Leased assets	2,735	3,735
Accumulated depreciation	(1,408)	(2,259)
Leased assets, net	1,327	1,475
Construction in progress	486	789
Total property, plant and equipment	11,987	12,968
Intangible assets		
Software	1,426	1,080
Leased assets	73	57
Goodwill	–	3,606
Other	52	72
Total intangible assets	1,552	4,817
Investments and other assets		
Investment securities	7,534	7,899
Deferred tax assets	1,578	1,356
Other	2,166	2,695
Allowance for doubtful accounts	(36)	(42)
Total investments and other assets	11,243	11,909
Total non-current assets	24,782	29,694
Deferred assets		
Share issuance cost	–	44
Bond issuance cost	63	29
Total deferred assets	63	74
Total assets	98,533	111,452

(Millions of yen)

	As of March 31, 2013	As of March 31, 2014
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	15,543	17,578
Short-term loans payable	27,655	19,998
Current portion of bonds	1,565	760
Lease obligations	554	619
Accounts payable - other	1,514	1,446
Income taxes payable	417	782
Accrued consumption taxes	166	210
Deferred tax liabilities	1	0
Advances received	8,108	8,106
Provision for bonuses	626	1,005
Other	5,947	5,510
<b>Total current liabilities</b>	<b>62,101</b>	<b>56,018</b>
<b>Non-current liabilities</b>		
Bonds payable	1,720	960
Long-term loans payable	5,917	12,748
Lease obligations	1,365	1,761
Deferred tax liabilities	33	33
Provision for retirement benefits	6,960	–
Provision for directors' retirement benefits	210	196
Net defined benefit liability	–	10,554
Asset retirement obligations	143	149
Other	250	238
<b>Total non-current liabilities</b>	<b>16,601</b>	<b>26,642</b>
<b>Total liabilities</b>	<b>78,702</b>	<b>82,660</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	6,740	10,037
Capital surplus	9,346	11,582
Retained earnings	5,545	9,017
Treasury shares	(533)	(533)
<b>Total shareholders' equity</b>	<b>21,099</b>	<b>30,103</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	1,290	2,021
Deferred gains or losses on hedges	(710)	–
Foreign currency translation adjustment	(1,848)	(832)
Remeasurements of defined benefit plans	–	(2,500)
<b>Total accumulated other comprehensive income</b>	<b>(1,268)</b>	<b>(1,312)</b>
<b>Total net assets</b>	<b>19,830</b>	<b>28,791</b>
<b>Total liabilities and net assets</b>	<b>98,533</b>	<b>111,452</b>

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

(Millions of yen)

	Fiscal year ended March 31, 2013	Fiscal year ended March 31, 2014
Net sales	79,629	99,331
Cost of sales	52,304	65,675
Gross profit	27,324	33,656
Selling, general and administrative expenses		
Research and development expenses	4,290	4,514
Other	20,066	23,116
Total selling, general and administrative expenses	24,357	27,631
Operating income	2,966	6,024
Non-operating income		
Interest income	32	44
Dividend income	66	79
Insurance income	135	82
Revenue from acceptance of development services	2	26
Fiduciary obligation fee	38	37
Other	242	191
Total non-operating income	517	463
Non-operating expenses		
Interest expenses	546	561
Loss on sales of accounts receivable	240	233
Share of loss of entities accounted for using equity method	9	17
Foreign exchange losses	393	2,069
Other	385	266
Total non-operating expenses	1,575	3,148
Ordinary income	1,909	3,340
Extraordinary income		
Gain on sales of non-current assets	0	15
Gain on sales of investment securities	148	–
Gain on step acquisitions	–	1,863
Other	13	9
Total extraordinary income	162	1,888
Extraordinary losses		
Loss on sales of non-current assets	0	16
Loss on retirement of non-current assets	19	25
Impairment loss	–	727
Loss on valuation of investment securities	51	7
Loss on sales of shares of subsidiaries and associates	117	–
Loss on liquidation of subsidiaries and associates	93	–
Other	23	2
Total extraordinary losses	305	778
Income before income taxes and minority interests	1,765	4,450
Income taxes - current	524	981
Income taxes - deferred	(213)	(515)
Total income taxes	311	466
Income before minority interests	1,454	3,984
Minority interests in loss	(143)	–
Net income	1,598	3,984

## Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2013	Fiscal year ended March 31, 2014
Income before minority interests	1,454	3,984
Other comprehensive income		
Valuation difference on available-for-sale securities	760	730
Deferred gains or losses on hedges	(568)	710
Foreign currency translation adjustment	433	683
Share of other comprehensive income of entities accounted for using equity method	362	331
Total other comprehensive income	988	2,456
Comprehensive income	2,442	6,441
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,586	6,441
Comprehensive income attributable to minority interests	(143)	—

## Consolidated statements of changes in net assets

Fiscal year ended March 31, 2013

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	6,740	6,346	3,947	(532)	16,501
Changes of items during period					
Issuance of new shares	1,500	1,500			3,000
Transfer to other capital surplus from capital stock	(1,500)	1,500			–
Dividends of surplus					
Net income			1,598		1,598
Purchase of treasury shares				(0)	(0)
Retirement of treasury shares					
Net changes of items other than shareholders' equity					
Total changes of items during period	–	3,000	1,598	(0)	4,598
Balance at end of current period	6,740	9,346	5,545	(533)	21,099

	Accumulated other comprehensive income					Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	530	(142)	(2,644)	–	(2,256)	143	14,388
Changes of items during period							
Issuance of new shares							3,000
Transfer to other capital surplus from capital stock							–
Dividends of surplus							
Net income							1,598
Purchase of treasury shares							(0)
Retirement of treasury shares							
Net changes of items other than shareholders' equity	760	(568)	796	–	988	(143)	844
Total changes of items during period	760	(568)	796	–	988	(143)	5,442
Balance at end of current period	1,290	(710)	(1,848)	–	(1,268)	–	19,830

Fiscal year ended March 31, 2014

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	6,740	9,346	5,545	(533)	21,099
Changes of items during period					
Issuance of new shares	3,297	3,297			6,595
Dividends of surplus			(512)		(512)
Net income			3,984		3,984
Purchase of treasury shares				(1,062)	(1,062)
Retirement of treasury shares		(1,061)		1,061	–
Net changes of items other than shareholders' equity					
Total changes of items during period	3,297	2,235	3,471	(0)	9,004
Balance at end of current period	10,037	11,582	9,017	(533)	30,103

	Accumulated other comprehensive income					Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	1,290	(710)	(1,848)	–	(1,268)	–	19,830
Changes of items during period							
Issuance of new shares							6,595
Dividends of surplus							(512)
Net income							3,984
Purchase of treasury shares							(1,062)
Retirement of treasury shares							–
Net changes of items other than shareholders' equity	730	710	1,015	(2,500)	(43)	–	(43)
Total changes of items during period	730	710	1,015	(2,500)	(43)	–	8,960
Balance at end of current period	2,021	–	(832)	(2,500)	(1,312)	–	28,791



## Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2013	Fiscal year ended March 31, 2014
Cash flows from operating activities		
Income before income taxes and minority interests	1,765	4,450
Depreciation	2,276	2,527
Impairment loss	–	727
Increase (decrease) in provision for bonuses	17	347
Increase (decrease) in provision for retirement benefits	629	–
Increase (decrease) in net defined benefit liability	–	502
Increase (decrease) in provision for directors' retirement benefits	(36)	(15)
Loss (gain) on sales and retirement of non-current assets	19	26
Loss (gain) on sales of investment securities	(148)	–
Loss (gain) on valuation of investment securities	51	7
Loss (gain) on step acquisitions	–	(1,863)
Share of (profit) loss of entities accounted for using equity method	9	17
Interest and dividend income	(98)	(124)
Interest expenses	546	561
Loss on sales of notes and accounts receivable-trade	240	233
Decrease (increase) in notes and accounts receivable - trade	(884)	(7,271)
Decrease (increase) in inventories	(3,090)	4,458
Increase (decrease) in notes and accounts payable - trade	(6,948)	(1,038)
Decrease/increase in consumption taxes receivable/payable	458	110
Increase (decrease) in advances received	629	(1,017)
Other, net	132	557
Subtotal	(4,431)	3,196
Interest and dividend income received	118	131
Interest expenses paid	(535)	(564)
Loss on sales of notes and accounts receivable-trade-paid	(240)	(233)
Income taxes (paid) refund	(613)	(716)
Net cash provided by (used in) operating activities	(5,703)	1,812
Cash flows from investing activities		
Payments into time deposits	(348)	(0)
Proceeds from withdrawal of time deposits	–	90
Proceeds from sales of investment securities	438	–
Purchase of property, plant and equipment	(843)	(1,135)
Proceeds from sales of property, plant and equipment	62	135
Purchase of intangible assets	(239)	(214)
Purchase of shares of subsidiaries	(56)	–
Purchase of shares of subsidiaries resulting in change in scope of consolidation	–	(1,157)
Payments for sales of shares of subsidiaries resulting in change in scope of consolidation	(114)	–
Other, net	(344)	(496)
Net cash provided by (used in) investing activities	(1,446)	(2,779)

(Millions of yen)

	Fiscal year ended March 31, 2013	Fiscal year ended March 31, 2014
Cash flows from financing activities		
Increase (decrease) in short-term loans payable	1,698	(7,552)
Proceeds from long-term loans payable	4,100	10,700
Repayments of long-term loans payable	(2,600)	(3,972)
Proceeds from issuance of bonds	981	–
Redemption of bonds	(4,761)	(1,565)
Proceeds from issuance of common shares	2,954	6,549
Purchase of treasury shares	–	(1,061)
Cash dividends paid	(3)	(511)
Proceeds from sales and leasebacks	918	829
Other, net	(466)	(579)
Net cash provided by (used in) financing activities	2,821	2,835
Effect of exchange rate change on cash and cash equivalents	616	612
Net increase (decrease) in cash and cash equivalents	(3,712)	2,481
Cash and cash equivalents at beginning of period	8,226	5,158
Increase in cash and cash equivalents from newly consolidated subsidiary	644	–
Cash and cash equivalents at end of period	5,158	7,640