

Translation

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## Summary of Consolidated Financial Results for the Six Months Ended September 30, 2015 (Based on Japanese GAAP)

November 11, 2015

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 +81 42-543-1111  
 Scheduled date to file Quarterly Securities Report: November 11, 2015  
 Scheduled date to commence dividend payments: December 4, 2015  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2015 (from April 1, 2015 to September 30, 2015)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2015	46,520	20.2	1,761	–	1,714	–	1,299	–
Six months ended September 30, 2014	38,698	0.7	(1,961)	–	(1,696)	–	(2,246)	–

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2015	13.45	–
Six months ended September 30, 2014	(25.28)	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2015	110,285	30,908	28.0	319.85
As of March 31, 2015	115,868	30,449	26.3	315.10

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2015	–	2.50	–	2.50	5.00
Year ending March 31, 2016	–	2.50			
Year ending March 31, 2016 (Forecast)			–	2.50	5.00

3. Forecast of consolidated financial results for the year ending March 31, 2016 (from April 1, 2015 to March 31, 2016)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	105,000	10.1	6,500	122.1	6,000	69.8	4,000	100.9	41.38

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 30, 2015  
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) 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: No

(4) Number of issued shares (common shares)

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

As of September 30, 2015	97,715,600 shares	As of March 31, 2015	97,715,600 shares
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Number of treasury shares at the end of the period

As of September 30, 2015	1,080,846 shares	As of March 31, 2015	1,080,846 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2015	96,634,754 shares	Six months ended September 30, 2014	96,636,154 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2015	As of September 30, 2015
Assets		
Current assets		
Cash and deposits	12,141	9,944
Notes and accounts receivable - trade	29,105	21,071
Merchandise and finished goods	12,204	13,362
Work in process	23,732	28,042
Raw materials and supplies	1,885	1,935
Other	5,468	5,543
Allowance for doubtful accounts	(386)	(338)
Total current assets	84,152	79,561
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,847	6,534
Machinery, equipment and vehicles, net	678	769
Tools, furniture and fixtures, net	2,595	2,473
Land	1,879	1,893
Leased assets, net	1,741	1,541
Construction in progress	666	123
Total property, plant and equipment	13,408	13,337
Intangible assets		
Goodwill	3,236	3,051
Other	918	842
Total intangible assets	4,155	3,894
Investments and other assets		
Investment securities	10,786	9,874
Other	3,353	3,552
Allowance for doubtful accounts	(40)	(7)
Total investments and other assets	14,099	13,419
Total non-current assets	31,663	30,651
Deferred assets	52	72
Total assets	115,868	110,285

(Millions of yen)

	As of March 31, 2015	As of September 30, 2015
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	19,361	20,115
Short-term loans payable	18,822	14,757
Current portion of bonds	585	630
Income taxes payable	633	436
Provision for bonuses	1,096	1,589
Other	17,539	17,337
<b>Total current liabilities</b>	<b>58,038</b>	<b>54,865</b>
<b>Non-current liabilities</b>		
Bonds payable	875	2,537
Long-term loans payable	13,292	9,274
Provision for directors' retirement benefits	194	190
Net defined benefit liability	10,440	10,281
Asset retirement obligations	328	329
Other	2,249	1,897
<b>Total non-current liabilities</b>	<b>27,380</b>	<b>24,510</b>
<b>Total liabilities</b>	<b>85,418</b>	<b>79,376</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	10,037	10,037
Capital surplus	9,386	9,386
Retained earnings	10,451	11,509
Treasury shares	(534)	(534)
<b>Total shareholders' equity</b>	<b>29,340</b>	<b>30,398</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	3,600	2,861
Deferred gains or losses on hedges	0	-
Foreign currency translation adjustment	(447)	(399)
Remeasurements of defined benefit plans	(2,042)	(1,951)
<b>Total accumulated other comprehensive income</b>	<b>1,109</b>	<b>510</b>
<b>Total net assets</b>	<b>30,449</b>	<b>30,908</b>
<b>Total liabilities and net assets</b>	<b>115,868</b>	<b>110,285</b>

**Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)**

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Six months ended September 30, 2014	Six months ended September 30, 2015
Net sales	38,698	46,520
Cost of sales	25,004	28,262
Gross profit	13,693	18,258
Selling, general and administrative expenses		
Research and development expenses	2,915	3,064
Other	12,739	13,433
Total selling, general and administrative expenses	15,655	16,497
Operating income (loss)	(1,961)	1,761
Non-operating income		
Interest income	29	40
Dividend income	41	52
Revenue from acceptance of development services	50	56
Share of profit of entities accounted for using equity method	86	164
Reversal of allowance for doubtful accounts	22	40
Foreign exchange gains	305	–
Other	163	141
Total non-operating income	698	495
Non-operating expenses		
Interest expenses	232	230
Loss on sales of accounts receivable	98	12
Foreign exchange losses	–	237
Other	101	61
Total non-operating expenses	432	542
Ordinary income (loss)	(1,696)	1,714
Extraordinary income		
Gain on sales of non-current assets	2	2
Other	1	0
Total extraordinary income	3	3
Extraordinary losses		
Loss on sales of non-current assets	0	–
Loss on retirement of non-current assets	48	5
Total extraordinary losses	49	5
Income (loss) before income taxes and minority interests	(1,741)	1,712
Income taxes - current	449	557
Income taxes - deferred	55	(145)
Total income taxes	504	412
Profit (loss)	(2,246)	1,299
Profit (loss) attributable to owners of parent	(2,246)	1,299

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Six months ended September 30, 2014	Six months ended September 30, 2015
Profit (loss)	(2,246)	1,299
Other comprehensive income		
Valuation difference on available-for-sale securities	682	(738)
Deferred gains or losses on hedges	–	(0)
Foreign currency translation adjustment	159	45
Remeasurements of defined benefit plans, net of tax	65	91
Share of other comprehensive income of entities accounted for using equity method	(64)	2
Total other comprehensive income	843	(599)
Comprehensive income	(1,403)	700
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(1,403)	700
Comprehensive income attributable to non-controlling interests	–	–

## Consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2014	Six months ended September 30, 2015
Cash flows from operating activities		
Income (loss) before income taxes and minority interests	(1,741)	1,712
Depreciation	1,289	1,387
Amortization of goodwill	184	184
Increase (decrease) in provision for bonuses	514	491
Increase (decrease) in net defined benefit liability	269	(70)
Increase (decrease) in provision for directors' retirement benefits	(4)	(4)
Loss (gain) on sales and retirement of non-current assets	47	2
Interest and dividend income	(70)	(92)
Interest expenses	232	230
Loss on sales of notes and accounts receivable-trade	98	12
Decrease (increase) in notes and accounts receivable - trade	16,133	8,047
Decrease (increase) in inventories	(4,267)	(5,566)
Increase (decrease) in notes and accounts payable - trade	(1,464)	674
Other, net	(1,873)	93
Subtotal	9,349	7,102
Interest and dividend income received	76	100
Interest expenses paid	(227)	(233)
Loss on sales of notes and accounts receivable-trade-paid	(98)	(12)
Income taxes (paid) refund	(780)	(771)
Net cash provided by (used in) operating activities	8,319	6,186
Cash flows from investing activities		
Payments into time deposits	–	(972)
Purchase of property, plant and equipment	(672)	(1,126)
Proceeds from sales of property, plant and equipment	2	15
Purchase of intangible assets	(65)	(129)
Purchase of investment securities	(551)	–
Other, net	15	(76)
Net cash provided by (used in) investing activities	(1,271)	(2,289)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(3,081)	(6,200)
Proceeds from long-term loans payable	3,000	–
Repayments of long-term loans payable	(1,752)	(1,881)
Proceeds from issuance of bonds	–	1,967
Redemption of bonds	(530)	(292)
Purchase of treasury shares	(2,196)	–
Cash dividends paid	(291)	(241)
Other, net	(310)	(421)
Net cash provided by (used in) financing activities	(5,163)	(7,070)
Effect of exchange rate change on cash and cash equivalents	197	81
Net increase (decrease) in cash and cash equivalents	2,081	(3,091)
Cash and cash equivalents at beginning of period	7,640	11,465
Cash and cash equivalents at end of period	9,721	8,373