

Translation

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**Summary of Consolidated Financial Results
for the Year Ended March 31, 2021
(Based on Japanese GAAP)**

May 14, 2021

Company name: JEOL Ltd.
 Stock exchange listing: Tokyo
 Stock code: 6951 URL <https://www.jeol.co.jp>
 Representative: President & COO Izumi Oi
 Inquiries: General Manager Management Strategy Shoji Shiota TEL +81-42-543-1111
 Planning Division
 Scheduled date of ordinary general meeting of shareholders: June 25, 2021
 Scheduled date to file Securities Report: June 25, 2021
 Scheduled date to commence dividend payments: June 28, 2021
 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, 2021 (from April 1, 2020 to March 31, 2021)

(1) Consolidated operating results

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2021	110,439	(5.8)	5,224	(25.7)	6,550	(9.1)	3,745	(30.1)
Year ended March 31, 2020	117,243	5.4	7,030	5.4	7,203	(3.2)	5,359	(9.8)

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2021	77.51	–	7.8	4.6	4.7
Year ended March 31, 2020	110.94	–	12.4	5.6	6.0

(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, 2021	146,388	50,999	34.8	1,055.50
As of March 31, 2020	136,788	45,080	33.0	933.07

(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, 2021	3,358	(6,988)	3,295	14,481
Year ended March 31, 2020	3,742	(4,172)	5,394	14,032

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, 2020	–	12.00	–	12.00	24.00	1,169	21.6	2.7
Year ended March 31, 2021	–	12.00	–	12.00	24.00	1,169	31.0	2.4
Year ending March 31, 2022 (Forecast)	–	14.00	–	14.00	28.00		21.1	

3. Forecast of consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2021	53,500	8.3	2,800	13.4	3,000	4.5	2,500	29.4	51.74
Full year	126,500	14.5	8,300	58.9	8,500	29.8	6,400	70.9	132.46

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2021

(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(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: No

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: 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, 2021	48,857,800 shares	As of March 31, 2020	48,857,800 shares
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Number of treasury shares at the end of the period

As of March 31, 2021	539,847 shares	As of March 31, 2020	544,240 shares
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Average number of shares during the period

Year ended March 31, 2021	48,317,192 shares	Year ended March 31, 2020	48,313,605 shares
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Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2020	As of March 31, 2021
Assets		
Current assets		
Cash and deposits	14,425	15,376
Notes and accounts receivable - trade	30,965	31,630
Merchandise and finished goods	11,815	14,061
Work in process	38,775	40,688
Raw materials and supplies	2,629	2,545
Income taxes receivable	111	79
Consumption taxes receivable	2,747	2,685
Other	1,886	1,938
Allowance for doubtful accounts	(321)	(391)
Total current assets	103,036	108,614
Non-current assets		
Property, plant and equipment		
Buildings and structures	23,144	23,742
Accumulated depreciation	(16,954)	(17,556)
Buildings and structures, net	6,190	6,186
Machinery, equipment and vehicles	4,264	4,586
Accumulated depreciation	(3,071)	(3,302)
Machinery, equipment and vehicles, net	1,193	1,283
Tools, furniture and fixtures	22,704	23,647
Accumulated depreciation	(17,765)	(18,690)
Tools, furniture and fixtures, net	4,938	4,957
Land	1,771	3,593
Leased assets	2,561	2,839
Accumulated depreciation	(1,986)	(2,357)
Leased assets, net	574	482
Construction in progress	617	2,529
Total property, plant and equipment	15,286	19,031
Intangible assets		
Software	361	526
Leased assets	166	122
Goodwill	2,953	1,301
Other	1,761	1,670
Total intangible assets	5,243	3,621
Investments and other assets		
Investment securities	7,116	9,814
Deferred tax assets	3,133	2,621
Other	2,961	2,685
Allowance for doubtful accounts	(7)	(7)
Total investments and other assets	13,203	15,114
Total non-current assets	33,732	37,767
Deferred assets		
Bond issuance costs	18	6
Total deferred assets	18	6
Total assets	136,788	146,388

(Millions of yen)

	As of March 31, 2020	As of March 31, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	12,575	12,002
Electronically recorded obligations - operating	10,597	9,079
Short-term borrowings	13,491	12,718
Current portion of bonds payable	1,886	2,736
Lease obligations	354	273
Accounts payable - other	2,127	2,439
Income taxes payable	1,651	1,072
Accrued consumption taxes	216	431
Advances received	12,431	13,890
Provision for bonuses	1,457	1,463
Other	10,661	11,103
Total current liabilities	67,451	67,212
Non-current liabilities		
Bonds payable	3,126	390
Long-term borrowings	9,357	16,867
Lease obligations	431	361
Deferred tax liabilities	398	330
Provision for retirement benefits for directors (and other officers)	33	15
Provision for Management Board Incentive Plan Trust	239	338
Retirement benefit liability	9,462	8,250
Asset retirement obligations	320	321
Other	885	1,301
Total non-current liabilities	24,256	28,176
Total liabilities	91,707	95,388
Net assets		
Shareholders' equity		
Share capital	10,037	10,037
Capital surplus	9,914	9,914
Retained earnings	27,089	29,664
Treasury shares	(1,068)	(1,059)
Total shareholders' equity	45,973	48,558
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,296	4,113
Deferred gains or losses on hedges	71	(25)
Foreign currency translation adjustment	(1,965)	(1,458)
Remeasurements of defined benefit plans	(1,296)	(188)
Total accumulated other comprehensive income	(893)	2,441
Total net assets	45,080	50,999
Total liabilities and net assets	136,788	146,388

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

(Millions of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Net sales	117,243	110,439
Cost of sales	72,378	67,546
Gross profit	44,865	42,893
Selling, general and administrative expenses		
Research and development expenses	7,756	8,064
Other	30,077	29,604
Total selling, general and administrative expenses	37,834	37,668
Operating profit	7,030	5,224
Non-operating income		
Interest income	39	49
Dividend income	153	139
Insurance claim income	19	31
Revenue from acceptance of development services	192	92
Share of profit of entities accounted for using equity method	468	242
Foreign exchange gains	–	613
Other	193	435
Total non-operating income	1,068	1,604
Non-operating expenses		
Interest expenses	161	159
Loss on sale of trade receivables	15	6
Foreign exchange losses	605	–
Commission expenses	–	33
Other	114	79
Total non-operating expenses	896	278
Ordinary profit	7,203	6,550
Extraordinary income		
Gain on sale of non-current assets	69	115
Gain on step acquisitions	525	–
Total extraordinary income	595	115
Extraordinary losses		
Loss on sale of non-current assets	–	1
Loss on retirement of non-current assets	37	17
Loss on valuation of investment securities	76	15
Impairment losses	–	1,017
Loss on revision of retirement benefit plan	232	–
Total extraordinary losses	347	1,051
Profit before income taxes	7,451	5,614
Income taxes - current	2,219	2,080
Income taxes - deferred	(128)	(210)
Total income taxes	2,091	1,869
Profit	5,359	3,745
Profit attributable to owners of parent	5,359	3,745

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Profit	5,359	3,745
Other comprehensive income		
Valuation difference on available-for-sale securities	(446)	1,816
Deferred gains or losses on hedges	70	(96)
Foreign currency translation adjustment	(332)	551
Remeasurements of defined benefit plans, net of tax	64	1,107
Share of other comprehensive income of entities accounted for using equity method	(58)	(44)
Total other comprehensive income	(702)	3,335
Comprehensive income	4,657	7,080
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,657	7,080
Comprehensive income attributable to non-controlling interests	—	—

Consolidated statements of changes in equity

Fiscal year ended March 31, 2020

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	10,037	9,914	22,899	(1,068)	41,783
Changes during period					
Dividends of surplus			(1,169)		(1,169)
Profit attributable to owners of parent			5,359		5,359
Purchase of treasury shares				(0)	(0)
Net changes in items other than shareholders' equity					-
Total changes during period	-	-	4,190	(0)	4,190
Balance at end of period	10,037	9,914	27,089	(1,068)	45,973

	Accumulated other comprehensive income					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 period	2,743	1	(1,574)	(1,361)	(190)	41,593
Changes during period						
Dividends of surplus					-	(1,169)
Profit attributable to owners of parent					-	5,359
Purchase of treasury shares					-	(0)
Net changes in items other than shareholders' equity	(446)	70	(391)	64	(702)	(702)
Total changes during period	(446)	70	(391)	64	(702)	3,488
Balance at end of period	2,296	71	(1,965)	(1,296)	(893)	45,080

Fiscal year ended March 31, 2021

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	10,037	9,914	27,089	(1,068)	45,973
Changes during period					
Dividends of surplus			(1,169)		(1,169)
Profit attributable to owners of parent			3,745		3,745
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares				10	10
Net changes in items other than shareholders' equity					–
Total changes during period	–	–	2,575	9	2,584
Balance at end of period	10,037	9,914	29,664	(1,059)	48,558

	Accumulated other comprehensive income					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 period	2,296	71	(1,965)	(1,296)	(893)	45,080
Changes during period						
Dividends of surplus					–	(1,169)
Profit attributable to owners of parent					–	3,745
Purchase of treasury shares					–	(1)
Disposal of treasury shares					–	10
Net changes in items other than shareholders' equity	1,816	(96)	507	1,107	3,335	3,335
Total changes during period	1,816	(96)	507	1,107	3,335	5,919
Balance at end of period	4,113	(25)	(1,458)	(188)	2,441	50,999

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Cash flows from operating activities		
Profit before income taxes	7,451	5,614
Depreciation	3,191	3,626
Amortization of goodwill	369	590
Increase (decrease) in provision for bonuses	(135)	(0)
Increase (decrease) in retirement benefit liability	(290)	(111)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(4)	(17)
Increase (decrease) in provision for share awards for directors (and other officers)	143	109
Loss (gain) on sale and retirement of non-current assets	(32)	(96)
Loss (gain) on valuation of investment securities	76	15
Share of loss (profit) of entities accounted for using equity method	(468)	(242)
Loss (gain) on step acquisitions	(525)	–
Impairment losses	–	1,017
Loss of Revision for Retirement Benefits System	232	–
Interest and dividend income	(193)	(189)
Interest expenses	161	159
Loss on sales of notes and accounts receivable-trade	15	6
Decrease (increase) in trade receivables	1,673	(295)
Decrease (increase) in inventories	(6,584)	(3,457)
Increase (decrease) in trade payables	(768)	(2,576)
Decrease/increase in consumption taxes receivable/payable	(976)	269
Increase (decrease) in advances received	311	684
Other, net	1,857	849
Subtotal	5,504	5,953
Interest and dividends received	200	189
Interest paid	(158)	(172)
Loss on sales of notes and accounts receivable-trade-paid	(15)	(6)
Income taxes refund (paid)	(1,788)	(2,605)
Net cash provided by (used in) operating activities	3,742	3,358
Cash flows from investing activities		
Decrease (increase) in time deposits	(125)	(471)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(1,097)	–
Purchase of shares of subsidiaries and associates	(70)	–
Purchase of property, plant and equipment	(2,637)	(6,649)
Proceeds from sale of property, plant and equipment	155	241
Purchase of intangible assets	(269)	(380)
Other, net	(128)	271
Net cash provided by (used in) investing activities	(4,172)	(6,988)

(Millions of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	3,656	(2,898)
Proceeds from long-term borrowings	8,500	13,647
Repayments of long-term borrowings	(4,755)	(4,041)
Redemption of bonds	(448)	(1,886)
Purchase of treasury shares	(0)	(1)
Dividends paid	(1,169)	(1,169)
Other, net	(388)	(355)
Net cash provided by (used in) financing activities	5,394	3,295
Effect of exchange rate change on cash and cash equivalents	(454)	783
Net increase (decrease) in cash and cash equivalents	4,510	449
Cash and cash equivalents at beginning of period	9,261	14,032
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	260	–
Cash and cash equivalents at end of period	14,032	14,481