

Translation

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**Summary of Consolidated Financial Results
for the Six Months Ended September 30, 2021
(Based on Japanese GAAP)**

November 5, 2021

Company name: JEOL Ltd.
 Stock exchange listing: Tokyo
 Stock code: 6951 URL: <https://www.jeol.co.jp>
 Representative: President & COO Izumi Oi
 General Manager Management Strategy
 Inquiries: Planning Division Shoji Shiota TEL +81-42-543-1111
 Scheduled date to file Quarterly Securities Report: November 5, 2021
 Scheduled date to commence dividend payments: December 6, 2021
 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, 2021 (from April 1, 2021 to September 30, 2021)

(1) Consolidated operating results (cumulative)

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	%
Six months ended September 30, 2021	53,368	8.1	3,676	48.9	4,749	65.5	3,665	89.7
Six months ended September 30, 2020	49,388	(3.4)	2,468	68.3	2,870	42.6	1,932	57.2

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2021	75.56		-	
Six months ended September 30, 2020	40.00		-	

(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, 2021	168,348	77,400	46.0	1,517.37
As of March 31, 2021	146,388	50,999	34.8	1,055.50

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2021	-	12.00	-	12.00	24.00
Year ending March 31, 2022	-	14.00	-	-	-
Year ending March 31, 2022 (Forecast)	-	-	-	14.00	28.00

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
Full year	128,000	15.9	9,800	87.6	10,600	61.8	7,400	97.6	148.72

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 30, 2021
(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, 2021	51,532,800 shares	As of March 31, 2021	48,857,800 shares
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Number of treasury shares at the end of the period

As of September 30, 2021	522,879 shares	As of March 31, 2021	539,847 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, 2021	48,510,660 shares	Six months ended September 30, 2020	48,316,291 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2021	As of September 30, 2021
Assets		
Current assets		
Cash and deposits	15,376	31,941
Notes and accounts receivable - trade	31,630	–
Notes and accounts receivable - trade, and contract assets	–	27,425
Merchandise and finished goods	14,061	18,330
Work in process	40,688	44,060
Raw materials and supplies	2,545	2,819
Other	4,703	3,824
Allowance for doubtful accounts	(391)	(366)
Total current assets	108,614	128,037
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,186	10,575
Machinery, equipment and vehicles, net	1,283	1,458
Tools, furniture and fixtures, net	4,957	4,592
Land	3,593	3,594
Leased assets, net	482	498
Construction in progress	2,529	301
Total property, plant and equipment	19,031	21,021
Intangible assets		
Goodwill	1,301	1,220
Other	2,319	2,265
Total intangible assets	3,621	3,485
Investments and other assets		
Investment securities	9,814	10,536
Other	5,307	5,160
Allowance for doubtful accounts	(7)	(7)
Total investments and other assets	15,114	15,689
Total non-current assets	37,767	40,196
Deferred assets	6	114
Total assets	146,388	168,348

(Millions of yen)

	As of March 31, 2021	As of September 30, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	12,002	11,795
Electronically recorded obligations - operating	9,079	10,586
Short-term borrowings	12,718	7,284
Current portion of bonds payable	2,736	186
Income taxes payable	1,072	1,392
Advances received	13,890	19,009
Provision for bonuses	1,463	1,442
Other	14,248	14,229
Total current liabilities	67,212	65,927
Non-current liabilities		
Bonds payable	390	297
Long-term borrowings	16,867	13,678
Provision for retirement benefits for directors (and other officers)	15	18
Provision for Management Board Incentive Plan Trust	338	362
Retirement benefit liability	8,250	8,394
Asset retirement obligations	321	316
Other	1,993	1,951
Total non-current liabilities	28,176	25,019
Total liabilities	95,388	90,947
Net assets		
Shareholders' equity		
Share capital	10,037	21,394
Capital surplus	9,914	21,271
Retained earnings	29,664	32,788
Treasury shares	(1,059)	(1,022)
Total shareholders' equity	48,558	74,431
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,113	4,400
Deferred gains or losses on hedges	(25)	(22)
Foreign currency translation adjustment	(1,458)	(1,247)
Remeasurements of defined benefit plans	(188)	(160)
Total accumulated other comprehensive income	2,441	2,969
Total net assets	50,999	77,400
Total liabilities and net assets	146,388	168,348

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, 2020	Six months ended September 30, 2021
Net sales	49,388	53,368
Cost of sales	29,170	30,540
Gross profit	20,217	22,828
Selling, general and administrative expenses		
Research and development expenses	3,931	4,126
Other	13,816	15,025
Total selling, general and administrative expenses	17,748	19,151
Operating profit	2,468	3,676
Non-operating income		
Interest income	20	12
Dividend income	67	90
Revenue from acceptance of development services	27	24
Foreign exchange gains	113	–
Share of profit of entities accounted for using equity method	162	270
Subsidy income	–	712
Other	186	129
Total non-operating income	578	1,239
Non-operating expenses		
Interest expenses	81	81
Loss on sale of trade receivables	3	3
Foreign exchange losses	–	20
Other	91	61
Total non-operating expenses	176	167
Ordinary profit	2,870	4,749
Extraordinary income		
Gain on sale of non-current assets	55	21
Total extraordinary income	55	21
Extraordinary losses		
Loss on sale of non-current assets	0	1
Loss on retirement of non-current assets	17	2
Loss on valuation of investment securities	13	0
Total extraordinary losses	31	4
Profit before income taxes	2,895	4,766
Income taxes - current	799	1,272
Income taxes - deferred	163	(170)
Total income taxes	962	1,101
Profit	1,932	3,665
Profit attributable to owners of parent	1,932	3,665

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Profit	1,932	3,665
Other comprehensive income		
Valuation difference on available-for-sale securities	547	286
Deferred gains or losses on hedges	(71)	2
Foreign currency translation adjustment	(86)	146
Remeasurements of defined benefit plans, net of tax	134	28
Share of other comprehensive income of entities accounted for using equity method	(68)	64
Total other comprehensive income	455	527
Comprehensive income	2,387	4,193
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,387	4,193
Comprehensive income attributable to non-controlling interests	—	—

Consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Cash flows from operating activities		
Profit before income taxes	2,895	4,766
Depreciation	1,717	1,808
Amortization of goodwill	295	113
Increase (decrease) in provision for bonuses	(1)	(21)
Increase (decrease) in retirement benefit liability	58	174
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(6)	3
Increase (decrease) in provision for share awards for directors (and other officers)	50	61
Loss (gain) on sale and retirement of non-current assets	(37)	(17)
Loss (gain) on valuation of investment securities	13	0
Interest and dividend income	(88)	(103)
Subsidy income	–	(712)
Interest expenses	81	81
Loss on sales of notes and accounts receivable-trade	3	3
Decrease (increase) in trade receivables	6,458	4,116
Decrease (increase) in inventories	(5,377)	(8,006)
Increase (decrease) in trade payables	(3,278)	1,231
Increase (decrease) in advances received	(292)	5,095
Other, net	(366)	(2,058)
Subtotal	2,125	6,536
Interest and dividends received	88	103
Interest paid	(89)	(79)
Loss on sales of notes and accounts receivable-trade-paid	(3)	(3)
Income taxes refund (paid)	(1,458)	(1,123)
Net cash provided by (used in) operating activities	662	5,434
Cash flows from investing activities		
Purchase of property, plant and equipment	(5,222)	(473)
Proceeds from sale of property, plant and equipment	91	32
Purchase of intangible assets	(151)	(209)
Other, net	(404)	211
Net cash provided by (used in) investing activities	(5,686)	(438)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(3,091)	(4,536)
Proceeds from long-term borrowings	10,651	2,792
Repayments of long-term borrowings	(2,040)	(6,166)
Redemption of bonds	(1,693)	(2,643)
Proceeds from issuance of shares	–	22,599
Dividends paid	(584)	(584)
Other, net	(144)	(181)
Net cash provided by (used in) financing activities	3,097	11,279
Effect of exchange rate change on cash and cash equivalents	29	(17)
Net increase (decrease) in cash and cash equivalents	(1,896)	16,257
Cash and cash equivalents at beginning of period	14,032	14,481
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS FROM ACCOUNTING TERM ALTERATIONS OF SUBSIDIARIES	–	(539)
Cash and cash equivalents at end of period	12,135	30,200