

**Translation**

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**Summary of Consolidated Financial Results  
for the Year Ended March 31, 2019  
(Based on Japanese GAAP)**

May 15, 2019

Company name: JEOL Ltd.  
 Stock exchange listing: Tokyo  
 Stock code: 6951 URL <https://www.jeol.co.jp>  
 Representative: President and Representative Director Gon-emon Kurihara  
 General Manager Management Strategy  
 Inquiries: Planning Division Shoji Shiota TEL +81 42-543-1111  
 Scheduled date of ordinary general meeting of shareholders: June 26, 2019  
 Scheduled date to file Securities Report: June 26, 2019  
 Scheduled date to commence dividend payments: June 27, 2019  
 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, 2019 (from April 1, 2018 to March 31, 2019)

(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, 2019	111,289	6.4	6,670	69.8	7,440	70.5	5,940	31.1
Year ended March 31, 2018	104,570	4.9	3,928	89.2	4,363	153.0	4,532	660.5

	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, 2019	122.95	–	15.0	6.3	6.0
Year ended March 31, 2018	93.81	–	13.0	3.9	3.8

(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, 2019	122,665	41,593	33.9	860.90
As of March 31, 2018	114,629	37,387	32.6	773.84

(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, 2019	4,757	(1,461)	(3,716)	9,261
Year ended March 31, 2018	6,524	468	(7,512)	9,813

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, 2018	–	3.50	–	4.50	8.00	773	17.1	2.2
Year ended March 31, 2019	–	4.50	–	12.00	–	1,023	17.1	2.6
Year ending March 31, 2020 (Forecast)	–	12.00	–	12.00	24.00		23.2	

3. Forecast of consolidated financial results for the year ending March 31, 2020 (from April 1, 2019 to March 31, 2020)

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, 2019	51,000	9.2	1,500	53.2	1,800	1.3	1,100	(20.4)	22.77
Full year	119,000	6.9	7,100	6.4	7,500	0.8	5,000	(15.8)	103.49

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2019

(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, 2019	48,857,800 shares	As of March 31, 2018	48,857,800 shares
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Number of treasury shares at the end of the period

As of March 31, 2019	544,134 shares	As of March 31, 2018	543,725 shares
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Average number of shares during the period

Year ended March 31, 2019	48,313,834 shares	Year ended March 31, 2018	48,314,525 shares
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**Consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2018	As of March 31, 2019
Assets		
Current assets		
Cash and deposits	9,939	9,296
Notes and accounts receivable - trade	30,340	32,361
Merchandise and finished goods	11,622	11,055
Work in process	27,945	35,052
Raw materials and supplies	1,784	2,467
Income taxes receivable	142	112
Consumption taxes receivable	1,328	2,026
Other	1,160	1,389
Allowance for doubtful accounts	(484)	(517)
Total current assets	83,779	93,245
Non-current assets		
Property, plant and equipment		
Buildings and structures	22,264	22,658
Accumulated depreciation	(16,211)	(16,659)
Buildings and structures, net	6,053	5,999
Machinery, equipment and vehicles	4,085	4,048
Accumulated depreciation	(2,913)	(2,988)
Machinery, equipment and vehicles, net	1,171	1,060
Tools, furniture and fixtures	20,367	20,722
Accumulated depreciation	(16,439)	(16,828)
Tools, furniture and fixtures, net	3,928	3,893
Land	1,806	1,802
Leased assets	2,801	2,030
Accumulated depreciation	(2,321)	(1,729)
Leased assets, net	479	301
Construction in progress	158	141
Total property, plant and equipment	13,597	13,198
Intangible assets		
Software	270	359
Leased assets	55	28
Goodwill	2,126	1,756
Other	175	103
Total intangible assets	2,628	2,248
Investments and other assets		
Investment securities	9,276	8,306
Deferred tax assets	2,597	2,908
Other	2,706	2,731
Allowance for doubtful accounts	(7)	(7)
Total investments and other assets	14,573	13,938
Total non-current assets	30,799	29,384
Deferred assets		
Bond issuance cost	50	35
Total deferred assets	50	35
Total assets	114,629	122,665

(Millions of yen)

	As of March 31, 2018	As of March 31, 2019
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	22,842	14,359
Electronically recorded obligations - operating	–	9,582
Short-term loans payable	9,615	10,059
Current portion of bonds	576	448
Lease obligations	359	146
Accounts payable - other	2,049	2,266
Income taxes payable	773	1,182
Accrued consumption taxes	341	443
Advances received	7,956	11,942
Provision for bonuses	1,274	1,598
Other	7,215	8,049
<b>Total current liabilities</b>	<b>53,004</b>	<b>60,078</b>
<b>Non-current liabilities</b>		
Bonds payable	5,160	5,012
Long-term loans payable	8,048	5,383
Lease obligations	329	208
Deferred tax liabilities	4	3
Provision for retirement benefits for directors (and other officers)	151	38
Provision for Management Board Incentive Plan Trust	–	95
Retirement benefit liability	9,906	9,590
Asset retirement obligations	332	320
Other	304	341
<b>Total non-current liabilities</b>	<b>24,237</b>	<b>20,994</b>
<b>Total liabilities</b>	<b>77,242</b>	<b>81,072</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	10,037	10,037
Capital surplus	9,386	9,914
Retained earnings	17,832	22,899
Treasury shares	(538)	(1,068)
<b>Total shareholders' equity</b>	<b>36,717</b>	<b>41,783</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	3,736	2,743
Deferred gains or losses on hedges	3	1
Foreign currency translation adjustment	(1,382)	(1,574)
Remeasurements of defined benefit plans	(1,687)	(1,361)
<b>Total accumulated other comprehensive income</b>	<b>669</b>	<b>(190)</b>
<b>Total net assets</b>	<b>37,387</b>	<b>41,593</b>
<b>Total liabilities and net assets</b>	<b>114,629</b>	<b>122,665</b>

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

(Millions of yen)

	Fiscal year ended March 31, 2018	Fiscal year ended March 31, 2019
Net sales	104,570	111,289
Cost of sales	67,080	68,857
Gross profit	37,490	42,431
Selling, general and administrative expenses		
Research and development expenses	6,044	7,184
Other	27,517	28,576
Total selling, general and administrative expenses	33,561	35,761
Operating profit	3,928	6,670
Non-operating income		
Interest income	19	26
Dividend income	168	150
Insurance income	57	70
Revenue from acceptance of development services	287	511
Share of profit of entities accounted for using equity method	133	302
Other	293	271
Total non-operating income	959	1,334
Non-operating expenses		
Interest expenses	226	156
Loss on sales of accounts receivable	12	10
Foreign exchange losses	176	213
Other	110	182
Total non-operating expenses	525	563
Ordinary profit	4,363	7,440
Extraordinary income		
Gain on sales of non-current assets	222	102
Gain on sales of investment securities	–	35
Gain on sales of shares of subsidiaries and associates	291	–
Total extraordinary income	514	137
Extraordinary losses		
Loss on sales of non-current assets	8	1
Loss on retirement of non-current assets	5	61
Settlement package	66	–
Total extraordinary losses	81	63
Profit before income taxes	4,796	7,514
Income taxes - current	1,193	1,553
Income taxes - deferred	(929)	20
Total income taxes	264	1,574
Profit	4,532	5,940
Profit attributable to owners of parent	4,532	5,940

## Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2018	Fiscal year ended March 31, 2019
Profit	4,532	5,940
Other comprehensive income		
Valuation difference on available-for-sale securities	615	(993)
Deferred gains or losses on hedges	(2)	(2)
Foreign currency translation adjustment	53	(61)
Remeasurements of defined benefit plans, net of tax	497	326
Share of other comprehensive income of entities accounted for using equity method	82	(129)
Total other comprehensive income	1,247	(860)
Comprehensive income	5,779	5,080
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,779	5,080
Comprehensive income attributable to non-controlling interests	—	—

## Consolidated statements of changes in equity

Fiscal year ended March 31, 2018

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	10,037	9,386	13,977	(537)	32,863
Changes of items during period					
Dividends of surplus			(676)		(676)
Profit attributable to owners of parent			4,532		4,532
Purchase of treasury shares				(0)	(0)
Net changes of items other than shareholders' equity					-
Total changes of items during period	-	-	3,855	(0)	3,854
Balance at end of current period	10,037	9,386	17,832	(538)	36,717

	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 current period	3,121	5	(1,519)	(2,185)	(578)	32,284
Changes of items during period						
Dividends of surplus					-	(676)
Profit attributable to owners of parent					-	4,532
Purchase of treasury shares					-	(0)
Net changes of items other than shareholders' equity	615	(2)	136	497	1,247	1,247
Total changes of items during period	615	(2)	136	497	1,247	5,102
Balance at end of current period	3,736	3	(1,382)	(1,687)	669	37,387

Fiscal year ended March 31, 2019

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	10,037	9,386	17,832	(538)	36,717
Changes of items during period					
Dividends of surplus			(873)		(873)
Profit attributable to owners of parent			5,940		5,940
Purchase of treasury shares				(950)	(950)
Disposal of treasury shares		528		420	949
Net changes of items other than shareholders' equity					-
Total changes of items during period	-	528	5,066	(529)	5,065
Balance at end of current period	10,037	9,914	22,899	(1,068)	41,783

	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 current period	3,736	3	(1,382)	(1,687)	669	37,387
Changes of items during period						
Dividends of surplus						(873)
Profit attributable to owners of parent						5,940
Purchase of treasury shares						(950)
Disposal of treasury shares						949
Net changes of items other than shareholders' equity	(993)	(2)	(191)	326	(860)	(860)
Total changes of items during period	(993)	(2)	(191)	326	(860)	4,205
Balance at end of current period	2,743	1	(1,574)	(1,361)	(190)	41,593



## Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2018	Fiscal year ended March 31, 2019
Cash flows from operating activities		
Profit before income taxes	4,796	7,514
Depreciation	2,668	2,755
Amortization of goodwill	369	369
Increase (decrease) in provision for bonuses	272	323
Increase (decrease) in retirement benefit liability	58	17
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(16)	(112)
Increase (decrease) in provision for management board incentive plan trust	–	95
Loss (gain) on sales and retirement of non-current assets	(208)	(39)
Loss (gain) on sales of investment securities	–	(35)
Loss (gain) on sales of shares of subsidiaries and associates	(291)	–
Share of loss (profit) of entities accounted for using equity method	(133)	(302)
Interest and dividend income	(187)	(177)
Interest expenses	226	156
Loss on sales of notes and accounts receivable-trade	12	10
Decrease (increase) in notes and accounts receivable - trade	(3,187)	(2,042)
Decrease (increase) in inventories	(3,161)	(8,006)
Increase (decrease) in notes and accounts payable - trade	4,378	1,215
Decrease/increase in consumption taxes receivable/payable	57	(589)
Increase (decrease) in advances received	330	4,184
Other, net	1,471	524
Subtotal	7,454	5,862
Interest and dividend income received	196	184
Interest expenses paid	(228)	(161)
Loss on sales of notes and accounts receivable-trade-paid	(12)	(10)
Income taxes (paid) refund	(885)	(1,117)
Net cash provided by (used in) operating activities	6,524	4,757
Cash flows from investing activities		
Decrease (increase) in time deposits	470	65
Proceeds from sales of investment securities	–	135
Purchase of shares of subsidiaries and associates	(9)	(293)
Proceeds from sales of shares of subsidiaries and associates	946	–
Purchase of property, plant and equipment	(1,562)	(1,287)
Proceeds from sales of property, plant and equipment	661	153
Purchase of intangible assets	(150)	(200)
Other, net	112	(34)
Net cash provided by (used in) investing activities	468	(1,461)

(Millions of yen)

	Fiscal year ended March 31, 2018	Fiscal year ended March 31, 2019
Cash flows from financing activities		
Increase (decrease) in short-term loans payable	(2,221)	1,439
Proceeds from long-term loans payable	800	1,700
Repayments of long-term loans payable	(4,652)	(5,359)
Proceeds from issuance of bonds	397	315
Redemption of bonds	(726)	(576)
Proceeds from disposal of treasury shares	–	949
Purchase of treasury shares	(0)	(950)
Cash dividends paid	(676)	(873)
Other, net	(432)	(361)
Net cash provided by (used in) financing activities	(7,512)	(3,716)
Effect of exchange rate change on cash and cash equivalents	190	(132)
Net increase (decrease) in cash and cash equivalents	(328)	(552)
Cash and cash equivalents at beginning of period	9,420	9,813
Increase in cash and cash equivalents from newly consolidated subsidiary	721	–
Cash and cash equivalents at end of period	9,813	9,261