

Translation

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**Summary of Consolidated Financial Results
for the Year Ended March 31, 2022
(Based on Japanese GAAP)**

May 13, 2022

Company name: JEOL Ltd.
 Stock exchange listing: Tokyo
 Stock code: 6951 URL <https://www.jeol.co.jp>
 Representative: President & COO Izumi Oi
 Corporate Officer
 Inquiries: Management Strategy Planning Division Shoji Shiota TEL +81-42-543-1111
 Scheduled date of ordinary general meeting of shareholders: June 28, 2022
 Scheduled date to file Securities Report: June 28, 2022
 Scheduled date to commence dividend payments: June 29, 2022
 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, 2022 (from April 1, 2021 to March 31, 2022)

(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, 2022	138,408	25.3	14,144	170.7	16,313	149.0	12,278	227.9
Year ended March 31, 2021	110,439	(5.8)	5,224	(25.7)	6,550	(9.1)	3,745	(30.1)

	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, 2022	246.78	–	17.9	9.7	10.2
Year ended March 31, 2021	77.51	–	7.8	4.6	4.7

(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, 2022	189,562	85,904	45.3	1,684.08
As of March 31, 2021	146,388	50,999	34.8	1,055.50

(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, 2022	22,603	(648)	5,517	42,350
Year ended March 31, 2021	3,358	(6,988)	3,295	14,481

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, 2021	–	12.00	–	12.00	24.00	1,169	31.0	2.4
Year ended March 31, 2022	–	14.00	–	36.00	50.00	2,570	20.3	3.7
Year ending March 31, 2023 (Forecast)	–	30.00	–	30.00	60.00		21.8	

3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

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, 2022	61,200	14.7	6,300	71.4	5,900	24.2	4,400	20.0	88.43
Full year	152,500	10.2	19,500	37.9	18,800	15.2	13,700	11.6	275.34

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2022

(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: Yes

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, 2022	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 March 31, 2022	522,907 shares	As of March 31, 2021	539,847 shares
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Average number of shares during the period

Year ended March 31, 2022	49,756,859 shares	Year ended March 31, 2021	48,317,192 shares
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Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and deposits	15,376	44,226
Notes and accounts receivable - trade	31,630	–
Notes and accounts receivable - trade, and contract assets	–	41,167
Merchandise and finished goods	14,061	13,977
Work in process	40,688	42,217
Raw materials and supplies	2,545	2,916
Income taxes refund receivable	79	207
Consumption taxes refund receivable	2,685	3,164
Other	1,938	2,159
Allowance for doubtful accounts	(391)	(576)
Total current assets	108,614	149,461
Non-current assets		
Property, plant and equipment		
Buildings and structures	23,742	28,511
Accumulated depreciation	(17,556)	(18,162)
Buildings and structures, net	6,186	10,349
Machinery, equipment and vehicles	4,586	5,458
Accumulated depreciation	(3,302)	(3,524)
Machinery, equipment and vehicles, net	1,283	1,934
Tools, furniture and fixtures	23,647	24,636
Accumulated depreciation	(18,690)	(19,651)
Tools, furniture and fixtures, net	4,957	4,985
Land	3,593	3,654
Leased assets	2,839	2,735
Accumulated depreciation	(2,357)	(2,301)
Leased assets, net	482	433
Construction in progress	2,529	293
Total property, plant and equipment	19,031	21,650
Intangible assets		
Software	526	535
Leased assets	122	86
Goodwill	1,301	1,136
Other	1,670	1,646
Total intangible assets	3,621	3,404
Investments and other assets		
Investment securities	9,814	8,895
Deferred tax assets	2,621	3,304
Other	2,685	2,760
Allowance for doubtful accounts	(7)	(8)
Total investments and other assets	15,114	14,951
Total non-current assets	37,767	40,006
Deferred assets		
Share issuance costs	–	91
Bond issuance costs	6	2
Total deferred assets	6	94
Total assets	146,388	189,562

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	12,002	13,650
Electronically recorded obligations - operating	9,079	13,013
Short-term borrowings	12,718	4,904
Current portion of bonds payable	2,736	186
Lease liabilities	273	265
Accounts payable - other	2,439	2,760
Income taxes payable	1,072	4,029
Accrued consumption taxes	431	308
Advances received	13,890	–
Contract liabilities	–	33,351
Provision for bonuses	1,463	1,714
Other	11,103	7,583
Total current liabilities	67,212	81,769
Non-current liabilities		
Bonds payable	390	204
Long-term borrowings	16,867	11,266
Lease liabilities	361	284
Deferred tax liabilities	330	343
Provision for retirement benefits for directors (and other officers)	15	22
Provision for share awards for directors (and other officers)	338	480
Retirement benefit liability	8,250	7,827
Asset retirement obligations	321	316
Other	1,301	1,142
Total non-current liabilities	28,176	21,887
Total liabilities	95,388	103,657
Net assets		
Shareholders' equity		
Share capital	10,037	21,394
Capital surplus	9,914	21,271
Retained earnings	29,664	40,679
Treasury shares	(1,059)	(1,022)
Total shareholders' equity	48,558	82,322
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,113	3,605
Deferred gains or losses on hedges	(25)	(69)
Foreign currency translation adjustment	(1,458)	(142)
Remeasurements of defined benefit plans	(188)	187
Total accumulated other comprehensive income	2,441	3,581
Total net assets	50,999	85,904
Total liabilities and net assets	146,388	189,562

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

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Net sales	110,439	138,408
Cost of sales	67,546	83,043
Gross profit	42,893	55,365
Selling, general and administrative expenses		
Research and development expenses	8,064	8,516
Other	29,604	32,704
Total selling, general and administrative expenses	37,668	41,220
Operating profit	5,224	14,144
Non-operating income		
Interest income	49	45
Dividend income	139	185
Insurance claim income	31	12
Revenue from acceptance of development services	92	95
Share of profit of entities accounted for using equity method	242	193
Foreign exchange gains	613	832
Subsidy income	–	729
Other	435	336
Total non-operating income	1,604	2,430
Non-operating expenses		
Interest expenses	159	129
Loss on sale of trade receivables	6	6
Commission expenses	33	–
Other	79	125
Total non-operating expenses	278	261
Ordinary profit	6,550	16,313
Extraordinary income		
Gain on sale of non-current assets	115	38
Gain on sale of investment securities	–	394
Total extraordinary income	115	433
Extraordinary losses		
Loss on sale of non-current assets	1	2
Loss on retirement of non-current assets	17	71
Loss on valuation of investment securities	15	20
Impairment losses	1,017	–
Total extraordinary losses	1,051	95
Profit before income taxes	5,614	16,651
Income taxes - current	2,080	4,796
Income taxes - deferred	(210)	(423)
Total income taxes	1,869	4,373
Profit	3,745	12,278
Profit attributable to owners of parent	3,745	12,278

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Profit	3,745	12,278
Other comprehensive income		
Valuation difference on available-for-sale securities	1,816	(508)
Deferred gains or losses on hedges	(96)	(43)
Foreign currency translation adjustment	551	1,174
Remeasurements of defined benefit plans, net of tax	1,107	376
Share of other comprehensive income of entities accounted for using equity method	(44)	141
Total other comprehensive income	3,335	1,140
Comprehensive income	7,080	13,418
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	7,080	13,418
Comprehensive income attributable to non-controlling interests	—	—

Consolidated statements of changes in equity

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

Fiscal year ended March 31, 2022

(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	29,664	(1,059)	48,558
Cumulative effects of changes in accounting policies			(1)		(1)
Restated balance	10,037	9,914	29,663	(1,059)	48,556
Changes during period					
Issuance of new shares	11,356	11,356			22,712
Dividends of surplus			(1,304)		(1,304)
Profit attributable to owners of parent			12,278		12,278
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares				38	38
Increase and decrease due to change in fiscal year end of consolidated subsidiaries			42		42
Net changes in items other than shareholders' equity					
Total changes during period	11,356	11,356	11,016	36	33,766
Balance at end of period	21,394	21,271	40,679	(1,022)	82,322

	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	4,113	(25)	(1,458)	(188)	2,441	50,999
Cumulative effects of changes in accounting policies						(1)
Restated balance	4,113	(25)	(1,458)	(188)	2,441	50,997
Changes during period						
Issuance of new shares					–	22,712
Dividends of surplus					–	(1,304)
Profit attributable to owners of parent					–	12,278
Purchase of treasury shares					–	(1)
Disposal of treasury shares					–	38
Increase and decrease due to change in fiscal year end of consolidated subsidiaries					–	42
Net changes in items other than shareholders' equity	(508)	(43)	1,316	376	1,140	1,140
Total changes during period	(508)	(43)	1,316	376	1,140	34,906
Balance at end of period	3,605	(69)	(142)	187	3,581	85,904

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Cash flows from operating activities		
Profit before income taxes	5,614	16,651
Depreciation	3,626	4,105
Amortization of goodwill	590	229
Increase (decrease) in provision for bonuses	(0)	241
Increase (decrease) in retirement benefit liability	(111)	(62)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(17)	6
Increase (decrease) in provision for share awards for directors (and other officers)	109	179
Loss (gain) on sale and retirement of non-current assets	(96)	35
Loss (gain) on sale of investment securities	–	(394)
Loss (gain) on valuation of investment securities	15	20
Share of loss (profit) of entities accounted for using equity method	(242)	(193)
Subsidy income	–	(729)
Impairment losses	1,017	–
Interest and dividend income	(189)	(231)
Interest expenses	159	129
Loss on sales of notes and accounts receivable-trade	6	6
Decrease (increase) in trade receivables	(295)	(8,940)
Decrease (increase) in inventories	(3,457)	(1,846)
Increase (decrease) in trade payables	(2,576)	5,000
Increase/decrease in consumption taxes payable/consumption taxes refund receivable	269	(610)
Increase (decrease) in advances received	684	–
Increase (decrease) in contract liabilities	–	12,262
Other, net	849	(1,110)
Subtotal	5,953	24,750
Interest and dividends received	189	231
Interest paid	(172)	(126)
Loss on sales of notes and accounts receivable-trade-paid	(6)	(6)
Income taxes refund (paid)	(2,605)	(2,245)
Net cash provided by (used in) operating activities	3,358	22,603
Cash flows from investing activities		
Decrease (increase) in time deposits	(471)	(5)
Proceeds from sale of investment securities	–	864
Purchase of property, plant and equipment	(6,649)	(1,159)
Proceeds from sale of property, plant and equipment	241	62
Purchase of intangible assets	(380)	(356)
Other, net	271	(54)
Net cash provided by (used in) investing activities	(6,988)	(648)

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	(2,898)	(6,536)
Proceeds from long-term borrowings	13,647	–
Repayments of long-term borrowings	(4,041)	(6,166)
Redemption of bonds	(1,886)	(2,736)
Proceeds from issuance of shares	–	22,599
Purchase of treasury shares	(1)	(1)
Dividends paid	(1,169)	(1,303)
Other, net	(355)	(338)
Net cash provided by (used in) financing activities	3,295	5,517
Effect of exchange rate change on cash and cash equivalents	783	936
Net increase (decrease) in cash and cash equivalents	449	28,408
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	14,481	42,350