

# [Translation]

The following statements are an English-language translation of the original Japanese-language document for your convenience. In the case that there is any discrepancy between the Japanese and English versions, the Japanese version is assumed to be correct.

(All financial information has been prepared in accordance with accounting principles generally accepted in Japan.)

February 9, 2010

## Summary of Consolidated Third Quarter Financial Results for Fiscal 2009 (the Year Ending March 2010)

Name of listed company: **JGC Corporation**

Code number: **1963**

URL: <http://www.jgc.co.jp>

Representative

Title: **Chairman and Chief Executive Officer**

Name: **Keisuke Takeuchi**

Contact

Title: **Director and Chief Financial Officer and Senior General Manager, Finance & Accounting Department**

Name: **Hiro Yoshi Suga**

Stock exchange: **Tokyo**

Tel: **045-682-1111**

### 1. Business results of Third quarter for fiscal 2009 (April 1, 2009 - December 31, 2009)

(1) Consolidated financial results

Note: All amounts are rounded down to the nearest million yen. Percentage indicate changes from the previous term.

	Net sales		Operating income		Ordinary income		Net income	
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
3Q FY2009	300,638	(6.7)	27,743	(26.6)	27,480	(20.5)	17,084	(17.1)
3Q FY2008	322,162	—	37,818	—	34,570	—	20,618	—

	Earnings per share	Earnings per share (diluted)
	(Yen)	(Yen)
3Q FY2009	67.59	—
3Q FY2008	81.55	—

(2) Consolidated financial position

	Total assets	Total net assets	Shareholders' equity ratio	Total net assets per share
	(Millions of yen)	(Millions of yen)	(%)	(Yen)
As of December 31, 2009	429,538	234,052	54.4	924.20
As of March 31, 2009	480,279	224,488	46.6	885.62

Reference:

Shareholders' equity (millions of yen): Dec. 31, 2009: 233,615 Mar. 31, 2009: 223,887

### 2. Dividends

	Annual dividends per share (Yen)				
	1Q term-end	2Q term-end	3Q term-end	Term-end	Annual
Mar. 2009 term	—	—	—	30.00	30.00
Mar. 2010 term	—	—	—	—	—
Mar. 2010 term (Forecast)	—	—	—	21.00	21.00

Note: Revision of dividend forecast during this period: None

### 3. Earnings forecast for fiscal 2009 (April 1, 2009 - March 31, 2010)

	Net sales		Operating income		Ordinary income		Net income	
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
Full Year	430,000	(4.6)	40,000	(23.1)	39,000	(21.0)	24,500	(22.3)

	Earnings per share
	(Yen)
Full Year	96.92

Note: Revision of earnings forecast during this period: None

#### 4. Others

(1) Changes in scope of important consolidated subsidiary  
(increase)      None                      (decrease)      None

(2) Adoption of simplified accounting methods or special accounting methods for preparing quarterly consolidated financial statements: Yes

(3) Changes of accounting principles, procedures and presentation when preparing quarterly consolidated financial statement.

① Changes due to revisions of accounting standards: Yes

② Changes other than the above ①: Yes

(4) Number of shares outstanding

① Number of shares outstanding at term-end (including treasury stock):

Dec. 2009 term: 259,052,929      Mar. 2009 term: 259,052,929

② Number of treasury stock at term-end:

Dec. 2009 term: 6,275,815      Mar. 2009 term: 6,250,615

③ Average Number of shares outstanding (second quarter term):

Dec. 2009 term: 252,787,355      Dec. 2008 term: 252,840,034

1. JGC has been revised consolidated and non-consolidated full-year earnings forecasts for fiscal year ending March 2010, at announcement of " Financial Loss incurred in US Oil and Gas Field Development Project, and Revision of Earnings Forecasts for Fiscal Year Ending March 2010" on February 2, 2010,

2. The forecasts given above are based on information available at the time of compilation and are inherently subject to a variety of risks and uncertainties. Actual results may vary significantly from forecasts due to factors including, but not limited to, changes in the economic or business environment and exchange rate fluctuations.

## Consolidated Balance Sheets

	3Q FY2009 (As of Dec. 31, 2009) (Millions of yen)	FY2008 (As of Mar. 31, 2009) (Millions of yen)
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and deposits	91,034	117,781
Notes receivable, accounts receivable from completed construction contracts and other	80,029	72,455
Short-term investment securities	36,000	56,500
Costs on uncompleted construction contracts	35,582	48,998
Merchandise and finished goods	5,309	7,729
Work in process	2,980	1,401
Raw materials and supplies	2,841	4,121
Accounts receivable-other	8,900	5,978
Deferred tax assets	12,171	13,734
Other	13,636	6,580
Allowance for doubtful accounts	(92)	(59)
<b>Total current assets</b>	<b>288,394</b>	<b>335,220</b>
<b>Noncurrent assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	55,179	55,509
Machinery, vehicles, tools, furniture and fixtures	44,404	44,268
Land	26,459	26,560
Lease assets	247	192
Construction in progress	2,019	853
Other	1,539	—
Accumulated depreciation	(64,352)	(60,874)
<b>Total Property, plant and equipment</b>	<b>65,496</b>	<b>66,508</b>
<b>Intangible assets</b>		
Goodwill	—	403
Software	2,532	2,692
Other	2,698	109
<b>Total intangible assets</b>	<b>5,230</b>	<b>3,205</b>
<b>Investments and other assets</b>		
Investment securities	56,364	51,721
Long-term loans receivable	20,098	28,000
Deferred tax assets	10,242	11,240
Other	2,271	2,308
Allowance for doubtful accounts	(18,559)	(17,928)
<b>Total investments and other assets</b>	<b>70,417</b>	<b>75,344</b>
<b>Total noncurrent assets</b>	<b>141,144</b>	<b>145,058</b>
<b>Total assets</b>	<b>429,538</b>	<b>480,279</b>

	3Q FY2009 (As of Dec. 31, 2009) (Millions of yen)	FY2008 (As of Mar. 31, 2009) (Millions of yen)
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Notes payable, accounts payable for construction contracts and other	63,959	80,607
Short-term loans payable	717	762
Income taxes payable	4,589	14,592
Advances received on uncompleted construction contracts	59,207	81,500
Provision for warranties for completed construction	532	468
Provision for loss on construction contracts	72	1,835
Provision for bonuses	3,520	7,024
Provision for directors' bonuses	141	208
Other	16,147	21,024
<b>Total current liabilities</b>	<b>148,889</b>	<b>208,023</b>
<b>Noncurrent liabilities</b>		
Long-term loans payable	22,388	23,255
Provision for retirement benefits	15,596	15,721
Provision for directors' retirement benefits	346	504
Negative goodwill	9	19
Deferred tax liabilities	53	77
Deferred tax liabilities for land revaluation	3,783	3,783
Other	4,419	4,406
<b>Total noncurrent liabilities</b>	<b>46,597</b>	<b>47,767</b>
<b>Total liabilities</b>	<b>195,486</b>	<b>255,791</b>
<b>NET ASSETS</b>		
<b>Shareholders' equity</b>		
Capital stock	23,511	23,511
Capital surplus	25,600	25,599
Retained earnings	194,156	188,547
Treasury stock	(5,710)	(5,671)
<b>Total shareholders' equity</b>	<b>237,557</b>	<b>231,986</b>
<b>Valuation and translation adjustments</b>		
Valuation difference on available-for-sale securities	4,325	2,481
Deferred gains or losses on hedges	1,478	(1,027)
Revaluation reserve for land	(6,553)	(6,590)
Foreign currency translation adjustment	(3,193)	(2,962)
<b>Total valuation and translation adjustments</b>	<b>(3,941)</b>	<b>(8,098)</b>
<b>Minority interests</b>	<b>436</b>	<b>600</b>
<b>Total net assets</b>	<b>234,052</b>	<b>224,488</b>
<b>Total liabilities and net assets</b>	<b>429,538</b>	<b>480,279</b>

## Consolidated Statements of Income

Years ended	3Q FY2009 term (9 months) (Apr. 1, 2009 - Dec. 31, 2009) (Millions of yen)	3Q FY2008 term (9 months) (Apr. 1, 2008 - Dec. 31, 2008) (Millions of yen)
<b>Net sales</b>	<b>300,638</b>	<b>322,162</b>
Cost of sales	259,071	269,102
Gross profit	41,567	53,059
Selling, general and administrative expenses	13,823	15,241
<b>Operating income</b>	<b>27,743</b>	<b>37,818</b>
<b>Non-operating income:</b>	<b>4,072</b>	<b>5,347</b>
Interest income	562	2,485
Dividends income	838	825
Rent income on noncurrent assets	505	502
Amortization of negative goodwill	9	39
Equity in earnings of affiliates	2,030	1,327
Other	125	167
<b>Non-operating expenses:</b>	<b>4,336</b>	<b>8,595</b>
Interest expense	520	619
Foreign exchange losses	2,848	4,995
Rent expenses on noncurrent assets	241	324
Provision of allowance for doubtful accounts	607	2,493
Other	117	163
<b>Ordinary income</b>	<b>27,480</b>	<b>34,570</b>
<b>Extraordinary gain:</b>	<b>441</b>	<b>2,657</b>
Gain on sales of noncurrent assets	0	34
Gain on sales of investment securities	—	2,577
Reversal of allowance for doubtful accounts	13	15
Gain on revision of retirement benefit plan	425	—
Other	0	29
<b>Extraordinary loss:</b>	<b>4,057</b>	<b>1,458</b>
Loss on sales of noncurrent assets	30	0
Loss on retirement of noncurrent assets	47	70
Impairment loss	3,786	—
Loss on sales of investment securities	7	—
Loss on valuation of investment securities	22	1,373
Retirement benefit expenses	138	—
Other	26	15
<b>Income before income taxes</b>	<b>23,863</b>	<b>35,769</b>
<b>Income taxes</b>	<b>6,920</b>	<b>15,278</b>
<b>Minority interests in income</b>	<b>(141)</b>	<b>(126)</b>
<b>Net income</b>	<b>17,084</b>	<b>20,618</b>

## Consolidated Statements of Income

Years ended	3Q FY2009 term (3 months) (Oct. 1, 2009 - Dec. 31, 2009) (Millions of yen)	3Q FY2008 term (3 months) (Oct. 1, 2008 - Dec. 31, 2008) (Millions of yen)
<b>Net sales</b>	<b>95,382</b>	<b>94,591</b>
Cost of sales	82,577	77,259
Gross profit	12,805	17,331
Selling, general and administrative expenses	4,709	5,568
<b>Operating income</b>	<b>8,096</b>	<b>11,762</b>
<b>Non-operating income:</b>	<b>2,291</b>	<b>1,061</b>
Interest income	164	638
Dividends income	464	204
Foreign exchange gains	534	—
Rent income on noncurrent assets	167	167
Amortization of negative goodwill	3	3
Equity in earnings of affiliates	928	—
Other	27	47
<b>Non-operating expenses:</b>	<b>829</b>	<b>7,684</b>
Interest expense	352	219
Foreign exchange losses	—	6,340
Rent expenses on noncurrent assets	81	162
Provision of allowance for doubtful accounts	348	2
Equity in losses of affiliates	—	878
Other	47	80
<b>Ordinary income</b>	<b>9,557</b>	<b>5,139</b>
<b>Extraordinary gain:</b>	<b>0</b>	<b>1,712</b>
Gain on sales of noncurrent assets	0	3
Gain on sales of investment securities	—	0
Reversal of allowance for doubtful accounts	—	1,708
Other	—	0
<b>Extraordinary loss:</b>	<b>3,807</b>	<b>792</b>
Loss on sales of noncurrent assets	0	0
Loss on retirement of noncurrent assets	27	29
Impairment loss	3,739	—
Loss on valuation of investment securities	22	762
Other	18	0
<b>Income before income taxes</b>	<b>5,750</b>	<b>6,059</b>
<b>Income taxes</b>	<b>47</b>	<b>2,431</b>
<b>Minority interests in income</b>	<b>(60)</b>	<b>(113)</b>
<b>Net income</b>	<b>5,762</b>	<b>3,740</b>

## Consolidated Statements of Cash Flows

Years ended	3Q FY2009 term (9 months) (Apr. 1, 2009 - Dec. 31, 2009) (Millions of yen)	3Q FY2008 term (9 months) (Apr. 1, 2008 - Dec. 31, 2008) (Millions of yen)
<b>Net cash provided by (used in) operating activities:</b>		
Income before income taxes	23,863	35,769
Depreciation and amortization	6,578	5,164
Impairment loss	3,786	—
Increase (decrease) in allowance for doubtful accounts	664	2,543
Increase (decrease) in provision for loss on construction contracts	(1,762)	(705)
Increase (decrease) in provision for retirement benefits	(121)	225
Interest and dividends income	(1,401)	(3,310)
Equity in (earnings) losses of affiliates	(2,030)	(1,327)
Loss (gain) on sales of investment securities	7	(2,577)
Loss (gain) on valuation of investment securities	22	1,373
Foreign exchange losses (gains)	573	2,167
Decrease (increase) in notes and accounts receivable-trade	(7,466)	9,169
Decrease (increase) in inventories	15,547	(11,752)
Decrease (increase) in accounts receivable-other	(2,713)	5,814
Increase (decrease) in notes and accounts payable-trade	(17,432)	(3,835)
Increase (decrease) in advances received on uncompleted construction contracts	(22,292)	(15,518)
Other	(10,579)	1,040
Subtotal	(14,756)	24,241
Interest and dividends income received	3,768	5,156
Interest expenses paid	(862)	(806)
Income taxes paid	(16,881)	(16,640)
Net cash provided by (used in) operating activities	(28,732)	11,952
<b>Net cash provided by (used in) investment activities:</b>		
Purchase of property, plant and equipment	(2,773)	(4,661)
Purchase of investment securities	(7,984)	(20,595)
Proceeds from sales and redemption of investment securities	88	5,397
Payments of long-term loans receivable	(507)	(2,455)
Other	(1,711)	(538)
Net cash provided by (used in) investment activities	(12,888)	(22,853)
<b>Net cash provided by (used in) financing activities:</b>		
Proceeds from long-term loans payable	—	6,539
Cash dividends paid	(7,576)	(5,305)
Other	(915)	(728)
Net cash provided by (used in) financing activities	(8,491)	504
<b>Effect of exchange rate change on cash and cash equivalents</b>	<b>1,731</b>	<b>(1,623)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(48,381)</b>	<b>(12,020)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>174,281</b>	<b>164,617</b>
<b>Increase in cash and cash equivalents from newly consolidated subsidiary</b>	<b>1,134</b>	<b>1,869</b>
<b>Cash and cash equivalents at end of the quarter</b>	<b>127,034</b>	<b>154,466</b>

## Segment Information

### 【 Information by business segment 】

Third quarter (3 months) for FY 2009 (October 1, 2009 - December 31, 2009) (Millions of yen)

	Total engineering	Catalysts and fine products	Total	Elimination or corporation	Consolidated
Net sales					
External customers	86,342	9,039	95,382	—	95,382
Inter-segment	2	6	9	(9)	—
<b>Total</b>	<b>86,345</b>	<b>9,046</b>	<b>95,392</b>	<b>(9)</b>	<b>95,382</b>
Operating profit	7,250	840	8,090	5	8,096

Third quarter (3 months) for FY 2008 (October 1, 2008 - December 31, 2008) (Millions of yen)

	Total engineering	Catalysts and fine products	Total	Elimination or corporation	Consolidated
Net sales					
External customers	85,667	8,923	94,591	—	94,591
Inter-segment	6	2	9	(9)	—
<b>Total</b>	<b>85,674</b>	<b>8,926</b>	<b>94,600</b>	<b>(9)</b>	<b>94,591</b>
Operating profit	11,600	155	11,756	6	11,762

Third quarter (9 months) for FY 2009 (April 1, 2009 - December 31, 2009) (Millions of yen)

	Total engineering	Catalysts and fine products	Total	Elimination or corporation	Consolidated
Net sales					
External customers	272,572	28,066	300,638	—	300,638
Inter-segment	10	10	21	(21)	—
<b>Total</b>	<b>272,582</b>	<b>28,077</b>	<b>300,659</b>	<b>(21)</b>	<b>300,638</b>
Operating profit	26,433	1,299	27,733	10	27,743

Third quarter (9 months) for FY 2008 (April 1, 2008 - December 31, 2008) (Millions of yen)

	Total engineering	Catalysts and fine products	Total	Elimination or corporation	Consolidated
Net sales					
External customers	292,822	29,340	322,162	—	322,162
Inter-segment	18	3	22	(22)	—
<b>Total</b>	<b>292,841</b>	<b>29,343</b>	<b>322,184</b>	<b>(22)</b>	<b>322,162</b>
Operating profit	35,884	1,915	37,800	18	37,818

### 【 Information by geographic segment 】

Geographic segment information is not disclosed, as the Company and its consolidated subsidiaries operate mainly within Japan.



## Segment Information

## 【 Overseas sales 】

Third quarter (3 months) for FY 2009 (October 1, 2009 - December 31, 2009)

(Millions of yen)

	East Asia	Southeast Asia	Middle East	Africa	Other	Total
I Overseas sales	1,061	7,456	38,897	8,878	4,527	60,821
II Consolidated sales						95,382
III Percentage of overseas sales over consolidated sales	1.1	7.8	40.8	9.3	4.7	63.8

Major countries and areas included in each geographic area are as follows:

East Asia: China, Korea  
Southeast Asia: Singapore, Vietnam, Indonesia  
Middle East: Saudi Arabia, UAE, Qatar  
Africa: Algeria, Egypt  
Other: Australia, the United States, Austria

Third quarter (3 months) for FY 2008 (October 1, 2008 - December 31, 2008)

(Millions of yen)

	East Asia	Southeast Asia	Middle East	Africa	Other	Total
I Overseas sales	535	15,871	34,701	2,736	900	54,746
II Consolidated sales						94,591
III Percentage of overseas sales over consolidated sales	0.5	16.8	36.7	2.9	1.0	57.9

Major countries and areas included in each geographic area are as follows:

East Asia: Korea, China  
Southeast Asia: Vietnam, Singapore, Indonesia  
Middle East: Saudi Arabia, Qatar, Yemen  
Africa: Algeria  
Other: the United States, Australia, Austria

Third quarter (9 months) for FY 2009 (April 1, 2009 - December 31, 2009)

(Millions of yen)

	East Asia	Southeast Asia	Middle East	Africa	Other	Total
I Overseas sales	3,451	24,269	93,060	18,552	35,517	174,851
II Consolidated sales						300,638
III Percentage of overseas sales over consolidated sales	1.1	8.1	31.0	6.2	11.8	58.2

Major countries and areas included in each geographic area are as follows:

East Asia: China, Korea  
Southeast Asia: Singapore, Indonesia, Vietnam,  
Middle East: Saudi Arabia, Qatar, Yemen  
Africa: Algeria, Egypt  
Other: Venezuela, Australia, the United States

Third quarter (9 months) for FY 2008 (April 1, 2008 - December 31, 2008)

(Millions of yen)

	East Asia	Southeast Asia	Middle East	Africa	Other	Total
I Overseas sales	2,394	50,020	126,599	4,460	2,940	186,415
II Consolidated sales						322,162
III Percentage of overseas sales over consolidated sales	0.8	15.5	39.3	1.4	0.9	57.9

Major countries and areas included in each geographic area are as follows:

East Asia: China, Korea  
Southeast Asia: Vietnam, Indonesia, Singapore  
Middle East: Saudi Arabia, Qatar, Yemen  
Africa: Algeria, Nigeria  
Other: the United States, Austria, Australia

## Sales, Orders Received and Backlog (Consolidated)

(Millions of yen)

Business area		March 31, 2009	December 31, 2009		
		Outstanding Contracts	New Contracts	Sales	Outstanding Contracts
Domestic	Oil and gas development	280	522	458	344
	Petroleum refining	88,258	20,573	66,991	41,840
	LNG	8,705	138	527	8,317
	Chemical	18,013	13,825	20,427	11,411
	Power generation, nuclear power and new energy	5,749	6,294	4,123	7,920
	Living and general production facility	7,633	13,341	2,278	18,696
	Environmental protection, social development and IT	39,040	6,899	8,826	37,113
	Others	571	3,363	924	3,011
	Subtotal	168,253	64,959	104,557	128,655
Overseas	Oil and gas development	253,893	360,786	33,104	581,575
	Petroleum refining	21,812	13,404	29,411	5,805
	LNG	36,335	240,266	27,807	248,793
	Chemical	196,906	6,627	64,092	139,442
	Power generation, nuclear power and new energy	21,813	616	9,549	12,879
	Living and general production facility	1,085	34,542	1,486	34,141
	Environmental protection, social development and IT	0	20	1	19
	Others	1	2,906	2,560	347
	Subtotal	531,848	659,171	168,015	1,023,004
Total Engineering Business		*2 700,101	724,130	272,572	1,151,660
Catalysts and Fine Products Business		*3 —	*3 —	28,066	*3 —
Grand Total				300,638	

Notes:

\*1 Figures for each business area are exclusive of consumption and other taxes.

\*2 The balances of new contracts as of the end of the previous fiscal year have been revised to reflect foreign currency translation adjustments and changes contract amounts for the period under review as follows:

(Millions of yen)

Business area	Foreign currency translation adjustment	Revision for changes in contract amounts	Total
Oil and gas development	(1,518)	—	(1,518)
Petroleum refining	(999)	—	(999)
LNG	(595)	—	(595)
Chemical	(15,967)	(6,751)	(22,719)
Power generation, nuclear power and new energy	(638)	(484)	(1,123)
Living and general production facility	(237)	—	(237)
Environmental protection, social development and IT	0	44	44
Others	(24)	(46)	(70)
Total	(19,981)	(7,238)	(27,219)

\*3 As the order received system is not applied to the Catalysts and Fine Products Business area, no figures are given.

\*4 All amounts are rounded down to the nearest million yen.