

[ Translation ]

The following statement is an English-language translation of the original Japanese-language document provided for your convenience. In the event there is any discrepancy between the Japanese and English versions, the Japanese version is presumed to be correct.

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

## Consolidated Financial Statements--Summary

May 13, 2011

(For the fiscal year ended March 31, 2011)

Name of listed company: **JGC Corporation**

Stock exchange: **Tokyo**

Code number: **1963**

Representative

Title: **Chairman and Chief Executive Officer**

Tel: **045-682-1111**

Name: **Keisuke Takeuchi**

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

Contact

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

Name: **Masayuki Sato**

Scheduled Date of Ordinary Annual General Meeting of Shareholders: **June 29, 2011**

Scheduled Date of Payment of Dividends: **June 30, 2011**

### 1. Business results for fiscal 2010 (April 1, 2010 - March 31, 2011)

#### (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) | (%)    |
| Mar. 2011 term | 447,222           | 8.0   | 63,559            | 51.6   | 63,395            | 55.3   | 25,477            | (6.0)  |
| Mar. 2010 term | 414,257           | (8.1) | 41,919            | (19.4) | 40,829            | (17.3) | 27,112            | (14.0) |

Note:

Comprehensive income (millions of yen): Mar. 2011 term: 24,183 (-27.4%) Mar. 2010 term: 33,319(—)

|                | Earnings per share | Earnings per share (diluted) | Return on equity | Ordinary income/Total assets | Operating income/Net sales |
|----------------|--------------------|------------------------------|------------------|------------------------------|----------------------------|
|                | (Yen)              | (Yen)                        | (%)              | (%)                          | (%)                        |
| Mar. 2011 term | 100.83             | -                            | 10.0             | 14.1                         | 14.2                       |
| Mar. 2010 term | 107.25             | -                            | 11.5             | 9.0                          | 10.1                       |

Reference:

Equity in earning of affiliates (millions of yen): Mar. 2011 term: 2,152 Mar. 2010 term: 2,555

#### (2) Consolidated financial position

|               | Total assets      | Total net assets  | Shareholders' equity/Total assets | Total net assets per share |
|---------------|-------------------|-------------------|-----------------------------------|----------------------------|
|               | (Millions of yen) | (Millions of yen) | (%)                               | (Yen)                      |
| Mar. 31, 2011 | 468,502           | 264,483           | 56.3                              | 1,045.39                   |
| Mar. 31, 2010 | 430,176           | 246,140           | 57.1                              | 972.53                     |

Reference:

Shareholders' equity (millions of yen): Mar. 31, 2011: 263,983 Mar. 31, 2010: 245,819

#### (3) Consolidated cash flows

|                | Cash flows from operating activities | Cash flows from investing activities | Cash flows from financing activities | Cash and cash equivalents at term-end |
|----------------|--------------------------------------|--------------------------------------|--------------------------------------|---------------------------------------|
|                | (Millions of yen)                    | (Millions of yen)                    | (Millions of yen)                    | (Millions of yen)                     |
| Mar. 2011 term | 48,214                               | 116                                  | (7,317)                              | 161,894                               |
| Mar. 2010 term | (25,179)                             | (19,823)                             | (8,893)                              | 123,808                               |

### 2. Dividends

|                           | Annual dividends per share (Yen) |        | Total dividends (annual) | Payout ratio (consolidated) | Dividends/Shareholders' equity (consolidated) |
|---------------------------|----------------------------------|--------|--------------------------|-----------------------------|---|
|                           | Term-end                         | Annual | (Millions of yen)        | (%)                         | (%)   |
| Mar. 2010 term            | 21.00                            | 21.00  | 5,308                    | 19.6                        | 2.3   |
| Mar. 2011 term            | 30.00                            | 30.00  | 7,575                    | 29.8                        | 3.0   |
| Mar. 2012 term (Forecast) | 41.50                            | 41.50  | —                        | 25.0                        | —   |

### 3. Forecast for fiscal 2011 (April 1, 2011 - March 31, 2012)

|             | Net sales         |      | Operating income  |      | Ordinary income   |       | Net income        |       |
|-------------|-------------------|------|-------------------|------|-------------------|-------|-------------------|-------|
|             | (Millions of yen) | (%)  | (Millions of yen) | (%)  | (Millions of yen) | (%)   | (Millions of yen) | (%)   |
| 2Q term     | 270,000           | 50.8 | 31,500            | 73.9 | 34,000            | 122.0 | 21,000            | 107.2 |
| Entire term | 550,000           | 23.0 | 64,000            | 0.7  | 68,000            | 7.3   | 42,000            | 64.8  |

|             | Earnings per |
|-------------|--------------|
|             | (Yen)        |
| 2Q term     | 83.16        |
| Entire term | 166.32       |

#### 4. Others

JGC Corporation

(1) Changes in scope of important subsidiary: None

(2) Changes in accounting method: Changed

(3) Number of shares outstanding

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

Mar. 2011 term: 259,052,929 Mar. 2010 term: 259,052,929

② Number of treasury stock at term-end:

Mar. 2011 term: 6,531,492 Mar. 2010 term: 6,290,126

③ Average Number of shares outstanding at term-end:

Mar. 2011 term: 252,687,062 Mar. 2010 term: 252,782,818

#### (Reference) Summary of Non-Consolidated Financial Statements

##### 1. Business results for fiscal 2010 (April 1, 2010 - March 31, 2011)

(1) Non-Consolidated financial results

Note: All amounts are rounded down to the nearest million yen.

|                | Net sales         |       | Operating income  |        | Ordinary income   |        | Net income        |        |
|----------------|-------------------|-------|-------------------|--------|-------------------|--------|-------------------|--------|
|                | (Millions of yen) | (%)   | (Millions of yen) | (%)    | (Millions of yen) | (%)    | (Millions of yen) | (%)    |
| Mar. 2011 term | 359,560           | 13.2  | 51,918            | 61.5   | 56,266            | 65.9   | 22,852            | 7.4    |
| Mar. 2010 term | 317,597           | (9.2) | 32,145            | (22.3) | 33,921            | (23.2) | 21,271            | (29.6) |

|                | Earnings per share | Earnings per share (diluted) |
|----------------|--------------------|------------------------------|
|                | (Yen)              | (Yen)                        |
| Mar. 2011 term | 90.44              | -                            |
| Mar. 2010 term | 84.15              | -                            |

(2) Non-Consolidated financial position

|               | Total assets      | Total net assets  | Shareholders' equity/Total assets | Total net assets per share |
|---------------|-------------------|-------------------|-----------------------------------|----------------------------|
|               | (Millions of yen) | (Millions of yen) | (%)                               | (Yen)                      |
| Mar. 31, 2011 | 415,737           | 227,794           | 54.8                              | 902.08                     |
| Mar. 31, 2010 | 374,549           | 212,619           | 56.8                              | 841.18                     |

Reference:

Shareholders' equity (millions of yen): Mar. 31, 2011: 227,794 Mar. 31, 2010: 212,619

##### 2. Non-Consolidated Financial Forecast for fiscal 2011 (April 1, 2011 - March 31, 2012)

|             | Net sales         |      | Ordinary income   |       | Net income        |       |
|-------------|-------------------|------|-------------------|-------|-------------------|-------|
|             | (Millions of yen) | (%)  | (Millions of yen) | (%)   | (Millions of yen) | (%)   |
| 2Q term     | 230,000           | 64.2 | 31,500            | 157.9 | 20,500            | 111.8 |
| Entire term | 460,000           | 27.9 | 59,000            | 4.9   | 38,000            | 66.3  |

|             | Earnings per share |
|-------------|--------------------|
|             | (Yen)              |
| 2Q term     | 81.18              |
| Entire term | 150.48             |

(1) 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.

(2) Forecast based on: ¥84.00/US\$1.00 ¥118.00/EUR1.00

#### < Nigeria LNG Projects >

In respect of the investigation of the members of the TSKJ consortium in connection with the captioned projects which were awarded since 1995, as announced on April 7, 2011, JGC reached the settlement with the U.S. department of Justice (DOJ) for the resolution of the investigation relating with JGC, and paid US\$ 218.8 million to DOJ. As announced on January 31, 2011, JGC also reached the settlement with Nigerian authority as of January 7th, 2011 in relation to the captioned projects, and paid US\$ 28.5 million to the Nigerian authority. The amounts for these two settlements were already accrued as Special Loss in the Fiscal year ending March 2011.

In 2002, JGC established an office which is exclusively devoted to compliance issues and since then JGC has been making efforts for the promotion of the compliance. JGC hereby advises that it is committed to reviewing, and making further improvements to, its compliance program.

## Consolidated Balance Sheets

## ASSETS

|   | March 31,<br>2011<br>(Millions of yen) | March 31,<br>2010<br>(Millions of yen) |
|---|--|--|
| <b>I Current assets</b>   |  |  |
| Cash and deposits   | 131,894                                | 83,308                                 |
| Notes receivable, accounts receivable from completed construction contracts and other | 108,810                                | 87,626                                 |
| Short-term investment securities  | 30,000                                 | 40,500                                 |
| Costs on uncompleted construction contracts   | 14,616                                 | 28,123                                 |
| Merchandise and finished goods  | 5,279                                  | 4,714                                  |
| Work in process   | 1,613                                  | 1,634                                  |
| Raw materials and supplies  | 2,839                                  | 2,424                                  |
| Accounts receivable-other   | 7,234                                  | 11,743                                 |
| Deferred tax assets   | 10,239                                 | 12,182                                 |
| Other current assets  | 7,038                                  | 11,372                                 |
| Allowance for doubtful accounts   | (100)                                  | (91)                                   |
| <b>Total current assets</b>   | <b>319,464</b>                         | <b>283,538</b>                         |
| <b>II Fixed assets</b>  |  |  |
| <b>1 Tangible fixed assets:</b>   |  |  |
| Buildings and structures  | 58,784                                 | 56,616                                 |
| Machinery, vehicles, tools and equipment  | 46,341                                 | 44,705                                 |
| Land  | 26,459                                 | 26,459                                 |
| Lease assets  | 863                                    | 813                                    |
| Construction in progress  | 820                                    | 1,718                                  |
| Other tangible fixed assets   | 1,495                                  | 1,747                                  |
| Less accumulated depreciation   | (70,130)                               | (66,004)                               |
| <b>Net tangible fixed assets</b>  | <b>64,633</b>                          | <b>66,057</b>                          |
| <b>2 Intangible fixed assets</b>  |  |  |
| Goodwill  | 0                                      | 0                                      |
| Software  | 2,939                                  | 2,744                                  |
| Other intangible fixed assets   | 1,699                                  | 2,703                                  |
| <b>Total intangible fixed assets</b>  | <b>4,639</b>                           | <b>5,448</b>                           |
| <b>3 Investments and other assets</b>   |  |  |
| Investment securities   | 66,114                                 | 61,666                                 |
| Long-term loans receivable  | 17,498                                 | 19,012                                 |
| Deferred tax assets   | 10,303                                 | 10,749                                 |
| Other investments and other assets  | 2,243                                  | 2,379                                  |
| Allowance for doubtful accounts   | (16,395)                               | (18,676)                               |
| <b>Total investments and other assets</b>   | <b>79,764</b>                          | <b>75,131</b>                          |
| <b>Total fixed assets</b>   | <b>149,038</b>                         | <b>146,637</b>                         |
| <b>Total assets</b>   | <b>468,502</b>                         | <b>430,176</b>                         |

## LIABILITIES AND NET ASSETS

|  | March 31,<br>2011<br>(Millions of yen) | March 31,<br>2010<br>(Millions of yen) |
|--|--|--|
| <b>I Current liabilities</b>   |  |  |
| Notes payable, accounts payable for construction contracts and other | 70,761                                 | 59,391                                 |
| Short-term loans payable   | 14,438                                 | 1,051                                  |
| Accounts payable-other   | 25,271                                 | —                                      |
| Income taxes payable   | 18,710                                 | 7,671                                  |
| Advances received on uncompleted construction contracts              | 25,818                                 | 46,766                                 |
| Provision for warranties for completed construction                  | 312                                    | 455                                    |
| Provision for loss on construction contracts                         | 525                                    | 146                                    |
| Provision for bonuses  | 6,830                                  | 6,715                                  |
| Provision for directors' bonuses                                     | 193                                    | 190                                    |
| Other current liabilities  | 11,429                                 | 15,339                                 |
| <b>Total current liabilities</b>                                     | <b>174,293</b>                         | <b>137,728</b>                         |
| <b>II Long-term liabilities</b>                                      |  |  |
| Long-term loans payable  | 6,623                                  | 21,925                                 |
| Provision for retirement benefits                                    | 14,283                                 | 15,352                                 |
| Provision for directors' retirement benefits                         | 339                                    | 368                                    |
| Negative goodwill  | —                                      | 6                                      |
| Deferred tax liabilities   | 249                                    | 49                                     |
| Deferred tax liabilities for land revaluation                        | 3,783                                  | 3,783                                  |
| Other long-term liabilities  | 4,447                                  | 4,822                                  |
| <b>Total long-term liabilities</b>                                   | <b>29,726</b>                          | <b>46,307</b>                          |
| <b>Total liabilities</b>   | <b>204,019</b>                         | <b>184,035</b>                         |
| <b>I Shareholders' equity</b>  |  |  |
| 1 Capital stock  | 23,511                                 | 23,511                                 |
| 2 Capital surplus  | 25,602                                 | 25,600                                 |
| 3 Retained earnings  | 224,346                                | 204,177                                |
| 4 Treasury stock   | (6,168)                                | (5,735)                                |
| <b>Total shareholders' equity</b>                                    | <b>267,292</b>                         | <b>247,553</b>                         |
| <b>II Valuation and translation adjustments</b>                      |  |  |
| Valuation difference on available-for-sale securities                | 3,337                                  | 5,086                                  |
| Deferred gains or losses on hedges                                   | 2,519                                  | 2,712                                  |
| Revaluation reserve for land   | (6,553)                                | (6,553)                                |
| Foreign currency translation adjustment                              | (2,612)                                | (2,980)                                |
| <b>Total valuation and translation adjustments</b>                   | <b>(3,309)</b>                         | <b>(1,734)</b>                         |
| <b>III Minority interests</b>  | <b>499</b>                             | <b>321</b>                             |
| <b>Total net assets</b>  | <b>264,483</b>                         | <b>246,140</b>                         |
| <b>Total liabilities and net assets</b>                              | <b>468,502</b>                         | <b>430,176</b>                         |

## Consolidated Statements of Income

| Years ended                                   | Mar. 2011<br>term<br>(Millions of yen) | Mar. 2010<br>term<br>(Millions of yen) |
|---|--|--|
| <b>Net sales</b>                              | <b>447,222</b>                         | <b>414,257</b>                         |
| Cost of sales                                 | 365,823                                | 353,906                                |
| Gross profit                                  | 81,398                                 | 60,351                                 |
| Selling, general and administrative expenses  | 17,839                                 | 18,432                                 |
| <b>Operating income</b>                       | <b>63,559</b>                          | <b>41,919</b>                          |
| <b>Non-operating income:</b>                  | <b>5,742</b>                           | <b>5,299</b>                           |
| Interest income                               | 647                                    | 677                                    |
| Dividend income                               | 2,023                                  | 1,136                                  |
| Rent income on noncurrent assets              | 669                                    | 814                                    |
| Goodwill amortization                         | 6                                      | 12                                     |
| Equity in earnings of affiliates              | 2,152                                  | 2,555                                  |
| Other non-operating income                    | 242                                    | 103                                    |
| <b>Non-operating expenses:</b>                | <b>5,906</b>                           | <b>6,388</b>                           |
| Interest expense                              | 658                                    | 684                                    |
| Exchange loss, net                            | 4,706                                  | 3,614                                  |
| Rent expenses on noncurrent assets            | 363                                    | 331                                    |
| Provision for allowance for doubtful accounts | 3                                      | 1,516                                  |
| Other non-operating expenses                  | 173                                    | 241                                    |
| <b>Ordinary income</b>                        | <b>63,395</b>                          | <b>40,829</b>                          |
| <b>Extraordinary gain:</b>                    | <b>10,711</b>                          | <b>981</b>                             |
| Gain on sales of property and equipment       | 25                                     | 2                                      |
| Gain on sales of investment securities        | 10,593                                 | 517                                    |
| Reversal of allowance for doubtful accounts   | 47                                     | 21                                     |
| Gain on revision of retirement benefit plan   | –                                      | 425                                    |
| Other extraordinary gain                      | 45                                     | 13                                     |
| <b>Extraordinary loss:</b>                    | <b>21,335</b>                          | <b>3,961</b>                           |
| Loss on sales of property and equipment       | 12                                     | 34                                     |
| Loss on disposal of property and equipment    | 122                                    | 66                                     |
| Loss on sales of investment securities        | 20                                     | 11                                     |
| Loss on valuation of investment securities    | 196                                    | –                                      |
| Retirement benefit expenses                   | –                                      | 138                                    |
| Impairment loss                               | –                                      | 3,649                                  |
| Settlement package                            | 20,515                                 | –                                      |
| Other extraordinary loss                      | 468                                    | 61                                     |
| <b>Income before income taxes</b>             | <b>52,771</b>                          | <b>37,850</b>                          |
| <b>Income Taxes:</b>                          | <b>27,013</b>                          | <b>10,855</b>                          |
| Income taxes-current                          | 23,492                                 | 12,431                                 |
| Income taxes-deferred                         | 3,520                                  | (1,575)                                |
| <b>Income before minority interests</b>       | <b>25,758</b>                          | <b>–</b>                               |
| <b>Minority interests in income</b>           | <b>280</b>                             | <b>(117)</b>                           |
| <b>Net income</b>                             | <b>25,477</b>                          | <b>27,112</b>                          |

## Statements of Consolidated Comprehensive Income

| Years ended   | Mar. 2011<br>term<br>(Millions of yen) | Mar. 2010<br>term<br>(Millions of yen) |
|---|--|--|
| <b>Income before minority interests</b>   | <b>25,758</b>                          | —                                      |
| <b>Other comprehensive income:</b>  | <b>(1,574)</b>                         | —                                      |
| Valuation difference on available-for-sale securities                               | (1,749)                                | —                                      |
| Deferred gains or losses on hedges  | (193)                                  | —                                      |
| Foreign currency translation adjustment   | (861)                                  | —                                      |
| Share of other comprehensive income of associates accounted for using equity method | 1,229                                  | —                                      |
| <b>Comprehensive income</b>   | <b>24,183</b>                          | —                                      |
| Comprehensive income attributable to:   |  |  |
| Comprehensive income attributable to owners of the parent                           | 23,903                                 | —                                      |
| Comprehensive income attributable to minority interests                             | 280                                    | —                                      |

## Consolidated Statements of Cash Flows

| Years ended  | Mar. 2011<br>term<br>(Millions of yen) | Mar. 2010<br>term<br>(Millions of yen) |
|--|--|--|
| <b>I CASH FLOWS FROM OPERATING ACTIVITIES:</b>   |  |  |
| Income before taxes on income and minority interests in earnings of consolidated subsidiaries  | 52,771                                 | 37,850                                 |
| Adjustments to reconcile income before taxes on income and minority interests in earnings of consolidated subsidiaries to net cash provided by (used in) operating activities: |  |  |
| Depreciation and amortization  | 7,517                                  | 9,133                                  |
| Impairment loss  | —                                      | 3,649                                  |
| Amortization of goodwill   | (6)                                    | 390                                    |
| Increase (decrease) in allowance for doubtful accounts   | (2,271)                                | 779                                    |
| Increase (decrease) in provision for loss on construction contracts  | 379                                    | (1,689)                                |
| Increase (decrease) in provision for retirement benefits   | (1,055)                                | (375)                                  |
| Interest and dividend income   | (2,671)                                | (1,814)                                |
| Interest expense   | 658                                    | 684                                    |
| Foreign exchange losses (gains)  | 3,788                                  | (15)                                   |
| Equity in losses (earnings) of affiliates  | (2,152)                                | (2,555)                                |
| Loss (gain) on sales of investment securities  | (10,593)                               | (517)                                  |
| Loss (gain) on valuation of investment securities  | 196                                    | —                                      |
| Loss (gain) on sales of noncurrent assets  | (13)                                   | 31                                     |
| Loss on retirement of noncurrent assets  | 122                                    | 66                                     |
| Decrease (increase) in notes and accounts receivable-trade   | (21,343)                               | (14,972)                               |
| Decrease (increase) in inventories   | 12,451                                 | 25,377                                 |
| Decrease (increase) in accounts receivable-other   | 4,474                                  | (5,560)                                |
| Increase (decrease) in notes and accounts payable-trade  | 11,449                                 | (22,013)                               |
| Increase (decrease) in advances received on uncompleted construction contracts   | (20,947)                               | (34,734)                               |
| Other, net   | 21,633                                 | (3,404)                                |
| Subtotal   | 54,387                                 | (9,688)                                |
| Interest and dividends received  | 6,782                                  | 4,853                                  |
| Interest paid  | (559)                                  | (925)                                  |
| Income taxes paid  | (12,396)                               | (19,419)                               |
| NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES  | 48,214                                 | (25,179)                               |
| <b>II CASH FLOWS FROM INVESTING ACTIVITIES:</b>  |  |  |
| Payments for purchases of property and equipment   | (3,252)                                | (4,765)                                |
| Proceeds from sales of property and equipment  | 56                                     | 121                                    |
| Payments for purchases of intangible fixed assets  | (1,178)                                | (2,540)                                |
| Payments for purchases of investment securities  | (8,651)                                | (12,493)                               |
| Proceeds from sale of investment securities  | 13,740                                 | 941                                    |
| Decrease (increase) in short-term loans receivable   | 71                                     | 28                                     |
| Payments for long-term loans receivable  | (801)                                  | (527)                                  |
| Proceeds from long-term loans receivable   | 56                                     | 170                                    |
| Other, net   | 75                                     | (758)                                  |
| NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES  | 116                                    | (19,823)                               |
| <b>III CASH FLOWS FROM FINANCING ACTIVITIES:</b>   |  |  |
| Repayment of long-term loans payable   | (1,338)                                | (737)                                  |
| Purchase of treasury stock   | (431)                                  | (62)                                   |
| Cash dividends paid  | (5,296)                                | (7,578)                                |
| Cash dividends paid to minority shareholders   | (16)                                   | (20)                                   |
| Other, net   | (233)                                  | (495)                                  |
| NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES  | (7,317)                                | (8,893)                                |
| <b>IV EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS</b>   | <b>(2,928)</b>                         | <b>2,289</b>                           |
| <b>V NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>  | <b>38,085</b>                          | <b>(51,607)</b>                        |
| <b>VI CASH AND CASH EQUIVALENTS at beginning of year</b>   | <b>123,808</b>                         | <b>174,281</b>                         |
| <b>VII INCREASE IN CASH AND CASH EQUIVALENTS FROM NEWLY CONSOLIDATED SUBSIDIARIES</b>  | <b>—</b>                               | <b>1,134</b>                           |
| <b>VIII CASH AND CASH EQUIVALENTS at end of year</b>   | <b>161,894</b>                         | <b>123,808</b>                         |

## Segment Information

## 【 Information by business segment 】

FY 2009 (April 1, 2009 - March 31, 2010)

(Millions of yen)

|                               | Segment           |                             |           | Others | Grand total | Adjustment | Consolidated |
|-------------------------------|-------------------|-----------------------------|-----------|--------|-------------|------------|--------------|
|                               | Total engineering | Catalysts and fine products | Sub total |        |             |            |              |
| Net sales                     |                   |                             |           |        |             |            |              |
| External customers            | 364,830           | 37,827                      | 402,659   | 11,599 | 414,257     | —          | 414,257      |
| Inter-segment                 | 19                | 13                          | 33        | 5,061  | 5,094       | (5,094)    | —            |
| Total                         | 364,849           | 37,841                      | 402,691   | 16,661 | 419,352     | (5,094)    | 414,257      |
| Segment profit                | 39,310            | 2,582                       | 41,892    | (69)   | 41,823      | 95         | 41,919       |
| Segment asset                 | 382,371           | 33,600                      | 415,972   | 32,339 | 448,311     | (18,135)   | 430,176      |
| Other item                    |                   |                             |           |        |             |            |              |
| Depreciation and amortization | 3,617             | 2,840                       | 6,457     | 2,707  | 9,165       | (31)       | 9,133        |
| Capital expenditures          | 4,086             | 720                         | 4,806     | 2,272  | 7,078       | (16)       | 7,062        |

\*1 : "Others" includes System Solution Services, Specialized Consulting Services, Office Support Services Business and Oil and Gas Production Sales Business.

\*2 : Segment profits are adjusted to eliminate transactions between segments.

\*3 : Segment profits are adjusted with the operation income figure from the Consolidated Statements of Income.

FY 2010 (April 1, 2010 - March 31, 2011)

(Millions of yen)

|                               | Segment           |                             |           | Others | Grand total | Adjustment | Consolidated |
|-------------------------------|-------------------|-----------------------------|-----------|--------|-------------|------------|--------------|
|                               | Total engineering | Catalysts and fine products | Sub total |        |             |            |              |
| Net sales                     |                   |                             |           |        |             |            |              |
| External customers            | 401,198           | 36,031                      | 437,229   | 9,992  | 447,222     | —          | 447,222      |
| Inter-segment                 | 24                | 12                          | 36        | 5,096  | 5,133       | (5,133)    | —            |
| Total                         | 401,222           | 36,043                      | 437,266   | 15,089 | 452,356     | (5,133)    | 447,222      |
| Segment profit                | 57,688            | 4,988                       | 62,676    | 784    | 63,461      | 97         | 63,559       |
| Segment asset                 | 421,190           | 37,134                      | 458,325   | 28,709 | 487,034     | (18,531)   | 468,502      |
| Other item                    |                   |                             |           |        |             |            |              |
| Depreciation and amortization | 3,660             | 2,479                       | 6,139     | 1,368  | 7,508       | 9          | 7,517        |
| Capital expenditures          | 4,598             | 1,768                       | 6,367     | 358    | 6,725       | (164)      | 6,561        |

\*1 : "Others" includes System Solution Services, Specialized Consulting Services, Office Support Services Business and Oil and Gas Production Sales Business.

\*2 : Segment profits are adjusted to eliminate transactions between segments.

\*3 : Segment profits are adjusted with the operation income figure from the Consolidated Statements of Income.



## Sales, Orders Received and Backlog (Consolidated)

(Millions of yen)

| Business area                        |   | March 31, 2010        | March 31, 2011 |         |                       |
|--------------------------------------|---|-----------------------|----------------|---------|-----------------------|
|                                      |   | Outstanding Contracts | New Contracts  | Sales   | Outstanding Contracts |
| Domestic                             | Oil and gas development                             | 380                   | 559            | 792     | 147                   |
|                                      | Petroleum refining                                  | 35,669                | 15,059         | 31,581  | 19,147                |
|                                      | LNG   | 7,570                 | 22,828         | 2,542   | 27,856                |
|                                      | Chemical  | 13,405                | 15,550         | 20,327  | 8,628                 |
|                                      | Power generation, nuclear power and new energy      | 10,505                | 15,111         | 8,247   | 17,370                |
|                                      | Living and general production facility              | 15,579                | 29,176         | 9,316   | 35,439                |
|                                      | Environmental protection, social development and IT | 33,578                | 11,185         | 25,297  | 19,466                |
|                                      | Others  | 553                   | 4,572          | 3,913   | 1,212                 |
|                                      | Subtotal  | 117,243               | 114,045        | 102,020 | 129,268               |
| Overseas                             | Oil and gas development                             | 501,034               | 263,483        | 149,895 | 614,621               |
|                                      | Petroleum refining                                  | 2,354                 | 52,129         | 8,711   | 45,772                |
|                                      | LNG   | 225,311               | 157,267        | 58,969  | 323,610               |
|                                      | Chemical  | 93,548                | 9,288          | 64,049  | 38,787                |
|                                      | Power generation, nuclear power and new energy      | 9,035                 | 8,463          | 12,621  | 4,877                 |
|                                      | Living and general production facility              | 33,449                | 79             | 7,938   | 25,590                |
|                                      | Environmental protection, social development and IT | 19                    | 94             | 46      | 67                    |
|                                      | Others  | 596                   | 13,351         | 6,937   | 7,010                 |
|                                      | Subtotal  | 865,351               | 504,157        | 309,170 | 1,060,337             |
| Total                                |   | *2 982,594            | 618,203        | 411,191 | 1,189,606             |
| (Incl. Total Engineering Business)   |   | 980,664               | 608,288        | 401,198 | 1,187,754             |
| (Incl. Others Business)              |   | 1,929                 | 9,914          | 9,992   | 1,851                 |
| Catalysts and Fine Products Business |   | *3 —                  | *3 —           | 36,031  | *3 —                  |
| Grand Total                          |   | 982,594               | 618,203        | 447,222 | 1,189,606             |

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                             | (19,030)                                | —  | (19,030) |
| Petroleum refining                                  | (805)                                   | —  | (805)    |
| LNG   | (3,192)                                 | (11)                                     | (3,203)  |
| Chemical  | (18,763)                                | (789)                                    | (19,553) |
| Power generation, nuclear power and new energy      | (2,782)                                 | —  | (2,782)  |
| Living and general production facility              | (424)                                   | (359)                                    | (784)    |
| Environmental protection, social development and IT | (0)                                     | —  | (0)      |
| Others  | 287                                     | 6  | 294      |
| Total   | (44,710)                                | (1,155)                                  | (45,866) |
| (Incl. Total Engineering Business)                  | (44,881)                                | (1,161)                                  | (46,043) |
| (Incl. Others Business)                             | 171                                     | 6  | 177      |

\*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.

## Non-Consolidated Balance Sheets

## ASSETS

|   | March 31,<br>2011<br>(Millions of yen) | March 31,<br>2010<br>(Millions of yen) |
|---|--|--|
| <b>I Current assets</b>                                     |  |  |
| Cash and deposits   | 123,529                                | 72,717                                 |
| Notes receivable-trade                                      | 55                                     | 30                                     |
| Accounts receivable from completed construction contracts   | 83,690                                 | 62,826                                 |
| Short-term investment securities                            | 30,000                                 | 40,500                                 |
| Costs on uncompleted construction contracts                 | 13,956                                 | 25,478                                 |
| Raw materials and supplies                                  | 58                                     | 59                                     |
| Short-term loans receivable                                 | —                                      | 782                                    |
| Prepaid expense   | 346                                    | 414                                    |
| Deferred tax assets   | 8,363                                  | 10,774                                 |
| Accounts receivable-other                                   | 6,091                                  | 8,352                                  |
| Consumption taxes receivable                                | —                                      | 1,642                                  |
| Accrued income  | —                                      | 1,771                                  |
| Forward exchange contracts                                  | 4,146                                  | 4,540                                  |
| Other current assets  | 2,195                                  | 2,732                                  |
| Allowance for doubtful accounts                             | (96)                                   | (84)                                   |
| <b>Total current assets</b>                                 | <b>272,338</b>                         | <b>232,540</b>                         |
| <b>II Fixed assets</b>                                      |  |  |
| <b>1 Tangible fixed assets:</b>                             |  |  |
| Buildings   | 47,514                                 | 45,741                                 |
| Accumulated depreciation                                    | (22,982)                               | (21,497)                               |
| Buildings, net  | 24,531                                 | 24,243                                 |
| Structures  | 1,316                                  | 1,088                                  |
| Accumulated depreciation                                    | (873)                                  | (799)                                  |
| Structures, net   | 442                                    | 289                                    |
| Machinery and equipment                                     | 1,920                                  | 1,604                                  |
| Accumulated depreciation                                    | (1,465)                                | (1,385)                                |
| Machinery and equipment, net                                | 454                                    | 219                                    |
| Vehicles  | 629                                    | 637                                    |
| Accumulated depreciation                                    | (462)                                  | (425)                                  |
| Vehicles, net   | 166                                    | 211                                    |
| Tools, furniture and fixtures                               | 5,622                                  | 5,366                                  |
| Accumulated depreciation                                    | (4,584)                                | (4,482)                                |
| Tools, furniture and fixtures, net                          | 1,038                                  | 884                                    |
| Land  | 22,391                                 | 22,391                                 |
| Lease assets  | 695                                    | 543                                    |
| Accumulated depreciation                                    | (202)                                  | (63)                                   |
| Lease assets, net   | 492                                    | 480                                    |
| Construction in progress                                    | 438                                    | 1,643                                  |
| <b>Net tangible fixed assets</b>                            | <b>49,955</b>                          | <b>50,364</b>                          |
| <b>2 Intangible fixed assets</b>                            |  |  |
| Software  | 2,590                                  | 2,339                                  |
| Other intangible fixed assets                               | 36                                     | 37                                     |
| <b>Total intangible fixed assets</b>                        | <b>2,627</b>                           | <b>2,376</b>                           |
| <b>3 Investments and other assets</b>                       |  |  |
| Investments securities                                      | 29,853                                 | 29,568                                 |
| Stocks of subsidiaries and affiliates                       | 40,219                                 | 37,669                                 |
| Contribution to capital                                     | 3                                      | 3                                      |
| Investments in capital of subsidiaries and affiliates       | 48                                     | 48                                     |
| Long-term loans receivable                                  | 15,717                                 | 17,586                                 |
| Long-term loans receivable from employees                   | 44                                     | 43                                     |
| Long-term loans receivable from subsidiaries and affiliates | 12,125                                 | 14,300                                 |
| Long-term prepaid expenses                                  | 2                                      | 3                                      |
| Deferred tax assets   | 9,162                                  | 8,828                                  |
| Other investments and other assets                          | 1,397                                  | 1,400                                  |
| Allowance for doubtful accounts                             | (17,760)                               | (20,185)                               |
| <b>Total investments and other assets</b>                   | <b>90,815</b>                          | <b>89,268</b>                          |
| <b>Total fixed assets</b>                                   | <b>143,398</b>                         | <b>142,009</b>                         |
| <b>Total assets</b>   | <b>415,737</b>                         | <b>374,549</b>                         |

## LIABILITIES AND NET ASSETS

|   | March 31,<br>2011<br>(Millions of yen) | March 31,<br>2010<br>(Millions of yen) |
|---|--|--|
| <b>I Current liabilities</b>                            |  |  |
| Notes payable-trade                                     | 2                                      | 10                                     |
| Accounts payable for construction contracts             | 56,367                                 | 49,377                                 |
| Short-term loans payable                                | 32,651                                 | 12,422                                 |
| Lease obligations                                       | 151                                    | 120                                    |
| Accounts payable-other                                  | 22,615                                 | 3,349                                  |
| Income taxes payable                                    | 15,819                                 | 4,515                                  |
| Advances received on uncompleted construction contracts | 25,720                                 | 44,844                                 |
| Deposit received  | 8,894                                  | 3,763                                  |
| Provision for warranties for completed construction     | 206                                    | 224                                    |
| Provision for loss on construction contracts            | 119                                    | 86                                     |
| Provision for bonuses                                   | 4,585                                  | 4,365                                  |
| Provision for directors' bonuses                        | 127                                    | 127                                    |
| Forward exchange contracts                              | —                                      | 2,671                                  |
| Other current liabilities                               | 359                                    | 361                                    |
| <b>Total current liabilities</b>                        | <b>167,620</b>                         | <b>126,240</b>                         |
| <b>II Long-term liabilities</b>                         |  |  |
| Long-term loans payable                                 | 1,663                                  | 16,104                                 |
| Provision for retirement benefits                       | 10,965                                 | 11,547                                 |
| Long-term deposits received                             | 3,536                                  | 3,841                                  |
| Lease obligations                                       | 372                                    | 413                                    |
| Deferred tax liabilities for land revaluation           | 3,783                                  | 3,783                                  |
| <b>Total long-term liabilities</b>                      | <b>20,321</b>                          | <b>35,689</b>                          |
| <b>Total liabilities</b>                                | <b>187,942</b>                         | <b>161,930</b>                         |
| <b>I Shareholders' equity</b>                           |  |  |
| 1 Capital stock   | 23,511                                 | 23,511                                 |
| 2 Capital surplus                                       |  |  |
| (1) Legal capital surplus                               | 25,578                                 | 25,578                                 |
| (2) Other capital surplus                               | 24                                     | 22                                     |
| <b>Total capital surplus</b>                            | <b>25,602</b>                          | <b>25,600</b>                          |
| 3 Retained earnings                                     |  |  |
| (1) Legal retained earnings                             | 2,692                                  | 2,692                                  |
| (2) Other retained earnings                             |  |  |
| Reserve for overseas transactions contingency loss      | 24,500                                 | 24,500                                 |
| Reserve for dividends                                   | 4,355                                  | 4,355                                  |
| Reserve for advanced depreciation of noncurrent assets  | 221                                    | 221                                    |
| General reserve   | 120,945                                | 105,945                                |
| Retained earnings brought forward                       | 32,956                                 | 30,411                                 |
| <b>Total retained earnings</b>                          | <b>185,671</b>                         | <b>168,126</b>                         |
| 4 Treasury stock  | (6,286)                                | (5,853)                                |
| <b>Total shareholders' equity</b>                       | <b>228,498</b>                         | <b>211,385</b>                         |
| <b>II Valuation and translation adjustments</b>         |  |  |
| 1 Valuation difference on available-for-sale securities | 3,330                                  | 5,075                                  |
| 2 Deferred gains or losses on hedges                    | 2,519                                  | 2,712                                  |
| 3 Revaluation reserve for land                          | (6,553)                                | (6,553)                                |
| <b>Total valuation and translation adjustments</b>      | <b>(703)</b>                           | <b>1,234</b>                           |
| <b>Total net assets</b>                                 | <b>227,794</b>                         | <b>212,619</b>                         |
| <b>Total liabilities and net assets</b>                 | <b>415,737</b>                         | <b>374,549</b>                         |

## Non-Consolidated Statements of Income

| Years ended  | Mar. 2011<br>term<br>(Millions of yen) | Mar. 2010<br>term<br>(Millions of yen) |
|--|--|--|
| <b>Net sales</b>   | <b>359,560</b>                         | <b>317,597</b>                         |
| Cost of sales  | 297,621                                | 275,446                                |
| Gross profit   | 61,939                                 | 42,151                                 |
| Selling, general and administrative expenses               | 10,020                                 | 10,005                                 |
| <b>Operating income</b>                                    | <b>51,918</b>                          | <b>32,145</b>                          |
| <b>Non-operating income:</b>                               | <b>9,657</b>                           | <b>9,564</b>                           |
| Interest income  | 1,085                                  | 1,114                                  |
| Dividend income  | 7,556                                  | 7,454                                  |
| Rent income on noncurrent assets                           | 834                                    | 837                                    |
| Other non-operating income                                 | 180                                    | 158                                    |
| <b>Non-operating expenses:</b>                             | <b>5,309</b>                           | <b>7,788</b>                           |
| Interest expense   | 518                                    | 530                                    |
| Exchange loss, net   | 4,292                                  | 3,480                                  |
| Rent expenses on noncurrent assets                         | 363                                    | 331                                    |
| Provision for allowance for doubtful accounts              | —                                      | 3,292                                  |
| Other non-operating expenses                               | 134                                    | 153                                    |
| <b>Ordinary income</b>                                     | <b>56,266</b>                          | <b>33,921</b>                          |
| <b>Extraordinary gain:</b>                                 | <b>9,725</b>                           | <b>519</b>                             |
| Gain on sales of property and equipment                    | 20                                     | 2                                      |
| Gain on sales of investment securities                     | —                                      | 516                                    |
| Gain on sales of subsidiaries and affiliates' stocks       | 9,664                                  | —                                      |
| Reversal of allowance for doubtful accounts                | 40                                     | —                                      |
| <b>Extraordinary loss:</b>                                 | <b>20,786</b>                          | <b>6,506</b>                           |
| Loss on sales of property and equipment                    | 11                                     | 34                                     |
| Loss on disposal of property and equipment                 | 40                                     | 41                                     |
| Loss on sales of investment securities                     | —                                      | 7                                      |
| Loss on valuation of investment securities                 | 196                                    | —                                      |
| Loss on valuation of stocks of subsidiaries and affiliates | —                                      | 6,364                                  |
| Loss on valuation of golf club membership                  | 14                                     | 6                                      |
| Impairment loss  | —                                      | 46                                     |
| Settlement package   | 20,515                                 | —                                      |
| Other extraordinary loss                                   | 7                                      | 6                                      |
| <b>Income before taxes on income</b>                       | <b>45,205</b>                          | <b>27,933</b>                          |
| <b>Income taxes:</b>                                       | <b>22,352</b>                          | <b>6,662</b>                           |
| Income taxes-current                                       | 19,175                                 | 8,199                                  |
| Income taxes-deferred                                      | 3,177                                  | (1,537)                                |
| <b>Net income</b>  | <b>22,852</b>                          | <b>21,271</b>                          |

## Sales, Orders Received and Backlog (Non-Consolidated)

(Millions of yen)

| Business area |   | March 31, 2010        | March 31, 2011 |         |                       |
|---------------|---|-----------------------|----------------|---------|-----------------------|
|               |   | Outstanding Contracts | New Contracts  | Sales   | Outstanding Contracts |
| Domestic      | Oil and gas development                             | 3                     | 32             | 17      | 18                    |
|               | Petroleum refining                                  | 30,203                | 2,452          | 16,123  | 16,533                |
|               | LNG   | 17                    | 22,148         | 610     | 21,554                |
|               | Chemical  | 3,482                 | 7,891          | 4,587   | 6,786                 |
|               | Power generation, nuclear power and new energy      | 7,375                 | 12,542         | 6,289   | 13,628                |
|               | Living and general production facility              | 15,544                | 26,216         | 8,744   | 33,016                |
|               | Environmental protection, social development and IT | 32,120                | 7,254          | 20,773  | 18,601                |
|               | Others  | 179                   | 582            | 574     | 187                   |
| Subtotal      |   | 88,925                | 79,121         | 57,720  | 110,327               |
| Overseas      | Oil and gas development                             | 501,034               | 263,483        | 149,895 | 614,621               |
|               | Petroleum refining                                  | 2,333                 | 51,946         | 8,574   | 45,706                |
|               | LNG   | 225,311               | 157,077        | 58,778  | 323,610               |
|               | Chemical  | 93,095                | 6,415          | 62,247  | 37,263                |
|               | Power generation, nuclear power and new energy      | 9,035                 | 8,775          | 12,934  | 4,877                 |
|               | Living and general production facility              | 33,450                | 87             | 7,946   | 25,590                |
|               | Environmental protection, social development and IT | 19                    | 85             | 38      | 67                    |
|               | Others  | 304                   | 2,134          | 1,425   | 1,013                 |
| Subtotal      |   | 864,585               | 490,006        | 301,840 | 1,052,751             |
| Total         |   | *2 953,511            | 569,128        | 359,560 | 1,163,078             |

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 in 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                             | (19,030)                                | -  | (19,030) |
| Petroleum refining                                  | (805)                                   | -  | (805)    |
| LNG   | (3,192)                                 | (11)                                     | (3,203)  |
| Chemical  | (18,781)                                | (789)                                    | (19,571) |
| Power generation, nuclear power and new energy      | (2,782)                                 | -  | (2,782)  |
| Living and general production facility              | (424)                                   | (359)                                    | (783)    |
| Environmental protection, social development and IT | -                                       | -  | -        |
| Others  | -                                       | -  | -        |
| Total   | (45,016)                                | (1,161)                                  | (46,177) |

\*3 All amounts are rounded down to the nearest million yen.