

[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.)

August 8, 2013

Summary of Consolidated First Quarter Financial Results for Fiscal 2013 (the Year Ending March 2014)

Name of listed company: **JGC Corporation**
 Code number: **1963** URL: <http://www.jgc.co.jp>
 Representative
 Title: **Chairman and Representative Director**
 Name: **Keisuke Takeuchi**
 Contact
 Title: Senior Manager, Finance & Accounting Department
 Name: **Kenichi Hanahara**

Stock exchange: **Tokyo**

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1. Business results of first quarter for fiscal 2013 (April 1, 2013 - June 30, 2013)

(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)	(%)
1Q FY2013	154,118	11.1	15,313	(3.9)	22,527	50.3	13,911	26.6
1Q FY2012	138,668	10.1	15,931	2.1	14,992	(11.9)	10,985	13.2

Note:

Comprehensive income(millions of yen) 1Q FY2013 term 15,381(53.3%) 1Q FY2012 term 10,034(1.2%)

	Earnings per share	Earnings per share (diluted)
	(Yen)	(Yen)
1Q FY2013	55.11	—
1Q FY2012	43.51	—

(2) Consolidated financial position

	Total assets	Total net assets	Shareholders' equity ratio
	(Millions of yen)	(Millions of yen)	(%)
As of June 30, 2013	639,174	339,953	53.1
As of March 31, 2013	628,757	336,083	53.4

Reference:

Shareholders' equity (millions of yen): Jun. 30, 2013: 339,445 Mar. 31, 2013: 335,534

2. Dividends

	Annual dividends per share (Yen)				
	1Q term-end	2Q term-end	3Q term-end	Term-end	Annual
Mar. 2013 term	—	—	—	45.50	45.50
Mar. 2014 term	—	—	—	—	—
Mar. 2014 term (Forecast)	—	—	—	46.50	46.50

Note: Revision of dividend forecast during this period: None

3. Earnings forecast for fiscal 2013 (April 1, 2013 - March 31, 2014)

	Net sales		Operating income		Ordinary income		Net income	
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
2Q term	330,000	14.9	34,000	5.8	36,500	18.4	23,000	(0.3)
Entire term	690,000	10.5	69,500	8.4	74,000	2.1	47,000	1.8

	Earnings per share
	(Yen)
2Q term	91.11
Entire term	186.17

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 special accounting methods for preparing quarterly consolidated financial statements : Yes

(3) Changes in accounting policies and accounting estimates and restatement.

① Changes in accounting policies accompanying revisions in accounting standards: No

② Changes other than the above ①: No

③ Changes in accounting estimates: No

④ Restatement: No

(4) Number of shares outstanding

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

Jun. 2013 term:	259,052,929	Mar. 2013 term:	259,052,929
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② Number of treasury stock at term-end:

Jun. 2013 term:	6,608,130	Mar. 2013 term:	6,601,447
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③ Average Number of shares outstanding (first quarter term):

Jun. 2013 term:	252,448,124	Jun. 2012 term:	252,477,640
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(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 : 95.00 yen/US\$ 1.00

Consolidated Balance Sheets

	1Q FY2013 (As of Jun. 30, 2013) (Millions of yen)	FY2012 (As of Mar. 31, 2013) (Millions of yen)
ASSETS		
Current assets		
Cash and deposits	263,510	259,777
Notes receivable, accounts receivable from completed construction contracts and other	81,471	96,570
Short-term investment securities	35,000	25,000
Costs on uncompleted construction contracts	47,253	35,839
Merchandise and finished goods	4,808	4,514
Work in process	2,107	1,911
Raw materials and supplies	2,733	2,119
Accounts receivable-other	7,717	10,971
Deferred tax assets	15,149	15,068
Other current assets	9,134	8,551
Allowance for doubtful accounts	(86)	(92)
Total current assets	468,799	460,231
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	62,454	62,316
Machinery, vehicles, tools, furniture and fixtures	59,076	51,721
Land	25,977	25,977
Lease assets	791	802
Construction in progress	947	7,719
Other noncurrent assets	3,006	2,573
Accumulated depreciation	(80,843)	(79,401)
Total property, plant and equipment	71,409	71,708
Intangible assets		
Goodwill	0	0
Software	2,608	2,583
Other intangible assets	11,136	10,196
Total intangible assets	13,745	12,780
Investments and other assets		
Investment securities	88,001	84,188
Long-term loans receivable	20,047	19,189
Deferred tax assets	2,408	2,667
Other investments and other assets	2,728	2,669
Allowance for doubtful accounts	(19,278)	(18,421)
Allowance for investment loss	(8,689)	(6,286)
Total investments and other assets	85,218	84,037
Total noncurrent assets	170,374	168,526
Total assets	639,174	628,757

Consolidated Balance Sheets

	1Q FY2013 (As of Jun. 30, 2013) (Millions of yen)	FY2012 (As of Mar. 31, 2013) (Millions of yen)
LIABILITIES		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	99,276	93,335
Short-term loans payable	6,527	6,686
Income taxes payable	6,914	18,758
Advances received on uncompleted construction contracts	105,852	87,711
Provision for warranties for completed construction	1,961	1,862
Provision for loss on construction contracts	20,343	22,030
Provision for bonuses	8,197	7,001
Provision for directors' bonuses	200	180
Provision for loss on guarantees	65	2,417
Other current liabilities	17,828	22,455
Total current liabilities	267,169	262,439
Noncurrent liabilities		
Long-term loans payable	10,999	9,363
Provision for retirement benefits	12,121	12,355
Provision for directors' retirement benefits	248	271
Deferred tax liabilities	665	292
Deferred tax liabilities for land revaluation	3,691	3,691
Other noncurrent liabilities	4,325	4,260
Total noncurrent liabilities	32,051	30,235
Total liabilities	299,220	292,674
NET ASSETS		
Shareholders' equity		
Capital stock	23,511	23,511
Capital surplus	25,603	25,603
Retained earnings	294,206	291,781
Treasury stock	(6,353)	(6,330)
Total shareholders' equity	336,967	334,565
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	5,905	5,417
Deferred gains or losses on hedges	1,352	1,606
Revaluation reserve for land	(6,542)	(6,542)
Foreign currency translation adjustment	1,761	486
Total valuation and translation adjustments	2,477	968
Minority interests	508	549
Total net assets	339,953	336,083
Total liabilities and net assets	639,174	628,757

Consolidated Statements of Income

Years ended	1Q FY2013 term (Apr. 1, 2013 - Jun. 30, 2013) (Millions of yen)	1Q FY2012 term (Apr. 1, 2012 - Jun. 30, 2012) (Millions of yen)
Net sales	154,118	138,668
Cost of sales	133,883	117,810
Gross profit	20,234	20,857
Selling, general and administrative expenses	4,921	4,926
Operating income	15,313	15,931
Non-operating income:	7,409	1,281
Interest income	424	306
Dividends income	969	575
Foreign exchange gains	5,506	—
Rent income on noncurrent assets	159	163
Equity in earnings of affiliates	169	143
Other	180	91
Non-operating expenses:	195	2,219
Interest expense	72	57
Foreign exchange losses	—	2,016
Rent expenses on noncurrent assets	78	75
Other	44	69
Ordinary income	22,527	14,992
Extraordinary income:	2,351	3
Gain on sales of noncurrent assets	0	2
Gain on sales of investment securities	0	—
Reversal of provision for loss on guarantees	2,351	—
Other	—	0
Extraordinary loss:	2,653	6
Provision of allowance for investment loss	2,551	—
Other	102	6
Income before income taxes	22,224	14,989
Income taxes	8,351	4,048
Income before minority interests	13,873	10,941
Minority interests in income	(38)	(43)
Net income	13,911	10,985

Statements of Consolidated Comprehensive Income

	1Q FY2013 term (Apr. 1, 2013 - Jun. 30, 2013) (Millions of yen)	1Q FY2012 term (Apr. 1, 2012 - Jun. 30, 2012) (Millions of yen)
Income before minority interests	13,873	10,941
Other comprehensive income		
Valuation difference on available-for-sale securities	487	(1,659)
Deferred gains or losses on hedges	(253)	(1,030)
Foreign currency translation adjustment	1,274	1,782
Share of other comprehensive income of associates accounted for using equity method	0	0
Total other comprehensive income	1,508	(907)
Comprehensive income	15,381	10,034
Comprehensive income attributable to owners of the parent	15,419	10,078
Comprehensive income attributable to minority interests	(38)	(43)

Segment Information

【 Information by business segment 】

First quarter for FY 2013 (April 1, 2013 - June 30, 2013)

(Millions of yen)

	Segment			Others	Grand total	Adjustment	Consolidated
	Total engineering	Catalysts and fine products	Sub total				
Net sales							
External customers	143,097	8,405	151,502	2,615	154,118	—	154,118
Inter-segment	88	0	89	1,244	1,333	(1,333)	—
Total	143,185	8,406	151,592	3,860	155,452	(1,333)	154,118
Segment profit or loss	14,032	847	14,879	444	15,324	(10)	15,313

*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

First quarter for FY 2012 (April 1, 2012 - June 30, 2012)

(Millions of yen)

	Segment			Others	Grand total	Adjustment	Consolidated
	Total engineering	Catalysts and fine products	Sub total				
Net sales							
External customers	126,462	10,573	137,036	1,631	138,668	—	138,668
Inter-segment	5	17	22	1,200	1,223	(1,223)	—
Total	126,468	10,590	137,059	2,831	139,891	(1,223)	138,668
Segment profit	14,460	1,519	15,980	(75)	15,905	25	15,931

*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, 2013	June 30, 2013		
		Outstanding Contracts	New Contracts	Sales	Outstanding Contracts
Domestic	Oil and gas development	40	182	53	169
	Petroleum refining	15,717	8,753	3,037	21,433
	LNG	23,668	(10)	2,641	21,016
	Chemical	1,791	3,214	858	4,146
	Power generation, nuclear power and new energy	36,659	4,444	2,340	38,764
	Living and general production facility	6,582	909	3,078	4,414
	Environmental protection, social development and IT	19,296	3,067	1,478	20,886
	Others	716	2,046	712	2,050
	Subtotal	104,473	22,607	14,199	112,881
Overseas	Oil and gas development	214,587	909	49,910	165,586
	Petroleum refining	235,714	18,698	4,784	249,627
	LNG	904,465	23,387	65,084	862,768
	Chemical	36,900	958	6,504	31,354
	Power generation, nuclear power and new energy	2,387	45	21	2,411
	Living and general production facility	11,539	117	3,930	7,725
	Environmental protection, social development and IT	10	2	10	1
	Others	375	2,435	1,265	1,544
	Subtotal	1,405,979	46,552	131,513	1,321,019
Total Engineering Business		1,508,718	65,233	143,097	1,430,854
Others Business		1,735	3,927	2,615	3,047
Subtotal		1,510,453	69,160	145,712	1,433,901
Catalysts and Fine Products Business		—	—	8,405	—
Grand Total		1,510,453	69,160	154,118	1,433,901

Notes:

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

*2 The balances as of the end of the previous fiscal year for new contracts for the "Total Engineering Business" and "Others Business" areas 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	7,659	(1)	7,658
Petroleum refining	400	(36)	363
LNG	(13,681)	—	(13,681)
Chemical	1,624	(0)	1,624
Power generation, nuclear power and new energy	(0)	—	(0)
Living and general production facility	476	(20)	456
Environmental protection, social development and IT	0	—	0
Others	7	(84)	(77)
Total	(3,512)	(143)	(3,655)
Total Engineering Business	(3,495)	(143)	(3,638)
Others Business	(16)	—	(16)

*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.