

【Translation】

The following statements are an English-language translation of the original Japanese-language document.
(All financial information has been prepared in accordance with accounting principles generally accepted in Japan.)

Consolidated Financial Statements--Summary

May 14, 2014

(For the fiscal year ended March 31, 2014)

Name of listed company: **JGC Corporation**

Stock exchange: **Tokyo**

Code number: **1963**

Representative

Title: **Chairman and Representative Director**

Tel: **045-682-1111**

Name: **Keisuke Takeuchi**

URL: <http://www.jgc.com>

Contact

Title: **Senior Manager, Financial & Accounting Department**

Name: **Kenichi Hanahara**

Scheduled Date of Ordinary Annual General Meeting of Shareholders: **June 27, 2014**

Scheduled Date of Payment of Dividends: **June 28, 2014**

1. Business results for fiscal 2013 (April 1, 2013-March 31, 2014)

(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. 2014 term	675,821	8.2	68,253	6.4	83,675	15.4	47,178	2.2
Mar. 2013 term	624,637	12.1	64,123	(4.4)	72,489	(0.1)	46,179	18.1

Comprehensive income (millions of yen):

Mar. 2014 term: **51,118 ((7.0)%)** Mar. 2013 term: 54,960 (56.2%)

	Earnings per share	Earnings per share (diluted)	Return on equity	Ordinary income/Total assets	Operating income/Net sales
	(Yen)	(Yen)	(%)	(%)	(%)
Mar. 2014 term	186.90	-	13.3	12.2	10.1
Mar. 2013 term	182.91	-	14.8	12.6	10.3

Reference:

Equity in earning of affiliates (millions of yen):

Mar. 2014 term: 730 Mar. 2013 term: 657

(2) Consolidated financial position

	Total assets	Total net assets	Total net asset/Total assets	Total net assets per share
	(Millions of yen)	(Millions of yen)	(%)	(Yen)
Mar. 31, 2014	746,102	379,882	50.2	1,484.29
Mar. 31, 2013	628,757	336,083	53.4	1,329.10

Reference:

Shareholders' equity (millions of yen):

Mar. 31, 2014: 374,654 Mar. 31, 2013: 335,534

(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. 2014 term	120,576	(18,728)	(10,687)	385,252
Mar. 2013 term	85,010	(28,370)	(3,695)	284,777

2. Dividends

	Annual dividends per share (Yen)		Total dividends (annual)	Payout ratio (consolidated)	Dividends/shareholders' equity (consolidated)
	Term-end	Annual	(Millions of yen)	(%)	(%)
Mar. 2013 term	45.50	45.50	11,486	24.9	3.7
Mar. 2014 term	46.50	46.50	11,737	24.9	3.3
Mar. 2015 term (Forecast)	41.50	41.50	—	24.9	—

3. Forecast for fiscal 2014 (April 1, 2014-March 31, 2015)

	Net sales		Operating income		Ordinary income		Net income	
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
Entire term	780,000	15.4	55,000	(19.4)	59,000	(29.5)	42,000	(11.0)

	Earnings per share
	(Yen)
Entire term	166.39

4. Others

JGC Corporation

(1) Changes in scope of consolidated subsidiary

Consolidated subsidiaries: (increase) None (decrease) None

(2) Changes in accounting method:

- ① Changes due to revisions of accounting standards: Yes
- ② Changes other than the above ①: None
- ③ Changes in accounting estimates: None
- ④ Restatement: None

(3) Number of shares outstanding

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

Mar. 2014 term:	259,052,929	Mar. 2013 term:	259,052,929
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② Number of treasury stock at term-end:

Mar. 2014 term:	6,639,762	Mar. 2013 term:	6,601,447
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③ Average Number of shares outstanding at term-end:

Mar. 2014 term:	252,433,589	Mar. 2013 term:	252,465,874
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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: ¥ 102.92/US\$1.00

Consolidated Balance Sheets

ASSETS

	March 31, 2014 (Millions of yen)	March 31, 2013 (Millions of yen)
I Current assets		
Cash and deposit	354,199	259,777
Notes receivable, accounts receivable from completed construction contracts and other	102,170	96,570
Short-term investments	31,052	25,000
Costs on uncompleted construction	41,007	35,839
Mechandise and finished goods	4,203	4,514
Work in process	1,675	1,911
Raw materials and supplies	2,598	2,119
Accounts receivable-other	13,286	10,971
Deferred tax assets	15,534	15,068
Other current assets	10,272	8,551
Allowance for doubtful accounts	(114)	(92)
Total current assets	575,886	460,231
II Fixed assets		
1 Tangible fixed assets:		
Buildings and structures	63,419	62,316
Machinery, vehicles, tools and equipment	60,222	51,721
Land	25,977	25,977
Lease assets	228	802
Construction in progress	381	7,719
Other tangible fixed assets	4,207	2,573
Less accumulated depreciation	(84,146)	(79,401)
Net tangible fixed assets	70,290	71,708
2 Intangible fixed assets		
Goodwill	0	0
Software	2,271	2,583
Other intangible fixed assets	14,485	10,196
Total intangible fixed assets	16,757	12,780
3 Investments and other assets		
Investment securities	88,270	84,188
Long-term loans receivable	20,512	19,189
Deferred tax assets	1,690	2,667
Other investments and other assets	6,084	2,699
Allowance for doubtful accounts	(20,213)	(18,421)
Allowance for investment loss	(13,174)	(6,286)
Total investments and other assets	83,168	84,037
Total fixed assets	170,216	168,526
Total assets	746,102	628,757

LIABILITIES AND NET ASSETS

	March 31, 2014 (Millions of yen)	March 31, 2013 (Millions of yen)
I Current liabilities		
Notes and accounts payable	107,450	93,335
Income taxes payable	16,843	18,758
Advances received on uncompleted contracts	163,406	87,711
Reserve for job warranty costs	2,449	1,862
Reserve for losses on contracts	21,062	22,030
Reserve for bonuses	7,047	7,001
Reserve for directors' bonuses	166	180
Provision for loss on guarantees	65	2,417
Other current liabilities	14,862	29,141
Total current liabilities	333,353	262,439
II Long-term liabilities		
Long-term loans payable	13,001	9,363
Provision for retirement benefits	—	12,355
Net defined benefit liability	11,436	—
Provision for directors' retirement bonuses	288	271
Deferred tax liabilities	209	292
Deferred tax liabilities for land revaluation	3,691	3,691
Other long-term liabilities	4,239	4,260
Total long-term liabilities	32,866	30,235
Total liabilities	366,220	292,674
I Shareholders' equity		
Capital stock	23,511	23,511
Capital surplus	25,607	25,603
Retained earnings	327,775	291,781
Treasury stock	(6,477)	(6,330)
Total shareholders' equity	370,415	334,565
II Valuation and translation adjustments		
1 Valuation difference on available-for-sale securities	6,868	5,417
2 Deferred gains or losses on hedges	(51)	1,606
3 Revaluation reserve for land	(6,542)	(6,542)
4 Foreign currency translation adjustment	4,384	486
5 Remeasurements of defined benefit plans	(420)	—
Total valuation and translation adjustments	4,238	968
III Minority interests	5,227	549
Total net assets	379,882	336,083
Total liabilities and net assets	746,102	628,757

Consolidated Statements of Income

Years ended	Mar. 2014 term (Millions of yen)	Mar. 2013 term (Millions of yen)
Net sales	675,821	624,637
Cost of sales	587,437	540,164
Gross profit	88,384	84,473
Selling, general and administrative expenses	20,130	20,349
Operating income	68,253	64,123
Non-operating income:	16,184	9,149
Interest income	2,011	1,492
Dividend income	2,747	3,004
Foreign exchange gains	9,908	2,943
Rent income on facilities	636	647
Equity in earnings of affiliates	730	657
Other non-operating income	149	405
Non-operating expenses:	762	783
Interest expense	323	238
Rent expense on noncurrent assets	306	316
Other non-operating expenses	132	229
Ordinary income	83,675	72,489
Extraordinary gain:	2,485	224
Gain on sales of property and equipment	1	114
Reversal of provision for loss on guarantees	2,351	—
Other	132	109
Extraordinary loss:	9,250	10,401
Loss on sales of noncurrent assets	1	3
Provision of allowance for investment loss	7,877	6,286
Other	1,371	4,111
Income before taxes on income	76,909	62,312
Taxes on income:	29,481	16,086
Current	28,593	20,376
Deferred	887	(4,290)
Income before minority interests	47,428	46,226
Minority interests in earnings of consolidated subsidiaries	249	46
Net income	47,178	46,179

Statements of Consolidated Comprehensive Income

Years ended	Mar. 2014 term (Millions of yen)	Mar. 2013 term (Millions of yen)
Income before minority interests	47,428	46,226
Other comprehensive income	3,690	8,734
Valuation difference on available-for-sale securities	1,450	3,098
Deffered gains or losses on hedges	(1,657)	1,567
Foreign currency translation adjustment	3,897	4,068
Share of other coprehensice income of associates accounted for using equity method	0	(0)
Comprehensive income	51,118	54,960
Comprehensive income attributable to:		
Comprehensive income attributable to owers of parent	50,868	54,913
Comprehensive income attributable to minority interests	249	46

Consolidated Statements of Cash Flows

Years ended	Mar. 2014 term (Millions of yen)	Mar. 2013 term (Millions of yen)
I CASH FLOWS FROM OPERATING ACTIVITIES:		
Income before taxes on income and minority interests in earnings of consolidated subsidiaries	76,909	62,312
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	9,269	8,263
Amortization of goodwill	0	0
Increase (decrease) in allowance for doubtful accounts	1,812	2,222
Increase (decrease) in provision for loss on construction contracts	(1,207)	16,841
Increase (decrease) in provision for retirement benefit	—	(1,054)
Increase (decrease) in net defined benefit liability	(992)	—
Interest and dividend income	(4,759)	(4,496)
Interest expense	323	238
Foreign exchange losses (gains)	(9,476)	(6,403)
Equity in losses (earnings) of affiliates	(730)	(657)
Loss (gain) on sales of investment securities	924	(90)
Loss (gain) on sales of noncurrent assets	0	(110)
Loss on retirement of noncurrent assets	146	133
Decrease (increase) in notes and accounts receivable-trade	(4,042)	(8,516)
Decrease (increase) in inventories	(5,002)	(5,843)
Decrease (increase) in accounts receivable-other	(1,887)	2,956
Increase (decrease) in notes and accounts payable-trade	12,560	8,894
Increase (decrease) in advances received on uncompleted construction contracts	75,458	17,978
Other, net	(3,393)	4,207
Subtotal	145,912	96,877
Interest and dividends received	5,645	4,946
Interest paid	(377)	(251)
Income taxes paid	(30,603)	(16,563)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	120,576	85,010
II CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for purchases of property and equipment	(6,188)	(12,163)
Proceeds from sales of property and equipment	468	172
Payments for purchases of intangible fixed assets	(4,702)	(3,273)
Payments for purchases of investment securities	(5,167)	(12,814)
Proceeds from sale of investment securities	367	1,068
Decrease (increase) in short-term loans receivable	(2,901)	(1,260)
Other, net	(605)	(100)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	(18,728)	(28,370)
III CASH FLOWS FROM FINANCING ACTIVITIES:		
Increase (decrease) in short-term loans	(685)	(203)
Proceeds from long-term bank loans payable	3,405	7,634
Repayments of long-term bank loans payable	(1,407)	(987)
Purchases of treasury stock	(143)	(73)
Cash dividends paid	(11,484)	(9,723)
Cash dividends paid to minority shareholders	(143)	(124)
Other, net	(229)	(217)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	(10,687)	(3,695)
IV EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	9,161	9,276
V NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	100,322	62,220
VI CASH AND CASH EQUIVALENTS at beginning of year	284,777	222,556
VII INCREASE IN CASH AND CASH EQUIVALENTS FROM NEWLY CONSOLIDATED SUBSIDIARIES	152	—
VIII CASH AND CASH EQUIVALENTS at end of year	385,252	284,777

Segment Information

【 Information by business segment 】

FY 2012 (April 1, 2012 - March 31, 2013)

(Millions of yen)

	Segment			Others	Grand total	Adjustment	Consolidated
	Total engineering	Catalysts and fine products	Sub total				
Net sales							
External customers	576,627	38,508	615,135	9,501	624,637	—	624,637
Inter-segment	30	165	196	4,905	5,101	(5,101)	—
Total	576,657	38,673	615,331	14,407	629,739	(5,101)	624,637
Segment profit	58,874	4,290	63,164	973	64,138	(14)	64,123
Segment asset	559,835	37,287	597,122	50,656	647,778	(19,021)	628,757
Other item							
Depreciation and amortization	4,574	2,479	7,053	1,182	8,236	27	8,263
Capital expenditures	5,469	2,023	7,493	8,782	16,275	(52)	16,223

*1: "Others" includes System Solution Services, Specialized Consulting Services, Office Support Services Business, Power and Water 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 2013 (April 1, 2013 - March 31, 2014)

(Millions of yen)

	Segment			Others	Grand total	Adjustment	Consolidated
	Total engineering	Catalysts and fine products	Sub total				
Net sales							
External customers	624,807	37,164	661,971	13,849	675,821	—	675,821
Inter-segment	220	18	239	4,658	4,897	(4,897)	—
Total	625,027	37,183	662,211	18,507	680,718	(4,897)	675,821
Segment profit	62,327	4,208	66,535	1,684	68,219	33	68,253
Segment asset	661,535	38,585	700,121	60,763	760,885	(14,782)	746,102
Other item							
Depreciation and amortization	4,199	2,043	6,242	2,991	9,234	35	9,269
Capital expenditures	2,572	1,391	3,964	5,716	9,680	(42)	9,638

*1: "Others" includes System Solution Services, Specialized Consulting Services, Office Support Services Business, Power and Water 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	March 31, 2014		
		Outstanding Contracts	New Contracts	Sales	Outstanding Contracts
Domestic	Oil and gas development	40	238	255	23
	Petroleum refining	15,809	24,295	19,372	20,732
	LNG	23,668	1,214	11,590	13,291
	Chemical	1,791	11,029	9,956	2,864
	Power generation, nuclear power and new energy	36,615	63,511	19,180	80,946
	Living and general production facility	6,603	4,604	8,174	3,033
	Environmental protection, social development and IT	19,296	14,572	13,726	20,143
	Others	713	5,142	5,292	562
	Subtotal	104,538	124,607	87,548	141,597
Overseas	Oil and gas development	218,933	55,145	158,001	116,076
	Petroleum refining	238,055	190,946	35,806	393,195
	LNG	937,053	312,966	310,863	939,156
	Chemical	39,114	125,432	27,849	136,698
	Power generation, nuclear power and new energy	794	36	254	577
	Living and general production facility	11,373	581	11,021	933
	Environmental protection, social development and IT	10	56	65	1
	Others	(60)	8,387	7,244	1,082
	Subtotal	1,445,274	693,553	551,107	1,587,720
Total		*2 1,549,813	818,161	638,656	1,729,317
(incl. Total Engineering Business)		1,548,452	804,100	624,807	1,727,745
(Incl. Others Business)		1,360	14,061	13,849	1,572
Catalysts and Fine Products Business		*3 —	*3 —	37,164	*3 —
Grand Total		1,549,813	818,161	675,821	1,729,317

*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	12,006	(2)	12,004
Petroleum refining	2,796	—	2,796
LNG	19,046	(140)	18,906
Chemical	3,838	(0)	3,838
Power generation, nuclear power and new energy	(2)	(1,635)	(1,637)
Living and general production facility	311	—	311
Environmental protection, social development and IT	0	—	0
Others	(427)	(87)	(515)
Total	37,569	(1,865)	35,704
(Incl. Total Engineering Business)	37,958	(1,862)	36,095
(Incl. Others Business)	(388)	(2)	(391)

*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.