

Translation



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## Outline of Financial Results

### H1 FY2024

April 1, 2024 – September 30, 2024

Enhancing planetary health

November 12, 2024

**JGC HOLDINGS CORPORATION**

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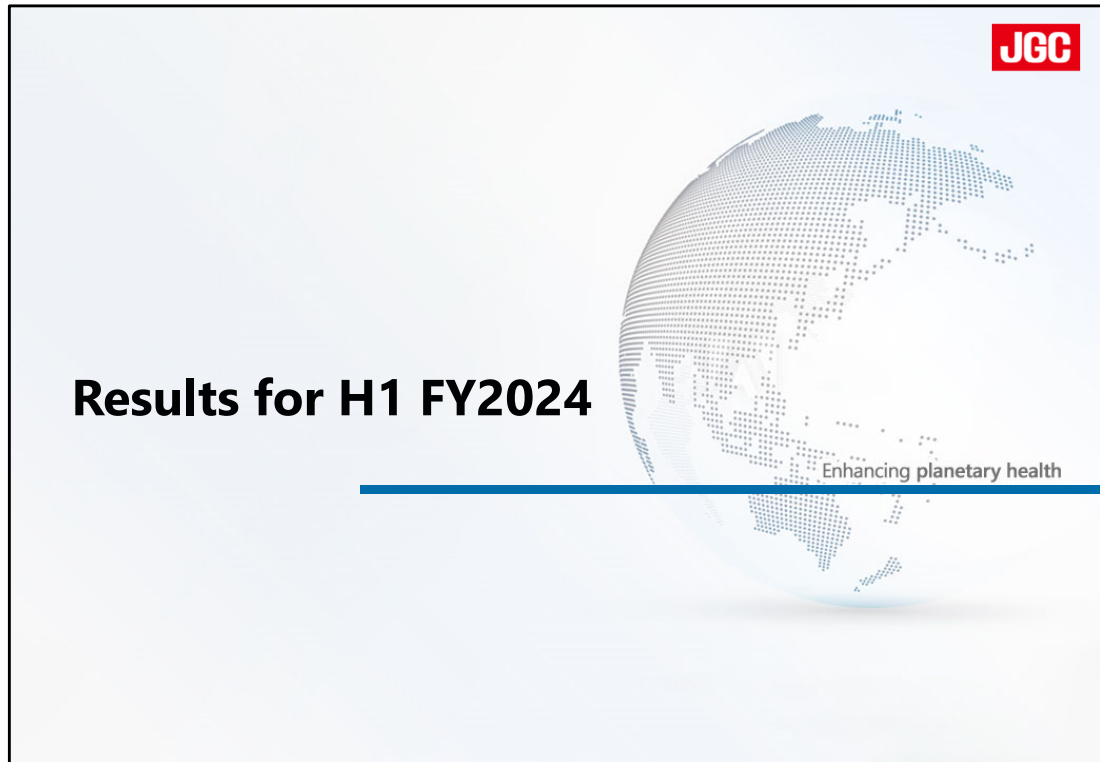
My name is Taguchi, Executive Officer and General Manager of the Finance Unit.  
I will be giving you an outline of financial results 1st Half fiscal year 2024.

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I will explain the results of the 1st Half for fiscal year 2024 first, then follow by the forecasts for fiscal year 2024.



At first, I will begin with the results of 1st Half fiscal year 2024.

## Income Statement

【Unit: Billions of Yen】

	H1 FY2023	H1 FY2024	Difference	
<b>Net sales</b>	403.2	<b>406.7</b>	+3.4	+1%
<b>Gross profit</b>	28.4	<b>27.3</b>	△ 1.0	△ 4%
<b>Profit ratio</b>	7.1%	<b>6.7%</b>	△ 0.3pt	
<b>Operating profit</b>	13.0	<b>12.4</b>	△ 0.5	△ 5%
<b>Ordinary profit</b>	25.4	<b>19.3</b>	△ 6.0	△ 24%
<b>Profit attributable to owners of parent</b>	12.5	<b>12.7</b>	+0.1	+1%
<b>Earnings per share</b>	¥52.29	<b>¥52.87</b>		

This is the consolidated income statement.

Net sales were flat year-on-year at 406.7 billion yen. Gross profit slightly decreased to 27.3 billion yen.

Due to the yen appreciating to 142 yen per US dollar by the end of September, our gross profit margin slightly decreased to 6.7%.

Operating profit remained almost flat at 12.4 billion yen, but ordinary profit decreased by 6 billion yen compared to the same period last year, resulting in 19.3 billion yen.

The decline in ordinary profit was also due to the revaluation of foreign currency-denominated assets and liabilities caused by the strong yen.

Meanwhile, profit attributable to owners of the parent remained flat year-on-year at 12.7 billion yen due to a decrease in the effective tax rate.

Progress in net sales to operating profit is slightly below 50% of the full-year forecast.

## Segment Information

[Unit: Billions of Yen]

		H1 FY2023	H1 FY2024	Difference	
Total Engineering	Net sales	375.5	378.2	+2.6	+1%
	Segment profit	12.2	11.8	△ 0.4	△ 4%
	Profit ratio	3.3%	3.1%	△ 0.2pt	
Functional Materials Manufacturing	Net sales	25.7	26.5	+0.7	+3%
	Segment profit	3.7	3.7	+0.0	+1%
	Profit ratio	14.6%	14.3%	△ 0.3pt	
Others	Net sales	1.9	1.9	+0.0	+3%
	Segment profit	0.6	0.5	△ 0.0	△ 14%
	Profit ratio	33.0%	27.5%	△ 5.5pt	
Adjustment	Segment profit	△ 3.6	△ 3.7	△ 0.0	-

This is the segment information for 1st half.

In the total engineering business, a decrease in revenue from domestic life sciences sector was offset by an increase in that from overseas chemical sector, resulting in net sales remaining flat year-on-year at 378.2 billion yen, with segment profit at 11.8 billion yen.

In the functional materials manufacturing business, although there were signs of demand recovery, particularly for fine chemical products, electronic materials, and semiconductor manufacturing equipment parts, catalyst-related sales did not reach the last year's level, resulting in overall sales remaining flat year-on-year. Sales were 26.5 billion yen, with segment profit at 3.7 billion yen.

## Segment Information

### Outline of Contracts (Total Engineering)

#### i) New Contracts

[Unit: Billions of Yen]

	H1 FY2023	H1 FY2024
<b>Overseas</b>	44.0	<b>330.6</b>
<b>Domestic</b>	114.8	<b>40.9</b>
<b>Total</b>	158.9	<b>371.6</b>

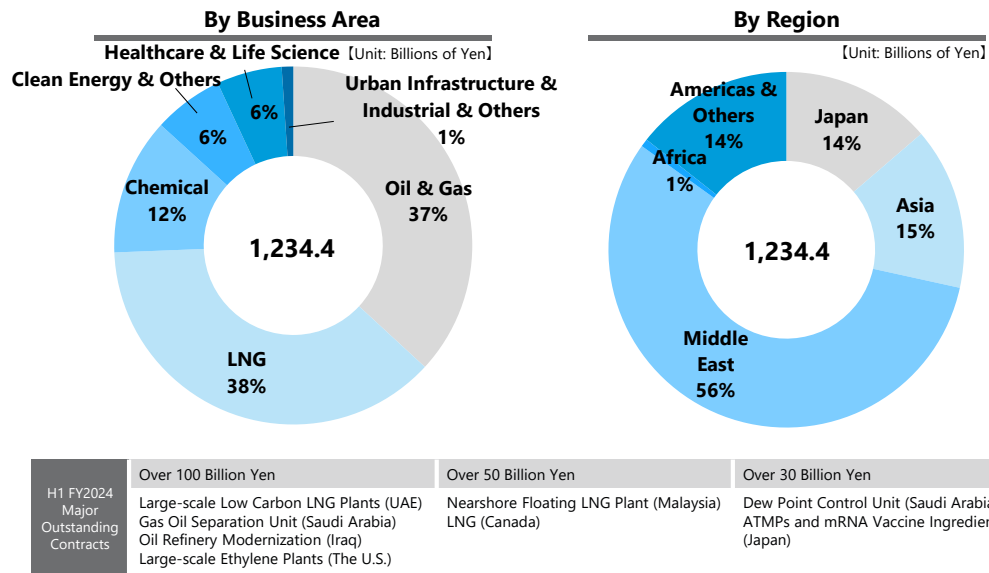
H1 FY2024  
Major New Contracts

Large-scale Low Carbon LNG Plants (UAE)

This is the situation of new contracts in the total engineering business. New contracts for 1st half stood at 371.6 billion yen overall. Overseas, we are awarded an LNG project in UAE in the 1st quarter, and there were additional orders for the project in the 2nd quarter. This increased the total to 330.6 billion yen. Domestically, the total was 40.9 billion yen, mainly from the oil and gas sector.

## Segment Information

### ii) Outstanding Contracts (As of September 30, 2024)



The order backlog stood at 1,234.4 billion yen at the end of September. The ratio by sector and region are no change from 1st quarter.

## Financial Position & Cash Flows

[Unit: Billions of Yen]

	As of March 31, 2024	As of September 30, 2024	Difference
<b>Total assets</b>	792.2	<b>804.9</b>	+12.6
<b>Total net assets</b>	387.8	<b>395.0</b>	+7.1
<b>Equity ratio</b>	48.7%	<b>48.9%</b>	+0.2pt
Off Balance Sheet JV Cash JGC Portion	148.1	<b>120.3</b>	△ 27.7
	H1 FY2023	H1 FY2024	Difference
<b>Cash flows from operating activities</b>	16.2	<b>58.3</b>	+42.0
<b>Cash flows from investing activities</b>	△ 13.3	<b>△ 8.2</b>	+5.1
<b>Cash flows from financing activities</b>	△ 11.6	<b>△ 14.7</b>	△ 3.0
<b>Cash and cash equivalents at end of period</b>	333.6	<b>356.1</b>	+22.4

This is the consolidated financial position and cash flows. Due to cash inflows from project progress and revaluation of investment securities, total assets increased by 12.6 billion yen to 804.9 billion yen.

The equity ratio remained flat at 48.9% from the beginning of the period. Operating cash flow was positive at 58.3 billion yen, significantly exceeding the same period last year due to the collection of accounts receivable from domestic and overseas projects and the receipt of advance payments.

Investment cash flow was negative 14.7 billion yen due to the acquisition of tangible fixed assets, and financing cash flow was negative 14.7 billion yen due to dividend payments.

The balance of cash and cash equivalents was 356.1 billion yen.



Next, I will explain the forecasts for fiscal year 2024.

## Forecasts for FY2024

[Unit: Billions of Yen]

	FY2024 Forecast	H1 FY2024 Actual	Progress Rate
New contracts *	970.0	371.6	38%
Net sales	830.0	406.7	49%
Gross profit	58.0	27.3	47%
Profit ratio	7.0%	6.7%	
Operating profit	26.0	12.4	48%
Ordinary profit	34.0	19.3	57%
Profit attributable to owners of parent	23.0	12.7	55%
Annual dividends per share	¥40.0		
Forecasts based on (¥/US\$)	¥145.00		

\* Total Engineering

This is the forecast for FY2024.

The progress rate of new contracts remains at 38% against the forecast, because the decision timing for expected projects is delayed compared to expectations. Consequently, the internal operating rate is on a declining trend. We are closely monitoring the situation, but for now, we are maintaining the figures announced in May.

This concludes my overview of the financial results.

## Cautionary Statement

This presentation may contain forward-looking statements that reflect JGC's plans and expectations.

Such statements are based on currently available information and current assumptions of future events which may not prove to be accurate. Such statements are also subject to various risks and uncertainties that could cause actual results to differ materially from those forward-looking statements.

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- changes in government regulations or tax laws in jurisdictions where we conduct business

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