【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, 2015

(For the fiscal year ended March 31, 2015)

Name of listed company: **JGC Corporation** Stock exchange: **Tokyo**
Code number: **1963**
Representative
Title: **Chairman and Representative Director** Tel: **045-682-1111**
Name: Masayuki Sato URL: **http://www.jgc.com**
Contact
Title: **General Manager, Finance & Accounting Department**
Name: Takehiko Hirose
Scheduled Date of Ordinary Annual General Meeting of Shareholders: **June 26, 2015**
Scheduled Date of Payment of Dividends: **June 29, 2015**

## 1. Business results for fiscal 2014 (April 1, 2014-March 31, 2015)

(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. 2015 term | 799,076 | 18.2 | 29,740 | (56.4) | 44,867 | (46.4) | 20,628 | (56.3) |
| Mar. 2014 term | 675,821 | 8.2 | 68,253 | 6.4 | 83,675 | 15.4 | 47,178 | 2.2 |

Comprehensive income (millions of yen): Mar. 2015 term: 25,465 (-50.2%) Mar. 2014 term: 51,118 (-7.0%)

| | Earnings per share | Earnings per share (diluted) | Return on equity | Ordinary income/Total assets | Operating income/Net sales |
|---|---|---|---|---|---|
| | (Yen) | (Yen) | (%) | (%) | (%) |
| Mar. 2015 term | 81.73 | - | 5.4 | 6.1 | 3.7 |
| Mar. 2014 term | 186.90 | - | 13.3 | 12.2 | 10.1 |

Reference:
Equity in earning of affiliates (millions of yen): Mar. 2015 term: 723 Mar. 2014 term: 730

(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, 2015 | 719,754 | 388,496 | 53.8 | 1,535.54 |
| Mar. 31, 2014 | 746,102 | 379,882 | 50.2 | 1,484.29 |

Reference:
Shareholders' equity (millions of yen): Mar. 31, 2015: 387,480 Mar. 31, 2014: 374,654

(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. 2015 term | (71,416) | (23,411) | 3,836 | 297,707 |
| Mar. 2014 term | 120,576 | (18,728) | (10,687) | 385,252 |

## 2. Dividends

| | Annual dividends per share (Yen) | | Total dividends (annual) | Payout ratio (consolidated) | Dividends/ shareholders' equity (consolidated) |
|---|---|---|---|---|---|
| | Term-end | Annual | (Millions of yen) | (%) | (%) |
| Mar. 2014 term | 46.50 | 46.50 | 11,737 | 24.9 | 3.3 |
| Mar. 2015 term | 21.00 | 21.00 | 5,299 | 25.7 | 1.4 |
| Mar. 2016 term (Forecast) | 40.00 | 40.00 | — | 25.2 | — |

## 3. Forecast for fiscal 2015 (April 1, 2015-March 31, 2016)

| | Net sales | | Operating income | | Ordinary income | | Net income | |
|---|---|---|---|---|---|---|---|---|
| | (Millions of yen) | (%) | (Millions of yen) | (%) | (Millions of yen) | (%) | (Millions of yen) | (%) |
| Entire term | 900,000 | 12.6 | 54,000 | 81.6 | 58,000 | 29.3 | 40,000 | 93.9 |

| | Earnings per share |
|---|---|
| | (Yen) |
| Entire term | 158.52 |

## 4. Others

(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. 2015 term: 259,052,929 Mar. 2014 term: 259,052,929
② Number of treasury stock at term-end:
Mar. 2015 term: 6,711,561 Mar. 2014 term: 6,639,762
③ Average Number of shares outstanding at term-end:
Mar. 2015 term: 252,402,426 Mar. 2014 term: 252,433,589

(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: ￥120.00/US$1.00

# Consolidated Balance Sheets

## ASSETS

| | March 31, 2015 (Millions of yen) | March 31, 2014 (Millions of yen) |
|---|---|---|
| **Ⅰ Current assets** | | |
| Cash and deposit | 282,707 | 354,199 |
| Notes receivable, accounts receivable from completed construction contracts and other | 134,822 | 102,170 |
| Securities | 15,000 | 31,052 |
| Costs on uncompleted construction | 32,727 | 41,007 |
| Mechandise and finished goods | 3,703 | 4,203 |
| Work in process | 2,470 | 1,675 |
| Raw materials and supplies | 2,828 | 2,598 |
| Accounts receivable-other | 28,956 | 13,286 |
| Deffered tax assets | 17,729 | 15,534 |
| Other current assets | 12,722 | 10,272 |
| Allowance for doubtful accounts | (130) | (114) |
| **Total current assets** | **533,538** | **575,886** |
| **Ⅱ Fixed assets** | | |
| **1 Tangible fixed assets:** | | |
| Buildings and structures | 67,385 | 63,419 |
| Machinery, vehicles, tools and equipment | 68,291 | 60,222 |
| Land | 25,996 | 25,977 |
| Lease assets | 347 | 228 |
| Construction in progress | 679 | 381 |
| Other tangible fixed assets | 5,181 | 4,207 |
| Accumulated depreciation | (89,321) | (84,146) |
| **Net tangible fixed assets** | **78,560** | **70,290** |
| **2 Intangible fixed assets** | | |
| Goodwill | — | 0 |
| Software | 2,068 | 2,271 |
| Other intangible fixed assets | 14,015 | 14,485 |
| **Total intangible fixed assets** | **16,084** | **16,757** |
| **3 Investments and other assets** | | |
| Investment securities | 102,419 | 88,270 |
| Long-term loans receivable | 6,141 | 20,512 |
| Net defined benefit asset | 682 | — |
| Deferred tax assets | 5,822 | 1,690 |
| Other investments and other assets | 5,624 | 6,084 |
| Allowance for doubtful accounts | (23,707) | (20,213) |
| Allowance for investment loss | (5,411) | (13,174) |
| **Total investments and other assets** | **91,572** | **83,168** |
| **Total fixed assets** | **186,216** | **170,216** |
| **Total assets** | **719,754** | **746,102** |

## LIABILITIES AND NET ASSETS

| | March 31, 2015 (Millions of yen) | March 31, 2014 (Millions of yen) |
|---|---|---|
| **Ⅰ Current liabilities** | | |
| Notes and accounts payable | 106,598 | 107,450 |
| Short-term loans payable | 13,204 | 866 |
| Income taxes payable | 3,289 | 16,843 |
| Advances received on uncompleted contracts | 84,648 | 163,406 |
| Provision for job warranties for completed construction | 2,226 | 2,449 |
| Provision for loss on construction contracts | 35,623 | 21,062 |
| Provision for bonuses | 7,507 | 7,047 |
| Provision for directors' bonuses | 136 | 166 |
| Provision for loss on guarantees | 6,324 | 65 |
| Other current liabilities | 26,974 | 13,995 |
| **Total current liabilities** | **286,533** | **333,353** |
| **Ⅱ Long-term liabilities** | | |
| Long-term loans payable | 22,715 | 13,001 |
| Net defined benefit liability | 13,544 | 11,436 |
| Provision for directors' retirement bonuses | 275 | 288 |
| Deferred tax liabilities | 582 | 209 |
| Deferred tax liabilities for land revaluation | 3,306 | 3,691 |
| Other long-term liabilities | 4,300 | 4,239 |
| **Total long-term liabilities** | **44,724** | **32,866** |
| **Total liabilities** | **331,257** | **366,220** |
| **Ⅰ Shareholders' equity** | | |
| Capital stock | 23,511 | 23,511 |
| Capital surplus | 25,608 | 25,607 |
| Retained earnings | 336,324 | 327,775 |
| Treasury stock | (6,659) | (6,477) |
| **Total shareholders' equity** | **378,784** | **370,415** |
| **Ⅱ Valuation and translation adjustments** | | |
| Valuation difference on available-for-sale securities | 10,272 | 6,868 |
| Deferred gains or losses on hedges | (487) | (51) |
| Revaluation reserve for land | (6,289) | (6,542) |
| Foreign currency translation adjustment | 6,593 | 4,384 |
| Remeasurements of defined benefit plans | (1,392) | (420) |
| **Total valuation and translation adjustments** | **8,696** | **4,238** |
| **Ⅲ Minority interests** | **1,016** | **5,227** |
| **Total net assets** | **388,496** | **379,882** |
| **Total liabilities and net assets** | **719,754** | **746,102** |

# Consolidated Statements of Income

| Years ended | Mar. 2015 term (Millions of yen) | Mar. 2014 term (Millions of yen) |
|---|---|---|
| **Net sales** | **799,076** | **675,821** |
| Cost of sales | 746,241 | 587,437 |
| Gross profit | 52,834 | 88,384 |
| Selling, general and administrative expenses | 23,094 | 20,130 |
| **Operating income** | **29,740** | **68,253** |
| **Non-operating income:** | **16,254** | **16,184** |
| Interest income | 2,054 | 2,011 |
| Dividend income | 3,685 | 2,747 |
| Foreign exchange gains | 8,673 | 9,908 |
| Rent income on facilities | 633 | 636 |
| Share of profit of entities accounted for using equity method | 723 | 730 |
| Other non-operating income | 484 | 149 |
| **Non-operating expenses:** | **1,127** | **762** |
| Interest expense | 453 | 323 |
| Rent expense on noncurrenct assets | 316 | 306 |
| Provision of allowance for doubtful accounts | 155 | — |
| Other non-operating expenses | 203 | 132 |
| **Ordinary income** | **44,867** | **83,675** |
| **Extraordinary gain:** | **1,757** | **2,485** |
| Gain on bargain purchase | 334 | — |
| Gain on sales of subsidiaries and affiliates' stocks | 819 | — |
| Reversal of allowance for investment loss | 588 | — |
| Reversal of provision for loss on guarantees | — | 2,351 |
| Other | 15 | 134 |
| **Extraordinary loss:** | **16,565** | **9,250** |
| Loss on sales of noncurrent assets | 51 | 1 |
| Impairment loss | 4,852 | — |
| Loss on valuation of investment securities | 5,000 | 419 |
| Provision for loss on guarantees | 6,258 | — |
| Other | 403 | 8,829 |
| **Income before taxes on income** | **30,059** | **76,909** |
| **Taxes on income:** | **9,211** | **29,481** |
| Current | 15,747 | 28,593 |
| Deferred | (6,536) | 887 |
| **Income before minority interests** | **20,847** | **47,428** |
| **Minority interests in earnings of consolidated subsidiaries** | **218** | **249** |
| **Net income** | **20,628** | **47,178** |

# Statements of Consolidated Comprehensive Income

| Years ended | Mar. 2015 term (Millions of yen) | Mar. 2014 term (Millions of yen) |
|---|---|---|
| **Income before minority interests** | **20,847** | **47,428** |
| **Other comprehensive income** | **4,617** | **3,690** |
| Valuation difference on acailable-for-sale securities | 3,404 | 1,450 |
| Defferred gains or losses on hedges | (363) | (1,657) |
| Revaluation reserve for land | 337 | — |
| Foreign currency translation adjustment | 2,211 | 3,897 |
| Remeasurements of defined benefit plans | (959) | — |
| Share of other coprehensive income of entities accounted for using equity method | (13) | 0 |
| **Comprehensive income** | **25,465** | **51,118** |
| Comprehensive income attributable to: | | |
| Comprehensive income attributable to owers of parent | 25,272 | 50,868 |
| Comprehensive income attributable to minority interests | 192 | 249 |

# Consolidated Statements of Cash Flows

| Years ended | Mar. 2015 term (Millions of yen) | Mar. 2014 term (Millions of yen) |
|---|---|---|
| **Ⅰ CASH FLOWS FROM OPERATING ACTIVITIES:** | | |
| Income before taxes on income and minority interests in earnings of consolidated subsidiaries | 30,059 | 76,909 |
| 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 | 10,292 | 9,269 |
| Impairment loss | 4,852 | — |
| Amortization of goodwill | 0 | 0 |
| Increase (decrease) in allowance for doubtful accounts | 3,506 | 1,812 |
| Increase (decrease) in provision for loss on construction contracts | 14,512 | (1,207) |
| Increase (decrease) in net defined benefit liability | 1,994 | (992) |
| Interest and dividend income | (5,739) | (4,759) |
| Interest expense | 453 | 323 |
| Foreign exchange losses (gains) | (7,968) | (9,476) |
| Share of (profit) loss of entities accounted for using equity method | (723) | (730) |
| Loss (gain) on sales of investment securities | (823) | 924 |
| Loss (gain) on sales of noncurrent assets | 45 | 0 |
| Loss on retirement of noncurrent assets | 92 | 146 |
| Decrease (increase) in notes and accounts receivable-trade | (30,332) | (4,042) |
| Decrease (increase) in inventories | 7,557 | (5,002) |
| Decrease (increase) in accounts receivable-other | (14,654) | (1,887) |
| Increase (decrease) in notes and accounts payable-trade | (1,824) | 12,560 |
| Increase (decrease) in advances received on umcompleted contstruction contracts | (78,462) | 75,458 |
| Other, net | 18,822 | (3,393) |
| Subtotal | (48,341) | 145,912 |
| Interest and dividends received | 6,456 | 5,645 |
| Interest paid | (441) | (377) |
| Income taxes paid | (29,090) | (30,603) |
| NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES | (71,416) | 120,576 |
| **Ⅱ CASH FLOWS FROM INVESTING ACTIVITIES:** | | |
| Payments for purchases of property and equipment | (12,475) | (6,188) |
| Proceeds from sales of property and equipment | 855 | 468 |
| Payments for purchases of intangible fixed assets | (4,975) | (4,702) |
| Payments for purchases of investment securities | (2,763) | (5,167) |
| Proceeds from sale of investment securities | 1,839 | 367 |
| Decrease (increase) in short-term loans receivable | (998) | (2,901) |
| Other, net | (4,894) | (605) |
| NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES | (23,411) | (18,728) |
| **Ⅲ CASH FLOWS FROM FINANCING ACTIVITIES:** | | |
| Increase (decrease) in short-term loans | 10,579 | (685) |
| Proceeds from long-term loans payable | 6,373 | 3,405 |
| Repayments of long-term loans payable | (823) | (1,407) |
| Net decrease (increase) in treasury shares | (370) | (143) |
| Cash dividends paid | (11,741) | (11,484) |
| Cash dividends paid to minority shareholders | (14) | (143) |
| Other, net | (167) | (229) |
| NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES | 3,836 | (10,687) |
| **Ⅳ EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS** | **3,306** | **9,161** |
| **Ⅴ NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS** | **(87,684)** | **100,322** |
| **Ⅵ CASH AND CASH EQUIVALENTS at beginning of year** | **385,252** | **284,777** |
| **Ⅶ INCREASE IN CASH AND CASH EQUIVALENTS FROM NEWLY CONSOLIDATED SUBSIDIARIES** | **139** | **152** |
| **Ⅷ CASH AND CASH EQUIVALENTS at end of year** | **297,707** | **385,252** |

# Segment Information

## 【 Information by business segment 】

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 | | | | | | | |
| Impairment loss | — | — | — | — | — | — | — |
| 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.

FY 2014 (April 1, 2014 - March 31, 2015) (Millions of yen)

| | Segment | | | Others | Grand total | Adjustment | Consolidated |
|---|---|---|---|---|---|---|---|
| | Total engineering | Catalysts and fine products | Sub total | | | | |
| Net sales | | | | | | | |
| External customers | 745,035 | 37,467 | 782,502 | 16,574 | 799,076 | — | 799,076 |
| Inter-segment | 7,658 | 14 | 7,673 | 4,568 | 12,241 | 12,241 | — |
| Total | 752,693 | 37,482 | 790,175 | 21,142 | 811,318 | (12,241) | 799,076 |
| Segment profit | 23,535 | 3,735 | 27,270 | 3,535 | 30,806 | (1,065) | 29,740 |
| Segment asset | 624,472 | 41,623 | 666,095 | 69,038 | 735,134 | (15,379) | 719,754 |
| Other item | | | | | | | |
| Impairment loss | — | — | — | 4,852 | 4,852 | — | 4,852 |
| Depreciation and amortization | 4,048 | 2,117 | 6,165 | 3,420 | 9,586 | 706 | 10,292 |
| Capital expenditures | 6,871 | 2,213 | 9,084 | 9,696 | 18,781 | (891) | 17,890 |

*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, 2014 | March 31, 2015 | | |
|---|---|---|---|---|---|
| | | Outstanding Contracts | New Contracts | Sales | Outstanding Contracts |
| Domestic | Oil and gas development | 23 | 1,097 | 1,024 | 96 |
| | Petroleum refining | 20,732 | 24,266 | 23,235 | 21,762 |
| | LNG | 13,291 | 23,329 | 10,398 | 26,221 |
| | Chemical | 2,864 | 18,820 | 15,944 | 5,741 |
| | Power generation, nuclear power and new energy | 73,594 | 28,359 | 36,270 | 65,682 |
| | Living and general production facility | 3,028 | 16,725 | 5,442 | 14,311 |
| | Environmental protection, social development and IT | 20,143 | 13,081 | 14,805 | 18,419 |
| | Others | 562 | 6,326 | 6,046 | 842 |
| | Subtotal | 134,241 | 132,005 | 113,169 | 153,077 |
| Overseas | Oil and gas development | 131,267 | 46,719 | 73,171 | 104,815 |
| | Petroleum refining | 405,226 | 103 | 75,671 | 329,657 |
| | LNG | 946,092 | 557,276 | 443,001 | 1,060,366 |
| | Chemical | 149,661 | 19,830 | 44,423 | 125,068 |
| | Power generation, nuclear power and new energy | 537 | 1,816 | 286 | 2,067 |
| | Living and general production facility | 931 | 316 | 1,178 | 68 |
| | Environmental protection, social development and IT | 1 | 18 | 9 | 10 |
| | Others | (143) | 11,593 | 10,696 | 753 |
| | Subtotal | 1,633,573 | 637,674 | 648,440 | 1,622,808 |
| Total | | *2 1,767,814 | 769,680 | 761,609 | 1,775,885 |
| (incl. Total Engineering Business) | | 1,767,244 | 752,144 | 745,035 | 1,774,353 |
| (Incl. Others Business) | | 570 | 17,536 | 16,574 | 1,532 |
| Catalysts and Fine Products Business | | *3 — | *3 — | 37,467 | *3 — |
| Grand Total | | 1,767,814 | 769,680 | 799,076 | 1,775,885 |

*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 | 15,389 | (199) | 15,190 |
| Petroleum refining | 12,156 | (125) | 12,030 |
| LNG | 21,259 | (14,323) | 6,935 |
| Chemical | 13,442 | (479) | 12,963 |
| Power generation, nuclear power and new energy | (39) | (7,351) | (7,391) |
| Living and general production facility | (1) | (4) | (6) |
| Environmental protection, social development and IT | — | (0) | (0) |
| Others | (1,213) | (13) | (1,226) |
| Total | 60,994 | (22,497) | 38,496 |
| (Incl. Total Engineering Business) | 61,996 | (22,497) | 39,498 |
| (Incl. Others Business) | (1,002) | 0 | (1,002) |

*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.