[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 10, 2016

Summary of Consolidated First Quarter Financial Results for Fiscal 2016 (the Year Ending March 2017)

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**

1. Business results of first quarter for fiscal 2016 (April 1, 2016 - June 30, 2016)

(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		Profit attributable to owners of parent	
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
1Q FY2016	163,371	(21.2)	7,057	(41.0)	6,185	(58.5)	3,333	(64.9)
1Q FY2015	207,220	21.6	11,953	(7.5)	14,887	15.9	9,491	(1.3)

Note:
Comprehensive income(millions of yen) 1Q FY2016 term -139(－%) 1Q FY2015 term 10,646(13.4%)

	Earnings per share	Earnings per share (diluted)
	(Yen)	(Yen)
1Q FY2016	13.21	－
1Q FY2015	37.62	－

(2) Consolidated financial position

	Total assets	Total net assets	Shareholders' equity ratio
	(Millions of yen)	(Millions of yen)	(%)
As of June 30, 2016	654,545	408,802	62.3
As of March 31, 2016	689,782	419,673	60.7

Reference:
Shareholders' equity (millions of yen): Jun. 30, 2016: 407,815 Mar. 31, 2016 418,695

2. Dividends

	Annual dividends per share (Yen)				
	1Q term-end	2Q term-end	3Q term-end	Term-end	Annual
Mar. 2016 term	－	－	－	42.50	42.50
Mar. 2017 term	－				
Mar. 2017 term (Forecast)		－	－	30.00	30.00

Note: Revision of dividend forecast during this period: None

3. Earnings forecast for fiscal 2016 (April 1, 2016 - March 31, 2017)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
Full Year	720,000	(18.2)	34,000	(31.5)	37,000	(28.9)	25,000	(41.6)

	Earnings per share
	(Yen)
Full Year	99.09

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 simplified accounting methods or special accounting methods for preparing quarterly consolidated financial statements: Yes

(3) Changes of accounting principles, procedures and presentation when preparing quarterly consolidated financial statement.
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

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

Jun. 2016 term:	259,052,929	Mar. 2016 term:	259,052,929

② Number of treasury stock at term-end:

Jun. 2016 term:	6,744,306	Mar. 2016 term:	6,744,842

③ Average Number of shares outstanding (first quarter term):

Jun. 2016 term:	252,308,221	Jun. 2015 term:	252,328,714

(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 : 110.00 yen/US$ 1.00

Consolidated Balance Sheets

	1Q FY2016 (As of Jun. 30, 2016) (Millions of yen)	FY2015 (As of Mar. 31, 2016) (Millions of yen)
ASSETS		
Current assets		
Cash and deposits	213,411	239,947
Notes receivable, accounts receivable from completed construction contracts and other	151,509	175,876
Securities	—	8,000
Costs on uncompleted construction contracts	49,905	42,338
Merchandise and finished goods	3,840	3,731
Work in process	2,603	2,088
Raw materials and supplies	2,789	2,394
Accounts receivable-other	32,975	24,949
Deferred tax assets	12,089	11,980
Other	21,752	11,838
Allowance for doubtful accounts	(390)	(398)
Total current assets	**490,486**	**522,747**
Non-current assets		
Property, plant and equipment		
Buildings and structures	64,731	65,520
Machinery, vehicles, tools, furniture and fixtures	69,980	70,544
Land	25,347	25,380
Leased assets	996	1,206
Construction in progress	470	217
Other	5,076	5,356
Accumulated depreciation	(92,153)	(91,970)
Total Property, plant and equipment	**74,448**	**76,255**
Intangible assets		
Software	1,614	1,773
Other	11,897	12,612
Total intangible assets	**13,512**	**14,385**
Investments and other assets		
Investment securities	60,980	63,496
Long-term loans receivable	5,210	5,195
Net defined benefit asset	175	193
Deferred tax assets	6,808	5,998
Other	8,041	6,660
Allowance for doubtful accounts	(943)	(977)
Allowance for investment loss	(4,173)	(4,173)
Total investments and other assets	**76,098**	**76,394**
Total non-current assets	**164,059**	**167,034**
Total assets	**654,545**	**689,782**

	1Q FY2016 (As of Jun. 30, 2016) (Millions of yen)	FY2015 (As of Mar. 31, 2016) (Millions of yen)
LIABILITIES		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	90,135	108,389
Short-term loans payable	14,703	15,338
Income taxes payable	1,559	3,741
Advances received on uncompleted construction contracts	42,343	37,960
Provision for warranties for completed construction	2,662	2,883
Provision for loss on construction contracts	17,866	20,679
Provision for bonuses	8,350	7,039
Provision for directors' bonuses	128	124
Provision for loss on guarantees	1,301	1,301
Other	22,215	27,742
Total current liabilities	**201,266**	**225,203**
Non-current liabilities		
Long-term loans payable	20,428	20,991
Net defined benefit liability	15,498	15,370
Provision for directors' retirement benefits	235	241
Deferred tax liabilities	372	429
Deferred tax liabilities for land revaluation	3,132	3,132
Other	4,808	4,740
Total non-current liabilities	**44,476**	**44,905**
Total liabilities	**245,743**	**270,108**
NET ASSETS		
Shareholders' equity:		
Capital stock	23,511	23,511
Capital surplus	25,609	25,608
Retained earnings	367,235	374,625
Treasury shares	(6,735)	(6,735)
Total shareholders' equity	**409,620**	**417,009**
Valuation and translation adjustments:		
Valuation difference on available-for-sale securities	5,216	7,064
Deferred gains or losses on hedges	(768)	(503)
Revaluation reserve for land	(6,115)	(6,115)
Foreign currency translation adjustment	2,567	4,072
Remeasurements of defined benefit plans	(2,705)	(2,832)
Total valuation and translation adjustments	**(1,805)**	**1,685**
Non-controlling interests	**986**	**978**
Total net assets	**408,802**	**419,673**
Total liabilities and net assets	**654,545**	**689,782**

Consolidated Statements of Income

	1Q FY2016 term (Apr. 1, 2016 - Jun. 30, 2016) (Millions of yen)	1Q FY2015 term (Apr. 1, 2015 - Jun. 30, 2015) (Millions of yen)
Net sales	**163,371**	**207,220**
Cost of sales	150,574	189,978
Gross profit	12,797	17,242
Selling, general and administrative expenses	5,740	5,288
Operating income	**7,057**	**11,953**
Non-operating income:		
Interest income	444	582
Dividend income	1,857	1,046
Foreign exchange gains	—	1,107
Rent income on non-current assets	158	158
Share of profit of entities accounted for using equity method	180	168
Other	271	162
Total non-operating income	2,913	3,226
Non-operating expenses:		
Interest expenses	158	158
Foreign exchange losses	3,376	—
Rent expenses on non-current assets	68	74
Other	181	59
Total non-operating expenses	3,784	292
Ordinary income	**6,185**	**14,887**
Extraordinary income:		
Gain on sales of noncurrent assets	—	233
Other	—	44
Total extraordinary income	—	**277**
Income before income taxes	**6,185**	**15,165**
Income taxes	**2,814**	**5,622**
Net income	**3,371**	**9,542**
Profit (loss) attributable to non-controlling interests	**38**	**51**
Profit attributable to owners of parent	**3,333**	**9,491**

Statements of Consolidated Comprehensive Income

	1Q FY2016 term (Apr. 1, 2016 - Jun. 30, 2016) (Millions of yen)	1Q FY2015 term (Apr. 1, 2015 - Jun. 30, 2015) (Millions of yen)
Net income	**3,371**	**9,542**
Other comprehensive income:		
Valuation difference on available-for-sale securities	(1,847)	1,895
Deferred gains or losses on hedges	(285)	249
Foreign currency translation adjustment	(1,504)	(1,069)
Remeasurements of defined benefit plans,net of tax	125	31
Share of other comprehensive income of entities accounted for using equity method	1	(3)
Total other comprehensive income	(3,511)	1,103
Comprehensive income	**(139)**	**10,646**
Comprehensive income attributable to:		
Comprehensive income attributable to owners of the parent	(158)	10,594
Comprehensive income attributable to minority interests	18	52

Segment Information

【 Information by business segment 】

First quarter for FY 2015 (April 1, 2015 - Jun 30, 2015) (Millions of yen)

	Segment			Others	Grand total	Adjustment	Consolidated
	Total engineering	Catalysts and fine products	Sub total				
Net sales							
External customers	196,127	8,252	204,379	2,840	207,220	—	207,220
Inter-segment	1	—	1	1,061	1,063	(1,063)	—
Total	196,128	8,252	204,381	3,902	208,284	(1,063)	207,220
Segment profit or loss	10,787	642	11,430	368	11,799	154	11,953

*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

First quarter for FY 2016 (April 1, 2016 - Jun 30, 2016) (Millions of yen)

	Segment			Others	Grand total	Adjustment	Consolidated
	Total engineering	Catalysts and fine products	Sub total				
Net sales							
External customers	152,470	9,612	162,083	1,287	163,371	—	163,371
Inter-segment	(0)	107	107	355	462	(462)	—
Total	152,470	9,719	162,190	1,642	163,833	(462)	163,371
Segment profit or loss	5,520	1,444	6,965	66	7,031	25	7,057

*1 : "Others" includes 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, 2016	Jun 30, 2016		
		Outstanding Contracts	New Contracts	Sales	Outstanding Contracts
Domestic	Oil and gas development	188	177	11	354
	Petroleum refining	20,844	2,958	1,420	22,382
	LNG	22,758	8	1,214	21,553
	Chemical	6,338	4,691	1,035	9,994
	Power generation, nuclear power and new energy	61,019	3,672	3,100	61,592
	Living and general production facility	10,525	2,015	1,538	11,002
	Environmental protection, social development and IT	12,959	1,709	1,126	13,542
	Others	593	2,704	972	2,324
	Subtotal	135,229	17,936	10,419	142,746
Overseas	Oil and gas development	157,239	3,496	13,208	147,527
	Petroleum refining	226,249	8	20,369	205,888
	LNG	605,262	14,225	88,665	530,822
	Chemical	72,109	2,872	20,024	54,957
	Power generation, nuclear power and new energy	458	800	194	1,064
	Living and general production facility	—	87	0	87
	Environmental protection, social development and IT	314	—	105	209
	Others	201	2,868	771	2,297
	Subtotal	1,061,835	24,358	143,339	942,854
Total Engineering Business		1,196,546	39,224	152,470	1,083,300
Others Business		517	3,071	1,287	2,301
Subtotal		1,197,064	42,295	153,758	1,085,601
Catalysts and Fine Products Business		—	—	9,612	—
Grand Total		1,197,064	42,295	163,371	1,085,601

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	(7,075)	(1)	(7,076)
Petroleum refining	(6,690)	(24)	(6,715)
LNG	(34,999)	(35)	(35,035)
Chemical	(4,330)	(56)	(4,387)
Power generation, nuclear power and new energy	(30)	—	(30)
Living and general production facility	—	—	—
Environmental protection, social development and IT	—	—	—
Others	(1)	(24)	(26)
Total	(53,128)	(143)	(53,272)
Total Engineering Business	(53,136)	(143)	(53,280)
Others Bisiness	7	—	7

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