[Translation]

The following statements are an English-language translation of the original Japanese-language document for your reference purpose only. In the case that there is any discrepancy between the original Japanese version and this English version, the Japanese version shall prevail.

(All financial information has been prepared in accordance with accounting principles generally accepted in Japan.)

February 13, 2019

Summary of Consolidated Third Quarter Financial Results for Fiscal 2018

(For the year ended March 31, 2019)

Name of listed company: **JGC Corporation** Stock exchange: **Tokyo**
Code number: **1963**
Representative
Title: **Representative Director, Chairman and Chief Executive Officer (CEO)** Tel: **045-682-1111**
Name: **Masayuki Sato** URL: **https://www.jgc.com**
Contact
Title: **General Manager, Finance & Accounting Department**
Name: **Shinichi Taguchi**

1. Consolidated Financial Results for 3Q of FY2018 (April 1, 2018 - December 31, 2018)

(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 the Parent	
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
3Q FY2018	424,635	(20.0)	15,250	(29.6)	22,664	(18.6)	9,936	(49.9)
3Q FY2017	531,040	3.2	21,650	—	27,849	—	19,849	—

Note:
Comprehensive income (millions of yen): 3Q FY2018 term 4,714((81.7%)) 3Q FY2017 term 25,753(—%)

	Earnings per share	Earnings per share (diluted)
	(Yen)	(Yen)
3Q FY2018	39.38	—
3Q FY2017	78.67	—

(2) Consolidated financial position

	Total assets	Total net assets	Shareholders' equity ratio
	(Millions of yen)	(Millions of yen)	(%)
As of December 31, 2018	686,336	397,111	57.7
As of March 31, 2018	684,921	395,779	57.6

Reference:
Shareholders' equity (millions of yen): Dec. 31, 2018: 396,103 Mar. 31, 2018: 394,701
Note: The Company applied “Partial Amendments to Accounting Standard for Tax Effect Accounting” (Corporate Accounting Standard No. 28, February16, 2018),etc. from the beginning of the first three months of consolidated financial statements. The figure as of March 31, 2018 is based on retroactive application.

2. Dividends

	Annual dividends per share (Yen)				
	1Q term-end	2Q term-end	3Q term-end	Term-end	Annual
Mar. 2018 term	—	—	—	25.00	25.00
Mar. 2019 term	—	—	—		
Mar. 2019 term (Forecast)			—	12.00	12.00

3. Earnings forecasts for FY2018 (April 1, 2018 - March 31, 2019)

Note: Percentage indicate changes from the previous term.

	Net sales		Operating income		Ordinary income		Profit attributable to owners of the Parent	
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
Full Year	640,000	(11.5)	22,000	2.3	29,000	16.3	10,000	(39.7)

	Earnings per share
	(Yen)
Full Year	39.63

4. Others

(1) Changes in scope of consolidated important subsidiaries

(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: None
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):

Dec. 2018 term: 259,052,929 Mar. 2018 term: 259,052,929

② Number of treasury stock at term-end:

Dec. 2018 term: 6,746,020 Mar. 2018 term: 6,745,465

③ Average number of shares outstanding (third quarter term):

Dec. 2018 term: 252,307,212 Dec. 2017 term: 252,307,945

(1) This document is unaudited by certificated public accountants or audit firms.

(2) 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.

(3) Forecasts based on : 110.00 yen/US$ 1.00

Consolidated Balance Sheets

	3Q FY2018 (As of Dec. 31, 2018) (Millions of yen)	FY2017 (As of Mar. 31, 2018) (Millions of yen)
ASSETS		
Current assets		
Cash and deposits	120,830	195,394
Notes receivable, accounts receivable from completed construction contracts and other	230,509	186,672
Costs on uncompleted construction contracts	38,080	20,633
Merchandise and finished goods	5,037	3,958
Work in process	4,197	2,452
Raw materials and supplies	3,356	2,835
Short-term loans receivable	23,840	46,474
Accounts receivable	80,499	43,250
Other	18,200	19,937
Allowance for doubtful accounts	(270)	(290)
Total current assets	**524,280**	**521,320**
Non-current assets		
Property, plant and equipment		
Buildings and structures	59,085	56,056
Machinery, vehicles, tools, furniture and fixtures	63,888	62,995
Land	18,503	18,550
Leased assets	314	1,361
Construction in progress	753	2,385
Other	4,438	4,384
Accumulated depreciation	(92,191)	(90,512)
Total property, plant and equipment	**54,792**	**55,222**
Intangible assets		
Software	4,190	3,046
Other	6,051	6,719
Total intangible assets	**10,242**	**9,766**
Investments and other assets		
Investment securities	71,410	69,818
Long-term loans receivable	4,946	8,473
Net defined benefit asset	385	425
Deferred tax assets	18,299	16,648
Other	10,280	11,702
Allowance for doubtful accounts	(8,301)	(8,456)
Total investments and other assets	**97,020**	**98,612**
Total non-current assets	**162,055**	**163,600**
Total assets	**686,336**	**684,921**

	3Q FY2018 (As of Dec. 31, 2018) (Millions of yen)	FY2017 (As of Mar. 31, 2018) (Millions of yen)
LIABILITIES		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	84,542	89,164
Short-term loans payable	546	13,362
Income taxes payable	3,518	4,815
Advances received on uncompleted construction contracts	75,973	47,428
Provision for warranties for completed construction contracts	1,204	1,444
Provision for loss on construction contracts	18,553	21,818
Provision for bonuses	3,186	6,725
Provision for directors' bonuses	55	175
Other	28,148	30,839
Total current liabilities	**215,730**	**215,773**
Non-current liabilities		
Bonds payable	50,000	50,000
Long-term loans payable	4,094	4,294
Net defined benefit liability	16,038	15,829
Provision for directors' retirement benefits	294	291
Deferred tax liabilities	351	240
Deferred tax liabilities for land revaluation	1,014	1,014
Other	1,702	1,697
Total non-current liabilities	**73,494**	**73,368**
Total liabilities	**289,225**	**289,142**
NET ASSETS		
Shareholders' equity:		
Capital stock	23,511	23,511
Capital surplus	25,609	25,609
Retained earnings	362,075	355,572
Treasury shares	(6,738)	(6,737)
Total shareholders' equity	**404,457**	**397,955**
Accumulated other comprehensive income:		
Valuation difference on available-for-sale securities	8,058	11,168
Deferred gains or losses on hedges	(573)	(517)
Revaluation reserve for land	(10,891)	(10,919)
Foreign currency translation adjustment	(3,419)	(1,169)
Remeasurements of defined benefit plans	(1,527)	(1,815)
Total Accumulated other comprehensive income	**(8,353)**	**(3,253)**
Non-controlling interests	**1,007**	**1,077**
Total net assets	**397,111**	**395,779**
Total liabilities and net assets	**686,336**	**684,921**

Consolidated Statements of Income

	3Q FY2018 term (Apr. 1, 2018 - Dec. 31, 2018) (Millions of yen)	3Q FY2017 term (Apr. 1, 2017 - Dec. 31, 2017) (Millions of yen)
Net sales	**424,635**	**531,040**
Cost of sales	393,824	492,860
Gross profit	30,810	38,179
Selling, general and administrative expenses	15,560	16,528
Operating income	**15,250**	**21,650**
Non-operating income:		
Interest income	2,787	**2,104**
Dividend income	2,211	2,368
Foreign exchange gains	30	1,477
Share of profit of entities accounted for using equity method	2,426	634
Other	466	653
Total non-operating income	7,922	7,238
Non-operating expenses:		
Interest expenses	344	413
Other	164	626
Total non-operating expenses	508	1,039
Ordinary income	**22,664**	**27,849**
Extraordinary income:		
Gain on liquidation of subsidiaries and associates	248	—
State subsidy	—	87
Other	9	72
Total extraordinary Income	**258**	**159**
Extraordinary loss:		
Loss on retirement of non-current assets	123	353
Loss on sales of investment securities	150	—
Other	33	469
Total extraordinary loss	**307**	**822**
Profit before income taxes	**22,614**	**27,186**
Income taxes	**12,533**	**7,204**
Profit	**10,081**	**19,981**
Profit attributable to non-controlling interests	**144**	**131**
Profit attributable to owners of the parent	**9,936**	**19,849**

Statements of Consolidated Comprehensive Income

	3Q FY2018 term (Apr. 1, 2018 - Dec. 31, 2018) (Millions of yen)	3Q FY2017 term (Apr. 1, 2017 - Dec. 31, 2017) (Millions of yen)
Profit	**10,081**	**19,981**
Other comprehensive income:		
Valuation difference on available-for-sale securities	(3,110)	4,698
Deferred gains or losses on hedges	(62)	106
Foreign currency translation adjustment	(3,025)	556
Remeasurements of defined benefit plans	282	402
Share of other comprehensive income of entities accounted for using equity method	550	6
Total other comprehensive income	**(5,366)**	**5,771**
Comprehensive income	**4,714**	**25,753**
Comprehensive income attributable to:		
Comprehensive income attributable to owners of the parent	4,576	25,615
Comprehensive income attributable to non-controlling interests	138	137

Segment Information

【 Information by business segment 】

Third quarter (9 months) for FY 2017 (April 1, 2017 - December 31, 2017) (Millions of yen)

	Segment			Others	Grand total	Adjustment	Consolidated
	Total engineering	Functional Materials Manufacturing	Sub total				
Net sales							
External customers	495,942	29,820	525,762	5,277	531,040	—	531,040
Inter-segment	212	5	218	1,159	1,377	(1,377)	—
Total	496,155	29,826	525,981	6,436	532,417	(1,377)	531,040
Segment profit	15,228	5,052	20,280	1,258	21,539	111	21,650

*1: "Others" includes Specialized Consulting Services, Office Support Services Business, Power and Water Business, and Oil and Gas Production Sales Business.
*2: Segment profit, Segment asset and Other item are adjusted to eliminate transactions between segments.
*3: Segment profits are adjusted with the operating income figure from the Consolidated Statements of Income.

Third quarter (9 months) for FY 2018 (April 1, 2018 - December 31, 2018) (Millions of yen)

	Segment			Others	Grand total	Adjustment	Consolidated
	Total engineering	Functional Materials Manufacturing	Sub total				
Net sales							
External customers	386,080	34,368	420,448	4,187	424,635	—	424,635
Inter-segment	44	—	44	1,228	1,272	(1,272)	—
Total	386,124	34,368	420,492	5,415	425,907	(1,272)	424,635
Segment profit	8,296	5,933	14,230	956	15,187	62	15,250

*1: "Others" includes Specialized Consulting Services, Office Support Services Business, Power and Water Business, and Oil and Gas Production Sales Business.
*2: Segment profit, Segment asset and Other item are adjusted to eliminate transactions between segments.
*3: Segment profits are adjusted with the operating income figure from the Consolidated Statements of Income.
*4: Coinciding the issuing of the Consolidated First Quarter Financial Results for FY2018, JGC changed the name of this segment from “Catalysts and Fine Products Business” to “Functional Materials Manufacturing Business”. As the change was only in the segment name, there is no change in any other information for this segment. In addition, the new segment name is also applicable in the third quarter for FY2017.

Sales, Orders Received and Backlog (Consolidated)

(Millions of yen)

	Business area	March 31, 2018	December 31, 2018		
		Outstanding Contracts	New Contracts	Sales	Outstanding Contracts
Domestic	Oil and gas development	277	2,276	611	1,943
	Petroleum refining	8,427	18,667	13,806	13,288
	LNG	—	301	301	—
	Chemical	49,416	24,254	16,904	56,766
	Power generation, nuclear power and new energy	137,977	8,237	57,245	88,969
	Living and general production facility	18,260	26,503	7,495	37,268
	Environmental protection, social development and IT	24,689	9,835	10,809	23,715
	Others	1,241	5,043	1,995	4,289
	Subtotal	240,291	95,120	109,169	226,242
Overseas	Oil and gas development	255,321	35,129	93,102	197,348
	Petroleum refining	96,706	23,831	58,059	62,477
	LNG	259,206	651,210	110,721	799,695
	Chemical	8,132	63,658	7,423	64,367
	Power generation, nuclear power and new energy	15,164	3,574	5,927	12,811
	Living and general production facility	(2)	3,001	461	2,538
	Environmental protection, social development and IT	307	76	126	258
	Others	4,934	2,585	5,275	2,243
	Subtotal	639,771	738,068	281,098	1,141,741
Total Engineering Business		878,978	871,091	386,080	1,363,989
Others Business		1,083	7,096	4,187	3,993
Subtotal		880,062	878,188	390,267	1,367,983
Functional Materials Manufacturing Business		—	—	34,368	—
Grand Total		880,062	878,188	424,635	1,367,983

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

*2 The balance as of the end of previous fiscal year for outstanding contracts of "Total Engineering Business" and "Others Business" have been revised to reflect foreign currency translation adjustments and changes in contract amounts for the period as follows:

(Millions of yen)

Business area	Foreign currency translation adjustment	Revision for changes in contract amounts	Total
Oil and gas development	2,487	(306)	2,181
Petroleum refining	7,228	(1)	7,227
LNG	(10,959)	(268)	(11,227)
Chemical	(301)	(3,207)	(3,508)
Power generation, nuclear power and new energy	(642)	—	(642)
Living and general production facility	(3)	(69)	(72)
Environmental protection, social development and IT	(0)	—	(0)
Others	(457)	(39)	(496)
Total	(2,648)	(3,890)	(6,539)
Total Engineering Business	(2,571)	(3,626)	(6,197)
Other Business	(77)	(264)	(341)

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