# [Translation]

**The following statements are an English-language translation of the original Japanese-language document for your reference purpose only. In 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.)**

Aug 8, 2024

## Summary-Consolidated First Quarter Financial Statements

(For the fiscal year ending March 31, 2025)


Name of listed company: **JGC HOLDINGS CORPORATION** Stock exchange: **Tokyo**

Code number: **1963**

Representative Tel: **045-682-1111**

Title: **Representative Director, Chairman of the Board & Chief Executive Officer (CEO)** URL: **https://www.jgc.com**

Name: **Masayuki Sato**

Contact

Title: **Executive Officer**

Name: **Shinichi Taguchi**


Note: All amounts are rounded down to the nearest million yen.

**1. Consolidated financial results for 1Q of fiscal year ending March 31, 2025 (April 1, 2024 - June 30, 2024)**

(1) Consolidated financial results Note: Percentage indicates changes from the previous term.

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | |
|---|---|---|---|---|---|---|---|---|
| | (Millions of yen) | (%) | (Millions of yen) | (%) | (Millions of yen) | (%) | (Millions of yen) | (%) |
| 1Q of fiscal year ending March 31, 2025 | 204,165 | 13.5 | 8,105 | (19.3) | 17,632 | (0.8) | 12,386 | 20.8 |
| 1Q of fiscal year ended March 31, 2024 | 179,860 | 52.2 | 10,044 | (1.9) | 17,776 | (4.0) | 10,249 | (18.1) |

Note: Comprehensive income (millions of yen): 1Q of fiscal year ending March 31, 2025: 20,166 (64.4%) 1Q of fiscal year ended March 31, 2024: 12,264 ((16.9)%)

| | Earnings per share | Earnings per share (diluted) |
|---|---|---|
| | (Yen) | (Yen) |
| 1Q of fiscal year ending March 31, 2025 | 51.28 | 51.24 |
| 1Q of fiscal year ended March 31, 2024 | 42.60 | 42.58 |

(2) Consolidated financial position

| | Total assets | Total net assets | Equity ratio |
|---|---|---|---|
| | (Millions of yen) | (Millions of yen) | (%) |
| As of June 30, 2024 | 827,863 | 398,373 | 47.9 |
| As of March 31, 2024 | 792,296 | 387,885 | 48.7 |

Reference: Equity (millions of yen): As of June 30, 2024: 396,542 As of March 31, 2024: 386,155

**2. Dividends**

| | Annual dividends per share (Yen) | | | | |
|---|---|---|---|---|---|
| | 1Q term-end | 2Q term-end | 3Q term-end | Term-end | Annual |
| Fiscal year ended March 31, 2024 | – | – | – | 40.00 | 40.00 |
| Fiscal year ending March 31, 2025 | – | | | | |
| Fiscal year ending March 31, 2025 (Forecasts) | | – | – | 40.00 | 40.00 |

Note: Revision to the latest forecast announcement: None

**3. Earnings forecasts for fiscal year ending March 31, 2025 (April 1, 2024 - March 31, 2025)**

Note: Percentage indicates changes from the previous term.

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | | Earnings per share |
|---|---|---|---|---|---|---|---|---|---|
| | (Millions of yen) | (%) | (Millions of yen) | (%) | (Millions of yen) | (%) | (Millions of yen) | (%) | (Yen) |
| Full Year | 830,000 | (0.3) | 26,000 | – | 34,000 | 9,372.9 | 23,000 | – | 95.39 |

Note: Revision to the latest forecast announcement: None

**4. Others**

(1) Important changes in scope of consolidation

(Newly added) None (Excluded) 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

| | |
|---|---|
| (a) Changes due to revisions of accounting standards: | None |
| (b) Changes other than the above (a): | None |
| (c) Changes in accounting estimates: | None |
| (d) Restatement: | None |

(4) Number of shares outstanding

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

| | | | |
|---|---|---|---|
| As of June 30, 2024: | 259,481,819 | As of March 31, 2024: | 259,481,819 |

(b) Number of treasury shares at term-end:

| | | | |
|---|---|---|---|
| As of June 30, 2024: | 17,940,572 | As of March 31, 2024: | 17,940,497 |

(c) Average number of shares outstanding during this period:

| | | | |
|---|---|---|---|
| 1Q of fiscal year ending March 31, 2025: | 241,541,285 | 1Q of fiscal year ended March 31, 2024: | 240,589,275 |

( i ) Review by a certified public accountant or audit firm of the attached quarterly consolidated financial statements: Yes (optional)

( ii ) 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. For the assumptions underlying the performance forecasts, please refer to the "Outline of Financial Results 1Q FY2024" disclosed on TDnet today.

# Consolidated Balance Sheet

| | As of March 31, 2024 | As of June 30, 2024 |
|---|---|---|
| | (Millions of yen) | (Millions of yen) |
| **ASSETS** | | |
| **Current assets** | | |
| Cash and deposits | 324,964 | 366,992 |
| Notes receivable, trade receivables, contract assets and other | 200,819 | 179,623 |
| Costs on construction contracts in progress | 25,304 | 29,015 |
| Merchandise and finished goods | 7,474 | 6,768 |
| Work in process | 3,731 | 4,239 |
| Raw materials and supplies | 4,411 | 4,422 |
| Accounts receivable - other | 28,167 | 30,779 |
| Other | 9,242 | 11,295 |
| Allowance for doubtful accounts | (553) | (547) |
| **Total current assets** | 603,563 | 632,587 |
| **Non-current assets** | | |
| **Property, plant and equipment** | | |
| Buildings and structures | 79,968 | 81,200 |
| Machinery, vehicles, tools, furniture and fixtures | 79,639 | 81,094 |
| Land | 24,862 | 24,938 |
| Leased assets | 3,055 | 2,818 |
| Construction in progress | 3,392 | 4,615 |
| Accumulated depreciation | (106,505) | (108,140) |
| **Total property, plant and equipment** | 84,411 | 86,526 |
| **Intangible assets** | | |
| Software | 13,060 | 13,065 |
| Other | 268 | 249 |
| **Total intangible assets** | 13,328 | 13,315 |
| **Investments and other assets** | | |
| Investment securities | 56,073 | 60,734 |
| Long-term loans receivable | 11,869 | 12,493 |
| Retirement benefit asset | 1,600 | 1,578 |
| Deferred tax assets | 22,834 | 22,066 |
| Other | 22,985 | 24,222 |
| Allowance for doubtful accounts | (24,369) | (25,660) |
| **Total investments and other assets** | 90,993 | 95,434 |
| **Total non-current assets** | 188,733 | 195,275 |
| **Total assets** | 792,296 | 827,863 |

| | As of March 31, 2024 | As of June 30, 2024 |
|---|---|---|
| | (Millions of yen) | (Millions of yen) |
| **LIABILITIES** | | |
| **Current liabilities** | | |
| Notes payable, accounts payable for construction contracts and other | 147,309 | 148,317 |
| Short-term borrowings | 3,817 | 291 |
| Current portion of long-term borrowings | 741 | 779 |
| Income taxes payable | 5,480 | 7,552 |
| Contract liabilities | 95,855 | 111,728 |
| Provision for bonuses | 8,281 | 12,561 |
| Provision for bonuses for directors (and other officers) | 209 | 246 |
| Provision for loss on construction contracts | 48,072 | 45,001 |
| Provision for warranties for completed construction | 1,249 | 1,259 |
| Other | 39,719 | 46,506 |
| **Total current liabilities** | 350,736 | 374,244 |
| **Non-current liabilities** | | |
| Bonds payable | 20,000 | 20,000 |
| Long-term borrowings | 14,717 | 15,566 |
| Retirement benefit liability | 11,486 | 11,950 |
| Provision for retirement benefits for directors (and other officers) | 1,059 | 1,176 |
| Deferred tax liabilities | 2,231 | 2,377 |
| Deferred tax liabilities for land revaluation | 1,014 | 1,014 |
| Other | 3,163 | 3,158 |
| **Total non-current liabilities** | 53,674 | 55,245 |
| **Total liabilities** | 404,410 | 429,489 |
| **NET ASSETS** | | |
| **Shareholders' equity** | | |
| Share capital | 23,798 | 23,798 |
| Capital surplus | 25,378 | 25,378 |
| Retained earnings | 350,511 | 353,236 |
| Treasury shares | (25,485) | (25,485) |
| **Total shareholders' equity** | 374,202 | 376,927 |
| **Accumulated other comprehensive income** | | |
| Valuation difference on available-for-sale securities | 7,410 | 9,924 |
| Deferred gains or losses on hedges | 3,072 | 4,890 |
| Revaluation reserve for land | (10,891) | (10,891) |
| Foreign currency translation adjustment | 11,082 | 14,558 |
| Remeasurements of defined benefit plans | 1,278 | 1,133 |
| **Total accumulated other comprehensive income** | 11,952 | 19,615 |
| **Non-controlling interests** | 1,730 | 1,831 |
| **Total net assets** | 387,885 | 398,373 |
| **Total liabilities and net assets** | 792,296 | 827,863 |

# Consolidated Statement of Income

| | 1Q of fiscal year ended March 31, 2024 (Apr. 1, 2023 - Jun. 30, 2023) | 1Q of fiscal year ending March 31, 2025 (Apr. 1, 2024 - Jun. 30, 2024) |
|---|---|---|
| | (Millions of yen) | (Millions of yen) |
| **Net sales** | 179,860 | 204,165 |
| Cost of sales | 162,017 | 188,584 |
| Gross profit | 17,842 | 15,580 |
| Selling, general and administrative expenses | 7,798 | 7,475 |
| **Operating profit** | 10,044 | 8,105 |
| **Non-operating income** | | |
| Interest income | 3,380 | 4,840 |
| Dividend income | 293 | 240 |
| Foreign exchange gains | 4,035 | 3,969 |
| Share of profit of entities accounted for using equity method | 360 | 755 |
| Other | 112 | 217 |
| **Total non-operating income** | 8,182 | 10,023 |
| **Non-operating expenses** | | |
| Interest expenses | 338 | 356 |
| Other | 111 | 140 |
| **Total non-operating expenses** | 450 | 496 |
| **Ordinary profit** | 17,776 | 17,632 |
| **Extraordinary losses** | | |
| Loss on retirement of non-current assets | 13 | 13 |
| **Total extraordinary losses** | 13 | 13 |
| **Profit before income taxes** | 17,763 | 17,618 |
| **Income taxes** | 7,504 | 5,219 |
| **Profit** | 10,258 | 12,399 |
| **Profit attributable to non-controlling interests** | 8 | 12 |
| **Profit attributable to owners of parent** | 10,249 | 12,386 |

# Consolidated Statement of Comprehensive Income

| | 1Q of fiscal year ended March 31, 2024 (Apr. 1, 2023 - Jun. 30, 2023) | 1Q of fiscal year ending March 31, 2025 (Apr. 1, 2024 - Jun. 30, 2024) |
|---|---|---|
| | (Millions of yen) | (Millions of yen) |
| **Profit** | 10,258 | 12,399 |
| **Other comprehensive income** | | |
| Valuation difference on available-for-sale securities | 615 | 795 |
| Deferred gains or losses on hedges | 1,208 | 1,327 |
| Foreign currency translation adjustment | 1,127 | 3,065 |
| Remeasurements of defined benefit plans | (70) | (142) |
| Share of other comprehensive income of entities accounted for using equity method | (875) | 2,722 |
| **Total other comprehensive income** | 2,005 | 7,767 |
| **Comprehensive income** | 12,264 | 20,166 |
| **Comprehensive income attributable to** | | |
| Comprehensive income attributable to owners of parent | 12,172 | 20,049 |
| Comprehensive income attributable to non-controlling interests | 91 | 117 |

# Segment Information

1Q of fiscal year ended March 31, 2024 (April 1, 2023 - June 30, 2023) (Millions of yen)

| | Reportable segment | | | Others | Total | Adjustment | Consolidated |
|---|---|---|---|---|---|---|---|
| | Total Engineering | Functional Materials Manufacturing | Subtotal | | | | |
| Net sales | | | | | | | |
| Sales to external customers | 164,591 | 14,434 | 179,026 | 833 | 179,860 | – | 179,860 |
| Inter-segment sales or transfers | 2 | 1 | 3 | 929 | 933 | (933) | – |
| Total | 164,593 | 14,436 | 179,030 | 1,762 | 180,793 | (933) | 179,860 |
| Segment profit | 8,789 | 2,593 | 11,383 | 345 | 11,728 | (1,684) | 10,044 |

Notes:

1. "Others" includes business activities of consulting, management of real estate, water desalination, and production and sale of oil and gas.
2. Adjustments to segment profit include corporate expenses not allocated to individual segments and the elimination of transactions between segments.
3. Segment profit is reconciled to operating profit on the consolidated statement of income.

1Q of fiscal year ending March 31, 2025 (April 1, 2024- June 30, 2024) (Millions of yen)

| | Reportable segment | | | Others | Total | Adjustment | Consolidated |
|---|---|---|---|---|---|---|---|
| | Total Engineering | Functional Materials Manufacturing | Subtotal | | | | |
| Net sales | | | | | | | |
| Sales to external customers | 188,225 | 14,999 | 203,225 | 939 | 204,165 | – | 204,165 |
| Inter-segment sales or transfers | 0 | 0 | 0 | 827 | 827 | (827) | – |
| Total | 188,225 | 14,999 | 203,225 | 1,767 | 204,992 | (827) | 204,165 |
| Segment profit | 7,581 | 2,402 | 9,984 | 308 | 10,293 | (2,187) | 8,105 |

Notes:

1. "Others" includes business activities of consulting, management of real estate, water desalination, and production and sale of oil and gas.
2. Adjustments to segment profit include corporate expenses not allocated to individual segments and the elimination of transactions between segments.
3. Segment profit is reconciled to operating profit on the consolidated statement of income.

# Sales, Orders Received and Backlog (Consolidated)

(Millions of yen)

| Business area | | March 31, 2024 | June 30, 2024 | | |
|---|---|---|---|---|---|
| | | Outstanding Contracts | New Contracts | Sales | Outstanding Contracts |
| Total Engineering Business | | 1,243,957 | 288,205 | 188,225 | 1,432,328 |
| Domestic | Energy Transition | | | | |
| | Oil and gas | 5,766 | 8,793 | 3,067 | 11,491 |
| | LNG | – | – | – | – |
| | Chemical | 13,496 | 6,652 | 7,482 | 12,666 |
| | Clean energy | 97,469 | 4,006 | 21,638 | 79,837 |
| | Others | 472 | 676 | 130 | 1,018 |
| | Subtotal | 117,204 | 20,129 | 32,320 | 105,014 |
| | Healthcare & life sciences | 85,414 | 913 | 7,307 | 79,019 |
| | Industrial & urban infrastructure | 7,401 | 1,948 | 299 | 9,050 |
| | Others | 24 | 146 | 52 | 119 |
| | Domestic Subtotal | 210,045 | 23,137 | 39,979 | 193,203 |
| Overseas | Energy Transition | | | | |
| | Oil and gas | 570,862 | 6,174 | 67,655 | 545,081 |
| | LNG | 270,722 | 253,861 | 51,295 | 515,638 |
| | Chemical | 170,243 | 672 | 22,110 | 158,359 |
| | Clean energy | 9,517 | 56 | 1,084 | 8,741 |
| | Others | 2,897 | 1,421 | 530 | 3,953 |
| | Subtotal | 1,024,243 | 262,186 | 142,675 | 1,231,775 |
| | Healthcare & life sciences | 7,570 | 651 | 4,835 | 3,602 |
| | Industrial & urban infrastructure | 1,855 | 2,209 | 696 | 3,449 |
| | Others | 242 | 20 | 39 | 297 |
| | Overseas Subtotal | 1,033,912 | 265,067 | 148,246 | 1,239,124 |
| Functional Materials Manufacturing Business | | 8,660 | 15,079 | 14,999 | 8,754 |
| Other Businesses | | 835 | 3,916 | 939 | 3,787 |
| Grand Total | | 1,253,452 | 307,201 | 204,165 | 1,444,869 |

Notes:

1. The figure for outstanding contracts for "Total Engineering Business" at the end of the first quarter of the current consolidated fiscal year includes an upward adjustment of ¥88,391 million due to foreign currency translation, amendments and changes in contract amounts and others in the first quarter of the current consolidated fiscal year.
2. The figure for outstanding contracts for "Functional Materials Manufacturing Business" at the end of the first quarter of the current consolidated fiscal year includes an upward adjustment of ¥14 million due to foreign currency translation, amendments and changes in contract amounts and others in the first quarter of the current consolidated fiscal year.
3. The figure for outstanding contracts for "Other Businesses" at the end of the first quarter of the current consolidated fiscal year includes a downward adjustment of ¥24 million due to foreign currency translation, amendments and changes in contract amounts and others in the first quarter of the current consolidated fiscal year.