[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.)

November 12, 2024

Summary-Consolidated Second 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 2Q of fiscal year ending March 31, 2025 (April 1, 2024 - September 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)	(%)
2Q of fiscal year ending March 31, 2025	406,708	0.9	12,420	(4.5)	19,356	(23.8)	12,772	1.5
2Q of fiscal year ended March 31, 2024	403,261	50.9	13,007	(31.5)	25,401	(16.7)	12,588	(39.3)

Note: Comprehensive income (millions of yen): 2Q of fiscal year ending March 31, 2025: 16,695 (6.6%) 2Q of fiscal year ended March 31, 2024: 15,661 ((38.1)%)

	Earnings per share	Earnings per share (diluted)
	(Yen)	(Yen)
2Q of fiscal year ending March 31, 2025	52.87	52.84
2Q of fiscal year ended March 31, 2024	52.29	52.27

(2) Consolidated financial position

	Total assets	Total net assets	Equity ratio
	(Millions of yen)	(Millions of yen)	(%)
As of September 30, 2024	804,925	395,077	48.9
As of March 31, 2024	792,296	387,885	48.7

Reference: Equity (millions of yen): As of September 30, 2024: 393,525 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 September 30, 2024:	259,618,792	As of March 31, 2024:	259,481,819

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

As of September 30, 2024:	17,940,664	As of March 31, 2024:	17,940,497

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

2Q of fiscal year ending March 31, 2025:	241,580,379	2Q of fiscal year ended March 31, 2024:	240,735,537

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

(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 perfomance forecasts, please refer to the "Outline of Half Year Financial Results for FY2024" disclosed on TDnet today.

Consolidated Balance Sheet

	As of March 31, 2024	As of September 30, 2024
	(Millions of yen)	(Millions of yen)
ASSETS		
Current assets		
Cash and deposits	324,964	356,797
Notes receivable, trade receivables, contract assets and other	200,819	154,787
Costs on construction contracts in progress	25,304	27,826
Merchandise and finished goods	7,474	7,155
Work in process	3,731	5,123
Raw materials and supplies	4,411	5,557
Accounts receivable - other	28,167	35,860
Other	9,242	13,147
Allowance for doubtful accounts	(553)	(566)
Total current assets	603,563	605,688
Non-current assets		
Property, plant and equipment		
Buildings and structures	79,968	80,107
Machinery, vehicles, tools, furniture and fixtures	79,639	80,782
Land	24,862	25,009
Leased assets	3,055	2,818
Construction in progress	3,392	6,430
Accumulated depreciation	(106,505)	(109,360)
Total property, plant and equipment	84,411	85,787
Intangible assets		
Software	13,060	13,382
Other	268	231
Total intangible assets	13,328	13,614
Investments and other assets		
Investment securities	56,073	66,258
Long-term loans receivable	11,869	11,967
Retirement benefit asset	1,600	1,544
Deferred tax assets	22,834	25,156
Other	22,985	19,014
Allowance for doubtful accounts	(24,369)	(24,107)
Total investments and other assets	90,993	99,834
Total non-current assets	188,733	199,236
Total assets	792,296	804,925

	As of March 31, 2024	As of September 30, 2024
	(Millions of yen)	(Millions of yen)
LIABILITIES		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	147,309	131,565
Short-term borrowings	3,817	254
Current portion of bonds payable	—	10,000
Current portion of long-term borrowings	741	721
Income taxes payable	5,480	11,234
Contract liabilities	95,855	119,053
Provision for bonuses	8,281	9,178
Provision for bonuses for directors (and other officers)	209	97
Provision for loss on construction contracts	48,072	37,110
Provision for warranties for completed construction	1,249	1,148
Other	39,719	46,626
Total current liabilities	350,736	366,990
Non-current liabilities		
Bonds payable	20,000	10,000
Long-term borrowings	14,717	13,677
Retirement benefit liability	11,486	12,146
Provision for retirement benefits for directors (and other officers)	1,059	1,117
Deferred tax liabilities	2,231	2,186
Deferred tax liabilities for land revaluation	1,014	1,014
Other	3,163	2,714
Total non-current liabilities	53,674	42,856
Total liabilities	404,410	409,847
NET ASSETS		
Shareholders' equity		
Share capital	23,798	23,885
Capital surplus	25,378	25,465
Retained earnings	350,511	353,621
Treasury shares	(25,485)	(25,486)
Total shareholders' equity	374,202	377,486
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,410	14,847
Deferred gains or losses on hedges	3,072	(1,938)
Revaluation reserve for land	(10,891)	(10,891)
Foreign currency translation adjustment	11,082	13,043
Remeasurements of defined benefit plans	1,278	977
Total accumulated other comprehensive income	11,952	16,038
Non-controlling interests	1,730	1,552
Total net assets	387,885	395,077
Total liabilities and net assets	792,296	804,925

Consolidated Statement of Income

	2Q of fiscal year ended March 31, 2024 (Apr. 1, 2023 - Sep. 30, 2023)	2Q of fiscal year ending March 31, 2025 (Apr. 1, 2024 - Sep. 30, 2024)
	(Millions of yen)	(Millions of yen)
Net sales	403,261	406,708
Cost of sales	374,813	379,341
Gross profit	28,447	27,366
Selling, general and administrative expenses	15,440	14,945
Operating profit	13,007	12,420
Non-operating income		
Interest income	7,581	8,574
Dividend income	364	420
Foreign exchange gains	4,221	—
Share of profit of entities accounted for using equity method	796	1,412
Other	259	788
Total non-operating income	13,223	11,196
Non-operating expenses		
Interest expenses	625	646
Foreign exchange losses	—	3,415
Other	203	198
Total non-operating expenses	829	4,260
Ordinary profit	25,401	19,356
Extraordinary losses		
Loss on retirement of non-current assets	30	27
Loss on valuation of investment securities	18	—
Total extraordinary losses	48	27
Profit before income taxes	25,353	19,329
Income taxes	12,790	6,570
Profit	12,562	12,758
Loss attributable to non-controlling interests	(26)	(13)
Profit attributable to owners of parent	12,588	12,772

Consolidated Statement of Comprehensive Income

	2Q of fiscal year ended March 31, 2024 (Apr. 1, 2023 - Sep. 30, 2023)	2Q of fiscal year ending March 31, 2025 (Apr. 1, 2024 - Sep. 30, 2024)
	(Millions of yen)	(Millions of yen)
Profit	12,562	12,758
Other comprehensive income		
Valuation difference on available-for-sale securities	1,733	(203)
Deferred gains or losses on hedges	1,067	(5,392)
Foreign currency translation adjustment	2,080	1,108
Remeasurements of defined benefit plans	(188)	(295)
Share of other comprehensive income of entities accounted for using equity method	(1,594)	8,718
Total other comprehensive income	3,099	3,936
Comprehensive income	15,661	16,695
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	15,485	16,858
Comprehensive income attributable to non-controlling interests	176	(163)

Consolidated Statement of Cash Flows

	2Q of fiscal year ended March 31, 2024 (Apr. 1, 2023 - Sep. 30, 2023) (Millions of yen)	2Q of fiscal year ending March 31, 2025 (Apr. 1, 2024- Sep. 30, 2024) (Millions of yen)
Cash flows from operating activities		
Profit before income taxes	25,353	19,329
Depreciation	4,312	4,940
Increase (decrease) in allowance for doubtful accounts	1,600	(874)
Interest and dividend income	(7,946)	(8,995)
Interest expenses	625	646
Foreign exchange losses (gains)	(8,642)	1,962
Share of loss (profit) of entities accounted for using equity method	(796)	(1,412)
Decrease (increase) in notes receivable, trade receivables, contract assets and other	(15,800)	48,683
Decrease (increase) in inventories	243	(3,302)
Increase (decrease) in notes and accounts payable - trade	36,963	(18,820)
Increase (decrease) in retirement benefit liability	78	311
Increase (decrease) in provision for loss on construction contracts	9,294	(12,777)
Increase (decrease) in contract liabilities	(21,920)	21,700
Decrease (increase) in accounts recievable - other	(6,463)	(6,145)
Increase (decrease) in accounts payable - other	6,262	2,434
Other, net	(9,022)	3,441
Subtotal	14,140	51,122
Interest and dividends received	9,117	10,306
Interest paid	(606)	(618)
Income taxes paid	(6,373)	(2,504)
Cash flows from operating activities	16,277	58,307
Cash flows from investing activities		
Purchase of property, plant and equipment	(7,176)	(4,863)
Purchase of investment securities	(4,535)	(1,571)
Purchase of intangible assets	(2,908)	(2,135)
Proceeds from capital reduction of investments	1,102	367
Other, net	208	(4)
Cash flows from investing activities	(13,309)	(8,207)
Cash flows from financing activities		
Repayments of long-term borrowings	(302)	(395)
Proceeds from issuance of bonds	10,000	—
Redemption of bonds	(10,000)	—
Dividends paid	(9,133)	(9,671)
Dividends paid to non-controlling interests	(19)	(18)
Net increase (decrease) in short-term borrowings	(1,835)	(4,290)
Other, net	(344)	(345)
Cash flows from financing activities	(11,636)	(14,722)
Effect of exchange rate change on cash and cash equivalents	9,593	(3,753)
Net increase (decrease) in cash and cash equivalents	926	31,623
Cash and cash equivalents at beginning of period	332,755	324,507
Cash and cash equivalents at end of period	333,682	356,130

Segment Information

【 Information by reportable segment 】

2Q of fiscal year ended March 31, 2024 (April 1, 2023 - September 30, 2023) (Millions of yen)

	Reportable segment			Others	Total	Adjustment	Consolidated
	Total Engineering	Functional Materials Manufacturing	Subtotal				
Net sales							
Sales to external customers	375,585	25,773	401,359	1,901	403,261	—	403,261
Inter-segment sales or transfers	6	4	10	1,826	1,837	(1,837)	—
Total	375,592	25,777	401,369	3,728	405,098	(1,837)	403,261
Segment profit	12,280	3,767	16,048	627	16,675	(3,667)	13,007

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.

2Q of fiscal year ending March 31, 2025 (April 1, 2024 - September 30, 2024) (Millions of yen)

	Reportable segment			Others	Total	Adjustment	Consolidated
	Total Engineering	Functional Materials Manufacturing	Subtotal				
Net sales							
Sales to external customers	378,214	26,530	404,745	1,963	406,708	—	406,708
Inter-segment sales or transfers	1	0	1	1,725	1,726	(1,726)	—
Total	378,216	26,530	404,746	3,688	408,435	(1,726)	406,708
Segment profit	11,806	3,796	15,603	540	16,144	(3,723)	12,420

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	September 30, 2024		
		Outstanding Contracts	New Contracts	Sales	Outstanding Contracts
Total Engineering Business		1,243,957	371,652	378,214	1,234,422
Domestic	Energy Transition				
	Oil and gas	5,766	18,385	8,905	15,247
	LNG	—	—	—	—
	Chemical	13,496	9,645	17,210	5,931
	Clean energy	97,469	7,041	37,305	67,205
	Others	472	824	523	774
	Subtotal	117,204	35,897	63,944	89,158
	Healthcare & life sciences	85,414	2,160	17,120	70,453
	Industrial & urban infrastructure	7,401	2,770	738	9,433
	Others	24	147	143	28
	Domestic Subtotal	210,045	40,976	81,946	169,075
Overseas	Energy Transition				
	Oil and gas	570,862	9,752	133,368	439,619
	LNG	270,722	301,603	97,040	462,996
	Chemical	170,243	13,166	52,234	146,852
	Clean energy	9,517	98	3,215	6,904
	Others	2,897	1,607	1,568	3,208
	Subtotal	1,024,243	326,228	287,426	1,059,582
	Healthcare & life sciences	7,570	1,508	7,075	2,331
	Industrial & urban infrastructure	1,855	2,928	1,679	3,191
	Others	242	11	87	242
	Overseas Subtotal	1,033,912	330,676	296,268	1,065,346
Functional Materials Manufacturing Business		8,660	27,243	26,530	9,301
Other Businesses		835	5,248	1,963	4,208
Grand Total		1,253,452	404,145	406,708	1,247,932

Notes:

1. The figure for outstanding contracts for "Total Engineering Business" at the end of the second quarter of the current consolidated fiscal year includes an downward adjustment of ¥2,973 million due to foreign currency translation, amendments and changes in contract amounts and others in the second quarter of the current consolidated fiscal year.
2. The figure for outstanding contracts for "Functional Materials Manufacturing Business" at the end of the second quarter of the current consolidated fiscal year includes an downward adjustment of ¥71 million due to foreign currency translation, amendments and changes in contract amounts and others in the second quarter of the current consolidated fiscal year.
3. The figure for outstanding contracts for "Other Businesses" at the end of the second quarter of the current consolidated fiscal year includes an upward adjustment of ¥88 million due to foreign currency translation, amendments and changes in contract amounts and others in the second quarter of the current consolidated fiscal year.