

Translation

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In the case that there is any discrepancy between the Japanese and English versions, the Japanese version is assumed to be correct.



Outline of 2nd Quarter Financial Results for Fiscal Year 2018

April 1, 2018 – September 30, 2018

Nov 8, 2018
JGC CORPORATION

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1. Income and Comprehensive Income

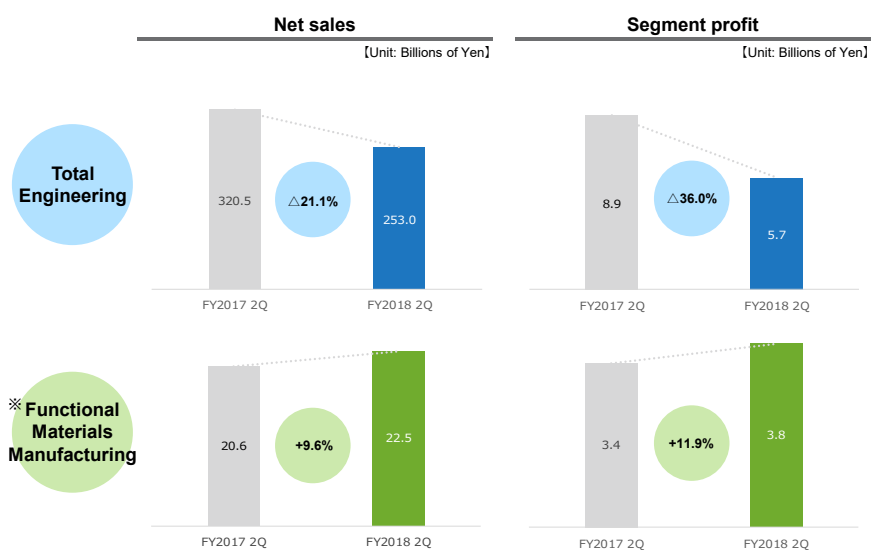


[Unit: Billions of Yen]

	FY2017 2Q	FY2018 2Q	Difference
Net sales	344.8	278.3	△ 66.5
Gross profit	24.7	20.5	△ 4.1
Profit ratio	7.2%	7.4%	+0.2pt
Operating income	13.5	10.3	△ 3.2
Ordinary income	17.9	15.9	△ 1.9
Profit attributable to owners of the parent	12.4	7.0	△ 5.3
Profit	12.5	7.1	△ 5.3
Other comprehensive income	2.8	1.4	△ 1.3
Comprehensive income	15.3	8.6	△ 6.7

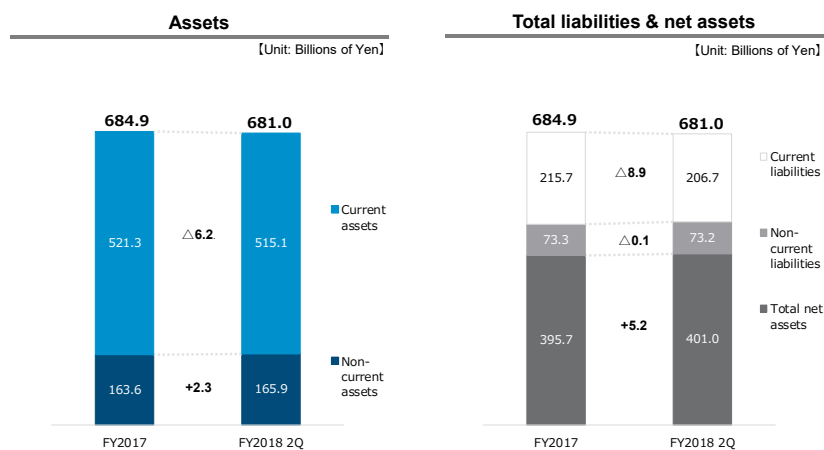
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2. Segment Information



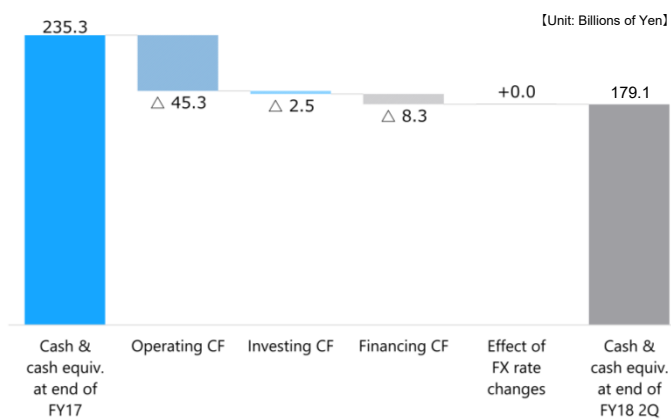
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3. Balance Sheets



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4. Cash flows



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5. Outline of Contracts



i) New Contracts

[Unit: Billions of Yen]

	FY2018 2Q	FY2018 Forecast
Overseas	117.5	850.0
Domestic	58.5	150.0
Total	176.0	1,000.0

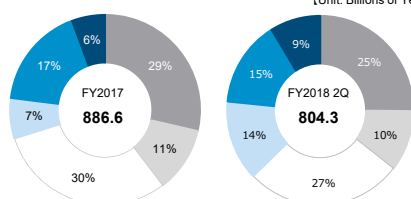
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ii) Outstanding Contracts



By Business Area

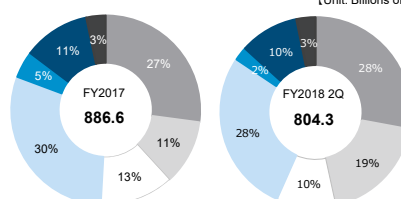
[Unit: Billions of Yen]



	FY2017	FY2018 2Q
Oil & Gas development	253.4	202.3
Petroleum refining	97.9	82.8
LNG	270.4	220.0
Chemical	61.0	110.4
Power generation, nuclear power and new energy	153.7	118.5
Others	50.0	70.0

By Region

[Unit: Billions of Yen]



	FY2017	FY2018 2Q
Japan	240.3	224.4
South East Asia	98.1	149.9
Middle East	112.3	81.5
Africa	264.5	222.7
Oceania	40.5	18.6
Europe & CIS	101.2	81.0
North America & Others	29.3	25.8

	Over 100 Billion Yen	Over 50 Billion Yen	Over 30 Billion Yen
FY2018 1Q Major Contracts		FLNG (Mozambique) LNG (Russia) Gas Booster (Algeria) Chemicals (South East Asia)	Crude Oil Gathering, Processing (Algeria) Oil Refining (Kuwait) Mega Solar (Japan)

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6. Forecasts for Fiscal Year 2018



[Unit: Billions of Yen]

	Forecast (Previous)	Forecast (Current)
Net Sales	700	640
Gross Profit	45	43
Profit ratio	6.4%	6.7%
Operating income	23	22
Ordinary income	29	29
Income attributable to owners of the parent	10	10
New contract	1,000	1,000
Annual dividend per share	¥12.00	¥12.00
Forecasts based on (¥/US\$)	¥108.00	¥110.00

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7. Other



Status & Risks of Ichthys LNG Project

Client	Ichthys LNG (Subsidiary of INPEX)
Contractor	Joint Venture of JGC(40%), KBR(30%), and Chiyoda(30%)
Status	Handover to Client completed in FY2018 2Q
Risk ①	Additional costs incurred due to increase in service scope and other factors, should be reimbursed by Client under the agreement. Some parts of the costs are disputed by Client, and these unsettled claims are currently the subject of an arbitration process.
Risk ②	Costs incurred from taking over Combined Cycle Power Plant design and construction from the initial subcontractor who walked away from its subcontract agreement are in dispute, and our claims regarding these costs are currently the subject of an arbitration process.

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Appendix

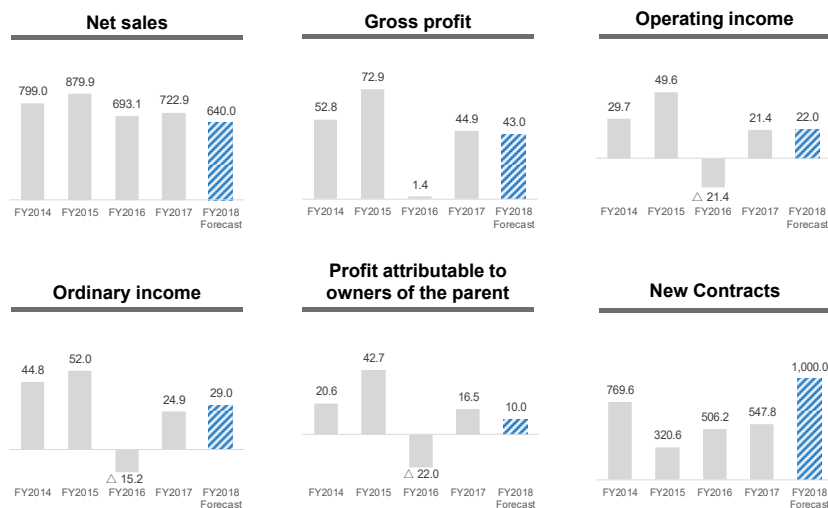
Reference (Net sales & New Contracts by Region)

Net sales				New Contracts					
	【Unit: Billions of Yen】				【Unit: Billions of Yen】				
	FY2017 2Q		FY2018 2Q		FY2017 2Q		FY2018 2Q		
Japan	60.0	(17.4%)	88.1	(31.6%)	Japan	67.9	(19.3%)	58.5	(33.2%)
South East Asia	36.0	(10.5%)	23.4	(8.4%)	South East Asia	6.7	(1.9%)	74.7	(42.4%)
Oceania	79.3	(23.0%)	34.1	(12.4%)	Oceania	56.1	(16.0%)	11.7	(6.6%)
Africa	26.7	(7.8%)	49.2	(17.6%)	Africa	178.2	(50.7%)	1.5	(1.1%)
Middle East	55.7	(16.2%)	36.7	(13.2%)	Middle East	20.5	(5.8%)	3.5	(2.1%)
Europe & CIS	55.9	(16.2%)	37.7	(13.6%)	Europe & CIS	18.4	(5.2%)	22.4	(12.7%)
North America & Others	30.9	(8.9%)	8.8	(3.2%)	North America & Others	3.2	(1.1%)	3.4	(1.9%)
Total	344.8	(100.0%)	278.3	(100.0%)	Total	351.4	(100.0%)	176.0	(100.0%)

Reference (Historical data chart)



[Unit: Billions of Yen]



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Cautionary Statement



This presentation may contain forward-looking statements that reflect JGC's plans and expectations.

Such statements are based on currently available information and current assumptions of future events which may not prove to be accurate. Such statements are also subject to various risks and uncertainties that could cause actual results to differ materially from those forward-looking statements.

JGC Corporation undertakes no obligation to update any forward-looking statements after the date of this presentation. These potential risks and uncertainties include, but are not limited to:

- changes in general economic conditions, including foreign currency exchange rates, interest rates and other factors that could affect our profitability
- changes in government regulations or tax laws in jurisdictions where we conduct business

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