

JGC Corporation

Outline of Financial Results Fiscal 2005 Interim

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1. Summary of Business Conditions



(billion yen)

		<u>05/1H</u>	<u>04/1H</u>	<u>Diff.</u>
Higher Sales-Higher Profits				
(Year on year)	Net sales	250.2	181.7	+68.5
	Operating income	9.9	4.9	+4.9
	Ordinary income	12.7	7.4	+5.2
	Net income	9.4	5.2	+4.1

➤ Increase in net sales

Higher sales through robust new contract volume

➤ Increase in operating income

Higher gross profit (stronger performance, currency exchange) resulting from increase in net sales

➤ Non-operating and extraordinary income (net)

Interest and dividends received, exchange gain, and equity in earnings of affiliates

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2. Outline of Statements of Income



(billion yen)

		<u>05/1H</u>	<u>04/1H</u>	<u>Diff.</u>	<u>Forecast</u>	<u>Comparison with forecast</u>
Consolidated	Net sales	250.2	181.7	+68.5	240.0	+10.2
	Operating income	9.9	4.9	+4.9	7.0	+2.9
	(Profit ratio)	(4.0%)	(2.7%)	(+1.3)	(2.9%)	(+1.1)
	Ordinary income	12.7	7.4	+5.2	8.5	+4.2
	Net income	9.4	5.2	+4.1	5.0	+4.4
Non-Consolidated	Net sales	220.3	160.1	+60.2	220.0	+0.3
	Operating income	6.1	3.1	+2.9	5.0	+1.1
	(Profit ratio)	(2.8%)	(2.0%)	(+0.8)	(2.3%)	(+0.5)
	Ordinary income	9.4	5.8	+3.6	7.4	+2.0
	Net income	7.1	4.6	+2.5	4.6	+2.5

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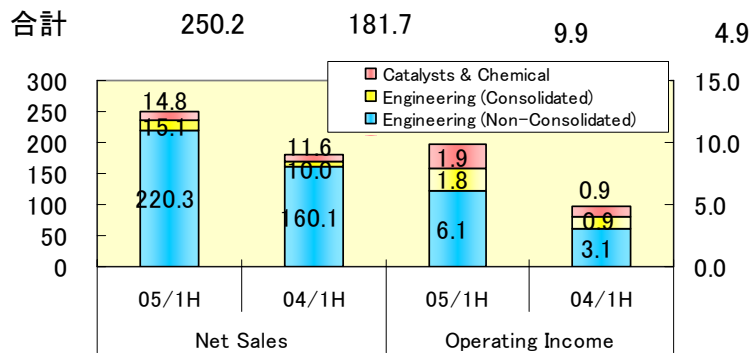
2-1. Segment Information



(1) By Business Segment

(billion yen)

	05/1H	04/1H	05/1H	04/1H
Total Engineering (Non-consolidated)	235.4 (220.3)	170.1 (160.1)	7.9 (6.1)	4.0 (3.1)
Catalyst & Chemical Products	14.8 [6%]	11.6 [6%]	1.9 [19%]	0.9 [19%]



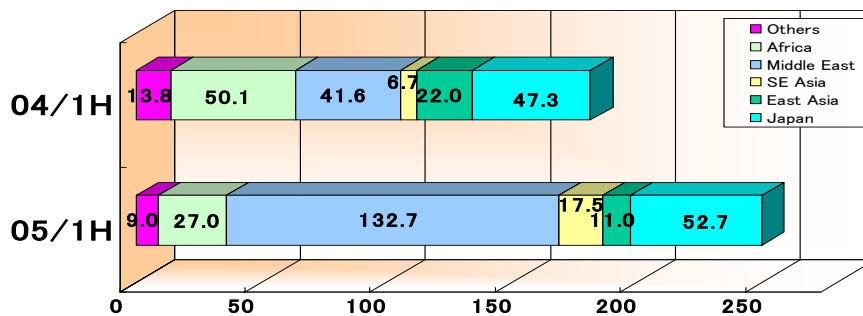
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(2) By Geographic Segment



(billion yen)

	05/1H	(%)	04/1H	(%)
Sales in Japan (Non-consolidated)	52.7 (26.4)	21% (12%)	47.3 (28.7)	26% (18%)
Overseas sales (Non-consolidated)	197.5 (193.9)	79% (88%)	134.3 (131.4)	74% (82%)
Total (Non-consolidated)	250.2 (220.3)		181.7 (160.1)	



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2-2. Fluctuations in Management Indexes

	<u>05/1H</u>	<u>FY2004</u>	<u>04/1H</u>
◎ Gross profit ratio	<u>7.0%</u>	<u>6.5%</u>	<u>6.7%</u>
◎ Return on equity (ROE)	<u>6.1%</u>	<u>7.8%</u>	<u>3.7%</u>
◎ Earnings per share	<u>¥37.24</u>	<u>¥44.93</u>	<u>¥20.74</u>
◎ Dividend payout ratio (Non-consolidated)	<u>—%</u>	<u>24.8%</u>	<u>—%</u>

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3. Outline of Balance Sheets

(billion yen)

Current assets [62%] 233.5 (196.0)	Current liabilities [46%] 170.9 (152.0)
	Fixed liabilities 40.8 (34.4) [11%]
	Minority interests 0.2 (-) [0%]
Fixed assets [38%] 141.8 (137.0)	Shareholders' equity 163.2 (146.6) [43%]
Total assets 375.3 (333.0)	Total 375.3 (333.0)

Cash and cash equivalents: ¥76.8 (Mar 31, 2005: 68.9 +7.9)
 Interest-bearing debt: ¥16.8 (Mar 31, 2005: 16.2 +0.5)
 Shareholders equity: ¥163.2 (Mar 31, 2005: 151.1 +12.1)

Note: Figures enclosed in parentheses are non-consolidated; figures enclosed in brackets are ratios to total assets.

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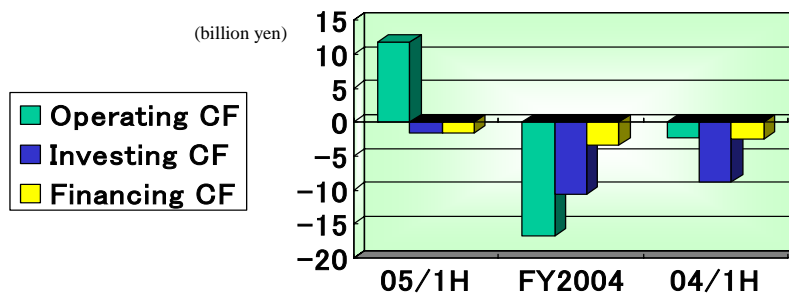
3-2. Fluctuations in Main Balance-Sheet Indexes

	<u>05/1H</u>	<u>FY2004</u>	<u>04/1H</u>
◎ Current ratio	<u>137%</u>	<u>132%</u>	<u>126%</u>
◎ Fixed assets ratio	<u>87%</u>	<u>90%</u>	<u>95%</u>
◎ Equity ratio	<u>43%</u>	<u>41%</u>	<u>38%</u>
◎ Shareholders' equity per share	<u>¥642</u>	<u>¥595</u>	<u>¥584</u>

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4. Outline of Cash Flows

	<u>05/1H</u>	<u>FY2004</u>	<u>04/1H</u>
◎ Operating cash flows	11.8	-16.8	-2.3
◎ Investing cash flows	-1.6	-10.6	-8.8
◎ Financing cash flows	-1.6	-3.4	-2.5
◎ Effect of exchange rate changes	-0.4	-0.1	0.7
Net cash increase (decrease)	7.9	-31.0	-13.0
◎ Cash and cash equivalents at end of year	76.8	68.9	86.9



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5. Outline of New Contracts

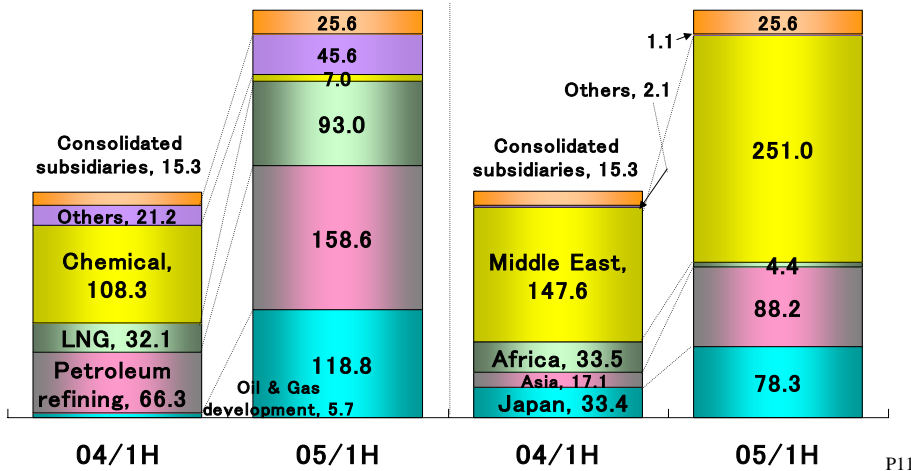


5-1. Summary of New Contracts

New contracts: 448.8 billion yen (04/1H 249.1)

By Business segment

By geographic segment



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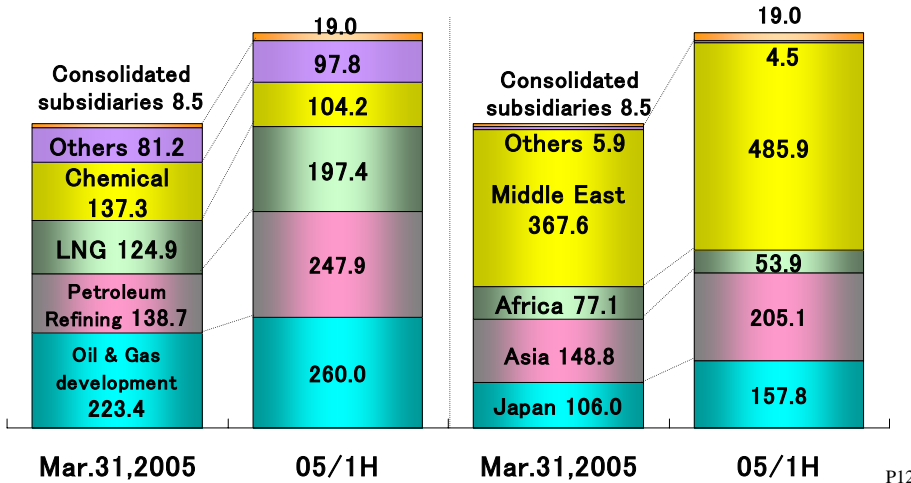
5-2. Summary of Outstanding Contracts



05/1H 714.1 billion yen (Mar. 31, 2005: 926.5)

By Business segment

By geographic segment



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6. Targets for Fiscal 2005



(billion yen)

	FY2005 Forecast	FY2004	Diff.
Consolidated			
Net Sales	490.0	435.1	54.8
Ordinary income	21.0	16.0	4.9
Net income	13.5	11.5	1.9
Net contracts	650.0	469.5	180.4
Non-Consolidated			
Net Sales	430.0	386.0	43.9
Ordinary income	16.0	10.8	5.1
Net income	10.0	8.6	1.3
Net contracts	620.0	439.3	180.6
Dividends	¥10	¥8.5	¥1.5

*Forecast based on : ¥107/\$

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Note on future outlook



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