

Non-Consolidated Interim Financial Statements--Summary

November 19, 2003

(For the fiscal year ending March 31, 2004)

The following statements are an English-language translation from the original Japanese-language document.
(All financial information has been prepared in accordance with accounting principles generally accepted in Japan.)

Name of listed company: **JGC Corporation**

Code Number: **1963**

Representative

Title: **Chairman and Chief Executive Officer**

Name: **Yoshihiro Shigehisa**

Contact

Title: **Associate Director, Finance & Accounting Department**

Name: **Yasumasa Saito**

Board of Directors meeting: **November 19, 2003**

Stock exchange: **Tokyo**

Head office: **Tokyo**

Tel: **045-682-1111**

URL: <http://www.jgc.co.jp>

Interim dividend system: **No**

Investment unit system: **Yes**

One investment unit = 1,000 shares

1. Business results for the interim term (April 1, 2003–September 30, 2003)

(1) Non-consolidated financial results

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

	Net sales		Operating income		Ordinary income	
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
Sep. 2003 interim term	171,581	2.8	6,364	25.9	6,397	23.3
Sep. 2002 interim term	166,893	32.2	5,053	(16.0)	5,189	(24.9)
Mar. 2003 term	338,945		13,163		14,008	

	Net income		Earnings per share (Yen)
	(Millions of yen)	(%)	
Sep. 2003 interim term	4,851	51.8	19.07
Sep. 2002 interim term	3,196	(34.6)	12.37
Mar. 2003 term	5,307		20.13

Notes:

①Average number of shares outstanding (non-consolidated):

Sep. 2003 interim term: 254,412,582 Sep. 2002 interim term: 258,439,754 Mar. 2003 term: 257,346,597

②Change in accounting methods: None

③Percentages for net sales, operating income, ordinary income and net income indicate changes from the previous corresponding term.

(2) Dividends

	Annual dividends per share		
		Interim	Term-end
Sep. 2003 interim term	–	–	–
Sep. 2002 interim term	–	–	–
Mar. 2003 term	–	–	6.00

(3) Non-consolidated financial position

	Total assets (Millions of yen)	Shareholders' equity (Millions of yen)	Shareholders' equity/total assets (%)	Shareholders' equity per share (Yen)
Sep. 2003 interim term	307,671	127,912	41.6	503.38
Sep. 2002 interim term	299,826	122,189	40.8	474.02
Mar. 2003 term	303,526	121,984	40.2	479.13

Notes:

①Number of shares outstanding at term-end (non-consolidated):

Sep. 2003 interim term: 254,108,257 Sep. 2002 interim term: 257,772,645 Mar. 2003 term: 254,597,259

②Number of shares repurchased at term-end:

Sep. 2003 interim term: 4,853,768 Sep. 2002 interim term: 1,123,268 Mar. 2003 term: 4,356,502

2. Forecast for fiscal 2003 (April 1, 2003–March 31, 2004)

	Net sales	Ordinary income	Net income	Annual dividends per share	
	(Millions of yen)	(Millions of yen)	(Millions of yen)	Year-end (Yen)	(Yen)
Entire term	350,000	13,000	8,300	8.00	8.00

Reference: Estimated earnings per share (yen, fiscal 2003): 32.66

Note: 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.

Non-Consolidated Balance Sheets

ASSETS

	September 30, 2003 (Millions of yen)	September 30, 2002 (Millions of yen)	March 31, 2003 (Millions of yen)
Current assets:	¥195,229	¥182,769	¥193,500
Cash	46,755	35,034	61,473
Notes receivable	62	1,110	1,146
Accounts receivable for completed works	51,338	56,701	46,319
Marketable securities	19,515	20,584	22,515
Contract works in progress	68,330	59,721	55,266
Other receivables	5,496	3,544	5,891
Deferred tax assets	4,137	3,628	4,332
Other current assets	8,173	10,403	5,920
Allowance for doubtful accounts	(8,581)	(7,959)	(9,365)
Fixed assets:	112,440	117,058	110,026
Tangible fixed assets:	58,642	61,029	59,766
Buildings and structures	33,040	34,879	33,993
Machinery and vehicles	602	616	575
Tools and equipment	1,169	1,325	1,271
Land	23,789	24,063	23,789
Construction in progress	40	144	135
Intangible fixed assets:	2,091	1,169	1,638
Software	2,048	1,125	1,595
Other intangible fixed assets	43	44	43
Investments and other assets:	51,706	54,858	48,620
Investment securities	22,201	23,677	17,501
Investment in subsidiaries	10,989	9,697	9,886
Long-term loans receivable	7,775	9,048	8,560
Deferred tax assets	9,762	10,718	11,779
Deferred tax assets for land revaluation	1,264	1,337	1,264
Other investments and other assets	2,762	3,341	3,128
Allowance for doubtful accounts	(3,048)	(2,963)	(3,501)
Total assets	¥307,671	¥299,826	¥303,526

* Accumulated depreciation on tangible fixed assets

September 30, 2003	September 30, 2002	March 31, 2003
20,311	19,804	19,365

Note: These unaudited financial statements have been translated to English for the convenience of foreign readers and have been based on financial statements disclosed by JGC Corporation on the Tokyo Stock Exchange on November 19, 2003.

LIABILITIES AND SHAREHOLDERS' EQUITY

	September 30, 2003 (Millions of yen)	September 30, 2002 (Millions of yen)	March 31, 2003 (Millions of yen)
Total liabilities:	¥ 179,758	¥ 177,636	¥ 181,541
Current liabilities:	144,611	145,291	147,994
Notes payable	164	177	260
Notes payable on works	46,301	68,723	62,176
Short-term loans	1,241	6,043	2,511
Convertible bonds	22	-	24
Accrued expenses	5,674	6,551	5,192
Income taxes payable	569	1,737	2,955
Advances received on uncompleted contracts	84,824	56,714	68,494
Reserve for job warranty costs	1,554	1,473	1,352
Reserve for bonuses	1,914	1,692	2,287
Other current liabilities	2,344	2,178	2,738
Long-term liabilities:	35,146	32,345	33,547
Convertible bonds	-	38	-
Long-term loans	15,302	15,352	15,327
Reserve for retirement benefits	14,914	12,209	13,368
Reserve for directors' retirement bonuses	786	602	708
Other long-term liabilities	4,143	4,142	4,143
Shareholders' equity:	127,912	122,189	121,984
Common stock	23,500	23,492	23,499
Capital reserve	25,567	25,559	25,566
Additional paid-in capital	25,567	25,559	25,566
Gain on retirement of treasury stock	0	-	-
Retained earnings	81,197	76,017	78,000
Legal reserve	2,692	2,692	2,692
Voluntary reserve	71,521	68,022	68,022
Unappropriated profit for the period [Net income]	6,982 4,851	5,301 3,196	7,285 5,307
Land revaluation, net of deferred tax assets	(2,229)	(2,356)	(2,229)
Net unrealized holding gains on securities	3,426	294	312
Treasury stock, at cost	(3,549)	(816)	(3,163)
Total liabilities and shareholders' equity	¥ 307,671	¥ 299,826	¥ 303,526

* Guarantee obligations

* Contingent liabilities relating to debt assumption
of bonds

September 30, 2003	September 30, 2002	March 31, 2003
5,248	10,423	5,071
11,900	11,900	11,900

Non-Consolidated Statements of Income

	Sep. 2003 interim term (Millions of yen)	Sep. 2002 interim term (Millions of yen)	Mar. 2003 term (Millions of yen)
Net sales	¥ 171,581	¥ 166,893	¥338,945
Cost of sales	160,920	157,851	316,801
Gross profit	10,661	9,041	22,143
Selling, general and administrative expenses	4,296	3,987	8,980
Operating income	6,364	5,053	13,163
Non-operating income:	1,667	2,337	4,548
Interest income	1,169	1,817	3,497
Other non-operating income	497	519	1,050
Non-operating expenses:	1,633	2,201	3,703
Interest expense	146	188	354
Exchange loss, net	1,172	1,700	1,834
Provision for allowance for doubtful accounts	-	-	789
Other non-operating expenses	314	311	724
Ordinary income	6,397	5,189	14,008
Extraordinary gain:	709	206	269
Gain on disposition of reserve for doubtful accounts	704	203	-
Gain on sale of property and equipment	0	3	7
Other extraordinary gain	3	-	262
Extraordinary loss:	417	333	6,867
Loss on sale or disposal of property and equipment	4	29	248
Special early retirement benefits	-	131	147
Loss on devaluation of investment securities	4	71	5,808
Provision for allowance for doubtful accounts	-	-	209
Loss on liquidation of an affiliate	-	76	-
Loss on devaluation of investment in an affiliate	400	-	-
Other extraordinary loss	6	24	453
Income before taxes on income	6,691	5,061	7,410
Taxes on income:	1,839	1,865	2,103
Current	1,395	2,732	4,672
Deferred	444	(867)	(2,569)
Net income	4,851	3,196	5,307
Retained earnings at the beginning of the period	2,131	2,122	2,122
Disposition on revaluation of land	-	(17)	(144)
Unappropriated earnings for the period	6,982	5,301	7,285

Sales, Orders Received and Backlog

(Millions of yen)

		March 31, 2003	September 30, 2003		
Business area		Outstanding Contracts	New Contracts	Sales	Outstanding Contracts
Domestic	Oil and gas development	1,513	216	237	1,492
	Petroleum refining	37,731	35,706	5,693	67,744
	LNG	766	752	39	1,479
	Chemical	1,896	3,260	1,487	3,669
	Power generation, nuclear power and new energy	23,002	3,219	5,399	20,822
	Living and general production facility	31,141	5,840	3,839	33,142
	Environmental protection, social development and IT	30,086	2,470	9,603	22,953
	Others	91	1,109	53	1,147
	Subtotal	126,226	52,572	26,350	152,448
Overseas	Oil and gas development	179,294	46,338	68,403	157,229
	Petroleum refining	33,945	105,566	9,379	130,132
	LNG	98,043	2,632	34,506	66,169
	Chemical	132,556	9,734	24,666	117,624
	Power generation, nuclear power and new energy	3,102	16,158	3,126	16,134
	Living and general production facility	12,215	1,893	5,151	8,957
	Environmental protection, social development and IT	3,265	-	-	3,265
	Others	-	9	-	9
	Subtotal	462,420	182,330	145,230	499,521
Total	*2 588,646	234,902	171,581	651,967	

Notes:

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

*2 The balances of new contracts as of the end of the previous fiscal year have been revised to reflect foreign currency translation adjustments and changes in contract amounts for the period under review as follows:

(Millions of yen)

Business area	Foreign currency translation adjustment	Revision for changes in contract amounts	Total
Oil and gas development	7,250	(5,365)	1,885
Petroleum refining	(730)	(398)	(1,128)
LNG	(958)	-	(958)
Chemical	(1,484)	(600)	(2,084)
Power generation, nuclear power and new energy	-	(776)	(776)
Living and general production facility	53	-	53
Environmental protection, social development and IT	-	-	0
Others	-	-	0
Total	4,131	(7,139)	(3,008)