

[Translation]

The following statements are an English-language translation of the original Japanese-language document for your convenience. In the case that there is any discrepancy between the Japanese and English versions, the Japanese version is assumed to be correct.

(All financial information has been prepared in accordance with accounting principles generally accepted in Japan.)

February 12, 2009

Summary of Consolidated Third Quarter Financial Results for Fiscal 2008 (the Year Ending March 2009)

Name of listed company: **JGC Corporation**
 Code number: **1963** URL: <http://www.jgc.co.jp>
 Representative
 Title: **Chairman and Chief Executive Officer**
 Name: **Yoshihiro Shigehisa**
 Contact
 Title: **Director, Senior General Manager, Finance & Accounting Department**
 Name: **Hiro Yoshi Suga**

Stock exchange: **Tokyo**

Tel: **045-682-1111**

1. Business results of third quarter for fiscal 2008 (April 1, 2008 - December 31, 2008)

(1) Consolidated financial results Note: All amounts are rounded down to the nearest million yen. Percentage indicate changes from the previous term.

	Net sales		Operating income		Ordinary income		Net income	
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
3Q FY2008	322,162	—	37,818	—	34,570	—	20,618	—
3Q FY2007	432,612	3.8	32,801	114.3	37,636	89.5	23,991	87.9

	Earnings per share	Earnings per share (diluted)
	(Yen)	(Yen)
3Q FY2008	81.55	—
3Q FY2007	94.54	—

(2) Consolidated financial position

	Total assets	Total net assets	Shareholders' equity ratio	Total net assets per share
	(Millions of yen)	(Millions of yen)	(%)	(Yen)
As of December 31, 2008	466,759	218,722	46.7	862.94
As of March 31, 2008	466,772	207,536	44.4	819.59

Reference:

Shareholders' equity (millions of yen): Dec. 31, 2008: 218,163 Mar. 31, 2008: 207,254

2. Dividends

	Annual dividends per share (Yen)				
	1Q term-end	2Q term-end	3Q term-end	Term-end	Annual
Mar. 2008 term	—	—	—	21.00	21.00
Mar. 2009 term	—	—	—	—	—
Mar. 2009 term (Forecast)	—	—	—	29.50	29.50

Note: Revision of dividend forecast during this period: Yes

3. Earnings forecast for fiscal 2008 (April 1, 2008 - March 31, 2009)

	Net sales		Operating income		Ordinary income		Net income	
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
Entire term	460,000	(16.5)	50,000	11.4	47,500	1.4	30,000	(0.1)

	Earnings per share
	(Yen)
Entire term	118.66

Note: Revision of earnings forecast during this period: Yes

4. Others

(1) Changes in scope of important consolidated subsidiary
(increase) None (decrease) 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 when preparing quarterly consolidated financial statement.

① Changes due to revisions of accounting standards: Yes

② Changes other than the above ①: Yes

(4) Number of shares outstanding

① Number of shares outstanding at term-end (including treasury stock):

Dec. 2008 term: 259,052,929 Mar. 2008 term: 259,052,929

② Number of treasury stock at term-end:

Dec. 2008 term: 6,239,486 Mar. 2008 term: 6,178,157

③ Average Number of shares outstanding (first quarter term):

Dec. 2008 term: 252,840,034 Dec. 2007 term: 253,764,827

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.

Consolidated Balance Sheets

	3Q FY2008 (As of Dec. 31, 2008) (Millions of yen)	FY2007 (As of Mar. 31, 2008) (Millions of yen)
ASSETS		
Current assets		
Cash and deposits	96,966	93,617
Notes receivable, accounts receivable from completed construction contracts and other	58,541	68,131
Short-term investment securities	57,500	71,000
Costs on uncompleted construction contracts	63,170	58,496
Merchandise and finished goods	8,641	5,292
Work in process	3,216	1,654
Raw materials and supplies	5,303	3,200
Other inventories	135	99
Accounts receivable-other	5,613	11,457
Deferred tax assets	8,294	9,135
Other current assets	11,321	3,063
Allowance for doubtful accounts	(28)	(532)
Total current assets	318,676	324,616
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	55,824	54,827
Machinery, vehicles, tools, furniture and fixtures	44,013	43,316
Land	26,580	26,516
Lease assets	182	—
Construction in progress	748	95
Accumulated depreciation	(60,168)	(56,305)
Total Property, plant and equipment	67,179	68,450
Intangible assets		
Goodwill	605	1,211
Software	2,478	2,410
Other intangible assets	111	115
Total intangible assets	3,195	3,737
Investments and other assets		
Investment securities	54,197	47,695
Long-term loans receivable	25,180	24,435
Deferred tax assets	9,822	6,188
Other investments and other assets	2,292	2,390
Allowance for doubtful accounts	(13,784)	(10,741)
Total investments and other assets	77,707	69,968
Total noncurrent assets	148,083	142,155
Total assets	466,759	466,772

	3Q FY2008 (As of Dec. 31, 2008) (Millions of yen)	FY2007 (As of Mar. 31, 2008) (Millions of yen)
LIABILITIES		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	68,136	72,470
Short-term loans payable	709	761
Income taxes payable	7,378	9,368
Advances received on uncompleted construction contracts	96,352	111,955
Provision for warranties for completed construction	510	694
Provision for loss on construction contracts	1,905	2,611
Provision for bonuses	3,881	6,679
Provision for directors' bonuses	208	289
Deferred tax liabilities	—	36
Other current liabilities	21,306	12,472
Total current liabilities	200,390	217,339
Noncurrent liabilities		
Long-term loans payable	22,763	17,299
Provision for retirement benefits	15,909	15,699
Provision for directors' retirement benefits	470	514
Negative goodwill	22	62
Deferred tax liabilities	68	66
Deferred tax liabilities for land revaluation	3,783	3,783
Other noncurrent liabilities	4,629	4,471
Total noncurrent liabilities	47,647	41,896
Total liabilities	248,037	259,236
NET ASSETS		
Shareholders' equity		
Capital stock	23,511	23,511
Capital surplus	25,599	25,593
Retained earnings	177,622	160,310
Treasury stock	(5,657)	(5,532)
Total shareholders' equity	221,074	203,882
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	3,293	8,055
Deferred gains or losses on hedges	851	331
Revaluation reserve for land	(6,590)	(6,589)
Foreign currency translation adjustment	(465)	1,574
Total valuation and translation adjustments	(2,910)	3,372
Minority interests	558	281
Total net assets	218,722	207,536
Total liabilities and net assets	466,759	466,772

Consolidated Statements of Income (9 months)

Years ended	3Q FY2008 term (9 months) (Apr. 1, 2008 - Dec. 31, 2008) (Millions of yen)
Net sales	322,162
Cost of sales	269,102
Gross profit	53,059
Selling, general and administrative expenses	15,241
Operating income	37,818
Non-operating income:	5,347
Interest income	2,485
Dividends income	825
Rent income on noncurrent assets	502
Amortization of negative goodwill	39
Equity in earnings of affiliates	1,327
Other	167
Non-operating expenses:	8,595
Interest expense	619
Foreign exchange losses	4,995
Rent expenses on noncurrent assets	324
Provision of allowance for doubtful accounts	2,493
Other	163
Ordinary income	34,570
Extraordinary gain:	2,657
Gain on sales of noncurrent assets	34
Gain on sales of investment securities	2,577
Reversal of allowance for doubtful accounts	15
Other	29
Extraordinary loss:	1,458
Loss on sales of noncurrent assets	0
Loss on retirement of noncurrent assets	70
Loss on valuation of investment securities	1,373
Other	15
Income before taxes on income	35,769
Income tax	15,278
Minority interests in income	(126)
Net income	20,618

Consolidated Statements of Income (3 months)

Years ended	3Q FY2008 term (3 months) (Oct. 1, 2008 - Dec. 31, 2008) (Millions of yen)
Net sales	94,591
Cost of sales	77,259
Gross profit	17,331
Selling, general and administrative expenses	5,568
Operating income	11,762
Non-operating income:	1,061
Interest income	638
Dividends income	204
Rent income on noncurrent assets	167
Amortization of negative goodwill	3
Other	47
Non-operating expenses:	7,684
Interest expense	219
Foreign exchange losses	6,340
Rent expenses on noncurrent assets	162
Provision of allowance for doubtful accounts	2
Equity in losses of affiliates	878
Other	80
Ordinary income	5,139
Extraordinary gain:	1,712
Gain on sales of noncurrent assets	3
Gain on sales of investment securities	0
Reversal of allowance for doubtful accounts	1,708
Other	0
Extraordinary loss:	792
Loss on sales of noncurrent assets	0
Loss on retirement of noncurrent assets	29
Loss on valuation of investment securities	762
Other	0
Income before taxes on income	6,059
Income tax	2,431
Minority interests in income	(113)
Net income	3,740

Consolidated Statements of Cash Flows

Years ended	3Q FY2008 term (Apr. 1, 2008 - Dec. 31, 2008) (Millions of yen)
Net cash provided by (used in) operating activities:	
Income before income taxes	35,769
Depreciation and amortization	5,164
Increase (decrease) in allowance for doubtful accounts	2,543
Increase (decrease) in provision for loss on construction contracts	(705)
Increase (decrease) in provision for retirement benefits	225
Interest and dividends income	(3,310)
Equity in (earnings) losses of affiliates	(1,327)
Loss (gain) on sales of investment securities	(2,577)
Loss (gain) on valuation of investment securities	1,373
Foreign exchange losses (gains)	2,167
Decrease (increase) in notes and accounts receivable-trade	9,169
Decrease (increase) in inventories	(11,752)
Decrease (increase) in accounts receivable-other	5,814
Increase (decrease) in notes and accounts payable-trade	(3,835)
Increase (decrease) in advances received on uncompleted construction contracts	(15,518)
Other	1,040
Subtotal	24,241
Interest and dividends income received	5,156
Interest expenses paid	(806)
Income taxes paid	(16,640)
Net cash provided by (used in) operating activities	11,952
Net cash provided by (used in) investment activities:	
Purchase of property, plant and equipment	(4,661)
Purchase of investment securities	(20,595)
Proceeds from sales of investment securities	5,397
Payments of long-term loans receivable	(2,455)
Other	(538)
Net cash provided by (used in) investment activities	(22,853)
Net cash provided by (used in) financing activities:	
Proceeds from long-term loans payable	6,539
Cash dividends paid	(5,305)
Other	(728)
Net cash provided by (used in) financing activities	504
Effect of exchange rate change on cash and cash equivalents	(1,623)
Net increase (decrease) in cash and cash equivalents	(12,020)
Cash and cash equivalents at beginning of year	164,617
Increase in cash and cash equivalents from newly consolidated subsidiary	1,869
Cash and cash equivalents at end of the quarter	154,466

Segment Information

【 Information by business segment 】

Third quarter (3 months) for FY 2008 (October 1, 2008 - December 31, 2008) (Millions of yen)

	Total engineering	Catalysts and fine products	Total	Elimination or corporation	Consolidated
Net sales					
External customers	85,667	8,923	94,591	—	94,591
Inter-segment	6	2	9	(9)	—
Total	85,674	8,926	94,600	(9)	94,591
Operating profit	11,600	155	11,756	6	11,762

Third quarter (9 months) for FY 2008 (April 1, 2008 - December 31, 2008) (Millions of yen)

	Total engineering	Catalysts and fine products	Total	Elimination or corporation	Consolidated
Net sales					
External customers	292,822	29,340	322,162	—	322,162
Inter-segment	18	3	22	(22)	—
Total	292,841	29,343	322,184	(22)	322,162
Operating profit	35,884	1,915	37,800	18	37,818

【 Information by geographic segment 】

Geographic segment information is not disclosed, as the Company and its consolidated subsidiaries operate mainly within Japan.

【 Overseas sales 】

Third quarter (3 months) for FY 2008 (October 1, 2008 - December 31, 2008) (Millions of yen)

	East Asia	Southeast Asia	Middle East	Africa	Other	Total
I Overseas sales	535	15,871	34,701	2,736	900	54,746
II Consolidated sales						94,591
III Percentage of overseas sales over consolidated sales	0.5	16.8	36.7	2.9	1.0	57.9

Third quarter (9 months) for FY 2008 (April 1, 2008 - December 31, 2008) (Millions of yen)

	East Asia	Southeast Asia	Middle East	Africa	Other	Total
I Overseas sales	2,394	50,020	126,599	4,460	2,940	186,415
II Consolidated sales						322,162
III Percentage of overseas sales over consolidated sales	0.8	15.5	39.3	1.4	0.9	57.9

Major countries and areas included in each geographic area are as follows:

East Asia: China, Korea

Southeast Asia: Vietnam, Indonesia, Singapore

Middle East: Saudi Arabia, Qatar, Yemen

Africa: Algeria, Nigeria

Other: the United States, Austria, Australia

Sales, Orders Received and Backlog (Consolidated)

(Millions of yen)

Business area		March 31, 2008	December 31, 2008		
		Outstanding Contracts	New Contracts	Sales	Outstanding Contracts
Domestic	Oil and gas development	2,766	361	1,975	1,151
	Petroleum refining	99,046	30,813	36,999	92,860
	LNG	18	9,198	504	8,712
	Chemical	43,884	15,531	38,168	21,248
	Power generation, nuclear power and new energy	7,777	4,229	3,711	8,295
	Living and general production facility	29,268	4,245	16,609	16,904
	Environmental protection, social development and IT	16,409	9,732	12,422	13,719
	Others	551	3,836	1,376	3,010
	Subtotal	199,721	77,949	111,769	165,901
Overseas	Oil and gas development	35,021	271,533	37,579	268,974
	Petroleum refining	51,597	245,064	25,260	271,402
	LNG	49,733	17,990	26,723	41,001
	Chemical	259,986	13,266	70,406	202,845
	Power generation, nuclear power and new energy	25,244	12,651	12,796	25,100
	Living and general production facility	4,767	1	3,648	1,119
	Environmental protection, social development and IT	—	0	0	—
	Others	4,385	2,250	4,637	1,998
	Subtotal	430,736	562,759	181,053	812,442
Total Engineering Business		*2 630,457	640,708	292,822	978,344
Catalysts and Fine Products Business		*3 —	*3 —	29,340	*3 —
Grand Total				322,162	

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, changes contract amounts and increase in newly consolidated subsidiary for the period under review as follows:

(Millions of yen)

Business area	Foreign currency translation adjustment	Revision for changes in contract amounts	Increase in newly consolidated subsidiary	Total
Oil and gas development	2,433	(744)	3	1,692
Petroleum refining	(1,579)	—	9	(1,569)
LNG	(184)	(4,598)	—	(4,782)
Chemical	(5,273)	—	—	(5,273)
Power generation, nuclear power and new energy	(1,954)	(20)	—	(1,974)
Living and general production facility	341	(132)	—	209
Environmental protection, social development and IT	—	(546)	—	(546)
Others	0	3	4,385	4,388
Total	(6,216)	(6,038)	4,398	(7,856)

*3 As the order received system is not applied to the Catalysts and Fine Products Business area, no figures are given.

*4 All amounts are rounded down to the nearest million yen.

(1) Consolidated Statements of Income - Summary

Years ended	3Q FY2007 term (Apr. 1, 2007 - Dec. 31, 2007) (Millions of yen)
Net sales	432,612
Cost of sales	385,686
Gross profit	46,925
Selling, general and administrative expenses	14,124
Operating income	32,801
Non-operating income:	9,777
Interest income	4,461
Dividend income	738
Rent income on noncurrent assets	498
Amortization of goodwill	55
Equity in earnings of affiliates	3,821
Miscellaneous income	203
Non-operating expenses:	4,942
Interest expense	425
Foreign exchange losses	2,061
Rent expenses on noncurrent assets	286
Provision of allowance for doubtful accounts	2,063
Miscellaneous expenses	105
Ordinary income	37,636
Extraordinary gain:	266
Gain on sales of noncurrent assets	1
Gain on sales of investment securities	147
Reversal of allowance for doubtful accounts	90
Other extraordinary gain	26
Extraordinary loss:	187
Loss on retirement of noncurrent assets	155
Loss on valuation of investment securities	23
Other extraordinary loss	8
Income before taxes on income	37,716
Income taxes	13,744
Minority interests in income (loss)	(19)
Net income	23,991

(2) Consolidated Statements of Cash Flows - Summary

Years ended	3Q FY2007 term (Apr. 1, 2007 - Dec. 31, 2007) (Millions of yen)
I Net cash provided by (used in) operating activities:	
Income before income taxes	37,716
Depreciation and amortization	4,326
Amortization of goodwill	550
Increase (decrease) in allowance for doubtful accounts	1,969
Increase (decrease) in provision for loss on construction contracts	(2,821)
Increase (decrease) in provision for retirement benefits	(536)
Interest and dividends income	(5,199)
Interest expenses	425
Equity in (earnings) losses of affiliates	(3,821)
Gain on sales of investment securities	(147)
Loss on valuation of investment securities	23
Loss on sales and retirement of noncurrent assets	155
Decrease (increase) in notes and accounts receivable-trade	(18,035)
Decrease (increase) in inventories	(11,959)
Decrease (increase) in accounts receivable-other	693
Increase (decrease) in notes and accounts payable-trade	(10,377)
Increase (decrease) in advances received on uncompleted construction contracts	6,667
Other	(2,541)
Subtotal	(2,911)
Interest and dividends income received	6,793
Interest expenses paid	(524)
Income taxes paid	(10,331)
Net cash provided by (used in) operating activities	(6,975)
II Net cash provided by (used in) investment activities:	
Purchase of property, plant and equipment	(4,986)
Proceeds from sales of property, plant and equipment	68
Purchase of intangible assets	(806)
Purchase of investment securities	(2,893)
Proceeds from sales of investment securities	852
Decrease (increase) in short-term loans receivable	575
Payments of long-term loans receivable	(4,698)
Collection of long-term loans receivable	657
Other	(234)
Net cash provided by (used in) investment activities	(11,464)
III Net cash provided by (used in) financing activities:	
Increase (decrease) in short-term bank loans	(2,248)
Proceeds from long-term loans payable	500
Repayment of long-term loans payable	(527)
Purchase of treasury stock	(178)
Cash dividends paid	(3,803)
Cash dividends paid to minority shareholders	(12)
Net cash provided by (used in) financing activities	(6,270)
IV Effect of exchange rate change on cash and cash equivalents	501
V Net increase (decrease) in cash and cash equivalents	(24,208)
VI Cash and cash equivalents at beginning of year	159,410
VII Cash and cash equivalents at end of the quarter	135,202