

Making the Leap: Becoming a Truly Multi-National Global Company

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Chairman and CEO
Yoshihiro Shigehisa

1. Further Strengthening Competitiveness

- **Efforts to minimize plant costs**
- **Reduction in estimation cost
(improvement of contract award ratio)**
- **Effective utilization of LCE**

*LCE: Low Cost Engineering Center

2. Major Contracts Awarded (Fiscal 2002)



Business sector*	Project	Location
OGD	Gas Development	Algeria
	Crude Oil Processing	U.A.E.
GAS	LNG	Nigeria
PET	Refinery	Kazakhstan
CHM	EO/EG	China
	Ethylene	China
LIV	Intermediary Nickel	Philippines

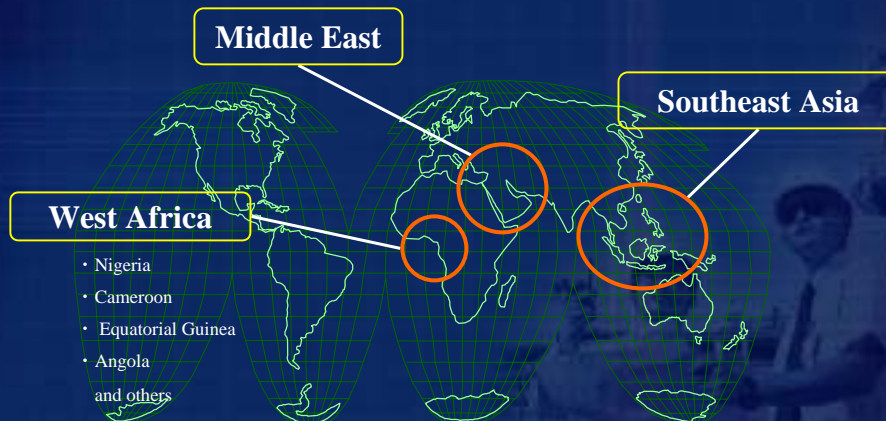
*OGD: Oil & Gas Development, GAS: Gas Processing, PET: Petroleum Refining, CHM: Chemical, LIV: Living and general production and IT

■ Total orders received: ¥336.2 billion

3. New Contract Goals and Regions of Emphasis



■ New contract goal: ¥340 billion



4. JGC's Slogan

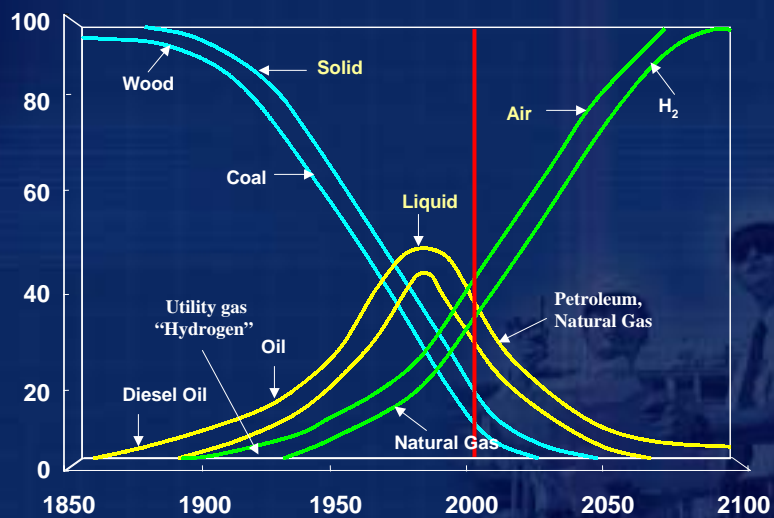


Engineering for the Quality of Human Life

5. Worldwide Energy Conversion



(Market share)

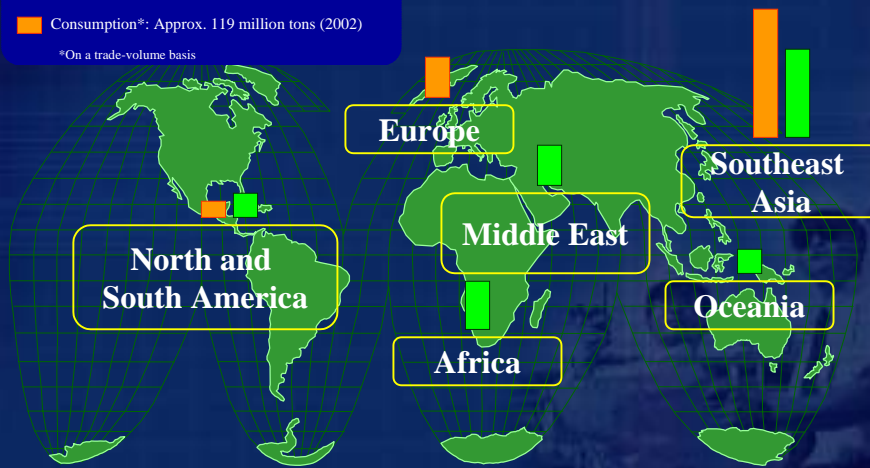


6. Current Production and Consumption of LNG **JGC**

■ Production capacity: Approx. 122 million tons (2002)

■ Consumption*: Approx. 119 million tons (2002)

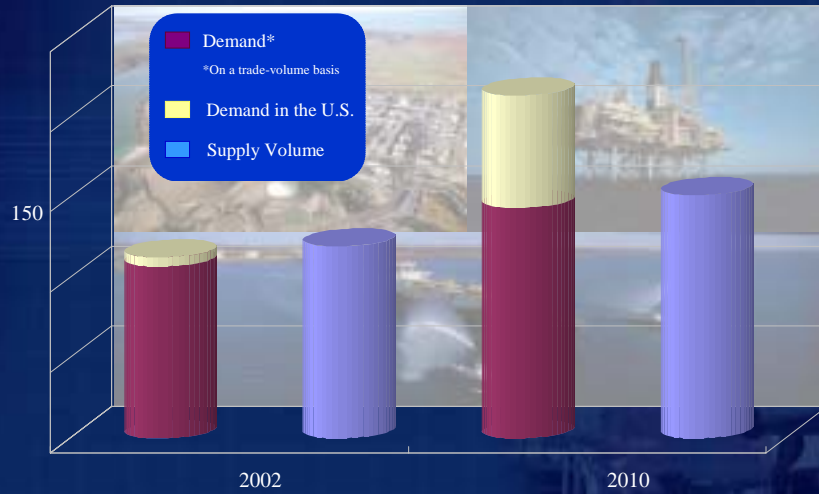
*On a trade-volume basis



Source: LNG in the 21st Century, "The First Decade" The Institute of Energy Economics, Japan

7. The Future of LNG Supply and Demand **JGC**

(Million tons)



Source: LNG in the 21st Century, "The First Decade, and other documents"

8. LNG Projects in Planning

JGC



9. GTL

JGC

- **Firms planning large-scale GTL projects:**
 - *Sasol Chevron (Qatar, Nigeria, Australia)*
 - *Shell (Malaysia, Iran, Qatar, Egypt, and others)*
 - *ExxonMobil (Qatar)*
 - *Conoco (Qatar)*
 - *Ivanhoe (Qatar, Egypt, Oman)*
 - *Marathon (Qatar)*
- **JGC's track record:**
 - *EPC for 12,500 b/d SMDS*
 - *Definition of the engineering design for 75,000 b/d SMDS2*
- **Scale of GTL plants now in planning:**
 - *One million b/d production capacity*
 - *Plant cost: US\$20 billion to US\$25 billion*

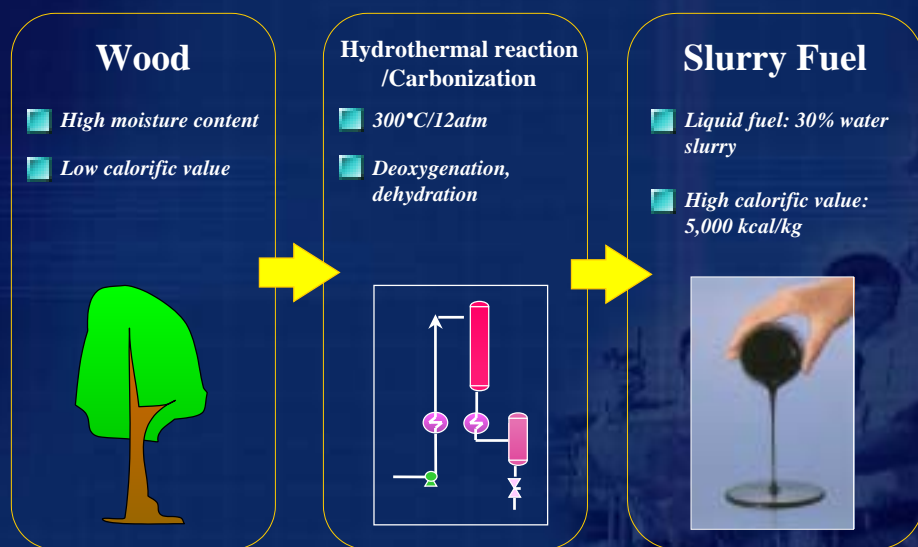
10-1. BSF (Biomass Slurry Fuel)

JGC

- Environmentally friendly, renewable energy source (sulfur free and carbon neutral)
- Developed through JGC's proprietary technology
- Applications:
 - *Steam power generation*
 - *Diesel power generation*
 - *Gas turbine power generation*
- There is also the prospect of using overseas timber resources.

10-2. JGC's BSF

JGC



11. Engagement in Resource Development Projects

- **Three projects currently in progress:**
 - *Saudi Arabia: Hawiyah (completed), Haradh*
 - *Algeria: In Salah, In Amenas*
- **Member, Japan Petroleum Development Association**
- **Actively engaged in resource development projects, which JGC recognizes as a part of life-cycle projects**
- **Working to actualize Gas to Wire (GTW)**

12. Scope of JGC's Resource Development



13. JGC's Resource Development Services



Phase	Exploration	Development		Production
		Development Plan	Construction of Facilities	
Scope		Planning	EPC	Operation & Maintenance
Services		<ul style="list-style-type: none"> · Conceptual Design · FEED · Economics Study · Risk Analysis · Financial Plan · Investment (if required) 	<ul style="list-style-type: none"> · PJ Management · EPC · Commissioning 	<ul style="list-style-type: none"> · Production Control · O&M Management · Human Resource Control · Material Inventory Control

14. America's New Energy Strategy



What customers ultimately want is distinctive technology, competitive value, fast-track scheduling and high added value.

Customer requirements know no end. JGC's creativity and ability to craft technological solutions are likewise without limit.