Translation

February 9, 2016

Consolidated Financial Results for the Nine Months Ended December 31, 2015

Company name: **CHIYODA CORPORATION**
Listing: First Section of the Tokyo Stock Exchange
Stock code: 6366
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Scheduled date to file Quarterly Report: February 12, 2016
Preparation of Quarterly Supplementary Explanation Material: Yes
Quarterly Financial Results Presentation Held: Yes (for Analysts and Institutional Investors)

(Millions of yen with fractional amounts discarded, unless otherwise noted)

1. Consolidated performance for the Nine months ended December 31, 2015

(1) Consolidated operating results

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
For the Nine months ended December 31, 2015	443,924	33.7	15,257	(1.7)	14,481	(0.1)	8,249	(0.4)
For the Nine months ended December 31, 2014	331,970	7.9	15,527	(18.5)	14,496	(23.7)	8,282	(27.0)

Note: Comprehensive Income: the nine months ended December 31, 2015: 2,458 million yen / (79.2%)
the nine months ended December 31, 2014: 11,829 million yen / (2.1%)

	Net income per share	Fully diluted net income per share
	Yen	Yen
For the Nine months ended December 31, 2015	31.85	-
For the Nine months ended December 31, 2014	31.98	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2015	505,461	207,475	40.7
As of March 31, 2015	515,839	208,405	40.0

Reference: Equity As of December 31, 2015: 205,507million yen As of March 31, 2015: 206,395 million yen

2. Cash dividends

	Cash dividends per share				
Record date	First quarter	Second quarter	Third quarter	Fiscal year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2015	-	-	-	13.00	13.00
Fiscal year ending March 31, 2016	-	-	-		
Fiscal year ending March 31, 2016 (Forecast)				14.00	14.00

Note: Revision to the latest forecast announcement: None

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2016 (from April 1, 2015 to March 31, 2016)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2016	600,000	24.7	20,000	(6.8)	22,000	(1.2)	12,000	8.8	46.33

Note: Revision to the latest forecast announcement: None

4. Others

(1) Changes in Significant Subsidiaries during the Period (changes in specified subsidiaries accompanying changes in the scope of consolidation): None

(2) Adoption of Specified Accounting Methods for the Preparation of Quarterly Consolidated Financial Statements: None

(3) Changes in Accounting Policies and Accounting Estimates / Restatements
a. Changes in accounting policies due to revisions of accounting standards, etc.: Yes
b. Changes in accounting policies other than a. above: None
c. Changes in accounting estimates: None
d. Restatements: None

(4) Number of issued shares (common stock)

a. Total number of issued shares at the end of the period (including treasury stock)

As of December 31, 2015	260,324,529 shares
As of March 31, 2015	260,324,529 shares

b. Number of treasury stock at the end of the period

As of December 31, 2015	1,339,962shares
As of March 31, 2015	1,323,232 shares

c. Average number of shares during the period

For the Nine months ended December 31, 2015	258,992,849 shares
For the Nine months ended December 31, 2014	259,008,390 shares

*Presentation of Implementation Status of Quarterly Review Procedure
The review procedure of quarterly financial statements based on the Financial Instruments and Exchange Law has not been completed at the time of the disclosure of these Consolidated Financial Statements.
*Proper use of earnings forecasts, and other special directions
The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Actual business and other results may differ substantially due to a number of factors

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5. Qualitative Information related to Consolidated Performance
Qualitative Information on Business Performance

During the first nine months of this fiscal year, the global economic environment remained uncertain. While the US began to normalize its interest policy, the economic slowdown in emerging countries including China continued, and the global financial markets were in turmoil. In addition, geopolitical risk, especially the conflict between Iran and Saudi Arabia, the rise of IS (Islamic State) in the Middle East and the destabilization of Europe due to recurrent terrorist attacks. The prolonged tumble in oil prices had an impact on the plant industry which is the Chiyoda Group's main business. The Group noted the lack of predictable patterns in short-term investment decision making for numerous oil and gas-related facilities.
The Japanese economy had ups and downs such as some capital investment backed by the government's easing of fiscal and monetary policies, the depreciation of the Yen and lower oil prices, whether positive or negative, as well as the market contraction due to a declining birthrate.

Under such circumstances, the Group has continued to strengthen its core business in its conventional fields of oil and gas, according to the strategies defined in its Medium-Term Management Plan, which has passed the mid-point of the 4-year term. In parallel, the Group has been set for expansion in new business fields including offshore and upstream where it has been developing the ability to implement an Engineering, Procurement, Construction and Installation (EPCI) business and new and renewable energy, such as the Hydrogen Supply Chain utilizing its own technologies, and solar power generation utilizing photovoltaic and concentrating solar power technology.

The ongoing projects including LNG plants in Australia, the USA and Russia, refinery plants in Vietnam, Qatar and Venezuela, a Floating Production Unit (FPU) in Indonesia, a Titanium Sponge plant in Saudi Arabia, airport projects in Mongolia and the Philippines, and LNG receiving terminals and photovoltaic power generation systems in Japan have all progressed as expected.

Consequently, consolidated new contracts for the period amounted to 234,469 million yen (63.9% decrease compared to the same period of the previous fiscal year). The backlog and revenue were 1,192,048 million yen (15.9% decrease from the end of the previous fiscal year), and 443,924 million yen (33.7% increase year on year) respectively. The operating income amounted to 15,257 million yen (1.7% decrease), ordinary income to 14,481 million yen (0.1% decrease), and profit attributable to owners of parent resulted in 8,249 million yen (0.4% decrease).

LNG Plants/Other Gas Related Works

The Group is selected as an Engineering, Procurement and Construction (EPC) contractor for an LNG plant in Mozambique, contracts for which with the client are being negotiated and to be finalized in the near future. The EPC execution of LNG plants, two in the USA and each one in Russia and Australia is in progress as planned and Front End Engineering and Design (FEED) works for LNG plants in Mozambique, Canada and the USA as well as a Floating LNG (FLNG) facility in Indonesia are also in progress. The Group Company in Qatar has been carrying out an EPC work for helium recovery facilities and the Engineering, Procurement and Construction management (EPCm) works for the maintenance and modification of the existing LNG and gas processing plants built mainly by the Group. In Japan, several EPC works on LNG receiving terminals and the expansion/modification works of existing plants are in progress.
LNG plants and other gas-related works constitute the Group's core business. In that regard, the Group will pursue any such project whether onshore/offshore, overseas/domestic or conventional/unconventional.

Refinery/Petrochemicals/Metal

Engineering, Procurement, Construction and Commissioning (EPCC) is working for Residue Fluid Catalytic Cracking (RFCC) project in Malaysia. EPC is working for a refinery and petrochemical complex in Vietnam and a refinery project in Qatar. Engineering, Procurement support and Construction management (EPsCm) for heavy crude oil upgrading facilities in Venezuela is going on. Additionally, the Group Company in Singapore is performing project management under the Enterprise Framework Agreement for downstream projects within Asia. For metals fields, the Group

has been carrying out EPC work for a Titanium Sponge Plant in Saudi Arabia, and has been exploring new business opportunities.
In Japan, the Group has been continuing to perform the EPC work for modification to fortify the existing facilities in the case of a possible catastrophic event, petrochemical plants and energy saving in the facilities. The Group has also been continuing to expand its sales activity in the petroleum and petrochemical field.

Pharmaceutical/Biochemistry/General Chemistry/Environment/Infrastructure

The Group has been moving forward with the EPC execution for a new international airport in Mongolia and a new Bohol airport in the Philippines. In addition, the Group has started to participate further in bids for infrastructure related projects including yen-loan-financed railway projects.
Meanwhile, the Group has also been responding to the overseas expansion in Japanese clients' businesses in non-hydrocarbon fields. In Japan, the Group has won a number of EPC works for large-scale photovoltaic power generation systems. The Group has been executing and expanding its sales activity by enhancing its group operations in this field. In the pharmaceutical industry, the Group has been carrying out EPC works for manufacturing facilities of active pharmaceutical ingredients, vaccine and bio-medicine plants. Moreover, the Group has been gearing up for a growing market for the life science field symbolized by iPS cells and regenerative medicine, applying our pharmaceutical and medical expertise. As a result, the Group has been carrying out EPC works for regenerative medicine related facilities in this field.

New Business Fields

Chiyoda Corporation and Ezra Holdings Limited have agreed an MOU to establish a joint venture named EMAS CHIYODA Subsea in order to accelerate its expansion of the Offshore & Upstream business field. The transaction is expected to be completed within this Fiscal Year. In parallel, the Group's strategic alliance partner, Xodus Group has been providing integrated services in the offshore and upstream field for resource exploration companies worldwide. The Group has been set to provide a value chain for resource development on offshore and upstream for all the phases from design to EPCI, including operation and maintenance.
As for new energy fields, the Group has developed its own technology for transporting and delivering a large volume of hydrogen. The Group has been actively collaborating with various parties in order to achieve hydrogen-based society. Furthermore, the Group has successfully completed operating a demonstration plant in Italy for the Concentrating Solar Power (CSP) system. The Group has been making efforts to develop business opportunities of CSP for commercialization. Moreover, the Group has been selected as an EPC contractor for Japan's first demonstration plant to produce and supply renewable jet and diesel fuels.

Note: See Page 9 for more information on New Contracts, Net Sales and Backlog of Contracts by segment.

6. Consolidated quarterly financial statements
(1) Consolidated quarterly balance sheets

(Millions of yen)

	As of March 31,2015	As of December 31,2015
Assets		
Current assets		
Cash and deposits	31,815	68,446
Notes receivable, accounts receivable from completed construction contracts	53,840	70,956
Securities	81,499	82,999
Costs on uncompleted construction contracts	59,668	46,486
Jointly controlled assets of joint venture	182,855	151,785
Other	34,955	28,692
Allowance for doubtful accounts	(56)	(49)
Total current assets	444,578	449,318
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	7,742	7,286
Land	5,266	5,266
Other, net	1,817	1,591
Total property, plant and equipment	14,826	14,144
Intangible assets		
Goodwill	12,034	9,196
Other	7,450	7,049
Total intangible assets	19,484	16,245
Investments and other assets		
Investment securities	31,328	20,299
Other	5,853	5,675
Allowance for doubtful accounts	(231)	(221)
Total investments and other assets	36,950	25,752
Total non-current assets	71,261	56,143
Total assets	515,839	505,461

(Millions of yen)

	As of March 31,2015	As of December 31,2015
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts	137,652	144,512
Short-term loans payable	991	106
Current portion of long-term loans payable	4	5
Income taxes payable	1,366	2,194
Advances received on uncompleted construction contracts	123,869	117,822
Provision for warranties for completed construction	364	215
Provision for loss on construction contracts	3,988	2,306
Provision for bonuses	3,905	2,487
Other	22,197	15,610
Total current liabilities	294,339	285,260
Non-current liabilities		
Long-term loans payable	10,015	10,011
Provision	339	339
Net defined benefit liability	1,070	1,139
Other	1,667	1,235
Total non-current liabilities	13,093	12,725
Total liabilities	307,433	297,986
Net assets		
Shareholders' equity		
Capital stock	43,396	43,396
Capital surplus	37,112	37,112
Retained earnings	115,831	120,713
Treasury shares	(1,405)	(1,422)
Total shareholders' equity	194,934	199,800
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,218	1,734
Deferred gains or losses on hedges	(2,064)	(1,367)
Foreign currency translation adjustment	5,229	4,359
Remeasurements of defined benefit plans	1,076	980
Total accumulated other comprehensive income	11,460	5,706
Non-controlling interests	2,010	1,968
Total net assets	208,405	207,475
Total liabilities and net assets	515,839	505,461

(2) Consolidated quarterly statements of (comprehensive) income

(Millions of yen)

	Nine months ended December 31, 2014	Nine months ended December 31, 2015
Net sales of completed construction contracts	331,970	443,924
Cost of sales of completed construction contracts	299,038	411,518
Gross profit on completed construction contracts	32,932	32,405
Selling, general and administrative expenses	17,404	17,148
Operating income	15,527	15,257
Non-operating income		
Interest income	1,120	1,068
Dividend income	1,071	1,010
Other	109	151
Total non-operating income	2,301	2,230
Non-operating expenses		
Interest expenses	190	166
Share of loss of entities accounted for using equity method	345	1,192
Foreign exchange losses	2,625	1,576
Other	169	71
Total non-operating expenses	3,332	3,006
Ordinary income	14,496	14,481
Extraordinary income		
Gain on sales of investment securities	－	2,666
Total extraordinary income	－	2,666
Income before income taxes and minority interests	14,496	17,147
Income taxes - current	3,440	7,804
Income taxes - deferred	2,564	1,061
Total income taxes	6,005	8,865
Profit	8,491	8,281
Profit attributable to non-controlling interests	208	31
Profit attributable to owners of parent	8,282	8,249

Consolidated quarterly statements of comprehensive income

(Millions of yen)

	Nine months ended December 31, 2014	Nine months ended December 31, 2015
Profit	8,491	8,281
Other comprehensive income		
Valuation difference on available-for-sale securities	1,803	(5,483)
Deferred gains or losses on hedges	87	696
Foreign currency translation adjustment	1,108	(865)
Remeasurements of defined benefit plans, net of tax	273	(96)
Share of other comprehensive income of entities accounted for using equity method	65	(72)
Total other comprehensive income	3,338	(5,822)
Comprehensive income	11,829	2,458
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	11,485	2,496
Comprehensive income attributable to non-controlling interests	343	(37)

7. Production, Contracts and Sales

(Millions of yen)

Reporting segments	Apr. 1, 2014 — Dec. 31, 2014			Apr. 1, 2015 — Dec. 31, 2015		
	New contracts (ratio)	Net sales (ratio)	Backlog of contracts (ratio)	New contracts (ratio)	Net sales (ratio)	Backlog of contracts (ratio)
Engineering	645,842 99.4%	328,644 99.0%	1,445,936 100.0%	231,635 98.8%	440,969 99.3%	1,192,048 100.0%
LNG Plant	524,173 80.7%	171,787 51.7%	1,140,128 78.8%	147,683 63.0%	262,463 59.1%	981,696 82.4%
Gas Development/ Processing/Receiving	28,087 4.3%	19,138 5.8%	31,970 2.2%	4,549 1.9%	14,503 3.2%	20,524 1.7%
Refinery/Petrochemical/ Metal	47,243 7.3%	77,087 23.2%	198,359 13.7%	42,918 18.3%	108,643 24.5%	113,879 9.5%
Pharmaceutical/Biochemistry/ Chemical	19,393 3.0%	23,854 7.2%	23,022 1.6%	15,872 6.8%	21,761 4.9%	24,843 2.1%
Environment/New Energy/ Infrastructure	23,083 3.5%	34,194 10.3%	48,875 3.4%	15,974 6.8%	30,972 7.0%	47,212 4.0%
Others	3,860 0.6%	2,582 0.8%	3,579 0.3%	4,636 2.0%	2,624 0.6%	3,891 0.3%
Other Business	3,604 0.6%	3,325 1.0%	586 0.0%	2,833 1.2%	2,955 0.7%	- -
Total	649,447 100.0%	331,970 100.0%	1,446,523 100.0%	234,469 100.0%	443,924 100.0%	1,192,048 100.0%
Domestic	75,539 11.6%	82,895 25.0%	95,570 6.6%	63,994 27.3%	75,193 16.9%	88,574 7.4%
Overseas	573,907 88.4%	249,075 75.0%	1,350,952 93.4%	170,474 72.7%	368,730 83.1%	1,103,473 92.6%

Note1: The backlog of contracts for the nine months ended December 31, 2015 includes a decrease due to changes in construction contracts acquired in prior fiscal years, an increase due to adjustments in new contract amounts, and an increase due to foreign exchange translation adjustments.

Note2: The total amount of the above table does not include consumption tax.

Note3: The classification of the segments within the engineering business was restructured, starting from this fiscal Year. Therefore this third quarter's and previous third quarter's accumulated consolidated financial results are disclosed under the new classification. There is no change in the handling of the reporting segments.