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February 13, 2025

Company name	: CHIYODA CORPORATION	Listing	: Tokyo Stock Exchange
Stock code	: 6366	URL	: http://www.chiyodacorp.com/en/
Representative	: Koji Ota, Representative Director, President & CEO		
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Dividend payable date	: -		
Supplementary Explanation Material	: Yes		
Financial Results Presentation	: Yes		

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

1. Consolidated performance for nine months ended December 31, 2024
(April 1, 2024 to December 31, 2024)

(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 nine months ended December 31, 2024	346,053	(12.9)	19,815	11.2	25,058	6.0	20,906	33.2
For nine months ended December 31, 2023	397,463	28.8	17,818	30.8	23,640	51.2	15,692	25.2

Note: Comprehensive Income	nine months ended December 31, 2024:	20,963 million yen / (110.4%)
	nine months ended December 31, 2023:	9,964 million yen / (—%)

	Net income per share	Fully diluted net income per share
	Yen	Yen
For nine months ended December 31, 2024	74.61	20.45
For nine months ended December 31, 2023	54.50	15.67

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2024	445,647	27,061	5.7
As of March 31, 2024	426,967	6,077	1.1

Reference: Equity	as of December 31, 2024	: 25,213 million yen
	as of March 31, 2024	: 4,858 million yen

	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, 2024	—	—	—	0.00	0.00
Fiscal year ending March 31, 2025	—	—	—		
Fiscal year ending March 31, 2025 (Forecast)				—	—

Note: Revision to the latest forecast announcement: None

Note: No forecast has been made about the year-end dividends for the fiscal year ending March 31, 2025 at this time.

Note: The table shows dividends status of common stock. For dividends status of class A shares (unlisted), please refer to 'Dividend Status of Class A Shares' as referred to hereinafter.

3. Consolidated forecasts for the fiscal year ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(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, 2025	460,000	(9.1)	22,000	-	27,500	-	22,000	-	76.80

Note: Revision to the latest forecast announcement: Yes

Note: Please refer to 'Notice regarding Revisions to the Consolidated Financial Forecasts' released on February 5, 2025.

Note: The revised forecasts reflect the impacts of the amendment of the EPC contract for Train 1, agreed with the client after Zachry's withdrawal from the Golden Pass LNG project. In contrast, due to ongoing discussions with the client, the forecasts do not include the amendment of the contract for Train 2 and 3. We will promptly disclose any revisions to the forecast, including profit and loss, in accordance with disclosure criteria as soon as reasonably practicable.

Notes

- (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. : None
 - 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, 2024	260,324,529 shares	Year ended March 31, 2024	260,324,529 shares
b.Number of treasury stock at the end of the period	As of December 31, 2024	1,204,515 shares	Year ended March 31, 2024	1,251,898 shares
c.Average number of shares during the period	For nine months ended December 31, 2024	259,105,858 shares	For nine months ended December 31, 2023	259,038,342 shares

Reviewed by the certified independent auditor: Yes (Optional)

Proper use of earnings forecasts, and other special directions
(Notes to forward-looking statements)

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. Please refer to '(3) Consolidated Financial Forecasts of the Fiscal Year in 1. Qualitative Information Related to Consolidated Performance' for earnings forecasts conditions and notes on the use of earnings forecasts.

Dividend Status of Class A Shares

Class A Share	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, 2024	—	—	—	0.00	0.00
Fiscal year ending March 31, 2025	—	—	—		
Fiscal year ending March 31, 2025 (Forecast)				—	—

Note: No forecast has been made about the year-end dividends for the fiscal year ending March 31, 2025 at this time.

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1. Qualitative Information Related to Consolidated Performance

(1) Qualitative Information on Business Performance

While the global economy continues to show signs of recovery, the risk of volatility due to geopolitical destabilization remained in the third quarter of the fiscal year.

Under the circumstances and considering the business environment in which Chiyoda operates, the need for decarbonization and the realization of a sustainable environment and a prosperous future for our planet and its inhabitants in response to climate change continues, in tandem with the increasing demand for LNG as a stable supply of energy.

On consolidated basis, for the third quarter of the fiscal year ending March 31, 2025, New Orders amounted to JPY 142,325 million (down 18.1% YoY), Net Sales amounted to JPY 346,053 million (down 12.9% YoY) and Order Backlog amounted to JPY 801,828 million (down 19.3% from the end of the last FY). Operating Profit is JPY 19,815 million (up 11.2% YoY) and Ordinary Profit is JPY 25,058 million (up 6.0% YoY). A recording of Income Taxes resulted in a Profit Attributable to the Owners of the Parent of JPY 20,906 million (up 33.2% YoY).

Further information regarding reportable engineering business segments is presented below.

- Energy

LNG / Gas

【Overseas】

The Group continues executing Engineering, Procurement and Construction (EPC) projects for LNG plants in the USA and Qatar, where the North Field East (NFE) project, an expansion of four LNG trains with capacities of 8 mtpa each, is ongoing.

We confirmed our commitment to working collaboratively with the client, Golden Pass LNG Terminal LLC (GPX), and a joint venture partner, CB&I LLC (CB&I), to complete construction of the Golden Pass LNG project. In November 2024, we agreed to amend the EPC contract and associated commercial terms to complete the full scope of Train 1 and CB&I, Chiyoda International Corporation (CIC) and GPX have continued to discuss amending the contract for Trains 2 and 3.

In the gas sector, the Group continues the engineering design for renovation of LNG/gas processing plants in Qatar.

【Japan】

We are currently engaged in the EPC phase of projects to reinforce, modify and repair LNG terminals, previously constructed by the Group.

Refinery/Petrochemical

In Japan, we are upgrading oil refinery facilities and examining energy saving measures and strategies for oil companies to realize carbon neutrality. We have been awarded a Front End Engineering Design (FEED) contract for introducing facilities for manufacturing Sustainable Aviation Fuel (SAF) by Idemitsu Kosan Co., Ltd. The Group deploys operation and maintenance (O&M) business for operation optimization, efficient facility maintenance and O&M digital transformation (DX) promotion by combining our expertise of advance analysis technologies such as 3D fluid analysis, dynamic simulation, structure analysis and earthquake resistance technology, and the latest digital technology for oil refineries and petrochemical compounds.

The Chiyoda Group, Microwave Chemical Co., Ltd. and Mitsui Chemicals, Inc. are engaged in a joint development project for innovative naphtha cracking technology using microwave heating, decreasing CO₂ emissions from pyrolysis of naphtha. The project has been adopted by the New Energy and Industrial Technology Development Organization (NEDO) under a Program for 'Promotion of Research & Development and Social Implementation of Energy-saving Technologies towards Realization of a Decarbonized Society: Priority Issues Promotion Scheme'. The technology will significantly reduce CO₂ emissions from the thermal decomposition of naphtha, a major challenge in the chemical industry.

- Environment

Pharmaceutical/Biochemistry/General Chemistry

The Group is executing the EPC and Feasibility Study (FS) phase for pharmaceutical product manufacturing plants for multiple clients, including a new biopharmaceutical API manufacturing plant for AGC Corporation. Other than EPC-related projects, following selection by NEDO after an open call for proposals, we are collaborating with industry and academia on a 'Technology Development for Large-scale Production of Highly Modified Recombinant Proteins in Plants' research and development project. Construction of demonstration facilities for production from bench-scale to pilot-scale has been executed in Koyasu Research Park (Chiyoda Corporation Research and Development Base), with completion targeted for the end of January 2025. Following the NEDO support period, the facilities will be utilized for subcontracted services such as plant-based biomanufacturing.

In a collaborative project with the University of Tsukuba and the University of Tsukuba Hospital, we completed construction of a new cell processing facility. We continue to expand our 'Technical Consulting' services for clients by providing strategic and technical solutions in research and development and manufacturing process development based on the three facilities of the cell processing facility, the Tsukuba Stem Cell Lab (an already established research institute within the university), and Chiyoda's Koyasu Research Park.

The Group is participating in Phase 2 of an iPS cell platform demonstration experiment conducted by iD4: iPSC Delivery on Demand for Drug Discovery, a general incorporated association, for provision of disease-specific iPS cells. We will collaborate with member companies to build a database of iPS cells, optimize distribution channels and commercialize the platform aiming at expanding cell-related businesses.

In the general chemistry field, we are engaged in an EPC project, awarded by Kureha Corporation, to increase the capacity of their monomer process for producing polyvinylidene fluoride (PVDF).

Environment/New Energy/Infrastructure/Advanced Materials

【Environment】

We are installing flue gas desulfurization (FGD) equipment in coal-fired power plants in India in response to tightening environmental regulations. The Group's thoroughbred 121 (CT-121) FGD process has been installed in a number of plants.

【New Energy】

We are reinforcing the utilization of stored energy for efficient use of renewable energy, while working on a territorially distributed energy procurement system. Miscellaneous activities, including support for fixed offshore power plants in Japan and feasibility studies for floating power plants, are ongoing.

【Infrastructure】

The Group successfully completed construction of a copper smelting plant in Indonesia, the world's largest single manufacturing line plant, in November 2024, and are proceeding towards full operation.

【Advanced Materials】

In Japan, the Group is executing an inorganic battery material demonstration plant project to increase safety, extend cruising distances and shorten recharge durations of next-generation batteries and have been awarded a FEED contract for a large-scale pilot plant. In July 2024, we signed a 'Comprehensive Collaboration Agreement' promoting the revitalization and regional decarbonization vision of Kikai Town, on Kikai Island, Kagoshima prefecture. Under the agreement, Kikai Town and we will aim to realize a 'Zero Carbon Island'. We successfully completed restoration work for plants damaged by the 2024 Noto Peninsula Earthquake.

(Note)

Please refer to '3. Production, Contracts and Sales' for further details of new contracts, net sales and backlog of contracts, by segment.

<<Decarbonization Business >>

The Group's hydrogen business (hydrogen/ammonia), Carbon Capture and Storage (CCS), Carbon Capture and Utilization (CCU) and Energy Management businesses are presented below.

Hydrogen/Ammonia

In the hydrogen field, the Group is participating in projects overseas and in Japan to construct hydrogen supply chains using our unique SPERA Hydrogen™ technology.

In collaboration with Nanyang Technological University, Singapore (NTU Singapore), PSA Singapore (PSA) and Mitsubishi Corporation, we commenced a dehydrogenation project in June 2024 at Pasir Panjang Terminal Port in Singapore, operated by PSA, to expand the use of hydrogen in Singapore. Chiyoda's compacted dehydrogenation skids extract the hydrogen for purification and utilization as a clean energy source for heavy-duty fuel cell container transportation vehicles.

Chiyoda is a managing board member of the Japan Hydrogen Association and is engaged in creating social implementation projects in Japan while providing government policy support.

Chiyoda signed a basic cooperation agreement with Toyota Motor Corporation in February 2024 to jointly develop a large-scale electrolysis system and construct a strategic partnership. Both signatories will develop 20 MW-class equipment as the basic unit for the introduction of the system at Hydrogen Park in the Toyota Honsha Plant in FY2025.

Kawasaki Heavy Industries, Ltd. (Kawasaki), Toyo Engineering Corporation, JGC Corporation and the Group have signed a JV agreement to enhance the FEED under Kawasaki's leadership for a liquified hydrogen supply chain in Australia, being developed by Japan Suiso Energy, Ltd, aimed at realizing carbon neutrality by 2050 as specified by the Japanese government.

In the ammonia field, the Group is leading a NEDO Green Innovation Fund initiative in a collaboration project with industry, government and academia to develop independent ammonia synthesis technologies to reduce ammonia production costs. Together with JERA Co., Inc. and NIPPON SHOKUBAI CO., LTD., the Group is developing ammonia cracking technology that is more competitive than existing technologies, under NEDO's technologies development program.

The Group is also conducting studies on ammonia receiving and hydrogen fuel supply facilities in Japan.

CCS/CCU

The Group signed a Memorandum of Understanding (MOU) with Pace CCS Ltd., a global leader in the field of CO₂ capturing technology and CCS system design, to collaborate in the field of CCS, and we will deliver CCS projects from initial feasibility studies and conceptual design through FEED and EPC.

Carbon dioxide separation and recovery technology development for large-scale natural gas fired power plant turbines using domestic solid sorbent material is ongoing, under a NEDO Green Innovation Fund program.

In Southeast Asia, the Group entered into a joint study agreement in March 2023 with PT Pertamina (Persero), a state-owned oil company in Indonesia, to develop carbon recycling technology. Based on this agreement, we have been engaged in a FS for the application of our CO₂ reforming technology. This is regarded as a project related to Japan's Asia Zero Emission Community initiatives.

In 2023, Chiyoda, Nippon Yusen Kabushiki Kaisha and its affiliate Knutsen NYK Carbon Carriers AS, conducted a joint study to quantitatively evaluate and verify the feasibility of a CCUS value chain, including liquefaction and temporary storage and marine transportation of carbon dioxide covering Low Pressure (LP), Middle Pressure (MP) and Elevated Pressure (EP) CCUS value chain methodologies. We will continue the joint study including technological matters to propose EP methods to clients.

Chiyoda signed a comprehensive license agreement with Mitsubishi Heavy Industries, Ltd. for their CO₂ capture technologies, developed with The Kansai Electric Power Co., Inc., named the 'KM CDR Process™' and the 'Advanced KM CDR Process™,' promoting strategic business cooperation. The Group has been awarded multiple FS/FEED contracts for advanced CCS projects planned by Mitsubishi Corporation, Electric Power Development Co., Ltd. (J-POWER), Idemitsu Kosan Co., Ltd., Japan Petroleum Exploration Co., Ltd. and others. These projects are adopted by the Japan Organization for Metals and Energy Security (JOGMEC) as advanced CCS projects in 2024. We have also committed to the entire CCUS value chain field through discussions for the standardization of the liquefied CO₂ value chain.

In the CCU field, the Group is realizing carbon recycling as part of a collaboration project with industry, government and academia, researching and developing CCU technology using CO₂ as a raw material to produce para-xylene. The CO₂-derived para-xylene has been successfully produced during the operation process of a pilot plant installed in Chiyoda's Koyasu Research Park for this project. The para-xylene produced via CCU (CCU para-xylene) will be used in the manufacturing of polyester fibers under the project supported by Goldwin, Mitsubishi Corporation, SK geo centric Co., Ltd., Indorama Venture PCL, India Glycols Ltd., Neste and the Group. The polyester fibers will be used for sports clothes of THE NORTH FACE brand in Japan.

In June 2024, we completed construction of a 1 Barrel per Day (1B/D) synthetic fuel production test plant project for ENEOS Corporation (ENEOS). We are also executing a 400Nm³- CO₂/h methanation test plant

project for INPEX CORPORATION. We have been awarded by SEKISUI CHEMICAL CO., LTD. an EPC contract for a plant (middle-sized testing facilities) to convert CO₂ into CO aiming at producing CO as one of major raw materials in CCU field.

Energy Management

The Group is executing a twenty (20) year maintenance contract for the world's largest Battery Energy Storage System (BESS) for North Hokkaido Wind Energy Transmission Corporation, completed in March 2023 by the Group. New BESS projects for ENEOS are also progressing.

We are currently in the construction phase of an EPC contract for a large-scale BESS project for Nijio Co., Ltd., a wholly owned subsidiary of Tokyo Gas Co., Ltd. BESS is required in Japan to address electrical power output fluctuations destabilizing the supply and demand balance and expand the use of renewable energy towards the realization of a decarbonized society. Chiyoda's 'Safety in Design' expertise and optimization experience in previously constructing BESS and our project management capabilities were key factors for the award of the contract.

The Group is reinforcing its domestic virtual power plant (VPP) business in collaboration with a start-up company.

Investment opportunities are anticipated in decarbonization sectors such as ammonia, CCS and CCUS towards achieving a carbon neutral society by 2050. The Group and JFE Engineering Corporation have agreed to investigate future collaboration, on a project-by-project basis, in executing FS, FEED and EPC of decarbonization projects, complimenting the capabilities of both companies and effectively utilizing their engineering resources.

<<Digital Transformation (DX) Business>>

Chiyoda is accelerating company-wide DX under the name 'Chiyoda DX STORY' to share our DX initiatives internally and externally in three areas: Corporate Management DX, Project Execution DX and Human Resources DX, supporting our purpose of 'Enriching Society through Engineering Value' and enabling employees to work more efficiently through common information sharing digital platforms. As part of our business portfolio transformation, we combine digital and physical technologies to provide hybrid O&M solutions through our O&M-X businesses.

(a) Corporate Management DX

Chiyoda is accelerating Corporate Management DX, linking core accounting activities to accelerate the dissemination of information to management while simplifying structures and reducing costs, aiming to be fully digital in planning and managing human resources for more efficient resource allocation. We initiated a resource management system to coordinate resource management with order management to facilitate the rapid examination of business plan scenarios, and commenced a talent management system, sharing employee career aspirations and progress with supervisors and Human Resource Officers. We use this digital infrastructure to support employees progress and gain experience while clarifying their career plans, enabling us to foster the key talent essential for our business.

Corporate-wide initiatives to improve work style include the introduction of Robotic Process Automation (RPA), AI services and community sites to share information and initiate constructive discussion.

(b) Project Execution DX

The Group utilizes Advanced Work Packaging (AWP) to align engineering and procurement deliverables with construction schedules to improve construction efficiency, increase productivity and reduce costs. We have commenced Chiyoda AWP on overseas projects to enhance our EPC execution management capabilities and improve project outcomes. An innovative space design system that improves construction planning and preliminary and detailed engineering efficiency has been developed by PlantStream, Inc., a joint venture with Arent, Inc., and has been introduced to plant owners and EPC contractors worldwide.

(c) DX Business

The Group has reorganized its plant O&M solution and DX business organizational functions, deploying solution businesses to support the transformation of client O&M activities. By combining Chiyoda X-ONE Engineering Corporation with our inherent digital technologies, such as advanced diagnosis and analysis, IoT and AI, we provide O&M total solution services through plantOS™, a field-centered physical maintenance support service for industrial plants. EFEXIS™, Chiyoda's AI product, is now integral to plantOS solutions as a process digital twin that leverages our process expertise and proprietary simulator.

We have signed an MOU with Japan Business Systems, Inc. to collaborate in the development and provision of cloud services to optimize the O&M of industrial facilities, and NSXe Co., Ltd. to develop a rotating equipment diagnosis business. We have joined The Digital Twin Consortium, an organization of leading international digital twin technology companies, universities, governments and research institutes, to utilize the plantOS digital twin solution in plant O&M and have signed an MOU with Visionaize Inc. to utilize their V-Suite™ digital twin platform.

We have also established a capital and business alliance with SENSYN ROBOTICS, Inc. to engineer solutions based on their technologies and expertise in the infrastructure maintenance field, and collect data in real time using robots, drones, AR/VR technologies etc for integration into Chiyoda's 3D digital twin platform.

Chiyoda has entered into a business alliance with Kobata Gauge MFG. Co., Ltd. (Kobata Gauge) a specialist gauge manufacturer, to utilize their Salfa™ IoT sensor as a partner product for Chiyoda's plantOS.

Introducing Kobata Gauge's Salfa into Chiyoda's plantOS will overcome the challenges of remotely monitoring analog gauges and use AI to realize smarter maintenance, linking with Chiyoda's digital twin to promptly visualize plant conditions.

The Group has been awarded a Technical Service Agreement by PT. Donggi-Senoro LNG (DSLNG) as part of plantOS, covering engineering, technology and process safety support for their LNG plant, and we will use our consulting and engineering capabilities to provide optimal solutions for its safe and stable operation.

(2) Financial Information on Business Performance

[Consolidated Balance Sheet]

(Assets)

Total Assets increased by JPY 18,679 million from the end of the last fiscal year, with an increase of Cash and Deposits of JPY 58,583 million and Jointly Controlled Assets of Joint Venture of JPY 11,576 million. Notes Receivable, Accounts Receivable from Completed Construction Contracts, and Contract Assets decreased by JPY 4,897 million.

(Liabilities)

Total Liabilities decreased by JPY 2,303 million from the end of the last fiscal year, with a decrease of Provision for Loss on Construction Contracts of JPY 8,487 million and Notes Payable, Accounts Payable for Construction Contracts of JPY 3,090 million. Contract Liabilities increased by JPY 1,431 million.

(Net Assets)

Total Net Assets is JPY 27,061 million, with an increase in Retained Earnings by increasing a Profit Attribute to Owners of Parent. Accumulated Other Comprehensive Income decreased with a decrease of Foreign Currency Translation Adjustment.

(3) Consolidated Financial Forecasts of the Fiscal Year

The full year consolidated financial forecasts for the fiscal year ending March 31, 2025, released on July 29, 2024, were revised. Please refer to 'Notice regarding Revisions to the Consolidated Financial Forecasts' released on February 5, 2025. The exchange rate used in the forecasts is JPY150/USD. The forecasts reflect the impacts of the amendment of the EPC contract for Train 1, agreed with the client after Zachry's withdrawal from the Golden Pass LNG project. In contrast, due to ongoing discussions with the client, the forecasts do not include the amendment of the contract for Train 2 and 3. We will promptly disclose any revisions to the forecast, including profit and loss, in accordance with disclosure criteria as soon as reasonably practicable.

(4) Important Events concerning Going Concern Assumption

Zachry, a joint venture (JV) partner of Chiyoda International Corporation (CIC), a wholly owned subsidiary of Chiyoda to execute the Golden Pass LNG project in Texas, U.S., filed for Chapter 11 relief under the United States Bankruptcy Code in May, 2024. Considering the potential impacts related to the possibility of Zachry's withdrawal from the project, based on the generally accepted accounting principles, we recorded Operating Loss and Loss Attributable to the Owners of the Parent on a consolidated basis for the fiscal year ended March 31, 2024.

Zachry's withdrawal from the project was officially confirmed with the court's approval in August, 2024. In November 2024, CIC, CB&I LLC (CB&I), a JV partner, and Golden Pass LNG Terminal LLC (GPX), the client, agreed to amend the EPC contract and associated commercial terms to complete the full scope of Train 1.

Although we have recorded Operating Profit and Profit Attributable to the Owners of the Parent for the third quarter of the fiscal year ending March 31, 2025, discussions with GPX toward amendment of the EPC contract for Train 2 and 3 have been ongoing. We recognize that these conditions still indicate the existence of events or conditions, which may cast significant doubt on our ability to continue as a going concern.

CIC, CB&I have been in discussion with GPX regarding amending the contract for Train 2 and 3, and we will promptly review the estimation upon agreement.

In terms of finance, considering that we have sufficient funds as of December 31, 2024, there is not a significant impact on our future cash flow, and there are no major concerns regarding the continuity of our business activities. In addition, we have maintained close communication and relationship with financial institutions, such as MUFJ Bank, Ltd., with whom we signed a loan agreement and executed the borrowings in July 2024.

Based on the above, we have concluded that no material uncertainty exists regarding the going concern.

2. Consolidated Quarterly Financial Statements and Notes

(1) Consolidated Balance Sheets

	(Millions of yen)	
	As of March 31, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	102,072	160,656
Notes receivable, accounts receivable from completed construction contracts, and contract assets	27,588	22,690
Costs on construction contracts in progress	18,874	15,682
Jointly controlled assets of joint venture	147,017	158,594
Short-term loans receivable	66,200	40,008
Other	44,628	27,748
Allowance for doubtful accounts	(2,021)	(1,792)
Total current assets	404,359	423,588
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	4,252	4,317
Land	4,552	4,447
Other, net	2,080	1,982
Total property, plant and equipment	10,886	10,747
Intangible assets	5,493	5,386
Investments and other assets		
Investment securities	4,272	4,135
Retirement benefit asset	483	381
Deferred tax assets	94	78
Other	1,396	1,329
Allowance for doubtful accounts	(18)	(0)
Total investments and other assets	6,228	5,925
Total non-current assets	22,608	22,059
Total assets	426,967	445,647

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts	133,775	130,685
Current portion of long-term borrowings	20,000	601
Income taxes payable	987	669
Contract liabilities	188,701	190,132
Provision for warranties for completed construction	1,601	2,286
Provision for loss on construction contracts	36,508	28,021
Provision for bonuses	3,715	3,178
Other	26,865	34,822
Total current liabilities	412,156	390,397
Non-current liabilities		
Long-term borrowings	3,600	22,998
Deferred tax liabilities	1,471	1,753
Retirement benefit liability	727	732
Other	2,933	2,703
Total non-current liabilities	8,732	28,187
Total liabilities	420,889	418,585
Net assets		
Shareholders' equity		
Share capital	15,014	15,014
Capital surplus	142	142
Retained earnings	(1,962)	18,943
Treasury shares	(805)	(786)
Total shareholders' equity	12,389	33,315
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(18)	(61)
Deferred gains or losses on hedges	4,176	4,706
Foreign currency translation adjustment	(11,851)	(12,571)
Remeasurements of defined benefit plans	163	(175)
Total accumulated other comprehensive income	(7,530)	(8,101)
Non-controlling interests	1,218	1,847
Total net assets	6,077	27,061
Total liabilities and net assets	426,967	445,647

(2) Consolidated Statement of Income and Comprehensive Income

(Consolidated Statement of Income) (Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Net sales of completed construction contracts	397,463	346,053
Cost of sales of completed construction contracts	368,843	313,227
Gross profit on completed construction contracts	28,619	32,826
Selling, general and administrative expenses	10,801	13,011
Operating profit	17,818	19,815
Non-operating income		
Interest income	6,595	8,200
Dividend income	925	186
Other	181	245
Total non-operating income	7,703	8,631
Non-operating expenses		
Interest expenses	524	532
Share of loss of entities accounted for using equity method	167	212
Foreign exchange losses	1,107	2,565
Other	80	78
Total non-operating expenses	1,880	3,388
Ordinary profit	23,640	25,058
Extraordinary income		
Gain on termination of retirement benefit plan	—	207
Gain on liquidation of subsidiaries and associates	45	—
Total extraordinary income	45	207
Extraordinary losses		
Loss on valuation of investment securities	69	17
Loss on liquidation of subsidiaries and associates	6	—
Loss on liquidation of investment securities	2	—
Total extraordinary losses	77	17
Profit before income taxes	23,608	25,248
Income taxes - current	6,880	3,667
Income taxes - deferred	137	98
Total income taxes	7,017	3,766
Profit	16,590	21,482
Profit attributable to non-controlling interests	898	575
Profit attributable to owners of parent	15,692	20,906

(Consolidated Statement of Comprehensive
Income)

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Profit	16,590	21,482
Other comprehensive income		
Valuation difference on available-for-sale securities	(65)	(42)
Deferred gains or losses on hedges	451	529
Foreign currency translation adjustment	(6,971)	(667)
Remeasurements of defined benefit plans, net of tax	(59)	(338)
Share of other comprehensive income of entities accounted for using equity method	18	0
Total other comprehensive income	(6,626)	(518)
Comprehensive income	9,964	20,963
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	9,056	20,335
Comprehensive income attributable to non-controlling interests	907	628

(3) Notes to Quarterly Consolidated Financial Statements

(Basis of Quarterly Consolidated Financial Statements)

We prepare the quarterly consolidated financial statements in accordance with the Article 4-1 of the Tokyo Stock Exchange's standard for preparation of quarterly financial statements and the accounting standards for quarterly financial statements generally recognized as fair and reasonable in Japan, omitting certain disclosures under the Article 4-2 of the Tokyo Stock Exchange's standard for preparation of quarterly financial statements.

(Notes to Going Concern Assumption)

None

(Notes to Significant Changes in Shareholders' Equity)

None

(Notes to Quarterly Consolidated Statement of Cash Flow)

There is no quarterly consolidated statement of cash flow available for three months ended December 31, 2024. The depreciation (including amortization of intangible assets other than goodwill) and amortization of goodwill are as follows.

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
	Millions of yen	Millions of yen
Depreciation	2,503	2,571
Amortization of goodwill	25	25

(Notes to Segment Information)

- I. For nine months ended December 31, 2023
We omit the description. The Group's reportable business segment consists only of the 'Engineering,' and 'Other business' has limited importance.
- II. For nine months ended December 31, 2024
We omit the description. The Group's reportable business segment consists only of the 'Engineering,' and 'Other business' has limited importance.

3. Production, Contracts and Sales

(Millions of yen)

Segments		Apr. 1, 2023—Dec. 31, 2023			Apr. 1, 2024—Dec. 31, 2024		
		New Contracts, ratio	Net Sales, ratio	Backlog of Contracts, ratio	New Contracts, ratio	Net Sales, ratio	Backlog of Contracts, ratio
1. Engineering		173,335 (99.8%)	397,059 (99.9%)	989,671 (100.0%)	141,873 (99.7%)	345,601 (99.9%)	801,828 (100.0%)
Energy	(1) LNG Plant	29,393 (16.9%)	196,148 (49.3%)	690,656 (69.8%)	32,336 (22.7%)	193,681 (56.0%)	561,319 (70.0%)
	(2) Gas Related Work	1,526 (0.9%)	2,192 (0.6%)	4,464 (0.5%)	8,076 (5.7%)	2,168 (0.6%)	10,035 (1.3%)
	(3) Refinery/ Petrochemical	22,597 (13.0%)	22,203 (5.6%)	26,102 (2.6%)	24,470 (17.2%)	23,889 (6.9%)	33,061 (4.1%)
Global Environment	(4) Pharmaceutical/ Biochemistry/ Chemical	78,263 (45.1%)	22,146 (5.6%)	96,031 (9.7%)	22,197 (15.6%)	22,536 (6.5%)	96,932 (12.1%)
	(5) Environment/New Energy/Infrastructure	37,731 (21.7%)	151,194 (38.0%)	168,213 (17.0%)	50,099 (35.2%)	99,422 (28.8%)	94,192 (11.7%)
	(6) Others	3,822 (2.2%)	3,174 (0.8%)	4,202 (0.4%)	4,692 (3.3%)	3,903 (1.1%)	6,287 (0.8%)
2. Other Business		403 (0.2%)	403 (0.1%)	— (—)	451 (0.3%)	451 (0.1%)	— (—)
Total		173,739 (100.0%)	397,463 (100.0%)	989,671 (100.0%)	142,325 (100.0%)	346,053 (100.0%)	801,828 (100.0%)
Domestic		122,818 (70.7%)	56,434 (14.2%)	153,819 (15.5%)	81,160 (57.0%)	71,152 (20.6%)	173,346 (21.6%)
Overseas		50,920 (29.3%)	341,028 (85.8%)	835,852 (84.5%)	61,164 (43.0%)	274,900 (79.4%)	628,481 (78.4%)

Note: The backlog of contracts includes an increase / decrease due to changes in construction contracts acquired in prior fiscal years, and an increase / decrease due to foreign exchange translation adjustments.