Translation

May 14, 2015

Consolidated Financial Results for the Fiscal Year Ended March 31, 2015

Company name: **CHIYODA CORPORATION**
Listing: First Section of the Tokyo Stock Exchange
Stock code: 6366
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(Millions of yen with fractional amounts discarded, unless otherwise noted)

1. Consolidated performance for the fiscal year ended March 31, 2015 (from April 1, 2014 to March 31, 2015)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2015	480,979	7.8	21,466	1.8	22,271	(2.5)	11,029	(18.0)
Fiscal year ended March 31, 2014	446,147	11.8	21,079	(16.1)	22,837	(10.5)	13,447	(16.4)

Note: comprehensive income: Fiscal year ended March 31, 2015: 15,121 million yen (16.0% increase year on year)
Fiscal year ended March 31, 2014: 13,034 million yen (48.0% decrease year on year)

	Net income per share	Fully diluted net income per share	Return on Equity (ROE)	Ratio of Ordinary Income to Total Assets	Ratio of Operating Income to Revenue
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2015	42.58	–	5.5	4.5	4.5
Fiscal year ended March 31, 2014	51.91	–	7.0	5.0	4.7

Reference: Equity in earnings of associated companies: Fiscal year ended March 31, 2015: (783) million yen
Fiscal year ended March 31, 2014: (374) million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2015	515,839	208,405	40.0	796.89
As of March 31, 2014	475,288	198,031	41.3	758.31

Reference: Equity As of March 31, 2015: 206,395 million yen As of March 31, 2014: 196,411 million yen

(3) Consolidated cash flows

	Net cash provided by operating activities	Net cash used in investing activities	Net cash used in financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended March 31, 2015	(24,145)	(5,444)	(4,569)	113,246
Fiscal year ended March 31, 2014	(17,177)	(16,796)	(5,249)	145,303

2. Cash dividends

Record date	Cash dividends per share					Payment of Cash Dividends	Payout Ratio (Consolidated)	Dividend on Equity Ratio (Consolidated)
	First quarter	Second quarter	Third quarter	Fiscal year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2014	–	–	–	16.00	16.00	4,144	30.8	2.2
Fiscal year ended March 31, 2015	–	–	–	13.00	13.00	3,367	30.5	1.7
Fiscal year ending March 31, 2016 (Forecast)	–	–	–	14.00	14.00		30.2	

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		Net income attributable to owners of the 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

4. Others

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

(2) 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

(3) Number of issued shares (common stock)

a. Number of shares issued at year-end (including treasury shares)

March 31, 2015	260,324,529 shares
March 31, 2014	260,324,529 shares

b. Number of treasury shares at year-end

March 31, 2015	1,323,232 shares
March 31, 2014	1,310,312 shares

c. Average number of shares during each of the following fiscal years

Year ended March 31, 2015	259,006,890 shares
Year ended March 31, 2014	259,030,158 shares

* 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.

5. Qualitative Information related to Consolidated Performance
(1)Qualitative Information on Business Performance

The global economic environment surrounding the Chiyoda Group has become more increasingly uncertain during this fiscal year, mainly due to economic slowdowns in several regions, geopolitical fears and plunge in crude oil prices in the latter half of this fiscal year, while the US economy has continuously been relatively stable. Notwithstanding the positive outlook for long-term future global energy demand, near-term investment decision making in numerous oil and gas-related facilities is becoming unpredictable. The recovery of the Japanese economy is only moderate as demand has not fully recovered following the increase of consumption tax, despite government fiscal and monetary policies easing and the depreciation of the Yen in global financial markets.

Under such circumstances, the Group has continued to strengthen its core business in the conventional fields of oil and gas, according to strategies defined in its Medium-Term Management Plan. In parallel, the Group has accelerated expansion in new business spheres including offshore and upstream business, new and renewable energy, such as the Hydrogen Supply Chain, utilizing Chiyoda's own technologies, and solar power generation utilizing photovoltaic and concentrating solar power technology.

Ongoing projects including LNG plants in Australia, the USA and Russia, refinery projects in Vietnam, Qatar and Venezuela, the Mongolian international airport project and LNG receiving terminals and photovoltaic power generation systems in Japan have all progressed properly.
Consequently, consolidated new orders for the fiscal year amounted to 746,791 million yen (26.6% increase year on year). The backlog and revenues were 1,416,901 million yen (32.1% increase) and 480,979 million yen (7.8% increase) respectively.
The operating income amounted to 21,466 million yen (1.8% increase), ordinary income to 22,271 million yen (2.5% decrease year on year), and net income resulted in 11,029 million yen (18.0% decrease).
The decrease in incomes resulted from the increase in selling, general and administrative expenses, equity in losses of associated companies, delays in recovery of overseas subsidiaries and reversal of deferred tax assets due to tax rate reduction.

Highlights during this period for each segment are summarized hereunder:

LNG Plants/Other Gas Related Works

The Group has been moving forward with the Engineering, Procurement and Construction ("EPC") works for LNG plants in Australia, the USA and Russia, and Front End Engineering Design ("FEED") works in Indonesia, Mozambique, Canada and the USA, all of which have progressed properly. Our Qatari subsidiary has been executing the Engineering, Procurement and Construction management ("EPCm") works for the maintenance and modification of existing LNG and gas processing plants, most of which were originally built by the Group. In Japan, two LNG receiving terminal projects have been completed and a further one is in the execution phase. Modification studies and construction works for existing plants have been awarded and under execution. The Group will continue to pursue opportunities within LNG plants and other gas-related fields as the Group's core business, whether onshore or offshore, overseas or domestic, and conventional or unconventional.

Petroleum/Petrochemicals/Gas Chemicals

The Group was awarded an Engineering, Procurement, Construction and Commissioning ("EPCC") contract for a Residue Fluid Catalytic Cracking (RFCC) plant in Malaysia. EPC works have been ongoing for a refinery and petrochemical complex in Vietnam, a refinery project in Qatar and the Engineering, Procurement support and Construction management ("EPsCm") work for heavy crude oil upgrading facilities in Venezuela. Additionally, our subsidiary in Singapore has been performing project management services under an Enterprise Framework Agreement for downstream projects within Asia.

In Japan, we have completed an EPC work for a Trans-Alkylation Unit and continued to perform diagnosis of existing facilities, maintenance and upgrading works, studies and construction works aimed at facility energy savings, and studies to strengthen the infrastructure of a refinery against possible catastrophe damage.

Mining/Mineral Refining/General Chemicals/Industries/Environment

The Group has been moving forward with an EPC execution of the international airport in Mongolia and newly awarded one in the Philippines, and the preparation of tenders for future transport infrastructure projects. In an effort to expand its business into medium-small sized water treatment systems, the Group is operating a demonstration plant for an industrial wastewater treatment/water recycling system in Saudi Arabia and is establishing a framework within the Group to execute these works in the Middle East and Asia. Meanwhile, we are also responding to the expansion in demand of overseas Japanese clients' businesses in non-hydrocarbon fields. In Japan, the Group has been awarded a number of EPC works for large-scale photovoltaic power generation systems and further business opportunities are expected in this field. In pharmaceutical industry, the Group was newly awarded EPC works for manufacturing facilities of active pharmaceutical ingredient and vaccine. The Group also executed several EPC works for manufacturing facilities of active pharmaceutical ingredients and nanotechnology research development facilities in cooperation with industry, government and academia.

New Business Fields

The Group, in cooperation with our strategic alliance partner Xodus Group, has started providing integrated services in the offshore/upstream field especially for Japanese customers. The Engineering, Procurement, Construction and Installation ("EPCI") execution of a floating production unit in Indonesia is in progress. The Group is actively proceeding with business activities in the Subsea/Subsurface Engineering field. As part of this strategy, the Group has formed a new joint venture company with Xodus Group and Saipem International BV in order to enter into the subsea engineering business, while the Group also invested in a company established to develop commercially viable technology for exploiting seabed methane hydrate. As for the concentrating solar power system, the Group continues to operate a demonstration plant in Italy with the aim of developing business opportunities in this field. Furthermore, we have developed our own technology to transport and deliver large volumes of hydrogen and are actively collaborating with various parties in order to establish a hydrogen supply chain to achieve a hydrogen-based society.

Moreover, the Group is considering to focus newly on the growing market for life science field symbolized by iPS cells, applying our pharmaceutical and medical technologies.

Outlook for the Next Fiscal Year

With its highest backlog of contracts, the Group will continue to work diligently on the execution of existing large projects in Australia, Russia and U.S. which enhance its core business. To materialize The Medium-Term Management Plan, the Group will also continue to accelerate our growth strategy to diversify the business portfolio by expanding new business fields.

In consideration of these circumstances, and assuming an exchange rate of ¥120/dollar, our forecasts for the fiscal year ending March 31, 2016 include 350.0 billion yen in consolidated new contracts and 600.0 billion yen in revenues. Our forecast for the consolidated operating profit is 20.0 billion yen, consolidated ordinary income is 22.0 billion yen, and the consolidated net income is 12.0 billion yen.

(2) Analysis of Financial Condition
1) Assets, Liabilities and Net Assets

Assets
While notes receivable, accounts receivable from completed construction contracts and securities decreased by 19,164 million yen and 25,999 million yen respectively from the previous fiscal year, current assets increased by 35,481 million yen due to a 25,841 million yen increase in costs on uncompleted construction contracts and a 55,388 million yen increase in jointly controlled assets of joint venture. Non-current assets increased by 5,069 million yen due to a 3,012 million yen increase in investment securities. Total assets increased by 40,550 million yen.

Liabilities
While notes payable and accounts payable for construction contracts decreased by 7,739 million yen, total liabilities increased by 30,175 million yen from the previous fiscal year due to a 43,686 million yen increase in advances received on uncompleted construction contracts.

Net Assets
Net assets were 208,405 million yen as a result of a 6,305 million yen year-on- year increase in retained earnings. The equity ratio decreased 1.3 points year-on-year to 40.0%.

2) Cash Flow
Net cash from operating activities showed a 24,145 million yen decrease due to a 55,246 million yen increase in the jointly controlled assets of joint venture and 12,550 million yen in taxes payable, although 22,012 million yen in income before income taxes and minority interests and a 29,194 million yen increase in working capital (total in notes and accounts receivable-trade, costs on uncompleted construction contracts, notes and accounts payable-trade and advances received on uncompleted construction contracts).

The jointly controlled assets of joint venture are shown on the JV balance sheet as the assets controlled by Chiyoda whereas, in real terms, it is equivalent to the portion of the current deposit balance under the JV names that is allocated to Chiyoda.

Cash flow from investing activities
Net cash from investing activities was a negative 5,444 million yen mainly due to 3,872 million yen expenditure for purchase of shares of subsidiaries resulting in change in scope of consolidation and 1,245 million yen purchase of property, plant and equipment and intangible assets.

Cash flow from financing activities
Net cash from financing activities was a negative 4,569 million yen due to 4,139 million yen paid in dividends and other factors.

As the result of the above factors, the account balance for the fiscal year for cash and cash equivalent was 113,246 million yen which was a year-on- year decrease of 32,057 million yen.

Cash Flow Indices

Fiscal years ended March 31	Equity ratio (%)	Debt repayment period (Years)	Interest coverage ratio (Times)
2011	43.9%	–	–
2012	46.0%	0.2	267.9
2013	43.3%	0.7	68.6
2014	41.3	–	–
2015	40.0%	–	–
Notes	(Shareholders' equity – minority interests)/Total assets	Interest-bearing debt/Net cash provided by operating activities	Net cash provided by operating activities/Interest expense

Note: The debt repayment period and interest coverage ratio for the period both ended March 31, 2015, 2014 and 2011 are omitted due to there being a negative cash flow from operating activities.

(3) Dividend Policy and Current/Next-Period Dividend Payments

Our basic policy for dividends is set to meet a payout ratio of 30% or above of consolidated net income. This policy supports our desire to return profits to our shareholders, while building a stronger financial base by which we can finance our business growth.
We have set the dividend at 13.0 yen per share for the fiscal year ended March 31, 2015. As for the next fiscal year, we plan a year-end dividend per share of 14.0 yen.

(4) Business Risks

The following risks may significantly impact the Chiyoda Group's business operations, finances and our responses to such. These risks have the potential to impact investor decision making related to investment. Recognizing these risks, the Group has implemented risk reduction strategies and plans to minimize consequences when such events occur.
The risks discussed below are those we recognize as of the date of the fiscal year ended.

(a) Changes in the Business Environment; Economic, Social and Political Situations

Various factors may require that modifications be made to clients' investment plans, project suspension, delay or review. These factors include changes in global economic, social and political environments, economic sanctions, evaluation of home country energy policies and commodity prices such as oil and LNG prices: all factors which may affect the Group earnings. Changes in economic, social and political environments for clients, subcontractors, suppliers and service providers could affect the group's project execution plans, profitability and, ultimately, financial strength.
The Group monitors global economic and social trends for potential impact on business and strives to reduce such risk through rigorous contract negotiations. Due diligence is executed for subcontractors, vendors and service providers and remedial action in the supply chain actioned if necessary.

(b) Earthquakes and Natural Disasters, Terrorism, Wars and Other Force Majeure Events

Force Majeure events such as earthquakes, natural disasters, terrorism and wars have the potential to materially impact project sites or business locations. Disruption issues may include personnel life crisis, delays in equipment and materials delivery and/or suspension of field work.

The Group values human life and securing safety as a paramount priority and has established a permanent body, the Crisis Management Unit, to compile and analyze information to prevent human suffering or harm. The Group has established, and is reinforcing, the crisis management system, which advocates the employment, where necessary, of professional security advisors in regions necessitating particular attention. . Additionally, the Group maintains systems to rapidly react to situations and to respond to emergencies immediately, including consulting with the clients and/or the parties concerned to minimize force majeure risks.
The Group has formulated a Business Continuity Plan (BCP) for unexpected events such as large scale earthquake in readiness to act to act smoothly in the initial stage and execute priority tasks thereafter. In this way, the Group has been readily available to add our value in the business continuity.

(c) Cost of Equipment and Materials

Under certain contractual models, the Group is exposed to material/equipment cost fluctuation risk due to the time difference between plant or material quotation and purchase. Specifically the price of steel, which constitutes a major percentage of plant construction, could be severely impacted by a rise in commodity prices such as coal and iron ore. Future market prices of copper, nickel, aluminum and zinc are similarly unpredictable.

The Group avoids these risks (or minimizes the impact) by diversifying supply sources, placing orders early, maintaining alliances with major vendors/suppliers and analyzing market trends.

(d) Construction Workers/Equipment and Materials

Projects may experience delays and cost impacts if sufficient construction labor, equipment and materials or other resources required for a project cannot be sufficiently procured.

The Group avoids this risk (or minimizes the impact) by applying diverse construction methodologies, such as modular construction, in areas where materials and/or adequately qualified labor is scarce and by establishing communication and collaboration with reliable subcontractors, vendors and suppliers. If a plant's construction is suspended due to labor disputes or similar, the Group minimizes risk by executing appropriate actions in cooperation with clients and local authorities.

(e) Plant Accidents

Personnel risk, the consequences of which could be serious for the Group's operating capability, is inherent in the construction industry.

Safety is of paramount importance to the Group, reinforced by the maxim "Safety is the Core value". Through comprehensive Risk Identification and Management procedures, reinforced by positive collaboration with clients, designers, subcontractors and vendors, all possible risks are identified at every stage of project delivery, from feasibility through design and construction, and actions to negate or mitigate identified risks are implemented.

(f) Exchange Rate Fluctuations

Some construction projects may involve payment settlements (subcontractors, vendors and suppliers) in a currency that does not correlate with the currency received from the client for the work. In such cases, exchange rate fluctuations can have an impact on earnings. The Group avoids/minimizes exchange rate risk by reserving against construction payments in multiple foreign currencies and by entering into exchange rate forward contracts.

(g) Compliance-related Risks

Intrinsic to the Group's global operations, is the requirement to comply with local laws, acts and regulations, both domestically and overseas. Penalties or suspicious action resulting from non-compliance issues could have significant consequences on a project's execution or the business operation of the Group.

The Group's comprehensive employee training regime such as group training and e-learning, to any stakeholder concerns, including authorities concerned and clients, both domestic and overseas, and attention to detail in complying with local laws, acts or regulations, or rules related to business operations, minimizes compliance related risk issues. Additionally, the Group has established a Compliance Committee under the direct control of the Executive Committee to negate such risks and endeavors to annul potential compliance risks by communicating senior management edicts into the work process under the heading "Code of Conduct of the Group."

(h) Information Security Risk

The Group takes great care in managing any information obtained from clients, subcontractors, equipment and materials suppliers and other service providers that is necessary in the performance of its business, and also possesses confidential information related to technologies, sales, and other businesses. Many core corporate operations and business transactions have been conducted by making full use of the IT systems at global subsidiaries. However, the Group businesses could be subject to system failure, information leaks and loss of important business information due to computer virus infections, external unauthorized access and cyber-attack. The Group, including the main subsidiaries and global headquarters, has achieved ISMS (Information Security Management System) certification and implements exhaustive information security management which includes training, auditing and defensive measures through its business continuity plan.

6. Management Policies

(1) Basic Management Policies

The corporate philosophy of the Chiyoda Group is to "enhance our business in aiming for harmony between energy and the environment and contribute to the sustainable development of a society as an integrated engineering company through the use of our collective wisdom and painstakingly developed technology". The Group strives to conduct business that inspires trust and empathy from all of stakeholders, internal and external, including shareholders, clients, subcontractors and vendors, employees, and society as a whole.

(2) The Medium-Term Management Plan, and Targets

To raise corporate value, the Group announced four-year business plan, "Seize the moment, Open up new frontiers" on May 10, 2013, commencing from April 1, 2013 and concluding on March 31, 2017.

(See http://www.chiyoda-corp.com/ir/en for our four-year plan and financial report)

The Medium-Term Management Plan includes the growth strategy and the operating foundation strategy. The Group aims to maintain growth as a constant provider of the value and service required by society and customers, by identifying current trends. The operating foundation strategy provides the base to realize the growth and the sustainable development of the Group.
During the fiscal year of 2014, the second year of the plan, the Group has focused upon implementing specific action items in accordance with the key strategy. The Group will continue to implement the growth strategy by strengthening its core business and diversifying its portfolio by expanding new business fields in order to achieve the expected goals even in the changing business environment such as decline in investment due to plunge in oil prices.
The Group will adhere and respect Compliance, CSR ("Corporate Social Responsibility") and HSE ("Health, Safety and Environment") commitments when implementing each action plan.
In addition, the Group aims to achieve the management indices announced in the plan.

(3) Challenges lying ahead (Focused Action Plans)

In the energy field, with which the Group has close links, preparations for investment in numerous gas related facilities are being encouraged by the continuing increase in medium to long term energy demand, the shale revolution and the tide of the shift to gas. Meanwhile, every management decision has to be made judiciously and cautiously because the feasibility of each project becomes more difficult to evaluate than previously due to volatile energy prices, the slowdown in the economy of emerging countries, and geo-political concerns.
The Group will not merely correspond to the vigorous demand for investment in energy, but will concentrate on the key policies aiming to continuously provide the service and value that society may require in the fields where we are positioned in the first tier.
The Group aims to improve its corporate value by combining the growth strategy with the foundation strategy especially for the development of human resources while enriching the quality of performance of the Group as a whole. The Group keeps improving its corporate governance structure to make transparent and fair decisions in a firm and fast way with due consideration to all the stakeholders including shareholders, clients, employees and the local societies.
In the fiscal year of 2014, the midpoint of the plan, the Group secured a contract in Russia in the LNG field which is our core business. Combined with previously secured projects in USA, the Group is enhancing the operating foundation to steadily execute several mega projects simultaneously. In addition, the Group has established a framework to globally provide its services from consulting to FEED in the offshore and upstream field. The Group will continue to expand to provide an important contribution to future revenues.

7. Consolidated financial statements

(1) Consolidated balance sheets (1/2)

(Millions of yen)

	As of March 31, 2014	As of March 31, 2015
Assets		
Current assets		
Cash and deposits	37,868	31,815
Notes receivable, accounts receivable from completed construction contracts	73,005	53,840
Securities	107,499	81,499
Costs on uncompleted construction contracts	33,826	59,668
Deferred tax assets	18,868	11,697
Jointly controlled assets of joint venture	127,466	182,855
Other	10,565	23,257
Allowance for doubtful accounts	(3)	(56)
Total current assets	409,096	444,578
Non-current assets		
Property, plant and equipment		
Buildings and structures	12,557	13,915
Accumulated depreciation	(5,694)	(6,172)
Buildings and structures, net	6,862	7,742
Machinery and vehicles	944	721
Accumulated depreciation	(404)	(340)
Machinery and vehicles, net	539	381
Tools, furniture and fixtures	7,106	7,211
Accumulated depreciation	(5,102)	(5,791)
Tools, furniture and fixtures, net	2,003	1,419
Land	5,265	5,266
Construction in progress	286	16
Total property, plant and equipment	14,958	14,826
Intangible assets		
Goodwill	12,395	12,034
Other	7,113	7,450
Total intangible assets	19,509	19,484
Investments and other assets		
Investment securities	28,315	31,328
Net defined benefit asset	34	33
Other	3,443	5,820
Allowance for doubtful accounts	(68)	(231)
Total investments and other assets	31,724	36,950
Total non-current assets	66,192	71,261
Total assets	475,288	515,839

Consolidated balance sheets (2/2)

(Millions of yen)

	As of March 31, 2014	As of March 31, 2015
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts	145,392	137,652
Short-term loans payable	1,283	991
Current portion of long-term loans payable	4	4
Income taxes payable	5,513	1,366
Advances received on uncompleted construction contracts	80,182	123,869
Provision for warranties for completed construction	507	364
Provision for loss on construction contracts	4,002	3,988
Provision for bonuses	4,261	3,905
Other	20,531	22,197
Total current liabilities	261,679	294,339
Non-current liabilities		
Long-term loans payable	10,018	10,015
Provision for treatment of PCB waste	365	339
Net defined benefit liability	2,080	1,070
Other	3,113	1,667
Total non-current liabilities	15,578	13,093
Total liabilities	277,257	307,433
Net assets		
Shareholders' equity		
Capital stock	43,396	43,396
Capital surplus	37,112	37,112
Retained earnings	109,525	115,831
Treasury shares	(1,390)	(1,405)
Total shareholders' equity	188,644	194,934
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,920	7,218
Deferred gains or losses on hedges	648	(2,064)
Foreign currency translation adjustment	2,486	5,229
Remeasurements of defined benefit plans	(287)	1,076
Total accumulated other comprehensive income	7,767	11,460
Minority interests	1,619	2,010
Total net assets	198,031	208,405
Total liabilities and net assets	475,288	515,839

(2) Consolidated statement of income and comprehensive income

(Consolidated statement of income)

(Millions of yen)

	Fiscal year ended March 31, 2014 (From April 1, 2013 to March 31, 2014)	Fiscal year ended March 31, 2015 (From April 1, 2014 to March 31, 2015)
Net sales of completed construction contracts	446,147	480,979
Cost of sales of completed construction contracts	404,685	435,327
Gross profit on completed construction contracts	41,462	45,651
Selling, general and administrative expenses	20,383	24,185
Operating income	21,079	21,466
Non-operating income		
Interest income	1,411	1,522
Dividend income	1,178	1,588
Other	92	148
Total non-operating income	2,683	3,259
Non-operating expenses		
Interest expenses	233	255
Share of loss of entities accounted for using equity method	374	783
Foreign exchange losses	145	1,182
Other	170	233
Total non-operating expenses	924	2,454
Ordinary income	22,837	22,271
Extraordinary losses		
Loss on valuation of investment securities	—	258
Retirement benefit expenses	299	—
Total extraordinary losses	299	258
Income before income taxes and minority interests	22,538	22,012
Income taxes - current	13,101	6,257
Income taxes - deferred	(3,773)	4,542
Total income taxes	9,327	10,799
Income before minority interests	13,210	11,212
Minority interests in income (loss)	(236)	183
Net income	13,447	11,029

(Consolidated statement of comprehensive income)

(Millions of yen)

	Fiscal year ended March 31, 2014 (From April 1, 2013 to March 31, 2014)	Fiscal year ended March 31, 2015 (From April 1, 2014 to March 31, 2015)
Income before minority interests	13,210	11,212
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,664)	2,298
Deferred gains or losses on hedges	(2,242)	(2,712)
Foreign currency translation adjustment	3,625	2,815
Remeasurements of defined benefit plans, net of tax	—	1,364
Share of other comprehensive income of entities accounted for using equity method	104	142
Total other comprehensive income	(176)	3,908
Comprehensive income	13,034	15,121
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	13,087	14,722
Comprehensive income attributable to minority interests	(53)	398

(3) Consolidated statement of cash flows (1/2)

(Millions of yen)

	Fiscal year ended March 31, 2014 (From April 1, 2013 to March 31, 2014)	Fiscal year ended March 31, 2015 (From April 1, 2014 to March 31, 2015)
Cash flows from operating activities		
Income before income taxes and minority interests	22,538	22,012
Depreciation	3,196	3,569
Amortization of goodwill	825	1,469
Increase (decrease) in allowance for doubtful accounts	(12)	216
Increase (decrease) in provision for warranties for completed construction	(4)	(170)
Increase (decrease) in provision for loss on construction contracts	2,534	(47)
Increase (decrease) in provision for bonuses	(127)	(381)
Increase (decrease) in net defined benefit liability	(768)	100
Interest and dividend income	(2,590)	(3,111)
Interest expenses	233	255
Foreign exchange losses (gains)	(224)	(499)
Share of (profit) loss of entities accounted for using equity method	374	783
Loss (gain) on valuation of investment securities	—	258
Loss (gain) on sales and retirement of non-current assets	31	338
Decrease (increase) in notes and accounts receivable - trade	(1,896)	21,217
Decrease (increase) in costs on uncompleted construction contracts	(16,974)	(25,282)
Increase (decrease) in notes and accounts payable - trade	23,650	(9,759)
Increase (decrease) in advances received on uncompleted construction contracts	(2,111)	43,019
Decrease (increase) in accounts receivable - other	355	(3,637)
Decrease (increase) in jointly controlled asset of joint venture	(31,955)	(55,246)
Increase (decrease) in accrued consumption taxes	2,163	(1,234)
Increase (decrease) in deposits received	(2,141)	(1,710)
Other, net	(2,186)	(6,720)
Subtotal	(5,090)	(14,560)
Interest and dividend income received	1,877	3,220
Interest expenses paid	(255)	(255)
Income taxes paid	(13,709)	(12,550)
Net cash provided by (used in) operating activities	(17,177)	(24,145)
Cash flows from investing activities		
Net decrease (increase) in time deposits	192	—
Proceeds from redemption of securities	2,400	—
Purchase of property, plant and equipment	(1,981)	(1,441)
Proceeds from sales of property, plant and equipment	90	146
Purchase of intangible assets	(3,294)	(2,431)
Payments for asset retirement obligations	(7)	—
Purchase of investment securities	(4,046)	(1,245)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(9,134)	—
Payments of loans receivable	(1,158)	(605)
Collection of loans receivable	101	118
Other, net	41	14
Net cash provided by (used in) investing activities	(16,796)	(5,444)

Consolidated statement of cash flows (2/2)

(Millions of yen)

	Fiscal year ended March 31, 2014 (From April 1, 2013 to March 31, 2014)	Fiscal year ended March 31, 2015 (From April 1, 2014 to March 31, 2015)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	11	(390)
Repayments of long-term loans payable	(264)	(4)
Cash dividends paid	(4,914)	(4,139)
Other, net	(81)	(34)
Net cash provided by (used in) financing activities	(5,249)	(4,569)
Effect of exchange rate change on cash and cash equivalents	3,974	2,101
Net increase (decrease) in cash and cash equivalents	(35,249)	(32,057)
Cash and cash equivalents at beginning of period	180,229	145,303
Increase in cash and cash equivalents from newly consolidated subsidiary	323	—
Cash and cash equivalents at end of period	145,303	113,246

8. Production, Contracts and Sales

Millions of yen

	Apr. 1, 2013 — Mar. 31, 2014			Apr. 1, 2014 — Mar. 31, 2015		
	New contracts (ratio)	Net sales (ratio)	Backlog of contracts (ratio)	New contracts (ratio)	Net sales (ratio)	Backlog of contracts (ratio)
Engineering	585,413 99.2%	441,615 99.0%	1,071,910 100.0%	740,887 99.2%	476,499 99.1%	1,415,170 99.9%
LNG Plants	436,963 74.1%	203,034 45.5%	755,643 70.5%	550,813 73.8%	257,871 53.6%	1,102,951 77.9%
Other Gas Related Works	14,286 2.4%	47,493 10.7%	21,585 2.0%	49,604 6.6%	38,049 7.9%	33,254 2.4%
Petroleum/Petrochemicals/ Gas Chemicals	49,181 8.3%	75,976 17.0%	203,356 19.0%	49,061 6.6%	106,665 22.2%	169,953 12.0%
Mining/ Mineral Refining/Offshore	393 0.1%	4,302 1.0%	113 0.0%	11,446 1.5%	1,283 0.3%	10,276 0.7%
General chemicals/ Industrial Facilities	41,042 7.0%	94,330 21.1%	42,560 4.0%	39,630 5.3%	41,865 8.7%	33,113 2.3%
Environment/New Energy/ Infrastructure	37,342 6.3%	13,330 3.0%	45,119 4.2%	35,456 4.7%	23,372 4.9%	63,906 4.5%
Others	6,202 1.0%	3,147 0.7%	3,530 0.3%	4,874 0.7%	7,390 1.5%	1,714 0.1%
Other Business	4,454 0.8%	4,532 1.0%	308 0.0%	5,903 0.8%	4,479 0.9%	1,731 0.1%
Total	589,867 100.0%	446,147 100.0%	1,072,218 100.0%	746,791 100.0%	480,979 100.0%	1,416,901 100.0%
Domestic	104,690 17.7%	128,743 28.9%	103,244 9.6%	110,989 14.9%	113,341 23.6%	100,218 7.1%
Overseas	485,177 82.3%	317,404 71.1%	968,974 90.4%	635,801 85.1%	367,638 76.4%	1,316,683 92.9%