

Financial Results for the 2nd Quarter of Fiscal Year Ending March 31, 2016

November 11, 2015

Chiyoda Corporation

1. Financial Summary

(Billions of Yen)

	2Q of FY ended March 2015	2Q of FY ending March 2016	Difference	Difference (%)
New Orders	587.6	202.4	(385.1)	(65.5)%
Revenues	207.2	282.2	75.0	36.2%
Operating Income	9.8	10.0	0.2	1.8%
Ordinary Income	10.2	10.7	0.5	4.8%
Profit*	5.9	5.6	(0.3)	(5.6)%
Comprehensive Income	7.5	3.2	(4.3)	(57.9)%
Exchange Rate	JPY 109/\$	JPY 120/\$		

Full Year Forecast	Progress (%)
350.0	57.8%
600.0	47.0%
20.0	50.0%
22.0	48.5%
12.0	46.4%

JPY 120/\$

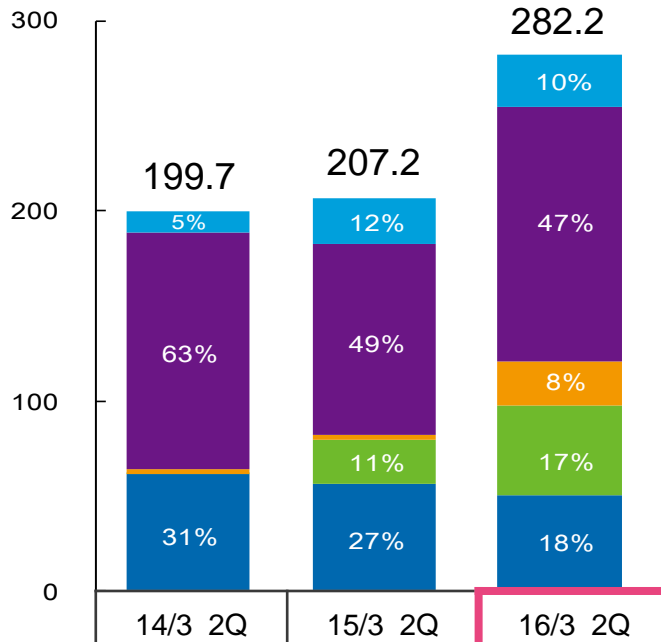
Income items remain the same level YoY, while significant increase in revenue.
Maintain full year forecast, expecting further progress in the latter half of the FY.

Note: *Profit attributable to owner of parent

2. Revenues

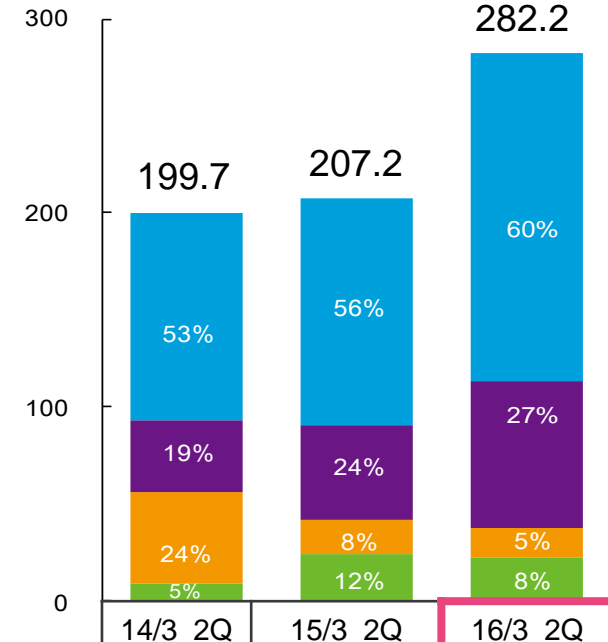
(Billions of Yen)

By Region



■ ME & Africa	10.8	24.1	27.7
■ SEA & Oceania	125.4	101.0	133.6
■ Americas region	2.0	2.7	23.5
■ Others	0.2	22.8	47.7
Overseas Total	138.3	150.6	232.5
■ Domestic Total	61.4	56.6	49.8

By Field



■ LNG Plant, Gas Related Work	106.2	116.5	169.0
■ Refinery, Petrochemical, Metal	37.0	49.1	75.3
■ Pharmaceutical, Biochemistry, Chemical	47.3	17.3	15.1
■ Environment, New Energy, Infrastructure	9.2	24.3	22.9

Increase: Mainly from LNG projects in Australia, the U.S.A. and Russia, refinery projects in Qatar and Vietnam.

Note: New categorization at "By Field"

3. Income-related Items

(Billions of Yen)

	2Q of FY ended March 31, 2015	2Q of FY ending March 31, 2016	Difference
Gross Profit	21.3 10.3%	21.8 7.7%	0.6 (2.6) pt
SG&A expenses	(11.4)	(11.8)	(0.4)
Operating Income	9.8 4.7%	10.0 3.5%	0.2 (1.2) pt
Non-operating income and expenses	0.4	0.7	0.3
Ordinary Income	10.2 4.9%	10.7 3.8%	0.5 (1.1) pt
Net income attributable to non-controlling interest (loss)	(4.3)	(5.1)	(0.8)
Net income attributable to owners of the parent	5.9 2.8%	5.6 2.0%	(0.3) (0.8) pt

Reviewed performance of ongoing Non-LNG projects and implemented necessary measures.

Foreign exchange losses in 1Q cleared, while losses continued in some of the overseas subsidiaries and equity method companies.

4. Balance Sheet

(Billions of Yen)

	March 31, 2015	Sept. 30, 2015	Difference
Current assets	444.6	450.0	5.4
Cash and deposits*1	113.3	141.7	28.4
Operating assets *2	113.5	116.1	2.6
Jointly controlled assets of joint venture *3	182.9	162.8	(20.1)
Other	34.9	29.4	(5.5)
Non-current assets	71.3	61.1	(10.1)
Property, plant and equipment	14.8	14.5	(0.4)
Intangible assets	19.5	18.9	(0.6)
Investment and other assets	37.0	27.8	(9.1)
Total assets	515.8	511.1	(4.7)

	March 31, 2015	Sept. 30, 2015	Difference
Current liabilities	294.3	290.3	(4.0)
Short-term loans payable	1.0	0.3	(0.6)
Operating liabilities *4	261.5	265.0	3.4
Provision for loss on construction contracts	4.0	3.1	(0.9)
Others	27.8	21.9	(5.9)
Non-current liabilities	13.1	12.7	(0.4)
Long-term loans payable	10.0	10.0	(0.0)
Other	3.1	2.6	(0.4)
Net assets	208.4	208.2	(0.2)
Liabilities and net assets	515.8	511.1	(4.7)

Notes:

*1. Cash and deposits = Cash and deposits + Short-term investment securities, incl. negotiable deposit

*2. Operating assets = Notes receivable, accounts receivable from completed construction contracts + Costs on uncompleted construction contracts

*3. Jointly controlled assets of joint venture = Cash and deposits of joint venture proportional to Chiyoda's interest

*4. Operating liabilities = Notes payable, accounts payable for construction contracts + Advances received on uncompleted construction contracts

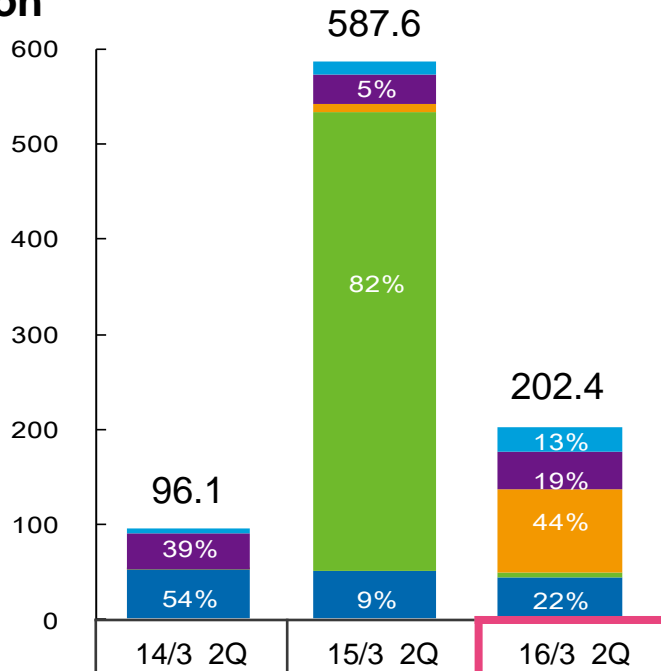
Shareholders' equity	206.4	206.2	(0.2)
Shareholders' equity ratio	40.0%	40.3%	0.3 pt

Non-current assets decrease: Sales and re-evaluation of investment securities.

Provision for loss on construction decreased YoY, but increased 0.9 billion JPY from 1Q.

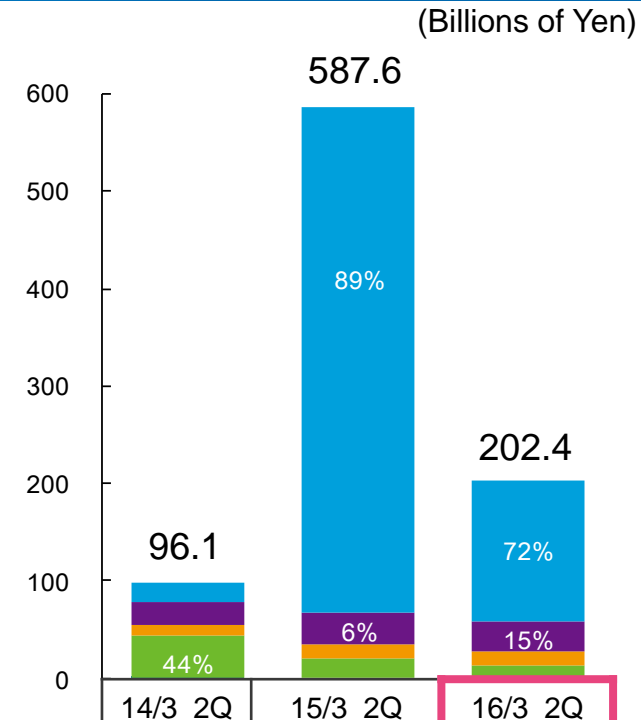
5. New Orders

By Region



Region	14/3 2Q	15/3 2Q	16/3 2Q
ME & Africa	5.9	14.0	26.6
SEA & Oceania	37.7	31.6	39.4
Americas region	0.4	7.7	88.1
Others	0.1	484.2	4.5
Overseas Total	44.1	537.5	158.6
Domestic Total	52.0	50.1	43.9

By Field



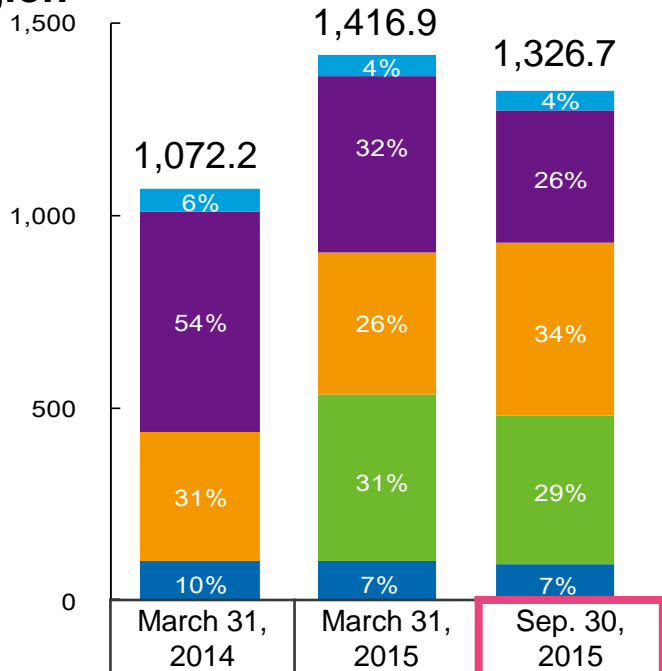
Field	14/3 2Q	15/3 2Q	16/3 2Q
LNG Plant, Gas Related Work	19.6	520.2	144.6
Refinery, Petrochemical, Metal	22.8	32.4	31.0
Pharmaceutical, Biochemistry, Chemical	11.7	14.6	13.1
Environment, New Energy, Infrastructure	42.1	20.4	13.7

Freeport LNG Train 3: booked in Americas region. Mozambique LNG: waiting for FID by the client.

Note: New categorization at "By Field"

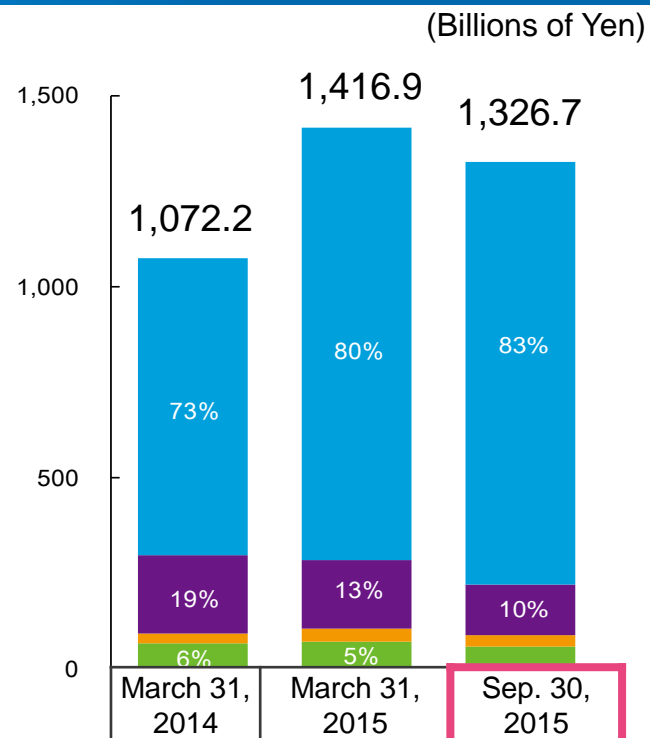
6. Backlog of Contracts

By Region



■ ME & Africa	61.2	54.9	52.0
■ SEA & Oceania	572.9	456.5	346.3
■ Americas region	334.8	370.9	446.9
■ Others	0.1	434.3	387.5
Overseas Total	969.0	1,316.7	1,232.7
Domestic Total	103.2	100.2	94.0

By Field



■ LNG Plant, Gas Related Work	779.2	1,136.1	1,106.9
■ Refinery, Petrochemical, Metal	203.5	180.2	135.6
■ Pharmaceutical, Biochemistry, Chemical	26.9	31.7	28.7
■ Environment, New Energy, Infrastructure	62.6	68.9	55.5

Maintain high level, pursuing further growth in Non-LNG fields.

Note: New categorization at "By Field"

Reference Materials



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Breakdown of Forecasts for FY ending March 2016

(Billions of Yen)

	Results for FY ended March 2015	Forecasts for FY ending March 2016	Difference
New Orders	746.8	350.0	(396.8)
Overseas	635.8	230.0	(405.8)
Domestic	111.0	120.0	9.0
Revenues	481.0	600.0	119.0
Overseas	367.6	480.0	112.4
Domestic	113.3	120.0	6.7
Gross Profit	45.7	46.0	0.3
SG&A Expenses	(24.2)	(26.0)	(1.8)
Operating Income	21.5	20.0	(1.5)
Non-operating Income and Expenses	0.8	2.0	1.2
Ordinary Income	22.3	22.0	(0.3)
Profit (loss) attributable to non-controlling interests	(11.2)	(10.0)	1.2
Profit attributable to owners of parent	11.0	12.0	1.0

Performance Indicators

	FY ended March 2012	FY ended March 2013	FY ended March 2014	FY ended March 2015	Forecast FY ending March 2016
Gross profit margin (%)	15.3	10.7	9.3	9.5	7.7
SG&A expenses to revenues (%)	5.8	4.4	4.6	5.0	4.3
Operating income to revenues (%)	9.5	6.3	4.7	4.5	3.3
Ordinary income to revenues (%)	9.3	6.4	5.1	4.6	3.7
Profit* to revenues (%)	5.6	4.0	3.0	2.3	2.0
Return on assets (ROA) (%)	6.6	6.4	5.0	4.5	
Return on equity (ROE) (%)*	8.9	9.0	7.0	5.5	
Profit* per share (EPS) (JPY)	55.44	62.06	51.91	42.58	
Book value per share (BPS) (JPY)	648.95	727.24	758.31	796.89	
Shareholders' equity ratio (%)	46.0	43.3	41.3	40.0	
Current ratio (%)	165.5	166.3	156.3	151.0	
Fixed ratio (%)	27.0	27.7	33.7	34.5	
Debt-to-equity ratio <DER> (Times)	0.06	0.05	0.06	0.05	

Note: *Profit attributable to owners of parent

Business Overview

Major Projects included in FY2015 Revenues

◆ LNG / Gas

- Australia, U.S.A. and Russia / LNG Plant / EPC*1
- Qatar / Chiyoda Almana / EPCm*2 under Long Term Service Contracts
- Japan / LNG Receiving Terminals

◆ Petroleum / Petrochemical / Metal

- Vietnam / Refinery and Petrochemical Complex / EPC
- Qatar / Refinery / EPC
- Saudi Arabia / Titanium Sponge Plant / EPC
- Japan / Refinery / Chemical Plant Renewal

◆ New Energy / Environment / Infrastructure / Others

- Mongolia / New Ulaanbaatar International Airport / EPC
- Japan / Pharmaceutical Plant and Research Facilities / EPC
- Japan / Life Science, Regenerative Medicine Facilities / EPC
- Japan / Mega Solar Projects / EPC
- Diagnosis and Consulting / Countermeasures against Disaster, O&M*3
- Offshore & Upstream / Study, Consulting Service

*1 EPC; Engineering, Procurement and Construction

*2 EPCm; Engineering, Procurement and Construction management

*3 O&M; Operation & Maintenance

Major Projects included in FY2015 New Orders

◆ LNG / Gas

- U.S.A. / LNG Plant / EPC
Freeport LNG Train 3
- Additional Works for ongoing LNG Projects
- Qatar / Helium Recovery Facilities / EPC

◆ Petroleum / Petrochemical / Metal

- Japan / Refinery and Chemical Plants / Expansion and Renewal

◆ New Energy / Environment / Infrastructure / Others

- Japan / Pharmaceutical Plants / EPC
- Japan / Life Science, Regenerative Medicine Facilities / EPC
- Japan / Mega Solar Projects / EPC

Progress of Medium-Term Management Plan - Seize the moment, Open up new frontiers -

◆ Results and Progress – Half Term Review

- LNG
 - Favorable progress in core business
- Petroleum / Petrochemical / Metal
 - Strategic selection and concentration on business fields and areas utilizing our technological advantage
- Offshore and Upstream
 - EMAS CHIYODA Subsea to be established with EZRA Holdings Ltd. to enter EPCI* work in offshore and upstream field
- Life Science
 - Concentrated efforts resulted in an award of EPC for facilities related to regenerative medicine symbolized by iPS cells
- New and Renewable Energy
 - Several strategic approaches for future growth are taken in Hydrogen Supply Chain and Concentrating Solar Power (CSP)

* EPCI; Engineering, Procurement Construction and Installation

Offshore and Upstream

- Aiming to be the first Japanese EPCI contractor in this field
- Setting up one-stop-service organization with XODUS Group and EMAS CHIYODA Subsea to cover all phases from design to EPCI and O&M



Life Science

- Aiming to become the leading EPC contractor in Japan for Life Science utilizing accumulated knowhow and experience in pharmaceutical business
- Supporting commercialization of regenerative and genetic medicine through our consulting expertise for safety, reliability, automation and optimization of pharmaceutical plant
- Starting EPC work for the first plant in the world to manufacture vector*¹ under GMP*²

¹* Vector; A material that delivers curative gene to specific organs / anatomy and imports the gene into the targeted cell effectively

²* GMP; Good Manufacturing Practice

Projects expected in FY2015 and thereafter (1/2)

◆ New Order Strategy

- Continuous effort to accomplish 350 billion yen and more
- Securing viable projects under sound conditions selectively
- Business development efforts in Non-LNG fields

◆ LNG / Gas

- Selected as EPC contractor for Mozambique LNG
- Several FEED and EPC works for LNG projects globally
- Regional Operations (Qatar, North America and others) / EPCm and EPC

◆ Petroleum / Petrochemical / Metal

- Non Ferrous and other projects in South East Asia / FEED and EPC
- Regional Operations (Singapore, Indonesia and others)/ EPCm and EPC
- Overseas investment by Japanese clients / FEED and EPC
- Domestic opportunities for Revamping & Renewal / FEED and EPC

Projects expected in FY2015 and thereafter (2/2)

◆ New Energy / Environment / Infrastructure / Others

- Social Infrastructure (Railway Systems, Airports)
- Domestic Environment Preserving Facilities

◆ Offshore and Upstream

- Study and Consulting Business
- FEED / EPCI *

◆ Pharmaceutical / Life Science

- Manufacturing Facilities related to Regenerative Medicine, Active Pharmaceutical Ingredient, Bio-medicine and Generic Medicine

* As an equity method company, new EPCI contracts to EMAS CHIYODA Subsea not to be consolidated.

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Forward-looking Statements

The forecasts and plans in this presentation are based on information available to management on November 11, 2015, the date this material was prepared. Actual results may differ significantly from these forecasts for a number of factors, including but not limited to changes in economic conditions and operation environment in Japan and overseas.



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