

Financial Results for the 1st Quarter of Fiscal Year Ending March 31, 2017

August 9, 2016

Chiyoda Corporation

1. Financial Summary

(Billions of Yen)

	1Q of FY ended March 2016	1Q of FY ending March 2017	Difference	Difference (%)
New Orders	47.3	58.4	11.1	23.5%
Revenues	125.9	133.6	7.7	6.1%
Operating Income	4.0	3.5	(0.5)	(11.4%)
Ordinary Income	3.5	8.9	5.4	154.1%
Profit *	2.0	3.7	1.7	84.0%
Comprehensive Income	2.1	0.4	(1.7)	(80.3%)
Exchange Rate	JPY 122/\$	JPY 103/\$		

Full Year Forecast	Progress (%)
470.0	12.4%
550.0	24.3%
18.0	19.6%
14.0	63.8%
5.0	74.2%

Previous	Revised **
JPY 110 /\$	JPY 105 /\$

Despite an appreciation of JPY 10 (against the U.S. dollar), revenues in line with forecast as LNG projects, namely Yamal (Russia) and Ichthys (Australia) have progressed well. Operating income decreased as a result of the yen's appreciation, while ordinary income and profit increased due to foreign currency hedging. The full year forecast remains unchanged due to expected losses from some foreign affiliates in the second half of the FY.

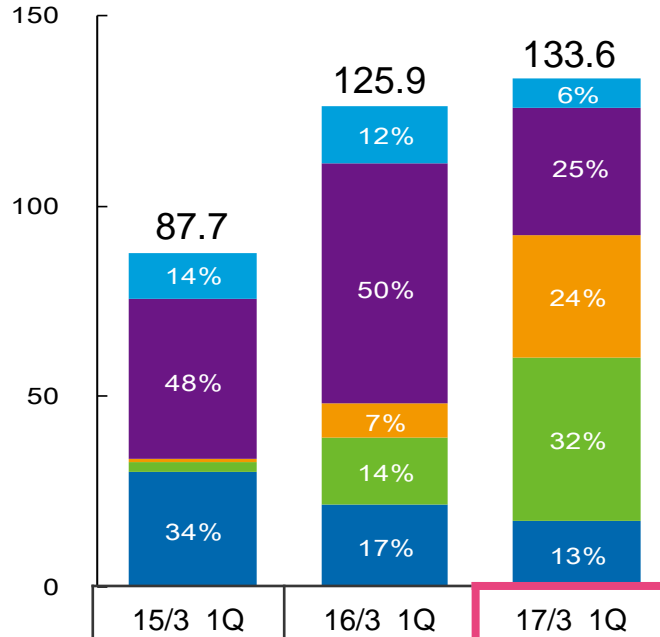
* Profit attributable to owners of parent

** Exchange Rate for the full year forecast has been changed to JPY 105/\$ from JPY 110/\$.

2. Revenues

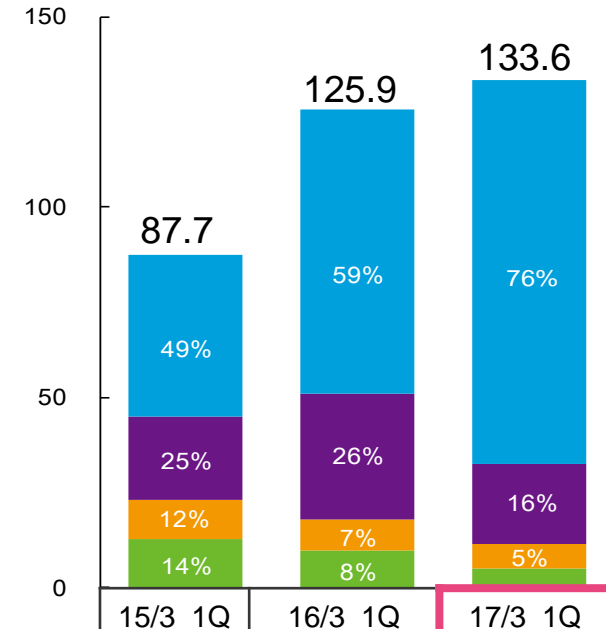
(Billions of Yen)

By Region



	15/3 1Q	16/3 1Q	17/3 1Q
ME & Africa	11.9	14.7	7.9
SEA & Oceania	42.4	63.1	33.3
Americas region	0.7	9.2	32.5
Others	2.6	17.3	42.5
Overseas Total	57.6	104.2	116.2
Domestic Total	30.1	21.8	17.5

By Field



	15/3 1Q	16/3 1Q	17/3 1Q
LNG Plant, Gas Related Work	42.8	75.1	101.3
Refinery, Petrochemical, Metal	21.9	32.9	20.8
Pharmaceutical, Biochemistry, Chemical	10.3	8.3	6.4
Environment, New Energy, Infrastructure	12.7	9.6	5.1

Despite an appreciation of the JPY, revenues remain in line with forecast as LNG projects namely Yamal (Russia) and Ichthys (Australia) have progressed well.

3. Income-related Items

(Billions of Yen)

	1Q of FY ended March 31, 2016	1Q of FY ending March 31, 2017	Difference
Gross Profit	9.7 7.7%	8.7 6.5%	Δ1.0 Δ1.2pt
SG&A expenses	(5.7)	(5.2)	0.5
Operating Income	4.0 3.2%	3.5 2.6%	Δ0.5 Δ0.6pt
Non-operating income and expenses	(0.5)	5.4	5.9
Ordinary Income	3.5 2.8%	8.9 6.7%	5.4 3.9pt
Extraordinary income, Income taxes, Profit attributable to non-controlling interests	(1.5)	(5.2)	(3.7)
Profit attributable to owners of parent	2.0 1.6%	3.7 2.8%	1.7 1.2pt

Operating income decreased as a result of the yen's appreciation, while ordinary income and profit increased due to foreign currency hedging.

4. Balance Sheet

(Billions of Yen)

	March 31, 2016	June 30, 2016	Difference
Current assets	455.0	417.4	(37.6)
Cash and deposits*1	144.7	134.9	(9.8)
Operating assets *2	104.3	91.7	(12.6)
Jointly controlled assets of joint venture *3	179.4	157.7	(21.7)
Other	26.6	33.1	6.5
Non-current assets	73.2	71.9	(1.3)
Property, plant and equipment	13.9	13.5	(0.4)
Intangible assets	11.1	10.3	(0.8)
Investment and other assets	48.2	48.1	(0.1)
Total assets	528.2	489.3	(38.9)

	March 31, 2016	June 30, 2016	Difference
Current liabilities	311.1	274.4	(36.7)
Short-term loans payable	0.3	0.4	0.0
Operating liabilities *4	285.7	252.0	(33.8)
Provision for loss on construction contracts	3.2	2.3	(0.8)
Others	21.9	19.7	(2.2)
Non-current liabilities	15.0	14.9	(0.0)
Long-term loans payable	10.0	10.0	(0.0)
Other	5.0	4.9	(0.0)
Net assets	202.1	199.9	(2.2)
Liabilities and net assets	528.2	489.3	(38.9)

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

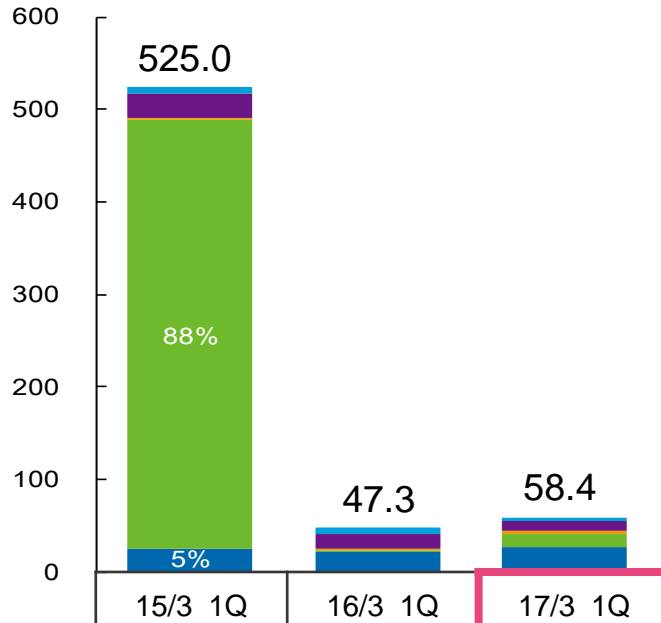
Shareholders' equity	200.2	198.0	(2.2)
Shareholders' equity ratio	37.9%	40.5%	2.6pt

With the progress of ongoing projects, operating assets, operating liabilities and jointly controlled assets of joint venture decreased. Shareholders' equity ratio reached 40.5%, while net assets slightly decreased.

5. New Orders

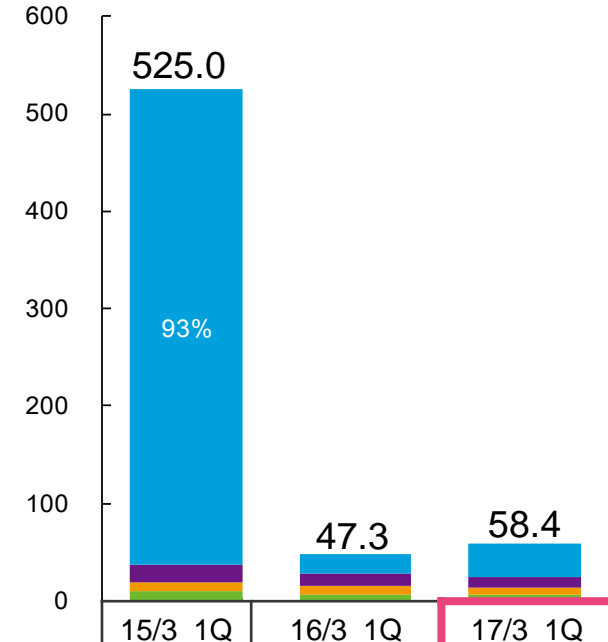
(Billions of Yen)

By Region



ME & Africa	7.0	6.6	4.3
SEA & Oceania	27.2	14.9	10.0
Americas region	2.2	1.9	3.4
Others	464.0	2.0	14.0
Overseas Total	500.3	25.5	31.7
Domestic Total	24.7	21.8	26.7

By Field



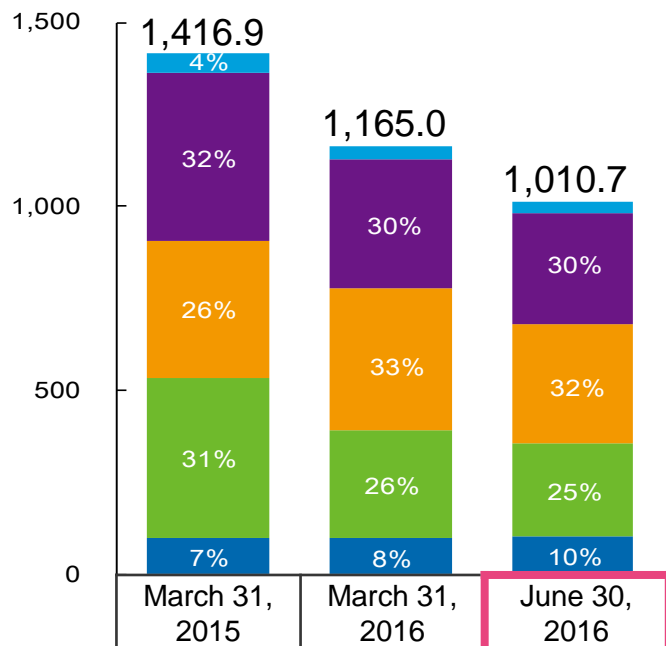
LNG Plant, Gas Related Work	489.8	19.9	34.3
Refinery, Petrochemical, Metal	17.7	12.8	10.8
Pharmaceutical, Biochemistry, Chemical	8.4	8.0	7.5
Environment, New Energy, Infrastructure	9.1	6.6	5.8

New Orders consist of change work for Yamal LNG and other LNG projects as well as domestic projects. LNG EPC projects are expected to be booked in the remainder of the fiscal year.

6. Backlog of Contracts

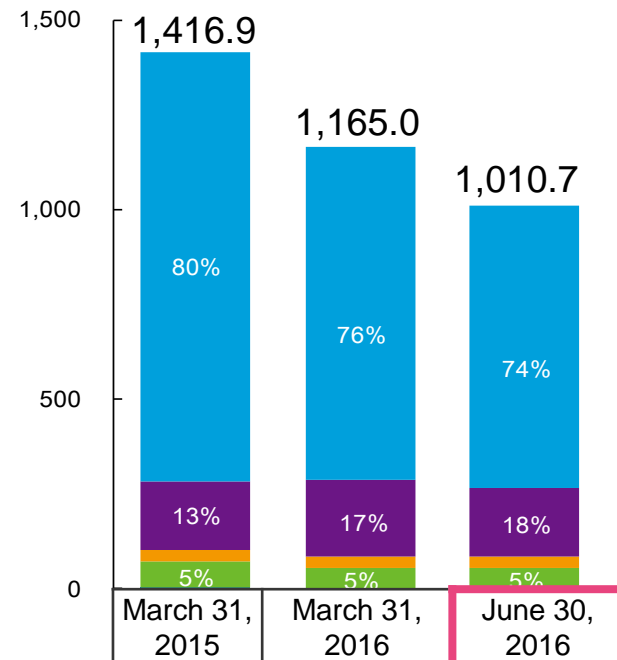
(Billions of Yen)

By Region



■ ME & Africa	54.9	35.5	29.7
■ SEA & Oceania	456.5	353.2	303.0
■ Americas region	370.9	383.5	324.4
■ Others	434.3	296.7	249.6
Overseas Total	1,316.7	1,068.9	906.7
■ Domestic Total	100.2	96.1	104.0

By Field



■ LNG Plant, Gas Related Work	1,136.1	880.0	744.7
■ Refinery, Petrochemical, Metal	180.2	198.6	181.9
■ Pharmaceutical, Biochemistry, Chemical	31.7	32.4	30.5
■ Environment, New Energy, Infrastructure	68.9	53.9	53.6

With the expected booking of LNG projects in the remainder of the fiscal year, the backlog will remain at the current level.

Reference Materials



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Breakdown of Forecasts for FY ending March 2017

(Billions of Yen)

	Results for FY ended March 2016	Forecasts for FY ending March 2017	Difference
New Orders	403.6	470.0	66.4
Overseas	295.7	360.0	64.3
Domestic	107.9	110.0	2.1
Revenues	611.5	550.0	△61.5
Overseas	500.1	430.0	△70.0
Domestic	111.5	120.0	8.5
Gross Profit	41.5	42.0	0.5
SG&A Expenses	(25.5)	(24.0)	1.5
Operating Income	16.0	18.0	2.0
Non-operating Income and Expenses	0.2	(4.0)	(4.2)
Ordinary Income	16.2	14.0	(2.2)
Profit (loss) attributable to non-controlling interests	(12.8)	(9.0)	3.8
Profit attributable to owners of parent	3.4	5.0	1.6

Performance Indicators

	FY ended March 2013	FY ended March 2014	FY ended March 2015	FY ended March 2016	Forecast FY ending March 2016
Gross profit margin (%)	10.7	9.3	9.5	6.8	7.6
SG&A expenses to revenues (%)	4.4	4.6	5.0	4.2	4.4
Operating income to revenues (%)	6.3	4.7	4.5	2.6	3.3
Ordinary income to revenues (%)	6.4	5.1	4.6	2.6	2.5
Profit* to revenues (%)	4.0	3.0	2.3	0.6	0.9
Return on assets (ROA) (%)	6.4	5.0	4.5	3.1	
Return on equity (ROE) (%)*	9.0	7.0	5.5	1.7	
Profit* per share (EPS) (JPY)	62.06	51.91	42.58	13.03	
Book value per share (BPS) (JPY)	727.24	758.31	796.89	772.89	
Shareholders' equity ratio (%)	43.3	41.3	40.0	37.9	
Current ratio (%)	166.3	156.3	151.0	146.3	
Fixed ratio (%)	27.7	33.7	34.5	36.6	
Debt-to-equity ratio <DER> (Times)	0.05	0.06	0.05	0.05	

Note: *Profit attributable to owners of parent

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Forward-looking Statements

The forecasts and plans in this presentation are based on information available to management on August 9, 2016, 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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