

Yokohama, August 17, 2018
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Summary of the Q&A Session

Financial Results for the First Quarter of the Year Ending March 31, 2019

Chiyoda Corporation (“Chiyoda”, TSE: 6366; ISIN: JP3528600004) released the financial results of its 1st Quarter of the Year Ending March 31, 2018, on August 8, 2018. A conference call to present the Company's Operations and Finance update was held on the same day at 15:00 p.m. (Japan Standard Time). The following is the summary (translation) of questions and answers made at the tele-conference.

1) Concerning the 1Q Results

What is the reason for the difference between \$165 million of the additional cost announced by McDermott and Yen 5 billion of cost increase announced by Chiyoda for the Cameron project?	\$165 million does not represent the additional costs confirmed by the Joint Venture. Chiyoda has estimated the necessary additional cost to complete the project under the current execution plan and recognized Yen 5 billion. The project execution plan is currently under review by JV.
Please explain the statement "changing from direct-hiring of workers to a subcontracting scheme". What is the difference?	Previously, workers engaged in construction work were hired by McDermott (CB&I) under the direct-hiring system, but the JV has started subcontracting a certain portion of the work instead of using directly-hired workers.
When do you expect to complete the review of the current execution plan?	An exact schedule has not been determined but we plan to complete the review by the end of September 2018.

2) Concerning the FY2018 full-year forecast

Chiyoda's 1Q result showed a loss for the period due to the cost increase of the Cameron project. Why has the full-year forecast remained unchanged despite this setback?	Considering Chiyoda's total book of business, we decided to maintain the full-year forecast. At this moment, we anticipate that there would be projects which will attain higher profitability than originally planned.
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3) Others

Could an introduction of a 25% tariff on US LNG imports by China have an impact on the Golden Pass project?	We have heard nothing from the client promoting the project concerning delays due to a China-US trade war.
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Note: Some additions and corrections were made to make the content easier for readers to understand.