

Business Overview at the Second Quarter of FY2011/3

**Takashi Kubota
President and CEO
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1. Business Overview (1)

- ◆ Steady execution of Qatari projects
 - Qatargas/ LNG Trains 6 & 7: Completed
 - Shell/ Pearl GTL Gas Processing Plant

- ◆ Smooth execution of other overseas projects
 - Papua New Guinea/ ExxonMobil/ LNG Plant
 - Saudi Arabia/ Aramco/ Heavy Oil Cracking Unit
 - FEED works: Barzan Gas Processing Plant, Ichthys LNG Plant, Petrobras FLNG etc.

1. Business Overview (2)

- ◆ Executing domestic projects in extensive sectors
 - Taiyo Oil/ RFCC (Resid Fluid Catalytic Cracking) Unit: Completed
 - JX Nippon Oil & Energy/ HS-FCC Semi- Commercial Plant (for FY2010)
 - LNG Receiving Terminals (3 projects)
 - Pharmaceutical Plants
 - New Energy Related Facilities

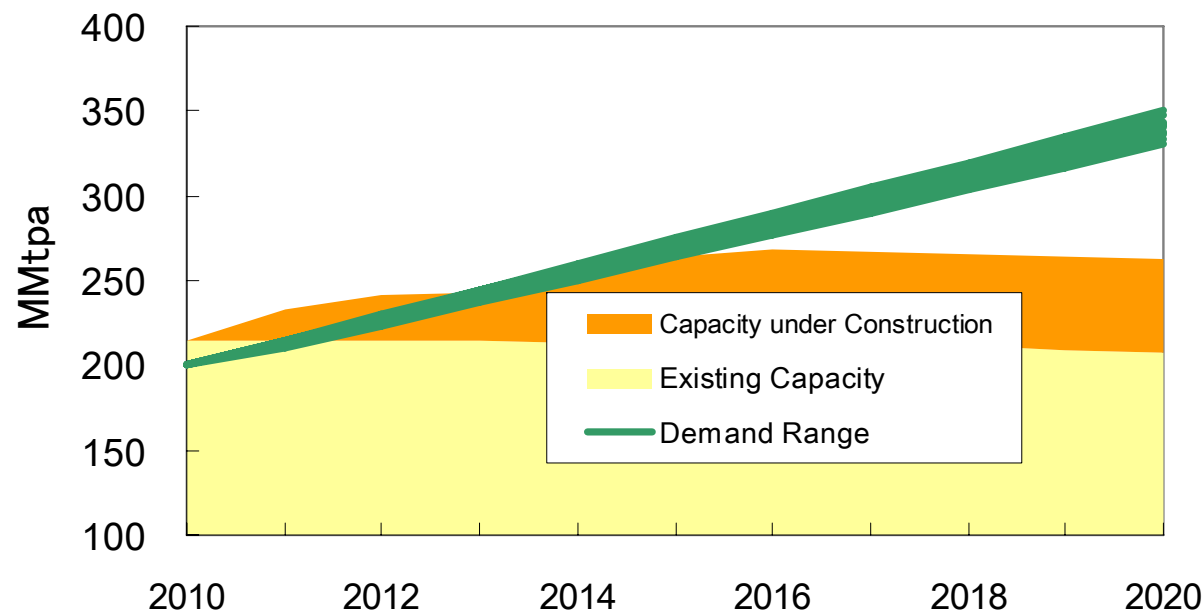
2. Business Environment Forecast

- ◆ LNG Supply- Demand Outlook
- ◆ Shift of energy demand to natural gas and Growth of low-carbon society related industries
- ◆ Customer investment trends
- ◆ Intensive competition with Korean contractors, in addition to European and US rivals

2. Business Environment Forecast (1)

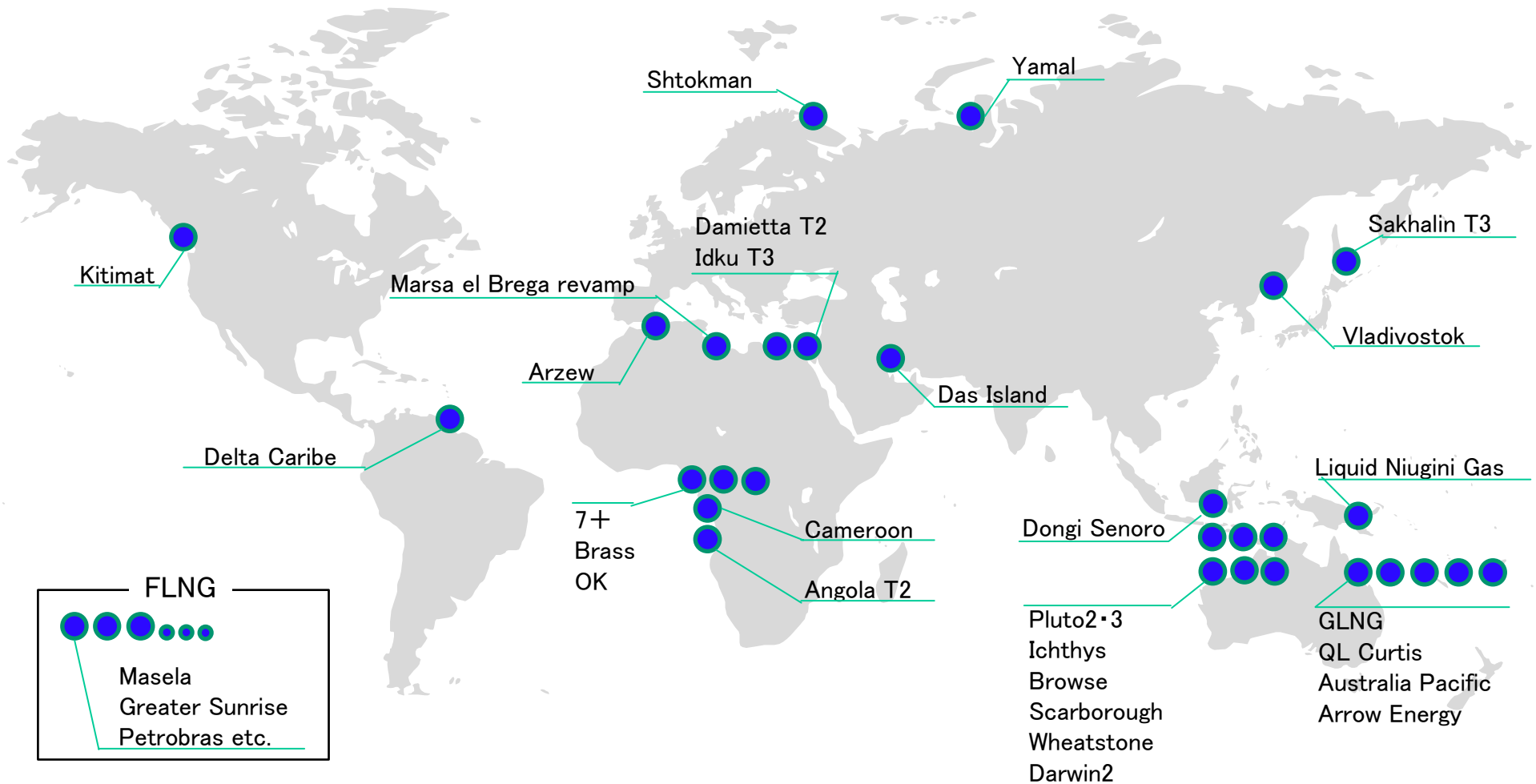
◆ LNG Supply-Demand Outlook

- Currently, oversupply conditions by start up of large-scale LNG plants
- Also vigorous development of unconventional gas, mainly in the US
- Over the long-term, LNG demand will climb because of economic growth in Asian countries such as China and India.



Source: Prepared by Chiyoda from various data

◆ Major Potential LNG Projects



Source: Prepared by Chiyoda from various data

2. Business Environment Forecast (2)

◆ Shift of energy demand to natural gas

LNG demand will exhibit rising trend in the future.

◆ Growth of low-carbon society related industries

Investment in facilities related to photovoltaic, solar thermal power generation and electric vehicles is also following a positive trend.

➤ Photovoltaic power generation: Photovoltaic cells, polycrystalline silicon

➤ Electric vehicles: Lithium-ion batteries, battery components

2. Business Environment Forecast (3)

◆ Customer investment trends

IOC: Investment in upstream projects requiring distinctive technological expertise

NOC: Vigorous gas and oil related investment by each country

Japanese firms:

Expanding push into overseas growing markets in petroleum/ petrochemicals

Increasing domestic and overseas investment in new energy sectors

2. Business Environment Forecast (4)

◆ Intensive competition with Korean contractors, in addition to European and US rivals

Korean firms increased their new contracts in 2008, 2009 and again in 2010.

⇒ Respond with various actions including technology-based differentiation, partnering and strengthening competitiveness by making the most of Global Engineering Satellites*.

* Local design subsidiaries in the Philippines and India

3. New Orders (1)

◆ Major new orders in 2Q

- Malaysia/ Tokuyama/ Polycrystalline Silicon Plant
- Japan/ LNG Receiving Terminal
- Japan/J-Power/ CO2 Physical Absorption Unit
- Lithium Ion Battery Related Project
- Qatar/ Qatargas, RasGas/ Helium Plants (awarded to CAEL)
- Singapore/ Stolthaven Singapore/ Chemical Tank Terminal (awarded to CSL)

3. New Orders (2)

◆ Targeted projects

2nd Half of 2011/3

- Qatar/ Barzan Gas Processing Plant
- Refineries

2012/3 ~

- LNG projects in Australia etc.
- Brazil/ Petrobras/ FLNG
- Other projects in new regions etc.

4. Management Strategies (1)

◆ Further Strengthen Core Business (LNG)

Progress

- Steady execution of Papua New Guinea LNG project
- Execution of FLNG FEED work for Petrobras, Brazil

Way Forward

- Securing coming EPC contracts
- Targeting new FEED works for LNG projects in Australia etc.

4. Management Strategies (2)

◆ Build a Balanced Portfolio

Exploration of new business area such as new energy, etc.

Progress

Tokuyama/ Polycrystalline Silicon Plant EPC: Awarded

Way Forward

- Integrate and reinforce engagement to new business area through newly established Technology Development Business Operation Division:
 - photovoltaic/ solar thermal power generation, polycrystalline silicon, lithium ion battery, CO2 separation and recovery, non ferrous metal, infrastructure, etc.
- Development of overseas Operation & Maintenance business

4. Management Strategies (3)

◆ Strengthen Unified Group Operation

Progress

Expanded human resource, obtained new contract for small/medium-sized local projects

⇒ CAEL (Qatar), CSL (Singapore)

Way Forward

i. Further expand new contract award for small/medium-sized local projects

⇒ CAEL, CSL, CPL (Saudi Arabia)

ii. Further strengthen Global Engineering Satellites

⇒ CPh (The Philippines), LTC (India)

Strengthen unified group operation through newly established Group Operation Division

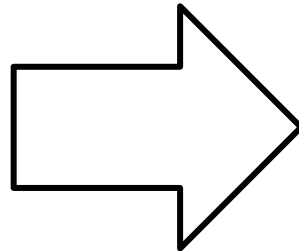
◆ Strategies and Implementation Measures

Strategies

Further strengthen
core businesses

Build a balanced
portfolio

Strengthen unified
group operation



Implementation measures

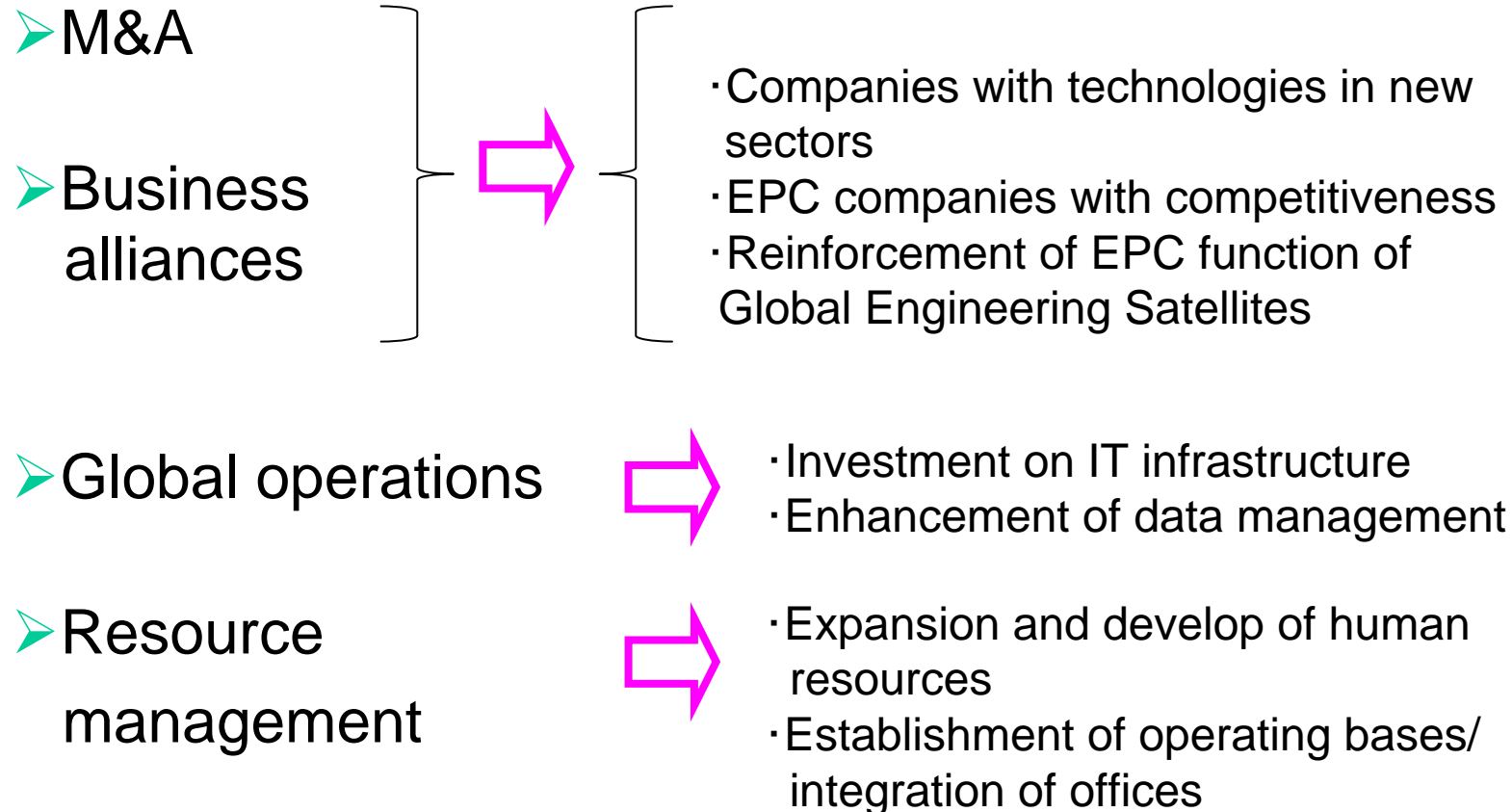
M&A

Business alliances

Global operations

Resource management

◆ Implementation Measures



Please address inquiries to;
IR and Public Relations Office

TEL +81-45-506-7538
FAX +81-45-506-7085

URL <https://ssl.chiyoda-corp.com/contact/index.php>

Forward-looking Statements

The forecasts and plans in this presentation are based on information available to management on November 11, 2010, the date these materials were 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.