Translation

May 12, 2011

Consolidated Financial Results for the Fiscal Year Ended March 31, 2011

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, 2011 (from April 1, 2010 to March 31, 2011)

(1) Consolidated operating results (cumulative)

(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, 2011	247,082	(21.1)	17,544	930.8	15,732	225.2	7,979	170.1
Fiscal year ended March 31, 2010	312,985	(29.9)	1,702	(76.4)	4,837	(57.7)	2,953	(54.5)

Note: comprehensive income: Fiscal year ended March 31, 2011: 7,502 million yen (41.9% increase year on year)
Fiscal year ended March 31, 2010: 5,285 million yen (－)

	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, 2011	30.79	–	5.3	4.6	7.1
Fiscal year ended March 31, 2010	11.39	11.39	2.0	1.4	0.5

Reference: Equity in earnings of associated companies: Fiscal year ended March 31, 2011: 104 million yen,
Fiscal year ended March 31, 2010: 144 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, 2011	353,392	155,758	43.9	599.15
As of March 31, 2010	328,174	149,253	45.3	573.61

Reference: Equity As of March 31, 2011: 155,242 million yen As of March 31, 2010: 148,683 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, 2011	(5,229)	(2,577)	(805)	130,618
Fiscal year ended March 31, 2010	8,613	(2,722)	(2,079)	139,790

2. Cash dividends

	Cash dividends per share					Payment of Cash Dividends	Payout Ratio (Consolidated)	Dividend on Equity Ratio (Consolidated)
Record date	First quarter	Second quarter	Third quarter	Fiscal year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2010	–	–	–	3.50	3.50	907	30.7	0.6
Fiscal year ended March 31, 2011	–	–	–	11.00	11.00	2,850	35.7	1.9
Fiscal year ending March 31, 2012 (Forecast)	–	–	–	10.00	10.00		32.4	

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2012 (from April 1, 2011 to March 31, 2012)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
2Q ending September 30, 2011	110,000	(1.7)	6,500	22.0	6,000	98.4	4,000	38.6	15.44
Fiscal year ending March 31, 2012	250,000	1.2	11,000	(37.3)	12,000	(23.7)	8,000	0.3	30.88

4. Others

(1) Significant changes in subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

(2) Changes in accounting policies, procedures, and methods of presentation for preparing the quarterly consolidated financial statements (changes described in the section of “Changes in significant matters forming the basis of preparing the quarterly consolidated financial statements”)

a. Changes due to revisions to accounting standards: Yes
b. Changes due to other reasons: None

(3) Number of issued shares (common stock)

a. Total number of issued shares at the end of the period (including treasury stock)

As of March 31, 2011	260,324,529 shares
As of March 31, 2010	260,324,529 shares

b. Number of treasury stock at the end of the period

As of March 31, 2011	1,222,540 shares
As of March 31, 2010	1,117,239 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. Results of Operations

(1) Analysis of Results

While emerging economies in Asia enjoyed strong growth during the fiscal year, the financial crisis in Europe and the unstable political situation in the Middle East and Africa have caused worries about the future direction of the global economy. Companies in certain sectors in Japan showed improved earnings, but the devastation of the March 11 earthquake and the impact of electricity shortages cause concern as limiting factors on corporate activities.

Major energy projects are taking shape around the world to meet growing demand for oil and gas, and we are finding competition with major international contractors to be even tougher, particularly with the yen at such strong valuations against other currencies.
Faced with these conditions, we placed particular focus on bidding activities, making the most of our technological superiority in the market. We won bids for the construction of a polycrystalline silicon plant in Malaysia, for an LNG (liquefied natural gas) plant in Australia, and for LNG receiving terminal construction in Fukuoka Prefecture here in Japan. At the same time, we are moving forward in existing construction projects, including an LNG plant project in Papua New Guinea. We also completed construction for LNG plant Trains 6 and 7 to be operated by Qatargas.

As a result, consolidated new contracts for the fiscal year under review amounted to 235,267 million yen (45.2% decrease year on year). Consolidated contract backlog was 497,648 million yen (7.2% decrease). Consolidated revenues amounted to 247,082 million yen (21.1% decrease), while operating income amounted to 17,544 million yen (930.8% increase), ordinary income amounted to 15,732 million yen (225.2% increase), and net income for the period amounted to 7,979 million yen (170.1% increase).

With the recovery of client facilities in mind in the wake of the March 11 earthquake, we set up a Reconstruction Support Task Team for our clients to resume their operations.

Results by Business Segment

Natural Gas and Electric Power

We are currently carrying out work on the LNG plant in Papua New Guinea, EPC (Engineering/Procurement/Construction) services for a gas processing plant in Qatar, and basic design services for a floating LNG plant in Brazil, and we have completed EPC services in Qatar and several basic design services for large-scale LNG plants. Moving forward, we continue to roll out new sales activities to win contracts for various types of basic design services; in Australia, we recently won a contract to provide basic design services for an LNG plant. Under a long-term service contract, the Group's subsidiary in Qatar is undertaking renovation and repair work for the LNG/gas processing plants that were originally built by the Chiyoda Group. The subsidiary is also moving forward with EPCm (Engineering/Procurement/Construction management) services for helium extraction facilities. We are also involved in other sales activities to perform similar services for other LNG and gas processing plants in Qatar.

In Japan, we won a contract to provide EPC services for a CO_2 capture facility incorporating new technologies to reduce future CO_2 emission. In addition to a new contract for LNG receiving terminal in Fukuoka Prefecture, we made progress in construction at three similar projects in Niigata and Okayama Prefectures. We completed one of those projects, the expansion project at the Mizushima LNG receiving terminal.

Petroleum, Petrochemicals and Gas Chemicals

Overseas, the Group brought resources to bear on planned investment projects in oil refineries and other ventures in the Middle East and Southeast Asia. We continue to move forward in Saudi Arabia by providing EPC services for a heavy oil cracking unit and, in Singapore, we completed EPC services for a tank terminal and EPCm services for an existing FCC (Fluid Catalytic Cracking) unit expansion project. Successful engagements at these and other overseas locations have helped us become stronger as a Group of companies, by increasing the scope of our global operations.

Domestically, we completed construction for an RFCC (Resid Fluid Catalytic Cracking) unit and an HS-FCC (High-Severity Fluid Catalytic Cracking) semi-commercial unit (fiscal 2010 portion). We also tailored our sales activities to securing contracts related to oil refinery efficiency improvements, competitiveness, and energy savings. We won a bid for a benzene extraction unit construction project as a result.

General Chemicals, Industrial Machinery, Environment and Others

The Chiyoda Group is moving ahead in new fields of business with a polycrystalline silicon (components for photovoltaic cells) plant project in Malaysia and a nickel refining plant in the Philippines. At the same time, we are also providing EPC services in Japan for projects related to solar cells and lithium ion batteries. We won contracts in Saudi Arabia for survey and research services related to industrial waste water recycle at large industrial complex. The strength of the Japanese yen has encouraged Japanese companies to expand overseas, investing in solar power/solar heat and other projects driven by low-carbon technologies. Accordingly, we have identified these projects as targets of our sales efforts.

Our experience in providing basic design services for high-bioactive drug production facilities—notably producing bioactive drugs (antibodies/vaccines) and cancer medicines—has led to new opportunities for related EPC contracts.

(Major contracts included in the consolidated results for the period)
("*": projects completed during the period.)

Overseas	・LNG plant Trains 6 & 7 for Qatar Liquefied Gas Co., Ltd. (3) and (4)* ・LNG plant construction in Papua New Guinea
Domestic	・Solar Frontier K.K., CIS Solar Cell Factory No. 3 (construction) ・Chubu Electric Power Co. Inc, Joetsu Thermal Power Station LNG Terminal Facilities (construction) ・JX Nippon Oil & Energy Corporation HS-FCC Semi-Commercial Unit (construction; 2010 portion)* ・Taiyo Oil Co., Ltd. RFCC Complex Unit (construction)*

Outlook for the Next Fiscal Year

Chiyoda will continue to promote its sales activities and win contracts in the areas where Chiyoda can best leverage its technological advantages while continuing to work diligently on the execution of existing projects including the large project in Papua New Guinea and other projects overseas and domestic.

In consideration of these circumstances, and assuming an exchange rate of ¥80/dollar, our forecasts for the fiscal year ending March 31, 2012 include 550.0 billion yen in new consolidated contracts and 250.0 billion yen in revenues. Our forecast for the consolidated operating profit is 11.0 billion yen, consolidated ordinary income is 12.0 billion yen, and the consolidated net income is 8.0 billion yen.

(2) Analysis of Financial Condition

1) Assets, Liabilities and Net Assets

Assets
Total assets increased by 25,218 million yen from the previous fiscal year. Although cash savings decreased by 9,146million yen, current assets increased by 25,476 million yen, due to the 18,744 million yen increase in jointly controlled assets of joint venture through the progress of large scale joint venture projects in Papua New Guinea and the Philippines.

Liabilities
While there was an increase of 14,402 million yen in advances received on uncompleted construction contracts and 7,893 million yen in notes payable and accounts payable for construction contracts, the balance of the provision for loss on construction contracts decreased by 3,369 million yen.
These resulted in an increase in total liabilities of 18,712 million yen compared to the previous fiscal year.

Net Assets
Net assets were 155,758 million yen as a result of the 7,072 million yen year-on year increase in retained earnings due to booking net income. The equity ratio decreased 1.4 points year-on-year to 43.9%.

2) Cash Flow

Cash flow from operating activities
Net cash from operating activities was a negative 5,229 million yen despite a 12,109 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). This was due to the jointly controlled assets of joint venture increasing by 18,744 million yen according to the progress of large scale JV projects in Papua New Guinea and the Philippines.

The jointly controlled assets of joint ventures are shown on the JV balance sheet as the assets controlled by Chiyoda. 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 2,577million yen due to 974million yen expenditure by investing in securities i.e. acquisition of stock of Toyo-Thai Corporation Public Company Limited.

Cash flow from financing activities
Net cash from financing activities was a negative 805 million yen due to 906 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 130,618 million yen which was a year-on- year decrease of 9,172 million yen.

Cash Flow Indices

Fiscal years ended March 31	Equity ratio (%)	Debt repayment period (Years)	Interest coverage ratio (Times)
2007	17.4	0.3	114.4
2008	21.4	0.7	35.3
2009	40.7	1.1	26.3
2010	45.3%	1.2	34.5
2011	43.9%	–	–
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 ended March 31, 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% 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.

In compliance with this policy, dividends were initially projected at 5 yen per share for the fiscal year ended March 31, 2011. Having considered extraordinary losses incurred regarding the office integration in accordance with the mid-term management plan announced on May 13, 2009, the company revises the full-year dividend upward to 11 yen per share with its higher net income. Expected dividend payout ratio is about 35% of consolidated net income.

Next period, we plan a year-end dividend per share of 10 yen.

(4) Business Risks
The following are significant risks that could affect Chiyoda Group finances, earnings, or cash flows, and our responses to such. These risks may have a material impact on investor decisions related to investment risk. Recognizing these risks, the Chiyoda Group has set risk reduction measures in place, as well as measures to minimize the impact, should such events occur.

The risks discussed below are those we believe pose the most significant threats to our business as of the date of the filing of this document.

(a) Changes in the Business Environment
Global economics and the March 11 earthquake in Japan could lead to the suspension, delay, or modification of some client investment plans. These changes may have an impact on Chiyoda Group earnings. Circumstances at the facilities of subcontractors, equipment and materials suppliers, and other service providers could affect our project execution plans, profitability, and ability to collect payments.

We always closely monitor global economic trends and their potential impact on our business. We make it a point to know the status of service providers to avoid/minimize risk, confirming the feasibility of projects, checking conditions on the ground, and identifying alternate service providers if such becomes necessary.

(b) Earthquakes and natural disasters, terrorism, wars and other force majeure events
Country risk (earthquakes and natural disasters, terrorism, wars) and/or other force majeure events could result in owners' delaying final investment decisions, direct or indirect damages to work sites

or business locations, delayed delivery of equipment and materials to work sites, construction force safety issues, and/or suspension of field work, etc.

We do all we can to prevent human suffering or harm. We have put a crisis management system in place to respond to emergencies, and this system allows us to quickly react to situations. Under this system, we can negotiate with clients or other related parties and secure contract terms that provide a rational division of liability for damages or added costs. In this way, we can avoid or minimize risks from force majeure events.

(c)Cost of Equipment and Materials
The price of equipment and materials may increase suddenly beyond all expectations because of the time lag between quotation at proposal and actual purchase order in plant construction. Specifically, the price of steel products may increase due to the rising price of steel raw materials. Similarly, it is difficult to anticipate the future market prices for copper, nickel, aluminum and zinc, etc.

We avoid these risks (or minimize the impact) by diversifying the supply source from all over the world, placing orders as early as possible and maintaining alliances with major vendors/suppliers.

(d) Construction Workers/Equipment and Materials
Projects may experience delays if we cannot secure sufficient workers (construction workers), equipment and materials, or other necessary project infrastructure. Recovering from such delays may involve cost overruns.

We avoid this risk (or minimize the impact) by establishing a foundation of cooperation with capable subcontractors, venders and suppliers.

(e) Plant Accidents
There are always risks of a major accident occurring in a plant that we have built or which is under construction. If an accident occurs, and the Chiyoda Group is determined to be at fault, the liability for damages could have a material impact on our earnings.

Naturally, we exercise all due care to prevent any unexpected situations by pursuing peerless quality and safety management. We also avoid/minimize risks by including a rational division of liabilities in contract terms with our clients.

(f) Exchange Rate Fluctuations
Some construction projects may involve payment settlements (subcontractors, venders and suppliers) in a currency not designated in our construction contracts. In such cases, exchange rate fluctuations can have an impact on earnings. The Chiyoda Group avoids/minimizes exchange rate risk by reserving against construction payments in multiple foreign currencies and by entering into exchange rate forward contracts.

6. Corporate Group
As there have been no material changes in our corporate organization (business) or status of affiliates since our latest securities report (filed June 28, 2010), we have omitted disclosure here.

7. Management Policies

(1) Basic Management Policies

The shared 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." We use every effort to conduct business that inspires trust and empathy from our shareholders, our clients, our subcontractors and vendors, our employees, society, and all of our stakeholders.

(2)Management Indices Measuring Progress in our Medium-Term Business Plan and Targets

To improve our value as a corporate group, we created the "Engineering Excellence, Value Creation 2012" four-year business plan. This plan began fiscal 2009 and will run through March 2013 (fiscal 2012). We officially announced this plan on May 13, 2009.

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

With two of the four years of this business plan having passed, we reviewed our progress, recognizing changes in external factors. In conducting our review, we took a pragmatic view of the fact that consolidated new contracts for the fiscal year 2010 underperformed our original projections by a significant margin. We made a careful and thorough study as to whether our current business plan policies and strategies were realistic. We also looked at the likelihood of reaching our quantitative targets.

As a result of this review, we identified the following (3., below) as important policies and issues which we will address over the next two years, in light of the fact that there have been no major changes in our basic approach to the targets we set in our original business plan (management vision and strategies). Our efforts will extend throughout the whole Chiyoda Group as we pursue these policies and issues to create concrete results.

Our medium-term business plan stated a target of 23 billion yen in consolidated net income for the fiscal year 2012 (ending March 2013), the final year of our current plan. However, looking at new orders in the prior fiscal year, we now consider this target to be very difficult to achieve. We intend to execute on these policies and improve the profit and loss to the greatest extent possible, given the current circumstances.

(3) Issues

While the ultimate impact of the March 11 earthquake is unclear, the worldwide demand for LNG and other energy resources remains strong. We have noted a rise in orders for large-scale energy facilities, driven by clients who are actively pursuing growth-oriented investments. Meanwhile, we envisage encountering stiffer competition from companies that do business in our major business segments, particularly while the yen continues to be strong compared to other world currencies. Given this business environment, we have identified the following policies and issues as important factors for fiscal 2011 (ending March 2012) that will drive our growth strategy and business fundamentals. These factors reflect our review of our "Engineering Excellence, Value Creation 2012" business plan mentioned above. We will come together as a unified group in pursuit of these initiatives.

<u>Going forward strategies for growth</u>

(a) Win more LNG contracts/Further strengthen core businesses

First, we will offer support and propose projects to our existing clients, leading to a steady flow of contracts in our core LNG/gas plant business. We will build stronger business fundamentals toward greater operational capacity, reducing costs across the board to bolster our competitive position and inspire even greater trust from our clients.

(b) Expansion into new business fields

The hydrocarbon field is likely to become even more competitive. This has been a field of emphasis for our company, and we will continue to upgrade our ability to compete. We will also spend time and resources in making specific inroads into new fields (infrastructure businesses/ solar heat / water recycle, etc) in which engineering firms have a responsibility to meet the changing needs of society. At the same time, we will create stronger partnerships with our major clients, building a deeper foundation of businesses in the non-hydrocarbon fields.

(c) Strengthen global operations
We intend to move away from a centrally managed structure to one in which local Group subsidiaries can take the lead in their local projects. We will set up new locations overseas, provide more support to existing subsidiaries, and create greater coordination and staff flexibility among Group companies. This new structure will lead to a growth in our global operations that involves all Chiyoda Group companies.

(d) Investments
We will make strategic investment for growth, infrastructure investment for a stronger management, and investments in research and development. As for the strategic investment for growth, we will invest in stronger global operations and strategic fields which are infrastructure/ solar heat / water recycle, etc., businesses.
As an infrastructure investment for a stronger management, we intend to make the continual investment in IT systems and the implementation of office integration. We will continue strategic R&D investment and accelerate commercialization.

Upgrading the business foundation

(e) Better competitive posture/ execution capacity
We will enhance the data management to strengthen the projects and corporate management.

(f) Human resource development and optimum assignment
We will enhance the human resource development system and global resource management.

8. Consolidated financial statements

(1) Consolidated balance sheets (1/2)

(Millions of yen)

	As of March 31, 2011	As of March 31, 2010
Assets		
Current assets		
Cash and deposits	33,855	43,002
Notes receivable, accounts receivable from completed construction contracts	56,033	51,318
Short-term investment securities	96,841	96,841
Costs on uncompleted construction contracts	12,648	7,283
Deferred tax assets	18,644	15,523
Jointly controlled assets of joint venture	88,662	69,917
Other	9,514	6,834
Allowance for doubtful accounts	(3)	(2)
Total current assets	316,196	290,719
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	15,926	15,193
Accumulated depreciation	(10,711)	(7,151)
Buildings and structures, net	5,215	8,042
Machinery and vehicles	1,270	592
Accumulated depreciation	(277)	(266)
Machinery and vehicles, net	993	326
Tools, furniture and fixtures	5,358	5,157
Accumulated depreciation	(4,491)	(4,063)
Tools, furniture and fixtures, net	867	1,093
Land	11,938	11,938
Construction in progress	5	48
Total property, plant and equipment	19,021	21,450
Intangible assets	4,733	5,142
Investments and other assets		
Investment securities	8,505	7,855
Deferred tax assets	3,948	1,745
Other	1,074	1,594
Allowance for doubtful accounts	(87)	(333)
Total investments and other assets	13,441	10,861
Total noncurrent assets	37,196	37,454
Total assets	353,392	328,174

Consolidated balance sheets (2/2)

(Millions of yen)

	As of March 31, 2011	As of March 31, 2010
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts	97,417	89,523
Current portion of long-term loans payable	-	4
Income taxes payable	5,986	4,675
Advances received on uncompleted construction contracts	62,571	48,168
Provision for warranties for completed construction	1,190	4,486
Provision for loss on construction contracts	1,057	4,427
Provision for bonuses	3,944	3,252
Other	9,720	11,421
Total current liabilities	181,887	165,960
Noncurrent liabilities		
Long-term loans payable	10,208	10,000
Provision for retirement benefits	2,809	2,105
Provision for treatment of PCB waste	131	123
Provision for directors' retirement benefits	-	200
Other	2,598	532
Total noncurrent liabilities	15,746	12,960
Total liabilities	197,633	178,921
Net assets		
Shareholders' equity		
Capital stock	43,396	43,396
Capital surplus	37,112	37,112
Retained earnings	77,832	70,759
Treasury stock	(1,295)	(1,215)
Total shareholders' equity	157,046	150,053
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	(229)	102
Deferred gains or losses on hedges	345	(156)
Foreign currency translation adjustment	(1,919)	(1,315)
Total valuation and translation adjustments	(1,804)	(1,369)
Minority interests	516	569
Total net assets	155,758	149,253
Total liabilities and net assets	353,392	328,174

(2) Consolidated statement of income and comprehensive income

(Consolidated statement of income)

(Millions of yen)

	Fiscal year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)	Fiscal year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)
Consolidated statements of income		
Net sales of completed construction contracts	247,082	312,985
Cost of sales of completed construction contracts	215,563	298,766
Gross profit on completed construction contracts	31,519	14,219
Selling, general and administrative expenses	13,974	12,517
Operating income	17,544	1,702
Non-operating income		
Interest income	696	1,044
Dividends income	381	972
Amortization of negative goodwill		
Equity in earnings of affiliates	104	144
Foreign exchange gains	-	1,214
Real estate rent	128	140
Other	285	199
Total non-operating income	1,596	3,716
Non-operating expenses		
Interest expenses	256	249
Foreign exchange losses	2,882	-
Rent expenses on real estates	68	93
Other	202	237
Total non-operating expenses	3,409	581
Ordinary income	15,732	4,837
Extraordinary income		
Surrender value of insurance	109	–
Total extraordinary income	109	–
Extraordinary loss		
Office integration expenses	4,218	–
Loss on adjustment for changes of accounting standard for asset retirement obligations	146	–
Provision for treatment of PCB waste	–	123
Other	–	–
Total extraordinary losses	4,364	123
Income before income taxes and minority interests	11,476	4,714
Income taxes-current	9,194	8,532
Income taxes-deferred	(5,665)	(6,806)
Total income taxes	3,529	1,726
Income before minority interests	7,947	–
Minority interests in income	(32)	34
Net income	7,979	2,953

(Consolidated statement of comprehensive income)

(Millions of yen)

	Fiscal year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)	Fiscal year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)
Consolidated statements of comprehensive income		
Income before minority interests	7,947	–
Other comprehensive income		
Valuation difference on available-for-sale securities	(332)	–
Deferred gains or losses on hedges	501	–
Foreign currency translation adjustment	(511)	–
Share of other comprehensive income of associates accounted for using equity method	(103)	–
Total other comprehensive income	(445)	–
Comprehensive income	7,502	–
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	7,545	–
Comprehensive income attributable to minority interests	(42)	–

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

(Millions of yen)

	Fiscal year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)	Fiscal year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	11,476	4,714
Depreciation and amortization	2,566	2,059
Increase (decrease) in allowance for doubtful accounts	(245)	(6)
Increase (decrease) in provision for warranties for completed construction	(3,271)	678
Increase (decrease) in provision for loss on construction contracts	(3,367)	125
Increase (decrease) in provision for bonuses	700	(373)
Increase (decrease) in provision for retirement benefits	706	865
Interest and dividends income	(1,078)	(2,017)
Interest expenses	256	249
Foreign exchange losses (gains)	169	78
Equity in (earnings) losses of affiliates	(104)	(144)
Office integration expenses	4,218	–
Decrease (increase) in notes and accounts receivable-trade	(4,821)	469
Decrease (increase) in costs on uncompleted construction contracts	(5,330)	9,692
Increase (decrease) in notes and accounts payable-trade	8,035	12,031
Increase (decrease) in advances received on uncompleted construction contracts	14,225	(43,592)
Decrease (increase) in accounts receivable-other	(2,231)	455
Decrease (increase) in jointly controlled asset of joint venture	(18,744)	30,508
Increase (decrease) in accrued consumption taxes	624	200
Increase (decrease) in deposits received	45	1
Increase (decrease) in accrued liability of a defined contribution pension plan	–	(800)
Other, net	(1,496)	(119)
Subtotal	2,334	15,078
Interest and dividends income received	515	1,323
Interest expenses paid	(191)	(257)
Income taxes paid	(7,887)	(7,531)
Net cash provided by (used in) operating activities	(5,229)	8,613

Consolidated statement of cash flows (2/2)

(Millions of yen)

	Fiscal year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)	Fiscal year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)
Net cash provided by (used in) investing activities		
Payments into time deposits	(62)	(539)
Proceeds from withdrawal of time deposits	35	539
Purchase of property, plant and equipment	(930)	(922)
Proceeds from sales of property, plant and equipment	4	3
Purchase of intangible assets	(713)	(942)
Purchase of investment securities	(974)	(535)
Purchase of investments in subsidiaries resulting in change in scope of consolidation	–	(388)
Payments of long-term loans receivable	(24)	–
Collection of long-term loans receivable	81	51
Other, net	7	10
Net cash provided by (used in) investing activities	(2,577)	(2,722)
Net cash provided by (used in) financing activities		
Proceeds from long-term loans payable	10,208	–
Repayment of long-term loans payable	(10,004)	(18)
Proceeds from issuance of common stock	–	7
Cash dividends paid	(906)	(1,940)
Cash dividends paid to minority shareholders	(9)	(7)
Repayments of finance lease obligations	(13)	(11)
Other, net	(79)	(109)
Net cash provided by (used in) financing activities	(805)	(2,079)
Effect of exchange rate change on cash and cash equivalents	(647)	152
Net increase (decrease) in cash and cash equivalents	(9,260)	3,963
Cash and cash equivalents at beginning of period	139,790	135,536
Increase in cash and cash equivalents from newly consolidated subsidiary	87	290
Cash and cash equivalents at end of period	130,618	139,790

9. Production, Contracts and Sales (Consolidated)

	Millions of Yen					
	FY2011 Apr. 1, 2010 — March. 31, 2011					
	New contracts		Net sales		Backlog of contracts	
	Amt	%	Amt	%	Amt	%
Business Segment						
Engineering						
LNG plants	40,315	17.1	89,028	36.0	225,598	45.3
Gas and power utilities	48,156	20.5	43,714	17.7	126,981	25.5
Gas chemicals	131	0.1	716	0.3	-	-
Petroleum and petrochemicals	40,220	17.1	53,509	21.7	39,121	7.9
General chemicals	77,144	32.8	22,573	9.1	70,280	14.1
Industrial machinery	8,775	3.7	22,481	9.1	8,144	1.7
Environment and other	13,618	5.8	9,372	3.8	25,863	5.2
Total Engineering	**228,361**	**97.1**	**241,395**	**97.7**	**495,989**	**99.7**
Other	6,906	2.9	5,687	2.3	1,659	0.3
Domestic	106,625	45.3	120,990	49.0	154,385	31.0
Overseas	128,642	54.7	126,091	51.0	343,263	69.0
Total	**235,267**	**100.0**	**247,082**	**100.0**	**497,648**	**100.0**

	Millions of Yen					
	FY2010 Apr. 1, 2009 — March. 31, 2010					
	New contracts		Net sales		Backlog of contracts	
	Amt	%	Amt	%	Amt	%
Business Segment						
Engineering						
LNG plants	267,970	62.4	105,424	33.7	296,265	55.3
Gas and power utilities	30,403	7.1	74,457	23.8	123,075	22.9
Gas chemicals	167	0.0	428	0.2	584	0.1
Petroleum and petrochemicals	56,140	13.1	83,879	26.8	55,703	10.4
General chemicals	21,680	5.1	26,061	8.3	16,551	3.1
Industrial machinery	24,169	5.6	4,055	1.3	21,850	4.1
Environment and other	23,812	5.5	13,251	4.2	21,624	4.0
Total Engineering	**424,344**	**98.8**	**307,558**	**98.3**	**535,655**	**99.9**
Other	5,048	1.2	5,427	1.7	494	0.1
Domestic	97,815	22.8	143,878	46.0	169,232	31.6
Overseas	331,577	77.2	169,107	54.0	366,918	68.4
Total	**429,393**	**100.0**	**312,985**	**100.0**	**536,150**	**100.0**