



# Financial Results for the Second Quarter of Fiscal Year Ending March 31, 2012

November 10, 2011



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# 1. Financial Data

(Billions of Yen)

	12/3 2Q	11/3 2Q	Difference	Difference (%)	Full Year Forecast	Progress
New Orders	87.6	124.3	(36.6)	(29.5%)	550.0	15.9%
Revenues	109.6	111.9	(2.4)	(2.1%)	250.0	43.8%
Operating Income	6.4	5.3	+1.1	+21.0%	11.0	58.6%
Ordinary Income	6.5	3.0	+3.5	+116.5%	12.0	54.6%
Net Income	3.2	2.9	+0.3	+9.6%	8.0	39.5%
Comprehensive Income	1.3	2.3				
Exchange Rate	JPY 77/\$	JPY 84/\$			JPY 75/\$	

New Orders: Targeted projects are mostly in second half. 2Q results are as planned.

Ordinary Income: Doubled from last year, as a result of considerable decrease in foreign exchange loss.

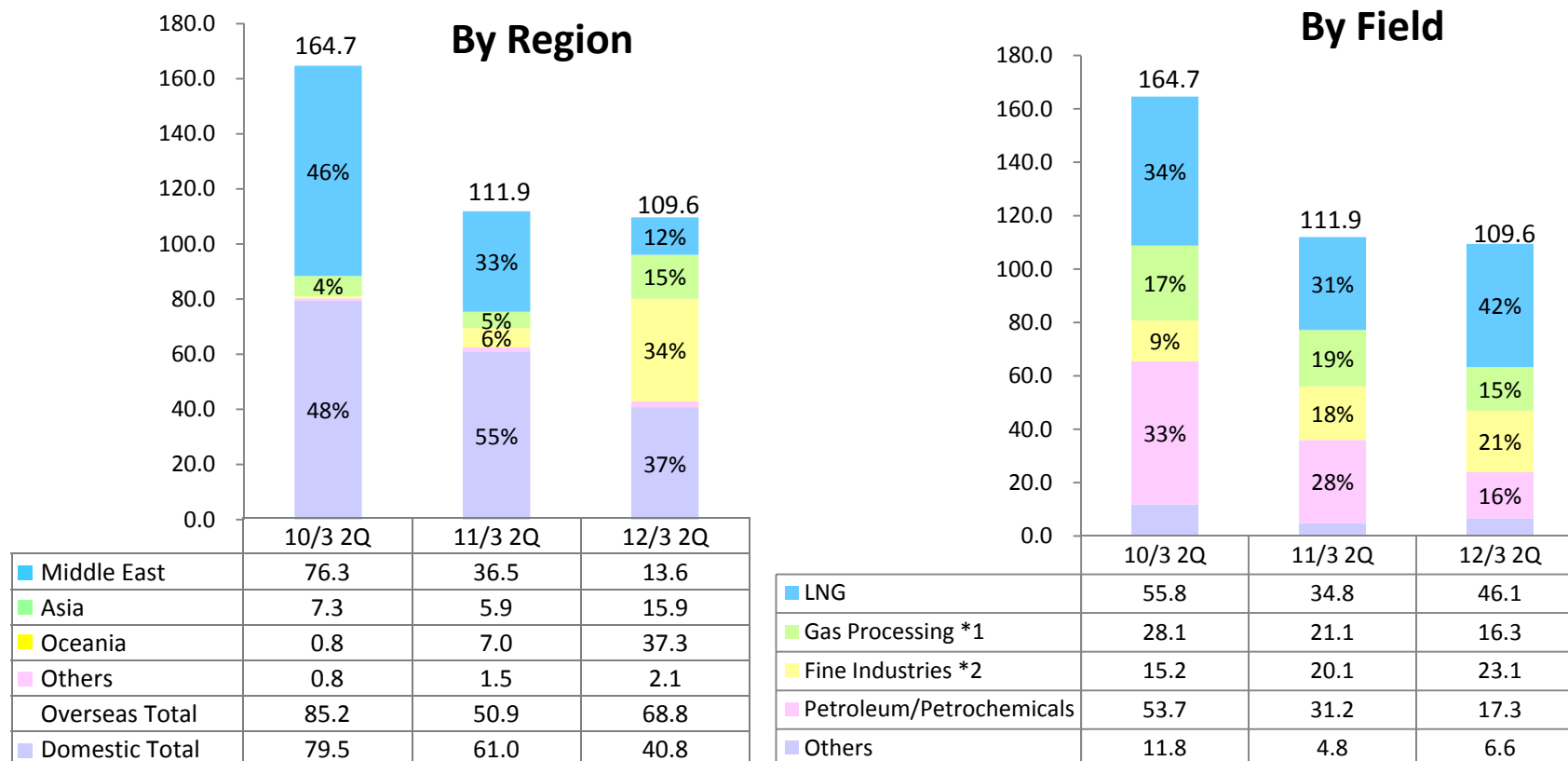
Expected exchange rate was revised from JPY 80/\$ to JPY 75/\$. Full year forecast of results remains unchanged.

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# 2. Revenues

(Billions of Yen)



All of the large scale LNG projects in Qatar have been completed by previous fiscal year. Revenues in the Middle East decreased accordingly.

As the large scale LNG project in Papua New Guinea is progressing smoothly, and revenues from LNG increased.

Fine industries including manufacturing plant for polycrystalline silicon used in solar cells are growing steadily.

Notes: \*1 Classified as "Gas and Power Utilities" in "Consolidated Financial Results"

\*2 Classified as "Industrial Machinery" and "General Chemicals" in "Consolidated Financial Results"

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### 3. Income-related Items

(Billions of Yen)

	12/3 2Q	11/3 2Q	Difference
Gross Profit	13.4 12.2%	11.7 10.5%	+1.7 +1.7pt
SG&A expenses	(6.9)	(6.4)	(0.5)
Operating Income	6.4 5.9%	5.3 4.8%	+1.1 +1.1pt
Non-operating income and expenses	0.1	(2.3)	2.4
Ordinary Income	6.5 6.0%	3.0 2.7%	+3.5 +3.3pt
Extraordinary gain/loss, tax and minority shareholders' income	(3.4)	(0.1)	(3.2)
Net Income	3.2 2.9%	2.9 2.6%	+0.3 +0.3pt

#### Gross Profit

Improvement expected in the first half realized (profit improvements in some domestic/overseas backlog projects and cost decrease in some projects during warranty periods)

Exerting efforts for more improvements.



# 4. Balance Sheet

(Billions of Yen)

	11/9	11/3	Difference
<b>Current assets</b>	<b>278.2</b>	<b>316.2</b>	<b>(38.0)</b>
Cash and deposits*1	132.4	130.7	+1.7
Operating assets *2	56.1	68.7	(12.6)
Jointly controlled assets of joint venture *3	66.3	88.7	(22.3)
Other	23.3	28.2	(4.8)
<b>Non-current assets</b>	<b>43.8</b>	<b>37.2</b>	<b>+6.6</b>
Property, plant and equipment	18.8	19.0	(0.2)
Intangible assets	4.9	4.7	+0.2
Investment and other assets	20.0	13.4	+6.6
<b>Total assets</b>	<b>321.9</b>	<b>353.4</b>	<b>(31.4)</b>

	11/9	11/3	Difference
<b>Current liabilities</b>	<b>152.3</b>	<b>181.9</b>	<b>(29.6)</b>
Short-term loans payable	-	-	-
Operating liabilities *4	139.0	160.0	(21.0)
Provision for loss on construction contracts	1.3	1.1	+0.3
Others	11.9	20.8	(8.9)
<b>Non-current liabilities</b>	<b>15.5</b>	<b>15.7</b>	<b>(0.2)</b>
Long-term loans payable	10.2	10.2	(0.0)
Other	5.3	5.5	(0.2)
<b>Net assets</b>	<b>154.2</b>	<b>155.8</b>	<b>(1.6)</b>
<b>Liabilities and net assets</b>	<b>321.9</b>	<b>353.4</b>	<b>(31.4)</b>

<b>Shareholders' equity</b>	<b>153.6</b>	<b>155.2</b>	<b>(1.6)</b>
<b>Shareholders' equity ratio</b>	<b>47.7%</b>	<b>43.9%</b>	<b>+3.8pt</b>

Notes:

\*1. Cash and deposits = Cash and deposits + Short-term investment securities

\*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

Jointly controlled assets of Joint Venture: Decreased according to the progress of large scale LNG projects.

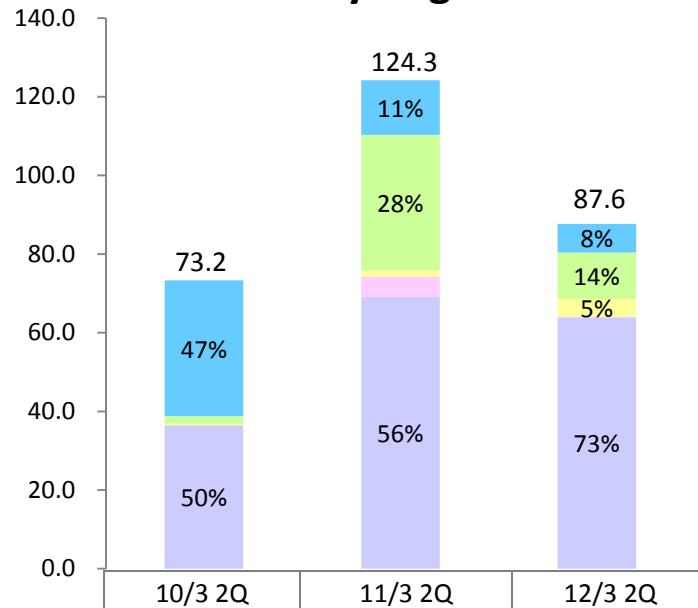
Investments and other assets: Increased due to partial acquisition of CTCI's shares, etc.

Net assets: Decreased due to payment of dividends of 2.9 billion yen and inclusion of devaluation of short-term investment securities as a result of downturn of stock market.

# 5. New Orders

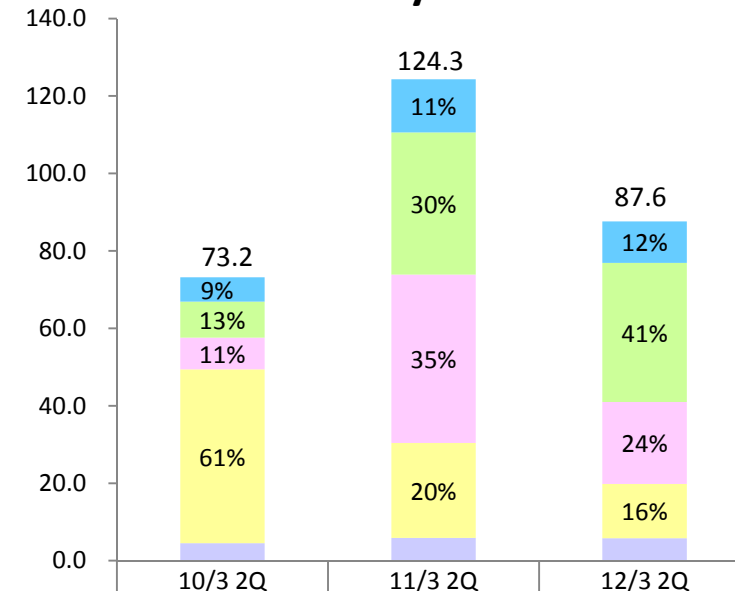
(Billions of Yen)

### By Region



■ Middle East	34.5	13.9	7.3
■ Asia	1.9	34.4	11.8
■ Oceania	0.4	1.6	4.5
■ Others	0.0	5.1	0.2
Overseas Total	36.8	55.1	23.8
Domestic Total	36.5	69.2	63.9

### By Field



■ LNG	6.3	13.7	10.7
■ Gas Processing *1	9.3	36.7	35.9
■ Fine Industries *2	8.2	43.5	21.2
■ Petroleum/Petrochemicals	44.9	24.5	14.0
■ Others	4.5	5.9	5.8

Large project awards expected from end of 2011 to March 2012.

New order target of 550.0 billion yen unchanged. Pursuing to achieve the full year target.

Notes: \*1 Classified as "Gas and Power Utilities" in "Consolidated Financial Results"

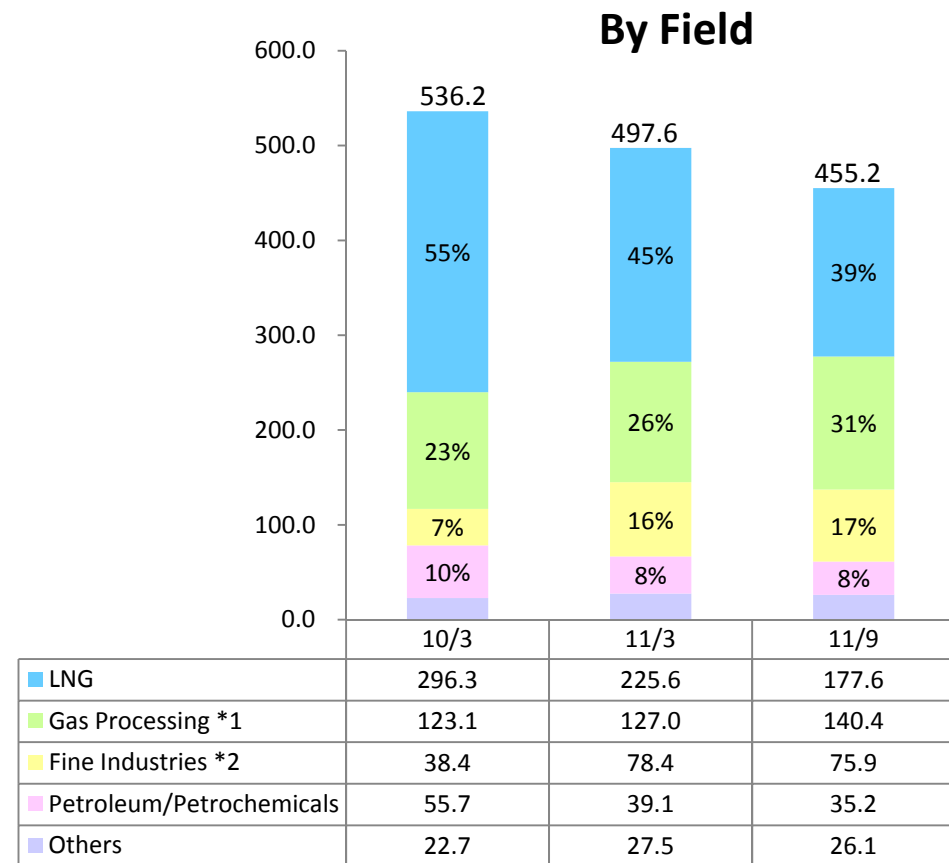
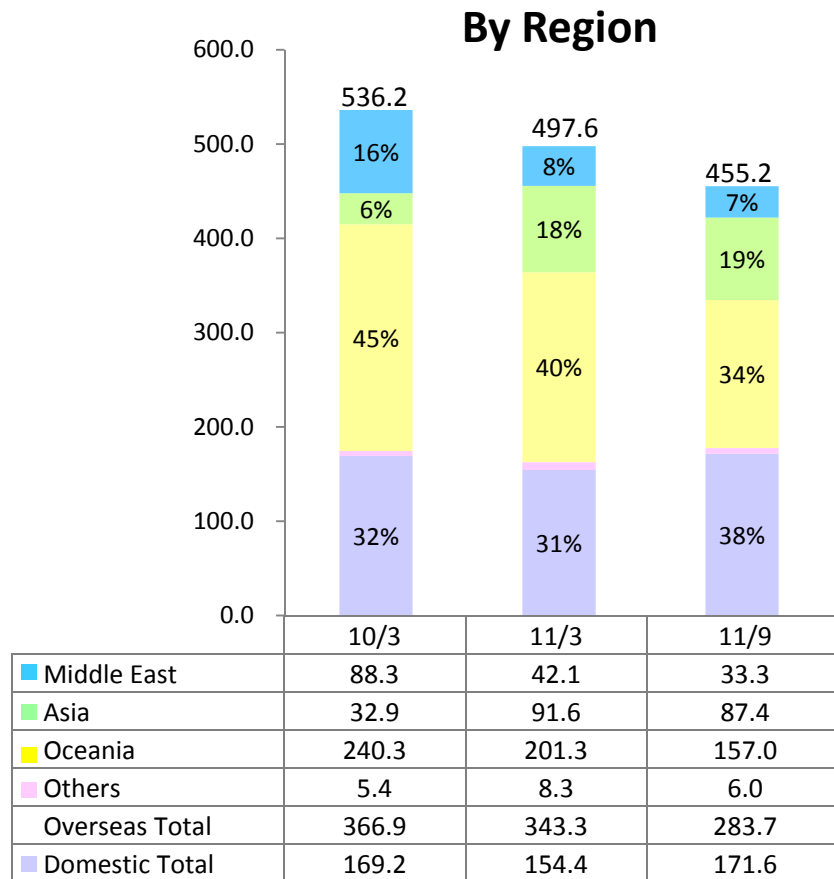
\*2 Classified as "Industrial Machinery" and "General Chemicals" in "Consolidated Financial Results"

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# 6. Backlog of Contracts

(Billions of Yen)



Backlog in the Middle East decreased as large scale LNG projects in Qatar completed.

Domestic backlog increased on year-on-year basis.

Notes: \*1 Classified as "Gas and Power Utilities" in "Consolidated Financial Results"

\*2 Classified as "Industrial Machinery" and "General Chemicals" in "Consolidated Financial Results"

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# Reference Materials



# Breakdown of Forecasts for FY ending March 2012 Appendix 1

(Billions of yen)

	12/3 Forecast	11/3 Result	Difference
<b>New Orders</b>	<b>550.0</b>	<b>235.3</b>	<b>+314.7</b>
Overseas	420.0	128.6	+291.4
Domestic	130.0	106.6	+23.4
<b>Revenues</b>	<b>250.0</b>	<b>247.1</b>	<b>+2.9</b>
Overseas	150.0	126.1	+23.9
Domestic	100.0	121.0	(21.0)
<b>Gross Profit</b>	<b>25.0</b>	<b>31.5</b>	<b>(6.5)</b>
SG&A Expenses	(14.0)	(14.0)	(0.0)
<b>Operating Income</b>	<b>11.0</b>	<b>17.5</b>	<b>(6.5)</b>
Non-operating Income and Expenses	1.0	(1.8)	+2.8
<b>Ordinary Income</b>	<b>12.0</b>	<b>15.7</b>	<b>(3.7)</b>
Extraordinary income/loss, Tax and Minority Interests in Income	(4.0)	(7.8)	+3.8
<b>Net income</b>	<b>8.0</b>	<b>8.0</b>	<b>+0.0</b>

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# Performance Indicators

Appendix 2

	08/3	09/3	10/3	11/3	12/3 Forecast
Gross profit margin (%)	3.4	4.3	4.5	12.8	10.0
SG&A expenses to revenues (%)	1.9	2.7	4.0	5.7	5.6
Operating income to revenues (%)	1.5	1.6	0.5	7.1	4.4
Ordinary income to revenues (%)	3.2	2.6	1.5	6.4	4.8
Net income to revenues (%)	1.6	1.5	0.9	3.2	3.2
Return on assets (ROA) (%)	4.7	3.1	1.4	4.6	
Return on equity (ROE) (%)	12.2	5.7	2.0	5.3	
Net income per sharer (EPS) (JPY)	50.15	25.58	11.39	30.79	
Book value per share (BPS) (JPY)	422.44	561.12	573.61	599.15	
Shareholders' equity ratio (%)	21.4	40.7	45.3	43.9	
Current ratio (%)	115.0	161.1	175.2	173.8	
Fixed ratio (%)	50.0	25.4	25.2	24.0	
Debt - to - equity ratio <DER> (Times)	0.12	0.07	0.07	0.07	

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 10, 2011, 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.