

Consolidated Financial Results for the Nine Months Ended December 31, 2011

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 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 nine months ended December 31, 2011

(1) Consolidated operating results

(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	%
For the nine months ended December 31, 2011	172,578	(6.4)	15,912	23.4	15,850	48.8	8,644	59.3
For the nine months ended December 31, 2010	184,314	(16.7)	12,897	-	10,653	353.3	5,427	860.6

Note: Comprehensive Income: the nine months ended December 31, 2011: 7,029 million yen / 50.7%
the nine months ended December 31, 2010: 4,663 million yen / - %

	Net income per share	Fully diluted net income per share
	Yen	Yen
For the nine months ended December 31, 2011	33.36	-
For the nine months ended December 31, 2010	20.94	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2011	339,256	159,891	47.0
As of March 31, 2011	353,392	155,758	43.9

Reference: Equity As of December 31, 2011: 159,314 million yen As of March 31, 2011: 155,242 million yen

2. Cash dividends

Record date	Cash dividends per share				
	First quarter	Second quarter	Third quarter	Fiscal year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2011	-	-	-	11.00	11.00
Fiscal year ending March 31, 2012	-	-	-		
Fiscal year ending March 31, 2012 (Forecast)	-	-	-	13.00	13.00

Note: Revision to the latest forecast announcement 2011: Yes

Please refer to the announcement on revision to forecast of dividends released today (February 7, 2012)

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
Fiscal year ending March 31, 2012	260,000	5.2	21,000	19.7	21,000	33.5	11,000	37.8	42.46

Note: Revision to the latest forecast announcement 2012: No

4. Others

- (1) Changes in Significant Subsidiaries during the Period (changes in specified subsidiaries accompanying changes in the scope of consolidation): None
- (2) Adoption of Specified Accounting Methods for the Preparation of Quarterly Consolidated Financial Statements: None
- (3) Changes in Accounting Policies and Accounting Estimates / Restatements
 - a. Changes in accounting policies due to revisions of accounting standards, etc.: None
 - b. Changes in accounting policies other than a. above: None
 - c. Changes in accounting estimates: None
 - d. Restatements: None
- (4) Number of issued shares (common stock)
 - a. Total number of issued shares at the end of the period (including treasury stock)

As of December 31, 2011	260,324,529 shares
As of March 31, 2011	260,324,529 shares
 - b. Number of treasury stock at the end of the period

As of December 31, 2011	1,251,050 shares
As of March 31, 2011	1,222,540 shares
 - c. Average number of shares during the period

For the nine months ended December 31, 2011	259,092,910 shares
For the nine months ended December 31, 2010	259,185,548 shares

*Presentation of Implementation Status of Quarterly Review Procedure

The review procedure of quarterly financial statements based on the Financial Instruments and Exchange Law has not been completed at the time of the disclosure of these Consolidated Financial Statements.

*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. Qualitative Information related to Consolidated Performance

(1) Analysis Results

During the first three quarters of the current fiscal year, the operating environment surrounding the Chiyoda Group was uncertain, as an increasing number of countries began to experience economic slowdowns. Nonetheless, energy demand remained solid in emerging economies, and Japanese manufacturing companies continued to develop overseas operations, encouraged by the strong yen.

In these circumstances, the Group continued to focus its marketing activities on responding to the trends of Japanese customers developing their overseas operations, and to the shifting energy source to natural gas. The Group also sought to develop new business fields, such as infrastructure projects overseas and new energy projects. As a result of these activities, the Group posted consolidated new contracts of 151,876 million yen (a fall of 1.1% year on year), a consolidated contract backlog of 453,668 million yen (down 4.2%), and consolidated net sales of 172,578 million yen (declining 6.4%) in the first three quarters of the current fiscal year. Primarily thanks to smooth execution of the construction backlog and profitability improvements in several projects by reviewing the estimated cost for completed works during warranty period, the Group recorded operating income of 15,912 million yen (up 23.4% from the same period of the previous fiscal year), ordinary income of 15,850 million yen (rising 48.8%), and net income of 8,644 million yen (an increase of 59.3%).

A summary of operating results of our engineering business, the Group's reportable segment, is as follows:

(LNG plants/gas and power utilities)

Overseas, the Group continued to execute engineering, procurement, and construction (EPC) work for the LNG plant in Papua New Guinea, and completed the EPC work of the gas processing plant in Qatar. In Australia, the Group has been executing basic design services for three LNG plants. The Group company in Qatar has been engaged in revamping and renovation projects, and providing engineering, procurement, and construction management (EPCm) services, at LNG and gas processing plants that were constructed by the Group as well as at helium extraction facilities.

In Japan, the Group has proceeded steadily with existing projects, including the construction of several LNG receiving terminals. We have been also undertaking marketing activities to receive new orders for LNG receiving terminals and other facilities.

(Petroleum and petrochemicals/gas chemicals)

Outside Japan, the Group directed its efforts toward various investment plans including petroleum refineries in the Middle East and Southeast Asia, and continued to execute EPC work for heavy oil cracking units in Saudi Arabia and EPCm services for petroleum refineries in Singapore. The Group also received orders for the delivery of furnaces for a petroleum refinery in Iraq, and EPCm services for heavy oil processing facilities for a petroleum refinery in Venezuela.

In Japan, the Group successfully completed construction work at benzene extraction facilities. In addition, we made a concerted effort to quickly restore facilities that had been damaged by the Great East Japan Earthquake.

The Group will continue to drive its marketing activities to win orders for petroleum refineries and petrochemical projects both in Japan and overseas.

(Industrial machinery/environment/general chemicals and other fields)

In new business fields, the Group steadily executed works such as EPC work for plants for polycrystalline silicon used in solar cells in Malaysia, and expansion work for nonferrous metal plants in Japan. We also completed the construction and delivery of manufacturing plants for highly-functional batteries in Japan and demand for battery related materials was continuing. Since more and more Japanese companies are entering into Southeast Asian markets to get benefit from strong yen and the economic growth in Asia, the Group has been reinforcing efforts to meet the needs of

those Japanese companies. For solar thermal power generation, we entered into a cooperation agreement with a leading Italian company that produces solar receiver tubes, a key component for next-generation solar thermal power generation (solar thermodynamic plants operate with molten salt parabolic trough technology).

Subsequently, we have started to construct a pilot plant in Italy.

In the pharmaceutical field, the Group steadily executed EPC work for the manufacturing facilities of highly bioactive pharmaceuticals, such as anti cancer drugs.

For infrastructure projects overseas, the Group started to investigate the potential of energy savings, in addition to a feasibility study of an integrated wastewater treatment project for a large industrial complex in Saudi Arabia. In relation to the social infrastructure business, the Group has participated in the Jakarta Metropolitan Special Area and the Investment Promotion Master Plan Study in Indonesia. In addition, we plan to start looking into similar study projects in other ASEAN member countries.

(Note) See Page 9 for more information about segment New Contracts, Net Sales, and Backlog of Contracts.

6. Consolidated quarterly financial statements

(1) Consolidated balance sheets

	(Millions of yen)	
	As of March 31, 2011	As of December 31, 2011
Assets		
Current assets		
Cash and deposits	33,855	27,627
Notes receivable, accounts receivable from completed construction contracts	56,033	37,324
Short-term investment securities	96,841	133,840
Costs on uncompleted construction contracts	12,648	19,298
Jointly controlled assets of joint venture	88,662	55,307
Other	28,158	21,702
Allowance for doubtful accounts	(3)	(4)
Total current assets	316,196	295,097
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	5,215	4,677
Land	11,938	12,737
Other, net	1,867	1,853
Total property, plant and equipment	19,021	19,268
Intangible assets	4,733	4,475
Investments and other assets		
Investment securities	8,505	15,304
Other	5,022	5,202
Allowance for doubtful accounts	(87)	(91)
Total investments and other assets	13,441	20,415
Total noncurrent assets	37,196	44,159
Total assets	353,392	339,256

(Millions of yen)

	As of March 31, 2011	As of December 31, 2011
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts	97,417	74,558
Income taxes payable	5,986	281
Advances received on uncompleted construction contracts	62,571	74,845
Provision for warranties for completed construction	1,190	530
Provision for loss on construction contracts	1,057	975
Provision for bonuses	3,944	2,688
Other	9,720	9,516
Total current liabilities	181,887	163,396
Noncurrent liabilities		
Long-term loans payable	10,208	10,195
Provision	2,940	3,297
Other	2,598	2,475
Total noncurrent liabilities	15,746	15,969
Total liabilities	197,633	179,365
Net assets		
Shareholders' equity		
Capital stock	43,396	43,396
Capital surplus	37,112	37,112
Retained earnings	77,832	83,626
Treasury stock	(1,295)	(1,319)
Total shareholders' equity	157,046	162,815
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(229)	(614)
Deferred gains or losses on hedges	345	(422)
Foreign currency translation adjustment	(1,919)	(2,464)
Total accumulated other comprehensive income	(1,804)	(3,501)
Minority interests	516	576
Total net assets	155,758	159,891
Total liabilities and net assets	353,392	339,256

(2) Consolidated quarterly statements of (comprehensive) income

(Millions of yen)

	Nine months ended December 31, 2010	Nine months ended December 31, 2011
Net sales of completed construction contracts	184,314	172,578
Cost of sales of completed construction contracts	161,472	146,251
Gross profit on completed construction contracts	22,841	26,327
Selling, general and administrative expenses	9,943	10,415
Operating income	12,897	15,912
Non-operating income		
Interest income	466	615
Dividends income	374	419
Equity in earnings of affiliates	50	14
Real estate rent	100	82
Other	196	85
Total non-operating income	1,188	1,217
Non-operating expenses		
Interest expenses	192	156
Foreign exchange losses	3,082	992
Rent expenses on real estates	70	46
Other	87	82
Total non-operating expenses	3,432	1,279
Ordinary income	10,653	15,850
Extraordinary income		
Surrender value of insurance	109	—
Total extraordinary income	109	—
Extraordinary loss		
Loss on valuation of investment securities	—	250
Office integration expenses	3,955	—
Loss on adjustment for changes of accounting standard for asset retirement obligations	146	—
Total extraordinary losses	4,101	250
Income before income taxes and minority interests	6,661	15,600
Income taxes-current	4,571	708
Income taxes-deferred	(3,294)	6,127
Total income taxes	1,276	6,835
Income before minority interests	5,385	8,764
Minority interests in income (loss)	(42)	120
Net income	5,427	8,644

Consolidated quarterly statements of comprehensive income

(Millions of yen)

	Nine months ended December 31, 2010	Nine months ended December 31, 2011
Income before minority interests	5,385	8,764
Other comprehensive income		
Valuation difference on available-for-sale securities	(235)	(384)
Deferred gains or losses on hedges	(7)	(767)
Foreign currency translation adjustment	(370)	(426)
Share of other comprehensive income of associates accounted for using equity method	(108)	(156)
Total other comprehensive income	(721)	(1,735)
Comprehensive income	4,663	7,029
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	4,710	6,947
Comprehensive income attributable to minority interests	(47)	82

7. Production, Contracts and Sales

(Millions of yen)

	Apr. 1, 2011 — Dec. 31, 2011					
	<i>New contracts</i>		<i>Net Sales</i>		<i>Backlog of contracts</i>	
	<i>Amt</i>	<i>%</i>	<i>Amt</i>	<i>%</i>	<i>Amt</i>	<i>%</i>
Business Segment						
Engineering						
LNG plants	12,598	8.3	64,816	37.6	162,218	35.8
Gas and power utilities	41,905	27.6	34,095	19.8	128,449	28.3
Gas chemicals	617	0.4	-	-	617	0.1
Petroleum and petrochemicals	39,302	25.9	28,156	16.3	48,612	10.7
General chemicals	46,787	30.8	24,028	13.9	89,836	19.8
Industrial machinery	1,378	0.9	8,733	5.1	790	0.2
Environment and other	4,096	2.7	8,024	4.6	21,027	4.6
Total Engineering	146,687	96.6	167,853	97.3	451,552	99.5
Other	5,189	3.4	4,724	2.7	2,116	0.5
Domestic	85,265	56.1	65,327	37.9	168,310	37.1
Overseas	66,611	43.9	107,250	62.1	285,358	62.9
Total	151,876	100.0	172,578	100.0	453,668	100.0

(Millions of yen)

	Apr. 1, 2010 — Dec. 31, 2010					
	<i>New contracts</i>		<i>Net Sales</i>		<i>Backlog of contracts</i>	
	<i>Amt</i>	<i>%</i>	<i>Amt</i>	<i>%</i>	<i>Amt</i>	<i>%</i>
Business Segment						
Engineering						
LNG plants	28,437	18.5	71,099	38.6	227,173	48.0
Gas and power utilities	38,110	24.8	32,976	17.9	127,605	26.9
Gas chemicals	107	0.1	80	0.0	611	0.1
Petroleum and petrochemicals	35,197	22.9	39,874	21.6	48,251	10.2
General chemicals	35,556	23.2	14,860	8.1	36,373	7.7
Industrial machinery	8,369	5.5	15,714	8.5	14,504	3.1
Environment and other	3,386	2.2	5,516	3.0	18,303	3.9
Total Engineering	149,165	97.2	180,122	97.7	472,824	99.9
Other	4,338	2.8	4,192	2.3	588	0.1
Domestic	77,475	50.5	87,136	47.3	159,101	33.6
Overseas	76,028	49.5	97,178	52.7	314,312	66.4
Total	153,503	100.0	184,314	100.0	473,413	100.0

Note: The backlog of contracts as of December 31, 2011 includes a decrease due to changes in construction contracts acquired in prior fiscal years, an increase due to adjustments in new contract amounts, and an increase due to foreign exchange translation adjustments.