

Financial Results for FY2019

Fiscal Year Ended March 31, 2020

May 8, 2020

Chiyoda Corporation



1

Highlights

2

Income Statements

3

Profit Analysis

4

Balance Sheet

5

Financial Base

6

Cash Flow

7

New Orders / Backlog

8

Forecast

9

Reduction of Capital



Appendix

1 Highlights

Revitalization with enhanced Risk Management

1. *Revenue*

Executing ongoing projects

385.9 bn yen
(as full-year forecast)

2. *Profit*

- Improved profitability of ongoing projects
- An initial impact of COVID-19* impact has been factored in
- Foreign exchange loss occurred on non-operating asset

- Gross Profit & Operating Income progressed as anticipated
- Net Income 12.2 bn yen (below revised forecast, but twice initial full-year forecast)

3. *Financial*

- Implementing financial strengthening measures
- Accumulation of profit

Shareholders equity ratio improved to 6.3%

4. *New Order*

Customer's reviewing investment plans due to crude oil price slump

179.8 bn yen
(below full-year forecast)

* COVID-19: Coronavirus disease 2019

2

Income Statements

Billions of Yen

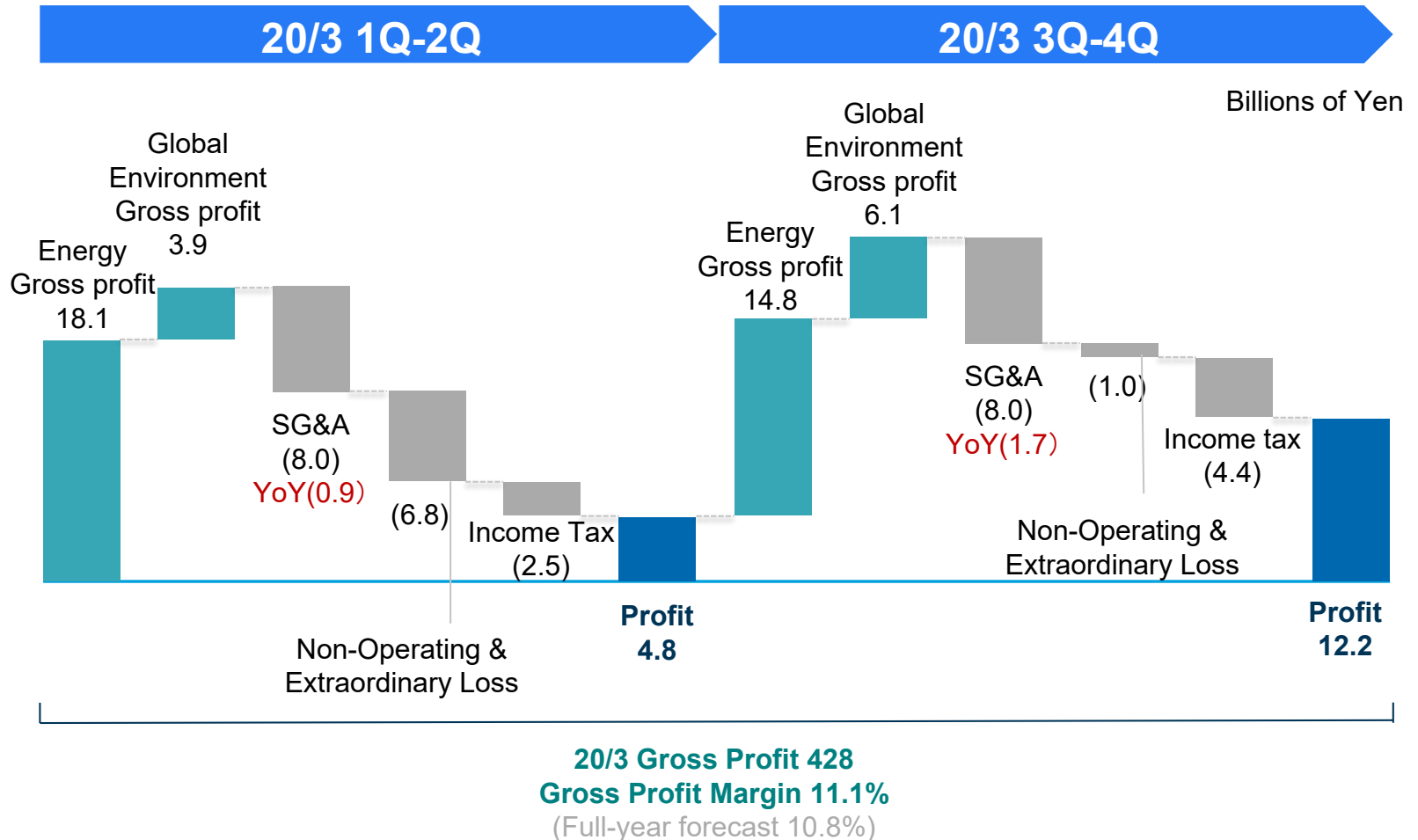
	End of 19/3	End of 20/3	Difference	Full Year Forecast*	Progress (%)
Revenue	342.0	385.9	44.0	390.0	99.0%
Gross Profit	(181.1)	42.8	224.0	42.0	102.0%
Profit Margin	(53.0%)	11.1%	64.1pt	10.8%	-
SG&A expenses	(18.6)	(16.0)	2.6	(17.0)	94.3%
Operating Income	(199.8)	26.8	226.6	25.0	107.2%
Non-operating income and expenses	6.8	(8.1)	(14.9)	(5.0)	162.9%
Ordinary Income	(193.0)	18.6	211.6	20.0	93.2%
Extraordinary income (loss), taxes, others	(21.9)	(6.5)	15.5	(5.0)	129.4%
Profit (Loss) **	(214.9)	12.2	227.1	15.0	81.2%
Exchange Rate JPY/USD	111	109		105	

* Full Year Forecast revised on February 3, 2020

** Profit (Loss) attributable to owners of parent

3 Profit Analysis

Accumulated Profit and GPM* exceeded full-year forecast
SG & A reduced from last year



* GPM= Gross Profit Margin

4 Balance Sheet

Billions of Yen

	Mar 31, 2019	Mar 31, 2020	Difference
Current assets	326.9	360.4	33.5
Cash and deposits*1	69.5	124.4	54.9
Operating assets *2	76.1	66.4	(9.7)
Accounts receivable - other	65.9	68.7	2.8
Joint. control. assets of JV	111.0	96.0	(14.9)
Other	4.4	4.8	0.3
Non-current assets	25.4	24.7	(0.7)
Property, plant & equip.	11.7	12.5	0.7
Intangible assets	5.3	4.9	(0.4)
Investment, other assets	8.4	7.3	(1.1)
Total assets	352.3	385.1	32.7

	Mar 31, 2019	Mar 31, 2020	Difference
Current liabilities	392.5	319.9	(72.6)
Short-term loans payable	0.1	0.1	0.0
Operating liabilities *4	297.5	257.5	(40.1)
Provision for loss on construction contracts	67.6	34.9	(32.8)
Others	27.2	27.4	0.2
Non-current liabilities	19.0	40.2	21.2
Long-term loans payable	15.9	35.7	19.9
Net Assets	(59.2)	24.9	84.1
Capital Stock	(60.9)	21.3	82.2
Others	1.7	3.6	1.9
Liabilities and net assets	352.3	385.1	32.7

*1. Cash and deposits = Cash and deposits + Short-term investment securities, incl. negotiable deposit

*2. Operating assets = Notes receivable, accounts receivable from completed construction contracts + Costs on uncompleted construction contracts

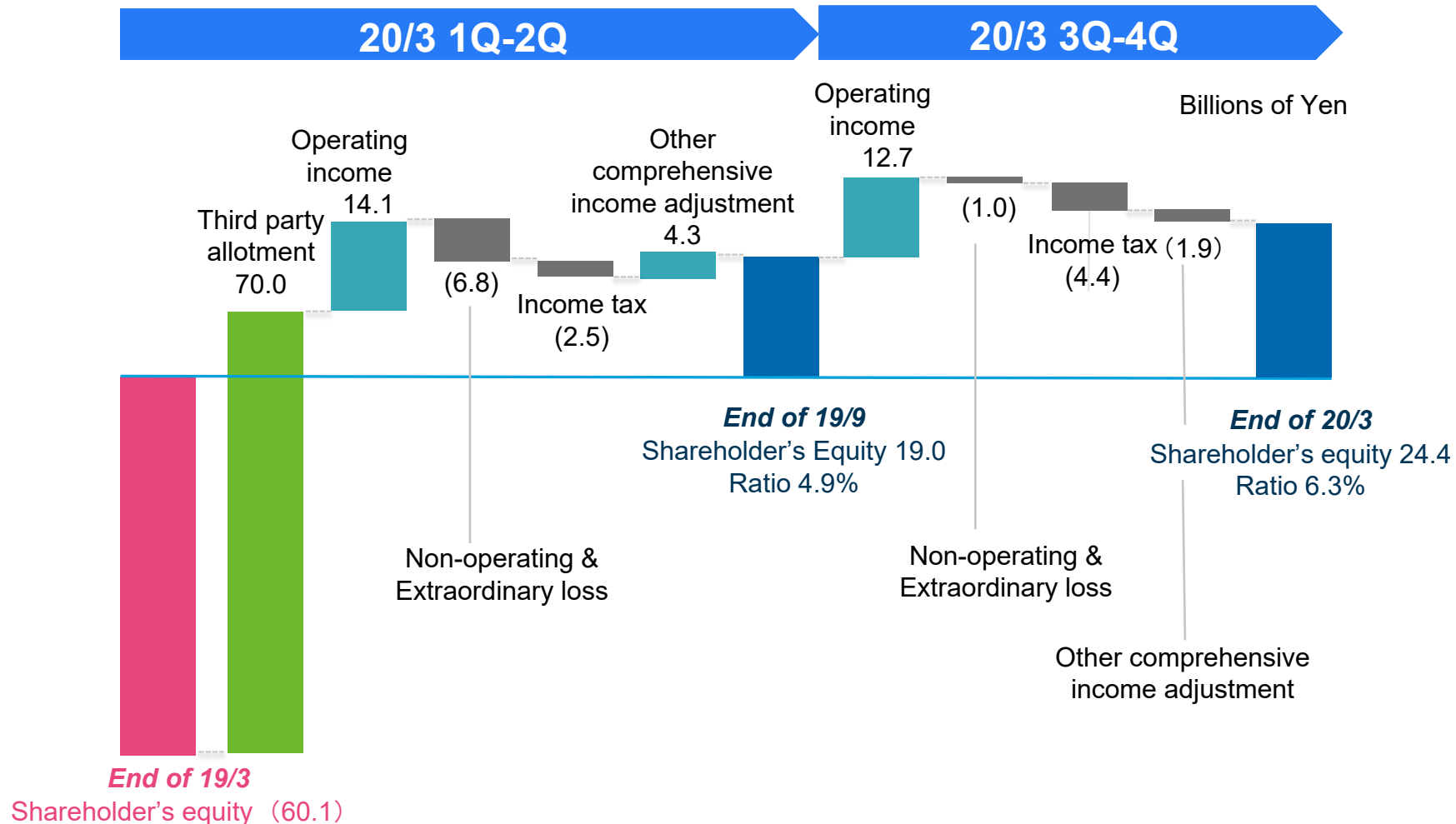
*3. Jointly controlled assets of JV = Cash and deposits of joint venture proportional to Chiyoda's interest

*4. Operating liabilities = Notes payable, accounts payable for construction contracts + Advances received on uncompleted construction contracts

Shareholders' equity	(60.1)	24.4	84.5
Shareholders' equity ratio	(17.1%)	6.3%	23.4pt

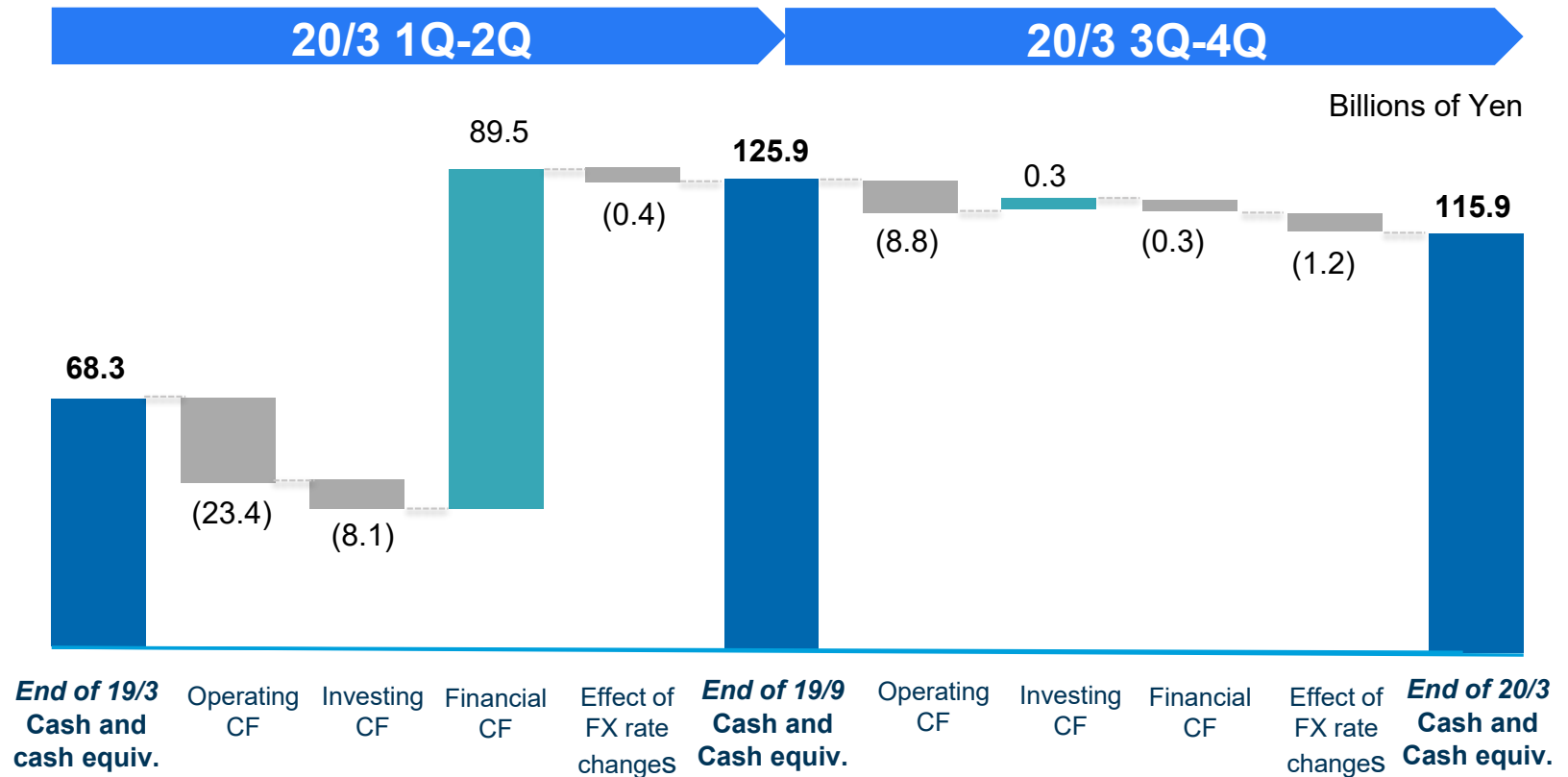
5 Financial Base

Shareholder's equity ratio recovered to 6.3% due to a third-party allotment and profit accumulation.



6 Cash flow

Cash flow, sustained by third-party allotment and subordinated loan, significantly supplemented cash and cash equivalent. Aiming to further accumulate cash by increasing operating cash flow.



7 New Orders / Backlog

The progress of 32.7% was due to a series of investment plan review by clients (postponement, size reduction, cancellation) of large scale projects caused by an the expected decrease in energy demand.

Billions of Yen

	End of 19/3	End of 20/3	Difference	Full-Year Forecast*	Progress (%)
New Order	771.6	179.8	(591.7)	550.0	32.7%
Energy	648.5	134.2	(514.3)		
Environment	123.1	45.6	(77.4)		
Backlog	1016.4	811.8	(204.5)		
Energy	868.6	693.1	(175.5)		
Environment	147.8	118.8	(29.0)		

* Full Year Forecast revised on February 3, 2020

Chiyoda is still currently assessing the impact of COVID-19 and the resulting changes to the business environment, including the stagnation of the global economy, which caused the sharp decrease in energy demand and the drop in crude oil and gas prices.

The business outlook and earnings forecasts have therefore not been determined. Full year forecasts for the fiscal year ending March 2021 will be announced when available.

9 Reduction of Capital

Chiyoda plans to implement the following Capital Reduction to eliminate the cumulative loss of retained earnings* of 135.5 billion yen and improve the financial base.

Billions of Yen

1. Details of Capital Reduction [On a non-consolidated basis]

Net assets	March 31, 2020	Difference	After Capital Reduction
Capital stock	784	(634)	150
Capital surplus	721	(721)	0
Retained earnings	(1,355)	1,355	0
Total	150	0	150

- ◆ Capital Reduction is merely the transfer of account titles in the “net assets” section on the Balance Sheet. The balance of ‘Net Assets’ remains unchanged; financial results shall not be affected.
- ◆ The total number of issued shares and net assets per share also remain unchanged.

2. Schedule

1	Resolution of General Meeting of Shareholders	June 25, 2020 (planned)
2	Deadline for objections of creditors	July 27, 2020 (planned)
3	Effective date	August 7, 2020 (planned)

* as of March 31, 2020

Appendix

I

**Revenue
Breakdown**

II

**New Order
Breakdown**

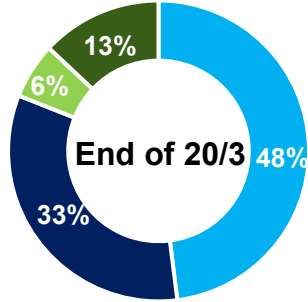
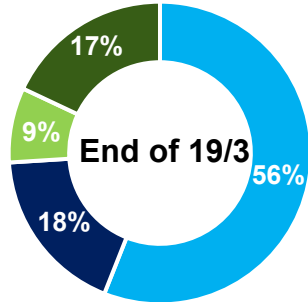
III

**Backlog
Breakdown**



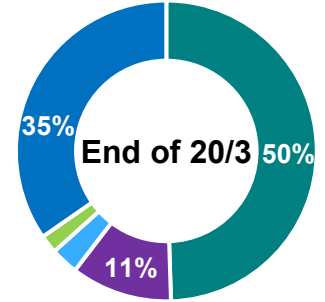
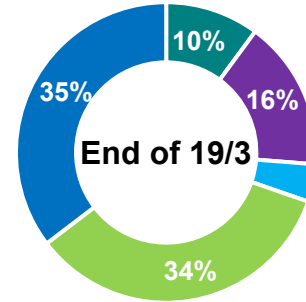
Revenue Breakdown

By Field



By Region

Billions of Yen



	19 / 4Q	20 / 4Q
LNG Plant, Gas, Related Work	191.6	184.0
Refinery, Petrochemical, Metal	60.2	128.6
Pharmaceutical, Biochemistry, Chemical	28.8	24.9
Environment, New Energy, Infrastructure	61.4	48.4
Total	342.0	385.9

	19 / 4Q	20 / 4Q
Americas	35.5	192.1
SEA & Oceania	53.7	44.1
ME & Africa	15.2	10.9
Others	117.2	5.8
Domestic	120.4	133.1
Total	342.0	385.9

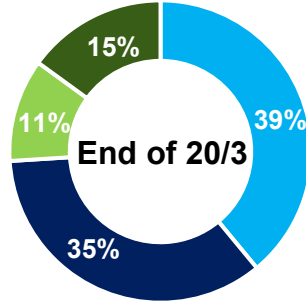
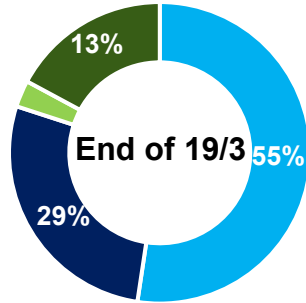
Major Projects

	More than 100 bn yen	More than 50 bn yen	More than 10 bn yen
Overseas		Cameron LNG, Texas Ethylene	Golden Pass LNG, Tangguh LNG, Freeport LNG



New Order Breakdown

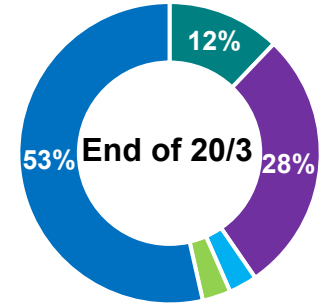
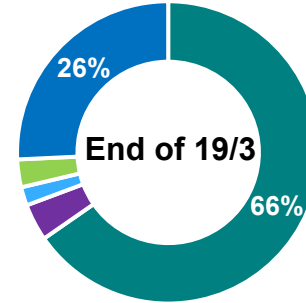
By Field



	19 / 4Q	20 / 4Q
LNG Plant, Gas, Related Work	421.4	70.5
Refinery, Petrochemical, Metal	227.1	63.7
Pharmaceutical, Biochemistry, Chemical	22.0	19.0
Environment, New Energy, Infrastructure	101.1	26.6
Total	771.6	179.8

By Region

Billions of Yen

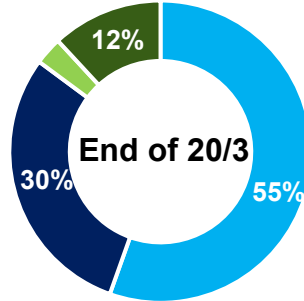
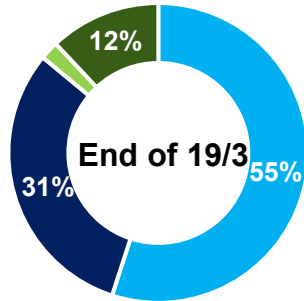


	19 / 4Q	20 / 4Q
Americas	510.5	22.0
SEA & Oceania	27.6	50.0
ME & Africa	15.5	6.2
Others	21.5	5.8
Domestic	196.5	95.8
Total	771.6	179.8



Backlog

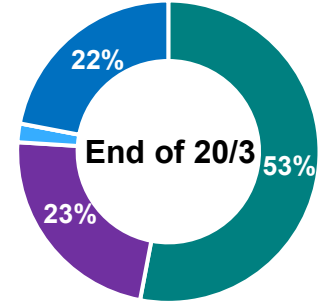
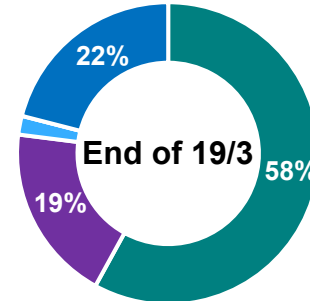
By Field



	19 / 4Q	20 / 4Q
LNG Plant, Gas, Related Work	557.5	450.1
Refinery, Petrochemical, Metal	311.1	242.9
Pharmaceutical, Biochemistry, Chemical	24.0	20.1
Environment, New Energy, Infrastructure	123.8	98.7
Total	1016.4	811.8

By Region

Billions of Yen



	19 / 4Q	20 / 4Q
Americas	587.9	429.7
SEA & Oceania	191.5	188.3
ME & Africa	19.4	14.3
Others	0.1	0.0
Domestic	217.5	179.6
Total	1016.4	811.8

Major Projects

	More than 100 bn yen	More than 50 bn yen	More than 10 bn yen
Overseas	Golden Pass LNG	Texas Ethylene, Tangghu LNG	Cameron LNG
Domestic			Biomass , Energy Storage System

Sustained Growth and Reinforcement of Our Reputation for Reliability



*Harmony between
Energy and the Environment*

Chiyoda Corporation IR, PR & CSR Department <https://www.chiyodacorp.com/en/>

Forward-Looking Statements: Any projections included in these materials are based solely on information available at the time this presentation was prepared. It is possible that actual results may vary significantly from the projections due to a number of risk factors such as economic conditions. The results projected here should not be construed in any way as being guaranteed by the Company. Investor are recommended not to depend solely on these projections for making investment decisions.