

<< Translation for Reference >>

May 8, 2020

Company Name: Chiyoda Corporation

President & COO: Masaji Santo

Stock Code: 6366

Stock Listing: Second Section of the Tokyo Stock Exchange

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**Notice regarding recognition of Non-operating Expenses (Foreign Exchange Losses)  
and Income taxes-deferred**

Chiyoda Corporation (“Chiyoda”) today announced that it has recognized Non-operating expenses (Foreign Exchange Losses) and Income taxes-deferred in fiscal year ending March 31, 2020 (from April 1, 2019 to March 31, 2020).

**1. Non-operating Expenses (Foreign Exchange Losses)**

In the fiscal year ending March 31, 2020, Chiyoda has recognized foreign exchange losses of JPY 10.2 billion for overseas operating assets due to foreign exchange fluctuations as part of its non-operating expenses.

In the Consolidated Statement of Comprehensive Income, foreign currency translation adjustments account are increasing as other comprehensive income is increased, therefore not all of the resulting foreign exchange loss will affect consolidated net assets.

**2. Income taxes-deferred**

The Corporate income tax adjustment of JPY 0.1 billion was due to a reversal of deferred tax assets liability.

**3. Impact to the Financial Results**

In regard to the impact of foreign exchange losses on Chiyoda financial results, please refer to the “Consolidated Financial Results for the Fiscal Year Ended March 31, 2020”, separately disclosed today.

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