

Abridged Translation:

The report is not audited and this translation is an abridged version prepared based on the statutory format in Japan for reference purpose only. If there is any discrepancy between this translation and the original Japanese version, the Japanese shall prevail.

**Consolidated Financial Results
for the Six Months Ended September 30, 2020**

November 5, 2020

Company name: **CHIYODA CORPORATION**
 Listing: Second Section of the Tokyo Stock Exchange
 Stock code: 6366
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Scheduled date to file Quarterly Report: November 13, 2020
 Preparation of Quarterly Supplementary Explanation Material: Yes
 Quarterly Financial Results Presentation Held: Yes (for Analysts and Institutional Investors)

(Millions of yen with fractional amounts discarded, unless otherwise noted)

1. Consolidated performance for the six months ended September 30, 2020

(1) Consolidated operating results (Percentages indicate year-on-year changes)

	Revenue		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
For the Six months ended September 30, 2020	161,545	(7.6)	5,174	(63.2)	4,770	(30.7)	5,795	21.0
For the Six months ended September 30, 2019	174,903	19.5	14,051	-	6,883	-	4,788	—

Note: Comprehensive Income: the six months ended September 30, 2020: 6,363 million yen / (28.8%)
 the six months ended September 30, 2019: 8,930 million yen / (- %)

	Net income per share	Fully diluted net income per share
	Yen	Yen
For the Six months ended September 30, 2020	18.32	5.95
For the Six months ended September 30, 2019	16.45	7.84

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2020	325,224	31,301	9.5
As of March 31, 2020	385,051	24,943	6.3

Reference: Equity As of Sep. 30, 2020: 30,932 million yen
 As of March 31, 2020: 24,443 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
FY ended March 31, 2020	-	-	-	0.00	0.00
FY ending March 31, 2021	-	-	-	-	-
FY ending March 31, 2021 (Forecast)	-	-	-	-	-

Note: Revision to the latest forecast announcement 2020: None

**3. Consolidated earnings forecasts for the fiscal year ending March 31, 2021
(from April 1, 2020 to March 31, 2021)**

(Percentages indicate year-on-year changes)

	Revenue		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2021	280,000	(27.4)	11,000	(58.9)	9,000	(51.7)	7,000	(42.5)	18.92

Note: Revision to the latest forecast announcement 2021: None

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 September 30, 2020	260,324,529 shares
As of March 31, 2020	260,324,529 shares
 - b. Number of treasury stock at the end of the period

As of September 30, 2020	1,357,593 shares
As of March 31, 2020	1,357,497 shares
 - c. Average number of shares during the period

For the Six months ended September 30, 2020	258,966,955 shares
For the Six months ended September 30, 2019	258,967,257 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.

Dividend Status of Class A Shares

Class A Share	Cash dividends per share				
	First quarter	Second quarter	Third quarter	Fiscal year-end	Annual
Record date	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2020	-	-	-	0.0	0.0
Fiscal year ending March 31, 2021	-	-	-	-	-
Fiscal year ending March 31, 2021 (Forecast)	-	-	-	-	-

Note: There will be no dividend for the Fiscal Year Ending March 2021.

Table of Contents for the appendices

1.	Qualitative Information Related to Consolidated Performance	2
	(1) Qualitative Information on Business Performance	2
	(2) Financial Information on Business Performance	4
	(3) Outlook for the Next Fiscal Year	4
2.	Consolidated quarterly financial statements	5
	(1) Consolidated balance sheets	5
	(2) Consolidated statement of income and comprehensive income	7
	(3) Consolidated quarterly statements of cash flow	9
	(4) Notes on Consolidated Quarterly Financial Statements	11
3.	Production, Contracts and Revenue	13
4.	Others	14

1. Qualitative Information Related to Consolidated Performance

(1) Qualitative Information on Business Performance

Although business activity is gradually increasing, the stagnant global economy due to COVID-19 remains fundamentally unchanged and the future is impossible to predict.

Under these exceptional circumstances, the Group continues to execute ongoing projects in the worldwide energy and global environment fields, prioritizing the health and safety of our employees and stakeholders. We also continue to assess the influence of COVID-19 on ongoing projects in cooperation with our clients, whilst evaluating their investment plans considering the suppressed economy and subdued oil and gas prices.

Chiyoda applies comprehensive risk management during all project phases in line with its Medium-term Management Plan: "Chiyoda's Revitalization Plan – Initiatives for Revitalization and the Future."

The Construction Division commenced operating under its Energy Business Operations in April 2020 and we are increasing resources for construction and commissioning to further strengthen Engineering, Procurement and Construction (EPC) operations.

Reduction of Capital and Capital Reserves and the Appropriation of Surplus to improve our financial position by offsetting the loss of 135,494 million yen in retained surplus carried forward at the end of March 2020, resolved at the June 2020 Ordinary General Meeting of Shareholders, became effective on 7 August 2020.

We released our 'Principles for Human Resources Development' as integrated guidelines to assess our human resources, cultivate organizational management capability and fully capture employee abilities.

Chiyoda ratified its 'Declaration of Health and Productivity Management' in April 2020 to promote employee health management. Chiyoda also promotes telework to enhance productivity.

In accordance with the Medium-term Management Plan, Chiyoda recognizes the increasing drive towards a low carbon/carbon-cycle society as a countermeasure against climate change and the social/business changes towards digital transformation, pharmaceuticals and life sciences. Consequently, Chiyoda aims to transform its business portfolio and earnings structure towards sustainable development by expanding its business in the environment area and accelerating digital transformation.

On consolidated basis, for the 2nd Quarter of the fiscal year ending March 31, 2021, New Orders amounted to 60,115 million yen (down 24.8% YoY), Revenues to 161,545 million yen (down 7.6% YoY) and Backlog to 674,510 million yen (down 25.4% from last FY). As a response towards the COVID-19 pandemic ongoing projects and its cost were reassessed and resulted in Operating Income of 5,174 million yen (down 63.2% YoY), Ordinary income decreased to 4,770 million yen (down 30.7% YoY). In addition, due to a refund of corporate taxes for some overseas consolidated subsidiaries, profit attributable to owners of parent amounted to 5,795 million yen (up 21.0% YoY).

The majority of ongoing projects impacted by COVID-19 (not all projects have been affected) are being executed within cost parameters, with some realizing cost reductions and increased profits. The figures provided have been estimated following current and reasonable assessments of the influence of COVID-19. The full effects of the pandemic are impossible to analyze accurately however and its timing cannot be predicted, and this could affect the information supplied.

- **Energy**

LNG / Gas

【Overseas】

Chiyoda is in the EPC phase on projects in the USA, Indonesia, Mozambique and Nigeria. The third (final) train on Cameron LNG commenced commercial operation in August 2020 and all three trains are now in commercial operation. The EPC phase of Golden Pass LNG is also progressing as planned. Chiyoda is currently supporting its JV partner's engineering reviews on LNG projects in Nigeria and Mozambique. Chiyoda is also revamping its previously constructed LNG/gas processing plants in Qatar and is bidding for the EPC stage of the North Field Expansion project, comprising 4 x 7.8 million ton/annum trains.

【Japan】

Renovations and modifications are underway on Chiyoda's previously constructed LNG receiving terminals and seismic upgrades of facilities are progressing.

Refinery/Petrochemical/Metal

【Overseas】

Chiyoda is executing a large-scale ethylene plant EPC project on the Gulf Coast in the USA and is executing EPCC (EPC plus Commissioning) on a Residue Fluid Catalytic Cracking (RFCC) plant in Malaysia.

【Japan】

Chiyoda considers metals and mining as priority business fields and is actively involved in mining projects. The Group is renovating existing refining facilities to reduce sulfur content in bunkering fuel in accordance with new regulations and to increase their competitiveness, whilst conducting seismic upgrades of facilities under the Basic Act for National Resilience. Chiyoda is also executing the EPC of the THC Catalyst (Toho High efficiency Catalyst) plant.

- **Environment**

Pharmaceuticals/Biochemistry/General Chemistry

In Pharmaceuticals/Biochemistry, Chiyoda is executing the EPC of a synthetic raw materials plant for medicines and is cooperating with Shionogi Pharma Co., Ltd. to develop technology for Continuous Manufacturing (CM) of Active Pharmaceutical Ingredients (API's) and Intermediates.

In General Chemistry, Chiyoda is executing the EPC of functionalized chemical facilities and a hydrogenated petroleum resin plant and is participating in an industry-academic-government project to develop technology to capture and recycle CO₂, and para-xylene production from CO₂, to establish a foundation for carbon recycling. Chiyoda supports customer waste plastic recycling with concept plant designs.

Chiyoda is collaborating with MIRAI Co. Ltd, a major production and administration company promoting the introduction of commercial facilities, on a vegetable growing facility and is executing a pilot vegetable factory project for Qatar University.

Environment/New Energy/Infrastructure

【Overseas】

Chiyoda has implemented its thoroughbred 121 (CT-121) process to flue gas desulfurization facilities on existing coal-fired plants in India.

【Japan】

In the environment field, Chiyoda is executing the EPC for facilities to demonstrate CO₂ separation, recovery and storage and fuel gas desulfurization on existing thermal power plants.

In the new energy field, Chiyoda is executing the world's largest Battery Energy Storage System Project, photovoltaic (mega solar) facilities and the largest capacity biomass firing plant in Japan. Chiyoda is also considering participating in a floating offshore wind farm, an area where we anticipate further opportunities.

To demonstrate the development of "Advanced Hydrogen Energy Global Supply and Transportation", promoted by an organization established jointly with Mitsubishi Corporation, Mitsui & Co., Ltd. and Nippon Yusen (NYK Line), Chiyoda has completed a hydrogenation plant in Negara Brunei Darussalam and a dehydrogenation plant in Japan to supply hydrogen for power generation. Chiyoda and Mitsubishi Corporation have entered into a Memorandum of Understanding (MOU) with five (5) companies in Singapore to support its sustainable hydrogen economy using Chiyoda's highly regarded safe technology. Chiyoda also aims to develop its hydrogen importation and consumption business with our state-of-the-art technology.

Chiyoda has also entered into an MOU with Hazer Group Limited in Australia to collaborate on commercial activities using the Hazer Process to produce and supply hydrogen without the need to store carbon-dioxide, utilizing methane as a feedstock to produce hydrogen and graphite. Discussions with prospective domestic clients are ongoing.

- **Digital Technology**

Chiyoda emphasizes three strategies for digital transformation: 1) Launching innovative digital products, 2) Promoting digital EPC and, 3) Innovative work processes.

- 1) Launching innovative digital products. Chiyoda offers the EFEXIS brand, delivering innovative solutions that maximize customer asset values by integrating digital AI technology with Chiyoda's engineering expertise. Solutions were implemented on the PT. Donggi-Senoro LNG (Indonesia) plant, leading to improved production efficiency, increased LNG output and reduced greenhouse gas emissions with lower operating costs. Following on from this success, Chiyoda is promoting EFEXIS for industrial facilities worldwide.
- 2) Promoting digital EPC. Chiyoda is applying Advanced Work Packaging (AWP) on ongoing and new projects to optimize the EPC process. Chiyoda has also developed a system to improve the efficiency of 3D plant engineering

by complementing Chiyoda's plant engineering expertise and experience with the CAD and optimization technologies of Arent Inc. The system is already active within Chiyoda. The two companies established PlantStream Inc. and introduced an innovative 3D plant engineering tool in August 2020, promoting the system to plant owners, technical consultancies and other EPC contractors.

Chiyoda is applying "Target 20" to strengthen IT infrastructure and advance company-wide digitalization to achieve 20% work efficiency improvement.

Chiyoda's IT business domain, owned by its subsidiary Chiyoda System Technologies (CST), was transferred to a splitting company and TIS Chiyoda Systems Inc. was established with TIS Inc. on 1 October 2020 to reinforce the IT infrastructure of the Group.

(2) Financial Information on Business Performance
[Consolidated Balance Sheet]

(Assets)

Total assets decreased 59,826 million yen from the end of the last fiscal year, with decrease of cash and deposits 37,957 million yen, jointly controlled assets of joint venture 13,008 million yen, notes receivable, accounts receivable from completed construction contracts 11,511 million yen and others, while costs on construction contracts in progress increased 5,262 million yen.

(Liabilities)

Total liabilities decreased 66,184 million yen from the end of last fiscal year, with decrease of advances received on construction contracts in progress 41,431 million yen, notes payable, accounts payable for construction contracts 25,133 million yen and others, while provision for loss on construction contracts increased 4,083 million yen.

(Net assets)

Total Net Assets is 31,301 million yen, with an increase of retained surplus in the 2nd quarter. Shared Capital and Capital Surplus were reduced to 63,381 million yen and 72,112 million yen respectively to offset losses as resolved at the Ordinary General Meeting of Shareholders on June 25, 2020.

[Consolidated statement of cash flows]

Cash and cash equivalents (capital) in the consolidated cumulative 2nd quarter is 78,479 million yen, a decrease of 37,453 million yen from the end of the last fiscal year, as detailed below

(Cash flows from operating activities)

Cash flows from operating activities in the consolidated cumulative 2nd quarter decreased by 36,001 million yen (a YoY decrease of 23,383 million yen). Operating cash flows (sum of increases/decreases in accounts receivable, costs on construction contracts in progress, trade payables and advances received on construction contracts in progress) decreased by 58,022 million yen. Quarterly profit before income taxes is 5,156 million yen. Jointly controlled assets of joint ventures decreased by 12,524 million yen. Provision for loss on construction contracts increased by 4,512 million yen.

(Cash flows from investing activities)

Cash flows from investing activities in the consolidated cumulative 2nd quarter decreased by 156 million yen (a YoY decrease of 8,103 million yen). with 654 million yen of purchase of investment securities. Time Deposits increased by 269 million yen.

(Cash flows from financing activities)

Cash flows from financing activities in the consolidated cumulative 2nd quarter decreased by 252 million yen (a YoY increase of 89,501 million yen) with 190 million yen repayment of lease obligations.

(3) Consolidated Financial Forecasts of the Fiscal Year

There is no change from the consolidated financial forecasts for the fiscal year announced on August 6, 2020. The assumed exchange rate of 107 yen per US dollar remains unchanged.

(Millions of yen)

	As of March 31, 2020	As of September 30, 2020
Assets		
Current assets		
Cash and deposits	124,404	86,446
Notes receivable, accounts receivable from completed construction contracts	61,182	49,670
Costs on construction contracts in progress	5,261	10,524
Accounts receivable - other	68,712	67,821
Jointly controlled assets of joint venture	96,028	83,019
Other	6,041	6,323
Allowance for doubtful accounts	(1,243)	(1,247)
Total current assets	360,387	302,559
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,177	5,113
Land	5,085	4,853
Other, net	1,190	1,015
Total property, plant and equipment	12,454	10,982
Intangible assets	4,912	4,087
Investments and other assets		
Investment securities	5,598	6,015
Deferred tax assets	599	472
Other	1,271	1,277
Allowance for doubtful accounts	(172)	(170)
Total investments and other assets	7,296	7,594
Total non-current assets	24,663	22,665
Total assets	385,051	325,224

(Millions of yen)

	As of March 31, 2020	As of September 30, 2020
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts	137,546	112,413
Current portion of long-term borrowings	122	124
Income taxes payable	1,212	451
Advances received on construction contracts in progress	119,911	78,480
Provision for warranties for completed construction	860	815
Provision for loss on construction contracts	34,871	38,955
Provision for bonuses	4,150	3,186
Provision for business restructuring	401	17
Other	20,802	19,671
Total current liabilities	319,878	254,116
Non-current liabilities		
Long-term borrowings	35,747	35,684
Provisions	239	239
Retirement benefit liability	1,986	2,008
Other	2,255	1,874
Total non-current liabilities	40,229	39,806
Total liabilities	360,107	293,923
Net assets		
Shareholders' equity		
Share capital	78,396	15,014
Capital surplus	72,128	142
Retained earnings	(127,778)	13,510
Treasury shares	(1,435)	(1,435)
Total shareholders' equity	21,310	27,232
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	58	135
Deferred gains or losses on hedges	6	1
Foreign currency translation adjustment	3,033	3,622
Remeasurements of defined benefit plans	13	(59)
Total accumulated other comprehensive income	3,112	3,699
Non-controlling interests	519	368
Total net assets	24,943	31,301
Total liabilities and net assets	385,051	325,224

(Millions of yen)

	Six months ended September 30, 2019	Six months ended September 30, 2020
Net sales of completed construction contracts	174,903	161,545
Cost of sales of completed construction contracts	152,855	150,406
Gross profit on completed construction contracts	22,047	11,139
Selling, general and administrative expenses	7,996	5,964
Operating profit	14,051	5,174
Non-operating income		
Interest income	1,336	634
Dividend income	17	16
Share of profit of entities accounted for using equity method	301	54
Other	123	156
Total non-operating income	1,778	861
Non-operating expenses		
Interest expenses	315	420
Foreign exchange losses	7,948	766
Other	681	77
Total non-operating expenses	8,945	1,264
Ordinary profit	6,883	4,770
Extraordinary income		
Gain on sales of shares of subsidiaries and associates	355	385
Total extraordinary income	355	385
Profit before income taxes	7,239	5,156
Income taxes - current	2,739	(774)
Income taxes - deferred	(119)	138
Total income taxes	2,619	(636)
Profit	4,619	5,792
Loss attributable to non-controlling interests	(168)	(2)
Profit attributable to owners of parent	4,788	5,795

(Millions of yen)

	Six months ended September 30, 2019	Six months ended September 30, 2020
Profit	4,619	5,792
Other comprehensive income		
Valuation difference on available-for-sale securities	42	76
Deferred gains or losses on hedges	(28)	(4)
Foreign currency translation adjustment	4,497	648
Remeasurements of defined benefit plans, net of tax	(132)	(73)
Share of other comprehensive income of entities accounted for using equity method	(67)	(76)
Total other comprehensive income	4,311	570
Comprehensive income	8,930	6,363
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	9,110	6,382
Comprehensive income attributable to non-controlling interests	(179)	(19)

(Millions of yen)

	Six months ended September 30, 2019	Six months ended September 30, 2020
Cash flows from operating activities		
Profit before income taxes	7,239	5,156
Depreciation	1,593	1,434
Amortization of goodwill	20	16
Increase (decrease) in provision for loss on construction contracts	(20,627)	4,512
Increase (decrease) in provision for business restructuring	—	(383)
Interest and dividend income	(1,353)	(650)
Share of loss (profit) of entities accounted for using equity method	(301)	(54)
Loss (gain) on sales of shares of subsidiaries and associates	(355)	(385)
Decrease (increase) in trade receivables	12,467	11,333
Decrease (increase) in costs on construction contracts in progress	(1,233)	(5,271)
Increase (decrease) in trade payables	(37,547)	(24,077)
Increase (decrease) in advances received on construction contracts in progress	3,950	(40,008)
Decrease (increase) in accounts receivable - other	(3,030)	(2,028)
Decrease (increase) in jointly controlled asset of joint venture	21,741	12,524
Other, net	(2,584)	(1,743)
Subtotal	(20,020)	(39,624)
Interest and dividends received	689	371
Interest paid	(312)	(268)
Income taxes (paid) refund	(3,740)	3,520
Net cash provided by (used in) operating activities	(23,383)	(36,001)
Cash flows from investing activities		
Net decrease (increase) in time deposits	(7,928)	269
Purchase of property, plant and equipment	(400)	(289)
Proceeds from sales of property, plant and equipment	36	557
Purchase of intangible assets	(867)	(779)
Proceeds from sales of intangible assets	17	746
Purchase of investment securities	(4)	(654)
Proceeds from sales of shares of subsidiaries and associates	375	—
Payments for sales of shares of subsidiaries resulting in change in scope of consolidation	—	(8)
Collection of loans receivable	598	8
Other, net	70	(7)
Net cash provided by (used in) investing activities	(8,103)	(156)
Cash flows from financing activities		
Proceeds from long-term borrowings	20,000	—

Proceeds from issuance of shares	70,000	—
Dividends paid	(0)	(0)
Dividends paid to non-controlling interests	(270)	—
Repayments of lease obligations	(167)	(190)
Other, net	(59)	(61)
Net cash provided by (used in) financing activities	89,501	(252)
Effect of exchange rate change on cash and cash equivalents	(359)	(1,043)
Net increase (decrease) in cash and cash equivalents	57,654	(37,453)
Cash and cash equivalents at beginning of period	68,306	115,932
Cash and cash equivalents at end of period	125,961	78,479

4. Notes on Consolidated Quarterly Financial Statements

(Notes on Assumption for a Going Concern)

None

(Notes on Significant Changes in the Amount of Shareholders' Equity, if Applicable)

Capital of 63,381 million yen and Capital Reserve of 72,112 million yen were reduced and transferred to other capital surplus, as resolved at the Ordinary General Meeting of Shareholders on June 25, 2020 and became effective on August 7, 2020. The other capital surplus of 135,494 million yen was transferred to retained earnings to offset the loss in retained surplus carried forward.

As a result, capital is 15,014 million yen, capital surplus is 142 million yen and retained earnings are 13,510 million yen at the end of the consolidated 2nd quarter.

As a result of this transaction, the amount of Net Assets remains unchanged.

(Additional Information)

Adoption of tax effect accounting for the transition from the consolidated taxation system to the group tax sharing system

As for items subject to transition to the group tax sharing system, established under the "Act on Partial Revision of the Income Tax Act" (Act No. 8 of 2020), and items reviewed under the non-consolidated taxation system in conjunction with the transition to the group tax sharing system, Chiyoda and domestic consolidated companies have not adopted the provisions of Paragraph 44 of the "Implementation Guidance on Tax Effect Accounting" (ASBJ Guidance No. 28, issued on February 16, 2018) in accordance with the treatment under Paragraph 3 of the "Practical Solution on the Treatment of Tax Effect Accounting for the Transition from the Consolidated Taxation System to the Group Tax Sharing System" (PITF No. 39, issued on March 31, 2020). The amounts of deferred tax assets and deferred tax liabilities are calculated based on the provisions of the Income Tax Act before the revision.

(Significant event subsequent to the balance sheet date)

(Business Separation)

At the Board of Directors meeting on January 28, 2020, it was decided that Chiyoda's IT business domain, owned by its subsidiary Chiyoda System Technologies (CST), to be transferred to a splitting company (Splitting Company), established through an incorporation-type company split of CST, and part of the Splitting Company shares to be transferred to TIS Inc. On February 28, 2020, Chiyoda entered into a stock purchase agreement with TIS Inc.

1. Summary of Company Split

(1) Name of the new Splitting Company and the Transferee

① Name of the new Splitting Company

TIS Chiyoda Systems Inc.

② Name of the Transferee

TIS Inc.

(2) Business/Service of the new Splitting Company

① Business

IT business

② Service

TIS Chiyoda Systems Inc. provides clients with IT solutions covering project management, project control and operational control of industrial plants to resolve business challenges.

(3) Main reasons of Company Split

With Chiyoda Group's philosophy "Energy and Environment in Harmony", CST has engaged in electrical, instrumentation and IT businesses.

To promote value creation by digitalization of inside and outside the company, Chiyoda agreed with TIS Inc., a leading Japanese IT company, to cooperate in developing of business strategies and improving productivity, efficiency and profitability.

(4) Date of Company Split and Transfer of Shares

October 1, 2020

(5) Other information

① Company Split

The company split is an incorporation-type of CST.

② Transfer of Shares

Consideration receivable is limited to property of cash

2. Name of split business segment

Engineering business

3. Production, Contracts and Revenue

(Millions of yen)

		Apr. 1, 2019—Sept. 30, 2019			Apr. 1, 2020—Sept. 30, 2020		
		New contracts (ratio)	Revenue (ratio)	Backlog of contracts (ratio)	New contracts (ratio)	Revenue (ratio)	Backlog of contracts (ratio)
1	Engineering	79,506 (99.5%)	174,505 (99.8%)	904,482 (100.0%)	59,776 (99.4%)	161,207 (99.8%)	674,501 (100.0%)
	Energy						
	(1) LNG Plant	29,532 (37.0%)	89,710 (51.3%)	472,791 (52.3%)	9,215 (15.3%)	63,774 (39.5%)	349,351 (51.8%)
	(2) Gas Development/ Processing/Receiving	986 (1.2%)	1,590 (0.9%)	12,786 (1.4%)	1,587 (2.6%)	5,452 (3.4%)	10,232 (1.5%)
	(3) Refinery/Petrochemical/ Metal	33,517 (41.9%)	45,427 (26.0%)	294,019 (32.5%)	24,366 (40.5%)	62,836 (38.9%)	200,968 (29.8%)
	Global Environment						
	(4) Pharmaceutical/ Biochemistry/ Chemical	2,698 (3.4%)	12,365 (7.1%)	13,968 (1.5%)	19,036 (31.7%)	8,325 (5.2%)	30,733 (4.6%)
	(5) Environment/ New Energy/Infrastructure	9,028 (11.3%)	19,933 (11.4%)	105,754 (11.7%)	3,455 (5.8%)	19,119 (11.8%)	80,821 (12.0%)
	(6) Others	3,743 (4.7%)	5,478 (3.1%)	5,162 (0.6%)	2,114 (3.5%)	1,699 (1.0%)	2,394 (0.3%)
2	Other Business	397 (0.5%)	397 (0.2%)	— (—)	338 (0.6%)	338 (0.2%)	— (—)
Total		79,903 (100.0%)	174,903 (100.0%)	904,482 (100.0%)	60,115 (100.0%)	161,545 (100.0%)	674,501 (100.0%)
Domestic		40,652 (50.9%)	55,971 (32.0%)	201,598 (22.3%)	45,956 (76.4%)	60,931 (37.7%)	162,795 (24.1%)
Overseas		39,251 (49.1%)	118,931 (68.0%)	702,884 (77.7%)	14,158 (23.6%)	100,614 (62.3%)	511,705 (75.9%)

Note1: The backlog of contracts for the six months ended September 30, 2020 includes a decrease due to changes in construction contracts acquired in prior fiscal years, and an increase due to foreign exchange translation adjustments.

Note2: The total amount of the above table does not include consumption tax.

4. Others

(Regarding Ichthys LNG Project)

Arbitration was filed by JKC Australia LNG Pty Ltd (JGC, KBR and Chiyoda joint venture) on a plant already handed over to the client as described below. Unfavorable outcomes will result in uncollectable construction receivables and replacement costs which may affect Group business performance.

1) Disputes with client

Outstanding issues include scope of work changes and associated additional costs and contract price adjustment.

2) Dispute with subcontractor

Arbitration to resolve a dispute with a subcontractor consortium awarded a lump sum contract consisting of General Electric Company, General Electric International Inc., UGL Engineering Pty Ltd and CH2M Hill Australia Pty Limited.

During ongoing arbitration in the execution phase regarding additional expenses being sought by JKC, the consortium independently breached the contract by withdrawing from site without prior agreement. JKC subsequently re-subcontracted the remaining scope of work to fulfill its own contractual obligations and are currently claiming costs of completing the Combined Cycle Power Plant (CCPP) from the consortium.