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February 10, 2021
IR, PR & CSR Department
Chiyoda Corporation

Summary of the Briefing of the Third Quarter Financial Results
for the Fiscal Year Ending March 31, 2021

The following is a summary of a presentation (telephone conference) outlining Chiyoda Corporation's ("Chiyoda", TSE: 6366) financial results for the third quarter of fiscal year ending March 31, 2021, released on February 2, 2021. Please also refer to the "Financial Results for the 3rd Quarter of Fiscal Year Ending March 31, 2021" on our website.

[Presentation Material]

1. Highlights (P1)

- Financial results progressed steadily with revenue and net profit achieving 87% and 92% of full year forecasts respectively.
- Large-scale overseas orders are anticipated to reach Final Investment Decision (FID) in the 4Q of this fiscal year.
- Chiyoda is promoting growth in 'Green Energy' (including hydrogen), expanding the pharmaceutical and life science business field and progressing digital transformation.

2. Income Statements (P2)

- Revenue was JPY 243 billion, 87% of the full year forecast.
- Gross profit was JPY 15.5 billion, 60% of the full year forecast.
- Gross profit margin was 6.4%, compared to the full-year forecast of 9.3%. Ongoing project costs were reassessed in response to COVID-19. New order FID delays resulted in decreased production ratio.
- SG&A expenses were JPY 9.4 billion, a reduction of JPY 2.5 billion compared to the same period last year as a result of cost reductions.
- Net profit was JPY 6.5 billion, 92% of the full-year forecast.

3. Balance Sheet(P3)

- Total assets were JPY 333.7 billion, a reduction of JPY 51.4 billion compared to the same period last year. This is due to reductions in cash and deposits and jointly controlled assets of JV's and operating liabilities, coupled with the progress of ongoing projects such as the completion of Cameron LNG.
- Shareholder's equity was JPY 32.4 billion at the end of December 2020 with an improved shareholder's equity ratio of 9.7%. Chiyoda is aiming for a shareholder's equity ratio of 20% with steadily increasing profits in line with the Medium-term Management Plan.

4. Profit Analysis(P4)

- This slide shows the breakdown of gross profits in the energy business and global business fields. It also shows the breakdown of gross profits of projects awarded before and after the Revitalization Plan.
- The gross profit of JPY 15.5 billion in the third quarter includes negative JPY 1.5 billion from the global environment business field. Ongoing domestic project costs were reassessed in the third quarter in response to COVID-19. Ongoing project profits are anticipated to recover in the fourth quarter along with gains in the global environment business field at the end of the fiscal year.
- Project gross profits before and after the Revitalization Plan were JPY 5.2 billion and JPY 10.3 billion respectively, showing steady profit gains after the release of the plan in May 2019.
- SG&A expenses reduced by JPY 2.5 billion compared to the same period last year as a result of cost reductions.
- Non-operating income is JPY 0.1 billion mainly due to foreign exchange profit. Extraordinary income and income taxes are JPY 0.2 billion due to sales of shares of subsidiaries and associates and a corporate tax refund in the USA. Profit attributable to owners of the parent amounted to JPY 6.5 billion.
- As a result of the above, shareholder's equity was JPY 32.4 billion with an improved shareholder's equity ratio of 9.7%.

5. New Orders / Backlog(P5)

- New orders in the third quarter stood at JPY 102.8 billion. New orders are expected as FID's for large-scale overseas projects are planned for the fourth quarter of this fiscal year.
- In the global environment business field, orders were secured in pharmaceuticals and life sciences.
- The order backlog was JPY 626.8 billion.

6. The full-year consolidated forecast remains unchanged.

Attachment

Breakdown of Revenue, New Orders and Backlog (P6~P8)

(Omitted)

Appendix

I.) Growth Strategy (P10~P15)

1. Green Energy (P10)

- This slide shows Chiyoda's growth strategy in the Green Energy field, with priority strategies circled in green.
- Commencing from upstream low carbonization of fossil fuels and renewable energy, Chiyoda's business flows downstream to rechargeable batteries and energy management.
- Hydrogen utilization technology is Chiyoda's core growth strategy in the Green Energy field.

2. SPERA Hydrogen (P11)

- As posted in NIKKEI on February 2, 2021, the world's first global hydrogen supply chain demonstration system, including SPERA Hydrogen technology, was successfully completed in December 2020 and Chiyoda is progressing towards commercialization.
- Chiyoda is proud to propose SPERA Hydrogen as a practical solution towards a hydrogen society.

3. Carbon Capture (P12)

- Chiyoda completed a CO₂ Separation and Recovery plant to capture CO₂ emitted by thermal power plants in October 2020.
- Chiyoda's CT-121 process is used to fuel gas desulfurization facilities.
- A plant to capture over 50% of CO₂ emitted by thermal power plant is the first of its kind in Japan.

4. Energy Management (P13)

- Chiyoda is proceeding with energy management through the stable supply of renewable energy using a battery energy storage system. The world's largest battery energy storage system is currently under construction in Hokkaido.

5. Pharmaceutical / Life Science (P14)

- Chiyoda was awarded an EPC contract from Shionogi & Co., Ltd. last year for the construction of plant to manufacture a COVID-19 vaccine drug constituent from genetically modified protein.
- Chiyoda aims to establish continuous manufacturing technology, applying its expertise in the hydrogenation reaction process in petroleum refining and technology for API's and Intermediates.
- Chiyoda is expanding its pharmaceutical / life science business field in response to increased health awareness.

6. Digital Transformation (P15)

- EFEXIS™ is Chiyoda's digital product brand, visualizing and automating plant operation and maintenance without the need for large-scale modifications, and improving customer asset values through operation optimization and maintenance efficiency.
- Chiyoda is promoting PlantStream™ for plant engineering, an innovative engineering system that reduces approximately 80% of basic process engineering and improves the speed of 3D engineering by up to about 5 times, by combining plant engineering expertise with CAD and optimization technology knowledge.

II.) Major Ongoing Projects (P16)

- In cooperation with our clients, ongoing projects continue with measures against the spread of COVID-19.

-End-

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Note: Some additions and corrections have been made to simplify the content for readers. 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. Investors are recommended not to depend solely on these projections for making investment decisions.