

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 Nine Months Ended December 31, 2020**

February 2, 2021

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: February 10, 2021
 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 nine months ended December 31, 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 nine months ended December 31, 2020	242,976	(10.9)	6,064	(75.3)	6,208	(70.3)	6,467	(61.7)
For the nine months ended December 31, 2019	272,667	(10.9)	24,536	—	20,877	—	16,867	—

Note: Comprehensive Income: the nine months ended December 31, 2020: 7,785 million yen
 the nine months ended December 31, 2019: 20,716 million yen

	Net income per share	Fully diluted net income per share
	Yen	Yen
For the nine months ended Dec. 31, 2020	18.89	6.63
For the nine months ended Dec. 31, 2019	61.08	23.19

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2020	333,654	32,685	9.7
As of March 31, 2020	385,051	24,943	6.3

Reference: Equity As of December 31, 2020: 32,362 million yen
 As of March 31, 2020: 24,423 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)				0.00	0.00

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 December 31, 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 December 31, 2020	1,357,680 shares
As of March 31, 2020	1,357,497 shares
 - c. Average number of shares during the period

For the nine months ended December 31, 2020	258,966,939 shares
For the nine months ended December 31, 2019	258,967,204 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.

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1. Qualitative Information Related to Consolidated Performance

(1) Qualitative Information on Business Performance

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.

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, resolved at the June 2020 Ordinary General Meeting of Shareholders, improved our financial position by offsetting the loss of 135,494 million yen in retained surplus carried forward at the end of March 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 work life balance to enhance productivity.

In the Medium Term Management Plan, Chiyoda is seizing the transition to a decarbonized society for the company’s opportunities for growth with prioritizing various efforts toward its realization as key business strategy. In December 2020 the Japanese government launched a “Green Growth Strategy” and the momentum toward realizing a decarbonized society is accelerating. Chiyoda is transforming its business portfolio and earnings structure towards sustainable development in the environment area and through digital transformation by expanding its business in Green Energy, Global Environmental business and digital transformation while redefining engineering value.

On consolidated basis, for the third quarter of the fiscal year ending March 31, 2021, New Orders amounted to 102,810 million yen (down 26.6% YoY), Revenues to 242,976 million yen (down 10.9% YoY) and Backlog to 626,755 million yen (down 22.8% from last FY). As a response towards the COVID-19 pandemic ongoing projects and its cost were reassessed and resulted in Gross profit of 15,468 million yen (down 57.6% YoY). On the other hand, as a result of various efforts along with the Medium Term Management Plan, SG&A expenses were reduced by 2,527 million yen YoY and resulted in Operating income of 6,064 million yen (down 75.3% YoY) and Ordinary income amounted to 6,208 million yen (down 70.3% YoY). In addition, due to a refund of corporate taxes for some overseas consolidated subsidiaries, profit attributable to owners of parent amounted to 6,467 million yen (down 61.7% 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. In the USA, Cameron LNG had commenced commercial operation in all three trains. The EPC of Golden Pass LNG is 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 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. New installations of gas supply facilities for thermal power plants 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 the 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 was awarded the EPC Contract from SHIONOGI & CO., Ltd. and is executing the EPC of a vaccine constituent production facility. Chiyoda is executing the basic engineering for a raw materials plant for biochemistry medicine. The EPC of a synthetic raw materials plant for medicines was successfully completed. Chiyoda 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 completed the EPC of functionalized chemical facilities and a hydrogenated petroleum resin plant. Chiyoda participates 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 is executing basic engineering for 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 fuel gas desulfurization facilities on existing coal-fired plants in India.

【Japan】

In the environment field, Chiyoda completed facilities to demonstrate CO₂ separation, recovery and storage and fuel gas desulfurization on existing thermal power plants which have now commenced commercial operation. Chiyoda is also executing the EPC for fuel gas desulfurization facilities 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. The demonstration of "Advanced Hydrogen Energy Global Supply and Transportation" was completed in December 2020, verifying Chiyoda's SPERA engineering technology can be scaled up for commercial use. Chiyoda expects increasing demand for hydrogen towards a carbon-neutral economy by 2050, following

its commercialization, or semi-commercialization in the mid-2020. Chiyoda and Mitsubishi Corporation, with five (5) companies in Singapore, 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 is collaborating with Hazer Group Limited in Australia on commercial activities using the Hazer Process to produce and supply hydrogen without the need to store carbon-dioxide. 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 EFEXIS brand is being promoted for industrial facilities worldwide, delivering innovative products that maximize customer asset values by integrating digital AI technology with Chiyoda's engineering expertise. For example, Chiyoda's 'in-house' technology, LNG Plant AI Optimizer, was installed on the existing PT. Donggi-Senoro LNG (Indonesia) plant, leading to improved production efficiency, increased LNG output and reduced greenhouse gas emissions with lower operating costs.
- 2) Chiyoda applies Advanced Work Packaging (AWP) on ongoing and new projects to optimize the EPC process. By combining Chiyoda's plant engineering expertise with Arent's CAD and optimization technology knowledge, Chiyoda has developed an innovative engineering tool that reduces process engineering by approximately 80% and improves the speed of 3D engineering by up to 5x. Chiyoda and Arent Inc established PlantStream Inc in August 2020 to promote the system to plant owners and other EPC contractors.
- 3) Chiyoda is applying "Target 20" to strengthen its IT infrastructure and is advancing 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 51,396 million yen from the end of the last fiscal year, with decrease of cash and deposits 31,964 million yen, jointly controlled assets of joint venture 26,604 million yen and others, while notes receivable, accounts receivable from completed construction contracts increased 4,573 million yen and costs on construction contracts in progress increased 2,792 million yen.

(Liabilities)

Total liabilities decreased 59,139 million yen from the end of last fiscal year, a decrease of advances received on construction contracts in progress of 45,699 million yen, notes payable, accounts payable for construction contracts 22,684 million yen and others, while long-term borrowings increased 9,904 million yen.

(Net assets)

Total Net Assets is 32,685 million yen, with an increase of retained surplus in the 3rd quarter and others.

(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.

2. Consolidated quarterly financial statements

(1) Consolidated balance sheets

(Millions of yen)

	As of March 31, 2020	As of December 31, 2020
Assets		
Current assets		
Cash and deposits	124,404	92,439
Notes receivable, accounts receivable from completed construction contracts	61,182	65,755
Costs on construction contracts in progress	5,261	8,053
Accounts receivable - other	68,712	69,491
Jointly controlled assets of joint venture	96,028	69,423
Other	6,041	7,654
Allowance for doubtful accounts	(1,243)	(1,247)
Total current assets	360,387	311,570
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,177	4,857
Land	5,085	4,853
Other, net	1,190	847
Total property, plant and equipment	12,454	10,557
Intangible assets		
Investments and other assets		
Investment securities	5,598	5,759
Deferred tax assets	599	442
Other	1,271	1,435
Allowance for doubtful accounts	(172)	(167)
Total investments and other assets	7,296	7,469
Total non-current assets	24,663	22,084
Total assets	385,051	333,654

(Millions of yen)

	As of March 31, 2020	As of December 31, 2020
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts	137,546	114,861
Current portion of long-term borrowings	122	125
Income taxes payable	1,212	346
Advances received on construction contracts in progress	119,911	74,212
Provision for warranties for completed construction	860	766
Provision for loss on construction contracts	34,871	36,739
Provision for bonuses	4,150	2,032
Provision for business restructuring	401	17
Other	20,802	21,989
Total current liabilities	319,878	251,091
Non-current liabilities		
Long-term borrowings	35,747	45,652
Provisions	239	239
Retirement benefit liability	1,986	2,166
Other	2,255	1,818
Total non-current liabilities	40,229	49,877
Total liabilities	360,107	300,968
Net assets		
Shareholders' equity		
Share capital	78,396	15,014
Capital surplus	72,128	142
Retained earnings	(127,778)	14,182
Treasury shares	(1,435)	(1,435)
Total shareholders' equity	21,310	27,904
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	58	123
Deferred gains or losses on hedges	6	1
Foreign currency translation adjustment	3,033	4,417
Remeasurements of defined benefit plans	13	(84)
Total accumulated other comprehensive income	3,112	4,458
Non-controlling interests	519	322
Total net assets	24,943	32,685
Total liabilities and net assets	385,051	333,654

(2) Consolidated statement of income and comprehensive income

(Millions of yen)

	Nine months ended December 31, 2019	Nine months ended December 31, 2020
Net sales of completed construction contracts	272,667	242,976
Cost of sales of completed construction contracts	236,199	227,507
Gross profit on completed construction contracts	36,468	15,468
Selling, general and administrative expenses	11,931	9,403
Operating profit	24,536	6,064
Non-operating income		
Interest income	2,097	714
Dividend income	200	387
Share of profit of entities accounted for using equity method	205	14
Other	142	221
Total non-operating income	2,645	1,337
Non-operating expenses		
Interest expenses	531	629
Foreign exchange losses	5,036	469
Other	735	94
Total non-operating expenses	6,304	1,193
Ordinary profit	20,877	6,208
Extraordinary income		
Gain on sales of shares of subsidiaries and associates	363	413
Total extraordinary income	363	413
Profit before income taxes	21,241	6,622
Income taxes - current	4,662	4
Income taxes - deferred	(109)	152
Total income taxes	4,553	157
Profit	16,688	6,464
Loss attributable to non-controlling interests	(178)	(2)
Profit attributable to owners of parent	16,867	6,467

(Millions of yen)

	Nine months ended December 31, 2019	Nine months ended December 31, 2020
Profit	16,688	6,464
Other comprehensive income		
Valuation difference on available-for-sale securities	27	64
Deferred gains or losses on hedges	56	(5)
Foreign currency translation adjustment	4,208	1,479
Remeasurements of defined benefit plans, net of tax	(197)	(97)
Share of other comprehensive income of entities accounted for using equity method	(66)	(119)
Total other comprehensive income	4,028	1,321
Comprehensive income	20,716	7,785
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	20,901	7,812
Comprehensive income attributable to non-controlling interests	(185)	(27)

(3) 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 14,182 million yen at the end of the consolidated 3rd 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.

(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. Accounting settlement

Gain on sales of shares of subsidiaries and associates: 27 million yen

Balance sheet of transferred business

Assets: 923 million yen

Liabilities: 372 million yen

3. Name of split business segment

Engineering business

4. Profit and loss of transferred business

Revenue: 585 million yen

Operating income: 166 million yen

3. Production, Contracts and Revenue

(Millions of yen)

	Apr. 1, 2019—Dec. 31, 2019			Apr. 1, 2020—Dec. 31, 2020		
	New contracts (ratio)	Revenue (ratio)	Backlog of contracts (ratio)	New contracts (ratio)	Revenue (ratio)	Backlog of contracts (ratio)
1. Engineering	139,432 (99.6%)	272,071 (99.8%)	873,903 (100.0%)	102,285 (99.5%)	242,450 (99.8%)	626,755 (100.0%)
(1) LNG Plant	56,589 (40.4%)	129,435 (47.5%)	466,519 (53.4%)	12,567 (12.2%)	86,437 (35.6%)	322,094 (51.4%)
(2) Gas Development/ Processing/Receiving	5,073 (3.6%)	2,883 (1.1%)	15,581 (1.8%)	2,201 (2.1%)	8,389 (3.5%)	7,908 (1.3%)
(3) Refinery/Petrochemical/ Metal	41,977 (30.0%)	86,713 (31.8%)	261,824 (29.9%)	40,247 (39.2%)	99,186 (40.8%)	179,589 (28.6%)
(4) Pharmaceutical/Biochemistry/ Chemical	12,289 (8.8%)	17,611 (6.5%)	18,357 (2.1%)	38,743 (37.7%)	16,650 (6.9%)	41,976 (6.7%)
(5) Environment/New Energy/ Infrastructure	18,453 (13.2%)	28,464 (10.4%)	106,633 (12.2%)	5,537 (5.4%)	28,920 (11.9%)	73,102 (11.7%)
(6) Others	5,048 (3.6%)	6,963 (2.5%)	4,986 (0.6%)	2,988 (2.9%)	2,867 (1.2%)	2,084 (0.3%)
2. Other Business	595 (0.4%)	595 (0.2%)	— (—)	525 (0.5%)	525 (0.2%)	- (-)
Total	140,027 (100.0%)	272,667 (100.0%)	873,903 (100.0%)	102,810 (100.0%)	242,976 (100.0%)	626,755 (100.0%)
Domestic	70,587 (50.4%)	95,214 (34.9%)	192,266 (22.0%)	81,714 (79.5%)	105,391 (43.4%)	154,022 (24.6%)
Overseas	69,440 (49.6%)	177,452 (65.1%)	681,636 (78.0%)	21,095 (20.5%)	137,584 (56.6%)	472,733 (75.4%)

Note1: The backlog of contracts 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.