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IR, PR & CSR Section
Corporate Services Department
Chiyoda Corporation

Summary of the First Quarter Financial Results Briefing
for Fiscal Year Ending March 31, 2022

The following is a summary of a presentation (telephone conference) outlining Chiyoda Corporation's (Chiyoda) financial results for the first quarter of the fiscal year ending March 31, 2022, released on August 2, 2021. Please also refer to the 'Financial Results for the 1st Quarter of Fiscal Year Ending March 31, 2022' on our website.

I . Financial Results

1. Highlights (P3)

- Revenue, gross profit, operating income and ordinary income progressed as forecast.
- Incorporated extraordinary losses of 20.4 billion JPY relating to disputes on the Ichthys LNG project, resulting in a revision to the full year profit forecast to negative 14 billion JPY.
- Awarded a new copper smelting plant project in Indonesia on 15 July 2021 that will be reflected in the 2nd quarter results. The new orders forecast of 300 billion JPY is expected to be achieved.

2. Extraordinary Losses (P4)

- Chiyoda disclosed extraordinary losses on 30 July 2021 and held a telephone conference to discuss the issues.
- Extraordinary losses are related to the Ichthys LNG project in Australia. JKC, a Joint Venture between Chiyoda, JGC Holdings Corporation and KBR Inc., was awarded the contract by the Client, Ichthys LNG Pty Ltd (primary shareholder is INPEX CORPORATION) in 2012, and the plant was completed and commenced commercial operation in October 2018.
- The contract type varies according to phase; lump-sum for engineering and procurement, an additional quantity adjustment provision for module construction and reimbursable for construction. JKC and the Client are continuing discussions and arbitration regarding the

adjustment to the contract amount for costs arising from an increase in the scope of work and the cost-reimbursable scope.

- Under COVID-19, arbitration is expected to be prolonged and Chiyoda has re-evaluated the potential dispute expenses and the risk of an uncertain result from the arbitration and litigation. As a result of the re-evaluation of risks and considering the current status of discussions with the Client, Chiyoda recognizes extraordinary losses of 20.4 billion JPY.
- Recognizing extraordinary losses and stabilizing cash flow and profit by eliminating uncertainties on past projects. No impact on ongoing projects.
- No cash outflow. Valuation of cost resulting from a re-evaluation of risks.
- Eradicating the negative legacy, Chiyoda will advance the Revitalization Plan, allocating resources to ongoing projects and new businesses.

3. Income Statement(P5)

- Revenue was 80.5 billion JPY, 27% of the full year forecast. This includes revenue from the NFE LNG project in Qatar that was awarded in February 2021. There are some COVID-19 impacts on some projects.
- Gross profit was 6.2 billion JPY and gross profit margin was 7.7%. Gross profit margin stood at 12.6% in the 1st quarter of the previous year, including an incentive reward received on the Cameron LNG project.
- SG&A expenses were 2.7 billion JPY, a reduction of JPY 0.3 billion YOY.
- Operating income and ordinary income were both 3.5 billion JPY. Net profit (loss) was negative 17.2 billion JPY, including extraordinary losses of 20.4 billion JPY.

4. Balance Sheet(P6)

- Net assets and shareholders equity reduced by 24.0 billion JPY, mainly due to the extraordinary losses related to the Ichthys LNG project.
- As a result, shareholders equity ratio substantially reduced. Chiyoda will increase shareholder's equity through the steady execution of ongoing projects and accumulated profits.

5. Profit Analysis (P7)

- The blue bar in the chart shows the 1st quarter results and the grey bar shows 25% of the full year forecast. Gross profit in the energy business and global environment business fields stood at 4.4 billion JPY and 1.8 billion JPY respectively, making the total gross profit 6.2 billion JPY.
- For SG&A expenses, the 2.7 billion JPY blue bar is smaller than the grey bar, resulting in operating income and ordinary income being greater than 25% of the full year forecast.

6. New Orders / Backlog (P8)

- New orders in the 1st quarter stood at 21.4 billion JPY: 15.8 billion JPY in the energy field and 5.6 billion JPY in the global environment field. The new copper smelter plant in Indonesia, awarded in July 2021, will be included in the 2nd quarter results.
- The order backlog exceeds 1 trillion JPY. Major projects include NFE LNG, Golden Pass LNG, Texas Ethylene and Tangguh LNG in the energy field and a facility to produce a vaccine constituent, energy storage systems and a biomass firing power plant in the global environment field.

Att. 1, 2, 3 Breakdown of Revenue, New Order, and Backlog (P9-P11)

(Explanation Omitted)

II. Growth Strategy Topics

1. Hydrogen Business (P13)

- Reinforcement of the hydrogen business in Japan, Asia, Europe etc.
- Chiyoda announced that it had entered into an MOU with the Port of Rotterdam Authority and Koole Terminals in the Netherlands and Mitsubishi Corporation on 30 July 2021 to develop a hydrogen supply chain. The Port of Rotterdam, the largest commercial port in Europe, selected Chiyoda as a business partner to support its aim of becoming a future hub for hydrogen imports, following its evaluation of the technical advantages of Chiyoda's SPERA hydrogen technology.
- Hydrogen will be a core business for Chiyoda.

2. Decarbonization / Copper Smelting Plant(P14)

- A new copper smelting plant project in Indonesia was awarded on 15 July 2021 by PT Freeport Indonesia. Copper is a requisite material for a carbon neutral society and is in growing demand for electric vehicles and battery power storage.
- Chiyoda will reinforce its copper business as a strategic commodity to support the realization of a decarbonized society.

3. Energy Management Business (P15)

[Left side]

- In the energy storage business, Chiyoda is constructing one of the world's largest energy storage systems in Hokkaido, Japan and was awarded a contract to conduct studies using the facility, including examining the optimum battery power storage capacity and system restoration following blackouts using AI.

[Right side]

- Chiyoda is collaborating with Qpinch in Belgium to promote industrial facility energy conservation by developing their heat transformer technology that recovers residual waste heat and transforms it into higher temperature industrial process heat.

4. Life Science Business (P16)

[Left side]

- Chiyoda completed a production line in a facility that produces a COVID-19 vaccine constituent in March 2021 for SHIONOGI & CO., Ltd., and is currently executing the EPC for an additional line and affiliated facilities.

[Right side]

- Collaboration with Shionogi Pharma Co., Ltd. (Shionogi) for a contract development and manufacturing business.
- Batch operation has been adopted in pharmaceutical manufacturing and the Continuous Manufacturing (CM) process has been applied in the fields of energy and chemistry. Chiyoda and Shionogi will cooperate in the development of CM technology for pharmaceuticals using Chiyoda's expertise in this field.

- Chiyoda and Shionogi aim to conserve manpower, space, R&D time and maintain quality through AI.

5. Digital Transformation (DX) (P17)

- Chiyoda, Cognite (headquartered in Norway) and Mitsubishi Corporation signed an MOU to collaborate on the Mirai Fusion digital solutions platform, designed for industrial facilities and plants, and a demonstration commenced on an oil refinery in Japan.
- Chiyoda supports digital transformation of client plant operations by combining Mirai Fusion and EFEXIS; innovative digital AI applications.

III. Major Ongoing Projects

1. Major Ongoing Projects (P19)

- All ongoing projects are proceeding as planned.
- All modules for the Texas Ethylene project have been installed on site in Texas, USA and project completion is expected in 2021.

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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.