

Financial Results for FY2022

Fiscal Year Ended March 31, 2023

May 9, 2023
Chiyoda Corporation

Presenter



Mr. Atsushi Deguchi
Executive Vice President
& CFO

Enriching society through engineering value

Our SDGs Materiality

7 エネルギーをみんなに
そしてクリーンに

9 産業と技術革新の
基盤をつくる

13 気候変動に
具体的な対策を

**CHIYODA
CORPORATION**

SPERA Hydrogen
Shaping the Future of Energy

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This presentation outlines Chiyoda Corporation's (Chiyoda) financial results for the fiscal year ending March 31, 2023, released on May 9, 2023.

1. Highlights

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Further Improved Earnings Structure

Achieved a revised full year profit forecast of JPY 15.0 billion*, the largest in ten year

2.

Countermeasures Against Global Inflation

Minimized impacts on new and existing projects by reinforcing risk control in cooperation with clients and partners

3.

Stabilized Earnings Structure

Targeting consistent high profits through steady progress in project execution, accumulation and growth of new businesses, and effective resource allocation

* Revised from JPY 11.5 billion on January 31, 2023.



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1. Further Improved Earnings Structure

Chiyoda achieved a full year profit forecast of JPY 15.0 billion, revised from the initial forecast JPY 11.5 billion at the beginning of the term, the largest profit reported in the last ten years.

2. Countermeasures Against Global Inflation

Chiyoda minimizes impacts on new and existing projects by reinforcing risk control in cooperation with clients and partners.

3. Stabilized Earnings Structure

Chiyoda targets high profits through steady progress in project execution, accumulation and growth of new businesses, and effective resource allocation in FY2022 and 2023.

2. Income Statement

Billions of JPY

	FY2021	FY2022	Difference	Full Year Forecast*2	Achievement
Revenue	311.1	430.2	119.0	450.0	96%
Gross Profit	22.8	32.7	9.9	35.0	93%
Gross Profit Margin	7.3%	7.6%	+0.3pt	7.8%	-
SG&A Expenses	(12.2)	(14.6)	(2.3)	(15.0)	97%
Operating Income	10.5	18.1	7.6	20.0	91%
Ordinary Income	11.4	20.3	8.9	20.0	102%
Profit*1	Note (12.6)	15.2	27.8	15.0	101%
Exchange Rate JPY/ USD	122	134		133	

Note) Extraordinary losses of JPY 20.4 billion was recorded in FY2021 related to the completed Ichthys LNG project.

*1 Profit attributable to owners of parent

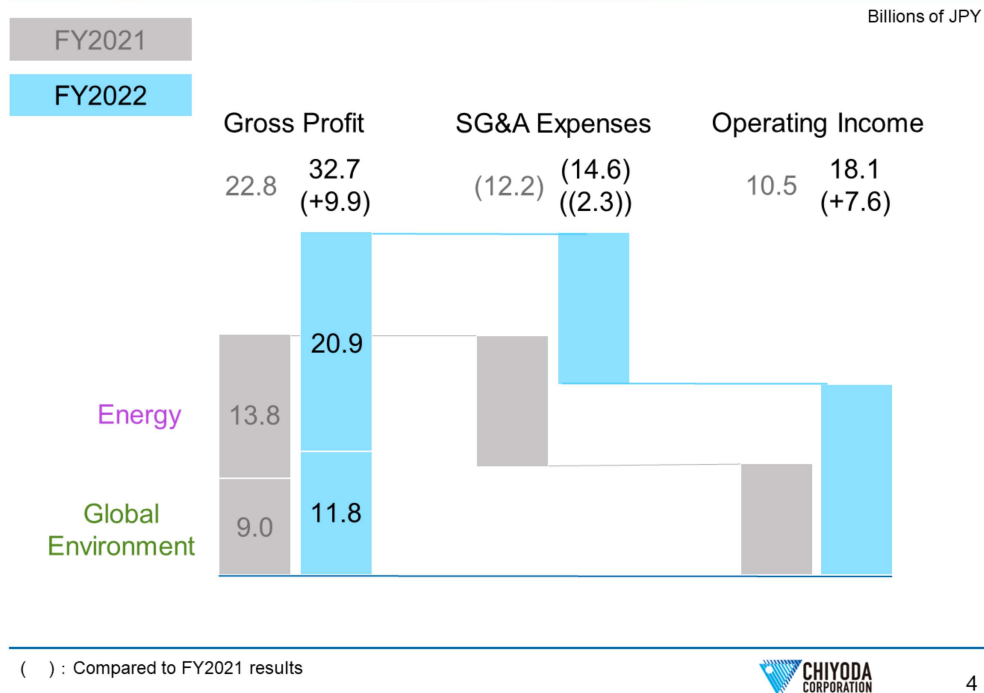
*2 Revised on January 31, 2023. Profit forecast was revised from JPY 11.5 billion to 15.0 billion.



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- Revenue was JPY 430.2 billion, an increase of JPY 119.0 billion YoY, achieving 96% of the full year forecast.
- Gross Profit was JPY 32.7 billion, an increase of JPY 9.9 billion YoY, achieving 93% of the full year forecast.
- Gross Profit Margin was 7.6%, an improvement of 0.3 points YoY.
- Operating Income was JPY 18.1 billion, an increase of JPY 7.6 billion YoY, achieving 91% of the full year forecast.
- Ordinary income was JPY 20.3 billion, an increase of JPY 8.9 billion YoY, achieving 102% of the full year forecast.
- Net Profit was JPY 15.2 billion, achieving 101% of the full year forecast.

3. Profit Analysis



- The graph shows the FY2022 results compared to last year for Gross Profit, SG&A Expenses and Operating Income.
- Gross Profit was JPY 32.7 billion, an increase of JPY 9.9 billion YoY. Energy and Global Environment Gross Profit are JPY 20.9 billion and JPY 11.8 billion respectively, both increasing YoY.
- SG&A Expenses was JPY 14.6 billion, an increase of JPY 2.3 billion YoY, due to activated sales operations, the economic recovery from the COVID-19 pandemic and R&D expenditure to promote our growth strategies. The results are carefully controlled and only narrowly underrun the medium term management plan target of JPY 15.0 billion.
- Operating Income was JPY 18.1 billion, an increase of JPY 7.6 billion YoY.

4. Balance Sheet

Billions of JPY

	FY2021	FY2022	Difference		FY2021	FY2022	Difference
Current Assets	372.7	383.0	10.3	Current Liabilities	350.7	356.3	5.6
Cash and Deposits	68.8	61.2	(7.6)	Notes Payable, Accounts Payable for Construction Contracts	96.1	129.4	33.3
Operating Assets**	59.0	58.6	(0.4)	Contract Liabilities	143.4	163.3	19.9
Accounts Receivable - Other	83.2	39.9	(43.3)	Provision for Loss on Construction Contracts	34.8	27.9	(6.9)
Jointly Controlled Assets of JV *2	141.4	161.6	20.2	Accounts Payable - Other	44.0	17.5	(26.6)
Short-Term Loans	11.4	47.6	36.2	Non-Current Liabilities	29.0	28.0	(0.9)
Non-Current Assets	22.7	23.6	0.9	Net Assets	15.8	22.3	6.5
Total Assets	395.4	406.6	11.2	Total Liabilities and Net Assets	395.4	406.6	11.2
				Shareholders' Equity	15.7	22.2	6.5
				Shareholders' Equity Ratio	4.0%	5.5%	+1.5pt

*1 Notes receivable, accounts receivable from completed construction contracts, and contract assets + Costs on construction contracts in progress

*2 Cash and deposits of joint venture proportional to Chiyoda's interest



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- Total Assets was JPY 406.6 billion, an increase of JPY 11.2 billion from JPY 395.4 billion in the last fiscal year.
 1. Jointly Controlled Assets of JV in the assets section and Notes Payable, Accounts Payable for Construction Contracts and Contract Liabilities in the liabilities section increased as ongoing projects progressed.
 2. Accounts Receivable - Other in the assets section and Accounts Payable - Other in the liabilities section decreased, due to an out of court settlement on a completed project in the first quarter. The decrease in Accounts Receivable - Other is relatively large as a significant portion of the received amount is recorded as Short-Term Loans.
- Shareholders equity was JPY 22.2 billion, an increase of JPY 6.5 billion from the last fiscal year. Shareholders equity ratio was 5.5%, improving 1.5 points from the last fiscal year.

5. New Orders / Backlog

Billions of JPY

	FY2022 New Orders	FY2022 Backlog
Energy	96.7	843.5
Global Environment	58.3	305.4
Total	155.0	1,148.9

Major Backlog Projects	More than JPY 100.0 billion	More than JPY 5.0 billion
Energy	<ul style="list-style-type: none"> NFE LNG, Qatar 	<ul style="list-style-type: none"> Golden Pass LNG, USA Tangguh LNG Expansion, Indonesia
Global Environment	<ul style="list-style-type: none"> Copper Smelting Plant, Indonesia 	<ul style="list-style-type: none"> CO₂ Methanation Facility, Japan Biopharmaceutical Manufacturing Plant, Japan

- New Orders was JPY 155.0 billion, approximately 50% of the full year forecast of JPY 300.0 billion.
- Backlog was JPY 1,148.9 billion, equivalent to three-years revenue.

6. FY2023 Forecast

Billions of JPY

	FY2023 Full Year Forecast
Revenue	450.0
Gross Profit	35.0
Gross Profit Margin	7.8%
SG&A Expenses	(15.0)
Operating Profit	20.0
Ordinary Profit	20.0
Profit*	15.0
New Orders	300.0
Exchange Rate JPY/ USD	130

* Profit attributable to owners of parent



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- The FY2023 forecast is as FY2022.
- Revenue is forecast to be JPY 450.0 billion, with major ongoing projects such as NFE LNG in Qatar and a copper smelting plant in Indonesia.
- Gross profit is expected to be JPY 35.0 billion with a gross profit margin of 7.8%.
- SG&A Expenses is forecast to be JPY 15.0 billion.
- Both Operating Profit and Ordinary Profit are expected to be JPY 20.0 billion. Profit is expected to be JPY 15.0 billion.
- New Orders are expected to be JPY 300.0 billion.

[Att] Revenue and Backlog Breakdown

Billions of JPY

FY2022 Revenue			FY2022 Backlog		
【Business】			【Business】		
ENERGY	271.9	63%	ENERGY	843.5	73%
■ LNG Plant, Gas Related Work	242.4	56%	■ LNG Plant, Gas Related Work	816.8	71%
■ Refinery, Petrochemical	29.6	7%	■ Refinery, Petrochemical	26.7	2%
ENVIRONMENT	158.2	37%	ENVIRONMENT	305.4	27%
■ Pharmaceutical, Biochemistry, Chemical	34.1	8%	■ Pharmaceutical, Biochemistry, Chemical	42.7	4%
■ Environment, New Energy, Infrastructure, Others	124.1	29%	■ Environment, New Energy, Infrastructure, Others	262.7	23%
TOTAL	430.2	100%	TOTAL	1,148.9	100%
【Region】			【Region】		
OVERSEAS	337.0	78%	OVERSEAS	1,056.6	92%
■ Middle East & Africa	152.0	35%	■ Middle East & Africa	692.0	60%
■ Americas	55.9	13%	■ Americas	93.4	8%
■ Asia & Oceania	129.1	30%	■ Asia & Oceania	271.2	24%
■ Others	0.0	0%	■ Others	0.0	0%
■ DOMESTIC	93.2	22%	■ DOMESTIC	92.2	8%
TOTAL	430.2	100%	TOTAL	1,148.9	100%

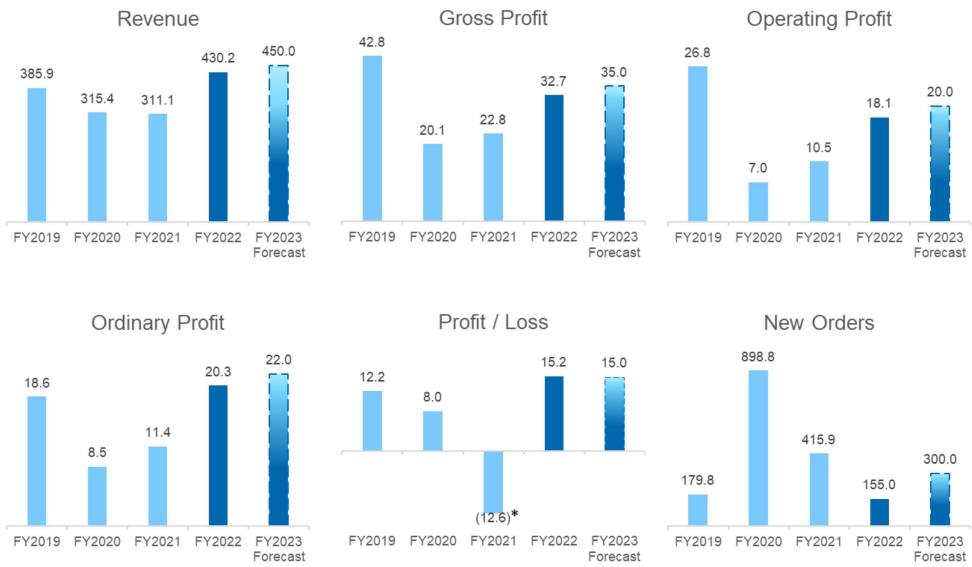


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This is a breakdown of FY2022 Revenue and Backlog for reference.

[Att] Results History

Billions of JPY



* The figure includes Extraordinary Losses of JPY 20.4 billion related to the project losses by settlement of lawsuit with a client.



This is a five year financial data history for reference.

Energy and Environment in Harmony



Chiyoda Corporation Corporate Services Department IR, PR & Sustainability Advanced Section, <https://www.chiyodacorp.com/en/>

Forward-Looking Statements: 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. Investor are recommended not to depend solely on these projections for making investment decisions.

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