

Financial Results for the 2nd Quarter of Fiscal Year Ending March 31, 2024 (FY2023 2Q)

November 2, 2023
Chiyoda Corporation
(Stock code: 6366)



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Presenter



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AGENDA :

1. Highlights
2. Income Statement
3. Profit Analysis
4. Balance Sheet
5. New Orders / Backlog

[Att-1] Revenue / Backlog Breakdown
[Att-2] Results History

Our SDGs Materiality

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CHIYODA CORPORATION

Enriching Society through Engineering Value

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This presentation outlines Chiyoda Corporation's (Chiyoda) financial results for the second quarter of the fiscal year ending March 31, 2024, released on November 2, 2023.

1. Highlights

1 Increased business profitability

Increased income and profits compared to the same period last year. Continuing positive performance in the first half of this fiscal year, similar to FY2022 when we achieved the highest annual profit for 10 years

2 Stabilizing the profit-making base

Handed over the Tangguh LNG project (in Indonesia) to the client in August 2023. Aiming for high profit levels for two consecutive terms by consistently executing existing projects and developing businesses in new fields

3 Accelerating transformation of business portfolio

Developing new businesses and accelerated award of contracts in new business fields, mainly towards realizing carbon neutrality. Optimizing resource allocation

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1. Increased business profitability
Increased income and profits compared to the same period last year. Continuing positive performance in the first half of this fiscal year, similar to FY2022 when we achieved the highest annual profit for 10 years.
2. Stabilizing the profit-making base
Completed construction and handed over the Tangguh LNG project (in Indonesia) to the client in August 2023. Aiming for high profit levels for two consecutive terms by consistently executing existing projects and developing businesses in new fields.
3. Accelerating transformation of business portfolio
Developing new businesses and accelerated award of contracts in new business fields, mainly towards realizing carbon neutrality. Accelerating transformation of business portfolio by optimizing resource allocation.

2. Income Statement

Billions of JPY

	FY2022 2Q	FY2023 2Q	Difference	Full Year Forecast	Progress
Revenue	184.3	271.7	87.4	450.0	60%
Gross Profit	12.1	17.7	5.7	35.0	51%
Gross Profit Margin	6.6%	6.5%	(0.1pt)	7.8%	-
SG&A Expenses	(5.9)	(6.9)	(1.0)	(15.0)	46%
Operating Income	6.1	10.8	4.7	20.0	54%
Ordinary Income	6.6	14.1	7.5	20.0	71%
Profit*	5.3	8.6	3.3	15.0	58%
Exchange Rate JPY/ USD	145	150		Note 140	

Note Revised from JPY130 at the beginning of the fiscal year

* Profit attributable to owners of parent



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Increased Income and Profits compared to the same period last year. Revenue and Profits are increasing as planned to achieve the full year forecast.

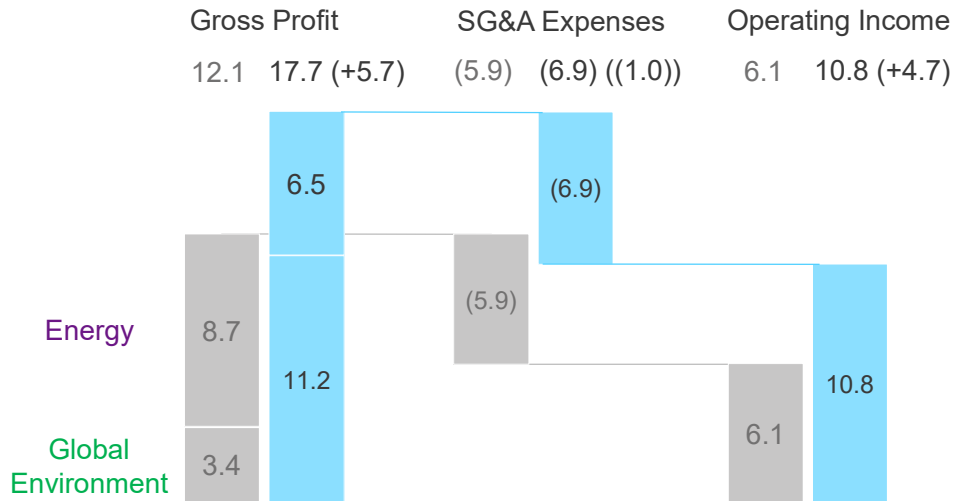
- Revenue was JPY 271.7 billion, an increase of JPY 87.4 billion YoY, achieving 60% of the full year forecast.
- Gross Profit was JPY 17.7 billion, an increase of JPY 5.7 billion YoY, achieving 51% of the full year forecast.
- SG&A Expenses was 6.9 billion, an increase of JPY 1 billion YoY, controlled to be 46% of the full year forecast.
- Operating Income was JPY 10.8 billion, an increase of JPY 4.7 billion YoY, achieving 54% of the full year forecast.
- Ordinary Income was JPY 14.1 billion, an increase of JPY 7.5 billion, achieving 71% of the full year forecast.
- Net Profit was JPY 8.6 billion, an increase of JPY 3.3 billion YoY, achieving 58% of the full year forecast.

3. Profit Analysis

FY2022 2Q

Billions of JPY

FY2023 2Q



() : Compared to FY2022 2Q results



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The graph shows the results for Gross Profit, SG&A Expenses and Operating Income for the second quarter of this fiscal year, compared to last year.

- Gross Profit was JPY17.7 billion, an increase of JPY 5.7 billion YoY. Energy and Global Environment Gross Profit were JPY 6.5 billion and JPY 11.2 billion respectively, the latter increasing significantly.
- SG&A Expenses was JPY 6.9 billion. The results are controlled to be 46% of the full year forecast of 15.0 billion.
- Operating Income was JPY 10.8 billion, an increase of JPY 4.7 billion YoY.

4. Balance Sheet

Billions of JPY

	FY2022 4Q	FY2023 2Q	Difference		FY2022 4Q	FY2023 2Q	Difference
Current Assets	383.0	375.2	(7.8)	Current Liabilities	356.3	357.8	1.5
Cash and Deposits	61.2	87.9	26.7	Operating Liabilities* ³	292.7	278.3	(14.4)
Operating Assets* ¹	58.6	55.0	(3.7)	Provision for Loss on Construction Contracts	27.9	25.6	(2.3)
Jointly Controlled Assets of JV * ²	161.6	144.5	(17.1)	Non-Current Liabilities	28.0	10.1	(17.9)
Non-Current Assets	23.6	23.5	(0.1)	Net Assets	22.3	30.8	8.5
Total Assets	406.6	398.7	(7.9)	Total Liabilities and Net Assets	406.6	398.7	(7.9)
				Shareholders' Equity	22.2	30.6	8.4
				Shareholders' Equity Ratio	5.5%	7.7%	+2.2pt

*¹ Operating Assets: Notes receivable, accounts receivable from completed construction contracts and contract assets + Costs on construction contracts in progress
*² Jointly Controlled Assets of JV: Cash and deposits of joint venture proportional to Chiyoda's interest
*³ Operating Liabilities: Notes payable, accounts payable for construction contracts + Contract liabilities

- Total Assets were JPY 398.7 billion compared to JPY 406.6 billion at the end of the last fiscal year.
- There was no significant fluctuation in Assets and Liabilities with the amounts increasing and decreasing due to the progress of ongoing projects.
- Shareholders Equity increased to JPY 30.6 billion, an increase of JPY 8.4 billion from the end of the last fiscal year. Shareholders Equity Ratio is 7.7%.

5. New Orders / Backlog

Billions of JPY

	FY2023 2Q New Orders	FY2023 2Q Backlog
Energy	35.1	800.6
Global Environment	99.7	316.7
Total	134.8	1,117.3

【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
Global Environment	<ul style="list-style-type: none"> Copper Smelting Plant, Indonesia 	<ul style="list-style-type: none"> CO2 Methanation Facility, Japan Pharmaceutical Manufacturing Plant, Japan Advanced Material Plant, Japan

- New Orders received was JPY 134.8 billion and the order backlog was JPY 1,117.3 billion.
- Please refer to the table below for major projects in the other backlog.

[Att-1] Revenue and Backlog Breakdown

Billions of JPY

FY2023 2Q Revenue

【Business】

ENERGY	153.1	56%
■ LNG Plant, Gas Related Work	139.5	51%
■ Refinery, Petrochemical	13.6	5%
ENVIRONMENT	118.6	44%
■ Pharmaceutical, Biochemistry, Chemical	16.3	6%
■ Environment, New Energy, Infrastructure, Others	102.3	38%
TOTAL	271.7	100%

【Region】

OVERSEAS	235.6	87%
■ Middle East & Africa	99.0	36%
■ Americas	24.3	9%
■ Asia & Oceania	112.1	41%
■ Others	0.1	0%
■ DOMESTIC	36.1	13%
TOTAL	271.7	100%

FY2023 2Q Backlog

【Business】

ENERGY	800.6	72%
■ LNG Plant, Gas Related Work	775.5	69%
■ Refinery, Petrochemical	25.1	2%
ENVIRONMENT	316.7	28%
■ Pharmaceutical, Biochemistry, Chemical	83.6	7%
■ Environment, New Energy, Infrastructure, Others	233.1	21%
TOTAL	1,117.3	100%

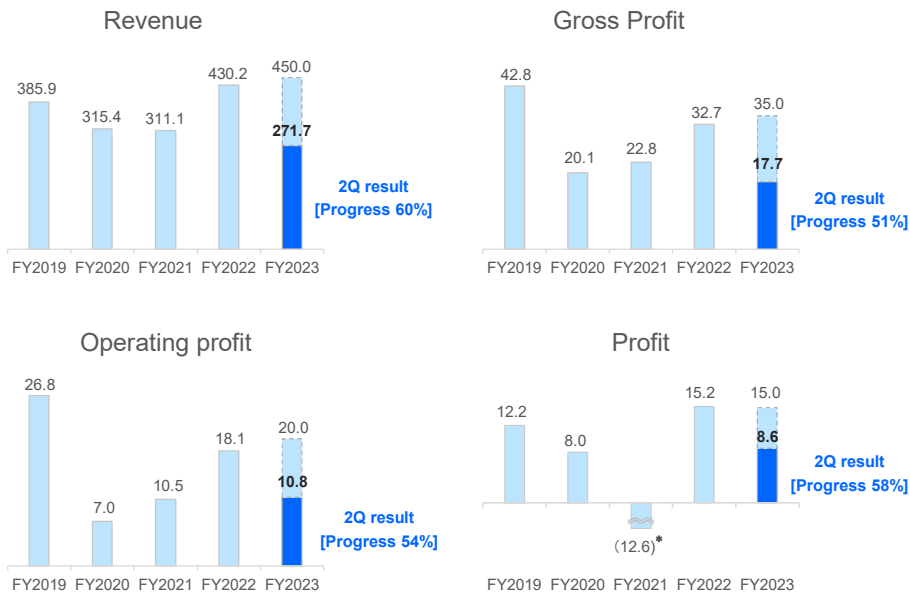
【Region】

OVERSEAS	962.0	86%
■ Middle East & Africa	660.6	59%
■ Americas	85.7	8%
■ Asia & Oceania	215.7	19%
■ Others	0.0	0%
■ DOMESTIC	155.3	14%
TOTAL	1,117.3	100%

This is a breakdown of Revenue and Backlog for the second quarter of this fiscal year for reference.

[Att-2] 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.

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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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