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IR, PR & Sustainability Advanced Section
Corporate Services Department
Chiyoda Corporation

**Summary of a Q&A session following the Presentation
of the Financial Results for Fiscal Year Ending March 31, 2023**

This is a summary of a Q&A session following the presentation (telephone conference) of Chiyoda Corporation's (Chiyoda) financial results for fiscal year ending March 31, 2023, released on August 1, 2022.

	Question	Answer
1	<p>Net sales of completed construction contracts</p> <p>Is the Q1 result for net sales in line with the 15% forecast?</p> <p>Are there any impacts on construction progress?</p>	<p>There were no major cost increases in Q1, mainly because of only minor equipment procurement, and cost progress in accounting terms was therefore relatively low. We forecast an increase in net sales in line with the full-year forecast from Q2 as the cost progress is scheduled to increase based on actual construction progress.</p>
2	<p>Gross profit margin</p> <p>Why did the gross profit margin of 8.6% exceed the full year forecast of 7%?</p>	<p>The main factor was improved profitability on specific projects in the energy sector as a one-off positive factor.</p> <p>Construction completion on large scale projects will increase from Q2 and the gross profit margin on completed projects may reduce.</p>
3	<p>Countermeasures Against Increasing Equipment, Material and Transportation Costs</p> <p>Please advise the current situation of equipment, material</p>	<p>Chiyoda has allowed specific contingencies for increased equipment, material and transportation</p>

	Question	Answer
	and transportation costs and Chiyoda's countermeasures against their increase in terms of the impact on the gross profit margin on completed projects.	<p>costs.</p> <p>We will continue to work collaboratively with clients and partners to minimize further impacts.</p> <p>COVID-19 cost and schedule impacts are discussed with clients under a force majeure framework.</p>
4	<p>New orders</p> <p>What is the current status and timing of the order forecast for NFS LNG in Qatar?</p>	<p>Because of Chiyoda's unrivalled large project experience in Qatar and the fact that NFS LNG is an expansion of the NFE LNG project, we believe NFS is a project where we can apply our advantage to maximum extent.</p> <p>Stringent and comprehensive risk assessment is still required to evaluate increasing equipment, material and transportation cost risks due to COVID-19 and the geopolitical crisis in Ukraine.</p>
5	<p>Conducting future EPC business.</p> <p>What are your thoughts for conducting future EPC business in terms of improving risk/reward?</p>	<p>Increased execution risks due to the recent trend towards larger, longer and more complex projects and the current instability of our external business environment are major management issues.</p> <p>EPC contractor financial positions are generally not as robust as their international and national clients in the oil and gas industry. Many contracts, including LNG, are also lump-sum, increasing EPC contractor exposure to market risks, such as cost increases during construction. Although these risks cannot be totally eliminated, our comprehensive risk management procedures are designed to minimize risks as far as is reasonably practicable. Chiyoda leverages its extensive EPC strengths and experience while working</p>

	Question	Answer
		<p>collaboratively with clients who bear their fair degree of risk.</p> <p>Our competitive advantage in this business field is our superior engineering and technological expertise combined with our project management experience. We therefore concentrate on projects that allow us to share risk and profit accordingly and enable us to utilize our strengths of engineering and technological expertise and project management experience to add value for our clients by delivering unique state-of-the-art solutions.</p> <p>We are also establishing operation and maintenance expertise using digital AI to offer our clients whole-of-life solutions.</p>

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Please submit inquiries to:
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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.