

Results of Operations

Six months ended September 30, 2003

- Strong Results but Still More Room for Improvement-

November 13, 2003



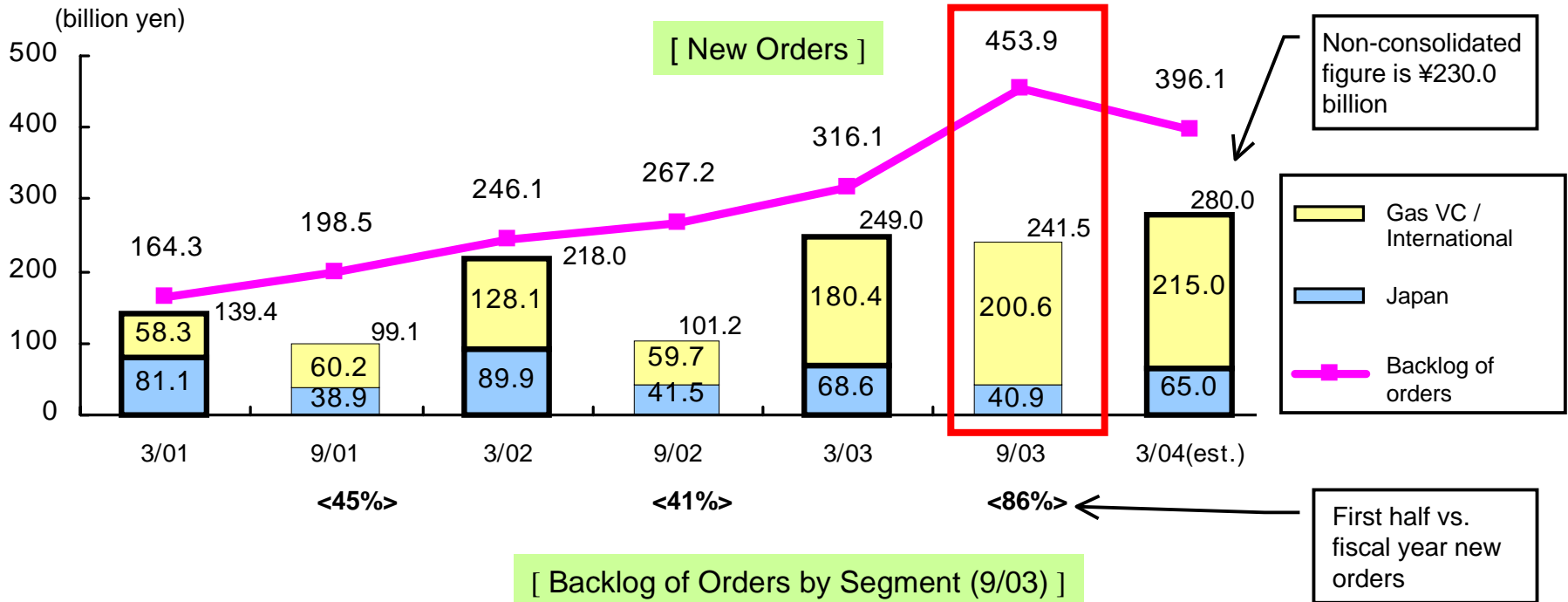
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1. Consolidated Financial Highlights (Income Statements)

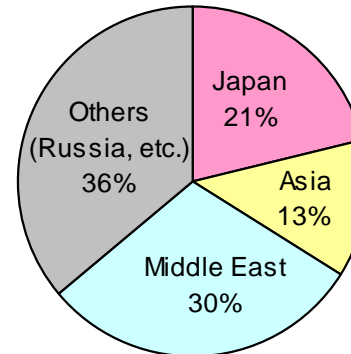
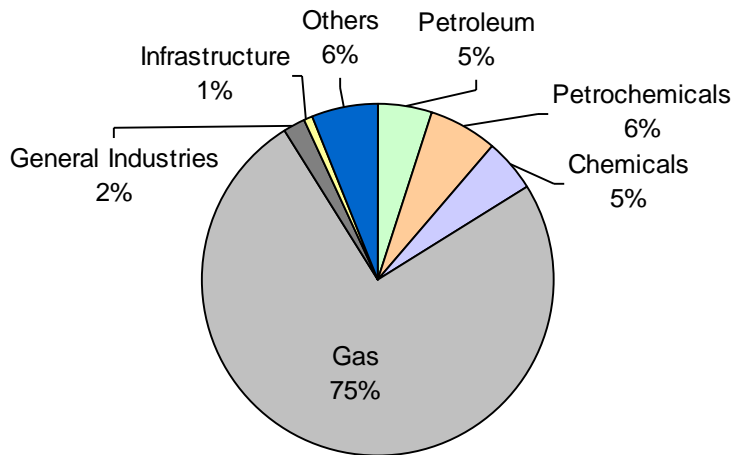
(billion yen)

	Six months ended September 30,		Change	Initial 9/03 Forecasts	Change
	2002	2003			
New orders	101.2	241.5	+140.3	-	-
Backlog of orders	267.2	453.9	+186.7	-	-
Revenues	69.3	88.6	+19.3	80.0	+8.6
Operating profit	1.0	2.5	+1.5	-	-
Ordinary profit	1.6	3.0	+1.4	1.4	+1.6
Net profit after tax	2.5	2.2	(0.3)	1.0	+1.2

2. Consolidated New Orders and Backlog of Orders



[Backlog of Orders by Segment (9/03)]



3. Consolidated Financial Highlights (Balance Sheets)

(billion yen)

	Mar. 31, 2003	Sep. 30, 2003	Change		Mar. 31, 2003	Sep. 30, 2003	Change
Current assets	96.9	115.0	+18.1	Current liabilities	89.4	104.5	+15.1
Cash and time deposits	36.1	32.3	(3.8)	Short-term loans	8.2	8.1	(0.1)
Trade receivables and costs of construction contracts in progress	46.5	56.7	+10.2	Trade payables and advance receipts on construction contracts	71.7	83.6	+11.9
Jointly controlled assets of joint ventures	8.7	20.2	+11.5	Allowance for contingency loss	0.8	2.1	+1.3
Other current assets	5.6	5.8	+0.2	Other current liabilities	8.7	10.7	+2.0
Fixed assets	23.4	23.0	(0.4)	Long-term liabilities	14.2	14.8	+0.6
				Long-term loans	10.4	10.3	(0.1)
				Other long-term liabilities	3.8	4.5	+0.7
				Shareholders' equity	16.7	18.7	+2.0
Total assets	120.3	138.0	+17.7	Total liabilities and shareholders' equity	120.3	138.0	+17.7

(Reference)

Cash and cash equivalents = Cash and time deposits 32.3 + Jointly controlled assets of joint ventures 20.2 = 52.5

4. Consolidated Forecasts for Fiscal Year Ending March 31, 2004

5/5

(billion yen)

	Years ending March 31		Change	Initial 3/04 Forecasts
	2003	2004 (est.)		
New orders	249.0	280.0	+31.0	270.0
Backlog of orders	316.1	396.1	+80.0	386.1
Revenues	166.3	200.0	+33.7	200.0
Operating profit	1.5	4.8	+3.3	4.5
Ordinary profit	2.3	5.0	+2.7	4.2
Net profit after tax	1.9	4.1	+2.2	3.4

These materials include forecasts based on outlooks and plans that were current as of November 13, 2003. Actual results may differ significantly from these forecasts due to changes in economic trends and other uncertainties.

Consolidated Segment Information			Revenues (%)				New Orders (%)				Backlog of Orders (%)			
			9/02	3/03	9/03	3/04	9/02	3/03	9/03	3/04	9/02	3/03	9/03	3/04
Business Segments	Non-Consolidated	Petroleum	16	21	20		5	4	10		12	5	5	
		Petrochemicals	6	10	20		17	7	1		21	14	6	
		Chemicals	10	12	13		26	12	3		13	8	5	
		Gas	33	29	37	80	28	59	77	85	40	63	75	95
		Infrastructure	0	1	0		1	1	1		2	1	1	
		General Industries	2	1	1		2	1	1		2	2	2	
	Consolidated Subsidiaries	33	26	9	20	21	16	7	15	10	7	6	5	
Geographic Segments		Japan	44	50	31	30	41	28	17	20	41	26	21	20
	Overseas	Asia	20	15	9	20	28	18	8	15	16	15	13	10
		Middle East	27	28	51	40	31	46	12	15	41	52	30	30
		Others	9	7	9	10	0	8	63	50	2	7	36	40

█ : Forecasts

Consolidated Performance Indicators	9/02	3/03	9/03	3/04
Gross margin on completed construction contracts (%)	7.9	6.3	7.4	-
SG&A expenses to revenues (%)	6.4	5.4	4.6	-
Operating profit to revenues (%)	1.5	0.9	2.8	2.4
Ordinary profit to revenues (%)	2.4	1.4	3.4	2.5
Net profit to revenues (%)	3.6	1.2	2.4	2.1
Ordinary profit to total assets (ROA) (%)	1.2	1.9	2.2	-
Net profit to shareholders' equity (ROE) (%)	14.5	12.0	11.6	-
Net profit per share (EPS) (yen)	13.38	10.79	11.68	22.15
Shareholders' equity per share (BPS) (yen)	92.42	90.01	101.11	-
Shareholders' equity to assets (%)	12.7	13.9	13.6	-
Current ratio (%)	106.5	108.4	110.0	-
Fixed assets to shareholders' equity (%)	140.8	140.2	122.8	-
Debt-to-equity ratio (DER) (times)	1.37	1.12	0.98	-

 : Forecast

Major New Orders in Six Months Ended September 30, 2003

	Natural gas value chain & International	Japan
Over ¥10 billion	LNG plant / crude oil export facilities <additional> (Russia) *1 Gas processing plant <additional> (Qatar) *1	-
Under ¥10 billion	Polyvinylidene chloride plant (China) LNG plant <additional> (Qatar) *1 FEED work of LPG train (UAE)	National LPG stockpiling project Hydrodesulfurization plant (Nippon Petroleum Refining) Oil storage tanks (SAN-AI PLANT)

Major Completions in Six Months Ended September 30, 2003

	Natural gas value chain & International	Japan
Over ¥10 billion	LNG plant (Qatar) *1, 2	-
Under ¥10 billion	Ethylene plant (Saudi Arabia) *1, 2 LNG plant (Oman) *1, 2 LNG plant (Russia) *1, 2 Methanol plant (Saudi Arabia) *2 Debottlenecking study for LNG plant (Qatar) *1 Basic design for Guizhou acetic acid project phase 1(China)	CDU revamping and crude oil splitter (Taiyo Oil)

Major Contracts Carried Over from Six Months Ended September 30, 2003

	Natural gas value chain & International	Japan
Over ¥10 billion	LNG plant / crude oil export facilities <additional> (Russia) *1, 2 Gas processing plant (Qatar) *1,2 LNG plant (Qatar) *1, 2	-
Under ¥10 billion	Polyvinylidene chloride plant (China)	National LPG stockpiling project *1, 2

*1 Joint venture (value based on Chiyoda's share)

*2 Project where sales are recognized using the percentage-of-completion method.