



Financial Results
for the Six-month Period
Ended September 30, 2006

November 13, 2006



1. Financial Data

(¥ billion)

	2005/9	2006/9	Difference	YoY increase	2006/9 forecast	Comparison with forecast
New contracts	442.1	371.8	(70.2)	(16%)	340.0 [*]	+31.8
Revenues	165.5	210.9	+4.54	27%	190.0	+20.9
Operating income	8.2	13.4	+0.52	64%	10.5	+2.9
Ordinary income	9.0	16.6	+0.76	85%	12.0	+4.6
Net income	10.6	11.1	+0.5	5%	7.0	+4.1
Exchange rate	¥113.19/\$	¥117.90/\$				

* Revised upward from ¥160.0 billion on August 2.

2-1. Revenues by Industry

(¥ billion)

Industry		2005/09	2006/09	Difference	YoY increase
	LNG	86.5	150.1	+63.5	+73%
	Gas processing *1	12.7	7.4	(5.2)	(41%)
	Others	23.8	8.7	(15.0)	(63%)
Overseas		123.0	166.3	+43.2	+35%
	Petroleum and petrochemicals	20.4	30.6	+10.2	+50%
	Fine industries *2	7.3	7.8	+0.4	+6%
	Others	14.6	6.2	(8.4)	(58%)
Domestic		42.4	44.6	+2.2	+5%
Total		165.5	210.9	+45.4	+27%

Notes: * 1 Classified as "Other gas and power" in report of financial results.

* 2 Classified as "General industrial machinery" and "General chemicals" in report of financial results.

2-2. Operating Income

(¥ billion)

	2005/09	2006/09	Rate of growth
Gross profit	12.6	18.9	+50%
Gross margin	7.6%	9.0%	+1.4pt.
SG&A expenses	4.4	5.4	+23%
SG&A ratio	2.7%	2.6%	(0.1pt.)
Operating income	8.2	13.4	+64%
Operating income to revenues	5.0%	6.4%	+1.4pt.

2-3. Other Income and Expenses

(¥ million)

	2005/9	2006/9
Other Income		
Interest and dividend income*	880	3,405
Foreign exchange gain	3	—
Equity in earnings of associated companies	51	144
Rental income	138	131
Others	46	155
Other Expenses		
Interest expense*	150	152
Foreign exchange loss	—	343
Rental expense	89	80
Others	70	52

* Interest balance: Interest and dividend income (¥3,405 million) less Interest expense (¥152 million)=¥3,252 million

2-4. Extraordinary Gain and Loss / Taxes, etc.

(¥ million)

	2005/9	2006/9
Extraordinary Gain		
Reversal of allowance for doubtful accounts	1,167	688
Reversal of reserve for investment losses	—	263
Others	3	124
Extraordinary Loss		
Loss on valuation of investment securities	—	14
Others	2	—
Taxes, etc.		
Income taxes	478	4,876
Income tax adjustments	(925)	1,675

3. Balance Sheet

(¥ billion)

	06/3	06/9	Difference		06/3	06/9	Difference
Current assets	256.6	365.1	+108.4	Current liabilities	205.1	308.7	+103.5
Cash and time deposits	47.0	48.8	+1.8	Short-term loans	0.0	0.0	0.0
Trade receivables and cost of revenues in process	64.8	62.5	(2.3)	Trade payables and advance receipts on revenues	187.8	290.8	+102.9
Jointly controlled assets of joint venture	131.3	240.1	+108.7	Others	17.2	17.8	+0.5
Others	13.3	13.5	+0.2				
Fixed assets	23.0	23.8	+0.7	Non-current liabilities	18.6	15.5	(3.1)
Property, plant and equipment	7.0	7.2	+0.1	Long-term debt	10.1	10.1	(0.0)
Intangible fixed assets	3.1	3.1	(0.0)	Others	8.5	5.4	(3.0)
Investments and other assets	12.8	13.4	+0.6	Total net assets	55.8	64.5	+8.7
Assets	279.7	388.9	+109.1	Total liabilities and net assets	279.7	388.9	+109.1
				Shareholders' equity	55.5	64.2	+8.7

[Note]

Trade receivable and costs of revenues in process: Notes receivable + Trade receivable (revenues) + Costs of revenues in process

Trade payable and advance receipts on revenues : Notes payable + Trade payable (revenues) + Advance receipts on revenues

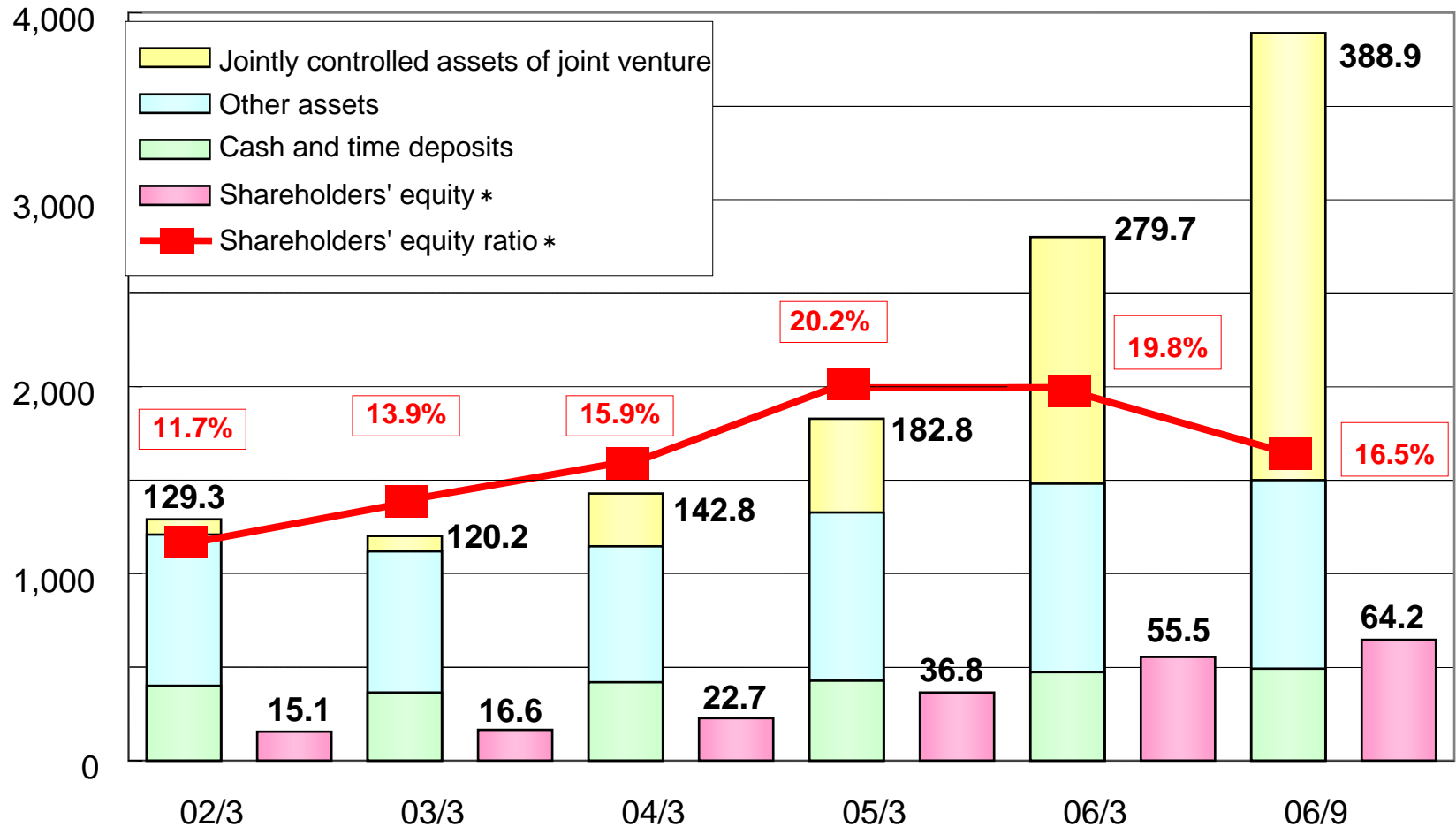
Jointly controlled assets of joint venture: Cash and time deposits of joint venture proportional to Chiyoda's interest

Cash equivalents: Cash and time deposits 48.8 + Jointly controlled assets of joint venture 240.1 = 289.0

Interest-bearing loans: Short-term loans 0.0 + Long-term debt 10.1 = 10.2

4. Stability

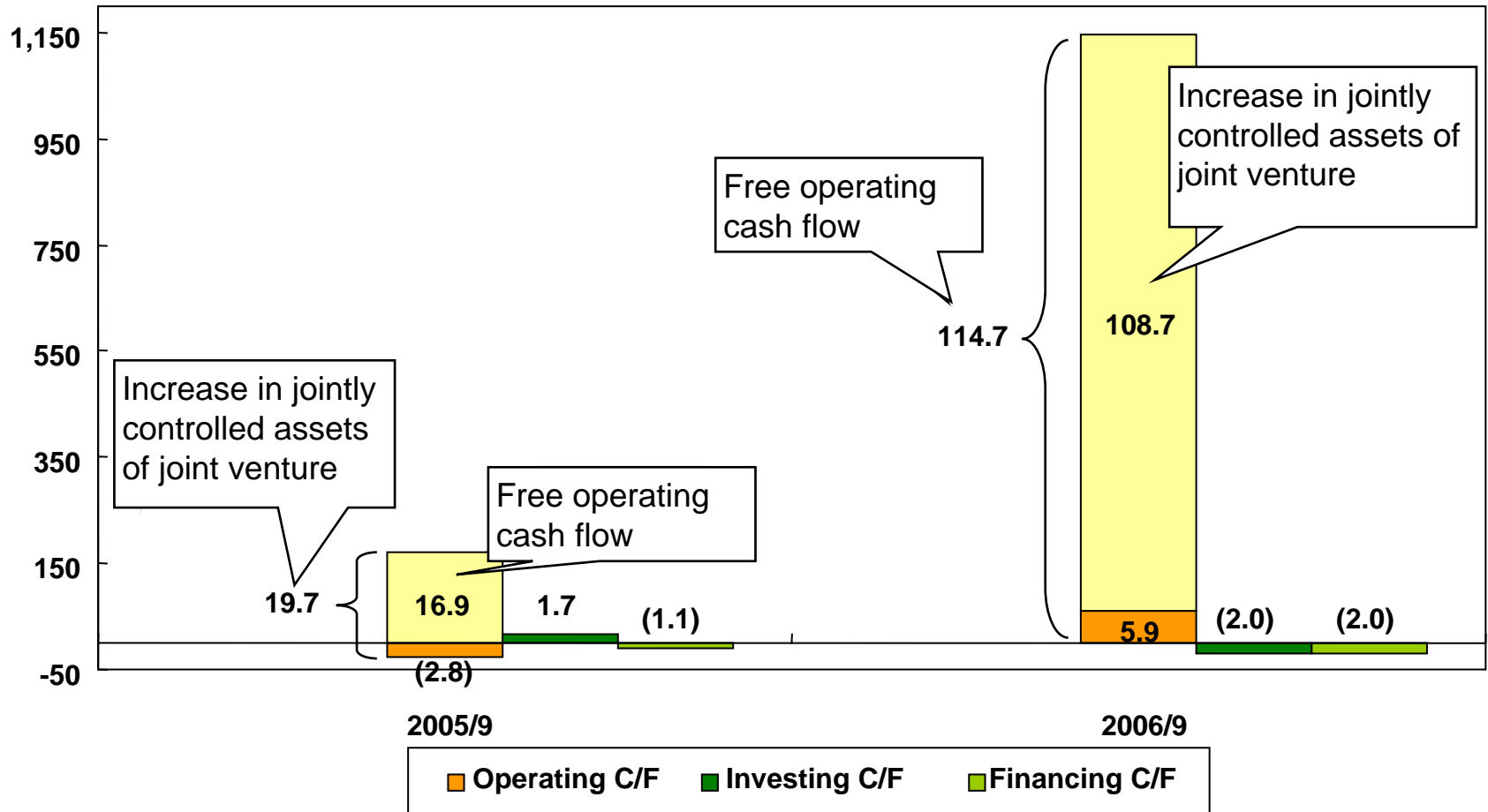
(¥ billion)



* Shareholders' equity and the shareholders equity ratio of fiscal years prior to the fiscal year ended March 2006 are calculated on the basis of the former accounting standards.

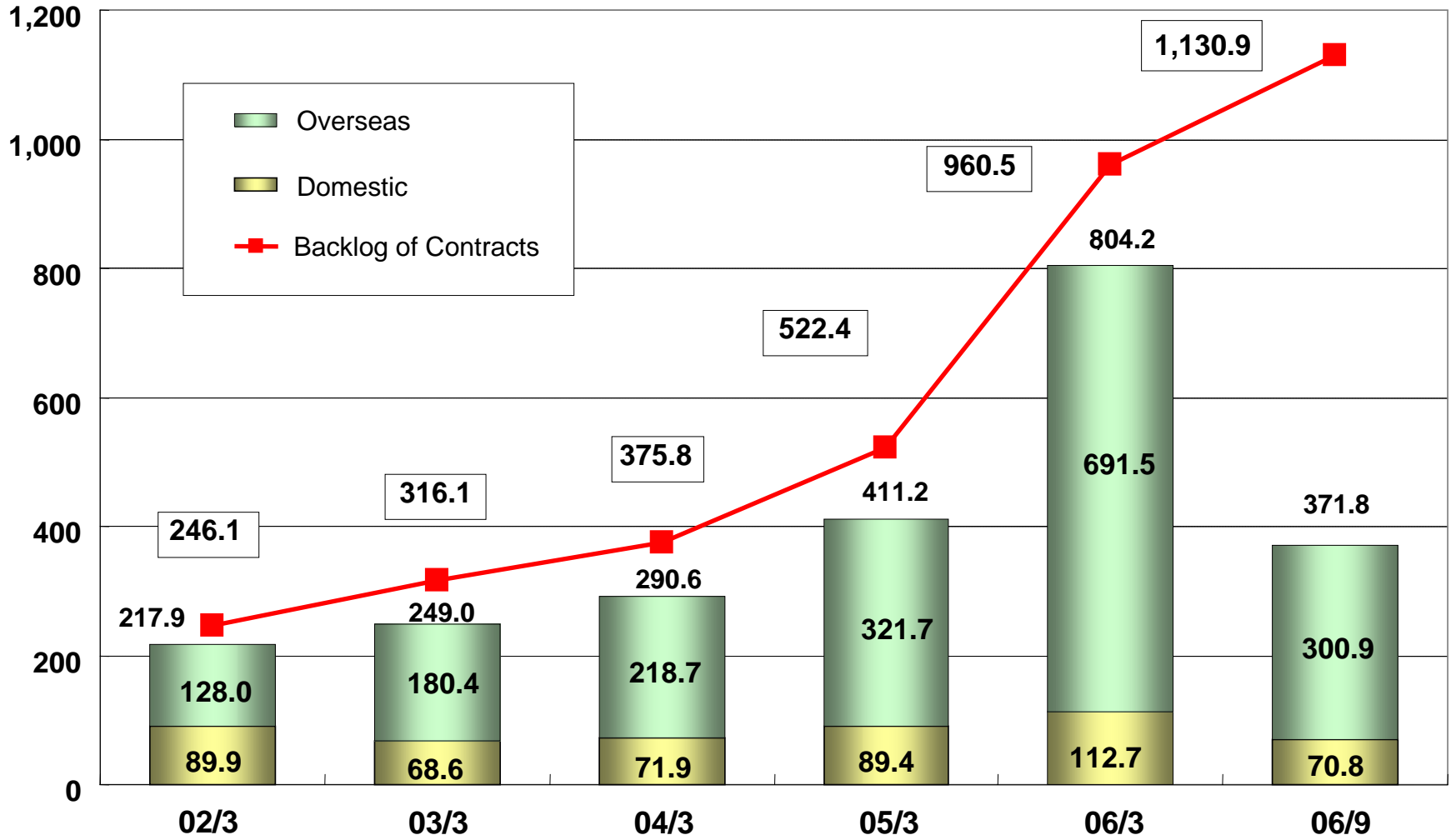
5. Cash Flow

(¥ billion)



6-1. New Contracts and Backlog of Contracts

(¥ billion)



6-2. New Contracts and Backlog of Contracts by Industry

11/12

(¥ billion)

Industry		New contracts	%	Backlog of contracts	%
	LNG	32.4	9%	737.8	65%
	Gas processing* ₁	258.4	70%	258.3	23%
	Others	10.0	3%	11.6	1%
Overseas		300.9	81%	1,007.8	89%
	Petroleum and petrochemicals	31.2	8%	53.0	5%
	Fine industries* ₂	27.6	7%	37.4	3%
	Others	11.9	3%	32.7	3%
Domestic		70.8	19%	123.1	11%
Total		371.8	100%	1,130.9	100%

Notes: * 1 Classified as "Other gas and power" in report of financial results.

* 2 Classified as "General industrial machinery" in report of financial results.

7. Major New Contracts & Complete Construction

Major New Contracts

Overseas	<ul style="list-style-type: none"> • Al Khaleej Gas Phase 2 project for ExxonMobil in Qatar • Feed gas preparation works of Pearl GTL project for Royal Dutch Shell in Qatar • Integrated tank terminal (Phase 2) in Singapore (Chiyoda Singapore (Pte) Limited)
Domestic	<ul style="list-style-type: none"> • Fuji Oil Co., Ltd., expansion of No. 7 naphtha hydrodesulfurization plant • Fuji Oil Co., Ltd., off-site construction of No. 2 fluid catalytic cracker • Maruho Co., Ltd. Hikone Plant, construction of No. 4 unit (Chiyoda TechnoAce Co., Ltd.)

Major Completed Construction * completed portion

Overseas	<ul style="list-style-type: none"> • Al Khaleej Gas Phase 1 project for ExxonMobil in Qatar • LNG plant Train 5 of Ras Laffan Liquefied Natural Gas Co., Ltd. (2) in Qatar (*) • LNG plant Trains 4 & 5 for Qatar Liquefied Gas Company Limited (II) in Qatar (*) • LNG plant Trains 6 & 7 of Ras Laffan Liquefied Natural Gas (3) in Qatar (*) • LNG plant Trains 6 & 7 of Qatar Liquefied Gas Company Limited (3) & (4) in Qatar (*) • Sakhalin II LNG project in Russia (*)
Domestic	<ul style="list-style-type: none"> • BTX facility for Taiyo Oil Co., Ltd. • Lube oil/grease mixing and filling plant for Nippon Petroleum Refining Co., Ltd. • SHOWA YOKKAICHI SEKIYU CO., LTD. HDS-3 Reactor Expansion • Aromatics complex for Kashima Aromatics Co., Ltd. • Regulatory maintenance for Toa Oil Co., Ltd. (Chiyoda Kosho Co., Ltd.)

Reference Materials

Forecast of Results for FY Ending March 31, 2007 [Appendix 1] (Consolidated)

(¥ billion)

	2006/3	2007/3 forecast	Difference	YoY increase
New contracts	804.2	400.0*	(404.2)	(50%)
Revenues	390.8	420.0	29.1	7%
Operating income	20.7	25.0	4.2	21%
Ordinary income	23.1	28.0	4.8	21%
Net income	19.4	16.5	(2.9)	(15%)
Dividend per share	¥10	¥14	+¥4	
Exchange rate	¥117/\$	¥110/\$		

* Revised upward from ¥320.0 billion on August 2.

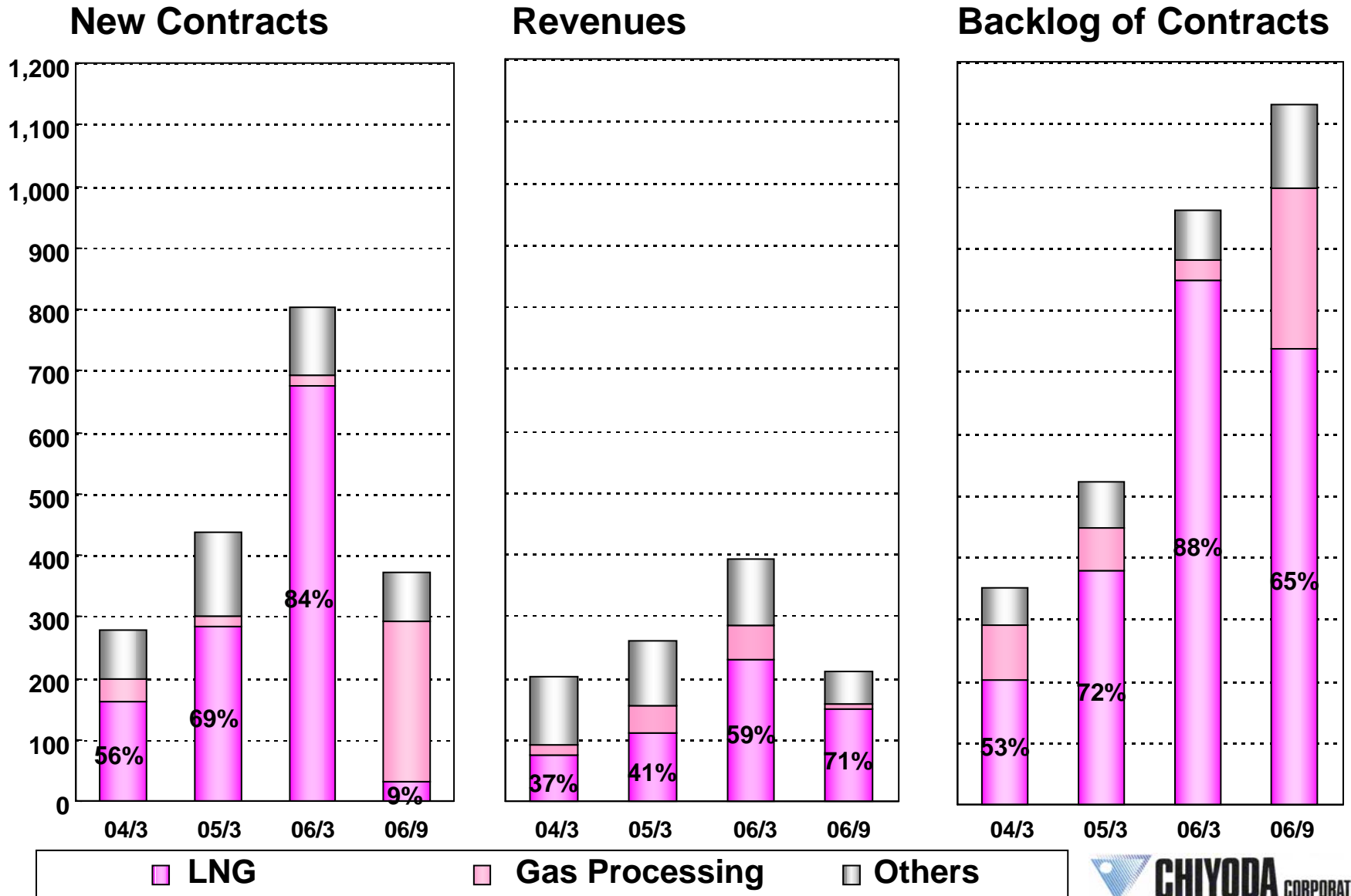
Consolidated Performance Indicators

Consolidated Performance Indicators	04/3	05/3	06/3	06/9
Gross margin (%)	6.8	7.4	7.8	9.0
SG&A expenses to revenues (%)	4.0	3.3	2.5	2.6
Operating income to revenues (%)	2.8	4.1	5.3	6.4
Ordinary income to revenues (%)	3.1	4.3	5.9	7.9
Net income to revenues (%)	3.2	4.8	5.0	5.3
Return on assets (ROA) (%)	4.8	7.1	10.0	10.0
Return on equity (ROE) (%)*	33.7	43.1	42.0	37.3
Net income per share (EPS) (Yen)	35.91	68.62	101.27	58.14
Book value per share (BPS) (Yen)*	123.04	193.22	288.88	334.13
Shareholders' equity ratio (%)*	15.9	20.2	19.8	16.5
Current ratio (%)	115.0	115.9	125.1	118.3
Fixed ratio (%)	98.0	56.6	41.6	37.1
Debt-to-equity ratio (DER) (Times)	0.46	0.28	0.18	0.16

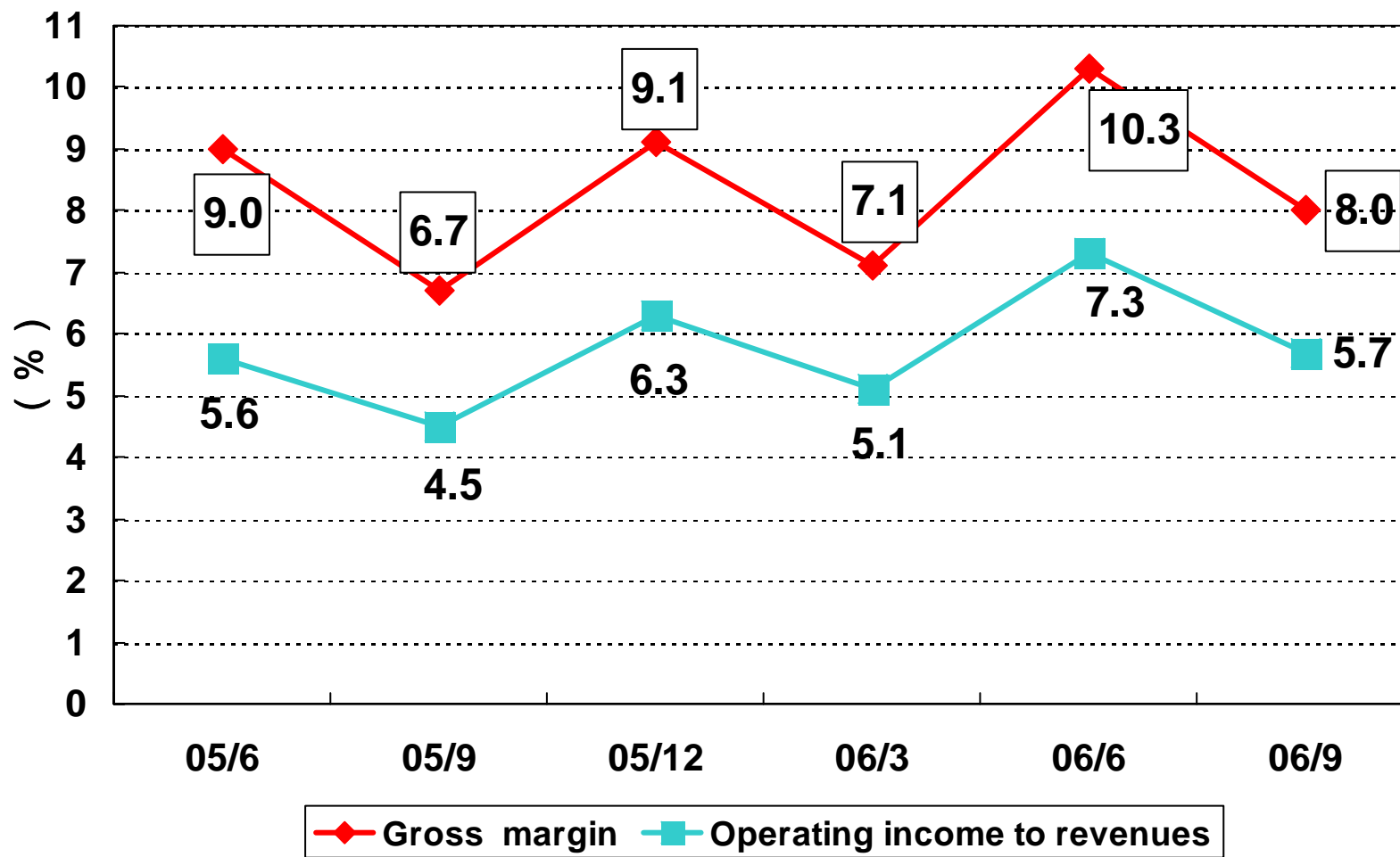
* Figures of 06/3 and earlier are calculated based on shareholders' equity.

LNG Ratio

(¥ billion)



Profit Ratio (by quarter)



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Forward-looking Statements

The forecasts and plans in this presentation are based on information available to management on August 2, 2006, the date these materials were prepared. Actual results may differ significantly from these forecasts for a number of factors, including but not limited to changes in economic conditions and operating environment in Japan and overseas.