



PRESS RELEASE

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Chiyoda Announces Upward Revision to Consolidated Forecast for First Half of FY2007 Ordinary and Net Income Likely to Exceed Previous Forecast by More than 30%

Chiyoda Corporation (TSE: 6366; ISIN: JP3528600004), a leading Japanese industrial plant engineering company, today announced the following revisions to its forecast of consolidated operating results for the first half of the fiscal year ending March 31, 2007, in view of recent trends in the company's business performance and other factors. The new forecast replaces the forecast announced on May 15, 2006.

For the six months ended September 30, 2006, Chiyoda is now forecasting consolidated ordinary income of 16,500 million yen, up 4,500 million yen or 37.5% from the previous forecast, on revenues of 210,000 million yen, up 20,000 million yen or 10.5% from the previous forecast. Net income for the first half is now estimated at 11,000 million yen, up 4,000 million yen or 57.1% from the earlier forecast.

Chiyoda cited faster-than-expected progress in construction and a weaker yen than that projected at the beginning of the fiscal year as factors in the revisions to the sales forecast. Ordinary income and net income forecasts have been revised due to increased operating income on the higher revenues, and higher interest income reflecting an increase in jointly controlled assets of a joint venture.

Chiyoda is not currently revising its forecast for the full fiscal year in view of the possible impact of conditions in Russia and local shortages of construction workers on the progress of construction.

Chiyoda Corporation, headquartered in Yokohama, Japan, provides services on a global basis in the field of engineering, procurement and construction (EPC) for gas processing, refineries, and other hydrocarbon or other industrial plant projects, particularly for LNG, GTL and DME.

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