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January 31, 2017

Company Name: Chiyoda Corporation

Senior Vice President: Keiichi Nakagaki

Stock Code: 6366

Stock Listings: First Section of the Tokyo Stock Exchange

Inquiries: Tomoyuki Tsukamoto

SL, IR, PR & CSR Section

Telephone: +81-45-225-7734

IMPORTANT NOTICE

Chiyoda Corporation anticipates there will be a downward revision to the Consolidated Financial Forecast for the Fiscal year ending March 31, 2017. This information has been provided to the Tokyo Stock Exchange today separately.

- While the details (including the size, scope and cause) of the downgrade are still under assessment, Chiyoda Corporation believes that this announcement is important for its shareholders, customers and employees.
- The full details of this assessment and its impact on the Consolidated Financial Forecast will be announced no later than February 9, 2017, the scheduled release date for Chiyoda Corporation's Third Quarter results for the current Fiscal Year.

OUTLINE:

- EMAS CHIYODA Subsea Limited ("ECS" registered in the U.K.; Chiyoda Share 35%) is engaged in subsea construction work and due to the current harsh business environment has been conducting a detailed review of its operating strategy. It is anticipated that current and future profitability of this affiliate will be much lower than planned.
- As a result, it is also anticipated that the value of Chiyoda Corporation's shareholding in the affiliate and the value of the loans extended to that affiliate will be downgraded. We calculate the total risk exposure by combining various types of risks and expenses of approximately JPY 38,000 million by Chiyoda.

The Senior Management of Chiyoda Corporation will provide further information to shareholders as soon as it comes available.