

Financial Results for the 1st Quarter of Fiscal Year Ending March 31, 2018

August 9, 2017

Chiyoda Corporation

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Reference Material: Performance Indicators

1. Overview of 1Q Financial Results

- ◆ New Orders at 10% in line with full-year forecast.
- ◆ Revenue achieved 27% of full-year forecast.
- ◆ Gross Profit Margin 4.6% due to revision of the margin at an U.S. LNG Project and increased provision for loss at medium size overseas projects.
- ◆ Full-year forecast remains unchanged.

2. Financial Summary

(Billions of Yen)

	1Q of FY ending March 2017	1Q of FY ending March 2018	Difference	Difference (%)
New Orders	58.4	37.9	(20.5)	(35.0%)
Backlog of Contracts	1,010.7	783,3	(227.4)	(22.4%)
Revenues	133.6	117.9	(15.8)	(11.8%)
Operating Income	3.5	0.6	(2.9)	(83.4%)
Ordinary Income	8.9	1.0	(7.9)	(88.8%)
Profit *	3.7	0.2	(3.5)	(95.5%)
Exchange Rate	JPY 103/\$	JPY 112/\$		

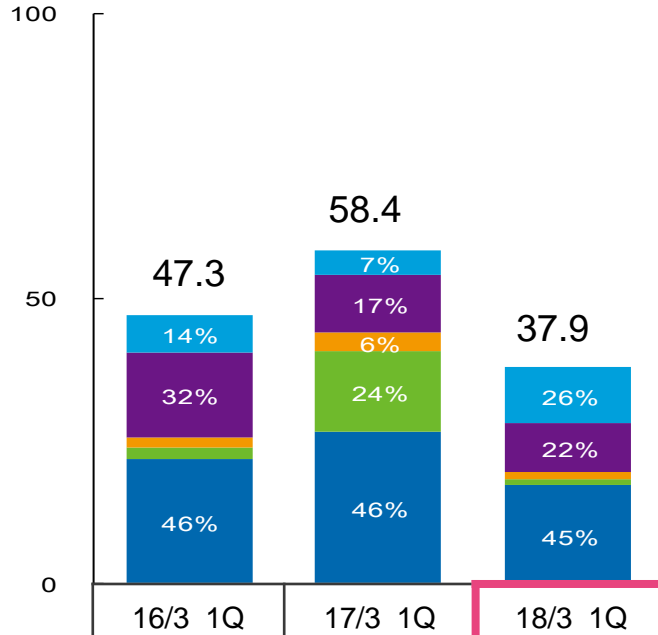
Full Year Forecast	Progress (%)
350.0	10.8%
430.0	27.4%
8.5	6.9%
10.0	10.0%
5.0	3.3%
Assumption	
JPY 110 / \$	

* Profit attributable to owners of parent

3. New Orders

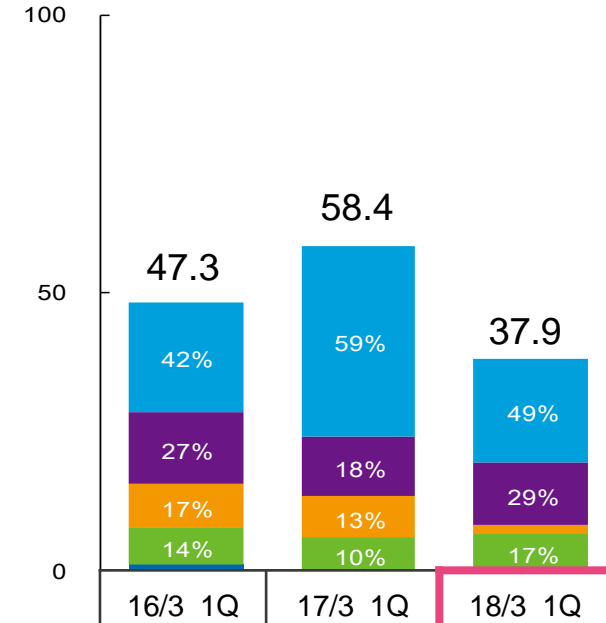
(Billions of Yen)

By Region



	16/3 1Q	17/3 1Q	18/3 1Q
ME & Africa	6.6	4.3	9.9
SEA & Oceania	14.9	10.0	8.5
Americas region	1.9	3.4	1.3
Others	2.0	14.0	1.1
Overseas Total	25.5	31.7	20.7
Domestic Total	21.8	26.7	17.2

By Field



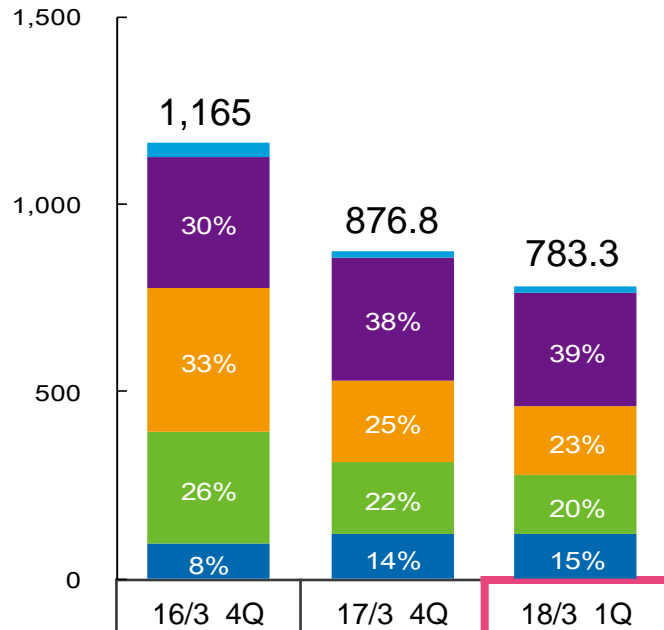
	16/3 1Q	17/3 1Q	18/3 1Q
LNG Plant, Gas Related Work	19.9	34.3	18.7
Refinery, Petrochemical, Metal	12.8	10.8	11.2
Pharmaceutical, Biochemistry, Chemical	8.0	7.5	1.7
Environment, New Energy, Infrastructure	6.6	5.8	6.4

- By Region: Small and medium-size projects in Qatar and additional work at Ichthys LNG project.
- By Field: Energy business fields (LNG, Refinery, etc.) mainly account for New Orders.

4. Backlog

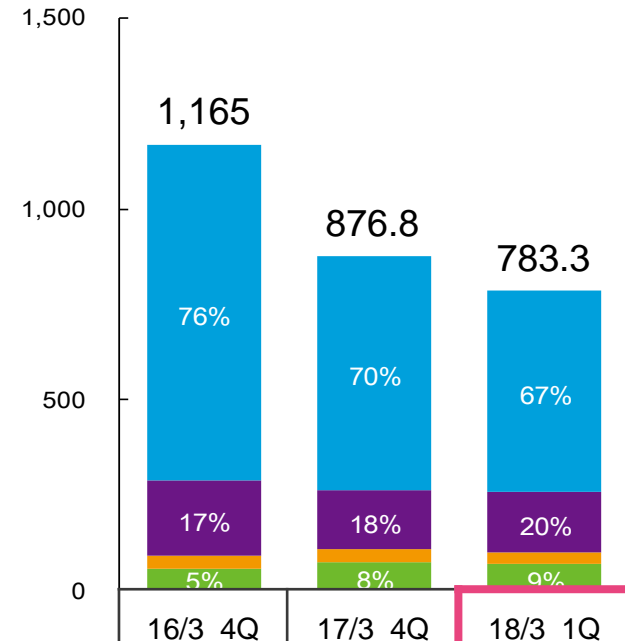
(Billions of Yen)

By Region



ME & Africa	35.5	16.7	20.2
SEA & Oceania	353.2	329.3	303.3
Americas region	383.5	219.1	181.4
Others	296.7	189.7	159.4
Overseas Total	1,068.9	754.8	664.3
Domestic Total	96.1	122.0	119.0

By Field



LNG Plant, Gas Related Work	880.0	617.0	527.5
Refinery, Petrochemical, Metal	198.6	153.5	156.9
Pharmaceutical, Biochemistry, Chemical	32.4	35.3	32.0
Environment, New Energy, Infrastructure	53.9	70.9	66.9

5. Income-related Items

(Billions of Yen)

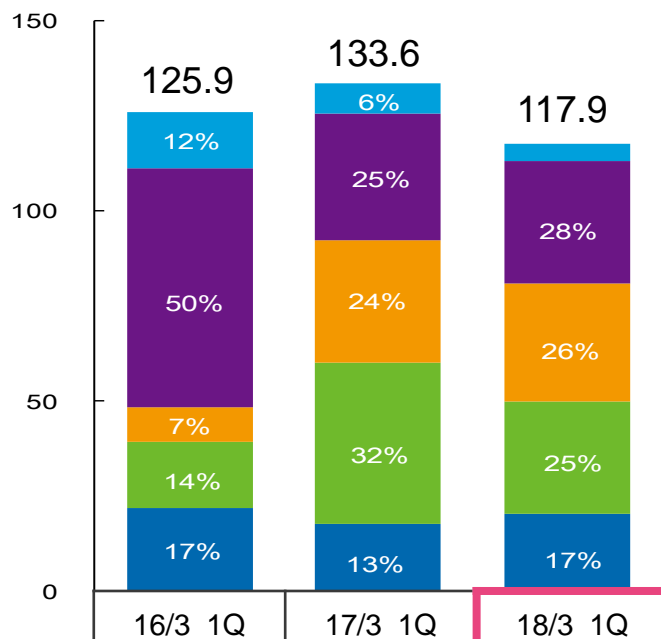
	1Q of FY ended March 31, 2017	1Q of FY ending March 31, 2018	Difference
Revenue	133.6	117.9	(15.8)
Gross Profit	8.7 6.5%	5.5 4.6%	(3.3) (1.9)pt
SG&A expenses	(5.2)	(4.9)	0.3
Operating Income	3.5 2.6%	0.6 0.5%	(2.9) (2.1)pt
Non-operating income and expenses	5.4	0.4	(5.0)
Ordinary Income	8.9 6.7%	1.0 0.8%	(7.9) (5.9)pt
Extraordinary income, Income taxes, Profit attributable to non-controlling interests	(5.2)	(0.8)	4.4
Profit attributable to owners of parent	3.7 2.8%	0.2 0.1%	(3.5) (2.7)pt

- Gross Profit Margin: 4.6% due to revision of the margin at an U.S. LNG project and increased provision for loss at medium size overseas projects.

6. Revenues

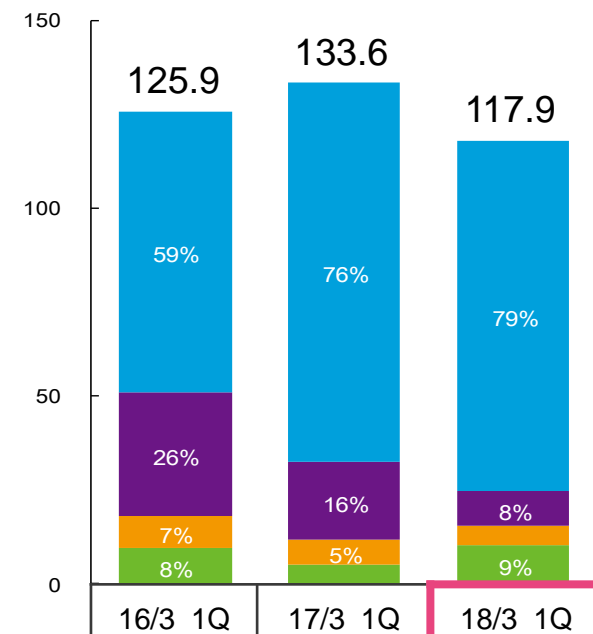
(Billions of Yen)

By Region



	16/3 1Q	17/3 1Q	18/3 1Q
ME & Africa	14.7	7.9	4.6
SEA & Oceania	63.1	33.3	32.5
Americas region	9.2	32.5	30.9
Others	17.3	42.5	29.7
Overseas Total	104.2	116.2	97.7
Domestic Total	21.8	17.5	20.2

By Field



	16/3 1Q	17/3 1Q	18/3 1Q
LNG Plant, Gas Related Work	75.1	101.3	93.3
Refinery, Petrochemical, Metal	32.9	20.8	9.3
Pharmaceutical, Biochemistry, Chemical	8.3	6.4	5.0
Environment, New Energy, Infrastructure	9.6	5.1	10.3

- By Region: As Yamal LNG (Russia) peaked out last FY, declining revenues in “Others”.
- By Field: “Refinery, Petrochemical and Metal” declined due to completion of contracts in Vietnam and Qatar.

7. Balance Sheet

(Billions of Yen)

	March 31, 2017	June 30, 2017	Difference
Current assets	425.2	420.6	(4.7)
Cash and deposits*1	143.4	137.6	(5.8)
Operating assets *2	84.1	79.3	(4.8)
Jointly controlled assets of joint venture *3	164.3	175.5	11.2
Other	33.5	28.2	(5.3)
Non-current assets	36.1	35.9	(0.2)
Property, plant & equipment	13.2	12.9	(0.3)
Intangible assets	8.1	7.6	(0.5)
Investment and other assets	14.8	15.5	0.6
Total assets	461.3	456.5	(4.9)

	March 31, 2017	June 30, 2017	Difference
Current liabilities	301.2	298.3	(2.8)
Short-term loans payable	10.2	10.2	(0)
Operating liabilities *4	245.3	255.0	9.7
Provision for loss on construction contracts	3.3	4.5	1.1
Provision for loss on business of subsidiaries and associates	22.9	12.3	(10.6)
Others	19.5	16.4	(3.1)
Non-current liabilities	3.0	3.1	0.1
Long-term loans payable	0.0	0.0	(0)
Other	3.0	3.1	0.1
Net assets	157.1	155.0	(2.1)
Liabilities and net assets	461.3	456.5	(4.9)

Shareholders' equity	155.3	153.2	(2.1)
Shareholders' equity ratio	33.7%	33.6%	(0.1)pt

*1. Cash and deposits = Cash and deposits + Short-term investment securities, incl. negotiable deposit

*2. Operating assets = Notes receivable, accounts receivable from completed construction contracts + Costs on uncompleted construction contracts

*3. Jointly controlled assets of joint venture = Cash and deposits of joint venture proportional to Chiyoda's interest

*4. Operating liabilities = Notes payable, accounts payable for construction contracts + Advances received on uncompleted construction contracts

8. Forecast Breakdown

(Billions of Yen)

	Results FY ended March 2017	Forecasts FY ending March 2018	Difference
New Orders	351.8	350.0	(1.8)
Overseas	221.3	220.0	(1.3)
Domestic	130.5	130.0	(0.5)
Revenues	603.7	430.0	(173.7)
Overseas	501.3	320.0	(181.3)
Domestic	102.4	110.0	7.6
Gross Profit	38.2	30.0	(8.2)
SG&A Expenses	(22.5)	(21.5)	1.0
Operating Income	15.7	8.5	(7.2)
Non-operating Income and Expenses	(18.8)	1.5	20.3
Ordinary Income	(3.1)	10.0	13.1
Extraordinary income, Income taxes, Profit attributable to non-controlling interests	(38.0)	(5.0)	33.0
Profit attributable to owners of parent	(41.1)	5.0	46.1

Reference Material

Performance Indicators

	FY ended March 2014	FY ended March 2015	FY ended March 2016	FY ended March 2017	Forecast FY ending March 2018
Gross profit margin (%)	9.3	9.5	6.8	6.3	7.0
SG&A expenses to revenues (%)	4.6	5.0	4.2	3.7	5.0
Operating income to revenues (%)	4.7	4.5	2.6	2.6	2.0
Ordinary income to revenues (%)	5.1	4.6	2.6	(0.5)	2.3
Profit* to revenues (%)	3.0	2.3	0.6	(6.8)	1.2
Return on assets (ROA) (%)	5.0	4.5	3.1	(0.6)	
Return on equity (ROE) (%)*	7.0	5.5	1.7	(23.1)	
Profit* per share (EPS) (JPY)	51.91	42.58	13.03	(158.76)	
Book value per share (BPS) (JPY)	758.31	796.89	772.89	599.83	
Shareholders' equity ratio (%)	41.3	40.0	37.9	33.7	
Current ratio (%)	156.3	151.0	146.3	141.2	
Fixed ratio (%)	33.7	34.5	36.6	23.2	
Debt-to-equity ratio <DER> (Times)	0.06	0.05	0.05	0.07	

Note: *Profit attributable to owners of parent

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Forward-looking Statements

The forecasts and plans in this presentation are based on information available to management on August 9, 2017, the date this material was prepared. Actual results may differ significantly from these forecasts for a number of factors, including but not limited to changes in economic conditions and operation environment in Japan and overseas.



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