

<<Translation for Reference>>

October 1, 2019

Company Name: Chiyoda Corporation

President & COO: Masaji Santo

Stock Code: 6366

Stock Listing: Second Section of the Tokyo Stock Exchange

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Notice of commencement of lawsuit against our overseas subsidiary

Chiyoda Corporation (“Chiyoda”) announces that the August 15, 2019 decision of the United States District Court for the Western District of Louisiana in favor of its wholly owned subsidiary, Chiyoda International Corporation (CIC), a company organized in the State of Washington, USA and 3 other companies has been appealed to the United States Court of Appeals for the Fifth Circuit.

1. Filing Date of the Suit

September 13, 2019, Local Time

2. Description of the Plaintiffs

(1) Number: 1,307 individuals (the total number of individuals who joined the lawsuit as of August 15).

The individuals include 2 former/present employees of a subsidiary of McDermott International Inc. (CIC’s joint venture partner for the ongoing Cameron LNG Project in Louisiana. Hereinafter referred to as “MDR”))

(2) Location: Various (per each individual)

3. Summary

In an August 15, 2019 decision, the United States District Court for the Western District of Louisiana rejected the claims of the Plaintiffs for unpaid salary for the time spent for commuting by bus against CIC, MDR and 2 other companies. The Plaintiffs appealed the decision to the United States Court of Appeals for the Fifth Circuit.

4. Background and History

The Plaintiffs claimed that time spent for commuting by bus shall be treated as workhours and compensated and consequently filed suit in the United States District Court of Louisiana on February 7, 2019. The claims were rejected by the Court on August 15, 2019 and the Plaintiffs appealed to the United States Court of Appeals for the Fifth Circuit on September 13, 2019.

The Plaintiff sought to compel CIC, MDR and 2 other companies to compensate for unpaid salary in

accordance with the relevant labor laws, but the detailed amount was not identified.

5. About Chiyoda International Corporation

- (1) Address: Two BriarLake Plaza 2050 West Sam Houston Parkway South Suite 850 Houston, Texas
77042
- (2) Representative: Shun Toyokawa, President
- (3) Capital: US\$12,356,848 (Approx. JPY 1.32 billion)
- (4) Nature of Business: Design and construction of various industrial facilities

6. Our position

We will examine the contents of the appeal and properly respond to it in due course. We are currently reviewing the potential impact (if any) on our balance sheet as well as on our financial results forecast. If it appears there will be an impact, Chiyoda will promptly disclose updated detailed information.

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