

PRESS RELEASE

August 29, 2012

Company Name: Chiyoda Corporation

President & CEO: Takashi Kubota

Stock Code: 6366

Stock Listings: First Section of the Tokyo Stock Exchange

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Merger with Chiyoda Advanced Solutions Corporation

Chiyoda Corporation (“Chiyoda”) announces that the Board of Directors has today resolved to absorb Chiyoda Advanced Solutions Corporation (“ChAS”), its wholly owned subsidiary, on October 1, 2012. Chiyoda previously announced its policy of an absorption-type merger with ChAS on April 12, 2012.

1. Purpose of the merger

Chiyoda’s intention is to streamline its organization by integrating the business staff of ChAS and Chiyoda in order to expand the range of business solutions that can be offered to its customers and provide them with one-stop solutions (business plans, support for new construction, renewal and maintenance plans of facilities, provision of solutions to technical problems, etc.).

2. Summary of the merger

(1) Schedule of the merger

Board of Directors to resolve the merger : August 29, 2012

Conclusion of the merger agreement : August 29, 2012

Scheduled effective date of merger : October 1, 2012

* Chiyoda will merge without seeking the approval of the general meeting of shareholders, pursuant to the provision of Article 796, Paragraph 3 (simplified merger) of the Companies Act.

* ChAS will merge without seeking the approval of the general meeting of shareholders, pursuant to the provision of Article 784, Paragraph 1 (short-form merger) of the Companies Act.

(2) Method of the merger

An absorption-type merger, with Chiyoda to survive and ChAS to be absorbed.

As Chiyoda owns all shares in ChAS, there will be neither issuance of new shares by Chiyoda nor an increase in the stated capital of Chiyoda as a result of this merger.

(3) Subscription rights in the absorbed company

ChAS, which is the company absorbed, has not issued subscription rights to shares or bonds with subscription rights to shares.

3. Overview of the companies involved in the merger

As of March 31, 2012

	Company to Survive	Company to be Absorbed
(1) Corporate name	Chiyoda Corporation	Chiyoda Advanced Solutions Corporation
(2) Head office	12-1, Tsurumichuo 2-chome, Tsurumi-ku, Yokohama	Technowave 100 Bldg., 1-25 Shin-urashima-cho 1-chome, Kanagawa-ku, Yokohama
(3) Name of Representative	Takashi Kubota, President & CEO	Masahiro Watanabe, President & CEO
(4) Business	Multidiscipline engineering	Multidiscipline solution provider for advanced engineering, plant lifecycle engineering, material & risk consulting, and space engineering
(5) Paid-in Capital	43,396 million yen	200 million yen
(6) Established	January 20, 1948	April 1, 2002
(7) Number of shares issued	260,324,529 shares	4,000 shares
(8) Fiscal year end	March 31	March 31
(9) Number of employees	1,361	154
(10) Main client	Esso Highlands Limited	Chiyoda Corporation

(11) Main financing bank	The bank of Tokyo-Mitsubishi UFJ, Ltd.	The bank of Tokyo-Mitsubishi UFJ, Ltd.
(12) Major shareholder and its shareholding ratio	Mitsubishi Corporation 33.39%	Chiyoda Corporation 100%
(13) ChAS's relationship with Chiyoda		
<ul style="list-style-type: none"> - A wholly owned subsidiary of Chiyoda. - All seven directors and two corporate auditors are either be transferred from Chiyoda or concurrently holding the post of Chiyoda. - Entrusted with multidisciplinary consulting services for advanced engineering from Chiyoda. - Leasing the office from Chiyoda. 		

Consolidated performance and financial position for the past three years

Chiyoda Corporation (consolidated)

	FY2009	FY2010	FY2011
Net assets	149,253	155,758	168,737
Total assets	328,174	353,392	365,795
Net assets per share	573.61	599.15	648.95
Revenues	312,985	247,082	254,675
Operating income	1,702	17,544	24,197
Ordinary income	4,837	15,732	23,793
Net income	2,953	7,979	14,364
Net income per share	11.39	30.79	55.44
Dividends per share	3.50	11.00	17.00

(Millions of yen unless stated otherwise)

Chiyoda Advanced Solutions Corporation (non-consolidated)

	FY2009	FY2010	FY2011
Net assets	1,357	1,335	1,162
Total assets	2,450	2,194	2,077
Net assets per share	339,483	333,897	290,747
Revenues	3,271	3,300	2,711
Operating income	439	259	(178)
Ordinary income	442	261	(174)
Net income	262	109	(117)

Net income per share	65,677	27,258	(29,475)
Dividends per share	32,838	13,629	0

(Millions of yen unless stated otherwise)

4. Status after the merger

- (1) Corporate name : No changes.
- (2) Description of business : Same as above
- (3) Headquarters : Same as above *
- (4) Representative: Name and position : Same as above
- (5) Paid-in Capital : Same as above
- (6) Fiscal year end : Same as above
- (7) Outlook :

As this absorption-type merger is between Chiyoda and its wholly owned subsidiary, the transaction will have a little impact on Chiyoda and Chiyoda's consolidated financial results.

* As from September 1, 2012, Chiyoda Global Headquarters will be registered at Minatomirai Grand Central Tower 4-6-2, Minatomirai, Nishi-ku, Yokohama 220-8765, Japan.

For more information, please contact:

Chiyoda Corporation

IR & Public Relations Section

URL: <http://www.chiyoda-corp.com/en>