



MODEC Awarded Letter of Intent by Eni Mexico related to FPSO - Chartering, Operation and Maintenance - for Area 1 Project in Mexico

Tokyo, October 11, 2018 - MODEC, Inc. ("MODEC") is pleased to announce that it has received a Letter of Intent (LOI) for supply, charter, and operations of a Floating Production Storage and Offloading (FPSO) vessel from Eni Mexico S. de R.L. de C.V. ("Eni Mexico"), a wholly owned subsidiary of Eni S.p.A., on October 3, 2018. The firm time charter period is 15 years with five (5) one-year extension options. A purchase option is included.

The FPSO will be deployed in the Offshore Area 1 some 10 kilometers off the coast of Mexico at a water depth approximately 32 meters. The field operatorship is 100% owned by Eni Mexico. The Area 1 project is currently in the pre-development phase.

MODEC is responsible for the engineering, procurement, construction, mobilization, installation and operation of the FPSO, including topsides processing equipment as well as hull and marine systems. SOFEC, Inc., a MODEC group company, will design and supply the disconnectable tower yoke mooring system of the FPSO.

The FPSO will be capable of processing 90,000 barrels of crude oil per day, 75 million cubic feet of gas per day, 120,000 barrels of water injection per day and have a storage capacity of 900,000 barrels of crude oil. The first oil production by the FPSO is planned for 2021.

MODEC has an excellent track record of Engineering, Procurement, Construction and Installation (EPCI) as well as charter and operations projects, delivering so far 46 floating production systems all over the globe including five (5) systems for Gulf of Mexico.

"We are extremely honored and proud to have been selected to provide and operate the FPSO for Eni Mexico," commented Toshiro Miyazaki, President and CEO of MODEC. "This project will continue to allow MODEC to showcase our distinguished capabilities in EPCI, charter and operations of floating production systems. We are committed to carry out this major project by cooperating closely with our client in order to contribute to the advancement of the energy industry in Mexico."

Contact: General Affairs Dept. (Phone +81-3-5290-1200)

The information contained in this news release is true and accurate at the time of publication; however, it may be subject to change without prior notice.