



2007 FULL-YEAR FINANCIAL RESULTS
ANALYST PRESENTATION

FEBRUARY 22, 2008

AGENDA

I.	2007 HIGHLIGHTS	3
II.	MARKET REVIEW & PROSPECTS	12
III.	2007 FINANCIAL RESULTS & 2008 FORECAST	18

I. 2007 HIGHLIGHTS

An aerial photograph of the FPSO Stybarrow Venture MV16, a large offshore supply vessel, sailing on the open ocean. The ship is white with a prominent red hull. It features a complex deck structure with various equipment, including a large crane on the left side and a helipad on the upper deck. The ship is moving towards the right of the frame, leaving a white wake behind it.

FSO Rong Doi MV12	4
FPSO Cidade do Rio de Janeiro MV14	5
FSO Cidade de Macae MV15	6
FPSO Stybarrow Venture MV16	7
2007 FPSO/FSO OPERATIONS	8
2007 NEW AWARDS	9
2007-2008 PROJECTS IN PROGRESS	10
2007 OTHER TOPICS	11

FPSO Stybarrow Venture MV16

2007 HIGHLIGHTS: FSO Rong Doi MV12



KNOC Rong Doi FSO

Charter Start: January 2007

EPCI + Time Charter

Charter Period: 7 years + twenty three 1-year options

Rong Doi / Rong Doi Tay fields, Vietnam



2007 HIGHLIGHTS: FPSO Cidade do Rio de Janeiro MV14



Petrobras RJS-409 Espadarte Sul FPSO

Charter Start: January 2007

EPCI + Time Charter

Charter Period: 8 years + four 1-year options

Espadarte Sul field, Brazil



2007 HIGHLIGHTS: FSO Cidade de Macae MV15



Petrobras PRA-1 FSO

Charter Start: November 2007

EPCI + Time Charter

Charter Period: 20 years

Marlim Sul, Roncador and Marlim Leste fields, Brazil



2007 HIGHLIGHTS: FPSO Stybarrow Venture MV16



BHP Stybarrow FPSO

Charter Start: November 2007

EPC + Time Charter

Charter Period: 10 years + five 1-year options

Stybarrow field, Australia



2007 HIGHLIGHTS: 2007 FPSO/FSO OPERATIONS

FPSO
MV 8 Langsa Venture



FPSO
Jasmine Venture MV7



FPSO
Cuulong MV9



FSO
Rong Doi MV12
(Charter started in January 2007)



FSO
Ta'Kuntah



FSO
Cidade de Macae MV15
(Charter started in November 2007)



FPSO
Fluminense



FPSO
Cidade do Rio de Janeiro MV14
(Charter started in January 2007)



FPSO
Baobab Ivoirien MV10



FPSO
Stybarrow Venture MV16
(Charter started in November 2007)



FPSO
MODEC Venture 11



FPSO
MODEC Venture 1
(Decommissioned in July 2007)



2007 HIGHLIGHTS: 2007 NEW AWARDS

TSJOC Song Doc FPSO

First Oil: Planned mid 2008

EPCI + Time Charter

Charter Period: 5 years + five 1-year options

Song Doc field, Vietnam

BHP Pyrenees FPSO

First Oil: Planned first half of 2010

EPC + O&M

Charter Period: 15 years + possible extensions

Pyrenees field, Australia



2007 HIGHLIGHTS: 2007-2008 PROJECTS IN PROGRESS

FPSO Cidade de Niteroi MV18
(Petrobras Opportunity Oil FPSO)
First Oil: Planned 4Q 2008
MODEC will own and operate



New Order in 2007
BHP Pyrenees FPSO
First Oil: Planned first half of 2010
MODEC will operate



New Order in 2007
TSJOC Song Doc FPSO
First Oil: Planned mid 2008
MODEC will own and operate



JVPC Rang Dong FSO
First Oil: Planned 3Q 2008
MODEC will own and operate



Shenzi TLP
Target Installation: Planned 2Q 2008



2007 HIGHLIGHTS: OTHER TOPICS

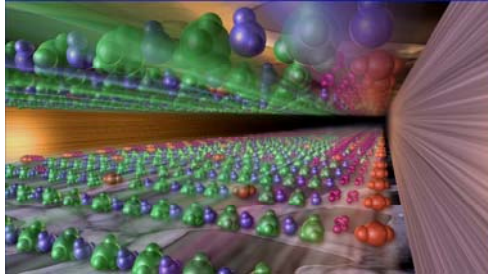


Image courtesy of Velocys, Inc.

GTL Joint Venture Agreement with
Velocys and Toyo Engineering



Master Agreements with COSCO and
COOEC



FPSO MV 8 Langsa Venture
• Write off the investment made by
MODEC Production (Langsa) Pte Ltd.
(approx. 2 billion yen)



FPSO MODEC Venture 1
• Terminated the oil production at
Elang/Kakatua/Kakatua North field in July.

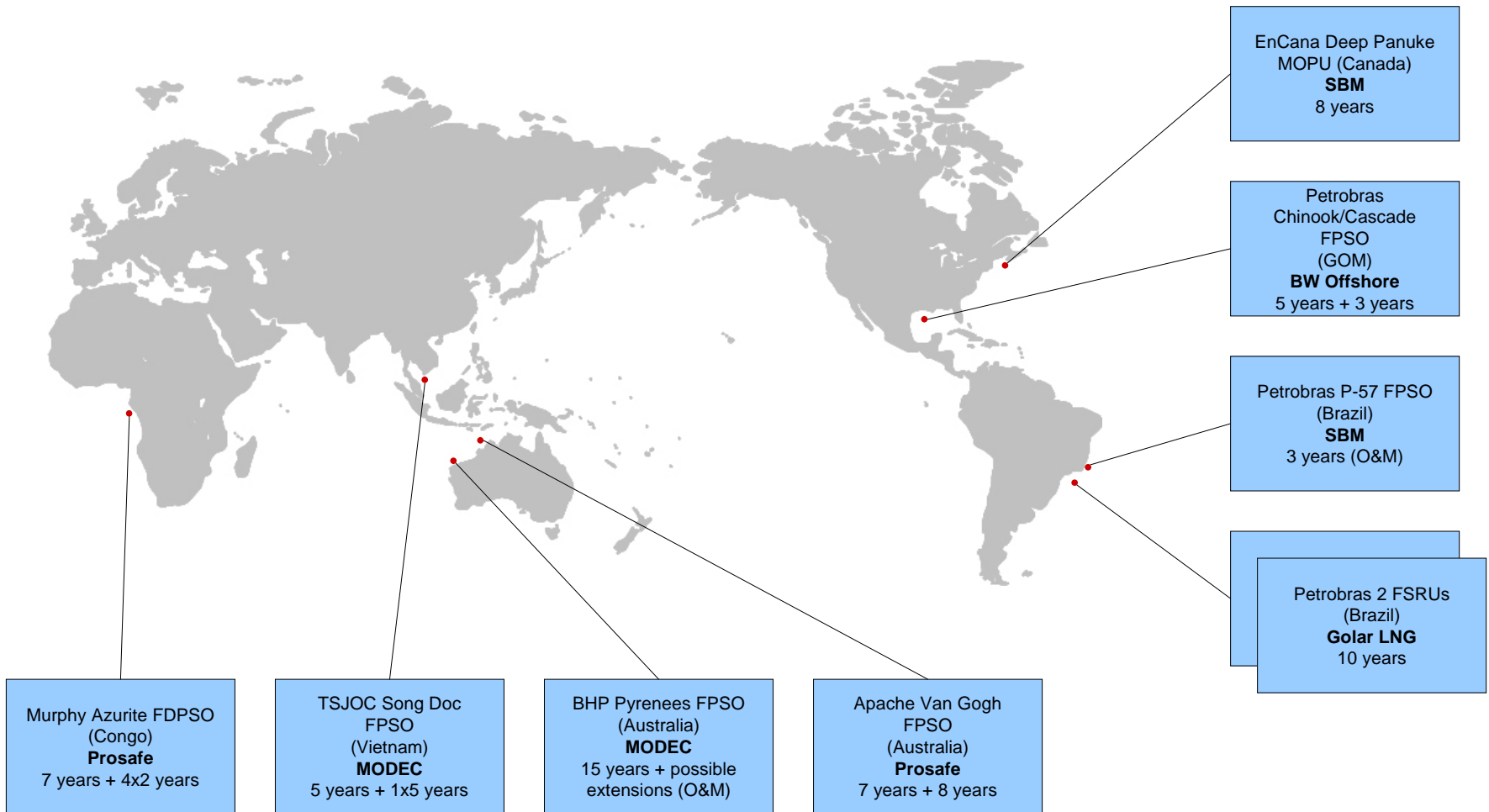
II. MARKET REVIEW & PROSPECTS



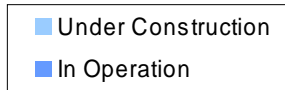
MAJOR ORDERS IN 2007	13
LEASE/OPERATION UNITS	14
PROSPECTIVE PROJECTS	15
TIME CHARTER / O&M PERIOD	16
PROJECT LOCATIONS	17

FSO Cidade de Macae MV15

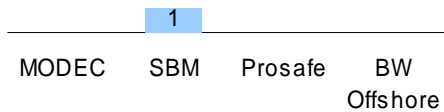
MAJOR ORDERS IN 2007



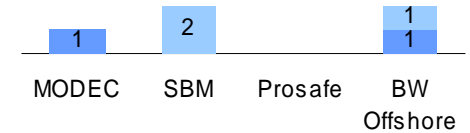
LEASE/OPERATION UNITS



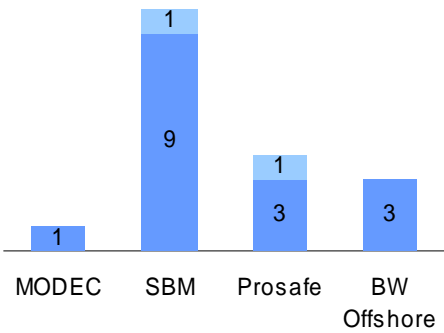
Europe



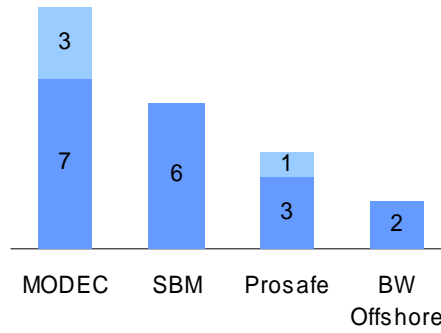
North America



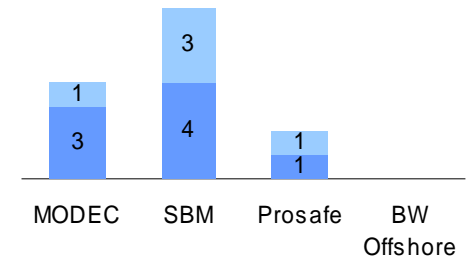
West Africa



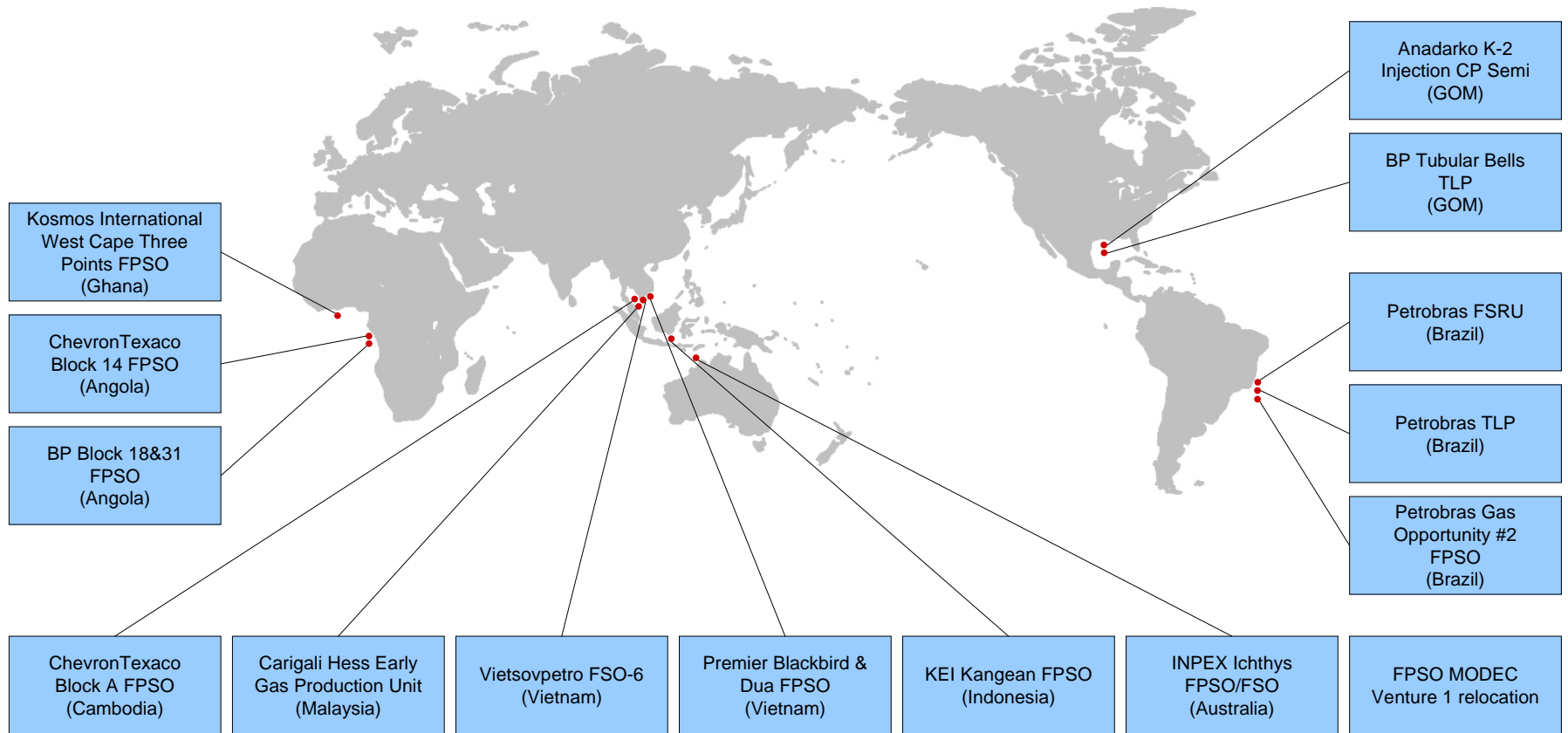
Asia & Pacific



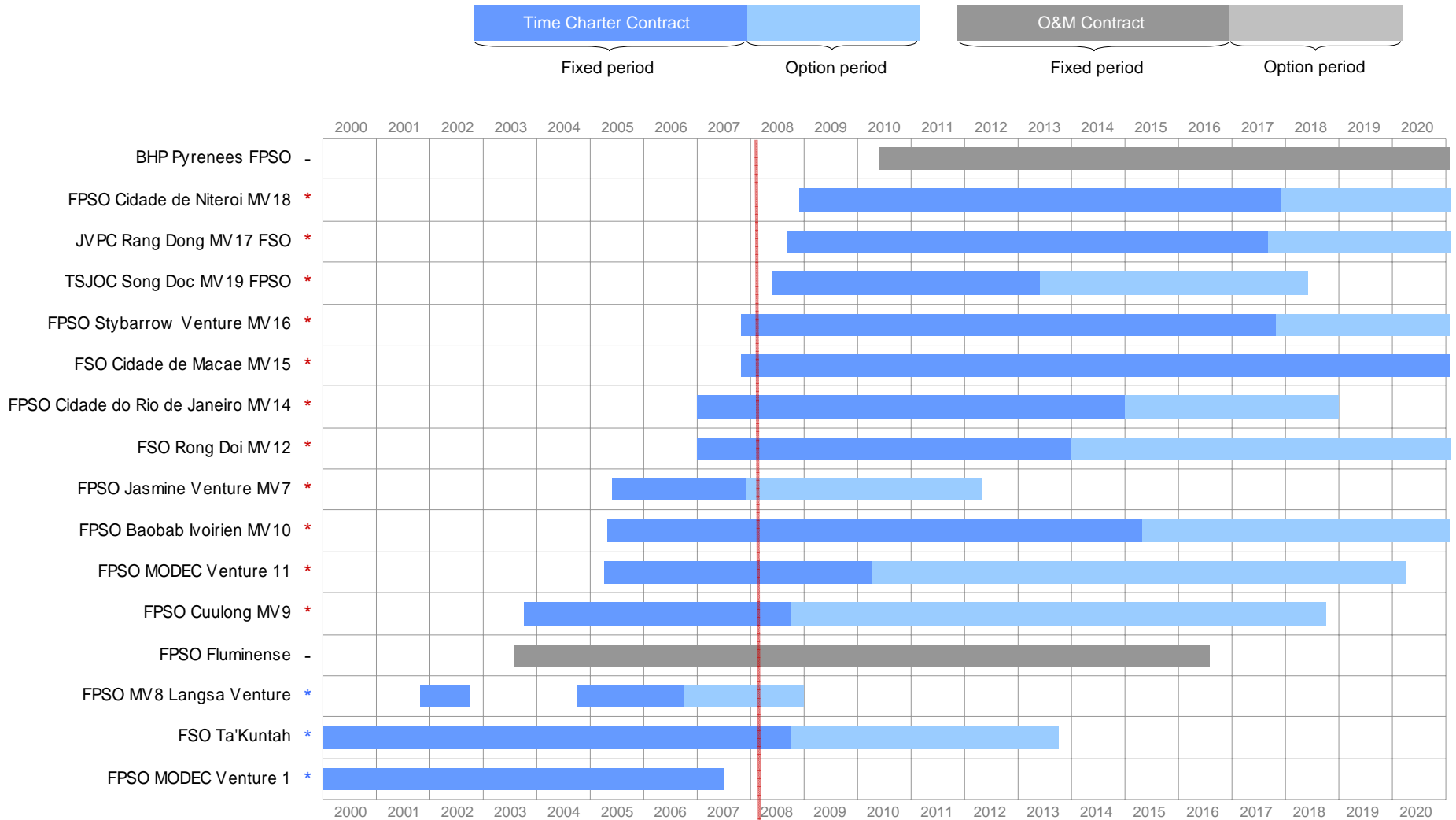
Brazil



PROSPECTIVE PROJECTS



TIME CHARTER / O&M PERIOD



* Consolidated Subsidiary

* Affiliates accounted for by the Equity Method

February 2008

Time Charter: 10 FPSO/FSOs, O&M: 1 FPSO



PROJECT LOCATIONS



Under construction

GRAY: Relocated / Decommissioned



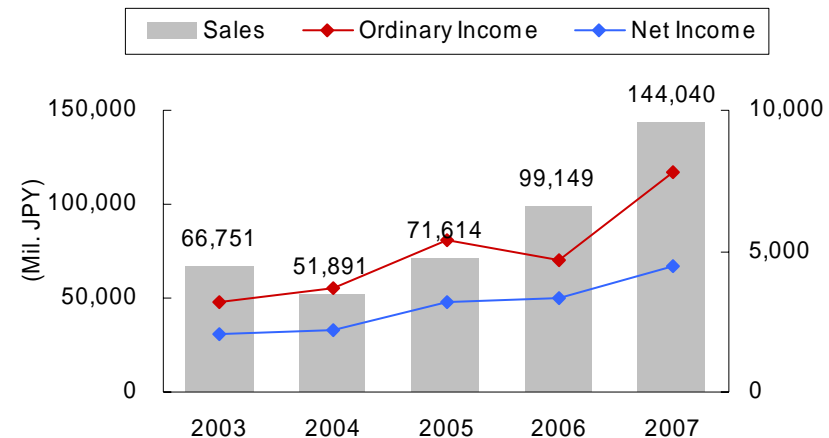
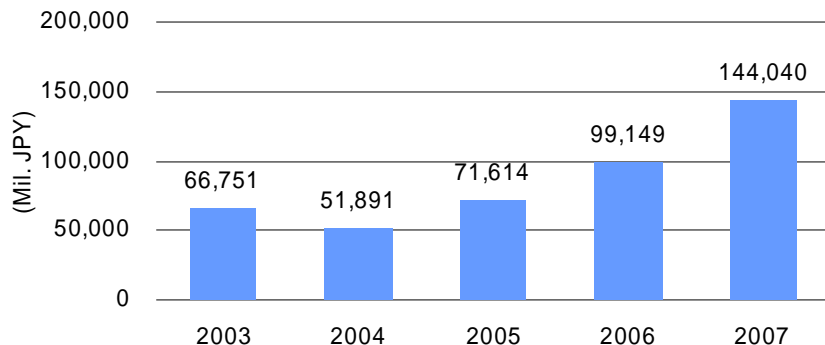
III. 2007 FINANCIAL RESULTS & 2008 FORECAST

SALES	19
SALES BY SERVICE TYPES	20
ORDINARY INCOME	21
NET INCOME	22
ORDERS BY SERVICE TYPES	23
ORDER BACKLOGS BY SERVICE TYPES	24
CASH FLOW	25
KEY FINANCIAL FIGURES	26
FORECAST FOR FY2008	27-28

FPSO Cidade do Rio de Janeiro MV14

SALES

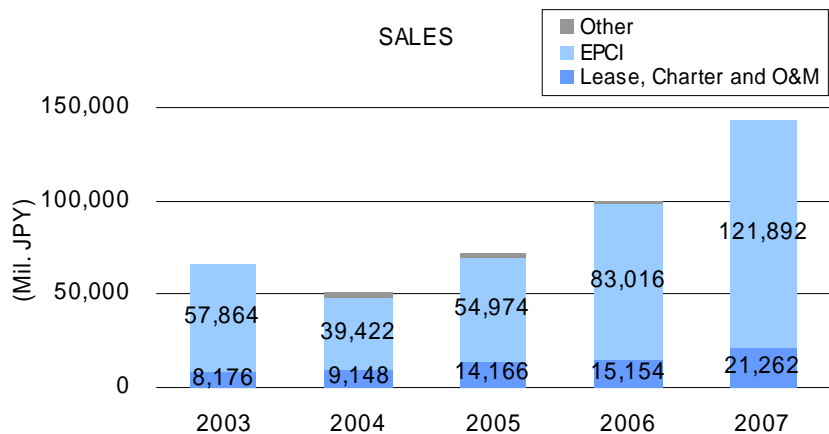
SALES



(Mil. JPY)

	2003	2004	2005	2006	2007	Variance	
Sales	66,751	51,891	71,614	99,149	144,040	+ 44,891	+ 45.3%
Gross Profit	7,689	7,338	8,560	9,381	16,907	+ 7,526	+ 80.2%
Operating Profit	4,147	3,779	3,895	3,494	6,959	+ 3,465	+ 99.2%
Ordinary Income	3,190	3,701	5,408	4,664	7,828	+ 3,164	+ 67.9%
Net Income	2,029	2,230	3,213	3,305	4,499	+ 1,193	+ 36.1%

SALES BY SERVICE TYPES

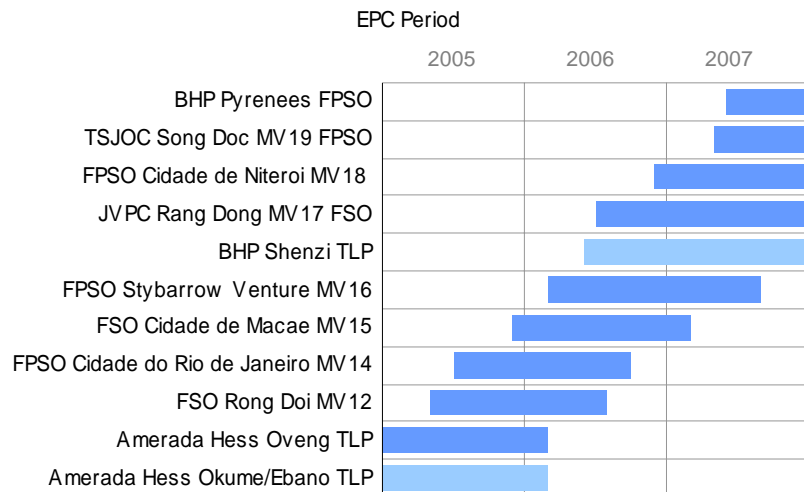


(Mil. JPY)

	2003	2004	2005	2006	2007
EPCI	57,864	39,422	54,974	83,016	121,892
Lease, Charter and O&M	8,176	9,148	14,166	15,154	21,262
Other	710	3,320	2,472	978	886
SALES	66,751	51,891	71,614	99,149	144,040

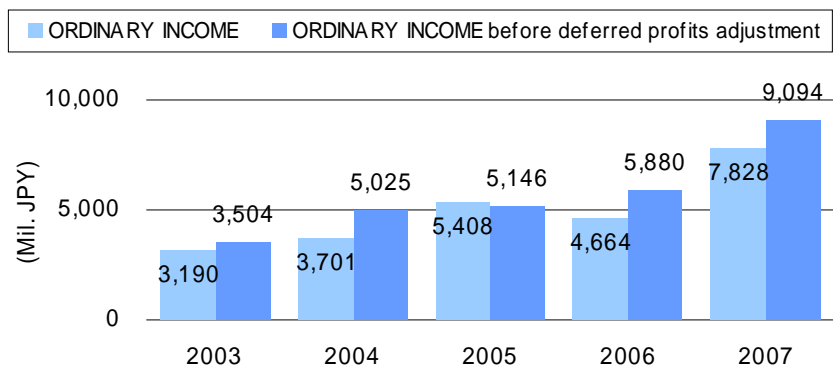
SALES form EPCI

- **BHP Pyrenees FPSO**
- **TSJOC Song Doc MV19 FPSO**
- **FPSO Cidade de Niteroi MV18 (Petrobras Opportunity FPSO)**
- **JVPC Rang Dong MV17 FSO**
- **Shenzi TLP**
- **FPSO Stybarrow Venture MV16**

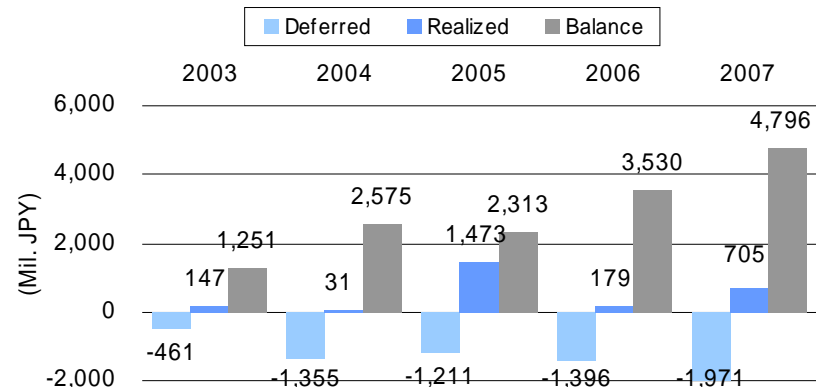


ORDINARY INCOME

ORDINARY INCOME



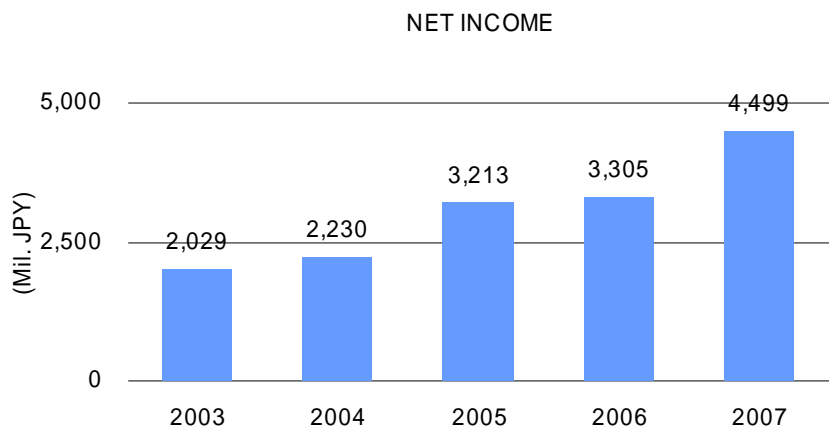
INFLUENCE OF DEFERRED PROFITS



(Mil. JPY)

	2003	2004	2005	2006	2007	Variance	
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NET INCOME

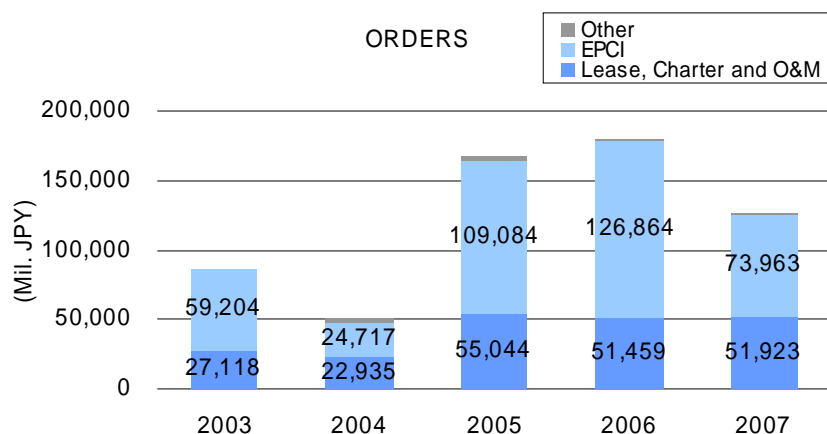


- Extraordinary loss: approx. 2 billion yen
Write off of the investment made by MODEC Production (Langsa) Pte Ltd. in the Langsa field development
- Extraordinary profit: approx. 0.8 billion yen
Sale of securities

(Mil. JPY)

	2003	2004	2005	2006	2007	Variance	
Sales	66,751	51,891	71,614	99,149	144,040	+ 44,891	+ 45.3%
Gross Profit	7,689	7,338	8,560	9,381	16,907	+ 7,526	+ 80.2%
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ORDERS BY SERVICE TYPES



2006

- **FPSO Cidade de Niteroi MV18** (Petrobras Opportunity FPSO)
- **Shenzi TLP**
- **JVPC Rang Dong MV17 FSO**
- **FPSO Stybarrow Venture MV16**

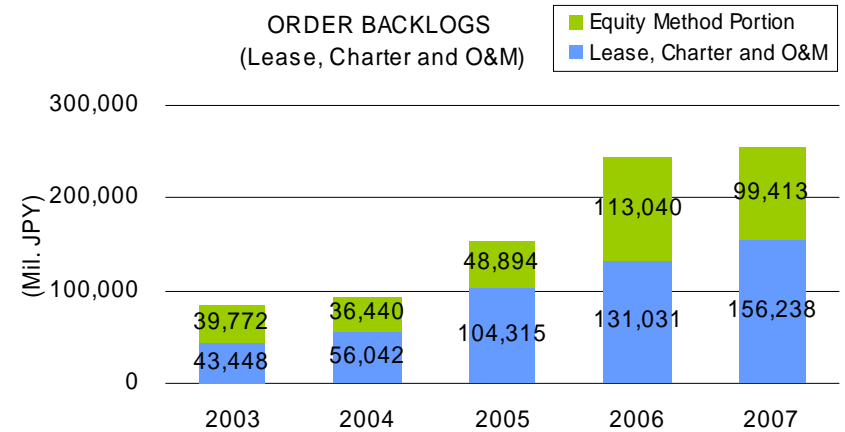
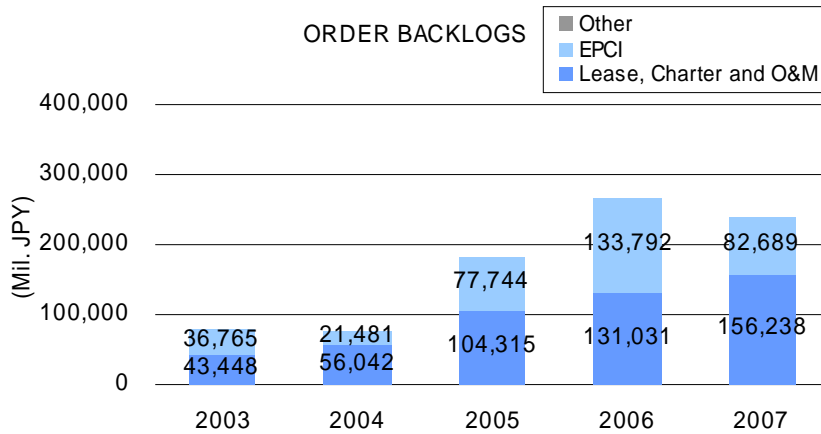
2007

- **BHP Pyrenees FPSO**
- **TSJOC Song Doc MV19 FPSO**

(Mil. JPY)

	2003	2004	2005	2006	2007	Variance	
EPCI	59,204	24,717	109,084	126,864	73,963	- 52,901	- 41.7%
Lease, Charter and O&M	27,118	22,935	55,044	51,459	51,923	+ 463	+ 0.9%
Other	625	2,489	2,409	1,029	904	- 124	- 12.1%
ORDERS	86,949	50,141	166,538	179,353	126,792	- 52,561	- 29.3%

ORDER BACKLOGS BY SERVICE TYPES



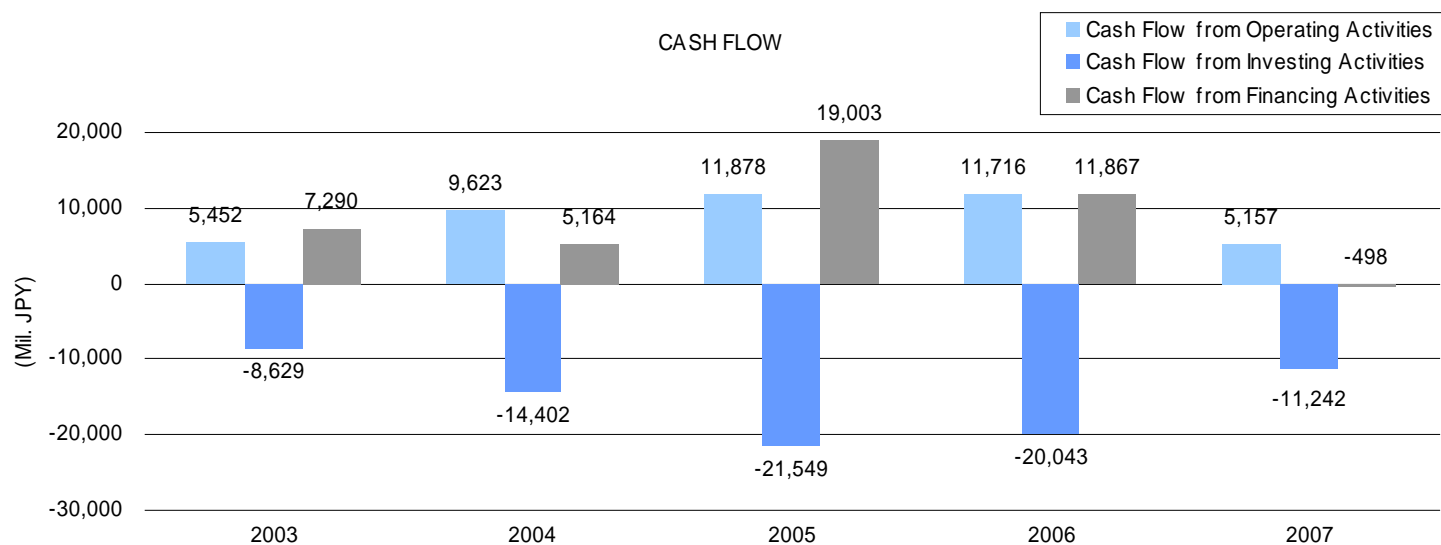
(Mil. JPY)

	2003	2004	2005	2006	2007	Variance	
EPCI	36,765	21,481	77,744	133,792	82,689	- 51,102	- 38.2%
Lease, Charter and O&M	43,448	56,042	104,315	131,031	156,238	+ 25,207	+ 19.2%
Other	118	91	76	134	80	- 54	- 40.5%
ORDER BACKLOGS	80,333	77,615	182,136	264,957	239,008	- 25,949	- 9.8%

	2003	2004	2005	2006	2007	Variance	
Equity Method Portion	39,772	36,440	48,894	113,040	99,413	- 13,626	- 12.1%
Lease, Charter and O&M	43,448	56,042	104,315	131,031	156,238	+ 25,207	+ 19.2%
ORDER BACKLOGS (Lease, Charter and O&M)	83,220	92,482	153,209	244,071	255,652	+ 11,581	+ 4.7%



CASH FLOW



(Mil. JPY)

	2003	2004	2005	2006	2007	増減	
Cash Flow from Operating Activities	5,452	9,623	11,878	11,716	5,157	-6,558	-56.0%
Cash Flow from Investing Activities	-8,629	-14,402	-21,549	-20,043	-11,242	8,801	-43.9%
Cash Flow from Financing Activities	7,290	5,164	19,003	11,867	-498	-12,366	-104.2%
Cash and Cash Equivalents at Ending of Year	13,795	14,061	25,061	28,827	21,443	-7,383	-25.6%

KEY FINANCIAL FIGURES

(Mil. JPY)

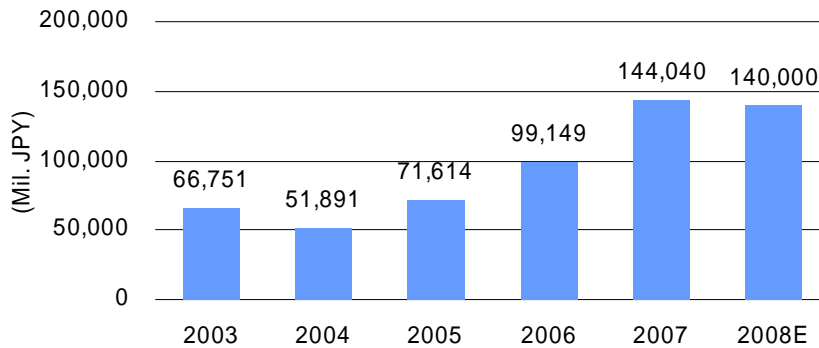
	2003	2004	2005	2006	2007	Variance
Operating profit	4,147	3,779	3,895	3,494	6,959	+ 3,465
Depreciation and amortization	1,834	635	1,116	662	1,656	+ 994
Amortization of consolidated differences	13	26	26	26	13	- 13
Collection of lease receivable (Cantarell FSO, Inc., S.A. de C.V.)	1,321	1,594	1,991	2,340	2,834	+ 494
EBITDA	7,315	6,034	7,028	6,522	11,462	+ 4,940
Operating profit (equity method portion)	317	651	2,167	3,151	4,252	+ 1,101
Depreciation and amortization (equity method portion)	648	1,456	2,190	2,566	3,848	+ 1,282
Collection of lease receivable (equity method portion)	-	-	608	1,019	1,081	+ 62
EBITDA (after adjustment)	8,280	8,141	11,993	13,258	20,643	+ 7,385
Interest income	191	836	1,282	3,545	3,564	+ 19
Interest expense	652	685	1,261	3,661	3,679	+ 18
Interest expense (equity method portion)	116	390	705	1,023	975	- 48
Net Interest expense (after adjustment)	577	239	684	1,139	1,090	- 49
EBITDA Interest Coverage Ratio	14.4	34.1	17.5	11.6	18.9	+ 7.3

	2003	2004	2005	2006	2007	Variance
Liabilities with interest	25,741	25,661	37,545	49,950	46,810	- 3,140
Liabilities with interest (equity method portion)	12,634	24,380	19,574	15,836	18,448	+ 2,612
Cash and time deposits	12,264	14,061	25,061	28,827	21,499	- 7,328
Cash and time deposits (equity method portion)	579	1,093	1,406	1,697	2,873	+ 1,176
Net liabilities with interest (after adjustment)	25,532	34,887	30,652	35,262	40,886	+ 5,624
Net liabilities with interest / EBITDA	3.1	4.3	2.6	2.7	2.0	- 0.7

	2003	2004	2005	2006	2007	Variance
ROE (%)	16.4	11.9	10.7	8.4	10.7	+ 2.3
ROA (%)	3.8	3.5	3.8	2.9	3.4	+ 0.5
Equity Ratio (%)	25.2	33.5	36.1	33.1	32.3	- 0.9

FORECAST FOR FY2008

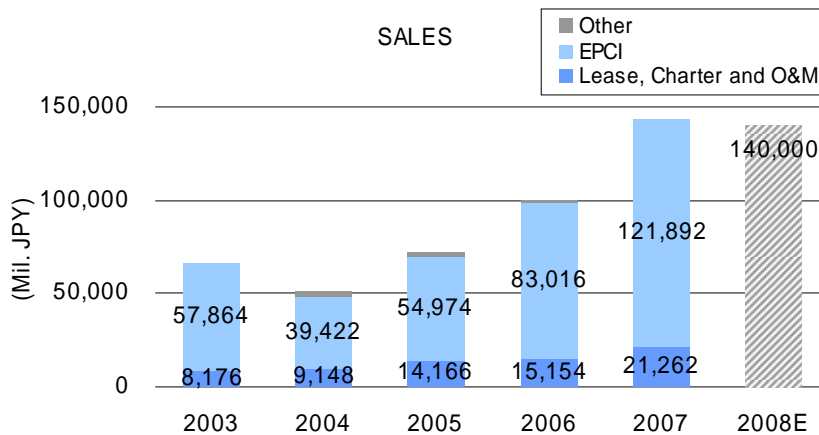
SALES



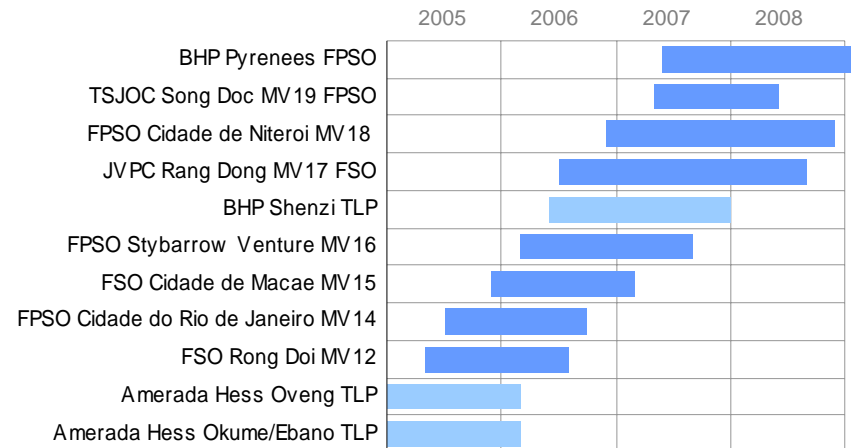
Projects in progress in 2008

- BHP Pyrenees FPSO
- TSJOC Song Doc MV19 FPSO
- FPSO Cidade de Niteroi MV18 (Petrobras Opportunity FPSO)
- JVPC Rang Dong MV17 FSO

SALES

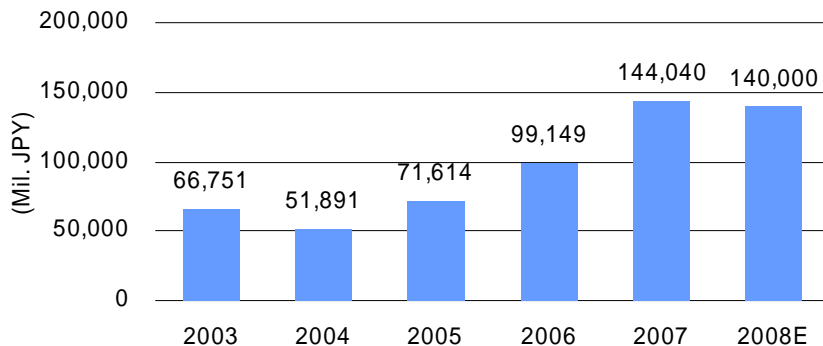


EPC Period

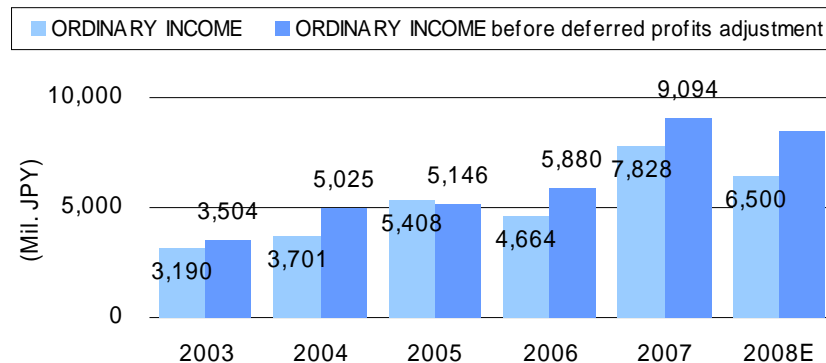


FORECAST FOR FY2008

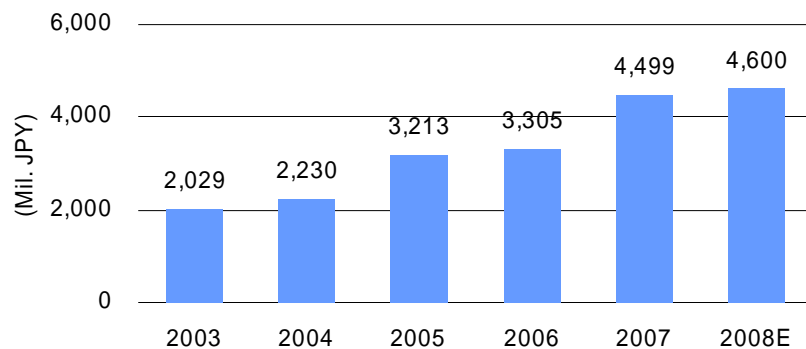
SALES



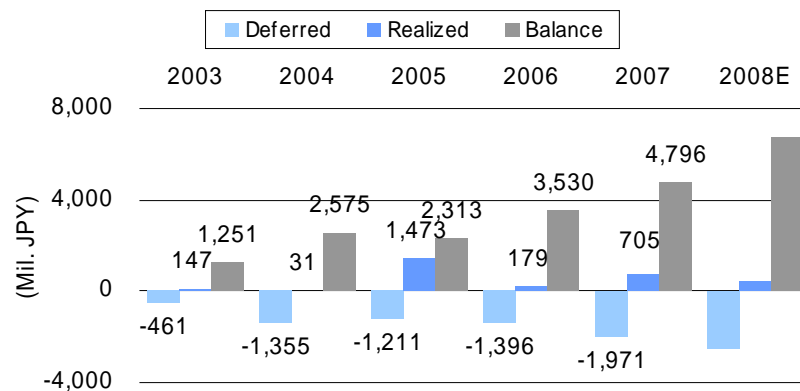
ORDINARY INCOME



NET INCOME



INFLUENCE OF DEFERRED PROFITS



Exchange Rate 107.14 104.20 118.07 119.12 114.16 105.00

