



MODEC's FPSO Cidade de Itaguaí MV26 Achieves First Oil; 5 Months Early Delivery

Tokyo, September 1, 2015 – MODEC, Inc. (“MODEC”) announced today that the *FPSO Cidade de Itaguaí MV26* (“the FPSO”), operating in the Iracema Norte area of Lula field, in the Pre-Salt layer of Santos Basin offshore Brazil, has achieved First Oil production on 31st July, 2015, 5 months ahead of the schedule anticipated under the contract. The FPSO is chartered by Tupi B.V., a subsidiary of Petróleo Brasileiro S.A. (“Petrobras”), under a 20 year lease and operation contract.

Moored 240 km off the coast of Rio de Janeiro at a water depth of around 2,240 meters, the FPSO is capable of processing 150,000 barrels of oil per day and 280 MM standard cubic feet of gas per day, and has storage capacity of about 1,600,000 barrels of crude oil.

This is the 10th FPSO/FSO vessel which MODEC has provided in Brazil, as well as MODEC’s 4th FPSO in the Pre-Salt after the *FPSO Cidade de Angra dos Reis MV22*, the *FPSO Cidade de São Paulo MV23* and the *FPSO Cidade de Mangaratiba MV24*.

Similar to previous MODEC’s FPSOs for Pre-Salt, the FPSO had its process modules assembled, installed and integrated by the company in Brazil. The completion of the FPSO, which began with the conversion of the VLCC tanker carried out in China, demonstrates the commitment of MODEC to conform to the Brazilian policy of enhancing local content, involving two module construction sites in the state of Rio de Janeiro and another one in state of São Paulo.



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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.