



Contract Extension for FPSO Fluminense Offshore Brazil

Tokyo, September 1, 2016 – MODEC, Inc. (“MODEC”) announced that Shell Brasil Petróleo Ltda., a subsidiary of Royal Dutch Shell plc, has extended its contract with MODEC for operations & maintenance of the *FPSO Fluminense* (“the FPSO”) with effect from August 2016 to December 2020. The FPSO has been operating in the Bijupirá & Salema oil fields in the Campos Basin off the coast of Brazil since August 2003.

MODEC converted a ULCC (ultra large crude carrier) tanker into the FPSO and was responsible for the engineering, procurement, construction, mobilization, installation and commissioning of the unit, including topsides processing equipment as well as hull and marine systems. A MODEC group member, SOFEC, Inc. designed and provided the external turret mooring system.

Moored in water depths of approximately 740 meters, the FPSO is capable of processing 81,000 barrels of oil and 75 MM standard cubic feet of gas per day and has a storage capacity of 1,300,000 barrels of crude oil.

MODEC has also been responsible for operations & maintenance of the FPSO based on the initial contract for 13 years (from August 2003 to August 2016).

This is the memorable first vessel (FPSO/FSO) MODEC has delivered to the Brazilian oil & gas sector followed by nine (9) FPSOs and one (1) FSO. The *FPSO Cidade de Campos dos Goytacazes MV29*, the twelfth MODEC vessel for offshore Brazil is currently under construction and scheduled to be installed in the fourth quarter of 2017.



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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.