



MODEC awarded Charter and Operation services Contract for Mero Pilot FPSO by Petrobras and Partners of LIBRA Consortium

Tokyo, December 19, 2017 – MODEC, Inc. (“MODEC”) is pleased to announce that it has signed the contract for supply, charter, and operations of a Floating Production Storage and Offloading (FPSO) vessel with Petróleo Brasileiro S.A. (“Petrobras”) as Leader and Operator of the Libra Consortium on December 14th, 2017. The firm charter period of the contract is 22 years.

The FPSO will be deployed at the Mero field in the giant “pre-salt” region of the Santos Basin some 180 kilometers off the coast of Rio de Janeiro, Brazil at a water depth approximately 2,100 meters. The Libra Consortium is formed by Petrobras (operator, 40%), Shell Brasil (20%), Total (20%), CNPC (10%) and CNOOC Limited (10%), and state-owned Pré-Sal Petróleo S.A. (PPSA), as manager of the production sharing contract.

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. A MODEC group company, SOFEC, Inc. will design and supply the spread mooring system.

The FPSO will be capable of processing 180,000 barrels of crude oil per day, 12 million cubic meters of gas per day, 225,000 barrels of water injection per day and will have storage capacity of 1,400,000 barrels of crude oil. The first oil production by the FPSO is planned for 2021.

This is the 14th FPSO/FSO vessel which MODEC will provide in Brazil, as well as MODEC’s 7th FPSO in the “pre-salt” following the *FPSO Cidade de Angra dos Reis MV22*, the *FPSO Cidade de São Paulo MV23*, the *FPSO Cidade de Mangaratiba MV24*, the *FPSO Cidade de Itaguaí MV26*, the *FPSO Cidade de Caraguatatuba MV27* and the *FPSO Carioca MV30* of which MODEC has been awarded a contract for supply, charter, and operations by Petrobras in October 2017.

The FPSO will be delivered with Brazilian local content, following the successful experience of the latest projects in the country.

“We are extremely honored and proud to have been selected to provide and operate the FPSO for the Libra Consortium, in addition to the currently awarded another world class facility, the FPSO for Sépia field,” commented Toshiro Miyazaki, President and CEO of MODEC. “We are committed to carry out these major projects by cooperating closely with our client and partners in order to contribute to the advancement of energy industry in Brazil.”

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.