

**Participation of Mitsui and MOL and Conclusion of Financing
for FPSO Charter Project of MODEC for Area 1 Block offshore Mexico**

April 15, 2019

MODEC, Inc.
Mitsui & Co., Ltd.
Mitsui O.S.K. Lines, Ltd.

MODEC, Inc. (“MODEC,” Head Office: Chuo-ku, Tokyo; President & CEO: Yuji Kozai), Mitsui & Co., Ltd. (“Mitsui,” Head Office: Chiyoda-ku, Tokyo; President & CEO: Tatsuo Yasunaga) and Mitsui O.S.K. Lines, Ltd. (“MOL,” Head Office: Minato-ku, Tokyo; President & CEO: Junichiro Ikeda) jointly announce that Mitsui and MOL have participated in a long-term charter business (“the Project”) operated by MODEC for the purpose of providing a floating production, storage, and offloading system (“the FPSO”) for use in the Area 1 block offshore Mexico and a loan agreement for the Project was entered into on April 12, 2019.

Mitsui and MOL invested in Area 1 Mexico MV34 B.V. (“MV34”), a Dutch company established by MODEC, which will engage in FPSO leasing, operations and maintenance services. In December 2018, MV34 concluded the charter agreement with Eni Mexico S. de R.L. de C.V. (“Eni Mexico”), the operator of Area 1 block and a subsidiary of Eni S.p.A. The charter contract initially runs for 15 years, with options for extension every year thereafter up to 5 additional years.

The loan agreement on a project finance basis was signed by Sumitomo Mitsui Banking Corporation (lead arranger), MUFG Bank, Ltd., Mizuho Bank, Ltd., Sumitomo Mitsui Trust Bank, Limited, Société Générale, BNP Paribas, Oversea-Chinese Banking Corporation Limited, Clifford Capital Pte. Ltd. and Crédit Industriel et Commercial. This is the first project finance for the FPSO project in Mexico.

Mexico has seen numerous significant discoveries of expansive offshore oil fields in recent years, thereby giving rise to expectations of fresh demand for additional FPSO in the region. Area 1 block is owned by a consortium of two companies including Eni Mexico as operator and Qatar Petroleum. Construction of the FPSO is planned to be completed in 2021, and the FPSO will be deployed for the development of the Area 1 block at water depths of about 32 meters.

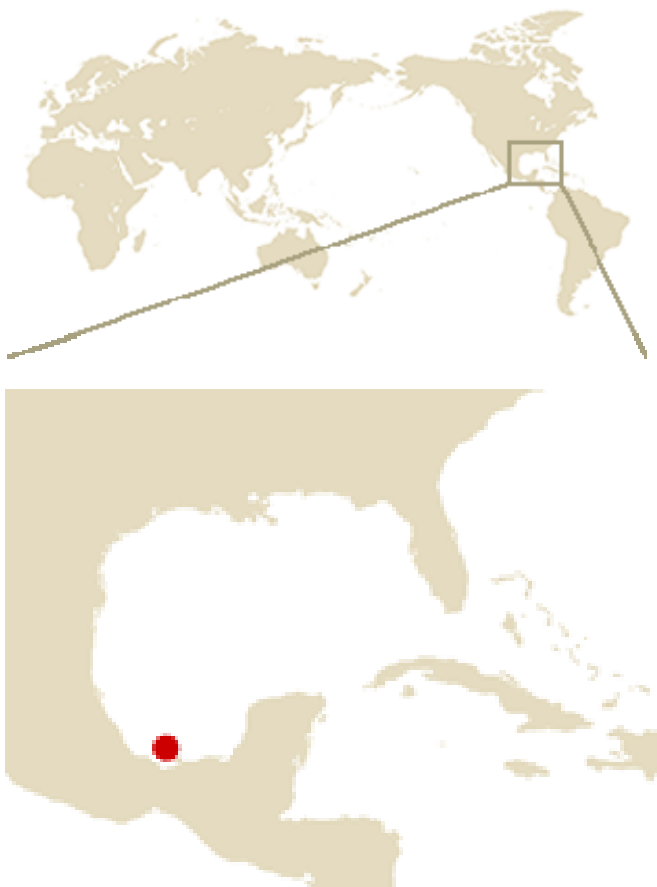
Outline of FPSO

Oil processing capacity	90,000 barrels per day
Gas processing capacity	75 million cubic feet per day
Oil storage capacity	900,000 barrels
Mooring type	Disconnectable Tower Yoke

Controlling stake of MV34

Modec, Inc.	35.0%
Mitsui & Co., Ltd.	35.0%
Mitsui O.S.K. Lines, Ltd.	30.0%

Map



For inquiries on this matter, please contact

MODEC, Inc.

General Affairs Department

Telephone: +81-3-5290-1200

Facsimile: +81-3-5290-1505

Mitsui & Co., Ltd.

Corporate Communications Division

Media Relations Department

Telephone: +81-3-3285-7596

Facsimile: +81-3-3285-9819

Mitsui O.S.K. Lines, Ltd.

Corporate Communications Division

Media Relations

Telephone: +81-3-3587-7015

Facsimile: +81-3-3587-7705

.