



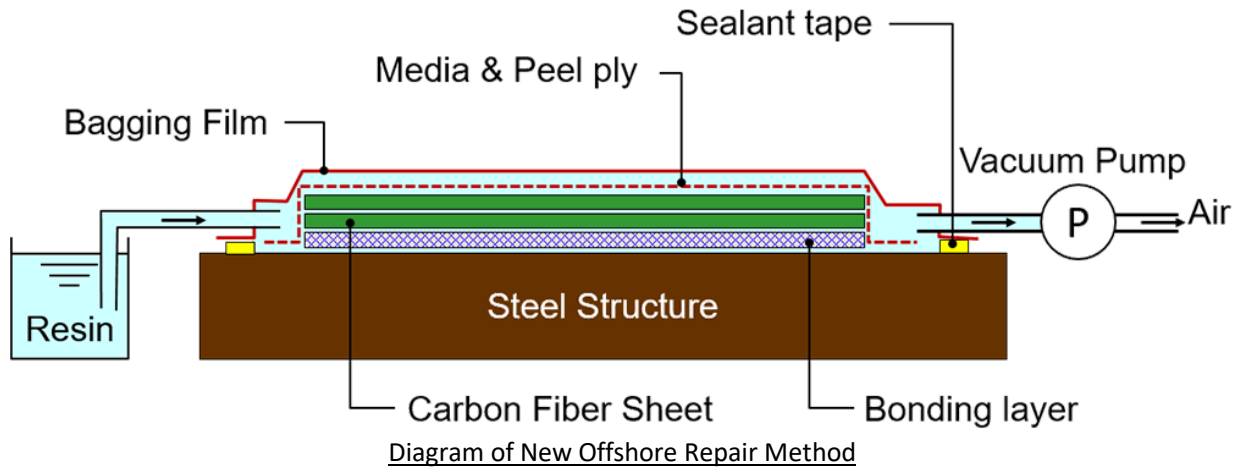
## **MODEC obtains Approval by ABS for New Offshore Repair Method for Hull Structures of Floating Production Facilities**

**Tokyo, December 23, 2020** – MODEC, Inc. (“MODEC”) is pleased to announce that in December 2020, it obtained an approval by the American Bureau of Shipping (“ABS”) for the new offshore repair method which has been developed jointly with Toray Industries, Inc. (“Toray”) for hull structures of floating oil and gas production facilities such as Floating Production Storage and Offloading (FPSO) vessels as an original standard repair method.

Difficulties may be encountered from time to time in carrying out adequate maintenance at offshore for hulls of floating oil and gas production facilities that are producing oil and gas at offshore generally for more than 20 years without dry-docking. If corrosion is left unchecked, the hull strength will fall below the required level, but any work to repair and reinforce the hull that involves the use of open flames will disrupt production, and bringing in the needed equipment and materials is no easy task. Given onboard crew limits, securing accommodation for the crew members responsible for repairs also presents challenges.

In consideration of such circumstances and aiming at easily conveying equipment and materials to the floating facilities and completing cold repair work by a small number of personnel in a short time, MODEC, in conjunction with Toray, has developed a repair method to restore hull strength to the necessary level by applying an engineering method known as vacuum assisted resin transfer molding (“VaRTM”). With this new method, carbon fiber reinforced plastic (“CFRP”) can be affixed to the steel material of the hull in those areas whose strength has been compromised by advancing corrosion.

The primary purpose of this repair method is to minimize the impact of repair work on production activity. Therefore, since this repair method contributes to ensure integrity of hull structures of floating oil and gas production facilities, further stable operations and maintenance service of MODEC’s fleet can be expected.



Repair of Bottom Plate by using CFRP

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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.