PROFIT FROM OUR EXPERIENCE

MODEC

MODEC operates with experience.

MODEC delivers and operates high-quality, innovative floating production solutions for the offshore oil and gas industry. In business for more than 30 years, MODEC has consistently added value to our clients' bottom line.

MODEC has delivered 28 floating production projects, and five more are under construction. We have operations and maintenance contracts on 16 vessels around the globe. Operations uptime is upward of 99% and MODEC has developed proprietary industry-leading systems for asset integrity management and personnel competency assurance which benefits the client by improving efficiency and ultimately uptime.

MODEC is the first floating production facilities company to have its Corporate HSE Management System obtain integrated certification against all three international codes: ISM Code, ISO 14001:2004, and OHSAS 18001:1999. Certification was received for corporate office environments in Tokyo, Houston and Macaé and also for the *FPSO Cidade do Rio de Janeiro MV14*, a working vessel. All future facilities will comply with these international HSE standards.

MODEC's experience meets clients' needs and priorities – from helping clients determine the right floating production solution, to design, construction, commissioning and safely operating and maintaining the asset.

Profit from our experience.

MODEC builds relationships.

MODEC explores every possibility, considers all parameters and addresses every client objective. This approach reassures our clients that they will be able to achieve their own key performance indicators and meet the expectations placed on them.

Dedicated to our clients' success, MODEC meets not only delivery, budget and production needs, but also excels in health, safety and environmental issues and in community development.

We build relationships with our clients, our employees, our communities, our contractors and our fabricators.

Building relationships. A MODEC tradition for more than 30 years.

MODEC operates with confidence.

As deepwater oil and gas production demands increase, the risks and expenses inevitably increase with it. MODEC is responding with innovative technology geared toward creating advanced systems that address the challenges while holding cost down and keeping production time up.

More than ever, health, safety and environmental (HSE) issues have been placed at the top of operators' priorities list. MODEC has invested significantly in a fully integrated HSE Management System and, as a result, is the best partner with which a client could choose to work. Following the HSE Management System structure is how we have been able to achieve a Lost Time Injury Rate that is better than the industry average.

MODEC has earned a reputation for being on time and within budget, and we are proud to report that we have achieved remarkably high marks in uptime and total client satisfaction. Put that together with a clean environmental record and a real commitment to improving the communities in which we do business, and it is easy to see why our clients choose MODEC.

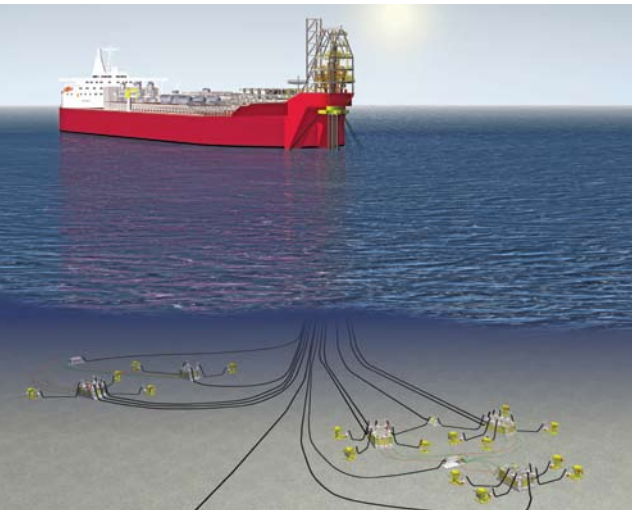
Superior technology, capability, responsiveness, cost-efficiency and safety: MODEC operates with confidence.

FPSO and FSO:
Guiding clients and leading the industry.

FPSO and FSO systems today have become the primary method for offshore field developments in many oil and gas producing regions around the world.

MODEC is an industry leader in providing these solutions. With a growing demand for hydrocarbons and innovative technology that allows economical production in deeper water, FPSO/FSOs are serving a larger role in the offshore oil and gas industry.

The benefits of MODEC FPSO and FSO systems are as immense as their capacities. New builds or conversions, deep or ultra deep water, calm or rough weather environments, the MODEC team has the experience to do what's right.



Lease, sale, operations: MODEC has as many options as clients have needs. MODEC currently has O&M agreements for 16 FPSO/FSOs.

MODEC's commitment to Health, Safety, Environment and Quality and to local content and local communities make doing business with MODEC not only good for our clients, but good for the people in the communities in which we operate.

MODEC owns and operates the *FPSO Cidade do Rio de Janeiro MV14*.
The FPSO (pictured at right) achieved first oil in January, 2007. It was the first unit MODEC built for Petrobras. Petrobras has since awarded MODEC three additional vessels.

The *FSO Cidade de Macae MV15*, achieved first oil in November, 2007. The *FPSO Cidade de Niteroi MV18* is expected to achieve first oil in late 2008. The *FPSO Cidade de Santos MV20* was awarded in February, 2008 and will be delivered by year end 2009.

MODEC also operates the *FPSO Fluminense* for Shell offshore Brazil.

FPSO Stybarrow Venture MV16
Brought onstream in November 2007 – approximately two months ahead of schedule – the *FPSO Stybarrow Venture MV16* is located offshore northwest Australia in 825 meters water depth. It is owned by MODEC and jointly operated by field operator BHP Billiton and MODEC.

J. Michael Yeager, BHP Billiton Petroleum's Chief Executive, said the outstanding results from Stybarrow's initial operations reflected high standards of professionalism and technology application. "BHP Billiton's Stybarrow development is exceeding expectations. The wells have ramped up to full capacity in record time and the processing capability on the vessel has been highly reliable," he said. "We are very pleased with the overall performance."

The FPSO is capable of receiving up to 80,000 barrels of oil per day and has a storage capacity of approximately 900,000 barrels.

MODEC
operated vessels average 99% uptime.

FPSO Fluminense

MODEC designed and built the *FPSO Fluminense* and has operated it since being installed in the Bijupira and Salema fields in the Campos Basin offshore Brazil in 2003.

Uptimes have been in the high 90th percentile since production began and in the last two years have averaged in excess of 99%. The *FPSO Fluminense* has been benchmarked against major oil companies' FPSOs and is in the top quartile on all categories. It is best in class with regard to Safety and Reliability.

MODEC's operations group is revolutionizing the offshore oil and gas industry and is reinventing excellence in operations. MODEC is the first offshore operator to drive 6 Sigma Lean to every level of the workforce and the first company to marry 6 Sigma Lean and Behavioral Safety to develop a world-class, measurable behavioral safety system.

MODEC's considerable offshore terminal operating experience over the past 10 years, combined with an integrated "design, build and operate" philosophy, contributes to an ever-improving high level of operational reliability. Our operating mission is:

- The safety and health of personnel and the public is of paramount importance
- Preserve and improve the quality of the operating environment
- Preserve and improve the value of property entrusted to our care
- Carry out all tasks with the highest professionalism

MODEC also offers turnkey operations services in diverse and often challenging environments that significantly add to our client's bottom line. MODEC's operating culture delivers optimum safety and maximum uptime. Services include Production Management, Asset Integrity Management, Integrated Logistic support, Procurement, Recruitment, Training and Competency Assurance, Emergency Response Management and much more.

TLP:
A new generation has surfaced.

Since the mid-1980s, tension leg platforms have been key to deepwater oil and gas production development. MODEC has been a leader in TLP technology and has received industry recognition for the "next generation" of TLPs: the MOSES Self Stable Integrated Platform (SSIP).

The SSIP has an inherently stable platform that allows for quayside integration and commissioning of the topsides, as well as greater stability during transportation and installation. The design offers superior in-situ performance, design flexibility, fabrication simplicity and ease of installation when compared with other TLP designs. The open well bay(s) arrangement enhances well bay safety, increases the flexibility for the well arrangement, accommodates a large number of wells and allows drilling from any slot or a designated "drill center."

The MOSES SSIP won a Spotlight on New Technology Award at OTC 2007. Its design is a result of a continued working relationship between MODEC and WorleyParsons Sea.

Oveng TLP* and *Okume/Ebano TLP

To the right: the *Oveng TLP* in tender-assisted drilling (TAD) mode, the first TLP in West Africa to use TAD. The *Oveng TLP* and the *Okume/Ebano TLP* (pictured above) are nearly identical and are the first applications of the MOSES SSIP technology. They were both installed offshore Equatorial Guinea in April 2006.

Prince TLP

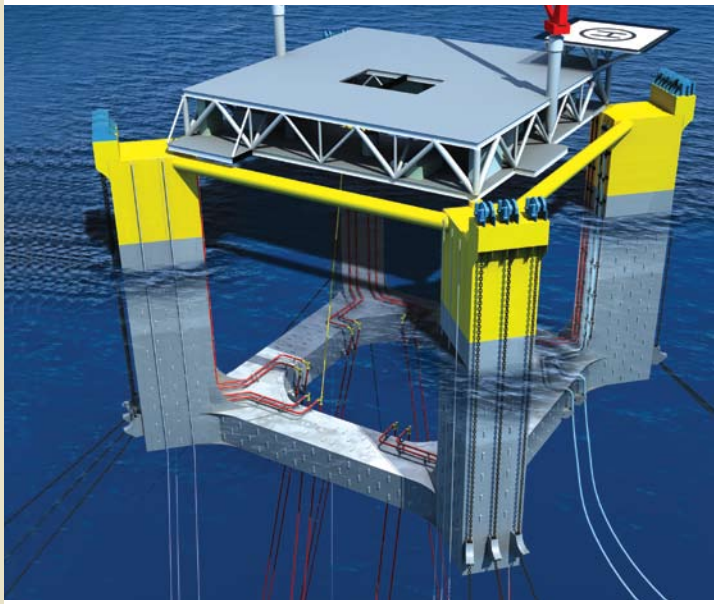
The *Prince TLP* was the first MODEC TLP built and installed. It was completed in less than 16 months and is the first dry tree Mini-TLP.

The *Prince TLP* has withstood hurricanes Ivan, Lili and Katrina with no structural damage or loss.

The *Prince TLP* is owned by El Paso Energy Partners and is equipped to produce 50,000 bopd and 80 mmscfd. Gas produced from the facility is exported via a 12" line to an interconnect with the Manta Ray Offshore Gathering System. Oil is exported via a new 8.8 mile 12" pipeline to a subsea interconnect with the Poseidon Oil Pipeline.

MODEC's Central Pontoon Semisubmersible.

The MODEC CP Semi is a cost-efficient new generation design for deep and ultra deepwater oil and gas production. This low-cost platform is designed to operate in hurricane, cyclonic or mild environments. The CP Semi is easily scalable for the desired payload and can be used for a stand-alone or a hub facility. It can be used with wet and/or dry trees.



The CP Semi consists of a continuous octagonal central pontoon structure and four radially oriented columns outboard of the pontoon. The radial orientation of the columns enhances the stability of the platform during quayside integration of the topsides while minimizing the displacement needed. Because the pontoon structure is inboard of the columns, the compartmentation requirement is less onerous, which allows the hull steel weight to be substantially reduced.

A box girder system at the top connects the four columns, which in turn support a conventional truss deck. The box girders enhance the fatigue strength at the connections between the column and the deck as well as columns and pontoon.

The MODEC CP Semi design is a result of a continued working relationship between MODEC and WorleyParsons Sea.

SOFEC
A MODEC Group Company.

SOFEC CALM Buoy

SOFEC has successfully delivered and installed CALM buoy terminals on five continents. With more than 35 years of experience, SOFEC provides clients with standardized designs as well as customized designs for special-purpose applications.

SOFEC terminals operate in a wide range of water depths and environmental conditions, for ships up to 550 kdwt and for a broad range of products. Standardization of our design allows us to offer a low-cost state-of-the-art field-proven product.

SOFEC designs and provides a full range of offshore mooring systems, marine terminals and fluid transfer systems. Our marine terminals can be designed to handle crude oil, LPG, petrochemicals and even products such as food-grade oils and potable water.

SOFEC's product range of mooring/product transfer systems include external and internal turrets (for both permanent and disconnectable applications), tower yoke moorings, spread moorings and Keel Integrated Transfer (KIT) systems. SOFEC's mooring systems operate in a wide spectrum of water depths from very shallow to ultra-deep, and in some of the world's harshest environments and most pristine and environmentally sensitive areas.

The disconnectable turret (pictured at right on the *MODEC Venture MV11*) has been in operation in Australia for three years with incredible success. The disconnectable turret allows the FPSO to easily evacuate from a field due to dangerous weather conditions (i.e. cyclones/typhoons/hurricanes) and then easily reconnect when the danger has passed. The disconnect and reconnect operation is controlled by the FPSO – no outside support vessels or divers are needed. This is one of the reasons the *FPSO MODEC Venture MV11* has consistently been the last vessel to stop production and evacuate and the first to regain production. The *FPSO Stybarrow Venture MV16* which began production in November, 2007 and the *FPSO Pyrenees Venture* which is under construction have a similar disconnectable turret system.

SOFEC Internal Disconnectable Turret

SOFEC has designed, built and installed disconnectable internal turrets for several FPSOs offshore Northwestern Australia, one offshore China and one offshore Newfoundland, Canada.

The disconnectable turret allows the FPSO to easily evacuate from a field due to dangerous weather conditions (i.e. cyclones/typhoons or icebergs) and then easily reconnect when the danger has passed. This unique design has proven itself during the last cyclone season offshore Australia. The *FPSO MODEC Venture MV11* was consistently the last FPSO in the region to disconnect and the first to regain production.

MODEC

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www.modec.com

MODEC is publicly traded on the Tokyo Stock Exchange.

MODEC has more than 1,600 employees and contractors and has major offices in Tokyo, Houston, Singapore and Macaé to handle sales, project management and operations.

MODEC currently has FPSOs, FSOs and TLPs deployed around the world, giving us the capability and reach to serve your offshore needs.

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