

September 18, 2019
Marubeni Corporation

Issuance of Project Bond for an FPSO Charter Business

Marubeni Corporation (hereinafter, "Marubeni") is pleased to announce that an affiliate of Marubeni has issued a project bond of approximately US \$1.1 billion (hereinafter, "Project Bond") in the international capital markets for one of its FPSO charter businesses. The funds raised through the bond issuance were utilized to prepay the current procurement from a project finance facility.

This Project Bond was issued to refinance the debt of the FPSO, which is invested in by Marubeni, MODEC, Inc., Mitsui & Co., Ltd and Mitsui O.S.K. Lines, Ltd. and is currently under a long-term charter to a consortium led by Petróleo Brasileiro S.A. (hereinafter "Petrobras"), the national oil company of Brazil, operating in the Iracema Sul offshore oil field in the pre-salt layer of Brazil (hereinafter, "This FPSO"). This is the worlds' first publicly offered project bond for an FPSO charter project.

This FPSO has been conducting chartering since October 2014 based on a 20-year US dollar fixed rate charter contract signed by the Petrobras-led consortium. It is an FPSO that represents the nation, and its successful operation accounts for approximately 4% of Brazil's daily hydrocarbon production.

Marubeni considers the FPSO charter business to be a stable-revenue business model and is currently participating in six such projects in Brazil and one in Ghana. The construction cost for these FPSO projects was originally financed by equity capital of the investing companies as well as by project financing. With the steady performance of FPSO and stable profitability, having direct access to the capital market through project bonds will be an effective option to increase the funding diversity for these types of assets and to optimize funding efficiency for future FPSO business opportunities.

Marubeni will continue to focus on FPSO businesses by utilizing a diverse set of funding sources and in doing so contribute to the stable supply of energy.

Footnotes:

FPSO: Floating Production, Storage & Offloading system.

Related press release: March 22, 2012

Marubeni Corporation, Mitsui & Co., Ltd. and Mitsui O.S.K. Lines, Ltd. to Participate in Ultra-Deepwater FPSO Chartering Project for Cernambi Sul Area of Brazilian Offshore Pre-Salt Oil Field

https://www.marubeni.com/en/dbps_data/news/2012/120322f.html

*Iracema Sul oil field is formally known as Cernambi Sul oil field.



Photo: "FPSO Cidade de Mangaratiba MV24" in operation in Iracema Sul oil field (Courtesy of MODEC Inc.)