

PRESSRELEASE



BW Offshore awarded Letter of Intent for Tupi FPSO with Petrobras

(Bermuda, 24 April 2008) BW Offshore has been awarded a Letter of Intent with Petrobras for the conversion and operation of the first production unit to the giant Tupi field in Brazil.

BW Offshore has been awarded a Letter of Intent (LOI) to supply the Tupi TLD FPSO to Petrobras. BW Offshore will use the FPSO BW Peace, set to commence operation in March 2009. The contract is for a firm period of 10 years, plus an option period of 5 years.

- We are grateful by obtaining our second FPSO contract with Petrobras and our first in Brazilian waters. We are proud of the confidence Petrobras once again has put in us. It is a pleasure being selected to deliver the first FPSO on the Tupi field to assist Petrobras in developing this significant discovery, says Svein Moxnes Harfjeld, CEO of BW Offshore.

BW Peace will conduct early production and testing on various locations on the Tupi field and the unit will be upgraded to meet Petrobras and field specific requirements. The FPSO will be turret moored in water depths of up to 2,500 meters. BW Peace has a processing capacity of 40,000 barrels of oil per day and a storage capacity of 1 million barrels.

BW Offshore is currently converting for Petrobras what will be the first FPSO in the US Gulf of Mexico, BW Pioneer, and is also delivering the turret and swivel system to the Maersk FPSO for the Peregrino field in Brazil.

- The letter of intent for the Tupi TLD FPSO again demonstrates our position as a contractor in the top tier of the floating production market. We are harvesting from our efforts to serve Petrobras and the Brazilian market, and look forward to further develop our relationship with one of the world's largest and most experienced FPSO clients, says Moxnes Harfjeld.

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BW Offshore is one of the world's leading FPSO contractors and a market leader within advanced offshore loading and production systems to the oil and gas industry. BW Offshore has 25 years' experience and has successfully delivered 12 FPSO projects and 42 turrets and offshore terminals. BW Offshore's technology division APL has delivered solutions for production vessels, storage vessels and tankers in a wide range of field developments. Adapting through competence, in-house technology, solid project execution and operational excellence, BW Offshore ensures that customer needs are met through versatile solutions for offshore oil and gas projects. BW Offshore is headquartered in Norway, and has a global network with offices in Europe, Asia Pacific, West Africa and the Americas. BW Offshore has 1,100 employees and is listed on the Oslo Stock Exchange. For more information, please visit www.bwoffshore.com and www.apl.no.