

IMSK - Sale of vessel

LPG/E Gas Carrier "Norgas Navigator" a 6,066 cbm ethylene vessel built in 1977 and acquired by us in 1991 will be sold for USD1.9 million. The book value of the vessel is USD1.2 million per 31.12.06. The vessel will be delivered to new owner in mid January 07.

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The sale of the vessel, built in 1977, will enable us to satisfy our conditions to carry out the ongoing fleet renewal program of Norgas by the construction of up to 16 new gas carriers for delivery from January 2007 and onwards. I.M. Skaugen created a new division in 2006, Skaugen Marine Construction (SMC). Through SMC we have streamlined our marine construction activity in China for building of new gas carriers. The first new vessel was delivered in early January 2007 and is a 3,200 cbm pressurized gas carrier and will fly Singaporean flag.

If you have any questions, please contact:

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Listed on the Oslo Stock Exchange, I.M. Skaugen ASA (IMSK) - www.skaugen.com - is a Marine Transportation Service Company engaged in the hassle free transportation of petrochemical gases and LPG, ship-to-ship transfer of crude oil and LNG, as well as the design and construction of smaller and specialized high quality marine vessels.

IMSK is a fully integrated shipping company that designs, builds, owns, mans and manages our own ships. IMSK customers are major international companies in the oil and petrochemical industry, whom we serve worldwide from our operations in Dubai (UAE), Freeport and Houston (Texas), Oslo (Norway), Singapore Sunderland (UK), Nanjing, Shanghai, Taizhou, Zhangjiagang and Wuhan (China). IMSK operates recruitment and training programmes in St. Petersburg (Russia) and Wuhan (China) for the crewing of vessels.

IMSK employs approx. 1,500 people and currently operates 44 vessels worldwide. The fleet comprises petrochemical gas and LPG carriers, Aframax tankers, vessels and barges for the transportation of gases on the Yangtze River (China) and a small number of workboats for Skaugen PetroTrans (SPT).

IMSK has a comprehensive newbuilding project in China where it has two LPG vessels of 3,200 cbm; three purpose designed combination carriers with LPG/Ethylene/VCM and Organic chemicals carrying capability and up to ten advanced 10,000 cbm LNG/LPG/Ethylene gas carriers are on order for Norgas for delivery from beginning 2007 and onwards. IMSK has invested in infrastructure with both a shipyard and a cargo plant maker in China to ensure innovative and flexible vessels at low cost. Six new, purpose designed and built "Aframax sized tankers", are on order for delivery to SPT on a long term Bareboat charter and commencing during 2007.