

# IMSK - Sale of vessel

The LPG/C Gas Carrier "Norgas Victory" (42.5% ownership of a 8.936 cbm pressurized LPG vessel built 1982 and acquired by us in 1991) will be sold for USD10.05 mill.

The ship will complete her current charter by the end of December, and thereafter enter into minor classification related repairs before being delivered to the new owners in early January 2007.

The LPG/C Gas Carrier "Norgas Victory" (42.5% ownership of a 8.936 cbm pressurized LPG vessel built 1982 and acquired by us in 1991) will be sold for USD10.05 mill.

The ship will complete her current charter by the end of December, and thereafter enter into minor classification related repairs before being delivered to the new owners in early January 2007.

The sale of the vessel, that is built in 1982 and thus is now of 24 years of age, 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. The first new vessel will be delivered in early January 2007 and it is a 3200 cbm pressurized gas carrier and will fly the Singaporean flag. This is the first ship to be built by **Skaugen Marine Construction (SMC)** in China and under our management. The SMC was created to build our own ships at a lower cost than our competitors and we do this by the use of various subcontractors in China and some of the key ones are partly owned by our Company. This new ship will be delivered at the expected cost of USD 7.5 mill and this is a good first delivery for SMC on the 16 gas carrier program for fleet renewal and expansion.

The Norgas Victory is the only non-ethylene capable semi refrigerated gas carrier in the Norgas fleet. The sale as such do not represent any change to Norgas' overall strategy, but is yet another step to further sharpen our focus on ethylene capable vessels that are employed by the ENGC pool.

The delivery of the vessel will give the IMS Group a realized gain, on a 100 per cent basis, of about USD3.4 million in 1Q2007.

*If you have any questions, please contact:*

*Bente Flø, Chief Financial Officer, on telephone +47 23 12 03 30/+47 91 64 56 08 or by e-mail: [bente.flo@skaugen.com](mailto:bente.flo@skaugen.com). This press release is also available on the Internet at our website: <http://www.skaugen.com>.*

Listed on the Oslo Stock Exchange, **I.M. Skaugen ASA** is a Marine Transportation Service Company engaged in the hasslefree transportation of petrochemical gases and LPG, ship-to-ship transfer of crude oil and LNG, as well as building of small and specialized high quality marine vessels. Our customers are major, international companies in the oil and petrochemical industry, whom we serve worldwide from our operations in Dubai, Freeport (Texas), Houston (Texas), Nanjing, Oslo, Shanghai, Singapore, Sunderland (UK) and Wuhan. I.M. Skaugen operates recruitment and training programmes in St. Petersburg, Russia and Wuhan, China for the crewing of its vessels.

The Group employs approximately 1,100 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 and a small number of workboats for SPT.

The Group has a comprehensive newbuilding project in China where we have three LPG vessels of 3,200 cbm; three purpose designed combination carriers with LPG/Ethylene/VCM and Organic chemicals carrying capability and four advanced 10,000 cbm LNG/LPG/ethylene gas carriers are on order for Norgas for delivery from late 2006 and onwards.. There is an agreement to purchase up to six additional such 10,000 cbm vessels. IMS has invested in infrastructure with both a shipyard and 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.