

IMSK - Conversion to shares

A convertible bond of NOK 124 million was granted at the extraordinary general meeting of the company on 25th June 2001 and placed in the Norwegian market in July 2001. The convertible bond has seven years maturity with an option to convert to shares in I.M. Skaugen ASA (IMSK) during the first five years (05/2006). The conversion price is adjusted for previously paid dividends. The present conversion price is NOK 60 per share less NOK 3.50 per share, which will be paid at time of conversion as a compensation for dividend.

One of the bondholders has today converted NOK 1,000,000 into 16,666 new shares. The new share capital after conversion will be NOK 355,638,660 divided into **5,927,311** shares at par value NOK 60. Correspondingly the nominal value of the Convertible bond will be reduced to NOK 96,500,000.