

IMSK - New Joint Venture and New Multigas Orders

I.M. Skaugen ASA (IMSK) confirms that a new 50/50 joint venture with GATX Corp. has been created. This new joint venture will assume the ownership of the first four 10,000 cbm sized "Multigas" carriers currently under construction at Skaugen Marine Construction (SMC) in China. These Multigas carriers will have the unique design capability to carry LNG, in addition to Ethylene and LPG.

I.M. Skaugen ASA (IMSK) confirms that a new 50/50 joint venture with GATX Corp. has been created. This new joint venture will assume the ownership of the first four 10,000 cbm sized "Multigas" carriers currently under construction at Skaugen Marine Construction (SMC) in China. These Multigas carriers will have the unique design capability to carry LNG, in addition to Ethylene and LPG.

This new joint venture, Singco Pte Ltd, will be owned by GATX Corporation (www.gatx.com) and by I.M. Skaugen Marine Services (IMSMS) Pte Ltd, a 100% owned subsidiary of I.M. Skaugen ASA. These new gas carriers will join the Norgas pool of gas carriers upon their completion.

I.M. Skaugen joined forces with GATX in year 2000 for the joint construction and joint ownership of the six "Somargas" Ethylene carriers (four 8,600 cbm size and two 10,200 cbm size) built by I.M. Skaugen in China and delivered in 2002 and 2003. With this new joint venture structure we will now continue the long-term partnership with GATX.

GATX is a leader in leasing transportation assets and controls one of the largest railcar fleets in the world. Applying over a century of operating experience and strong market and asset expertise, GATX provides quality assets and services to customers worldwide. GATX is headquartered in Chicago, Illinois since its founding in 1898 and has traded on the New York Stock Exchange since 1916.

I.M. Skaugen - has now also agreed for SMC to commence construction of up to four "Multigas" carriers of, 12,000cbm size. Two of these have been confirmed and two will be reconfirmed by end 2007. IMS now has 8 carriers of the unique Multigas design combining the technology to carry LNG with the capability to carry ethylene and various LPG cargoes. Also, these ships will join the Norgas pool when delivered

From an engineering and design viewpoint, the "Multigas" carriers are truly innovative, by offering increased flexibility and enhanced capabilities in terms of cargo types at a construction price that makes Norgas a true cost leader well ahead of the competition. These 12,000 cbm sized carriers will be constructed by SMC, utilizing our J/V and alliances in China. These four larger hulls will, however, be built by the Jiangsu province based Ding Heng Shipyard, while the cargo plants will be constructed at Jiangsu based Shenghui Gas & Chemical Systems Company that is 50% owned by IMSMS. The other Multigas hulls are being built at the Taizhou based Wuzhou Shipyard that has size limitations as to the length of the ships it can build and thus we have chosen a new supplier for these larger hulls. SMC current plans calls for the construction of 10 Multigas carriers and with the latest announcement we are at 8 such carriers to be constructed.

IMS created the new division, Skaugen Marine Construction (SMC), in the fall 2006. Through SMC, we have streamlined our marine construction activity in China for building of new gas carriers. With responsibility for all aspects of this project including managing our Chinese joint venture partnerships and alliances, the work of SMC is key to the future financial and operational success of the IMS Group. SMC is assuming responsibility for not only the ship

design and construction, but also for sourcing of steel, major components and more importantly building the key cargo handling systems and related components.

This pioneering new building program comprises up to 16 gas carriers for delivery between now and 2010. Two of the gas carriers have been delivered this year and twelve have so far been confirmed with our suppliers and joint venture partners.

I.M. Skaugen ASA

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. 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 (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 45 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 three 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 for delivery from May 2007 until spring 2008.