

**I.M. SKAUGEN**

December 6th, 2006

IMSK – Sale leaseback

I.M. Skaugen Group (IMS) has entered an agreement, in principle, to sell 3 of its ships under construction in China to Teekay LNG Partners L.P. at an en-bloc price of about USD 29 mill per vessel or about USD 87 million enbloc. The ships will be taken over by the buyer when they are delivered from Skaugen Marine Construction (SMC) after completion of construction in China starting late 2007/early 2008 and until mid 2009.

The buyer is a publicly-traded master limited partnership; Teekay LNG Partners (Teekay). The common units of Teekay trade on the New York Stock Exchange under the symbol "TGP". The parent of the general partner of Teekay LNG Partners is Teekay Shipping Corporation.

These ships are vessels of a unique design concept. They are either 5500 cbm sized LPG/ethylene carriers or 9,600 tdw chemical carriers and they are both designed and built by SMC for operations performed by Norgas Carriers.

IMS will subsequently lease back these ships for 15 years with 2 five year extension options with fixed price purchase options at the end of each of the lease periods. The ships will enter the ENG C pool upon delivery.

This arrangement allows IMS to monetize some of its assets and realize a gain. This transaction will also assist IMS to meet part of the construction financing requirements for some of the 16 new gas carriers undertaken by the Group through SMC.

The first ship to be built by SMC in China and under our management, will be delivered in early January 2007, and it is a 3,200 cbm pressurized gas carrier. The ship will fly the Singaporean flag. This new ship will be delivered at the expected cost of USD 7.5 mill.

SMC is the Group's full service new building business unit with representation in Oslo and Singapore, but located primarily in China. In addition to being responsible for the Group's existing order of 16 gas carriers (with 6 of these yet to be confirmed) SMC will also be able to provide full support services for new buildings to third parties.

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.flø@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.