

Ship Finance International LTD
Form 6-K
December 19, 2007

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 6-K

**REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13A-16 OR 15D-16
OF THE SECURITIES EXCHANGE ACT OF 1934**

For the month of December 2007

Commission File Number: 0-22704

Ship Finance International Limited
(Translation of registrant's name into English)

Par-la-Ville Place, 14 Par-la-Ville Road, Hamilton, HM 08, Bermuda
(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F ☒ Form 40-F ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): ____

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)7: ____

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934. Yes ☐ No ☒

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):
82-_____.

INFORMATION CONTAINED IN THIS FORM 6-K REPORT

Attached as Exhibit 1 is a copy of the press release of Ship Finance International Limited (the “Company”) dated December 17, 2007, announcing that the Company has agreed to sell the offshore supply vessel Sea Trout to Deep Sea Supply Plc.

Exhibit 1

SFL – Sale of an offshore supply vessel

Press release from Ship Finance International Limited December 17, 2007

Ship Finance International Limited (NYSE:SFL) (“Ship Finance” or the “Company”), today announced the agreement to sell the offshore supply vessel *Sea Trout* to Deep Sea Supply Plc. (“Deep Sea”).

Reference is made to press releases of August 10, 2007 and November 7, 2007 regarding the acquisition of 5 plus 2 offshore supply vessels from Deep Sea in combination with long-term charters back. As part of the agreement, Deep Sea was given the option to re-purchase one of the vessels prior to the first agreed purchase option date.

Deep Sea has now decided to exercise this option, in combination with a sale of the vessel to a third party, and the vessel is expected to be delivered to the new owner in January 2008.

The agreed sales price to Deep Sea is approximately \$29.0 million, including approximately \$2.4 million outstanding under a seller credit from Deep Sea. There is currently approximately \$21.8 million in loans outstanding against the vessel, and the net cash effect to Ship Finance from the transactions is estimated to be approximately \$4.8 million. We expect to book a small book profit on the transaction, which will be recognized in 1Q 2008.

The remaining offshore supply vessels will continue their long-term charters to Deep Sea. Two of the vessels previously expected to be delivered to Ship Finance in December 2007 are now scheduled to be delivered in January 2008.

December 17, 2007
The Board of Directors
Ship Finance International Limited
Hamilton, Bermuda

Contact Persons:
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About Ship Finance

Ship Finance is a major ship owning company listed on the New York Stock Exchange (NYSE: SFL). Including newbuildings and announced acquisitions/disposals, Ship Finance has a fleet consisting of 69 vessels, including 34 crude oil tankers (VLCC and Suezmax), 8 oil/bulk/ore vessels, 13 container vessels, 3 dry bulk carriers, 2 jack-up drilling rigs, 6 offshore supply vessels and 3 seismic vessels. The fleet is one of the largest in the world with a total cargo capacity of more than 11 million dwt. and most of the vessels are employed on medium or long term charters.

More information can be found on the Company's website: www.shipfinance.org

Cautionary Statement Regarding Forward Looking Statements

This press release may contain forward looking statements. These statements are based upon various assumptions, many of which are based, in turn, upon further assumptions, including Ship Finance management's examination of historical operating trends. Although Ship Finance believes that these assumptions were reasonable when made, because assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond its control, Ship Finance cannot give assurance that it will achieve or accomplish these expectations, beliefs or intentions.

Important factors that, in the Company's view, could cause actual results to differ materially from those discussed in this presentation include the strength of world economies and currencies, general market conditions including fluctuations in charter hire rates and vessel values, changes in demand in the tanker market as a result of changes in OPEC's petroleum production levels and world wide oil consumption and storage, changes in the Company's operating expenses including bunker prices, dry-docking and insurance costs, changes in governmental rules and regulations or actions taken by regulatory authorities, potential liability from pending or future litigation, general domestic and international political conditions, potential disruption of shipping routes due to accidents or political events, and other important factors described from time to time in the reports filed by the Company with the United States Securities and Exchange Commission.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Ship Finance International Limited

Dated: December 18, 2007

By: /s/ Lars Solbakken
Name: Lars Solbakken
Title: Chief Executive Officer
Ship Finance Management
AS

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