

Ship Finance International LTD
Form 6-K
January 24, 2013

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

UNDER THE SECURITIES EXCHANGE ACT OF 1934

For the month of January 2013

Commission File Number: 001-32199

Ship Finance International Limited

(Translation of registrant's name into English)

Par-la-Ville Place

14 Par-la-Ville Road

Edgar Filing: Ship Finance International LTD - Form 6-K

Hamilton, HM 08, Bermuda

(Address of principal executive offices)

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): ☐.

Note: Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

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): ☐.

Note: Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submitted to furnish a report or other document that the registrant foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant's home country), or under the rules of the home country exchange on which the registrant's securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant's security holders, and, if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

INFORMATION CONTAINED IN THIS FORM 6-K REPORT

Attached hereto as Exhibit 1 is a copy of the press release of Ship Finance International Limited (the Company), dated January 24, 2013, announcing the Company's concurrent offerings of Convertible Senior Notes and Borrowed Common Shares.

SFL - Ship Finance International Limited Announces Concurrent Offerings of Convertible Senior Notes and Borrowed Common Shares

Press Release from Ship Finance International Limited, January 24, 2013

Ship Finance International Limited (Ship Finance or the Company) (NYSE: SFL) today announced that it intends to offer, subject to market and other conditions, \$250 million aggregate principal amount of its Convertible Senior Notes due 2018 (the Notes). In addition, the Company announced that Deutsche Bank AG, London Branch (the Share Borrower), intends to offer, subject to market and other conditions, common shares (the Common Shares), which the Share Borrower is borrowing from a wholly owned subsidiary of Ship Finance. The Share Borrower is an affiliate of Deutsche Bank Securities Inc., the underwriter for the offering of Common Shares.

The Notes will pay interest quarterly and mature on February 1, 2018. The Notes will be convertible into our common shares. Upon conversion, we will pay or deliver, as the case may be, cash, our common shares, or a combination of cash or our common shares, at our election.

The Company intends to use the net proceeds received from the offering of the Notes to redeem or repurchase all of the Company s outstanding 8.5% Senior Notes due 2013. Any net proceeds not used to redeem or repurchase the 8.5% Senior Notes due 2013 will be used for general corporate purposes, including working capital.

In connection with the Company s offering of the Notes, a subsidiary of the Company will enter into a share lending agreement with the Share Borrower, under which it will lend to the Share Borrower up to \$100 million of the Company s common shares. None of the borrowed shares are newly-issued common shares. Instead, the shares are provided by way of a loan from one of Ship Finance s largest shareholders, which is an affiliate of the Company.

\$70 million of the borrowed shares will be initially offered at a fixed price, and up to the remaining \$30 million of borrowed shares are expected to be subsequently sold at prevailing market prices at the time of sale or at negotiated prices.

The sale of the borrowed shares is intended to facilitate privately negotiated transactions or short sales by which investors in the Notes may hedge their investments in the Notes or other convertible notes of the Company. The Share Borrower will be required to return the borrowed shares on or about the maturity of the Notes or, if earlier, upon the conversion, repurchase, redemption or cancellation of all of the Notes and upon the occurrence of certain other events. Neither the Company, nor its subsidiaries nor its shareholder will receive any proceeds from the sale of the borrowed shares. The Share Borrower or its affiliates will receive all the proceeds from the sale of the borrowed shares.

The closing of the offering of the Notes is contingent upon the closing of the concurrent offering of the fixed-price borrowed shares, and the closing of the concurrent offering of the fixed-price borrowed shares is contingent upon the closing of the offering of the Notes.

ABG Sundal Collier Inc. and Deutsche Bank Securities Inc. will act as underwriters for the offering of the Notes. Deutsche Bank Securities Inc. will act as underwriter for the offering of the Common Shares.

The offering of the Notes and the offering of the Common Shares will be made under the Company s existing shelf registration statement filed with the Securities and Exchange Commission on November 12, 2010.

The offering of the Notes and the offering of the Common Shares will be offered only by means of a prospectus, forming a part of the Company s shelf registration statement, related prospectus supplements and other related documents. You may obtain these documents for free by visiting EDGAR on the Securities and Exchange Commission website at

www.sec.gov. Alternatively, copies of the preliminary prospectus supplement may be obtained from Deutsche Bank Securities Inc., Attention: Prospectus Department, 60 Wall Street, New York, NY 10005, telephone: +1 800 503 4611 (with respect to the offerings of the Notes and the Common Shares), or ABG Sundal Collier Inc., 535 Madison Avenue, 17th Floor, New York, NY 10022, telephone: +1 212 605 3800 (with respect to the offering of the Notes). Before you invest, you should read the prospectus supplements and accompanying base prospectus along with other documents that the Company has filed with the Securities and Exchange Commission for more complete information about the Company and these offerings.

This announcement does not constitute an offer to sell or the solicitation of an offer to buy the Notes, common shares or any other securities, nor will there be any sale of convertible notes, common shares or any other securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

The Board of Directors

Ship Finance International Limited

Hamilton, Bermuda

About Ship Finance

Ship Finance is a leading ship-owning company with one of the largest and most diverse asset bases across the maritime and offshore industries. It is listed on the New York Stock Exchange and trades under the symbol SFL. We own and operate 62 vessels and drilling units across the tanker, drybulk, car carrier, container and offshore sectors. In the tanker and drybulk sectors we own and operate 25 crude-oil tankers, one oil/bulk/ore carrier, or OBO, 11 drybulk carriers and two chemical tankers. In the liner sector we own and operate 11 container vessels, including two chartered-in container vessels, and two car carriers, and in the offshore sector we own and operate six offshore supply vessels, one jack-up drilling rig and three ultra-deepwater drilling units.

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 worldwide 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.

Questions should be directed to:

Harald Gurvin, Chief Financial Officer, Ship Finance Management AS

+47 23 11 40 09

Magnus T. Valeberg, Senior Vice President, Ship Finance Management AS

+47 23 11 40 12

Media Contact:

Ole B. Hjertaker, Chief Executive Officer, Ship Finance Management AS

+47 23 11 40 11

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.

Date: January 24, 2013

SHIP FINANCE INTERNATIONAL LIMITED

By: /s/ Ole B. Hjertaker
Name: Ole B. Hjertaker
Title: Chief Executive Officer
Ship Finance Management AS
(*Principal Executive Officer*)