

Ship Finance International LTD
Form 6-K
October 17, 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 October 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 October 17, 2007, announcing that the Company has agreed to sell the single hull VLCC Front Duchess for net sales proceeds of \$54.5 million.

Exhibit 1

SFL – Sale of a single hull VLCC

Press release from Ship Finance International Limited October 17, 2007

Ship Finance International Limited (NYSE:SFL) (“Ship Finance” or the “Company”), today announced that it is has agreed to sell the single hull VLCC Front Duchess to an unrelated third party for net sales proceeds of \$54.5 million.

Delivery to the new owner is expected to take place in January/February 2008, and Ship Finance will receive a net amount of approximately \$29.1 million after compensation of approximately \$25.4 million to Frontline for the termination of the current charter.

At the end of January 2008 there will be \$7.2 million in loans outstanding against the vessel, and the net cash effect to Ship Finance from the transaction is estimated to be approximately \$21.9 million. The book profit is estimated to approximately \$2.6 million, and will be recognized in the first quarter of 2008.

Following this sale, and excluding one vessel previously announced sold on hire/purchase terms, Ship Finance will have only 9 single hull crude oil tankers remaining in the fleet. This is down from 18 single hull vessels in 2006. Frontline has secured profitable sub-charters for seven of the vessels, and only two are traded in the spot market.

The reduction of the single hull tanker exposure is in line with the Company’s strategy of focusing on modern assets in various shipping and offshore segments. The cash proceeds from the sale is intended to be re-invested as equity contribution in new projects.

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

Contact Persons:
Lars Solbakken: Chief Executive Officer, Ship Finance Management AS
+47 2311 4006 / +47 9119 8844

Ole B. Hjertaker: Chief Financial Officer, Ship Finance Management AS
+47 2311 4011 / +47 9014 1243

About Ship Finance

Ship Finance is a major vessel owning company listed on the New York Stock Exchange (NYSE: SFL). Including newbuildings and announced acquisitions, Ship Finance has a fleet consisting of 71 vessels, including 37 crude oil tankers (VLCC and Suezmax), 8 oil/bulk/ore vessels, 13 container vessels, 3 dry bulk carriers, 2 jack-up drilling rigs and 5 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 authorised.

Ship Finance International Limited

Dated: October 17, 2007

By /s/ Lars Solbakken

Name: Lars Solbakken

Title: Chief Executive Officer
Ship Finance Management AS

