

KNOT SHUTTLE TANKERS 30 ANNOUNCE LONG TERM CHARTER FOR ONE NEW DP2 SHUTTLE TANKER NEWBUILDING

Haugesund, Norway 13th of January 2015

KNOT Shuttle Tankers 30 AS (“**KNOT 30**”) a special purpose company ultimately controlled by the shareholders of Knutsen NYK Offshore Tankers (“**KNOT**”) today announced an agreement for a long-term time charter to an international oil company of a new DP2 suezmax shuttle tanker for delivery in the first quarter of 2017. The vessel has been ordered at Cosco Zhoushan in China and will be a sister vessel of MT Raquel Knutsen which will be delivered from the same yard shortly. Once in operation, the shuttle tanker will operate in Brazil where it will transport crude oil from offshore oil fields to terminal onshore.

KNOT which is the Sponsor of the NYSE listed Master Limited Partnership KNOT Offshore Partners (“**KNOP**”), will offer the shuttle tanker to KNOP under the terms of the Omnibus Agreement between KNOT and KNOP which stipulates that all shuttle tankers with a charter of five year or longer shall be offered by KNOT to KNOP following the charterer’s acceptance of the vessel subsequent to delivery from yard.

“We are pleased that we are off to a good start in 2015 with the further growth of our business. In 2014, KNOT significantly expanded its operated fleet by the acquisition of three shuttle tanker from J. Lauritzen and one from Mowinckel in addition in addition to placing an order for two newbuildings and two optional vessels against long-term charters. Shuttle tankers are a flexible, capital efficient and economically sound transport solution so we are optimistic that we will see further growth going forward. We currently operate 26 shuttle tankers and have four newbuildings under construction. Thirty years after we got our two first shuttle tanker contracts, we now operate thirty shuttle tankers which have a total deadweight capacity of more than 3.5m. In my view, this gives us a competitive scale in the market place.”

Mr. Trygve Seglem,
President and CEO of KNOT

ABOUT KNUTSEN NYK OFFSHORE TANKERS

Knutsen NYK Offshore Tankers is a leading shuttle tanker operator in the world with 26 shuttle tankers and one FSO in operation in addition to four newbuildings under construction. The Company is a joint venture by TS Shipping Invest and NYK Group. TS Shipping Invest is owned by CEO Trygve Seglem and his family. The Company is headquartered in Haugesund, Norway.

