

SHIP FINANCE INTERNATIONAL LIMITED
NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS
SEPTEMBER 25, 2009

NOTICE IS HEREBY given that the Annual General Meeting of the Shareholders of Ship Finance International Limited (the "Company") will be held on September 25, 2009 at 12:00 noon at the Elbow Beach Hotel, 60 South Shore Road, Paget PG04, Bermuda for the following purposes, all of which are more completely set forth in the accompanying information statement:

1. To receive and adopt the consolidated financial statements of the Company for the year ended December 31, 2008.
2. To set the maximum number of Directors to be not more than eight.
3. To resolve that vacancies in the number of Directors be designated casual vacancies and that the Board of Directors be authorised to fill such casual vacancies as and when it deems fit.
4. To re-elect Paul Leand Jr. as a Director of the Company.
5. To re-elect Kate Blankenship as a Director of the Company.
6. To re-elect Craig H. Stevenson Jr. as a Director of the Company.
7. To re-elect Hans Petter Aas as a Director of the Company.
8. To re-elect Cecilie Fredriksen as a Director of the Company.
9. To appoint Moore Stephens, P.C. as auditors and to authorise the Directors to determine their remuneration.
10. To approve the remuneration of the Company's Board of Directors of a total amount of fees not to exceed US\$750,000 for the year ended December 31, 2009.
11. To reduce the share premium account of the Company from US\$2,194,000.00 to nil, and to credit the amount resulting from the reduction to the Company's Contributed Surplus account, with immediate effect.
12. To transact other such business as may properly come before the meeting or any adjournment thereof.

By Order of the Board of Directors

Georgina Sousa
Secretary

Dated: August 3, 2009

Notes:

1. *The Board of Directors has fixed the close of business on July 17, 2009, as the record date for the determination of the shareholders entitled to attend and vote at the Annual General Meeting or any adjournment thereof.*
2. *No Shareholder shall be entitled to attend unless written notice of the intention to attend and vote in person or by proxy, together with the power of attorney or other authority (if any) under which it is signed, or a notarially-certified copy of that power of attorney, is sent to the Company Secretary, to reach the Registered Office by not later than 48 hours before the time for holding the meeting.*

3. *Each of the resolutions set out above is an Ordinary Resolution, approval of which will require the affirmative vote of a majority of the votes cast.*
4. *A Form of Proxy is enclosed for use by holders of shares held through the United Kingdom and Norway registers in connection with the business set out above.*
5. *Shareholders whose shares are held on the United Kingdom and Norwegian VPS share registers may view the Company's audited financial statements included in its Annual Report on Form 20-F on its website, www.shipfinance.org*

The following information is applicable to holders of shares registered in the United States only:

We are also pleased to take advantage of the Securities and Exchange Commission rule allowing companies to furnish proxy materials to their shareholders via the internet. We believe that this new e-proxy process will expedite shareholders' receipt of proxy materials and lower the costs and reduce the environmental impact of our Annual General Meeting. Accordingly, we have mailed to our shareholders of record and beneficial owners a Notice of Internet Availability of Proxy Materials containing instructions on how to access the attached proxy statement and our Annual Report on Form 20-F via the Internet and how to vote online.

YOUR VOTE IS IMPORTANT. PLEASE VOTE YOUR SHARES PROMPTLY. TO VOTE YOUR SHARES, IF YOU ARE A SHAREHOLDER REGISTERED IN THE UNITED STATES YOU CAN USE THE INTERNET AS DESCRIBED IN THE NOTICE OF INTERNET AVAILABILITY OF PROXY MATERIALS, IN THE ATTACHED PROXY STATEMENT AND ON YOUR PROXY CARD; OR COMPLETE, SIGN AND DATE YOUR PROXY CARD AND RETURN YOUR PROXY CARD BY MAIL.

INFORMATION CONCERNING SOLICITATION AND VOTING FOR THE ANNUAL GENERAL MEETING OF SHAREHOLDERS (THE "MEETING") OF SHIP FINANCE INTERNATIONAL LIMITED TO BE HELD ON SEPTEMBER 25, 2009

PRESENTATION OF FINANCIAL STATEMENTS

In accordance with Section 84 of the Bermuda Companies Act 1981, the audited consolidated financial statements of the Company for the year ended December 31, 2008 will be presented at the Meeting. These statements have been approved by the Directors of the Company. There is no requirement under Bermuda law that such statements be approved by shareholders, and no such approval will be sought at the Meeting.

The Company's audited consolidated financial statements contained in our Annual Report on Form 20-F are available on our website at www.shipfinance.org. Shareholders can request a hard copy free of charge upon request by writing to us at: PO Box HM 1593, Par-la-Ville Place, 14 Par-la-Ville Road, Hamilton HM 08 Bermuda, or send an e-mail to: ir@shipfinance.no. The audited consolidated financial statements of the Company for the year ended December 31, 2008 have been provided to shareholders whose shares are registered in the United States online as described above in the Notice.

COMPANY PROPOSALS

PROPOSALS 1 AND 2 – INCREASE IN THE MAXIMUM NUMBER OF DIRECTORS AND VACANCIES IN THE NUMBER OF DIRECTORS

The current maximum number of directors is six. In accordance with the provisions of bye-law 82., it is proposed to increase this to a maximum of eight. It is further proposed, in accordance with bye-law 82., that vacancies in the number of Directors be designated casual vacancies and that the Board of Directors be authorised to fill such casual vacancies as and when it deems fit. Any Director appointed to fill such a casual vacancy shall hold office until the next Annual General Meeting following his or her election or until his or her successor is elected.

At the Meeting, the Board will ask the Shareholders to approve setting the maximum number of Directors to be not more than eight in order to permit the future appointment of additional Directors at the discretion of the Board.

PROPOSALS 3, 4, 5, 6 and 7 - ELECTION OF DIRECTORS

The Board has nominated the five persons listed below for selection as Directors of the Company. All nominees are presently members of the Board of Directors. Mr. Leand, Mrs. Blankenship, Mr. Stevenson, and Mr. Aas, who will constitute a majority of the Board if elected, meet the independence standards for directors established by the New York Stock Exchange and the United States Securities and Exchange Commission.

As provided in the Company's Bye-laws, each Director is elected at each Annual General Meeting of Shareholders and shall hold office until the next Annual General Meeting following his election or until his successor is elected.

Nominees For Election To The Company's Board Of Directors

Information concerning the nominees for Directors of the Company is set forth below:

<u>Name</u>	<u>Age</u>	<u>Director Since</u>	<u>Current Position with the Company</u>
Paul Leand Jr.	43	2003	Director
Kate Blankenship	44	2003	Director and Chairperson of the Audit Committee

Craig H. Stevenson Jr.	55	2007	Director and Member of the Audit Committee
Hans Petter Aas	63	2008	Director and Chairman of the Board
Cecilie A. Fredriksen	25	2008	Director

Paul Leand Jr. has served as a director of the Company since 2003. Mr. Leand is the Chief Executive Officer and Director of AMA Capital Partners LLC, or AMA, an investment bank specializing in the maritime industry. From 1989 to 1998 Mr. Leand served at the First National Bank of Maryland where he managed the Bank's Railroad Division and its International Maritime Division. He has worked extensively in the U.S. capital markets in connection with AMA's restructuring and mergers and acquisitions practices. Mr. Leand serves as a member of American Marine Credit LLC's Credit Committee and served as a member of the Investment Committee of AMA Shipping Fund I, a private equity fund formed and managed by AMA.

Kate Blankenship has served as a director of the Company since October 2003. Mrs. Blankenship served as the Company's Chief Accounting Officer and Company Secretary from October 2003 to October 2005. Mrs. Blankenship has been a director of Frontline Ltd. since August 2003, a director of Golar LNG Limited since 2003, a director of Golden Ocean Group Limited since October 2004, a director of Seadrill Limited since May 2005 and a director of Seawell Limited since September 2007.

Craig H. Stevenson Jr. has served as a director of the Company since September, 2007 and was Chairman of the Board until January, 2009. He has had a long career as a senior executive of several companies including Chairman of the Board and Chief Executive Officer of OMI Corporation (OMI-a NYSE listed shipping company) from 1998 to 2007, when he left following the acquisition of OMI by Teekay Shipping Corporation and A/S Dampskibsselskabet Torm. He is currently the CEO of Diamond S Management.

Hans Petter Aas has served as a director of the Company since September, 2008 and as Chairman of the Board since January 2009. Mr. Aas has had a long career as a banker in the international shipping and offshore markets, and retired from his position as Global Head of the Shipping, Offshore and Logistics Division of DnB NOR Bank in August, 2008. He joined DnB NOR (then Bergen Bank) in 1989 and has previously worked for the Petroleum Division of the Norwegian Ministry of Industry and the Ministry of Energy, as well as for Vesta Insurance and Nevi Finance. Mr. Aas is also a director of Golar LNG Limited and Knightsbridge Tankers Ltd.

Cecilie Astrup Fredriksen has served as a director of the Company since November, 2008. Ms. Fredriksen is the daughter of Mr John Fredriksen and is currently employed by Frontline Corporate Services in London and serves as a director on several boards including Aktiv Kapital ASA, Golden Ocean Group Limited and Seawell Limited. Ms. Fredriksen received a BA in Business and Spanish from the London Metropolitan University in 2006.

PROPOSAL 8 - APPOINTMENT OF INDEPENDENT AUDITORS

At the Meeting, the Board will ask the shareholders to approve the appointment of Moore Stephens, P.C. as the Company's independent auditors and to authorise the Board of Directors to determine the auditors' remuneration.

Audit services provided by Moore Stephens, P.C. in fiscal year 2008 included the examination by Moore Stephens, P.C. of the consolidated financial statements of the Company and its subsidiaries. All services rendered by the independent auditors are subject to pre-approval and review by the Audit Committee.

PROPOSAL 9 – TO APPROVE DIRECTORS' FEES

At the Meeting, the Board will ask that shareholders to approve the remuneration of the Company's Board of Directors of a total amount of fees not to exceed US\$750,000 for the year ended December 31, 2009.

PROPOSAL 10 – REDUCTION IN THE SHARE PREMIUM ACCOUNT

At the Meeting, the Board will ask the shareholders to ratify and approve a reduction in the Company's Share Premium account (referred to as Additional Paid in Capital in the financial statements of the Company) and to credit the amount resulting from this reduction to the Company's Contributed Surplus account. The Share Premium account is the amount of share capital which exceeds the aggregate par value of the Company's outstanding Ordinary Shares of par value \$1.00 each. The purpose of this proposal is primarily to increase the ability of the Company to declare and distribute dividends to its shareholders.

The Company's policy is to pay dividends with the timing and amount being at the discretion of the Board of Directors and depending upon the Company's operational results, financial condition, cash requirements, restrictions in financing arrangements and other relevant factors.

Under Bermuda law a company cannot pay dividends from share premium. In addition, Bermuda law provides that a company may not declare or pay a dividend, or make a distribution out of contributed surplus if there are reasonable grounds for believing that (a) the company is, or would after the payment, be unable to pay its liabilities as they become due; or (b) the realizable value of the company's assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.

It is possible that in the future, the Company's ability to pay dividends by way of cash earnings and/or share distributions will exceed its retained earnings and contributed capital surplus. The Board of Directors have therefore put forward this proposal to transfer the entire balance of the Share Premium (Additional Paid in Capital) account at December 31, 2008 of US\$2,194,000.00 to the Contributed Capital Surplus account at December 31, 2009. This will enable the Board of Directors to declare dividends as long as the Company is solvent and the realisable value of its assets exceeds its liabilities and issued share capital.

Under Bermuda law, the Company if authorized in a general meeting may, subject to any order made by the Minister of Finance of Bermuda and to its Memorandum of Association and Bye-Laws, either with or without extinguishing or reducing the liability of any of its shares and either with or without reducing the number of shares, reduce any paid up capital that is in excess of the requirements of the Company. The Company's Bye-laws provide that subject to the Bermuda Companies Act 1981 (the "Companies Act"), the Company may by Resolution authorize the reduction of its issued share capital or any Share Premium or contributed surplus account in any manner whatsoever.

The Company is required, in order to effectuate such reduction, (a) not more than 30 days and not less than 15 days before the meeting to cause a notice to be published in an appointed newspaper (which notice has been published) stating the amount of the share capital as last previously determined by the Company, the amount to which the share capital is to be reduced, and the date as from which the reduction is to be recorded, and the date as from which the reduction is to have effect; and (b) on the date as from which the reduction is to have effect, an affidavit shall be sworn by at least two directors of the Company declaring either that on that date the Company is solvent or that all the creditors of the Company on that date have expressed in writing their concurrence in the reduction.

Within 30 days after the date such reduction of the paid up share capital is effective, the Company, as required by Bermuda law, will file a memorandum, with a copy of the notice and the affidavit referred to above annexed thereto, in the office of the Bermuda Registrar of Companies (the "Registrar"), notifying the Registrar of compliance with the Companies Act.

OTHER BUSINESS

Management knows of no business that will be presented for consideration at the Annual General Meeting other than that stated in the Notice of Annual General Meeting. Should any additional matters come before the Annual General Meeting, it is intended that proxies in the accompanying form will be voted in accordance with the judgement of the person or persons named in the proxy.

By Order of the Board of Directors

Georgina Sousa
Secretary

August 3, 2009
Hamilton, Bermuda