

FOR IMMEDIATE RELEASE

VT HALTER MARINE WINS SECOND CONTRACT FROM OSG SHIP MANAGEMENT

These Articulated Tug Barges Are The Largest To Be Built By The Yard

Pascagoula, 23 September 2009 – VT Halter Marine, a company of VT Systems, announced today that it has been awarded a second contract from OSG Ship Management, Inc. (OSG) to undertake the outfitting and commissioning of a 350,000 barrel articulated tug barge unit (ATB). Work for this ATB will commence in November 2009 and is expected to complete by mid 2010. VT Halter Marine was contracted in April this year by OSG to undertake similar work on another 350,000 barrel ATB, expected to be delivered by the end of this year.

Measuring 199.65 meters by 32 meters, these ATBs will be the largest ever built by VT Halter Marine. These state-of-the-art ATBs will be used to perform lightering services and will be equipped with specialized equipment to meet stringent vapor balancing regulations in the Delaware Bay, where the vessels will trade.

VT Halter Marine is one of the leading designers and builders of double-hulled integrated tug/barge units for compliance with the Oil Pollution Act of 1990 in the US. The company has delivered in excess of nine ATBs to various customers over the last three years.

“Delivering these vessels to an important customer is a top priority for OSG. We selected VT Halter Marine due to their experience in constructing similar types of ships and the Company’s high quality of operations, which extends to the quality of vessels they have built, the skills and experience of the shipyard workers and management’s commitment to working with us on this high profile project. OSG is proud to count VT Halter Marine as a partner in our ATB completion program.”

**~ Capt. Robert JOHNSTON
Sr. Vice President, OSG Ship Management, Inc.
Head of OSG U.S. Flag Division**

“VT Halter Marine is honored to be selected by OSG to complete this second ATB. We value the trust that OSG has invested in our shipbuilding capabilities. This new contract is an indication of the continuing strong relationships between our companies.”

**~ Bill SKINNER
CEO, VT Halter Marine**

Overseas Shipholding Group, Inc. (OSG) is a Dow Jones Transportation Index company, one of the largest publicly traded tanker companies in the world. As a market leader in global energy transportation services for crude oil, petroleum products and gas in the U.S. and International Flag markets, OSG is committed to setting high standards of excellence for its quality, safety and environmental programs. OSG is recognized as one of the world's most customer-focused marine transportation companies and is headquartered in New York City, NY. More information is available at www.osg.com.

VT Halter Marine (VT Halter Marine Inc) is the marine operations of VT Systems. Based in Pascagoula, Miss., it is a leader in the design and construction of medium-sized ships in the United States. VT Halter Marine designs, builds and repairs a wide variety of ocean-going vessels such as patrol vessels, oil recovery vessels, oil cargo vessels, ferries, logistic support vessels and survey vessels. Please visit www.vthaltermarine.com.

VT Systems and its subsidiaries are preferred providers of engineering solutions, products integrated systems, and services in the Americas across the core business areas of marine, aerospace, electronics and land systems. Headquartered in Alexandria, Virginia, VT Systems operates around the globe and offers a broad range of proven innovative services to both the commercial and government sectors. VT Systems is a wholly owned subsidiary of Singapore Technologies Engineering Ltd. Please visit www.vt-systems.com.

Media Contacts: Sarah Thuman
Manager, Corporate Communications
VT Systems
Phone: 703.739.2610
Fax: 703.739.2611
Email: sthuman@vt-systems.com

Leslie Rose
VT Halter Marine
Phone: 228.696.6860
Fax: 228.696.6834
Email: corporatecommunications@vthm.com