



**Stolt Offshore S.A. Receives Letter of Intent
for Tyrihans Development Project Valued at ca. \$90 million**

London, England – January 26, 2006 - Stolt Offshore S.A. (NASDAQ NM: SOSA; Oslo Stock Exchange: STO), today announces that it has received a Letter of Intent for a contract valued at approximately \$90 million from Statoil ASA for pipeline installation on the Tyrihans oil and gas field development project in the Norwegian Sector of the North Sea.

The scope of work includes installation of a 16”/18” diameter production pipeline, 43 km in length from the Tyrihans field to the Kristin platform, together with a 10” gas injection pipeline, 42 km in length from Åsgard B to the Tyrihans field. The work will be performed in the summer of 2007, with mobilisation expected in May 2007, and will use the *LB200* trunkline laybarge, following the completion of two full seasons of work on the Langed Project in 2005 and 2006.

Øyvind Mikaelson, Vice President, Northern Europe and Canada region, said, “We are delighted to receive this Letter of Intent from Statoil ASA at such an early stage in the development of the Tyrihans project, due on line in July 2009. While the Tyrihans production pipeline represents one of the most challenging pipeline projects undertaken to date with the conventional S-Lay technique, the *LB200* has characteristics ideally suited to this project. This contract award demonstrates the continued high demand for Stolt Offshore’s services and expertise in subsea engineering and construction, as well as the unique positioning of the *LB200* for large challenging pipeline projects in difficult environments.”

Stolt Offshore S.A. is a seabed-to-surface engineering and construction contractor for the offshore oil and gas industry worldwide. We plan, design and deliver complex, integrated projects in harsh and challenging environments. We operate internationally as one group – globally aware and locally sensitive, sharing our expertise and experience to create innovative solutions. We are more than solution providers, we are solution partners – ready to make long-term investments in our people, assets, know-how and relationships in support of our clients.

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