

## **FIRST SHIP LEASE TRUST**

(A BUSINESS TRUST CONSTITUTED ON 19 MARCH 2007 UNDER  
THE LAWS OF THE REPUBLIC OF SINGAPORE)

MANAGED BY

### **FSL TRUST MANAGEMENT PTE. LTD.**

(INCORPORATED IN THE REPUBLIC OF SINGAPORE)  
COMPANY REGISTRATION NUMBER 200702265R  
(AS TRUSTEE-MANAGER OF FIRST SHIP LEASE TRUST)

### **EVENT AFTER BALANCE SHEET DATE**

FSL Trust Management Pte Ltd (“FSLTM”), Trustee-Manager of First Ship Lease Trust (“FSL Trust”) refers to the unaudited financial statements for the fourth quarter and year ended 31 December 2011 as announced on 19 January 2012 and the announcement<sup>1</sup> made on 7 February 2012. FSLTM wishes to provide information on the adjustments to the said financial statements following a post-balance sheet event.

Subsequent to 19 January 2012 and before the issue of the audited financial statements, three wholly-owned subsidiaries of PT Berlian Laju Tanker Tbk (“BLT”), lessees of chemical tankers ‘Pertiwi’, ‘Pujawati’ and ‘Prita Dewi’, defaulted on their February 2012 lease payments under their respective lease agreements.

The press release issued by BLT dated 26 January 2012<sup>2</sup> attributed the default to *“the global economic slowdown combined with the rapid global fleet growth of the past few years resulted in lower freight rates, which combined with higher bunker fuel costs as well as other operating costs have significantly impacted the Company’s business and financial position... the Company has decided to temporarily cease repayments on all of the Company’s bank loans and bonds and payments on ship leases and on similar obligations of its other subsidiaries...”*.

The lease defaults resulted in an aggregate impairment charge of US\$22,117,000. As the defaults provided evidence of conditions existing as at 31 December 2011,

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<sup>1</sup> Press Release: “BLT subsidiaries default on lease obligations”, dated 7 February 2012

<sup>2</sup> Press Release issued by BLT: “Debt restructuring and debt standstill”, dated 26 January 2012

the financial statements for the year ended 31 December 2011 were adjusted to take into account the impairment charge in accordance with IAS 10<sup>3</sup>.

The amendments are as follows:-

Key financial captions	Announced on 19 Jan 2012 (unaudited)	Announced on 29 Feb 2012 (audited)
	US\$'000	US\$'000
<b>Statement of financial position as at 31 December 2011</b>		
Vessels	806,813	784,696
Total assets	844,532	822,415
Total liabilities	497,436	497,436
Total equity	347,096	324,979
<b>Consolidated income statement for year ended 31 December 2011</b>		
Revenue	110,714	110,714
Impairment loss on vessels	-	(22,117)
Profit or loss before income tax	5,051	(17,066)
Basic and diluted earnings per unit (US cents)	0.80	(2.72)
Net tangible assets per unit (US\$)	0.53	0.50

Please refer to the audited financial statements of FSL Trust for the year ended 31 December 2011 (issued on 29 February 2012) for more information.

By Order of the Board

Cheong Chee Tham  
Senior Vice President & Chief Financial Officer  
29 February 2012

<sup>3</sup> The International Accounting Standards (IAS) 10 "Events after the balance sheet date", states:

"3. The following terms are used in this Standard with the meanings specified:

Events after the balance sheet date are those events, favourable and unfavourable, that occur between the balance sheet date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- (a) those that provide evidence of conditions that existed at the balance sheet date (adjusting events after the balance sheet date); and
- (b) those that are indicative of conditions that arose after the balance sheet date (non-adjusting events after the balance sheet date)."

"8. An entity shall adjust the amounts recognised in its financial statements to reflect adjusting events after the balance sheet date."