



First Ship Lease Trust

4Q FY10 and FY2010 Results Presentation



FSL Trust Management Pte. Ltd.
as Trustee-Manager for FSL Trust

www.FSLTrust.com

19 January 2011

Disclaimer

Certain statements in this presentation may constitute forward-looking statements. Forward-looking statements include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts. The words “believe”, “anticipate”, “intend”, “estimate”, “forecast”, “project”, “plan”, “potential”, “may”, “should”, “expect”, “pending”, and similar expressions identify forward-looking statements.

Forward-looking statements also include statements about our future growth prospects. Forward-looking statements involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding our earnings, our ability to manage concentration and lessee credit risks, our ability to lease out or dispose vessels, our ability to implement our investment strategy, our dependence on credit facilities and new equity from capital markets to execute our investment strategy, the possibility of insufficient insurance to cover losses from inherent operational risks in the industry, lower lease rates from older vessels, our dependence on key personnel, FSL Holdings Pte. Ltd.’s controlling stake in the First Ship Lease Trust (“FSL Trust”), our short operating history, the lack of historical financial history for the Trust, the risk of government requisitions during periods of emergency or war, the possibility of pirate or terrorist attacks, competition in the industry, political instability where the vessels are flagged or operate, and the cyclical nature of the industry and fluctuations in vessel values. For further information, please see the documents and reports that we file with the Singapore Stock Exchange.

FSL Trust may, from time to time, make additional written and oral forward-looking statements, including our reports to unitholders. We do not undertake to update any forward-looking statements that may be made from time to time by or on behalf of FSL Trust.

FY2010 Results Highlights

Philip Clausius

Chief Executive Officer

FSL Trust Management

Annualised Yield @ 10.2%* on 4Q DPU

- Maintains distribution at **US 0.95¢** per unit for 4Q FY10.
- FY2010 loss mainly due to decline in bareboat rental and impairment charge from the vessel redelivery in 2QFY10.

Financial Highlights	FY2010 US\$'000	FY2009 US\$'000	Change
Revenue	100,494	98,768	1.7%
(Loss) / Profit the year	(5,699)	8,423	Not meaningful
Net cash from operations	60,479	67,855	(10.9)%
Net Distributable Amount	26,042	41,975	(38.0)%
Amount to be distributed	26,042	41,978	(38.0)%
Distribution per unit for the period (US cts)	4.35	7.90	(45.0)%

Cash generation remains healthy

* Based on FSL Trust closing price of S\$0.475 per unit on 19 January 2011 and as exchange rate of US\$1.00 = S\$1.28

Tough times, Steady hands

- FSL Trust has maintained 15th consecutive quarterly DPU payments since its IPO in March 2007.
- The 21 long-term bareboat leases continue to generate stable and predictable lease revenue.
- The lease portfolio has **US\$597 million*** revenue backlog with an average remaining lease term of **7.2 years***.
- '*FSL Hamburg*' and '*FSL Singapore*' continue to be deployed in the product tanker spot market in the near-term.
 - Both vessels have completed their scheduled dry-dockings; they are capable of carrying clean products and hence have wider employment options.

* As at 31 December 2010, based on 21 ships on long-term bareboat charters, excluding extension and early buyout options

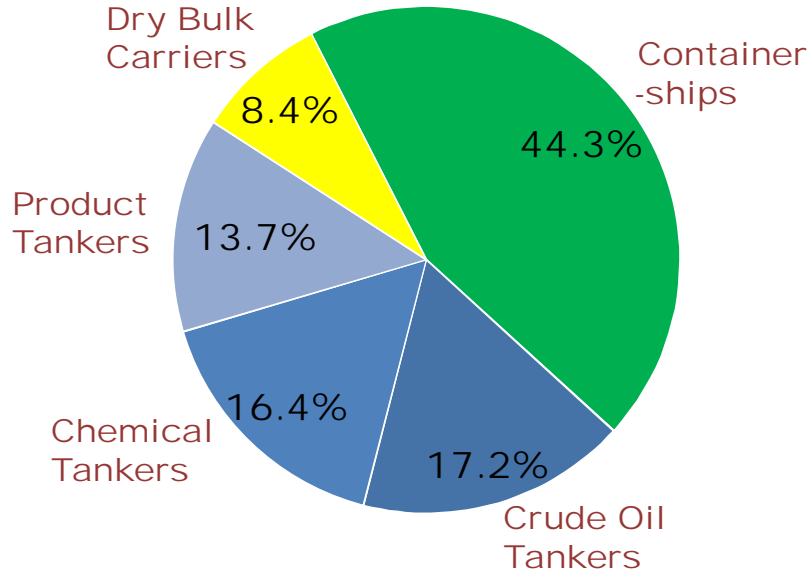
Focus on long-term bareboat charter

- **Bareboat charter business remains solid**
 - Long-term bareboat leases in portfolio continues to generate predictable cashflow that underpins regular distributions to unitholders.
 - All 21 bareboat leases are structured with recourse to substantive entities of the respective lessees.
- FSLTM will explore various mid-to-long term employment options for '*FSL Hamburg*' and '*FSL Singapore*' as the tanker market improves.

Diversified charterer base

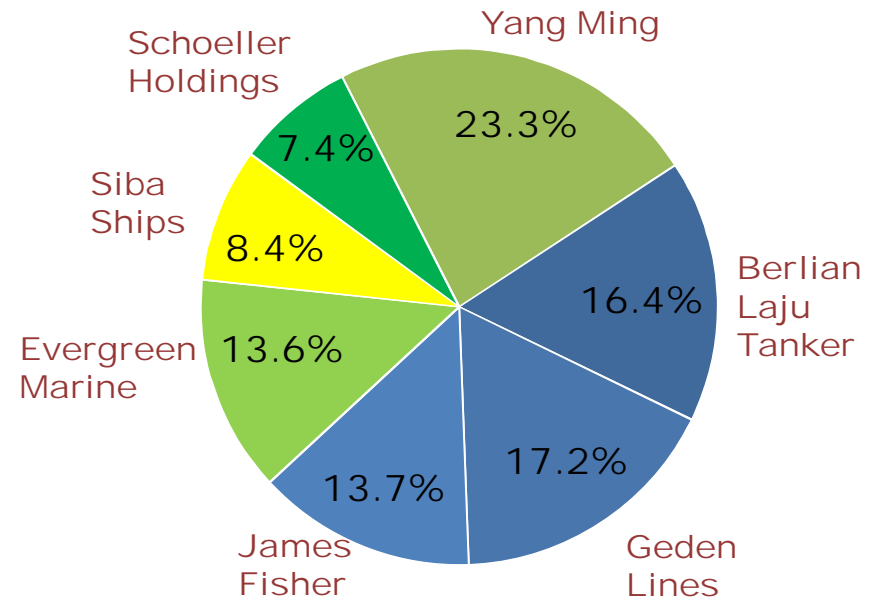
Lease Revenue* by Vessel Type

(for 21 vessels on bareboat charters)



Lease Revenue* by Charterer

(for 21 vessels on bareboat charters)

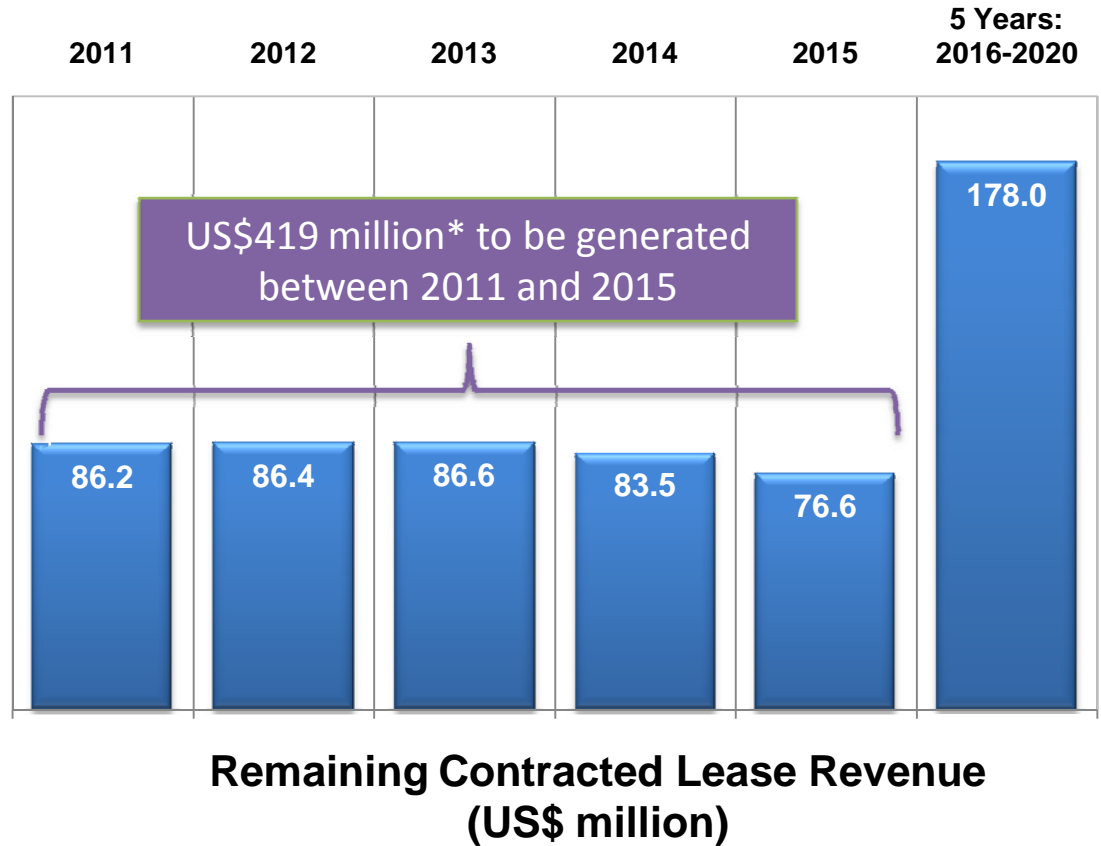


* Based on annualised bareboat lease revenue of US\$86 million, which assumes the daily lease rate from the two vessels leased to Geden Lines are fixed at US\$20,335 per vessel

Substantial contracted revenue backlog

US\$597 million*

Total remaining contracted revenue to be generated between 2011 and 2020

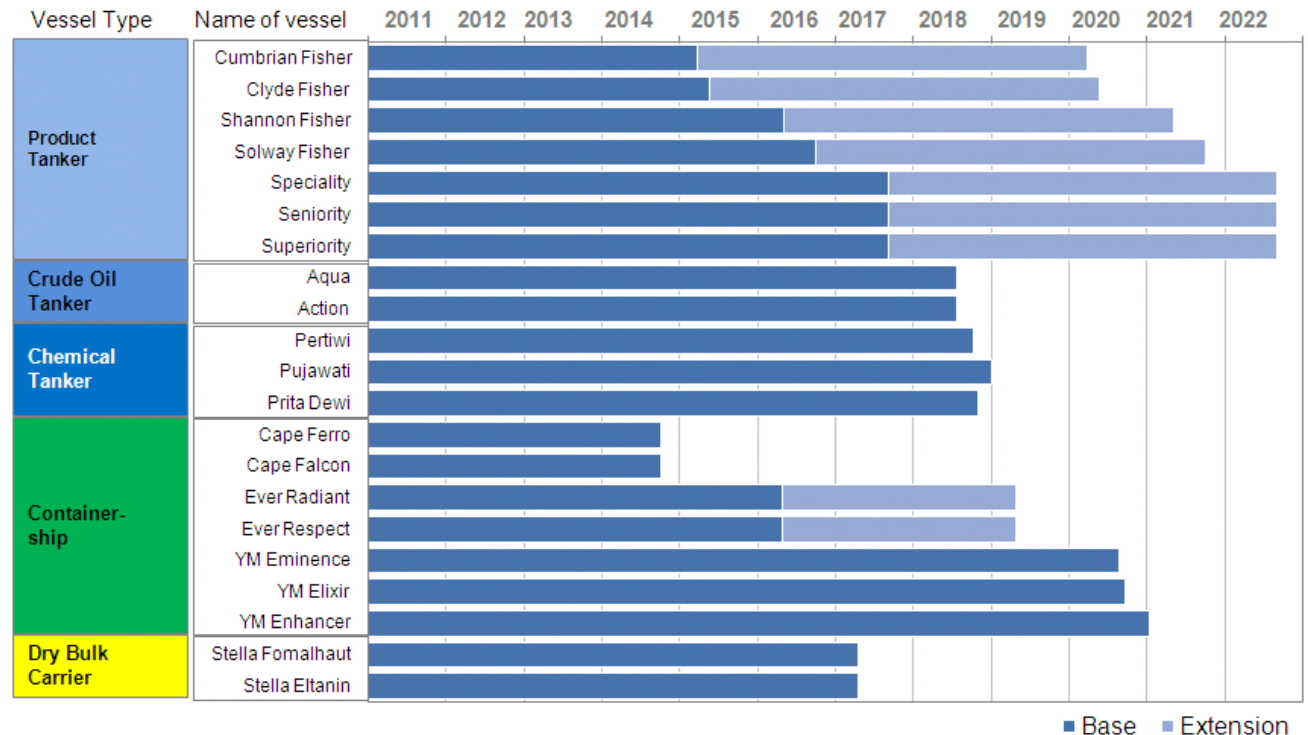


* As at 31 December 2010, based on 21 ships on long-term bareboat charters, excluding extension and early buyout options

Healthy charter coverage

7.2 years*
Weighted average
remaining lease term

Earliest lease maturity in June 2014



* As at 31 December 2010, based on the 21 ships on long-term bareboat charter and on a dollar-weighted average basis by net book value. Excludes extension and early-buyout options

Good growth opportunities in rapidly expanding Asia

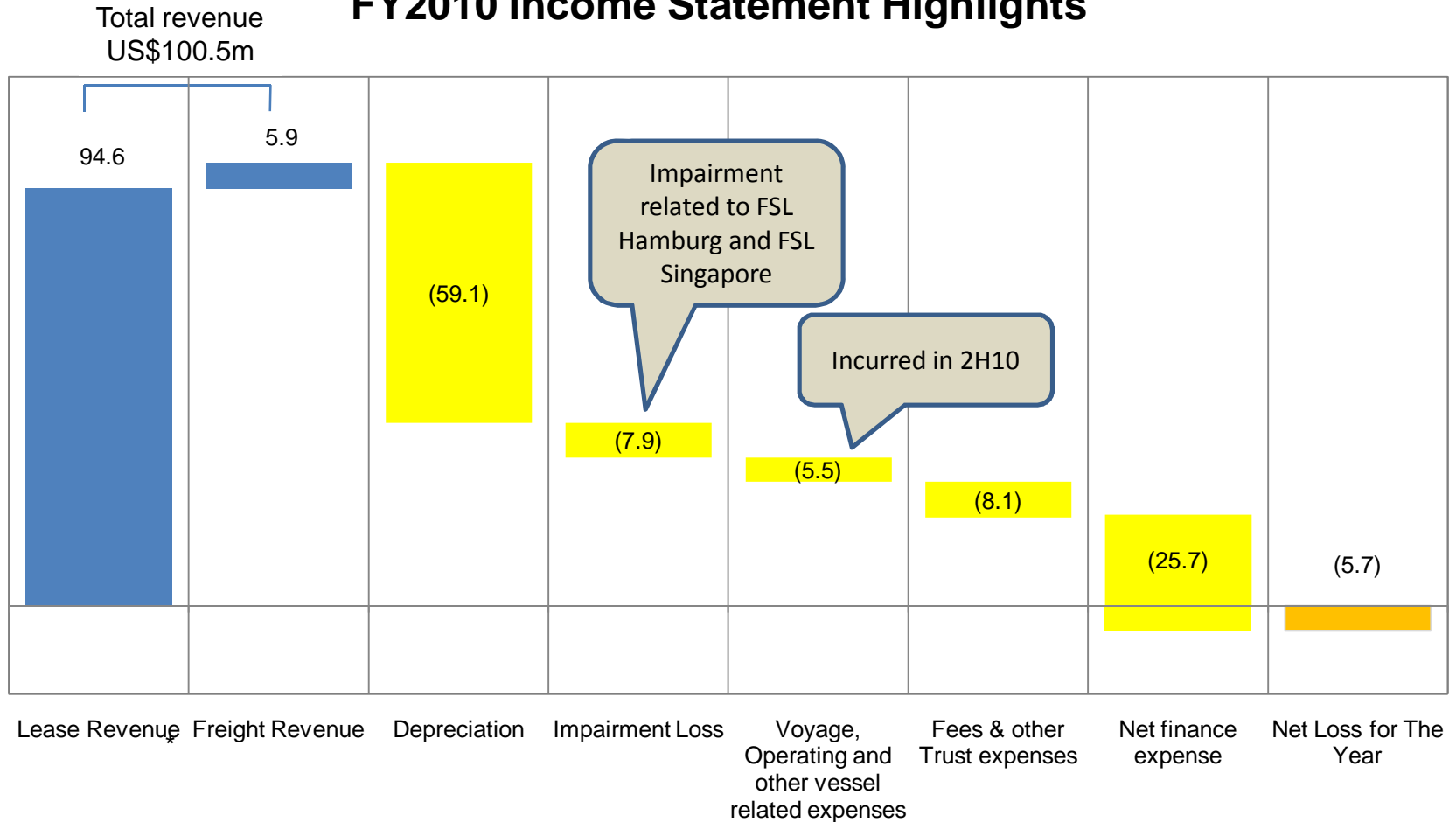
- Leases in our portfolio expected to continue to perform and generate predictable long-term cash flow that supports regular distributions to unitholders.
- Year 2011 will continue to pose challenges such as oversupply of new ship capacity and uncertainties in the growth of global trade and the economy.
- We see pockets of good opportunities to expand our portfolio and grow our long-term recurrent revenue base.
- FSL Trust is well-positioned to tap the growth momentum in rapidly expanding Asia.

Financial Highlights

Cheong Chee Tham
Chief Financial Officer
FSL Trust Management

Long-term bareboat charters remain the business driver

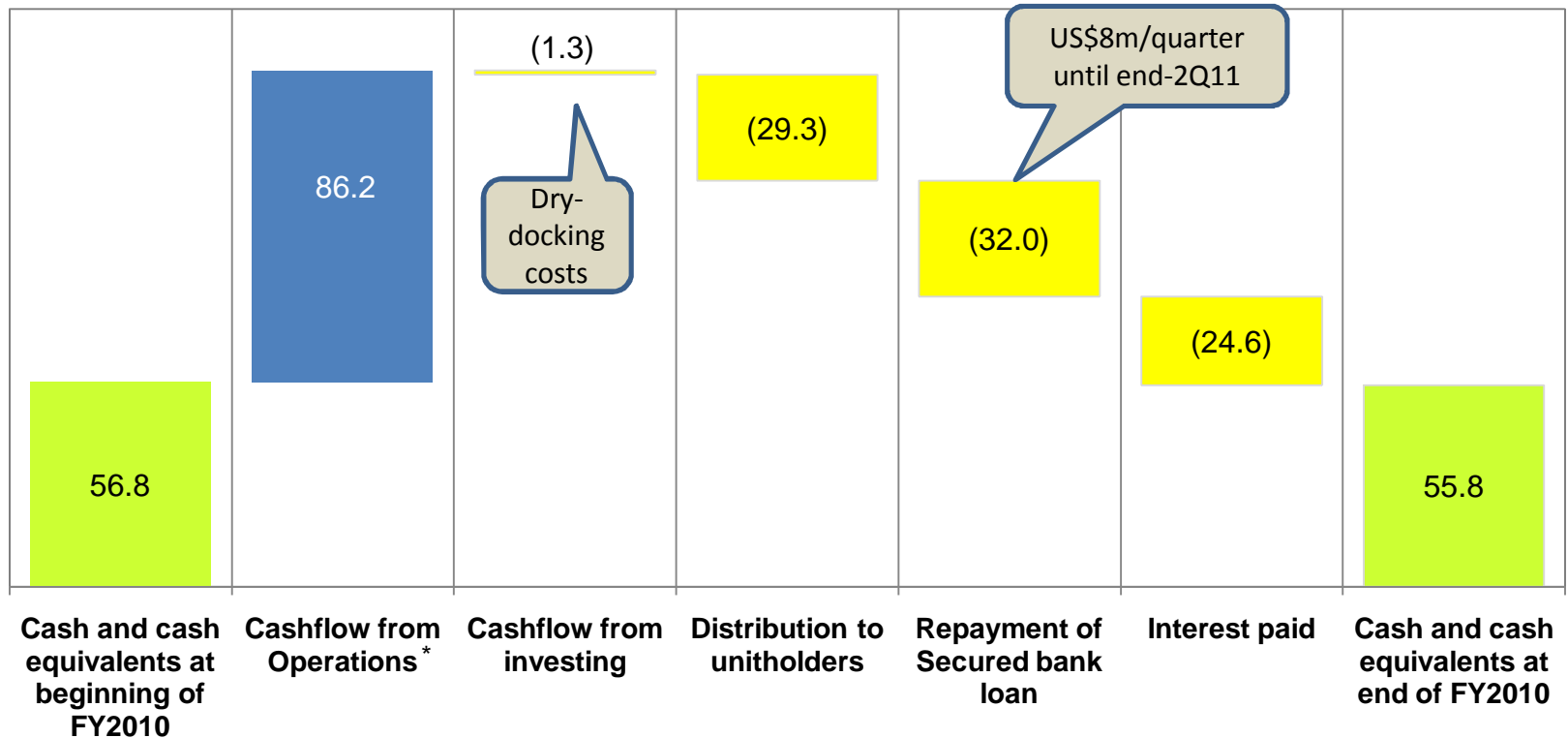
FY2010 Income Statement Highlights



* Lease revenue includes one-time US\$6m cash pursuant to vessel redelivery

Cash generation from operations remains healthy

FY2010 Cashflow Highlights (US\$ million)



* After changes in working capital

Financial position remains sound with healthy cash balance

- No loan tranche maturity until April 2012
- No outstanding orderbook that requires additional funding
- Full compliance with loan covenants

In US\$ million except otherwise stated	As at 31 Dec 2010	As at 31 Dec 2009
Total Assets	836.0	903.2
Total Liabilities	493.6	522.5
Total Unitholders' Equity	342.4	380.7
Total outstanding secured bank loan	460.3*	492.3
Total cash and cash equivalents	55.8	56.8
Net Asset Value per unit (US\$)	0.57	0.64

Progressive paring down of outstanding secured debt through loan amortization

* The total outstanding secured debt was further reduced to US\$453.1 million after a loan repayment on 4 January 2011.

Thank You!
Q & A