



FSL Trust Management Pte. Ltd.

as Trustee Manager for First Ship Lease Trust

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For Immediate Release

FSL TRUST COMPLETES ACQUISITION OF YM ENHANCER

- **Vessel concurrently leased back to Yang Ming for 12 years**
- **Revised 4Q08 DPU guidance of 3.08 US cents**
- **1Q09 DPU guidance of 3.17 US cents**

Singapore, 9 October 2008 – FSL Trust Management Pte. Ltd. (“FSLTM”), Trustee-Manager of First Ship Lease Trust (“FSL Trust”), announced today that it has completed the acquisition of the third and final Yang Ming vessel, YM Enhancer, from a wholly owned subsidiary of Taiwan-based and -listed Yang Ming Marine Transport Corporation (“YML”). YM Enhancer, a 4,250 TEU containership, has been concurrently leased back to YML for 12 years with a purchase option for YML at the end of the lease term.

As previously announced on 12 May 2008, YM Enhancer was part of a three container vessel transaction that FSL Trust had entered into for a total consideration of US\$210 million. The acquisition of the first two vessels, YM Eminence and YM Elixir, was completed on 20 May 2008 and 16 June 2008 respectively.

The acquisition of YM Enhancer is fully funded by FSL Trust's recently announced US\$65 million revolving credit facility and the existing US\$200 million revolving credit facility. FSL Trust has hedged its interest rate risk through interest rate swaps to fix the interest rate until the maturity of the facilities.

The acquisition of YM Enhancer will be accretive to FSL Trust's distribution per unit (“DPU”) from 4Q08 onwards. FSLTM has provided today, a revised DPU guidance of 3.08 US cents for 4Q08, which is lower than the previously announced 3.11 US cents⁽¹⁾. The full impact of this acquisition will be reflected in 1Q09, for which the DPU guidance is 3.17 US cents.

Note:

- DPU guidances for 4Q 2008 and 1Q 2009 are based on projected total outstanding units of 501,270,000 and 502,507,000 for 4Q 2008 and 1Q 2009 respectively, assuming that the Trustee-Manager opts to receive the incentive fees for 3Q 2008 and 4Q 2008 in units in lieu of cash.

(1) Please see News Release dated 9 October 2008 entitled “FSL Trust revises 4Q08 DPU guidance down to 3.08 US cents on higher interest expense”

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About First Ship Lease Trust (“FSL Trust”)

First Ship Lease Trust (Reuters: FSLT.SI; Bloomberg: FSLT SP) is a provider of leasing services on a bareboat charter basis to the international shipping industry. FSL Trust has a diversified portfolio of 23 modern and high quality vessels, consisting of seven containerships, nine product tankers, three chemical tankers, two dry bulk carriers and two crude oil tankers. These vessels have an average age of approximately 3.5 years[^], and an average remaining lease period of approximately 8.9 years[^] (excluding extension periods and early buy-out options).

FSL Trust is listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”) and is managed by FSL Trust Management Pte. Ltd. (“FSLTM”), the Trustee-Manager. FSLTM is focused on growing the vessel portfolio of FSL Trust through accretive acquisitions with long-term bareboat charters. More details on FSL Trust are available at www.firstshipleasetrust.com.

[^] Dollar weighted average as at 30 Sep 2008

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This news release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies, changes in operating expenses, trust expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management on future events.

The initial public offering of units of First Ship Lease Trust (the “Offering”) commenced on 19 March 2007 and closed on 22 March 2007. In the Offering, Deutsche Bank AG, Singapore Branch was the Sole Global Co-ordinator, Joint Lead Manager and Joint Bookrunner, and J.P. Morgan (S.E.A.) Limited was the Joint Lead Manager and Joint Bookrunner. The Co-Lead Managers to the Offering were CLSA Merchant Bankers Limited and Macquarie Securities (Asia) Pte Limited. The Manager and Co-ordinator of the Singapore Public Offer was Oversea-Chinese Banking Corporation Limited.