



FSL Trust Management Pte. Ltd.

as Trustee Manager for First Ship Lease Trust

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For Immediate Release

FSL Trust provides further information on loan-to-value covenant waiver arrangement with Lenders

Singapore, 3 September 2009 - FSL Trust Management Pte Ltd (“FSLTM”), Trustee-Manager of First Ship Lease Trust (“FSL Trust”) refers to its announcement¹ on 2 September 2009 and is pleased to provide further information relating to the waiver (the “LTV waiver arrangement”) from its lenders on the loan-to-value covenant under its credit facility.

The LTV waiver arrangement, which extends until the end of 2Q 2011 (“the Waiver Period”), is subject to formal documentation closing and will include, *inter alia*, the following terms:

- a) FSL Trust’s unitholders’ equity² shall be at least 68% of the total outstanding secured indebtedness during the Waiver Period. After the Waiver Period, this percentage will increase to 80%.
- b) FSL Trust shall maintain a minimum annual revenue of US\$85 million during the Waiver Period.
- c) The US\$8 million quarterly loan repayment will be applied on a *pro-rata* basis to all the three tranches³ of FSL Trust’s credit facility during the Waiver Period.

FSL Trust confirms that the rentals for September 2009 have been promptly received from all lessees. FSLTM will make a further announcement upon the formal documentation closing of the LTV waiver arrangement.

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¹ Press release: FSL Trust secures 2 year waiver for loan-to-value covenant from Lenders, dated 2 September 2009. FSL Trust’s press releases can be accessed from FSL Trust’s website at www.FSLTrust.com.

² Unitholders’ equity excludes marked-to-market valuation of credit facility-related derivatives.

³ FSL Trust has total revolving credit facility of US\$515 million and this facility comprises three tranches with amounts of US\$250 million, US\$200 million and US\$65 million respectively.

About First Ship Lease Trust (“FSL Trust”)

First Ship Lease Trust (Reuters: FSLT.SI; Bloomberg: FSLT SP; OTCQX: FSHPY) is a provider of leasing services on a long-term 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 4.25 years[^] and an average remaining lease period of approximately 8.24 years[^] (excluding extension periods and early buy-out options).

FSL Trust is listed on the main board of the Singapore Exchange Securities Trading Limited (“SGX-ST”) and its American Depositary Receipts (“ADRs”) are quoted on the PrimeQX tier of International OTCQX. It is managed by FSL Trust Management Pte. Ltd. (“FSLTM”), the Trustee-Manager. FSLTM is focused on growing the vessel portfolio of FSL Trust through cash flow accretive acquisitions with long-term bareboat charters. More details on FSL Trust are available at www.FSLTrust.com.

[^] As at 30 June 2009, and on a dollar-weighted average basis by net book value.

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