

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)

PLACEMENT OF UP TO 100,000,000 NEW UNITS (“NEW UNITS”) IN FIRST SHIP LEASE TRUST (“PLACEMENT”) – FINAL DETERMINATION OF NUMBER AND PRICE OF NEW UNITS

Unless otherwise defined, all terms used herein shall bear the same meaning as in the Announcement (as defined below).

The directors of FSL Trust Management Pte. Ltd. (the “**Trustee-Manager**”), as trustee-manager of First Ship Lease Trust (“**FSL Trust**”), refer to the announcement dated 4 September 2009 in relation to the Placement (the “**Announcement**”) and wish to announce that following the completion of a bookbuilding exercise, it has been determined that a total of 80,000,000 New Units will be allotted and issued at the issue price of S\$0.525 per New Unit (the “**Issue Price**”).

The Issue Price represents a discount of approximately 11.02 per cent. to S\$0.59, being the volume weighted average price of the Units for trades done on the SGX-ST for the full market day preceding the date on which the Placement Agreement was signed and adjusted to exclude the Estimated Stub Distribution to be distributed to the holders of the Existing Units.

The net proceeds from the Placement will amount to approximately S\$40.9 million, after deducting the placement fee and estimated offering expenses. FSL Trust intends to use the net proceeds for the acquisitions of vessels with leases or companies holding such vessels. As at the date of the Announcement, FSL Trust has not identified any specific assets to be acquired with the net proceeds.

Pending application of the net proceeds of the Placement, the net proceeds may be deposited with banks and/or financial institutions, invested in short-term money market instruments and/or marketable securities, or used for any other purposes on a short-term basis, as the Trustee-Manager may, in its absolute discretion, deem appropriate in the interests of FSL Trust and its special purpose companies.

The Trustee-Manager will make an announcement via SGXNET as and when the proceeds from the Placement are materially disbursed and provide a status report on the use of proceeds from the Placement in the annual report of FSL Trust.

None of the New Units will be placed by FSL Trust to the Trustee-Manager, any person who is a director or a substantial shareholder of the Trustee-Manager or persons falling within the categories listed in Rule 812(1) (save as permitted under Rule 812(3)) of the Listing Manual.

Save as disclosed above, none of the Trustee-Manager, the directors and substantial shareholders of the Trustee-Manager, and the substantial unitholders in FSL Trust has any interest, direct or indirect, in the Placement (other than their shareholdings in the Trustee-Manager or their unitholdings in FSL Trust, as the case may be, if any).

By Order of the Board of
FSL Trust Management Pte. Ltd.
as trustee-manager of First Ship Lease Trust

Philip Clausius
Chief Executive Officer

7 September 2009

*This announcement is not an offer to sell or a solicitation of an offer to buy the New Units or any other securities within the United States. The New Units have not been registered under the Securities Act of 1933, as amended (the "**Securities Act**") or any state securities laws, and are being offered for resale in the United States only to qualified institutional buyers in reliance on Rule 144A under the Securities Act, and to persons outside the United States in compliance with Regulation S of the Securities Act. Unless so registered, the New Units may not be offered or sold in the United States except pursuant to an exemption from registration requirements of the Securities Act and applicable state securities laws. This announcement is not being, and should not be, distributed in or sent into the United States.*