



FSL Trust Management Pte. Ltd.

as Trustee Manager for First Ship Lease Trust

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For Immediate Release

FIRST SHIP LEASE TRUST NOT TO PROCEED WITH PROPOSED SENIOR NOTES OFFERING

Singapore, 7 December 2009 - FSL Trust Management Pte. Ltd. ("FSLTM"), Trustee-Manager of First Ship Lease Trust ("FSL Trust"), refers to its announcement dated 23 November 2009 relating to the proposed plan to issue up to US\$200 million senior notes due 2016 (the "Notes") and wishes to announce that it has decided not to proceed with the proposed plan to issue the Notes at this time.

Philip Clausius, CEO of FSLTM said, "The start of the investor roadshow coincided with the outbreak of the Dubai World credit crisis. This impacted fixed-income investor sentiment, particularly in Asia and Europe. We could most likely have concluded this offering, but only on terms that would not have been in the best interests of FSL Trust unitholders. Since we have no external pressure, including that from our bank lenders, to conclude this offering, we have decided to suspend it for now. We will revisit it when market circumstances change."

FSL Trust enjoys stable and predictable cashflow from its portfolio of long-term lease contracts which has remaining contracted revenue of US\$782 million as at 30 September 2009. It does not have any outstanding capital expenditure that requires additional funding and it has no loan maturing before 2 April 2012.

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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 4.5 years[^] and an average remaining lease period of approximately 8.0 years[^] (excluding extension periods and early buy-out options).

FSL Trust is listed on the main board of the Singapore Exchange Securities Trading Limited and its American Depositary Receipts 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 acquisitions of vessels with long-term bareboat charters. More details on FSL Trust are available at www.FSLTrust.com.

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

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This announcement does not constitute an offer to sell or a solicitation of an offer to buy any security. The Notes will only be offered in the United States to qualified institutional buyers as defined in Rule 144A under the United States Securities Act of 1933, as amended (the “Securities Act”), and to persons outside of the United States pursuant to Regulation S of the Securities Act. The Notes will be offered to investors in Singapore pursuant to exemptions invoked under Section 274 and Section 275 of the Securities and Futures Act (Chapter 289) of Singapore.

This announcement is not an offer of securities for sale into the United States. The securities may not be offered or sold to persons in the United States absent registration or an exemption from registration. Any public offering in the United States may be made only by means of a prospectus that may be obtained from FSL Trust and that will contain detailed information about FSL Trust and management, as well as financial statements. There will be no public offer of securities in the United States.

This announcement 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