FIRST SHIP LEASE TRUST
UNAUDITED FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2009

TABLE OF CONTENTS

Summary of First Ship Lease Trust ("FSL Trust") Consolidated Results

	4Q 2009	4Q 2008	Inc/(Dec)	FY 2009
	US$'000	US$'000	%	US$'000
Revenue	24,476	25,662	(4.6)	98,768
Profit for the quarter/year	1,804	456	295.6	8,423
Net cash generated from operations	16,156	16,029	0.8	67,855
Net Distributable Amount	8,980	16,029	(44.0)	41,975
Amount to be distributed	8,980	15,439	(41.8)	41,978
Distribution Per Unit ("DPU") (US Cents)				
For the period	1.50	3.08	(51.3)	7.90
Annualised	6.00	12.32	(51.3)	-

INTRODUCTION

First Ship Lease Trust ("FSL Trust") is a provider of leasing services on a bareboat charter basis to the international shipping industry. It has a modern, high quality and diverse portfolio of 23 vessels consisting of seven containerships, nine product tankers, three chemical tankers, two dry bulk carriers and two crude oil tankers. These vessels have a dollar-weighted average age of approximately five years, and a dollar-weighted average remaining lease period of approximately eight years (excluding extension periods and early buy-out options).

FSL Trust was constituted under a deed of trust dated 19 March 2007 entered with FSL Trust Management Pte. Ltd. as its trustee-manager. FSL Trust seeks to become the leading provider of leasing services on a bareboat charter basis to the international shipping industry. To achieve this, FSL Trust Management Pte. Ltd. will focus on rapidly growing the vessel portfolio of FSL Trust through accretive acquisitions with long-term bareboat charters. FSL Trust was listed on 27 March 2007 on the Singapore Exchange Securities Trading Limited ("SGX-ST") with an initial portfolio of 13 vessels.

1(a)(i) Consolidated Income Statements

		Group			Group		
	Note	4Q 2009	4Q 2008	Inc/ (Dec)	FY 2009	FY 2008	Inc/ (Dec)
		US$'000	US$'000	%	US$'000	US$'000	%
Revenue		24,476	25,662	(4.6)	98,768	86,621	14.0
Depreciation expense on vessels		(15,323)	(15,509)	(1.2)	(61,295)	(54,744)	12.0
Management fees		(987)	(1,023)	(3.5)	(3,959)	(3,496)	13.2
Trustee fees		(45)	(44)	2.3	(183)	(151)	21.2
Incentive fees		-	(590)	(100.0)	-	(1,458)	(100.0)
Other trust expenses		(491)	(231)	112.6	(2,334)	(2,655)	(12.1)
Finance income	(a)	549	(63)	N.M.	2,322	1,111	109.0
Finance expenses		(6,400)	(7,834)	(18.3)	(24,910)	(20,449)	21.8
Profit before income tax		1,779	368	383.4	8,409	4,779	76.0
Income tax write-back	(b)	25	88	(71.6)	14	44	(68.2)
Profit for the quarter/year		1,804	456	295.6	8,423	4,823	74.6

Notes:

(a) The finance income for 4Q 2009 includes exchange gain of US$0.4 million arising from the partial repayment of inter-company US$-denominated loans previously extended to certain subsidiaries.

(b) This relates to tax write-back on the taxable interest income on bank deposits.

1(a)(ii) Statements of Comprehensive Income

	Group		Trust	
	4Q 2009	4Q 2008	4Q 2009	4Q 2008
	US$'000	US$'000	US$'000	US$'000
Profit/(loss) for the quarter	1,804	456	(6,723)	(8,057)
Other comprehensive income:				
Translation differences relating to financial statements of foreign subsidiaries	(527)	(1,430)	-	-
Exchange differences on monetary items forming part of net investment in foreign subsidiaries	(1,238)	(1,968)	-	-
Effective portion of changes in fair value of cash flow hedges	(895)	(26,237)	(895)	(26,237)
Net change in fair value of cash flow hedges transferred to income statement	3,972	416	3,972	416
Other comprehensive income for the quarter, net of tax	1,312	(29,219)	3,077	(25,821)
Total comprehensive income for the quarter	3,116	(28,763)	(3,646)	(33,878)

1(a)(iii) Distribution Statements

	Note	Group			
		4Q 2009	4Q 2008	FY 2009	FY 2008
		US$'000	US$'000	US$'000	US$'000
Profit for the quarter/year		1,804	456	8,423	4,823
Add/(less): Non-cash adjustments	(a)	14,352	14,983	59,432	53,583
Initial direct costs paid		-	-	-	(750)
Incentive fees		-	590	-	1,458
Net cash generated from operations		16,156	16,029	67,855	59,114
Less: Repayment of secured bank loans		(816)	-	(17,005)	-
Cash retained		(6,360)	-	(8,875)	-
Net distributable amount	(b)	8,980	16,029	41,975	59,114
Less: Incentive fees payable		-	(590)	-	(1,458)
Add: Income from the previous period to be distributed		-	3	3	-
Amount available for distribution		8,980	15,442	41,978	57,656
Comprising: (i) Tax-exempt distribution		8,927	15,182	41,799	57,005
(ii) Tax-exempt (one-tier) distribution		53	260	179	651
Amount available for distribution		8,980	15,442	41,978	57,656
Amount carried forward to next quarter		-	(3)	-	(3)
Amount to be distributed		8,980	15,439	41,978	57,653
Units at the end of the quarter/year ('000)		598,665	501,270	598,665	501,270
Distribution per unit (US Cents)		1.50	3.08	7.90	11.52

Notes:

(a) Non-cash adjustments include depreciation expenses, translation exchange differences, ineffective portion of the change in fair value of the interest rate swap and amortisation of certain debt upfront fees and initial direct costs. Initial direct costs are transaction expenses incurred in the origination of new leases. These costs are capitalised and amortised into earnings in proportion to the recognition of lease income.

(b) Total net cash generated for the quarter amounted to US$16.2 million. The net distributable amount of US$9.0 million is derived after deducting loan repayment of US$0.8 million and US$7.2 million on 18 December 2009 and 4 January 2010, respectively.

1(b)(i) Balance Sheets

	31 Dec 2009		31 Dec 2008	
	Group	Trust	Group	Trust
	US$'000	US$'000	US$'000	US$'000
Non-current assets				
Vessels	845,187	-	905,604	-
Subsidiaries	-	671,584	-	765,997
	845,187	671,584	905,604	765,997
Current assets				
Prepayments and other receivables	1,282	96,255	345	97,450
Cash and cash equivalents	56,770	56,769	26,716	24,556
	58,052	153,024	27,061	122,006
Total assets	903,239	824,608	932,665	888,003
Equity attributable to unitholders of FSL Trust				
Units in issue	510,273	510,273	477,642	477,642
Reserves	(129,536)	(205,846)	(99,472)	(141,701)
Total equity	380,737	304,427	378,170	335,941
Non-current liabilities				
Secured bank loans	456,292	456,292	509,229	509,229
Derivative liabilities	14,561	14,561	27,178	27,178
	470,853	470,853	536,407	536,407
Current liabilities				
Trade and other payables	4,555	4,393	5,342	5,068
Lease income received in advance	2,159	-	2,159	-
Derivative liabilities	12,935	12,935	10,548	10,548
Secured bank loan	32,000	32,000	-	-
Current tax payable	-	-	39	39
	51,649	49,328	18,088	15,655
Total liabilities	522,502	520,181	554,495	552,062
Total equity and liabilities	903,239	824,608	932,665	888,003

1(b)(ii) Aggregate Amount of Group's Borrowings and Debt Securities

	Note	31 Dec 2009	31 Dec 2008
		US$'000	US$'000
Secured bank loans	(a)		
Amount repayable within one year		32,000	-
Amount repayable after one year		460,264	513,080
Less: Unamortised debt upfront fees		(3,972)	(3,851)
		488,292	509,229

Note:

(a) The Trustee-Manager has, on behalf of FSL Trust, put in place total revolving credit facilities of US$515 million ("combined facility") of which the outstanding loan balance was US$492.3 million as at 31 December 2009.

The combined facility comprises three tranches:

Tranche	Facility amount (US$'million)	Amount drawn as at 31 Dec 2009 (US$'million)	Loan maturity	Margin above US$ 3-month Libor^
A	250	246.0	27 March 2014	1.70%
B	200	196.8	2 April 2012	1.70%
C	65	49.5	2 April 2012	1.70%

^ This margin applies till 2Q 2011.

As the combined facility is revolving in nature, FSL Trust will be able to re-draw on the committed but undrawn portion of the facility after 2Q 2011.

The combined facility is secured on the following:

(i) a first priority mortgage over the Group's vessels in the portfolio;

(ii) a first priority assignment of the Group's rights, title, interest in the insurances to and for each vessel, including insurance for hull and machinery, protection and indemnity and war risks; and

(iii) a first priority assignment of the Group's rights, title and interest in and to the bareboat charter agreement and the charter income of each vessel.

FSL Trust has hedged its interest rate risk through a combination of interest rate swaps and/or natural hedges to fix the interest rates until the maturities of the facilities. For interest rate swaps, the all-in effective interest rates range from 4.74% per annum to 6.94% per annum.

1(c) Consolidated Cash Flow Statements

	Group			
	4Q 2009	**4Q 2008**	**FY 2009**	**FY 2008**
	US$'000	**US$'000**	**US$'000**	**US$'000**
Operating activities:				
Profit before income tax	1,779	368	8,409	4,779
Adjustments for:				
Depreciation expense on vessels	15,323	15,509	61,295	54,744
Amortisation of debt upfront fees and initial direct costs	505	398	1,757	1,172
Interest income	(28)	(156)	(165)	(607)
Interest expense	6,035	7,585	23,368	19,562
Ineffective portion of changes in fair value of interest rate swaps	-	-	376	-
Equity-settled unit-based payment transactions	-	590	-	1,457
Unrealised exchange differences	(414)	131	(1,617)	(524)
	23,200	24,425	93,423	80,583
Changes in working capital:				
Prepayments and other receivables	(2,110)	17	(2,175)	524
Trade and other payables	987	(889)	766	188
Lease income received in advance	408	406	-	(572)
Cash generated from operations	22,485	23,959	92,014	80,723
Income taxes refund/(paid)	13	-	(23)	(1)
Cash flows from operating activities	22,498	23,959	91,991	80,722
Investing activities:				
Acquisition of vessels	-	(70,781)	-	(354,109)
Interest received	29	170	192	648
Cash flows from investing activities	29	(70,611)	192	(353,461)
Financing activities:				
Net proceeds from issuance of units/(issuance cost)	(74)	-	28,230	-
Proceeds from borrowings (net of transaction costs)	-	70,662	-	350,481
Distribution to unitholders	(7,964)	(15,261)	(44,626)	(54,314)
Repayment of secured bank loans	(8,000)	-	(20,816)	-
Interest paid	(5,855)	(6,437)	(24,917)	(15,195)
Cash flows from financing activities	(21,893)	48,964	(62,129)	280,972
Net increase in cash and cash equivalents	634	2,312	30,054	8,233
Cash and cash equivalents at beginning of period	56,136	24,404	26,716	18,483
Cash and cash equivalents at end of period	56,770	26,716	56,770	26,716
Comprising:-				
Cash at Bank	14,851	7,591	14,851	7,591
Short-term deposits	41,919	19,125	41,919	19,125
	56,770	26,716	56,770	26,716

1(d)(i) Statements of Changes in Unitholders' Funds

	Units in Issue	Hedging Reserve	Foreign Currency Translation Reserve	Accumulated Profit/(Losses)	Total Equity
	US$'000	US$'000	US$'000	US$'000	US$'000
2009					
Group					
At 1 October 2009	510,347	(30,197)	5,201	(106,278)	379,073
Changes in equity for the quarter:					
Unit issue costs	(74)	-	-	-	(74)
Distribution to unitholders	-	-	-	(1,378)	(1,378)
Total comprehensive income for the quarter	-	3,077	(1,765)	1,804	3,116
At 31 December 2009	510,273	(27,120)	3,436	(105,852)	380,737

	Units in Issue	Hedging Reserve	Foreign Currency Translation Reserve	Equity Compensation Reserve	Accumulated Profit/(Losses)	Total Equity
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
2008						
Group						
At 1 October 2008	477,091	(11,905)	6,900	551	(51,033)	421,604
Changes in equity for the quarter:						
Units issued as payment for incentive fees	551	-	-	(551)	-	-
Units to be issued as payment for incentive fees	-	-	-	590	-	590
Distribution to unitholders	-	-	-	-	(15,261)	(15,261)
Total comprehensive income for the quarter	-	(25,821)	(3,398)	-	456	(28,763)
At 31 December 2008	477,642	(37,726)	3,502	590	(65,838)	378,170

1(d)(i) Statements of Changes in Unitholders' Funds (cont'd)

	Units in Issue	Hedging Reserve	Accumulated Losses	Total Equity
	US$'000	US$'000	US$'000	US$'000
2009				
Trust				
At 1 October 2009	510,347	(30,197)	(170,625)	309,525
Changes in equity for the quarter:				
Unit issue costs	(74)	-	-	(74)
Distribution to unitholders	-	-	(1,378)	(1,378)
Total comprehensive income for the quarter	-	3,077	(6,723)	(3,646)
At 31 December 2009	510,273	(27,120)	(178,726)	304,427

	Units in Issue	Hedging Reserve	Equity Compensation Reserve	Accumulated Losses	Total Equity
	US$'000	US$'000	US$'000	US$'000	US$'000
2008					
Trust					
At 1 October 2008	477,091	(11,905)	551	(81,247)	384,490
Changes in equity for the quarter:					
Units issued as payment for incentive fees	551	-	(551)	-	-
Units to be issued as payment for incentive fees	-	-	590	-	590
Distribution to unitholders	-	-	-	(15,261)	(15,261)
Total comprehensive income for the quarter	-	(25,821)	-	(8,057)	(33,878)
At 31 December 2008	477,642	(37,726)	590	(104,565)	335,941

1(d)(ii)(iii) Details of any changes in Units

	Note	4Q 2009 Units	FY 2008 Units
At the beginning of the period		598,665,077	500,000,000
Units issued during the period	(a)	-	1,270,000
At the end of the period		598,665,077	501,270,000

1(d)(iv) Sales, Transfers, Disposal, Cancellation and/or use of Treasury Units

Not applicable.

2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice

The figures have not been audited or reviewed by the auditors.

3. Where the figures have been audited, or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited financial statements have been applied

FSL Trust has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with the audited financial statements for the year ended 31 December 2008.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

IAS 1 (revised 2007) becomes effective for the Group beginning 1 January 2009. The revised standard requires an entity to present, in a statement of changes in equity, all owner changes in equity. All non-owner changes in equity (i.e. comprehensive income) are presented in a separate statement of comprehensive income. IAS 1 (revised 2007) does not have any impact on the Group's financial position or results.

6. Earnings per Unit ("EPU") and Distribution per Unit ("DPU") for the financial period

	4Q 2009	4Q 2008	FY 2009	FY 2008
Basic and diluted earnings per unit is based on:				
Profit for the quarter/year (US$'000)	1,804	456	8,423	4,823
Weighted average number of issued units ('000)	598,665	500,943	535,389	500,315
Potential units issuable as payment for incentive fees ('000)	-	1,841^	-	1,841^
Weighted average number of issued units and potential units issuable ('000)	598,665	502,784	535,389	502,156
Basic earnings per unit based on weighted average number of units in issue (US Cents)	0.30	0.09	1.57	0.96
Diluted earnings per unit based on weighted average number of issued units and potential units issuable (US Cents)	0.30	0.09	1.57	0.96
Number of issued units at end of quarter/year ('000)	598,665	501,270	598,665	501,270
Distribution per unit (US Cents)	1.50	3.08	7.90	11.52

^ The new units were issued in February 2009.

7. Net Asset Value ("NAV") per Unit based on units at the end of the period

		31 Dec 2009		31 Dec 2008	
	Note	Group	Trust	Group	Trust
Net asset value per unit (US$)	(a)	0.64	0.51	0.75	0.67

Note:
(a) Net asset value per unit was calculated based on the applicable number of units issued as at the end of the respective year.

8. Review of Performance

Consolidated Income Statements

	Group			Group		
	4Q 2009	4Q 2008	Inc/ (Dec)	FY 2009	FY 2008	Inc/ (Dec)
	US$'000	US$'000	%	US$'000	US$'000	%
Revenue	24,476	25,662	(4.6)	98,768	86,621	14.0
Depreciation expense on vessels	(15,323)	(15,509)	(1.2)	(61,295)	(54,744)	12.0
Management fees	(987)	(1,023)	(3.5)	(3,959)	(3,496)	13.2
Trustee fees	(45)	(44)	2.3	(183)	(151)	21.2
Incentive fees	-	(590)	(100.0)	-	(1,458)	(100.0)
Other trust expenses	(491)	(231)	112.6	(2,334)	(2,655)	(12.1)
Finance income	549	(63)	N.M.	2,322	1,111	109.0
Finance expenses	(6,400)	(7,834)	(18.3)	(24,910)	(20,449)	21.8
Profit before income tax	1,779	368	383.4	8,409	4,779	76.0
Income tax write-back	25	88	(71.6)	14	44	(68.2)
Profit for the quarter/year	1,804	456	295.6	8,423	4,823	74.6

8. Review of Performance (cont'd)

4Q 2009 vs 4Q 2008

Lease revenue declined 4.6% (-US$1.2 million) to US$24.5 million in 4Q 2009 compared to 4Q 2008. The decrease was primarily due to lower lease revenue collected from two vessels leased to Geden Lines ("Geden") as these lease rentals were pegged to the US$ 3-month Libor and reset on a quarterly basis. The US$ 3-month Libor has declined considerably from 4Q 2008 to 4Q 2009. Correspondingly, interest expense on loans drawn to acquire the Geden vessels have also decreased as the lease rentals acted as natural hedges for the loan, thereby keeping the cash flows (rentals net of interest expense) from these two vessels stable.

Operating expenditure decreased 3.2% (-US$0.6 million) to US$16.8 million due mainly to lower management fees from the decrease in lease revenue from Geden.

Finance expenses fell 18.3% (-US$1.4 million) due to (i) lower interest expense on the floating-rate loans drawn to acquire the Geden vessels (see above) and (ii) reduced principal loan quantum arising from partial repayments in 2009. Further, in 4Q 2008, additional interest expense were imposed by the lenders upon market disruption arising from the uncertainty in the inter-bank market following the collapse of Lehman Brothers.

A net profit of US$1.8 million was recorded for the quarter under review.

FY 2009 vs FY 2008

For the year ended 31 December 2009, FSL Trust's lease revenue increased 14.0% (+US$12.1 million) to US$98.8 million compared to FY 2008. The increase was primarily attributed to the full year impact of the five vessels acquired in 2008. The five vessels acquired were two crude oil tankers from Geden and three containerships from Yang Ming Marine Transport Corporation.

Operating expenditure increased 8.4% (+US$5.3 million) to US$67.8 million on account of full year depreciation and management fees arising from the vessels acquired in 2008.

Finance income rose by US$1.2 million to US$2.3 million mainly due to the exchange gain arising from the partial repayment of inter-company US$-denominated loans previously extended to certain subsidiaries.

Finance expenses increased 21.8% (+US$4.5 million) to US$24.9 million due to the full impact on loans drawn to acquire vessels in 2008. This increase is partially offset by lower interest expense arising from (i) reduced principal loan quantum arising from partial repayments in 2009, and (ii) significant decline in the US$ 3-month Libor in 2009 impacting the floating rate loans drawn to acquire the Geden vessels (see above).

As a result, net profit for FY 2009 increased 74.6% (+US$3.6 million) to US$8.4 million over FY 2008.

8. Review of Performance (cont'd)

Distribution Statements

	Note	Group			
		4Q 2009	4Q 2008	FY 2009	FY 2008
		US$'000	US$'000	US$'000	US$'000
Profit for the quarter/year		1,804	456	8,423	4,823
Add/(less): Non-cash adjustments	(a)	14,352	14,983	59,432	53,583
Initial direct costs paid		-	-	-	(750)
Incentive fees		-	590	-	1,458
Net cash generated from operations		16,156	16,029	67,855	59,114
Less: Repayment of secured bank loans		(816)	-	(17,005)	-
Cash retained		(6,360)	-	(8,875)	-
Net distributable amount		8,980	16,029	41,975	59,114
Less: Incentive fees payable		-	(590)	-	(1,458)
Add: Income from the previous period to be distributed		-	3	3	-
Amount available for distribution		8,980	15,442	41,978	57,656
Comprising: (i) Tax-exempt distribution		8,927	15,182	41,799	57,005
(ii) Tax-exempt (one-tier) distribution		53	260	179	651
Amount available for distribution		8,980	15,442	41,978	57,656
Amount carried forward to next quarter		-	(3)	-	(3)
Amount to be distributed		8,980	15,439	41,978	57,653
Units at the end of the quarter/year ('000)		598,665	501,270	598,665	501,270
Distribution per unit (US Cents)		1.50	3.08	7.90	11.52

Note:

(a) Non-cash adjustments include depreciation expenses, translation exchange differences, ineffective portion of the change in fair value of the interest rate swap and amortisation of certain debt upfront fees and initial direct costs.

For 4Q 2009, FSL Trust generated a net cash from operations of US$16.2 million, of which 56% or US$9.0 million will be distributed to unitholders. This equates to a DPU of US1.50¢ for the current quarter under review. The residual cash was applied primarily towards loan repayment of US$8.0 million of which US$0.8 million and US$7.2 million were repaid on 18 December 2009 and 4 January 2010, respectively.

The Net Distributable Amount per unit ("DAU") for this quarter is US1.50¢. The Trustee-Manager will not be entitled to any incentive fees for this quarter, as such fees are only payable if the DAU exceeds US2.45¢ (15% above the forecasted DPU of US2.13¢).

Distribution Reinvestment Scheme

For the quarter ended 31 December 2009, the Board has determined that the Distribution Reinvestment Scheme will not apply to the distribution declared for this quarter.

9. Variance from Prospect Statement

The results for the current quarter under review are broadly in line with the previous statement made in the financial announcement for the quarter ended 30 September 2009.

10. Outlook and Prospects

FSL Trust's lease portfolio is expected to deliver predictable and stable cash flows for the Trust.

FSL Trust will look to invest the US$28 million raised recently from issuance of fresh equity. These new long-term lease transactions will likely involve new customers to further diversify our portfolio.

Market permitting, the Trustee-Manager will also re-visit the senior unsecured notes offering as this note offering will be complementary to the Trust's bank debt capital and is an important debt funding diversification strategy for the Trust. The result of a successful notes offering would provide the Trust with greater financial flexibility and further growth capital.

For 1Q 2010, the Trustee-Manager is providing a DPU guidance of US1.50 cents. This represents an annualised yield of approximately 14% based on the closing price of S$0.60 as at 25 January 2010.

11. Distribution

(a) Current financial period

Any distributions declared for the current financial period	:	Yes
Amount	:	US$8,979,976
Distribution Period	:	1 October 2009 to 31 December 2009
Distribution Type	:	Cash, Tax-exempt Distribution
Distribution Rate	:	US1.50 cents per unit
Par Value of units	:	Not applicable
Tax Rate	:	Distributions received by either Singapore tax resident unitholders or non-Singapore tax resident unitholders are exempt from Singapore income tax and also not subject to Singapore withholding tax. The unitholders are not entitled to tax credits of any taxes paid by the Trustee-Manager of FSL Trust.

(b) Corresponding Period of the Immediate Preceding Financial Period

Any distributions declared for the previous corresponding period	:	Yes
Amount	:	US$15,439,116
Distribution Period	:	1 October 2008 to 31 December 2008
Distribution Type	:	Cash, Tax-exempt Distribution
Distribution Rate	:	US3.08 cents per unit
Par Value of units	:	Not applicable

	Tax Rate	:	Distributions received by either Singapore tax resident unitholders or non-Singapore tax resident unitholders are exempt from Singapore income tax and also not subject to Singapore withholding tax. The unitholders are not entitled to tax credits of any taxes paid by the Trustee-Manager of FSL Trust.
(c)	**Payment Date**	:	1 March 2010
(d)	**Books closure date**	:	The Transfer Books and Register of Unitholders of FSL Trust will be closed at 5.00 p.m. on 2 February 2010 for the purposes of determining each unitholder's entitlement to the Distribution of US1.50 cents. Unitholders whose securities accounts with The Central Depository (Pte) Limited ("CDP") are credited with units at 5.00 p.m. on 2 February 2010 will be entitled to the Distribution to be paid on 1 March 2010.
(e)	**Currency election procedures**	:	Unitholders whose units are held directly through CDP will receive their distribution in the Singapore dollar equivalent of the US1.50 cents declared. Unitholders who wish to elect to receive the distribution in US dollars can do so by submitting a "Currency Election Notice" by 17 February 2010.

12. If no distribution has been declared/recommended, a statement to that effect

Not applicable.

13. Segmented revenue and results for business or geographical segments (of the Group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year

Not applicable.

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

Not applicable.

15. Breakdown of Revenue and Net Profit

	Group		
	FY 2009	**FY 2008**	**Inc/(Dec)**
	US$'000	**US$'000**	**%**
(a) Revenue reported for first half year	49,664	37,274	33.2
(b) Net profit after tax reported for first half year	3,882	3,695	5.1
(c) Revenue reported for second half year	49,104	49,347	(0.5)
(d) Net profit after tax reported for second half year	4,541	1,128	302.6

16. Breakdown of the total distribution (in dollar value) for the financial year ended 31 December 2009

	FY 2009	FY 2008
	US$	US$
In respect of the period:		
1 July 2009 to 30 September 2009	7,963,976	
1 April 2009 to 30 June 2009	12,707,294	
1 January 2009 to 31 March 2009	12,326,220	
1 October 2008 to 31 December 2008	15,439,116	
1 July 2008 to 30 September 2008		15,260,950
1 April 2008 to 30 June 2008		14,002,744
1 January 2008 to 31 March 2008		12,950,000
1 October 2007 to 31 December 2007		12,100,000

17. Confirmation by the Board

The Board of FSL Trust Management Pte. Ltd. as Trustee-Manager of First Ship Lease Trust, has confirmed that, to the best of their knowledge, nothing has come to their attention which may render the unaudited financial results of the Group for the year ended 31 December 2009 to be false or misleading in any material aspect.

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.

BY ORDER OF THE BOARD
FSL TRUST MANAGEMENT PTE. LTD.
(COMPANY REGISTRATION NO. 200702265R)
AS TRUSTEE-MANAGER OF FIRST SHIP LEASE TRUST

Rebecca Cheng Pei Jiuan
Company Secretary
25 January 2010