



FSL Trust Management Pte. Ltd.

as Trustee Manager for First Ship Lease Trust

9 Temasek Boulevard, #19-03 Suntec Tower Two, Singapore 038989

Tel: 65 6836 3000 Fax: 65 6836 6001 Co. Reg. No. 200702265R

For Immediate Release

**FIRST SHIP LEASE TRUST REQUESTED TO TAKE
RE-DELIVERY OF TWO VESSELS 'VERONA I' AND 'NIKA I'**

Singapore, 4 May 2010 - FSL Trust Management Pte Ltd ("FSLTM"), Trustee-Manager of First Ship Lease Trust ("FSL Trust") wishes to announce that the lessees (the "Charterers") of the vessels 'Verona I' and 'Nika I', which are affiliates of Groda Shipping & Transportation Ltd. ("Groda Shipping"), have requested FSL Trust to take re-delivery of the two vessels on the basis that they do not intend to continue to make full lease payments under the lease charter agreements.

FSL Trust currently leases the two product tankers, 'Verona I' and 'Nika I', each under a seven-year base term bareboat charter to the Charterers until November 2014. Under the lease charter agreement, the bareboat charter rate of each vessel is fixed at US\$20,700 per day and the Charterers are obligated to pay FSL Trust the lease rental in full on a monthly basis in advance. For the month of May 2010, the Charterers have made full payment for only 'Nika I' but not for 'Verona I'. FSLTM has been informed by Groda Shipping that from June 2010 onwards, full payments should not be expected for either vessel.

The lease charter agreements with the Charterers are structured with certain credit enhancement features. Most significant are a cash security deposit of US\$3 million per vessel and an assignment of the long-term Contract of Affreightment ("COA") between each of the two Charterers and OJSC Rosneft Oil Company ("Rosneft"). Both vessels continue to be employed under the COA. Rosneft is a Russian state-controlled energy company which is listed on the Russian securities market and its global depository receipts are traded on the London Stock Exchange.

Best efforts will be made to ensure the uninterrupted operation of the vessels. FSLTM is currently in discussions with Groda Shipping and exploring available legal and commercial options. FSLTM will evaluate all options with a view to safeguarding the interests of unitholders of FSL Trust.

FSLTM will make further announcements as and when there are material developments in this matter.

--ends--

About First Ship Lease Trust (Bloomberg: FSLT SP; Reuters: FSLT.SI; OTCQX: FSHPY)

First Ship Lease Trust ("FSL Trust" or the "Trust") is a provider of leasing services on a long-term bareboat charter basis to the international shipping industry. The 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 4.9 years[^] and an average remaining lease period of approximately 7.5 years[^] (excluding extension periods and early buy-out options). FSL Trust Management Pte. Ltd., the Trustee-Manager of the Trust, is focused on growing and diversifying the portfolio of the Trust through accretive acquisitions of vessels with long-term leases.

FSL Trust is listed on the main board of the Singapore Exchange Securities Trading Limited (SGX-ST) and its American Depository Receipts are quoted on the PrimeQX tier of International OTCQX. FSL Trust is a component stock of the FTSE ST Maritime Index.

[^] As at 31 March 2010, and on a dollar-weighted average basis by net book value.

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.

Contacts:**FSL Trust - Investor Relations enquiries**

Mr. Fung-Leng CHEN

Telephone: +65 6500-9085

email: flchen@firstshiplease.com

OakTree Advisers - Media enquiries

Ms. Nora CHENG

Telephone: +65 6100-1811

email: noracheng@oaktreadvisers.com

The IGB Group - Investor Relations enquiries (United States)

Mr. Michael CIMINI

Telephone: +1 212-477-8261

email: mcimini@igbir.com