



FSL Trust Management Pte. Ltd.

as Trustee Manager for First Ship Lease Trust

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For Immediate Release

FSL TRUST SECURES THE RELEASE OF 'NIKA I'

Singapore, 18 July 2010 - FSL Trust Management Pte. Ltd. ("FSLTM"), Trustee-Manager of First Ship Lease Trust ("FSL Trust") refers to the earlier announcements¹ on 8, 9 and 18 June 2010 and wishes to announce that its vessel 'Nika I' (to be renamed 'FSL Hamburg') has been released on 17 July 2010 at Qingdao, China after a banker's guarantee of US\$2.8 million was provided as security.

Following the release, 'Nika I' will proceed immediately for routine dry-docking in China. Upon completion of the dry-docking, 'Nika I' will be deployed in the spot market under the commercial management of UPT United Product Tankers GmbH & Co. KG² ("UPT") and the technical management of Prisco (Singapore) Pte. Ltd. This arrangement is similar to that for 'FSL Singapore' (formerly 'Verona I') which is currently trading in the spot market.

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¹ Press Releases: "Arrest of 'Nika I' at Qingdao", dated 8 June 2010; "Update on the arrest of 'Verona I' and 'Nika I'", dated 9 June 2010 and "FSL Trust secures the release of 'Verona I'", dated 18 June 2010.

² UPT is an affiliate company of Schoeller Holdings, which is the largest shareholder of FSL Holdings Pte. Ltd., the sponsor of FSL Trust. The fees payable to UPT in respect of the management of 'Nika I' (when aggregated with the value of all other transactions with Schoeller Holdings and its affiliates within the current financial year ending 31 December 2010) represent less than 3% of the total equity of FSL Trust of US\$380.7 million on the basis of the audited balance sheet of FSL Trust as at 31 December 2009.

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.

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.

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.

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