



FSL Trust Management Pte. Ltd.

as Trustee Manager for First Ship Lease Trust

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For Immediate Release

**FSL Trust To Acquire Second
Long Range II Product Tanker**

- **Vessel *MT TORM Marie* will be leased back to TORM on slightly improved terms than the recently announced acquisition of *MT TORM Margrethe***
- **7-year bareboat charter will increase distributable cash flow per unit and propel the Trust's remaining revenue to US\$635 million**
- **Deal will be fully financed by bank borrowing, cash and a US\$15 million fully underwritten placement of new FSL Trust units**

Singapore, 9 June 2011 – Only a week after the announcement of its first proposed acquisition in 2011, First Ship Lease Trust (“FSL Trust” or the “Trust”), which is managed by Trustee-Manager FSL Trust Management Pte. Ltd. (FSLTM), has entered into another definitive agreement to purchase its second Long Range II (LR2) product tanker from TORM Singapore Pte. Ltd., a wholly-owned subsidiary of TORM A/S (“TORM”), for US\$46 million. Vessel delivery is scheduled to take place within June 2011.

The *MT TORM Marie*, a sister vessel of *MT TORM Margrethe* (which proposed acquisition from TORM was recently announced by the Trust¹), is a 2006-built, 109,672 dwt product tanker constructed by Dalian Shipbuilding Industry Co. Ltd.

Following the completion of the acquisition, *MT TORM Marie* will be leased back to TORM on a bareboat charter basis for a base lease term of seven years on slightly better terms than the *MT TORM Margrethe*. As before, the bareboat charter agreement is structured with recourse to TORM and contains a purchase option at the expiry of the base lease term, an early buy-out option on or after the fifth anniversary of the lease term, as well as three extension options of one year each.

The *MT TORM Marie* acquisition will be fully funded by the drawdown of US\$23 million from the Trust's existing revolving credit facility and US\$23 million in cash, of which US\$15 million will come from a private placement of up to 57 million new FSL Trust units (please refer to FSL Trust's separate news release dated 9 June 2011).

¹ Please see News Release dated 1 June 2011 titled “First Ship Lease Trust to acquire its first Long Range II Product Tanker for US\$46 million”.

The latest charter of *MT TORM Marie* will be immediately accretive to distributable cash flow per unit after taking into account the new unit placement and will propel the Trust's remaining contracted revenue to US\$635 million, excluding extension options. In addition, the Trust's average remaining lease term will be at 6.7 years. Upon acquisition of both the *MT TORM Margrethe* and *MT TORM Marie*, the Trust's young, high quality and diversified asset portfolio will increase to 25 vessels, up from the current 23.

Mr Vijay Kamath, Senior Vice-President and Head of Sales of FSLTM, said: "That we are able to conclude this second bareboat charter so soon after tying up the first reflects the market's healthy appetite for alternative forms of shipping finance.

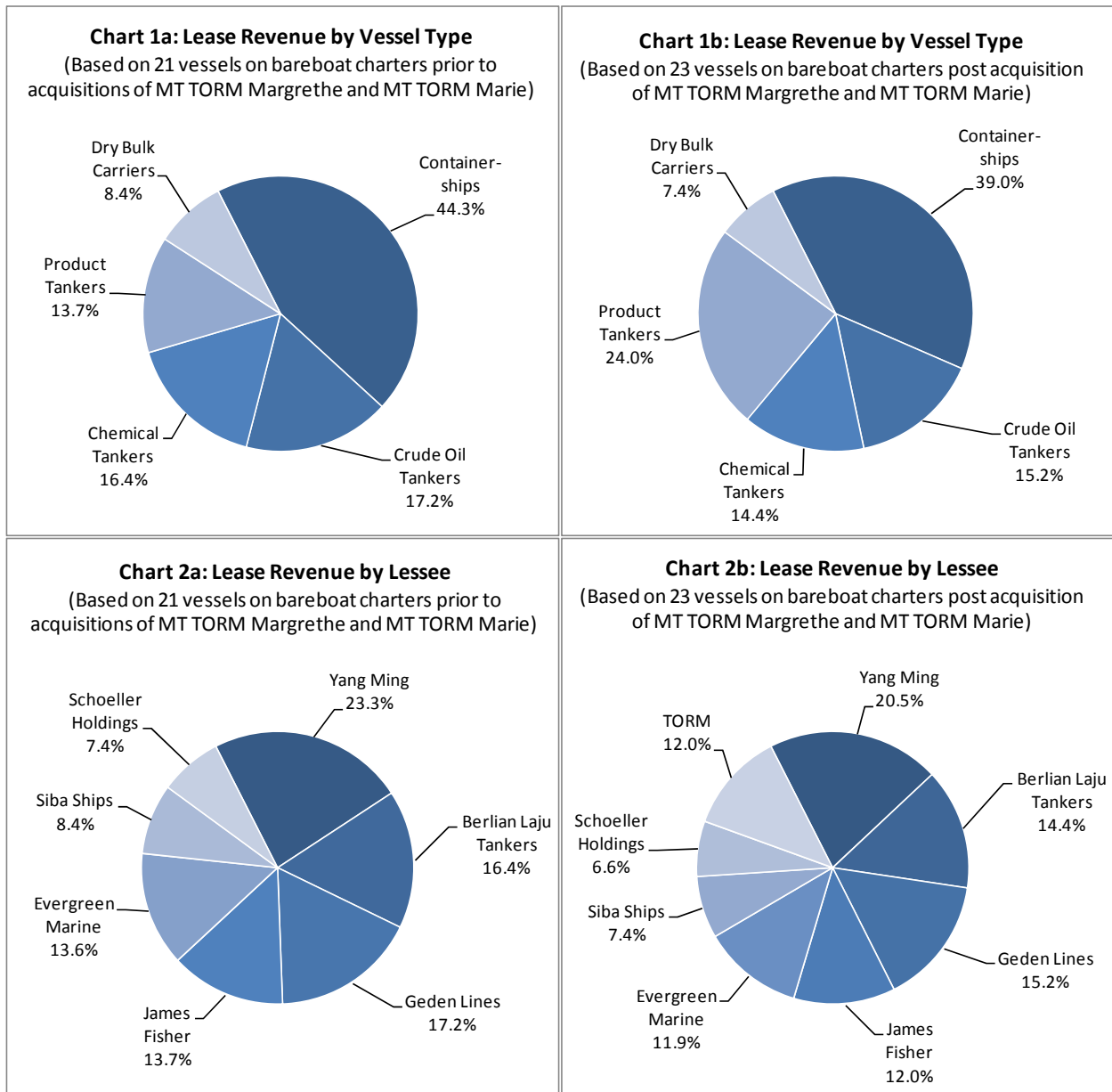
"While transaction opportunities abound, we will continue to only take on charters which are accretive to distributable cash flow per unit and which diversify our vessel and client portfolio at the same time. FSL Trust remains committed to prudently growing the sustainable long-term cash flow that supports our distributions to unitholders."

FSL Trust Management Pte. Ltd. will make a further announcement once the acquisition is completed.

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Appendix:

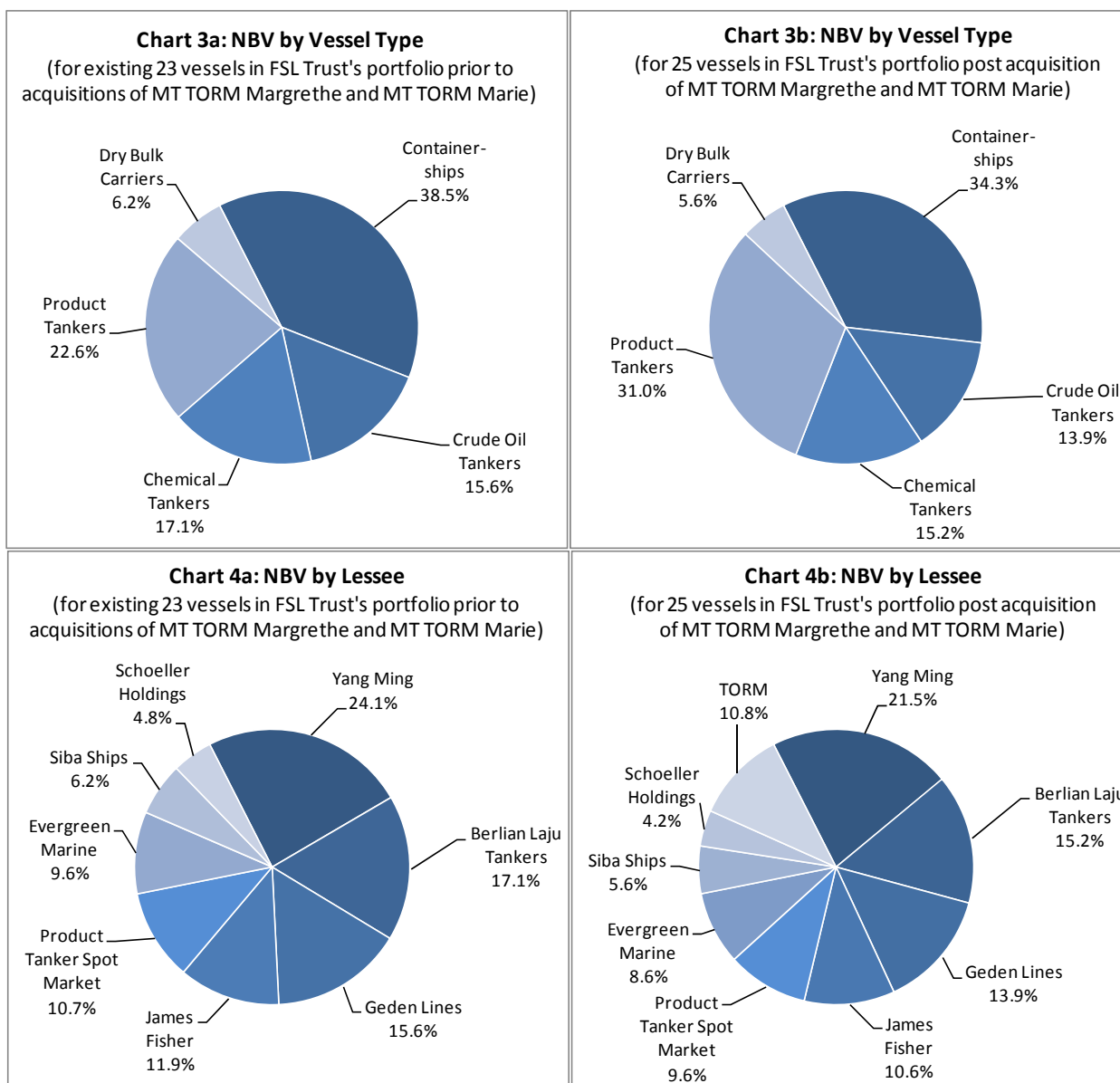
Comparison of Lease Revenue profile prior and post acquisition of MT TORM Margrethe and MT TORM Marie



Note: Charts 1a and 2a are based on annualised revenue of US\$86 million; Charts 1b and 2b are based on annualised revenue of US\$98 million. In all the charts, the daily lease rentals from the two vessels leased to Geden Lines are assumed to be fixed at US\$20,335 per vessel.

Appendix:

Comparison of portfolio Net Book Value prior and post acquisition of MT TORM Margrethe and MT TORM Marie



Note: Net book value of the existing 23 vessels prior to the acquisitions of MT TORM Margrethe and MT TORM Marie as at 31 March 2011 is US\$759.5 million. Pro forma net book value of the 25 vessels post acquisition of MT TORM Margrethe and MT TORM Marie as at 31 March 2011 is US\$851.5 million.

About TORM

TORM is one of the world's leading carriers of refined oil products as well as a significant player in the dry bulk market. The Company runs a fleet of approximately 140 modern vessels in cooperation with other respected shipping companies sharing TORM's commitment to safety, environmental responsibility and customer service.

TORM was founded in 1889. The Company conducts business worldwide and is headquartered in Copenhagen, Denmark. TORM's shares are listed on NASDAQ OMX Copenhagen (ticker: TORM) and on NASDAQ in New York (ticker: TRMD). For further information, please visit www.torm.com

About First Ship Lease Trust

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, comprising of seven containerships, nine product tankers, three chemical tankers, two dry bulk carriers and two crude oil tankers. Of these, 21 vessels are leased to seven reputable international shipping companies on long-term bareboat charter basis and two vessels are presently deployed in the product tanker spot market.

FSL Trust is managed by FSL Trust Management Pte. Ltd., the trustee-manager. The trustee-manager aims to grow and diversify the Trust's portfolio through accretive acquisitions of vessel with leases, to increase predictable cashflow generation and to provide sustainable regular cash distributions to unitholders of the Trust.

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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