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The Board of Directors
FSL Trust Management Pte Ltd
(in its capacity as Trustee-Manager
of First Ship Lease Trust)
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Our ref KT/EC/130
Contact Kenny Tan
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Attention: Mr Cheong Chee Tham

20 October 2011

Dear Sirs

First Ship Lease Trust
Independent auditors' report on review of condensed consolidated interim
financial information for the period ended 30 September 2011

Introduction

We have reviewed the accompanying condensed consolidated interim financial information of First Ship Lease Trust (the "Trust") and its subsidiaries (the "Group"), which comprise the condensed statements of financial position of the Group and the Trust as at 30 September 2011, condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in unitholders' funds and condensed consolidated statement of cash flows of the Group for the period then ended and certain explanatory notes (the "condensed consolidated interim financial information"). Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with International Accounting Standard ("IAS") 34 *Interim Financial Reporting*. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of review

We conducted our review in accordance with Singapore Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of condensed consolidated interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34 *Interim Financial Reporting*.

Emphasis of Matter

Without qualifying our review report, we draw attention to Note 3 of the condensed consolidated interim financial information which states that the condensed consolidated interim financial information for the period ended 30 September 2011 have been prepared on a going concern basis notwithstanding the deficiency in net current assets of US\$228.3million as at 30 September 2011. Under the Trust's existing financing arrangements, US\$229.9million matures on 2 April 2012. This loan balance, which is due within the next 12 months, has been classified within "current liabilities". In connection with this, the Trustee-Manager is in the process to complete a US\$483.1million 6-Year Secured Term Loan Facility to re-finance the existing credit facility. As of the date of this report, US\$437.3million of the facility sum has been committed by lenders, and the remaining US\$45.8million has not yet been subscribed. The entire facility is also subject to satisfactory completion of the loan documentation.

If the Trust is unable to complete the re-financing plan, and since the current working capital is not sufficient to settle the loan balance of US\$229.9million, these conditions indicate the existence of a material uncertainty that may affect the Group's ability to continue as a going concern. The accompanying condensed consolidated interim financial information does not include any adjustments that might result from the outcome of this material uncertainty.

Restriction on use

Our report is provided on the basis that it is solely for the private information of the directors of FSL Trust Management Pte. Ltd. and should not be quoted or referred to, in whole or in part, without our prior written permission, for any other purposes. We do not assume any responsibility or liability for losses occasioned to the directors of FSL Trust Management Pte. Ltd., the Trust or any other parties as a result of the circulation, publication, reproduction or use of the report contrary to the provisions of this paragraph.

Yours faithfully

KPMG LLP
Public Accountants and
Certified Public Accountants

20 October 2011