



**FSL Trust Management Pte. Ltd.**  
as Trustee Manager for First Ship Lease Trust  
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For Immediate Release

## **FSL Trust reports a net profit of US\$3.0 million for 1QFY19 benefiting from improved tanker markets**

**Singapore, 7 May 2019** – FSL Trust Management Pte. Ltd. (“FSLTM”), as trustee-manager of First Ship Lease Trust (“FSL Trust” or “the Trust”), announces its results for the quarter ended 31 March 2019 (“1QFY19”).

The Trust generated revenue of US\$19.1 million for 1QFY19, a 13.3% increase compared to 1QFY18. The higher revenues were mainly due to higher rates earned from the Trust’s crude oil tankers and product tankers which were so positioned to benefit from market improvement.

Despite continued market volatility during the quarter, the Trust reported a net profit of US\$3.0 million, compared to US\$0.9 million in 1QFY18. For the quarter, the Trust recorded expenses from operating activities of US\$13.9 million. These were 4.5% lower compared to 1QFY18, mainly due to lower depreciation expenses. The Trust continued to generate positive cash flows from operations of US\$9.0 million in 1QFY19, compared to US\$7.2 million in 1QFY18.

In line with the Trust’s ongoing fleet renewal strategy, the Trust announced in April 2019 that the disposal of its MR product tanker *FSL Hamburg* was successfully completed. Proceeds of the sale were applied towards repayment of the Trust’s outstanding bank debt and the balance will be used to partially fund the Newbuilding Acquisition announced in December 2018.

As at 31 March 2019, the amount of the Trust’s term loan facilities stood at US\$93.2 million together with the convertible bond at US\$7.25 million (face values). The Trust also announced on 8 February 2019 a bridging loan agreement of US\$25.0 million with FSL Holdings Pte. Ltd, the Sponsor, to partially finance the new shipbuilding contracts for FSL-28, Inc. and FSL-29, Inc. The first drawdown of US\$10.0 million was used to facilitate payment of the first instalment to the shipyard of US\$9.8 million on 13 February 2019.

The Trust also announced that its Unitholders have voted in favour of its proposed preferential offering, following the Extraordinary General Meeting of the Trust held on 22 April 2019.

**Commenting on the results, Roger Woods, Chief Executive Officer, said:**

"We are pleased with the positive start to the year for FSL Trust. We have improved our operational performance and continued to generate profits and positive cash flows even amid volatile market conditions. The successful disposal of *FSL Hamburg* and the newbuilding orders will enable us to strengthen our fleet as the market recovers, positioning the Trust for its long term and sustainable future. We remain committed to optimising our capital structure while focusing on operational efficiency, in order to rebuild the business and return value to our Unitholders."

**Stathis Topouzoglou, Chairman of the Trust, said:**

"The Board has continued to work closely with the management team to improve the Trust's financial standing and operations and we are pleased with the progress made and results achieved during the quarter. Following the results of the EGM held in April, we look forward to concluding the preferential offering, which is in line with the Trust's strategy of making the necessary investments for long term value creation and ongoing sustainability. We will continue to explore strategic initiatives to position the Trust ahead of the opportunities that the present environment may offer."

**END**

## **1QFY19 Results Conference Call**

FSLTM will host a conference call for all registered participants on Wednesday, 8 May 2019 at 10:00 am (Singapore time) to discuss the results. An audio recording of the conference call will be available on FSL Trust's website at [www.FSLTrust.com](http://www.FSLTrust.com) from 12:00 pm (Singapore time) on Thursday, 9 May 2019.

### **About First Ship Lease Trust (Bloomberg: FSLT SP; Reuters: FSLT.SI)**

First Ship Lease Trust ("FSL Trust" or the "Trust") is a Singapore-based business trust which owns a fleet of vessels across major shipping sub-sectors. FSL Trust presently has a diversified portfolio of 18 well-maintained vessels, comprising three containerships, eleven product tankers, two chemical tankers and two crude oil tankers. FSL Trust is listed on the main board of the Singapore Exchange.

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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 the current view of management on future events.

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