



FSL Trust Management Pte. Ltd.
as Trustee Manager for First Ship Lease Trust
8 Temasek Boulevard, #15-02A Suntec Tower Three, Singapore 038988
Tel: 65 6836 3000 Fax: 65 6836 6001 Co. Reg. No. 200702265R

Press Release

Initial Public Offering of First Ship Lease Trust 2.53 times subscribed

- *Strong support for both Placement Tranche and Public Offer*
- *Units to commence trading on 27 March 2007*

Singapore, 23 March 2007 – FSL Trust Management Pte. Ltd. (the “Trustee-Manager”), today announced that the Initial Public Offering (“Offering”) of the First Ship Lease Trust (“FSL Trust”) has met with a strong market response, enjoying a subscription of approximately 2.53 times.

The Offering consisted of a placement to investors, including institutional and other investors in Singapore (the “Placement Tranche”), as well as an offering to the public in Singapore (the “Public Offer”).

A total of 247,000,000 Units have been allocated for the Placement Tranche (including 34,000,000 Units over-allotted to the Placement Tranche) which was well-received with strong institutional support from Asia and the United States.

The Public Offer, which closed at 12:00 noon on 22 March 2007, attracted application monies amounting to approximately S\$136.4 million from 8,830 valid applications for a total of 90,965,000 Offer Units.

Based on the offering price of US\$0.98 per Unit (the “Offering Price”), FSL Trust will have a market capitalization of US\$490 million (approximately S\$750 million based on the fixed exchange rate of US\$1.00:S\$1.5291).

These materials are not for distribution, directly or indirectly, in or into the United States, Canada or Japan.



FSL Trust Management Pte. Ltd.

as Trustee Manager for First Ship Lease Trust

8 Temasek Boulevard, #15-02A Suntec Tower Three, Singapore 038988

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

At the Offering Price, FSL Trust has a projected tax-free¹ annualised distribution yield of 8.69%² for Forecast Period 2007. The Trustee-Manager has a target to increase the minimum annualised yield to 9.13%, 9.56% and 10.00% in the first half of 2008, second half of 2008 and first half of 2009 respectively, based on the Offering Price.

FSL Trust, a provider of leasing services on a bareboat charter basis to the international shipping industry, will have a modern, high quality and diverse initial portfolio of 13 vessels consisting of four containerships, four product tankers, three chemical tankers and two dry bulk carriers. These vessels have an average age of approximately five years, and an average remaining lease period of approximately nine years (excluding extension periods and early buy out options). FSL Trust's initial portfolio will be diversified across five customers.

Mr Philip Clausius, CEO of the Trustee-Manager, said, "We are delighted with the encouraging support of our cornerstone investors and the response to our Offering from both institutional and retail investors. The high level of interest shown by investors is testimony of FSL Trust as an attractive investment, offering an attractive and stable yield with growth prospects."

Deutsche Bank AG, Singapore Branch and J.P.Morgan (S.E.A.) Limited are the Joint Lead Managers and Joint Bookrunners.

Trading of the Units is expected to commence on the SGX-ST on a "ready" basis at 2.00 pm on 27 March 2007. Details of the Public Offer allotments will be published in one of the major Singapore newspapers prior to the listing of the Units on the SGX-ST.

--- ends ---

¹ Distributions received by either Singapore tax resident Unitholders or non-Singapore tax resident Unitholders are exempt from Singapore income tax and are also not subject to Singapore withholding tax. Please see the section "Taxation" in the prospectus for more information.

² Annualised projected distribution yield for Forecast Period 2007 based on the Offering Price, and subject to assumptions contained in the prospectus.

These materials are not for distribution, directly or indirectly, in or into the United States, Canada or Japan.



FSL Trust Management Pte. Ltd.

as Trustee Manager for First Ship Lease Trust

8 Temasek Boulevard, #15-02A Suntec Tower Three, Singapore 038988

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

For media queries, please contact:

Ivan Tan
Weber Shandwick Worldwide
T: +65 6825 8027
M: +65 9635 9765
E: itan@webershandwick.com

Information contained in this press release is derived from and should be read in conjunction with the full text of the prospectus dated 19 March 2007 (the "Prospectus") which has been registered by the Monetary Authority of Singapore.

This press release does not constitute an offer to sell or a solicitation of an offer to subscribe for or purchase the Units, are for information purposes only and may contain forward-looking statements that involve assumptions, risks and uncertainties. Accordingly, these materials are qualified in their entirety by, and should be understood in conjunction with, the full text of the Prospectus. A potential investor should carefully read the Prospectus first, and in particular, the section on "Risk Factors" for a discussion of certain factors to be considered, and make his own assessment before deciding whether to subscribe for or purchase the Units. Any decision to subscribe for or purchase the Units should be made solely on the basis of information contained in the Prospectus.

These materials are not an offer of securities for sale into the United States, Canada or Japan. The securities may not be offered or sold in the United States or to, or for the account or benefit of, US persons (as such term is defined in Regulation S under the US Securities Act of 1933, as amended) unless they are registered or exempt from registration. There will be no public offer of securities in the United States.

These materials are not for distribution, directly or indirectly, in or into the United States, Canada or Japan.