



## SEASPAN REPORTS FINANCIAL RESULTS FOR THE QUARTER ENDED MARCH 31, 2010

HONG KONG, CHINA - May 11, 2010 /CNW/ - Seaspan Corporation (NYSE:SSW) announced today the financial results for the quarter ended March 31, 2010. Below is a summary of our key financial results.

Summary of Key Financial Results and Highlights (dollars in thousands):

|   | Quarter         |           | Change      |          |
|---|-----------------|-----------|-------------|----------|
|   | Ended March 31, |           |             |          |
|   | 2010            | 2009      | \$          | %        |
| Reported net earnings (loss)  | \$(36,616)      | \$ 24,218 | \$ (60,834) | (251.2%) |
| Normalized net earnings(1)  | \$ 19,628       | \$ 18,574 | \$ 1,054    | 5.7%     |
| Earnings (loss) per share, basic  | \$ (0.63)       | \$ 0.33   | \$ (0.96)   | (290.9%) |
| Earnings (loss) per share, diluted  | \$ (0.63)       | \$ 0.31   | \$ (0.94)   | (303.2%) |
| Normalized earnings per share, basic(1)   | \$ 0.20         | \$ 0.25   | \$ (0.05)   | (20.0%)  |
| Normalized earnings per share, diluted(1)   | \$ 0.20         | \$ 0.24   | \$ (0.04)   | (16.7%)  |
| Normalized earnings per share, converted(1)(i) (preferred shares converted at \$15) | \$ 0.24         | \$ 0.25   | \$ (0.01)   | (4.0%)   |
| Cash available for distribution(2)  | \$ 40,368       | \$ 34,788 | \$ 5,580    | 16.0%    |

(i) Normalized earnings per share, converted, reflects the Series A preferred shares converted at \$15.00 per share. For a more detailed description of this calculation, please read "Reconciliation of Non-GAAP Financial Measures for the Quarter Ended March 31, 2010 - Description of Non-GAAP Financial Measures - B. Normalized net Earnings and Normalized Earnings Per Share".

- Achieved vessel utilization of 97.2% for the quarter;
- Accepted delivery of three newbuild vessels during the quarter;
- Paid a fourth quarter dividend of \$0.10 per share on February 12, 2010; and
- Declared a first quarter dividend of \$0.10 per share to be paid on May 18, 2010 to all shareholders of record as of May 7, 2010, increasing cumulative dividends to \$6.59 per share.

Gerry Wang, Chief Executive Officer of Seaspan, stated, "Seaspan continued to perform as expected with our entire fleet on time charters with leading liner companies, which are primarily long-term. We also continued to grow our fleet and contracted revenue streams and have taken delivery of five vessels year-to-date. All five vessels commenced long-term charters as planned. We look forward to taking delivery of the remaining 21 newbuildings as we seek to further our strong industry franchise."

Mr. Wang continued, "We have continued to successfully fund our significant contracted fleet growth. We are pleased with our progress meeting this important objective and intend to actively seek additional opportunities to further strengthen our balance sheet and financial flexibility in a manner that best serves our shareholders."

#### Sale-Leaseback Transaction:

In February 2010, we completed a transaction with one of our wholly-owned subsidiaries that then entered into a transaction with an affiliate of a leading publicly-traded Chinese bank for the sale and leaseback of one of our 13100 TEU vessels for up to \$150 million. This transaction, which enhances our capital structure, involves a vessel that we had previously contracted to purchase from Hyundai Heavy Industries Co., Ltd. Upon delivery, the wholly-owned subsidiary of Seaspan Corporation will charter the vessel and, through an inter-company operating charter, we will continue to time-charter the vessel to COSCO Container Lines Co., Ltd. in accordance with the terms of the original 12-year time charter. The subsidiary's indebtedness under the charter is non-recourse to Seaspan Corporation.

#### CSCL Hamburg Update:

On December 31, 2009, the CSCL Hamburg went aground in the Gulf of Aqaba en route to Singapore. No personal injuries or pollution resulted from the incident. All repair costs are expected to be covered by insurance, net of the insurance deductible. The vessel was off-hire for approximately 100 days and returned to service on April 12, 2010. Although the vessel was not expected to undergo its next scheduled 5-year survey until 2013, the Company chose to combine the repairs with an earlier dry-docking to achieve savings and defer the next scheduled dry-dock to 2015.

#### Subsequent Events:

- Accepted delivery of two newbuild vessels subsequent to the quarter.

#### Results for the Quarter Ended March 31, 2010:

The following tables summarize vessel utilization and the impact of off-hire time incurred on our revenues for the quarter ended March 31, 2010:

| First Quarter |       |
|---------------|-------|
| 2010          | 2009  |
| -----         | ----- |

|                         |       |       |
|-------------------------|-------|-------|
| Vessel Utilization:     |       |       |
| Ownership Days          | 3,908 | 3,150 |
| Less off-hire Days:     |       |       |
| Scheduled 5-Year Survey | (20)  | -     |
| Unscheduled off-hire    | (91)  | (1)   |
|                         | ----- | ----- |
| Operating Days          | 3,797 | 3,149 |
|                         | ----- | ----- |
|                         | ----- | ----- |

|                    |       |       |
|--------------------|-------|-------|
| Vessel Utilization | 97.2% | 99.9% |
|                    | ----- | ----- |
|                    | ----- | ----- |

First Quarter

|  |       |       |
|--|-------|-------|
|  | ----- | ----- |
|  | 2010  | 2009  |
|  | ----- | ----- |

|  |         |        |
|--|---------|--------|
| Revenue - Impact of Off-Hire (in '000s): |         |        |
| 100% Utilization                         | 82,378  | 63,147 |
| Less off-hire:                           |         |        |
| Scheduled 5-Year Survey                  | (347)   | -      |
| Unscheduled off-hire(3)                  | (1,662) | (20)   |
|  | -----   | -----  |

|                       |          |          |
|-----------------------|----------|----------|
| Actual Revenue Earned | \$80,369 | \$63,127 |
|                       | -----    | -----    |
|                       | -----    | -----    |

We accepted delivery of seven vessels in 2009. We began 2010 with 42 vessels in operation and accepted delivery of three vessels for a total of 45 vessels in operation as at March 31, 2010. Operating days are the primary driver of revenue while ownership days are the driver for ship operating costs.

|                |               |       |          |       |
|----------------|---------------|-------|----------|-------|
|                | Quarter Ended |       |          |       |
|                | March 31,     |       | Increase |       |
|                | -----         | ----- | -----    | ----- |
|                | 2010          | 2009  | Days     | %     |
|                | -----         | ----- | -----    | ----- |
| Operating days | 3,797         | 3,149 | 648      | 20.6% |
| Ownership days | 3,908         | 3,150 | 758      | 24.1% |

|                                 |               |       |        |       |
|---------------------------------|---------------|-------|--------|-------|
|                                 | Quarter Ended |       |        |       |
| Financial Summary (in millions) | March 31,     |       | Change |       |
|                                 | -----         | ----- | -----  | ----- |
|                                 | 2010          | 2009  | \$     | %     |
|                                 | -----         | ----- | -----  | ----- |

|   |         |         |         |              |
|---|---------|---------|---------|--------------|
| Revenue                                       | \$ 80.4 | \$ 63.1 | \$ 17.2 | 27.3%        |
| Ship operating expenses                       |         | 22.5    | 17.7    | 4.8 26.9%    |
| Depreciation                                  | 20.3    | 15.8    | 4.5     | 28.8%        |
| General and administrative expenses           |         | 1.9     | 2.1     | (0.2) (8.9%) |
| Interest expense                              | 5.1     | 5.1     | (0.1)   | (1.7%)       |
| Change in fair value of financial instruments | 65.5    | (3.2)   | (68.7)  | (2,125.7%)   |

## Revenue

The increase in operating days, and the dollar impact thereof, for the quarter ended was due to the following:

|  | Quarter ended March 31, 2010 |                            |
|--|------------------------------|----------------------------|
|  | Operating Days<br>impact     | \$ impact<br>(in millions) |
| 2010 vessel deliveries                               | 128                          | \$ 3.8                     |
| Full quarter contribution for 2009 vessel deliveries | 630                          | 15.3                       |
| Scheduled off-hire                                   | (20)                         | (0.3)                      |
| Unscheduled off-hire                                 | (90)                         | (1.6)                      |
| Total  | 648                          | \$ 17.2                    |

Vessel utilization was 97.2% for the quarter ended March 31, 2010 compared to 99.9% for the comparable period in the prior year. This decrease in vessel utilization was due to the 90 days of unscheduled off-hire for the CSCL Hamburg grounding in the Gulf of Aqaba in December 31, 2009. We also completed the dry-docking for the CSCL Vancouver, which resulted in 20 days of scheduled off-hire. Our vessel utilization since our initial public offering is 99.2%.

## Ship Operating Expense

The increase in ownership days, and the dollar impact thereof, for the quarter ended was due to the following:

|  | Quarter ended March 31, 2010 |                            |
|--|------------------------------|----------------------------|
|  | Ownership Days<br>impact     | \$ impact<br>(in millions) |

|   |        |     |
|---|--------|-----|
| 2010 vessel deliveries  | 128 \$ | 0.8 |
| Full quarter contribution for 2009 vessel deliveries                      | 630    | 3.6 |
| Additional extraordinary(4) costs & expenses not covered by the fixed fee | -      | 0.4 |
|   | -----  |     |
| Total   | 758 \$ | 4.8 |
|   | -----  |     |
|   | -----  |     |

## Depreciation

The increase in depreciation expense was due to the additional ownership days from the three deliveries in 2010 and a full quarter for the 2009 deliveries.

## General and Administrative Expenses

The decrease in general and administrative expenses was due to overall cost reductions in the current year.

## Interest Expense

Interest expense is composed of interest at the variable rate plus margin incurred on debt for operating vessels and a non-cash reclassification of amounts from accumulated other comprehensive income related to previously designated hedging relationships. Although the average operating debt balance was higher for the quarter ended March 31, 2010 compared to the same quarter in the prior year, interest expense decreased due to a decrease in LIBOR. The average LIBOR for the quarter ended March 31, 2010 was 0.2%, compared to 0.8% for the comparable period in the prior year. Although we have entered into fixed interest rate swaps, the difference between the variable interest rate and the swapped fixed rate on operating debt is recorded in our change in fair value of financial instruments caption as required by financial reporting standards. The interest incurred on our long-term debt for our vessels under construction is capitalized to the respective vessels under construction.

## Change in Fair Value of Financial Instruments

The change in fair value of financial instruments resulted in a loss of \$65.5 million for the quarter ended March 31, 2010 compared to a gain of \$3.2 million for the comparable quarter last year. The change in fair value loss for the quarter ended March 31, 2010 was due to decreases in the forward LIBOR curve and overall market changes in credit risk since December 31, 2009.

## Cash Available for Distribution(2)

During the quarter ended March 31, 2010, we generated \$40.4 million of cash available for distribution, compared to \$34.8 million for the comparative period in 2009. This represents an increase of \$5.6 million, or 16.0%, as compared to the same quarter in 2009 primarily due to an increased fleet size of 45 vessels at March 31, 2010 compared to

35 vessels at March 31, 2009.

We announced on April 28, 2009 that our board of directors decided to reduce our quarterly dividends from \$0.475 to \$0.10 per share to retain a higher portion of our distributable cash to fund future capital expenditures due to the uncertainties associated with the global recession and the capital markets. Our board of directors cannot yet determine how long this reduction will be in effect. We estimated that this reduction would retain approximately \$100 million annually to be redeployed to fund our newbuilding program. To date, this reduction has cumulatively enabled us to retain approximately \$102 million, of which \$81 million was cash, to fund our newbuilding program.

#### Equity Capital Requirements:

As of March 31, 2010, the estimated remaining installments of the 23 vessels that we have contracted to purchase but have not yet been delivered amounted to approximately \$1.4 billion. Seaspan has secured long term credit facilities to fund the newbuild vessels and does not have any credit facilities maturing until 2015. To fund the remaining portion of the price of the vessels the Company has contracted to purchase, we intend to raise approximately \$140 million in common or other equity and or other forms of capital over the period from the second quarter of 2011 to the second quarter of 2012. This is a reduction from our previous equity capital needs of \$180 to 240 million. The current state of the global financial markets and current economic conditions may adversely impact our ability to issue additional equity at prices which will not be dilutive to our existing shareholders or preclude us from issuing equity at all. We will continue to actively pursue alternatives that will allow us to defer or eliminate some or all of our current equity needs.

#### Dividend Declared:

For the quarter ended March 31, 2010, we declared a quarterly dividend of \$0.10, representing a total distribution of \$6.8 million. The dividend will be paid on May 18, 2010 to all shareholders of record as of May 7, 2010. Because we adopted a dividend reinvestment plan, or DRIP, the actual amount of cash dividends paid may be less than the \$6.8 million based on shareholder participation in the DRIP.

Since our initial public offering in August 2005, we have declared cumulative dividends of \$6.59 per share. Cumulatively, since we adopted the DRIP in May 2008, an additional 1.5 million shares have been issued through the participation in the DRIP. As of today's date and based on a discount of 3%, participating shareholders invested \$14.6 million in the DRIP since we adopted the plan in May 2008.

#### About Seaspan

Seaspan owns containerships and charters them pursuant to primarily long-term fixed-rate charters. Seaspan's contracted fleet of 68 containerships consists of 47 containerships in operation and 21 containerships to be delivered over approximately the next 24 months. Seaspan's operating fleet of 47 vessels has an average age of approximately five years and an average remaining charter period of approximately seven years. All of the 21 vessels to be delivered to Seaspan are already committed to long-term time charters averaging approximately 11 years in duration from delivery. Seaspan's customer base consists of seven of the world's largest liner companies,

including China Shipping Container Lines, A.P. Moller-Maersk, Mitsui O.S.K. Lines, Hapag-Lloyd, COSCO Container Lines, K-Line and CSAV.

Seaspan's common shares are listed on the New York Stock Exchange under the symbol "SSW".

#### Conference Call and Webcast

Seaspan will host a conference call and webcast presentation for investors and analysts to discuss its results for the quarter ended March 31, 2010 on May 12, 2010 at 5:30 a.m. PT / 8:30 a.m. ET. Participants should call 1-877-246-9875 (US/Canada) or 1-707-287-9353 (International) and request the Seaspan call. A telephonic replay will be available for anyone unable to participate in the live call. To access the replay, call 1-800-642-1687 or 1-706-645-9291 and enter replay passcode: 72894956. The recording will be available from May 12, 2010 at 8:30 a.m. PT / 11:30 a.m. ET through to 8:59 p.m. PT / 11:59 p.m. ET on May 26, 2010. The conference call will also be broadcast live over the Internet and will include a slide presentation. To access the live webcast and slide presentation, go to [www.seaspancorp.com](http://www.seaspancorp.com) and click on "News & Events" then "Events & Presentations" for the link. The webcast and slides will be archived on the site for one year.

SEASPAN CORPORATION  
UNAUDITED CONSOLIDATED BALANCE SHEET  
AS OF MARCH 31, 2010  
(IN THOUSANDS OF US DOLLARS)

|  | March 31,<br>2010 | December 31,<br>2009 |  |
|--|-------------------|----------------------|--|
|  | -----             | -----                |  |
| Assets   |                   |                      |  |
| Current assets:                                |                   |                      |  |
| Cash and cash equivalents                      | \$ 79,770         | \$ 133,400           |  |
| Accounts receivable                            | 994               | 164                  |  |
| Prepaid expenses                               | 8,380             | 12,489               |  |
|  | -----             | -----                |  |
|  | 89,144            | 146,053              |  |
| <br>   |                   |                      |  |
| Vessels  | 2,320,746         | 2,088,689            |  |
| Vessels under construction                     | 1,466,041         | 1,396,661            |  |
| Deferred charges                               | 28,413            | 21,667               |  |
| Other assets                                   | 17,295            | 11,377               |  |
|  | -----             | -----                |  |
|  | \$ 3,921,639      | \$ 3,664,447         |  |
|  | -----             | -----                |  |
|  | -----             | -----                |  |
| Liabilities and Shareholders' Equity           |                   |                      |  |
| Current liabilities:                           |                   |                      |  |
| Accounts payable and accrued liabilities       | \$ 19,616         | \$ 20,905            |  |
| Deferred revenue                               | 4,726             | 9,787                |  |
| Current portion of other long-term liabilities | 3,468             | -                    |  |

|        |        |
|--------|--------|
| -----  | -----  |
| 27,810 | 30,692 |

|   |           |         |
|---|-----------|---------|
| Long-term debt (operating vessels)          | 1,180,630 | 936,794 |
| Long-term debt (vessels under construction) | 881,872   | 946,352 |
| Other long-term liabilities                 | 491,436   | 410,598 |
| Fair value of financial instruments         | 318,860   | 280,445 |

|           |           |
|-----------|-----------|
| -----     | -----     |
| 2,900,608 | 2,604,881 |

|                                      |           |           |
|--------------------------------------|-----------|-----------|
| Share capital                        | 682       | 679       |
| Additional paid-in capital           | 1,492,116 | 1,489,936 |
| Deficit                              | (393,201) | (349,802) |
| Accumulated other comprehensive loss | (78,566)  | (81,247)  |

|                            |           |           |
|----------------------------|-----------|-----------|
| -----                      | -----     |           |
| Total shareholders' equity | 1,021,031 | 1,059,566 |

|              |              |
|--------------|--------------|
| -----        | -----        |
| \$ 3,921,639 | \$ 3,664,447 |
| -----        | -----        |

SEASPAN CORPORATION  
 UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT  
 FOR THE QUARTER ENDED MARCH 31, 2010 AND 2009  
 (IN THOUSANDS OF US DOLLARS, EXCEPT PER SHARE AMOUNTS)

|  |               |               |
|--|---------------|---------------|
|  | Quarter ended | Quarter ended |
|  | March 31,     | March 31,     |
|  | 2010          | 2009          |
|  | -----         | -----         |

|         |           |           |
|---------|-----------|-----------|
| Revenue | \$ 80,369 | \$ 63,127 |
|---------|-----------|-----------|

Operating expenses:

|                            |        |        |
|----------------------------|--------|--------|
| Ship operating             | 22,457 | 17,692 |
| Depreciation               | 20,318 | 15,775 |
| General and administrative | 1,884  | 2,069  |

|        |        |
|--------|--------|
| -----  | -----  |
| 44,659 | 35,536 |
| -----  | -----  |

|                    |        |        |
|--------------------|--------|--------|
| Operating earnings | 35,710 | 27,591 |
|--------------------|--------|--------|

Other expenses (earnings):

|                              |       |       |
|------------------------------|-------|-------|
| Interest expense             | 5,053 | 5,139 |
| Interest income              | (30)  | (181) |
| Undrawn credit facility fees | 1,155 | 1,183 |



|   |        |         |
|---|--------|---------|
| Amortization of deferred charges              | 657    | 465     |
| Change in fair value of financial instruments | 65,491 | (3,233) |
|   | -----  | -----   |
|   | 72,326 | 3,373   |
|   | -----  | -----   |

Net earnings (loss) \$ (36,616) \$ 24,218

Deficit, beginning of period (349,802) (443,081)  
Dividends on common shares (6,783) (31,767)

Deficit, end of period (393,201) (450,630)

Weighted average number of shares, basic 67,910 67,014  
Weighted average number of shares, diluted 67,910 78,302

Earnings (loss) per share, basic \$ (0.63) \$ 0.33

Earnings (loss) per share, diluted \$ (0.63) \$ 0.31

SEASPAN CORPORATION  
UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE QUARTER ENDED MARCH 31, 2010 AND 2009  
(IN THOUSANDS OF US DOLLARS)

|                     | Quarter ended<br>March 31,<br>2010 | Quarter ended<br>March 31,<br>2009 |
|---------------------|------------------------------------|------------------------------------|
|                     | -----                              | -----                              |
| Net earnings (loss) | \$ (36,616)                        | \$ 24,218                          |

Other comprehensive income (loss):  
Amounts reclassified to earnings (loss)  
during the period 2,681 2,691

Comprehensive income (loss) \$ (33,935) \$ 26,909

SEASPAN CORPORATION  
UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE QUARTER ENDED MARCH 31, 2010 AND 2009  
(IN THOUSANDS OF US DOLLARS)

Quarter ended March 31, 2010      Quarter ended March 31, 2009  
-----

Cash provided by (used in):

Operating activities:

|  |             |           |
|--|-------------|-----------|
| Net earnings (loss)                                      | \$ (36,616) | \$ 24,218 |
| Items not involving cash:                                |             |           |
| Depreciation   | 20,318      | 15,775    |
| Share-based compensation                                 |             | 547       |
| Amortization of deferred charges                         |             | 657       |
| Amounts reclassified from other comprehensive loss       | 2,630       | 2,677     |
| Unrealized change in fair value of financial instruments | 38,415      | (21,404)  |
| Change in assets and liabilities                         | (8,448)     | (9,495)   |
|  | -----       | -----     |
| Cash provided by operating activities                    |             | 17,503    |
|  | -----       | -----     |

Financing activities:

|   |         |         |
|---|---------|---------|
| Preferred shares issued, net of share issue costs | -       | 99,032  |
| Draws on credit facilities                        | 179,356 | 40,086  |
| Other long-term liabilities                       | 21,250  | -       |
| Financing fees                                    | (2,863) | (2,960) |
| Dividends on common shares(i)                     |         | (5,147) |
|   | -----   | -----   |
| Cash provided by financing activities             |         | 192,596 |
|   | -----   | -----   |

Investing activities:

|                                   |           |           |
|-----------------------------------|-----------|-----------|
| Expenditures for vessels          | (258,309) | (46,247)  |
| Restricted cash                   | (5,000)   | -         |
| Intangible assets                 | (420)     | -         |
|                                   | -----     | -----     |
| Cash used in investing activities |           | (263,729) |
|                                   | -----     | -----     |

Increase (decrease) in cash and cash equivalents

(53,630)      73,913

Cash and cash equivalents, beginning of period

133,400      136,285

-----

|  |    |        |    |         |
|--|----|--------|----|---------|
| Cash and cash equivalents, end of period | \$ | 79,770 | \$ | 210,198 |
|  |    | -----  |    | -----   |
|  |    | -----  |    | -----   |

(i) During the quarter ended March 31, 2010, non-cash dividends of \$1.6 million were paid through the dividend reinvestment program. Shareholders have invested \$14.6 million in the dividend reinvestment program since its adoption in May 2008.

## SEASPAN CORPORATION

### RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

FOR THE QUARTER ENDED MARCH 31, 2010 AND 2009

(IN THOUSANDS OF US DOLLARS)

#### Description of Non-GAAP Financial Measures

##### A. Cash Available for Distribution

Cash available for distribution represents net earnings adjusted for depreciation, amortization of deferred charges, non-cash undrawn credit facility fees, write-off of deferred financing fees on debt refinancing, non-cash share-based compensation, dry-dock adjustment, non-cash interest income, change in fair value of financial instruments, interest expense(5), cash interest paid at the hedged rate(6) and other items that the Company believes are not representative of its operating performance. Cash available for distribution is a non-GAAP quantitative standard used to assist in evaluating a company's ability to make quarterly cash dividends before reserves. Cash available for distribution is not defined by accounting principles generally accepted in the United States and should not be considered as an alternative to net earnings or any other indicator of Seaspans performance required by accounting principles generally accepted in the United States. Cash available for distribution is a non-GAAP measure used to assist in evaluating a company's overall operating performance because cash available for distribution eliminates the effects of non-cash items and items that do not impact our operating performance or our ability to distribute cash to our shareholders.

|  | Quarter ended | Quarter ended |
|--|---------------|---------------|
|  | March 31,     | March 31,     |
|  | 2010          | 2009          |
|  | -----         | -----         |

|                                  |    |          |    |        |
|----------------------------------|----|----------|----|--------|
| Net earnings (loss)              | \$ | (36,616) | \$ | 24,218 |
| Add:                             |    |          |    |        |
| Depreciation                     |    | 20,318   |    | 15,775 |
| Interest expense(5)              |    | 5,053    |    | 5,139  |
| Amortization of deferred charges |    |          |    | 657    |
|                                  |    |          |    | 465    |

|   |           |           |
|---|-----------|-----------|
| Undrawn credit facility fees                  | 1,155     | 1,183     |
| Share-based compensation                      | 547       | 467       |
| Change in fair value of financial instruments | 65,491    | (3,233)   |
| Less:   |           |           |
| Dry-dock adjustment                           | (1,218)   | (817)     |
| Interest income                               | (30)      | (181)     |
|   | -----     | -----     |
| Net cash flows before cash interest payments  | 55,357    | 43,016    |
| Less:   |           |           |
| Cash interest paid at the hedged rate(6)      | (14,401)  | (7,707)   |
| Cash paid for undrawn credit facility fees    | (618)     | (697)     |
| Add:  |           |           |
| Cash interest received                        | 30        | 176       |
|   | -----     | -----     |
| Cash available for distribution               | \$ 40,368 | \$ 34,788 |
|   | -----     | -----     |
|   | -----     | -----     |

## SEASPAN CORPORATION

### RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

FOR THE QUARTER ENDED MARCH 31, 2010 AND 2009

(IN THOUSANDS OF US DOLLARS, EXCEPT PER SHARE AMOUNTS)

#### Description of Non-GAAP Financial Measures

##### B. Normalized Net Earnings and Normalized Earnings per Share

Normalized net earnings represent net earnings adjusted for items such as the non-cash change in fair value of financial instruments, write-off of deferred financing fees on debt refinancing, interest expense(5) and interest expense at the hedged rate(7). With these adjustments normalized net earnings reflects interest expense on our operating debt at the fixed rate on our interest rate swaps plus the applicable margin on the related credit facilities. We believe that this presentation of normalized net earnings is useful because investors and securities analysts frequently adjust net earnings for non-operating items, as described above, to evaluate companies in our industry. Normalized net earnings is a non-GAAP measure used to assist in evaluating a company's overall operating performance and liquidity because normalized net earnings eliminates the effects of non-cash items and items that do not impact our operating performance or our ability to distribute cash to our shareholders.

Normalized net earnings is not defined by generally accepted accounting principles (GAAP) in the United States and should not be considered as an alternative to net earnings or any other indicator of Seaspan's performance required by accounting principles generally accepted in the United States. Normalized earnings per share are calculated using the normalized net earnings and weighted average number of shares.

Quarter ended March 31, 2010      Quarter ended March 31, 2009  
-----

|   |             |           |
|---|-------------|-----------|
| Net earnings (loss)   | \$ (36,616) | \$ 24,218 |
| Adjust:   |             |           |
| Change in fair value of financial instruments                                 | 65,491      | (3,233)   |
| Interest expense(5)   | 5,053       | 5,139     |
| Interest expense at the hedged rate(7)  | (14,300)    | (7,550)   |
| Normalized net earnings   | \$ 19,628   | \$ 18,574 |
| Weighted average number of shares used to compute earnings (loss) per share:  |             |           |
| Reported and normalized, basic  | 67,910      | 67,014    |
| Share-based compensation  | 9           | 40        |
| Preferred shares liquidation preference converted at \$15                     | 14,298      | 6,667     |
| Normalized, converted (Note 3)  | 82,217      | 73,721    |
| Preferred shares 115% premium (30-day trailing average \$9.17; 2009 - \$9.39) | 10,449      | 4,581     |
| Reported and normalized, diluted (Note 2)                                     | 92,666      | 78,302    |
| Earnings (loss) per share:  |             |           |
| Reported, basic (Note 1)  | \$ (0.63)   | \$ 0.33   |
| Reported, diluted (Note 2)  | \$ (0.63)   | \$ 0.31   |
| Normalized, basic (Note 1)  | \$ 0.20     | \$ 0.25   |
| Normalized, converted - preferred shares converted at \$15 (Note 3)           | \$ 0.24     | \$ 0.25   |
| Normalized, diluted (Note 2)  | \$ 0.20     | \$ 0.24   |

Note 1: Basic earnings per share, reported and normalized, are calculated as net earnings (loss) or normalized net earnings, less dividends for Series A preferred shares accrued for the period, divided by the weighted average number of shares outstanding for the period. During the quarter ended March 31, 2010 and March 31, 2009, dividends of \$6,346 and \$1,973, respectively, were accrued for Series A preferred shares.

Note 2: Diluted earnings per share, reported and normalized, are calculated as net earnings or normalized net earnings divided by the diluted number of shares outstanding for the period. The diluted number of shares includes the impact of share-based compensation and the convertible Series A preferred shares, if dilutive. The dilutive impact is calculated using the if-converted method which assumes conversion at the 30 day trailing average at the beginning of the relevant fiscal period for which the earnings per share is being reported and that the 115% difference between this trailing average and the \$15.00 exercise price is settled in additional Class A common shares. For the quarter ended March 31, 2010, and March 31, 2009, since the 30-day trailing average of the share price was \$9.17 and \$9.39, respectively, the 115% premium was \$6.70 and \$6.45, respectively. In periods where there is a net loss, the convertible Series A preferred shares are not included in the diluted number of shares as the impact of the Series A preferred shares is anti-dilutive. If the effect of the Series A preferred shares are anti-dilutive, their effect is also excluded from the diluted earnings per share, reported and normalized.

Note 3: The Series A preferred shares automatically convert to Class A common shares at a price of \$15.00 per share at any time on or after January 31, 2014 if the trailing 30-day average trading price of the common shares is equal to or above \$15.00. If the share price is less than \$15.00, the Company can choose to not convert the preferred shares and to increase the liquidation preference to 15% per annum from 12%. The converted number of shares includes: basic weighted average number of shares, share-based compensation, and the impact of the Series A preferred shares converted at \$15.00 per share. Normalized earnings per share, converted, is calculated as normalized net earnings divided by the converted number of shares outstanding for the period. This method is reflective of the Company's ability to control the conversion if the share price is less than \$15.00 and the per share impact of the preferred shares conversion at \$15.00.

## STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This release contains certain forward-looking statements (as such term is defined in Section 21E of the Securities Exchange Act of 1934, as amended) concerning future events and our operations, performance and financial condition, including, in particular, the likelihood of our success in developing and expanding our business. Statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as "expects," "anticipates," "intends," "plans," "believes," "estimates," "projects," "forecasts," "will," "may," "potential," "should," and similar expressions are forward-looking statements. These forward-looking statements reflect management's current views only as of the date of this presentation and are not intended to give any assurance as to future results. As a result, you are cautioned not to rely on any forward-looking statements. Forward-looking statements appear in a number of places in this release. Although these statements are based upon assumptions we believe to be

reasonable based upon available information, including operating margins, earnings, cash flow, working capital and capital expenditures, they are subject to risks and uncertainties. These risks and uncertainties include, but are not limited to: future operating or financial results; our expectations relating to dividend payments and our ability to make such payments; pending acquisitions, business strategy and expected capital spending; operating expenses, availability of crew, number of off-hire days, dry-docking requirements and insurance costs; general market conditions and shipping market trends, including charter rates and factors affecting supply and demand; our financial condition and liquidity, including our ability to borrow funds under our credit facilities and to obtain additional financing in the future to fund capital expenditures, acquisitions and other general corporate activities; estimated future capital expenditures needed to preserve our capital base; our expectations about the availability of ships to purchase, the time that it may take to construct new ships, or the useful lives of our ships; our continued ability to enter into long-term, fixed-rate time charters with our customers; our ability to leverage to our advantage Seaspan Management Services Limited's relationships and reputation in the containership industry; changes in governmental rules and regulations or actions taken by regulatory authorities; the financial condition of our shipyards, charterers, lenders, refund guarantors and other counterparties and their ability to perform their obligations under their agreements with us; changes in worldwide container demand; changes in trading patterns; competitive factors in the markets in which we operate; potential inability to implement our growth strategy; potential for early termination of long-term contracts and our potential inability to renew or replace long-term contracts; ability of our customers to make charter payments; potential liability from future litigation; conditions in the public equity markets; and other factors detailed from time to time in our periodic reports. We expressly disclaim any obligation to update or revise any of these forward-looking statements, whether because of future events, new information, a change in our views or expectations, or otherwise. We make no prediction or statement about the performance of our common shares.

- (1) Normalized net earnings and normalized earnings per share are non-GAAP measures that are adjusted for non-cash items such as the non-cash change in fair value of financial instruments, write-off of deferred financing fees on debt refinancing, interest expense and interest expense at the hedged rate. Please read "Reconciliation of Non-GAAP Financial Measures for the Quarter Ended March 31, 2010 - Description of Non-GAAP Financial Measures - B. Normalized Net Earnings and Normalized Earnings per Share" for a description of normalized net earnings and a reconciliation of net earnings to normalized net earnings.
- (2) Cash available for distribution is a non-GAAP measure that represents net earnings adjusted for depreciation, amortization of deferred charges, non-cash undrawn credit facility fees, write-off of deferred financing fees on debt refinancing, non-cash share-based compensation, dry-dock adjustment, non-cash interest income, change in fair value of financial instruments, interest expense, cash interest paid at the hedged rate and other items that the Company believes are not representative of its operating performance. Please read "Reconciliation of Non-GAAP Financial Measures for the Quarter Ended March 31, 2010 - Description of Non-GAAP Financial Measures - A. Cash Available for Distribution" for a description of cash available for distribution and a reconciliation of cash available for distribution

to net earnings.

- (3) Includes charterer deductions that are not related to off-hire.
- (4) Extraordinary costs and expenses are defined in our management agreements and do not relate to extraordinary items as defined by financial reporting standards.
- (5) Interest expense as reported on the consolidated statement of operations.
- (6) Cash interest paid at the hedged rate is calculated as the interest incurred on operating debt at the fixed rate on the related interest rate swaps plus the applicable margin on the related credit facilities, on a cash basis.
- (7) Interest expense at the hedged rate is calculated as the interest incurred on operating debt at the fixed rate on the related interest rate swaps plus the applicable margin on the related credit facilities, on an accrual basis.

For further information: For Investor Relations Inquiries: Seaspan Corporation, Mr. Sai W. Chu, Chief Financial Officer, 604-638-2575 / For Media Inquiries: The IGB Group, Mr. Leon Berman, 212-477-8438

---