SEASPAN REPORTS FINANCIAL RESULTS FOR THE QUARTER ENDED MARCH 31, 2016

Continued Growth in Revenue and Cash Flow

HONG KONG, CHINA - April 25, 2016 /CNW/ - Seaspan Corporation ("Seaspan") (NYSE:SSW) announced today its financial results for the quarter ended March 31, 2016. Below is a summary of Seaspan's key financial results:

Summary of Key Financial Results (in thousands of US dollars):

	Quarter Ended March 31,		**Change**	
	2016	**2015**	**$**	**%**
Revenue	$ 215,523	$ 188,547	$ 26,976	14.3%
Reported net earnings	$ 7,128	$ 21,333	$ (14,205)	(66.6%)
Normalized net earnings(1)	$ 46,004	$ 38,356	$ 7,648	19.9%
Earnings (loss) per share, basic and diluted	$ (0.06)	$ 0.08	$ (0.14)	(175.0%)
Normalized earnings per share(1)	$ 0.33	$ 0.25	$ 0.08	32.0%
Cash available for distribution to common shareholders(2)	$ 100,527	$ 93,882	$ 6,645	7.1%
Adjusted EBITDA(3)	$ 163,655	$ 154,075	$ 9,580	6.2%

(1) Normalized net earnings and normalized earnings per share are non-GAAP measures that are adjusted for interest expense, excluding amortization of deferred financing fees, refinancing expenses, write-off of vessel equipment, change in fair value of financial instruments, interest expense at the hedged rate, and certain other items that Seaspan believes are not representative of its operating performance. Please read "Reconciliation of Non-GAAP Financial Measures for the Quarters Ended March 31, 2016 and 2015-Description of Non-GAAP Financial Measures-B. Normalized Net Earnings and Normalized Earnings per Share" for a description of normalized net earnings and normalized earnings per share, and for reconciliations of these measures to net earnings and earnings per share, respectively.

(2) Cash available for distribution to common shareholders is a non-GAAP measure that represents net earnings adjusted for depreciation and amortization, interest expense and amortization of deferred financing fees, refinancing expenses, share-based compensation, change in fair value of financial instruments, bareboat

charter adjustment, gain on sales, amortization of deferred gain, dry-dock reserve adjustment, cash dividends paid on preferred shares, interest expense at the hedged rate and certain other items that Seaspan believes are not representative of its operating performance. Please read "Reconciliation of Non-GAAP Financial Measures for the Quarters Ended March 31, 2016 and 2015-Description of Non-GAAP Financial Measures-A. Cash Available for Distribution to Common Shareholders" for a description of cash available for distribution to common shareholders and a reconciliation of cash available for distribution to common shareholders to net earnings.

(3) Adjusted EBITDA is a non-GAAP measure that represents net earnings adjusted for interest expense and amortization of deferred financing fees, income tax expense, interest income, undrawn credit facility fees, depreciation and amortization, refinancing expenses, share-based compensation, gain on sales, amortization of deferred gain, bareboat charter adjustment, change in fair value of financial instruments and certain other items that Seaspan believes are not representative of its operating performance. Please read "Reconciliation of Non-GAAP Financial Measures for the Quarters Ended March 31, 2016 and 2015-Description of Non-GAAP Financial Measures-C. Adjusted EBITDA" for a description of Adjusted EBITDA and a reconciliation of Adjusted EBITDA to net earnings.

Summary of Key Highlights

- Achieved vessel utilization of 97.2% for the quarter ended March 31, 2016, or 98.3% if the impact of scheduled off-hire days is excluded.
- Accepted delivery of one vessel during the first quarter, bringing Seaspan's operating fleet to a total of 86 vessels at March 31, 2016.
- Paid $13.2 million of regular quarterly dividends to preferred shareholders of record as of January 29, 2016. Dividends per share were:
  - $0.59375 Series C (NYSE: SSW PR C)
  - $0.496875 Series D (NYSE: SSW PR D)
  - $0.515625 Series E (NYSE: SSW PR E)
- Paid a quarterly dividend for the 2015 fourth quarter of $0.375 per Class A common share to all shareholders of record as of January 20, 2016.
- Raised $110.0 million through a financing transaction during 2016.

Gerry Wang, Chief Executive Officer, Co-Chairman and Co-Founder of Seaspan, commented, "During the first quarter, we generated strong operational and financial results, as we further implemented our stable and stress-tested business model. Our success in increasing our first quarter revenue and cash flow is directly related to our growing high-quality fleet and sizeable contracted revenue stream. We continued to grow our fleet during the first quarter, taking delivery of our ninth 10000 TEU SAVER containership, which commenced an eight-year, fixed-rate contract with MOL."

Mr. Wang added, "We continue to access diverse capital sources to fund Seaspan's growth under attractive terms, highlighting the Company's strong relationships with leading global financial institutions and favourable cost of capital. As we progress through 2016, we expect to remain well positioned to draw upon our predictable cash flows to provide shareholders with a stable dividend, while preserving our financial strength for capitalizing on attractive growth opportunities."

First Quarter Developments

Financing

On March 11, 2016, Seaspan entered into a lease financing arrangement with special purpose companies ("SPCs") for one 10000 TEU newbuilding vessel, the MOL Benefactor, which delivered on March 24, 2016.

The lease financing arrangement provided gross financing proceeds of $110.0 million upon delivery of the vessel. Under the lease financing arrangement, Seaspan sold the vessel to the SPCs and leased the vessel back from the SPCs over an initial term of nine years, with an option to purchase the vessel at the end of the lease term for a pre-determined fair value purchase price. If the purchase option is not exercised, the lease term will be automatically extended for an additional two years. The lease financing arrangement provides financing at market rates.

Vessel Delivery

On March 24, 2016, Seaspan accepted delivery of the MOL Benefactor, expanding Seaspan's operating fleet to 86 vessels. The MOL Benefactor was constructed at Jiangsu Yangzi Xinfu Shipbuilding Co., Ltd. using Seaspan's fuel-efficient SAVER design and commenced an eight-year, fixed-rate time charter with Mitsui O.S.K. Lines Ltd. on March 28, 2016.

Common Share Repurchase Plan

Under Seaspan's Rule 10b5-1 share repurchase plan, which was renewed in April 2015 and expires in March 2018 and provides for the repurchase of up to $50.0 million of its Class A common shares, Seaspan repurchased 564,270 Class A common shares for approximately $8.3 million during the quarter ended March 31, 2016.

Subsequent Event

Dividends

On April 12, 2016, Seaspan declared the following quarterly cash dividends on its common and preferred shares, for a total distribution of $50.0 million:

Security	Ticker	Dividend per Share	Period	Record Date	Payment Date
Class A common shares	SSW	$0.375	January 1, 2016 to March 31, 2016	April 20, 2016	May 2, 2016
Series C preferred shares	SSW PR C	$0.59375	January 30, 2016 to April 29, 2016	April 29, 2016	May 2, 2016
Series D preferred shares	SSW PR D	$0.496875	January 30, 2016 to April 29, 2016	April 29, 2016	May 2, 2016
Series E preferred shares	SSW PR E	$0.515625	January 30, 2016 to April 29, 2016	April 29, 2016	May 2, 2016

Results for the Quarter Ended March 31, 2016

At the beginning of 2016, Seaspan had 85 vessels in operation. Seaspan accepted delivery of one newbuilding vessel during the quarter ended March 31, 2016, bringing its operating fleet to a total of 86 vessels at March

31, 2016. Revenue from time charters is determined primarily by the number of operating days, and ship operating expense is determined primarily by the number of ownership days.

	Quarter Ended March 31,		Increase	
	2016	2015	Days	%
Operating days(1)	7,172	6,500	672	10.3 %
Ownership days(1)	7,375	6,570	805	12.3 %

The following table summarizes Seaspan's vessel utilization for the quarters ended March 31, 2016 and 2015:

	First Quarter	
	2016	2015
Vessel Utilization:		
Ownership Days(1)	7,375	6,570
Less Off-hire Days:		
Scheduled 5-Year Survey	(75)	(49)
Unscheduled Off-hire(2)	(128)	(21)
Operating Days(1)	**7,172**	**6,500**
Vessel Utilization	**97.2** %	**98.9** %

(1) Operating and ownership days include leased vessels and exclude vessels under bareboat charter.
(2) Unscheduled off-hire includes days related to vessels off-charter.

The following table summarizes Seaspan's consolidated financial results for the quarters ended March 31, 2016 and 2015:

Financial Summary (in millions of US dollars)	**Quarter Ended March 31,**		**Change**	
	2016	**2015**	**$**	**%**
Revenue	$ 215.5	$ 188.5	$ 27.0	14.3 %
Ship operating expense	47.6	44.6	3.0	6.8 %
Depreciation and amortization expense	58.8	46.6	12.2	26.3 %
General and administrative expense	7.8	6.8	1.0	14.6 %
Operating lease expense	14.9	6.2	8.7	141.4 %
Interest expense and amortization of deferred financing fees	30.1	25.0	5.2	20.7 %
Change in fair value of financial instruments loss	52.2	39.3	12.8	32.6 %

Revenue

Revenue increased by 14.3% to $215.5 million for the quarter ended March 31, 2016, over the same period in

2015. The increase was primarily due to the delivery of eight vessels in 2015 and one additional operating day in 2016. The increase was partially offset by lower average charter rates for vessels which were on short-term charters and an increase in scheduled and unscheduled off-hire.

The increase in operating days and the related financial impact thereof for the quarter ended March 31, 2016, relative to the same period in 2015, are attributable to the following:

	Quarter Ended March 31, 2016	
	Operating Days Impact	**$ Impact (in millions)**
Full period contribution for 2015 vessel deliveries	720	32.3
Change in daily charter hire rate and re-charters	-	(4.7)
Additional days due to leap year	81	2.1
Unscheduled off-hire	(107)	(1.8)
Scheduled off-hire	(26)	(2.8)
Supervision fee revenue	-	1.3
Vessel management revenue	-	0.6
Other	4	-
Total	**672**	**$ 27.0**

Vessel utilization was 97.2% for the quarter ended March 31, 2016, compared to 98.9% for the same period in 2015.

The decrease in vessel utilization for the quarter ended March 31, 2016, compared to the same period in 2015, was primarily due to a 107-day increase in unscheduled off-hire and a 26-day increase in scheduled off-hire. The increase in unscheduled off-hire was primarily due to six vessels that were off-charter for a total of 119 days in the first quarter of 2016, compared to one vessel that was off-charter for a total of three days in the same period of 2015. The increase in scheduled off-hire was due to the completion of nine scheduled dry-dockings in the first quarter of 2016, compared to four scheduled dry-dockings in the same period of 2015.

Seaspan completed dry-dockings for nine vessels during the quarter ended March 31, 2016:

Vessel Class (TEU)	**First Quarter**	
4250	2	(1)
4500	1	
8500	1	
13100	5	
	9	

(1) Dry-docking for these vessels was completed between their time charters.

During the remainder of 2016, Seaspan expects five vessels to undergo their scheduled dry-docking.

Ship Operating Expense

Ship operating expense increased by 6.8% to $47.6 million for the quarter ended March 31, 2016, compared to the same period in 2015, primarily due to an increase in ownership days of 12.3% for the quarter ended March 31, 2016. The increase in ownership days is primarily due to eight vessel deliveries in 2015. Seaspan expects ship operating expense to continue to increase as its fleet expands and ages and as the average size of its vessels increases.

Depreciation and Amortization Expense

Depreciation and amortization expense increased by 26.3% to $58.8 million for the quarter ended March 31, 2016, compared to the same period in 2015, primarily due to an increase in fleet size from vessels delivered in 2015, write-offs of replaced vessel equipment and an increase in dry-dock amortization from an increase in the number of vessels dry-docking.

General and Administrative Expense

General and administrative expense increased by $1.0 million, or 14.6% to $7.8 million for the quarter ended March 31, 2016, compared to the same period in 2015. The increase was primarily due to professional fees and other expenses incurred.

Operating Lease Expense

Operating lease expense increased to $14.9 million for the quarter ended March 31, 2016, from $6.2 million in the same period in 2015. The increase was primarily due to the acquisition of four vessels in 2015 that were financed through new lease financing arrangements. Under these lease financing arrangements, Seaspan sold the vessels to the SPCs and are leasing the vessels back over an initial terms ranging between 8.5 and 9.5 years, with an option to purchase the vessels at the end of the lease term for a pre-determined fair value purchase price. If the purchase option is not exercised, the lease terms will be automatically extended for an additional two or 2.5 years. The sale of vessels resulted in a deferred gain totaling $191.1 million, which is being recorded as a reduction of operating lease expense over 10.5 to 12 years, representing the initial lease terms plus extensions.

Interest Expense and Amortization of Deferred Financing Fees

The following table summarizes Seaspan's borrowings:

(in millions of US dollars)	**As at March 31,**		**Change**		
	2016	**2015**	**$**	**%**	
Long-term debt, excluding deferred financing fees	$ 3,436.7	$ 3,392.8	$ 43.9	1.3	%
Other long-term liabilities, excluding deferred gains and deferred financing fees	336.7	360.4	(23.7)	(6.6)	
Total borrowings	3,773.4	3,753.2	20.2	0.5	
Less: Vessels under construction	(218.7)	(335.9)	117.2	34.9	
Operating borrowings	$ 3,554.7	$ 3,417.3	$ 137.4	4.0	%

Interest expense and amortization of deferred financing fees is comprised primarily of interest incurred on long-term debt and other long-term liabilities, excluding deferred gains, relating to operating vessels at either the variable rate calculated by reference to LIBOR plus the applicable margin or at fixed rates. Interest expense also includes a non-cash reclassification of amounts from accumulated other comprehensive loss related to previously designated hedging relationships. Interest incurred on long-term debt and other long-term liabilities for Seaspan's vessels under construction is capitalized to the cost of the respective vessels under construction. Effective January 1, 2016, in accordance with recent accounting pronouncements, interest expense includes the amortization of debt issuance costs. Previously these amounts were reported as amortization of deferred charges. The comparative figures for the prior period have been reclassified to conform with the current year's presentation.

Interest expense and amortization of deferred financing fees increased by $5.2 million to $30.1 million for the quarter ended March 31, 2016, compared to the same period in 2015. This increase was primarily due to the increase in operating borrowings related to the vessels delivered in 2015 and the full period impact of three 4500 TEU vessels which were refinanced in March 2015. These increases were partially offset by net repayments made on operating borrowings.

Although Seaspan has entered into fixed interest rate swaps for much of its variable rate debt, the difference between the variable interest rate and the swapped fixed-rate on operating debt is recorded in Seaspan's change in fair value of financial instruments rather than in interest expense.

Change in Fair Value of Financial Instruments

The change in fair value of financial instruments resulted in a loss of $52.2 million for the quarter ended March 31, 2016, compared to a loss of $39.3 million for the same period in 2015. The losses for the quarters ended March 31, 2016 and 2015 were primarily due to decreases in the forward LIBOR curve and the effect of the passage of time.

The fair value of interest rate swap and swaption agreements is subject to change based on the company-specific credit risk of Seaspan and of the counterparty included in the discount factor and the interest rate implied by the current swap curve, including its relative steepness. In determining the fair value, these factors are based on current information available to Seaspan. These factors are expected to change through the life of the instruments, causing the fair value to fluctuate significantly due to the large notional amounts and long-term nature of Seaspan's derivative instruments. Because these factors may change, the fair value of the instruments is an estimate and may deviate significantly from the actual cash settlements realized during the term of the instruments. Seaspan's valuation techniques have not changed and remain consistent with those followed by other valuation practitioners.

About Seaspan

Seaspan provides many of the world's major shipping lines with creative outsourcing alternatives to vessel ownership by offering long-term leases on large, modern containerships combined with industry-leading ship management services. Seaspan's managed fleet consists of 118 containerships representing a total capacity of over 935,000 TEU, including 17 newbuilding containerships on order scheduled for delivery to Seaspan and third parties by the end of 2017. Seaspan's current operating fleet of 86 vessels has an average age of approximately six years and an average remaining lease period of approximately five years, on a TEU weighted basis.

Seaspan has the following securities listed on The New York Stock Exchange:

Symbol:	Description:
SSW	Class A common shares

SSW PR C	Series C preferred shares
SSW PR D	Series D preferred shares
SSW PR E	Series E preferred shares
SSWN	6.375% senior unsecured notes due 2019

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, 2016 on April 26, 2016 at 6:30 a.m. PT / 9:30 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, call1-855-859-2056 or 1-404-537-3406 and enter the replay passcode: 92700541. The recording will be available from April 26, 2016 at 9:30 a.m. PT / 12:30 p.m. ET through 8:59 p.m. PT / 11:59 p.m. ET on May 10, 2016. The conference call will also be broadcast live over the Internet and will include a slide presentation. To access the live webcast of the conference call, go to www.seaspancorp.com and click on "News & Events" then "Events & Presentations" for the link. The webcast will be archived on the site for one year.

SEASPAN CORPORATION
UNAUDITED CONSOLIDATED BALANCE SHEET
AS OF MARCH 31, 2016
(IN THOUSANDS OF US DOLLARS)

	March 31, 2016	**December 31, 2015**
Assets		
Current assets:		
Cash and cash equivalents	$ 258,251	$ 215,520
Short-term investments	2,361	3,415
Accounts receivable	29,431	24,065
Loans to affiliate	233,199	219,649
Prepaid expenses	40,203	39,731
Gross investment in lease	32,505	37,783
	595,950	540,163
Vessels	5,028,446	5,069,229
Vessels under construction	218,744	209,119
Deferred charges	67,990	57,299
Goodwill	75,321	75,321
Other assets	90,133	89,056
Fair value of financial instruments	24,139	33,632
	$ 6,100,723	$ 6,073,819
Liabilities and Shareholders' Equity		
Current liabilities:		

Accounts payable and accrued liabilities	$ 75,894	$ 76,386
Current portion of deferred revenue	19,576	22,199
Current portion of long-term debt	322,069	285,783
Current portion of other long-term liabilities	39,748	38,173
Fair value of financial instruments	243	1,260
	457,530	423,801
Deferred revenue	2,405	2,730
Long-term debt	3,087,565	3,072,058
Other long-term liabilities	466,822	462,161
Fair value of financial instruments	357,269	336,886
	4,371,591	4,297,636
Shareholders' equity:		
Share capital	1,220	1,223
Treasury shares	(367)	(356)
Additional paid in capital	2,261,828	2,266,661
Deficit	(503,690)	(460,425)
Accumulated other comprehensive loss	(29,859)	(30,920)
	1,729,132	1,776,183
	$ 6,100,723	$ 6,073,819

SEASPAN CORPORATION
UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT
FOR THE QUARTERS ENDED MARCH 31, 2016 AND 2015
(IN THOUSANDS OF US DOLLARS, EXCEPT SHARE AND PER SHARE AMOUNTS)

	Quarter Ended March 31,	
	2016	**2015**
Revenue	$ 215,523	$ 188,547
Operating expenses:		
Ship operating	47,607	44,577
Cost of services, supervision fees	1,300	-
Depreciation and amortization	58,837	46,599
General and administrative	7,793	6,799
Operating leases	14,851	6,152
	130,388	104,127

Operating earnings	85,135	84,420
Other expenses (income):		
Interest expense and amortization of deferred financing fees	30,143	24,970
Interest income	(3,077)	(3,413)
Undrawn credit facility fees	412	857
Refinancing expenses	-	1,152
Change in fair value of financial instruments	52,151	39,335
Equity income on investment	(1,800)	(249)
Other expenses	178	435
	78,007	63,087
Net earnings	**$ 7,128**	**$ 21,333**
Deficit, beginning of period	(460,425)	(459,161)
Dividends - common shares	(36,880)	(33,377)
Dividends - preferred shares	(13,154)	(13,435)
Amortization of Series C issuance costs	(116)	(314)
Other	(243)	-
Deficit, end of period	$ (503,690)	$ (484,954)
Weighted average number of shares, basic	97,752	97,988
Weighted average number of shares, diluted	97,789	98,036
Earnings (loss) per share, basic and diluted	$ (0.06)	$ 0.08

SEASPAN CORPORATION
UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE QUARTERS ENDED MARCH 31, 2016 AND 2015
(IN THOUSANDS OF US DOLLARS)

	Quarter Ended March 31,	
	2016	**2015**
Net earnings	**$ 7,128**	**$ 21,333**
Other comprehensive income:		
Amounts reclassified to net earnings during the period, relating to cashflow hedging instruments	1,061	1,090

Comprehensive income	**$ 8,189**	**$ 22,423**

SEASPAN CORPORATION
UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE QUARTERS ENDED MARCH 31, 2016 AND 2015
(IN THOUSANDS OF US DOLLARS)

	Quarter Ended March 31,	
	2016	**2015**
Cash from (used in):		
Operating activities:		
Net earnings	$ 7,128	$ 21,333
Items not involving cash:		
Depreciation and amortization	58,837	46,599
Share-based compensation	946	912
Amortization of deferred financing fees	3,311	3,101
Amounts reclassified from other comprehensive loss to interest expense	811	872
Unrealized change in fair value of financial instruments	28,859	11,736
Refinancing expenses	-	1,152
Equity income on investment	(1,800)	(249)
Amortization of deferred gain	(3,866)	(1,386)
Other	24	2,561
Changes in assets and liabilities	(16,348)	(22,262)
Cash from operating activities	77,902	64,369
Financing activities:		
Draws on credit facilities	140,000	37,575
Repayment of credit facilities	(90,520)	(104,864)
Draws on other long-term liabilities	-	150,000
Repayment of other long-term liabilities	(6,041)	(4,045)
Common shares repurchased, including related expenses	(8,269)	-
Financing fees	(1,610)	(3,290)
Dividends on common shares	(35,570)	(16,311)
Dividends on preferred shares	(13,154)	(13,435)
Proceeds from sale-leaseback of vessels	110,000	110,000
Cash from financing activities	94,836	155,630
Investing activities:		
Expenditures for vessels	(117,424)	(70,131)

Short-term investments	1,054	(1,776)
Loans to affiliate	(13,550)	(23,901)
Repayment of loans to affiliate	-	17,833
Other assets	(87)	(418)
Cash used in investing activities	(130,007)	(78,393)
Increase in cash and cash equivalents	42,731	141,606
Cash and cash equivalents, beginning of period	215,520	201,755
Cash and cash equivalents, end of period	$ 258,251	$ 343,361

SEASPAN CORPORATION
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
FOR THE QUARTERS ENDED MARCH 31, 2016 AND 2015
(IN THOUSANDS OF US DOLLARS)

Description of Non-GAAP Financial Measures

A. Cash Available for Distribution to Common Shareholders

Cash available for distribution to common shareholders is defined as net earnings adjusted for depreciation and amortization, interest expense and amortization of deferred financing fees, refinancing expenses, share-based compensation, change in fair value of financial instruments, bareboat charter adjustment, gain on sales, amortization of deferred gain, dry-dock reserve adjustment, cash dividends paid on preferred shares, interest expense at the hedged rate and certain other items that Seaspan believes are not representative of its operating performance.

In the second quarter of 2015, the definition of cash available for distribution to common shareholders was revised to include the gain and exclude the amortization of the deferred gain on Seaspan's sale-leaseback financings. Accordingly, the comparative figures for the prior periods have been adjusted to reflect this change. The impact of this change resulted in an increase in cash available for distribution to common shareholders for the quarter ended March 31, 2015 of approximately 23.8%.

Cash available for distribution to common shareholders is a non-GAAP measure used to assist in evaluating Seaspan's ability to make quarterly cash dividends before reserves for replacement capital expenditures. Cash available for distribution to common shareholders is not defined by United States generally accepted accounting principles ("GAAP") and should not be considered as an alternative to net earnings or any other indicator of Seaspan's performance required to be reported by GAAP.

	Quarter Ended March 31,	
	2016	**2015**
Net earnings	$ 7,128	$ 21,333
Add:		

Depreciation and amortization	58,837	46,599
Interest expense and amortization of deferred financing fees	30,143	24,970
Refinancing expenses	-	1,152
Share-based compensation	946	912
Change in fair value of financial instruments(1)	52,029	39,147
Bareboat charter adjustment, net(2)	4,770	4,441
Gain on sales(3)	16,333	19,463
Less:		
Amortization of deferred gain(4)	(3,866)	(1,386)
Dry-dock reserve adjustment	(5,849)	(4,169)
Cash dividends paid on preferred shares:		
Series C	(7,910)	(8,114)
Series D	(2,475)	(2,537)
Series E	(2,769)	(2,784)
Net cash flows before interest payments	147,317	139,027
Less:		
Interest expense at the hedged rate(5)	(46,790)	(45,145)
Cash available for distribution to common shareholders	**$ 100,527**	**$ 93,882**

SEASPAN CORPORATION
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
FOR THE QUARTERS ENDED MARCH 31, 2016 AND 2015
(IN THOUSANDS OF US DOLLARS)

B. Normalized Net Earnings and Normalized Earnings per Share

Normalized net earnings is defined as net earnings adjusted for interest expense, excluding amortization of deferred financing fees, refinancing expenses, write-off of vessel equipment, change in fair value of financial instruments, interest expense at the hedged rate and certain other items Seaspan believes affect the comparability of operating results. Normalized net earnings is a useful measure because it excludes those items that Seaspan believes are not representative of its operating performance.

Normalized earnings per share is calculated as normalized net earnings, less dividends on Series C (excluding the retained earnings impact of any repurchases), Series D and Series E preferred shares, divided by the weighted average number of Class A common shares outstanding for the period.

Normalized net earnings and normalized earnings per share are not defined by GAAP and should not be considered as an alternative to net earnings, earnings per share or any other indicator of Seaspan's performance required to be reported by GAAP.

Quarter Ended
March 31,

	2016	2015
Net earnings	$ 7,128	$ 21,333
Adjust:		
Interest expense, excluding amortization of deferred financing fees	26,832	21,869
Refinancing expenses	-	1,152
Write-off of vessel equipment(6)	6,805	-
Change in fair value of financial instruments(1)	52,029	39,147
Interest expense at the hedged rate(5)	(46,790)	(45,145)
Normalized net earnings	**$ 46,004**	**$ 38,356**
Less: preferred share dividends		
Series C (including amortization of issuance costs)	8,026	8,428
Series D	2,475	2,537
Series E	2,769	2,784
	13,270	**13,749**
Normalized net earnings attributable to common shareholders	**$ 32,734**	**$ 24,607**
Weighted average number of shares used to compute earnings per share		
Reported, basic	**97,752**	**97,988**
Share-based compensation	37	48
Reported, diluted and normalized	**97,789**	**98,036**
Earnings (loss) per share:		
Reported, basic and diluted	**$ (0.06)**	**$ 0.08**
Normalized(7)	**$ 0.33**	**$ 0.25**

SEASPAN CORPORATION
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
FOR THE QUARTERS ENDED MARCH 31, 2016 AND 2015
(IN THOUSANDS OF US DOLLARS)

C. Adjusted EBITDA

Adjusted EBITDA is defined as net earnings adjusted for interest expense and amortization of deferred financing fees, income tax expense, interest income, undrawn credit facility fees, depreciation and amortization, refinancing expenses, share-based compensation, gain on sales, amortization of deferred gain, bareboat charter adjustment, change in fair value of financial instruments and certain other items that Seaspan believes are not representative of its operating performance.

In the second quarter of 2015, the definition of Adjusted EBITDA was revised to include the gain and exclude the amortization of the deferred gain on Seaspan's sale-leaseback financings. Accordingly, the comparative figures for the prior periods have been adjusted to reflect this change. The impact of this change resulted in an increase in Adjusted EBITDA for the quarter ended March 31, 2015 of approximately 13.3%.

Adjusted EBITDA provides useful information to investors in assessing Seaspan's results of operations. Seaspan believes that this measure is useful in assessing performance and highlighting trends on an overall basis. Seaspan also believes that this measure can be useful in comparing its results with those of other companies, even though other companies may not calculate this measure in the same way as Seaspan. The GAAP measure most directly comparable to Adjusted EBITDA is net earnings. Adjusted EBITDA is not defined by GAAP and should not be considered as an alternative to net earnings or any other indicator of Seaspan's performance required to be reported by GAAP.

	Quarter Ended March 31,	
	2016	**2015**
Net earnings	$ 7,128	$ 21,333
Add:		
Interest expense and amortization of deferred financing fees	30,143	24,970
Interest income	(3,077)	(3,413)
Undrawn credit facility fees	412	857
Depreciation and amortization	58,837	46,599
Refinancing expenses	-	1,152
Share-based compensation	946	912
Gain on sales(3)	16,333	19,463
Amortization of deferred gain(4)	(3,866)	(1,386)
Bareboat charter adjustment, net(2)	4,770	4,441
Change in fair value of financial instruments(1)	52,029	39,147
Adjusted EBITDA	**$ 163,655**	**$ 154,075**

Notes to Non-GAAP Financial Measures

(1) Change in fair value of financial instruments includes realized and unrealized losses (gains) on Seaspan's interest rate swaps, unrealized losses (gains) on Seaspan's foreign currency forward contracts and unrealized losses (gains) on interest rate swaps included in equity income on investment.

(2) In the second half of 2011, Seaspan entered into agreements to bareboat charter four 4800 TEU vessels to Mediterranean Shipping Company ("MSC") for a five-year term, beginning from vessel delivery dates that occurred in 2011. Upon delivery of the vessels to MSC, the transactions were accounted for as sales-type leases. The vessels were disposed of and a gross investment in lease was recorded, which is being amortized to income through revenue. The bareboat charter adjustment in the applicable non-GAAP measures is included to reverse the GAAP accounting treatment and reflect the transaction as if the vessels had not been disposed of. Therefore, the bareboat charter fees are added back and the interest income from leasing, which is recorded in revenue, is deducted resulting in a net bareboat charter adjustment.

(3) During the quarter ended March 31, 2016, the gain on sale relates to the proceeds received in excess of vessel cost upon the sale of one 10000 TEU vessel that was financed through a sale-leaseback financing. Under this lease financing arrangement, Seaspan sold the vessel to the SPCs and is leasing the vessel back. For accounting purposes, the gain is recognized over the term of the lease.

(4) Eight vessels were financed through lease financing arrangements under which Seaspan sold the vessels to the SPCs and is leasing the vessels back. The gain on sales was deferred and is being amortized as a reduction of operating lease expense.

(5) 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 variable rate credit facilities and leases, on an accrual basis. Interest expense on fixed rate borrowings is calculated using the effective interest rate.

(6) Commencing in May 2015, Seaspan installed vessel upgrades for certain of its vessels at the request of its charterer to enhance fuel efficiency. As a result, Seaspan incurred non-cash write-offs related to the original vessel equipment of $6.8 million for the quarter ended March 31, 2016. These write-offs are included in depreciation and amortization expense. The cost of the vessel upgrades will be recovered from the charterer.

(7) Normalized earnings per share increased for the quarter ended March 31, 2016 as detailed in the table below:

	Quarter Ended March 31, 2016
Normalized earnings per share- March 31, 2015	**$ 0.25**
Excluding share count changes:	
Increase in normalized earnings(a)	0.08
Normalized earnings per share- March 31, 2016	**$ 0.33**

(a) The increase in normalized earnings is primarily due to an increase in revenue of $27.0 million for the quarter ended March 31, 2016, partially offset by increases in operating lease expense of $8.7 million, depreciation and amortization expense of $5.4 million, ship operating expense of $3.0 million, and interest at the hedged rate of $1.6 million for the quarter ended March 31, 2016. Please read "Results for the Quarter Ended March 31, 2016" for a description of these changes.

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), which reflect management's current views with respect to certain future events and performance, including, in particular, statements regarding: future operating results; time charters; ship operating expense; vessel dry-docking schedules; future contracted revenues; Seaspan's access to capital and financial strength and flexibility; the repurchase plan for Seaspan's common shares and repurchases under such plan; vessel deliveries and dividends, including the amount and timing of payment thereof for 2016. Although these statements are based upon assumptions Seaspan believes to be reasonable, they are subject to risks and uncertainties. These risks and uncertainties include, but are not limited to: the availability to Seaspan of containership acquisition or construction opportunities; the availability and cost to Seaspan of financing to pursue growth opportunities; the number of additional vessels managed by the Manager in the future; general market conditions and shipping market trends, including, chartering rates; increased operating expenses; the number of off-hire days; dry-docking requirements; Seaspan's ability to borrow funds under its credit facilities and to obtain additional financing in the future; Seaspan's future cash flows and its ability to make dividend and other payments; the time that it may take to construct new ships; Seaspan's continued ability to enter into primarily long-term, fixed-rate time charters with customers; changes in governmental rules and regulations or actions taken by regulatory authorities; the financial condition of shipyards, charterers, lenders, refund guarantors and other counterparties and their ability to perform their obligations under their agreements with Seaspan; the potential for early termination of long-term contracts and Seaspan's potential inability to enter into, renew or replace long-term contracts; conditions in the public capital markets and the price of Seaspan's shares; the declaration of dividends and related payment dates by Seaspan's board of directors; and other factors detailed from time-to-time in Seaspan's periodic reports and filings with the Securities and Exchange Commission, including Seaspan's Annual Report on Form 20-F for the year ended December 31, 2015. Seaspan expressly disclaims any obligation to update or revise any of these forward-looking statements, whether because of future events, new information, a change in Seaspan's views or expectations, or otherwise.

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