SEASPAN REPORTS FINANCIAL RESULTS FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2011

Signs Newbuilding Contracts for Fuel Efficient 10000 TEU Vessels and Secures Ten-Year Time Charters with Hanjin Shipping

Newbuilding Contracts Expected to be First in a Series of Orders in Company's Next Phase of Fleet Expansion

HONG KONG, CHINA - Aug. 4, 2011 /CNW/ - Seaspan Corporation (NYSE:SSW) announced today the financial results for the three and six months ended June 30, 2011. Below is a summary of Seaspan's key financial results:

Summary of Key Financial Results (dollars in thousands):

	Three Months Ended June 30, 2011	Three Months Ended June 30, 2010	Change $	Change %
Reported net loss	$ (34,862)	$ (121,842)	$ 86,980	71.4%
Normalized net earnings(1)	$ 28,675	$ 22,284	$ 6,391	28.7%
Loss per share, basic and diluted	$ (0.72)	$ (1.89)	$ 1.17	61.9%
Normalized earnings per share, converted(1) (Series A preferred shares converted at $15)	$ 0.24	$ 0.27	$ (0.03)	(11.1%)
Cash available for distribution to common shareholders(2)	$ 53,533	$ 46,164	$ 7,369	16.0%
Adjusted EBITDA(3)	$ 95,831	$ 68,538	$ 27,293	39.8%

	Six Months Ended June 30, 2011	Six Months Ended June 30, 2010	Change $	Change %
Reported net earnings (loss)	$ 15,690	$ (158,458)	$ 174,148	109.9%
Normalized net earnings(1)	$ 53,821	$ 41,912	$ 11,909	28.4%
Loss per share, basic and diluted	$ (0.17)	$ (2.52)	$ 2.35	93.3%
Normalized earnings per share, converted(1) (Series A preferred shares converted at $15)	$ 0.48	$ 0.50	$ (0.02)	(4.0)%
Cash available for distribution to common				

shareholders(2)	$ 104,430	$ 86,096	$ 18,334	21.3%
Adjusted EBITDA(3)	$ 183,066	$ 124,566	$ 58,500	47.0%

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(1) Normalized net earnings and normalized earnings per share are non-GAAP measures that are adjusted for items such as the change in fair value of financial instruments, interest expense, interest expense at the hedged rate and other items that Seaspan believes are not representative of its operating performance. Normalized earnings per share, converted, reflects normalized earnings per share on a pro-forma basis on the assumption that the Series A preferred shares are converted at $15.00 per share. Please read "Reconciliation of Non-GAAP Financial Measures for the Three and Six Months Ended June 30, 2011 - 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 normalized earnings per share, converted, 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, amortization of deferred charges, non-cash share-based compensation, dry-dock adjustment, change in fair value of financial instruments, interest expense, interest expense at the hedged rate, cash dividends paid on preferred shares and other items that Seaspan believes are not representative of its operating performance. Please read "Reconciliation of Non-GAAP Financial Measures for the Three and Six Months Ended June 30, 2011 - 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 net earnings.

(3) Adjusted EBITDA is a non-GAAP measure that represents net earnings (loss) before interest expense and other debt-related expenses, interest income, income tax expense, depreciation and amortization expense, change in fair value of financial instruments, and certain non-cash charges and selected items that are generally unusual or non-recurring that Seaspan believes are not representative of its operating performance. Please read "Reconciliation of Non-GAAP Financial Measures for the Three and Six Months Ended June 30, 2011 - 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 98.9% for the three and six months ended June 30, 2011;

-- Accepted delivery of four newbuilding vessels during the second quarter, bringing Seaspan's operating fleet to a total of 62 vessels as at June 30, 2011. Two of the four delivered vessels are 13100 TEU vessels, the largest vessels in Seaspan's fleet and flagship vessels in COSCON's containership fleet;

-- Completed second issuance of four million shares of 9.5% Series C preferred stock in May 2011 for net proceeds of $105.2 million;

-- Signed construction contracts for three newbuilding 10000 TEU containerships scheduled for delivery in 2014, and diversified Seaspan's high-quality customer portfolio by signing ten-year, fixed-rate charters for the newbuilding vessels with Hanjin Shipping Co., Ltd. ("Hanjin");

-- Paid the first quarterly dividend on the Series C preferred shares on May 2, 2011 of $0.606944 per share;

-- Paid a first quarter dividend of $0.1875 per common share on May 23, 2011, which represents a 50.0% and 87.5% increase over the dividends paid for the fourth quarter of 2010 and first quarter of 2010, respectively;

-- Declared a quarterly dividend of $0.600347 per Series C preferred share on July 19, 2011, representing a distribution of $8.4 million. The dividend was paid on August 1, 2011 to all Series C shareholders of record as of July 29, 2011 for the period from April 30, 2011 to July 29, 2011; and

-- Declared a second quarter dividend of $0.1875 per common share to be paid on August 22, 2011 to all common shareholders of record as of August 15, 2011, increasing cumulative dividends declared to $7.34 per common share since August 2005 initial public offering.

Gerry Wang, Chief Executive Officer, Co-Chairman, and Co-Founder of Seaspan, commented, "During the second quarter, we continued to grow our fleet, positioning Seaspan to further expand its contracted revenue stream, net earnings and cash available for distribution. In addition to taking delivery of four newbuildings, we capitalized on a compelling ship acquisition environment and commenced our next phase of growth."

Mr. Wang added, "We are pleased to have re-entered the newbuilding market by signing contracts for the construction of three 10000 TEU newbuildings pursuant to our right of first refusal agreement with Greater China Intermodal Investments LLC ("GCI"). In addition to realizing volume discounts and favorable pricing terms, we drew upon our new containership venture to introduce our innovative SAVER design, which we believe will provide significantly improved fuel efficiency and operational savings to customers. The addition of Hanjin, the largest Korean-based liner company, is aligned with Seaspan's strategy of diversifying its high quality customer portfolio."

Mr. Wang concluded, "During the second quarter, we also maintained our focus on strengthening Seaspan's capital structure to fund future growth by completing our second offering of our Series C preferred stock. We intend to pursue attractive growth opportunities that strengthen our leadership position in the industry and to utilize our strong balance sheet to continue to act opportunistically. We expect our most recent newbuilding orders to be the first in a series of orders in our next phase of fleet expansion as we continue to benefit from the scale and buying power of our recently formed containership venture, and to serve as a template for our controlled and balanced growth strategy."

Second Quarter Developments

Issuance of Four Million Series C Preferred Shares

On May 25, 2011, Seaspan completed a public offering of four million shares of its Series

C preferred stock at price of $27.15 per share, for net proceeds of $105.2 million, which included accrued dividends to May 25, 2011 of $0.15 per share. The shares were sold at a $2.00 premium per share over the stated liquidation preference of $25 per share. Dividends are payable on the Series C preferred shares at an initial rate of 9.5% per annum of the stated liquidation preference. Seaspan intends to use the net proceeds from this offering for general corporate purposes, including funding the construction of its three new 10000 TEU containerships.

Newbuilding Order and New Customer

Seaspan has signed contracts for the construction of three 10000 TEU newbuilding containerships with Jiangsu New Yangzi Shipbuilding Co., Ltd. and Jiangsu Yangzi Xinfu Shipbuilding Co., Ltd. The contracts were signed pursuant to Seaspan's right of first refusal agreement with GCI, an investment vehicle established by an affiliate of global alternative asset manager, The Carlyle Group, in which Seaspan holds an 11% ownership interest. The vessels will be constructed using Seaspan's fuel efficient New Panamax SAVER design, which was nominated for Nor-Shipping's Next Generation Ship Award, and will be chartered under ten-year, fixed-rate time charters with Hanjin. Hanjin is the largest Korean-based liner company and a new addition to Seaspan's high-quality customer portfolio. After the initial ten-year charter periods, Hanjin will have options to recharter each ship for an additional two years. The three vessels acquired by Seaspan are scheduled for delivery in 2014. Seaspan has options to purchase an additional 18 similar newbuilding vessels, which will also be subject to Seaspan's right of first refusal agreement with GCI. The conflicts committee of Seaspan's board of directors approved the allocation of the vessels between Seaspan and GCI and Seaspan's acquisition of the three vessels.

Seaspan intends to fund the construction of the three new 10000 TEU containerships with existing growth capital, including proceeds from its recent Series C preferred share offerings, and cash from operations.

Subsequent Events

On August 1, 2011, Seaspan accepted delivery of the Budapest Bridge, bringing its operating fleet to 63 vessels.

Results for the Three and Six Months ended June 30, 2011

The following tables summarize vessel utilization and the impact of off-hire time on Seaspan's revenues for the three and six months ended June 30, 2011:

	First Quarter		Second Quarter		Year to Date	
	2011	2010	2011	2010	2011	2010
Vessel Utilization:						
Ownership Days	5,087	3,908	5,421	4,390	10,508	8,298
Less Off-hire Days:						
Scheduled 5-Year Survey	(53)	(20)	(58)	(42)	(111)	(62)
Unscheduled Off-hire	(2)	(91)	(3)	(4)	(5)	(95)
Operating Days	5,032	3,797	5,360	4,344	10,392	8,141

Vessel Utilization	98.9%	97.2%	98.9%	99.0%	98.9%	98.1%

	First Quarter		Second Quarter		Year to Date	
	2011	2010	2011	2010	2011	2010
Revenue - Impact of Off-Hire (in thousands):						
100% Utilization	$121,983	$82,378	$134,902	$98,360	$256,885	$180,738
Less Off-hire:						
Scheduled 5-Year Survey	(955)	(347)	(1,173)	(738)	(2,128)	(1,085)
Unscheduled Off-hire(4)	(33)	(1,662)	(57)	(77)	(90)	(1,739)
Actual Revenue Earned	$120,995	$80,369	$133,672	$97,545	$254,667	$177,914

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(4) Includes charterer deductions that are not related to off-hire.

Seaspan accepted delivery of 13 vessels during the year ended December 31, 2010. Seaspan began 2011 with 55 vessels in operation and accepted delivery of seven vessels as at June 30, 2011, bringing its fleet to a total of 62 vessels in operation as at that date. Operating days are the primary driver of revenue, while ownership days are the primary driver for ship operating costs.

	Three Months Ended June 30,		Increase		Six Months Ended June 30,		Increase	
	2011	2010	Days	%	2011	2010	Days	%
Operating days	5,360	4,344	1,016	23.4%	10,392	8,141	2,251	27.7%
Ownership days	5,421	4,390	1,031	23.5%	10,508	8,298	2,210	26.6%

Financial Summary (in millions)	Three Months Ended June 30,		Change		Six Months Ended June 30,		Change	
	2011	2010	$	%	2011	2010	$	%
Revenue	$ 133.7	$ 97.5	$ 36.1	37.0%	$254.7	$ 177.9	$ 76.8	43.1%
Ship operating expense	32.8	26.6	6.2	23.4%	63.9	49.0	14.8	30.3%
Depreciation	32.8	24.1	8.8	36.4%	62.8	44.4	18.4	41.5%
General and administrative expenses	5.0	2.4	2.6	107.6%	7.7	4.3	3.4	79.3%

Interest expense	10.7	6.9	3.7	53.9%	20.8	12.0	8.8	73.7%
Change in fair value of financial instruments loss	84.7	157.7	(72.9)	(46.2%)	78.9	223.2	(144.2)	(64.6%)

Revenue

The increase in operating days and the dollar impact thereof, for the three and six months ended June 30, 2011 was due to the following:

	Three Months Ended June 30, 2011		Six Months Ended June 30, 2011	
	Operating Days impact	$ impact (in millions)	Operating Days impact	$ impact (in millions)
2011 vessel deliveries	416	$ 16.3	553	$ 21.2
Full period contribution for 2010 vessel deliveries	615	20.1	1,657	54.9
Change in daily charterhire rate	-	0.1	-	0.1
Scheduled off-hire	(16)	(0.4)	(49)	(1.0)
Unscheduled off-hire	1	-	90	1.6
Total	1,016	$ 36.1	2,251	$ 76.8

Vessel utilization was 98.9%, for both the three and six months ended June 30, 2011 compared to 99.0% and 98.1% for each of the comparable periods in the prior year.

The increase in vessel utilization for the six months ended June 30, 2011 was primarily due to the 90 days of unscheduled off-hire resulting from the grounding of the CSAV Licanten (formerly the CSCL Hamburg) in the Gulf of Aqaba on December 31, 2009. During the six months ended June 30, 2010 four dry-dockings were completed, which resulted in 62 days of scheduled off-hire for the following vessels:

Vessel	Commenced
CSCL Vancouver	Q1
CSAV Licanten(5)	Q2
CSCL Sydney	Q2
CSCL New York	Q2

(5) CSAV Licanten's next dry-docking was originally scheduled for 2013, however Seaspan combined the repairs of the CSAV Licanten with an earlier dry-docking which defers the next scheduled dry-docking to 2015.

During the six months ended June 30, 2011 Seaspan completed seven dry-dockings which resulted in a total of 111 days of scheduled off-hire for the following vessels:

Vessel	Commenced
CSCL Sao Paulo(6)	Q1
Jakarta Express	Q1
Saigon Express	Q1
Rio Grande Express	Q1
Lahore Express	Q2
Santos Express	Q2
Victor	Q2

(6) CSCL Sao Paulo's next dry-docking was originally scheduled for 2013; however, Seaspan combined the scheduled dry-docking for this vessel with repairs initiated in December 2010 to achieve savings and defer the next scheduled dry-docking to 2016.

Seaspan's cumulative vessel utilization since its initial public offering in August 2005 is 99.1%.

Ship Operating Expense

The increase in ownership days, and the dollar impact thereof, for the three and six months ended June 30, 2011 was due to the following:

	Three Months Ended June 30, 2011		Six Months Ended June 30, 2011	
	Ownership Days impact	$ impact (in millions)	Ownership Days impact	$ impact (in millions)
2011 vessel deliveries	416	$ 2.9	553	$ 3.8
Full period contribution for 2010 vessel deliveries	615	3.7	1,657	10.2
Changes in extraordinary(7) costs & expenses not covered by the fixed fee	-	(0.4)	-	0.8
Total	1,031	$ 6.2	2,210	$ 14.8

(7) Extraordinary costs and expenses are defined in Seaspan's management agreements and do not relate to extraordinary items as defined by financial reporting standards. The portion of extraordinary costs compared to the fixed technical management fee were 3.6% and 4.6% of total expenses for the three and six months ended June 30, 2011, as compared to 6.2% and 4.4% for the comparable periods in the prior year. The decrease for the three months ended June 30, 2011 is mainly attributable to the bunkers consumed during off-hire for the CSAV Licanten in 2010.

Depreciation

The increases in depreciation expense for the three and six months ended June 30, 2011 were due to the additional ownership days from the seven deliveries in 2011 and a full period of ownership for the 13 deliveries in 2010.

General and Administrative Expenses

The increases in general and administrative expenses for the three and six months ended June 30, 2011 were primarily due to the new employment agreement with Seaspan's chief executive officer, additional fees paid to Seaspan's board of directors for an increased number of meetings and increased legal costs and professional fees to support growth transactions.

Interest Expense

Interest expense is comprised of interest at the variable rate plus the applicable margin incurred on debt for operating vessels and a reclassification of amounts from accumulated other comprehensive income related to previously designated hedging relationships. The increases in interest expense for the three and six months ended June 30, 2011, were primarily due to higher average operating debt balances compared to the comparable periods in the prior year. The average LIBOR for the three and six months ended June 30, 2011 was 0.4%, compared to 0.3% for both of the comparable periods of the prior year. Although Seaspan has entered into fixed interest rate swaps, 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 caption as required by financial reporting standards. The interest incurred on long-term debt for Seaspan's 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 $84.7 million for the three months ended June 30, 2011, compared to a loss of $157.7 million for the comparable quarter last year. The change in fair value of financial instruments resulted in a loss of $78.9 million for the six months ended June 30, 2011, compared to a loss of $223.2 million for the comparable period last year. The decreases in change in fair value for the three and six months ended June 30, 2011 were primarily due to decreases in the forward LIBOR curve. The fair value of interest rate swap and swaption agreements is subject to change based on Seaspan's company-specific credit risk 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 the 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. As these factors may change, the fair value of the instruments is an estimate and may deviate significantly from the actual cash settlements realized over the term of the instruments.

Dividends Declared:

Class A Common Shares

For the quarter ended June 30, 2011, Seaspan declared a quarterly dividend of $0.1875 per common share, representing a total distribution of $12.9 million. The dividend will be paid on August 22, 2011 to all shareholders of record as of August 15, 2011. Because Seaspan adopted a dividend reinvestment plan, or DRIP, the actual amount of cash dividends paid may be less than $12.9 million based on shareholder participation in the DRIP.

Since Seaspan's initial public offering in August 2005, the company has declared cumulative dividends of $7.34 per common share. Since Seaspan adopted the DRIP in May 2008, a total of 2.4 million shares have been issued through shareholder participation in the DRIP. Since the plan's adoption, participating shareholders have invested $26.5 million in the DRIP.

Series C Preferred Shares

On May 2, 2011, Seaspan paid for the first time, a quarterly dividend of $0.606944 per share on its 9.5% Series C preferred shares, representing a distribution of $6.1 million. The dividend was paid to all 9.5% Series C preferred shareholders of record as of April 29, 2011 for the period from January 28, 2011 to April 29, 2011.

On July 19, 2011, Seaspan declared a quarterly dividend of $0.600347 per share, on its 9.5% Series C preferred shares, representing a distribution of $8.4 million. The dividend was paid on August 1, 2011 to all shareholders of record as July 29, 2011 for the period from April 30, 2011 to July 29, 2011.

About Seaspan

Seaspan is a leading independent charter owner of containerships, which it charters primarily pursuant to long-term fixed-rate time charters to major container liner companies. Seaspan's contracted fleet of 72 containerships consists of 63 containerships in operation and nine containerships scheduled for delivery through 2014. Seaspan's operating fleet of 63 vessels has an average age of approximately five years and an average remaining charter period of approximately seven years. All of the nine vessels to be delivered to Seaspan are already committed to fixed-rate time charters of between 10 and 12 years in duration from delivery. Seaspan's customer base consists of nine of the world's largest liner companies, including A.P. Moller-Maersk A/S, China Shipping Container Lines (Asia) Co., Ltd., Compania Sud Americana de Vapores S.A., COSCO Container Lines Co., Ltd., Hanjin Shipping Co., Ltd., Hapag-Lloyd USA, LLC, Kawasaki Kisen Kaisha Ltd., Mitsui O.S.K. Lines, Ltd., and United Arab Shipping Company (S.A.G.).

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

Seaspan's Series C preferred shares are listed on the New York Stock Exchange under the symbol "SSW PR C".

Conference Call and Webcast

Seaspan will host a conference call and webcast presentation for investors and analysts to discuss its results for the three and six months ended June 30, 2011 on Thursday August 4, 2011 at 7:00 a.m. PT / 10:00 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 1-855-859-2056 or 1-404-537-3406 and enter the replay passcode: 86799304. The recording will be available from August 4, 2011 at 10:00 a.m. PT / 1:00 p.m. ET through 8:59 p.m. PT / 11:59 p.m. ET on August 18, 2011. 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 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 JUNE 30, 2011
(IN THOUSANDS OF US DOLLARS)

	June 30, 2011	December 31, 2010
Assets		
Current assets:		
Cash and cash equivalents	$ 152,828	$ 34,219
Accounts receivable	1,472	1,017
Prepaid expenses	13,939	11,528
	168,239	46,764
Vessels	4,021,978	3,191,734
Vessels under construction	526,109	1,019,138
Deferred charges	39,792	37,607
Other assets	81,392	81,985
	$ 4,837,510	$ 4,377,228
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	$ 35,413	$ 28,394
Deferred revenue	7,311	10,696
Current portion of other long-term liabilities	33,425	19,096
	76,149	58,186
Long-term debt	2,399,068	2,396,771
Other long-term liabilities	601,230	524,716
Fair value of financial instruments	426,065	407,819
	3,502,512	3,387,492
Share capital	835	691
Additional paid-in capital	1,879,124	1,526,822
Deficit	(483,179)	(469,616)
Accumulated other comprehensive loss	(61,782)	(68,161)
Total shareholders' equity	1,334,998	989,736

	$ 4,837,510	$ 4,377,228

SEASPAN CORPORATION
UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2011 AND 2010
(IN THOUSANDS OF US DOLLARS, EXCEPT PER SHARE AMOUNTS)

	Three months ended June 30, 2011	Three months ended June 30, 2010	Six months ended June 30, 2011	Six months ended June 30, 2010
Revenue	$ 133,672	$ 97,545	$ 254,667	$ 177,914
Operating expenses:				
Ship operating	32,809	26,583	63,875	49,040
Depreciation	32,818	24,055	62,776	44,373
General and administrative	5,032	2,424	7,726	4,308
	70,659	53,062	134,377	97,721
Operating earnings	63,013	44,483	120,290	80,193
Other expenses (earnings):				
Interest expense	10,656	6,926	20,803	11,979
Interest income	(172)	(6)	(327)	(36)
Undrawn credit facility fees	1,221	906	2,482	2,061
Amortization of deferred charges	1,423	831	2,697	1,488
Change in fair value of financial instruments	84,747	157,668	78,945	223,159
	97,875	166,325	104,600	238,651
Net earnings (loss)	$ (34,862)	$(121,842)	$ 15,690	$(158,458)
Deficit, beginning of period	(428,560)	(393,201)	(469,616)	(349,802)
Dividends on common shares	(12,902)	(6,800)	(21,483)	(13,583)
Dividends on series B preferred shares	(605)	(218)	(1,196)	(218)
Dividends on series C preferred shares	(6,069)	-	(6,069)	-
Amortization of Series C issuance costs	(181)	-	(505)	-
Deficit, end of period	$(483,179)	$(522,061)	$(483,179)	$(522,061)

Weighted average number of shares, basic	69,019	68,090	68,937	68,012
Weighted average number of shares, diluted	85,977	68,090	85,631	68,012
Loss per share, basic	$ (0.72)	$ (1.89)	$ (0.17)	$ (2.52)
Loss per share, diluted	$ (0.72)	$ (1.89)	$ (0.17)	$ (2.52)

SEASPAN CORPORATION
UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2011 AND 2010
(IN THOUSANDS OF US DOLLARS)

	Three months ended June 30, 2011	Three months ended June 30, 2010	Six months ended June 30, 2011	Six months ended June 30, 2010
Net earnings (loss)	$ (34,862)	$(121,842)	$ 15,690	$(158,458)
Other comprehensive income:				
Amounts reclassified to earnings (loss) during the period	3,003	3,361	6,379	6,042
Comprehensive income (loss)	$ (31,859)	$(118,481)	$ 22,069	$(152,416)

SEASPAN CORPORATION
UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2011 AND 2010
(IN THOUSANDS OF US DOLLARS)

	Three months ended June 30, 2011	Three months ended June 30, 2010	Six months ended June 30, 2011	Six months ended June 30, 2010
Cash provided by (used in):				
Operating activities:				
Net earnings (loss)	$ (34,862)	$ (121,842)	$ 15,690	$ (158,458)
Items not involving cash:				

Depreciation	32,818	24,055	62,776	44,373
Share-based compensation	865	727	1,252	1,274
Amortization of deferred charges	1,423	831	2,697	1,488
Amounts reclassified from other comprehensive loss	2,900	3,294	6,185	5,924
Unrealized change in fair value of financial instruments	53,798	129,144	18,246	167,559
Change in assets and liabilities	3,281	3,954	(10,234)	(4,494)
Cash provided by operating activities	60,223	40,163	96,612	57,666
Financing activities:				
Preferred shares issued, net of share issue costs	104,280	25,895	344,656	25,895
Draws on credit facilities	387	183,124	2,297	362,480
Other long-term liabilities	-	-	-	21,250
Repayment on other long-term liabilities	(3,487)	-	(5,700)	-
Financing fees	(385)	(214)	(1,067)	(3,077)
Dividends on common shares(8)	(9,375)	(5,159)	(15,626)	(10,306)
Dividends on series B preferred shares	(325)	(121)	(645)	(121)
Dividends on series C preferred shares	(6,069)	-	(6,069)	-
Cash provided by (used in) financing activities	85,026	203,525	317,846	396,121
Investing activities:				
Expenditures for vessels	(208,704)	(316,316)	(299,265)	(574,625)
Restricted cash	5,000	-	5,000	(5,000)
Intangible assets	(995)	(754)	(1,584)	(1,174)
Cash used in investing activities	(204,699)	(317,070)	(295,849)	(580,799)
Increase (decrease) in cash and cash equivalents	(59,450)	(73,382)	118,609	(127,012)
Cash and cash equivalents, beginning of period	212,278	79,770	34,219	133,400
Cash and cash equivalents, end of period	$ 152,828	$ 6,388	$ 152,828	$ 6,388

(8) During the three and six months ended June 30, 2011, non-cash dividends of $3.5 million and $5.9 were paid through the dividend reinvestment plan,

respectively. Shareholders have invested a total of $26.5 million in the dividend reinvestment plan since its adoption in May 2008.

SEASPAN CORPORATION
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2011 AND 2010
(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, amortization of deferred charges, non-cash share-based compensation, amounts paid for dry-docking, change in fair value of financial instruments, interest expense(9), interest expense at the hedged rate(11), cash dividends paid on preferred shares and certain other items that the Company believes affect the comparability of its operating results. 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. 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.

	Three months ended June 30, 2011	Three months ended June 30, 2010	Six months ended June 30, 2011	Six months ended June 30, 2010
Net earnings (loss)	$ (34,862)	$ (121,842)	$ 15,690	$ (158,458)
Add:				
Depreciation	32,818	24,055	62,776	44,373
Interest expense(9)	10,656	6,926	20,803	11,979
Amortization of deferred charges	1,423	831	2,697	1,488
Share-based compensation	865	727	1,252	1,274
Change in fair value of financial instruments	84,747	157,668	78,945	223,159
Less:				
Amounts paid for dry-dock adjustment	(2,970)	(1,612)	(4,428)	(2,830)
Series B preferred share dividends paid(10)	(325)	(121)	(645)	(121)
Series C preferred share dividends paid and accumulated(10)	(6,953)	-	(11,043)	-
Net cash flows before cash interest payments	85,399	66,632	166,047	120,864
Less:				
Interest expense at the hedged rate(11)	(31,866)	(20,468)	(61,617)	(34,768)

Cash available for distribution to common shareholders	$ 53,533	$ 46,164	$ 104,430	$ 86,096

Seaspan has changed the definition of cash available for distribution to common shareholders for comparative figures to reflect adjustments to the definition in the prior year. The following items are now excluded as adjustments: non-cash undrawn credit facility fees and non-cash interest income. In addition, cash interest paid at the hedged rate is replaced with interest expense at the hedged rate(11). This change resulted in decreases of approximately 5% and 3% in cash available for distribution to common shareholders for the three and six months ended June 30, 2010.

(9) Interest expense as reported on the consolidated statement of operations.

(10) Dividends related to the Series B and Series C preferred shares have been deducted as they reduce cash available for distribution to common shareholders.

(11) 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.

SEASPAN CORPORATION
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2011 AND 2010
(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 is defined as net earnings adjusted for items such as the change in fair value of financial instruments, interest expense(9), interest expense at the hedged rate(11) and certain other items Seaspan believes affect the comparability of operating results. With these adjustments, normalized net earnings reflects interest expense on Seaspan's operating debt at the fixed rate on its interest rate swaps plus the applicable margin on the related credit facilities. Normalized net earnings is useful because it excludes the change in fair value of financial instruments that affect the comparability of Seaspan's operating results and includes interest at the hedged rate, which includes the effect of the interest rate swaps on Seaspan's operating debt.

Normalized net earnings 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.

Normalized earnings per share, converted, is calculated as normalized net earnings, less dividends on Series B preferred shares, less dividends on Series C preferred shares, divided by the "converted" number of shares outstanding for the period. 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, Seaspan can choose to not convert the preferred shares and to increase the annual increase in 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. This method is reflective of Seaspan'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.

Normalized earnings per share, basic can be computed as normalized net earnings attributable to common shareholders divided by the weighted average number of shares used to compute reported earnings per share, basic.

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

SEASPAN CORPORATION
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2011 AND 2010
(IN THOUSANDS OF US DOLLARS, EXCEPT PER SHARE AMOUNTS)

Description of Non-GAAP Financial Measures

B. Normalized Net Earnings and Normalized Earnings per Share (continued)

	Three months ended June 30, 2011	Three months ended June 30, 2010	Six months ended June 30, 2011	Six months ended June 30, 2010
Net earnings (loss)	$ (34,862)	$(121,842)	$ 15,690	$(158,458)
Adjust:				
Change in fair value of financial instruments	84,747	157,668	78,945	223,159
Interest expense(9)	10,656	6,926	20,803	11,979
Interest expense at the hedged rate(11)	(31,866)	(20,468)	(61,617)	(34,768)
Normalized net earnings	$ 28,675	$ 22,284	$ 53,821	$ 41,912
Less: preferred share dividends				
Series A	7,435	6,606	14,577	12,952
Series B	605	218	1,196	218
Series C (including amortization of issuance costs)	7,134	-	11,548	-

	15,174	6,824	27,321	13,170
Normalized net earnings attributable to common shareholders	$ 13,501	$ 15,460	$ 26,500	$ 28,742
Weighted average number of shares used to compute earnings (loss) per share:				
Reported and normalized, basic	69,019	68,090	68,937	68,012
Share-based compensation	142	91	121	65
Series A preferred shares liquidation preference converted at $15	16,816	14,941	16,573	14,725
Normalized, converted	85,977	83,122	85,631	82,802
Series A preferred shares 115% premium (30-day trailing average)	-	6,796	-	7,329
Reported, diluted(12)	85,977	89,918	85,631	90,131
Earnings (loss) per share:				
Reported, basic	$ (0.72)	$ (1.89)	$ (0.17)	$ (2.52)
Reported, diluted	$ (0.72)	$ (1.89)	$ (0.17)	$ (2.52)
Normalized, converted-preferred shares converted at $15(13)	$ 0.24	$ 0.27	$ 0.48	$ 0.50

(12) If the effect of Series A preferred shares is anti-dilutive, their effect is excluded from the computation of reported diluted earnings (loss) per share.

(13) Normalized earnings per share, converted, decreased for the three and six months ended June 30, 2011 as compared to the comparable periods in the prior year. Excluding share count changes, an increase of $0.07 per share due to a rise in normalized net earnings was offset by a decrease of $0.09 per share due to the impact of the Series B and C preferred shares for the three months ended June 30, 2011. In addition, due to an increase in converted share count (from 83,122 to 85,977), there is a decrease of $0.01 per share for the three months ended June 30, 2011. Excluding share count changes, an increase of $0.14 per share due to a rise in normalized net earnings was offset by a decrease of $0.14 per share due to the impact of the Series B and C preferred shares for the six months ended June 30, 2011.

In addition, due to a rise in converted share count (82,802 to 85,631), there is a decrease of $0.02 per share for the six months ended June 30, 2011.

SEASPAN CORPORATION
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
FOR THE QUARTER ENDED JUNE 30, 2011 AND 2010
(IN THOUSANDS OF US DOLLARS, EXCEPT PER SHARE AMOUNTS)
Description of Non-GAAP Financial Measures

C. Adjusted EBITDA

Adjusted EBITDA is defined as net earnings (loss) before interest expense(9) and other debt-related expenses, interest income, income tax expense, depreciation and amortization expense, change in fair value of financial instruments, and certain non-cash charges and selected items that are generally unusual or non-recurring.

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. 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 (loss) or any other indicator of Seaspan's performance required to be reported by GAAP.

	Three months ended June 30, 2011	Three months ended June 30, 2010	Six months ended June 30, 2011	Six months ended June 30, 2010
Net earnings (loss)	$ (34,862)	$(121,842)	$ 15,690	$(158,458)
Add:				
Interest expense(9)	10,656	6,926	20,803	11,979
Interest income	(172)	(6)	(327)	(36)
Undrawn credit facility fees	1,221	906	2,482	2,061
Depreciation	32,818	24,055	62,776	44,373
Amortization of deferred charges	1,423	831	2,697	1,488
Change in fair value of financial instruments	84,747	157,668	78,945	223,159
Adjusted EBITDA	$ 95,831	$ 68,538	$ 183,066	$ 124,566

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; expansion of Seaspan's business; Seaspan's arrangement with GCI and its effects on its growth and business; vessel deliveries; and Seaspan's future capital requirements. 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 and GCI of containership acquisition opportunities; the availability and cost to Seaspan and GCI of financing to pursue growth opportunities; chartering rates; conditions in the containership market; 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 renew or replace long-term contracts; conditions in the public equity markets; and other factors detailed from time to time in Seaspan's periodic reports and filings with the Securities and Exchange Commission, including Seaspan's Report on Form 20-F for the year ended December 31, 2010. 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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