SEASPAN REPORTS FINANCIAL RESULTS FOR THE QUARTER ENDED MARCH 31, 2011

First Quarter Dividend Increased by 50% Compared to Fourth Quarter 2010; Company Expects Annualized Dividend of $0.75 Per Share in 2011

HONG KONG, CHINA - May 5, 2011 /CNW/ - Seaspan Corporation (NYSE:SSW) announced today the financial results for the quarter ended March 31, 2011. Below is a summary of Seaspan's key financial results for the recent quarter:

Summary of Key Financial Results (dollars in thousands):

	Quarter Ended March 31,		Change	
	2011	2010	$	%
Reported net earnings (loss)	$ 50,552	$ (36,616)	$ 87,168	238.1%
Normalized net earnings(1)	$ 25,146	$ 19,628	$ 5,518	28.1%
Earnings (loss) per share, basic	$ 0.56	$ (0.63)	$ 1.19	188.9%
Earnings (loss) per share, diluted	$ 0.53	$ (0.63)	$ 1.16	184.8%
Normalized earnings per share, converted(1) (Series A preferred shares converted at $15)	$ 0.24	$ 0.24	$ 0.00	0.0%
Cash available for distribution to common shareholders(2)	$ 50,897	$ 39,932	$ 10,965	27.5%
Adjusted EBITDA(3)	$ 87,235	$ 56,028	$ 31,207	55.7%

(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 Quarter Ended March 31, 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 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 Quarter Ended March 31, 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 Quarter Ended March 31, 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 quarter ended March 31, 2011;
-- Accepted delivery of 3 newbuilding vessels during the quarter, bringing Seaspan's fleet to a total of 58 vessels at March 31, 2011;
-- Paid a fourth quarter dividend of $0.125 per common share on February 11, 2011;
-- Board of directors adopted a progressive dividend policy and expects to increase the dividend by 50 percent to $0.75 per share in 2011 on an annualized basis;
-- Declared a first quarter dividend of $0.1875 per common share to be paid on May 23, 2011 to all shareholders of record as of May 14, 2011, increasing cumulative dividends declared to $7.1525 per common share since August 2005 initial public offering;
-- Completed public offering of 10 million shares of 9.5% Series C preferred stock in January 2011, for net proceeds of $241 million;
-- Entered into an investment venture established by an affiliate of The Carlyle Group, which will invest up to $900 million equity capital in containership assets, primarily newbuilding vessels strategic to the People's Republic of China, Taiwan, Hong Kong and Macau; and
-- Re-entered the newbuilding market for the first time since 2007 by signing a letter of intent with a leading Chinese shipyard for a significant order of New Panamax 10000 TEU vessels.

Gerry Wang, Chief Executive Officer, Co-Chairman, and Co-Founder of Seaspan commented, "During the first quarter, Seaspan continued to expand its fully time chartered fleet, increasing revenue, net earnings and cash flow. Complementing this success, we took important steps to position the Company to grow beyond its contracted fleet in order to capitalize on an attractive ship acquisition environment. Specifically, we re-entered the newbuilding market by signing a letter of intent with a leading Chinese shipyard and entered into an agreement to establish what we anticipate will be a favourable containership investment venture."

Mr. Wang added, "We continue to take proactive measures to ensure that Seaspan's balance sheet remains strong and the Company has significant capital for growth. In pursuing future growth, we will continue to seek opportunities that reinforce our position as a leading independent charter owner of containerships."

Dividend Policy:

In February 2011, Seaspan's board of directors adopted a progressive dividend policy aimed at sustainably increasing dividends in a manner that preserves Seaspan's long-term financial strength and its ability to expand its fleet.

Mr. Wang commented, "We are pleased to increase our first quarter 2011 dividend by 50% due to our increasing cash flows generated through the strength of our business model and our continued delivery of contracted newbuilding vessels."

First Quarter Developments:

Issuance of 10 Million Series C Preferred Shares

On January 28, 2011, Seaspan completed a public offering of 10 million shares of its Series C preferred stock at a price of $25 per share, for net proceeds of $241 million. Dividends will be payable on the Series C preferred shares at an initial rate of 9.5% per annum of the stated liquidation preference of $25 per share. Seaspan will use the net proceeds from this offering for general corporate purposes, which may include making vessel acquisitions or investments.

Investment in Containership-Focused Investment Venture and New Employment Agreement with Co-Chairman and CEO Gerry Wang

In March 2011, Seaspan, entered into an agreement with an affiliate of global alternative asset manager, The Carlyle Group, Tiger Management Limited, and an affiliate of Dennis R. Washington to form an investment venture (the "New Venture") to capitalize on current growth opportunities in the containership market. The New Venture will invest up to $900 million equity capital in containership assets, primarily newbuilding vessels strategic to the People's Republic of China, Taiwan, Hong Kong and Macau. This amount will be reduced by any investments The Carlyle Group makes in a tanker and bulker carrier investment vehicle. Seaspan has agreed to make a minority investment in the New Venture of up to $100 million during the investment period, which is anticipated to be up to five years. Seaspan's Chief Executive Officer, Gerry Wang, will serve in a senior leadership role with the New Venture subject to his fiduciary duties to Seaspan.

Seaspan has a right of first refusal on certain containership investment opportunities that become available to the New Venture, which right of first refusal continues in place until March 31, 2015 unless earlier terminated as the result of certain triggering events, including if Seaspan exercises this right for more than 50% of the aggregate vessels subject to the right prior to specific dates. Seaspan also has a right of first offer for any containership the New Venture proposes to sell in certain transactions.

In connection with Seaspan's investment in the New Venture, Seaspan has entered into a new employment agreement with Gerry Wang. Mr. Wang will continue to serve as Seaspan's Chief Executive Officer through January 1, 2013, after which date he is expected to continue in his strategic leadership role as Co-Chairman of Seaspan's board of directors. Mr. Wang has agreed to continue to provide transaction services to Seaspan following the term of his employment.

On the recommendation of the conflicts committee of Seaspan's board of directors, the members of the board of directors without an interest in the transactions unanimously approved Seaspan's investment in the New Venture and the related transactions, including the right of first refusal, and Mr. Wang's new employment agreement and his post-employment transaction services agreement. Bank of America Merrill Lynch acted as financial advisor to Seaspan and the conflicts committee.

Letter of Intent for Newbuilding Order

Seaspan also announced that it is re-entering the newbuilding market for the first time since 2007. In February 2011, Seaspan signed a letter of intent with a leading Chinese shipyard for a significant order of New Panamax 10000 TEU vessels. Seaspan expects that any order resulting from this letter of intent will be made available to the New Venture and that any vessels ordered thereunder will be subject to Seaspan's right of first refusal. Consistent with its strategy, Seaspan expects to enter into long-term time charters with leading liner companies concurrently with reaching a definitive purchase agreement.

Subsequent events:

Seaspan is currently in discussions with Korean and Chinese shipyards as it has re-entered the newbuilding market.

On April 21, 2011, Seaspan accepted delivery of the COSCO Vietnam, bringing its operating fleet to 59 vessels.

Results for the Quarter ended March 31, 2011:

The following tables summarize vessel utilization and the impact of off-hire time on Seaspan's revenues for the quarter ended March 31, 2011:

	First Quarter	
	2011	2010
Vessel Utilization:		
Ownership Days	5,087	3,908
Less Off-hire Days:		
Scheduled 5-Year Survey	(53)	(20)
Unscheduled Off-hire	(2)	(91)
Operating Days	5,032	3,797
Vessel Utilization	98.9%	97.2%

	First Quarter	
	2011	2010
Revenue - Impact of Off-Hire:		
100% Utilization	$ 121,983	$ 82,378
Less Off-hire:		
Scheduled 5-Year Survey	(955)	(347)
Unscheduled Off-hire(4)	(33)	(1,662)
Actual Revenue Earned	$ 120,995	$ 80,369

(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 during the quarter ended March 31, 2011, accepted delivery of 3 vessels, bringing its fleet to a total of 58 vessels in operation as at March 31, 2011. Operating days are the primary driver of revenue, while ownership days are the primary driver for ship operating costs.

	Quarter Ended March 31,		Increase	
	2011	2010	Days	%
Operating days	5,032	3,797	1,235	32.5%
Ownership days	5,087	3,908	1,179	30.2%

Financial Summary (in millions)	Quarter Ended March 31,		Change	
	2011	2010	$	%
Revenue	$ 121.0	$ 80.4	$ 40.6	50.5%
Ship operating expenses	31.1	22.5	8.6	38.3%
Depreciation	30.0	20.3	9.6	47.4%
General and administrative expenses	2.7	1.9	0.8	43.0%
Interest expense	10.1	5.1	5.1	100.8%
Change in fair value of financial instruments (gain)/loss	(5.8)	65.5	71.3	108.9%

Revenue

The increase in revenue was due to an increase in operating days and the dollar impact thereof for the quarter ended March 31, 2011 was due to the following:

	Quarter Ended March 31, 2011	
	Operating Days impact	$ impact (in millions)
2011 vessel deliveries	137	$ 4,834
Full period contribution for 2010 vessel deliveries	1,042	34,725
Change in daily charterhire rate	-	46
Scheduled off-hire	(33)	(608)
Unscheduled off-hire	89	1,629
Total	1,235	$ 40,626

Vessel utilization was 98.9% for the quarter ended March 31, 2011, compared to 97.2% for the corresponding period of the prior year.

This increase in vessel utilization for the quarter ended March 31, 2011 was primarily due to the 90 days of unscheduled off-hire resulting from the grounding of the CSCL Hamburg (currently the CSAV Licanten) in the Gulf of Aqaba on December 31, 2009. For the quarter ended March 31, 2010 there was one dry-docking for CSCL Vancouver which resulted in 20 days of scheduled off-hire. During the quarter ended March 31, 2011 Seaspan completed four dry-dockings for CSCL Sao Paulo, Jakarta Express, Saigon Express and Rio Grande Express. CSCL Sao Paulo's next dry-docking was originally scheduled for 2013;

however, we 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. This dry-docking resulted in a total of seven days of scheduled off-hire. The four dry-dockings resulted in a total of 53 days of scheduled off-hire. Seaspan's vessel utilization since its initial public offering in August 2005 is 99.1%.

Ship Operating Expense

The increase in ship operating expenses was mainly due to the increase in ownership days, which impact, together with the dollar impact thereof for the quarter ended March 31, 2011, was due to the following:

	Quarter Ended March 31, 2011	
	Ownership Days impact	$ impact (in millions)
2011 vessel deliveries	137	$ 938
Full period contribution for 2010 vessel deliveries	1,042	6,456
Changes in extraordinary(5) costs and expenses not covered by the fixed fee	-	1,215
Total	1,179	$ 8,609

(5) 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 has increased to 5.6% for the quarter ended March 31, 2011 from 2.3% for the quarter ended March 31, 2010.

Depreciation

The increase in depreciation expense for the quarter ended March 31, 2011 compared to the corresponding period of the prior year was due to the additional ownership days from the 3 deliveries in 2011 and a full period of ownership for the 13 deliveries in 2010.

General and Administrative Expenses

The increase in general and administrative expenses for the quarter ended March 31, 2011 was primarily due to the new employment agreement with our chief executive officer, additional fees paid to our board of directors for an increased number of meetings and increased costs to support growth.

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 increase in interest expense for the quarter ended March 31, 2011, was primarily due to higher average operating debt balances compared to the same quarter in the prior year. The average LIBOR for the quarter ended March 31, 2011 was 0.4%, compared to 0.2% for the corresponding period 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 gain of $5.8 million for the quarter ended March 31, 2011, compared to a loss of $65.5 million for the corresponding period of the prior year. The change in fair value gain for the quarter ended March 31, 2011 was primarily due to fluctuations in the forward LIBOR curve and actual cash interest payments made.

Dividend Declared:

For the quarter ended March 31, 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 May 23, 2011 to all shareholders of record as of May 14, 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 $7.1525 per common share. Since Seaspan adopted the DRIP in May 2008, a total of 2.2 million shares have been issued through shareholder participation in the DRIP. Since the plan's adoption, participating shareholders have invested $23.0 million in the DRIP.

On May 2, 2011, Seaspan paid 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.

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 69 containerships consists of 59 containerships in operation and 10 containerships scheduled for delivery through March 2012. Seaspan's operating fleet of 59 vessels has an average age of approximately five years and an average remaining charter period of approximately seven years. All of the 10 vessels to be delivered to Seaspan are already committed to fixed-rate time charters of 12 years in duration from delivery. Seaspan's customer base consists of eight 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., 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 quarter ended March 31, 2011 on Thursday May 5, 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 1-800-642-1687 or 1-706-645-9291 and enter the replay passcode: 62724997. The recording will be available from May 5, 2011 at 10:00 a.m. PT / 1:00 p.m. ET through to 8:59 p.m. PT / 11:59 p.m. ET on May 19, 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 MARCH 31, 2011
(IN THOUSANDS OF US DOLLARS)

	March 31, 2011	December 31, 2010
Assets		
Current assets:		
Cash and cash equivalents	$ 212,278	$ 34,219
Accounts receivable	1,714	1,017
Prepaid expenses	12,209	11,528
	226,201	46,764
Vessels	3,482,951	3,191,734
Vessels under construction	805,200	1,019,138
Deferred charges	37,834	37,607
Other assets	85,930	81,985
	$ 4,638,116	$ 4,377,228
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	$ 25,073	$ 28,394
Deferred revenue	6,557	10,696
Current portion of other long-term liabilities	27,838	19,096
	59,468	58,186
Long-term debt	2,398,681	2,396,771
Other long-term liabilities	529,844	524,716
Fair value of financial instruments	372,267	407,819
	3,360,260	3,387,492
Share capital	793	691
Additional paid-in capital	1,770,408	1,526,822
Deficit	(428,560)	(469,616)
Accumulated other comprehensive loss	(64,785)	(68,161)

Total shareholders' equity	1,277,856	989,736
	$ 4,638,116	$ 4,377,228

SEASPAN CORPORATION
UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT FOR THE QUARTER ENDED MARCH 31, 2011 AND 2010
(IN THOUSANDS OF US DOLLARS, EXCEPT PER SHARE AMOUNTS)

	Quarter ended March 31, 2011	Quarter ended March 31, 2010
Revenue	$ 120,995	$ 80,369
Operating expenses:		
Ship operating	31,066	22,457
Depreciation	29,958	20,318
General and administrative	2,694	1,884
	63,718	44,659
Operating earnings	57,277	35,710
Other expenses (earnings):		
Interest expense	10,147	5,053
Interest income	(155)	(30)
Undrawn credit facility fees	1,261	1,155
Amortization of deferred charges	1,274	657
Change in fair value of financial instruments	(5,802)	65,491
	6,725	72,326
Net earnings (loss)	$ 50,552	$ (36,616)
Deficit, beginning of period	(469,616)	(349,802)
Dividends on common shares	(8,581)	(6,783)
Dividends on Series B preferred shares	(591)	-
Amortization of Series C issuance costs	(324)	-
Deficit, end of period	$ (428,560)	$ (393,201)
Weighted average number of shares, basic	68,854	67,910
Weighted average number of shares, diluted	85,285	92,666
Earnings (loss) per share, basic	$ 0.56	$ (0.63)
Earnings (loss) per share, diluted	$ 0.53	$ (0.63)

SEASPAN CORPORATION
UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED MARCH 31, 2011 AND 2010
(IN THOUSANDS OF US DOLLARS)

	Quarter ended March 31, 2011	Quarter ended March 31, 2010

	2011	2010
Net earnings (loss)	$ 50,552	$ (36,616)
Other comprehensive income:		
Amounts reclassified to earnings (loss) during the period	3,376	2,681
Comprehensive income (loss)	$ 53,928	$ (33,935)

SEASPAN CORPORATION
UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE QUARTER ENDED MARCH 31, 2011 AND 2010
(IN THOUSANDS OF US DOLLARS)

	Quarter ended March 31, 2011	Quarter ended March 31, 2010
Cash provided by (used in):		
Operating activities:		
Net earnings (loss)	$ 50,552	$ (36,616)
Items not involving cash:		
Depreciation	29,958	20,318
Share-based compensation	387	547
Amortization of deferred charges	1,274	657
Amounts reclassified from other comprehensive loss	3,285	2,630
Unrealized change in fair value of financial instruments	(35,552)	38,415
Change in assets and liabilities	(13,515)	(8,448)
Cash provided by operating activities	36,389	17,503
Financing activities:		
Preferred shares issued, net of share issue costs	240,376	-
Draws on credit facilities	1,910	179,356
Other long-term liabilities	-	21,250
Repayment on other long-term liabilities	(2,213)	-
Financing fees	(682)	(2,863)
Dividends on common shares(6)	(6,251)	(5,147)
Dividends on Series B preferred shares	(320)	-
Cash provided by financing activities	232,820	192,596
Investing activities:		
Expenditures for vessels	(90,561)	(258,309)
Restricted cash	-	(5,000)
Intangible assets	(589)	(420)
Cash used in investing activities	(91,150)	(263,729)
Increase (decrease) in cash and cash equivalents	178,059	(53,630)
Cash and cash equivalents, beginning of period	34,219	133,400
Cash and cash equivalents, end of period	$ 212,278	$ 79,770

(6) During the quarter ended March 31, 2011, non-cash dividends of $2.3

million were paid through the dividend reinvestment plan. Shareholders have invested a total of $23.0 million in the dividend reinvestment plan since its adoption in May 2008.

SEASPAN CORPORATION
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
FOR THE QUARTER ENDED MARCH 31, 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(7), interest expense at the hedged rate(9), 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.

	Quarter ended March 31, 2011	Quarter ended March 31, 2010
Net earnings (loss)	$ 50,552	$ (36,616)
Add:		
Depreciation	29,958	20,318
Interest expense(7)	10,147	5,053
Amortization of deferred charges	1,274	657
Share-based compensation	387	547
Change in fair value of financial instruments	(5,802)	65,491
Less:		
Amounts paid for dry-dock adjustment	(1,458)	(1,218)
Series B preferred share dividends paid(8)	(320)	-
Series C preferred share dividends accumulated(8)	(4,090)	-
Net cash flows before cash interest payments	80,648	54,232
Less:		
Interest expense at the hedged rate(9)	(29,751)	(14,300)
Cash available for distribution to common shareholders	$ 50,897	$ 39,932

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. (9) This change resulted in a decrease of approximately 1% in cash available for distribution to common shareholders for the quarter ended March 31, 2010.

(7) Interest expense as reported on the consolidated statement of

operations.
(8) Dividends related to the Series B and Series C preferred shares have been deducted as they reduce cash available for distribution to common shareholders.
(9) 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 QUARTER ENDED MARCH 31, 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(7), interest expense at the hedged rate(9) 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.

	Quarter ended March 31, 2011	Quarter ended March 31, 2010
Net earnings (loss)	$ 50,552	$ (36,616)
Adjust:		
Change in fair value of financial instruments	(5,802)	65,491

Interest expense(7)	10,147	5,053
Interest expense at the hedged rate(9)	(29,751)	(14,300)
Normalized net earnings	$ 25,146	$ 19,628
Less: preferred share dividends		
Series A	7,142	6,346
Series B	591	-
Series C (including amortization of issuance costs)	4,414	-
	12,147	6,346
Normalized net earnings attributable to common shareholders	$ 12,999	$ 13,282
Weighted average number of shares used to compute earnings (loss) per share:		
Reported, basic	68,854	67,910
Share-based compensation	101	9
Series A preferred shares liquidation preference converted at $15	16,330	14,298
Normalized, converted	85,285	82,217
Series A preferred shares 115% premium (30-day trailing average)	-	10,449
Reported, diluted(10)	85,285	92,666
Earnings (loss) per share:		
Reported, basic	$ 0.56	$ (0.63)
Reported, diluted	$ 0.53	$ (0.63)
Normalized, converted-preferred shares converted at $15 (11)	$ 0.24	$ 0.24

(10) 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.

(11) Normalized earnings per share, converted, remained the same for the three-months ended March 31, 2011 as compared to the comparable quarter 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 $0.06 cents due to the impact of the Series B and C preferred shares. Furthermore, due to a rise in converted share count (from 82,217 to 85,285), there is a decrease of $0.01 per share.

SEASPAN CORPORATION

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

FOR THE QUARTER ENDED MARCH 31, 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(7) 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.

	Quarter ended March 31, 2011	Quarter ended March 31, 2010
Net earnings (loss)	$ 50,552	$ (36,616)
Add:		
Interest expense(7)	10,147	5,053
Interest income	(155)	(30)
Undrawn credit facility fees	1,261	1,155
Depreciation	29,958	20,318
Amortization of deferred charges	1,274	657
Change in fair value of financial instruments	(5,802)	65,491
Adjusted EBITDA	$ 87,235	$ 56,028

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 and investment in the New Venture and its effects on its growth, business and customers; Seaspan's recently revised dividend policy and its effect on future dividends; Seaspan's letter of intent and potential orders to acquire additional newbuilding vessels; 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 the New Venture of containership acquisition opportunities; the availability and cost to Seaspan and the New Venture 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; negotiation and completion, if at all, of definitive agreements relating to vessel acquisition letters of intent; 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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