SEASPAN REPORTS FINANCIAL RESULTS FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2009

Expands Operating Fleet to Forty One Vessels; Continues to Achieve Strong Utilization Rate

HONG KONG, CHINA - Nov. 3, 2009 /CNW/ - Seaspan Corporation (NYSE:SSW) announced today the financial results for the three and nine months ended September 30, 2009.

Third Quarter 2009 and Year-to-Date Highlights:

- Reported revenue of $74.1 million and $207.0 million, respectively, for the three and nine months ended September 30, 2009 compared to $57.6 million and $166.8 million for the comparable prior year periods;

- Paid a second quarter dividend of $0.10 per share, representing an approximate 20 percent payout ratio. The second quarter dividend was paid on August 20, 2009 to all shareholders of record as of August 11, 2009;

- Reported normalized net earnings(1) of $20.2 million, an increase $1.2 million, or 6.5%, for the quarter from $19.0 million for the comparable quarter

- Reported normalized net earnings of $57.5 million, an increase of $1.7 million, or 3.0%, for the nine month period from $55.8 million for the comparable period last year. Normalized net earnings include a $1.1 million charge that was accrued for in the second quarter as a result of exercising the delivery deferral options. This amount is due at the deferred delivery date of each vessel and represents the cost of entering into the delivery deferral options and, therefore, is required to be accrued for in the period under financial reporting standards. The Company does not believe it is representative of its operating performance and if excluded, normalized net earnings for nine months would have increased from the comparable prior period by $2.8 million, or 5.0%;

- Reported normalized earnings per share(1) of $0.25, a decrease of $0.04 from $0.29, or 13.8% for the prior year's quarter, and reported decreased normalized earnings per share by $0.16 or 18.0% to $0.73 for the nine month period from $0.89 for the comparable period last year. The overall decrease in normalized earnings per share over the comparable prior year periods is due to additional shares issued in our April 2008 equity offering, the non-cash dividend accrued to the Series A Preferred Shareholders as part of the Series A Preferred Stock issuance in January 2009 and the $1.1 million expense for exercising the delivery deferral options. Excluding the impact of the $1.1 million charge, normalized earnings per share for the nine months ended September 30, 2009, would be $0.75;

- Reported net loss of $66.0 million for the quarter ended September 30, 2009 compared to a net loss of $5.1 million for the comparable quarter last year. Net loss includes unrealized losses of $92.6 million and $24.7 million from interest rate swaps for the current and comparable quarters respectively;

- Reported loss per share of $1.03 for the quarter ended September 30, 2009 compared to a loss per share of $0.08 for the comparable quarter last year. Reported loss per share includes change in fair value losses of $1.37 per share and $0.37 per share from interest rate swaps for the current and comparable quarters respectively;

- Reported net earnings of $70.6 million for the nine months ended September 30, 2009 compared to $42.6 million for the comparable period last year. Net earnings includes unrealized losses of $0.1 million and $7.5 million from interest rate swaps for the current and comparable periods respectively;

- Reported earnings per share of $0.93 for the nine months ended September 30, 2009 compared to $0.68 for the comparable period last year. Reported earnings per share includes change in fair value losses of $0.12 per share from interest rate swaps for the prior period;

- Accepted delivery of two newbuild vessels in the three months ended September 30, 2009: the MOL Eminence and CSCL Manzanillo;

- Exercised options to defer the delivery date for 11 of the vessels that the Company has contracted to purchase. The deferrals are for periods ranging from two to 15 months from the dates agreed to under the original shipbuilding contracts. The shipbuilding contracts and time charters have been amended to provide for the new delivery dates;

- Deferred the delivery date for two additional vessels that the Company has contracted to purchase. The deferrals are for a period of approximately nine months from the dates that were agreed to under the original shipbuilding contracts. The shipbuilding contracts and time charters have been amended to provide for the new delivery dates;

- Declared a third quarter dividend of $0.10 per share. The third quarter dividend is to be paid on November 19, 2009 to all shareholders of record as of November 9, 2009; and

- Subsequent to September 30, 2009, closed the second and final $100 million tranche of the $200 million aggregate investment in the Company's Series A Preferred Stock on October 1, 2009.

Gerry Wang, Chief Executive Officer of Seaspan, stated, "During the third quarter, Seaspan further grew its fleet by taking delivery of two vessels. We have now taken delivery of six container vessels in 2009, all commencing time charters ranging from six to 12 years. With all 41 vessels secured on long-term time charters, Seaspan has once again achieved strong utilization for its fleet. We are pleased to continue to provide leading liner companies, concentrated in Asia, with modern, high specification vessels that meet high performance standards."

Mr. Wang concluded, "With the closing of the second tranche of Seaspan's $200 million preferred share issuance in October, we further improved the Company's capital structure and strengthened its financial flexibility. We look forward to taking delivery of 27 remaining newbuildings all under long-term charters, which will position the Company to grow its contracted revenue stream. Based on cash retained from operations combined with secured committed financing, we have arranged for nearly all of the capital needed to finance our contracted fleet growth."

Three and Nine Months Ended September 30, 2009 Financial Summary
(dollars in thousands):

	Three Months Ended September 30,		Change	
	2009	2008	$	%
Reported net earnings (loss)	$ (65,962)	$ (5,096)	$(60,866)	(1,194.4)%
Normalized net earnings(1)	$ 20,232	$ 18,998	$ 1,234	6.5%
Earnings (loss) per share (basic)	$ (1.03)	$ (0.08)	$ (0.95)	(1,187.5)%
Earnings (loss) per share (diluted)	$ (1.03)	$ (0.08)	$ (0.95)	(1,187.5)%
Normalized earnings per share (basic)(1)	$ 0.25	$ 0.29	$ (0.04)	(13.8)%
Normalized earnings per share (diluted)(1)	$ 0.24	$ 0.29	$ (0.05)	(17.2)%

	Nine Months Ended September 30,		Change	
	2009	2008	$	%
Reported net earnings (loss)	$ 70,562	$ 42,567	$ 27,995	65.8%
Normalized net earnings(1)	$ 57,467	$ 55,803	$ 1,664	3.0%
Earnings (loss) per share (basic)	$ 0.93	$ 0.68	$ 0.25	36.8%
Earnings (loss) per share (diluted)	$ 0.90	$ 0.68	$ 0.22	32.4%
Normalized earnings per share (basic)(1)	$ 0.73	$ 0.89	$ (0.16)	(18.0)%
Normalized earnings per share (diluted)(1)	$ 0.73	$ 0.89	$ (0.16)	(18.0)%

Results for the Three and Nine Months Ended September 30, 2009:

The following tables summarize vessel utilization and the impact of the unplanned off-hire time incurred on our revenues for the three and nine months ended September 30, 2009:

Third Quarter	Second Quarter	First Quarter	Year to Date

	2009	2008	2009	2008	2009	2008	2009	2008
Vessel Utilization:								
Ownership Days	3,632	2,844	3,445	2,687	3,150	2,639	10,227	8,170
Less Off-hire Days:								
Scheduled 5-Year Survey	(14)	-	-	(10)	-	-	(14)	(10)
Unscheduled off-hire	(6)	(22)	(4)	(21)	(1)	(27)	(11)	(70)
Operating Days	3,612	2,822	3,441	2,656	3,149	2,612	10,202	8,090
Vessel Utilization	99.4%	99.2%	99.9%	98.8%	99.9%	99.0%	99.8%	99.0%

	Third Quarter		Second Quarter	
	2009	2008	2009	2008
	Revenue (in thousands)			
Revenue - Impact of Off-Hire:				
100% Utilization	$ 74,581	$ 58,101	$ 69,904	$ 55,507
Less Off-hire:				
Scheduled 5-Year Survey	(427)	-	-	(186)
Unscheduled off-hire(2)	(97)	(497)	(73)	(389)
Actual Revenue Earned	$ 74,057	$ 57,604	$ 69,831	$ 54,932

	First Quarter		Year to Date	
	2009	2008	2009	2008
	Revenue (in thousands)			

Revenue - Impact of Off-Hire:

100% Utilization	$ 63,147	$ 54,703	$207,632	$168,311
Less Off-hire:				
Scheduled 5-Year Survey	-	-	(427)	(186)
Unscheduled off-hire(2)	(20)	(488)	(190)	(1,374)
Actual Revenue Earned	$ 63,127	$ 54,215	$207,015	$166,751

Revenue

Revenue increased by 28.6%, or $16.5 million, to $74.1 million for the quarter ended September 30, 2009, from $57.6 million for the comparable quarter last year. Revenue increased by 24.1%, or $40.3 million, to $207.0 million for the nine months ended September 30, 2009, from $166.8 million for the comparable period last year. The increase was primarily due to the delivery of nine additional vessels between October 2008 and September 2009. These deliveries included the CSCL Lima, CSCL Santiago, CSCL San Jose, CSCL Callao, CSAV Loncomilla, MOL Emerald, CSAV Lumaco, MOL Eminence and CSCL Manzanillo. Expressed in vessel operating days, our primary revenue driver, these nine vessels contributed 686 of the 790 additional operating days in the quarter, or $14.6 million in additional revenue.

	Three Months Ended September 30,		Increase		Nine Months Ended September 30,		Increase	
	2009	2008	Days	%	2009	2008	Days	%
Operating days	3,612	2,822	790	28.0%	10,202	8,090	2,112	26.1%
Ownership days	3,632	2,844	788	27.7%	10,227	8,170	2,057	25.2%

Operating days increased by 28.0%, or 790 days, to 3,612 days for the quarter ended September 30, 2009 from 2,822 operating days for the comparable quarter last year. Operating days increased by 26.1%, or 2,112 days, to 10,202 days for the nine months ended September 30, 2009 from 8,090 operating days for the comparable period last year. This increase was primarily due to the delivery of nine additional vessels between October 2008 and September 2009 which contributed 1,488 of the additional 2,112 operating days for the nine months ended September 30, 2009, or $29.7 million in additional revenue. During the three months ended September 30, 2009, the CSCL Oceania incurred approximately 14 days of off-hire related to scheduled vessel dry-docking. Vessel utilization was 99.4% and 99.8%, respectively, for the three and nine months ended September 30, 2009 compared to 99.2% and 99.0%, respectively, for the comparable periods in the prior year. Our vessel utilization since our initial public offering is 99.3%.

Ship Operating Expense

Ship operating expense increased by 46.5%, or $6.6 million, to $20.7 million for the quarter ended September 30, 2009, from $14.1 million for the comparable quarter last year. The increase was primarily due to the adjustment of technical services fees for the period commencing January 1, 2009 and the operating expenses associated with the nine vessels delivered since October 2008. Approximately $3.6 million of the $6.6 million increase was due to the re-negotiated technical services fees for the 32 vessels in operation for the quarter ended September 30, 2008 and for the quarter ended September 30, 2009. The fees for these vessels increased by approximately 23% from the initial technical services fees. Approximately $3.6 million of the $6.6 million increase was due to the addition of the nine vessels to our fleet since October 2008. Stated in ownership days (our primary driver for ship operating expense based on fixed daily operating rates) these nine deliveries account for an increase of 688 ownership days for the quarter ended September 30, 2009, as compared to the third quarter of 2008. The increased ship operating expense was partially offset by a $0.6 million decrease in extraordinary(3) costs and expenses not covered by the fixed fee for the three months ended September 30, 2009 compared to the comparable period last year.

Ship operating expense increased by 46.4%, or $18.3 million, to $57.7 million for the nine months ended September 30, 2009, from $39.4 million for the comparable period last year. Approximately $11.7 million of the $18.3 million increase was due to the re-negotiated technical services fees for the period commencing January 1, 2009. The increase was also due to the addition of the nine vessels to our fleet between October 2008 and September 2009. Stated in ownership days (our primary driver for ship operating expense based on fixed daily operating rates) these nine deliveries account for an increase of 1,491 ownership days, or $7.7 million in ship operating expense, for the nine months ended September 30, 2009, as compared to the nine months ended September 30, 2008. The increased ship operating expense was partially offset by a $1.1 million decrease in extraordinary(3) costs and expenses not covered by the fixed fee for the nine months ended September 30, 2009 compared to the comparable period last year.

Depreciation

Depreciation expense increased by 25.2%, or $3.6 million, to $18.0 million for the quarter ended September 30, 2009, from $14.4 million for the comparable quarter last year. Depreciation expense increased by 21.2%, or $8.9 million, to $51.0 million for the nine months ended September 30, 2009, from $42.1 million for the comparable period last year. The increase was due to the increase in number of ownership days from the nine deliveries between October 2008 and September 2009.

General and Administrative Expenses

General and administrative expenses decreased by 15.5%, or $0.4 million, to $2.0 million for the quarter ended September 30, 2009, from $2.3 million for the comparable quarter last year. General and administrative expenses decreased by 3.9%, or $0.2 million, to

$6.1 million for the nine months ended September 30, 2009, from $6.3 million for the comparable period last year. For the three months ended September 30, 2009 compared with the comparable period in the prior year, general and administrative expenses are lower primarily due to overall cost reduction in the current year. The general and administrative expenses for the nine months ended September 30, 2009 are consistent with the comparable period in the prior year.

Interest Expense

Interest expense decreased by 5.0%, or $0.3 million, to $5.1 million for the quarter ended September 30, 2009, from $5.4 million for the comparable quarter last year. Interest expense decreased by 34.3%, or $8.2 million, to $15.8 million for the nine months ended September 30, 2009, from $24.0 million for the comparable period last year. Interest expense is composed of interest at the variable rate plus margin incurred on debt for operating vessels and a non-cash reclassification of amounts from accumulated other comprehensive income related to previously designated hedging relationships. Although the average operating debt balance was higher for the quarter ended September 30, 2009 compared to the same quarter in the prior year, interest expense decreased due to a decrease in LIBOR. The average LIBOR for the three and nine months ended September 30, 2009 was 0.3% and 0.5%, respectively, compared to 2.5% and 2.8%, respectively, for the comparable periods in the prior year. Although we enter into fixed interest rate swaps, the difference between the variable interest rate and the swapped fixed rate on operating debt is recorded in our change in fair value of financial instruments caption as required by financial reporting standards. The interest incurred on our long-term debt for our vessels under construction is capitalized to the respective vessels under construction.

Change in Fair Value of Financial Instruments

The change in fair value of financial instruments resulted in a loss of $92.6 million for the quarter ended September 30, 2009 compared to a loss of $24.7 million for the comparable quarter last year. The change in fair value of financial instruments resulted in a loss of $0.1 million for the nine months ended September 30, 2009 compared to a loss of $7.5 million for the comparable period last year. The change in fair value loss of $92.6 million for the quarter ended September 30, 2009 is due to decreases in the forward LIBOR curve and overall market changes in credit risk since June 30, 2009. On September 30, 2008, due to the compliance and expense burden associated with applying hedge accounting, we elected to prospectively de-designate all interest rate swaps for which we were applying hedge accounting treatment. As a result, from October 1, 2008, all of our interest rate swap agreements and our swaption agreement are marked to market with all changes in the fair value of these instruments recorded in "Change in fair value of financial instruments" in the Statement of Operations. Prior to de-designation on September 30, 2008, approximately 30% of the change in fair value was recorded in "Accumulated other comprehensive loss" in the equity section of our balance sheet for our designated swaps with the change in fair value of our non-designated swaps recorded in "Change in fair value of financial instruments" in the statement of operations.

Change in fair value of derivative financial instruments is a required accounting adjustment under financial reporting standards. At the end of each reporting period, we must record a mark-to-market adjustment for our interest rate swap agreements and swaption as though the instruments were realized as of the reporting date.

The accounting adjustments appear in the following locations in the financial statements:

1) Other Comprehensive Income - For interest rate swaps that the Company had designated as hedges under the technical accounting requirements for hedge accounting, an amount was included in "Other comprehensive income" that approximated the adjustment in fair value. Since we have elected to prospectively de-designate the interest rate swaps for which we applied hedge accounting, no further fair value changes are recorded to "Other comprehensive income". Following the de-designations, the amounts in "Other comprehensive income" will be reclassified to earnings when and where the interest payments are reflected in earnings.

2) Statement of Operations - For interest rate swaps that are not designated as hedges under the accounting requirements for hedge accounting, mark-to-market adjustments and periodic cash interest settlements are recorded in "Change in fair value of financial instruments".

Other expenses

Additional charges of $1.1 million were accrued for in the three months ended June 30, 2009. This amount is due to the shipyards in connection with the 11 options of $0.1 million each that were exercised. These amounts are due at the deferred delivery date of each vessel and are considered to represent the cost of entering into the delivery deferral options in accordance with financial reporting standards and therefore were accrued for.

Cash Available for Distribution(4)

During the three and nine months ended September 30, 2009, we generated $38.6 million and $112.4 million, respectively, of cash available for distribution, as compared to $33.9 million and $99.3 million, respectively, for the comparative periods in 2008. For the three months ended September 30, 2009, this represents an increase of $4.7 million, or 13.8%, as compared to the same quarter in 2008. For the nine months ended September 30, 2009, this represents an increase of $13.1 million, or 13.2%, as compared to the same nine month period in 2008.

We announced on April 28, 2009 that our board of directors decided to reduce our quarterly dividends from $0.475 to $0.10 per share to retain a higher portion of our distributable cash to fund future capital expenditures due to the uncertainties associated with the global recession and the capital markets. Our board of directors cannot determine how long this reduction will be in effect. This reduction will enable us to retain an approximate additional amount of $100 million per year that can be redeployed to fund our newbuilding program. Based on a dividend of $0.475 per quarter, our annualized dividend on the current number of shares outstanding would be approximately $128 million. Based on a dividend of $0.10 per quarter, our annualized dividend on the current number of shares outstanding would be approximately $27 million.

Equity Capital Requirements

As of September 30, 2009, the estimated remaining installments of the 27 vessels that we have contracted to purchase but have not yet been delivered amounted to approximately $1.8 billion. Seaspan has secured long term credit facilities to fund the newbuild vessels and does not have any credit facilities maturing until 2015. To fund the remaining portion of the price of the vessels the Company has contracted to purchase, we intend to raise in the range of approximately $180 million to $240 million in common or other equity and or other forms of capital starting in approximately the fourth quarter of 2010 or first quarter of 2011 and ending in approximately second quarter 2012. The current state of the global financial markets and current economic conditions may adversely impact our ability to issue additional equity at prices which will not be dilutive to our existing shareholders or preclude us from issuing equity at all. We continue to actively pursue alternatives which will allow us to defer or eliminate some or all of our current equity needs.

Our credit facilities do not contain traditional vessel market value covenants that require us to repay our facilities solely because the market value of our vessels declined below a certain level. Our $1.3 billion credit facility agreement contains a loan to market value ratio requirement that must be met before we can borrow funds under that facility. Based on a valuation obtained in June of 2009, we are currently unable to borrow the additional $268 million under our $1.3 billion credit facility.

Dividend Declared:

For the quarter ended September 30, 2009, we declared a quarterly dividend of $0.10, representing a total distribution of $6.8 million. The dividend will be paid on November 19, 2009 to all shareholders of record as of November 9, 2009.

Since our initial public offering in August 2005, we have declared cumulative dividends of $6.39 per share. Because we adopted a dividend reinvestment plan, or DRIP, the actual amount of cash dividends paid may be less than the $6.8 million based on shareholder participation in the DRIP. Cumulatively, since we adopted the DRIP in May 2008, an additional 1.1 million shares were issued through the participation in the DRIP. As of today's date and based on a discount of 3%, participating shareholders invested $11.4 million in the DRIP since we adopted the DRIP in May 2008.

About Seaspan

Seaspan owns containerships and charters them pursuant to long-term fixed-rate charters. Seaspan's contracted fleet of 68 containerships consists of 41 containerships in operation and 27 containerships to be delivered over approximately the next 30 months. Seaspan's operating fleet of 41 vessels has an average age of approximately five years and an average remaining charter period of approximately seven years. All of the 27 vessels to be delivered to Seaspan are already committed to long-term time charters averaging approximately 11 years in duration from delivery. Seaspan's customer base consists of seven of the world's largest liner companies, including China Shipping Container Lines, A.P. Moller-Maersk, Mitsui O.S.K. Lines, Hapag-Lloyd, COSCO Container Lines, K-Line and CSAV.

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

Conference Call and Webcast

Seaspan will host a conference call and webcast presentation for investors and analysts to discuss its results for the three and nine months ended September 30, 2009 on November

4, 2009 at 5:30 a.m. PT / 8:30 a.m. ET. Participants should call 1-888-490-2761 (US/Canada) or 1-719-325-2220 (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 1-888-203-1112 or 1-719-457-0820 and enter replay passcode: 9490848. The recording will be available from November 4, 2009 at 8:30 a.m. PT / 11:30 a.m. ET through to 8:59 p.m. PT / 11:59 p.m. ET on November 18, 2009. 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 "Investor Relations" 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 SEPTEMBER 30, 2009
(IN THOUSANDS OF US DOLLARS)

	September 30, 2009	December 31, 2008
Assets		
Current assets:		
Cash and cash equivalents	$ 104,029	$ 136,285
Accounts receivable	143	172
Prepaid expenses	7,776	5,254
	111,948	141,711
Vessels	3,425,436	3,126,489
Deferred charges	21,480	20,306
Other assets	11,063	8,366
	$ 3,569,927	$ 3,296,872
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	$ 17,302	$ 15,211
Deferred revenue	4,013	8,443
	21,315	23,654
Long-term debt (operating vessels)	868,880	703,835
Long-term debt (vessels under construction)	955,420	1,017,323
Other long-term liabilities	405,617	390,931
Fair value of financial instruments	352,101	414,769
	2,603,333	2,550,512

Share capital	677	668
Additional paid-in capital	1,388,077	1,282,189
Preferred shares subscribed	80,000	-
Deficit	(417,736)	(443,081)
Accumulated other comprehensive loss	(84,424)	(93,416)
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Total shareholders' equity	966,594	746,360
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	$ 3,569,927	$ 3,296,872
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SEASPAN CORPORATION
UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2009 AND 2008
(IN THOUSANDS OF US DOLLARS, EXCEPT PER SHARE AMOUNTS)

	Three months ended September 30, 2009	Three months ended September 30, 2008	Nine months ended September 30, 2009	Nine months ended September 30, 2008
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Revenue	$ 74,057	$ 57,604	$ 207,015	$ 166,751
Operating expenses:				
Ship operating	20,659	14,105	57,730	39,440
Depreciation	18,017	14,389	50,969	42,054
General and administrative	1,985	2,349	6,058	6,305
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	40,661	30,843	114,757	87,799
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Operating earnings	33,396	26,761	92,258	78,952
Other expenses (earnings):				
Interest expense	5,104	5,370	15,802	24,041
Interest income	(21)	(132)	(270)	(571)
Undrawn credit facility fees	1,156	1,444	3,512	4,048
Amortization of deferred charges	543	466	1,476	1,374
Change in fair value of financial instruments	92,576	24,709	76	7,493

Other expenses	-	-	1,100	-
	99,358	31,857	21,696	36,385
Net earnings (loss)	(65,962)	(5,096)	70,562	42,567
Deficit, beginning of period	(345,041)	(133,013)	(443,081)	(122,317)
Dividends on common shares	(6,733)	(31,499)	(45,217)	(89,858)
Deficit, end of period	(417,736)	(169,608)	(417,736)	(169,608)
Weighted average number of shares, basic	67,436	66,378	67,238	62,859
Weighted average number of shares, diluted	67,436	66,378	78,511	62,864
Earnings (loss) per share, basic	$ (1.03)	$ (0.08)	$ 0.93	$ 0.68
Earnings (loss) per share, diluted	$ (1.03)	$ (0.08)	$ 0.90	$ 0.68

SEASPAN CORPORATION
UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2009 AND 2008
(IN THOUSANDS OF US DOLLARS)

	Three months ended September 30, 2009	Three months ended September 30, 2008	Nine months ended September 30, 2009	Nine months ended September 30, 2008
Net earnings (loss)	$ (65,962)	$ (5,096)	$ 70,562	$ 42,567
Other				

comprehensive income (loss):				
Change in fair value of financial instruments designated as cash flow hedging instruments	-	(12,631)	-	(40,156)
Amounts reclassified to earnings during the period	2,952	1,912	8,992	6,917
Other comprehensive income (loss)	2,952	(10,719)	8,992	(33,239)
Comprehensive income (loss)	$ (63,010)	$ (15,815)	$ 79,554	$ 9,328

SEASPAN CORPORATION
UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2009 AND 2008
(IN THOUSANDS OF US DOLLARS)

	Three months ended September 30, 2009	Three months ended September 30, 2008	Nine months ended September 30, 2009	Nine months ended September 30, 2008
Cash provided by (used in):				
Operating activities:				
Net earnings (loss)	$ (65,962)	$ (5,096)	$ 70,562	$ 42,567
Items not involving cash:				
Depreciation	18,017	14,389	50,969	42,054
Share-based compensation	559	640	1,583	1,913
Amortization of				

deferred charges	543	466	1,476	1,374
Amounts reclassified from other comprehensive loss	2,925	-	8,930	-
Unrealized change in fair value of financial instruments	68,975	19,564	(62,668)	2,348
Change in assets and liabilities	(293)	(1,158)	(6,072)	(261)
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Cash provided by operating activities	24,764	28,805	64,780	89,995
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Financing activities:				
Preferred shares issued, net of share issue costs	(57)	-	98,785	-
Preferred shares subscribed	80,000	-	80,000	-
Common shares issued, net of share issue costs	-	(228)	-	227,628
Draws on credit facilities	59,581	228,153	103,142	512,328
Other long-term liabilities	-	-	-	35,405
Repayment of credit facility	-	-	-	(343,000)
Financing fees incurred	-	(210)	(3,372)	(5,840)
Dividends on common shares(i)	(5,371)	(28,565)	(39,688)	(86,924)
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Cash provided by financing activities	134,153	199,150	238,867	339,597
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Investing activities:				
Expenditures for vessels	(117,157)	(232,187)	(334,972)	(521,125)
Cash payments on interest rate swaps	-	(3,329)	-	(7,124)
Intangible assets	(248)	(271)	(931)	(407)
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Cash used in investing activities	(117,405)	(235,787)	(335,903)	(528,656)

Increase (decrease) in cash and cash equivalents	41,512	(7,832)	(32,256)	(99,064)
Cash and cash equivalents, beginning of period	62,517	31,902	136,285	123,134
Cash and cash equivalents, end of period	$ 104,029	$ 24,070	$ 104,029	$ 24,070

(i) During the three and nine months ended September 30, 2009, non-cash dividends of $1.4 million and $5.5 million were paid through the dividend reinvestment program. Shareholders have invested $11.4 million in the dividend reinvestment program since its adoption in May 2008.

SEASPAN CORPORATION

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2009 AND 2008

(IN THOUSANDS OF US DOLLARS)

Description of Non-GAAP Financial Measures

A. Cash Available for Distribution

Cash available for distribution represents net earnings adjusted for depreciation, amortization of deferred charges, non-cash undrawn credit facility fees, write-off of deferred financing fees on debt refinancing, non-cash share-based compensation, dry-dock adjustment, non-cash interest income, change in fair value of financial instruments, interest expense(5), cash interest paid at the hedged rate(7) and other items that the Company believes are not representative of its operating performance. Cash available for distribution is a non-GAAP quantitative standard used to assist in evaluating a company's ability to make quarterly cash dividends before reserves. Cash available for distribution is not defined by accounting principles generally accepted in the United States and should not be considered as an alternative to net earnings or any other indicator of Seaspan's performance required by accounting principles generally accepted in the United States. Cash available for distribution is a non-GAAP measure used to assist in evaluating a company's overall operating performance because cash available for distribution eliminates the effects of non-cash items and items that do not impact our operating performance or our ability to distribute cash to our shareholders.

	Three months ended September 30, 2009	Three months ended September 30, 2008	Nine months ended September 30, 2009	Nine months ended September 30, 2008
Net earnings (loss)	$ (65,962)	$ (5,096)	$ 70,562	$ 42,567
Add:				
Depreciation	18,017	14,389	50,969	42,054
Interest expense(5)	5,104	5,370	15,802	24,041
Amortization of deferred charges	543	466	1,476	1,374
Undrawn credit facility fees	1,156	1,444	3,512	4,048
Share-based compensation	559	640	1,583	1,913
Change in fair value of financial instruments	92,576	24,709	76	7,493
Other expenses(6)	-	-	1,100	-
Less:				
Dry-dock adjustment	(903)	(742)	(2,580)	(2,136)
Interest income	(21)	(132)	(270)	(571)
Net cash flows before cash interest	51,069	41,048	142,230	120,783
Less:				
Cash interest paid at the hedged rate(7)	(11,961)	(6,115)	(28,367)	(19,227)
Cash paid for undrawn credit facility fees	(498)	(1,149)	(1,696)	(2,827)
Add:				
Cash interest received	25	155	270	587
Cash available for distribution	$ 38,635	$ 33,939	$ 112,437	$ 99,316

Seaspan has changed the definition of cash available for distribution in the current year to include other items the Company believes are not representative of its operating performance. The following item is now included as adjustments: Other expenses. Please refer to footnote (6) for a detailed description of Other expenses. This new definition of cash available for distribution used in the current period does not impact the cash available for distribution for the comparative periods.

SEASPAN CORPORATION

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2009

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

Description of Non-GAAP Financial Measures

B. Normalized Net Earnings and Normalized Earnings per share

Normalized net earnings represent net earnings adjusted for items such as the non-cash change in fair value of financial instruments, write-off of deferred financing fees on debt refinancing, interest expense(5) and interest expense at the hedged rate(8). With these adjustments normalized net earnings reflects interest expense on our operating debt at the fixed rate on our interest rate swaps plus the applicable margin on the related credit facilities. We believe that this presentation of normalized net earnings is useful because investors and securities analysts frequently adjust net earnings for non-operating items, as described above, to evaluate companies in our industry. Normalized net earnings is a non-GAAP measure used to assist in evaluating a company's overall operating performance and liquidity because normalized net earnings eliminates the effects of non-cash items and items that do not impact our operating performance or our ability to distribute cash to our shareholders.

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

	Three months ended September 30, 2009	Three months ended September 30, 2008	Nine months ended September 30, 2009	Nine months ended September 30, 2008
Net earnings (loss)	$ (65,962)	$ (5,096)	$ 70,562	$ 42,567
Adjust:				
Change in fair value of financial instruments	92,576	24,709	76	7,493
Interest expense(5)	5,104	5,370	15,802	24,041
Interest expense at the hedged rate(8)	(11,486)	(5,985)	(28,973)	(18,298)
Normalized net				

earnings	$ 20,232	$ 18,998	$ 57,467	$ 55,803
Basic	67,436	66,378	67,238	62,859
Diluted	67,436	66,378	78,511	62,864
Earnings (loss) per share, basic and diluted				
Reported (basic)(ii)	$ (1.03)	$ (0.08)	$ 0.93	$ 0.68
Reported (diluted)(iii)	$ (1.03)	$ (0.08)	$ 0.90	$ 0.68
Normalized (basic)(ii)	$ 0.25	$ 0.29	$ 0.73	$ 0.89
Normalized (diluted)(iii)	$ 0.24	$ 0.29	$ 0.73	$ 0.89

(ii) Basic earnings per share (Reported and Normalized) are calculated as net earnings (loss) or normalized net earnings, less the dividends accrued for Series A preferred shares, divided by the basic number of shares outstanding for the period. During the three and nine months ended September 30, 2009, dividends of $3,177 and $8,200 were accrued for Series A preferred shares, respectively.

(iii) Diluted earnings per share (Reported and Normalized) are calculated as net earnings or normalized net earnings divided by the diluted number of shares outstanding for the period. The diluted number of shares includes the impact of the convertible Series A preferred shares. In periods where there is a net loss, the convertible Series A preferred shares are not included for the diluted number of shares as the impact of the Series A preferred shares is anti-dilutive.

STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This release contains certain forward-looking statements (as such term is defined in Section 21E of the Securities Exchange Act of 1934, as amended) concerning future events and our operations, performance and financial condition, including, in particular, the likelihood of our success in developing and expanding our business. Statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates", "projects", "forecasts", "will", "may", "potential", "should", and

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

(1) Normalized net earnings and normalized earnings per share are non-GAAP measures that are adjusted for non-cash items such as the non-cash change in fair value of financial instruments, write-off on debt refinancing, interest expense and interest expense at the hedged rate. Please read "Reconciliation of Non-GAAP Financial Measures for the Three and Nine Months Ended September 30, 2009 - Description of Non-GAAP Financial Measures - B. Normalized Net Earnings and Normalized Earnings per Share" for a description of normalized net earnings and a reconciliation of net earnings to normalized net earnings.

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

(3) Extraordinary costs and expenses are defined in our management agreements and do not relate to extraordinary items as defined by financial reporting standards.

(4) Cash available for distribution is a non-GAAP measure that represents net earnings adjusted for depreciation, amortization of deferred charges, non-cash undrawn credit

facility fees, write-off on debt refinancing, non-cash share-based compensation, dry-dock adjustment, change in fair value of financial instruments, interest expense, interest income, cash interest paid at the hedged rate and other items that the Company believes are not representative of its operating performance. Please read "Reconciliation of Non-GAAP Financial Measures for the Three and Nine Months Ended September 30, 2009 - Description of Non-GAAP Financial Measures - A. Cash Available for Distribution" for a description of cash available for distribution and a reconciliation of net earnings to cash available for distribution.

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

(6) Other expenses represent additional payments of $1.1 million that were accrued for in the three months ended June 30, 2009. This amount is due to the shipyards in connection with the 11 options of $0.1 million each that we exercised subsequent to the quarter end. These amounts are due at the deferred delivery date of each vessel and are considered to represent the cost of entering into the delivery deferral options in accordance with financial reporting standards and therefore were accrued for in the period.

(7) Cash interest paid at the hedged rate is calculated as the interest incurred on operating debt at the fixed rate on the related interest rate swaps plus the applicable margin on the related credit facilities, on a cash basis.

(8) 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.

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