SEASPAN REPORTS FINANCIAL RESULTS FOR THE QUARTER ENDED MARCH 31, 2013

First Quarter Revenue increase of 7.5% over Prior Year and Dividend increase of 25% over Previous Quarter

HONG KONG, CHINA - April 29, 2013 /CNW/ - Seaspan Corporation ("Seaspan") (NYSE:SSW) announced today its financial results for the quarter ended March 31, 2013. Below is a summary of Seaspan's key financial results:

Summary of Key Financial Results (in thousands of USD):

	Quarter Ended March 31,				Change			
	2013		2012		$		%	
Reported net earnings	$	55,606	$	51,258	$	4,348	8.5	%
Normalized net earnings(1)	$	28,350	$	33,228	$	(4,878)	(14.7)	%
Earnings per share, basic	$	0.57	$	0.54	$	0.03	5.6	%
Earnings per share, diluted	$	0.53	$	0.51	$	0.02	3.9	%
Normalized earnings per share, converted(1) (Series A preferred shares converted at $15)	$	0.21	$	0.30	$	(0.09)	(30.0)	%
Cash available for distribution to common shareholders(2)	$	66,815	$	65,344	$	1,471	2.3	%
Adjusted EBITDA(3)	$	121,224	$	115,826	$	5,398	4.7	%

(1) Normalized net earnings and normalized earnings per share are non-GAAP measures that are adjusted for items such as interest expense, change in fair value of financial instruments, interest expense at the hedged rate, organizational development costs and certain 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 Seaspan's outstanding Series A preferred shares are converted at $15.00 per share. Please read "Reconciliation of Non-GAAP Financial Measures for the Quarters Ended March 31, 2013 and 2012- 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, 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 and amortization, interest expense, amortization of deferred charges, non-cash share-based compensation, change in fair value of financial instruments, bareboat charter adjustment, organizational development costs, amounts paid for dry-docking, cash dividends paid on preferred shares, interest expense at the hedged rate and certain other items that Seaspan believes are not representative of its operating performance. Please read "Reconciliation of Non-GAAP Financial Measures for the Quarters Ended March 31, 2013 and 2012 - 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 before interest expense and other debt-related expenses, interest income, depreciation and amortization, bareboat charter adjustment, organizational development costs, change in fair value of financial instruments and certain other items that Seaspan believes are not representative of its operating performance. Please read "Reconciliation of Non-GAAP Financial Measures for the Quarters Ended March 31, 2013 and 2012 - 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 96.1% for the quarter ended March 31, 2013 or 99.9% if the impact of off-charter days are excluded.
- Paid a quarterly dividend of $0.59375 per Series C preferred share and a pro-rated cash dividend of $0.25948 per Series D preferred share representing a total distribution of $9.1 million. The dividends were paid to all Series C and Series D preferred shareholders of record as of January 29, 2013 for the period from October 30, 2012 to January 29, 2013 and for the period from December 13, 2012 to January 29, 2013, respectively.
- Paid a quarterly dividend for the 2012 fourth quarter of $0.25 per Class A common share on February 27, 2013 to all shareholders of record as of February 18, 2013.
- In March 2013 Seaspan's board of directors approved a 25% increase in the quarterly common share dividend to $0.3125 per share, and on April 26, 2013 the board of directors declared this dividend for the quarter ending March 31, 2013 payable on May 30, 2013 to shareholders of record on May 20, 2013. This $0.0625 per share increase to Seaspan's quarterly common share dividend represents the fourth increase since March 31, 2010 for an aggregate increase of 213%. Seaspan expects common share dividends for the four quarters ending December 31, 2013 to total $1.25 per share.

Gerry Wang, Chief Executive Officer, Co-Chairman, and Co-Founder of Seaspan, commented, "During the first quarter, we generated stable results, which were in line with our expectations. We also entered into two important transactions with MOL and Yang Ming Marine, enabling Seaspan to further increase its contracted revenue stream and cash flows as well as diversify and enhance the Company's high-quality customer base. We intend to continue to draw upon our financial strength and technical and operational leadership to pursue attractive growth opportunities."

Mr. Wang continued, "We declared a $0.3125 per common share dividend for the first quarter of 2013, representing a 25% increase over the fourth quarter 2012 dividend and a 213% increase since March 31, 2010."

First Quarter Developments

Time Charters

During the quarter ended March 31, 2013, two 4250 TEU vessels were re-delivered to Seaspan. Two vessels commenced short-term charters in late March and one vessel commenced a short-term charter in mid-April.

Newbuilding Contracts

In January 2013 Seaspan entered into contracts for the construction of five 14000 TEU newbuilding containerships with Hyundai Heavy Industries Co., Ltd. The vessels are scheduled for delivery in 2015 and will be constructed using Seaspan's fuel efficient SAVER design. Concurrently with executing the newbuilding contracts, Seaspan signed long-term, fixed-rate time charters for the vessels with Yang Ming Marine Transport Corporation ("Yang Ming Marine"). After the initial 10-year charter periods, Yang Ming Marine may extend the charter for each vessel up to an additional two years. Pursuant to its right of first refusal agreement with Greater China Intermodal Investments, LLC ("GCI"), Seaspan retained three of the 14000 TEU newbuilding containerships and GCI acquired the remaining two vessels.

In January 2013 Seaspan entered into contracts for the construction of four 10000 TEU newbuilding containerships with Jiangsu New Yangzi Shipbuilding Co., Ltd. and Jiangsu Yangzi Xinfu Shipbuilding Co., Ltd. The vessels are scheduled for delivery in 2014 and will be constructed using Seaspan's fuel efficient SAVER design. Concurrently with entering into these newbuilding contracts, Seaspan signed long-term, fixed-rate time charters for these vessels with Mitsui O.S.K. Lines, Ltd. ("MOL"). In connection with this transaction, Seaspan also agreed to purchase from MOL four existing 2003-built 4600 TEU vessels, which are scheduled for delivery in late 2013 and early 2014, and has signed two-year short-term fixed-rate time charters for these vessels with MOL. Pursuant to its right of first refusal agreement with GCI, Seaspan retained two of the 10000 TEU newbuilding containerships and two of the existing vessels and GCI acquired the remaining two 10000 TEU newbuilding containerships and two existing vessels.

Seaspan intends to fund the construction of its five newbuilding containerships and the acquisition of the two existing vessels initially with existing cash and new debt financing. Seaspan is considering various sources of debt financing to which it has access. Seaspan will supervise the construction of all nine newbuilding vessels and manage all 13 vessels included in these transactions.

Loan Facility Transactions

In January 2013, Seaspan entered into a LIBOR-based term loan facility with an Asian bank for loan facilities in the amount of up to $340.0 million to be used towards the refinancing of existing vessels.

Subsequent Events

On April 12, 2013, Seaspan declared a cash dividend of $0.59375 per share on its Series C preferred shares (NYSE:SSW PR C) for the period from January 30, 2013 to April 29, 2013, and a cash dividend of $0.496875 per share on its Series D preferred shares (NYSE:SSW PR D) for the period from January 30, 2013 to April 29, 2013. The dividends, representing a total distribution of $9.9 million, were paid on April 30, 2013 to all Series C and Series D preferred shareholders of record as of April 29, 2013.

On April 25, 2013, Seaspan entered into a term loan facility with an Asian bank in the amount of up to $174.0 million to be used to fund the construction of two 14000 TEU newbuilding containerships to be chartered to Yang Ming Marine.

On April 26, 2013, Seaspan declared quarterly dividends of $0.3125 per Class A common share. The dividend is payable on May 30, 2013 to all shareholders of record as of May 20, 2013.

Results for the Quarter Ended March 31, 2013

The following table summarizes vessel utilization for the quarter ended March 31, 2013:

	First Quarter			
	2013		2012	
Vessel Utilization:				
Ownership Days	5,850		5,591	
Less Off-hire Days:				
Scheduled 5-Year Survey	-		(44)	
Unscheduled Off-hire(1)	(230)		(7)	
Operating Days	**5,620**		**5,540**	
Vessel Utilization	**96.1**	%	**99.1**	%

(1) Unscheduled off-hire includes days related to vessels off-charter

Seaspan had 69 vessels in operation throughout the first quarter of 2013. Revenue is determined primarily by the number of operating days, and ship operating expense is determined primarily by the number of ownership days.

The following table summarizes Seaspan's consolidated financial results for the quarters ended March 31, 2013 and 2012:

	Quarter Ended March 31,		Increase	
	2013	2012	Days	%
Operating days	5,620	5,540	80	1.4%
Ownership days	5,850	5,591	259	4.6%

Financial Summary (in millions of USD)	Quarter Ended March 31,				Change			
	2013		2012		$		%	
Revenue	$	164.9	$	153.4	$	11.5	7.5	%
Ship operating expense		37.5		34.6		3.0	8.7	%
Depreciation and amortization expense		42.8		37.9		4.8	12.7	%

General and administrative expense	7.8	5.9	1.9	33.2	%
Operating lease expense	1.1	-	1.1	100.0	%
Interest expense	15.5	17.0	(1.5)	(8.8)	%
Undrawn credit facility fees	0.4	0.8	(0.4)	(50.7)	%
Change in fair value of financial instruments	2.7	4.7	(2.0)	(43.0)	%

Revenue

Revenue increased by 7.5% for the quarter ended March 31, 2013 over the same period for 2012. This is due primarily to the impact of a full quarter's contribution of the larger newbuild vessels delivered in 2012 that have higher time-charter rates. These increases were partially offset by an increase in unscheduled off-hire which includes 221 off-charter days for four of Seaspan's 4250 TEU vessels, fewer days in 2013 due to leap year and lower rates for four vessels which were on short-term charters during the quarter. The increase in operating days and the financial impact thereof for the quarter ended March 31, 2013 relative to the corresponding period in 2012, is attributable to the following:

	Quarter Ended March 31, 2013	
	Operating Days impact	**$ impact (in millions)**
Full period contribution for 2012 vessel deliveries	320	$ 17.9
Change in daily charterhire rate and re-charters	-	(1.7)
Fewer days due to leap year	(61)	(1.7)
Scheduled off-hire	44	1.1
Unscheduled off-hire	(223)	(4.3)
Other	-	0.2
Total	**80**	**$ 11.5**

Vessel utilization was 96.1% for the quarter ended March 31, 2013, compared to 99.1% for the comparable period in 2012. The decrease in vessel utilization for the quarter ended March 31, 2013 was primarily due to a 223-day increase in unscheduled off-hire which includes 221 off-charter days for four of Seaspan's 4250 TEU vessels. During the quarter ended March 31, 2013, there were no scheduled dry-dockings, compared to the quarter ended March 31, 2012, where Seaspan completed four dry-dockings which resulted in 44 days of scheduled off-hire.

Seaspan's cumulative vessel utilization since its initial public offering in August 2005 through March 31, 2013 was 99.0%.

Ship Operating Expense

Ship operating expense for the quarter ended March 31, 2013 increased by $3.0 million, or 8.7%, to $37.5 million compared to the corresponding period in the prior year. The increase is due to 320 more ownership days related to the addition of four 13100 TEU vessels during the first and second quarter of 2012. In addition, larger TEU vessels are more expensive to operate. The increased cost of lubes, insurance and other operating costs associated with these vessels further contributed to higher ship operating expenses.

Ship operating expense for the quarter ended March 31, 2012 included fixed, daily, per vessel fees totalling $9.3 million, paid to Seaspan Management Services Limited (the "Manager") for technical services prior to Seaspan's acquisition of the Manager on January 26, 2012, and $25.3 million of direct costs incurred during the post-acquisition period from January 27 to March 31, 2012.

Depreciation and Amortization Expense

The increase in depreciation and amortization for the quarter ended March 31, 2013 was due to the increase in the size of the fleet. Four vessels delivered in 2012 and a full quarter of depreciation was taken in the first quarter of 2013.

General and Administrative Expense

For the quarter ended March 31, 2013, general and administrative expenses increased by $1.9 million to $7.8 million from $5.9 million for the same period of 2012. The increase was due primarily to the non-cash stock appreciation rights granted to the chief executive officer in December 2012. In March 2013, additional stock appreciation rights were granted to certain members of management. Seaspan expects to incur non-cash compensation expenses of approximately $9.2 million for the remainder of 2013 and $4.2 million in 2014 relating to the stock appreciation rights granted to the chief executive officer and management.

Operating Lease Expense

On June 27, 2012, Seaspan sold the Madinah to a U.S. bank and is leasing the vessel back for approximately nine years. Prior to June 27, 2012, Seaspan owned the vessel and financed it with a term loan of $53.0 million which was repaid using the proceeds from the sale to the bank. During the quarter ended March 31, 2013, Seaspan incurred operating lease expense of $1.1 million. In the comparable period of 2012, instead of operating lease expense, Seaspan incurred interest expense of $0.6 million on the $53.0 million loan.

Interest Expense

As at March 31, 2013, the balance of Seaspan's long-term debt totaled $3.1 billion and Seaspan's other long-term liabilities was $641.5 million. As at March 31, 2013, Seaspan's operating debt balance was $2.9 billion. Interest expense is comprised primarily of interest incurred on long-term debt and other long-term liabilities at the variable rate calculated by reference to LIBOR plus the applicable margin incurred on debt for operating vessels and a reclassification of amounts from accumulated other comprehensive loss related to previously designated hedging relationships. Interest incurred on long-term debt and other long-term liabilities for Seapsan's vessels under construction is capitalized to the cost of the respective vessels under construction.

The decrease in interest expense for the quarter ended March 31, 2013, was primarily due to a lower reclassification of accumulated other comprehensive loss into earnings. The remaining decrease was due to lower operating debt and other long-term liabilities as well as a reduction in the average LIBOR. In 2012, the term loan of $53.0 million was repaid using the proceeds from the sale of the Madinah. The average LIBOR charged on Seaspan's long-term debt for the quarter ended March 31, 2013 was 0.2% compared to 0.5% for the comparable period in the prior year. Although Seaspan has entered into fixed interest rate swaps for much of its variable rate debt, the difference between the variable interest rate and the swapped fixed-rate on operating debt is recorded in Seaspan's change in fair value of financial instruments.

Undrawn Credit Facility Fee

During the quarter ended March 31, 2013, the decrease in undrawn credit facility fees compared to 2012 was due to a reduction in average undrawn balances on Seaspan's credit facilities due to debt draws for construction and final delivery of vessels. Seaspan pays commitment fees of 0.2% and 0.4% on its credit facilities, which are expensed as incurred.

Change in Fair Value of Financial Instruments

The change in fair value of financial instruments resulted in a loss of $2.7 million for the quarter ended March 31, 2013, compared to a loss of $4.7 million for the comparable period in 2012. The decrease in change in fair value for the quarter was primarily due to the effect of the passage of time and less discounting of expected future settlements. The fair value of interest rate swap and swaption agreements is subject to change based on the counterparty and 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 current information available to Seaspan. These factors are expected to change through the life of the instruments, causing the fair value to fluctuate significantly due to the large notional amounts and long-term nature of Seaspan's derivative instruments. Because these factors may change, the fair value of the instruments is an estimate and may deviate significantly from the actual cash settlements realized over the term of the instruments. Seaspan's valuation techniques have not changed and remain consistent with those followed by other valuation practitioners.

About Seaspan

Seaspan provides many of the world's major shipping lines with creative outsourcing alternatives to vessel ownership by offering long-term leases on large, modern containerships combined with industry-leading ship management and a reputation for safety, quality and innovation. Seaspan's managed fleet consists of 89 containerships representing a total capacity of approximately 600,000 TEU, including 16 newbuilding containerships on order scheduled for delivery by the end of 2015. Seaspan's current operating fleet of 69 vessels has an average age of approximately six years and an average remaining lease period of approximately six years.

Seaspan's common shares, Series C Preferred Shares and Series D Preferred Shares are listed on The New York Stock Exchange under the symbols "SSW", "SSW PR C" and "SSW PR D", respectively.

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, 2013 on April 30, 2013 at 5:00 a.m. PT / 8:00 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, call1-855-859-2056 or 1-404-537-3406 and enter the replay passcode: 46179747. The recording will be available from April 30, 2013 at 10:00 a.m. PT / 1:00 p.m. ET through 8:59 p.m. PT / 11:59 p.m. ET on May 14, 2013. 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" and 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, 2013
(IN THOUSANDS OF US DOLLARS)

	March 31, 2013	December 31, 2012
Assets		
Current assets:		
Cash and cash equivalents	$ 286,018	$ 393,478
Short-term investments	66,373	36,100
Accounts receivable	33,880	9,573
Prepaid expenses	24,479	20,902
Gross investment in lease	17,597	15,977
	428,347	476,030
Vessels	4,744,607	4,785,968
Vessels under construction	154,842	77,305
Deferred charges	53,390	43,816
Gross investment in lease	74,601	79,821
Goodwill	75,321	75,321
Other assets	71,050	71,561
Fair value of financial instruments	43,137	41,031
	$ 5,645,295	$ 5,650,853
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	$ 48,301	$ 49,997
Current portion of deferred revenue	11,828	25,111
Current portion of long-term debt	95,106	66,656
Current portion of other long-term liabilities	38,906	38,542
	194,141	180,306
Deferred revenue	6,869	7,903
Long-term debt	3,000,431	3,024,288
Other long-term liabilities	602,612	613,049
Fair value of financial instruments	579,796	606,740
	4,383,849	4,432,286
Share capital	809	804
Treasury shares	(395)	(312)
Additional paid in capital	1,869,840	1,859,068
Deficit	(563,770)	(594,153)
Accumulated other comprehensive loss	(45,038)	(46,840)
Total shareholders' equity	1,261,446	1,218,567

	$ 5,645,295	$ 5,650,853

SEASPAN CORPORATION
UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT
FOR THE QUARTERS ENDED MARCH 31, 2013 AND 2012
(IN THOUSANDS OF US DOLLARS, EXCEPT SHARE AND PER SHARE AMOUNTS)

	Quarter Ended March 31, 2013	2012
Revenue	$ 164,924	$ 153,432
Operating expenses:		
Ship operating	37,546	34,550
Depreciation and amortization	42,753	37,931
General and administrative	7,791	5,850
Operating lease	1,086	—
	89,176	78,331
Operating earnings	75,748	75,101
Other expenses (income):		
Interest expense	15,484	16,975
Interest income	(187)	(308)
Undrawn credit facility fees	397	805
Amortization of deferred charges	2,110	1,561
Change in fair value of financial instruments	2,666	4,676
Equity loss on investment	34	134
Other income	(362)	-
	20,142	23,843
Net earnings	**$ 55,606**	**$ 51,258**
Deficit, beginning of period	(594,153)	(622,406)
Dividends - common shares	(15,794)	(11,735)
Dividends - preferred shares	(9,119)	(8,313)
Amortization of Series C issuance costs	(310)	(219)
Deficit, end of period	$ (563,770)	$ (591,415)
Weighted average number of shares, basic	63,767	63,696

Weighted average number of shares, diluted	85,990	83,566
Earnings per share, basic	$ 0.57	$ 0.54
Earnings per share, diluted	$ 0.53	$ 0.51

SEASPAN CORPORATION
UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE QUARTERS ENDED MARCH 31, 2013 AND 2012
(IN THOUSANDS OF US DOLLARS)

	Quarter Ended March 31,	
	2013	2012
Net earnings	**$ 55,606**	**$ 51,258**
Other comprehensive income:		
Amounts reclassified to earnings during the period, relating to cash flow hedging instruments	1,802	2,708
Comprehensive income	**$ 57,408**	**$ 53,966**

SEASPAN CORPORATION
UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE QUARTERS ENDED MARCH 31, 2013 AND 2012
(IN THOUSANDS OF US DOLLARS)

	Quarter Ended March 31,	
	2013	2012
Cash from (used in):		
Operating activities:		
Net earnings	$ 55,606	$ 51,258
Items not involving cash:		
Depreciation and amortization	42,753	37,931
Share-based compensation	2,811	586
Amortization of deferred charges	2,110	1,561
Amounts reclassified from other comprehensive loss to interest expense	1,579	2,542
Unrealized change in fair value of financial instruments	(28,869)	(25,783)
Equity loss on investment	34	134
Changes in assets and liabilities	(41,741)	(18,471)

Cash from operating activities	34,283	49,758
Financing activities:		
Draws on credit facilities	9,000	45,490
Repayment of credit facilities	(21,007)	(10,042)
Repayment of other long-term liabilities	(10,073)	(24,649)
Shares repurchased, including related expenses	-	(170,609)
Financing fees	(11,877)	(16)
Dividends on common shares	(9,172)	(7,367)
Dividends on preferred shares	(9,119)	(8,313)
Cash used in financing activities	(52,248)	(175,506)
Investing activities:		
Expenditures for vessels	(59,229)	(86,635)
Short-term investments	(30,273)	(10,214)
Cash acquired on acquisition of Manager	-	23,911
Intangible assets	1,118	7,041
Investment in affiliate	(1,111)	-
Cash used in investing activities	(89,495)	(65,897)
Decrease in cash and cash equivalents	(107,460)	(191,645)
Cash and cash equivalents, beginning of period	393,478	481,123
Cash and cash equivalents, end of period	$ 286,018	$ 289,478

SEASPAN CORPORATION
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
FOR THE QUARTERS ENDED MARCH 31, 2013 AND 2012
(**IN THOUSANDS OF US DOLLARS**)

Description of Non-GAAP Financial Measures

A. Cash Available for Distribution to Common Shareholders

Cash available for distribution to common shareholders is defined as net earnings adjusted for depreciation and amortization, interest expense, amortization of deferred charges, non-cash share-based compensation, change in fair value of financial instruments, bareboat charter adjustment, organizational development costs, amounts paid for dry-docking, cash dividends paid on preferred shares, interest expense at the hedged rate and certain other items that Seaspan believes are not representative of its operating performance.

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

	Quarter Ended March 31, 2013	2012
Net earnings	$ 55,606	$ 51,258
Add:		
Depreciation and amortization	42,753	37,931
Interest expense	15,484	16,975
Amortization of deferred charges	2,110	1,561
Share-based compensation	2,811	586
Change in fair value of financial instruments	2,666	4,676
Bareboat charter adjustment, net (1)	2,395	2,297
Organizational development costs (2)	-	631
Less:		
Amounts paid for dry-dock adjustment	(2,485)	(1,946)
Series C preferred share dividends paid and accumulated(3)	(8,313)	(8,313)
Series D preferred share dividends paid and accumulated(3)	(806)	—
Net cash flows before interest payments	112,221	105,656
Less:		
Interest expense at the hedged rate(4)	(45,406)	(40,312)
Cash available for distribution to common shareholders	$ 66,815	$ 65,344

SEASPAN CORPORATION
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
FOR THE QUARTERS ENDED MARCH 31, 2013 and 2012
(**IN THOUSANDS OF US DOLLARS, EXCEPT SHARE AND PER SHARE AMOUNTS**)

B. Normalized Net Earnings and Normalized Earnings per Share

Normalized net earnings is defined as net earnings adjusted for items such as interest expense, change in fair value of financial instruments, interest expense at the hedged rate, organizational development costs and certain other items Seaspan believes affect the comparability of operating results. Normalized net earnings is a useful measure because it excludes those items that Seaspan believes are not representative of its operating performance.

Normalized 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 C and Series D 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, contingent consideration, shares held in escrow and the impact of the Series A preferred shares converted at $15.00 per share. This method reflects 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,	
	2013	**2012**
Net earnings	$ 55,606	$ 51,258
Adjust:		
Interest expense	15,484	16,975
Change in fair value of financial instruments	2,666	4,676
Organizational development costs (2)	-	631
Interest expense at the hedged rate(4)	(45,406)	(40,312)
Normalized net earnings	**$ 28,350**	**$ 33,228**
Less: preferred share dividends		
Series A	9,050	8,128
Series C (including amortization of issuance costs)	8,620	8,534
Series D	1,543	—
	19,213	**16,662**
Normalized net earnings attributable to common shareholders	**$ 9,137**	**$ 16,566**
Weighted average number of shares used to compute earnings per share		
Reported and normalized, basic	**63,767**	**63,696**
Share-based compensation	364	198
Contingent consideration	977	703
Shares held in escrow	189	586
Series A preferred shares liquidation preference converted at $15	20,693	18,383
Reported, diluted(5)	**85,990**	**83,566**
Series A preferred shares 115% premium (30-day trailing average)	—	—
Normalized, converted	**85,990**	**83,566**

Earnings per share:		
Reported, basic	**$ 0.57**	**$ 0.54**
Reported, diluted	**$ 0.53**	**$ 0.51**
Normalized, converted - preferred shares converted at $15(6)	**$ 0.21**	**$ 0.30**

SEASPAN CORPORATION
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
FOR THE QUARTERS ENDED MARCH 31, 2013 AND 2012
(**IN THOUSANDS OF US DOLLARS, EXCEPT PER SHARE AMOUNTS**)

C. Adjusted EBITDA

Adjusted EBITDA is defined as net earnings before interest expense and other debt-related expenses, income tax expense, interest income, depreciation and amortization, bareboat charter adjustment, organizational development costs, change in fair value of financial instruments and certain other items that Seaspan believes are not representative of its operating performance.

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

	Quarter Ended March 31,	
	2013	**2012**
Net earnings	$ 55,606	$ 51,258
Add:		
Interest expense	15,484	16,975
Interest income	(187)	(308)
Undrawn credit facility fees	397	805
Depreciation and amortization	42,753	37,931
Amortization of deferred charges	2,110	1,561
Bareboat charter adjustment, net (1)	2,395	2,297
Organizational development costs (2)	-	631
Change in fair value of financial instruments	2,666	4,676
Adjusted EBITDA	**$ 121,224**	**$ 115,826**

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

(2) Organizational development costs include professional fees and integration costs related to the acquisition of the Manager.

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

(4) 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 and variable rate leases, on an accrual basis. Interest expense on fixed rate leases is calculated on the effective interest rate.

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

(6) Normalized earnings per share, converted, decreased for the quarter ended March 31, 2013 as detailed in the table below:

	Quarter Ended March 31, 2013
Normalized earnings per share, converted-preferred shares converted at $15, March 31, 2012	**$ 0.30**
Excluding share count changes:	
Decrease in normalized earnings	(0.06)
Decrease from impact of preferred shares	(0.02)
Share count changes:	
Increase in converted share count (from 83,566 shares to 85,990 shares)	(0.01)
Normalized earnings per share, converted-preferred shares converted at $15, March 31, 2013	**$ 0.21**

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; future time charters; future dividends; the effects of the acquisition of the Manager on Seaspan's ship operating expenses and general and administrative expenses; the effects of grants of stock appreciation rights on Seaspan's general and administrative expenses; vessel deliveries; vessel financing arrangements; and Seaspan's 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 of containership acquisition opportunities; the availability and cost to Seaspan of financing to pursue growth opportunities; the number of additional vessels managed by the Manager in the future; the timing of recognition of compensation expenses related to stock appreciation rights; 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 the price of Seaspan's shares; 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, 2012. 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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