





# First Quarter 2015 Financial Results Conference Call

April 28, 2015



## **Notice on Forward Looking Statements**

This presentation 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 or financial results; future dividends, including, the amount and timing of payment thereof for the remaining quarters of 2015; the declaration of dividends and related payment dates by Seaspan's board of directors; expected credit facilities to be obtained to finance newbuild vessels; expansion of Seaspan's business and growth opportunities; vessel deliveries and vessel financing arrangements; amendments to the GCI ROFR and ROFO, the employment and transaction services agreements with Gerry Wang and the financing services agreement with Tiger Venture Limited; and Seaspan's capital requirements and ship operating expenses. 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; general market conditions and shipping market trends, including chartering rates; conditions in the containership market; Seaspan's future cash flows and its ability to make dividend and other payments; the time that it may take to construct new ships; 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 newbuilding delivery delays; the potential for early termination of long-term contracts and Seaspan's potential inability to renew or replace long-term contracts; working capital needs; evaluation of strategic options for Seaspan's investment in GCI; 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, 2014. 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.

Please refer to the earnings release for a description and reconciliation of non-GAAP financial measures such as cash available for distribution to common shareholders, normalized net earnings, normalized earnings per share and adjusted EBITDA, which is available on our website at <a href="http://www.seaspancorp.com">www.seaspancorp.com</a>.



## **First Quarter 2015 Highlights**

#### Utilization

98.9% utilization for the quarter

#### Dividends

- Common share quarterly dividend increased to \$0.375, or \$1.50 annualized, Seaspan's sixth dividend increase since Q2 2010
- Quarterly Dividend per share paid Apr 30, 2015

| Security | Class A Common         | Series C Preferred | Series D Preferred | Series E Preferred |  |
|----------|------------------------|--------------------|--------------------|--------------------|--|
| Dividend | Dividend \$0.375 \$0.5 |                    | \$0.496875         | \$0.515625         |  |

#### **First Quarter Developments and Subsequent Events**

• Financings:

| Facility                         | Details   |
|----------------------------------|---|
| \$150.0 million lease financings | Lease financing with Asian SPCs to refinance 3 x 4500 TEU vessels |
| \$115.2 million secured loan     | Secured by 1 x 14000 TEU vessel                                   |
| \$195.0 million secured loan     | Secured by 2 x 14000 TEU vessels                                  |
| \$200.0 million revolving loan   | Unsecured 364-day revolving credit facility                       |
| \$227.5 million secured loan     | Secured by 1 x 14000TEU vessel and 2 x 10000 TEU vessels          |

#### Vessel Deliveries and Orders:

| Vessel(s)     | Transaction    | Date      | Details   |  |  |  |
|---------------|----------------|-----------|---|--|--|--|
| MOL Beacon    | Delivery       | Mar 2015  | 8-yr fixed-rate time charter with MOL, financed with \$110m lease                         |  |  |  |
| YM Wish       | Delivery       | A == 2015 | 10-yr fixed-rate time charters with Yang Ming, financed with term                         |  |  |  |
| YM Wellhead   | Delivery       | Apr 2015  | loan facilities (\$115.2m and \$83.0m)  |  |  |  |
| 5 x 11000 TEU | Newbuild Order | Apr 2015  | 3 x 11000 TEU retained by SSW and 2 x 11000 TEU allocated to GCI, all on 17-year charters |  |  |  |
| 2 x 10000 TEU | Newbuild Order | Apr 2015  | Vessels remain subject to allocation under the ROFR                                       |  |  |  |



### **Results for Quarter Ended March 31**

|  |                                       |         | Change |       |  |  |
|--|---------------------------------------|---------|--------|-------|--|--|
| Operating Metrics  | \$                                    | %       |        |       |  |  |
| Revenue  | \$188.5                               | \$168.0 | \$20.6 | 12.2% |  |  |
| Ship operating expenses  | \$44.6                                | \$41.3  | \$3.3  | 8.1%  |  |  |
| <b>Operating Cash Flow Metrics</b>   |                                       |         |        |       |  |  |
| Adjusted EBITDA <sup>1</sup>   | d EBITDA <sup>1</sup> \$136.0 \$123.8 |         |        |       |  |  |
| Cash available for distribution to common shareholders <sup>1</sup>            | \$75.8                                | \$67.9  | \$7.9  | 11.6% |  |  |
| Cash dividends paid<br>(incl. non-convertible preferred<br>shares, excl. DRIP) | \$29.7                                | \$24.9  | \$4.9  | 19.7% |  |  |
| Earnings Metrics   |                                       |         |        |       |  |  |
| Normalized net earnings <sup>1</sup>   | \$38.4                                | \$28.8  | \$9.6  | 33.2% |  |  |
| Normalized converted EPS <sup>1</sup>  | \$0.25                                | \$0.18  | \$0.07 | 38.9% |  |  |
| Converted shares outstanding (in millions) <sup>1</sup>                        | 98.0                                  | 94.0    | 4.0    | 4.3%  |  |  |

#### Dollar amounts in millions, except per share amounts

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### **Balance Sheet**

| Dollar amounts in millions                  | Q1 2015   | Q4 2014   | \$ Change | % Change |  |
|---|-----------|-----------|-----------|----------|--|
| Current assets                              | \$677.4   | \$516.9   | \$160.5   | 31.1%    |  |
| Operating vessels                           | \$4,772.2 | \$4,813.7 | \$(41.5)  | (0.9)%   |  |
| Vessels under construction                  | \$335.9   | \$282.0   | \$53.9    | 19.1%    |  |
| Total assets                                | \$6,064.0 | \$5,895.4 | \$168.6   | 2.9%     |  |
|   |           |           |           |          |  |
| Current liabilities                         | \$429.4   | \$416.9   | \$12.5    | 3.0%     |  |
| Total liabilities                           | \$4,324.4 | \$4,150.2 | \$174.2   | 4.2%     |  |
| Shareholder's equity                        | \$1,739.6 | \$1,745.2 | \$(5.6)   | (0.3)%   |  |
|   |           |           |           |          |  |
| Total liabilities & shareholders'<br>equity | \$6,064.0 | \$5,895.4 | \$168.6   | 2.9%     |  |



### **Forward Guidance\***

|  |  | 2015   |         | 2016  | 2017                       |
|--|--|--|---------|---|----------------------------|
| Estimated as at April 28, 2015                     | Q2   | Q3   | Q4      | FY  | FY                         |
|  |  | 3 x 14000 TEU<br>Chartered to                  |         | <b>2 x 14000 TEU</b><br>Chartered to Yang<br>Ming | 3 x 11000 TEU<br>Chartered |
| Scheduled Deliveries                               | <b>3 x 14000 TEU</b><br>Chartered to<br>Yang Ming <sup>2</sup> | Yang Ming                                      |         | 1 x 10000 TEU<br>Chartered to MOL                 | Charlorou                  |
|  |  | <b>1 x 10000 TEU</b><br>Chartered to<br>Maersk |         | 1 x 10000 TEU<br>Chartered to Maersk              | 1 x 10000 TEU <sup>3</sup> |
|  |  |  |         | 1 x 10000 TEU<br>Charterer TBD                    | Charterer TBD              |
| Common Share dividends<br>(per share)              | \$0.375  | \$0.375  | \$0.375 | TBD   | TBD                        |
| Future Scheduled Dry-dockings<br>(# days)          | ~110 ~00   |  | ~25     | ~240  | ~120                       |
| Capex Requirements <sup>1,3</sup><br>(in millions) | ~\$660   |  |         | ~\$460  | ~\$245                     |

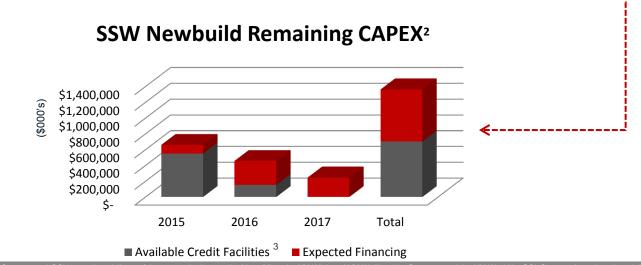
Please refer to our website at www.seaspancorp.com for details on our fleet and delivery schedule.

\* Note: All estimates are approximate and subject to change.

- (1) Capex requirements reflect Seaspan contract installments for newbuilding vessels based on current expected construction schedule and delivery dates, see Appendix A.
- (2) As of April 28, 2015, two of the three scheduled 14000 TEU deliveries for Q2 2015, the YM Wish and the YM Wellhead, have been delivered to Yang Ming.
- (3) Assumes one of the 2 x 10000 TEU newbuild vessels ordered in April 2015 is allocated to Seaspan, and one to GCI. Vessels remain subject to allocation under the ROFR agreement with GCI.

## **Newbuild Orderbook**

| Customer  | Yard | Announced            | Expected<br>Delivery | Order         | Charter<br>Length | Total | Total V<br>SSW   | /essels<br>GCI   | Deliv<br>SSW     | /ered<br>GCI     | Rema<br>SSW | ining<br>GCI |
|-----------|------|----------------------|----------------------|---------------|-------------------|-------|------------------|------------------|------------------|------------------|-------------|--------------|
|           | ННІ  | Jan 2013             | 2015                 | 5 x 14000 TEU | 10 yr             | 5 x   | 3 x              | 2 x              | 2 x <sup>1</sup> | 1 x <sup>1</sup> | 1 x         | 1 x          |
|           | ННІ  | Aug 2013             | 2015                 | 5 x 14000 TEU | 10 yr             | 5 x   | 3 x              | 2 x              |                  |                  | 3 x         | 2 x          |
|           | CSBC | Aug 2013             | 2016                 | 5 x 14000 TEU | 10 yr             | 5 x   | 2 x              | 3 x              |                  |                  | 2 x         | 3 x          |
| MOL       | YZJ  | Sep 2013/Feb<br>2014 | 2015/2016            | 6 x 10000 TEU | 8 yr              | 6 x   | 2 x              | 4 x              | 1 x <sup>1</sup> |                  | 1 x         | 4 x          |
| MAERSK    | YZJ  | March 2014           | 2015/2016            | 4 x 10000 TEU | 5 yr              | 4 x   | 2 x              | 2 x              |                  |                  | 2 x         | 2 x          |
| TBD       | YZJ  | February 2015        | 2016/2017            | 2 x 10000 TEU | TBD               | 2 x   | 1 x              | 1 x              |                  |                  | 1 x         | 1 x          |
| Chartered | HHIC | April 2015           | 2017                 | 5 x 11000 TEU | 17 yr             | 5 x   | 3 x              | 2 x              |                  |                  | 3 x         | 2 x          |
| TBD       | YZJ  | April 2015           | 2017                 | 2 x 10000 TEU | TBD               | 2 x   | 1 x <sup>4</sup> | 1 x <sup>4</sup> |                  |                  | 1 x         | 1 x          |
| Total     |      |                      |                      | 405,000 TEU   |                   | 34 x  | 17 x             | 17 x             | 3 x              | 1 x              | 14 x        | 16 x         |



As of April 28, 2015, Seaspan and GCI have taken delivery of three vessels chartered to Yang Ming, the YM Wish and YM Wellhead by Seaspan, and the YM World by GCI. Seaspan has also taken delivery of one vessel chartered to MOL, the MOL Beacon.

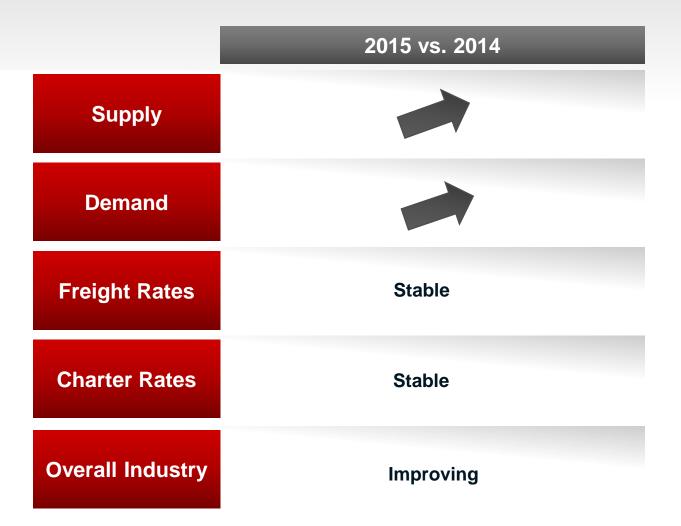
) Estimated remaining capex for Seaspan vessels as at March 31 2015.

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Available Credit Facilities represent secured financings to be drawn upon vessel delivery

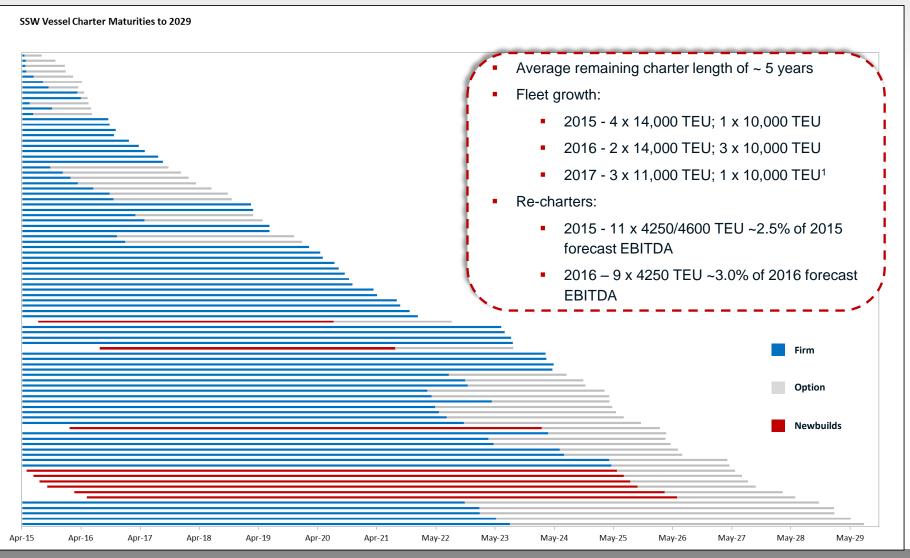
umes one of the 2 x 10000 TEU newbuild vessels ordered in April 2015 is allocated to Seaspan, and one to GCI. Vessels remain subject to allocation under the ROFR agreement with GCI.

### **Container Industry Overview**





## Long-term Contract Profile with Balanced Maturity Profile



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e: Graph above excludes December 2014 order of 1 x 10000 TEU newbuild and April order of 3 x 11000 TEU newbuilds allocated to Seaspan under the GCI ROFR.

Assumes one of the 2 x 10000 TEU newbuild vessels ordered in April 2015 is allocated to Seaspan, and one to GCI. Vessels remain subject to allocation under the ROFR agreement with GCI.



### Seaspan will continue to focus on:



Growing our business in a balanced and controlled manner



Pursuing long-term, fixed-rate contracts with strong credit customers and high quality, modern assets



Following a dividend policy aimed at sustainably growing our dividends



Enhancing our capital structure and balance sheet





Creating long-term shareholder value





## **Appendix A: Reconciliation of CAPEX as Presented**

### Commitments for the purchase of vessels and installment payments

| (millions of USD)  | 2015    | 2016    | 2017    | Total     |
|--|---------|---------|---------|-----------|
| Commitments for the purchase of vessels and installment payments (1) | \$651.5 | \$402.6 | \$ -    | \$1,054.1 |
| Adjustments (2)  | 8.6     | 54.6    | 246.3   | 309.5     |
| CAPEX as presented on Slide 6  | \$660.1 | \$457.2 | \$246.3 | \$1,363.6 |

- (1) Per Note 16(b) to Financial Statements, as filed in Form 20-F for the year ended December 31, 2014
- (2) Adjustments for the following items:
  - Capex payments made between December 31, 2014 and March 31, 2015
  - Changes related to expected timing and amounts related to capital expenditures and installment payments
  - · Changes related to newbuild contracts entered into since December 31, 2014, and allocation of vessels under the ROFR with GCI
  - Assumes one of the 2 x 10000 TEU newbuild vessels ordered in April 2015 is allocated to Seaspan, and one to GCI. Vessels remain subject to allocation under the ROFR agreement with GCI.

