



**seaspan**  
CORPORATION

A Leading Independent Containership Owner and Manager

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# Second Quarter 2014 Financial Results Conference Call

July 29, 2014

# 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 2014; 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; negotiations with GCI, Gerry Wang and Tiger Venture Limited about agreement amendments; 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, 2013. 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 [www.seaspancorp.com](http://www.seaspancorp.com).

# Second Quarter 2014 Highlights

## Utilization

- 99.3% utilization for the quarter; 99.1% utilization for the first six months of 2014

## Dividends

Security	Class A Common	Series C Preferred	Series D Preferred	Series E Preferred
Quarterly dividend per share to be paid July 30	\$0.345	\$0.59375	\$0.496875	\$0.515625

## Second Quarter Developments

- April 2014
  - Issued 5-year 6.375% senior unsecured, non-amortizing, publicly traded notes for net proceeds of ~\$340.4 million
- May 2014
  - Accepted delivery of 1 x 10,000 TEU SAVER design Hanjin Namu, on 10-year, fixed-rate time charter with Hanjin
  - Entered into a 364-day unsecured revolving loan facility with various banks for \$100 million
  - Entered into an at-the-market equity distribution agreement to issue up to \$75 million in Class A common shares. During the three months ended June 30, 2014, a total of 206,600 shares were issued under the program, for gross proceeds of ~\$4.7 million
- June 2014
  - Accepted delivery of 1 x 10,000 TEU SAVER design Hanjin Tabul, on 10-year, fixed-rate time charter with Hanjin
  - Entered into term loan financing transaction for up to \$83 million with a European bank to fund the delivery of 1 x 14,000 TEU containership to be chartered to Yang Ming

# Subsequent Events

## Vessel Delivery

- July 2014, accepted delivery of 1 x 10,000 TEU SAVER design MOL Bravo, on 8-year, fixed-rate time charter with MOL

## \$220 Million Lease Financings

- July 2014, entered into lease financings for 2 x 10,000 TEU vessels with Asian special purpose companies. The financings are expected to provide gross proceeds of approximately \$110 million per vessel, or \$220 million in total.

## Proposed Extensions of GCI Right of First Refusal Agreement, CEO Employment Agreement and Related Agreements

- The investors in GCI intend to extend the terms of the right of first refusal (“ROFR”) and right of first offer (“ROFO”) with GCI for an additional year, through March 31, 2016.
- In connection with the planned extension of the ROFR and ROFO, Seaspan intends to extend its employment agreements with Gerry Wang and its financing services agreement with Tiger Ventures Limited by one year, through March 31, 2016.

# Results for Three and Six Months Ended June 30

Operating Metrics	Three Months Ended June 30		Change		Six Months Ended June 30		Change	
	2014	2013	\$	%	2014	2013	\$	%
Revenue	\$173.9	\$167.8	\$6.1	3.6%	\$341.9	\$332.7	\$9.1	2.7%
Ship operating expenses	\$41.1	\$37.3	\$3.7	10.0%	\$82.3	\$74.9	\$7.4	9.9%
<b>Operating Cash Flow Metrics</b>								
Adjusted EBITDA <sup>1</sup>	\$130.9	\$125.6	\$5.3	4.2%	\$254.7	\$249.6	\$5.1	2.0%
Cash available for distribution to common shareholders <sup>1</sup>	\$68.0	\$67.2	\$0.8	1.2%	\$135.9	\$134.1	\$1.9	1.4%
Cash dividends paid (incl. non-convertible preferred shares, excl. DRIP)	\$28.8	\$21.1	\$7.7	36.6%	\$53.7	\$39.4	\$14.3	36.3%
<b>Earnings Metrics</b>								
Normalized net earnings <sup>1</sup>	\$32.1	\$25.5	\$6.6	25.8%	\$60.9	\$53.9	\$7.0	13.1%
Normalized converted EPS <sup>1,2</sup>	\$0.19	\$0.18	\$0.01	5.6%	\$0.37	\$0.39	\$(0.02)	(5.1)%
Converted shares outstanding (in millions) <sup>1,2</sup>	95.0	86.7	8.3	9.6%	94.5	86.4	8.2	9.5%

*Dollar amounts in millions, except per share amounts*

# Balance Sheet as at

<i>Dollar amounts in millions</i>	<b>Q2 2014</b>	<b>Q4 2013</b>	<i>\$ Change</i>	<i>% Change</i>
<b>Current assets</b>	\$618.1	\$600.1	\$18.0	3.0%
<b>Operating vessels</b>	\$4,896.6	\$4,670.9	\$225.7	4.8%
<b>Vessels under construction</b>	\$277.4	\$321.4	\$(44.0)	(13.7)%
<b>Total assets</b>	\$6,122.1	\$5,947.8	\$174.3	2.9%
<b>Current liabilities</b>	\$298.6	\$520.4	\$(221.8)	(42.6)%
<b>Total debt and other liabilities</b>	\$4,420.2	\$4,376.1	\$44.1	1.0%
<b>Total liabilities &amp; shareholders' equity</b>	\$6,122.1	\$5,947.8	\$174.3	2.9%

# Forward Guidance\*

<i>Estimated as at July 29, 2014</i>	2014		2015	2016
	Q3	Q4	FY	FY
<b>Scheduled Deliveries</b>	1 x 10,000 TEU <sup>1</sup> Chartered to MOL	1 x 10,000 TEU Chartered to MOL	6 x 14,000 TEU Chartered to Yang Ming (1 in Q1, 3 in Q2, 2 in Q3)  2 x 10,000 TEU Chartered to MOL (1 in Q1, 1 in Q2)  2 x 10,000 TEU Charterer TBD (1 in Q3, 1 in Q4)	2 x 14,000 TEU Chartered to Yang Ming  1 x 10,000 TEU Chartered to MOL
<b>Common Share dividends</b> (per share)	\$0.345 (to be paid Oct. 30, 2014)	\$0.345 (to be paid Jan. 30, 2015)	TBD	TBD
<b>Future Scheduled Dry-dockings</b> (# days)	~20	~20	~240	~200
<b>Capex Requirements<sup>2</sup></b> (in millions)	\$106	\$103	\$778	\$243
<b>Funding for Capex Requirements</b> (in millions)	<b>2014</b>		<b>2015</b>	<b>2016</b>
<b>Available Credit Facilities</b>	\$220		\$257	\$83
<b>Expected Credit Facilities</b>	-		\$525	\$152
<b>Remainder<sup>3</sup></b>	\$(11)		\$(4)	\$8

Please refer to our website at [www.seaspancorp.com](http://www.seaspancorp.com) for details on our fleet and delivery schedule.



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

(1) The MOL Bravo delivered July 16<sup>th</sup>.

(2) Capex requirements reflect Seaspan contract installments for newbuilding vessels based on current expected construction schedule and delivery dates, see Appendix A.

(3) Remaining amounts are expected to be funded by cash on hand and other sources.

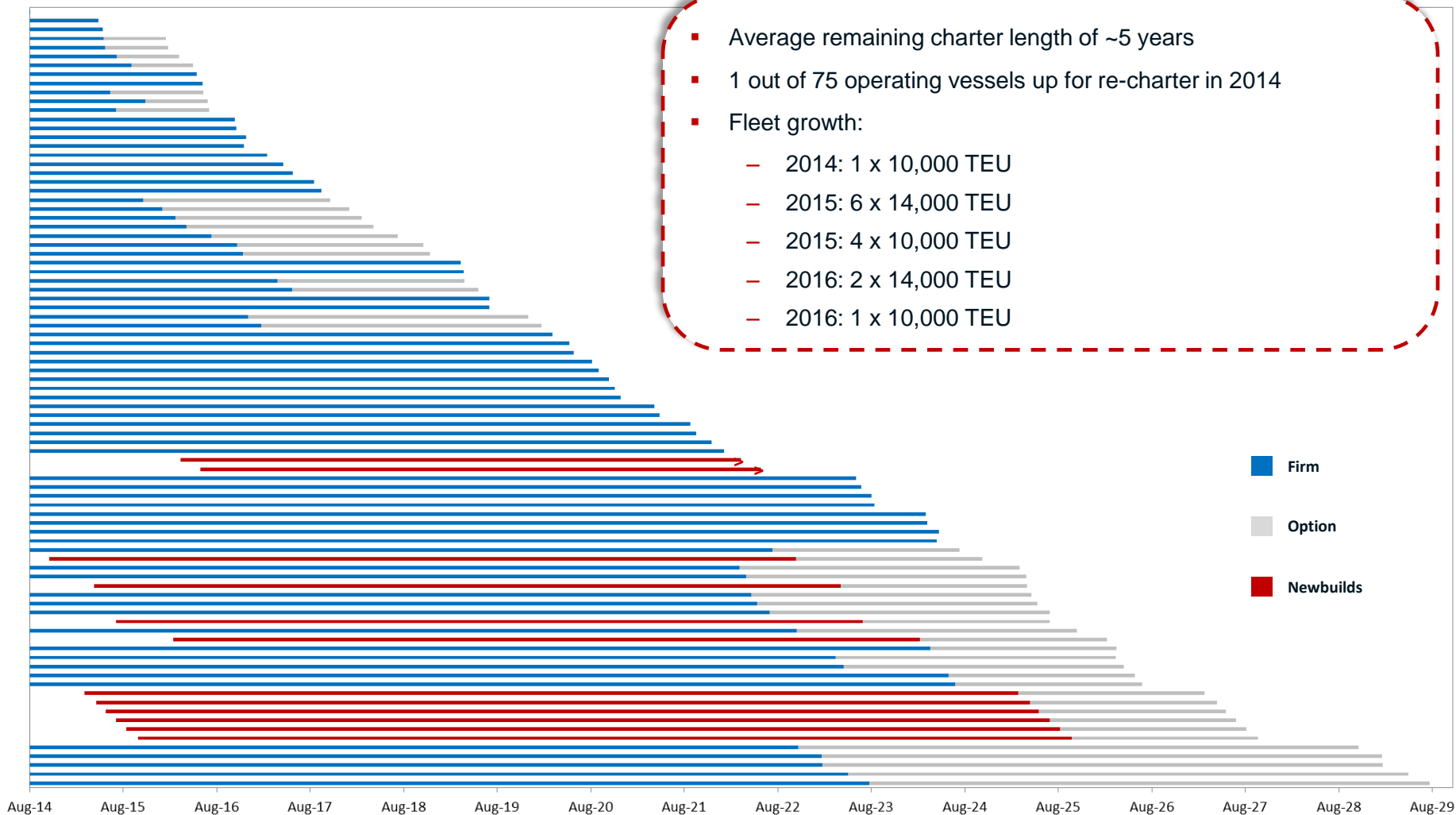
# Container Industry Overview

	2014 vs. 2013
<b>Supply</b>	
<b>Demand</b>	
<b>Freight Rates</b>	<b>Volatile</b>
<b>Charter Rates</b>	<b>Volatile</b>
<b>Overall Industry</b>	<b>Moderation</b>



# Long-term Contract Profile with Balanced Maturity Profile

SSW Vessel Charter Maturities to 2029



## 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



# Q&A



# Appendix A: Reconciliation of CAPEX as Presented

## Commitments for the purchase of vessels and installment payments (millions of USD)

	2014	2015	2016
Commitments for the purchase of vessels and installment payments (1)	\$401.2	\$959.2	\$466.3
Adjustments (2)	(192.7)	(181.3)	(223.2)
CAPEX as presented on Slide 7	\$208.5	\$777.9	\$243.1

(1) Per Note 11(b) to Financial Statements, as filed in Form 6-K for the period ended March 31, 2014.

(2) Adjustments for the following items:

- Changes related to expected timing of capital expenditures and installment payments
- Changes related to allocation of vessels under the right of first refusal agreement with GCI
- Capex payments made between March 31, 2014 and June 30, 2014