



**seaspan**  
CORPORATION

A Leading Independent Containership Owner and Manager

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# Fourth Quarter and Year End 2012 Financial Results Conference Call

March 6, 2013

# 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 results, including, without limitation, cash available for distribution and the amount of Seaspan's common share dividend; containership market conditions; expansion of Seaspan's business; future time charters; future dividends; vessel acquisitions and deliveries; Seaspan's intention to sustainably increase dividends over time while maintaining financial flexibility for growth; the effects of the acquisition of the Manager, Seaspan Management Services Limited, on Seaspan; repurchases of Seaspan common shares under its share repurchase program; Seaspan's future capital requirements and its ability to access capital and refinance its debt on favorable terms; and future, dry-dockings and share counts. 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 of containership acquisition opportunities; the availability and cost of financing to pursue growth opportunities; satisfaction of conditions to draw on our newbuilding vessel financing; chartering rates; the number of additional vessels managed by the Manager in the future; 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 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 capital markets; the price of Seaspan's common 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, 2011. 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, normalized converted earnings per share and adjusted EBITDA, which is available on our website at [www.seaspancorp.com](http://www.seaspancorp.com).

# Fourth Quarter 2012 Highlights

## Utilization

- Vessel utilization was 98.5% for Q4-12; 98.9% for 2012
- 5,981 ownership days and 5,891 operating days in Q4-12; 23,399 ownership days and 23,152 operating days for 2012
- 90 days of unscheduled off-hire in Q4; 80 days of scheduled off-hire and 167 days of unscheduled off-hire for 2012

## Newbuild Deliveries

- No deliveries in Q4-12
- Total of 4 x 13100 TEU newbuilds delivered in 2012; all on 12-year fixed-rate time charters with COSCON

## Dividends

- Declared Q4 2012 dividends of \$0.25 per common share, \$0.59375 per Series C preferred share, and \$0.25948 per Series D preferred share
- Quarterly common share dividend to be increased by 25% to \$0.3125 per share for Q1 2013 (Board approved post-2012)
- Expect annual common share dividend of \$1.25 per share for the four quarters ending December 31, 2013

## Main Transactions

- Re-chartered Seaspan Dalian, Seaspan Felixstowe and Seaspan Ningbo at market rates
- Issued 3.1 million 7.95% Series D Preferred Shares for net proceeds of ~\$74.7 million in December 2012
- Newbuilding orders and vessel acquisitions in January 2013:
  - 5 x 14000 TEU newbuild vessels ordered at HHI with 10-year charters to Yang Ming; Seaspan to retain 3 vessels; GCI to acquire the other two vessels
  - 4 x 10000 TEU newbuild vessels ordered at YZJ with 8-year charters to MOL and acquired 4 x 4600 TEU 2003-built vessels with 2-year charters to MOL; Seaspan to retain 2 newbuilds + 2 of the 2003-built vessels; GCI to acquire the other 2 newbuilds and 2 2003-built vessels
  - Entered into term loan facilities for up to \$340 million with leading Chinese bank

# Results for Quarter and Year Ended December 31

Operating Metrics	Quarter Ended Dec 31		Change		Year Ended Dec 31		Change	
	2012	2011	\$	%	2012	2011	\$	%
Revenue	\$169.8	\$156.1	\$13.7	8.8%	\$660.8	\$565.6	\$95.2	16.8%
Ship operating expenses	\$36.9	\$35.9	\$1.0	2.9%	\$138.7	\$135.7	\$3.0	2.2%
Adjusted ship operating expense per day	\$6,651	\$6,252	\$399	6.4%	\$6,386	\$6,138	\$248	4.0%
<b>Operating Cash Flow Metrics</b>								
Adjusted EBITDA <sup>1</sup>	\$128.2	\$118.4	\$9.9	8.3%	\$505.0	\$416.4	\$88.6	21.3%
Cash available for distribution to common shareholders <sup>1</sup>	\$71.0	\$65.6	\$5.4	8.3%	\$282.5	\$233.9	\$48.6	20.8%
Cash dividends paid (incl. non-convertible preferred shares, excl. DRIP)	\$23.1	\$17.7	\$5.4	30.7%	\$85.0	\$57.6	\$27.5	47.8%
<b>Earnings Metrics</b>								
Normalized net earnings <sup>1</sup>	\$32.1	\$35.5	\$(3.4)	(9.6)%	\$136.7	\$123.4	\$13.3	10.8%
Converted EPS <sup>1,2</sup>	\$0.27	\$0.31	\$(0.04)	(12.9)%	\$1.22	\$1.08	\$0.14	13.0%
Converted shares outstanding (in millions) <sup>1,2</sup>	85.0	87.6	(2.5)	(2.9)%	84.2	86.4	(2.3)	(2.6)%

Dollar amounts in millions, except per day figures and per share amounts

(1) Adjusted EBITDA, cash available for distribution to common shareholders, normalized net earnings, converted EPS, and converted shares outstanding are non-GAAP measures. Please refer to the earnings release for definitions of these terms and reconciliations of such measures to measures under GAAP.  
(2) Series A preferred shares deemed converted into common shares at a price of \$15/share.

# Balance Sheet

	As of Dec 31, 2012	As of Dec 31, 2011	\$ Change	% Change
Cash and cash equivalents	\$393.5	\$481.1	\$(87.6)	(18.2)%
Current assets	\$476.0	\$520.0	\$(44.0)	(8.5)%
Operating vessels	\$4,786.0	\$4,289.3	\$496.6	11.6%
Total assets	\$5,650.9	\$5,447.7	\$203.1	3.7%
Current liabilities	\$180.3	\$189.8	\$(9.5)	(5.0)%
Total debt and other liabilities	\$4,432.3	\$4,264.3	\$168.0	3.9%
Total liabilities & shareholders' equity	\$5,650.9	\$5,447.7	\$203.1	3.7%

*Dollar amounts in millions*

# Forward Guidance\*

<i>Estimated</i>	2013				2014	2015
	Q1	Q2	Q3	Q4	FY	FY
Scheduled Deliveries		2 x 4600 TEU on charter to MOL (late June)			3 x 10000 TEU on charter to Hanjin (Q1, Q2, Q3)  2 x 10000 TEU on charter to MOL (Q3, Q4)	3 x 14000 TEU on charter to Yang Ming (Q1, 2 x Q2)
Future Dry-dockings (# days)	-	30	15	45	~165	~285
Capex Requirements** (in millions)	\$93.2	\$49.2	\$52.9	\$24.1	\$379.6	\$235.4
Forward Converted Share Count <sup>1</sup> (in millions)	86.5	87.4	88.2	88.9	91.9	95.1

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

\*\* Capex Requirements include Seaspan's 11.1% share of payments for vessels owned by GCI

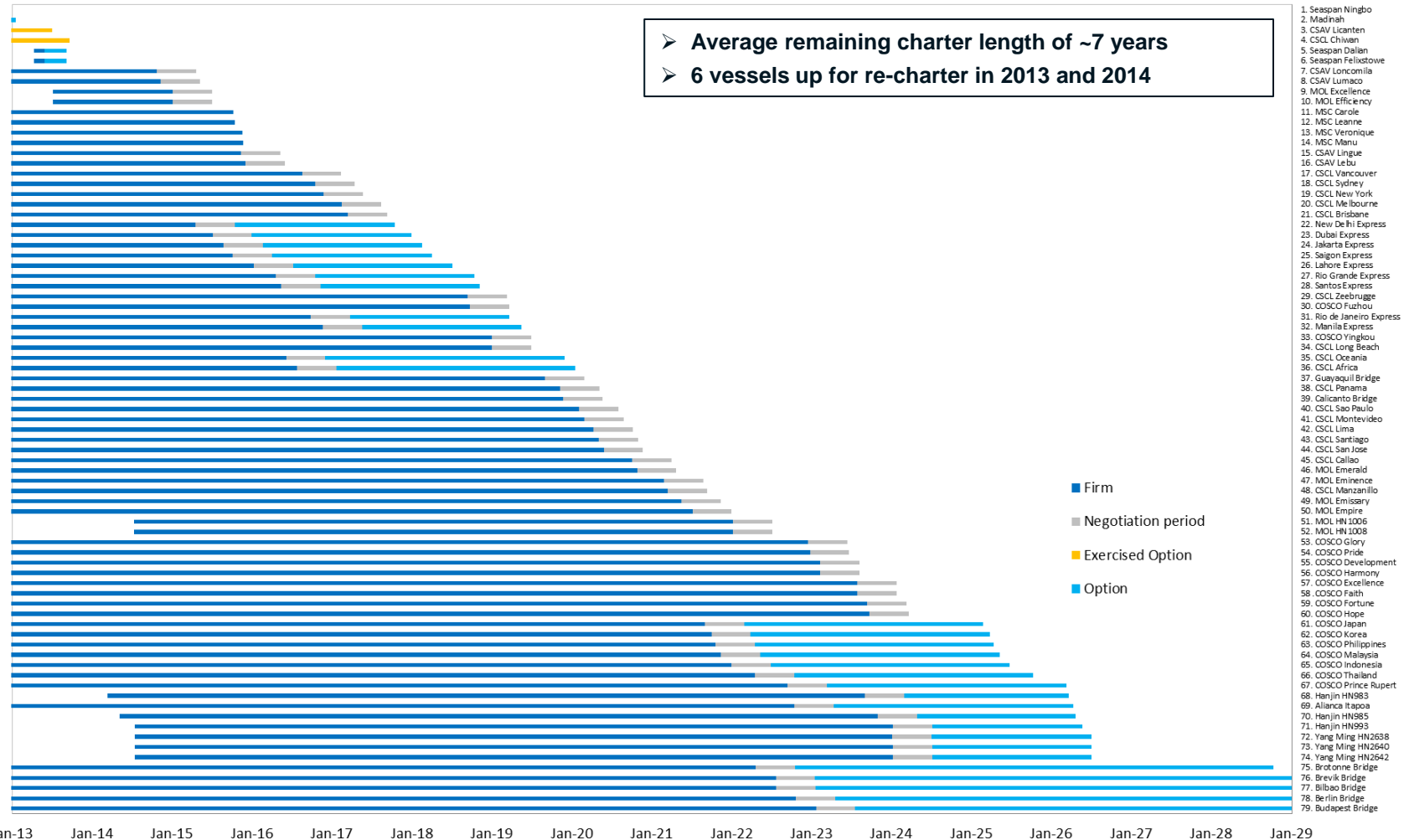
(1) Forward converted share count is based on: our current outstanding common shares; a conversion price of \$15 per share for our Series A preferred shares; assumed DRIP participation by Washington Family and insiders going forward; a \$0.3125 quarterly common share dividend; and \$19 price per common share beginning in January 2013 increasing at 10% per year, and excludes the effect of any equity issuances.

# Container Industry Overview



# Staggered Charter Maturities

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 financial strength and flexibility for both offensive and defensive purposes

Creating long-term shareholder value



# Q&A

