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## **FOR IMMEDIATE RELEASE**

# **SEASPAN REPORTS FOURTH QUARTER AND FULL YEAR 2019 RESULTS**

**Achieves record annual Revenue, Operating Earnings and Cash Flow from Operations**

**Approaches one million TEU with acquisition of fleet of six high-quality containerships**

**Announces proposed reorganization to form Atlas Corp., a global asset management platform**

**Enters into agreement to acquire APR Energy in \$750 million transaction**

Hong Kong, China, February 19, 2020 – Seaspan Corporation (“Seaspan”) (NYSE: SSW) announced today its financial results for the quarter and year ended December 31, 2019.

### **Financial and Operation Highlights**

- Executed agreements to acquire three 10,700 TEU and three 9,200 TEU containerships on long-term charters; increasing, on a fully delivered fleet basis, Seaspan's contracted revenue to \$4.3 billion and average remaining contract term to 4.2 years
- Achieved Vessel Utilization of 99.1% for the fourth quarter and 98.9% for the full year; highest since the year ended December 31, 2014
- Operating earnings of \$116.5 million for the fourth quarter and a record \$687.0 million for the full year, which included \$227.0 million of income related to the modification of time charters
- Cash flow from operations of \$137.8 million for the fourth quarter and a record \$783.0 million for the full year
- Earnings per diluted share of \$0.24 for the fourth quarter and \$1.67 for the full year; changes in fair value of financial instruments contributed a gain of \$0.01 per diluted share for the fourth quarter and a loss of \$0.16 per diluted share for the full year

## Comments from Management

Bing Chen, President and Chief Executive Officer (“CEO”) of Seaspan, commented, “2019 follows 2018 as another year of achievement and transformation for Seaspan. Our commitment to providing a best-in-class integrated platform focused on delivering long-term value for our stakeholders resulted in record performance across our key financial and operational metrics. Starting in 2018, we set out with a clear strategy focused on five key priorities, and as demonstrated by our results, our relentless execution has benefited all of our stakeholders. We’ve built a strong team equipped with core competencies to continue growing the container-shipping franchise and beyond. The proposed holding company reorganization to form Atlas Corp. is expected to provide us, as asset managers, with a solid foundation to expand our core competencies into power via the acquisition of APR Energy while augmenting our commitment to the container-shipping industry and customers. As we enter the second quarter of 2020, we believe that we are uniquely positioned to build on our strong momentum through a continued focus on our five key priorities.”

Ryan Courson, Chief Financial Officer (“CFO”), added, “Over the course of the last two years we have made significant improvements across our capital structure adding \$500.0 million of equity, restructuring nearly \$2 billion of secured debt into an innovative portfolio financing program, and increasing our balance sheet flexibility by adding a total of \$450.0 million of liquid revolving credit capacity - with the long-term goal of achieving an investment grade credit rating. While focusing on strengthening our credit profile, we have also invested \$2.2 billion of capital into high quality shipping assets, which has materially improved our long-term cash flow profile. We will continue to invest capital to create long-term value through the Atlas platform which we expect to be finalized by March, and we are very excited about the opportunities in front of Seaspan and APR.”

## Significant Developments in the Fourth Quarter and Subsequent Events

### *Acquisition of Six High Quality Containerships*

In November 2019, Seaspan entered into an agreement to purchase a fleet of six containerships for approximately \$380 million in cash. Pro-forma to this acquisition, Seaspan’s fully delivered global fleet of 119 vessels will reach approximately 975,000 TEU, representing a global market share of 7.7%<sup>(1)</sup>, as measured by TEUs. Five of the six vessels were delivered in the fourth quarter, with the sixth vessel delivered on January 24, 2020.

### *Portfolio Financing Program Increased*

In December 2019, Seaspan increased the committed amount under its portfolio financing program (the “Program”) by \$155.0 million. In February 2020, Seaspan expects to further increase the committed amount by \$70.0 million to a total of \$1.725 billion. The Program provides flexibility to continuously expand up to \$2.0 billion. For further information regarding the Program, please refer to our quarterly reports on Form 6-K for the quarters ended June 30 and September 30, 2019 which were furnished to the U.S. Securities and Exchange Commission on August 14 and November 18, 2019, respectively.

(1) Based on data from Alphaliner Monthly Monitor (October 1, 2019); includes all vessels Seaspan has agreed to purchase.

### *Repayment of Total Borrowings*

During the quarter ended December 31, 2019, Seaspan repaid borrowings in respect of four vessels, totalling \$266.2 million, using proceeds from the Program.

### *Formation of New Holding Company, Atlas Corp.*

In November 2019, Seaspan announced a proposed holding company reorganization to form Atlas Corp., a new global asset management platform. The proposed reorganization will be implemented through the merger of Seaspan and an indirect, wholly-owned subsidiary, with Seaspan continuing as the surviving corporation and a direct, wholly-owned subsidiary of Atlas Corp. The proposed reorganization is expected to advance the commitment of the Board of Directors and management to thoughtful capital allocation and diversification of cash flows through professional asset management. Bing Chen will be CEO and Ryan Courson will be CFO of Atlas Corp., as well as Seaspan.

### *Acquisition of APR Energy Limited*

In November 2019, Seaspan announced the proposed acquisition of APR Energy Limited (“APR”), a global leader in fast-track, mobile power solutions, in an all-stock transaction valued at \$750.0 million, including the assumption of debt, for an expected equity value at closing of approximately \$425.0 million using shares of Atlas Corp. valued at \$11.10. APR is a global leasing business that owns and operates a fleet of specialty assets (gas turbines and other power generation equipment) that provide power solutions to customers including large corporations and/or government backed utilities. APR focuses on maintaining high asset utilization through medium-to-long-term contracts to optimize cash flows across its asset portfolio. APR, like Seaspan, is a global leader in its asset class and offers a unique integrated platform to both lease and operate its assets.

### *Termination of Investment in Swiber Holdings Limited*

Effective January 1, 2020, Seaspan’s investment agreement with Swiber Holdings Limited was terminated due to certain conditions’ precedent not being met.

### *Delisting of Seaspan Securities in Connection with Reorganization*

In announcements made on January 17 and February 14, 2020, Seaspan announced its intention to delist its outstanding 5.50% senior notes due 2025 (the “2025 Notes”), 5.50% senior notes due 2026 (the “2026 Notes”) and 7.125% senior unsecured notes due 2027 (the “2027 Notes” and together with the 2025 Notes and 2026 Notes, the “Notes”) from the New York Stock Exchange (the “NYSE”) and to deregister the Notes under the Securities Exchange Act of 1934, as amended. The last day of trading of the Notes on the NYSE is expected to be Monday, March 9, 2020. Seaspan also announced its intention to exercise its option to redeem the 2027 Notes on October 10, 2020, the first date for early redemption, at par plus accrued and unpaid interest to, but not including, such redemption date.

On January 28, 2020, the 2025 Notes and the 2026 Notes were admitted to the official list of Euronext Dublin and are currently trading on the Global Exchange Market, the exchange regulated market of Euronext Dublin.

### *Distribution*

The Board of Directors declared a quarterly distribution in the amount of \$0.125 per share for its Class A Common Shares, paid on January 30, 2020 to shareholders of record as at the close of business on January 20, 2020. Regular quarterly dividends on the Preferred Shares Series D, Series E, Series G, Series H and Series I were also declared.

### *Recent Additions to Senior Management*

In February 2020, Seaspan appointed Karen Lawrie as General Counsel.

### *Class A Common Shares Outstanding*

As of February 18, 2020, there were 215.9 million Class A Common Shares outstanding.

## Results for the Quarter and Year Ended December 31, 2019

### *Financial Results*

The following table summarizes Seaspan's consolidated financial results for the quarter and year ended December 31, 2019 and 2018:

Financial Summary (in millions of US dollars, except earnings per share amount)	Quarter Ended December 31,		Year Ended December 31,	
	2019	2018	2019	2018
Revenue	\$ 288.0	\$ 294.9	\$ 1,131.5	\$ 1,096.3
Ship operating expense	59.4	55.6	229.8	219.3
Depreciation and amortization expense	64.4	64.7	254.3	245.8
General and administrative expense	9.8	7.1	33.1	31.6
Operating lease expense	37.9	33.2	154.3	129.7
Income related to modification of time charters	-	-	227.0	-
Operating earnings	116.5	134.3	687.0	469.9
Net earnings to common shareholders	53.9	44.8	368.0	207.5
Earnings per share, diluted	0.24	0.25	1.67	1.31
Cash from operating activities	137.8	169.2	783.0	525.1

### *Ownership Days, Ownership Days On-Hire and Vessel Utilization*

Ownership Days are the number of days a vessel is owned and available for charter. Ownership Days On-Hire are the number of days a vessel is available to the charterer for use. The primary driver of Ownership Days is the increase or decrease in the number of vessels in our fleet.

Total Ownership Days increased by 10 days for the quarter ended December 31, 2019 compared to the same period in 2018. Ownership Days increased by 1,804 days for the full year ended December 31, 2019 compared to the same period in 2018, primarily due to the full period contribution of the additional 16 vessels acquired through the acquisition of Greater China Intermodal Investments LLC ("GCI"), which contributed 1,152 days, with the remainder due to additional 2018 vessel deliveries.

Vessel Utilization represents the number of Ownership Days On-Hire as a percentage of total Ownership Days. The following table summarizes Seaspan's Vessel Utilization by quarter and for the year ended December 31, 2019 and 2018:

	2018				2019				Year Ended	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2018	2019
<b>Vessel Utilization:</b>										
Time Charter Ownership Days	8,030	9,546	9,844	9,844	9,630	9,737	9,844	9,791	37,264	39,002
Bareboat Ownership Days <sup>(1)</sup>	447	455	460	460	450	455	460	523	1,822	1,888
Total Ownership Days	8,477	10,001	10,304	10,304	10,080	10,192	10,304	10,314	39,086	40,890
Less Off-Hire Days:										
Scheduled Dry Docking	(104)	-	(8)	(22)	(13)	(54)	(36)	(59)	(134)	(162)
Unscheduled Off-Hire <sup>(2)</sup>	(149)	(137)	(146)	(240)	(166)	(71)	(3)	(36)	(672)	(276)
<b>Ownership Days On-Hire</b>	<b>8,224</b>	<b>9,864</b>	<b>10,150</b>	<b>10,042</b>	<b>9,901</b>	<b>10,067</b>	<b>10,265</b>	<b>10,219</b>	<b>38,280</b>	<b>40,452</b>
<b>Vessel Utilization</b>	<b>97.0%</b>	<b>98.6%</b>	<b>98.5%</b>	<b>97.5%</b>	<b>98.2%</b>	<b>98.8%</b>	<b>99.6%</b>	<b>99.1%</b>	<b>97.9%</b>	<b>98.9%</b>

(1) Ownership Days for bareboat charters exclude days prior to the initial charter hire date

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

Vessel Utilization increased for the quarter and year ended December 31, 2019, compared to the same periods in 2018. The increases were primarily due to a large decrease in the number of unscheduled off-hire days including fewer idle days.

### *Revenue*

Revenue decreased by 2.3% to \$288.0 million, and increased by 3.2% to \$1,131.5 million for the quarter and year ended December 31, 2019, respectively, compared to the same periods in 2018. For the quarter ended December 31, 2019, the decrease in revenue was primarily due to the changes in the daily charter hire rates of seven time charters, which were modified in the first quarter of 2019; this modification resulted in income of \$227.0 million. For the year ended December 31, 2019, the increase was primarily due to the contribution of additional Ownership Days On-Hire from the acquisition of vessels from the GCI transaction in March 2018.

### *Ship Operating Expense*

Ship operating expense increased by 6.8% to \$59.4 million and by 4.8% to \$229.8 million for the quarter and year ended December 31, 2019, respectively, compared to the same periods in 2018. For the quarter ended December 31, 2019, the increase was primarily due to the maintenance and repair of vessels. The increase in ship operating expense for the year ended December 31, 2019 was also due to an increase in Ownership Days from the contribution of the acquisition of vessels from the GCI transaction and 2018 vessel deliveries.

	2018				2019				Year Ended	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2018	2019
<b>Operating Cost:</b>										
Time Charter Ownership Days <sup>(1)</sup>	8,030	9,546	9,844	9,844	9,630	9,737	9,844	9,791	37,264	39,002
Vessel Operating Costs (in millions of US dollars)	\$ 49.5	\$ 58.8	\$ 55.4	\$ 55.6	\$ 57.7	\$ 55.9	\$ 56.8	\$ 59.4	\$ 219.3	\$ 229.8
<b>Operating Cost per Day<sup>(2)</sup></b>	<b>\$6,170</b>	<b>\$6,156</b>	<b>\$5,624</b>	<b>\$5,648</b>	<b>\$5,993</b>	<b>\$5,743</b>	<b>\$5,770</b>	<b>\$6,067</b>	<b>\$ 5,884</b>	<b>\$ 5,892</b>

(1) Time Charter Ownership Days include leased vessels and exclude vessels under bareboat charter; bareboat charters are not operated by Seaspan and thus have no operating expense associated with them

(2) Operating Cost per Day relates to vessels on time charter

Ship operating cost per day increased by 7.4% to \$6,067 for the quarter ended December 31, 2019 compared to the same period in 2018 due to the maintenance and repair of vessels. For the year ended December 31, 2019, the cost increased by 0.1% to \$5,892 compared to the same period in 2018.

#### *Depreciation and Amortization Expense*

Depreciation and amortization expense decreased by 0.5% to \$64.4 million and increased by 3.5% to \$254.3 million for the quarter and year ended December 31, 2019, respectively, compared to the same periods in 2018. For the year ended December 31, 2019, the increase was primarily due to the contribution of the vessels from the GCI transaction and 2018 deliveries.

#### *General and Administrative Expense*

General and administrative expense increased by 38% to \$9.8 million and by 4.7% to \$33.1 million for the quarter and year ended December 31, 2019, respectively, compared to the same periods in 2018. These increases were primarily due to legal and professional fees in the amount of \$3.3 million recognized in the fourth quarter of 2019, associated with the acquisitions.

#### *Operating Lease Expense*

Operating lease expense increased by 14.2% to \$37.9 million and by 18.9% to \$154.3 million for the quarter and year ended December 31, 2019, respectively, compared to the same periods in 2018. The increase was primarily due to the amortization of deferred gains related to Seaspan's vessel sale-leaseback transactions, which are no longer recognized through operating leases. Upon adoption of Accounting Standards Update 2016-02 "Leases" on January 1, 2019, the remaining balance of these deferred gains were recognized through opening deficit as a cumulative adjustment, as discussed in previous Earnings Releases.

### *Interest Expense and Amortization of Deferred Financing Fees*

The following table summarizes Seaspan's borrowings:

(in millions of US dollars)	As at December 31,	
	2019	2018
Long-term debt, excluding deferred financing fees:		
Credit facilities	\$ 2,666.4	\$ 2,946.9
2027 Notes	80.0	400.4
2025 Notes and 2026 Notes	500.0	250
Debt discount and fair value adjustment	(151.0)	(85.7)
Long-term obligations under other financing arrangements, excluding deferred financing fees	513.8	647.7
<b>Total borrowings</b>	<b>\$ 3,609.2</b>	<b>\$ 4,159.3</b>
Decrease in Borrowings from prior year end	(550.1)	

Interest expense and amortization of deferred financing fees decreased by \$12.3 million to \$42.8 million and by \$10.6 million to \$194.2 million for the quarter and year ended December 31, 2019, respectively, compared to the same periods in 2018. These decreases were primarily due to both the lower average interest rate and the average principal balance.

### *Change in Fair Value of Financial Instruments*

The change in fair value of financial instruments resulted in a gain of \$2.5 million, and a loss of \$35.1 million for the quarter and year ended December 31, 2019, respectively. The gain for the quarter ended December 31, 2019 is primarily due to an unrealized gain resulting from the increase in the LIBOR forward curve during the period. The loss for the year ended December 31, 2019 is primarily due to swap settlements and an overall decrease in the LIBOR forward curve.

### *Liquidity and Unencumbered Vessels*

As of December 31, 2019, Seaspan had total liquidity of \$470.0 million, consisting of \$195.0 million of cash and cash equivalents and \$275.0 million of undrawn commitments under the Program. Additionally, as of December 31, 2019, Seaspan's unencumbered asset pool included 32 vessels.

TEU Class	Vessel Count
2500	4
3500	2
4250	15
8500	2
9200	2
10000	2
10700	3
14000	2
<b>Total</b>	<b>32</b>



## **About Seaspac**

Seaspac is a leading independent charter owner and operator of containerships with industry leading ship management services. We charter our vessels primarily pursuant to long-term, fixed-rate, time charters to the world's largest container shipping liners. Seaspac's fleet consists of 119 containerships, including one vessel Seaspac has agreed to purchase, which has not yet been delivered, representing total capacity of more than 975,000 TEU. Seaspac's current operating fleet of 118 vessels has an average age of approximately seven years and an average remaining lease period of approximately four years, on a TEU-weighted basis.

## **Conference Call and Webcast**

Seaspac will host a conference call and webcast presentation for investors, analysts, and interested parties to discuss its fourth quarter and full year results on February 19, 2020 at 8:30 a.m. ET. Participants should call 1-877-246-9875 (US/Canada) or 1-707-287-9353 (International) and request the Seaspac call. The live webcast and slide presentation are available under “Events & Presentations” at [www.seaspacorp.com](http://www.seaspacorp.com).

A recording will be available at 1-855-859-2056 or 1-404-537-3406 (Conference passcode: 9797805).

**SEASPAN CORPORATION**  
**UNAUDITED CONSOLIDATED BALANCE SHEETS**  
**AS OF DECEMBER 31, 2019 AND 2018**  
**(IN MILLIONS OF US DOLLARS)**

	December 31, 2019	December 31, 2018
Assets		
Current assets:		
Cash and cash equivalents	\$ 195.0	\$ 357.3
Short-term investments	-	2.5
Accounts receivable	18.7	13.0
Prepaid expenses and other	31.7	36.5
Net investment in lease	35.2	9.8
Fair value of financial instruments	0.1	0.1
	<u>280.7</u>	<u>419.2</u>
Vessels	5,707.1	5,926.3
Right-of-use assets	957.2	-
Net investment in lease	723.6	441.7
Goodwill	75.3	75.3
Other assets	173.1	204.9
	<u>\$ 7,917.0</u>	<u>\$ 7,067.4</u>
Liabilities, puttable preferred shares and shareholders' equity		
Current liabilities:		
Accounts payable and accrued liabilities	83.4	70.2
Current portion of deferred revenue	20.3	21.3
Current portion of long-term debt	363.7	722.6
Current portion of operating lease liabilities	159.7	-
Current portion of long-term obligations under other financing arrangements	134.6	48.4
Current portion of other long-term liabilities	7.8	32.2
	<u>769.5</u>	<u>894.7</u>
Long-term debt	2,696.9	2,764.9
Operating lease liabilities	782.6	-
Long-term obligations under other financing arrangements	373.9	591.4
Other long-term liabilities	11.2	181.1
Fair value of financial instruments	50.2	127.2
	<u>4,684.3</u>	<u>4,559.3</u>
Puttable preferred shares	-	48.1
Shareholders' equity:		
Share capital	2.5	2.1
Treasury shares	(0.4)	(0.4)
Additional paid in capital	3,452.9	3,126.5
Deficit	(200.7)	(645.6)
Accumulated other comprehensive loss	(21.6)	(22.6)
	<u>3,232.7</u>	<u>2,460.0</u>
	<u>\$ 7,917.0</u>	<u>\$ 7,067.4</u>

**SEASPAN CORPORATION**  
**UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS**  
**FOR THE QUARTER AND YEAR ENDED DECEMBER 31, 2019 AND 2018**  
**(IN MILLIONS OF US DOLLARS, EXCEPT SHARES IN THOUSANDS AND PER SHARE AMOUNTS)**

	Quarter Ended December 31,		Year Ended December 31,	
	2019	2018	2019	2018
Revenue	\$ 288.0	\$ 294.9	\$ 1,131.5	\$ 1,096.3
Operating expenses (income):				
Ship operating	59.4	55.6	229.8	219.3
Depreciation and amortization	64.4	64.7	254.3	245.8
General and administrative	9.8	7.1	33.1	31.6
Operating leases	37.9	33.2	154.3	129.7
Income related to modification of time charters	-	-	(227.0)	-
	171.5	160.6	444.5	626.4
Operating earnings	116.5	134.3	687.0	469.9
Other expenses (income):				
Interest expense and amortization of deferred financing fees	42.8	55.1	194.2	204.8
Interest expense related to amortization of debt discount	4.4	2.5	17.3	7.3
Interest income	(1.1)	(1.3)	(9.3)	(4.2)
Refinancing expenses	1.3	-	7.4	-
Acquisition related gain on contract settlement	-	-	-	(2.4)
Change in fair value of financial instruments	(2.5)	14.3	35.1	(15.5)
Equity income on investment	-	-	-	(1.2)
Other expenses	0.9	0.7	3.2	2.3
	45.8	71.3	247.9	191.1
<b>Net earnings</b>	<b>\$ 70.7</b>	<b>\$ 63.0</b>	<b>\$ 439.1</b>	<b>\$ 278.8</b>
Dividends - preferred shares	(16.8)	(18.2)	(71.1)	(71.3)
Net earnings attributable to common shares	\$ 53.9	\$ 44.8	\$ 368.0	\$ 207.5
Weighted average number of shares, basic	216,162	177,269	214,499	154,848
Effect of dilutive securities:				
Share-based compensation	505	132	471	91
Fairfax warrants	8,085	937	4,902	3,129
Weighted average number of shares, diluted	224,752	178,338	219,872	158,068
Earnings per share, basic	\$ 0.25	\$ 0.25	\$ 1.72	\$ 1.34
Earnings per share, diluted	\$ 0.24	\$ 0.25	\$ 1.67	\$ 1.31

**SEASPAN CORPORATION**  
**UNAUDITED CONSOLIDATED STATEMENTS OF**  
**COMPREHENSIVE INCOME**  
**FOR THE QUARTER AND YEAR ENDED DECEMBER 31, 2019 AND 2018**  
**(IN MILLIONS OF US DOLLARS)**

	<b>Quarter Ended</b>		<b>Year Ended</b>	
	<b>December 31,</b>		<b>December 31,</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
<b>Net earnings</b>	\$ 70.7	\$ 63.0	\$ 439.1	\$ 278.8
Other comprehensive income:				
Amounts reclassified to net earnings during the period relating to cash flow hedging instruments	<u>0.3</u>	<u>0.3</u>	<u>1.0</u>	<u>1.1</u>
<b>Comprehensive income</b>	<b><u>71.0</u></b>	<b><u>63.3</u></b>	<b><u>440.1</u></b>	<b><u>279.9</u></b>

**SEASPAN CORPORATION**  
**UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE QUARTER AND YEAR ENDED DECEMBER 31, 2019 AND 2018**  
(IN MILLIONS OF US DOLLARS)

	Quarter Ended December 31,		Year Ended December 31,	
	2019	2018	2019	2018
Cash from (used in):				
Operating activities:				
Net earnings	\$ 70.8	\$ 63.1	\$ 439.1	\$ 278.8
Items not involving cash:				
Depreciation and amortization	64.4	64.7	254.3	245.8
Amortization of right-of-use assets	28.4	-	111.8	-
Share-based compensation	0.7	1.2	3.3	3.1
Amortization of deferred financing fees, debt discount and fair value of long-term debt	8.1	5.7	30.7	19.9
Amounts reclassified from other comprehensive income to interest expense	0.1	0.1	0.3	0.3
Unrealized change in fair value of financial instruments	(6.3)	5.4	(20.0)	(57.4)
Acquisition related gain on contract settlement	-	-	-	(2.4)
Equity income on investment	-	-	-	(1.2)
Deferred gain on sale-leasebacks	-	(7.0)	-	(23.6)
Amortization of acquired revenue contracts	4.0	2.7	13.8	8.1
Refinancing expenses	1.3	-	7.4	-
Other	(0.5)	1.0	(1.8)	-
Changes in assets and liabilities	(33.2)	32.3	(55.9)	53.7
Cash from operating activities	<u>137.8</u>	<u>169.2</u>	<u>783.0</u>	<u>525.1</u>
Financing activities:				
Preferred shares issued, net of issuance costs	-	-	-	144.4
Repayment of credit facilities	(230.8)	(109.0)	(1,507.6)	(469.7)
Draws on credit facilities	492.4	-	1,227.3	325.6
2026 Notes and 2018 warrants issued	-	-	250.0	250.0
Draws on long-term obligations under other financing arrangements	-	82.6	-	47.0
Repayments on long-term obligations under other financing arrangements	(95.9)	(48.1)	(133.9)	(48.1)
Senior unsecured notes repurchased, including related expenses	-	(64.5)	(9.0)	(17.5)
Redemption of preferred shares	-	-	(47.7)	(143.4)
Repayments on senior unsecured notes	-	-	(311.4)	-
Proceeds from exercise of warrants	-	-	250.0	250.0
Financing fees	(3.3)	(0.3)	(27.0)	(16.1)
Dividends on common shares	(26.7)	(21.6)	(101.8)	(49.9)
Dividends on preferred shares	(16.8)	(16.1)	(70.4)	(65.8)
Cash from (used in) financing activities	<u>118.9</u>	<u>(177.0)</u>	<u>(481.5)</u>	<u>206.5</u>
Investing activities:				
Expenditures for vessels	(321.7)	(12.1)	(331.6)	(318.7)
Short-term investments	-	-	2.5	(2.4)
Prepayment on vessel purchase	(6.3)	-	(13.0)	-
Other assets	-	(3.9)	(6.7)	(1.5)
Loans to affiliate	-	0.4	-	-
Payments on settlement of interest swap agreements	(4.7)	(10.3)	(126.8)	(41.3)
Acquisition of GCI	-	-	-	(333.6)
Cash acquired from GCI acquisition	-	-	-	70.1
Cash used in investing activities	<u>(332.7)</u>	<u>(25.9)</u>	<u>(475.6)</u>	<u>(627.4)</u>

Increase (decrease) in cash, cash equivalents and restricted cash	(76.0)	(33.7)	(174.1)	104.2
Cash, cash equivalents and restricted cash, beginning of period	<u>273.3</u>	<u>405.1</u>	<u>371.4</u>	<u>267.2</u>
Cash, cash equivalents and restricted cash, end of period	<u>\$ 197.3</u>	<u>\$ 371.4</u>	<u>\$ 197.3</u>	<u>\$ 371.4</u>

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the consolidated balance sheets that sum to the amounts shown in the consolidated statements of cash flows:

	<b>December 31,</b>	<b>December 31,</b>
	<b>2019</b>	<b>2018</b>
Cash and cash equivalents	\$ 195.0	\$ 357.3
Restricted cash	<u>2.3</u>	<u>14.1</u>
Total cash, cash equivalents and restricted cash shown in the consolidated statements of cash flows	<u>\$ 197.3</u>	<u>\$ 371.4</u>

## STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This release contains forward-looking statements (as such term is defined in Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act) concerning Seaspan's operations, cash flows, and financial position, including, in particular, the proposed holding company reorganization and the benefits arising therefrom in terms of creating a global asset management platform, the proposed acquisition of APR and the benefits arising therefrom, the likelihood of its success in developing and expanding its business generally, the proposed delisting and deregistration of Seaspan's debt securities and redemption of its 2027 Notes. Statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as "continue," "expects," "anticipates," "intends," "plans," "believes," "estimates," "projects," "forecasts," "will," "may," "potential," "should" and similar expressions are forward-looking statements. These forward-looking statements represent Seaspan's estimates and assumptions only as of the date of this release 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 Seaspan believes to be reasonable based upon available information, they are subject to risks and uncertainties. These risks and uncertainties include, but are not limited to:

- delays in the consummation of, or the failure to consummate, the proposed holding company reorganization and the proposed acquisition of APR;
- challenges in integrating the operations of APR and the possibility that Seaspan may not recognize the benefits of the acquisition in terms of growth potential and high returns on invested capital;
- future growth prospects and ability to expand Seaspan's business;
- Seaspan's expectations as to impairments of its vessels, including the timing and amount of currently anticipated impairments;
- the future valuation of Seaspan's vessels and goodwill;
- potential acquisitions, vessel financing arrangements and other investments, and Seaspan's expected risks and benefits from such transactions;
- future time charters and vessel deliveries, including future long-term charters for certain existing vessels;
- estimated future capital expenditures needed to preserve the operating capacity of Seaspan's fleet including, its capital base, and comply with regulatory standards, its expectations regarding future dry-docking and operating expenses, including ship operating expense and general and administrative expenses;
- Seaspan's expectations about the availability of vessels to purchase, the time it may take to construct new vessels, the delivery dates of new vessels, the commencement of service of new vessels under long-term time charter contracts and the useful lives of its vessels;
- availability of crew, number of off-hire days and dry-docking requirements;
- general market conditions and shipping market trends, including charter rates, increased technological innovation in competing vessels and other factors affecting supply and demand;
- Seaspan's financial condition and liquidity, including its ability to borrow and repay funds under its credit facilities, to refinance its existing facilities and to obtain additional financing in the future to fund capital expenditures, acquisitions and other general corporate activities;
- Seaspan's continued ability to meet its current liabilities as they become due;
- Seaspan's continued ability to maintain, enter into or renew primarily long-term, fixed-rate time charters with its existing customers or new customers;
- the potential for early termination of long-term contracts and Seaspan's potential inability to enter into, renew or replace long-term contracts;
- the introduction of new accounting rules for leasing and exposure to currency exchange rates and interest rate fluctuations;
- conditions inherent in the operation of ocean-going vessels, including acts of piracy;

- acts of terrorism or government requisition of Seaspan's containerships during periods of war or emergency;
- adequacy of Seaspan's insurance to cover losses that result from the inherent operational risks of the shipping industry;
- lack of diversity in Seaspan's operations and in the type of vessels in its fleet;
- conditions in the public equity market and the price of Seaspan's shares;
- Seaspan's ability to leverage to its advantage its relationships and reputation in the containership industry;
- changes in governmental rules and regulations or actions taken by regulatory authorities, and the effect of governmental regulations on Seaspan's business;
- the financial condition of Seaspan's customers, lenders, and other counterparties and their ability to perform their obligations under their agreements with us;
- Seaspan's continued ability to meet specified restrictive covenants and other conditions in its financing and lease arrangements, its notes and its preferred shares;
- any economic downturn in the global financial markets and export trade and increase in trade protectionism and potential negative effects of any recurrence of such disruptions on Seaspan's customers' ability to charter Seaspan's vessels and pay for Seaspan's services;
- the value of Seaspan's vessels and other factors or events that trigger impairment assessments or results;
- taxation of Seaspan's earnings and of distributions to its shareholders;
- Seaspan's exemption from tax on U.S. source international transportation income;
- the ability to bring claims in China and Marshall Island, where the legal systems are not well-developed;
- potential liability from future litigation; and
- other factors detailed from time to time in Seaspan's periodic reports.

Forward-looking statements in this release are estimates and assumptions reflecting the judgment of senior management and involve known and unknown risks and uncertainties. These forward-looking statements are based upon a number of assumptions and estimates that are inherently subject to significant uncertainties and contingencies, many of which are beyond Seaspan's control. Actual results may differ materially from those expressed or implied by such forward-looking statements. Accordingly, these forward-looking statements should be considered in light of various important factors listed above and including, but not limited to, those set forth in "Item 3. Key Information—D. Risk Factors" in Seaspan's Annual Report for the year ended December 31, 2018 on Form 20-F filed on March 26, 2019 and in the "Risk Factors" in Reports on Form 6-K that are filed with the Securities and Exchange Commission from time to time relating to its quarterly financial results.

Seaspan does not intend to revise any forward-looking statements in order to reflect any change in Seaspan's expectations or events or circumstances that may subsequently arise. 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. You should carefully review and consider the various disclosures included in Seaspan's Annual Report and in Seaspan's other filings made with the Securities and Exchange Commission that attempt to advise interested parties of the risks and factors that may affect Seaspan's business, prospects and results of operations.

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