



# GLOBAL SHIP LEASE



**Third Quarter 2010  
Presentation**

# Safe Harbor Statement



*This communication contains forward-looking statements. Forward-looking statements provide Global Ship Lease's current expectations or forecasts of future events. Forward-looking statements include statements about Global Ship Lease's expectations, beliefs, plans, objectives, intentions, assumptions and other statements that are not historical facts. Words or phrases such as "anticipate," "believe," "continue," "estimate," "expect," "intend," "may," "ongoing," "plan," "potential," "predict," "project," "will" or similar words or phrases, or the negatives of those words or phrases, may identify forward-looking statements, but the absence of these words does not necessarily mean that a statement is not forward-looking. These forward-looking statements are based on assumptions that may be incorrect, and Global Ship Lease cannot assure you that these projections included in these forward-looking statements will come to pass. Actual results could differ materially from those expressed or implied by the forward-looking statements as a result of various factors*

*The risks and uncertainties include, but are not limited to:*

- *future operating or financial results;*
- *expectations regarding the strength of the future growth of the container shipping industry, including the rates of annual demand and supply growth;*
- *the financial condition of CMA CGM, the company's charterer and sole source of operating revenue, and its ability to pay charterhire in accordance with the charters;*
- *Global Ship Lease's ability to meet its financial covenants and repay its credit facility;*
- *Global Ship Lease's financial condition and liquidity, including its ability to obtain additional waivers which might be necessary under the existing credit facility or obtain additional financing to fund capital expenditures, contracted and yet to be contracted vessel acquisitions and for other general corporate purposes;*
- *Global Ship Lease's expectations relating to dividend payments and forecasts of its ability to make such payments including the impact of constraints under its credit facility;*
- *future acquisitions, business strategy and expected capital spending;*
- *operating expenses, availability of crew, number of off-hire days, drydocking and survey requirements and insurance costs;*
- *general market conditions and shipping industry trends, including charter rates and factors affecting supply and demand;*
- *assumptions regarding interest rates and inflation;*
- *change in the rate of growth of global and various regional economies;*
- *risks incidental to vessel operation, including piracy, discharge of pollutants and vessel accidents and damage including total or constructive total loss;*
- *estimated future capital expenditures needed to preserve its capital base;*
- *Global Ship Lease's expectations about the availability of vessels to purchase, the time that it may take to construct new vessels, or the useful lives of its vessels;*
- *Global Ship Lease's continued ability to enter into or renew long-term, fixed-rate charters;*
- *the continued performance of existing long-term, fixed-rate charters;*
- *Global Ship Lease's ability to capitalize on its management team's and board of directors' relationships and reputations in the containership industry to its advantage;*
- *changes in governmental and classification societies' rules and regulations or actions taken by regulatory authorities;*
- *expectations about the availability of insurance on commercially reasonable terms;*
- *unanticipated changes in laws and regulations; and*
- *potential liability from future litigation.*

*Forward-looking statements are subject to known and unknown risks and uncertainties and are based on potentially inaccurate assumptions that could cause actual results to differ materially from those expected or implied by the forward-looking statements. Global Ship Lease's actual results could differ materially from those anticipated in forward-looking statements for many reasons specifically as described in Global Ship Lease's filings with the SEC. Accordingly, you should not unduly rely on these forward-looking statements, which speak only as of the date of this communication. Global Ship Lease undertakes no obligation to publicly revise any forward-looking statement to reflect circumstances or events after the date of this communication or to reflect the occurrence of unanticipated events. You should, however, review the factors and risks Global Ship Lease describes in the reports it will file from time to time with the SEC after the date of this communication.*



# Disclaimer



*The financial information and data contained in this communication is unaudited and does not conform to the U.S. Securities and Exchange Commission Regulation S-X. Accordingly, such information and data may not be included in, may be adjusted in or may be presented differently in, Global Ship Lease's filings with the Securities and Exchange Commission, or SEC. This communication includes certain estimated financial information and forecasts presented as pro-forma financial measures that are not derived in accordance with generally accepted accounting principles ("GAAP"), and which may be deemed to be non-GAAP financial measures within the meaning of Regulation G promulgated by the SEC. Global Ship Lease believes that the presentation of these non-GAAP financial measures serves to enhance the understanding of the financial performance of Global Ship Lease. However, these non-GAAP financial measures should be considered in addition to and not as substitutes for, or superior to, financial measures of financial performance prepared in accordance with GAAP. Please refer to the fourth quarter earnings press release for a discussion of these non-GAAP financial measures.*

# Global Ship Lease: Q3 2010 Highlights



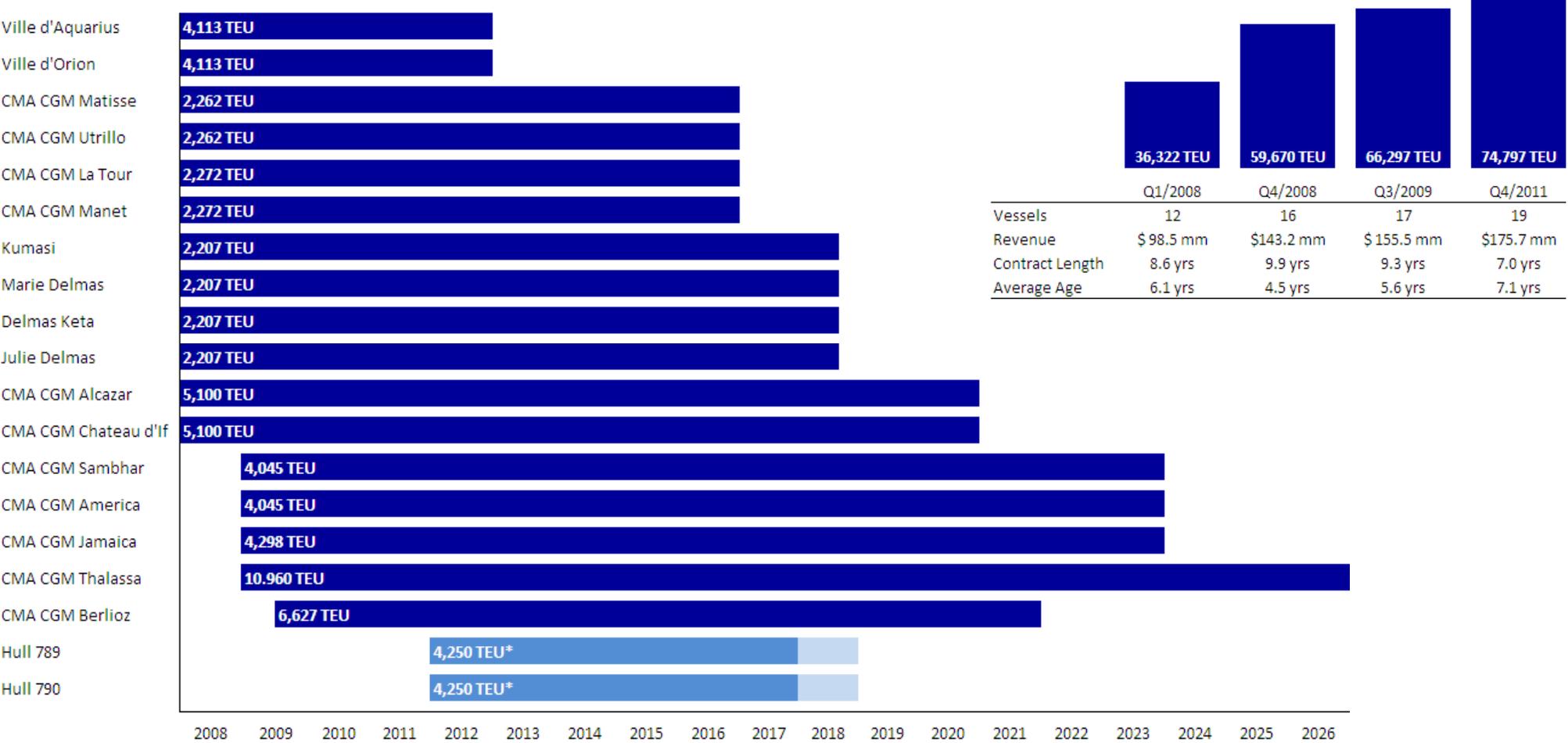
- Reported revenue of \$40.0 million for the third quarter of 2010 and \$118.8 million for the nine months ended September 30, 2010
- EBITDA for the third quarter of 2010 was \$25.8 million and \$82.5 million for the nine months ended September 30, 2010
- Generated \$15.5 million of cash in the third quarter of 2010 and \$48.9 million for the nine month period
- Reported normalized net earnings of \$6.2 million, or \$0.11 per A and B common share, for the third quarter of 2010 and \$21.8 million, or \$0.40 per A and B common share, for the nine months ended September 30, 2010
  - Normalized net earnings for the third quarter 2010 excludes a \$9.7 million non-cash interest rate derivative mark-to-market loss and for the nine months excludes a \$27.0 million loss
- Including the non-cash mark-to-market item, reported net loss was \$3.5 million, or \$0.06 loss per share, for the third quarter of 2010 and \$5.2 million net loss, or \$0.10 loss per share, for the nine months ended September 30, 2010
- Reached agreement with the sellers of two 4,250 TEU container vessels to cancel the purchases due in December 2010 for a total of \$77.4 million each. Global Ship Lease is to pay \$6.6 million per vessel and release \$8.1 deposits per vessel and receives an option but not the obligation to purchase each vessel in one year for a final payment of \$61.25 million

## German vessels - update



- Reached agreement with the sellers to convert the purchases, due in December 2010 for a total price of \$77.4 million each for which financing was not available, to options
- GSL releases the deposits of \$8.1 million each, pays a further amount of \$6.1 million each and transfers certain equipment ordered for the vessels to the sellers valued at \$0.5 million each. These items total \$14.7 million per vessel
- GSL receives an option to purchase the vessels, one year after their delivery to the sellers by the builder, for a final payment of \$61.25 million each
- Option to be declared no later than 270 days from the delivery of the vessels by the builder
- \$14.7 million to be returned by sellers in limited circumstances such as seller default if the option is exercised
- Eliminates all risk and uncertainty from potential default under the original purchase commitments
- Provides up-side for GSL from having the right but not the obligation to purchase the vessels one year later

# Fleet and Charter Portfolio: Modern, High Quality Tonnage of Diverse Sizes



\* GSL has option to purchase vessels 12 months after delivery with six to seven years balance remaining on original charters



# Q3 2010 Financials



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# Financial Results



	Three months ended September 30 (Unaudited)		Nine Months September 30 (Unaudited)	
	2010	2009	2010	2009
<i>(\$ in thousands)</i>				
<b>Operating revenues</b>	<b>\$40,040</b>	<b>\$37,623</b>	<b>\$118,802</b>	<b>\$108,824</b>
<b>Operating expenses</b>				
Vessel operating expenses	10,936	10,285	30,684	31,517
Depreciation	10,100	9,469	29,955	27,241
General and administrative	1,924	1,981	5,843	6,561
Other operating income	377	(244)	(226)	(350)
<b>Total operating expenses</b>	<b>23,337</b>	<b>21,491</b>	<b>66,256</b>	<b>64,969</b>
Operating income	16,703	16,132	52,546	43,855
Interest income	66	178	161	483
Interest expense	(5,963)	(7,909)	(17,867)	(18,117)
Realized and unrealized (loss) gain on derivatives	(13,753)	(12,043)	(39,416)	4,104
(Loss) income before taxes	(2,947)	(3,642)	(4,576)	30,325
Income taxes	(579)	(251)	(622)	(299)
<b>Net (Loss) income</b>	<b>(3,526)</b>	<b>(3,893)</b>	<b>(5,198)</b>	<b>30,026</b>

# Balance Sheet



<i>(\$ in thousands)</i>	September 30, 2010 (Unaudited)	December 31, 2009 (Unaudited)
<b>Assets</b>		
Cash and cash equivalents	29,335	30,810
Restricted cash	19,261	3,026
Accounts receivable	6,576	7,838
Prepaid expenses	1,631	685
Other receivables	969	613
Deferred tax	284	285
Deferred financing costs	903	903
<b>Total current assets</b>	<b>58,959</b>	<b>44,160</b>
Vessels in operation	932,593	961,708
Vessel deposits	16,699	16,243
Other fixed assets	11	9
Deferred tax	86	161
Deferred financing costs	4,400	5,077
<b>Total non-current assets</b>	<b>953,789</b>	<b>983,198</b>
<b>Total assets</b>	<b>1,012,748</b>	<b>1,027,358</b>
<b>Liabilities and Stockholders' Equity</b>		
Intangible liability - charter agreements	2,119	2,119
Current portion long-term debt	53,800	68,300
Accounts payable	388	3,502
Accrued expenses	7,048	4,589
Derivative instruments	16,430	15,971
<b>Total current liabilities</b>	<b>79,785</b>	<b>94,481</b>
Long term debt	499,341	519,892
Preferred shares	48,000	48,000
Intangible liability - charter agreements	22,700	24,288
Derivative instruments	39,716	13,142
<b>Total long-term liabilities</b>	<b>609,757</b>	<b>605,322</b>
<b>Total Liabilities</b>	<b>689,542</b>	<b>699,803</b>
<b>Total Stockholders' Equity</b>	<b>323,206</b>	<b>327,555</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>1,012,748</b>	<b>1,027,358</b>





# Q&A



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