

## Global Ship Lease Reports Results for the First Quarter of 2019

May 7, 2019

LONDON, May 07, 2019 (GLOBE NEWSWIRE) -- Global Ship Lease, Inc. (NYSE:GSL) (the "Company" or "Global Ship Lease"), a containership charter owner, announced today its unaudited results for the three months ended March 31, 2019.

### First Quarter 2019

- Reported operating revenues<sup>(1)</sup> of \$64.5 million for the first quarter 2019.
- Reported net income<sup>(2)</sup> of \$10.1 million for the first quarter 2019.
- Generated \$40.5 million of Adjusted EBITDA<sup>(3)</sup> for the first quarter 2019.
- Effected a one-for-eight reverse stock split of the Company's Class A common shares following approval at a special meeting of shareholders held on March 20, 2019. The reverse stock split became effective as of the opening of trading on the NYSE on March 25, 2019.
- Agreed a three-year charter with Hapag-Lloyd for the 2015-built, 9,115 TEU containership UASC Al Khor. The new charter, which is in direct continuation of the current charter, is expected to commence in June, 2019, with re-delivery in the second quarter 2022. The charter is expected to generate approximately \$28 million of Adjusted EBITDA.
- Agreed a minimum 30-month / maximum 38-month charter with Maersk Line for the 2000-built, 5,936 TEU containership Tasman. The new charter is expected to commence in July 2019 on the completion of the current charter and is subject to a further 12-month extension at the charterer's option. The charter is expected to generate approximately \$5.3 million of Adjusted EBITDA for the median firm period and an additional \$4.4 million if the 12-month extension option is exercised.
- Agreed minimum 21-month / maximum 24-month charters with ZIM for the 2000-built, 5,936 TEU containerships Dimitris Y and Ian H. The new charters are expected to commence in June and July, 2019 in direct continuation of their current charters, and to generate approximately \$4.4 million of Adjusted EBITDA per vessel for the median firm period.
- Agreed new five year charters with MSC for 8,667 TEU GSL Tianjin (built 2005) and OOCL Qingdao (built 2004) (to be renamed MSC Tianjin and MSC Qingdao). The new charters are expected to commence on redelivery of vessels by current charterers in late Q2 early Q3 and are expected to generate Adjusted EBITDA of approximately \$25.6 million per vessel for the median firm period.
- Agreed to retrofit scrubbers on three vessels against longer charters at premium rates, already announced.

George Youroukos, Executive Chairman of Global Ship Lease, stated, "GSL has continued to benefit from the integrated commercial platform created through the Poseidon merger and from our ability to offer charterers vessels with what we believe to be best-in-class specifications and which provide the lowest slot costs in an increasingly cost-conscious liner industry. Amid consistently strong demand for our high-specification containerships, which are focused in vessel classes experiencing net supply contraction, we have made substantial progress in extending our forward contract coverage and locking in contracted cashflow at a time when charter rates have shown significant improvement. In particular, a recent surge of demand for high reefer capacity post-panamax vessels has enabled us to secure profitable, multi-year charters for some of the older vessels in our fleet. Moving forward, we remain confident in the supportive long-term fundamentals for mid-sized and smaller containerships, and we will continue to take action to fully unlock the value of GSL's leading commercial capabilities, strong balance sheet, extensive contracted revenue, and high-quality, modern fleet."

Ian Webber, Chief Executive Officer of Global Ship Lease, commented, "Having successfully integrated GSL and Poseidon, we are seeing the anticipated wide-ranging benefits of our superior platform which are reflected in every aspect of our business. Our success in securing six longer-term charters in 2019 adds approximately \$146 million, or 21.4%, to mid-point contracted net revenue, improving forward charter cover and cashflow visibility. Altogether, we are ensuring that GSL is in a position to fully benefit from opportunities arising out of the ongoing market recovery."

### SELECTED FINANCIAL DATA – UNAUDITED (thousands of U.S. dollars)

	<b>Three months ended March 31, 2019</b>	<b>Three months ended March 31, 2018</b>
Operating Revenues <sup>(1)</sup>	<b>64,514</b>	36,146
Operating income	<b>29,225</b>	15,491
Net Income <sup>(2)</sup>	<b>10,052</b>	4,192
Adjusted EBITDA <sup>(3)</sup>	<b>40,527</b>	23,653

The results for the three months ended March 31, 2019 include the results of the Poseidon Containers containerships acquired on November 15, 2018 (the "Poseidon Containers Fleet").

(1) Operating Revenues are net of address commissions. Brokerage commissions are included in Time charter and voyage expenses.

(2) Net Income available to common shareholders.

(3) Adjusted EBITDA is a non-US Generally Accepted Accounting Principles (US GAAP) financial measure, as explained further in this press release, and are considered by Global Ship Lease to be a useful measure of its performance. For reconciliations of this non-GAAP financial measure to net income, the most directly comparable US GAAP financial measure, please see "Reconciliation of Non-U.S. GAAP Financial Measure" below.

Following the Poseidon Transaction, minor reclassifications of expenses and balance sheet items have been made.

#### *Operating Revenues and Utilization*

The fleet generated operating revenues from fixed-rate time charters of \$64.5 million in the three months ended March 31, 2019, an increase of \$28.4 million compared to \$36.1 million for the first quarter of 2018, with the increase principally due to the addition of the *GSL Valerie* in June 2018 and the Poseidon Containers Fleet on November 15, 2018, partially offset by reduced revenue from *GSL Ningbo* as the charter for this vessel renewed at a lower rate in September 2018. There were 3,420 ownership days in the quarter, an increase of 111% compared to 1,620 days in the first quarter of 2018, which was primarily due to the addition of the *GSL Valerie* and the Poseidon Containers Fleet. In the first quarter of 2019, there was no planned offhire from regulatory drydocking and five days of unplanned offhire, giving an overall utilization of 99.8%. There were 17 days offhire in the first quarter of 2018, of which 13 were for a scheduled drydocking, giving an overall utilization of 99.0%.

The table below shows our fleet utilization for the three months ended March 31, 2019 and 2018 and for the years ended December 31, 2018, 2017, 2016, 2015 and 2014.

Days	Three months ended		Year ended				
	Mar 31, 2019	Mar 31, 2018	Dec 31, 2018	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015	Dec 31, 2014
Ownership days	3,420	1,620	7,675	6,570	6,588	6,893	6,270
Planned offhire - scheduled drydockings	0	(13)	(34)	(62)	(100)	(9)	(48)
Unplanned offhire	(5)	(4)	(17)	(40)	(3)	(7)	(12)
Idle time	0	0	(47)	0	0	(13)	(64)
Operating days	3,415	1,603	7,577	6,468	6,485	6,864	6,146
Utilization	99.8%	99.0%	98.7%	98.4%	98.4%	99.6%	98.0%

There were two regulatory drydockings in 2018 and four in 2017. Four regulatory drydockings are due in 2019.

#### *Vessel Operating Expenses*

Vessel operating expenses, which include costs of crew, lubricating oil, repairs, maintenance, insurance and technical management fees, were \$21.0 million for the three months ended March 31, 2019, compared to \$10.4 million in the prior year period. The increase was due to 1,800 (up 111%) additional ownership days as a result of the acquisition of the Poseidon Containers Fleet and the addition of *GSL Valerie*. The average cost per ownership day in the quarter was \$6,127, compared to \$6,432 for the prior year period, down \$305 per day.

#### *Time Charter and Voyage Expenses*

Time charter and voyage expenses comprise mainly commission paid to ship brokers, the cost of bunker fuel for owner's account when a vessel is off-hire or idle and miscellaneous costs associated with a vessel's voyage. Time charter and voyage expenses were \$1.6 million for the three months ended March 31, 2019, compared to \$0.1 million in the prior year period. The increase was mainly due to the addition of the Poseidon Containers Fleet, all of which incur such commission, compared to our legacy vessels, where commission has been paid only for those which have completed their initial charters to CMA CGM or OOCL and which have been employed on a new charter obtained with the assistance of a broker.

#### *Depreciation and amortization*

Depreciation and amortization for the three months ended March 31, 2019 was \$10.8 million, compared to \$8.2 million in the prior year period in 2018; the increase was mainly due to the addition of the Poseidon Containers Fleet offset by a reduction due to the effect of lower book values for a number of vessels following an impairment charge taken in December 2018 as well as a change in estimated scrap value per LWT to \$400.

#### *General and Administrative Expenses*

General and administrative expenses were \$2.0 million in the three months ended March 31, 2019, compared to \$1.9 million in the prior year period. The increase was mainly due to increase in payroll and other costs associated with the Poseidon Transaction.

#### *Adjusted EBITDA*

As a result of the above, Adjusted EBITDA was \$40.5 million for the three months ended March 31, 2019, an increase from \$23.7 million for the prior year period, mainly as a result of the addition of the Poseidon Containers Fleet.

#### *Interest Expense*

Debt at March 31, 2019 totaled \$882.9 million, comprising \$340.0 million of indebtedness on our 9.875% notes due 2022 (our "Notes"), \$34.8 million of indebtedness under a secured term loan, both collateralized by 18 vessels, \$500.0 million bank debt collateralized by the Poseidon Containers Fleet

and \$8.1 million drawn under our growth facility and secured by one vessel.

Debt at March 31, 2018 totaled \$414.8 million, comprised \$360.0 million outstanding on our Notes and \$54.8 million under the secured term loan.

Interest expense for the three months ended March 31, 2019, was \$19.4 million, an increase of \$8.6 million, or 80%, on the interest expense for the prior year period of \$10.8 million due to the assumption of debt associated with the Poseidon Transaction.

Interest income for the three months ended March 31, 2019 was \$0.4 million, an increase of \$0.1 million compared to the prior year period. The increase was mainly due to higher average cash balances and increased interest rates.

#### *Other income, net*

Other income, net is mainly comprised of gains in bunkers following deliveries and redeliveries of vessels from charterers and passenger income. Other income, net was \$0.5 million in the three months ended March 31, 2019, compared to \$0.01 in the prior year period; the increase was mainly due to the addition of the Poseidon Containers Fleet.

#### *Taxation*

Taxation for the three months ended March 31, 2019 was \$16,000 compared to \$15,000 in the first quarter of 2018.

#### *Earnings Allocated to Preferred Shares*

The Series B Preferred Shares carry a coupon of 8.75%, the cost of which for the three months ended March 31, 2019 was \$0.8 million, the same as in the prior year period.

#### *Net Income Available to Common Shareholders*

Net income for the three months ended March 31, 2019 was \$10.1 million, compared to \$4.2 million in the prior year period.

#### *Fleet*

The following table provides information about our fleet of 38 vessels as at March 31, 2019.

<b>Vessel Name</b>	<b>TEUs</b>	<b>LWT</b>	<b>Year Built</b>	<b>Charterer</b>	<b>Earliest Charter Expiry Date</b>	<b>Latest Charter Expiry Date</b>	<b>Daily Charter Rate \$</b>
CMA CGM Thalassa	11,040	38,577	2008	CMA CGM	4Q25	1Q26	47,200
UASC Al Khor <sup>(1)</sup>	9,115	31,764	2015	Hapag-Lloyd	1Q19	2Q19 <sup>(2)</sup>	40,000 <sup>(2)</sup>
Anthea Y <sup>(1)</sup>	9,115	31,890	2015	COSCO	2Q20	3Q20	39,200
Maira XL <sup>(1)</sup>	9,115	31,820	2015	COSCO	2Q20	3Q20	39,200
GSL Tianjin	8,667	34,243	2005	CMA CGM	2Q19	3Q19 <sup>(3)</sup>	13,000 <sup>(3)</sup>
OOCL Qingdao	8,667	34,305	2004	OOCL	2Q19	2Q19 <sup>(3)</sup>	14,000 <sup>(3)</sup>
GSL Ningbo	8,667	34,243	2004	Maersk	2Q19	4Q20	12,100 <sup>(4)</sup>
Mary <sup>(1)</sup>	6,927	23,424	2013	CMA CGM	3Q23	4Q23	25,910
Kristina <sup>(1)</sup>	6,927	23,424	2013	Wan Hai	2Q19	3Q19 <sup>(5)</sup>	19,500 <sup>(5)</sup>
Katherine <sup>(1)</sup>	6,927	23,424	2013	CMA CGM	1Q24	2Q24	25,910
Alexandra <sup>(1)</sup>	6,927	23,424	2013	ONE	2Q19	2Q19 <sup>(5)</sup>	20,750 <sup>(5)</sup>
Alexis <sup>(1)(6)</sup>	6,882	23,919	2015	Hapag-Lloyd	2Q19	2Q19 <sup>(5)</sup>	20,000 <sup>(5)</sup>
Olivia I <sup>(1)(7)</sup>	6,882	23,864	2015	CMA CGM	1Q24	2Q24	25,910
CMA CGM Berlioz	6,621	26,776	2001	CMA CGM	2Q21	4Q21	34,000
Agios Dimitrios	6,572	24,746	2011	MSC	3Q19	4Q23 <sup>(8)</sup>	12,500 <sup>(8)</sup>
Tasman	5,936	25,010	2000	ZIM	2Q19	3Q19 <sup>(9)</sup>	11,500 <sup>(9)</sup>
Dimitris Y	5,936	25,010	2000	ZIM	2Q19	3Q19 <sup>(10)</sup>	16,750 <sup>(10)</sup>
Ian H	5,936	25,128	2000	ZIM	2Q19	3Q19 <sup>(10)</sup>	17,000 <sup>(10)</sup>
Dolphin II	5,095	20,596	2007	HMM	2Q19	4Q19	7,700 <sup>(11)</sup>
Orca I	5,095	20,696	2006	ZIM	2Q19	3Q19	11,750
CMA CGM Alcazar	5,089	20,087	2007	CMA CGM	4Q20	2Q21	33,750
CMA CGM Château d'If	5,089	20,100	2007	CMA CGM	4Q20	2Q21	33,750
CMA CGM Jamaica	4,298	17,272	2006	CMA CGM	3Q22	1Q23	25,350

CMA CGM Sambhar	4,045	17,355	2006	CMA CGM	3Q22	1Q23	25,350
CMA CGM America	4,045	17,355	2006	CMA CGM	3Q22	1Q23	25,350
GSL Valerie	2,824	11,971	2005	CMA CGM	2Q19	3Q19	9,000
Athena	2,762	13,538	2003	MSC	1Q20	2Q20	9,000
Maira	2,506	11,453	2000	MSC	3Q19	3Q19	8,500
Nikolas	2,506	11,370	2000	MSC	1Q20	1Q20	9,000
Newyorker	2,506	11,463	2001	MSC	1Q20	1Q20	9,000
CMA CGM La Tour	2,272	11,742	2001	CMA CGM	3Q19	1Q20	15,300
CMA CGM Manet	2,272	11,742	2001	CMA CGM	3Q19	1Q20	15,300
CMA CGM Matisse	2,262	11,676	1999	CMA CGM	3Q19	1Q20	15,300
CMA CGM Utrillo	2,262	11,676	1999	CMA CGM	3Q19	1Q20	15,300
GSL Keta	2,207	11,731	2003	ANL	2Q19	3Q19	8,450
GSL Julie	2,207	11,731	2002	CMA CGM	3Q19	2Q20 <sup>(12)</sup>	7,200 <sup>(12)</sup>
Kumasi	2,207	11,731	2002	CMA CGM	4Q19	1Q21 <sup>(13)</sup>	9,800 <sup>(13)</sup>
Marie Delmas	2,207	11,731	2002	CMA CGM	4Q19	1Q21 <sup>(13)</sup>	9,800 <sup>(13)</sup>

1. *Modern design, high reefer capacity, fuel efficient vessels.*
2. *Thereafter, in direct continuation, three years at an implied Adjusted EBITDA of \$28.0 million for the period.*
3. *Thereafter, five years to MSC at an implied Adjusted EBITDA of \$25.6 million for the period.*
4. *Rate increased to \$12,400 per day from April 21, 2019. Charterer has option to extend by 12 months plus or minus 45 days from September 21, 2019 at \$18,000 per day.*
5. *Thereafter, five years to CMA CGM at \$25,910 per day*
6. *Previously UASC Bubiyan; renamed Alexis, effective April 24, 2019.*
7. *Previously UASC Yas; renamed Oliva I, effective March 19, 2019.*
8. *Thereafter, option for four years at \$20,000 per day, callable by us*
9. *Thereafter, new charter with Maersk Line for 30 - 38 months at an implied Adjusted EBITDA of \$5.3 million for the median period. Additional 12 - month extension at charterer's option, for an additional implied Adjusted EBITDA of \$4.4 million.*
10. *Thereafter, in direct continuation, 21-24 month at an implied Adjusted EBITDA \$4.4 million per vessel for the median firm period.*
11. *Rate increases to \$11,500 per day from August 15, 2019.*
12. *\$7,200 per day from March 16, 2019 to between August 16, 2019 and October 16, 2019, at charterer's option, with an option in favour of charterer to extend from October 16, 2019 at \$8,500 per day for six months plus or minus 30 days.*
13. *Option at \$9,800 per day to December 31, 2020 plus or minus 90 days, callable by us.*

#### Conference Call and Webcast

Global Ship Lease will hold a conference call to discuss the Company's results for the three months ended March 31, 2019 today, Tuesday May 7, 2019 at 10:00 a.m. Eastern Time. There are two ways to access the conference call:

(1) Dial-in: (877) 445-2556 or (908) 982-4670; Passcode: 8458699

Please dial in at least 10 minutes prior to 10:30 a.m. Eastern Time to ensure a prompt start to the call.

(2) Live Internet webcast and slide presentation: <http://www.globalshiplease.com>

If you are unable to participate at this time, a replay of the call will be available through Thursday, May 23, 2019 at (855) 859-2056 or (404) 537-3406. Enter the code 8458699 to access the audio replay. The webcast will also be archived on the Company's website: <http://www.globalshiplease.com>.

#### Annual Report on Form 20-F

The Company's Annual Report for 2018 is on file with the Securities and Exchange Commission. A copy of the report can be found under the Investor Relations section (Annual Reports) of the Company's website at <http://www.globalshiplease.com>. Shareholders may request a hard copy of the audited financial statements free of charge by contacting the Company at [info@globalshiplease.com](mailto:info@globalshiplease.com) or by writing to Global Ship Lease, Inc, care of Global Ship Lease Services Limited, Portland House, Stag Place, London SW1E 5RS or by telephoning +44 (0) 207 869 8806.

#### About Global Ship Lease

Global Ship Lease is a leading independent owner of containerships with a diversified fleet of mid-sized and smaller containerships. Incorporated in the Marshall Islands, Global Ship Lease commenced operations in December 2007 with a business of owning and chartering out containerships under fixed-rate charters to top tier container liner companies. On November 15, 2018, it completed a strategic combination with Poseidon Containers.

Global Ship Lease owns 38 vessels ranging from 2,207 to 11,040 TEU, of which nine are fuel efficient new-design wide beam, with a total capacity of

200,615 TEU and an average age, weighted by TEU capacity, of 11.3 years determined as at March 31, 2019.

The average remaining term of the charters at March 31, 2019, including subsequent announcements and to the mid-point of redelivery, including options under owners control, was 3.0 years on a TEU-weighted basis. Contracted revenue on the same basis is \$826.3 million. Contracted revenue is \$891.1, including options under charterers control and with latest redelivery date, representing a weighted average remaining term of 3.2 years.

### Reconciliation of Non-U.S. GAAP Financial Measure

#### Adjusted EBITDA

Adjusted EBITDA represents net income before interest income and expense including amortization of deferred finance costs, earnings allocated to preferred shares, income taxes, depreciation and amortization of drydocking costs. Adjusted EBITDA is a non-US GAAP quantitative measure used to assist in the assessment of the Company's ability to generate cash from its operations. We believe that the presentation of Adjusted EBITDA is useful to investors because it is frequently used by securities analysts, investors and other interested parties in the evaluation of companies in our industry. Adjusted EBITDA is not defined in US GAAP and should not be considered to be an alternate to Net income or any other financial metric required by such accounting principles. Our use of Adjusted EBITDA may vary from the use of similarly titled measures by others in our industry.

#### ADJUSTED EBITDA - UNAUDITED

(thousands of U.S. dollars)

	Three months ended Mar 31, 2019	Three months ended Mar 31, 2018
Net income available to common shareholders	10,052	4,192
Adjust:		
Depreciation and amortization	10,758	8,156
Interest income	(417)	(269)
Interest expense	19,352	10,793
Income taxes	16	15
Earnings allocated to preferred shares	766	766
Adjusted EBITDA	<u>40,527</u>	<u>23,653</u>

#### 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 future growth of the container shipping industry, including the rates of annual demand and supply growth;
- the financial condition of our charterers, particularly CMA CGM, our principal charterer and main source of operating revenue, and their ability to pay charterhire in accordance with the charters;
- Global Ship Lease's financial condition and liquidity, including its level of indebtedness or ability to obtain additional financing to fund capital expenditures, vessel acquisitions and other general corporate purposes;
- Global Ship Lease's ability to meet its financial covenants and repay its credit facilities;
- Global Ship Lease's expectations relating to dividend payments and forecasts of its ability to make such payments including the availability of cash and the impact of constraints under its credit facility;
- risks relating to the acquisition of Poseidon Containers and Global Ship Lease's ability to realize the anticipated benefits of the acquisition;

- 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;
- changes 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 ships to purchase, the time that it may take to construct new ships, or the useful lives of its ships;
- Global Ship Lease's continued ability to enter into or renew long-term, fixed-rate charters or other vessel employment arrangements;
- the continued performance of existing long-term, fixed-rate time charters;
- Global Ship Lease's ability to capitalize on its management'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 including taxation;
- 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 U.S. Securities and Exchange Commission (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.

#### Global Ship Lease, Inc.

#### Interim Unaudited Consolidated Balance Sheets

		As of	
	Note	March 31, 2019	December 31, 2018
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		\$ 97,966	\$ 82,059
Restricted cash		3,023	2,186
Accounts receivable, net		1,738	1,927
Inventories		5,327	5,769
Prepaid expenses and other current assets		7,162	6,214
Due from related parties	5	1,086	817
<b>Total current assets</b>		<b>\$ 116,302</b>	<b>\$ 98,972</b>
<b>NON-CURRENT ASSETS</b>			
Vessels in operation	3	\$ 1,103,604	\$ 1,112,766
Other fixed assets		4	5
Intangible assets-charter agreements		4,430	5,400
Deferred charges, net		8,661	9,569
Other non-current assets		291	948
Restricted cash, net of current portion		5,938	5,827
<b>Total non-current assets</b>		<b>1,122,928</b>	<b>1,134,515</b>
<b>TOTAL ASSETS</b>		<b>\$ 1,239,230</b>	<b>\$ 1,233,487</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>CURRENT LIABILITIES</b>			
Accounts payable		\$ 7,140	\$ 9,586
Accrued liabilities		21,576	15,407

Current portion of long-term debt	4	74,533	64,088
Deferred revenue		2,637	3,118
Due to related parties	5	1,548	3,317
<b>Total current liabilities</b>		<b>107,434</b>	<b>95,516</b>
<b>LONG-TERM LIABILITIES</b>			
Long-term debt, net of current portion and deferred financing costs	4	\$ 797,406	\$ 813,130
Intangible liability-charter agreements		7,967	8,470
Deferred tax liability		9	9
<b>Total non-current liabilities</b>		<b>805,382</b>	<b>821,609</b>
<b>Total liabilities</b>		<b>\$ 912,816</b>	<b>\$ 917,125</b>
<b>Commitments and Contingencies</b>	6		—
<b>SHAREHOLDERS' EQUITY</b>			
Class A common shares - authorized 214,000,000 shares with a \$0.01 par value 9,942,950 shares issued and outstanding (2018 – 9,017,205 shares)			
	7	\$ 99	\$ 90
Class B common shares - authorized 20,000,000 shares with a \$0.01 par value nil shares issued and outstanding (2018 – 925,745 shares)			
	7	—	9
Series B Preferred Shares - authorized 16,100 shares with a \$0.01 par value 14,000 shares issued and outstanding (2018 – 14,000 shares)			
	7	—	—
Series C Preferred Shares - authorized 250,000 shares with a \$0.01 par value 250,000 shares issued and outstanding (2018 - 250,000 shares)			
	7	3	3
Additional paid in capital		512,379	512,379
Accumulated deficit		(186,067)	(196,119)
<b>Total shareholders' equity</b>		<b>326,414</b>	<b>316,362</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>\$ 1,239,230</b>	<b>\$ 1,233,487</b>

Global Ship Lease, Inc.

Interim Unaudited Consolidated Statements of Income

		Three months ended March 31,	
	Note	2019	2018
<b>OPERATING REVENUES</b>			
Time charter revenue		\$ 29,881	\$ 5,770
Time charter revenue-related parties	5	34,633	30,376
		<b>64,514</b>	<b>36,146</b>
<b>OPERATING EXPENSES:</b>			
Vessel operating expenses		19,150	10,098
Vessel operating expenses-related parties	5	1,805	322
Time charter and voyage expenses		1,121	144
Time charter and voyage expenses-related parties		430	—
Depreciation and amortization	3	10,758	8,156
General and administrative expenses		2,025	1,935
<b>Operating Income</b>		<b>29,225</b>	<b>15,491</b>
Interest income		417	269
Interest and other financial expense		(19,352)	(10,793)
Other income, net		544	6

<b>Total non operating expense</b>		<b>(18,391)</b>	<b>(10,518)</b>
<b>Income before income taxes</b>		<b>10,834</b>	<b>4,973</b>
Income taxes		(16)	(15)
<b>Net Income</b>		<b>\$ 10,818</b>	<b>\$ 4,958</b>
Earnings allocated to Series B Preferred Shares	7	(766)	(766)
<b>Net Income available to Common Shareholders</b>		<b>\$ 10,052</b>	<b>\$ 4,192</b>
<b>Earnings per Share</b>			
Weighted average number of Class A common shares outstanding			
Basic and diluted (including RSU's without service conditions)	9	9,932,664	6,001,217
Net Income per Class A common share			
Basic and diluted (including RSU's without service conditions)	9	\$ 0.44	\$ 0.72
Weighted average number of Class B common shares outstanding			
Basic and diluted	9	nil	925,745
Net Income per Class B common share			
Basic and diluted	9	\$ nil	\$ nil

**Global Ship Lease, Inc.**

**Interim Unaudited Consolidated Statements of Cash Flows**

	<b>Note</b>	<b>Three months ended March 31,</b>	
		<b>2019</b>	<b>2018</b>
<b>Cash flows from operating activities:</b>			
Net Income		\$ 10,818	\$ 4,958
<b>Adjustments to reconcile net income to net cash provided by operating activities:</b>			
Depreciation and amortization	3	10,758	8,156
Amortization of deferred financing costs	4	745	1,029
Amortization of original issue discount / premium on repurchase of notes	4	202	201
Amortization of intangible asset/liability-charter agreements		468	(443)
Share based compensation	8	—	45
<b>Changes in operating assets and liabilities:</b>			
Increase in accounts receivable and other assets		(94)	(1,104)
Decrease (increase) increase in inventories		442	(1,783)
Increase in accounts payable and other liabilities		3,719	7,850
(Decrease) increase in related parties' balances	5	(2,038)	1,838
Decrease in deferred revenue		(481)	(312)
Unrealized foreign exchange (gain) loss		(5)	4
Net cash provided by operating activities		<b>24,534</b>	<b>20,439</b>
<b>Cash flows from investing activities:</b>			
Cash paid for vessel improvements		(637)	(150)
Cash paid for dry-dockings		(50)	(373)
Cash paid for vessel deposits		—	(1,128)
<b>Net cash used in investing activities</b>		<b>(687)</b>	<b>(1,651)</b>
<b>Cash flows from financing activities:</b>			
Repayment of credit facilities	4	(6,226)	—
Series B Preferred Shares-dividends paid	7	(766)	(766)
<b>Net cash used in financing activities</b>		<b>(6,992)</b>	<b>(766)</b>
<b>Net increase in cash and cash equivalents and restricted cash</b>		<b>16,855</b>	<b>18,022</b>
Cash and cash equivalents and restricted cash at beginning of the period		90,072	73,266

**Cash and cash equivalents and restricted cash at end of the period**

**\$ 106,927**      **\$ 91,288**

**Supplementary Cash Flow Information:**

Cash paid for interest

\$ 9,563      \$ 648

Cash paid for income taxes

\$ —      \$ 12

**Non-cash investing activities:**

Unpaid capitalized expenses

\$ 826      \$ —

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GLOBAL SHIP LEASE

Source: Global Ship Lease, Inc.