May 14, 2012

Global Ship Lease Reports Results for the First Quarter of 2012

LONDON, May 14, 2012 (GLOBE NEWSWIRE) -- Global Ship Lease, Inc. (NYSE:GSL), a containership charter owner, announced today its unaudited results for the three months ended March 31, 2012.

First Quarter and Year To Date Highlights

- Reported revenue of $38.4 million for the first quarter 2012, down from $39.1 million for the first quarter 2011 mainly due to 48 days offhire in the first quarter 2012 for three planned drydockings, compared to three days in the first quarter 2011

- Reported net income of $8.0 million for the first quarter 2012, including a $2.7 million non-cash interest rate derivative mark-to-market gain. Reported net income for the first quarter 2011 was $10.8 million, including $5.0 million non-cash mark-to-market gain

- Generated $25.2 million EBITDA(1) for the first quarter 2012, compared to $26.2 million for the first quarter 2011 due mainly to additional offhire and increased maintenance spend

- Excluding the non-cash mark-to-market items, normalized net income(1) was $5.3 million for the first quarter 2012 compared to normalized net income of $5.9 million for the first quarter 2011

- Repaid $11.8 million of debt in the first quarter 2012 for a total debt repayment of $127.3 million since August 2009, when we commenced amortization of our credit facility balance

Ian Webber, Chief Executive Officer of Global Ship Lease, stated, "We continued to generate strong financial results and achieve high utilization levels during the first quarter of 2012, as our entire fleet remained secured on long-term fixed rate charters. During a time in which we completed three of seven scheduled drydockings for 2012, we achieved EBITDA of $25.2 million and utilization of 97%. Despite continuing macro-economic uncertainty, a welcome positive development in our industry has been the recent successful implementation by the liner companies of freight rate increases. Global Ship Lease remains well positioned for long-term success as our fleet has a weighted average remaining lease term of 8.1 years with a contracted revenue stream of $1.2 billion."

Mr. Webber continued, "Complementing our success generating stable and predictable results, we further strengthened our balance sheet for the benefit of the Company and its shareholders. At a time when we have no purchase obligations, we have used our free cash flow to reduce our debt, paying down $11.8 million in the first quarter and $127.3 million since August of 2009."

SELECTED FINANCIAL DATA — UNAUDITED

(thousands of U.S. dollars)

	Three months ended March 31, 2012	Three months ended March 31, 2011
Revenue	**38,350**	39,104
Operating Income	**15,199**	16,276
Net Income	**7,950**	10,839
EBITDA (1)	**25,168**	26,225
Normalised Net Income (1)	**5,274**	5,877

(1) EBITDA and Normalized net income are non-US Generally Accepted Accounting Principles (US GAAP) measures, as explained further in this press release, and are considered by Global Ship Lease to be useful measures of its performance. Reconciliations of such non-GAAP

measures to the interim unaudited financial information are provided in this Earnings Release.

Revenue and Utilization

The 17 vessel fleet generated revenue from long-term fixed rate time charters of $38.4 million in the three months ended March 31, 2012, down slightly on revenue of $39.1 million for the comparative period in 2011. The decrease in revenue is mainly due to 48 days offhire for three planned drydockings during the three months ended March 31, 2012 offset by 17 additional ownership days due to 2012 being a leap year. There were 1,547 ownership days in the quarter. The 48 days planned offhire and one day unplanned in the three months ended March 31, 2012 gives a utilization of 96.8%. In the comparable period of 2011, there were three days of planned offhire, representing utilization of 99.8%.

The table below shows fleet utilization for the three months ended March 31, 2012 and 2011 and for the years ended December 31, 2011, 2010 and 2009.

	Three months ended		Year ended		
Days	Mar 31, 2012	Mar 31, 2011	Dec 31, 2011	Dec 31, 2010	Dec 31, 2009
Ownership days	1,547	1,530	6,205	6,205	5,968
Planned offhire - scheduled drydock	(48)	(3)	(95)	0	(32)
Unplanned offhire	(1)	0	(11)	(3)	(42)
Operating days	1,498	1,527	6,099	6,202	5,894
Utilization	96.8%	99.8%	98.3%	99.9%	98.8%

The drydocking of three vessels was completed in the first quarter 2012, one of which commenced late December 2011. A further four vessels are scheduled to be drydocked in 2012. Two drydockings are scheduled for each of 2013 and 2014, and none in 2015.

Vessel Operating Expenses

Vessel operating expenses, which include costs of crew, lubricating oil, spares and insurance, were $11.7 million for the three months ended March 31, 2012. The average cost per ownership day was $7,535, up $199 or 2.7% on $7,336 for the rolling four quarters ended December 31, 2011. The increase is mainly due to planned increased spend on maintenance. The first quarter 2012 average daily cost was up 4.4% from the average daily cost of $7,218 for the comparative period in 2011 due to increased crew costs partly offset by positive exchange rate movements on the portion of crew costs denominated in euros and higher spend on maintenance.

Vessel operating expenses continue to be at less than the capped amounts included in Global Ship Lease's ship management agreements.

Depreciation

Depreciation for the three months ended March 31, 2012 was $10.0 million compared to $9.9 million in the comparative period in 2011. There have been no changes to the fleet.

General and Administrative Costs

General and administrative costs incurred were $1.6 million in the three months ended March 31, 2012, compared to $1.9 million for the comparable period in 2011.

Other operating income

Other operating income in the three months ended March 31, 2012 was $68,000 compared to $106,000 for the three months ended March 31, 2011.

EBITDA

As a result of the above, EBITDA was $25.2 million the three months ended March 31, 2012, down from $26.2 million for the three months ended March 31, 2011.

Interest Expense

Interest expense, excluding the effect of interest rate derivatives which do not qualify for hedge accounting, for the three months ended March 31, 2012 was $5.5 million. The Company's borrowings under its credit facility averaged $483.6 million during the three months ended March 31, 2012. There were $48.0 million preferred shares throughout the period, giving total average borrowings through the three months ended March 31, 2012 of $531.6 million. Interest expense in the comparative period in 2011 was $5.6 million on average borrowings, including the preferred shares, of $580.8 million.

Interest income for the three months ended March 31, 2012 and 2011 was not material.

Change in Fair Value of Financial Instruments

The Company hedges its interest rate exposure by entering into derivatives that swap floating rate debt for fixed rate debt to provide long-term stability and predictability to cash flows. As these hedges do not qualify for hedge accounting under US GAAP, the outstanding hedges are marked to market at each period end with any change in the fair value being booked to the income and expenditure account. The Company's derivative hedging instruments gave a realized loss of $4.5 million in the three months ended March 31, 2012 for settlements of swaps in the period, as current LIBOR rates are lower than the average fixed rate. Further, there was a $2.6 million unrealized gain for revaluation of the balance sheet position given current LIBOR and movements in the forward curve for interest rates. This compares to a realized loss of $4.8 million in the three months ended March 31, 2011 and an unrealized gain of $5.0 million.

At March 31, 2012, the total mark-to-market unrealized loss recognized as a liability on the balance sheet was $42.6 million.

Unrealized mark-to-market adjustments have no impact on operating performance or cash generation in the period reported.

Taxation

Taxation for the three months ended March 31, 2012 and in three months ended March 31, 2011 was not material.

Net Income

Net income for the three months ended March 31, 2012 was $8.0 million including $2.6 million non-cash interest rate derivative mark-to-market gain. For the three months ended March 31, 2011 net income was $10.8 million, including $5.0 million non-cash interest rate derivative mark-to-market gain. Normalized net income was $5.3 million for the three months ended March 31, 2012 and $5.9 million for the three months ended March 31, 2011.

Credit Facility

The container shipping industry has been experiencing a significant cyclical downturn. As a consequence, there has been a continued decline in charter free market values of containerships since mid 2011. While the Company's stable business model largely insulates it from volatility in the freight and charter markets, a covenant in the credit facility with respect to the Leverage Ratio, which is the ratio of outstanding drawings under the credit facility and the aggregate charter free market value of the secured vessels, causes the Company to be sensitive to significant declines in vessel values. Under the terms of the credit facility, the Leverage Ratio cannot exceed 75%. The Leverage Ratio has little impact on the Company's operating performance as cash flows are largely predictable under its business model.

In anticipation of the scheduled test of the Leverage Ratio as at November 30, 2011 when the Company expected that the Leverage Ratio would be between 75% and 90%, the Company agreed with its lenders to waive the requirement to perform the Leverage Ratio test until November 30, 2012. Under the terms of the waiver, the fixed interest margin to be paid over LIBOR increased to 3.50%, prepayments became based on cash flow rather than a fixed amount of $10 million per quarter, and dividends on common shares cannot be paid.

In the three months ended March 31, 2012, a total of $11.8 million of debt was prepaid, leaving a balance outstanding of $471.8 million.

Dividend

Global Ship Lease is not currently able to pay a dividend on common shares.

Fleet

The following table provides information about the on-the-water fleet of 17 vessels chartered to CMA CGM.

Vessel Name	Capacity in TEUs [1]	Year Built	Purchase by GSL	Remaining Charter Term [2] (years)	Earliest Charter Expiry Date	Daily Charter Rate $
Ville d'Orion	4,113	1997	Dec 2007	0.7	Sept 21, 2012	28,500
Ville d'Aquarius	4,113	1996	Dec 2007	0.7	Sept 20, 2012	28,500
CMA CGM Matisse	2,262	1999	Dec 2007	4.7	Sept 21, 2016	18,465
CMA CGM Utrillo	2,262	1999	Dec 2007	4.7	Sept 11, 2016	18,465
Delmas Keta	2,207	2003	Dec 2007	5.7	Sept 20, 2017	18,465
Julie Delmas	2,207	2002	Dec 2007	5.7	Sept 11, 2017	18,465
Kumasi	2,207	2002	Dec 2007	5.7	Sept 21, 2017	18,465
Marie Delmas	2,207	2002	Dec 2007	5.7	Sept 14, 2017	18,465
CMA CGM La Tour	2,272	2001	Dec 2007	4.7	Sept 20, 2016	18,465
CMA CGM Manet	2,272	2001	Dec 2007	4.7	Sept 7, 2016	18,465
CMA CGM Alcazar	5,089	2007	Jan 2008	8.8	Oct 18, 2020	33,750
CMA CGM Château d'If	5,089	2007	Jan 2008	8.8	Oct 11, 2020	33,750
CMA CGM Thalassa	11,040	2008	Dec 2008	13.8	Oct 1, 2025	47,200
CMA CGM Jamaica	4,298	2006	Dec 2008	10.7	Sept 17, 2022	25,350
CMA CGM Sambhar	4,045	2006	Dec 2008	10.7	Sept 16, 2022	25,350
CMA CGM America	4,045	2006	Dec 2008	10.7	Sept 19, 2022	25,350
CMA CGM Berlioz	6,621	2011	Aug 2009	9.4	May 28, 2021	34,000

(1) Twenty-foot Equivalent Units.

(2) As at March 31, 2012. Plus or minus 90 days at charterers' option.

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, 2012 today, Monday, May 14, 2012 at 10:30 a.m. Eastern Time. There are two ways to access the conference call:

(1) Dial-in: (866) 966-9439 or (631) 510-7498; Passcode: 74659899

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 Monday, May 28, 2012 at (866) 247-4222 or (631) 510-7499. Enter the code 74659899 to access the audio replay. The webcast will also be archived on the Company's website: http://www.globalshiplease.com.

About Global Ship Lease

Global Ship Lease is a containership charter owner. Incorporated in the Marshall Islands, Global Ship Lease commenced operations in December 2007 with a business of owning and chartering out containerships under long-term, fixed rate charters to top tier container liner companies.

Global Ship Lease owns 17 vessels with a total capacity of 66,349 TEU with an average age, weighted by TEU capacity, at March 31, 2012 of 8.1 years. All of the current vessels are fixed on long-term charters to CMA CGM with an average remaining term of 6.8 years, or 8.1 years on a weighted basis.

Reconciliation of Non-U.S. GAAP Financial Measures

A. EBITDA

EBITDA represents Net income before interest income and expense including amortization of deferred finance costs, realized and unrealized gain (loss) on derivatives, income taxes, depreciation and amortization. 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 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. 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.

EBITDA - UNAUDITED

(thousands of U.S. dollars)

	Three months ended Mar 31, 2012	Three months ended Mar 31, 2011
Net income	7,950	10,839
Adjust:		
Depreciation	9,969	9,949
Interest income	(23)	(13)
Interest expense	5,466	5,610
Realized loss on interest rate derivatives	4,492	4,783
Unrealized (gain) on interest rate derivatives	(2,676)	(4,962)
Income tax	(10)	19
EBITDA	25,168	26,225

B. Normalized net income

Normalized net income represents Net income adjusted for the unrealized gain on derivatives. Normalized net income is a non-GAAP quantitative measure which we believe will assist investors and analysts who often adjust reported net income for non-operating items such as change in fair value of derivatives to eliminate the effect of non cash non-operating items that do not affect operating performance or cash generated. Normalized net income 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.

NORMALIZED NET INCOME -- UNAUDITED

(thousands of U.S. dollars)

	Three months ended Mar 31, 2012	Three months ended Mar 31, 2011
Net income	7,950	10,839
Adjust: Unrealized (gain) loss on derivatives	(2,676)	(4,962)
Normalized net income	5,274	5,877

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 overall health and condition of the U.S. and global financial markets;
- the financial condition of CMA CGM, Global Ship Lease's sole charterer and only source of operating revenue, and its ability to pay charterhire in accordance with the charters;
- 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, vessel acquisitions and other general corporate purposes;
- Global Ship Lease's ability to meet its financial covenants and repay its credit facility;
- 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;
- future acquisitions, business strategy and expected capital spending;
- operating expenses, availability of key employees and crew, number of offhire days, drydocking and survey requirements, general and administrative costs 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 Global Ship Lease's 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 including the re-chartering of vessels on the expiry of existing charters, or to secure profitable employment for its vessels in the spot market;
- 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 environmental and taxation; 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.

Global Ship Lease, Inc.

Interim Unaudited ConsolidatedStatements of Income

(Expressed in thousands of U.S. dollars except share data)

	Three months ended March 31,	
	2012	**2011**
Operating Revenues		
Time charter revenue	$38,350	$39,104
Operating Expenses		
Vessel operating expenses	11,657	11,043
Depreciation	9,969	9,949
General and administrative	1,593	1,942
Other operating income	(68)	(106)
Total operating expenses	23,151	22,828

Operating Income	15,199	16,276
Non Operating Income (Expense)		
Interest income	23	13
Interest expense	(5,466)	(5,610)
Realized loss on interest rate derivatives	(4,492)	(4,783)
Unrealized gain on interest rate derivatives	2,676	4,962
Income before Income Taxes	7,940	10,858
Income taxes	10	(19)
Net Income	$7,950	$10,839
Earnings per Share		
Weighted average number of Class A common shares outstanding		
Basic	47,481,471	47,186,378
Diluted	47,481,471	47,405,490
Net income in $ per Class A common share		
Basic	$0.17	$0.23
Diluted	$0.17	$0.23
Weighted average number of Class B common shares outstanding		
Basic and diluted	7,405,956	7,405,956
Net income in $ per Class B common share		
Basic and diluted	$0.00	$0.00

Global Ship Lease, Inc.

Interim Unaudited ConsolidatedBalance Sheets

(Expressed in thousands of U.S. dollars)

	March 31, 2012	December 31, 2011
Assets		
Cash and cash equivalents	$ 30,144	$ 25,814
Restricted cash	3,027	3,027
Accounts receivable	13,999	13,911
Prepaid expenses	853	726
Other receivables	1,036	839
Deferred tax	34	19
Deferred financing costs	1,184	1,168

Total current assets	50,277	45,504
Vessels in operation	883,794	890,249
Other fixed assets	48	54
Intangible assets - other	87	92
Deferred tax	19	10
Deferred financing costs	3,296	3,626
Total non-current assets	887,244	894,031
Total Assets	$ 937,521	$ 939,535
Liabilities and Stockholders' Equity		
Liabilities		
Current portion of long term debt	$ 51,900	$ 46,000
Intangible liability — charter agreements	2,119	2,119
Accounts payable	6,315	1,286
Accrued expenses	4,839	4,953
Derivative instruments	17,713	15,920
Total current liabilities	82,886	70,278
Long term debt	419,924	437,612
Preferred shares	48,000	48,000
Intangible liability — charter agreements	19,521	20,050
Derivative instruments	24,927	29,395
Total long-term liabilities	512,372	535,057
Total Liabilities	$ 595,258	$ 605,335
Commitments and contingencies	--	--
Stockholders' Equity		
Class A Common stock — authorized 214,000,000 shares with a $0.01 par value; 47,481,864 shares issued and outstanding (2011 — 47,463,978)	$ 475	$ 475
Class B Common stock — authorized 20,000,000 shares with a $0.01 par value; 7,405,956 shares issued and outstanding (2011 — 7,405,956)	74	74
Additional paid in capital	351,969	351,856
Accumulated deficit	(10,255)	(18,205)
Total Stockholders' Equity	342,263	334,200
Total Liabilities and Stockholders' Equity	$ 937,521	$ 939,535

Global Ship Lease, Inc.

Interim Unaudited Consolidated Statements of Cash Flows

(Expressed in thousands of U.S. dollars)

	Three months ended March 31,	
	2012	**2011**
Cash Flows from Operating Activities		
Net income	$ 7,950	$ 10,839
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities		
Depreciation	9,969	9,949
Amortization of deferred financing costs	314	269
Change in fair value of certain derivative instruments	(2,676)	(4,962)
Amortization of intangible liability	(529)	(529)
Settlements of hedges which do not qualify for hedge accounting	4,492	4,783
Share based compensation	113	136
(Increase) in other receivables and other assets	(498)	(315)
Increase (decrease) in accounts payable and other liabilities	2,994	(538)
Unrealized foreign exchange loss	16	9
Net Cash Provided by Operating Activities	22,145	19,641
Cash Flows from Investing Activities		
Settlements of hedges which do not qualify for hedge accounting	(4,492)	(4,783)
Cash paid to acquire intangible assets	--	(26)
Costs relating to drydockings	(1,536)	(837)
Net Cash Used in Investing Activities	(6,028)	(5,646)
Cash Flows from Financing Activities		
Repayment of debt	(11,787)	(13,816)
Net Cash Used in Financing Activities	(11,787)	(13,816)
Net increase in Cash and Cash Equivalents	4,329	179
Cash and Cash Equivalents at start of Period	25,814	28,360
Cash and Cash Equivalents at end of Period	$ 30,144	$ 28,539

Supplemental information

Non cash investing and financing activities

Total interest paid	$ 5,255	$ 5,374
Income tax paid	$ 10	$ 26

CONTACT: Investor and Media Contacts:

The IGB Group

David Burke

646-673-9701