



## GLOBAL SHIP LEASE

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**Strengthened Capital Structure**

**March 18, 2014**

# Safe Harbor Statement

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*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 current sole source of operating revenue) or other prospective charterers*
- *Global Ship Lease's financial condition and liquidity, including its ability to obtain additional financing to fund capital expenditures, vessel acquisitions and for other general corporate purposes;*
- *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;*
- *the continued performance of existing long-term, fixed-rate charters;*
- *Global Ship Lease's ability to capitalize on management's and 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

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*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.*

## Benefits of New 10.000% First Priority Secured Notes Due 2019

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<b>Guarantors</b>	Each of the Company's 17 vessel-owning subsidiaries and Global Ship Lease Services Limited
<b>Collateral</b>	First priority ship mortgages on 17 vessels, share pledges on vessel-owning subsidiaries, assignments of existing charters, insurances, freights and hires and pledge of earnings accounts
<b>Maturity</b>	Five years - maturing April 1, 2019
<b>Use of Proceeds</b>	Repay all outstanding obligations related to existing credit facility, including interest rate swaps



- Increased financial flexibility by eliminating restrictive maintenance covenants
- Established capacity to build shareholder value by making accretive acquisitions at cyclically low asset values
- Gained ability to consider paying dividends, subject to certain limitations
- Success accessing public credit markets, while private bank debt remains constrained
- New \$40 million revolver for immediate additional investment capacity

## Strengthened Capital Structure

### Contrasting Key Elements of the Old Credit Facility with the New Notes

	Old Credit Facility	New Notes
Growth	Not possible	Possible
Dividends	Not possible	Possible, subject to certain limitations
PF Secured Debt at December 31, 2013	\$387.7 mm <sup>1</sup>	\$420.0 mm + \$40.0 mm RCF (undrawn)
PF2013 Interest Cost on Secured Debt	\$31.8 mm <sup>2</sup>	\$42.0 mm <sup>3</sup>
PF2013 Amortization of Secured Debt	\$59.3 mm	Max. \$20.0 mm per year, on basis of tender offer to bondholders
PF2013 Total Secured Debt Service	\$91.1 mm	\$42.0 - \$62.0 mm <sup>3</sup>
Countercyclical Investments	Not possible	Possible
Use of Proceeds from Asset Sales	Swept to pay down debt	Scope for reinvestment, subject to tender offer to bondholders
Refinancing Risk in 2016	Judged to be significant, assuming continued constraints on fleet and charter portfolio expansion	Pushed back to 2019, with immediate opportunities for accretive growth in meantime
Covenants	Maintenance (eg. LTV)	Incurrence

(1) \$366.4 mm of debt under the Credit Facility plus \$21.3 mm (fair value as at December 31, 2013) of secured interest rate swaps

(2) Including settlement of interest rate swaps in the year ended December 31, 2013

(3) Excluding commitment fees and interest on new \$40 million revolver

# Improved Contract Coverage & Cashflow Visibility

## CMA CGM support: \$54 mm increase in contracted revenues

\$965 mm <sup>(1)</sup> contracted revenue (up from \$911 mm)

7.8 years <sup>(1)</sup> weighted average remaining contract coverage (up from 7.4 years), excluding the two spot vessels

	Vessel	Counterparty	TEUs	Built	Charter Rate (\$ / Day) and Duration												
Spot	Ville d'Aquarius	CMA CGM	4,113	1996	\$7,000/day rate	Through April 30, 2014 +/- 30 days <sup>(2)</sup>											
	Ville d'Orion	CMA CGM	4,113	1997	\$7,000/day rate												
Longer Term Coverage	CMA CGM Matisse	CMA CGM	2,262 Geared	1999	\$18,465	\$15,300 <sup>(3)</sup>											
	CMA CGM Utrillo	CMA CGM	2,262 Geared	1999	\$18,465	\$15,300											
	Delmas Keta	CMA CGM	2,207 Geared	2003	\$18,465	Three years additional charter coverage on four of our geared 2,200 TEU vessels											
	Julie Delmas	CMA CGM	2,207 Geared	2002	\$18,465												
	Kumasi	CMA CGM	2,207 Geared	2002	\$18,465												
	Marie Delmas	CMA CGM	2,207 Geared	2002	\$18,465												
	CMA CGM La Tour	CMA CGM	2,272 Geared	2001	\$18,465	\$15,300 <sup>(3)</sup>											
	CMA CGM Manet	CMA CGM	2,272 Geared	2001	\$18,465	\$15,300											
	CMA CGM Alcazar	CMA CGM	5,089	2007	\$33,750												
	CMA CGM Chateau d'If	CMA CGM	5,089	2007	\$33,750												
	CMA CGM Sambhar	CMA CGM	4,045	2006	\$25,350												
	CMA CGM Jamaica	CMA CGM	4,298	2006	\$25,350												
	CMA CGM America	CMA CGM	4,045	2006	\$25,350												
	CMA CGM Thalassa	CMA CGM	11,040	2008	\$47,200												
	CMA CGM Berlioz	CMA CGM	6,621	2001	\$34,000												
				YEAR	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025

(1) As at December 31, 2013; giving effect to the Charter Extensions

(2) CMA CGM has reserved the right to redeliver these vessels 1-15 April, 2014

(3) GSL and CMA CGM have agreed, subject to repayment in full and termination of GSL's existing credit facility (which GSL will repay using proceeds of the offering) to extend these charters, which will provide for a new earliest expiry date in September 2019, and new daily charter rates, effective as of February 1, 2014, of \$15,300, the "Charter Extensions"

## Strategy Going Forward

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### Charter Strategy and Operational Risk Management

- Maintain quality fleet with primary focus on longer-term charters to established counterparties
- Contractual protections, comprehensive insurance, no fuel risk, limited FX risk

### Diversification of Lessees

- Selectively diversify charter portfolio to additional liner operators
- Capitalize on cyclically low asset values to prudently grow business on accretive basis
  - Structured, charter-attached transactions (eg. sale and leasebacks)
  - Opportunistic purchase of selected assets, subject to charter coverage

### Capital Structure

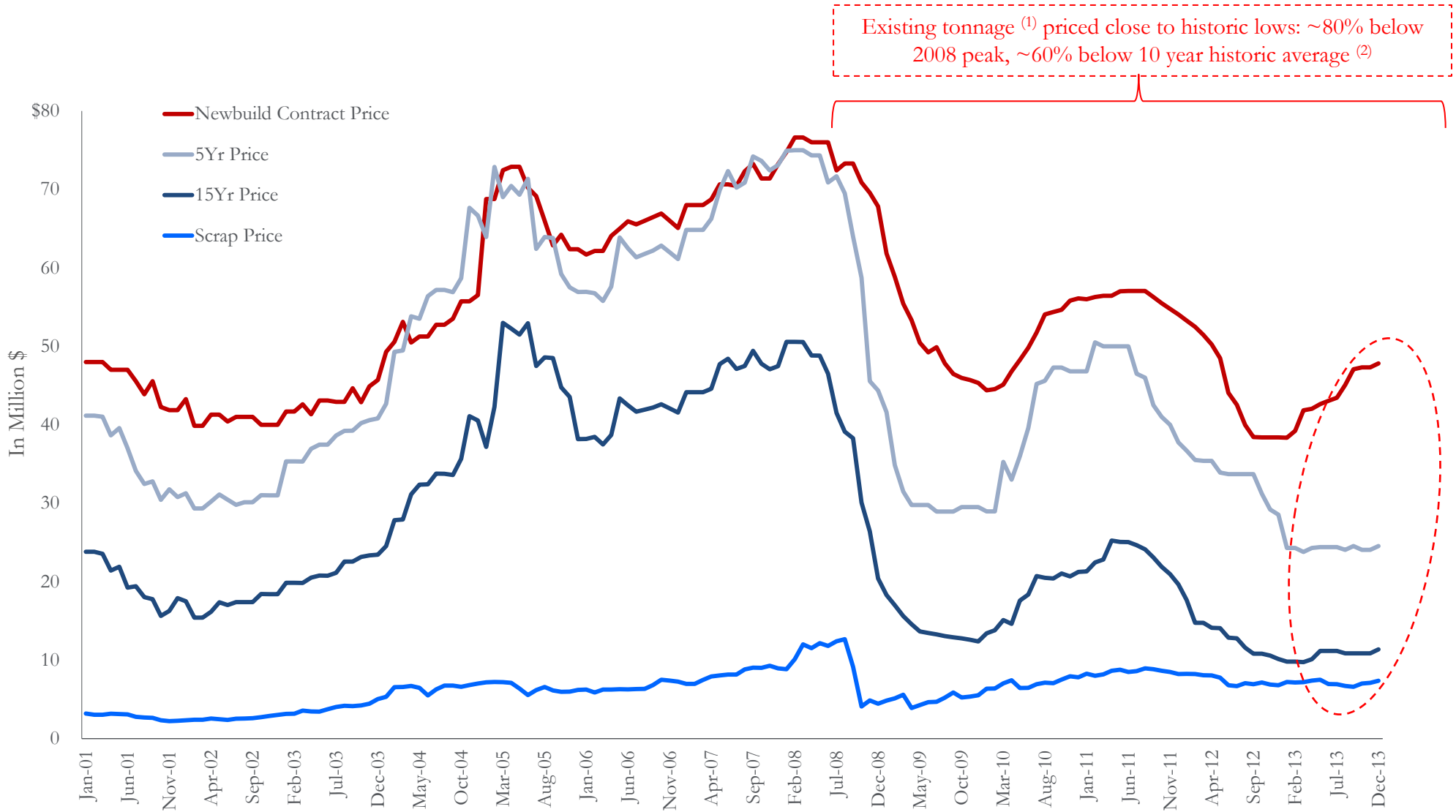
- Refinancing extends maturity profile
- New \$40mm revolver provides added immediate liquidity

### Capital Allocation

- Flexibility to pursue an accretive capital allocation strategy
- Weigh importance of near term dividend against opportunity to make accretive investments and build an increased, sustainable dividend capacity
- Business model and strong growth prospects support a sustainable dividend over time

# Attractive Asset Values

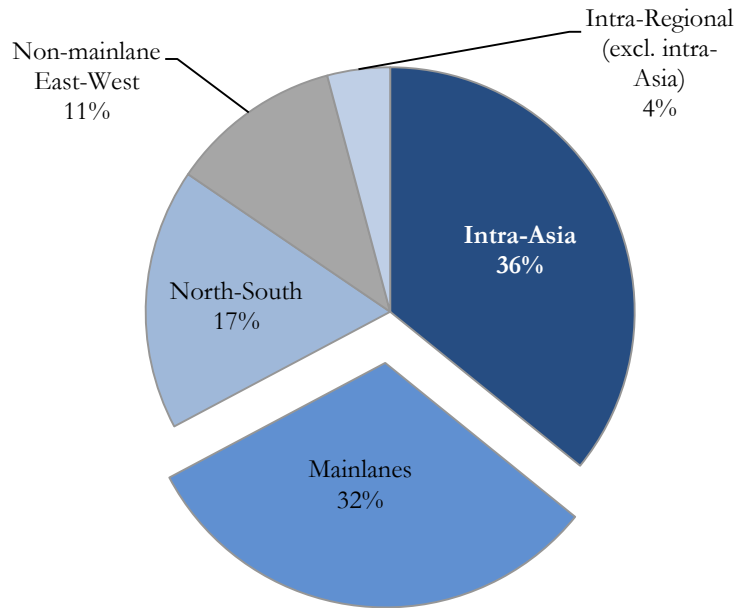
## Illustrative Historical Vessel Prices (2001 – 2013) <sup>(1)</sup>



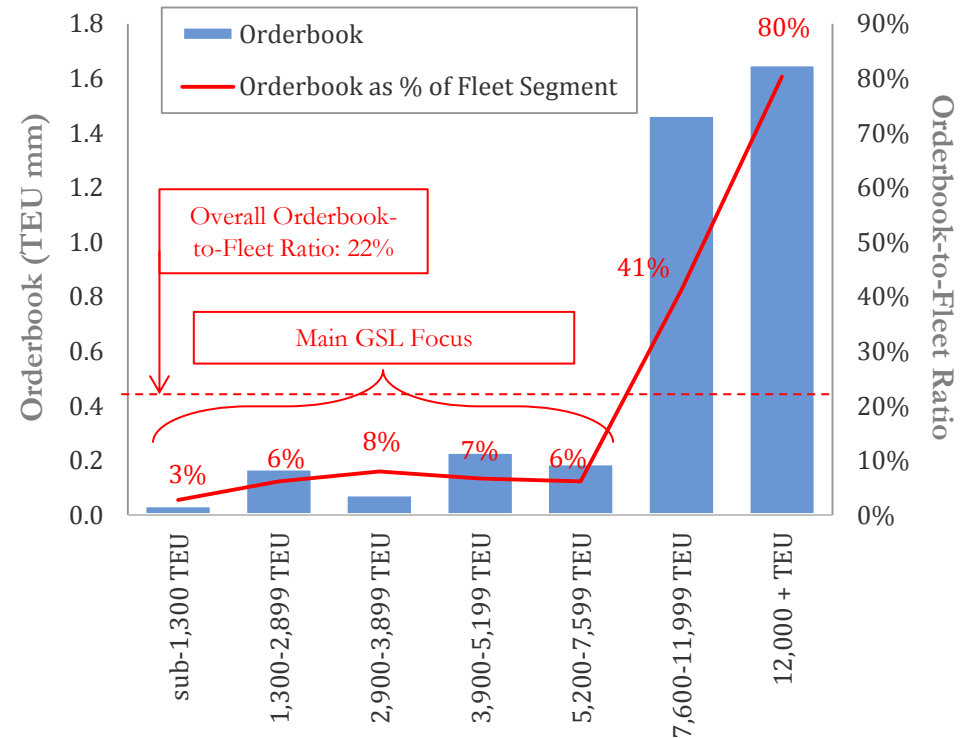
(1) 4,400 TEU vessel prices shown; source MSI  
 (2) Based on 15 year old 4,400 TEU tonnage

# Mid-Sized & Smaller Ships Provide Most Favorable Mid-Term Opportunities

Composition of Global Containerized Trade, 2013E<sup>1</sup>



Orderbook Composition by Fleet Segment<sup>1</sup>



- Non-mainlane trades collectively represent almost 70% of global containerized volumes and are predominantly served by mid-size and smaller tonnage
- Ordering activity remains heavily weighted towards larger tonnage, primarily focused on mainlane trades
- Scrapping activity is accelerating with continuing distress in the German KG environment; all tonnage scrapped to date has been smaller than 5,200 TEU
- We see attractive near-term investment opportunities in mid-size and smaller tonnage

(1) Source: MSI, as at December 31, 2013

# Highlights

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## High Quality, Diverse and Versatile Fleet

- Existing fleet weighted towards mid-size and smaller vessels and includes geared capacity: underbuilt size segments with flexible deployment alternatives
- Strong utilization of 99%+ <sup>(1)</sup>

## Stable and Visible Cash Flows

- All vessels on fixed rate time charters, with only two coming off lease before late 2017
- 7.8 years<sup>(2)</sup> weighted average remaining term charter duration protects from near term volatility
- Staggered maturities reduce exposure to recharter risk
- \$965 mm contracted forward revenue (up from \$911 mm, due to Charter Extensions)

## Strong Relationship with CMA CGM

- Third largest liner in the world; currently GSL's sole customer and ship manager
- Vested interested in GSL's success with 45% ownership
- Performed throughout cycle, in line with contracted charter terms

## Financial Strength and Flexibility

- Stable financial profile with 2013 revenues of \$143mm and Adjusted EBITDA of \$92mm
- Access to public and private capital markets, when traditional sources of capital are constrained
- Capacity to make accretive investments with asset values at cyclical lows
- Ability to consider paying dividends, with certain limitations, on go-forward basis

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(1) 99.7% for period from January 1, 2008 to December 31, 2013 excluding planned drydocking

(2) Excludes 2014 maturities for *Ville d'Aquarius* and *Ville d'Orion* (spot vessels); includes Charter Extensions