November 14, 2013

Global Ship Lease Reports Results for the Third Quarter of 2013

LONDON, Nov. 14, 2013 (GLOBE NEWSWIRE) -- Global Ship Lease, Inc. (NYSE:GSL), a containership charter owner, announced today its unaudited results for the three months and nine months ended September 30, 2013.

Third Quarter and Year To Date Highlights

- Reported revenue of $36.1 million for the third quarter 2013. Revenue for the nine months ended September 30, 2013 was $107.2 million

- Reported net income of $7.3 million for the third quarter 2013, including a $1.4 million non-cash interest rate derivative mark-to-market gain. For the nine months ended September 30, 2013, net income was $24.6 million, after an $11.8 million non-cash mark-to-market gain

- Generated $23.5 million of Adjusted EBITDA[(1)] for the third quarter 2013. Adjusted EBITDA for the nine months ended September 30, 2013 was $68.6 million

- Excluding the non-cash mark-to-market items, normalized net income[(1)] was $5.9 million for the third quarter 2013 and $12.8 million for the nine months ended September 30, 2013

- Repaid $15.8 million of debt during the third quarter 2013 for a total repayment of $214.8 million since the fourth quarter 2009

Ian Webber, Chief Executive Officer of Global Ship Lease, stated, "During the third quarter, our fleet achieved 100 percent utilization, giving maximum possible revenue and enabling the Company to generate $23.5 million of Adjusted EBITDA. We used our robust cashflow to reduce our debt, repaying $15.8 million during the quarter for a total of $214.8 million repaid since the fourth quarter of 2009. With a fully time chartered fleet and nearly $1 billion in contracted revenues and a de-levered balance sheet, we remain in a strong position to generate stable cash flow for shareholders and further strengthen our balance sheet."

SELECTED FINANCIAL DATA — UNAUDITED

(thousands of U.S. dollars)

	Three months ended September 30, 2013	Three months ended September 30, 2012	**Nine months ended September 30, 2013**	Nine months ended September 30, 2012
Revenue	**36,080**	39,454	**107,156**	117,037
Operating Income	**13,450**	16,761	**38,352**	48,583
Net Income	**7,264**	8,343	**24,625**	23,807
Adjusted EBITDA (1)	**23,544**	26,905	**68,642**	78,860
Normalized Net Income (1)	**5,874**	6,851	**12,794**	18,732

(1) Adjusted 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 fixed rate long-term time charters of $36.1 million in the three months ended September 30, 2013, down $3.4 million on revenue of $39.5 million for the comparative period in 2012 due mainly to reduced revenue for two vessels following charter renewals at lower rates after the initial charters expired in September 2012, offset by less offhire from reduced levels of planned drydocking. There were 1,564 ownership days in the quarter, the same as the comparable period in 2012. There was no offhire in the three months ended September 30, 2013, giving utilization of 100.0%. In the comparable period of 2012, there were 12 days offhire, all for planned drydockings, for utilization of 99.2%.

For the nine months ended September 30, 2013, revenue was $107.2 million, down $9.8 million on revenue of $117.0 million in the comparative period, mainly due to lower revenue from charter renewals and 17 fewer ownership days as 2012 was a leap year, offset by 55 days less offhire, mainly from reduced levels of planned drydockings.

The table below shows fleet utilization for the three and nine months ended September 30, 2013 and 2012 and for the years ended December 31, 2012, 2011, 2010 and 2009.

	Three months ended		Nine months ended					
Days	Sept 30, 2013	Sept 30, 2012	Sept 30, 2013	Sept 30, 2012	Dec 31, 2012	Dec 31, 2011	Dec 31, 2010	Dec 31, 2009
Ownership days	1,564	1,564	4,641	4,658	6,222	6,205	6,205	5,968
Planned offhire - scheduled drydock	0	(12)	(21)	(72)	(82)	(95)	0	(32)
Unplanned offhire	0	0	(6)	(10)	(16)	(11)	(3)	(42)
Operating days	1,564	1,552	4,614	4,576	6,124	6,099	6,202	5,894
Utilization	100.0%	99.2%	99.4%	98.2%	98.4%	98.3%	99.9%	98.8%

There were no drydockings in the second or third quarters of 2013. Two vessels were drydocked in the first quarter 2013. One further vessel has recently undergone its first special survey whilst afloat including an underwater inspection in lieu of a drydocking. As a result, the next scheduled inspection in a drydock is postponed to November 2016. Two drydockings are scheduled for 2014, and none for 2015.

Vessel Operating Expenses

Vessel operating expenses, which include costs of crew, lubricating oil, spares and insurance, were $11.1 million for the three months ended September 30, 2013. The average cost per ownership day in the quarter was $7,127, down $32 per day or 0.4% on $7,159 for the comparative period, with increased costs for crew and repairs and maintenance offset by prior period adjustments for port costs.

For the nine months ended September 30, 2013, vessel operating expenses were $34.3 million, or an average of $7,391 per day, compared to $34.1 million in the comparative period, or $7,315 per day. The increase of $76 per day, or 1.0%, is mainly due to increased costs for crew and repairs and maintenance offset by prior period adjustments for port costs.

Depreciation

Depreciation for the three months ended September 30, 2013 was $10.1 million, the same as for the comparative period.

Depreciation for the nine months ended September 30, 2013 was $30.3 million, the same as for the comparative period.

General and Administrative Costs

General and administrative costs were $1.5 million in the three months ended September 30, 2013, compared to $1.4 million in the third quarter of 2012.

For the nine months ended September 30, 2013, general and administrative costs were $4.5 million compared to $4.3 million for 2012.

Other Operating Income

Other operating income in the three months ended September 30, 2013 was $0.1 million, the same as for the third quarter 2012.

For the nine months ended September 30, 2013, other operating income was $0.3 million, compared to $0.2 million for the nine months to September 30, 2012.

Adjusted EBITDA

As a result of the above, Adjusted EBITDA was $23.5 million for the three months ended September 30, 2013, down from $26.9 million for the three months ended September 30, 2012.

Adjusted EBITDA for the nine months ended September 30, 2013 was $68.6 million, compared to $78.9 million for the comparative period.

Interest Expense

Interest expense, excluding the effect of interest rate derivatives which do not qualify for hedge accounting, for the three months ended September 30, 2013 was $4.7 million. The Company's borrowings under its credit facility averaged $400.1 million during the three months ended September 30, 2013. There were $45.0 million preferred shares throughout the period, giving total average borrowings through the three months ended September 30, 2013 of $445.1 million. Interest expense in the comparative period in 2012 was $5.3 million on average borrowings, including the preferred shares, of $505.5 million.

For the nine months ended September 30, 2013, interest expense, excluding the effect of interest rate derivatives which do not qualify for hedge accounting, was $14.4 million. The Company's borrowings under its credit facility and including the $45.0 million preferred shares, averaged $457.1 million during the nine months ended September 30, 2013. Interest expense for the nine months ended September 30, 2012 was $16.1 million based on average borrowings in that period, including the preferred shares, of $518.9 million.

Interest income for the three and nine months ended September 30, 2013 and 2012 was not material.

Effect of Interest Rate Derivatives

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. The Company's derivative hedging instruments gave a realized loss of $2.9 million in the three months ended September 30, 2013 for settlement of swaps in the period, as current LIBOR rates are lower than the average fixed rates. This loss is $1.5 million lower than the $4.6 million in the three months ended September 30, 2012, as $253 million of derivatives expired in March 2013. A further $50 million of derivatives expire November 29, 2013. 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 as an unrealized gain or loss. There was a $1.4 million unrealized gain in the three months ended September 30, 2013 for revaluation of the balance sheet position given current LIBOR and movements in the forward curve for interest rates. This compares to an unrealized gain of $1.5 million in the three months ended September 30, 2012.

For the nine months ended September 30, 2013, the realized loss from hedges was $11.2 million and the unrealized gain was $11.8 million. This compares to a realized loss of $13.7 million and an unrealized gain of $5.1 million in the nine months ended September 30, 2012.

At September 30, 2013, interest rate derivatives totaled $327.0 million against floating rate debt of $429.3 million, including the preferred shares. The total mark-to-market unrealized loss recognized as a liability on the balance sheet at September 30, 2013 was $23.8 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 September 30, 2013 was $24,000, compared to $22,000 in the third quarter of 2012.

Taxation for the nine months ended September 30, 2013 was $63,000, compared to $90,000 for the comparative period in 2012.

Net Income/Loss

Net income for the three months ended September 30, 2013 was $7.3 million after $1.4 million non-cash interest rate derivative mark-to-market gain. For the three months ended September 30, 2012, net income was $8.3 million after the $1.5 million non-cash interest rate derivative mark-to-market gain. Normalized net income, which excludes the effect of the non-cash interest rate derivative mark-to-market gains and losses, was $5.9 million for the three months ended September 30, 2013 and $6.9 million for the three months ended September 30, 2012.

Net income was $24.6 million for the nine months ended September 30, 2013 after an $11.8 million non-cash interest rate derivative mark-to-market gain. For the nine months ended September 30, 2012, net income was $23.8 million after the $5.1 million non-cash interest rate derivative mark-to-market gain. Normalized net income was $12.8 million for the nine months ended September 30, 2013 and $18.7 million for the nine months ended September 30, 2012.

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-2012. 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, 2012, 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 December 1, 2014. Under the terms of the waiver, the fixed interest margin to be paid over LIBOR increased to 3.75%, 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 September 30, 2013, a total of $15.8 million of debt was repaid, leaving a balance outstanding of $384.3 million.

Dividend

Global Ship Lease is not currently able to pay a dividend on common shares under the terms of the credit facility waiver.

Fleet

The following table provides information, as at September 30, 2013, 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	0.6	April 1, 2014	7,000
Ville d'Aquarius	4,113	1996	Dec 2007	0.6	April 1, 2014	7,000
CMA CGM Matisse	2,262	1999	Dec 2007	3.2	Sept 21, 2016	18,465
CMA CGM Utrillo	2,262	1999	Dec 2007	3.2	Sept 11, 2016	18,465
Delmas Keta	2,207	2003	Dec 2007	4.2	Sept 20, 2017	18,465
Julie Delmas	2,207	2002	Dec 2007	4.2	Sept 11, 2017	18,465
Kumasi	2,207	2002	Dec 2007	4.2	Sept 21, 2017	18,465
Marie Delmas	2,207	2002	Dec 2007	4.2	Sept 14, 2017	18,465
CMA CGM La Tour	2,272	2001	Dec 2007	3.2	Sept 20, 2016	18,465
CMA CGM Manet	2,272	2001	Dec 2007	3.2	Sept 7, 2016	18,465
CMA CGM Alcazar	5,089	2007	Jan 2008	7.2	Oct 18, 2020	33,750
CMA CGM Château d'If	5,089	2007	Jan 2008	7.2	Oct 11, 2020	33,750
CMA CGM Thalassa	11,040	2008	Dec 2008	12.2	Oct 1, 2025	47,200
CMA CGM Jamaica	4,298	2006	Dec 2008	9.2	Sept 17, 2022	25,350

CMA CGM Sambhar	4,045	2006	Dec 2008	9.2	Sept 16, 2022	25,350
CMA CGM America	4,045	2006	Dec 2008	9.2	Sept 19, 2022	25,350
CMA CGM Berlioz	6,621	2001	Aug 2009	8.0	May 28, 2021	34,000

(1) Twenty-foot Equivalent Units.

(2) As at September 30, 2013. Plus or minus 90 days at charterer's option other than for Ville d'Orion and Ville d'Aquarius, which are plus or minus 30 days.

Conference Call and Webcast

Global Ship Lease will hold a conference call to discuss the Company's results for the three months ended September 30, 2013 today, Thursday, November 14, 2013 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: 94970340

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, November 28, 2013 at (866) 247-4222 or (631) 510-7499. Enter the code 94970340 to access the audio replay. The webcast will also be archived on the Company's website: http://www.globalshiplease.com.

Annual Report on Form 20F

Global Ship Lease, Inc has filed its Annual Report for 2012 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 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 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 September 30, 2013 of 9.6 years. All of the current vessels are fixed on charters to CMA CGM with an average remaining term of 5.5 years, or 6.7 years on a weighted basis.

Reconciliation of Non-U.S. GAAP Financial Measures

A. Adjusted EBITDA

Adjusted EBITDA represents Net income (loss) before interest income and expense including amortization of deferred finance costs, realized and unrealized gain (loss) on derivatives, income taxes, depreciation, amortization and impairment charges. 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 (loss) or any other financial metric required by such accounting principles.

ADJUSTED EBITDA - UNAUDITED

(thousands of U.S. dollars)

	Three	Three	Nine	Nine

	Three months ended Sept 30, 2013	Three months ended Sept 30, 2012	Nine months ended Sept 30, 2013	Nine months ended Sept 30, 2012
	months ended Sept 30, 2013	months ended Sept 30, 2012	months ended Sept 30, 2013	months ended Sept 30, 2012
Net income	7,264	8,343	24,625	23,807
Adjust: Depreciation	10,094	10,144	30,290	30,277
Interest income	(12)	(22)	(35)	(66)
Interest expense	4,687	5,272	14,363	16,087
Realized loss on interest rate derivatives	2,877	4,638	11,167	13,740
Unrealized (gain) on interest rate derivatives	(1,390)	(1,492)	(11,831)	(5,075)
Income tax	24	22	63	90
Adjusted EBITDA	23,544	26,905	68,642	78,860

B. Normalized net income

Normalized net income represents Net income (loss) adjusted for the unrealized gain (loss) on derivatives, the accelerated write off of a portion of deferred financing costs and impairment charges. 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 (loss) or any other financial metric required by such accounting principles.

NORMALIZED NET INCOME - UNAUDITED

(thousands of U.S. dollars)

	Three months ended Sept 30, 2013	Three months ended Sept 30, 2012	Nine months ended Sept 30, 2013	Nine months ended Sept 30, 2012
Net income (loss)	7,264	8,343	24,625	23,807
Adjust: Unrealized (gain) on interest rate derivatives	(1,390)	(1,492)	(11,831)	(5,075)
Normalized net income	5,874	6,851	12,794	18,732

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 CMA CGM, our 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 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;
- 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 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 September 30,		**Nine months ended September 30,**	
	2013	**2012**	**2013**	**2012**
Operating Revenues				
Time charter revenue	$ 36,080	$ 39,454	$ 107,156	$ 117,037
Operating Expenses				
Vessel operating expenses	11,146	11,196	34,300	34,073
Depreciation	10,094	10,144	30,290	30,277

General and administrative	1,490	1,421	4,546	4,330
Other operating income	(100)	(68)	(332)	(226)
Total operating expenses	22,630	22,693	68,804	68,454
Operating Income	13,450	16,761	38,352	48,583
Non Operating Income (Expense)				
Interest income	12	22	35	66
Interest expense	(4,687)	(5,272)	(14,363)	(16,087)
Realized loss on interest rate derivatives	(2,877)	(4,638)	(11,167)	(13,740)
Unrealized gain on interest rate derivatives	1,390	1,492	11,831	5,075
Income before Income Taxes	7,288	8,365	24,688	23,897
Income taxes	(24)	(22)	(63)	(90)
Net Income	$ 7,264	$ 8,343	$ 24,625	$ 23,807
Earnings per Share				
Weighted average number of Class A common shares outstanding				
Basic	47,513,934	47,481,864	47,513,934	47,481,733
Diluted	47,769,990	47,636,298	47,763,314	47,600,196
Net income per Class A common share				
Basic	$ 0.15	$ 0.18	$ 0.52	$ 0.50
Diluted	$ 0.15	$ 0.18	$ 0.52	$ 0.50
Weighted average number of Class B common shares outstanding				
Basic and diluted	7,405,956	7,405,956	7,405,956	7,405,956
Net income per Class B common share				
Basic and diluted	$ 0.00	$ 0.00	$ 0.00	$ 0.00

Global Ship Lease, Inc.

Interim Unaudited ConsolidatedBalance Sheets

(Expressed in thousands of U.S. dollars)

	September 30, 2013	**December 31, 2012**
Assets		
Cash and cash equivalents	$ 26,852	$ 26,145
Restricted cash	3	3
Accounts receivable	7,328	14,417
Prepaid expenses	1,273	795

Other receivables	1,237	1,165
Deferred financing costs	1,538	1,493
Total current assets	38,231	44,018
Vessels in operation	827,959	856,394
Other fixed assets	11	29
Intangible assets	58	73
Deferred financing costs	2,116	3,166
Total non-current assets	830,144	859,662
Total Assets	$ 868,375	$ 903,680
Liabilities and Stockholders' Equity		
Liabilities		
Current portion of long term debt	$ 60,937	$ 50,572
Intangible liability — charter agreements	2,119	2,119
Accounts payable	1,286	5,353
Accrued expenses	4,076	5,419
Derivative instruments	9,974	12,225
Total current liabilities	78,392	75,688
Long term debt	323,339	375,104
Preferred shares	44,976	44,976
Intangible liability — charter agreements	16,344	17,931
Deferred tax liability	39	27
Derivative instruments	13,786	23,366
Total long term liabilities	398,484	461,404
Total Liabilities	$ 476,876	$ 537,092
Commitments and contingencies	--	--
Stockholders' Equity		
Class A Common stock — authorized 214,000,000 shares with a $0.01 par value; 47,513,934 shares issued and outstanding (2012 — 47,481,864)	$ 475	$ 475
Class B Common stock — authorized 20,000,000 shares with a $0.01 par value; 7,405,956 shares issued and outstanding (2012 — 7,405,956)	74	74
Additional paid in capital	352,602	352,316

Retained earnings	38,348	13,723
Total Stockholders' Equity	391,499	366,588
Total Liabilities and Stockholders' Equity	$ 868,375	$ 903,680

Global Ship Lease, Inc.

Interim Unaudited Consolidated Statements of Cash Flows

(Expressed in thousands of U.S. dollars)

	Three months ended September 30,		**Nine months ended September 30,**	
	2013	**2012**	**2013**	**2012**
Cash Flows from Operating Activities				
Net income	$ 7,264	$ 8,343	$ 24,625	$ 23,807
Adjustments to Reconcile Net income to Net Cash Provided by Operating Activities				
Depreciation	10,094	10,144	30,290	30,277
Amortization of deferred financing costs	342	300	1,005	913
Change in fair value of derivative instruments	(1,390)	(1,492)	(11,831)	(5,075)
Amortization of intangible liability	(530)	(530)	(1,589)	(1,589)
Settlement of hedges which do not qualify for hedge accounting	2,877	4,638	11,167	13,740
Share based compensation	101	131	286	378
(Increase) decrease in other receivables and other assets	(2,031)	5,977	6,495	6,472
(Decrease) increase in accounts payable and other liabilities	(1,161)	(2,226)	(4,577)	(105)
Unrealized foreign exchange (gain) loss	12	2	10	12
Net Cash Provided by Operating Activities	15,578	25,287	55,881	68,830
Cash Flows from Investing Activities				
Settlement of hedges which do not qualify for hedge accounting	(2,877)	(4,638)	(11,167)	(13,740)
Cash paid for drydockings	(1,003)	(792)	(2,607)	(4,730)
Net Cash Used in Investing Activities	(3,880)	(5,430)	(13,774)	(18,470)
Cash Flows from Financing Activities				
Repayment of debt	(15,803)	(23,000)	(41,400)	(46,856)
Variation in restricted cash	--	3,024	--	3,024
Repayment of preferred shares	--	(3,024)	--	(3,024)
Net Cash Used in Financing Activities	(15,803)	(23,000)	(41,400)	(46,856)
Net (decrease) increase in Cash and Cash Equivalents	(4,105)	(3,143)	707	3,504
Cash and Cash Equivalents at start of Period	30,957	32,461	26,145	25,814

Cash and Cash Equivalents at end of Period	$ 26,852	$ 29,318	$ 26,852	$ 29,318
Supplemental information				
Total interest paid	$ 5,685	$ 5,013	$ 14,841	$ 15,414
Income tax paid	$ 24	$ 19	$ 59	$ 45

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