



Global Ship Lease Obtains Loan-to-Value Waiver

LONDON, Nov. 30, 2011 (GLOBE NEWSWIRE) -- Global Ship Lease, Inc. (NYSE:GSL), a containership charter owner, announced that it had today entered into an agreement with its lenders to waive until November 30, 2012 the requirement under its credit facility to conduct loan-to-value tests.

The credit facility requires that loan-to-value, which is the ratio of outstanding borrowings under the credit facility to the aggregate charter-free market value of the secured vessels, cannot exceed 75%. Due to the current downturn in the containership market and consequent impact on vessel values, the Company previously anticipated that loan-to-value would exceed 75% at the scheduled test date of November 30, 2011. Accordingly, the Company engaged its lenders to waive the loan-to-value requirement.

Under the terms of the agreement, the loan-to-value test has been waived until the test due on November 30, 2012. The credit facility agreement provides that during the period of such a waiver:

- Amounts borrowed under the credit facility will bear interest at LIBOR plus a fixed interest margin of 3.50%.
- The Company will be unable to pay dividends to common shareholders.
- Cash flow will be used to prepay borrowings under the credit facility; the amount of cash in excess of \$20 million as at November 30, 2011 (and quarterly thereafter) will be the amount of the prepayment due December 31, 2011 (and quarterly thereafter).

If loan-to-value as of November 30, 2012 is not greater than 75%, as provided in the credit facility agreement, the fixed interest margin will become 3.00% (or 2.50% if loan-to-value is no more than 65%), dividends on common shares can be paid and the prepayment of borrowings will become fixed at \$10 million per quarter.

Ian Webber, Chief Executive Officer of Global Ship Lease, stated, "Global Ship Lease's long-term time charter contracts generate stable revenues and predictable cash flows, which are largely unaffected by the loan-to-value ratio. The strength of our business model has allowed us to suspend the testing of loan-to-value at a time when containership values continue to experience declines. The waiver insulates the Company, until November 30, 2012, from the volatility of asset values. Further, we are aggressively paying down debt, thus strengthening our balance sheet for the long-term benefit of shareholders. Since August 2009, we have reduced our debt by \$100.1 million."

Mr. Webber concluded, "In a challenging global economic environment, our time charters continue to perform as expected. Our fleet of 17 vessels has an average remaining time charter duration of over eight years on a weighted basis, representing total contracted revenue of \$1.2 billion. Only two of our 17 charters are due for renewal in the next five years. We maintain a positive long-term outlook on our future business prospects and intend to continue to focus on preserving the Company's financial strength for the long-term benefit of Global Ship Lease and its shareholders."

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 November 30, 2011 of 7.7 years. All of the current vessels are fixed on long-term charters to CMA CGM with an average remaining term of 7.1 years, or 8.4 years on a weighted basis.

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