

Seaspan CORP
Form 6-K
May 12, 2009
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

Form 6-K

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR 15d-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934

Date of Report: May 12, 2009

Commission File Number 1-32591

SEASPAN CORPORATION

(Exact name of Registrant as specified in its Charter)

Unit 2, 7th Floor

Bupa Centre

141 Connaught Road West

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Hong Kong

China

(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101

(b)(1). Yes No

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101

(b)(7). Yes No

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Item 1 Information Contained in this Form 6-K Report

Attached as Exhibit I is Seaspan Corporation's report on Form 6-K for the quarter ended March 31, 2009. This Form 6-K is filed with reference to and is hereby incorporated by reference into the Registration Statements filed with the Securities and Exchange Commission on September 1, 2006 on Form F-3 (Registration No. 333-137051), April 18, 2007 on Form F-3 (Registration No. 333-142195) and on May 30, 2008 on Form F-3D (Registration No. 333-151329) of Seaspan Corporation.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SEASPAN CORPORATION

Date: May 12, 2009

By: /s/ Sai W. Chu
Sai W. Chu
Chief Financial Officer

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EXHIBIT I

SEASPAN CORPORATION

REPORT ON FORM 6-K FOR THE QUARTER ENDED MARCH 31, 2009

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Interim Consolidated Balance Sheets

(Expressed in thousands of United States dollars, except number of shares and par value amounts)

| | March 31, 2009 | December 31, 2008 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|----------------------|
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 210,198 | \$ 136,285 |
| Accounts receivable | 149 | 172 |
| Prepaid expenses | 6,316 | 5,254 |
| | 216,663 | 141,711 |
| Vessels (note 3) | 3,161,917 | 3,126,489 |
| Deferred charges (note 4) | 22,228 | 20,306 |
| Other assets (note 5) | 9,094 | 8,366 |
| | \$ 3,409,902 | \$ 3,296,872 |
| Liabilities and Shareholders' Equity | | |
| Current liabilities: | | |
| Accounts payable and accrued liabilities (note 11(a)) | \$ 12,505 | \$ 15,211 |
| Deferred revenue | 3,421 | 8,443 |
| | 15,926 | 23,654 |
| Long-term debt (note 6) | 1,761,244 | 1,721,158 |
| Other long-term liability (note 7) | 395,300 | 390,931 |
| Fair value of financial instruments (note 13(c)) | 393,365 | 414,769 |
| Shareholders' equity: | | |
| Share capital (note 8): | | |
| Class A common shares; \$0.01 par value; 200,000,000 shares authorized; 67,168,559 shares issued and outstanding (2008 - 66,800,041) | | |
| Class B common shares; \$0.01 par value; 25,000,000 shares authorized; nil shares issued and outstanding (2008 - nil) | | |
| Class C common shares; \$0.01 par value; 100 shares authorized; 100 shares issued and outstanding (2008 - 100) | | |
| Preferred shares; \$0.01 par value; 65,000,000 shares authorized; nil issued and outstanding (2008 - nil) | | |
| Series A preferred shares; \$0.01 par value; 315,000 shares authorized; 100,000 issued and outstanding (2008 - nil); liquidation preference of \$101,973 (2007 - nil) | 673 | 668 |
| Additional paid in capital | 1,384,749 | 1,282,189 |
| Deficit | (450,630) | (443,081) |

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| | | |
|--------------------------------------|--------------|--------------|
| Accumulated other comprehensive loss | (90,725) | (93,416) |
| | 844,067 | 746,360 |
| | \$ 3,409,902 | \$ 3,296,872 |

Commitments and contingent obligations (note 12)

Subsequent events (note 14)

See accompanying notes to interim consolidated financial statements.

Table of Contents**SEASPAN CORPORATION**

Interim Consolidated Statement of Operations

(Unaudited)

(Expressed in thousands of United States dollars, except per share amount)

| | Three months ended March 31, 2009 | Three months ended March 31, 2008 |
|-----------------------------------------------|--------------------------------------------|--------------------------------------------|
| Revenue | \$ 63,127 | \$ 54,215 |
| Operating expenses: | | |
| Ship operating (note 2(a)) | 17,692 | 12,604 |
| Depreciation | 15,775 | 13,741 |
| General and administrative | 2,069 | 1,817 |
| | 35,536 | 28,162 |
| Operating earnings | 27,591 | 26,053 |
| Other expenses (earnings): | | |
| Interest expense | 5,139 | 8,616 |
| Interest income | (181) | (276) |
| Undrawn credit facility fee | 1,183 | 1,112 |
| Amortization of deferred charges (note 4) | 465 | 462 |
| Change in fair value of financial instruments | (3,233) | 53,803 |
| | 3,373 | 63,717 |
| Net earnings (loss) | \$ 24,218 | \$ (37,664) |
| Earnings (loss) per share (note 9): | | |
| Class A and B common share, basic | \$ 0.33 | \$ (0.65) |
| Class A and B common share, diluted | 0.31 | (0.65) |
| Class C common share, basic and diluted | | |

See accompanying notes to interim consolidated financial statements.

Table of Contents**SEASPAN CORPORATION**

Interim Consolidated Statement of Comprehensive Income (Loss)

(Unaudited)

(Expressed in thousands of United States dollars)

| | Three months ended March 31, 2009 | Three months ended March 31, 2008 |
|-------------------------------------------------------------------------------------------|------------------------------------------------------|------------------------------------------------------|
| Net earnings (loss) | \$ 24,218 | \$ (37,664) |
| Other comprehensive income (loss): | | |
| Change in fair value of financial instruments designated as cash flow hedging instruments | | (67,321) |
| Amounts reclassified to earnings (loss) during the period | 2,691 | 2,687 |
| Other comprehensive income (loss) | 2,691 | (64,634) |
| Comprehensive income (loss) | \$ 26,909 | \$ (102,298) |

See accompanying notes to interim consolidated financial statements.

Table of Contents**SEASPAN CORPORATION**

Interim Consolidated Statements of Shareholders' Equity

(Expressed in thousands of United States dollars, except number of shares)

Three months ended March 31, 2009

| | Number of common shares | | | Number of preferred shares | Common shares | Preferred shares | Additional paid-in capital | Deficit | Accumulated other comprehensive loss | Total shareholders' equity |
|--------------------------------------------------------------------------------------------------------------------|-------------------------|-------------|---------|----------------------------|---------------|------------------|----------------------------|--------------|--------------------------------------|----------------------------|
| | Class A | Class B | Class C | Series A | | | | | | |
| Balance, December 31, 2007 | 50,396,833 | 7,145,000 | 100 | | \$ 575 | \$ 1,046,412 | | \$ (122,317) | \$ (62,344) | \$ 862,326 |
| Class A common shares issued on public offering (note 8) | 8,713,300 | | | | 87 | 237,350 | | | | 237,437 |
| Shares issued through dividend reinvestment program (note 8) | 440,391 | | | | 5 | 5,836 | | | | 5,841 |
| Fees and expenses in connection with issuance of common shares and dividend reinvestment program | | | | | | | (9,963) | | | (9,963) |
| Share-based compensation expense (note 10): | | | | | | | | | | |
| Restricted Class A common shares and phantom share units issued | 104,517 | | | | 1 | 2,554 | | | | 2,555 |
| Conversion of class B common shares to class A common shares at termination of subordination period (note 8) | 7,145,000 | (7,145,000) | | | | | | | | |
| Net loss | | | | | | | | (199,346) | | (199,346) |
| Other comprehensive loss | | | | | | | | | (31,072) | (31,072) |
| Dividends on Class A and B common shares (\$1.90 per share) | | | | | | | | (121,418) | | (121,418) |
| Balance, December 31, 2008 | 66,800,041 | | 100 | | 668 | 1,282,189 | | (443,081) | (93,416) | 746,360 |
| Series A preferred shares issued | | | | 100,000 | 1 | 99,999 | | | | 100,000 |
| Fees and expenses in connection with issuance of common shares, dividend reinvestment program and preferred shares | | | | | | | (968) | | | (968) |
| Shares issued through dividend reinvestment program (note 8) | 290,752 | | | | 3 | 3,063 | | | | 3,066 |

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| | | | | | | | | | | |
|-----------------------------------------------------------------|------------|--|-----|---------|--------|------|--------------|--------------|-------------|------------|
| Share-based compensation expense (note 10): | | | | | | | | | | |
| Restricted Class A common shares issued and phantom share units | | | | | | | | | | |
| | 77,766 | | 1 | | 466 | | | | 467 | |
| Net earnings | | | | | | | 24,218 | | 24,218 | |
| Other comprehensive income | | | | | | | | 2,691 | 2,691 | |
| Dividends on class A common shares (\$0.475 per share) | | | | | | | (31,767) | | (31,767) | |
| Balance, March 31, 2009 | 67,168,559 | | 100 | 100,000 | \$ 672 | \$ 1 | \$ 1,384,749 | \$ (450,630) | \$ (90,725) | \$ 844,067 |

See accompanying notes to interim consolidated financial statements.

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SEASPAN CORPORATION

Interim Consolidated Statement of Cash Flows

(Unaudited)

(Expressed in thousands of United States dollars)

| | Three months ended March 31, 2009 | Three months ended March 31, 2008 |
|-----------------------------|------------------------------------------------------|------------------------------------------------------|
| Cash provided by (used in): | | |
| Operating activities: | | |