World – Class Shipping, Leading – Edge Expertise

Danaos Corporation Reports Second Quarter and Half Year Results for the Period Ended June 30, 2018

Athens, Greece, September 24, 2018 – Danaos Corporation ("Danaos") (NYSE: DAC), one of the world's largest independent owners of containerships, today reported unaudited results for the period ended June 30, 2018.

Highlights for the Second Quarter and Half Year Ended June 30, 2018:

- **On August 10, 2018, we consummated the agreement reached with certain of our lenders on June 19, 2018 for the refinancing of approximately $2.2 billion of our debt maturing on December 31, 2018, reducing our debt by approximately $551 million, resetting financial and other covenants, modifying interest rates and amortization profiles and extending debt maturities by approximately five years to December 31, 2023. In connection with this refinancing, we issued approximately 99.3 million shares of common stock to certain of our lenders. See "Debt Refinancing".**
- **Adjusted net income[1] of $29.2 million, or $0.27 per share, for the three months ended June 30, 2018 compared to $29.0 million, or $0.26 per share, for the three months ended June 30, 2017, an increase of 0.7%. Adjusted net income[1] of $57.1 million, or $0.52 per share, for the six months ended June 30, 2018 compared to $53.6 million, or $0.49 per share, for the six months ended June 30, 2017, an increase of 6.5%.**
- **Operating revenues of $113.5 million for the three months ended June 30, 2018 compared to $113.9 million for the three months ended June 30, 2017, a decrease of 0.4%. Operating revenues of $225.3 million for the six months ended June 30, 2018 compared to $224.0 million for the six months ended June 30, 2017, an increase of 0.6%.**
- **Adjusted EBITDA[1] of $78.3 million for the three months ended June 30, 2018 compared to $78.1 million for the three months ended June 30, 2017, an increase of 0.3%. Adjusted EBITDA[1] of $154.9 million for the six months ended June 30, 2018 compared to $150.6 million for the six months ended June 30, 2017, an increase of 2.9%.**
- **Total contracted operating revenues were $1.6 billion as of June 30, 2018, with charters extending through 2028 and remaining average contracted charter duration of 5.3 years, weighted by aggregate contracted charter hire.**
- **Charter coverage of 87% for the next 12 months based on current operating revenues and 77% in terms of contracted operating days.**

Three and Six Months Ended June 30, 2018
Financial Summary - Unaudited
(Expressed in thousands of United States dollars, except per share amounts)

	Three months ended June 30, 2018	Three months ended June 30, 2017	Six months ended June 30, 2018	Six months ended June 30, 2017
Operating revenues	$113,466	$113,888	$225,320	$223,975
Net income	$5,838	$20,229	$20,830	$38,672
Adjusted net income[1]	$29,178	$29,037	$57,129	$53,559
Earnings per share	$0.05	$0.18	$0.19	$0.35
Adjusted earnings per share[1]	$0.27	$0.26	$0.52	$0.49
Weighted average number of shares (in thousands)	109,799	109,825	109,799	109,825
Adjusted EBITDA[1]	$78,294	$78,063	$154,932	$150,609

[1]Adjusted net income, adjusted earnings per share and adjusted EBITDA are non-GAAP measures. Refer to the reconciliation of net income to adjusted net income and net income to adjusted EBITDA.

Danaos' CEO Dr. John Coustas commented:

"Following the successful completion of our debt re-financing, the Company's capital structure has been strengthened by a significant debt reduction of approximately $551 million, while financial covenants have been amended and the maturities have been extended by more than 5 years until the end of 2023. We are currently fully compliant with all terms of our debt agreements and the Company is now free to resume its pursuit of growth opportunities with the goal of creating value for its shareholders.

The Company continued to achieve strong financial results in the second quarter of 2018. Adjusted net income of $29.2 million for the quarter was slightly higher when compared to $29 million for the second quarter of 2017.

The charter market, showed signs of improvement in the second quarter, but has softened by about 10 - 15% on average across all segments since June. Larger vessels have recorded slightly higher percentage reductions as they had outpaced the market average. The market is very skeptical of trade developments and the recently announced new tariffs on Chinese imports. At the same time uncertainty discourages new ordering, which is positive for the medium to long-term health of the charter market as liner companies are refraining from making substantial commitments until the outlook becomes clearer. There is interest on the new regulations and the question of scrubbers and we expect this to play out over the next few months.

We are of course largely insulated from the softening charter market since we maintain high charter contract coverage of 87% for the next 12 months based on current operating revenues and 77% in terms of contracted operating days.

Danaos continues to be a leader in the container shipping industry as a result of our intense focus on continuously enhancing our operations and leveraging technical innovation to provide the highest quality service to our customers. Our industry has undergone significant changes during the past few years, and with the improved capital structure contemplated by our comprehensive re-financing agreement, we are well positioned to take advantage of the growth opportunities in the container sector and create value for our shareholders."

Three months ended June 30, 2018 compared to the three months ended June 30, 2017

During the three months ended June 30, 2018 and June 30, 2017, Danaos had an average of 55 containerships. Our fleet utilization for the three months ended June 30, 2018 was 96.1% compared to 97.9% for the three months ended June 30, 2017. The fleet utilization excluding the off charter days of the vessels that were previously chartered to Hanjin Shipping ("Hanjin") was 98.8% in the three months ended June 30, 2017.

Our adjusted net income amounted to $29.2 million, or $0.27 per share, for the three months ended June 30, 2018 compared to $29.0 million, or $0.26 per share, for the three months ended June 30, 2017. We have adjusted our net income in the three months ended June 30, 2018 for refinancing related professional fees of $20.1 million and a non-cash amortization charge of $3.2 million for fees related to our 2011 comprehensive financing plan (comprised of non-cash, amortizing and accrued finance fees). Please refer to the Adjusted Net Income reconciliation table, which appears later in this earnings release.

The increase of $0.2million in adjusted net income for the three months ended June 30, 2018 compared to the three months ended June 30, 2017 is attributable to a $1.8 million decrease in total operating expenses, a $0.5 million increase in other income and a $0.1 million operating performance improvement on equity investments, which were partially offset by a $0.4 million decrease in operating revenues and a $1.8 million increase in net finance expenses.

On a non-adjusted basis, our net income amounted to $5.8 million, or $0.05 per share, for the three months ended June 30, 2018 compared to net income of $20.2 million, or $0.18per share, for the three months ended June 30, 2017.

Operating Revenues

Operating revenues decreased by 0.4%, or $0.4 million, to $113.5 million in the three months ended June 30, 2018 from $113.9 million in the three months ended June 30, 2017.

Operating revenues for the three months ended June 30, 2018 reflect:

- $3.0 million increase in revenues in the three months ended June 30, 2018 compared to the three months ended June 30, 2017 due to the re-chartering of certain of our vessels at higher rates.
- $3.4 million decrease in revenues due to lower fleet utilization of our vessels in the three months ended June 30, 2018 compared to the three months ended June 30, 2017 (other than three vessels previously chartered to Hanjin which were less utilized in the three months ended June 30, 2017).

Vessel Operating Expenses

Vessel operating expenses decreased by 1.8%, or $0.5 million, to $26.7 million in the three months ended June 30, 2018 from $27.2 million in the three months ended June 30, 2017. The average daily operating cost per vessel for vessels on time charter was $5,762 per day for the three months ended June 30, 2018 compared to $5,734 per day for the three months ended June 30, 2017. Management believes that our daily operating cost ranks as one of the most competitive in the industry.

Depreciation & Amortization

Depreciation & Amortization includes Depreciation and Amortization of Deferred Dry-docking and Special Survey Costs.

Depreciation

Depreciation expense decreased by 8.6%, or $2.5 million, to $26.7 million in the three months ended June 30, 2018 from $29.2 million in the three months ended June 30, 2017.

Amortization of Deferred Dry-docking and Special Survey Costs

Amortization of deferred dry-docking and special survey costs increased by $0.7 million, to $2.4 million in the three months ended June 30, 2018 from $1.7 million in the three months ended June 30, 2017. The increase was mainly due to the increased number of vessels dry-docked over the last six months.

General and Administrative Expenses

General and administrative expenses increased by $0.5 million to $5.8 million in the three months endedJune 30, 2018, from $5.3 million in the three months ended June 30, 2017. The increase was mainly due to increased professional fees.

Other Operating Expenses

Other Operating Expenses include Voyage Expenses.

Voyage Expenses

Voyage expenses remained stable, amounting to $3.2 million in the three months ended June 30, 2018 and in the three months ended June 30, 2017.

Interest Expense and Interest Income

Interest expense increased by 7.5%, or $1.6 million, to $23.0 million in the three months ended June 30, 2018 from $21.4 million in the three months ended June 30, 2017. The increase in interest expense was mainly due to the increase in average cost of debt due to the increase in US$ Libor between the two periods, which was partially offset by a decrease in our average debt by $152.5 million, to $2,275.1 million in the three months ended June 30, 2018, from $2,427.6 million in the three months ended June 30, 2017 and a $0.3 million decrease in the amortization of deferred finance costs.

As of June 30, 2018, the debt outstanding gross of deferred finance costs was $2,293.9 million compared to $2,425.3 million as of June 30, 2017.

Interest income increased by $0.1 million to $1.4 million in the three months ended June 30, 2018 compared to $1.3 million in the three months endedJune 30, 2017.

Other finance costs, net

Other finance costs, net remained stable, amounting to $1.0 million in the three months ended June 30, 2018 and 2017.

Equity incomeon investments
Equity income on investments amounted to $0.2 million in the three months ended June 30, 2018 compared to $0.1 million in the three months ended June 30, 2017 and relates to the improved operating performance of Gemini Shipholdings Corporation (“Gemini”), in which the Company has a 49% shareholding interest.

Loss on derivatives
Amortization of deferred realized losses on interest rate swaps remained stable at $0.9 million in the three months ended June 30, 2018 and 2017.

Other income/(expenses), net
Other income/(expenses), net was $19.5 million in expenses in the three months ended June 30, 2018 compared to $5.1 million in expenses in the three months ended June 30, 2017 mainly due to a $14.9 million increase in refinancing-related professional fees, which were partially offset by a $0.5 million increase in other income.

Adjusted EBITDA
Adjusted EBITDA increased by 0.3%, or $0.2 million, to $78.3 million in the three months ended June 30, 2018 from $78.1 million in the three months ended June 30, 2017. As outlined above, this increase is attributable to a $0.5 million increase in other income and a $0.1 million operating performance improvement on equity investments, which were partially offset by a $0.4 million decrease in operating revenues. Adjusted EBITDA for the three months ended June 30, 2018 is adjusted for refinancing-related professional fees of $20.1 million. Tables reconciling Adjusted EBITDA to Net Income can be found at the end of this earnings release.

Six months ended June 30, 2018 compared to the six months ended June 30, 2017

During the six months ended June 30, 2018 and June 30, 2017, Danaos had an average of 55 containerships. Our fleet utilization for the six months ended June 30, 2018 was 95.9% compared to 95.3% for the six months ended June 30, 2017. The fleet utilization excluding the off charter days of the vessels that were previously chartered to Hanjin was 98.5% in the six months ended June 30, 2017.

Our adjusted net income amounted to $57.1 million, or $0.52 per share, for the six months ended June 30, 2018 compared to $53.6 million, or $0.49 per share, for the six months ended June 30, 2017. We have adjusted our net income in the six months ended June 30, 2018 for refinancing related professional fees of $29.7 million and a non-cash amortization charge of $6.6 million for fees related to our 2011 comprehensive financing plan (comprised of non-cash, amortizing and accrued finance fees). Please refer to the Adjusted Net Income reconciliation table, which appears later in this earnings release.

The increase of $3.5 million in adjusted net income for the six months ended June 30, 2018 compared to the six months ended June 30, 2017 is attributable to a $5.7 million decrease in total operating expenses, a $1.3 million increase in operating revenues and a $0.8 million increase in other income, which were partially offset by a $4.1 million increase in net finance expenses and a $0.2 million decrease in the operating performance of our equity investment in Gemini.

On a non-adjusted basis, our net income amounted to $20.8 million, or $0.19 per share, for the six months ended June 30, 2018 compared to net income of $38.7 million, or $0.35 per share, for the six months ended June 30, 2017.

Operating Revenues
Operating revenues increased by 0.6%, or $1.3 million, to $225.3 million in the six months ended June 30, 2018 from $224.0 million in the six months ended June 30, 2017.

Operating revenues for the six months ended June 30, 2018 reflect:

- $6.2 million increase in revenues in the six months ended June 30, 2018 compared to the six months ended June 30, 2017 due to the re-chartering of certain of our vessels at higher rates.

- $4.9 million decrease in revenues due to lower fleet utilization of our vessels in the six months ended June 30, 2018 compared to the six months ended June 30, 2017 (other than three vessels previously chartered to Hanjin which were less utilized in the six months ended June 30, 2017).

Vessel Operating Expenses
Vessel operating expenses decreased by 2.0%, or $1.1 million, to $53.6 million in the six months ended June 30, 2018 from $54.7 million in the six months ended June 30, 2017. The average daily operating cost per vessel for vessels on time charter was $5,806 per day for the six months ended June 30, 2018 compared to $5,745 per day for the six months ended June 30, 2017. Management believes that our daily operating cost ranks as one of the most competitive in the industry.

Depreciation & Amortization
Depreciation & Amortization includes Depreciation and Amortization of Deferred Dry-docking and Special Survey Costs.

Depreciation
Depreciation expense decreased by 7.2%, or $4.2 million, to $53.8 million in the six months ended June 30, 2018 from $58.0 million in the six months ended June 30, 2017.

Amortization of Deferred Dry-docking and Special Survey Costs
Amortization of deferred dry-docking and special survey costs increased by $0.9 million, to $4.3 million in the six months ended June 30, 2018 from $3.4 million in the six months ended June 30, 2017. The increase was mainly due to the increased number of vessels dry-docked over the last six months.

General and Administrative Expenses
General and administrative expenses decreased by $0.5 million, to $11.0 million in the six months ended June 30, 2018, from $11.5 million in the six months ended June 30, 2017.

Other Operating Expenses
Other Operating Expenses include Voyage Expenses.

Voyage Expenses
Voyage expenses decreased by $0.8 million, to $6.3 million in the six months ended June 30, 2018 from $7.1 million in the six months ended June 30, 2017.

Interest Expense and Interest Income
Interest expense increased by 8.5%, or $3.6 million, to $45.9 million in the six months ended June 30, 2018 from $42.3 million in the six months ended June 30, 2017. The increase in interest expense was mainly due to the increase in average cost of debt due to the increase in US$ Libor between the two periods, which was partially offset by a decrease in our average debt by $167.5 million, to $2,288.2 million in the six months ended June 30, 2018, from $2,455.6 million in the six months ended June 30, 2017 and a $0.6 million decrease in the amortization of deferred finance costs.

As of June 30, 2018, the debt outstanding gross of deferred finance costs was $2,293.9 million compared to $2,425.3 million as of June 30, 2017.

Interest income remained stable, amounting to $2.8 million in the six months ended June 30, 2018 and 2017.

Other finance costs, net
Other finance costs, net decreased by $0.2 million, to $1.9 million in the six months ended June 30, 2018 from $2.1 million in the six months ended June 30, 2017.

Equity income on investments
Equity income on investments amounted to $0.2 million in the six months ended June 30, 2018 compared to $0.4 million in the six months ended June 30, 2017 and relates to the operating performance of Gemini, in which the Company has a 49% shareholding interest.

Loss on derivatives

Amortization of deferred realized losses on interest rate swaps remained stable at $1.8 million in the six months ended June 30, 2018 and 2017.

Other income/(expenses), net
Other income/(expenses), net was $28.9 million in expenses in the six months ended June 30, 2018 compared to $7.6 million in expenses in the six months ended June 30, 2017 mainly due to a $24.5 million increase in refinancing-related professional fees, which were partially offset by a $0.8 million increase in other income and a $2.4 million realized loss on sale of HMM securities in the six months ended June 30, 2017 that did not recur in the 2018 period.

Adjusted EBITDA
Adjusted EBITDA increased by 2.9%, or $4.3 million, to $154.9 million in the six months ended June 30, 2018 from $150.6 million in the six months ended June 30, 2017. As outlined above, this increase is mainly attributable to a $2.3 million decrease in operating expenses, a $1.3 million increase in operating revenues and a $0.8 million increase in other income, which were partially offset by a $0.2 million decrease in operating performance on our equity investments. Adjusted EBITDA for the six months ended June 30, 2018 is adjusted for refinancing-related professional fees of $29.7 million. Tables reconciling Adjusted EBITDA to Net Income can be found at the end of this earnings release.

Debt Refinancing

On August 10, 2018, we consummated the agreement reached with certain of our lenders on June 19, 2018 for the refinancing of approximately $2.2 billion of our debt maturing on December 31, 2018, reducing our debt by approximately $551 million. This agreement significantly strengthened our capital structure and financial position through this significant debt reduction, resetting financial and certain other covenants in our credit facilities, modifying interest rates and amortization profiles and extending debt maturities by approximately five years to December 31, 2023. In connection with this debt refinancing, we issued 99,342,271 new shares of Danaos common stock to certain of our lenders, which represent 47.5% of our outstanding common stock after giving effect to this issuance and diluting existing shareholders ratably. For additional information regarding the debt refinancing, see the Company’s Reports on Form 6-K filed with the SEC on June 25, 2018 and August 14, 2018.

Conference Call and Webcast

On Tuesday, September 25, 2018 at 9:00 A.M. ET, the Company's management will host a conference call to discuss the results.

Participants should dial into the call 10 minutes before the scheduled time using the following numbers: 1 844 802 2437 (US Toll Free Dial In), 0800 279 9489 (UK Toll Free Dial In) or +44 (0) 2075 441 375 (Standard International Dial In). Please indicate to the operator that you wish to join the Danaos Corporation earnings call.

A telephonic replay of the conference call will be available until October 2, 2018 by dialing 1 877 344 7529 (US Toll Free Dial In) or +44 (0) 2036 088 021 (Standard International Dial In) and using 10124356# as the access code.

Audio Webcast
There will also be a live and then archived webcast of the conference call through the Danaos website (www.danaos.com). Participants of the live webcast should register on the website approximately 10 minutes prior to the start of the webcast.

About Danaos Corporation
Danaos Corporation is one of the largest independent owners of modern, large-size containerships. Our current fleet of 59 containerships aggregating 351,614 TEUs, including four vessels owned by Gemini Shipholdings Corporation, a joint venture, ranks Danaos among the largest containership charter owners in the world based on total TEU capacity. Our fleet is chartered to many of the world's largest liner companies on fixed-rate charters. Our long track record of success is predicated on our efficient and rigorous operational standards and environmental controls. Danaos Corporation's shares trade on the New York Stock Exchange under the symbol "DAC".

Forward-Looking Statements

Matters discussed in this release may constitute forward-looking statements within the meaning of the safe harbor provisions of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, including statements about the expected benefits of the refinancing and other statements that are forward looking. Forward-looking statements reflect our current views with respect to future events and financial performance and may include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts. The forward-looking statements in this release are based upon various assumptions. Although Danaos Corporation believes that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond our control, Danaos Corporation cannot assure you that it will achieve or accomplish these expectations, beliefs or projections. Important factors that, in our view, could cause actual results to differ materially from those discussed in the forward-looking statements include the effects of the refinancing transactions; Danaos' ability to achieve the expected benefits of the refinancing and comply with the terms of its new credit facilities and other agreements entered into in connection with the refinancing; the strength of world economies and currencies, general market conditions, including changes in charter hire rates and vessel values, charter counterparty performance, changes in demand that may affect attitudes of time charterers to scheduled and unscheduled dry-docking, changes in Danaos Corporation's operating expenses, including bunker prices, dry-docking and insurance costs, ability to obtain financing and comply with covenants in our financing arrangements, actions taken by regulatory authorities, potential liability from pending or future litigation, domestic and international political conditions, potential disruption of shipping routes due to accidents and political events or acts by terrorists.

Risks and uncertainties are further described in reports filed by Danaos Corporation with the U.S. Securities and Exchange Commission.

Visit our website at www.danaos.com

For further information please contact:

Company Contact:

Evangelos Chatzis
Chief Financial Officer
Danaos Corporation
Athens, Greece
Tel.: +30 210 419 6480
E-Mail: **cfo@danaos.com**

Iraklis Prokopakis
Senior Vice President and Chief Operating Officer
Danaos Corporation
Athens, Greece
Tel.: +30 210 419 6400
E-Mail: **coo@danaos.com**

Investor Relations and Financial Media

Rose & Company
New York
Tel. 212-359-2228
E-Mail: **danaos@rosecoglobal.com**

Appendix

Fleet Utilization

Danaos had 84 unscheduled off-hire days in the three months ended June 30, 2018. The following table summarizes vessel utilization and the impact of the off-hire days on the Company's revenue.

Vessel Utilization (No. of Days)	**First Quarter 2018**	**Second Quarter 2018**	**Total**
Ownership Days	4,950	5,005	9,955
Less Off-hire Days:			
Scheduled Off-hire Days	(125)	(111)	(236)
Other Off-hire Days	(91)	(84)	(175)
Operating Days	**4,734**	**4,810**	**9,544**
Vessel Utilization	**95.6%**	**96.1%**	**95.9%**
Operating Revenues (in '000s of US Dollars)	**$111,854**	**$113,466**	**$225,320**
Average Gross Daily Charter Rate	**$23,628**	**$23,590**	**$23,609**

Vessel Utilization (No. of Days)	**First Quarter 2017**	**Second Quarter 2017**	**Total**
Ownership Days	4,950	5,005	9,955
Less Off-hire Days:			
Scheduled Off-hire Days	(15)	(6)	(21)
Other Off-hire Days	(347)	(99)	(446)
Operating Days	**4,588**	**4,900**	**9,488**
Vessel Utilization	**92.7%**	**97.9%**	**95.3%**
Operating Revenues (in '000s of US Dollars)	**$110,087**	**$113,888**	**$223,975**
Average Gross Daily Charter Rate	**$23,995**	**$23,242**	**$23,606**

Fleet List

The following table describes in detail our fleet deployment profile as of September 21, 2018:

Vessel Name	**Vessel Size (TEU)**	**Year Built**	**Expiration of Charter[(1)]**
Containerships			
MSC Ambition	13,100	2012	June 2024
Maersk Exeter	13,100	2012	June 2024
Maersk Enping	13,100	2012	May 2024
Hyundai Respect	13,100	2012	March 2024
Hyundai Honour	13,100	2012	February 2024
Express Rome	10,100	2011	January 2019
Express Berlin	10,100	2011	September 2019
Express Athens	10,100	2011	January 2019
CSCL Le Havre	9,580	2006	September 2018
Pusan C (ex CSCL Pusan)	9,580	2006	October 2018

CMA CGM Melisande	8,530	2012	November 2023
CMA CGM Attila	8,530	2011	April 2023
CMA CGM Tancredi	8,530	2011	May 2023
CMA CGM Bianca	8,530	2011	July 2023
CMA CGM Samson	8,530	2011	September 2023
America (ex CSCL America)	8,468	2004	June 2019
Europe	8,468	2004	January 2019
CMA CGM Moliere	6,500	2009	August 2021
CMA CGM Musset	6,500	2010	February 2022
CMA CGM Nerval	6,500	2010	April 2022
CMA CGM Rabelais	6,500	2010	June 2022
CMA CGM Racine	6,500	2010	July 2022
YM Mandate	6,500	2010	January 2028
YM Maturity	6,500	2010	April 2028
Performance	6,402	2002	May 2019
Priority	6,402	2002	December 2018
YM Seattle	4,253	2007	July 2019
YM Vancouver	4,253	2007	September 2019
Derby D	4,253	2004	March 2019
ANL Tongala (ex Deva)	4,253	2004	March 2019
ZIM Rio Grande	4,253	2008	May 2020
ZIM Sao Paolo	4,253	2008	August 2020
ZIM Kingston	4,253	2008	September 2020
ZIM Monaco	4,253	2009	November 2020
ZIM Dalian	4,253	2009	February 2021
ZIM Luanda	4,253	2009	May 2021
Dimitris C	3,430	2001	June 2019
Express Black Sea	3,400	2011	November 2018
Express Spain	3,400	2011	November 2018
Express Argentina	3,400	2010	May 2019
Express Brazil	3,400	2010	July 2019
Express France	3,400	2010	October 2018
Singapore	3,314	2004	October 2019
Colombo	3,314	2004	March 2019
MSC Zebra	2,602	2001	August 2020
Amalia C	2,452	1998	August 2019
Danae C	2,524	2001	January 2020
Advance	2,200	1997	December 2018
Future	2,200	1997	November 2018
Sprinter	2,200	1997	October 2018
Stride	2,200	1997	October 2018
Progress C (ex Hyundai Progress)	2,200	1998	October 2018
Bridge	2,200	1998	November 2018
Highway	2,200	1998	November 2018
Vladivostok	2,200	1997	October 2018
Lodestar (ex NYK Lodestar)(2)	6,422	2001	October 2018
NYK Leo(2)	6,422	2002	February 2019
Suez Canal(2)	5,610	2002	November 2018
Genoa(2)	5,544	2002	July 2019

(1) Earliest date charters could expire. Some charters include options to extend their terms.
(2) Vessels acquired by Gemini Shipholdings Corporation, in which Danaos holds a 49% equity interest.

DANAOS CORPORATION
Condensed Consolidated Statements of Income-Unaudited
(Expressed in thousands of United States dollars, except per share amounts)

	Three months ended June 30, 2018	Three months ended June 30, 2017	Six months ended June 30, 2018	Six months ended June 30, 2017
OPERATING REVENUES	**$113,466**	**$113,888**	**$225,320**	**$223,975**
OPERATING EXPENSES				
Vessel operating expenses	(26,742)	(27,216)	(53,591)	(54,671)
Depreciation & amortization	(29,106)	(30,857)	(58,009)	(61,449)
General & administrative	(5,777)	(5,340)	(10,959)	(11,469)
Other operating expenses	(3,186)	(3,216)	(6,347)	(7,055)
Income From Operations	**48,655**	**47,259**	**96,414**	**89,331**
OTHER INCOME/(EXPENSES)				
Interest income	1,418	1,344	2,793	2,815
Interest expense	(23,020)	(21,413)	(45,869)	(42,313)
Other finance expenses	(961)	(1,040)	(1,932)	(2,087)
Equity income on investments	210	149	184	355
Other income/(expenses), net	(19,543)	(5,149)	(28,928)	(7,597)
Realized loss on derivatives	(921)	(921)	(1,832)	(1,832)
Total Other Expenses, net	**(42,817)**	**(27,030)**	**(75,584)**	**(50,659)**
Net Income	**$5,838**	**$20,229**	**$20,830**	**$38,672**
EARNINGS PER SHARE				
Basic & diluted earnings per share	$0.05	$0.18	$0.19	$0.35
Basic & diluted weighted average number of common shares (in thousands of shares)	109,799	109,825	109,799	109,825

Non-GAAP Measures*
Reconciliation of Net Income to Adjusted Net Income – Unaudited

	Three months ended June 30, 2018	Three months ended June 30, 2017	Six months ended June 30, 2018	Six months ended June 30, 2017
Net income	**$5,838**	**$20,229**	**$20,830**	**$38,672**
Amortization of financing fees & finance fees accrued	3,247	3,622	6,598	7,344
Refinancing professional fees	20,093	5,186	29,701	5,186
Loss on sale of securities	-	-	-	2,357
Adjusted Net Income	**$29,178**	**$29,037**	**$57,129**	**$53,559**
Adjusted Earnings Per Share	**$0.27**	**$0.26**	**$0.52**	**$0.49**
Weighted average number of shares (in thousands)	109,799	109,825	109,799	109,825

* The Company reports its financial results in accordance with U.S. generally accepted accounting principles (GAAP). However, management believes that certain non-GAAP financial measures used in managing the business may provide users of this financial information additional meaningful comparisons between current results and results in prior operating periods. Management believes that these non-GAAP financial measures can provide additional meaningful reflection of underlying trends of the business because they provide a comparison of historical information that excludes certain items that impact the overall comparability. Management also uses these non-GAAP financial measures in making financial, operating and planning decisions and in evaluating the Company's performance. See the Table above for supplemental financial data and corresponding reconciliations to GAAP financial measures for the threeand six months ended June 30, 2018 and 2017. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, the Company's reported results prepared in accordance with GAAP.

DANAOS CORPORATION
Condensed Consolidated Balance Sheets - Unaudited
(Expressed in thousands of United States dollars)

	As of June 30, 2018	As of December 31, 2017
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$72,423	$66,895
Restricted cash	2,812	2,812
Accounts receivable, net	15,794	6,502
Other current assets	51,669	49,790
	142,698	125,999
NON-CURRENT ASSETS		
Fixed assets, net	2,743,897	2,795,971
Deferred charges, net	15,061	8,962
Investments in affiliates	6,182	5,998
Other non-current assets	58,924	49,466
	2,824,064	2,860,397
TOTAL ASSETS	**$2,966,762**	**$2,986,396**
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Long-term debt, current portion	$134,861	$2,329,601
Accounts payable, accrued liabilities & other current liabilities	54,733	50,238
	189,594	2,379,839
LONG-TERM LIABILITIES		
Long-term debt, net	2,152,957	-
Other long-term liabilities	50,335	57,852
	2,203,292	57,852
STOCKHOLDERS' EQUITY		
Common stock	1,098	1,098
Additional paid-in capital	546,898	546,898
Accumulated other comprehensive loss	(109,735)	(114,076)
Retained earnings	135,615	114,785
	573,876	548,705
Total liabilities and stockholders' equity	**$2,966,762**	**$2,986,396**

DANAOS CORPORATION
Condensed Consolidated Statements of Cash Flows - Unaudited
(Expressed in thousands of United States dollars)

	Three months ended June 30, 2018	Three months ended June 30, 2017	Six months ended June 30, 2018	Six months ended June 30, 2017
Operating Activities:				
Net income	$5,838	$20,229	$20,830	$38,672
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation	26,697	29,195	53,757	58,046
Amortization of deferred drydocking& special survey costs, finance cost and other finance fees accrued	5,656	5,284	10,850	10,747
Payments for drydocking/special survey	(3,958)	(422)	(10,351)	(4,516)
Amortization of deferred realized losses on cash flow interest rate swaps	921	921	1,832	1,832
Equity income on investments	(210)	(149)	(184)	(355)
Loss on sale of securities	-	-	-	2,357
Accounts receivable	(9,053)	(2,486)	(9,292)	(3,816)
Other assets, current and non-current	(2,116)	1,426	(8,828)	1,636
Accounts payable and accrued liabilities	1,457	576	8,093	2,618
Other liabilities, current and long-term	(5,229)	(8,856)	(11,115)	(17,170)
Net Cash provided by Operating Activities	**20,003**	**45,718**	**55,592**	**90,051**
Investing Activities:				
Vessel additions	(967)	(1,085)	(1,683)	(2,612)
Net proceeds from sale of securities	-	6,236	-	6,236
Net Cash provided by/(used in) Investing Activities	**(967)**	**5,151**	**(1,683)**	**3,624**
Financing Activities:				
Debt repayment	(6,780)	(49,614)	(48,381)	(103,572)
Net Cash used in Financing Activities	**(6,780)**	**(49,614)**	**(48,381)**	**(103,572)**
Net Increase/(Decrease) in cash, cash equivalents and restricted cash	12,256	1,255	5,528	(9,897)
Cash, cash equivalents and restricted cash, beginning of period	62,979	65,377	69,707	76,529
Cash, cash equivalents and restricted cash, end of period	**$75,235**	**$66,632**	**$75,235**	**$66,632**

DANAOS CORPORATION
Reconciliation of Net Income to Adjusted EBITDA - Unaudited
(Expressed in thousands of United States dollars)

	Three months ended June 30, 2018	Three months ended June 30, 2017	Six months ended June 30, 2018	Six months ended June 30, 2017
Net income	$5,838	$20,229	$20,830	$38,672
Depreciation	26,697	29,195	53,757	58,046
Amortization of deferred drydocking& special survey costs	2,409	1,662	4,252	3,403
Amortization of deferred finance costs and other finance fees accrued	3,247	3,622	6,598	7,344
Amortization of deferred realized losses on interest rate swaps	921	921	1,832	1,832
Interest income	(1,418)	(1,344)	(2,793)	(2,815)
Interest expense	20,507	18,592	40,755	36,584
Refinancing professional fees	20,093	5,186	29,701	5,186
Loss on sale of securities	-	-	-	2,357
Adjusted EBITDA[1]	**$78,294**	**$78,063**	**$154,932**	**$150,609**

1) Adjusted EBITDA represents net income before interest income and expense, depreciation, amortization of deferred drydocking& special survey costs and deferred finance costs, amortization of deferred realized losses on interest rate swaps, loss on sale of securities and refinancing professional fees. However, Adjusted EBITDA is not a recognized measurement under U.S. generally accepted accounting principles, or “GAAP.” 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. We also believe that Adjusted EBITDA is useful in evaluating our operating performance compared to that of other companies in our industry because the calculation of Adjusted EBITDA generally eliminates the effects of financings, income taxes and the accounting effects of capital expenditures and acquisitions, items which may vary for different companies for reasons unrelated to overall operating performance. In evaluating Adjusted EBITDA, you should be aware that in the future we may incur expenses that are the same as or similar to some of the adjustments in this presentation. Our presentation of Adjusted EBITDA should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items.

Note: Items to consider for comparability include gains and charges. Gains positively impacting net income are reflected as deductions to net income. Charges negatively impacting net income are reflected as increases to net income.

The Company reports its financial results in accordance with U.S. generally accepted accounting principles (GAAP). However, management believes that certain non-GAAP financial measures used in managing the business may provide users of these financial information additional meaningful comparisons between current results and results in prior operating periods. Management believes that these non-GAAP financial measures can provide additional meaningful reflection of underlying trends of the business because they provide a comparison of historical information that excludes certain items that impact the overall comparability. Management also uses these non-GAAP financial measures in making financial, operating and planning decisions and in evaluating the Company's performance. See the Tables above for supplemental financial data and corresponding reconciliations to GAAP financial measures for the threeand six months ended June 30, 2018 and 2017. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, the Company’s reported results prepared in accordance with GAAP.