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DANAOS CORPORATION

Danaos Corporation Reports Fourth Quarter and Full Year Results for the Year Ended December 31, 2009.

Athens, Greece, March 29, 2010 – Danaos Corporation ("Danaos") (NYSE: DAC), a leading international owner of containerships, today reported unaudited results for the fourth quarter and the full year ended December 31, 2009.

Highlights for the Fourth Quarter and Full Year Ended December 31, 2009:

- **Adjusted net income[1] from continuing operations of $14.8 million or $0.27 per share and $65.6 million or $1.20 per share for the quarter and the year ended December 31, 2009, respectively, compared to $23.7 million or $0.43 per share and $99.4 million or $1.82 per share for the respective periods of 2008.**
- **Operating revenues of $85.3 million and $319.5 million for the quarter and the year ended December 31, 2009, respectively, compared to $78.7 million and $298.9 million for the respective periods of 2008.**
- **Adjusted EBITDA from continuing operations of $42.0 million and $168.6 million for the quarter and the year ended December 31, 2009, respectively, compared to $48.5 million and $185.9 million for the respective periods of 2008.**
- **Net (loss)/income from continuing operations of $(16.2) million or $(0.30) per share and $36.1 million or $0.66 per share for the quarter and the year ended December 31, 2009, respectively, compared to $23.8 million or $0.44 per share and $117.1 million or $2.15 per share for the respective periods of 2008.**
- **EBITDA from continuing operations of $42.0 million and $168.6 million for the quarter and the year ended December 31, 2009, respectively, compared to $48.8 million and $201.2 million for the respective periods of 2008.**

Three and Twelve Months Ended December 31, 2009
Financial Summary - continuing operations (unaudited)
(Expressed in thousands of United States dollars, except per share amounts):

	Three months ended December 31, 2009	Three months ended December 31, 2008	Twelve months ended December 31, 2009	Twelve months ended December 31, 2008
Net (loss) / income	$(16,182)	$23,830	$36,089	$117,060
Adjusted net income	14,759	23,663	65,586	99,404
(Losses) / earnings per share	(0.30)	0.44	0.66	2.15
Adjusted earnings per share	0.27	0.43	1.20	1.82

Danaos' CEO Dr. John Coustas commented:

The year of 2009 was one of the toughest in the history of container shipping and the liner business. Both demand and supply were severely imbalanced. On the one hand, consumer demand fell sharply immediately after the third quarter of 2008 and continued to retreat for the most part of 2009, and on

[1] Adjusted net income and adjusted earnings per share are non-GAAP measures, adjusted for non-cash changes in fair value of derivatives, gain on sale of vessels and exceptional items. Refer to page 16 for reconciliation of net income to adjusted net income and net income to EBITDA.

the other, the supply of shipping tonnage kept increasing with, deliveries of vessels ordered in previous years. Importantly though, there was not a single addition to the containership order-book in 2009 which should help the balance of supply and demand on a going forward basis.

During the second half of 2008, box freight rates dropped even more steeply than demand, and the result was a prolonged cash crunch across all liner companies throughout 2009, which in certain cases raised solvency concerns.

In 2009 a number of impacted liner companies successfully restructured their balance sheets. Consequently, charterer owners like Danaos which enjoyed long term fixed time charters were able to avoid revenue volatility insofar they had little re-chartering exposure.

The gradual stabilization of the world economy has resolved a large portion of the uncertainty, and while so far there has been a jobless recovery, cargo volumes across the globe have started to show strong recovery trends also on the back of re-stocking. Approximately 10% of the world containership fleet is still idle. However, three months into 2010, we see an increasing demand for larger versus smaller vessels which indicates that the major east-west routes are picking up and that the underlying demand is further firming up. Liner companies have been able to significantly increase box rates from their lows.

As a result of the market imbalances prevalent in 2009, asset values were significantly reduced, interest rates were kept very low and we suffered from non-cash losses in the fair value of our interest rate swaps. Consequently we breached certain loan covenants, for which we received and continue to request temporary waivers. This waiver process has led to increases in the margin over LIBOR that we pay on our debt.

Our fourth quarter and year end 2009 adjusted net income, adjusted for non-cash losses of fair value changes of our swaps, were $14.8 million ($0.27 per share) and $65.6 million ($1.20 per share), respectively. In 2009, we took delivery of four large size new-building containerships which we deployed immediately under their long term, fixed rate time charters. In comparison to the state of the entire industry, and despite a heavily battered banking sector that was able to provide only already committed financing, we managed to keep a profitable operation and have focused on our future funding needs.

We have been in discussions with our current lenders, export credit agencies and the shipyards constructing the 26 new containerships, which are scheduled to be delivered to us between this spring and mid-2012.

In our discussions with the credit institutions and the shipyards, we have focused on developing a comprehensive financial plan for our company that would include all feasible means to address those new-buildings for which we do not have financing already arranged, but for each of which we do have multi-year charters from reputable charterers.

On a positive note, our charterers continue to perform and we remain current in payments of our scheduled debt service.

We are, however, facing significant new-building installment payments during 2010 and 2011, for which we do not currently have finalized relevant financing. Addressing these cash requirements is a principal focus of our discussions with the banks, the yards and the export credit agencies.

Three months ended December 31, 2009 compared to the three months ended December 31, 2008

During the quarter ended December 31, 2009, Danaos had an average of 42.0 containerships compared to 38.7 containerships for the same period in 2008. Our fleet utilization was 99.8% in the fourth quarter of 2009.

Our adjusted net income was $14.8 million, or $0.27 per share for the three months ended December 31, 2009 compared to $23.7 million, or $0.43 per share for the three months ended December 31, 2008, which represents a decrease of 37.6%, or $8.9 million compared to the three months ended December 31, 2008. This decrease is mainly attributable to increased realized losses on our interest

rate swap contracts recorded in our Income Statement during the three months ended December 31, 2009 compared to the same period of 2008, as well as, increased margins over LIBOR on which our indebtedness is subject to, following our agreements with our lenders to temporarily waive certain covenant breaches as of December 31, 2008 and June 30, 2009. Our net loss was $16.2 million or $0.30 loss per share for the fourth quarter of 2009, compared to net income of $23.8 million or $0.44 per share for the fourth quarter of 2008. Adjusted net income is adjusted for non-cash changes in fair value of derivatives, gain on sale of vessels and exceptional expenses. Refer to Adjusted Net Income reconciliation table in page 16.

Operating Revenue
Operating revenue increased 8.4%, or $6.6 million, to $85.3 million in the three months ended December 31, 2009, from $78.7 million in the three months ended December 31, 2008. The increase was primarily attributable to the addition of four vessels to our fleet, as follows:

Vessel Name	Vessel Size (TEU)	Date Delivered
Zim Monaco	4,253	January 2, 2009
Zim Dalian	4,253	March 31, 2009
Zim Luanda	4,253	June 26, 2009
CMA CGM Moliere	6,500	September 28, 2009

These additions to our fleet contributed revenues of $10.1 million during the three months ended December 31, 2009. These revenues were offset in part by the sale of one 3,101 TEU containership, the Sederberg, on December 10, 2008, that contributed revenues of $1.7 million for the three months ended December 31, 2008 compared to no revenues in the three months ended December 31, 2009. Moreover, one 4,253 TEU containership, the Zim Kingston, which was added to our fleet on November 3, 2008, contributed incremental revenues of $1.0 million during the three months ended December 31, 2009 compared to the same period of 2008.

We also had a further decrease in revenues of $2.8 million during the three months ended December 31, 2009, mainly attributable to the re-chartering of the Hanjin Montreal on March 31, 2009 and the Bunga Raya Tiga on April 28, 2009 at reduced daily charter rates of $10,000 and $6,950, respectively.

Vessel Operating Expenses
Vessel operating expenses decreased 3.3%, or $0.8 million, to $23.3 million in the three months ended December 31, 2009, from $24.1 million in the three months ended December 31, 2008. Although the average number of vessels in our fleet increased during the three months ended December 31, 2009 compared to the same period of 2008, the average daily operating cost per vessel was reduced to $6,041 for the three months ended December 31, 2009, from $6,773 for the three months ended December 31, 2008.

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

Depreciation
Depreciation expense increased 18.1%, or $2.5 million, to $16.3 million in the three months ended December 31, 2009, from $13.8 million in the three months ended December 31, 2008. The increase in depreciation expense was due to the increased average number of vessels in our fleet during the three months ended December 31, 2009 compared to the same period of 2008.

Amortization of Deferred Dry-docking and Special Survey Costs
Amortization of deferred dry-docking and special survey costs remained stable at $2.0 million in the three months ended December 31, 2009 and 2008.

General and Administrative Expenses
General and administrative expenses increased 40.0%, or $1.2 million, to $4.2 million in the three months ended December 31, 2009, from $3.0 million in the same period of 2008. The increase was mainly the result of increased fees of $0.4 million paid to our Manager in the fourth quarter of 2009 compared to the same period of 2008, due to the increase in the average number of our vessels in our fleet and an increase in the fees paid to our Manager since January 1, 2009. Furthermore, various

other general and administrative expenses related to legal and other advisory fees were increased by $0.8 million in the fourth quarter of 2009 compared to the same period of 2008.

Other Operating Expenses
Other Operating Expenses includes Voyage Expenses

Voyage Expenses
Voyage expenses increased 18.8%, or $0.3 million, to $1.9 million in the three months ended December 31, 2009, from $1.6 million in the three months ended December 31, 2008.

Interest Expense and Interest Income
Interest expense decreased by 19.8%, or $2.3 million, to $9.3 million in the three months ended December 31, 2009, from $11.6 million in the three months ended December 31, 2008. The change in interest expense was due to the decrease of LIBOR payable under our credit facilities in the three months ended December 31, 2009 compared to the three months ended December 31, 2008, which was partially offset by the increase in our average debt by $233.8 million, to $2,311.4 million in the quarter ended December 31, 2009, from $2,077.6 million in the quarter ended December 31, 2008, as well as the increased margins over LIBOR on which our indebtedness is subject to, following our agreements with our lenders to waive certain covenant breaches temporarily. The financing of our extensive newbuilding program resulted in interest capitalization, rather than such interest being recognized as an expense, of $7.9 million for the three months ended December 31, 2009 compared to $10.3 million of capitalized interest for the three months ended December 31, 2008. The weighted average interest rate margin over LIBOR payable under our credit facilities has increased by approximately 1.5% per annum, following our agreements with our lenders to waive certain covenant breaches as of December 31, 2008 and June 30, 2009.

Interest income decreased by $2.3 million, to $0.4 million in the three months ended December 31, 2009, from $2.7 million in the three months ended December 31, 2008. The decrease in interest income is attributable to lower average cash balances, as well as, reduced interest rates to which our cash balances were subject during the three months ended December 31, 2009 compared to the three months ended December 31, 2008.

Other income/(expenses), net
Other income/(expenses), net, increased by $2.4 million, to a gain of $0.6 million in the three months ended December 31, 2009, from an expense of $1.8 million in the same period of 2008. The increase is mainly attributable to an exceptional expense of $1.6 million recorded in the fourth quarter of 2008 in relation to insurance cost for the years of 2006 and 2007, which have been recorded in 2008, reflecting the contribution of our insurer to the exposure of the International Group of Protection & Indemnity ("P&I") Clubs.

Other finance costs, net
Other finance cost, net, increased by $0.4 million, to $0.8 million in the three months ended December 31, 2009, from $0.4 million in the same period of 2008.

Loss on fair value of derivatives
Loss on fair value of derivatives, increased by $43.4 million, to a loss of $44.6 million in the three months ended December 31, 2009, from a loss of $1.2 million in the same period of 2008. The increase is mainly attributable to non-cash changes in fair value losses of interest rate swaps of $30.9 million recorded in our income statement in the fourth quarter of 2009, due to hedge accounting ineffectiveness, compared to $0.2 million in the fourth quarter of 2008. Furthermore, realized losses on interest rate swap hedges of $13.7 million recorded in our Income Statement during the three months ended December 31, 2009, were mainly attributed to reduced LIBOR payable on our credit facilities against LIBOR fixed through our interest rate swaps, compared to $1.0 million in the three months ended December 31, 2008. In addition, realized losses on cash flow hedges of $11.2 million and $2.9 million in the three months ended December 31, 2009 and 2008, respectively, were deferred in "Accumulated Other Comprehensive Loss", rather than such realized losses being recognized as an expense, and will be reclassified into earnings over the depreciable life of these vessels under construction, which are financed by loans for which their interest rate has been hedged by our interest rate swap contracts.

EBITDA
Adjusted EBITDA decreased by $6.5 million, or 13.4%, to $42.0 million in the three months ended December 31, 2009, from $48.5 million in the three months ended December 31, 2008, adjusted for an exceptional insurance expense of $1.6 million for prior years recorded in the fourth quarter of 2008 and a gain on sale of vessel of $2.0 million recorded in the fourth quarter of 2008. EBITDA decreased by $6.8 million, or 13.9%, to $42.0 million in the quarter ended December 31, 2009, from $48.8 million in the quarter ended December 31, 2008. Tables reconciling EBITDA and Adjusted EBITDA to net income can be found at the end of this earnings release.

Twelve months ended December 31, 2009 compared to the twelve months ended December 31, 2008

During the twelve months ended December 31, 2009, Danaos had an average of 40.5 containerships as compared to 37.7 containerships for the same period of 2008. During the twelve months of 2009, we took delivery of four vessels, the Zim Monaco on January 2, 2009, the Zim Dalian on March 31, 2009, the Zim Luanda on June 26, 2009 and the CMA CGM Moliere on September 28, 2009. Our fleet utilization was 98.6% in 2009.

Our adjusted net income from continuing operations was $65.6 million or $1.20 per share for the twelve months ended December 31, 2009 compared to $99.4 million or $1.82 per share for the respective period of 2008, excluding non-cash changes in fair value of derivatives of $29.5 million loss recorded in 2009 and $2.4 million gain recorded in 2008, a gain on sale of vessels of $16.9 million recorded in 2008 and an exceptional insurance expense of $1.6 million recorded in 2008. This represents a decrease of 34.0%, or $33.8 million, which is mainly attributable to increased realized losses on our interest rate swaps in the twelve months ended December 31, 2009 compared to the same period of 2008, as well as, increased interest expense due to higher average indebtedness in 2009 and increased margins over LIBOR on which our indebtedness is subject to, following our agreements with our lenders to waive certain covenant breaches as of December 31, 2008 and June 30, 2009. Our net income from continuing operations was $36.1 million or $0.66 per share for the twelve months ended December 31, 2009 compared to $117.1 million or $2.15 per share for the twelve months ended December 31, 2008.

Operating Revenue
Operating revenue increased 6.9%, or $20.6 million, to $319.5 million in the twelve months ended December 31, 2009, from $298.9 million in the twelve months ended December 31, 2008. The increase was primarily attributed to the addition to our fleet of four vessels, as follows:

Vessel Name	Vessel Size (TEU)	Date Delivered
Zim Monaco	4,253	January 2, 2009
Zim Dalian	4,253	March 31, 2009
Zim Luanda	4,253	June 26, 2009
CMA CGM Moliere	6,500	September 28, 2009

These additions to our fleet contributed revenues of $22.0 million during the twelve months ended December 31, 2009. Moreover, three 2,200 TEU containerships, the Hyundai Progress, the Hyundai Highway and the Hyundai Bridge, as well as, three 4,253 TEU containerships, the Zim Rio Grande, the Zim Sao Paolo and the ZIM Kingston, which were added to our fleet on February 11, 2008, March 18, 2008 and March 20, 2008, July 4, 2008, September 22, 2008 and November 3, 2008, contributed incremental revenues of $20.4 million during the twelve months ended December 31, 2009 compared to the same period in 2008.

In addition, the Company sold five vessels as follows:

Vessel Name	Vessel Size (TEU)	Date Sold
APL Belgium	5,506	January 15, 2008
Winterberg	3,101	January 25, 2008
Maersk Constantia	3,101	May 20, 2008
Asia Express	3,101	October 26, 2008
Sederberg	3,101	December 10, 2008

These sales contributed operating revenues of $12.4 million during the twelve months ended December 31, 2008 compared to no revenues in the twelve months ended December 31, 2009. The balance of $9.4 million is attributable to revenue lost due to off-hire days, as well as, re-chartering of two of our vessels at reduced charter rates.

Vessel Operating Expenses
Vessel operating expenses increased 3.5%, or $3.1 million, to $92.3 million in the twelve months ended December 31, 2009, from $89.2 million in the twelve months ended December 31, 2008. The increase was due to the increase in the average number of our vessels in our fleet during the twelve months ended December 31, 2009 compared to the twelve months ended December 31, 2008.

This overall increase was offset in part by the lower average daily operating cost per vessel of $6,241 for the twelve months ended December 31, 2009 compared to $6,574 for the twelve months ended December 31, 2008.

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

Depreciation
Depreciation expense increased 19.4%, or $9.9 million, to $60.9 million in the twelve months ended December 31, 2009, from $51.0 million in the twelve months ended December 31, 2008. The increase in depreciation expense was due to the increased average number of vessels in our fleet during the twelve months ended December 31, 2009, compared to the same period of 2008.

Amortization of Deferred Dry-docking and Special Survey Costs
Amortization of deferred dry-docking and special survey costs increased 13.7%, or $1.0 million, to $8.3 million in the twelve months ended December 31, 2009, from $7.3 million in the twelve months ended December 31, 2008. The increase reflects higher drydocking costs incurred, which were subject to amortization during the twelve months ended December 31, 2009 compared to the same period of 2008.

General and Administrative Expenses
General and administrative expenses increased 25.0%, or $2.9 million, to $14.5 million in the twelve months ended December 31, 2009, from $11.6 million in the same period of 2008. The increase was mainly a result of increased fees of $1.7 million paid to our Manager in the twelve months ended December 31, 2009 compared to the same period of 2008 due to the increase in the average number of our vessels in our fleet and an increase of the fees paid to our manager since January 1, 2009. Furthermore, various other general and administrative expenses related to legal and other advisory fees were increased by $1.2 million in the twelve months ended December 31, 2009 compared to the same period of 2008.

Other Operating Expenses
Other Operating Expenses includes Voyage Expenses

Voyage Expenses
Voyage expenses decreased 2.7%, or $0.2 million, to $7.3 million in the twelve months ended December 31, 2009, from $7.5 million for the twelve months ended December 31, 2008.

Interest Expense and Interest Income
Interest expense increased 4.3%, or $1.5 million, to $36.2 million in the twelve months ended December 31, 2009, from $34.7 million in the twelve months ended December 31, 2008. The change in interest expense was due to the increase in our average debt by $511.2 million, to $2,226.6 million in the twelve months ended December 31, 2009, from $1,715.4 million in the twelve months ended December 31, 2008, as well as, the increased margins over LIBOR on which our indebtedness is subject to, following our agreements with our lenders to waive certain covenant breaches as of December 31, 2008 and June 30, 2009, partially offset by decrease of LIBOR payable under our credit facilities in the twelve months ended December 31, 2009 compared to the twelve months ended December 31, 2008. The financing of our extensive newbuilding program resulted in interest capitalization, rather than such interest being recognized as an expense, of $33.1 million for the twelve

months ended December 31, 2009 compared to $36.9 million of capitalized interest for the twelve months ended December 31, 2008.

Interest income decreased by $4.1 million, to $2.4 million in the twelve months ended December 31, 2009, from $6.5 million in the twelve months ended December 31, 2008. The decrease in interest income is mainly attributed to lower interest rates on which our cash balances were subject to, partially offset by higher average bank deposits during the twelve months ended December 31, 2009 compared to the twelve months ended December 31, 2008.

Other income/(expenses), net
Other income/(expenses), net, decreased by $0.8 million, to an expense of $0.3 million in the twelve months ended December 31, 2009, from an expense of $1.1 million in the same period of 2008.

Other finance costs, net
Other finance cost, net, increased by $0.3 million, to $2.3 million in the twelve months ended December 31, 2009, from $2.0 million in the same period of 2008.

Loss on fair value of derivatives
Loss on fair value of derivatives, increased by $63.0 million, to a loss of $63.6 million in the twelve months ended December 31, 2009, from a loss of $0.6 million in the same period of 2008. The increase is mainly attributable to non-cash changes in fair value of interest rate swaps of $29.5 million loss recorded in our income statement in 2009, due to hedge accounting ineffectiveness, compared to $2.4 million gain in 2008. Furthermore, realized losses on interest rate swap hedges of $34.1 million recorded in our Income Statement during the twelve months ended December 31, 2009, mainly attributed to reduced LIBOR payable on our credit facilities against LIBOR fixed through our interest rate swaps, compared to $3.0 million loss in the twelve months ended December 31, 2008. In addition, realized losses on cash flow hedges of $36.3 million and $11.6 million in the twelve months ended December 31, 2009 and 2008, respectively, were deferred in “Accumulated Other Comprehensive Loss”, rather than such realized losses being recognized as an expense, and will be reclassified into earnings over the depreciable life of these vessels under construction, which are financed by loans for which their interest rate has been hedged by our interest rate swap contracts.

EBITDA
Adjusted EBITDA from continuing operations decreased by $17.3 million, or 9.3%, to $168.6 million in the twelve months ended December 31, 2009, from $185.9 million in the twelve months ended December 31, 2008, excluding a gain on sale of vessels of $16.9 million recorded during the twelve months of 2008, as well as an exceptional insurance expense of $1.6 million for the years of 2006 and 2007 recorded in 2008. EBITDA from continuing operations decreased by $32.6 million, or 16.2%, to $168.6 million in the twelve months ended December 31, 2009, from $201.2 million in the twelve months ended December 31, 2008. A table reconciling EBITDA to net income can be found at the end of this earnings release.

Fair value of financial instruments
As of December 31, 2008, the low prevailing interest rates led to significant declines in the fair value of our interest rate swaps accounted for such cash flow hedges. As of December 31, 2009, prevailing interest rates increased from such historical low levels resulting in an unrealized gain of $155.3 million, which was recorded in “Accumulated Other Comprehensive Loss” and increased our “Total Shareholders’ Equity”.

Recent News
On January 22, 2010, we sold and delivered the vessel MSC Eagle. The sale consideration was $4.6 million. The Company will realize a gain on this sale of approximately $2.3 million. The MSC Eagle was over 30 years old and was generating revenue under its time charter, which expired in early January 2010.

On March 12, 2010, the Company took delivery of the new-building 6,500 TEU vessel, the CMA CGM Musset. The vessel has been deployed on a 12-year time charter with one of the world’s major liner companies.

The accompanying financial data has not been audited and is presented on the assumption that, prior to the completion of our audit for 2009, we will be able to secure waivers of compliance with our

financial covenants under all of our loan facilities that will cover at least a prospective 12 month period. If that proves not to be the case, we will have to reclassify our long term indebtedness as current in our audited financial statements.

Conference Call and Webcast

Management will hold a conference call to discuss the fourth quarter and 2009 year end earnings together with the first quarter of 2010 earrings at a date and time to be disclosed in due course.

About Danaos Corporation

Danaos Corporation is an international owner of containerships, chartering its vessels to many of the world's largest liner companies. Our current fleet of 42 containerships aggregating 177,229 TEUs ranks Danaos among the largest containership charter owners in the world based on total TEU capacity. Danaos is one of the largest US listed containership company based on fleet size. Furthermore, the company has a contracted fleet of 26 additional containerships aggregating 204,950 TEU with scheduled deliveries up to the second quarter of 2012. The company'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 safeharbor provisions of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. 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, many of which are based, in turn, upon further assumptions, including without limitation, management's examination of historical operating trends, data contained in our records and other data available from third parties. 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 strength of world economies and currencies, general market conditions, including changes in charter hire rates and vessel values, charter counterparty performance, shipyard performance, changes in demand that may affect attitudes of time charterers to scheduled and unscheduled drydocking, 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

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Appendix

Fleet Utilization

Danaos had 8 off-hire days in total in the fourth quarter of 2009. The following table summarizes vessel utilization and the impact of the off-hire days on the company's revenue relating to the last four quarters.

Vessel Utilization (No. of Days)	First Quarter 2009	Second Quarter 2009	Third Quarter 2009	Fourth Quarter 2009	Total
Ownership Days	3,510	3,645	3,775	3,864	**14,794**
Less Off-hire Days:					
Scheduled Off-hire Days	(125)	(27)	(29)	(1)	**(182)**
Other Off-hire Days	(4)	(4)	(8)	(7)	**(23)**
Operating Days	**3,381**	**3,614**	**3,738**	**3,856**	**14,589**
Vessel Utilization	**96.3%**	**99.1%**	**99.0%**	**99.8%**	**98.6%**

Revenue - Impact of Off-hire (in '000s of US Dollars)	First Quarter 2009	Second Quarter 2009	Third Quarter 2009	Fourth Quarter 2009	Total
100% Fleet Utilization	$77,931	$79,229	$80,694	$85,532	**$323,386**
Less Off-hire Days:					
Scheduled Off-hire Days	(2,512)	(6)	(721)	(42)	**(3,281)**
Other Off-hire Days	(167)	(95)	(181)	(151)	**(594)**
Actual Revenue Earned	**$75,252**	**$79,128**	**$79,792**	**$85,339**	**$319,511**

Fleet List

The following table describes in detail our fleet deployment profile as of March 29, 2010.

Vessel Name	Vessel Size (TEU)	Year Built	Expiration of Charter[1]
Containerships			
CSCL Le Havre	9,580	2006	September 2018
CSCL Pusan	9,580	2006	July 2018
CSCL America[2]	8,468	2004	September 2016
CSCL Europe	8,468	2004	June 2016
CMA CGM Moliere[3]	6,500	2009	August 2021
CMA CGM Musset[3]	6,500	2010	February, 2022
Marathonas [4]	4,814	1991	September 2011
Maersk Messologi	4,814	1991	September 2011
Maersk Mytilini	4,814	1991	September 2011
Hyundai Commodore [5]	4,651	1992	March 2011
Hyundai Duke	4,651	1992	February 2011
Hyundai Federal [6]	4,651	1994	September 2012
YM Colombo	4,300	2004	March 2019
YM Singapore	4,300	2004	October 2019
YM Seattle	4,253	2007	July 2019
YM Vancouver	4,253	2007	September 2019
Bunga Raya Tiga [7]	4,253	2004	March 2011
Bunga Raya Tujuh [8]	4,253	2004	February 2011
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
Al Rayyan	3,908	1989	January 2011
YM Yantian	3,908	1989	July 2011
YM Milano	3,129	1988	May 2011
CMA CGM Lotus	3,098	1988	July 2010
CMA CGM Vanille	3,045	1986	July 2010
CMA CGM Passiflore	3,039	1986	May 2010
CMA CGM Elbe	2,917	1991	June 2010
CMA CGM Kalamata	2,917	1991	June 2010
CMA CGM Komodo	2,917	1991	June 2010
Hyundai Advance	2,200	1997	June 2017
Hyundai Future	2,200	1997	August 2017
Hyundai Sprinter	2,200	1997	August 2017
Hyundai Stride	2,200	1997	July 2017
Hyundai Progress	2,200	1998	December 2017
Hyundai Bridge	2,200	1998	January 2018
Hyundai Highway	2,200	1998	January 2018
Hyundai Vladivostok	2,200	1997	May 2017
Hanjin Montreal [9]	2,130	1984	May 2010

(1) Earliest date charters could expire. Some charters include options to extend their term.
(2) On August 21, 2009, the *MSC Baltic* was renamed to *CSCL America* at the request of the charterer of this vessel.
(3) Vessel subject to charterer's option to purchase vessel after first eight years of time charter term for $78.0 million.
(4) On January 21, 2010, the *MSC Marathon* was renamed to *Marathonas* at the request of the charterer of this vessel.
(5) On April 2, 2009, the *MOL Affinity* was renamed to *Hyundai Commodore* at the request of the charterer of this vessel.
(6) On May 12, 2009, the *APL Confidence* was renamed to *Hyundai Federal* at the request of the charterer of this vessel.
(7) On April 29, 2009, the *Derby* was renamed to *Bunga Raya Tiga* at the request of the charterer of this vessel.
(8) On October 12, 2009, the Maersk *Deva* was renamed to *Bunga Raya Tujuh* at the request of the charterer of this vessel.
(9) On May 14, 2009, the *Montreal Senator* was renamed to *Hanjin Montreal* at the request of the charterer of this vessel.

New Deliveries

The following table describes the expected additions to our fleet as a result of our new building containership program.

Vessel Name	Vessel Size (TEU)	Expected Delivery[2]	Time Charter Term
HN N-219[2]	3,400	2nd Quarter 2010	10 years
HN S4003[1] [2]	6,500	2nd Quarter 2010	12 years
HN S4004[1] [2]	6,500	2nd Quarter 2010	12 years
HN N-214[2]	6,500	2nd Quarter 2010	18 years
HN N-220[2]	3,400	2nd Quarter 2010	10 years
HN S4005[1] [2]	6,500	3rd Quarter 2010	12 years
HN N-215[2]	6,500	3rd Quarter 2010	18 years
HN N-221[2]	3,400	3rd Quarter 2010	10 years
HN N-222[2]	3,400	4th Quarter 2010	10 years
HN N-223[2]	3,400	4th Quarter 2010	10 years
HN Z00001[2]	8,530	1st Quarter 2011	12 years
Hull No S-461[2]	10,100	1st Quarter 2011	12 years
Hull No S-462[2]	10,100	1st Quarter 2011	12 years
HN Z00002[2]	8,530	2nd Quarter 2011	12 years
HN Z00003[2]	8,530	2nd Quarter 2011	12 years
HN Z00004[2]	8,530	2nd Quarter 2011	12 years
Hull No S-463[2]	10,100	2nd Quarter 2011	12 years
HN H 1022A[2]	8,530	3rd Quarter 2011	12 years
HN N-216[2]	6,500	1st Quarter 2012	15 years
Hull No S-456[2]	12,600	1st Quarter 2012	12 years
Hull No S-457[2]	12,600	1st Quarter 2012	12 years
HN N-217[2]	6,500	2nd Quarter 2012	15 years
HN N-218[2]	6,500	2nd Quarter 2012	15 years
Hull No S-458[2]	12,600	2nd Quarter 2012	12 years
Hull No S-459[2]	12,600	2nd Quarter 2012	12 years
Hull No S-460[2]	12,600	2nd Quarter 2012	12 years

(1) Vessel subject to charterer's option to purchase vessel after first eight years of time charter term for $78.0 million.
(2) Delivery date represents most recent update regarding respective event, which in certain cases may change significantly as a result of further negotiations with shipyards.

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

	Three months ended December 31, 2009	Three months ended December 31, 2008	Twelve months ended December 31, 2009	Twelve months ended December 31, 2008
OPERATING REVENUES	**$85,339**	**$78,703**	**$319,511**	**$298,905**
OPERATING EXPENSES				
Vessel operating expenses	(23,341)	(24,111)	(92,327)	(89,246)
Depreciation & amortization	(18,284)	(15,842)	(69,201)	(58,326)
General & administrative	(4,186)	(3,003)	(14,541)	(11,617)
Gain on sale of vessels	—	1,973	—	16,901
Other operating expenses	(1,933)	(1,558)	(7,346)	(7,657)
Income From Operations	**37,595**	**36,162**	**136,096**	**148,960**
OTHER EARNINGS (EXPENSES)				
Interest income	355	2,683	2,428	6,544
Interest expense	(9,345)	(11,634)	(36,208)	(34,740)
Other finance cost, net	(755)	(399)	(2,290)	(2,047)
Other income / (expenses), net	600	(1,800)	(336)	(1,060)
Loss on fair value of derivatives	(44,632)	(1,182)	(63,601)	(597)
Total Other Income (Expenses), net	**(53,777)**	**(12,332)**	**(100,007)**	**(31,900)**
Net (loss) / income from continuing operations	**$(16,182)**	**$23,830**	**$36,089**	**$117,060**
Net loss from discontinued operations	**—**	**(262)**	**—**	**(1,822)**
Net (loss) / Income	**$(16,182)**	**$23,568**	**$36,089**	**$115,238**
EARNINGS PER SHARE (from continuing operations)				
Basic and diluted net (loss) earnings per share	$(0.30)	$0.44	$0.66	$2.15
EARNINGS PER SHARE				
Basic and diluted net (loss) earnings per share	$(0.30)	$0.43	$0.66	$2.11
Basic and diluted weighted average number of common shares (in thousands of shares)	54,551	54,556	54,550	54,557

DANAOS CORPORATION
Balance Sheets
(Expressed in thousands of United States dollars)

	As of December 31, 2009 (Unaudited)	As of December 31, 2008
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$122,050	$120,720
Restricted cash, current portion	154,078	104,401
Accounts receivable, net	3,732	1,119
Other current assets	20,644	23,954
	300,504	250,194
NON-CURRENT ASSETS		
Fixed assets, net	1,573,759	1,339,645
Advances for vessels under construction	1,194,088	1,067,825
Restricted cash, net of current portion	44,393	147,141
Deferred charges, net	20,583	16,098
Fair value of financial instruments	3,762	6,691
Other non-current assets	5,622	870
	2,842,207	2,578,270
TOTAL ASSETS	**3,142,711**	**2,828,464**
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Long-term debt, current portion	79,021	42,219
Accounts payable, accrued liabilities & other current liabilities	86,264	31,779
Fair value of financial instruments, current portion	100,065	48,217
	265,350	122,215
LONG-TERM LIABILITIES		
Long-term debt, net of current portion	2,258,657	2,065,459
Fair value of financial instruments, net of current portion	207,493	414,668
Other long-term liabilities	5,620	7,088
	2,471,770	2,487,215
STOCKHOLDERS' EQUITY		
Common stock	546	546
Additional paid-in capital	288,613	288,615
Treasury stock	(39)	(88)
Accumulated other comprehensive loss	(324,093)	(474,514)
Retained earnings	440,564	404,475
	405,591	219,034
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	**$3,142,711**	**$2,828,464**

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

	Three months ended December 31, 2009	Three months ended December 31, 2008	Twelve months ended December 31, 2009	Twelve months ended December 31, 2008
Operating Activities:				
Net (loss) / income	$(16,182)	$23,568	$36,089	$115,238
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation	16,252	13,857	60,906	51,025
Amortization of deferred charges	2,325	2,069	9,184	7,521
Written off amount of deferred charges	—	—	412	309
Stock based compensation	8	38	47	85
Payments for drydocking / special survey	(184)	(1,860)	(7,259)	(10,625)
Change in fair value of financial instruments	19,700	(2,747)	(6,801)	(15,332)
Gain on sale of vessels	—	(1,973)	—	(16,901)
Accounts receivable	(1,037)	1,385	(2,613)	3,202
Other assets, current and non-current	(5,853)	(2,829)	(1,442)	(5,498)
Accounts payable and accrued liabilities	4,140	3,276	9,244	7,944
Other liabilities, current and non-current	(541)	(511)	(2,290)	(1,479)
Net Cash provided by Operating Activities	**18,628**	**34,273**	**95,477**	**135,489**
Investing Activities:				
Vessel acquisitions and additions including advances	(12)	19	(299)	(76,506)
Vessels under construction	(56,681)	(121,324)	(374,921)	(518,512)
Proceeds from sale of vessels	—	13,929	—	83,032
Net Cash used in Investing Activities	**(56,693)**	**(107,376)**	**(375,220)**	**(511,986)**
Financing Activities:				
Debt draw downs	28,200	89,797	267,043	805,010
Debt repayment	(6,892)	(6,893)	(32,219)	(59,919)
Treasury stock	—	(88)	—	(88)
Dividends paid	—	(25,369)	—	(101,477)
Deferred costs	(13)	(1,598)	(6,822)	(4,441)
Decrease/(increase) in restricted cash	13,447	71,479	53,071	(205,363)
Net Cash provided by Financing Activities	**34,742**	**127,328**	**281,073**	**433,722**
Net (Decrease)/Increase in cash and cash equivalents	(3,323)	54,225	1,330	57,225
Cash and cash equivalents, beginning of period	125,373	66,495	120,720	63,495
Cash and cash equivalents, end of period	**$122,050**	**$120,720**	**$122,050**	**$120,720**

Reconciliation of Net Income to EBITDA – Unaudited
(Expressed in thousands of United States dollars)

	Three months ended December 31, 2009	Three months ended December 31, 2008	Twelve months ended December 31, 2009	Twelve months ended December 31, 2008
Net (loss) / income	$(16,182)	$23,830	$36,089	$117,060
Depreciation	16,252	13,857	60,906	51,025
Amortization of deferred drydocking & special survey costs	2,032	1,985	8,295	7,301
Interest income	(355)	(2,683)	(2,428)	(6,544)
Interest expense	9,345	11,634	36,208	34,740
Non-cash changes in fair value of derivatives	30,941	170	29,497	(2,391)
EBITDA[(2)] from continuing operations	**$42,033**	**$48,793**	**$168,567**	**$201,191**
EBITDA[(2)] from discontinued operations	—	(262)	—	(1,822)
EBITDA[(2)]	**$42,033**	**$48,531**	**$168,567**	**$199,369**

(2) EBITDA represents net income before interest income and expense, depreciation, amortization and non-cash changes in fair value of derivatives. However, EBITDA is not a recognized measurement under U.S. generally accepted accounting principles, or "GAAP." We believe that the presentation of 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 EBITDA is useful in evaluating our ability to service additional debt and make capital expenditures. In addition, we believe that EBITDA is useful in evaluating our operating performance and liquidity position compared to that of other companies in our industry because the calculation of 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 and liquidity.

Adjusted Net Income and EBITDA - Unaudited
(Continuing operations)

	Three months ended December 31, 2009	Three months ended December 31, 2008	Twelve months ended December 31, 2009	Twelve months ended December 31, 2008
Net (Loss) / Income	**$(16,182)**	**$23,830**	**$36,089**	**$117,060**
Prior years insurance costs [(3)]	—	1,636	—	1,636
Loss in fair value of derivatives	44,632	1,182	63,601	597
Realized losses on derivatives	(13,691)	(1,012)	(34,104)	(2,988)
Gain on sale of vessels	—	(1,973)	—	(16,901)
Adjusted Net Income	**$14,759**	**$23,663**	**$65,586**	**$99,404**
Adjusted Earnings Per Share	**$0.27**	**$0.43**	**$1.20**	**$1.82**
Weighted average number of shares	54,551	54,556	54,550	54,557
EBITDA [(2)]	**$42,033**	**$48,793**	**$168,567**	**$201,191**
Prior years insurance costs [(3)]	—	1,636	—	1,636
Gain on sale of vessels	—	(1,973)	—	(16,901)
Adjusted EBITDA [(2)]	**$42,033**	**$48,456**	**$168,567**	**$185,926**

(3) Adjustment represents exceptional insurance costs for the years of 2006 and 2007, which have been recorded in 2008 in "Other income/(expense), net" in relation to the contribution of one of our insurers to the exposure of the International Group of P&I Clubs.

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 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 Tables above for supplemental financial data and corresponding reconciliations to GAAP financial measures for the three and the twelve months ended December 31, 2009 and 2008. 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.