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DANAOS CORPORATION

Danaos Corporation Reports Second Quarter and Half Year Results for the Period Ended June 30, 2014.

Athens, Greece, July 28, 2014 – Danaos Corporation ("Danaos") (NYSE: DAC), a leading international owner of containerships, today reported unaudited results for the period ended June 30, 2014.

Highlights for the Second Quarter and Half Year Ended June 30, 2014:

- **Operating revenues of $136.4 million for the three months ended June 30, 2014 compared to $146.6 million for the three months ended June 30, 2013, a decrease of 7.0%. Operating revenues of $271.9 million for the six months ended June 30, 2014 compared to $292.7 million for the six months ended June 30, 2013, a decrease of 7.1%.**
- **Adjusted EBITDA[1] of $99.0 million for the three months ended June 30, 2014 compared to $107.4 million for the three months ended June 30, 2013, a decrease of 7.8%. Adjusted EBITDA[1] of $195.4 million for the six months ended June 30, 2014 compared to $216.0 million for the six months ended June 30, 2013, a decrease of 9.5%.**
- **Adjusted net income[1] of $11.6 million, or $0.11 per share, for the three months ended June 30, 2014 compared to $11.8 million, or $0.11 per share, for the three months ended June 30, 2013. Adjusted net income[1] of $18.6 million, or $0.17 per share, for the six months ended June 30, 2014 compared to $25.7 million, or $0.23 per share, for the six months ended June 30, 2013.**
- **The remaining average charter duration of our fleet was 8.5 years as of June 30, 2014 (weighted by aggregate contracted charter hire).**
- **Total contracted operating revenues were $4.0 billion as of June 30, 2014, through 2028.**
- **Charter coverage of 92% for the next 12 months in terms of contracted operating days and 98% in terms of operating revenues.**

Three and Six Months Ended June 30, 2014
Financial Summary
(Expressed in thousands of United States dollars, except per share amounts)

	Three months ended June 30, 2014	Three months ended June 30, 2013	Six months ended June 30, 2014	Six months ended June 30, 2013
			(unaudited)	
Operating revenues	$136,440	$146,580	$271,926	$292,668
Net income	$16,643	$19,539	$25,050	$32,971
Adjusted net income[1]	$11,596	$11,797	$18,572	$25,681
Earnings per share	$0.15	$0.18	$0.23	$0.30
Adjusted earnings per share[1]	$0.11	$0.11	$0.17	$0.23
Weighted average number of shares (in thousands)	109,669	109,653	109,669	109,653
Adjusted EBITDA[1]	$98,986	$107,402	$195,367	$215,986

Danaos' CEO Dr. John Coustas commented:

Danaos is reporting a solid second quarter with adjusted net income of $11.6 million, or 11 cents per share, which is equivalent to the $11.8 million, or 11 cents per share of adjusted net income for the 2nd quarter of 2013. We maintained the Company's profitability between the 2 quarters through a $7.9 million improvement in financing costs together with a $2.1 million improvement in operating costs, despite a decrease in operating revenues. The decline in operating revenues between the 2 quarters mainly reflects $3 million related to softer charter market conditions and $6.1 million attributable to the

[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.

reduced charter hire on six of our vessels following the previously announced restructuring of Zim, formalized on July 16, 2014.

The reduction in finance costs is expected to continue in the coming quarters as we reduce leverage and benefit from the expiration of expensive interest rate swaps. We project debt repayments in 2014 exceeding $220 million and swap expirations exceeding $1 billion in notional terms.

During the 2nd quarter signs of improvement in container market fundamentals have manifested themselves through a reduction of laid up tonnage and improved utilization rates in main trade lanes, although this has not yet translated into an improvement in charter rates. The main industry event for the quarter was the dismissal of the proposed P3 alliance by the regulatory authorities in China. We do not however believe that this is likely to affect the necessary rationalization of tonnage deployment in the industry. Tonnage deployment rationalization, together with continued cost optimization and recovery on the demand side should result in a healthier industry going forward.

Despite the soft charter market, with 98% charter coverage for the next 12 months in terms of operating revenues we are substantially insulated from market volatility and the timing of any recovery. Additionally, our $5,957 daily operating cost clearly positions us as one of the most efficient operators in the industry.

We will continue our efforts to de-lever our balance sheet, manage our fleet efficiently and capitalize on the resilience of our business model towards creating value for our shareholders.

Three months ended June 30, 2014 compared to the three months ended June 30, 2013

During the three months ended June 30, 2014, Danaos had an average of 55.8 containerships compared to 60.9 containerships for the three months ended June 30, 2013. Our fleet utilization increased to 97.3% in the three months ended June 30, 2014 compared to 94.1% in the three months ended June 30, 2013. During the three months ended June 30, 2014, our fleet utilization for the fleet under employment was 98.2% (which excludes the vessels on lay up). During the three months ended June 30, 2014, we sold four vessels, the *Commodore*, the *Duka*, the *Mytilini* and the *Messologi*, for an aggregate amount of $44.1 million, which represents the gross sale proceeds less commissions.

Our adjusted net income was $11.6 million, or $0.11 per share, for the three months ended June 30, 2014 compared to $11.8 million, or $0.11 per share, for the three months ended June 30, 2013. We have adjusted our net income in the three months ended June 30, 2014 for unrealized gains on derivatives of $4.5 million, as well as a non-cash expense of $4.7 million for fees related to our comprehensive financing plan (comprised of non-cash, amortizing and accrued finance fees) and a gain on sale of vessels of $5.2 million. Please refer to the Adjusted Net Income reconciliation table, which appears later in this earnings release.

The decrease of 1.7%, or $0.2 million, in adjusted net income for the three months ended June 30, 2014 compared to the three months ended June 30, 2013, was attributed to a $6.1 million decrease in operating revenues as a result of reduced rates for six 4,253 TEU vessels on charter to Zim following the Zim restructuring, as well as a $4.1 million net decrease in operating revenues mainly attributed to lower re-chartering rates for certain of our vessels as a result of the continuing soft charter market and vessels sold that were generating revenue in the three months ended June 30, 2013, partially offset by vessels acquired that were generating revenue in the three months ended June 30, 2014. This decrease in operating revenues was also partially offset by a $2.1 million reduction in total fleet operating costs and a $7.9 million reduction in net finance costs mainly due to lower debt balances and interest rate swap expirations.

On a non-adjusted basis our net income was $16.6 million, or $0.15 per share, for the three months ended June 30, 2014, compared to net income of $19.5 million, or $0.18 per share, for the three months ended June 30, 2013.

Operating Revenues

Operating revenues decreased 7.0%, or $10.2 million, to $136.4 million in the three months ended June 30, 2014, from $146.6 million in the three months ended June 30, 2013.

Operating revenues for the three months ended June 30, 2014 reflect:

- $2.9 million of additional revenues in the three months ended June 30, 2014 compared to the three months ended June 30, 2013, related to the *Amalia C*, the *Niledutch Zebra*, the *Niledutch Palanca* and the *Dimitris C*, which were added to our fleet on May 14, 2013, June 25, 2013, November 13, 2013 and November 21, 2013, respectively.
- $6.1 million decrease in revenues in the three months ended June 30, 2014 compared to the three months ended June 30, 2013, related to the agreement we entered into with ZIM for a reduction in the charter rates payable by ZIM under the time charters for six of our vessels.
- $3.9 million decrease in revenues in the three months ended June 30, 2014 compared to the three months ended June 30, 2013, related to the *Hope*, the *Kalamata*, the *Elbe*, the *Komodo*, the *Lotus*, the *Commodore*, the *Messologi* and the *Mytilini,* which were generating revenues in the three months ended June 30, 2013, but were sold within 2013 and 2014.
- $3.1 million decrease in revenues in the three months ended June 30, 2014 compared to the three months ended June 30, 2013, which was mainly attributable to the rechartering of certain vessels in the soft charter market.

Vessel Operating Expenses
Vessel operating expenses decreased 8.5%, or $2.7 million, to $28.9 million in the three months ended June 30, 2014, from $31.6 million in the three months ended June 30, 2013, reflecting lower average daily operating cost per vessel and lower average number of vessels in our fleet in the 2014 period.

The average daily operating cost per vessel decreased to $5,957 per day for the three months ended June 30, 2014, from $6,160 per day for the three months ended June 30, 2013 (excluding those vessels on lay-up), which is one of the most competitive daily operating expenses figures in the industry.

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

Depreciation
Depreciation expense decreased 0.3%, or $0.1 million, to $34.1 million in the three months ended June 30, 2014, from $34.2 million in the three months ended June 30, 2013. The decrease in depreciation expense was mainly due to the decreased average number of vessels in our fleet during the three months ended June 30, 2014 compared to the three months ended June 30, 2013.

Amortization of Deferred Dry-docking and Special Survey Costs
Amortization of deferred dry-docking and special survey costs decreased 14.3%, or $0.2 million, to $1.2 million in the three months ended June 30, 2014, from $1.4 million in the three months ended June 30, 2013. The decrease reflects decreased dry-docking and special survey costs incurred within the year and amortized during the three months ended June 30, 2014 compared to the three months ended June 30, 2013

General and Administrative Expenses
General and administrative expenses increased 12.8%, or $0.6 million, to $5.3 million in the three months ended June 30, 2014, from $4.7 million in the three months ended June 30, 2013. The increase was mainly due to increased fees of $0.3 million paid to our Manager in the three months ended June 30, 2014 compared to the three months ended June 30, 2013, due to an increase in the per day fee payable to our Manager since January 1, 2014, which was partially offset by a decrease in the average number of vessels in our fleet in the three months ended June 30, 2014 compared to the three months ended June 30, 2013. Furthermore, legal fees were increased by $0.2 million in the three months ended June 30, 2014 compared to the three months ended June 30, 2013.

Effective January 1, 2014, our management fees were adjusted to a fee of $800 per day for commercial, chartering and administrative services, a technical management fee of $400 per vessel per day for vessels on bareboat charter and $800 per vessel per day for vessels on time charter.

Other Operating Expenses
Other Operating Expenses includes Voyage Expenses

Voyage Expenses
Voyage expenses increased by $0.4 million, to $3.2 million in the three months ended June 30, 2014, from $2.8 million in the three months ended June 30, 2013. Effective January 1, 2014, the commission of 1.0% on gross freight, charter hire, ballast bonus and demurrage payable to our manager with respect to each vessel in the fleet was adjusted to a commission of 1.25%. This increase was partially offset by the decreased average number of vessels in our fleet during the three months ended June 30, 2014 compared to the three months ended June 30, 2013.

Gain on sale of vessels
Gain on sale of vessels, was $5.2 million in the three months ended June 30, 2014 compared to $0.2 million in the three months ended June 30, 2013. During the three months ended June 30, 2014, we sold the *Commodore* on April 25, 2014, the *Duka* on May 15, 2014, the *Mytilini* on May 15, 2014 and the *Messologi* on May 20, 2014 and we realized a net gain on these sales of $5.2 million. During the three months ended June 30, 2013, we sold and delivered the *Honour* and the *Elbe* (on May 14, 2013 and June 13, 2013, respectively) and we realized a net gain on these sales of $0.2 million in aggregate.

Interest Expense and Interest Income
Interest expense decreased by 12.9%, or $3.0 million, to $20.3 million in the three months ended June 30, 2014, from $23.3 million in the three months ended June 30, 2013. The change in interest expense was mainly due to the decrease in our average debt by $203.7 million, to $3,143.8 million in the three months ended June 30, 2014, from $3,347.5 million in the three months ended June 30, 2013, as well as the marginal decrease in the cost of debt servicing in the three months ended June 30, 2014 compared to the three months ended June 30, 2013, mainly driven by the accelerated amortization of our fixed rate debt, which bears a higher cost compared to our floating rate debt.

It has to be noted that we are in a rapid deleveraging mode. As of June 30, 2014, the debt outstanding was $3,129.1 million compared to $3,327.6 million as of June 30, 2013.

Interest income was less than $0.1 million in the three months ended June 30, 2014 compared to $0.5 million in the three months ended June 30, 2013.

Other finance costs, net
Other finance costs, net, decreased by $0.1 million, to $4.9 million in the three months ended June 30, 2014, from $5.0 million in the three months ended June 30, 2013. This decrease was due to the $0.1 million decrease in amortizing finance fees (which were deferred and are amortized over the term of the respective credit facilities) in the three months ended June 30, 2014 compared to the three months ended June 30, 2013.

Unrealized gain/(loss) on derivatives
Unrealized gain/(loss) on interest rate swap hedges was a gain of $4.5 million in the three months ended June 30, 2014 compared to a gain of $12.4 million in the three months ended June 30, 2013. The unrealized gains were attributable to mark to market valuation of our swaps, as well as reclassification of unrealized losses from Accumulated Other Comprehensive Loss to our earnings due to the discontinuation of hedge accounting since July 1, 2012.

Realized (loss)/gain on derivatives
Realized loss on interest rate swap hedges, decreased by $5.4 million, to $31.8 million in the three months ended June 30, 2014, from $37.2 million in the three months ended June 30, 2013. This decrease is mainly attributable to the lower average notional amount of swaps during the three months ended June 30, 2014 compared to the three months ended June 30, 2013 as a result of $500 million in swaps expiration between the two quarters.

Adjusted EBITDA
Adjusted EBITDA decreased 7.8%, or $8.4 million, to $99.0 million in the three months ended June 30, 2014, from $107.4 million in the three months ended June 30, 2013. Adjusted EBITDA for the three months ended June 30, 2014, is adjusted for unrealized gain on derivatives of $4.5 million, realized

losses on derivatives of $30.8 million and a gain on sale of vessels of $5.2 million. Tables reconciling Adjusted EBITDA to Net Income can be found at the end of this earnings release.

Six months ended June 30, 2014 compared to the six months ended June 30, 2013

During the six months ended June 30, 2014, Danaos had an average of 57.2 containerships compared to 62.0 containerships for the six months ended June 30, 2013. Our fleet utilization increased to 96.2% in the six months ended June 30, 2014 compared to 91.8% in the six months ended June 30, 2013, mainly due to the sale of our older vessels certain of which were off-charter and laid-up. During the six months ended June 30, 2014, our fleet utilization for the fleet under employment was 98.0% (which excludes the vessels on lay up). During the six months ended June 30, 2014, we sold five of our older vessels, the *Marathonas,* the *Commodore,* the *Mytilini*, the *Duka* and the *Messologi*, for an aggregate amount of $55.2 million (representing the gross sale proceeds less commissions).

Our adjusted net income was $18.6 million, or $0.17 per share, for the six months ended June 30, 2014 compared to $25.7 million, or $0.23 per share, for the six months ended June 30, 2013. We have adjusted our net income in the six months ended June 30, 2014 for unrealized gains on derivatives of $10.2 million, as well as a non-cash expense of $9.4 million for fees related to our comprehensive financing plan (comprised of non-cash, amortizing and accrued finance fees) and a gain on sale of vessels of $5.7 million. Please refer to the Adjusted Net Income reconciliation table, which appears later in this earnings release.

The decrease of 27.6%, or $7.1 million, in adjusted net income for the six months ended June 30, 2014 compared to the six months ended June 30, 2013, was attributed to a $12.0 million decrease in operating revenues as a result of reduced rates for six 4,253 TEU vessels on charter to Zim following the Zim restructuring as well as a $8.8 million net decrease in operating revenues mainly attributed to lower re-chartering rates for certain of our vessels as a result of the continuing soft charter market and vessels sold that were generating revenue in the six months ended June 30, 2013, partially offset by vessels acquired that were generating revenue in the six months ended June 30, 2014. This decrease in operating revenues was also partially offset by a $1.3 million reduction in total fleet operating costs and a $12.4 million reduction in net finance costs mainly due to lower debt balances and interest rate swap expirations.

On a non-adjusted basis our net income was $25.1 million, or $0.23 per share, for the six months ended June 30, 2014, compared to net income of $33.0 million, or $0.30 per share, for the six months ended June 30, 2013.

Operating Revenues

Operating revenues decreased 7.1%, or $20.8 million, to $271.9 million in the six months ended June 30, 2014, from $292.7 million in the six months ended June 30, 2013.

Operating revenues for the six months ended June 30, 2014 reflect:

- $5.6 million of additional revenues in the six months ended June 30, 2014 compared to the six months ended June 30, 2013, related to the *Amalia C*, the *Niledutch Zebra*, the *Niledutch Palanca* and the *Dimitris C*, which were added to our fleet on May 14, 2013, June 25, 2013, November 13, 2013 and November 21, 2013, respectively.
- $12.0 million decrease in revenues in the six months ended June 30, 2014 compared to the six months ended June 30, 2013, related to the agreement we entered into with ZIM for a reduction in the charter rates payable by ZIM under the time charters for six of our vessels.
- $6.9 million decrease in revenues in the six months ended June 30, 2014 compared to the six months ended June 30, 2013, related to the *Hope*, the *Kalamata*, the *Elbe*, the *Komodo*, the *Lotus*, the *Commodore*, the *Messologi* and the *Mytilini,* which were generating revenues in the six months ended June 30, 2013, but were sold within 2013 and 2014.
- $7.5 million decrease in revenues in the six months ended June 30, 2014 compared to the six months ended June 30, 2013, which was mainly attributable to the rechartering of certain vessels in the soft charter market.

Vessel Operating Expenses
Vessel operating expenses decreased 3.0%, or $1.8 million, to $59.1 million in the six months ended June 30, 2014, from $60.9 million in the six months ended June 30, 2013. The reduction is mainly attributable to decreased average number of vessels in our fleet in the six months ended June 30, 2014 compared to the six months ended June 30, 2013, as well as the marginal decrease in the average daily operating cost per vessel in the six months ended June 30, 2014 compared to the six months ended June 30, 2013.

The average daily operating cost per vessel (excluding vessels on lay-up) marginally decreased to $6,034 for the six months ended June 30, 2014, from $6,039 for the six months ended June 30, 2013.

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

Depreciation
Depreciation expense was $68.1 million in each of the six months ended June 30, 2014 and 2013, respectively.

Amortization of Deferred Dry-docking and Special Survey Costs
Amortization of deferred dry-docking and special survey costs decreased 31.3%, or $1.0 million, to $2.2 million in the six months ended June 30, 2014, from $3.2 million in the six months ended June 30, 2013. The decrease reflects decreased dry-docking and special survey costs incurred within the year and amortized during the six months ended June 30, 2014 compared to the six months ended June 30, 2013.

General and Administrative Expenses
General and administrative expenses increased 10.3%, or $1.0 million, to $10.7 million in the six months ended June 30, 2014, from $9.7 million in the six months ended June 30, 2013. The increase was due to increased fees of $0.7 million paid to our Manager in the six months ended June 30, 2014 compared to the six months ended June 30, 2013, due to an increase in the per day fee payable to our Manager since January 1, 2014, which was partially offset by a decrease in the average number of vessels in our fleet in the six months ended June 30, 2014 compared to the six months ended June 30, 2013. Furthermore, various general and administrative expenses increased by $0.3 million in the six months ended June 30, 2014 compared to the six months ended June 30, 2013.

Gain on sale of vessels
Gain on sale of vessels, was $5.7 million in the six months ended June 30, 2014 compared to a gain of $0.2 million in the six months ended June 30, 2013. During the six months ended June 30, 2014, we sold and delivered the *Marathonas,* the *Commodore,* the *Mytilini*, the *Duka* and the *Messologi* (on February 26, 2014, April 25, 2014, May 15, 2014, May 15, 2014 and May 20, 2014, respectively) and we realized a net gain on these sales of $5.7 million in aggregate. During the six months ended June 30, 2013, we sold and delivered the *Independence,* the *Henry,* the *Pride,* the *Honour* and the *Elbe* (on February 13, 2013, February 28, 2013, March 25, 2013, May 14, 2013 and June 13, 2013, respectively) and we realized a net gain on these sales of $0.2 million in aggregate.

Other Operating Expenses
Other Operating Expenses includes Voyage Expenses

Voyage Expenses
Voyage expenses increased by $0.6 million, to $6.5 million in the six months ended June 30, 2014, from $5.9 million in the six months ended June 30, 2013. Effective January 1, 2014, the commission of 1.0% on gross freight, charter hire, ballast bonus and demurrage payable to our manager with respect to each vessel in the fleet was adjusted to a commission of 1.25%. This increase was partially offset by the decreased average number of vessels in our fleet during the six months ended June 30, 2014 compared to the six months ended June 30, 2013.

Interest Expense and Interest Income
Interest expense decreased by 10.6%, or $4.9 million, to $41.3 million in the six months ended June 30, 2014, from $46.2 million in the six months ended June 30, 2013. The change in interest expense was due to the decrease in our average debt by $195.3 million, to $3,172.7 million in the six months

ended June 30, 2014, from $3,368.0 million in the six months ended June 30, 2013, as well as the marginal decrease in the cost of debt servicing in the six months ended June 30, 2014 compared to the six months ended June 30, 2013, mainly driven by the accelerated amortization of our fixed rate debt, which bears a higher cost compared to our floating rate debt.

Interest income was less than $0.1 million in the six months ended June 30, 2014 compared to $1.0 million in the six months ended June 30, 2013.

Other finance costs, net
Other finance costs, net, decreased by $0.2 million, to $9.9 million in the six months ended June 30, 2014, from $10.1 million in the six months ended June 30, 2013. This decrease was due to the $0.2 million decrease in amortizing finance fees (which were deferred and are amortized over the term of the respective credit facilities) in the six months ended June 30, 2014 compared to the six months ended June 30, 2013.

Unrealized gain/(loss) on derivatives
Unrealized gain/(loss) on interest rate swap hedges was a gain of $10.2 million in the six months ended June 30, 2014 compared to a gain of $16.8 million in the six months ended June 30, 2013. The unrealized gains were attributable to mark to market valuation of our swaps, as well as reclassification of unrealized losses from Accumulated Other Comprehensive Loss to our earnings due to the discontinuation of hedge accounting since July 1, 2012.

Realized (loss)/gain on derivatives
Realized loss on interest rate swap hedges, decreased by $8.5 million, to $65.3 million in the six months ended June 30, 2014, from $73.8 million in the six months ended June 30, 2013. This decrease is mainly attributable to the lower average notional amount of swaps during the six months ended June 30, 2014 compared to the six months ended June 30, 2013.

Adjusted EBITDA
Adjusted EBITDA decreased 9.5%, or $20.6 million, to $195.4 million in the six months ended June 30, 2014, from $216.0 million in the six months ended June 30, 2013. Adjusted EBITDA for the six months ended June 30, 2014, is adjusted for unrealized gain on derivatives of $10.2 million, realized losses on derivatives of $63.3 million and a gain on sale of vessels of $5.7 million. Tables reconciling Adjusted EBITDA to Net Income can be found at the end of this earnings release.

Recent news
On July 25, 2014, at our annual meeting of stockholders, Mr. Iraklis Prokopakis was re-elected as Class II director, Mr. George Economou was re-elected as Class II director and Mr. William Repko was elected as Class II director, each for a three-year term expiring at the annual meeting of our stockholders in 2017. Our stockholders also ratified the appointment of PricewaterhouseCoopers S.A. as our independent auditors.

In July 2014, ZIM and its creditors entered into definitive documentation effecting ZIM's restructuring with its creditors on substantially the same terms as the agreement in principle previously announced by ZIM in January 2014. The terms of the restructuring include a reduction in the charter rates payable by ZIM under its time charters, expiring in 2020 or 2021, for six of our vessels, which had already been implemented beginning in January 2014. The terms also include our receipt of approximately $49.9 million aggregate principal amount of unsecured, interest bearing ZIM notes maturing in 2023 (consisting of $8.8 million of 3% Series 1 Notes due 2023 amortizing subject to available cash flow in accordance with a corporate cash sweep mechanism, and $41.1 million of 5% Series 2 Notes due 2023 non-amortizing (of the 5% interest rate, 3% is payable in cash and 2% is payable in kind, accrued quarterly with deferred cash payment on maturity)) and ZIM shares representing approximately 7.4% of the outstanding ZIM shares immediately after the restructuring, in exchange for such charter rate reductions and cancellation of ZIM's other obligations to us which relate to the outstanding long term receivable as of December 31, 2013. ZIM's charter-owner creditors have designated two of the nine members of ZIM's initial Board of Directors following the restructuring, including one director nominated by us, Dimitris Chatzis, the father of our Chief Financial Officer. In connection with ZIM's previous announcement of the agreement in principle with its creditors, we had recognized an impairment loss of $19.0 million as of December 31, 2013.

Conference Call and Webcast

On Tuesday, July 29, 2014 at 10:00 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: 1 866 819 7111 (US Toll Free Dial In), 0800 953 0329 (UK Toll Free Dial In) or +44 (0)1452 542 301 (Standard International Dial In). Please quote "Danaos" to the operator.

A telephonic replay of the conference call will be available until August 5, 2014 by dialing 1 866 247 4222 (US Toll Free Dial In), 0800 953 1533 (UK Toll Free Dial In) or +44 (0)1452 550 000 (Standard International Dial In). Access Code: 1186615#

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

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 54 containerships aggregating 321,435 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 companies based on fleet size. 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, 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 122 unscheduled off-hire days in the three months ended June 30, 2014 (including 99 days related to the *Duka*, which had been laid up, as well as the *Commodore*, the *Mytilini* and the *Messologi*, which have been off-charter for certain days during the current quarter). 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 2014	Second Quarter 2014	Total
Ownership Days	5,277	5,079	10,356
Less Off-hire Days:			
Scheduled Off-hire Days	(30)	(14)	(44)
Other Off-hire Days	(225)	(122)	(346)
Operating Days	**5,022**	**4,943**	**9,966**
Vessel Utilization	**95.2%**	**97.3%**	**96.2%**
Operating Revenues (in '000s of US Dollars)	**$135,486**	**$136,440**	**$271,926**
Average Gross Daily Charter Rate	**$26,978**	**$27,603**	**$27,285**

Vessel Utilization (No. of Days)	First Quarter 2013	Second Quarter 2013	Total
Ownership Days	5,677	5,541	**11,218**
Less Off-hire Days:			
Scheduled Off-hire Days	—	(39)	**(39)**
Other Off-hire Days	(593)	(287)	**(880)**
Operating Days	**5,084**	**5,215**	**10,299**
Vessel Utilization	**89.6%**	**94.1%**	**91.8%**
Operating Revenues (in '000s of US Dollars)	**$146,088**	**$146,580**	**$292,668**
Average Gross Daily Charter Rate	**$28,735**	**$28,107**	**$28,417**

Fleet List

The following table describes in detail our fleet deployment profile as of July 28, 2014.

Vessel Name	Vessel Size (TEU)	Year Built	Expiration of Charter[1]
Containerships			
Hyundai Ambition	13,100	2012	June 2024
Hyundai Speed	13,100	2012	June 2024
Hyundai Smart	13,100	2012	May 2024
Hyundai Tenacity	13,100	2012	March 2024
Hyundai Together	13,100	2012	February 2024
Hanjin Italy	10,100	2011	April 2023
Hanjin Germany	10,100	2011	March 2023
Hanjin Greece	10,100	2011	May 2023
CSCL Le Havre	9,580	2006	September 2018
CSCL Pusan	9,580	2006	July 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
CSCL America	8,468	2004	September 2016
CSCL Europe	8,468	2004	June 2016
CMA CGM Moliere [2]	6,500	2009	August 2021
CMA CGM Musset [2]	6,500	2010	February 2022
CMA CGM Nerval [2]	6,500	2010	April 2022
CMA CGM Rabelais [2]	6,500	2010	June 2022
CMA CGM Racine [2]	6,500	2010	July 2022
YM Mandate	6,500	2010	January 2028
YM Maturity	6,500	2010	April 2028
Federal	4,651	1994	March 2015
SNL 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
Derby D	4,253	2004	January 2015
Deva	4,253	2004	November 2014
ZIM Rio Grande	4,253	2008	May 2020
ZIM Sao Paolo	4,253	2008	August 2020
OOCL Istanbul	4,253	2008	September 2020
ZIM Monaco	4,253	2009	November 2020
OOCL Novorossiysk	4,253	2009	February 2021
ZIM Luanda	4,253	2009	May 2021
Dimitris C	3,430	2001	November 2014
Hanjin Constantza	3,400	2011	February 2021
Hanjin Algeciras	3,400	2011	November 2020
Hanjin Buenos Aires	3,400	2010	March 2020
Hanjin Santos	3,400	2010	May 2020
Hanjin Versailles	3,400	2010	August 2020
Niledutch Zebra	2,602	2001	September 2014
Amalia C	2,452	1998	March 2015
Niledutch Palanca [3]	2,524	2001	October 2014
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

(1) Earliest date charters could expire. Some charters include options to extend their terms.
(2) The charters with respect to the *CMA CGM Moliere*, the *CMA CGM Musset*, the *CMA CGM Nerval*, the *CMA CGM Rabelais* and the *CMA CGM Racine* include an option for the charterer, CMA-CGM, to purchase the vessels eight years after the commencement of the respective charters, which will fall in September 2017, March 2018, May 2018, July 2018 and August 2018, respectively, each for $78.0 million.
(3) On March 25, 2014, the *Danae C* was renamed to *Niledutch Palanca* at the request of the charterer of this vessel.

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

	Three months ended June 30, 2014	Three months ended June 30, 2013	Six months ended June 30, 2014	Six months ended June 30, 2013
OPERATING REVENUES	**$136,440**	**$146,580**	**$271,926**	**$292,668**
OPERATING EXPENSES				
Vessel operating expenses	(28,903)	(31,621)	(59,149)	(60,914)
Depreciation & amortization	(35,287)	(35,613)	(70,232)	(71,326)
General & administrative	(5,309)	(4,746)	(10,702)	(9,663)
Gain on sale of vessels	5,216	171	5,709	156
Other operating expenses	(3,245)	(2,822)	(6,520)	(5,879)
Income From Operations	**68,912**	**71,949**	**131,032**	**145,042**
OTHER EARNINGS/(EXPENSES)				
Interest income	3	521	18	1,013
Interest expense	(20,260)	(23,292)	(41,259)	(46,156)
Other finance cost, net	(4,922)	(5,016)	(9,913)	(10,093)
Other income/(expenses), net	233	232	287	231
Realized (loss)/gain on derivatives	(31,846)	(37,221)	(65,322)	(73,836)
Unrealized gain/(loss) on derivatives	4,523	12,366	10,207	16,770
Total Other Income/(Expenses), net	**(52,269)**	**(52,410)**	**(105,982)**	**(112,071)**
Net Income	**$16,643**	**$19,539**	**$25,050**	**$32,971**
EARNINGS PER SHARE				
Basic & diluted net income per share	$0.15	$0.18	$0.23	$0.30
Basic & diluted weighted average number of common shares (in thousands of shares)	109,669	109,653	109,669	109,653

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

	Three months ended June 30, 2014	Three months ended June 30, 2013	Six months ended June 30, 2014	Six months ended June 30, 2013
Net income	$16,643	$19,539	$25,050	$32,971
Unrealized (gain)/loss on derivatives	(4,523)	(12,366)	(10,207)	(16,770)
Amortization of financing fees & finance fees accrued	4,692	4,795	9,438	9,636
Gain on sale of vessels	(5,216)	(171)	(5,709)	(156)
Adjusted Net Income	**$11,596**	**$11,797**	**$18,572**	**$25,681**
Adjusted Earnings Per Share	**$0.11**	**$0.11**	**$0.17**	**$0.23**
Weighted average number of shares	109,669	109,653	109,669	109,653

* 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 three and six months ended June 30, 2014 and 2013. 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 Balance Sheets - Unaudited
(Expressed in thousands of United States dollars)

	As of June 30, 2014	As of December 31, 2013
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$51,506	$68,153
Restricted cash	3,250	14,717
Accounts receivable, net	8,743	8,038
Other current assets	40,149	35,958
	103,648	126,866
NON-CURRENT ASSETS		
Fixed assets, net	3,730,498	3,842,617
Restricted cash, net of current portion	55,151	—
Deferred charges, net	61,775	67,949
Fair value of financial instruments	1,098	2,472
Other non-current assets	26,502	26,648
	3,875,024	3,939,686
TOTAL ASSETS	**$3,978,672**	**$4,066,552**
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Long-term debt, current portion	$150,062	$146,462
Vendor Financing, current portion	57,388	57,388
Accounts payable, accrued liabilities & other current liabilities	56,468	56,607
Fair value of financial instruments, current portion	85,214	109,431
	349,132	369,888
LONG-TERM LIABILITIES		
Long-term debt, net of current portion	2,886,006	2,965,641
Vendor financing, net of current portion	35,673	64,367
Fair value of financial instruments, net of current portion	23,790	59,077
Other long-term liabilities	10,346	9,103
	2,955,815	3,098,188
STOCKHOLDERS' EQUITY		
Common stock	1,097	1,097
Additional paid-in capital	546,097	546,097
Accumulated other comprehensive loss	(182,498)	(232,697)
Retained earnings	309,029	283,979
	673,725	598,476
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	**$3,978,672**	**$4,066,552**

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

	Three months ended June 30,	Three months ended June 30,	Six months ended June 30,	Six months ended June 30,
	2014	**2013**	**2014**	**2013**
Operating Activities:				
Net income	$16,643	$19,539	$25,050	$32,971
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation	34,132	34,164	68,075	68,147
Amortization of deferred drydocking & special survey costs, finance cost and other finance fees accrued	5,847	6,244	11,595	12,815
Payments for drydocking/special survey	(1,750)	(667)	(3,789)	(422)
Amortization of deferred realized losses on cash flow interest rate swaps	1,002	1,002	1,992	1,992
Unrealized (gain)/loss on derivatives	(4,523)	(12,366)	(10,207)	(16,770)
Gain on sale of vessels	(5,216)	(171)	(5,709)	(156)
Accounts receivable	(1,399)	2,427	(705)	(6,928)
Other assets, current and non-current	7,831	892	(4,045)	5,640
Accounts payable and accrued liabilities	(10,086)	(3,026)	(1,112)	(1,169)
Other liabilities, current and non-current	1,540	1,838	2,172	2,429
Net Cash provided by Operating Activities	**44,021**	**49,876**	**83,317**	**98,549**
Investing Activities:				
Vessel additions and vessel acquisitions	189	(16,776)	(563)	(17,757)
Net proceeds from sale of vessels	40,831	13,025	50,602	29,875
Net Cash provided by/(used in) Investing Activities	**41,020**	**(3,751)**	**50,039**	**12,118**
Financing Activities:				
Debt repayment	(45,641)	(53,303)	(106,319)	(75,671)
(Increase)/decrease in restricted cash	(46,920)	408	(43,684)	(15,590)
Net Cash used in Financing Activities	**(92,561)**	**(52,895)**	**(150,003)**	**(91,261)**
Net (Decrease)/ Increase in cash and cash equivalents	(7,520)	(6,770)	(16,647)	19,406
Cash and cash equivalents, beginning of period	59,026	81,804	68,153	55,628
Cash and cash equivalents, end of period	**$51,506**	**$75,034**	**$51,506**	**$75,034**

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

	Three months ended June 30, 2014	Three months ended June 30, 2013	Six months ended June 30, 2014	Six months ended June 30, 2013
Net income	$16,643	$19,539	$25,050	$32,971
Depreciation	34,132	34,164	68,075	68,147
Amortization of deferred drydocking & special survey costs	1,155	1,449	2,157	3,179
Amortization of deferred finance costs and other finance fees accrued	4,692	4,795	9,438	9,636
Amortization of deferred realized losses on interest rate swaps	1,002	1,002	1,992	1,992
Interest income	(3)	(521)	(18)	(1,013)
Interest expense	20,260	23,292	41,259	46,156
Gain on sale of vessels	(5,216)	(171)	(5,709)	(156)
Realized loss on derivatives	30,844	36,219	63,330	71,844
Unrealized (gain)/loss on derivatives	(4,523)	(12,366)	(10,207)	(16,770)
Adjusted EBITDA[(1)]	**$98,986**	**$107,402**	**$195,367**	**$215,986**

1) Adjusted EBITDA represents net income before interest income and expense, depreciation, amortization of deferred drydocking & special survey costs and deferred finance costs, unrealized (gain)/loss on derivatives, realized gain/(loss) on derivatives, stock based compensation and gain/(loss) on sale of vessels. 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 ability to service additional debt and make capital expenditures. In addition, we believe that Adjusted EBITDA is useful in evaluating our operating performance and liquidity position 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 and liquidity. 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 three and six months ended June 30, 2014 and 2013. 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.