

Danaos Corporation Reports Results for the Fourth Quarter and Year Ended December 31, 2024

Athens, Greece, February 10, 2025 – Danaos Corporation (“Danaos”) (NYSE: DAC), one of the world’s largest independent owners of container vessels and drybulk vessels, today reported unaudited results for the period ended December 31, 2024.

Highlights for the Fourth Quarter and Year Ended December 31, 2024:

Financial Summary Three Months Ended December 31, 2024 and Three Months Ended December 31, 2023 Unaudited

(Expressed in thousands of United States dollars, except as otherwise stated)

Financial & Operating Metrics	Three Months Ended December 31, 2024				Three Months Ended December 31, 2023			
	Container Vessels	Drybulk Vessels	Other	Total	Container Vessels	Drybulk Vessels	Other	Total
Operating Revenues	\$237,510	\$20,669	-	\$258,179	\$238,924	\$10,391	-	\$249,315
Voyage Expenses, excl. commissions	\$925	\$(4,960)	-	\$(4,035)	\$(437)	\$(6,446)	-	\$(6,883)
Time Charter Equivalent Revenues ⁽¹⁾	\$238,435	\$15,709	-	\$254,144	\$238,487	\$3,945	-	\$242,432
Net income/(loss)	\$121,985	\$1,740	\$(33,298)	\$90,427	\$130,996	\$(1,851)	\$20,776	\$149,921
Adjusted net income / (loss) ⁽²⁾	\$128,697	\$2,300	\$2,276	\$133,273	\$137,582	\$(1,631)	\$14	\$135,965
Earnings per share, basic				\$4.72				\$7.73
Earnings per share, diluted				\$4.70				\$7.70
Adjusted earnings per share, diluted ⁽²⁾				\$6.93				\$6.99
Operating Days	6,467	775	-		6,109	337	-	
Time Charter Equivalent \$/day ⁽¹⁾	\$36,869	\$20,270	-		\$39,039	\$11,706	-	
Ownership days	6,706	920	-		6,256	412	-	
Average number of vessels	72.9	10.0	-		68.0	4.5	-	
Fleet Utilization	96.4%	84.2%	-		97.7%	81.8%	-	
Adjusted EBITDA ⁽²⁾	\$180,700	\$6,775	\$2,252	\$189,727	\$173,083	\$(488)	\$14	\$172,609
Consolidated Balance Sheet & Leverage Metrics								
	As of December 31, 2024				As of December 31, 2023			
Cash and cash equivalents	\$453,384				\$271,809			
Availability under Revolving Credit Facility	\$292,500				\$337,500			
Marketable securities ⁽³⁾	\$60,850				\$86,029			
Total cash liquidity & marketable securities ⁽⁴⁾	\$806,734				\$695,338			
Debt, gross of deferred finance costs	\$744,546				\$410,516			
Net Debt ⁽⁵⁾	\$291,162				\$138,707			
LTM Adjusted EBITDA ⁽⁶⁾	\$722,615				\$707,002			
Net Debt / LTM Adjusted EBITDA	0.40x				0.20x			

1. Time charter equivalent revenues and time charter equivalent US\$/day are non-GAAP measures. Refer to the reconciliation provided in the appendix.
2. Adjusted net income/(loss), adjusted earnings per share and adjusted EBITDA are non-GAAP measures. Refer to the reconciliation of net income to adjusted net income and adjusted earnings per share; and net income to adjusted EBITDA provided below.
3. Marketable securities refer to fair value of 4,070,214 shares of common stock of SBLK on December 31, 2024 and 1,552,865 shares of common stock of EGLE on December 31, 2023.
4. Total cash liquidity & marketable securities includes: (i) cash and cash equivalents, (ii) availability under our Revolving Credit Facility and (iii) marketable securities.
5. Net Debt is defined as total debt gross of deferred finance costs less cash and cash equivalents
6. Last twelve months Adjusted EBITDA. Refer to the reconciliation provided below.

For management purposes, the Company is organized based on operating revenues generated from container vessels and dry-bulk vessels and has two reporting segments: (1) a container vessels segment and (2) a dry-bulk vessels segment. The Company measures segment performance based on net income. Items included in the applicable segment’s net income are directly allocated to the extent that the items are directly or indirectly attributable to the segments. With regards to the items that are allocated by indirect calculations, their allocation is commensurate to the utilization of key resources. The Other column includes components that are not allocated to any of the Company’s reportable segments and includes investments in an affiliate accounted for using the equity method of accounting and investments in marketable securities.

Financial Summary
Year Ended December 31, 2024 and Year Ended December 31, 2023
Unaudited

(Expressed in thousands of United States dollars, except as otherwise stated)

Financial & Operating Metrics	Year Ended December 31, 2024				Year Ended December 31, 2023			
	Container Vessels	Drybulk Vessels	Other	Total	Container Vessels	Drybulk Vessels	Other	Total
Operating Revenues	\$937,077	\$77,033	-	\$1,014,110	\$963,192	\$10,391	-	\$973,583
Voyage Expenses, excl. commissions	\$746	\$(27,075)	-	\$(26,329)	\$(1,662)	\$(6,446)	-	\$(8,108)
Time Charter Equivalent Revenues ⁽¹⁾	\$937,823	\$49,958	-	\$987,781	\$961,530	\$3,945	-	\$965,475
Net income/(loss)	\$518,129	\$4,429	\$(17,485)	\$505,073	\$563,279	\$(1,910)	\$14,930	\$576,299
Adjusted net income / (loss) ⁽²⁾	\$519,759	\$4,989	\$7,694	\$532,442	\$572,215	\$(1,690)	\$(2,937)	\$567,588
Earnings per share, basic				\$26.15				\$28.99
Earnings per share, diluted				\$26.05				\$28.95
Adjusted earnings per share, diluted ⁽²⁾				\$27.47				\$28.52
Operating Days	24,961	2,753	-		24,286	337	-	
Time Charter Equivalent \$/day ⁽¹⁾	\$37,572	\$18,147	-		\$39,592	\$11,706	-	
Ownership days	25,684	3,164	-		24,850	417	-	
Average number of vessels	70.2	8.6	-		68.1	1.1	-	
Fleet Utilization	97.2%	87.0%	-		97.7%	80.8%	-	
Adjusted EBITDA ⁽²⁾	\$697,463	\$17,505	\$7,647	\$722,615	\$710,476	\$(537)	\$(2,937)	\$707,002

1. Time charter equivalent revenues and time charter equivalent US\$/day are non-GAAP measures. Refer to the reconciliation provided in the appendix.
2. Adjusted net income/(loss), adjusted earnings per share and adjusted EBITDA are non-GAAP measures. Refer to the reconciliation of net income to adjusted net income and adjusted earnings per share; and net income to adjusted EBITDA provided below.

- In December 2024, we added two 9,200 TEU newbuilding containerships to our orderbook, which have expected deliveries in 2027. We took delivery of 6 newbuilding containerships in 2024 and 1 in January 2025.
- In February 2025, we entered into a syndicated loan facility agreement for an amount of up to \$850 million, to finance all of our remaining newbuilding container vessels, including the two additional recent orders, with deliveries from 2026 through 2028.
- Our remaining orderbook currently consists of a further 15 newbuilding containership vessels with an aggregate capacity of 128,220 TEU with expected deliveries of one vessel in 2025, three vessels in 2026, nine vessels in 2027 and two vessels in 2028. All the vessels in our orderbook are designed with the latest eco characteristics, will be methanol fuel ready, fitted with open loop scrubbers and Alternative Maritime Power (AMP) units and will be built in accordance with the latest requirements of the International Maritime Organization (IMO) in relation to Tier III emission standards and Energy Efficiency Design Index (EEDI) Phase III.
- We have secured multi-year charter arrangements for 13 of the remaining 15 newbuilding vessels orderbook, with an average charter duration of approximately 5.1 years weighted by aggregate contracted charter hire.
- Over the past three months, we added approximately \$336 million to our contracted revenue backlog through a combination of new charters and charter extensions for 11 of our container vessels and container vessels newbuildings.
- As a result, total contracted cash operating revenues, on the basis of concluded charter contracts through the date of this release, currently stand at \$3.4 billion, including newbuildings. The remaining average contracted charter duration for our containership fleet is 3.7 years, weighted by aggregate contracted charter hire.
- Contracted operating days charter coverage for our container vessel fleet is currently 97% for 2025 and 79% for 2026. This includes newbuildings based on their scheduled delivery dates.
- We took delivery of all of our contracted capesize drybulk carriers by taking delivery of two vessels in the second quarter of 2024 and one vessel in July 2024. As a result, our capesize drybulk fleet currently stands at 10 vessels with an aggregate capacity of approximately 1.8 million DWT.

- As of the date of this release, Danaos has repurchased a total of 2,458,024 shares of its common stock in the open market for \$168.8 million under its \$200 million authorized share repurchase program that was originally introduced in June 2022 and was upsized in November 2023.
- Danaos has declared a dividend of \$0.85 per share of common stock for the fourth quarter of 2024. The dividend is payable on March 5, 2025, to stockholders of record as of February 24, 2025.

Danaos' CEO Dr. John Coustas commented:

"The world is entering uncharted territory and any near-term predictions about the direction of shipping markets are inherently unreliable. The tariff war is bound to generate disruptions, which have historically benefited shipping. However, an economic slowdown might negate these benefits.

The dry bulk market continues to suffer from ongoing malaise due to the pace of the recovery of the Chinese economy, which has not shown signs of accelerating. The delivery of new tonnage starting this year will add to this weakness, particularly in the panamax and smaller segments, where the orderbook is concentrated. The capsize segment, where our fleet is concentrated, continues to have an orderbook that remains at historically low levels.

The container charter market remains healthy, albeit liners are exhibiting more caution, particularly with respect to more forward dates. While box rates are weakening, they are still much higher than pre-pandemic levels. We will have to wait until after Chinese New Year to gauge the effect of the front-loading of exports that occurred in anticipation of tariffs and the demand pattern in the new trade environment.

Danaos is highly insulated from near-term market uncertainty, with 97% coverage for 2025 and 79% for 2026 at healthy rates, shielding us from market volatility. Our charter backlog of \$3.4 billion provides us with a certainty of income and firepower to explore accretive investments. We have chartered 13 out of our 15 newbuildings for five years and have arranged a new \$850 million facility from a bank syndicate to fully cover the financing of all vessels on order.

Our profitability remains consistent, and we are using our strong balance sheet to increase dividends, continue our share buyback program, and source opportunities to grow our company for the benefit of our shareholders.

Our strategic focus remains on maintaining a robust financial position, securing long-term contracts for vessels coming off charter, and investing in modern, fuel-efficient container vessels to enhance our competitive position in the market. We are committed to delivering value to our shareholders through prudent financial management and strategic growth initiatives."

Three months ended December 31, 2024 compared to the three months ended December 31, 2023

During the three months ended December 31, 2024, Danaos had an average of 72.9 container vessels and 10.0 drybulk vessels compared to 68.0 container vessels and 4.5 drybulk vessels during the three months ended December 31, 2023. Our container vessels utilization for the three months ended December 31, 2024 was 96.4% compared to 97.7% in the three months ended December 31, 2023. Our drybulk vessels utilization for the three months ended December 31, 2024 was 84.2% compared to 81.8% in the three months ended December 31, 2023.

Our adjusted net income amounted to \$133.3 million, or \$6.93 per diluted share, for the three months ended December 31, 2024 compared to \$136.0 million, or \$6.99 per diluted share, for the three months ended December 31, 2023. We have adjusted our net income in the three months ended December 31, 2024 for a \$35.6 million change in fair value of investments, a \$8.2 million of stock based compensation expense, a \$0.8 million of non-cash finance fees amortization and a \$1.7 million gain on vessel disposal.

Adjusted net income of our container vessels segment amounted to \$128.7 million for the three months ended December 31, 2024 compared to \$137.6 million for the three months ended December 31, 2023. We adjusted net income of container vessels segment in the three months ended December 31, 2024 for a \$7.6 million of stock based compensation expense, a \$0.8 million of non-cash finance fees amortization and a \$1.7 million gain on vessel disposal.

Adjusted net income of our drybulk vessels segment amounted to \$2.3 million for the three months ended December 31, 2024 compared to \$1.6 million adjusted net loss for the three months ended December 31, 2023. We adjusted net income of drybulk vessels segment in the three months ended December 31, 2024 for a \$0.6 million of stock based compensation expense.

The \$2.7 million decrease in adjusted net income for the three months ended December 31, 2024 compared to the three months ended December 31, 2023 is primarily attributable to a \$11.0 million increase in total operating expenses, a \$4.9 million increase in net finance expenses and a \$0.1 million increase in equity loss on investments, which were partially offset by a \$8.9 million increase in operating revenues, a \$2.3 million increase in dividends received and a \$2.1 million cash collection of common benefit claim from the bankruptcy trustee of Hanjin Shipping.

Please refer to the Adjusted Net Income reconciliation tables, which appear later in this earnings release.

On a non-adjusted basis, our net income amounted to \$90.4 million, or \$4.70 earnings per diluted share, for the three months ended December 31, 2024 compared to net income of \$149.9 million, or \$7.70 earnings per diluted share, for the three months ended December 31, 2023. Our net income for the three months ended December 31, 2024 includes \$35.6 million loss on marketable securities compared to a \$20.8 million gain on marketable securities in the three months ended December 31, 2023. On a non-adjusted basis, the net income of our container vessels segment amounted to \$122.0 million for the three months ended December 31, 2024 compared to \$131.0 million for the three months ended December 31, 2023. On a non-adjusted basis, the net income of our drybulk vessels segment amounted to \$1.7 million for the three months ended December 31, 2024 compared to a \$1.9 million net loss for the three months ended December 31, 2023.

Operating Revenues

Operating revenues increased by 3.6%, or \$8.9 million, to \$258.2 million in the three months ended December 31, 2024 from \$249.3 million in the three months ended December 31, 2023.

Operating revenues of our container vessels segment decreased by 0.6%, or \$1.4 million, to \$237.5 million in the three months ended December 31, 2024 from \$238.9 million in the three months ended December 31, 2023, analyzed as follows:

- a \$21.6 million increase in revenues in the three months ended December 31, 2024 compared to the three months ended December 31, 2023 as a result of newbuilding vessel additions;
- a \$3.7 million increase in revenues in the three months ended December 31, 2024 compared to the three months ended December 31, 2023 due to higher non-cash revenue recognition in accordance with US GAAP;
- a \$19.9 million decrease in revenues in the three months ended December 31, 2024 compared to the three months ended December 31, 2023 as a result of lower charter rates and decreased vessel utilization;
- a \$2.4 million decrease in revenues in the three months ended December 31, 2024 compared to the three months ended December 31, 2023 due to vessel disposals; and
- a \$4.4 million decrease in revenues in the three months ended December 31, 2024 compared to the three months ended December 31, 2023 due to decreased amortization of assumed time charters.

Operating revenues of our drybulk vessels segment added an incremental \$10.3 million of revenues in the three months ended December 31, 2024 compared to the three months ended December 31, 2023, mainly as a result of additions of dry bulk vessels to our fleet.

Vessel Operating Expenses

Vessel operating expenses increased by \$5.5 million to \$45.6 million in the three months ended December 31, 2024 from \$40.1 million in the three months ended December 31, 2023, primarily as a result of the increase in the average number of vessels in our fleet due to recent container vessel newbuilds deliveries and drybulk vessels acquisitions, which was partially offset by the decrease in average daily operating cost of our vessels to \$6,135 per vessel per day for the three months ended December 31, 2024 compared to \$6,188 per vessel per day for the three months ended December 31, 2023. Management believes that our daily operating costs remain among the most competitive in the industry.

Depreciation & Amortization

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

Depreciation

Depreciation expense increased by 20.6%, or \$6.9 million, to \$40.4 million in the three months ended December 31, 2024 from \$33.5 million in the three months ended December 31, 2023 mainly due to

depreciation expense related to 10 recently acquired Capesize drybulk vessels and 6 recently delivered container newbuilds.

Amortization of Deferred Dry-docking and Special Survey Costs

Amortization of deferred dry-docking and special survey costs increased by \$3.7 million to \$9.3 million in the three months ended December 31, 2024 from \$5.6 million in the three months ended December 31, 2023.

General and Administrative Expenses

General and administrative expenses decreased by \$0.7 million, to \$21.7 million in the three months ended December 31, 2024 from \$22.4 million in the three months ended December 31, 2023. The decrease was mainly attributable to decreased stock based compensation expense, which was partially offset by increased management fees.

Other Operating Expenses

Other Operating Expenses include Voyage Expenses.

Voyage Expenses

Voyage expenses decreased by \$1.7 million to \$14.1 million in the three months ended December 31, 2024 from \$15.8 million in the three months ended December 31, 2023 primarily as a result of a \$1.0 million decrease in voyage expenses related to our drybulk vessels and a \$0.7 million decrease in voyage expenses related to our container vessels.

Voyage expenses of container vessels segment decreased by \$0.7 million to \$8.0 million in the three months ended December 31, 2024 from \$8.7 million in the three months ended December 31, 2023 mainly due to decreased other voyage expenses.

Voyage expenses of drybulk vessels segment decreased by \$1.0 million to \$6.1 million in the three months ended December 31, 2024 compared to \$7.1 million voyage expenses in the three months ended December 31, 2023. Total voyage expenses of drybulk vessels comprised \$1.1 million commissions and \$5.0 million other voyage expenses, mainly bunkers consumption and port expenses, in the three months ended December 31, 2024.

Net gain on disposal/sale of vessels

In March 2024, we sold for scrap the vessel *Stride*, which had been off-hire since January 8, 2024 due to damage from a fire in the engine room that was subsequently contained. In the three months ended December 31, 2024, we recognized an additional \$1.7 million gain on disposal of this vessel, relating to an additional \$1.7 million of net insurance proceeds for the constructive total loss of this vessel.

Interest Expense and Interest Income

Interest expense increased by \$6.3 million, to \$9.9 million in the three months ended December 31, 2024 from \$3.6 million in the three months ended December 31, 2023. The increase in interest expense is a result of:

- a \$5.3 million increase in interest expense due to an increase in our average indebtedness by \$332.1 million between the two periods, which was partially offset by a decrease in our debt service cost by approximately 0.78%, mainly as a result of a reduction in SOFR rates between the two periods. Average indebtedness was \$747.2 million in the three months ended December 31, 2024, compared to average indebtedness of \$415.1 million in the three months ended December 31, 2023;
- a \$0.3 million increase in the amortization of deferred finance costs; and
- a \$0.7 million increase in interest expense due to a decrease in the amount of interest expense capitalized on our vessels under construction in the three months ended December 31, 2024.

As of December 31, 2024, our outstanding debt, gross of deferred finance costs, was \$744.5 million, which included \$262.8 million principal amount of our Senior Notes. These balances compare to debt of \$410.5 million, which included \$262.8 million principal amount of our Senior Notes, as of December 31, 2023. The increase in our outstanding debt is mainly due to loans drawn down within 2024 to partially finance our container vessel newbuildings.

Interest income increased to \$3.9 million in the three months ended December 31, 2024 compared to \$2.7 million in the three months ended December 31, 2023 mainly as a result of an increase in the average amount of time deposits between the two periods.

Gain/(loss) on investments

Following the all-stock merger of Eagle Bulk Shipping Inc. (“EGLE”) with Star Bulk Carriers Corp. (“SBLK”) completed on April 9, 2024, we currently own 4,070,214 shares of common stock of SBLK. The \$33.1 million loss on investments in the three months ended December 31, 2024 consisted of the \$35.6 million fair value loss on these marketable securities, which was partially offset by the dividends recognized on these shares of \$2.5 million. This compares to a \$20.9 million gain on marketable securities in the three months ended December 31, 2023.

Equity loss on investments

Equity loss on investments amounting to \$0.2 million and \$0.1 million in the three months December 31, 2024 and December 31, 2023, respectively, relates to our share of initial expenses of Carbon Termination Technologies Corporation (“CTTC”), currently engaged in the research and development of decarbonization technologies for the shipping industry.

Other finance expenses

Other finance expenses remained stable at \$0.9 million in each of the three months ended December 31, 2024 and December 31, 2023.

Loss on derivatives

Amortization of deferred realized losses on interest rate swaps remained stable at \$0.9 million in each of the three months ended December 31, 2024 and December 31, 2023.

Other income/(expenses), net

Other income, net amounted to \$2.8 million in the three months ended December 31, 2024 compared to \$0.2 million other expenses, net in the three months ended December 31, 2023. The other income, net in the three months ended December 31, 2024 mainly consists of \$2.1 million in cash collected from the bankruptcy trustee of Hanjin Shipping as a partial payment of our claim under the Hanjin bankruptcy proceedings.

Adjusted EBITDA

Adjusted EBITDA increased by 9.9%, or \$17.1 million, to \$189.7 million in the three months ended December 31, 2024 from \$172.6 million in the three months ended December 31, 2023. As outlined above, the increase is mainly attributable to a \$13.3 million increase in operating revenues, a \$2.3 million increase in dividends received and a \$2.1 million cash collection of common benefit claim from the bankruptcy trustee of Hanjin Shipping, which were partially offset by a \$0.5 million increase in total operating expenses and a \$0.1 million increase in equity loss on investments. Adjusted EBITDA for the three months ended December 31, 2024 is adjusted for a \$35.6 million change in fair value of investments, stock based compensation of \$8.2 million and a \$1.7 million gain on disposal of vessel. Tables reconciling Adjusted EBITDA to Net Income can be found at the end of this earnings release.

Adjusted EBITDA of container vessels segment increased by 4.4%, or \$7.6 million, to \$180.7 million in the three months ended December 31, 2024 from \$173.1 million in the three months ended December 31, 2023.

Adjusted EBITDA of drybulk vessels segment increased by \$7.3 million to \$6.8 million in the three months ended December 31, 2024 from (\$0.5) million in the three months ended December 31, 2023.

Year ended December 31, 2024 compared to the year ended December 31, 2023

During the year ended December 31, 2024, Danaos had an average of 70.2 container vessels and 8.6 drybulk vessels compared to 68.1 container vessels and 1.1 drybulk vessels during the year ended December 31, 2023. Our container vessels utilization for the year ended December 31, 2024 was 97.2% compared to 97.7% for the year ended December 31, 2023. Our drybulk vessels utilization for the year ended December 31, 2024 was 87.0% compared to 80.8% in the year ended December 31, 2023.

Our adjusted net income amounted to \$532.4 million, or \$27.47 per diluted share, for the year ended December 31, 2024 compared to \$567.6 million, or \$28.52 per diluted share, for the year ended December 31, 2023. We have adjusted our net income in the year ended December 31, 2024 for a \$25.2 million change in fair value of investments, a \$8.3 million gain on vessel disposal, a \$8.2 million of stock based compensation expense and a \$2.3 million of non-cash finance fees amortization.

Adjusted net income of our container vessels segment amounted to \$519.8 million for the year ended December 31, 2024 compared to \$572.2 million for the year ended December 31, 2023. We adjusted net income of container vessels segment in the year ended December 31, 2024 for a \$8.3 million gain on vessel disposal, a \$7.6 million of stock based compensation expense and a \$2.3 million non-cash finance fees amortization.

Adjusted net income of our drybulk vessels segment amounted to \$5.0 million for the year ended December 31, 2024 compared to \$1.7 million adjusted net loss for the year ended December 31, 2023, as we just started to be engaged in the drybulk vessels segment during that period. We adjusted net income of drybulk vessels segment in the year ended December 31, 2024 for a \$0.6 million of stock based compensation expense.

The \$35.2 million decrease in adjusted net income for the year ended December 31, 2024 compared to the year ended December 31, 2023 is primarily attributable to a \$84.2 million increase in total operating expenses and a \$4.2 million increase in net finance expenses, which were partially offset by a \$40.5 million increase in operating revenues, a \$8.2 million increase in dividends received, a \$2.4 million decrease in equity loss on investments and a \$2.1 million cash collection of common benefit claim from the bankruptcy trustee of Hanjin Shipping.

Please refer to the Adjusted Net Income reconciliation tables, which appear later in this earnings release.

On a non-adjusted basis, our net income amounted to \$505.1 million, or \$26.05 earnings per diluted share, for the year ended December 31, 2024 compared to net income of \$576.3 million, or \$28.95 earnings per diluted share, for the year ended December 31, 2023. Our net income for the year ended December 31, 2024 includes a \$25.2 million loss on marketable securities compared to a \$17.9 million gain on marketable securities in the year ended December 31, 2023. On a non-adjusted basis, the net income of our container vessels segment amounted to \$518.1 million and the net income of our drybulk vessels segment amounted to \$4.4 million for the year ended December 31, 2024. On a non-adjusted basis, the net income of our container vessels segment amounted to \$563.3 million and the net loss of our drybulk vessels segment amounted to \$1.9 million for the year ended December 31, 2023.

Operating Revenues

Operating revenues increased by 4.2%, or \$40.5 million, to \$1,014.1 million in the year ended December 31, 2024 from \$973.6 million in the year ended December 31, 2023.

Operating revenues of our container vessels segment decreased by 2.7%, or \$26.1 million, to \$937.1 million in the year ended December 31, 2024 from \$963.2 million in the year ended December 31, 2023, analyzed as follows:

- a \$40.5 million increase in revenues in the year ended December 31, 2024 compared to the year ended December 31, 2023 as a result of vessel additions;
- a \$40.4 million decrease in revenues in the year ended December 31, 2024 compared to the year ended December 31, 2023 mainly as a result of lower charter rates and decreased vessel utilization;
- a \$9.9 million decrease in revenues in the year ended December 31, 2024 compared to the year ended December 31, 2023 due to vessel disposals;
- a \$16.7 million decrease in revenues in the year ended December 31, 2024 compared to the year ended December 31, 2023 due to decreased amortization of assumed time charters; and
- a \$0.4 million increase in revenues in the year ended December 31, 2024 compared to the year ended December 31, 2023 due to higher non-cash revenue recognition in accordance with US GAAP.

Operating revenues of our drybulk vessels segment added an incremental \$66.6 million of revenues in the year ended December 31, 2024 compared to the year ended December 31, 2023, mainly as a result of additions of dry bulk vessels to our fleet.

Vessel Operating Expenses

Vessel operating expenses increased by \$23.6 million to \$185.7 million in the year ended December 31, 2024 from \$162.1 million in the year ended December 31, 2023, primarily as a result of the increase in the average number of vessels in our fleet due to recent container vessel newbuilds deliveries and dry bulk vessels acquisitions, while the average daily operating cost of our vessels remained stable at \$6,606 per vessel per day for the year ended December 31, 2024 compared to \$6,607 per vessel per day for the year ended December 31, 2023. Management believes that our daily operating costs remain among the most competitive in the industry.

Depreciation & Amortization

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

Depreciation

Depreciation expense increased by 14.7%, or \$19.0 million, to \$148.3 million in the year ended December 31, 2024 from \$129.3 million in the year ended December 31, 2023 mainly due to depreciation expense related to 10 recently acquired Capesize drybulk vessels and 6 recently delivered container vessel newbuilds.

Amortization of Deferred Dry-docking and Special Survey Costs

Amortization of deferred dry-docking and special survey costs increased by \$10.5 million to \$29.2 million in the year ended December 31, 2024 from \$18.7 million in the year ended December 31, 2023.

General and Administrative Expenses

General and administrative expenses increased by \$10.7 million, to \$54.2 million in the year ended December 31, 2024 from \$43.5 million in the year ended December 31, 2023. The increase was mainly attributable to increased stock based compensation expense and management fees.

Other Operating Expenses

Other Operating Expenses include Voyage Expenses.

Voyage Expenses

Voyage expenses increased by \$23.1 million to \$64.1 million in the year ended December 31, 2024 from \$41.0 million in the year ended December 31, 2023 mainly as a result of a \$24.5 million increase in the voyage expenses related to our drybulk vessels.

Voyage expenses of container vessels segment decreased by \$1.4 million to \$32.5 million in the year ended December 31, 2024 from \$33.9 million in the year ended December 31, 2023 mainly due to decreased other voyage expenses.

Voyage expenses of drybulk vessels segment increased by \$24.5 million to \$31.6 million in the year ended December 31, 2024 compared to \$7.1 million voyage expenses in the year ended December 31, 2023. Total voyage expenses of drybulk vessels segment comprised \$4.5 million of commissions and \$27.1 million of other voyage expenses, mainly bunkers consumption and port expenses, in the year ended December 31, 2024.

Net gain on disposal/sale of vessels

In March 2024, we sold for scrap the vessel *Stride*, which had been off-hire since January 8, 2024 due to damage from a fire in the engine room that was subsequently contained. We recognized \$11.9 million of net insurance proceeds for the constructive total loss of the vessel and recorded a gain on disposal of this vessel amounting to \$8.3 million in the year ended December 31, 2024.

In January 2023, we completed the sale of the container vessel *Amalia C* for net proceeds of \$4.9 million resulting in a gain of \$1.6 million.

Interest Expense and Interest Income

Interest expense increased by \$5.7 million, to \$26.2 million in the year ended December 31, 2024 from \$20.5 million in the year ended December 31, 2023. The increase in interest expense is a result of:

- a \$9.7 million increase in interest expense due to an increase in our average indebtedness by \$129.7 million between the two periods, which was partially offset by a decrease in our debt service cost mainly as a result of a reduction in our financing margin cost. Average indebtedness was \$580.6 million in the year ended December 31, 2024, compared to average indebtedness of \$450.9 million in the year ended December 31, 2023; and
- a \$0.1 million increase in the amortization of deferred finance costs; which were partially offset by
- a \$4.1 million decrease in interest expense due to an increase in capitalized interest expense on our vessels under construction in the year ended December 31, 2024.

As of December 31, 2024, our outstanding debt, gross of deferred finance costs, was \$744.5 million, which included \$262.8 million principal amount of our Senior Notes. These balances compare to debt of \$410.5 million, which included \$262.8 million principal amount of our Senior Notes as of December 31, 2023. The increase in our outstanding debt is mainly due to loans drawn down within 2024 to partially finance our container vessel newbuildings.

Interest income increased by \$0.8 million to \$12.9 million in the year ended December 31, 2024 compared to \$12.1 million in the year ended December 31, 2023, mainly as a result of an increase in the average amount of time deposits between the two periods.

Gain/(loss) on investments

Following the all-stock merger of Eagle Bulk Shipping Inc. (EGLE) with Star Bulk Carriers Corp. ("SBLK") completed on April 9, 2024, we currently own 4,070,214 shares of common stock of SBLK. The loss on investments of \$15.9 million in the year ended December 31, 2024 consisted of the change in fair value of these marketable securities of \$25.2 million and dividends recognized on these shares of \$9.3 million. This compares to a \$18.9 million gain on marketable securities in the year ended December 31, 2023.

Loss on debt extinguishment

A \$2.3 million loss on early extinguishment of our leaseback obligations in the year ended December 31, 2023 compares to no such loss in the year ended December 31, 2024.

Equity loss on investments

Equity loss on investments amounting to \$1.6 million and \$4.0 million in the year December 31, 2024 and December 31, 2023, respectively, relates to our share of initial expenses of CTTC, currently engaged in the research and development of decarbonization technologies for the shipping industry.

Other finance expenses

Other finance expenses decreased by \$0.7 million to \$3.6 million in the year ended December 31, 2024 compared to \$4.3 million in the year ended December 31, 2023.

Loss on derivatives

Amortization of deferred realized losses on interest rate swaps remained stable at \$3.6 million in each of the years ended December 31, 2024 and December 31, 2023.

Other income/(expenses), net

Other income, net amounted to \$2.2 million in the year ended December 31, 2024 compared to \$0.8 million other expense, net in the year ended December 31, 2023. The other income, net in the year ended December 31, 2024 mainly consists of \$2.1 million in cash collected from the bankruptcy trustee of Hanjin Shipping as a partial payment of our claim under the Hanjin bankruptcy proceedings.

Adjusted EBITDA

Adjusted EBITDA increased by 2.2%, or \$15.6 million, to \$722.6 million in the year ended December 31, 2024 from \$707.0 million in the year ended December 31, 2023. As outlined above, the increase is mainly attributable to a \$57.2 million increase in operating revenues, a \$8.2 million increase in dividends received, a \$2.4 million decrease in equity loss on investments and a \$2.1 million cash collection of common benefit claim from the bankruptcy trustee of Hanjin Shipping, which were partially offset by a \$54.3 million increase in total operating expenses. Adjusted EBITDA for the year ended December 31, 2024 is adjusted for a \$25.2 million change in fair value of investments, \$8.2 million of stock based compensation expense and a \$8.3 million net gain on disposal of vessel. Tables reconciling Adjusted EBITDA to Net Income can be found at the end of this earnings release.

Adjusted EBITDA of container vessels segment decreased by \$13.0 million, to \$697.5 million in the year ended December 31, 2024 from \$710.5 million in the year ended December 31, 2023.

Adjusted EBITDA of drybulk vessels segment increased by \$18.0 million, to \$17.5 million in the year ended December 31, 2024 from \$(0.5) million in the year ended December 31, 2023.

Dividend Payment

Danaos has declared a dividend of \$0.85 per share of common stock for the fourth quarter of 2024, which is payable on March 5, 2025 to stockholders of record as of February 24, 2025.

Recent Developments

Subsequent to December 31, 2024, we repurchased 198,926 shares of our common stock in the open market for \$15.7 million.

In January 2025, we took delivery of our 7th newbuilding containership, the *Phoebe*, which was deployed on a seven-year time charter.

Conference Call and Webcast

On Tuesday, February 11, 2025 at 9:00 A.M. ET, the Company's management will host a conference call to discuss the results.

Participants should dial into the call 10 minutes before the scheduled time using the following numbers: 1 844 802 2437 (US Toll Free Dial In), 0800 279 948 9 (UK Toll Free Dial In) or +44 (0) 2075 441 375 (Standard

International Dial In). Please indicate to the operator that you wish to join the Danaos Corporation earnings call.

A telephonic replay of the conference call will be available until February 28, 2025 by dialing 1 877 344 7529 (US Toll Free Dial In) or 1-412-317-0088 (Standard International Dial In) and using 5409898# as the access code.

Audio Webcast

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

Slide Presentation

A slide presentation regarding the Company and the container and drybulk industry will also be available on the Danaos website (www.danaos.com).

About Danaos Corporation

Danaos Corporation is one of the largest independent owners of modern, large-size container vessels. Our current fleet of 74 container vessels aggregating 471,477 TEUs and 15 under construction container vessels aggregating 128,220 TEUs ranks Danaos among the largest container vessels charter owners in the world based on total TEU capacity. Danaos has also recently invested in the drybulk sector with the acquisition of 10 capesize drybulk vessels aggregating 1,760,861 DWT. Our container vessels fleet is chartered to many of the world's largest liner companies on fixed-rate charters. Our long track record of success is predicated on our efficient and rigorous operational standards and environmental controls. Danaos Corporation's shares trade on the New York Stock Exchange under the symbol "DAC".

Forward-Looking Statements

Matters discussed in this release may constitute forward-looking statements within the meaning of the safe harbor provisions of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements reflect our current views with respect to future events and financial performance and may include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts. The forward-looking statements in this release are based upon various assumptions. Although Danaos Corporation believes that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond our control, Danaos Corporation cannot assure you that it will achieve or accomplish these expectations, beliefs or projections. Important factors that, in our view, could cause actual results to differ materially from those discussed in the forward-looking statements include the strength of world economies and currencies, geopolitical conditions, including any trade disruptions resulting from tariffs imposed by the United States or other countries, 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, drydocking and insurance costs, our ability to operate profitably in the drybulk sector, performance of shipyards constructing our contracted newbuilding vessels, 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, including the conflict in Ukraine and related sanctions, the conflict in Israel and the Gaza Strip, potential disruption of shipping routes such as Houthi attacks in the Red Sea and the Gulf of Aden, 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

Container vessels fleet utilization

	Three months ended December 31, 2024	Three months ended December 31, 2023	Year ended December 31, 2024	Year ended December 31, 2023
Vessel Utilization (No. of Days)				
Ownership Days	6,706	6,256	25,684	24,850
Less Off-hire Days:				
Scheduled Off-hire Days	(236)	(123)	(525)	(472)
Other Off-hire Days	(3)	(24)	(198)	(92)
Operating Days	6,467	6,109	24,961	24,286
Vessel Utilization	96.4%	97.7%	97.2%	97.7%
Operating Revenues (in '000s of US\$)	\$237,510	\$238,924	\$937,077	\$963,192
Less: Voyage Expenses excluding commissions (in '000s of US\$)	925	(437)	746	(1,662)
Time Charter Equivalent Revenues (in '000s of US\$)	238,435	238,487	937,823	961,530
Time Charter Equivalent US\$/per day	\$36,869	\$39,039	\$37,572	\$39,592

Drybulk vessels fleet utilization

	Three months ended December 31, 2024	Three months ended December 31, 2023	Year ended December 31, 2024	Year ended December 31, 2023
Vessel Utilization (No. of Days)				
Ownership Days	920	412	3,164	417
Less Off-hire Days:				
Scheduled Off-hire Days	(138)	(75)	(378)	(80)
Other Off-hire Days	(7)	-	(33)	-
Operating Days	775	337	2,753	337
Vessel Utilization	84.2%	81.8%	87.0%	80.8%
Operating Revenues (in '000s of US\$)	\$20,669	\$10,391	\$77,033	\$10,391
Less: Voyage Expenses excluding commissions (in '000s of US\$)	(4,960)	(6,446)	(27,075)	(6,446)
Time Charter Equivalent Revenues (in '000s of US\$)	15,709	3,945	49,958	3,945
Time Charter Equivalent US\$/per day	\$20,270	\$11,706	\$18,147	\$11,706

- 1) We define Operating Days as the total number of Ownership Days net of Scheduled off-hire days (days associated with scheduled repairs, drydockings or special or intermediate surveys or days) and net of off-hire days associated with unscheduled repairs or days waiting to find employment but including days our vessels were sailing for repositioning. The shipping industry uses Operating Days to measure the number of days in a period during which vessels actually generate revenues or are sailing for repositioning purposes. Our definition of Operating Days may not be comparable to that used by other companies in the shipping industry.
- 2) Time charter equivalent US\$/per day ("TCE rate") represents the average daily TCE rate of our container vessels segment and drybulk vessels segment calculated dividing time charter equivalent revenues of each segment by operating days of each segment. TCE rate is a standard shipping industry performance measure used primarily to compare period to period changes in a shipping company's performance despite changes in the mix of charter types i.e., voyage charters, time charters, bareboat charters under which its vessels may be employed between the periods. Our method of computing TCE rate may not necessarily be comparable to TCE rates of other companies due to differences in methods of calculation. We include TCE rate, a non- GAAP measure, as it provides additional meaningful information in conjunction with operating revenues, the most directly comparable GAAP measure, and it assists our management in making decisions regarding the deployment and use of our operating vessels and assists investors and our management in evaluating our financial performance.

Fleet List

The following table describes in detail our container vessels deployment profile as of February 7, 2025:

Vessel Name	Vessel Size (TEU)⁽¹⁾	Year Built	Expiration of Charter⁽²⁾
<i>Ambition (ex Hyundai Ambition)</i>	13,100	2012	April 2027
<i>Speed (ex Hyundai Speed)</i>	13,100	2012	March 2027
<i>Kota Plumbago (ex Hyundai Smart)</i>	13,100	2012	July 2027
<i>Kota Primrose (ex Hyundai Respect)</i>	13,100	2012	April 2027
<i>Kota Peony (ex Hyundai Honour)</i>	13,100	2012	March 2027
<i>Express Rome</i>	10,100	2011	May 2027
<i>Express Berlin</i>	10,100	2011	August 2026
<i>Express Athens</i>	10,100	2011	May 2027
<i>Le Havre</i>	9,580	2006	June 2028
<i>Pusan C</i>	9,580	2006	May 2028
<i>Bremen</i>	9,012	2009	January 2028
<i>C Hamburg</i>	9,012	2009	January 2028
<i>Niledutch Lion</i>	8,626	2008	May 2026
<i>Kota Manzanillo</i>	8,533	2005	February 2026
<i>Belita</i>	8,533	2006	July 2026
<i>CMA CGM Melisande</i>	8,530	2012	January 2028
<i>CMA CGM Attila</i>	8,530	2011	May 2027
<i>CMA CGM Tancredi</i>	8,530	2011	July 2027
<i>CMA CGM Bianca</i>	8,530	2011	September 2027
<i>CMA CGM Samson</i>	8,530	2011	November 2027
<i>America</i>	8,468	2004	April 2028
<i>Europe</i>	8,468	2004	May 2028
<i>Kota Santos</i>	8,463	2005	August 2026
<i>Catherine C⁽³⁾</i>	8,010	2024	June 2029
<i>Greenland⁽³⁾</i>	8,010	2024	June 2027
<i>Greenville⁽⁴⁾</i>	8,010	2024	August 2027
<i>Greenfield⁽⁵⁾</i>	8,010	2024	October 2027
<i>Interasia Accelerate⁽³⁾</i>	7,165	2024	April 2027
<i>Interasia Amplify⁽⁴⁾</i>	7,165	2024	September 2027
<i>CMA CGM Moliere</i>	6,500	2009	March 2027
<i>CMA CGM Musset</i>	6,500	2010	September 2025
<i>CMA CGM Nerval</i>	6,500	2010	November 2025
<i>CMA CGM Rabelais</i>	6,500	2010	January 2026
<i>Racine</i>	6,500	2010	April 2026
<i>YM Mandate</i>	6,500	2010	January 2028
<i>YM Maturity</i>	6,500	2010	April 2028
<i>Savannah (ex Zim Savannah)</i>	6,402	2002	June 2027
<i>Dimitra C</i>	6,402	2002	April 2027
<i>Phoebe⁽⁶⁾</i>	6,014	2025	November 2031
<i>Suez Canal</i>	5,610	2002	April 2026
<i>Kota Lima</i>	5,544	2002	September 2025
<i>Wide Alpha</i>	5,466	2014	July 2027
<i>Stephanie C</i>	5,466	2014	May 2028
<i>Euphrates (ex Maersk Euphrates)</i>	5,466	2014	September 2028
<i>Wide Hotel</i>	5,466	2015	September 2027
<i>Wide India</i>	5,466	2015	October 2028
<i>Wide Juliet</i>	5,466	2015	September 2025
<i>Seattle C</i>	4,253	2007	October 2026
<i>Vancouver</i>	4,253	2007	November 2026
<i>Derby D</i>	4,253	2004	January 2027
<i>Tongala</i>	4,253	2004	November 2026
<i>Rio Grande</i>	4,253	2008	November 2026
<i>Merve A</i>	4,253	2008	August 2027
<i>Kingston</i>	4,253	2008	June 2027
<i>Monaco (ex ZIM Monaco)</i>	4,253	2009	December 2026
<i>Dalian</i>	4,253	2009	March 2026

Vessel Name	Vessel Size (TEU) ⁽¹⁾	Year Built	Expiration of Charter ⁽²⁾
ZIM Luanda	4,253	2009	August 2028
Dimitris C	3,430	2001	September 2027
Express Black Sea	3,400	2011	January 2027
Express Spain	3,400	2011	January 2027
Express Argentina	3,400	2010	December 2026
Express Brazil	3,400	2010	April 2027
Express France	3,400	2010	July 2027
Singapore	3,314	2004	March 2027
Colombo	3,314	2004	January 2027
Zebra	2,602	2001	November 2025
Artotina	2,524	2001	January 2026
Advance	2,200	1997	June 2026
Future	2,200	1997	May 2026
Sprinter	2,200	1997	May 2026
Bridge	2,200	1998	January 2028
Progress C	2,200	1998	April 2026
Phoenix D	2,200	1997	March 2025
Highway	2,200	1998	January 2028

- (1) Twenty-feet equivalent unit, the international standard measure for containers and container vessels capacity.
(2) Earliest date charters could expire. Some charters include options for the charterer to extend their terms.
(3) The newbuilding vessels were delivered in the second quarter of 2024.
(4) The newbuilding vessels were delivered in the third quarter of 2024.
(5) The newbuilding vessel was delivered in the fourth quarter 2024.
(6) The newbuilding vessel was delivered in January 2025.

Container vessels under construction as of February 7, 2025:

Hull Number	Vessel Size (TEU)	Expected Delivery Year	Minimum Charter Duration
Hull No. CV5900-08	6,014	2025	6.8 Years
Hull No. YZJ2023-1556	8,258	2026	5 Years
Hull No. YZJ2023-1557	8,258	2026	5 Years
Hull No. YZJ2024-1612	8,258	2026	5 Years
Hull No. YZJ2024-1613	8,258	2027	5 Years
Hull No. YZJ2024-1625	8,258	2027	5 Years
Hull No. YZJ2024-1626	8,258	2027	5 Years
Hull No. YZJ2024-1668	8,258	2027	5 Years
Hull No. C9200-7	9,200	2027	4.8 Years
Hull No. C9200-8	9,200	2027	4.8 Years
Hull No. C9200-9	9,200	2027	4.8 Years
Hull No. C9200-10	9,200	2028	4.8 Years
Hull No. C9200-11	9,200	2028	4.8 Years
Hull No. H2596	9,200	2027	
Hull No. H2597	9,200	2027	

The following table describes the details of our Capesize drybulk vessels as of February 7, 2025:

Vessel Name	Capacity (DWT) ⁽¹⁾	Year Built
Achievement	175,966	2011
Genius	175,580	2012
Ingenuity	176,022	2011
Integrity	175,966	2010
Peace	175,858	2010
W Trader	175,879	2009
E Trader	175,886	2009
Gouverneur (ex Xin Hang) ⁽²⁾	178,043	2010
Valentine (ex Star Audrey) ⁽²⁾	175,125	2011
Danaos (ex Guo May) ⁽³⁾	176,536	2011

- (1) DWT, dead weight tons, the international standard measure for drybulk vessels capacity.
(2) The vessels were delivered in the second quarter of 2024.
(3) The vessel was delivered in July 2024.

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

	Three months ended December 31, 2024	Three months ended December 31, 2023	Year ended December 31, 2024	Year ended December 31, 2023
OPERATING REVENUES	\$258,179	\$249,315	\$1,014,110	\$973,583
OPERATING EXPENSES				
Vessel operating expenses	(45,654)	(40,123)	(185,724)	(162,117)
Depreciation & amortization	(49,627)	(39,077)	(177,505)	(147,950)
General & administrative	(21,709)	(22,377)	(54,228)	(43,484)
Other operating expenses	(14,082)	(15,769)	(64,101)	(41,010)
Net gain on disposal/sale of vessels	1,681	-	8,332	1,639
Income From Operations	128,788	131,969	540,884	580,661
OTHER INCOME/(EXPENSES)				
Interest income	3,907	2,723	12,890	12,133
Interest expense	(9,942)	(3,554)	(26,185)	(20,463)
Gain/(loss) on investments	(33,131)	20,917	(15,903)	18,923
Loss on debt extinguishment	-	-	-	(2,254)
Other finance expenses	(899)	(916)	(3,593)	(4,274)
Equity loss on investments	(191)	(141)	(1,629)	(3,993)
Other income/(expenses), net	2,808	(164)	2,241	(812)
Realized loss on derivatives	(913)	(913)	(3,632)	(3,622)
Total Other Income/(Expenses), net	(38,361)	17,952	(35,811)	(4,362)
Net Income	90,427	149,921	505,073	576,299
EARNINGS PER SHARE				
Basic earnings per share	\$4.72	\$7.73	\$26.15	\$28.99
Diluted earnings per share	\$4.70	\$7.70	\$26.05	\$28.95
Basic weighted average number of common shares (in thousands of shares)	19,162	19,406	19,316	19,879
Diluted weighted average number of common shares (in thousands of shares)	19,220	19,461	19,385	19,904

Reconciliation of Net Income to Adjusted Net Income – Unaudited

	Three months ended December 31, 2024	Three months ended December 31, 2023	Year ended December 31, 2024	Year ended December 31, 2023
Net Income	\$90,427	\$149,921	\$505,073	\$576,299
Change in fair value of investments	35,574	(20,762)	25,179	(17,867)
Loss on debt extinguishment	-	-	-	2,254
Net gain on disposal/sale of vessels	(1,681)	-	(8,332)	(1,639)
Stock based compensation	8,196	6,340	8,196	6,340
Amortization of financing fees	757	466	2,326	2,201
Adjusted Net Income	\$133,273	\$135,965	\$532,442	\$567,588
Adjusted Earnings Per Share, diluted	\$6.93	\$6.99	\$27.47	\$28.52
Diluted weighted average number of shares (in thousands of shares)	19,220	19,461	19,385	19,904

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 months and year ended December 31, 2024 and 2023. The 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. The non-GAAP financial measures as presented above may not be comparable to similarly titled measures of other companies in the shipping or other industries.

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

	As of December 31, 2024	As of December 31, 2023
ASSETS		
CURRENT ASSETS		
Cash, cash equivalents and restricted cash	\$453,384	\$271,809
Accounts receivable, net	25,578	9,931
Other current assets	192,005	220,030
	<u>670,967</u>	<u>501,770</u>
NON-CURRENT ASSETS		
Fixed assets, net	3,290,309	2,746,541
Advances for vessels acquisition and vessels under construction	265,838	301,916
Deferred charges, net	58,759	38,012
Other non-current assets	57,781	72,897
	<u>3,672,687</u>	<u>3,159,366</u>
TOTAL ASSETS	<u>\$4,343,654</u>	<u>\$3,661,136</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Long-term debt, current portion	\$35,220	\$21,300
Accounts payable, accrued liabilities & other current liabilities	133,734	146,860
	<u>168,954</u>	<u>168,160</u>
LONG-TERM LIABILITIES		
Long-term debt, net	699,563	382,874
Other long-term liabilities	50,337	93,785
	<u>749,900</u>	<u>476,659</u>
STOCKHOLDERS' EQUITY		
Common stock	190	194
Additional paid-in capital	650,864	690,190
Accumulated other comprehensive loss	(70,430)	(75,979)
Retained earnings	2,844,176	2,401,912
	<u>3,424,800</u>	<u>3,016,317</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$4,343,654</u>	<u>\$3,661,136</u>

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

	Three months ended December 31,	Three months ended December 31,	Year ended December 31,	Year ended December 31,
	2024	2023	2024	2023
Operating Activities:				
Net income	\$90,427	\$149,921	\$505,073	\$576,299
<i>Adjustments to reconcile net income to net cash provided by operating activities:</i>				
Depreciation	40,375	33,523	148,344	129,287
Amortization of deferred drydocking & special survey costs and finance costs	10,009	6,020	31,487	20,864
Amortization of assumed time charters	-	(4,416)	(4,534)	(21,222)
Prior service cost and periodic cost	(422)	507	1,426	1,613
(Gain)/loss on investments	35,574	(20,762)	25,179	(17,867)
Loss on debt extinguishment	-	-	-	2,254
Net gain on disposal/sale of vessels	(1,681)	-	(8,332)	(1,639)
Payments for drydocking/special survey	(21,878)	(9,568)	(50,568)	(31,121)
Amortization of deferred realized losses on cash flow interest rate swaps	913	913	3,632	3,622
Equity loss on investments	191	141	1,629	3,993
Stock based compensation	9,812	12,680	14,559	12,680
Accounts receivable	1,176	(2,580)	(5,403)	(4,296)
Other assets, current and non-current	(3,007)	(7,208)	20,768	(18,632)
Accounts payable and accrued liabilities	11,207	7,651	10,246	(154)
Other liabilities, current and long-term	(16,057)	(20,642)	(71,756)	(79,389)
Net Cash provided by Operating Activities	156,639	146,180	621,750	576,292
Investing Activities:				
Vessel additions and advances for vessels under construction	(78,135)	(139,977)	(659,343)	(268,035)
Net proceeds and insurance proceeds from disposal/sale of vessels	-	-	10,196	3,914
Investments	(417)	-	(1,642)	(74,407)
Net Cash used in Investing Activities	(78,552)	(139,977)	(650,789)	(338,528)
Financing Activities:				
Proceeds from long-term debt	63,000	-	362,000	-
Debt repayment	(7,930)	(6,875)	(27,970)	(27,500)
Payments of leaseback obligations	-	-	-	(72,925)
Dividends paid	(16,320)	(15,533)	(62,807)	(60,696)
Repurchase of common stock	(47,617)	(18,276)	(53,332)	(70,610)
Finance costs	(172)	-	(7,277)	(1,892)
Net Cash provided by/(used in) Financing Activities	(9,039)	(40,684)	210,614	(233,623)
Net increase/(decrease) in cash and cash equivalents	69,048	(34,481)	181,575	4,141
Cash and cash equivalents, beginning of period	384,336	306,290	271,809	267,668
Cash and cash equivalents, end of period	\$453,384	\$271,809	\$453,384	\$271,809

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

	Three months ended December 31,	Three months ended December 31,	Year ended December 31,	Year ended December 31,
	2024	2023	2024	2023
Net income	\$90,427	\$149,921	\$505,073	\$576,299
Depreciation	40,375	33,523	148,344	129,287
Amortization of deferred drydocking & special survey costs	9,252	5,554	29,161	18,663
Amortization of assumed time charters	-	(4,416)	(4,534)	(21,222)
Amortization of finance costs and commitment fees	1,371	1,171	4,905	5,136
Amortization of deferred realized losses on interest rate swaps	913	913	3,632	3,622
Interest income	(3,907)	(2,723)	(12,890)	(12,133)
Interest expense excluding amortization of finance costs	9,185	3,088	23,859	18,262
Change in fair value of investments	35,574	(20,762)	25,179	(17,867)
Loss on debt extinguishment	-	-	-	2,254
Stock based compensation	8,218	6,340	8,218	6,340
Net gain on disposal/sale of vessels	(1,681)	-	(8,332)	(1,639)
Adjusted EBITDA⁽¹⁾	\$189,727	\$172,609	\$722,615	\$707,002

- 1) Adjusted EBITDA represents net income before interest income and expense, depreciation, amortization of deferred drydocking & special survey costs, amortization of assumed time charters, amortization of deferred finance costs and commitment fees, amortization of deferred realized losses on interest rate swaps, adjusted for the change in fair value of investments, stock based compensation, loss on debt extinguishment and net gain on disposal/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 EBITDA and Adjusted EBITDA assist investors and analysts in comparing our performance across reporting periods on a consistent basis by excluding items that we do not believe are indicative of our core operating performance. In evaluating Adjusted EBITDA, you should be aware that in the future we may incur expenses that are the same as or similar to some of the adjustments in this presentation. Our presentation of Adjusted EBITDA should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items. The non-GAAP financial measures as presented above may not be comparable to similarly titled measures of other companies in the shipping or other industries.

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 months and year ended December 31, 2024 and December 31, 2023. 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
Reconciliation of Net Income to Adjusted EBITDA per segment
Three Months Ended December 31, 2024 and Three Months Ended December 31, 2023
Unaudited
(Expressed in thousands of United States dollars)

	Three Months Ended December 31, 2024				Three Months Ended December 31, 2023			
	Container Vessels	Drybulk Vessels	Other	Total	Container Vessels	Drybulk Vessels	Other	Total
Net income/(loss)	\$121,985	\$1,740	\$(33,298)	\$90,427	\$130,996	\$(1,851)	\$20,776	\$149,921
Depreciation	37,048	3,327	-	40,375	32,343	1,180	-	33,523
Amortization of deferred drydocking & special survey costs	8,105	1,147	-	9,252	5,554	-	-	5,554
Amortization of assumed time charters	-	-	-	-	(4,416)	-	-	(4,416)
Amortization of finance costs and commitment fees	1,371	-	-	1,371	1,171	-	-	1,171
Amortization of deferred realized losses on interest rate swaps	913	-	-	913	913	-	-	913
Interest income	(3,883)	-	(24)	(3,907)	(2,686)	(37)	-	(2,723)
Interest expense excluding amortization of finance costs	9,185	-	-	9,185	3,088	-	-	3,088
Change in fair value of investments	-	-	35,574	35,574	-	-	(20,762)	(20,762)
Stock based compensation	7,657	561	-	8,218	6,120	220	-	6,340
Net gain on disposal/sale of vessels	(1,681)	-	-	(1,681)	-	-	-	-
Adjusted EBITDA⁽¹⁾	\$180,700	\$6,775	\$2,252	\$189,727	\$173,083	\$(488)	\$14	\$172,609

- 1) Adjusted EBITDA represents net income before interest income and expense, depreciation, amortization of deferred drydocking & special survey costs, amortization of assumed time charters, amortization of deferred finance costs and commitment fees, amortization of deferred realized losses on interest rate swaps, adjusted for the change in fair value of investments and net gain on disposal/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 EBITDA and Adjusted EBITDA assist investors and analysts in comparing our performance across reporting periods on a consistent basis by excluding items that we do not believe are indicative of our core operating performance. In evaluating Adjusted EBITDA, you should be aware that in the future we may incur expenses that are the same as or similar to some of the adjustments in this presentation. Our presentation of Adjusted EBITDA should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items. The non-GAAP financial measures as presented above may not be comparable to similarly titled measures of other companies in the shipping or other industries.

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DANAOS CORPORATION
Reconciliation of Net Income to Adjusted EBITDA per segment
Year Ended December 31, 2024 and Year Ended December 31, 2023
Unaudited
(Expressed in thousands of United States dollars)

	Year Ended December 31, 2024				Year Ended December 31, 2023			
	Container Vessels	Drybulk Vessels	Other	Total	Container Vessels	Drybulk Vessels	Other	Total
Net income/(loss)	\$518,129	\$4,429	\$(17,485)	\$505,073	\$563,279	\$(1,910)	\$14,930	\$576,299
Depreciation	137,823	10,521	-	148,344	128,097	1,190	-	129,287
Amortization of deferred drydocking & special survey costs	27,167	1,994	-	29,161	18,663	-	-	18,663
Amortization of assumed time charters	(4,534)	-	-	(4,534)	(21,222)	-	-	(21,222)
Amortization of finance costs and commitment fees	4,905	-	-	4,905	5,136	-	-	5,136
Amortization of deferred realized losses on interest rate swaps	3,632	-	-	3,632	3,622	-	-	3,622
Interest income	(12,843)	-	(47)	(12,890)	(12,096)	(37)	-	(12,133)
Interest expense excluding amortization of finance costs	23,859	-	-	23,859	18,262	-	-	18,262
Change in fair value of investments	-	-	25,179	25,179	-	-	(17,867)	(17,867)
Stock based compensation	7,657	561	-	8,218	6,120	220	-	6,340
Loss on debt extinguishment	-	-	-	-	2,254	-	-	2,254
Net gain on disposal/sale of vessels	(8,332)	-	-	(8,332)	(1,639)	-	-	(1,639)
Adjusted EBITDA⁽¹⁾	\$697,463	\$17,505	\$7,647	\$722,615	\$710,476	\$(537)	\$(2,937)	\$707,002

- 1) Adjusted EBITDA represents net income before interest income and expense, depreciation, amortization of deferred drydocking & special survey costs, amortization of assumed time charters, amortization of deferred finance costs and commitment fees, amortization of deferred realized losses on interest rate swaps, adjusted for the change in fair value of investments and net gain on disposal/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 EBITDA and Adjusted EBITDA assist investors and analysts in comparing our performance across reporting periods on a consistent basis by excluding items that we do not believe are indicative of our core operating performance. In evaluating Adjusted EBITDA, you should be aware that in the future we may incur expenses that are the same as or similar to some of the adjustments in this presentation. Our presentation of Adjusted EBITDA should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items. The non-GAAP financial measures as presented above may not be comparable to similarly titled measures of other companies in the shipping or other industries.

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DANAOS CORPORATION
Reconciliation of Net Income to Adjusted Net Income per segment
Three Months Ended December 31, 2024 and Three Months Ended December 31, 2023
Unaudited
(Expressed in thousands of United States dollars)

	Three Months Ended December 31, 2024				Three Months Ended December 31, 2023			
	Container Vessels	Drybulk Vessels	Other	Total	Container Vessels	Drybulk Vessels	Other	Total
Net income/(loss)	\$121,985	\$1,740	\$(33,298)	\$90,427	\$130,996	\$(1,851)	\$20,776	\$149,921
Change in fair value of investments	-	-	35,574	35,574	-	-	(20,762)	(20,762)
Amortization of financing fees	757	-	-	757	466	-	-	466
Stock based compensation	7,636	560	-	8,196	6,120	220	-	6,340
Net gain on disposal/sale of vessels	(1,681)	-	-	(1,681)	-	-	-	-
Adjusted Net income/(loss)⁽¹⁾	\$128,697	\$2,300	\$2,276	\$133,273	\$137,582	\$(1,631)	\$14	\$135,965
Adjusted Earnings per Share, diluted	\$6.93				\$6.99			
Diluted weighted average number of shares (in thousands of shares)	19,220				19,461			

DANAOS CORPORATION
Reconciliation of Net Income to Adjusted Net Income per segment
Year Ended December 31, 2024 and Year Ended December 31, 2023
Unaudited
(Expressed in thousands of United States dollars)

	Year Ended December 31, 2024				Year Ended December 31, 2023			
	Container Vessels	Drybulk Vessels	Other	Total	Container Vessels	Drybulk Vessels	Other	Total
Net income/(loss)	\$518,129	\$4,429	\$(17,485)	\$505,073	\$563,279	\$(1,910)	\$14,930	\$576,299
Change in fair value of investments	-	-	25,179	25,179	-	-	(17,867)	(17,867)
Loss on debt extinguishment	-	-	-	-	2,254	-	-	2,254
Amortization of financing fees	2,326	-	-	2,326	2,201	-	-	2,201
Stock based compensation	7,636	560	-	8,196	6,120	220	-	6,340
Net gain on disposal/sale of vessels	(8,332)	-	-	(8,332)	(1,639)	-	-	(1,639)
Adjusted Net income/(loss)⁽¹⁾	\$519,759	\$4,989	\$7,694	\$532,442	\$572,215	\$(1,690)	\$(2,937)	\$567,588
Adjusted Earnings per Share, diluted	\$27.47				\$28.52			
Diluted weighted average number of shares (in thousands of shares)	19,385				19,904			

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