GSL Holdings, Inc.
Form 424B3
July 25, 2008
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Filed Pursuant to Rule 424(b)(3)
Registration No. 333-150309

SUPPLEMENT TO

PROXY STATEMENT FOR SPECIAL MEETING OF STOCKHOLDERS

OF MARATHON ACQUISITION CORP.

AND PROSPECTUS FOR COMMON SHARES, WARRANTS AND UNITS

OF GSL HOLDINGS, INC.

DATED JULY 9, 2008

As previously described in the joint proxy statement/prospectus dated July 9, 2008, Marathon Acquisition Corp., a Delaware corporation, or Marathon, has entered into, and its board of directors has approved, an agreement and plan of merger with GSL Holdings, Inc., a Marshall Islands corporation and a newly formed subsidiary of Marathon, CMA CGM S.A., a French corporation, and Global Ship Lease, Inc., a Marshall Islands corporation and a subsidiary of CMA CGM.

Marathon is distributing this supplement to the proxy statement/prospectus due to the recent third amendment to the merger agreement which, among other things:

- increases the initial base dividend payable on the Class A common shares from $0.18 per share to $0.23 per share;
- increases the charter rates payable by CMA CGM to GSL Holdings for the vessels of the initial fleet and contracted fleet in an aggregate amount of $7.8 million per year in addition to the prior agreed increase of $3.6 million per year;
- reduces the consideration payable to CMA CGM by reducing the number of common shares to be issued to CMA CGM by 1,065,950 Class A common shares and 1,065,950 Class B common shares;
- reduces the number of common shares of GSL Holdings to be issued to Marathon Founders, LLC and other initial stockholders of Marathon by an aggregate of 1,528,094 Class A common shares and 1,528,094 Class B common shares;
- provides for the issuance of warrants to acquire 3,131,900 Class A common shares of GSL Holdings to CMA CGM and warrants to acquire an aggregate of 3,056,188 Class A common shares of GSL Holdings to Marathon Founders, LLC and other initial stockholders of Marathon; and
- provides for the issuance of preferred shares of GSL Holdings to CMA CGM in lieu of $48 million in cash to be previously paid to CMA CGM pursuant to the merger agreement.

In addition, GSL Holdings intends to repurchase up to $48,000,000 in shares of common stock of Marathon or Class A common shares of GSL Holdings at or after the closing to reduce the number of Class A common shares outstanding.

Marathon has scheduled a special meeting of its stockholders to approve the Merger and the other proposals related to the Merger. The special meeting was originally scheduled for August 6, 2008. In light of the changes to the terms of the Merger resulting from the third amendment to the merger agreement, and in order to provide additional time for consideration of these changes, the special meeting has been rescheduled for August 12, 2008 at 10:00 a.m., and will be held at the offices of Akin Gump Strauss Hauer & Feld LLP, 590 Madison Avenue, 22nd Floor, New York, New York. Other than the terms of the merger proposal, all other aspects of the special meeting, including the matters to be voted upon, have not changed. The record date for the determination of stockholders entitled to notice of and to vote at the special meeting and at any adjournment of the special meeting remains the close of business on July 7, 2008.

In connection with the Merger, Marathon is also soliciting the requisite consent of its warrantholders to amend the warrant agreement to revise the definition of Business Combination and the other merger-related provisions to include the Merger. The Expiration Time of the consent solicitation has been extended to 5:00 p.m. New York City time on August 7, 2008. The record date for the purposes of the consent solicitation remains the close of business on July 7, 2008.

Each stockholder s vote and warrantholder s consent is very important. Whether or not you plan to attend the Marathon special meeting in person, please submit your proxy card without delay. Stockholders may use the proxy card previously provided with the joint proxy statement/prospectus and warrantholders may use the consent letter previously provided with the joint proxy statement/prospectus. Stockholders may revoke

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proxies at any time before they are voted at the meeting. Voting by proxy will not prevent a stockholder from voting such stockholder s shares in person if such stockholder subsequently chooses to attend the Marathon special meeting. Warrantholders may revoke their consents at any time before the requisite consents have been received. The joint proxy statement/prospectus, of which this supplement forms a part, constitutes a proxy statement of Marathon and a prospectus of GSL Holdings for the securities of GSL Holdings that will be issued to securityholders of Marathon.

We encourage you to read this supplement and the joint proxy statement/prospectus carefully.

Marathon s board of directors unanimously recommends that Marathon stockholders vote FOR approval of the Merger and the other proposals.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued in the merger or otherwise, or passed upon the adequacy or accuracy of the joint proxy statement/prospectus (as supplemented by this supplement). Any representation to the contrary is a criminal offense.

/s/ MICHAEL S. GROSS
Michael S. Gross

Chairman of the Board of Directors of

Marathon Acquisition Corp.

July 24, 2008

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THE REVISED MERGER PROPOSAL

The discussion in this supplement updates certain information contained in the joint proxy statement/prospectus and, to the extent there is any conflict between the description in this supplement and the description in the joint proxy statement/prospectus, you should rely on the information contained in this supplement, which shall be deemed to supersede any inconsistent information in the joint proxy statement/prospectus. The discussion in this supplement of the Merger and the principal terms of the third amendment to the merger agreement among Marathon, GSL Holdings, CMA CGM, and Global Ship Lease, is subject to, and is qualified in its entirety by reference to, the third amendment to the merger agreement. The full text of the third amendment to the merger agreement is attached hereto as Appendix A, which is incorporated by reference herein. A copy of the original merger agreement is attached as Appendix A to the joint proxy statement/prospectus. You are encouraged to read the third amendment and the merger agreement, as amended, in their entirety for a more complete description of the terms and conditions of the Merger.

Revised Merger Terms

As described in the joint proxy statement/prospectus, pursuant to the merger agreement, Marathon will merge with and into GSL Holdings, and then Global Ship Lease will merge with and into GSL Holdings, with GSL Holdings continuing as the surviving company incorporated in the Republic of the Marshall Islands and to be renamed Global Ship Lease, Inc. Pursuant to the merger agreement as amended by the third amendment, the consideration to be paid and the common shares of GSL Holdings to be issued as a result of the Merger will remain the same, except that:

- the number of common shares of GSL Holdings to be issued to CMA CGM will be reduced by 1,065,950 Class A common shares and 1,065,950 Class B common shares;
- the number of common shares of GSL Holdings to be issued to Marathon Founders, LLC and other initial stockholders of Marathon will be reduced by an aggregate of 1,528,094 Class A common shares and 1,528,094 Class B common shares;
- CMA CGM will receive warrants to acquire 3,131,900 Class A common shares of GSL Holdings and Marathon Founders, LLC and other initial stockholders of Marathon will receive warrants to acquire an aggregate of 3,056,188 Class A common shares of GSL Holdings; and
- CMA CGM will receive 1,000 Series A preferred shares of GSL Holdings in lieu of $48,000,000 in cash which was to be previously paid to CMA CGM and will receive only $18,570,135 in cash.

All holders of Marathon common stock will continue to receive one Class A common share of GSL Holdings for each share of Marathon common stock.

In addition, GSL Holdings intends to repurchase up to $48,000,000 in shares of common stock of Marathon or Class A common shares of GSL Holdings at or after the closing to reduce the number of Class A common shares outstanding. In this regard, GSL Holdings may repurchase shares at the closing in privately negotiated transactions with a limited number of shareholders whom it believes would otherwise elect to exercise conversion rights with respect to their shares of Marathon common stock.

Recommendation of Marathon s Board of Directors

After careful consideration, Marathon s board of directors determined that the Merger, as contemplated by the merger agreement as amended by the third amendment, is fair to and in the best interests of Marathon and its stockholders. On the basis of the foregoing, Marathon s board of directors has approved and declared advisable the Merger and recommends that you vote or give instructions to vote FOR the adoption of the revised Merger Proposal.

The board of directors recommends a vote FOR adoption of the revised Merger Proposal.

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THIRD AMENDMENT TO THE MERGER AGREEMENT

Merger Consideration

As described in the joint proxy statement/prospectus, pursuant to the merger agreement, Marathon will merge with and into GSL Holdings, and then Global Ship Lease will merge with and into GSL Holdings, with GSL Holdings continuing as the surviving company incorporated in the Republic of the Marshall Islands and to be renamed Global Ship Lease, Inc. (such mergers, collectively, the Merger).

Under the merger agreement, as amended by the third amendment, as a result of the Merger, each holder of a share of Marathon common stock will receive one Class A common share of GSL Holdings, except that a certain portion of the consideration received by Marathon Founders, LLC and other initial stockholders will include an aggregate of 3,471,906 Class B common shares of GSL Holdings and warrants to acquire an aggregate of 3,056,188 Class A common shares in lieu of 6,528,094 Class A common shares of GSL Holdings; and CMA CGM will receive 6,788,650 Class A common shares of GSL Holdings, 3,934,050 Class B common shares of GSL Holdings, 12,375,000 Class C common shares of GSL Holdings, warrants to acquire 3,131,900 Class A common shares of GSL Holdings, 1,000 Series A preferred shares of GSL Holdings and $18,570,135 in cash.

Series A Preferred Shares

As described in this supplement, pursuant to the merger agreement as amended by the third amendment, CMA CGM will receive 1,000 Series A preferred shares of GSL Holdings in lieu of $48,000,000 in cash it was otherwise to receive in the Merger. In accordance with its amended and restated articles of incorporation, GSL Holdings board of directors will establish and issue the Series A preferred shares which will have the following terms.

Ranking. The Series A preferred shares will rank senior to the common shares and any class of equity securities issued by GSL Holdings which do not by their terms expressly provide that they are senior to the Series A preferred shares, with respect to dividend rights and rights upon liquidation, dissolution or winding up of GSL Holdings.

Dividends. Cash dividends on the Series A preferred shares are payable when and as authorized by the board of directors of GSL Holdings, and will be equal to three-month LIBOR plus a spread of 2% per annum of the original issue price of $48,000 per share, payable quarterly on the last day of each fiscal quarter or at such other times as the board of directors shall determine.

Liquidation Preference. In the event of a liquidation of GSL Holdings assets, the holders of the Series A preferred shares will be entitled to receive, prior and in preference to any distribution of the proceeds of the liquidation to holders of common shares (or any junior series of preferred shares) by reason of their ownership thereof, an amount per share equal to the sum of the original issue price of $48,000 per share plus accrued but unpaid dividends on such shares.

Redemption. All Series A preferred shares will be mandatorily redeemable by GSL Holdings on the third anniversary of the date of the Merger or, if earlier, upon a change of control, in each case, at a cash redemption price of $48,000 per share plus all accrued and unpaid dividends to the redemption date. GSL Holdings will also be required to redeem Series A preferred shares from time to time in part upon receipt of cash proceeds from the exercise of any warrants presently existing or hereinafter issued by Marathon or GSL Holdings and upon the occurrence of certain significant transactions. The Series A preferred shares will otherwise be redeemable in whole or in part at the option of GSL Holdings at a cash redemption price of $48,000 per share plus all accrued and unpaid dividends to the redemption date.

Non-Voting. Except as required by law, the holders of Series A preferred shares have no voting rights.

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Class A Warrants

As described in this supplement, pursuant to the merger agreement as amended by the third amendment, CMA CGM will receive warrants to acquire 3,131,900 Class A common shares of GSL Holdings and Marathon Founders, LLC and other initial stockholders will receive warrants to acquire aggregate of 3,056,188 Class A common shares of GSL Holdings. Each Class A warrant will entitle the registered holder to purchase one Class A common share at a price of $9.25 per share, subject to adjustment as discussed below. The warrants will be exercisable upon issuance in the Merger and will expire on September 1, 2013.

The exercise price and number of Class A common shares issuable on exercise of the warrants may be adjusted in certain circumstances including in the event of a stock dividend, or our recapitalization, reorganization, merger or consolidation.

The warrants may be exercised upon surrender of the warrant certificate on or prior to the expiration date at the offices of GSL Holdings, with the exercise form on the reverse side of the warrant certificate completed and executed as indicated, accompanied by full payment of the exercise price, by certified check, bank or official check or by bank wire transfer in immediately available funds payable to GSL Holdings, for the number of warrants being exercised or on a cashless basis. On the exercise of any warrant, unless exercised on a cashless basis, any warrant exercise price will be paid directly to GSL Holdings. Warrantholders do not have the rights or privileges of holders of Class A common shares, including voting rights, until they exercise their warrants and receive Class A common shares. After the issuance of Class A common shares upon exercise of the warrants, each holder will be entitled to one vote for each share held of record on all matters to be voted on by holders of Class A common shares.

Amended and Restated Charter Agreements

Immediately prior to the Merger, the applicable subsidiaries of Global Ship Lease will enter into amended and restated charter agreements with CMA CGM pursuant to which CMA CGM will charter the Global Ship Lease vessels. As described in the joint proxy statement/prospectus, the terms of the amended and restated agreements are substantially the same as the current agreements and were to reflect an increase in the charter rates for eight vessels of the initial fleet as of April 1, 2008 and the charter agreements to be entered into at the time of delivery of the vessels in the contracted fleet were also to reflect an increase in the charter rates as initially contemplated by CMA CGM and Global Ship Lease, in an aggregate amount of $3.6 million per year. Pursuant to the third amendment to the merger agreement, CMA CGM has agreed to increase the charter rates an additional $7.8 million per year such that aggregate amount of the increased charter rates will be $11.4 million per year. Please see Time Charters, Other Transaction Agreements Amended and Restated Charter Agreements and Global Ship Lease Business Time Charters in the joint proxy statement/prospectus for more information about these agreements.

Registration Rights Agreement

Pursuant to the third amendment to the merger agreement, the registration rights agreement into which GSL Holdings will enter with CMA CGM, Marathon Investors, LLC, Marathon Founders, LLC and the other initial stockholders of Marathon common stock (including Michael Gross), pursuant to which GSL Holdings will agree to register for resale on a registration statement under the Securities Act of 1933, as amended, and applicable state securities laws, will cover the Class A warrants issued to CMA CGM, Marathon Founders, LLC and the other initial stockholders of Marathon common stock (including Michael Gross) as well as the common shares to be issued to such shareholders pursuant to the Merger or upon exercise of warrants. See Other Transaction Agreements Registration Rights Agreement in the joint proxy statement/prospectus for more information about this agreement.

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REVISED DIVIDEND POLICY

The discussion in this supplement updates certain information contained in the joint proxy statement/prospectus under the heading Dividend Policy and, to the extent there is any conflict between the description in this supplement and the description of the Dividend Policy in the joint proxy statement/prospectus, you should rely on the information contained in this supplement, which shall be deemed to supersede any inconsistent information in the joint proxy statement/prospectus. Please see Dividend Policy in the joint proxy statement/prospectus for additional information.

As described in the joint proxy statement/prospectus, the Merger will create three classes of common shares. Based on the assumptions and the other matters set forth below and subject to the matters set forth under Risk Factors in the joint proxy statement/prospectus after consummation of the Merger, as contemplated by the merger agreement as amended by the third amendment, GSL Holdings intends to pay a quarterly dividend of at least $0.23 per share, or $0.92 per share per year, payable with respect to the third quarter of 2008 and quarterly thereafter. Due to the increase in the initial base dividend to $0.23 per share, GSL Holdings does not intend to pay, and the amended and restated articles of incorporation will not provide for, an additional increase in the base dividend. The amended and restated articles of incorporation will not be otherwise modified. There can be no assurance, however, that GSL Holdings will pay regular quarterly dividends in the future.

GSL Holdings preliminary calculations indicate that approximately (i) 25 to 35% of the dividends anticipated to be paid in 2008 will represent a return of capital and (ii) 60 to 70% of the dividends anticipated to be paid in 2009 and 2010 will represent a return of capital.

The table below analyzes GSL Holdings ability to pay the new proposed dividend amounts on its Class A common shares based on the pro forma financial information for the quarter ended March 31, 2008. Under three of the four scenarios (maximum conversions/fully diluted, maximum conversions/basic and no conversions/basic), GSL Holdings has sufficient cash from operations. Under the no conversions/fully diluted scenario, there is a shortfall. GSL Holdings believes that the likelihood of such shortfall occurring during this period is low because warrants and other convertible securities are typically not exercised significantly in advance of their expiration date (August 2010).

		Three months ended March 31, 2008	
		No conversions	Maximum conversions
		($ thousands)	
Pro forma net income before dividends		7,782	7,081
Adjustment for non cash items			
Depreciation and amortization		5,181	5,181
Reverse accretion of earnings for intangible liabilities(1)		(80)	(80)
Reverse charge for equity incentive awards(2)		488	488
		13,371	12,670
Allowance for future dry dock(3)		(700)	(700)
Cash from operations available for dividends		12,671	11,970
Dividend on mandatorily redeemable preferred shares		675	675
Cash from operations available to common shares		11,996	11,295
Weighted average number of Class A common shares outstanding			
No conversions(4)			
Basic	43,661,406		
Fully diluted	54,107,730		
Maximum conversions(4)			
Basic	35,658,240		
Fully diluted	46,104,564		
Dividend per common share per quarter ($)	**0.23**		
Total dividend			
Basic		10,042	8,201

Fully diluted	12,445	10,604
Surplus/(Shortfall)		
Basic	1,954	3,094
Fully diluted	(449)	691

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(1) Reversal of accretion to earnings for the amortization of the intangible liability established as a result of the Merger to record the effect of below market leases. See note O.

(2) Reversal of the pro forma charge for equity incentive awards which are not expected to give rise to a cash expense in the quarter. See note T.

(3) In determining cash available from operations for the payment of dividends, it is the intention of the board of directors to set aside an amount estimated to cover anticipated cash costs of future drydockings to manage what would be otherwise potentially substantial and volatile effects on quarterly cashflow as the costs of drydocking are significant (an average of $940 per ship) and at five yearly intervals with timing largely determined by the relevant regulatory rules.

(4) The pro forma financial information is presented with no conversion of common stock into cash and also on the basis of maximum conversion of 19.99% (or 8,003,166 shares) of common stock into cash.

Retained cash flow may be used to fund vessel or fleet acquisitions, make debt repayments and for other purposes, as determined by GSL Holdings management and board of directors. GSL Holdings dividend policy reflects its judgment that by reinvesting cash flow in its business, it will be able to provide value to its shareholders by enhancing its long-term dividend paying capacity. GSL Holdings objectives are to increase distributable cash flow per share through acquisitions of additional vessels beyond its initial and contracted fleet of 17 vessels. GSL Holdings cannot assure you that it will be successful in achieving these objectives.

In addition to its regular dividend payments, shortly after the consummation of the Merger, GSL Holdings intends to pay a starting dividend of $0.23 per Class A common share, rather than $0.18 per Class A common share as previously contemplated. The declaration of the dividend is expected to occur shortly after the consummation of the Merger.

After the Merger, Marathon s initial stockholders and CMA CGM will hold an aggregate of 7,405,956 subordinated Class B common shares. The terms of the subordinated Class B common shares are intended to provide added assurance that GSL Holdings will be able to pay regular quarterly dividends on its Class A common shares equal to its initial base dividend of $0.23 per share.

GSL Holdings cannot assure you that its future dividends will be distributed in the frequency set forth in the joint proxy statement/prospectus (as supplemented by this supplement), or that its estimate of cash available for distribution or its estimated future dividends for its initial and subsequent distribution periods will in fact be equal to the amount set forth above or elsewhere in the joint proxy statement/prospectus (as supplemented by this supplement). Its ability to pay dividends may be limited by the amount of cash it can generate from operations following the payment of fees and expenses and the establishment of any reserves as well as additional factors unrelated to its profitability and assumes that GSL Holdings does not make any vessel acquisitions beyond those set forth in the joint proxy statement/prospectus. GSL Holdings is a holding company, and GSL Holdings will depend on the ability of its subsidiaries to distribute funds to GSL Holdings in order to satisfy its financial obligations and to pay dividend payments. Further, its board of directors may elect to not distribute any dividends or may significantly reduce the dividends GSL Holdings projects in the joint proxy statement/prospectus (as supplemented by this supplement). As a result, the amount of dividends actually paid, if any, may vary from the amount currently estimated and such variations may be material. Please see Dividend Policy and Risk Factors in the joint proxy statement/prospectus for a discussion of the dividend policy of GSL Holdings and risks associated with GSL Holdings ability to pay dividends.

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UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION

The following unaudited pro forma combined balance sheet presents the financial position of GSL Holdings as of March 31, 2008, assuming the Merger, as contemplated by the merger agreement as amended by the third amendment, had been completed as of that date. The historical financial information has been adjusted to give effect to pro forma events that are directly attributable to the Merger and factually supportable. GSL Holdings was recently formed on March 14, 2008, did not have any assets or operations as of March 31, 2008, and therefore has not been included within this analysis because its results would not differ from those of Marathon.

The unaudited pro forma combined financial information and explanatory notes present how the combined financial statements of Marathon and Global Ship Lease may have appeared had the businesses actually been combined as of the dates noted below. The unaudited pro forma combined financial information shows the impact of the Merger on the combined balance sheets and the combined income statement under the purchase method of accounting with Marathon treated as the acquiror. Under this method of accounting, the assets and liabilities of Global Ship Lease are recorded by Marathon at their estimated fair values as of the acquisition date. The unaudited pro forma combined balance sheet as of March 31, 2008 assumes the Merger was completed on that date.

The unaudited pro forma combined income statements for the year ended December 31, 2007 and for the three months ended March 31, 2008 were prepared assuming the Merger was completed on January 1, 2007.

The pro forma statement of income reflects the contracted charterhire revenue of the 10 secondhand vessels in the initial fleet at the amended charterhire rates which were agreed upon as part of the merger transaction which were operated by Global Ship Lease s Predecessor Group until their sale to Global Ship Lease in December 2007 and that are now chartered to CMA CGM by Global Ship Lease under long-term charter agreements. Additionally, the pro forma statement of income includes the contracted charterhire revenue and related expenses including depreciation and interest expense for the two newly built vessels for the period from delivery to the Predecessor Group on November 5 and December 27, 2007 through December 31, 2007 and through March 31, 2008.

The pro forma financial information does not reflect the five contracted vessels, four of which are expected to be delivered in December 2008, and one of which is expected to be delivered in July 2009.

The pro forma balance sheet does not reflect the impact of the starting dividend, which will not be declared until after the completion of the Merger.

It is anticipated that the Merger will provide financial benefits such as possible expense efficiencies among other factors, although no assurances can be given that such benefits will actually be achieved. These benefits have not been reflected in the unaudited pro forma financial information. As required, the unaudited pro forma combined financial information includes adjustments which give effect to events that are directly attributable to the transaction, expected to have a continuing impact and are factually supportable; as such, any planned adjustments affecting the balance sheet, statement of operations, or shares of common stock outstanding subsequent to the assumed acquisition completion date are not included. The unaudited pro forma combined financial information is presented for illustrative purposes only and does not indicate the financial results of the combined businesses had they actually been combined on the dates noted above. However, management believes (a) that the assumptions used provide a reasonable basis for presenting the significant effect of (i) the change in activity from the activities of the CMA CGM as a ship operator deriving its revenue from the provision of containerized transportation to Global Ship Lease s activities as a ship owner deriving its revenue from long-term time charters and (ii) the Merger, and (b) that the pro forma adjustments give appropriate effect to the assumptions and are properly applied in the unaudited pro forma financial statements.

As explained in more detail in the accompanying notes to the unaudited pro forma combined financial information, the allocation of the purchase price reflected in the pro forma combined financial information is

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subject to adjustment. The actual purchase price allocation will be recorded based upon final estimated fair values of the assets and liabilities acquired, which is likely to vary from the purchase price allocations adopted in the pro forma combined financial statements. In addition, there may be further refinements of the purchase price allocation as additional information becomes available.

The unaudited pro forma combined financial information is derived from and should be read in conjunction with the financial statements and related notes of Marathon and the combined financial statements and related notes of Global Ship Lease, which are included in the joint proxy statement/prospectus.

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UNAUDITED PRO FORMA COMBINED BALANCE SHEET

The following unaudited pro forma combined balance sheet as of March 31, 2008, combines the March 31, 2008 historical balance sheets of Marathon and Global Ship Lease assuming the businesses had been combined on March 31, 2008, on a purchase accounting basis.

Unaudited Pro Forma Combined Balance Sheet, March 31, 2008

($ thousands)	Marathon	Global Ship Lease Inc.	Pro Forma Adjustments (assuming no conversions)	Note	Pro Forma Combined	Pro Forma Adjustments (assuming maximum conversions)	Note	Pro Forma Combined
Cash and cash equivalents	$ 2,132	$ 4,288	$ 301,143	A	$ 1,000	63,408	K	$ 1,000
			(18,571)	B		(63,408)	L	
			(15,670)	B				
			(6,406)	C				
			(48,000)	B				
			(3,400)	D				
			(214,517)	D				
Restricted Cash			15,000	A	15,000			15,000
Interest receivable	451				451			451
Prepaid expenses and other receivables	946	3,753			4,699			4,699
Deferred financing costs		774	(774)	E				
Current assets	3,529	8,815	8,806		21,150			21,150
Investments held in trust account	316,143		(316,143)	A				
Vessel Deposit			99,000	B	99,000			99,000
Vessels in operation		471,879	71,043	B	542,922			542,922
Other fixed assets		30	(4)	B	26			26
Intangible assets			37,289	B	37,289			37,289
Non-currents assets	316,143	471,909	(108,816)		679,236			679,236
Deferred offering costs	1,422		(1,422)	F				
Deferred financing costs		5,181	(5,181)	E	3,400			3,400
			3,400	D				
Total Assets	$ 321,094	$ 485,905	$ (103,213)		$ 703,786	$		$ 703,786
Liabilities and Stockholders Equity								
Liabilities								
Current installments of long term debt	$	401,100	(401,100)	D	$			$
Accounts payable		3,466			3,466			3,466
Accrued expenses and other liabilities	10,211	3,301	(6,406)	C	5,684			5,684
			(1,422)	F				
Amounts due to group companies		2,273	(2,273)	G				
Current liabilities	10,211	410,140	(411,201)		9,150			9,150
Long term debt			401,100	D	186,583	63,408	K	249,991
			(214,517)	D				
Amounts due to group companies		176,875	(176,875)	G				
Intangible liabilities			29,431	B	29,431			29,431
Total Liabilities	10,211	587,015	(372,062)		225,164	63,408		288,572
Commitments and contingencies								
Common stock subject to possible redemption	61,795		(61,795)	H				
Interest attributable to common stock subject to possible conversion	1,613		(1,613)	H				

Mandatorily redeemable preferred shares			48,000	I	48,000			48,000
Stockholders Equity								
Preferred stock								
Common stock Marathon	5		(5)	I				
Class A common shares			512	I	437	(80)	L	357
			(15)	I				
			(60)	I				
Class B common shares			74	I	74			74
Class C common shares			124	I	124			124
Warrants								
Additional paid in capital	240,553		164,587	I	421,457	(61,715)	L	359,742
			61,795	H				
			2,462	I				
			(47,940)	I				
Retained earnings (deficit)	6,917	(101,110)	101,110	J	8,530	(1,613)	L	6,917
			1,613	H				
Total Stockholder s Equity	247,475	(101,110)	284,257		430,622	(63,408)		367,214
Total Liabilities and Stockholder s Equity	$ 321,094	$ 485,905	$ (103,213)		$ 703,786	$		$ 703,786

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UNAUDITED PRO FORMA COMBINED INCOME STATEMENTS

The following unaudited pro forma combined income statement for the year ended December 31, 2007 and for the three months ended March 31, 2008, combines the historical income statements of Marathon and Global Ship Lease assuming the businesses had been combined on January 1, 2007, on a purchase accounting basis.

Unaudited Pro Forma Combined Income Statement, Three Months Ended March 31, 2008

($ thousands except per share)	Marathon	Global Ship Lease Inc.	Pro Forma Adjustments (assuming no conversions)	Note	Pro Forma Combined	Pro Forma Adjustments (assuming maximum conversions)	Pro Forma Combined
Operating Revenues							
Voyage revenue	$	$ 2,072	$ (2,072)	M	$	$	$
Time charter revenue		21,822	2,561	N	24,463		24,463
			80	O			
Total operating revenues		23,894	569		24,463		24,463
Operating expenses							
Voyage expenses		(1,944)	1,944	P			
Vessel expenses		(7,345)	(8)	Q	(7,353)		(7,353)
Depreciation and amortization		(5,020)	(55)	R	(5,181)		(5,181)
			(106)	S			
General and administrative	(1,863)	(722)	598	T	(1,988)		(1,988)
Other operating income/(expense)		(280)	280	U			
Total operating expenses	(1,863)	(15,311)	2,652		(14,522)		(14,522)
Operating Income	(1,863)	8,583	3,221		9,941		9,941
Non operating income/expense							
Interest income	1,953	302	(1,953)	V	302		302
Interest expense		(8,234)	6,171	W	(2,445)	(701) AA	(3,146)
			(382)	X			
Income before income taxes	90	651	7,057		7,798	(701)	7,097
Income taxes	(891)	(16)			(16)		(16)
			891	Z			
Net Income	(801)	635	7,948		7,782	(701)	7,081
Dividend on mandatorily redeemable preferred shares			(675) AB		(675) AB		(675) AB
Net Income available to common shareholders	$ 801	$ 635	$ 7,273		$ 7,107	$ 701	$ 6,406
Weighted average number of shares outstanding subject to possible conversion							
Basic	8,003,166		(8,003,166)				
Diluted	8,003,166		(8,003,166)				
Net income per share amount							
Basic	$ (0.03)				$		$
Diluted	$ (0.03)				$		$
Weighted average number of shares outstanding not subject to possible conversion							

Basic	41,407,684	(41,407,684)			
Diluted	41,407,684	(41,407,684)			
Net income per share amount					
Basic	$ (0.02)		$		$
Diluted	$ (0.02)		$		$
Weighted average number of Class A common shares outstanding					
Basic		43,661,406 AC	43,661,406 AC	(8,003,166)	35,658,240
Diluted		54,107,730 AC	54,107,730 AC	(8,003,166)	46,104,564
Net income per share amount					
Basic	$		$ 0.18 AC		$ 0.20
Diluted	$		$ 0.14 AC		$ 0.15
Weighted average number of Class B common shares outstanding					
Basic		7,405,956 AC	7,405,956 AC		7,405,956
Diluted		7,405,956 AC	7,405,956 AC		7,405,956
Net income per share amount					
Basic	$		$ AC		$
Diluted	$		$ AC		$
Weighted average number of Class C common shares outstanding					
Basic		12,375,000 AC	12,375,000 AC		12,375,000
Diluted		12,375,000 AC	12,375,000 AC		12,375,000
Net income per share amount					
Basic	$		$ AC		$
Diluted	$		$ AC		$

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Unaudited Pro Forma Combined Income Statement, Year Ended December 31, 2007

($ thousands except per share)	Marathon	Global Ship Lease Inc.	Pro Forma Adjustments (assuming no conversions)	Note	Pro Forma Combined	Pro Forma Adjustments (assuming maximum conversions)	Pro Forma Combined
Operating Revenues							
Voyage revenue	$	$ 332,186	$ (332,186)	M	$	$	$
Time charter revenue		2,909	72,351	N	75,581		75,581
			322	O			
Total operating revenues		335,095	(259,514)		75,581		75,581
Operating Expenses							
Voyage expenses		(249,457)	249,457	P			
Vessel expenses		(23,959)	489	Q	(23,470)		(23,470)
Depreciation and amortization		(16,119)	937	R	(15,607)		(15,607)
			(425)	S			
General and administrative	(1,184)	(17,751)	10,985	T	(7,950)		(7,950)
Other operating income/(expense)		2,341	(2,341)	U			
Total operating expenses	(1,184)	(304,945)	259,102		(47,027)		(47,027)
Operating Income	(1,184)	30,150	(412)		28,554		28,554
Non operating income/expense							
Interest income	14,875	207	(14,875)	V	207		207
Interest expense		(13,561)	12,647	W	(2,874)	(3,843) AA	(6,718)
			(1,960)	X			
Income before Income Taxes	13,691	16,796	(4,600)		25,887	(3,843)	22,044
Income taxes	(7,009)	(20)	(76)	Y	(96)		(96)
			7,009	Z			
Net Income	6,683	16,776	2,332		25,791	(3,843)	21,948
Dividend on mandatorily redeemable preferred shares			(3,509) AB		(3,509) AB		(3,509) AB
Net Income available to common shareholders	$ 6,683	$ 16,776	$ (1,177)		$ 22,282	$ (3,843)	$ 18,438
Weighted average number of shares outstanding subject to possible conversion							
Basic	8,003,166		(8,003,166)				
Diluted	8,003,166		(8,003,166)				
Net income per share amount							
Basic	$ 0.18				$		$
Diluted	$ 0.18				$		$
Weighted average number of shares outstanding not subject to possible conversion							
Basic	41,407,684		(41,407,684)				
Diluted	52,374,624		(52,374,624)				
Net income per share amount							
Basic	$ 0.13				$		$
Diluted	$ 0.10				$		$
Weighted average number of Class A common shares							

outstanding							
Basic		43,661,406 AC		43,661,406 AC	(8,003,166)		35,658,240
Diluted		53,905,777 AC		53,905,777 AC	(8,003,166)		45,902,611
Net income per share amount							
Basic	$		$	0.59 AC		$	0.61
Diluted	$		$	0.48 AC		$	0.48
Weighted average number of Class B common shares outstanding							
Basic		7,405,956 AC		7,405,956 AC			7,405,956
Diluted		7,405,956 AC		7,405,956 AC			7,405,956
Net income per share amount							
Basic	$		$	AC		$	
Diluted	$		$	AC		$	
Weighted average number of Class C common shares outstanding							
Basic		12,375,000 AC		12,375,000 AC			12,375,000
Diluted		12,375,000 AC		12,375,000 AC			12,375,000
Net income per share amount							
Basic	$		$	AC		$	
Diluted	$		$	AC		$	

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Notes to the Pro Forma Combined Financial Statements ($ thousands except per share and per day amounts)

Unaudited Pro Forma Combined Balance Sheet

The balance sheets included in the joint proxy statement/prospectus do not reflect the financial condition GSL Holdings will have as of the date of the closing of the Merger. Therefore, we have recorded pro forma adjustments to reflect the relevant financial arrangements of the Merger and the January 2008 newly built vessel acquisitions as if those transactions had occurred on March 31, 2008. The pro forma adjustments are described in more detail as follows:

A. Transfer of funds held in trust to restricted and unrestricted cash accounts. Restricted cash represents the minimum cash balance required by the Global Ship Lease credit facility.

B. Marathon will account for the business combination under the purchase method. Under the purchase method, the assets acquired and liabilities assumed will be recorded at their fair values as of the acquisition date. Any excess of the fair value of the net acquired assets over the purchase price will be recorded as a pro rata reduction of identified intangible assets, vessels in operation and other fixed assets. The following table shows the adjusted fair values, as of the date of this supplement, of the assets purchased and liabilities assumed in the transaction from Global Ship Lease. These values do not reflect the final adjustments to the purchase price or the final allocation of the fair value excess of the net acquired assets, as the process to assign a fair value to the various tangible and intangible assets and liabilities has not been completed. Final adjustments may result in a materially different allocation of the purchase price, which will affect the value assigned to tangible and/or intangible assets and liabilities acquired.

	Shares	Fair Value	Fair Value per share
Calculation of Allocable Purchase Price:			
Cash payment		$ 18,571	
Class A common shares (1)	6,778,650	51,314	$ 7.57
Class B common shares (1)	3,934,050	25,729	$ 6.54
Class C common shares (1)	12,375,000	88,234	$ 7.13
Warrants (2)	3,131,900	2,462	$ 0.79