

Forward Looking Statements

This presentation contains forward-looking statements (as defined in Section 27A of the Securities Exchange Act of 1933, as amended, and in the Section 21E of the Securities Act of 1934, as amended) concerning future events, the Company’s growth strategy and measures to implement such strategy, including expected vessel acquisitions and entering into further time charters. Words such as “expects,” “intends,” “plans,” “believes,” “anticipates,” “hopes,” “estimates” and variations of such words and similar expressions are intended to identify forward-looking statements. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. These statements involve known and unknown risks and are based upon a number of assumptions and estimates that are inherently subject to significant uncertainties and contingencies, many of which are beyond the control of the Company. Actual results may differ materially from those expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to, changes in the demand for drybulk vessels, competitive factors in the market in which the Company operates, risks associated with operations outside the United States and other factors listed from time to time in the Company’s filings with the Securities and Exchange Commission. The Company expressly disclaims any obligations or undertaking to release any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company’s expectations with respect thereto or any change in events, conditions or circumstances on which any statement is based.

Management Team

Polys Hajioannou: Chairman and CEO

Dr. Loukas Barmparis: President

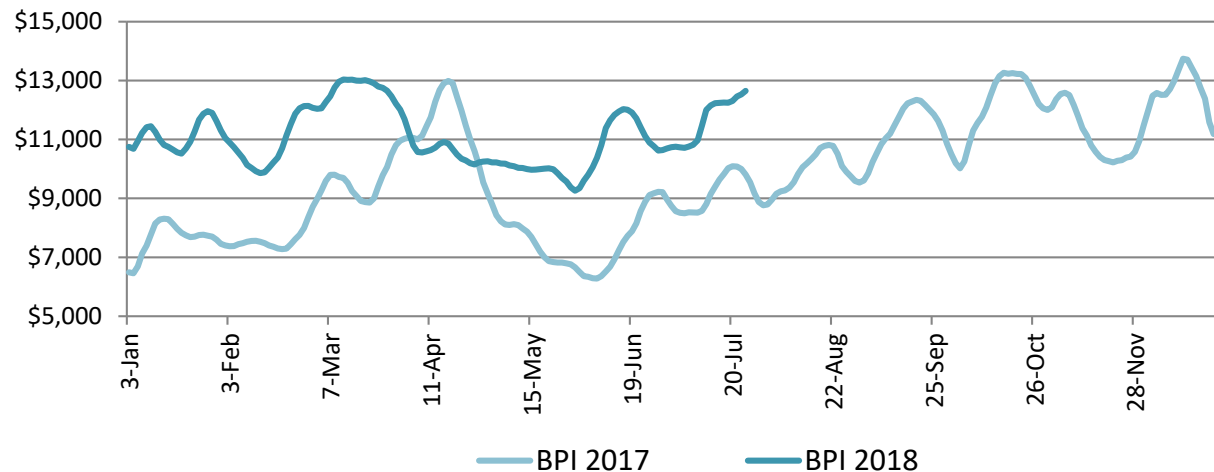
Konstantinos Adamopoulos: Chief Financial Officer

Ioannis Foteinos: Chief Operating Officer

Demand – Recovering Market

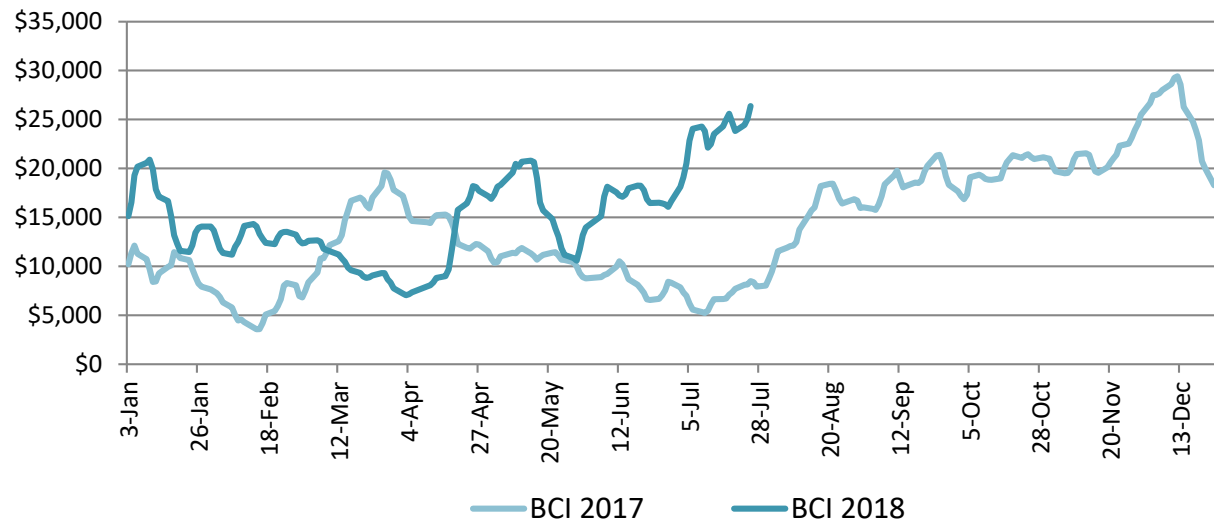
Panamax:

- Panamax AVG4TC:
 - Spot:
 - 2018: \$12.7k
 - 2017: \$10.0k
 - Y-o-Y: + 27%
 - Year to Date (YTD):
 - 2018: \$11.1k
 - 2017: \$8.6k
 - Y-o-Y: + 29%



Cape:

- Cape AVG5TC:
 - Spot:
 - 2018: \$26.4k
 - 2017: \$9.3k
 - Y-o-Y: + 184%
 - Year to Date (YTD):
 - 2018: \$15.1k
 - 2017: \$10.1k
 - Y-o-Y: + 50%



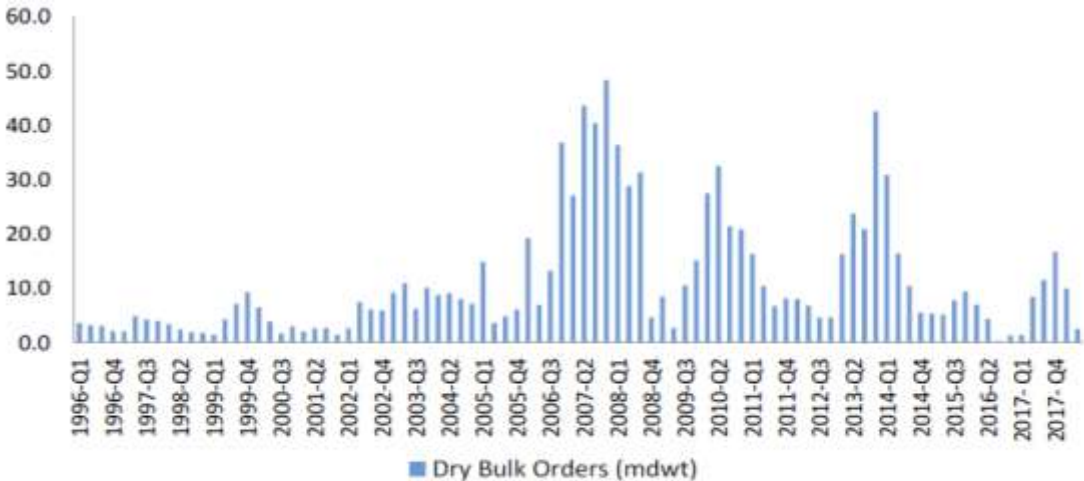
DEMAND

- **Demand remains strong :**
 - Brazilian exports of iron ore lifted Q2'18 shipments to 100Mt - a record for the quarter.
 - Port Hedland exports rose by 4.2 Mt year-on-year in June to a record 47.3 Mt, the eighth consecutive month of growth
 - Chinese H1 2018 coal imports hit 3-year high of 146 million Mt, rising by 18% in June
 - India's coal demand rose 7.5 % to about 900 million tonnes in the year ending March 2018
- **Trade war fears remain active, have been a headwind for the market but a positive catalyst for controlling new orders.**

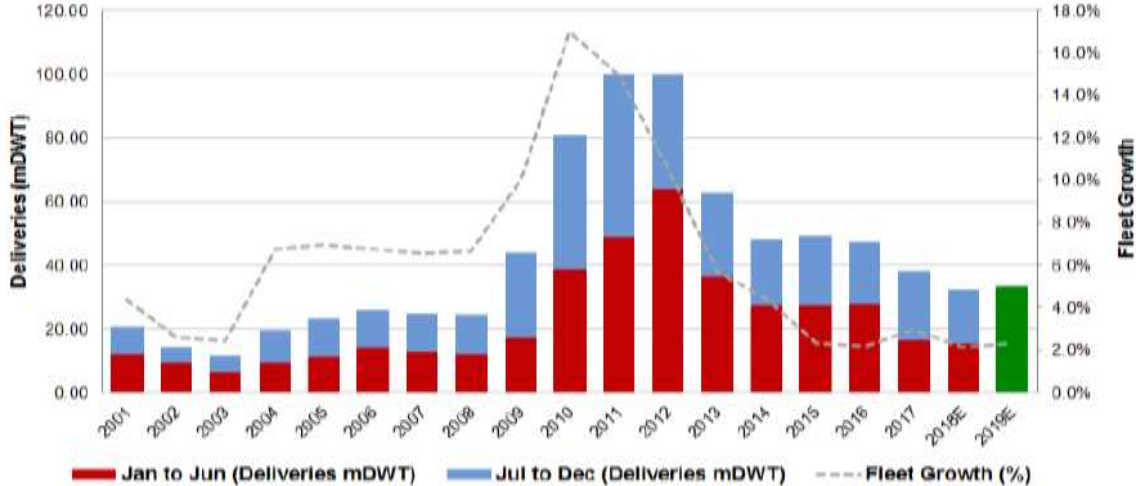
Supply – Low Fleet Growth

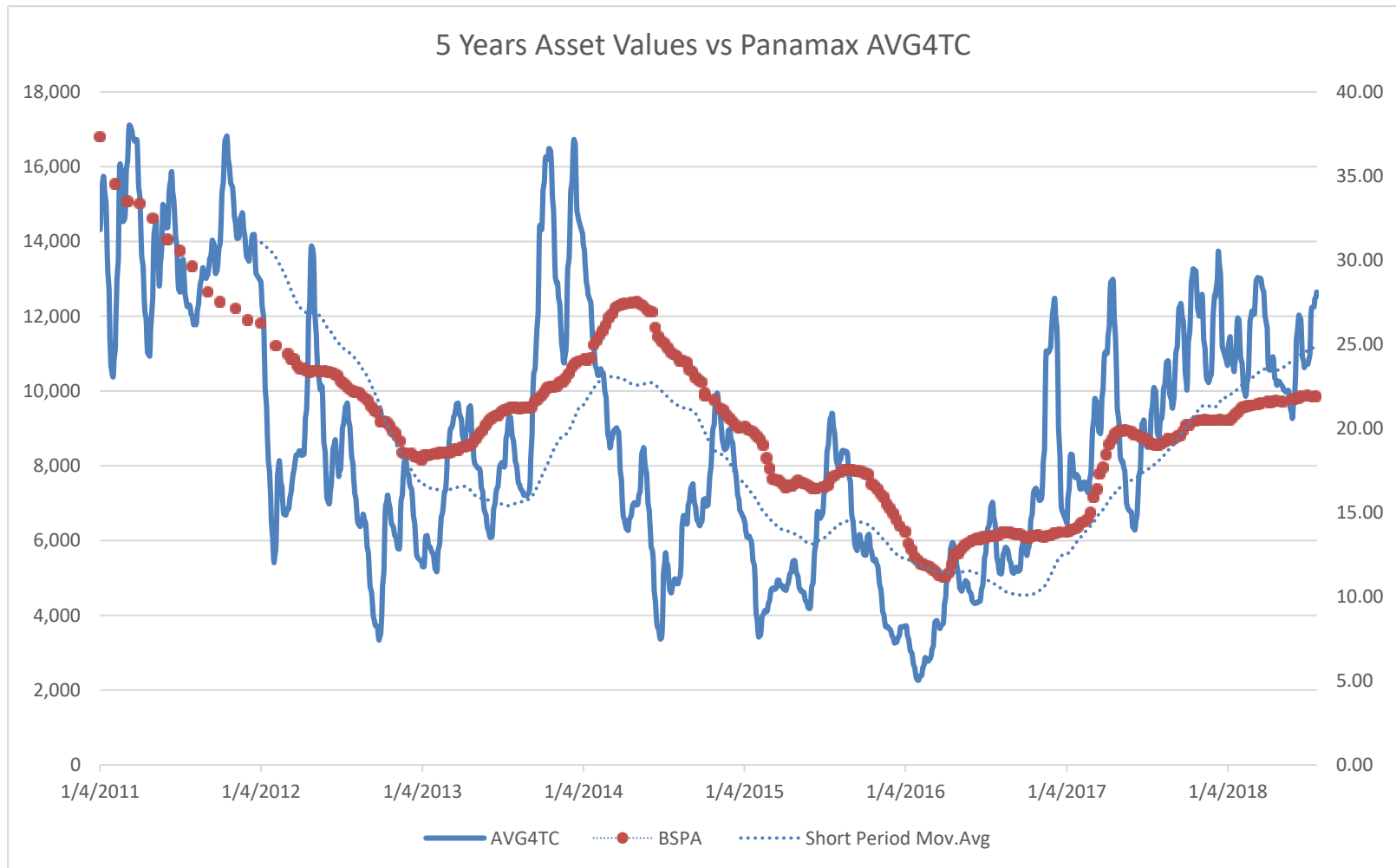
Orderbook:

- Accelerated orders of Q4'17 have slowed down.
- New regulations and tariffs have put the brakes on new orders.



- Newbuild deliveries set to remain near decade low.



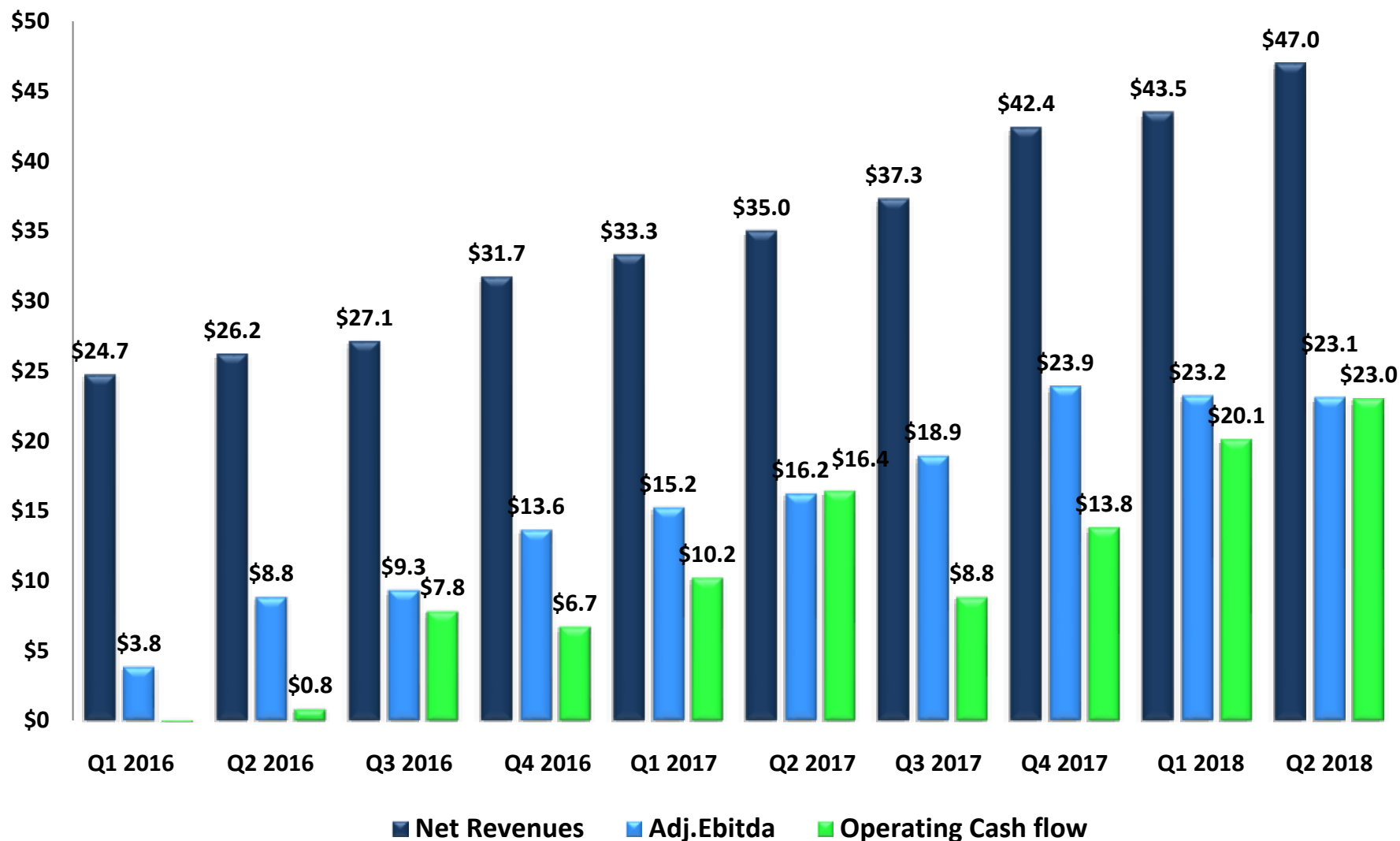


- Blue solid line denotes Panamax AVG4TC index in US\$ and reflects market conditions as per Baltic Exchange.
- The dotted blue line denotes the 8-month Short Period Moving Average of the Panamax AVG4TC index in US\$.
- The red line denotes the Baltic Exchange Sale & Purchase Assessment Index in US\$ million and reflects the 5-year secondhand asset prices.
- Asset values are correlated with charter market.
- Pattern of constant differential between BSPA and AVG4TC during the past periods.
- Restoration of this pattern may push gradually asset values higher.

Key takeaways

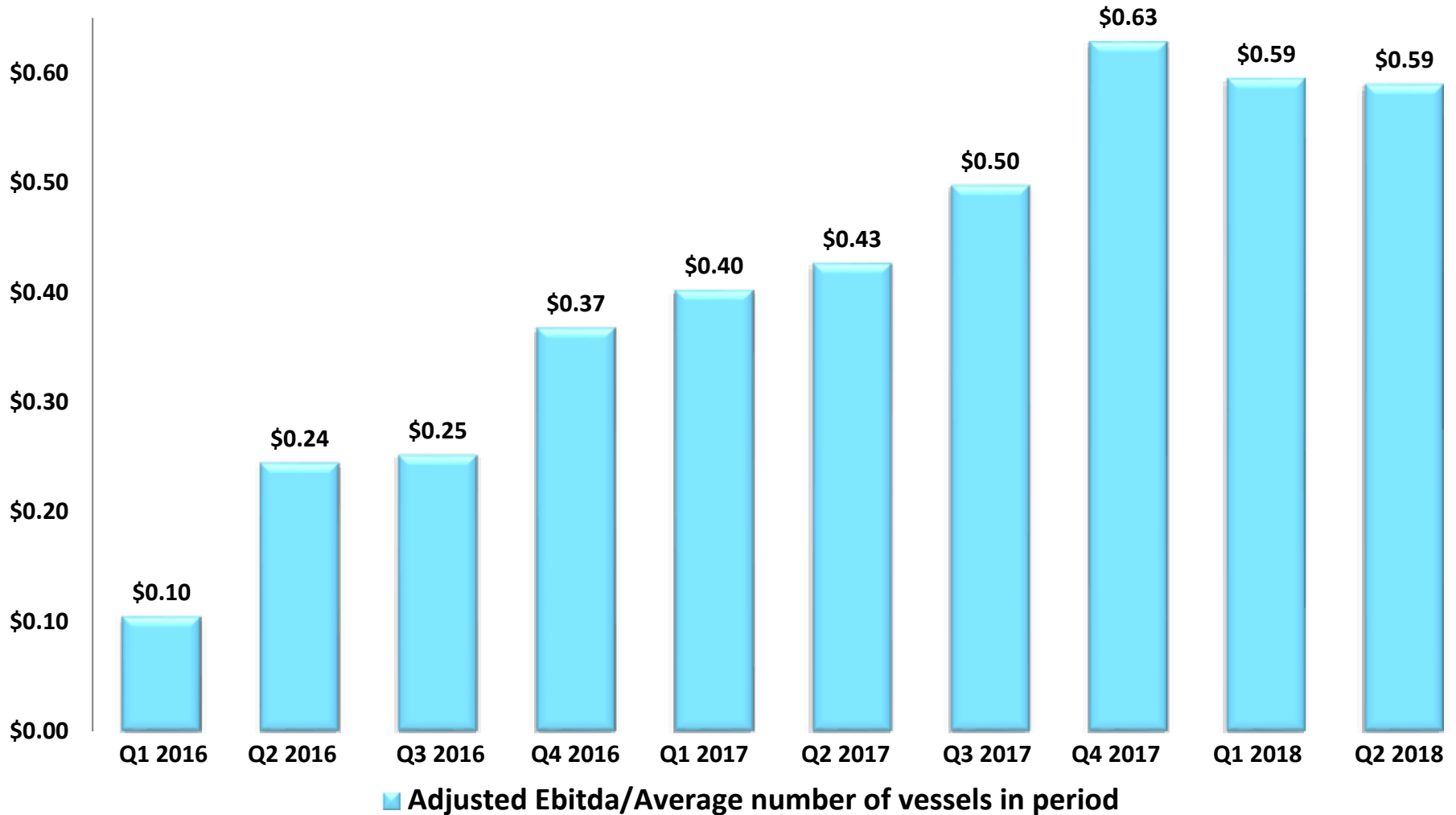
- Charter market is 30% higher for Panamax and 50% higher for capes Y-o-Y.
- Newbuilds ordering activity of pervious quarters has been reduced.
- Demand remains strong.
- Trade war fears have been a headwind for the market but a positive catalyst for controlling new orders.
- Forecast for net fleet growth is at decade low in the region of 2%.
- Asset values are lagging and may appreciate as the market improves.
- New regulations for Ballast Water Treatment and SOx emissions will be the driver of the market for years to come.

Net revenues - Adjusted EBITDA - Operating cash flow



Data as of quarter-end in million. EBITDA and Adjusted EBITDA are non-GAAP measures. EBITDA represents Net income/(loss) before interest, income tax expense, depreciation and amortization. Adjusted EBITDA represents EBITDA before loss on sale of assets, gain/(loss) on derivatives, other operating income/(expense), early redelivery cost and gain/(loss) on foreign currency. For further analysis and reconciliation of EBITDA and Adjusted EBITDA please refer to See Table 1 of Safe Bulkers Inc., Earnings press release issued July 25, 2018.

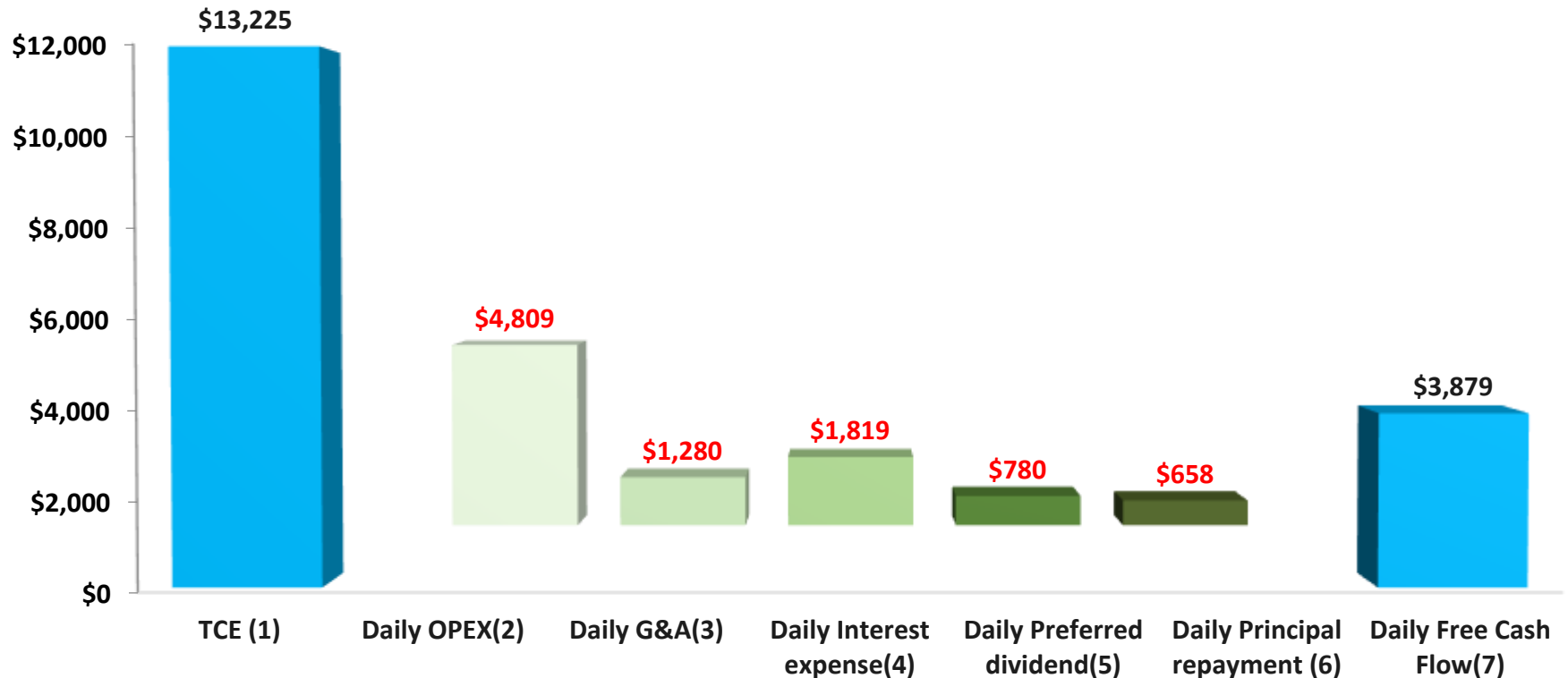
ADJUSTED EBITDA PER VESSEL PER QUARTER



In million

Average number of vessels in the period is calculated by dividing ownership days in the period by the number of days in that period. EBITDA and Adjusted EBITDA are non-GAAP measures. EBITDA represents Net income/(loss) before interest, income tax expense, depreciation and amortization. Adjusted EBITDA represents EBITDA before loss on sale of assets, gain/(loss) on derivatives, gain on debt extinguishment, other operating income/(expense), early redelivery cost, impairment loss and gain/(loss) on foreign currency. For further analysis and reconciliation of EBITDA and Adjusted EBITDA please refer to See Table 1 of Safe Bulkers Inc. Earnings press release issued July 25, 2018.

Daily Free Cash Flow Waterfall Q2 2018



(1) Time charter equivalent rate, or TCE rate, represents charter revenues less commissions and voyage expenses during a period divided by the number of available days during such period.

(2) Daily vessel operating expenses include the costs for crewing, insurance, lubricants, spare parts, provisions, stores, repairs, maintenance, statutory and classification expense, dry-docking, intermediate and special surveys and other miscellaneous items. Daily vessel operating expenses are calculated by dividing vessel operating expenses for the relevant period by ownership days for such period.

(3) Daily general and administrative expenses include daily management fees and daily company administration expenses. Daily general and administrative expenses are calculated by dividing general and administrative expenses for the relevant period by ownership days for such period.

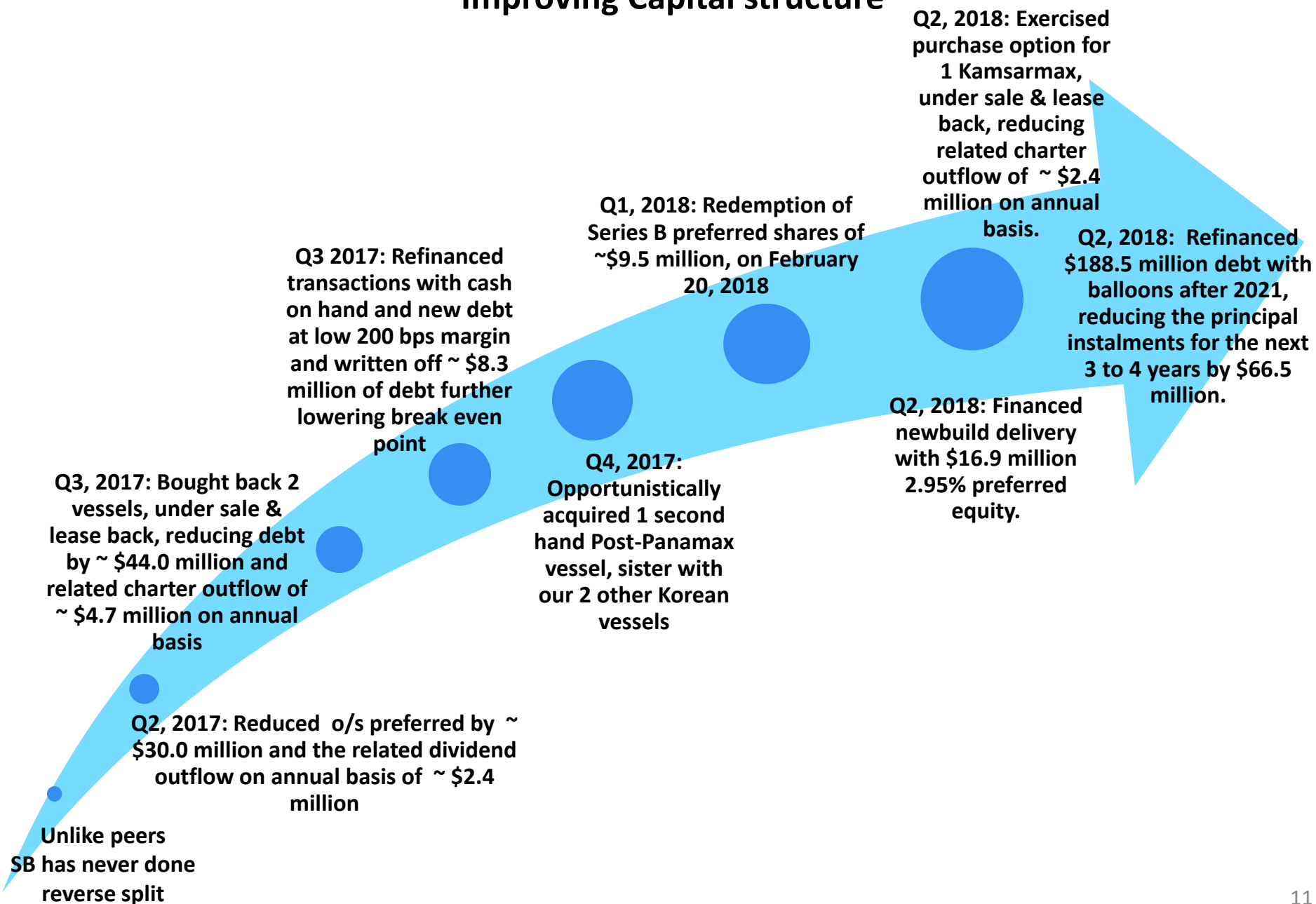
(4) Daily interest expense includes daily interest incurred on outstanding indebtedness under our existing loan and credit facilities. Daily interest expense is calculated by dividing interest expense for the relevant period by ownership days for such period.

(5) Daily preferred dividend includes daily preferred stock dividend. Daily preferred dividend is calculated by dividing preferred dividend for the relevant period by ownership days for such period.

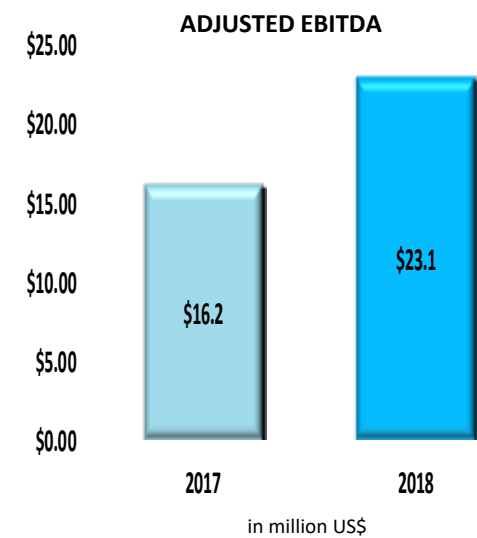
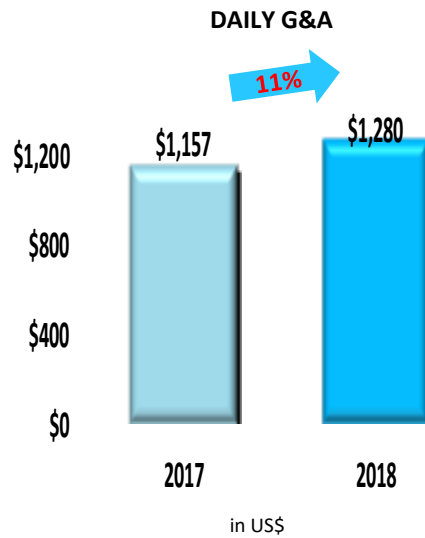
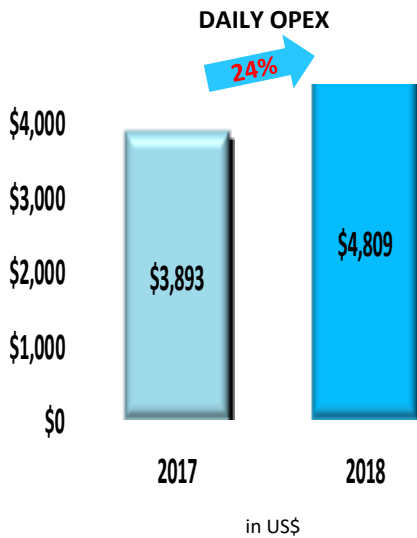
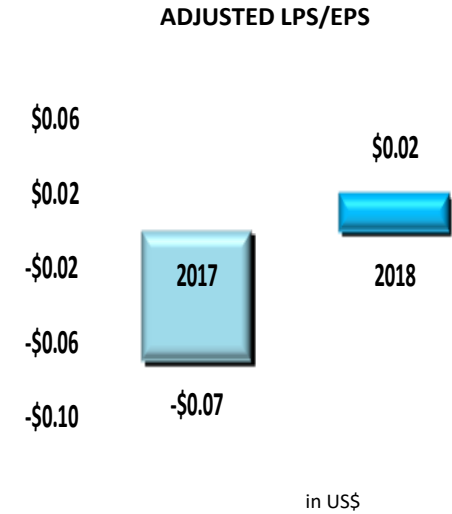
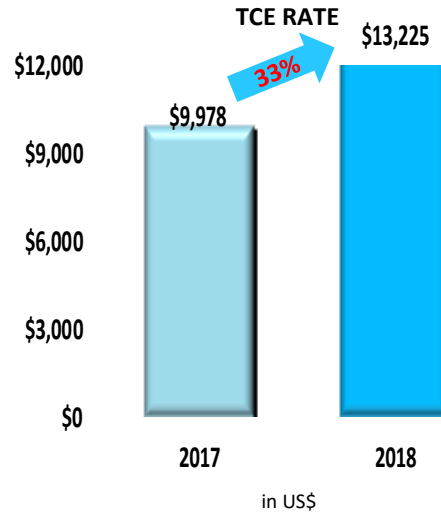
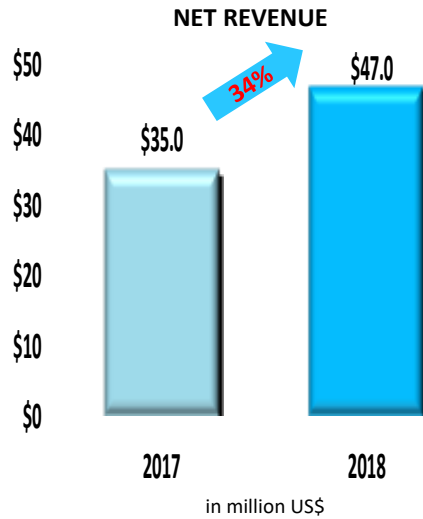
(6) Daily Principal repayment includes daily principal repayment expense excluding the refinancing of loan and credit facilities. Daily principal repayment expense is calculated by dividing principal repayments for the relevant period by ownership days for such period.

(7) Daily Free Cash Flow represents TCE rate less Daily vessel operating expenses, daily general and administrative expenses, daily interest expense, daily preferred dividend and daily principal repayment.

Improving Capital structure



QUARTERLY FINANCIAL HIGHLIGHTS IN A SHOT



For definition of Adjusted EBITDA, Adjusted loss per share (Adjusted LPS), Daily operating expenses (Daily OPEX), Daily general and administrative expenses (Daily G&A) and Time charter equivalent rate (TCE) please refer to the earnings press release issued July 25 2018.

FLEET DATA AND AVERAGE INDICATORS

<u>FLEET DATA</u>	Three-Months		Six-Months	
	Period Ended		Period Ended	
	June 30,		June 30,	
	2017	2018	2017	2018
Number of vessels at period's end	38	40	38	40
Average age of fleet (in years)	7.00	7.81	7.00	7.81
Ownership days (1)	3,458	3,566	6,862	7,076
Available days (2)	3,407	3,419	6,792	6,919
Operating days (3)	3,370	3,381	6,703	6,805
Fleet utilization (4)	97.5%	94.8%	97.7%	96.2%
Average number of vessels in the period (5)	38.00	39.19	37.91	39.09
<u>AVERAGE DAILY RESULTS</u>				
Time charter equivalent rate (6)	\$9,978	\$13,225	\$9,698	\$12,605
Daily vessel operating expenses (7)	\$3,893	\$4,809	\$3,746	\$4,473
Daily general and administrative expenses (8)	\$1,157	\$1,280	\$1,157	\$1,232
Adjusted Net (Loss)/Income (9)	\$(2,339)	\$4,808	\$(5,294)	\$10,497
Adjusted (Loss)/Earnings per share (9)	\$(0.07)	\$0.02	\$(0.14)	\$0.05

1. Ownership days represents the aggregate number of days in a period during which each vessel in our fleet has been owned by us.
2. Available days represents the total number of days in a period during which each vessel in our fleet was in our possession, net of off-hire days associated with scheduled maintenance, which includes major repairs, drydockings, vessel upgrades or special or intermediate surveys.
3. Operating days represents the number of our available days in a period less the aggregate number of days that our vessels are off-hire due to any reason, excluding scheduled maintenance.
4. Fleet utilization is calculated by dividing the number of our operating days during a period by the number of our ownership days during that period.
5. Average number of vessels in the period is calculated by dividing ownership days in the period by the number of days in that period.
6. Time charter equivalent rate, or TCE rate, represents our charter revenues less commissions and voyage expenses during a period divided by the number of available days during such period.
7. Daily vessel operating expenses include the costs for crewing, insurance, lubricants, spare parts, provisions, stores, repairs, maintenance, statutory and classification expense, drydocking, intermediate and special surveys and other miscellaneous items. Daily vessel operating expenses are calculated by dividing vessel operating expenses for the relevant period by ownership days for such period.
8. Daily general and administrative expenses include daily management fees payable to our Manager and company administration expenses. Daily general and administrative expenses are calculated by dividing general and administrative expenses for the relevant period by ownership days for such period.
9. Adjusted Net income/(loss) represents Net income/(loss) before loss on sale of assets, gain/(loss) on derivatives and gain/(loss) on foreign currency. Adjusted Earnings/(loss) per share represents Adjusted Net income/(loss) less preferred dividend and preferred deemed dividend divided by the weighted average number of shares.

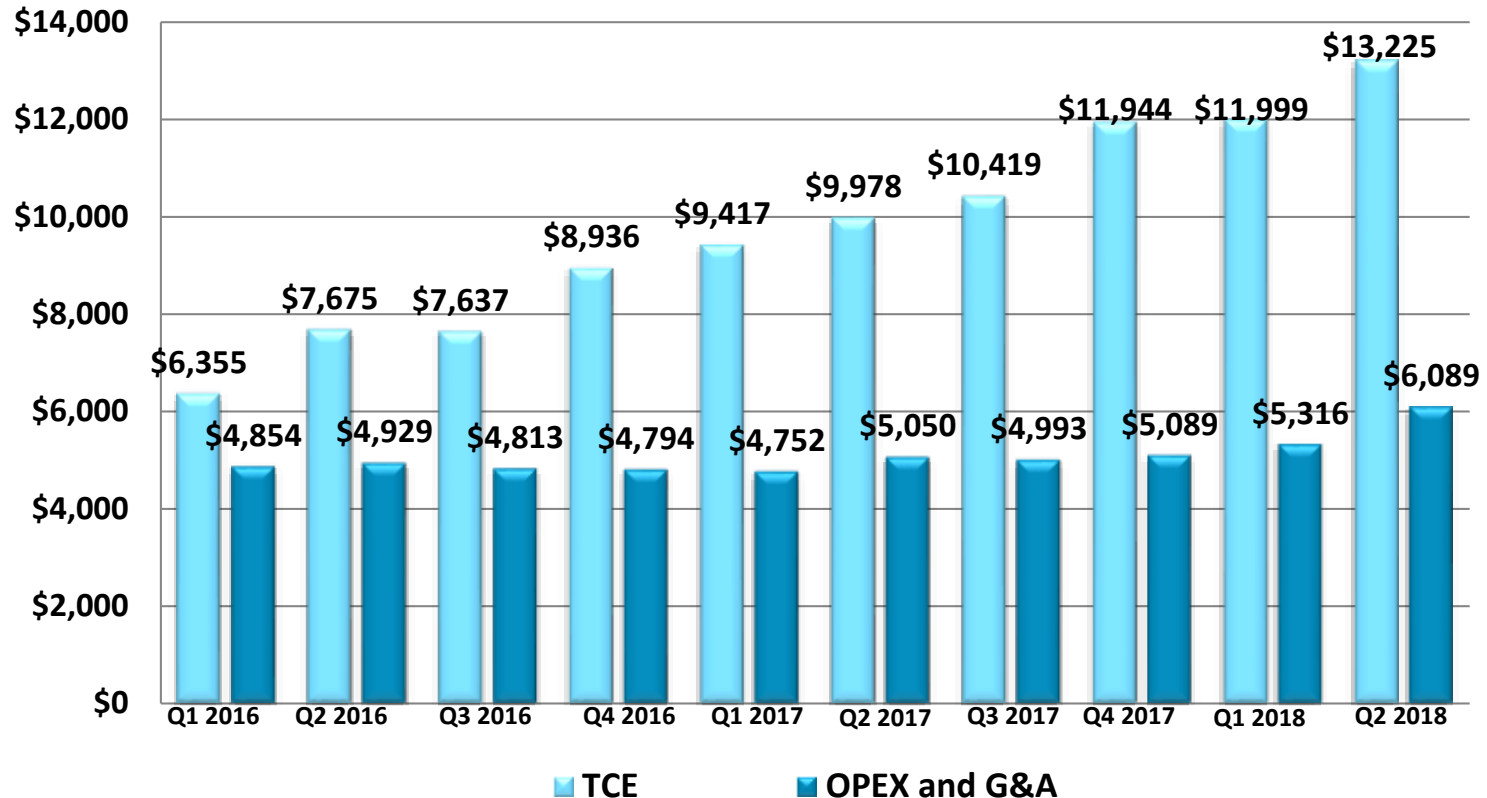
Adjusted Net income/(loss) and Adjusted Earnings/(loss) per share are used as supplemental financial measures by management and external users of financial statements, such as investors, to assess our financial and operating performance. The Company believes that these non-GAAP financial measures assist our management and investors by increasing the comparability of our performance from period to period. The Company believes that including these supplemental financial measures assists our management and investors in (i) understanding and analyzing the results of our operating and business performance, (ii) selecting between investing in us and other investment alternatives and (iii) monitoring our financial and operational performance in assessing whether to continue investing in us. The Company believes that Adjusted Net income/(loss) and Adjusted Earnings/(loss) per share are useful in evaluating the Company's operating performance from period to period because the calculation of Adjusted Net income/(loss) generally eliminates the effects of loss on sale of assets, gain/(loss) on derivatives and gain/(loss) on foreign currency, items which may vary from year to year and for different companies for reasons unrelated to overall operating performance. Adjusted Net income/(loss) and Adjusted Earnings/(loss) per share have limitations as analytical tools, and should not be considered in isolation, or as a substitute for analysis of the Company's results as reported under US GAAP. Adjusted Net income/(loss) should not be considered as substitutes for net income/(loss) and other operations data prepared in accordance with US GAAP or as a measure of profitability. While Adjusted Net income/(loss) and Adjusted Earnings/(loss) per share, are frequently used as measures of operating results and performance, they are not necessarily comparable to other similarly titled captions of other companies due to differences in methods of calculation. In evaluating Adjusted Net income/(loss) and Adjusted Earnings/(loss) per share, 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 Net income/(loss) and Adjusted Earnings/(loss) per share should not be construed as an inference that our future results will be unaffected by the excluded items.

Operational Cash Flows

~\$580 average daily savings in 1H 2018 from daily Opex and daily G&A or ~\$8.4 million annualized savings vs. peers or ~\$0.08 per share

- Daily OPEX include Dry-Docking costs and initial supplies
- Daily G&A include public company expenses & management fees

Daily TCE vs. daily OPEX and G&A expenses



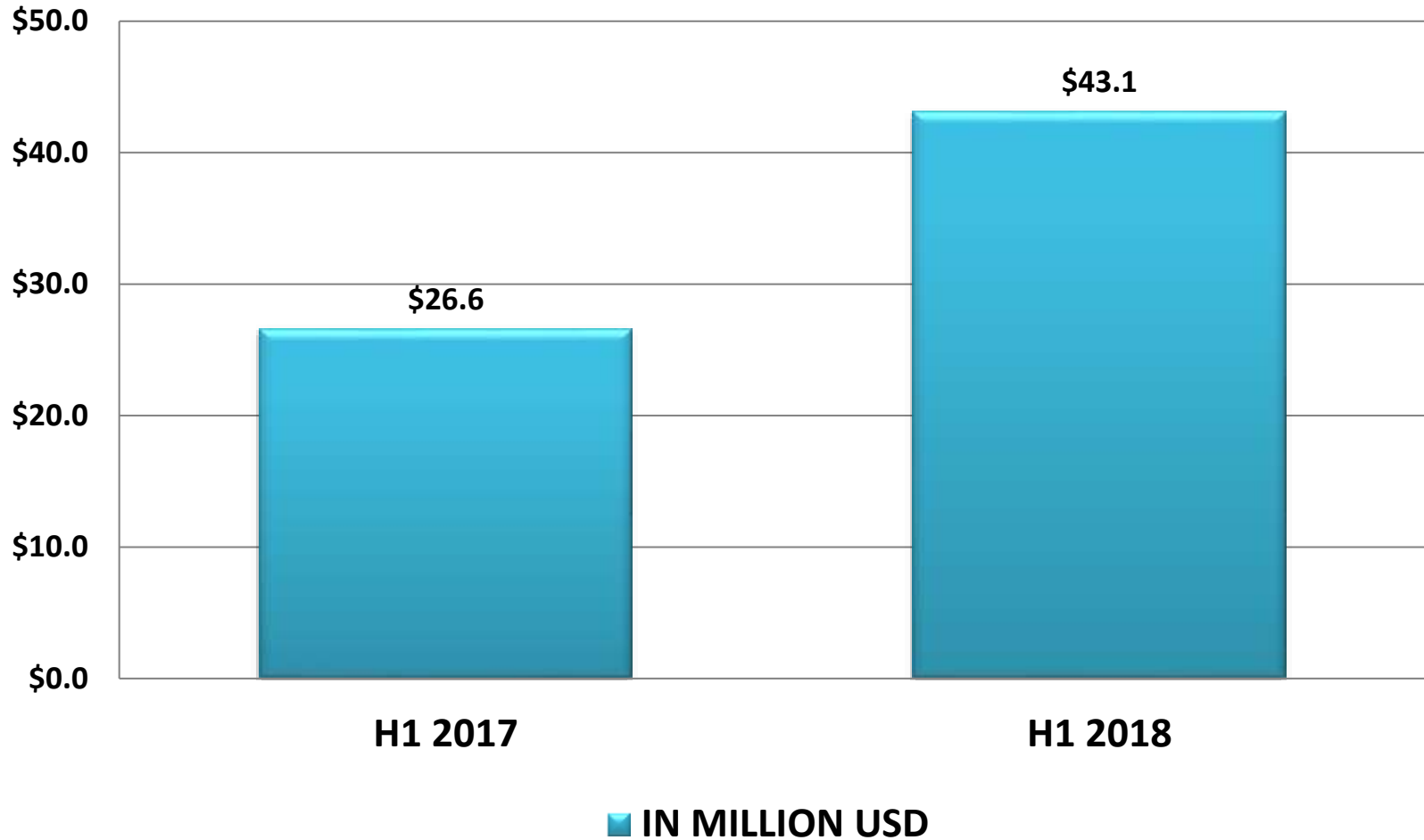
* Time charter equivalent rate, or TCE rate, represents charter revenues less commissions and voyage expenses during a period divided by the number of available days during such period.

** Daily vessel operating expenses include the costs for crewing, insurance, lubricants, spare parts, provisions, stores, repairs, maintenance, statutory and classification expense, dry-docking, intermediate and special surveys and other miscellaneous items. Daily vessel operating expenses are calculated by dividing vessel operating expenses for the relevant period by ownership days for such period.

*** Daily general and administrative expenses include daily management fees and daily company administration costs. Daily general and administrative expenses are calculated by dividing general and administrative expenses for the relevant period by ownership days for such period.

Operational Cash Flows

NET CASH PROVIDED BY OPERATING ACTIVITIES





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