



Q1 2015 Financial Results

Management Team

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Hajioannou**
*Chairman and
CEO*

**Dr. Loukas
Barmparis**
President

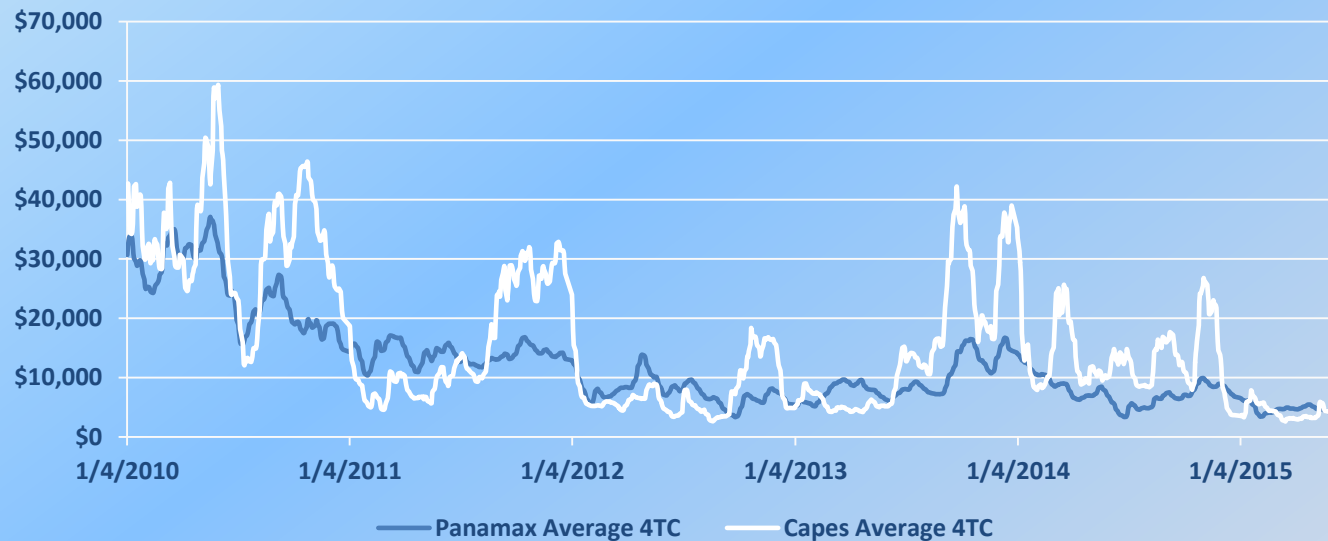
**Konstantinos
Adamopoulos**
*Chief Financial
Officer*

Ioannis Foteinos
*Chief Operating
Officer*

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.

Cape & Panamax AVG 4TC 2010 - 2015



Capes YTD performance

- ✓ Five year average at \$14.2k
- ✓ Year to date average at \$4.3k

Panamax YTD performance

- ✓ Five year average at \$10.5k
- ✓ Year to date average at \$4.8k

China Monitoring

- ✓ Coal imports declined by 37% to 69mt, according to the NDRC as the impact of the government's clean air and renewable energy policies.
- ✓ Electricity production increased from -7.6% (y-o-y) as of Feb. 2015, to 1% (y-o-y) as of Apr. 2015. These are signs of economic activity improvement in April.
- ✓ Industrial Production increased slightly from 5.6% to 5.9% (y-o-y) in April.
- ✓ Newly started construction projects in total increased by 9.5% (y-o-y) in Apr. 2015. Growth is slowing in the West, increasing in the Central Area, while the contraction in the East has started to ease.
- ✓ Existing house prices witnessed 0.2% positive growth since last month, the first time since Feb 2014, which indicates house prices are stabilizing.

Industry
Fundamentals

DEMAND

Industry Fundamentals

SUPPLY

Order book remains a problem

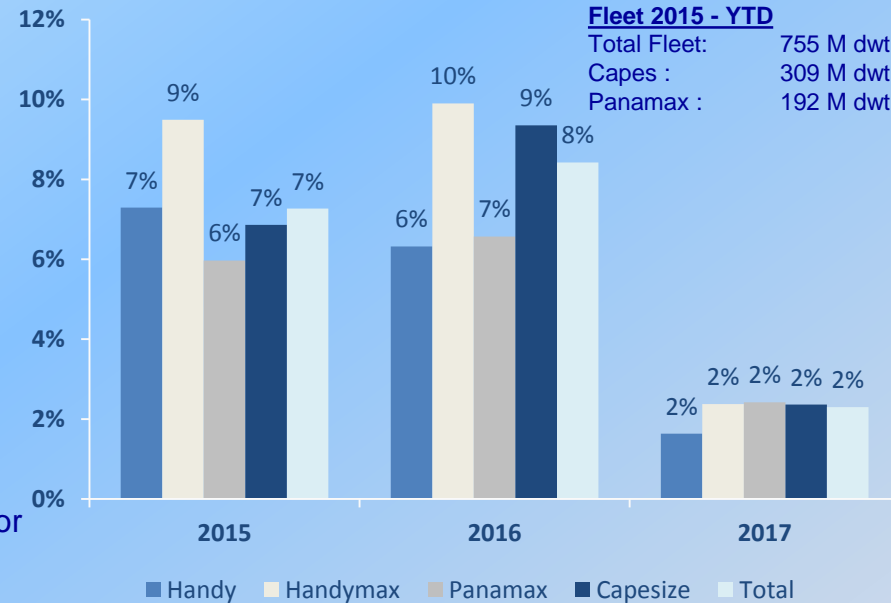
- ✓ Contracted orderbook accounts for 7%, 8% and 2% for the years 2015, 2016 and 2017.
- ✓ Slippage, delays or conversions are expected due to the very low market.
- ✓ Safe Bulkers has agreed delays for certain newbuild vessels.

Scrapping activity

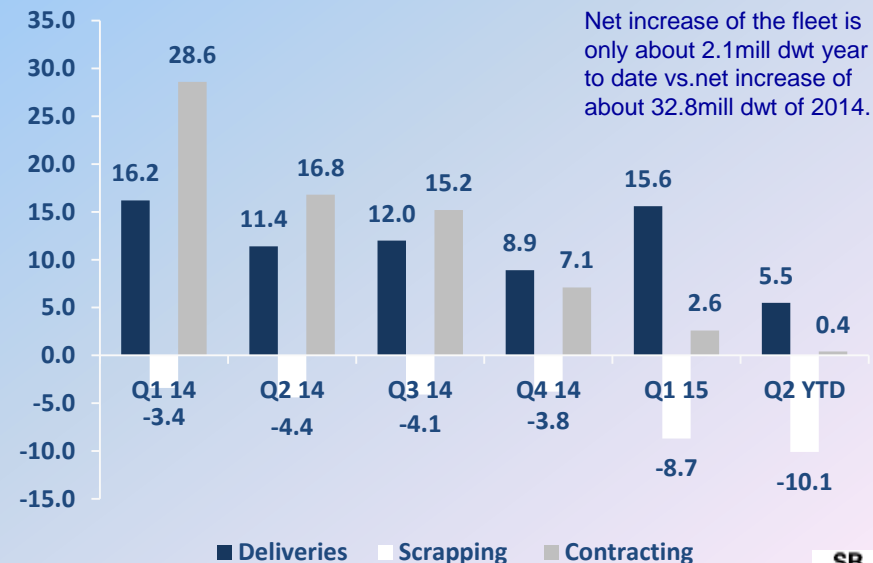
- ✓ Scrapping activity continues at a very high level totaling 18.8 mill. dwt (240 vessels) YTD. Scrapping has already surpassed last year's total scrapping activity. In the Capesize segment 10.2 mill. dwt (62 vessels) have been scrapped.
- ✓ Scrapping may reach to total 30-35 mill. dwt in 2015.
- ✓ Scrapping will partially counterbalance heavy orderbook.

Source:Maersk Broker and Baltic Exchange, SSS

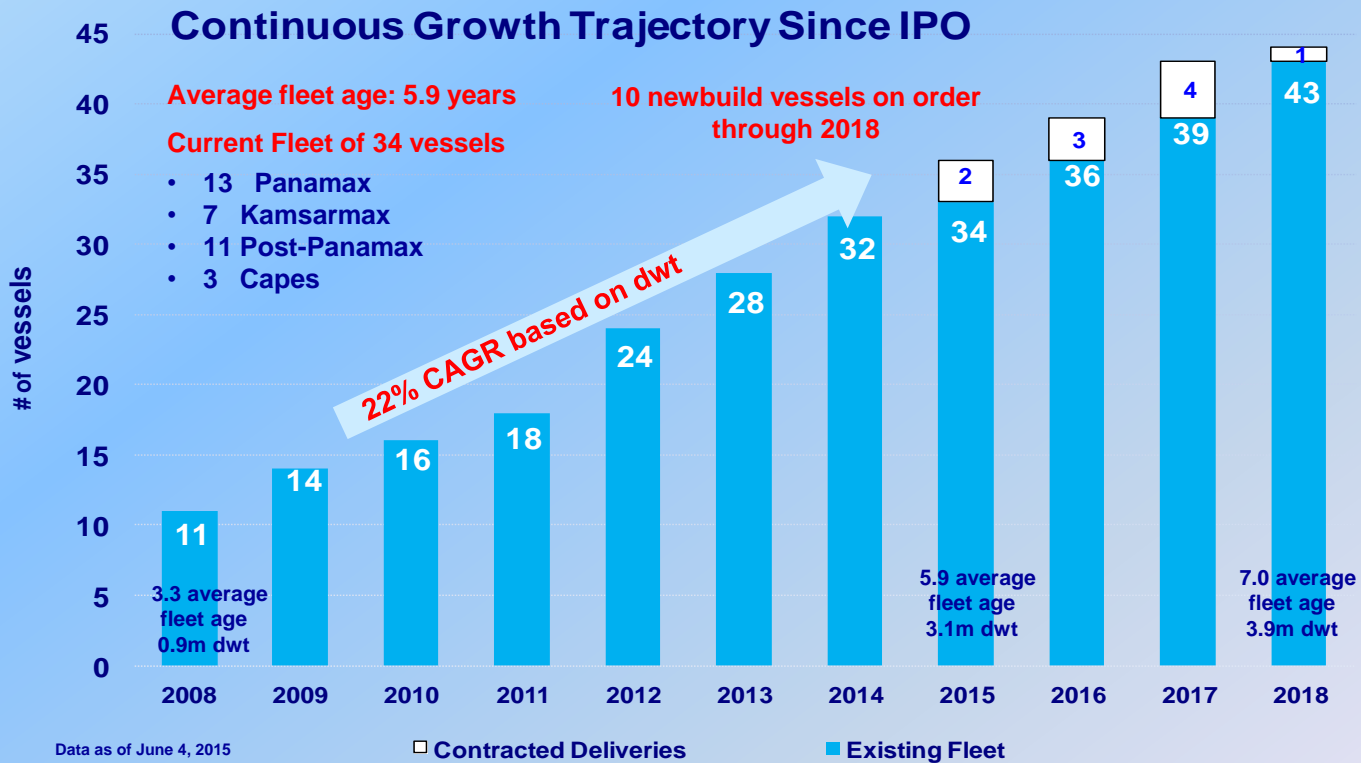
Orderbook % Growth per Size



Deliveries vs Scrapping (in m dwt)



Expand and
renew fleet with
eco-design
vessels

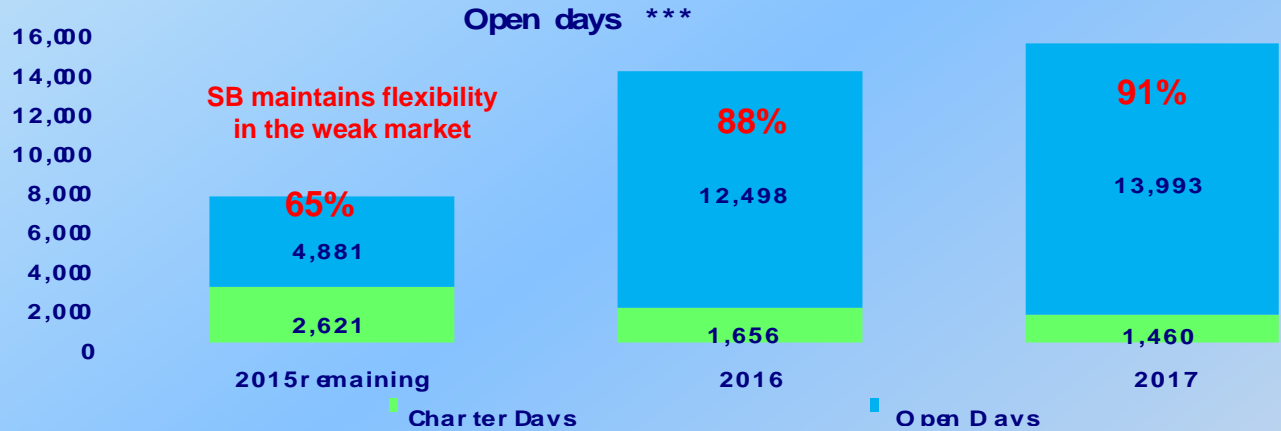


Safe Bulkers has delayed 6 out of 10 newbuilds

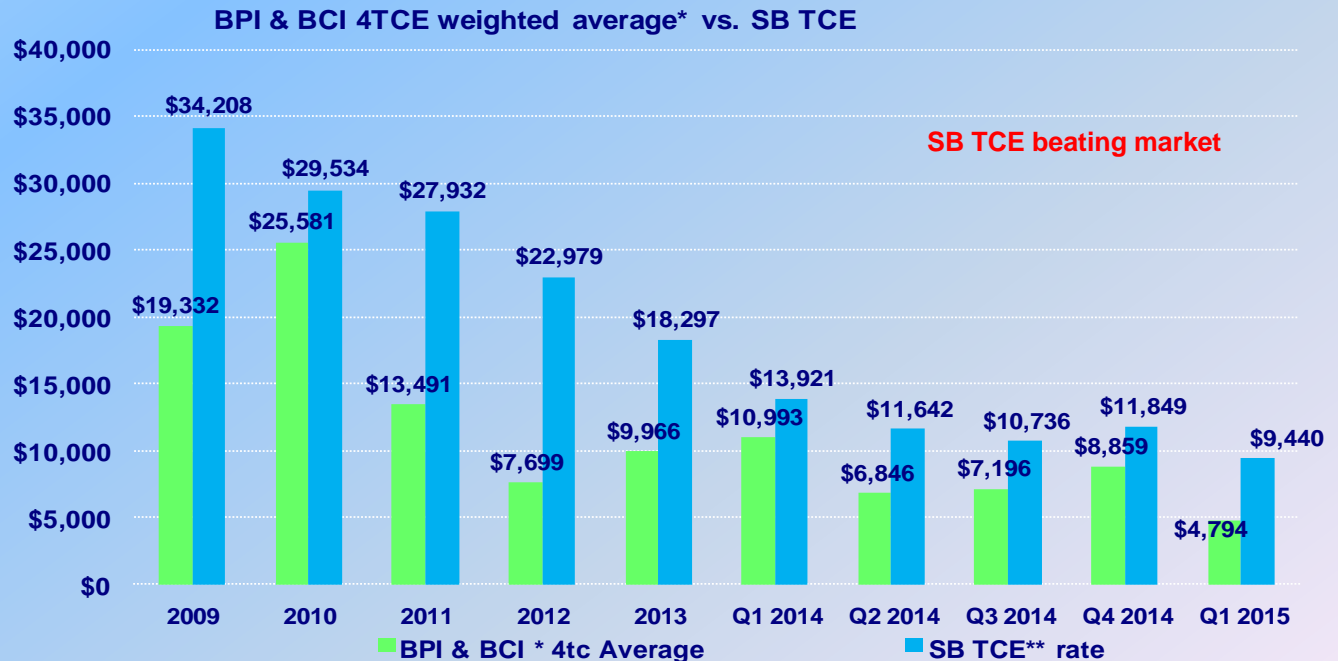
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Spot market exposure



Chartering performance

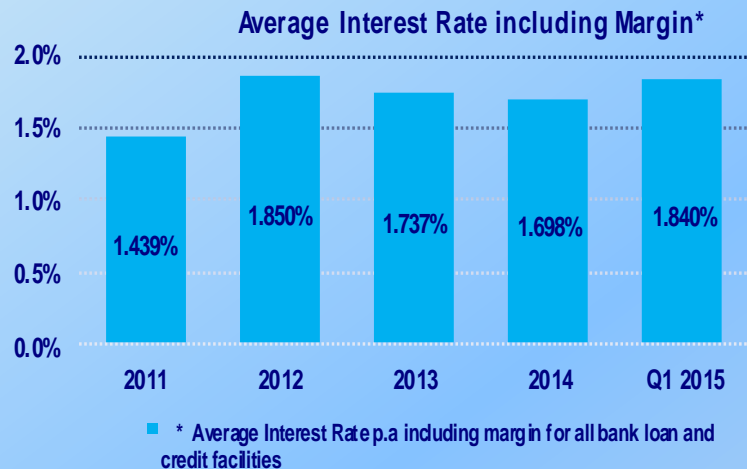


* Source Baltic Exchange

** Safe Bulkers data

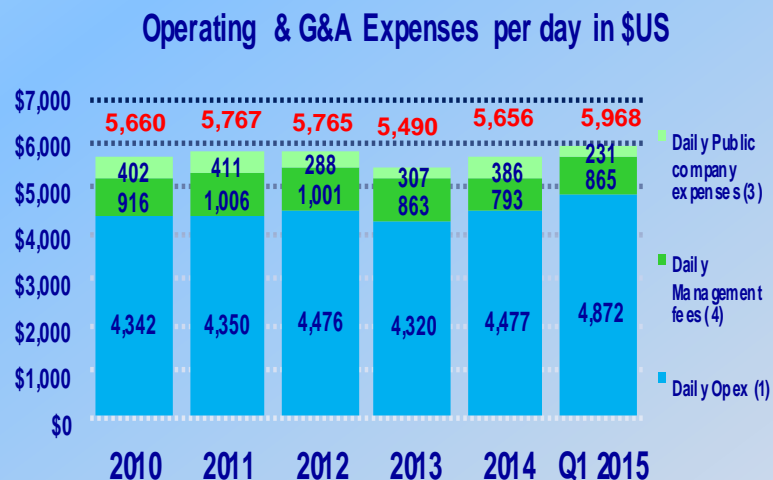
*** Data as of June 4, 2015. Charter coverage includes vessels to be delivered.

Low financing cost



1.8% p.a., average interest rate, including the margin, for all bank loan and credit facilities during Q1 2015.

Low OPEX & G&A cost



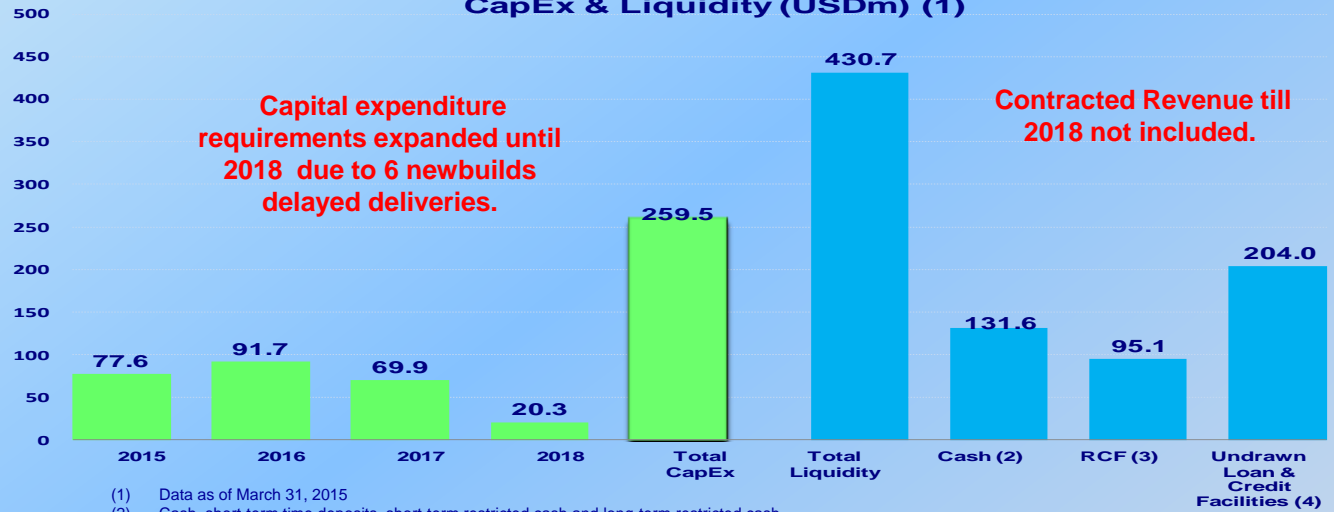
\$5,968 per day per vessel in total for OPEX and G&A (including management fees) for Q1 2015.

(1) 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, tonnage taxes and other miscellaneous items. Daily vessel operating expenses are calculated by dividing vessel operating expenses by ownership days for the relevant period
 (2) Daily general and administrative expenses in US\$ include daily management fees and the costs in relation to our operation as public company defined below. Daily vessel general and administrative expenses are calculated by dividing general and administrative expenses by ownership days for the relevant period.
 (3) Daily public company expenses include the costs in relation to our operation as public company divided by ownership days for the relevant period.
 (4) Daily management fees include the fixed and the variable fees payable to our Manager divided by ownership days for the relevant period.

OPERATING

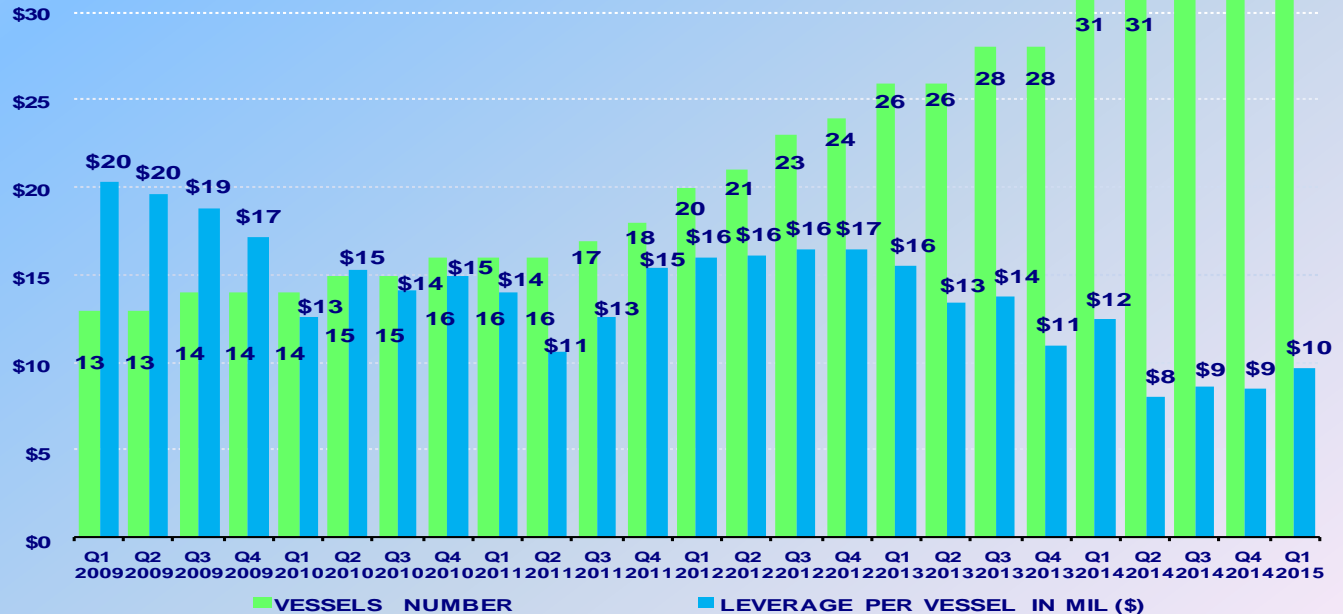
Expansion fully financed

CapEx & Liquidity (USDm) (1)



- (1) Data as of March 31, 2015
- (2) Cash, short-term time deposits, short-term restricted cash and long-term restricted cash.
- (3) Available under existing revolving reducing credit facilities (RCF).
- (4) Undrawn committed loan and credit facilities

Net debt per vessel in USD million(*)



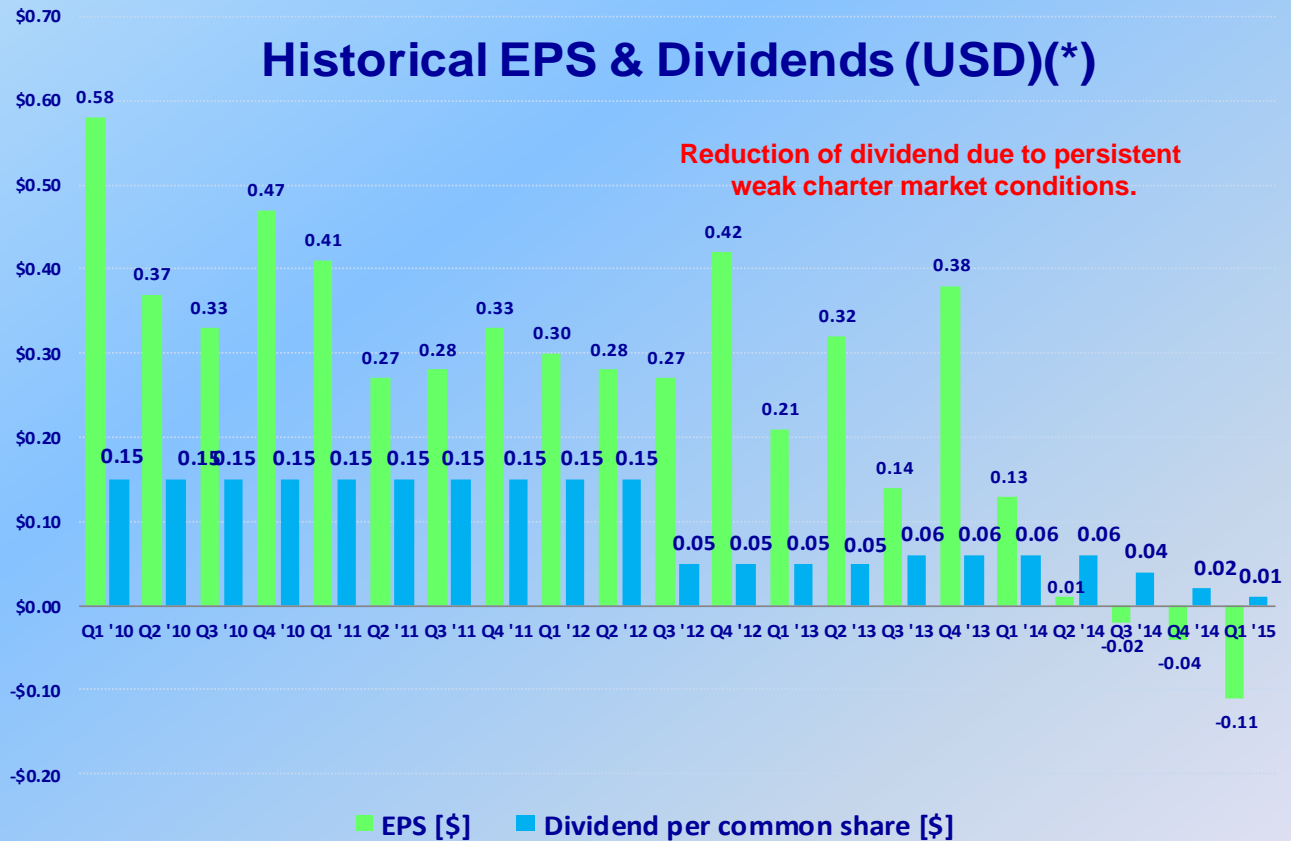
Comfortable leverage

FINANCING



(*) Data as of March 31, 2015. Net debt per vessel consists of total debt less cash, time deposits, restricted cash, long-term floating rate note and advances for newbuilds divided by number of vessels "in the water" as of quarter end. Assumption: Contracted value of newbuilds equals market value.

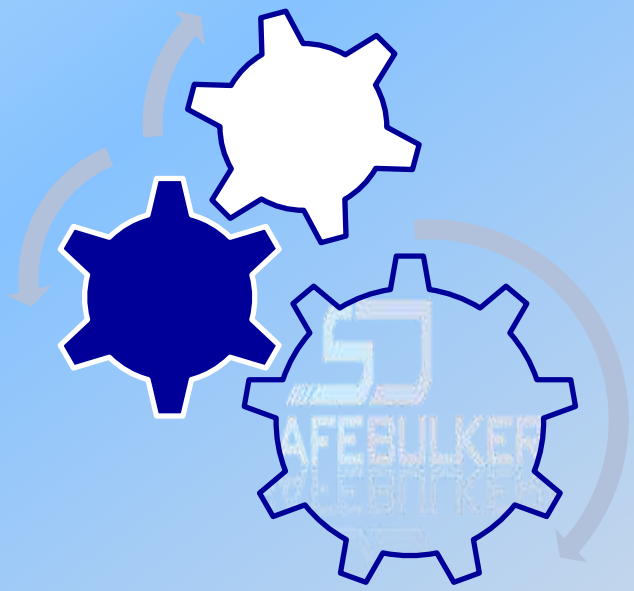
Dividend Payer



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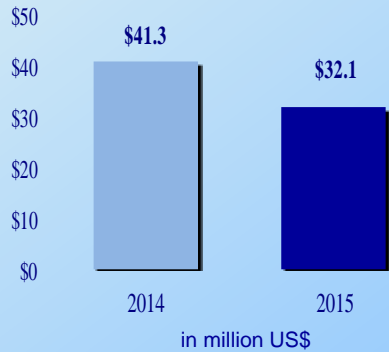
The declaration and payment of dividends, if any, will always be subject to the discretion of our board of directors. The timing and amount of any dividends declared will depend on, among other things: (a) our earnings, financial condition and cash requirements and available sources of liquidity, (b) decisions in relation to our growth strategies, (c) provisions of Marshall Islands and Liberian law governing the payment of dividends, (d) restrictive covenants in our existing and future debt instruments and (e) global financial conditions. Dividends might be reduced or not be paid by us. Our ability to pay dividends may be limited by the amount of cash we can generate from operations following the payment of fees and expenses and the establishment of any reserves, as well as additional factors unrelated to our profitability. In addition, cash dividends on our common stock are subject to the priority of dividends on our 1,600,000 outstanding shares of Series B Preferred Shares issued in June 2013, on our 2,300,000 outstanding shares of Series C Preferred Shares issued in May 2014 and on our 3,200,000 outstanding shares of Series D Preferred Shares issued in June 2014.

Financial Section

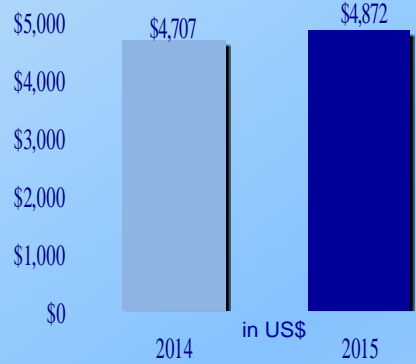


SELECTED QUARTERLY FINANCIAL HIGHLIGHTS

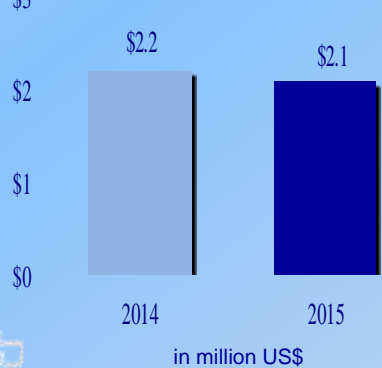
NET REVENUE



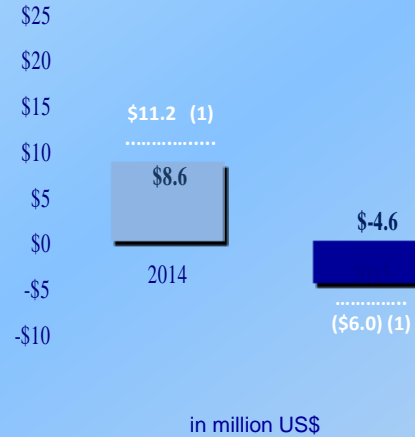
DAILY OPEX



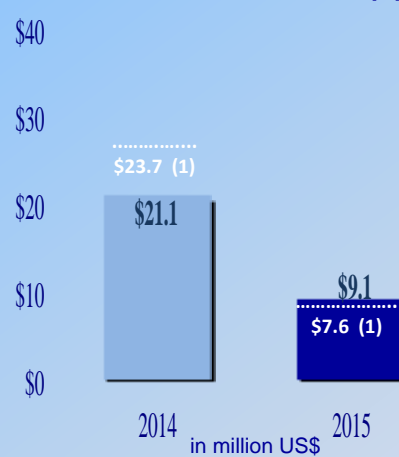
INTEREST EXPENSE



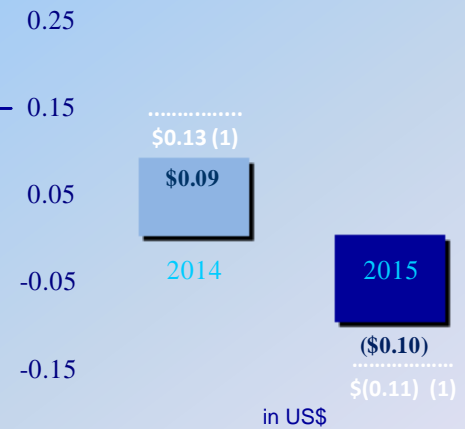
ADJUSTED NET INCOME/LOSS (2)



ADJUSTED EBITDA (2)



ADJUSTED EPS (2)



(1) Non-Adjusted figures.

(2) For definition and reconciliation of Adjusted Net Income, EPS and EBITDA please refer to Slide 12

RECONCILIATION OF ADJUSTED NET INCOME, EBITDA, ADJUSTED EBITDA AND ADJUSTED EARNINGS/(LOSS) PER SHARE

Three-Month Period Ended March 31,

(In thousands of U.S. Dollars except for share and per share data)

	2014	2015
<u>Net Income/(loss) - Adjusted Net Income</u>		
Net Income/(loss)	11,232	(6,047)
Less Gain on asset purchase cancellation	(3,633)	-
Plus Early redelivery cost	532	-
Plus Loss on derivatives	447	1,156
Plus Loss from inventory valuation	-	491
Plus Foreign currency loss/(gain)	38	(162)
Adjusted Net Income/(loss)	8,616	(4,562)
<u>EBITDA - Adjusted EBITDA</u>		
Net Income/(loss)	11,232	(6,047)
Plus Net Interest Expense	1,934	2,132
Plus Depreciation	10,267	11,099
Plus Amortization	301	382
EBITDA	23,734	7,566
Less Gain on asset purchase cancellation	(3,633)	-
Less Early redelivery cost	532	-
Plus Loss on derivatives	447	1,156
Plus Loss from inventory valuation	-	491
Plus Foreign currency loss/(gain)	38	(162)
ADJUSTED EBITDA	21,118	9,051
<u>Earnings/(loss) per share</u>		
Net Income/(loss)	11,232	(6,047)
Less preferred dividend	800	3,550
Net income/(loss) available for common shareholders	10,432	(9,597)
Weighted average number of shares	83,441,135	83,462,059
Earnings/(loss) per share	0.13	(0.11)
<u>Adjusted EPS</u>		
Adjusted Net Income/ (loss)	8,616	(4,562)
Less preferred dividend	800	3,550
Adjusted Net income available for common shareholders	7,816	(8,112)
Weighted average number of shares	83,441,135	83,462,059
Adjusted EPS	0.09	(0.10)

*EBITDA, Adjusted EBITDA, Adjusted Net Income, Adjusted Net Income available to common shareholders and Adjusted EPS are not recognized measurements under US GAAP.

*Adjusted Net Income represents Net income/(loss) before gain on asset purchase cancellation, early redelivery cost, loss from inventory valuation, loss on derivatives and (loss)/gain on foreign currency.

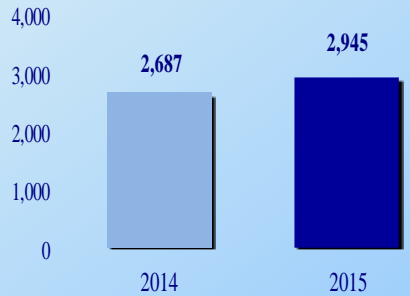
*Adjusted Net Income available to common shareholders represents Adjusted Net Income less preferred dividend.

*EBITDA represents Net income/(loss) before interest, income tax expense, depreciation and amortization. Adjusted EBITDA represents EBITDA before gain on asset purchase cancellation, early redelivery cost, loss from inventory valuation, loss on derivatives and (loss)/gain on foreign currency. EBITDA and Adjusted EBITDA are not recognized measurements under US GAAP. EBITDA and Adjusted EBITDA assist the Company's management and investors by increasing the comparability of the Company's fundamental performance from period to period and against the fundamental performance of other companies in the Company's industry that provide EBITDA and Adjusted EBITDA information. The Company believes that EBITDA and Adjusted EBITDA are useful in evaluating the Company's operating performance compared to that of other companies in the Company's industry because the calculation of EBITDA generally eliminates the effects of financings, income taxes and the accounting effects of capital expenditures and acquisitions and the calculation of Adjusted EBITDA generally further eliminates the effects from gain on asset purchase cancellation, early redelivery cost, loss from inventory valuation, loss on derivatives and (loss)/gain on foreign currency, items which may vary for different companies for reasons unrelated to overall operating performance.

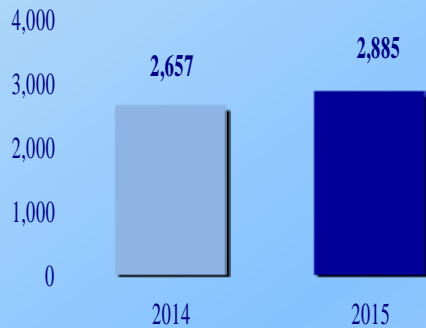
*EBITDA, Adjusted EBITDA, Adjusted Net Income, Adjusted Net Income available to common shareholders and Adjusted Earnings per share have limitations as analytical tools, and should not be considered in isolation, or as a substitute for analysis of the Company's results as reported under US GAAP. EBITDA and Adjusted EBITDA should not be considered as substitutes for net income and other operations data prepared in accordance with US GAAP or as a measure of profitability. While EBITDA and Adjusted EBITDA 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.

SELECTED QUARTERLY OPERATIONAL HIGHLIGHTS

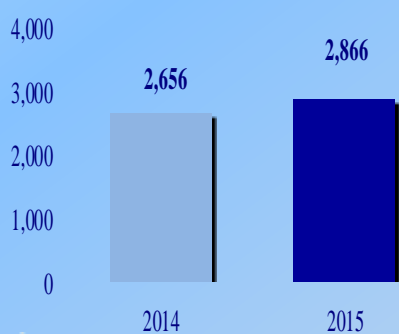
OWNERSHIP DAYS*



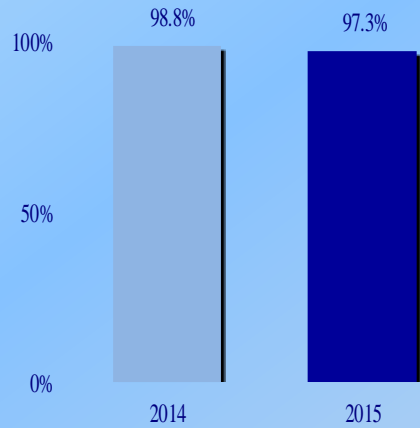
AVAILABLE DAYS*



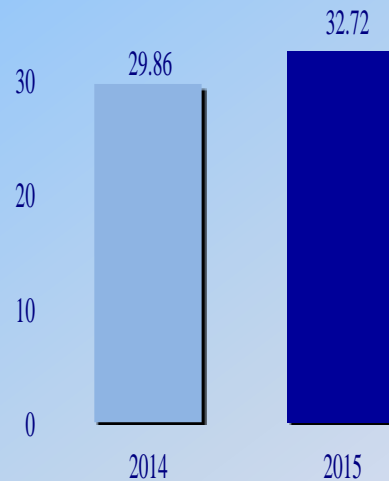
OPERATING DAYS*



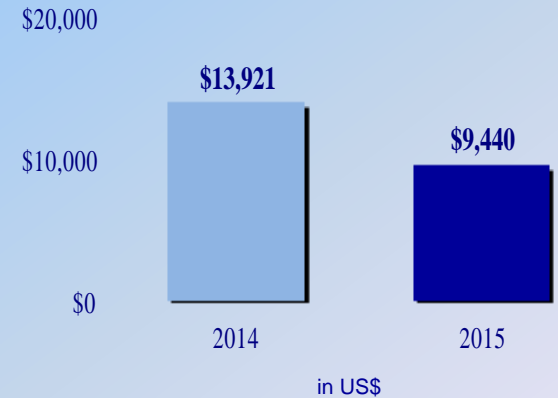
FLEET UTILIZATION*



AVERAGE NUMBER OF VESSELS IN PERIOD*



TIME CHARTER EQUIVALENT RATE*



(*) For definition and reconciliation of operational highlights please refer to Slide 14

OPERATIONAL FUNDAMENTALS

FLEET DATA AND AVERAGE DAILY INDICATORS	Three-Month Period Ended March 31,	
	2014	2015
FLEET DATA		
Number of vessels at period's end	31	34
Average age of fleet (in years)	5.28	5.75
Ownership days (1)	2,687	2,945
Available days (2)	2,657	2,885
Operating days (3)	2,656	2,866
Fleet utilization (4)	98.8%	97.3%
Average number of vessels in the period (5)	29.86	32.72
AVERAGE DAILY RESULTS		
Time charter equivalent rate (6)	\$13,921	\$9,440
Daily vessel operating expenses (7)	\$4,707	\$4,872
Daily general and administrative expenses (8)	\$1,118	\$1,096

- 1) Ownership days represent the aggregate number of days in a period during which each vessel in our fleet has been owned by us.
- 2) Available days represent 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 represent 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 rates, or TCE rates, represent our charter revenues less commissions and voyage expenses during a period divided by the number of our available days during the 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 by ownership days for the relevant period.
- 8) Daily general and administrative expenses include daily fixed and variable management fees payable to our Manager and daily costs in relation to our operation as a public company. Daily general and administrative expenses are calculated by dividing general and administrative expenses by ownership days for the relevant period.

Annex A Operational and Financial data

COMPANY STOCK

Dividend Declaration on Series B Preferred Shares, Series C Preferred Shares and Series D Preferred Shares

The Series B, Series C and Series D Preferred Shares are traded on the New York Stock Exchange under the ticker symbol SB.PR.B, SB.PR.C and SB.PR.D, respectively.

In April 2015, the Company's Board of Directors declared :

- a cash dividend of \$0.50 per share on its 8.00% Series B Preferred Shares for the period from January 30, 2015 to April 29, 2015;
- a cash dividend of \$0.50 per share on its 8.00% Series C Preferred Shares for the period from January 30, 2015 to April 29, 2015; and
- a cash dividend of \$0.50 per share on its 8.00% Series D Preferred Shares for the period from January 30, 2015 to April 29, 2015;

Each dividend was paid on April 30, 2015 to all shareholders of record as of April 24, 2015 of the Series B Preferred Shares of the Series C Preferred Shares and of the Series D Preferred Shares, respectively. The Company has 1,600,000 Series B Preferred Shares, 2,300,000 Series C Preferred Shares and 3,200,000 Series D Preferred Shares outstanding as of today.

Dividend Declaration on Common Shares

The Board of Directors of the Company declared a cash dividend on the Company's common stock of \$0.01 per share payable on or about June 26, 2015 to shareholders of record at the close of trading of the Company's common stock on the New York Stock Exchange (the "NYSE") on June 19, 2015. The Company has 83,466,179 shares of common stock issued and outstanding as of today's date.



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THANK YOU