

MARINE
M O N E Y
CONFERENCE

&
present

Jefferies

26th Annual Marine Money Week



June 18-20, 2013

**The Pierre Hotel
New York City**

“RISK ON!”

**1X1 INVESTOR MEETINGS
PRESENTATION**


SAFEBULKERS
SAFEBULKERS



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.

WHO PAYS DIVIDENDS ?

- ✓ \$191.3 million declared and paid in 20 Consecutive Quarterly Dividends since Company's IPO in 2008

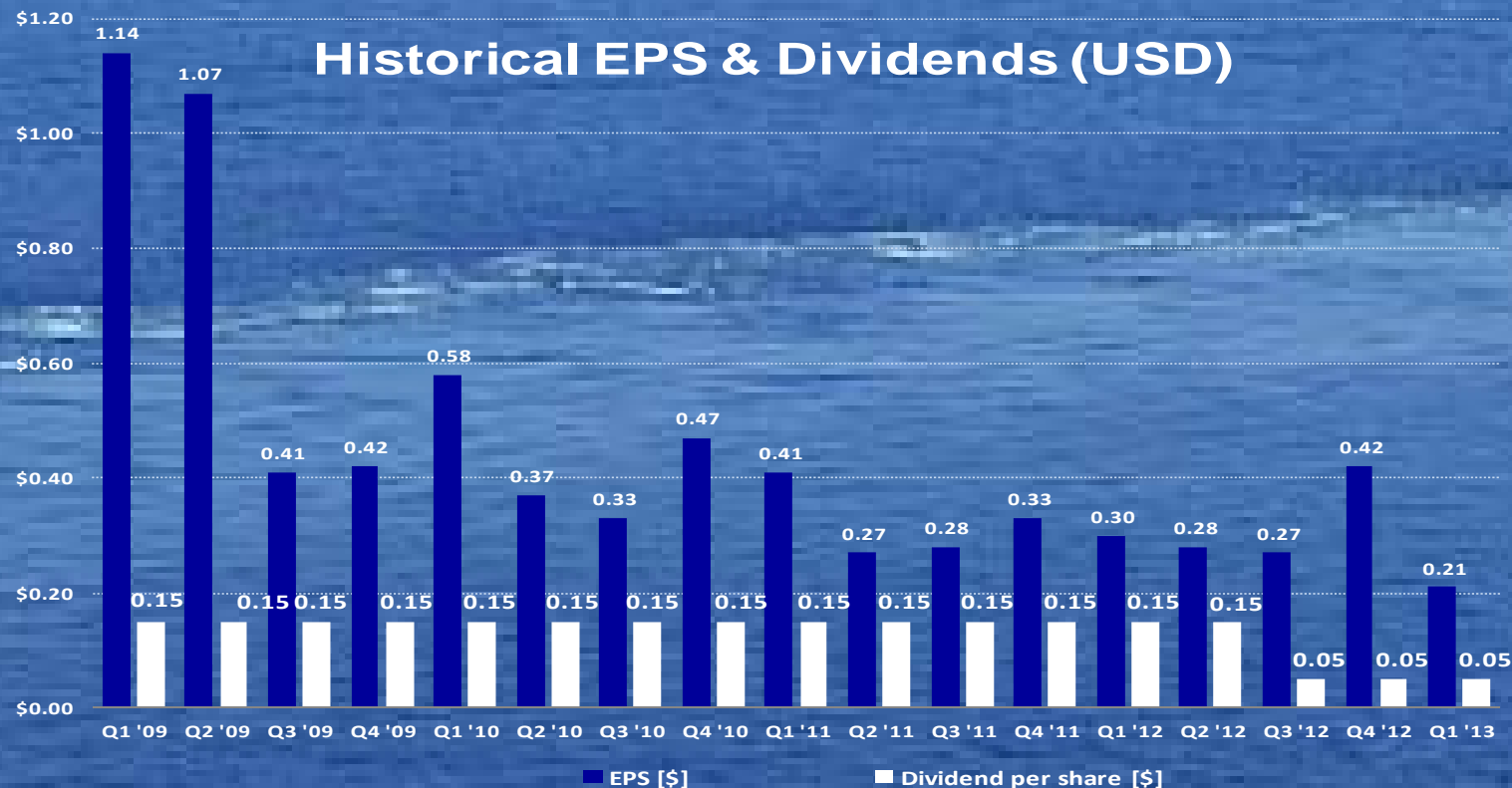
Valuation Summary & Comparables

	Ticker	MS Rating	Recent Price	Weekly Change	Mkt Cap (US\$m)	EV (US\$m)	P/E		EV/EBITDA		Dividend Yield		
							13E	14E	13E	14E	12	13E	14E
Dry Bulkers													
Diana Shipping	DSX	E	\$10.63	6.0%	860	852	NM	NM	15.8	11.9	0.0%	0.0%	0.0%
Safe Bulkers	SB	NR	\$5.30	3.5%	406	861	9.2	8.8	9.6	9.1	11.9%	3.8%	3.8%
Baltic Trading Ltd.	BALT	E	\$3.88	10.5%	88	190	NM	NM	239.5	16.6	4.0%	0.5%	0.0%
Knightsbridge	VLCCF	NR	\$7.98	4.0%	196	206	NM	NM	14.8	12.6	16.7%	8.8%	8.8%
Paragon Shipping	PRGN-US	E	\$5.03	13.7%	30	138	NM	NM	22.1	10.4	0.0%	0.0%	0.0%
				Average									
				7.6%	451	634	9.2x	8.8x	60.4x	12.1x	6.5%	2.6%	2.5%

Source: Morgan Stanley as of May 20, 2013

WHO PAYS DIVIDENDS ?

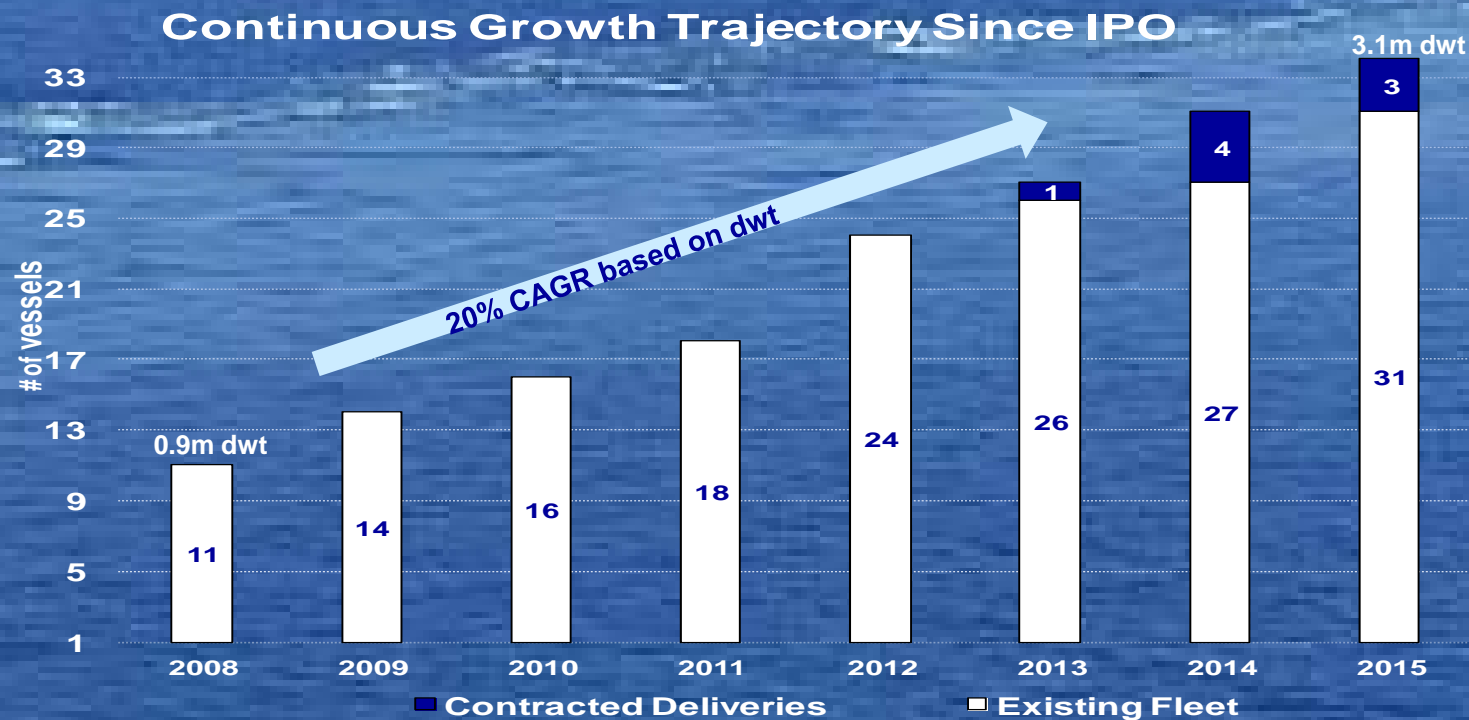
✓ \$191.3 million declared and paid in 20 Consecutive Quarterly Dividends since Company's IPO in 2008



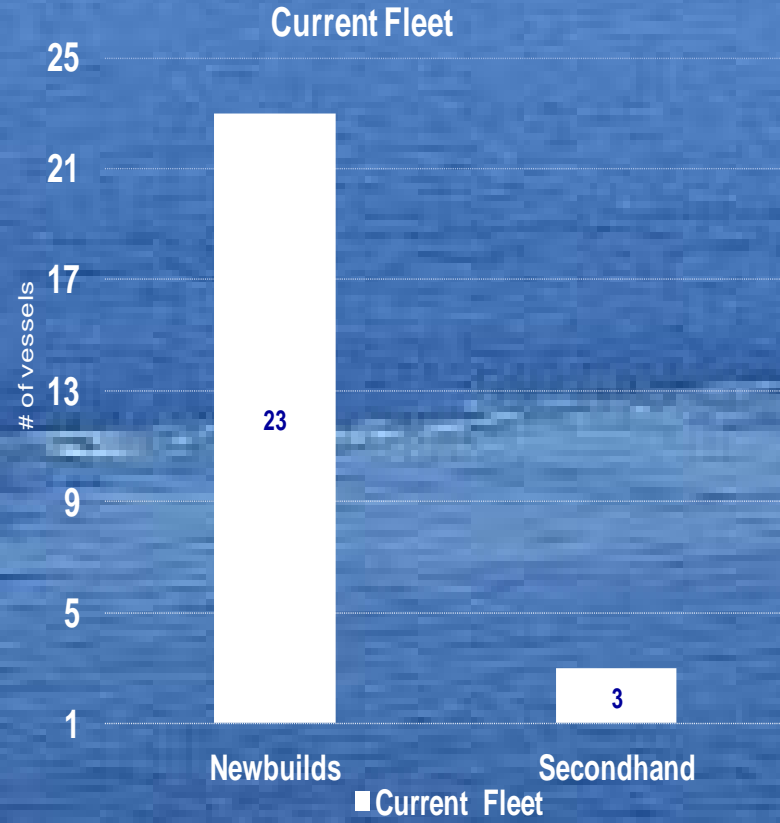
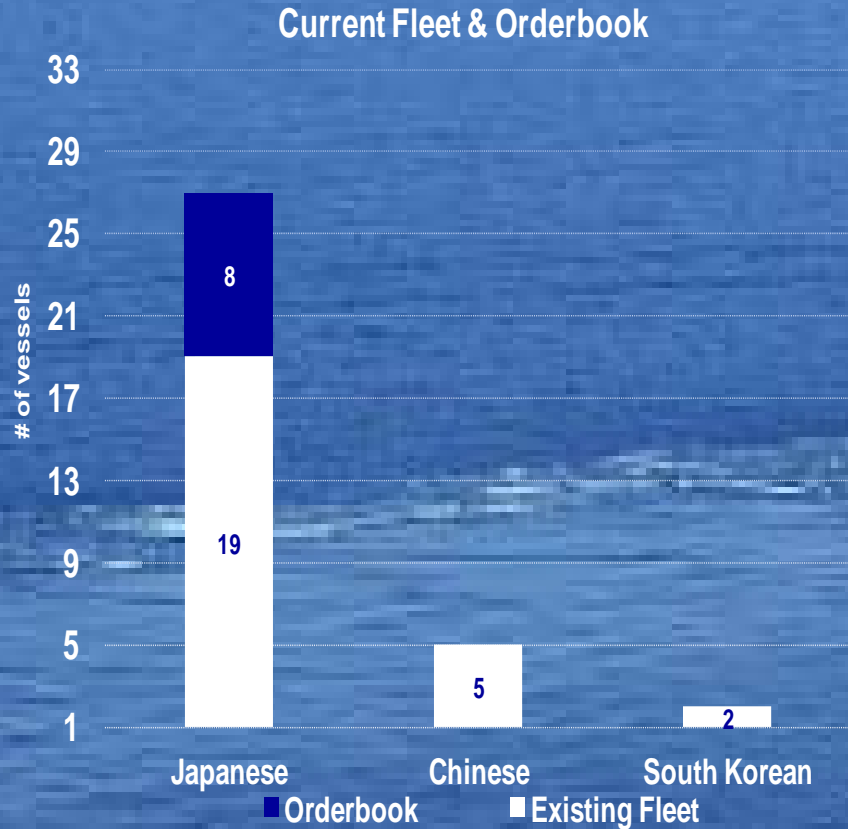
The declaration and payment of dividends, if any, will always be subject to the discretion of the Board of Directors of the Company. The timing and amount of any dividends declared will depend on, among other things: (i) the Company's earnings, financial condition and cash requirements and available sources of liquidity, (ii) decisions in relation to the Company's growth strategies, (iii) provisions of Marshall Islands and Liberian law governing the payment of dividends, (iv) restrictive covenants in the Company's existing and future debt instruments and (v) global financial conditions. Accordingly, dividends might be reduced or not be paid in the future.

WHO EXPANDS ITS BUSINESS?

- ✓ Invest during the lower part of the shipping cycle
- ✓ Invest in high specifications, shallow drafted, eco-design newbuilds
- ✓ Opportunistically invest in secondhand vessels



ASSET MANAGEMENT

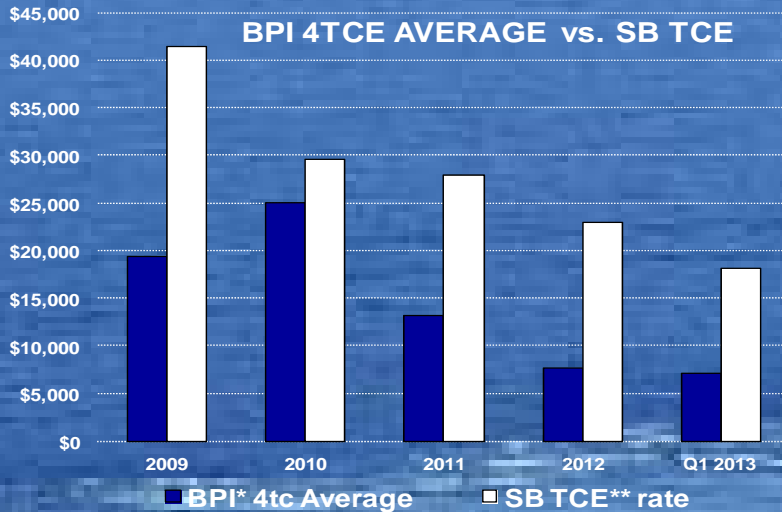


ASSET MANAGEMENT

- ✓ Young modern fleet of 26 vessels
- ✓ 5.1 years average age as of May 15, 2013
- ✓ 6.0 years average fleet age upon all contracted deliveries through 2015

- ✓ Invest primarily in newbuilds of high specifications shallow drafted eco-design
- ✓ Opportunistically invest in secondhand vessels

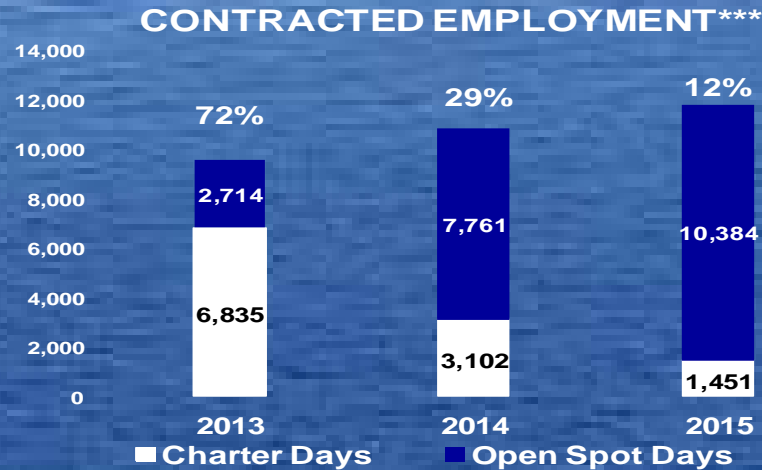
HOW DO WE RUN OUR BUSINESS?



- ✓ Outperforming BPI
- ✓ Cooperation with established performing charterers
- ✓ Selective early redeliveries receiving significant cash compensation reducing third party risk

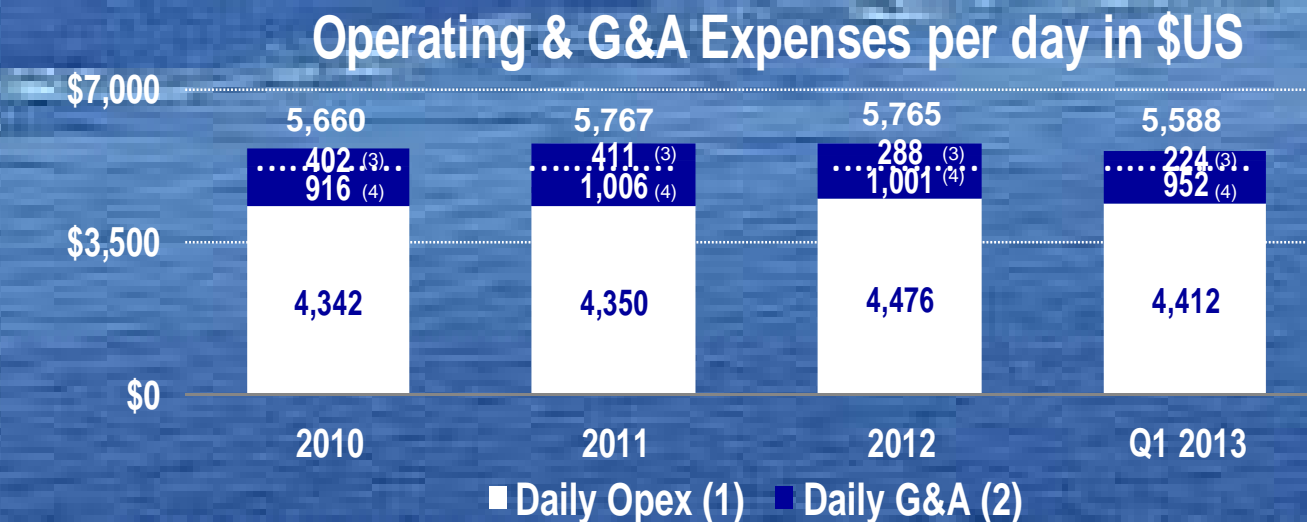
CHARTERING

- ✓ Balance of long-term vs. spot charters
- ✓ Long-term period time charters provide visibility in future cash flows
- ✓ Substantial upside potential for the coming years



HOW DO WE RUN OUR BUSINESS?

- ✓ Hands-on approach
- ✓ Competitive operations compared to industry as displayed by our daily operating expenses and G&A
- ✓ High fleet utilization rate
- ✓ Experienced team in operations, technical support and newbuild supervision
- ✓ Sister-ship high quality vessels



OPERATING

(1) 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, 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 payable to third parties 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 payable to third parties 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.

HOW DO WE RUN OUR BUSINESS?

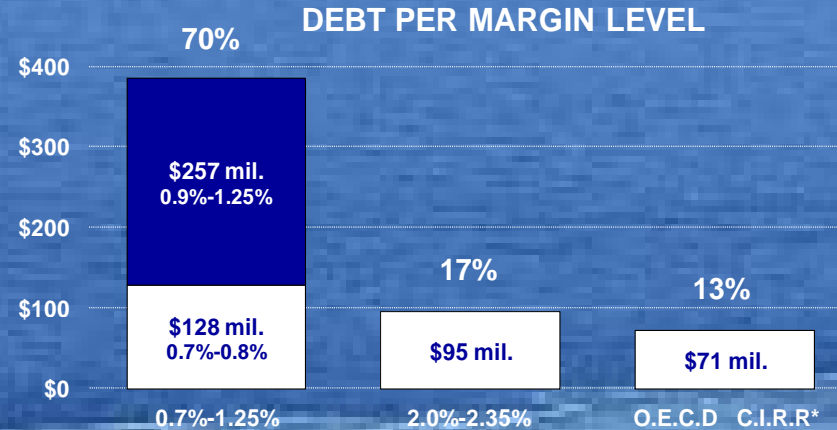
- ✓ Competitive operations compared to industry as displayed by our TCE Rates and Daily Operating Expenses

Realized & Forecast Rates & VOpEx/day (on 365 day basis) for Dry Bulk Companies across key Asset Classes			1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13	2010	2011	2012	2013E	2014E
		(\$kpd)													
DRYS	Capesize		25.8	29.1	23.5	18.3	24.9	22.3	20.9	20.9	42.8	32.0	24.2	22.3	22.4
	Panamax		22.4	15.7	9.8	8.0	9.6	9.9	8.0	7.8	29.5	26.5	14.0	8.8	11.0
	Supramax		6.6	8.4	8.4	5.4	6.8	6.8	6.8	6.8	23.0	17.6	7.2	6.8	10.0
	Avg. VOpEx/d**		10.1	9.9	9.3	9.4	9.5	9.6	9.7	9.9	10.7	12.4	9.7	9.7	10.4
DSX	Capesize		39.1	35.7	33.8	29.9	24.7	21.7	21.1	21.0	23.2	-	-	-	-
	Panamax		17.2	15.3	14.5	11.4	9.6	9.2	9.1	8.6	14.0	-	-	-	-
	Other		-	-	-	-	-	-	-	-	-	-	-	-	-
	Avg. VOpEx/d		9.0	8.9	8.8	9.3	8.8	8.7	8.6	8.6	8.5	-	-	-	-
BALT	Capesize		7.8	7.7	6.0	11.4	7.1	5.6	11.5	11.5	29.1	14.9	8.2	8.9	16.7
	Supramax		7.2	9.1	7.4	6.4	6.7	8.0	7.2	7.2	19.7	13.3	7.5	7.3	10.2
	Handymax		-	-	-	-	-	-	-	-	-	-	-	-	-
	Handysize		7.8	8.8	7.6	7.7	6.1	8.3	7.2	7.2	13.5	11.5	8.0	7.2	8.2
Avg. VOpEx/d		7.1	7.4	7.2	7.4	7.1	7.4	7.4	7.5	9.0	7.3	7.3	7.4	7.6	
SB	Capesize		32.2	33.6	31.7	31.2	32.1	31.0	31.0	31.0	29.4	29.7	32.2	31.3	28.7
	Panamax		23.5	23.1	21.4	19.7	16.6	14.9	12.4	10.7	29.4	27.8	21.9	13.7	13.0
	Avg. VOpEx/d		6.1	5.9	5.4	5.8	5.6	5.6	5.5	5.6	5.7	5.8	5.8	5.6	5.6
PRGN	Panamax		14.3	12.3	12.8	12.0	13.3	11.1	9.7	9.3	26.0	20.0	12.9	10.8	11.0
	Supramax		12.6	10.9	10.0	8.3	9.9	9.2	7.3	7.3	25.6	21.8	10.4	8.4	9.4
	Handymax		-	-	-	-	-	-	-	-	26.2	23.1	-	-	-
	Avg. VOpEx/d		8.2	7.7	7.6	6.8	9.1	7.2	7.2	7.2	9.5	8.6	7.6	7.7	7.1
VLCCF	Capesize		29.8	30.3	17.2	21.2	17.6	16.2	19.1	19.7	38.2	28.0	24.6	18.1	20.6
	VLCC		28.3	29.1	11.2	4.6	-	-	-	-	37.4	31.2	18.3	-	-
	Avg. VOpEx/d		8.1	8.3	7.7	6.3	8.5	8.1	8.1	8.1	10.4	8.4	7.6	8.2	8.2
Average	Capesize		26.9	27.3	22.5	22.4	21.3	19.4	20.7	20.8	32.6	26.1	22.3	20.2	22.1
	Panamax		19.3	16.6	14.6	12.8	12.3	11.3	9.8	9.1	24.7	24.8	16.3	11.1	11.6
	Handymax		-	-	-	-	-	-	-	-	26.2	23.1	-	-	-
	Handysize		7.8	8.7	7.7	6.8	6.4	7.8	7.1	7.1	13.5	11.5	7.7	7.1	8.1
	Avg. VOpEx/d		7.7	7.6	7.3	7.1	7.8	7.4	7.4	7.4	8.6	7.5	7.1	7.2	7.1

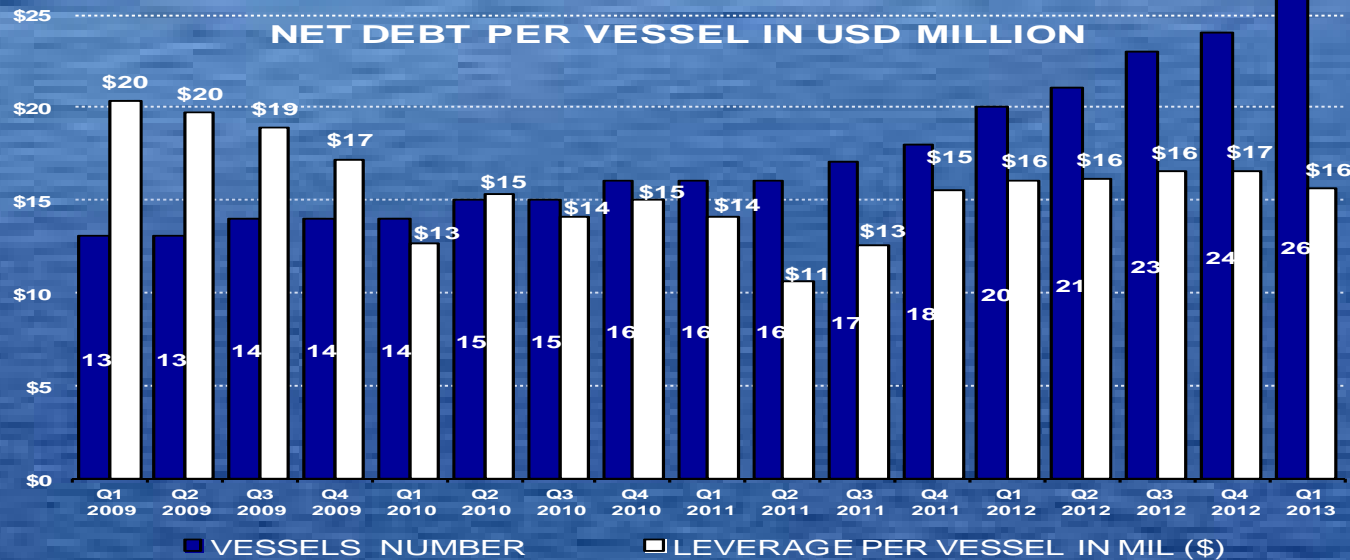
OPERATING

HOW DO WE RUN OUR BUSINESS?

- ✓ Financing with equity and debt (Follow-on Offerings of \$189m net since IPO)
- ✓ Low pay out ratio
- ✓ Efficiently leveraging
- ✓ Comply with financial covenants
- ✓ Maintain low financing costs



Data as of March 31, 2013. *Debt in OECD Commercial Interest Reference Rate; all-in weighted average interest rate of 3.4%

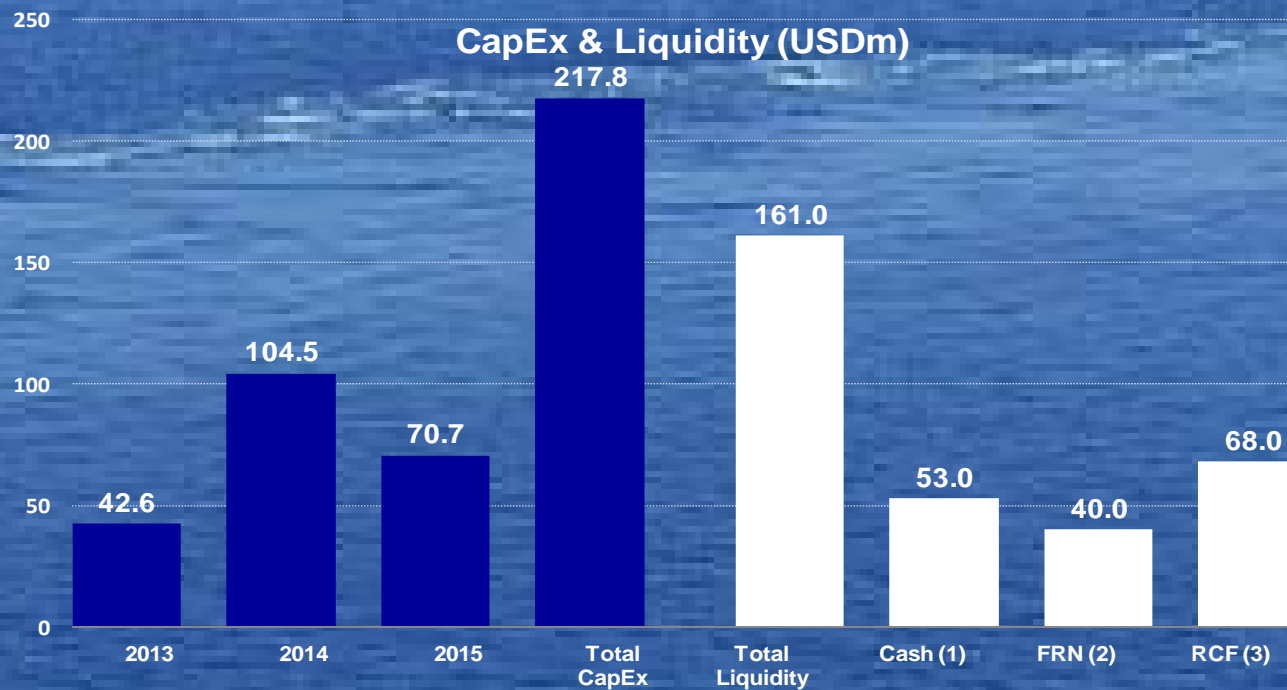


Data as of March 31, 2013. Net debt per vessel consists of total debt less cash, time deposits, restricted cash, long-term floating rate note and advances for newbuilds divided by number of vessels "in the water" as of quarter end. Assumption: Contracted value of newbuilds equals market value.

FINANCING

HOW DO WE RUN OUR BUSINESS?

- ✓ Strong balance sheet
- ✓ Substantial liquidity to finance CapEx Program
- ✓ Ability to raise additional indebtedness against newbuilds upon their delivery
- ✓ Surplus from operations not accounted for
- ✓ On June 13, 2013 concluded USD39.0m net Public offering of Series B Cumulative Redeemable Perpetual Preferred Shares



FINANCING

Note: As of May 15, 2013

(1) Cash, short-term time deposits and long-term restricted cash

(2) Remaining undrawn availability against our long-term floating rate note (FRN) of \$50 Million from which we may borrow up to 80% under certain conditions

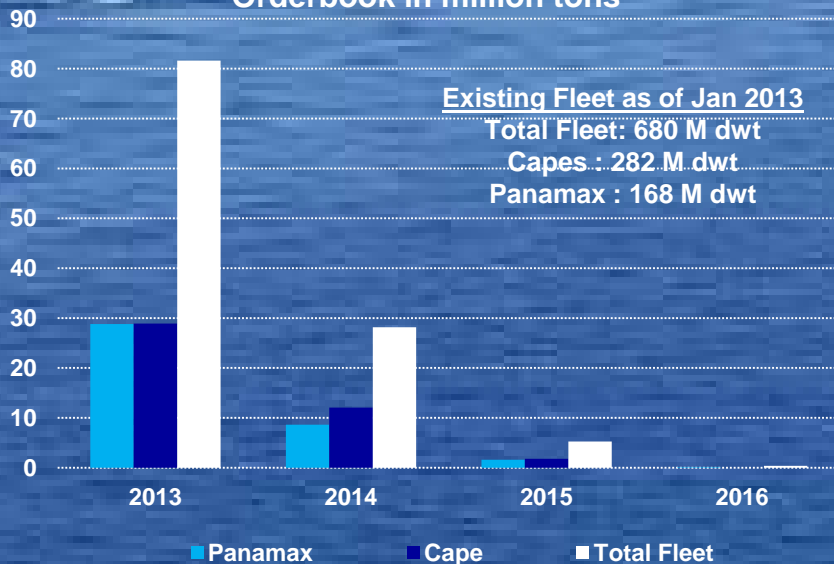
(3) Available under existing revolving reducing credit facilities (RCF)

INDUSTRY FUNDAMENTALS

Supply

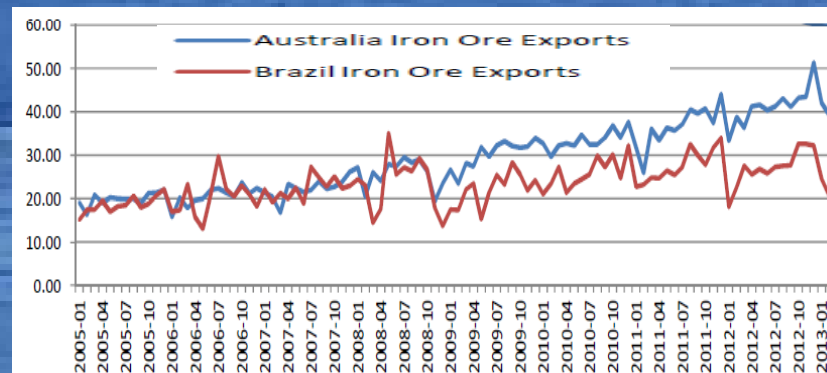
- **Substantial orderbook throughout 2013, declining thereafter**
Slippage/cancellations amounted to ~30% of the orderbook for 2012 due to i.e. lack of financing and excessive shipyard delays
Net fleet increased by 10% in 2012 and 2.5% in the first four months of 2013
- **~20% of fleet above 15 years old**
Cape fleet average age of 7 years
Panamax fleet average age of 8 years
- **20+ year old vessels heading to demolition in prolonged low charter market environment**
34m dwt scrapped in 2012 and 9.3m dwt scrapped in the first four months of 2013

Orderbook in million tons

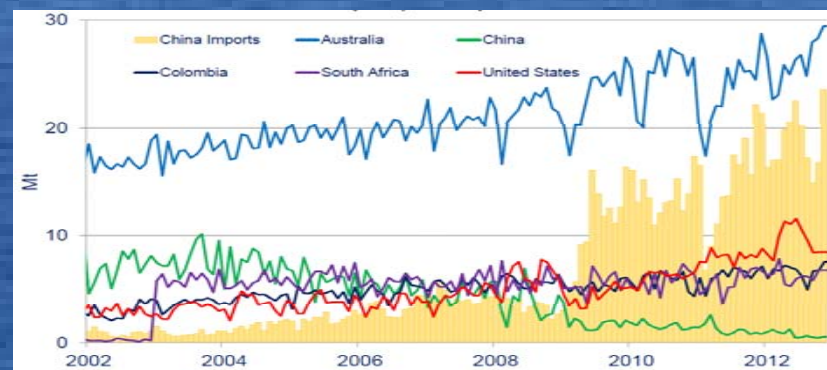


Demand

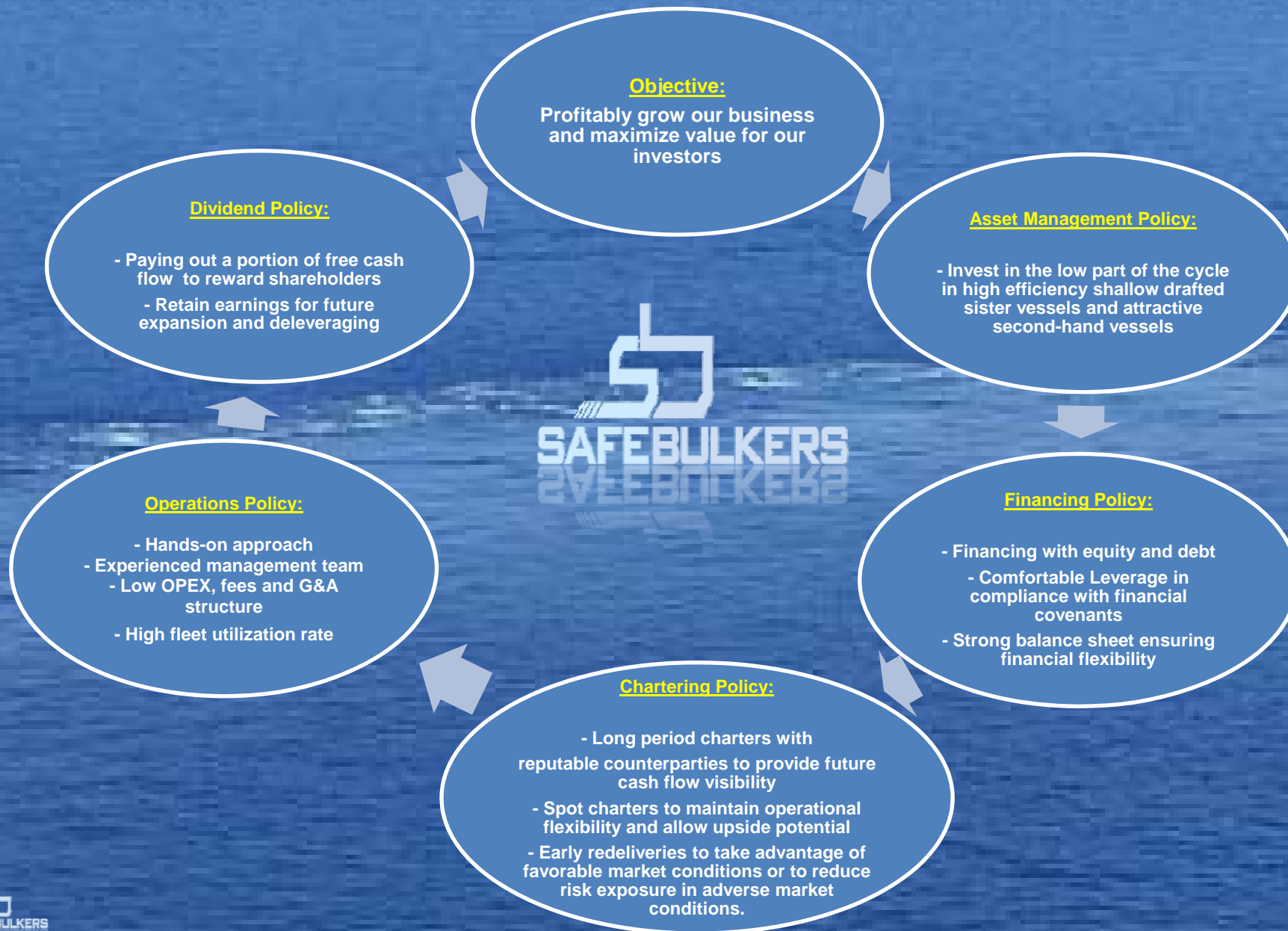
- A continued need for steel, coupled with high-cost domestic production in Asia, is driving the expectation of sustained growth in Asian demand for imported iron ore
- Iron ore exports have experienced strong year-over-year growth over the last three years: 10%, 8% and 7% in 2010, 2011 and 2012, respectively
- The grain and coal trades experienced strong double digit growth in 2012 of 10% and 11%, respectively



Coal – Monthly Export by Source



CONSISTENT POLICIES





VH

THANK YOU