



**Safe Bulkers, Inc. Agrees to the Novation of a Japanese Newbuilding  
Panamax Class Vessel and the Sale of a Japanese Newbuilding  
Kamsarmax Class Vessel**

**Monaco – October 3, 2016** -- Safe Bulkers, Inc. (the “Company”) (NYSE: SB), an international provider of marine drybulk transportation services, announced today that the Company has agreed to novate an existing newbuild contract for *Hull No. S835*, a Japanese Panamax class vessel, and sell, upon delivery, *Hull No. 1551*, a Japanese Kamsarmax class vessel, in each case, to entities owned by Mr. Polys Hajioannou, the Chairman of the Board and the Chief Executive Officer of the Company. Each vessel is scheduled to be delivered in the first quarter of 2017.

The two transactions were evaluated and approved by a Special Committee of the Company’s Board of Directors, which committee was wholly comprised of independent members of the Board and advised by independent counsel. The Special Committee obtained two appraisals from independent third party brokers for each newbuild vessel, and negotiated the terms of each transaction.

The higher of the two appraisals obtained from the independent third party brokers was \$21.5 million for *Hull No. S835* and \$24.5 million for *Hull No. 1551*; or \$46.0 million in the aggregate. The remaining capital expenditure requirements of the Company in respect of *Hull No. S835* and *Hull No. 1551* were \$48.2 million in the aggregate. The difference of \$2.2 million between the aggregate vessel valuations and the remaining aggregate capital expenditure requirements with respect to the newbuilds, as well as the commission of 1% of the contract price payable to the related party management company with respect to each of the newbuilds, have been waived in favor of the Company.

Through these transactions, the Company will substantially preserve its liquidity position and avoid the need to incur additional indebtedness. As a result of the transactions described above, the Company will record an aggregate non-cash impairment loss of \$16.6 million in the third quarter of 2016, which represents installments already paid in respect of *Hull No. S835* and *Hull No. 1551*.

Dr. Loukas Barmparis, President of the Company, said: “Consistent with our efforts to preserve liquidity through arrangements with our commercial lenders and maintenance of a lean operational profile, these transactions have allowed the Company to continue to minimize its cash outflows for capital expenditures. Of the four newbuild vessels that were previously on the Company’s orderbook, we have been able to finance one newbuild vessel through the issuance of preferred equity securities and we now have entered into arrangements to sell or novate two additional newbuild vessels, thus substantially preserving the Company’s liquidity position.”

## **About Safe Bulkers, Inc.**

The Company is an international provider of marine drybulk transportation services, transporting bulk cargoes, particularly coal, grain and iron ore, along worldwide shipping routes for some of the world's largest users of marine drybulk transportation services. The Company's common stock, Series B, Series C and Series D preferred stock is listed on the NYSE, where it trades under the symbols "SB", "SB.PR.B", "SB.PR.C" and "SB.PR.D", respectively.

## **Forward-Looking Statements**

This press release contains forward-looking statements (as defined in Section 27A of the Securities Act of 1933, as amended, and in the Section 21E of the Securities Exchange 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 which 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.

## **For further information please contact:**

### **Company Contact:**

Dr. Loukas Barmparis

President

Safe Bulkers, Inc.

Athens, Greece

Tel.: +30 2 111 888 400

Fax: +30 2 111 878 500

E-Mail: [directors@safebulkers.com](mailto:directors@safebulkers.com)

### **Investor Relations / Media Contact:**

Nicolas Bornozis, President

Capital Link, Inc.

230 Park Avenue, Suite 1536

New York, N.Y. 10169

Tel.: (212) 661-7566

Fax: (212) 661-7526

E-Mail: [safebulkers@capitallink.com](mailto:safebulkers@capitallink.com)