



Q3 2015 Financial Results

Management Team

**Polys
Hajioannou**
*Chairman and
CEO*

**Dr. Loukas
Barmparis**
President

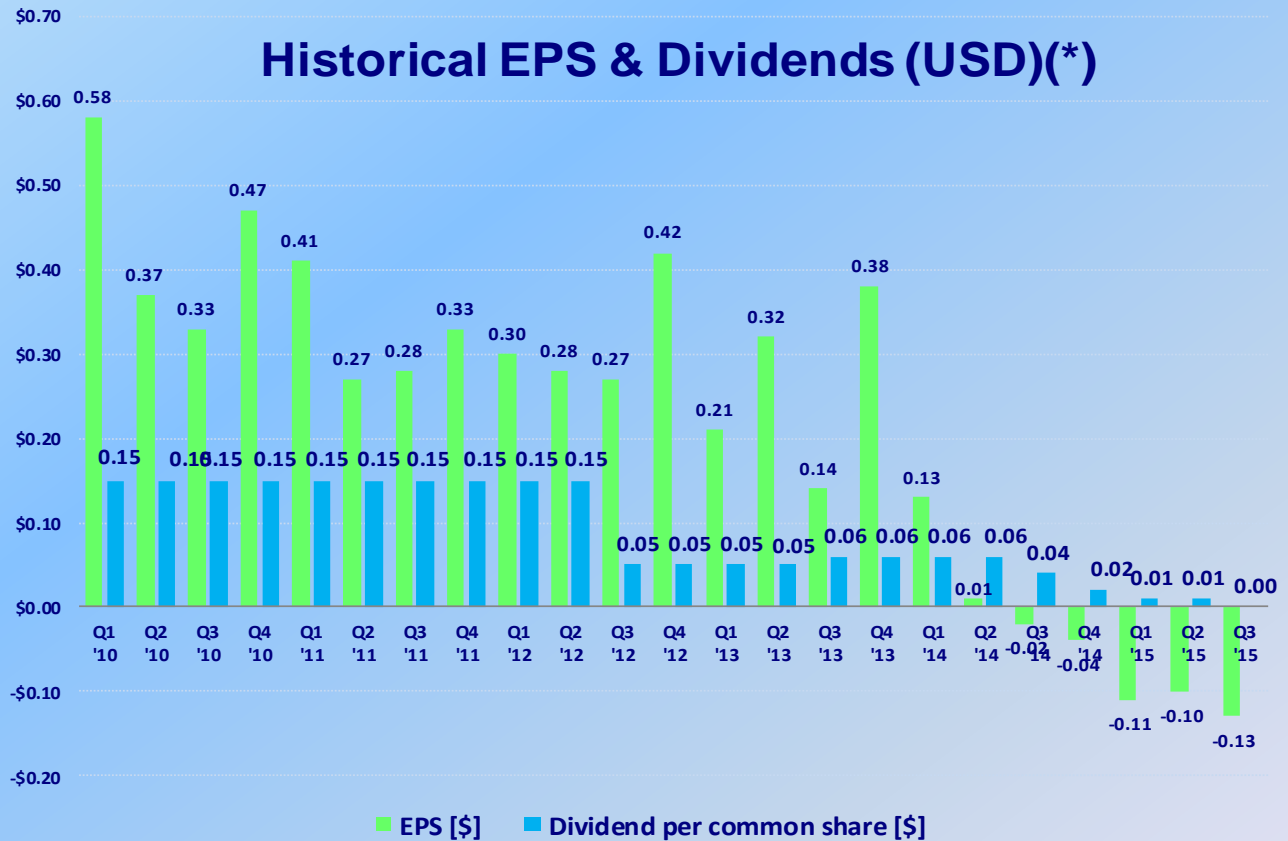
**Konstantinos
Adamopoulos**
*Chief Financial
Officer*

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.

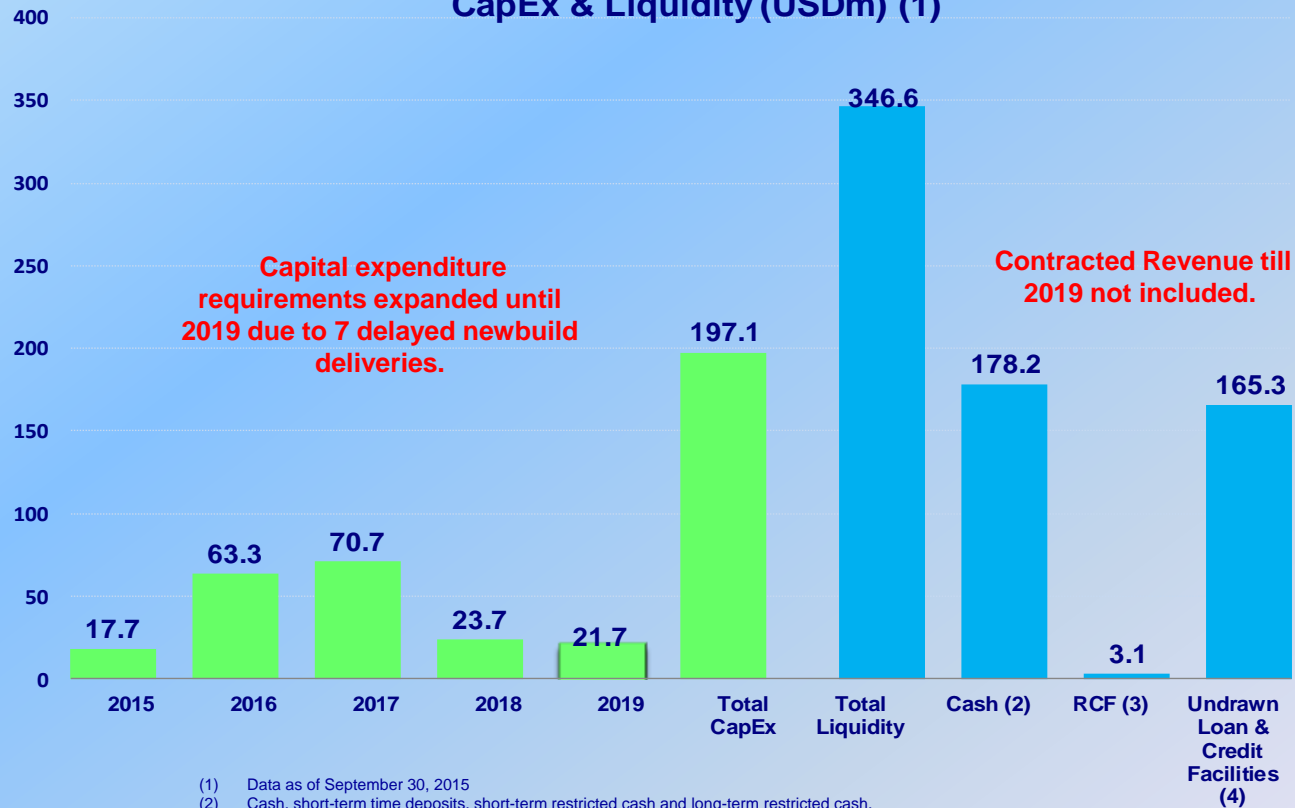
DIVIDEND SUSPENSION



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.

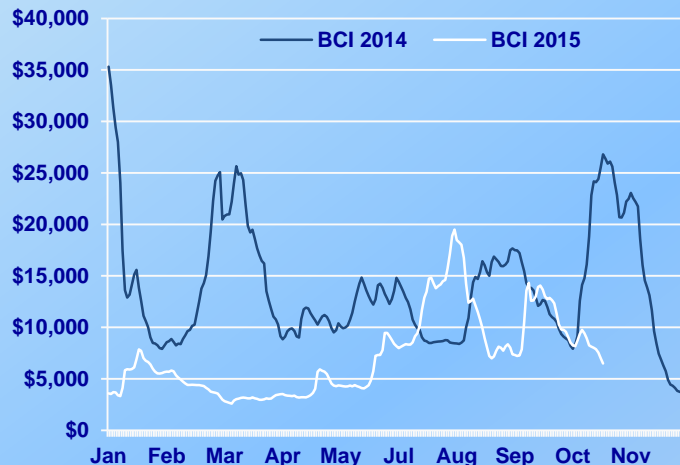
LIQUIDITY

CapEx & Liquidity (USDm) (1)



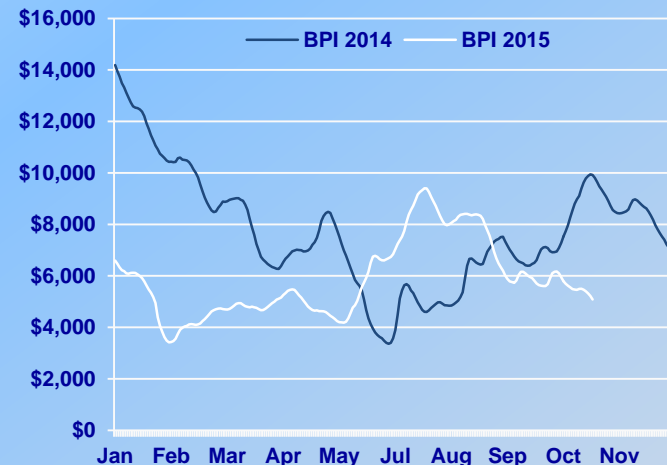
- (1) Data as of September 30, 2015
- (2) Cash, short-term time deposits, short-term restricted cash and long-term restricted cash.
- (3) Available under existing revolving reducing credit facilities (RCF).
- (4) Undrawn committed loan and credit facilities

Cape & Panamax AVG 4TC 2014 vs 2015



Capes YTD performance

- ✓ Five year average at \$12.4k
- ✓ Year to date average at \$7.2k



Panamax YTD performance

- ✓ Five year average at \$9.3k
- ✓ Year to date average at \$5.8k

Demand Monitoring Synopsis

- ✓ **China:**
 - ❖ Chinese PMI Index for China's steel industry to 42.2 last month from 43.7 in September. (Readings below 50 indicating contraction).
- ✓ **Iron ore:**
 - ❖ Iron ore imports contracted this year in China, Japan and Korea.
 - ❖ Slow growth in India.
 - ❖ Low iron ore prices as inventories at Chinese ports increase.
- ✓ **Coal:**
 - ❖ Year to date coal imports in China nearly 30% lower to fight pollution and eliminate oversupply of coal.
 - ❖ Pollution regulation contributed 75% to the plunge of coal imports 2015 (YTD), while intervention to protect the domestic industry 25%
- ✓ **Grain:**
 - ❖ Grain trade is on track to a new high of 514 mt this year after 506 mt in '14.

Industry
Fundamentals

DEMAND

Industry Fundamentals

SUPPLY

Order book remains a problem

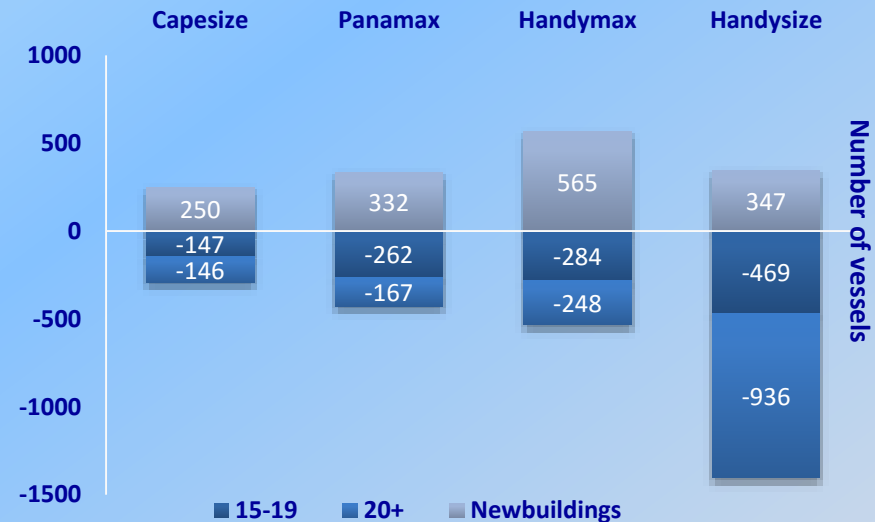
- ✓ Contracted orderbook accounts for 3% of existing fleet, for the remaining 2015, 8% for 2016, 3% for 2017, and close to zero for 2018.
- ✓ For Capes and Panamax a good portion of the existing fleet is over 15 years. Scrap candidates can lead to decrease of the net fleet change, if low charter market persists.
- ✓ Safe Bulkers has rescheduled its orderbook spreading its orders until 2019.

Dry Bulk deliveries & scrapping activity

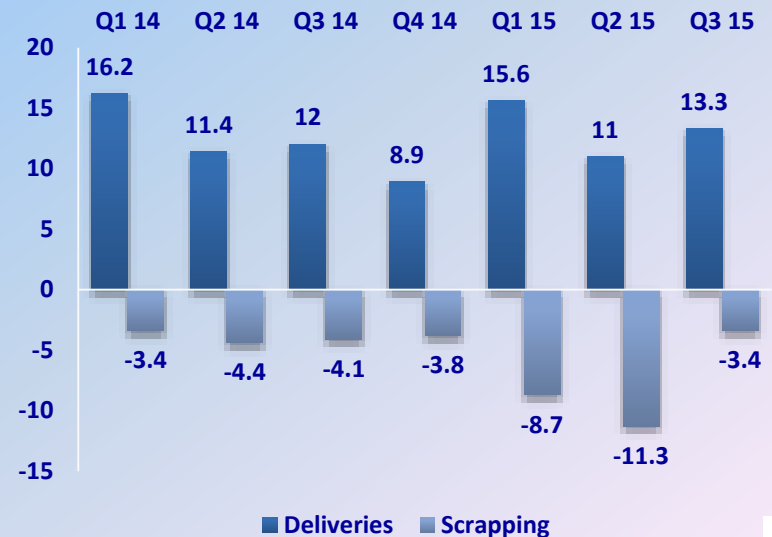
- ✓ YTD deliveries 40.5 mill dwt
- ✓ YTD scrapping at 23.8 mill dwt (or 334 vessels) vs. 15.4 mill dwt in 2014.
- ✓ YTD net fleet growth 16.7 mill dwt or 2.2%.
- ✓ YTD Capesize fleet growth 1%.
- ✓ YTD Panamax fleet growth 2%.

Source: Galbraight and Baltic Exchange, SSY

Orderbook vs Potential Scrap

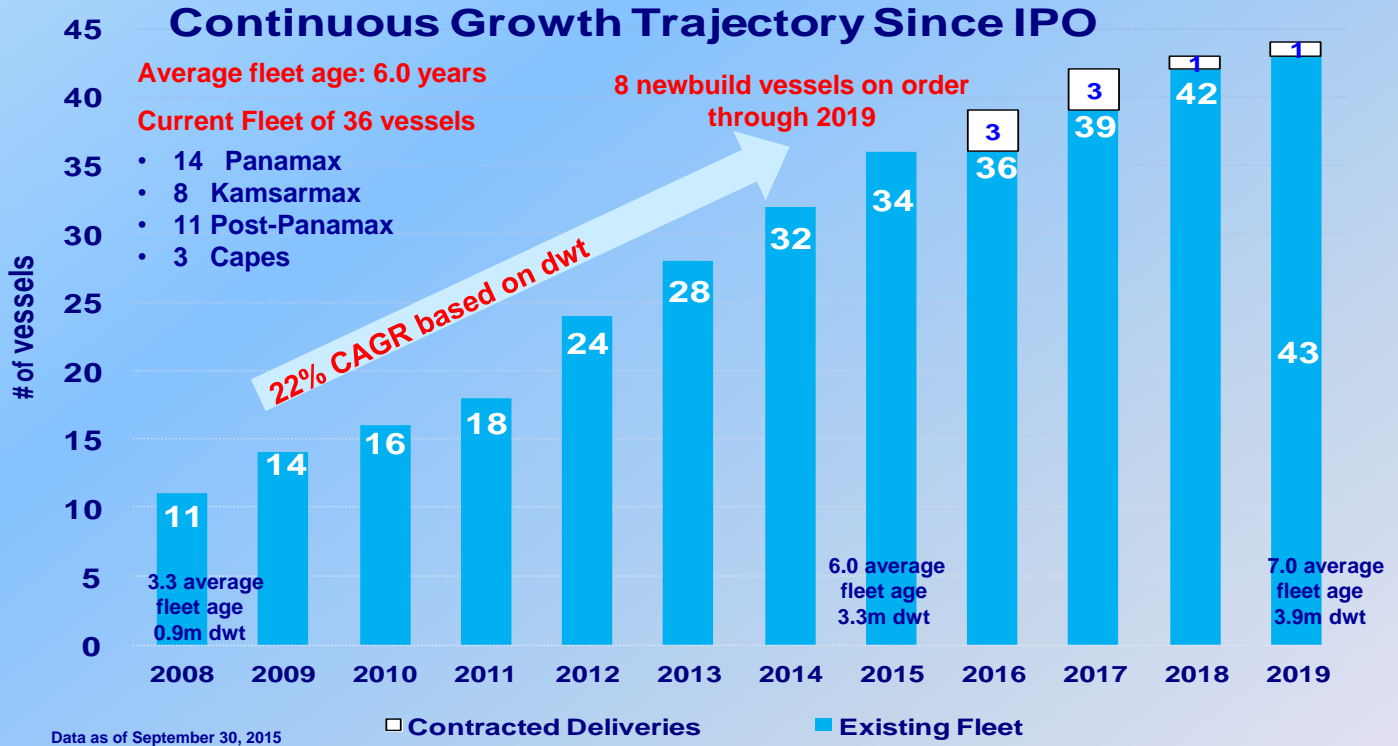


Deliveries vs Scrapping (in m dwt)

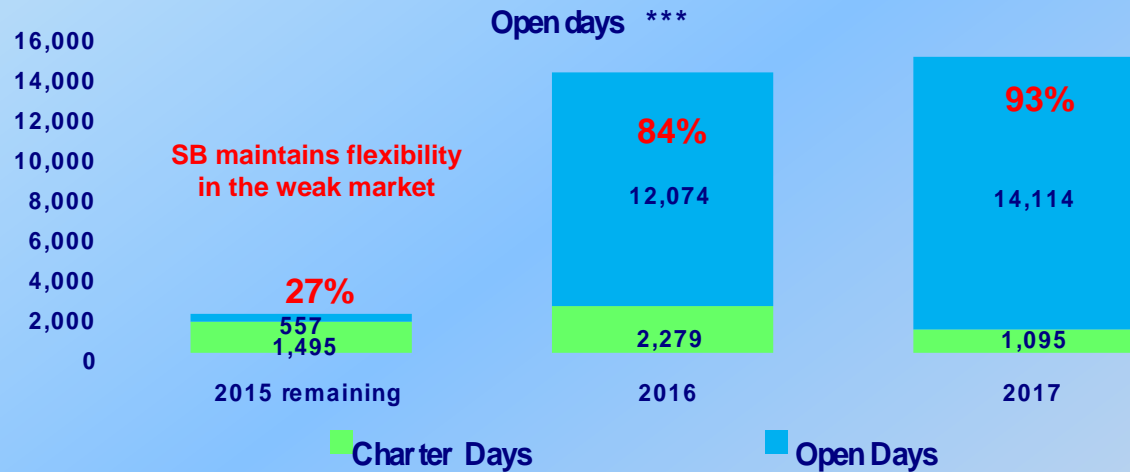


Expand fleet
with eco-design
vessels

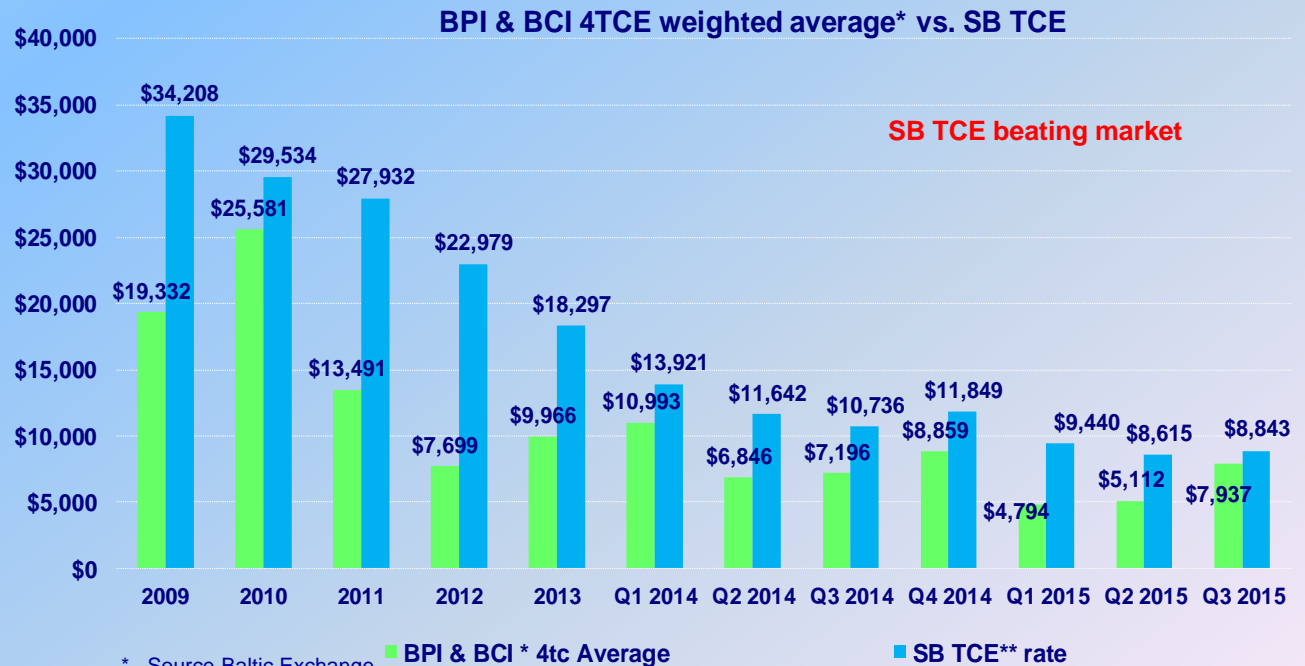
Rescheduled
vessel deliveries
due to market
conditions until
2019



Spot market exposure



Chartering performance



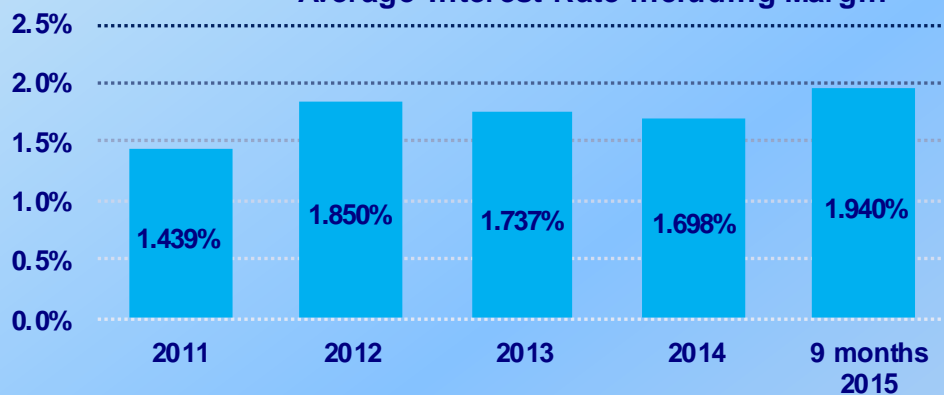
* Source Baltic Exchange.

** Safe Bulkers data.

*** Data as of November 5, 2015. Charter coverage includes vessels to be delivered.

Low financing cost

Average Interest Rate including Margin*

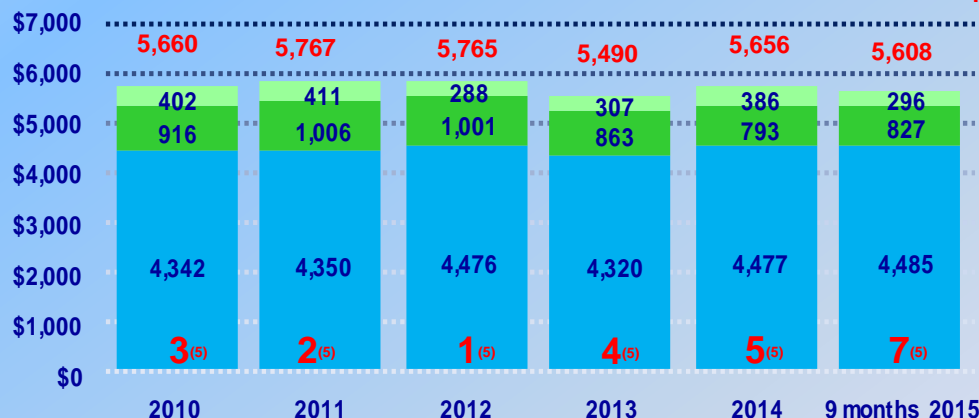


1.94% p.a., average interest rate, including the margin, for all bank loan and credit facilities during the 9-months of 2015.

* Average Interest Rate p.a including margin for all bank loan and credit facilities

Low OPEX & G&A cost

Operating & G&A Expenses per day in \$US



\$5,608 per day per vessel in total for OPEX and G&A (including management fees) for the 9-months of 2015.

■ Daily Public company expenses (3)
■ Daily Management fees (4)
■ Daily Opex (1)

Daily G&A Expenses (2)

(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

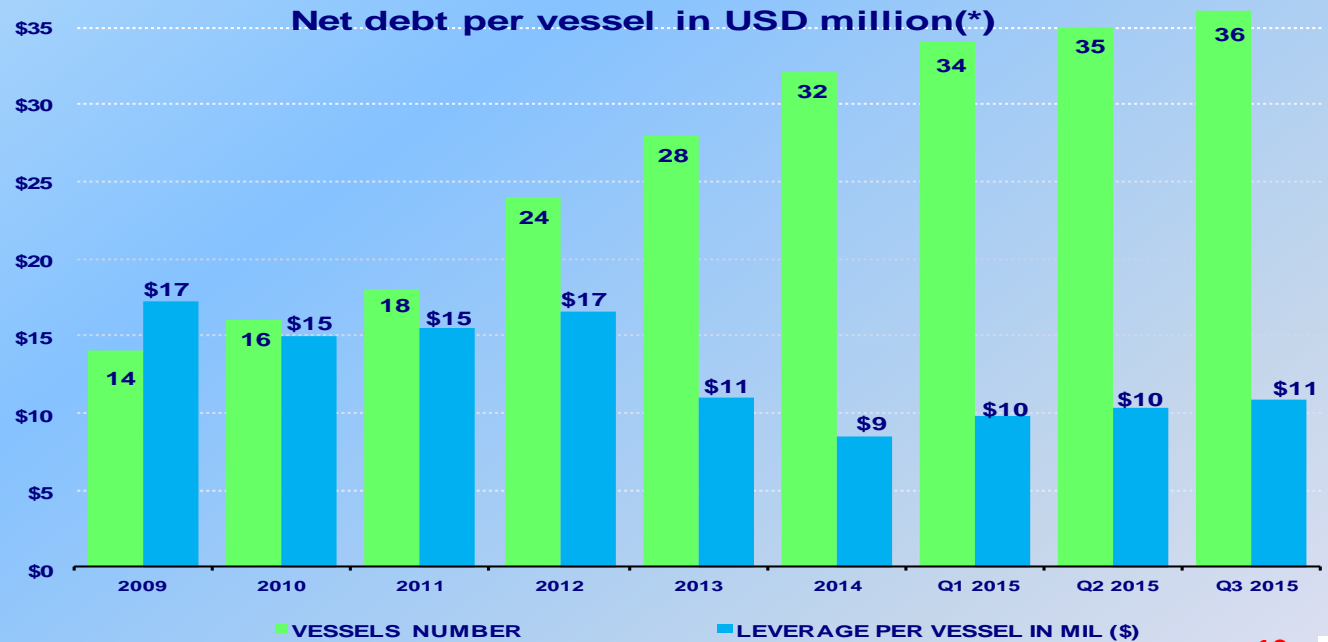
(2) Daily general and administrative expenses in US\$ include daily management fees and the costs in relation to our operation as public company defined below. Daily vessel general and administrative expenses are calculated by dividing general and administrative expenses by ownership days for the relevant 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.

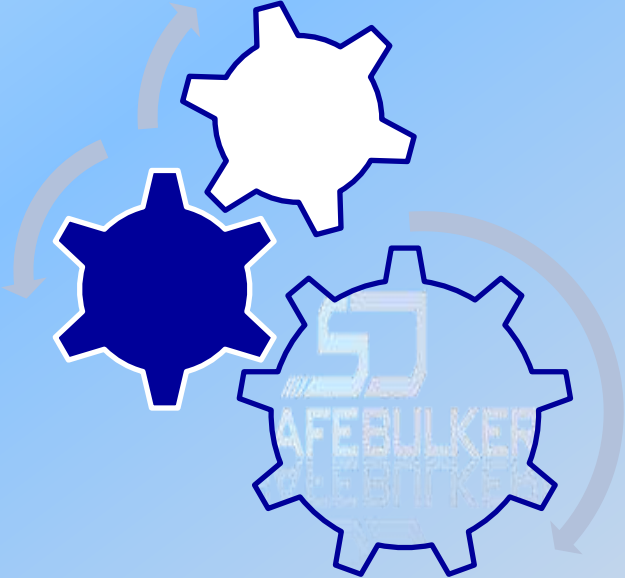
(5) Number of Dry-dockings concluded during the period.

Comfortable leverage



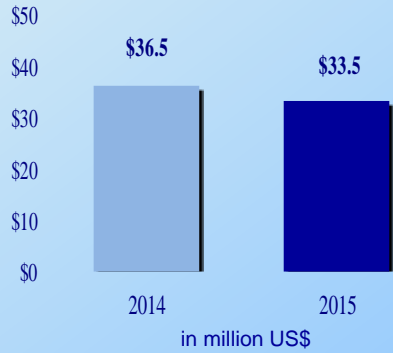
(*) Data as of September 30, 2015. Net debt per vessel consists of total debt less cash, time deposits, restricted cash, long-term floating rate note and advances for newbuilds divided by number of vessels "in the water" as of quarter end. Assumption: Contracted value of newbuilds equals market value.

Financial Section

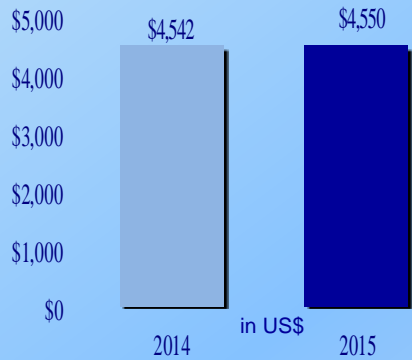


SELECTED QUARTERLY FINANCIAL HIGHLIGHTS

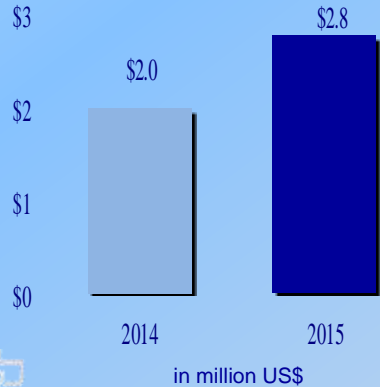
NET REVENUE



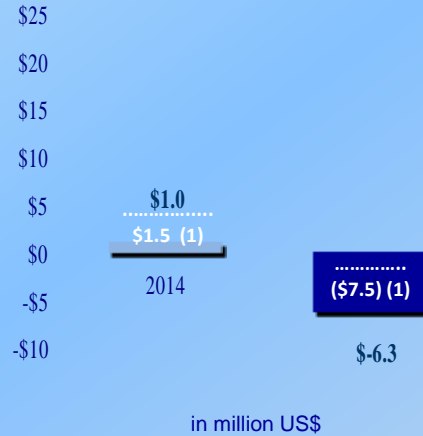
DAILY OPEX



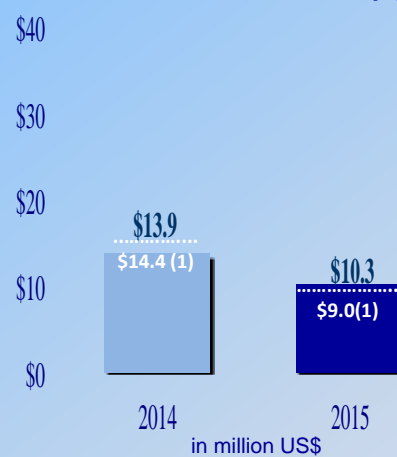
INTEREST EXPENSE



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 13

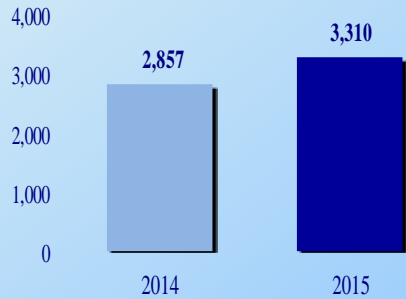
RECONCILIATION OF ADJUSTED NET INCOME, EBITDA, ADJUSTED EBITDA AND ADJUSTED EARNINGS/(LOSS) PER SHARE

	Three-Months		Nine-Months	
	Period Ended September 30,		Period Ended September 30,	
	2014	2015	2014	2015
<i>(In thousands of U.S. Dollars except for share and per share data)</i>				
<u>Net Income/(loss) - Adjusted Net Income/(loss)</u>				
Net Income/(loss)	1,478	(7,546)	14,782	(18,042)
Less Gain on asset purchase cancellation	-	-	(3,633)	-
Plus Early redelivery cost	-	-	532	-
Plus (Gain)/loss on derivatives	(499)	1,010	1,045	2,368
Plus Loss from inventory valuation	-	330	-	1,286
Plus Foreign currency(gain)/ loss	(24)	(45)	73	(286)
Adjusted Net Income/(loss)	955	(6,251)	12,799	(14,674)
<u>EBITDA - Adjusted EBITDA</u>				
Net Income/(loss)	1,478	(7,546)	14,782	(18,042)
Plus Net Interest expense	1,744	2,814	5,651	7,352
Plus Depreciation	10,899	12,257	31,932	34,958
Plus Amortization	304	1,455	923	2,348
EBITDA	14,425	8,980	53,288	26,616
Less Gain on asset purchase cancellation	-	-	(3,633)	-
Plus Early redelivery cost	-	-	532	-
Plus (Gain)/loss on derivatives	(499)	1,010	1,045	2,368
Plus Loss from inventory valuation	-	330	-	1,286
Plus Foreign currency (gain)/loss	(24)	(45)	73	(286)
ADJUSTED EBITDA	13,902	10,275	51,305	29,984
<u>(Loss)/Earnings per share</u>				
Net Income/(loss)	1,478	(7,546)	14,782	(18,042)
Less preferred dividend	3,550	3,550	5,840	10,650
Net (loss)/income available to common shareholders	(2,072)	(11,096)	8,942	(28,692)
Weighted average number of shares	83,448,120	83,480,875	83,444,566	83,471,336
(Loss)/Earnings per share	(0.02)	(0.13)	0.11	(0.34)
<u>Adjusted (Loss)/Earnings per share</u>				
Adjusted Net Income/(loss)	955	(6,251)	12,799	(14,674)
Less preferred dividend	3,550	3,550	5,840	10,650
Adjusted Net (loss)/income available to common shareholders	(2,595)	(9,801)	6,959	(25,324)
Weighted average number of shares	83,448,120	83,480,875	83,444,566	83,471,336
Adjusted (Loss)/Earnings per share	(0.03)	(0.12)	0.08	(0.30)

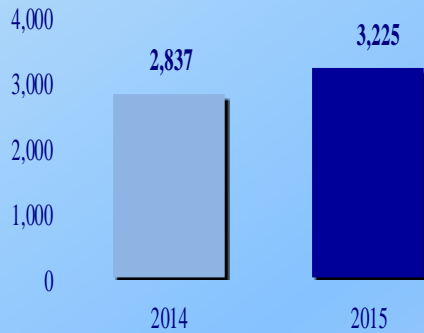
EBITDA, Adjusted EBITDA, Adjusted Net Income/(loss), Adjusted Net (loss)/income available to common shareholders and Adjusted (loss)/earnings per share are not recognized measurements under US GAAP. Adjusted Net Income/(loss) represents Net income/(loss) before gain on asset purchase cancellation, early redelivery cost, loss from inventory valuation, gain/(loss) on derivatives and gain/(loss) on foreign currency. Adjusted Net Income/(loss) available to common shareholders represents Adjusted Net Income/(loss) 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, gain/(loss) on derivatives and gain/(loss) 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, gain/(loss) on derivatives and gain/(loss) on foreign currency, items which may vary for different companies for reasons unrelated to overall operating performance. EBITDA, Adjusted EBITDA, Adjusted Net Income/(loss), Adjusted Net Income/(loss) available to common shareholders and Adjusted (Loss)/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

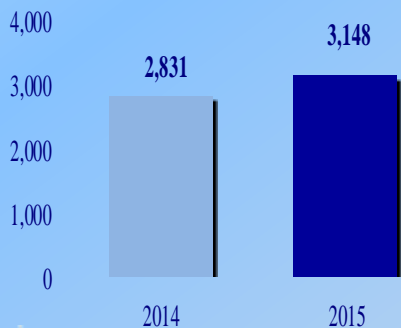
OWNERSHIP DAYS*



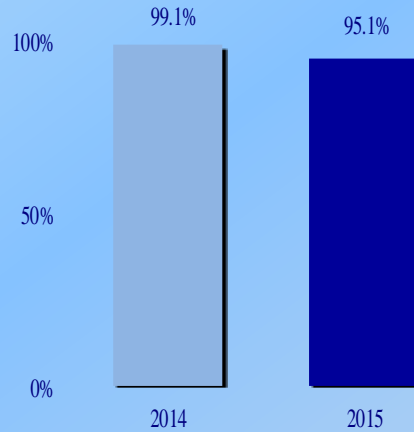
AVAILABLE DAYS*



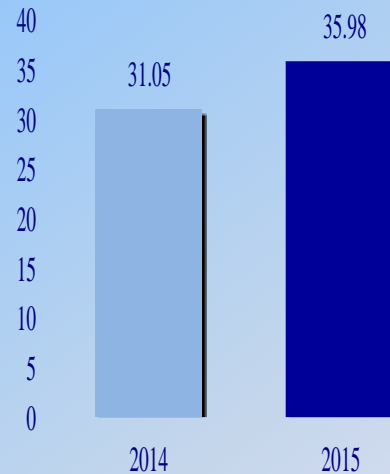
OPERATING DAYS*



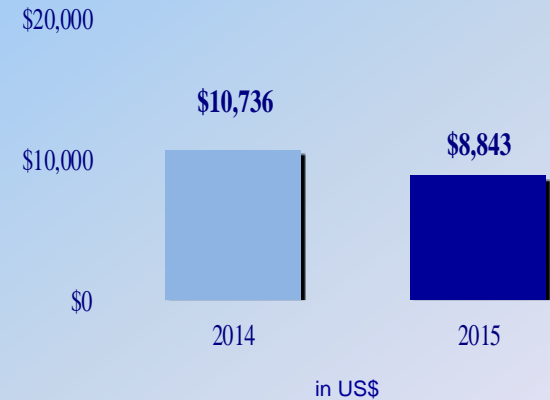
FLEET UTILIZATION*



AVERAGE NUMBER OF VESSELS IN PERIOD*



TIME CHARTER EQUIVALENT RATE*



(*) For definition and reconciliation of operational highlights please refer to Slide 13

OPERATIONAL FUNDAMENTALS FLEET DATA AND AVERAGE DAILY INDICATORS

	Three-Months Period Ended September 30,		Nine-Months Period Ended September 30,	
	2014	2015	2014	2015
FLEET DATA				
Number of vessels at period end	32	36	32	36
Average age of fleet (in years)	5.60	5.92	5.60	5.92
Ownership days (1)	2,857	3,310	8,365	9,362
Available days (2)	2,837	3,225	8,289	9,217
Operating days (3)	2,831	3,148	8,262	9,106
Fleet utilization (4)	99.1%	95.1%	98.8%	97.3%
Average number of vessels in the period (5)	31.05	35.98	30.64	34.29
AVERAGE DAILY RESULTS				
Time charter equivalent rate (6)	\$10,736	\$8,843	\$12,062	\$8,953
Daily vessel operating expenses (7)	\$4,542	\$4,550	\$4,566	\$4,485
Daily general and administrative expenses (8)	\$1,179	\$1,182	\$1,179	\$1,123

- 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.

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

Each dividend was paid on October 30, 2015 to all shareholders of record as of October 23, 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.



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THANK YOU