

SAFE BULKERS INC.



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

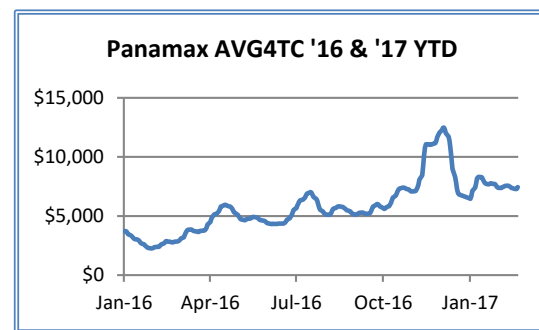
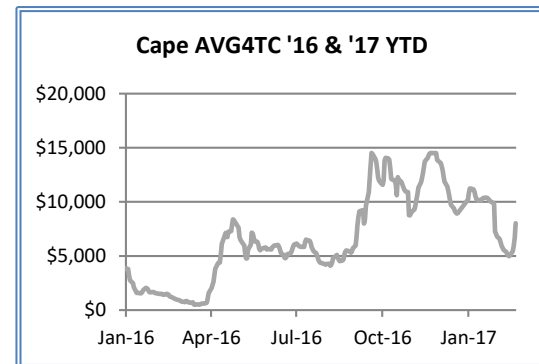
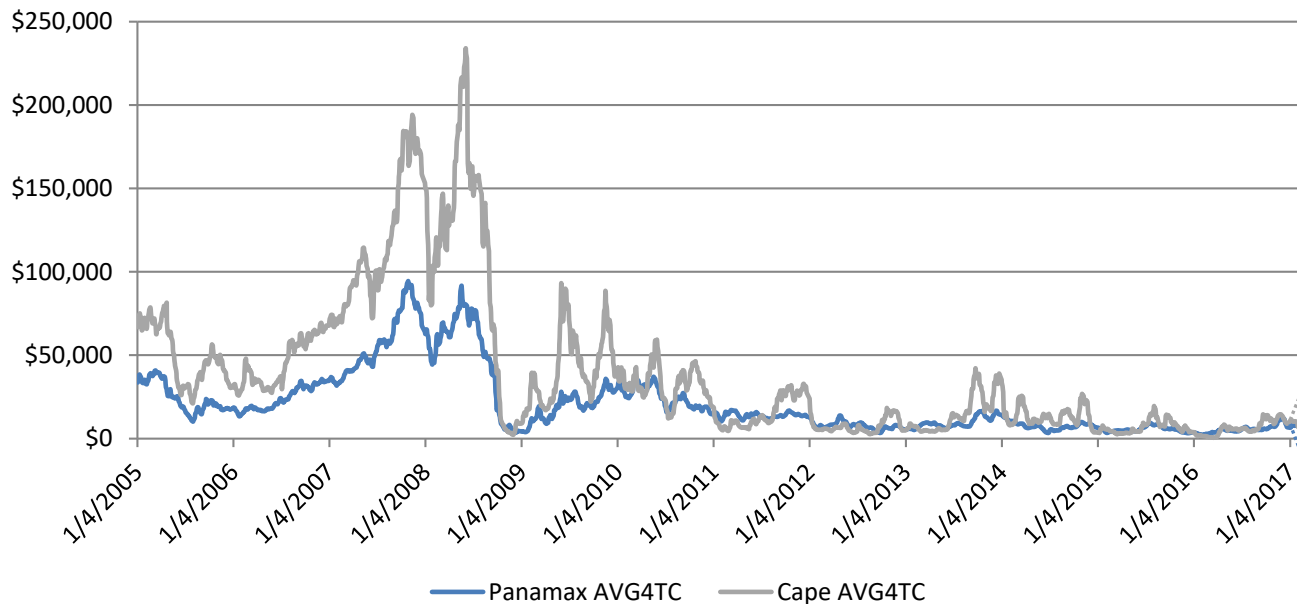
Polys Hajioannou: Chairman and CEO

Dr. Loukas Barmparis: President

Konstantinos Adamopoulos: Chief Financial Officer

Ioannis Foteinos: Chief Operating Officer

Capes & Panamax Charter Market



Current Charter Market Synopsis

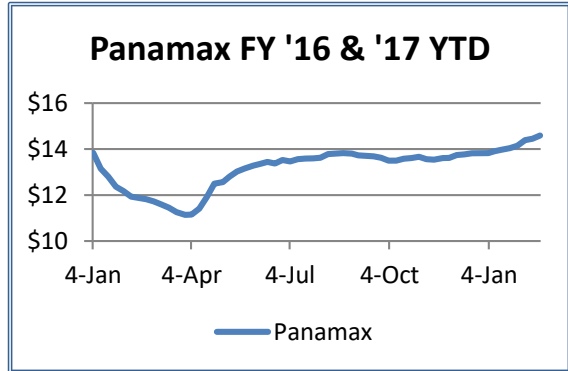
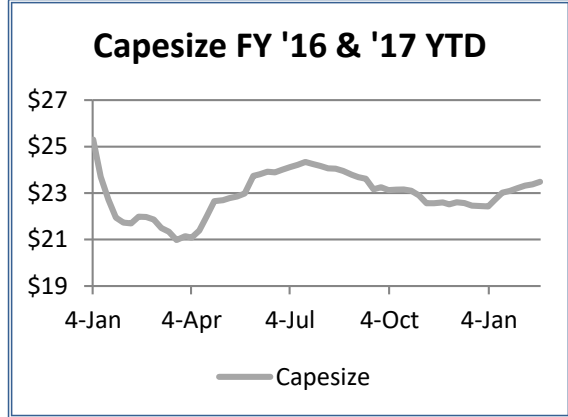
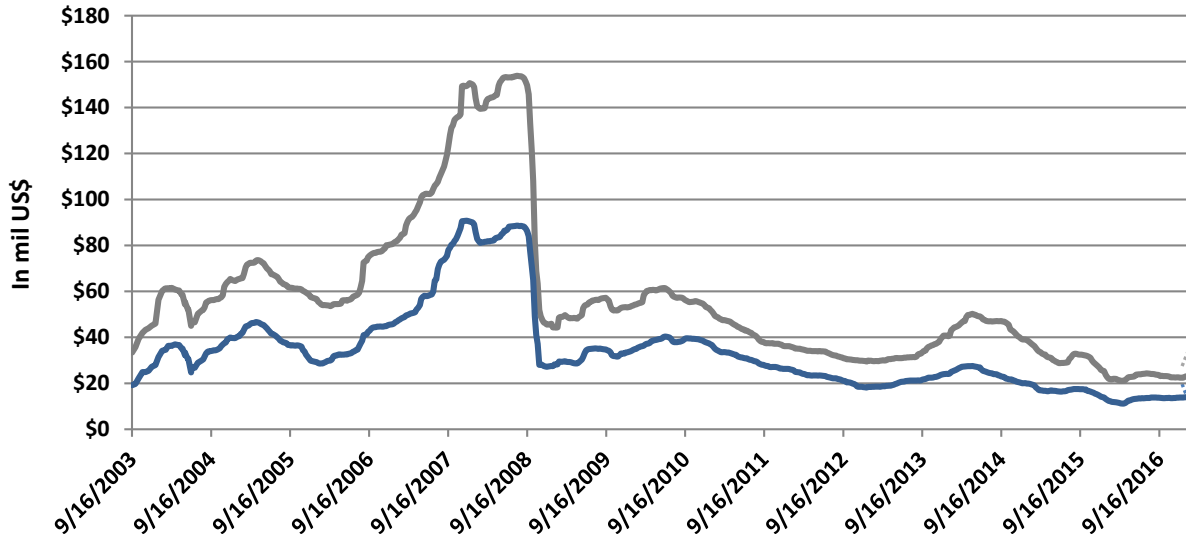
Cape: Volatile market of recent period with rates hitting highs of **~\$15.0k** in Q4'16

Cape AVG4TC: Presently: **~\$8.0k** 2016 same period: **~\$1.5k**

Panamax: Strong finish of Q4 '16 continues in Q1 '17.

Panamax AVG 4TC: Presently: **~\$7.5k** 2016 same period: **\$3.0k**

Cape & Panamax Asset Values



Current Market Outlook Synopsis

Capesize

About **12%** recovery of asset values

5-year old second hand vessels bottomed in March 2016 at **~\$21 mill**

Prices: Presently: **~\$23.5mill** High: \$154mill 12-year Average: \$57mill

Panamax:

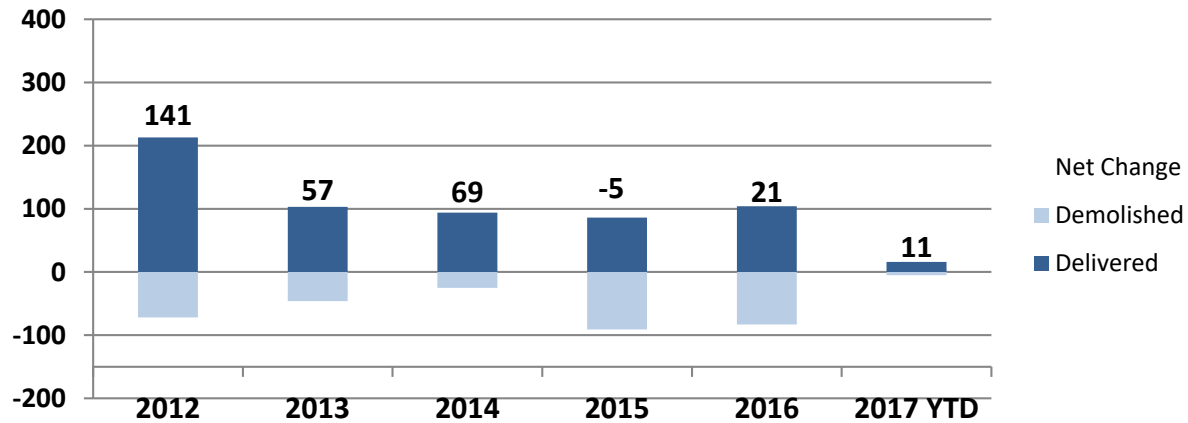
About **31%** recovery of asset values

5-year old second hand vessels bottomed in March 2016 at **~\$11.1 mill**

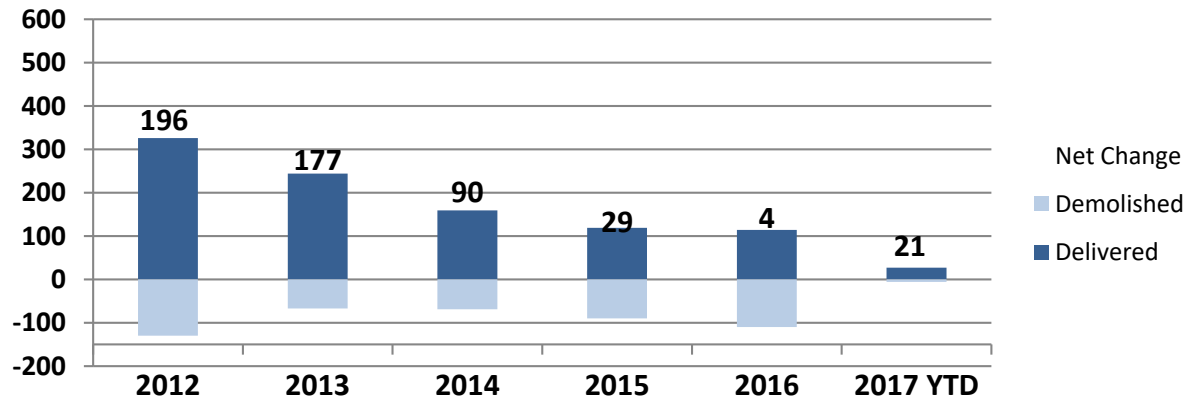
Prices: Presently: **~\$14.6mill** High: \$91mill 12-year Average: \$34mill

Supply Side: Net Fleet change

Capes Fleet (net change in number of vessels)

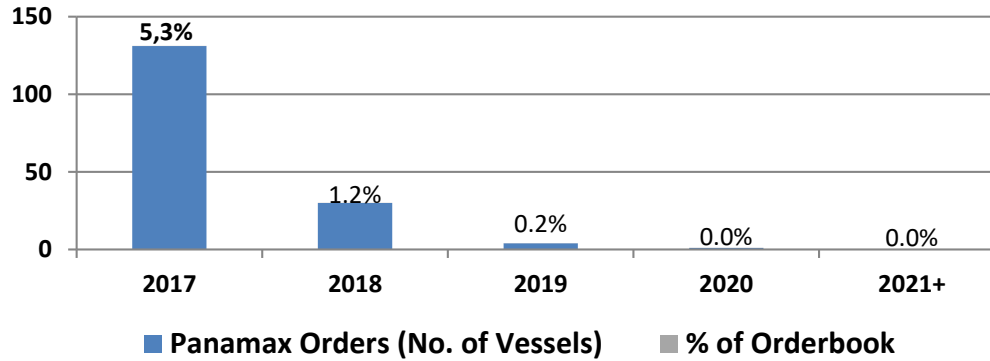


Panamax Fleet (net change in number of vessels)

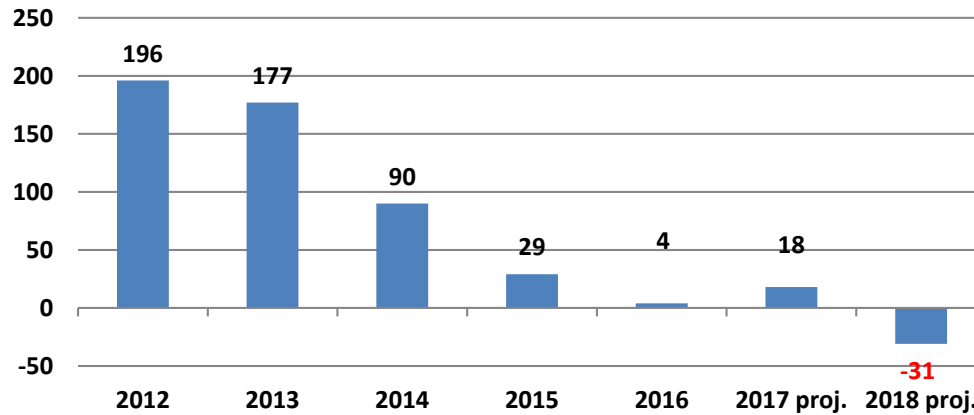


Supply Side: Panamax Orderbook through 2020

Panamax Orderbook (without slippage/cancelation)

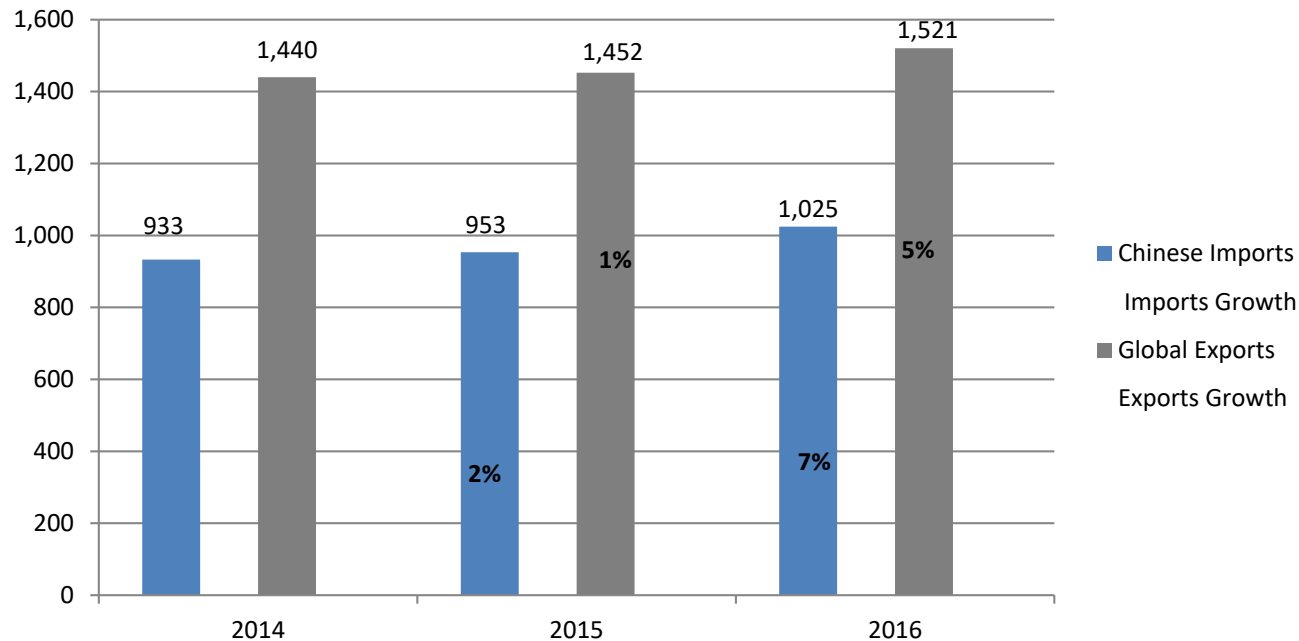


Panamax Net Fleet Change (No. of vessels)



Demand Side: Iron Ore Demand Developments

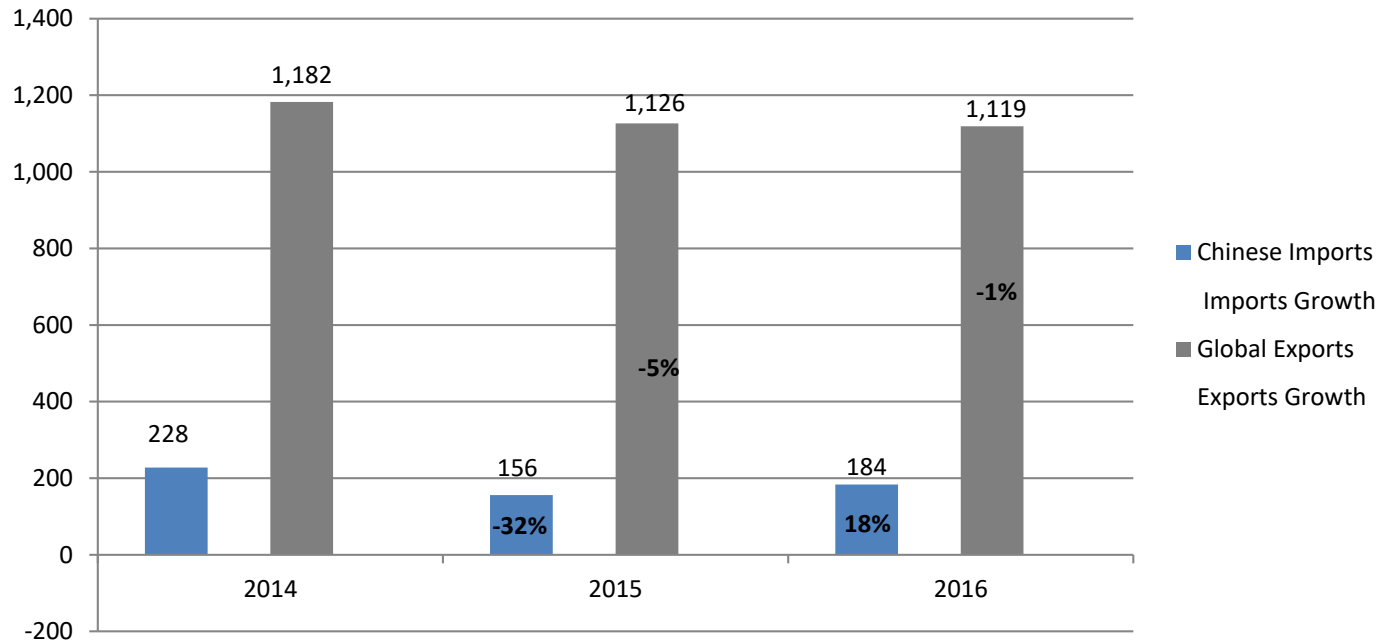
Iron Ore: Chinese Imports and Global Exports (in m tonnes)



- China's iron ore imports in Jan 2017 grew 12% year-on-year to 92 million tons, 3.4% up from Dec 2016.
- In 2016, China's iron ore imports grew YoY for 11 consecutive months since January in conjunction with advances in consumption volume by domestic steel mills in a shift from domestically produced to imported ores.
- Improved ton-miles effect: Brazil's exports increased in 2016 and miners' new infrastructures set prospects for further increases.

Demand Side: Coal Demand Developments

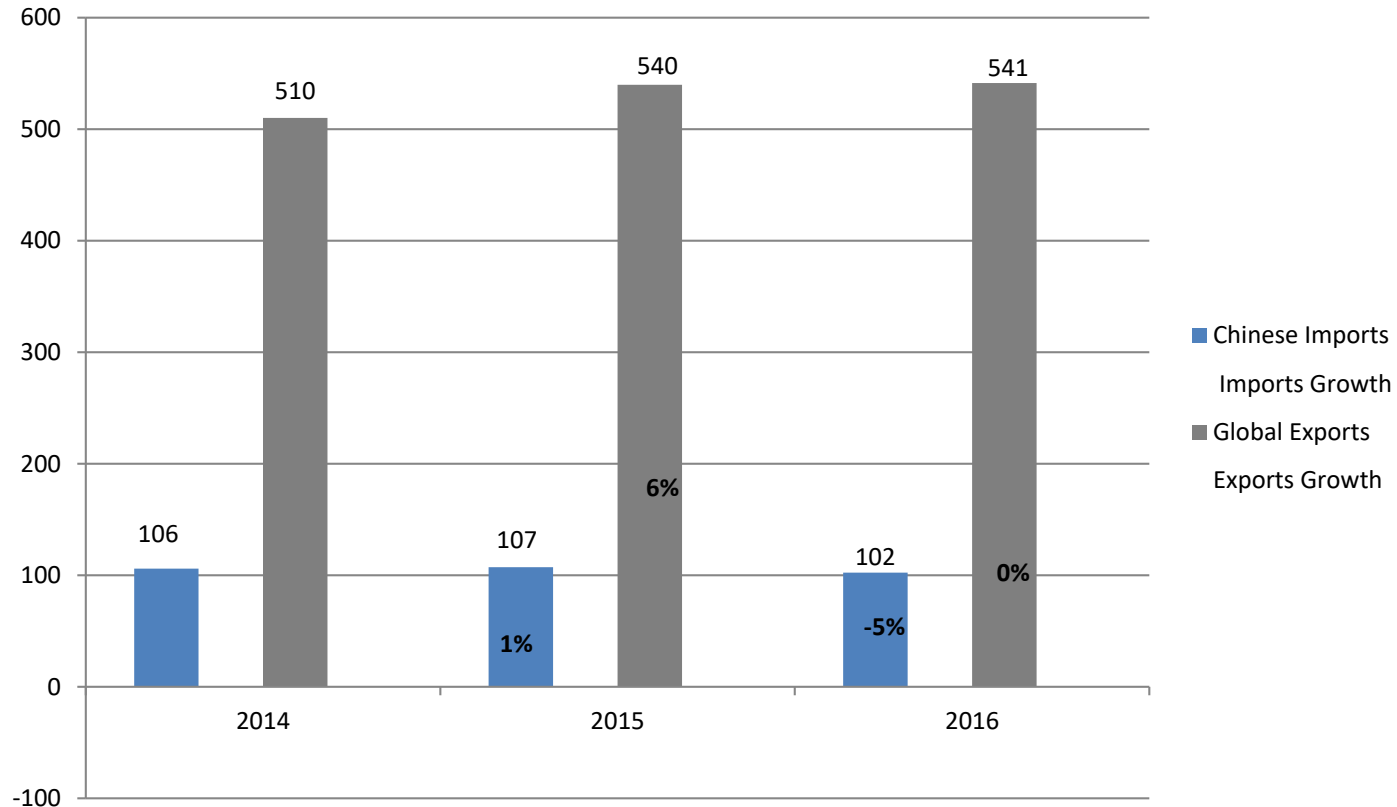
Coal: Chinese Imports and Global Exports (in m tonnes)



- China's coal imports in January 2017 increased ~64% year-on-year to ~25 million tons.
- For the last eight months in a row coal imports have remained strong due to import substitution.
- Coal prices support continues.

Demand Side: Grain Demand Developments

Grain: Chinese Imports and Global Exports (in m tonnes)



Grain supports historically dry bulk transportation demand providing season peaks

Key takeaways

- Excessive past order-book is exhausted by 2017.
- No additional dry-bulk orders.
- Scarce financing.
- Technological constraints in relation to BWTP and new regulations.
- Stabilization or decrease of dry bulk fleet.
- China, a key player in dry-bulk transportation through development plans, substitution of Chinese domestic production.
- Prospects for global growth.

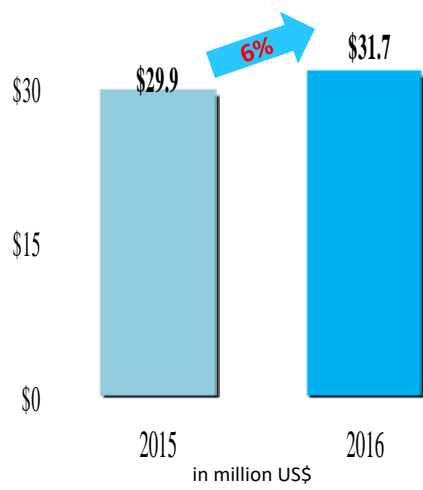


- **Improving market conditions**
- **Improving asset values**

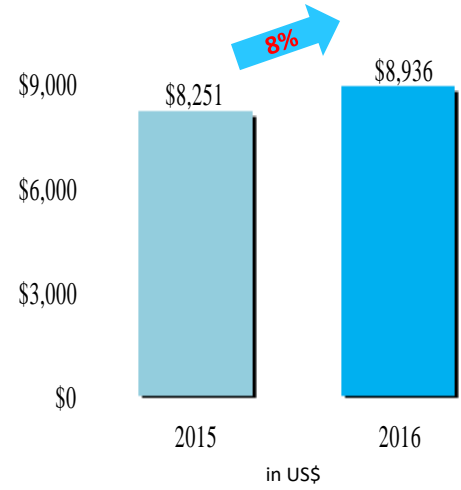
...rising concerns over protectionism policies

QUARTERLY FINANCIAL HIGHLIGHTS IN A SHOT

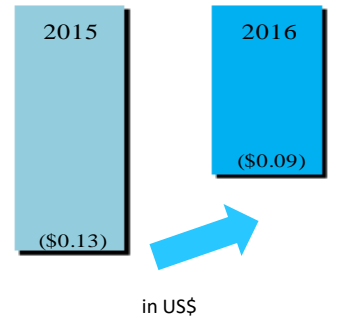
NET REVENUE



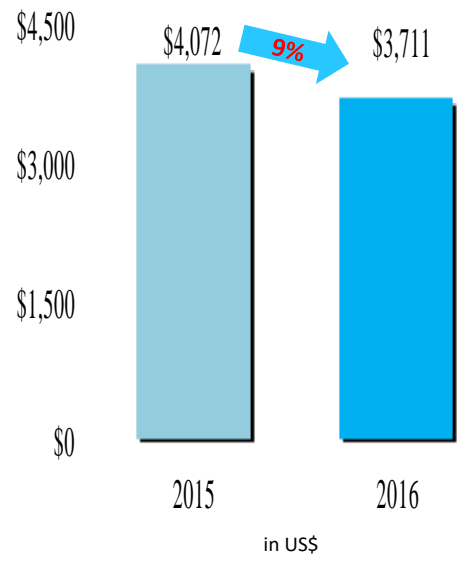
TCE RATE



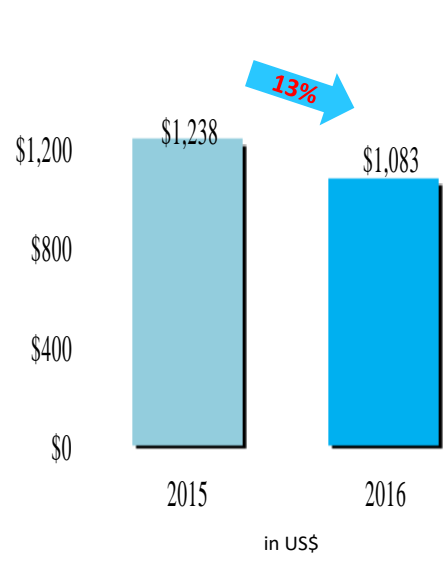
ADJUSTED LPS



DAILY OPEX



DAILY G&A



For definition of 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 Slide 12. For further analysis and reconciliation please refer to earnings press release issued Thursday, February 23, 2017

FLEET DATA AND AVERAGE INDICATORS

	Three-Months Period Ended December 31,		Twelve-Months Period Ended December 31,	
	2015	2016	2015	2016
	<u>FLEET DATA</u>			
Number of vessels at period end	36	37	36	37
Average age of fleet (in years)	6.17	6.68	6.17	6.68
Ownership days (1)	3,312	3,404	12,674	13,390
Available days (2)	3,265	3,382	12,482	13,329
Operating days (3)	3,136	3,321	12,242	13,024
Fleet utilization (4)	94.7%	97.6%	96.6%	97.3%
Average number of vessels in the period (5)	36.00	37.00	34.72	36.58
<u>In U.S. Dollars</u>				
Time charter equivalent rate (6)	\$8,251	\$8,936	\$8,770	\$7,659
Daily vessel operating expenses (7)	\$4,072	\$3,711	\$4,377	\$3,698
Daily general and administrative expenses (8)	\$1,238	\$1,083	\$1,153	\$1,149
Loss per share basic and diluted (9)	\$(0.40)	\$(0.09)	\$(0.74)	\$(0.83)
Adjusted Loss per share (9)	\$(0.13)	\$(0.09)	\$(0.44)	\$(0.59)

(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.

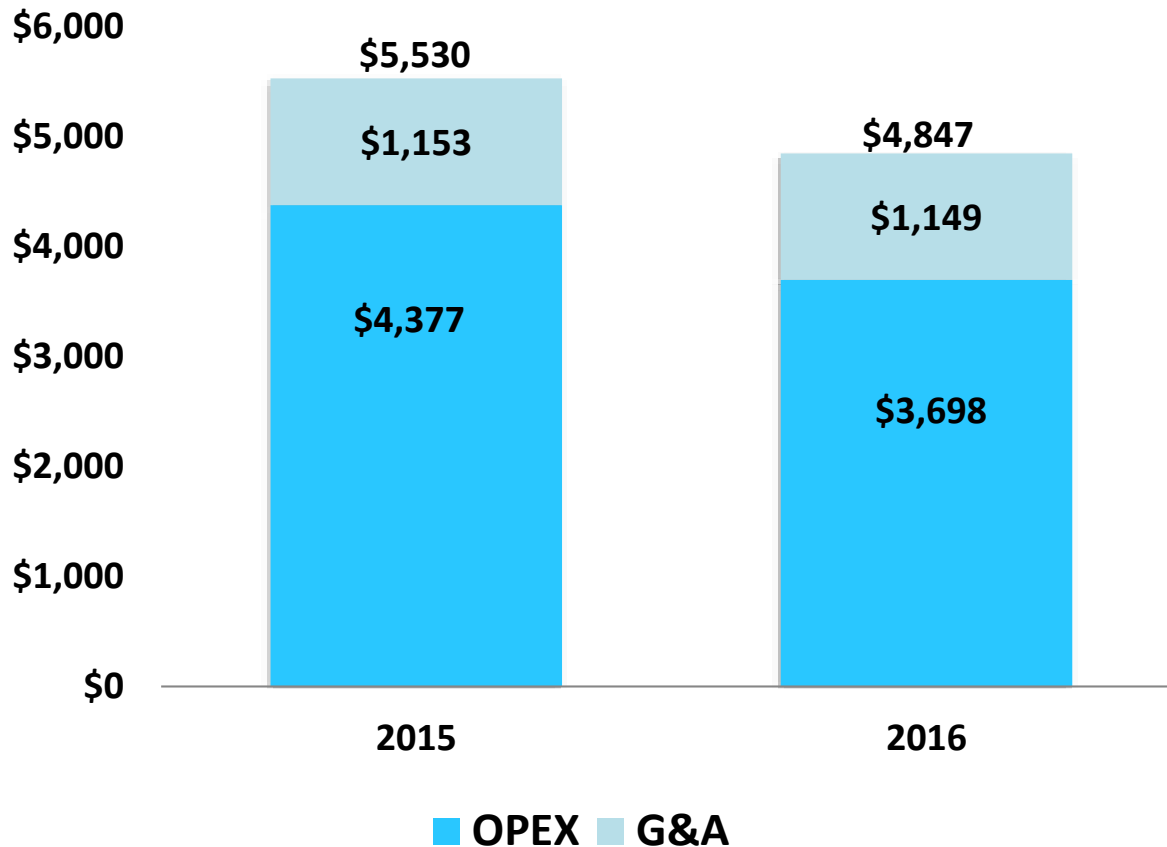
(7) Daily vessel operating expenses include the costs for crewing, insurance, lubricants, spare parts, provisions, stores, repairs, maintenance, statutory and classification expense, drydocking, intermediate and special surveys and other miscellaneous items. Daily vessel operating expenses are calculated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

(8) Daily general and administrative expenses include daily 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 for the relevant period by ownership days for such period.

(9) Adjusted Earnings/(loss) per share are not recognized measurements under US GAAP. 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. Earnings/(loss) per share and Adjusted Earnings/(loss) per share represent Net Income/(loss) and Adjusted Net Income/(loss) less preferred dividend divided by the weighted average number of shares respectively. For further analysis and reconciliation please refer to earnings press release issued Thursday, February 23, 2017.

Operational Cash Flows

Daily Vessel Operating Expenses and Daily G&A*



\$683 average daily savings from daily Opex and G&A or ~\$9.1 million annualized savings vs. SB 2015

\$1,350 average daily savings from daily Opex and G&A or \$18.1 million annualized savings vs. peers for 2016 or \$0.21 per share

* Daily vessel operating expenses include the costs for crewing, insurance, lubricants, spare parts, provisions, stores, repairs, maintenance, statutory and classification expense, dry-docking, initial supplies, 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.

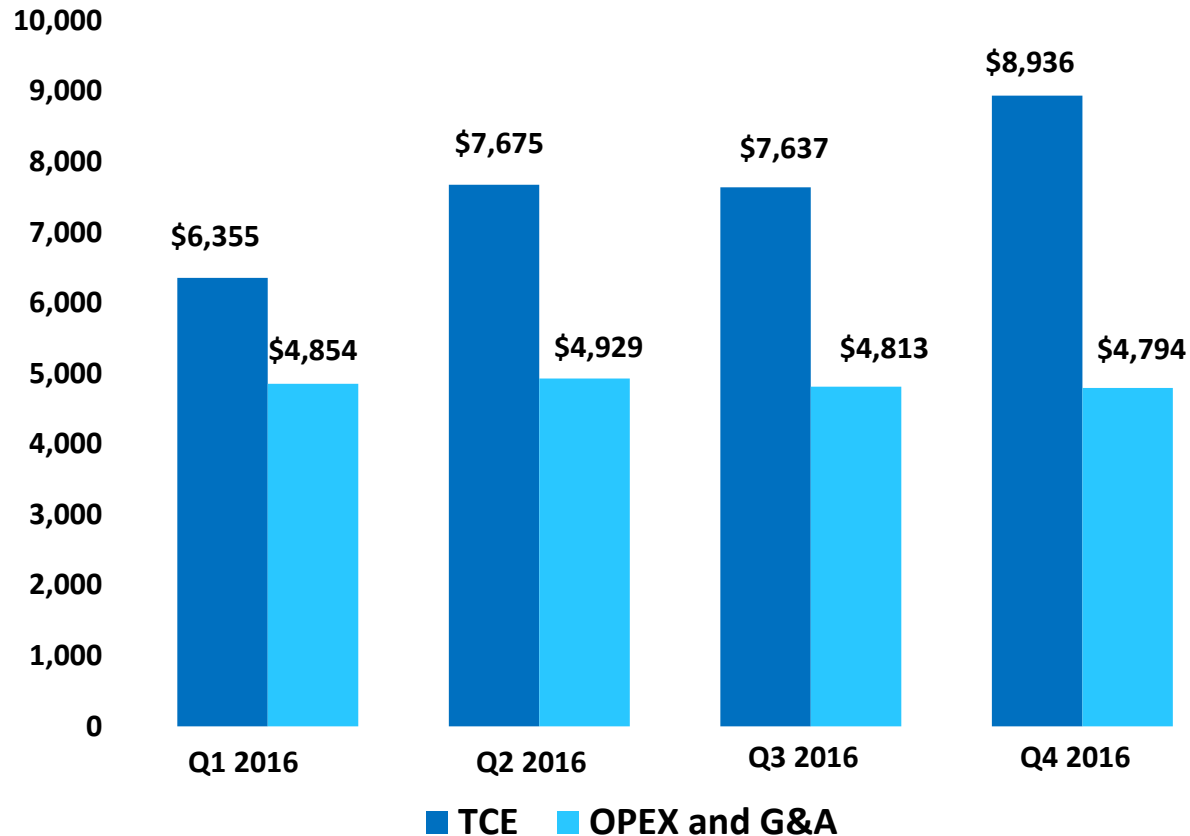
Daily general and administrative expenses include daily fixed and variable management fees and daily costs in relation to operation as a public company. Daily general and administrative expenses are calculated by dividing general and administrative expenses for the relevant period by ownership days for such period.

Operational Cash Flows

Average Daily Operating and G&A expenses LOWER than TCE in the lowest freight market of the past 30 years

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

Daily TCE vs. daily OPEX and G&A expenses



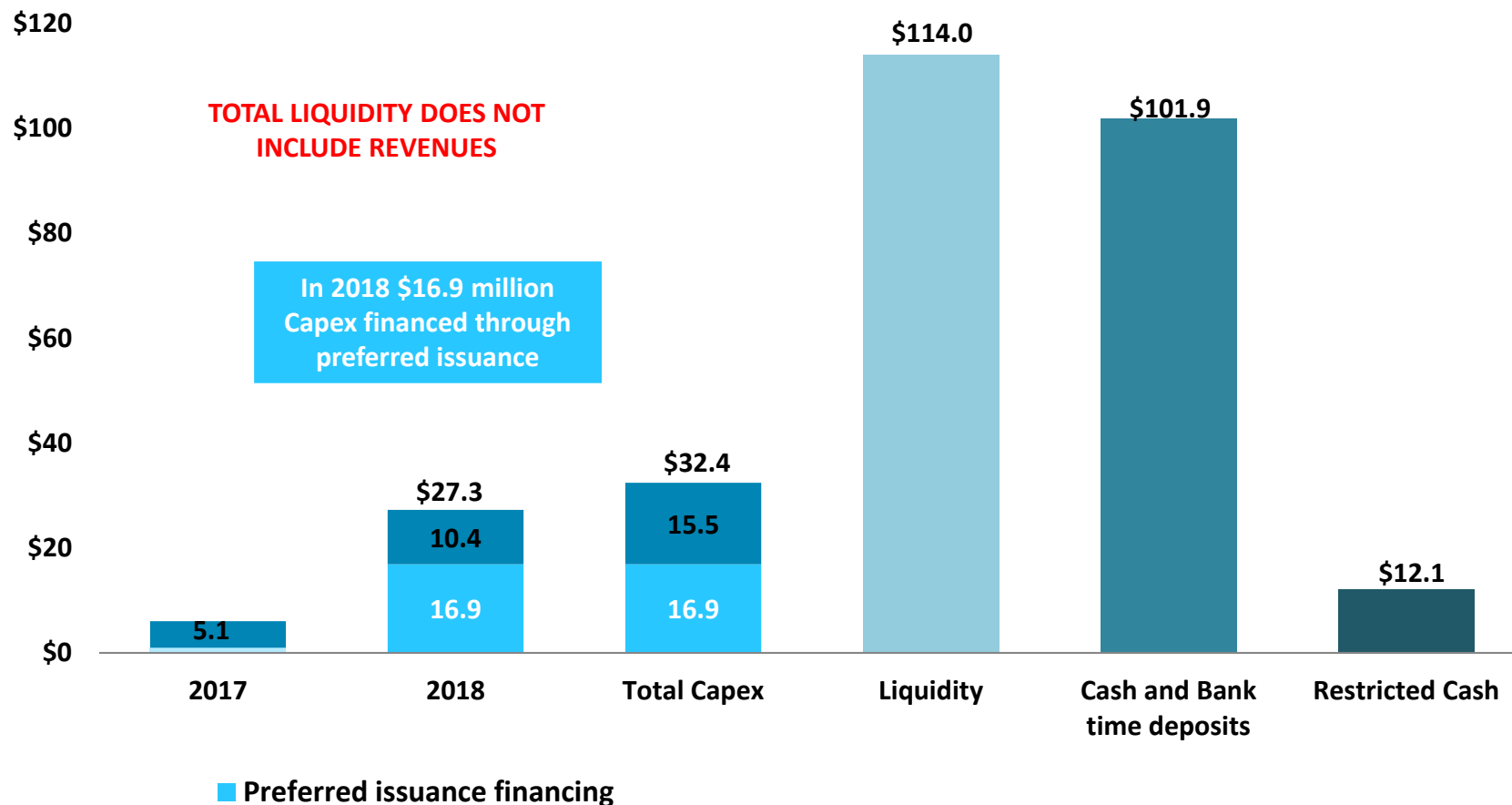
* Time charter equivalent rate, or TCE rate, represents charter revenues of all fleet less commissions and voyage expenses during a period divided by the number of available days during such period.

** 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 fixed and variable management fees and daily costs in relation to operation as a public company. Daily general and administrative expenses are calculated by dividing general and administrative expenses for the relevant period by ownership days for such period.

Investing Cash Flows

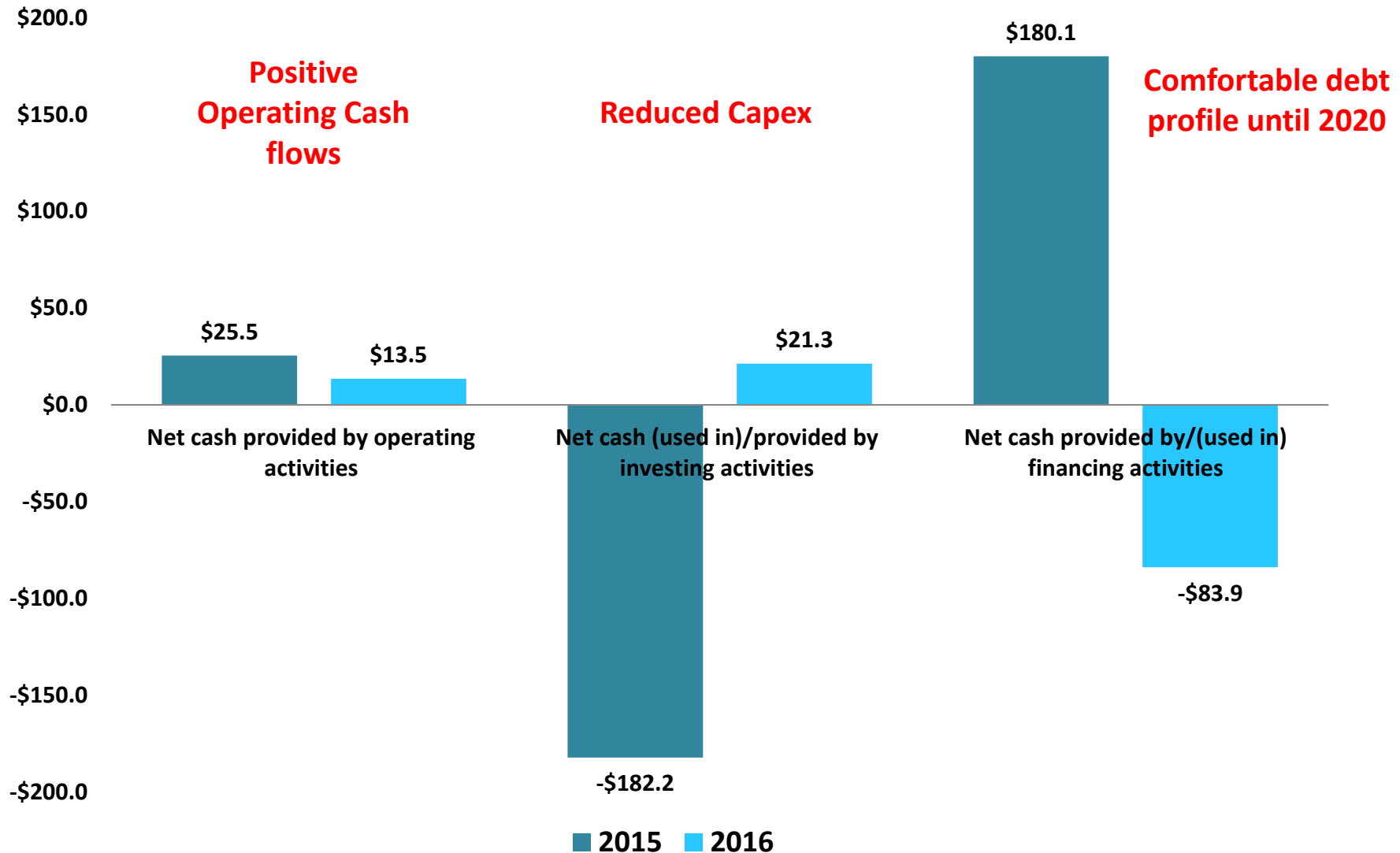
Capex vs. Liquidity in \$US million



Data as of February 17, 2017.

Controlled Cash flows

Cash flow data in \$U.S millions





Company Contact

Dr. Loukas Barmparis

President

Safe Bulkers, Inc.

Tel: +30 2111 888 400

+357 25 887 200

E-mail: directors@safebulkers.com

Investor Relations/Media Contact

Paul Lampoutis

Investor Relations Advisor

Capital Link Inc.

New York, USA

Tel: +1 (212) 661-7566

Fax: +1 (212) 661-7526

E-mail: safebulkers@capitallink.com