



First Quarter 2013 Financial Results

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

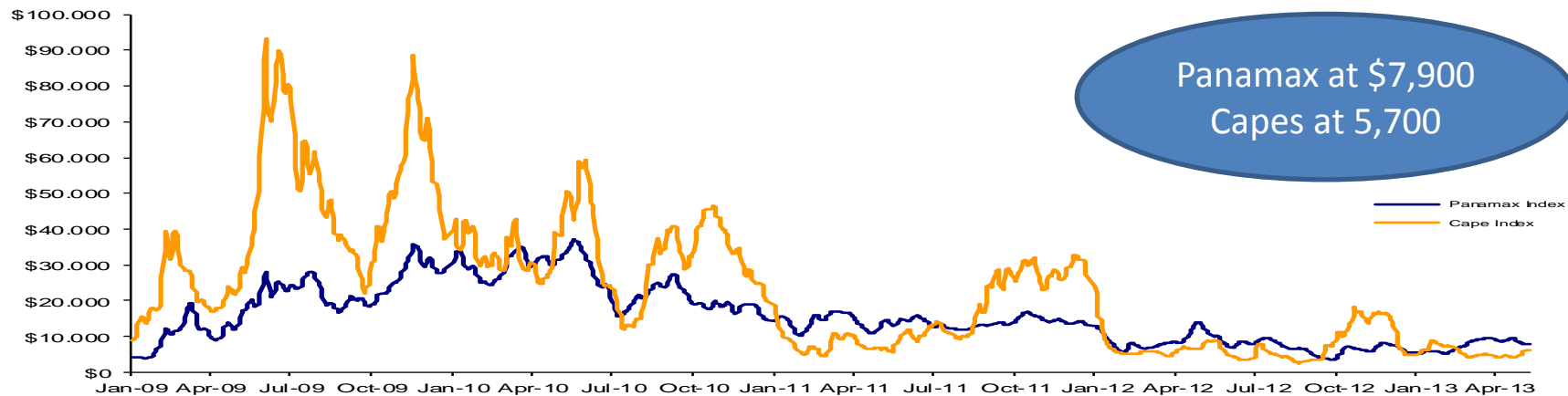
Ioannis Foteinos
Chief Operating Officer



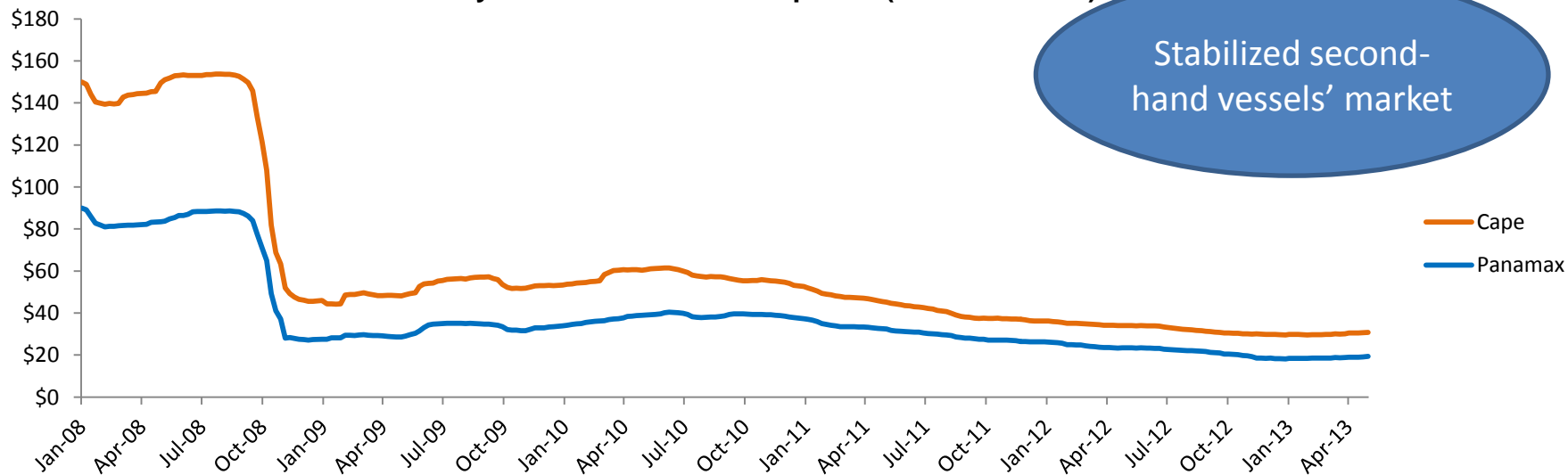
INDUSTRY SECTION

MARKET CONDITIONS

Daily Closing of Average 4TC



5years old second hand prices (in million USD)

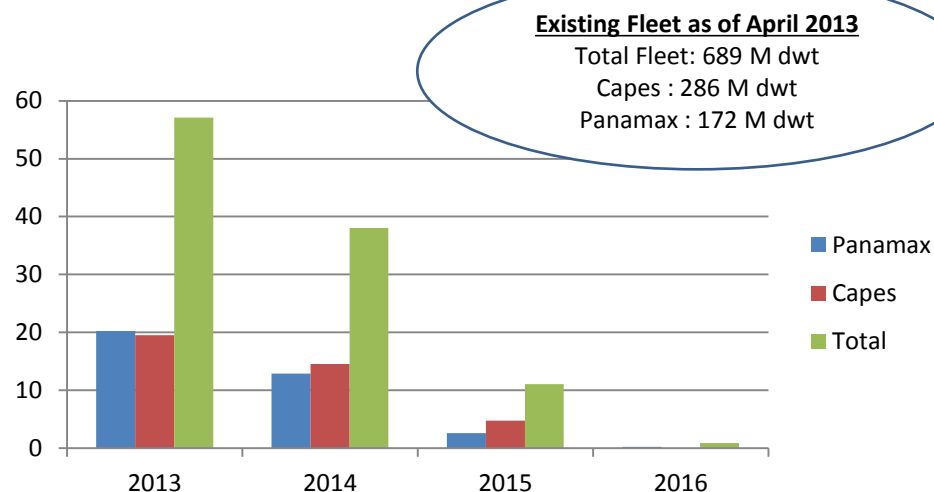


MARKET CONDITIONS – SUPPLY SIDE

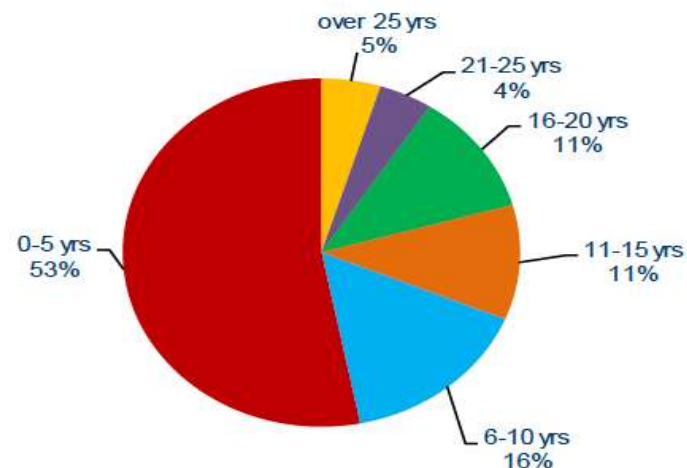
Highlights

- Substantial orderbook through out 2013.
- Declining orderbook the following years.
- Cape fleet average age: 7 years.
- Panamax fleet average age: 8 years.
- About 9% of drybulk fleet above 20 years old.
- Average scrapping age has dropped.
- Reduced scrapping rate in anticipation of better future charter market conditions.

Orderbook (in million tons)



Ageing of Dry Bulk Fleet



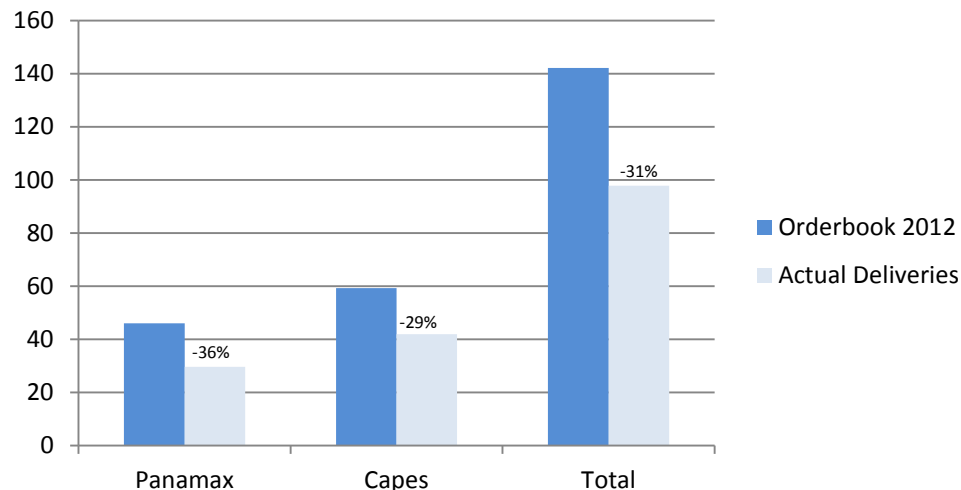
Data as of April 2013.

MARKET CONDITIONS – SUPPLY SIDE

Highlights:

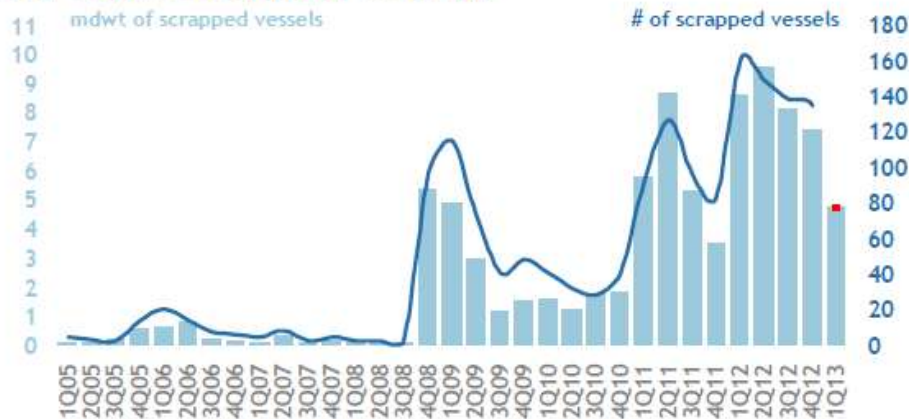
- Slippage or cancellations amounted to about 30% of the order-book for 2012:
 - Lack of finance;
 - Excessive delays from shipyards.
- 2012 full year scrapping at **34** mil. dwt.
- 2013 first four months scrapping at **9,3** mil. dwt.
- 2012 full year net fleet increased by 64.1 mil. dwt or 10%.
- 2013 first four months net fleet increased by 16.8 mil. dwt or 2.5%.

Accumulated order book vs. deliveries (in million tons)



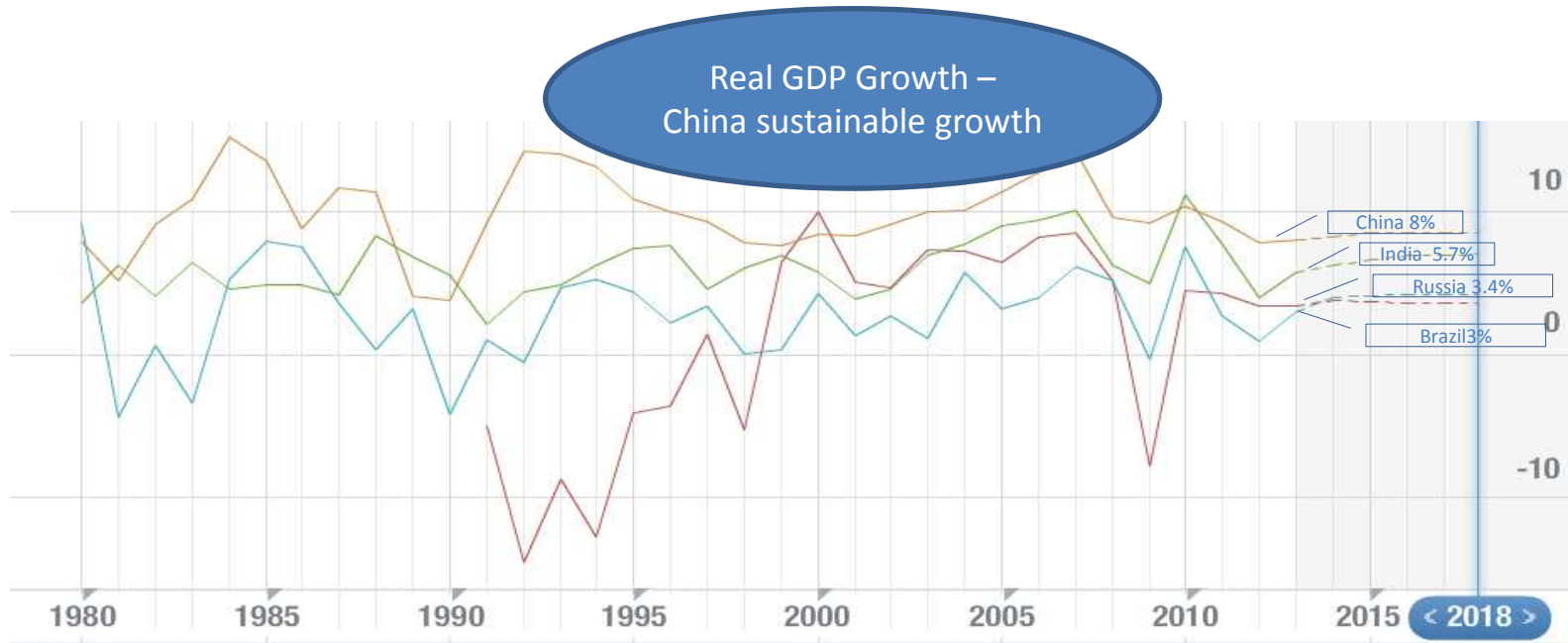
Data as of December 31, 2012.

Dry Bulk Scrapping Activity

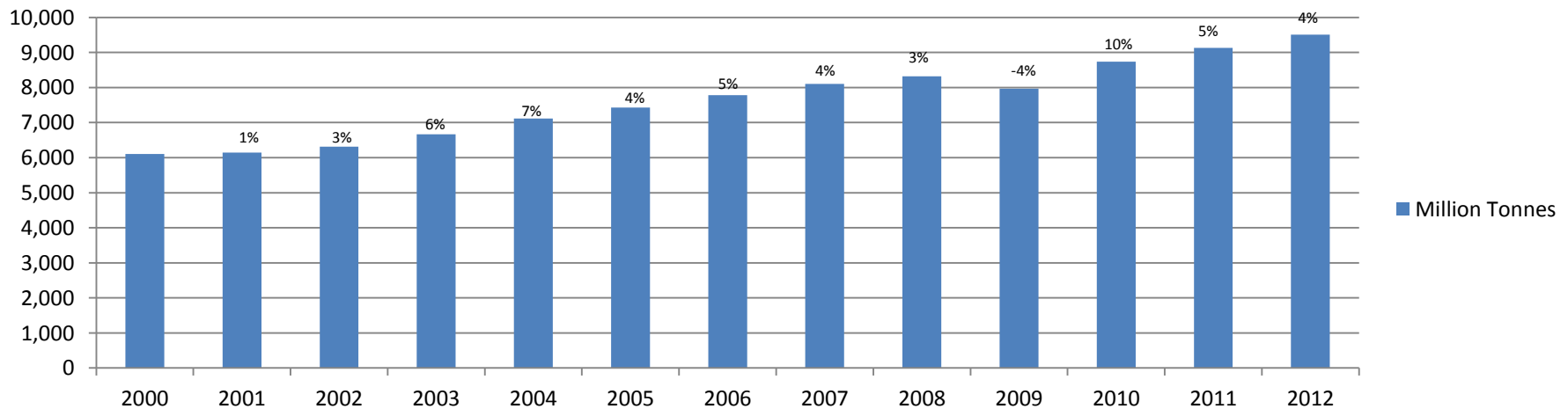


Data as of March 2013.

MARKET CONDITIONS – DEMAND SIDE



World Seaborne Trade (in million tons)

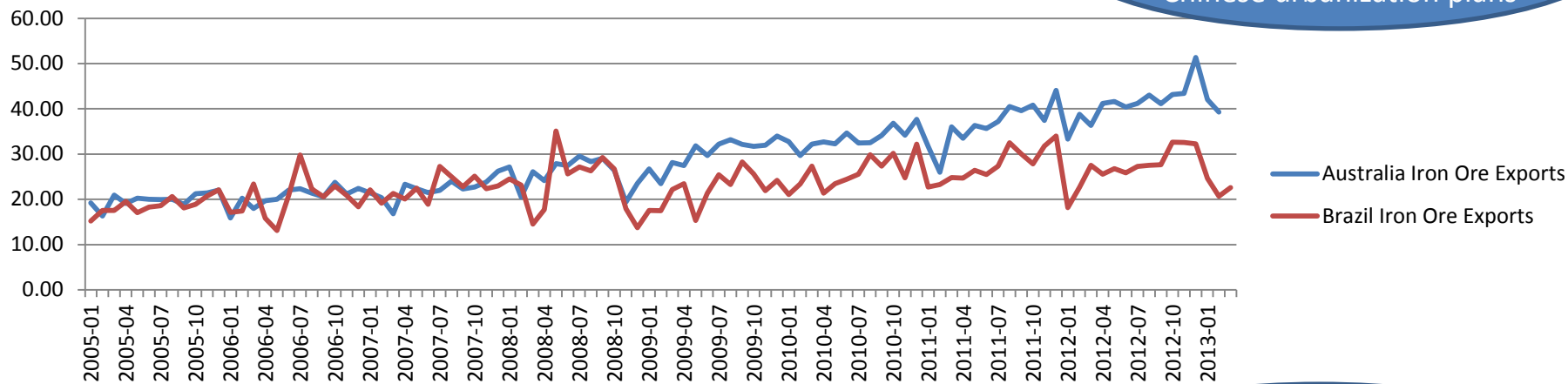


MARKET CONDITIONS – DEMAND SIDE

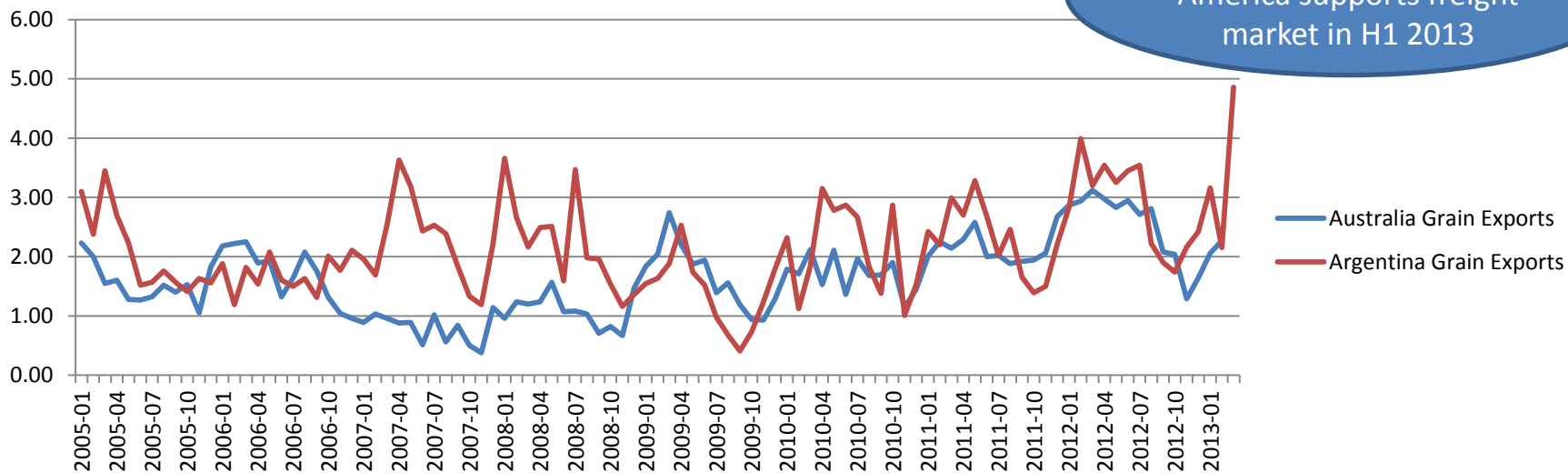
Bulk Cargo Demand Outlook

Iron ore demand (in million tons)

Iron ore demand expected to be supported by Chinese urbanization plans



Grain harvest in South America supports freight market in H1 2013



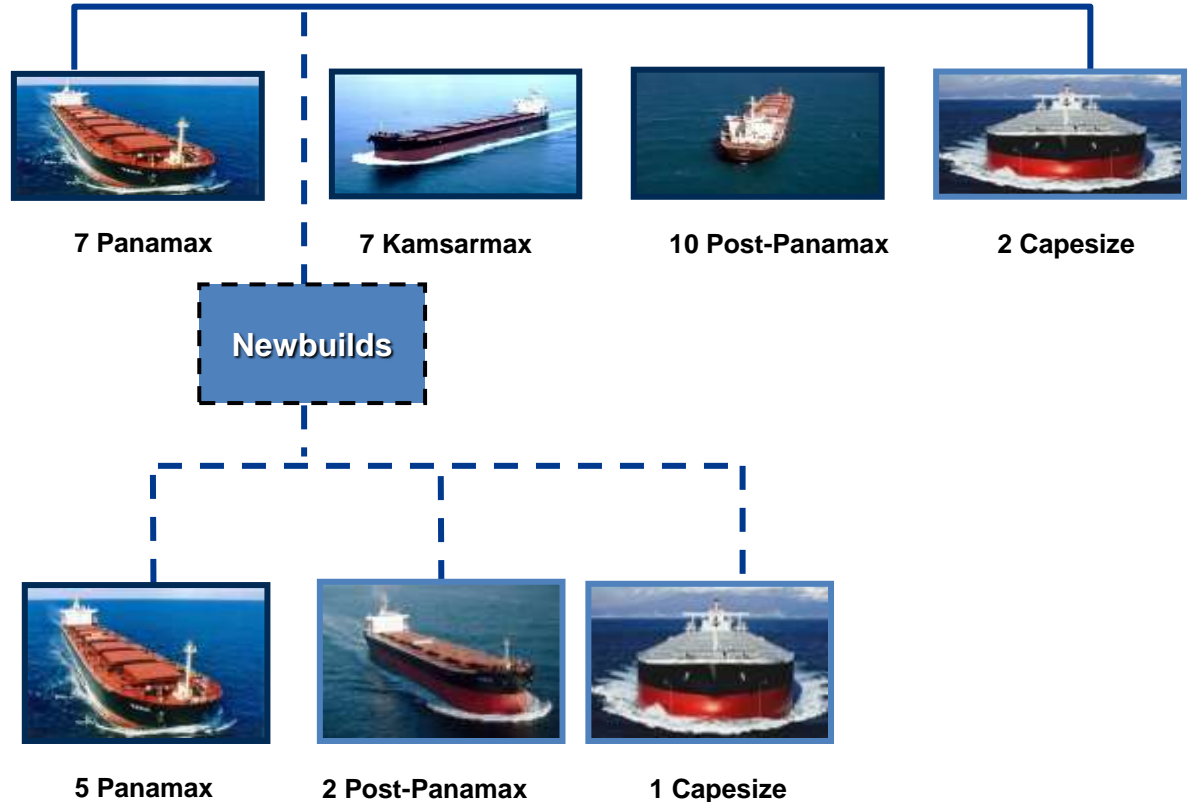


COMPANY SECTION

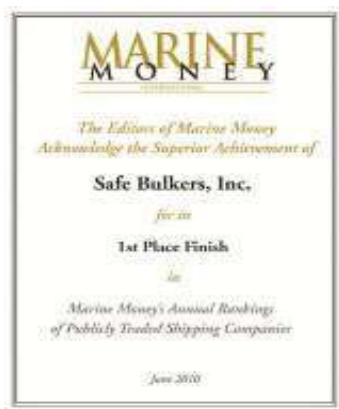
Highlights as of

May 15, 2013:

- Current fleet: 26 vessels.
- Classes: Panamax to Capes.
- Transport coal, grain, iron ore and other dry-bulk commodities.
- Fleet age: 5.1 years.
- Fleet age upon all scheduled deliveries by 2015 : 6.0 years.
- Contracted fleet expansion: 8 newbuilds.
- High spec sister vessels from quality yards.



COMPANY OVERVIEW



Highlights:

- Our founders invested in shipping since 1958
- Our Manager Safety Management Overseas was founded in 1993
- Safe Bulkers was founded in 2007
- Safe Bulkers IPO 2008 NYSE
- Follow-on Offering: March 2010 \$75.0 M Net
- Follow-on Offering: April 2011 \$39.6 M Net
- Follow-on Offering: March 2012 \$35.3 M Net
- Industry recognition

COMPANY OVERVIEW

- Long history in shipping.
- Management invest in ship owning activities only through Safe Bulkers.
- Hands - on business approach.
- Significant contracted growth and acquisitions in second hand market.
- Recognized consistent management policies over the years.
- Prudent financing.
- Dividend policy.



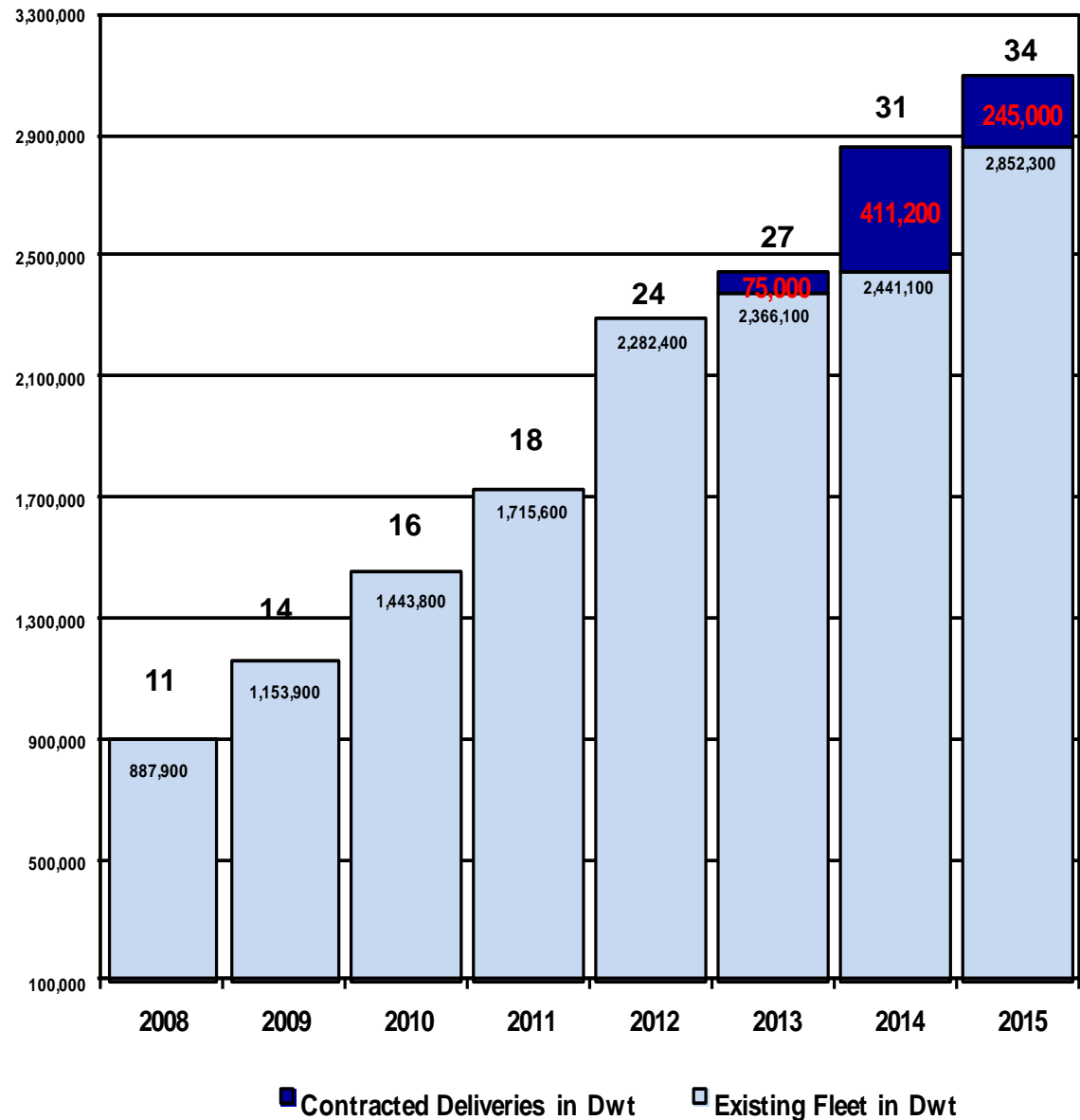
- Experience, market knowledge and proven track record over many shipping cycles.
- Management fully aligned with shareholders' interests.
- Low OPEX and reputation of operating excellence reflected in utilization rates.
- Create value for our shareholders.
- Business expansion and investor credibility.
- Financing from equity and debt maintaining comfortable leverage.
- Paying out a portion of free cash flows while retain remaining cash to finance expansion and deleveraging.

POLICY

- Invest in the lower part of the cycle in newbuilds or second hand vessels.
- Acquire shallow-drafted, energy efficient newbuilds to be ahead of the competition.
- Opportunistically acquire second hand vessels at attractive prices.

ACTIVE MANAGEMENT OF ORDERBOOK

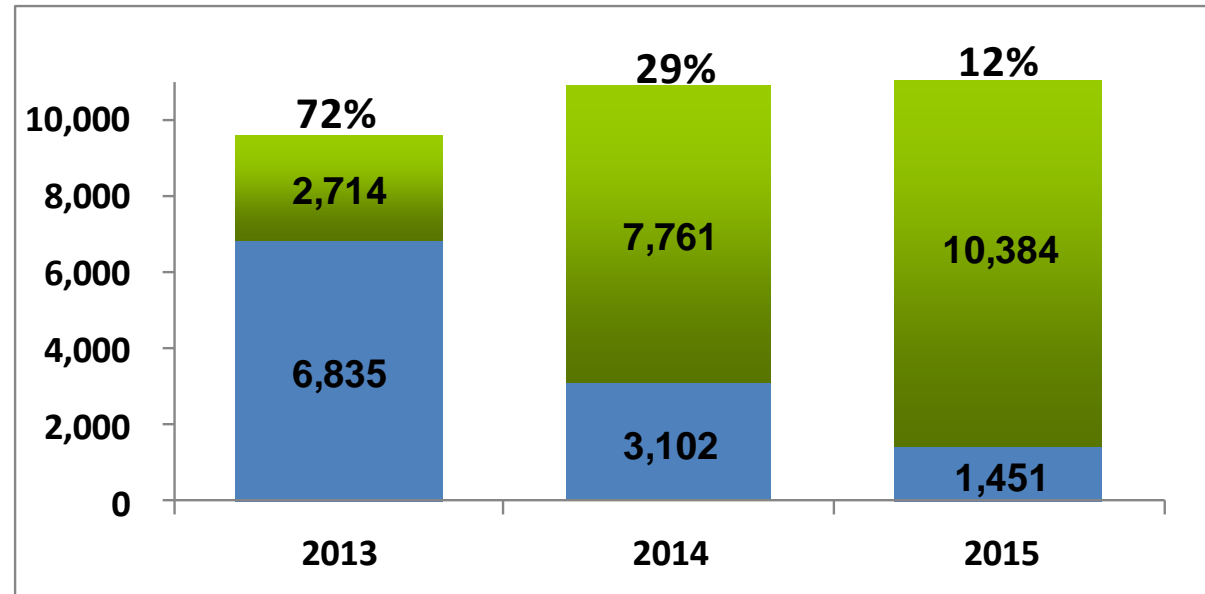
- Acquisition of one 2008 Japanese built Kamsarmax, at \$19.4 million.
- Acquisition of two eco-design, Japanese newbuilt Panamax class vessels at \$28 million each, with scheduled deliveries in 2nd half of 2014 and 1st half of 2015.



Data as of May 15, 2013.

POLICY

- Balance of long-term and spot charter employment.
- Employment in long-term period time charters to provide visibility in future cash flows.
- Employment in spot charters to maintain flexibility in low charter market conditions, and provide better profitability in high charter markets.
- Early redeliveries of *Maritsa*, *Sophia*, *Vassos* and *Katerina*, receiving cash compensation of \$20.8 million in total. Reemployed all redelivered vessels in spot and period time charter market.
- Substantial charter coverage of anticipated ownership days for 2013.
- Substantial upside potential in 2014 and 2015 if charter market improves.



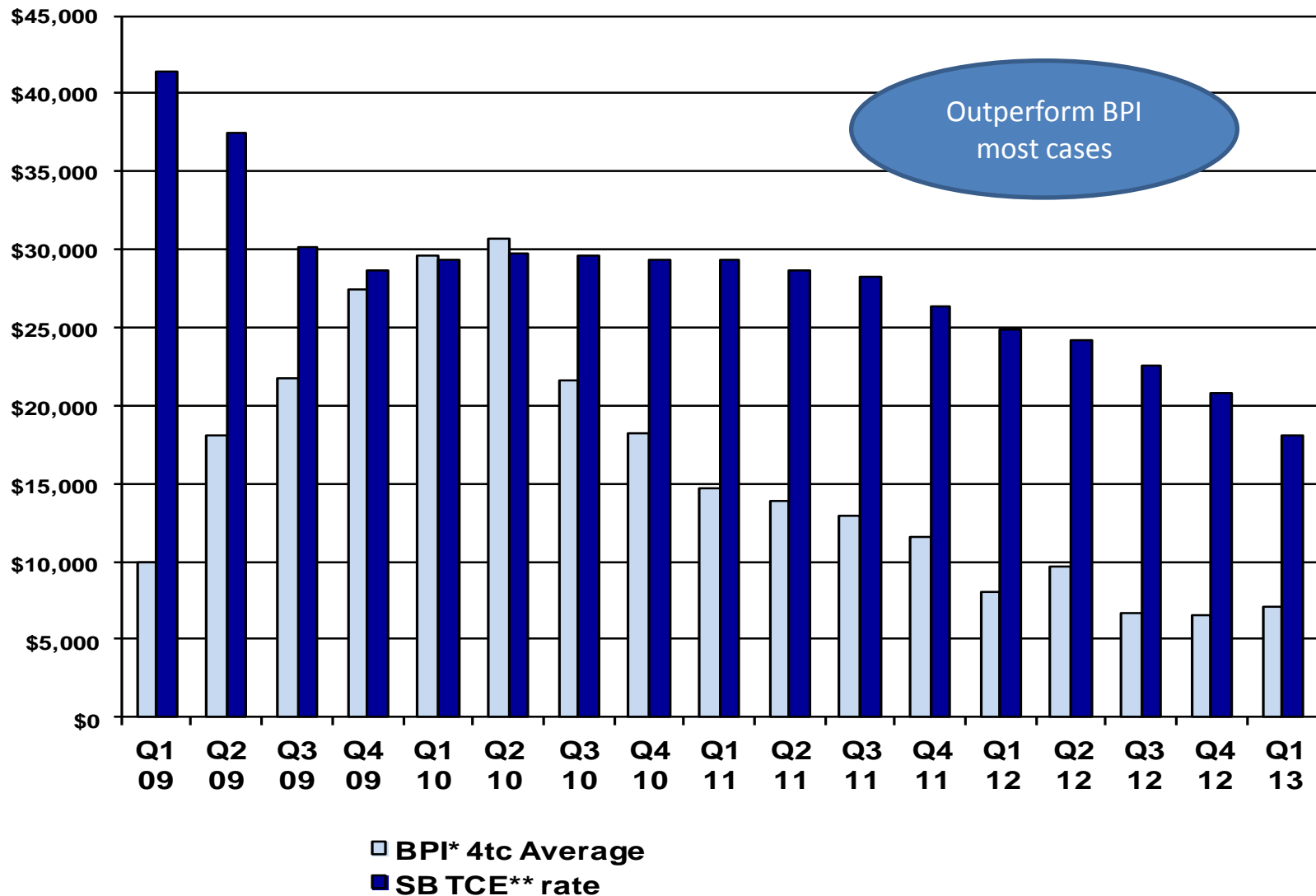
% Open Days/Total Ownership Days

■ Open days ■ Charter Days

Data as of May 15, 2013. Including vessels to be delivered that have already been chartered-out.

CHARTERING POLICY - PERFORMANCE

16

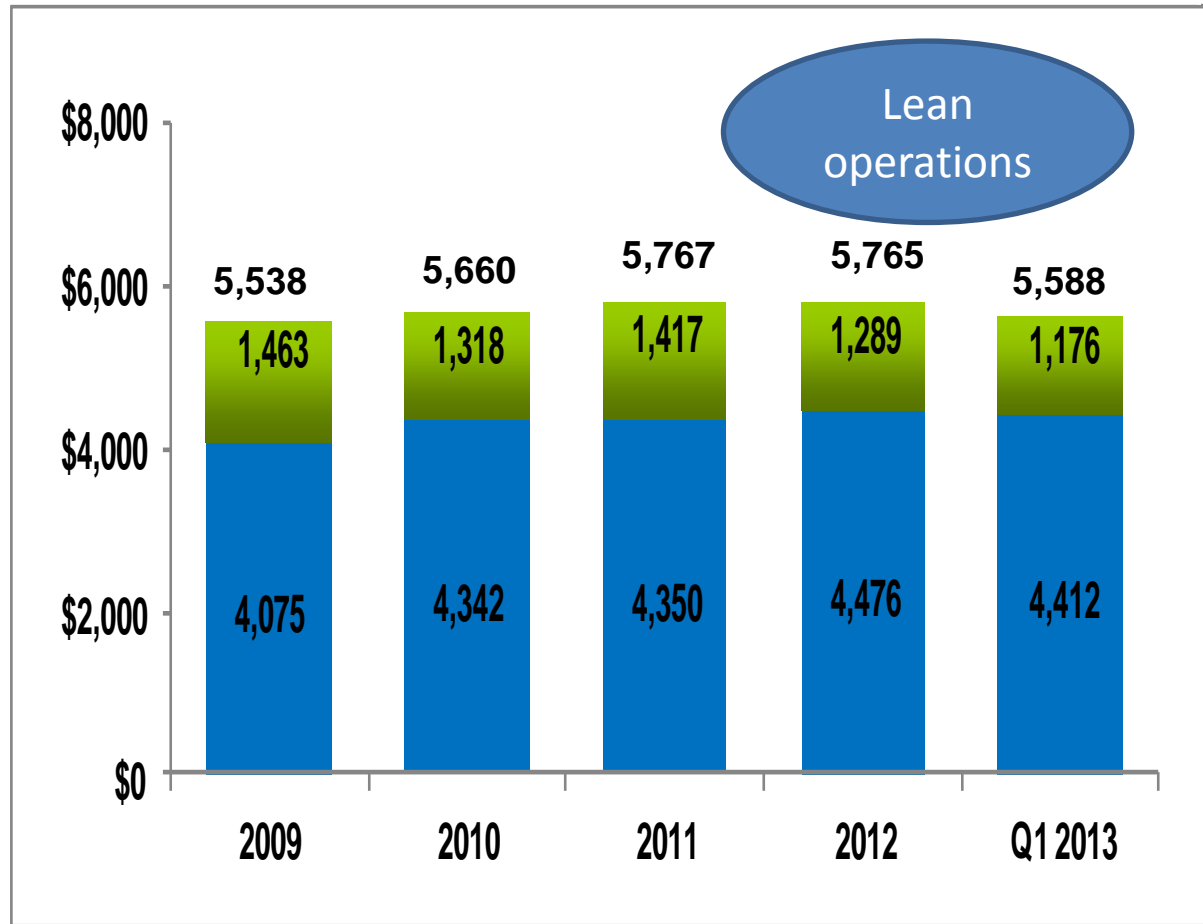


- Cooperation with established performing charterers.
- Selective early redeliveries receiving significant cash compensation to reduce third party risk.



POLICY

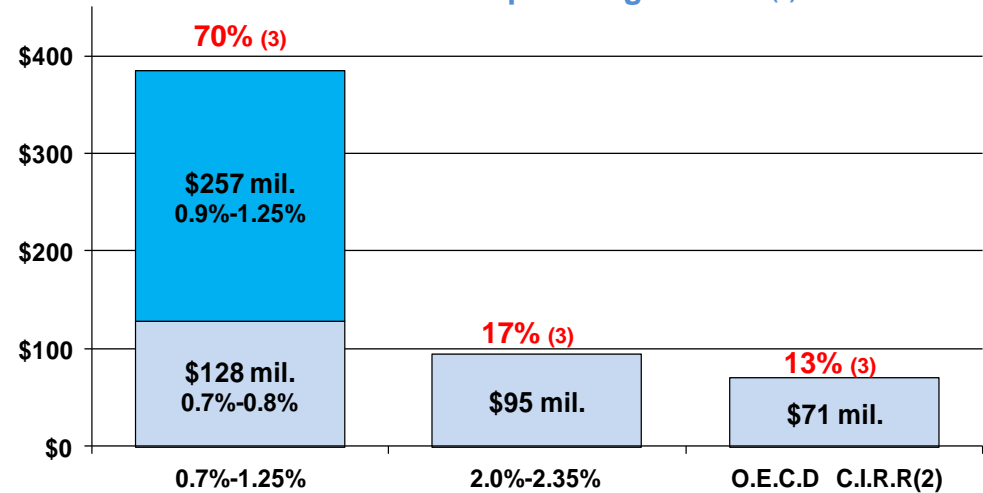
- Hands-on approach.
- Vessels managed by Safety Management Overseas.
- Exclusive management agreement.
- Competitive operations compared to industry as displayed by our daily operating expenses.
- High fleet utilization rate.
- Experienced team in operations, technical support and newbuild supervision.
- Low average fleet age.
- High quality vessels.
- Sister-ship factor.



- Daily Operating expenses in US\$.** 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.
- Daily general and administrative expenses in US\$.** We define daily general and administrative expenses to include daily management fees, defined below, and the costs payable to third parties in relation to our operation as public company. Daily vessel general and administrative expenses are calculated by dividing general and administrative expenses by ownership days for the relevant period. Daily management fees include the fixed and the variable fees payable to our Manager. Daily management fees are calculated by dividing management fees by ownership days for the relevant period.

- Financing with equity and debt.
- Increased earnings are retained after dividend reduction.
- Deleveraging.
- Compliance with financial covenants.
- Maintain low financing costs.

Allocation of Debt per Margin Level (1)

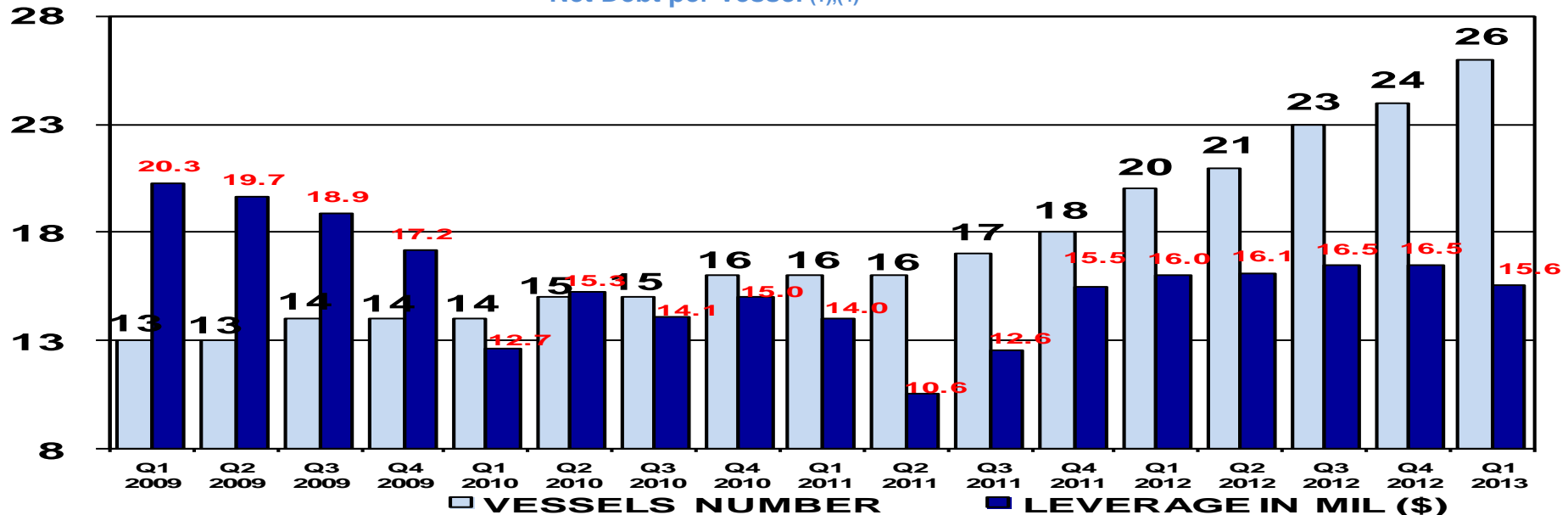


(1) As of March 31, 2013.

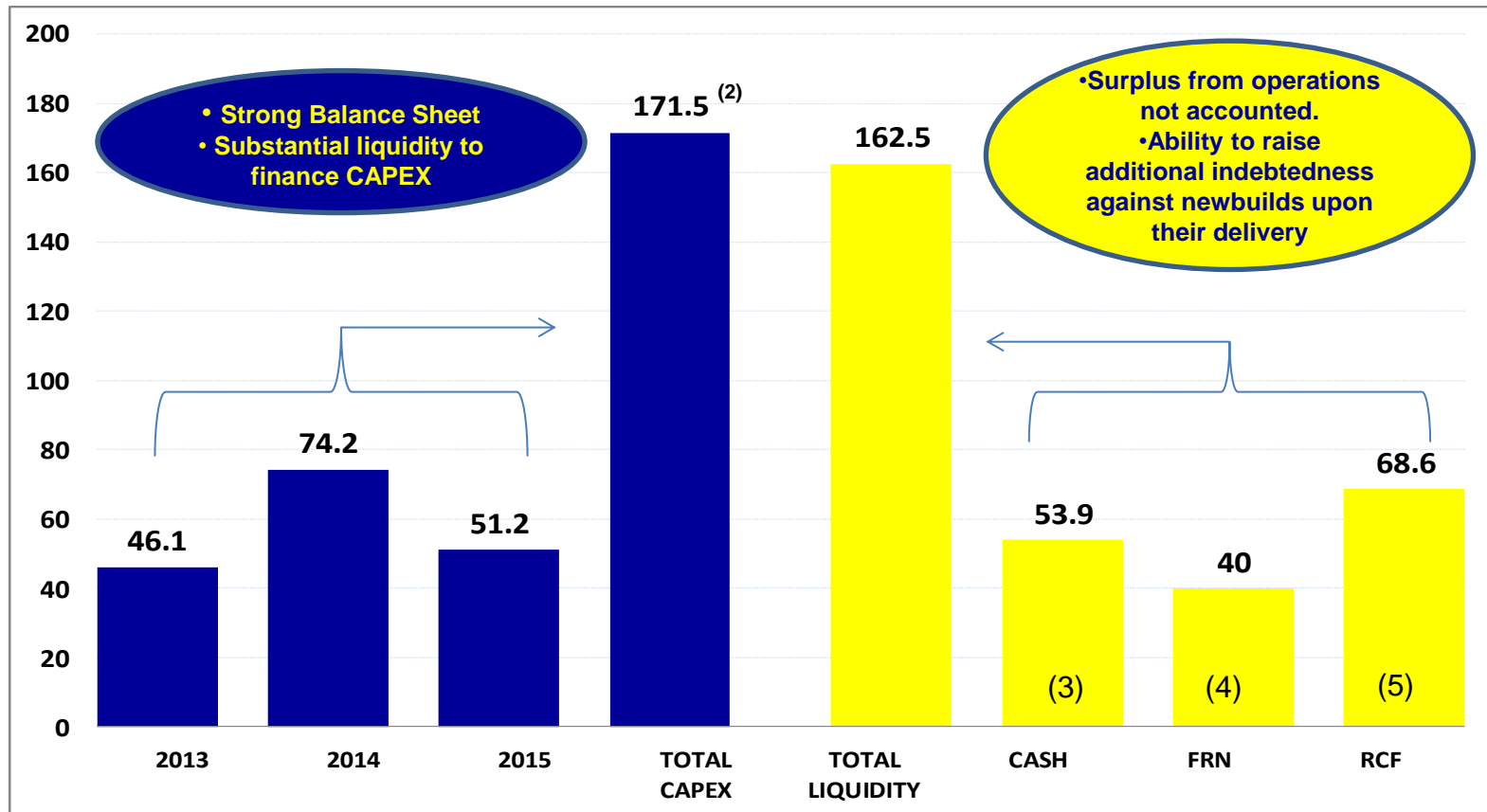
(2) Debt in O.E.C.D Commercial Interest Reference Rate.

(3) % of Total Debt of \$551 million.

Net Debt per Vessel (1),(4)



(4) 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.



(1) As of March 31, 2013.

(2) Capex requirements are calculated based on six newbuilds as of March 31, 2013. Two additional newbuilds at \$28 million each, were contracted on April 2013.

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

(4) 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

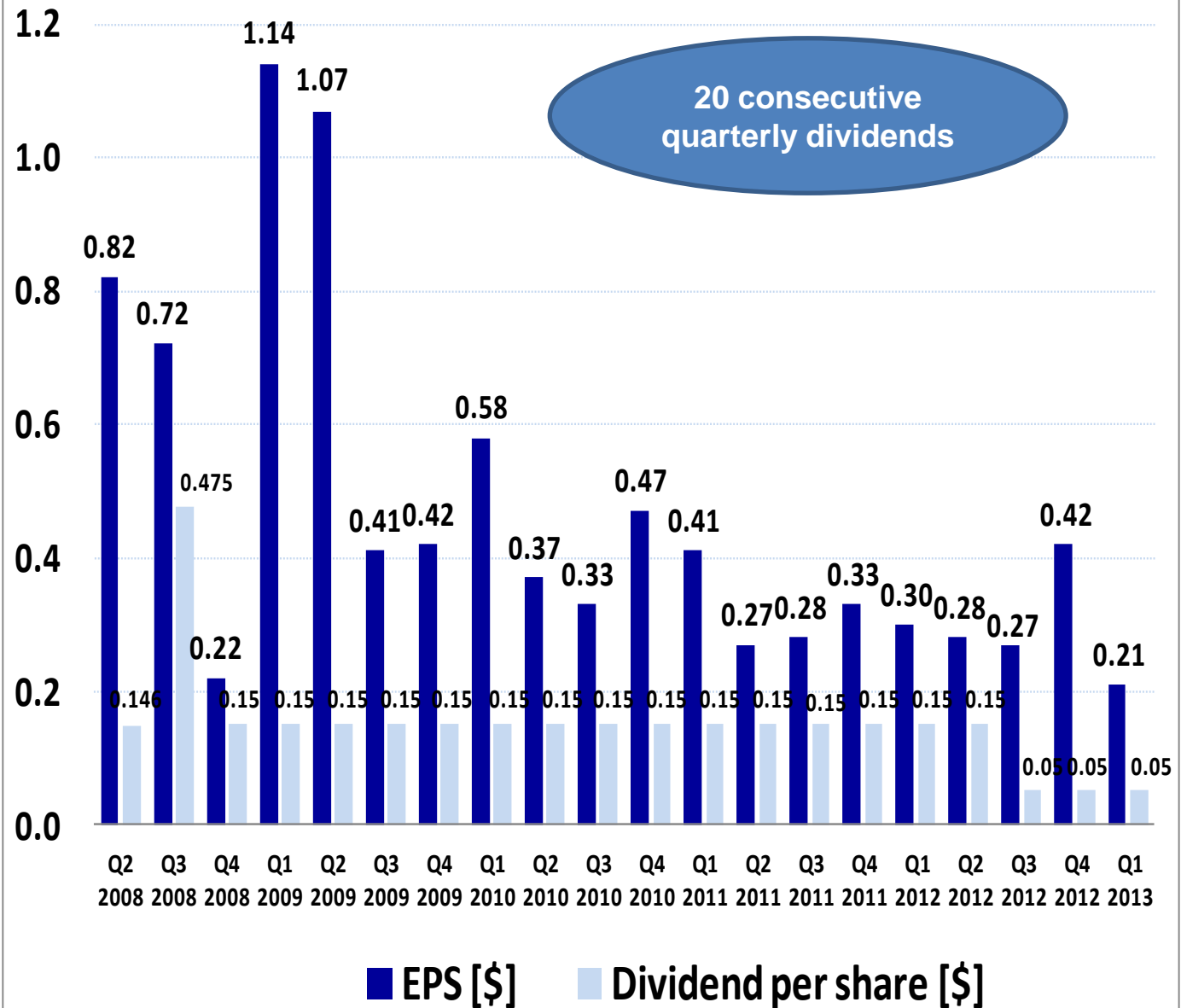
(5) Available under existing revolving reducing credit facilities (RCF)

The Board of Directors of the Company is continuing a policy of paying out a portion of the Company's free cash flow at a level it considers prudent in light of the current economic and financial environment.

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.





FLEET DATA

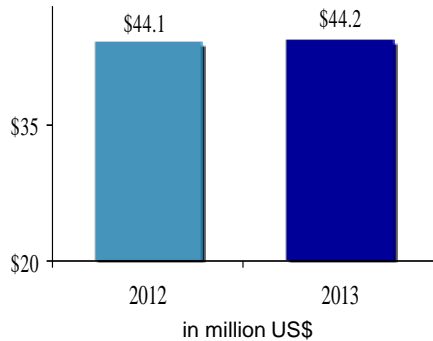
	Three-Months Period Ended March 31,	
	2012	2013
Number of vessels at period's end	20	26
Average age of fleet (in years)	4.10	4.96
Ownership days (1)	1,718	2,247
Available days (2)	1,718	2,219
Operating days (3)	1,715	2,214
Fleet utilization (4)	99.8%	98.5%
 Average number of vessels in the period (5)	 18.88	 24.97
AVERAGE DAILY INDICATORS		
Time charter equivalent rate (6)	\$24,890	\$18,113
Daily vessel operating expenses (7)	\$4,713	\$4,412
 Daily general and administrative expenses (8)	 \$1,358	 \$1,176

- 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 payable to third parties 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.

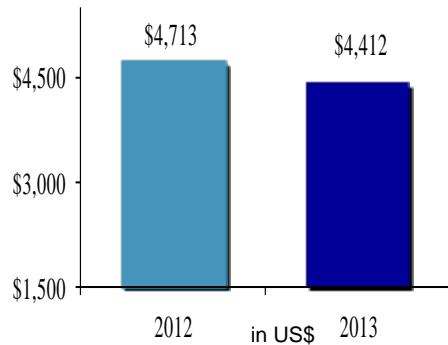
Comparison of Selected 3 Month Financial Results

24

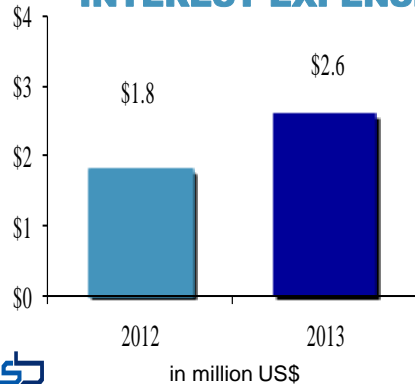
NET REVENUE



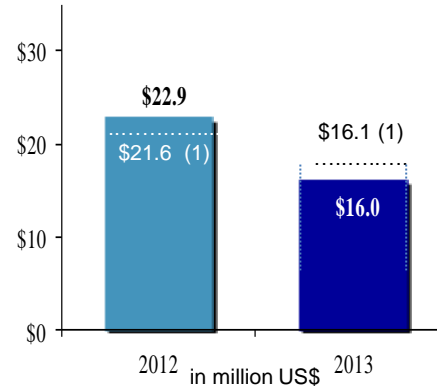
DAILY OPEX



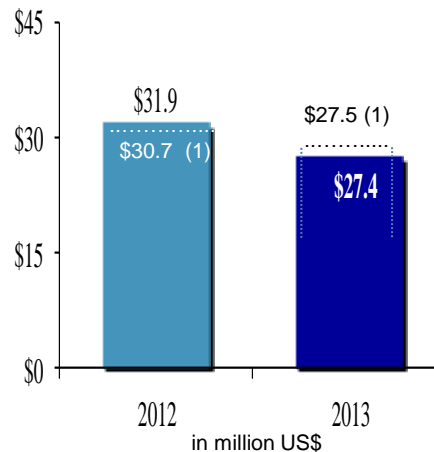
INTEREST EXPENSE



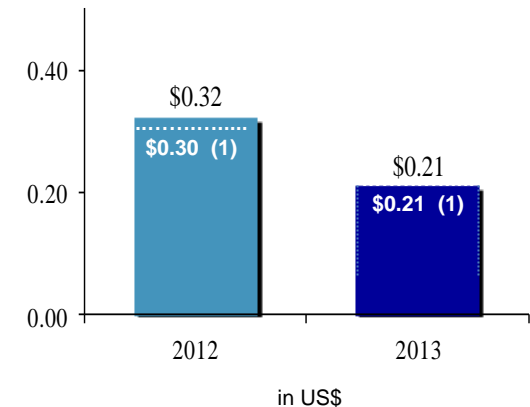
ADJUSTED NET INCOME (2)



ADJUSTED EBITDA (2)



ADJUSTED EPS (2)



- (1) Non-Adjusted figures.
- (2) Adjusted Net Income represents net income before gain/(loss) on derivatives and foreign currency.
- (3) EBITDA represents net income before interest, income tax expense, depreciation and amortization. The Company excluded gain/(loss) on derivatives and foreign currency to derive adjusted net income, adjusted EPS and the adjusted EBITDA. Adjusted net income, Adjusted earnings per share, EBITDA and Adjusted EBITDA are not items recognized by GAAP and should not be considered as alternatives to Net income, earnings per share, operating income, or any other indicator of a Company's operating performance required by GAAP. For reconciliation of Adjusted Net Income, EPS and EBITDA please refer to Slide 26.

First Quarter 2012 and 2013 Summary of Financial Results

25

(In million US\$, except for per share data)	Q1 2012	Q1 2013	%Δ
Net Revenues	44.1	44.2	0%
Net Income	21.6	16.1	(25)%
Adjusted Net Income	22.9	16.0	(30)%
EBITDA (*)	30.7	27.5	(10)%
ADJUSTED EBITDA	31.9	27.4	(14)%
Earnings per Share EPS (*)	0.30	0.21	
ADJUSTED EPS	0.32	0.21	

* For definition and reconciliation of EBITDA, Adjusted EBITDA, Net Income, Adjusted Net Income, EPS and Adjusted EPS please refer to slide 26.

(In million US\$)	Dec 31, 2012	Mar 31, 2013	%Δ
Total Debt	615.7	550.5	(11)%
Shareholder's Equity	425.9	438.1	3%

RECONCILIATION OF ADJUSTED NET INCOME, EBITDA, ADJUSTED EBITDA AND ADJUSTED EPS

26

Three-Months Period Ended
March 31,

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

	2012	2013
<u>Net Income - Adjusted Net Income</u>		
Net Income	21,614	16,069
Plus Loss/(gain) on Derivatives	1,241	(63)
Plus Foreign Currency Loss/(gain)	10	(36)
Adjusted Net Income	22,865	15,970
<u>EBITDA - Adjusted EBITDA</u>		
Net Income	21,614	16,069
Plus Net Interest Expense	1,543	2,304
Plus Depreciation	7,322	8,836
Plus Amortization	211	310
EBITDA	30,690	27,519
Plus Loss/(gain) on Derivatives	1,241	(63)
Plus Foreign Currency Loss/(gain)	10	(36)
ADJUSTED EBITDA	31,941	27,420
<u>EPS – Adjusted EPS</u>		
Net Income	21,614	16,069
Adjusted Net Income	22,865	15,970
Weighted average number of shares	71,868,950	76,673,484
EPS	0.30	0.21
Adjusted EPS	0.32	0.21

Adjusted Net Income represents net income before gain/(loss) on derivatives and foreign currency.

EBITDA represents net income before interest, income tax expense, depreciation and amortization. Adjusted EBITDA represents EBITDA before gain/(loss) on derivatives and 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 of early redelivery income/(cost) and gain/(loss) on derivatives and foreign currency, items which may vary for different companies for reasons unrelated to overall operating performance.

EBITDA, adjusted EBITDA, Adjusted Net Income and Adjusted EPS 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.

Dividends

Dividend Declaration

The Company's Board of Directors declared a cash dividend on the Company's common stock of \$0.05 per share payable on or about June 7, 2013, to shareholders of record at the close of trading of the Company's common stock on the New York Stock Exchange (the "NYSE") on May 27, 2013.

The Company has 76,676,508 shares of common stock issued and outstanding as of May 15, 2013.

The Board of Directors of the Company is continuing a policy of paying out a portion of the Company's free cash flow at a level it considers prudent in light of the current economic and financial environment. 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.

CONCLUSION

- **Long-term relationships with leading yards, banks and charterers resulting in insight to the underlying demand for commodities and repeat business.**
- **History and reputation of operating excellence, reflected in utilization rates and operating expenses.**
- **Low financial costs due to prudent leverage and low spreads.**
- **Young, shallow drafted fleet of 26 drybulk vessels, all built 2003 onwards.**
- **Significant contracted growth.**
- **Extensive charter coverage with established performing customers.**
- **Strong balance sheet and liquidity provide financial flexibility.**
- **Leverage in compliance with our financial covenants.**
- **Prudent dividend policy to reward shareholders through payment of dividend and ensure future expansion and deleveraging.**

Company Contact

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