



## 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**

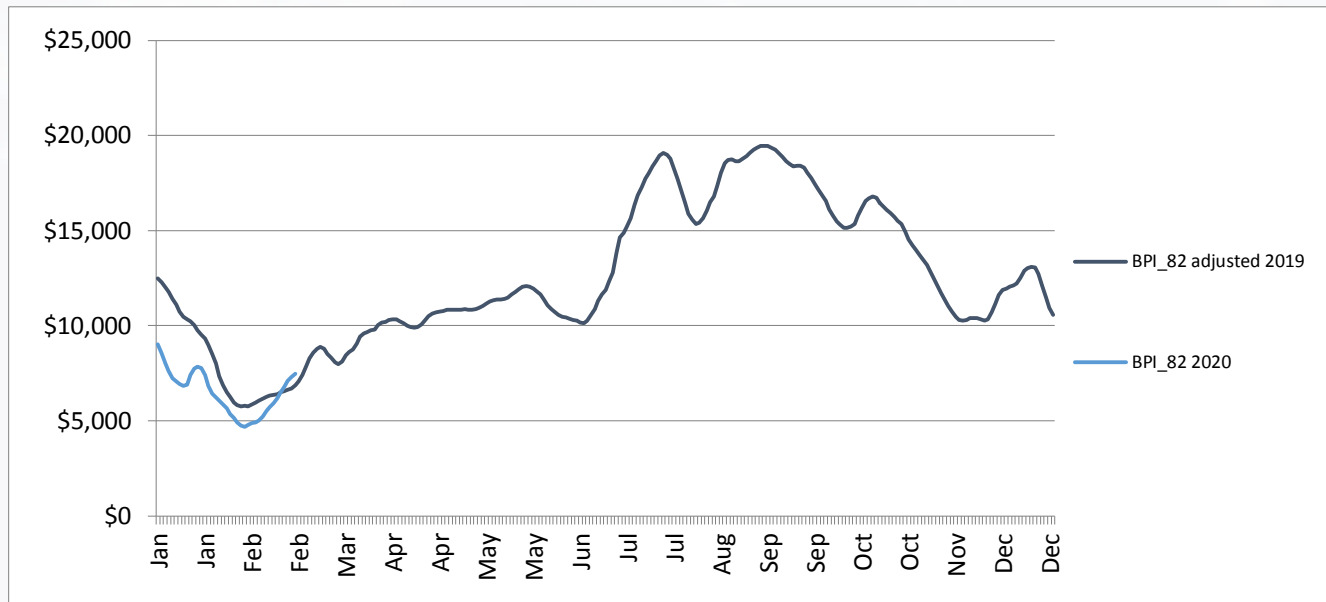
**Ioannis Foteinos: Chief Operating Officer**

# INDUSTRY SECTION

# DEMAND - CHARTER MARKET CONDITIONS



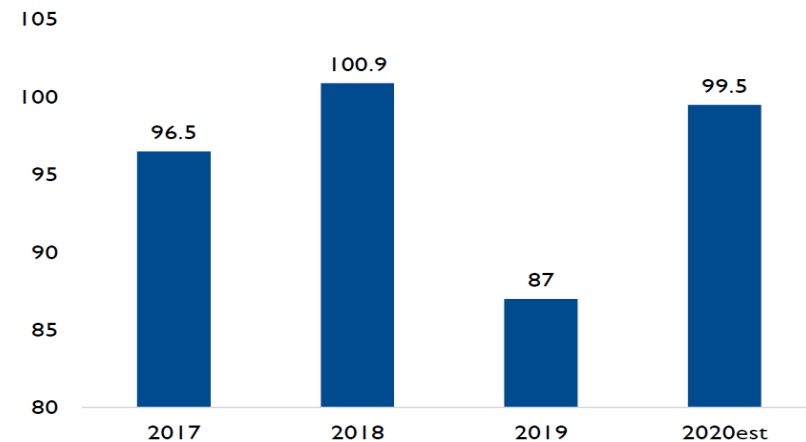
- **Negative start of the year.**
- **Coronavirus effect.**
- **Seasonality**
- **Phase 1 agreement in place.**



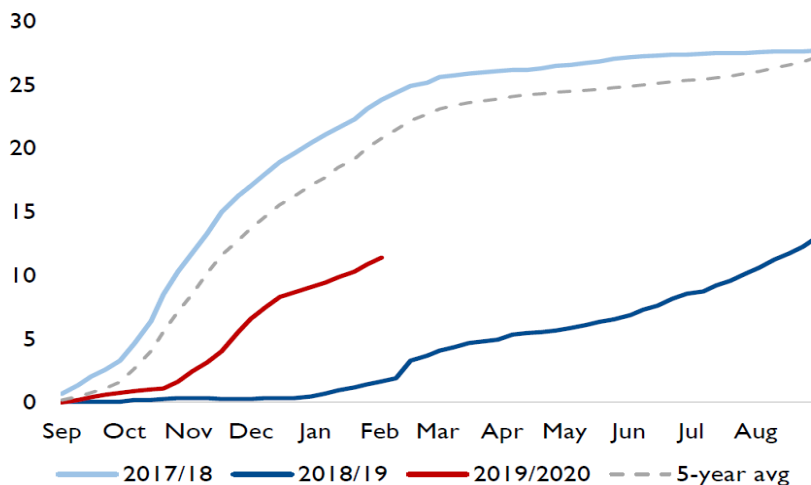
Source: Baltic Exchange

## DEMAND – CHINA FACING THE HEADWINDS

**Brazil Q2-Q4 average shipments per quarter**  
million tonnes per quarter



**US weekly soybeans export sales – to China**  
Million tonnes

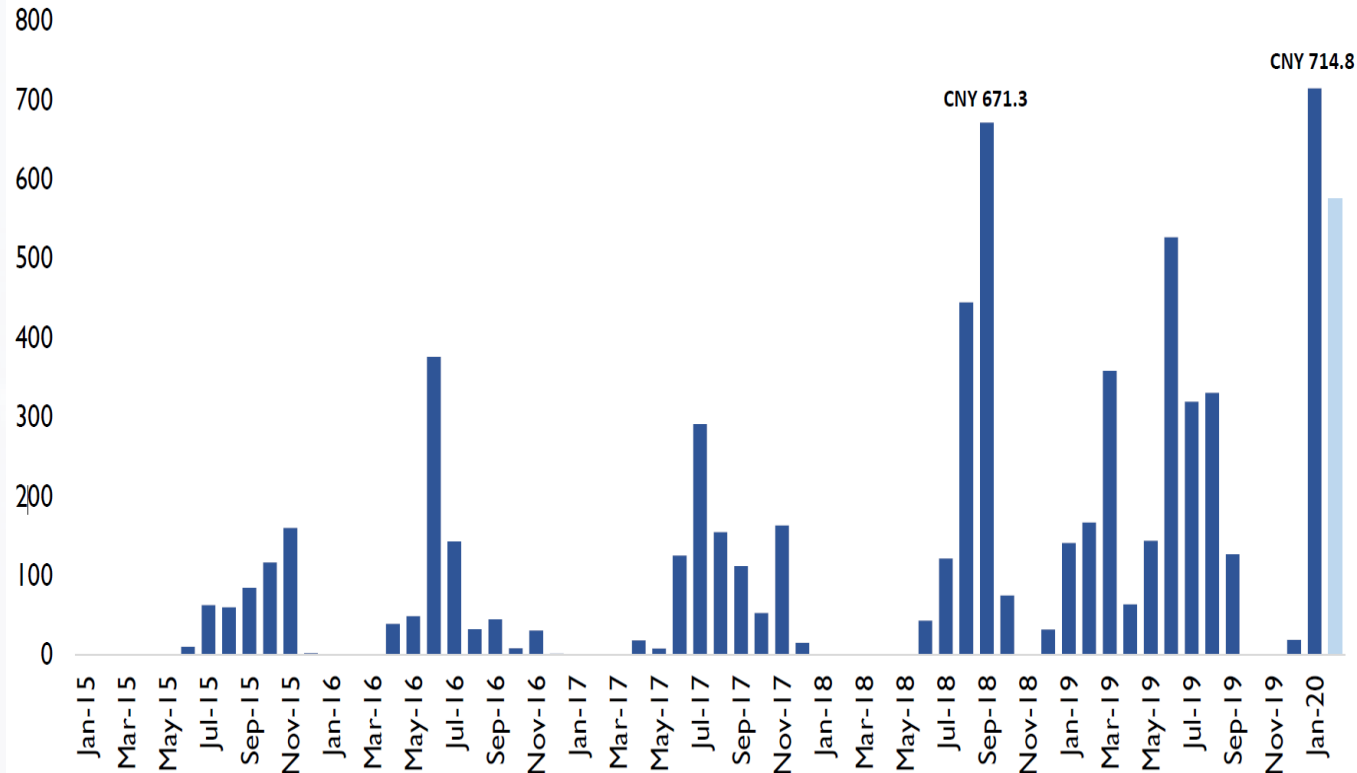


- Exports from Brazil despite slow in Q1 are forecasted to reach 340-355mt
- If targets are to be met, Brazil iron ore shipments could surge during Q2-Q4, in which case average quarterly shipments out of Brazil would jump by 12.5mt and approach the levels seen in 2018
- The US soybean sales to China saw a sharp rise so far this marketing year as the two sides reached a Phase-1 deal.
- China is expected to increase its purchases substantial as part of the deal.
- Seasonal East Coast South America grain season picking in Q2 is expected to boost the Panamax market.
- Coronavirus outbreak is an ongoing concern.

## DEMAND – CHINA FACING THE HEADWINDS

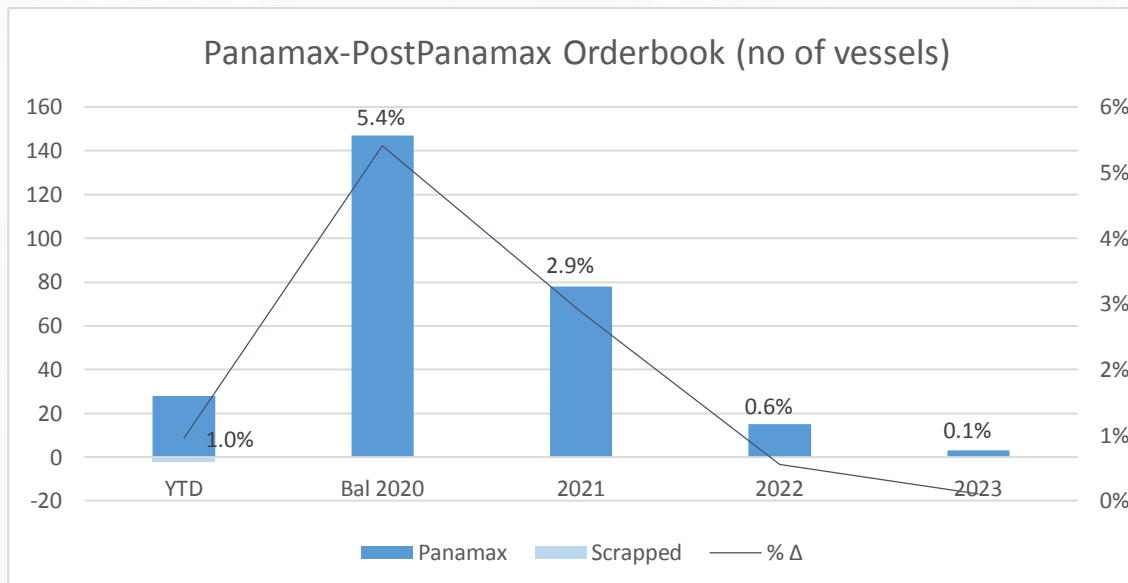
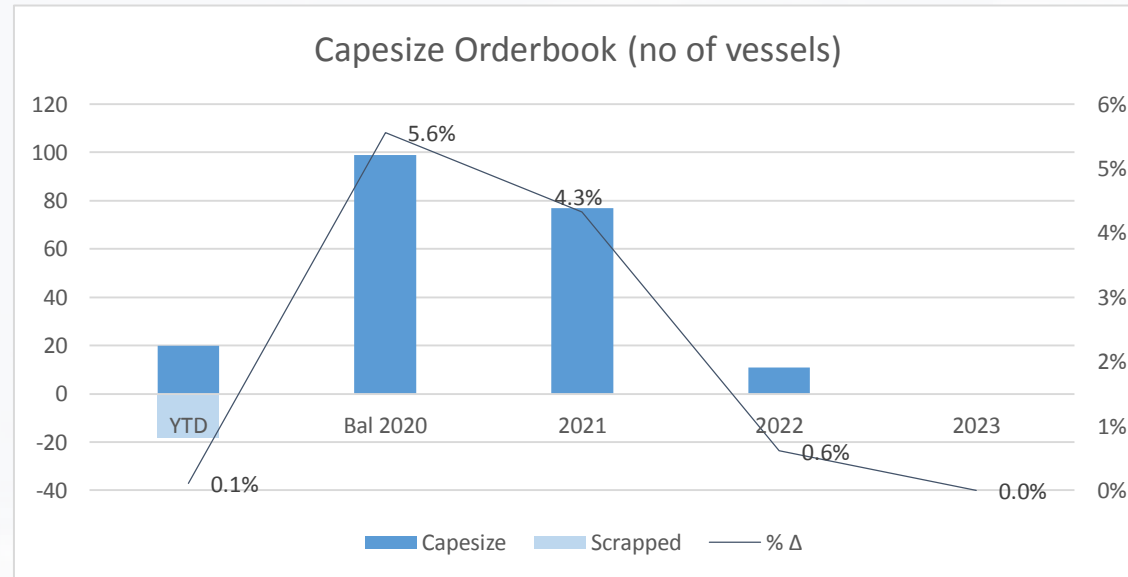
China local government new special bond issuance

Billion CNY

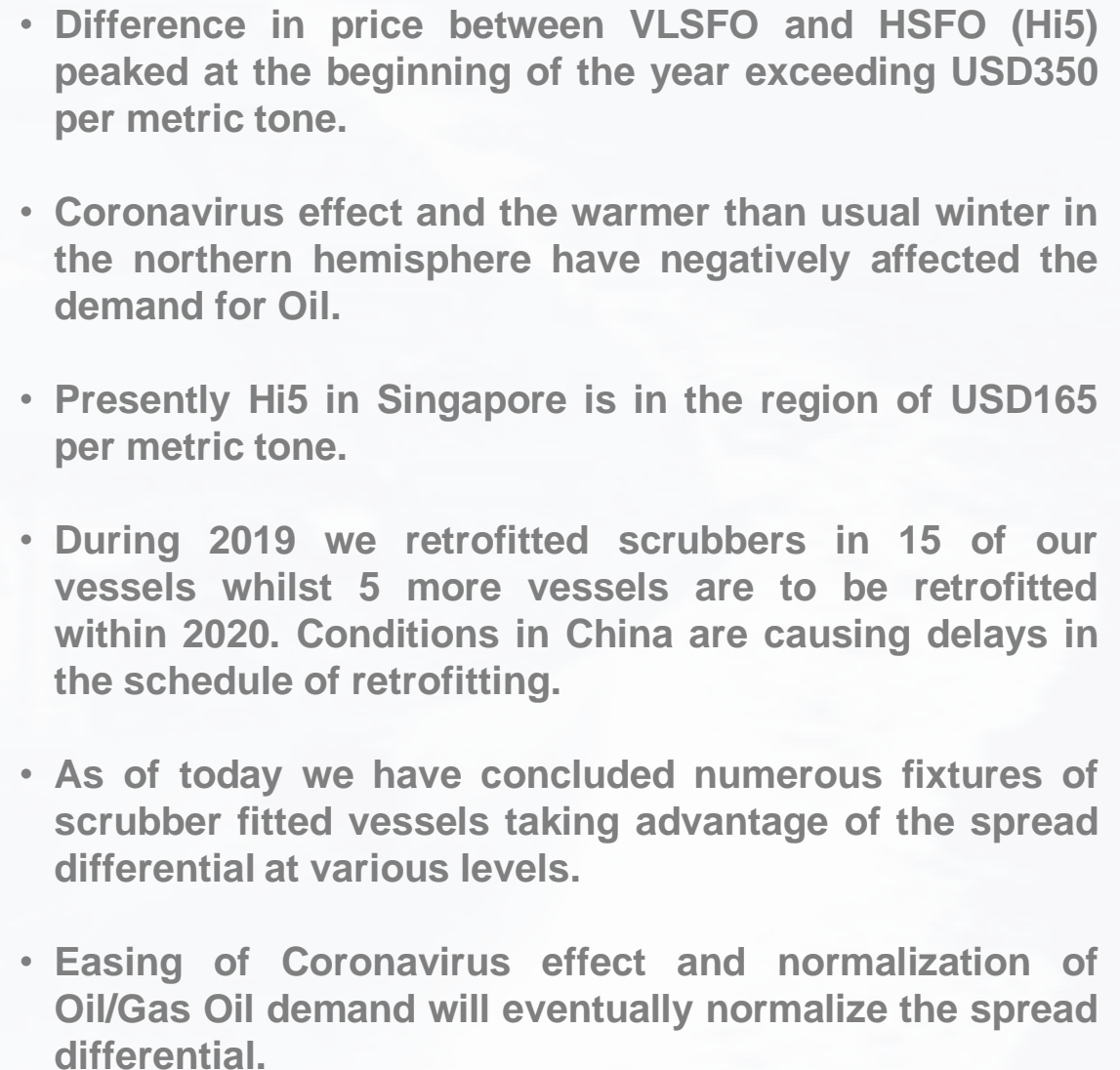


- Chinese central government uses Special Purpose Bonds (SPBs) to finance local authorities.
- In 2019 around CNY 2.5 trillion were directed to infrastructure.
- In 2020 the initial assessment was for CNY 3.2 trillion which was increased to CNY 3.8 trillion in February 2020.
- In January 2020 Chinese local governments issued CNY 715 billion of SPBs the highest monthly issuance on record.

# SUPPLY - ORDERBOOK



- Orderbook is declining after 2020.
- Force majeure in Chinese shipyards will eventually create extensive delays in deliveries.
- Low freight rates, Increased CAPEX for complying with BWTS & IMO2020 regulations and firm scrapping rates will enhance scrapping activity.
- Ongoing environmental discussions for emissions decarbonization will not favor new orders.





# ENVIRONMENTAL SOCIAL RESPONSIBILITY

## ENVIRONMENTAL INVESTMENTS

	Completed installations until February 26, 2020	Expected installations in Q1 2020	Expected installations in Q2 2020
<b>BWTS</b>	20	0	8
<b>Scrubbers</b>	15*	0	5

	Down time in days**	
	Q1 2020	Q2 2020
<b>Vessels</b>	3	8
<b>Total down time</b>	82	265

\* MV Martine, MV Venus Horizon, MV Venus History, MV Andreas K, MV Pedhoulas Cherry, MV Eleni, MV Venus Heritage, MV Pedhoulas Farmer, MV Panayiota K, MV Sophia, MV Marina, MV Pedhoulas Rose, MV Pedhoulas Fighter, MV Pedhoulas Builder, MV Agios Spyridonas.

\*\* Down time includes scheduled dry-docking or special surveys to be performed concurrently with scrubber installation where applicable.

The aggregate cost of our environmental investments is expected to be in the region of \$70 million, having incurred and capitalized \$51.9 million as of December 31, 2019.

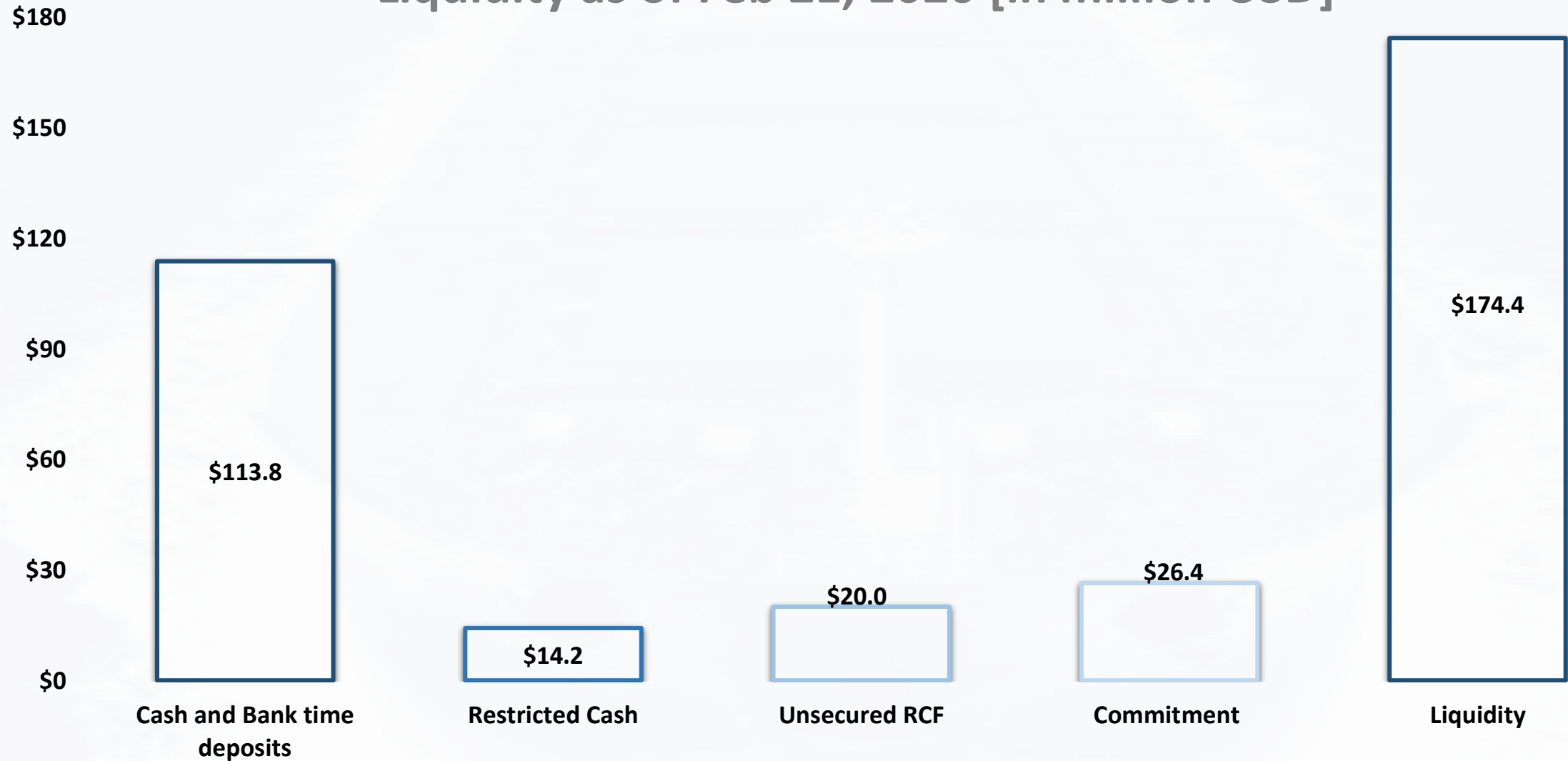
- Environmental Investments:**
- Retrofitting scrubbers in 20 vessels and
  - ballast water treatment systems in 38 vessels.

## KEY TAKEAWAYS

- Seasonality patterns are repetitive, enhanced after Chinese New Year by the corona virus outbreak.
- USA-Chinese Phase 1 agreement and Chinese Special Purpose Bonds will support the demand side.
- Delays in Chinese shipyards, delays in ports due to quarantine and scrapping due to market conditions and excessive environmental investments will control the supply side.
- Vessels with scrubbers and modern eco design vessels are getting an advantage in the chartering market.
- SAFE BULKERS competes on the basis of our 11 eco designed vessels which do not have scrubbers and on the fuel price differential for the 20 scrubber fitted vessels in our program.
- Key note is our liquidity exceeding \$170 million which gives us flexibility in the present unstable environment.

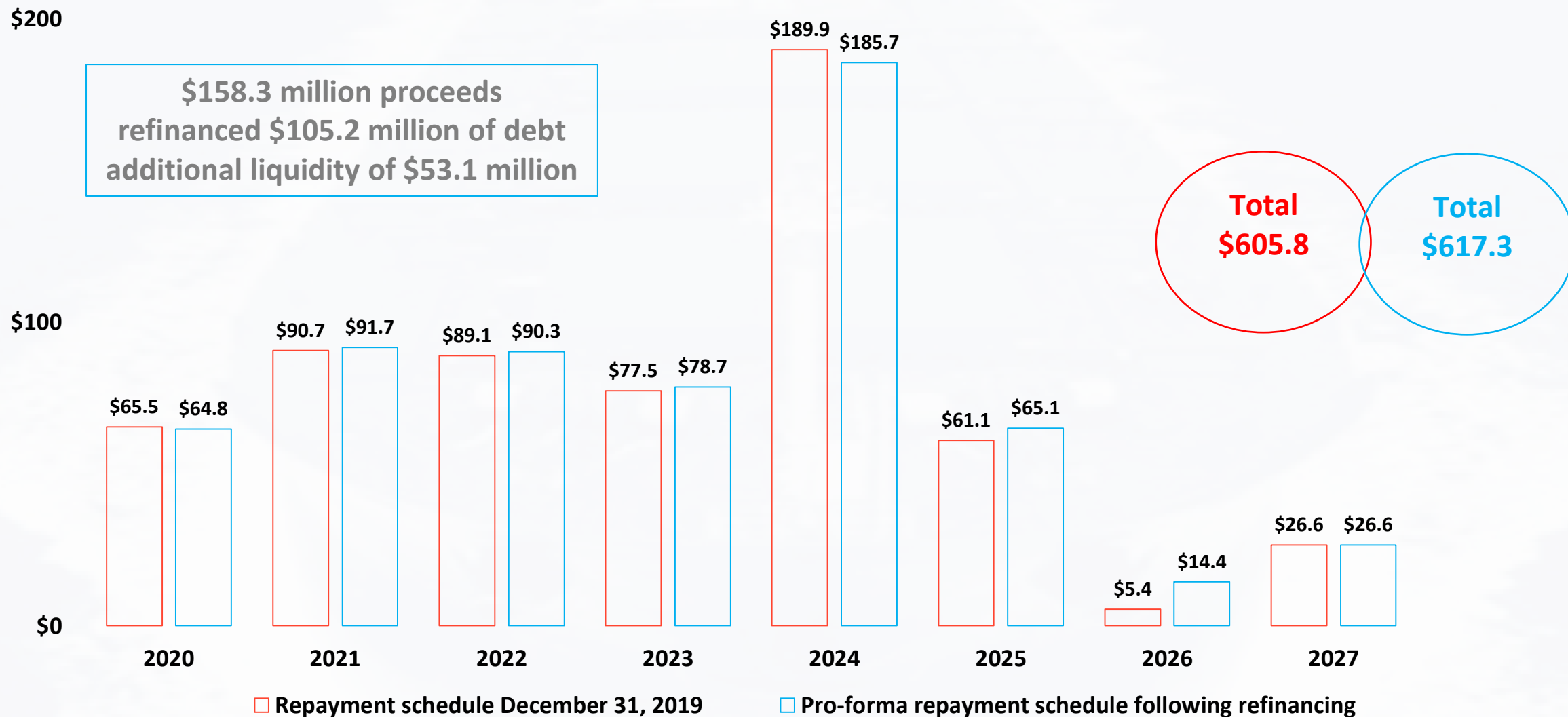
# **FINANCIAL PERFORMANCE**

## Liquidity as of Feb 21, 2020 [in million USD]



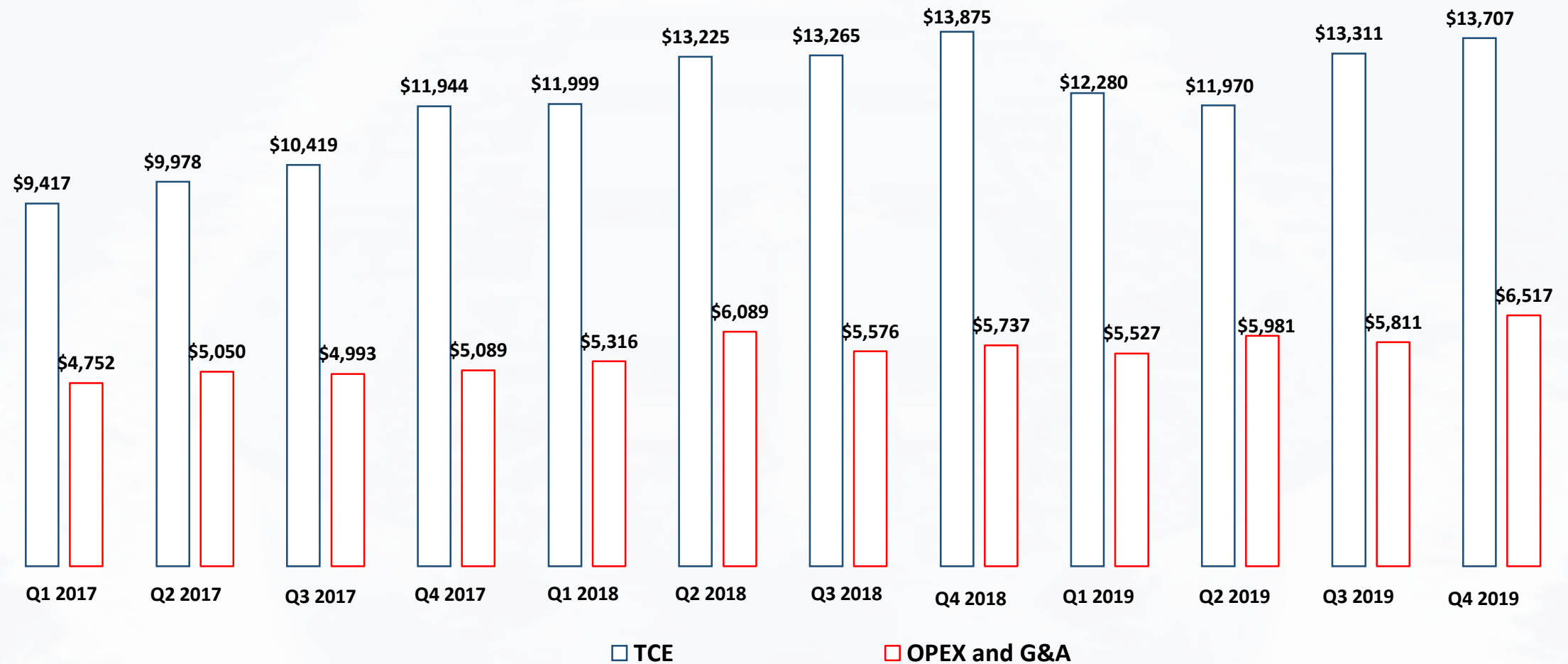
Data as of February 21, 2020. \$113.8 million in cash and bank time deposits, \$14.2 million in restricted cash, \$20.0 million available under the unsecured revolving credit facility and \$26.4 million secured under a commitment from a bank for the post-delivery financing of a newbuild Post-Panamax class vessel.

## Debt profile following refinancing in millions USD



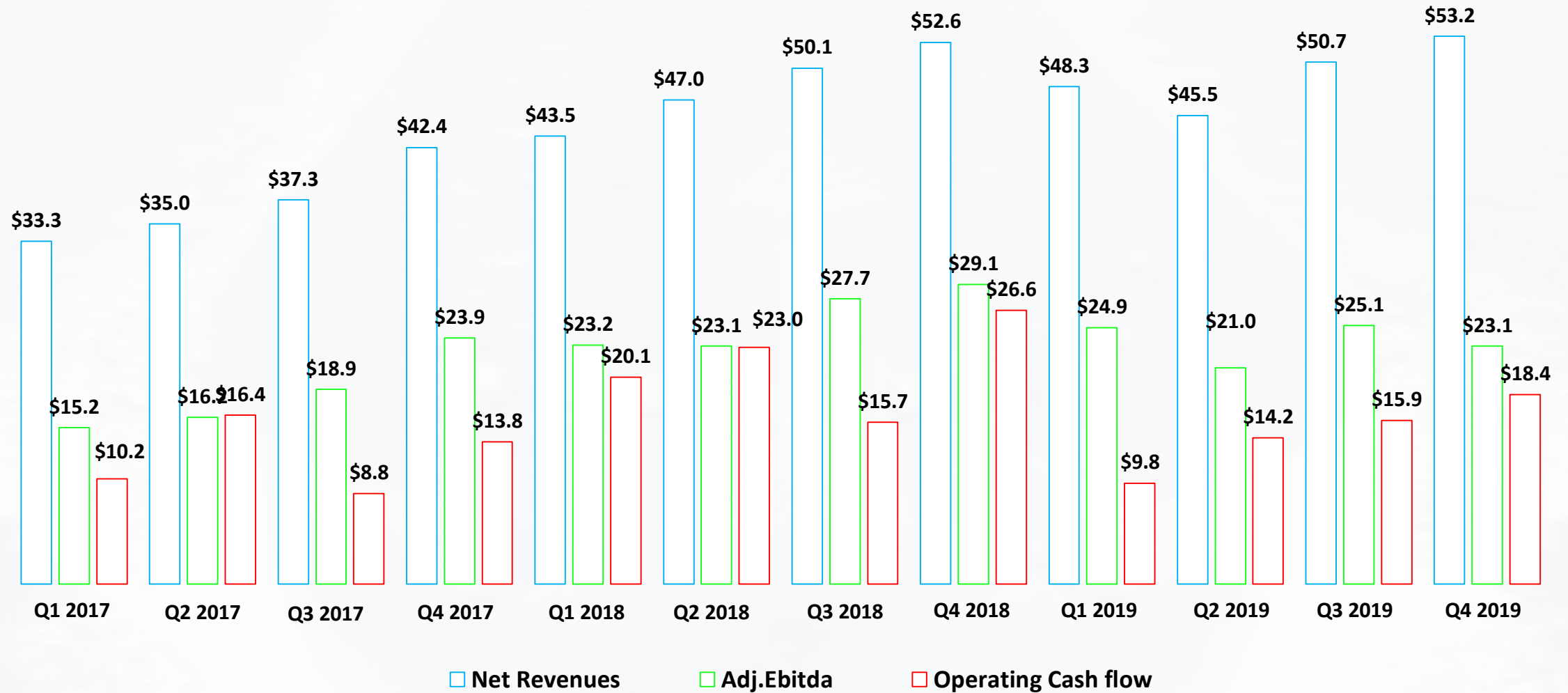
The repayment schedule of the Company on a pro-forma basis taking into account the sale and lease back transactions which were completed in January 2020, compared to the repayment schedule as of December 31, 2019.

# Daily TCE<sup>(1)</sup> vs. daily OPEX <sup>(2)</sup> and G&A <sup>(3)</sup> expenses



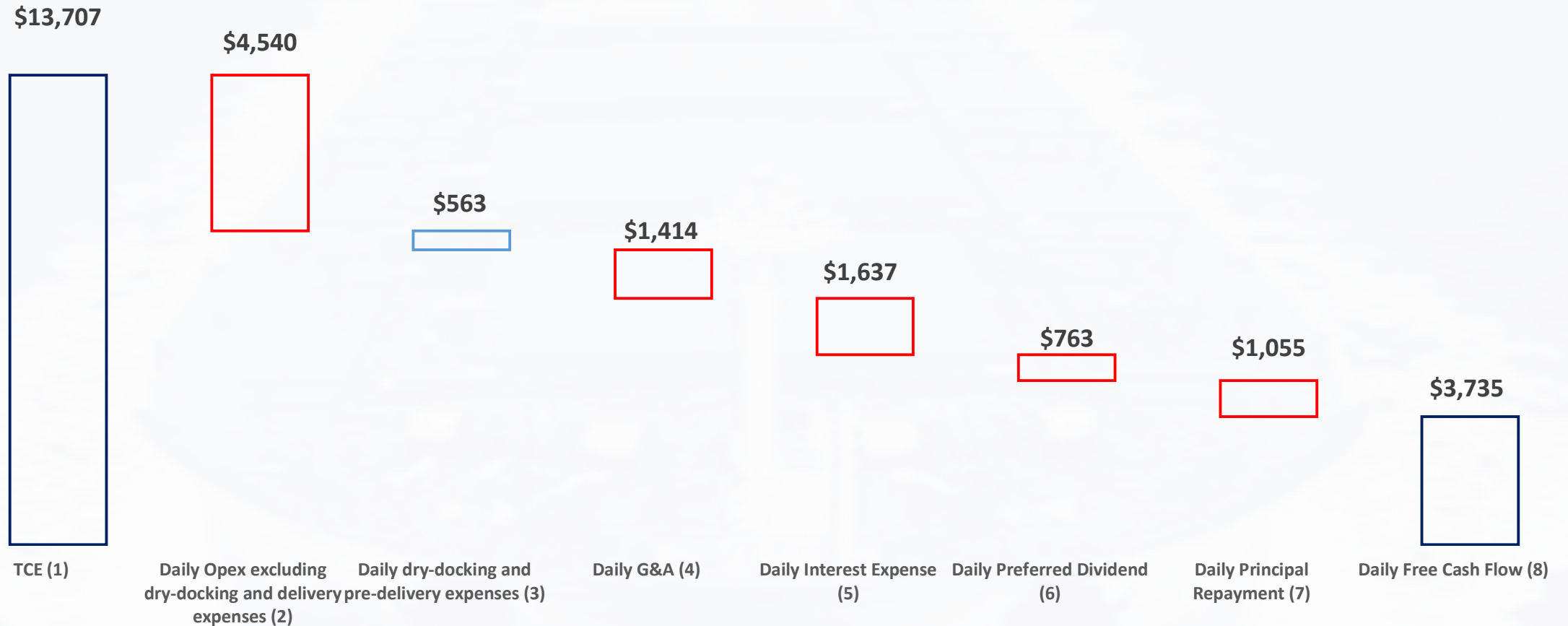
1. Time charter equivalent rate, or TCE rate, represents our charter revenues less commissions and voyage expenses during a period divided by the number of available days during such period. TCE rate is a standard shipping industry performance measure used primarily to compare daily earnings generated by vessels on period time charters and spot time charters with daily earnings generated by vessels on voyage charters, because charter rates for vessels on voyage charters are generally not expressed in per day amounts, while charter rates for vessels on period time charters and spot time charters generally are expressed in such amounts. We have only rarely employed our vessels on voyage charters and, as a result, generally our TCE rates approximate our time charter rates. Daily vessel operating expenses and daily general and administrative expenses are calculated by dividing vessel operating expenses and general and administrative expenses for the relevant period by ownership days for such period. Vessel operating expenses include crewing, insurance, lubricants, spare parts, provisions, stores, repairs, maintenance including dry-docking, statutory and classification expenses and other miscellaneous items.
2. Daily vessel operating expenses are calculated by dividing vessel operating expenses for the relevant period by ownership days for such period. Vessel operating expenses include crewing, insurance, lubricants, spare parts, provisions, stores, repairs, maintenance including dry-docking, statutory and classification expenses and other miscellaneous items.
3. Daily general and administrative expenses are calculated by dividing general and administrative expenses for the relevant period by ownership days for such period. Daily general and administrative expenses include daily management fees payable to our Managers and daily company administration expenses.

# Net revenues - Adjusted EBITDA - Operating cash flow



Data as of quarter-end in million U.S. \$. EBITDA and Adjusted EBITDA are non-GAAP measures. EBITDA represents Net income/(loss) before interest, income tax expense, depreciation and amortization. Adjusted EBITDA represents EBITDA before loss on sale of assets, gain/(loss) on derivatives,, early redelivery cost and gain/(loss) on foreign currency. For further analysis and reconciliation of EBITDA and Adjusted EBITDA please refer to Safe Bulkers Inc., earnings press release issued February 26, 2020.

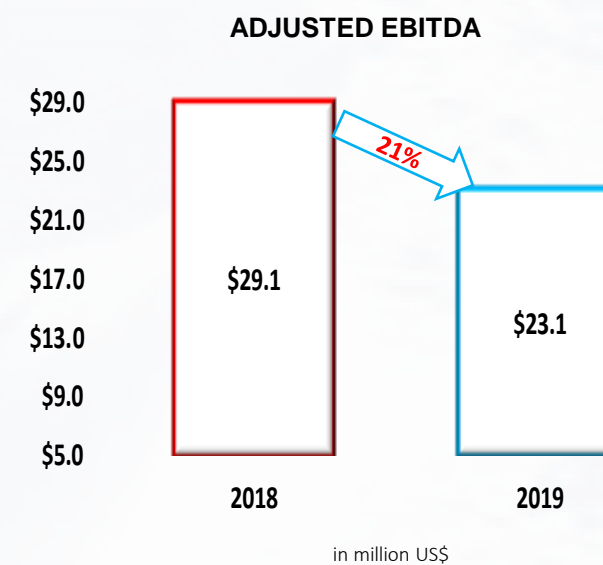
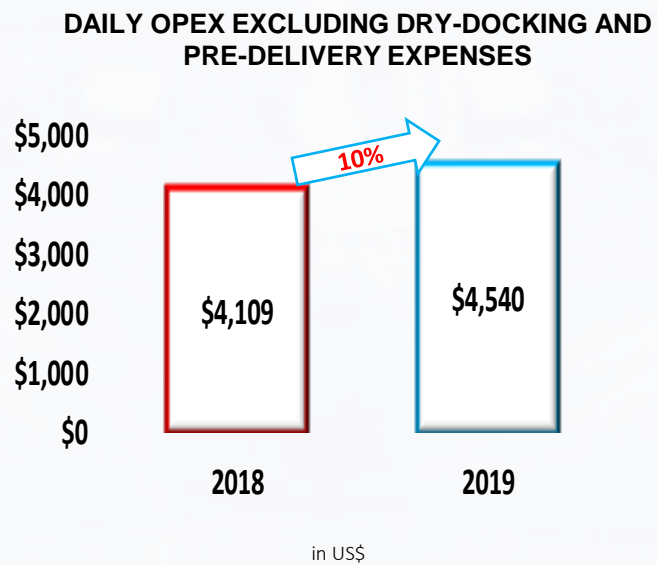
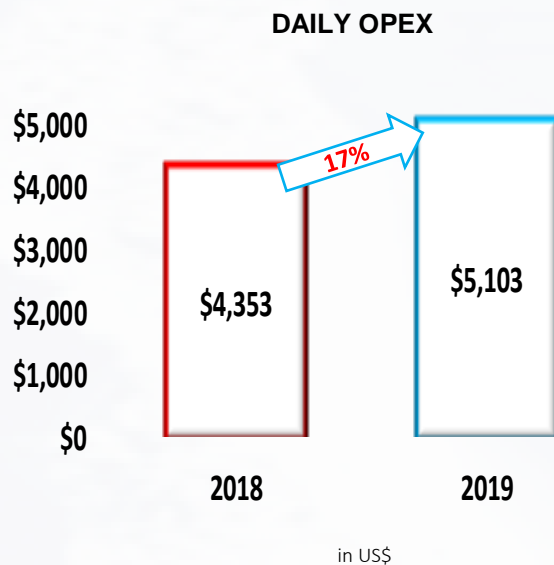
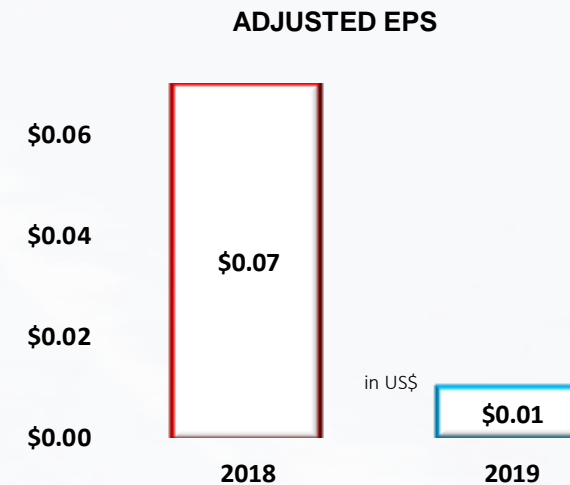
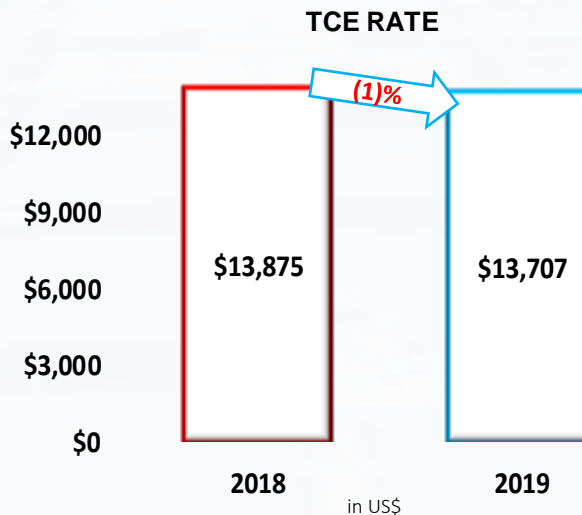
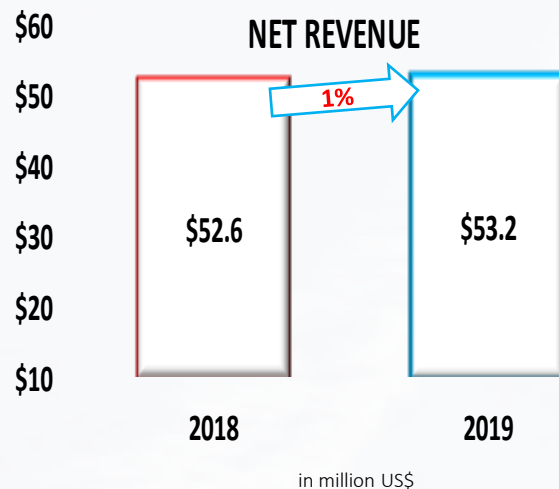
# Break-Even Point Q4 2019



1. Time charter equivalent rate, or TCE rate, represents charter revenues less commissions and voyage expenses during a period divided by the number of available days during such period.
2. Daily vessel operating expenses excluding dry-docking and pre-delivery expenses are calculated by dividing vessel operating expenses excluding dry-docking and pre-delivery expenses for the relevant period by ownership days for such period. Dry-docking expenses include costs of shipyard, paints and agent expenses and pre-delivery expenses include initially supplied spare parts, stores, provisions and other miscellaneous items provided to a newbuild or second hand acquisition prior to their operation.
3. Daily dry-docking and pre-delivery expenses are calculated by dividing dry-docking and pre-delivery expenses for the relevant period by ownership days for such period. Dry-docking expenses include costs of shipyard, paints and agent expenses and pre-delivery expenses include initially supplied spare parts, stores, provisions and other miscellaneous items provided to a newbuild or second hand acquisition prior to their operation.
4. Daily general and administrative expenses include daily management fees and daily company administration expenses. Daily general and administrative expenses are calculated by dividing general and administrative expenses for the relevant period by ownership days for such period.
5. Daily interest expense includes daily interest incurred on outstanding indebtedness under our existing loan and credit facilities. Daily interest expense is calculated by dividing interest expense for the relevant period by ownership days for such period.
6. Daily preferred dividend includes daily preferred stock dividend. Daily preferred dividend is calculated by dividing preferred dividend for the relevant period by ownership days for such period.
7. Daily Principal repayment includes daily principal repayment expense. Daily principal repayment expense is calculated by dividing net principal repayments for the relevant period by ownership days for such period.
8. Daily Free Cash Flow represents TCE rate less Daily vessel operating expenses, daily general and administrative expenses, daily interest expense, daily preferred dividend and daily principal repayment.



# Quarterly financial highlights



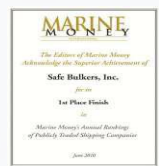
For definition of Adjusted EBITDA, Adjusted loss per share (Adjusted LPS), Daily operating expenses (Daily Opex), Daily general and administrative expenses (Daily G&A) and Time charter equivalent rate (TCE) please refer to the earnings press release issued February 26 2020.

	Three-Months Period Ended December 31,		Twelve-Months Period Ended December 31,	
	2018	2019	2018	2019
<b><u>FLEET DATA</u></b>				
Number of vessels at period's end	41	41	41	41
Average age of fleet (in years)	8.33	9.33	8.33	9.33
Ownership days	3,772	3,772	14,568	14,965
Available days	3,684	3,516	14,258	14,373
Operating days	3,642	3,407	14,075	14,012
Fleet utilization on ownership days	96.6 %	90.3 %	96.6 %	93.6 %
Fleet utilization on available days	98.9 %	96.9 %	98.7 %	97.5 %
Average number of vessels in the period	41.00	41.00	39.91	41.00
<b><u>AVERAGE DAILY RESULTS</u></b>				
Time charter equivalent rate	\$ 13,875	\$ 13,707	\$ 13,102	\$ 12,805
Daily vessel operating expenses	\$ 4,353	\$ 5,103	\$ 4,360	\$ 4,582
Daily vessel operating expenses excluding dry-docking and pre-delivery expenses	\$ 4,109	\$ 4,540	\$ 4,141	\$ 4,257
Daily general and administrative expenses	\$ 1,384	\$ 1,414	\$ 1,321	\$ 1,379
<b><u>TIME CHARTER EQUIVALENT RATE RECONCILIATION</u></b>				
(In thousands of U.S. Dollars except for available days and Time charter equivalent rate)				
Revenues	\$ 54,946	\$ 55,711	\$ 201,548	\$ 206,682
Less commissions	(2,373)	(2,465)	(8,357)	(8,921)
Less voyage expenses	(1,458)	(5,051)	(6,378)	(13,715)
Time charter equivalent revenue	\$ 51,115	\$ 48,195	\$ 186,813	\$ 184,046
Available days	3,684	3,516	14,258	14,373
Time charter equivalent rate	\$ 13,875	\$ 13,707	\$ 13,102	\$ 12,805

(1) For definitions of daily fleet data , average daily results and Time charter equivalent rate reconciliation please refer to the earnings press release issued February 26, 2020.

## Closure

- Safe Bulkers closed 2019 profitably;
- Retrofitted scrubbers on 15 out of 20 vessels in total, noting commercial and operational benefits;
- Concluded numerous fixtures with scrubber benefit at various levels of spread differential;
- Refinanced a large portion of our debt increasing our liquidity to over \$170 million, positioned ahead of uncertainties and opportunities that markets may offer;
- The first quarter of 2020 the charter market has shown weakness due to seasonality, intensified by the Novel Coronavirus outbreak, the full impact of which is not yet known;
- We are closely monitoring the evolving situation, having rescheduled the remaining 5 scrubber installations for the second quarter of 2020;
- Market prerequisites are there for a market rebound after the Corona virus impact fully utilizes.



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