



Second Quarter 2012 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

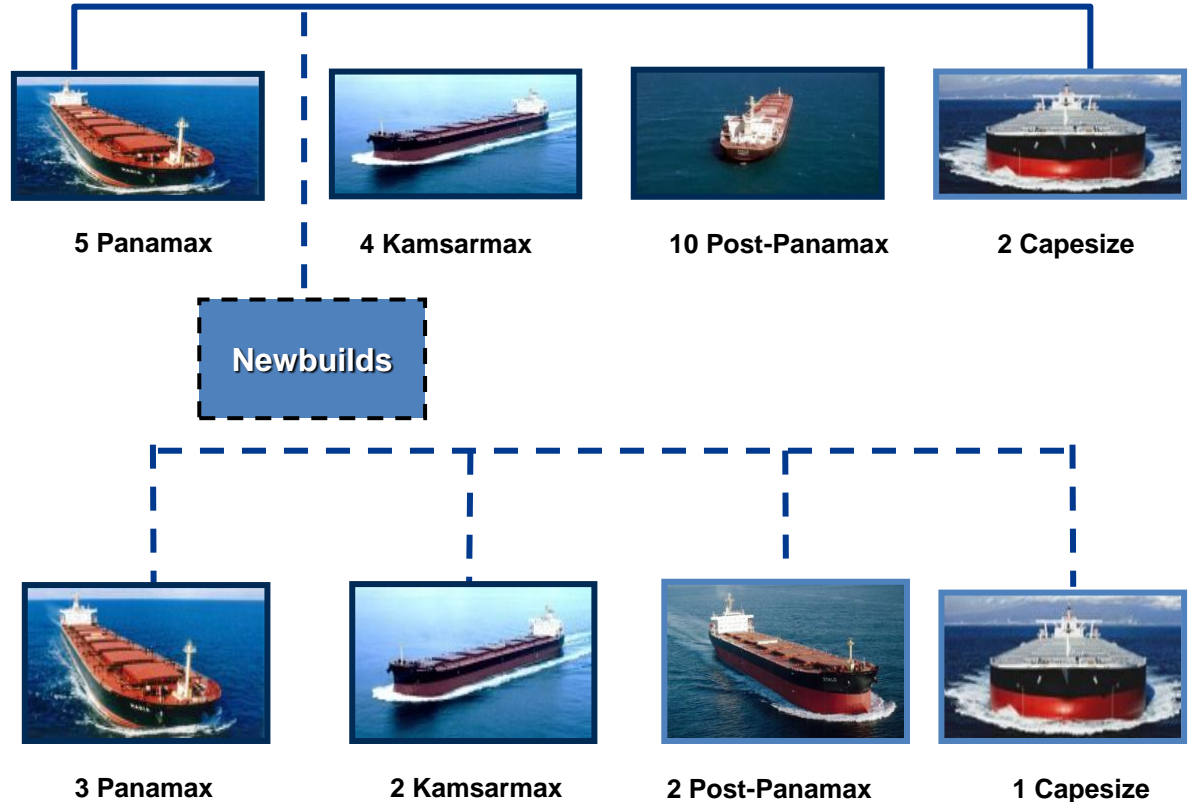
Konstantinos Adamopoulos
Chief Financial Officer

Ioannis Foteinos
Chief Operating Officer

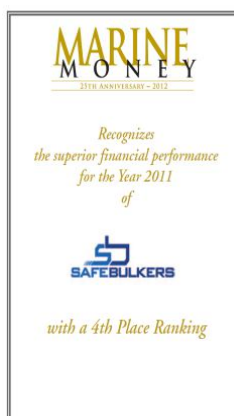
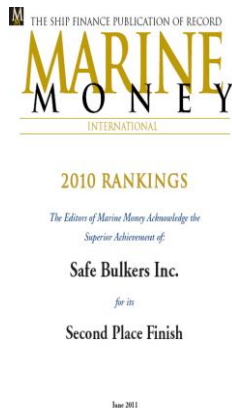
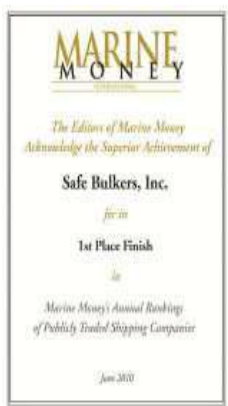
Highlights as of

July 31, 2012:

- Current fleet: 21 vessels
- Classes:
Panamax to Capes
75,000 dwt to 178,000 dwt
- Transport coal, grain, iron ore and other dry-bulk commodities
- Fleet age: 4.2 years
- Fleet age upon all scheduled deliveries by 2014 : 5.2 years
- Contracted fleet expansion:
8 newbuilds
- Very high spec ships from quality yards



COMPANY OVERVIEW - MARKET CONDITIONS - COMPANY STRATEGY

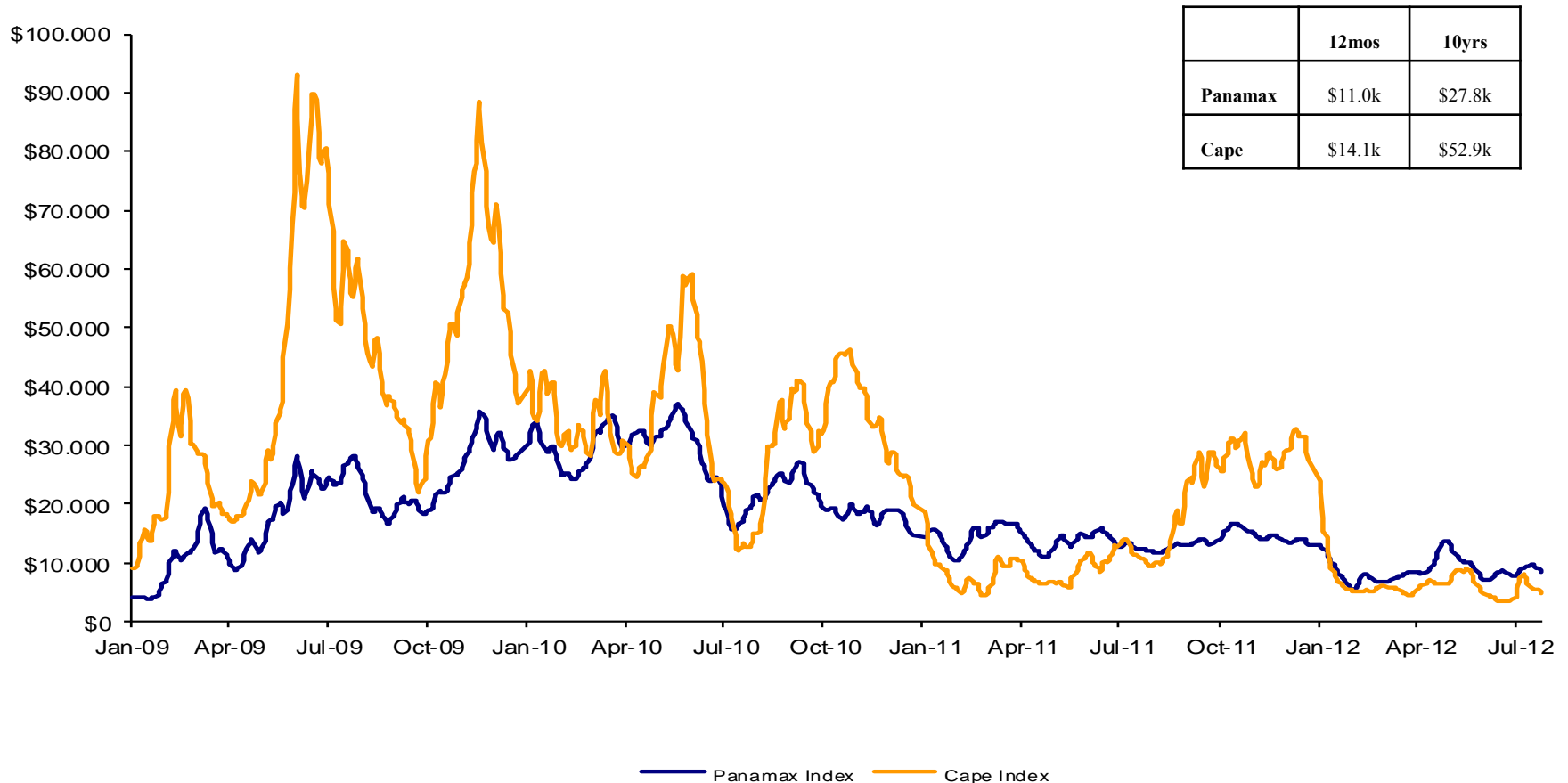


- Long history in shipping industry over many shipping cycles
- Operational excellence
- Hands - on business approach
- Interests of Management fully aligned with shareholders
- Recognized consistent management policies over the years

Highlights:

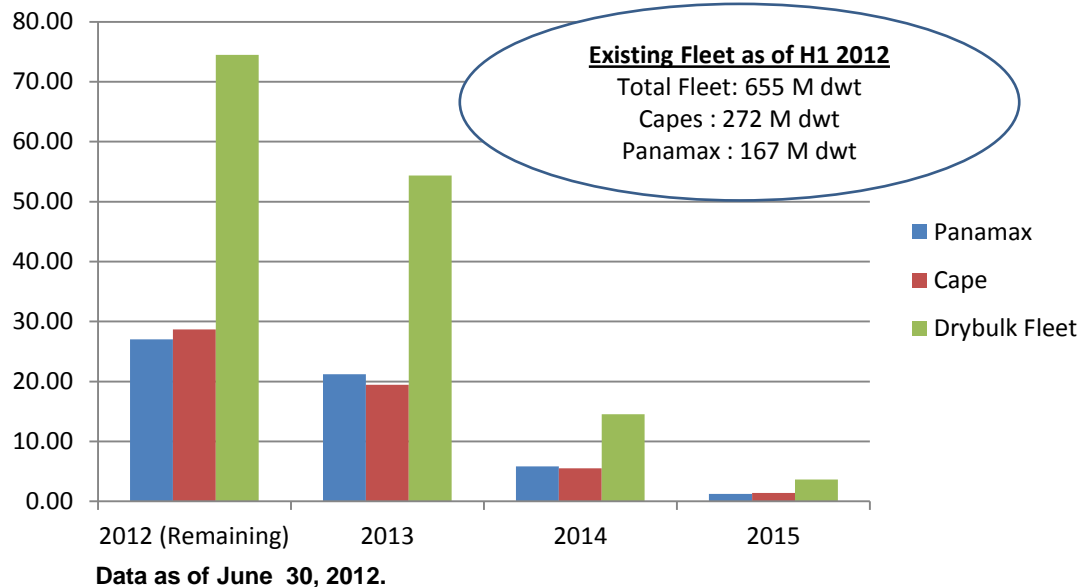
- Alassia Steamship 1958
- Safety Management Overseas 1993 (our Manager)
- Safe Bulkers 2007
- SB IPO 2008 NYSE
- Follow-on Offering: March 2010 \$75.0 M Net
- Follow-on Offering: April 2011 \$39.6 M Net
- Follow-on Offering: March 2012 \$35.3 M Net
- Polys Hajioannou invests in shipping only through Safe Bulkers Inc.
- SB ranked “Best Performing Shipping Company for the Year 2009” by Marine Money International
- SB awarded “Best Dry Cargo Company for 2010” at 7th Annual Lloyds List Greek Shipping Awards
- SB ranked “Second Best Performing Shipping Company for the Year 2010” by Marine Money International
- SB ranked “Fourth Best Performing Shipping Company for the Year 2011” by Marine Money International

Daily Closing of Average 4TC

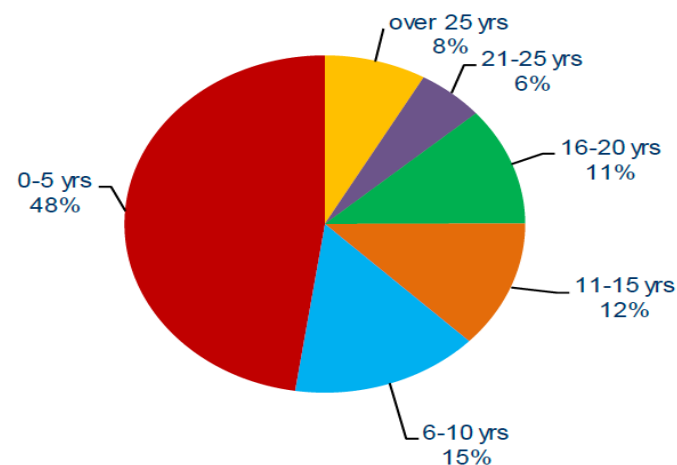


COMPANY OVERVIEW - MARKET CONDITIONS - COMPANY STRATEGY

Orderbook (million tons)



Ageing of Dry Bulk Fleet

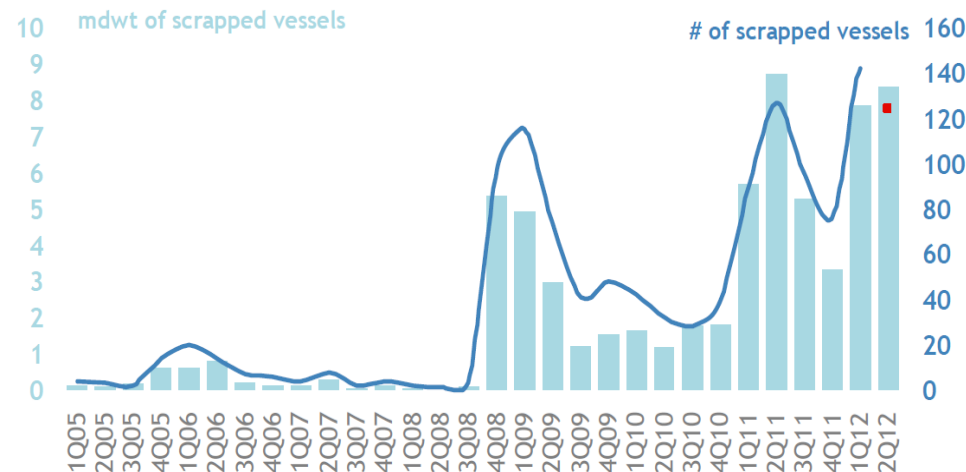


Data as of June 30, 2012.

Highlights:

- Slippage or cancellations expected to account for approximately 20% of the order-book
- Scrapping during 2011 amounted 23,8 mil dwt tones
- Scrapping in 1st Half 2012 amounts 17,6 mil dwt tones

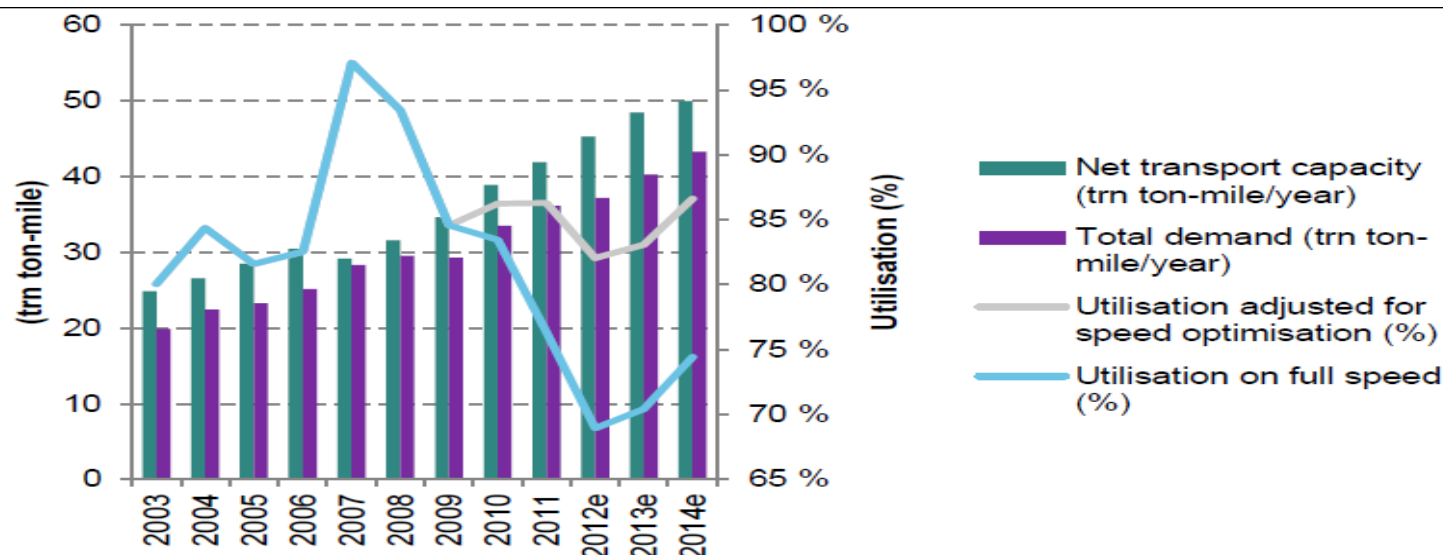
Dry Bulk Scrapping Activity



Source: Clarksons, Morgan Stanley Research

Data as of June 30, 2012.

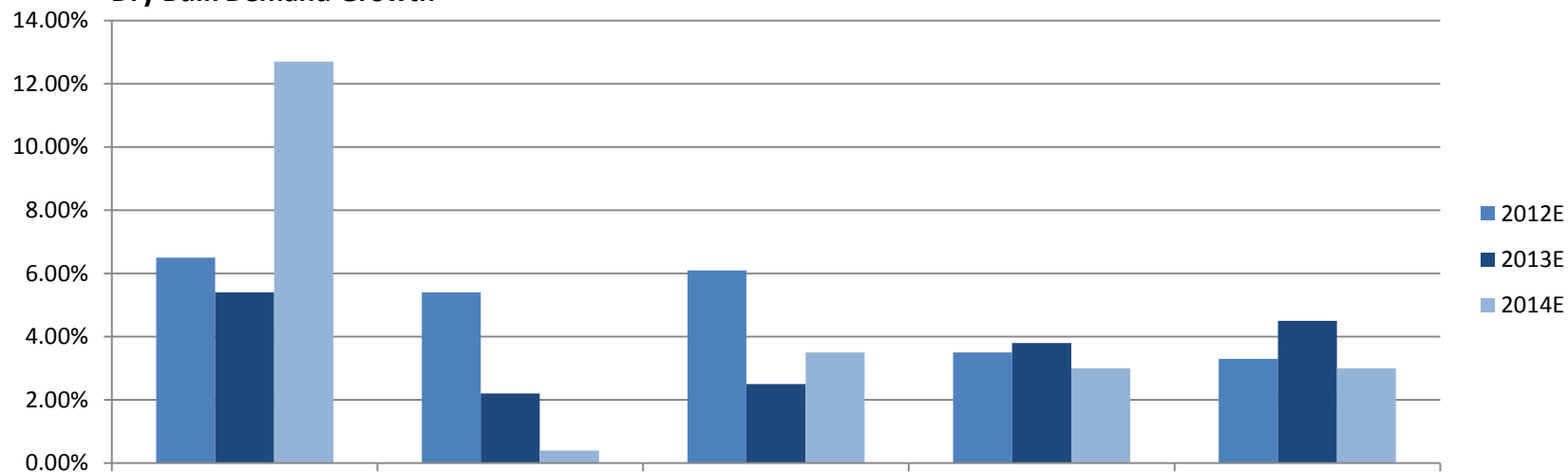
COMPANY OVERVIEW - MARKET CONDITIONS - COMPANY STRATEGY



Source: DNB Markets, Clarksons

Data as of June 30, 2012.

Dry Bulk Demand Growth



Source: Deutsche Bank

Data as of June 30, 2012.

COMPANY OVERVIEW - MARKET CONDITIONS - **COMPANY STRATEGY**

- **Asset Management:** We invest in newbuilds with modern, fuel-efficient, shallow-drafted design, in the low part of the cycle.
- **Chartering Policy:** We employ our vessels in period and spot charter market with established reputable customers to maximize profits and maintain future cash flow visibility.
- **Operations Policy:** Young, modern, flexible and fuel efficient fleet with low operating expenses and high utilization ratio.
- **Financing Policy:** Strong Balance Sheet and Liquidity ensuring financial flexibility and possibility to invest, comfortable low-cost debt in compliance with financial covenants.
- **Dividend Policy:** Prudent meaningful dividend policy ensuring company's expansion and rewarding investors.

SAFE BULKERS ASSET MANAGEMENT POLICY

POLICY

- Invest in the lower part of the cycle
- Invest mainly in newbuild vessels
- Cooperate with quality shipyards

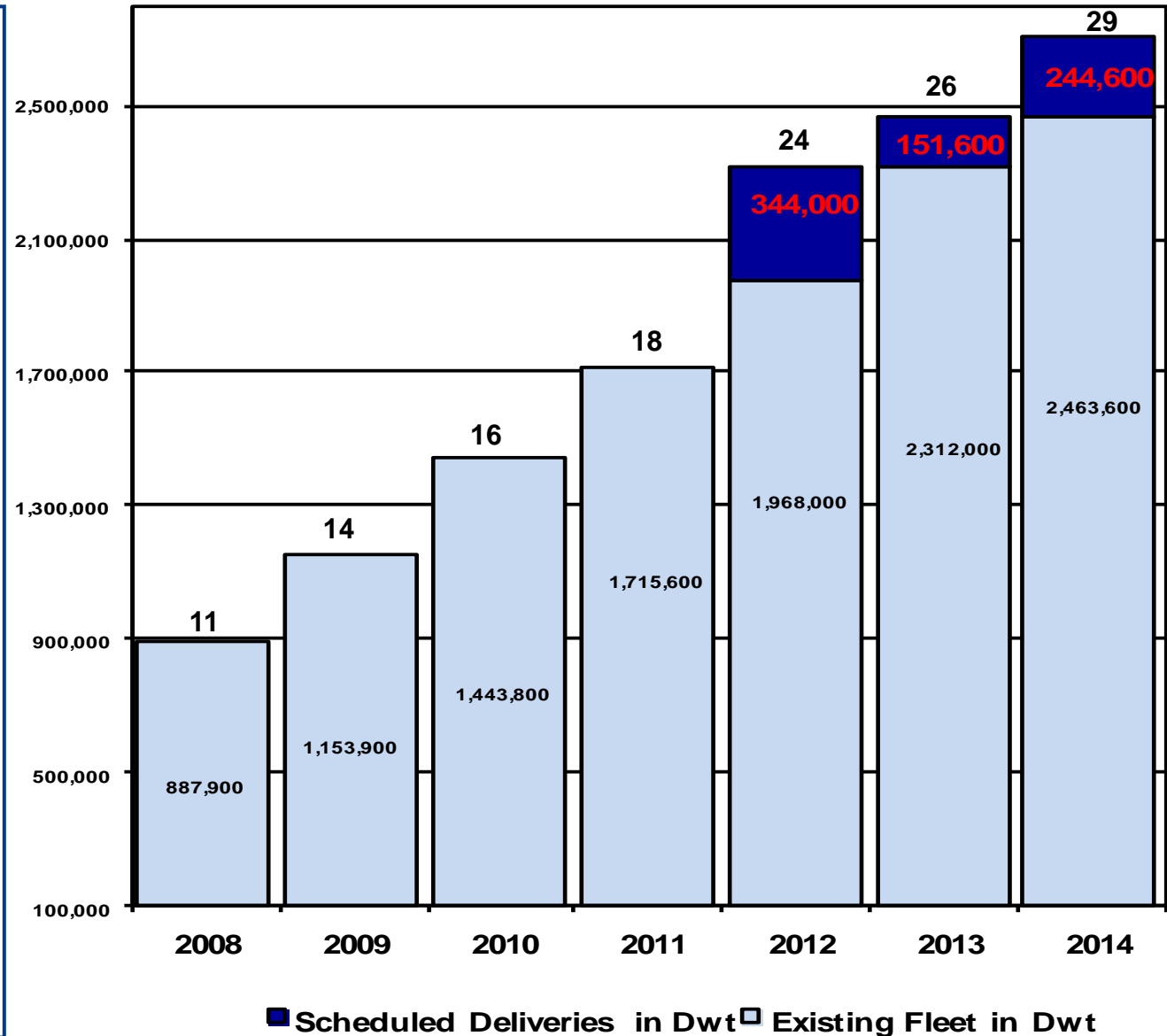
FLEET EXPANSION

- Contracted expansion by 38% to 29 vessels by 2014.

VESSEL SPECIFICATIONS

Focusing on:

- Fuel efficient designs to compete
- Shallow-drafted designs to carry more cargo in the same draft
- Incorporation of latest environmental regulations



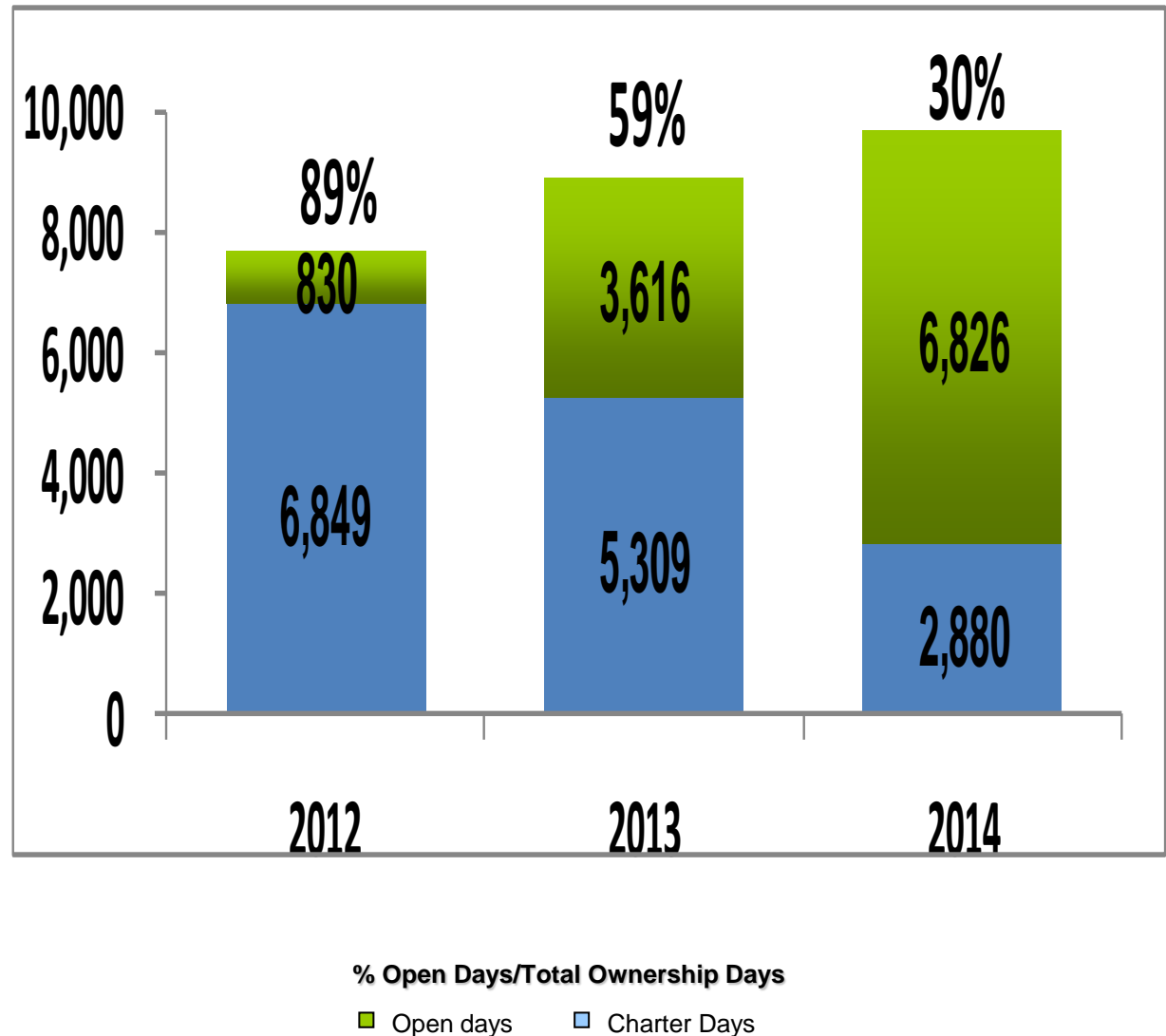
Data as of July 31, 2012.

SAFE BULKERS CHARTERING POLICY

11

POLICY

- Balance of long-term period and spot charter employment.
- Employment in long-term period time charters to provide visibility in future cash flows.
- Selection of counterparties to ensure future cash flows.
- Employment in spot charters to maintain flexibility in low charter market conditions, and provide better profitability in high charter markets
- Substantial charter coverage of anticipated ownership days for 2012, 2013 and 2014



Data as of July 31, 2012. Including vessels to be delivered that have already been chartered-out.

SAFE BULKERS CHARTERING POLICY

12

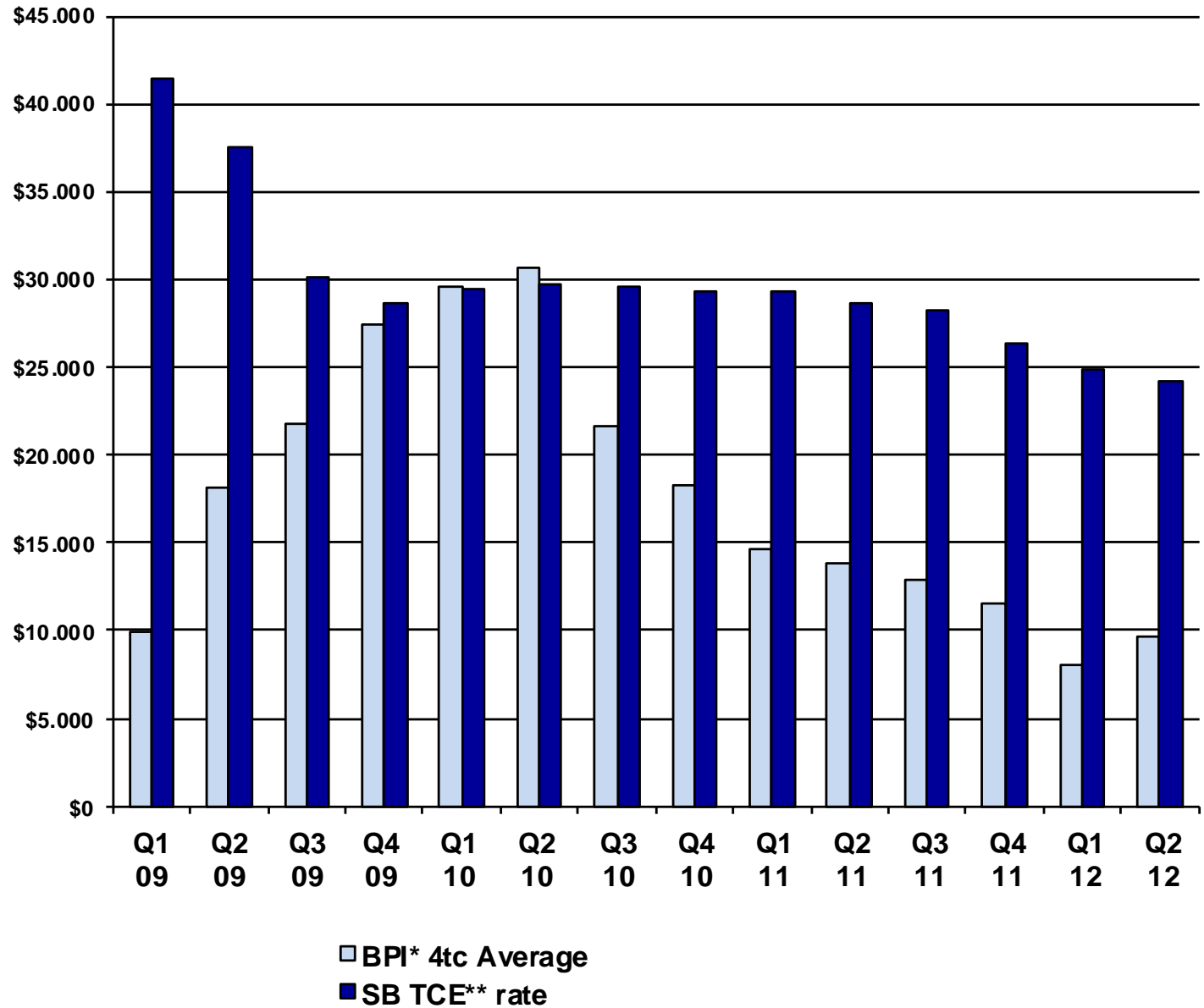
- ✓ Cooperation with well established reputable charterers
- ✓ Cautious monitoring of current market conditions



SAFE BULKERS CHARTERING POLICY

13

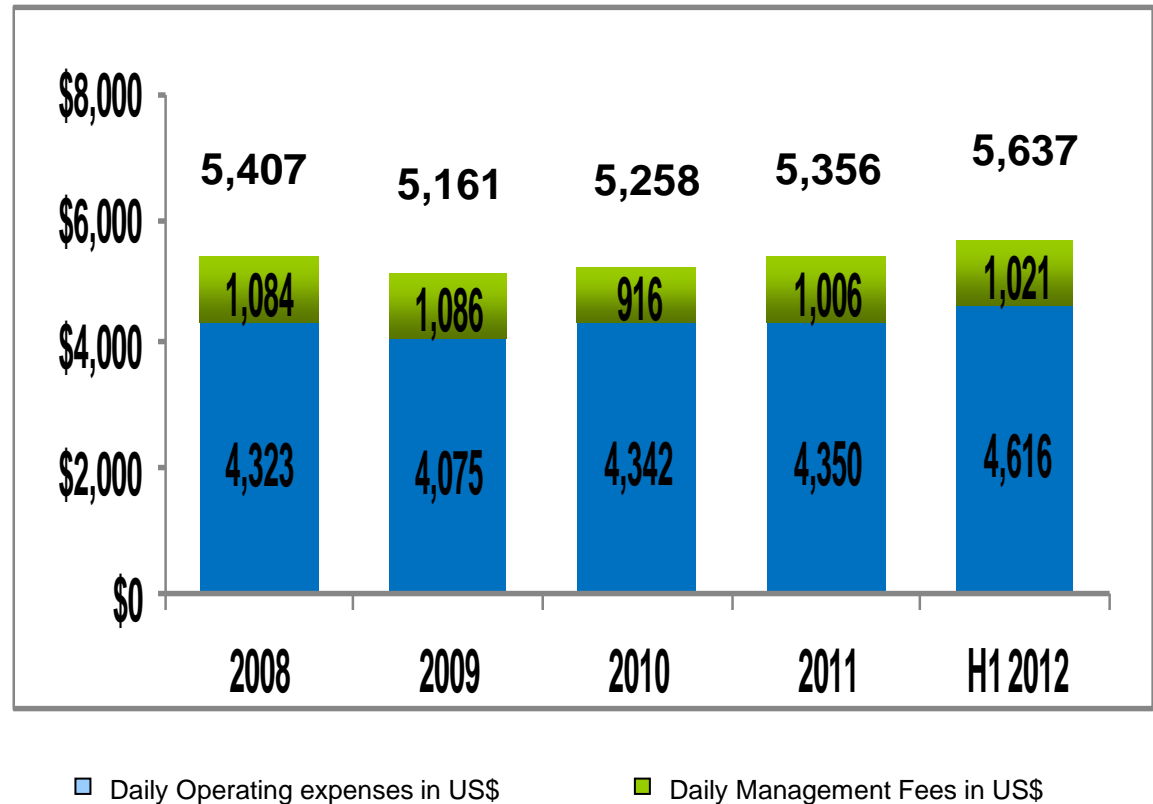
Outperform
BPI in most
cases



SAFE BULKERS OPERATION POLICY

14

- Vessels managed by Safety Management Overseas
- Exclusive 10 year management agreement
- Competitive operations compared to industry
- High fleet utilization rate
- Experienced team in operations, technical support and newbuild supervision
- Low average fleet age
- High quality vessels
- Sister-ship factor

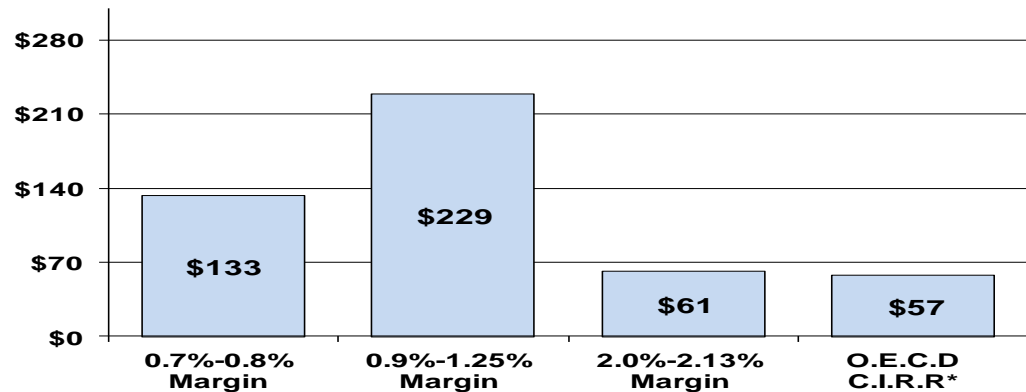


SAFE BULKERS FINANCIAL POLICY

15

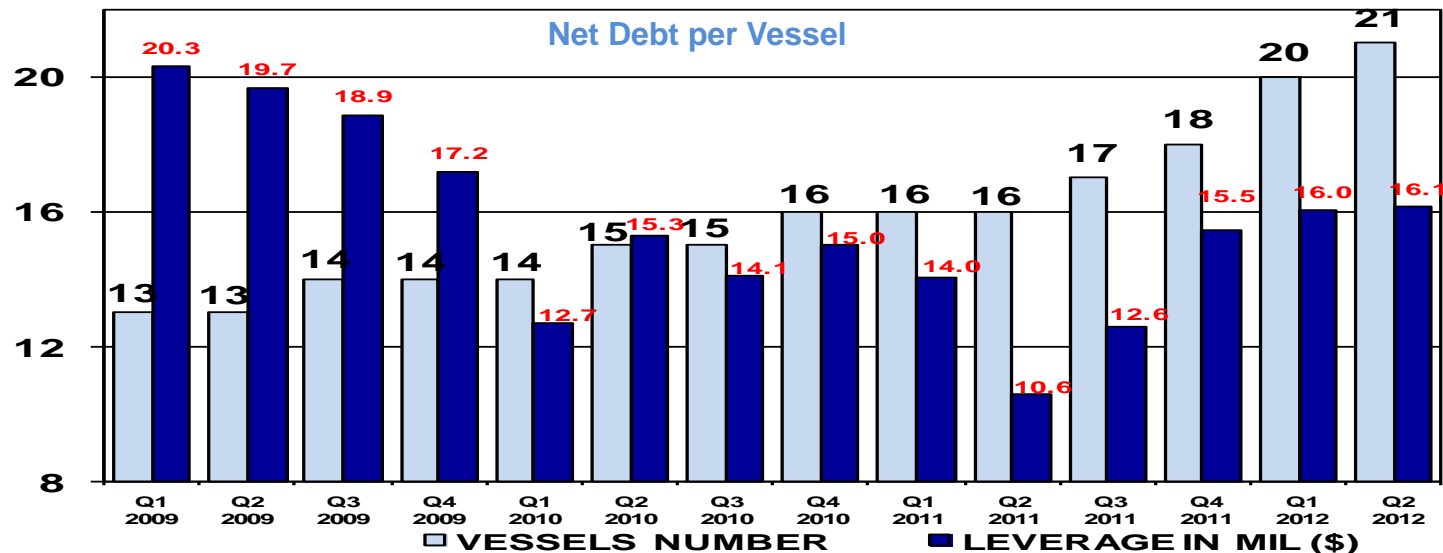
- Financing with equity and debt
- Maintain comfortable leverage in line with financial covenants
- Low financing costs

Allocation of Debt per Margin Level**



* Debt in O.E.C.D Commercial Interest Reference Rate

** As of June 30, 2012

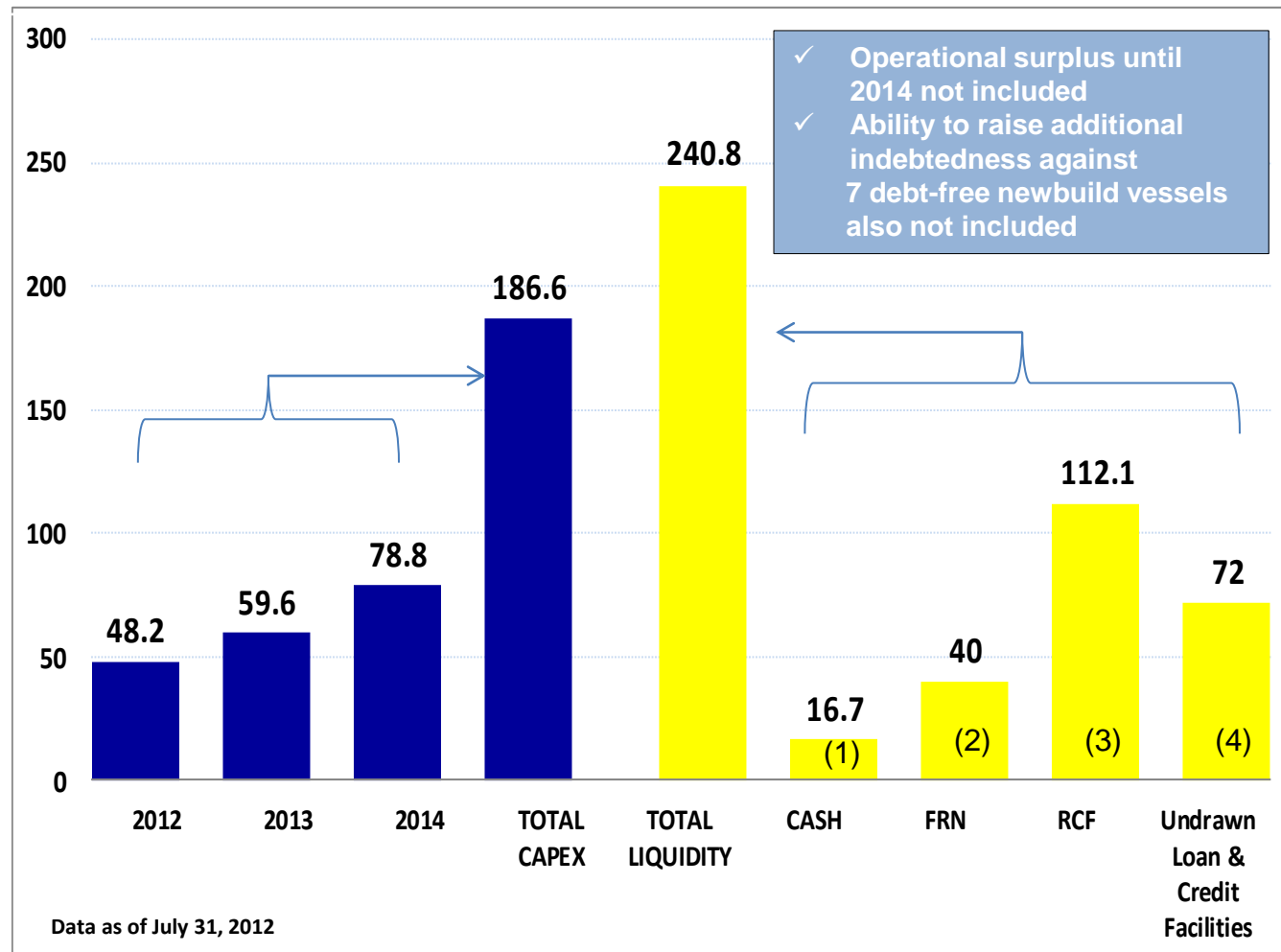


As of June 30, 2012 Net debt per vessel consists of total debt less cash, time deposits, restricted cash, long-term floating rate note and advances for newbuilds divided by number of vessels "in the water" as of quarter end. Assumption: Contracted value of newbuilds equals market value.

SAFE BULKERS FINANCIAL POLICY

16

- Strong Balance Sheet
- Liquidity to ensure current capex requirements
- Flexibility to invest in low point of the cycle



- (1) Cash, short-term time deposits and long-term restricted cash
- (2) 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
- (3) Available under existing revolving reducing credit facilities (RCF)
- (4) Undrawn loan and credit facilities

SAFE BULKERS DIVIDEND POLICY

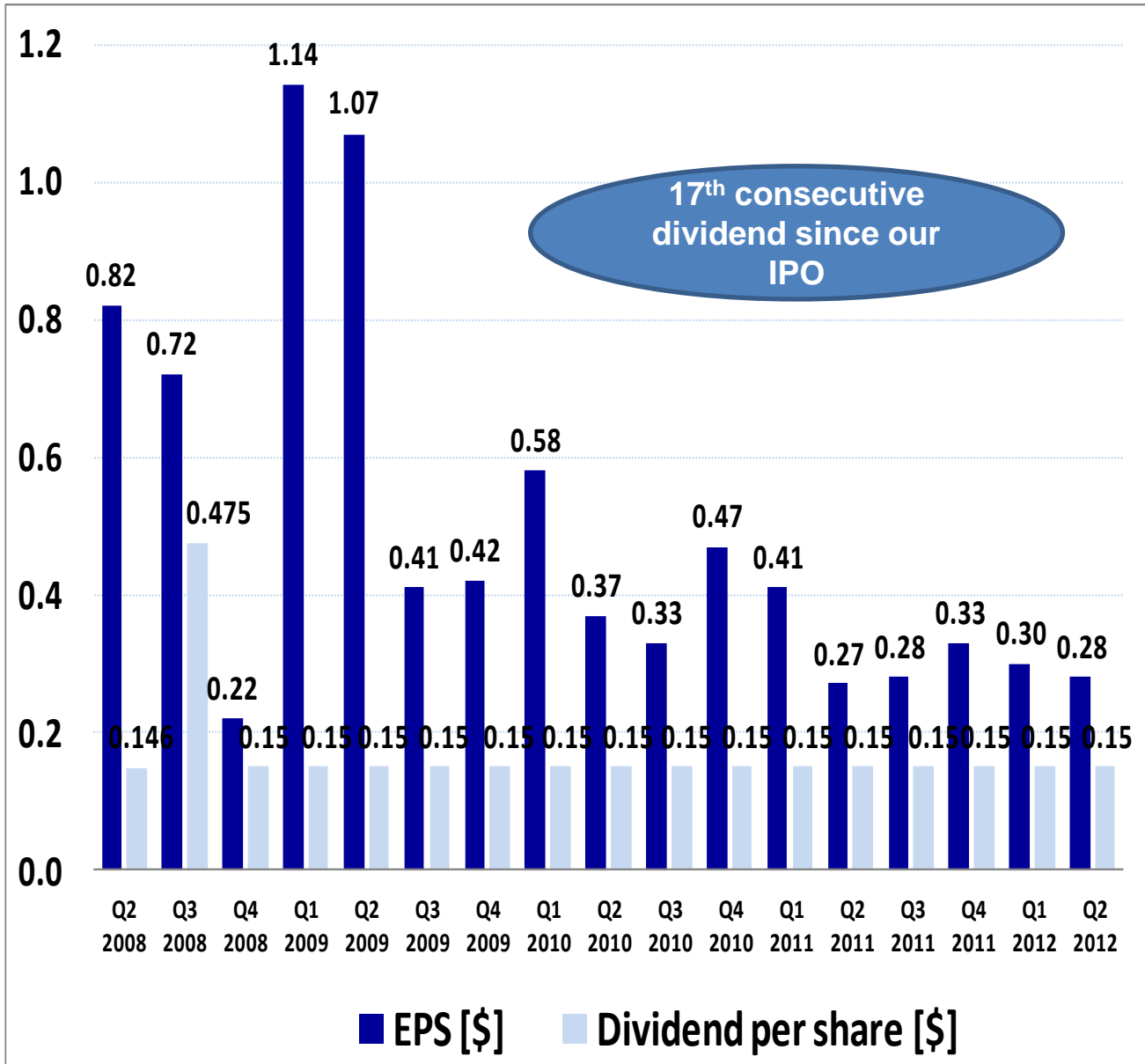
17

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.

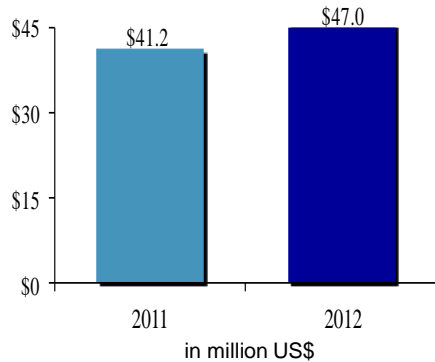
Accordingly, dividends might be reduced or not be paid in the future.



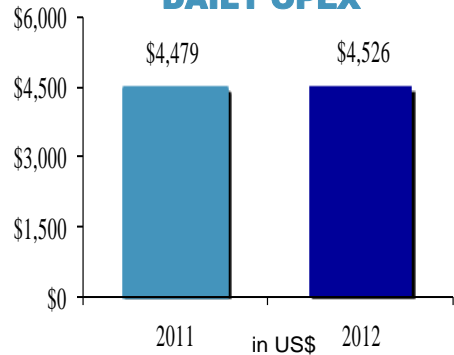
Comparison of Selected 3 Month Financial Results

18

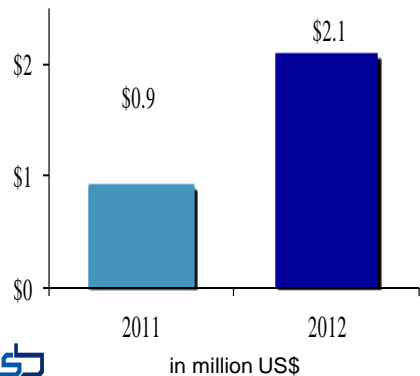
NET REVENUE



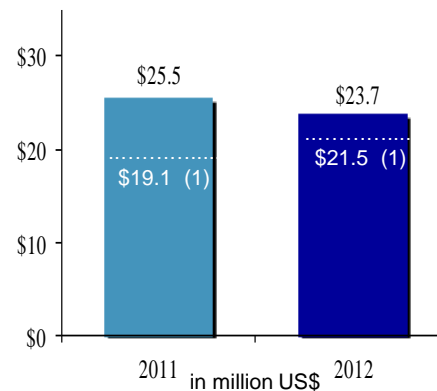
DAILY OPEX



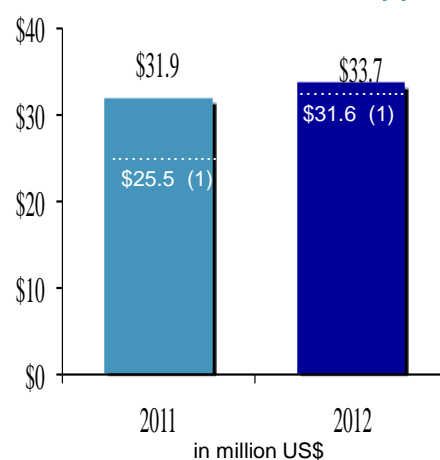
INTEREST EXPENSE



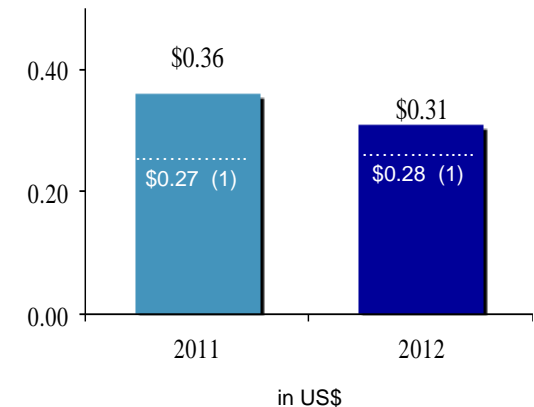
ADJUSTED NET INCOME (2)



ADJUSTED EBITDA (2)



ADJUSTED EPS (2)



(1) Non-Adjusted figures.

(2) EBITDA represents net income before interest, income tax expense, depreciation and amortization. The Company excluded gain/(loss) on sale of assets, early redelivery income/(cost) and 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 21.

Second Quarter 2011 and 2012 Summary of Financial Results

19

(In million US\$, except for per share data)	Q2 2011	Q2 2012	%Δ
Net Revenues	41.2	47.0	14%
Net Income Adjusted Net Income	19.1 25.5	21.5 23.7	13% (7)%
EBITDA (*) ADJUSTED EBITDA	25.5 31.9	31.6 33.7	24% 6%
Earnings per Share EPS(*) ADJUSTED EPS	0.27 0.36	0.28 0.31	

* For definition and reconciliation of EBITDA, Adjusted EBITDA, Net Income, Adjusted Net Income, EPS and Adjusted EPS please refer to slide 21.

(In million US\$)	Dec 31, 2011	Jun 30, 2012	%Δ
Total Debt	484.3	479.7	(1)%
Shareholder's Equity	331.8	388.2	17%

Fleet Data 2012

	Three-Months Period Ended June 30,		Six-Months Period Ended June 30,	
	2011	2012	2011	2012
Number of vessels at period's end	16	21	16	21
Average age of fleet (in years)	4.30	4.14	4.30	4.14
Ownership days (1)	1,456	1,852	2,896	3,570
Available days (2)	1,448	1,852	2,888	3,570
Operating days (3)	1,443	1,825	2,883	3,541
Fleet utilization (4)	99.1%	98.5%	99.6%	99.2%
Average number of vessels in the period (5)	16.00	20.35	16.00	19.62

AVERAGE DAILY RESULTS

Time charter equivalent rate (6)	\$27,921	\$ 24,168	\$28,619	\$ 24,516
Daily vessel operating expenses (7)	\$4,479	\$ 4,526	\$4,235	\$ 4,616

- 1) Ownership days represent the aggregate number of days in a period during which each vessel in the Company's fleet has been owned by the Company.
- 2) Available days represent the total number of days in a period during which each vessel in the Company's fleet was in the Company's 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 the Company's available days in a period less the aggregate number of days that the Company's vessels are off-hire due to any reason, excluding scheduled maintenance.
- 4) Fleet utilization is calculated by dividing the number of the Company's operating days during a period by the number of the Company's 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 the Company's charter revenues less commissions and voyage expenses during a period divided by the number of the Company's 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.

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

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

	Three-Months Period Ended June 30,		Six-Months Period Ended June 30,	
	2011	2012	2011	2012
<u>Net Income - Adjusted Net Income</u>				
Net Income	19,107	21,543	46,415	43,156
Less Gain on of Assets	-	-	-	-
Less Early Redelivery Income	-	-	(101)	-
Plus Loss on Derivatives	6,145	2,127	6,151	3,368
Plus Foreign Currency Loss/(gain)	222	(10)	391	-
Adjusted Net Income	25,474	23,660	52,856	46,524
<u>EBITDA - Adjusted EBITDA</u>				
Net Income	19,107	21,543	46,415	43,156
Plus Net Interest Expense	684	1,799	2,114	3,343
Plus Depreciation	5,645	7,898	11,227	15,219
Plus Amortization	89	332	178	544
EBITDA	25,525	31,572	59,934	62,262
Less Gain on of Assets	-	-	-	-
Less Early Redelivery Income	-	-	(101)	-
Plus Loss on Derivatives	6,145	2,127	6,151	3,368
Plus Foreign Currency Loss/(gain)	222	(10)	391	-
ADJUSTED EBITDA	31,892	33,689	66,375	65,630
<u>EPS – Adjusted EPS</u>				
Net Income	19,107	21,543	46,415	43,156
Adjusted Net Income	25,474	23,660	52,856	46,524
Weighted average number of shares	70,116,022	76,653,848	68,010,508	74,261,399
EPS	0.27	0.28	0.68	0.58
Adjusted EPS	0.36	0.31	0.78	0.63

EBITDA represents net income before interest, income tax expense, depreciation and amortization. Adjusted EBITDA represents EBITDA before gain/(loss) on sale of assets, early redelivery income/(cost) and 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 from gain/(loss) on sale of assets, 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, 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 \$0.15 per share payable on or about August 31, 2012 to shareholders of record at the close of trading of the Company's common stock on the New York Stock Exchange (the "NYSE") on August 24, 2012.

The Company has 76,656,279 shares of common stock issued and outstanding as of August 6, 2012.

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.

SAFE BULKERS **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 as reflected in utilization rates.**
- **Young, modern, shallow drafted fleet of 21 drybulk vessels, all built after 2003.**
- **Significant contracted growth with 8 additional newbuild vessels .**
- **Extensive charter coverage with well established reputable customers and upside potential subject to market conditions.**
- **Strong balance sheet and liquidity provide financial flexibility.**
- **Prudent dividend policy.**
- **Proactive management team, aligned with public shareholders, implements strategic planning and policies adapted to market conditions.**

Company Contact

Dr. Loukas Barmparis

President

Safe Bulkers, Inc.

Athens, Greece

Tel: +30 (210) 8994980

Fax: +30 (210) 8954159

E-mail: directors@safebulk.com

Investor Relations/Media Contact

Matthew Abenante

Investor Relations Advisor

Capital Link Inc.

New York, USA

Tel: +1 (212) 661-7566

Fax: +1 (212) 661-7526

E-mail: safebulk@capitallink.com

