



Third 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

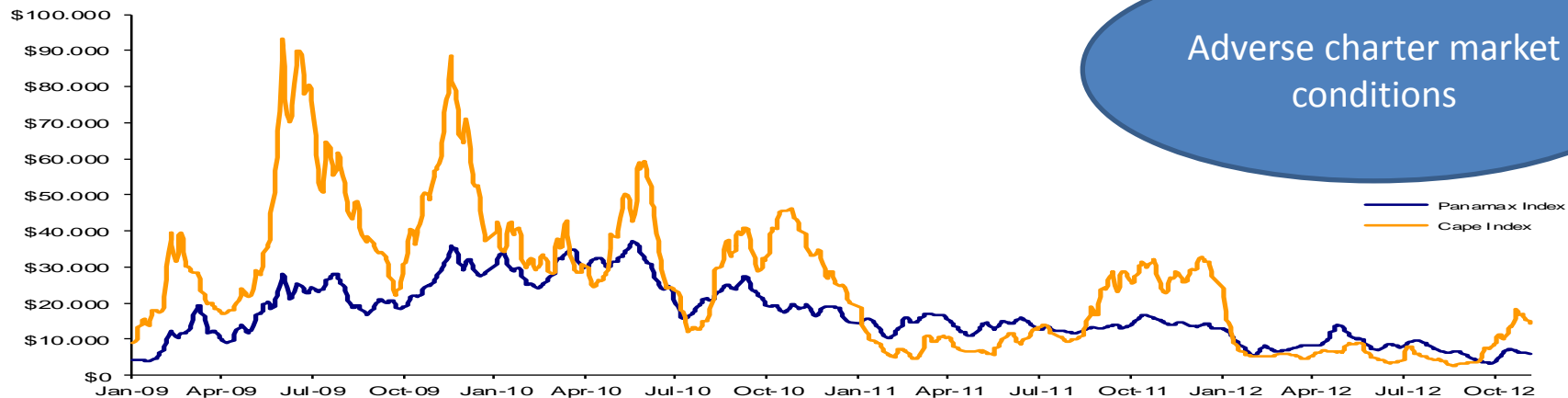
Ioannis Foteinos
Chief Operating Officer



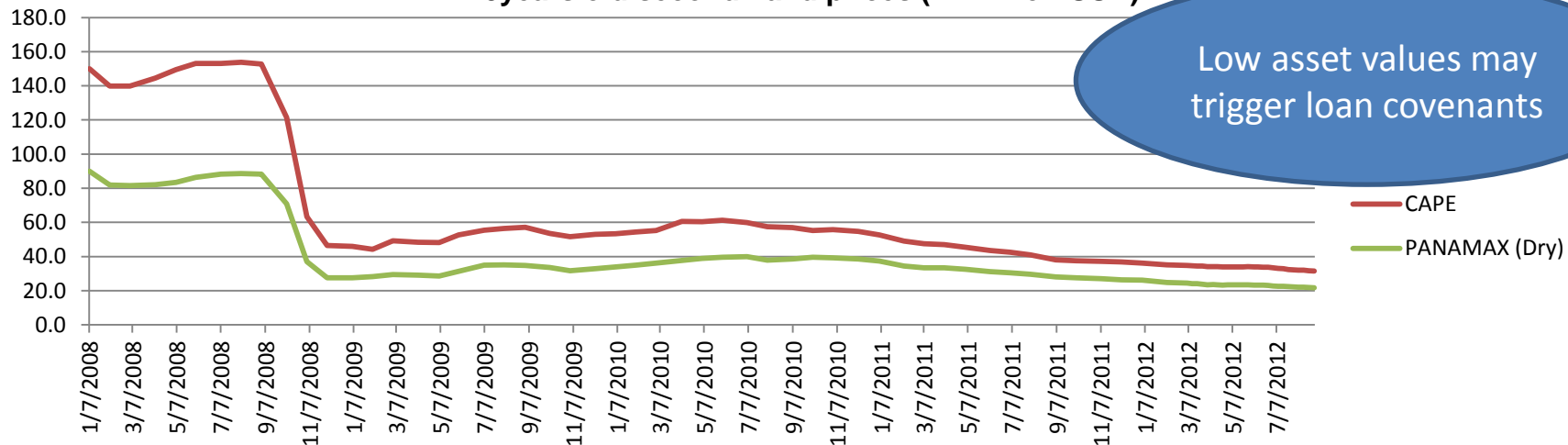
INDUSTRY SECTION

MARKET CONDITIONS

Daily Closing of Average 4TC



5years old second hand prices (in million USD)



Source: Baltic Exchange

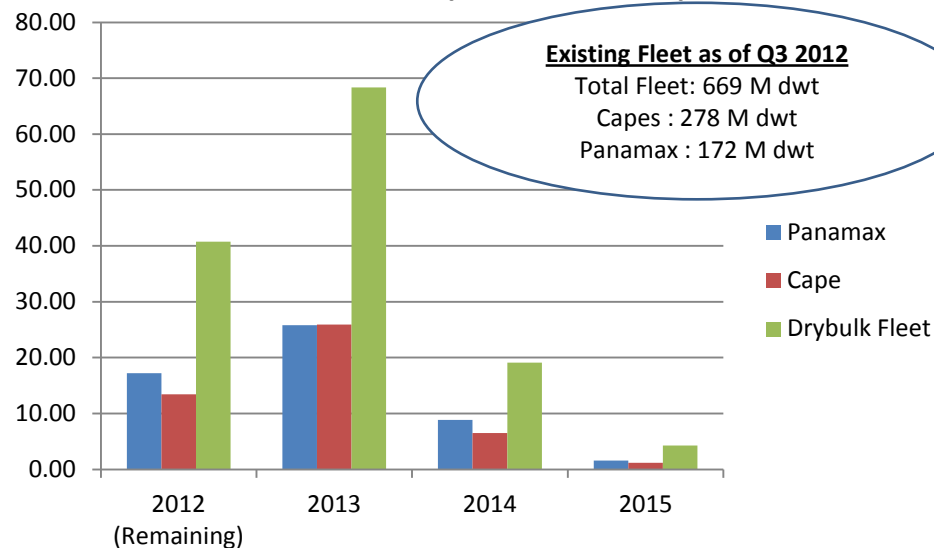
Data as of November 6, 2012.

MARKET CONDITIONS

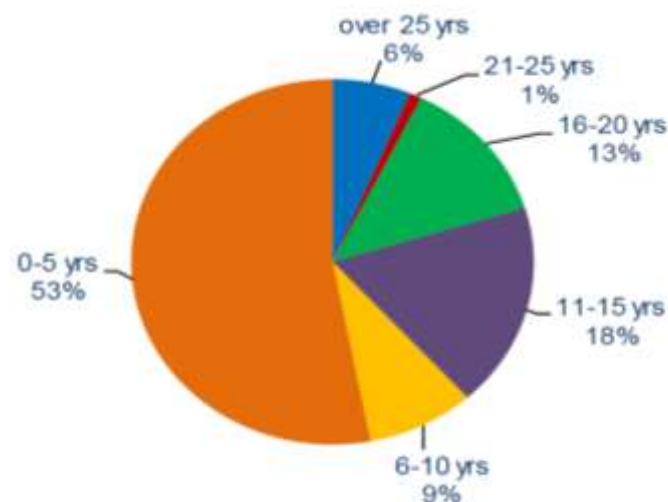
Highlights

- Substantial orderbook through out 2013.
- Reduction of average fleet age.
- 7% of fleet above 20 years old.
- Average age of vessels going for demolition is lowering in low charter market conditions.

Orderbook (in million tons)



Ageing of Dry Bulk Fleet

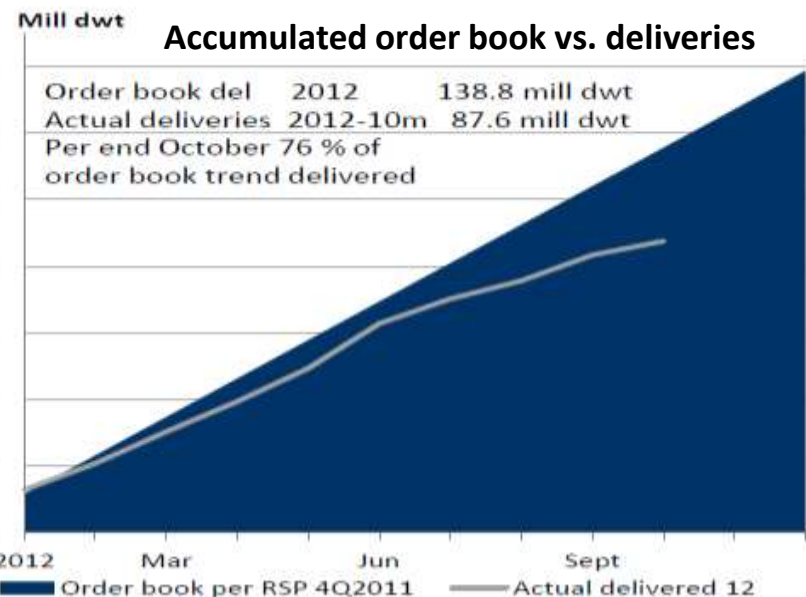


Data as of September 30, 2012.

MARKET CONDITIONS

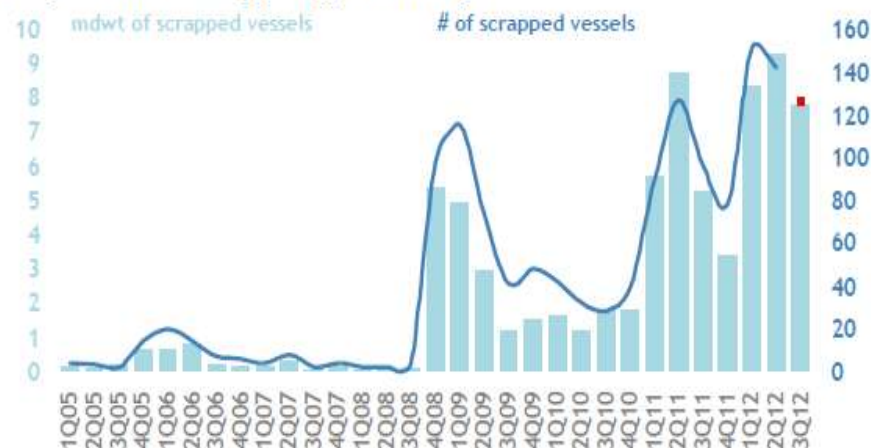
Highlights:

- Slippage or cancellations expected to account for approximately 25% of the order-book:
 - Lack of finance;
 - Excessive delays from shipyards.
- Scrapping during 2011 amounted 23,8 mil dwt tones.
- Scrapping until Q3 2012 amounts 24,7 mil dwt tones.



Data as of October 31, 2012.

Dry Bulk Scrapping Activity

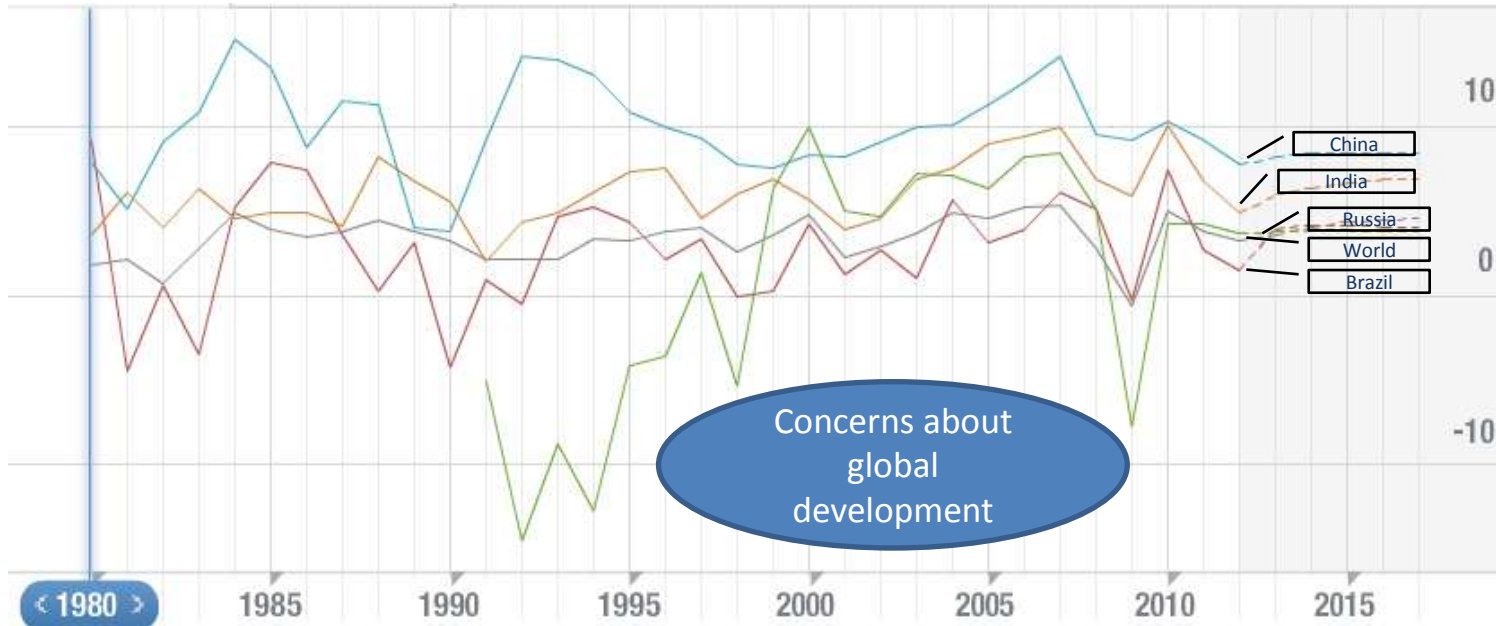


Source: Clarksons, Morgan Stanley Research

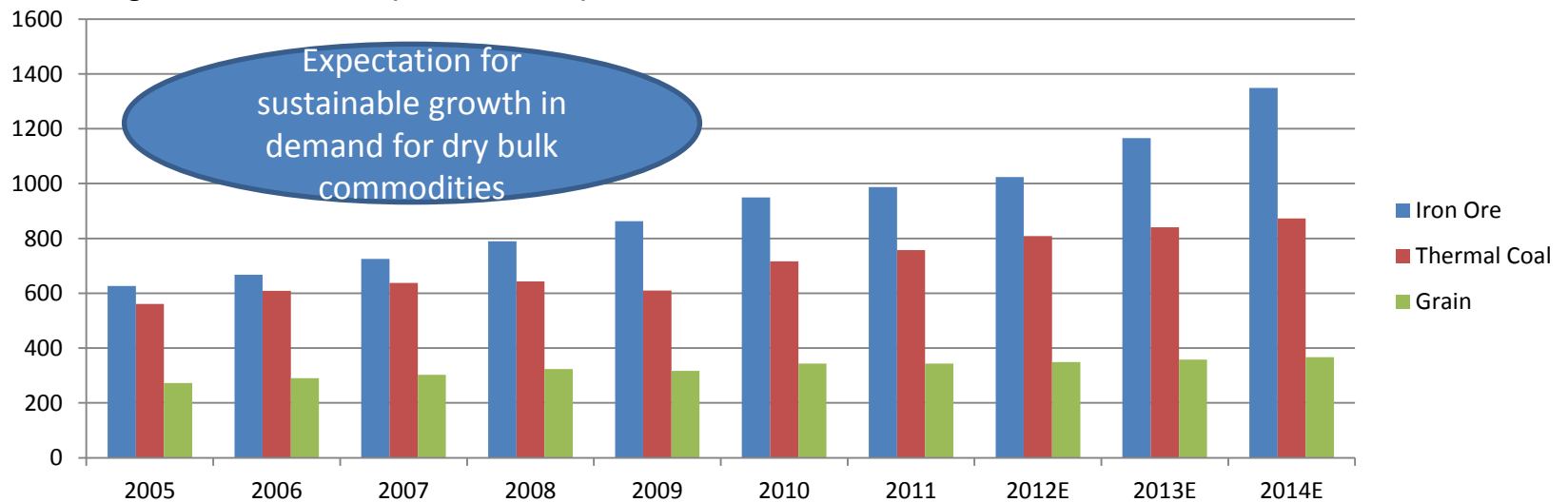
Data as of September 30, 2012.

MARKET CONDITIONS

GDP Growth – BRIC countries



Bulk Cargo Demand Outlook (in million tons)

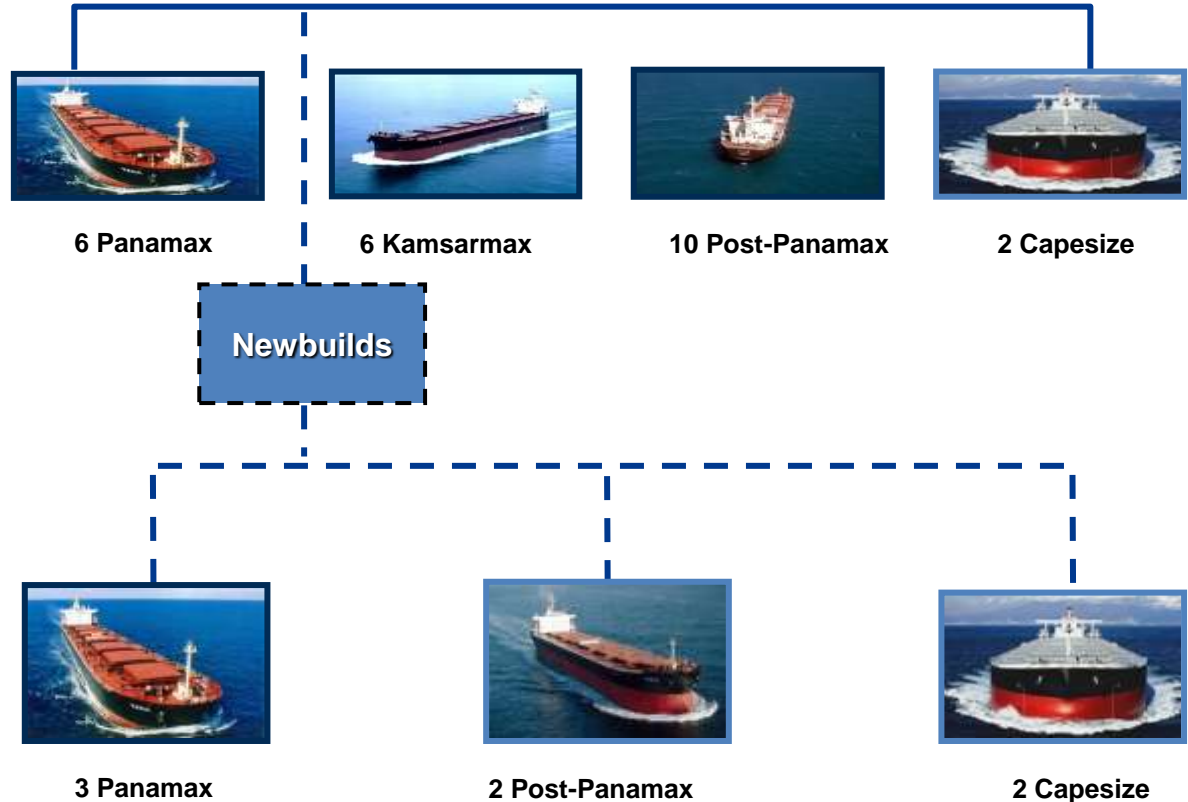




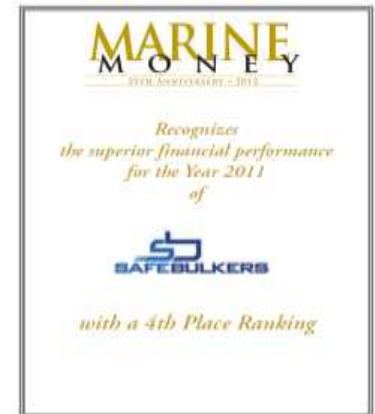
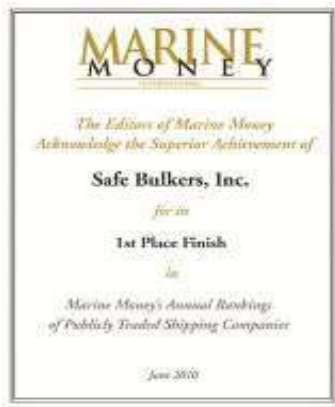
COMPANY SECTION

Highlights as of November 9, 2012:

- Current fleet: 24 vessels
- Classes:
Panamax to Capes
75,000 dwt to 178,000 dwt
- Transport coal, grain, iron ore and other dry-bulk commodities
- Fleet age: 4.36 years
- Fleet age upon all scheduled deliveries by 2015 : 5.9 years
- Contracted fleet expansion:
7 newbuilds
- High spec ships 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.
- Recognized consistent management policies over the years.
- Prudent financing.
- Dividend policy.



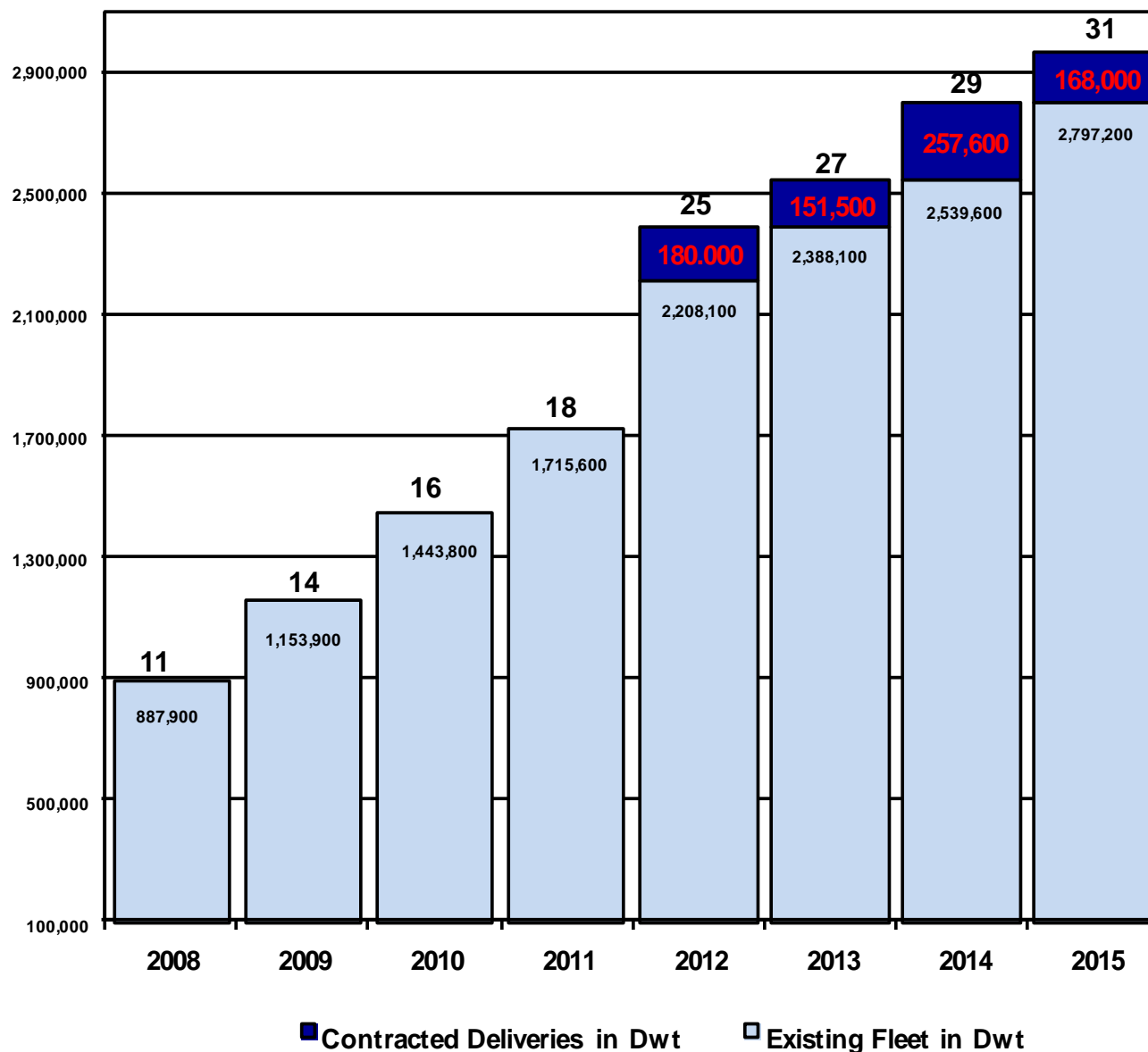
- Experience, market knowledge and proven track record over many shipping cycles.
- Management fully aligned with shareholders' interests.
- Low OPEX and reputation of operating excellence reflected in utilization rates.
- Create value for our shareholders.
- Business expansion and investor credibility.
- 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

- Selective reduction of vessels' acquisition cost.
- New cape order to replace newbuild cape with construction delays, in existing charter.
- Acquisition of 2nd hand Panamax at \$14.2 million.
- Rescheduled deliveries of two existing newbuilds for 2015.

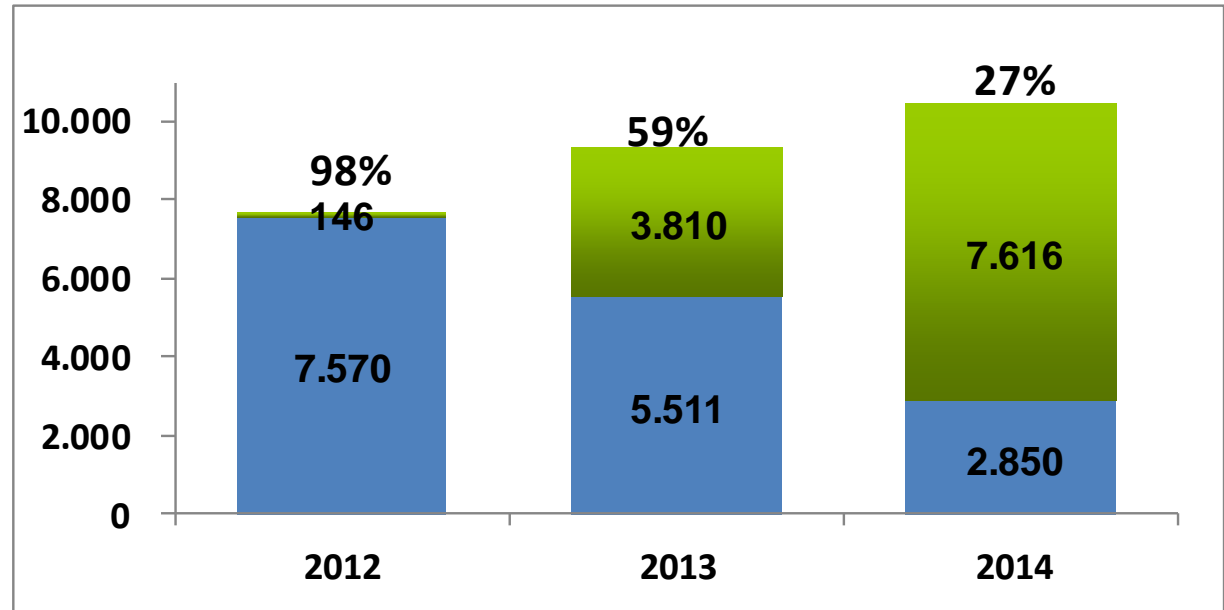


* Vessel may be cancelled if exceeds contractual delivery provisions.

Data as of November 9, 2012.

POLICY

- Balance of long-term period 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
- Substantial charter coverage of anticipated ownership days for 2012, 2013 and 2014



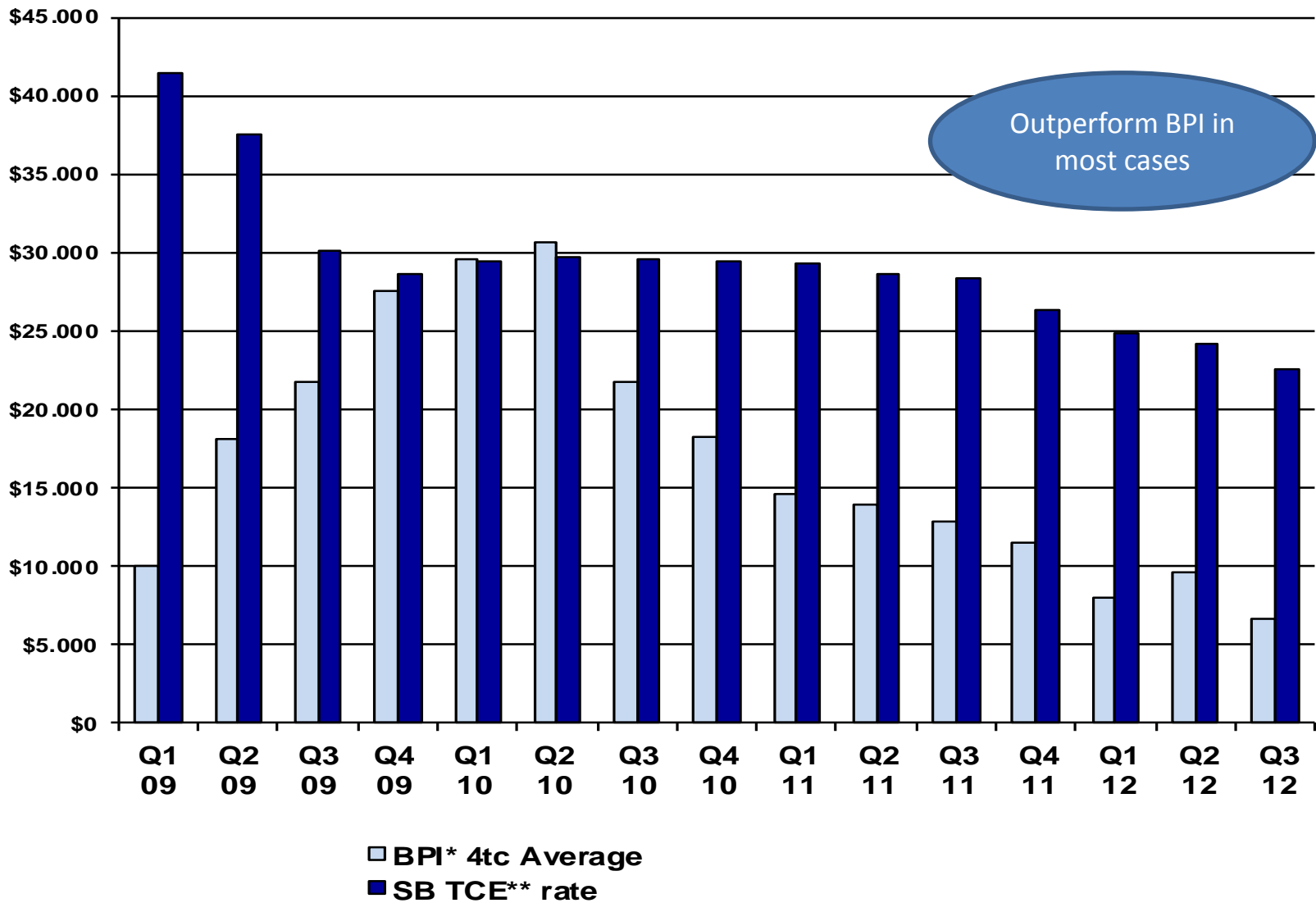
% Open Days/Total Ownership Days

■ Open days ■ Charter Days

Data as of November 9, 2012. Including vessels to be delivered that have already been chartered-out.

CHARTERING POLICY - PERFORMANCE

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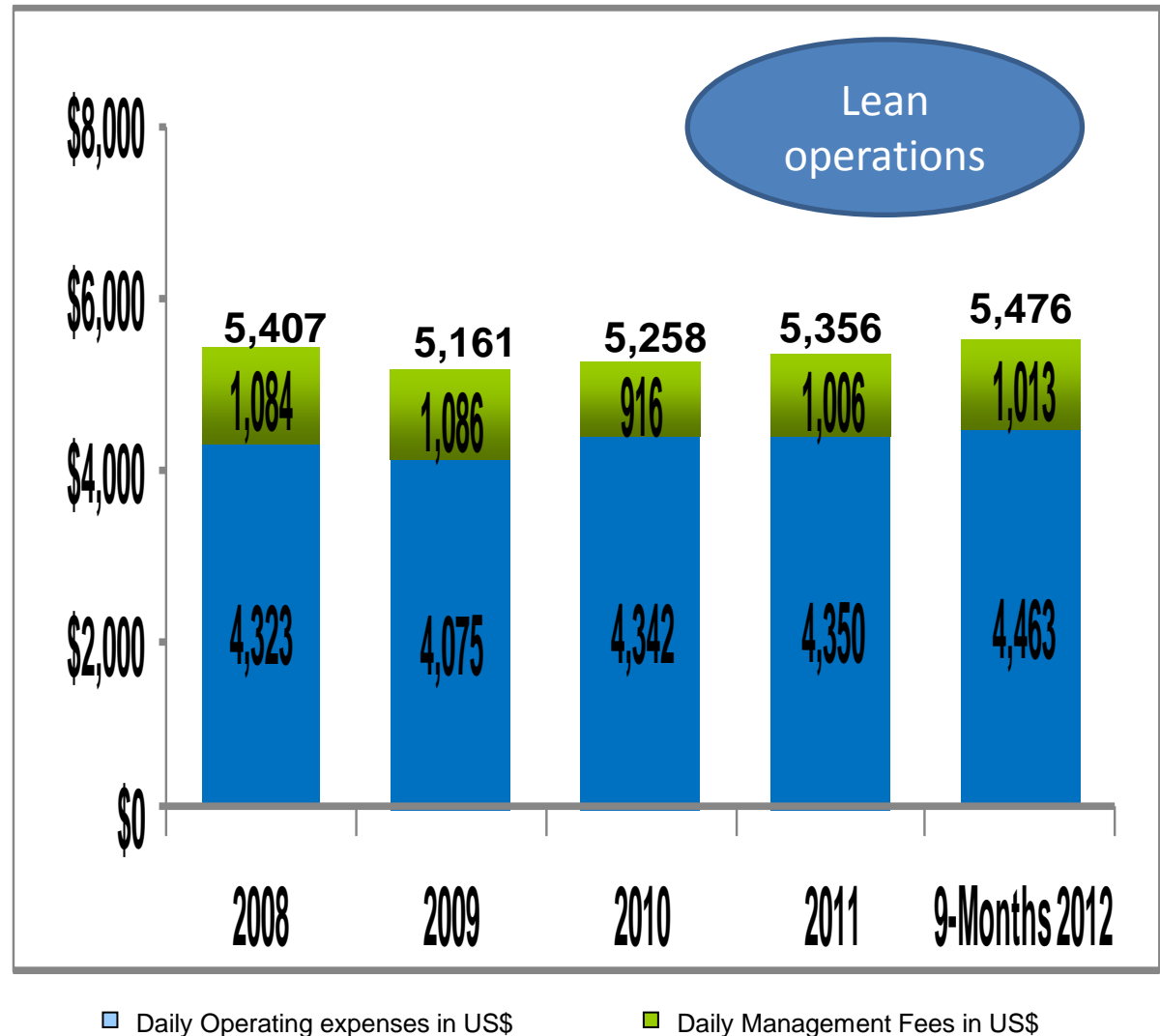


- ✓ Cooperation with established performing charterers
- ✓ Cautious monitoring of current market conditions



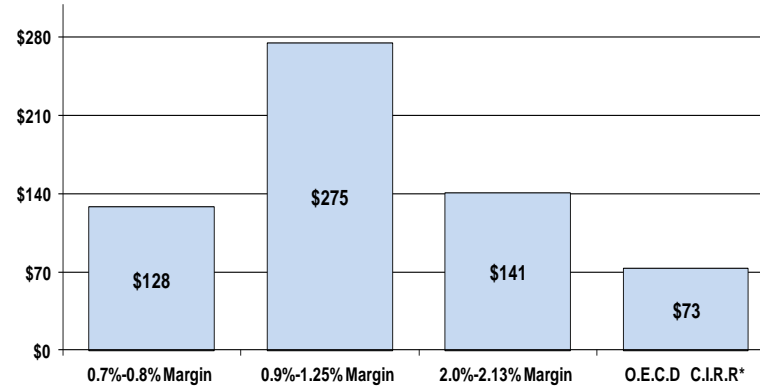
POLICY

- Hands-on approach.
- Vessels managed by Safety Management Overseas.
- Exclusive 10 year 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.



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

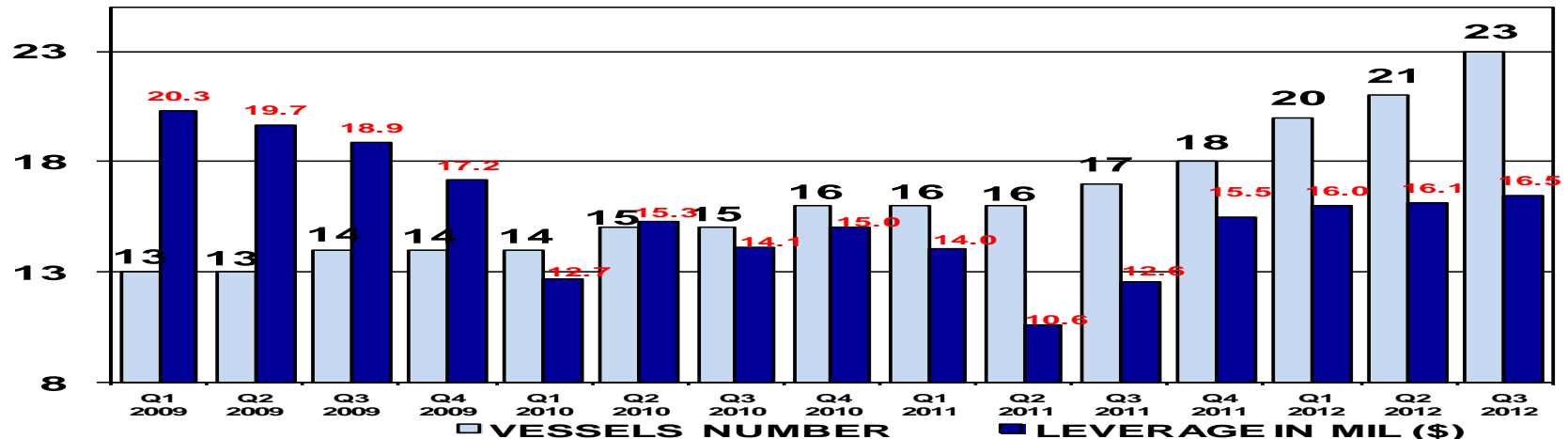
Allocation of Debt per Margin Level**



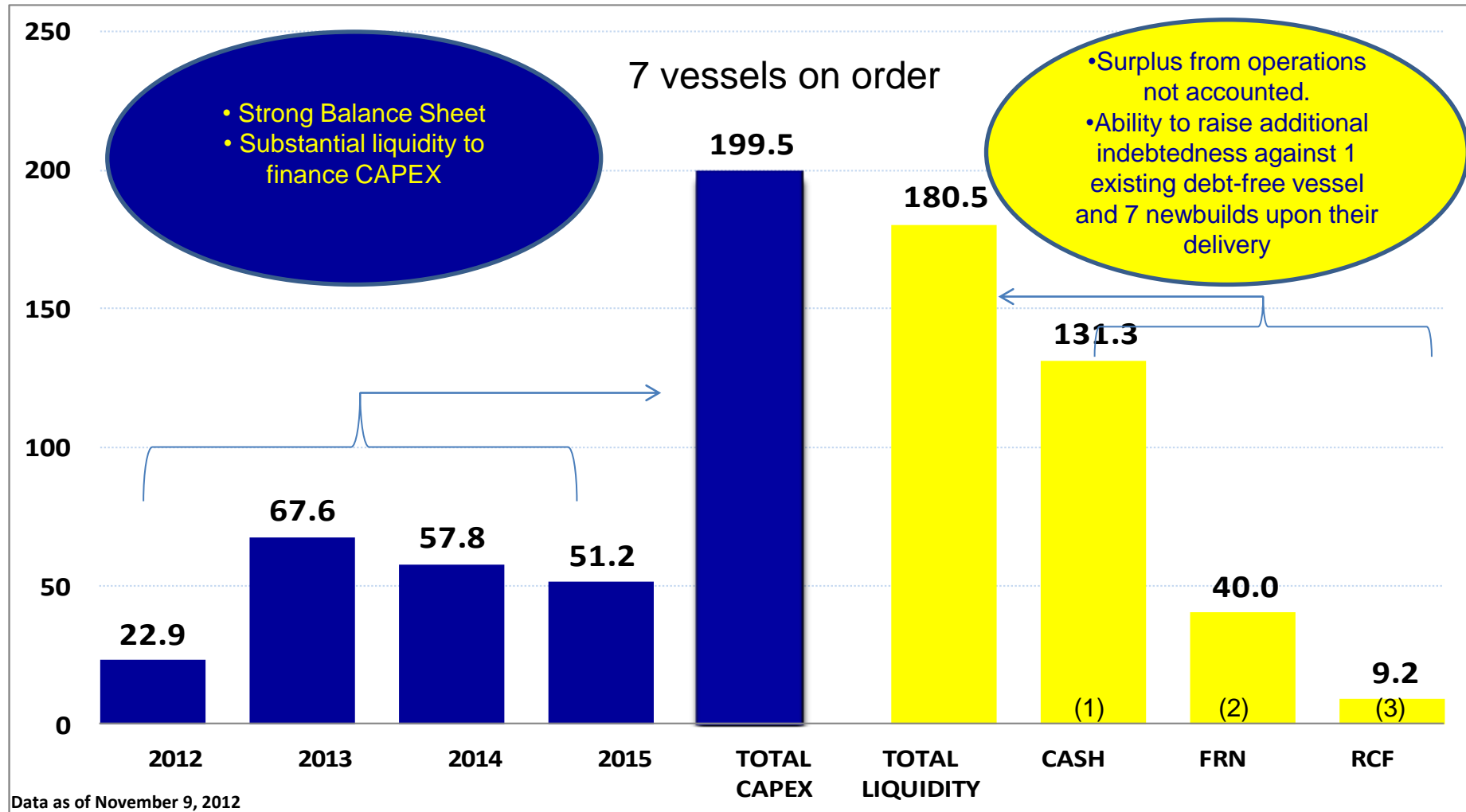
* Debt in O.E.C.D Commercial Interest Reference Rate

** As of September 30, 2012

Net Debt per Vessel



As of September 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.



(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

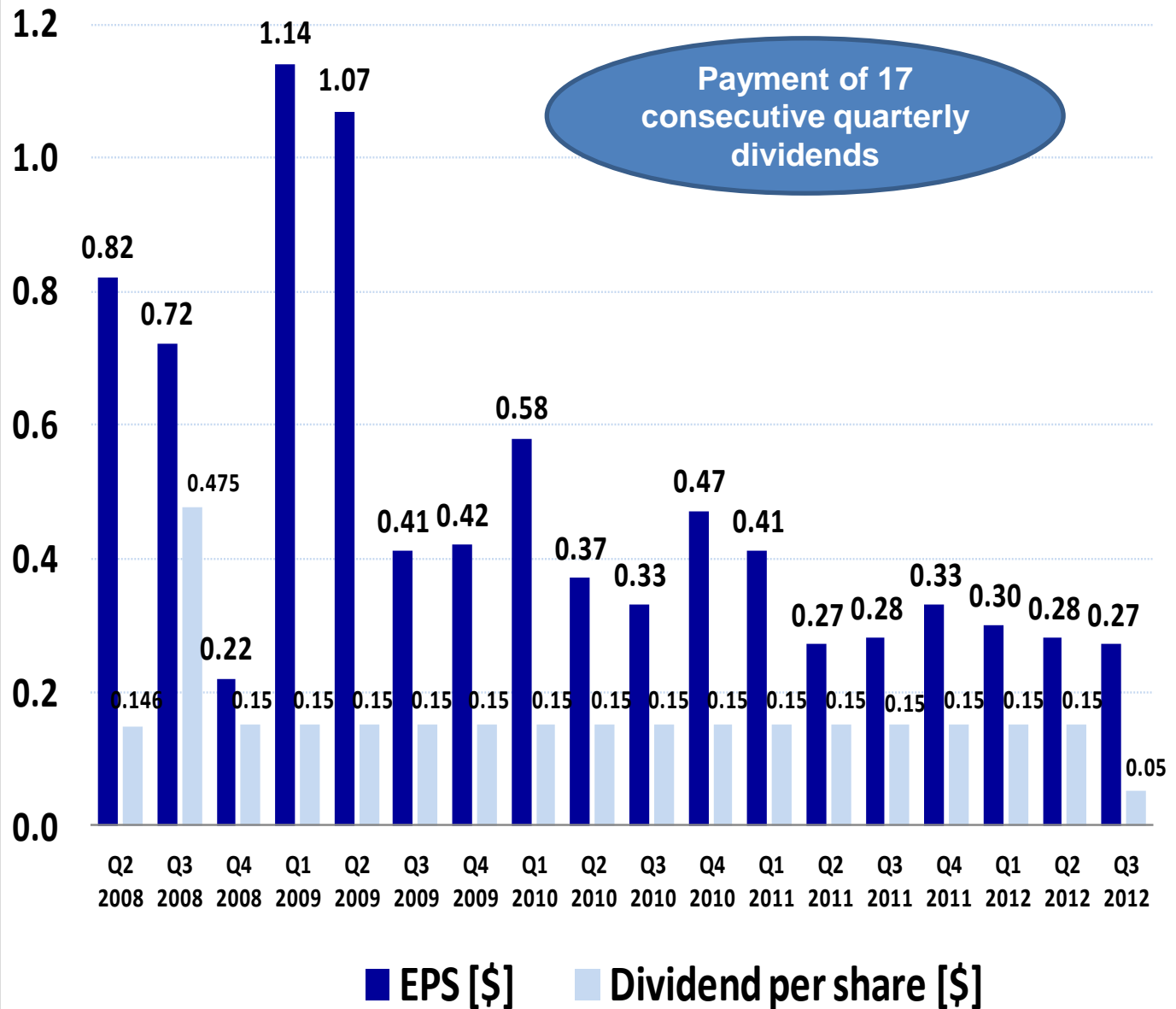
(3) Available under existing revolving reducing credit facilities (RCF)

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.

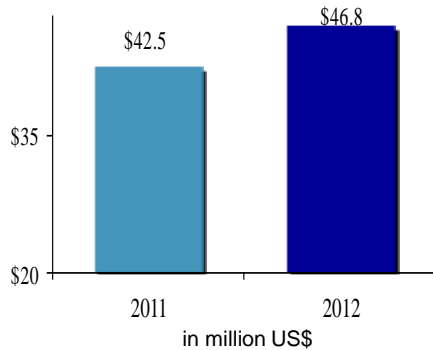




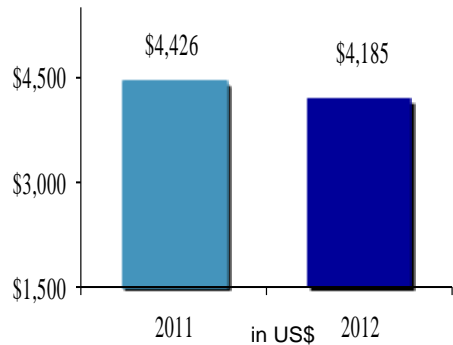
Comparison of Selected 3 Month Financial Results

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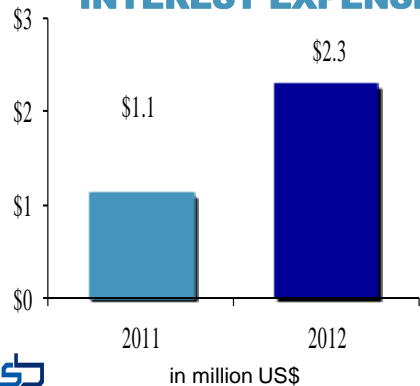
NET REVENUE



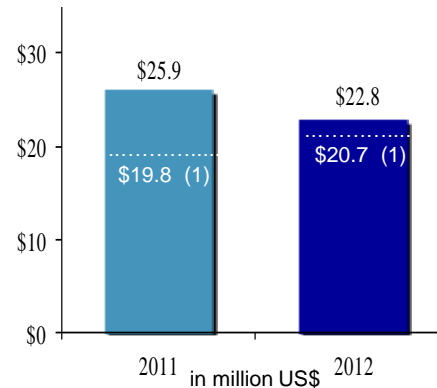
DAILY OPEX



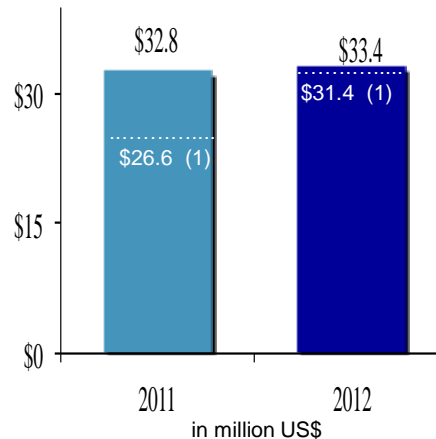
INTEREST EXPENSE



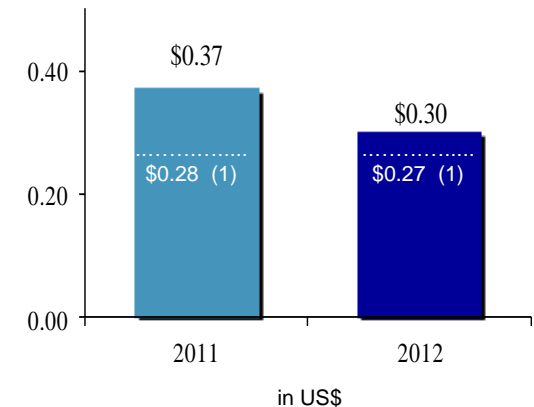
ADJUSTED NET INCOME (2)



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 33.

Third Quarter 2011 and 2012 Summary of Financial Results

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(In million US\$, except for per share data)	Q3 2011	Q3 2012	%Δ
Net Revenues	42.5	46.8	10.1%
Net Income	19.8	20.7	4.5%
Adjusted Net Income	25.9	22.8	(12)%
EBITDA (*)	26.6	31.4	18%
ADJUSTED EBITDA	32.8	33.4	1.8%
Earnings per Share EPS(*)	0.28	0.27	
ADJUSTED EPS	0.37	0.30	

* For definition and reconciliation of EBITDA, Adjusted EBITDA, Net Income, Adjusted Net Income, EPS and Adjusted EPS please refer to slide 33.

(In million US\$)	Dec 31, 2011	Sep 30, 2012	%Δ
Total Debt	484.3	617.0	27%
Shareholder's Equity	331.8	397.4	20%

FLEET DATA

	Three-Months Period Ended September 30,		Nine-Months Period Ended September 30,	
	2011	2012	2011	2012
Number of vessels at period's end	17	23	17	23
Average age of fleet (in years)	4.29	4.02	4.29	4.02
Ownership days (1)	1,494	1,975	4,390	5,545
Available days (2)	1,494	1,975	4,382	5,545
Operating days (3)	1,491	1,960	4,374	5,501
Fleet utilization (4)	99.8%	99.2%	99.6%	99.2%
Average number of vessels in the period (5)	16.24	21.47	16.08	20.24
AVERAGE DAILY RESULTS				
Time charter equivalent rate (6)	\$28,312	\$ 22,534	\$28,515	\$ 23,820
Daily vessel operating expenses (7)	\$4,426	\$ 4,185	\$4,300	\$ 4,463

- 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

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

	Three-Months Period Ended September 30,		Nine-Months Period Ended September 30,	
	2011	2012	2011	2012
<u>Net Income - Adjusted Net Income</u>				
Net Income	19,766	20,743	66,179	63,897
Less Early Redelivery Income	-	-	(101)	-
Plus Loss on Derivatives	6,165	2,081	12,317	5,449
Plus Foreign Currency Loss/(gain)	18	(12)	409	(12)
Adjusted Net Income	25,949	22,812	78,804	69,334
<u>EBITDA - Adjusted EBITDA</u>				
Net Income	19,766	20,743	66,179	63,897
Plus Net Interest Expense	839	2,010	2,953	5,410
Plus Depreciation	5,838	8,275	17,066	23,495
Plus Amortization	185	323	363	867
EBITDA	26,628	31,351	86,561	93,669
Less Early Redelivery Income	-	-	(101)	-
Plus Loss on Derivatives	6,165	2,081	12,317	5,449
Plus Foreign Currency Loss/(gain)	18	(12)	409	(12)
ADJUSTED EBITDA	32,811	33,420	99,186	99,106
<u>EPS - Adjusted EPS</u>				
Net Income	19,766	20,743	66,179	63,897
Adjusted Net Income	25,949	22,812	78,804	69,334
Weighted average number of shares	70,889,569	76,658,865	68,980,741	75,066,388
EPS	0.28	0.27	0.96	0.85
Adjusted EPS	0.37	0.30	1.14	0.92

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 \$0.05 per share payable on or about November 30, 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 November 23, 2012.

The Company has 76,661,451 shares of common stock issued and outstanding as of November 14, 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.

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 24 drybulk vessels, all built after 2003.**
- **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.**

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