



Q2 2015 Financial Results

Management Team

**Polys
Hajioannou**
*Chairman and
CEO*

**Dr. Loukas
Barmparis**
President

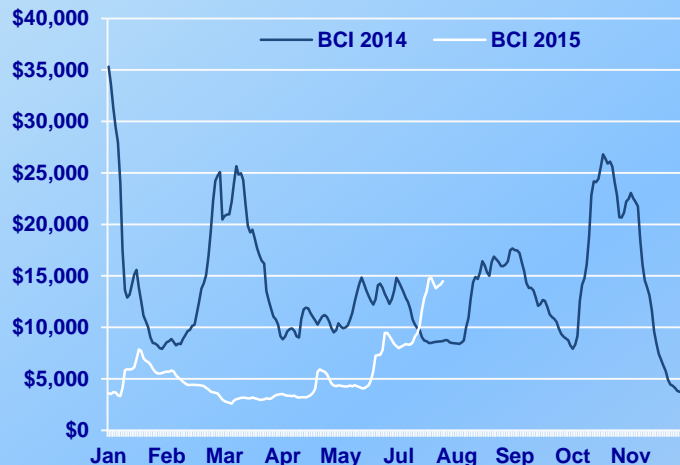
**Konstantinos
Adamopoulos**
*Chief Financial
Officer*

Ioannis Foteinos
*Chief Operating
Officer*

Forward Looking Statements

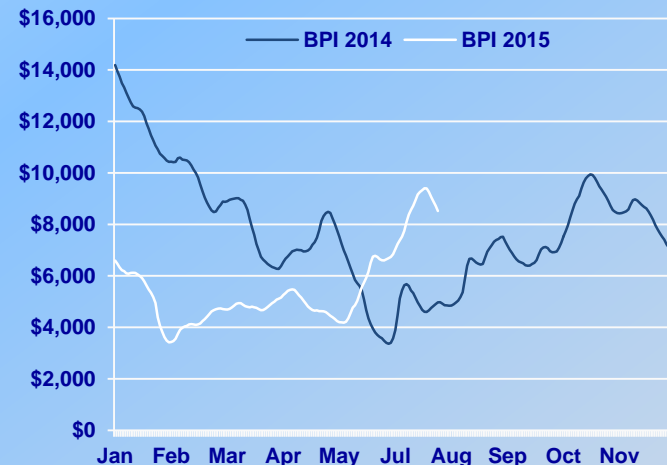
This presentation contains forward-looking statements (as defined in Section 27A of the Securities Exchange Act of 1933, as amended, and in the Section 21E of the Securities Act of 1934, as amended) concerning future events, the Company's growth strategy and measures to implement such strategy, including 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.

Cape & Panamax AVG 4TC 2014 vs 2015



Capes YTD performance

- ✓ Five year average at \$13.8k
- ✓ Year to date average at \$5.5k



Panamax YTD performance

- ✓ Five year average at \$10.1k
- ✓ Year to date average at \$5.5k

Demand Monitoring Synopsis

- ✓ **Iron ore:**
 - ❖ Increased Chinese imports in June of about 6% but demand remains stable in comparison to last year.
 - ❖ iron ore inventories dropped by 7% and presently are at the lowest level since November 2013
 - ❖ Market conditions and low iron ore prices are expected to enhance restocking
- ✓ **Coal:**
 - ❖ Significant drop in Chinese coal imports with only 99.9mill tons imported equivalent to 38% drop compared to same period last year.
 - ❖ Indian imports counterbalance global coal demand with about 110mill tons imports about 31% increase to last year
- ✓ **Grain:**
 - ❖ Imports of soybeans from China during June increased by 30% M-o-M reaching 8.1mill tons. Year to date imports have increased about 3% in comparison to 2014.
 - ❖ According to USDA volumes of US wheat and grain exports will be higher this season and historically lasts from August to October

Industry
Fundamentals

DEMAND

Industry Fundamentals

SUPPLY

Order book remains a problem

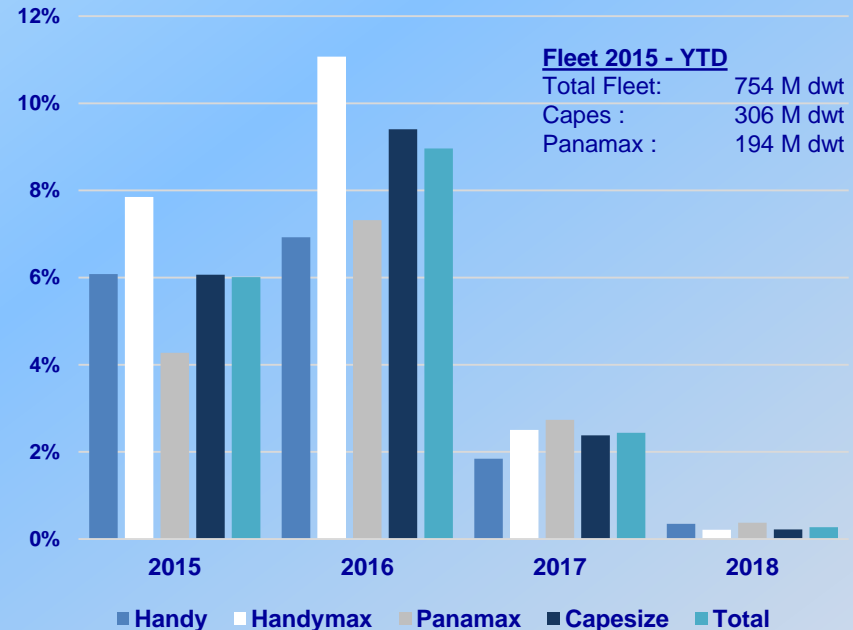
- ✓ Contracted orderbook accounts for 6%, 9% and 2% for the years 2015, 2016 and 2017, respectively and is close to zero for 2018.
- ✓ Newbuilding orders remain low during 2015. Only 3.4 mill dwt (44 vessels) were ordered in the first six months – down by 93% Y-o-Y.
- ✓ Slippage, delays and conversions materialized during this weak market period will ease the oversupply effect.
- ✓ Safe Bulkers has rescheduled its orderbook spreading its orders until 2019.

Scrapping activity

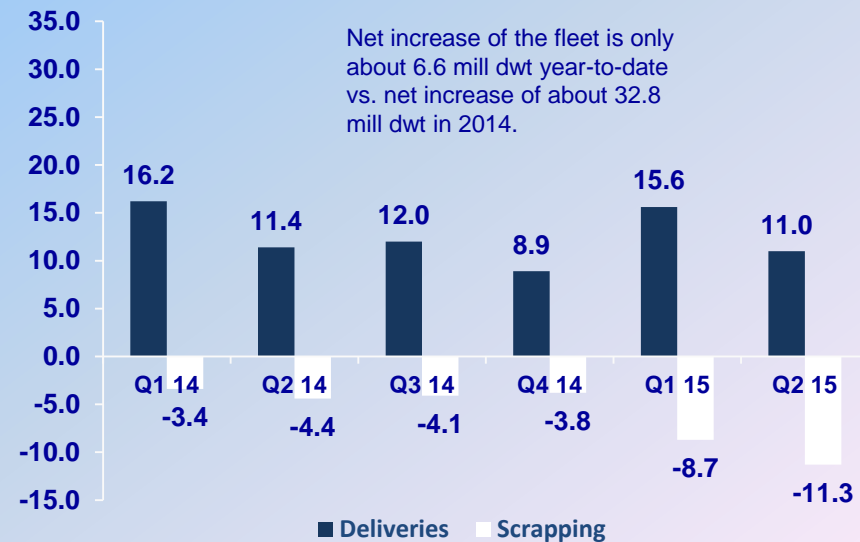
- ✓ Scrapping activity continues at a very high level totaling 20 mill dwt (275 vessels) YTD in comparison to 15.4 mill dwt of 2014.
- ✓ Year to date deliveries are 26.6 mill dwt in contrast to 20 mill dwt of scrap.
- ✓ Year to date fleet growth is about 0.5% and is forecasted to grow 2.5% for the full year.
- ✓ Capesize fleet is expected to grow by 1% and Panamax by 2% in 2015.

Source: Maersk Broker and Baltic Exchange, SSY

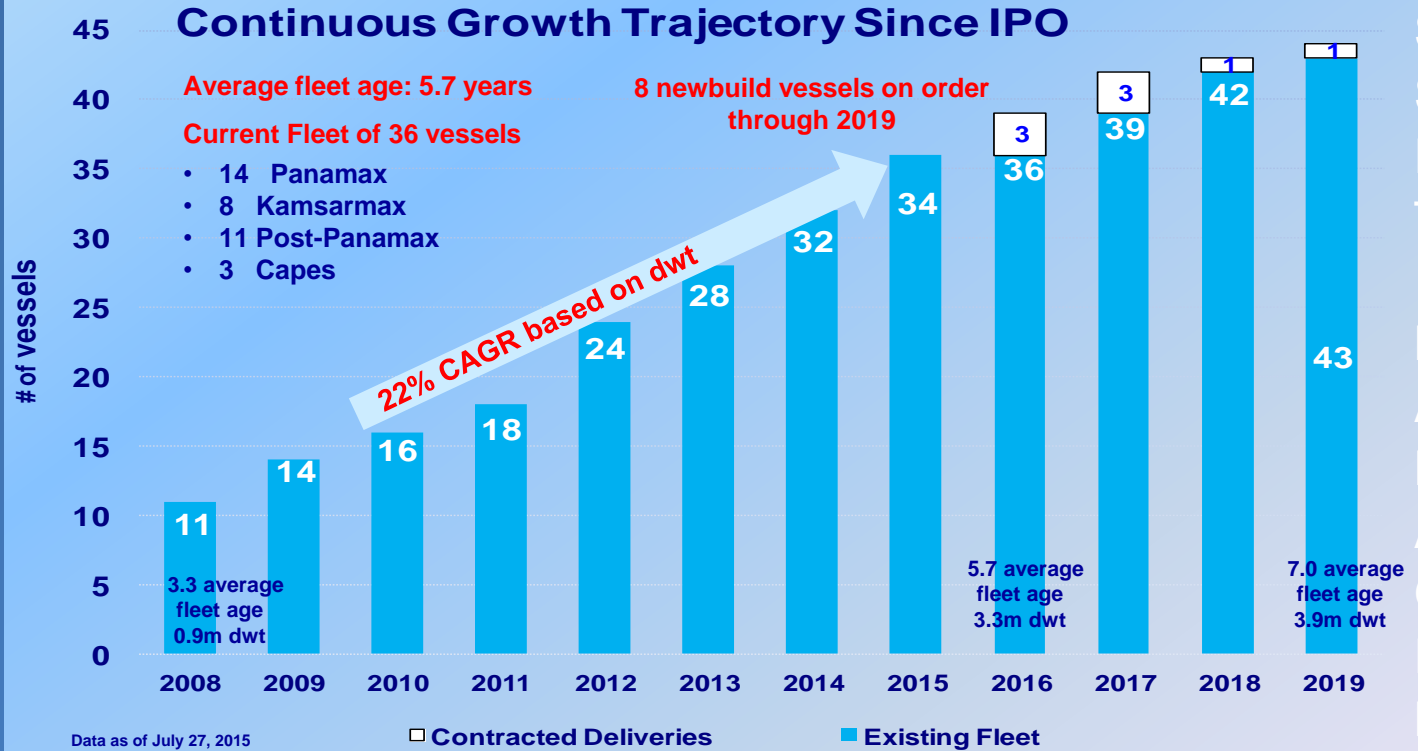
Orderbook % Growth per Size



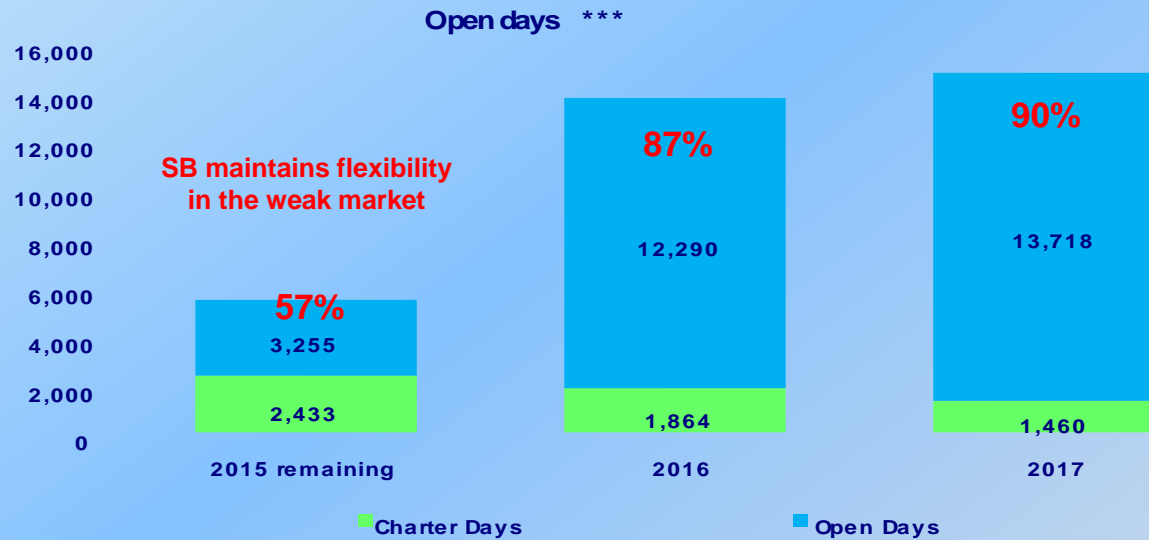
Deliveries vs Scrapping (in m dwt)



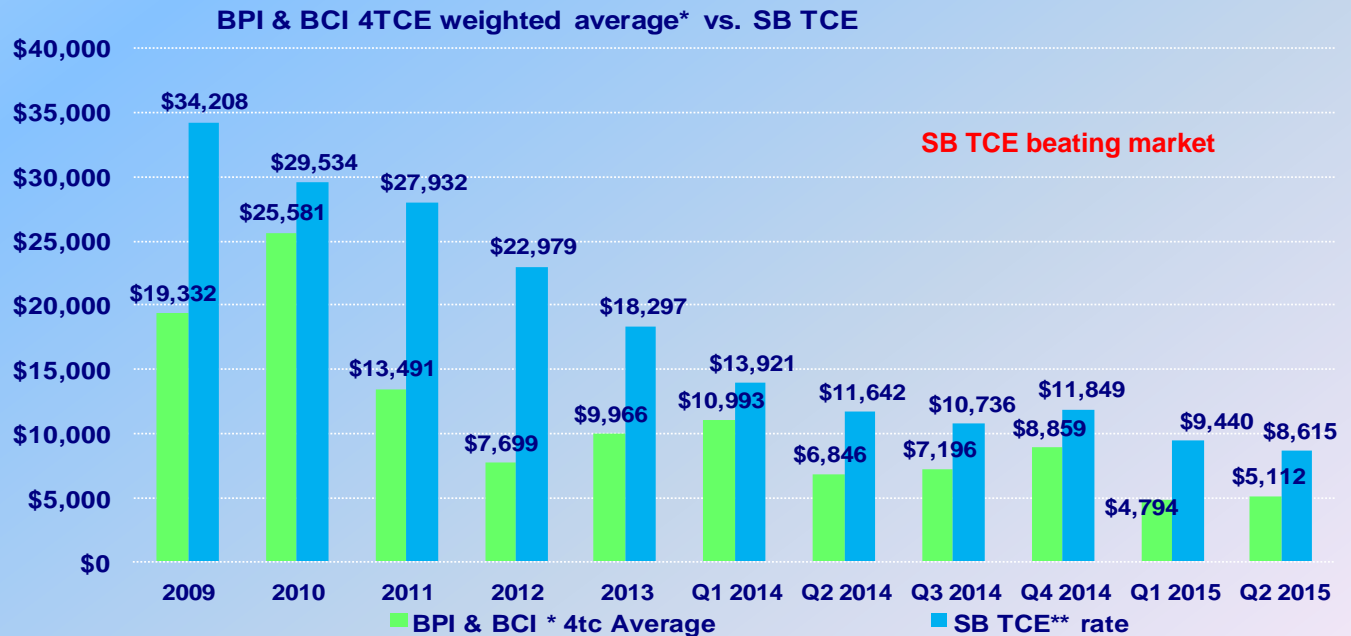
Expand and
renew fleet with
eco-design
vessels



Spot market exposure



Chartering performance

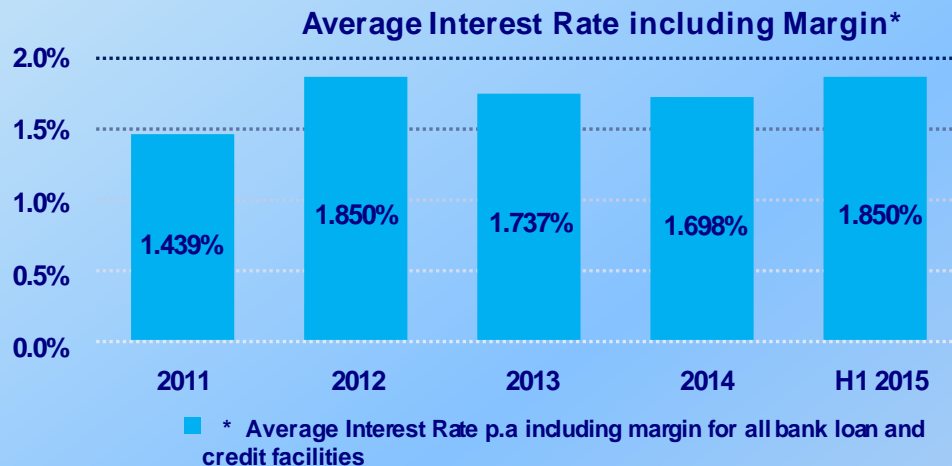


* Source Baltic Exchange

** Safe Bulkers data

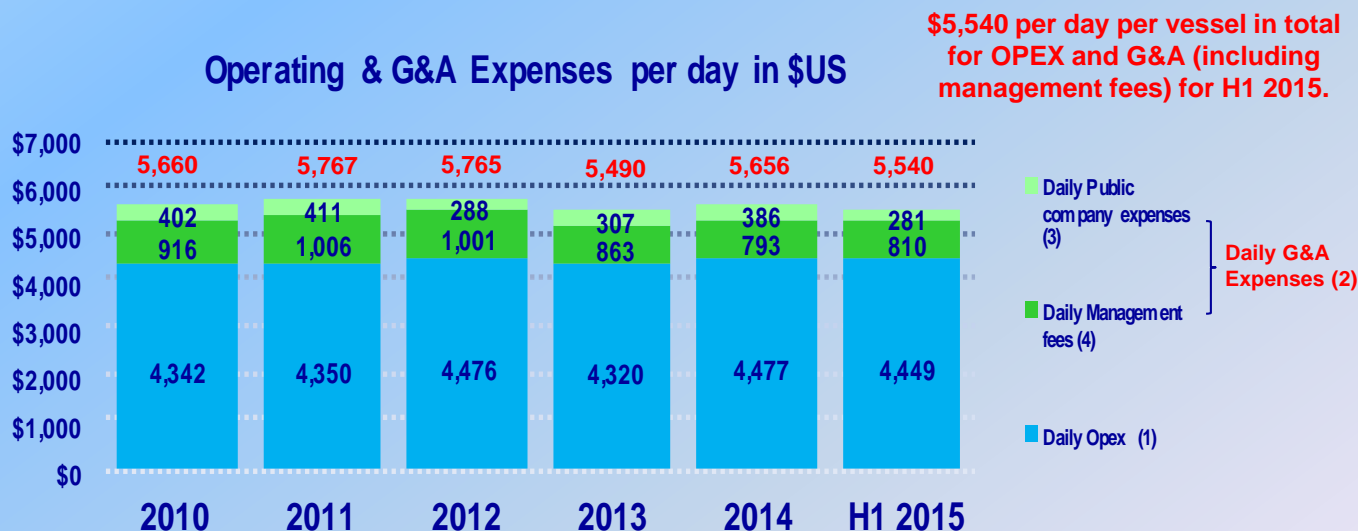
*** Data as of July 27, 2015. Charter coverage includes vessels to be delivered.

Low financing cost



1.85% p.a., average interest rate, including the margin, for all bank loan and credit facilities during H1 2015.

Low OPEX & G&A cost



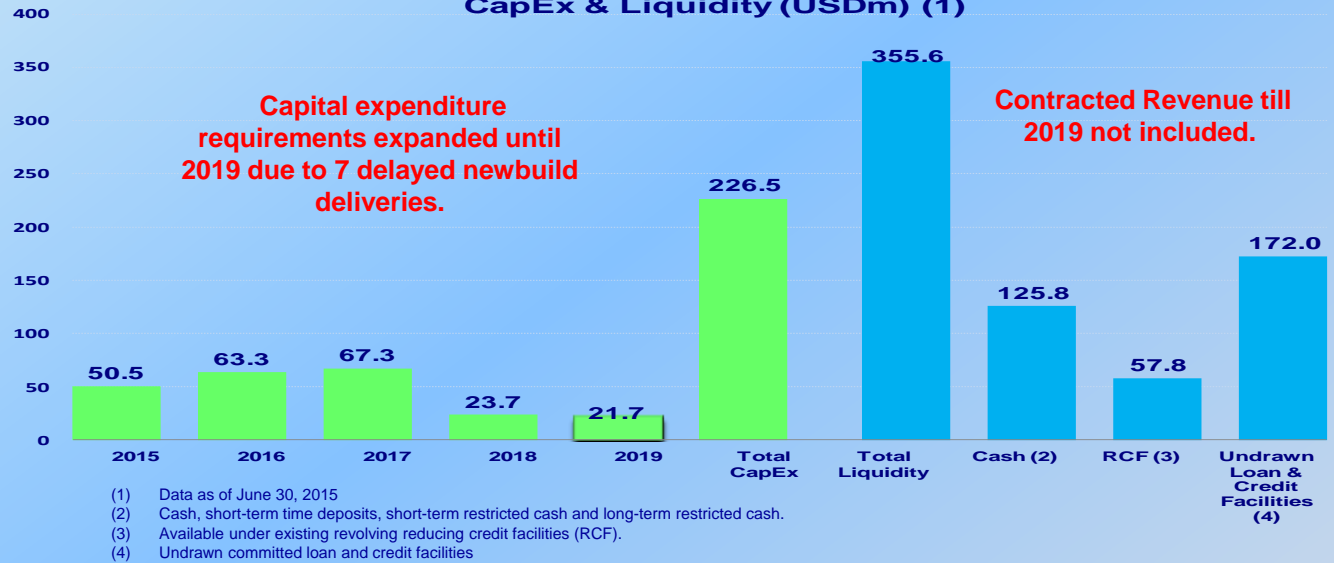
\$5,540 per day per vessel in total for OPEX and G&A (including management fees) for H1 2015.

(1) 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, tonnage taxes and other miscellaneous items. Daily vessel operating expenses are calculated by dividing vessel operating expenses by ownership days for the relevant period
 (2) Daily general and administrative expenses in US\$ include daily management fees and the costs in relation to our operation as public company defined below. Daily vessel general and administrative expenses are calculated by dividing general and administrative expenses by ownership days for the relevant period.
 (3) Daily public company expenses include the costs in relation to our operation as public company divided by ownership days for the relevant period.
 (4) Daily management fees include the fixed and the variable fees payable to our Manager divided by ownership days for the relevant period.

OPERATING

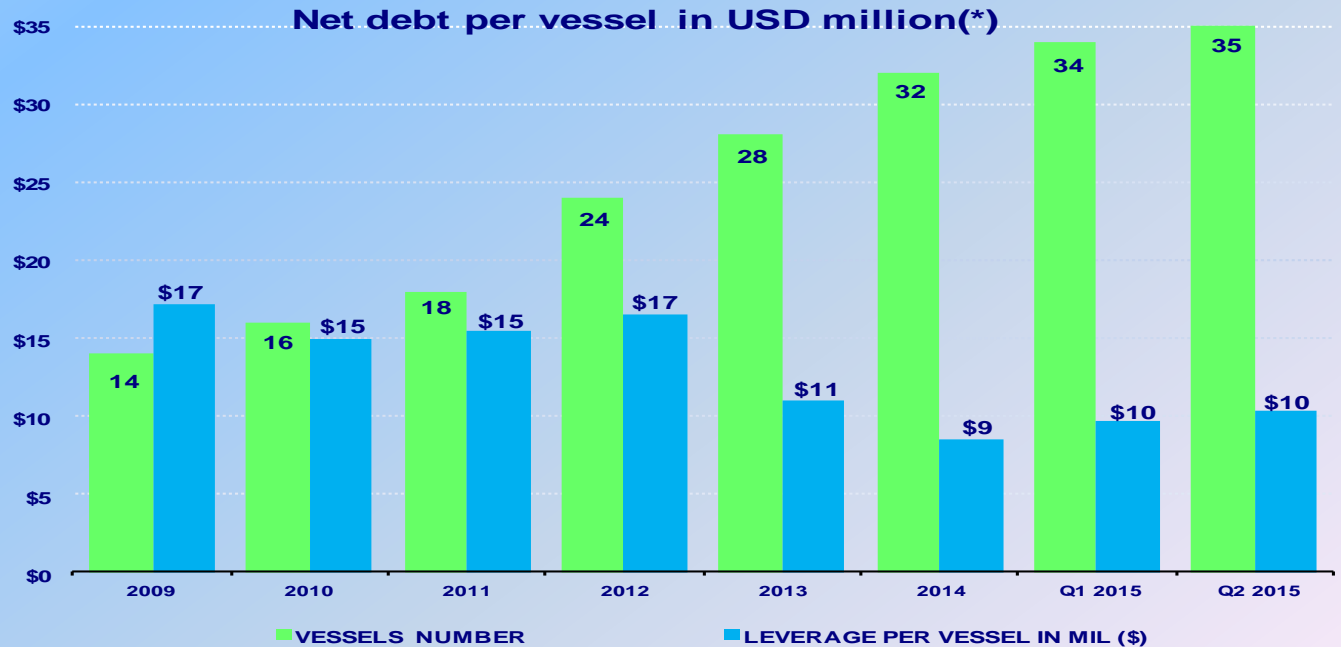
Expansion fully financed

CapEx & Liquidity (USDm) (1)



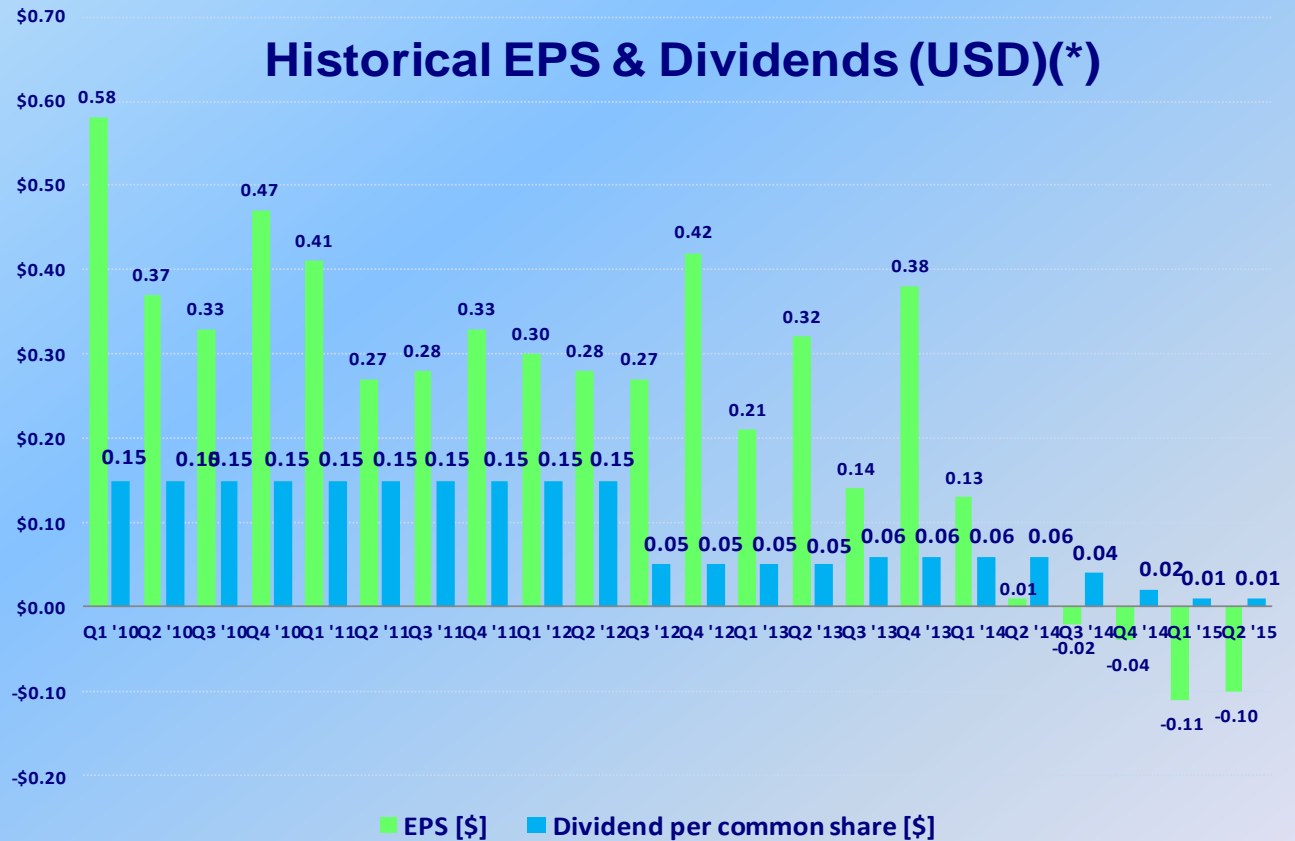
FINANCING

Comfortable leverage



(*) Data as of June 30, 2015. 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.

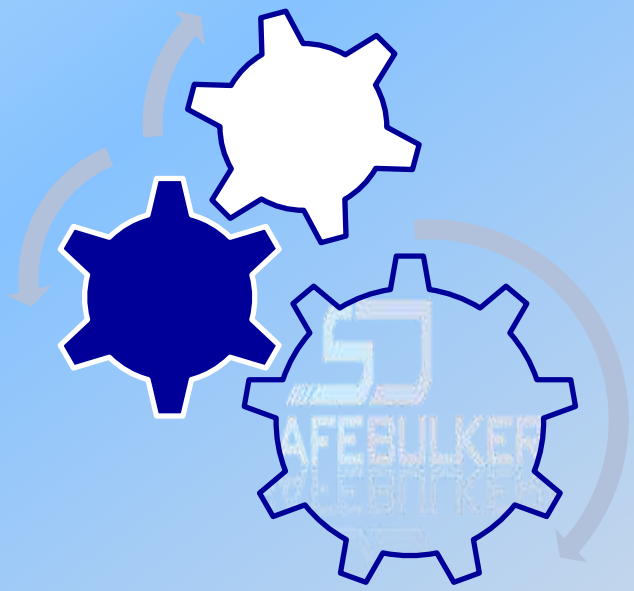
Dividend Payer



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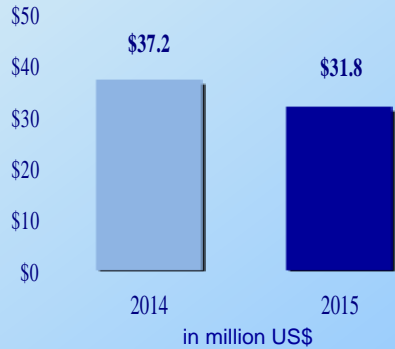
The declaration and payment of dividends, if any, will always be subject to the discretion of our board of directors. The timing and amount of any dividends declared will depend on, among other things: (a) our earnings, financial condition and cash requirements and available sources of liquidity, (b) decisions in relation to our growth strategies, (c) provisions of Marshall Islands and Liberian law governing the payment of dividends, (d) restrictive covenants in our existing and future debt instruments and (e) global financial conditions. Dividends might be reduced or not be paid by us. Our ability to pay dividends may be limited by the amount of cash we can generate from operations following the payment of fees and expenses and the establishment of any reserves, as well as additional factors unrelated to our profitability. In addition, cash dividends on our common stock are subject to the priority of dividends on our 1,600,000 outstanding shares of Series B Preferred Shares issued in June 2013, on our 2,300,000 outstanding shares of Series C Preferred Shares issued in May 2014 and on our 3,200,000 outstanding shares of Series D Preferred Shares issued in June 2014.

Financial Section

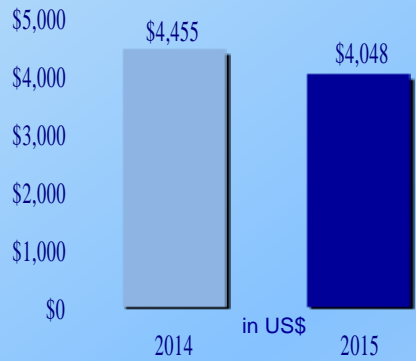


SELECTED QUARTERLY FINANCIAL HIGHLIGHTS

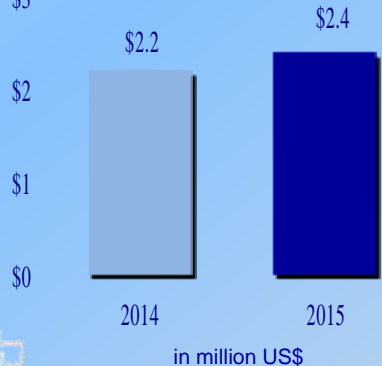
NET REVENUE



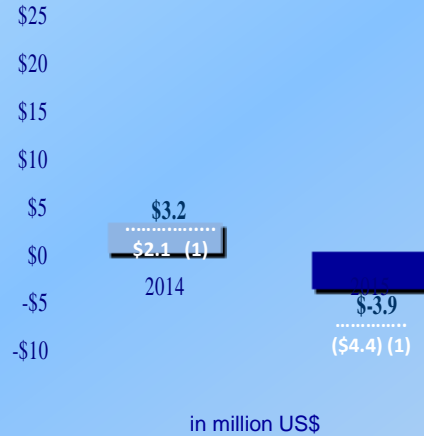
DAILY OPEX



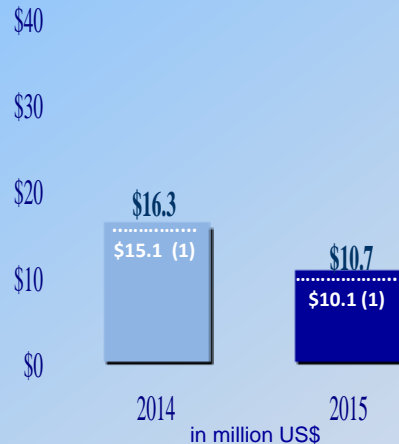
INTEREST EXPENSE



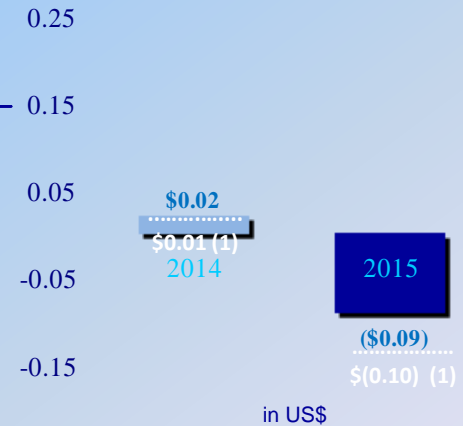
ADJUSTED NET INCOME/LOSS (2)



ADJUSTED EBITDA (2)



ADJUSTED EPS (2)



(1) Non-Adjusted figures.

(2) For definition and reconciliation of Adjusted Net Income, EPS and EBITDA please refer to Slide 12

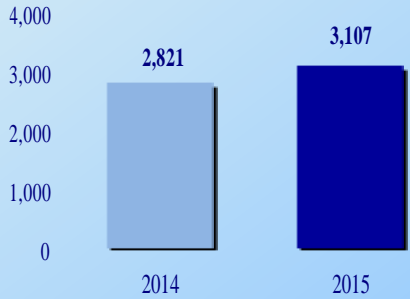
RECONCILIATION OF ADJUSTED NET INCOME, EBITDA, ADJUSTED EBITDA AND ADJUSTED EARNINGS/(LOSS) PER SHARE

	Three-Months		Six-Months	
	Period Ended June 30,		Period Ended June 30,	
	2014	2015	2014	2015
<i>(In thousands of U.S. Dollars except for share and per share data)</i>				
<u>Net Income/(loss) - Adjusted Net Income/(loss)</u>				
Net Income/(loss)	2,072	(4,449)	13,304	(10,496)
Less Gain on asset purchase cancellation	-	-	(3,633)	-
Less Early redelivery cost	-	-	532	-
Plus Loss on derivatives	1,097	202	1,544	1,358
Plus Loss from inventory valuation	-	465	-	956
Plus Foreign currency loss/(gain)	59	(79)	97	(241)
Adjusted Net Income/(loss)	3,228	(3,861)	11,844	(8,423)
<u>EBITDA - Adjusted EBITDA</u>				
Net Income/(loss)	2,072	(4,449)	13,304	(10,496)
Plus Net Interest Expense	1,973	2,406	3,907	4,538
Plus Depreciation	10,766	11,602	21,033	22,701
Plus Amortization	318	511	619	893
EBITDA	15,129	10,070	38,863	17,636
Less Gain on asset purchase cancellation	-	-	(3,633)	-
Less Early redelivery cost	-	-	532	-
Plus Loss on derivatives	1,097	202	1,544	1,358
Plus Loss from inventory valuation	-	465	-	956
Plus Foreign currency loss/(gain)	59	(79)	97	(241)
ADJUSTED EBITDA	16,285	10,658	37,403	19,709
<u>Earnings/(loss) per share</u>				
Net Income/(loss)	2,072	(4,449)	13,304	(10,496)
Less preferred dividend	1,499	3,550	2,299	7,100
Net income/(loss) available to common shareholders	573	(7,999)	11,005	(17,596)
Weighted average number of shares	83,444,365	83,470,867	83,442,759	83,466,487
Earnings/(loss) per share	0.01	(0.10)	0.13	(0.21)
<u>Adjusted Earnings/(loss) per share</u>				
Adjusted Net Income/(loss)	3,228	(3,861)	11,844	(8,423)
Less preferred dividend	1,499	3,550	2,299	7,100
Adjusted Net income/(loss) available to common shareholders	1,729	(7,411)	9,545	(15,523)
Weighted average number of shares	83,444,365	83,470,867	83,442,759	83,466,487
Adjusted Earnings/(loss) per share	0.02	(0.09)	0.11	(0.19)

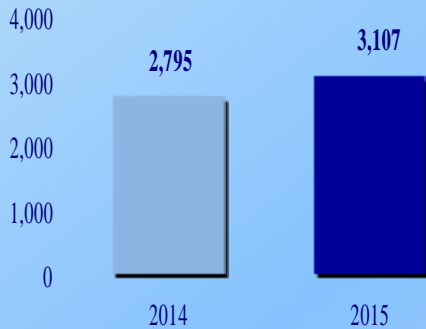
EBITDA, Adjusted EBITDA, Adjusted Net Income/(loss), Adjusted Net Income/(loss) available to common shareholders and Adjusted earnings/(loss) per share are not recognized measurements under US GAAP. Adjusted Net Income/(loss) represents Net income/(loss) before gain on asset purchase cancellation, early redelivery cost, loss from inventory valuation, loss on derivatives and (loss)/gain on foreign currency. Adjusted Net Income/(loss) available to common shareholders represents Adjusted Net Income/(loss) less preferred dividend. EBITDA represents Net income/(loss) before interest, income tax expense, depreciation and amortization. Adjusted EBITDA represents EBITDA before gain on asset purchase cancellation, early redelivery cost, loss from inventory valuation, loss on derivatives and (loss)/gain on 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 on asset purchase cancellation, early redelivery cost, loss from inventory valuation, loss on derivatives and (loss)/gain on foreign currency, items which may vary for different companies for reasons unrelated to overall operating performance. EBITDA, Adjusted EBITDA, Adjusted Net Income/(loss), Adjusted Net Income/(loss) available to common shareholders and 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. 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.

SELECTED QUARTERLY OPERATIONAL HIGHLIGHTS

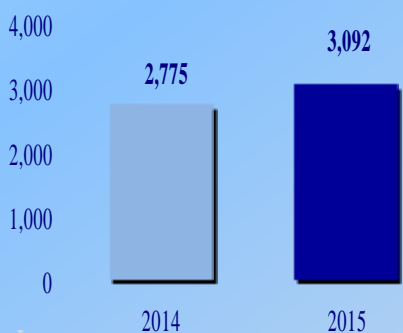
OWNERSHIP DAYS*



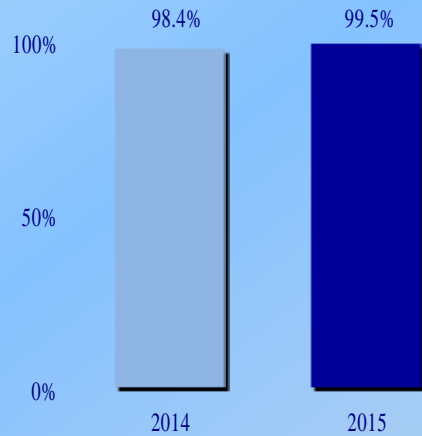
AVAILABLE DAYS*



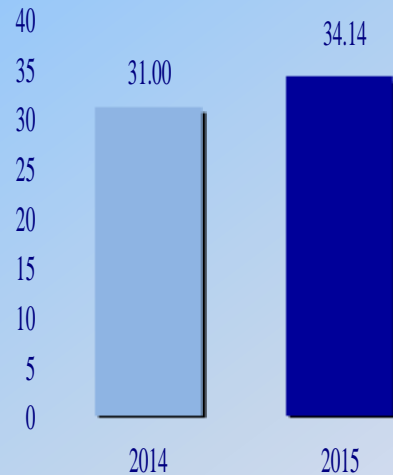
OPERATING DAYS*



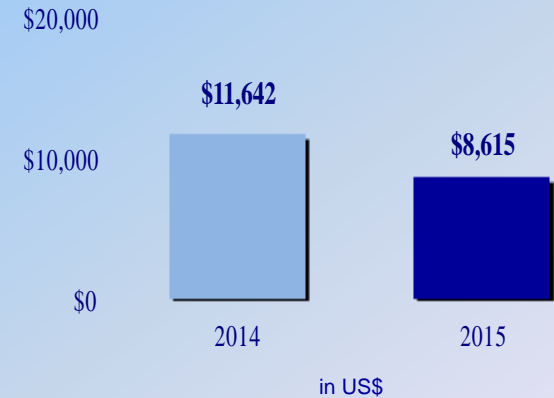
FLEET UTILIZATION*



AVERAGE NUMBER OF VESSELS IN PERIOD*



TIME CHARTER EQUIVALENT RATE*



(*) For definition and reconciliation of operational highlights please refer to Slide 14

OPERATIONAL FUNDAMENTALS FLEET DATA AND AVERAGE DAILY INDICATORS

	Three-Months Period Ended June 30,		Six-Months Period Ended June 30,	
	2014	2015	2014	2015
FLEET DATA				
Number of vessels at period end	31	35	31	35
Average age of fleet (in years)	5.53	5.83	5.53	5.83
Ownership days (1)	2,821	3,107	5,508	6,052
Available days (2)	2,795	3,107	5,452	5,992
Operating days (3)	2,775	3,092	5,431	5,958
Fleet utilization (4)	98.4%	99.5%	98.6%	98.4%
Average number of vessels in the period (5)	31.00	34.14	30.43	33.44
AVERAGE DAILY RESULTS				
Time charter equivalent rate (6)	\$11,642	\$ 8,615	\$12,753	\$ 9,012
Daily vessel operating expenses (7)	\$4,455	\$ 4,048	\$4,578	\$ 4,449
Daily general and administrative expenses (8)	\$1,236	\$1,087	\$1,178	\$1,091

- 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 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.

Annex A Operational and Financial data

COMPANY STOCK

Dividend Declaration on Series B Preferred Shares, Series C Preferred Shares and Series D Preferred Shares

The Series B, Series C and Series D Preferred Shares are traded on the New York Stock Exchange under the ticker symbol SB.PR.B, SB.PR.C and SB.PR.D, respectively.

In July 2015, the Company's Board of Directors declared :

- a cash dividend of \$0.50 per share on its 8.00% Series B Preferred Shares for the period from April 30, 2015 to July 29, 2015;
- a cash dividend of \$0.50 per share on its 8.00% Series C Preferred Shares for the period from April 30, 2015 to July 29, 2015;
- a cash dividend of \$0.50 per share on its 8.00% Series D Preferred Shares for the period from April 30, 2015 to July 29, 2015;

Each dividend was paid on July 30, 2015 to all shareholders of record as of July 24, 2015 of the Series B Preferred Shares of the Series C Preferred Shares and of the Series D Preferred Shares, respectively. The Company has 1,600,000 Series B Preferred Shares, 2,300,000 Series C Preferred Shares and 3,200,000 Series D Preferred Shares outstanding as of today.

Dividend Declaration on Common Shares

The Board of Directors of the Company declared a cash dividend on the Company's common stock of \$0.01 per share payable on or about August 28, 2015 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 18, 2015. The Company has 83,475,555 shares of common stock issued and outstanding as of today's date.



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THANK YOU