



**10<sup>th</sup> Annual Capital Link  
International Shipping  
& Offshore Forum**

Monday, March 21, 2016

The Metropolitan Club, One East 60th St., New York City



In Partnership With



## **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**

## Historical data BDI - Oil Brent Crude Prices



Source: Thomson Reuters

## Current Market Outlook Synopsis

**BDI** Baltic Dry Index at low levels below 400 points.

❖ Panamax AVG 4TC:

❖ Present: \$3.7k    2015 Average: \$5.6k

❖ Cape AVG4TC:

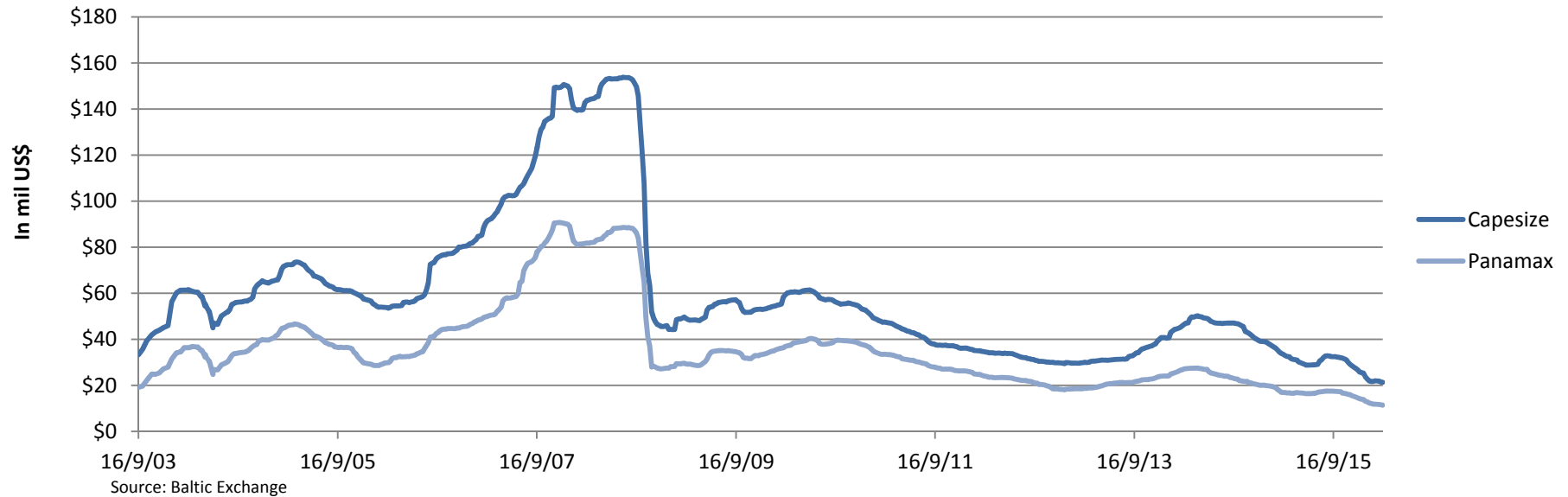
❖ Present: \$480    2015 Average: \$7.0k

✓ **Brent Crude:** Traditionally correlated with shipping performance

❖ Dramatic drop in 2<sup>nd</sup> Half 2015

❖ Presently at about \$40

## Cape & Panamax Asset Values



## Current Market Outlook Synopsis

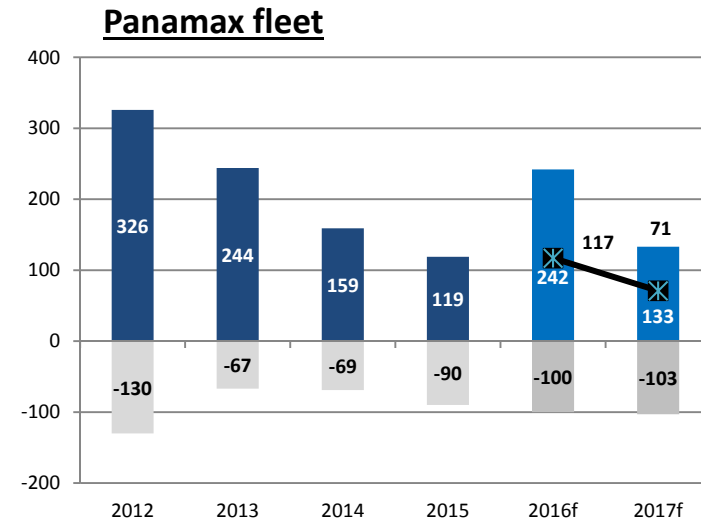
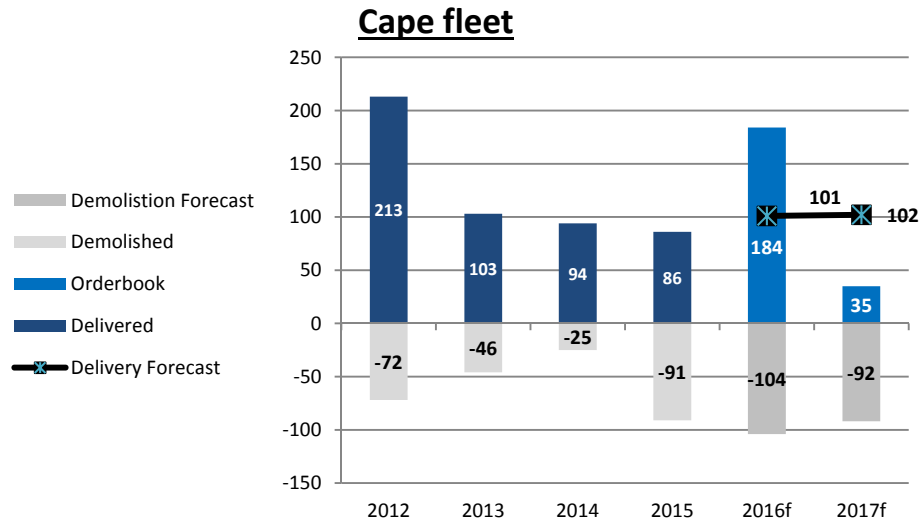
### Capesize

- ❖ 5-year old second hand vessels at the lowest prices over the past decade
- ❖ Prices: Present: \$21mill High: \$154mill 12-year Average: \$59mill

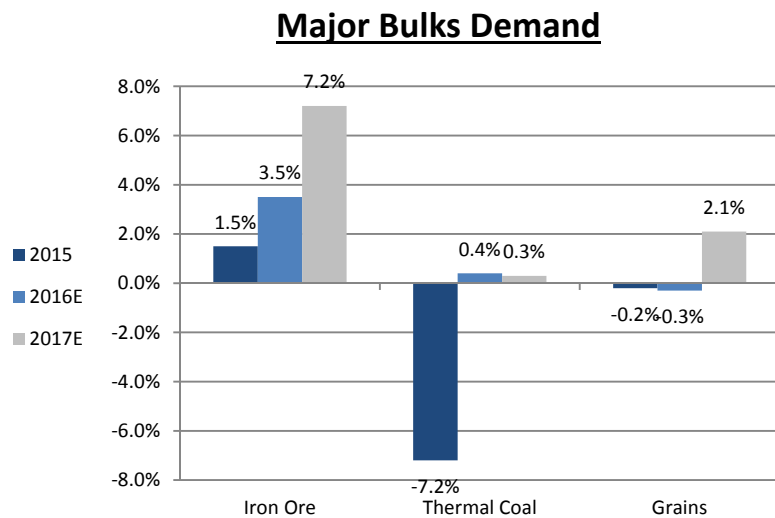
### Panamax:

- ❖ 5-year old second hand vessels at the lowest prices over the past decade
- ❖ Prices: Present: \$11mill High: \$91mill 12-year Average: \$36mill

# Demand & Supply Developments



Source: Clarksons Platou DryBulk



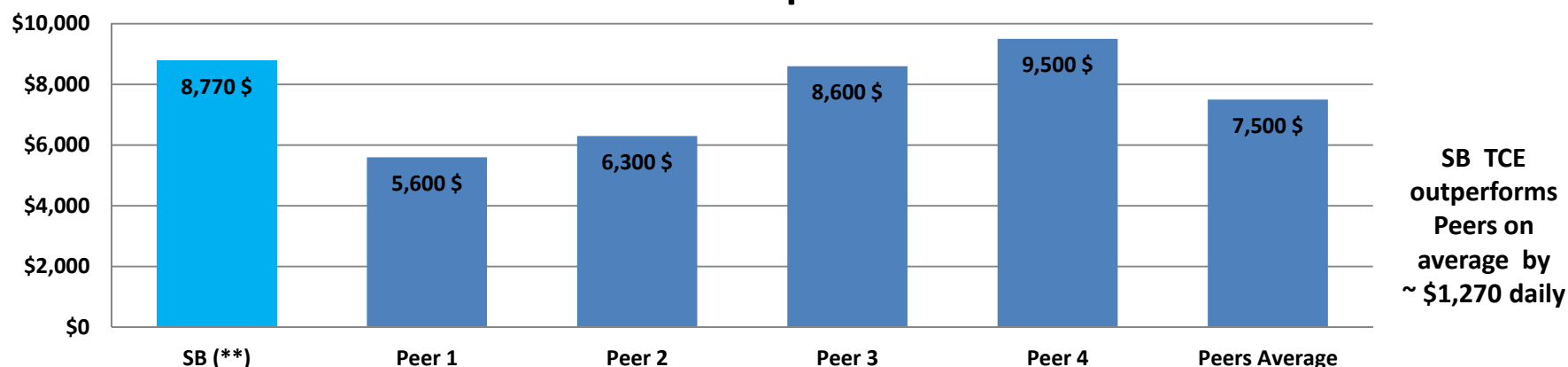
Source: Morgan Stanley

- **Iron ore:** Recovering Chinese housing market expected to retain the growth in iron ore imports reaching 7% in 2017.
- **Coal:** The outlook for demand for 2016 and 2017 depends on China's intervention. Demand from India may restore the balance in coal demand.
- **Grain:** Seasonal exports of grains from East Coast South America during Q2 and Q3 of each year are expected to support panamax demand.

## SB - Best performer in the industry

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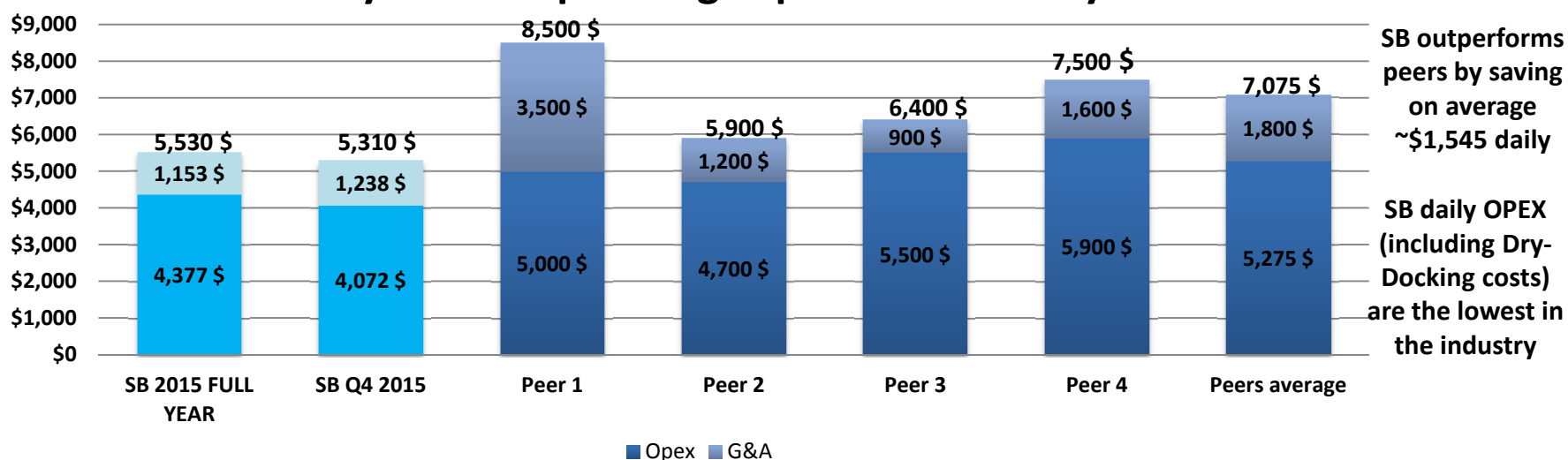
### Time Charter Equivalent\*



\* Time charter equivalent rate, or TCE rate, represents charter revenues of all fleet less commissions and voyage expenses during a period divided by the number of available days during such period.

\*\* For SB, the figure presented is the actual for 2015. For peers, the figures presented are estimations for 2015 by Morgan Stanley. Source: Morgan Stanley.

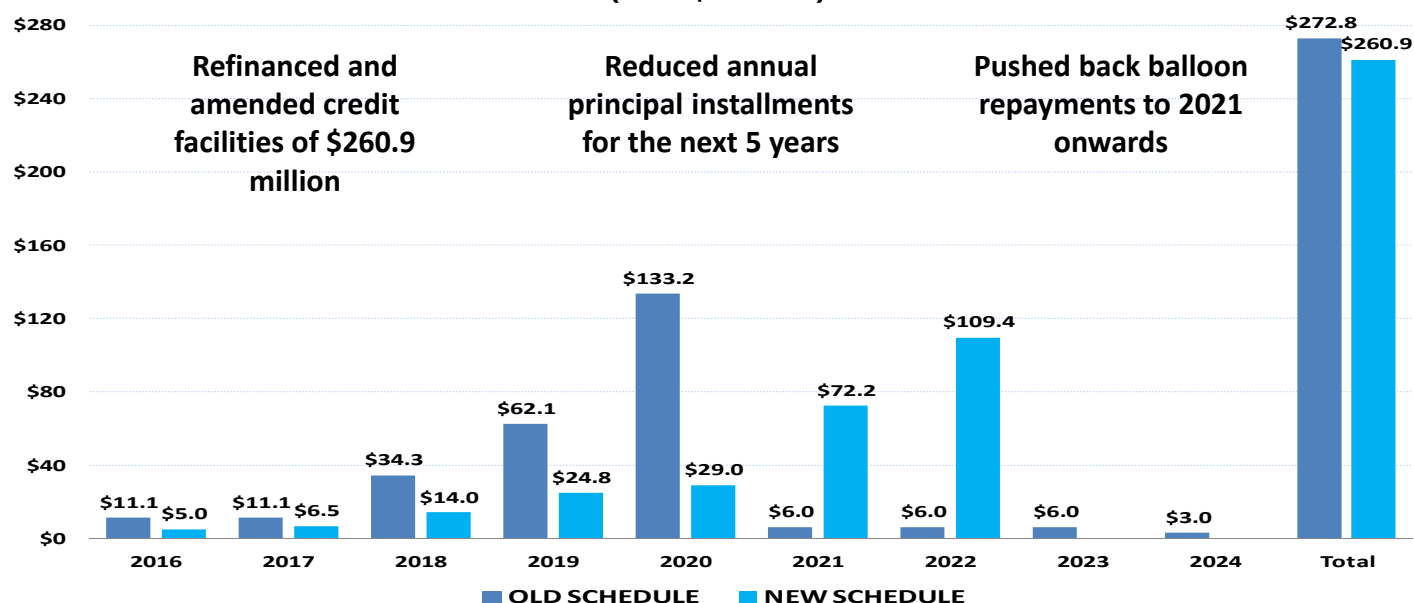
### Daily Vessel Operating Expenses and Daily G&A\*



\* For SB, 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 and other miscellaneous items. Daily vessel operating expenses are calculated by dividing vessel operating expenses for the relevant period by ownership days for such period. For SB, Daily general and administrative expenses include daily fixed and variable management fees and daily costs in relation to operation as a public company. Daily general and administrative expenses are calculated by dividing general and administrative expenses for the relevant period by ownership days for such period. For SB, the figures presented are the actual for 2015. For peers, the figures presented are estimations for 2015 by Morgan Stanley. Source: Morgan Stanley

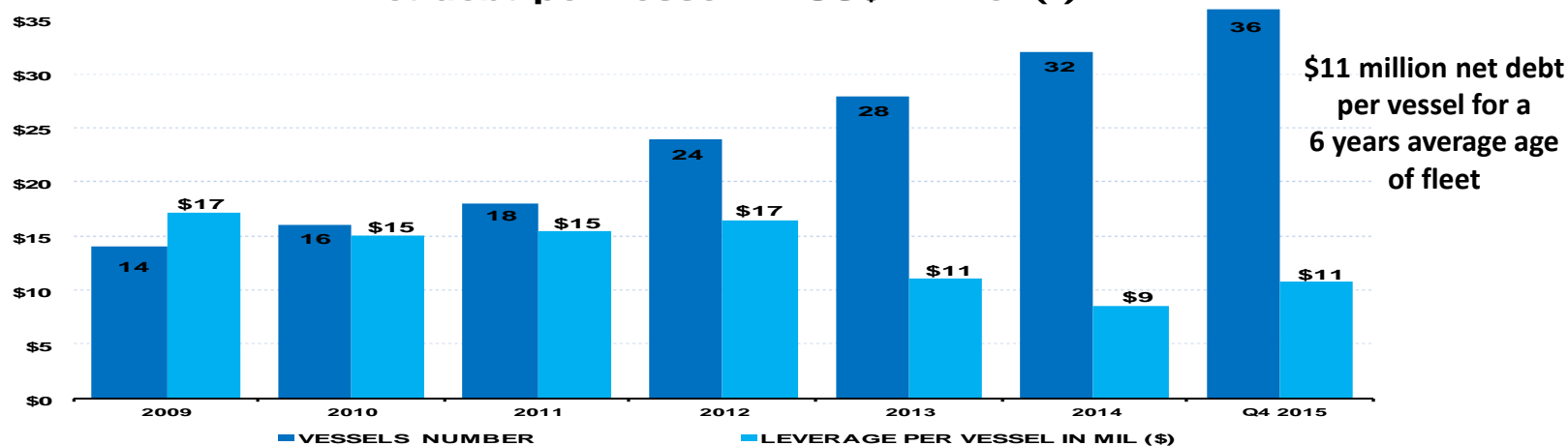
# Refinanced Debt Repayment schedules - Leverage

Repayment schedule of refinanced facilities on an annual basis  
(in US\$ million)



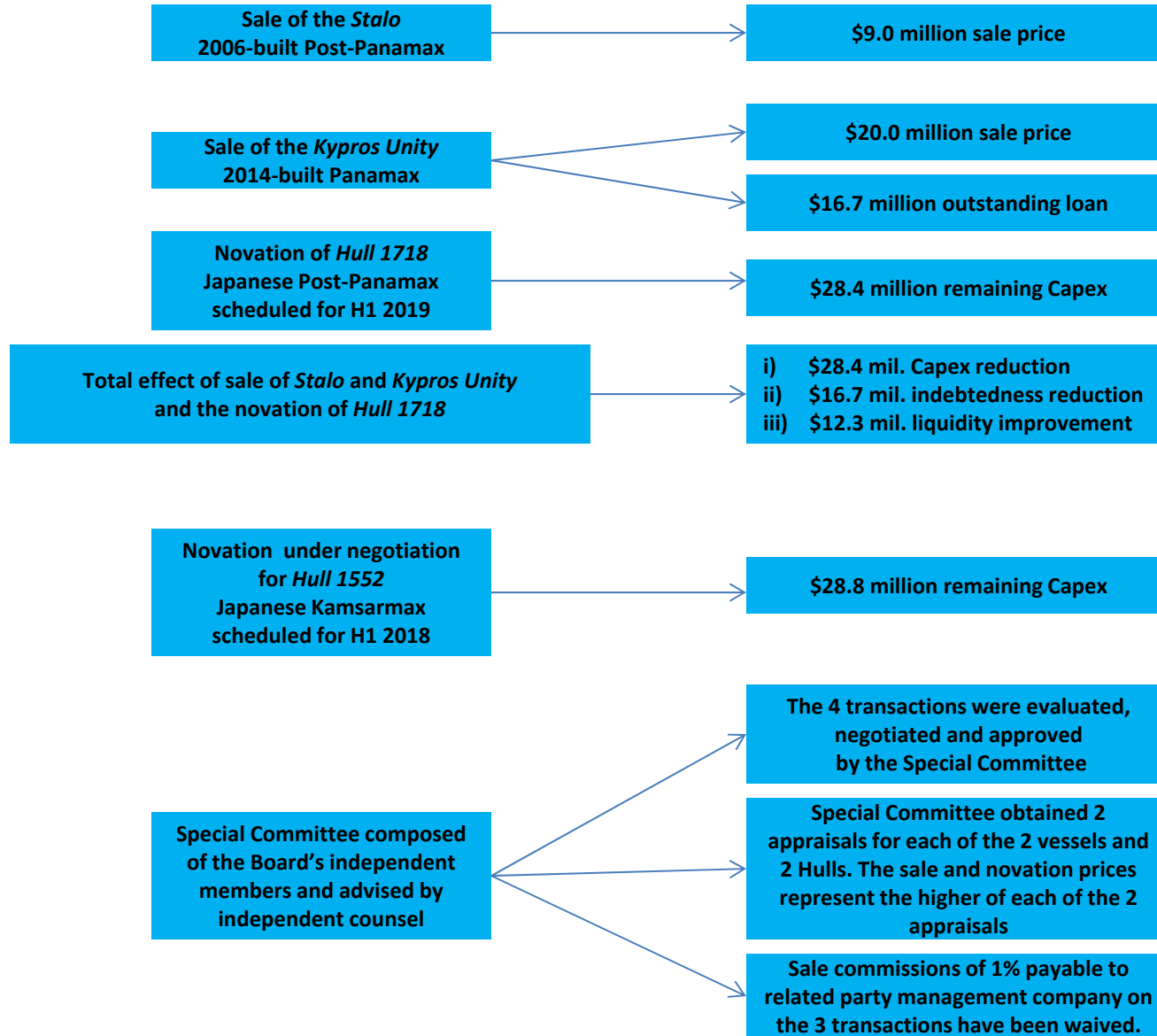
Data presented as of February 5, 2016, in US\$ millions. The Company has refinanced or accepted term sheets, to amend certain credit and loan agreements, in an aggregate amount of \$260.9 million, resulting in the extension of the tenor of these facilities, the reduction of the annual principal installments for the next 5 years, extending the balloon repayment dates to 2021 and onwards.

Net debt per vessel in US\$ million(\*)



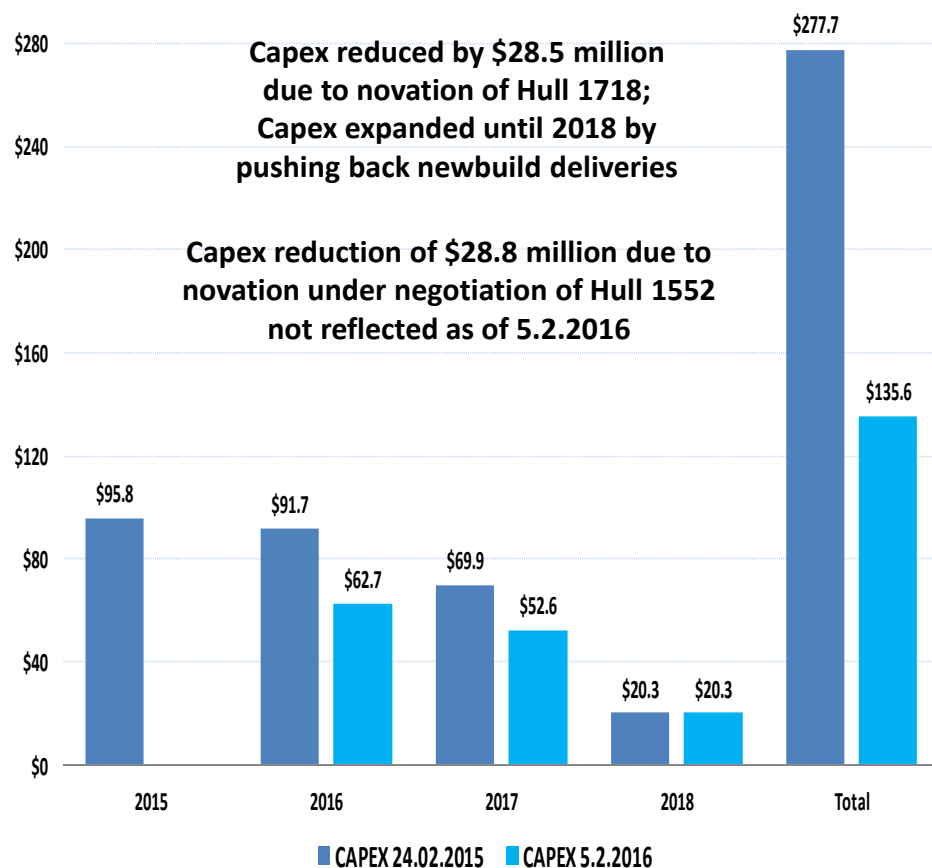
(\*) Data as of December 31, 2015. Net debt per vessel consists of total debt (including Liability directly associated with Asset held for sale) less cash, time deposits, restricted cash, and advances for newbuilds, divided by number of vessels "in the water" as of quarter end. Assumption: Contracted value of newbuilds equals market value.

## Vessel Sales and Newbuild Novations

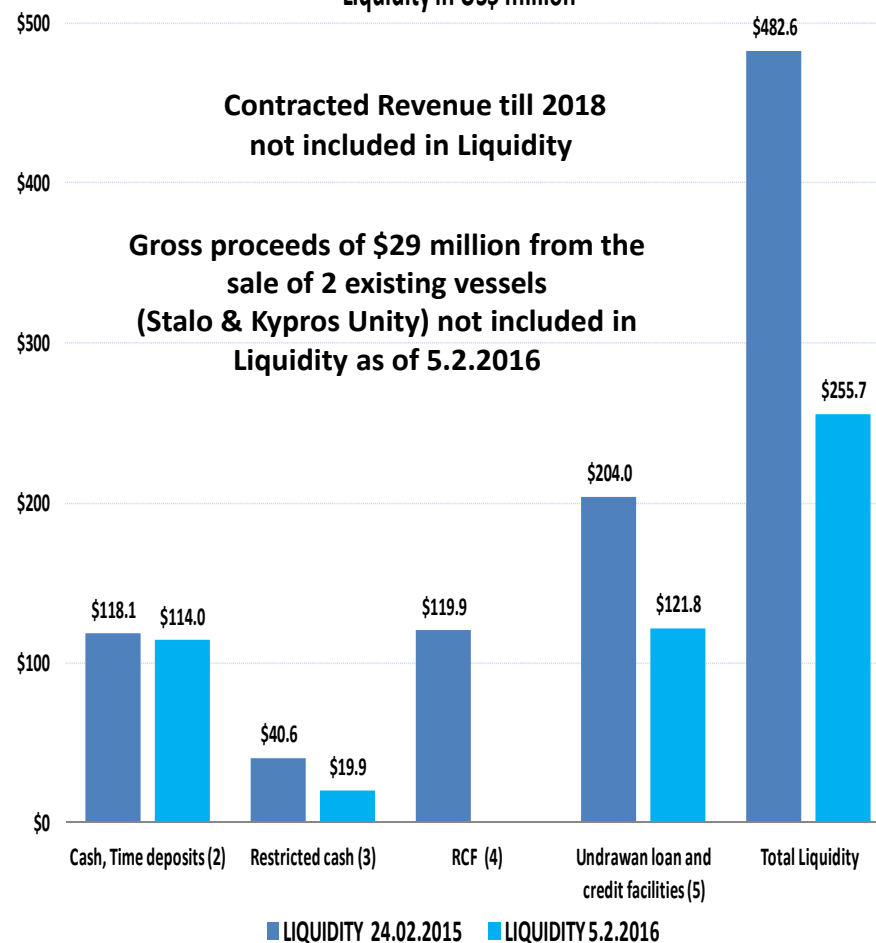


# Liquidity and Capex

Capex schedule on an annual basis in US\$ million

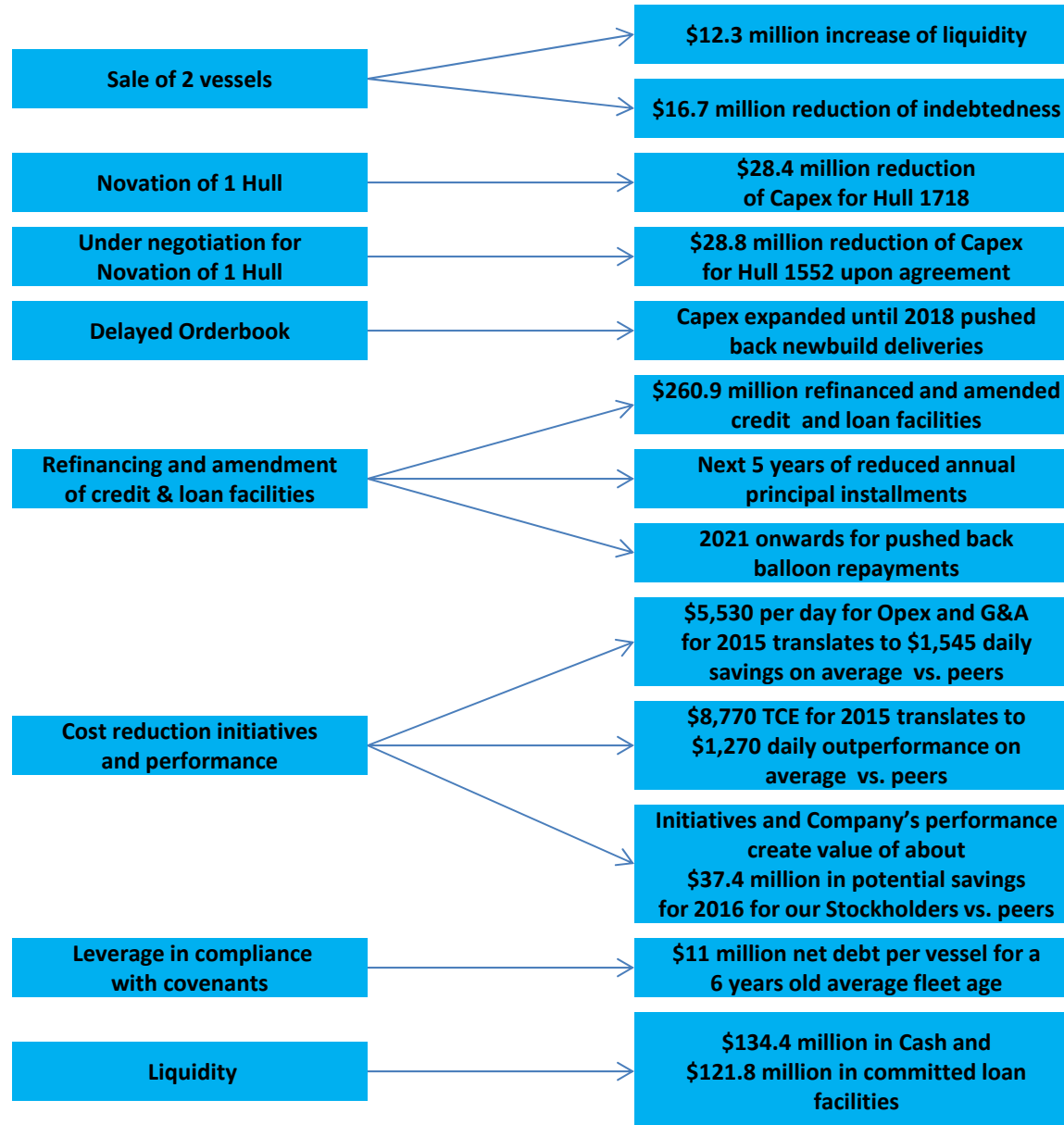


Liquidity in US\$ million



- (1) Data as of February 24, 2015 and February 5, 2016, the issuance dates of the press release for the fourth quarter results for 2014 and 2015, respectively.
- (2) Cash, short-term time deposits
- (3) Short-term restricted cash and long-term restricted cash.
- (4) Available under existing revolving reducing credit facilities (RCF).
- (5) Undrawn committed loan and credit facilities .

## Summary of management actions to weather the market conditions



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**THANK YOU**

