

Capital Link  
4<sup>th</sup> Annual Invest In International Shipping Conference  
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## Forward-Looking Statements

*Statements in this presentation may be "forward-looking statements" within the meaning of federal securities laws. The matters discussed herein that are forward-looking statements are based on current management expectations that involve risks and uncertainties that may result in such expectations not being realized. Actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements due to numerous potential risks and uncertainties including, but not limited to, the need to manage our growth and integrate additional capital, acquire additional vessels, volatility in the dry-bulk shipping business and vessel charter rates, our ability to obtain sufficient capital, the volatility of our stock price, and other risks and factors. Forward-looking statements made during this presentation speak only as of the date on which they are made, and Euroseas does not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date of this presentation.*

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*This presentation also contains historical data about the dry bulk and containerized trade, dry bulk and containership fleet and dry bulk and containership rates. These figures have been compiled by the Company based on available data from a variety of sources like broker reports and various industry publications or represent Company's own estimates. The Company exercised reasonable care and judgment in preparing these estimates, however, the estimates provided herein may not match information from other sources.*

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## Introduction & Milestones

- » Euroseas is a provider of worldwide dry cargo transportation services and owner of ships
  - Drybulk carriers – transporting iron ore, coal and grains and minor bulks
  - Container and multipurpose ships – transporting dry and refrigerated cargoes
  
- » Corporate Profile
  - Formed in June 2005 - about 35% owned by founding shareholder
  - Founding shareholder, the Pittas family, owned/operated vessels since 1870
  - Listed on NASDAQ / abt \$125 million market capitalization (based on stock price of \$4 / sh)
  
- » Company Position & Valuation
  - Strong balance position: cash of \$50m+ / debt of \$71 m
  - Maintained dividend for 18<sup>th</sup> consecutive quarter / current annual yield abt 5%
  - Ratio of debt to market value of vessels is less than 40%
  - Trading at a high EV/EBITDA ratio because of depressed containership market
  - Currently undervalued, trading at a P/NAV ratio of about 0.7x

# Current Fleet

Drybulk  
Carriers

Container ships

Name	Type	Size		Year	Acquisition
		DWT	TEU	Built	Year Acq'd
Pantelis	Panamax	74,020	-	2000	2009
Eleni P	Panamax	72,119	-	1997	2009
Irini	Panamax	69,734	-	1988	2002
Aristides NP	Panamax	69,268	-	1993	2006
Monica P	Handymax	46,667	-	1998	2009
Maersk Noumea	Intermediate	34,677	2,556	2001	2008
Tiger Bridge	Intermediate	31,627	2,228	1990	2007
Despina P	Handysize	33,667	1,932	1990	2007
Jonathan P	Handysize	33,667	1,932	1990	2007
Captain Costas	Intermediate	30,007	1,742	1992	2007
YM Port Klang	Handysize	23,596	1,599	1993	2006
Manolis P	Handysize	20,346	1,452	1995	2007
Ninos	Feeder	18,253	1,169	1990	2001
Kuo Hsiung	Feeder	18,154	1,169	1993	2002
Tasman Trader	Multipurpose	22,568	950	1990	2006
<b>Total</b>	<b>15 vessels</b>	<b>598,370</b>	<b>16,729</b>	<b>16.4 yrs</b>	

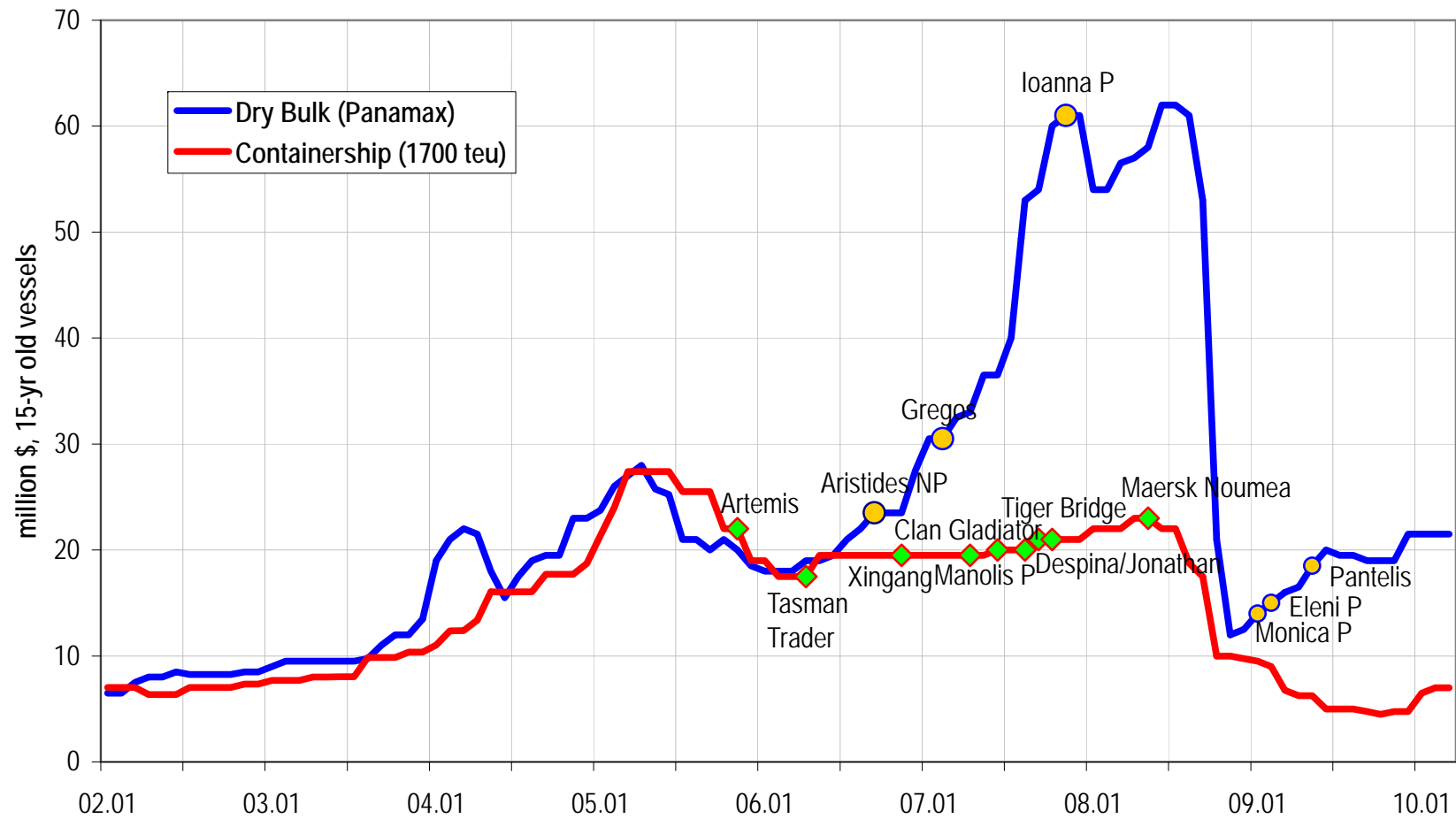


## 2009: An Opportunity to Renew

Took advantage of drop in prices to renew fleet at prices of about 35-40% of the levels prevailing in the summer of 2008

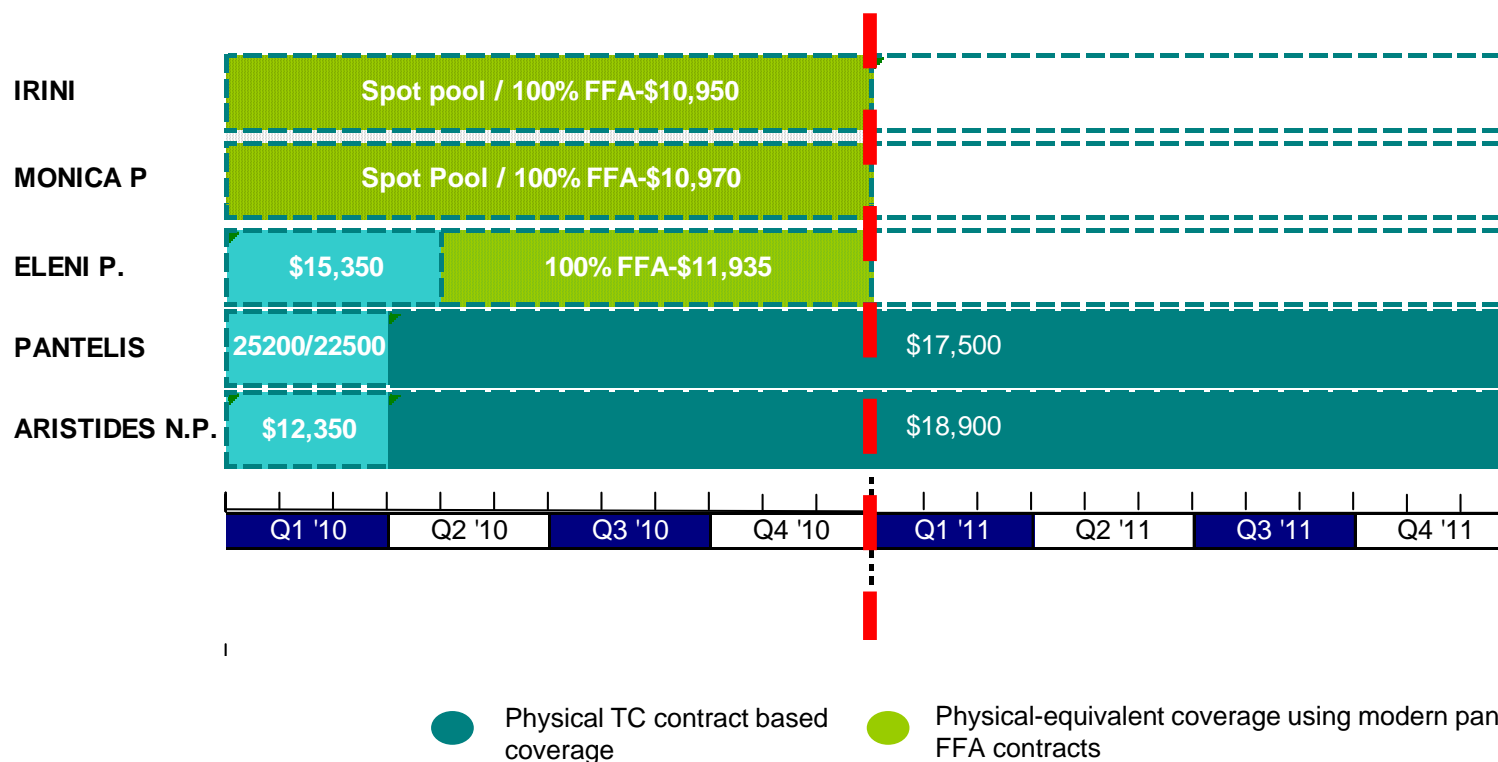
- » Bought:
  - Monica P - blt '98 bulker for \$18m (Feb-'09)
  - Eleni P – blt '97 bulker for \$18.5m (Mar-'09)
  - Pantelis - - blt '00 bulker for \$27.5m (Jul-'09)
  
- » Sold:
  - Nikolaos P – blt '84 bulker for \$2.7m (Feb-'09)
  - Ioanna P – blt '84 bulker for \$4.0m (Jan-'09)
  - Gregos – blt '84 bulker for \$8.0m (Dec-'09)
  - Artemis – blt '87 containership for \$3.0m (Dec-'09) – for scrap
  
- » Average age of fleet dropped to around 16.5 years
  
- » Financed new acquisitions with about 50% debt

# Euroseas Acquisitions 2005-2009



# Vessels Employment Chart – Bulkers

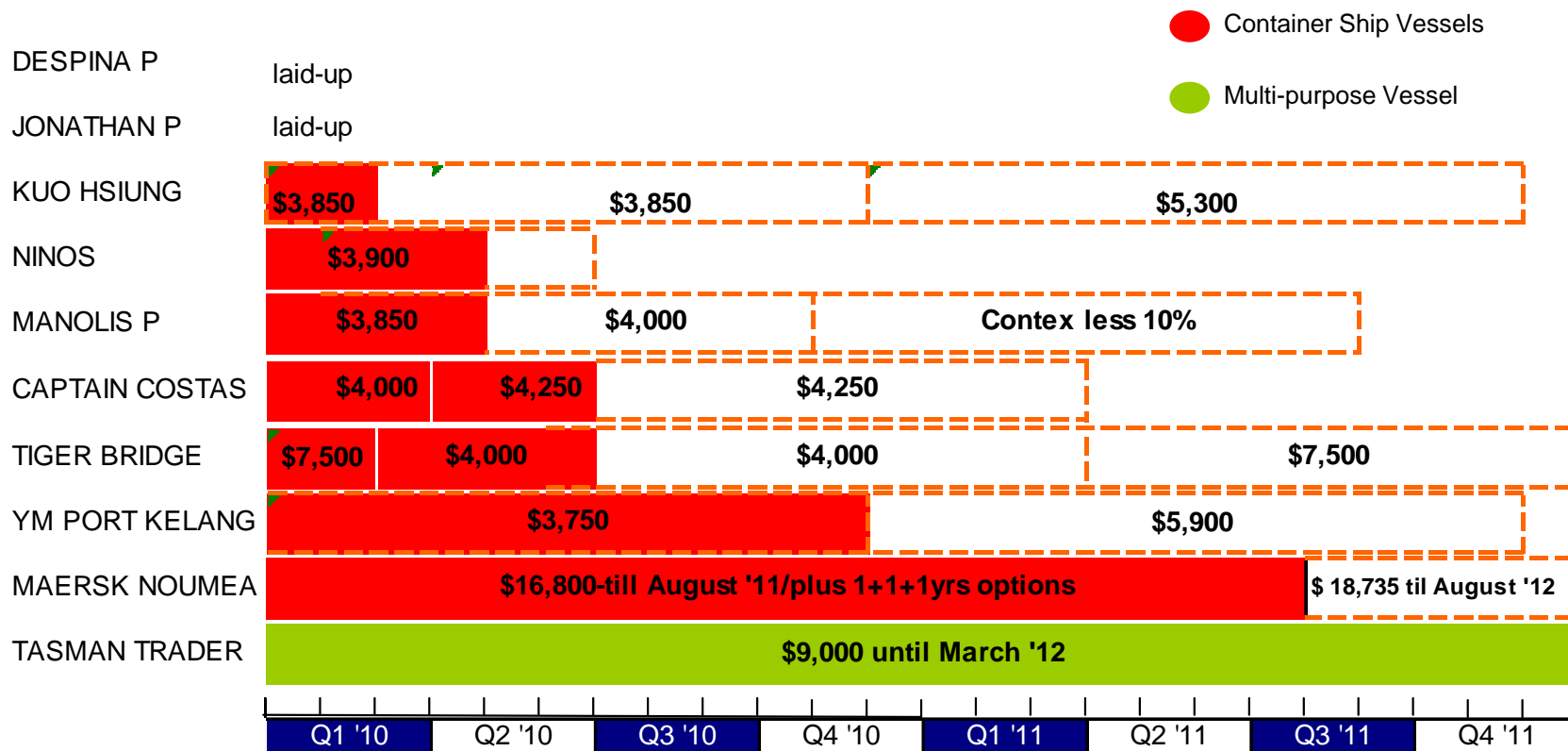
100% in 2010 / 40 % in 2011



Notes: Irimi is equivalent to 86% of a modern panamax; Aristides NP to 89%; Monica P to 86%; Eleni P to 93% and Pantelis to 99%. Resulting from the sale of the Gregos the company is about 122 days overcovered for 2010 at an average BPI TCE rate of about \$12,800/day.

# Vessels Employment Chart – Containerships

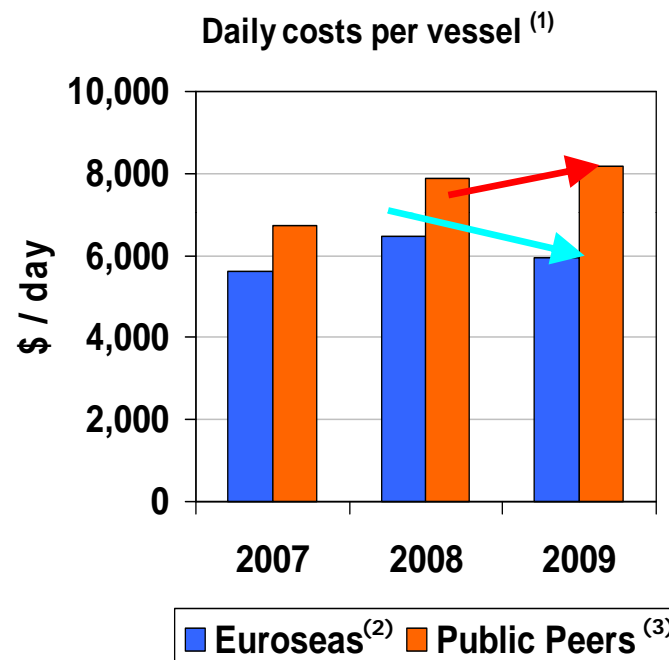
Coverage 45% in 2010 / 17% in 2011





## Fleet Management & Operational Performance

- » Management is performed by Eurobulk Ltd., an affiliate
  - Top management – 100+ years of industry shipping experience
  - 4<sup>th</sup> generation of Pittas' family managing secondhand dry-cargo ships
- » Technical fleet utilization rate in excess of 98.5% over last 5 years
  - Outstanding safety and environmental record
- » Overall costs achieved are amongst the lowest of the public shipping companies
  - Achieved 8% cost reduction in 2009 (excluding laid-up vessels)



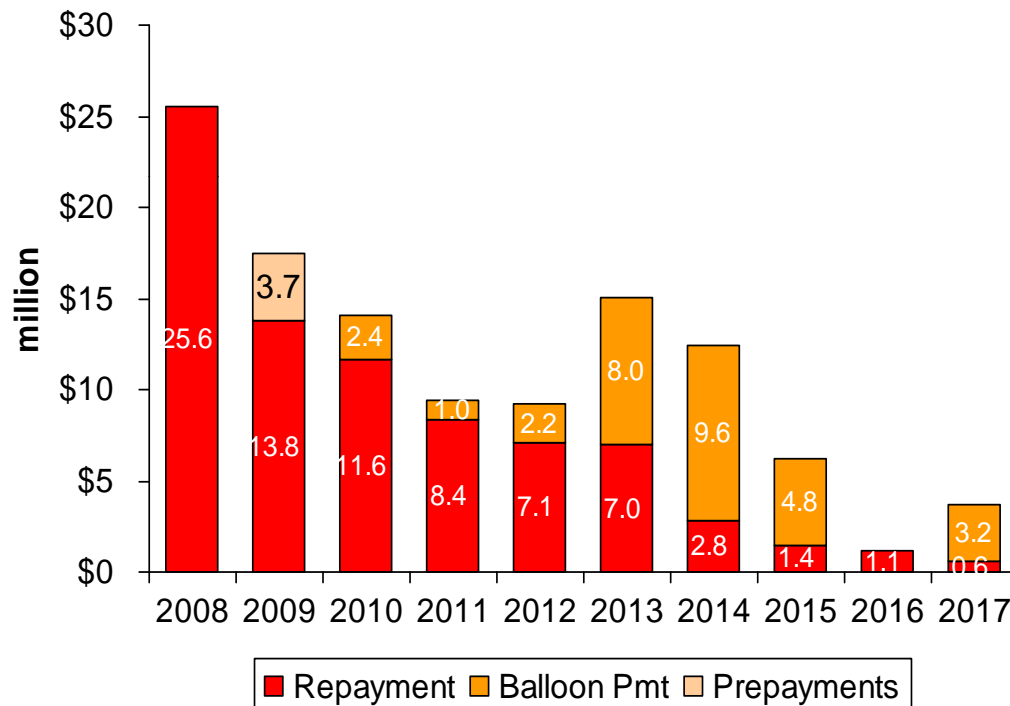
(1) Includes running cost, management fees and G&A expenses

(2) 2009 figure was increased by abt \$600/day to account for the lower cost of the 3 laid-up vessels

(3) Peer group includes DRYS, DSX, EGLE, EXM, GNK, OCNF and FREE (drybulk), and SSW, DAC (containership) –2009 figures for DRYS, DAC and SSW refer to 2009M9 figures as they have not reported 2009Q4 figures as yet.

# Rapid Debt Repayment

## Debt Repayment Schedule – As of 3/1/2010



## Cash Flow Breakeven

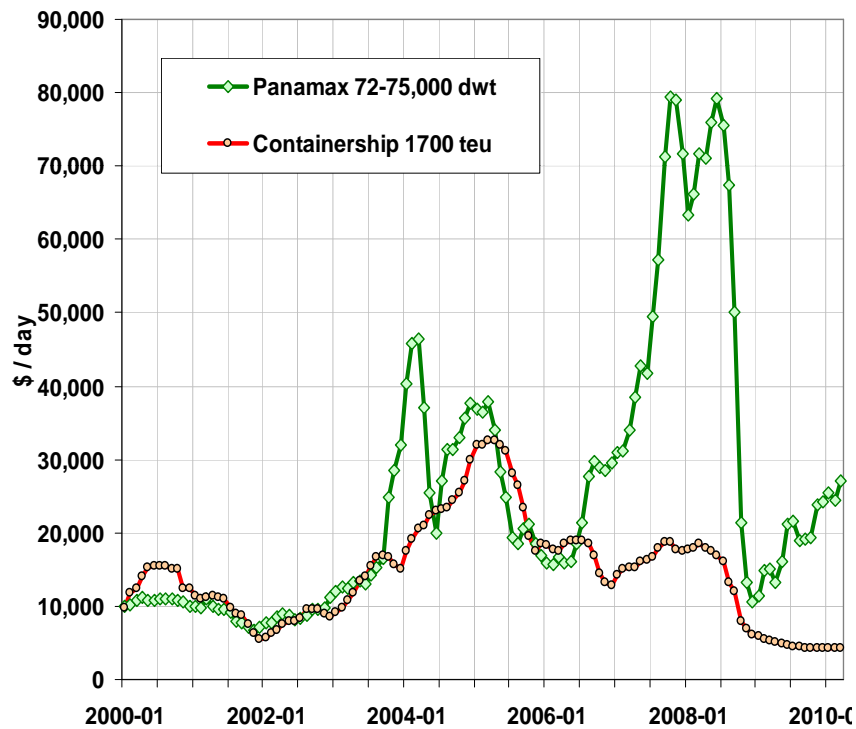
» Cash Flow Breakeven rough estimate for next 12 months:

	<u>\$/day</u>
OPEX <sup>(1)</sup>	\$ 5,500
G&A	\$ 650
Interest	\$ 500
Drydock	\$ 850
<u>Loan Rpmt<sup>(2)</sup></u>	<u>\$ 2,500</u>
<b>TOTAL</b>	<b>\$10,000</b>

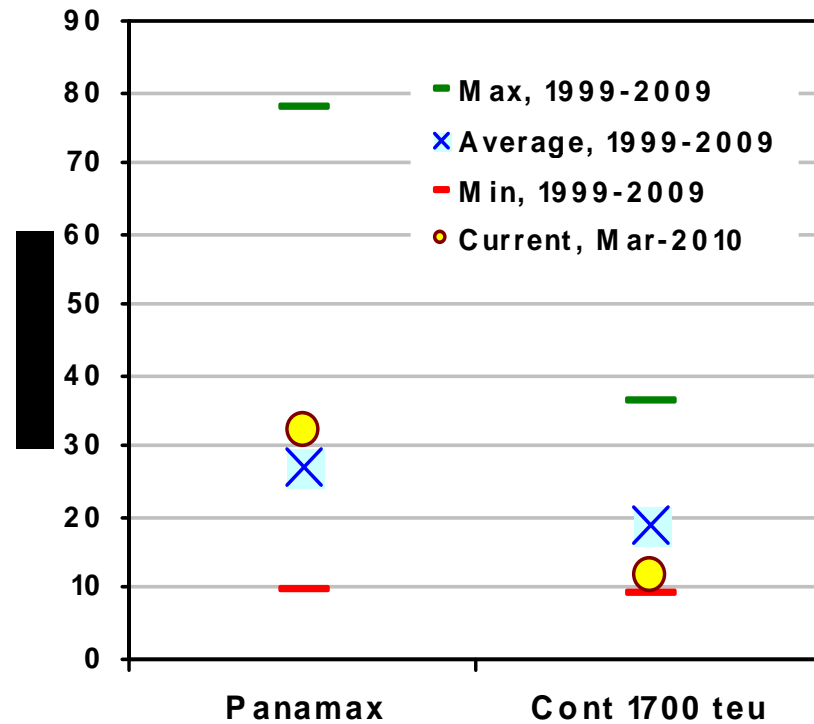
- (1) Assumes all 15 vessels are operating; with 13 vessels operating supporting 2 vessels in lay-up, estimated cash flow breakeven is around \$11,500 / day / vessel
- (2) Includes scheduled repayment of loan balloons which represent about \$450/day/vessel; in many cases balloon payments can be refinanced

# Investment Opportunities In 2010

## 1-Year TC Rates



## 10-yr old Price Historical Range





## Funding Company Growth

- » Formed, Euomar LLC, a Joint Venture with Eton Park and Rhône Capital, two private investment firms
  - Will pursue investment opportunities in shipping
  - Commitments of up to \$75m each for a total of up to \$175m committed including \$25m from Euroseas
  
- » Key Advantages
  - Access to better & larger projects
  - Diversification of our investment
  - Achievement of certain economies of scale
  - Higher overall returns
  - Euroseas growth through potential future conversion of Euomar into Euroseas stock

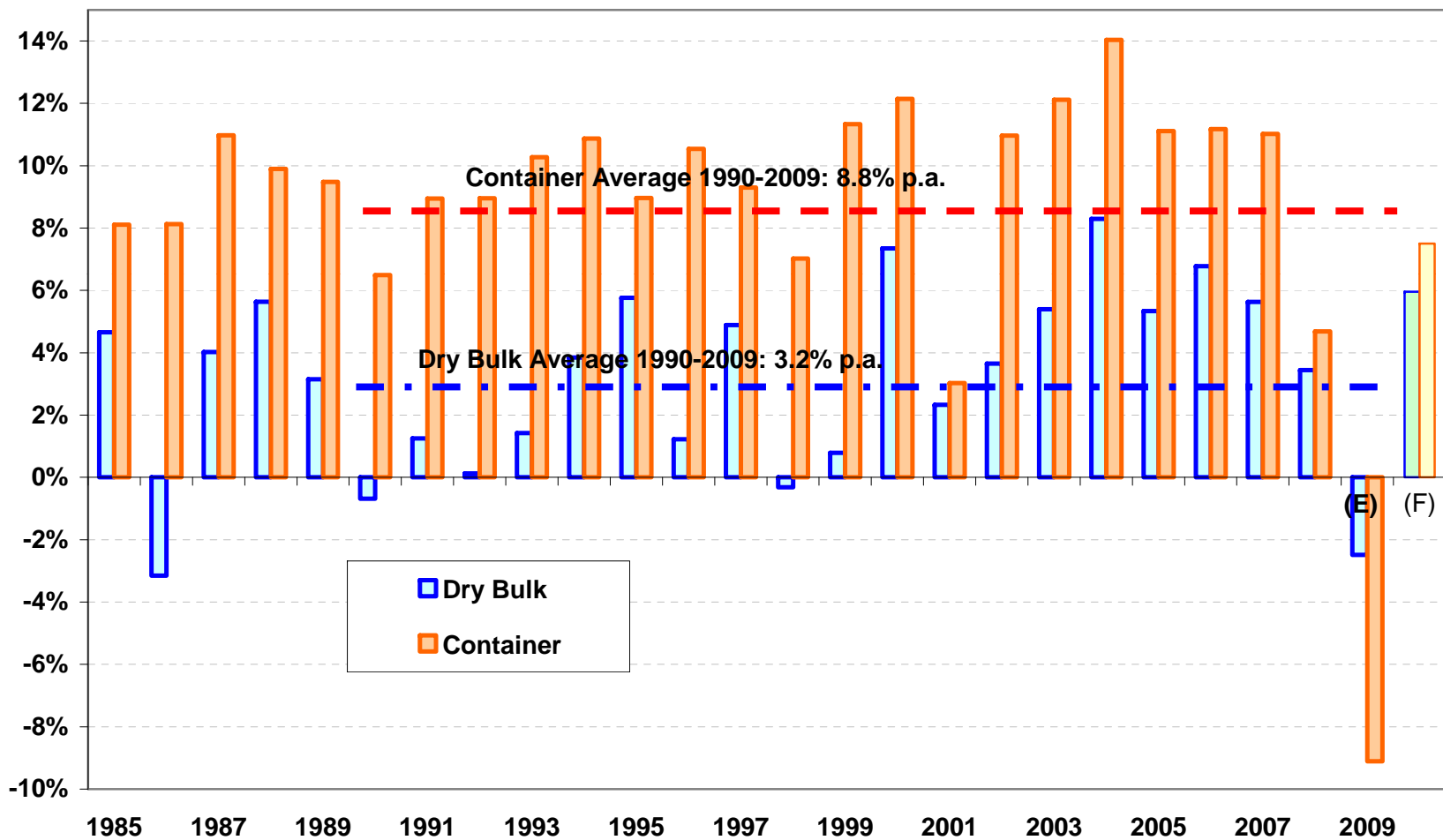


**EUROSEAS LTD**

Market Overview



# Dry Bulk & Containerized Trade Growth, 1987-2009



Source: Clarksons

## World GDP & Shipping Demand Growth

Real GDP (% p.a.)	2006	2007	2008	2009	2010F	2011-13F
USA	3.3	2.5	1.1	-2.5 (-2.7)	2.7(1.5)	3.4 (1.8)
Eurozone	3.0	2.7	0.8	-3.9 (-4.2)	1.0 (0.3)	1.7 (1.8)
Japan	2.8	1.9	-0.7	-5.3 (-5.4)	1.7 (1.7)	2.7 (1.2)
China	10.5	11.2	9.0	8.7 (8.5)	10.0 (9.0)	10.4 (8.6)
India	9.5	9.0	7.3	5.6 (5.4)	7.7 (6.4)	7.5 (8.0)
Russia	7.4	8.1	5.6	-9.0 (-7.5)	3.6 (1.5)	4.3 (4.3)
Brazil	3.8	5.4	5.1	-0.4 (-0.7)	4.7 (3.5)	3.9 (4.0)
NIE Asia	5.6	5.6	1.55	-1.2 (-5.6)	4.8 (0.8)	4.7 (4.7)
ASEAN-5	5.7	6.3	4.8	1.3 (-0.7)	4.7 (4.0)	4.9 (6.5)
<b>World</b>	<b>5.1</b>	<b>5.0</b>	<b>3.2</b>	<b>-0.8 (-1.1)</b>	<b>3.9 (3.1)</b>	<b>4.8 (4.6)</b>

*(October-09 forecasts in parentheses)*

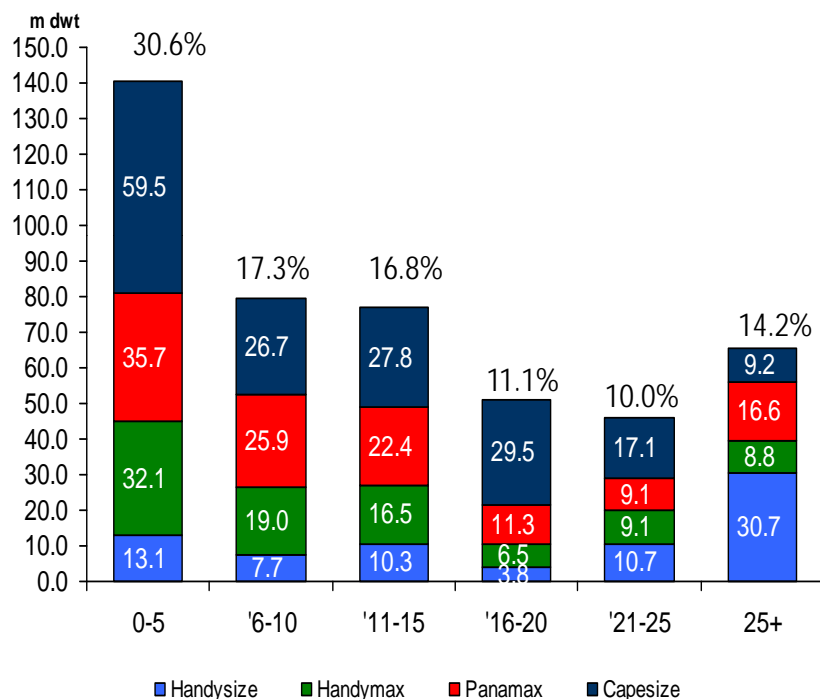
### Dry Bulk Trade (% p.a.)

Tons	6.0	6.5	3.3	-2.7	6.0	5-6
Containerized Trade (% p.a.)						
TEU	10.7	10.4	6.1	-9.0	7.5	8-10

Sources: GDP - International Monetary Fund (January 2010), Economist Intelligence Unit & Company estimates (January-March 2010);  
Trade - Clarksons, Company estimates (March 2010)

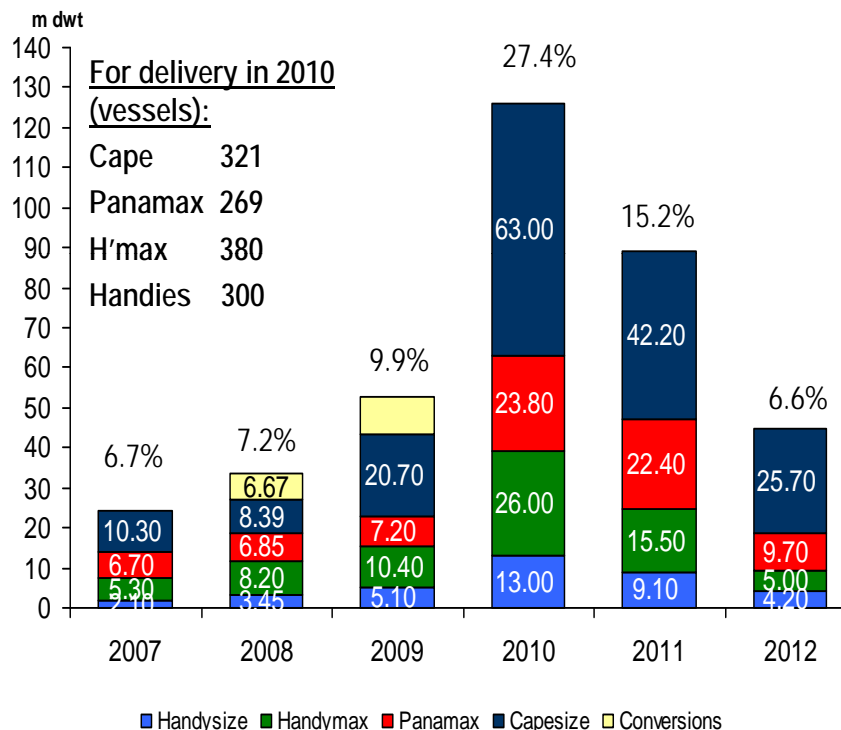
# Drybulk Age Profile & Orderbook Delivery Schedule

## Dry Bulk Age Profile



**Large bulkers are still young**

## Dry Bulk Orderbook <sup>(1)</sup>



**Large Vessels Dominate Orderbook**

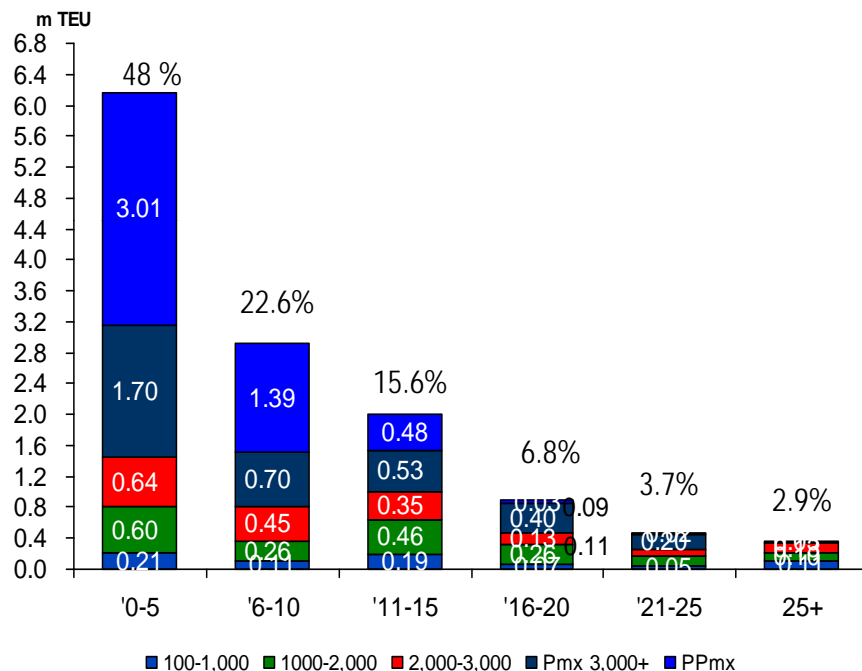
Source: Clarksons/Dahlman Rose, as of January 2010

- (1) 2007-2009 fleet percent change includes scrapping and other additions and removals. In 2009, scrapping accounted for 10 m dwt, conversions for 10.9 m dwt and other removals for 1.7 m dwt. Slippage and cancellations (28.5 m dwt) accounted for 40% of the scheduled deliveries.
- (2) 2010 on deliveries are given as percent of fleet of previous year calculated without accounting for scrapping, other removals or conversions (January 2010)



# Containership Age Profile & Orderbook Delivery Schedule

## Containership Age Profile<sup>(1)</sup>

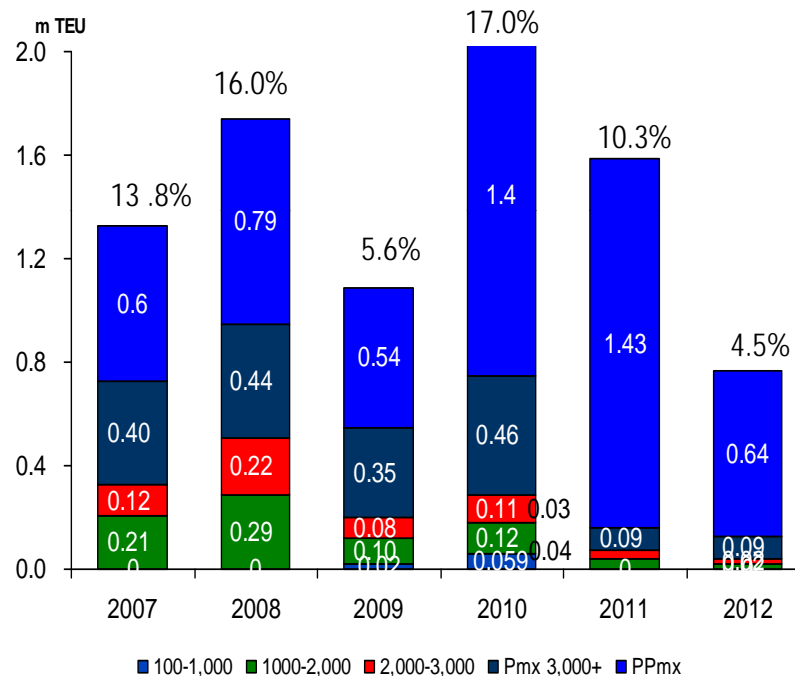


### Overall A Young Fleet

Source: Clarksons as of January 2010

- (1) 2007-2009 fleet percent change includes scrapping and other additions and removals. From 2010 onwards, percent fleet change is calculated based on the fleet of the previous year calculated without accounting for scrapping, other removals or conversions.
- (2) In 2009, scrapping accounted for 0.35 m teu, or 2.9% of the fleet. Slippage and cancellations of about 1.0 m teu accounted for about 48% of the scheduled deliveries.

## Container Orderbook <sup>(1)</sup>



### Large Vessels Dominate Orderbook

## Indicative Supply/Demand Balance Scenario

	Dry Bulk				Container			
	Orderbook - 61.1% (Mar-10)				Orderbook - 31.1% (Mar-10)			
	2009	2010	2011	2012	2009	2010	2011	2012
Trade Demand Growth <sup>(1)</sup>	-2.7%	6.0%	5.5%	5.5%	-9.8%	7.5%	9.0%	9.0%
Effect of congestion, piracy, productivity	7.0%	2.0%	-	-	2.0%	2.0%	-	-
Delivery Schedule <sup>(2)</sup>	17.0%	27.3%	15.2%	6.3%	16.7%	17.0%	10.3%	4.5%
Net Delays and Cancellations <sup>(3, 4)</sup>	-6.8%	-12.5%	-5.5%	0.0%	-7.9%	-8.5%	-2.6%	0.0%
Scrapping <sup>(5)</sup>	-2.4%	-4.0%	-6.0%	-5.0%	-2.9%	-3.0%	-1.5%	-1.5%
Other additions/removals	2.1%	1.0%	-	-	0.0%	-	-	-
Fleet Growth	9.9%	11.8%	3.7%	1.3%	6.0%	5.5%	6.2%	3.0%
<b>Supply/Demand Balance</b>	<b>-5.6%</b>	<b>-3.8%</b>	<b>1.8%</b>	<b>4.2%</b>	<b>-13.8%</b>	<b>4.0%</b>	<b>2.8%</b>	<b>6.0%</b>

Note: This table is provided for indicative purposes only. Actual values might be substantially different.

- Demand growth assumed based on IMF world GDP assumptions and historical relations to trade growth and Clarksons and Company estimates; shown at an annualized rate
- Delivery schedule as per previous slides based on Clarksons figures; 2009 schedule as of the beginning of 2009
- Dry bulk delivery net delays and cancellations were 40% for 2009 and are assumed 45% for 2010, 35% for 2011 and 0% for 2012 on the schedule as of 1/1/10
- Containership net delivery delays and cancellations were 50% in 2009 and are assumed 50% for 2010, 25% for 2011 and 0% for 2012 on the schedule of 1/1/10
- Scrapping rate assumes that all vessels currently above 25 yrs old get scrapped at the next scheduled drydock date, plus, in case of containerships, almost all vessels turning 25 in the next three years



## Euroseas Market Position

*We have what it takes ...*

- » Strong Balance with low leverage & funds available for investment
- » Joint Venture that gives us access to an additional equity of up to \$150m
- » One of the lowest cost operating structures
- » Team and experience

*... to take advantage of the opportunities ahead*

*and*

*increase shareholder value*

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## Appendix: Selected Financial Information – 2007, 2008 & 2009

## Financial Highlights: 4<sup>th</sup> Quarter of and Full Year 2008 and 2009

(in million USD except per share amounts)	Fourth Quarter			Full Year		
	as adjusted <sup>(4)</sup> 2008	2009	change % <sup>(3)</sup>	as adjusted <sup>(4)</sup> 2008	2009	change % <sup>(3)</sup>
Net Revenues	\$23.6	\$16.5	-30.2%	\$126.3	\$63.8	-49.5%
Net Income	(\$22.2)	(\$16.3)		\$21.5	(\$15.6)	
Unrealized (gain) loss, derevatives & trading sec.	\$4.7	\$5.1		\$5.4	\$7.6	
Impairment loss / loss on sale of vessels	\$25.1	\$9.0		\$25.1	\$9.0	
Amort. FV of charters, net	(\$0.3)	(\$2.5)		(\$6.1)	(\$3.6)	
Adj. Net Income	\$7.3	(\$4.8)		\$45.9	(\$2.7)	
Adjusted EBITDA <sup>(1)</sup>	\$11.4	\$0.4	-96.3%	\$72.0	\$17.4	-75.8%
"GAAP" EPS, Diluted	(\$0.73)	(\$0.53)		\$0.71	(\$0.51)	
"Operating" <sup>(2)</sup> Adj. EPS, Diluted	\$0.24	(\$0.15)		\$1.50	(\$0.09)	
Dividends per share, declared	\$0.10	\$0.05		\$0.93	\$0.30	

(1) See press release of 3/1/2010 for Adjusted EBITDA reconciliation to Net Income and Cash Flow from Operations.

(2) "Operating" EPS excludes from Net Income the capital gains, amortization of fair value of charters acquired and unrealized gains or losses from derivatives and trading securities. See press release of 3/1/2010 for reconciliation to Net Income.

(3) Calculated based on figures in press release of 3/1/2010, i.e. before rounding to million USD.

(4) "as adjusted" under the direct expense method; for "as reported" figures under the deferral method for dry-docking expenses, please, look at the press release of 3/1/2010.

## Fleet Data for 4<sup>th</sup> Quarter of and Full Year 2008 and 2009

<b><u>Fleet Statistics</u></b>	<b>Fourth Quarter</b>		<b>Full Year</b>	
	<b>2008</b>	<b>2009</b>	<b>2008</b>	<b>2009</b>
	<b><u>(unaudited)</u></b>	<b><u>(unaudited)</u></b>	<b><u>(unaudited)</u></b>	<b><u>(unaudited)</u></b>
<b>Number of vessels</b>	<b>16.00</b>	<b>16.68</b>	<b>15.61</b>	<b>16.30</b>
<b>Utilization Rate (%)</b>				
Overall <sup>(1)</sup>	<b>96.0%</b>	<b>93.8%</b>	<b>98.0%</b>	<b>94.8%</b>
Commercial <sup>(1)</sup>	<b>97.3%</b>	<b>94.7%</b>	<b>99.1%</b>	<b>95.5%</b>
Operational <sup>(1)</sup>	<b>98.7%</b>	<b>99.1%</b>	<b>98.9%</b>	<b>99.3%</b>
<b><u>Averages in usd/day/vessel</u></b>				
<b>Time Charter Equivalent (TCE)</b>	<b>\$ 17,420</b>	<b>\$ 13,892</b>	<b>\$ 23,695</b>	<b>\$ 13,698</b>
<b>Operating Expenses</b>				
Vessel Operating Expenses	5,730	4,955	5,759	4,832
G&A Expenses	525	516	710	612
<b>Total Operating Expenses</b>	<b>6,255</b>	<b>5,471</b>	<b>6,469</b>	<b>5,444</b>
<b>Interest Expense</b>	<b>421</b>	<b>267</b>	<b>513</b>	<b>242</b>
<b>Drydocking Expense</b>	<b>623</b>	<b>-</b>	<b>1,073</b>	<b>321</b>
<b>Loan Repayments</b>	<b>4,290</b>	<b>4,935</b>	<b>4,476</b>	<b>2,942</b>
<b>Total Cash Flow Breakeven</b>	<b>11,589</b>	<b>10,673</b>	<b>12,531</b>	<b>8,949</b>

- (1) Utilization Rate is calculated excluding scheduled offhire (drydockings and special surveys and vessels in lay-up). Scheduled offhire amounted to 11.9 and 150.8 days for the fourth quarter of and full year 2008 and 262 and 966.5 days for the same periods of 2009.