

# Top Ships Inc. (TOPS)

Capital Link Forum

March 25, 2010



TOP SHIPS INC.

# Forward Looking Statements

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Matters discussed in this presentation may constitute forward-looking statements. Forward-looking statements reflect the Company's current views with respect to future events and financial performance and may include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts.

The forward-looking statements in this release are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, management's examination of historical operating trends, data contained in our records and other data available from third parties. Although Top Ships Inc. believes that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond our control, Top Ships Inc. cannot assure you that it will achieve or accomplish these expectations, beliefs or projections. Important factors that, in the Company's view, could cause actual results to differ materially from those discussed in the forward-looking statements include the strength of world economies and currencies, general market conditions, including changes in charterhire rates and vessel values, changes in demand that may affect attitudes of time charterers to scheduled and unscheduled drydocking, changes in Top Ships Inc.'s operating expenses, or actions taken by regulatory authorities, potential liability from pending or future litigation, domestic and international political conditions, potential disruption of shipping routes due to accidents and political events or acts by terrorists. Risks and uncertainties are further described in reports filed by Top Ships Inc. with the US Securities and Exchange Commission



# Top Ships – the Company



- ⊖ Listed on NASDAQ since 2004 (ticker: TOPS)
- ⊖ Track record as a leading Suezmax and Handymax tanker operator
- ⊖ Strategic fleet renewal in 2006 with the order of 6 newbuilding product tankers; delivered in 2009
- ⊖ Diversification into dry bulk sector in 2008 with 5 vessels (TOPS)
- ⊖ Entered B.C. into fixed rate medium to long term charters at pre-crisis rates for all dry bulk vessels and newbuildings
- ⊖ Current fleet of 13 owned modern high specification vessels
  - 8 product tankers with an average age of 3.0 years
  - 5 dry bulk vessels with an average age of 8.9 years



# Investment Highlights



- ⊖ Cash flow visibility; gross contracted revenue of \$381m until 2019
- ⊖ Diversified charterers' base <sup>a2</sup>
- ⊖ Existing charters at rates that are significantly higher than current rates
- ⊖ Unlocked market value due to charters <sup>a6</sup>
- ⊖ No capital commitments other than debt repayment
- ⊖ NAV increase as a result of debt repayments



## Slide 4

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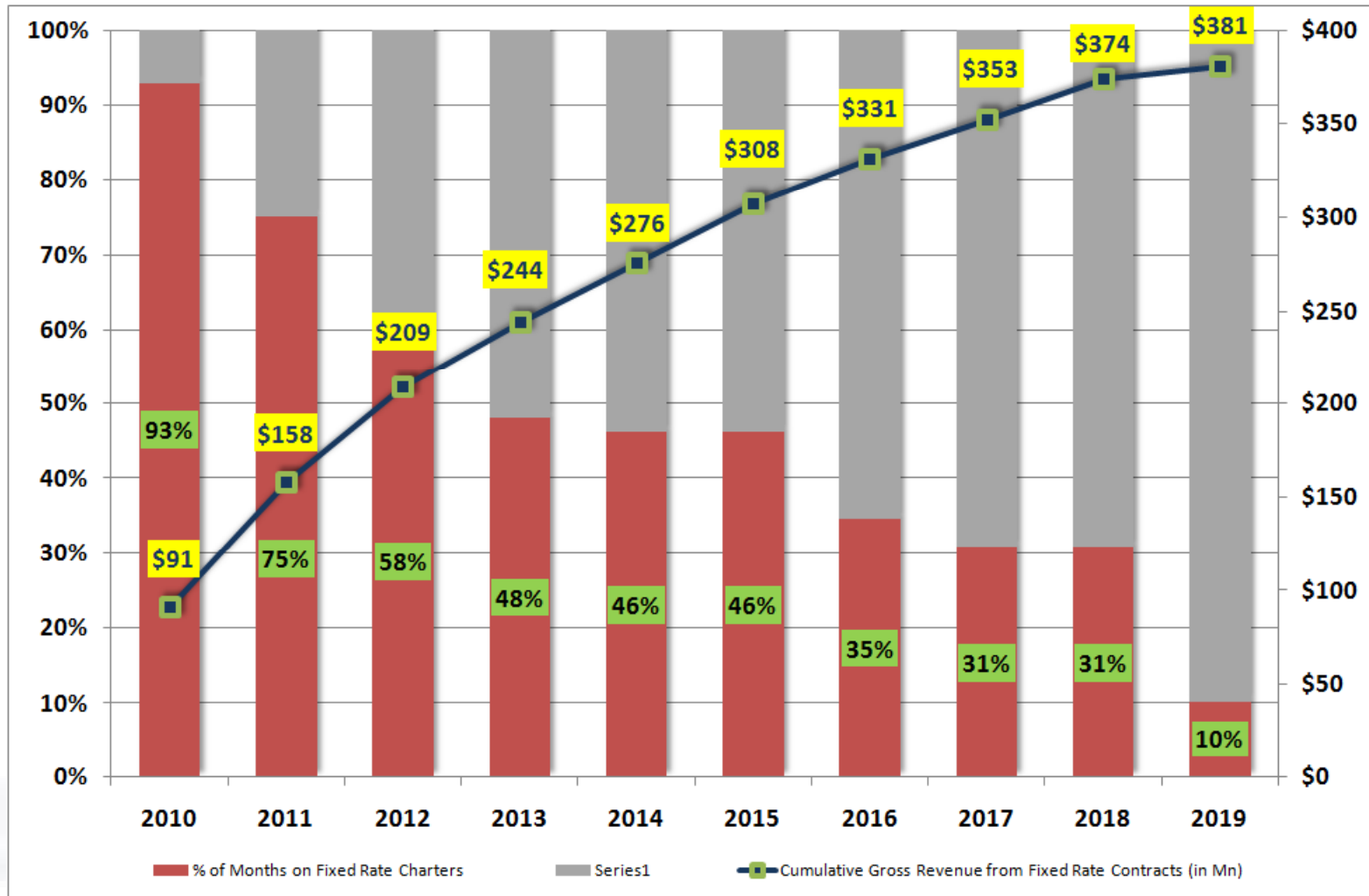
**a2** Which is very important for the risk profile of the 381m from contracts

atsirikos, 3/25/2010

**a6** this premium in charetr rates has significant value and this is what I would like to communicate to you today

atsirikos, 3/25/2010

# Contracted revenue <sup>a4</sup>



Slide 5

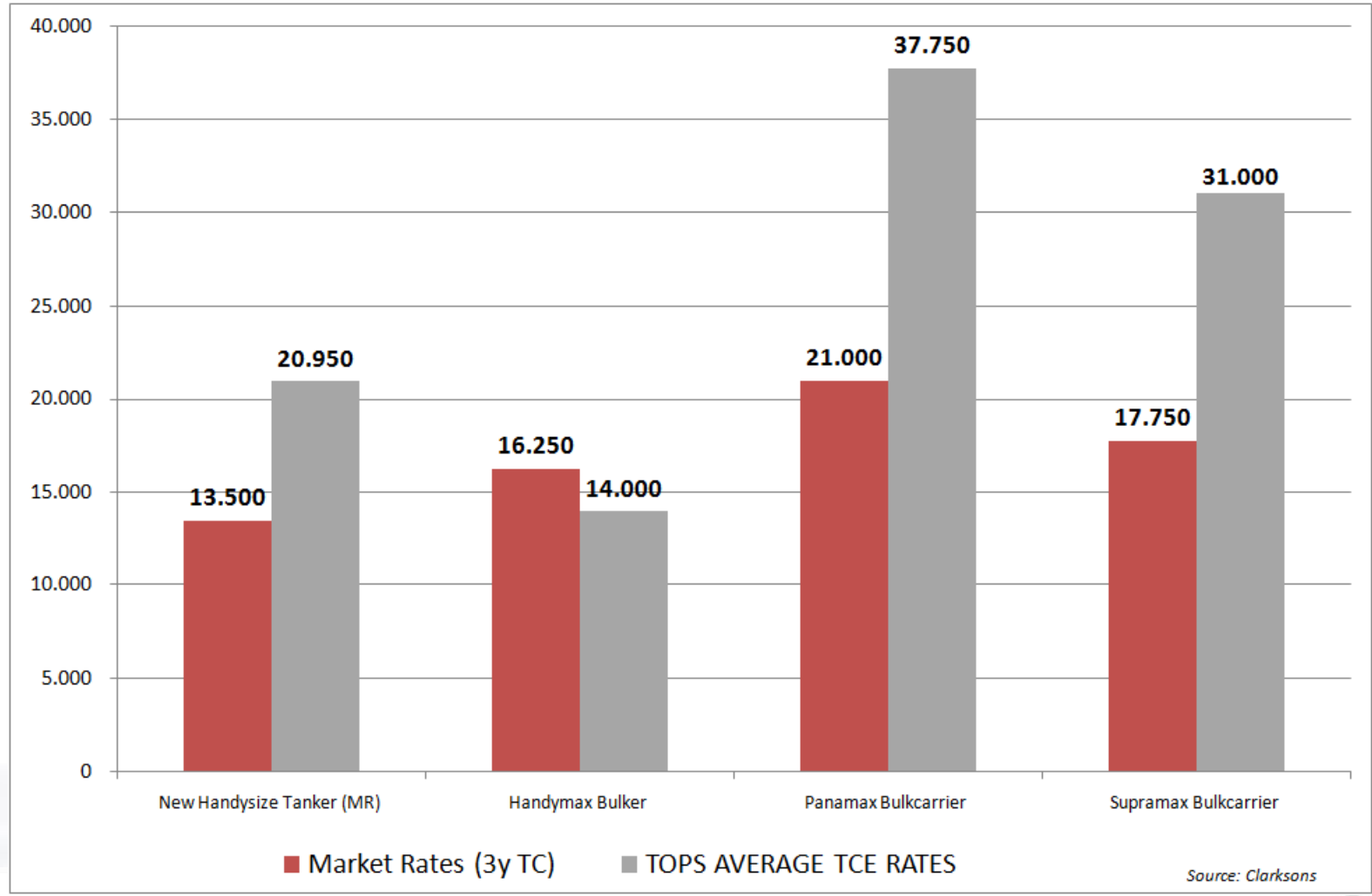
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a4

This is the breakdown of our current charter contracts and a display of how these unfold over time until 2019  
Please note that over 50% comes until the end of 2012. There is a general belief that things will get better from then onwards  
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This is good in terms of cash flow visibility  
atsirikos, 3/25/2010

# Charter Rates Benchmarking <sup>a7</sup>





Slide 6

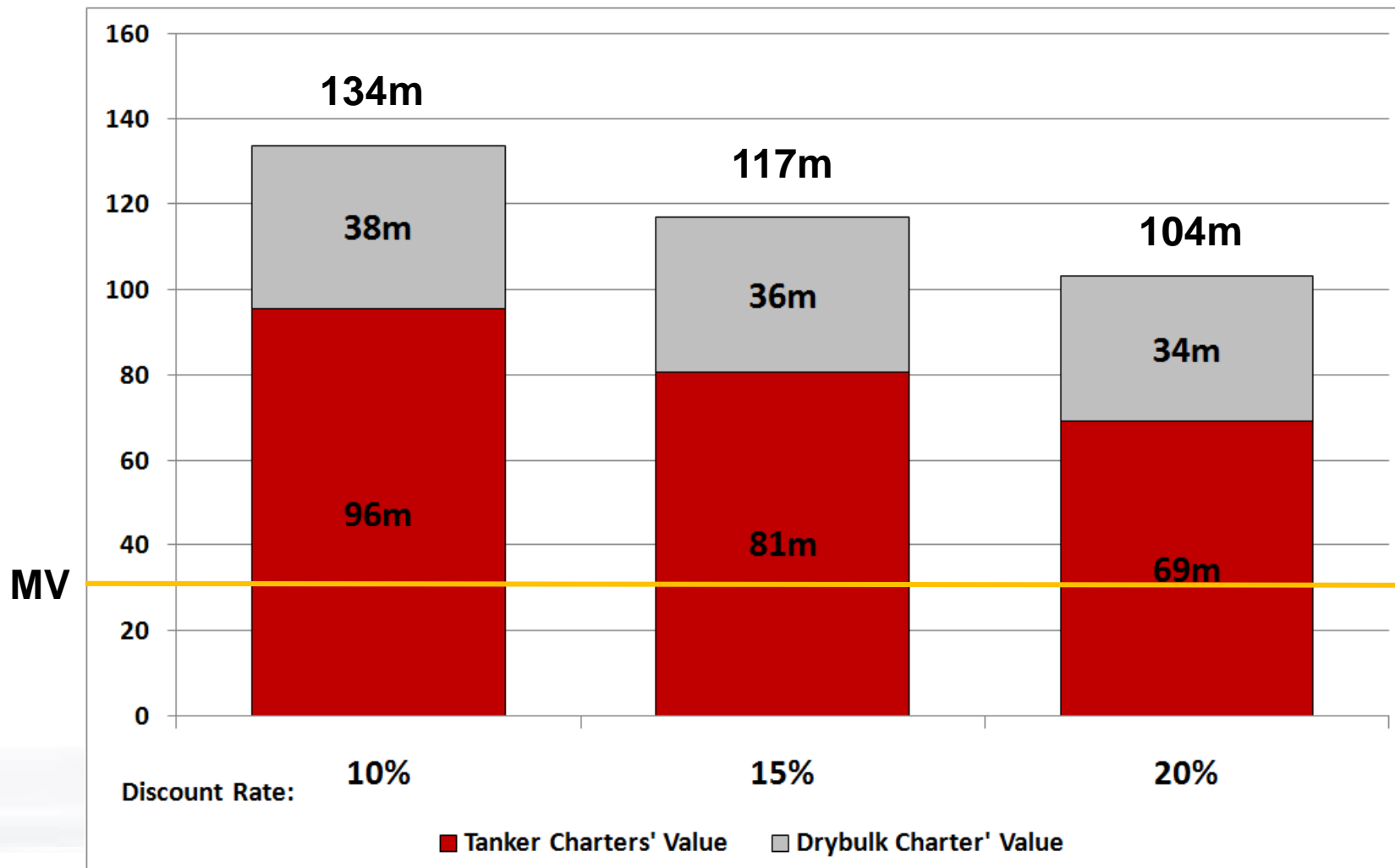
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a7

This is value

atsirikos, 3/25/2010

# Charter Value Vs Current Market Value



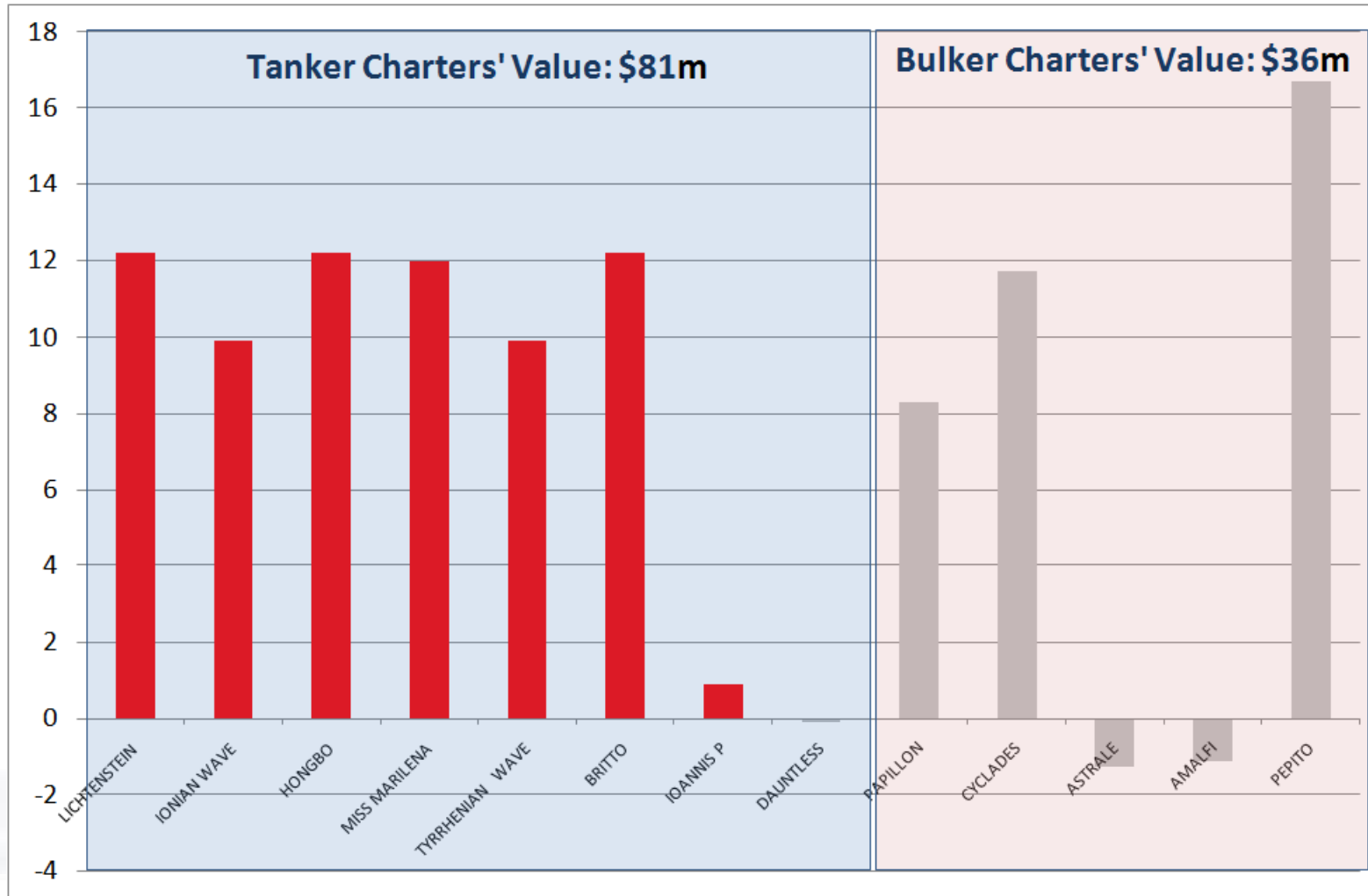
Slide 7

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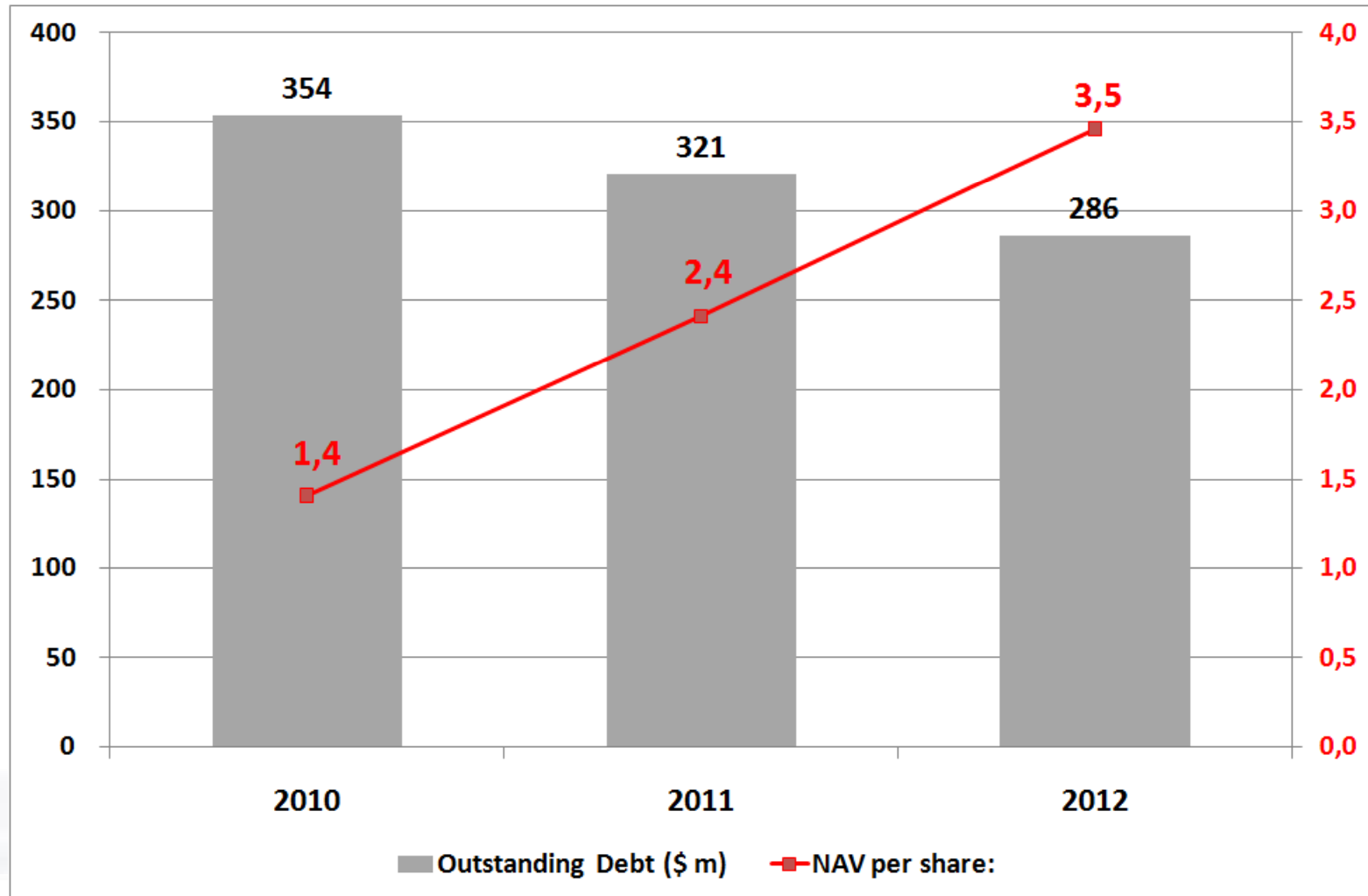
a5 We have conducted a valuation exercise of our charters versus current 3yr TC rates

Using different discount rate scenarios this is the value that lies within our current charters this is range of roughly 3-4 dollars  
atsirikos, 3/25/2010

# Charter Value breakdown per segment



# NAV cumulative increase as a result of debt repayment



**Debt decreases based on current debt repayment schedule**



# Financial Highlights



- ⊖ Total debt as at December 31, 2009 of \$404m/net debt \$382m

<i>All figures in m</i>	2010	2011	2012
<b>Estimated EBITDA</b>	<b>51</b>	<b>45</b>	<b>44</b>
<b>Scheduled Loan Repayments</b>	<b>51</b>	<b>33</b>	<b>34</b>
<b>Total Debt Outstanding at Y/E</b>	<b>354</b>	<b>321</b>	<b>287</b>



# Action Plan



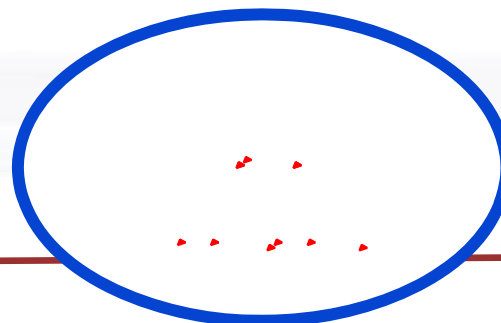
- ⊖ Improve EBITDA through cost savings initiatives
- ⊖ Release value through:
  - Constant communication of all developments to investors and other stakeholders (banks)
  - Analyst coverage
  - Stock liquidity



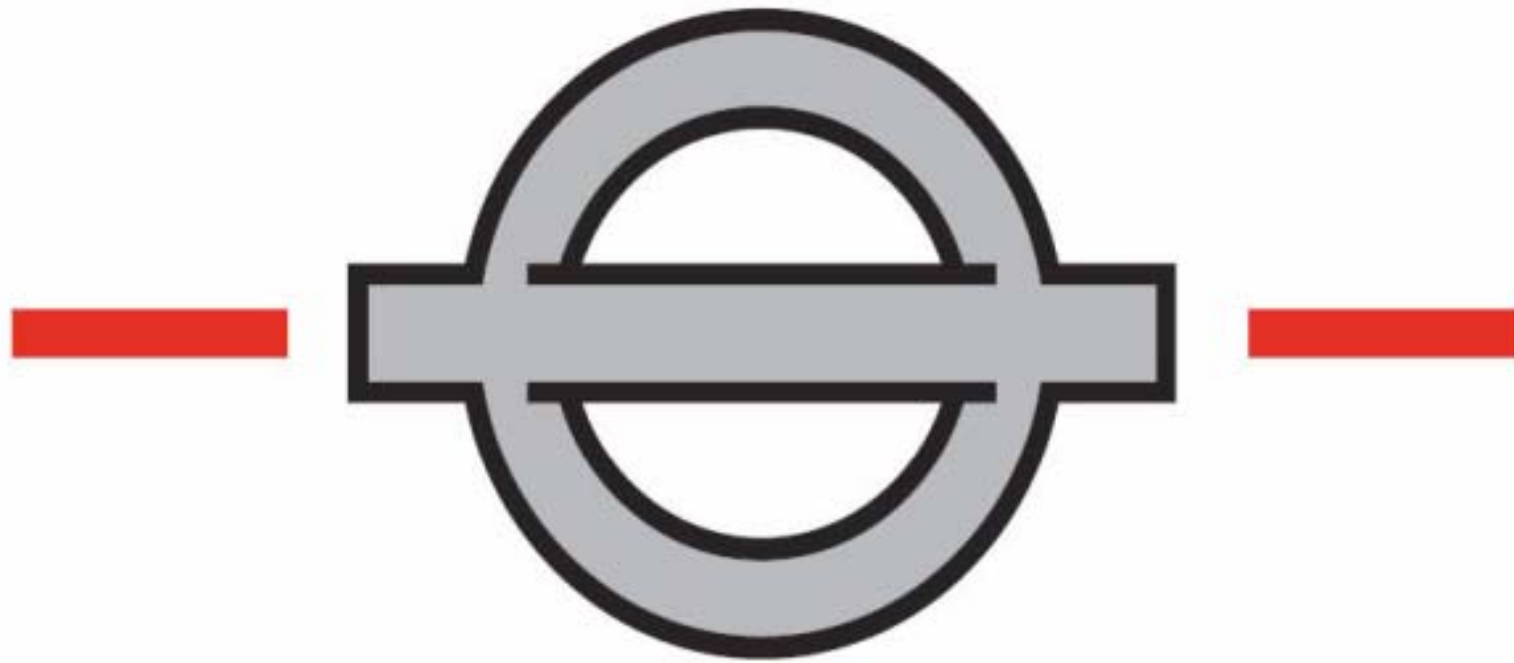
# Key Takeaways



- ⊖ Gross contracted revenue of \$381m until 2019 with a well diversified charterers' base.
- ⊖ Existing charters at rates that are significantly higher than current rates
- ⊖ No capital commitments other than debt repayment
- ⊖ NAV increase as a result of debt repayments
- ⊖ Significant upside potential to current market value







**TOP SHIPS INC.**

