



Star Bulk *CARRIERS CORP.*

Second Quarter & First Half 2013 Financial Results

NASDAQ: SBLK

August 2013

Safe Harbor Statement

Except for the historical information contained herein, this presentation contains among other things, certain forward-looking statements, within the meaning of the Private Securities Litigation Reform Act of 1995 that involve risks and uncertainties. Such statements may include, without limitation, statements with respect to the Company's plans, objectives, expectations and intentions and other statements identified by words such as "may", "could", "would", "should", "believes", "expects", "anticipates", "estimates", "intends", "plans" or similar expressions. These statements are based upon the current beliefs and expectations of the Company's management and are subject to significant risks and uncertainties, including those detailed in the Company's filings with the Securities and Exchange Commission. Actual results, including, without limitation, operating or financial results, if any, may differ from those set forth in the forward-looking statements. These forward-looking statements involve certain risks and uncertainties that are subject to change based on various factors (many of which are beyond the Company's control).

Forward-looking statements include statements regarding:

- The delivery and operation of assets of Star Bulk, the surviving corporation in the Redomiciliation Merger;*
- Star Bulk's future operating or financial results;*
- Future, pending or recent acquisitions, business strategy. Areas of possible expansion, and expected capital spending or operating expenses; and*
- Drybulk market trends, including charter rates and factors affecting vessel supply and demand.*

The financial information and data contained in this presentation is unaudited and does not conform to the Securities and Exchange Commission's Regulation S-X. Accordingly, such information and data may not be included in, or may be presented differently in, the Company's proxy statement to solicit shareholder approval for the Redomiciliation Merger. This presentation includes certain estimated financial information and forecasts (EBIT, EBITDA, and Time Charter Equivalent Revenue) that are not derived in accordance with generally accepted accounting principles ("GAAP"). The Company believes that the presentation of these non-GAAP measures provides information that is useful to the Company's shareholders as they indicate the ability of Star Bulk, if the Redomiciliation Merger is effected, to meet capital expenditures, working capital requirements and other obligations, and make distributions to its stockholders.

The Company undertakes no obligation to publicly update or revise any forward-looking statements or other information or data contained in this joint proxy statement/prospectus, or the documents to which we refer you in this joint proxy statement/prospectus, whether to reflect any change in our expectations with respect to such statement or any change in events, conditions or circumstances on which any statement is based, or otherwise.

2nd Quarter 2013 Financial Highlight

	<u>2nd Quarter 2013</u>	<u>2nd Quarter 2012</u>
▪ Net revenues*	\$17.1m	\$18.0m
▪ G&A expenses	\$2.6m	\$2.1m
▪ Operating income	\$2.7m	\$(2.7)m
▪ Net income	\$0.8m	\$(4.6)m
▪ EBITDA Adjusted	\$8.4m	\$8.4m
▪ Net income Adjusted	\$2.6m	\$(2.9)m
▪ TCE Adjusted	\$14,273	\$14,628
▪ Average daily OPEX per vessel	\$5,664	\$5,242
▪ EPS Adjusted	\$0.48	\$(0.53)

"Adjusted" figures exclude non-cash items

*Net revenues = Gross revenues adjusted for non-cash items – Voyage expenses

1st Half 2013 Financial Highlight

	<u>1st Half 2013</u>	<u>1st Half 2012</u>
▪ Net revenues*	\$34.5m	\$38.9m
▪ G&A expenses	\$4.7m	\$5.3m
▪ Operating income	\$5.7m	\$(0.5)m
▪ Net income	\$2.0m	\$(4.5)m
▪ EBITDA Adjusted	\$17.1m	\$26.4m
▪ Net income Adjusted	\$5.4m	\$3.2m
▪ TCE Adjusted	\$14,301	\$15,724
▪ Average daily OPEX per vessel	\$5,596	\$5,416
▪ EPS Adjusted	\$0.99	\$0.59

"Adjusted" figures exclude non-cash items

*Net revenues = Gross revenues adjusted for non-cash items – Voyage expenses

Key Commercial Highlights

★ Agreement to build two 180,000 dwt Capesize fuel efficient vessels at SWS

- ★ Expected deliveries in October 2015 and January 2016
- ★ Already paid 30% of total price – received \$0.6 discount per vessel
- ★ No CAPEX commitments until the delivery of the vessels

★ Agreement to build two 60,000 dwt Ultramax fuel efficient vessels

- ★ Expected deliveries in 2015
- ★ Payment schedule 10% - 10% - 10% - 70%
- ★ CAPEX commitments - \$5.6m in 2013, \$5.6m in 2014

★ We aim to seek bank financing for all 4 vessels

- ★ Our target is to get 60% bank finance

Fleet Growth Strategy

- ★ High quality shipyards – high quality vessels
- ★ Improved design – attractive to charterers
- ★ Low purchase price compared to historical standards
- ★ Operational and fuel efficiency

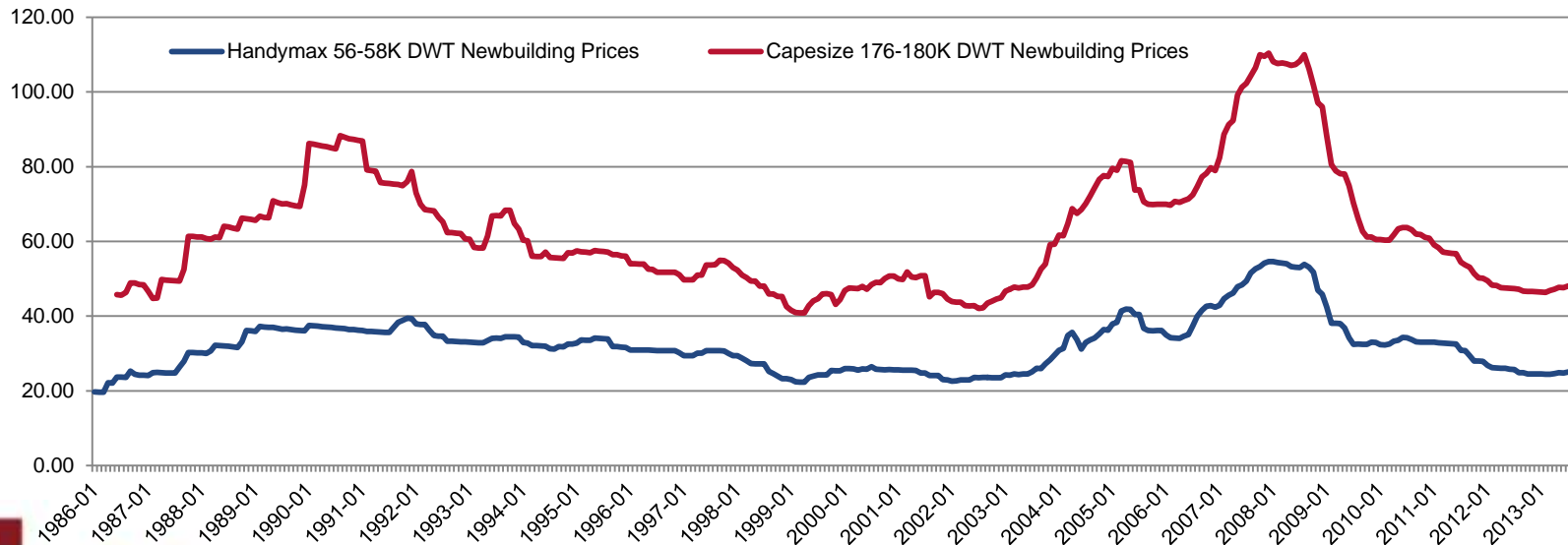
180,000 Capesizes

- ★ Estimated potential annual fuel savings of \$1.2 million

60,000 Ultramaxes

- ★ Estimated potential annual fuel savings of \$0.5 million

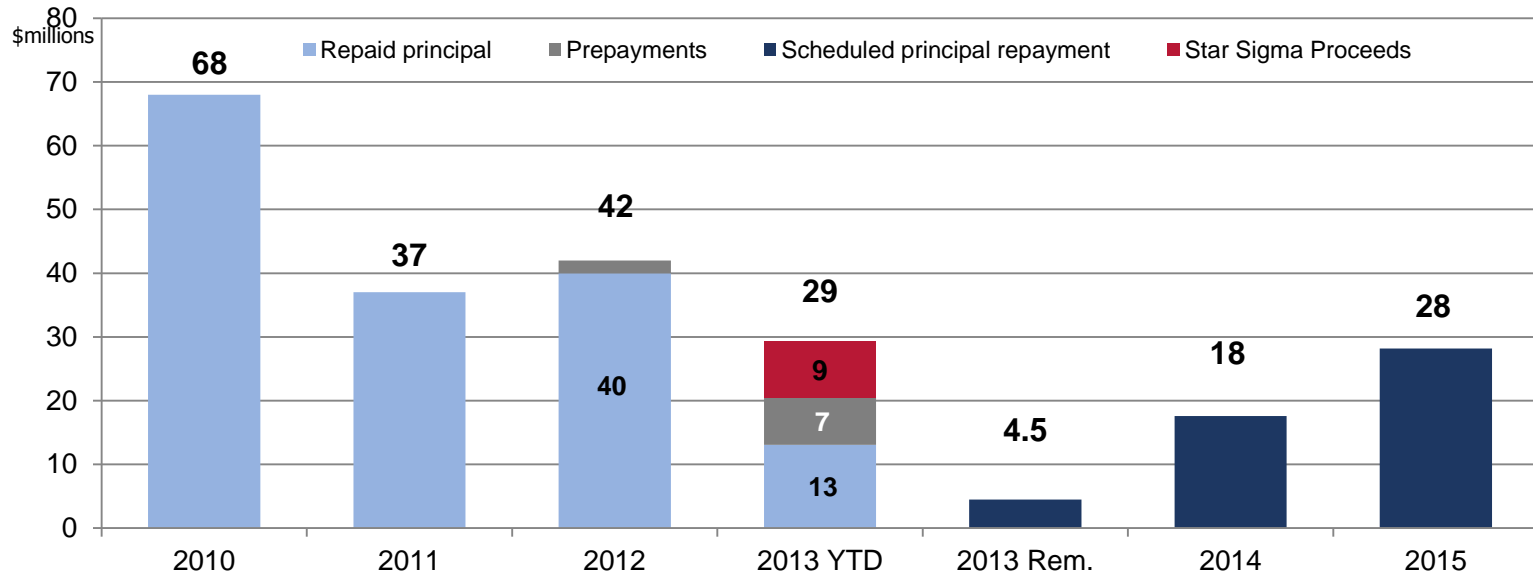
Inflation-adjusted Newbuilding Prices



Balance Sheet Profile

★ Total Outstanding Debt⁽¹⁾	\$194.8m
★ Cash⁽¹⁾ (including restricted)	\$82.3m
★ Net Outstanding Debt	\$112m
★ 2013 Remaining Principal Repayment ⁽¹⁾	\$4.5m



Principal Repayment Schedule



(1) As of August 26th, 2013
All figures approximate

Fleet Employment Profile

- ★ **Current Fleet Coverage⁽¹⁾: 86% for 2013 – 21% for 2014**
- ★ **Capesize Fleet Coverage⁽¹⁾: 90% for 2013 – 44% for 2014**
- ★ **Supramax Fleet Coverage⁽¹⁾: 83% for 2013**
- ★ **Total contracted gross revenue of approximately \$42.3 million⁽¹⁾**

Vessel	Charterer	2013				2014				Gross TC Rate
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	
Star Aurora	Major Mining Compnay	[Green bar]				[Green bar]				\$17,000
Star Big	Major Mining Compnay	[Green bar]				[Green bar]				\$25,000
Star Borealis		[Green bar]								Short-term Charter
Star Mega	Major Mining Compnay	[Green bar]				[Green bar]				\$24,500
Star Polaris		[Green bar]				[Green bar]				\$16,500
Star Cosmo		[Blue bar]								Short-term Charter
Star Delta		[Blue bar]								Short-term Charter
Star Epsilon		[Blue bar]								Short-term Charter
Star Gamma		[Blue bar]				[Blue bar]				\$9,400
Star Kappa		[Blue bar]								Short-term Charter
Star Omicron		[Blue bar]								Short-term Charter
Star Theta		[Blue bar]								Short-term Charter
Star Zeta		[Blue bar]								Short-term Charter

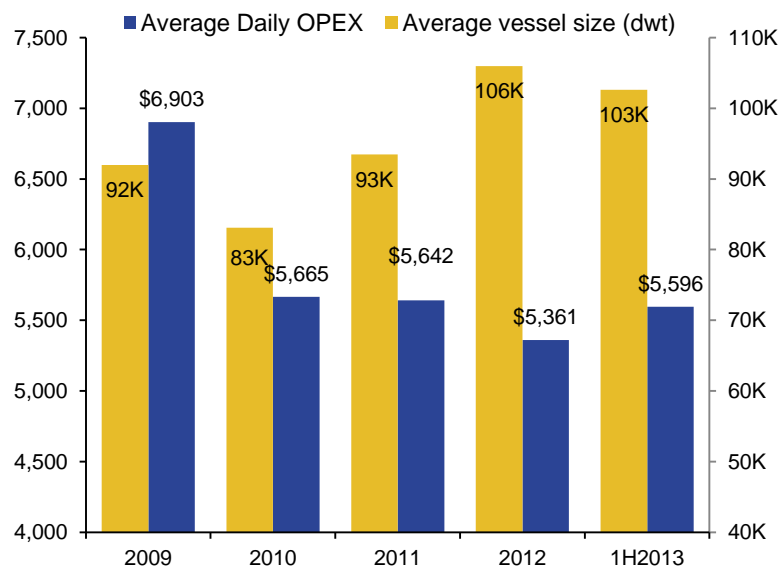
Redelivery dates:	Earlier	Latest
Notes:	[Green bar]	[Light Green bar]
	[Blue bar]	[Light Blue bar]

(1) As of August 26, 2013.

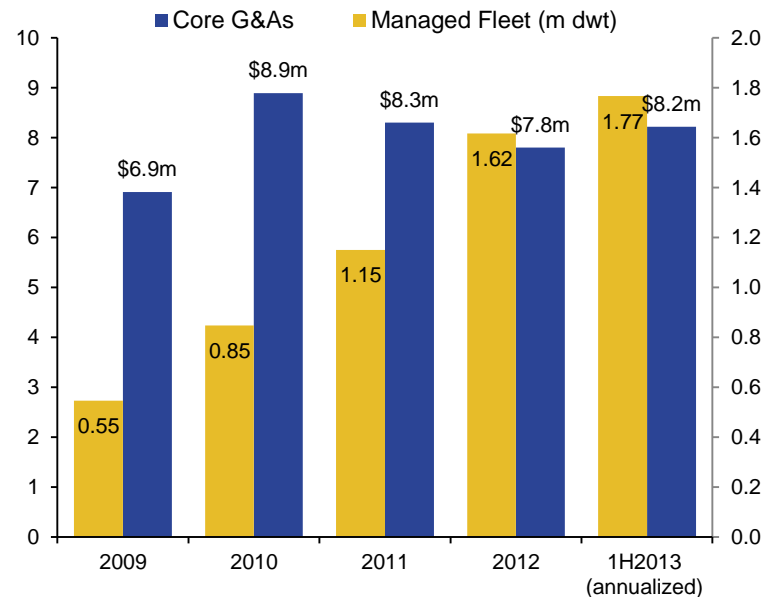
Management Efficiency and Optimization

- ★ Vessel OPEX low while average vessel size remains high
- ★ Overall vessel quality at high levels on rigorous quality controls
- ★ G&A expenses contained while management capacity grows
- ★ We intend to further grow our shipmanagement services revenues

Average Daily OPEX vs Vessel Size



G&A Expenses* vs Managed Fleet



* Excludes one-off severance payments and share incentive plans

Third-party Managed Fleet Profile

Vessel Name	Type	Category	DWT	Built	Management
Obelix	Bulk Carrier	Capesize	181,433	2011	Full
Big Bang	Bulk Carrier	Capesize	174,100	2007	Full
Renascentia	Bulk Carrier	Panamax	74,732	1999	Full
Marto	Bulk Carrier	Panamax	74,470	2001	Full
Serenity I	Bulk Carrier	Supramax	53,688	2006	Full
Maiden Voyage	Bulk Carrier	Supramax	58,722	2012	Full

We expect to add 3 third-party dry bulk vessels by mid October 2013

Vessel Name	Type	DWT	Built	Management
Elux Lucis	Product Tanker	45,789	2003	Partial
Undine	Product Tanker	47,999	2004	Partial
Axelotl	Product Tanker	37,330	2004	Partial
Laima	Product Tanker	37,330	2003	Partial
Elixir	Product Tanker	46,874	2004	Partial
Northern Light	Product Tanker	50,922	2006	Partial
Northern Ocean	Product Tanker	50,922	2005	Partial

Company Financials



Key Financial Highlights

★ Completed fully backstopped equity rights offering

- ★ Issued 15,338,861 new shares
- ★ \$80.1 million of gross proceeds
- ★ Major backstoppers, Monarch and Oaktree, own 3,865,888 shares (18.6%) each

★ Hedged part of our forward interest rate exposure

- ★ Interest rate swap on \$55.5m of principal repayment
- ★ Effectiveness period 2H2014 – 2H2018
- ★ Mark-to-market gain of \$450,000 as of 31/7/2013

Balance Sheet

(in '000s)	Jun 30, 2013 (unaudited)	Dec 31, 2012 (audited)
ASSETS		
Cash and restricted cash (current and non-current)	29,612	31,846
Other current assets	10,429	15,687
Fixed assets, net	275,610	291,207
Fair value of above market acquired time charter	11,180	14,330
Other non-current assets	1,782	1,636
TOTAL ASSETS	<u>328,613</u>	<u>354,706</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Total debt	198,513	224,114
Total other liabilities	10,790	13,846
Stockholder's equity	119,310	116,746
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>328,613</u>	<u>354,706</u>

Income Statement 2nd Quarter 2013

(in \$000's)	Apr 1 - Jun 30, 2013	Non-cash Adjustments	Adjusted Apr 1 - Jun 30, 2013	Adjusted Apr 1 - Jun 30, 2012
REVENUES:	17,379	1,584	18,963	23,385
EXPENSES:				
Voyage expenses	-1,902		-1,902	-5,324
Vessel operating expenses	-6,763		-6,763	-6,678
Drydocking expenses	-300		-300	-930
Gain/Loss on derivative instruments	438	-438	0	0
General and administrative expenses	-2,564	554	-2,010	-2,063
Gain on time charter agreement termination	0		0	0
Other operational Loss	-337		-337	0
Other Operational gain	750		750	0
Loss on sale of vessel	-81	81	0	0
Total expenses	-10,759	197	-10,562	-14,995
EBITDA	6,620	1,781	8,401	8,390
Depreciation	-3,917		-3,917	-9,426
Operating (loss)/ income	2,703	1,781	4,484	-1,036
Interest and finance costs	-1,919		-1,919	-1,978
Interest income and other	22		22	116
Loss on debt extinguishment	0		0	0
Total other income (expenses), net	-1,897		-1,897	-1,862
Net income	806	1,781	2,587	-2,898

Income Statement 1st Half 2013

(in \$000's)	Jan 1 - Jun 30, 2013	Non-cash Adjustments	Adjusted Jan 1 - Jun 30, 2013	Adjusted Jan 1 - Jun 30, 2012
REVENUES:	35,818	3,150	38,968	52,974
EXPENSES:				
Voyage expenses	-4,505		-4,505	-14,029
Vessel operating expenses	-13,732		-13,732	-14,169
Drydocking expenses	-572		-572	-1,026
Gain/Loss on derivative instruments	438	-438	0	-18
General and administrative expenses	-4,709	600	-4,109	-3,935
Gain on time charter agreement termination	0		0	6,454
Other operational Loss	-562		-562	0
Other Operational gain	1,647		1,647	140
Loss on sale of vessel	-81	81	0	0
Total expenses	-22,076	243	-21,833	-26,583
EBITDA	13,742	3,393	17,135	26,391
Depreciation	-8,070		-8,070	-19,197
Operating (loss)/ income	5,672	3,393	9,065	7,194
Interest and finance costs	-3,794		-3,794	-4,142
Interest income and other	86		86	139
Loss on debt extinguishment	0		0	0
Total other income (expenses), net	-3,708		-3,708	-4,003
Net income	1,964	3,393	5,357	3,191

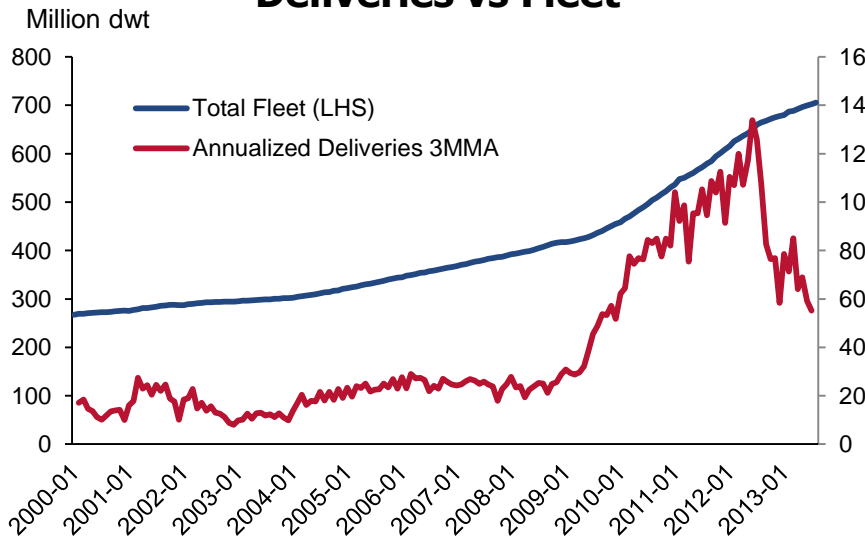
Market Comments



Supply - Demand

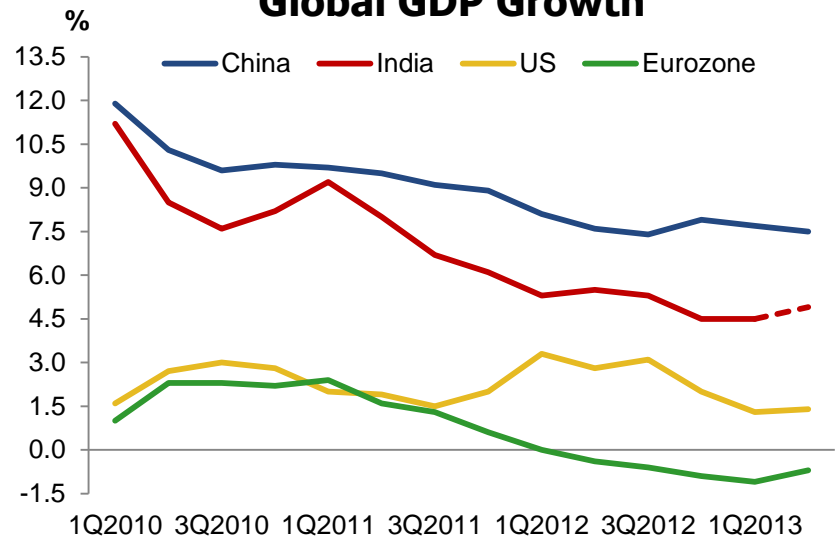
- ★ Massive fleet growth due to consecutive record highs in new vessel deliveries
- ★ 2013 will break a 4-year streak of record high deliveries
- ★ Scrapping and slow-steaming effectively reduce available carrying capacity
- ★ Global economic slowdown coincided with exceptionally strong supply
- ★ Signs of bottoming out in US, EU, India and China

Deliveries vs Fleet



Source: Clarksons, August 2013

Global GDP Growth



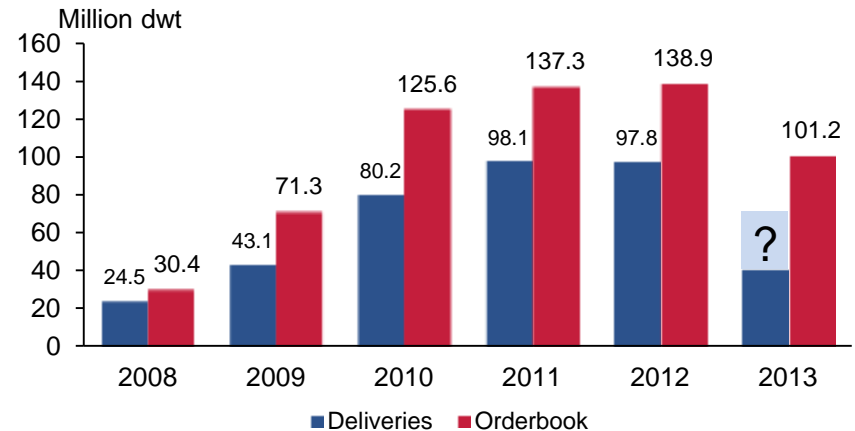
Source: Bloomberg, August 2013

Note: 2Q2013 India GDP represents Bloomberg consensus estimate

Supply Update

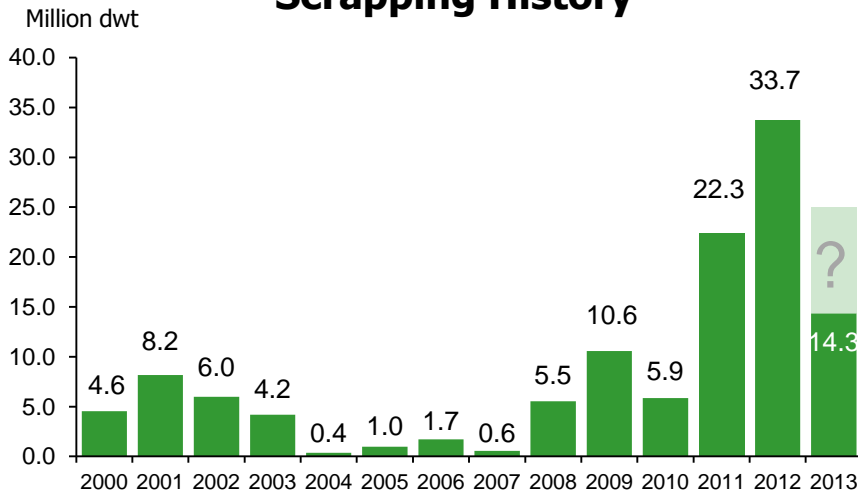
- ★ 08-12 average delivery slippage ~30%
- ★ ~48% of the current fleet delivered in the last 4 years
- ★ Deliveries expected to continue slowing down going forward
- ★ Scrapping at all-time high in 2012
- ★ Scrapping continues at high pace YTD

Deliveries vs Orderbook



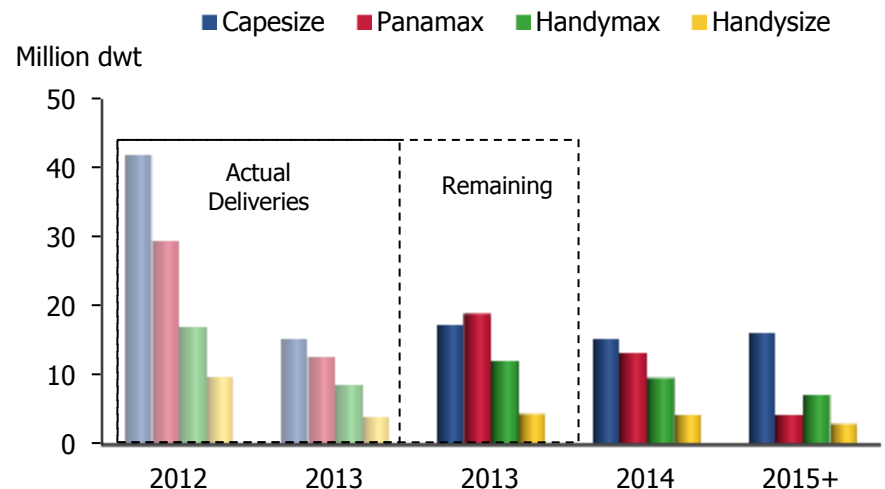
Source: Clarksons, August 2013

Scrapping History



Source: Clarksons, August 2013

Drybulk Orderbook

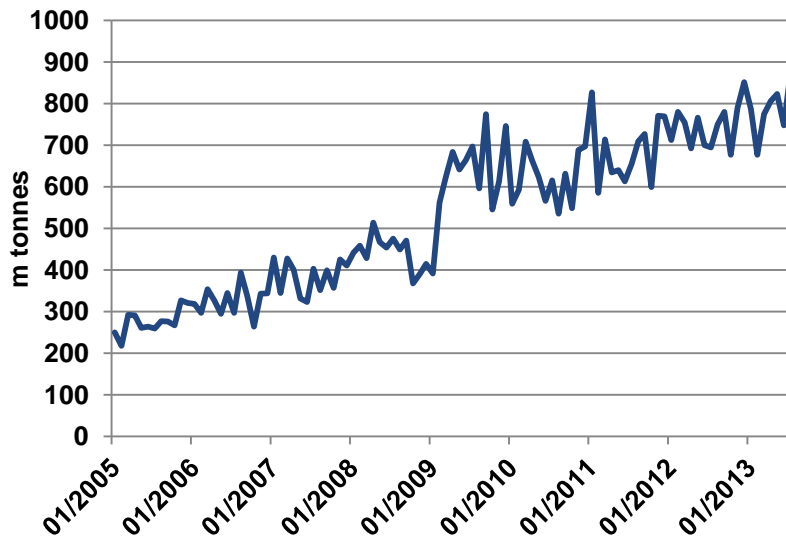


Source: Clarksons, August 2013

Demand Trends

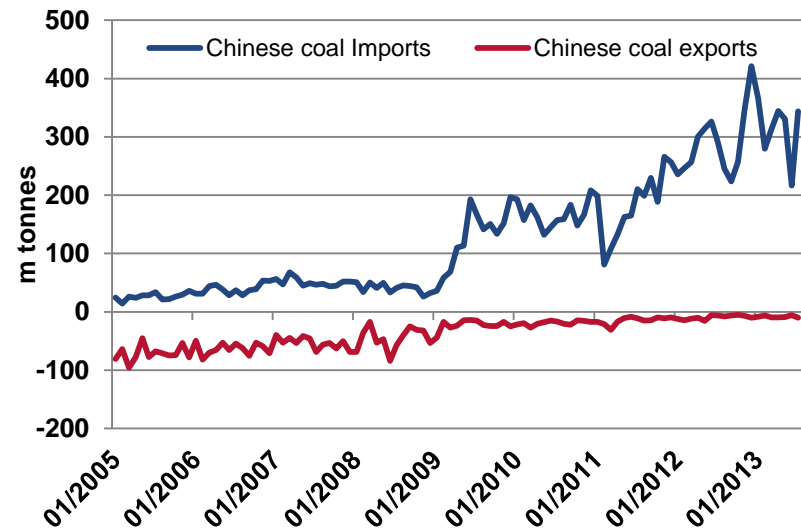
- ★ China is replacing domestic iron ore with imported
- ★ Indian iron ore exports have plummeted, increasing ton-miles
- ★ China has turned from a net exporter to the world's biggest coal importer in 3 years
- ★ Huge potential for Chinese coal imports
- ★ Analysts expect demand growth to outstrip supply growth late 2013 – early 2014

Chinese Iron Ore Imports (annualized)



Source: Chinese Customs, Bloomberg, August 2013

Chinese Coal Trade (annualized)

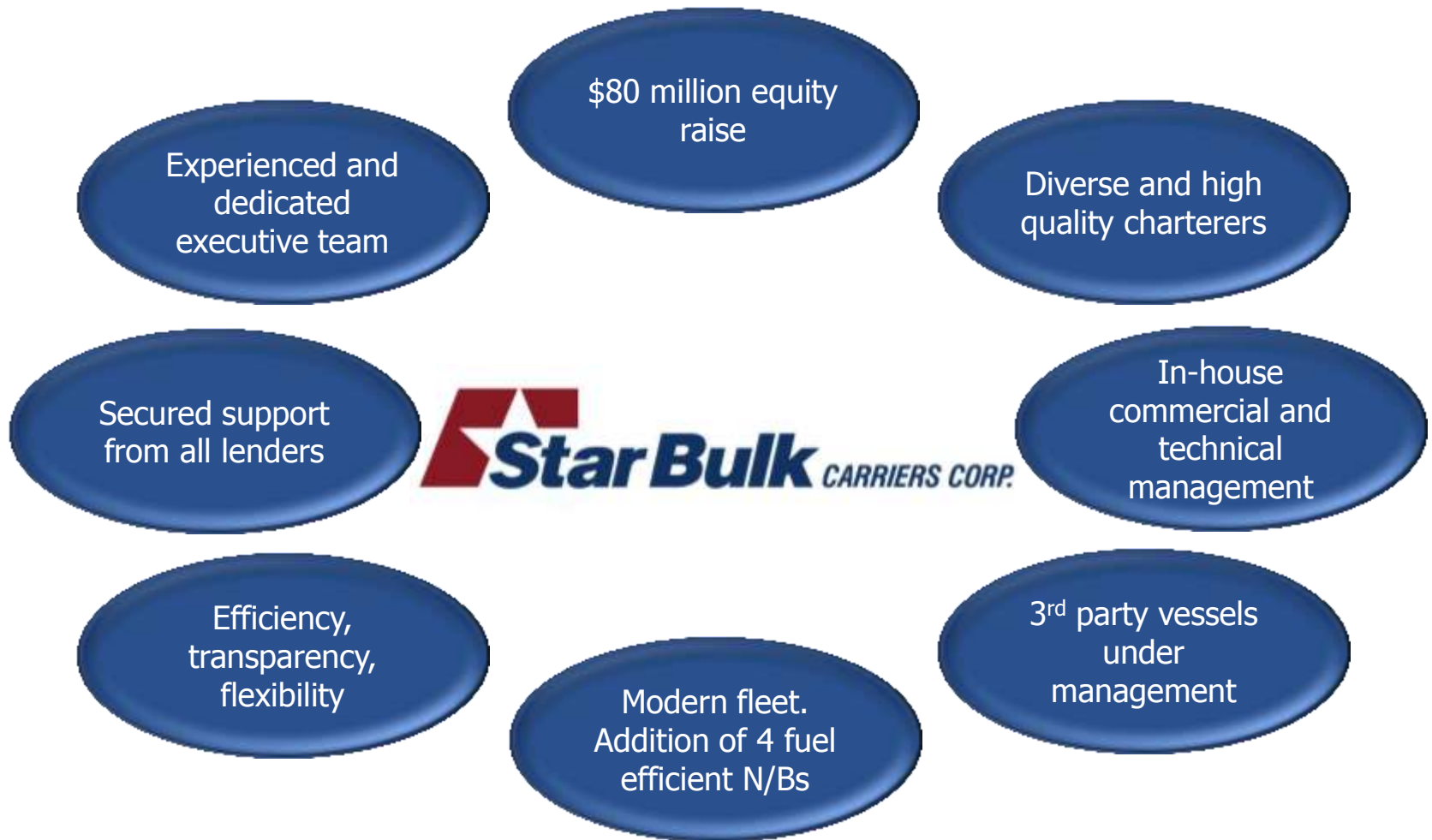


Source: Chinese Customs, Bloomberg, August 2013

Conclusions



Competitive Strengths



Thank you

