

**1<sup>st</sup> Half and 2<sup>nd</sup> Quarter 2008 Earnings Release**  
**August 2008**  
**(NASDAQ:SBLK)**

# Safe Harbor Statement

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*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.*



# Company Highlights



# 1<sup>st</sup> Half and 2<sup>nd</sup> Quarter 2008 Financial Highlights

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★ 1H 2008 Net Income*	\$48.3 million
★ 2Q 2008 Net Income*	\$31.6 million
★ 1H 2008 EPS *	\$1.01 basic \$0.91 diluted
★ 2Q 2008 EPS *	\$0.62 basic \$0.56 diluted
★ 1H 2008 CFPS	\$1.00 basic \$0.90 diluted
★ 2Q 2008 CFPS	\$0.60 basic \$0.55 diluted
★ Declared Dividend	\$0.35 in 1Q – \$0.35 in 2Q 2008

\*Includes effects of US GAAP Fair Value Adjustment

\*\*Star Bulk had not commenced operations during this period



# Fleet Operating Performance

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	<u>2Q 2008</u>	<u>1H 2008</u>
<u>Average number of vessels</u>	10.6	9.4
<u>Number of vessels</u>	11	11
<u>Average age of Operational Fleet</u>	10.4	10.4
<u>Ownership days</u>	965	1,702
<u>Voyage days for fleet</u>	896	1,543
<u>Available days</u>	911	1,573
<u>Fleet Utilization</u>	93%	91%
<u>Time charter equivalent rate</u>	\$65,097	\$64,378

# Significant 8-month Growth

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★ Initial fleet : 8 Vessels (2 Capesize, 1 Panamax, 5 Supramax)

★ Additional Acquisitions : 2 Capesize & 3 Supramax

★ In terms of number of Vessels

★ Initial fleet	8 vessels
★ Current fleet	13 vessels
★ <b>Growth</b>	<b>63%</b>

★ In terms of carrying capacity

★ Initial fleet	691,000 dwt
★ Current fleet	1,186,000 dwt
★ <b>Growth</b>	<b>71%</b>

# Fleet Employment

Vessel Name	TYPE	DWT	Year Built	Time Charter Expiry <sup>(1)</sup>	Time Charter Rate <sup>(2)</sup>
Star Apha	Capesize	175,075	1992	Jul 5 - Oct 5, 2009	\$47,500
Star Beta	Capesize	174,691	1993	Feb 12 - May 2, 2010	\$106,500
Star Gamma	Supramax	53,098	2002	Jan 4 - Feb 14, 2009 Feb 2010 Feb 2011 Jan -Mar 2012	\$28,500 \$45,000 \$38,000 \$31,000
Star Delta	Supramax	52,434	2000	Feb 7 - May 7, 2009	\$25,800
Star Epsilon	Supramax	52,402	2001	Dec 15, '08- Mar 15, '09 Feb 2014 – May 2014	\$25,550 \$32,400
Star Zeta	Supramax	52,994	2003	Apr 2011 – Jul 2011	\$42,500
Star Theta	Supramax	52,425	2003	April 2 - Jun 16, 2009	\$32,500
Star Kappa	Supramax	52,055	2001	Aug 24 - Nov 23, 2010	\$47,800
Star Omicron	Supramax	53,489	2005	Feb - May 2011	\$ 43,000
Star Sigma	Capesize	184,400	1991	Mar 1 - Mar 31, 2009 Mar 2010 Mar 2011 Mar - Aug 2012	\$100,000 \$ 69,000 \$ 63,000 \$ 57,000
Star Iota <sup>(3)</sup>	Panamax	78,585	1983	Mar 7 - Apr 17, 2009	\$18,000
Star Cosmo	Supramax	52,200	2005	Mar 2009 Mar 2010 Mar 2011	\$55,900 \$41,900 \$27,900
<b>New Acquisitions</b>					
Star Ypsilon <sup>(3)</sup>	Capesize	151.940	1991	July 2009 July 2010 July 2011	\$112,600 \$93,300 \$74,100
<b>Grand Total</b>	<b>13</b>	<b>1,184,835</b>			

(1) Range represents the earliest and latest expiry dates allowed by the charter party. Charterers have the right to add off-hire days, if any, which occurred during the charter period.

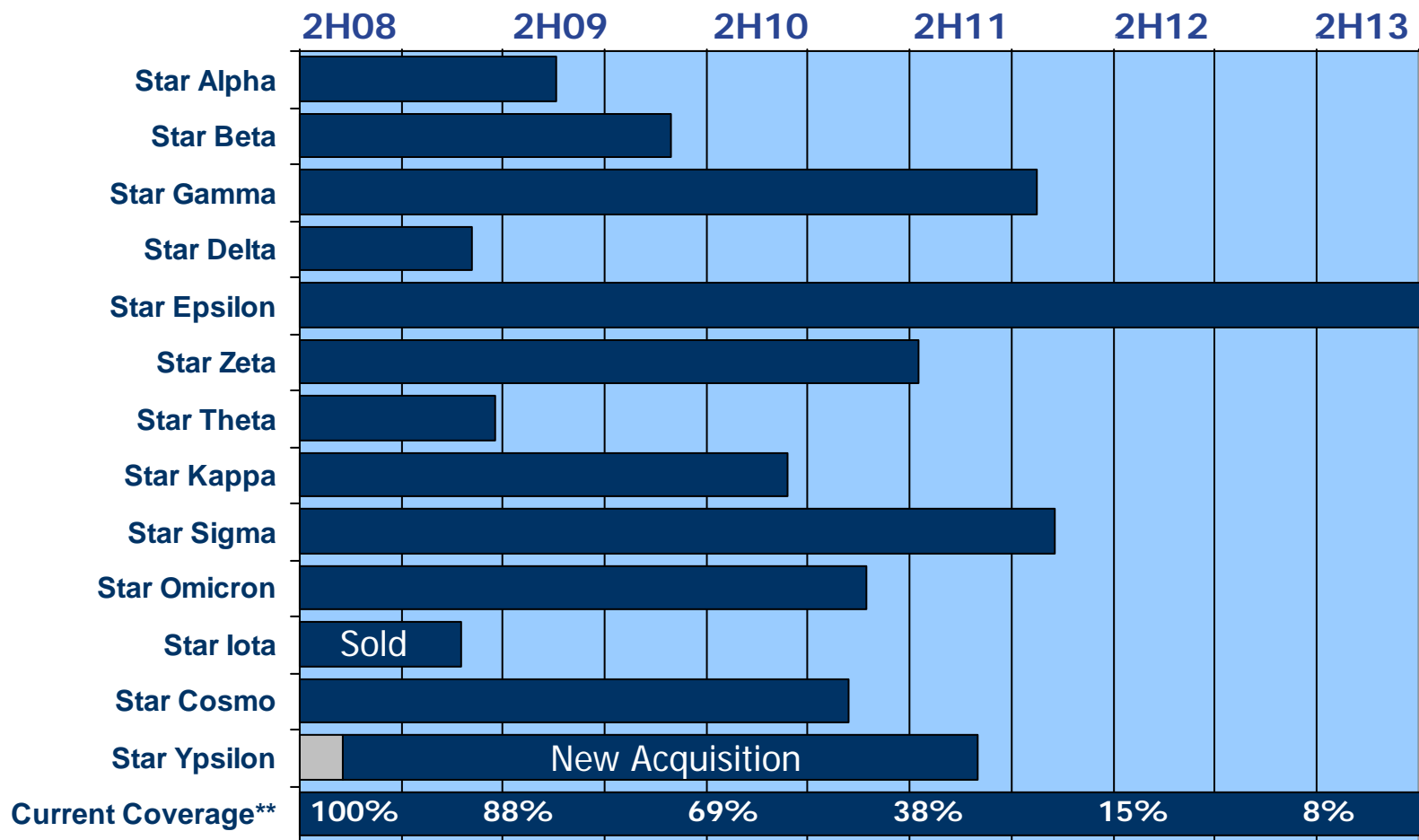
(2) Represents the gross daily rate

(3) Star Ypsilon is expected to be delivered to Star Bulk in September 2008. "Star Iota" will be delivered to buyers in September 2008.



# Significant Forward Coverage

★ High degree of forward coverage - sustainable cash flow/earnings



(\*) Basis latest redelivery date

(\*\*) Post Star Iota Sale

■ Not Yet Delivered ■ Existing Charters\*



# Star Bulk – Solid Fundamentals

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## Desirable Parameters

- ★ **Asset Heavy**
- ★ **Strong Balance Sheet** Low leverage (\$305m<sup>(1)</sup> ~ 30% of asset value )
- ★ **Contracted Revenue<sup>(2)</sup>** (100% for 2008, 88% for 2009, 69% for 2010)
- ★ **Secure Dividend** (~ 58% of 2008 free cash flow ) <sup>(3)</sup>
- ★ **Big Operating Margins** ( ~ 73% of EBITDA )
- ★ **High Yield** 14.2% - above peer group average
- ★ **High Growth Potential** \$250m of “dry powder”
- ★ **Track Record**

(1) Includes \$69m of undrawn facility. See slide13 for details

(2) Post Star Iota sale

(3) Based on 55.3 million shares on average for 2H2008.

# Shareholding

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## ★ Share and Warrant Count <sup>(1)</sup>

	<u>Shares (SBLK)</u>	<u>Warrants (SBLKW)</u>
Starting Count (Nov 30, 2007)	41,564,569	20,000,000
Conversions	12,713,883	(12,713,883)
Repurchase Plan	(52,000)	(1,362,500)
Equity Incentive Plan	315,000	0
Additional shares to TMT	803,481	0
<b>Total Outstanding Count</b>	<b>55,344,933</b>	<b>5,923,617</b>

## ★ Shareholding Structure <sup>(2)</sup>

<b>Shares</b>	
41,217,028	<b>74.5%</b> Public
10,324,424	<b>18.7%</b> Officers & Directors
3,803,481	<b>6.9%</b> TMT
<b>55,344,933</b>	<b>100.0%</b>

(1) As of Aug 8, 2008

# Low Leverage: Dry Powder for Acquisitions

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★ Total Facilities of	\$305m	30% of Charter-Free Fleet Value
	\$240m	Drawn Portion
	\$ 65m	Undrawn Portion

★ Growth without the need for additional equity

★ Approx \$250m 'dry-powder' available

from leveraging up: \$150m

from warrant conversion: \$100m (\$50m + \$50m debt)

Able to acquire:

**3 Capesize** or **4 Panamax** or **5 Supramax** vessels

(or combination depending on age)

# Balance Sheet

(US\$ 000's)

**30-Jun-08**  
(Unaudited)

**31-Dec-07**  
(Unaudited)

## ASSETS

Current Assets	56,324	19,882
Fixed Assets	720,070	381,188
Other Non-current Assets	13,804	2,672
<b>TOTAL ASSETS</b>	<b>790,198</b>	<b>403,742</b>

## LIABILITIES & STOCKHOLDERS' EQUITY

Current Liabilities	32,495	3,057
Non-current Liabilities	248,338	25,307
Stockholders' Equity	509,365	375,378
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>790,198</b>	<b>403,742</b>

# Income Statement 1<sup>st</sup> Half 2008

(Expressed in thousands of U.S. dollars  
except for share and per share data)

	6-month period ended June 30, 2008 Unaudited	Adjustments 6-month period ended June 30, 2008 Unaudited	Adjusted 6-month period ended June 30, 2008 Unaudited	
<b>REVENUES:</b>				
Voyage revenues	100,921	-34,920	66,001	non-cash
Voyage expenses	1,585		1,585	
Vessel operating expenses	10,333		10,333	
Drydocking expenses	6,392		6,392	
Depreciation	21,046		21,046	
Management fees	590		590	
Vessel impairment loss	4,642	-4,642	0	non-cash
General and administrative expenses	5,444	-2,220	3,224	non-cash
<b>Operating (loss) income</b>	<b>50,889</b>		<b>50,889</b>	
Interest and finance costs	-3,242		-3,242	
Interest income	679		679	
Other	-33		-33	
<b>Total other income (expenses), net</b>	<b>-2,596</b>		<b>-2,596</b>	
<b>Net income</b>	<b>48,293</b>	<b>-28,058</b>	<b>20,235</b>	
Earnings per share, basic	1.01	-0.59	0.42	
Earnings per share, diluted	0.91	-0.53	0.38	
Weighted average number of shares outstanding, basic	47,855,865	47,855,865	47,855,865	
Weighted average number of shares outstanding, diluted	52,798,013	52,798,013	52,798,013	

# Income Statement 2<sup>nd</sup> Quarter 2008

(Expressed in thousands of U.S. dollars  
except for share and per share data)

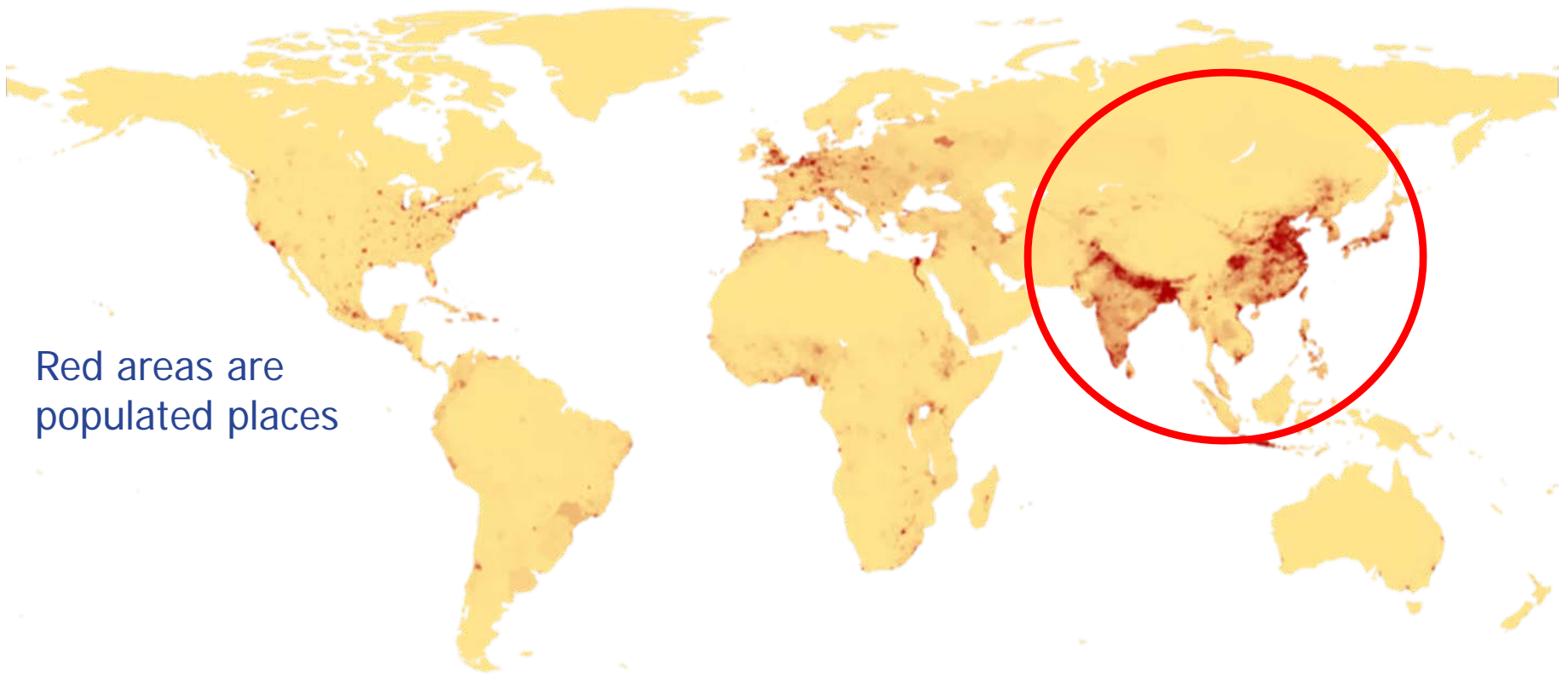
	3-month period ended June 30, 2008 Unaudited	Adjustments 3-month period ended June 30, 2008 Unaudited	Adjusted 3-month period ended June 30, 2008 Unaudited	
<b>REVENUES:</b>				
Voyage revenues	59,226	-17,050	42,176	non-cash
Voyage expenses	899		899	
Vessel operating expenses	5,781		5,781	
Drydocking expenses	3,598		3,598	
Depreciation	12,166		12,166	
Management fees	340		340	
Vessel impairment loss	588	-588	0	non-cash
General and administrative expenses	2,657	-789	1,868	non-cash
<b>Operating (loss) income</b>	<b>33,197</b>		<b>33,197</b>	
Interest and finance costs	-1,904		-1,904	
Interest income	280		280	
Other	-4		-4	
<b>Total other income (expenses), net</b>	<b>-1,628</b>		<b>-1,628</b>	
<b>Net income</b>	<b>31,569</b>	<b>-15,673</b>	<b>15,896</b>	
Earnings per share, basic	0.62	-0.31	0.31	
Earnings per share, diluted	0.56	-0.28	0.28	
Weighted average number of shares outstanding, basic	50,963,213	50,963,213	50,963,213	
Weighted average number of shares outstanding, diluted	56,047,237	56,047,237	56,047,237	

# Industry Outlook



# Global Population

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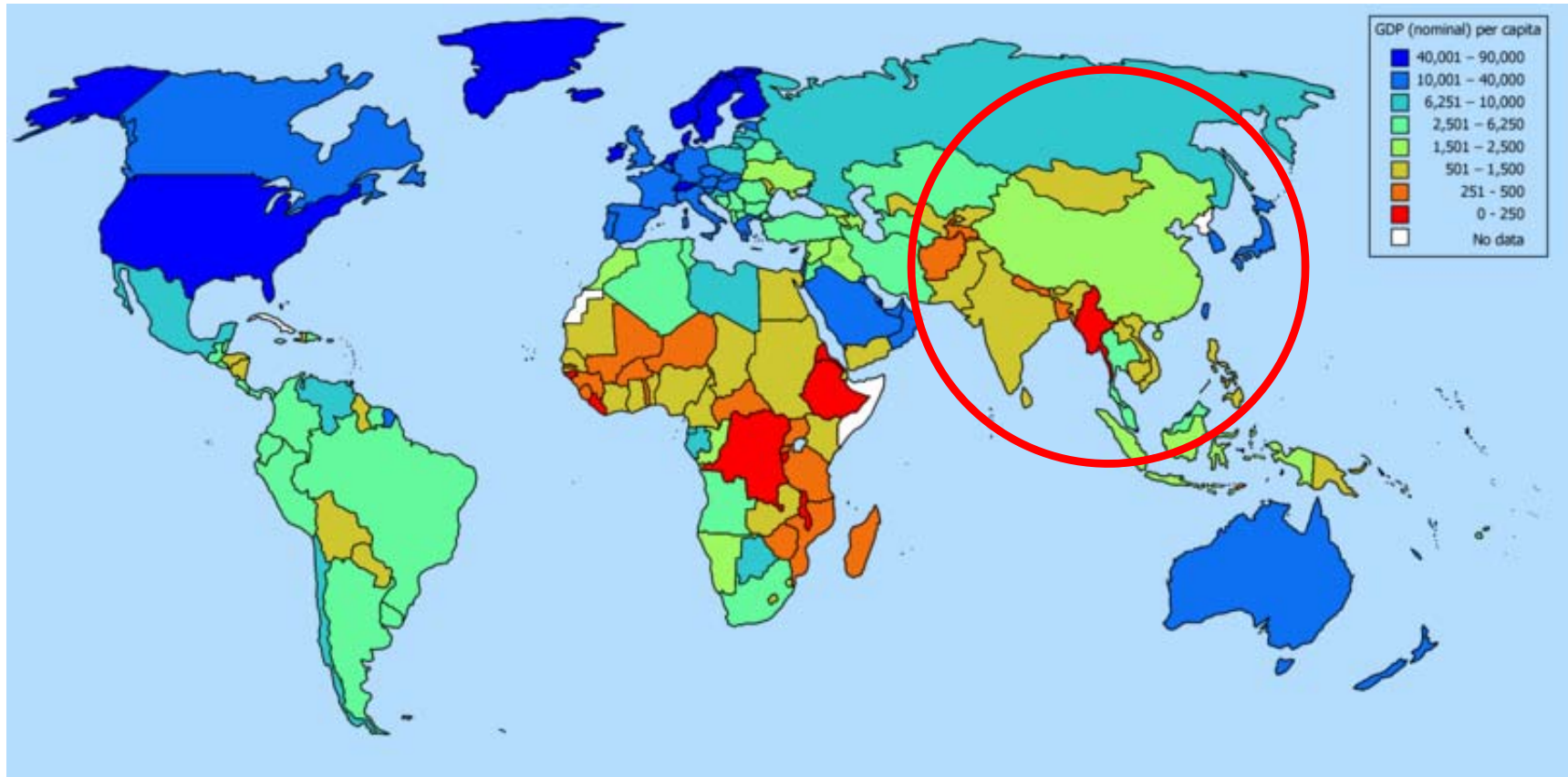


Red areas are populated places

60% of global population is located in Asia



# Global GDP per Capita

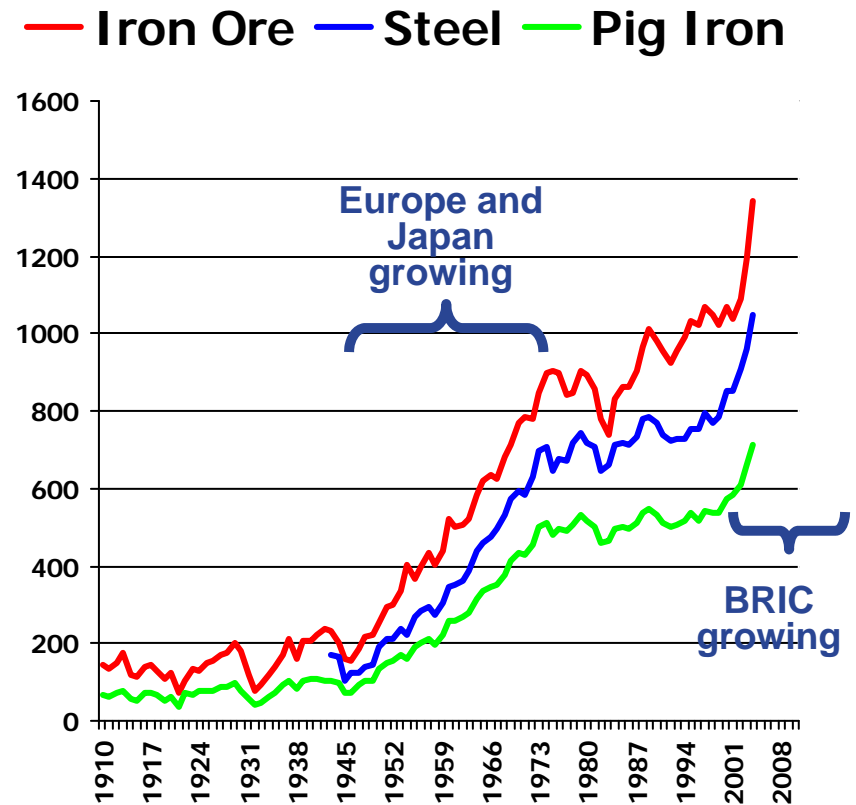


Only 20% of global population in developed economies

The most populous area still has a long way to go

# Global Steel Production

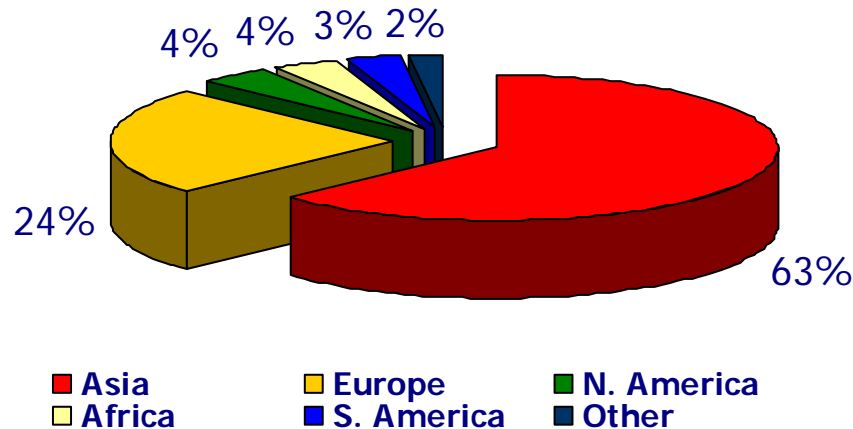
- ★ Steel production, a key factor for ores demand, has entered a new era driven mainly by China.
- ★ The previous period of European and Japanese rapid growth lasted for approximately 30 years (1945-1975).
- ★ Given that the current growth phase of China, followed by India, Brazil, and Russia has stimulated global steel production since 2000, we expect this trend to further expand during the next 5-10 years at least.



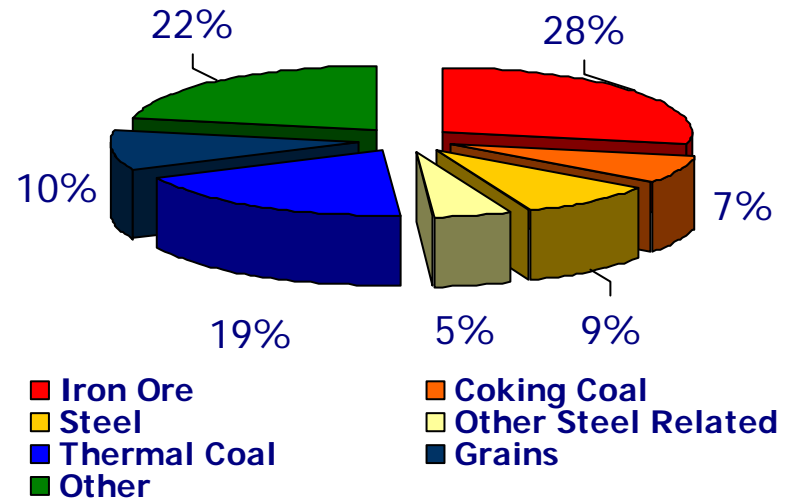
# Dry Bulk Shipping

- ★ Steel related products account for 49% of dry bulk trade
- ★ Coal accounts for 19% of dry bulk trade
- ★ These two combined account for over 2/3 of total dry bulk trade volume

## Cargo Destination Breakdown



## Dry Bulk Trade Breakdown



- ★ Main dry bulk importers are developing economies in Asia
- ★ Demand for major dry bulk cargos is not very elastic (steel, coal, grains)
- ★ Sub Prime crisis not to affect demand for dry bulk shipping

Derived from Industry sources

# Demand Trends

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## ★ Iron Ore

- ★ China's iron ore imports climbed from 148 Mt in 2003 to 384 Mt in 2007 – 257% in 4 years
- ★ Brazilian iron ore exports are expected to add 140 Mt to global seaborne trade by 2012
- ★ Rio Tinto is planning to double annual production to around 220 Mtpa by 2009
- ★ BHP is planning to lift production to about 300 Mtpa by the end of the decade from close to 130 Mt this year

## ★ Coal

- ★ Coal is the cheapest energy source so all developing economies rely on it
- ★ China has recently become a net coal importer

## ★ Grains

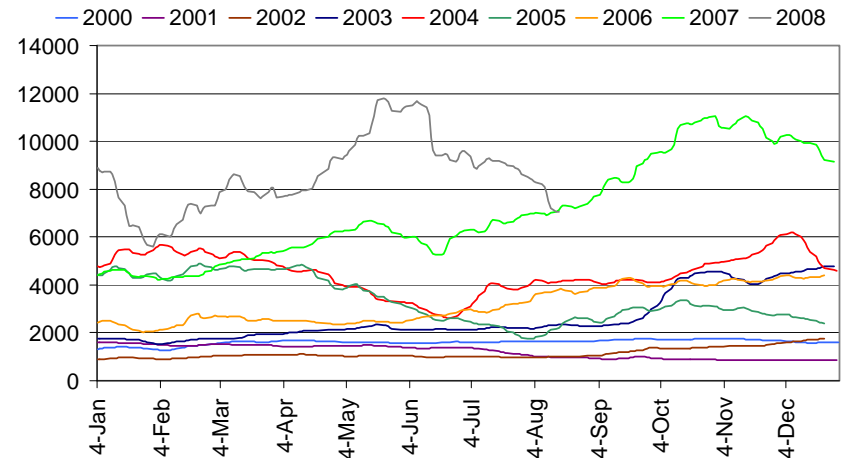
- ★ Ultra low grain stocks are expected to keep prices high and demand for seaborne grains strong

# Dry Bulk Shipping Still at Historical Highs

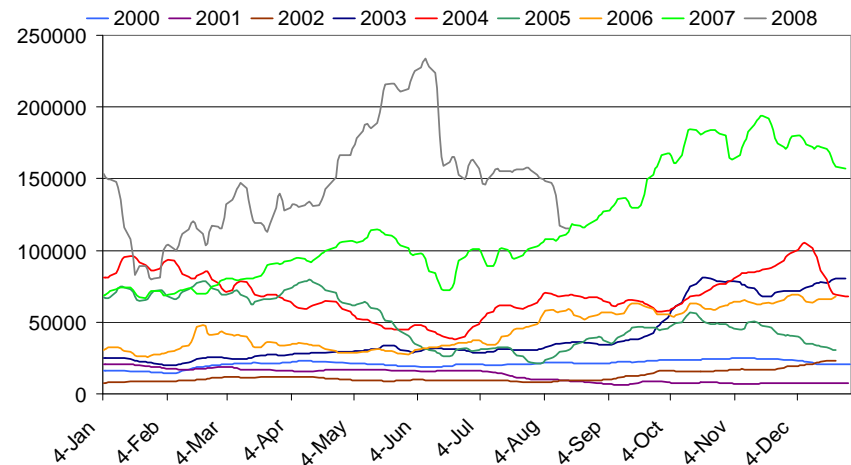
**BDI significantly down from its peak,  
BUT**

- ★ From a seasonal point of view still at all-time highs
- ★ The seasonal character of the grain trade has a negative affect on rates during the summer
- ★ The effect of the Olympics in China's economy will not last for long
- ★ The northern hemisphere's winter statistically supports rates
- ★ Long term TC rates at historical highs
- ★ Vessel values at historical highs

**Baltic Dry Index Since 2000**

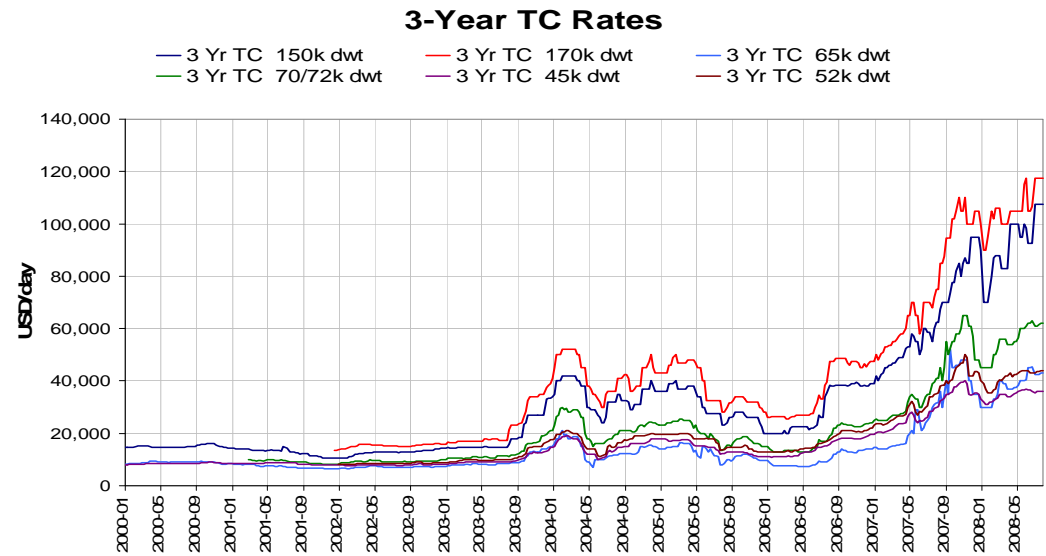
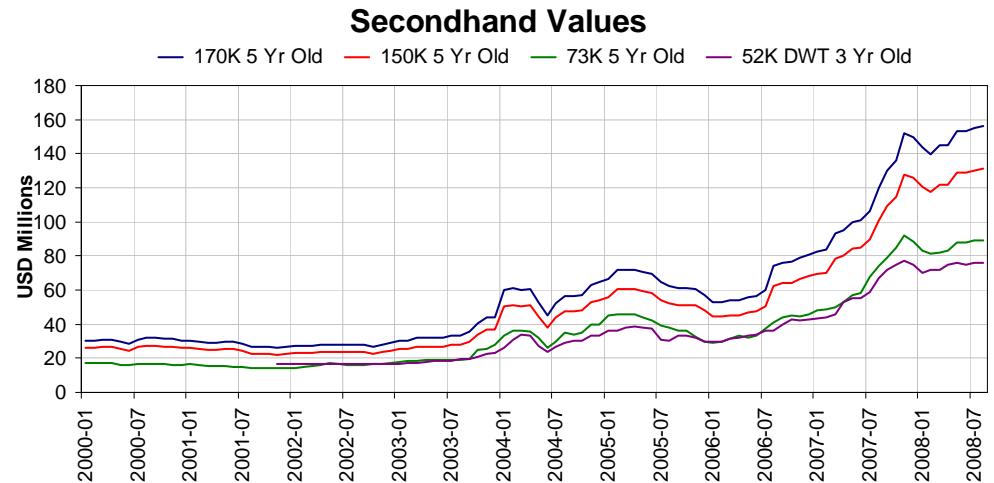


**Baltic Capesize Index Since 2000**



# The True Picture of Dry Bulk Shipping

- ★ Secondhand values and 3-year timecharterer rates are significantly less volatile than spot rates (BDI etc)
- ★ The graphs clearly show that the dry bulk shipping industry is still at its peak
- ★ Strong interest for fixing forward at very healthy rates (nb 180kdwt/4Q 2010 for 7 Yrs 50,000 per day net)
- ★ VALE placed an order for 12 VLOCs underlining its confidence in the future of the dry bulk market



# Dry Bulk Trade Developments

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- ★ 5 new capesize ports to be built in India until 2010
- ★ Significant increase in cargo movements in Far East coast
- ★ New mining projects in Australia
- ★ Chinese acquisition of coal mine in Canada
- ★ Expected increase in ton-miles

# Star Bulk's Strategy

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- ★ Star Bulk plans to take advantage of the long-term high growth potential of the developing economies
- ★ Secured Future Revenue – not vulnerable to short term market volatility
- ★ Healthy profit margins allow for both high dividend and sustainable growth



*Thank You*

