



NASDAQ: SBLK

Financial Results FY & Q4 2017



February 2018

Forward-Looking Statements

Except for the historical information contained herein, this presentation contains among other things, certain forward-looking statements, 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).

In addition to these important factors, other important factors that, in the Company's view, could cause actual results to differ materially from those discussed in the forward-looking statements include general dry bulk shipping market conditions, including fluctuations in charterhire rates and vessel values, the strength of world economies, the stability of Europe and the Euro, fluctuations in interest rates and foreign exchange rates, changes in demand in the dry bulk shipping industry, including the market for our vessels, changes in our operating expenses, including bunker prices, dry docking and insurance costs, changes in governmental rules and regulations or actions taken by regulatory authorities, potential liability from pending or future litigation, general domestic and international political conditions, potential disruption of shipping routes due to accidents or political events, the availability of financing and refinancing, potential conflicts of interest involving our Chief Executive Officer, his family and other members of our senior management, our ability to meet requirements for additional capital and financing to complete our newbuilding program and our ability to complete the restructuring of our loan agreements, vessel breakdowns and instances of off-hire, risks associated with vessel construction and potential exposure or loss from investment in derivative instruments. Please see our filings with the Securities and Exchange Commission for a more complete discussion of these and other risks and uncertainties. The information set forth herein speaks only as of the date hereof, and the Company disclaims any intention or obligation to update any forward-looking statements as a result of developments occurring after the date of this communication.

Certain financial information and data contained in this presentation is unaudited and does not conform to generally accepted accounting principles ("GAAP") or to Securities and Exchange Commission Regulations. We may also from time to time make forward-looking statements in our periodic reports that we will furnish to or file with the Securities and Exchange Commission, in other information sent to our security holders, and in other written materials. We caution that assumptions, expectations, projections, intentions and beliefs about future events may and often do vary from actual results and the differences can be material. This presentation includes certain estimated financial information and forecasts that are not derived in accordance with 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, to meet capital expenditures, working capital requirements and other obligations.

We undertake no obligation to publicly update or revise any forward-looking statement contained in this presentation, whether as a result of new information, future events or otherwise, except as required by law. In light of the risks, uncertainties and assumptions, the forward-looking events discussed in this presentation might not occur, and our actual results could differ materially from those anticipated in these forward-looking statements. This presentation is strictly confidential. This presentation is not an offer to sell any securities and it is not soliciting an offer to buy any securities in any jurisdiction where the offer or sale is not permitted.

Q4 2017 Financial Highlights



	<u>3-months</u> <u>period ended</u> <u>December 31,</u> <u>2017</u>	<u>3-months</u> <u>period ended</u> <u>December 31,</u> <u>2016</u>	<u>Increase /</u> <u>(Decrease) %</u>
Net Revenues ⁽¹⁾	\$92.5m	\$50.9m	81.6%
EBITDA	\$58.4m	\$(3.0)m	-
Adjusted EBITDA	\$55.7m	\$15.5m	-
Net Income/(Loss)	\$23.9m	\$(33.1)m	-
Adjusted Net Income/(Loss)	\$21.5m	\$(16.6)m	-
TCE	\$13,860	\$8,186	69.3%
Fleet Utilization	100.0%	98.0%	-
Average daily OPEX per vessel ⁽²⁾	\$3,850	\$4,047	(4.9%)
Average daily Net Cash G&A expenses per vessel ⁽³⁾	\$1,094	\$1,009	8.4%
Average No. of Vessels	70.6	67.8	4.1%
Adjusted EPS	\$0.34	(\$0.29)	-
EPS GAAP	\$0.37	\$(0.58)	-
Weighted average number of shares outstanding, diluted ⁽⁴⁾	64,259,874	56,721,385	13.3%

Notes:

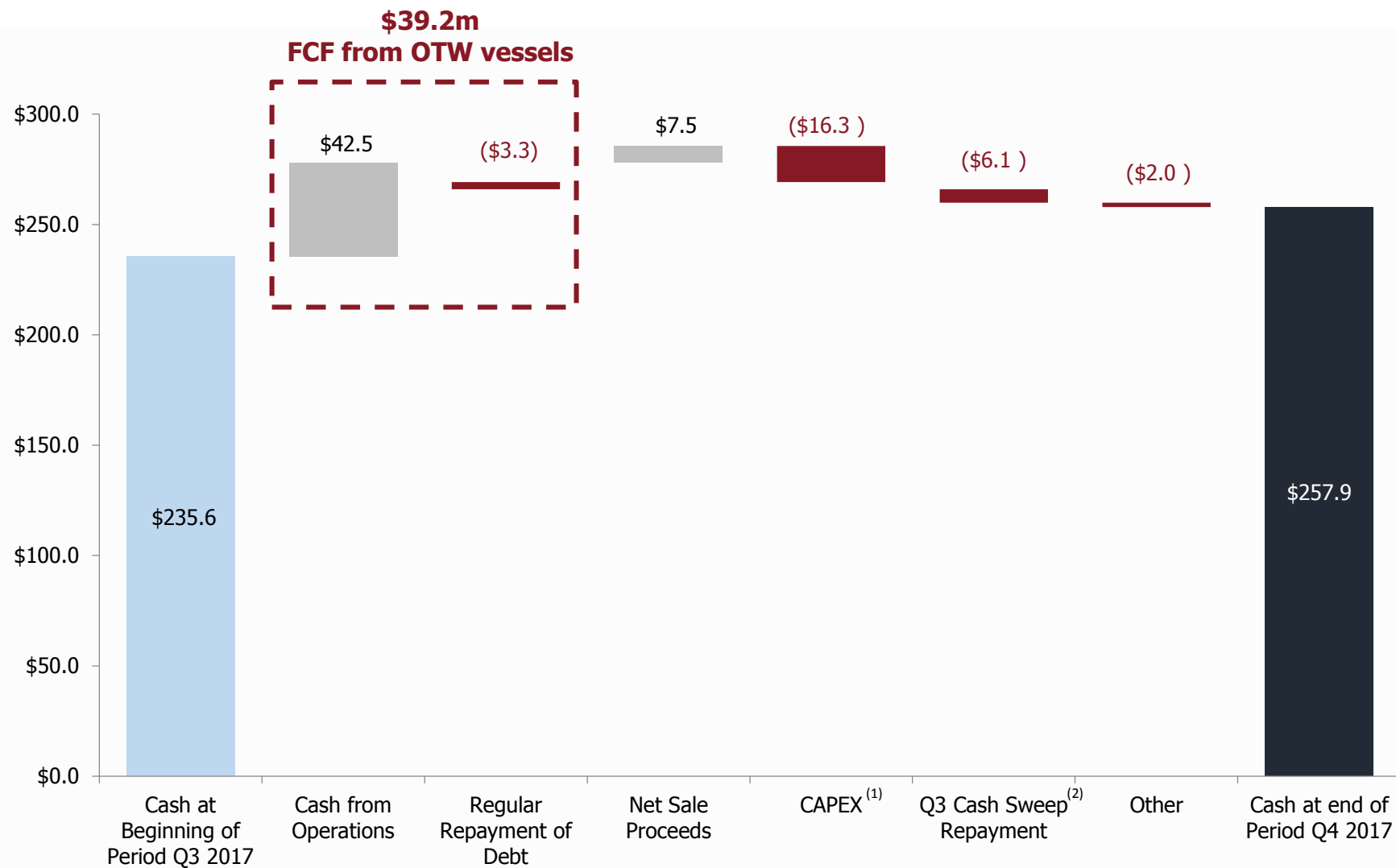
(1) Net revenues = Total gross revenues adjusted for non-cash items – Voyage expenses

(2) Excludes predelivery and one-off expenses

(3) Excludes one-off, advisory and restructuring fees and share incentive plans and termination charges, includes management fees

(4) Numbers reflect reverse split announcement on June 2016

Solid Cash Flow Generation

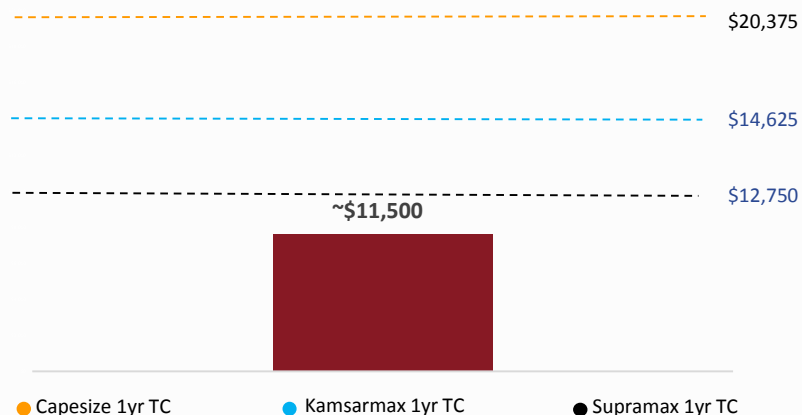


(1) Includes Newbuilding CAPEX and secondhand vessel acquisitions

(2) This represents the cash sweep payment for Q3 2017 made during Q4 2017

Strong Liquidity Position

Fleet-wide Net TCE FCF Breakeven Rate

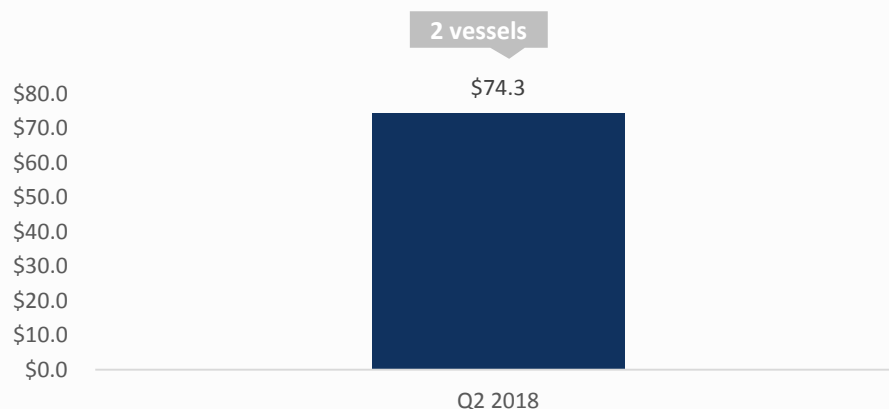


Source: Clarkson Research Services Ltd. (Shipping Intelligence Network, database), as of 23 February 2018

Cash & Debt position⁽¹⁾

- ❖ Total Cash (including minimum liquidity)⁽¹⁾: \$ 251.8 m
- ❖ Total Debt & Capital lease obligations⁽¹⁾: \$ 1,029.1m

Remaining NB Capex



Adjusted EBITDA evolution



(1) As of February, 27th 2018

Fleet Employment Update

We have fixed 30 vessels on period charters:

Fleet Employment

Vessel	Size	2018				2019		Charter Rate	
		1Q	2Q	3Q	4Q	1Q	2Q		
Star Virgo	Newcastlemax							STC + Premium	
Star Ariadne								\$19,550	
Star Triumph	Capesize							\$17,500	
Star Aurora								\$13,700	
Star Pauline								\$21,600	
Star Angie								\$17,600	
Amami	Post Panamax							\$14,000	
Madredeus								\$14,000	
Star Vega	Kamsarmax							\$14,388	
Star Georgia								\$13,350	
Star Gwyneth								\$14,000	
Star Laura								\$11,500	
Star Mariella								\$14,850	
Star Nina								\$13,500	
Star Charis								\$13,250	
Star Angelina								\$14,000	
Star Jennifer								\$11,450	
Star Markella								\$12,500	
Pendulum								\$12,250	
Star Emily ⁽¹⁾		Panamax							\$12,450
Star Lutas		Ultramax							\$12,900
Kaley									\$12,000
Star Pisces								\$15,000	
Star Fighter								\$10,850	
Mackenzie								\$11,750	
Kennadi								\$12,500	
Star Epsilon	Supramax							\$10,750	
Star Delta								\$8,850	
Star Gamma								\$11,150	
Star Cosmo								\$9,700	

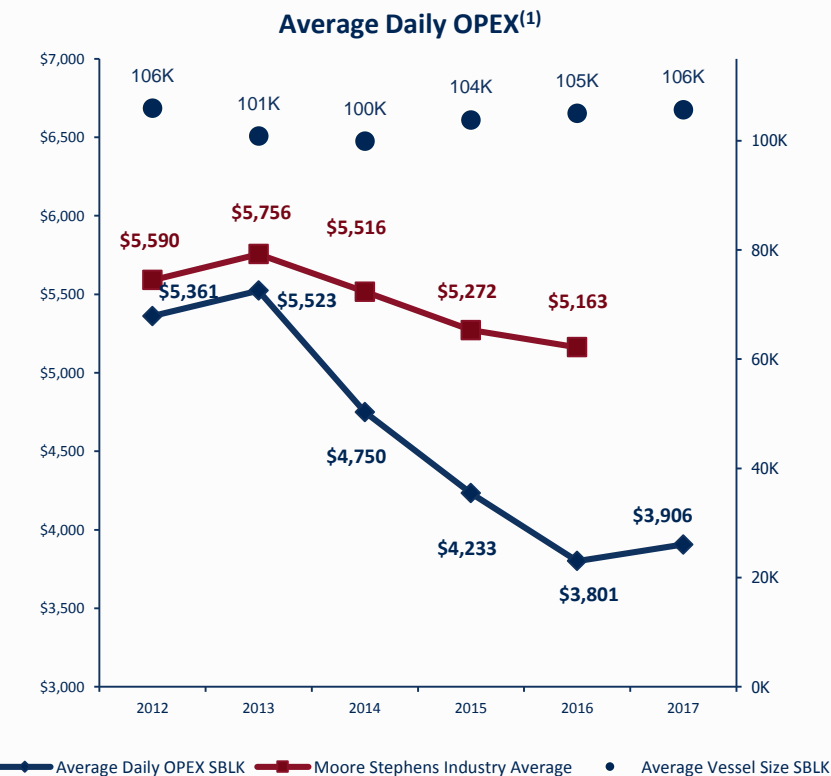
(1)Vessel employed at \$9,000 per day until March 1, 2018

Continued Operational Excellence

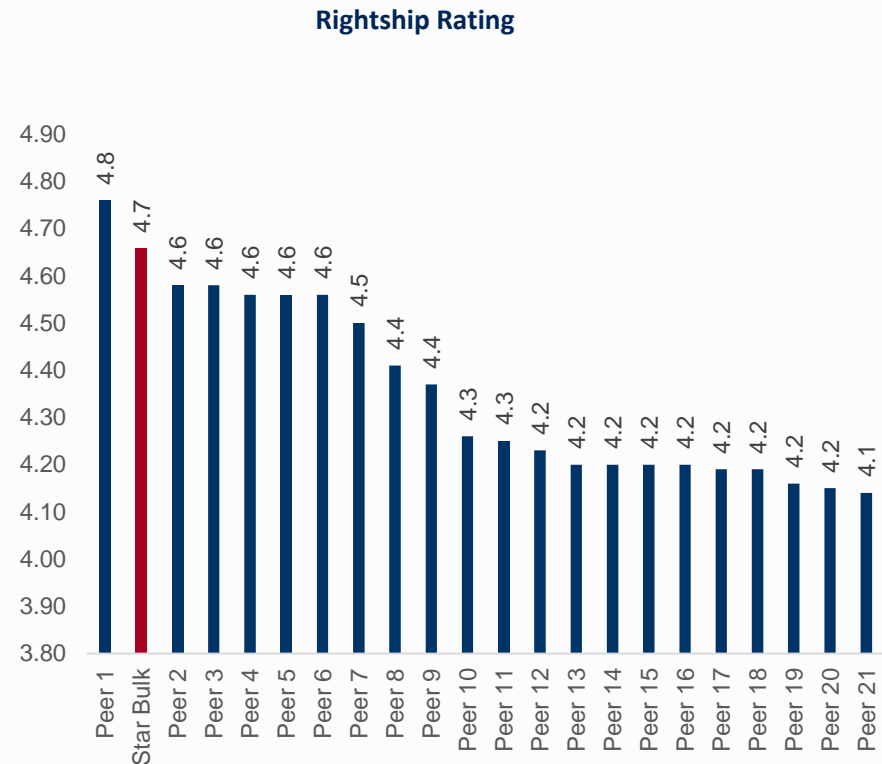


- For Q4 and FY 2017 vessel OPEX were \$3,850⁽¹⁾ and \$3,906⁽¹⁾ respectively per vessel per day
- Net cash G&A⁽²⁾ expenses per vessel per day were \$1,094 for both Q4 2017 and FY 2017
- We are consistently in the top 3 dry bulk operators in Rightship Ratings

We operate a fleet with one of the lowest average daily OPEX...



...without compromising quality...



Source: Moore Stephens, Company Filings

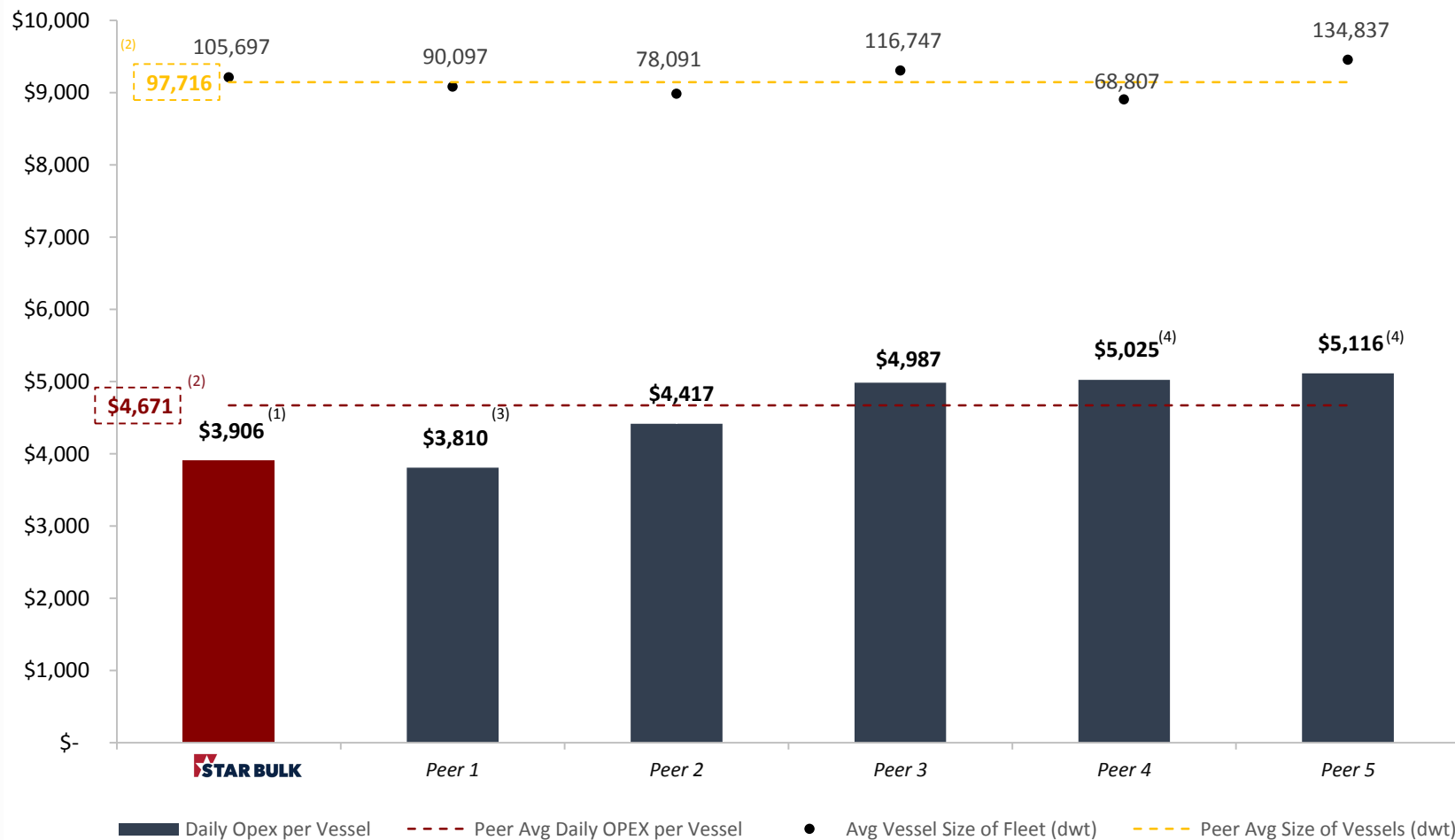
RIGHTSHIP



(1) Figures exclude pre-delivery expenses

(2) Excludes one-off severance payments, advisory and restructuring fees share incentive plans and termination charges, includes management fees

Industry Leading OPEX 12M 2017



Avg. Age of Fleet

8.2

7.5

9.2

9.1

2.0

4.9

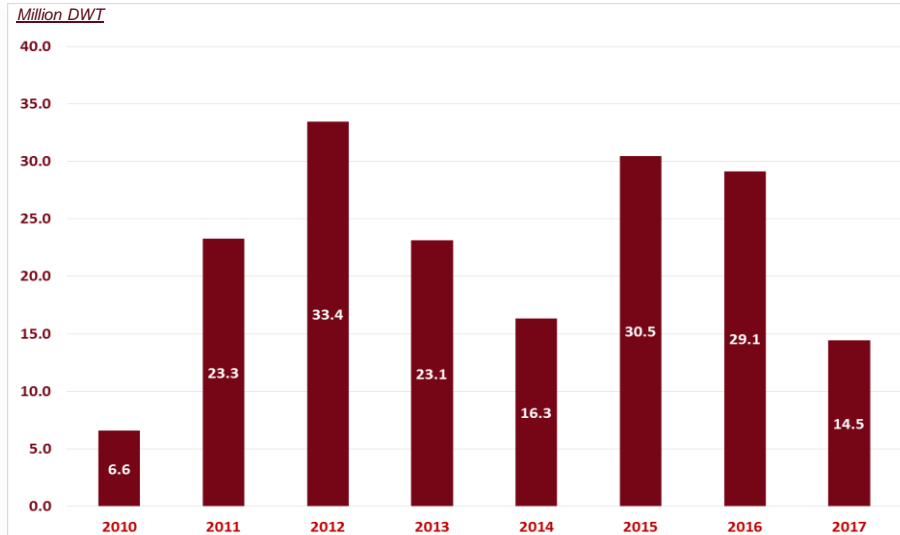
1) Excludes pre-delivery expenses
2) Peer Average figures exclude SBLK

3) Includes dry-docking costs
4) Includes management fees

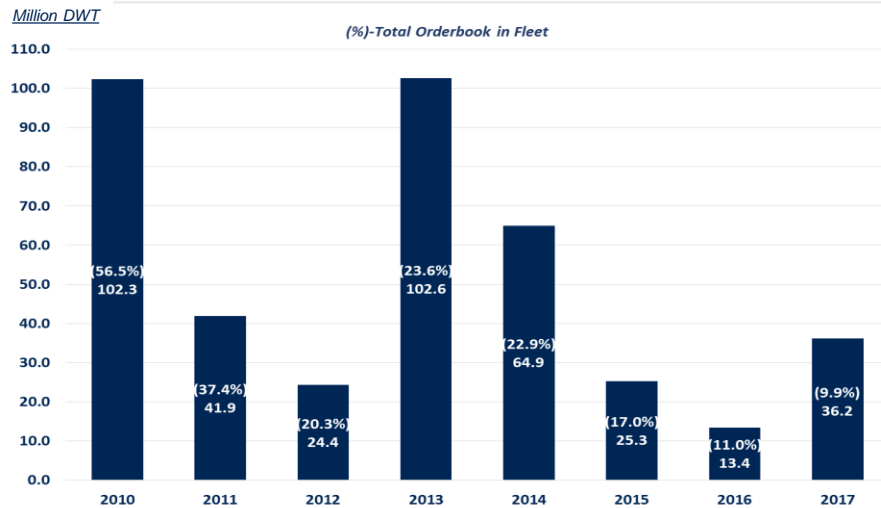
Dry Bulk Supply Update

- Fleet growth at +2.9% during 2017 up from +2.2% during 2016
 - Demolition activity decreased to 14.5 mdwt from 29.1 mdwt
 - Deliveries activity decreased to 38.4 mdwt from 47.2 mdwt
 - Contracting activity increased to 36.2 mdwt from 13.4 mdwt
- Orderbook currently estimated at ~10.0% of the fleet down from ~11.0% during Q4 2016 and ~17.0% during Q4 2015
- Vessels above 15 years of age currently at ~14.0% of the fleet
- Low 2015/16 contracting expected to trim 2018/19 deliveries
 - 2018 Net fleet growth projected between +1.5% and +2.5%

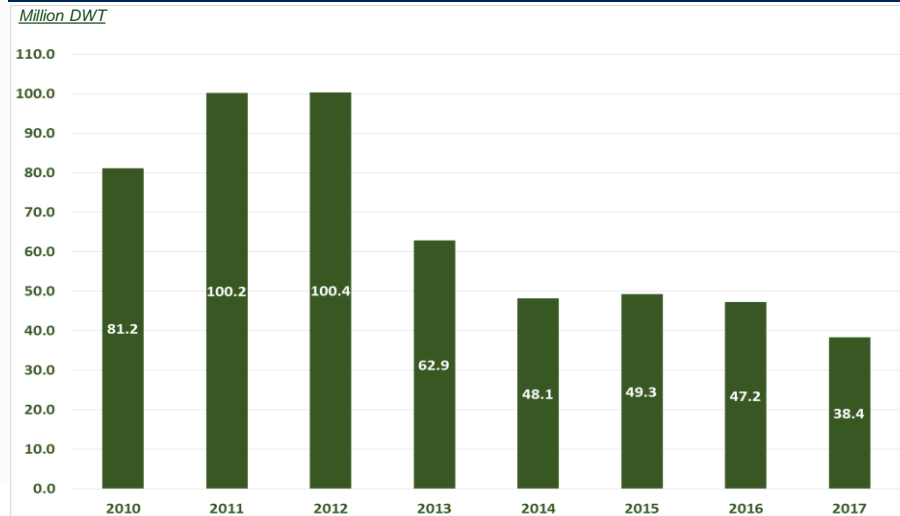
Dry Bulk Demolition



Dry Bulk New Orders



Dry Bulk Deliveries

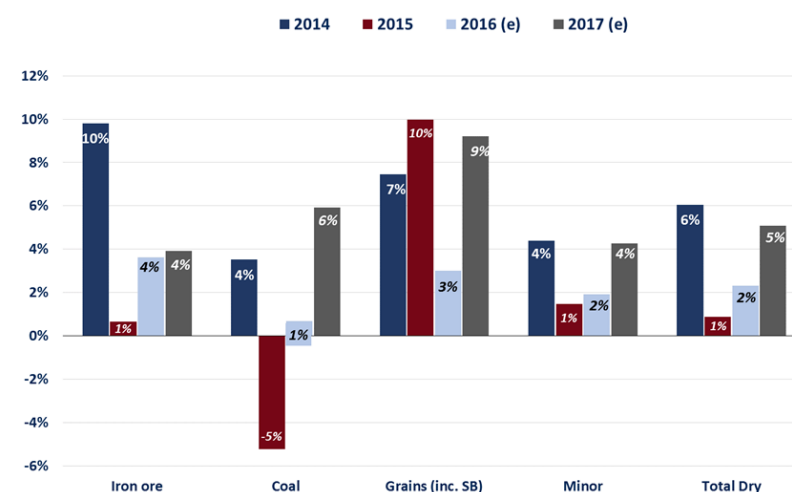


Dry Bulk Demand Update

- **Full Year 2017 trade growth estimated at +4.0% vs +1.6% in 2016**
 - Iron ore tons growth: +4.1% vs +4.0% in 2016
 - Thermal & Coking Coal growth: +5.4% vs +0.4% in 2016
 - Grains incl. soybeans: +7.3% vs +4.7% in 2016
 - Minor bulk: +2.1% vs -0.2% in 2016
- **Trade growth expected to further improve over the next years**
 - Global recovery of commodity prices (Steel, Coal and Oil).
 - Record high steel mill profitability on the back of healthy infrastructure demand and Chinese winter production cuts.
 - China preference for high grade iron ore mainly produced in Brazil boosting ton-miles. New SD11 mine from Vale and Samarco mine resumption expected during 2018.
 - China and India coal needs for electricity generation & industrial activity are currently exceeding domestic production growth. Low stock at powerplants and ports currently supporting imports.
 - Strong grains consumption and healthy Latin America crops boosting exports. Ton-miles boost due to growing Pacific import demand and concentrated Atlantic exports.
 - Global minor bulk growth recovery in line with GDP upward revisions. West African bauxite ton-mile generation, ASEAN and India infrastructure development acceleration.

Dry Bulk Trade (Million tons)	2014	2015	2016	2017(e)	2017 shares %
Iron ore	1,340	1,364	1,418	1,477	29%
Coal	1,216	1,138	1,142	1,203	24%
Grains	432	459	481	516	10%
Minor Bulks	1,844	1,871	1,868	1,908	37%
Total Dry	4,833	4,832	4,909	5,103	100%
<i>Annual Change</i>	248	-1	77	195	
<i>Annual Growth</i>	5.4%	0.0%	1.6%	4.0%	

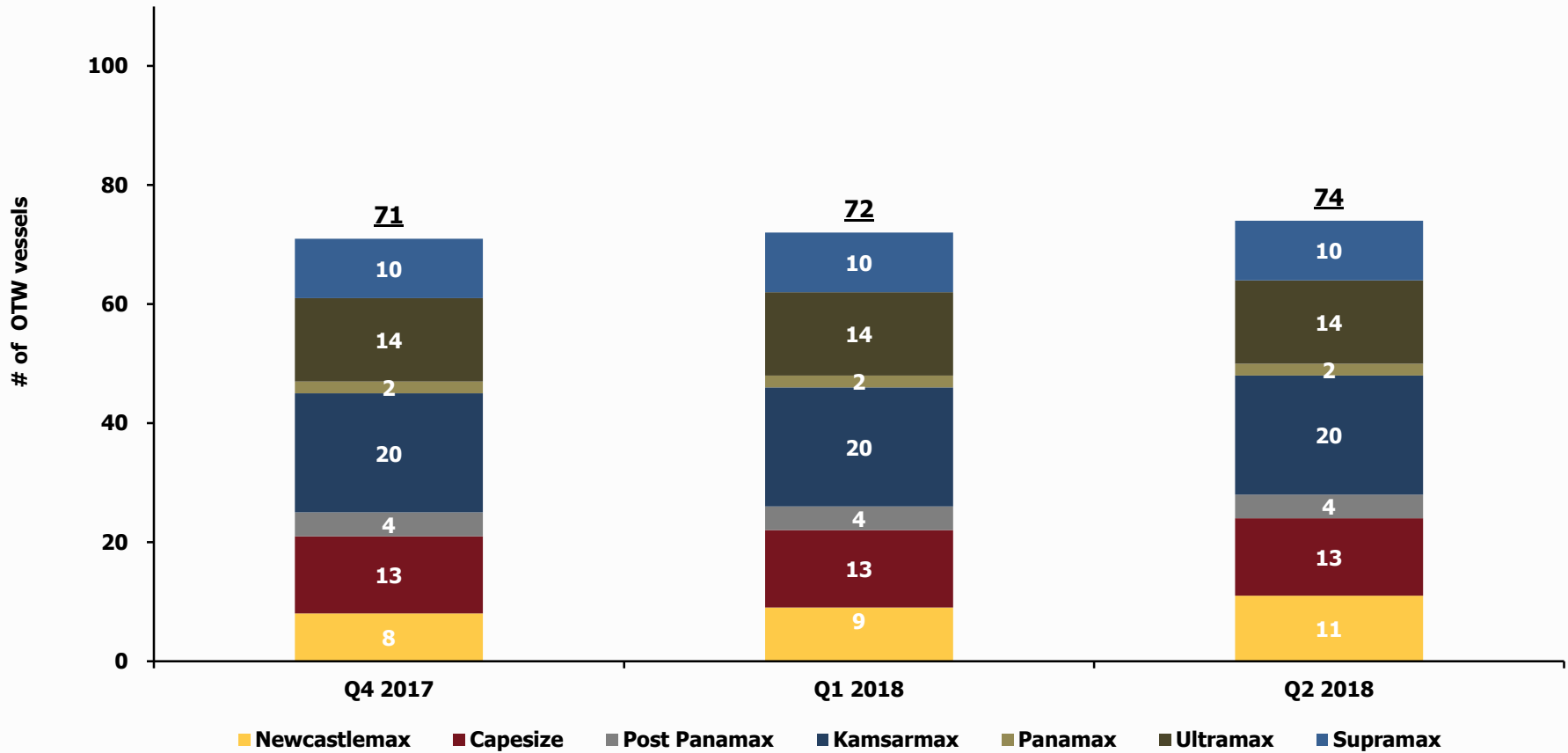
Dry Bulk Ton-miles – Full Year Growth



APPENDIX



On a fully delivered basis, our fleet will consist of 74 vessels with 8.2 million dwt with average age of 8.1 years ⁽¹⁾



(1) Represents April 2018 average age

Income Statement 4th Quarter 2017



(in \$000's)	3-months period ended December 31, 2017	Non-cash Adjustments	3-months period ended December 31, 2017	3-months period ended December 31, 2016
REVENUES:	107,707	-	107,707	63,241
EXPENSES:				
Voyage expenses	(15,252)	-	(15,252)	(12,320)
Charter in expense	(3,128)	-	(3,128)	(874)
Vessel operating expenses	(25,399)	-	(25,399)	(25,264)
Drydocking expenses	(362)	-	(362)	(2,992)
Management fees	(1,925)	-	(1,925)	(1,824)
Gain/(Loss) on forward freight agreements and bunker swaps	(300)	(77)	(377)	87
General and administrative expenses	(5,860)	414	(5,446)	(4,565)
Other operational Loss	(266)	-	(266)	(172)
Other Operational gain	138	-	138	171
Gain/(Loss) on sale of vessel	2,996	(2,996)	-	-
Total expenses	(49,358)	(2,659)	(52,017)	(47,753)
EBITDA	58,378	(2,688)	55,690	15,488
Depreciation	(21,129)	-	(21,129)	(20,342)
Operating (loss)/ income	37,220	(2,659)	34,561	(4,854)
Interest and finance costs	(13,585)	128	(13,457)	(10,779)
Loss on debt extinguishment	(871)	871	-	-
Interest income and other	980	-	980	368
Gain/(Loss) on derivative financial instrument	179	(660)	(481)	(1,053)
Total other income (expenses), net	(13,297)	339	(12,958)	(11,464)
Equity in income /loss of investee	29	(29)	-	-
Net income before tax	23,952	(2,349)	21,603	(16,318)
Income tax	(68)	-	(68)	(267)
Net income	23,884	(2,349)	21,535	(16,585)
Earnings per share, diluted	\$0.37		\$0.34	(\$0.29)

Income Statement FY 2017



(in \$000's)	Year ended ended December 31, 2017	Non-cash Adjustments	Year ended ended December 31, 2017	Year ended December 31, 2016
REVENUES:	331,976	-	331,976	222,360
EXPENSES:				
Voyage expenses	(64,682)	-	(64,682)	(65,821)
Charter in expense	(5,325)	(52)	(5,377)	(3,625)
Vessel operating expenses	(101,428)	-	(101,428)	(98,830)
Drydocking expenses	(4,262)	-	(4,262)	(6,023)
Management Fees	(7,543)	-	(7,543)	(7,604)
Gain/(Loss) on forward freight agreements and bunker swaps	(841)	(36)	(877)	370
General and administrative expenses	(30,955)	9,267	(21,688)	(20,436)
Other operational Loss	(989)	-	(989)	(278)
Other Operational gain	2,918	-	2,918	1,565
Gain/(Loss) on sale of vessel	2,598	(2,598)	-	-
Total expenses	(210,509)	6,581	(203,928)	(200,682)
EBITDA	121,508	6,540	128,048	21,678
Depreciation	(82,623)	-	(82,623)	(81,935)
Operating (loss)/ income	38,844	6,581	45,425	(60,257)
Interest and finance costs	(50,458)	527	(49,931)	(40,647)
Loss on debt extinguishment	(1,257)	1,257	-	-
Interest income and other	2,997	-	2,997	876
Gain/(Loss) on derivative financial instrument	246	(2,802)	(2,556)	(5,048)
Total other income (expenses), net	(48,472)	(1,018)	(49,490)	(44,819)
Equity in income /loss of investee	93	(93)	-	-
Net income before tax	(9,535)	5,470	(4,065)	(105,076)
Income tax	(236)	-	(236)	(267)
Net income	(9,771)	5,470	(4,301)	(105,343)
Earnings per share, diluted	(\$0.16)		(\$0.07)	(\$2.21)

THANK YOU

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