



**STAR BULK CARRIERS CORP. REPORTS PROFITS
FOR THE THIRD QUARTER ENDED SEPTEMBER 30, 2014**

ATHENS, GREECE, December 2, 2014 – Star Bulk Carriers Corp. (the "Company" or "Star Bulk") (Nasdaq: SBLK), a global shipping company focusing on the transportation of dry bulk cargoes, today announced its unaudited financial and operating results for the three and the nine months ended September 30, 2014.

Financial Highlights

(Expressed in thousands of U.S. dollars, except for daily rates and per share data)	Three months ended September 30, 2014	Three months ended September 30, 2013	Nine months ended September 30, 2014	Nine months ended September 30, 2013
Total Revenues	\$36,812	\$17,727	\$81,737	\$53,545
EBITDA ⁽¹⁾	\$13,433	\$6,981	\$25,526	\$23,873
Adjusted EBITDA ⁽¹⁾	\$9,668	\$7,809	\$27,061	\$24,944
Net income / (loss)	\$221	(\$168)	(\$3,649)	\$1,796
Adjusted Net income / (loss)	(\$2,164)	\$2,261	\$2,416	\$7,618
Earnings / (loss) per share basic and diluted	\$0.003	(\$0.01)	(\$0.08)	\$0.19
Adjusted earnings/ (loss) per share basic and diluted	(\$0.03)	\$0.13	\$0.05	\$0.82
Average Number of Vessels	31.5	13.0	21.5	13.4
Time Charter Equivalent Rate ("TCE")	\$11,159	\$14,652	\$12,813	\$14,414
Average OPEX per day per vessel	\$5,192	\$5,675	\$5,302	\$5,622

(1) See the table at the back of this release for a reconciliation of EBITDA and Adjusted EBITDA to Net Cash Provided by Operating Activities, which is the most directly comparable financial measure calculated and presented in accordance with generally accepted accounting principles in the United States ("U.S. GAAP").

Petros Pappas, Chief Executive Officer of Star Bulk, commented: *“Today we announce the results of our financial performance for the 3rd quarter of 2014, the first one following the successful closing of the merger with Oceanbulk on July 11, 2014 and the agreement for the acquisition of a high quality second hand fleet of 34 vessels from Excel Maritime on August 19, 2014.*

We are pleased to report Net Income of \$0.2 million for the three months ended September 30, 2014, despite the soft freight market environment during this period. Furthermore, during this quarter we remained focused on controlling costs, streamlining our operations and procuring financing for our newbuilding program.

In particular, our average operating expenses per vessel were \$5,192/day, reduced by 8.5% year-over-year, demonstrating our continuing commitment to cost control. We will continue to work towards realizing economies of scale and low break-even levels in the future, especially as we will be taking delivery of our 35 fuel efficient newbuilding vessels currently on order.

On the operational side, as of today we have taken delivery of 20 out of the 34 vessels that we have agreed to acquire from Excel Maritime, with the overall process being smooth and organized. We expect to take delivery of most of the remaining 14 vessels by end of the year.

During the third quarter, we have managed to obtain total debt commitments of \$64.5 million, which will be secured by two Ultramax and one Capesize newbuildings. Subsequent to the end of the quarter, on November 7, 2014, we successfully closed the public offering of \$50.0 million aggregate principal amount of our 8% senior unsecured notes maturing in 2019. On the bank financing front, we obtained commitments for (i) \$157.0 million of post - delivery debt financing, secured by mortgage collateral on eight newbuilding Ultramax vessels, (ii) \$100 million of debt financing to refinance the debt we are incurring to fund the acquisition of six vessels from Excel Maritime, (iii) \$30.0 million of debt financing, secured by 11 older vessels acquired from Excel Maritime, which were constructed in the 1990s, (iv) \$24.8m to finance the acquisition of a 2010 Capesize vessel from Excel and (v) \$25.3 million to refinance debt secured by the two Kamsarmax vessels to be delivered to us from Heron Ventures Ltd. during the fourth quarter of 2014. Furthermore, we are in negotiations for \$292.5 million of additional debt to finance five Newcastlemax and four Capesize newbuildings. The above initiatives are expected to substantially enhance our liquidity position and reduce the total funding needs of our fleet expansion program. We aim to continue diversifying our sources of funding in order to further strengthen our balance sheet.

Overall, I believe that this quarter has been instrumental for Star Bulk, as we successfully completed the merger with Oceanbulk, announced the acquisition of the Excel vessels, and most importantly continued building up a ship management platform capable of effectively managing more than 100 vessels.”

The following tables present summary information relating to our existing fleet, our newbuilding vessels and the third party vessels under our management as of December 2, 2014:

Existing On the Water Fleet Profile (As of December 2, 2014)

	Vessel Name	Drybulk Vessel Type	Capacity (dwt.)	Year Built	Date Delivered to Star Bulk
1	<i>Leviathan</i>	Capesize	182,000	2014	19-Sep-14
2	<i>Peloreus</i>	Capesize	182,000	2014	22-Jul-14
3	<i>Obelix</i>	Capesize	181,433	2011	11-Jul-14
4	<i>Christine (tbr Star Martha)</i>	Capesize	180,300	2010	31-Oct-14
5	<i>Pantagruel</i>	Capesize	180,181	2004	11-Jul-14
6	<i>Star Borealis</i>	Capesize	179,678	2011	9-Sep-11
7	<i>Star Polaris</i>	Capesize	179,600	2011	14-Nov-11
8	<i>Star Angie (ex Iron Miner)</i>	Capesize	177,900	2007	29-Oct-14
9	<i>Big Fish</i>	Capesize	177,662	2004	11-Jul-14
10	<i>Kymopolia</i>	Capesize	176,990	2006	11-Jul-14
11	<i>Big Bang</i>	Capesize	174,109	2007	11-Jul-14
12	<i>Star Aurora</i>	Capesize	171,199	2000	8-Sep-10
13	<i>Star Mega</i>	Capesize	170,631	1994	16-Aug-11
14	<i>Star Big</i>	Capesize	168,404	1996	25-Jul-11
15	<i>Amami</i>	Post Panamax	98,681	2011	11-Jul-14
16	<i>Madredeus</i>	Post Panamax	98,681	2011	11-Jul-14
17	<i>Star Sirius</i>	Post Panamax	98,681	2011	7-Mar-14
18	<i>Star Vega</i>	Post Panamax	98,681	2011	13-Feb-14
19	<i>Pendulum</i>	Kamsarmax	82,619	2006	11-Jul-14
20	<i>Star Kamila (ex Iron Bradyn)</i>	Kamsarmax	82,500	2005	3-Sep-14
21	<i>Star Nasia (ex Iron Anne)</i>	Kamsarmax	82,500	2006	29-Aug-14
22	<i>Star Mariella (ex Santa Barbara)</i>	Kamsarmax	82,500	2006	19-Sep-14
23	<i>Star Markella (ex Iron Brooke)</i>	Kamsarmax	82,500	2007	29-Sep-14
24	<i>Star Sophia (ex Iron Manolis)</i>	Kamsarmax	82,500	2007	31-Oct-14
25	<i>Star Danai (ex Pascha)</i>	Kamsarmax	82,500	2006	21-Oct-14
26	<i>Star Georgia (ex Coal Hunter)</i>	Kamsarmax	82,500	2006	14-Oct-14
27	<i>Star Maria (ex Iron Lindrew)</i>	Kamsarmax	82,500	2007	5-Nov-14
28	<i>Star Moira (ex Iron Vassilis)</i>	Kamsarmax	82,500	2006	19-Nov-14
29	<i>Mercurial Virgo</i>	Kamsarmax	81,545	2013	11-Jul-14
30	<i>Magnum Opus</i>	Kamsarmax	81,022	2014	11-Jul-14
31	<i>Tsu Ebisu</i>	Kamsarmax	81,001	2014	11-Jul-14
32	<i>Star Iris (ex Grain Express)</i>	Panamax	76,500	2004	8-Sep-14
33	<i>Star Emily (ex Grain Harvester)</i>	Panamax	76,500	2004	16-Sep-14
34	<i>Star Aline (ex IronKnight)</i>	Panamax	76,500	2004	4-Sep-14
35	<i>Star Christianna (ex Isminaki)</i>	Panamax	74,600	1998	6-Oct-14
36	<i>Star Natalie (ex Angela Star)</i>	Panamax	73,800	1998	29-Aug-14
37	<i>Star Vanessa (ex Coal Pride)</i>	Panamax	72,500	1999	7-Nov-14
38	<i>Star Monika (ex Birthday)</i>	Panamax	71,500	1993	10-Oct-14
39	<i>Star Tatianna (ex Fortezza)</i>	Panamax	69,600	1993	28-Aug-14
40	<i>Star Challenger</i>	Ultramax	61,462	2012	12-Dec-13
41	<i>Star Fighter</i>	Ultramax	61,455	2013	30-Dec-13
42	<i>Maiden Voyage</i>	Supramax	58,722	2012	11-Jul-14
43	<i>Strange Attractor</i>	Supramax	55,742	2006	11-Jul-14
44	<i>Star Omicron</i>	Supramax	53,489	2005	17-Apr-08
45	<i>Star Gamma</i>	Supramax	53,098	2002	4-Jan-08
46	<i>Star Zeta</i>	Supramax	52,994	2003	2-Jan-08
47	<i>Star Delta</i>	Supramax	52,434	2000	2-Jan-08
48	<i>Star Theta</i>	Supramax	52,425	2003	6-Dec-07
49	<i>Star Epsilon</i>	Supramax	52,402	2001	3-Dec-07
50	<i>Star Cosmo</i>	Supramax	52,247	2005	1-Jul-08
51	<i>Star Kappa</i>	Supramax	52,055	2001	14-Dec-07
52	<i>Star Michele (ex Emerald)</i>	Handymax	45,600	1998	14-Oct-14
		Total dwt:	<u>5,241,123</u>		

Acquired Fleet to be delivered

	Vessel Name	Drybulk Vessel Type	Capacity (dwt.)	Year Built	Shipyard
1	<i>Sandra</i>	Capesize	180,300	2008	Koyo Dock Japan
2	<i>Lowlands Beilun</i>	Capesize	170,200	1999	Halla Korea
3	<i>Iron Beauty</i>	Capesize	164,900	2001	CSBC China
4	<i>Kirmar</i>	Capesize	164,200	2001	CSBC China
5	<i>Coal Gypsy</i>	Kamsarmax	82,500	2006	Tsuneishi Japan
6	<i>Iron Fuzeyya</i>	Kamsarmax	82,500	2006	Tsuneishi Japan
7	<i>Ore Hansa</i>	Kamsarmax	82,500	2006	Tsuneishi Japan
8	<i>Iron Bill</i>	Kamsarmax	82,500	2006	Tsuneishi Japan
9	<i>Iron Kalypso</i>	Kamsarmax	82,500	2006	Tsuneishi Japan
10	<i>Elinakos</i>	Panamax	73,800	1997	Sumitomo Japan
11	<i>Rodon</i>	Panamax	73,700	1993	Hyundai Heavy Industries Korea
12	<i>Happyday</i>	Panamax	71,700	1997	Hitachi Korea
13	<i>Powerful</i>	Panamax	70,100	1994	Hudong China
14	<i>Princess 1</i>	Handymax	38,900	1994	I.H.I
15	<i>ABYO Angelina</i> ⁽¹⁾	Kamsarmax	82,987	2006	Tsuneishi Japan
16	<i>ABYO Gwyneth</i> ⁽¹⁾	Kamsarmax	82,790	2006	Tsuneishi Japan
	Total dwt:		<u>1,586,077</u>		

⁽¹⁾ These vessels will be distributed to Star Bulk from Heron Ventures Ltd “the Heron Vessels”.

Newbuilding Vessels

	Vessel Name	Drybulk Vessel Type	Capacity (dwt.)	Shipyard	Expected Delivery Date
1	HN 5016 (tbn <i>Indomitable</i>)	Capesize	182,160	JMU, Japan	January 2015
2	HN 1061	Ultramax	64,000	New Yangzijiang, China	January 2015
3	HN 1063	Ultramax	64,000	New Yangzijiang, China	January 2015
4	HN 1062	Ultramax	64,000	New Yangzijiang, China	February 2015
5	HN 5017	Capesize	182,000	JMU, Japan	March 2015
6	HN NE 164 (tbn <i>Honey Badger</i>)	Ultramax	61,000	NACKS, China	March 2015
7	HN NE 165	Ultramax	61,000	NACKS, China	March 2015
8	HN NE 166	Newcastlemax	209,000	NACKS, China	April 2015
9	HN 1064	Ultramax	64,000	New Yangzijiang, China	April 2015
10	HN 1312	Capesize	180,000	SWS, China	April 2015
11	HN NE 167	Newcastlemax	209,000	NACKS, China	May 2015
12	HN 5040 (tbn <i>Star Acquarius</i>)	Ultramax	60,000	JMU, Japan	May 2015
13	HN 1313	Capesize	180,000	SWS, China	May 2015
14	HN 1338 (tbn <i>Star Aries</i>)	Capesize	180,000	SWS, China	May 2015
15	HN 1372 (tbn <i>Star Libra</i>)	Newcastlemax	208,000	SWS, China	June 2015
16	HN 5043 (tbn <i>Star Pisces</i>)	Ultramax	60,000	JMU, Japan	July 2015
17	HN 1080	Ultramax	64,000	New Yangzijiang, China	July 2015
18	HN 5055	Capesize	182,000	JMU, Japan	July 2015
19	HN NE 184	Newcastlemax	209,000	NACKS, China	July 2015
20	HN 1081	Ultramax	64,000	New Yangzijiang, China	August 2015
21	HN 5056	Capesize	182,000	JMU, Japan	August 2015
22	HN 1082	Ultramax	64,000	New Yangzijiang, China	September 2015
23	HN NE 196 (tbn <i>Star Antares</i>)	Ultramax	61,000	NACKS, China	September 2015
24	HN 1359	Newcastlemax	208,000	SWS, China	October 2015
25	HN NE 197 (tbn <i>Star Lutas</i>)	Ultramax	61,000	NACKS, China	October 2015
26	HN 1339 (tbn <i>Star Taurus</i>)	Capesize	180,000	SWS, China	October 2015
27	HN 1083	Ultramax	64,000	New Yangzijiang, China	November 2015
28	HN 1342 (tbn <i>Star Gemini</i>)	Newcastlemax	208,000	SWS, China	December 2015
29	HN 1360	Newcastlemax	208,000	SWS, China	January 2016
30	HN NE 198 (tbn <i>Star Poseidon</i>)	Newcastlemax	209,000	NACKS, China	February 2016
31	HN 1371 (tbn <i>Star Virgo</i>)	Newcastlemax	208,000	SWS, China	February 2016
32	HN 1343 (tbn <i>Star Leo</i>)	Newcastlemax	208,000	SWS, China	March 2016
33	HN 1361	Newcastlemax	208,000	SWS, China	May 2016
34	HN 1362	Newcastlemax	208,000	SWS, China	June 2016
35	HN 1363	Newcastlemax	208,000	SWS, China	August 2016
	Total dwt:		<u>5,032,160</u>		

Third Party Vessels Under Management (As of December 2, 2014)

<u>Vessel Name</u>	<u>Type</u>	<u>DWT</u>	<u>Year Built</u>
<i>Serenity I</i>	Supramax	53,688	2006
Total	1	53,688	

Recent Developments

Excel Vessel deliveries

As of December 2, 2014, 20 of the 34 vessels we agreed to acquire from Excel Maritime Carriers Ltd. (the “Excel Vessels”) had been delivered to us in exchange for 17,843,578 common shares and \$176.4 million of cash. As of December 2, 2014, we had drawn approximately \$131.5 million under the secured bridge loan facility (the “Excel Vessel Bridge Facility”) extended to us by entities affiliated with Oaktree and entities affiliated with Angelo, Gordon & Co. to finance the cash consideration paid in connection with the acquisition of the Excel Vessels. We have used the Excel Vessel Bridge Facility to finance the acquisition of 19 of the 20 Excel Vessels we had acquired as of December 2, 2014, and we financed the acquisition of the *M/V Christine* through a recently obtained \$24.75 million secured loan facility provided by DVB Bank SE (described below).

DVB Facility

In October 2014, we acquired 100% of the equity interests of Christine Shipco LLC, which is the owner of the *Christine* (tbr *Star Martha*) vessel, one of the 34 Excel Vessels. In September 2014, Christine Shipco LLC executed a binding term sheet with DVB Bank SE, Frankfurt (the “DVB Facility”) to refinance its existing credit facility (which was secured by the *Christine*). The definitive loan agreement for the DVB Facility was signed on October 30, 2014, and the amount drawn was \$24.8 million. The DVB Facility is secured by a first priority pledge of the membership interests of Christine Shipco LLC and general and specific assignments and is guaranteed by Star Bulk.

New Facility with CiT

In October 2014, we executed a binding term sheet with CiT with respect to a new credit facility (the “Excel Vessel CiT Facility”) for financing secured by 11 of the older Excel Vessels, which were built during the 1990s. The aggregate amount available for borrowing under the Excel Vessel CiT Facility will be the lesser of (x) \$30.0 million and (y) 42.5% of the charter-free, fair market value of the vessels. The Excel Vessel CiT Facility will mature in December 2016, will be secured by a first priority cross collateralized mortgage over the financed vessels and will be guaranteed by Star Bulk.

New Facility with Citibank

In November, 2014, we executed a binding term sheet with Citibank to provide for financing in an amount of up to \$100.0 million. We intend to use the proceeds of this facility to partially refinance the Excel Vessel Bridge Facility in connection with the acquisition of vessels *Sandra* (tbr *Star Pauline*), *Lowlands Beilun* (tbr *Star Despoina*), *Star Angie* (ex *Iron Miner*), *Star Sophia* (ex *Iron Manolis*), *Star Georgia* (ex *Coal Hunter*), and *Star Emily* (ex *Grain Harvester*). The facility matures on the earlier of 60 months after the final drawdown and December 30, 2019. The facility is secured by a first priority cross collateralized mortgage over the financed vessels and will be guaranteed by Star Bulk.

Issuance of \$50.0 million 8.00% Notes

On November 6, 2014 we successfully closed a public offering of \$50.0 million senior unsecured notes due 2019 (the “Notes”). The Notes are not guaranteed by any of our subsidiaries and bear interest at a rate of 8.00% per year, payable quarterly in arrears commencing on February 15, 2015. The Notes may be redeemed at our option in whole or in part at any time or from time to time after November 15, 2016, for a price equal to the principal amount of the Notes to be redeemed plus accrued and unpaid interest. We have granted the underwriters a 30-day option to purchase up to an additional \$7.5 million aggregate principal amount of the Notes on the same terms and conditions. As of December 2, 2014, that option had not been exercised.

New Facility with Sinosure

In November 2014, we executed a binding term sheet with Deutsche Bank (China) Co., Ltd. and HSBC Bank plc for the financing of an aggregate amount of up to the lesser of \$157.3 million or 68% of the fair market value of eight of newbuilding Ultramax dry bulk carriers (HN NE 164, HN NE 165, HN NE 1080, HN NE 1081, HN NE 1082, HN NE 196, HN NE 1083, HN NE 197), which currently under construction by Jiangsu Yanzijiang Shipbuilding Co. Ltd and Nantong COSCO KHI Ship Engineering Co. Ltd., with expected delivery between March 2015 and November 2015. The financing will be credit insured (95%) by China Export & Credit Insurance Corporation and

will be secured by a first priority cross collateralized mortgage over the financed vessels and will be guaranteed by Star Bulk.

Heron Vessel Financing

In November 2014, we entered into a secured term loan agreement with CiT in order to partially finance the acquisition cost of the two Heron Vessels. The loan provides for up to \$25.3 million of financing, which we expect to draw down at or around the time we take delivery of the Heron Vessels. The facility will be secured by a first priority mortgage over the financed vessels and general and specific assignments and will be guaranteed by Star Bulk.

Third Quarter 2014 and 2013 Results (*)

(*) Amounts relating to variations in period – on – period comparisons shown in this section are derived from the actual numbers in our books and records

For the third quarter of 2014, total voyage revenues were \$36.5 million compared to \$17.3 million for the third quarter of 2013. This increase is mainly attributed to the increase of the average number of vessels to 31.5 in the third quarter of 2014 from 13.0 vessels in the third quarter of 2013, as a result of the acquisition of Oceanbulk Carriers LLC and Oceanbulk Shipping LLC (collectively “Oceanbulk”), two entities affiliated with the family of Mr. Pappas (the “Pappas Companies”) and certain of the Excel Vessels.

Management fee income during the third quarter of 2014 was \$0.3 million compared to \$0.5 million for the third quarter of 2013. This decrease is mainly due to the decrease in the average number of third and related party vessels under management to 4.9 vessels in the third quarter of 2014 from 6.6 vessels in the third quarter of 2013. As a result of the acquisition of Oceanbulk and the Pappas Companies, eleven vessels under our management that were part of the fleets of Oceanbulk and the Pappas Companies became part of our fleet as of July 11, 2014. We therefore stopped receiving fees for the management of these vessels.

For the third quarter of 2014, operating income was \$1.3 million compared to operating income of \$1.8 million for the third quarter of 2013. Net income for the third quarter of 2014, was \$0.2 million or \$0.003 earnings per basic and diluted share, based on 77,233,053 and 77,437,791 weighted average number of shares, respectively. Net loss for the third quarter of 2013 was \$0.2 million, or \$0.01 loss per basic and diluted share, calculated on 16,807,757 shares, which was the weighted average number of basic and diluted shares.

Net income for the third quarter of 2014 mainly included the following non-cash items:

- Amortization of fair value of above market acquired time charters of \$1.4 million, or \$0.02 per basic and diluted share, associated with time charters attached to vessels acquired in the third quarter of 2011 (namely *Star Big* and *Star Mega*), and vessels acquired as part of the merger with the Oceanbulk companies, in July 2014 (namely *Amami* and *Madredeus*). These assets are amortized over their remaining period as a decrease to voyage revenues;
- Expenses of \$2.9 million, or \$0.04 per basic and diluted share, relating to the stock based compensation recognized in connection with the shares issued to our directors and employees;
- A gain of \$1.4 million, or \$0.02 per basic and diluted share, regarding the extinguishment of the liability to previous charterer of *Star Borealis*, related to the amount of fuel and lubricants remaining on board the vessel at the time of the charter repudiation;
- Unrealized loss of \$0.04 million in connection with the mark to market valuation of the Company’s derivatives, non-attributable to the effective portion of those hedges and
- A gain from bargain purchase of \$12.3 million, or \$0.16 per basic and diluted share, resulting from the acquisition of Oceanbulk and the Pappas Companies.

In addition, net income included acquisition-related expenses amounting to \$7.0 million, or \$0.09 per basic and diluted share, in connection with the acquisition of Oceanbulk and the Pappas Companies.

Excluding these non-cash items and acquisition-related expenses, net loss for the third quarter of 2014 would amount to \$2.2 million, or \$0.03 loss per basic and diluted share, respectively, based on 77,233,053 and 77,437,791 weighted average number of basic and diluted shares, respectively.

Net loss for the third quarter of 2013 included the following non-cash items:

- Amortization of fair value of above market acquired time charters of \$1.6 million, or \$0.10 per basic and diluted share, associated with the acquired vessels *Star Big* and *Star Mega*, which are amortized over the remaining period as a decrease to voyage revenues;
- Expenses of \$0.4 million, or \$0.03, per basic and diluted share, relating to the stock based compensation recognized in connection with shares issued to our directors and employees; and
- Unrealized loss of \$0.4 million, or \$0.02 per basic and diluted share, in connection with the mark to market valuation of our derivatives, which had not been designated as cash flow hedges.

Excluding these non-cash items, net income for the third quarter of 2013 would amount to \$2.3 million, or \$0.13 earnings per basic and diluted share, based on 16,807,757 shares, which was the weighted average number of basic and diluted shares.

Adjusted EBITDA for the third quarter of 2014 and 2013, was \$9.7 million and \$7.8 million, respectively. A reconciliation of EBITDA and adjusted EBITDA to net cash provided by cash flows from operating activities is set forth in the following pages.

We owned and operated an average of 31.5 and 13.0 vessels during the third quarters of 2014 and 2013 respectively, which earned an average Time Charter Equivalent, or "TCE" daily rate of \$11,159 and \$14,652, respectively. We refer you to the information under the heading "Summary of Selected Data" set forth below for information regarding our calculation of TCE rates.

For the third quarter of 2014, voyage expenses were \$12.9 million compared to \$2.4 million for the third quarter of 2013. The increase in voyage expenses was due to the increase in the average number of vessels in the third quarter of 2014, as a result of the acquisition of Oceanbulk, the Pappas Companies and certain of the Excel Vessels.

For the third quarter of 2014 and 2013, vessel operating expenses totalled \$15.1 million and \$6.8 million respectively. The increase in operating expenses was mainly due to the higher average number of vessels in the third quarter of 2014 compared to the third quarter of 2013. **Our average daily operating expenses per vessel for the third quarter of 2014 were \$5,192 compared to \$5,675 during the third quarter of 2013, representing 9% reduction, as a result of synergies and economies of scale from operating a larger fleet.**

Dry docking expenses for the third quarter of 2014 and 2013 amounted to \$3.6 million and \$1.6 million respectively. The amount of the dry docking expense for a vessel is highly dependent on the size, age, and overall condition of the vessel. During the third quarter of 2014, two of our Capesize vessels underwent dry docking surveys, one of which is one of the oldest vessels in our fleet. During the third quarter of 2013, one Supramax and one Capesize vessel underwent dry docking surveys.

Depreciation expense increased to \$10.7 million for the third quarter of 2014, compared to \$4.0 million for the third quarter of 2013, due to the increase in the average number of vessels in our fleet and the corresponding increase in the depreciable asset base.

General and Administrative expenses, for the third quarter of 2014 and 2013 were \$14.8 million and \$2.5 million, respectively. This increase was mainly due to:

- a) acquisition-related expenses of \$7.0 million incurred during the third quarter of 2014, in connection with the acquisition of Oceanbulk and the Pappas Companies;
- b) a stock based compensation expense of \$1.8 million in the third quarter of 2014 relating to a severance payment to our former Chief Executive Officer; and
- c) a 62% increase in our average number of employees during the third quarter of 2014 compared to the same period in 2013, due to the increase of our fleet to 31.5 vessels on average in the third quarter of 2014, as compared to 13.0 vessels on average in the third quarter of 2013.

Other operational gain of \$9.4 million during the third quarter of 2014, consisted of:

- a) \$8.0 million of revenue from the sale to a non-related third party of the claim against the previous charterer of the vessel *Star Borealis* for charter party repudiation due to early redelivery of the vessel, collected in full in October 2014; and
- b) \$1.4 million from the extinguishment of the liability to the previous charterer of *Star Borealis*, related to the amount of fuel and lubricants remaining on the board at the time of the charter repudiation.

Other operational gain during the third quarter of 2013, was \$1.6 million and mainly consisted of revenues of \$0.3 million and \$0.8 million, which represented the payment of installments due to us, under settlement agreements for three commercial claims and a gain of \$0.6 million regarding a hull and machinery claim.

In September 2010, we signed an agreement to sell a 45% interest in the future proceeds related to the settlement of certain commercial claims. As a result, in connection with the settlement amount of \$0.8 million described in other operational gain above, during the third quarter of 2013, we incurred an expense of \$0.3 million, which is included under other operational loss.

During the third quarter of 2014, we recorded a gain from bargain purchase of \$ 12.3 million, resulting from the acquisition of the Oceanbulk and the Pappas Companies.

Gain on derivative financial instruments of \$0.02 million for the third quarter of 2014 represents the non-cash gain from the mark to market valuation of four of our interest rate swaps up to August 31, 2014, on which date we designated the respective interest rate swaps as cash flow hedges. The change in the fair value of these swaps during September 2014, after the hedging designation had been recorded in other comprehensive income, to the extent these hedges were effective. Loss on derivative financial instruments of \$0.4 million during the third quarter of 2013 represents the non-cash loss from the mark to market valuation of two interest rate swaps outstanding as of September 30, 2013, that were not designated as cash flow hedges.

Interest and finance costs for the third quarter of 2014 and 2013 were \$1.5 million and \$1.7 million, respectively. Even though the weighted average balance of our outstanding indebtedness has increased to \$481.5 million for the third quarter of 2014 compared to \$195.8 million for the third quarter of 2013, interest and finance costs decreased due to an increase in interest capitalized during the third quarter of 2014, to \$3.1 million from \$0.1 million for the same period of 2013, caused mainly by an increase in advances paid for our newbuilding vessels.

Nine months ended September 30, 2014 and 2013 Results (*)

(*) Amounts relating to variations in period – on – period comparisons shown in this section are derived from the actual numbers in our books and records.

For the nine months ended September 30, 2014, total voyage revenues were \$79.5 million compared to \$52.6 million for the same period of 2013. This increase was mainly attributed to the increase in the average number of vessels to 21.5 during the nine months ended September 30, 2014, from 13.4 vessels during the nine months ended September 30, 2013, as a result of the acquisition of Oceanbulk, the Pappas Companies and the Excel Vessels.

Management fee income for the nine months ended September 30, 2014 increased to \$2.2 million compared to \$0.9 million for the same period of 2013, due to the increase in the average number of third and related party vessels under management to 10.7 vessels during the nine months ended September 30, 2014 from 4.5 vessels during the nine months ended September 30, 2013. As a result of the acquisition of Oceanbulk and the Pappas Companies, eleven vessels under our management that were part of the fleets of Oceanbulk and the Pappas Companies, became part of our fleet as of July 11, 2014. We therefore stopped receiving fees for the management of these vessels. For the nine months ended September 30, 2014, operating income was \$1.3 million compared to operating income of \$7.0 million for the nine months ended September 30, 2013. Net loss for the nine months ended September 30, 2014, was \$3.6 million, or \$0.08 loss per basic and diluted share, calculated on 45,236,873 shares, which was the weighted average number of basic and diluted shares for the corresponding period. Net income for the nine months ended September 30, 2013, amounted to \$1.8 million, or \$0.19 earnings per basic and diluted share, based on 9,254,316 and 9,273,410 weighted average number of shares, respectively.

Net loss for the nine months ended September 30, 2014 included the following non-cash items:

- Amortization of fair value of above market acquired time charters of \$4.5 million, or \$0.10 per basic and diluted share, associated with time charters attached to vessels acquired in the third quarter of 2011, (*Star Big* and *Star Mega*), and vessels acquired as part of the merger with the Oceanbulk companies, in July 2014, (*Amami* and *Madredeus*). These assets are amortized over their remaining period as a decrease to voyage revenues;
- Expenses of \$4.8 million, or \$0.11 per basic and diluted share, relating to stock based compensation recognized in connection with shares issued to our directors and employees;
- Unrealized loss of \$0.9 million, or \$0.02 per basic and diluted share, in connection with the mark to market valuation of the Company's derivatives, non-attributable to the effective portion of those hedges;
- A loss on bad debts of \$0.2 million or \$0.01 per basic and diluted share associated with the write-off of disputed charterer balances.
- A gain of \$1.4 million, or \$0.03 per basic and diluted share, regarding the extinguishment of the liability to previous charterer of *Star Borealis*, related to the amount of fuel and lubricants remaining on board the vessel at the time of the charter repudiation; and
- A gain from bargain purchase of \$12.3 million, or \$0.27 per basic and diluted share, resulting from the acquisition of Oceanbulk and the Pappas Companies.

In addition, net loss included acquisition-related expenses amounting to \$9.3 million, or \$0.21 per basic and diluted share, in connection with the acquisition of the Oceanbulk and Pappas Companies.

Excluding these non-cash items and the acquisition-related expenses, net income for the nine months ended September 30, 2014 would amount to \$2.4 million, or \$0.05 earnings per basic and diluted share, based on 45,236,873 shares, which was the weighted average number of basic and diluted shares.

Net income for the nine months ended September 30, 2013 included the following non-cash items:

- Amortization of fair value of above market acquired time charters of \$4.8 million, or \$0.51 per basic and diluted share, associated with acquired time charters of *Star Big* and the *Star Mega*. These assets are amortized over their remaining period as a decrease to voyage revenues;
- Expenses of \$1.0 million, or \$0.11 per basic and diluted share, relating to stock based compensation recognized in connection with the shares issued to our directors and employees;

- Unrealized gain of \$0.1 million, or \$0.01 per basic and diluted share, in connection with the mark to market valuation of our derivatives; and
- Loss on sale of vessel of \$0.1 million or \$0.01 per basic and diluted share in connection with the sale of *Star Sigma*, which concluded in March 2013.

Excluding these non-cash items, net income for the nine months ended September 30, 2013 would amount to \$7.6 million, or \$0.82 earnings per basic and diluted share, respectively, based on 9,254,316 and 9,273,410 weighted average number of basic and diluted shares, respectively.

Adjusted EBITDA for the nine months ended September 30, 2014 and 2013, was \$27.1 million and \$24.9 million, respectively. A reconciliation of EBITDA and adjusted EBITDA to net cash provided by cash flows from operating activities is set forth below under the heading "EBITDA and adjusted EBITDA Reconciliation".

We owned and operated an average of 21.5 and 13.4 vessels during the nine months ended September 30, 2014 and 2013, respectively, earning an average TCE daily rate of \$12,813 and \$14,414, respectively. We refer you to the information under the heading "Summary of Selected Data" set forth below for further information regarding our calculation of TCE rates.

For the nine months ended September 30, 2014, voyage expenses were \$20.7 million compared to \$6.9 million for the same period of 2013. The increase in voyage expenses was mainly due to the increase in the average number of vessels for the nine months ended September 30, 2014, as a result of the acquisition of Oceanbulk, the Pappas Companies and certain of the Excel Vessels.

For the nine months ended September 30, 2014 and 2013, vessel operating expenses were \$31.1 million and \$20.5 million, respectively. The increase in operating expenses was mainly due to higher average number of vessels during the nine months ended September 30, 2014 as compared to the same period in 2013. In addition, vessel operating expenses for the nine month period ended September 30, 2014 include an amount of \$1.5 million related to one-time pre-delivery and pre-joining expenses incurred in connection with the delivery of *Star Challenger*, *Star Fighter*, *Star Sirius*, *Star Vega*, some of the Excel Vessels, as well as of two newbuilding vessels, *Peloreous* and *Leviathan*, delivered during the third quarter of 2014. Pre-joining and pre-delivery expenses relate to the expenses for the initial crew manning, as well as the initial supply of stores for the vessel before delivery. **Our average daily operating expenses per vessel for the nine months ended September 30, 2014, were \$5,302 compared to \$5,622 during the nine months ended September 30, 2013, representing a 6% reduction, as a result of synergies and economies of scale from operating a larger fleet. Excluding the amount of pre-joining and pre-delivery expenses, our average daily operating expenses per vessel for the nine months ended September 30, 2013 and 2014 would have been \$5,622 and \$5,046, respectively.**

Dry docking expenses for the nine months ended September 30, 2014 and 2013 were \$4.9 million and \$2.2 million, respectively. During the nine months ended September 30, 2014, two of our Capesize vessels (one of which is among our oldest vessels) and one Supramax vessel underwent dry docking surveys. During the nine months ended September 30, 2013, one Capesize and one Supramax vessel underwent dry docking surveys.

Depreciation expense increased to \$20.5 million for the nine months ended September 30, 2014, compared to \$12.0 million for the nine months ended September 30, 2013, due to the increase in the average number of vessels in our fleet and the corresponding increase in the depreciable asset base.

General and Administrative expenses, for the nine months ended September 30, 2014 and 2013 were \$25.0 million and \$7.2 million respectively. The increase was mainly due to:

- a) acquisition-related expenses of \$9.3 million incurred during the nine months ended September 30, 2014, in connection with the acquisition of Oceanbulk and the Pappas Companies;
- b) stock based compensation expense of \$1.8 million during the nine months ended September 30, 2014 relating to a severance payment to our former Chief Executive Officer; and
- c) a 47% increase in our average number of employees during the nine months ended September 30, 2014 compared to the same period in 2013, due to the increase of our fleet to 21.5 vessels on average

during the nine months ended September 30, 2014, as compared to 13.4 vessels on average during the nine months ended September 30, 2013.

Loss on bad debts was \$ 0.2 million for the nine months ended September 30, 2014, representing a write-off related to unpaid hires from charterers since we determined that such amounts were not recoverable. No loss on bad debts was recognized during the nine months ended September 30, 2013.

Other operational gain amounting to \$9.8 million for the nine months ended September 30, 2014, consisted of:

- a) \$8.0 million of revenue from the sale to a non-related third party of the claim against the previous charterer of Star Borealis for charter party repudiation due to early redelivery of the vessel;
- b) \$1.4 million regarding the extinguishment of the liability to the previous charterer of Star Borealis, related to the amount of fuel and lubricants remaining on board at the time of the charter repudiation;
- c) \$0.2 million received as a rebate from our previous manning agent; and
- d) a \$0.2 million gain derived from a hull and machinery claim.

Other operational gain amounting to \$3.3 million during the nine months ended September 30, 2013 mainly consisted of revenues of \$2.3 million, representing payment of installments due to us under settlement agreements for three commercial claims and a gain of \$1.0 million from a hull and machinery claim.

For the nine months ended September 30, 2014, other operational loss was \$0.1 million. In September 2010, we signed an agreement to sell a 45% interest in the future proceeds related to the settlement of certain commercial claims. As a result, in connection with the settlement of one of the commercial claims described in other operational gain above, during the nine months ended September 30, 2013, we incurred an expense of \$0.9 million, which is included under other operational loss for the nine months ended September 30, 2013.

For the nine months ended September 30, 2013, loss on sale of vessel of \$0.1 million represents a loss on sale of *Star Sigma* that concluded in March 2013. The vessel was delivered to her new owners in April 2013.

During the nine months ended September 30, 2014, we recorded a gain from bargain purchase of \$ 12.3 million, resulting from the acquisition of Oceanbulk and the Pappas Companies.

Loss on derivative financial instruments of \$0.8 million for the nine months ended September 30, 2014 represents the non-cash loss from the mark to market valuation of four of our interest rate swaps up to August 31, 2014, the date we designated the respective interest rate swaps as cash flow hedges. The change in the fair value of these swaps during September 2014, after the hedging designation had been recorded in equity to the extent these hedges were effective. Gain on derivative financial instruments of \$0.06 million during the nine months ended September 30, 2013, represented the non-cash gain from the mark to market valuation of two interest rate swaps outstanding as of September 30, 2013 that were not designated as cash flow hedges.

For the nine months ended September 30, 2014, interest and finance costs decreased by \$0.9 million to \$4.6 million, compared to \$5.5 million for the nine months ended September 30, 2013. Even though the weighted average balance of our outstanding indebtedness increased to \$318.0 million for the nine months ended September 30, 2014 compared to \$203.0 million for the nine months ended September 30, 2013, interest and finance costs decreased mainly due to an increase in interest capitalized during the nine months ended September 30, 2014, to \$4.4 million from \$0.1 million for the same period of 2013, caused mainly by an increase in advances paid for our newbuilding vessels.

Liquidity and Capital Resources

Cash Flows

Net cash provided by operating activities for the nine months ended September 30, 2014 and 2013, were \$7.7 million and \$22.4 million, respectively. The TCE rate for the nine months ended September 30, 2014 and 2013 was \$12,813 and \$14,414, respectively. Although the TCE rate decreased, voyage revenues increased due to the higher average number of owned vessels during the nine months ended September 30, 2014 compared to the same period of 2013. Management fee income also increased, due to higher average number of third and related party vessels under management.

The decrease in net cash provided by operating activities for the nine months ended September 30, 2014 of \$14.8 million was a result of the following:

- a) recorded net loss of \$3.6 million for the nine months ended September 30, 2014, compared to net income of \$1.8 million for the same period of 2013, which was heavily impacted by acquisition-related expenses amounting to \$9.3 million, in connection with the acquisition of Oceanbulk and the Pappas Companies and
- b) negative movement in working capital of \$6.3 million during the nine months ended September 30, 2014, compared to a positive movement of \$3.4 million during the nine months ended September 30, 2013.

Net cash used in investing activities for the nine months ended September 30, 2014 and 2013 was \$144.5 million and \$9.9 million, respectively. For the nine months ended September 30, 2014, net cash used in investing activities consisted of \$31.4 million in advances for our newbuilding vessels, \$198.5 million for the acquisition of secondhand vessels (including some of the Excel Vessels), \$0.4 million for the acquisition of other fixed assets, \$0.2 million for the acquisition of 33% of the total outstanding common stock of Interchart Shipping Inc., a Liberian company that acts as a chartering broker to our fleet, and a net increase of \$10.8 million in restricted cash, offset by hull and machinery insurance proceeds amounting to \$0.6 million and \$96.3 million cash assumed as part of the acquisition of Oceanbulk and the Pappas Companies acquisition. For the nine months ended September 30, 2013, net cash used in investing activities consisted of \$29.8 million in advances for our newbuilding vessels and other fixed assets, \$8.3 million of proceeds from the sale of *Star Sigma*, a decrease of \$7.6 million in restricted cash and receipt of \$4.0 million of hull and machinery insurance proceeds.

Net cash provided by financing activities for the nine months ended September 30, 2014 and 2013 was \$176.8 and \$48.0 million, respectively. For the nine months ended September 30, 2014, net cash provided by financing activities consisted of loan proceeds of \$139.0 million from post-delivery financing of our newbuilding vessels and \$59.8 million drawn under the Excel Vessel Bridge Facility for the financing of the acquisition of the Excel Vessels, as well as of financing fees paid amounting to \$0.9 million and loan installment payments amounting to \$21.2 million. For the nine months ended September 30, 2013, net cash provided by financing activities consisted of loan installment payments of \$29.7 million and \$0.3 million of financing fees paid, \$80.1 million of proceeds from the rights offering we completed in July 2013, less offering expenses of \$2.1 million.

Summary of Selected Data

(TCE rates expressed in U.S. dollars)

	Three months ended September 30, 2014	Three months ended September 30, 2013
Average number of vessels (1)	31.5	13.0
Number of vessels (2)	41	13
Average age of operational fleet (in years) (3)	8.1	10.7
Ownership days (4)	2,902	1,196
Available days (5)	2,812	1,142
Voyage days for fleet (6)	2,232	1,126
Fleet utilization (7)	79.4%	98.6%
Average per-day TCE rate (8)	\$11,159	\$14,652
Average per day OPEX per vessel (9)	\$5,192	\$5,675

	Nine months ended September 30, 2014	Nine months ended September 30, 2013
Average number of vessels (1)	21.5	13.4
Number of vessels (2)	41	13
Average age of operational fleet (in years) (3)	8.1	10.7
Ownership days (4)	5,871	3,650
Available days (5)	5,750	3,596
Voyage days for fleet (6)	4,948	3,504
Fleet utilization (7)	86.1%	97.4%
Average per-day TCE rate (8)	\$12,813	\$14,414
Average per day OPEX per vessel (9)	\$5,302	\$5,622

- (1) Average number of vessels is the number of vessels that constituted our fleet for the relevant period, as measured by the sum of the number of days each vessel was a part of our fleet during the period divided by the number of calendar days in that period.
- (2) As of the last day of the periods reported.
- (3) Average age of operational fleet is calculated as of September 30, 2014 and 2013, respectively.
- (4) Ownership days are the total calendar days each vessel in the fleet was owned by us for the relevant period.
- (5) Available days for the fleet are the ownership days after subtracting off-hire days for major repairs, dry docking or special or intermediate surveys.
- (6) Voyage days are the total days the vessels were in our possession for the relevant period after subtracting off-hire days incurred for any reason (including off-hire for major repairs, dry docking, special or intermediate surveys).
- (7) Fleet utilization is calculated by dividing voyage days by available days for the relevant period.
- (8) Represents the weighted average daily TCE rates of our entire fleet. TCE rate is a measure of the average daily revenue performance of a vessel on a per voyage basis. Our method of calculating TCE rate is determined by dividing voyage revenues (net of voyage expenses and amortization of fair value of above/below market acquired time charter agreements) by voyage days for the relevant time period. Voyage expenses primarily consist of port, canal and fuel costs that are unique to a particular voyage, which would otherwise be paid by the charterer under a time charter contract, as well as commissions. TCE rate is a standard shipping industry performance measure used primarily to compare period-to-period changes in a shipping company's performance despite changes in the mix of charter types (i.e., spot charters, time charters and bareboat charters) under its vessels may be employed between the periods. We included TCE revenues, a non- GAAP measure, as it provides additional meaningful information in conjunction with voyage revenues, the most directly comparable GAAP measure, and it assists our management in making decisions regarding the deployment and use of our vessels and in evaluating our financial performance.
- (9) Average daily OPEX per vessel is calculated by dividing vessel operating expenses by ownership days.

Unaudited Consolidated Condensed Statement of Operations

<i>(Expressed in thousands of U.S. dollars except for share and per share data)</i>	Three months ended September 30, 2014	Three months ended September 30, 2013	Nine months ended September 30, 2014	Nine months ended September 30, 2013
Revenues:				
Voyage Revenues	36,477	17,272	79,541	52,634
Management Fee Income	335	455	2,196	911
Total revenues	36,812	17,727	81,737	53,545
Expenses:				
Voyage expenses	(12,949)	(2,375)	(20,670)	(6,880)
Vessel operating expenses	(15,067)	(6,787)	(31,129)	(20,519)
Dry-docking expenses	(3,615)	(1,605)	(4,879)	(2,177)
Depreciation	(10,733)	(3,957)	(20,510)	(12,027)
Management fees	(123)	-	(123)	-
Bad debt expense	-	-	(215)	-
General and administrative expenses	(14,752)	(2,499)	(24,967)	(7,208)
Other operational gain	9,377	1,641	9,784	3,288
Other operational loss	-	(338)	(94)	(900)
Loss on sale of vessel	-	(6)	-	(87)
Gain from bargain purchase	12,318	-	12,318	-
Operating income	1,268	1,801	1,252	7,035
Interest and finance costs	(1,533)	(1,711)	(4,590)	(5,505)
Interest and other income	434	120	455	206
(Loss) / Gain on derivative financial instruments	24	(378)	(795)	60
Total other expenses, net	(1,075)	(1,969)	(4,930)	(5,239)
Income / (loss) before equity in investee	193	(168)	(3,678)	1,796
Equity in income of investee	28	-	29	-
Net income / (loss)	221	(168)	(3,649)	1,796
Earnings / (loss) per share, basic	\$ 0.003	\$ (0.01)	\$ (0.08)	\$ 0.19
Earnings / (loss) per share, diluted	\$ 0.003	\$ (0.01)	\$ (0.08)	\$ 0.19
Weighted average number of shares outstanding, basic	77,233,053	16,807,757	45,236,873	9,254,316
Weighted average number of shares outstanding, diluted	77,437,791	16,807,757	45,236,873	9,273,410

Unaudited Consolidated Condensed Balance Sheets

(Expressed in thousands of U.S. dollars)

	September 30, 2014	December 31, 2013
ASSETS		
Cash and restricted cash	96,104	55,410
Other current assets	47,155	8,269
TOTAL CURRENT ASSETS	143,259	63,679
Advances for vessels under construction and acquisition of vessels and other assets	391,908	67,932
Vessels and other fixed assets, net	1,080,334	326,674
Long-term investment	556	0
Restricted cash	10,620	620
Fair value of above market acquired time charter	5,415	7,978
Other non-current assets	1,962	1,205
TOTAL ASSETS	1,634,054	468,088
Current portion of long-term debt (including Excel Vessels Brigde Facility)	59,348	18,286
Other current liabilities	47,139	11,448
TOTAL CURRENT LIABILITIES	106,487	29,734
Long-term debt (including Excel Vessel Brigde Facility)	516,907	172,048
Other non-current liabilities	345	200
TOTAL LIABILITIES	623,739	201,982
STOCKHOLDERS' EQUITY	1,010,315	266,106
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	1,634,054	468,088

Unaudited Cash Flow Data

(Expressed in thousands of U.S. dollars)

	Nine months ended September 30, 2014	Nine months ended September 30, 2013
Net cash provided by operating activities	7,669	22,431
Net cash used in investing activities	(144,534)	(9,931)
Net cash provided by financing activities	176,770	47,959

EBITDA and adjusted EBITDA Reconciliation

We consider EBITDA to represent net income before interest, income taxes, depreciation and amortization. EBITDA does not represent and should not be considered as an alternative to net income or cash flow from operations, as determined by United States generally accepted accounting principles, or U.S. GAAP, and our calculation of EBITDA may not be comparable to that reported by other companies. EBITDA is included herein because it is a basis upon which we assess our liquidity position, it is used by our lenders as a measure of our compliance with certain loan covenants and because we believe that it presents useful information to investors regarding our ability to service and/or incur indebtedness.

We excluded non-cash gains/losses related to sale of vessels, loss on bad debt, change in fair value of derivatives, stock-based compensation expense recognized during the period and certain other items (such as the transaction costs incurred in connection with the acquisition of Oceanbulk and the Pappas Companies) to derive adjusted EBITDA. We excluded the above non-cash items and one-time items to derive adjusted EBITDA, because we believe that these items do not reflect the operational cash inflows and outflows of our fleet.

The following table reconciles net cash provided by operating activities to EBITDA and adjusted EBITDA:

<i>(Expressed in thousands of U.S. dollars)</i>	Nine months ended September 30, 2014	Nine months ended September 30, 2013	Three months ended September 30, 2014	Three months ended September 30, 2013
Net cash provided by/(used in) operating activities	7,669	22,431	(2,816)	7,469
Net decrease / (increase) in current assets	25,585	(4,539)	18,792	(114)
Net increase / (decrease) in operating liabilities, excluding current portion of long term debt	(19,465)	1,131	(14,227)	(1,654)
Stock – based compensation	(4,836)	(1,044)	(2,933)	(444)
Change in fair value of derivatives	(854)	60	(35)	(378)
Total other expenses, net	3,697	4,891	945	1,475
Loss on sale of vessel	-	(87)	-	(6)
Loss on bad debt	(215)	-	-	-
Gain from Hull & Machinery claim	237	1,030	-	633
Gain from bargain purchase	12,318	-	12,318	-
Write-off of liability in other operational gain (non cash gain)	1,361	-	1,361	-
Equity in income of investee	29	-	28	-
EBITDA	25,526	23,873	13,433	6,981
Less:				
Change in fair value of derivatives	-	(60)	-	-
Gain from bargain purchase	(12,318)	-	(12,318)	-
Write-off of liability in other operational gain non cash gain	(1,361)	-	(1,361)	-
Equity in income of investee	(29)	-	(28)	-
Plus:				
Change in fair value of derivatives	854	-	35	378
Stock-based compensation	4,836	1,044	2,933	444
Loss on sale of vessel	-	87	-	6
Loss on bad debt	215	-	-	-
Severance cash payment	891	-	891	-
Transaction costs related to Oceanbulk & Pappas companies acquisition	8,447	-	6,083	-
Adjusted EBITDA	27,061	24,944	9,668	7,809

Conference Call details:

Our management team will host a conference call to discuss our financial results today, December 2 at 12 p.m., Eastern Time (ET).

Participants should dial into the call 10 minutes before the scheduled time using the following numbers: 1(866) 819-7111 (from the US), 0(800) 953-0329 (from the UK) or + (44) (0) 1452 542 301 (from outside the US). Please quote "Star Bulk."

A replay of the conference call will be available until December 9, 2014. The United States replay number is 1(866) 247-4222; from the UK 0(800) 953-1533; the standard international replay number is (+44) (0) 1452 550 000 and the access code required for the replay is: 3128607#.

Slides and audio webcast:

There will also be a simultaneous live webcast over the Internet, through the Star Bulk website (www.starbulk.com). Participants to the live webcast should register on the website approximately 10 minutes prior to the start of the webcast.

About Star Bulk

Star Bulk is a global shipping company providing worldwide seaborne transportation solutions in the dry bulk sector. Star Bulk's vessels transport major bulks, which include iron ore, coal and grain and minor bulks which include bauxite, fertilizers and steel products. Star Bulk was incorporated in the Marshall Islands on December 13, 2006 and maintains executive offices in Athens, Greece. Its common stock trades on the Nasdaq Global Select Market under the symbol "SBLK". On a fully delivered basis, Star Bulk will have a fleet of 103 vessels, with an aggregate capacity of 11.9 million dwt, consisting primarily of Capesize, as well as, Kamsarmax, Panamax, Post-Panamax, Newcastlemax, Ultramax, Supramax and Handymax vessels with carrying capacities between 38,800 dwt and 209,000 dwt. Our fleet currently includes 52 operating vessels, 16 second hand vessels to be delivered by December 31, 2014 and 35 newbuilding vessels currently under construction at shipyards in Japan and China. All of the newbuilding vessels are expected to be delivered during 2015 and 2016.

Forward-Looking Statements

Matters discussed in this press release may constitute forward-looking statements. The Private Securities Litigation Reform Act of 1995 provides safe harbor protections for forward-looking statements in order to encourage companies to provide prospective information about their business. Forward-looking statements 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 Company desires to take advantage of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and is including this cautionary statement in connection with this safe harbor legislation. The words "believe," "anticipate," "intends," "estimate," "forecast," "project," "plan," "potential," "may," "should," "expect," "pending" and similar expressions identify forward-looking statements.

The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, examination by the Company's management of historical operating trends, data contained in its records and other data available from third parties. Although the Company 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 the Company's control, the Company cannot assure you that it will achieve or accomplish these expectations, beliefs or projections.

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 the strength of world economies and currencies, general market conditions, including fluctuations in charter rates and vessel values, changes in demand for dry bulk shipping capacity, changes in the Company's operating expenses,

including bunker prices, dry docking and insurance costs, the market for the Company's vessels, availability of financing and refinancing, 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, vessels breakdowns and instances of off-hires and other factors. 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.

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