



**STAR BULK CARRIERS CORP. REPORTS FINANCIAL RESULTS  
FOR THE SECOND QUARTER AND FIRST HALF OF 2018**

**ATHENS, GREECE, August 7, 2018** – Star Bulk Carriers Corp. (the "Company" or "Star Bulk") (Nasdaq: SBLK, Oslo: SBLK-R), a global shipping company focusing on the transportation of dry bulk cargoes, today announced its unaudited financial and operating results for the second quarter and the first half of 2018.

**Financial Highlights**

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

	Second quarter 2018	Second quarter 2017	Six months ended June 30, 2018	Six months ended June 30, 2017
<b>Voyage Revenues</b>	\$132,604	\$78,605	\$253,661	\$143,471
<b>Net income/(loss)</b>	\$10,728	(\$10,279)	\$20,628	(\$26,229)
EBITDA <sup>(1)</sup>	\$49,388	\$22,665	\$93,837	\$37,039
<b>Adjusted EBITDA <sup>(1)</sup></b>	\$52,028	\$25,731	\$98,450	\$43,806
<b>Adjusted Net income / (loss) <sup>(2)</sup></b>	\$13,377	(\$7,643)	\$25,236	(\$20,515)
<b>Earnings / (loss) per share basic</b>	\$0.17	(\$0.16)	\$0.32	(\$0.42)
<b>Earnings / (loss) per share diluted</b>	\$0.17	(\$0.16)	\$0.32	(\$0.42)
<b>Adjusted earnings / (loss) per share basic and diluted <sup>(2)</sup></b>	\$0.21	(\$0.12)	\$0.39	(\$0.33)
Average Number of Vessels	73.5	69.5	72.8	68.4
TCE Revenues <sup>(3)</sup>	\$89,991	\$61,074	\$ 171,588	\$ 110,086
Daily Time Charter Equivalent Rate ("TCE") <sup>(3)</sup>	\$13,567	\$9,747	\$13,082	\$8,968
Fleet utilization	99.3%	99.1%	99.6%	99.1%
Average daily OPEX per vessel (excluding pre-delivery expenses) <sup>(4)</sup>	\$3,996	\$3,880	\$3,993	\$3,914
Average daily Net Cash G&A expenses per vessel (excluding one-time expenses) <sup>(5)</sup>	\$1,072	\$1,101	\$1,086	\$1,109

- (1) EBITDA and Adjusted EBITDA are non-GAAP measures. Please see the table at the back of this release for a reconciliation of EBITDA and Adjusted EBITDA to Net Cash Provided by / (Used in) 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"). To derive Adjusted EBITDA from EBITDA, we exclude non-cash gains / (losses).
- (2) Adjusted Net income / (loss) and Adjusted earnings / (loss) per share basic and diluted are non-GAAP measures. Please see the table at the back of this release for a reconciliation to Net income / (loss), which is the most directly comparable financial measure calculated and presented in accordance with U.S. GAAP.
- (3) Daily Time Charter Equivalent Rate ("TCE") and TCE Revenues are non-GAAP measures. Please see the table at the back of this release for a reconciliation to Voyage Revenues, which is the most directly comparable financial measure calculated and presented in accordance with U.S. GAAP.
- (4) Average daily OPEX per vessel is calculated by dividing vessel operating expenses by Ownership days.
- (5) Average daily Net Cash G&A expenses per vessel is calculated by (1) deducting the Management fee Income from, and (2) adding the Management fee expense to, the General and Administrative expenses (net of stock-based compensation expense) and (3) then dividing the result by the sum of Ownership days and Charter-in days.

**Petros Pappas, Chief Executive Officer of Star Bulk, commented:**

*“We are pleased to report the third consecutive profitable quarter, where we achieved \$90.0 million in TCE Revenues, \$52.0 million in Adjusted EBITDA and \$13.4 million in Adjusted Net Income for Q2 2018. Our average TCE for the quarter continued to increase quarter on quarter to \$13,567/ day per vessel, while daily Opex and Net Cash G&A expenses per vessel were held at \$3,996/day and \$1,072/day respectively. As of today, we have fixed 60% of Q3 2018 days at average TCE rates of \$13,882 / day.*

*We are happy to have closed all three of our recently announced acquisitions adding 34 high quality vessels with an average age of 5.2 years and average size of 119,105 dwt. Our Board of Directors has been enhanced with the addition of Raffaele Zagari and Arne Blystad, while Herman Billung has joined our management team.*

*We are optimistic about market fundamentals of the industry given the strengthening rate and asset value environment. Dry bulk supply is presently expanding at the lowest pace of the last decade while demand is supported by healthy ton-mile growth due to continued Chinese demand for higher quality raw materials. Our Company is positioning itself to take advantage of a firming market and deliver value to its shareholders.”*

## **Recent Developments**

### **Acquisitions**

- On June 28, 2018, we closed the previously announced acquisition of three newbuilding Newcastlemax dry bulk vessels (“OCC Vessel Purchase Transaction”), from Oceanbulk Container Carriers LLC (“OCC”), an entity affiliated with Oaktree Capital Management, L.P. (“Oaktree”) and with family members of our CEO, Mr. Petros Pappas (“Pappas Shareholders”). The final consideration for the OCC Vessel Purchase Transaction was 3.3 million of our common shares. The three vessels are being constructed at Shanghai Waigaoqiao Shipbuilding Co. (“SWS”), with expected delivery dates in the first half of 2019. CSSC (Hong Kong) Shipping Company Limited has agreed to provide \$104.4 million to finance the remaining \$103.8 million capital expenditure of the three vessels via a ten-year capital lease.
- On July 6, 2018 we closed the previously announced acquisition of 15 operating dry bulk vessels (the “Songa Vessels”) from Songa Bulk ASA (“Songa”) for an aggregate of 13.7 million of our common shares (the “Songa Consideration Shares”) and \$145.0 million in cash (the “Songa Vessel Purchase Transaction”). The cash portion of the consideration was financed through proceeds of a new five-year capital lease of \$180.0 million with China Merchants Bank Leasing, thus offering approximately \$35.0 million of additional liquidity. Following the closing of the Songa Vessel Purchase Transaction, Mr. Arne Blystad was appointed to our Board of Directors as Class C Director and Mr. Herman Billung joined our management team as Senior Vice President. As part of this transaction, we commenced trading on the Oslo Stock Exchange under the ticker “SBLK R” on July 16, 2018. The Songa Consideration Shares will be restricted from trading in the U.S. for a period of six months following the distribution of the Songa Consideration Shares to the shareholders of Songa, unless they are sold pursuant to a transaction exempt from, or not subject to, registration under the Securities Act of 1933, as amended (the “Act”). The offer and sale of the Songa Consideration Shares will not be registered under the Act, and they may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements under the Act.
- On August 3, 2018, we closed the previously announced acquisition of 16 operating dry bulk vessels (the “Augustea Vessels”) from entities affiliated with Augustea Atlantica SpA and York Capital Management in an all-share transaction (the “Augustea Vessel Purchase Transaction”). An entity affiliated with family members of our CEO, Mr. Petros Pappas, is a passive minority investor in three of the Augustea Vessels. Following the completion of this transaction, Mr. Raffaele Zagari was appointed to our Board of Directors. The final consideration for the Augustea Vessel Purchase Transaction was 10.3 million common shares of the Company. As part of this transaction, we assumed debt of approximately \$309.0 million.

Following the consummation of all three transactions above, we have 91,521,052 common shares outstanding as of the date of this press release.

### **Financing Activities**

- In July, 2018, we entered into a committed term-sheet with HSBC Bank plc for a loan of \$80.0 million (or the “HSBC \$80,000 Facility”), to refinance the full amounts outstanding under the HSBC \$86,600 Facility and the HSH \$64,500 Facility (each as defined in the 2017 20-F). The loan will be secured by a first priority mortgage on the vessels previously pledged under the two refinanced facilities. We expect to draw down the loan amount of \$80.0 million in the third quarter of 2018. The loan will be repayable in 20 equal quarterly installments of \$2.4 million and a balloon payment along with the last installment in an amount of \$32.4 million. The completion of the transaction is subject to the execution of customary definitive documentation.
- On July 27, 2018, we paid an aggregate amount of \$22.7 million in total to all parties under our Supplemental Agreements (as defined in the 2017 20-F) pursuant to the cash sweep mechanism in the Supplemental Agreements.

### **Capital Markets’ Activities**

- On June 26, 2018, we announced a secondary public offering of 5,000,000 of our common shares held by a fund affiliated with Oaktree Capital Management, L.P. The offering closed on June 29, 2018 at a price of \$13.10 per share. The Company did not sell any common shares and did not receive any proceeds as a result of this offering.

## **Employment update**

As of today, we have fixed employment for approximately 60 % of the days in Q3 2018 at average TCE rates of \$13,882 per day.

More specifically:

Capesize Vessels: approximately 46% of Q3 2018 days at \$19,848 per day.

Panamax Vessels: approximately 64% of Q3 2018 days at \$12,252 per day.

Supramax Vessels: approximately 70% of Q3 2018 days at \$11,689 per day.

**Existing On the Water Fleet (As of August 7, 2018)**

<b>Vessel Name</b>	<b>Vessel Type</b>	<b>Capacity (dwt.)</b>	<b>Year Built</b>	<b>Date Delivered to Star Bulk</b>
1 <i>Goliath</i>	Newcastlemax	209,537	2015	July-15
2 <i>Gargantua</i>	Newcastlemax	209,529	2015	April-15
3 <i>Star Poseidon</i>	Newcastlemax	209,475	2016	February-16
4 <i>Maharaj</i>	Newcastlemax	209,472	2015	July-15
5 <i>ABOYSienna (1)</i>	Newcastlemax	208,000	2017	August-18
6 <i>ABOYLaelitia (1)</i>	Newcastlemax	208,000	2017	August-18
7 <i>ABOYKarlie (1)</i>	Newcastlemax	208,000	2016	August-18
8 <i>Star Leo (1)</i>	Newcastlemax	207,939	2018	May-18
9 <i>Star Ariadne (1)</i>	Newcastlemax	207,812	2017	March-17
10 <i>Star Virgo (1)</i>	Newcastlemax	207,810	2017	March-17
11 <i>Star Libra (1)</i>	Newcastlemax	207,765	2016	June-16
12 <i>Star Marisa (1)</i>	Newcastlemax	207,709	2016	March-16
13 <i>Star Eleni (1)</i>	Newcastlemax	207,555	2018	January-18
14 <i>Star Magnanimus (1)</i>	Newcastlemax	207,490	2018	March-18
15 <i>Leviathan</i>	Capesize	182,511	2014	September-14
16 <i>Peloreus</i>	Capesize	182,496	2014	July-14
17 <i>Songa Claudine (1)</i>	Capesize	181,258	2011	July-18
18 <i>Songa Opus (1)</i>	Capesize	180,706	2010	July-18
19 <i>Star Martha</i>	Capesize	180,274	2010	October-14
20 <i>Star Pauline</i>	Capesize	180,274	2008	December-14
21 <i>Pantagruel</i>	Capesize	180,181	2004	July-14
22 <i>Star Borealis</i>	Capesize	179,678	2011	September-11
23 <i>Star Polaris</i>	Capesize	179,600	2011	November-11
24 <i>Songa Mountain (1)</i>	Capesize	179,150	2009	July-18
25 <i>ABYScarlett</i>	Capesize	178,000	2014	August-18
26 <i>Star Angie</i>	Capesize	177,931	2007	October-14
27 <i>Big Fish</i>	Capesize	177,662	2004	July-14
28 <i>Kymopolia</i>	Capesize	176,990	2006	July-14
29 <i>Star Triumph</i>	Capesize	176,343	2004	December-17
30 <i>ABYOAudrey</i>	Capesize	175,125	2011	August-18
31 <i>Big Bang</i>	Capesize	174,109	2007	July-14
32 <i>Star Aurora</i>	Capesize	171,199	2000	September-10
33 <i>Paola</i>	Mini-Capesize	115,259	2011	August-18
34 <i>ABMLEva</i>	Mini-Capesize	106,659	2011	August-18
35 <i>Amami</i>	Post Panamax	98,681	2011	July-14
36 <i>Madredeus</i>	Post Panamax	98,681	2011	July-14
37 <i>Star Sirius</i>	Post Panamax	98,681	2011	March-14
38 <i>Star Vega</i>	Post Panamax	98,681	2011	February-14
39 <i>Piera</i>	Post-Panamax	91,951	2010	August-18
40 <i>Maria Laura Prima</i>	Post Panamax	91,945	2010	August-18

**Existing On the Water Fleet (As of August 7, 2018) - continued**

	<b>Vessel Name</b>	<b>Vessel Type</b>	<b>Capacity (dwt.)</b>	<b>Year Built</b>	<b>Date Delivered to Star Bulk</b>
41	<i>Aphrodite</i>	Post Panamax	91,827	2011	August-18
42	<i>Songa Hirose (1)</i>	Kamsarmax	83,494	2011	July-18
43	<i>ABY Jeannette</i>	Kamsarmax	83,000	2014	August-18
44	<i>Star Angelina</i>	Kamsarmax	82,981	2006	December-14
45	<i>Star Gwyneth</i>	Kamsarmax	82,790	2006	December-14
46	<i>Star Kamila</i>	Kamsarmax	82,769	2005	September-14
47	<i>Songa Genesis (1)</i>	Kamsarmax	82,705	2010	July-18
48	<i>Songa Maru (1)</i>	Kamsarmax	82,687	2008	July-18
49	<i>Songa Grain (1)</i>	Kamsarmax	82,672	2008	July-18
50	<i>Pendulum</i>	Kamsarmax	82,619	2006	July-14
51	<i>Star Maria</i>	Kamsarmax	82,598	2007	November-14
52	<i>Star Markella</i>	Kamsarmax	82,594	2007	September-14
53	<i>Star Danai</i>	Kamsarmax	82,574	2006	October-14
54	<i>Star Georgia</i>	Kamsarmax	82,298	2006	October-14
55	<i>Star Sophia</i>	Kamsarmax	82,269	2007	October-14
56	<i>Star Mariella</i>	Kamsarmax	82,266	2006	September-14
57	<i>Star Moira</i>	Kamsarmax	82,257	2006	November-14
58	<i>Star Nina</i>	Kamsarmax	82,224	2006	January-15
59	<i>Star Renee</i>	Kamsarmax	82,221	2006	December-14
60	<i>Star Nasia</i>	Kamsarmax	82,220	2006	August-14
61	<i>Star Laura</i>	Kamsarmax	82,209	2006	December-14
62	<i>Star Jennifer</i>	Kamsarmax	82,209	2006	April-15
63	<i>Star Helena</i>	Kamsarmax	82,187	2006	December-14
64	<i>Songa Moon (1)</i>	Kamsarmax	82,158	2012	July-18
65	<i>Songa Hadong (1)</i>	Kamsarmax	82,158	2012	July-18
66	<i>ABY Asia (1)</i>	Kamsarmax	82,000	2017	August-18
67	<i>Songa Devi (1)</i>	Kamsarmax	81,918	2014	July-18
68	<i>Star Charis</i>	Kamsarmax	81,711	2013	March-17
69	<i>Star Suzanna</i>	Kamsarmax	81,711	2013	May-17
70	<i>Mercurial Virgo</i>	Kamsarmax	81,545	2013	July-14
71	<i>Songa Delmar (1)</i>	Kamsarmax	81,501	2011	July-18
72	<i>Songa Sky (1)</i>	Kamsarmax	81,466	2010	July-18
73	<i>Lydia Cafiero</i>	Kamsarmax	81,187	2013	August-18
74	<i>Nicole</i>	Kamsarmax	81,120	2013	August-18
75	<i>ABY Virginia</i>	Kamsarmax	81,000	2015	August-18
76	<i>Songa Flama (1)</i>	Kamsarmax	80,448	2011	July-18
77	<i>Star Iris</i>	Panamax	76,466	2004	September-14
78	<i>Star Emily</i>	Panamax	76,417	2004	September-14
79	<i>Idee Fixe (1)</i>	Ultramax	63,458	2015	March-15
80	<i>Roberta (1)</i>	Ultramax	63,426	2015	March-15

**Existing On the Water Fleet (As of August 7, 2018) - continued**

	Vessel Name	Vessel Type	Capacity (dwt.)	Year Built	Date Delivered to Star Bulk
81	Laura (1)	Ultramax	63,399	2015	April-15
82	Kaley (1)	Ultramax	63,283	2015	June-15
83	Kennadi	Ultramax	63,262	2016	January-16
84	Mackenzie	Ultramax	63,226	2016	March-16
85	Songa Wave (1)	Ultramax	61,491	2017	July-18
86	Star Challenger	Ultramax	61,462	2012	December-13
87	Star Fighter	Ultramax	61,455	2013	December-13
88	Star Lutas	Ultramax	61,347	2016	January-16
89	Honey Badger	Ultramax	61,320	2015	February-15
90	Wolverine	Ultramax	61,292	2015	February-15
91	Star Antares	Ultramax	61,258	2015	October-15
92	Star Acquarius	Ultramax	60,916	2015	July-15
93	Star Pisces	Ultramax	60,916	2015	August-15
94	ABY Monica	Ultramax	60,000	2015	August-18
95	Songa Glory (1)	Supramax	58,680	2012	July-18
96	Diva	Supramax	56,582	2011	July-17
97	Strange Attractor	Supramax	55,742	2006	July-14
98	Star Omicron	Supramax	53,489	2005	April-08
99	Star Gamma	Supramax	53,098	2002	January-08
100	Star Zeta	Supramax	52,994	2003	January-08
101	Star Delta	Supramax	52,434	2000	January-08
102	Star Theta	Supramax	52,425	2003	December-07
103	Star Epsilon	Supramax	52,402	2001	December-07
104	Star Cosmo	Supramax	52,247	2005	July-08
105	Star Kappa	Supramax	52,055	2001	December-07
	<b>Total dwt:</b>		<b><u>11,634,253</u></b>		

**Newbuilding Vessels**

	Vessel Name	Vessel Type	Capacity (dwt.)	Shipyard	Expected delivery date
1	HN 1388 <sup>(1)</sup>	Newcastlemax	208,000	SWS	Jan-19
2	HN 1389 <sup>(1)</sup>	Newcastlemax	208,000	SWS	Feb-19
3	HN 1390 <sup>(1)</sup>	Newcastlemax	208,000	SWS	Apr-19
			<b><u>624,000</u></b>		

(1) Subject to a bareboat charter with purchase obligation at the expiration of the bareboat term.



## **Second Quarter 2018 and 2017 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 second quarter of 2018, time charter equivalent revenues ("TCE Revenues") (total voyage revenues net of voyage expenses and charter-in hire expense) excluding Star Logistics (as further discussed in footnote 8 under the heading "Summary of Selected Data") were \$90.0 million, compared to \$61.1 million for the second quarter of 2017. Total revenues for the second quarter of 2018 increased to \$132.6 million from \$78.6 million in the second quarter of 2017. This increase was primarily attributable to the significant rise in charter hire rates, which led to a TCE rate of \$13,567 for the second quarter of 2018 compared to a TCE rate of \$9,747 for the second quarter of 2017, representing a 39% increase. TCE Revenues also increased as a result of an increase in the average number of vessels in our fleet to 73.5 in the second quarter of 2018, up from 69.5 in the second quarter of 2017, which caused an increase in Available days for our fleet.

Absent the adoption of the new revenue recognition standard (ASC 606) in January 2018, which has only prospective application with no effect to prior year figures, our TCE rate for the second quarter of 2018 would have been \$13,598.

For the second quarter of 2018, operating income was \$27.3 million, which includes depreciation of \$22.1 million. Operating income of \$2.0 million for the second quarter of 2017 included depreciation of \$20.7 million. Depreciation increased during the second quarter of 2018 due to a higher average number of vessels in our fleet.

Net income for the second quarter of 2018 was \$10.7 million, or \$0.17 earnings per share, basic and diluted, based on 64,233,289 weighted average basic shares and 64,633,668 weighted average diluted shares, respectively. Net loss for the second quarter of 2017 was \$10.3 million, or \$0.16 loss per share, basic and diluted, based on 63,336,657 weighted average basic and diluted shares.

Net income for the second quarter of 2018 mainly included the following non-cash items, other than depreciation expense:

- Stock-based compensation expense of \$3.9 million, or \$0.06 per share, basic and diluted, recognized in connection with common shares granted to our directors and employees; and
- Unrealized gain on forward freight agreements and bunker swaps of \$1.3 million, or \$0.02 per share, basic and diluted.

Net loss for the second quarter of 2017, mainly included the following non-cash items, other than depreciation expense:

- Stock based compensation expense of \$3.7 million, or \$0.06 per share, basic and diluted, recognized in connection with common shares granted to our directors and employees;
- Unrealized gain on forward freight agreements of \$0.7 million, or \$0.01 per share, basic and diluted; and
- Unrealized gain on interest rate swaps of \$0.4 million or \$0.006 per share, basic and diluted.

**Adjusted net income for the second quarter of 2018, which excludes major non-cash items other than depreciation expense, was \$13.4 million, or \$0.21 earnings per share, basic and diluted, compared to adjusted net loss of \$7.6 million, or \$0.12 loss per share, basic and diluted, for the second quarter of 2017.** A reconciliation of *Net income / (loss)* to *Adjusted Net income/ (loss)* and *Adjusted earnings / (loss) per share basic and diluted* is set forth below in the financial tables contained in this release.

**Adjusted EBITDA for the second quarter of 2018 and 2017, which excludes all non-cash items, was \$52.0 million and \$25.7 million, respectively.** A reconciliation of *EBITDA and Adjusted EBITDA to net cash provided by/(used in) operating activities* is set forth below in the financial tables contained in this release.

For the second quarter of 2018 and 2017, vessel operating expenses were \$27.4 million and \$25.1 million, respectively. This increase was primarily due to the increase in the average number of vessels from 69.5 to 73.5. Vessel operating expenses for the second quarter of 2018 include pre-delivery and pre-joining expenses of \$0.7 million incurred mainly in connection with the delivery of the *Star Magnanimus* and *Star Leo*, which were delivered in March and May 2018, respectively. For the second quarter of 2017 operating expenses included pre-delivery and pre-joining expenses of \$0.6 million. **Excluding these expenses, our average daily operating expenses per vessel for the second quarter of 2018 were \$3,996, vs. \$3,880 for the same period in 2017.**

Dry docking expenses for the second quarters of 2018 and 2017 were \$2.1 million and \$1.9 million, respectively. During the second quarter of 2018, two of our vessels underwent their periodic dry docking surveys, while during the second quarter of 2017, three of our vessels underwent their periodic dry docking surveys, one of which had started during the first quarter of 2017.

General and administrative expenses for the second quarters of 2018 and 2017 were \$10.4 million and \$9.3 million, respectively. The formation of our new subsidiary, Star Logistics, and a higher EUR/USD exchange rate during the second quarter of 2018 compared to the corresponding period in 2017 resulted in higher wage expenses, and thus had a negative effect on our general and administrative expenses. Additionally, general and administrative expenses for the second quarter of 2018 include stock-based compensation expense of \$3.9 million. During the same quarter of 2017, general and administrative expenses included stock-based compensation expense of \$3.7 million and legal fees of \$0.4 million in connection with the restructuring of our indebtedness. Excluding these costs, **our average daily net cash general and administrative expenses per vessel (including management fees) for the second quarter of 2018 were reduced to \$1,072 from \$1,101, during the second quarter of 2017.**

Charter-in hire expense for the second quarters of 2018 and 2017 was \$24.3 million and \$0.9 million, respectively. The increase in charter-in hire expense was due to an increase in charter-in days from 91 in the second quarter of 2017, attributable to charter-in of the vessel *Astakos*, to 1,157 in the second quarter of 2018, attributable to the activities of our new subsidiary Star Logistics, which was created in the fourth quarter of 2017 to connect the origination and the destination of dry bulk commodities.

Interest and finance costs net of interest and other income/ (loss) for the second quarters of 2018 and 2017 were \$16.6 million and \$12.0 million, respectively. The increase is attributable to the increase in (i) LIBOR between the corresponding periods, (ii) the weighted average balance of our outstanding indebtedness of \$1,063.4 million during the second quarter of 2018 compared to \$1,038.4 million for the same period in 2017 and (iii) the negative effect of exchange rates on our time deposits held in Euros due to unfavorable movement in EUR/USD exchange rates during the second quarter of 2018 compared to the corresponding period in 2017, partially offset by higher interest income earned due to higher outstanding cash balances held in time deposits during the respective periods.

## **First Half 2018 and 2017 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 first half of 2018, time charter equivalent revenues (“TCE Revenues”) (total voyage revenues net of voyage expenses and charter-in hire expense) excluding Star Logistics (as further discussed in footnote 8 under the heading “Summary of Selected Data”) were \$171.6 million, compared to \$110.1 million for the first half of 2017. Total revenues for the first half of 2018 increased to \$253.7 million from \$143.5 million in the corresponding period in 2017. This increase was primarily attributable to the significant rise in charter hire rates, which led to a TCE rate of \$13,082 for the first half of 2018 compared to a TCE rate of \$8,968 for the first half of 2017, representing a 46% increase. TCE Revenues also increased as a result of an increase in the average number of vessels in our fleet to 72.8 in the first half of 2018, up from 68.4 in the first half of 2017, which caused an increase in Available days for our fleet.

Absent the adoption of the new revenue recognition standard (ASC 606) in January 2018, which has only prospective application with no effect to prior year figures, our TCE rate for the first half of 2018 would have been \$13,022.

For the first half of 2018, operating income was \$50.5 million, which includes depreciation of \$43.2 million. Operating loss of \$3.3 million for the first half of 2017 included depreciation of \$40.4 million and a net loss on sale of vessels of \$0.4 million. Depreciation increased during the first half of 2018 due to a higher average number of vessels in our fleet.

Net income for the first half of 2018 was \$20.6 million, or \$0.32 earnings per share, basic and diluted, based on 64,170,654 weighted average basic shares and 64,468,860 weighted average diluted shares, respectively. Net loss for the first half of 2017 was \$26.2 million, or \$0.42 loss per share, basic and diluted, based on 62,188,645 weighted average basic and diluted shares.

Net income for the first half of 2018 mainly included the following non-cash items, other than depreciation expense:

- Stock-based compensation expense of \$5.0 million, or \$0.08 per share, basic and diluted, recognized in connection with common shares granted to our directors and employees; and
- Unrealized gain on forward freight agreements and bunker swaps of \$0.3 million, or \$0.01 per share, basic and diluted.

Net loss for the first half of 2017, mainly included the following non-cash items, other than depreciation expense:

- Stock based compensation expense of \$6.4 million, or \$0.10 per share, basic and diluted, recognized in connection with common shares granted to our directors and employees;
- Loss on sale of vessel of \$0.4 million, or \$0.01 per share, basic and diluted, in connection with the sale of *Star Eleonora* in March 2017;
- Unrealized gain on interest rate swaps of \$1.4 million or \$0.02 per share, basic and diluted; and
- Write-off of unamortized deferred finance charges of \$0.4 million or \$0.01 per share, basic and diluted, in connection with the cancellation of a previous loan commitment.

**Adjusted net income for the first half of 2018, which excludes major non-cash items other than depreciation expense, was \$25.2 million, or \$0.39 earnings per share, basic and diluted, compared to adjusted net loss of \$20.5 million, or \$0.33 loss per share, basic and diluted, for the first half of 2017.** A reconciliation of *Net income / (loss)* to *Adjusted Net income/ (loss)* and *Adjusted earnings / (loss) per share basic and diluted* is set forth below in the financial tables contained in this release.

**Adjusted EBITDA for the first half of 2018 and 2017, which excludes all non-cash items, was \$98.5 million and \$43.8 million, respectively.** A reconciliation of *EBITDA and Adjusted EBITDA to net cash provided by/(used in) operating activities* is set forth below in the financial tables contained in this release.

For the first half of 2018 and 2017, vessel operating expenses were \$53.7 million and \$49.6 million, respectively. This increase was primarily due to the increase in the average number of vessels from 68.4 to 72.8. Vessel operating expenses for the first half of 2018 and 2017 include pre-delivery and pre-joining expenses of \$1.1 million in both periods incurred mainly in connection with the delivery of the new vessels in our fleet during each period. **Excluding these expenses, our average daily operating expenses per vessel for the first half of 2018 were \$3,993, compared to \$3,914 in the same period in 2017.**

Dry docking expenses for the first half of 2018 and 2017 were \$3.3 million and \$3.2 million, respectively. During the first half of 2018, two of our vessels underwent their periodic dry docking surveys, while during the first half of 2017, four of our vessels underwent their periodic dry docking surveys, three of which were completed during this period. However, additional dry docking expenses were incurred during the first half of 2018, due to upcoming dry docking surveys in the second half of 2018.

General and administrative expenses for the first half of 2018 and 2017 were \$17.7 million and \$17.3 million, respectively. The formation of our new subsidiary, Star Logistics, and a higher EUR/USD exchange rate during the first half of 2018 compared to the corresponding period in 2017 resulted in higher wage expenses, and thus had a negative effect on our general and administrative expenses. Additionally, general and administrative expenses for the first half of 2018 include stock-based compensation expense of \$5.0 million. During the same period in 2017, general and administrative expenses included stock-based compensation expense of \$6.4 million and legal fees of \$0.7 million in connection with the restructuring of our indebtedness. Excluding these expenses, **our average daily net cash general and administrative expenses per vessel (including management fees) for the first half of 2018 were reduced to \$1,086 from \$1,109, during the first half 2017.**

During the first half of 2017, we recognized other operational gain of \$2.5 million resulting from the settlement proceeds of a commercial dispute.

During the first half of 2017, we recognized a net loss of \$0.4 million, in connection with the sale of *Star Eleonora*.

Charter-in hire expense for the first half of 2018 and 2017 was \$40.8 million and \$1.7 million, respectively. The increase in charter-in hire expense was due to an increase in charter-in days from 181 in the first half of 2017, attributable to charter-in of the vessel *Astakos*, to 2,085 in the first half of 2018, attributable to the activities of our new subsidiary Star Logistics, which was created in the fourth quarter of 2017 to connect the origination and the destination of dry bulk commodities.

Interest and finance costs net of interest and other income/ (loss) for the first half of 2018 and 2017 were \$29.9 million and \$22.5 million, respectively. The increase is attributable to the increase in (i) LIBOR between the corresponding periods, (ii) the weighted average balance of our outstanding indebtedness of \$1,054.3 million during the first half of 2018 compared to \$1,007.5 million for the same period in 2017 and (iii) the negative effect of exchange rates on our time deposits held in Euros due to unfavorable movement in EUR/USD exchange rates during the second quarter of 2018 compared to the corresponding period in 2017, partially offset by higher interest income earned due to higher outstanding cash balances held in time deposits during the respective periods.

## Liquidity and Capital Resources

### Cash Flows

**Net cash provided by operating activities for the first half of 2018 was \$61.1 million, whereas net cash provided by operating activities for the first half of 2017 was \$20.1 million.**

The positive change was due to the significant recovery of the dry bulk market during the first half of 2018, which resulted in a significantly higher TCE rate of \$13,082 compared to \$8,968 for the first half of 2017 and is also reflected in the increase of Adjusted EBITDA to \$98.5 million for the first half of 2018 from \$43.8 million for the corresponding period in 2017. This positive effect was partially offset by (i) a net working capital outflow of \$6.9 million during the first half of 2018 compared to a net working capital outflow of \$1.7 million for the first half of 2017 and (ii) by higher net interest expense for the first half 2018 compared to the corresponding period in 2017.

**Net cash used in investing activities for the first half of 2018 and 2017 was \$115.6 million and \$109.0 million, respectively.**

For the first half of 2018, net cash used in investing activities mainly consisted of \$115.9 million paid for advances and other capitalized expenses for our newbuilding and newly delivered vessels delivered during the period.

For the first half of 2017, net cash used in investing activities consisted of:

- \$116.7 million paid for advances and other capitalized expenses for our newbuilding and newly delivered vessels;

offset partially by:

- \$7.7 million of proceeds from the sale of vessels.

**Net cash provided by financing activities for the first half of 2018 and 2017 was \$21.5 million and \$140.6 million, respectively.**

For the first half of 2018, net cash provided by financing activities mainly consisted of:

- \$100.0 million increase in lease obligations, relating to three delivered newbuilding vessels, under bareboat charters; and
- \$30.0 million of proceeds drawn under the newly entered loan facility with the National Bank of Greece to refinance an existing facility with Commerzbank;

offset partially by:

- \$108.7 million paid in aggregate in connection with: (i) the regular amortization of outstanding vessel financings and capital lease installments of \$43.1 million and (iii) \$65.6 million of excess cash for the quarters ended December 31, 2017 and March 31, 2018, paid pursuant to the cash sweep mechanism in our Supplemental Agreements, during the first half 2018.

For the first half of 2017, net cash provided by financing activities consisted of:

- \$79.9 million increase in capital lease obligations, relating to two delivered newbuilding vessels under bareboat charters;
- \$16.0 million of proceeds drawn under a loan facility for the financing of *Star Charis* and *Star Suzanna*, which were delivered to us during the period; and
- \$50.6 million of proceeds from a private placement of our common shares, which was completed in February 2017, which is net of aggregate private placement agent's fees and expenses of \$0.9 million;

offset partially by:

- \$5.2 million paid in aggregate in connection with the capital lease installments and the partial prepayment of a loan facility due to the sale of *Star Eleonora*; and

- \$0.7 million of financing fees, paid in connection with the restructuring of our indebtedness.

## Summary of Selected Data

(TCE rates expressed in U.S. dollars)

	<b>Second quarter 2018</b>	<b>Second quarter 2017</b>
Average number of vessels (1)	73.5	69.5
Number of vessels (2)	74	70
Average age of operational fleet (in years) (3)	8.3	7.8
Ownership days (4)	6,691	6,326
Available days (5)	6,633	6,266
Charter-in days (6)	1,157	91
Fleet utilization (7)	99.3%	99.1%
Daily Time Charter Equivalent Rate (8)	\$13,567	\$9,747
Average daily OPEX per vessel (9)	\$4,096	\$3,975
Average daily OPEX per vessel (excl. pre-delivery expenses)	\$3,996	\$3,880
Average daily Net Cash G&A expenses per vessel (excluding one-time expenses) (10)	\$1,072	\$1,101

	<b>Six months ended June 30, 2018</b>	<b>Six months ended June 30, 2017</b>
Average number of vessels (1)	72.8	68.4
Number of vessels (2)	74	70
Average age of operational fleet (in years) (3)	8.3	7.8
Ownership days (4)	13,174	12,384
Available days (5)	13,116	12,275
Charter-in days (6)	2,085	181
Fleet utilization (7)	99.6%	99.1%
Daily Time Charter Equivalent Rate (8)	\$13,082	\$8,968
Average daily OPEX per vessel (9)	\$4,075	\$4,002
Average daily OPEX per vessel (excl. pre-delivery expenses)	\$3,993	\$3,914
Average daily Net Cash G&A expenses per vessel (excluding one-time expenses) (10)	\$1,086	\$1,109

(1) Average number of vessels is the number of vessels that constituted our owned fleet for the relevant period, as measured by the sum of the number of days each operating vessel was a part of our owned 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 the end of each period.

(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 and lay-up days, if any.

(6) Charter-in days are the total days that we charter-in third-party vessels.

(7) Fleet utilization is calculated by dividing (x) Available days plus Charter-in days by (y) Ownership days plus charter-in days for the relevant period.

(8) Represents the weighted average daily TCE rates of our operating fleet (including owned fleet and fleet under charter-in arrangements). 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 charter-in hire expense and amortization of fair value of above/below market acquired time charter agreements, if any) by Available 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., voyage charters, time charters, bareboat charters and pool arrangements) under which its vessels may be employed between the periods. We include 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 operating vessels and assists investors and our management in evaluating our financial performance. The above reported TCE rates for the second quarter and the first half of 2018, were calculated excluding Star Logistics. We are excluding the revenues and expenses of Star Logistics because it was formed recently, in October 2017, and its revenues and expenses have not yet normalized and could have an effect on our TCE rates that could obscure material trends. As a result, we believe it is more informative to our investors to present the TCE rates excluding the revenues and expenses of Star Logistics until its revenues and expenses have normalized. For the detail calculation please see the table at the back of this release with the reconciliation of Voyage Revenues to TCE.*

*(9) Average daily OPEX per vessel is calculated by dividing vessel operating expenses by Ownership days.*

*(10) Average daily Net Cash G&A expenses per vessel is calculated by (1) deducting the Management fee Income from, and (2) adding the Management fee expense to, the General and Administrative expenses (net of stock-based compensation expense) and (3) then dividing by the Ownership days and Charter-in days.*



## Unaudited Consolidated Statement of Operations

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

	Second quarter 2018	Second quarter 2017	Six months ended June 30, 2018	Six months ended June 30, 2017
<b>Revenues:</b>				
Voyage revenues	\$ 132,604	\$ 78,605	\$ 253,661	\$ 143,471
<b>Total revenues</b>	<b>132,604</b>	<b>78,605</b>	<b>253,661</b>	<b>143,471</b>
<b>Expenses:</b>				
Voyage expenses	(19,891)	(16,650)	(42,586)	(31,649)
Charter-in hire expense	(24,293)	(881)	(40,763)	(1,736)
Vessel operating expenses	(27,408)	(25,145)	(53,681)	(49,560)
Dry docking expenses	(2,149)	(1,856)	(3,269)	(3,248)
Depreciation	(22,075)	(20,742)	(43,243)	(40,387)
Management fees	(1,983)	(1,875)	(3,913)	(3,689)
General and administrative expenses	(10,383)	(9,284)	(17,702)	(17,316)
Gain/(Loss) on forward freight agreements and bunker swaps	2,812	256	2,000	(541)
Other operational loss	-	(751)	-	(751)
Other operational gain	36	294	41	2,461
Gain/(Loss) on sale of vessels	-	-	-	(370)
<b>Operating income/(loss)</b>	<b>27,270</b>	<b>1,971</b>	<b>50,545</b>	<b>(3,315)</b>
Interest and finance costs	(16,065)	(12,625)	(30,338)	(23,766)
Interest and other income/(loss)	(499)	603	394	1,223
Gain/(Loss) on derivative financial instruments	-	(147)	(1)	100
Loss on debt extinguishment	(21)	-	(21)	(358)
<b>Total other expenses, net</b>	<b>(16,585)</b>	<b>(12,169)</b>	<b>(29,966)</b>	<b>(22,801)</b>
<b>Income/(Loss) before equity in investee</b>	<b>10,685</b>	<b>(10,198)</b>	<b>20,579</b>	<b>(26,116)</b>
Equity in income/(loss) of investee	43	(29)	49	4
<b>Income/(Loss) before taxes</b>	<b>\$ 10,728</b>	<b>\$ (10,227)</b>	<b>\$ 20,628</b>	<b>\$ (26,112)</b>
US Source Income taxes	-	(52)	-	(117)
<b>Net income/(loss)</b>	<b>\$ 10,728</b>	<b>\$ (10,279)</b>	<b>\$ 20,628</b>	<b>\$ (26,229)</b>
Earnings/(loss) per share, basic	\$ 0.17	\$ (0.16)	\$ 0.32	\$ (0.42)
Earnings/(loss) per share, diluted	\$ 0.17	\$ (0.16)	\$ 0.32	\$ (0.42)
Weighted average number of shares outstanding, basic	64,233,289	63,336,657	64,170,654	62,188,645
Weighted average number of shares outstanding, diluted	64,633,668	63,336,657	64,468,860	62,188,645

## Unaudited Consolidated Condensed Balance Sheets

*(Expressed in thousands of U.S. dollars)*

	<u>June 30, 2018</u>	<u>December 31, 2017</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 218,651	\$ 257,911
Other current assets	69,635	54,715
<b>TOTAL CURRENT ASSETS</b>	<b><u>288,286</u></b>	<b><u>312,626</u></b>
Advances for vessels under construction and acquisition of vessels and other assets	46,480	48,574
Vessels and other fixed assets, net	1,896,020	1,775,081
Other non-current assets	12,532	9,483
<b>TOTAL ASSETS</b>	<b><u>\$ 2,243,318</u></b>	<b><u>\$ 2,145,764</u></b>
Current portion of long-term debt and finance lease commitments	\$ 142,856	\$ 189,306
Other current liabilities	38,894	29,968
<b>TOTAL CURRENT LIABILITIES</b>	<b><u>181,750</u></b>	<b><u>219,274</u></b>
Long-term debt and finance lease commitments non-current (net of unamortized deferred finance fees of \$6,538 and \$7,154, respectively)	858,205	789,878
Senior Notes (net of unamortized deferred finance fees of \$1,797 and \$2,000, respectively)	48,203	48,000
Other non-current liabilities	620	560
<b>TOTAL LIABILITIES</b>	<b><u>\$ 1,088,778</u></b>	<b><u>\$ 1,057,712</u></b>
<b>STOCKHOLDERS' EQUITY</b>	1,154,540	1,088,052
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b><u>\$ 2,243,318</u></b>	<b><u>\$ 2,145,764</u></b>

## Unaudited Cash Flow Data

*(Expressed in thousands of U.S. dollars)*

	<u>Six months ended June 30, 2018</u>	<u>Six months ended June 30, 2017</u>
Net cash provided by / (used in) operating activities	\$ 61,087	\$ 20,120
Net cash provided by / (used in) investing activities	(115,592)	(109,023)
Net cash provided by / (used in) financing activities	21,501	140,563

## **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 operating activities, 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, because it is a measure 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.

To derive Adjusted EBITDA from EBITDA and Adjusted Net income/(loss) from Net income/(loss), we excluded non-cash gains/losses such as those related to sale of vessels, stock-based compensation expense the write-off of the unamortized fair value of above-market acquired time charters, impairment losses, the write-off of claims receivable, change in fair value of forward freight agreements and bunker swaps and the equity in income/(loss) of investee, if any. We excluded the items described above when deriving Adjusted EBITDA and Adjusted Net income/(loss) because we believe that these items do not reflect the ongoing 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>	<b>Second quarter 2018</b>	<b>Second quarter 2017</b>	<b>Six months ended June 30, 2018</b>	<b>Six months ended June 30, 2017</b>
Net cash provided by/(used in) operating activities	\$ 29,505	\$ 13,791	\$ 61,087	\$ 20,120
Net decrease / (increase) in current assets	3,984	4,267	12,762	4,865
Net increase / (decrease) in operating liabilities, excluding current portion of long term debt	1,076	(3,632)	(5,955)	(3,157)
Loss on debt extinguishment	(21)	-	(21)	(358)
Stock-based compensation	(3,949)	(3,710)	(5,011)	(6,360)
Amortization of deferred finance charges	(691)	(647)	(1,367)	(1,288)
Unrealized and accrued gain/(loss) on derivative financial instruments	185	(269)	573	706
Unrealized gain / (loss) on forward freight agreements and bunker swaps	1,266	673	349	(41)
Total other expenses, net	17,990	12,169	31,371	22,801
Income tax	-	52	-	117
Gain/(Loss) on sale of vessel	-	-	-	(370)
Equity in income/(loss) of investee	43	(29)	49	4
<b>EBITDA</b>	<b>\$ 49,388</b>	<b>\$ 22,665</b>	<b>\$ 93,837</b>	<b>\$ 37,039</b>
<b>Less:</b>				
Equity in income of investee	(43)	-	(49)	(4)
Unrealized gain on forward freight agreements and bunker swaps	(1,266)	(673)	(349)	-
<b>Plus:</b>				
Stock-based compensation	3,949	3,710	5,011	6,360
Loss on sale of vessel	-	-	-	370
Unrealized loss on forward freight agreements and bunker swaps	-	-	-	41
Equity in loss of investee	-	29	-	-
<b>Adjusted EBITDA</b>	<b>\$ 52,028</b>	<b>\$ 25,731</b>	<b>\$ 98,450</b>	<b>\$ 43,806</b>

## Net income / (loss) and Adjusted Net income / (loss) Reconciliation

<i>(Expressed in thousands of U.S. dollars)</i>	Second quarter 2018	Second quarter 2017	Six months ended June 30, 2018	Six months ended June 30, 2017
<b>Net income / (loss)</b>	\$ 10,728	\$ (10,279)	\$ 20,628	\$ (26,229)
Stock-based compensation	3,949	3,710	5,011	6,360
Unrealized (gain)/ loss on forward freight agreements and bunker swaps	(1,266)	(673)	(349)	41
Unrealized (gain)/ loss on derivative financial instruments	(12)	(411)	(26)	(1,374)
(Gain)/loss on sale of vessel	-	-	-	370
Amortization of deferred gain from sale and leaseback	-	(19)	-	(37)
Loss on debt extinguishment	21	-	21	358
Equity in income/(loss) of investee	(43)	29	(49)	(4)
<b>Adjusted Net income / (loss)</b>	<b>\$ 13,377</b>	<b>\$ (7,643)</b>	<b>\$ 25,236</b>	<b>\$ (20,515)</b>
Weighted average number of shares outstanding, basic	64,233,289	63,336,657	64,170,654	62,188,645
Weighted average number of shares outstanding, diluted	64,633,668	63,336,657	64,468,860	62,188,645
<b>Adjusted Basic Earnings / (Loss) Per Share</b>	<b>\$ 0.21</b>	<b>\$ (0.12)</b>	<b>\$ 0.39</b>	<b>\$ (0.33)</b>
<b>Adjusted Diluted Earnings / (Loss) Per Share</b>	<b>\$ 0.21</b>	<b>\$ (0.12)</b>	<b>\$ 0.39</b>	<b>\$ (0.33)</b>

## Voyage Revenues to Daily Time Charter Equivalent ("TCE") Reconciliation (please refer to the section "Summary of Selected Data" for the calculation method of TCE)

*(In thousands of U.S. Dollars, except as otherwise stated)*

	Second quarter 2018	Second quarter 2017	Six months ended June 30, 2018	Six months ended June 30, 2017
Voyage revenues	\$ 103,665 <sup>(a)</sup>	\$ 78,605	\$ 201,620 <sup>(b)</sup>	\$ 143,471
<i>Less:</i>				
Voyage expenses	(13,674) <sup>(c)</sup>	(16,650)	(30,032) <sup>(d)</sup>	(31,649)
Charter-in hire expenses	- <sup>(e)</sup>	(881)	- <sup>(f)</sup>	(1,736)
<b>Time Charter equivalent revenues</b>	<b>\$ 89,991</b>	<b>\$ 61,074</b>	<b>\$ 171,588</b>	<b>\$ 110,086</b>
Available days for fleet	6,633	6,266	13,116	12,275
<b>Daily Time Charter Equivalent Rate ("TCE")</b>	<b>\$ 13,567</b>	<b>\$ 9,747</b>	<b>\$ 13,082</b>	<b>\$ 8,968</b>

- a) Voyage revenues used to calculate TCE rate for the second quarter of 2018 consist of (1) reported voyage revenues of \$132.6 million minus (2) voyage revenues of \$28.9 million attributable to Star Logistics.
- b) Voyage revenues used to calculate TCE rate for the first half of 2018 consist of (1) reported voyage revenues of \$253.7 million minus (2) voyage revenues of \$52.0 million attributable to Star Logistics.
- c) Voyage expenses used to calculate TCE rate for the second quarter of 2018 consist of (1) reported voyage expenses of \$19.9 million minus (2) voyage expenses of \$6.2 million attributable to Star Logistics.
- d) Voyage expenses used to calculate TCE rate for the first half of 2018 consist of (1) reported voyage expenses of \$42.6 million minus (2) voyage expenses of \$12.6 million attributable to Star Logistics.
- e) Charter-in hire expenses used to calculate TCE rate for the second quarter of 2018 consist of (1) reported charter-in hire expenses of \$24.3 million minus (2) charter-in hire expenses of \$24.3 million attributable to Star Logistics.
- f) Charter-in hire expenses used to calculate TCE rate for the first half of 2018 consist of (1) reported charter-in hire expenses of \$40.8 million minus (2) charter-in hire expenses of \$40.8 million attributable to Star Logistics.

**Conference Call details:**

Our management team will host a conference call to discuss our financial results on Wednesday, August 8, 2018 at 11:00 a.m., Eastern Time (ET).

Participants should dial into the call 10 minutes before the scheduled time using the following numbers: 1 (877) 553-9962 (US Toll Free Dial In), 0(808) 238- 0669 (UK Toll Free Dial In) or +44 (0) 2071 928592 (Standard International Dial In). Please quote "Star Bulk" to the operator.

A telephonic replay of the conference call will be available until August 15, 2018, by dialing 1(866) 331-1332 (US Toll Free Dial In), 0(808) 238-0667 (UK Toll Free Dial In) or +44 (0) 3333 009785 (Standard International Dial In) 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](http://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" and on the Oslo Stock Exchange under the ticker "SBLK R". On a fully delivered basis, Star Bulk will have a fleet of 108 vessels, with an aggregate capacity of 12.26 million dwt, consisting of 17 Newcastlemax, 18 Capesize, 2 Mini Capesize, 7 Post Panamax, 35 Kamsarmax, 2 Panamax, 16 Ultramax and 11 Supramax vessels with carrying capacities between 52,055 dwt and 209,537 dwt.

**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 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; our ability to meet requirements for additional capital and financing to complete our newbuilding program and grow our business; the impact of the level of our indebtedness and the restrictions in our debt agreements; vessel breakdowns and instances of off-hire; risks associated with vessel construction; potential exposure or loss from investment in derivative instruments; potential conflicts of interest involving our Chief Executive Officer, his family and other members of our senior management and our ability to complete acquisition transactions as planned. 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.

## **Contacts**

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