



**STAR BULK CARRIERS CORP. REPORTS FINANCIAL RESULTS
FOR THE FOURTH QUARTER AND YEAR ENDED DECEMBER 31, 2018**

ATHENS, GREECE, February 11, 2019 – Star Bulk Carriers Corp. (the "Company" or "Star Bulk") (Nasdaq and Oslo: SBLK), a global shipping company focusing on the transportation of dry bulk cargoes, today announced its unaudited financial and operating results for the fourth quarter and year ended December 31, 2018.

Financial Highlights

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

	Fourth quarter 2018	Fourth quarter 2017	Twelve months ended December 31, 2018	Twelve months ended December 31, 2017
Voyage Revenues	\$209,433	\$107,707	\$651,561	\$331,976
Net income/(loss)	\$12,315	\$23,884	\$58,997	(\$9,771)
Net cash provided by operating activities	\$59,836	\$44,329	\$169,009	\$82,804
EBITDA ⁽¹⁾	\$63,575	\$58,378	\$233,015	\$121,508
Adjusted EBITDA ⁽¹⁾	\$82,379	\$55,690	\$260,887	\$128,048
Adjusted Net income / (loss) ⁽²⁾	\$30,316	\$21,535	\$86,098	(\$4,301)
Earnings / (loss) per share basic	\$0.13	\$0.37	\$0.77	(\$0.16)
Adjusted earnings / (loss) per share basic ⁽²⁾	\$0.33	\$0.34	\$1.12	(\$0.07)
TCE Revenues ⁽³⁾	\$137,800	\$90,019	\$437,069	\$262,661
Daily Time Charter Equivalent Rate ("TCE") ⁽³⁾	\$14,140	\$13,860	\$13,768	\$10,393
Fleet utilization	98.6%	100.0%	99.0%	99.6%
Average daily OPEX per vessel ⁽⁴⁾	\$3,938	\$3,911	\$4,027	\$3,995
Average daily OPEX per vessel (excl. pre-delivery expenses) ⁽⁴⁾	\$3,938	\$3,850	\$3,994	\$3,906
Average daily Net Cash G&A expenses per vessel (excluding one-time expenses) ⁽⁵⁾	\$969	\$1,094	\$1,004	\$1,094

- (1) EBITDA and Adjusted EBITDA are non-GAAP measures. Please see the table at the end 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 end 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 end 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 (if any), 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. Please see the table at the end of this release for a reconciliation to General and administrative expenses, which is the most directly comparable financial measure calculated and presented in accordance with U.S. GAAP.

Petros Pappas, Chief Executive Officer of Star Bulk, commented: *“This is our fifth consecutive profitable quarter, as we achieved \$12.3 million Net Income. This figure also includes a non-cash charge of \$17.8 million, related to impairment for realized as well as expected vessel sales in 2019, which if excluded, brings our Adjusted Net Income to \$30.3 million. Our voyage revenues for the fourth quarter of 2018 amount to \$209.4 million, our average TCE for the quarter is \$14,140/day per vessel, while average OPEX per vessel are \$3,938/day and average Net Cash G&A expenses per vessel are \$969/day, given our continuous focus to keep costs low.*

On a yearly basis we realized Net Income of \$59.0 million and Adjusted Net Income of \$86.1 million. Our voyage revenues for the year amount to \$651.6 million, our average TCE is \$13,768/day per vessel, while average OPEX per vessel (excl. pre-delivery expenses) are \$3,994/day and average Net Cash G&A expenses per vessel are \$1,004/day.

As of today, we have fixed a minimum of 70% of Q1 2019 days at average TCE rates of \$12,954 per day.

During this quarter, we concluded the refinancing of loans of approximately \$248 million with new debt with an average margin of 120 bps lower than the debt that we refinanced. We remain committed to refinancing debt at lower interest costs when such opportunities arise. We have also committed financing for the procurement and installation of scrubbers, of approximately \$140 million, to be drawn during the rollout of our program in 2019. Maintaining a large cash balance remains a top priority for us.

We are currently completing the installation of scrubbers on 15 of our larger vessels enabling us to have the vast majority of our fleet fitted with scrubbers ahead of the January 1st 2020 implementation date.”

Recent Developments

DEBT FINANCING UPDATE

- On December 17, 2018, we entered into a loan agreement with ABN AMRO BANK N.V. and Norddeutsche Landesbank Girozentrale (Nord LB), the “ABN/NordLB \$115 million Facility,” for an amount up to \$115 million available in four tranches. The first tranche was used to refinance the indebtedness of four of the Augustea Vessels, and the remaining three tranches were used to partially finance the acquisition cost of the three vessels purchased from entities affiliated with E.R. Capital Holding GmbH & Cie KG., as described below. The loan is secured by a first priority mortgage on the seven vessels. All four tranches will mature in December 2023.
- On January 28 2019, we entered into a loan agreement with Skandinaviska Enskilda Banken AB (SEB), the “SEB Facility,” for the financing of an aggregate amount of \$65.7 million, which was used together with cash on hand to pay all the outstanding amount under the lease agreements of *M/V Star Laetitia* and *M/V Star Sienna*, two vessels acquired from Augustea. The SEB Facility is secured by a first priority mortgage on the two vessels and will mature in January 2025.
- On January 31, 2019, we entered into a loan agreement with E. SUN Commercial Bank, Hong Kong branch, the “E.SUN Facility,” for the financing of an amount up to \$37.1 million to pay all outstanding amount under the lease agreement of *M/V Star Ariadne*. The E.SUN Facility is secured by first priority mortgage on the respective vessel and will mature in February 2024.

VESSEL DELIVERIES’ UPDATE

- Pursuant to the previously announced transaction with E.R. Capital Holding GmbH & Cie. KG, dated as of August 27, 2018, in which we agreed to acquire three dry bulk vessels and received an option to purchase another four dry bulk vessels, we took delivery of two of the three committed dry bulk vessels, namely the 2010 built Capesize vessels *M/V Star Marianne* and *M/V Star Janni* on January 7, 2019 and January 14, 2019, respectively.
- On January 8, 2019, we sold and delivered the vessel *M/V Star Delta*, a 2001 built Supramax vessel, to her new buyers.

UPDATED SHARE COUNT

During the fourth quarter of 2018, we repurchased 341,363 of our common shares in open market transactions at an average price of \$9.17 for aggregate consideration of \$3.1 million, pursuant to the previously announced share repurchase program. All the repurchased shares were canceled and removed from our share capital on January 3, 2019. Following the deliveries of the last two vessels purchased from E.R. Capital Holding GmbH & Cie. KG and the cancelation of the repurchased shares, we have 93,285,322 common shares issued and outstanding as of the date of this release.

Employment update

As of today, we have fixed employment for approximately 70% of the days in Q1 2019 at average TCE rates of \$12,954 per day.

More specifically:

Capesize / Newcastlemax Vessels: approximately 68% of Q1 2019 days at \$16,223 per day.

Post Panamax / Kamsarmax / Panamax Vessels: approximately 69% of Q1 2019 days at \$11,792 per day.

Ultramax / Supramax Vessels: approximately 75% of Q1 2019 days at \$11,306 per day.

Existing On the Water Fleet (As of February 11, 2019)

	Vessel Name	Vessel Type	Capacity (dwt.)	Year Built	Date Delivered to Star Bulk
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>Star Leo (1)</i>	Newcastlemax	207,939	2018	May-18
6	<i>ABOY Laetitia (1)</i>	Newcastlemax	207,896	2017	August-18
7	<i>Star Ariadne (1)</i>	Newcastlemax	207,812	2017	March-17
8	<i>Star Virgo (1)</i>	Newcastlemax	207,810	2017	March-17
9	<i>Star Libra (1)</i>	Newcastlemax	207,765	2016	June-16
10	<i>ABOY Sienna (1)</i>	Newcastlemax	207,721	2017	August-18
11	<i>Star Marisa (1)</i>	Newcastlemax	207,709	2016	March-16
12	<i>ABOY Karlie (1)</i>	Newcastlemax	207,566	2016	August-18
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>Star Claudine (1)</i>	Capesize	181,258	2011	July-18
18	<i>Star Ophelia (1)</i>	Capesize	180,716	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>Star Lyra (1)</i>	Capesize	179,147	2009	July-18
25	<i>Star Janni</i>	Capesize	178,978	2010	January-19
26	<i>Star Marianne</i>	Capesize	178,906	2010	January-19
27	<i>Star Angie</i>	Capesize	177,931	2007	October-14
28	<i>Big Fish</i>	Capesize	177,662	2004	July-14
29	<i>Kymopolia</i>	Capesize	176,990	2006	July-14
30	<i>Star Triumph</i>	Capesize	176,343	2004	December-17
31	<i>ABY Scarlett</i>	Capesize	175,800	2014	August-18
32	<i>Star Audrey</i>	Capesize	175,125	2011	August-18
33	<i>Big Bang</i>	Capesize	174,109	2007	July-14
34	<i>Star Aurora</i>	Capesize	171,199	2000	September-10
35	<i>Paola</i>	Mini-Capesize	115,259	2011	August-18
36	<i>ABML Eva</i>	Mini-Capesize	106,659	2011	August-18
37	<i>Amami</i>	Post Panamax	98,681	2011	July-14
38	<i>Madredeus</i>	Post Panamax	98,681	2011	July-14
39	<i>Star Sirius</i>	Post Panamax	98,681	2011	March-14
40	<i>Star Vega</i>	Post Panamax	98,681	2011	February-14
41	<i>Star Piera</i>	Post-Panamax	91,952	2010	August-18
42	<i>Star Despoina</i>	Post Panamax	91,945	2010	August-18

Existing On the Water Fleet (As of February 11, 2019) - continued

	Vessel Name	Vessel Type	Capacity (dwt.)	Year Built	Date Delivered to Star Bulk
43	<i>Star Aphrodite</i>	Post Panamax	92,006	2011	August-18
44	<i>Star Electra (1)</i>	Kamsarmax	83,494	2011	July-18
45	<i>Star Angelina</i>	Kamsarmax	82,981	2006	December-14
46	<i>ABY Jeannette</i>	Kamsarmax	82,567	2014	August-18
47	<i>Star Gwyneth</i>	Kamsarmax	82,790	2006	December-14
48	<i>Star Kamila</i>	Kamsarmax	82,769	2005	September-14
49	<i>Star Luna (1)</i>	Kamsarmax	82,687	2008	July-18
50	<i>Star Bianca (1)</i>	Kamsarmax	82,672	2008	July-18
51	<i>Pendulum</i>	Kamsarmax	82,619	2006	July-14
52	<i>Star Maria</i>	Kamsarmax	82,598	2007	November-14
53	<i>Star Markella</i>	Kamsarmax	82,594	2007	September-14
54	<i>Star Danai</i>	Kamsarmax	82,574	2006	October-14
55	<i>Star Georgia</i>	Kamsarmax	82,298	2006	October-14
56	<i>Star Sophia</i>	Kamsarmax	82,269	2007	October-14
57	<i>Star Mariella</i>	Kamsarmax	82,266	2006	September-14
58	<i>Star Moira</i>	Kamsarmax	82,257	2006	November-14
59	<i>Star Nina</i>	Kamsarmax	82,224	2006	January-15
60	<i>Star Renee</i>	Kamsarmax	82,221	2006	December-14
61	<i>Star Nasia</i>	Kamsarmax	82,220	2006	August-14
62	<i>Star Laura</i>	Kamsarmax	82,209	2006	December-14
63	<i>Star Jennifer</i>	Kamsarmax	82,209	2006	April-15
64	<i>Star Mona (1)</i>	Kamsarmax	82,188	2012	July-18
65	<i>Star Helena</i>	Kamsarmax	82,187	2006	December-14
66	<i>Star Astrid (1)</i>	Kamsarmax	82,158	2012	July-18
67	<i>ABY Asia (1)</i>	Kamsarmax	81,944	2017	August-18
68	<i>Star Calypso (1)</i>	Kamsarmax	81,918	2014	July-18
69	<i>Star Charis</i>	Kamsarmax	81,711	2013	March-17
70	<i>Star Suzanna</i>	Kamsarmax	81,711	2013	May-17
71	<i>Mercurial Virgo</i>	Kamsarmax	81,545	2013	July-14
72	<i>Stardust (1)</i>	Kamsarmax	81,501	2011	July-18
73	<i>Songa Sky (1)</i>	Kamsarmax	81,466	2010	July-18
74	<i>Star Lydia</i>	Kamsarmax	81,187	2013	August-18
75	<i>Star Nicole</i>	Kamsarmax	81,120	2013	August-18
76	<i>ABY Virginia</i>	Kamsarmax	81,061	2015	August-18
77	<i>Star Genesis (1)</i>	Kamsarmax	80,705	2010	July-18
78	<i>Star Flame (1)</i>	Kamsarmax	80,448	2011	July-18
79	<i>Star Iris</i>	Panamax	76,466	2004	September-14
80	<i>Star Emily</i>	Panamax	76,417	2004	September-14
81	<i>Idee Fixe (1)</i>	Ultramax	63,458	2015	March-15
82	<i>Roberta (1)</i>	Ultramax	63,426	2015	March-15

Existing On the Water Fleet (As of February 11, 2019) - continued

	Vessel Name	Vessel Type	Capacity (dwt.)	Year Built	Date Delivered to Star Bulk
83	<i>Laura (1)</i>	Ultramax	63,399	2015	April-15
84	<i>Kaley (1)</i>	Ultramax	63,283	2015	June-15
85	<i>Kennadi</i>	Ultramax	63,262	2016	January-16
86	<i>Mackenzie</i>	Ultramax	63,226	2016	March-16
87	<i>Star Anna</i>	Ultramax	63,038	2015	November-18
88	<i>Star Wave (1)</i>	Ultramax	61,491	2017	July-18
89	<i>Star Challenger</i>	Ultramax	61,462	2012	December-13
90	<i>Star Fighter (1)</i>	Ultramax	61,455	2013	December-13
91	<i>Star Lutas</i>	Ultramax	61,347	2016	January-16
92	<i>Honey Badger</i>	Ultramax	61,320	2015	February-15
93	<i>Wolverine</i>	Ultramax	61,292	2015	February-15
94	<i>Star Antares</i>	Ultramax	61,258	2015	October-15
95	<i>Star Acquarius</i>	Ultramax	60,916	2015	July-15
96	<i>Star Pisces</i>	Ultramax	60,916	2015	August-15
97	<i>ABY Monica</i>	Ultramax	60,935	2015	August-18
98	<i>Songa Glory (1)</i>	Supramax	58,680	2012	July-18
99	<i>Diva</i>	Supramax	56,582	2011	July-17
100	<i>Strange Attractor</i>	Supramax	55,742	2006	July-14
101	<i>Star Bright</i>	Supramax	55,783	2010	October-18
102	<i>Star Omicron</i>	Supramax	53,489	2005	April-08
103	<i>Star Gamma</i>	Supramax	53,098	2002	January-08
104	<i>Star Zeta</i>	Supramax	52,994	2003	January-08
105	<i>Star Theta</i>	Supramax	52,425	2003	December-07
106	<i>Star Epsilon</i>	Supramax	52,402	2001	December-07
107	<i>Star Cosmo</i>	Supramax	52,247	2005	July-08
108	<i>Star Kappa</i>	Supramax	52,055	2001	December-07
		Total dwt:	<u>12,054,230</u>		

Newbuilding Vessels

	Vessel Name	Vessel Type	Capacity (dwt.)	Shipyard	Expected delivery date
1	HN 1388 (tbn Katie K) ⁽¹⁾	Newcastlemax	208,000	SWS	Mar-19
2	HN 1389 (tbn Debbie H) ⁽¹⁾	Newcastlemax	208,000	SWS	Apr-19
3	HN 1390 (tbn Ocean Ayesha) ⁽¹⁾	Newcastlemax	208,000	SWS	Jun-19
			<u>624,000</u>		

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

Amounts shown throughout the press release and variations in period-on-period comparisons are derived from the actual numbers in our books and records.

Fourth Quarter 2018 and 2017 Results

Voyage revenues for the fourth quarter of 2018 increased to \$209.4 million from \$107.7 million in the fourth quarter of 2017. Adjusted time charter equivalent revenues (“Adjusted TCE Revenues”) (please see the table at the end of this release for the calculation of the Adjusted TCE Revenues) were \$136.2 million for the fourth quarter of 2018, compared to \$90.0 million for the fourth quarter of 2017. Adjusted TCE Revenues were primarily increased as a result of an increase in the average number of vessels in our fleet to 106.4 in the fourth quarter of 2018, up from 70.6 in the fourth quarter of 2017. The TCE rates for the fourth quarter of 2018 and 2017 were \$14,140 and \$13,860, respectively.

Absent the adoption of the new revenue recognition standard (ASC 606) in January 2018, which has no effect on prior year figures, our TCE rate for the fourth quarter of 2018 would have been \$14,018.

For the fourth quarter of 2018, operating income was \$33.9 million, which includes depreciation of \$30.8 million and impairment loss of \$17.8 million, as discussed below. Operating income of \$37.2 million for the fourth quarter of 2017 included depreciation of \$21.1 million. Depreciation increased during the fourth quarter of 2018 due to a higher average number of vessels in our fleet as described above.

Net income for the fourth quarter of 2018 was \$12.3 million, or \$0.13 earnings per share, basic and diluted, based on 92,457,989 weighted average basic shares and 92,515,671 weighted average diluted shares, respectively. Net income for the fourth quarter of 2017 was \$23.9 million, or \$0.37 income per share, basic and diluted, based on 64,080,657 weighted average basic shares and 64,259,874 weighted average diluted shares, respectively.

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

- Impairment loss of \$17.8 million, or \$0.19 per share, basic and diluted, recognized (a) in anticipation of the sale of the *Star Delta* and its delivery to its new owners in early January 2019, which, as of December 31, 2018, was classified as held for sale and (b) in connection with negotiated sales of two additional vessels built before 2005;
- A loss on bad debt of \$0.7 million or \$0.01 per basic and diluted share associated with the write-off of disputed charterer balances; and
- Amortization of the fair value of below market acquired time charters of \$1.1 million, or \$0.01 per share, basic and diluted, associated with time charters attached to two vessels acquired during the third quarter of 2018. These below market time charters are amortized over the duration of each respective time charter agreement as an increase to voyage revenues.

Net income for the fourth quarter of 2017, included the following significant non-cash items, other than depreciation expense:

- Loss on debt extinguishment of \$0.9 million, or \$0.01 per share, basic and diluted, recognized in connection with the refinancing in full of our 2019 Notes (as defined in our annual report on Form 20-F for the fiscal year ended December 31, 2017 (the “2017 20-F”)) in December 2017;
- Net gain on sale of vessels of \$3.0 million, or \$0.05 per share, basic and diluted, recognized in connection with the sale of the *Star Vanessa*; and
- Unrealized gain on interest rate swaps of \$0.5 million or \$0.01 per share, basic and diluted.

Adjusted net income for the fourth quarter of 2018, was \$30.3 million, or \$0.33 earnings per share, basic and diluted, compared to adjusted net income of \$21.5 million, or \$0.34 earnings per share, basic and diluted, for the fourth 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 in the financial tables contained in this release.

Adjusted EBITDA for the fourth quarters of 2018 and 2017, was \$82.4 million and \$55.7 million, respectively. A reconciliation of *EBITDA and Adjusted EBITDA to net cash provided by/(used in) operating activities* is set forth in the financial tables contained in this release.

For the fourth quarters of 2018 and 2017, vessel operating expenses were \$38.5 million and \$25.4 million, respectively. This increase was primarily due to the increase in the average number of vessels to 106.4 from 70.6. Vessel operating expenses for the fourth quarter of 2017 included pre-delivery and pre-joining expenses of \$0.4 million while during the fourth quarter of 2018 no significant pre-delivery and pre-joining expenses were incurred. Excluding these expenses, our average daily operating expenses per vessel for the fourth quarter of 2018 and 2017, were \$3,938 and \$3,850, respectively.

During the fourth quarter of 2018, five of our vessels underwent their periodic dry docking surveys, resulting in \$3.1 million of dry docking expense. During the fourth quarter of 2017, none of our vessels underwent their periodic dry docking surveys, but we incurred expenses of \$0.4 million in connection with upcoming dry dockings.

General and administrative expenses for the fourth quarters of 2018 and 2017 were \$7.2 million and \$5.9 million, respectively. The formation of our new subsidiary, Star Logistics, and the increase of the number of our employees due to the recent expansion of our fleet that occurred in the third quarter of 2018 compared to the corresponding period in 2017, resulted in higher payroll cost in the fourth quarter of 2018. In addition, general and administrative expenses increased as a result of the listing of our common shares on the Oslo Stock Exchange. Our average daily net cash general and administrative expenses per vessel together with management fees for the fourth quarter of 2018 were reduced to \$969 from \$1,094 during the fourth quarter of 2017 (please see the table at the end of this release for the calculation of the Average daily Net Cash G&A expenses per vessel).

Charter-in hire expense for the fourth quarters of 2018 and 2017 was \$25.0 million and \$3.1 million, respectively. The increase is due to increased charter in days of 1,493 in the fourth quarter of 2018 compared to 197 in the fourth quarter of 2017. In both quarters, the charter in days are attributable to the activities of our subsidiary Star Logistics, which was formed in the fourth quarter of 2017.

Management fees for the fourth quarters of 2018 and 2017 were \$4.0 million and \$1.9 million, respectively. The increase is attributable to the new management agreements entered into in connection with the acquired fleets during the third quarter of 2018.

Interest and finance costs net of interest and other income/ (loss) for the fourth quarters of 2018 and 2017 were \$21.2 million and \$12.6 million, respectively. The increase is attributable to the increase in (i) LIBOR between the corresponding periods and (ii) the weighted average balance of our outstanding indebtedness of \$1,447.6 million during the fourth quarter of 2018 compared to \$1,043.2 million for the same period in 2017.

Years ended December 31, 2018 and 2017 Results

Voyage revenues for the year ended December 31, 2018 increased to \$651.6 million from \$332.0 million for the year ended December 31, 2017. Adjusted TCE Revenues (please see the table at the end of this release for the calculation of the Adjusted TCE Revenues) were \$435.2 million, compared to \$262.7 million for the year ended December 31, 2017. This increase was primarily attributable to the significant rise in charter hire rates, which led to a TCE rate of \$13,768 for the year ended December 31, 2018, compared to a TCE rate of \$10,393 for the year ended December 31, 2017, representing a 32% increase. Adjusted TCE Revenues also increased as a result of an increase in the average number of vessels in our fleet to 87.7 in the year ended December 31, 2018, up from 69.6 in the year ended December 31, 2017 following the previously announced fleet acquisitions during the third quarter of 2018.

Absent the adoption of the new revenue recognition standard (ASC 606) in January 2018, which has no effect to prior year figures, our TCE rate for the year ended December 31, 2018 would have been \$13,772.

For the year ended December 31, 2018, operating income was \$131.9 million, which includes depreciation of \$102.9 million and impairment loss of \$17.8 million. Operating income of \$38.8 million for the year ended December 31, 2017 included depreciation of \$82.6 million. Depreciation increased during the year ended December 31, 2018 due to a higher average number of vessels in our fleet, as described above.

Net income for the year ended December 31, 2018 was \$59.0 million, or \$0.77 earnings per share, basic and \$0.76 earnings per share, diluted, based on 77,061,227 weighted average basic shares and 77,326,111 weighted average diluted shares, respectively. Net loss for the year ended December 31, 2017 was \$9.8 million, or \$0.16 loss per share, basic and diluted, based on 63,034,394 weighted average basic and diluted shares.

Net income for the year ended December 31, 2018 included the following significant non-cash items, other than depreciation expense:

- Impairment loss of \$17.8 million, or \$0.23 per share, basic and diluted, recognized (a) in anticipation of the sale of the *Star Delta* and its delivery to its new owners in early January 2019, which as of December 31, 2018, was classified as held for sale and (b) in connection with negotiated sales of two additional vessels built before 2005;
- Stock-based compensation expense of \$8.1 million, or \$0.10 per share, basic and diluted, recognized in connection with common shares granted to our directors and employees;
- Unrealized loss on forward freight agreements and bunker swaps of \$1.3 million, or \$0.02 per share, basic and diluted;
- Loss on debt extinguishment of \$1.8 million, or \$0.02 per share, basic and diluted, recognized in connection with the refinance of certain of our debt facilities;
- A loss on bad debt of \$0.7 million or \$0.01 per basic and diluted share associated with the write-off of disputed charterer balances;
- Unrealized gain on derivative financial instruments of \$0.7 million or \$0.01 per share, basic and diluted; and
- Amortization of the fair value of below market acquired time charters of \$1.8 million, or \$0.02 per share, basic and diluted, associated with time charters attached to two acquired vessels. These below market time charters are amortized over the duration of each respective charter as an increase to voyage revenues.

Net loss for the year ended December 31, 2017, included the following significant non-cash items, other than depreciation expense:

- Stock based compensation expense of \$9.3 million, or \$0.15 per share, basic and diluted, recognized in connection with common shares granted to our directors and employees;
- An aggregate net gain on sale of vessels of \$2.6 million, or \$0.04 per share, basic and diluted, in connection with the sale of (i) the *Star Eleonora* in March 2017 and (ii) the *Star Vanessa* in November 2017;
- Unrealized gain on interest rate swaps of \$2.3 million or \$0.04 per share, basic and diluted; and
- Loss on debt extinguishment of \$1.3 million or \$0.02 per share, basic and diluted, in connection with the cancellation of a previous loan commitment and the refinancing in full of our 2019 Notes (as defined in the 2017 20-F) in December 2017.

Adjusted net income for the year ended December 31, 2018 was \$86.1 million, or \$1.12 earnings per share, basic and \$1.11 earnings per share, diluted, compared to adjusted net loss of \$4.3 million, or \$0.07 loss per share, basic and diluted, for the year ended December 31, 2017. A reconciliation of *Net income/(loss)* to *Adjusted Net income/(loss)* and *Adjusted earnings/(loss) per share basic and diluted* is set forth in the financial tables contained in this release.

Adjusted EBITDA for the years ended December 31, 2018 and 2017 was \$260.9 million and \$128.0 million, respectively. A reconciliation of *EBITDA and Adjusted EBITDA to net cash provided by/(used in) operating activities* is set forth in the financial tables contained in this release.

For the years ended December 31, 2018 and 2017, vessel operating expenses were \$128.9 million and \$101.4 million, respectively. This increase was primarily due to the increase in the average number of vessels to 87.7 from 69.6. Vessel operating expenses for the years ended December 31, 2018 and 2017 include pre-delivery and pre-joining expenses of \$1.1 million and \$2.3 million, respectively, incurred 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 years ended December 31, 2018 and 2017, were \$3,994 and \$3,906, respectively.

Dry docking expenses for the years ended December 31, 2018 and 2017 were \$9.0 million and \$4.3 million, respectively. During the year ended December 31, 2018, eight of our vessels underwent and seven of them completed their periodic dry docking surveys during the same period. During the year ended December 31, 2017, four vessels underwent and completed their periodic dry docking surveys.

General and administrative expenses for the years ended December 31, 2018 and 2017 were \$34.0 million and \$31.0 million, respectively. The formation of our new subsidiary, Star Logistics, the increase of the number of our employees due to the recent expansion of our fleet and a higher USD/EUR exchange rate during the year ended December 31, 2018 resulted in higher payroll cost compared to the corresponding period in 2017. In addition, general and administrative expenses increased as a result of the listing of our common shares on the Oslo Stock Exchange. Our average daily net cash general and administrative expenses per vessel together with management fees for the year ended December 31, 2018 were reduced to \$1,004 from \$1,094, during the corresponding period in 2017 (please see the table at the end of this release for the calculation of the Average daily Net Cash G&A expenses per vessel).

Charter-in hire expense for the years ended December 31, 2018 and 2017 was \$92.9 million and \$5.3 million, respectively. The increase in charter-in hire expense was due to an increase in charter-in days to 5,089 in the year ended December 31, 2018 (attributable to the activities of our new subsidiary Star Logistics, which was created in the fourth quarter of 2017) from 428 in the year ended December 31, 2017 (attributable to the charter-in of the vessel *Astakos* and Star Logistics).

Management fees for the years ended December 31, 2018 and 2017 were \$11.3 million and \$7.5 million, respectively. The increase is attributable to the new management agreements entered into in connection with the acquired fleets during the third quarter of 2018.

Interest and finance costs net of interest and other income/ (loss) for the years ended December 31, 2018 and 2017 were \$71.8 million and \$47.5 million, respectively. The increase is mainly attributable to the increase in (i) the weighted average balance of our outstanding indebtedness of \$1,234.6 million during the year ended December 31, 2018 compared to \$1,027.1 million for the same period in 2017 and (ii) LIBOR between the corresponding periods.

Liquidity and Capital Resources

Cash Flows

Net cash provided by operating activities for the years ended December 31, 2018 and 2017 was \$169.0 million and \$82.8 million, respectively.

The positive change was due to the significant recovery of the dry bulk market during the year ended December 31, 2018, which resulted in a significantly higher TCE rate of \$13,768 compared to \$10,393 for the year ended December 31, 2017. The increase in TCE rates as well as the increase in the average number of vessels in our fleet is reflected in the increase of Adjusted EBITDA to \$260.9 million for the year ended December 31, 2018 from \$128.0 million for the corresponding period in 2017. This positive effect was partially offset by (i) a net working capital outflow of \$20.9 million during the year ended December 31, 2018 compared to a net working capital inflow of \$1.7 million for the year ended December 31, 2017 and (ii) by higher net interest expense for the year ended December 31, 2018 compared to the corresponding period in 2017.

Net cash used in investing activities for the years ended December 31, 2018 and 2017 was \$327.2 million and \$127.1 million, respectively.

For the year ended December 31, 2018, net cash used in investing activities mainly consisted of \$330.5 million paid for advances and other capitalized expenses for our newbuilding and newly acquired vessels delivered during the period as well as for the acquisition and installation of scrubber equipment for certain of our vessels, offset partially by hull and machinery insurance proceeds of \$3.3 million.

For the year ended December 31, 2017, net cash used in investing activities consisted of:

- \$143.7 million paid for advances and other capitalized expenses for our newbuilding and newly delivered vessels;
- offset partially by:
- \$15.2 million of proceeds from the sale of the *Star Eleonora* and the *Star Vanessa*; and
 - \$1.4 million of hull and machinery insurance proceeds.

Net cash provided by financing activities for the years ended December 31, 2018 and 2017 was \$98.6 million and \$122.0 million, respectively.

For the year ended December 31, 2018, net cash provided by financing activities mainly consisted of:

- \$988.0 million of proceeds from financing including financing from leases;

offset partially by:

- \$875.0 lease and debt obligations paid in aggregate in connection with: (i) the regular amortization of outstanding vessel financings and capital lease installments, (ii) early repayment due to the refinancing of certain of our facilities; (iii) payments under our cash sweep mechanism and (iv) full repayment of deferred debt amounts;
- \$3.1 million used to repurchase 341,363 of our common shares in open market transactions; and
- \$12.0 million of financing fees paid in connection with the new financing agreements.

For the year ended December 31, 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;
- \$30.8 million of proceeds drawn under the newly entered loan facilities;
- \$50.0 million proceeds from the issuance of our 8.30% senior unsecured notes due 2022, used to redeem in full our 2019 Notes in December 2017; and
- \$50.4 million of proceeds, net of aggregate fees and expenses of \$1.0 million, from a private placement of our common shares, which was completed in February 2017;

offset partially by:

- \$36.3 million paid in aggregate in connection with: (i) the regular amortization of outstanding vessel financings and capital lease installments, (ii) early repayment due to the refinancing of a loan facility and due to the sale of a vessel; (iii) payments to our lenders in accordance with the terms of our restructuring agreements;
- \$50.0 million used to redeem in full the 2019 Notes; and
- \$2.9 million of financing fees, paid in connection with (i) the restructuring of our indebtedness, (ii) a new facility entered during the corresponding period; (iii) the refinancing of the Heron Vessels Facility (as defined in our 2017 20-F) and (iv) the issuance of our 8.30% senior unsecured notes due 2022.

Summary of Selected Data

	Fourth quarter 2018	Fourth quarter 2017
Average number of vessels (1)	106.4	70.6
Number of vessels (2)	107	71
Average age of operational fleet (in years) (3)	8.0	8.2
Ownership days (4)	9,788	6,495
Available days (5)	9,633	6,495
Charter-in days (6)	1,493	197
Fleet utilization (7)	98.6%	100.0%
Daily Time Charter Equivalent Rate (8)	\$14,140	\$13,860
Average daily OPEX per vessel (9)	\$3,938	\$3,911
Average daily OPEX per vessel (excl. pre-delivery expenses)	\$3,938	\$3,850
Average daily Net Cash G&A expenses per vessel (excluding one-time expenses) (10)	\$969	\$1,094

	Twelve months ended December 31, 2018	Twelve months ended December 31, 2017
Average number of vessels (1)	87.7	69.6
Number of vessels (2)	107	71
Average age of operational fleet (in years) (3)	8.0	8.2
Ownership days (4)	32,001	25,387
Available days (5)	31,614	25,272
Charter-in days (6)	5,089	428
Fleet utilization (7)	99.0%	99.6%
Daily Time Charter Equivalent Rate (8)	\$13,768	\$10,393
Average daily OPEX per vessel (9)	\$4,027	\$3,995
Average daily OPEX per vessel (excl. pre-delivery expenses)	\$3,994	\$3,906
Average daily Net Cash G&A expenses per vessel (excluding one-time expenses) (10)	\$1,004	\$1,094

- (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 scrubber installation.
- (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, charter-in hire expense, amortization of fair value of above/below market acquired time charter agreements and provision for onerous contracts, 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. Our method of

computing TCE may not necessarily be comparable to TCE of other companies due to differences in methods of calculation. The above reported TCE rates for the fourth quarter of 2017 and the year ended December 31, 2017 were calculated excluding Star Logistics. We have excluded the revenues and expenses of Star Logistics because it was formed, in October 2017, and its revenues and expenses had not yet normalized in those periods, which obscure material trends of our TCE rates. 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 for those periods. For the detailed calculation please see the table at the end of this release with the reconciliation of Voyage Revenues to TCE. We include TCE rate, 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.

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

(10) Please see the table at the end of this release for the reconciliation to General and administrative expenses, the most directly comparable GAAP measure. We believe that Average daily Net Cash G&A expenses per vessel is a useful measure for our management and investors for period to period comparison with respect to our financial performance since such measure eliminates the effects of non-cash items which may vary from period to period, are not part of our daily business and derive from reasons unrelated to overall operating performance.

Unaudited Consolidated Statements of Operations

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

	Fourth quarter 2018	Fourth quarter 2017	Twelve months ended December 31, 2018	Twelve months ended December 31, 2017
Revenues:				
Voyage revenues	\$ 209,433	\$ 107,707	\$ 651,561	\$ 331,976
Total revenues	209,433	107,707	651,561	331,976
Expenses:				
Voyage expenses	(46,628)	(15,252)	(121,596)	(64,682)
Charter-in hire expense	(25,005)	(3,128)	(92,896)	(5,325)
Vessel operating expenses	(38,544)	(25,399)	(128,872)	(101,428)
Dry docking expenses	(3,125)	(362)	(8,970)	(4,262)
Depreciation	(30,814)	(21,129)	(102,852)	(82,623)
Management fees	(4,042)	(1,925)	(11,321)	(7,543)
Loss on bad debt	(722)	-	(722)	-
General and administrative expenses	(7,223)	(5,860)	(33,972)	(30,955)
Gain/(Loss) on forward freight agreements and bunker swaps	(1,389)	(300)	(447)	(841)
Impairment loss	(17,784)	-	(17,784)	-
Other operational loss	(230)	(266)	(191)	(989)
Other operational gain	-	138	-	2,918
Gain/(Loss) on sale of vessels	-	2,996	-	2,598
Operating income/(loss)	33,927	37,220	131,938	38,844
Interest and finance costs	(22,024)	(13,585)	(73,715)	(50,458)
Interest and other income/(loss)	836	980	1,866	2,997
Gain/(Loss) on derivative financial instruments	-	179	707	246
Loss on debt extinguishment	(313)	(871)	(1,783)	(1,257)
Total other expenses, net	(21,501)	(13,297)	(72,925)	(48,472)
Income/(Loss) before equity in investee	12,426	23,923	59,013	(9,628)
Equity in income/(loss) of investee	(50)	29	45	93
Income/(Loss) before taxes	\$ 12,376	\$ 23,952	\$ 59,058	\$ (9,535)
US Source Income taxes	(61)	(68)	(61)	(236)
Net income/(loss)	\$ 12,315	\$ 23,884	\$ 58,997	\$ (9,771)
Earnings/(loss) per share, basic	\$ 0.13	\$ 0.37	\$ 0.77	\$ (0.16)
Earnings/(loss) per share, diluted	\$ 0.13	\$ 0.37	\$ 0.76	\$ (0.16)
Weighted average number of shares outstanding, basic	92,457,989	64,080,657	77,061,227	63,034,394
Weighted average number of shares outstanding, diluted	92,515,671	64,259,874	77,326,111	63,034,394

Unaudited Consolidated Condensed Balance Sheets

(Expressed in thousands of U.S. dollars)

	<u>December 31, 2018</u>	<u>December 31, 2017</u>
ASSETS		
Cash and cash equivalents	\$ 204,921	\$ 257,911
Vessel held for sale	5,949	-
Other current assets	87,967	54,715
TOTAL CURRENT ASSETS	<u>298,837</u>	<u>312,626</u>
Advances for vessels under construction and acquisition of vessels	60,944	48,574
Vessels and other fixed assets, net	2,657,233	1,775,081
Other non-current assets	6,249	9,483
TOTAL ASSETS	<u>\$ 3,023,263</u>	<u>\$ 2,145,764</u>
Current portion of long-term debt and finance lease commitments	\$ 176,241	\$ 189,306
Other current liabilities	55,873	29,968
TOTAL CURRENT LIABILITIES	<u>232,114</u>	<u>219,274</u>
Long-term debt and finance lease commitments non-current (net of unamortized deferred finance fees of \$13,447 and \$7,154, respectively)	1,217,872	789,878
Senior Notes (net of unamortized deferred finance fees of \$1,590 and \$2,000, respectively)	48,410	48,000
Other non-current liabilities	4,222	560
TOTAL LIABILITIES	<u>\$ 1,502,618</u>	<u>\$ 1,057,712</u>
STOCKHOLDERS' EQUITY	1,520,645	1,088,052
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$ 3,023,263</u>	<u>\$ 2,145,764</u>

Unaudited Cash Flow Data

(Expressed in thousands of U.S. dollars)

	<u>Twelve months ended December 31, 2018</u>	<u>Twelve months ended December 31, 2017</u>
Net cash provided by / (used in) operating activities	\$ 169,009	\$ 82,804
Net cash provided by / (used in) investing activities	(327,196)	(127,101)
Net cash provided by / (used in) financing activities	98,564	122,035

EBITDA and Adjusted EBITDA Reconciliation

We include EBITDA herein since it is a basis upon which we assess our liquidity position. It is also used by our lenders as a measure of our compliance with certain loan covenants and we believe that it presents useful information to investors regarding our ability to service and/or incur indebtedness.

EBITDA does not represent and should not be considered as an alternative to cash flow from operating activities or net income, 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 due to differences in methods of calculation.

To derive Adjusted EBITDA from EBITDA, 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/below market acquired time charters, impairment losses, the write-off of claims receivable and loss from bad debt, change in fair value of forward freight agreements and bunker swaps, provision for onerous contracts, and the equity in income/(loss) of investee, if any, which may vary from period to period and for different companies and because these items do not reflect 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>	Fourth quarter 2018	Fourth quarter 2017	Twelve months ended December 31, 2018	Twelve months ended December 31, 2017
Net cash provided by/(used in) operating activities	\$ 59,836	\$ 44,329	\$ 169,009	\$ 82,804
Net decrease / (increase) in current assets	(386)	2,147	39,277	8,628
Net increase / (decrease) in operating liabilities, excluding current portion of long term debt	2,780	(3,314)	(20,469)	(10,452)
Impairment loss	(17,784)	-	(17,784)	-
Loss on debt extinguishment	(313)	(871)	(1,783)	(1,257)
Stock – based compensation	(337)	(414)	(8,072)	(9,267)
Amortization of deferred finance charges	(1,097)	(685)	(3,253)	(2,660)
Unrealized and accrued gain/(loss) on derivative financial instruments	-	582	1,230	1,821
Unrealized gain / (loss) on forward freight agreements and bunker swaps	(384)	77	(1,339)	36
Total other expenses, net	21,501	13,297	72,925	48,472
Fair value hedge adjustment	286	-	1,609	-
Other non-current assets	-	-	1,972	-
Gain on hull and machinery claims	184	137	309	456
Loss on bad debt	(722)	-	(722)	-
Income tax	61	68	61	236
Gain/(Loss) on sale of vessel	-	2,996	-	2,598
Equity in income/(loss) of investee	(50)	29	45	93
EBITDA	\$ 63,575	\$ 58,378	\$ 233,015	\$ 121,508
Equity in (income)/loss of investee	50	(29)	(45)	(93)
Unrealized (gain)/loss on forward freight agreements and bunker swaps	384	(77)	1,339	(36)
Gain on sale of vessel	-	(2,996)	-	(2,598)
Reversal of provision for onerous contracts	(473)	-	-	-
Stock-based compensation	337	414	8,072	9,267
Loss on bad debt	722	-	722	-
Impairment loss	17,784	-	17,784	-
Adjusted EBITDA	\$ 82,379	\$ 55,690	\$ 260,887	\$ 128,048

Net income/(Loss) and Adjusted Net income/(Loss) Reconciliation and calculation of Adjusted Earnings/(Loss) Per Share

To derive Adjusted Net Income and Adjusted Earnings/(Loss) Per Share from Net Income, we excluded non-cash items, as provided in the table below. We believe that Adjusted Net Income and Adjusted Earnings/(Loss) Per Share assist our management and investors by increasing the comparability of our performance from period to period since each such measure eliminates the effects of such non-cash items as gain/(loss) on sale of assets, gain/(loss) on derivatives, impairment losses and other items which may vary from year to year, are not part of our daily business and derive from reasons unrelated to overall operating performance. In addition we believe that the presentation of the respective measure provides investors with supplemental data relating to our results of operations; and therefore with a more complete understanding of factors affecting our business than GAAP measures alone. Our method of computing Adjusted Net Income and Adjusted Earnings/ (Loss) Per Share may not necessarily be comparable to other similarly titled captions of other companies due to differences in methods of calculation.

The following table reconciles Net income / (loss) to Adjusted Net income / (loss):

<i>(Expressed in thousands of U.S. dollars except for share and per share data)</i>	Fourth quarter 2018	Fourth quarter 2017	Twelve months ended December 31, 2018	Twelve months ended December 31, 2017
Net income / (loss)	\$ 12,315	\$ 23,884	\$ 58,997	\$ (9,771)
Amortization of fair value of below market acquired time charter agreements	(1,116)	-	(1,820)	-
Loss on bad debt	722	-	722	-
Stock –based compensation	337	414	8,072	9,267
Unrealized (gain) / loss on forward freight agreements and bunker swaps	384	(77)	1,339	(36)
Reversal of provision for onerous contracts	(473)	-	-	-
Unrealized (gain) / loss on derivative financial instruments	-	(532)	(734)	(2,275)
(Gain) / loss on sale of vessel	-	(2,996)	-	(2,598)
Impairment loss	17,784	-	17,784	-
Amortization of deferred gain from sale and leaseback	-	-	-	(52)
Loss on debt extinguishment	313	871	1,783	1,257
Equity in income/(loss) of investee	50	(29)	(45)	(93)
Adjusted Net income / (loss)	\$ 30,316	\$ 21,535	\$ 86,098	\$ (4,301)
Weighted average number of shares outstanding, basic	92,457,989	64,080,657	77,061,227	63,034,394
Weighted average number of shares outstanding, diluted	92,515,671	64,259,874	77,326,111	63,034,394
Adjusted Basic Earnings / (Loss) Per Share	\$ 0.33	\$ 0.34	\$ 1.12	\$ (0.07)
Adjusted Diluted Earnings / (Loss) Per Share	\$ 0.33	\$ 0.34	\$ 1.11	\$ (0.07)

Voyage Revenues to Daily Time Charter Equivalent ("TCE") Reconciliation

(In thousands of U.S. Dollars, except for TCE rates)

	Fourth quarter 2018	Fourth quarter 2017	Twelve months ended December 31, 2018	Twelve months ended December 31, 2017
Voyage revenues	\$ 209,433	\$ 103,623 a)	\$ 651,561	\$ 327,892 d)
Less:				
Voyage expenses	(46,628)	(13,604) b)	(121,596)	(63,034) e)
Charter-in hire expenses	(25,005)	- c)	(92,896)	(2,197) f)
Time Charter equivalent revenues	\$ 137,800	\$ 90,019	\$ 437,069	\$ 262,661
Reversal of provision for onerous contracts	(473)	-	-	-
Amortization of fair value of below/above market acquired time charter agreements	(1,116)	-	(1,820)	-
Adjusted Time Charter equivalent revenues	\$ 136,211	\$ 90,019	\$ 435,249	\$ 262,661
Available days for fleet	9,633	6,495	31,614	25,272
Daily Time Charter Equivalent Rate ("TCE")	\$ 14,140	\$ 13,860	\$ 13,768	\$ 10,393

- a) Voyage revenues used to calculate TCE rate for the fourth quarter of 2017 consist of (1) reported voyage revenues of \$107.7 million minus (2) voyage revenues of \$4.1 million attributable to Star Logistics.
- b) Voyage expenses used to calculate TCE rate for the fourth quarter of 2017 consist of (1) reported voyage expenses of \$15.3 million minus (2) voyage expenses of \$1.7 million attributable to Star Logistics.
- c) Reported Charter-in hire expenses for the fourth quarter of 2017 of \$3.1 million attributable to Star Logistics, was excluded from the calculation of TCE rate.
- d) Voyage revenues used to calculate TCE rate for the year ended December 31, 2017 consist of (1) reported voyage revenues of \$332.0 million minus (2) voyage revenues of \$4.1 million attributable to Star Logistics.
- e) Voyage expenses used to calculate TCE rate for the year ended December 31, 2017 consist of (1) reported voyage expenses of \$64.7 million minus (2) voyage expenses of \$1.7 million attributable to Star Logistics.
- f) Charter-in hire expenses used to calculate TCE rate for the year ended December 31, 2017 consist of (1) reported charter-in hire expenses of \$5.3 million minus (2) charter-in hire expenses of \$3.1 million attributable to Star Logistics.

Average daily Net Cash G&A expenses per vessel Reconciliation

(In thousands of U.S. Dollars, except for daily rates)

	Fourth quarter 2018	Fourth quarter 2017	Twelve months ended December 31, 2018	Twelve months ended December 31, 2017
General and administrative expenses	\$ 7,223	\$ 5,860	\$ 33,972	\$ 30,955
Plus:				
Management fees	4,042	1,925	11,321	7,543
Less:				
Stock-based compensation	(337)	(414)	(8,072)	(9,267)
One-time expenses	-	(52)	-	(989)
Net Cash G&As expenses (excluding one-time expenses)	\$ 10,928	\$ 7,319	\$ 37,221	\$ 28,242
Ownership days	9,788	6,495	32,001	25,387
Charter-in days	1,493	197	5,089	428
Average daily Net Cash G&A expenses per vessel (excluding one-time expenses)	\$ 969	\$ 1,094	\$ 1,004	\$ 1,094

Conference Call details:

Our management team will host a conference call to discuss our financial results on Tuesday, February 12, 2019 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 (from the US), 0(808) 238-0069 (from the UK) or + (44) (0) 2071 928 592 (Standard International Dial In). Please quote "Star Bulk."

A replay of the conference call will be available until Wednesday, February 19, 2019. The United States replay number is 1(866) 331-1332; from the UK 0(808) 238-0667; the standard international replay number is (+44) (0) 3333 009 785 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, Oslo, New York, Cyprus and Geneva. Its common stock trades on the Nasdaq Global Select Market and on the Oslo Stock Exchange under the symbol "SBLK". On a fully delivered basis, Star Bulk will have a fleet of 111 vessels, with an aggregate capacity of 12.67 million dwt, consisting of 17 Newcastlemax, 20 Capesize, 2 Mini Capesize, 7 Post Panamax, 35 Kamsarmax, 2 Panamax, 17 Ultramax and 11 Supramax vessels with carrying capacities between 52,055 dwt and 209,537 dwt. Where we refer to information on a "fully delivered basis," we are referring to such information after giving effect to the delivery of three newbuilding vessels. The Company also holds call options and has sold respective put options on four Capesize vessels, with exercise dates in early April 2019.

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.

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