



## Safe Bulkers, Inc. Reports Third Quarter and First Nine Months 2014 Results and Declares Quarterly Dividend on Common Stock

**Athens, Greece – November 5, 2014** -- Safe Bulkers, Inc. (the “Company”) (NYSE: SB), an international provider of marine drybulk transportation services, announced today its unaudited financial results for the three- and nine- month period ended September 30, 2014. The Board of Directors of the Company also declared a quarterly dividend of \$0.04 per share of the common stock for the third quarter of 2014.

### Summary of Third Quarter 2014 Results

- Net revenues for the third quarter of 2014 decreased by 13% to \$36.5 million from \$41.9 million during the same period in 2013.
- Net income for the third quarter of 2014 decreased by 87% to \$1.5 million from \$11.6 million, during the same period in 2013. Adjusted net income<sup>1</sup> for the third quarter of 2014 decreased by 92% to \$1.0 million from \$13.1 million, during the same period in 2013.
- EBITDA<sup>2</sup> for the third quarter of 2014 decreased by 38% to \$14.4 million from \$23.4 million during the same period in 2013. Adjusted EBITDA<sup>3</sup> for the third quarter of 2014 decreased by 44% to \$13.9 million from \$24.8 million during the same period in 2013.
- Loss per share<sup>4</sup> and Adjusted loss per share<sup>4</sup> for the third quarter of 2014 of \$0.02 and \$0.03 respectively, calculated on a weighted average number of 83,448,120 shares, compared to Earnings per share<sup>4</sup> and Adjusted earnings per share<sup>4</sup> of \$0.14 and \$0.16 respectively, in the third quarter 2013, calculated on a weighted average number of 76,684,316 shares.
- The Board of Directors of Company declared a dividend of \$0.04 per share for the third quarter of 2014.

### Summary of Nine Months Ended September 30, 2014 Results

- Net revenues for the first nine months of 2014 decreased by 10% to \$115.0 million from \$127.5 million during the same period in 2013.
- Net income for the first nine months of 2014 decreased by 72% to \$14.8 million from \$52.2 million. Adjusted net income for the first nine months of 2014 decreased by 71% to \$12.8 million from \$44.1 million, during the same period in 2013.
- EBITDA for the first nine months of 2014 decreased by 39% to \$53.3 million from \$87.0 million during the same period in 2013. Adjusted EBITDA for the first nine months of 2014 decreased by 35% to \$51.3 million from \$78.9 million during the same period in 2013.
- Earnings per share and Adjusted earnings per share for the first nine months of 2014 of \$0.11 and \$0.08, respectively, calculated on a weighted average number of shares of 83,444,566, compared to \$0.67 and \$0.56 in the first nine months of 2013, calculated on a weighted average number of shares of 76,679,082.

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<sup>1</sup> Adjusted net income is a non-GAAP measure. Adjusted net income represent net income before gain on asset purchase cancellation, early redelivery income/(cost), gain/(loss) on derivatives and foreign currency respectively. See Table 1.

<sup>2</sup> EBITDA is a non-GAAP measure and represents net income plus net interest expense, tax, depreciation and amortization.

<sup>3</sup> Adjusted EBITDA is a non-GAAP measure and represents EBITDA before gain on asset purchase cancellation, early redelivery income/(cost), gain/(loss) on derivatives and foreign currency respectively. See Table 1.

<sup>4</sup> Earnings/(loss) per share and Adjusted earnings/(loss) per share represent Net income and Adjusted net income less Preferred dividend divided by the weighted average number of shares respectively. See Table 1.

## Fleet and Employment Profile

In September 2014, the Company took delivery of the *Kypros Unity* (Hull No. 821), a 78,000 dwt, Japanese eco-design newbuild Panamax class vessel. Upon her delivery, the vessel was employed in the spot charter market.

As of November 3, 2014, the Company's operational fleet comprised of 32 drybulk vessels with an average age of 5.7 years and an aggregate carrying capacity of 2.9 million dwt. The fleet consists of 11 Panamax class vessels, 7 Kamsarmax class vessels, 11 Post-Panamax class vessels and 3 Capesize class vessels, all built 2003 onwards. As of November 3, 2014, the Company had contracted to acquire 12 new eco-design newbuild vessels, comprised of 5 Japanese Panamax class vessels, 3 Japanese Post-Panamax class vessels, 2 Japanese Kamsarmax class vessels and 2 Chinese Kamsarmax class vessels. Upon delivery of all of our newbuilds, assuming we do not acquire any additional vessels or dispose of any of our vessels, our fleet will comprise of 44 vessels, 15 of which will be new eco-design vessels, having an aggregate carrying capacity of 3.9 million dwt and average age of 6.1 years.

Set out below is a table showing the Company's existing and newbuild vessels and their contracted employment as of November 3, 2014:

Vessel Name	DWT	Year Built	Country of construction	Charter Rate <sup>(1)</sup> USD/day	Charter Duration <sup>(2)</sup>
<b>Panamax</b>					
<i>Maria</i>	76,000	2003	Japan	9,100	Jul 2014 - Jan 2015
<i>Koulitsa</i>	76,900	2003	Japan	13,250	Jun 2014 - Jun 2015
<i>Paraskevi</i>	74,300	2003	Japan	8,500	Jul 2014 - Dec 2014
<i>Vassos</i>	76,000	2004	Japan	BPI <sup>(4)</sup> + 6%	Apr 2014 - Nov 2014
<i>Katerina</i>	76,000	2004	Japan	12,450	Jul 2014 - Nov 2014
<i>Maritsa</i>	76,000	2005	Japan	27,649 <sup>(3)</sup>	Mar 2013 - Jan 2015
<i>Efrossini</i>	75,000	2012	Japan	10,400	Jul 2014 - May 2015
<i>Zoe</i>	75,000	2013	Japan	9,100	Aug 2014 - Jan 2015
<i>Kypros Land</i>	77,100	2014	Japan	15,000	Aug 2014 - Nov 2014
<i>Kypros Sea</i>	77,100	2014	Japan	15,350	Sep 2014 - Nov 2014
<i>Kypros Unity</i>	78,000	2014	Japan	11,000	Sep 2014 - Nov 2014
<b>Kamsarmax</b>					
<i>Pedhoulas Merchant</i>	82,300	2006	Japan	BPI <sup>(4)</sup> + 9.5%	Jul 2013 - Jul 2015
<i>Pedhoulas Trader</i>	82,300	2006	Japan	BPI <sup>(4)</sup> + 6.5%	Aug 2013 - Aug 2015
<i>Pedhoulas Leader</i>	82,300	2007	Japan	10,600	Jul 2014 - Apr 2015
<i>Pedhoulas Commander</i>	83,700	2008	Japan	10,500	Jul 2014 - Apr 2015
<i>Pedhoulas Builder</i>	81,600	2012	China	8,750	Sep 2014 - Nov 2014
<i>Pedhoulas Fighter</i>	81,600	2012	China	9,200 11,250	Aug 2014 - Nov 2014 Nov 2014 - Dec 2014
<i>Pedhoulas Farmer</i>	81,600	2012	China	11,000	Sep 2014 - Aug 2015
<b>Post-Panamax</b>					
<i>Stalo</i>	87,000	2006	Japan	13,500	Aug 2014 - Nov 2014
<i>Marina</i>	87,000	2006	Japan	13,000	Jul 2014 - Nov 2014
<i>Xenia</i>	87,000	2006	Japan	8,500	Jul 2014 - Jan 2015
<i>Sophia</i>	87,000	2007	Japan	10,000	Oct 2014 - Dec 2014
<i>Eleni</i>	87,000	2008	Japan	12,500	Oct 2014 - Nov 2014
<i>Martine</i>	87,000	2009	Japan	9,250	Aug 2014 - Feb 2015
<i>Andreas K</i>	92,000	2009	South Korea	7,500 14,000	Oct 2014 - Nov 2014 Nov 2014 - Dec 2014
<i>Panayiota K</i>	92,000	2010	South Korea	13,300	Jul 2014 - Nov 2014
<i>Venus Heritage</i>	95,800	2010	Japan	10,000	Sep 2014 - Nov 2014
<i>Venus History</i>	95,800	2011	Japan	9,833	Sep 2014 - Jun 2015
<i>Venus Horizon</i>	95,800	2012	Japan	13,000	Oct 2013 - Mar 2015
<b>Capesize</b>					
<i>Kanaris</i>	178,100	2010	China	25,928	Sep 2011 - Jun 2031
<i>Pelopidas</i>	176,000	2011	China	38,000	Feb 2012 - Dec 2021
<i>Lake Despina</i>	181,400	2014	Japan	24,376 <sup>(5)</sup>	Jan 2014 - Jan 2024
<b>Total</b>	<b>2,941,700</b>				

- 1) Charter rate represents recognized gross daily charter rate. For charter parties with variable rates among periods or consecutive charter parties with the same charterer, the recognized gross daily charter rates represents the weighted average gross charter rate over the duration of the applicable charter period or series of charter periods, as applicable. Charter agreements may provide for additional payments, namely ballast bonus, to compensate for vessel repositioning.
- 2) The start dates listed reflect either actual start dates or, in the case of contracted charters that had not commenced as of November 3, 2014, scheduled start dates. Actual start dates and redelivery dates may differ from the scheduled start and redelivery dates depending on the terms of the charter and market conditions.
- 3) Following the early redelivery of the *Maritsa*, in January 2013 the Company received a cash compensation payment of \$13.1 million, which is being amortized over the period of the new period time charter with the same charterer. The agreed gross daily charter rate is \$8,000 for the period until January 2015.
- 4) A period time charter at a gross daily charter rate linked to the Baltic Panamax Index ("BPI") plus a premium.
- 5) A period time charter of ten years at a gross daily charter rate of \$23,100 for the first two and a half years and of \$24,810 for the remaining period. The charter agreement grants the charterer an option to purchase the vessel at any time beginning at the end of the seventh year of the charter, at a price of \$39 million less 1.00% commission, decreasing thereafter on a pro-rated basis by \$1.5 million per year. The Company holds a right of first refusal to buy back the vessel in the event that the charterer exercises its option to purchase the vessel and subsequently offers to sell such vessel to a third party. The charter agreement also grants the charterer the option to extend the period time charter for an additional twelve months at a time, at a gross daily charter rate of \$26,330, less 1.25% total commissions, which option may be exercised by the charterer a maximum of two times.

Set out below is a table showing the Company's newbuild vessels and their contracted employment as of November 3, 2014:

Vessel Name	DWT	Expected delivery	Country of construction	Charter Rate <sup>(1)</sup> USD/day	Charter Duration <sup>(2)</sup>
<b>Panamax</b>					
<i>Hull No. 822</i>	77,000	1H 2015	Japan		
<i>Hull No. 1689</i>	76,500	1H 2015	Japan	15,400	Apr 2015 - Apr 2025
<i>Hull No. 827</i>	77,000	2H 2015	Japan		
<i>Hull No. 828</i>	77,000	1H 2016	Japan		
<i>Hull No. 835</i>	77,000	2H 2016	Japan		
<b>Kamsarmax</b>					
<i>Hull No. 1148</i>	82,000	1H 2015	China		
<i>Hull No. 1146</i>	82,000	1H 2016	China		
<i>Hull No. 1551</i>	81,600	1H 2016	Japan		
<i>Hull No. 1552</i>	81,600	1H 2017	Japan		
<b>Post-Panamax</b>					
<i>Hull No. 1685</i>	84,000	2H 2015	Japan		
<i>Hull No. 1686</i>	84,000	2H 2015	Japan		
<i>Hull No. 1718</i>	84,000	1H 2016	Japan		
<b>Total</b>	<b>963,700</b>				

- 1) Charter rate represents recognized gross daily charter rate. For charter parties with variable rates among periods or consecutive charter parties with the same charterer, the recognized gross daily charter rates represents the weighted average gross charter rate over the duration of the applicable charter period or series of charter periods, as applicable.
- 2) The start dates listed reflect scheduled start dates as of November 3, 2014. Actual start dates and redelivery dates may differ from the scheduled start and redelivery dates depending on the terms of the charter and market conditions.

The contracted employment of fleet ownership days as of November 3, 2014 was:

2014 (remaining) .....	73%
2014 (full year) .....	96%
2015 .....	23%
2016 .....	10%

## **Capital expenditure requirements and liquidity**

As of September 30, 2014, the Company had agreed to acquire 12 newbuild vessels, with 6 to be delivered in 2015; 5 to be delivered in 2016; and 1 to be delivered in 2017. The remaining capital expenditure requirements to shipyards or sellers for the delivery of these 12 newbuilds amounted to \$325.6 million, of which \$11.9 million was scheduled to be paid in the last three months of 2014, \$162.1 million in 2015, \$130.7 million in 2016 and \$20.9 million in 2017.

As of September 30, 2014, the Company had liquidity of \$523.0 million consisting of \$77.0 million in cash and short-term time deposits, \$2.7 million in long-term restricted cash, a \$50.0 million floating rate note which matured in October 2014, \$103.3 million available under existing revolving credit facilities and \$290.0 million under committed loan facilities for four existing and eleven newbuild vessels. Additionally, the Company had one unencumbered newbuild vessel on order against which additional financing could be raised upon its delivery.

## **Dividend Declaration**

The Board of Directors of the Company declared a cash dividend on the Company's common stock of \$0.04 per share payable on or about December 5, 2014 to shareholders of record at the close of trading of the Company's common stock on the New York Stock Exchange (the "NYSE") on November 21, 2014.

The Company has 83,450,266 shares of common stock issued and outstanding as of today's date.

The Board of Directors of the Company is continuing a policy of paying out a portion of the Company's free cash flow at a level it considers prudent in light of the current economic and financial environment. The declaration and payment of dividends, if any, will always be subject to the discretion of the Board of Directors of the Company. The timing and amount of any dividends declared will depend on, among other things: (i) the Company's earnings, financial condition and cash requirements and available sources of liquidity, (ii) decisions in relation to the Company's growth strategies, (iii) provisions of Marshall Islands and Liberian law governing the payment of dividends, (iv) restrictive covenants in the Company's existing and future debt instruments and (v) global financial conditions. Accordingly, dividends might be reduced or not be paid in the future.

## **Management Commentary**

Dr. Loukas Barmparis, President of the Company, said: "We have experienced substantially weak charter market conditions, which are creating aversion for newbuild orders; a part of equation for a sustainable market recovery. In this volatile environment our company maintains strong liquidity and lean operations resulting to a low break-even point, while our capital expenditure requirements are fully funded."

## Conference Call

On Thursday, November 6, 2014 at 9:00 A.M. ET, the Company's management team will host a conference call to discuss the financial results.

Participants should dial into the call 10 minutes before the scheduled time using the following numbers: 1 (866) 819-7111 (US Toll Free Dial In), 0(800) 953-0329 (UK Toll Free Dial In) or +44 (0)1452-542-301 (Standard International Dial In). **Please quote "Safe Bulkers"** to the operator.

A telephonic replay of the conference call will be available until November 13, 2014 by dialing 1 (866) 247-4222 (US Toll Free Dial In), 0(800) 953-1533 (UK Toll Free Dial In) or +44 (0)1452 550-000 (Standard International Dial In). Access Code: 1859591#

## Slides and Audio Webcast

There will also be a live, and then archived, webcast of the conference call, available through the Company's website ([www.safebulkers.com](http://www.safebulkers.com)). Participants in the live webcast should register on the website approximately 10 minutes prior to the start of the webcast.

## Management Discussion of Third Quarter 2014 Results

Net income decreased by 87% to \$1.5 million for the third quarter of 2014 from \$11.6 million for the third quarter of 2013, mainly due to the following factors:

*Net revenues:* Net revenues decreased by 13% to \$36.5 million for the third quarter of 2014, compared to \$41.9 million for the same period in 2013, mainly due to a decrease in charter rates. The Company operated 31.05 vessels on average during the third quarter of 2014, earning a TCE<sup>5</sup> rate of \$10,736, compared to 27.43 vessels and a TCE rate of \$15,264 during the same period in 2013.

*Voyage expenses:* Voyage expenses increased by 79% to \$6.1 million for the third quarter of 2014 compared to \$3.4 million for the same period in 2013, mainly due to an increase in the vessels' repositioning expenses.

*Vessel operating expenses:* Vessel operating expenses increased by 21% to \$13.0 million for the third quarter of 2014, compared to \$10.7 million for the same period in 2013. The increase in operating expenses is mainly attributable to an increase in ownership days by 13% to 2,857 days for the third quarter of 2014 from 2,524 days for the same period in 2013 and due to the drydocking of two vessels in the third quarter of 2014 compared to none for the same period in 2013.

*Depreciation:* Depreciation increased to \$10.9 million for the third quarter of 2014, compared to \$9.6 million for the same period in 2013, as a result of the increase in the average number of vessels operated by the Company during the third quarter of 2014.

*Interest expense:* Interest expense decreased to \$2.0 million, or by 5%, in the second quarter of 2014 from \$2.1 million for the same period in 2013, as a result of the decrease in the average outstanding amount of loans and credit facilities and in the weighted average interest rate of such loans and credit facilities.

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<sup>5</sup> Time charter equivalent rates, or TCE rates, represent the Company's charter revenues less commissions and voyage expenses during a period divided by the number of our available days during the period.

*Gain/(loss) on derivatives:* Gain on derivatives amounted to \$0.5 million in the third quarter of 2014, compared to a loss of \$1.5 million for the same period in 2013, as a result of the mark-to-market valuation of the Company's interest rate swap transactions that are employed to manage the risk and interest rate exposure of our loan and credit facilities. These swaps economically hedge the interest rate exposure of the Company's aggregate loans outstanding. The average remaining period of our swap contracts is 2.1 years as of September 30, 2014. The valuation of these interest rate swap transactions at the end of each quarter is affected by the prevailing interest rates at that time.

*Daily vessel operating expenses*<sup>6</sup>: Daily vessel operating expenses increased by 7% at \$4,542 for the third quarter of 2014 compared to \$4,249 for the same period in 2013, mainly due to the drydocking of two vessels in the third quarter of 2014 compared to none for the same period in 2013.

*Daily general and administrative expenses*<sup>6</sup>: Daily general and administrative expenses, which include daily fixed and variable management fees payable to our Manager and daily costs incurred in relation to our operation as a public company, increased by 10% to \$1,179 for the third quarter of 2014, compared to \$1,071 for the same period in 2013. The increase is mainly attributable to the increase of the daily flat management fee from \$700 per day to \$800 per day, effective from May 29, 2014.

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<sup>6</sup> See Table 2.

**Unaudited Interim Financial Information and Other Data**

**SAFE BULKERS, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)**  
(In thousands of U.S. Dollars except for share and per share data)

	Three-Months Period Ended September 30,		Nine-Months Period Ended September 30,	
	2013	2014	2013	2014
<b>REVENUES:</b>				
Revenues	43,103	37,890	130,704	119,307
Commissions	(1,223)	(1,374)	(3,155)	(4,270)
<b>Net revenues</b>	<b>41,880</b>	<b>36,516</b>	<b>127,549</b>	<b>115,037</b>
<b>EXPENSES:</b>				
Voyage expenses	(3,383)	(6,059)	(8,673)	(15,052)
Vessel operating expenses	(10,724)	(12,976)	(31,081)	(38,192)
Depreciation	(9,625)	(10,899)	(27,614)	(31,932)
General and administrative expenses	(2,703)	(3,368)	(8,263)	(9,859)
Early redelivery income/(cost)	-	-	7,050	(532)
Gain on asset purchase cancellation	-	-	-	3,633
<b>Operating income</b>	<b>15,445</b>	<b>3,214</b>	<b>58,968</b>	<b>23,103</b>
<b>OTHER (EXPENSE) / INCOME:</b>				
Interest expense	(2,104)	(2,016)	(6,976)	(6,409)
Other finance costs	(229)	(211)	(678)	(629)
Interest income	249	272	763	758
(Loss)/gain on derivatives	(1,454)	499	1,082	(1,045)
Foreign currency (loss)/gain	(29)	24	(2)	(73)
Amortization and write-off of deferred finance charges	(283)	(304)	(918)	(923)
<b>Net income</b>	<b>11,595</b>	<b>1,478</b>	<b>52,239</b>	<b>14,782</b>
Less Preferred dividend	818	3,550	969	5,840
Net income/(loss) available to common shareholders	<b>10,777</b>	<b>(2,072)</b>	<b>51,270</b>	<b>8,942</b>
<b>Earnings/(loss) per share</b>	<b>0.14</b>	<b>(0.02)</b>	<b>0.67</b>	<b>0.11</b>
<b>Weighted average number of shares</b>	<b>76,684,316</b>	<b>83,448,120</b>	<b>76,679,082</b>	<b>83,444,566</b>

**SAFE BULKERS, INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)**  
(In thousands of U.S. Dollars)

	<u>December 31, 2013</u>	<u>September 30, 2014</u>
<b><u>ASSETS</u></b>		
Cash, time deposits and restricted cash, short term	71,421	76,998
Other current assets	51,764	22,069
Short-term investment	50,000	50,000
Vessels, net	855,200	971,575
Advances for vessel acquisition and vessels under construction	76,299	62,454
Restricted cash non-current	1,423	2,663
Other non-current assets	6,109	7,070
<b>Total assets</b>	<b>1,112,216</b>	<b>1,192,829</b>
<b><u>LIABILITIES AND EQUITY</u></b>		
Current portion of long-term debt	35,185	27,205
Other current liabilities	22,119	15,100
Long-term debt, net of current portion	473,110	441,302
Other non-current liabilities	3,466	1,584
Shareholders' equity	578,336	707,638
<b>Total liabilities and equity</b>	<b>1,112,216</b>	<b>1,192,829</b>

**TABLE 1**  
**RECONCILIATION OF ADJUSTED NET INCOME, EBITDA, ADJUSTED EBITDA AND**  
**ADJUSTED EARNINGS/(LOSS) PER SHARE**

	Three-Months		Nine-Months	
	Period Ended September 30,			
	2013	2014	2013	2014
<i>(In thousands of U.S. Dollars except for share and per share data)</i>				
<b><u>Net Income - Adjusted Net Income</u></b>				
<b>Net Income</b>	<b>11,595</b>	<b>1,478</b>	<b>52,239</b>	<b>14,782</b>
Less Gain on asset purchase cancellation	-	-	-	(3,633)
Less Early redelivery (income)/cost	-	-	(7,050)	532
Plus Loss/(gain) on derivatives	1,454	(499)	(1,082)	1,045
Plus Foreign currency loss/(gain)	29	(24)	2	73
<b>Adjusted net income</b>	<b>13,078</b>	<b>955</b>	<b>44,109</b>	<b>12,799</b>
<b><u>EBITDA - Adjusted EBITDA</u></b>				
Net Income	11,595	1,478	52,239	14,782
Plus Net Interest Expense	1,855	1,744	6,213	5,651
Plus Depreciation	9,625	10,899	27,614	31,932
Plus Amortization	283	304	918	923
<b>EBITDA</b>	<b>23,358</b>	<b>14,425</b>	<b>86,984</b>	<b>53,288</b>
Less Gain on asset purchase cancellation	-	-	-	(3,633)
Less Early redelivery (income)/cost	-	-	(7,050)	532
Plus Loss/(gain) on derivatives	1,454	(499)	(1,082)	1,045
Plus Foreign currency loss/(gain)	29	(24)	2	73
<b>ADJUSTED EBITDA</b>	<b>24,841</b>	<b>13,902</b>	<b>78,854</b>	<b>51,305</b>
<b><u>EPS</u></b>				
Net Income	11,595	1,478	52,239	14,782
Less Preferred dividend	818	3,550	969	5,840
Net income/(loss) available to common shareholders	10,777	(2,072)	51,270	8,942
Weighted average number of shares	76,684,316	83,448,120	76,679,082	83,444,566
<b>Earnings/(loss) per share</b>	<b>0.14</b>	<b>(0.02)</b>	<b>0.67</b>	<b>0.11</b>
<b><u>Adjusted EPS</u></b>				
<b>Adjusted net income</b>	<b>13,078</b>	<b>955</b>	<b>44,109</b>	<b>12,799</b>
Less Preferred dividend	818	3,550	969	5,840
Adjusted net income/(loss) available to common shareholders	12,260	(2,595)	43,140	6,959
Weighted average number of shares	76,684,316	83,448,120	76,679,082	83,444,566
<b>Adjusted Earnings/(loss) per share</b>	<b>0.16</b>	<b>(0.03)</b>	<b>0.56</b>	<b>0.08</b>

EBITDA, Adjusted EBITDA, Adjusted Net Income, Adjusted Net Income/(loss) available to common shareholders and Adjusted Earnings/(loss) per share are not recognized measurements under US GAAP.

Adjusted Net Income represents net income before gain on asset purchase cancellation, early redelivery (income)/cost, gain/(loss) on derivatives and foreign currency, respectively.

Adjusted Net Income available to common shareholders represents Adjusted Net Income less Preferred dividend.

EBITDA represents net income before interest, income tax expense, depreciation and amortization. Adjusted EBITDA represents EBITDA before gain on asset purchase cancellation, early redelivery (income)/cost, gain/(loss) on derivatives and foreign currency, respectively. EBITDA and Adjusted EBITDA are not recognized measurements under US GAAP. EBITDA and Adjusted EBITDA assist the Company's management and investors by increasing the comparability of the Company's fundamental performance from period to period and against the fundamental performance of other companies in the Company's industry that provide EBITDA and Adjusted EBITDA information. The Company believes that EBITDA and Adjusted EBITDA are useful in evaluating the Company's operating performance compared to that of other companies in the Company's industry because the calculation of EBITDA generally eliminates the effects of financings, income taxes and the accounting effects of capital expenditures and acquisitions and the calculation of Adjusted EBITDA generally further eliminates the effects from gain/(loss) on asset purchase cancellation, early redelivery income/(cost) and gain/(loss) on derivatives and foreign currency, items which may vary for different companies for reasons unrelated to overall operating performance.

EBITDA, Adjusted EBITDA, Adjusted Net Income, Adjusted Net Income/(loss) available to common shareholders and Adjusted Earnings/(loss) per share have limitations as analytical tools, and should not be considered in isolation, or as a substitute for analysis of the Company's results as reported under US GAAP. EBITDA and Adjusted EBITDA should not be considered as substitutes for net income and other operations data prepared in accordance with US GAAP or as a measure of profitability. While EBITDA and Adjusted EBITDA are frequently used as measures of operating results and performance, they are not necessarily comparable to other similarly titled captions of other companies due to differences in methods of calculation.

**TABLE 2: FLEET DATA AND AVERAGE DAILY INDICATORS**

	Three-Months Period Ended September 30,		Nine-Months Period Ended September 30,	
	2013	2014	2013	2014
<b>FLEET DATA</b>				
Number of vessels at period's end	28	32	28	32
Average age of fleet (in years)	5.33	5.60	5.33	5.60
Ownership days (1)	2,524	2,857	7,137	8,365
Available days (2)	2,522	2,837	7,089	8,289
Operating days (3)	2,507	2,831	7,065	8,262
Fleet utilization (4)	99.3%	99.1%	99.0%	98.8%
Average number of vessels in the period (5)	27.43	31.05	26.14	30.64
<b>AVERAGE DAILY RESULTS</b>				
Time charter equivalent rate (6)	\$15,264	\$10,736	\$16,769	\$12,062
Daily vessel operating expenses (7)	\$4,249	\$4,542	\$4,355	\$4,566
Daily general and administrative expenses (8)	\$1,071	\$1,179	\$1,158	\$1,179

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- (1) Ownership days represent the aggregate number of days in a period during which each vessel in our fleet has been owned by us.
  - (2) Available days represent the total number of days in a period during which each vessel in our fleet was in our possession net of off-hire days associated with scheduled maintenance, which includes major repairs, drydockings, vessel upgrades or special or intermediate surveys.
  - (3) Operating days represent the number of our available days in a period less the aggregate number of days that our vessels are off-hire due to any reason, excluding scheduled maintenance.
  - (4) Fleet utilization is calculated by dividing the number of our operating days during a period by the number of our ownership days during that period.
  - (5) Average number of vessels in the period is calculated by dividing ownership days in the period by the number of days in that period.
  - (6) Time charter equivalent rates, or TCE rates, represent our charter revenues less commissions and voyage expenses during a period divided by the number of our available days during the period.
  - (7) Daily vessel operating expenses include the costs for crewing, insurance, lubricants, spare parts, provisions, stores, repairs, maintenance, statutory and classification expense, drydocking, intermediate and special surveys and other miscellaneous items. Daily vessel operating expenses are calculated by dividing vessel operating expenses by ownership days for the relevant period.
  - (8) Daily general and administrative expenses include daily fixed and variable management fees payable to our Manager and daily costs in relation to our operation as a public company. Daily general and administrative expenses are calculated by dividing general and administrative expenses by ownership days for the relevant period.

**About Safe Bulkers, Inc.**

The Company is an international provider of marine drybulk transportation services, transporting bulk cargoes, particularly coal, grain and iron ore, along worldwide shipping routes for some of the world's largest users of marine drybulk transportation services. The Company's common stock, series B, series C and series D preferred stock are listed on the NYSE, where they trade under the symbols "SB", "SB.PR.B", "SB.PR.C", and "SB.PR.D" respectively. The Company's current fleet consists of 32 drybulk vessels, all built 2003 onwards, and the Company has agreed to acquire 12 additional drybulk newbuild vessels to be delivered at various dates through 2017.

**Forward-Looking Statements**

This press release contains forward-looking statements (as defined in Section 27A of the Securities Exchange Act of 1933, as amended, and in Section 21E of the Securities Act of 1934, as amended) concerning future events, the Company's growth strategy and measures to implement such strategy, including expected vessel acquisitions and entering into further time charters. Words such as "expects," "intends," "plans," "believes," "anticipates," "hopes," "estimates" and variations of such words and similar expressions are intended to identify forward-looking statements. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. These statements involve known and unknown risks and are based upon a number of assumptions and estimates that are inherently subject to significant uncertainties and contingencies, many of which are beyond the control of the Company. Actual results may differ materially from those expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to, changes in the demand for drybulk vessels, competitive factors in the market in which the Company operates, risks associated with operations outside the United States and other factors listed from time to time in the Company's filings with the Securities and Exchange Commission. The Company expressly disclaims any obligations or undertaking to release any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company's expectations with respect thereto or any change in events, conditions or circumstances on which any statement is based.

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