



# Earnings Presentation

Quarter Ended December 31, 2017

March 5, 2018

# Forward-Looking Statements

*Statements in this presentation may be "forward-looking statements" within the meaning of federal securities laws. The matters discussed herein that are forward-looking statements are based on current management expectations that involve risks and uncertainties that may result in such expectations not being realized. Actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements due to numerous potential risks and uncertainties including, but not limited to, the need to manage our growth and integrate additional capital, acquire additional vessels, volatility in the dry-bulk shipping business and vessel charter rates, our ability to obtain sufficient capital, the volatility of our stock price, and other risks and factors. Forward-looking statements made during this presentation speak only as of the date on which they are made, and Euroseas does not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date of this presentation.*

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*This presentation also contains historical data about the dry bulk and containerized trade, dry bulk and containership fleet and dry bulk and containership rates. These figures have been compiled by the Company based on available data from a variety of sources like broker reports and various industry publications or represent Company's own estimates. The Company exercised reasonable care and judgment in preparing these estimates, however, the estimates provided herein may not match information from other sources.*

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# 2017 Fourth Quarter & Twelve Months Overview

- Financial Highlights - 2017:**

|                                                                        | <b>Fourth Quarter</b> |                              | <b>Twelve Months</b> |                                |
|------------------------------------------------------------------------|-----------------------|------------------------------|----------------------|--------------------------------|
| Net Revenues                                                           | \$13.5 m              |                              | \$42.9 m             |                                |
| Net (Loss)/Income                                                      | \$2.0 m               |                              | (\$6.1) m            |                                |
| Preferred Dividends                                                    | (\$0.5) m             |                              | (\$1.8) m            |                                |
| Adj. Net (Loss)/Income Available to Common Shareholders <sup>(1)</sup> | \$1.1 m               | \$0.10/ share <sup>(2)</sup> | (\$4.2) m            | (\$0.38)/ share <sup>(2)</sup> |
| Adj. EBITDA <sup>(1)</sup>                                             | \$4.4 m               |                              | \$9.3 m              |                                |

(1) See press release of 03/05/2018 for reconciliation of Adj. Net (Loss)/Income Available to Common Shareholders to Net (Loss)/Income and Adjusted EBITDA to Net Loss and Cash Flow from Operations.

(2) Basic and diluted



## Operational Highlights

### ➤ Vessel S&P

- Monica P: Vessel held for sale, currently being inspected by prospective buyers
- Aggeliki P: Sold for scrap for \$4.6m gross leaving a profit of about \$0.3m over book value (the vessel was written down in Q3)
- Akinada Bridge: Delivered on 22/12/17 (the last of 4 vessels bought from Euromar/DvB)

### ➤ Kamsarmax2 Newbuilding

- The construction of this vessel, sister-ship to our M/V Xenia, is proceeding as planned
- 10% third installment in Q1 2018, and final installment of 70% at delivery of the vessel expected now by May 2018

### ➤ Repairs/DD

- Aegean Express in DD with a total cost about \$550K.

### ➤ Idle Time

- Akinada Bridge was idle for about 11 days.
- EM Athens was idle for about 4 days due to change of charterer.
- Aggeliki P had to undertake her final trip the scrap yard of about 26 days
- Commercial off-hire days: about 41.

# Current Fleet

## DRYBULK CARRIERS

| Name                                     | Type      | DWT     | Year Built |
|------------------------------------------|-----------|---------|------------|
| <u>Vessels in the water</u>              |           |         |            |
| Xenia                                    | Kamsarmax | 82,000  | 2016       |
| Alexandros P                             | Ultramax  | 63,500  | 2017       |
| Eirini P                                 | Panamax   | 76,000  | 2004       |
| Pantelis                                 | Panamax   | 74,020  | 2000       |
| Tasos                                    | Panamax   | 75,100  | 2000       |
| Sub Total-Drybulk 5 vessels 370,620 10.6 |           |         |            |
| <u>Vessels contracted</u>                |           |         |            |
| Ekaterini                                | Kamsarmax | 82,000  | 2018       |
| Sub Total- Drybulk 6 vessels 452,620 8.8 |           |         |            |
| <u>Vessels held for sale</u>             |           |         |            |
| Monica P                                 | Handymax  | 46,667  | 1998       |
| Total- Drybulk                           | 7 vessels | 499,287 | 10.4       |

## CONTAINERSHIPS

| Name                                                     | Type         | DWT     | Size TEU | Year Built |
|----------------------------------------------------------|--------------|---------|----------|------------|
| <u>Vessels in the water</u>                              |              |         |          |            |
| Akinada Bridge                                           | Intermediate | 71,366  | 5,610    | 2001       |
| EM Astoria                                               | Feeder       | 35,600  | 2,788    | 2004       |
| EM Corfu                                                 | Feeder       | 34,654  | 2,556    | 2001       |
| Evridiki G                                               | Feeder       | 34,677  | 2,556    | 2001       |
| EM Athens                                                | Feeder       | 32,350  | 2,506    | 2000       |
| EM Oinousses                                             | Feeder       | 32,350  | 2,506    | 2000       |
| Joanna                                                   | Feeder       | 22,301  | 1,732    | 1999       |
| Manolis P                                                | Feeder       | 20,346  | 1,452    | 1995       |
| Aegean Express                                           | Feeder       | 18,581  | 1,439    | 1997       |
| Kuo Hsiung                                               | Feeder       | 18,154  | 1,169    | 1993       |
| Ninos                                                    | Feeder       | 18,253  | 1,169    | 1990       |
| Sub Total- Containerships 11 vessels 338,632 25,483 19.7 |              |         |          |            |
| Grand Total                                              | 18 vessels   | 837,919 | 25,483   | 16.1       |



## Chartering Highlights

### ***Since our Q3 earnings call:***

#### ➤ Bulkers

- Monica P: fixed for about 20 days at \$8,400/day and then fixed for about 25 days at \$6,500/day
- Tasos: fixed for about 2 months at a rate of about \$9,750/day (voyage) and then fixed for about 20 days at \$8,500/day
- Pantelis: fixed for about 25 days at \$10,500/day and then fixed for about 50 days at \$9,650/day

#### ➤ Containerships

- EM Astoria: extended for 5 - 7 months at \$8,000/day
- EM Athens: fixed for 3 - 5 months at \$7,000/day
- EM Oinousses: fixed for 10 - 13 months at \$8,500/day
- Manolis P: fixed for 6 months at \$7,000/day
- Aegean Express: fixed for about 4 - 6 months at \$8,250/day
- Ninos: extended for about 4 - 6 months at \$8,950/day
- Kuo Hsiung: extended for about 4 - 6 months at \$8,950/day
- Akinada Bridge: fixed for 2 - 4 months at about \$11,250/day
- Evridiki G: extended for 10 - 12 months at \$9,950/day
- EM Corfu: extended for 10 - 12 months at \$9,950/day



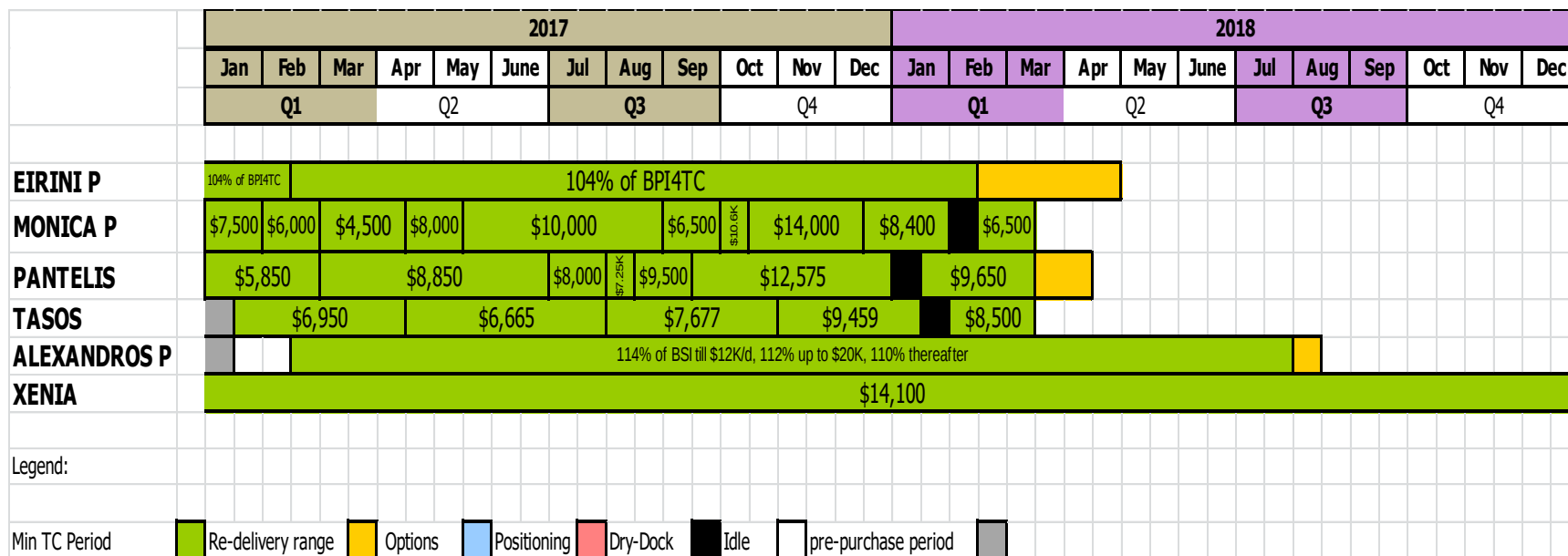
**Chartering, Operations & Investment Strategy**



# Employment Chart – Bulkers

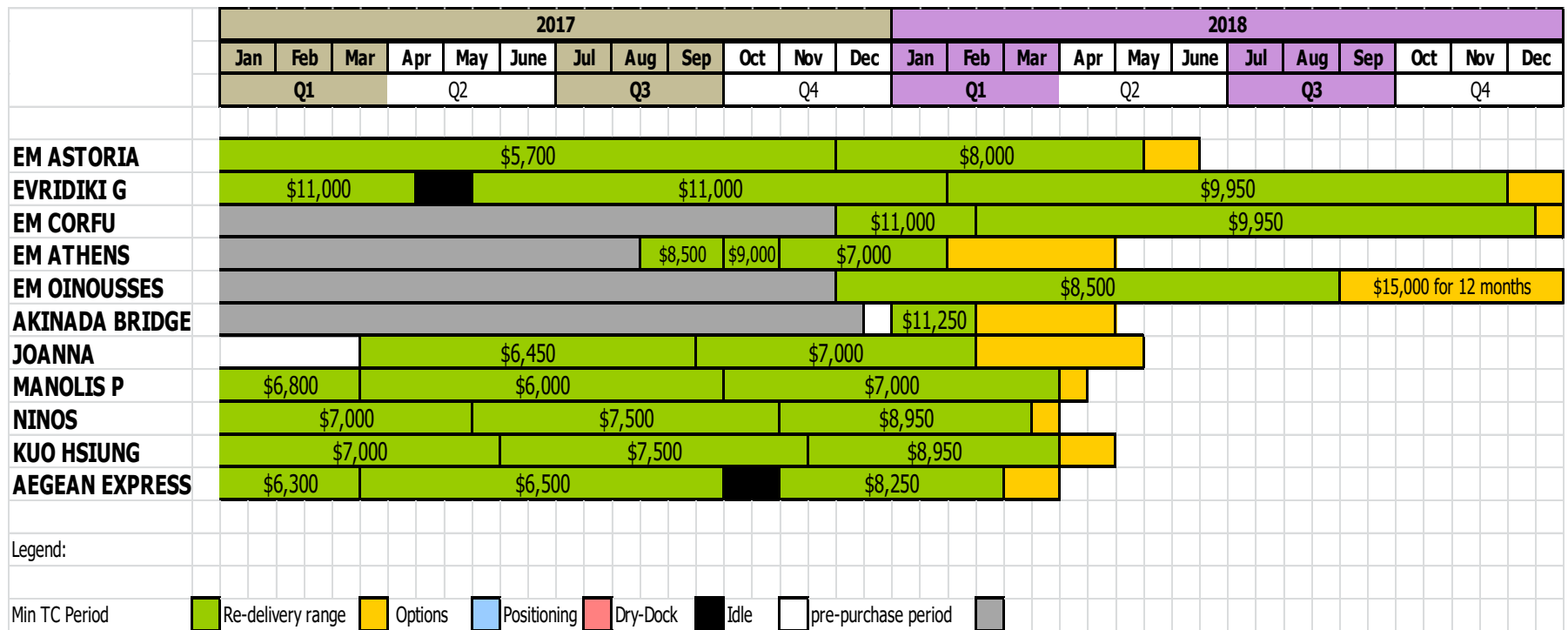
Coverage (as of February 28, 2018): about 22% in 2018 basis min durations

(includes ships on index charters and the KMAX 2 as of June 1st 2018)



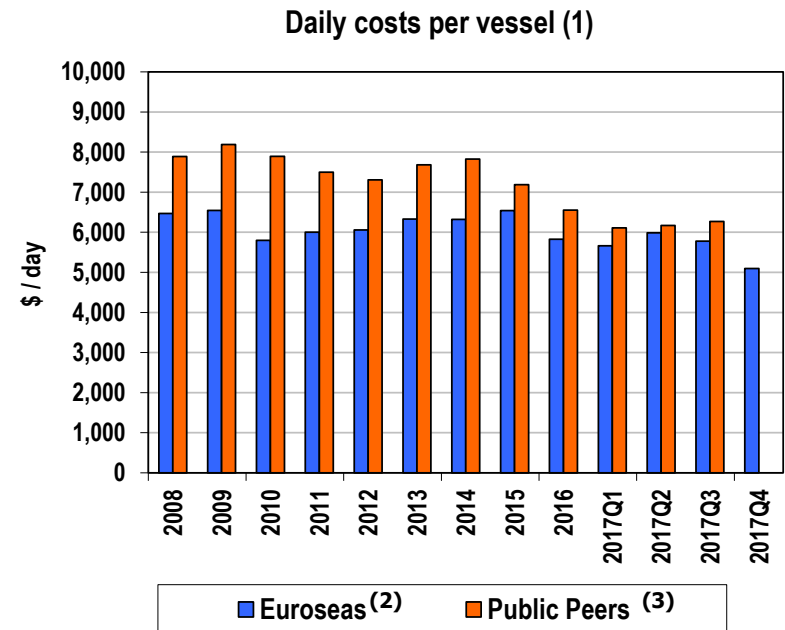
# Employment Chart – Containerships

Coverage (as of February 28, 2018) about 50% in 2018 basis max durations  
(since market is above current charters)



# ESEA Fleet Management & Operational Performance

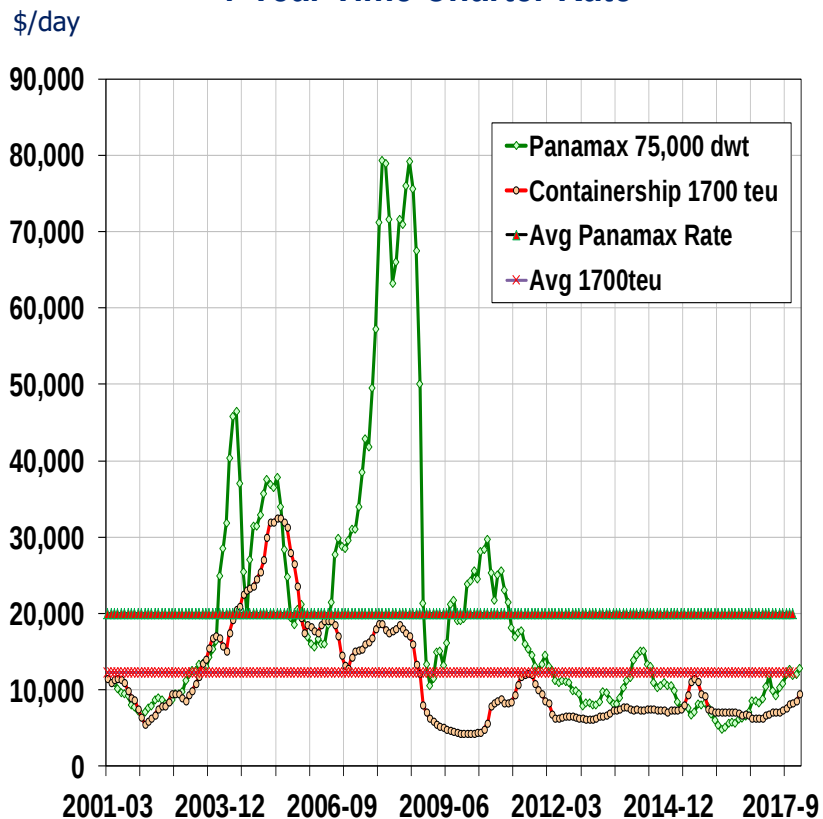
- Fleet utilization rate in excess of 99.4% over last 5 years
  - Outstanding safety and environmental record
  - For 2017Q4, operational fleet utilization 99.2% and commercial 97.2%
  - For 2016Q4, operational fleet utilization 99.8% and commercial 96.2%
- Overall costs achieved are amongst the lowest of the public shipping companies



- (1) Includes running cost, management fees and G&A expenses (not drydocking expenses)
- (2) 2009 figure was increased by abt \$600/day to account for the lower cost of the 3 laid-up vessels; 2010 figure was increased by abt \$300/day to account for the lower cost of the laid-up vessels (2 in 2010H1 and 1 in 2010Q3);
- (3) Peer group currently includes DCIX, DSX, SSW, CMRE, SBLK, DAC & SB based on company filings.

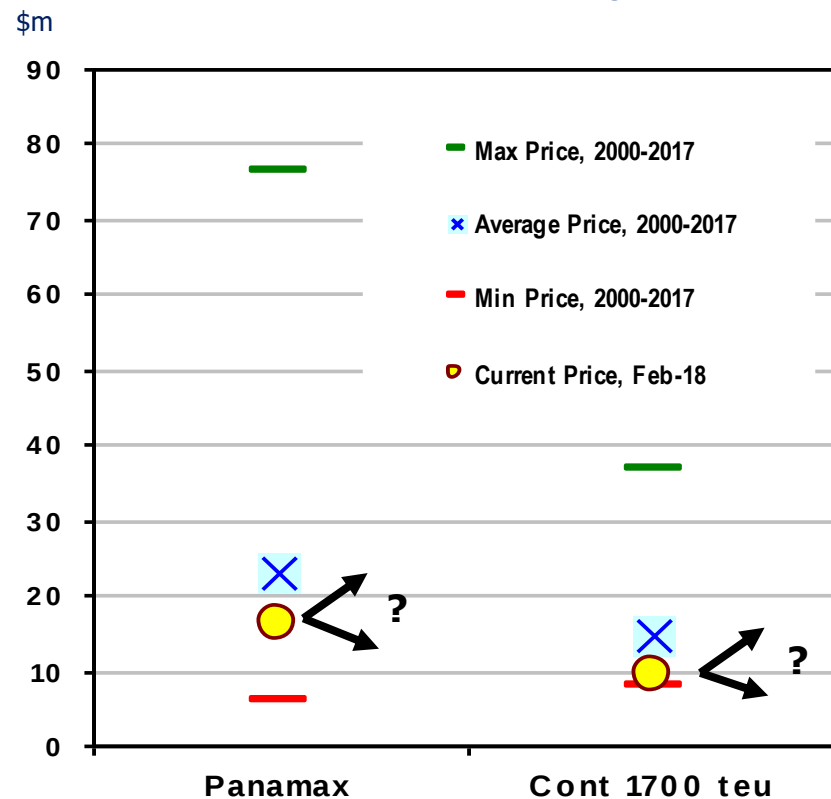
# Market Snapshot – Investment Opportunities

## 1-Year Time Charter Rate



Source: Clarksons

## 10-Year Historical Price Range





## Market Overview



## Market Highlights

### **Bulkers:**

- The BDI was at 1356 points on Sep-29 and ended up at 1366 on December 22; averaged 1509 points during Q4 2017 with a peak of 1743 on Dec-12 and a bottom of 1308 points on Oct-3. Currently it stands at 1,196 points (Mar-01, 2018)
- Daily Cape spot rates averaged \$23,708/day in Q4, Panamax spot rates averaged \$12,069/day and Supramax-58 spot rates \$12,841/day. They closed the quarter at \$21,600, \$11,013 and \$12,563/day, respectively, while, currently, they stand at \$12,395 for Cape 180kdwt, \$12,074 for Panamax 74kdwt, \$11,265 for Supramaxes-Tess 58 (Mar-01, 2018)
- One-year TC rates increased across all sizes:
  - Capes from \$15,058/day (Q3-17 average) to \$17,062 (Q4-17 average)
  - Panamaxes from \$11,079/day (Q3-17 average) to \$12,148 (Q4-17 average)
  - Supramaxes from \$10,231/day (Q3-17 average) to \$10,885 (Q4-17 average) (tess-58 Index)
  - As of Mar 01, 2018, TC rates stood at about \$19,500/day for Capes, \$13,750/day for Panamaxes and \$12,500/day for Supramaxes (tess-58 Index)
- Secondhand 5-yr old vessel prices rose in Q4 by 5-10% on average
- As resale NB vessel candidates have disappeared, a number of N/B orders have emerged with 2019 and 2020 delivery. NB prices (China) are in the region of \$25/24m for Kamsarmax and Ultramax!
- The Drybulk fleet grew by about 3% in 2017



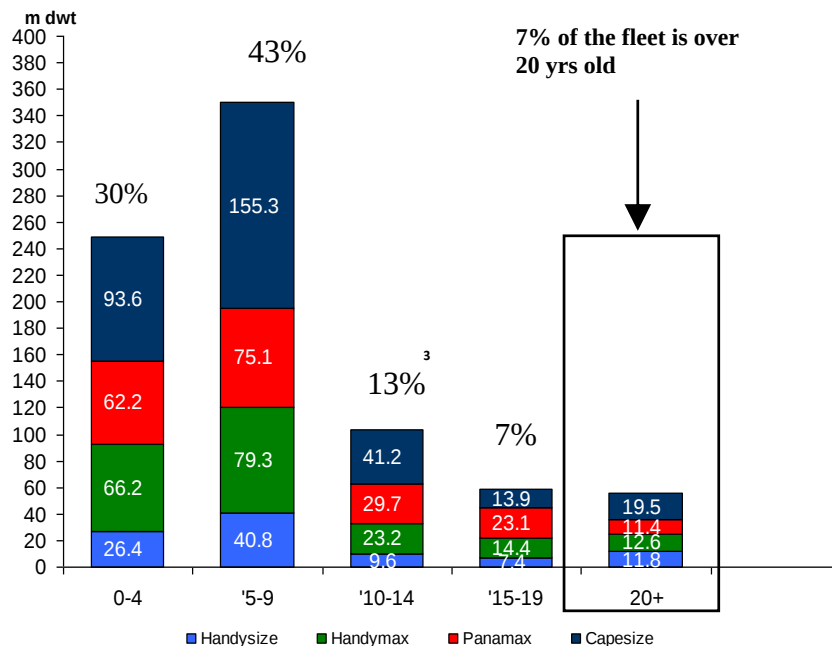
## Market Highlights

### Containerships:

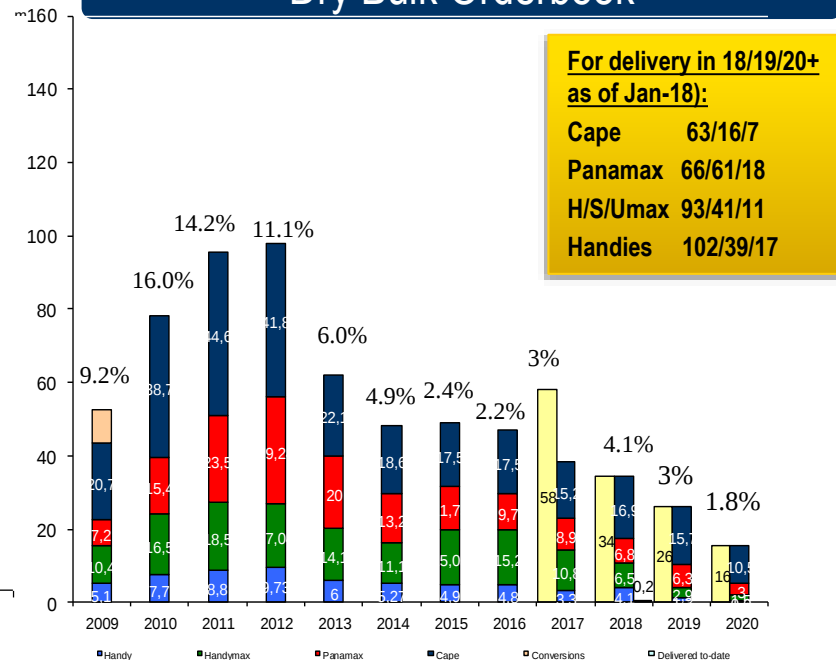
- Time charter rates in Q4 for feeder and intermediate size vessels ranging from 1000-5000 teus have all averaged about the same as in Q3
  - The 1,700 teus geared vessel rose from an average of \$7,317 in Q3 to \$8,300 in Q4
  - The 2,500 teus geared vessel moved sideways from an average of \$8,733 in Q3 to \$8,750 in Q4
- Average Secondhand prices for older than 15-yr old vessels remained closed to scrap values in Q4 2017, however, for younger vessels of about 10yrs old the prices remained stable.
- Newbuilding prices were stable, with rising trends. Furthermore, in early January-2018, Evergreen placed an order for 20x11,000 teus vessels also for 2019/20 delivery..
- Idle fleet: Circa 350K teus
- Scrapping continued to be slow in Q4 (abt 70k teus were scrapped in Q4) amidst very firm scrap prices but in anticipation of a better market, owners avoided scrapping their vessels.
- The fleet grew by 3,6% in 2017 (without accounting for idle vessels reactivation)

# Drybulk Age Profile & Orderbook Delivery Schedule

## Dry Bulk Age Profile



## Dry Bulk Orderbook



## Large bulkers are still young

Source: Clarksons, as of December 2017, Age Profile; January 2018, Orderbook

### Notes:

#### 1) Scrapping & Slippage

-Scrapping, mdtwt & as % of fleet  
-Slippage & cancellations, mdtwt  
& as % of scheduled deliveries

|                                                                 | 2009      | 2010      | 2011       | 2012       | 2013       | 2014       | 2015       | 2016       | 2017       |
|-----------------------------------------------------------------|-----------|-----------|------------|------------|------------|------------|------------|------------|------------|
| -Scrapping, mdtwt & as % of fleet                               | 10m -3%   | 5.7m-1.2% | 22.2m-4.2% | 32.9m-5.3% | 21.6m-3.2% | 15.9m-2.2% | 30.5m-4.0% | 29.1m-3.7% | 14.5m-1.8% |
| -Slippage & cancellations, mdtwt & as % of scheduled deliveries | 28.5m-40% | 47m-37%   | 43m-29%    | 40m-30%    | 39m-39%    | 27m-36%    | 36m-43%    | 46m-49%    | 25m-35%    |

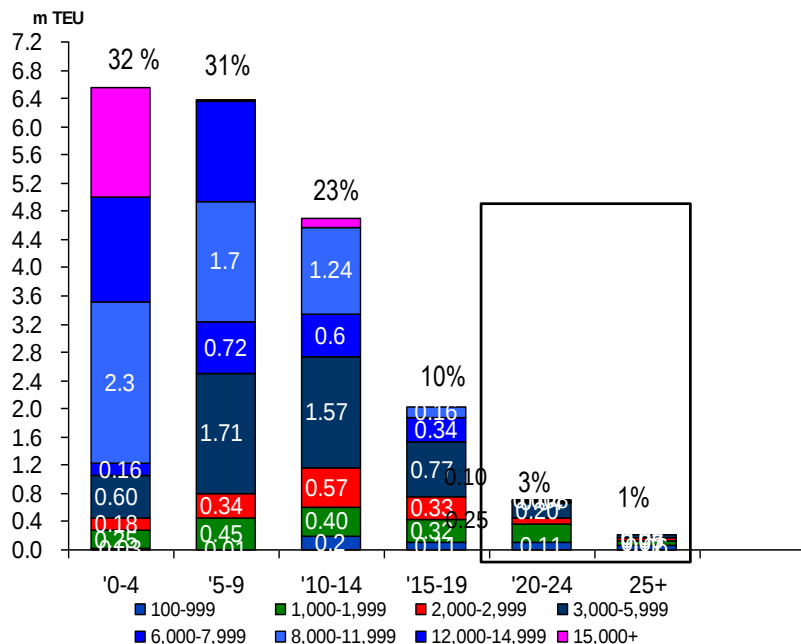
#### 2) Fleet percent change during 2009-2017 includes scrapping and other additions and removals.

In 2018/19/20 deliveries are given as percent of fleet of previous year calculated without accounting for scrapping, other removals or conversions.

## Large Vessels Dominate Orderbook

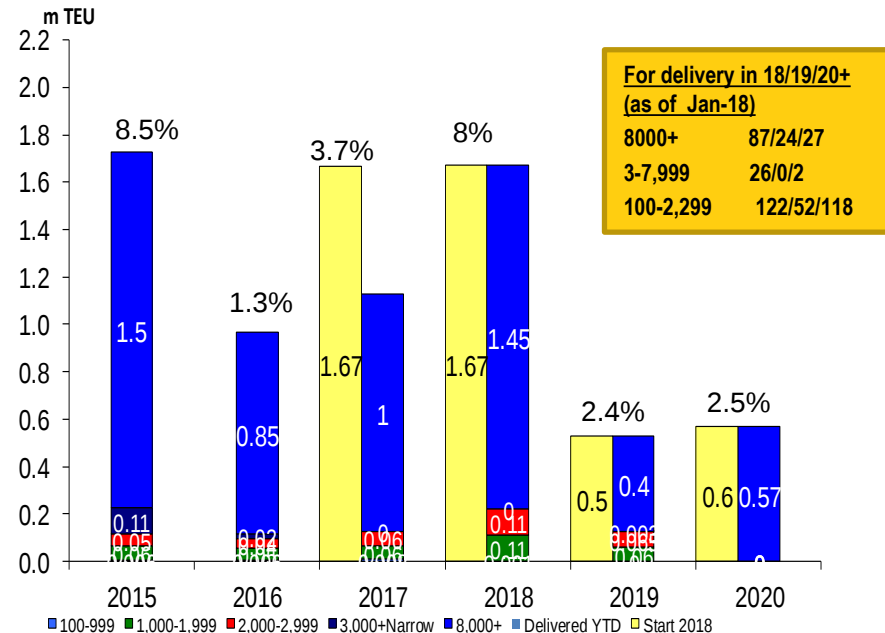
# Containership Age Profile & Orderbook Delivery Schedule

## Containership Age Profile



## Overall A Young Fleet

## Container Orderbook



## Large Vessels Dominate Orderbook

### Notes:

#### 1) Scrapping & Slippage

-Scrapping, mteu & as % of fleet

-Slippage & cancellations, mteu

& as % of scheduled deliveries

#### 2) Fleet percent change in 2015/17 includes scrapping and other additions and removals.

In 2018/19/20 deliveries are given as percent of fleet of previous year calculated without accounting for scrapping, other removals or conversions.

Source: Clarksons, as of January 2018

# World GDP & Shipping Demand Growth

*Synchronized world economic recovery for the first time since 2010 with US growth continuing strong (3%) in Q3 despite hurricanes. Strengthening growth in the Eurozone, strong growth in China and solid growth in most parts of the world are to result in healthy growth for 2017 and 2018.*

| <b>Real GDP (% p.a. - IMF)</b> | <b>2012</b>      | <b>2013</b>     | <b>2014</b>      | <b>2015</b>     | <b>2016</b>      | <b>2017</b>     | <b>2018</b>     | <b>2019</b>     |
|--------------------------------|------------------|-----------------|------------------|-----------------|------------------|-----------------|-----------------|-----------------|
| USA                            | 2.8(1.8)         | 1.9 (1.2)       | 2.4 (2.8)        | 2.6(3.6)        | 1.5(2.6)         | 2.3(2.2)        | 2.7(2.3)        | 2.5(1.9)        |
| Eurozone                       | -0.7 (-0.5)      | -0.5 (-0.4)     | 0.9 (1.0)        | 2.0(1.2)        | 1.8(1.7)         | 2.4(2.1)        | 2.2(1.9)        | 2.0(1.7)        |
| Japan                          | 1.4(1.7)         | 1.5 (2.0)       | -0.1 (1.7)       | 0.5(0.6)        | 1.0(1.0)         | 1.8(1.5)        | 1.2(0.7)        | 0.9(0.8)        |
| China                          | 7.7 (8.2)        | 7.7 (7.6)       | 7.4 (7.5)        | 6.9 (6.8)       | 6.7(6.3)         | 6.8(6.8)        | 6.6(6.5)        | 6.4(6.3)        |
| India                          | 3.2 (7.0)        | 4.4 (3.8)       | 7.2 (5.4)        | 7.6 (6.3)       | 7.1(7.5)         | 6.7(6.7)        | 7.4(7.4)        | 7.8(7.8)        |
| Russia                         | 3.4 (3.0)        | 1.3 (1.5)       | 0.6 (2.0)        | -3.7 (-3.0)     | -0.2 (-1.0)      | 1.8(1.8)        | 1.7(1.6)        | 1.5(1.5)        |
| Brazil                         | 1.0 (3.0)        | 2.3 (2.5)       | 0.1 (2.3)        | -3.8 (0.3)      | -3.6(-3.5)       | 1.1(0.7)        | 1.9(1.9)        | 2.1(2.0)        |
| ASEAN-5                        | 6.2 (4.8)        | 5.2 (5.0)       | 4.6 (5.1)        | 4.8 (5.2)       | 4.9 (4.8)        | 5.3(5.2)        | 5.3(5.2)        | 5.3(5.3)        |
| <b>World</b>                   | <b>3.1 (3.3)</b> | <b>3.4(3.5)</b> | <b>3.4 (3.7)</b> | <b>3.4(3.6)</b> | <b>3.2 (3.4)</b> | <b>3.7(3.6)</b> | <b>3.9(3.7)</b> | <b>3.9(3.7)</b> |

## Dry Bulk Trade (% p.a.)

|      |           |          |           |           |           |          |          |          |
|------|-----------|----------|-----------|-----------|-----------|----------|----------|----------|
| Tons | 6.0 (4.0) | 6.0(5.0) | 5.0 (5.0) | 0.0 (4.0) | 1.3 (0.8) | 4.2(3.8) | 2.8(3.0) | 2.0(2.0) |
|------|-----------|----------|-----------|-----------|-----------|----------|----------|----------|

## Containerized Trade (% p.a.)

|     |           |           |           |          |         |          |          |          |
|-----|-----------|-----------|-----------|----------|---------|----------|----------|----------|
| TEU | 3.1 (7.0) | 5.1 (4.8) | 5.4 (6.1) | 2.2(6.7) | 4.14.0) | 5.0(5.2) | 5.0(5.3) | 4.0(4.0) |
|-----|-----------|-----------|-----------|----------|---------|----------|----------|----------|

Sources:

GDP - International Monetary Fund: 2012-2016, (start of year estimates in parentheses), 2017/18/19 IMF Forecasts (Oct-17), (previous estimates 2017/18 from Jul-17 in parentheses), 2019 previous estimate (Apr-17)

Trade – Drybulk: 2012-2016: Figures in parenthesis indicate beginning of Year estimates from Clarkson  
2017/18– Clarksons (Dec-17), 2019 - Company estimates, previous estimates figures in parentheses (Oct-17); previous estimate for 2018 was based on company estimates / current projection from Clarkson

Containers: 2012-2016: Figures in parentheses indicate beginning of year estimates from Clarkson  
2017/18 Clarkson (Dec-2017), previous estimates figures in parentheses (Sep-17); 2019 - Company estimates (Jan-18), previous estimates figures in parentheses (Oct-17)



## Outlook Summary – Bulkers

- Market in 2017 was characterized by robust demand and a depleting orderbook
  - 1-Yr TC Earnings averaged 70% higher than 2016 still well below historical average levels
- For 2018 and 2019, we expect further improvements in the demand/supply balance and barring any significant slow-down in Chinese iron ore and coal imports we should see a stronger market
  - China remains the main source of drybulk trade
    - Iron ore imports, the largest contributor of dry bulk trade growth, have been strong amidst very firm steel demand and rising imports attributed mostly to local mines closures but also very good end-demand
    - Similar trends are witnessed in coal imports as local coal mines are being shut down due to inefficiencies and pollution concerns. However, the reversal of this trend could negatively affected the very positive outlook



## Outlook Summary – Containerships

- Demand growth in 2017 came at about 5%. This has led to a rapid depletion of the idle fleet and a robust market recovery
  - At year end, 6-12 month TC Earnings were up 35% compared to the end of 2016 still well below historical average levels...
  - ...while the idle fleet was down to 2% one of the lowest levels seen in the last 10 years
- We expect the supply/demand balance to be positive in 2018 which would enable rates to rise closer to their historical numbers
  - The fundamentals for the sub 5,000 teus vessels look even better as fleet growth is expected to be marginal or even negative in some cases whilst intra regional trade especially in Asia where these vessels are mostly used are robust!
- The order book for 2019 is very low suggesting that 2019 can be a very good year if demand holds up but we have to be cautious pending new orders



## Financial Overview



# Financial Highlights: 4th Quarter and Twelve Months of 2016 and 2017

| (in million USD except per share amounts)                              | Fourth Quarter |         |          | Twelve Months |          |          |
|------------------------------------------------------------------------|----------------|---------|----------|---------------|----------|----------|
|                                                                        | 2016           | 2017    | change % | 2016          | 2017     | change % |
| Net Revenues                                                           | \$7.3          | \$13.5  | 85%      | \$28.4        | \$42.9   | 51%      |
| Net (Loss)/Income                                                      | (\$17.6)       | \$2.0   |          | (\$44.2)      | (\$6.1)  |          |
| Preferred Dividends                                                    | (\$0.4)        | (\$0.5) |          | (\$1.7)       | (\$1.8)  |          |
| Net (Loss)/Income available to Common Shareholders                     | (\$18.1)       | \$1.5   |          | (\$45.9)      | (\$7.9)  |          |
| Loss on Termination of NB Contract                                     | \$3.8          | \$0.0   |          | \$7.1         | \$0.0    |          |
| Impairment of Other Investment and Investment in JV                    | \$4.5          | \$0.0   |          | \$18.5        | \$0.0    |          |
| Loss on write-down of vessels held for sale                            | \$5.9          | \$0.0   |          | \$5.9         | \$4.6    |          |
| Gain on Sale of Vessel                                                 | \$0.0          | (\$0.3) |          | (\$0.0)       | (\$0.8)  |          |
| (Loss)/Gain on derivatives                                             | (\$0.1)        | (\$0.1) |          | \$0.1         | (\$0.1)  |          |
| Adj. Net (Loss)/Income available to Common Shareholders                | (\$3.9)        | \$1.1   |          | (\$14.4)      | (\$4.2)  |          |
| Adjusted EBITDA <sup>(1)</sup>                                         | (\$0.6)        | \$4.4   |          | (\$1.3)       | \$9.3    |          |
| Adjusted net (loss)/income per share, basic and diluted <sup>(2)</sup> | (\$0.47)       | \$0.10  | 121%     | (\$1.76)      | (\$0.38) | 78%      |

(1) See press release of 03/05/2018 for Adjusted EBITDA reconciliation to Net (Loss)/Income and Cash Flow from Operations.

(2) Available to Common Shareholders; calculated on 8,165,703 for 2016 and on 11,113,718 and 11,067,524 for the fourth quarter and twelve months of 2017.

# Fleet Data for 4<sup>th</sup> Quarter and Full Year of 2016 and 2017

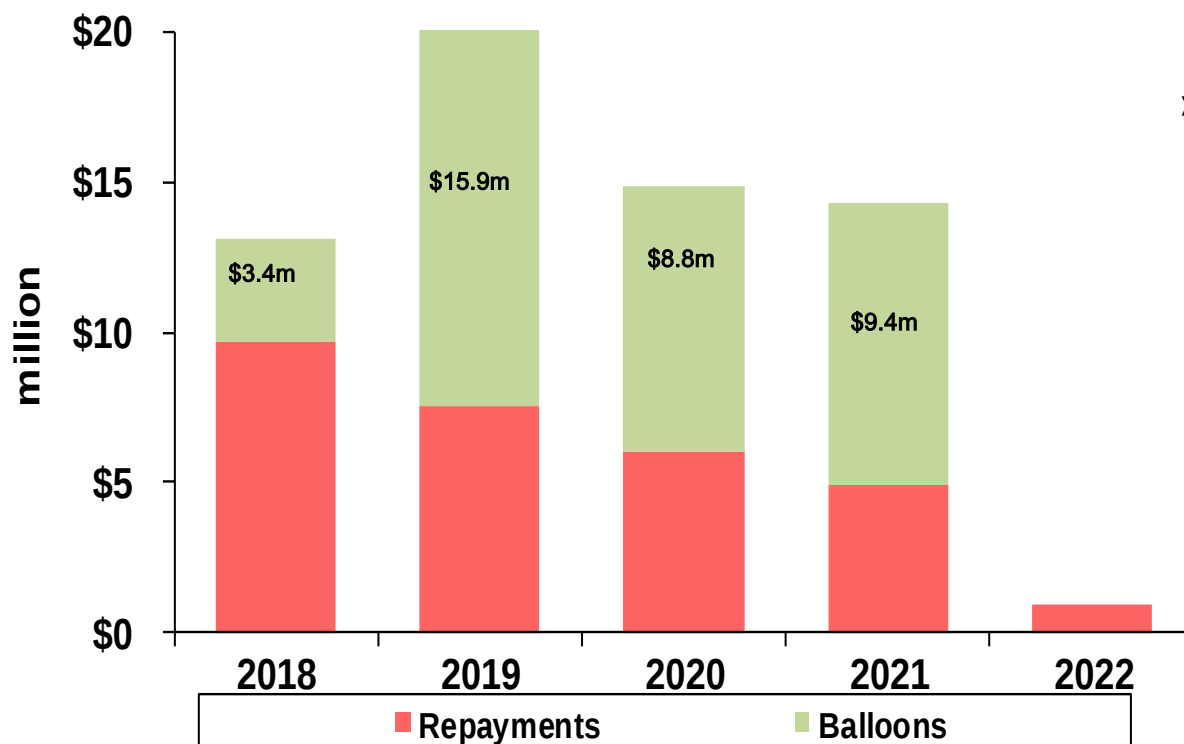
| <b><u>Fleet Statistics</u></b>                     | <b>Fourth Quarter</b> |                    | <b>Twelve Months</b> |                    |
|----------------------------------------------------|-----------------------|--------------------|----------------------|--------------------|
|                                                    | <b>2016</b>           | <b>2017</b>        | <b>2016</b>          | <b>2017</b>        |
|                                                    | <b>(unaudited)</b>    | <b>(unaudited)</b> | <b>(unaudited)</b>   | <b>(unaudited)</b> |
| <b>Number of vessels</b>                           | <b>12.1</b>           | <b>16.2</b>        | <b>11.5</b>          | <b>14.2</b>        |
| <b>Utilization Rate (%)</b>                        |                       |                    |                      |                    |
| <b>Overall<sup>(1)</sup></b>                       | <b>96.0%</b>          | <b>96.4%</b>       | <b>96.4%</b>         | <b>97.6%</b>       |
| <b>Commercial<sup>(1)</sup></b>                    | <b>96.2%</b>          | <b>97.2%</b>       | <b>96.7%</b>         | <b>98.4%</b>       |
| <b>Operational<sup>(1)</sup></b>                   | <b>99.8%</b>          | <b>99.2%</b>       | <b>99.8%</b>         | <b>99.2%</b>       |
| <b>Averages in usd/day/vessel</b>                  |                       |                    |                      |                    |
| <b>Time Charter Equivalent (TCE)<sup>(2)</sup></b> | <b>\$ 7,609</b>       | <b>\$ 9,083</b>    | <b>\$ 7,259</b>      | <b>\$ 8,290</b>    |
| <b>Operating Expenses</b>                          |                       |                    |                      |                    |
| Vessel Oper. Exp. excl. laid-up                    | 4,826                 | 4,765              | 5,060                | 5,003              |
| G&A Expenses                                       | 699                   | 508                | 823                  | 659                |
| <b>Total Operating Expenses</b>                    | <b>5,525</b>          | <b>5,273</b>       | <b>5,883</b>         | <b>5,662</b>       |
| <b>Interest Expense</b>                            | <b>619</b>            | <b>621</b>         | <b>603</b>           | <b>647</b>         |
| <b>Drydocking Expense</b>                          | <b>431</b>            | <b>303</b>         | <b>523</b>           | <b>135</b>         |
| <b>Loan Repayments without Balloons</b>            | <b>2,183</b>          | <b>482</b>         | <b>1,457</b>         | <b>985</b>         |
| <b>Total Cash Breakeven w/o Balloons</b>           | <b>8,758</b>          | <b>6,679</b>       | <b>8,466</b>         | <b>7,429</b>       |

(1) Utilization Rate is calculated excluding scheduled offhire (drydockings and special surveys) and vessels in lay-up. Scheduled offhire amounted to 24.5 and 100.7 for the fourth quarter and twelve months of 2017.

(2) TCE calculation shows the gross rate the vessels earn while employed; it excludes periods during which the vessels are laid-up or offhire for commercial or operational reasons.

# Vessel Debt Repayment Profile

## Debt Repayment Schedule



Note: Graph does not include loan to finance acquisition of newbuilding Ekaterini expected to be delivered by May 2018.

## Cash Flow Breakeven

» Cash Flow Breakeven - budget estimate for next 12 months:

|                     | <u>\$/vessel/day</u> |
|---------------------|----------------------|
| OPEX                | \$ 5,370             |
| G&A                 | \$ 520               |
| Interest            | \$ 770               |
| Drydock             | \$ 450               |
| <u>Loan Rpmt(*)</u> | <u>\$ 1,610</u>      |
| <b>TOTAL</b>        | <b>\$ 8,720</b>      |

(\*) Excludes total balloons of \$3.4m due in 2018, as well as our assumptions for the financing of our newbuilding Ekaterini.

# Cash Flow & NAV Sensitivity to Market Changes

- Euroseas is positioned to take advantage of a potential market recovery
  - About 40% of the total available days in 2018 are contracted with fixed charter rates leaving significant capacity (days) available to benefit from a market upturn...
  - ...while a low cash flow breakeven rate provides an extra cushion to absorb any market volatility

## SENSITIVITY TO MARKET CHANGES

| <b>Change in market rates (\$1,000/day)</b>    | <b>2018</b>   |
|------------------------------------------------|---------------|
| Index-linked & available vessel days           | 3,804         |
| Change in daily charter rate                   | \$1,000       |
| Change in income contribution, net (million)   | \$3.8         |
| <b>Change in income contribution per share</b> | <b>\$0.34</b> |

| <b>Change in vessel values (\$1m/vessel)</b> | <b>2018</b>  |
|----------------------------------------------|--------------|
| Number of vessels                            | 17.0         |
| Change in value of each vessel (million)     | \$1.0        |
| Change in NAV (million)                      | \$17.0       |
| <b>Change in NAV/share</b>                   | <b>\$1.5</b> |

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