



Earnings Presentation

Quarter Ended June 30th, 2018

August 10th, 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.

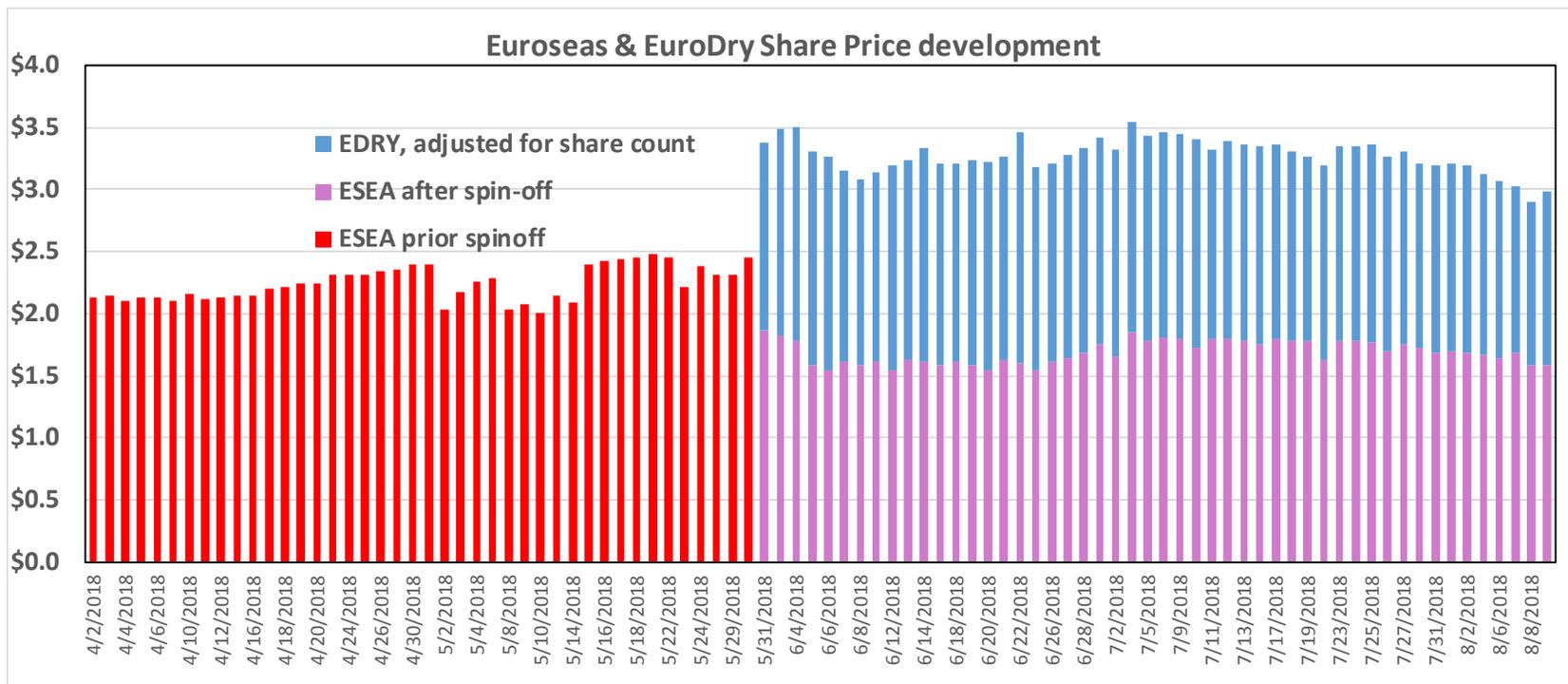
Because forward-looking statements are subject to risks and uncertainties, we caution you not to place undue reliance on any forward-looking statements. All written or oral forward-looking statements by Euroseas or persons acting on its behalf are qualified by these cautionary statements.

This presentation also contains historical data about the containerized trade, the containership fleet and the 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.

This presentation shall not constitute an offer to sell or the solicitation of an offer to buy securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful under the securities laws of such jurisdiction.

Key 2018 Developments: The EuroDry Spin-off

- The EuroDry spin-off took place as planned on 5/30/2018
 - Since 5/31/2018, EuroDry and Euroseas started trading separately each reflecting, respectively, the drybulk and feeder containership fleet of the pre-spinoff Euroseas
- Combined price after spin-off averaged \$3.28/share compared to \$2.24/share prior to the spin-off, a 46% gain



Euroseas Fleet – The only US listed mainly feeder container company

CONTAINERSHIPS				
Name	Type	Size		Year
		DWT	TEU	Built
Akinada Bridge	Intermediate	71,366	5,610	2001
EM Astoria	Feeder	35,600	2,788	2004
EM Corfu	Feeder	34,654	2,556	2001
Evidiki 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
Containerships	11 vessels	338,632	25,483	

Note: The only bulker in the fleet, the Monica P was sold in June 2018

Balance Sheet 2018Q2: Key Items – Post Spinoff

Euroseas: Key Balance Sheet Items - June 30, 2018 (million USD)			
Book Value of Vessels	\$50.4	Total Debt	\$30.6
Cash (Unrestricted & Restricted)	\$13.6	Current Liabilities	\$12.5
Other Current Assets	\$3.4	Other LT Liabilities	\$2.0
Other Long Term Assets	\$0.0	Preferred Equity	\$18.3
		Shareholders' Equity	\$3.8
Total Book Value Assets	\$67.3	Total Liab., Preferred & S'holders' Equity	\$67.3

- Current market value of vessels are above Balance Sheet's book values
 - Estimated by the Company to be in the range of \$77m - \$80m
 - The above valuation range implies a NAV for the Company between \$26m-\$29m or about \$2.4/share to \$2.6/share
 - The LTV ratio is about 42%

Income Statement 2018Q2: Key Items – Post Spinoff

Euroseas: Income statement highlights- 2nd Quarter 2018 *(million USD except share amounts)*

Net Revenues	\$9.8
EBITDA (Adj)	\$2.4
Net Income to Common Shareholders	\$1.8
EPS, basic & diluted	\$0.16
EPS, Adj	\$0.04

Note: The difference between the EPS and the Adjusted EPS is the gain from vessel sale

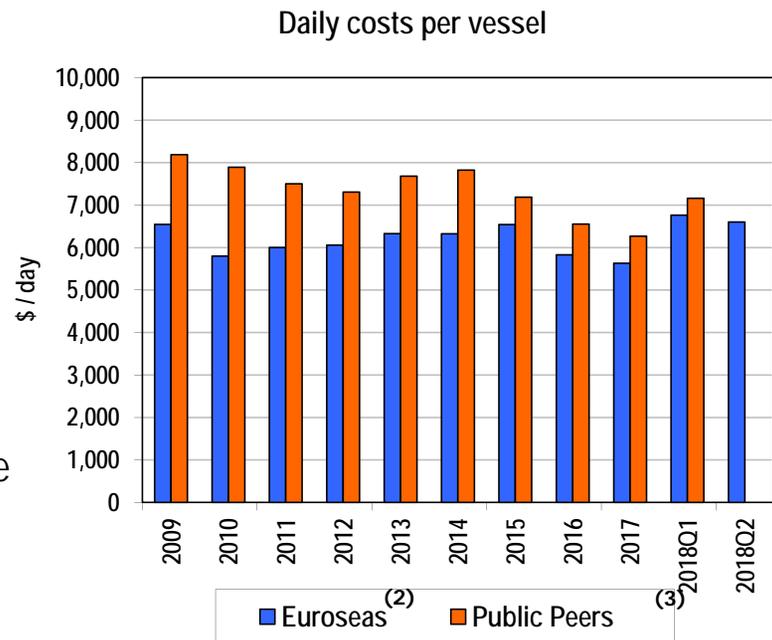


Other Operational Highlights

- Vessel S&P
 - Monica P, the only drybulk vessel that had been left in Euroseas was delivered to her new owners on June 25th as planned
- Repairs/DD
 - Ninos drydocking: Commenced on 6/22/18; delivered to charterers on August 1st
- EM Astoria damage
 - The vessel suffered propeller damage and lost a propeller blade. A new blade has been ordered but due to long delivery times the vessel is expected to be ready to resume its charter by mid September. The repair costs, minus ~ \$100k deductible, are expected to be covered by Insurance but the loss of hire during the idle period is not
- Idle Time
 - Technical off-hire days: about 66 almost all of which were attributed to the EM Astoria damage
 - Akinada Bridge was idle for about 2 days waiting for employment

Pillar of Success: Fleet Management & Operational Performance

- Operational Fleet utilization rate in excess of 99.4% over last 5 years
 - Outstanding safety and environmental record
 - For 2018Q2, operational fleet utilization 93.9% and commercial 99.8%
 - For 2017Q2, operational fleet utilization 99.8% and commercial 100%
- 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)

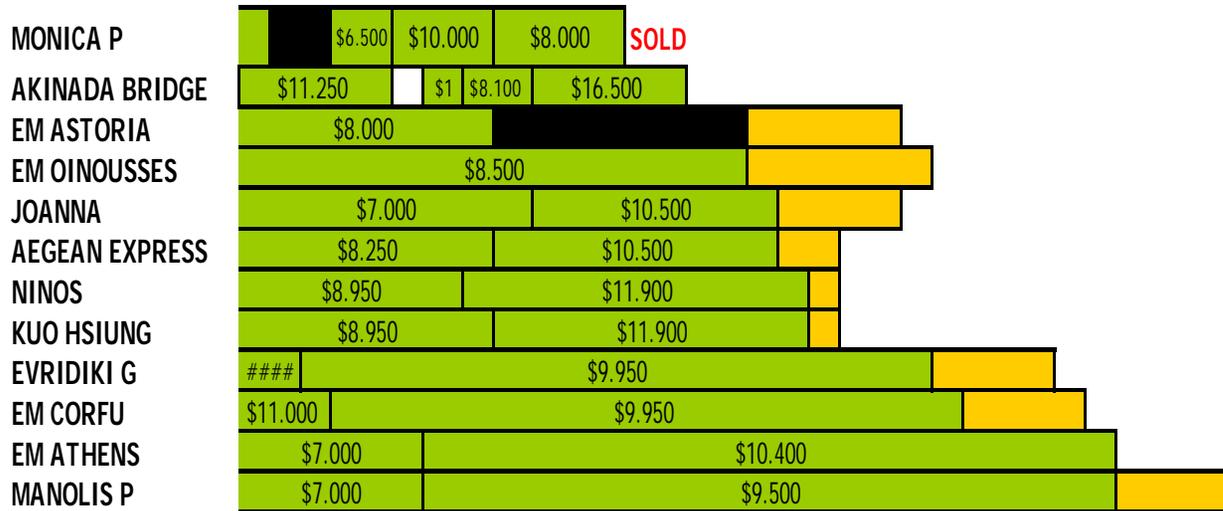
(2) 2009 figure was increased by abt \$600/day to account for the lower cost of the 3 laid-up vessels;
2010 figure was increased by abt \$300/day to account for the lower cost of the laid-up vessels (2 in 2010H1 and 1 in 2010Q3);

(3) Peer group currently includes DCIX, GSL, EGLE, SSW, CMRE, DSX, GNK, DAC, SBLK, & SB based on company filings till 2017Q4 and DCIX, GSL, DSX, SSW, CMRE, DAC

Employment Chart – Containerships

Coverage: As of August: 53% in 2018 (*basis min durations*)

2018												2019											
Jan	Feb	Mar	Apr	May	June	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Jul	Aug	Sep	Oct	Nov	Dec
Q1			Q2			Q3			Q4			Q1			Q2			Q3			Q4		



Legend:

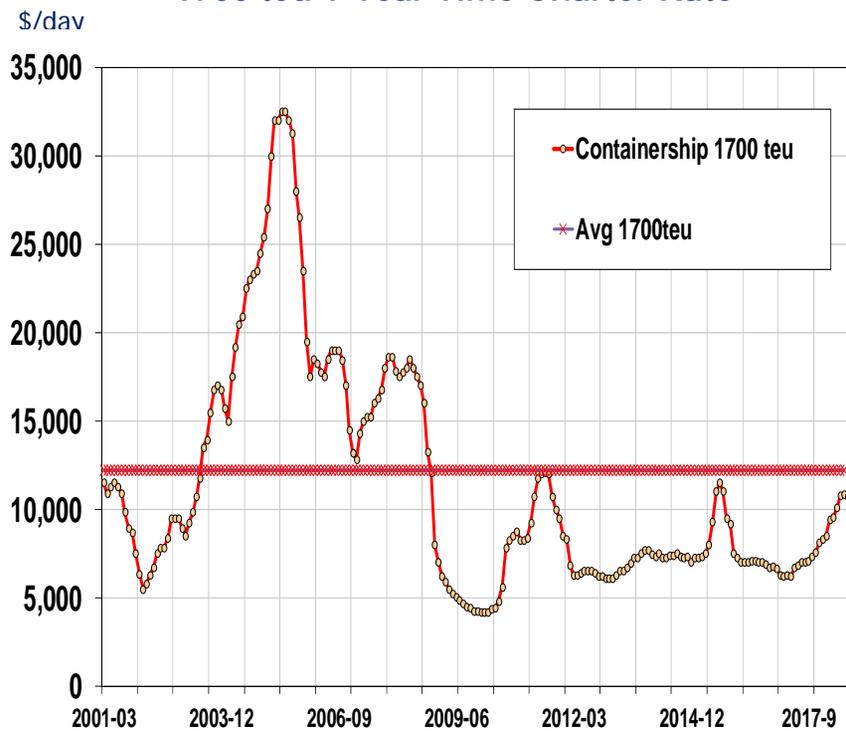


Containership Market Highlights

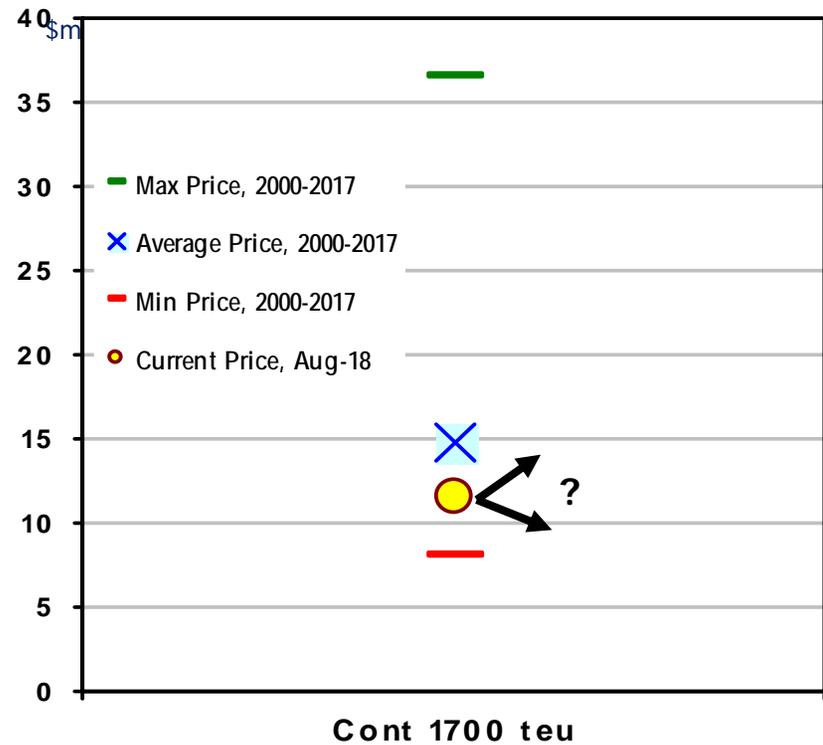
- Time charter rates in Q2 for feeder and intermediate size vessels ranging from 1000-5000 teu have all risen abt 15-40% on average with bigger increases in the above 4,000 teu sizes
 - The 1,700 teu geared vessel rose from an average of \$9,683 in Q1 to \$10,800 in Q2 and currently stand at \$10,400
 - The 2,500 teu geared vessel rose from an average of \$9,817 in Q1 to \$11,683 in Q2 and currently stand at \$12,000
- Average secondhand prices for older than 15-yr old vessels rose circa 20% on average in Q2, however, for younger vessels of about 10yrs old the rises were abt 10-15%
- Newbuilding prices rose abt \$1.5-2m for vessels of 1700 or 2500 teu, from \$24m to \$25.5m and from \$30m to \$32m, respectively
- Idle fleet: 350k teu as of beginning of August
- Scrapping was very slow in Q2 (only abt 9k teu were scrapped in Q2) amidst very firm scrap prices but in anticipation of a better market, owners avoided scrapping their vessels
- The fleet grew by 4.1% YTD (without accounting for idle vessels reactivation/idling)
- In July 2018, rates declined and we have seen the first CONTEX corrections in long time (5-10% declines)

Market Snapshot – Investment Opportunities

1700 teu 1-Year Time Charter Rate



10 Year Old Historical Price Range



Source: Clarksons

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.

Real GDP (% p.a. - IMF)	2012	2013	2014	2015	2016	2017	2018	2019	2020
USA	2.8(1.8)	1.9 (1.2)	2.4 (2.8)	2.6(3.6)	1.5(2.6)	2.3(2.3)	2.9(2.9)	2.7(2.7)	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(1.6)	2.2(2.4)	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(0.9)	1.0(1.2)	0.9(0.9)	0.3
China	7.7 (8.2)	7.7 (7.6)	7.4 (7.5)	6.9 (6.8)	6.7(6.3)	6.8(6.7)	6.6(6.6)	6.4(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(6.6)	7.3(7.4)	7.5(7.8)	7.9
Russia	3.4 (3.0)	1.3 (1.5)	0.6 (2.0)	-3.7 (-3.0)	-0.2 (-1.0)	1.8(-0.6)	1.7(1.7)	1.5(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(-3.5)	1.8(2.3)	2.5(2.1)	2.2
ASEAN-5	6.2 (4.8)	5.2 (5.0)	4.6 (5.1)	4.8 (5.2)	4.9 (4.8)	5.3(4.8)	5.3(5.3)	5.3(5.4)	5.4
World	3.1 (3.3)	3.4(3.5)	3.4 (3.7)	3.4(3.6)	3.2 (3.4)	3.7(3.4)	3.9(3.9)	3.9(3.9)	3.8

Containerized Trade (% p.a.)

TEU/miles	3.1 (7.0)	5.1 (4.8)	5.4 (6.1)	1.1(6.7)	3.8(4.0)	5.6(5.2)	4.8(4.6)	4.5(4.5)	4.0
-----------	-----------	-----------	-----------	----------	----------	----------	----------	----------	-----

Note 1: Data for 2012-2015 are based on tones. Clarksons provide historical data from 2015 onwards.

Note 2: Beginning of Year estimates for 2015/16/17 are for tones. Actual growth for the same years has been adjusted to tonemiles

Note 3: 2018/19/20 data is expressed in tonemiles only

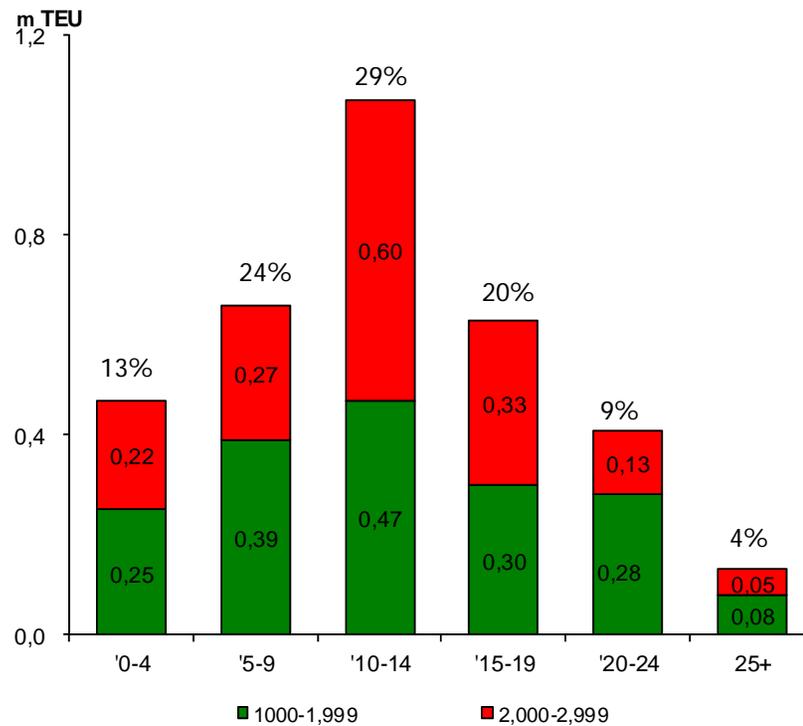
Sources:

GDP - International Monetary Fund: 2012-2017, (start of year estimates in parentheses), 2018/19 /20 IMF Forecasts (Apr-18). In parentheses, previous estimates for 2018 and 2019 as of Jan-2018,

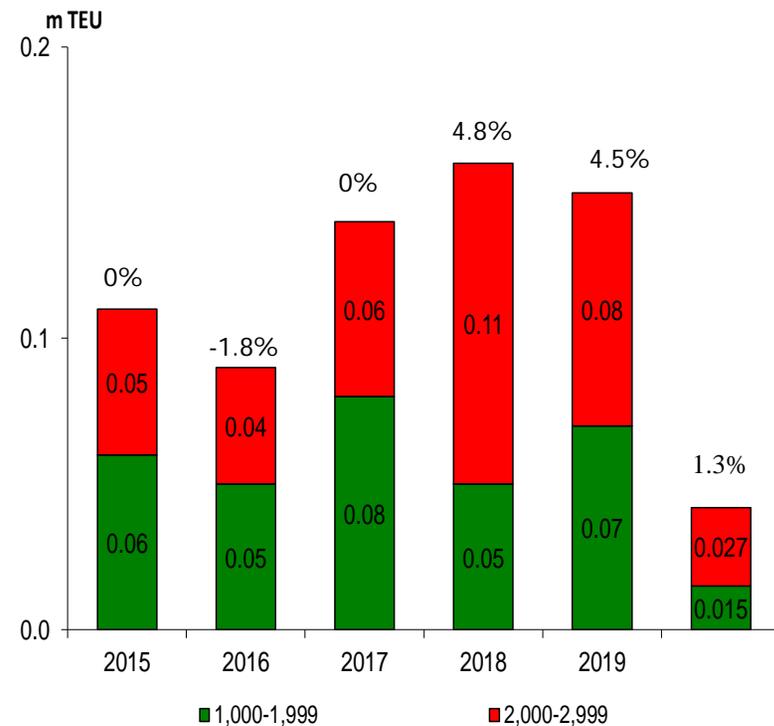
Trade: 2012-2017: Figures in parenthesis indicate beginning of Year estimates from Clarkson
2018/19 Clarkson (Jun 2018), 2020 Company estimates. Previous estimates in parenthesis (Apr-18).

1000-3000 teu Fleet Age Profile & Orderbook Delivery Schedule

Feeder Containership Age Profile



Container Feeder Orderbook



Fleet growth of feeder fleet expected to be around 2% in 2018-2019 (taking scrapping trends into account)

Note:

Fleet percent change in 2015/16/17 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



Outlook Summary

- We expect the supply/demand balance to be slightly positive in 2018. This has already led to rates rising significantly, especially, for smaller vessels for which rates exceeded historical average levels
 - The fundamentals for the sub 5,000 teu vessels look even better as fleet growth is expected to be marginal while trade so far this year is robust!
- There are concerns that the a potential trade war that the US government seems to be triggering might result in lower demand for shipping
- The order book for 2019/20 is low suggesting that 2019 can be a very good year if demand holds up
- Environmental regulations coming into effect in 2020 could result in further slow-steaming which in turn will require more ships, improve the demand-supply balance and likely lead to higher charter rates



Financial Overview



Financial Highlights: 2nd Quarter & 1st Half of 2017 and 2018

Adjusted Historically For All ESEA Vessels Only In million USD except share amounts	Second Quarter		Change	Six Months		Change
	2017	2018	%	2017.0	2018.0	%
Net Revenues	5.3	9.8	85%	10.2	18.1	76%
Net (Loss)/Income	(0.8)	2.2		(2.1)	0.8	
Preferred Dividends	(0.4)	(0.4)		(0.9)	(0.9)	
Net (Loss)/Income available to Common Shareholders	(1.2)	1.8		(3.0)	(0.1)	
Interest & Finance Costs net (<i>incl. interest income</i>)	0.4	0.7		0.7	1.3	
Depreciation	1.0	0.8		1.9	1.7	
Gain on Sale of Vessel		(1.3)		(0.5)	(1.3)	
Unrealized & Realized Loss (Gain) On Derivatives	0.0	(0.0)		0.0	(0.0)	
Adjusted EBITDA ⁽¹⁾	0.6	2.4	301%	(0.1)	2.4	
Adj. Net (Loss)/Income available to Common Shareholders	(1.2)	0.4		(3.5)	(1.4)	
Adj. Net (Loss)/Income per share, basic & diluted ⁽²⁾	(0.11)	0.04		(0.32)	(0.13)	

All data provided with the company's vessels excluding the vessels spun-off

(1) See press release of 10/Aug/2018 for Adjusted EBITDA reconciliation to Net (Loss)/Income and Cash Flow from Operations.

(2) Available to Common Shareholders; calculated on 11,061,612 & 11,030,754 for Q1 & 1st Half of 2017 and on 11,133,764 for 2018

Fleet Data for 2nd Quarter & 1st Half of 2017 and 2018

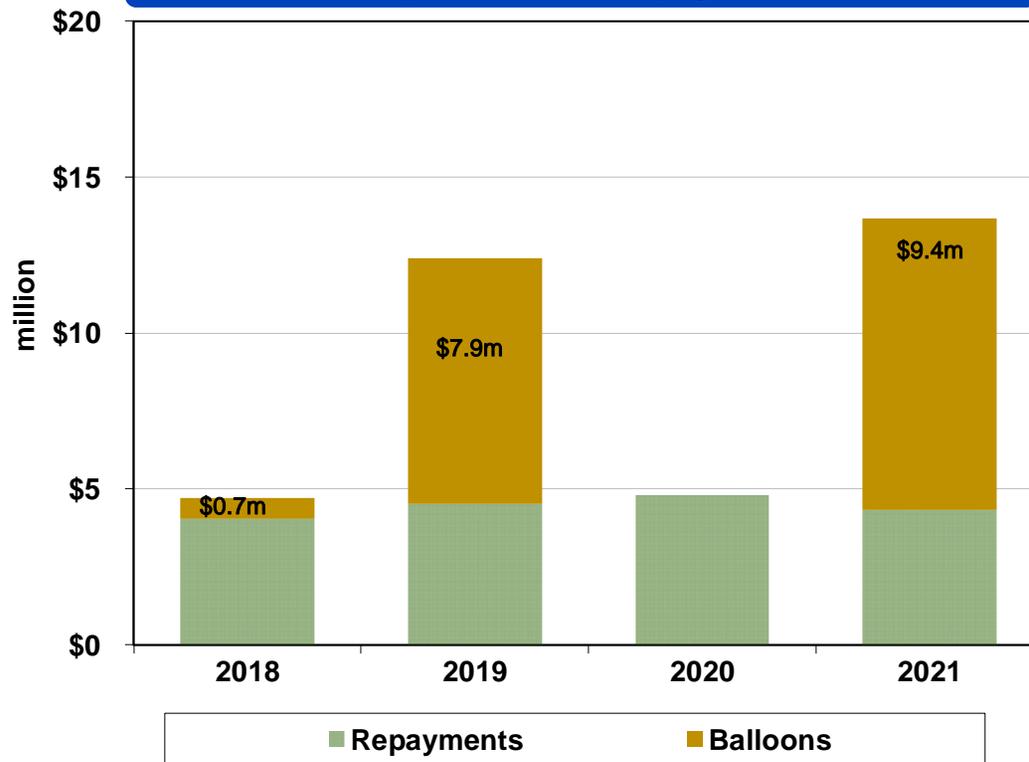
<u>Fleet Statistics</u>	Second Quarter		First Half	
	2017 (unaudited)	2018 (unaudited)	2017 (unaudited)	2018 (unaudited)
Number of vessels	8.12	11.95	8.38	11.97
Utilization Rate (%)				
Operational ⁽¹⁾	99.8%	93.9%	99.6%	96.8%
Commercial ⁽¹⁾	100.0%	99.8%	97.1%	98.8%
Overall ⁽¹⁾	99.8%	93.7%	96.6%	95.6%
<u>Averages in usd/day/vessel</u>				
Time Charter Equivalent (TCE)⁽²⁾	\$ 7,428	\$ 10,028	\$ 6,918	\$ 9,228
Operating Expenses				
Vessel Oper. Exp. excl. laid-up	5,331	5,698	5,119	5,873
G&A Expenses	889	580	936	670
Total Operating Expenses	6,220	6,278	6,055	6,543
Interest Expense	492	596	489	596
Drydocking Expense	37	394	25	543
Loan Repayments without Balloons	710	902	720	1,118
Breakeven/day	\$ 7,459	\$ 8,170	\$ 7,289	\$ 8,800

All data provided the company's vessels excluding the vessels spun-off

- (1) Utilization Rate is calculated excluding scheduled offhire (drydockings and special surveys) and vessels in lay-up. Scheduled offhire amounted to 8.2 and 37.6 for the second quarter and first six months of 2018.
- (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

Container Fleet Debt Repayment Profile

Containership Fleet Debt Repayment Schedule



Note: 2018 balloon figure includes a \$0.7m payment, following the successful refinancing of Evridiki in Q1 '18

Cash Flow Breakeven

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

	<u>\$/vessel/day</u>
OPEX	\$ 5,550
G&A	\$ 550
Interest	\$ 550
Drydock	\$ 500
<u>Loan Rpmt(*)</u>	<u>\$ 1,000</u>
TOTAL	\$ 8,150

(*) Excludes total balloons of \$7.9m due in 2019



Looking Ahead: Opportunities & Challenges

- Start of a new phase for our company
 - Unique Container Feeder focused platform with access to the capital markets
- Container shipping sector at an attractive point in the cycle for expansion
 - Orderbook to one of the lowest levels of the last 15 years → minimal supply side pressures
 - World economies in a synchronized recovery – after a long time – should positively influence demand for shipping
- Focus on maximizing shareholder value
 - “Pure Play” investment opportunities targeted to increase stock attractiveness and move valuation to NAV

Euroseas Contacts

Euroseas Ltd.

c/o Eurobulk Ltd
4, Messogiou & Evropis Street
151 24 Maroussi, Greece

www.euroseas.gr

euroseas@euroseas.gr

Tel. +30-211-1804005

Fax.+30-211-1804097

or,

Tasos Aslidis Chief Financial Officer

Euroseas Ltd.
11 Canterbury Lane
Watchung, NJ 07069

aha@euroseas.gr

Tel: 908-3019091

Fax: 908-3019747

Nicolas Bornozis Investor Relations

Capital Link, Inc.
230 Park Avenue, Suite 1536
New York, NY 10169

nbornozis@capitallink.com

Tel: 212- 6617566

Fax: 212-6617526