

Three & Six Months Ended June 30, 2009
Earnings Presentation
August 12, 2009





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 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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2009 Second Quarter & First Half Overview

- Financial Highlights - 2009:

	Second Quarter		First Half	
Net Revenues	\$14.8 m		\$30.2 m	
Net Income / (Loss)	(\$5.4) m	(\$0.18) / share ⁽²⁾	(\$1.5) m	(\$0.05) / share ⁽²⁾
Adj. Net Income ⁽¹⁾	\$0.5 m	\$0.02 / share ⁽²⁾	\$2.4 m	\$0.08 / share ⁽²⁾
Adj. EBITDA ⁽¹⁾	\$5.8 m		\$12.0 m	

(1) See press release of 8/11/2009 for reconciliation of Adj., Net Income to Net Income and Adjusted EBITDA to Net Income and Cash Flow from Operations

(2) Basic and diluted

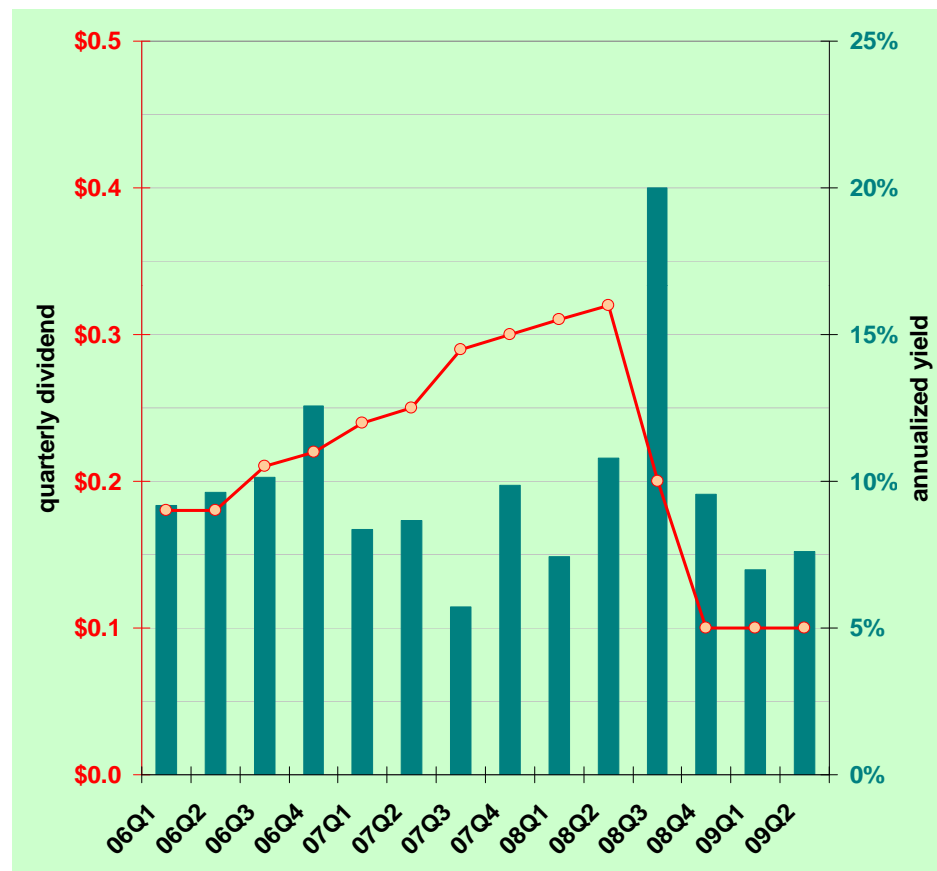


Implementing Euroseas Strategy

- **Selectively acquire & sell vessels**
 - At depressed market it is the time to buy younger ships
 - Bought three vessels year-to-date; more to come
 - Consistent long-term evaluation framework of each investment / project
 - Shows containerships potentially becoming attractive
- **Focus on keeping operating costs low**
 - One of the lowest cost structure amongst public companies
 - total operating costs including G&A in the second quarter: \$5,578 / vessel / day
 - Controlling costs is more important than ever
 - costs down about 11% '08Q2 to '09Q2 (excluding reduced cost of vessels laid-up)
- **Maintain strong Balance Sheet**
 - Optimize debt use to smooth market cycles => able to pay dividends throughout cycles
 - Still one of the lowest leverage ratios: debt to market value below 50%
- **Balance employment between period and spot**
 - 72% of capacity covered for second half of 2009
 - 41% of capacity covered for calendar 2010

Dividend Declaration

- Declared the 16th consecutive dividend of \$0.10 per share for the second quarter
 - Annualized yield of about 7.9% ⁽¹⁾
 - One of the very few companies still paying dividend
- Intention to maintain policy of providing healthy dividends throughout market cycles without compromising growth opportunities



(1) Based on closing price of \$5.09 on 8/10/2009



Fleet Renewal & Expansion Program

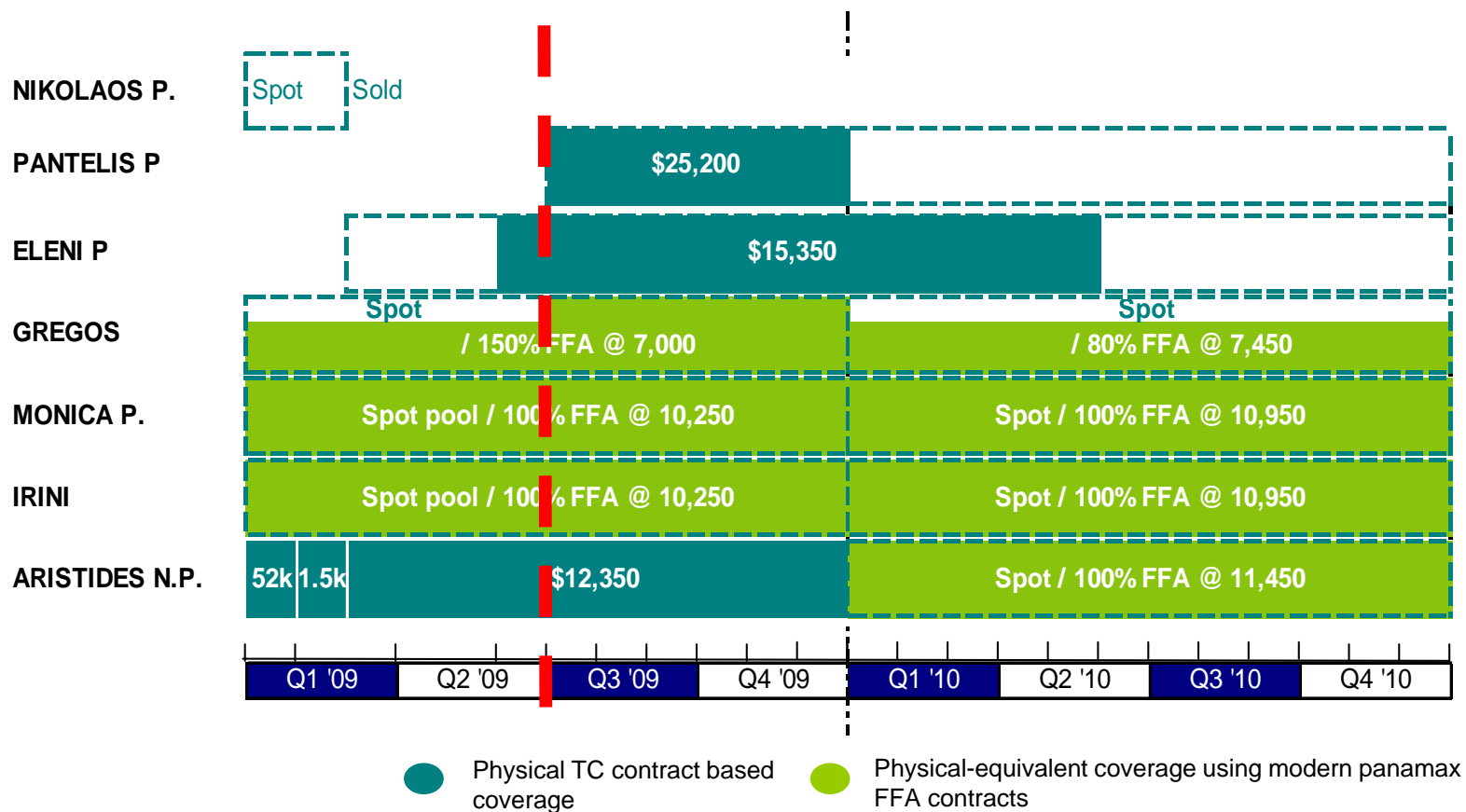
- » Bought:
 - “Monica P”, 46,667 dwt bulker, Japan '98-blt for \$18.0m
 - “Eleni P”, 72,118 dwt bulker, Japan '97-blt for \$18.4m
 - “Pantelis”, 74,020 dwt bulker, Japan '00-blt for \$27.5m

- » Sold:
 - “Nikolaos P”, 34,000 dwt bulker, Spain '84-blt for \$2.4 m
 - “Ioanna P”, 65,000 dwt bulker, Japan '84-blt for \$3.85 m

- » Net cash outflow abt \$25m after securing about 50% financing for each purchase
 - “Monica P” partly financed with \$10.0 m loan
 - “Eleni P” partly financed with \$10.0 m loan
 - Financing for “Pantelis” - \$13 m - to be completed shortly

Vessels Employment Chart - Bulkers

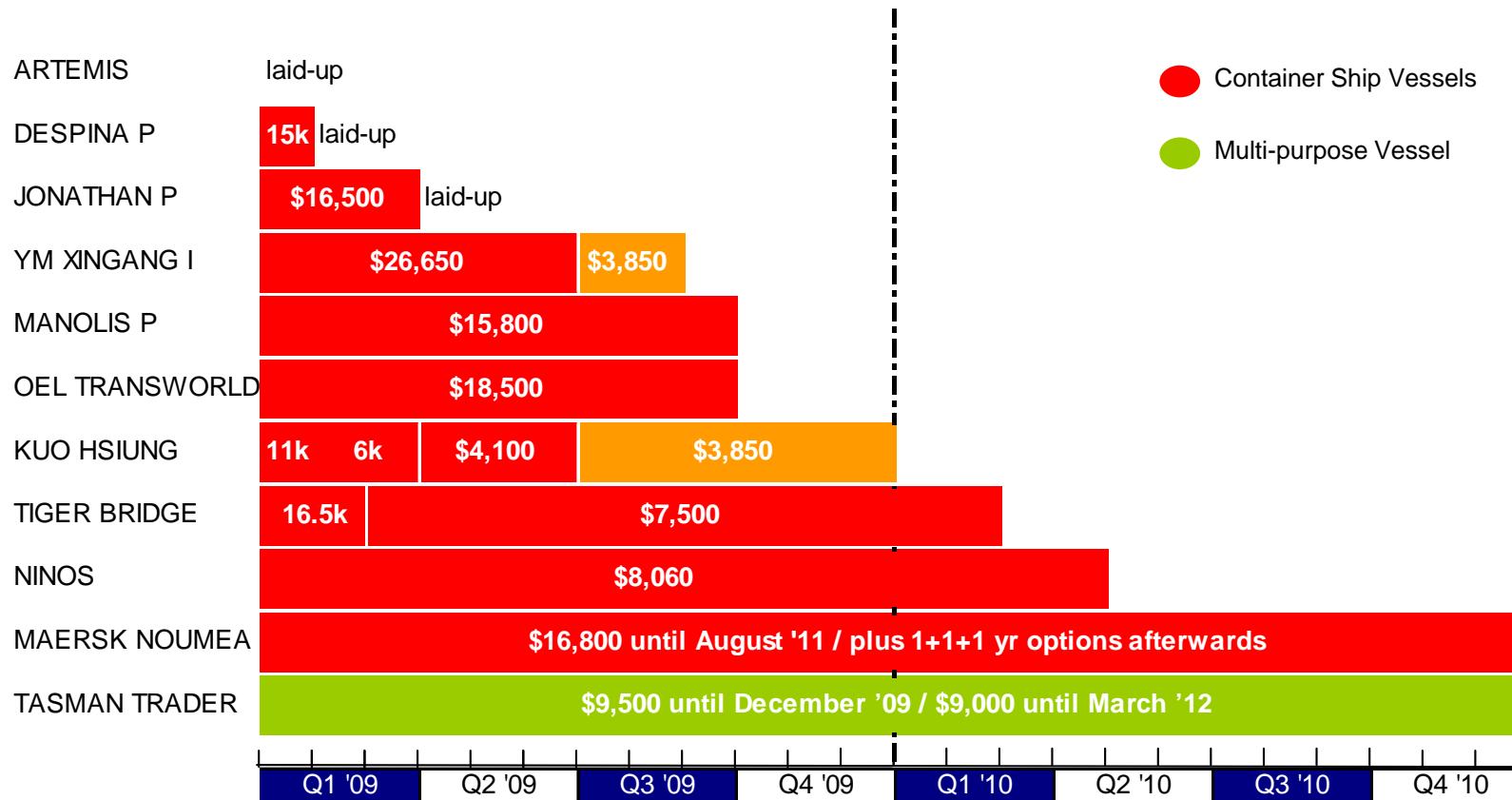
100% coverage in 2009 H2 / 75% in 2010



Note: Irimi is equivalent to 86% of a modern panamax; Aristides NP to 89%; Monica P to 86%; Gregos to 58%; Eleni P to 93% and Pantelis to 99%

Vessels Employment Chart - Containerships

57% coverage in 2009 H2 / 22% coverage in 2010



Current Fleet

	Name	Type	DWT	TEU	Built
Drybulk Carriers	Pantelis	Panamax	74,020	-	2000
	Eleni P	Panamax	72,119	-	1988
	Irini	Panamax	69,734	-	1993
	Aristides NP	Panamax	69,268	-	1997
	Monica P	Handymax	46,667	-	1998
	Gregos	Handysize	38,691	-	1984
Container ships	Maersk Noumea	Intermediate	34,677	2,556	2001
	Tiger Bridge	Intermediate	31,627	2,228	1990
	Artemis	Intermediate	29,693	2,098	1987
	Despina P	Handysize	33,667	1,932	1990
	OEL Integrity	Handysize	33,667	1,932	1990
	OEL Transworld	Intermediate	30,007	1,742	1992
	YM Xingang I	Handysize	23,596	1,599	1993
	Manolis P	Handysize	20,346	1,452	1995
	Ninos	Feeder	18,253	1,169	1990
	Kuo Hsiung	Feeder	18,154	1,169	1993
	Tasman Trader	Multipurpose	22,568	950	1990
Total	17 vessels	666,754	18,827	16.6 yrs	



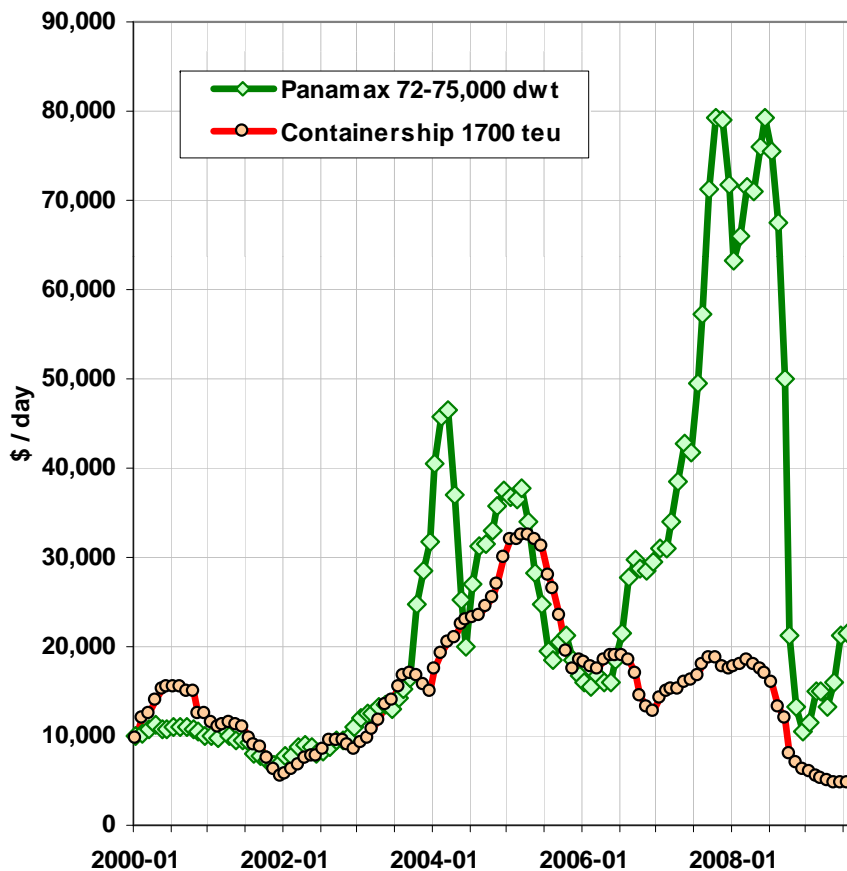
EUROSEAS LTD

Market Overview



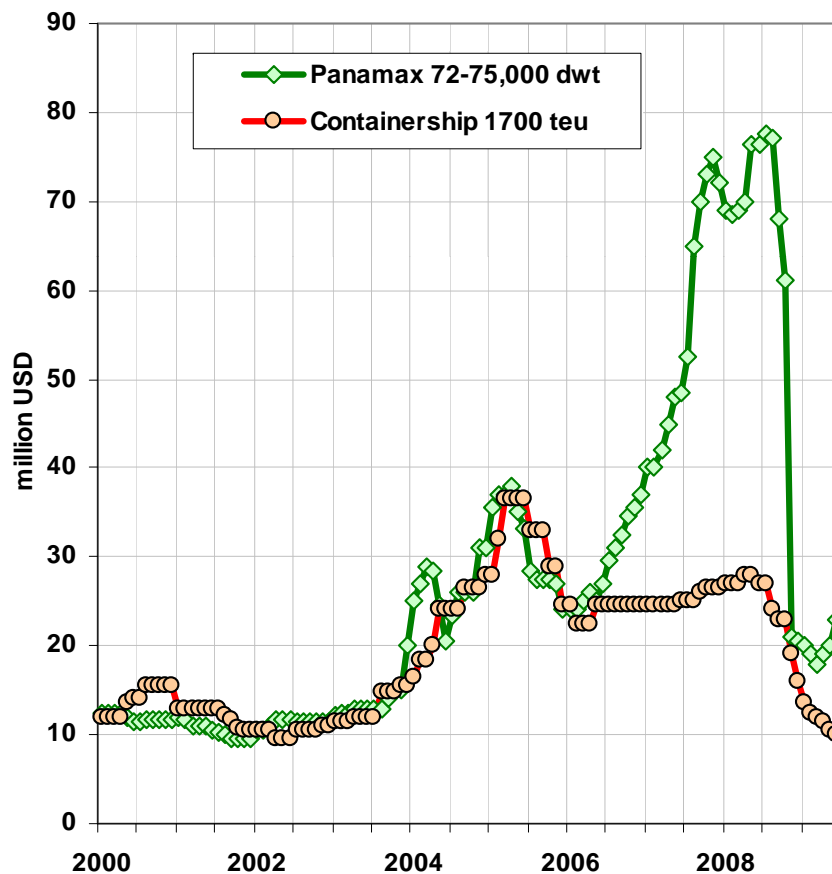
Panamax & 1700 teu Containership 10-yr Old Prices & 1-yr TC Rates

1-Year TC Rates



Source: Clarksons

Secondhand Price, 10-Year Old Vessels



Source: Clarksons (up to Oct-2008);
Company estimates since Oct-2008

World GDP & Shipping Demand Growth

Real GDP (% p.a.)	2006	2007	2008	2009F	2010F	2011-13F
USA	3.3	2.5	1.1	-2.7 (-2.6)	0.8 (1.4)	3.4 (1.8)
Eurozone	3.0	2.7	0.8	-4.8 (-3.4)	0.3 (0.2)	1.7 (1.8)
Japan	2.8	1.9	-0.7	-6.0 (-6.5)	1.7 (0.3)	2.7 (1.2)
China	10.5	11.2	9.0	7.5 (6.5)	8.0 (7.0)	10.4 (8.6)
India	9.5	9.0	7.3	5.4 (5.0)	6.5 (6.4)	7.5 (8.0)
Russia	7.4	8.1	5.6	-6.5 (-3.0)	1.5 (2.0)	4.3 (4.3)
Brazil	3.8	5.4	5.1	-1.3 (-1.3)	2.5 (2.2)	3.9 (4.0)
NIE Asia	5.6	5.6	1.55	-5.2 (-5.6)	1.4 (0.8)	4.7 (4.7)
ASEAN-5	5.7	6.3	4.8	-0.3 (0.0)	3.7 (2.3)	4.9 (6.5)
World	5.1	5.0	3.2	-1.4 (-1.3)	2.5 (1.9)	4.8 (4.6)

(Apr-09 forecasts in parentheses)

Dry Bulk Trade (% p.a.)

Tons	6.0	6.5	3.3	-3.5	3.0	5-6
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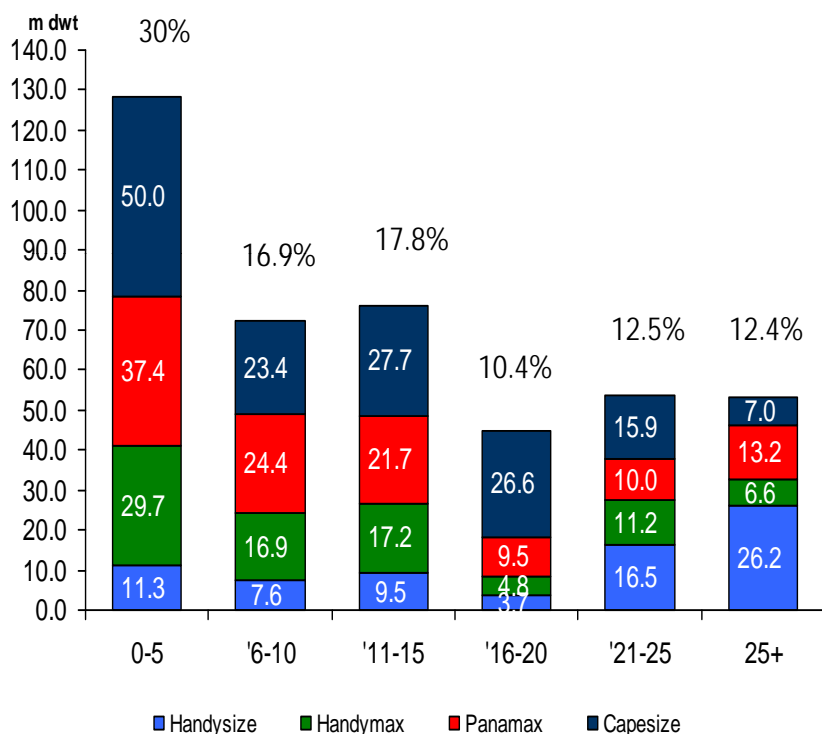
Containerized Trade (% p.a.)

TEU	10.7	10.4	6.1	-8.3	5.0	9-11
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Sources: GDP - International Monetary Fund (mainly), Economist Intelligence Unit & Company estimates;
Trade - Clarksons, Company estimates

Drybulk Age Profile & Orderbook Delivery Schedule

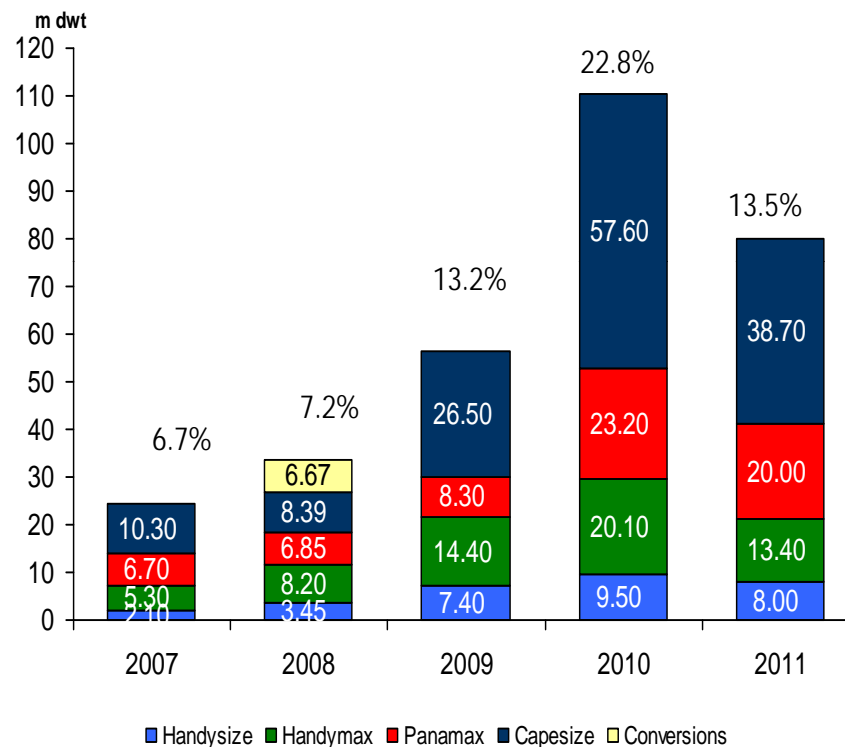
Dry Bulk Age Profile



■ Handysize ■ Handymax ■ Panamax ■ Capesize

Large bulkers are still young

Dry Bulk Orderbook (1)



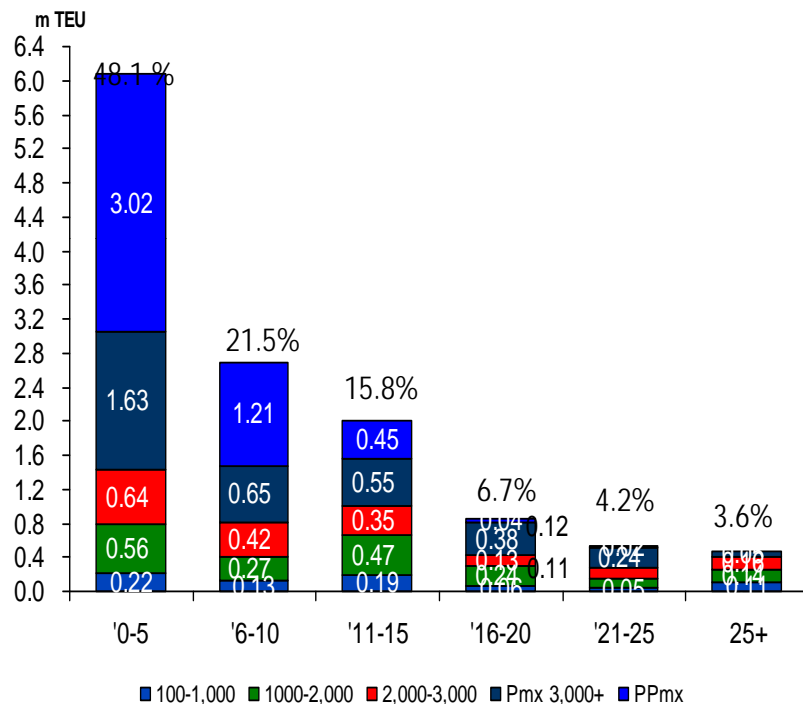
■ Handysize ■ Handymax ■ Panamax ■ Capesize ■ Conversions

Large Vessels Dominate Orderbook

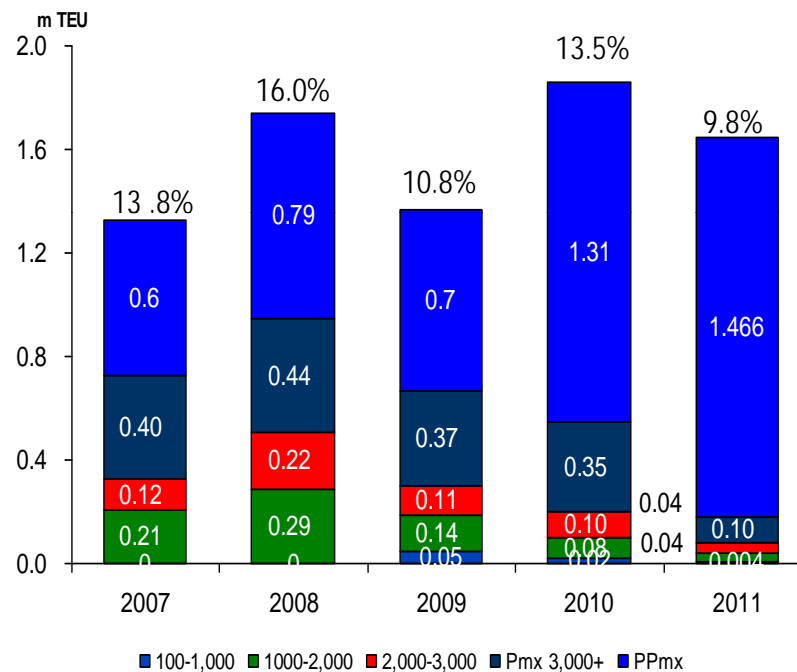
(1) Source: Clarksons/Dahlman Rose - Deliveries as percent of fleet of previous year is calculated without accounting for scrapping, other removals or conversion

Containership Age Profile & Orderbook Delivery Schedule

Containership Age Profile⁽¹⁾



Container Orderbook ⁽¹⁾



Overall A Young Fleet

Large Vessels Dominate Orderbook

(1) Source: Clarksons - Deliveries as percent of fleet of previous year is calculated without accounting for scrapping or other removals



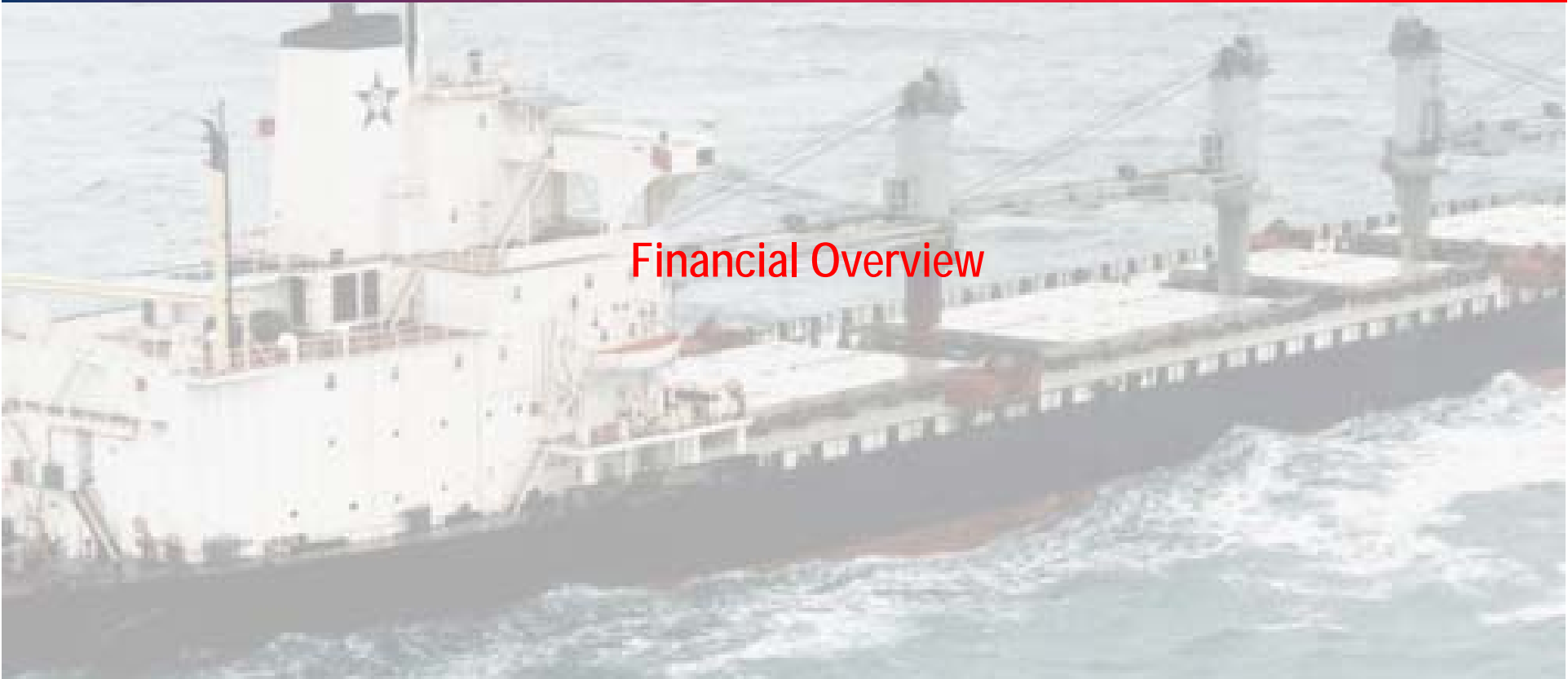
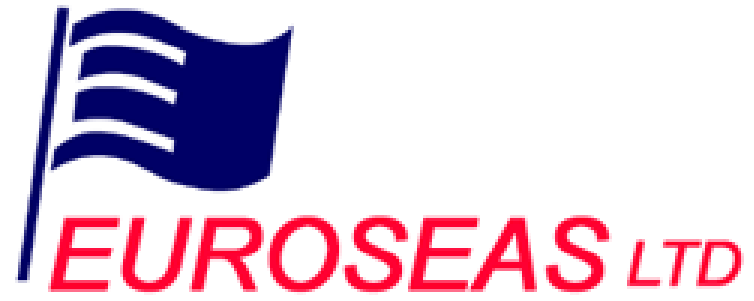
Market Trends & Opportunities - Bulkers

- » Unexpected strength in 1H09 due to record imports of steel related goods by China and port congestion
 - iron ore imports – up 32% in July 09 over July 08
- » Strong demand by China expected to continue in 2009 and 2010
- » If global economic recovery happens as IMF is predicting demand will be further boosted by growth of developed and other developing nations.
- » Oversupply fears still a major concern.
 - Slippage / cancellations resulted in 35% less deliveries in 1H09.
 - Expect further and higher delays.
- » Only 1.6% of drybulk fleet scrapped year-to-date
 - Buffer of about 25% of fleet over 20 years old still remains
- » Expect volatility due to..
 - Uncertain (and potentially high) level of deliveries
 - Recovering –but not necessarily uniformly - demand



Market Trends & Opportunities - Containerships

- » Freight rates, charter rates and vessel prices at all time lows as demand down 10-15% on 1H09.
- » Container lines expected collectively to loose \$20 billion in 2009.
- » Percentage of fleet in lay up peaked end March at around 12%
 - Has fallen back to around 11%
- » Some signs of revival as freight rates stop falling, volumes pick up, enquiry for smaller vessels resurfaces and Shanghai Shipping Exchange Containerized Index rises.
- » If global economic recovery happens as IMF is predicting demand will be substantially boosted.
- » Charter rates will trail the global economic recovery as laid up vessels and new vessel supply will need to be absorbed prior to a broad containership market increase...
 - ...but, it will happen
- » Opportunities are appearing to buy vessels at lowest prices ever mainly from cash strapped sellers

A large white cable-stayed bridge is shown under construction on the sea. The bridge has multiple tall, white towers and numerous stay cables. The water is choppy, and the sky is overcast. The bridge is positioned diagonally across the frame, extending from the bottom left towards the top right.

Financial Overview

Financial Highlights: 2nd Quarter and 1st Half of 2008 and 2009

(in million USD except per share amounts)	Second Quarter			First Half		
	as adjusted ⁽⁵⁾ 2008	2009	change % (4)	as adjusted ⁽⁵⁾ 2008	2009	change % (4)
Net Revenues	\$34.5	\$14.8	-56.9%	\$67.3	\$30.2	-55.2%
Net Income	\$15.6	(\$5.4)		\$29.3	(\$1.5)	
Unrealized (gain) loss, derivatives & trading sec.	(\$0.1)	\$6.3		(\$0.2)	\$4.5	
Amort. FV of charters, net	(\$2.4)	(\$0.4)		(\$4.5)	(\$0.6)	
Adj. Net Income	\$13.1	\$0.5	-96.4%	\$24.6	\$2.4	-90.1%
Adjusted EBITDA ⁽¹⁾	\$20.7	\$5.8	-71.9%	\$39.4	\$12.0	-69.6%
"GAAP" EPS, Diluted ⁽²⁾	\$0.51	(\$0.18)		\$0.96	(\$0.05)	
"Operating" ⁽³⁾ Adj. EPS, Diluted	\$0.43	\$0.02		\$0.81	\$0.08	
Dividends per share, declared	\$0.32	\$0.10		\$0.63	\$0.20	

(1) See press release of 8/11/2009 for Adjusted EBITDA reconciliation to Net Income and Cash Flow from Operations.

(2) Calculated on 30,501,654 and 30,575,611 weighted average number of diluted shares for 2008 and 2009, respectively.

(3) "Operating" EPS excludes from Net Income the capital gains, amortization of fair value of charters acquired and unrealized gains or losses from derivatives and trading securities. See press release of 8/11/2009 for reconciliation to Net Income.

(4) Calculated based on figures in press release of 8/11/2009, i.e. before rounding to million USD.

(5) "as adjusted" under the direct expense method; for "as reported" figures under the deferral method for dry-docking expenses, please, look at the press release of 8/11/2009.

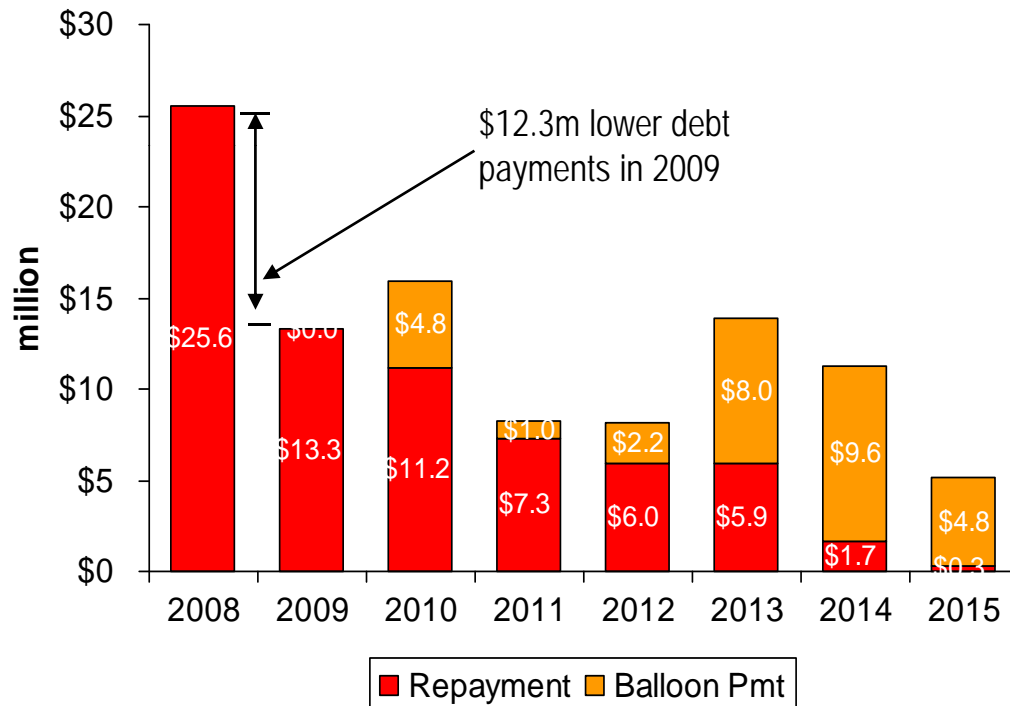
Fleet Data for 2nd Quarter and 1st Half of 2008 and 2009

<u>Fleet Statistics</u>	Second Quarter		First Half	
	2008	2009	2008	2009
	<u>(unaudited)</u>	<u>(unaudited)</u>	<u>(unaudited)</u>	<u>(unaudited)</u>
Number of vessels	15.44	16.00	11.46	15.62
Utilization Rate (%)				
Overall⁽¹⁾	98.8%	96.9%	99.1%	94.6%
Commercial⁽¹⁾	100.0%	97.6%	99.7%	95.5%
Operational⁽¹⁾	98.8%	99.3%	99.4%	99.1%
<u>Averages in usd/day/vessel</u>				
Time Charter Equivalent (TCE)	\$ 25,918	\$ 13,062	\$ 25,824	\$ 12,875
Operating Expenses				
Vessel Operating Expenses	6,050	4,906	5,820	5,081
G&A Expenses	894	672	829	722
Total Operating Expenses	6,944	5,578	6,649	5,803
Interest Expense	482	251	616	240
Drydocking Expense	752	-	1,189	-
Loan Repayments	6,135	2,249	5,218	2,257
Total Cash Flow Breakeven	14,313	8,078	13,672	8,300

- (1) Utilization Rate is calculated excluding scheduled offhire (drydockings and special surveys) and vessels in lay-up. Scheduled offhire amounted to 35.7 and 98.8 days for the second quarter and first half of 2008 and 293 and 373 days for the same periods of 2009.

Rapid Debt Repayment

Debt Repayment Schedule⁽¹⁾ – As of 8/11/2009



(1) Does not include \$13m loan to partly finance m/v "Pantelis"

(2) Includes Interest and Loan repayments from \$13 m loan to partly finance m/v "Pantelis"

Cash Flow Breakeven

- » \$12.3 m less debt repayments in 2009
 - \$2,000 / day / vessel lower cash flow breakeven
- » Cash Flow Breakeven⁽²⁾ rough estimate for next 12 months:

	<u>\$/day</u>
OPEX	\$ 5,750
G&A	\$ 650
Interest	\$ 550
Drydock	\$ 1,200
<u>Loan Rpmt</u>	<u>\$ 2,200</u>
TOTAL	\$10,350



Balance Sheet & Other Data

- » **Cash @ June 30, 2009: \$ 56.2m**
 - Also restricted cash of about \$12.2m

- » **Debt: \$69.5 m as of June 30, 2009**
 - Debt to Capitalization ratio about 22%
 - Agreed debt of 13m to finance purchase of Pantelis bought for about \$27.5m
 - Proforma: \$41.8m unrestricted cash / \$82.5m debt

- » **About \$25-35 m equity to fund further growth**
 - Double purchasing power when funds are coupled with conventional debt
 - Evaluating investment opportunities in bulkers and containerships

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Appendix

Please refer to the Company's press release of August 11, 2009 for financial statements and reconciliation of Adjusted EBITDA and "Operating" EPS to Net Income and Cash Flow from Operations, as well as Reconciliation of Net Income to Adjusted Net Income