



**Fourth Quarter & Year Ended December 31, 2011  
Earnings Presentation  
February 10, 2012**



## 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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# 2011 Fourth Quarter & Full Year Overview

- Financial Highlights - 2011:

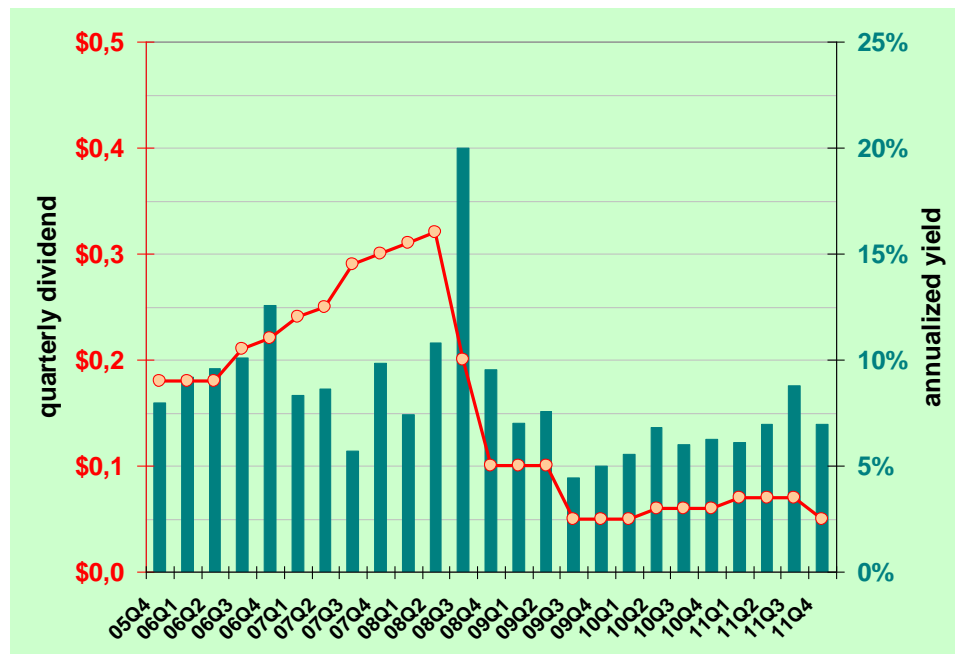
	Fourth Quarter		Full Year	
Net Revenues	\$15.3 m		\$61.4 m	
Net Income / (Loss)	\$1.1 m	\$0.04 / share <sup>(2)</sup>	\$1.1 m	\$0.04 / share <sup>(2)</sup>
Adj. Net Income <sup>(1)</sup>	\$1.1m	\$0.04 / share <sup>(2)</sup>	\$1.5 m	\$0.05 / share <sup>(2)</sup>
Adj. EBITDA <sup>(1)</sup>	\$6.2m		\$21.6 m	
Dividend declared	\$0.05 /share		\$0.26 /share	

(1) See press release of 02/09/2012 for reconciliation of Adj., Net Income to Net Income and Adjusted EBITDA to Net Income and Cash Flow from Operations

(2) Basic and diluted

# Dividend Declaration

- Declared the 26<sup>th</sup> consecutive dividend of \$0.05 per share for the fourth quarter of 2011
- Total dividends for the results on the full year of 2011: \$0.26/share
- Annualized yield of about 7.0% based on the closing share price of \$2.87 on 02/08/2012
- Intention to maintain policy of providing healthy dividends throughout market cycles without compromising growth opportunities



## Other Company Developments

- **Brought forward drydocking of M/V Cpt. Costas**
  - Earlier drydocking benefits from “downtime” during lower rate environment
  - No drydockings for the next three quarters planned
  - One drydocking currently expected in the fourth quarter of 2012
- **Extended charter coverage**
  - Chartered Aristides NP, at \$10,300 per day, ‘til early 2013 – all bulkers are chartered for 2012
  - Have re-chartered 3 containerships for short durations but at lower rates
    - Aggeliki P, at \$6,500 per day, for a period of 3 to 7 months
    - Manolis P, at \$7,000 per day, for a period of 3 to 4 months & 4-5 month extension option linked to Contex
    - Marinos, at \$6,100 per day for about 2 months
  - Two more containerships are idle;
    - Jonathan P and Cpt. Costas have been looking for employment for more than a month
  - Pursuing short term charters to minimize effect of low rates
- **Euromar Joint Venture**
  - No investment in the last three months; has built a fleet of 8 young feederships
  - Continues evaluating investment opportunities
  - Has invested \$105 million and has another \$70 million to invest

## Current Fleet *(not including Euromar vessels)*

	Name	Type	Size		Year	Acquisition
			DWT	TEU	Built	Year
Drybulk Carriers	<b>Pantelis</b>	<b>Panamax</b>	<b>74,020</b>	<b>-</b>	<b>2000</b>	<b>2009</b>
	<b>Eleni P</b>	<b>Panamax</b>	<b>72,119</b>	<b>-</b>	<b>1997</b>	<b>2009</b>
	<b>Irini</b>	<b>Panamax</b>	<b>69,734</b>	<b>-</b>	<b>1988</b>	<b>2002</b>
	<b>Aristides NP</b>	<b>Panamax</b>	<b>69,268</b>	<b>-</b>	<b>1993</b>	<b>2006</b>
	<b>Monica P</b>	<b>Handymax</b>	<b>46,667</b>	<b>-</b>	<b>1998</b>	<b>2009</b>
Container ships	<b>Maersk Noumea</b>	<b>Intermediate</b>	<b>34,677</b>	<b>2,556</b>	<b>2001</b>	<b>2008</b>
	<b>Tiger Bridge</b>	<b>Intermediate</b>	<b>31,627</b>	<b>2,228</b>	<b>1990</b>	<b>2007</b>
	<b>Angeliki P</b>	<b>Handysize</b>	<b>30,360</b>	<b>2,008</b>	<b>1998</b>	<b>2010</b>
	<b>Despina P</b>	<b>Handysize</b>	<b>33,667</b>	<b>1,932</b>	<b>1990</b>	<b>2007</b>
	<b>Jonathan P</b>	<b>Handysize</b>	<b>33,667</b>	<b>1,932</b>	<b>1990</b>	<b>2007</b>
	<b>Captain Costas</b>	<b>Intermediate</b>	<b>30,007</b>	<b>1,742</b>	<b>1992</b>	<b>2007</b>
	<b>YM Port Klang</b>	<b>Handysize</b>	<b>23,596</b>	<b>1,599</b>	<b>1993</b>	<b>2006</b>
	<b>Manolis P</b>	<b>Handysize</b>	<b>20,346</b>	<b>1,452</b>	<b>1995</b>	<b>2007</b>
	<b>Ninos</b>	<b>Feeder</b>	<b>18,253</b>	<b>1,169</b>	<b>1990</b>	<b>2001</b>
	<b>Kuo Hsiung</b>	<b>Feeder</b>	<b>18,154</b>	<b>1,169</b>	<b>1993</b>	<b>2002</b>
	<b>Tasman Trader</b>	<b>Multipurpose</b>	<b>22,568</b>	<b>950</b>	<b>1990</b>	<b>2006</b>
<b>Total</b>	<b>16 vessels</b>	<b>628,730</b>	<b>18,737</b>	<b>18 yrs</b>		

# Euromar Fleet

Container ships

Name	Type	Size		Year
		DWT	TEU	Built
<b>CMA-CGM TELOPEA</b>	<b>Intermediate</b>	<b>37,180</b>	<b>2,785</b>	<b>2007</b>
<b>EM ASTORIA</b>	<b>Intermediate</b>	<b>35,600</b>	<b>2,778</b>	<b>2004</b>
<b>MAERSK NAIROBI</b>	<b>Intermediate</b>	<b>34,654</b>	<b>2,556</b>	<b>2001</b>
<b>EM CHIOS</b>	<b>Intermediate</b>	<b>32,350</b>	<b>2,506</b>	<b>2000</b>
<b>EM ATHENS</b>	<b>Intermediate</b>	<b>32,350</b>	<b>2,506</b>	<b>2000</b>
<b>EM ANDROS</b>	<b>Intermediate</b>	<b>33,216</b>	<b>2,450</b>	<b>2003</b>
<b>EM HYDRA</b>	<b>Handysize</b>	<b>23,282</b>	<b>1,742</b>	<b>2005</b>
<b>EM SPETSES</b>	<b>Handysize</b>	<b>23,282</b>	<b>1,742</b>	<b>2007</b>
<b>Total</b>	<b>8 vessels</b>	<b>251,914</b>	<b>19,065</b>	<b>8.3 yrs</b>



**Market Overview**



# World GDP & Shipping Demand Growth

Real GDP (% p.a. - IMF)	2009	2010	2011	2012F	2013F	2014-16F
USA	-2.6 (-1.6)	2.8 (2.7)	1.8 (3.0)	1.8 (1.8)	2.2	2.7
Eurozone	-4.1 (-2.0)	1.8 (1.0)	1.6 (1.5)	-0.5 (1.1)	0.8	1.8
Japan	-6.3 (-2.6)	4.3 (1.7)	-0.9 (1.7)	1.7 (2.3)	1.6	1.4
China	9.2 (6.7)	10.3 (10.0)	9.2 (10.3)	8.2 (9.0)	8.8	9.5
India	5.7 (5.1)	9.7 (7.7)	7.4 (8.4)	7.0 (7.5)	7.3	8.0
Russia	-7.9 (-0.7)	3.7 (3.6)	4.1 (4.5)	3.0 (4.1)	3.5	3.5
Brazil	-0.6 (-1.8)	7.5 (4.7)	2.9 (4.5)	3.0 (3.6)	4.0	4.0
NIE Asia	-0.9 (3.9)	8.2 (4.8)	4.2 (4.7)	4.0 (4.5)	4.1	4.3
ASEAN-5	1.7 (2.7)	6.7 (4.7)	4.8 (5.5)	4.8 (5.6)	5.6	4.6
<b>World</b>	<b>-0.5(3.4)</b>	<b>5.0 (3.9)</b>	<b>3.8 (4.4)</b>	<b>3.3 (4.0)</b>	<b>3.9</b>	<b>4.6</b>

Figures in parantheses: (Begin of respective year IMF forecasts, '09-11) (2012: Previous forecast by IMF Sep-11)

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

Tons -5.0 (-3.0) 12.0 (5.0) 4.5 (6.0) 4.0 (4.5) 5.0 6.0 (6.0)

## Containerized Trade (% p.a.)

TEU -9.4 (5.5) 12.0 (8.0) 8.1(8.7) 7.0 (8.8) 8.0 8-10 (8-10)

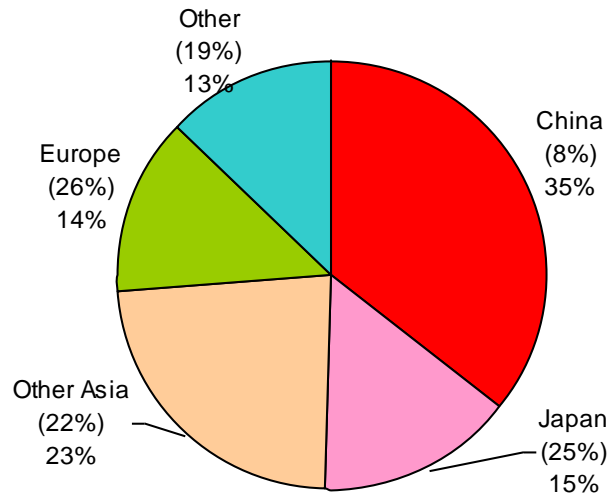
Figures in parantheses: (Begin of respective year forecasts, '09-11) (2012-16: Last forecast Oct-11)

### Sources:

GDP - International Monetary Fund: 2009-2011 and past estimates (in parentheses), 2012/13 IMF Forecasts; Company: 2014-2016 forecasts Trade – Clarksons, Company estimates (January 2012); trade outlook takes into account revised economic views

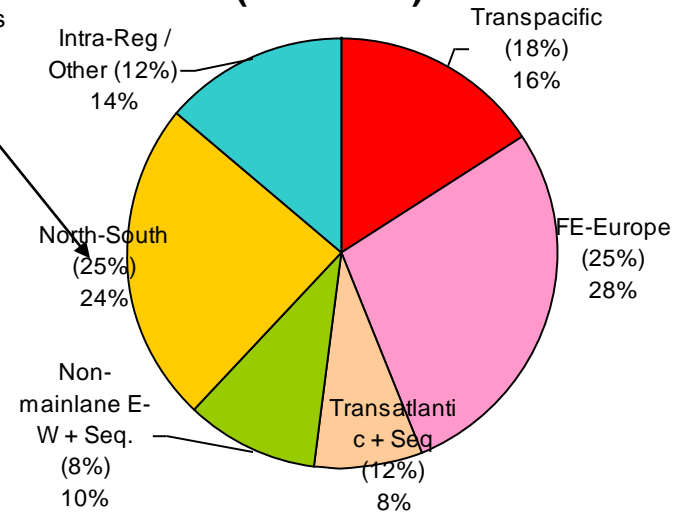
# Seaborne Trade Shifts To Pacific Basin & Emerging Countries

**Major Bulk Imports 2011**  
(tons)



**Containerized Trade 2011**  
(teu-miles)

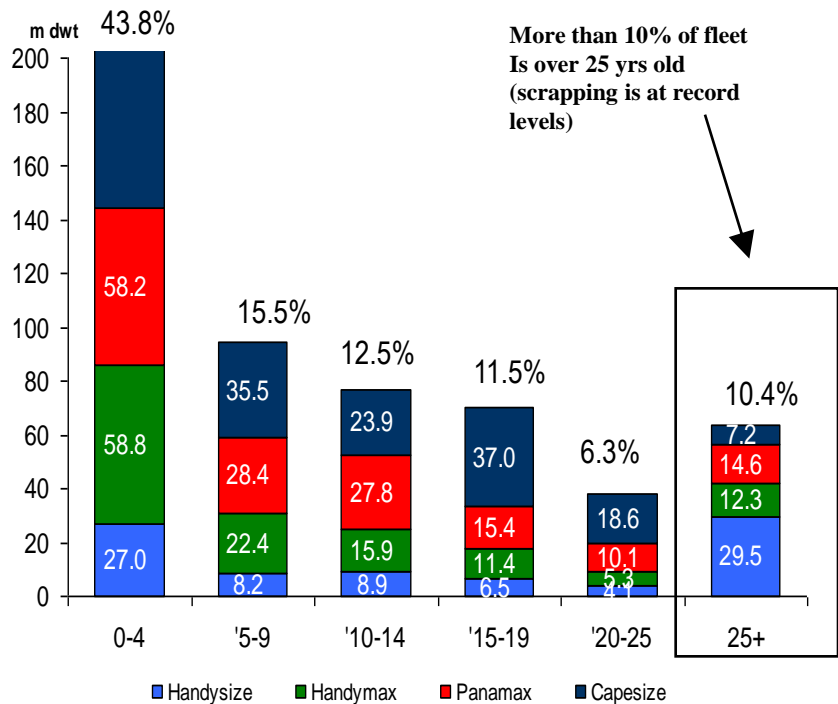
In parentheses:  
Region's / Route's  
share in 2001



- Almost 75% of major bulk imports and almost 2/3 of total bulk are destined to Asia and half of those to China
- Containerized intra-regional trades, North-South and non-mainlane East-West trades are lately expanding much faster than “traditional” container route destinations of N. Amer. & Europe
- Trade increasingly depends on economic developments in Asia and emerging economies in L. America and Africa
  - ➔ Trade Growth / GDP multiplier increased for drybulk trade in the last decade (from 1x to more the 1.5x)
  - ➔ For containerized trade, slower growth of trade to developed countries is counter-balanced by strong growth in emerging and non-main lane trades resulting in a multiplier in the range 2x-2.5x

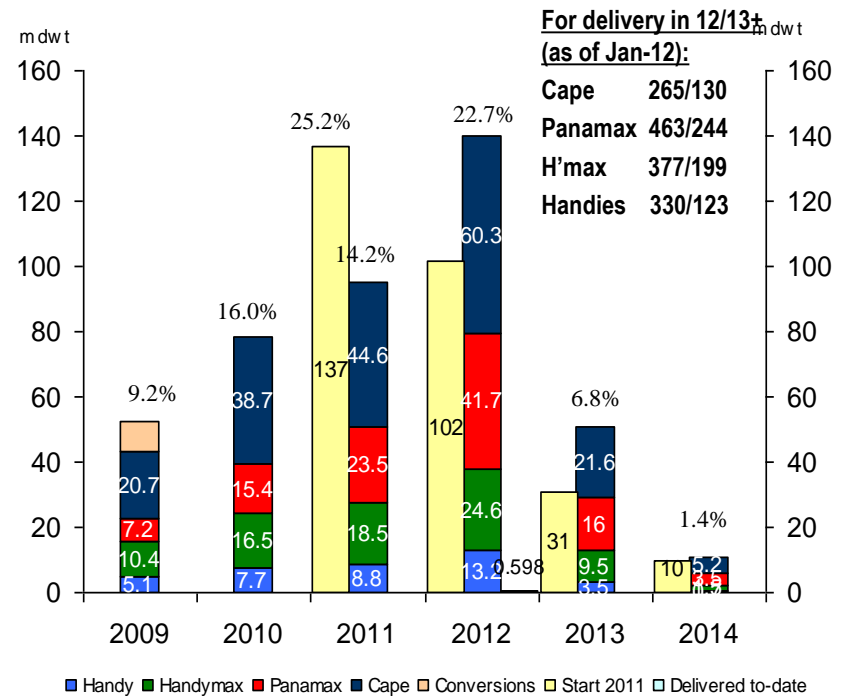
# Drybulk Age Profile & Orderbook Delivery Schedule

## Dry Bulk Age Profile



**Large bulkers are still young**

## Dry Bulk Orderbook (1)



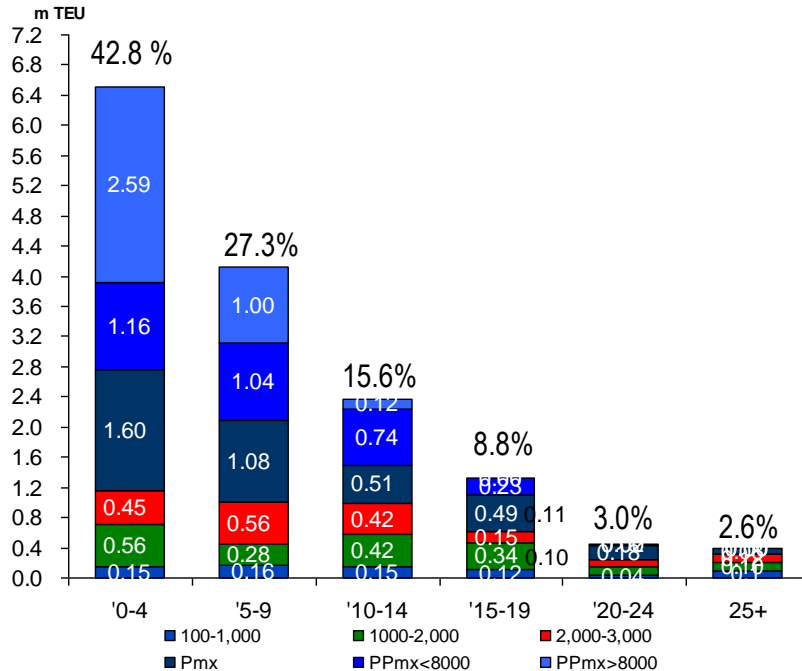
**Large Vessels Dominate Orderbook**

Source: Clarksons/Dhalman Rose, as of January 2012

- (1) 2009-2011 fleet percent change includes scrapping and other additions and removals. In 2009, scrapping accounted for 10 m dwt, conversions for 10.9 m dwt and other removals for 1.7 m dwt, and slippage and cancellations (28.5 m dwt) accounted for 40% of the scheduled deliveries. In 2010, scrapping accounted for 5.7 m dwt, slippage and cancellations (47 m dwt) accounted for 38% of the scheduled deliveries. In 2011, scrapping accounted for 22.15 m dwt, slippage and cancellations (43 m dwt) accounted for 31% of the scheduled deliveries.
- (2) 2012 on deliveries are given as percent of fleet of previous year calculated without accounting for scrapping, other removals or conversions (January 2012)

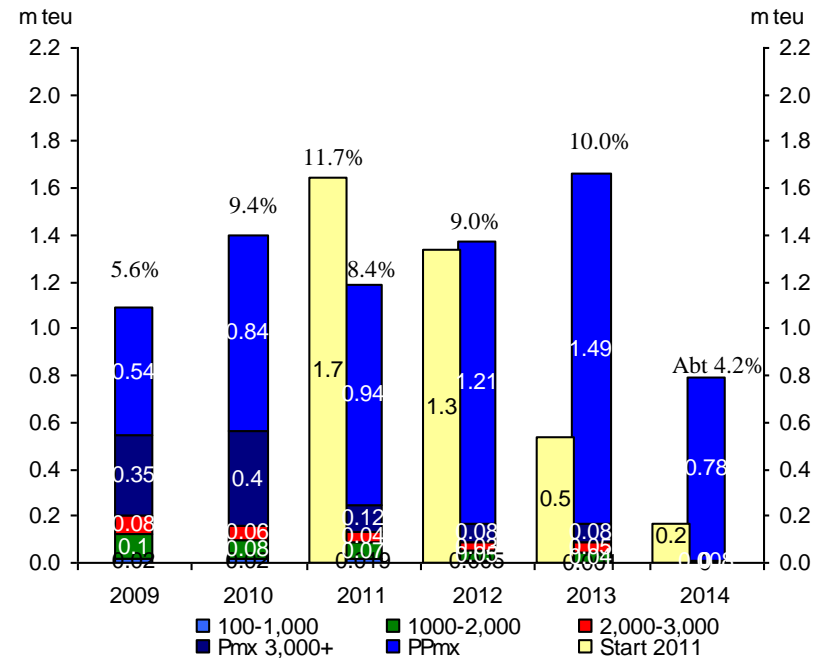
# Containership Age Profile & Orderbook Delivery Schedule

## Containership Age Profile<sup>(1)</sup>



**Overall A Young Fleet**

## Container Orderbook<sup>(1)</sup>



**Large Vessels Dominate Orderbook**

Source: Clarksons as of January 2012

(1) 2009-2010 fleet percent change includes scrapping and other additions and removals. From 2011 onwards, percent fleet change is calculated based on the fleet of the previous year calculated without accounting for scrapping, other removals or conversions.

In 2009, scrapping accounted for 0.35 m teu, or 2.9% of the fleet. Slippage and cancellations of about 1.0 m teu or about 48% of the scheduled deliveries.

In 2010, scrapping accounted for 0.26 m teu, or 1.0% of the fleet. Slippage and cancellations of about 500m teu or about 28% of the scheduled deliveries.

In 2011, scrapping accounted for 0.75 m teu, or 0.5% of the fleet. Slippage and cancellations of about 460m teu or about 28% of the scheduled deliveries.

## Dry Bulk Summary – Market appears to be near all time lows...

- » **Significant deliveries are expected to put pressure on the market for 2012 and likely 2013**
  - Delivery net delays and cancellations were 40% for 2009, 37% for 2010, 29% for 2011: we expect them to be around 30-35% for 2012
- » **Scrapping could provide a helping hand as more than 10% of the fleet is over 25 years of age**
- » **Drybulk trade growth expectations having been negatively affected by economic uncertainty in Europe...**
- » **..however, almost two thirds of dry bulk demand is generated in Asia which is still to grow at a healthy rate**
- » **In balance, the fleet growth - even assuming healthy scrapping and delivery cancellation rates - is expected to overwhelm any demand growth in 2012 and a big part of 2013**

## Containership Summary – Supply/demand balance is very fragile

- » **Economic uncertainty has affected containerized trade quite broadly as consumers in Europe and North America have remained timid in their spending**
  - Europe and N. America account for about 30% of containerized trade (teu) but almost 50% of containership demand (teu-miles)
  - Trade growth expectations for the next year have been reduced, although non-mainlane and intraregional trades have been growing at healthy rates
  
- » **Fleet growth is expected to be significant but likely lower than in the past 2 years**
  - Containership net delivery delays and cancellations were 50% in 2009, 25% for 2010 and around 27% for 2011 and expected thme to be around 20-25% for 2012...
  - ... which with a likely scrapping rate of about 1% of the fleet may produce a 6-6.5% fleet growth, and a positive demand/supply balance for 2012 with a similar pattern likely for 2013
  - Most of fleet growth in large vessels sizes
  
- » **A finely balanced supply and demand in 2012 and 2013 will result in a volatile market where small changes in the economic environment will likely result in significant shifts in rates and prices**

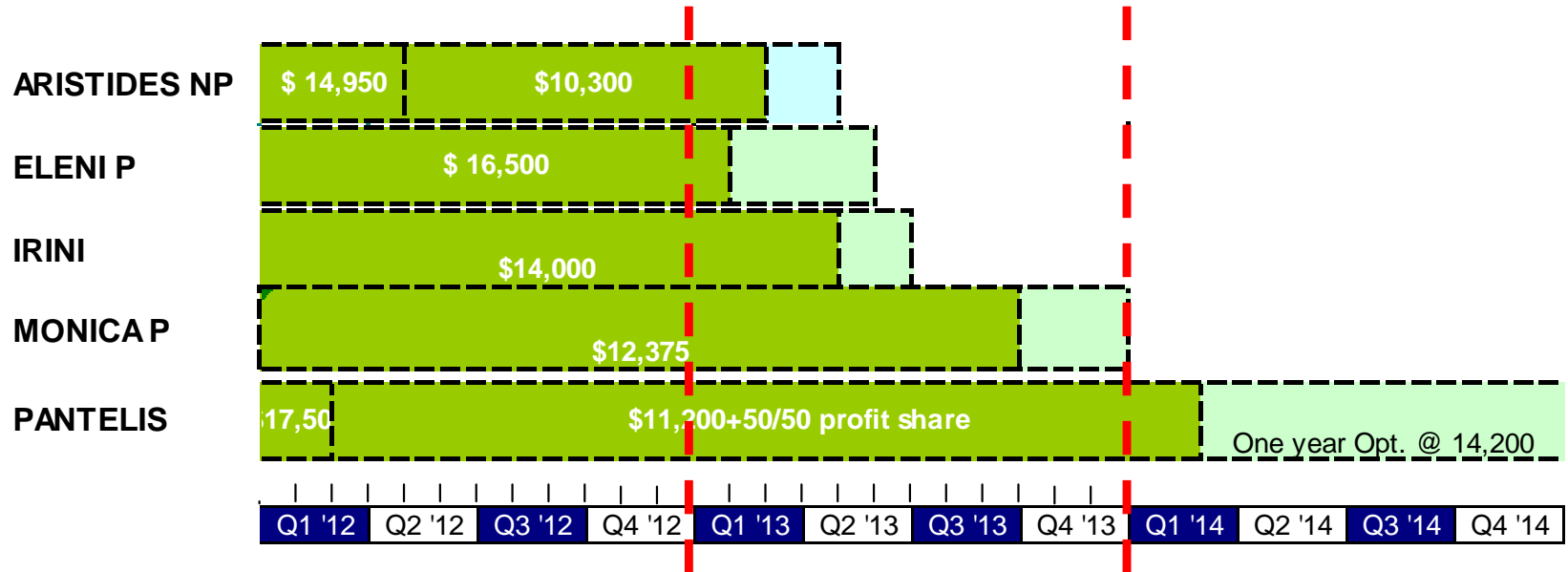


**Chartering, Operations & Investment Strategy**



# Vessels Employment Chart – Bulkers

Coverage: 100% in 2012 / 46% in 2013

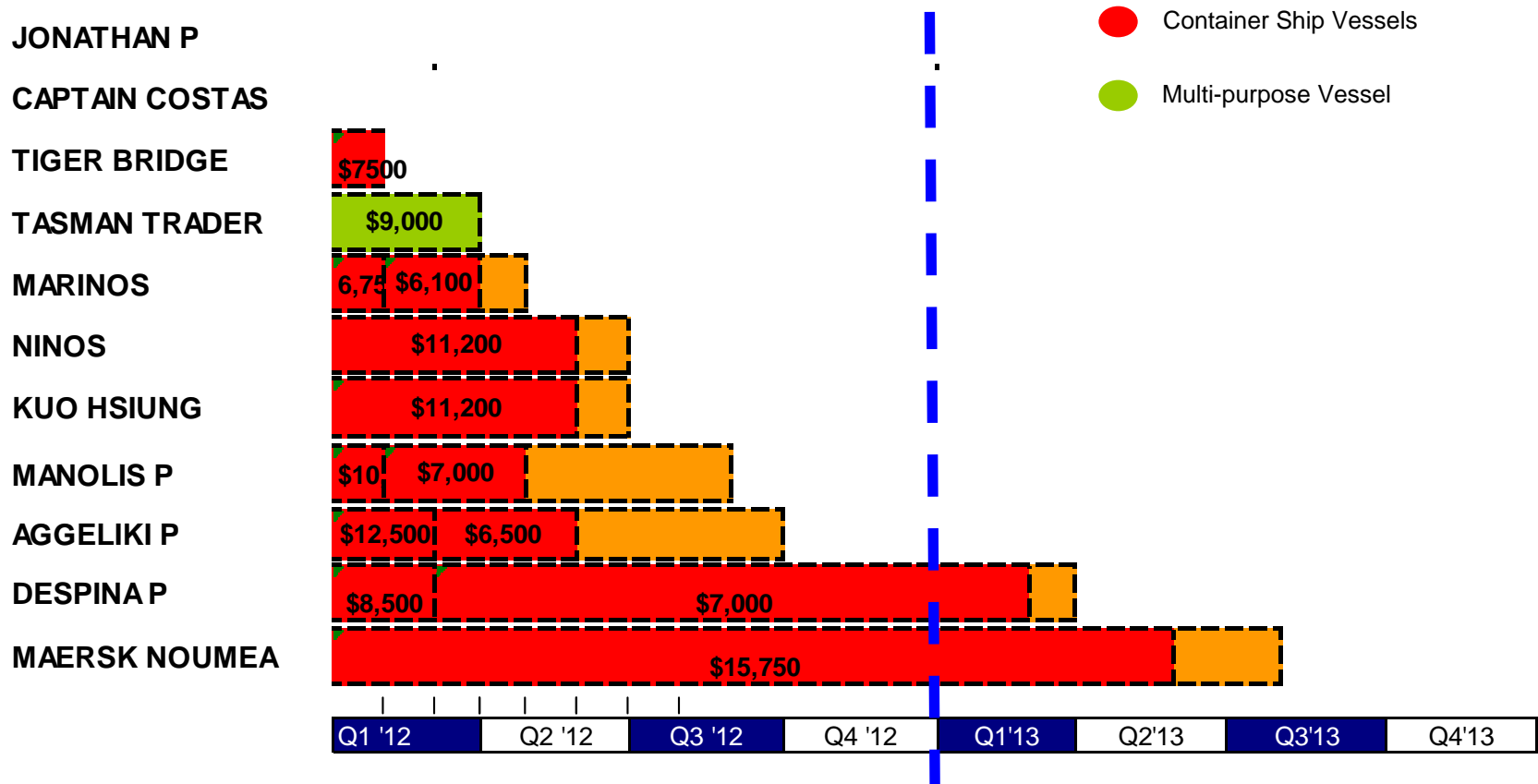


● Physical TC contract based coverage
 ○ Optional periods



# Vessels Employment Chart – Containerships

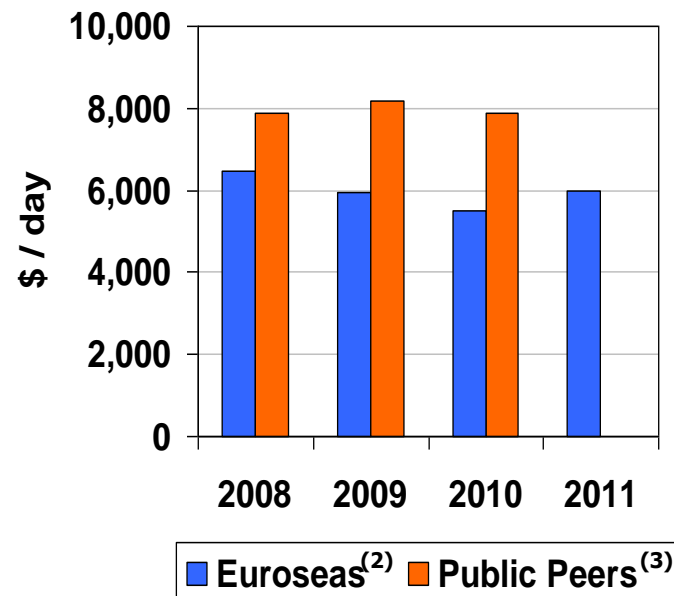
Coverage (1/11/12): Abt 28% in 2012 / Abt 5% in 2013



# Fleet Management & Operational Performance

- » Operational fleet utilization rate in excess of 98.5% over last 5 years
  - Outstanding safety and environmental record
  - For 2011, operational fleet utilization 99.7% and commercial 96.8%
  - For 2010, operational fleet utilization 99.3% and commercial 99.9%
  
- » Overall costs achieved are amongst the lowest of the public shipping companies

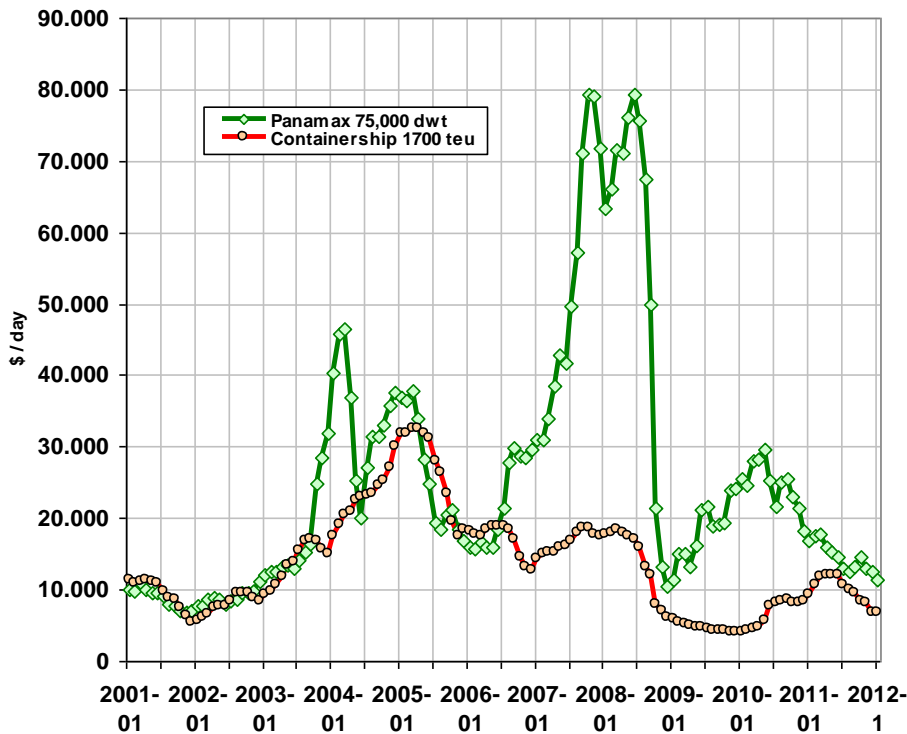
Daily costs per vessel <sup>(1)</sup>



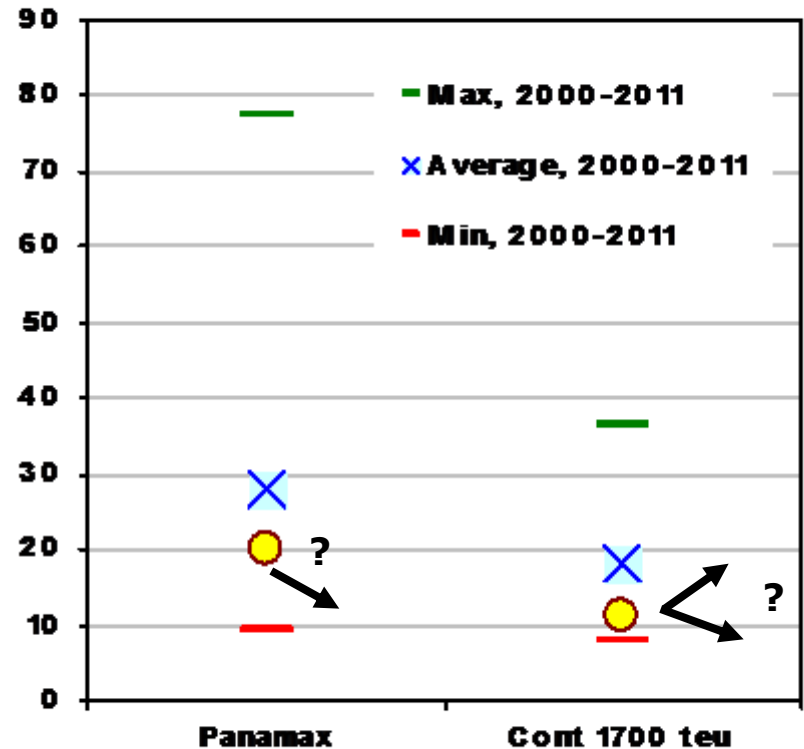
- (1) Includes running cost, management fees and G&A expenses (not drydocking expenses)
- (2) 2009 figure was increased by abt \$600/day to account for the lower cost of the 3 laid-up vessels; 2010 figure was increased by abt \$300/day to account for the lower cost of the laid-up vessels (2 in 2010H1 and 1 in 2010Q3);
- (3) Peer group includes DRYS (up to 2009), DSX, EGLE, EXM, GNK, OCNF and FREE (drybulk), and SSW, DAC (containership) up to 2010; DSX, EGLE, EXM, GNK, SBLK, and SB (drybulk), and SSW, DAC, DCIX in 2011.

# Market Snapshot – Investment Opportunities

## 1-Year TC Rates



## 10-yr old Price Historical Range





## Financial Overview

## Financial Highlights: 4th Quarter and Full Year of 2010 and 2011

(in million USD except per share amounts)	Fourth Quarter			Full Year		
	2010	2011	change % <sup>(4)</sup>	2010	2011	change % <sup>(4)</sup>
<b>Net Revenues</b>	<b>\$12.8</b>	<b>\$15.3</b>	<b>20.0%</b>	<b>\$52.5</b>	<b>\$61.4</b>	<b>17.0%</b>
<b>Net Income</b>	<b>(\$0.9)</b>	<b>\$1.1</b>		<b>(\$6.6)</b>	<b>\$1.1</b>	
<b>(Gain) / loss on derivatives &amp; unrealized / loss on trading securities</b>	<b>(\$2.4)</b>	<b>\$0.0</b>		<b>\$4.4</b>	<b>\$1.7</b>	
<b>Amort. FV of charters, net</b>	<b>(\$0.5)</b>			<b>(\$2.1)</b>	<b>(\$1.3)</b>	
<b>Adj. Net Income</b>	<b>(\$3.9)</b>	<b>\$1.1</b>		<b>(\$4.3)</b>	<b>\$1.5</b>	
<b>Adjusted EBITDA<sup>(1)</sup></b>	<b>\$1.0</b>	<b>\$6.2</b>	<b>504.6%</b>	<b>\$14.4</b>	<b>\$21.59</b>	<b>49.4%</b>
<b>"GAAP" EPS, Diluted<sup>(2)</sup></b>	<b>(\$0.12)</b>	<b>\$0.04</b>		<b>(\$0.14)</b>	<b>\$0.05</b>	
<b>"Operating"<sup>(3)</sup> Adj. EPS, Diluted</b>	<b>(\$0.12)</b>	<b>\$0.04</b>		<b>(\$0.14)</b>	<b>\$0.05</b>	
<b>Dividends per share, declared</b>	<b>\$0.06</b>	<b>\$0.05</b>	<b>-16.7%</b>	<b>\$0.23</b>	<b>\$0.26</b>	<b>13.0%</b>

(1) See press release of 02/09/2012 for Adjusted EBITDA reconciliation to Net Income and Cash Flow from Operations.

(2) Calculated on 30,968,108 and 30,900,122 weighted average number of diluted shares for 2010 and 31,160,238 and 31,104,692 diluted shares for 2011.

(3) "Operating" EPS excludes from Net Income the capital gains, unrealized and realized derivative gains and losses, unrealized investment gains or losses and amortization of fair value of charters acquired. See press release of 11/09/2011 for reconciliation to Net Income.

(4) Calculated based on figures in press release of 02/09/2012, i.e. before rounding to million USD

# Fleet Data for 4th Quarter and Full Year of 2010 and 2011

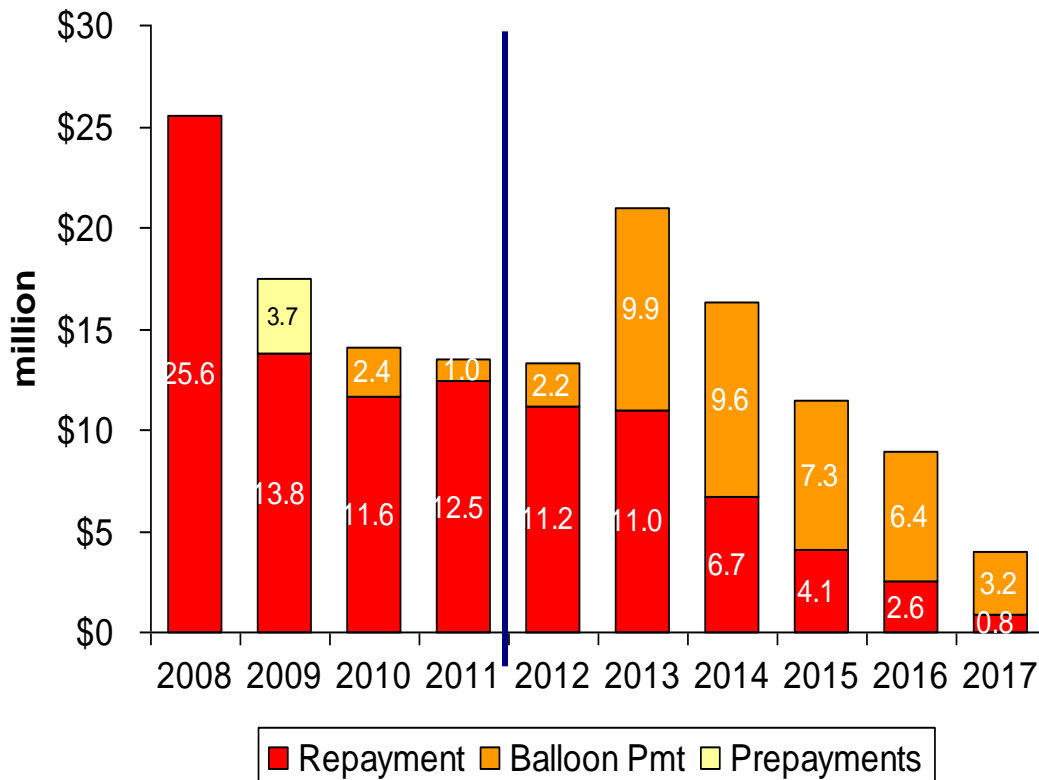
## Fleet Statistics

	Fourth Quarter		Full Year	
	2010	2011	2010	2011
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
<b>Number of vessels</b>	<b>16.00</b>	<b>16.00</b>	<b>15.53</b>	<b>16.00</b>
<b>Utilization Rate (%)</b>				
Overall <sup>(1)</sup>	98.7%	90.1%	99.2%	96.4%
Commercial <sup>(1)</sup>	99.7%	90.5%	99.9%	96.8%
Operational <sup>(1)</sup>	99.0%	99.6%	99.3%	99.7%
<b>Averages in usd/day/vessel</b>				
<b>Time Charter Equivalent (TCE)<sup>(2)</sup></b>	<b>\$ 10,091</b>	<b>\$ 12,099</b>	<b>\$ 11,201</b>	<b>\$ 11,525</b>
<b>Operating Expenses</b>				
Vessel Oper. Exp. excl. laid-up	5,329	5,242	4,657	5,490
G&A Expenses	445	524	534	511
<b>Total Operating Expenses</b>	<b>5,774</b>	<b>5,766</b>	<b>5,191</b>	<b>6,001</b>
<b>Interest Expense</b>	<b>276</b>	<b>368</b>	<b>264</b>	<b>375</b>
<b>Drydocking Expense</b>	<b>2,023</b>	<b>215</b>	<b>1,153</b>	<b>539</b>
<b>Loan Repayments</b>	<b>1,770</b>	<b>2,380</b>	<b>2,052</b>	<b>2,307</b>
<b>Total Cash Flow Breakeven</b>	<b>9,843</b>	<b>8,729</b>	<b>8,660</b>	<b>9,222</b>

- (1) Utilization Rate is calculated excluding scheduled offhire (drydockings and special surveys) and vessels in lay-up. Scheduled offhire amounted to 120.7 and 715.9 days for fourth quarter and full year of 2010 and 29.4 and 139.6 days for the same periods of 2011.
- (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.

# Debt Repayment Profile

## Debt Repayment Schedule – As of 12/31/2011



## Cash Flow Breakeven

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

	<u>\$/day</u>
OPEX	\$ 5,700
G&A	\$ 600
Interest	\$ 650
Drydock	\$ 250
<u>Loan Rpmt</u>	<u>\$ 2,300</u>
<b>TOTAL</b>	<b>\$ 9,500</b>

## Balance Sheet & Other Data

- » **Cash @ December 31, 2011: \$ 36.9 m**
  - \$30.9 m unrestricted – abt \$6.0 m working capital and restricted
- » **Debt: \$74.9 m as of December 31, 2011**
  - Debt to Capitalization ratio 26%
  - Covenants fully satisfied
- » **About \$25-30 m cash equity to fund further growth**
  - \$10m committed to be invested via Euromar
  - About \$15-20m equity to buy 1-2 vessels outside Euromar



# Euroseas Contacts

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## Appendix

**Please refer to the Company's press release of February 9, 2012 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**