

**Three & Nine Months Ended September 30, 2010  
Earnings Presentation  
November 16, 2010**



## 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.*

*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.*

## 2010 Third Quarter & First Nine Months Overview

- Financial Highlights - 2010:

	Third Quarter		First Nine Months	
Net Revenues	\$12.2 m		\$39.7 m	
Net Loss	(\$3.2) m	(\$0.10) / share <sup>(2)</sup>	(\$5.7) m	(\$0.18) / share <sup>(2)</sup>
Adj. Net Loss <sup>(1)</sup>	(\$1.4) m	(\$0.04) / share <sup>(2)</sup>	(\$0.5) m	(\$0.02) / share <sup>(2)</sup>
Adj. EBITDA <sup>(1)</sup>	\$3.5 m		\$13.4 m	
Dividend declared	\$0.06 /share		\$0.17 /share	

(1) See press release of 11/15/2010 for reconciliation of Adj., Net Income to Net Income and Adjusted EBITDA to Net Income and Cash Flow from Operations

(2) Basic and diluted



## Recent Developments

- » **Reactivated and chartered containership m/v Jonathan P 1990-built gearless 1932 teu**
  - Vessel was laid up since March 2009
  - The Company has no laid-up vessels remaining
  - All vessels are now chartered into 2011 except Despina P which is to undergo scheduled drydock and will become available for re-charter towards the end of December
  
- » **Bought 4 additional vessels and took delivery of two via our Euromar joint venture**
  - Latest acquisitions include 2 in the 2500-2800 teu range and 2 in the 1700-1800 teu range all geared
  - Total Euromar fleet consists of 6 vessels all geared, built post-2000
  - Euromar, a joint venture of Euroseas with Eton Park and Rhône Capital, was formed in March 2010 with a total capital commitment of \$175m
    - Euroseas committed \$25m for a participation of about 14.3%
    - About half of the committed funds have been invested

# Current Fleet *(not including Euromar vessels)*

	Name	Type	Size		Year	Acquisition
			DWT	TEU	Built	Year
Drybulk Carriers	Pantelis	Panamax	74,020	-	2000	2009
	Eleni P	Panamax	72,119	-	1997	2009
	Irini	Panamax	69,734	-	1988	2002
	Aristides NP	Panamax	69,268	-	1993	2006
	Monica P	Handymax	46,667	-	1998	2009
Container ships	Maersk Noumea	Intermediate	34,677	2,556	2001	2008
	Tiger Bridge	Intermediate	31,627	2,228	1990	2007
	Angeliki P	Handysize	30,360	2,008	1998	2010
	Despina P	Handysize	33,667	1,932	1990	2007
	Jonathan P	Handysize	33,667	1,932	1990	2007
	Captain Costas	Intermediate	30,007	1,742	1992	2007
	YM Port Klang	Handysize	23,596	1,599	1993	2006
	Manolis P	Handysize	20,346	1,452	1995	2007
	Ninos	Feeder	18,253	1,169	1990	2001
	Kuo Hsiung	Feeder	18,154	1,169	1993	2002
	Tasman Trader	Multipurpose	22,568	950	1990	2006
<b>Total</b>	<b>16 vessels</b>	<b>628,730</b>	<b>18,737</b>	<b>16.8 yrs</b>		

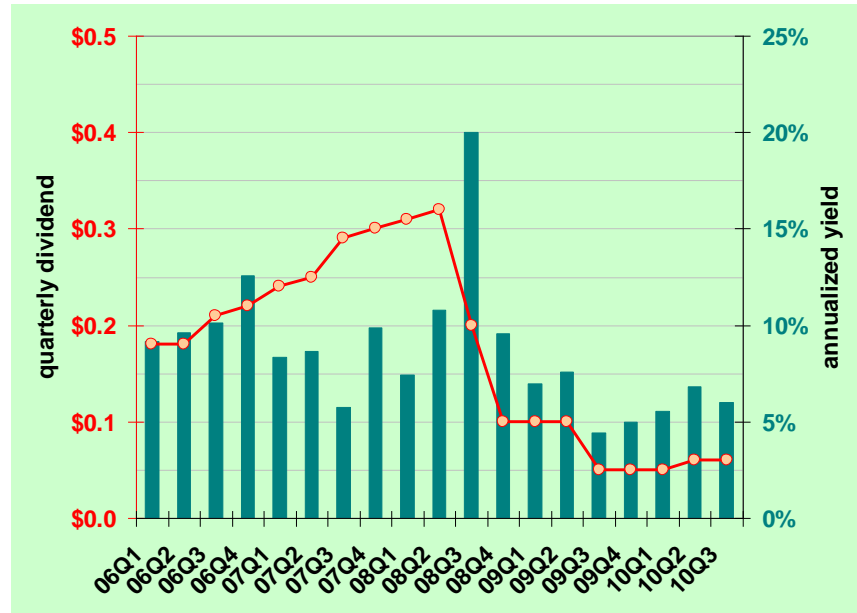
# Euromar Fleet

Container ships

Name	Type	Size		Year
		DWT	TEU	Built
<b>CMA-CGM TELOPEA</b>	Intermediate	37,180	2,785	2007
<b>EM ATHENS</b>	Intermediate	32,350	2,506	2000
<b>EM CHIOS</b>	Intermediate	32,350	2,506	2000
<b>MAERSK NAIROBI</b>	Intermediate	33,771	2,556	2001
<b>EM HYDRA</b>	Handy	23,570	1,740	2005
<b>EM SPETSES</b>	Handy	23,570	1,740	2007
<b>Total</b>	<b>6 vessels</b>	<b>182,791</b>	<b>13,833</b>	<b>6.7</b>

# Dividend Declaration

- Declared the 21<sup>th</sup> consecutive dividend of \$0.06 per share for the third quarter of 2010
- Annualized yield of about 6% <sup>(1)</sup>
- Intention to maintain policy of providing healthy dividends throughout market cycles without compromising growth opportunities

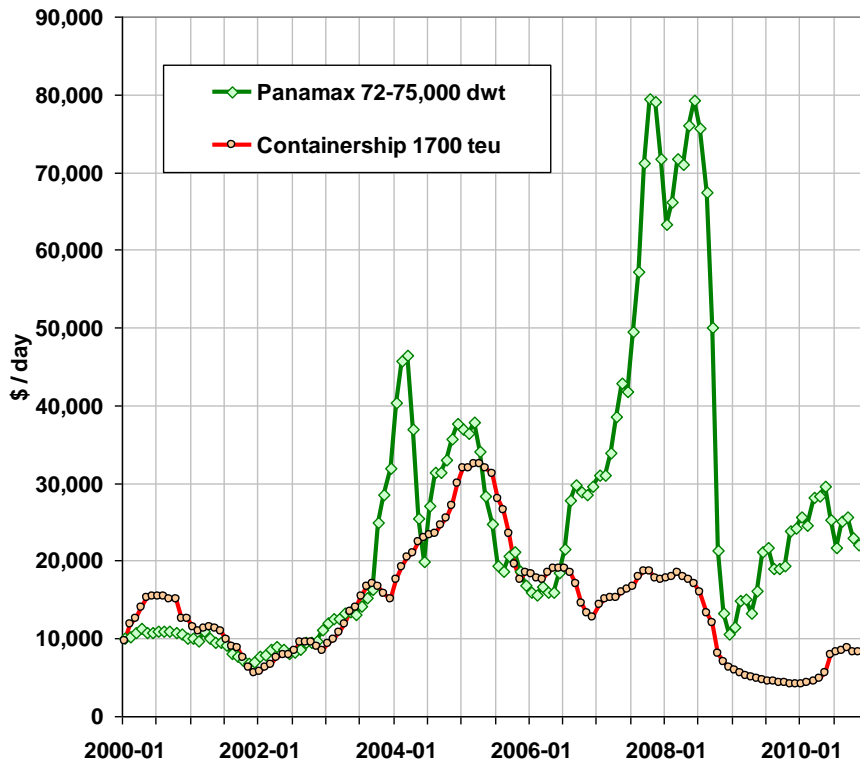


(1) Based on closing price of \$4.02 on 11/12/2010

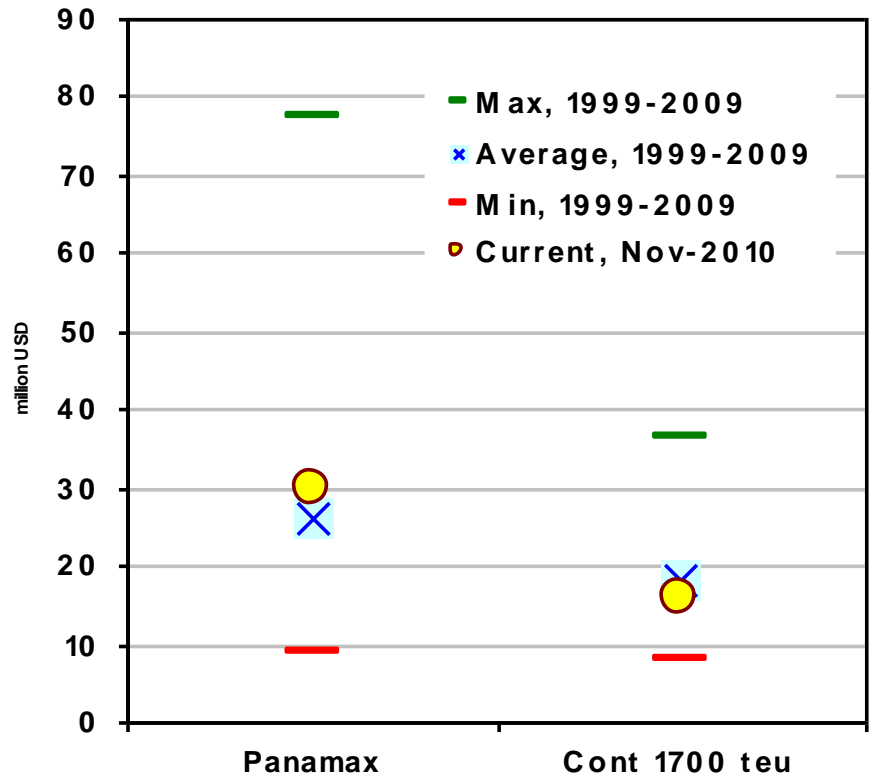


# Investment Opportunities

## 1-Year TC Rates



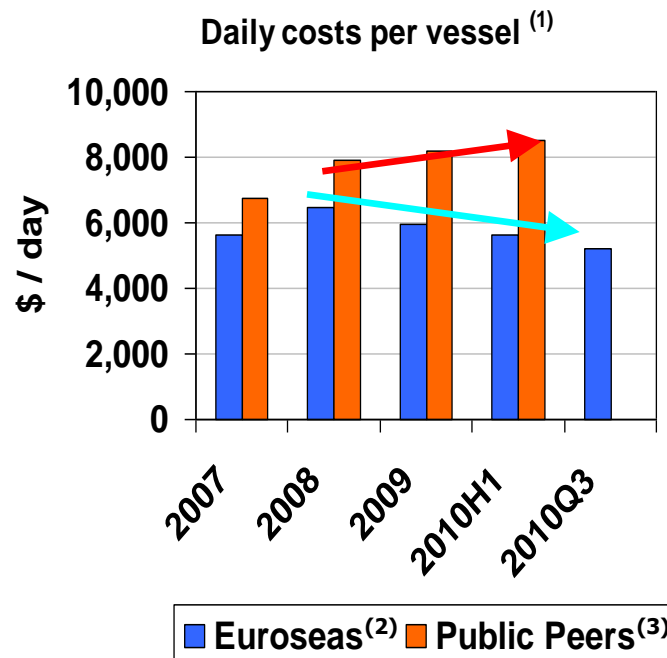
## 10-yr old Price Historical Range





# Fleet Management & Operational Performance

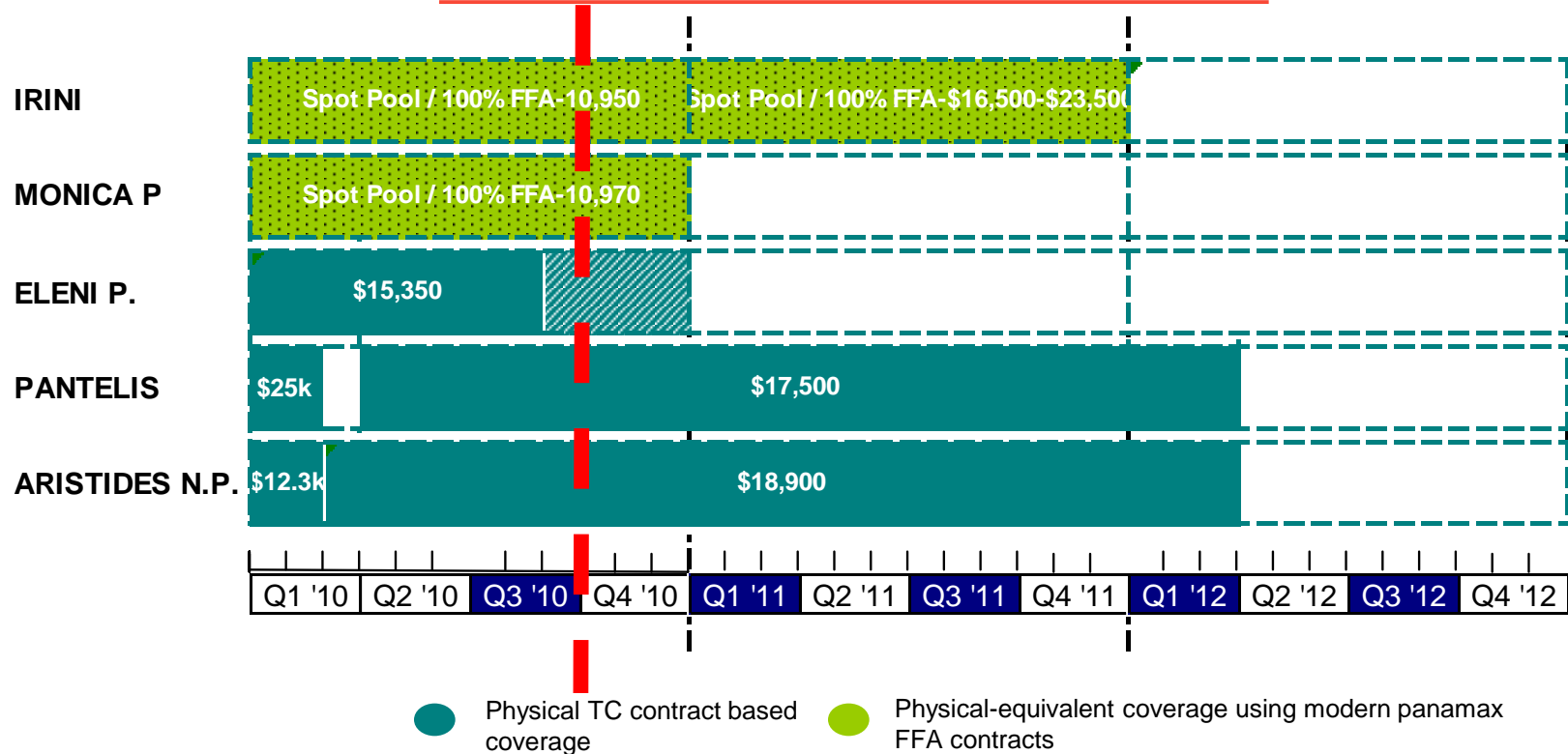
- » Operational fleet utilization rate in excess of 98.5% over last 5 years
  - Outstanding safety and environmental record
  - For 2010Q3, operational fleet utilization 99.0% and commercial 100%
  
- » Overall costs achieved are amongst the lowest of the public shipping companies
  - Achieved about 8% cost reduction in 2010 compared to 2009



- (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; 2010H1 and 2010Q3 figures were increased by abt \$400/day and \$200/day, respectively to account for the lower cost of the laid-up vessels (2 in 2010H1 and 1 in 2010Q3);
- (3) Peer group includes DRYS, DSX, EGLE, EXM, GNK, OCNF and FREE (drybulk), and SSW, DAC (containership) –2009 figures for DRYS, DAC and SSW refer to 2009M9 figures as they have not reported 2009Q4 figures as yet.

# Vessels Employment Chart – Bulkers

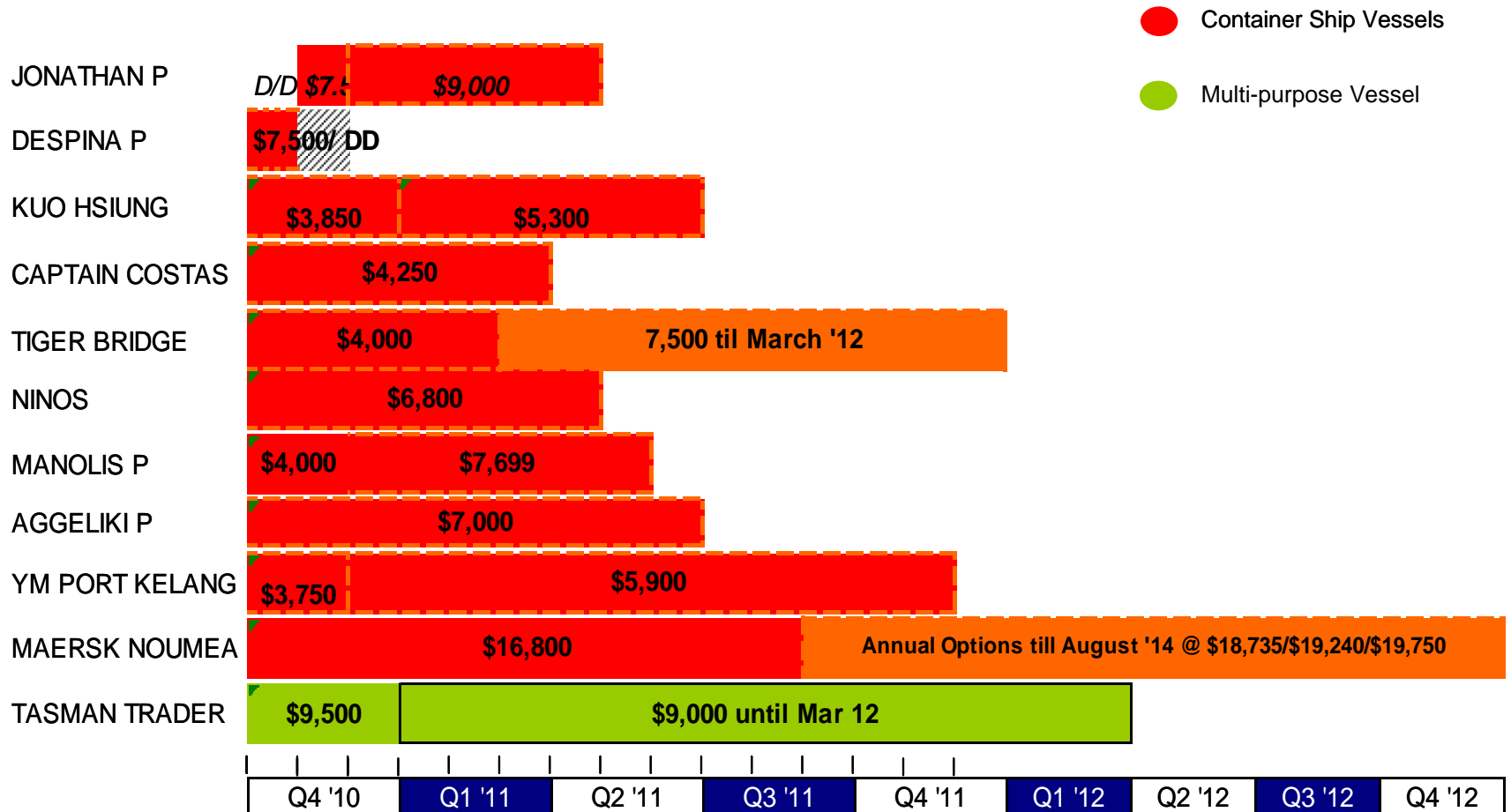
80% in 2010 / 60 % in 2011 / 10% in 2012

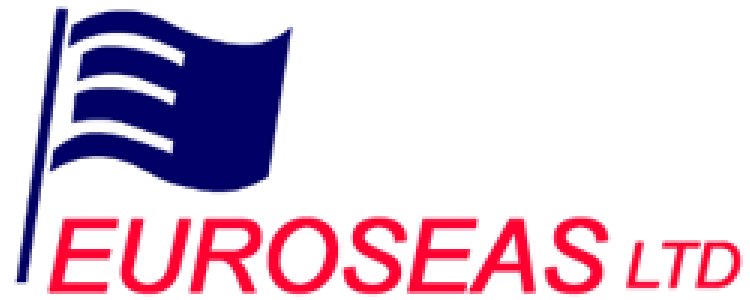


Notes: 1) Irimi is equivalent to 86% of a modern panamax; Aristides NP to 89%; Monica P to 86%; Eleni P to 93% and Pantelis to 99%.  
 2) A FFA option collar between \$16,500 and \$23,500/day has been set to provide similar cover which if applied to IRINI would translate to a range of abt \$14,000-\$20,000/day, or, on average \$17,000/day

# Vessels Employment Chart – Containerships

Coverage abt 90% in 2010 / abt 60% in 2011





**Market Overview**

## World GDP & Shipping Demand Growth

Real GDP (% p,a,)	2007	2008	2009	2010f	2011f	2012-15f
USA	2.5	1.1	-2.4	2.6(3.3)	2.3 (2.9)	2.8
Eurozone	2.7	0.8	-4.1	1.7 (1.0)	1.5 (1.3)	1.8
Japan	1.9	-0.7	-5.2	2.8 (2.4)	1.5 (1.8)	1.8
China	11.2	9.0	8.7	10.5(10.5)	9.6(9.6)	9.5
India	9.0	7.3	5.7	9.7(9.4)	8.4 (8.4)	8.1
Russia	8.1	5.6	-7.9	4.0 (4.3)	4.3 (4.1)	3.5
Brazil	5.4	5.1	-0.2	7.5 (7.1)	4.1 (4.2)	4.0
NIE Asia	5.6	1.6	-0.9	7.8 (6.7)	4.5 (4.7)	4.3
ASEAN-5	6.3	4.8	1.7	6.6 (6.4)	5.4 (5.5)	4.6
<b>World</b>	<b>5.0</b>	<b>3.2</b>	<b>-0.6</b>	<b>4.8 (4.6)</b>	<b>4.2 (4.3)</b>	<b>4.6</b>

(July-10 figures in parentheses)

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

Tons	6.5	3.3	-5.0	8.0(7.0)	7.0(6.0)	6.0
------	-----	-----	------	----------	----------	-----

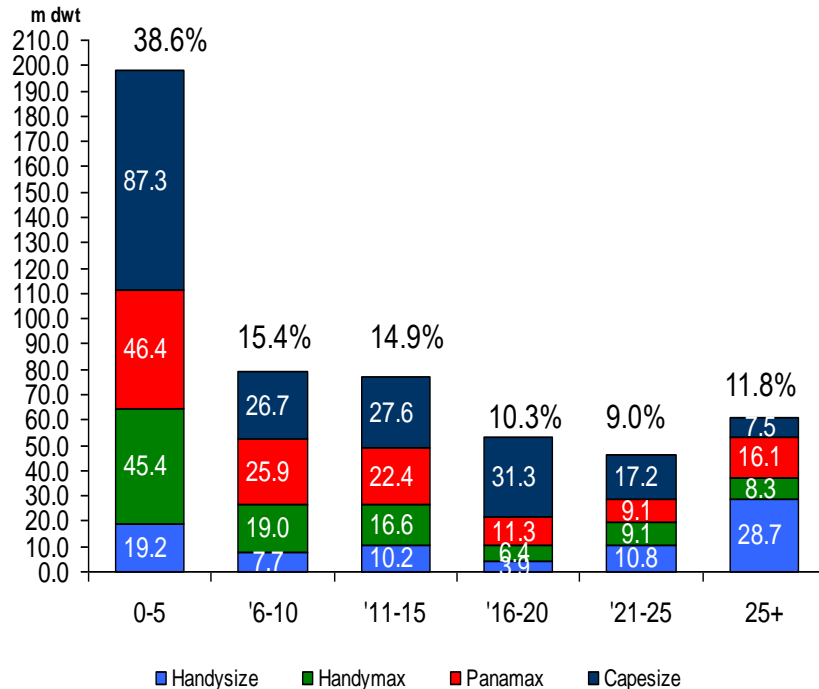
### Containerized Trade (% p,a,)

TEU	10.4	6.1	-9.4	11.5 (9.7)	10.6(10.5)	8-10
-----	------	-----	------	------------	------------	------

Sources: GDP - International Monetary Fund (October 2010), Company estimates (October 2010);  
Trade – Clarksons, Company estimates October 2010)

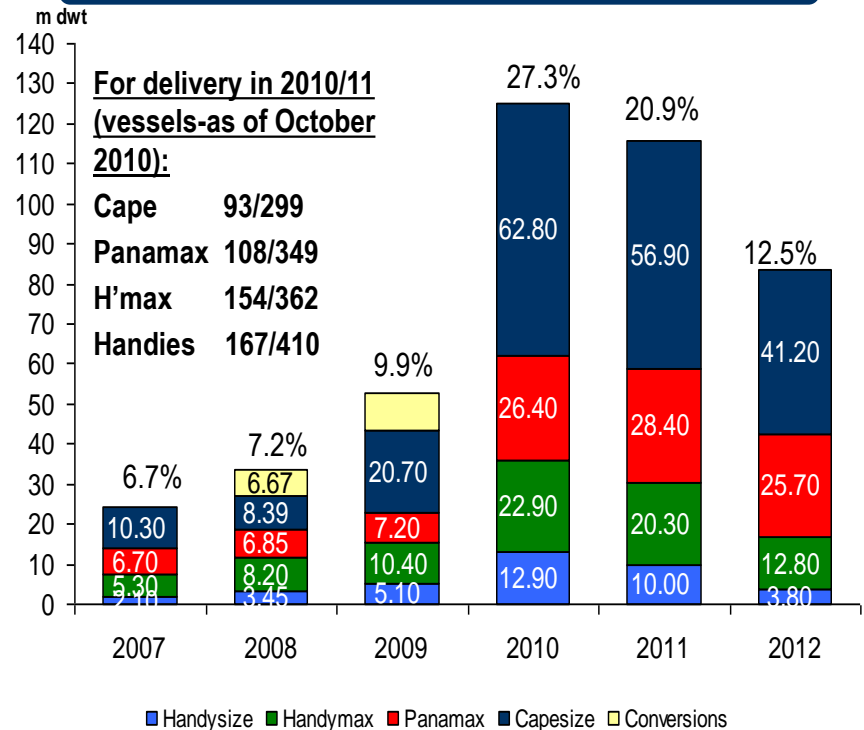
# Drybulk Age Profile & Orderbook Delivery Schedule

## Dry Bulk Age Profile



**Large bulkers re still young**

## Dry Bulk Orderbook <sup>(1)</sup>



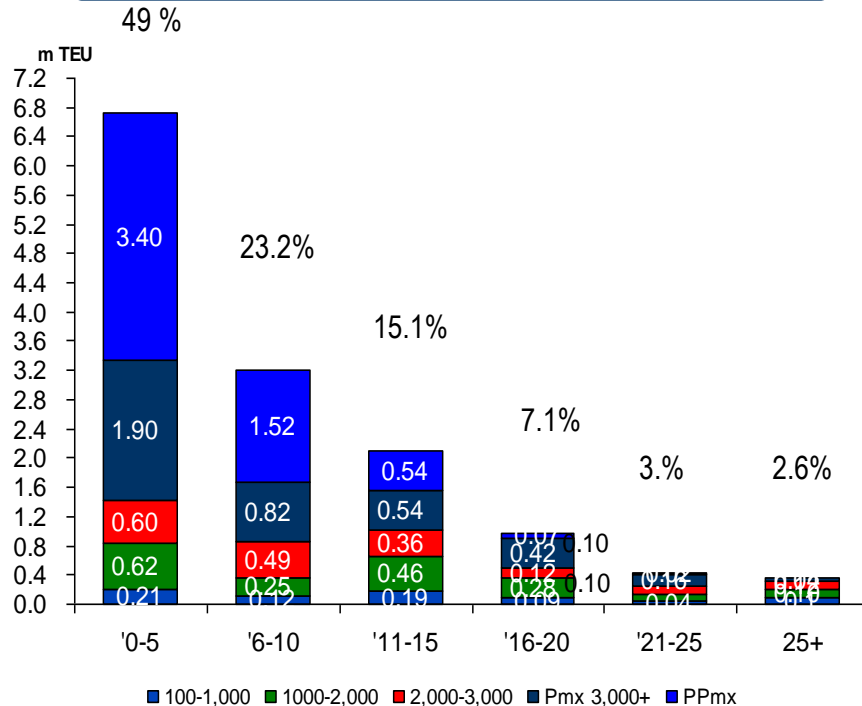
**Large Vessels Dominate Orderbook**

Source: Clarksons/Dahlman Rose, as of October 2010

- (1) 2007-2009 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. Slippage and cancellations (28.5 m dwt) accounted for 40% of the scheduled deliveries.
- (2) 2010 on deliveries are given as percent of fleet of previous year calculated without accounting for scrapping, other removals or conversions (October 2010)

# Containership Age Profile & Orderbook Delivery Schedule

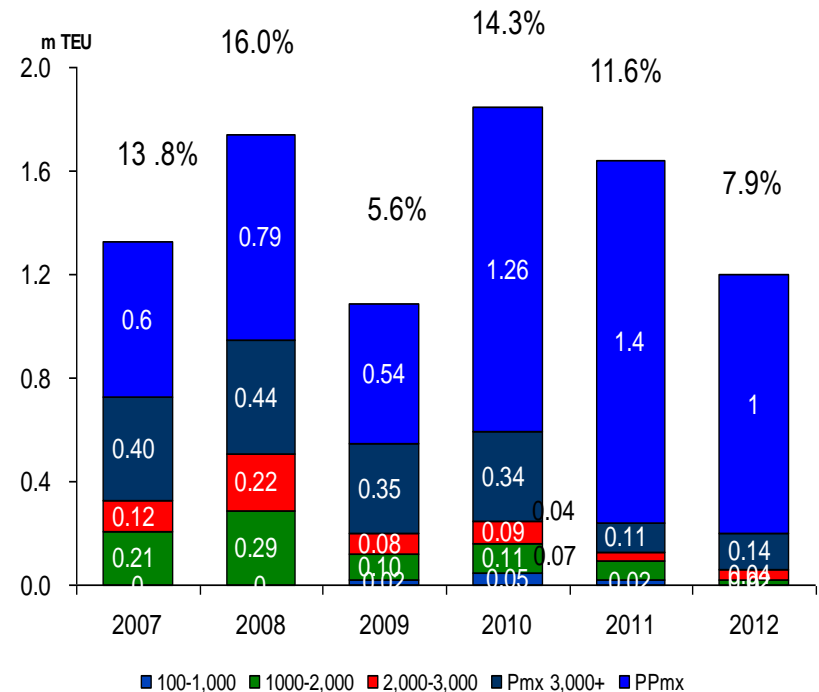
## Containership Age Profile<sup>(1)</sup>



## Overall A Young Fleet

Source: Clarksons as of October 2010

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



## Large Vessels Dominate Orderbook

- (1) 2007-2009 fleet percent change includes scrapping and other additions and removals. From 2010 onwards, percent fleet change is calculated based on the fleet of the previous year calculated without accounting for scrapping, other removals or conversions.
- (2) In 2009, scrapping accounted for 0.35 m teu, or 2.9% of the fleet. Slippage and cancellations of about 1.0 m teu accounted for about 48% of the scheduled deliveries.

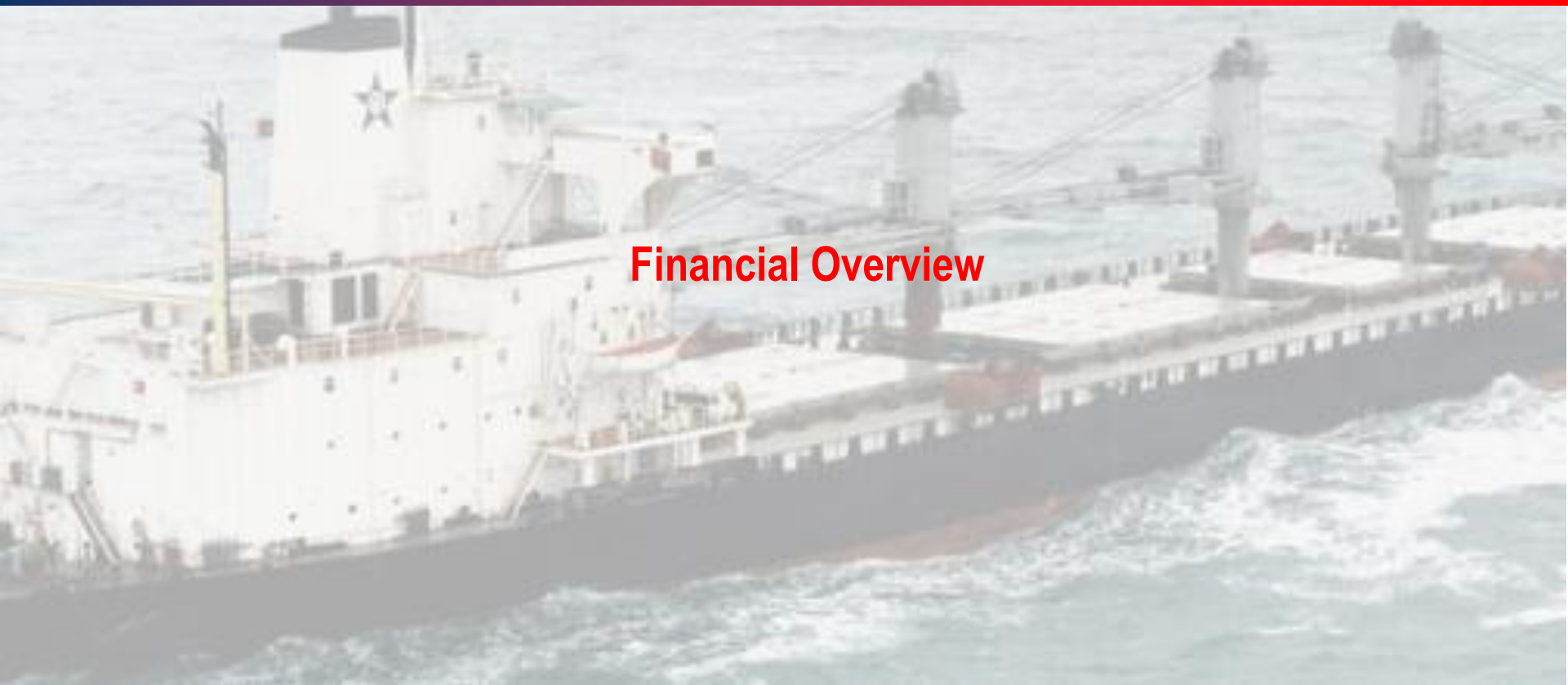
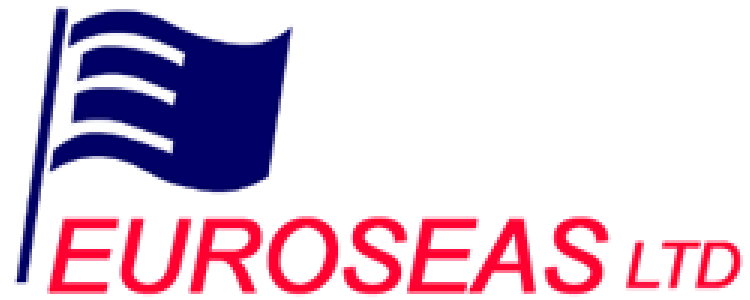


## Market Trends & Opportunities – Bulkers

- » Drybulk trade growth is expected to be strong for 2010 and remain healthy (6%+) in 2011 and 2012
  - Trade growth has been running around 8% p.a. in 2010 and is expected such in the rest of the year
  - China's imports and global economic recovery have set the trend
    - Key risks relate to possible interruptions of the world economic growth
  - Congestion and changing trade patterns for 2010 (increased ballasting to the Atlantic, grain ton-miles increase due to bad crop in Russia, piracy etc) influence trade demand
  
- » Supply side to grow at record pace
  - Record deliveries during 2010 (almost 14% net fleet growth year-to-date) have started putting pressure on rates
  - Cancellations / delays speculated / expected around 40% (similar to 2009)..
  - ...but still the level of scheduled deliveries appears to be at all time highs in 2011 even 2012
  - Moderate levels of scrapping expected unless the market drops significantly
  - Ordering has restarted, increasing the medium term supply-side threat
    - More than 800 bulkers ordered so far in 2010 (as compared to 1242 in 2008 and 1999 in 2007)
  
- » High supply and demand growth will create a volatile environment with a possible downward trend

## Market Trends & Opportunities - Containerships

- » Charter rates and vessel prices significantly recovered in 2010H1 but recovery stalled during Q3.
- » Containerized trade growth is forecast above 11% for 2010 and above 10% for 2011
- » Charter rates for feeder and up to Panamax size vessels continue to trail the global economic recovery; still below their historical average levels
  - Larger vessels have benefitted the most
  - Laid-up fleet down to about 2%
- » Supply side developments will be very important as about half of scheduled deliveries are expected to be delayed/cancelled in 2010 but this rate to decline in 2011
- » Ordering has restarted (after 18 months of –practically- pausing) but the containership orderbook is still at one of the lowest levels it has ever been (about 25% of the fleet)...
- » ...setting the stage for a meaningful market recovery in the short and medium term:
  - If economic growth continues at the rates predicted by the IMF then the resulting demand for goods will return the containership market to a very healthy state very quickly



## Financial Highlights: 3<sup>rd</sup> Quarter and First Nine Months of 2009 and 2010

(in million USD except per share amounts)	Third Quarter			First Nine Months		
	2009	2010	change % (4)	2009	2010	change % (4)
<b>Net Revenues</b>	\$17.2	\$12.2	-28.8%	\$47.3	\$39.7	-16.1%
<b>Net Income</b>	\$2.2	(\$3.2)		\$0.7	(\$5.7)	
<b>(Gain) / loss on derivatives &amp; unrealized (gain)/ loss on trading securities</b>	\$0.3	\$2.4		\$5.8	\$6.8	
<b>Amort. FV of charters, net</b>	(\$0.5)	(\$0.5)		(\$1.1)	(\$1.6)	
<b>Adj. Net Income</b>	\$2.0	(\$1.4)		\$5.4	(\$0.5)	
<b>Adjusted EBITDA <sup>(1)</sup></b>	\$7.2	\$3.5	-51.8%	\$20.0	\$13.4	-32.9%
<b>"GAAP" EPS, Diluted<sup>(2)</sup></b>	\$0.07	(\$0.10)		\$0.02	(\$0.18)	
<b>"Operating"<sup>(3)</sup> Adj. EPS, Diluted</b>	\$0.07	(\$0.04)		\$0.18	(\$0.02)	
<b>Dividends per share, declared</b>	\$0.05	\$0.06		\$0.25	\$0.17	

(1) See press release of 11/15/2010 for Adjusted EBITDA reconciliation to Net Income and Cash Flow from Operations.

(2) Calculated on 30,628,410 and 30,593,401 weighted average number of diluted shares for 2009 and 30,932,211 and 30,877,513 diluted shares for 2010.

(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 11/15/2010 for reconciliation to Net Income.

(4) Calculated based on figures in press release of 11/15/2010, i.e. before rounding to million USD

# Fleet Data for 3<sup>rd</sup> Quarter and First Nine Months of 2009 and 2010

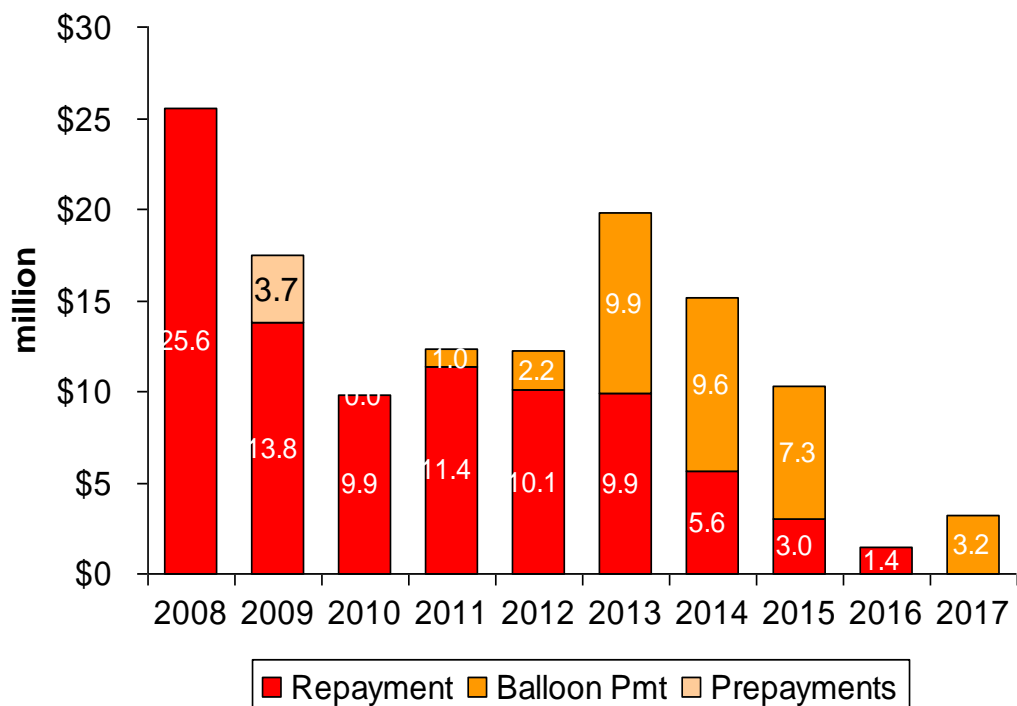
## Fleet Statistics

	Third Quarter 2009 (unaudited)	2010 (unaudited)	First Nine Months 2009 (unaudited)	2010 (unaudited)
<b>Number of vessels</b>	<b>16.79</b>	<b>16.00</b>	<b>16.17</b>	<b>15.37</b>
<b>Utilization Rate (%)</b>				
<b>Overall<sup>(1)</sup></b>	<b>96.2%</b>	<b>99.0%</b>	<b>95.2%</b>	<b>99.4%</b>
<b>Commercial<sup>(1)</sup></b>	<b>96.4%</b>	<b>100.0%</b>	<b>95.8%</b>	<b>100.0%</b>
<b>Operational<sup>(1)</sup></b>	<b>99.8%</b>	<b>99.0%</b>	<b>99.4%</b>	<b>99.4%</b>
<b>Averages in usd/day/vessel</b>				
<b>Time Charter Equivalent (TCE)</b>	<b>\$ 15,101</b>	<b>\$ 10,623</b>	<b>\$ 13,632</b>	<b>\$ 11,645</b>
<b>Operating Expenses</b>				
Vessel Operating Expenses	4,251	4,431	4,790	4,421
G&A Expenses	504	228	645	565
<b>Total Operating Expenses</b>	<b>4,755</b>	<b>4,659</b>	<b>5,435</b>	<b>4,986</b>
<b>Interest Expense</b>	<b>220</b>	<b>249</b>	<b>156</b>	<b>266</b>
<b>Drydocking Expense</b>	<b>1,238</b>	<b>1,161</b>	<b>433</b>	<b>848</b>
<b>Loan Repayments</b>	<b>2,233</b>	<b>2,208</b>	<b>2,249</b>	<b>2,150</b>
<b>Total Cash Flow Breakeven</b>	<b>8,446</b>	<b>8,277</b>	<b>7,840</b>	<b>8,050</b>

- (1) Utilization Rate is calculated excluding scheduled offhire (drydockings and special surveys and vessels in lay-up). Scheduled offhire amounted to 331.5 and 704.5 days for the third quarter and first nine months of 2009 and 171.7 and 595.3 days for the same periods of 2010.

# Rapid Debt Repayment

## Debt Repayment Schedule – As of 11/15/2010



(1) Assumes all 16 vessels are operating

(2) Includes scheduled repayment of loan balloons which represent about \$450/day/vessel; in many cases balloon payments can be refinanced. It also includes repayments of new loan for Aggeliki P and refinancing of balloon payment of loan of Tiger Bridge.

## Cash Flow Breakeven

» Cash Flow Breakeven rough estimate for next 12 months:

	<u>\$/day</u>
OPEX <sup>(1)</sup>	\$ 5,600
G&A	\$ 700
Interest	\$ 450
Drydock	\$ 800
<u>Loan Rpmt<sup>(2)</sup></u>	<u>\$ 1,950</u>
<b>TOTAL</b>	<b>\$ 9,500</b>



## Balance Sheet & Other Data

- » **Cash @ September 30, 2010: about \$ 25.8m**
  - \$17.3 m unrestricted – abt \$8.5m working capital and restricted
  
- » **Debt: \$62.5 m as of September 30, 2010**
  - Debt to Capitalization ratio about 22%
  - In Q4 2010, drawn loan of \$8.5m against recently acquired vessel, M/V Aggeliki P
  - Plans for additional loan (abt \$20m) against unencumbered containership(s)
  - After new loans , debt / market value of fleet still below 40%
  
- » **About \$45 m equity to fund further growth after new and expected loans**
  - \$18.75m committed to be invested via Euomar
  - About \$25m remaining for additional investments outside Euomar - enough to buy 1-2 vessels



# Euroseas Contacts

## Euroseas Ltd.

Aethrion Center  
4, Messogiou & Evropis Street  
151 25 Maroussi, Greece

[www.euroseas.gr](http://www.euroseas.gr)

[euroseas@euroseas.gr](mailto: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](mailto: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](mailto:nbornozis@capitallink.com)

Tel: 212- 6617566

Fax: 212-6617526



## Appendix

**Please refer to the Company's press release of November 15, 2010 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**