



Presentation to
Euro Pacific Global Investment Conference
New York, NY
May 31, 2012

The background of the text is a faded, grayscale image of a large cargo ship at sea. The ship is white with a dark hull and has several masts and cranes visible. A star is visible on the side of the ship's superstructure. The ship is moving through the water, creating a wake.

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.



Introduction & Milestones

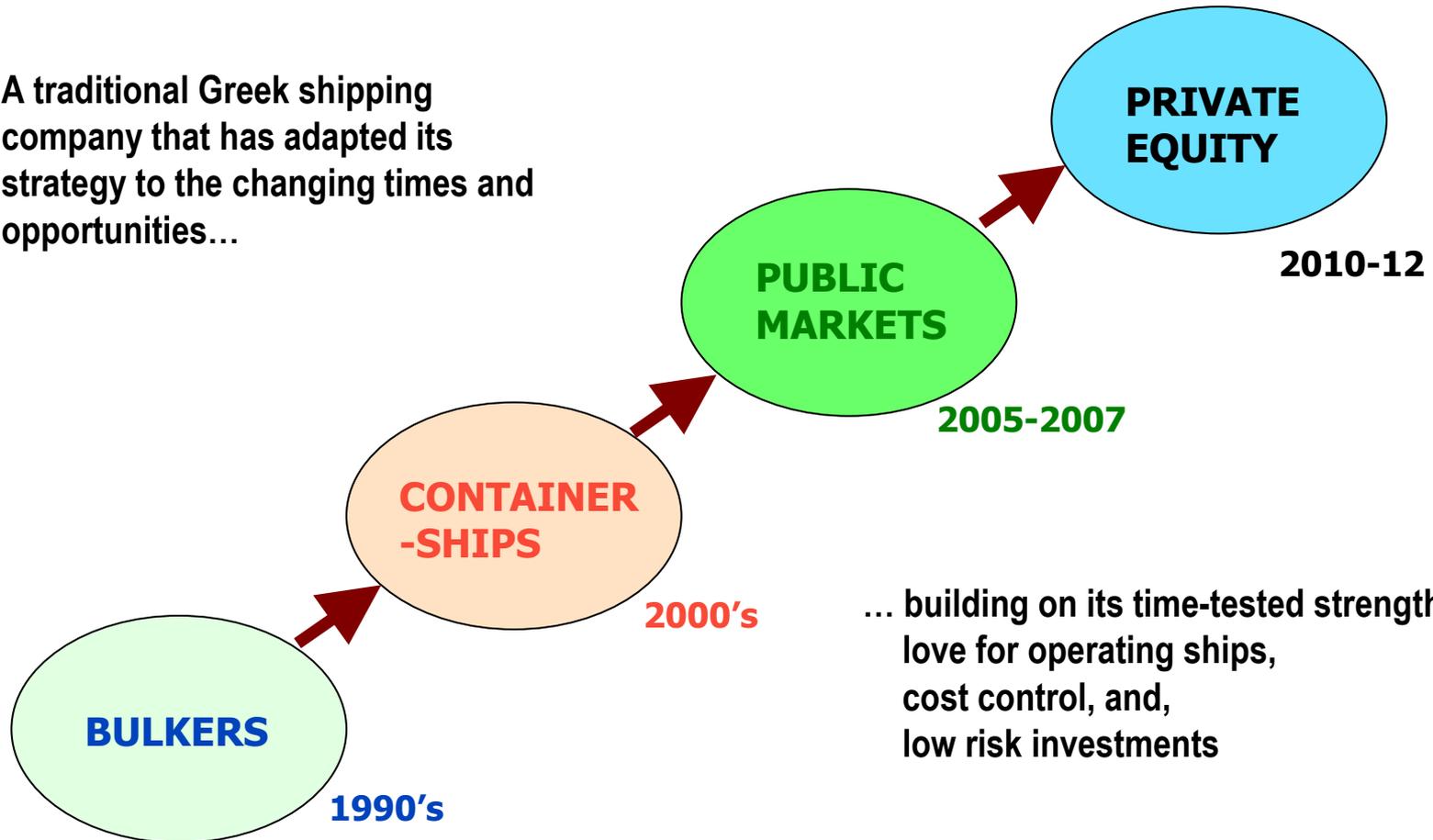
- » **Euroseas is a provider of worldwide dry cargo transportation services and owner of ships**
 - Container and multipurpose ships – transporting dry and refrigerated cargoes
 - Drybulk carriers – transporting iron ore, coal and grains and minor bulks

- » **Corporate Profile**
 - Formed in June 2005 - about 35% owned by the Pittas family which owned & operated vessels since 1870
 - Listed on NASDAQ / abt \$40 million market capitalization (based on stock price of \$1.25 / share)
 - Has paid dividend for 27 consecutive quarters / current annual yield abt 13%

- » **Company Position & Valuation**
 - Strong balance position: cash of \$36m+ / debt of \$70 m (as of March 31, 2012)
 - Ratio of debt to market value of vessels is 50-55%
 - Currently undervalued, trading at a P/NAV ratio of less than 0.50x

Euroseas Strategic Evolution

A traditional Greek shipping company that has adapted its strategy to the changing times and opportunities...





Euromar LLC Joint Venture

- » **Euromar, a joint venture of Euroseas with Eton Park and Rhône Capital, was formed in March 2010 with a total capital commitment of \$175m**
 - Done to provide access to capital to take advantage of opportunities in the containership sector without dilution to Euroseas shareholders (NAV-to-NAV or better conversion)
 - Euroseas committed \$25m for a participation of about 14.3%

- » **9 vessels were acquired to-date with about 70% of the committed funds**
 - 8 vessels during 2010 and 2011
 - 1 vessel, a 2,135 teu containership, 1999 blt in Japan, in 2012
 - Agreed to acquire a 3,100 teu containership scheduled to be delivered in June 2012

- » **About \$44m of the originally committed funds still available**
 - After acquisition of the 10th vessel
 - Continuously looking for opportunities in the containership and drybulk sectors

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	Intermediate	30,360	2,008	1998	2010
	Despina P	Handysize	33,667	1,932	1990	2007
	Captain Costas	Handysize	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
	Anking (*)	Multipurpose	22,568	950	1990	2006
Total	15 vessels	595,063	16,805	17.9 yrs		

(*) Anking was previously named Tasman Trader

Euromar Fleet

	Name	Type	DWT	TEU	Built
Container ships	CAP NORTE ⁽¹⁾	Intermediate	41,850	3,091	2007
	CMA-CGM TELOPEA	Intermediate	37,180	2,785	2007
	EM ASTORIA	Intermediate	35,600	2,778	2004
	MAERSK NAIROBI	Intermediate	34,654	2,556	2001
	EM CHIOS	Intermediate	32,350	2,506	2000
	EM ATHENS	Intermediate	32,350	2,506	2000
	EM ANDROS	Intermediate	33,216	2,450	2003
	EM ITHAKI (ex- MOL VOLTA)	Intermediate	28,917	2,135	1999
	EM HYDRA	Handysize	23,400	1,736	2005
	EM SPETSES	Handysize	23,400	1,736	2007
Total	10 vessels		322,917	24,279	8.7 yrs

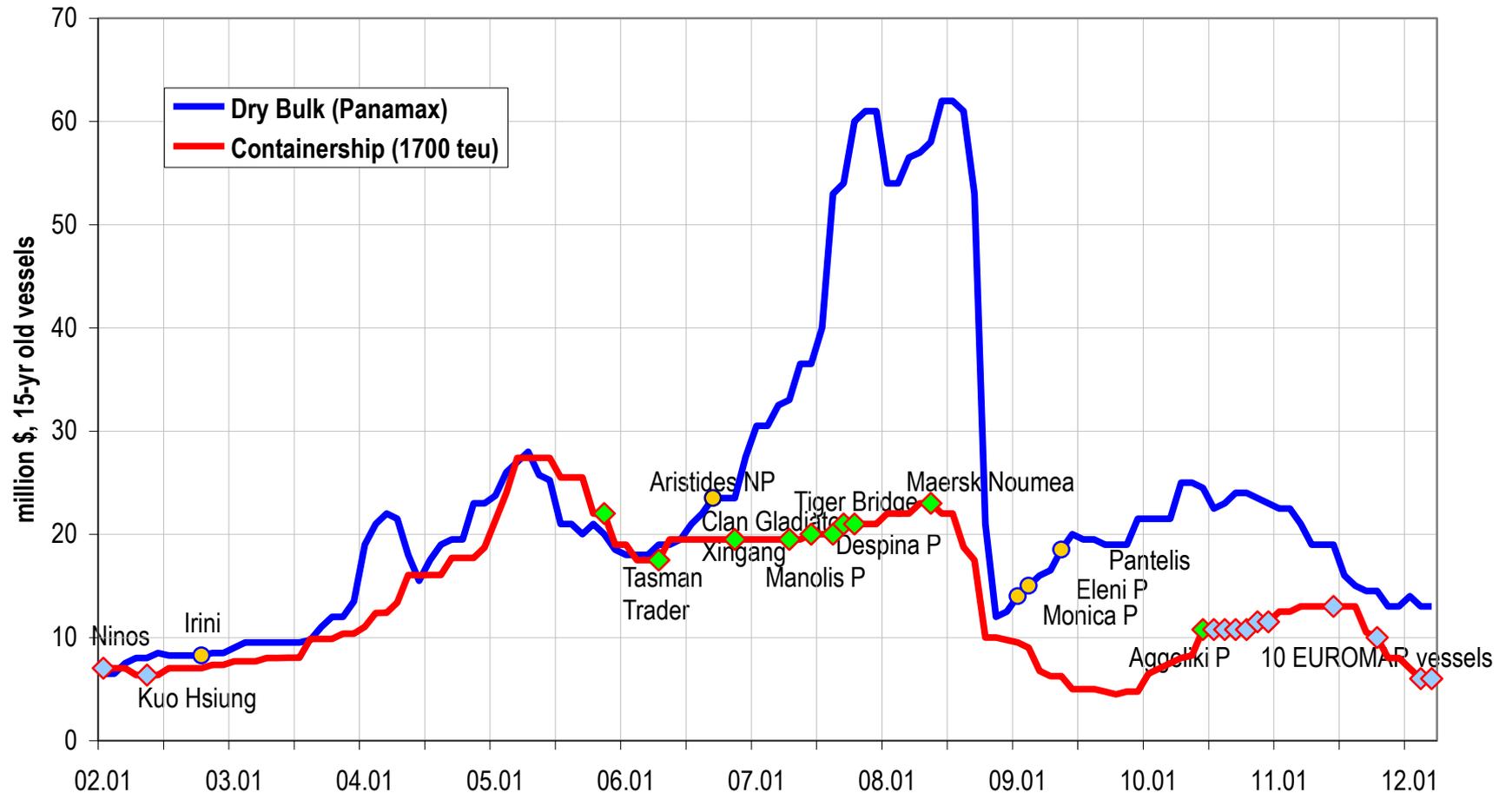
NOTES: (1) Scheduled to be delivered in June 2012; acquired with above market charter



Rights Offering In Progress

- **Raise up to \$15 million by offering approximately 13.85 million shares at \$1.10 /share**
 - All shareholders of record as of May 14, 2012 are eligible to participate
 - Rights Offering ends at 5:00 p.m., Eastern Daylight Time, on June 15, 2012, unless we extend the expiration date or cancel the offering
- **Intend to use funds to pursue further acquisition opportunities**
 - Both sectors we operate, drybulk and containerships, will offer acquisition opportunities at historically low prices
- **We are not raising cash due to any distress situation**
 - We have more than \$35 million cash (including restricted cash) as of March 31, 2012 against debt of about \$70 million and net debt of around 25-30% of the market value of the fleet
- **A Rights Offering offers the possibility of no dilution to fully participating shareholders**
 - Non-participating shareholders could suffer potentially less dilution as compared to other equity raising options
 - Alternative fundraising options (follow-ons, ATMs, convertibles, private placements, etc.) could all be potentially more dilutive for all shareholders

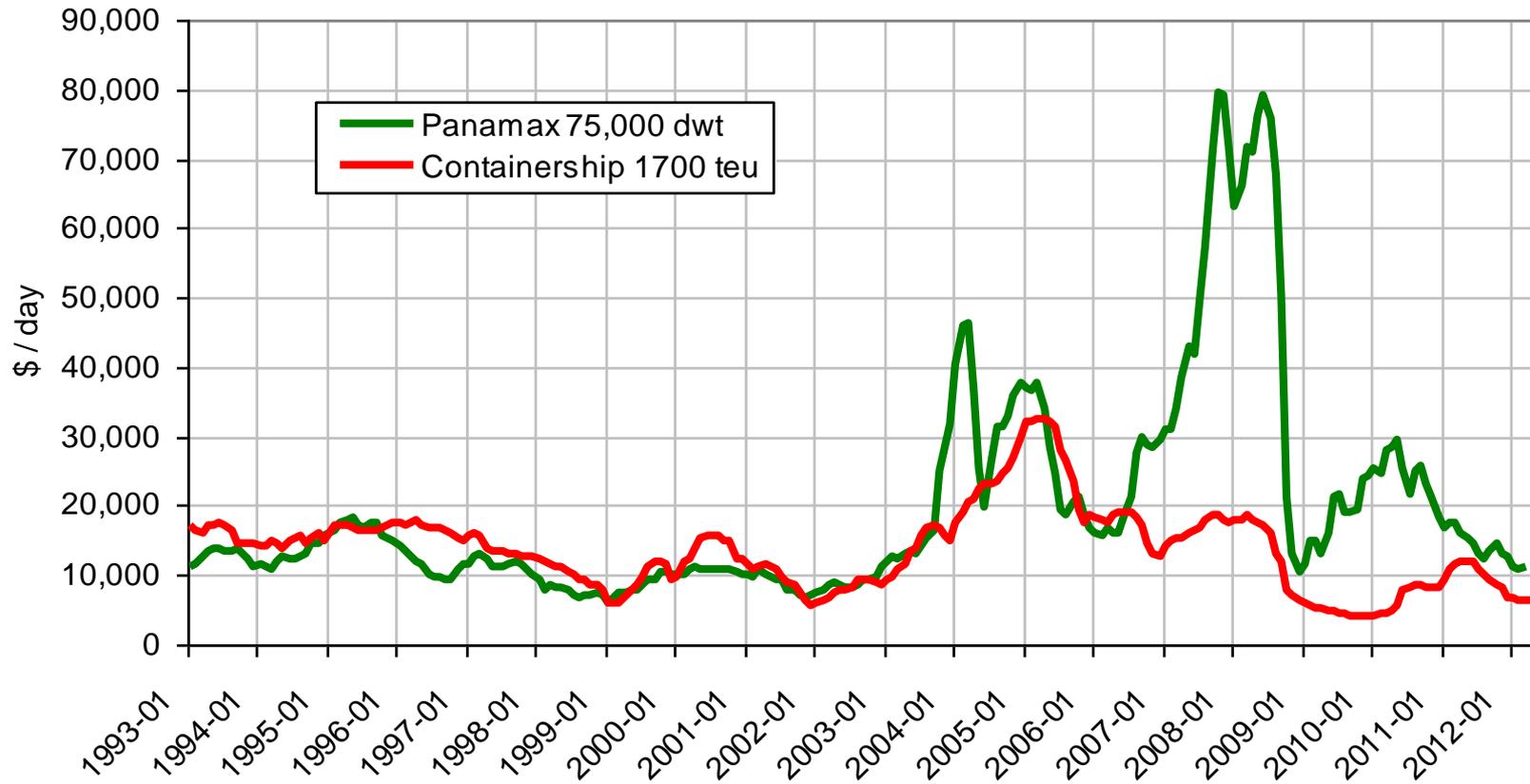
Current Euroseas & Euromar Fleet Acquisition Times





Market Overview

Panamax & 1700 teu Containership 1-yr TC Rates



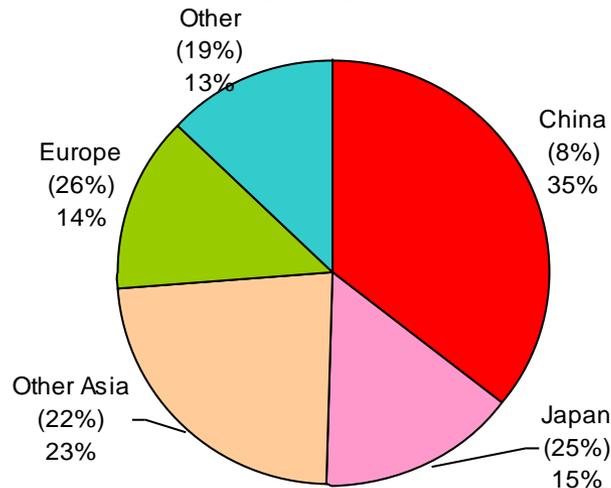
Source: Clarksons

World Economic Growth

- **Significant downside risks and political & economic uncertainties remain**
 - Some positives:
 - US economy grew 3% in 2011Q4 and 2.2% in 2012Q1;
 - US unemployment dropped to 8.1% in April '12;
 - Europe has built up some defense mechanisms (EFSF) against country member default
 - Some negatives:
 - Concerns about Greece defaulting and threatening Euro in the process persist;
 - Questions about peripheral countries, Spain, in particular, intensified;
 - Uncertainty about the “new” Franco-German cooperation within the Eurozone;
 - Concerns that US growth might fall behind after November elections
- **Developed economies growth has been revised modestly upwards by IMF (as of April 2012)**
 - BRIC countries outlook unchanged – China 8.2%, India 6.9%
 - Asian economies on average revised modestly upwards for 2012 and 2013

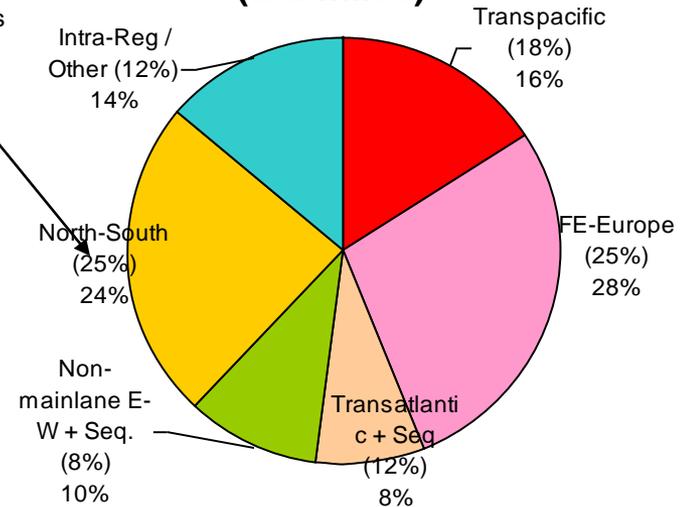
Seaborne Trade Shifts To Pacific Basin & Emerging Countries

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

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)	2.1 (1.8)	2.4(2.2)	2.7
Eurozone	-4.1 (-2.0)	1.8 (1.0)	1.6 (1.5)	-0.3 (-0.5)	0.9(0.8)	1.8
Japan	-6.3 (-2.6)	4.3 (1.7)	-0.9 (1.7)	2.0(1.7)	1.7(1.6)	1.4
China	9.2 (6.7)	10.3 (10.0)	9.2 (10.3)	8.2 (8.2)	8.8(8.8)	9.5
India	5.7 (5.1)	9.7(7.7)	7.4 (8.4)	6.9 (7.0)	7.3(7.3)	8.0
Russia	-7.9 (-0.7)	3.7 (3.6)	4.1 (4.5)	4.0 (3.3)	3.9(3.5)	3.5
Brazil	-0.6 (-1.8)	7.5 (4.7)	2.9 (4.5)	3.0 (3.0)	4.1(4.0)	4.0
NIE Asia	-0.9 (3.9)	8.2 (4.8)	4.2 (4.7)	3.4 (3.3)	4.2(4.1)	4.3
ASEAN-5	1.7 (2.7)	6.7 (4.7)	4.8 (5.5)	5.4 (4.8)	6.2(5.6)	4.6
World	-0.5(3.4)	5.0 (3.9)	3.9 (4.4)	3.5 (3.3)	4.1(3.9)	4.6

Figures in parantheses: (Begin of respective year IMF forecasts, '09-11) ; (2012: Previous forecast by IMF Jan-12)

Dry Bulk Trade (% p.a.)

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

Containerized Trade (% p.a.)

TEU -9.4 (5.5) 12.0 (8.0) 7.9(8.7) 7.6 (7.0) 8.2(8.0) 8-10 (8-10)

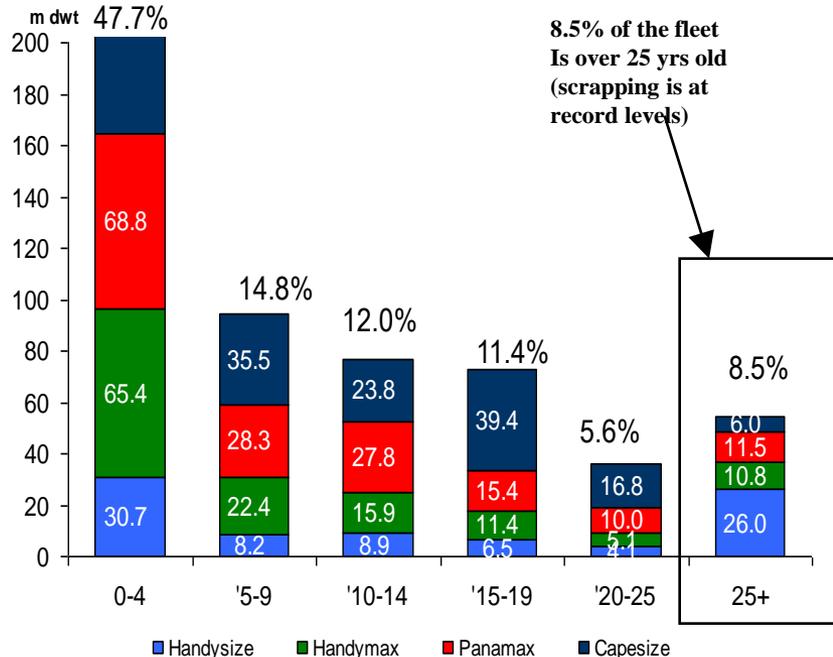
Figures in parantheses: (Begin of respective year forecasts, '09-11) ; (2012-16: Last forecast Jan-12)

Sources:

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

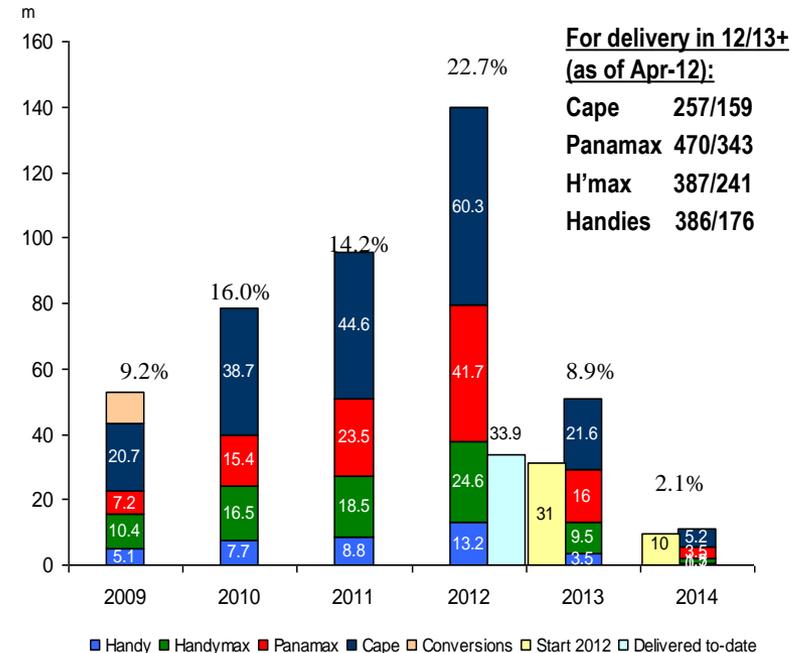
Drybulk Age Profile & Orderbook Delivery Schedule

Dry Bulk Age Profile



Large bulkers are still young

Dry Bulk Orderbook (1)



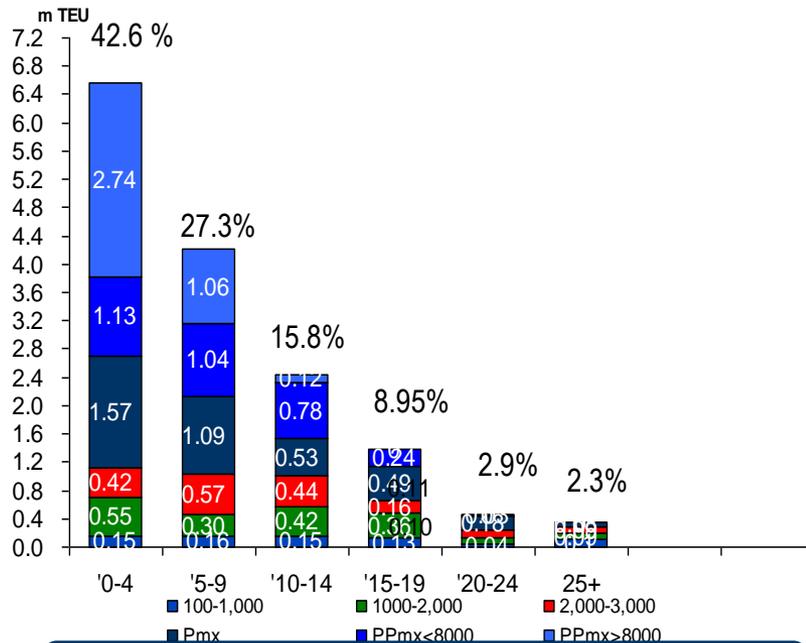
Large Vessels Dominate Orderbook

Source: Clarksons/Dhalman Rose, as of April 2012

- (1) 2009-2011 fleet percent change includes scrapping and other additions and removals.
 In 2009, scrapping accounted for 10 m dwt (3%), conversions for 10.9 m dwt and other removals for 1.7 m dwt, and slippage & cancellations (28.5 m dwt) accounted for 40% of the scheduled deliveries.
 In 2010, scrapping accounted for 5.7 m dwt (1.2%), slippage and cancellations (47 m dwt) accounted for 37% of the scheduled deliveries.
 In 2011, scrapping accounted for 22.2 m dwt (4.2%), slippage and cancellations (43 m dwt) accounted for 29% of the scheduled deliveries.
 2012 on deliveries are given as percent of fleet of previous year calculated without accounting for scrapping, other removals or conversions (April 2012).

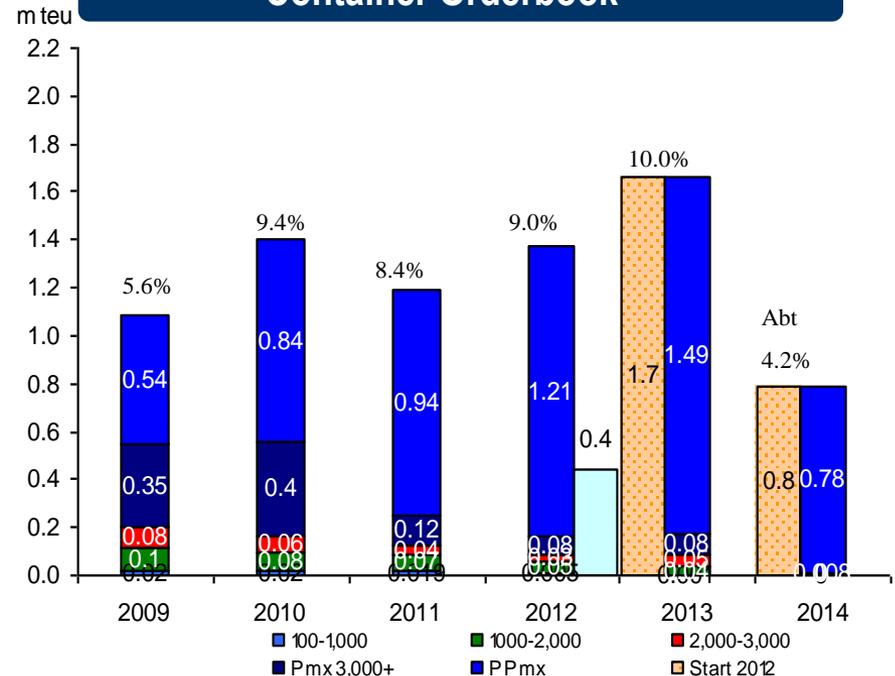
Containership Age Profile & Orderbook Delivery Schedule

Containership Age Profile⁽¹⁾



Overall A Young Fleet

Container Orderbook⁽¹⁾



Large Vessels Dominate Orderbook

Source: Clarksons as of April 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 accounted for about 50% 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 accounted for about 25% 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 accounted for about 27% of the scheduled deliveries.

A Challenging Market Environment All-Around!

Drybulk Market

- Significant deliveries are expected in 2012, and, likely, in 2013 too, despite high expected scrapping
 - there is simply too much tonnage to be delivered!
- Drybulk trade growth expectations having been negatively affected by slower world growth – at least in the near term – and, possibly, a bigger slowdown of Chinese growth
- 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 and keep rates and values under pressure

Containership Market

- Economic uncertainty has negatively affected containerized trade growth expectations
- Fleet growth is expected to be significant but likely lower than in the past 2 years
 - Most of fleet growth in large vessels sizes giving rise to “cascading”
- A (small) positive demand/supply balance expected for 2012 and a balanced market for 2013 should help market rates recover, but likelihood of swings in the balance is high
 - Number of laid-up vessels is declining & significant recovery of box rates
- Very low ordering in the last 12 months and cascading might change the relative economics of the various vessel sizes

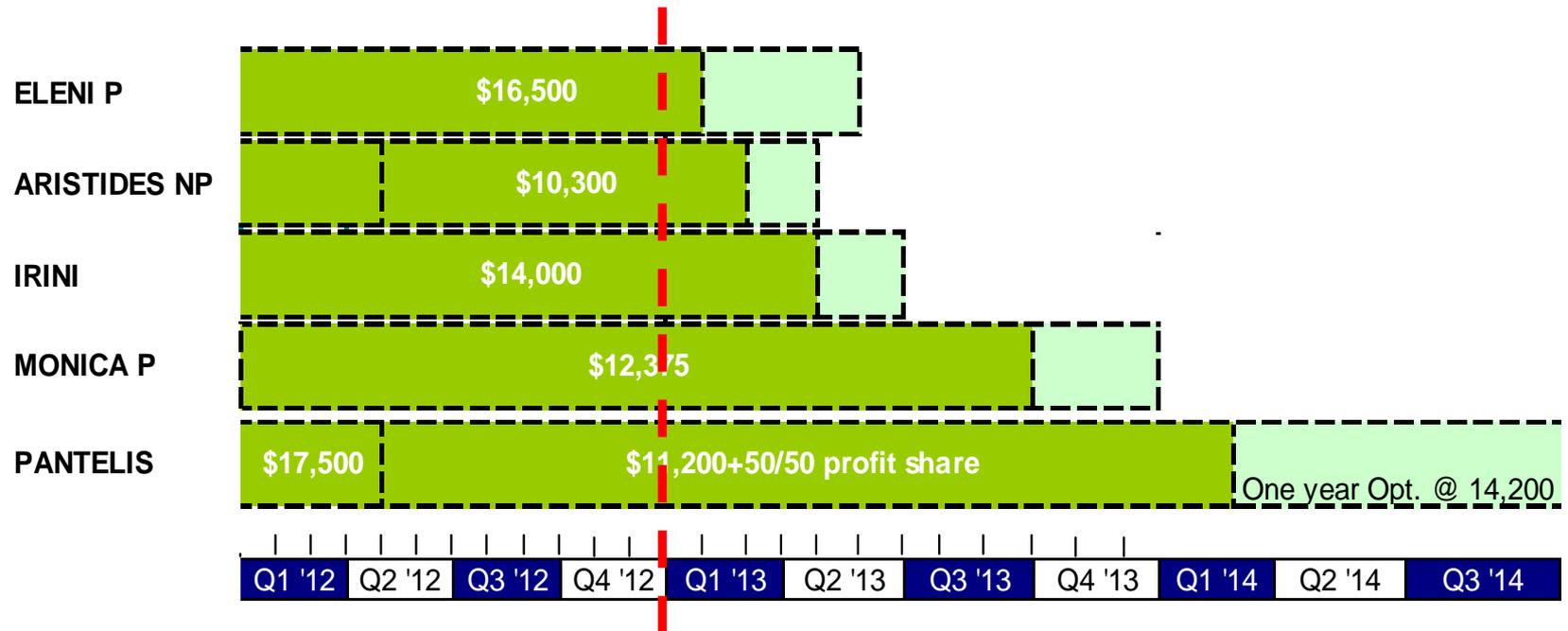


Chartering, Operations & Investment Strategy



Vessels Employment Chart – Bulkers

Coverage: 100% in 2012 / 43% in 2013

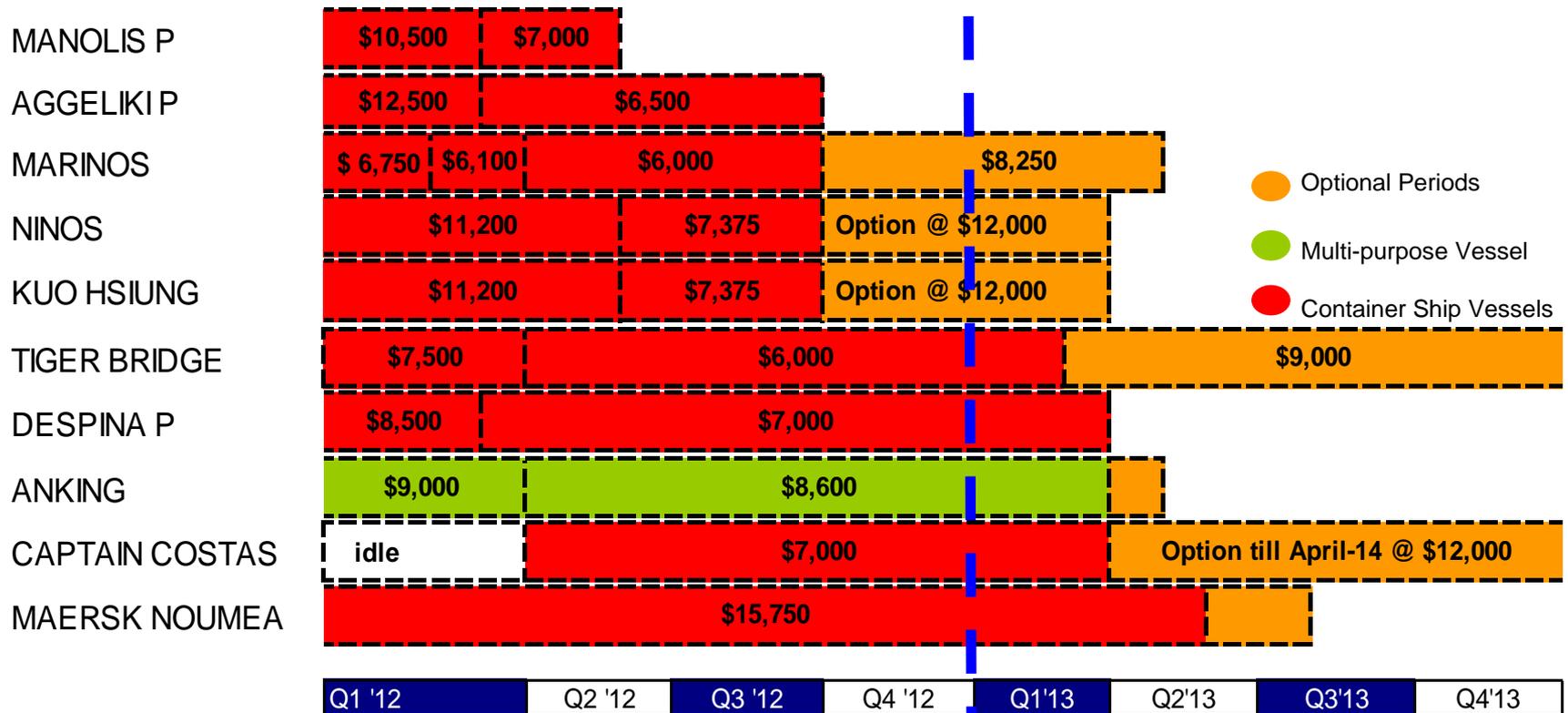


Optional periods
 Physical TC contract based coverage
 Physical-equivalent coverage using modern panamax FFA contracts

Notes: 1) Irini is equivalent to 86% of a modern panamax; Aristides NP to 89%; Monica P to 86%; Eleni P to 93% and Pantelis to 99%.

Vessels Employment Chart – Containerships

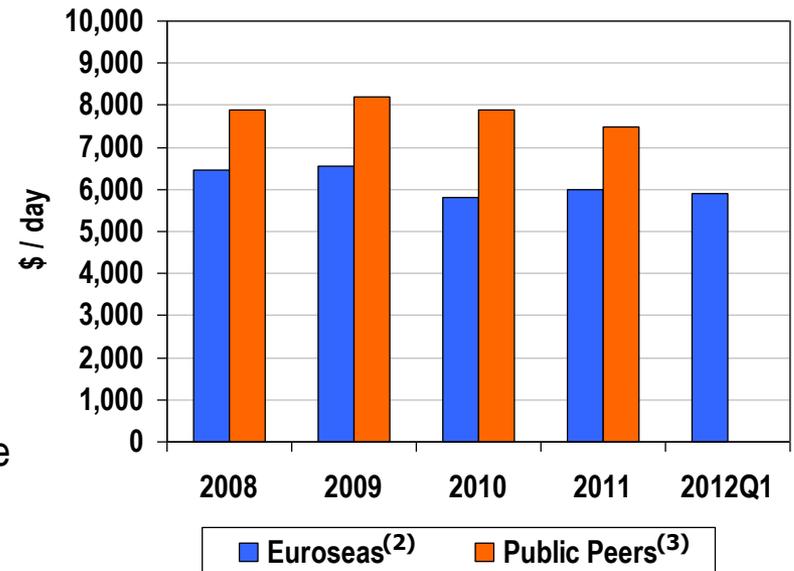
Coverage (as of May '12): Abt 59% in 2012 / Abt 11% in 2013 (based on min durations)
 (abt 78% in 2012 based on expected duration)



Fleet Management & Operational Performance

- Operational fleet utilization rate in excess of 98.5% over last 5 years
 - Outstanding safety and environmental record
 - For 2012Q1, operational fleet utilization 99.4% and commercial 87.6%
 - For 2011, operational fleet utilization 99.7% and commercial 96.8%
- Overall costs achieved are amongst the lowest of the public shipping companies

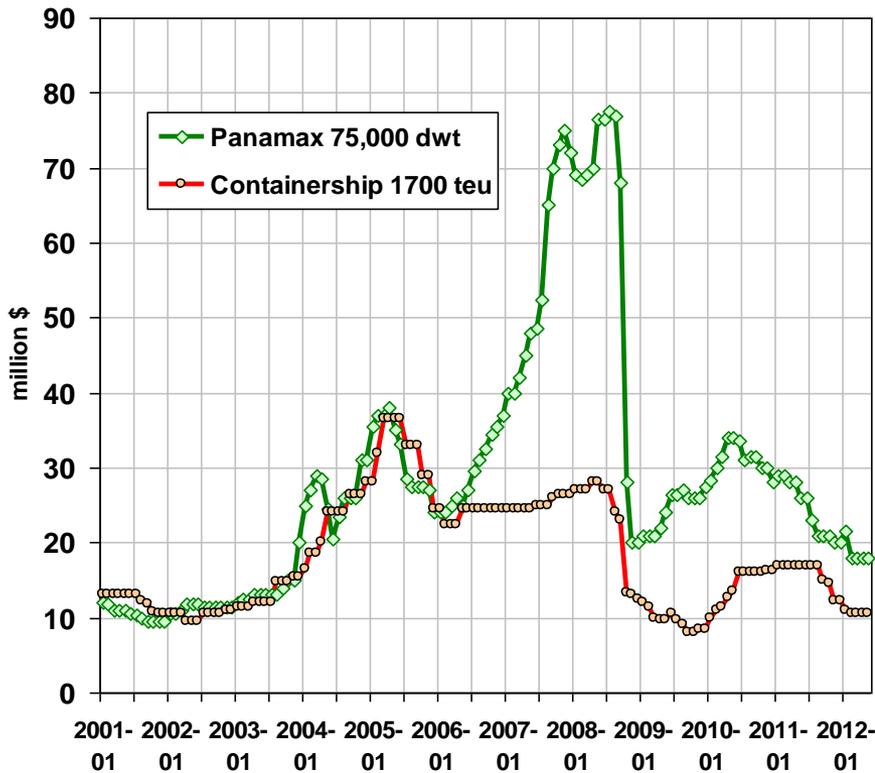
Daily costs per vessel (1)



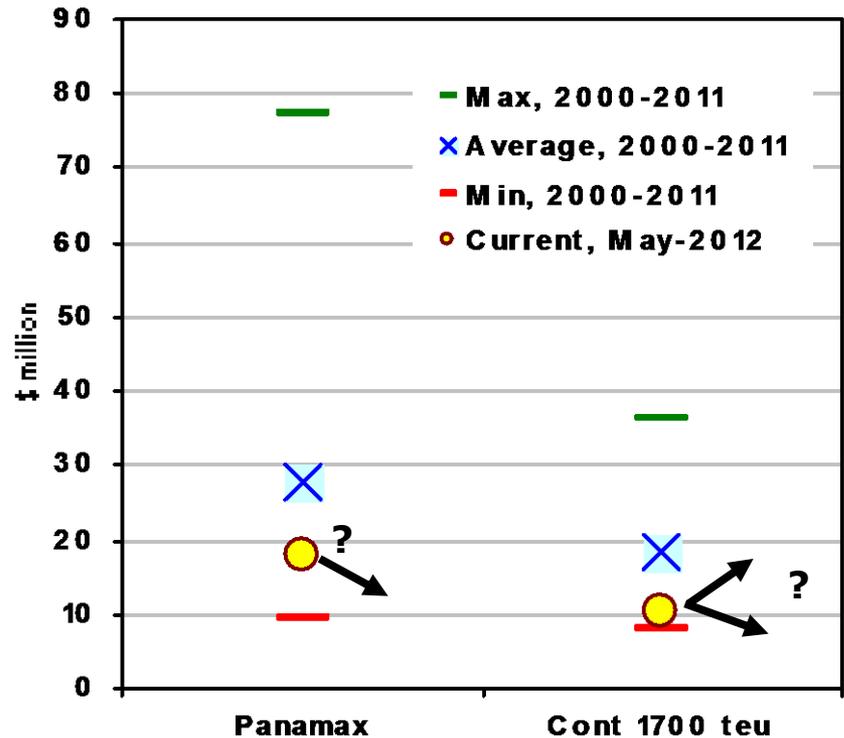
- (1) Includes running cost, management fees and G&A expenses (not drydocking expenses)
- (2) 2009 figure was increased by abt \$600/day to account for the lower cost of the 3 laid-up vessels; 2010 figure was increased by abt \$300/day to account for the lower cost of the laid-up vessels (2 in 2010H1 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

10-Year Secondhand Prices



10-yr old Price Historical Range



Strategy & Growth

- » Euroseas strategy of investing in both containerships and bulkers worked well over the last five years:
 - Avoided investing in bulkers in 2007 and 2008 and maintained a revenue base well into 2009 due to our containership charters while investing in bulkers at the bottom of the market;
 - In 2010, when the containership market bottomed, our bulkers recovered and provided a new revenue base allowing us to invest in containerships again at the bottom of the market (partly directly and partly via Euromar); and,
 - In 2012, again, our bulkers being chartered out for the entire year are providing us with significant cash flow to deal with the renewed weakness of the containership sector

- » Growth plans focused on:
 - Adding value & size without dilution: more investments to be made if opportunities exist
 - Directly by Euroseas – about \$20 million of equity available
 - Via Euromar – about \$50 million of funds remaining (and possibly more)
 - Keeping risks low => moderate leverage
 - Maintaining a meaningful dividend



Euroseas Market Position

We have what it takes ...

- » **Strong balance with low leverage & funds available for investment**
- » **Secured revenue-base for 2012 from having chartered dry bulk fleet**
- » **One of the lowest cost operating structures**
- » **Team and experience**

... to take advantage of the opportunities ahead

and

increase shareholder value

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Appendix: Selected Financial Information 2012 Q1 Vs. 2011 Q1

Financial Highlights: 1st Quarter 2011 and 2012

(in million USD except per share amounts)	First Quarter		change % ⁽⁴⁾
	2011	2012	
Net Revenues	\$14.2	\$13.9	-2.1%
Net Income / Loss	-\$0.6	-\$9.0	
Loss on Sale of Vessel	\$0.0	\$8.6	
Unrealized & Realized (gain) / loss, derevatives & investments	-\$0.2	\$0.2	
Amort. FV of charters, net	-\$0.5	\$0.0	
Adj. Net Income	-\$1.3	-\$0.1	
Adjusted EBITDA ⁽¹⁾	\$3.7	\$4.9	31.8%
"GAAP" EPS, Diluted ⁽²⁾	-\$0.02	-\$0.29	
"Operating" ⁽³⁾ Adj. EPS, Diluted	-\$0.04	\$0.00	
Dividends per share, declared	\$0.07	\$0.04	-42.9%

(1) See press release of 5/15/2012 for Adjusted EBITDA reconciliation to Net Income and Cash Flow from Operations.

(2) Calculated on 31,002,211 weighted average number of basic & diluted shares for 2011 and 31,167,211 for 2012.

(3) "Operating" EPS excludes from Net Loss from vessel sale, unrealized and realized derivative gains and losses, unrealized investment gains or losses and amortization of fair value of charters acquired. See press release of 5/15/2012 for reconciliation to Net Income.

(4) Calculated based on figures in press release of 5/15/2012, i.e. before rounding to million USD

Fleet Data for 1st Quarter of 2011 and 2012

Fleet Statistics

	First Quarter	
	2011	2012
	(unaudited)	(unaudited)
Number of vessels	16.00	15.92
Utilization Rate (%)		
Overall	97.5%	87.1%
Commercial	98.0%	87.6%
Operational	99.5%	99.4%
<i>Averages in \$/day/vessel</i>		
Time Charter Equivalent (TCE)	\$ 11,088	\$ 11,258
Operating Expenses		
Vessel Operating Expenses	5,387	5,294
G&A Expenses	551	692
Total Operating Expenses	5,938	5,986
Interest Expense	402	368
Drydocking Expense	1,032	22
Loan Repayments	1,967	3,149
Total Cash Flow Breakeven	9,339	9,525