



Presentation to
Capital Link
6th Annual Invest in International Shipping
Forum

March 19, 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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Introduction & Milestones

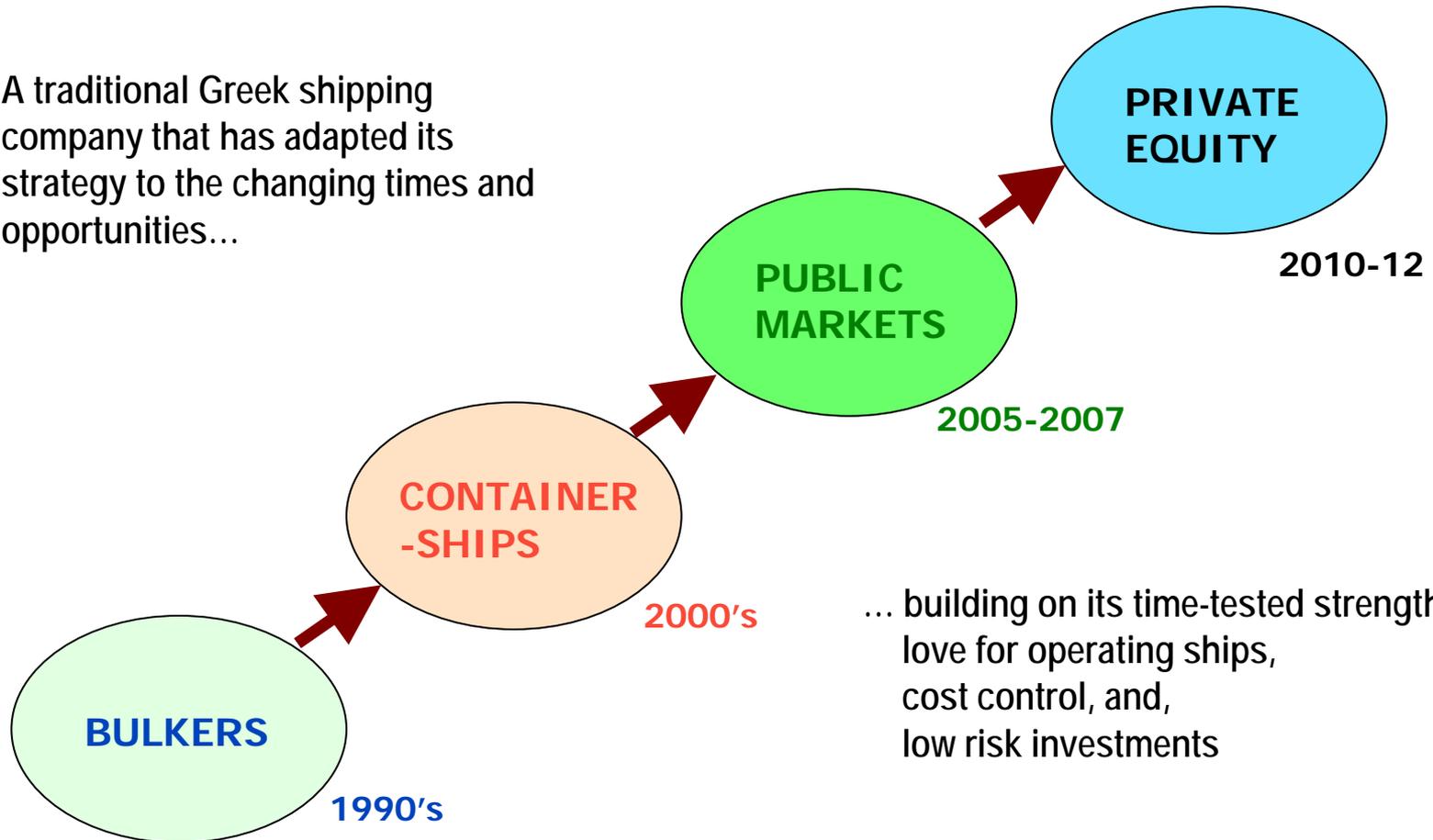
- » **Euroseas is a provider of worldwide dry cargo transportation services and owner of ships**
 - Container and multipurpose ships – transporting dry and refrigerated cargoes
 - Drybulk carriers – transporting iron ore, coal and grains and minor bulks

- » **Corporate Profile**
 - Formed in June 2005 - about 35% owned by the Pittas family which owned & operated vessels since 1870
 - Listed on NASDAQ / abt \$75 million market capitalization (based on stock price of \$2.4 / sh)
 - Has paid dividend for 26 consecutive quarters / current annual yield abt 8.5%

- » **Company Position & Valuation**
 - Strong balance position: cash of \$36m+ / debt of \$75 m (as of Dec. 31, 2011)
 - Ratio of debt to market value of vessels is abt 50%
 - Currently undervalued, trading at a P/NAV ratio of less than 0.70x

Euroseas Strategic Evolution

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



... building on its time-tested strengths: love for operating ships, cost control, and, low risk investments



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, agreed to be acquired in March 2012 to be delivered in May 2012
 - Currently negotiating the purchase of another vessel

- » **About \$65m of the originally committed funds still available**
 - Continuously looking for opportunities in the containership and drybulk sectors
 - In the process of renewing and expanding partnership

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		

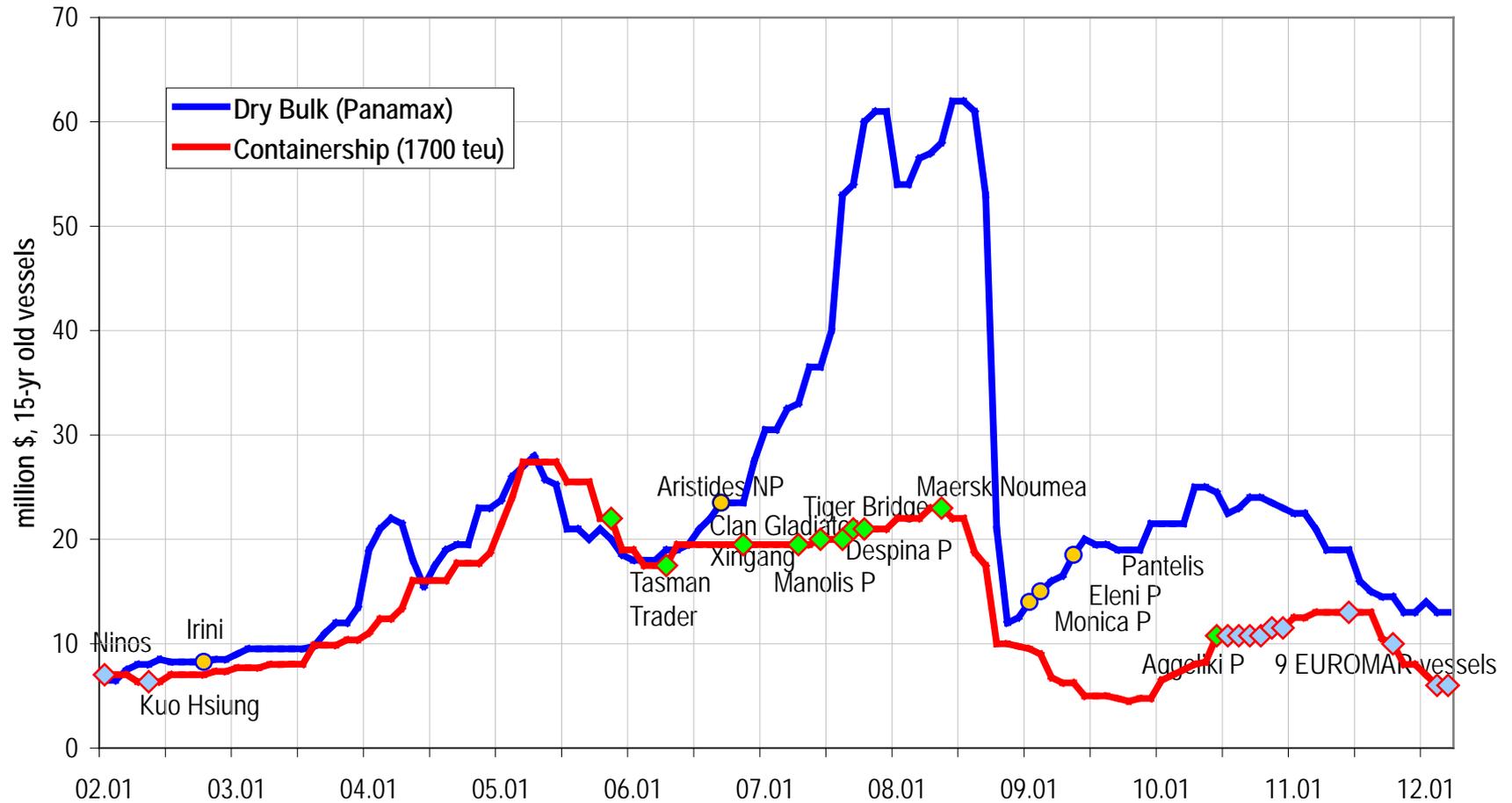
Jonathan P was sold for scrap during March 2011

(*) Anking was previously named Tasman Trader

Euromar Fleet

	Name	Type	DWT	TEU	Built
Container ships	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	9 vessels	281,067	21,188	8.9 yrs

Current Euroseas & Euromar Fleet Acquisition Times

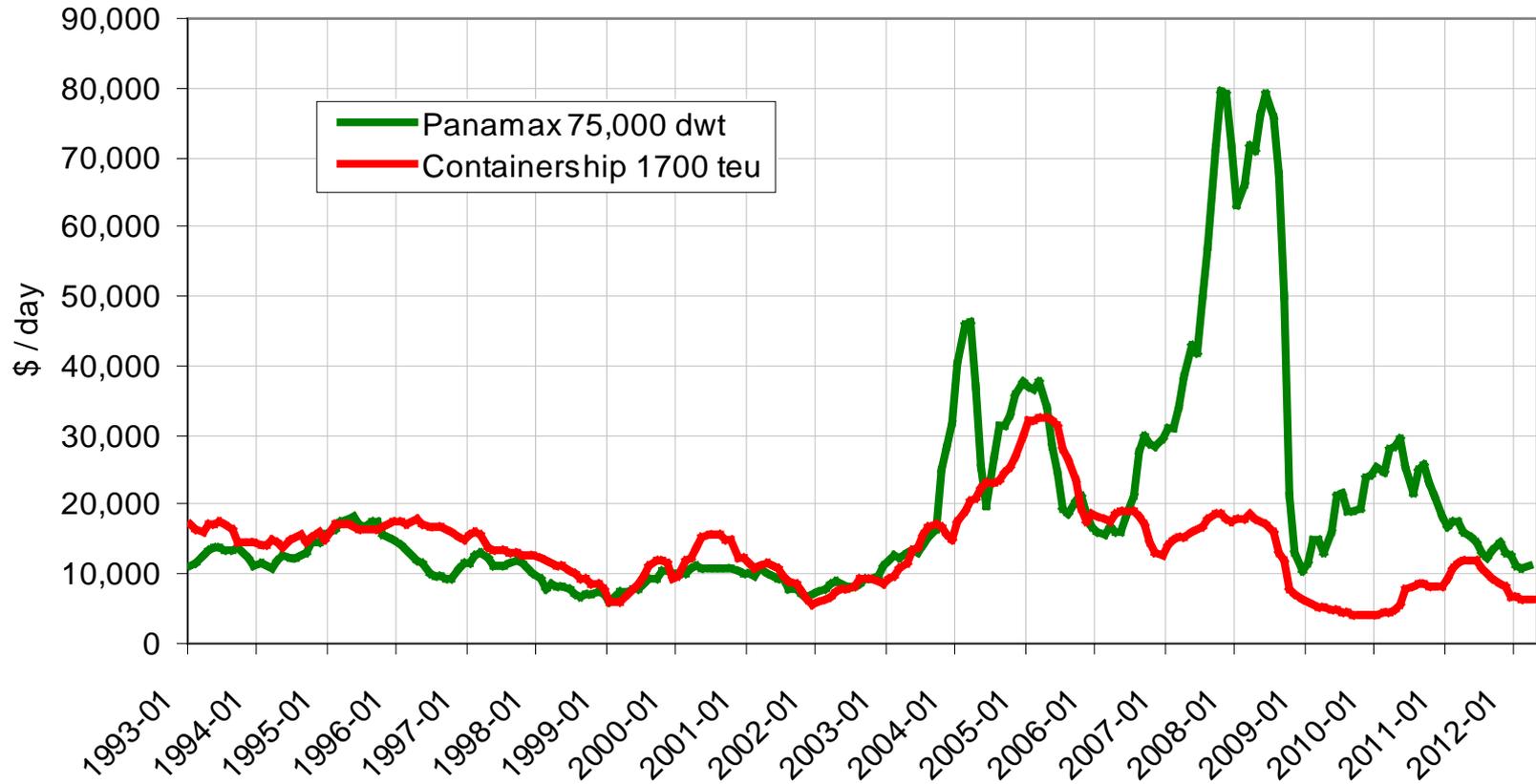




Market Overview



Panamax & 1700 teu Containership 1-yr TC Rates



Source: Clarksons

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
World	-0.5(3.4)	5.0 (3.9)	3.8 (4.4)	3.3 (4.0)	3.9 (4.5)	4.6

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 (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 (8-10)

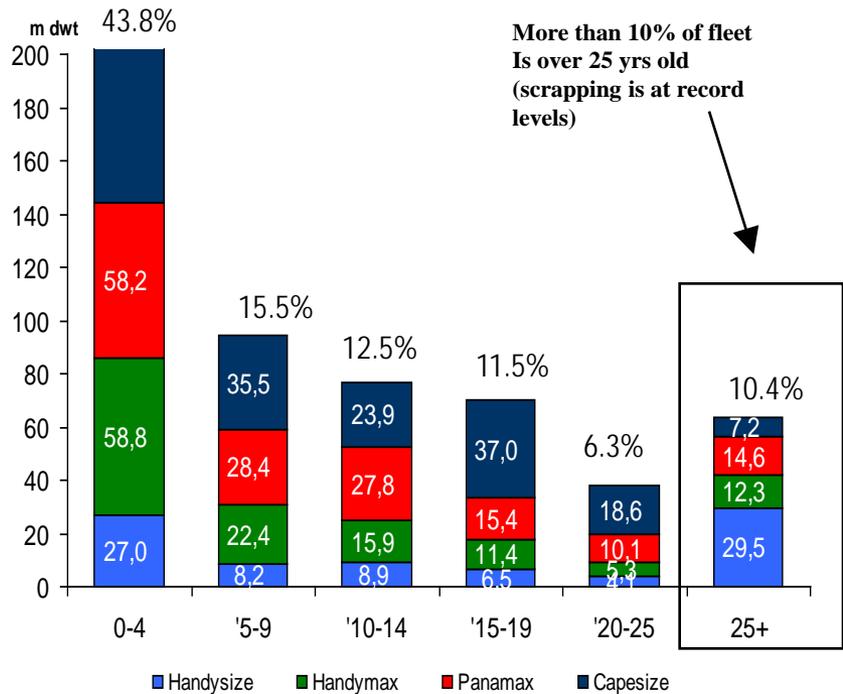
Figures in parantheses: (Begin of respective year forecasts, '09-11) (2012-16: Last forecast Oct-11)

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

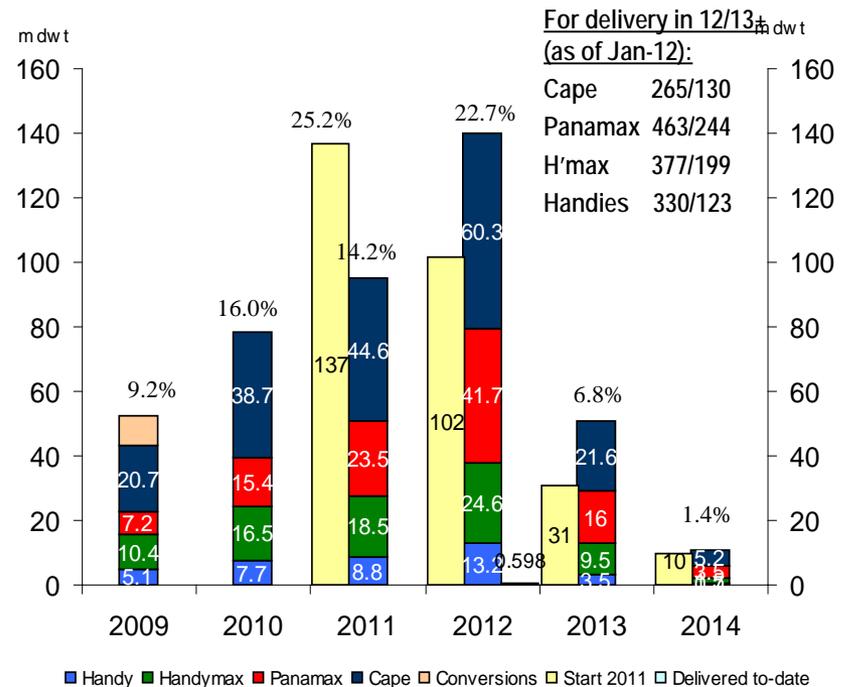
Drybulk Age Profile & Orderbook Delivery Schedule

Dry Bulk Age Profile



Large bulkers are still young

Dry Bulk Orderbook (1)



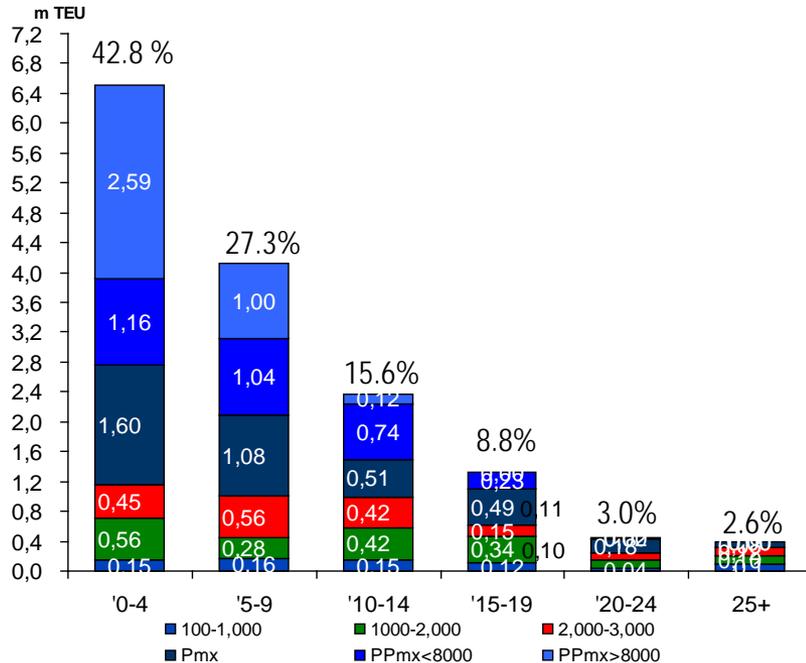
Large Vessels Dominate Orderbook

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)

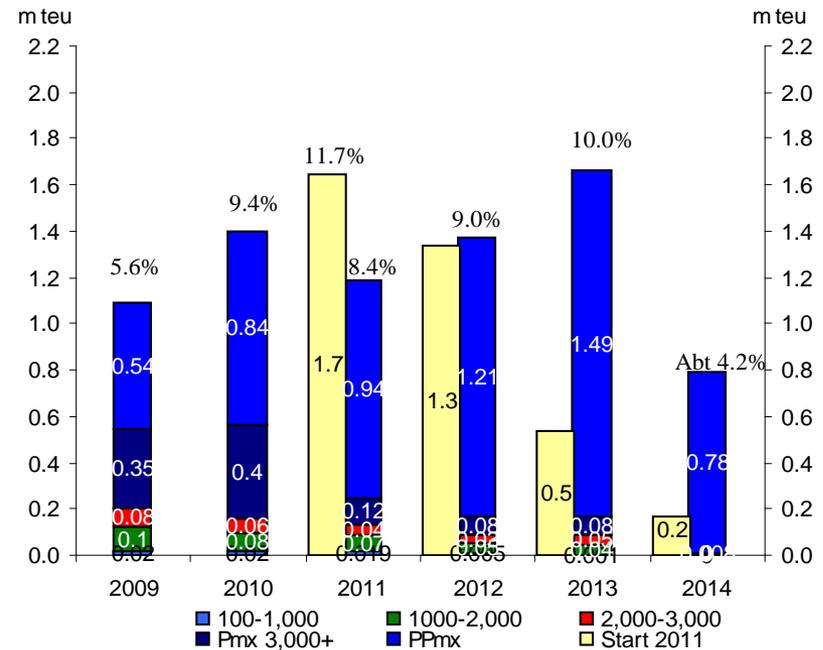
Containership Age Profile & Orderbook Delivery Schedule

Containership Age Profile⁽¹⁾



Overall A Young Fleet

Container Orderbook ⁽¹⁾



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.

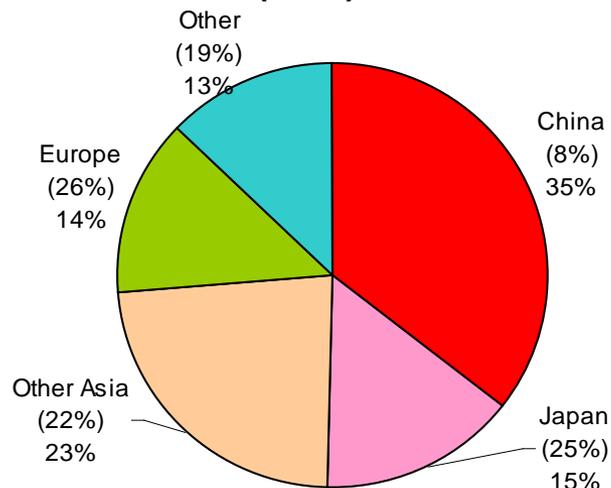
In 2009, scrapping accounted for 0.35 m teu, or 2.9% of the fleet. Slippage and cancellations of about 1.0 m teu or about 48% of the scheduled deliveries.

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.

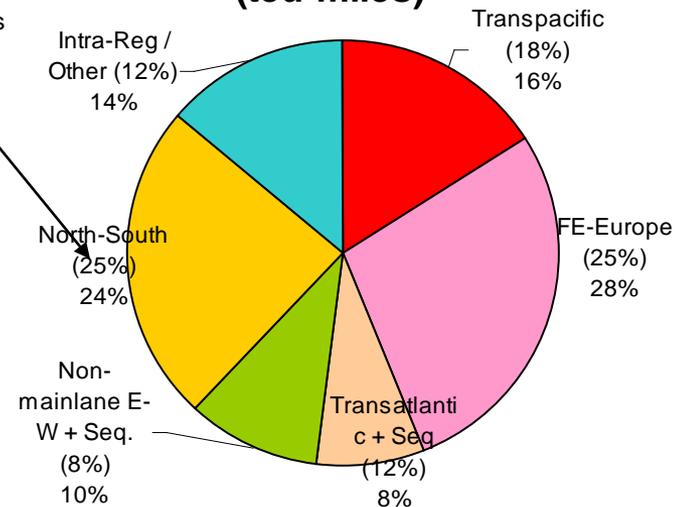
Seaborne Trade Shifts To Pacific Basin & Emerging Countries

**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



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 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**

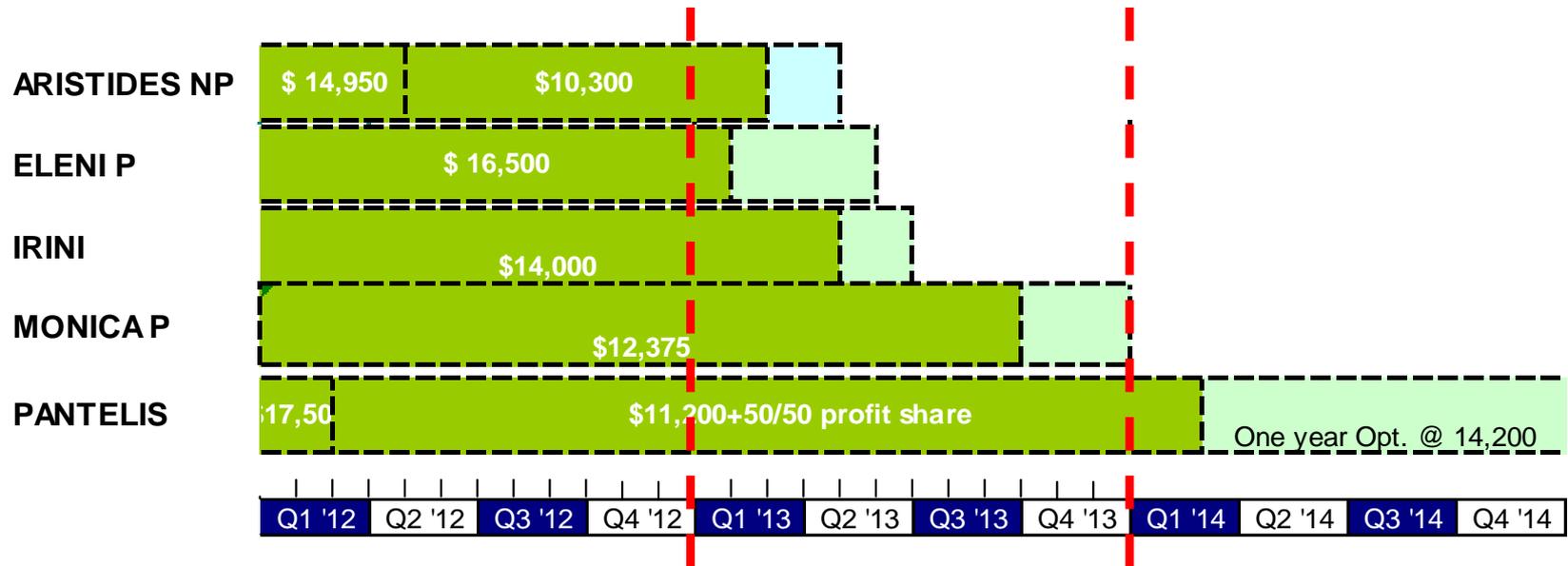


Chartering, Operations & Investment Strategy



Vessels Employment Chart – Bulkers

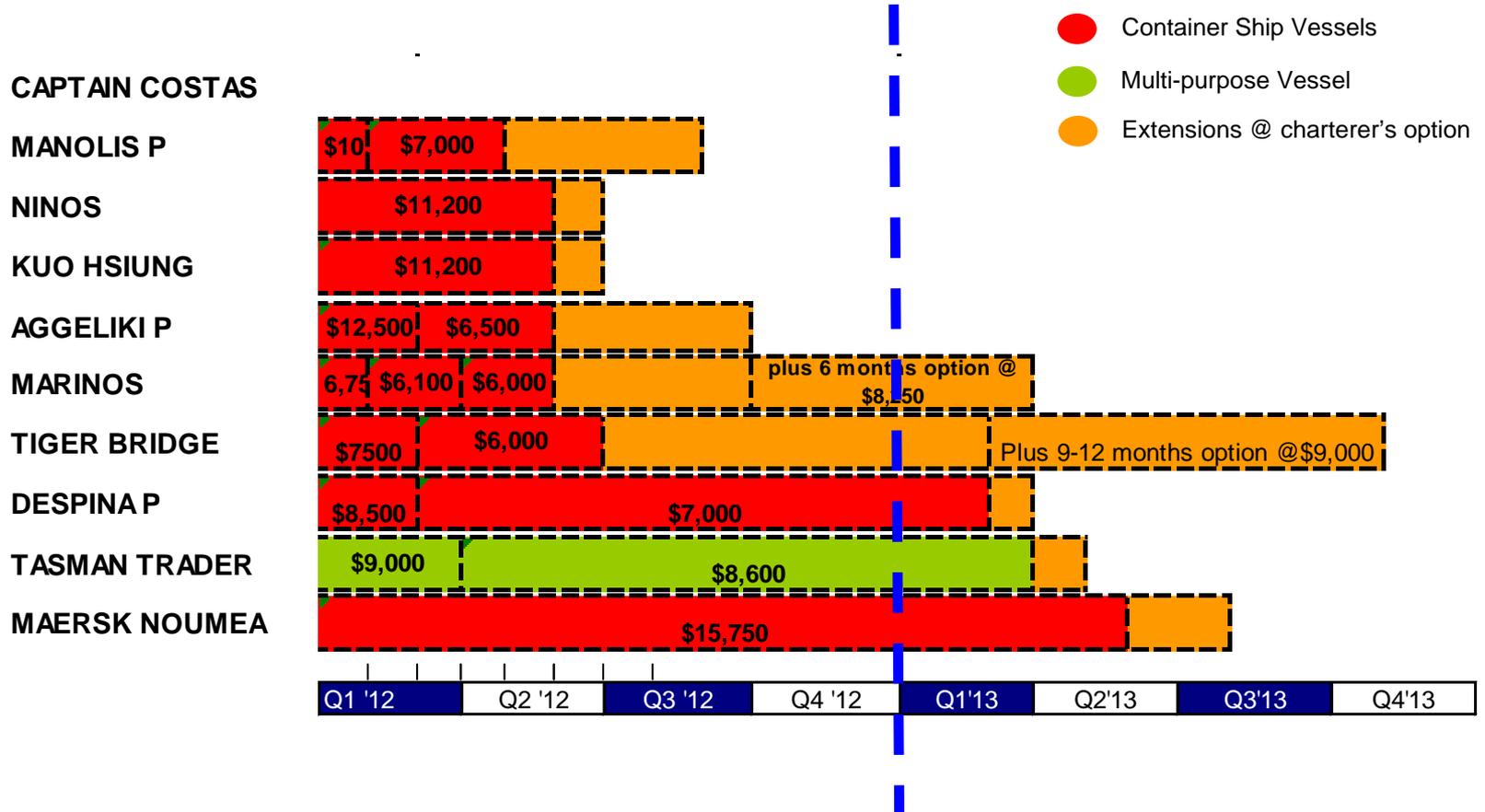
Coverage: 100% in 2012 / 46% in 2013



● Physical TC contract based coverage
 ○ Optional periods

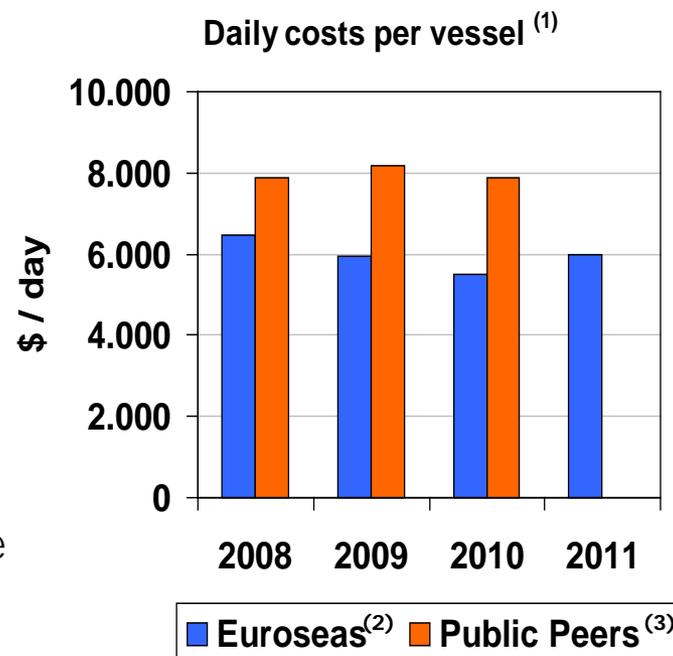
Vessels Employment Chart – Containerships

Coverage (1/11/12): Abt 48% in 2012 / Abt 10% 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



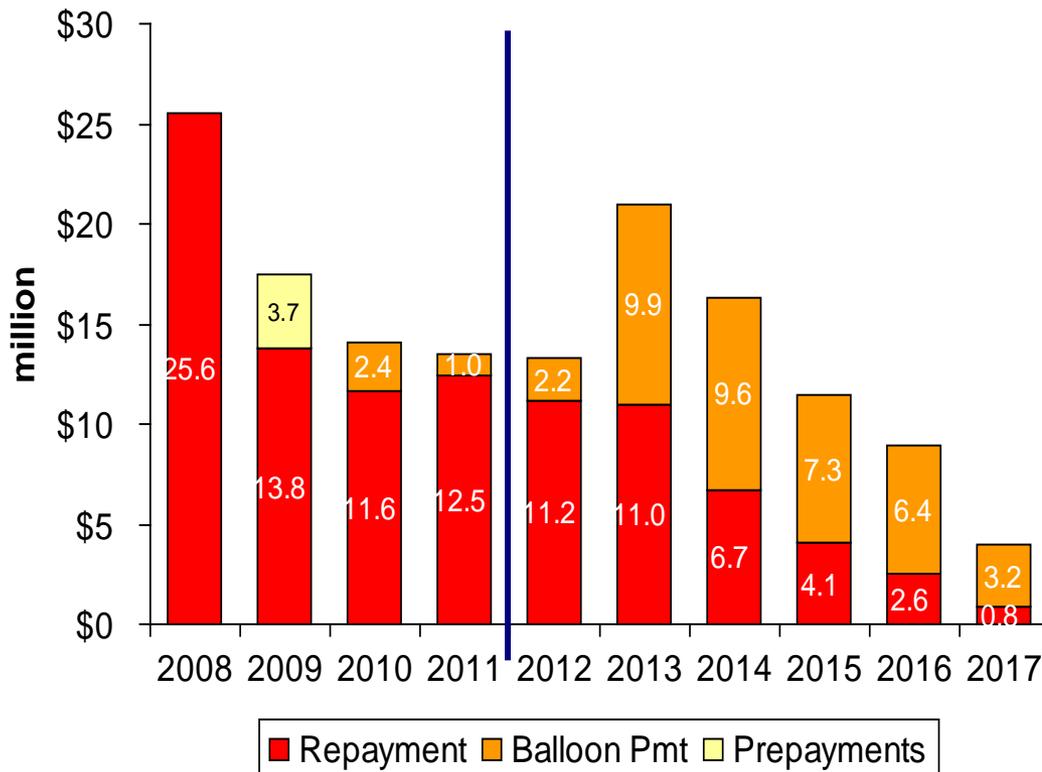
(1) Includes running cost, management fees and G&A expenses (not drydocking expenses)

(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.

Debt Repayment Profile

Debt Repayment Schedule – As of 12/31/2011



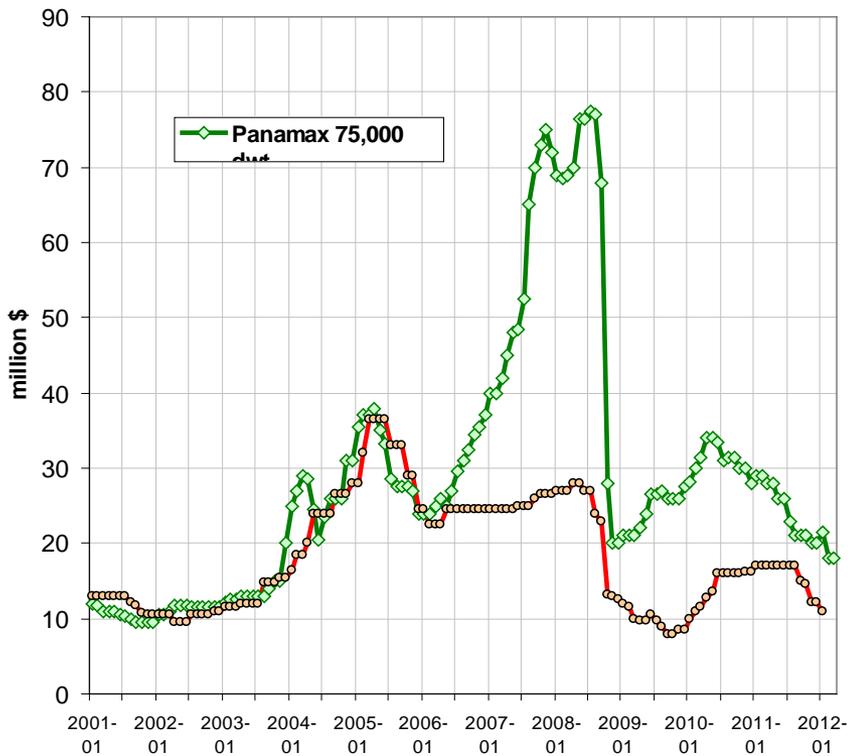
Cash Flow Breakeven

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

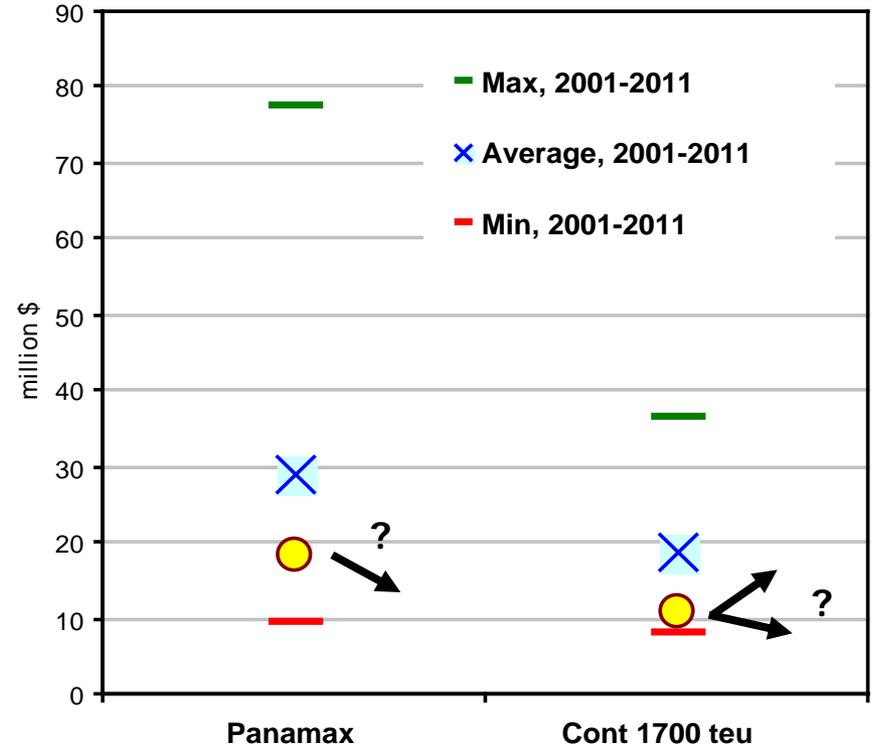
	<u>\$/day</u>
OPEX	\$ 5,700
G&A	\$ 600
Interest	\$ 650
Drydock	\$ 250
<u>Loan Rpmt</u>	<u>\$ 2,300</u>
TOTAL	\$ 9,500

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 2011 Q4 & M12 Vs. 2010 Q4 & M12 Results

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

(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

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

- (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.