



Earnings Presentation

Three Months Ended March 31, 2014

Earnings Presentation

May 21, 2014

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.

2014 First Quarter Overview

Financial Highlights First Quarter 2014:

Net Revenues:	\$	9.5 million
Net Loss:	\$	(2.2) million
Adj. Net Loss ⁽¹⁾ :	\$	(2.2) million
Adj. Net Loss to Common S'holders ⁽²⁾ :	\$	(2.5) million, or, (\$0.05)/share, basic & diluted
Adj. EBITDA ⁽¹⁾ :	\$	1.0 million

Balance Sheet Highlights, March 31, 2014

Total cash:	\$	62.3 million
Total debt:	\$	52.5 million

- (1) See press release of 05/20/2014 for reconciliation of Adj. Net Loss to Common Shareholders to Net Loss and Adjusted EBITDA to Net Loss and Cash Flow from Operations
- (2) Adj. Net Loss to Common Shareholders takes into account the dividend paid to Series B Preferred Shares of about \$0.3 million

Recent Developments

- **Acquired the contracts to build two kamsarmax drybulk carriers (May 2014)**
 - Eco design Kamsarmax fuel efficient drybulk carriers with a carrying capacity of 82,000dwt each
 - Shipyard: Jiangsu Yangzijiang Shipbuilding Co
 - Total price: below \$60 million
 - Delivery: 2015Q4 and 2016Q4
 - Chartered the vessel to be delivered in the fourth quarter of 2015 for 4 years with an additional year at charterer's option with the contract expected to generate approximately of \$20 million of revenues over the four years

- **Additional common equity raising (March 2014)**
 - Sold 11,164,868 shares of common stock shares in a private placement for net proceeds of approximately \$14.4 million

- **Total newbuilding and secondhand acquisition program over last 6 months:**
 - 4 newbuildings (2 ultramax + 2 kamsarmax) & 1 panamax built 2004 for about \$138 million
 - Have raised about \$43.5 million, net to finance almost all of the equity portion of the program

Operational Highlights

- **Operational Highlights: Employment extensions on up to 12-month charters**
 - **Containerships**
 - Aggeliki P : Extended for 6-7 months at \$6,950/day (up from \$6,000)
 - Despina P : Extended for 6-7 months at \$6,950/day (up from \$6,400)
 - Evidiki G: Extended for 12 months at \$8,200/day (up from \$8,000)
 - Marinos: Extended for 6 months at \$7,150 + 5 months option at \$8,000/day (same as previously)
 - Joanna: Extended for 2-4 months at \$7,500/day (same as previously)
 - Capt Costas: Extended for 12 months at \$7,750/day (up from \$6,500)
 - **Bulkers**
 - Pantelis: Fixed 3/5 months period at \$12,500/day - expected re-delivery 5/20/2014; fixed further for min 10 months @105% of BPI 4-TC
 - Aristides NP: Redelivered on May 2nd; fixed on a voyage basis for a 90-trip with TCE of about \$7,000/day
 - Eirini P: Taking delivery of vessel in May– seeking employment

Current Fleet (not including Euromar vessels)

Name	Type	DWT	TEU	Built / To be built	Year Acquired
<u>Newbuilding Program</u>					
Hull No YZJ1116	Kamsarmax	82,000		2015	2014
Hull No YZJ1153	Kamsarmax	82,000		2016	2014
Hull No DY160	Ultramax	63,500		2015	2013
Hull No DY161	Ultramax	63,500		2016	2013
<u>Vessels in the water</u>					
Eirini P	Panamax	76,466	-	2004	2014
Pantelis	Panamax	74,020	-	2000	2009
Eleni P	Panamax	72,110	-	1997	2009
Aristides NP	Panamax	69,268	-	1993	2006
Monica P	Handymax	46,667	-	1998	2009
Evridiki G	Intermediate	34,677	2,556	2001	2008
Angeliki P	Intermediate	30,360	2,008	1998	2010
Tiger Bridge	Intermediate	31,627	2,228	1990	2007
Despina P.	Handysize	33,667	1,932	1990	2007
Captain Costas	Handysize	30,007	1,742	1992	2007
Joanna	Handysize	22,301	1732	1999	2013
Marinos	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
Total	19 vessels	892,519	17,587	18.5 (w/o the nb's)	

Drybulk Carriers

Containerships

Euromar Joint Venture

Containerships

Name	Type	Size		Year
		DWT	TEU	Built
AKINADA BRIDGE	Post-Panamax	71,366	5,600	2001
CAP EGMONT	Intermediate	41,850	3,091	2007
EM ASTORIA	Intermediate	35,600	2,788	2004
EM PSARA	Intermediate	37,180	2,785	2007
MAERSK NAIROBI	Intermediate	34,654	2,556	2001
EM ATHENS	Intermediate	32,350	2,506	2000
EM CHIOS	Intermediate	32,350	2,506	2000
EM ANDROS	Intermediate	33,216	2,450	2003
EM ITHAKI	Intermediate	28,917	2,135	1999
EM HYDRA	Handy	23,400	1,736	2005
EM SPETSES	Handy	23,400	1,736	2007
Total	11 vessels	394,283	29,889	9.9

➤ **Original capital commitment has been contributed:**

- Total capital invested \$175m ..
- ..of which \$25m are from Euroseas
- Further Euroseas' commitment of \$5m as preferred equity
- Current cash position of about \$27m

➤ **Bought Akinada Bridge**

- The vessel comes with an above market time charter attached to one of the biggest Japanese charterers and will improve the Euromar's cash flow significantly during its duration of 2.5 years.

➤ **Has bought 11 containerships**

- Ten between 1700 and 3100 teu and one post-panamax.
- Has funds for 1 additional vessel acquisition



Market Overview

World Economic Growth

U.S. is again the growth engine with Eurozone seemingly turning the corner but political & economic uncertainties globally remain

Positives

- US housing market – despite recent slowdown- and employment improves.
- The IMF increased its 2014 Eurozone growth estimate to 1.2%, fuelled by stronger GDP growth in northern Europe; stronger Eurozone bank balance sheets could help the region.

Negatives

- Funding needs of Emerging Markets (“EM”) are becoming costlier
- China’s slowdown – however smooth- would be a slowdown and would affect world trade
- IMF reduced its global GDP growth outlook by 0.1 percentage points.

Some risks

- Emerging Markets growth shaky: still 2/3 of world GDP growth comes from EMs
- The Eurozone is concerned with the risk of deflation. European Parliamentary elections could slow European integration, leading to (even) slower reforms.
- The Ukrainian situation and other trouble spots (mainly in Near and Middle East) are and will continue to be sources of geopolitical and economic uncertainty affecting growth.

World GDP & Shipping Demand Growth

Real GDP (% p.a. - IMF)	2010	2011	2012	2013	2014	2015	2016
USA	2.8 (2.7)	1.8 (3.0)	2.8(1.8)	1.9(1.2)	2.8(2.8)	3.0 (3.0)	3.0(3.5)
Eurozone	1.8 (1.0)	1.5 (1.5)	-0.7 (-0.5)	-.05(-0.4)	1.2(1.0)	1.5(1.4)	1.5(1.5)
Japan	4.3 (1.7)	-0.6 (1.7)	1.4(1.7)	1.5(2.0)	1.4(1.7)	1.0 (1.0)	0.7(1.2)
China	10.3 (10.0)	9.3 (10.3)	7.7 (8.2)	7.7(7.6)	7.5(7.5)	7.3 (7.3)	7.0(7.0)
India	9.7(7.7)	6.3 (8.4)	3.2 (7.0)	4.4(3.8)	5.4(5.4)	6.4 (6.4)	6.5(6.5)
Russia	3.7 (3.6)	4.3 (4.5)	3.4 (3.0)	1.3(1.5)	1.3(2.0)	2.3 (2.5)	2.5(2.5)
Brazil	7.5 (4.7)	2.7 (4.5)	1.0 (3.0)	2.3(2.5)	1.8(2.3)	2.7 (2.8)	3.0(3.3)
ASEAN-5	6.7 (4.7)	4.5 (5.5)	6.2 (4.8)	5.2(5.0)	4.9(5.1)	5.4 (5.6)	5.6(5.4)
World	5.0 (3.9)	3.9 (4.4)	3.1 (3.3)	3.0(2.9)	3.6(3.7)	3.9 (3.9)	3.9(4.1)

Figures in parantheses:

(2014/15: Previous forecast by IMF Jan-14)

Dry Bulk Trade (% p.a.)

Tons	13.0 (5.0)	7.0 (6.0)	7.0 (4.0)	6.0(5.0)	4.0 (3.0) ⁽²⁾	5.0	6.0
------	------------	-----------	-----------	----------	--------------------------	-----	-----

Containerized Trade (% p.a.)

TEU	13.1 (8.0)	7.2(8.7)	3.1 (7.0)	5.0 (4.8)	6.0(6.0)	7.0(6.8)	7.0(7.0)
-----	------------	----------	-----------	-----------	----------	----------	----------

Figures in parantheses:

(2013/14: Last forecast Jan-14)

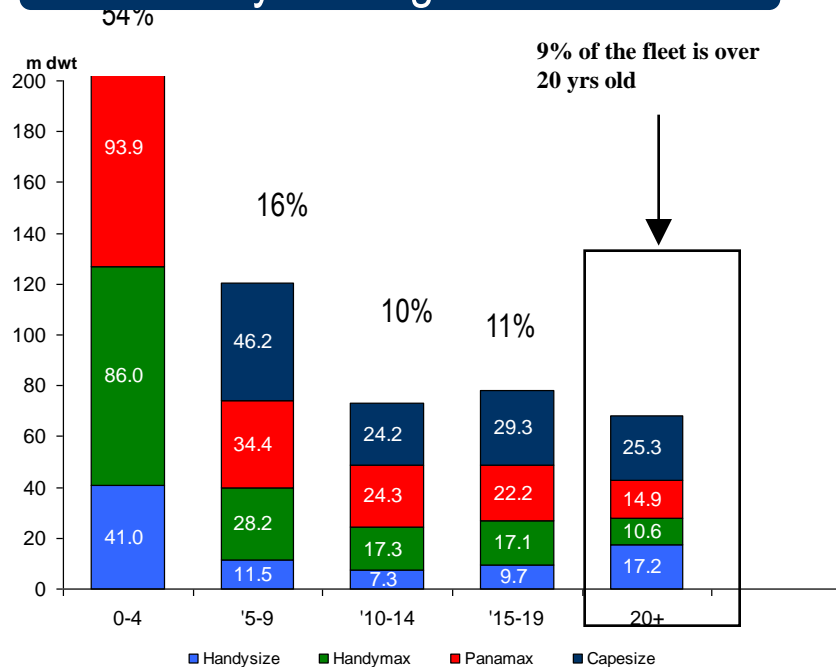
(1) Sources:

GDP - International Monetary Fund: 2010-2012 and start of year estimates (in parentheses), 2014/15/16 IMF Forecasts (Apr-14)
Trade – Clarksons estimates 2013-2014 (Apr-14) for drybulk and (Mar-14) for Containers, Company estimates 2015 (drybulk), 2016; trade outlook takes into account revised economic views

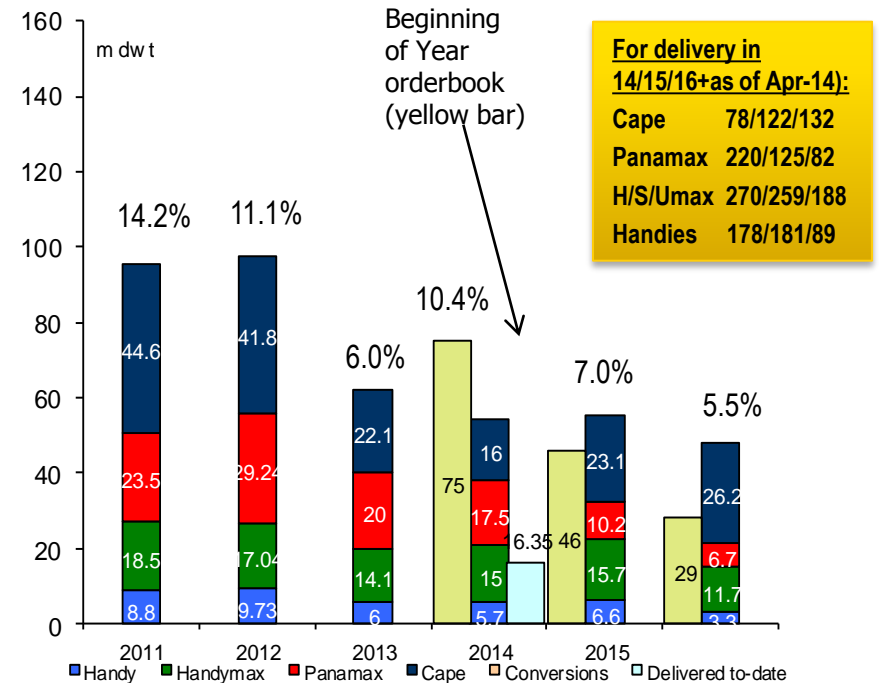
(2) Clarksons in January revised down drybulk trade growth in 2014 by 2% because of newly introduced Indonesian exports restrictions for nickel ore and bauxite. In April, this was revised up by 1% despite the fact that Indonesian exports are still banned

Drybulk Age Profile & Orderbook Delivery Schedule

Dry Bulk Age Profile



Dry Bulk Orderbook (1)



Large bulkers are still young

Large Vessels Dominate Orderbook

Source: Clarksons, as of April 2014. 2009-2013 fleet percent change includes scrapping and other additions and removals. In 2014/15/16/ deliveries are given as percent of fleet of previous year calculated without accounting for scrapping, other removals or conversions.

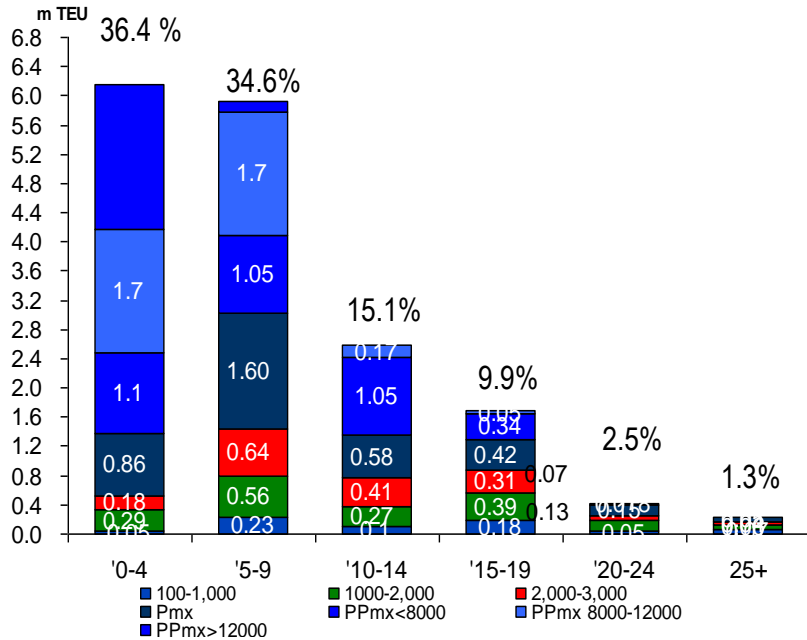
In 2011, scrapping accounted for 22.2 m dwt (4.2%), slippage and cancellations (43 m dwt) accounted for 29% of the scheduled deliveries.

In 2012, scrapping accounted for 32.9 m dwt (5.3%), slippage and cancellations (40 m dwt) accounted for 29% of the scheduled deliveries

In 2013, scrapping accounted for 21.62 m dwt (3.2%), slippage and cancellations (39 m dwt) accounted for 39% of the scheduled deliveries

Containership Age Profile & Orderbook Delivery Schedule

Containership Age Profile⁽¹⁾



Overall A Young Fleet

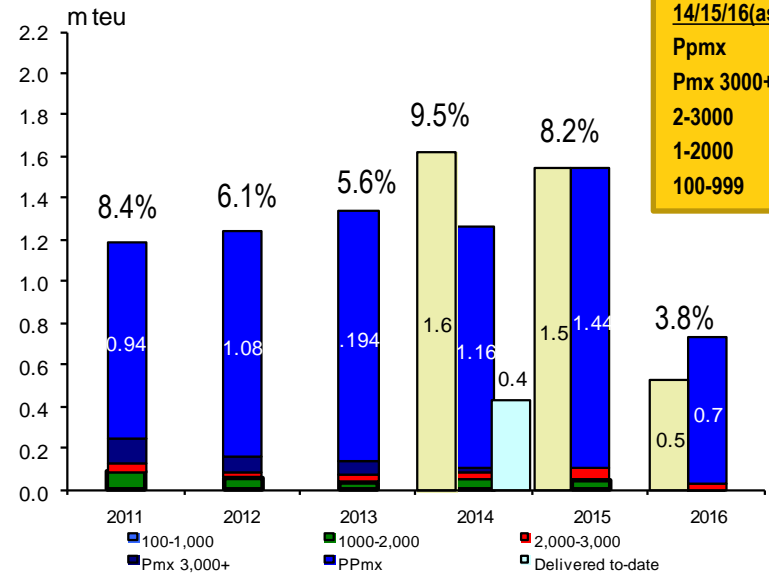
Source: Clarksons as of March 2014 (Age Profile), April 2014 (Orderbook)

1) 2009-2013 fleet percent change includes scrapping and other additions and removals. From 2014 onwards, percent fleet change is calculated based on the fleet of the previous year calculated without accounting for scrapping, other removals or conversions.

2) Scrapping and slippage or cancellations have been as below:

	Scrapping (teu / % of fleet)	Slippage & cancellations (teu / % of scheduled deliveries)
2011 -	0.08 m teu, or 0.5%	0.5m teu, or 27%
2012 -	0.32 m teu, or 2.1%	0.1m teu, or 10%
2013 -	0.43 m teu, or 2.6%	0.5m teu, or 27%

Container Orderbook⁽¹⁾



For delivery in 14/15/16 (as of Apr-14)	
Ppmx	129/135/72
Pmx 3000+	6/1/1
2-3000	12/23/9
1-2000	33/32/9
100-999	4/1/1

Large Vessels Dominate Orderbook

Outlook Summary

Bulkers

- We anticipate that the N/B deliveries will soften up in H2 2014 and rates will firm up from the extremely low current spot levels. Our own fundamental analysis suggest a balanced demand and supply which will result in the average time charter being similar to last year's (which averaged around \$10,100/day for Panamax one-year time charter rates and closed the year at \$14,375/day). The FFA market currently suggests one year rates in the range of \$11,000/day.
- In 2015, we expect rates to strengthen a bit more (the FFA market currently shows \$1,000/day increase for Panamax one year rates), however fundamentals for 2016 onwards look very uncertain. The 2016 orderbook is causing worries that the market will soften up again.

Containerships

- We expect demand prospects to improve in 2014 and 2015 growing 6-7% p.a. but are still shaky in view of the "fragile" economic environment.
- With no new incremental deliveries expected for 2014 and 2015, we expect a supply/demand balance in favor of demand in 2014 and 2015 and improvement of rates over the next 2 years.

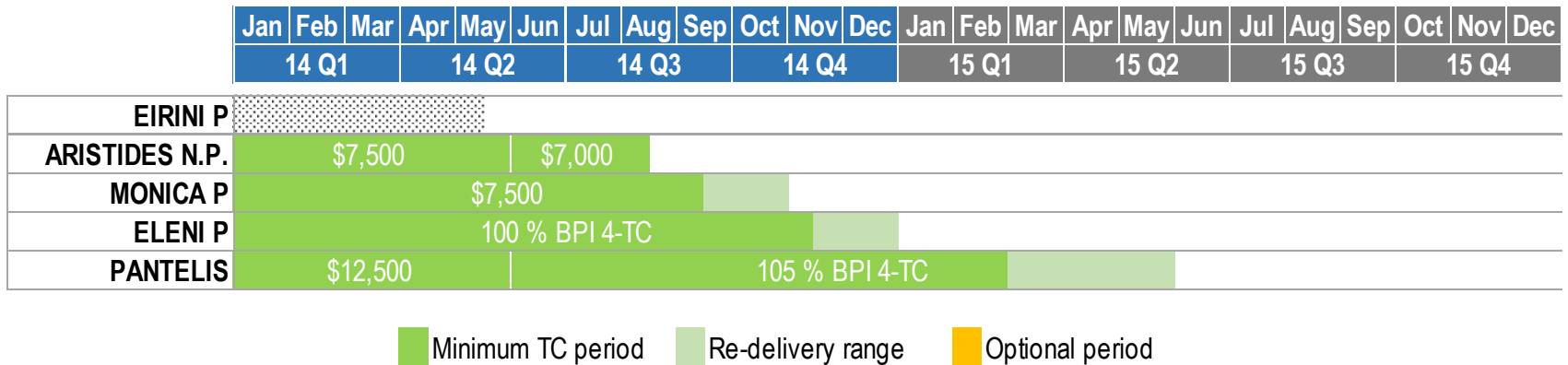


Chartering, Operations & Investment Strategy



Vessels Employment Chart

Coverage: As of May 1, 2014: 62% in 2014 based on max durations (includes ships on index charters)



Vessels Employment Chart – Containerships

Coverage (as of May 1, 2014): Abt 50% in 2014 (based on min duration)

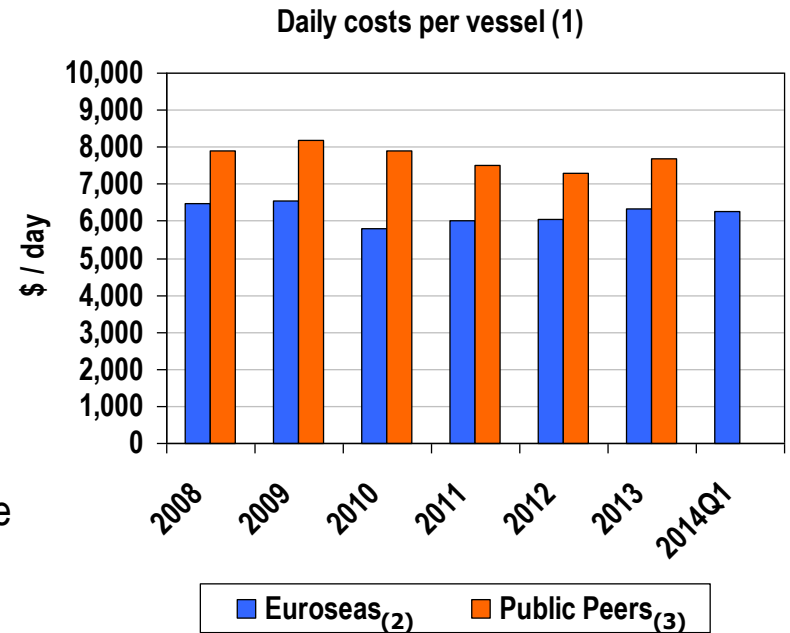
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
	14 Q1			14 Q2			14 Q3			14 Q4			15 Q1			15 Q2			15 Q3			15 Q4		
TIGER BRIDGE	\$8,000				\$8,200																			
KUO HSIUNG	\$7,500									\$11,500														
JOANNA	\$7,500																							
AGGELIKI P	\$6,000				\$6,950																			
DESPINA P	\$6,400				\$6,950																			
MANOLIS P				\$7,500																				
MARINOS	\$7,150						\$7,150						\$8,000											
NINOS				\$8,200																				
EVRIKIKI G	\$8,000						\$8,200																	
CPT. COSTAS				\$6,500									\$7,750											

Minimum TC period
 Re-delivery range
 Optional period

Fleet Management & Operational Performance

- Operational fleet utilization rate in excess of 98.5% over last 5 years.
 - Outstanding safety and environmental record.
 - For 2014Q1, operational fleet utilization 99.8% and commercial 100%.
 - For 2013, operational fleet utilization 98.9% and commercial 96.8%.

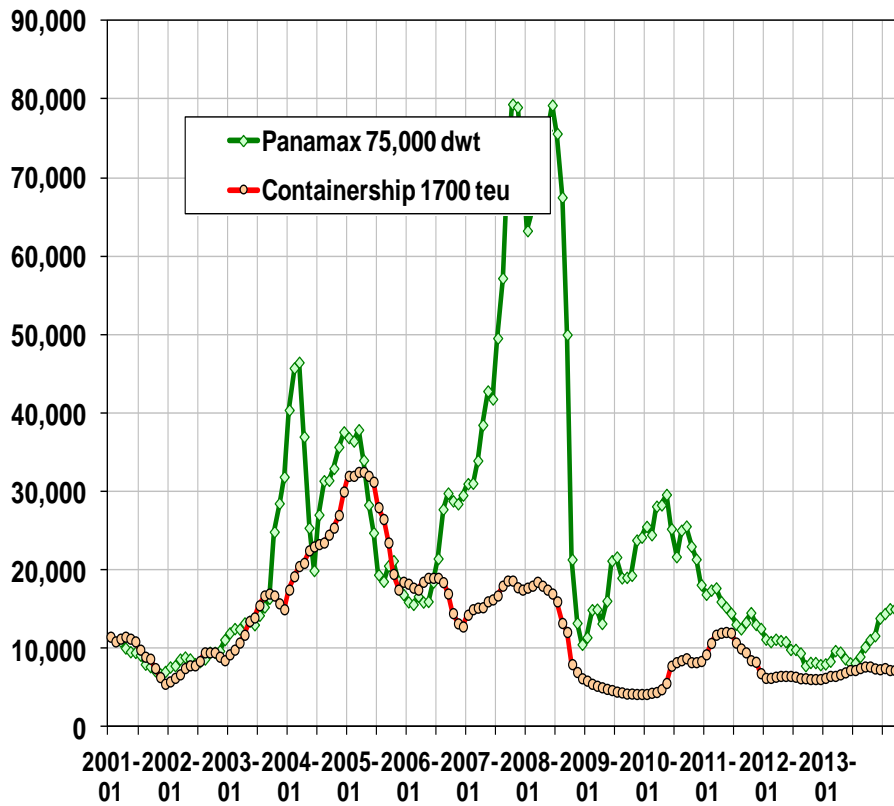
- Overall costs achieved are amongst the lowest of the public shipping companies.



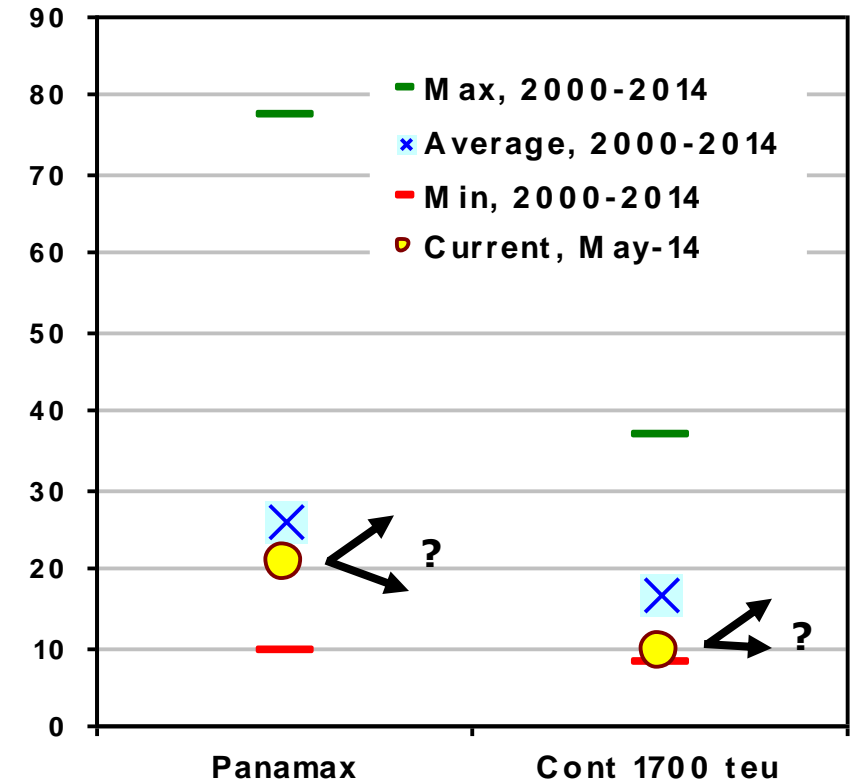
- (1) Includes running cost, management fees and G&A expenses (not drydocking expenses)
- (2) 2009 figure was increased by abt \$600/day to account for the lower cost of the 3 laid-up vessels; 2010 figure was increased by abt \$300/day to account for the lower cost of the laid-up vessels (2 in 2010H1 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 and 2012.

Market Snapshot – Investment Opportunities

\$/day **1-Year Time Charter Rate**



\$m **10-yr old Price Historical Range**





Financial Overview

Financial Highlights: 1st Quarter of 2013 and 2014

(in million USD except per share amounts)	First Quarter		change % ⁽⁴⁾
	2013	2014	
Net Revenues	\$10.91	\$9.50	-12.9%
Net Income / Loss	-\$4.63	-\$2.21	
Unrealized & Realized (gain) / loss, derivatives & investments	-\$0.02	\$0.04	
Adj. Net Loss ⁽¹⁾	-\$4.65	-\$2.20	
Dividend Preferred Shares	\$0.00	-\$0.26	
Adj. Net Loss to Common Shldrs	-\$4.65	-\$2.44	
Adjusted EBITDA ⁽¹⁾	-\$0.07	\$1.04	
"GAAP" EPS, Diluted ⁽²⁾	-\$0.10	-\$0.05	
"Operating" ⁽³⁾ Adj. EPS, Diluted	-\$0.10	-\$0.05	
Dividends per share, declared	\$0.02	-	

(1) See press release of 05/20/2014 for Adjusted EBITDA reconciliation to Net Income and Cash Flow from Operations.

(2) Calculated on 45,319,605 and 47,956,229 shares for the first quarter of 2013 and 2014, respectively.

(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 05/20/2014 for reconciliation to Net Income.

(4) Calculated based on figures in press release of 05/20/2014.

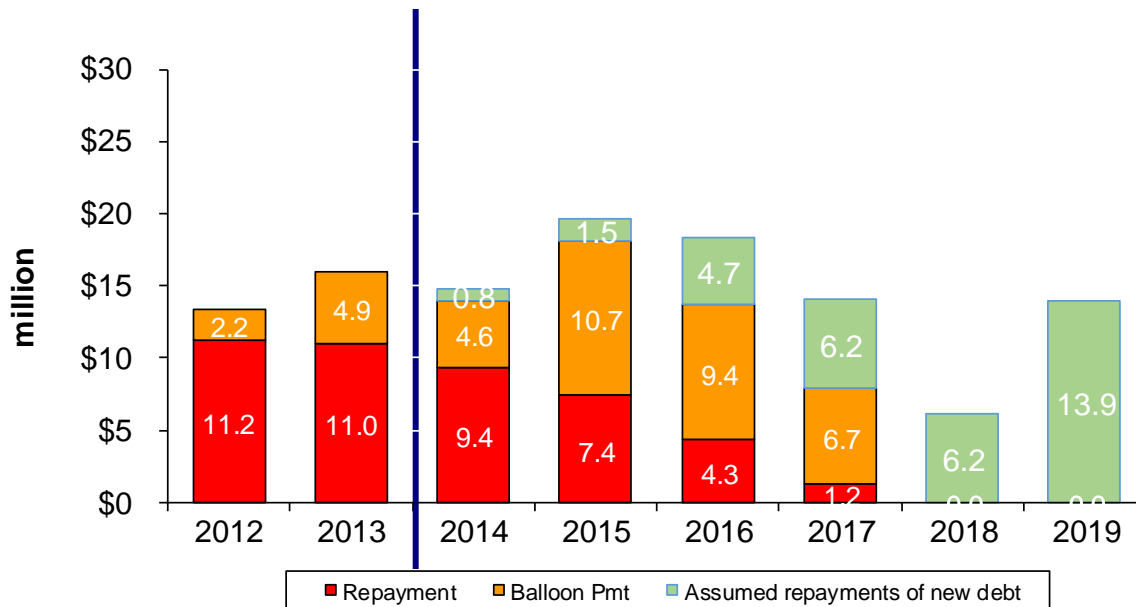
Fleet Data for 1st Quarter of 2013 and 2014

<u>Fleet Statistics</u>	First	
	2013	2014
	<u>(unaudited) (unaudited)</u>	
Number of vessels	15.00	14.00
Utilization Rate (%)		
Overall⁽¹⁾	98.1%	99.8%
Commercial⁽¹⁾	99.3%	100.0%
Operational⁽¹⁾	98.7%	99.8%
Averages in usd/day/vessel		
Time Charter Equivalent (TCE)⁽²⁾	\$ 8,718	\$ 7,817
Operating Expenses		
Vessel Oper. Exp. excl. laid-up	5,554	5,548
G&A Expenses	715	800
Total Operating Expenses	6,269	6,348
Interest Expense	355	373
Drydocking Expense	1,343	68
Loan Repayments	1,569	947
Total Cash Flow Breakeven	9,536	7,736

- (1) Utilization Rate is calculated excluding scheduled offhire (drydockings and special surveys) and vessels in lay-up. Scheduled offhire amounted to 0.8 and 127.6 days for the fourth quarter and full year of 2013.
- (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 05/21/2014



Cash Flow Breakeven

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

	<u>\$/day</u>
OPEX	\$ 5,720
G&A	\$ 780
Interest	\$ 550
Drydock	\$ 700
<u>Loan Rpmt(*)</u>	<u>\$ 2,900</u>
TOTAL	\$10,650

(*) Corresponds to \$4.6m for balloon payments and \$10.9m for loan repayments scheduled in the next 12 months; without the balloon the breakeven rate is about \$9,750/day

Notes:

Assumed repayments include:

- A possible \$16m loan to be drawn in Q2-2014 for the financing of Eirini P & Eleni P to be repaid by 2019
- Repayments of assumed loans for newbuildings from 2016 on

Balance Sheet & Other Data

- **Cash @ March 31, 2014: \$ 62.3m**
 - \$53.2m unrestricted – and about \$9.1m of restricted funds and retention accounts
- **Debt: \$52.5m as of March 31, 2014**
 - Debt to Capitalization ratio about 26.4%
 - Debt to Market Value of Fleet ratio 52%
 - Net debt to Market Value of Fleet ratio less than zero
 - Loan covenants satisfied
- **Capital commitments over 2014-2016**
 - Drybulk investment program of about \$138 million to be financed with typical levels of debt and equity already raised
 - 60%-70% debt financing → \$85-95 million
 - Net equity raised (preferred & common) → \$43.5 million

Euroseas Contacts

Euroseas Ltd.

c/o Eurobulk Ltd
4, Messogiou & Evropis Street
151 24 Maroussi, Greece

www.euroseas.gr

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

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

Tel: 212- 6617566

Fax: 212-6617526