STAR BULK CARRIERS CORP.

REPORTS FINANCIAL RESULTS FOR THE SECOND QUARTER AND FIRST HALF OF 2017

ATHENS, GREECE, August 8, 2017 – Star Bulk Carriers Corp. (the "Company" or "Star Bulk") (Nasdaq: SBLK), a global shipping company focusing on the transportation of dry bulk cargoes, today announced its unaudited financial and operating results for the second quarter and the first half of 2017.

Financial Highlights

(Expressed in thousands of U.S. dollars, except for daily rates and per share data)	Second quarter 2017	Second quarter 2016	Six months ended June 30, 2017	Six months ended June 30, 2016
Voyage Revenues	**$78,605**	**$52,605**	**$143,471**	**$98,862**
Net income/(loss)	**($10,279)**	**($32,908)**	**($26,229)**	**($81,696)**
EBITDA [(1)]	$22,665	($521)	$37,039	($14,610)
Adjusted EBITDA [(1)]	**$25,731**	**$1,630**	**$43,806**	**($5,679)**
Adjusted Net income / (loss) [(2)]	**($7,643)**	**($30,196)**	**($20,515)**	**($68,491)**
Earnings / (loss) per share basic and diluted	**($0.16)**	**($0.75)**	**($0.42)**	**($1.86)**
Adjusted earnings / (loss) per share basic and diluted [(2)]	**($0.12)**	**($0.69)**	**($0.33)**	**($1.56)**
Average Number of Vessels	69.5	70.0	68.4	70.9
Daily Time Charter Equivalent Rate ("TCE") [(3)]	$9,746	$5,609	$8,977	$4,971
Fleet utilization	99.1%	96.4%	99.1%	95.1%
Average daily OPEX per vessel (excluding pre-delivery expenses)	$3,880	$3,796	$3,914	$3,692
Average daily Net Cash G&A expenses per vessel [(4)] (excluding one-time expenses)	$1,117	$1,153	$1,125	$1,128

(1) *EBITDA and Adjusted EBITDA are non-GAAP measures. Please see the table at the back of this release for a reconciliation of EBITDA and Adjusted EBITDA to Net Cash Provided by / (Used in) Operating Activities, which is the most directly comparable financial measure calculated and presented in accordance with generally accepted accounting principles in the United States ("U.S. GAAP"). To derive Adjusted EBITDA from EBITDA, we exclude non-cash gains / (losses), and non-recurring items.*

(2) *Adjusted Net income / (loss) and Adjusted earnings / (loss) per share basic and diluted are non-GAAP measures. Please see the table at the back of this release for a reconciliation to Net income / (loss), which is the most directly comparable financial measure calculated and presented in accordance with U.S. GAAP.*

(3) *Daily Time Charter Equivalent Rate ("TCE") is a non-GAAP measure. Please see the table at the back of this release for a reconciliation to Voyage Revenues, which is the most directly comparable financial measure calculated and presented in accordance with U.S. GAAP.*

(4) *Average daily Net Cash G&A expenses per vessel is calculated by (1) deducting the Management fee Income from, and (2) adding the Management fee expense to, the General and Administrative expenses (net of stock based compensation expense) and (3) then dividing with the ownership days.*

Petros Pappas, Chief Executive Officer of Star Bulk, commented:

“Star Bulk announced today its second quarter 2017 financial results, reporting $62.0 million in Net TCE Revenues, $14.2 million in operating cash flow and $11.5 million in free cash flow, contributing to our $245 million liquidity position.

Our average TCE per vessel was $9,746/day, while our average utilization was 99.1%. Given our Q2 2017 average OPEX and net cash G&A expenses per vessel, of $3,880/day and $1,117/day respectively, we have an Adjusted EBITDA of $25.7 million, compared to an Adjusted EBITDA figure of $1.6 million in Q2 2016. This marks the fifth consecutive increase in our quarterly Adjusted EBITDA since the first quarter of 2016 when the dry bulk market troughed.

We remain committed to exceeding our customers’ expectations through our high quality and safety standards, as evidenced by our continued presence among the top 5 dry bulk operators in Rightship vessel condition ratings.

We are pleased to announce that in July we have taken delivery of the M/V Diva, a 2011 built Supramax vessel, which was acquired at an attractive price in June of 2017.

On the financing front, we have drawn down the full facility amount to partially finance the acquisition of the 2 modern Kamsarmaxes acquired in early March of 2017, which along with the successful refinancing in full of one of our bank facilities, demonstrates the solid support from the company’s lenders and enhances our financial flexibility going forward.”

Recent Developments

Vessel deliveries

On July 24th, 2017, we took delivery of *M/V Diva*, a Supramax vessel with carrying capacity of 56,582 deadweight tons, built at Jiangsu Hantong Ship Heavy Industry co Ltd China in 2011.

Financing Activities

- On June 23rd, 2017, we executed a new loan agreement with ABN AMRO Bank N.V. for $30.8 million, available in two tranches, as follows:
    i. Tranche A of $16.0 million, which was drawn down on June 27th, 2017, to partially finance the acquisition of two 2013-built Kamsarmax vessels, *Star Charis* and *Star Suzanna*, which were acquired earlier this year.
    ii. Tranche B of $14.8 million, which was drawn down on July 7th, 2017, to refinance all of the outstanding debt under the Heron Vessel CiT Facility (as defined in our annual report). Tranche B is secured by *Star Angelina* and *Star Gwyneth*.

  The two tranches mature in June and July 2022, respectively.
- On August 8th, 2017, we paid an amount of $3.6 million to all parties under our Restructuring Agreements (as defined in our annual report), representing the 20% of the equity used for the acquisition of *Star Charis, Star Suzanna* and *Diva*.

Employment update

During the second quarter and until August 2017 we concluded the following medium to long term charter arrangements:

- *Star Renee*, a 82,221 dwt Kamsarmax vessel at a gross rate of $10,000/day for a period of approximately 4 to 7 months, commencing from May 2017.
- *Star Helena*, a 82,187 dwt Kamsarmax vessel at a gross rate of $10,800/day for a period of approximately 7 to 10 months, commencing from August 2017.
- *Star Emily*, a 76,417 dwt Panamax vessel at a gross rate of $9,000/day for a period of approximately 5 to 8 months, commencing from July 2017.
- *Kaley*, a 63,283 dwt Ultramax vessel, at a gross rate of $12,000/day for a period of approximately 3 to 5 months, commencing from June 2017.
- *Mackenzie*, a 63,266 dwt Ultramax vessel, at a gross rate of $10,100/day for a period of approximately 6 to 8 months, commencing from July 2017.
- *Wolverine*, a 61,292 dwt Ultramax vessel at a gross rate of $10,600/day for a period of approximately 8 to 11 months, commencing from August 2017.
- *Star Gamma*, a 53,098 dwt Supramax vessel at a gross rate of $9,800/day for a period of approximately 3 to 5 months, commencing from July 2017.
- *Strange Attractor*, a 55,742 dwt Supramax vessel, at a gross rate of $9,700/day for a period of approximately 7 to 9 months, commencing from July 2017.

Existing On the Water Fleet (As of August 8, 2017)

	Vessel Name	Vessel Type	Capacity (dwt.)	Year Built	Date Delivered to Star Bulk
1	*Goliath*	Newcastlemax	209,537	2015	July-15
2	*Gargantua*	Newcastlemax	209,529	2015	April-15
3	*Star Poseidon*	Newcastlemax	209,475	2016	February-16
4	*Maharaj*	Newcastlemax	209,472	2016	July-15
5	*Star Ariadne (1)*	Newcastlemax	207,812	2017	March-17
6	*Star Virgo (1)*	Newcastlemax	207,810	2017	March-17
7	*Star Libra (1)*	Newcastlemax	207,765	2016	June-16
8	*Star Marisa (1)*	Newcastlemax	207,709	2016	March-16
9	*Leviathan*	Capesize	182,511	2014	September-14
10	*Peloreus*	Capesize	182,496	2014	July-14
11	*Star Martha*	Capesize	180,274	2010	October-14
12	*Star Pauline*	Capesize	180,274	2008	December-14
13	*Pantagruel*	Capesize	180,181	2004	July-14
14	*Star Borealis*	Capesize	179,678	2011	September-11
15	*Star Polaris*	Capesize	179,600	2011	November-11
16	*Star Angie*	Capesize	177,931	2007	October-14
17	*Big Fish*	Capesize	177,662	2004	July-14
18	*Kymopolia*	Capesize	176,990	2006	July-14
19	*Big Bang*	Capesize	174,109	2007	July-14
20	*Star Aurora*	Capesize	171,199	2000	September-10
21	*Amami*	Post Panamax	98,681	2011	July-14
22	*Madredeus*	Post Panamax	98,681	2011	July-14
23	*Star Sirius*	Post Panamax	98,681	2011	March-14
24	*Star Vega*	Post Panamax	98,681	2011	February-14
25	*Star Angelina*	Kamsarmax	82,981	2006	December-14
26	*Star Gwyneth*	Kamsarmax	82,790	2006	December-14
27	*Star Kamila*	Kamsarmax	82,769	2005	September-14
28	*Pendulum*	Kamsarmax	82,619	2006	July-14
29	*Star Maria*	Kamsarmax	82,598	2007	November-14
30	*Star Markella*	Kamsarmax	82,594	2007	September-14
31	*Star Danai*	Kamsarmax	82,574	2006	October-14
32	*Star Georgia*	Kamsarmax	82,298	2006	October-14
33	*Star Sophia*	Kamsarmax	82,269	2007	October-14
34	*Star Mariella*	Kamsarmax	82,266	2006	September-14
35	*Star Moira*	Kamsarmax	82,257	2006	November-14
36	*Star Nina*	Kamsarmax	82,224	2006	January-15
37	*Star Renee*	Kamsarmax	82,221	2006	December-14
38	*Star Nasia*	Kamsarmax	82,220	2006	August-14
39	*Star Laura*	Kamsarmax	82,209	2006	December-14
40	*Star Jennifer*	Kamsarmax	82,209	2006	April-15
41	*Star Helena*	Kamsarmax	82,187	2006	December-14
42	*Star Charis*	Kamsarmax	81,711	2013	March-17
43	*Star Suzanna*	Kamsarmax	81,711	2013	May-17
44	*Mercurial Virgo*	Kamsarmax	81,545	2013	July-14
45	*Star Iris*	Panamax	76,466	2004	September-14
46	*Star Emily*	Panamax	76,417	2004	September-14
47	*Star Vanessa*	Panamax	72,493	1999	November-14
48	*Idee Fixe (1)*	Ultramax	63,458	2015	March-15

49	*Roberta (1)*	Ultramax	63,426	2015	March-15
50	*Laura (1)*	Ultramax	63,399	2015	April-15
51	*Kaley (1)*	Ultramax	63,283	2015	June-15
52	*Kennadi*	Ultramax	63,262	2016	January-16
53	*Mackenzie*	Ultramax	63,226	2016	March-16
54	*Star Challenger*	Ultramax	61,462	2012	December-13
55	*Star Fighter*	Ultramax	61,455	2013	December-13
56	*Star Lutas*	Ultramax	61,347	2016	January-16
57	*Honey Badger*	Ultramax	61,320	2015	February-15
58	*Wolverine*	Ultramax	61,292	2015	February-15
59	*Star Antares*	Ultramax	61,258	2015	October-15
60	*Star Acquarius*	Ultramax	60,916	2015	July-15
61	*Star Pisces*	Ultramax	60,916	2015	August-15
62	*Diva*	Supramax	56,582	2011	July-17
63	*Strange Attractor*	Supramax	55,742	2006	July-14
64	*Star Omicron*	Supramax	53,489	2005	April-08
65	*Star Gamma*	Supramax	53,098	2002	January-08
66	*Star Zeta*	Supramax	52,994	2003	January-08
67	*Star Delta*	Supramax	52,434	2000	January-08
68	*Star Theta*	Supramax	52,425	2003	December-07
69	*Star Epsilon*	Supramax	52,402	2001	December-07
70	*Star Cosmo*	Supramax	52,247	2005	July-08
71	*Star Kappa*	Supramax	52,055	2001	December-07
		Total dwt:	**7,481,854**		

(1) Subject to a bareboat charter accounted for as a capital lease.

Chartered-In Vessel (As of August 8, 2017)

Vessel Name	Type	Capacity (dwt.)	Year Built	Expected Redelivery Date
Astakos (ex - Maiden Voyage)	Supramax	58,722	2012	September 2017
	Total dwt:	**58,722**		

Newbuilding Vessels (As of August 8, 2017)

Newbuilding Vessels

	Vessel Name	**Vessel Type**	**Capacity (dwt.)**	**Shipyard**	**Expected Delivery Date**
1	HN 1342 (tbn *Star Eleni*)	Newcastlemax	208,000	SWS, China	Oct-17
2	HN 1361 (tbn *Star Magnanimus*) (1)	Newcastlemax	208,000	SWS, China	Jan-18
3	HN 1343 (tbn *Star Leo*)	Newcastlemax	208,000	SWS, China	Jan-18
		Total dwt:	**624,000**		

(1) Subject to a bareboat charter that will be accounted for as a capital lease.

<u>Second Quarter 2017 and 2016 Results (*)</u>

(*) Amounts relating to variations in period – on – period comparisons shown in this section are derived from the actual numbers in our books and records.

For the second quarter of 2017, total net voyage revenues were $62.0 million, compared to $34.9 million for the second quarter of 2016. This increase was primarily driven by the increase in charterhire rates during the second quarter of 2017, which led to a TCE rate of $9,746 compared to a TCE rate of $5,609 for the second quarter of 2016, representing a 74% increase, while the average number of vessels in our fleet during the second quarter of 2017 of 69.5 was slightly lower compared to 70.0 during the second quarter of 2016. We refer you to footnote 7 under the heading "Summary of Selected Data" set forth below for information regarding our calculation of TCE rates.

For the second quarter of 2017, operating income was $2.0 million, which includes depreciation of $20.7 million. Operating loss of $20.9 million for the second quarter of 2016 includes depreciation of $20.3 million, a non-cash impairment loss of $0.3 million and a net loss on sale of vessels of $0.2 million.

Net loss for the second quarter of 2017 was $10.3 million, or $0.16 loss per share, basic and diluted, calculated based on 63,336,657 weighted average basic and diluted shares. Net loss for the second quarter of 2016 was $32.9 million, or $0.75 loss per share, basic and diluted, calculated based on 43,938,755 weighted average basic and diluted shares.

Net loss for the second quarter of 2017, mainly included the following non-cash items, other than depreciation expense:

- Stock based compensation expense of $3.7 million, or $0.06 per share, basic and diluted, recognized in connection with common shares granted to our directors and employees;
- Unrealized gain on forward freight agreements of $0.7 million, or $0.01 per share, basic and diluted; and
- Unrealized gain on interest rate swaps of $0.4 million or $0.006 per share, basic and diluted.

Net loss for the second quarter of 2016, mainly included the following non-cash items, other than depreciation expense:

- Stock based compensation expense of $1.7 million, or $0.04 per share, basic and diluted, recognized in connection with common shares granted to our directors and employees;
- Impairment loss of $0.3 million, or $0.01 per share, basic and diluted, mainly relating to the write-off of capitalized items for two newbuilding vessel contracts cancelled during the first quarter 2016; and
- Write-off of unamortized deferred finance charges of $0.6 million or $0.01 per share, basic and diluted relating to: (i) the mandatory prepayment of outstanding debt due to the sale of the corresponding mortgaged vessel and (ii) the cancellation of a loan commitment resulting from the sale of one newbuilding vessel upon its delivery from the shipyard.

Adjusted net loss for the second quarter of 2017, which excludes all non-cash items other than depreciation expense, was $7.6 million, or $0.12 loss per share, basic and diluted, compared to $30.2 million, or $0.69 loss per share, basic and diluted for the second quarter of 2016. A reconciliation of *Net income / (loss)* to *Adjusted Net income/ (loss)* and *Adjusted earnings / (loss) per share basic and diluted* is set forth below in the financial tables contained in this release.

Adjusted EBITDA for the second quarter of 2017 and 2016, which excludes all non-cash items, was $25.7 million and $1.6 million, respectively. A reconciliation of *EBITDA and Adjusted EBITDA to net cash provided by/(used in) operating activities* is set forth below in the financial tables contained in this release.

For the second quarter of 2017 and 2016, vessel operating expenses were $25.1 million and $24.5 million, respectively. Vessel operating expenses for the respective quarters include one-time pre-delivery and pre-joining expenses of $0.6 million and $0.3 million, respectively, which we incurred in connection with the delivery of new vessels to our fleet during each period. **Excluding these expenses, our average daily operating expenses per vessel for the second quarter of 2017 and 2016 was $3,880 and $3,796, respectively.**

Dry docking expenses for the second quarter of 2017 and 2016 were $1.9 million and $0.7 million, respectively. During the second quarter of 2017, three vessels underwent their periodic dry docking surveys, one of which had started during the first quarter of 2017. During the second quarter of 2016, only one vessel underwent its periodic dry docking survey.

General and administrative expenses for the second quarter of 2017 and 2016 were $9.3 million and $7.1 million, respectively. These expenses for the second quarter of 2017 include stock based compensation expense of $3.7 million and legal fees of $0.4 million incurred in connection with the restructuring of our indebtedness. During the same quarter of 2016, general and administrative expenses included stock based compensation expense of $1.7 million. Excluding the above mentioned expenses, **our average daily net cash general and administrative expenses per vessel (including all management fees) for the second quarter of 2017 and 2016 was $1,117 and $1,153, respectively, representing a decrease of 3%.**

Interest and finance costs for the second quarter of 2017 and 2016 were $12.6 million and $10.2 million, respectively. The increase is attributable to: (i) the increase in LIBOR between the corresponding periods, (ii) the increase in the weighted average balance of our outstanding indebtedness to $1,038.4 million during the second quarter of 2017 compared to $959.9 million for the same period in 2016, and (iii) the decrease of interest capitalized from general debt in connection with the payments made for our newbuilding vessels to $0.6 million from $0.9 million, respectively, which is recognized as credit in the interest and finance costs.

During the second quarter of 2017 and 2016, we recorded a loss on derivative financial instruments of $0.1 million and $1.1 million, respectively, in connection with our interest rate swaps that did not qualify for hedge accounting. The decrease in the aforementioned loss is attributable to the increased LIBOR.

<u>First Half 2017 and 2016 Results (*)</u>

(*) Amounts relating to variations in period – on – period comparisons shown in this section are derived from the actual numbers in our books and records.

For the first half of 2017, total net voyage revenues were $111.8 million, compared to $61.6 million for the first half of 2016. The increase in net voyage revenues was driven by the increase in charter hire rates during the corresponding periods. This increase led to a TCE rate of $8,977 for the first half of 2017, compared to a TCE rate of $4,971 for same period in 2016, representing an 81% increase. We refer you to footnote 7 under the heading "Summary of Selected Data" set forth below for information regarding our calculation of TCE rates.

For the first half of 2017, operating loss was $3.3 million, which includes depreciation of $40.4 million and a net loss on sale of vessels of $0.4 million. Operating loss of $55.7 million for the first half of 2016 includes depreciation of $40.8 million and a non-cash impairment loss of $6.7 million.

Net loss for the first half of 2017 was $26.2 million, or $0.42 loss per share, basic and diluted, calculated based on 62,188,645 weighted average basic and diluted shares. Net loss for the first half of 2016 was $81.7 million, or $1.86 loss per share, basic and diluted, calculated based on 43,880,713 weighted average basic and diluted shares.

Net loss for the first half of 2017, mainly included the following non-cash items, other than depreciation expense:

- Stock based compensation expense of $6.4 million, or $0.10 per share, basic and diluted, recognized in connection with common shares granted to our directors and employees;
- Loss on sale of vessel of $0.4 million, or $0.01 per share, basic and diluted, in connection with the sale of *Star Eleonora* in March 2017;
- Unrealized gain on interest rate swaps of $1.4 million or $0.02 per share, basic and diluted; and
- Write-off of unamortized deferred finance charges of $0.4 million or $0.01 per share, basic and diluted, in connection with the cancellation of a previous loan commitment.

Net loss for the first half of 2016, mainly included the following non-cash items, other than depreciation expense:

- Stock based compensation expense of $2.3 million, or $0.05 per share, basic and diluted, recognized in connection with common shares granted to our directors and employees;
- Impairment loss of $6.7 million, or $0.15 per share, basic and diluted, relating to (i) the sale of an operating vessel (*Star Michele*) and (ii) the write-off of capitalized items for two newbuilding vessel contracts cancelled during the first quarter 2016;
- Unrealized loss on interest rate swaps of $2.3 million or $0.05 per share, basic and diluted; and
- Write-off of unamortized deferred finance charges of $1.8 million or $0.04 per share, basic and diluted, in connection with: (i) the mandatory prepayment of outstanding amounts under several loans due to the sale of the corresponding mortgaged vessels and (ii) the cancellation of certain loan commitments resulting from (a) the sale of certain newbuilding vessels upon their delivery from the shipyards and (b) the termination of two newbuilding contracts.

Adjusted net loss for the first half of 2017, which excludes all non-cash items, other than depreciation expense, amounted to $20.5 million, or $0.33 loss per share, basic and diluted, compared to $68.5 million, or $1.56 loss per share, basic and diluted, for the first half of 2016. A reconciliation of *Net income / (loss)* to *Adjusted Net income/ (loss)* and *Adjusted earnings / (loss) per share basic and diluted* is set forth below in the financial tables contained in this release.

Adjusted EBITDA for the first half of 2017 and 2016, which excludes all non-cash items was $43.8 million and $(5.7) million, respectively. A reconciliation of *EBITDA and Adjusted EBITDA to net cash provided by/(used in) operating activities* is set forth below in the financial tables contained in this release.

For the first half of 2017 and 2016, vessel operating expenses totalled $49.6 million and $49.4 million, respectively. Vessel operating expenses for the respective periods include one-time pre-delivery and pre-joining expenses of $1.1 million and $1.7 million, respectively, which we incurred in connection with the delivery of the new vessels in our fleet during each period. Excluding these amounts, our average daily operating expenses per vessel for the first half of 2017 and 2016 were $3,914 and $3,692, respectively.

Dry docking expenses for the first half of 2017 and 2016 were $3.2 million and $1.6 million, respectively. During the first half of 2017, four vessels underwent their periodic dry docking surveys, three of which were completed during this period. During the first half of 2016, three vessels completed their respective dry docking surveys, two of which started in December 2015.

General and administrative expenses for the first half of 2017 and 2016 were $17.3 million and $13.3 million, respectively. These expenses for the first half of 2017 include stock based compensation expense of $6.4 million and legal fees of $0.7 million, incurred in connection with the restructuring of our indebtedness. During the first half of 2016, general and administrative expenses included stock based compensation expense of $2.3 million and professional advisory services of $0.3 million that were not part of our ordinary course of business. **Excluding the above mentioned stock based compensation expense and one-time expenses, our average daily net cash general and administrative expenses per vessel (including all management fees) for the first half of 2017 and 2016, remained constant at $1,125 and $1,128, respectively.**

During the first half of 2017, we recognized other operational gain of $2.5 million mainly resulting from the settlement proceeds of a commercial dispute.

Interest and finance costs for the first half of 2017 and 2016 were $23.8 million and $19.7 million, respectively. The increase is attributable to: (i) the increase in LIBOR between the corresponding periods, (ii) the increase in the weighted average balance of our outstanding indebtedness to $1,007.5 million during the first half of 2017 compared to $985.0 million for the same period in 2016, and (iii) the decrease of interest capitalized from general debt in connection with the payments made for our newbuilding vessels to $1.3 million from $2.6 million, respectively, which is recognized as credit in the interest and finance costs.

During the first half of 2017, we recorded a gain on derivative financial instruments of $0.1 million, while during the first half of 2016 we recorded a loss on derivative financial instruments of $4.7 million in connection with our interest rate swaps that did not qualify for hedge accounting. The reversal of the aforementioned loss is attributable to the increased LIBOR.

Liquidity and Capital Resources

<u>Cash Flows</u>

Net cash provided by operating activities for the first half of 2017 was $20.3 million whereas net cash used in operating activities for the first half of 2016 was $36.0 million.

The positive change is due to: (i) the general positive growth across the majority of our operational metrics as described above, which is reflected in the positive Adjusted EBITDA of $43.8 million for the first half of 2017 compared to negative Adjusted EBITDA of $5.7 million for the corresponding period in 2016, and (ii) a working capital outflow of $1.5 million during the first half of 2017 compared to $9.6 million working capital outflow for the first half of 2016. The increase was partially offset by higher interest expense for the first half of 2017 compared to the first half of 2016.

Net cash used in investing activities for the first half of 2017 and 2016 was $115.8 million and $24.6 million, respectively.

For the first half of 2017, net cash used in investing activities consisted of:

- $116.7 million paid for advances and other capitalized expenses for our newbuilding and newly delivered vessels; and
- a net increase of $6.8 million in restricted cash, as required under our loan agreements and sale proceeds received and held for the loan prepayment of the sold vessel;

offset partially by:

- $7.7 million of proceeds from the sale of *Star Eleonora*.

For the first half of 2016, net cash used in investing activities consisted of:

- $388.7 million paid for advances and other capitalized expenses for our newbuilding and newly delivered vessels;

offset partially by:

- $142.6 million of proceeds from the sale of vessels;
- $220.3 million of proceeds from the sale of certain newbuilding vessels, which were sold upon their delivery from the shipyard;
- $1.1 million of hull and machinery insurance proceeds; and
- a net decrease of $0.1 million in restricted cash required under our loan agreements.

Net cash provided by financing activities for the first half of 2017 was $140.6 million, whereas net cash used in financing activities for the first half of 2016 was $7.0 million, respectively.

For the first half of 2017, net cash provided by financing activities consisted of:

- $79.9 million increase in capital lease obligations, relating to two delivered newbuilding vessels, under bareboat charters;
- $16.0 million of proceeds drawn under the loan facility for the financing of *Star Charis* and *Star Suzanna*, which were delivered during the period; and
- $50.6 million of proceeds from a private placement of our common shares, which was completed in February 2017, which is net of aggregate private placement agent’s fees and expenses of $0.9 million;

offset partially by:

- $5.2 million paid in aggregate in connection with the capital lease installments and the partial prepayment of a loan facility due to the sale of *Star Eleonora*; and
- $0.7 million of financing fees, paid in connection with the restructuring of our indebtedness.

For the first half of 2016, net cash used in financing activities consisted of:

- $158.7 million paid in aggregate in connection with the regular amortization of outstanding vessel financings, capital lease installments and mandatory prepayment of several loan facilities due to the sale of corresponding mortgaged vessels;

offset partially by:

- an aggregate of $65.4 million proceeds from loan facilities for the financing of delivery installments for four of our newbuilding vessels delivered during this period; and
- $86.4 million increase in capital lease obligations, relating to two delivered newbuilding vessels under bareboat charters.

Summary of Selected Data

(TCE rates expressed in U.S. dollars)

	Second quarter 2017	Second quarter 2016
Average number of vessels (1)	69.5	70.0
Number of vessels (2)	70	70
Average age of operational fleet (in years) (3)	7.8	7.5
Ownership days (4)	6,326	6,368
Available days (5)	6,357	6,227
Fleet utilization (6)	99.1%	96.4%
Daily Time Charter Equivalent Rate (7)	$9,746	$5,609
Average daily OPEX per vessel (8)	$3,975	$3,841
Average daily OPEX per vessel (excl. pre-delivery expenses)	$3,880	$3,796

	Six months ended June 30, 2017	Six months ended June 30, 2016
Average number of vessels (1)	68.4	70.9
Number of vessels (2)	70	70
Average age of operational fleet (in years) (3)	7.8	7.5
Ownership days (4)	12,384	12,896
Available days (5)	12,456	12,438
Fleet utilization (6)	99.1%	95.1%
Daily Time Charter Equivalent Rate (7)	$8,977	$4,971
Average daily OPEX per vessel (8)	$4,002	$3,828
Average daily OPEX per vessel (excl. pre-delivery expenses)	$3,914	$3,692

(1) Average number of vessels is the number of vessels that constituted our operating fleet for the relevant period, as measured by the sum of the number of days each operating vessel was a part of our operating fleet during the period divided by the number of calendar days in that period.

(2) As of the last day of the periods reported.

(3) Average age of operational fleet is calculated as of the end of each period.

(4) Ownership days are the total calendar days each vessel in the fleet was owned by us for the relevant period.

(5) Available days for the fleet are the ownership and charter-in days after subtracting off-hire days for major repairs, dry docking or special or intermediate surveys and lay-up days, if any.

(6) Fleet utilization is calculated by dividing available days by ownership days plus charter-in days for the relevant period.

(7) Represents the weighted average daily TCE rates of our entire fleet. TCE rate is a measure of the average daily revenue performance of a vessel on a per voyage basis. Our method of calculating TCE rate is determined by dividing voyage revenues (net of voyage expenses and amortization of fair value of above/below market acquired time charter agreements) by available days for the relevant time period. Voyage expenses primarily consist of port, canal and fuel costs that are unique to a particular voyage, which would otherwise be paid by the charterer under a time charter contract, as well as commissions. TCE rate is a standard shipping industry performance measure used primarily to compare period-to-period changes in a shipping company's performance despite changes in the mix of charter types (i.e., voyage charters, time charters and bareboat charters) under its vessels may be employed between the periods. We included TCE revenues, a non-GAAP measure, as it provides additional meaningful information in conjunction with voyage revenues, the most directly comparable GAAP measure, and it assists our management in making decisions regarding the deployment and use of our operating vessels and in evaluating our financial performance.

(8) Average daily OPEX per vessel is calculated by dividing vessel operating expenses by ownership days.

Unaudited Consolidated Statement of Operations

(Expressed in thousands of U.S. dollars except for share and per share data)	**Second quarter 2017**	**Second quarter 2016**	**Six months ended June 30, 2017**	**Six months ended June 30, 2016**
Revenues:				
Voyage revenues	$ 78,605	$ 52,605	$ 143,471	$ 98,862
Management fee income	-	44	-	91
Total revenues	**78,605**	**52,649**	**143,471**	**98,953**
Expenses:				
Voyage expenses	(16,650)	(17,722)	(31,649)	(37,284)
Charter-in hire expense	(881)	(922)	(1,736)	(1,918)
Vessel operating expenses	(25,145)	(24,459)	(49,560)	(49,364)
Dry docking expenses	(1,856)	(734)	(3,248)	(1,583)
Depreciation	(20,742)	(20,312)	(40,387)	(40,847)
Management fees	(1,875)	(1,913)	(3,689)	(3,911)
General and administrative expenses	(9,284)	(7,124)	(17,316)	(13,298)
Gain/(Loss) on forward freight agreements	256	283	(541)	283
Impairment loss	-	(339)	-	(6,694)
Other operational loss	(751)	(109)	(751)	(109)
Other operational gain	294	-	2,461	50
Gain/(Loss) on sale of vessels	-	(173)	(370)	(21)
Operating income/(loss)	**1,971**	**(20,875)**	**(3,315)**	**(55,743)**
Interest and finance costs	(12,625)	(10,222)	(23,766)	(19,694)
Interest and other income/(loss)	603	(113)	1,223	154
Gain/(Loss) on derivative financial instruments	(147)	(1,088)	100	(4,681)
Loss on debt extinguishment	-	(624)	(358)	(1,801)
Total other expenses, net	**(12,169)**	**(12,047)**	**(22,801)**	**(26,022)**
Income/(Loss) before equity in investee	**(10,198)**	**(32,922)**	**(26,116)**	**(81,765)**
Equity in income/(loss) of investee	(29)	14	4	69
Income/(Loss) before taxes	**$ (10,227)**	**$ (32,908)**	**$ (26,112)**	**$ (81,696)**
US Source Income taxes	(52)	-	(117)	-
Net income/(loss)	**$ (10,279)**	**$ (32,908)**	**$ (26,229)**	**$ (81,696)**
Earnings/(loss) per share, basic	$ (0.16)	$ (0.75)	$ (0.42)	$ (1.86)
Earnings/(loss) per share, diluted	$ (0.16)	$ (0.75)	$ (0.42)	$ (1.86)
Weighted average number of shares outstanding, basic	63,336,657	43,938,755	62,188,645	43,880,713
Weighted average number of shares outstanding, diluted	63,336,657	43,938,755	62,188,645	43,880,713

Unaudited Consolidated Condensed Balance Sheets

(Expressed in thousands of U.S. dollars)

ASSETS		June 30, 2017		December 31, 2016
Cash and cash equivalents	$	226,882	$	181,758
Other current assets		56,652		46,708
TOTAL CURRENT ASSETS		**283,534**		**228,466**
Advances for vessels under construction and acquisition of vessels and other assets		46,472		64,570
Vessels and other fixed assets, net		1,796,943		1,707,209
Other non-current assets		9,394		11,457
TOTAL ASSETS	**$**	**2,136,343**	**$**	**2,011,702**
Current portion of long-term debt and lease commitments	$	16,653	$	6,235
Other current liabilities		24,275		21,884
TOTAL CURRENT LIABILITIES		**40,928**		**28,119**
Long-term debt and lease commitments non-current(net of unamortized deferred finance fees of $8,300 and $9,253, respectively)		977,613		896,332
8% 2019 Senior Notes (net of unamortized deferred finance fees of $1,028 and $1,243, respectively)		48,972		48,757
Other non-current liabilities		480		1,264
TOTAL LIABILITIES	**$**	**1,067,993**	**$**	**974,472**
STOCKHOLDERS' EQUITY		1,068,350		1,037,230
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	**$**	**2,136,343**	**$**	**2,011,702**

Unaudited Cash Flow Data

(Expressed in thousands of U.S. dollars)		Six months ended June 30, 2017		Six months ended June 30, 2016
Net cash provided by / (used in) operating activities	$	20,336	$	(35,972)
Net cash provided by / (used in) investing activities		(115,775)		(24,568)
Net cash provided by / (used in) financing activities		140,563		(6,961)

EBITDA and Adjusted EBITDA Reconciliation

We consider EBITDA to represent net income before interest, income taxes, depreciation and amortization. EBITDA does not represent and should not be considered as an alternative to net income or cash flow from operations, as determined by United States generally accepted accounting principles, or U.S. GAAP, and our calculation of EBITDA may not be comparable to that reported by other companies. EBITDA is included herein because it is a basis upon which we assess our liquidity position, because it is a measure used by our lenders as a measure of our compliance with certain loan covenants and because we believe that it presents useful information to investors regarding our ability to service and/or incur indebtedness.

We excluded certain gains/losses such as those related to sale of vessels, stock-based compensation expense, the write off of the unamortized fair value of above-market acquired time charters, impairment losses, change in fair value of forward freight agreements and the equity in income/(loss) of investee, to derive Adjusted EBITDA from EBITDA and Adjusted Net income/(loss) from Net income/(loss). We excluded the items described above when deriving Adjusted EBITDA and Adjusted Net income/(loss) because we believe that these items do not reflect the ongoing operational cash inflows and outflows of our fleet.

The following table reconciles net cash provided by operating activities to EBITDA and Adjusted EBITDA:

(Expressed in thousands of U.S. dollars)	**Second quarter 2017**	**Second quarter 2016**	**Six months ended June 30, 2017**	**Six months ended June 30, 2016**
Net cash provided by/(used in) operating activities	$ 14,231	$ (9,439)	$ 20,336	$ (35,972)
Net decrease / (increase) in current assets	3,679	(1,062)	4,501	4,710
Net increase / (decrease) in operating liabilities, excluding current portion of long term debt	(3,484)	1,408	(3,009)	4,728
Impairment loss	-	(339)	-	(6,694)
Loss on debt extinguishment	-	(624)	(358)	(1,801)
Stock – based compensation	(3,710)	(1,653)	(6,360)	(2,285)
Amortization of deferred finance charges	(647)	(789)	(1,288)	(1,561)
Unrealized and accrued gain/(loss) on derivative financial instruments	(269)	89	706	(1,805)
Change in fair value of forward freight agreements	673	-	(41)	-
Total other expenses, net	12,169	12,047	22,801	26,022
Income tax	52	-	117	-
Gain/(Loss) on sale of vessel	-	(173)	(370)	(21)
Equity in income/(loss) of investee	(29)	14	4	69
EBITDA	**$ 22,665**	**$ (521)**	**$ 37,039**	**$ (14,610)**
Less:				
Equity in income of investee	-	(14)	(4)	(69)
Change in fair value of forward freight agreements	(673)	-	-	-
Plus:				
Stock-based compensation	3,710	1,653	6,360	2,285
Change in fair value of forward freight agreements	-	-	41	-
Impairment loss	-	339	-	6,694
Loss on sale of vessel	-	173	370	21
Equity in loss of investee	29	-	-	-
Adjusted EBITDA	**$ 25,731**	**$ 1,630**	**$ 43,806**	**$ (5,679)**

Net income / (loss) and Adjusted Net income / (loss) Reconciliation

(Expressed in thousands of U.S. dollars)	**Second quarter 2017**	**Second quarter 2016**	**Six months ended June 30, 2017**	**Six months ended June 30, 2016**
Net income / (loss)	**$ (10,279)**	**$ (32,908)**	**$ (26,229)**	**$ (81,696)**
Amortization of fair value of above market acquired time charter agreements	-	47	-	254
Stock – based compensation	3,710	1,653	6,360	2,285
Unrealized (gain) / loss on forward freight agreements	(673)	-	41	-
Unrealized (gain) / loss on derivative financial instruments	(411)	(91)	(1,374)	2,256
(Gain) / loss on sale of vessel	-	173	370	21
Vessel impairment loss	-	339	-	6,694
Amortization of deferred gain	(19)	(19)	(37)	(37)
Loss on debt extinguishment	-	624	358	1,801
Equity in income/(loss) of investee	29	(14)	(4)	(69)
Adjusted Net income / (loss)	**$ (7,643)**	**$ (30,196)**	**$ (20,515)**	**$ (68,491)**
Weighted average number of shares outstanding,basic and diluted	63,336,657	43,938,755	62,188,645	43,880,713
Adjusted Basic and Diluted Earnings / (Loss) Per Share	**$ (0.12)**	**$ (0.69)**	**$ (0.33)**	**$ (1.56)**

Voyage Revenues to Daily Time Charter Equivalent ("TCE") Reconciliation

(*In thousands of U.S. Dollars, except as otherwise stated)*

	Second quarter 2017	**Second quarter 2016**	**Six months ended June 30, 2017**	**Six months ended June 30, 2016**
Voyage revenues	$ 78,605	$ 52,605	$ 143,471	$ 98,862
Less:				
Voyage expenses	(16,650)	(17,722)	(31,649)	(37,284)
Amortization of fair value of below/above market acquired time charter agreements	-	47	-	254
Time Charter equivalent revenues	**$ 61,955**	**$ 34,930**	**$ 111,822**	**$ 61,832**
Available days for fleet	6,357	6,227	12,456	12,438
Daily Time Charter Equivalent Rate ("TCE")	**$ 9,746**	**$ 5,609**	**$ 8,977**	**$ 4,971**

Conference Call details:

Our management team will host a conference call to discuss our financial results on Wednesday, August 9, 2017 at 11:00 a.m., Eastern Time (ET).

Participants should dial into the call 10 minutes before the scheduled time using the following numbers: 1(866) 819-7111 (from the US), 0(800) 953-0329 (from the UK) or + (44) (0) 1452 542 301 (from outside US). Please quote "Star Bulk."

A replay of the conference call will be available until Wednesday, August 16, 2017. The United States replay number is 1(866) 247-4222; from the UK 0(800) 953-1533; the standard international replay number is (+44) (0) 1452 550 000 and the access code required for the replay is: 3128607#.

Slides and audio webcast:

There will also be a simultaneous live webcast over the Internet, through the Star Bulk website (www.starbulk.com). Participants to the live webcast should register on the website approximately 10 minutes prior to the start of the webcast.

About Star Bulk

Star Bulk is a global shipping company providing worldwide seaborne transportation solutions in the dry bulk sector. Star Bulk's vessels transport major bulks, which include iron ore, coal and grain and minor bulks which include bauxite, fertilizers and steel products. Star Bulk was incorporated in the Marshall Islands on December 13, 2006 and maintains executive offices in Athens, Greece. Its common stock trades on the Nasdaq Global Select Market under the symbol "SBLK". On a fully delivered basis, Star Bulk will have a fleet of 74 vessels, with an aggregate capacity of 8.1 million dwt, consisting of Newcastlemax, Capesize, Post Panamax, Kamsarmax, Panamax, Ultramax and Supramax vessels with carrying capacities between 52,055 dwt and 209,537 dwt. Our fleet currently includes 71 operating vessels and 3 newbuilding vessels under construction in China. All of the newbuilding vessels are expected to be delivered during 2017 and 2018. Additionally, the Company has one chartered-in Supramax vessel, under a time charter expiring in September 2017.

Forward-Looking Statements

Matters discussed in this press release may constitute forward looking statements. The Private Securities Litigation Reform Act of 1995 provides safe harbor protections for forward-looking statements in order to encourage companies to provide prospective information about their business. Forward-looking statements include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts.

The Company desires to take advantage of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and is including this cautionary statement in connection with this safe harbor legislation. The words “believe,” “anticipate,” “intends,” “estimate,” “forecast,” “project,” “plan,” “potential,” “may,” “should,” “expect,” “pending” and similar expressions identify forward-looking statements.

The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, examination by the Company’s management of historical operating trends, data contained in its records and other data available from third parties. Although the Company believes that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond the Company’s control, the Company cannot assure you that it will achieve or accomplish these expectations, beliefs or projections.

In addition to these important factors, other important factors that, in the Company’s view, could cause actual results to differ materially from those discussed in the forward-looking statements include general dry bulk shipping market conditions, including fluctuations in charterhire rates and vessel values, the strength of world economies the stability of Europe and the Euro, fluctuations in interest rates and foreign exchange rates, changes in demand in the dry bulk shipping industry, including the market for our vessels, changes in our operating expenses, including bunker prices, dry docking and insurance costs, changes in governmental rules and regulations or actions taken by regulatory authorities, potential liability from pending or future litigation, general domestic and international political conditions, potential disruption of shipping routes due to accidents or political events, the availability of financing and refinancing, our ability to meet requirements for additional capital and financing to complete our newbuilding program and grow our business, the impact of the level of our indebtedness and the restrictions in our debt agreements, vessel breakdowns and instances of off-hire, risks associated with vessel construction, potential exposure or loss from investment in derivative instruments, potential conflicts of interest involving our Chief Executive Officer, his family and other members of our senior management, our ability to complete the restructuring transactions with our various lenders and our ability to complete acquisition transactions as planned. Please see our filings with the Securities and Exchange Commission for a more complete discussion of these and other risks and uncertainties. The information set forth herein speaks only as of the date hereof, and the Company disclaims any intention or obligation to update any forward-looking statements as a result of developments occurring after the date of this communication.

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