STAR BULK CARRIERS CORP. REPORTS $23.5 MILLION NET PROFIT FOR THE FOURTH QUARTER 2019 AND DECLARES QUARTERLY DIVIDEND OF $0.05 PER SHARE

ATHENS, GREECE, February 19, 2020 – Star Bulk Carriers Corp. (the "Company" or "Star Bulk") (Nasdaq and Oslo: SBLK), a global shipping company focusing on the transportation of dry bulk cargoes, today announced its unaudited financial and operating results for the fourth quarter and the year ended December 31, 2019.

Financial Highlights

(Expressed in thousands of U.S. dollars, except for daily rates and per share data)	Fourth quarter 2019	Fourth quarter 2018	Twelve months ended December 31, 2019	Twelve months ended December 31, 2018
Voyage Revenues	$248,639	$209,433	$821,365	$651,561
Net income/(loss)	$23,499	$11,715	($16,201)	$58,397
Net cash provided by operating activities	$53,238	$59,836	$88,525	$169,009
EBITDA (1)	$77,996	$63,575	$196,019	$233,015
Adjusted EBITDA (1)	$88,488	$82,379	$237,234	$260,887
Adjusted Net income / (loss) (2)	$34,500	$30,316	$24,229	$86,098
Earnings / (loss) per share basic	$0.25	$0.13	($0.17)	$0.76
Adjusted earnings / (loss) per share basic (2)	$0.36	$0.33	$0.26	$1.12
Average Number of Vessels	117.6	106.4	112.1	87.7
TCE Revenues (3)	$148,037	$136,795	$476,247	$437,961
Daily Time Charter Equivalent Rate ("TCE") (3)	$15,535	$14,036	$13,027	$13,796
Average daily OPEX per vessel (4)	$3,899	$3,938	$3,912	$4,027
Average daily OPEX per vessel (excl. pre-delivery expenses) (4)	$3,899	$3,938	$3,882	$3,994
Average daily Net Cash G&A expenses per vessel (excluding one-time expenses) (5)	$925	$969	$929	$1,004

(1) EBITDA and Adjusted EBITDA are non-GAAP measures. Please see the table at the end 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") as well as for the definition of the respective measures. To derive Adjusted EBITDA from EBITDA, we exclude non-cash gain / (loss). In addition, we installed scrubbers on the majority of our vessels in 2019. Some of these vessels were scheduled to undergo their dry docking surveys due in 2020. In order to avoid any further off-hire days for these vessels in 2020, we decided to complete the dry docking survey for these vessels concurrently with the installation of scrubbers in 2019. As a result, in 2019, we incurred fees and expenses associated with the dry docking of these vessels, which would have otherwise been incurred in 2020. For continuity and comparison purposes in the Adjusted EBITDA calculation we include only the dry docking expenses for the vessels which were due to undergo their periodic dry dock during 2019.

(2) Adjusted Net income / (loss) and Adjusted earnings / (loss) per share basic and diluted are non-GAAP measures. Please see the table at the end 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. In addition, as discussed above, for continuity and comparison purposes in the Adjusted Net Income calculation we include only the dry dock expenses for the vessels which were due to undergo their periodic dry dock during 2019.

(3) Daily Time Charter Equivalent Rate ("TCE") and TCE Revenues are non-GAAP measures. Please see the table at the end 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, as well as for the definition of the respective measures.

(4) Average daily OPEX per vessel is calculated by dividing vessel operating expenses by Ownership days.

(5) Average daily Net Cash G&A expenses per vessel is calculated by (1) deducting the Management fee Income (if any), from, and (2) adding the Management fee expense to, the General and Administrative expenses (net of stock-based compensation expense) and (3) then dividing the result by the sum of Ownership days and Charter-in days. Please see the table at the end of this release for a reconciliation to General and administrative expenses, which is the most directly comparable financial measure calculated and presented in accordance with U.S. GAAP.

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

"Star Bulk reported a strong performance for the fourth quarter 2019, with TCE Revenues of $148.0 million, Adjusted EBITDA of $88.5 million and Net Income of $23.5 million. The average TCE for the quarter increased to $15,535/ day per vessel despite our fleet being affected by our scrubber installation program. Daily Opex and Net Cash G&A expenses per vessel were reduced to $3,899/day and $925/day respectively. On a yearly basis, we realized Adjusted EBITDA of $237.2 million and Adjusted Net Income of $24.2 million. On the basis of our existing dividend policy, we will be paying out a cash dividend for the quarter of $0.05 per share.

Since the beginning of the year, we are seeing commercial and operational benefits on our scrubber investment, having 90 vessels with scrubbers certified today. Currently, we have fixed a minimum of 72.3% of our Q1 2020 days at average TCE rates of $12,580 per day. We expect to complete the scrubber certification program of our fleet by the end of March in view of delays experienced in Chinese yards on a number of our vessels as a consequence of the corona virus outbreak."

Recent Developments

Declaration of Dividend

- As of December 31, 2019, we owned 116 vessels and had total cash of $126.3 million. This cash balance includes $5.6 million from proceeds received from the sale of vessels Star Cosmo and Star Epsilon. According to our dividend policy, having reserved these sales proceeds for share repurchases, debt prepayment and vessel acquisitions, and based on the minimum cash balance that needs to be maintained per vessel for December 31, 2019 of $1.0 million, our Board of Directors (the "Board") declared a quarterly cash dividend of $0.05 per share on February 19, 2020, payable on or about March 12, 2020, to all shareholders of record as of March 2, 2020 ("Record Date"). The ex-dividend date is expected to be February 28, 2020.

Scrubber Update

- The Company continues to execute its plan to install scrubbers on 114 out of 116 vessels in its fleet, having a total of 90 scrubbers certified and in operation as of February 19, 2020.

Financing Activities

- In January 2020, we entered into a committed term sheet with Danish Ship Finance A/S for a loan of up to $55.0 million (the "DSF $55.0 million Facility"). The facility will be available in two tranches of up to $27.5 million each, and will be used to refinance the outstanding amounts under the lease agreements of the *Star Eleni* and the *Star Leo*. The two tranches are expected to be drawn in March 2020 and will mature 5 years after the drawdown. The Danish $55.0 million Facility will be secured by first priority mortgages on the two vessels.
- In February 2020, we entered into a definitive loan agreement with HSBC France for an amount of up to $30.0 million in order to finance working capital requirements (the "HSBC Working Capital Facility"). As of the date of this press release, no amount has been drawn.

Scrubber Financing Activities

- We incurred the following indebtedness to finance our scrubber installation program:
  - In November 2019, we drew down (i) $10.9 million under the DNB $310.0 million Facility, (ii) $1.4 million under the ING Facility and (iii) $4.6 million under the lease agreements with CMBL.
  - In December 2019, we drew down $18.3 million under the Atradius Facility and $6.1 million under the DNB $310.0 million Facility.
- Subsequent to December 31, 2019 and as of February 19, 2020, we drew down (i) the last available tranche of $3.3 million under the Atradius Facility and (ii) $8.2 million under the DNB $310.0 million Facility.
- On February 20, 2020, we expect to drawdown a further $1.3 million under the lease agreements with CMBL.
- Following these drawdowns, we will have incurred $116.3 million of indebtedness related to scrubber procurement installations and have an additional $33.5 million of available scrubber-related financing under all of our debt and lease agreements.

Hedging VLSFO – HSFO spread

In December 2019, we hedged approximately 10% of our estimated annual fuel consumption by selling the 2020 Singapore spread between Very Low-Sulfur Fuel Oil (VLSFO) – High-Sulfur Fuel Oil (HSFO) at $266 per ton.

Commercial Update

We have transferred our Geneva-based commercial activities to a newly established wholly owned subsidiary based in Singapore under the name of Star Bulk (Singapore) Pte. Ltd.

Employment Update

Daily Time Charter Equivalent Rate ("TCE") and TCE Revenues are non-GAAP measures. Please see the table at the end 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, as well as for the definition of the respective measures.

For the fourth quarter of 2019 our TCE rate was:
Capesize / Newcastlemax Vessels: $25,651 per day.
Post Panamax / Kamsarmax / Panamax Vessels: $11,260 per day.
Ultramax / Supramax Vessels: $9,815 per day.

For the year ended December 31, 2019 our TCE rate was:
Capesize / Newcastlemax Vessels: $18,006 per day.
Post Panamax / Kamsarmax / Panamax Vessels: $11,180 per day.
Ultramax / Supramax Vessels: $10,179 per day.

The below forward-looking estimated daily TCE rates for Q1 2020 are calculated using the discharge-to-discharge method of accounting while U.S. GAAP requires us to recognize revenues in our books using the load-to-discharge method of accounting. Both methods recognize the same total TCE revenues over the completion of a voyage. The discharge-to-discharge method, however, recognizes revenues over more days, affecting the daily TCE rates. Under the load-to-discharge method of accounting, increased ballast days at the end of the quarter will reduce the revenues that can be booked following the accounting cut-off at the end of the quarter, affecting the daily TCE rates for the respective period.

As of today, we have fixed employment for approximately 72.3% of the days in Q1 2020 at average TCE rates of $12,580 per day.

More specifically:

Capesize / Newcastlemax Vessels: approximately 65.4 % of Q1 2020 days at $19,721 per day.

Post Panamax / Kamsarmax / Panamax Vessels: approximately 78.2 % of Q1 2020 days at $10,266 per day.

Ultramax / Supramax Vessels: approximately 72.5 % of Q1 2020 days at $8,250 per day.

Amounts shown throughout the press release and variations in period–on–period comparisons are derived from the actual unaudited numbers in our books and records.

Fourth Quarter 2019 and 2018 Results

Voyage revenues for the fourth quarter of 2019 increased to $248.6 million from $209.4 million in the fourth quarter of 2018. Adjusted Time Charter Equivalent revenues ("Adjusted TCE Revenues") (please see the table at the end of this release for the calculation of the Adjusted TCE Revenues) were $147.5 million for the fourth quarter of 2019, compared to $135.2 million for the fourth quarter of 2018. While the average number of vessels in the fourth quarter of 2019 increased to 117.6 from 106.4 in the fourth quarter of 2018, the Available days for the fourth quarter of 2019 did not increase proportionally due to the installation of scrubbers and increased dry docking activity during the fourth quarter of 2019. The TCE rate for the fourth quarter of 2019 increased to $15,535 from $14,036 in the fourth quarter of 2018.

For the fourth quarter of 2019, operating income was $46.2 million, which includes depreciation of $32.3 million, compared to operating income of $33.9 million for the fourth quarter of 2018, which included depreciation of $30.8 million and impairment loss of $17.8 million. Operating income for the fourth quarter 2019 was affected by our management's decision to bring forward to 2019, 8 of the 2020 dry docking services concurrently with the installation of scrubbers in order to avoid any additional off-hire days in 2020 due to dry docking.

For the fourth quarter of 2019, we had net income of $23.5 million, or earnings per share of $0.25, basic and $0.24 diluted, based on 95,797,142 weighted average basic shares and 95,923,034 weighted average diluted shares, respectively. Net income for the fourth quarter of 2018 was $11.7 million, or earnings per share of $0.13, basic and diluted, based on 92,457,989 weighted average basic shares and 92,515,671 weighted average diluted shares, respectively.

Net income for the fourth quarter of 2019, included the following significant non-cash items, other than the depreciation expense mentioned above:

- Stock-based compensation expense of $1.6 million, or $0.02 per share, basic and diluted, recognized in connection with common shares granted to our directors and employees;
- Net amortization of the fair value of below- and above-market acquired time charters of $0.5 million, or $0.005 per share, basic and diluted, associated with time charters attached to vessels acquired. The respective net amortization was recorded as an increase to voyage revenues;
- Loss on sale of vessels of $4.7 million or $0.05 per share, basic and diluted in connection with the sale of *Star Epsilon* and *Star Cosmo*, that took place during the period; and
- Loss on debt extinguishment of $1.0 million or $0.01 per share, basic and diluted, recognized in connection with the refinancing of certain of our debt facilities.

In addition, as mentioned above, we installed scrubbers on certain of our vessels in the fourth quarter of 2019. Some of these vessels were due to undergo their scheduled dry docking surveys in 2020. In order to avoid any additional off-hire days for these vessels in 2020 due to dry docking, we decided to complete the dry docking survey for these vessels concurrently with the installation of scrubbers in the fourth quarter of 2019. During the fourth quarter of 2019, we incurred dry docking expenses of $12.1 million, $4.1 million of which related to accelerated dry dockings due in 2020. During the fourth quarter of 2019, 15 of our vessels completed their periodic dry docking surveys. Dry docking expenses for the fourth quarter of 2018 were $3.1 million corresponding to five of our vessels that underwent their periodic dry docking surveys.

Net income for the fourth quarter of 2018 included the following significant non-cash items, other than the depreciation expense mentioned above:

- Impairment loss of $17.8 million, or $0.19 per share, basic and diluted, recognized (a) in anticipation of the sale of the *Star Delta* and its delivery to its new owners in early January 2019, which, as of December 31, 2018, was classified as held for sale and (b) in connection with negotiated sales of two additional vessels built before 2005;
- A loss on bad debt of $0.7 million or $0.01 per basic and diluted share associated with the write-off of disputed charterer balances; and
- Amortization of the fair value of below-market acquired time charters of $1.1 million, or $0.01 per share, basic and diluted, associated with time charters attached to two vessels acquired during the third quarter of 2018. These below-market time charters are amortized over the duration of each respective time charter agreement as an increase to voyage revenues.

Adjusted net income for the fourth quarter of 2019, which excludes certain non-cash items and the accelerated dry docking expenses that were due in 2020 discussed above, was $34.5 million, or $0.36 earnings per share, basic and diluted, compared to adjusted net income of $30.3 million, or $0.33 earnings per share, basic and diluted, for the fourth quarter of 2018.

Adjusted EBITDA for the fourth quarter of 2019, which excludes certain non-cash items and the accelerated dry docking expenses that were due in 2020 discussed above, was $88.5 million, compared to $82.4 million for the fourth quarter of 2018.

For the fourth quarters of 2019 and 2018, vessel operating expenses were $42.2 million and $38.5 million, respectively. This increase was primarily due to the increase in the average number of vessels to 117.6 from 106.4, while our average daily operating expenses per vessel for the fourth quarter of 2019 were reduced to $3,899 from $3,938 for the fourth quarter of 2018.

General and administrative expenses for the fourth quarters of 2019 and 2018 were $8.1 million and $7.2 million, respectively. Management fees for the fourth quarters of 2019 and 2018 were $4.7 million and $4.0 million, respectively. The increase is attributable to the new management agreements entered into in connection with the acquired fleet during the third quarter of 2019. Our average daily net cash general and administrative expenses per vessel (including management fees) for the fourth quarter of 2019 were reduced to $925 from $969 during the fourth quarter of 2018 (please see the table at the end of this release for the calculation of the Average daily Net Cash G&A expenses per vessel).

Charter-in hire expense for the fourth quarters of 2019 and 2018 was $33.8 million and $25.0 million, respectively. In both quarters, the charter-in days were mainly attributable to the activities of our Geneva-based subsidiary Star Logistics.

For the fourth quarter of 2019, we incurred a net loss on forward freight agreements and bunker swaps of $2.4 million, consisting of realized loss of $2.7 million and unrealized gain of $0.3 million. In comparison, for the fourth quarter of 2018, we incurred a loss on forward freight agreements and bunker swaps of $1.4 million, consisting of realized loss of $1.0 million and unrealized loss of $0.4 million.

Interest and finance costs net of interest and other income/ (loss) for the fourth quarters of 2019 and 2018 were $21.1 million and $21.2 million, respectively. Despite the increase in the weighted average balance of our outstanding indebtedness during the fourth quarters of 2019 and 2018 to $1,598.9 million from $1,447.6 million, respectively, the interest and finance costs net of interest and other income/ (loss) remained almost unchanged due to the decrease in our average interest rate, mainly driven by the refinancing of certain of our debt agreements made in 2019 and the decrease in LIBOR rates for the corresponding periods.

Year ended December 31, 2019 and 2018 Results

Voyage revenues for the year ended December 31, 2019 increased to $821.4 million from $651.6 million for the year ended December 31, 2018. Adjusted TCE Revenues were $474.2 million for the year ended December 31, 2019, compared to $436.1 million for the year ended December 31, 2018. Adjusted TCE Revenues were positively impacted by an increase in the average number of vessels in our fleet to 112.1 in the year ended December 31, 2019, up from 87.7 in the year ended December 31, 2018. The Available days however, for the respective periods did not increase proportionally, due to the installation of scrubbers and increased dry docking activity during the year ended December 31, 2019. The TCE rate for the year ended December 31, 2019 was $13,027 compared to $13,796 for the year ended December 31, 2018, reflecting the slightly weaker dry bulk market environment in 2019 compared to the same period in 2018.

For the year ended December 31, 2019, operating income was $73.7 million, which includes depreciation of $124.3 million, impairment loss of $3.4 million and loss on sale of vessels $5.5 million. For the year ended December 31, 2018, operating income was $131.9 million, which included depreciation of $102.9 million and impairment loss of $17.8 million. Operating income for both periods was significantly affected by our management's decision to bring forward to 2019 all the 2020 dry docking services concurrently with the installation of scrubbers in order to avoid any additional off-hire days in 2020 due to dry docking. In addition to the dry docking off-hire days affecting revenues earned, dry docking cost for the year ended December 31, 2019 was $57.4 million compared to $9.0 million in the same period of 2018.

For the year ended December 31, 2019, we had a net loss of $16.2 million, or $0.17 loss per share, basic and diluted, based on 93,735,549 weighted average basic and diluted shares. Net income for the year ended December 31, 2018 was $58.4 million, or $0.76 earnings per share, basic and diluted, based on 77,061,227 weighted average basic shares and 77,326,111 weighted average diluted shares, respectively.

Net loss for the year ended December 31, 2019 included the following significant non-cash items, other than depreciation expense mentioned above:

- Stock-based compensation expense of $7.9 million, or $0.08 per share, basic and diluted, recognized in connection with common shares granted to our directors and employees;
- Impairment loss of $3.4 million, or $0.04 per share, basic and diluted, recognized in connection with the agreement to sell the vessels *Star Anna* and *Star Gamma;*
- Loss on sale of vessels of $5.5 million, or $0.06 per basic and diluted share in connection with the vessel sales that took place during the period;
- Loss on bad debt of $1.6 million or $0.02 per basic and diluted share associated with the write-off of disputed charterer balances;
- Net amortization of the fair value of below- and above-market acquired time charters of $2.0 million, or $0.02 per share, basic and diluted, associated with time charters attached to vessels acquired. The respective net amortization was recorded as an increase to voyage revenues; and
- Loss on debt extinguishment of $1.2 million or $0.01 per share, basic and diluted, recognized in connection with the refinancing of certain of our debt facilities.

As mentioned above, during the year ended December 31, 2019, we incurred dry docking expenses of $57.4 million, $22.6 million of which relates to accelerated dry dockings due in 2020. During the year ended December 31, 2019, 47 of our vessels completed their periodic dry docking surveys. Dry docking expenses for the year ended December 31, 2018, were $9.0 million corresponding to eight of our vessels that underwent their periodic dry docking surveys.

Net income for the year ended December 31, 2018, included the following significant non-cash items, other than depreciation expense:

- Impairment loss of $17.8 million, or $0.23 per share, basic and diluted, recognized (a) in anticipation of the sale of the *Star Delta* and its delivery to its new owners in early January 2019, which as of December 31, 2018, was classified as held for sale and (b) in connection with negotiated sales of two additional vessels built before 2005;
- Stock-based compensation expense of $8.1 million, or $0.10 per share, basic and diluted, recognized in connection with common shares granted to our directors and employees;

- Unrealized loss on forward freight agreements and bunker swaps of $1.3 million, or $0.02 per share, basic and diluted;
- Loss on debt extinguishment of $2.4 million, or $0.03 per share, basic and diluted, recognized in connection with the refinancing of certain of our debt facilities;
- A loss on bad debt of $0.7 million or $0.01 per basic and diluted share associated with the write-off of disputed charterer balances;
- Unrealized gain on derivative financial instruments of $0.7 million or $0.01 per share, basic and diluted; and
- Amortization of the fair value of below-market acquired time charters of $1.8 million, or $0.02 per share, basic and diluted, associated with time charters attached to two acquired vessels. These below-market time charters are amortized over the duration of each respective charter as an increase to voyage revenues.

Adjusted net income for the year ended December 31, 2019, which excludes certain non-cash items and the accelerated dry docking expenses that were due in 2020 discussed above, was $24.2 million, or $0.26 earnings per share, basic and diluted, compared to adjusted net income of $86.1 million, or $1.12 earnings per share, basic, and $1.11 earnings per share, diluted for the year ended December 31, 2018.

Adjusted EBITDA for the year ended December 31, 2019, which excludes certain non-cash items and the accelerated dry docking expenses that were due in 2020 discussed above, was $237.2 million, compared to $260.9 million for the year ended December 31, 2018.

For the years ended December 31, 2019 and 2018, vessel operating expenses were $160.1 million and $128.9 million, respectively. This increase was primarily due to the increase in the average number of vessels to 112.1 from 87.7. Vessel operating expenses for the year ended December 31, 2019, included pre-delivery and pre-joining expenses of $1.2 million compared to $1.1 million in the same period in 2018. Excluding these expenses, our average daily operating expenses per vessel for the years ended December 31, 2019 and 2018, were $3,882 and $3,994, respectively.

General and administrative expenses for the years ended December 31, 2019 and 2018 were $34.8 million and $34.0 million, respectively. Management fees for the years ended December 31, 2019 and 2018 were $17.5 million and $11.3 million, respectively. The increase is attributable to the new management agreements entered into in connection with the fleets we acquired in the third quarters of 2018 and 2019. Our average daily net cash general and administrative expenses per vessel (including management fees) for the year ended December 31, 2019 were reduced to $929 from $1,004 during the year ended December 31, 2018 (please see the table at the end of this release for the calculation of the Average daily Net Cash G&A expenses per vessel).

Charter-in hire expense for the years ended December 31, 2019 and 2018 was $126.8 million and $92.9 million, respectively. The increase is due to the increase of charter-in days to 6,843 in the year ended December 31, 2019 compared to 5,089 in the same period in 2018. In both periods, the charter-in days are mainly attributable to the activities of our subsidiary Star Logistics.

For the year ended December 31, 2019 we incurred a net gain on forward freight agreements and bunker swaps of $4.4 million, consisting of realized gain of $4.7 million and unrealized loss of $0.3 million. For the year ended December 31, 2018 we incurred a net loss on forward freight agreements and bunker swaps of $0.4 million, consisting of unrealized loss of $1.3 million and realized gain of $0.9 million.

Interest and finance costs net of interest and other income/ (loss) for the years ended December 31, 2019 and 2018 were $86.3 million and $71.8 million, respectively. The increase is primarily attributable to the increase in the weighted average balance of our outstanding indebtedness to $1,527.5 million during the year ended December 31, 2019, compared to $1,234.6 million for the same period in 2018.

Liquidity and Capital Resources

<u>Cash Flows</u>

Net cash provided by operating activities for the years ended December 31, 2019 and 2018 was $88.5 million and $169.0 million, respectively.

Despite the increase in the average number of vessels in our fleet, the decrease in TCE rates to $13,027 for the year ended December 31, 2019 from $13,796 for the year ended December 31, 2018 and the increased dry docking activity resulting in $57.4 million expenses (including $22.6 million of expenses related to accelerated dry dockings concurrently with certain of our scrubber installations), caused a decrease of Adjusted EBITDA to $237.2 million for the year ended December 31, 2019 from $260.9 million for the corresponding period in 2018. This decrease in Adjusted EBITDA was combined with (i) a net working capital outflow of $47.5 million during the year ended December 31, 2019 compared to a net working capital outflow of $18.9 million for the year ended December 31, 2018 and (ii) higher net interest expense due to an increase in our outstanding indebtedness caused by the increase in the average number of vessels in our fleet as well as due to incurrence of additional debt for scrubbers' financing for the year ended December 31, 2019 compared to the corresponding period in 2018.

Net cash used in investing activities for the years ended December 31, 2019 and 2018 was $279.8 million and $325.3 million, respectively.

For the year ended December 31, 2019, net cash used in investing activities mainly consisted of:

- $108.0 million paid in connection with the acquisition of secondhand vessels and $95.8 million paid in connection with three newbuilding vessels delivered during the year ended December 31, 2019;
- $143.4 million paid for the acquisition and installation of scrubber equipment and ballast water management systems for certain of our vessels;

offset by:

- $56.6 million of proceeds from the sale of seven vessels concluded during the period; and
- $10.7 million of insurance proceeds.

For the year ended December 31, 2018, net cash used in investing activities mainly consisted of $328.6 million paid for advances and other capitalized expenses for our newbuilding and newly acquired vessels delivered during the period as well as for the acquisition and installation of scrubber equipment for certain of our vessels, offset partially by hull and machinery insurance proceeds of $3.3 million.

Net cash provided by financing activities for the years ended December 31, 2019 and 2018 was $103.7 million and $96.7 million, respectively.

For the year ended December 31, 2019, net cash provided by financing activities mainly consisted of:

- $768.3 million of proceeds from financing transactions including financing from leases;

offset by:

- $623.9 million lease and debt obligations paid in aggregate in connection with: (i) the regular amortization of outstanding vessel financings and finance lease installments, and (ii) early repayment due to the refinancing of certain of our debt facilities and the sale of vessels;
- $20.5 million used mainly to repurchase our common shares under our previously announced share repurchase program;
- $13.1 million of financing fees paid in connection with the new financing agreements;
- $2.3 million of prepayment fees paid in connection with early repaid debt due to its refinancing; and
- $4.8 million of dividends paid in December 2019 for the third quarter of 2019.

For the year ended December 31, 2018, net cash provided by financing activities mainly consisted of:

- $988.0 million of proceeds from financing transactions including financing from leases;

offset partially by:

- $875.0 lease and debt obligations paid in aggregate in connection with: (i) the regular amortization of outstanding vessel financings and finance lease installments, (ii) early repayment due to the refinancing of certain of our facilities; (iii) payments under our cash sweep mechanism and (iv) full repayment of deferred debt amounts;
- $3.1 million used to repurchase our common shares in open market transactions; and
- $13.8 million of financing fees paid in connection with the new financing agreements.

Summary of Selected Data

	Fourth quarter 2019	Fourth quarter 2018
Average number of vessels (1)	117.6	106.4
Number of vessels (2)	116	107
Average age of operational fleet (in years) (3)	8.3	8.0
Ownership days (4)	10,819	9,788
Available days (5)	9,497	9,633
Charter-in days (6)	1,262	1,493
Daily Time Charter Equivalent Rate (7)	$15,535	$14,036
Average daily OPEX per vessel (8)	$3,899	$3,938
Average daily OPEX per vessel (excl. pre-delivery expenses)	$3,899	$3,938
Average daily Net Cash G&A expenses per vessel (excluding one-time expenses) (9)	$925	$969

	Twelve months ended December 31, 2019	Twelve months ended December 31, 2018
Average number of vessels (1)	112.1	87.7
Number of vessels (2)	116	107
Average age of operational fleet (in years) (3)	8.3	8.0
Ownership days (4)	40,915	32,001
Available days (5)	36,403	31,614
Charter-in days (6)	6,843	5,089
Daily Time Charter Equivalent Rate (7)	$13,027	$13,796
Average daily OPEX per vessel (8)	$3,912	$4,027
Average daily OPEX per vessel (excl. pre-delivery expenses)	$3,882	$3,994
Average daily Net Cash G&A expenses per vessel (excluding one-time expenses) (9)	$929	$1,004

(1) *Average number of vessels is the number of vessels that constituted our owned fleet for the relevant period, as measured by the sum of the number of days each operating vessel was a part of our owned 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, including vessels subject to sale and leaseback transactions and finance leases.*

(5) *Available days for the fleet are the Ownership days after subtracting off-hire days for major repairs, dry docking or special or intermediate surveys and scrubber installation.*

(6) *Charter-in days are the total days that we charter-in third-party vessels.*

(7) *Represents the weighted average daily TCE rates of our operating fleet (including owned fleet and fleet under charter-in arrangements). TCE rate is a measure of the average daily net revenue performance of our vessels. Our method of calculating TCE rate is determined by dividing voyage revenues (net of voyage expenses, charter-in hire expense, amortization of fair value of above/below-market acquired time charter agreements and provision for onerous contracts, if any, as well as adjusted for the impact of realized gain/(loss) on forward freight agreements ("FFAs") and bunker swaps) by Available days for the relevant time period. Available days do not include the Charter-in days as per the relevant definitions provided above. 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. Starting with the second quarter of 2019, we include the realized gain/(loss) on FFAs and bunker swaps in the calculation of the TCE Revenues. We believe the revised method will better reflect the chartering result of our fleet and is more comparable*

to the method used by our peers. The change has been applied retrospectively for all periods presented herein. TCE revenues, a non-GAAP measure, provides additional meaningful information in conjunction with voyage revenues, the most directly comparable GAAP measure, because it assists the Company's management in making decisions regarding the deployment and use of its vessels and because the Company believes that it provides useful information to investors regarding the Company's financial performance. 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, bareboat charters and pool arrangements) under which its vessels may be employed between the periods. Our method of computing TCE may not necessarily be comparable to TCE of other companies due to differences in methods of calculation. For the detailed calculation please see the table at the end of this release with the reconciliation of Voyage Revenues to TCE. We include TCE rate, 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 assists investors and our management in evaluating our financial performance.

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

(9) Please see the table at the end of this release for the reconciliation to General and administrative expenses, the most directly comparable GAAP measure. We believe that Average daily Net Cash G&A expenses per vessel is a useful measure for our management and investors for period-to-period comparison with respect to our financial performance since such measure eliminates the effects of non-cash items which may vary from period to period, are not part of our daily business and derive from reasons unrelated to overall operating performance.

Unaudited Consolidated Statement of Operations

(Expressed in thousands of U.S. dollars except for share and per share data)	**Fourth quarter 2019**	**Fourth quarter 2018**	**Twelve months ended December 31, 2019**	**Twelve months ended December 31, 2018**
Revenues:				
Voyage revenues	$ 248,639	$ 209,433	$ 821,365	$ 651,561
Total revenues	**248,639**	**209,433**	**821,365**	**651,561**
Expenses:				
Voyage expenses	(64,058)	(46,628)	(222,962)	(121,596)
Charter-in hire expense	(33,826)	(25,005)	(126,813)	(92,896)
Vessel operating expenses	(42,188)	(38,544)	(160,062)	(128,872)
Dry docking expenses	(7,922)	(3,125)	(34,875)	(8,970)
Accelerated dry docking expenses due in 2020	(4,138)	-	(22,569)	-
Depreciation	(32,293)	(30,814)	(124,280)	(102,852)
Management fees	(4,699)	(4,042)	(17,500)	(11,321)
Loss on bad debt	(357)	(722)	(1,607)	(722)
General and administrative expenses	(8,051)	(7,223)	(34,819)	(33,972)
Gain/(Loss) on forward freight agreements and bunker swaps	(2,385)	(1,389)	4,411	(447)
Impairment loss	-	(17,784)	(3,411)	(17,784)
Other operational loss	-	(230)	(110)	(191)
Other operational gain	2,237	-	2,423	-
Gain/(Loss) on sale of vessels	(4,723)	-	(5,493)	-
Operating income/(loss)	**46,236**	**33,927**	**73,698**	**131,938**
Interest and finance costs	(21,380)	(22,024)	(87,617)	(73,715)
Interest and other income/(loss)	293	836	1,299	1,866
Gain/(Loss) on derivative financial instruments	-	-	-	707
Loss on debt extinguishment	(1,577)	(913)	(3,526)	(2,383)
Total other expenses, net	**(22,664)**	**(22,101)**	**(89,844)**	**(73,525)**
Income/(Loss) before equity in investee	**23,572**	**11,826**	**(16,146)**	**58,413**
Equity in income/(loss) of investee	(34)	(50)	54	45
Income/(Loss) before taxes	**$ 23,538**	**$ 11,776**	**$ (16,092)**	**$ 58,458**
US Source Income taxes	(39)	(61)	(109)	(61)
Net income/(loss)	**$ 23,499**	**$ 11,715**	**$ (16,201)**	**$ 58,397**
Earnings/(loss) per share, basic	$ 0.25	$ 0.13	$ (0.17)	$ 0.76
Earnings/(loss) per share, diluted	$ 0.24	$ 0.13	$ (0.17)	$ 0.76
Weighted average number of shares outstanding, basic	95,797,142	92,457,989	93,735,549	77,061,227
Weighted average number of shares outstanding, diluted	95,923,034	92,515,671	93,735,549	77,326,111

Unaudited Consolidated Condensed Balance Sheets

(Expressed in thousands of U.S. dollars)

ASSETS	December 31, 2019	December 31, 2018
Cash and cash equivalents	$ 117,819	$ 204,921
Vessel held for sale	-	5,949
Other current assets	148,223	87,966
TOTAL CURRENT ASSETS	**266,042**	**298,836**
Advances for vessels under construction and acquisition of vessels	-	59,900
Vessels and other fixed assets, net	2,965,527	2,656,108
Other non-current assets	6,666	7,293
TOTAL ASSETS	**$ 3,238,235**	**$ 3,022,137**
Current portion of long-term debt and finance lease commitments	$ 202,495	$ 166,844
Other current liabilities	108,436	55,873
TOTAL CURRENT LIABILITIES	**310,931**	**222,717**
Long-term debt and finance lease commitments non-current(net of unamortized deferred finance fees of $19,034 and $13,972, respectively)	1,330,420	1,226,744
Senior Notes (net of unamortized deferred finance fees of $1,179 and $1,590, respectively)	48,821	48,410
Other non-current liabilities	4,023	4,221
TOTAL LIABILITIES	**$ 1,694,195**	**$ 1,502,092**
SHAREHOLDERS' EQUITY	1,544,040	1,520,045
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**$ 3,238,235**	**$ 3,022,137**

Unaudited Cash Flow Data

(Expressed in thousands of U.S. dollars)	**Twelve months ended December 31, 2019**	**Twelve months ended December 31, 2018**
Net cash provided by / (used in) operating activities	$ 88,525	$ 169,009
Net cash provided by / (used in) investing activities	(279,837)	(325,327)
Net cash provided by / (used in) financing activities	103,697	96,695

EBITDA and Adjusted EBITDA Reconciliation

We include EBITDA herein since it is a basis upon which we assess our liquidity position. It is also used by our lenders as a measure of our compliance with certain loan covenants and we believe that it presents useful information to investors regarding our ability to service and/or incur indebtedness.

To derive Adjusted EBITDA from EBITDA, we excluded non-cash gain/(loss) such as those related to sale of vessels, stock-based compensation expense, the write-off of the unamortized fair value of above/below-market acquired time charters, impairment losses, the write-off of claims receivable and loss from bad debt, change in fair value of forward freight agreements and bunker swaps, provision for onerous contracts, and the equity in income/(loss) of investee, if any, which may vary from period to period and for different companies and because these items do not reflect operational cash inflows and outflows of our fleet. In addition, as mentioned above, together with our scrubber installation program and in order to avoid any additional off-hire days in 2020 and be in a position to have no dry docking in 2020 and maximize our scrubber returns, we have decided to bring forward to 2019 all the 2020 dry docking services. For continuity and comparison purposes in the Adjusted EBITDA calculation we include only the dry docking expenses for the vessels which were due for their periodic dry dock during 2019.

EBITDA and Adjusted EBITDA do not represent and should not be considered as alternative to cash flow from operating activities or net income, as determined by United States Generally Accepted Accounting Principles, or U.S. GAAP, and our calculation of EBITDA and Adjusted EBITDA may not be comparable to that reported by other companies due to differences in methods of calculation.

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

(Expressed in thousands of U.S. dollars)	**Fourth quarter 2019**	**Fourth quarter 2018**	**Twelve months ended December 31, 2019**	**Twelve months ended December 31, 2018**
Net cash provided by/(used in) operating activities	$ 53,238	$ 59,836	$ 88,525	$ 169,009
Net decrease / (increase) in current assets	2,903	(386)	58,923	39,277
Net increase / (decrease) in operating liabilities, excluding current portion of long term debt	5,924	2,780	(16,241)	(20,469)
Impairment loss	-	(17,784)	(3,411)	(17,784)
Loss on debt extinguishment	(1,577)	(913)	(3,526)	(2,383)
Stock – based compensation	(1,573)	(337)	(7,943)	(8,072)
Amortization of deferred finance charges	(1,567)	(1,097)	(5,590)	(3,253)
Unrealized and accrued gain/(loss) on derivative financial instruments	-	-	-	1,230
Unrealized gain / (loss) on forward freight agreements and bunker swaps	333	(384)	(246)	(1,339)
Total other expenses, net	22,664	22,101	89,844	73,525
Fair value hedge adjustment	-	286	-	1,609
Other non-current assets	357	-	357	1,972
Gain/(Loss) on hull and machinery claims	2,369	184	2,264	309
Loss on bad debt	(357)	(722)	(1,607)	(722)
Income tax	39	61	109	61
Gain/(Loss) on sale of vessels	(4,723)	-	(5,493)	-
Equity in income/(loss) of investee	(34)	(50)	54	45
EBITDA	**$ 77,996**	**$ 63,575**	**$ 196,019**	**$ 233,015**
Equity in (income)/loss of investee	34	50	(54)	(45)
Unrealized (gain)/loss on forward freight agreements and bunker swaps	(333)	384	246	1,339
(Gain)/Loss on sale of vessels	4,723	-	5,493	-
Accelerated dry docking expenses due in 2020	4,138	-	22,569	-
Stock-based compensation	1,573	337	7,943	8,072
Loss on bad debt	357	722	1,607	722
Impairment loss	-	17,784	3,411	17,784
Reversal of provision for onerous contracts	-	(473)	-	-
Adjusted EBITDA	**$ 88,488**	**$ 82,379**	**$ 237,234**	**$ 260,887**

Net income/(Loss) and Adjusted Net income/(Loss) Reconciliation and calculation of Adjusted Earnings/(Loss) per Share

To derive Adjusted Net Income and Adjusted Earnings/(Loss) per share from Net Income, we excluded non-cash items, as provided in the table below. We believe that Adjusted Net Income and Adjusted Earnings/(Loss) per share assist our management and investors by increasing the comparability of our performance from period to period since each such measure eliminates the effects of such non-cash items as gain/(loss) on sale of assets, gain/(loss) on derivatives, impairment losses and other items which may vary from year to year, for reasons unrelated to overall operating performance. Similarly with what was discussed above, for continuity and comparison purposes we exclude from the Adjusted Income/(loss) and Adjusted Earnings/(loss) per share the accelerated dry docking expenses that were due in 2020. In addition we believe that the presentation of the respective measure provides investors with supplemental data relating to our results of operations; and therefore with a more complete understanding of factors affecting our business than GAAP measures alone. Our method of computing Adjusted Net Income and Adjusted Earnings/ (Loss) per share may not necessarily be comparable to other similarly titled captions of other companies due to differences in methods of calculation.

The following table reconciles Net income / (loss) to Adjusted Net income / (loss):

(Expressed in thousands of U.S. dollars except for share and per share data)	**Fourth quarter 2019**	**Fourth quarter 2018**	**Twelve months ended December 31, 2019**	**Twelve months ended December 31, 2018**
Net income / (loss)	**$ 23,499**	**$ 11,715**	**$ (16,201)**	**$ 58,397**
Amortization of fair value of above/below market acquired time charter agreements	(499)	(1,116)	(2,013)	(1,820)
Loss on bad debt	357	722	1,607	722
Stock – based compensation	1,573	337	7,943	8,072
Unrealized (gain) / loss on forward freight agreements and bunker swaps	(333)	384	246	1,339
Accelerate dry docking expenses due in 2020	4,138	-	22,569	-
Unrealized (gain) / loss on derivative financial instruments	-	-	-	(734)
(Gain) / loss on sale of vessels	4,723	-	5,493	-
Impairment loss	-	17,784	3,411	17,784
Reversal of provision for onerous contracts	-	(473)	-	-
Loss on debt extinguishment	1,008	913	1,228	2,383
Equity in income/(loss) of investee	34	50	(54)	(45)
Adjusted Net income / (loss)	**$ 34,500**	**$ 30,316**	**$ 24,229**	**$ 86,098**
Weighted average number of shares outstanding, basic	95,797,142	92,457,989	93,735,549	77,061,227
Weighted average number of shares outstanding, diluted	95,923,034	92,515,671	93,735,549	77,326,111
Adjusted Basic Earnings / (Loss) Per Share	**$ 0.36**	**$ 0.33**	**$ 0.26**	**$ 1.12**
Adjusted Diluted Earnings / (Loss) Per Share	**$ 0.36**	**$ 0.33**	**$ 0.26**	**$ 1.11**

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

(*In thousands of U.S. Dollars, except for TCE rates)*

	Fourth quarter 2019	Fourth quarter 2018	Twelve months ended December 31, 2019	Twelve months ended December 31, 2018
Voyage revenues	$ 248,639	$ 209,433	$ 821,365	$ 651,561
Less:				
Voyage expenses	$ (64,058)	(46,628)	(222,962)	(121,596)
Charter-in hire expense	$ (33,826)	(25,005)	(126,813)	(92,896)
Realized gain/(loss) on FFAs/bunker swaps	$ (2,718)	(1,005)	4,657	892
Time Charter equivalent revenues	**$ 148,037**	**$ 136,795**	**$ 476,247**	**$ 437,961**
Reversal of provision for onerous contracts	$ -	(473)	-	-
Amortization of fair value of below/above market acquired time charter agreements	$ (499)	(1,116)	(2,013)	(1,820)
Adjusted Time Charter equivalent revenues	**$ 147,538**	**$ 135,206**	**$ 474,234**	**$ 436,141**
Available days	$ 9,497	9,633	36,403	31,614
Daily Time Charter Equivalent Rate ("TCE")	**$ 15,535**	**$ 14,036**	**$ 13,027**	**$ 13,796**

Average daily Net Cash G&A expenses per vessel Reconciliation

(*In thousands of U.S. Dollars, except for daily rates)*

	Fourth quarter 2019	Fourth quarter 2018	Twelve months ended December 31, 2019	Twelve months ended December 31, 2018
General and administrative expenses	$ 8,051	$ 7,223	$ 34,819	$ 33,972
Plus:				
Management fees	4,699	4,042	17,500	11,321
Less:				
Stock – based compensation	(1,573)	(337)	(7,943)	(8,072)
One-time expenses	-	-	-	-
Net Cash G&As expenses (excluding one-time expenses)	**$ 11,177**	**$ 10,928**	**$ 44,376**	**$ 37,221**
Ownership days	10,819	9,788	40,915	32,001
Charter-in days	1,262	1,493	6,843	5,089
Average daily Net Cash G&A expenses per vessel (excluding one-time expenses)	**$ 925**	**$ 969**	**$ 929**	**$ 1,004**

Conference Call details:

Our management team will host a conference call to discuss our financial results on Thursday, February 20, 2020 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 (877) 553-9962 (US Toll-Free Dial In), 0(808) 238- 0669 (UK Toll-Free Dial In) or +44 (0)2071 928592 (Standard International Dial In). Please quote "Star Bulk."

A telephonic replay of the conference call will be available until Thursday, February 26, 2020 by dialing 1(866) 331-1332 (US Toll-Free Dial In), 0(808) 238-0667 (UK Toll-Free Dial In) or +44 (0) 3333009785 (Standard International Dial In). Access Code: 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, Oslo, New York, Limassol and Geneva. Its common stock trades on the Nasdaq Global Select Market and on the Oslo Stock Exchange under the symbol "SBLK". Star Bulk owns a fleet of 116 vessels, with an aggregate capacity of 12.9 million dwt, consisting of 17 Newcastlemax, 19 Capesize, 2 Mini Capesize, 7 Post Panamax, 35 Kamsarmax, 2 Panamax, 17 Ultramax and 17 Supramax vessels with carrying capacities between 52,425 dwt and 209,537 dwt.

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 charter 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 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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