Genco Shipping & Trading Limited



Q2 2006 Earnings Call
August 3, 2006

Forward Looking Statements

"Safe Harbor" Statement Under the Private Securities Litigation Reform Act of 1995

This presentation contains forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward looking statements are based on management's current expectations and observations. Included among the factors that, in our view, could cause actual results to differ materially from the forward looking statements contained in this report are the following: (i) changes in demand or rates in the drybulk shipping industry; (ii) changes in the supply of or demand for drybulk products, generally or in particular regions; (iii) changes in the supply of drybulk carriers including newbuilding of vessels or lower than anticipated scrapping of older vessels; (iv) changes in rules and regulations applicable to the cargo industry, including, without limitation, legislation adopted by international organizations or by individual countries and actions taken by regulatory authorities; (v) increases in costs and expenses including but not limited to: crew wages, insurance, provisions, repairs, maintenance and general and administrative expenses; (vi) the adequacy of our insurance arrangements; (vii) changes in general domestic and international political conditions; (viii) changes in the condition of the Company's vessels or applicable maintenance or regulatory standards (which may affect, among other things, our anticipated drydocking or maintenance and repair costs) and unanticipated drydock expenditures; (ix) the Company's acquisition or disposition of vessels and other factors listed from time to time in our public filings with the Securities and Exchange Commission including, without limitation, the Company's Annual Reports on Form 10-K for the year ended December 31, 2005, its quarterly reports on Form 10-Q and its reports on Form 8-K. Our ability to pay dividends in any period will depend upon factors including the limitations under our loan agreements, applicable provisions of Marshall Islands law and the final determination by the Board of Directors each quarter after its review of our financial performance. The timing and amount of dividends, if any, could also be affected by factors affecting cash flows, results of operations, required capital expenditures, or reserves. As a result, the amount of dividends actually paid may vary. This presentation provides information only as of August 3, 2006 or such earlier date as may be specified in this presentation regarding particular information. The Company has no obligation to update any information contained in this presentation.

Agenda

- Second Quarter 2006 and Year to Date Highlights
- Financial Overview
- Industry Overview
- Conclusions





Second Quarter 2006 and Year to Date Highlights

Second Quarter 2006 and Year to Date Highlights

- Net Income of $17.5 million for the second quarter of '06
  - Basic and diluted earnings per share of $0.69
  - Basic earnings per share of $0.63 excluding the unrealized gain on our two forward interest rate swaps
- Net Income of $34.1 million for the first six months of '06
  - Basic and diluted earnings per share of $1.35
  - Basic earnings per share of $1.26 excluding the unrealized gain on our two forward interest rate swaps
- Declared $0.60 per share dividend for Q2 2006 payable on or about August 31st, 2006 to all shareholders of record as at August 17th, 2006
- Paid a $0.60 per share dividend for Q1 2006 on May 26th, 2006
- Renewed the time charters for the five handysize vessels under contract with Lauritzen for an additional eleven to thirteen months at a rate of $13,500 per vessel per day
- Increased the revolving credit facility to $550 million from $450 million, thereby bringing our liquidity position to $383 million after accounting for the payment of our three newly acquired vessels
- On July 10th, we agreed to acquire three drybulk (one Handymax and two Panamax) vessels from affiliates of Franco Compania Naviera S.A., for an aggregate purchase price of $81.25 million

Fleet Employment

Vessel Name	Year Built	Charterer	Time Charter Rate ($) [1]	Charter Expiration[2]
Panamax				
Genco Beauty	1999	Cargill	29,000	February, 2007
Genco Knight	1999	BHP	29,000	February, 2007
Genco Vigour	1999	BHP	29,000	December, 2006
Genco Leader	1999	Baumarine Pool	Spot[3]	
Genco Trader	1990	Baumarine Pool	Spot[3]	
Genco Acheron[4]	1999	To be determined		
Genco Surprise[4]	1998	To be determined		
Handymax				
Genco Muse	2001	Qatar Navigation	26,500[5]	September, 2007
Genco Marine	1996	NYK Europe	18,000[6]	March, 2007
Genco Wisdom	1997	HMMC	24,000	January, 2007
Genco Carrier	1998	DBCN, Panama	24,000	December, 2006
Genco Success	1997	KLC	23,850	January, 2007
Genco Prosperity	1997	DS Norden	23,000	March, 2007
Genco Glory	1984	EDF Man Shipping	18,250	December, 2006
Genco Commander[4]	1994	To be determined		
Handysize				
Genco Explorer	1999	Lauritzen Bulkers	17,250 / 13,500	August, 2006 / 2007 [8]
Genco Pioneer	1999	Lauritzen Bulkers	17,250 / 13,500	September, 2006 / 2007 [8]
Genco Progress	1999	Lauritzen Bulkers	17,250[7]/13,500	September, 2006 / 2007 [8]
Genco Reliance	1999	Lauritzen Bulkers	17,250/13,500	August, 2006 / 2007 [8]
Genco Sugar	1998	Lauritzen Bulkers	17,250/13,500	August, 2006 / 2007 [8]

(1) Time charter rates presented are the gross daily rates before the payments of brokerage commissions ranging from 1.25% to 5% to unaffiliated third parties. In a time charter, the charterer is responsible for voyage expenses such as bunkers, port expenses, agents' fees and canal dues.

(2) Under the terms of the contracts, charterers are entitled to extend time charters from two to four months in order to complete the vessel's final voyage plus any time the vessel has been off-hire, excluding the Genco Trader and the Genco Leader.

(3) The Genco Trader and Genco Leader entered into the Baumarine Pool arrangement in December 2005 and February 2006, respectively.

(4) On July 10th, we agreed to acquire three drybulk vessels, which are intended to be named the Genco Acheron, Surprise and Commander, from affiliates of Franco Compania Naviera S.A. The acquisition is subject to customary closing conditions and the vessels are expected to be delivered between August and November of 2006.

(5) Since this vessel was acquired with an existing time charter at an above market rate, the Company allocates the purchase price between the vessel and an intangible asset for the value assigned to the above market charterhire. This intangible asset is amortized as a reduction to voyage revenues over the remaining term of the charter, resulting in a daily rate of approximately $21,500 recognized as revenue. For cash flow purposes, the Company will receive $26,500 per day less commissions.

(6) The time charter rate was $26,000 until March 2006 and $18,000 thereafter. For purposes of revenue recognition, the charter contract is reflected on a straight-line basis in accordance with GAAP.

(7) The time charter rate was $21,560 through March 2005 and $17,250 thereafter. For purposes of revenue recognition, the charter contract is reflected on a straight-line basis in accordance with GAAP.

(8) The company renewed the time charters with Lauritzen for an additional eleven to thirteen months at a rate of $13,500 per day per vessel.



Financial Overview

Year to Date Earnings

	Three Months Ended		Six Months Ended	
	June 30, 2006	June 30, 2005	June 30, 2006	June 30, 2005
	(Dollars in thousands, except share data) (unaudited)		(Dollars in thousands, except share data) (unaudited)	
INCOME STATEMENT DATA:				
Revenues	$ 32,303	$ 30,950	$ 64,875	$ 52,349
Operating expenses:				
Voyage expenses	1,060	1,020	2,164	1,910
Vessel operating expenses	4,706	3,417	9,265	5,432
General and administrative expenses	2,304	933	4,753	1,193
Management fees	347	478	694	809
Depreciation and amortization	6,540	5,670	12,957	9,651
Total operating expenses	14,957	11,518	29,833	18,995
Operating income	17,346	19,432	35,042	33,354
Other income (expense):				
Income from derivative instruments	1,721	-	2,197	-
Interest income	684	183	1,253	266
Interest expense	(2,229)	(3,998)	(4,392)	(6,618)
Other income (expense):	$ 176	$ (3,815)	$ (942)	$ (6,352)
Net income	17,522	15,617	34,100	27,002
Earnings per share - basic	$ 0.69	$ 1.16	$ 1.35	$ 2.00
Earnings per share - diluted	$ 0.69	$ 1.16	$ 1.35	$ 2.00
Weighted average shares outstanding - basic	25,263,481	13,500,000	25,261,750	13,500,000
Weighted average shares outstanding - diluted	25,337,024	13,500,000	25,320,826	13,500,000

June 30, 2006 Balance Sheet

	June 30, 2006	December 31, 2005
	(Dollars in thousands) (unaudited)	
BALANCE SHEET DATA:		
Cash	$ 59,962	$ 46,912
Current assets, including cash	64,311	49,705
Total assets	500,963	489,958
Current liabilities, including current portion of long-term debt	5,891	5,978
Total long-term debt	130,683	130,683
Shareholder's equity	359,420	348,242

	Three Months Ended June 30, 2006	Three Months Ended June 30, 2005	Six Months Ended June 30, 2006	Six Months Ended June 30, 2005
	(Dollars in thousands) (unaudited)		(Dollars in thousands) (unaudited)	
OTHER FINANCIAL DATA:				
Net cash provided by operating activities	N/A		$ 44,626	$ 38,470
Net cash used in investing activities			(1,020)	(232,479)
Net cash (used in) provided by financing activities			(30,556)	212,800
EBITDA Reconciliation:	(unaudited)		(unaudited)	
Net Income	$ 17,522	$ 15,617	$ 34,100	$ 27,002
+ Net interest expense	1,545	3,815	3,139	6,352
+ Depreciation and amortization	6,540	5,670	12,957	9,651
+ Amortization of value of time charter acquired	461	-	917	-
EBITDA[(1)]	26,068	25,102	51,113	43,005

(1) EBITDA represents net income plus net interest expense, income tax expense, depreciation and amortization and amortization of the value of time charter acquired. EBITDA is included because it is used by management and certain investors as a measure of operating performance. EBITDA is used by analysts in the shipping industry as a common performance measure to compare results across peers. Our management uses EBITDA as a performance measure in consolidating monthly internal financial statements and it is presented for review at our board meetings. EBITDA is also used by our lenders in certain loan covenants. For these reasons, we believe that EBITDA is a useful measure to present to our investors. EBITDA is not an item recognized by U.S. GAAP and should not be considered as an alternative to net income, operating income or any other indicator of a company's operating performance required by U.S. GAAP. EBITDA is not a source of liquidity or cash flows as shown in our consolidated statement of cash flows. The definition of EBITDA used here may not be comparable to that used by other companies.

2nd Quarter and Year to Date Highlights

	Three Months Ended June 30, 2006	Three Months Ended June 30, 2005	Six Months Ended June 30, 2006	Six Months Ended June 30, 2005
FLEET DATA:				
Total number of vessels at end of period	17	16	17	16
Average number of vessels (2)	17.0	15.2	17.0	13.1
Total ownership days for fleet (3)	1,547	1,386	3,077	2,373
Total available days for fleet (4)	1,538	1,383	3,059	2,364
Total operating days for fleet (5)	1,522	1,372	3,039	2,346
Fleet utilization (6)	99.0%	99.2%	99.3%	99.2%
AVERAGE DAILY RESULTS:				
Time charter equivalent (7)	$ 20,315	$ 21,648	$ 20,500	$ 21,339
Daily vessel operating expenses per vessel (8)	3,042	2,465	3,011	2,289

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

(3) We define ownership days as the aggregate number of days in a period during which each vessel in our fleet has been owned by us. Ownership days are an indicator of the size of our fleet over a period and affect both the amount of revenues and the amount of expenses that we record during a period.

(4) We define available days as the number of our ownership days less the aggregate number of days that our vessels are off-hire due to scheduled repairs or repairs under guarantee, vessel upgrades or special surveys and the aggregate amount of time that we spend positioning our vessels. Companies in the shipping industry generally use available days to measure the number of days in a period during which vessels should be capable of generating revenues.

(5) We define operating days as the number of our available days in a period less the aggregate number of days that our vessels are off-hire due to unforeseen circumstances. The shipping industry uses operating days to measure the aggregate number of days in a period during which vessels actually generate revenues.

(6) We calculate fleet utilization by dividing the number of our operating days during a period by the number of our available days during the period. The shipping industry uses fleet utilization to measure a company's efficiency in finding suitable employment for its vessels and minimizing the number of days that its vessels are off-hire for reasons other than scheduled repairs or repairs under guarantee, vessel upgrades, special surveys or vessel positioning.

(7) We define TCE rates as our revenues (net of voyage expenses) divided by the number of our available days during the period, which is consistent with industry standards. TCE rate is a common shipping industry performance measure used primarily to compare daily earnings generated by vessels on time charters with daily earnings generated by vessels on voyage charters, because charterhire rates for vessels on voyage charters are generally not expressed in per-day amounts while charterhire rates for vessels on time charters generally are expressed in such amounts.

(8) We define daily vessel operating expenses to include crew wages and related costs, the cost of insurance, expenses relating to repairs and maintenance (excluding drydocking), the costs of spares and consumable stores, tonnage taxes and other miscellaneous expenses. Daily vessel operating expenses are calculated by dividing vessel operating expenses by ownership days for the relevant period.

Strong Balance Sheet

Selected Financial Information

Pro Forma 06/30/06*

(Dollars in thousands)

Balance Sheet	
Cash	$44,701
Debt	$211,933
Shareholders Equity	$344,159
Net Debt	$167,232
Total Capitalization	$511,391
Net Debt/Total Cap.	33%

Liquidity Position	
Revolving Credit Facility	$550,000
Undrawn Facilities	$338,067
Cash	$44,701
Total Liquidity	$382,768

*June 30, 2006 pro forma balance sheet information takes into effect the Company's payment of Dividends on August 31, 2006 for all shares outstanding as of August 17, 2006, as well as the payment for our three new vessels which we plan to finance 100% by our revolving credit facility. Please see Appendix I and II for reconciliation of Pro Forma information.

Q3 2006 Estimated Break-Even Levels(1)

Daily Expenses by Category	Free Cash Flow After Dividend(2)	Free Cash Flow(3)	Net Income
Direct Vessel Operating(4)	$ 3,184	$ 3,184	$ 3,184
General & Administrative(5)	1,102	1,102	1,360
Management Fees(6)	244	244	244
Dry Docking (7)	403	403	-
Interest Expense (8)	1,532	1,532	1,591
Depreciation(9)	-	-	4,274
Dividend (10)	8,854	-	-
Daily Break-Even(11)	**$ 15,319**	**$ 6,465**	**$ 10,653**

(1) Calculation excludes the three vessels from the recently announced acquisition from Franco Compania Naviera S.A.

(2) Free Cash Flow After Dividend is defined as Free Cash Flow less an assumed quarterly dividend of $0.54 per share based on 25,434,212 shares outstanding. This does not include any reserves determined by our board of directors for, among other things, drydocking, repairs, claims, liabilities and other obligations, debt amortization, acquisitions and working capital and other non-cash items including restricted stock compensation.

(3) Free Cash Flow is defined as Net Income plus depreciation less capital expenditures, primarily vessel dry dockings and other non-cash items including restricted stock compensation.

(4) Direct Vessel Operating Expenses is based on management's estimates and budgets submitted by our technical managers. We believe DVOE are best measured for comparative purposes over a 12-month period.

(5) General & Administrative amounts are based on a budget and may vary, including as a result of actual incentive compensation.

(6) Management Fees are based on the contracted monthly rate per vessel for the technical management of our fleet.

(7) Dry Docking represents the budgeted dry docking expenditures assuming each vessel is drydocked every 30 months.

(8) Interest Expense is based on our debt level as of July 13, 2006 of $138.8 million outstanding, unused commitment fees, and amortization of deferred financing costs. Of the outstanding amount, $106 million is calculated on our fixed swap rate of 4.485% plus 0.95% margin and $32.6 million is calculated based on an assumed LIBOR rate of 5.375% plus 0.95% margin. Inclusive of the $32.6 million is the 10% deposit of the $81.25 million recently announced acquisition.

(9) Depreciation is based on the acquisition value of the current fleet and depreciation of dry docking costs.

(10) Dividend reflects an assumed dividend of $0.54 per share quarterly. The actual dividend paid is determined by our Board of Directors on a quarterly basis and may vary. See dividend policy.

(11)Daily Break-even is based on our current fleet of seventeen vessels and does not reflect the impact of any acquisitions or dispositions.

Dividend Declaration & Policy

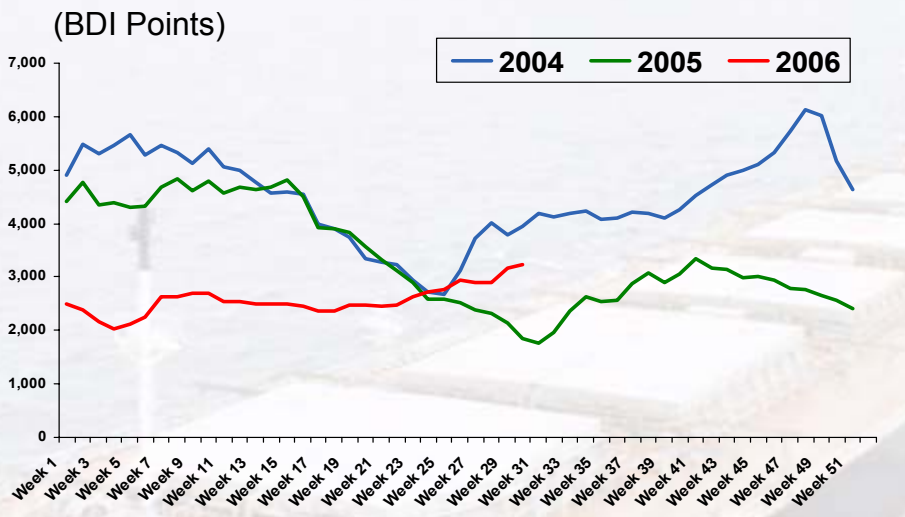
- Declared a Q2 2006 dividend of $0.60 per share payable on or about August 31st, 2006 to all shareholders of record as at August 17th, 2006
- Cash Reserves are determined by our Board of Directors
  - fleet maintenance, renewal and growth
  - future debt amortization
- Our charter coverage strategy provides us with stable cash flows
- Our dividend policy allows for future acquisitions
  - Genco is not dependent on future equity offerings to grow



Industry Overview

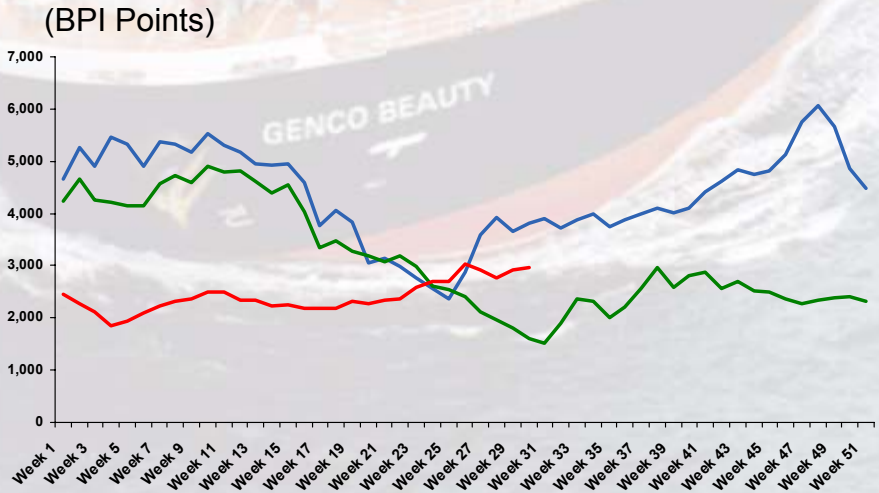
Drybulk Indices

Baltic Dry Index



Source: Clarkson's

Baltic Panamax Index



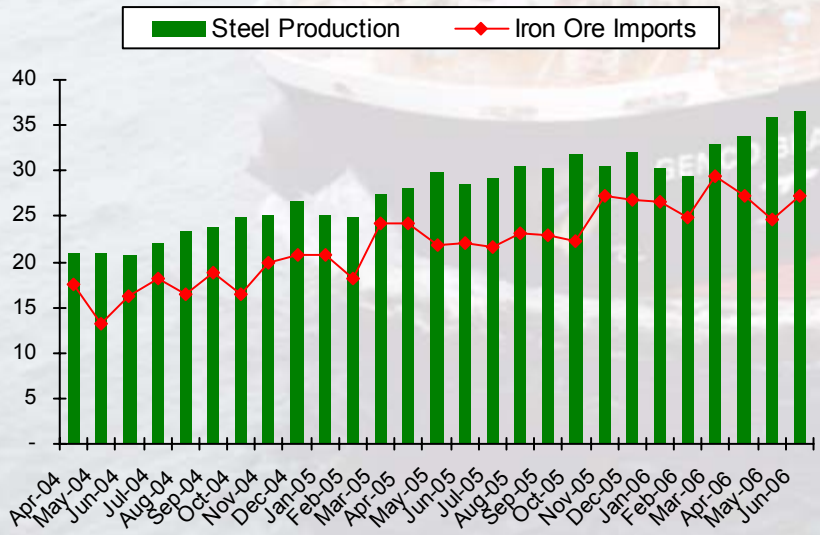
Source: Clarkson's

Chinese Steel Production Continues to Drive the Market

- June was a record month for Chinese steel production at 36.6Mt driving YOY growth to 21.4% for the first half of 2006
- US imports of steel and cement from the Far East were up 70% YOY for the first half of 2006
- India becoming a factor in demand growth with increasing imports
- World fleet increased in size by 3.5% in the first half of 2006
- Orderbook shows a slight reduction since the end of 2005

Iron Ore Imports Vs. Steel Production

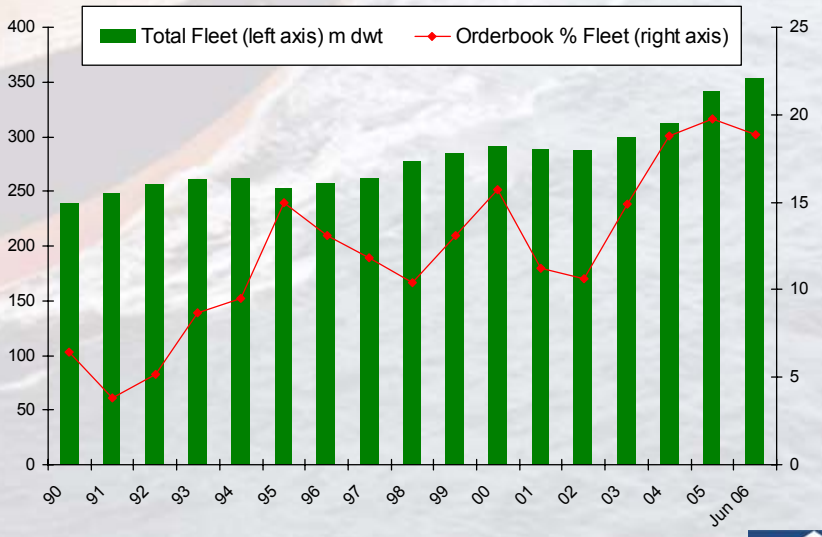
(million tons)



Source: SSY

Drybulk Fleet and Orderbook Development

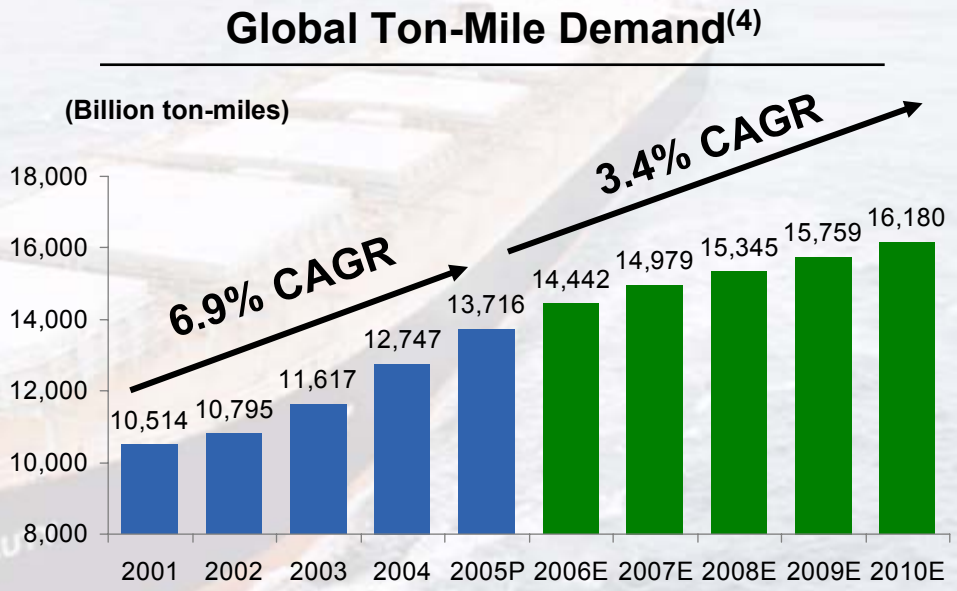
(million dwt)



Source: SSY

Drybulk Demand Fundamentals Remain Strong

- Chinese GDP grew 11.3% in the second quarter of 2006, beating forecasts of 10.5% as well as first quarter growth of 10.3%(1)
- India's GDP is expected to grow by 7.5% through fiscal 2006(2)
- World GDP growth revised to 4.9% for 2006(3)
- Global ton-mile demand still shows strong growth, forecasted at over 5% for 2006 over 2005(4)
- Limited shipyard capacity until 2009

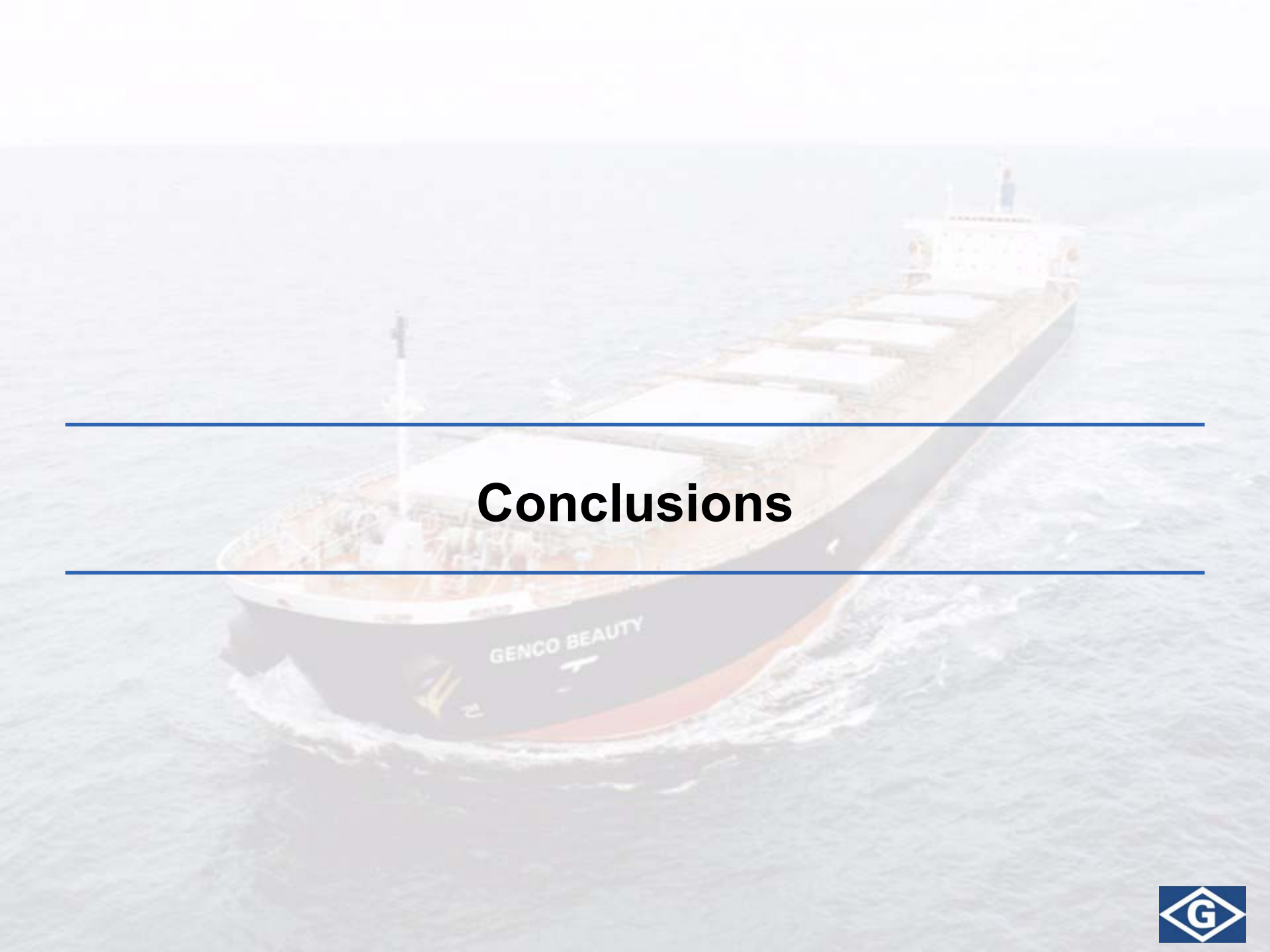


(1) Source: National Bureau of Statistics, China
(2) Source: Reserve Bank of India
(3) Source: International Monetary Fund
(4) Source: Drewry

What will drive the market?

- China's iron ore imports in 2006 forecasted to grow by 40-55 million tons in 2006, a 15-20% increase over 2005(1)
- Overall Chinese seaborne imports in tonnage terms are projected to rise by 20% in 2006 while exports are projected to grow by 16% over 2005(1)
- Drybulk cargoes account for nearly 60% of the export total for 2005, and are expected to contribute the most to import growth in 2006(1)
- Contrary to the traditional summer lull, the market continues to firm during this quarter
- Approximately 30% of the fleet is greater than 20 years old and will need renewal(1)
- An additional 4% of the fleet is expected for delivery during the second half of 2006(2)

(1) Source: Clarkson's
(2) Source: SSY



Conclusions

Conclusions

- Strong Second Quarter 2006 despite softer freight market
- Substantial time charter coverage at above market rates
- Cash dividend policy along with cash reserves intended to fund fleet replacement and future growth
- Strong balance sheet with low leverage
  - $383 million of liquidity to be used primarily to fund growth after the delivery of the three new vessels
- Continue to see attractive long-term drybulk industry fundamentals



Appendices

Appendix I

Pro Forma Reconciliation
06/30/06
(Dollars in thousands)

06/30/06 Actual		Adjustment*	06/30/06 Pro Forma
Cash	$59,962	($15,261)	$44,701
Debt	$130,683	$81,250	$211,933
Net Debt	$70,721	$0	$167,232
Shareholders Equity	$359,420	($15,261)	$344,159
Total Capitalization	$430,141	$81,250	$511,391

*June 30, 2006 pro forma balance sheet information takes into effect the Company's estimated payment of dividends on August 31, 2006, for all shares outstanding as of August 17, 2006 of $15.26 million as well as payment for our three new vessels.

Appendix II

Net Debt & Total Capitalization Reconciliation
Pro Forma 06/30/06*
(Dollars in thousands)

	06/30/06
Pro Forma Debt	**$211,933**
Less: Pro Forma Cash*	**$44,701**
Net Debt	**$167,232**
Plus: Pro Forma Shareholders Equity	**$344,159**
Total Capitalization	**$511,391**

*June 30, 2006 pro forma balance sheet information takes into effect the Company's estimated payment of dividends on August 31, 2006, for all shares outstanding as of August 17, 2006 of $15.26 million as well as payment for our three new vessels.