Genco Shipping & Trading Limited



Q2 2017 Earnings Call

August 8th, 2017

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. Such forward-looking statements use words such as “anticipate,” “budget,” “estimate,” “expect,” “project,” “intend,” “plan,” “believe,” and other words and terms of similar meaning in connection with a discussion of potential future events, circumstances or future operating or financial performance. 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) further declines or sustained weakness in demand in the drybulk shipping industry; (ii) continuation of weakness or further declines in drybulk shipping rates; (iii) changes in the supply of or demand for drybulk products, generally or in particular regions; (iv) changes in the supply of drybulk carriers including newbuilding of vessels or lower than anticipated scrapping of older vessels; (v) 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; (vi) increases in costs and expenses including but not limited to: crew wages, insurance, provisions, lube, oil, bunkers, repairs, maintenance and general, administrative, and management fee expenses; (vii) whether our insurance arrangements are adequate; (viii) changes in general domestic and international political conditions; (ix) acts of war, terrorism, or piracy; (x) 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; (xi) the Company’s acquisition or disposition of vessels; (xii) the amount of offhire time needed to complete repairs on vessels and the timing and amount of any reimbursement by our insurance carriers for insurance claims, including offhire days; (xiii) the completion of definitive documentation with respect to charters; (xiv) charterers’ compliance with the terms of their charters in the current market environment; (xv) the extent to which our operating results continue to be affected by weakness in market conditions and charter rates; (xvi) our ability to maintain contracts that are critical to our operation, to obtain and maintain acceptable terms with our vendors, customers and service providers and to retain key executives, managers and employees; 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 Report on Form 10-K for the year ended December 31, 2016 and its subsequent reports on Form 10-Q and Form 8-K. Our ability to pay dividends in any period will depend upon various factors, including the limitations under any credit agreements to which we may be a party, 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. We do not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Agenda

- Second Quarter 2017 and Year to Date Highlights
- Financial Overview
- Industry Overview

Second Quarter 2017 and Year to Date Highlights

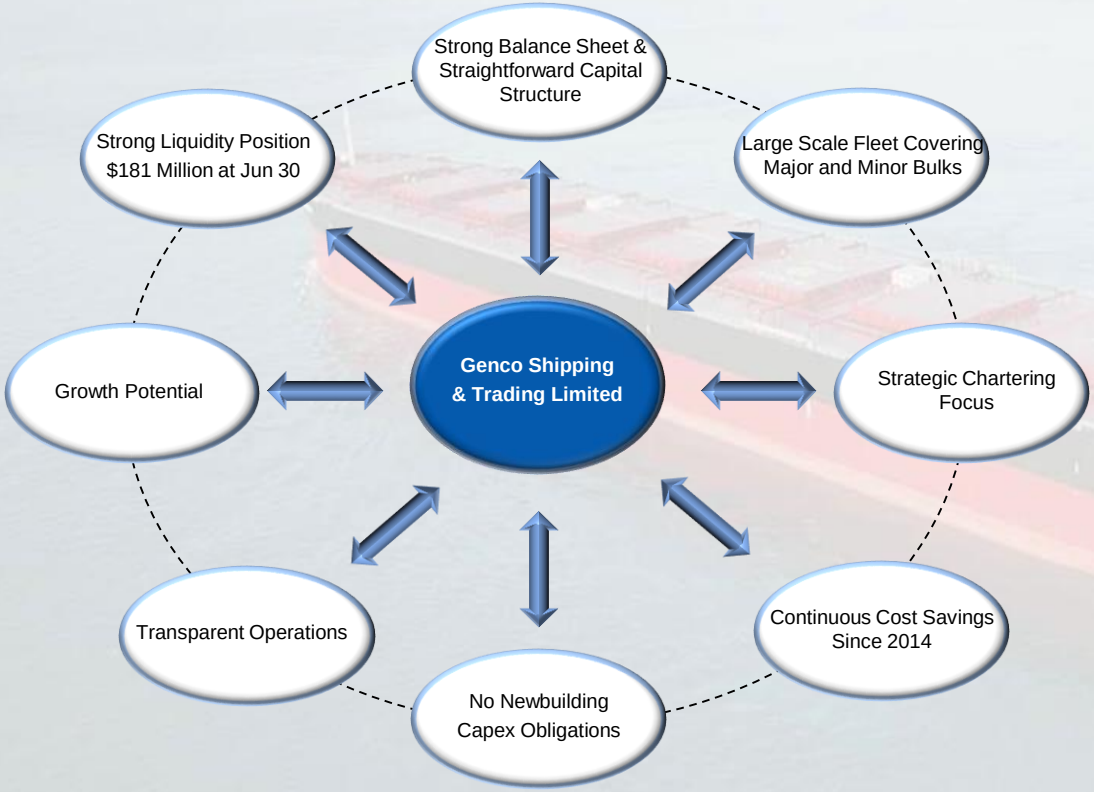
Second Quarter 2017 and Year to Date Highlights

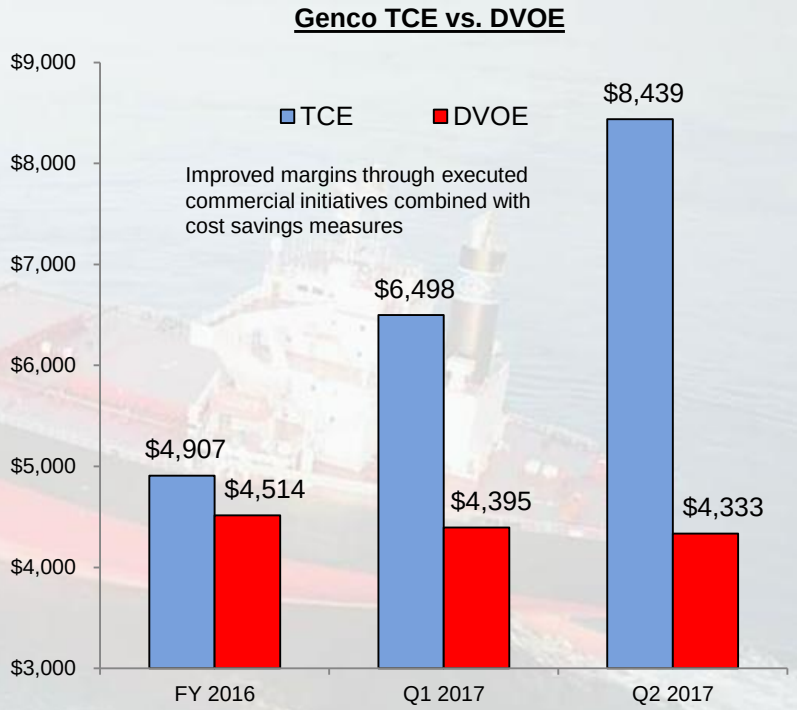
- Increased cash position to $181.0 million as of June 30, 2017
- Net loss of $14.5 million for the second quarter of 2017
  - Basic and diluted loss per share of $0.42
  - Adjusted basic and diluted loss of $12.5 million or $0.36 per share, excluding $1.3 million for gain on sale of vessel and $3.3 million non-cash impairment charge(1)
- Completed our vessel sales program
  - Sold the Genco Prosperity for total net proceeds of $2.9 million

(1) We believe the non-GAAP measure presented provides investors with a means of better evaluating and understanding the Company's operating performance.

Leading Market Position

Genco has significantly improved its leading market position focusing on enhancing its commercial strategy and leading low-cost operations





Genco Fleet List*

Vessel Name	Year Built	Dwt
Capesize		
Genco Augustus	2007	180,151
Genco Tiberius	2007	175,874
Genco London	2007	177,833
Genco Titus	2007	177,729
Genco Constantine	2008	180,183
Genco Hadrian	2008	169,025
Genco Commodus	2009	169,098
Genco Maximus	2009	169,025
Genco Claudius	2010	169,001
Genco Tiger	2011	179,185
Baltic Lion	2012	179,185
Baltic Bear	2010	177,717
Baltic Wolf	2010	177,752
Panamax		
Genco Beauty	1999	73,941
Genco Knight	1999	73,941
Genco Vigour	1999	73,941
Genco Surprise	1998	72,495
Genco Thunder	2007	76,588
Genco Raptor	2007	76,499
Ultramax		
Baltic Hornet	2014	63,574
Baltic Wasp	2015	63,389
Baltic Scorpion	2015	63,462
Baltic Mantis	2015	63,470

Vessel Name	Year Built	Dwt
Supramax		
Genco Warrior	2005	55,435
Genco Hunter	2007	58,729
Genco Predator	2005	55,407
Genco Cavalier	2007	53,617
Genco Aquitaine	2009	57,981
Genco Ardennes	2009	58,018
Genco Auvergne	2009	58,020
Genco Bourgogne	2010	58,018
Genco Brittany	2010	58,018
Genco Languedoc	2010	58,018
Genco Loire	2009	53,430
Genco Lorraine	2009	53,417
Genco Normandy	2007	53,596
Genco Picardy	2005	55,257
Genco Provence	2004	55,317
Genco Pyrenees	2010	58,018
Genco Rhone	2011	58,018
Baltic Leopard	2009	53,446
Baltic Panther	2009	53,350
Baltic Jaguar	2009	53,473
Baltic Cougar	2009	53,432
Handymax		
Genco Muse	2001	48,913

Vessel Name	Year Built	Dwt
Handysize		
Genco Explorer	1999	29,952
Genco Progress	1999	29,952
Genco Charger	2005	28,398
Genco Champion	2006	28,445
Genco Challenger	2003	28,428
Genco Bay	2010	34,296
Genco Ocean	2010	34,409
Genco Avra	2011	34,391
Genco Mare	2011	34,428
Genco Spirit	2011	34,432
Baltic Wind	2009	34,408
Baltic Cove	2010	34,403
Baltic Breeze	2010	34,386
Baltic Fox	2010	31,883
Baltic Hare	2009	31,887

Modern, diversified fleet

13 Capesize
6 Panamax
4 Ultramax
21 Supramax
1 Handymax
15 Handysize

Total capacity of ~4,688,000 dwt

Capesize



13

Panamax



6

Ultramax/Supramax/Handymax



26

Handysize

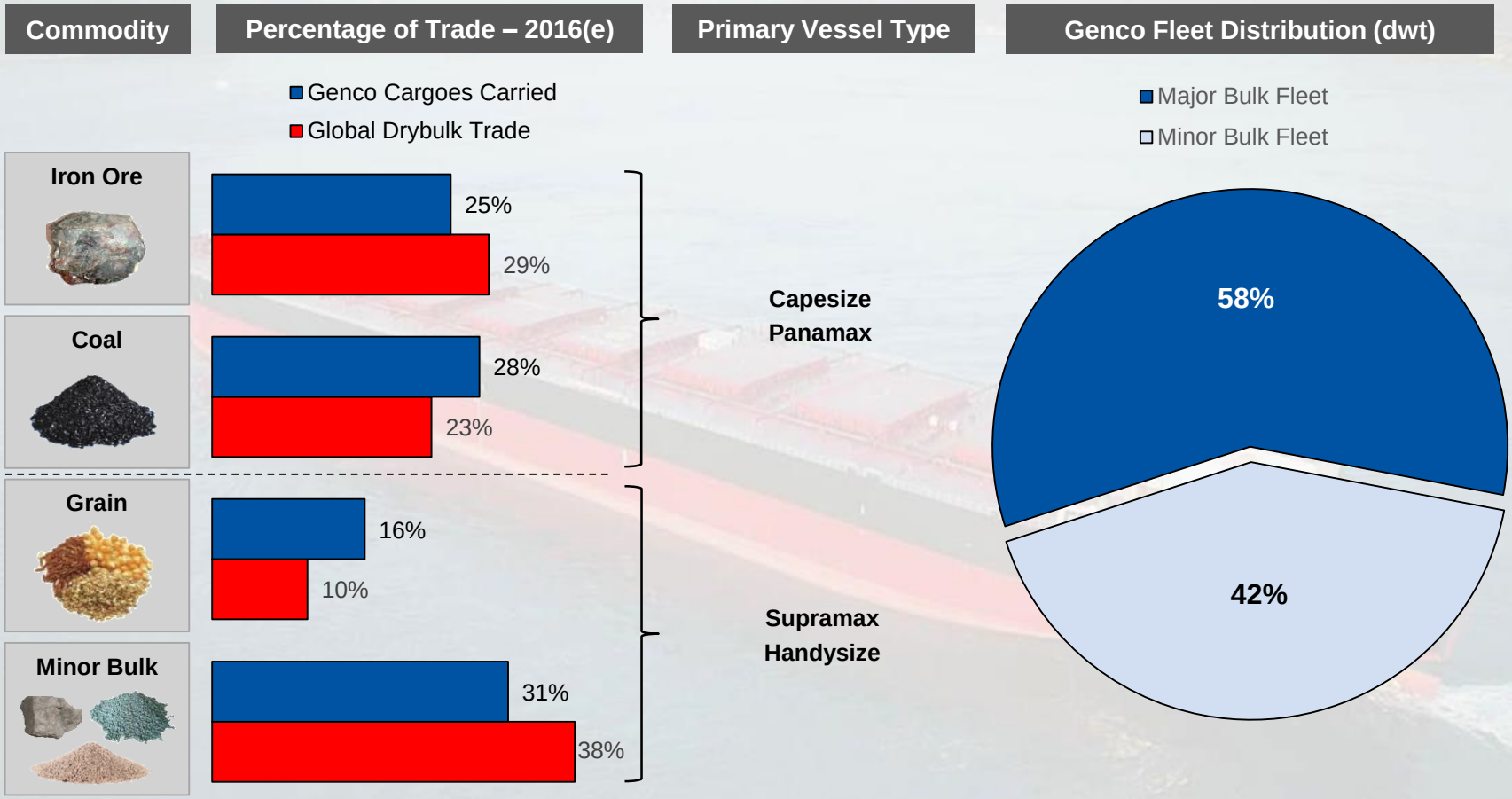


15

* Genco fleet list as of August 8, 2017.

Genco's Fleet Strongly Aligns With Global Trade Dynamics

Genco's fleet of major and minor bulk vessels largely mirrors global trade flows, enabling the Company to capitalize on key trade routes



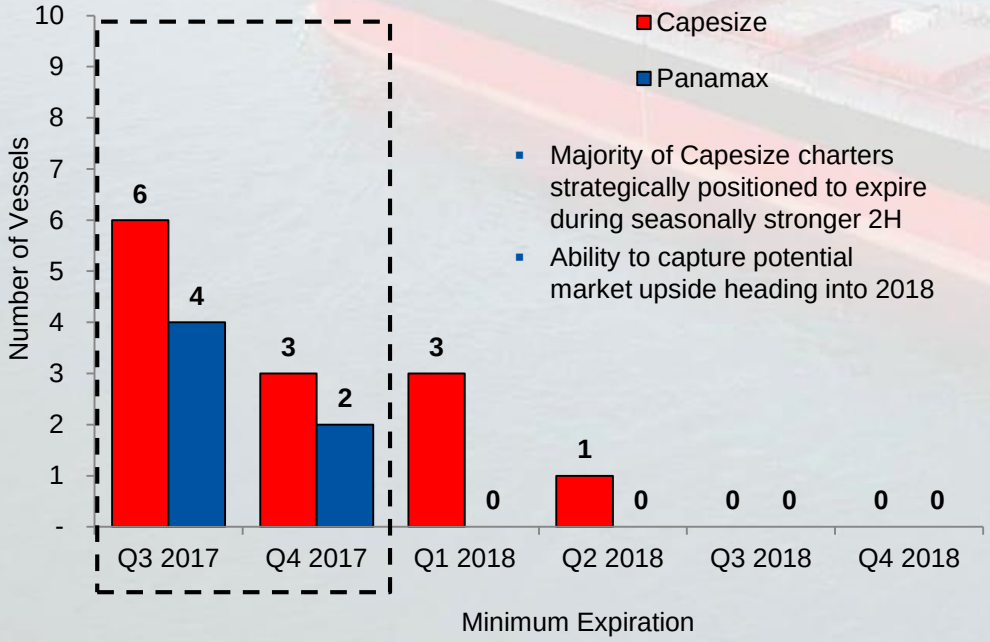
Source: Clarksons Research Services Limited 2017

Optimizing Commercial Strategy – Major Bulk

Major Bulk Commercial Strategy

- Diversifying and expanding the customer base
- Staggering expiration dates of charters
- Implementing a portfolio approach
- In the process of establishing a Singapore presence to focus on Capesize vessels as well as backhaul trades on the minor bulk fleet
- Positioning the fleet for a potentially stronger 2H 2017
  - Direct exposure to projected ton-mile demand growth highly driven by iron ore and coal

Major Bulk Charters Positioned for Market Recovery



- Majority of Capesize charters strategically positioned to expire during seasonally stronger 2H
- Ability to capture potential market upside heading into 2018

Major Bulk End Users

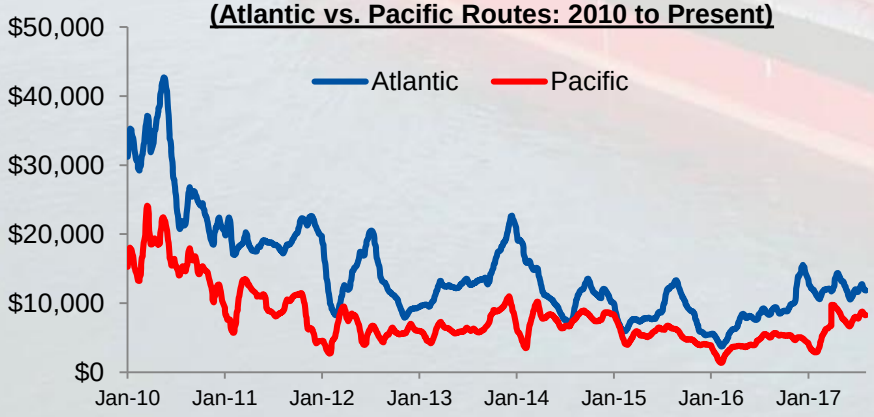
bhpbilliton
KOCH SUPPLY & TRADING
RioTinto
uniper
LDC Louis Dreyfus Company
Cargill
VALE

Optimizing Commercial Strategy – Minor Bulks

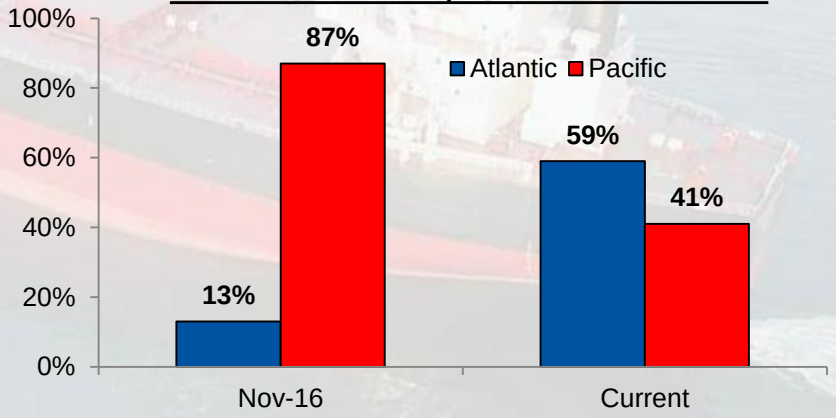
Minor Bulk Commercial Strategy

- Reallocated freight exposure through a more balanced Atlantic vs. Pacific split
  - Able to fix more vessels with top tier cargo owners and provide full-service logistics solution
  - Repositioned select geared vessels during the first and second quarters of 2017
  - Reduction of ballast legs and higher fleet utilization through concentrated customer geographic focus
  - Capture earnings premium offered by Atlantic market
- Implementing and integrating new commercial resources
  - Added Vice President and Commercial Director, Minor Bulk Fleet

Baltic Supramax Index Routes
(Atlantic vs. Pacific Routes: 2010 to Present)



Atlantic vs. Pacific Exposure: Minor Bulk Fleet*



* Includes Ultramaxes, in-house managed Supramax, and Handysize vessels.

Financial Overview

Second Quarter Earnings

	Three Months Ended June 30, 2017	Three Months Ended June 30, 2016	Six Months Ended June 30, 2017	Six Months Ended June 30, 2016
	(Dollars in thousands, except share and per share data) (unaudited)		(Dollars in thousands, except share and per share data) (unaudited)	
INCOME STATEMENT DATA:				
Revenues:				
Voyage revenues	$ 45,370	$ 31,460	$ 83,619	$ 51,590
Service revenues	-	414	-	1,225
Total revenues	45,370	31,874	83,619	52,815
Operating expenses:				
Voyage expenses	951	3,074	4,192	6,970
Vessel operating expenses	23,852	28,538	48,736	57,665
General and administrative expenses (inclusive of nonvested stock amortization expense of $1.6 million, $5.4 million, $2.3 million and $10.9 million respectively)	5,752	11,589	10,661	22,158
Technical management fees	1,871	2,264	3,852	4,550
Depreciation and amortization	18,185	19,686	36,358	40,025
Other operating income	-	(182)	-	(182)
Impairment of vessel assets	3,339	67,594	3,339	69,278
(Gain) loss on sale of vessels	(1,343)	77	(7,712)	77
Total operating expenses	52,607	132,640	99,426	200,541
Operating loss	(7,237)	(100,766)	(15,807)	(147,726)
Other (expense) income:				
Impairment of investment	-	(2,696)	-	(2,696)
Other expense	(50)	(50)	(115)	(174)
Interest income	338	33	512	95
Interest expense	(7,564)	(7,013)	(14,702)	(14,127)
Other expense	(7,276)	(9,726)	(14,305)	(16,902)
Loss before reorganization items, net	(14,513)	(110,492)	(30,112)	(164,628)
Reorganization items, net	-	(65)	-	(160)
Loss before income taxes	(14,513)	(110,557)	(30,112)	(164,788)
Income tax expense	-	(96)	-	(350)
Net loss	$ (14,513)	$ (110,653)	$ (30,112)	$ (165,138)
Net loss per share - basic	$ (0.42)	$ (15.32)	$ (0.89)	$ (22.87)
Net loss per share - diluted	$ (0.42)	$ (15.32)	$ (0.89)	$ (22.87)
Weighted average common shares outstanding - basic	34,430,766	7,221,735	33,965,835	7,220,265
Weighted average common shares outstanding - diluted	34,430,766	7,221,735	33,965,835	7,220,265

June 30, 2017 Balance Sheet

BALANCE SHEET DATA:	June 30, 2017	December 31, 2016
	(Dollars in thousands) (unaudited)	
Cash (including restricted cash)	$ 180,995	$ 169,068
Current assets	184,354	172,605
Total assets	1,541,719	1,568,960
Current liabilities (excluding current portion of long-term debt)	22,003	24,373
Current portion of long-term debt	9,576	4,576
Long-term debt (net of $10.2 million and $11.4 million of unamortized debt issuance costs at June 30, 2017 and December 31, 2016, respectively)	506,044	508,444
Shareholders' equity	1,001,868	1,029,699

OTHER FINANCIAL DATA:	Three Months Ended June 30, 2017	Three Months Ended June 30, 2016	Six Months Ended June 30, 2017	Six Months Ended June 30, 2016
	(Dollars in thousands) (unaudited)		(Dollars in thousands) (unaudited)	
Net cash used in operating activities	N/A		$ (585)	$ (41,230)
Net cash provided by investing activities			17,022	3,697
Net cash used in financing activities			(2,684)	(26,879)
	(unaudited)		(unaudited)	
EBITDA Reconciliation:				
Net loss	$ (14,513)	$ (110,653)	$ (30,112)	$ (165,138)
+ Net interest expense	7,226	6,980	14,190	14,032
+ Income tax expense	-	96	-	350
+ Depreciation and amortization	18,185	19,686	36,358	40,025
EBITDA[(1)]	$ 10,898	$ (83,891)	$ 20,436	$ (110,731)

1) EBITDA represents net (loss) income plus net interest expense, taxes and depreciation and amortization. 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 our consolidated internal financial statements, and it is presented for review at our board meetings. We believe that EBITDA is useful to investors as the shipping industry is capital intensive which often results in significant depreciation and cost of financing. EBITDA presents investors with a measure in addition to net income to evaluate our performance prior to these costs. EBITDA is not an item recognized by U.S. GAAP (i.e. non-GAAP measure) 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 measure of liquidity or cash flows as shown in our consolidated statements of cash flows. The definition of EBITDA used here may not be comparable to that used by other companies.

Second Quarter Highlights

	Three Months Ended		Six Months Ended	
	June 30, 2017	June 30, 2016	June 30, 2017	June 30, 2016
	(unaudited)		(unaudited)	
FLEET DATA:				
Total number of vessels at end of period	60	69	60	69
Average number of vessels (1)	60.5	69.5	61.7	69.8
Total ownership days for fleet (2)	5,505	6,326	11,167	12,696
Total available days for fleet (3)	5,264	6,146	10,650	12,321
Total operating days for fleet (4)	5,086	6,107	10,415	12,177
Fleet utilization (5)	96.6%	99.4%	97.8%	98.8%
AVERAGE DAILY RESULTS:				
Time charter equivalent (6)	$ 8,439	$ 4,618	$ 7,458	$ 3,622
Daily vessel operating expenses per vessel (7)	4,333	4,511	4,364	4,542

(1) 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.

(2) 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.

(3) 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 between time charters. 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.

(4) 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.

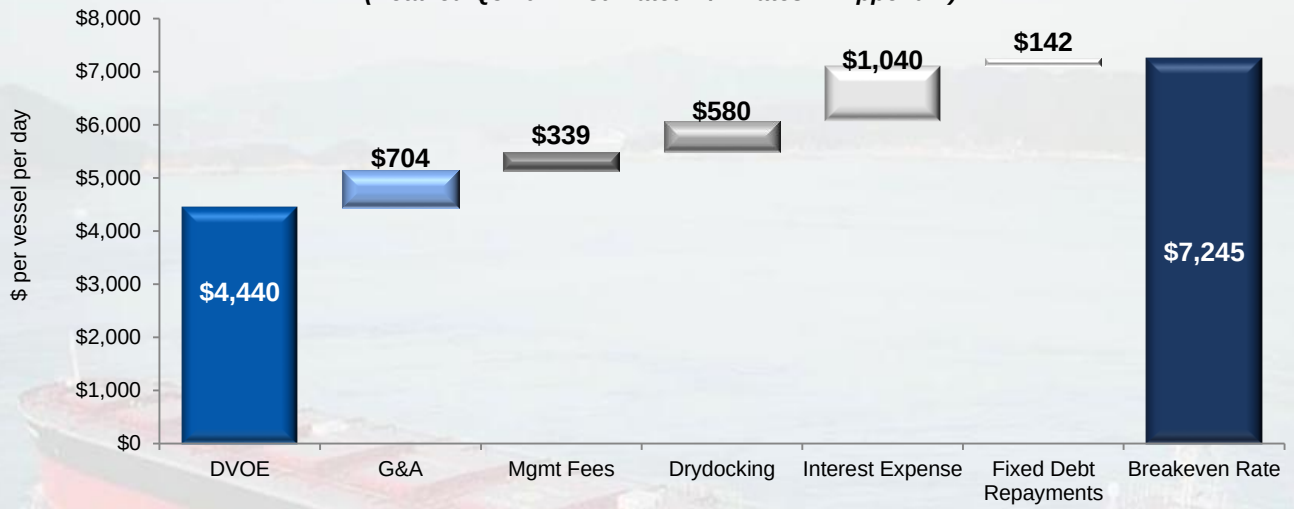
(5) We calculate fleet utilization by dividing the number of our operating days during a period by the number of our available days during the period. The shipping industry uses fleet utilization to measure a company's efficiency in finding suitable employment for its vessels and minimizing the number 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.

(6) We define TCE rates as our net voyage revenue (voyage revenues less 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.

(7) 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.

Improved Estimated Cash Breakeven Rates(1)

Fleet Breakeven Rates
Estimated Q3 2017
(Detailed Q3 2017 Estimated B/E Rates in Appendix)

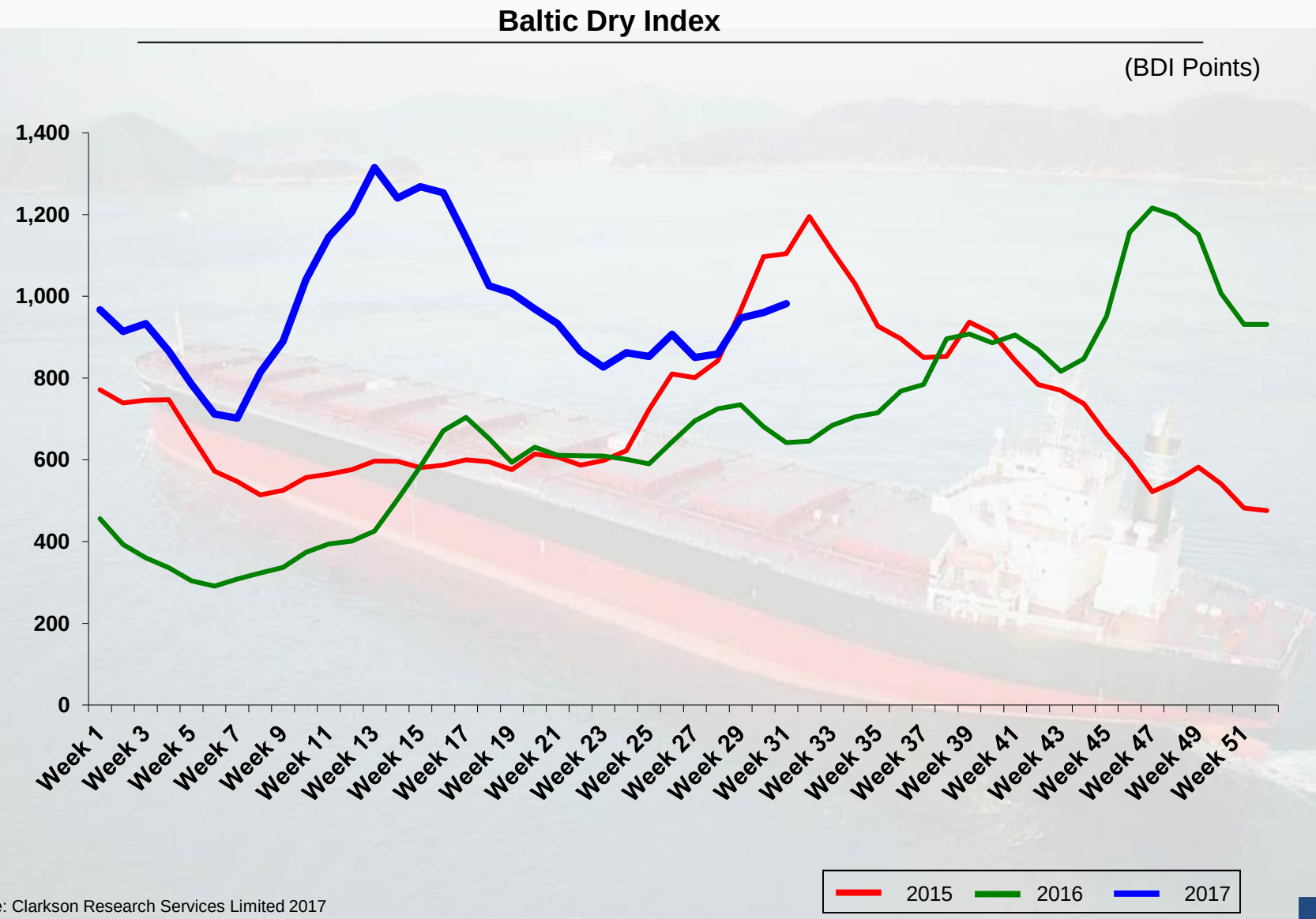


Estimated Drydocking Days (2H 2017)			
Vessel Type	**Q3 2017**	**Q4 2017**	**Total**
Capesize	-	20	20
Panamax	40	-	40
Ultramax	-	-	-
Supramax	40	-	40
Handymax	-	-	-
Handysize	-	-	-
Total	**80**	**20**	**100**

Note: Free cash flow breakeven rates consist of direct vessel operating expenses, general and administrative expenses, technical management fees, drydocking, interest expenses and fixed debt repayments.
For complete reconciliation of non-GAAP financial measures and a detailed estimated breakeven rates for Q3 2017, please refer to the appendix.
(1) Breakeven rate is based on the 2017 budget which is subject to change. Based on a fleet of 60 vessels; presented for illustrative purposes only. Actual breakeven rates will vary.

Industry Overview

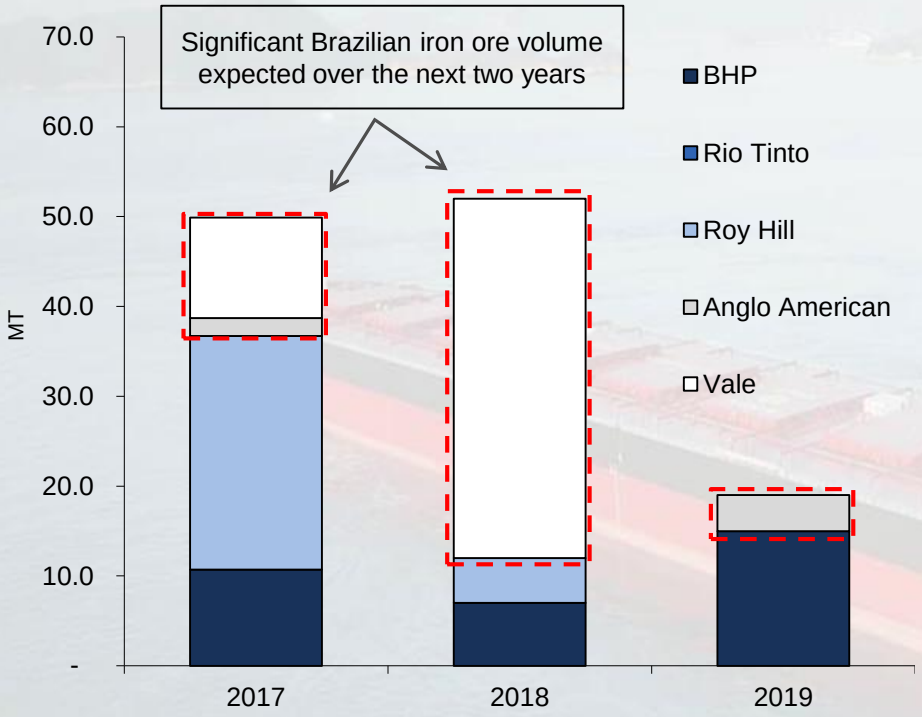
Market Update and Industry Overview



Source: Clarkson Research Services Limited 2017

Recent Market Developments

Key Iron Ore Expansion Plans[3]



Vale is expected to provide updated production guidance later in the year

Recent Developments

- Freight rates continued to rise during the beginning of Q2 2017 after a strong end to the first quarter primarily driven by:
  - Heightened Chinese iron ore demand
  - Increased coal shipments to China
  - Onset of the South American grain season
- After a decline in the BDI towards the end of the quarter, strong demand for seaborne iron ore cargoes more recently has driven the Capesize freight market
- Chinese iron ore imports in 1H 2017 rose by 9% YOY[1]
  - China's monthly iron ore imports have exceeded the 90MT threshold in four of six months this year after only occurring three other times prior to 2017
  - Chinese iron ore port stockpiles are currently 140.5MT[2]

1) Source: Clarkson Research Services Limited 2017
2) Source: Commodore Research
3) Source: Public statements by subject companies

Major Bulks

Global Steel Production (million tons)[1]			
	6 Mos 2017	6 Mos 2016	% Variance
China	419.7	401.2	4.6%
European Union	86.1	82.7	4.1%
Japan	52.3	52.0	0.5%
India	49.5	47.0	5.3%
South Korea	34.7	33.4	3.7%
Global Production	836.0	800.0	4.5%

Steel Production

- Chinese steel production has increased by 4.6% during 1H 2017 YOY[1]
  - Ex-China steel production has risen by 4.4% during the same period led by a 5.3% YOY increase in output from India
- Chinese steel prices have risen in nine consecutive weeks resulting in increased margins for steel mills[2]
  - Improved margins have incentivized greater production as China's steel output set a monthly record during June

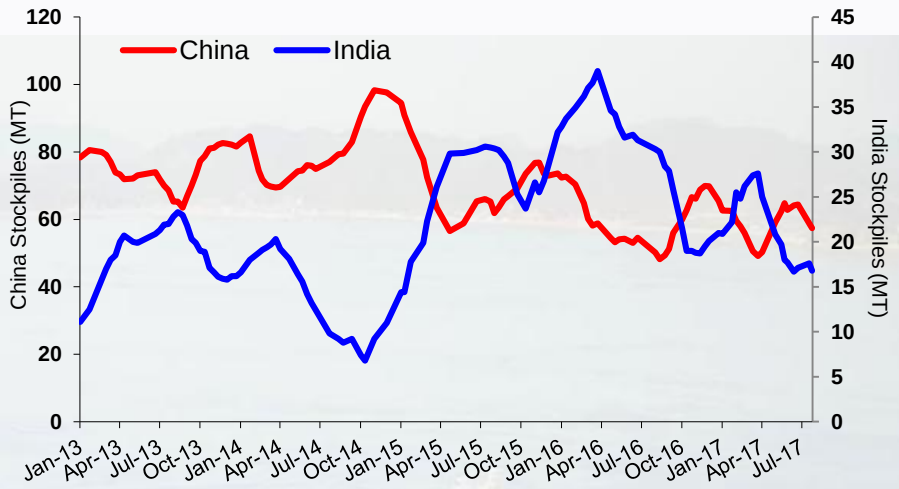
Iron Ore

- Brazilian iron ore exports have increased by 4% in the YTD[3]
  - Aided by additional shipments from Vale's new S11D iron ore mine
  - Price of iron ore has increased from below $55 per ton to over $70 per ton driven by firm demand for high quality seaborne iron ore

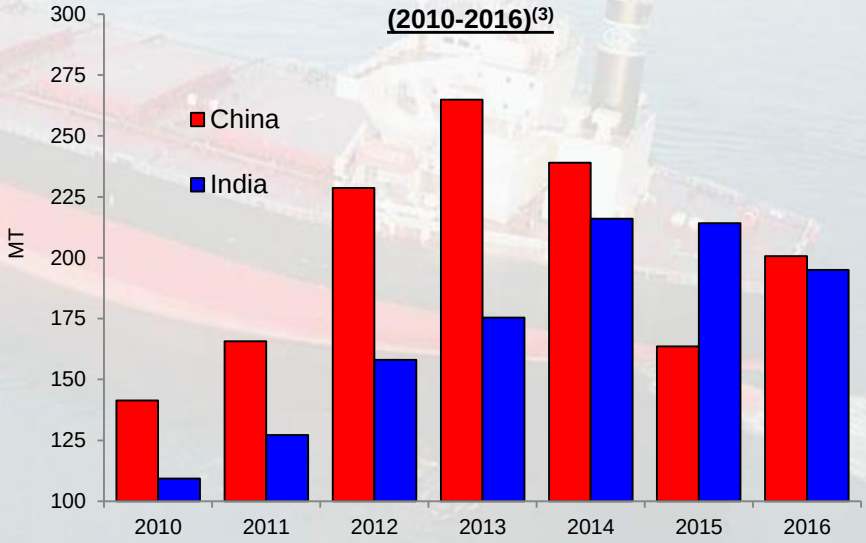
Coal

- China's coal imports increased by 23% in 1H 2017 YOY
  - China has reduced domestic coal capacity by 111MT in the YTD representing 75% of its 2017 target
  - Mining accidents at Chinese domestic coal mines continue to occur which could lead to additional mine inspections and closures[2]

Coal Power Plant Stockpiles[2]



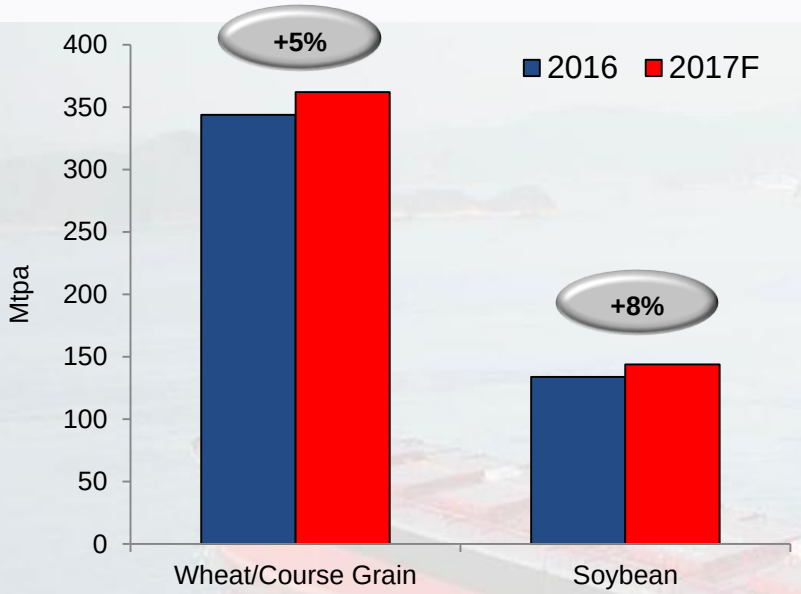
China and India Coal Imports (2010-2016)[3]



1) Source: World Steel Association
2) Source: Commodore Research
3) Source: Clarkson Research Services Limited 2017

Minor Bulks

Clarksons Global Grain Trade Estimates



Seaborne Wheat/Course Grain Trade (MT)			
Exporter	**2016 (e)**	**2017 (f)**	**Variance**
Argentina	39	36	-9%
Australia	23	35	51%
Canada	25	23	-6%
EU	44	43	-2%
US	87	92	5%
Others	125	133	6%
Total	**344**	**362**	**5%**

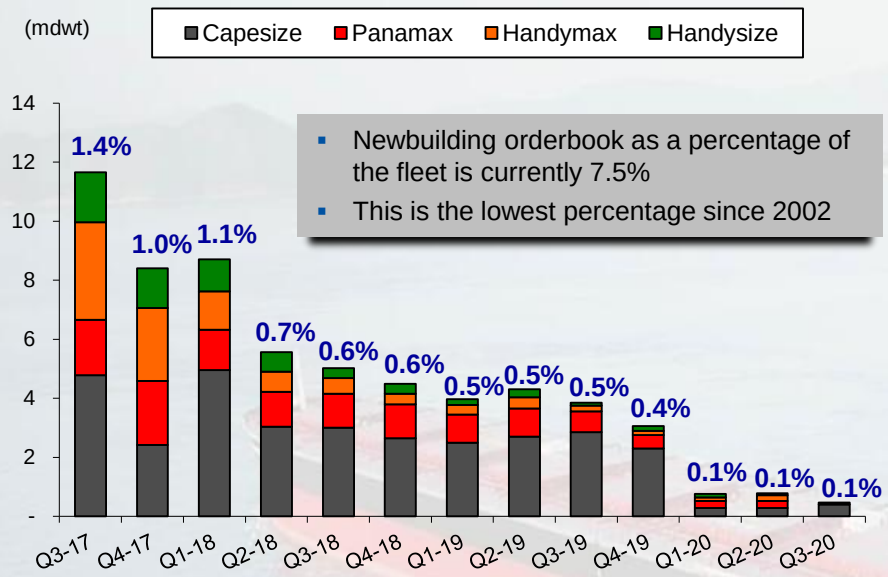
Seaborne Soybean Trade (MT)			
Exporter	**2016 (e)**	**2017 (f)**	**Variance**
United States	58	61	5%
Brazil	52	56	10%
Argentina	9	11	25%
Paraguay	5	5	0%
Canada	4	5	5%
Uruguay	1	1	4%
Others	4	5	5%
Total	**134**	**144**	**8%**

- Peak North American grain season to commence towards the end of the third quarter
- Malaysia has extended its ban on bauxite mining through December 31, 2017
  - Increased bauxite shipments from Guinea are expected to add ton mile demand going forward
- SE Asia projected to drive coal demand
  - According to Clarksons, Vietnamese coal consumption is expected to increase from 40MT in 2016 to 70MT in 2020
- Chinese steel exports have declined recently due to:
  - Increased domestic demand
  - Protectionist measures taken by certain countries against inexpensive Chinese steel shipments

Source: Clarksons Research Services Limited 2017

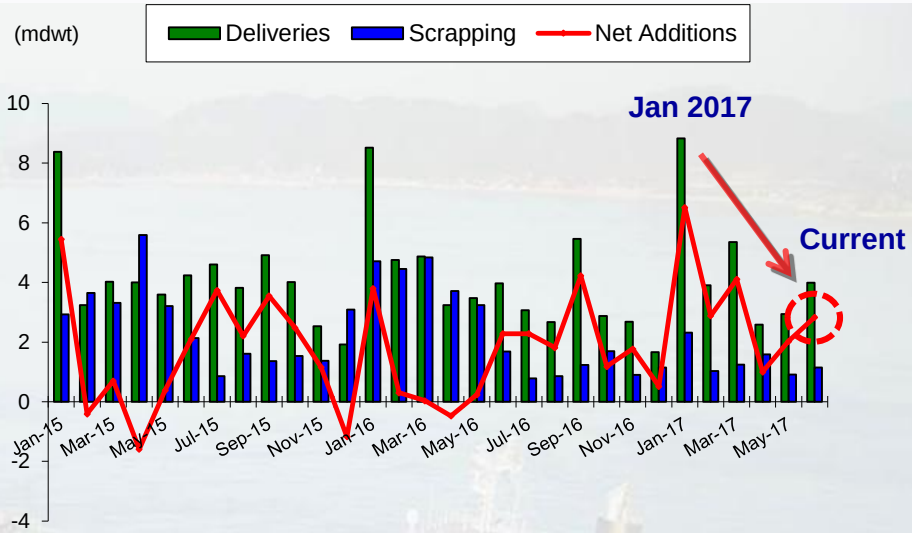
Supply Side Fundamentals

Current Drybulk Vessel Orderbook by Type



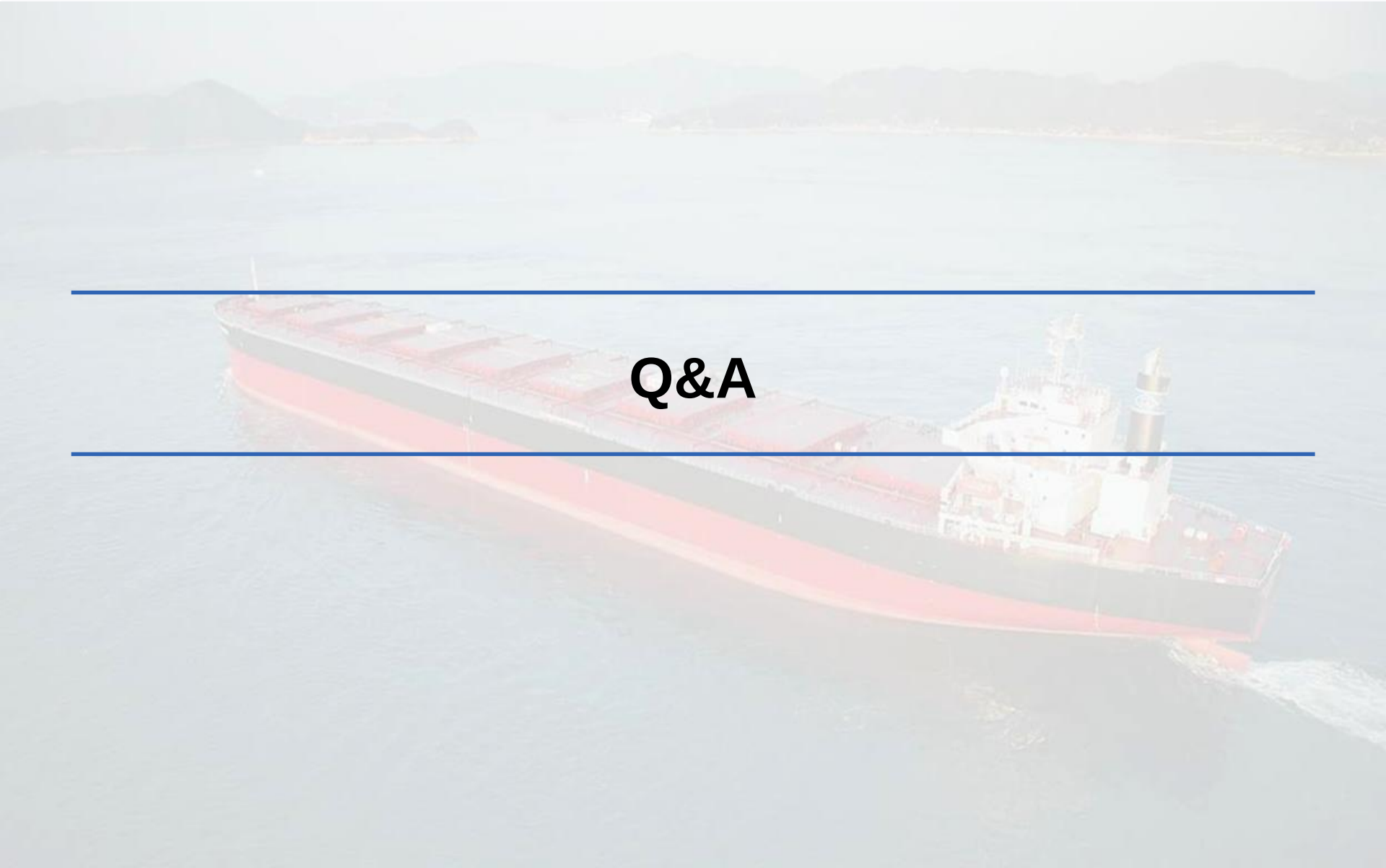
- Newbuilding orderbook as a percentage of the fleet is currently 7.5%
- This is the lowest percentage since 2002

Drybulk Vessel Deliveries vs. Scrapping



- Net fleet growth through 1H 2017 was approximately 2.4%
  - Slippage rate to date remains high and is approximately 35%
  - Scrapping levels have eased due improved sentiment and freight rate environment
- Newbuilding orders in the YTD total 93 compared to 52 during all of 2016
- Approximately 9% of the fleet is greater than or equal to 20 years old on a number of vessels basis
- 20 Capesize vessels have been scrapped in 2017 to date including five greater than 250,000 dwt
  - Currently 48 vessels trading in the drybulk fleet greater than 250,000 dwt with an average age of 24 years old, represents 4% of the Capesize fleet on a deadweight tonnage basis

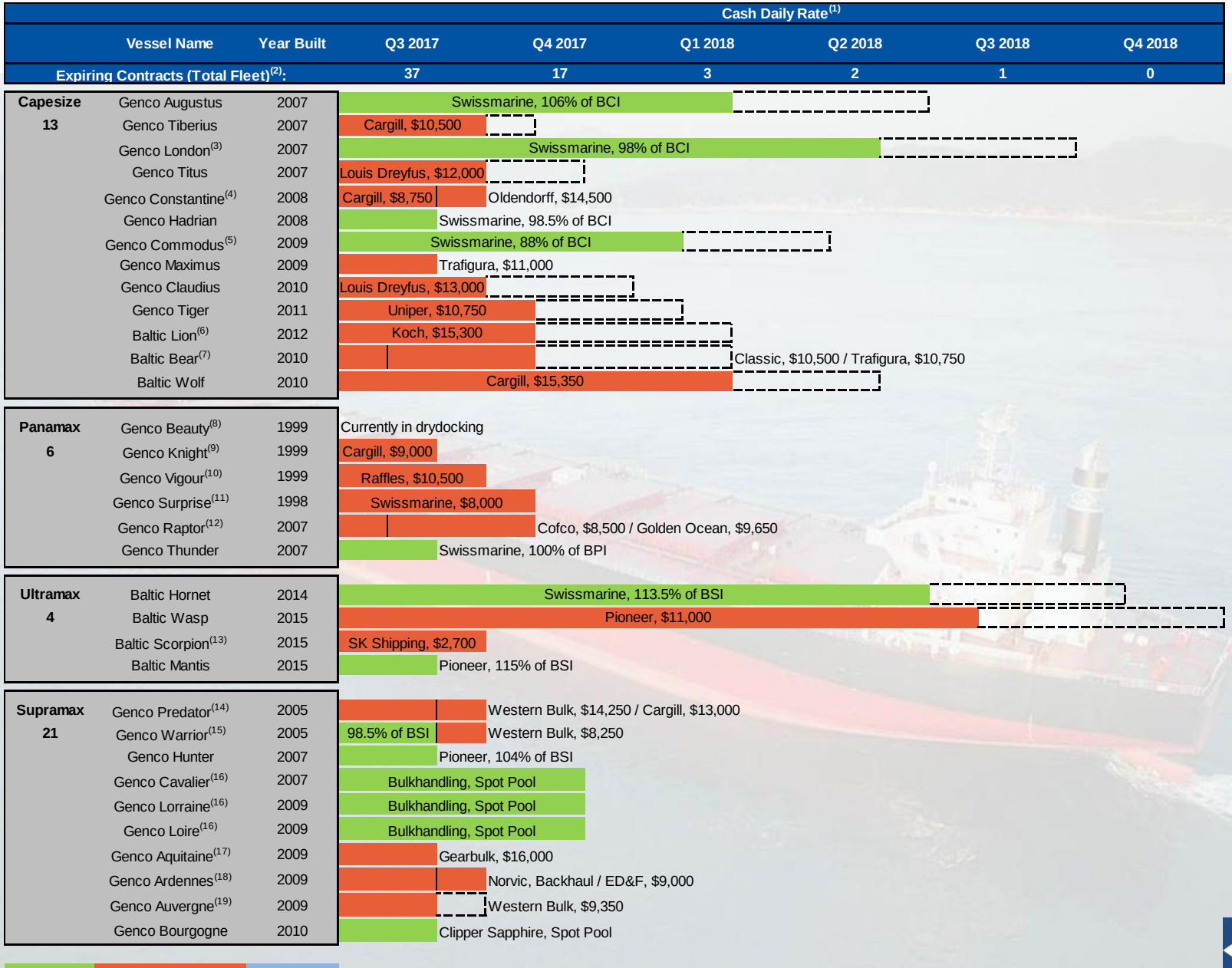
Source: Clarkson Research Services Limited 2017



Q&A

Appendix

Genco Fleet Details



Genco Fleet Details*

	Vessel Name	Year Built	Cash Daily Rate[1] Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018
Expiring Contracts (Total Fleet)[2]:			37	17	3	2	1	0
Supramax 21	Genco Brittany[20]	2010	Clipper, $3,500					
	Genco Languedoc[21]	2010	Oldendorff, $7,900					
	Genco Normandy[16]	2007	Bulkhandling, Spot Pool					
	Genco Picardy[22]	2005	Centurion, $9,000					
	Genco Provence[23]	2004	Eastern Bulk, $11,600 / Cam Negoce, Voyage					
	Genco Pyrenees[24]	2010	Spot Pool	Ultrabulk, $6,000				
	Genco Rhone[25]	2011	Sims Group, Voyage / Marubeni, Voyage					
	Baltic Leopard[16]	2009	Bulkhandling, Spot Pool					
	Baltic Panther[16]	2009	Bulkhandling, Spot Pool					
	Baltic Jaguar[26]	2009	Oldendorff, $3,350 / Cargill, Voyage					
	Baltic Cougar[16]	2009	Bulkhandling, Spot Pool					
Handymax 1	Genco Muse[27]	2001	Centurion, $10,250 / $8,500					
Handysize 15	Genco Progress	1999	Clipper Logger, Spot Pool					
	Genco Explorer[28]	1999	Clipper Logger, Spot Pool / Xianglong, $8,000					
	Baltic Hare	2009	Clipper Logger, Spot Pool					
	Baltic Fox	2010	Clipper Logger, Spot Pool					
	Genco Charger	2005	Clipper Logger, Spot Pool					
	Genco Challenger[29]	2003	Clipper Logger, Spot Pool / Clipper, $5,000 / Sun United, $6,000					
	Genco Champion	2006	Clipper Logger, Spot Pool					
	Baltic Wind[30]	2009	Ultrabulk, $9,000					
	Baltic Cove	2010	Clipper, $5,750					
	Baltic Breeze[31]	2010	Clipper, $8,000					
	Genco Ocean[32]	2010	Thorco, $13,500					
	Genco Bay[33]	2010	Clipper, $8,000					
	Genco Avra	2011	Ultrabulk, 104% of BHSI					
	Genco Mare	2011	Pioneer, 103.5% of BHSI					
	Genco Spirit[34]	2011	Ultrabulk, $8,500					

Spot TC | Fixed Rate TC | Voyage

*Please see next page for footnotes to table.

Footnotes to Genco Fleet Table

(1) Time charter rates presented are the gross daily charterhire rates before third-party brokerage commission generally ranging from 1.25% to 6.25%. In a time charter, the charterer is responsible for voyage expenses such as bunkers, port expenses, agents' fees and canal dues.

(2) The charter expiration dates presented represent the earliest dates that our charters may be terminated in the ordinary course. Under the terms of certain contract, the charterer is entitled to extend the time charter from two to four months in order to complete the vessel's final voyage plus any time the vessel has been off-hire.

(3) We have reached an agreement with Swissmarine Services S.A. on a time charter for 11 to 14.5 months at a rate based on 98% of the Baltic Capesize Index 5TC (BCI), as published by the Baltic Exchange, reflected in daily reports. Hire is paid every 15 days in arrears less a 5.00% third-party brokerage commission. The vessel delivered to charterers on June 19, 2017 after completion of drydocking for scheduled repairs.

(4) We have reached an agreement with Oldendorff GMBH & Co. on a time charter for approximately 45 days at a rate of $14,500 per day. Hire is paid every 15 days in advance less a 5.00% third-party brokerage commission. The vessel is expected to deliver to charterers on or about August 11, 2017.

(5) We have agreed to an extension with Swissmarine Asia Pte. Ltd. on a time charter for 6.5 to 9.5 months at a rate on 88% of the BCI, as published in daily reports. Hire is paid every 15 days in arrears less a 5.00% third-party brokerage commission. The extension began on June 26, 2017.

(6) We have reached an agreement with Koch Shipping Pte. Ltd. on a time charter for 5 to 8.5 months at a rate of $15,300 per day except for the first 50 days in which the hire rate is $10,000 per day. Hire is paid every 15 days in advance less a 5.00% third-party brokerage commission. The vessel delivered to charterers on May 18, 2017.

(7) We have reached an agreement with Trafigura Maritime Logistics Pte. Ltd. on a time charter for 3.5 to 7.5 months at a rate of $10,750 per day. Hire is paid every 15 days in advance less a 5.00% third-party brokerage commission. The vessel delivered to charterers on July 12, 2017.

(8) The vessel redelivered to Genco on June 29, 2017 and is currently in drydocking for scheduled maintenance.

(9) We have reached an agreement with Cargill International S.A. on a time charter trip at a rate of $9,000 per day. Hire is paid every 15 days in advance less a 5.00% third-party brokerage commission. The vessel delivered to charterers on July 2, 2017 after repositioning. A ballast bonus was awarded after the repositioning period. The vessel redelivered to Genco on April 17, 2017 and then completed drydocking for scheduled maintenance.

(10) We have reached an agreement with Raffles Shipping International Pte. Ltd. on a time charter for approximately 55 days at a rate of $10,500 per day. Hire is paid every 15 days in advance less a 5.00% third-party brokerage commission. The vessel delivered to charterers on July 10, 2017 after repositioning. A ballast bonus was awarded after the repositioning period. The vessel redelivered to Genco on May 26, 2017.

(11) We have reached an agreement with Swissmarine Asia Pte., Ltd. on a time charter for 3.5 to 8.5 months at a rate of $8,000 per day. Hire is paid every 15 days in advance less a 5.00% third-party brokerage commission. The vessel delivered to charterers on June 18, 2017.

(12) We have reached an agreement with Golden Ocean Trading Ltd. Bermuda on a time charter for approximately 60 days at a rate of $9,650 per day. Hire is paid every 15 days in advance less a 5.00% third-party brokerage commission. The vessel delivered to charterers on August 4, 2017 after repositioning. The vessel had redelivered to Genco on July 29, 2017.

(13) We have reached an agreement with SK Shipping Co., Ltd. on a time charter for approximately 75 days at a rate of $2,700 per day. If the time charter exceeds 66 days then the hire rate will be $8,500 per day. Hire is paid every 15 days in advance less a 6.25% third-party brokerage commission. The vessel delivered to charterers on June 23, 2017.

(14) We have reached an agreement with Cargill International S.A. on a time charter for approximately 40 days at a rate of $13,000 per day. Hire is paid every 15 days in advance less a 5.00% third-party brokerage commission. The vessel is expected to deliver to charterers on or about August 14, 2017 after repositioning. The vessel redelivered to Genco on August 1, 2017.

(15) We have reached an agreement with Western Bulk Carriers A/S on a time charter for approximately 35 days at a rate of $8,250 per day. Hire is paid every 15 days in advance less a 5.00% third-party brokerage commission. The vessel delivered to charterers on August 1, 2017.

(16) We have reached an agreement to enter these vessels into the Bulkhandling Handymax A/S Pool, a vessel pool trading in the spot market of which Torvald Klaveness acts as the pool manager. Genco can withdraw a vessel with three months' notice.

(17) We have reached an agreement with Gearbulk Pool Ltd., Norway on a time charter for approximately 40 days at a rate of $16,000 per day. Hire is paid every 15 days in advance less a 5.00% third-party brokerage commission. The vessel delivered to charterers on April 29, 2017 after repositioning. The vessel had redelivered to Genco on April 10, 2017.

(18) We have reached an agreement with ED&F Man Shipping Ltd. on a time charter for approximately 25 days at a rate of $9,000 per day. Hire is paid every 15 days in advance less a 5.00% third-party brokerage commission. The vessel is expected to deliver to charterers on or about August 8, 2017.

(19) We have reached an agreement with Western Bulk Pte. Ltd., Singapore on a time charter for 3 to 5.5 months at a rate of $9,350 per day. Hire is paid every 15 days in advance less a 5.00% third-party brokerage commission. The vessel delivered to charterers on March 19, 2017 after repositioning. The vessel had redelivered to Genco on March 16, 2017.

(20) We have reached an agreement with Clipper Bulk Shipping NV on a time charter for approximately 50 days at a rate of $3,500. If the time charter exceeds 50 days then the hire rate will be $7,000 per day. Hire is paid every 15 days in advance less a 3.75% third-party broker commission. The vessel delivered to charterers on June 19, 2017.

(21) We have reached an agreement with Oldendorff Carriers GMBH & Co. on a time charter for 3 to 5.5 months at a rate of $7,900 per day. Hire is paid every 15 days in advance less a 5.00% third-party brokerage commission. The vessel delivered to charterers on June 21, 2017.

(22) We have agreed to an extension with Centurion Bulk Pte. Ltd., Singapore on a time charter at a rate of $9,000 per day. The minimum and maximum expiration dates of the time charter are October 1, 2017 and December 1, 2017, respectively. Hire is paid every 15 days in advance less a 5.00% third-party broker age commission.

(23) We have reached an agreement with Cam Negoce Paris for one voyage for approximately 61 days.

(24) We have reached an agreement with Ultrabulk A/S on a time charter for approximately 25 days at a rate of $6,000 per day. Hire is paid every 15 days in advance less a 5.00% third-party brokerage commission. The vessel is expected to deliver to charterers on or about August 9, 2017.

(25) We have reached an agreement with Marubeni Grain and Oilseeds Trading Asia Pte. Ltd. for one voyage for approximately 35 days.

(26) We have reached an agreement with Cargill Americas Inc. for one voyage for approximately 30 days.

(27) We have agreed to an extension with Centurion Bulk Pte. Ltd. Singapore on a time charter for 2.5 to 5.5 months at a rate of $8,500 per day. Hire is paid every 15 days in advance less a 5.00% third-party brokerage commission. The extension began on July 4, 2017.

(28) We have reached an agreement with Xianglong Shipping Co., Ltd. on a time charter for approximately 20 days at a rate of $8,000 per day. Hire is paid every 15 days in advance less a 5.00% third-party brokerage commission. The vessel delivered to charterers on July 21, 2017.

(29) We have reached an agreement with Sun United Maritime Ltd. on a time charter for approximately 65 days at a rate of $6,000 per day. If the time charter extends beyond 65 days, the hire rate will be $7,500 per day. Hire is paid every 15 days in advance less a 5.00% third-party brokerage commission. The vessel is expected to deliver to charterers on or about August 17, 2017.

(30) We have reached an agreement with Ultrabulk A/S on a time charter for 2.5 to 5.5 months at a rate of $9,000 per day. Hire is paid every 15 days in advance less a 5.00% third-party brokerage commission. The vessel delivered to charterers on April 23, 2017.

(31) We have reached an agreement with Clipper Bulk Shipping on a time charter for 3 to 5.5 months at a rate of $8,000 per day. Hire is paid every 15 days in advance less a 5.00% third-party brokerage commission. The vessel delivered to charterers on March 15, 2017 after repositioning. The vessel had redelivered to Genco on February 21, 2017.

(32) We have reached an agreement with Thorco Bulk A/S on a time charter for approximately 30 days at a rate of $13,500 per day. Hire is paid every 15 days in advance less a 5.00% third-party brokerage commission. The vessel delivered to charterers on July 2, 2017 after repositioning. The vessel had redelivered to Genco on June 19, 2017.

(33) We have reached an agreement with Clipper Bulk Shipping on a time charter for 3 to 5.5 months at a rate of $8,000 per day. Hire is paid every 15 days in advance less a 5.00% third-party brokerage commission. The vessel delivered to charterers on March 28, 2017.

(34) We have reached an agreement with Ultrabulk S.A. on a time charter for 2.5 to 5.5 months at a rate of $8,500 per day. Hire is paid every 15 days in advance less a 5.00% third-party brokerage commission. The vessel delivered to charterers on May 24, 2017.

Q3 2017 Genco Estimated Breakeven Rates (1)

Daily Expenses by Category	Free Cash Flow(2)	Net Income
Direct Vessel Operating(3)	$4,440	$4,440
General and Administrative Expenses(4)	704	965
Technical Management Fees(5)	339	339
Drydocking(6)	580	-
Interest Expense(7)	1,040	1,427
Fixed Debt Repayments(8)	142	-
Depreciation(9)	-	3,347
Daily Expense(10)	**$7,245**	**$10,518**
Number of Vessels(11)	60.00	60.00

The above figures are estimates and are subject to change

(1) Estimated pro-forma daily expenses are presented for illustrative purposes.

(2) Free Cash Flow is defined as net income plus depreciation less capital expenditures, primarily vessel drydockings, plus other non-cash items, namely nonvested stock amortization and deferred financing costs, less fixed debt repayments. However, this does not include any adjustment for accounts payable and accrued expenses incurred in the ordinary course of business. We consider Free Cash Flow to be an important indicator of our ability to service debt and generate cash for acquisitions and other strategic investments.

(3) Direct Vessel Operating Expenses are 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.

(4) General & Administrative Expenses are based on a budget set forth at the beginning of the year and do not include expenses related to financing or refinancing activities. Actual results may vary.

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

(6) Drydocking expenses represent estimated drydocking expenditures for Q3 2017.

(7) Interest expense is based on our debt level as of June 30, 2017 less scheduled fixed debt repayments in Q3 2017 under our current credit facilities and assumes that we exercise our option to PIK 150 bps of the 375 bps margin under our $400 million credit facility. Deferred financing costs and the expense associated to the PIK election under the $400 million credit facility are included in calculating net income interest expense. Interest expense is calculated based on an assumed LIBOR rate under our credit facilities plus the facilities' respective margins.

(8) Genco's fixed debt repayments for Q3 2017 aggregate to $0.8 million under all outstanding credit facilities.

(9) Depreciation is based on cost less estimated residual value and amortization of drydocking costs. Depreciation expense utilizes a residual scrap rate of $310 per LWT.

(10) The amounts shown will vary based on actual results.

(11) Based on a fleet of 60 vessels.