SPYROS CAPRALOS, PRESIDENT & CEO OF STAR BULK CARRIERS CORP. (NASDAQ: SBLK) DISCUSSES THE COMPANY AND THE DRY BULK SECTOR

INTERVIEW WITH CAPITAL LINK SHIPPING

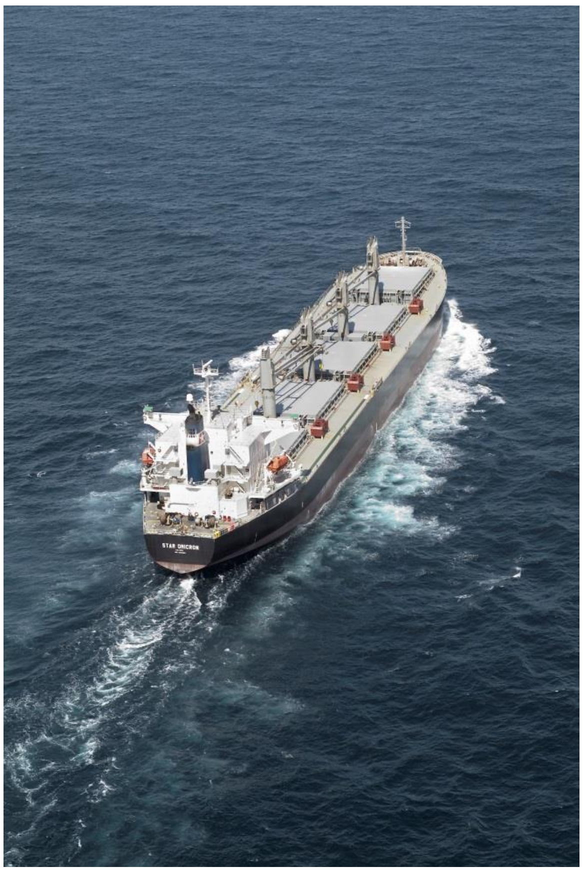
New York, September 5, 2013

Capital Link Shipping: We have with us Spyros Capralos President and Chief Executive Officer of Star Bulk Carriers Corp. Before we begin, Spyros, can you provide us with a brief overview of Star Bulk Carriers?

Spyros Capralos: Star Bulk Carriers is a NASDAQ listed dry bulk shipping company that started as a SPAC and became operational in November 2007 with an initial fleet of eight dry bulk vessels. Our chairman, Mr. Petros Pappas, and our board of directors accumulate close to a century of shipping experience over their careers and have maintained long lasting relationships with high class charterers, banks, brokers and shipping market participants in general. Over the years we've been growing and renewing our fleet and we currently own a fleet of 17 vessels, consisting of ten Supramaxes and seven Capes out of which four vessels are under construction. Additionally we have a wholly owned in-house management company that provides ship management services, not only to our owned fleet but to third party vessels as well.

We recently completed a backstopped equity rights offering which we raised $80 million of gross proceeds. The majority of these funds are being used to finance the 4 fuel efficient newbuilding vessels, the 2 Capes and 2 Ultramaxes.

In terms of other non-core business activities we've been actively increasing our third party vessels management activity, especially during the year. We currently provide full management services to 9 dry bulk vessels and partial management services to 15 product tankers. We intend to expand this business activity going forward and aim to manage more than 35 third party dry bulk vessels by the end of 2015.



Capital Link Shipping: Star Bulk Carriers reported a profit recently for the second quarter 2013, achieved in a very volatile dry bulk market. This was attributed to reduction of operating costs and the success of you own fleet operations as well as the ship management activity. Can you provide more detail on Star Bulk's results?

Spyros Capralos: First of all I believe that our profits were a direct result of a series of strategic decisions to reduce our expenses, decisions which we have taken in the past and are now showing positive effects. We have been implementing a cost optimization strategy for more than 3 years, which has been very successful in my view. Since 2009 our daily operating expenses per vessel have been reduced by approximately 20% from $6,900 per vessel to $5,600 in the first half of 2013, while our average vessel size increased by 12% on a cumulative basis from 92,000 deadweight tons to 103,000 deadweight tons. Our G&A expenses adjusted for non-cash stock based compensation, totaled $2 million during the second quarter of 2013, 2.5% lower than the second quarter of 2012 despite a 10% increase in the average number of employees, an increase which was necessary to support our current managed fleet and its coming growth. Daily cash G&A expenses per owned vessel netted for management fee revenues were reduced by 6% in the second quarter of 2013. Overall our adjusted net income in the first half of 2013 was $2.6 million which I believe is quite encouraging given the low freight environment during the quarter.

Capital Link Shipping: What is you chartering strategy going forward for your current fleet?

Spyros Capralos: In a highly volatile industry like shipping we believe we should have a continuously evolving chartering strategy that adapts to market conditions. Generally, we try to have a balanced exposure to the spot market, however this balance is always changing according to the freight rate environment. Our current strategy mostly focuses on short-term time charter employment because we feel in the current freight rate environment the upside potential is greater than the downside. Nevertheless, our total contracted revenue amounts to approximately $42 million and mainly consists of medium-term charters fixed at above market levels to high quality charters. These charters serve as a hedge as they mitigate our total exposure to the spot markets fluctuations providing visibility to our revenues. We recently fixed one of our Capesize vessels, the Star Aurora, for approximately one year to a major mining company at a charter rate of $17,000 per day. Overall, I believe Star Bulk is well positioned to navigate through a low freight rate environment because of its operational efficiencies and its existing charters, but we are also well positioned to take advantage of a possible market recovery.

Capital Link Shipping: Can you provide more color on your third party vessels?

Spyros Capralos: We definitely aim to increase the size of our managed fleet going forward, as we feel that this is beneficial for the company in various ways. Firstly, it is a way to diversify our revenues as freight rates can be highly volatile. Having a steady revenue stream that is not dependent on the freight market is a good way to reduce the volatility of the company's revenues. Even though these revenues are currently a very small percentage of the total, they provide a form of cushion that will hopefully grow going forward. To put this into perspective, our management fee revenue is expected to be $3.2 million on an annualized basis for the 24 third party vessels we have under management. Secondly, and most importantly, it achieves cost reduction through economies of scale. Our goal is to further optimize our vessel operating expenses as well as our G&A expenses through the management of a larger fleet. I think that everyone understands how a bigger fleet can lead to greater operational efficiency so we will not go into further detail. In terms of expected growth, if it all goes as planned, we will have at least 35 third party vessels under management by the end of 2015, further growing our revenues from this activity.

Capital Link Shipping: Keeping up with the discussion of the managed fleet, it's an interesting story since we don't really hear this from your peers. Will your focus for the foreseeable future remain to manage only dry bulk and product tankers?

Spyros Capralos: Many people have been asking us the same question recently. We provide full management services only to dry bulk vessels. This is logical as we are a dry bulk company and our expertise and know-how is therefore focused on the management of dry bulk vessels. Generally, managing a tanker is very different from managing a bulker and it cannot be done without substantial experience. Nonetheless there are some aspects of ship management that are more or less the same in all vessel types and these are the services we can provide to non-bulk carriers. Specifically the management services we provide to the 15 product tankers involve crewing, purchasing and insurances. And this is why we separate the fully managed dry bulk fleet from the partially managed product tanker fleet. Of course the fact that Oaktree and Mr. Pappas as well as various third party ship owners have entrusted to us the full or partial management of their vessels is in my view a sign of acknowledgement of the high quality and efficient ship management services we provide.

Capital Link Shipping: At the beginning of this interview you mentioned the back-stopped equity rights offering completed in July. You used that backstopped equity rights offering to purchase two Capesize and two ultra-fuel efficient newbuildings. What is your strategy going forward for the owned fleet?

Spyros Capralos: For the 2 Capesizes, we have signed shipbuilding agreements with SWS, a quality yard in China and we expect the vessels to be delivered in October 2015 and January 2016. The installment payments scheduled for the Capes are rather unusual, 30% upon signing and 70% upon delivery.

In return for the heavy down payment we have received a $600,000 discount for each vessel. We have already deposited the 30% down payment for both Capes and have no remaining capital expenditure commitments for these vessels until their deliveries when we will pay about $33.6 million for each vessel.

For the two Ultramax vessels, the company has entered into letters of intent with a first class Japanese shipyard, which are subject to the negotiation and execution of definitive documentation, which we will believe will be completed within this month. The vessels are expected to be delivered within 2015. The installment payment schedule for the 2 Ultramaxes is 10/ 10/ 10/ 70, which means that we will be paying 10% upon signing the ship building contract, 10% on keel laying, 10% upon launching and 70% upon delivery of each vessel.

Therefore we expect that our total capital expenditure commitments for the next two years for both vessels will amount to $5.6 million in 2013 and another $5.6 million in 2014. In 2015 our capital expenditures will shoot up dramatically as we will be getting delivery of 3 of the 4 newbuilding vessels. In 2015 they are expected to amount to $78.4 million and $33.6 million in 2016. As mentioned, the total capital expenditure for all 4 vessels is approximately $151 million. Of course, we aim to seek bank financing for all 4 vessels and we are confident that we can get approximately 60% financing, which is a level we feel comfortable with.

Of the $112 million of total capex commitments in 2015 and 2016, 60% bank financing will cover over $90 million making our equity contribution much more manageable. Taking into account the $80 million proceeds from the rights offering we feel quite comfortable with the funding of the equity contribution of our new-buildings. Overall we believe that this is an opportune time to expand our fleet as new-building prices are at historically low levels while the new "eco" vessels will be more economical in operation especially in terms of fuel consumption and maintenance.

Capital Link Shipping: Turning to the difficult dry bulk market, one of Star Bulk's strengths has been the balance sheet. Can you provide more details on the swap agreement entered into in the second quarter?

Spyros Capralos: During the second quarter of 2013 and while the interest rate forward curve was near historically low levels we entered into a swap agreement in order to partially hedge our forward interest rate exposure. The swap agreement is associated with a credit facility that is linked to our two youngest Capesize vessels and concerns a period from the second half of 2014 up to the second half of 2018. The swap agreement concerns a principal amount of $55.5 million which represents approximately 30% of our current outstanding debt. The interest rate for this facility was fixed at approximately 1.7%, which is approximately half of the last 20 year average Libor. Also keep in mind that this 20 year average includes the last 5 years during which the rates were practically zero.

Capital Link Shipping: Please summarize your debt profile?

Spyros Capralos: Sure, as of today our total debt stands at $194.8 million. Our current cash position stands at $82.3 million and our net debt stands at $112 million. So far this year we've made principal repayments of $29 million, which include a prepayment of $7 million related to the agreements with our lenders in early January 2013 and $9 million of principal repayment relating to the sale of one of our vessels, Star Sigma. Our remaining principal repayment obligation for 2013 stands at $4.5 million, while our scheduled principal repayments for 2014 and 2015 stand at $18 and $28 million respectively. Because most of our loan facilities expire within 2016 our principal repayment obligations for that year appear to be high. However since we intend to extend or refinance these facilities this number does not serve as a realistic approach of the actual net cash that will be used in total principal repayments. Overall we feel comfortable with our current debt level and our principal repayment schedule while the agreements with our lenders in the beginning of the year are a vote of confidence in the company's financial strengths and its future prospects.

Capital Link Shipping: Moving to the industry, is the dry bulk market strength this year a result of the diminishing new tonnage deliveries? Should we expect this upward trend to continue in 2014?

Spyros Capralos: The recent slowdown of newbuilding deliveries has definitely helped the market regain its balance; however this is not the only force at play in this picture. Even though it has slowed down recently, the record high scrapping activity, we have noticed during the last two to three years has played an equally important role in my view. During the last three years, demolition activity of dry bulk carriers amounted to more than 75 million deadweight tons. Slow-steaming has also played an important role. The average speed of the dry bulk fleet has been reduced from 14 knots in 2009 to 11.1 knots in 2012, while other market sources indicate an average speed even below 11 knots. Even though slow-steaming is not a permanent solution to the oversupply of tonnage it effectively reduces the fleet's annual carrying capacity, prevents vessels from being laid up and helps restore the supply demand balance.

Going forward the order book for 2014 stands at approximately 42 million deadweight tons, which is significantly lower than the last 4 years. Just to put this into context, newbuilding deliveries in 2012 amounted to 98 million deadweight tons while the 2012 order book at the end of 2011 stood at 139 million deadweight tons. So you can understand from the numbers, the order book for 2012 looks much more manageable compared to these numbers.

In terms of freight rates we don't really try to predict the future. Surely supply is expected to come down to a more sustainable level and demand seems to be healthy. Nonetheless there can always be unexpected events with unpredictable repercussions like major bankruptcies or wars that can change the supply demand balance in a decisive way. This is after all within the nature of the global shipping business.

Our strategy is to optimize our operation and financial performance by increasing our efficiency and try to grow our fleet while asset values are low so as to limit the downside as much as possible. I believe that a company with these characteristics will be able to withstand practically any market downturn and yield attractive returns in the long run.

Capital Link Shipping: One last question, before we let you go. Can you tell us Star Bulk's competitive advantages and future goals?

Spyros Capralos: Star Bulk is a completely different company following the successful equity raise of $80 million this quarter. Not only has its market capitalization grown to over $170 million to date, as compared to about $30 million prior to the offering, but the company has also implemented a growth strategy by ordering 4 newbuilding vessels and assumed the management of additional third party vessels. A sustained focus on our in-house management has led to a meaningful increase in our efficiency and transparency. A consistent decrease in operating costs and lastly an increase in our revenues going forward due to the management of third party vessels. We have an experienced and dedicated management team, a moderately leveraged balance sheet and a healthy liquidity profile compared to the industry.

We have secured lender support for our strategy and we now have $82 million of cash. In addition to our quality, modern fleet, Star Bulk also has a diverse group of quality charters with long lasting relationships. Last but not least the 4 fuel efficient newbuildings that are being financed through the $80 million we raised in July place Star Bulk in an advantageous position in terms of our fleet's competitiveness. Not only will these vessels be performing better than the vast majority of their peers but they will do so in an environmentally friendly manner. We believe Star Bulk has a good set of characteristics that place the company among the most promising in the dry bulk industry. Moving forward we remain focused on further optimizing operating costs and implementing a quality of objectives to the benefit of both our own fleet and our management fleet and of course our shareholders. As always we continued to pursue opportunities to grow our fleet and our company and enhance shareholder value. Star Bulk is not only positioned to navigate safely through the current challenging environment but also to expand its operations further through vessel acquisitions at low levels and at the same time through active growth in third party fleet management. Thank you very much.

Capital Link Shipping: Spyros Capralos, President and Chief Executive Officer of Star Bulk Carriers Corp. Mr. Capralos thank you for joining us and I hope to have you with us again soon.

Spyros Capralos: Absolutely, thank you very much.

About Star Bulk

Star Bulk is a global shipping company providing worldwide seaborne transportation solutions in the dry bulk sector. Star Bulk's vessels transport major bulks, which include iron ore, coal and grain and minor bulks which include bauxite, fertilizers and steel products. Star Bulk was incorporated in the Marshall Islands on December 13, 2006 and maintains executive offices in Athens, Greece. Its common stock trades on the Nasdaq Global Market under the symbol "SBLK". Currently, Star Bulk has an operating fleet of thirteen dry bulk carriers. The total fleet consists of five Capesize and eight Supramax dry bulk vessels with a combined cargo carrying capacity of 1,290,602 deadweight tons. The average age of our current operating fleet is approximately 10.6 years. Additionally, we have six third party dry bulk vessels under our management, two Capesize, two Supramax and two Panamax vessels and we have been sub-contracted for certain management services, including crewing, purchasing and insurances, for seven product tankers. The total combined cargo carrying capacity of these vessels amounts to 934,321 deadweight tons. We have also entered into agreements for the construction of two 180,000 deadweight ton, fuel efficient, Capesize dry bulk vessels to be delivered in Q4 2015 and Q1 2016, respectively, and letters of intent for the construction of two 60,000 deadweight ton, fuel efficient, Ultramax dry bulk vessels to be delivered in 2015.

Year to Date Stock Performance of Star Bulk Carriers vs the Capital Link Dry Bulk Index (as of September 10, 2013)

Source: Bloomberg