# Genco Shipping & Trading Limited


## Q1 2013 Earnings Call
## May 2, 2013

# 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 presentation are the following: (i) declines in demand or rates in the drybulk shipping industry; (ii) prolonged weakness in drybulk 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 time 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 Company’s ability to obtain modifications or alternatives to its financing arrangements on acceptable terms; 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, 2012 and its reports on Form 10-Q and Form 8-K. 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

- First Quarter and Year to Date 2013 Highlights
- Financial Overview
- Industry Overview


# First Quarter 2013 and Year to Date Highlights

# First Quarter 2013 and Year to Date Highlights

- Net loss attributable to Genco Shipping & Trading Limited of $48.2 million for the first quarter of 2013
  - Basic and diluted loss per share of $1.12
- Cash position of $65.2 million on a consolidated basis
  - Genco Shipping & Trading Limited: $64.2 million
  - Baltic Trading Limited: $1.0 million
- Maintained short time charter strategy by fixing vessels on spot market-related time charters with the option to convert to a fixed rate and on short-term charters

# 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 | 169,694 |
| Genco Commodus | 2009 | 169,025 |
| Genco Maximus | 2009 | 169,025 |
| Genco Claudius | 2010 | 169,025 |
| **Panamax** | | |
| Genco Beauty | 1999 | 73,941 |
| Genco Knight | 1999 | 73,941 |
| Genco Vigour | 1999 | 73,941 |
| Genco Leader | 1999 | 73,941 |
| Genco Acheron | 1999 | 72,495 |
| Genco Surprise | 1998 | 72,495 |
| Genco Thunder | 2007 | 76,588 |
| Genco Raptor | 2007 | 76,499 |
| **Supramax** | | |
| Genco Predator | 2005 | 55,407 |
| Genco Warrior | 2005 | 55,435 |
| Genco Hunter | 2007 | 58,729 |
| Genco Cavalier | 2007 | 53,617 |
| Genco Aquitaine | 2009 | 57,981 |
| Genco Ardennes | 2009 | 57,981 |
| Genco Auvergne | 2009 | 57,981 |
| Genco Bourgogne | 2010 | 57,981 |
| Genco Brittany | 2010 | 57,981 |
| Genco Languedoc | 2010 | 57,981 |
| Genco Loire | 2009 | 53,416 |
| Genco Lorraine | 2009 | 53,416 |
| Genco Normandy | 2007 | 53,596 |
| Genco Picardy | 2005 | 55,257 |
| Genco Provence | 2004 | 55,317 |
| Genco Pyrenees | 2010 | 57,981 |
| Genco Rhone | 2011 | 58,018 |

| Vessel Name | Year Built | Dwt |
|---|---|---|
| **Handymax** | | |
| Genco Muse | 2001 | 48,913 |
| Genco Marine | 1996 | 45,222 |
| Genco Wisdom | 1997 | 47,180 |
| Genco Carrier | 1998 | 47,180 |
| Genco Success | 1997 | 47,186 |
| Genco Prosperity | 1997 | 47,180 |
| **Handysize** | | |
| Genco Explorer | 1999 | 29,952 |
| Genco Pioneer | 1999 | 29,952 |
| Genco Progress | 1999 | 29,952 |
| Genco Reliance | 1999 | 29,952 |
| Genco Sugar | 1998 | 29,952 |
| Genco Charger | 2005 | 28,398 |
| Genco Challenger | 2003 | 28,428 |
| Genco Champion | 2006 | 28,445 |
| 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 |

- Modern, diversified fleet
  - 9 Capesize
  - 8 Panamax
  - 17 Supramax
  - 6 Handymax
  - 13 Handysize
- Total capacity of approximately 3,810,000 DWT

Tables exclude vessels owned by Baltic Trading Limited

# Financial Overview

# First Quarter Earnings - Consolidated

| | Three Months Ended March 31, 2013 | Three Months Ended March 31, 2012 |
|---|---|---|
| | (Dollars in thousands, except share and per share data) (unaudited) | |
| **INCOME STATEMENT DATA:** | | |
| Revenues: | | |
| Voyage revenues | $ 39,676 | $ 59,025 |
| Service revenues | 810 | 819 |
| Total revenues | 40,486 | 59,844 |
| Operating expenses: | | |
| Voyage expenses | 1,272 | 1,410 |
| Vessel operating expenses | 27,119 | 27,834 |
| General, administrative and management fees | 8,191 | 8,696 |
| Depreciation and amortization | 34,378 | 34,425 |
| Total operating expenses | 70,960 | 72,365 |
| Operating loss | (30,474) | (12,521) |
| Other income (expense): | | |
| Other income (expense) | 19 | (16) |
| Interest income | 18 | 155 |
| Interest expense | (21,289) | (23,730) |
| Other expense | (21,252) | (23,591) |
| Loss before income taxes | (51,726) | (36,112) |
| Income tax expense | (224) | (271) |
| Net loss | (51,950) | (36,383) |
| Less: Net loss attributable to noncontrolling interest | (3,787) | (3,312) |
| Net loss attributable to Genco Shipping & Trading Limited | $ (48,163) | $ (33,071) |
| Net loss per share - basic | $ (1.12) | $ (0.87) |
| Net loss per share - diluted(1) | $ (1.12) | $ (0.87) |
| Weighted average common shares outstanding - basic | 43,161,510 | 38,090,590 |
| Weighted average common shares outstanding - diluted(1) | 43,161,510 | 38,090,590 |

1) The convertible notes were anti-dilutive for the quarter ended March 31, 2013 and March 31, 2012.

# Consolidating Income Statement

| INCOME STATEMENT DATA: | Genco | Baltic Trading | Elimination | Non Controlling Interest | Total |
|---|---|---|---|---|---|
| | Three Months Ended March 31, 2013 (Dollars in thousands, except share and per share data) (unaudited) | | | | |
| Revenues: | | | | | |
| Voyage revenues | $ 33,690 | $ 5,986 | $ - | $ - | $ 39,676 |
| Service revenues | 1,491 | - | (681) | - | 810 |
| Total revenues | 35,181 | 5,986 | (681) | - | 40,486 |
| Operating expenses: | | | | | |
| Voyage expenses | 690 | 655 | (73) | - | 1,272 |
| Vessel operating expenses | 23,255 | 3,864 | - | - | 27,119 |
| General, administrative and technical management fees | 6,900 | 1,899 | (608) | - | 8,191 |
| Depreciation and amortization | 30,773 | 3,643 | (38) | - | 34,378 |
| Total operating expenses | 61,618 | 10,061 | (719) | - | 70,960 |
| Operating loss | (26,437) | (4,075) | 38 | - | (30,474) |
| Other (expense) income: | | | | | |
| Other income (expense) | 69 | 7 | (57) | - | 19 |
| Interest income | 17 | 1 | - | - | 18 |
| Interest expense | (20,273) | (1,016) | - | - | (21,289) |
| Other expense | (20,187) | (1,008) | (57) | - | (21,252) |
| Loss before income taxes | (46,624) | (5,083) | (19) | - | (51,726) |
| Income tax expense | (224) | - | - | - | (224) |
| Net loss | (46,848) | (5,083) | (19) | - | (51,950) |
| Less: Net loss attributable to noncontrolling interest | - | - | - | 3,787 | 3,787 |
| Net loss attributable to Genco Shipping & Trading Limited | $ (46,848) | $ (5,083) | $ (19) | $ 3,787 | $ (48,163) |
| Net loss per share - basic | | | | | $ (1.12) |
| Net loss per share - diluted (1) | | | | | $ (1.12) |
| Weighted average common shares outstanding - basic | | | | | 43,161,510 |
| Weighted average common shares outstanding - diluted (1) | | | | | 43,161,510 |

1) The convertible notes were anti-dilutive for the quarter ended March 31, 2013.

# March 31, 2013 Balance Sheet - Consolidated

| | March 31, 2013 | December 31, 2012 |
|---|---|---|
| | (Dollars in thousands) (unaudited) | |
| **BALANCE SHEET DATA:** | | |
| Cash (including restricted cash) | $ 65,199 | $ 82,750 |
| Current assets | 97,367 | 102,460 |
| Total assets | 2,803,190 | 2,843,371 |
| Current liabilities | 1,476,774 | 25,680 |
| Total long-term debt | 101,250 | 1,524,357 |
| Shareholders' equity (including $191.4 million and $194.9 million of non-controlling interest at March 31, 2013 and December 31, 2012, respectively) | 1,222,222 | 1,261,207 |

| | Three Months Ended March 31, 2013 | March 31, 2012 |
|---|---|---|
| | (Dollars in thousands) (unaudited) | |
| **OTHER FINANCIAL DATA:** | | |
| Net cash used in operating activities | $ (17,366) | $ (7,969) |
| Net cash used in investing activities | (13) | (1,547) |
| Net cash (used in) provided by financing activities | (172) | 28,231 |
| **EBITDA Reconciliation:** | (unaudited) | |
| **Net Loss attributable to Genco Shipping & Trading Limited** | $ (48,163) | $ (33,071) |
| + Net interest expense | 21,271 | 23,575 |
| + Income tax expense | 224 | 271 |
| + Depreciation and amortization | 34,378 | 34,425 |
| **EBITDA**(1) | $ 7,710 | $ 25,200 |

(1) EBITDA represents net (loss) income attributable to Genco Shipping & Trading Limited 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 consolidating internal financial statements, and it is presented for review at our board meetings. The Company believes 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 the Company's performance prior to these costs. 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. The foregoing definition of EBITDA differs from the definition of Consolidated EBITDA used in the financial covenants of our 2007 Credit Facility, our $253 Million Term Loan Credit Facility, and $100 Million Term Loan Credit Facility. Specifically, Consolidated EBITDA substitutes gross interest expense (which includes, amortization of deferred financing costs) for net interest expense used in our definition of EBITDA, includes adjustments for restricted stock amortization and non-cash charges for deferred financing costs related to the refinancing of other credit facilities or any non-cash losses from our investment in Jinhui, and excludes extraordinary gains or losses and gains or losses from derivative instruments used for hedging purposes or sales of assets other than inventory sold in the ordinary course of business.

# First Quarter Highlights - Consolidated

| | Three Months Ended March 31, 2013 | Three Months Ended March 31, 2012 |
|---|---|---|
| | (unaudited) | |
| **FLEET DATA:** | | |
| Total number of vessels at end of period | 62 | 62 |
| Average number of vessels (1) | 62.0 | 62.0 |
| Total ownership days for fleet (2) | 5,580 | 5,642 |
| Total available days for fleet (3) | 5,515 | 5,497 |
| Total operating days for fleet (4) | 5,476 | 5,458 |
| Fleet utilization (5) | 99.3% | 99.3% |
| **AVERAGE DAILY RESULTS:** | | |
| Time charter equivalent (6) | $ 6,963 | $ 10,480 |
| Daily vessel operating expenses per vessel (7) | 4,860 | 4,933 |

(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.

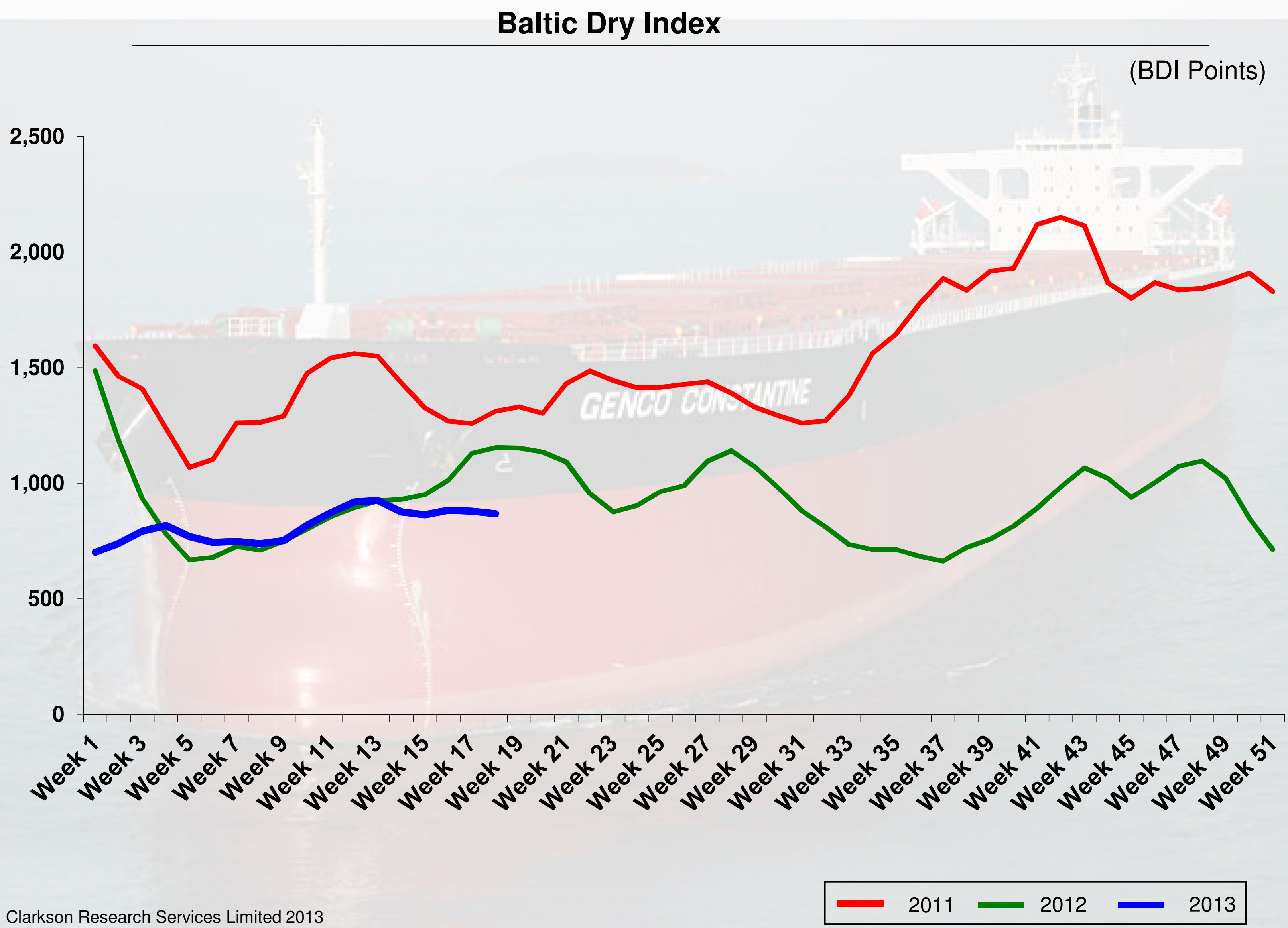
# Q2 2013 Estimated Daily Expenses (1)

| Daily Expenses by Category | Free Cash Flow[2] Genco Standalone | Net Income Consolidated |
|---|---|---|
| Direct Vessel Operating[3] | $5,250 | $5,275 |
| General, Administrative and Management Fees[4] | 1,346 | 1,484 |
| Dry Docking[5] | 166 | - |
| Interest Expense[6] | 3,670 | 3,846 |
| Depreciation[7] | - | 6,168 |
| Debt Amortization/Principal[8] | - | - |
| **Daily Expense[9]** | **$10,432** | **$16,773** |
| Average Number of Vessels[10] | 53.00 | 62.00 |

(1) Estimated consolidated income statement expenses are provided on a consolidated basis to include expenses associated with the operation of Baltic Trading Limited's vessels. The free cash flow daily expense is for Genco's fleet only and does not include Baltic Trading's vessels.
(2) Free Cash Flow is defined as net income plus depreciation less capital expenditures, primarily vessel dry dockings, and other non-cash items, namely restricted stock compensation, deferred financing charges, and capitalized interest expenses. However, 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. See the Appendix for a reconciliation of these estimated Free Cash Flow amounts (Genco Standalone) to the estimated consolidated income statement.
(3) 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.
(4) General & Administrative amounts, which include incentive compensation are based on a budget and may vary. Management Fees are based on the contracted monthly rate per vessel for the technical management of our fleet and all fees paid by Baltic Trading to Genco have been eliminated.
(5) Dry Docking represents estimated dry docking expenditures for Q2 2013.
(6) Interest Expense is based on our debt level as of March 31, 2013 of $1,055.9 million outstanding for the 2007 Credit Facility, $256.3 million outstanding from our $100 Million and $253 Million Term Loan Facilities , $101.3 million for Baltic Trading Limited's facility, and our $125 million convertible notes. Also included are unused commitment fees and amortization of deferred financing costs. Of the outstanding amount, $306.2 million is calculated on our weighted average fixed swap rate of approximately 3.48% plus 4.00% margin and the remainder is calculated based on an assumed LIBOR rate under our current credit facilities plus 4.00% margin for the 2007 Credit Facility, 3.00% for the $100 Million and $253 Million Term Loan Facilities and 3.00% for the Baltic Trading facility. Deferred financing costs are taken into account in net income.
(7) Depreciation is based on the acquisition value of the current fleet, including the vessels to be acquired and amortization of dry docking costs. Depreciation expense utilizes a residual scrap rate of $245 per LWT.
(8) Under the terms of the recent credit facility amendments, Genco's scheduled amortization payments have been eliminated through and including the quarter ending December 31, 2013.
(9) The amounts shown will vary based on actual results.
(10) Average number of vessels reflects Genco's 53.00 vessels for free cash flow plus Baltic Trading's average number of vessels of 9.00 for the consolidated income statement for Q2 2013.


# Industry Overview

# Drybulk Index




Source: Clarkson Research Services Limited 2013

# Recent Drybulk Market Developments

- Vessel deliveries have slowed considerably after peaking in June 2012[1]
  - Deliveries in the first three months of 2013 were 30% lower than the prior year period
- Net additions in the first quarter of 2013 were 37% lower than the same quarter of last year[1]
  - 14 net additions of Capesize vessels in the first quarter of 2013 versus 56 net additions in the first quarter of 2012
- Capesize scrapping has increased by nearly 50% through Q1 2013 compared to the prior year period[1]
  - Remaining sectors scrapping has been moderate as outlook improves
- Slippage was approximately 36% of the orderbook during the first quarter of 2013[1]
- Chinese coal imports rose 30% in the first quarter of 2013 YOY[2]
- China's Daqin Railway is currently undergoing scheduled maintenance leading to drawn down coal port stockpiles[2]
  - Approximately 5 to 7 Mt of domestic coal won't be railed and instead could be imported
- Activity for Panamax and Supramax vessels has been supported by South American grain season[1]
- Chinese steel stockpiles have declined for five consecutive weeks after reaching a high at the end of March[2]
  - Chinese steel production increased by 9.1% in Q1 2013 YOY[3]
- Chinese iron ore inventories have decreased to 67.6 Mt, trading at their lowest levels since April 2010[2]
- Iron ore prices peaked at $159 per ton this year and have since retreated to $134 per ton[4]
- Bank of Japan plans to inject $1.4 trillion into the Japanese economy over the next two years[5]

1) Source: Clarkson Research Services Limited 2013
2) Source: Commodore Research
3) Source: World Steel Association
4) Source: ICAP Shipping
5) Source: Reuters

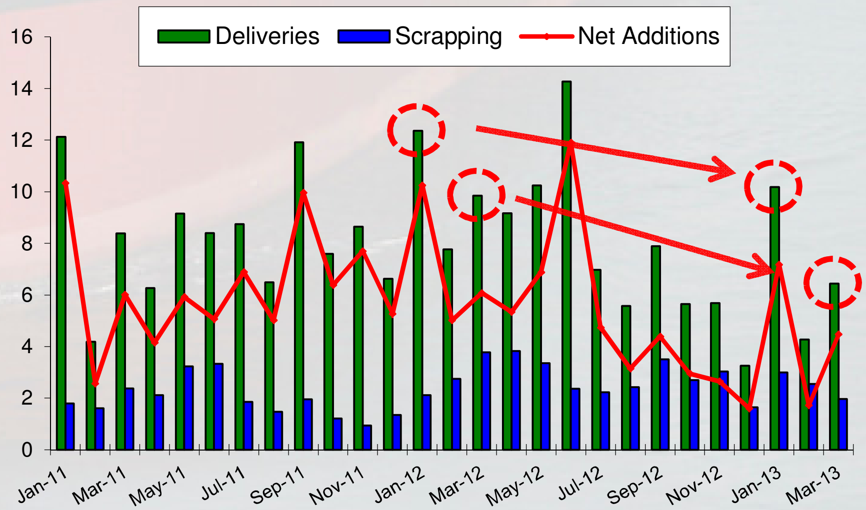
# Short and Long-Term Industry Catalysts

- Higher Brazil iron ore cargoes possible in 2H 2013 following previous years seasonality[1]
- Low iron ore inventories combined with increased steel production could lead to higher ore imports
- Construction on Chinese stimulus projects likely to support steel production[2]
- Volume and port capacity expansion as iron ore and coal miners increase production over the next few years
- Increased demand of imported ore against Chinese domestic ore possible due to price arbitrage
  - Also in order to offset lower grade domestic ore[2]
- Chinese banks increased lending by 12% in Q1 2013 YOY[2]
- Japan's latest stimulus plan could trigger domestic construction activity
- Additional scrapping potential due to a combination of volatile charter rates and stable scrap steel prices
- Slippage of newbuilding vessel deliveries as financing concerns continue

**Scheduled vs. Actual Drybulk Vessel Deliveries[3]**

| | FY 2012 (mdwt) | Q1 2012 (mdwt) | Q1 2013 (mdwt) |
|---|---|---|---|
| Actual Deliveries | 98.7 | 30.0 | 20.9 |
| Scrapping | 33.7 | 8.6 | 7.5 |
| **Net Additions** | **65.0** | **21.4** | **13.4** |
| Scheduled Deliveries for Period | 138.9 | 45.6 | 32.7 |
| **Slippage Percentage** | **29%** | **34%** | **36%** |

**Drybulk Vessel Deliveries vs. Scrapping[3]**

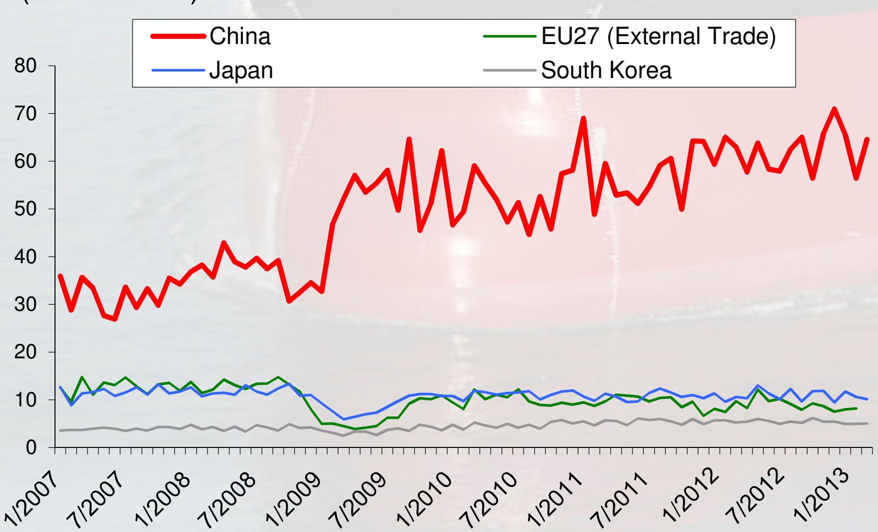



1) Source: RS Platou
2) Source: Commodore Research
3) Source: Clarkson Research Services Limited 2013

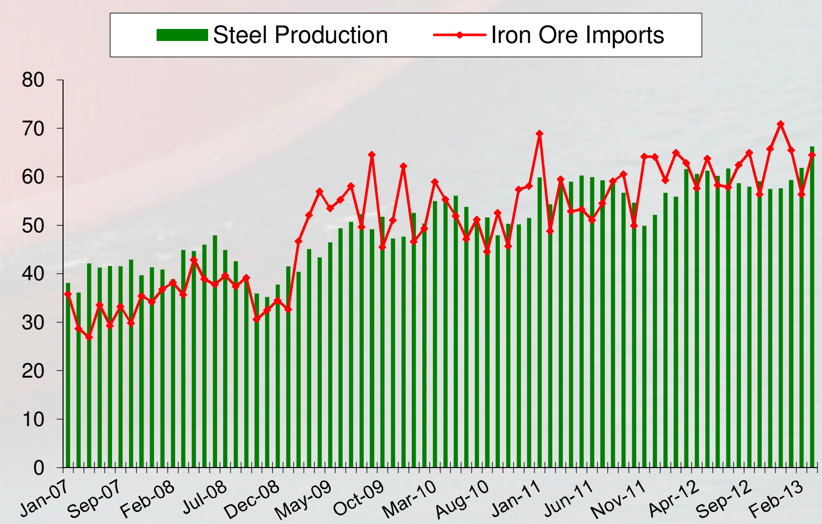
# Steel Demand Still Drives the Market

- Robust steel production in China, Japan and India pushed global steel production to a record setting 135 Mt in March 2013[1]
- India's steel demand is projected to grow by 5.9% in 2013 and 7.0% in 2014[2]
  - India produced a high of 6.9 Mt of steel in March 2013
  - India plans to increase steel capacity to 130 Mt by 2014/15 from 70 Mt currently[3]
- Total seaborne iron ore and coal trade are estimated to grow by 6% and 5% YOY in 2013, respectively[4]
- China's fixed-asset investment rose 20.9% in Q1 2013 YOY[5]
  - China's urbanization rate is expected to grow to 60% by 2020 as compared to 51% today and 80% for most developed nations[6]
- NDRC announced that 42 new transport hubs will be built by the end of 2015[1]
- China remains focused on revitalizing the northeast as the NDRC said more funding will be provided to aging cities[1]

**Iron Ore Imports by Country[4]**




**Chinese Iron Ore Imports vs. Steel Production[2][4]**

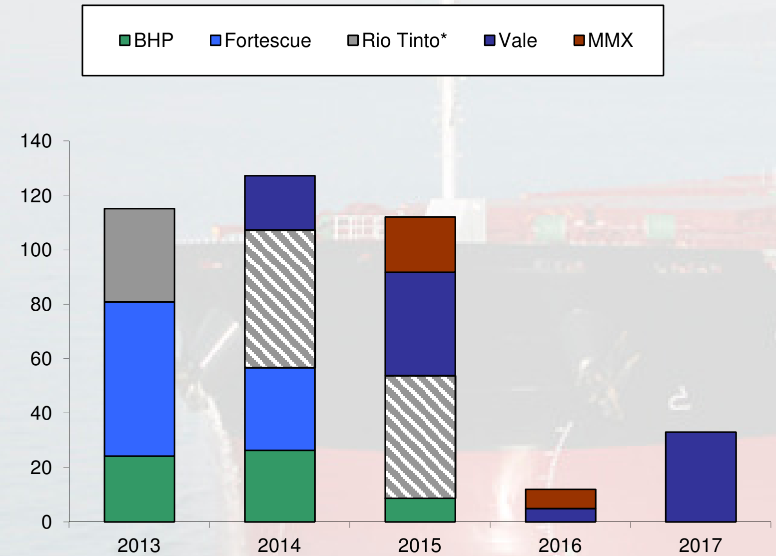



1) Source: Commodore Research
2) Source: World Steel Association
3) Source: Reuters
4) Source: Clarkson Research Services Limited 2013
5) Source: National Bureau of Statistics
6) Source: J.P. Morgan, Hands-On China Report

# Increasing Iron Ore and Coal Production are Major Factors

**Key Expansion Plans[1]**

(million tons)




* Rio Tinto's expansion to a capacity of 290 Mt/a is fully approved and scheduled for 2H-13. Iron ore production is forecast to increase to 265 Mt in 2013. Rio Tinto's port and rail expansion has been approved for 2014 and 2015, however, additional mine approvals are still pending.

- Key iron ore expansion plans equal increased capacity of 400 Mt by 2017[1]
  - 400 Mt represents 36.0% of total 2012 seaborne iron ore trade
  - 115 Mt represents 10.4% of total 2012 seaborne iron ore trade planned for 2013
- Australian iron ore and coal exports are forecast to increase by 14% and 10% in 2013, respectively[2]
- More of China's imports could be sourced from Australia in 2013[3]
  - Fortescue and Rio Tinto expect robust iron ore output growth
  - Grades of Chinese domestic iron ore are declining
  - Indian export availability is limited
  - Brazilian export growth is expected to be marginal in 2013
- Additional supply of iron ore could lead to a further decrease in iron ore prices and a potential displacement of Chinese domestic ore
- ICAP Shipping forecasts Indian thermal coal imports to grow by approximately 11% per year through 2015[4]
- India's coal demand is projected to rise by approximately 370 Mt by the end of the fiscal year 2016/17[5]
  - India's coal demand was approximately 730 Mt in the fiscal year 2011/12 with about 100 Mt supplied through imports
  - Forecasts are for demand to rise to 1,100 Mt by 2016/17
  - Not all of this potential added demand will be met by domestic production leaving a possible gap for imports

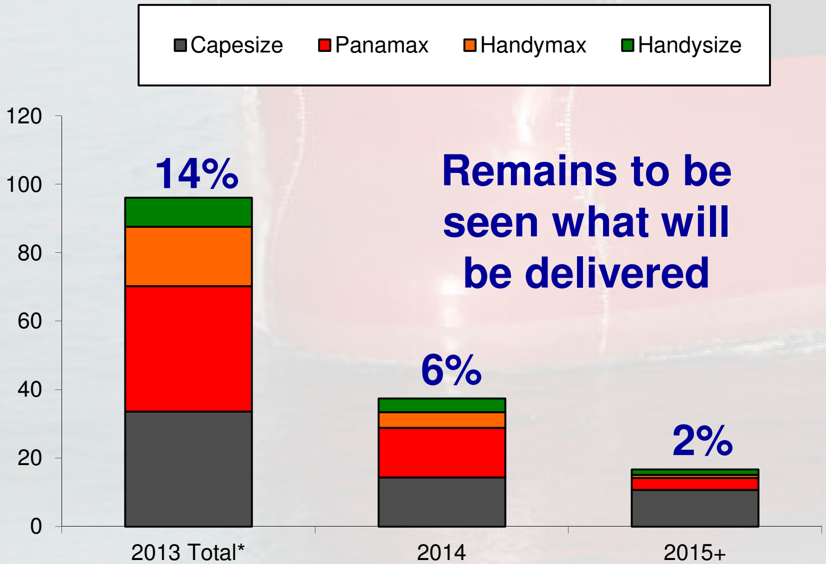
1) Source: Public statements by subject companies
2) Source: Australia's Bureau of Resources and Energy Economics
3) Source: Clarkson Research Services Limited 2013
4) Source: ICAP Shipping
5) Source: Reuters

# Supply Side Fundamentals

- Slippage of newbuilding vessel deliveries as financing concerns continue
- 15% of the fleet is 20 years old or greater while 11% of the fleet is 25 years old or greater[(1)]
  - Represents approximately 1,450 vessels that could get scrapped going forward
- 33.7 mdwt scrapped in 2012 and 9.0 mdwt scrapping in 2013 YTD[(1)]
- Average monthly net additions in Q1 2013 were 42 vessels compared to 67 in Q1 2012[(1)]
- 16 of the 23 Capesize vessels scrapped YTD were built in the 1990s[(1)]
  - Capesize vessels built in 1995 or earlier total 14% of the Capesize fleet
- Capesize orderbook currently stands at 48.9 mdwt while Capesize vessels greater than 20 years old total 23.5 mdwt[(1)]

**Drybulk Vessel Orderbook by Type[(1)]**

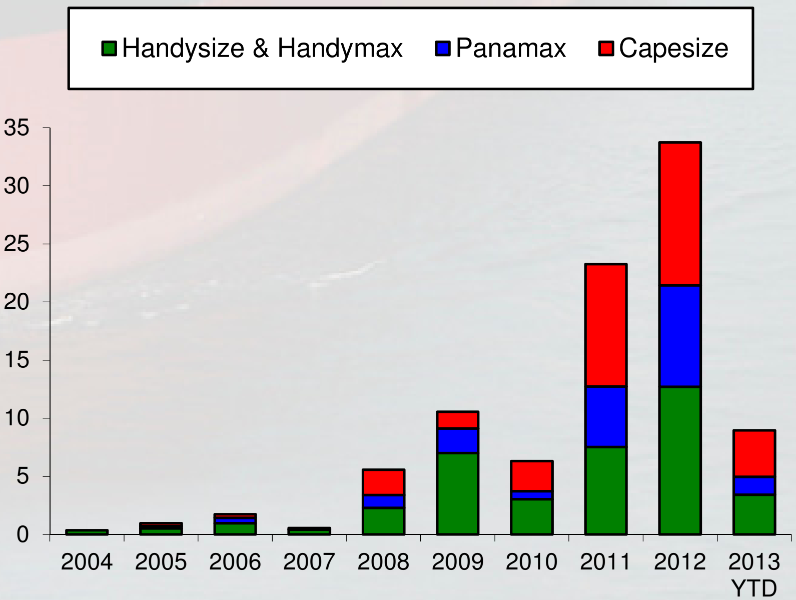
(million dwt)




* Total includes actual 2013 deliveries to date as well as scheduled deliveries for the remainder of the year.

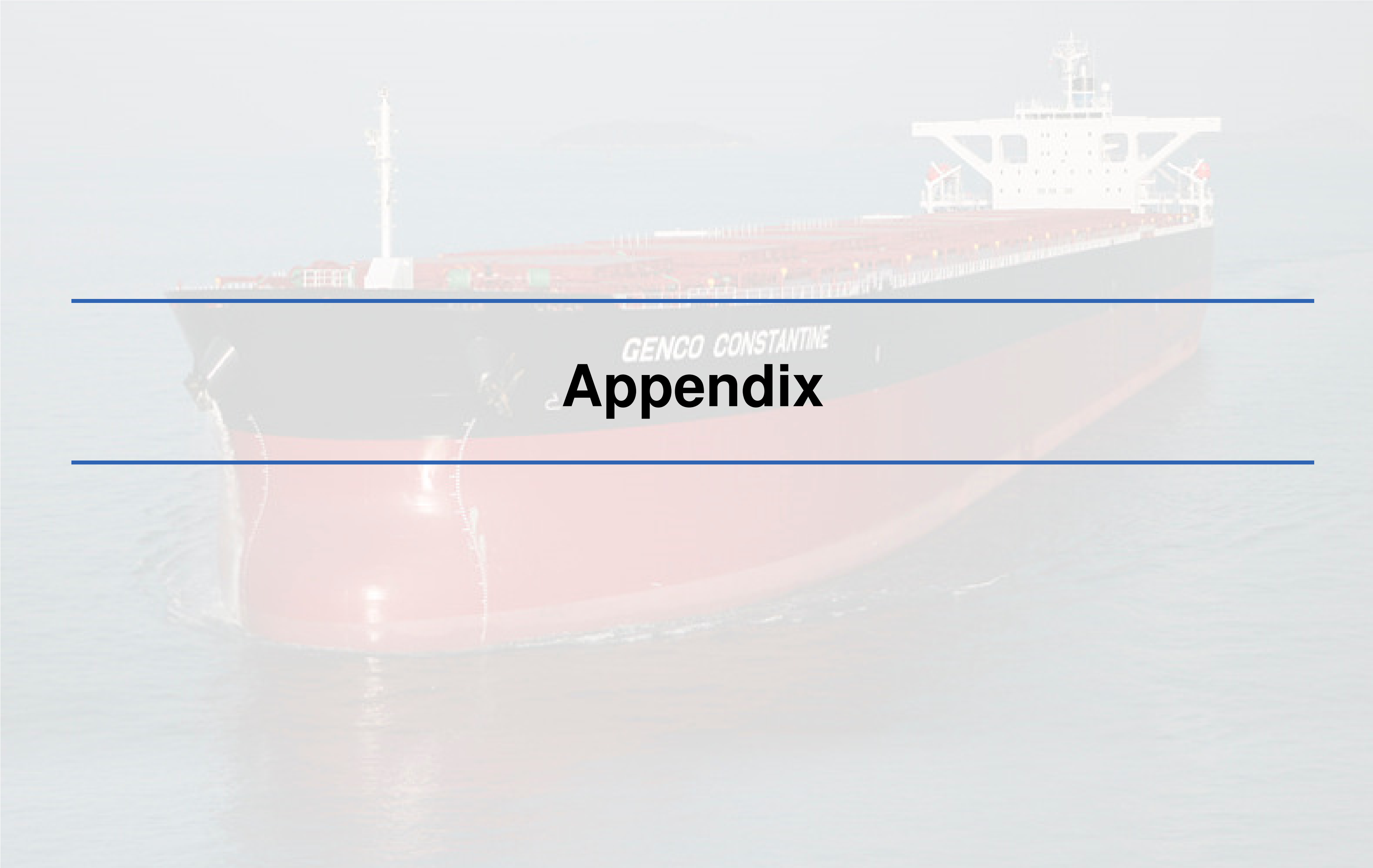
**Drybulk Vessel Scrapping by Type[(1)]**

(million dwt)




1) Source: Clarkson Research Services Limited 2013


# Q&A




# Appendix

# Q2 2013 Estimated Daily Expenses Reconciliation(1)

| | Consolidated Income Statement | Less Baltic Trading(2) | Elimination(3) | Genco Cash/Non-Cash Adj.(4) | Free Cash Flow(5) |
|---|---|---|---|---|---|
| **Annual Expenses by Category** | | | | | |
| **Direct Vessel Operating Expenses(6)** | $ 29,759,730 | $ (4,438,980) | $ - | $ - | $ 25,320,750 |
| **General, Administrative and Management Fees(7)** | 8,373,576 | (1,729,209) | 614,250 | (768,049) | 6,490,569 |
| **Dry Docking(8)** | - | - | - | 800,000 | 800,000 |
| **Interest Expense(9)** | 21,700,088 | (1,051,290) | - | (2,948,324) | 17,700,475 |
| **Depreciation(10)** | 34,797,622 | (3,681,566) | 38,904 | (31,154,961) | - |
| **Debt Amortization(11)** | - | - | - | - | - |
| **Totals** | **$ 94,631,017** | **$ (10,901,044)** | **$ 653,154** | **$ (34,071,334)** | **$ 50,311,793** |
| **Ownership Days** | 5,642 | 819 | - | - | 4,823 |
| **Days in Quarter** | 91 | 91 | 91 | 91 | 91 |
| **Average Number of Vessels(12)** | **62.00** | **9.00** | **-** | **-** | **53.00** |
| **Daily Expenses by Category** | | | | | |
| **Direct Vessel Operating Expenses** | $ 5,275 | | | | $ 5,250 |
| **General, Administrative and Management Fees** | 1,484 | | | | 1,346 |
| **Dry Docking** | - | | | | 166 |
| **Interest Expense** | 3,846 | | | | 3,670 |
| **Depreciation** | 6,168 | | | | - |
| **Debt Amortization** | - | | | | - |
| **Daily Expense(13)** | **$ 16,773** | | | | **$ 10,432** |

(1) Estimated consolidated income statement expenses are provided on a consolidated basis to include expenses associated with the operation of Baltic Trading Limited's vessels. The free cash flow daily expense is for Genco's fleet only and does not include Baltic Trading's vessels. Daily expense amounts are derived by dividing quarterly expenses by the number of ownership days, in each case as set forth in the table.
(2) Estimated Baltic Trading information is on a standalone basis.
(3) Adjustment for items eliminated in the consolidation of Genco and Baltic Trading.
(4) Adjustment for Genco's cash and non-cash items to be included or excluded to derive Genco's Free Cash Flow amounts.
(5) Free Cash Flow is defined as net income plus depreciation less capital expenditures, primarily vessel dry dockings, and other non-cash items, namely restricted stock compensation, deferred financing charges, and capitalized interest expenses. However, 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.
(6) 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.
(7) General & Administrative amounts, which include incentive compensation are based on a budget and may vary. Management Fees are based on the contracted monthly rate per vessel for the technical management of our fleet and all fees paid by Baltic Trading to Genco have been eliminated. The amount in the Genco Cash/Non-Cash Adjustment column represents Genco's estimated restricted stock expense for Q2 2013.
(8) Dry Docking represents estimated dry docking expenditures for Q2 2013.
(9) Interest Expense is based on our debt level as of March 31, 2013 of $1,055.9 million outstanding for the 2007 Credit Facility, $256.3 million from our $100 Million and $253 Million Term Loan Facilities, $101.3 million for Baltic Trading Limited's facility, and our $125 million convertible notes. Also included are unused commitment fees and amortization of deferred financing costs. Of the outstanding amount, $306.2 million is calculated on our weighted average fixed swap rate of approximately 3.48% plus 4.00% margin and the remainder is calculated based on an assumed LIBOR rate under our current credit facilities plus 4.00% margin for the 2007 Credit Facility, 3.00% for the $100 Million and $253 Million Term Loan Facilities and 3.00% for the Baltic Trading facility. Deferred financing costs are taken into account in net income. The amount in the Genco Cash/Non-Cash Adjustment column represents the non-cash component of interest expense related to Genco's outstanding convertible notes and amortization of deferred financing costs.
(10) Depreciation is based on the acquisition value of the current fleet, including the vessels to be acquired and amortization of dry docking costs. Depreciation expense utilizes a residual scrap rate of $245 per LWT.
(11) Under the terms of the recent credit facility amendments, Genco's scheduled amortization payments have been eliminated through and including the quarter ending December 31, 2013.
(12) Average number of vessels reflects Genco's 53.00 vessels for free cash flow plus Baltic Trading's average number of vessels of 9.00 for the consolidated income statement for Q2 2013.
(13) The amounts shown will vary based on actual results.

# GNK Fleet Details*

| Vessel Type | Vessel Name | Year Built | Charterer | Cash Daily Rate[1] | Charter Expiration[2] |
|---|---|---|---|---|---|
| Capesize 9 | Genco Augustus | 2007 | Cargill International S.A. | 103% of BCI[3] | January, 2014 |
| | Genco Tiberius | 2007 | Cargill International S.A. | 100% of BCI | September, 2013 |
| | Genco London | 2007 | Cargill International S.A. | 100% of BCI | July, 2013 |
| | Genco Titus | 2007 | Swissmarine Services S.A. | 100% of BCI | June, 2013 |
| | Genco Constantine | 2008 | Cargill International S.A. | 100% of BCI | October, 2013 |
| | Genco Hadrian | 2008 | Swissmarine Services S.A. | 98.5% of BCI | October, 2013 |
| | Genco Commodus | 2009 | Swissmarine Services S.A. | 99% of BCI[4] | February, 2014 |
| | Genco Maximus | 2009 | Swissmarine Services S.A. | 98.5% of BCI | December, 2013 |
| | Genco Claudius | 2010 | Swissmarine Services S.A. | 98.5% of BCI | January, 2014 |
| Panamax 8 | Genco Beauty | 1999 | Global Maritime Investments Ltd. | 97% of BPI | May, 2013 |
| | Genco Knight | 1999 | Swissmarine Services S.A. | 98% of BPI[5] | January, 2014 |
| | Genco Leader | 1999 | TTMI Sarl | 100% of BPI | December, 2013 |
| | Genco Vigour | 1999 | Global Maritime Investments Ltd. | 97% of BPI | May, 2013 |
| | Genco Acheron | 1999 | Global Maritime Investments Ltd. | 97% of BPI | May, 2013 |
| | Genco Surprise | 1998 | Swissmarine Services S.A. | 97% of BPI | September, 2013 |
| | Genco Raptor | 2007 | Global Maritime Investments Ltd. | 100% of BPI | May, 2013 |
| | Genco Thunder | 2007 | Swissmarine Services S.A. | 97% of BPI | June, 2013 |
| Supramax 17 | Genco Predator | 2005 | D'Amico Dry Ltd. | 103% of BSI/101% of BSI[6] | May, 2013/Oct., 2014 |
| | Genco Warrior | 2005 | Pacific Basin Chartering Ltd. | 101% of BSI | May, 2014 |
| | Genco Hunter | 2007 | Pacific Basin Chartering Ltd. | 105% of BSI | July, 2013 |
| | Genco Cavalier | 2007 | Siva Bulk Ltd. | $6,500[7] | May, 2013 |
| | Genco Lorraine | 2009 | Pioneer Navigation Ltd. | $9,400 | July, 2013 |
| | Genco Loire | 2009 | Clipper Bulk Shipping N.V. | $9,950 | July, 2013 |
| | Genco Aquitaine | 2009 | Klaveness Chartering | $9,350[8] | June, 2013 |
| | Genco Ardennes | 2009 | Hamburg Bulk Carriers | $10,250 | February, 2014 |
| | Genco Auvergne | 2009 | Pioneer Navigation Ltd. | 100% of BSI[9] | July, 2014 |
| | Genco Bourgogne | 2010 | Thoresen Shipping Singapore PTE Ltd. | $8,000 | July, 2013 |
| | Genco Brittany | 2010 | D'Amico Dry Ltd. | 100% of BSI[10] | October, 2014 |
| | Genco Languedoc | 2010 | D'Amico Dry Ltd. | 100% of BSI[11] | January, 2015 |
| | Genco Normandy | 2007 | Noble Chartering | $9,000[12] | May, 2013 |
| | Genco Picardy | 2005 | Pioneer Navigation Ltd. | 101% of BSI | December, 2014 |
| | Genco Provence | 2004 | Pioneer Navigation Ltd. | 101% of BSI | March, 2014 |
| | Genco Pyrenees | 2010 | Noble Chartering | $9,000[13] | June, 2013 |
| | Genco Rhone | 2011 | Pioneer Navigation Ltd. | 100% of BSI[14] | November, 2015 |



* Please see page 25 for footnotes to table. Table excludes vessels owned by Baltic Trading Limited.

# GNK Fleet Details*

| Vessel Type | Vessel Name | Year Built | Charterer | Cash Daily Rate[1] | Charter Expiration[2] |
|---|---|---|---|---|---|
| Handymax 6 | Genco Success | 1997 | ED & F MAN Shipping Ltd. | 91.5% of BSI | May, 2013 |
| | Genco Carrier | 1998 | Klaveness Chartering | 91% of BSI | June, 2013 |
| | Genco Prosperity | 1997 | ED & F MAN Shipping Ltd. | $7,000 | June, 2013 |
| | Genco Wisdom | 1997 | ED & F MAN Shipping Ltd. | 91.5% of BSI[15] | March, 2014 |
| | Genco Marine | 1996 | ED & F MAN Shipping Ltd. | 91% of BSI | May, 2013 |
| | Genco Muse | 2001 | Pacific Basin Chartering Ltd. | 92.5% of BSI[16] | April, 2014 |
| Handysize 13 | Genco Explorer | 1999 | Lauritzen Bulkers A/S | Spot[17] | August, 2013 |
| | Genco Pioneer | 1999 | Lauritzen Bulkers A/S | Spot[17] | August, 2013 |
| | Genco Progress | 1999 | Lauritzen Bulkers A/S | Spot[17] | May, 2014 |
| | Genco Reliance | 1999 | Lauritzen Bulkers A/S | Spot[17] | May, 2014 |
| | Genco Sugar | 1998 | Lauritzen Bulkers A/S | Spot[17] | May, 2014 |
| | Genco Charger | 2005 | Pacific Basin Chartering Ltd. | 100% of BHSI | February, 2015 |
| | Genco Challenger | 2003 | Pacific Basin Chartering Ltd. | 100% of BHSI[18] | February, 2015 |
| | Genco Champion | 2006 | Pacific Basin Chartering Ltd. | 100% of BHSI[19] | August, 2015 |
| | Genco Ocean | 2010 | Cargill International S.A. | $8,500-$13,500 with 50% profit sharing[20] | June, 2013 |
| | Genco Bay | 2010 | Pacific Basin Chartering Ltd. | 107% of BHSI[21] | December, 2014 |
| | Genco Avra | 2011 | Cargill International S.A. | $8,500-$13,500 with 50% profit sharing[20] | March, 2014 |
| | Genco Mare | 2011 | Cargill International S.A. | 115% of BHSI | May, 2015 |
| | Genco Spirit | 2011 | Cargill International S.A. | $8,500-$13,500 with 50% profit sharing[20] | September, 2014 |

* Please see page 25 for footnotes to table. Table excludes vessels owned by Baltic Trading Limited.

# Footnotes to Fleet Table (previous two pages)

1) Time charter rates presented are the gross daily charterhire rates before third-party commissions 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 each contract, the charterer is entitled to extend the 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.

3) We have agreed to an extension with Cargill International S.A. on a spot market-related time charter for 10.5 to 14.5 months based on 103% of the Baltic Capesize Index (BCI), published by the Baltic Exchange, as reflected in daily reports. Hire is paid every 15 days in arrears less a 5.00% third party brokerage commission. Genco maintains the option to convert to a fixed rate based on Capesize FFA values at 103%. The extension began on March 1, 2013.

4) We have agreed to an extension with Swissmarine Services S.A. on a spot market-related time charter based on 99% of the BCI, as reflected in daily reports. Hire is paid every 15 days in arrears less a 5.00% third party brokerage commission. The minimum and maximum expiration dates of the time charter are February 15, 2014 and May 15, 2014, respectively. Genco maintains the option to convert to a fixed rate based on Capesize FFA values at 99%. The extension is expected to begin on or about May 16, 2013.

5) We have agreed to an extension with Swissmarine Services S.A. on a spot market-related time charter based on 98% of the Baltic Panamax Index (BPI), published by the Baltic Exchange, as reflected in daily reports. Hire is paid every 15 days in arrears less a 5.00% third party brokerage commission. The minimum and maximum expiration dates of the time charter are January 1, 2014 and April 1, 2014, respectively. Genco maintains the option to convert to a fixed rate based on Panamax FFA values at 98%. The extension began on March 9, 2013.

6) We have agreed to an extension with D'Amico Dry Ltd. on a spot market-related time charter based on 101% of the Baltic Supramax Index (BSI), published by the Baltic Exchange, as reflected in daily reports. Hire is paid every 15 days in arrears less a 5.00% third party brokerage commission. The minimum and maximum expiration dates of the time charter are October 7, 2014 and January 7, 2015, respectively. Genco maintains the option to convert to a fixed rate based on Supramax FFA values at 101%. The extension is expected to begin on or about May 11, 2013.

7) We have reached an agreement with Siva Bulk Ltd. on a time charter for approximately 25 days at a rate of $6,500 per day. Hire is paid every 15 days in advance less a 5.00% third party brokerage commission. The vessel delivered to charterers on April 23, 2013. The vessel was previously fixed with DHL Project & Chartering Ltd. for $7,000 per day.

8) We have reached an agreement with Klaveness Chartering 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 29, 2013.

9) We have reached an agreement with Pioneer Navigation Ltd. on a spot market-related time charter based on 100% of the BSI, as reflected in daily reports, except for the initial 30 days in which the hire rate is based on the average of the Baltic Supramax S2 and S3 routes. Hire is paid every 15 days in arrears less a 5.00% third party brokerage commission. The minimum and maximum expiration dates of the time charter are July 1, 2014 and October 1, 2014, respectively. Genco maintains the option to convert to a fixed rate based on Supramax FFA values at 100%. The vessel delivered to charterers on April 17, 2013.

10) We have agreed to an extension with D'Amico Dry Ltd. on a spot market-related time charter based on 100% of the BSI, as reflected in daily reports. Hire is paid every 15 days in arrears less a 5.00% third party brokerage commission. The minimum and maximum expiration dates of the time charter are October 1, 2014 and January 1, 2015, respectively. Genco maintains the option to convert to a fixed rate based on Supramax FFA values at 100%. The extension began on April 9, 2013.

11) We have reached an agreement with D'Amico Dry Ltd. on a spot market-related time charter based on 100% of the BSI, as reflected in daily reports, except for the initial 35 days in which the hire rate will be based on the average of the Baltic Supramax S2 and S3 routes. Hire is paid every 15 days in arrears less a 5.00% third party brokerage commission. The minimum and maximum expiration dates of the time charter are January 5, 2015 and March 5, 2015, respectively. Genco maintains the option to convert to a fixed rate based on Supramax FFA values at 100%. The vessel delivered to charterers on March 4, 2013.

12) We have reached an agreement with Noble Chartering on a time charter for approximately 20 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 delivered to charterers on April 26, 2013.

13) We have reached an agreement with Noble Chartering on a time charter for approximately 50 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 May 8, 2013 after repositioning. A ballast bonus will be awarded after the repositioning period. The vessel redelivered from Navig8 Inc. on April 20, 2013.

14) We have reached an agreement with Pioneer Navigation Ltd. on a spot market-related time charter based on 100% of the BSI, as reflected in daily reports, except for the initial 33 days in which the hire rate is based on the average of the Baltic Supramax S2 and S3 routes. Hire is paid every 15 days in arrears less a 5.00% third party brokerage commission. The minimum and maximum expiration dates of the time charter are November 1, 2015 and March 1, 2016, respectively. Genco maintains the option to convert to a fixed rate based on Supramax FFA values at 100%. The vessel delivered to charterers on March 6, 2013.

15) We have reached an agreement with ED & F MAN Shipping Ltd. on a spot market-related time charter for 11 to 13.5 months based on 91.5% of the BSI, as reflected in daily reports, except for the initial 30 days in which the hire rate will be based on 91.5% of the average of the Baltic Supramax S2 and S3 routes. Hire is paid every 15 days in arrears less a 5.00% third party brokerage commission. Genco maintains the option to convert to a fixed rate based on Supramax FFA values at 91.5%. The vessel delivered to charterers on April 21, 2013.

16) We have reached an agreement with Pacific Basin Chartering Ltd. on a spot market-related time charter based on 92.5% of the BSI, as reflected in daily reports, except for the initial 30 days in which the hire rate will be based on 92.5% of the average of the Baltic Supramax S2 and S3 routes. Hire is paid every 15 days in arrears less a 5.00% third party brokerage commission. The minimum and maximum expiration dates of the time charter are April 23, 2014 and July 23, 2014, respectively. Genco maintains the option to convert to a fixed rate based on Supramax FFA value at 92.5%. The vessel delivered to charterers on April 13, 2013 after repositioning. The vessel's previous time charter ended on April 8, 2013.

17) We have reached an agreement to enter these vessels into the LB/IVS Pool whereby Lauritzen Bulkers A/S acts as the pool manager. We can withdraw up to two vessels with three months' notice and the remaining three vessels with 12 months' notice.

18) We have reached an agreement with Pacific Basin Chartering Ltd. on a spot market-related time charter for 23 to 27 months based on 100% of the Baltic Handysize Index (BHSI), as published by the Baltic Exchange, as reflected in daily reports. Hire is paid every 15 days in arrears less a 5.00% third party brokerage commission. Genco maintains the option to convert to a fixed rate based on Handysize FFA values at 100%. The vessel delivered to charterers on March 13, 2013 after completion of drydock for scheduled repairs.

19) We have agreed to an extension with Pacific Basin Chartering Ltd. on a spot market-related time charter based on 100% of the BHSI, as reflected in daily reports. Hire is paid every 15 days in arrears less a 5.00% third party brokerage commission. The minimum and maximum expiration dates of the time charter are August 10, 2015 and November 10, 2015, respectively. Genco maintains the option to convert to a fixed rate based on Handysize FFA values at 100%. The extension began on April 15, 2013.

20) The rate for the spot market-related time charter is linked with a floor of $8,500 and a ceiling of $13,500 daily with a 50% profit sharing arrangement to apply to any amount above the ceiling. The rate is based on 115% of the average of the daily rates of the BHSI, as reflected in daily reports. Hire is paid every 15 days in advance net of a 5.00% third party brokerage commission. These vessels were acquired with existing time charters with below-market rates. For these below-market time charters, Genco allocates the purchase price between the respective vessels and an intangible liability for the value assigned to the below-market charter-hire. This intangible liability is amortized as an increase to voyage revenues over the minimum remaining terms of the applicable charters, at which point the respective liabilities will be amortized to zero and the vessels will begin earning the "Cash Daily Rate." For cash flow purposes, Genco will continue to receive the rate presented in the "Cash Daily Rate" column until the charter expires. Specifically, for the Genco Spirit, Genco Avra and Genco Ocean, the daily amount of amortization associated with the below-market rates are approximately $200, $350 and $700 per day over the actual cash rate earned, respectively.

21) We have reached an agreement with Pacific Basin Chartering Ltd. on a spot market-related time charter based on 107% of the BHSI, as reflected in daily reports, except for the initial 35 days in which the hire rate is based on the average of the Baltic Handysize HS5 and HS6 routes. Hire is paid every 15 days in arrears less a 5.00% third party brokerage commission. The minimum and maximum expiration dates of the time charter are December 1, 2014 and February 1, 2015, respectively. Genco maintains the option to convert to a fixed rate based on Handysize FFA values at 107%. The vessel delivered to charterers on March 9, 2013.