



# Shipping – Dry Bulk

<https://shippinganalyst.wordpress.com/>



Market Balance

Market: Asset valuation

Company Overview

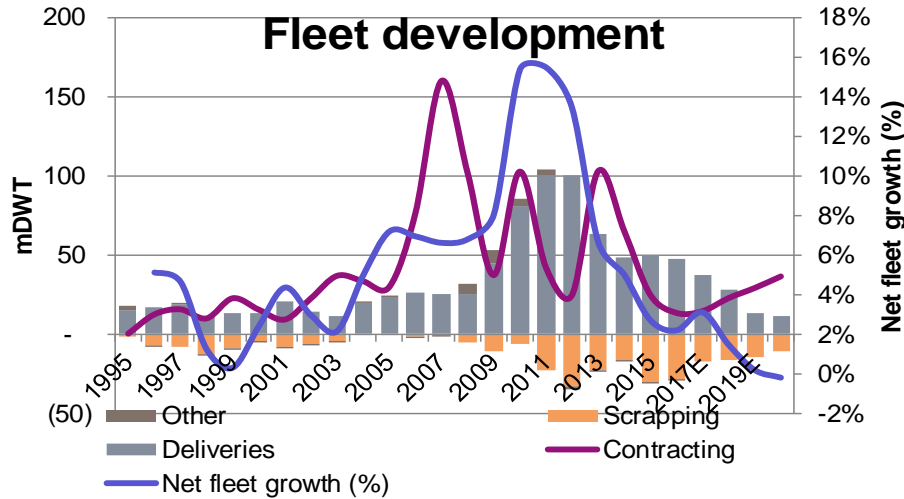
Company Specifics



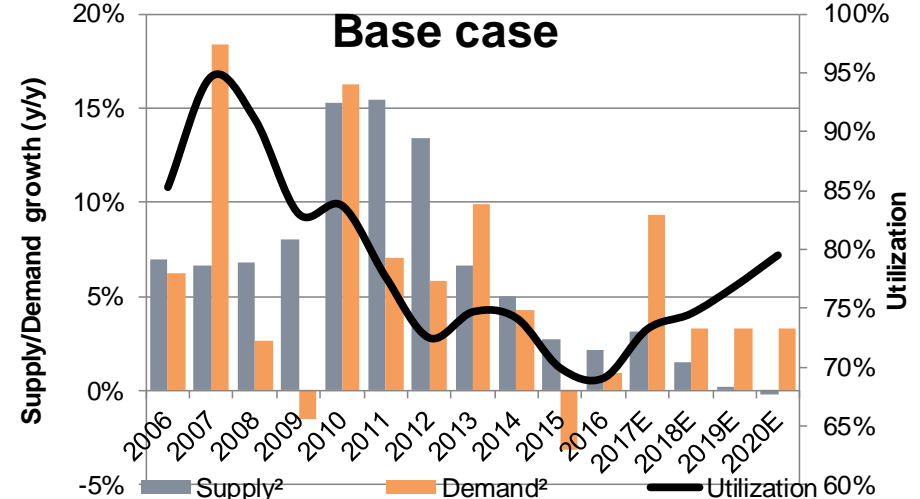
# Market Balance

## Summary

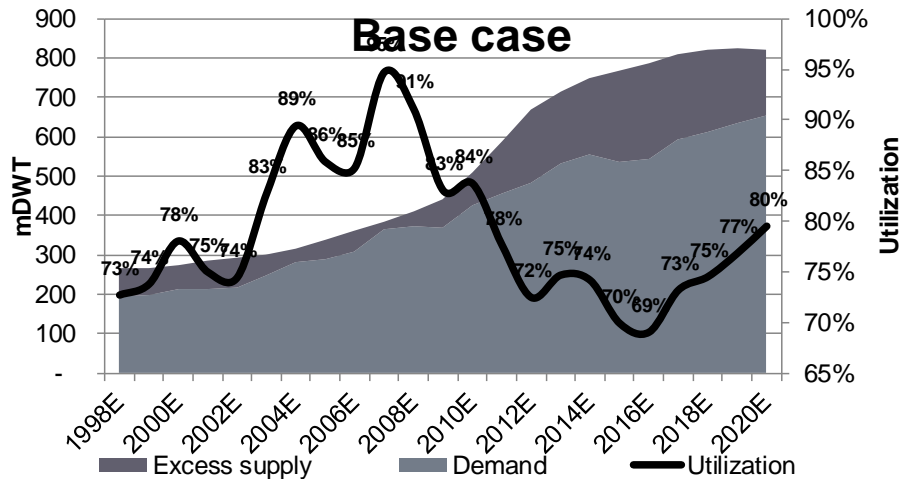
### Supply



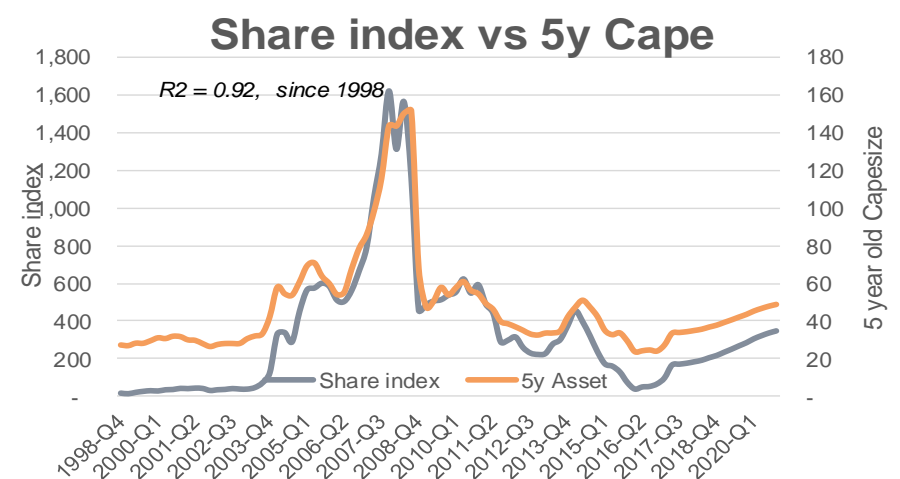
### Supply/Demand



### Supply/Demand



### Market vs share index



# Market Balance

## Summary

Econometric overview											
Supply/Demand (mDWT)											
Dry Bulk, base case	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Deliveries <sup>1</sup>	81	100	100	63	48	49	47	37	28	13	11
Scrapping <sup>1</sup>	(7)	(23)	(33)	(23)	(16)	(31)	(29)	(17)	(17)	(14)	(11)
Other <sup>1</sup>	4	4	(1)	(1)	(0)	(1)	(1)	0	0	0	(0)
<i>Contracting<sup>1</sup></i>	<i>102</i>	<i>42</i>	<i>24</i>	<i>103</i>	<i>65</i>	<i>25</i>	<i>13</i>	<i>14</i>	<i>22</i>	<i>29</i>	<i>36</i>
<b>Supply<sup>2</sup></b>	<b>511</b>	<b>590</b>	<b>669</b>	<b>714</b>	<b>749</b>	<b>770</b>	<b>787</b>	<b>811</b>	<b>823</b>	<b>824</b>	<b>823</b>
Δ y/y	15%	15%	13%	7%	5%	2.7%	2.2%	3.1%	1.5%	0.2%	-0.2%
<b>Demand<sup>2</sup></b>	<b>428</b>	<b>458</b>	<b>485</b>	<b>533</b>	<b>556</b>	<b>538</b>	<b>543</b>	<b>594</b>	<b>613</b>	<b>633</b>	<b>654</b>
Δ y/y	16%	7%	6%	10%	4%	-3.2%	0.9%	9.3%	3.3%	3.3%	3.3%
<b>Utilization<sup>2</sup></b>	<b>84%</b>	<b>78%</b>	<b>72%</b>	<b>75%</b>	<b>74%</b>	<b>70%</b>	<b>69%</b>	<b>73%</b>	<b>75%</b>	<b>77%</b>	<b>80%</b>
<b>BDI<sup>2</sup> (Index)</b>	<b>2,762</b>	<b>1,551</b>	<b>922</b>	<b>1,207</b>	<b>1,106</b>	<b>715</b>	<b>675</b>	<b>1,000</b>	<b>1,143</b>	<b>1,439</b>	<b>1,860</b>
Cape, spot <sup>2</sup> (TCE/d)	33,406	15,699	7,717	14,578	14,515	8,074	7,421	12,191	14,736	19,952	27,355
Pana, spot <sup>2</sup> (TCE/d)	25,059	14,016	7,701	9,497	7,726	5,534	5,589	7,760	8,585	10,950	14,308
Supra, spot <sup>2</sup> (TCE/d)	22,477	14,409	9,459	10,296	9,819	6,941	6,244	9,095	10,174	12,001	14,594
Handy, spot <sup>2</sup> (TCE/d)	16,437	10,560	7,636	8,190	7,687	5,366	5,222	7,180	7,878	9,100	10,834
Cape, 5y <sup>2</sup> (USDm)	57	43	34	36	47	33	24	32	36	41	47
Pana, 5y <sup>2</sup> (USDm)	39	31	22	21	24	17	14	18	20	23	26
Supra, 5y <sup>2</sup> (USDm)	32	28	22	21	25	16	13	18	20	22	25
Handy, 5y <sup>2</sup> (USDm)	26	23	18	18	20	13	10	15	16	18	20
<b>OB<sup>2</sup></b>	<b>310</b>	<b>278</b>	<b>184</b>	<b>142</b>	<b>181</b>	<b>150</b>	<b>112</b>	<b>72</b>	<b>56</b>	<b>60</b>	<b>80</b>
<b>OB/Fleet<sup>2</sup></b>	<b>61%</b>	<b>47%</b>	<b>27%</b>	<b>20%</b>	<b>24%</b>	<b>19%</b>	<b>14%</b>	<b>9%</b>	<b>7%</b>	<b>7%</b>	<b>10%</b>

<sup>1</sup>Sum during period <sup>2</sup>Average during period

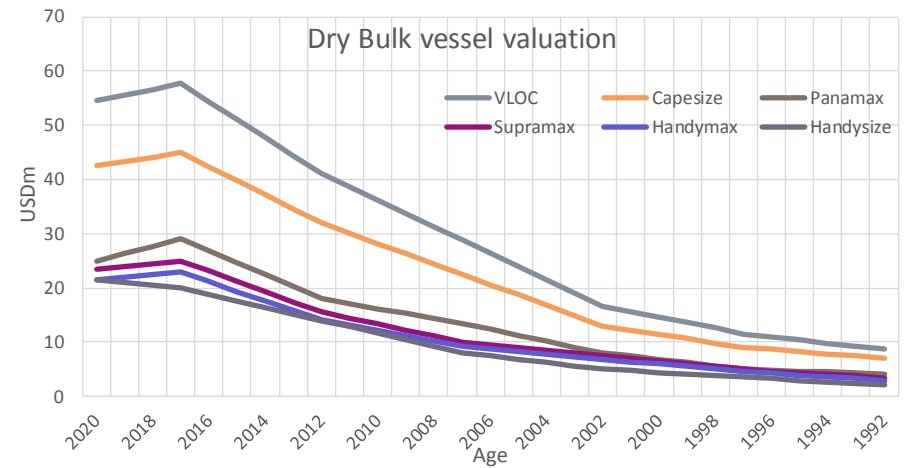
# Market

## Asset valuation

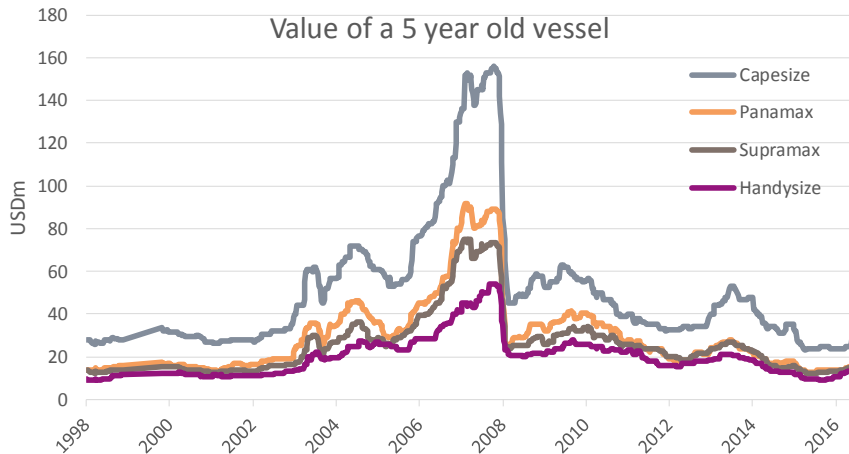
### Asset valuation overview

Summary	Capesize	Panamax	Supramax	Handymax	Handysize
<b>NB</b>	42.5	25.0	23.5	21.5	21.5
<b>resale</b>	45.0	29.0	25.0	22.9	20.0
<b>5y</b>	32.0	18.0	15.5	14.2	14.0
<b>10y</b>	22.5	13.5	10.0	9.1	8.0
<b>15y</b>	13.0	8.0	7.5	6.9	5.0
<b>20y</b>	9.0	5.0	5.0	4.6	3.5
<b>scrap</b>	7.1	4.2	3.4	2.9	2.2

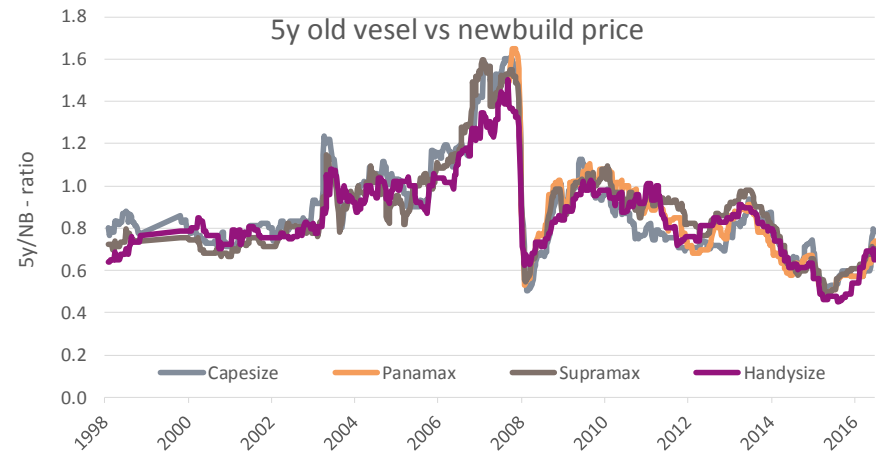
### Asset valuation overview



### Historical 5y vessel values



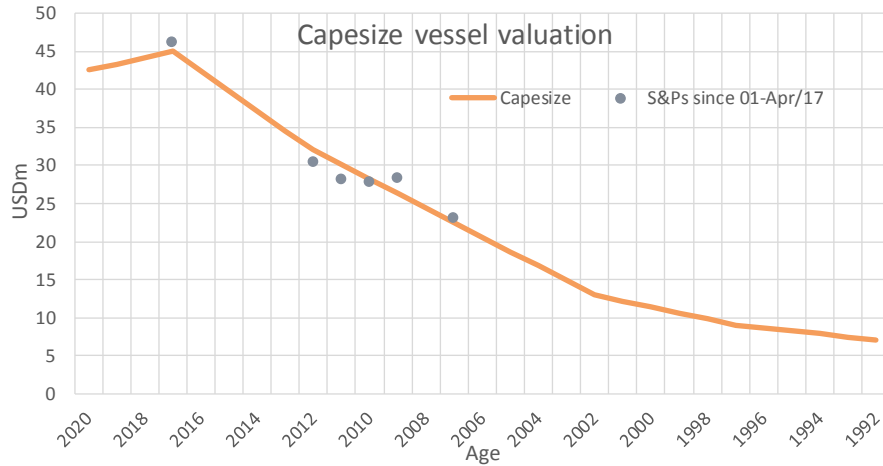
### Historical price ratio, 5y/NB



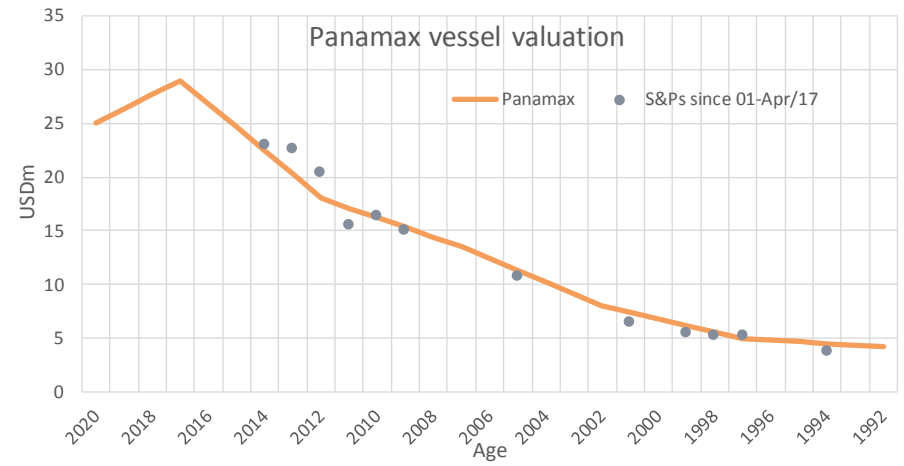
# Market

## Asset valuation

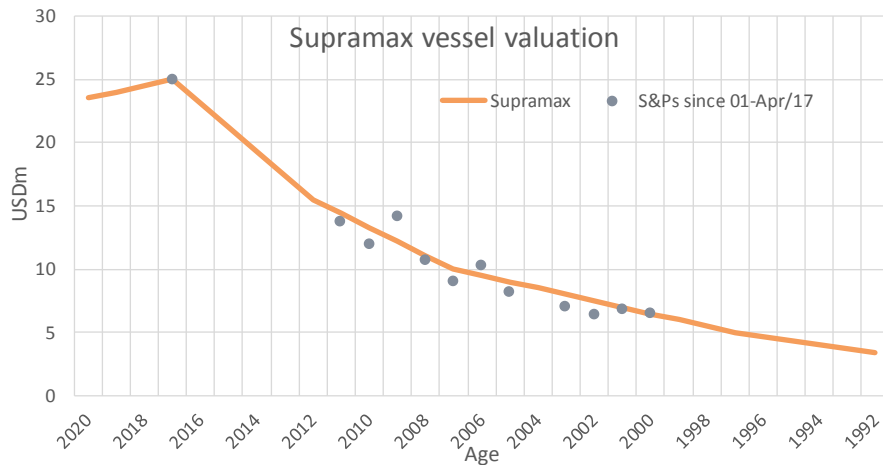
### Capesize valuation vs recent S&Ps



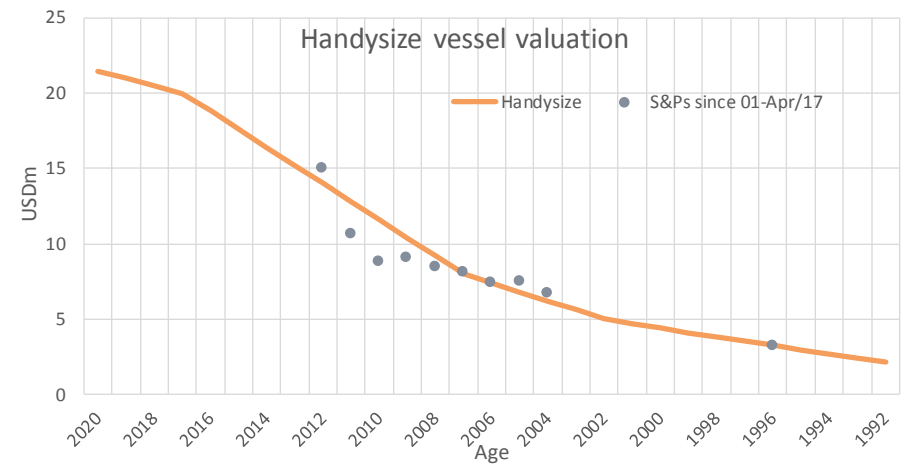
### Panamax valuation vs recent S&Ps



### Supramax valuation vs recent S&Ps



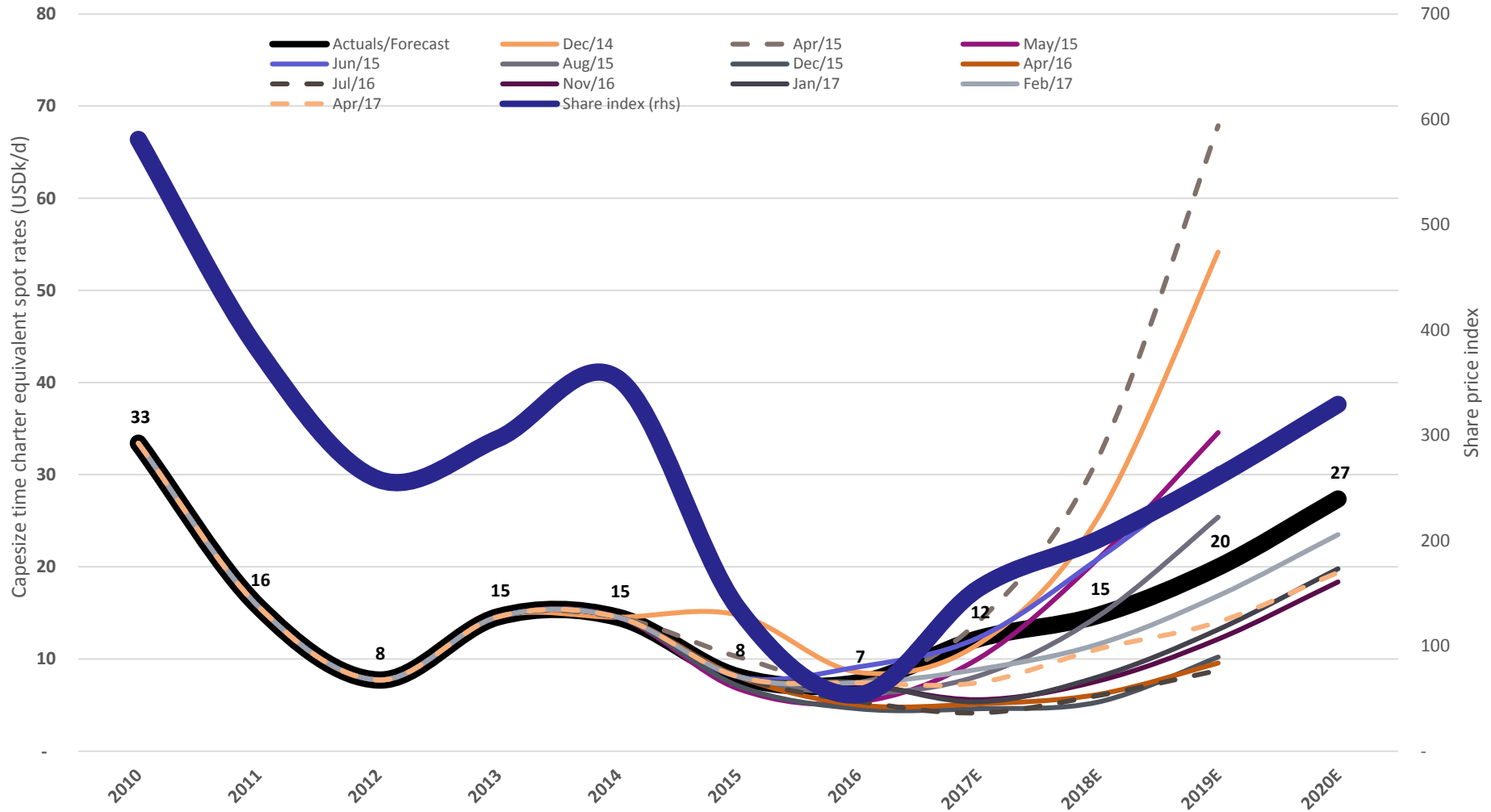
### Handysize valuation vs recent S&Ps



# Our historical forecasts vs actuals

## Actual Capesize spot rates vs our historical and current forecasts

We concluded early that the 2013/14 share price rally was a false dawn





# Company Overview



# Company Overview

## Valuation

Valuation matrix																										
USDm	Mcap	EV	P/sh	Value	+/-	P/NAV					EV/EBITDA				Liquidity/(GIBD + eq. capex)				FCF yield				Dividend yield			
						NAV	Now	1y fwd	+50%	ε	2017	2018	2019	2020	2017	2018	2019	2020	2017	2018	2019	2020	2017	2018	2019	2020
BULK NS	144	186	90	141	57%	106	0.85	0.75	0.52	0.13	21.6	7.5	3.3	1.1	22%	55%	116%	237%	-123%	14%	26%	43%	0%	0%	0%	0%
DSX US	413	974	4.0	4.6	14%	5.0	0.80	0.78	0.41	0.19	50.8	19.7	7.7	3.5	17%	13%	20%	45%	-33%	4%	20%	41%	0%	0%	0%	0%
EGLE US	371	482	5.0	6.4	28%	5.6	0.89	0.69	0.50	0.16	20.2	11.8	6.6	3.4	33%	40%	51%	80%	-43%	7%	15%	27%	0%	0%	0%	0%
GNK US	346	724	10.1	20.5	104%	15.6	0.65	0.53	0.36	0.16	11.7	7.1	3.7	1.7	34%	44%	61%	95%	11%	17%	32%	54%	0%	1%	3%	8%
GOGL US	716	1,634	6.3	6.8	9%	6.6	0.95	0.79	0.43	0.24	27.4	14.8	8.1	4.8	15%	15%	13%	12%	-61%	-10%	25%	44%	0%	3%	15%	34%
HUNT US	152	150	8.0	9.1	14%	8.3	0.97	0.93	0.66	0.09	63.1	13.3	5.1	2.1	nm	nm	nm	nm	-91%	6%	14%	22%	0%	0%	0%	0%
SALT US	520	1,021	6.9	6.7	-2%	8.5	0.81	0.70	0.44	0.17		26.3	13.4	7.3	22%	20%	12%	24%	-1%	1%	8%	17%	0%	0%	0%	0%
SB US	228	727	2.3	2.5	7%	1.7	1.32	1.07	0.47	0.36	12.6	10.2	6.1	3.4	20%	23%	30%	48%	10%	8%	34%	53%	0%	0%	0%	0%
SBLK US	563	1,379	8.9	14.2	59%	9.5	0.94	0.73	0.42	0.25	13.6	8.7	4.9	2.4	24%	27%	41%	70%	-13%	6%	34%	54%	0%	0%	0%	1%
SBULK NO	165	161	39.0	43.1	11%	43.8	0.89	0.83	0.60	0.10	74.0	17.8	7.4	2.9	127%	127%	127%	127%	-94%	4%	13%	26%	0%	0%	0%	0%
SHIP US	26	223	0.71	1.39	96%	0.73	0.97	0.60	0.17	0.92	17.2	10.1	5.0	2.3	0%	-3%	4%	27%	-109%	42%	107%	199%	0%	0%	0%	0%
Average	331	696			36%		0.91	0.76	0.45	0.25	31.2	13.4	6.5	3.2	31%	36%	48%	76%	-50%	9%	30%	53%	0%	0%	2%	4%
Median	346	724			14%		0.89	0.75	0.44	0.17	20.9	11.8	6.1	2.9	22%	25%	35%	59%	-43%	6%	25%	43%	0%	0%	0%	0%

Coverage overview						
	Current	New	New	Current	Old	Old
	Price	Rating	TP	+/-	Rating	TP
BULK NS	90.0	BUY	141	57%	BUY	141
DSX US	4.0	BUY	4.6	14%	Neutral	4.5
EGLE US	5.0	BUY	6.4	28%	BUY	6.9
GNK US	10.1	BUY	20.5	104%	BUY	15.8
GOGL US	6.3	BUY	6.8	9%	SELL	7.0
HUNT US	8.0	BUY	9.1	14%	Neutral	9.2
SALT US	6.9	Neutral	6.7	-2%	SELL	6.4
SB US	2.3	Neutral	2.5	7%	Neutral	2.4
SBLK US	8.9	BUY	14.2	59%	Neutral	12.9
SBULK NO	39.0	BUY	43	11%	Neutral	41
SHIP US	0.7	BUY	1.4	96%	BUY	1.3
Average		BUY		36%	Neutral	
Median		BUY		14%	Neutral	

Fleet composition (incl. NBs)							
	VLOC	Cape	Pana	Supra	Hmax	Hsize	SUM
	BULK NS	-	8	1	2	-	-
DSX US	-	18	33	-	-	-	51
EGLE US	-	-	-	49	-	-	49
GNK US	-	13	6	25	1	15	60
GOGL US	-	37	28	8	-	-	73
HUNT US	-	5	-	-	-	-	5
SALT US	-	-	18	28	-	-	46
SB US	-	3	31	-	-	-	34
SBLK US	-	24	25	23	-	-	72
SBULK NO	-	1	6	3	-	-	10
SHIP US	-	9	-	2	-	-	11
Average	-	11	13	13	0	1	38
Median	-	8	6	3	-	-	46



## **Company Specifics**

# Diana Shipping

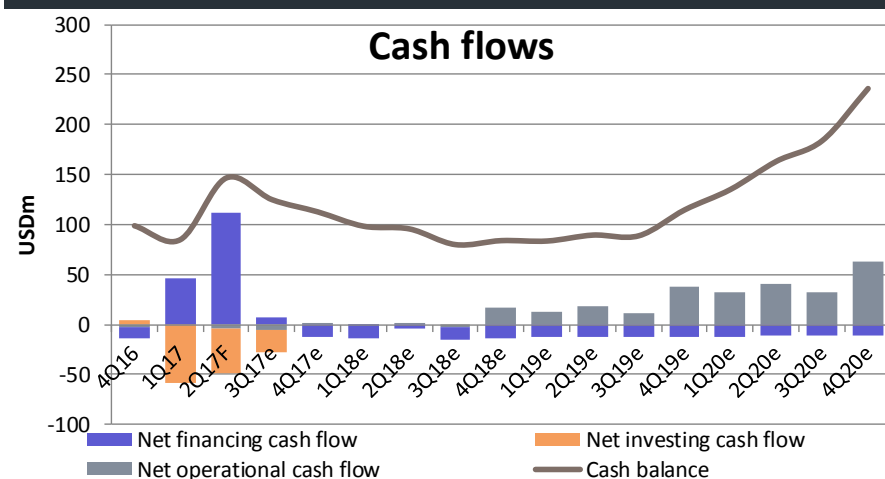
## Earnings and estimates

### Summary tables

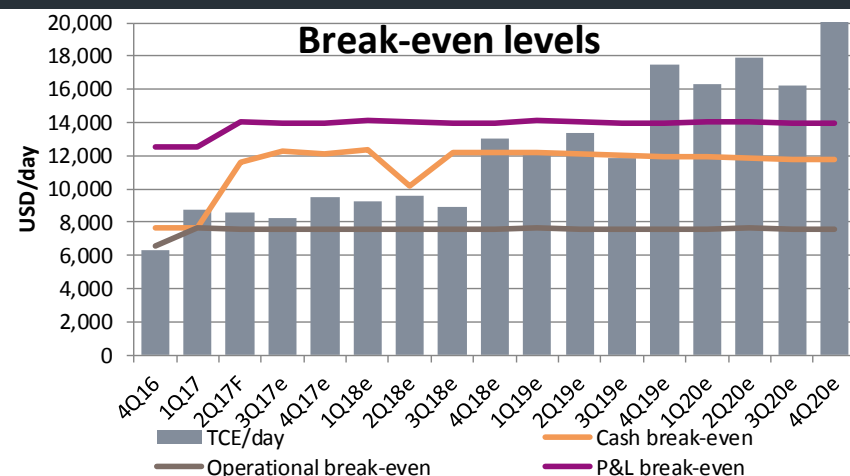
USDm	2017	2018	2019
Net sales	152	190	255
EBITDA	19	49	114
EBIT	-67	-39	27
PTP	-99	-71	-6
Net earnings	-99	-71	-6
EPS	-1.02	-0.69	-0.06

USDm	2017	2018	2019
Net operational cash flow	-9	16	81
Free cash flow	-135	16	81
Net cash flow	15	-29	31
TCE/day	8,754	10,186	13,703
Cash break-even	10,909	11,736	12,059
Liquidity	112	83	114
Property & Equip. (incl. NBs)	1,516	1,429	1,342
Total equity	1,038	967	961
Interest bearing debt	669	625	574
Net interest bearing debt	557	541	460
Market Cap.	413	413	413
Enterprise value	970	954	873

### Quarterly cash flows & cash position



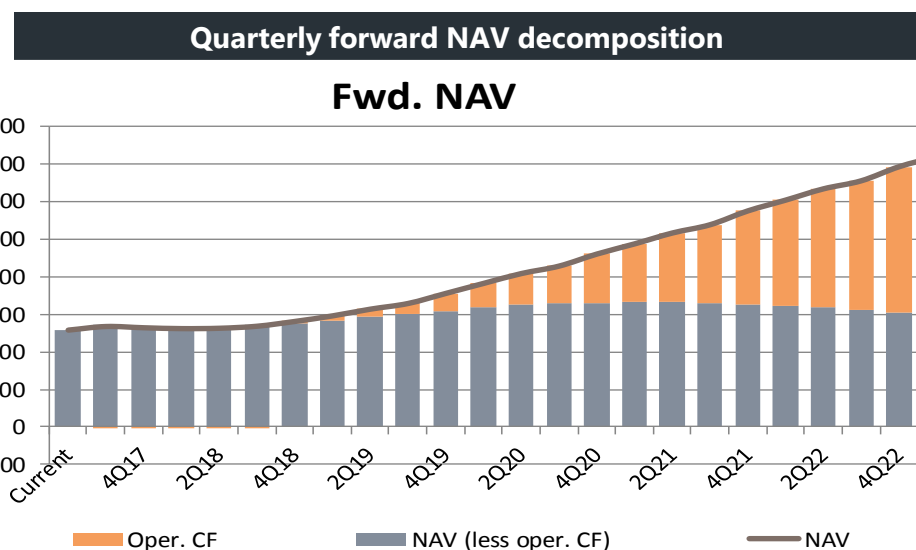
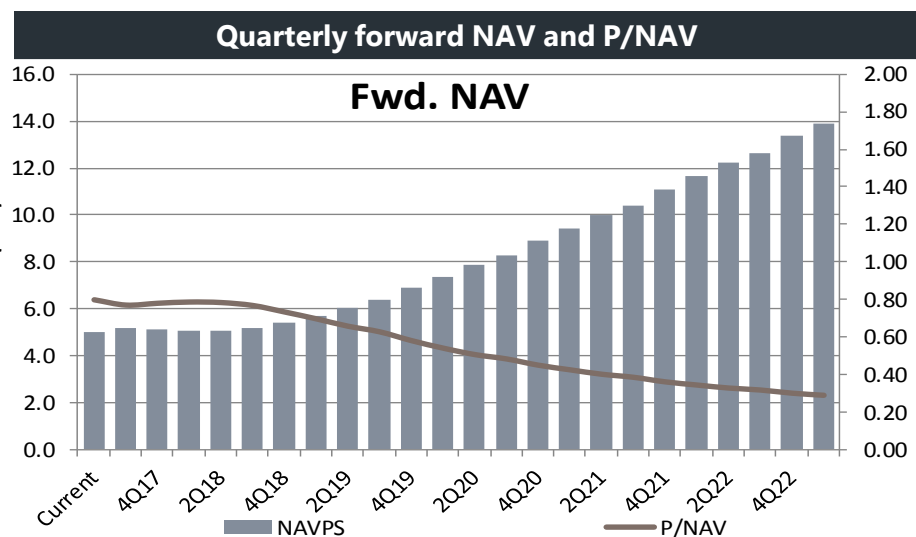
### Quarterly break-even levels & TCE/day



# Diana Shipping

## Valuation I

Valuation and target price			
USDm	2Q17	Fair value	Implied
Primary assets	1,536	997	902
Contract value	0	-7	-7
Other	95	95	86
<b>GAV</b>	<b>1,631</b>	<b>1,085</b>	<b>981</b>
Net debt	-530	-530	-530
Capex	0	-23	-23
Other	-15	-15	-15
<b>NAV</b>	<b>1,086</b>	<b>516</b>	<b>413</b>
Shares	104	104	104
<b>NAVPS</b>	<b>10.49</b>	<b>4.99</b>	<b>3.99</b>
Share price	3.99	4.99	3.99
<b>P/NAV</b>	<b>0.38</b>	<b>0.80</b>	<b>1.00</b>
<b>EV/GAV</b>	<b>0.60</b>	<b>0.90</b>	<b>1.00</b>
Adj. Total Assets	1,777	1,238	1,143
<b>Adj. Equity Ratio</b>	<b>61%</b>	<b>42%</b>	<b>36%</b>
<b>Target price</b>		<b>4.6</b>	<b>14%</b>

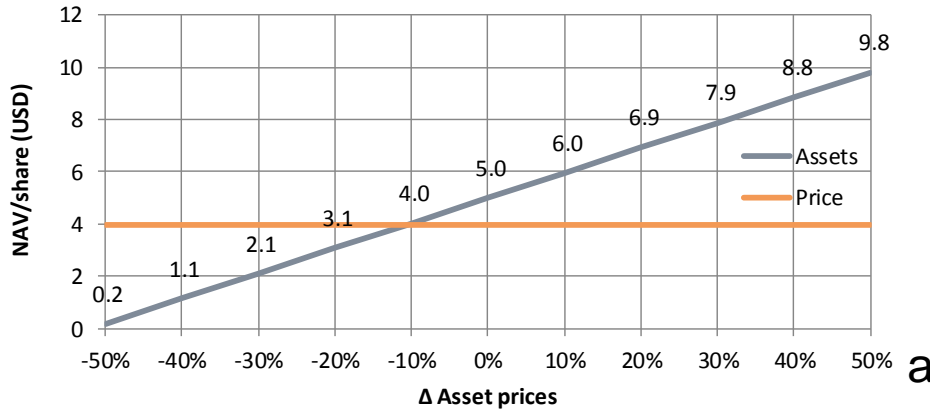


# Diana Shipping

## Valuation II

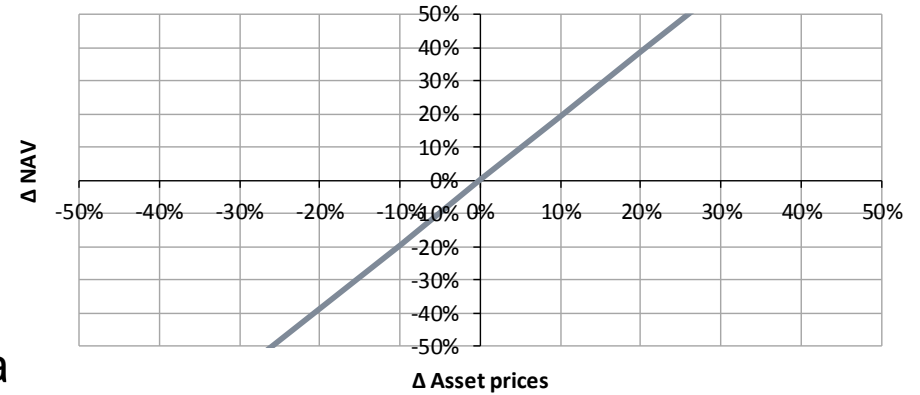
### Impact on NAV/share from % change in asset prices

#### Asset value elasticity of NAV



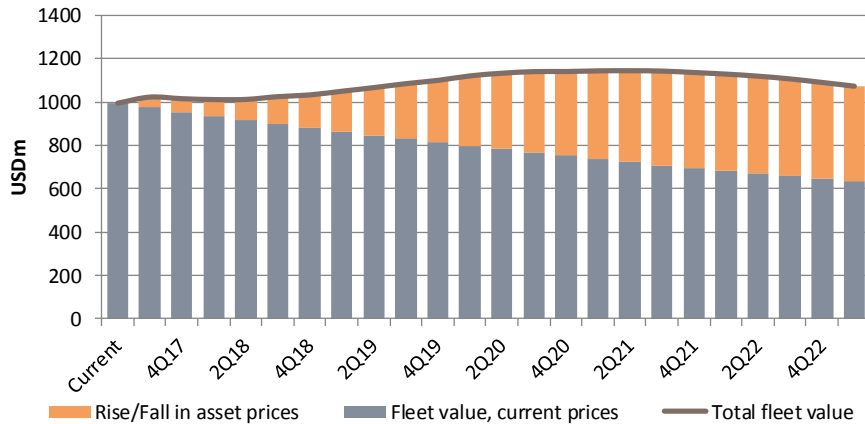
### % impact on NAV from % change in asset prices

#### Asset value elasticity of NAV



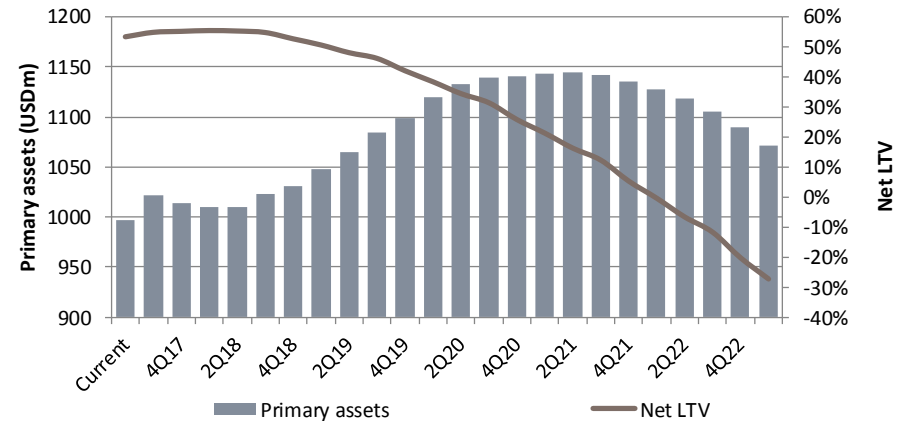
### Forward fleet valuation decomposition

#### Fleet valuation



### Forward fleet value and Loan To Value

#### Net LTV



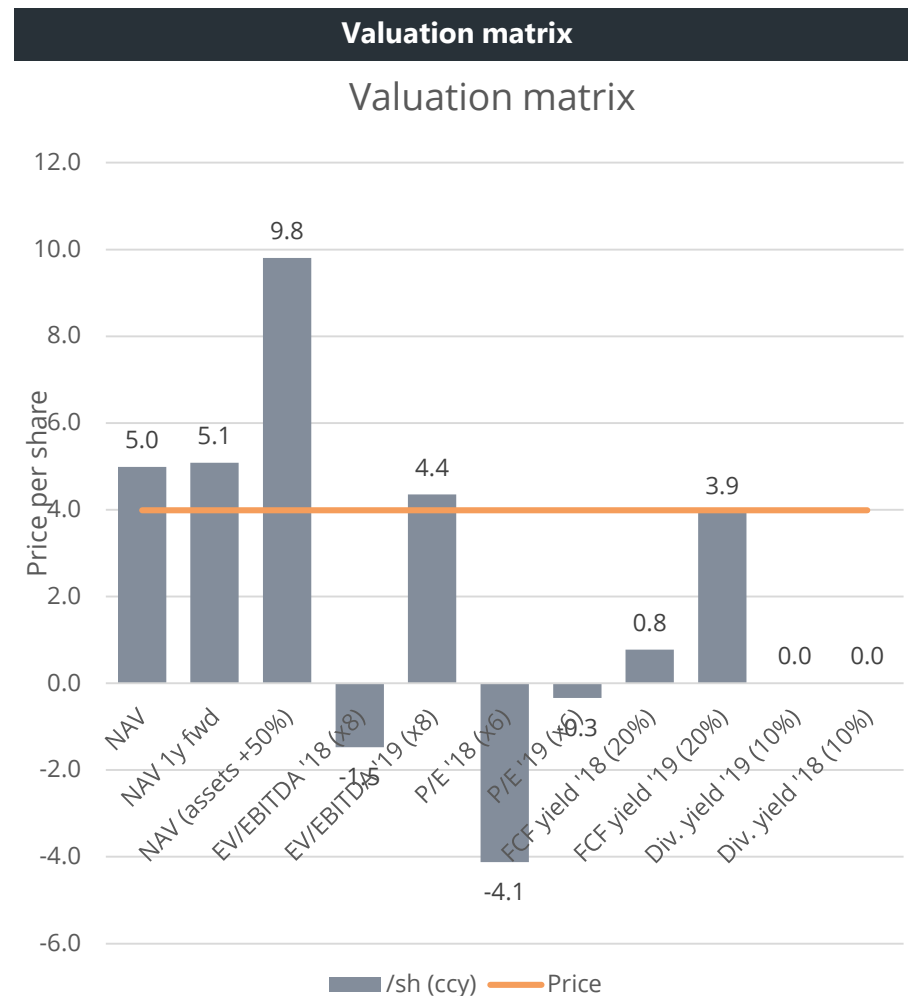
# Diana Shipping

## Valuation III

Valuation: Earnings based		2017	2018	2019
EBITDA	Forecast	19	49	114
Net profit	Forecast	-99	-71	-6
EV	Forecast	970	954	873
M.cap	Current	413	413	413
EV/EBITDA	Forecast	50.8	19.7	7.7
P/E	Forecast	-4.2	-5.8	-70.4
EV/EBITDA	Target	8.0	8.0	8.0
EBITDA	Forecast	19	49	114
Implied EV		153	389	911
Implied M.cap		-405	-153	450
P/imp. M.cap		-1.02	-2.70	0.92

P/E	Target	6.0	6.0	6.0
Net profit	Forecast	-99	-71	-6
Implied M.cap		-596	-427	-35
P/imp. M.cap		-0.69	-0.97	-11.74

FCF yield	Forecast	-33%	4%	20%
Div. yield	Forecast	0%	0%	0%

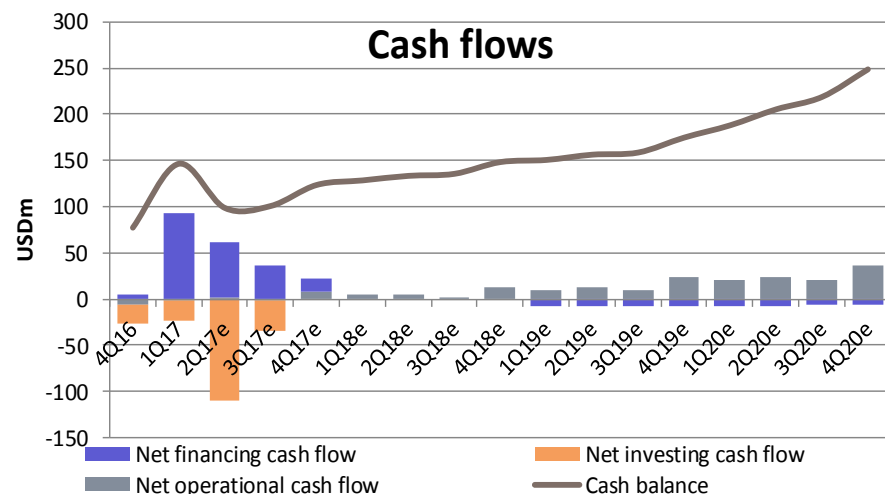


## Earnings and estimates

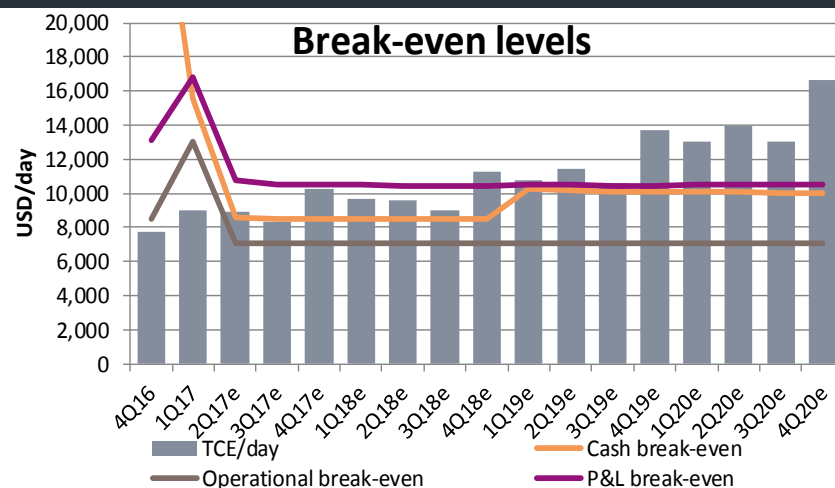
### Summary tables

USDm	2017	2018	2019	2020
Net sales	152	177	208	254
EBITDA	31	50	82	127
EBIT	-4	15	46	91
PTP	-29	-11	21	66
Net earnings	-29	-11	21	66
EPS	-0.40	-0.14	0.28	0.89
USDm	2017	2018	2019	2020
Net operational cash flow	6	25	56	101
Free cash flow	-158	25	56	101
Net cash flow	46	25	27	74
TCE/day	9,128	9,869	11,641	14,156
Cash break-even	10,283	8,484	10,163	10,036
Liquidity	123	148	174	248
Property & Equip. (incl. NBs)	697	661	626	590
Total equity	469	459	480	545
Interest bearing debt	368	368	339	311
Net interest bearing debt	246	221	165	63
Market Cap.	371	371	371	371
Enterprise value	616	591	535	434
Capex	171	-	-	-
USDm	2017	2018	2019	2020
Fwd NAV	540	556	632	742
Adj. equity ratio	58%	58%	63%	69%
FCF yield	-43%	7%	15%	27%
Dividend yield	0%	0%	0%	0%
EV/EBITDA	20.2	11.8	6.6	3.4
P/E (adj.)			17.8	5.6

### Quarterly cash flows & cash position



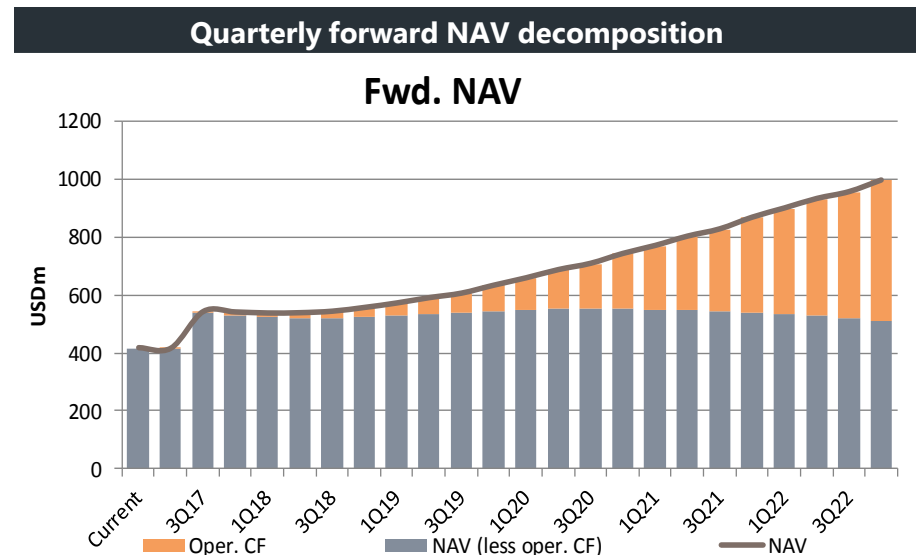
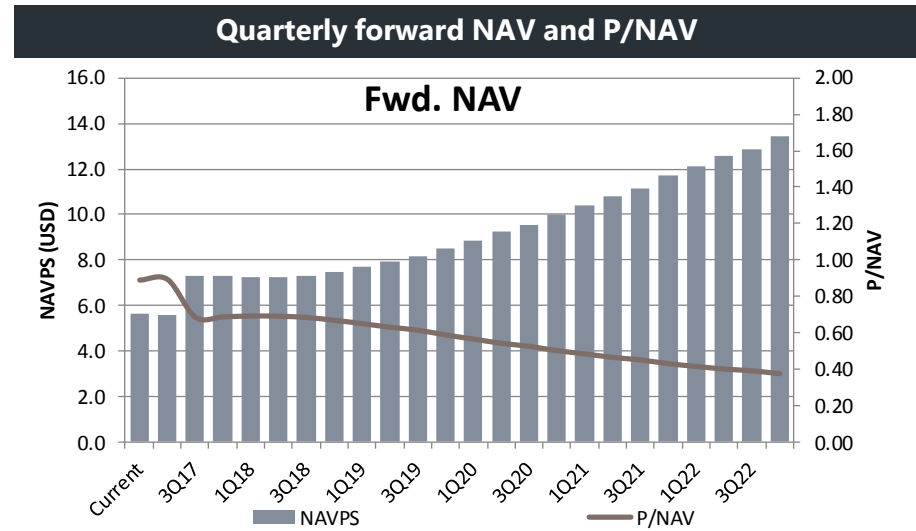
### Quarterly break-even levels & TCE/day



# Eagle Bulk

## Valuation I

Valuation and target price			
USDm	1Q17	Fair value	Implied
Primary assets	580	<b>652</b>	608
Contract value	0	0	0
Other	31	31	29
<b>GAV</b>	<b>611</b>	<b>683</b>	<b>637</b>
Net debt	-111	-111	-111
Capex	0	-143	-143
Other	-12	-12	-12
<b>NAV</b>	<b>488</b>	<b>417</b>	<b>371</b>
Shares	74	74	74
<b>NAVPS</b>	<b>6.58</b>	<b>5.62</b>	<b>5.00</b>
Share price	5.00	5.62	5.00
<b>P/NAV</b>	<b>0.76</b>	<b>0.89</b>	<b>1.00</b>
<b>EV/GAV</b>	<b>1.04</b>	<b>0.93</b>	<b>1.00</b>
Adj. Total Assets	772	843	799
<b>Adj. Equity Ratio</b>	<b>63%</b>	<b>49%</b>	<b>46%</b>
<b>Target price</b>		<b>6.4</b>	<b>28%</b>



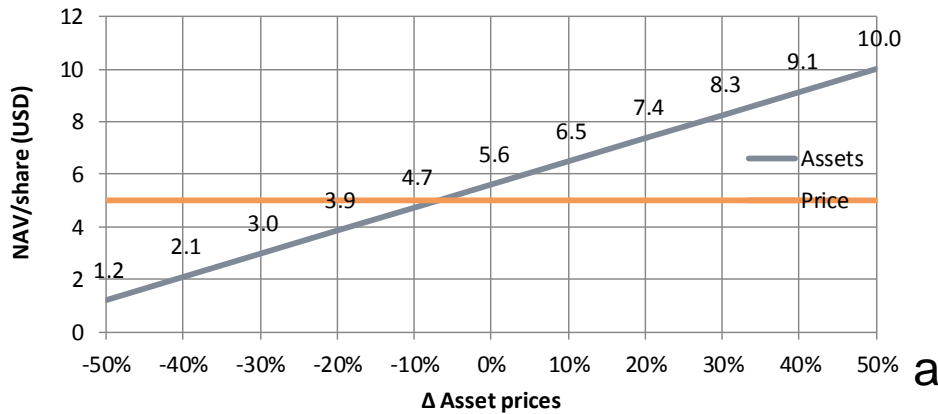


# Eagle Bulk

## Valuation II

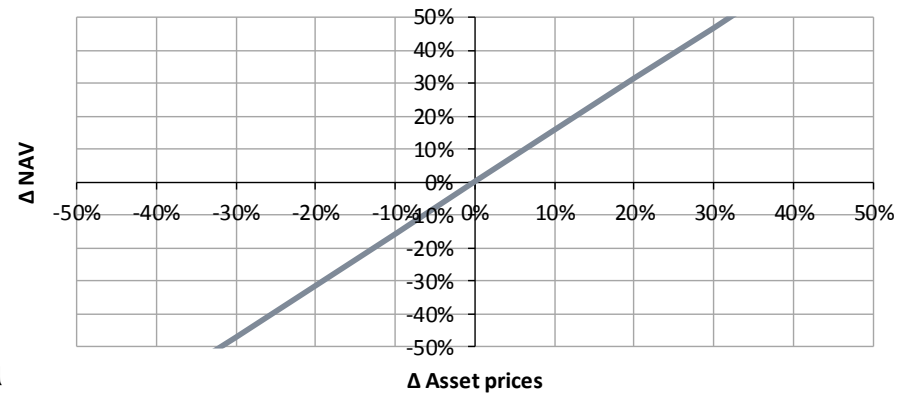
### Impact on NAV/share from % change in asset prices

#### Asset value elasticity of NAV



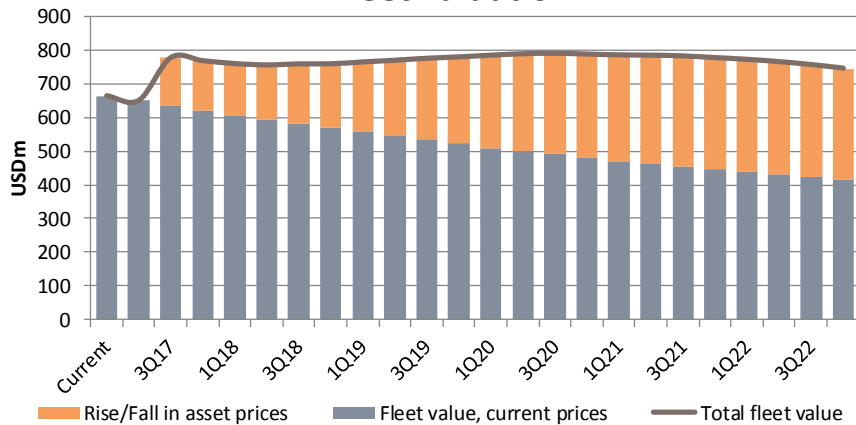
### % impact on NAV from % change in asset prices

#### Asset value elasticity of NAV



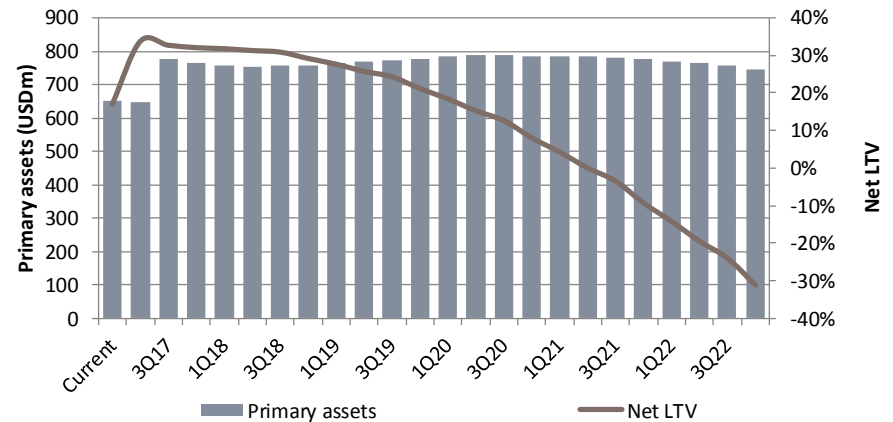
### Forward fleet valuation decomposition

#### Fleet valuation



### Forward fleet value and Loan To Value

#### Net LTV



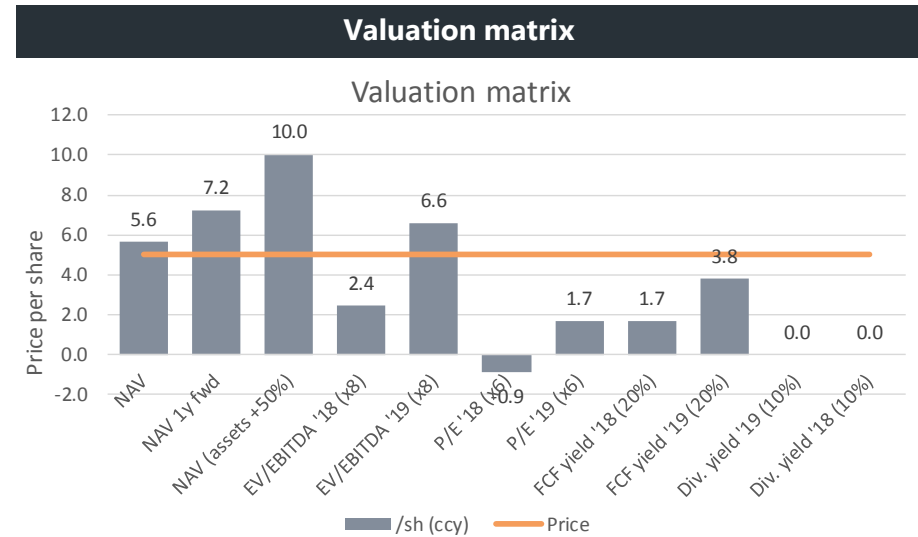
# Eagle Bulk

## Valuation III

		Valuation: Earnings based		
		2017	2018	2019
EBITDA	Forecast	31	50	82
Net profit	Forecast	-29	-11	21
EV	Forecast	616	591	535
M.cap	Current	371	371	371
EV/EBITDA	Forecast	20.2	11.8	6.6
P/E	Forecast	-12.7	-34.7	17.8
<b>EV/EBITDA</b>	Target	<b>8.0</b>	8.0	8.0
EBITDA	Forecast	31	50	82
Implied EV		244	401	653
Implied M.cap		-1	181	489
<b>P/imp. M.cap</b>		<b>-309.47</b>	<b>2.05</b>	<b>0.76</b>
<b>Target price</b>				

P/E	Target	<b>6.0</b>	6.0	6.0
Net profit	Forecast	-29	-11	21
Implied M.cap		-175	-64	125
<b>P/imp. M.cap</b>		<b>-2.11</b>	<b>-5.78</b>	<b>2.97</b>

FCF yield	Forecast	-43%	7%	15%
Div. yield	Forecast	0%	0%	0%



# Genco Shipping

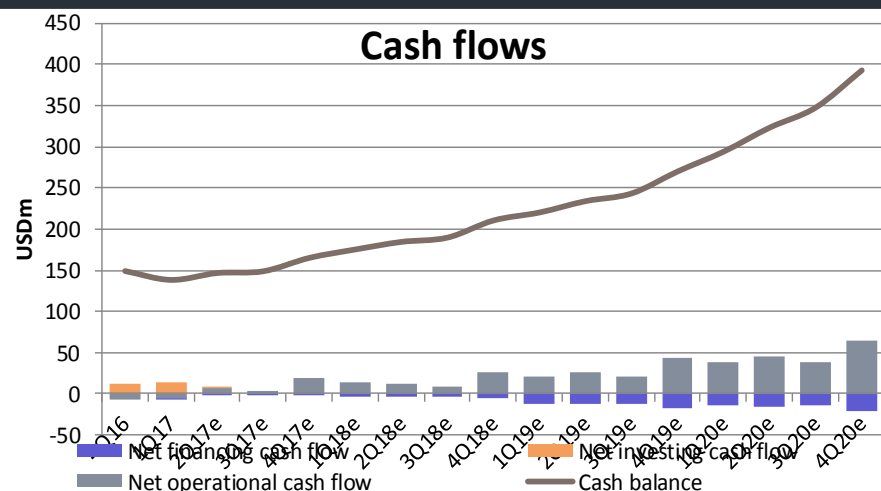
## Earnings and estimates

### Summary tables

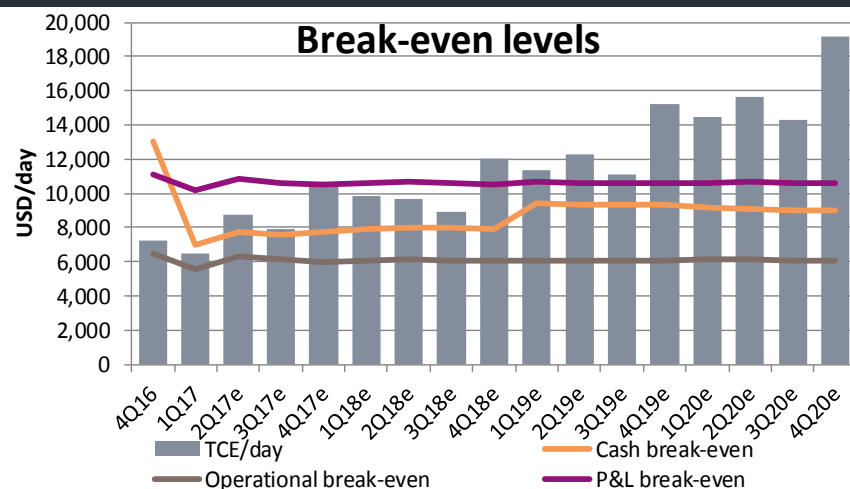
USDm	2017	2018	2019
Net sales	185	221	274
EBITDA	58	89	141
EBIT	-13	18	70
PTP	-41	-11	41
Net earnings	-41	-11	41
EPS	-1.20	-0.31	1.20

USDm	2017	2018	2019
Net operational cash flow	22	60	112
Free cash flow	38	60	112
Net cash flow	32	45	59
TCE/day	8,445	10,109	12,497
Cash break-even	7,487	7,957	9,348
Liquidity	173	219	278
Property & Equip. (incl. NBs)	1,294	1,223	1,152
Total equity	989	977	1,008
Interest bearing debt	513	499	456
Net interest bearing debt	339	281	178
Market Cap.	346	346	346
Enterprise value	685	627	525

### Quarterly cash flows & cash position



### Quarterly break-even levels & TCE/day



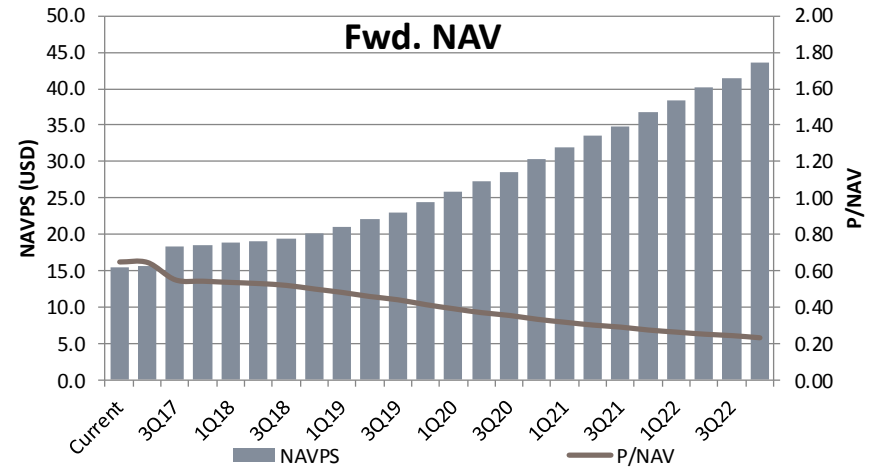
# Genco Shipping

## Valuation I

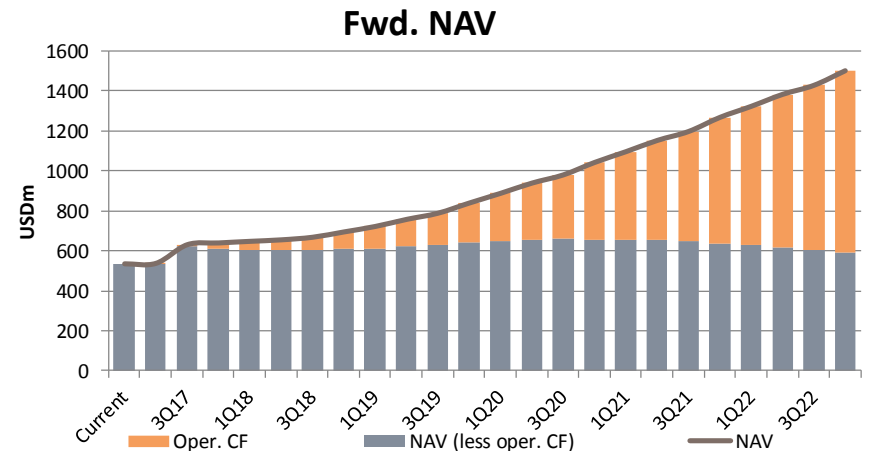
### Valuation and target price

USDm	1Q17	Fair value	Implied
Primary assets	1,350	<b>871</b>	689
Contract value	0	0	0
Other	36	36	28
<b>GAV</b>	<b>1,386</b>	<b>907</b>	<b>717</b>
Net debt	-370	-370	-370
Capex	0	0	0
Other	-2	-2	-2
<b>NAV</b>	<b>1,015</b>	<b>535</b>	<b>346</b>
Shares	34	34	34
<b>NAVPS</b>	<b>29.5</b>	<b>15.6</b>	<b>10.1</b>
Share price	10.1	15.6	10.1
<b>P/NAV</b>	<b>0.34</b>	<b>0.65</b>	<b>1.00</b>
<b>EV/GAV</b>	<b>0.52</b>	<b>0.79</b>	<b>1.00</b>
Adj. Total Assets	1,551	1,072	890
<b>Adj. Equity Ratio</b>	<b>65%</b>	<b>50%</b>	<b>39%</b>
<b>Target price</b>		<b>21</b>	<b>104%</b>

### Quarterly forward NAV and P/NAV



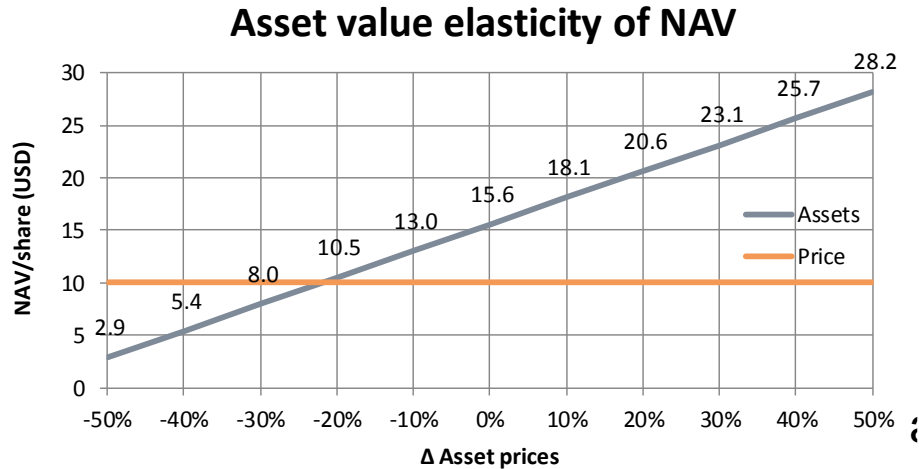
### Quarterly forward NAV decomposition



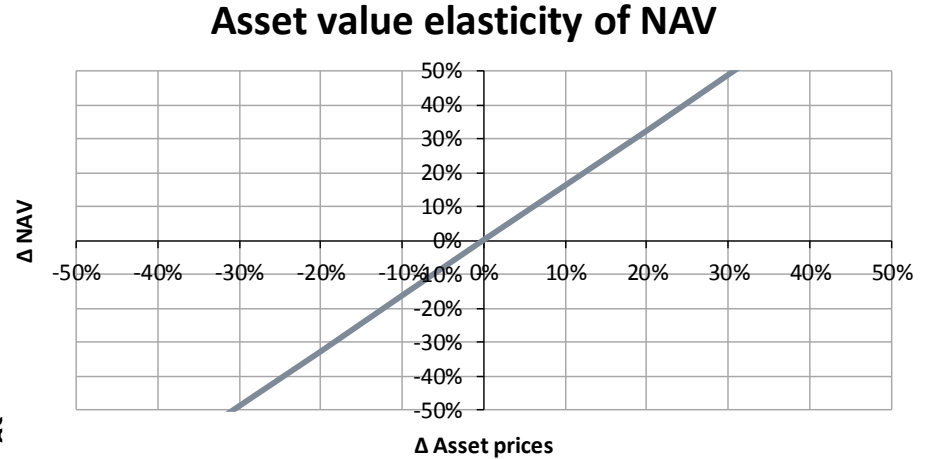
# Genco Shipping

## Valuation II

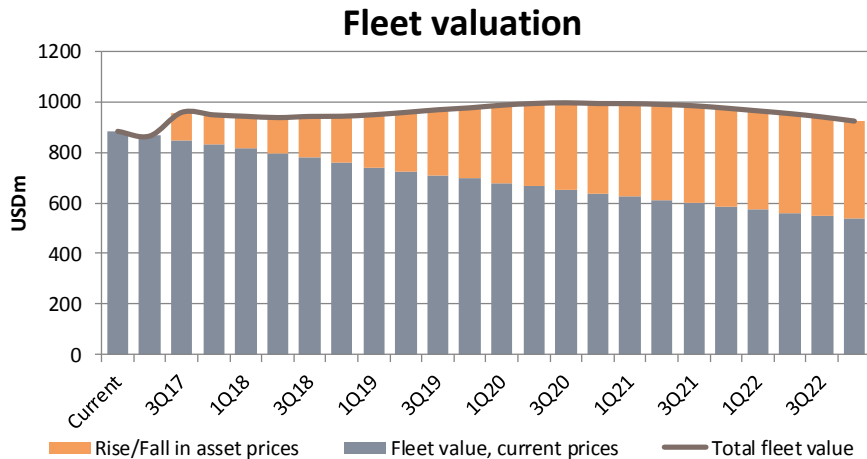
Impact on NAV/share from % change in asset prices



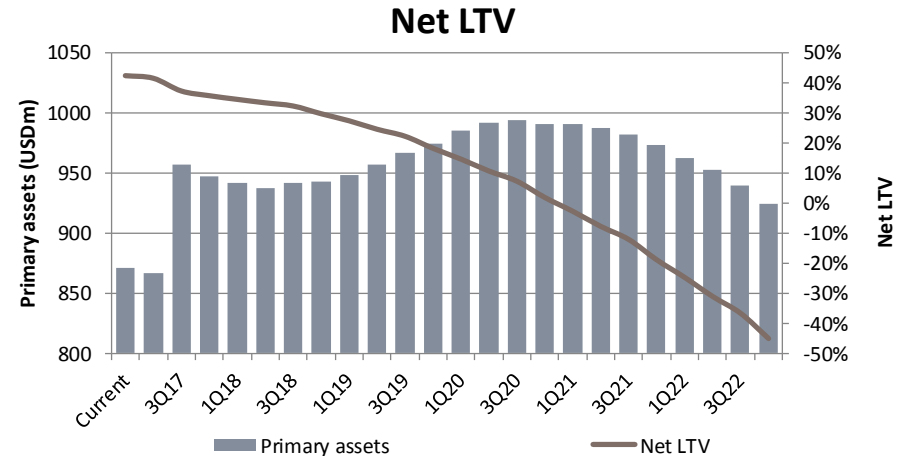
% impact on NAV from % change in asset prices



Forward fleet valuation decomposition



Forward fleet value and Loan To Value



# Genco Shipping

## Valuation III

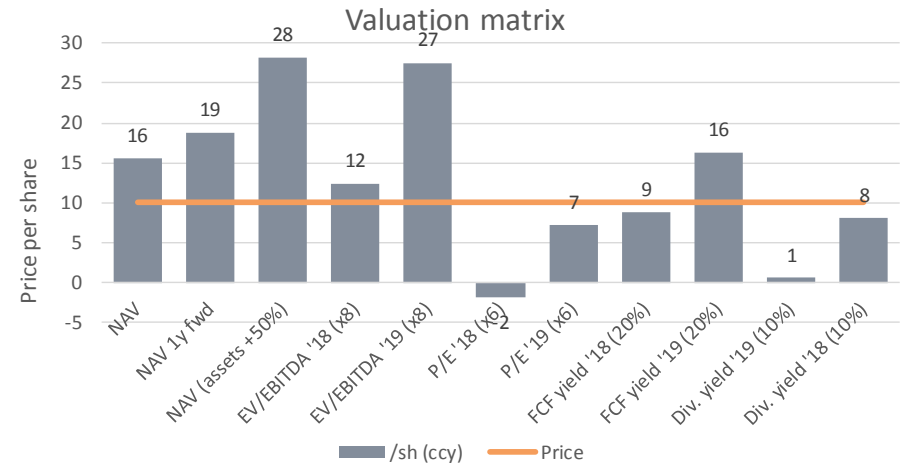
### Valuation: Earnings based

		2017	2018	2019
<b>EBITDA</b>	Forecast	58	89	141
<b>Net profit</b>	Forecast	-41	-11	41
<b>EV</b>	Forecast	685	627	525
<b>M.cap</b>	Current	346	346	346
<b>EV/EBITDA</b>	Forecast	11.7	7.1	3.7
<b>P/E</b>	Forecast	-8.4	-32.9	8.4
<b>EV/EBITDA</b>	Target	8.0	8.0	8.0
<b>EBITDA</b>	Forecast	58	89	141
<b>Implied EV</b>		467	709	1,125
<b>Implied M.cap</b>		128	428	946
<b>P/imp. M.cap</b>		2.71	0.81	0.37
<b>Target price</b>		12	27	

<b>P/E</b>	Target	6.0	6.0	6.0
<b>Net profit</b>	Forecast	-41	-11	41
<b>Implied M.cap</b>		-248	-63	249
<b>P/imp. M.cap</b>		-1.40	-5.49	1.39

<b>FCF yield</b>	Forecast	11%	17%	32%
<b>Div. yield</b>	Forecast	0%	1%	8%

### Valuation matrix

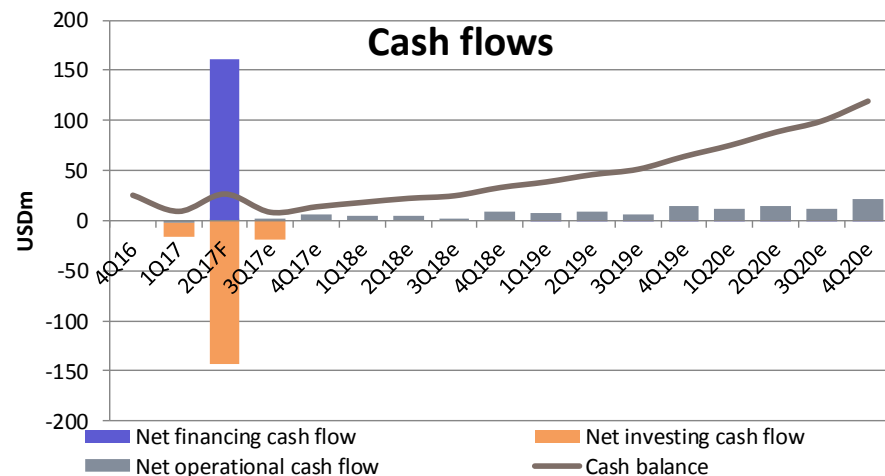


## Earnings and estimates

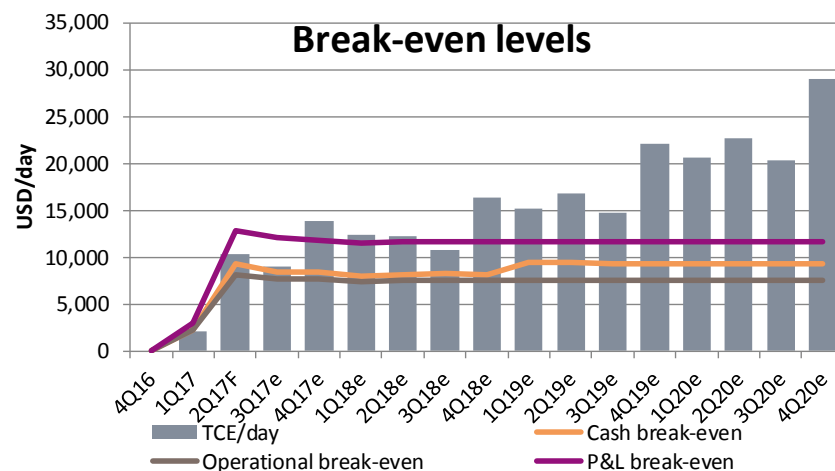
### Summary tables

USDm	2017	2018	2019	2020
Net sales	29	52	69	93
EBITDA	9	22	39	63
EBIT	-1	8	25	49
PTP	-3	5	22	46
Net earnings	-3	5	22	46
EPS	-0.19	0.41	1.68	3.51
USDm	2017	2018	2019	2020
Net operational cash flow	4	19	36	60
Free cash flow	-172	19	36	60
Net cash flow	-12	19	31	56
TCE/day	8,820	12,947	17,157	23,133
Cash break-even	7,085	8,114	9,362	9,275
Liquidity	13	33	64	120
Property & Equip. (incl. NBs)	180	166	152	138
Total equity	140	145	167	214
Interest bearing debt	60	60	55	51
Net interest bearing debt	47	27	-9	-69
Market Cap.	139	139	139	139
Enterprise value	186	167	130	70
Capex	171	-	-	-
USDm	2017	2018	2019	2020
Fwd NAV	179	200	248	316
Adj. equity ratio	75%	77%	82%	86%
FCF yield	-123%	14%	26%	43%
Dividend yield	0%	0%	0%	0%
EV/EBITDA	21.6	7.5	3.4	1.1
P/E (adj.)		26.1	6.3	3.0

### Quarterly cash flows & cash position



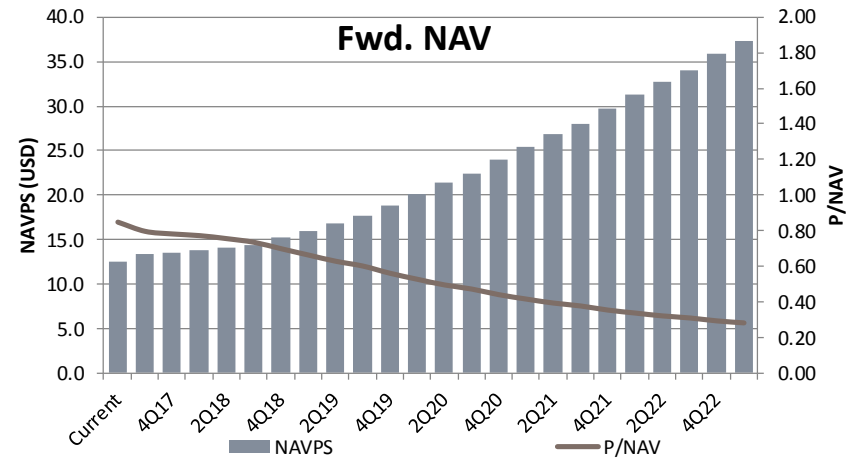
### Quarterly break-even levels & TCE/day



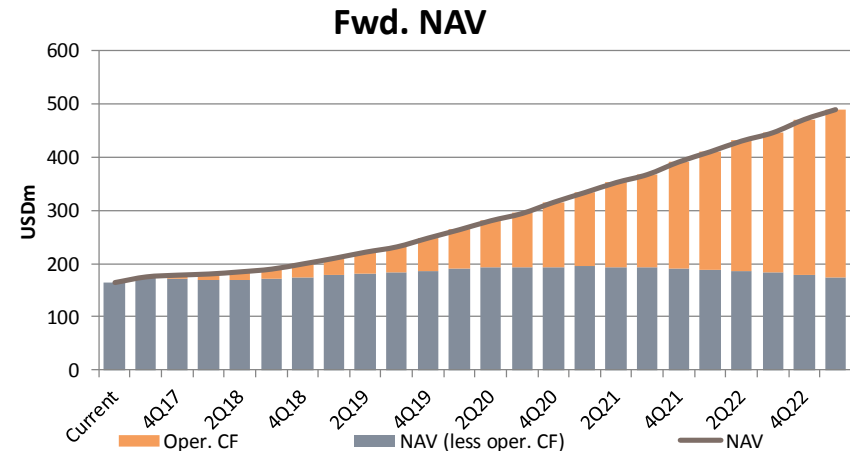
## Valuation I

Valuation and target price			
USDm	2Q17	Fair value	Implied
Primary assets	168	<b>211</b>	187
Contract value	0	0	0
Other	6	6	5
<b>GAV</b>	<b>175</b>	<b>217</b>	<b>192</b>
Net debt	-34	-34	-34
Capex	0	-19	-19
Other	0	0	0
<b>NAV</b>	<b>141</b>	<b>165</b>	<b>139</b>
Shares	13	13	13
<b>NAVPS</b>	<b>10.70</b>	<b>12.53</b>	<b>10.60</b>
Share price	90.0	106.4	90.0
<b>P/NAV</b>	<b>0.99</b>	<b>0.85</b>	<b>1.00</b>
<b>EV/GAV</b>	<b>1.10</b>	<b>0.88</b>	<b>1.00</b>
Adj. Total Assets	201	244	219
<b>Adj. Equity Ratio</b>	<b>70%</b>	<b>67%</b>	<b>63%</b>
<b>Target price</b>		<b>141</b>	<b>56%</b>

### Quarterly forward NAV and P/NAV



### Quarterly forward NAV decomposition

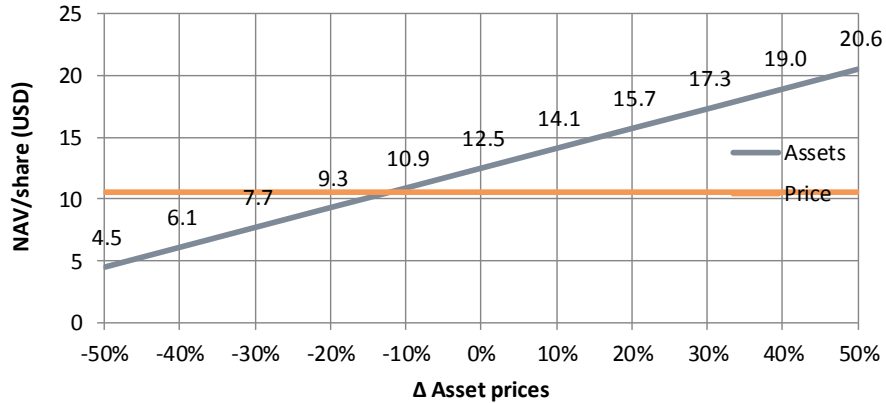




## Valuation II

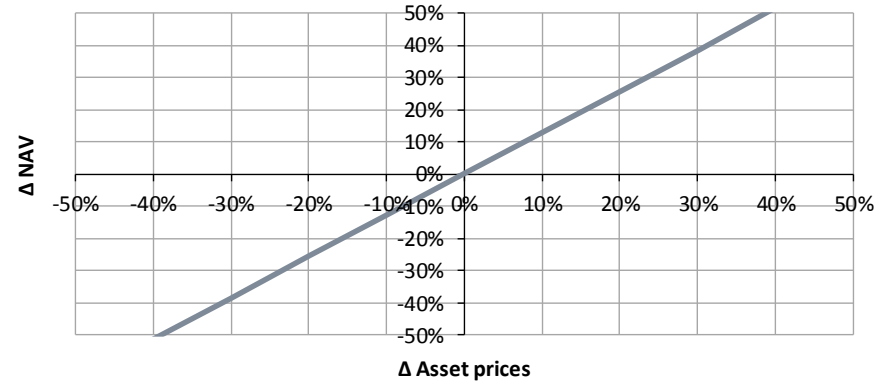
### Impact on NAV/share from % change in asset prices

#### Asset value elasticity of NAV



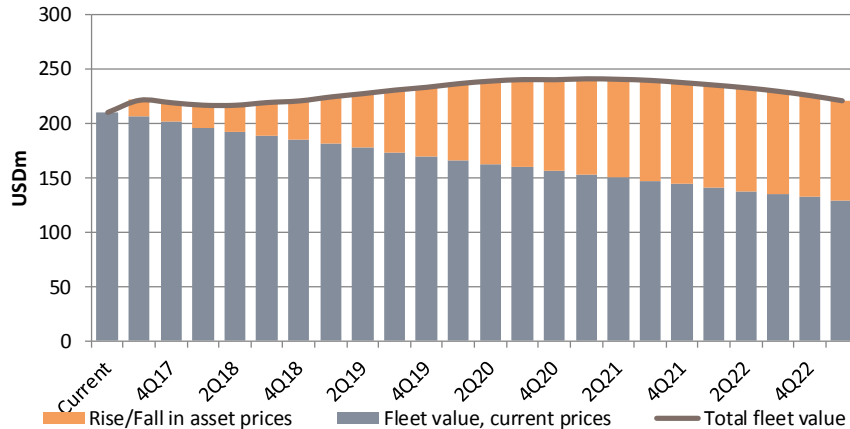
### % impact on NAV from % change in asset prices

#### Asset value elasticity of NAV



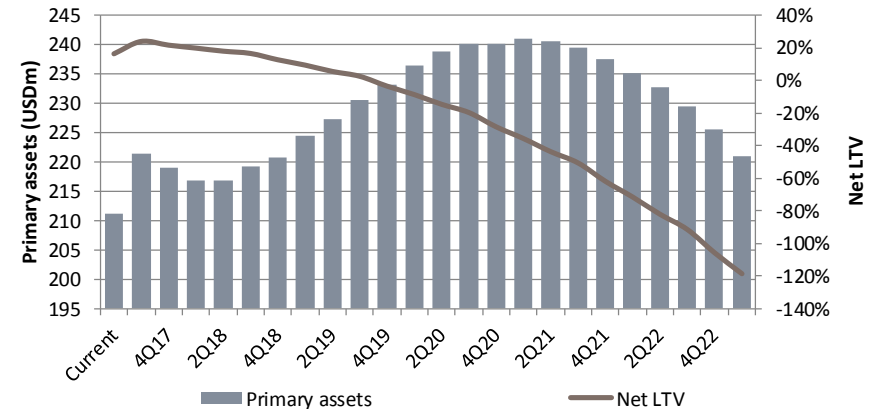
### Forward fleet valuation decomposition

#### Fleet valuation



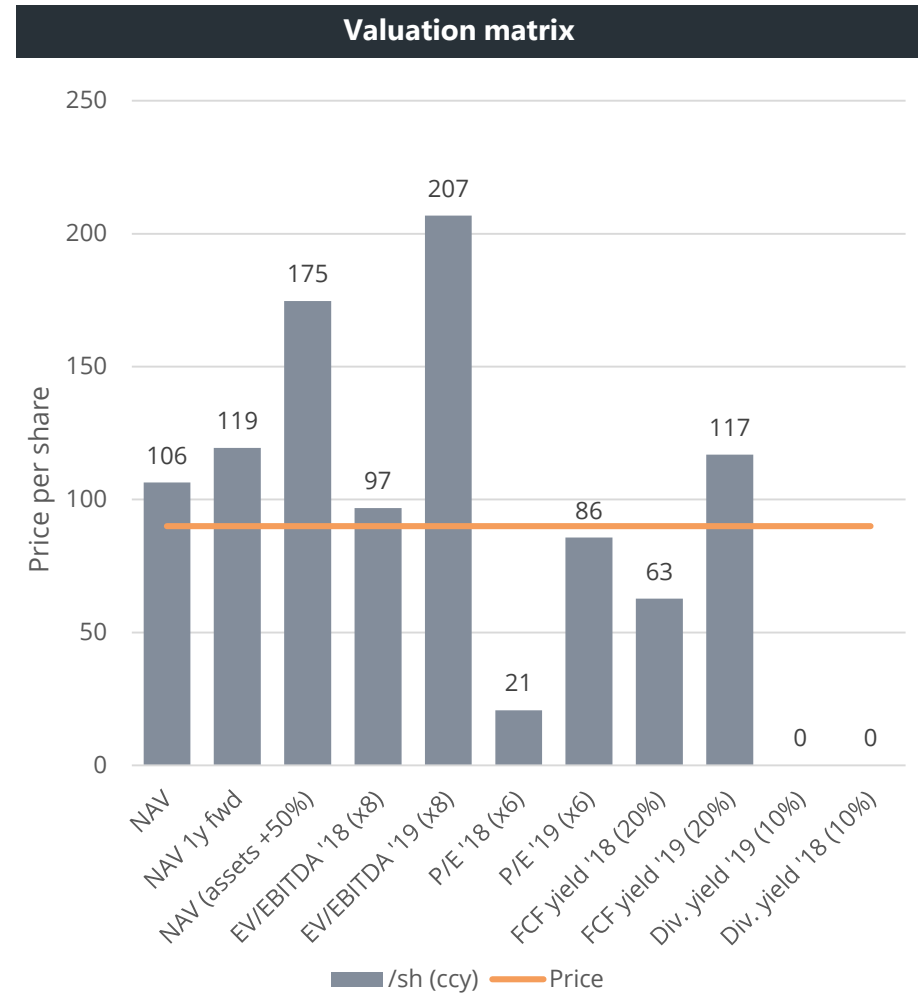
### Forward fleet value and Loan To Value

#### Net LTV



## Valuation III

Valuation: Earnings based		2017	2018	2019
EBITDA	Forecast	9	22	39
Net profit	Forecast	-3	5	22
EV	Forecast	186	167	130
M.cap	Current	139	139	139
EV/EBITDA	Forecast	21.6	7.5	3.4
P/E	Forecast	-54.6	26.1	6.3
EV/EBITDA	Target	8.0	8.0	8.0
EBITDA	Forecast	9	22	39
Implied EV		69	177	311
Implied M.cap		22	150	320
P/imp. M.cap		6.26	0.93	0.44
<b>Value/sh</b>		<b>14</b>	<b>97</b>	<b>207</b>
P/E	Target	6.0	6.0	6.0
Net profit	Forecast	-3	5	22
Implied M.cap		-15	32	133
P/imp. M.cap		-9.10	4.35	1.05
FCF yield	Forecast	-123%	14%	26%
Div. yield	Forecast	0%	0%	0%



## Earnings and estimates

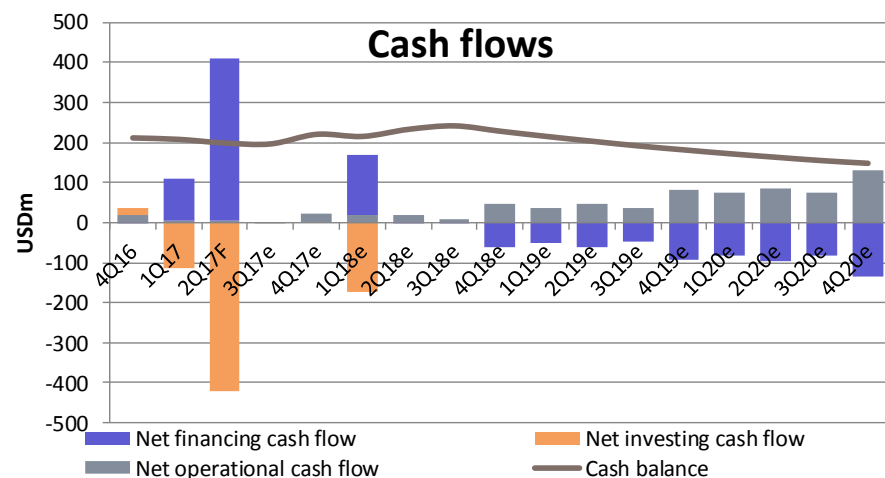
### Summary tables

USDm	2017	2018	2019
Net sales	272	366	476
EBITDA	74	143	253
EBIT	-5	64	180
PTP	-54	15	131
Net earnings	-54	15	131
EPS	-0.43	0.12	0.99

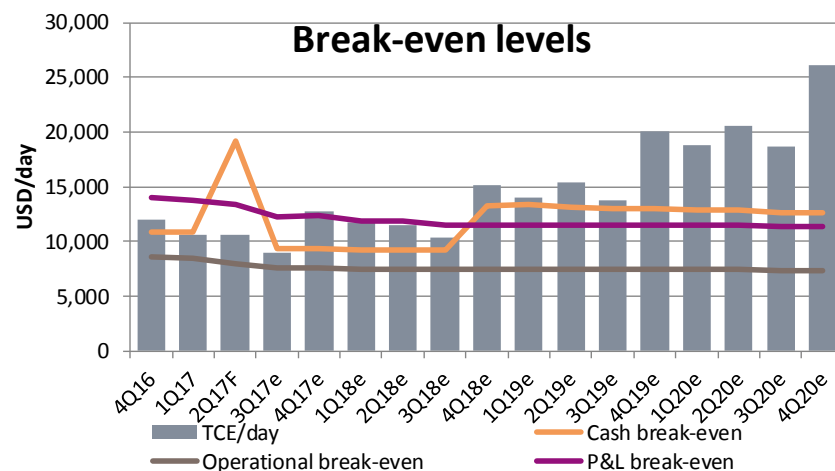
  

USDm	2017	2018	2019
Net operational cash flow	30	94	205
Free cash flow	-506	-80	205
Net cash flow	9	8	-47
TCE/day	10,705	12,162	15,811
Cash break-even	12,161	10,197	13,121
Liquidity	222	230	183
Property & Equip. (incl. NBs)	2,397	2,492	2,418
Total equity	1,350	1,338	1,340
Interest bearing debt	1,409	1,523	1,400
Net interest bearing debt	1,186	1,293	1,217
Market Cap.	827	827	827
Enterprise value	2,014	2,120	2,044

### Quarterly cash flows & cash position



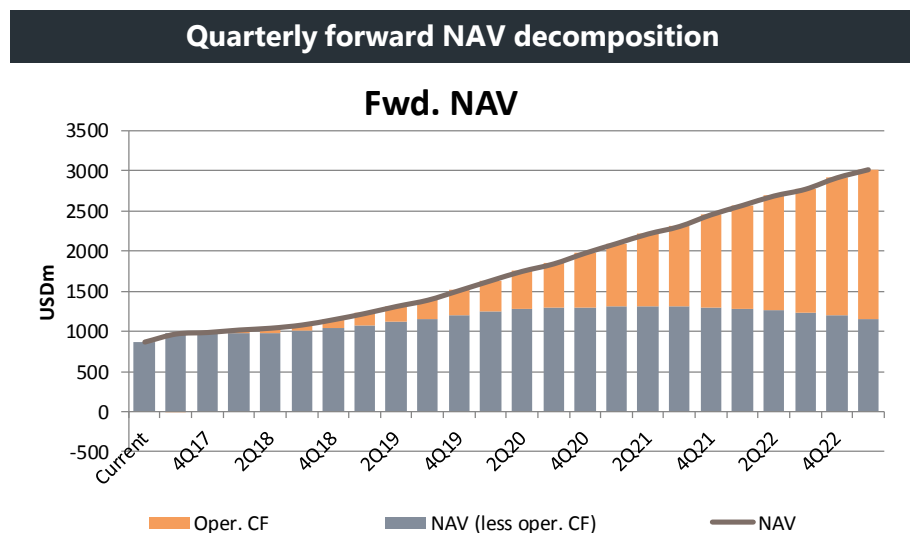
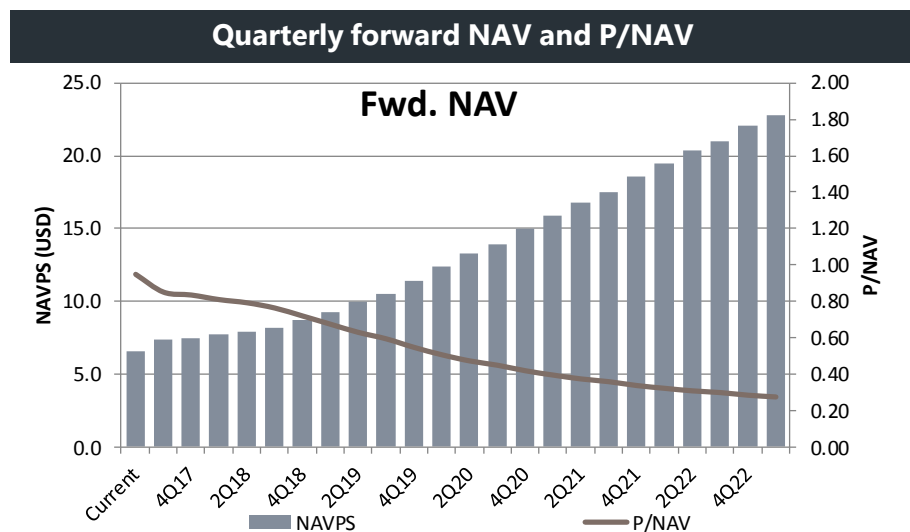
### Quarterly break-even levels & TCE/day



# Golden Ocean

## Valuation I

Valuation and target price			
USDm	2Q17	Fair value	Implied
Primary assets	2,439	<b>2,129</b>	2,086
Contract value	0	33	33
Other	147	147	144
<b>GAV</b>	<b>2,586</b>	<b>2,309</b>	<b>2,263</b>
Net debt	-1,208	-1,208	-1,208
Capex	0	-174	-174
Other	-53	-53	-53
<b>NAV</b>	<b>1,324</b>	<b>874</b>	<b>827</b>
Shares	132	132.4	132
<b>NAVPS</b>	<b>10.00</b>	<b>6.60</b>	<b>6.25</b>
Share price	6.25	6.60	6.25
<b>P/NAV</b>	<b>0.62</b>	<b>0.95</b>	<b>1.00</b>
<b>EV/GAV</b>	<b>0.88</b>	<b>0.98</b>	<b>1.00</b>
Adj. Total Assets	2,849	2,539	2,496
<b>Adj. Equity Ratio</b>	<b>46%</b>	<b>34%</b>	<b>33%</b>
<b>Target price</b>		<b>6.8</b>	<b>9%</b>

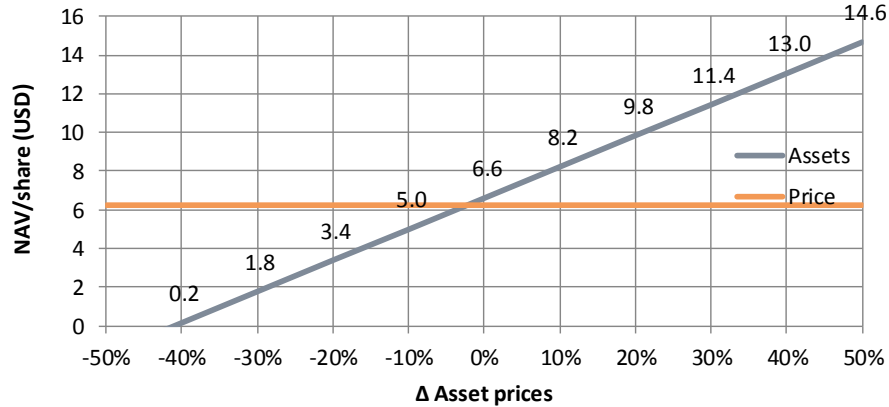


# Golden Ocean

## Valuation II

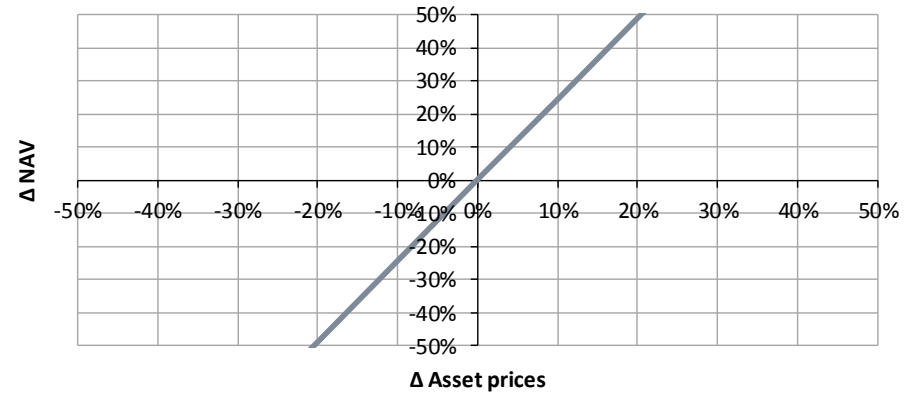
### Impact on NAV/share from % change in asset prices

#### Asset value elasticity of NAV



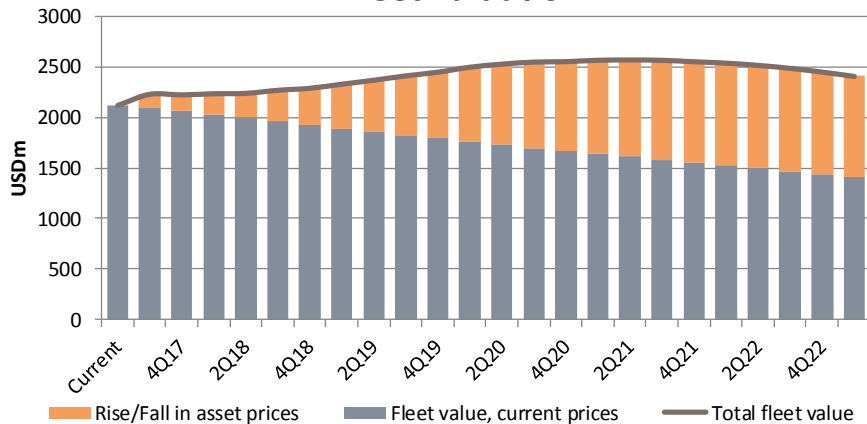
### % impact on NAV from % change in asset prices

#### Asset value elasticity of NAV



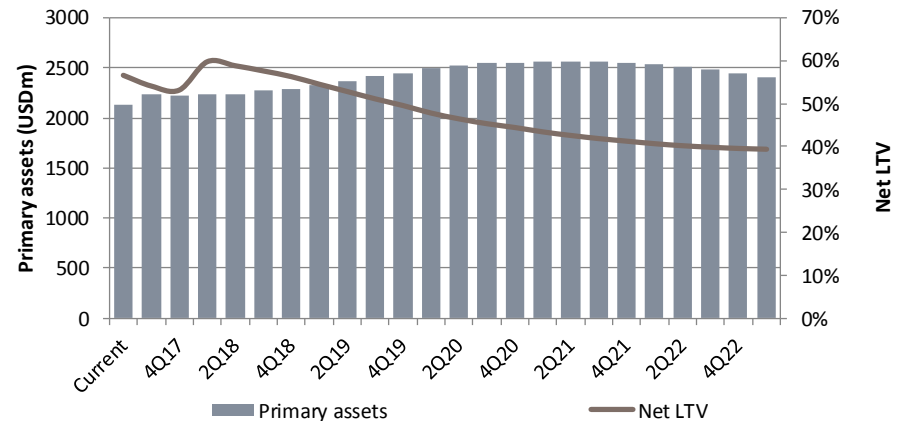
### Forward fleet valuation decomposition

#### Fleet valuation



### Forward fleet value and Loan To Value

#### Net LTV



# Golden Ocean

## Valuation III

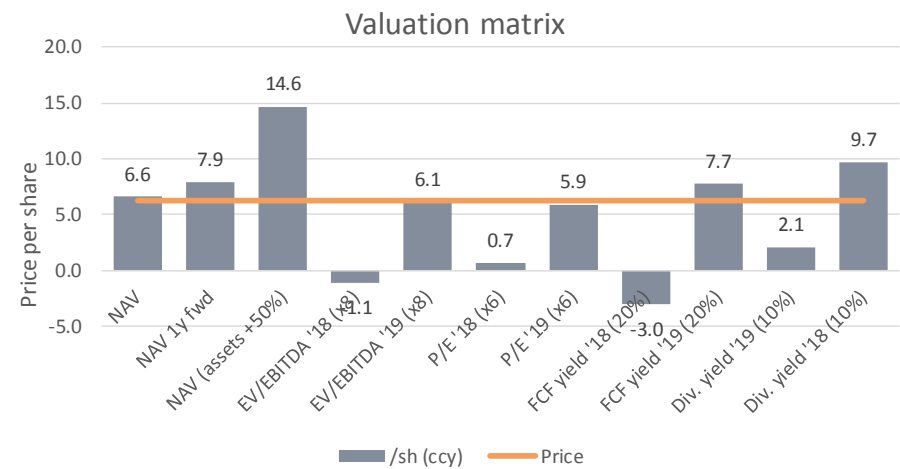
### Valuation: Earnings based

		2017	2018	2019
<b>EBITDA</b>	Forecast	74	143	253
<b>Net profit</b>	Forecast	-54	15	131
<b>EV</b>	Forecast	2,014	2,120	2,044
<b>M.cap</b>	Current	827	827	827
<b>EV/EBITDA</b>	Forecast	27.4	14.8	8.1
<b>P/E</b>	Forecast	-15.2	54.3	6.3
<b>EV/EBITDA</b>	Target	8.0	8.0	8.0
<b>EBITDA</b>	Forecast	74	143	253
<b>Implied EV</b>		589	1,146	2,025
<b>Implied M.cap</b>		-597	-147	809
<b>P/imp. M.cap</b>		-1.39	-5.62	1.02

<b>P/E</b>	Target	6.0	6.0	6.0
<b>Net profit</b>	Forecast	-54	15	131
<b>Implied M.cap</b>		-326	91	786
<b>P/imp. M.cap</b>		-2.54	9.04	1.05

<b>FCF yield</b>	Forecast	-61%	-10%	25%
<b>Div. yield</b>	Forecast	0%	3%	15%

### Valuation matrix

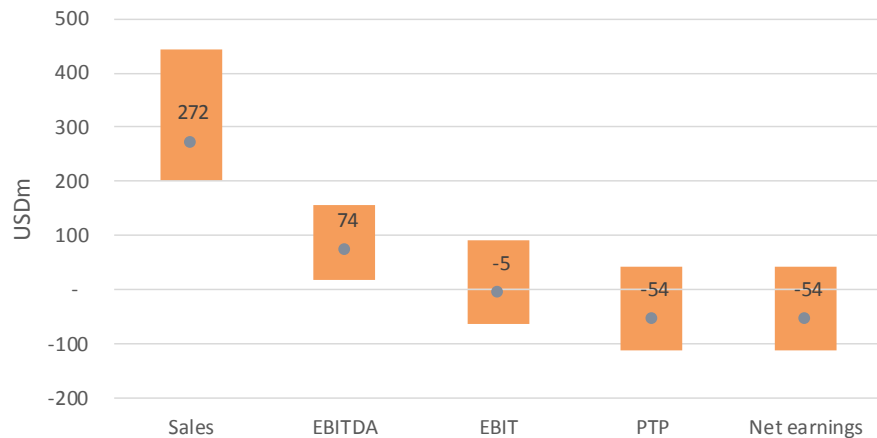


# Golden Ocean (GOGL-US)

## Our estimates vs consensus

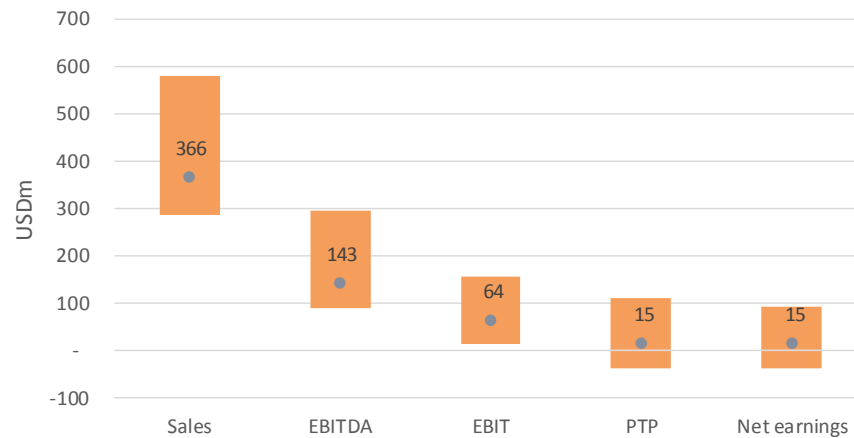
### P&L, Year I

TSA vs consensus range (2017E)



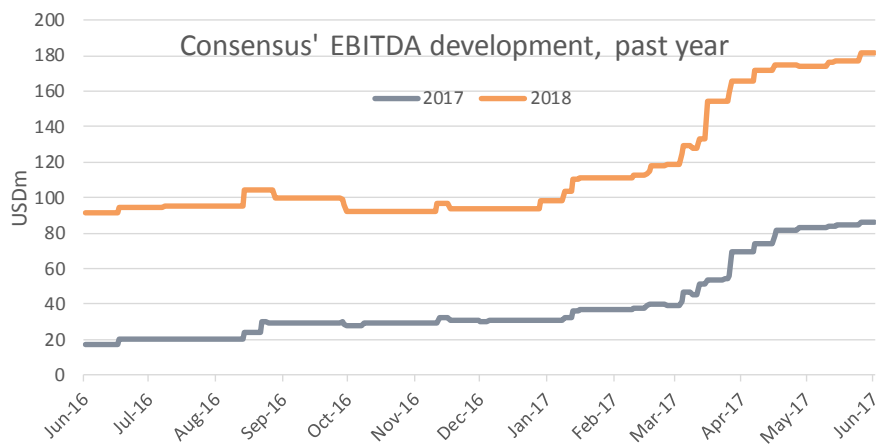
### P&L, Year II

TSA vs consensus range (2018E)



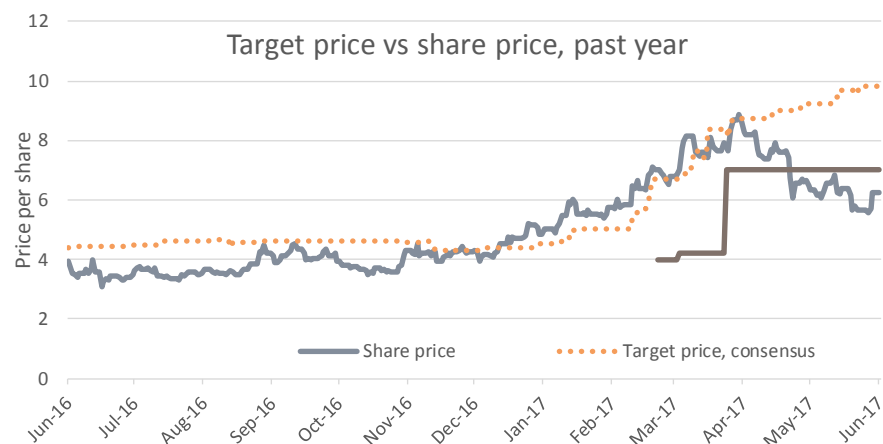
### Consensus EBITDA development

Consensus' EBITDA development, past year



### Consensus target vs share price

Target price vs share price, past year



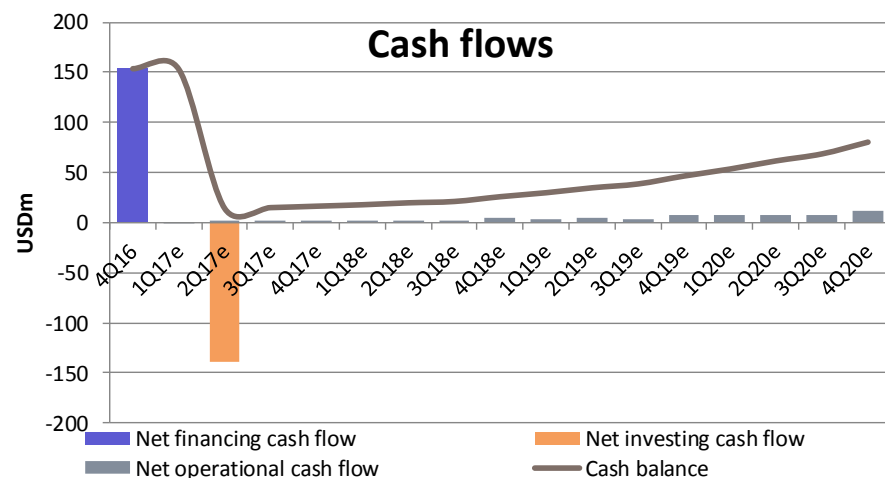
# Hunter Maritime Acquisition

## Earnings and estimates

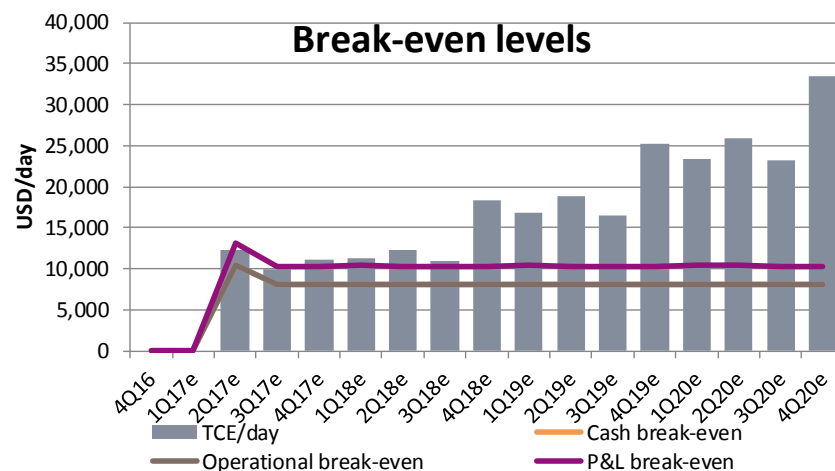
### Summary tables

USDm	2017	2018	2019	2020
Net sales	12	24	35	49
EBITDA	2	9	21	34
EBIT	-0	5	16	30
PTP	-0	5	16	30
Net earnings	-0	5	16	30
EPS	-0.02	0.28	0.87	1.56
USDm	2017	2018	2019	2020
Net operational cash flow	2	9	21	34
Free cash flow	-137	9	21	34
Net cash flow	-137	9	21	34
TCE/day	#DIV/0!	13,225	19,353	26,535
Cash break-even	#DIV/0!	8,040	8,055	8,067
Liquidity	16	26	46	80
Property & Equip. (incl. NBs)	137	133	128	124
Total equity	152	158	174	204
Interest bearing debt	-	-	-	-
Net interest bearing debt	-16	-26	-46	-80
Market Cap.	152	152	152	152
Enterprise value	135	126	105	71
Capex	139	-	-	-
USDm	2017	2018	2019	2020
Fwd NAV	164	177	209	248
Adj. equity ratio	100%	100%	100%	100%
FCF yield	-91%	6%	14%	22%
Dividend yield	0%	0%	0%	0%
EV/EBITDA	63.1	13.3	5.1	2.1
P/E (adj.)		28.4	9.2	5.1

### Quarterly cash flows & cash position



### Quarterly break-even levels & TCE/day



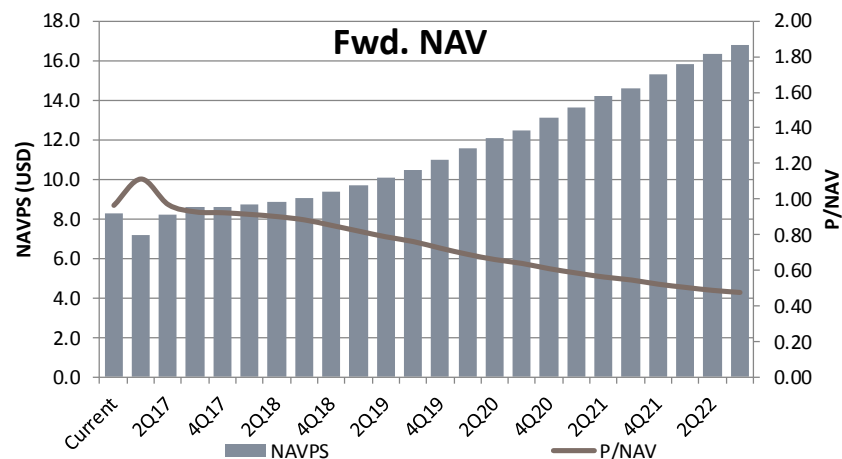


# Hunter Maritime Acquisition

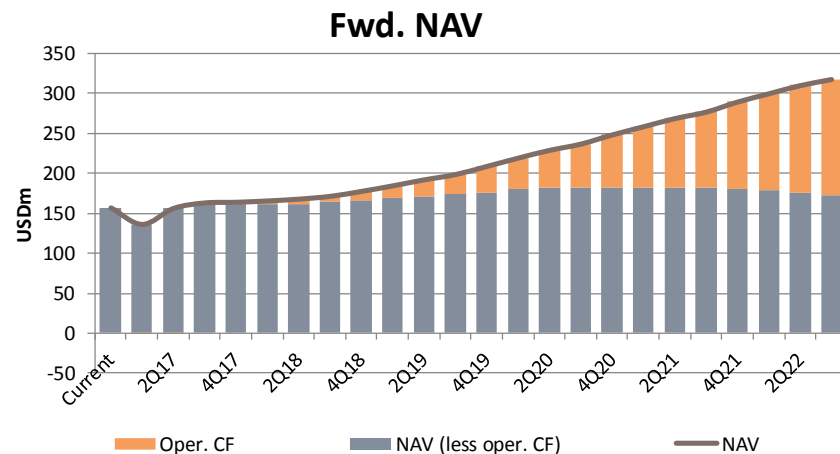
## Valuation I

Valuation and target price			
USDm	4Q16	Fair value	Implied
Primary assets	0	147	142
Contract value	0	-4	-4
Other	-1	-1	-1
<b>GAV</b>	<b>-1</b>	<b>142</b>	<b>137</b>
Net debt	154	154	154
Capex	0	-139	-139
Other	0	0	0
<b>NAV</b>	<b>153</b>	<b>157</b>	<b>152</b>
Shares	19	19	19
<b>NAVPS</b>	<b>8.06</b>	<b>8.26</b>	<b>7.99</b>
Share price	7.99	8.26	7.99
<b>P/NAV</b>	<b>0.99</b>	<b>0.97</b>	<b>1.00</b>
<b>EV/GAV</b>	<b>-180.60</b>	<b>0.96</b>	<b>1.00</b>
Adj. Total Assets	154	301	296
<b>Adj. Equity Ratio</b>	<b>100%</b>	<b>52%</b>	<b>51%</b>
<b>Target price</b>		<b>9.1</b>	<b>14%</b>

### Quarterly forward NAV and P/NAV



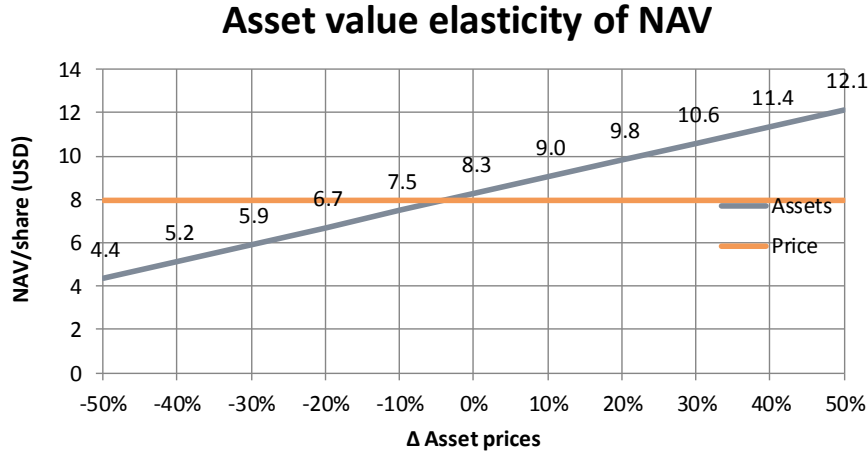
### Quarterly forward NAV decomposition



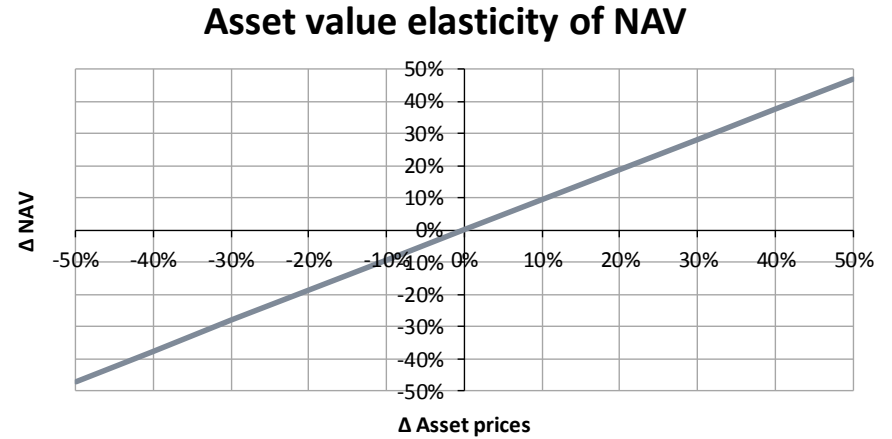
# Hunter Maritime Acquisition

## Valuation II

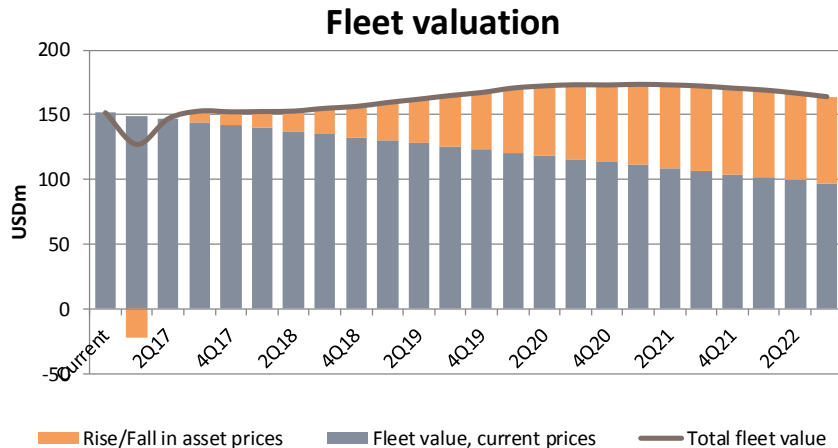
Impact on NAV/share from % change in asset prices



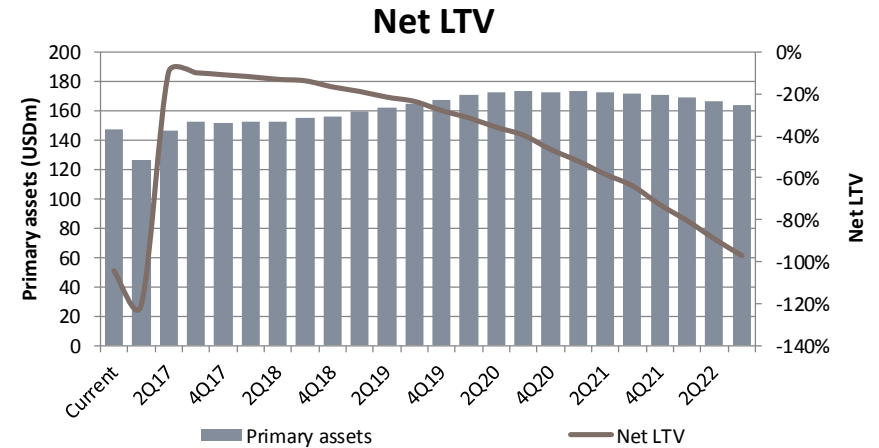
% impact on NAV from % change in asset prices



Forward fleet valuation decomposition



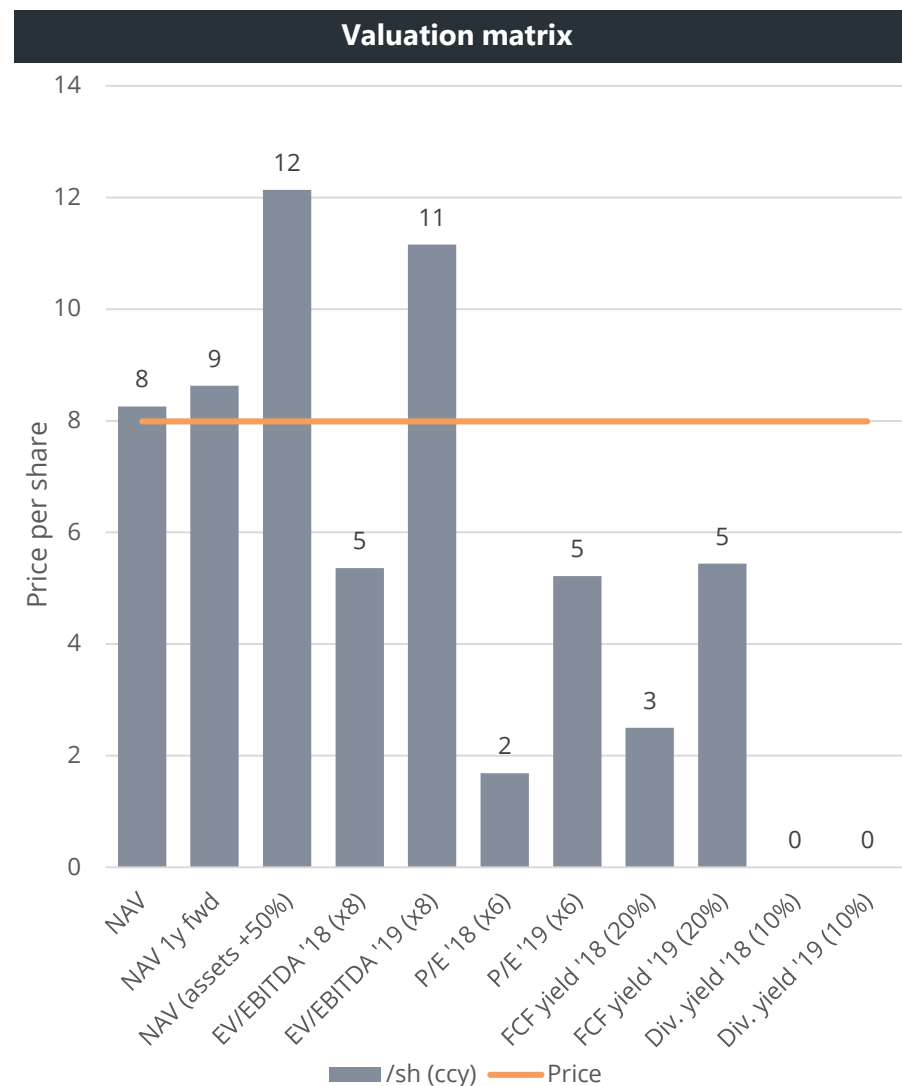
Forward fleet value and Loan To Value



# Hunter Maritime Acquisition

## Valuation III

Valuation: Earnings based		2017	2018	2019
EBITDA	Forecast	2	9	21
Net profit	Forecast	0	5	16
EV	Forecast	135	126	105
M.cap	Current	152	152	152
EV/EBITDA	Forecast	63.1	13.3	5.1
P/E	Forecast	-333.7	28.4	9.2
EV/EBITDA	Target	8.0	8.0	8.0
EBITDA	Forecast	2	9	21
Implied EV		17	76	165
Implied M.cap		33	102	212
P/imp. M.cap		4.53	1.49	0.72
<b>Value/sh</b>		<b>1.8</b>	<b>5.4</b>	<b>11.2</b>
P/E	Target	6.0	6.0	6.0
Net profit	Forecast	0	5	16
Implied M.cap		-3	32	99
<b>P/imp. M.cap</b>		<b>-55.62</b>	<b>4.74</b>	<b>1.53</b>
FCF yield	Forecast	-91%	6%	14%
Div. yield	Forecast	0%	0%	0%



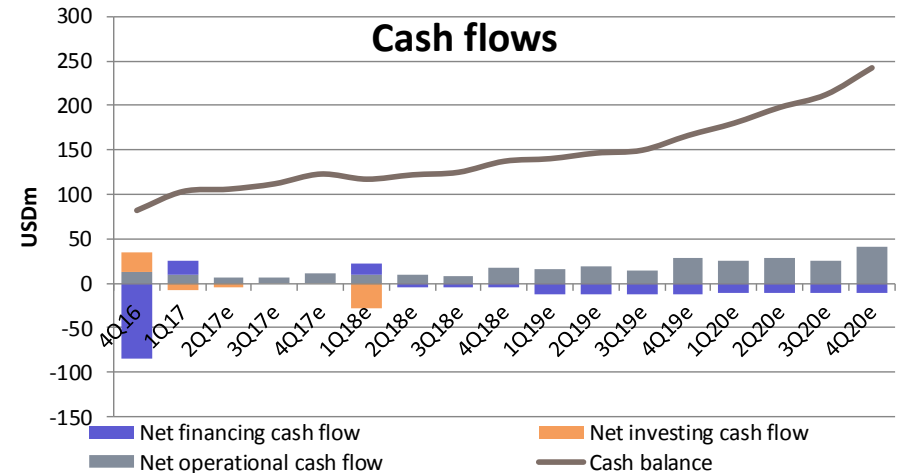
# Safe Bulkers

## Earnings and estimates

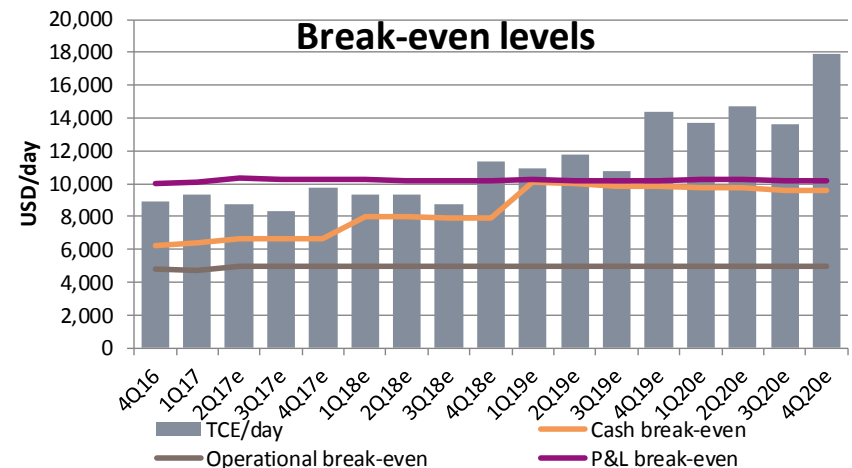
### Summary tables

USDm	2017	2018	2019	2020
Net sales	125	138	170	214
EBITDA	56	67	100	143
EBIT	5	15	48	91
PTP	-17	-7	25	68
Net earnings	-17	-7	25	68
EPS	-0.17	-0.07	0.25	0.69
USDm	2017	2018	2019	2020
Net operational cash flow	34	45	77	120
Free cash flow	22	17	77	120
Net cash flow	38	14	29	76
TCE/day	9,029	9,682	11,968	14,974
Cash break-even	6,552	7,946	9,944	9,669
Liquidity	122	137	166	241
Property & Equip. (incl. NBs)	1,023	999	947	895
Total equity	558	550	576	644
Interest bearing debt	601	598	550	505
Net interest bearing debt	479	461	384	264
Market Cap.	228	228	228	228
Enterprise value	707	689	612	492
Capex	12	27	-	-
USDm	2017	2018	2019	2020
Fwd NAV	204	260	376	517
Adj. equity ratio	25%	30%	40%	50%
FCF yield	10%	8%	34%	53%
Dividend yield	0%	0%	0%	0%
EV/EBITDA	12.6	10.2	6.1	3.4
P/E (adj.)			20.4	4.2

### Quarterly cash flows & cash position



### Quarterly break-even levels & TCE/day



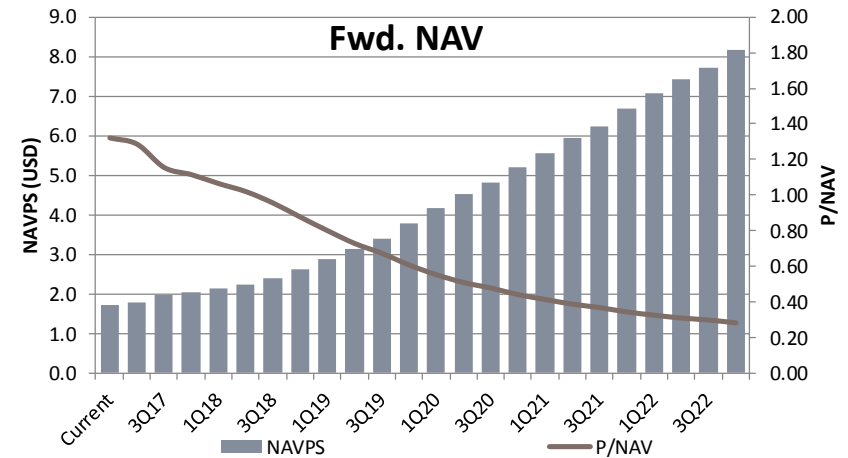
# Safe Bulkers

## Valuation I

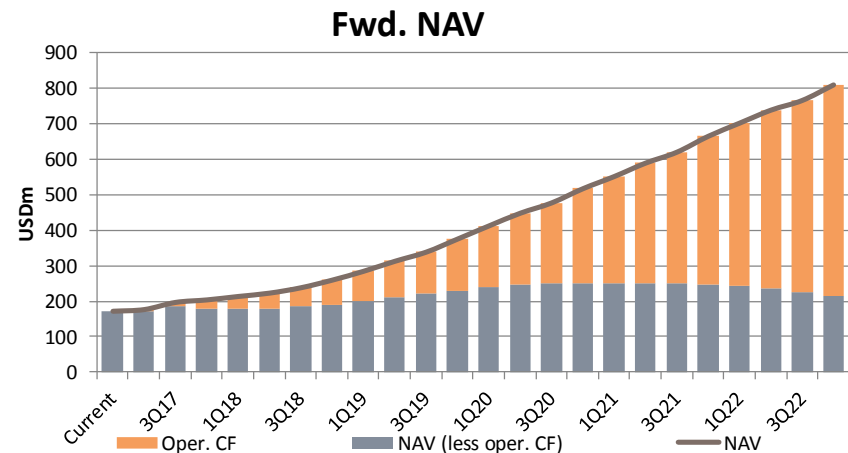
### Valuation and target price

USDm	1Q17	Fair value	Implied
Primary assets	1,057	625	674
Contract value	0	64	69
Other	26	26	29
<b>GAV</b>	<b>1,083</b>	<b>716</b>	<b>772</b>
Net debt	-498	-498	-498
Capex	0	-32	-32
Other	-13	-13	-13
<b>NAV</b>	<b>572</b>	<b>172</b>	<b>228</b>
Shares	99	99	99
<b>NAVPS</b>	<b>5.76</b>	<b>1.74</b>	<b>2.30</b>
Share price	2.30	1.74	2.30
<b>P/NAV</b>	<b>0.40</b>	<b>1.32</b>	<b>1.00</b>
<b>EV/GAV</b>	<b>0.71</b>	<b>1.08</b>	<b>1.00</b>
Adj. Total Assets	1,186	755	804
<b>Adj. Equity Ratio</b>	<b>48%</b>	<b>23%</b>	<b>28%</b>
<b>Target price</b>		<b>2.5</b>	<b>7%</b>

### Quarterly forward NAV and P/NAV



### Quarterly forward NAV decomposition

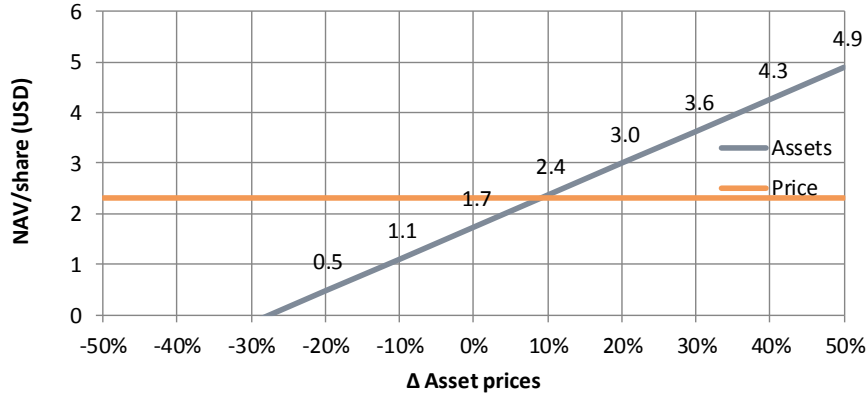


# Safe Bulkers

## Valuation II

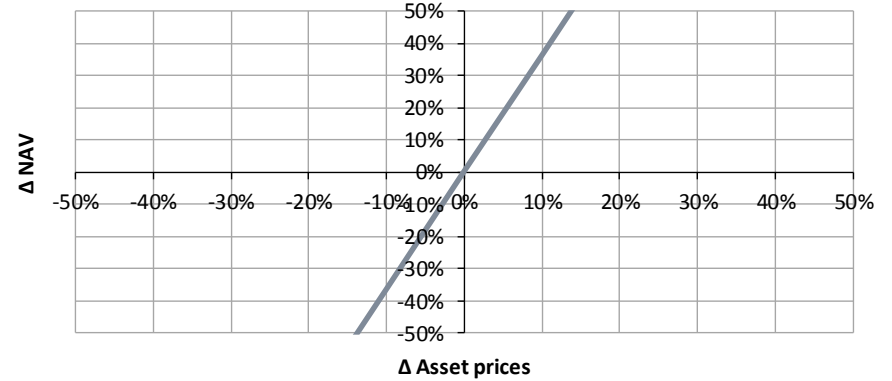
Impact on NAV/share from % change in asset prices

Asset value elasticity of NAV



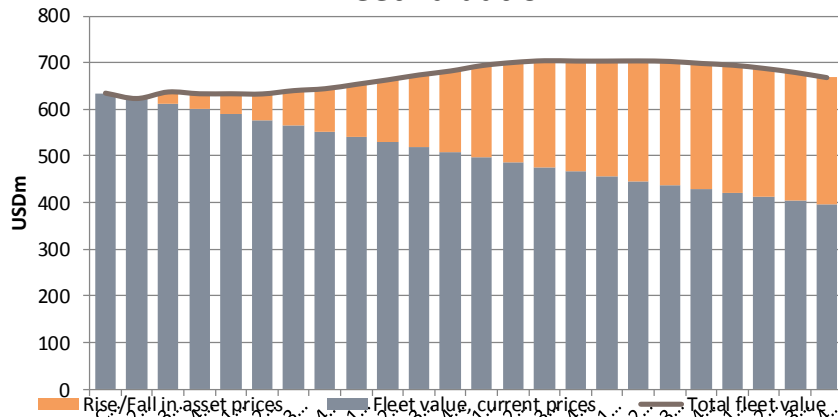
% impact on NAV from % change in asset prices

Asset value elasticity of NAV



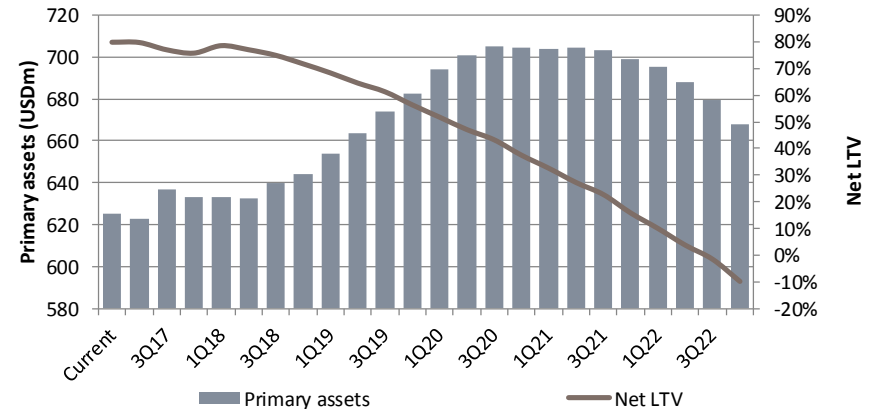
Forward fleet valuation decomposition

Fleet valuation



Forward fleet value and Loan To Value

Net LTV



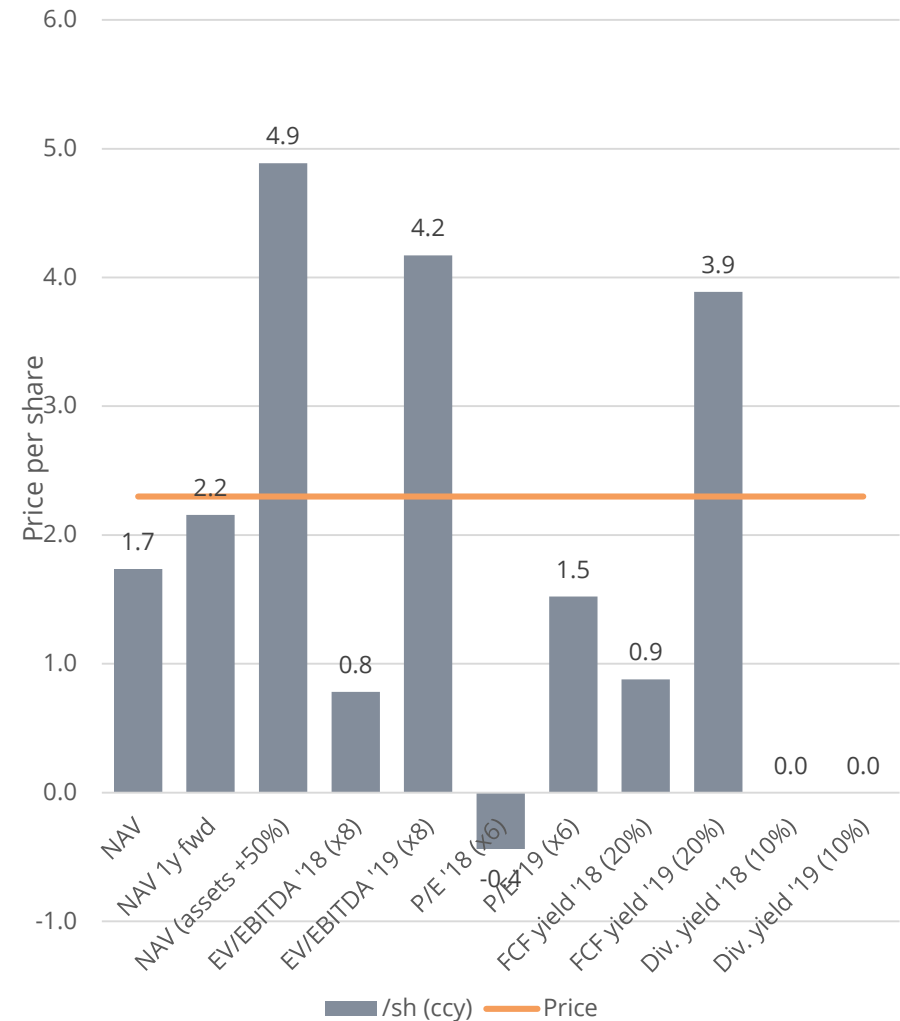
# Safe Bulkers

## Valuation III

### Valuation: Earnings based

Multiple valuation		2017	2018	2019
EBITDA	Forecast	56	67	100
Net profit	Forecast	-17	-7	25
EV	Forecast	707	689	612
M.cap	Current	228	228	228
EV/EBITDA	Forecast	12.6	10.2	6.1
P/E	Forecast	-13.2	-31.5	9.1
EV/EBITDA	Target	8.0	8.0	8.0
EBITDA	Forecast	56	67	100
Implied EV		450	539	798
Implied M.cap		-28	78	414
P/imp. M.cap		-8.12	2.95	0.55
<b>Value/sh</b>		<b>-0.3</b>	<b>0.8</b>	<b>4.2</b>
P/E	Target	6.0	6.0	6.0
Net profit	Forecast	-17	-7	25
Implied M.cap		-104	-43	151
<b>P/imp. M.cap</b>		<b>-2.20</b>	<b>-5.26</b>	<b>1.51</b>
FCF yield	Forecast	10%	8%	34%
Div. yield	Forecast	0%	0%	0%

### Valuation matrix



# Scorpio Bulkers

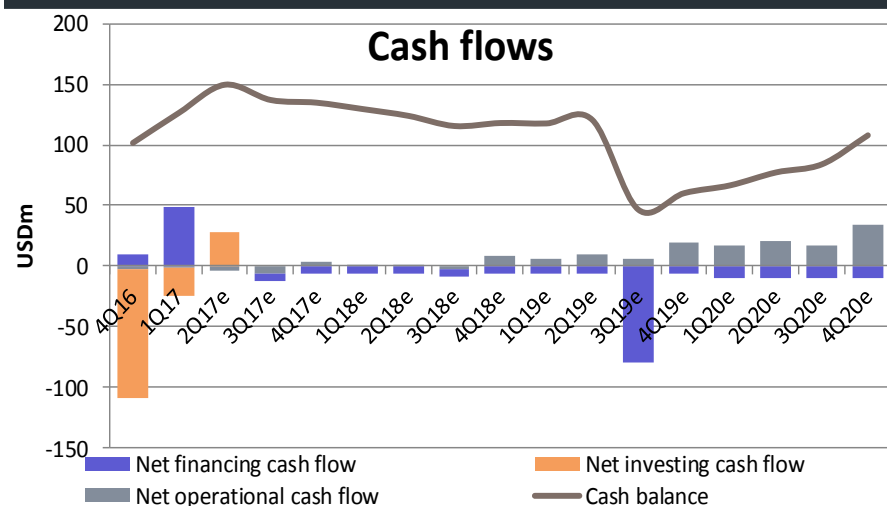
## Earnings and estimates

### Summary tables

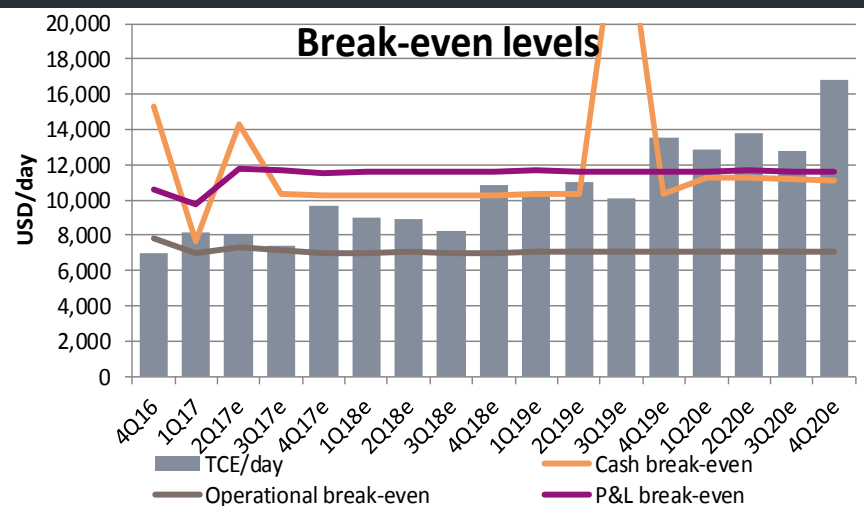
USDm	2017	2018	2019
Net sales	143	156	189
EBITDA	1	38	71
EBIT	-46	-9	24
PTP	-77	-39	-6
Net earnings	-77	-39	-6
EPS	-1.02	-0.52	-0.08

USDm	2017	2018	2019
Net operational cash flow	-9	8	41
Free cash flow	-3	8	41
Net cash flow	33	-17	-58
TCE/day	8,350	9,266	11,242
Cash break-even	10,622	10,274	14,676
Liquidity	135	118	60
Property & Equip. (incl. NBs)	1,301	1,254	1,207
Total equity	884	845	839
Interest bearing debt	616	591	492
Net interest bearing debt	481	473	432
Market Cap.	520	520	520
Enterprise value	1,000	993	952

### Quarterly cash flows & cash position



### Quarterly break-even levels & TCE/day





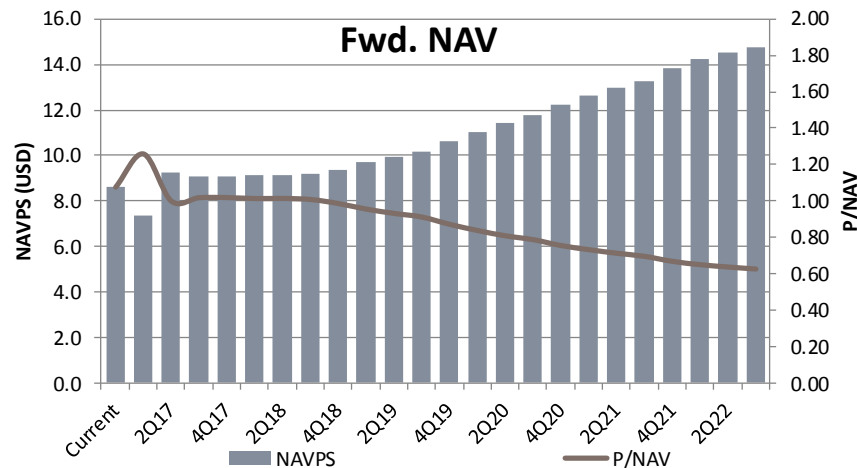
# Scorpio Bulkers

## Valuation I

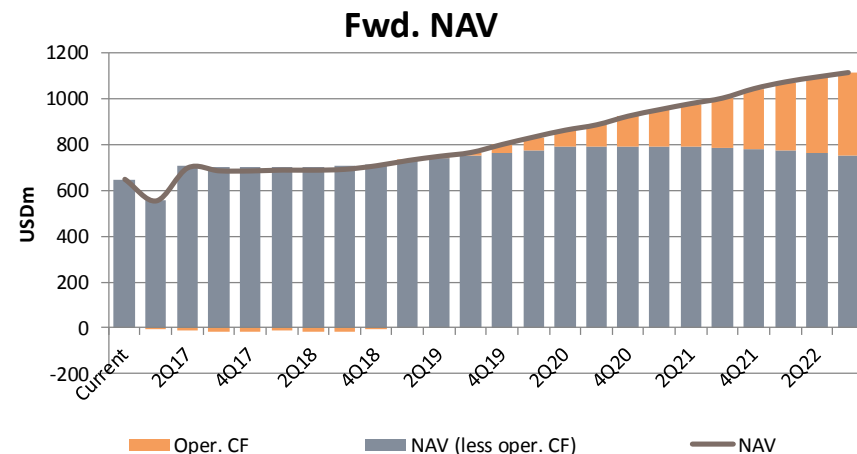
### Valuation and target price

USDm	1Q17	Fair value	Implied
Primary assets	1,364	1,099	982
Contract value	0	0	0
Other	64	64	57
<b>GAV</b>	<b>1,428</b>	<b>1,162</b>	<b>1,039</b>
Net debt	-502	-502	-502
Capex	0	-17	-17
Other	0	0	0
<b>NAV</b>	<b>926</b>	<b>643</b>	<b>520</b>
Shares	75	75	75
<b>NAVPS</b>	<b>12.30</b>	<b>8.54</b>	<b>6.90</b>
Share price	6.90	8.54	6.90
<b>P/NAV</b>	<b>0.56</b>	<b>0.81</b>	<b>1.00</b>
<b>EV/GAV</b>	<b>0.73</b>	<b>0.89</b>	<b>1.00</b>
Adj. Total Assets	1,563	1,298	1,181
<b>Adj. Equity Ratio</b>	<b>59%</b>	<b>50%</b>	<b>44%</b>
<b>Target price</b>		<b>6.7</b>	<b>-2%</b>

### Quarterly forward NAV and P/NAV



### Quarterly forward NAV decomposition

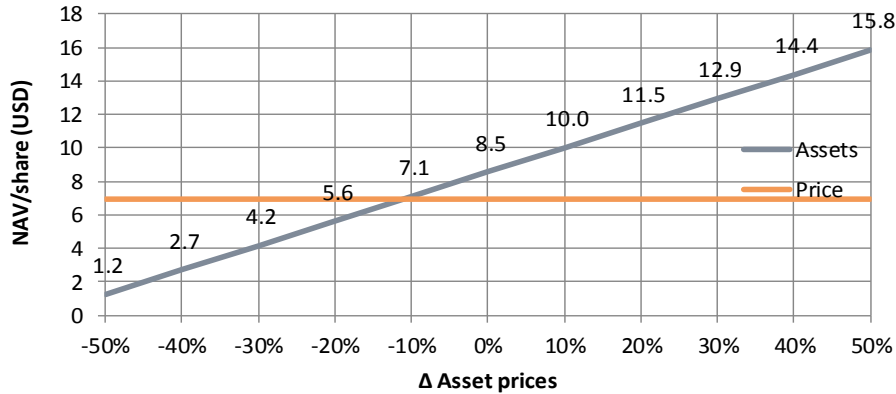


# Scorpio Bulkers

## Valuation II

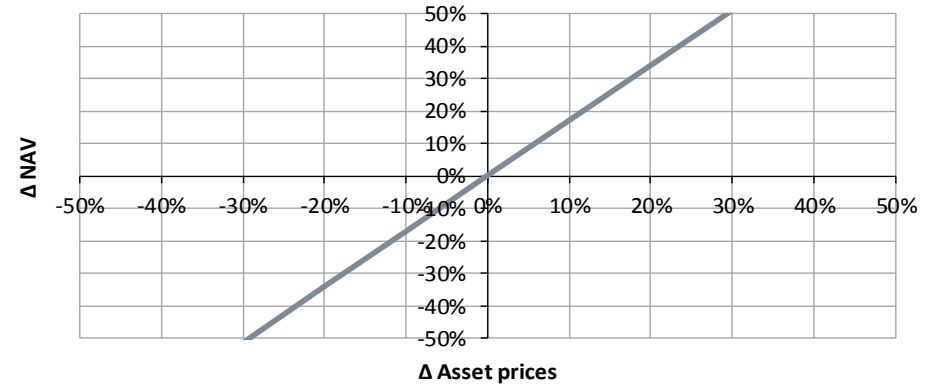
### Impact on NAV/share from % change in asset prices

#### Asset value elasticity of NAV



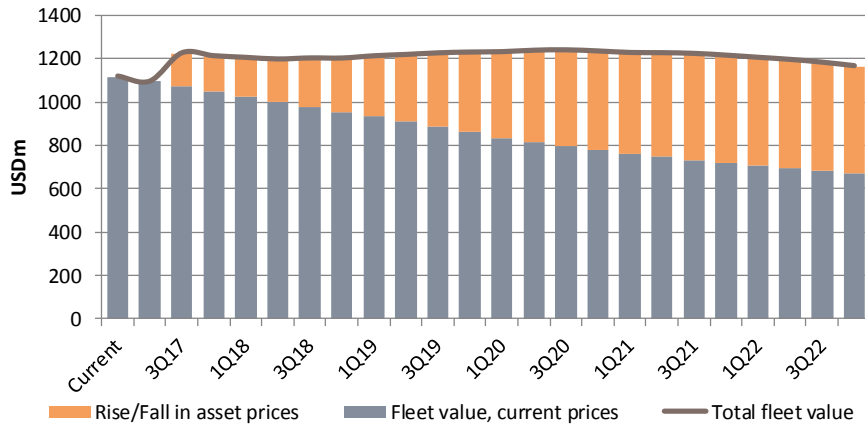
### % impact on NAV from % change in asset prices

#### Asset value elasticity of NAV



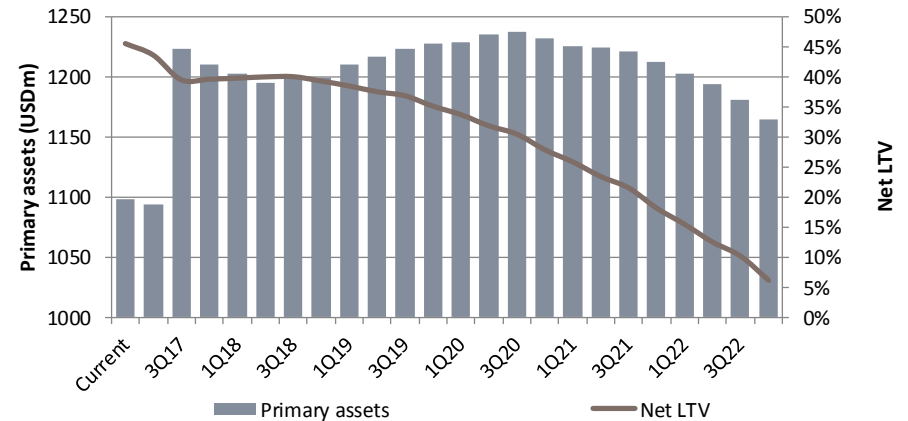
### Forward fleet valuation decomposition

#### Fleet valuation



### Forward fleet value and Loan To Value

#### Net LTV



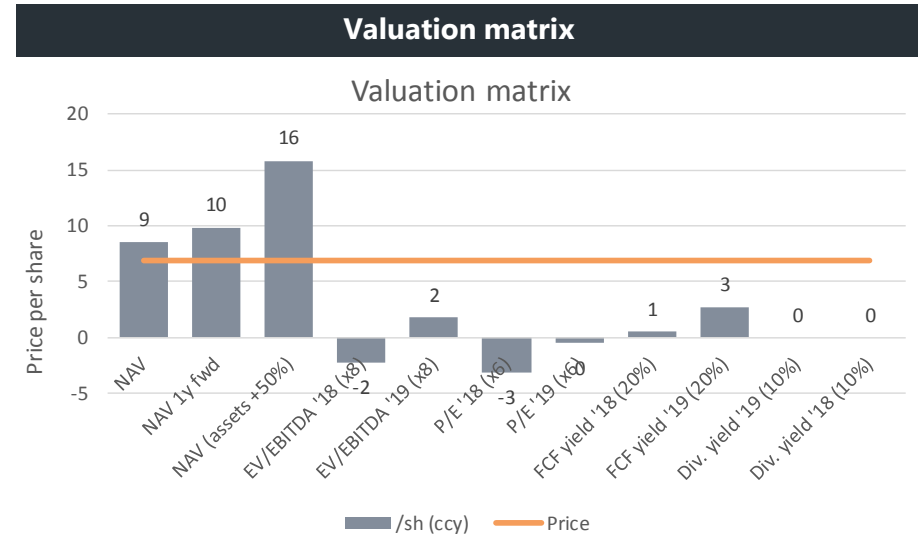
# Scorpio Bulkers

## Valuation III

		Valuation: Earnings based		
		2017	2018	2019
EBITDA	Forecast	1	38	71
Net profit	Forecast	-77	-39	-6
EV	Forecast	1,000	993	952
M.cap	Current	520	520	520
EV/EBITDA	Forecast	886.0	26.2	13.5
P/E	Forecast	-6.8	-13.3	-83.6
EV/EBITDA	Target	8.0	8.0	8.0
EBITDA	Forecast	1	38	71
Implied EV		9	303	566
Implied M.cap		-472	-170	133
P/imp. M.cap		-1.10	-3.05	3.89
			-2	2

P/E	Target	6.0	6.0	6.0
Net profit	Forecast	-77	-39	-6
Implied M.cap		-460	-234	-37
P/imp. M.cap		-1.13	-2.22	-13.93

FCF yield	Forecast	-1%	2%	8%
Div. yield	Forecast	0%	0%	0%



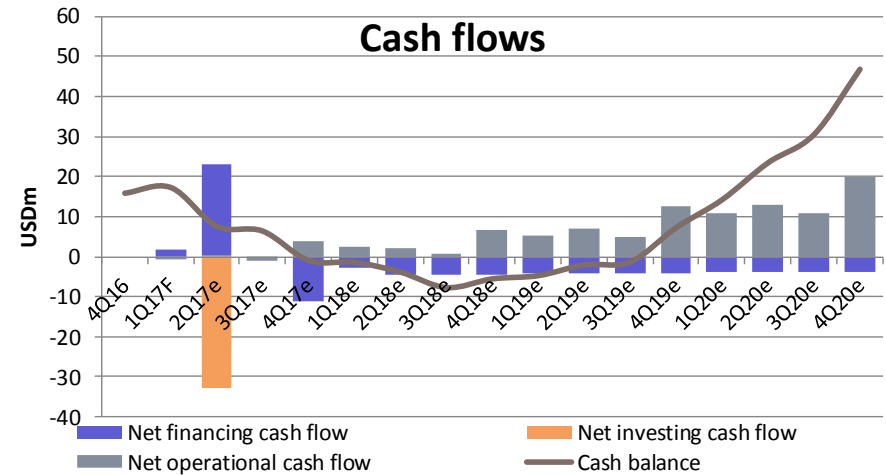
# Seanergy Maritime

## Earnings and estimates

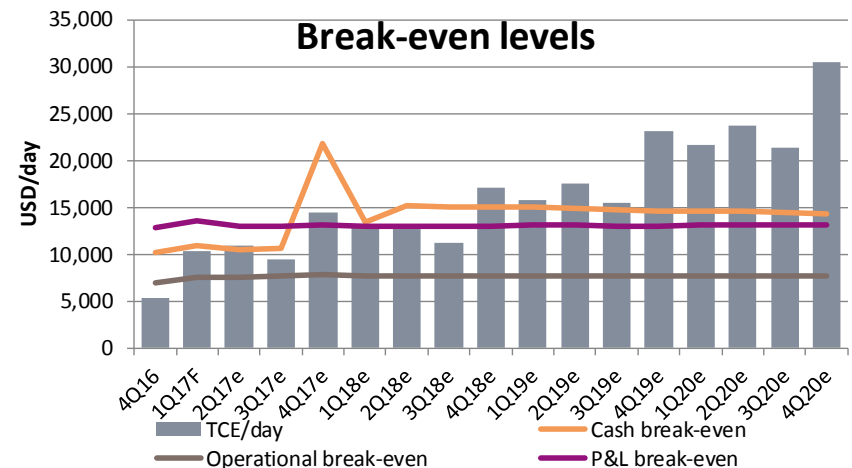
### Summary tables

USDm	2017	2018	2019	2020
Net sales	44	54	72	98
EBITDA	15	24	41	67
EBIT	5	14	32	57
PTP	-7	2	20	45
Net earnings	-7	2	20	45
EPS	-0.18	0.05	0.51	1.17
USDm	2017	2018	2019	2020
Net operational cash flow	3	12	29	55
Free cash flow	-30	12	29	55
Net cash flow	-17	-5	13	40
TCE/day	11,266	13,490	17,951	24,284
Cash break-even	13,407	14,637	14,770	14,437
Liquidity	-1	-6	7	47
Property & Equip. (incl. NBs)	255	245	236	226
Total equity	26	28	47	93
Interest bearing debt	221	205	189	173
Net interest bearing debt	222	211	181	126
Market Cap.	28	28	28	28
Enterprise value	250	238	209	154
USDm	2017	2018	2019	2020
Fwd NAV	43	60	106	170
Adj. equity ratio	15%	21%	34%	47%
FCF yield	-109%	42%	107%	199%
Dividend yield	0%	0%	0%	0%
EV/EBITDA	17.2	10.1	5.0	2.3
P/E (adj.)		14.4	1.4	0.6

### Quarterly cash flows & cash position



### Quarterly break-even levels & TCE/day



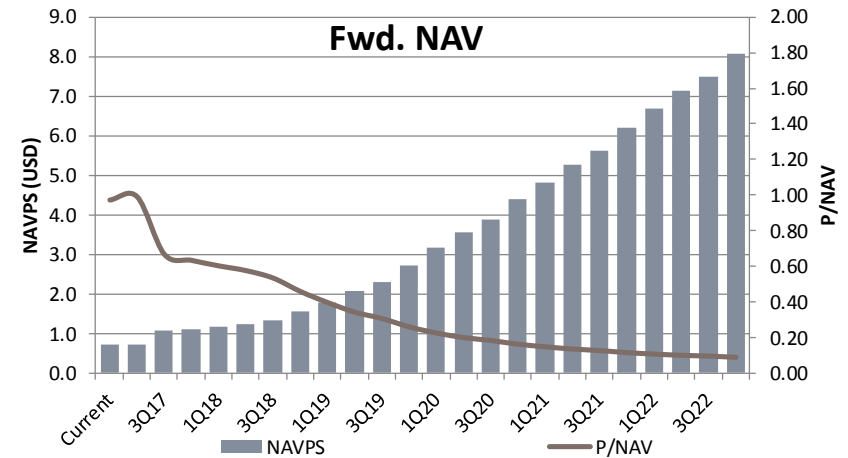
# Seanergy Maritime

## Valuation I

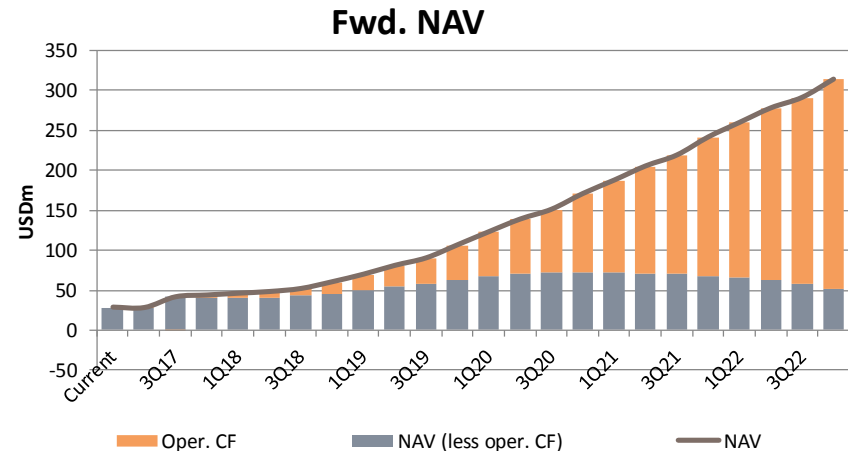
### Valuation and target price

USDm	1Q17	Fair value	Implied
Primary assets	230	261	260
Contract value	0	0	0
Other	4	4	4
<b>GAV</b>	<b>233</b>	<b>264</b>	<b>264</b>
Net debt	-193	-193	-193
Capex	0	-33	-33
Other	-11	-11	-11
<b>NAV</b>	<b>30</b>	<b>28</b>	<b>28</b>
Shares	39	39	39
<b>NAVPS</b>	<b>0.77</b>	<b>0.73</b>	<b>0.71</b>
Share price	0.71	0.73	0.71
<b>P/NAV</b>	<b>0.92</b>	<b>0.97</b>	<b>1.00</b>
<b>EV/GAV</b>	<b>1.13</b>	<b>1.00</b>	<b>1.00</b>
Adj. Total Assets	257	288	287
<b>Adj. Equity Ratio</b>	<b>12%</b>	<b>10%</b>	<b>10%</b>
<b>Target price</b>		<b>1.39</b>	<b>96%</b>

### Quarterly forward NAV and P/NAV



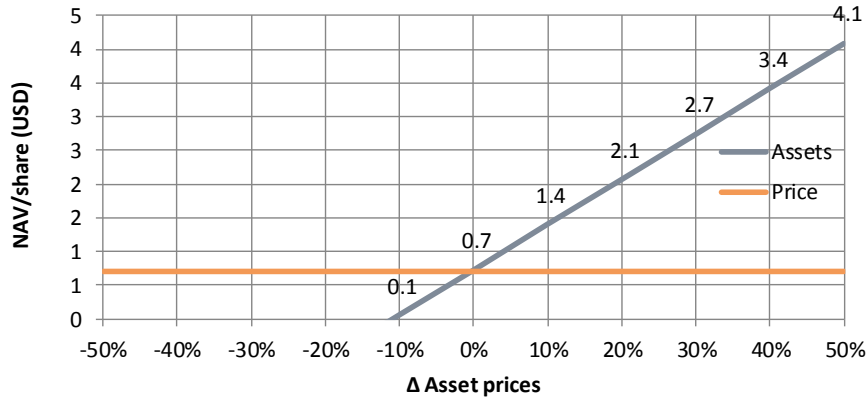
### Quarterly forward NAV decomposition



## Valuation II

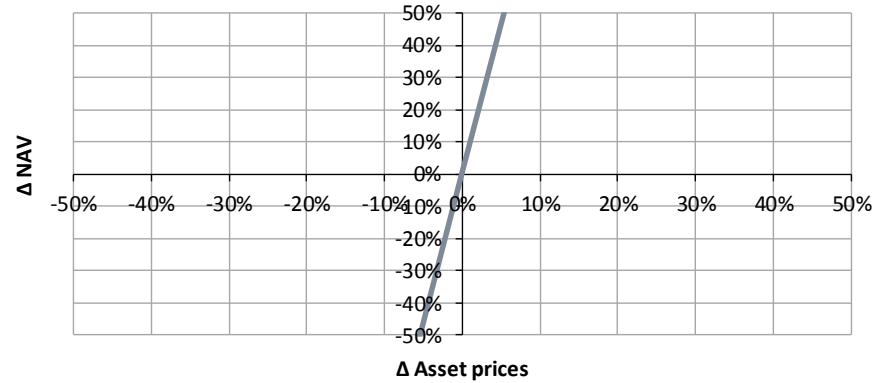
### Impact on NAV/share from % change in asset prices

#### Asset value elasticity of NAV



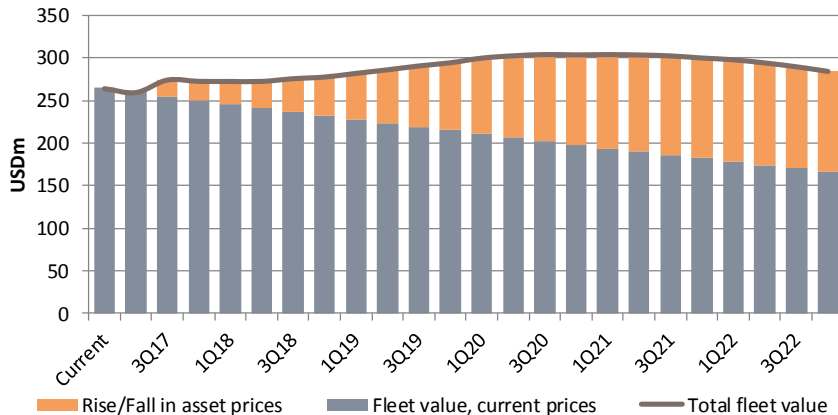
### % impact on NAV from % change in asset prices

#### Asset value elasticity of NAV



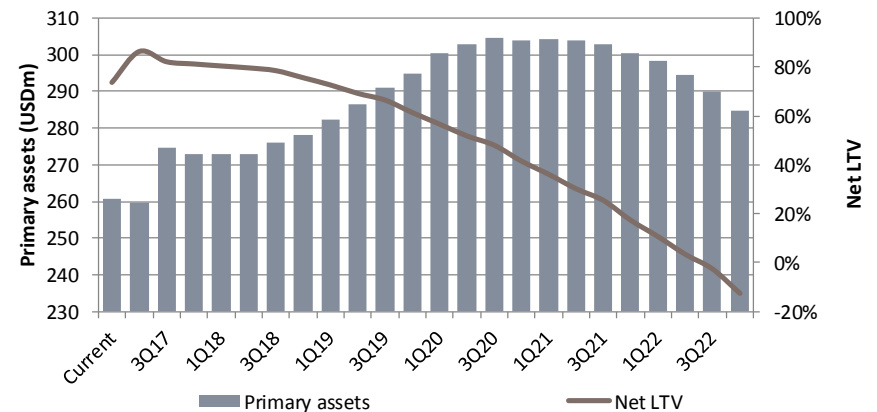
### Forward fleet valuation decomposition

#### Fleet valuation



### Forward fleet value and Loan To Value

#### Net LTV



# Seanergy Maritime

## Valuation III

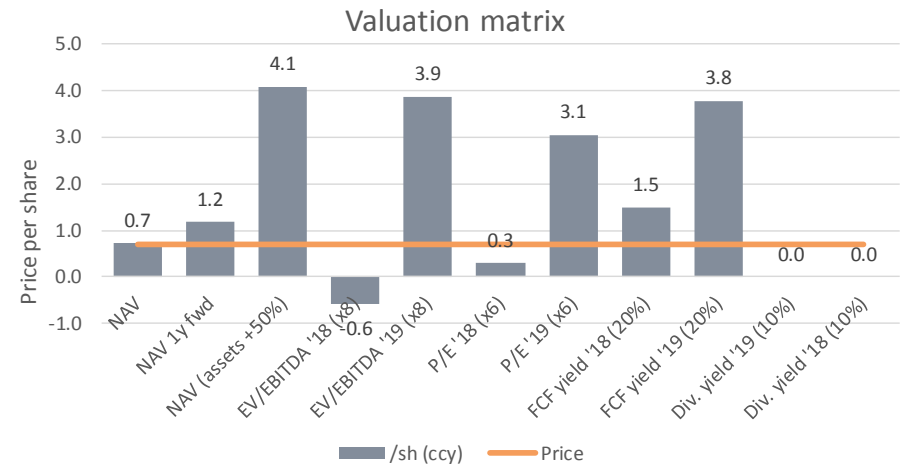
### Valuation: Earnings based

		2017	2018	2019
EBITDA	Forecast	15	24	41
Net profit	Forecast	-7	2	20
EV	Forecast	250	238	209
M.cap	Current	28	28	28
EV/EBITDA	Forecast	17.2	10.1	5.0
P/E	Forecast	-3.9	14.4	1.4
EV/EBITDA	Target	8.0	8.0	8.0
EBITDA	Forecast	15	24	41
Implied EV		116	189	332
Implied M.cap		-106	-22	150
P/imp. M.cap		-0.26	-1.25	0.18
Value/sh		-2.7	-0.6	3.9

P/E	Target	6.0	6.0	6.0
Net profit	Forecast	-7	2	20
Implied M.cap		-43	12	119
P/imp. M.cap		-0.65	2.40	0.23

FCF yield	Forecast	-109%	42%	107%
Div. yield	Forecast	0%	0%	0%

### Valuation matrix

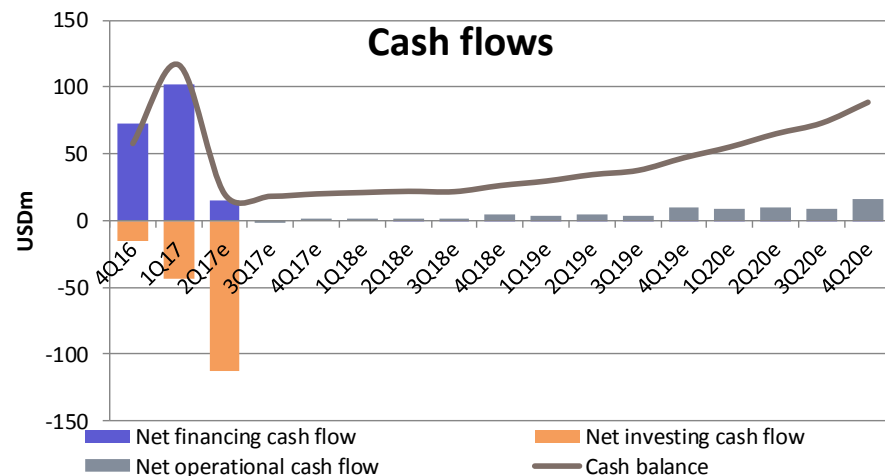


## Earnings and estimates

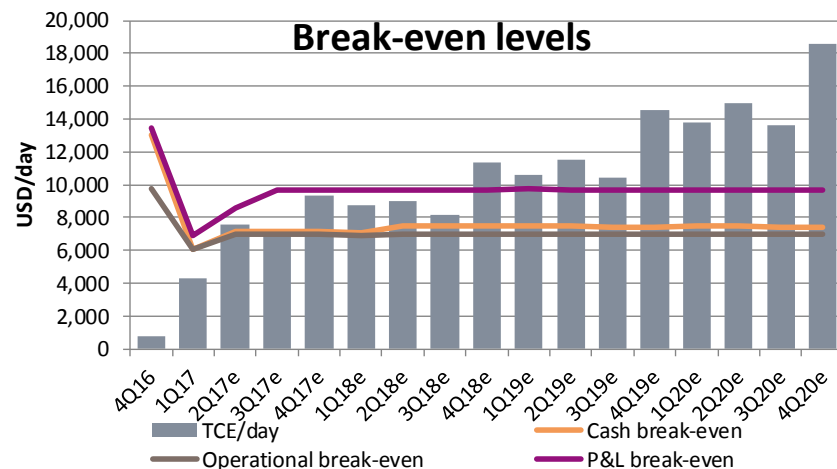
### Summary tables

USDm	2017	2018	2019	2020
Net sales	24	34	43	56
EBITDA	2	9	18	30
EBIT	-4	-1	8	21
PTP	-5	-1	8	20
Net earnings	-8	-2	13	33
EPS	-0.22	-0.06	0.36	0.93
USDm	2017	2018	2019	2020
Net operational cash flow	-0	7	22	43
Free cash flow	-155	7	22	43
Net cash flow	-38	6	21	42
TCE/day	7,075	9,311	11,801	15,227
Cash break-even	6,870	7,369	7,452	7,433
Liquidity	20	26	47	89
Property & Equip. (incl. NBs)	157	148	139	129
Total equity	167	165	177	211
Interest bearing debt	16	15	13	12
Net interest bearing debt	-4	-11	-34	-76
Market Cap.	165	165	165	165
Enterprise value	161	154	132	89
Capex	155	-	-	-
USDm	2017	2018	2019	2020
Fwd NAV	198	209	242	291
Adj. equity ratio	92%	93%	94%	95%
FCF yield	-94%	4%	13%	26%
Dividend yield	0%	0%	0%	0%
EV/EBITDA	74.1	17.8	7.5	2.9
P/E (adj.)			12.9	4.9

### Quarterly cash flows & cash position



### Quarterly break-even levels & TCE/day





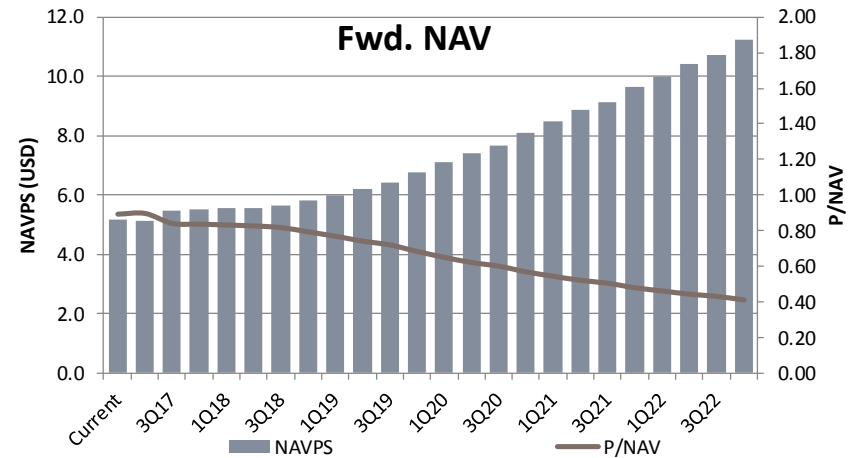
# Songa Bulk

## Valuation I

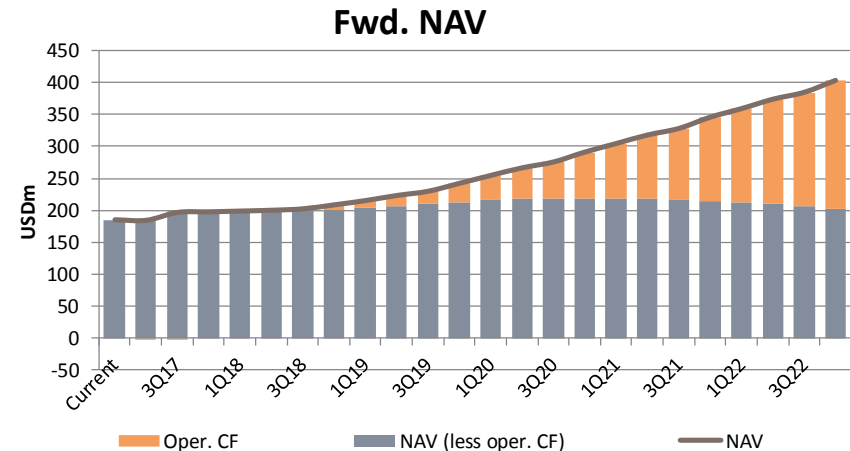
### Valuation and target price

USDm	1Q17	Fair value	Implied
Primary assets	51	177	157
Contract value	0	-1	-1
Other	6	6	5
<b>GAV</b>	<b>57</b>	<b>182</b>	<b>162</b>
Net debt	116	116	116
Capex	0	-112	-112
Other	-1	-1	-1
<b>NAV</b>	<b>173</b>	<b>185</b>	<b>165</b>
Shares	36	36	36
<b>NAVPS</b>	<b>4.82</b>	<b>5.16</b>	<b>4.60</b>
Share price	39.00	43.74	39.00
<b>P/NAV</b>	<b>0.96</b>	<b>0.89</b>	<b>1.00</b>
<b>EV/GAV</b>	<b>2.82</b>	<b>0.89</b>	<b>1.00</b>
Adj. Total Assets	175	301	281
<b>Adj. Equity Ratio</b>	<b>99%</b>	<b>62%</b>	<b>59%</b>
<b>Target price</b>		<b>43</b>	<b>11%</b>

### Quarterly forward NAV and P/NAV



### Quarterly forward NAV decomposition

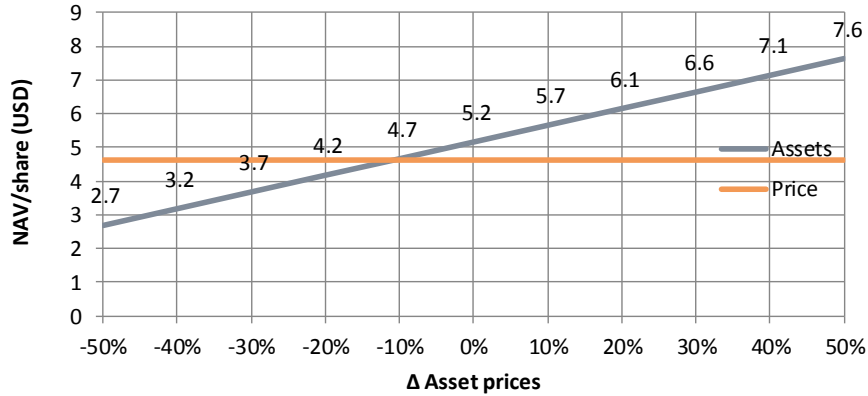


# Songa Bulk

## Valuation II

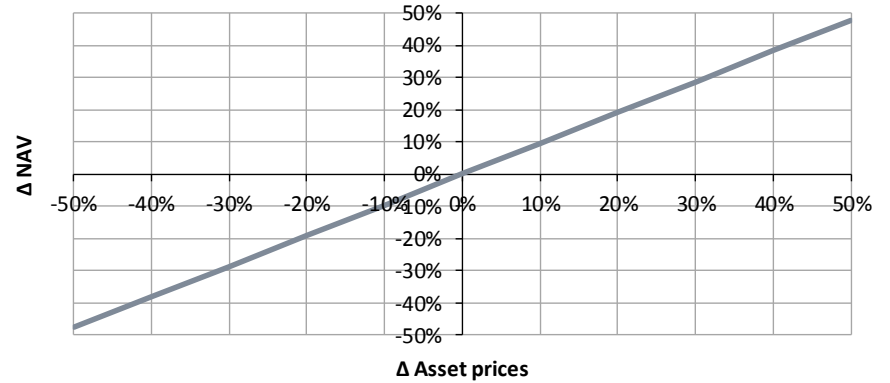
### Impact on NAV/share from % change in asset prices

#### Asset value elasticity of NAV



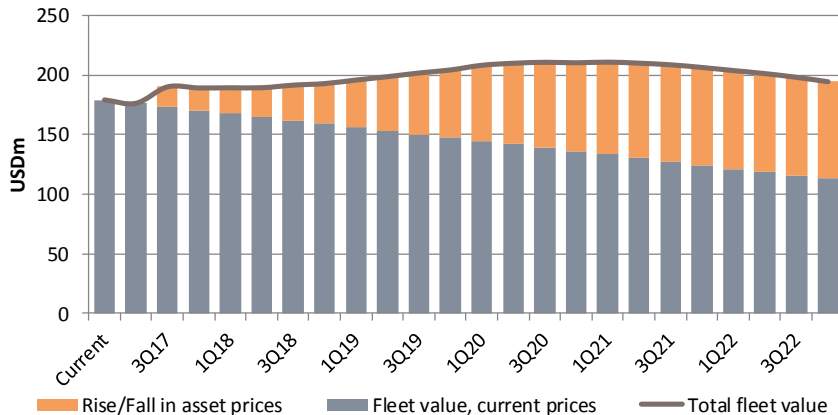
### % impact on NAV from % change in asset prices

#### Asset value elasticity of NAV



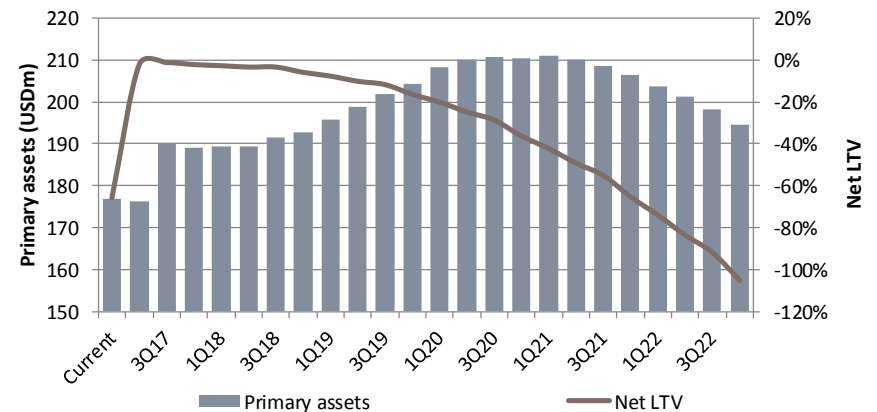
### Forward fleet valuation decomposition

#### Fleet valuation



### Forward fleet value and Loan To Value

#### Net LTV



# Songa Bulk

## Valuation III

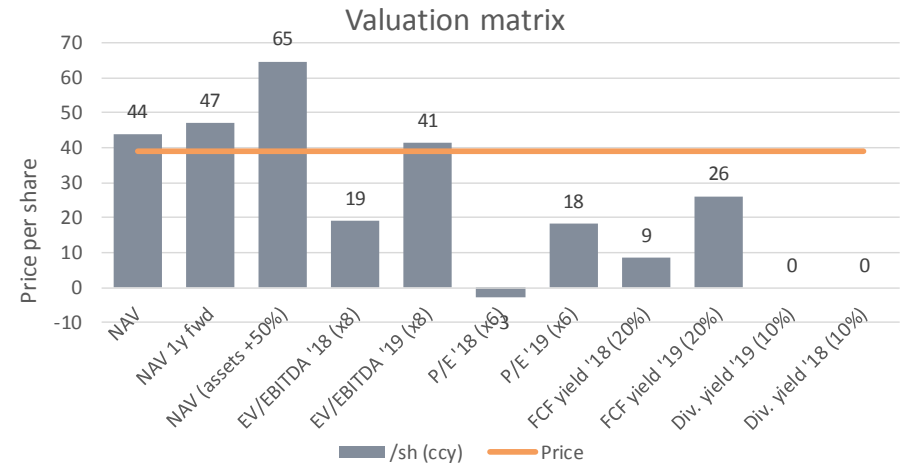
### Valuation: Earnings based

		2017	2018	2019
<b>EBITDA</b>	Forecast	2	9	18
<b>Net profit</b>	Forecast	-8	-2	13
<b>EV</b>	Forecast	161	154	132
<b>M.cap</b>	Current	165	165	165
<b>EV/EBITDA</b>	Forecast	74.1	17.8	7.5
<b>P/E</b>	Forecast	-21.4	-79.8	12.9
<b>EV/EBITDA</b>	Target	8.0	8.0	8.0
<b>EBITDA</b>	Forecast	2	9	18
<b>Implied EV</b>		17	69	141
<b>Implied M.cap</b>		22	80	175
<b>P/imp. M.cap</b>		7.65	2.05	0.94
			<b>19</b>	<b>41</b>

<b>P/E</b>	Target	6.0	6.0	6.0
<b>Net profit</b>	Forecast	-8	-2	13
<b>Implied M.cap</b>		-46	-12	77
<b>P/imp. M.cap</b>		-3.56	-13.30	2.15

<b>FCF yield</b>	Forecast	-94%	4%	13%
<b>Div. yield</b>	Forecast	0%	0%	0%

### Valuation matrix

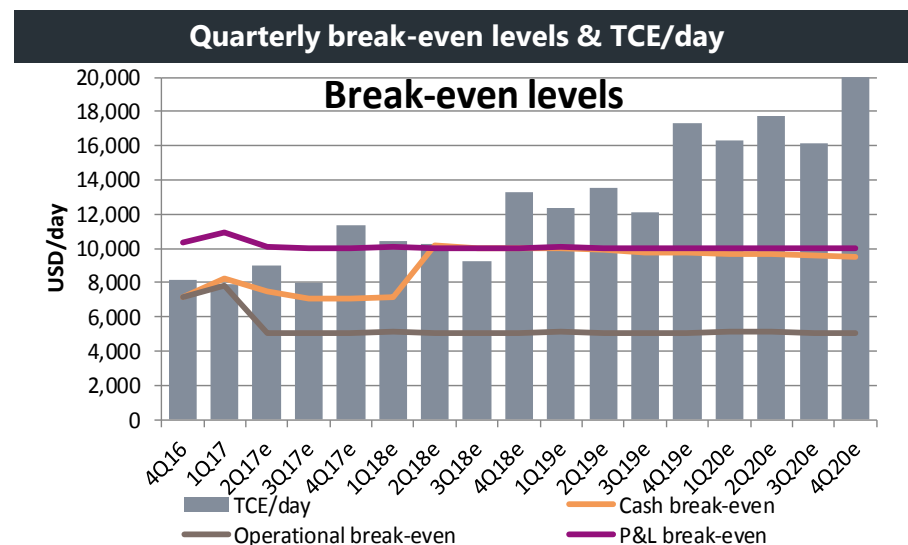
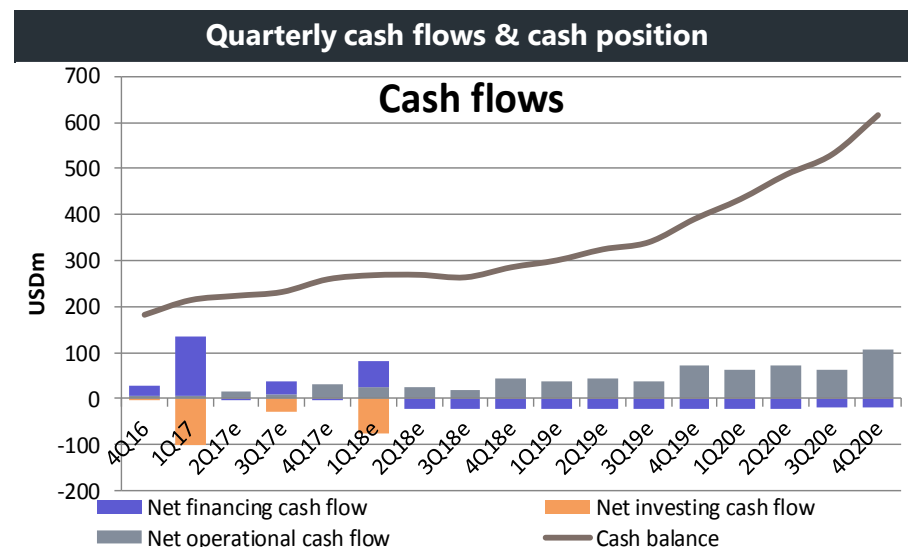


## Earnings and estimates

Summary tables			
USDm	2017	2018	2019
Net sales	233	288	369
EBITDA	100	153	233
EBIT	16	64	144
PTP	-27	21	101
Net earnings	-27	21	102
EPS	-0.43	0.33	1.62

USDm	2017	2018	2019
Net operational cash flow	59	110	191
Free cash flow	-72	35	191
Net cash flow	78	26	105
TCE/day	9,050	10,796	13,828
Cash break-even	7,481	9,335	9,855
Liquidity	259	285	389
Property & Equip. (incl. NBs)	1,814	1,799	1,711
Total equity	1,063	1,084	1,184
Interest bearing debt	1,051	1,042	958
Net interest bearing debt	792	758	569
Market Cap.	563	563	563
Enterprise value	1,356	1,321	1,132

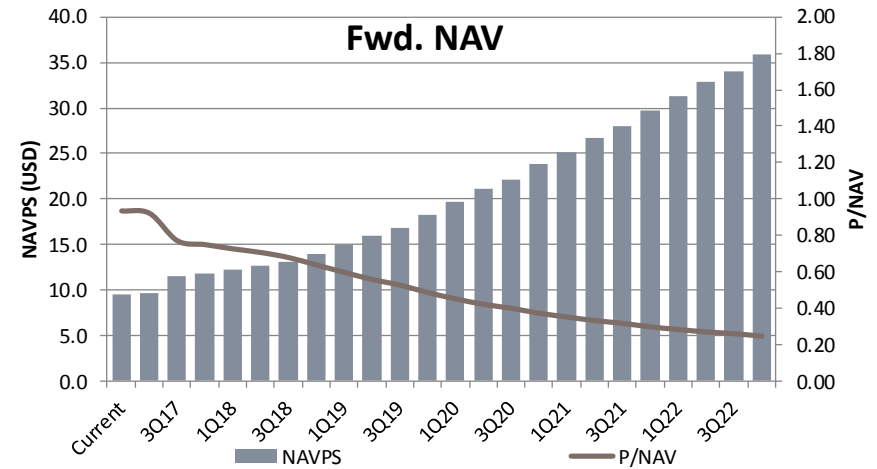


## Valuation I

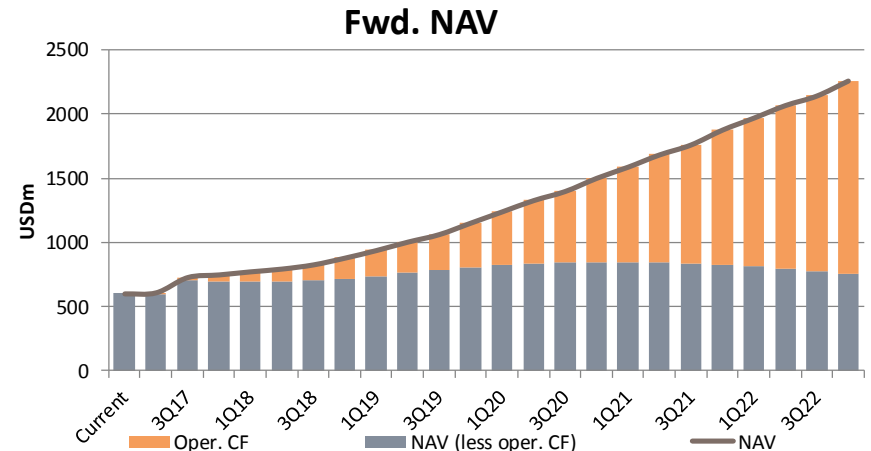
### Valuation and target price

USDm	1Q17	Fair value	Implied
Primary assets	1,849	<b>1,478</b>	1,442
Contract value	0	0	0
Other	64	64	62
<b>GAV</b>	<b>1,913</b>	<b>1,542</b>	<b>1,505</b>
Net debt	-816	-816	-816
Capex	0	-104	-104
Other	-22	-22	-22
<b>NAV</b>	<b>1,075</b>	<b>601</b>	<b>563</b>
Shares	63	63	63
<b>NAVPS</b>	<b>17.04</b>	<b>9.53</b>	<b>8.93</b>
Share price	8.93	9.53	8.93
<b>P/NAV</b>	<b>0.52</b>	<b>0.94</b>	<b>1.00</b>
<b>EV/GAV</b>	<b>0.79</b>	<b>0.98</b>	<b>1.00</b>
Adj. Total Assets	2,126	1,756	1,720
<b>Adj. Equity Ratio</b>	<b>51%</b>	<b>34%</b>	<b>33%</b>
<b>Target price</b>		<b>14.2</b>	<b>59%</b>

### Quarterly forward NAV and P/NAV



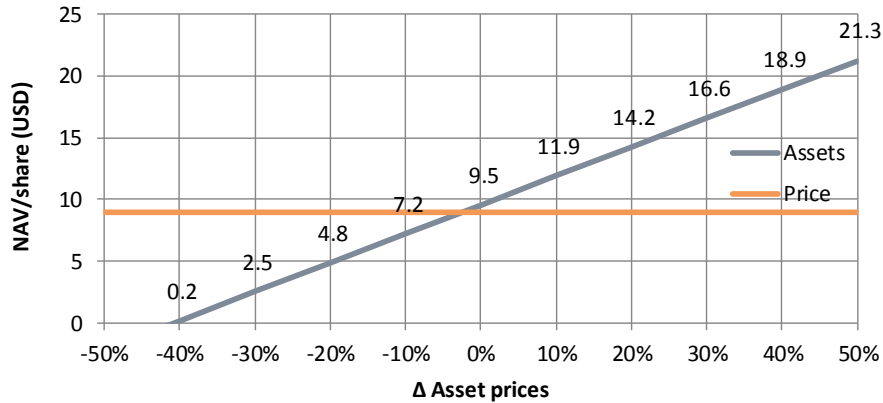
### Quarterly forward NAV decomposition



## Valuation II

### Impact on NAV/share from % change in asset prices

#### Asset value elasticity of NAV



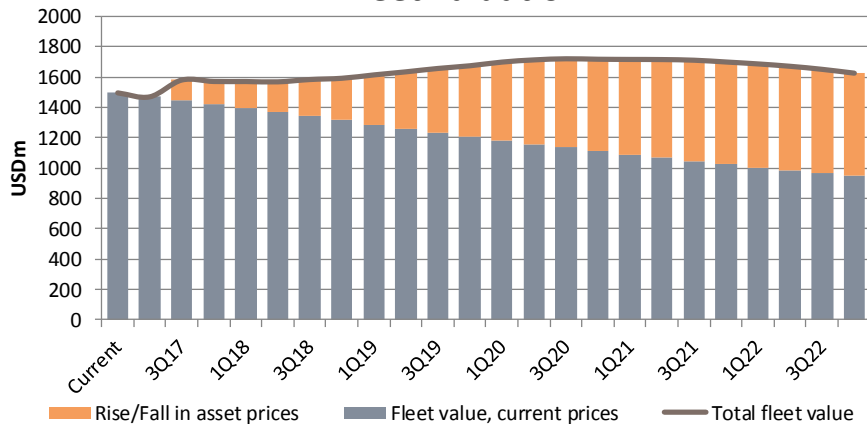
### % impact on NAV from % change in asset prices

#### Asset value elasticity of NAV



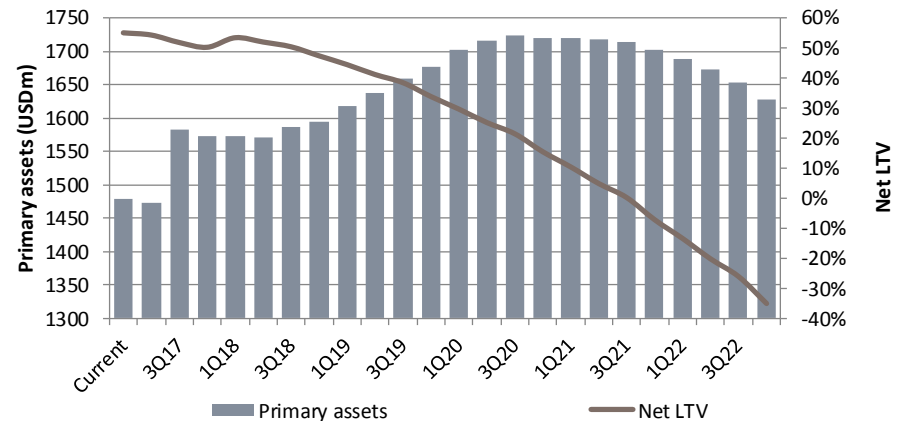
### Forward fleet valuation decomposition

#### Fleet valuation



### Forward fleet value and Loan To Value

#### Net LTV



## Valuation III

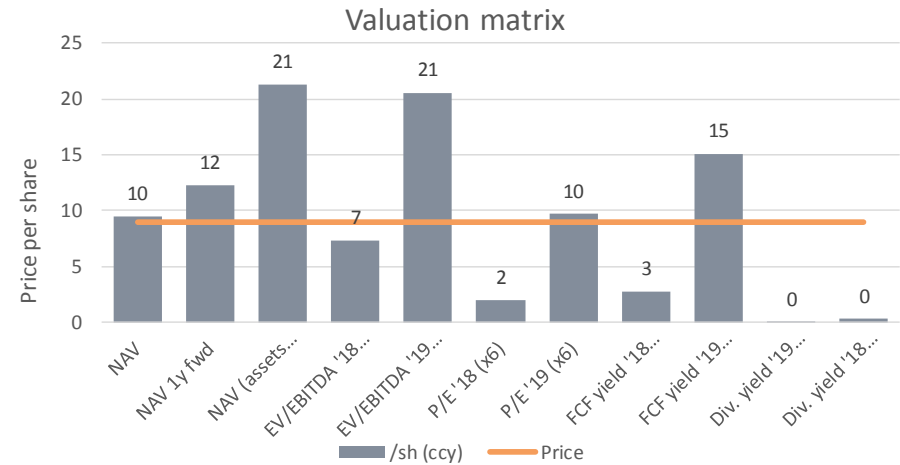
### Valuation: Earnings based

		2017	2018	2019
<b>EBITDA</b>	Forecast	100	153	233
<b>Net profit</b>	Forecast	-27	21	102
<b>EV</b>	Forecast	1,356	1,321	1,132
<b>M.cap</b>	Current	563	563	563
<b>EV/EBITDA</b>	Forecast	13.6	8.7	4.9
<b>P/E</b>	Forecast	-20.8	27.1	5.5
<b>EV/EBITDA</b>	Target	8.0	8.0	8.0
<b>EBITDA</b>	Forecast	100	153	233
<b>Implied EV</b>		796	1,220	1,866
<b>Implied M.cap</b>		4	462	1,297
<b>P/imp. M.cap</b>		148.40	1.22	0.43
			7	21

<b>P/E</b>	Target	6.0	6.0	6.0
<b>Net profit</b>	Forecast	-27	21	102
<b>Implied M.cap</b>		-163	125	611
<b>P/imp. M.cap</b>		-3.46	4.51	0.92

<b>FCF yield</b>	Forecast	-13%	6%	34%
<b>Div. yield</b>	Forecast	0%	0%	0%

### Valuation matrix

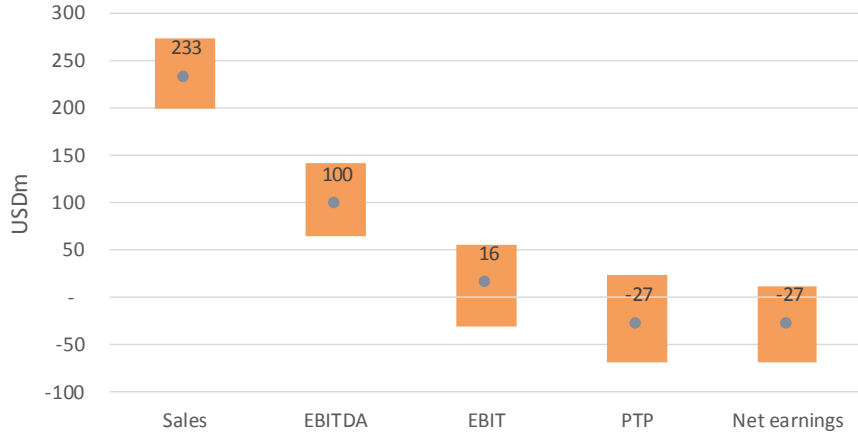


# Star Bulk (SBLK-US)

## Our estimates vs consensus

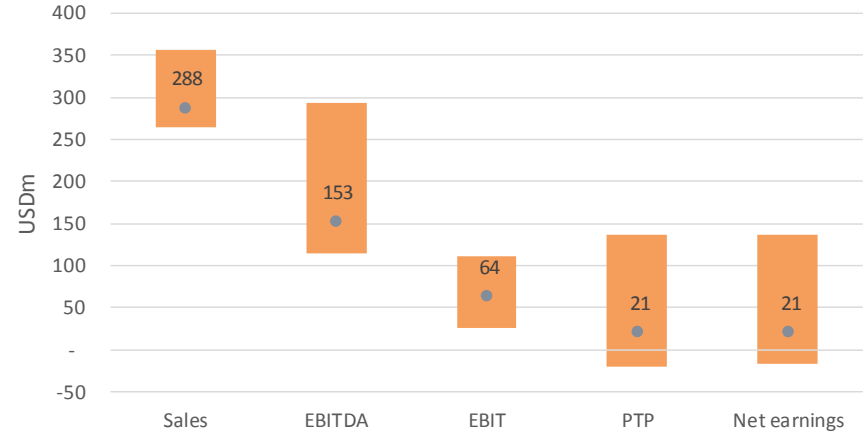
### P&L, Year I

TSA vs consensus range (2017E)



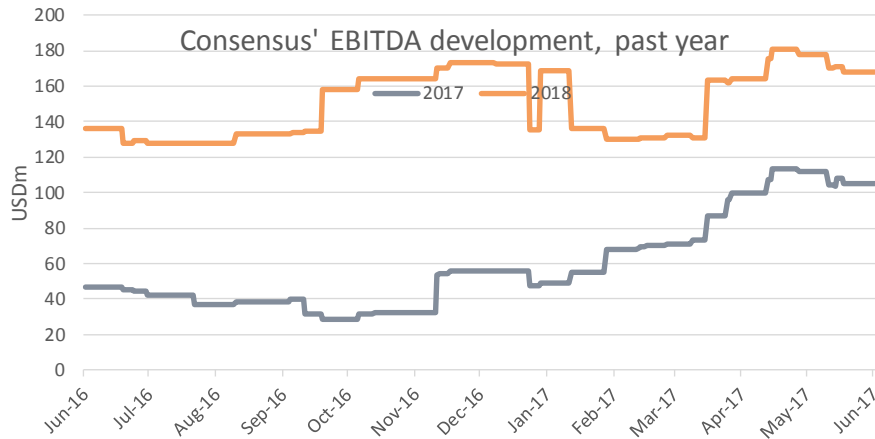
### P&L, Year II

TSA vs consensus range (2018E)



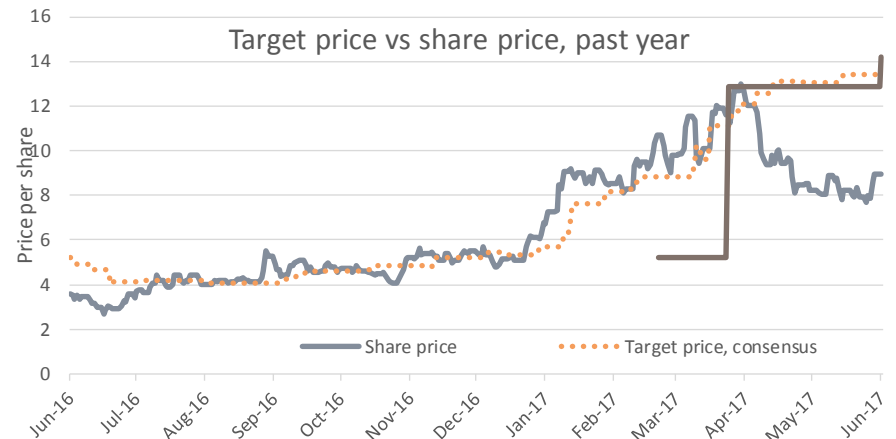
### Consensus EBITDA development

Consensus' EBITDA development, past year



### Consensus target vs share price

Target price vs share price, past year







# The Shipping Analyst

*Independence & Integrity*

<https://shippinganalyst.wordpress.com/>