



## GLOBUS MARITIME LTD

### **Globus Maritime Limited reports Financial Highlights for the Third Quarter and Nine Months Ended September 30, 2009.**

**Athens, Greece, November 17, 2009.** Globus Maritime Limited ("Globus" or the "Company"), (AIM: GLBS), a marine transportation company that owns and operates Handymax and Panamax dry bulk vessels announces the following trading update and unaudited financial highlights for the three months ("Q3-09") and nine months ended September 30, 2009.

#### **Third Quarter 2009 Financial Highlights versus Third Quarter 2008:**

- Gross Revenues of US\$15.0 million versus US\$28.3 million, a decrease of 47%;
- Net Revenues of US\$14.4 million versus US\$26.3 million, a decrease of 45%;
- Operating Expenses of US\$2.5 million versus US\$3.3 million, a decrease of 24%;
- EBITDA of US\$6.5 million versus US\$21.8 million, a decrease of 70%; EBITDA adjusted for a non-cash vessel impairment charge of US\$3.5 million, a loss on sale of a vessel of US\$0.9 million, and an unrealized loss on the fair value of the interest rate swaps of US\$0.3 million come to US\$11.1 million;
- Cash flow from operations of US\$10.4 million versus US\$21.5 million, a decrease of 52%;
- Net Income of US\$2.7 million versus US\$14.8 million, a decrease of 82%; Excluding the non-cash vessel impairment charge of US\$3.5 million and the loss on the fair value of the interest rate swaps of US\$0.3 million Net Income would be US\$6.5 million;
- Average Time Charter Equivalent (TCE) rate of US\$24,496 per vessel per day with an average 6.7 vessels operated, versus an average TCE of US\$35,705 per vessel per day with an average of 8.0 vessels;
- Fleet utilization of 98.3% versus 100%.

#### **Nine Months ended September 30, 2009 Financial Highlights versus Nine Months ended September 30, 2008:**

- Gross Revenues of US\$41.5 million versus US\$81.1 million, a decrease of 49%;
- Net Revenues of US\$38.9 million versus US\$76.7 million, a decrease of 49%;
- Operating Expenses of US\$8.2 million versus US\$9.7 million, a decrease of 15.5%;
- EBITDA of US\$3.7 million versus US\$64.0 million, a decrease of 94%; EBITDA adjusted for non-cash vessel impairment charges of US\$22.3 million, a loss on sale of a vessel of US\$0.9 million, and an unrealized gain on the fair value of the interest rate swaps of US\$0.05 million come to US\$26.9 million;
- Cash flow from operations of US\$27.6 million versus US\$62.6 million, a decrease of 56%;
- Net loss of US\$8.9 million versus Net Income of US\$43.3 million, a decrease of 121%; Excluding the non-cash vessel impairment charges of US\$22.3 million and the gain on the fair value of the interest rate swaps of US\$0.05 million Net Income would be US\$13.4 million;



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- Average Time Charter Equivalent (TCE) rate of US\$21,083 per vessel per day with an average 6.9 vessels operated, versus an average TCE rate of US\$35,890 per vessel per day with an average 8 vessels;
- Fleet utilization of 98.5% versus 99.3%.

**George Karageorgiou, CEO** of Globus, commented: "Q3-09 was another quarter of profitable operating results with charter rates higher than the ones we earned in the first half of the year. While economic indicators for the world economy allude that the worst is behind us, and even though actual deliveries of new-building vessels year-to-date were lower than anticipated, we remain concerned about the effect of the large orderbook of vessels scheduled to be delivered within 2010. In the last ten months of 2009 we have sold three vessels built in the mid-1990s and received a total of US\$51.6 million in cash, before commissions and other costs related to the sales. With the available bank facilities and the cash on our balance sheet, we are waiting for the appropriate time to acquire younger assets that will generate value for our shareholders."

**Elias Deftereos, CFO** of Globus, commented: "From the US\$51.6 million in cash received from the sale of vessels, we repaid US\$47.8 million of bank debt, a portion of which we can redraw. Our reduced debt repayment schedule for 2010 includes four quarterly payments of US\$ 877,500 to Deutsche Schiffsbank and two semi-annual payments of US\$3.6 million to Credit Suisse. We are in a strong financial condition today as total cash is US\$58.0 million while total bank debt outstanding is US\$71.4 million."

### Fleet Development

Continuing the fleet renewal program that began with the sale of the vessel "Ocean Globe" in November 2008, the Company has sold three more vessels year to date, namely the panamax "Island Globe" and the handymax vessels "Gulf Globe" and "Lake Globe", all sold to unaffiliated third parties:

- In April 2009 the Company agreed to sell the "Island Globe" for a contracted gross price of US\$19.1 million in cash before commissions and other costs related to the sale. The vessel was delivered to her new owners on September 2, 2009. As a result, on September 30, 2009 Globus' fleet consisted of a total of six dry bulk carriers, including five Handymaxes and one Panamax, with a weighted average age of approximately 11.7 years and a total carrying capacity of 299,250 DWT.
- In June 2009 the Company agreed to sell the "Gulf Globe" for a gross price of US\$16.0 million in cash. The vessel was delivered to her new owners on October 22, 2009.
- In October 2009 Globus agreed to sell the "Lake Globe" for a gross of US\$16.5 million in cash. Taking depreciation and amortization into account the Company incurred a non-cash impairment charge of US\$3.5 million in Q3-09. The vessel was delivered to her new owners on November 12, 2009.

On the date of this release therefore, Globus' fleet comprises a total of four bulk carriers, consisting of three Handymaxes and one Panamax, with a weighted average age of approximately 10.4 years and a total carrying capacity of 212,789 DWT.

### Fleet Deployment

During Q3-09, two vessels in Globus' fleet were trading under time charters with reputable charterers, while the remaining five vessels traded on the spot market. The fleet earned an average TCE of US\$24,496 per vessel per day

Since December 2007 the panamax "Tiara Globe" has been employed under a time charter to Korea Lines Corp at the gross rate of US\$66,000 per day. This T/C expires next month.



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The panamax "Island Globe" was employed under a time charter to DS Norden at the gross rate of US\$30,000 per day from July 2007 until September 2009, when she was sold.

On August 14, 2009 the Company chartered the M/V "Sea Globe" to COSCO at the gross rate of US\$14,000 per day. The T/C commenced in early September 2009 and is for a period between (minimum) nine and (maximum) thirteen months.

### Financing Activities & Cash Management

Following the delivery of the "Island Globe" to her buyers in September 2009, Globus repaid US\$18.5 million to the Credit Suisse revolving facility.

On September 30, 2009, total debt to Credit Suisse was US\$51.5 million while another US\$38.5 million remained undrawn. On September 30, 2009, total debt to Deutsche Schiffsbank (DSB) was US\$57.2 million. Total cash at September 30, 2009 was US\$60.6 million.

Following the delivery of the "Gulf Globe" in October 2009, the Company repaid US\$15.3 million to DSB. Following the delivery of the "Lake Globe" to her buyers in November 2009, Globus repaid a further US\$14.0 million to DSB. The current debt outstanding to this bank is US\$27.9 million.

In October 2009 the Company paid early to Credit Suisse the semi-annual instalment of US\$7.9 million originally due at the end of November 2009, thus reducing the current debt outstanding to this bank to US\$43.6 million.

### Capital Expenditures

During the period under review, the Company incurred additional capital expenditures due to the special survey of the "Coral Globe" which spent a total of 37 days in dry-dock. The cost of this scheduled repair was within budget and was funded with cash from operations.

The following tables represent our fleet as on the date of this release:

**Table 1: Fleet Profile**

Vessel	Year Built	Yard	Type	Month/Yr Delivered	DWT	FLAG
Coral Globe	1994	Hyundai	Handymax	11/2006	43,189	Bahamas
Sea Globe	1995	Hyundai	Handymax	9/2006	43,171	Bahamas
River Globe	2007	Yangzhou Dayang	Handymax	12/2007	53,500	Marshall Is
Tiara Globe	1998	Hudong Zhonghua	Panamax	12/2007	72,929	Marshall Is
W. Average Age	10.4	Years at 31/10/09			212,789	



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**Table 2: Time Charter Profile**

<b>Vessel</b>	<b>Charterer</b>	<b>Charter Expiration Date (Earliest)</b>	<b>Charter Expiration Date (Actual or Latest)<sup>(1)</sup></b>	<b>Gross Daily rate (US\$)</b>
Coral Globe	Currently on Spot			
Sea Globe	COSCO	5/2010	9/2010	14,000
River Globe	Currently on Spot			
Tiara Globe	Korea Line Corp	12/2009	12/2009	66,000

Notes:

(1) The latest charter expiration date represents the last day on which the charterer may redeliver the vessel upon the termination of the charter assuming that all options for additional hire periods under the charter are exercised, including taking into account expected off-hire days because of scheduled dry-dockings.



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**SELECTED FINANCIAL INFORMATION** (Unaudited)

	<b>For the Three Months</b>		<b>For the Nine Months</b>	
	<b>Ended</b>		<b>Ended</b>	
<i>(in thousands of US dollars)</i>	30/09/2009 (unaudited)	30/09/08 (unaudited)	30/09/09 (unaudited)	30/09/08 (unaudited)
<b>Income Statement Data:</b>				
Gross Revenue	14,958	28,261	41,498	81,129
Voyage expenses (incl. commissions)	(530)	(1,982)	(2,600)	(4,396)
Net Revenue	14,428	26,279	38,898	76,733
Vessels operating expenses	(2,530)	(3,279)	(8,208)	(9,673)
Administrative expenses	(747)	(1,134)	(3,737)	(3,519)
Other (expenses)/income	(16)	(30)	(36)	410
Depreciation	(2,550)	(4,387)	(9,539)	(13,339)
Amortization of dry-docking costs	(505)	(453)	(1,341)	(1,150)
Impairment loss	(3,499)	-	(22,325)	-
Loss on sale of vessel	(896)	-	(896)	-
<b>Operating profit/(loss) before finance costs</b>	<b>3,685</b>	<b>16,996</b>	<b>(7,184)</b>	<b>49,462</b>
Interest expense	(770)	(1,862)	(2,361)	(6,034)
Interest income	280	216	768	482
(Loss)/gain on derivative fin. instruments	(261)	-	48	-
Foreign exchange losses	(204)	(599)	(170)	(596)
<b>Profit/(loss) for the period</b>	<b>2,730</b>	<b>14,751</b>	<b>(8,899)</b>	<b>43,314</b>
Finance costs net of derivative fin. instruments	694	2,245	1,763	6,148
Depreciation	2,550	4,387	9,539	13,339
Amortization of dry-docking costs	505	453	1,341	1,150
<b>EBITDA</b>	<b>6,479</b>	<b>21,836</b>	<b>3,744</b>	<b>63,951</b>
Loss on sale of vessel	896	-	896	-
Impairment loss	3,499	-	22,325	-
Loss/(gain) on derivative fin. instruments	261	-	(48)	-
<b>Adj EBITDA</b>	<b>11,135</b>	<b>21,836</b>	<b>26,917</b>	<b>63,951</b>
Share based payment	10	156	1,552	565
Provision	5	6	12	(6)
Increase in working capital	(791)	(537)	(884)	(1,918)
<b>Net cash flow from operating activities</b>	<b>10,359</b>	<b>21,461</b>	<b>27,597</b>	<b>62,592</b>
Net cash flow from/(used in) investing activities	18,564	211	29,021	(2,248)
Net cash flow used in financing activities	(20,821)	(13,804)	(47,514)	(31,458)
Net increase in cash and cash equivalents	8,102	7,868	9,104	28,886
<b>FLEET OPERATING DATA</b>	(unaudited)	(unaudited)	(unaudited)	(unaudited)
<b>Fleet Data:</b>				
Average number of vessels <sup>(1)</sup>	6.7	8.0	6.9	8.0
Number of vessels at end of period	6	8	6	8
Weighted average age of fleet (in years) <sup>(2)</sup>	11.7	11.5	11.7	11.5
Ownership days <sup>(3)</sup>	615	736	1,882	2,192
Available days <sup>(4)</sup>	589	736	1,845	2,138
Operating days <sup>(5)</sup>	579	736	1,818	2,123
Fleet utilization <sup>(6)</sup>	98.3%	100%	98.5%	99.3%
<b>Average Daily Results:</b>				
Vessel operating expenses (U.S. dollars) <sup>(7)</sup>	4,114	4,455	4,361	4,413
Time charter equivalent (TCE) rate (U.S. dollars) <sup>(8)</sup>	24,496	35,705	21,083	35,890



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### Notes:

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

(2) The Company calculates the average age of the fleet by aggregating the individual age of each vessel in the fleet at the period-end weighted by each vessel's deadweight tonnage in proportion to the deadweight tonnage of the whole fleet at the period-end. Average age as shown at 30/9/07 does not include the two vessels delivered to the Company in December 2007.

(3) Ownership days are the aggregate number of days in a period during which each vessel in the fleet has been owned. Ownership days are an indicator of the size of the fleet over a period and affect both the amount of revenues and the amount of expenses that the Company records during a period.

(4) Available days are the number of ownership days less the aggregate number of days that the vessels are off-hire due to scheduled repairs or repairs under guarantee, vessel upgrades or special surveys and the aggregate amount of time spent positioning the vessels. The shipping industry uses available days to measure the number of days in a period during which vessels should be capable of generating revenues.

(5) Operating days are the number of available days in a period less the aggregate number of days that the vessels are off-hire due to any reason, including unforeseen circumstances. The shipping industry uses operating days to measure the aggregate number of days in a period during which vessels actually generate revenues.

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

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

(8) TCE rates are defined as time and voyage charter revenues less voyage expenses during a period divided by the number of available days during the period, which is consistent with industry standards. Voyage expenses include port charges, bunker (fuel oil and diesel oil) expenses, canal charges and commissions. TCE rate is a standard 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 charter hire rates for vessels on voyage charters are generally not expressed in per day amounts while charter hire rates for vessels on time charters are generally expressed in such amounts.



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### **Notes to Editors**

#### About Globus Maritime Limited

Globus is a global provider of seaborne transportation services for dry bulk cargoes, including among others iron ore, coal, grain, cement, and fertilizers, along worldwide shipping routes. Globus owns and operates one Panamax and three Handymax vessels with a weighted average age of approximately 10.4 years (as at October 31, 2009) and a total carrying capacity of 212,789 DWT.

Globus is listed on the AIM of the London Stock Exchange under ticker GLBS. Jefferies International Limited is acting as nominated adviser and broker to the Company.