



COSTAMARE INC.

Fourth Quarter 2021

Financial Results Conference Call

March 10, 2022

Forward-Looking Statements

This presentation contains certain “forward-looking statements” (as such term is defined in Section 21E of the Securities Exchange Act of 1934, as amended). All statements, other than statements of historical facts, that address activities, events or developments that the Company expects, projects, believes or anticipates will or may occur in the future, including, without limitation, future operating or financial results and future revenues and expenses, future, pending or recent acquisitions, general market conditions and shipping industry trends, the financial condition and liquidity of the Company, cash available for dividend payments, future capital expenditures and dry-docking costs and newbuild vessels and expected delivery dates, are forward-looking statements. Although the Company believes that its expectations stated in this presentation are based on reasonable assumptions, actual results may differ from those projected in the forward-looking statements. Important factors that, in our view, could cause actual results to differ materially from the future results discussed in the forward-looking statements include, without limitation, global supply and demand for containerships and dry bulk vessels, the financial stability of the Company’s counterparties and charterers, global economic weakness, disruptions in the world financial markets, the loss of one or more customers, a decrease in the level of Chinese exports, the availability of debt financing, our ability to expand through newbuildings and secondhand acquisitions, risks associated with the operation of the Framework Agreement with our joint venture partner, delay in the delivery of newbuildings, rising crew and fuel costs, increases in capital expenditure requirements or operating costs, a decrease in containership or dry bulk vessel values, increased competition in the industry, re-chartering risk, fluctuations in interest rates, actions taken by governmental and regulatory authorities, potential liability for future litigation and environmental liabilities, the availability of adequate insurance coverage, potential disruption of shipping routes due to accidents or political conditions and the other factors discussed in the Company’s most recent Annual Report on Form 20-F (File No. 001-34934) and the Company’s Results for the Second Quarter and Six-Months Ended June 30, 2021 on Form 6-K (filed on July 28, 2021 with the SEC) under the caption “Risk Factor Update”. All forward-looking statements reflect management’s current views with respect to certain future events, and the Company expressly disclaims any obligation to update or revise any of these forward-looking statements, whether because of future events, new information, a change in the Company’s views or expectations, or otherwise.

Financial Performance

2021 was a record year – Payment of a one-time special dividend

- ▶ FY 2021 Net Income of **\$404.1 million**, or **\$3.28** per share.
- ▶ Q4 2021 Net Income available to common stockholders of **\$153.4 million**, or **\$1.24** per share.
- ▶ FY 2021 Adjusted Net Income available to common stockholders⁽¹⁾ of **\$289.9 million**, or **\$2.36⁽¹⁾** per share.
- ▶ Q4 2021 Adjusted Net Income available to common stockholders⁽¹⁾ of **\$112.1 million**, or **\$0.91⁽¹⁾** per share.
- ▶ Based on FY 2021 and Q4 2021 record performance, a special dividend of **\$0.50** per share will be paid along with the regular Q1 2022 dividend.
- ▶ Share repurchase program up to a maximum of **\$150 million** of our common shares and a maximum of **\$150 million** of our preferred shares.

Notes

1. Adjusted Net Income and Adjusted Earnings per Share are non-GAAP measures. See Appendix I for definitions and reconciliations to the nearest GAAP measures.

Highlights (1/5)

Sale and Purchase Activity – Aggregate expected capital gain of \$235.8 million

- ▶ Agreements for the forward sale of 2 containership vessels with an average age of 21 years, expected gross sale proceeds of **\$150 million** and an estimated capital gain of **\$95 million**:
 - ❖ *Maersk Kalamata*, 2003-built, 6,644 TEU capacity, latest expected sale date in Q1 2023
 - ❖ *Sealand Washington*, 2000-built, 6,648 TEU capacity, latest expected sale date in Q1 2023
- ▶ Agreements for the forward sale of 3 containership vessels with an average age of 22 years, expected gross sale proceeds of **\$183 million** and an estimated capital gain of **\$109 million**:
 - ❖ *Sealand Michigan*, 2000-built, 6,648 TEU capacity, latest expected sale date in Q4 2022
 - ❖ *Sealand Illinois*, 2000-built, 6,648 TEU capacity, latest expected sale date in Q4 2022
 - ❖ *York*, a 2000-built, 6,648 TEU capacity, latest expected sale date in Q4 2022

Highlights (2/5)

Sale and Purchase Activity (cont.) – Aggregate expected capital gain of \$235.8 million

- ▶ Agreed to sell the 1997-built, 2,458 TEU containership *Messini* expected to be completed during Q1 2022 for an estimated capital gain of \$17.8 million.
- ▶ Concluded the sale of the 2002-built, 4,992 TEU containership *ZIM New York*, which resulted in a capital gain of approximately \$14 million.
- ▶ Delivery of the 2008-built, 4,578 TEU containership *Dyros* (ex. *Co Kobe*), purchased for \$20 million that entered a time charter with *Maersk* for a period of 24.5–27.5 months.
- ▶ Delivery of 11 **dry bulk vessels** (total delivered fleet of 45 vessels, with 1 additional vessel expected to be delivered during Q1 2022).

Highlights (3/5)

We continue to forward fix our containerships at highly attractive levels

- ▶ Total contracted revenues of **\$3.4 billion** with a weighted average duration of **4.2 years⁽¹⁾**.
- ▶ Selected forward fixtures since last quarter are **80% higher** than current rates with an aggregate contracted revenue of **\$410 million**.
- ▶ Our containership revenue days are essentially 100%⁽²⁾ contracted for the remainder of 2022, and approximately 90%⁽²⁾ contracted for 2023.

Vessel	Built	Size (TEUs)	Charterer	Timecharter Rate (p.d.)	Timecharter Period	Latest start date	Current Charterer	Current Timecharter rate (p.d.)
Vela	2009	4,258	ZIM	\$43,250	60 - 64 months	Q2 2023	OOCL	\$22,700 ⁽³⁾
Vulpecula	2010	4,258	ZIM	\$43,250	60 - 64 months	Q2 2023	OOCL	\$22,700 ⁽³⁾
Maersk Kolkata	2003	6,644	ZIM	\$53,000	36 - 40 months	Q4 2022	Maersk	\$25,000 ⁽⁴⁾
Maersk Kingston	2003	6,644	ZIM	\$53,000	36 - 40 months	Q4 2022	Maersk	\$25,000 ⁽⁴⁾
Kure	1996	7,403	MSC	\$41,500	36 - 38 months	Q3 2023	COSCO	\$31,000
Maersk Kleven	1996	8,044	MSC	\$41,500	36 - 38 months	Q4 2023	Maersk	\$25,000 ⁽⁵⁾
Maersk Kotka	1996	8,044	MSC	\$41,500	36 - 38 months	Q4 2023	Maersk	\$25,000 ⁽⁵⁾

Notes

1. As of March 9, 2022. Total contracted revenues and remaining time charter duration include our ownership percentage of contracted revenues for four vessels owned pursuant to the Framework Agreement with York, but excluding revenues and time charter duration attributable to our contracted eight newbuilding vessels currently under construction and our dry bulk vessels.
2. Containership revenue days are excluding vessels we have agreed to sell.
3. The current daily rate for Vela / Vulpecula is \$22,700. Upon expiry of their current employment with OOCL, both vessels will enter into new charters with ZIM for a period of 60 to 64 months at an average daily rate of \$43,250. For these new charters, the daily rate will be \$99,000 for the first 12 month period, \$91,250 for the second 12 month period, \$10,000 for the third 12 month period and \$8,000 for the remaining duration of the charter.
4. The current daily rate for Maersk Kolkata and Maersk Kingston is a base rate of \$16,000, adjusted pursuant to the terms of a 50:50 profit/loss sharing mechanism based on market conditions with a minimum charter rate of \$12,000 and a maximum charter rate of \$25,000 until latest October 1, 2022.
5. The current daily rate of each of Maersk Kleven and Maersk Kotka is a base rate of \$17,000, adjusted pursuant to the terms of a 50:50 profit/loss sharing mechanism based on market conditions with a minimum charter rate of \$12,000 and a maximum charter rate of \$25,000 until latest October 9, 2023 and October 25, 2023, respectively.

Highlights (4/5)

New Financings and Capital Structure Update

- ▶ New financing agreements and an amendment to an existing facility since last quarter resulting in additional funds in excess of **\$430 million**. More specifically:
 - ❖ Executed three new loan agreements for **\$183.5 million** with European financial institutions to refinance nine dry bulk vessels and five containerships.
 - ❖ Signed a new hunting license facility for **\$100.0 million** with a European financial institution and extended the maturity of the **\$150 million** hunting license facility to finance the acquisition of new dry bulk vessels.
- ▶ All dry bulk vessels are financed at moderate leverage of 52% based on current market values⁽¹⁾.
- ▶ Liquidity of **\$552.3 million**⁽²⁾.
- ▶ Leverage: Market Values basis: **25.5%** as calculated for our compliance certificates⁽³⁾.
- ▶ No history of debt restructurings, covenant waivers or debt deferral requests.

Notes

1. As of December 31, 2021 basis year end valuations.
2. Liquidity includes \$353.5 million of cash and cash equivalents (incl. restricted cash), our share of cash held in companies co-owned with York Capital (\$5.5 million), and \$193.3 million in undrawn funds from our two hunting license facilities (adjusting for the \$56.7 million already drawn during 2022).
3. $(\text{Total Liabilities minus Cash and Cash Equivalents}) / (\text{Total Market Value Adjusted Assets minus Cash and Cash Equivalents})$ as of December 31, 2021.

Highlights (5/5)

Containership Market

- ▶ Charter rates continue their historic run, up over 234% year over year⁽¹⁾.
- ▶ Commercially fully employed container fleet with idle capacity at 0.5%⁽²⁾, with no vessels available at short notice.

Dry Bulk Market

- ▶ Charter rates have rebounded since earlier this year, as demand is expected to remain strong despite geopolitical concerns.
- ▶ Newbuilding orderbook is at 6.8%⁽³⁾ of the total fleet, and new ordering remains subdued.

Dividends, Share Repurchase Program and Strong Sponsor Support

- ▶ Special dividend of \$0.50 announced to be paid along with the regular Q1 2022 dividend.
- ▶ Share repurchase program up to a maximum of \$150 million of our common shares and up to a maximum of \$150 million of our preferred shares.
- ▶ 45 consecutive quarterly common dividends since IPO.
- ▶ Q4 2021, \$0.115 per share declared on our common stock, which was paid on February 7, 2022.
- ▶ \$111 million reinvested to date by the sponsor family through the Dividend Reinvestment Plan.

Notes

1. Based on Alphaliner average 12-month timecharter rates for vessels with capacity of 8,500, 5,600, 4,000, 2,500 and 1,700 TEUs as of March 2022.
2. Alphaliner – March 2022
3. Clarksons – March 2022

Q4 2021 Income Statement Snapshot

Q4 2021 RESULTS

	Q4 2020	Q4 2021	% Change
Ownership Days (incl. dry bulk vessels)	5,552	9,942	79.3%
Average Number of Vessels	60.3	108.1	79.1%
Voyage Revenues	119,143	283,918	138.3%
Net Interest and Finance Costs (*)	16,887	25,221	49.4%
Adjusted Net Income Available to Common Stockholders(**)	32,666	112,070	243.1%
Weighted Average Number of Shares	121,817,769	123,737,763	

Q4 2021 RESULTS – Non-Cash and Other Adjustments

	Q4 2020	Q4 2021
Net Income Available to Common Stockholders	19,308	153,387
Accrued charter revenue	5,308	(14,473)
Amortization of time charter assumed	48	39
(Gain) on sale of vessels, net	(499)	(27,819)
Loss on vessels held for sale	7,665	-
(Gain)/Loss on derivative instruments	(446)	27
Non-cash G&A expenses	1,239	1,891
Realized loss on Euro/USD FX contracts	-	434
Gain on sale of equity securities	-	(2,017)
One-off write off of deferred financing fees	43	601
Adjusted Net Income Available to Common Stockholders(**)	32,666	112,070
Adjusted EPS(**)	\$0.27	\$0.91

Notes

(*) Interest and finance costs minus Interest Income

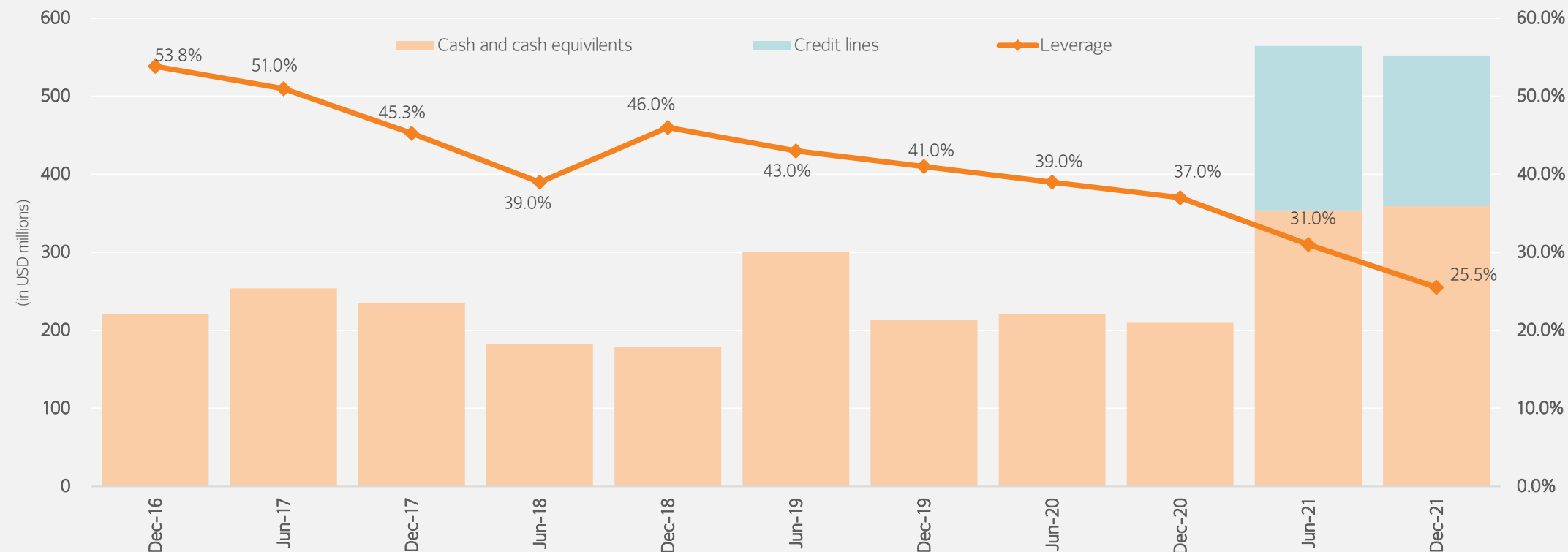
(**) Non-GAAP items, see Appendix I for definitions and reconciliations to the nearest GAAP measure.

All numbers in thousands of U.S. dollars, except ownership days, number of vessels, share and per share data.

Conservative Capital Structure

► We maintain low leverage with significant liquidity for future growth.

LIQUIDITY⁽¹⁾ AND LEVERAGE RATIO⁽²⁾



Notes

- 1. Liquidity includes cash and cash equivalents (incl. restricted cash), our share of cash held in companies co-owned with York Capital, and any undrawn funds from hunting license facilities.
- 2. $(\text{Total Liabilities minus Cash and Cash Equivalents}) / (\text{Total Market Value Adjusted Assets minus Cash and Cash Equivalents})$. Calculated in accordance with relevant provisions of bank financing agreements.

Container Market Environment

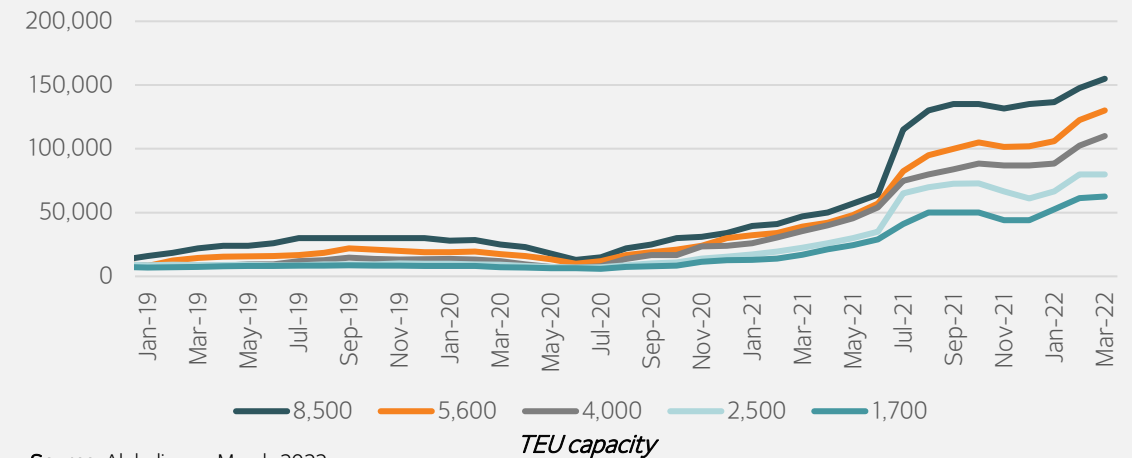
- ▶ Charter rates continue to remain at historically high levels.
- ▶ Forward fixtures starting in 2023 are becoming the norm.
- ▶ The average fixture duration for vessels over 3,000 TEU has increased⁽¹⁾.
- ▶ Idle fleet remains at historically low levels from a high of 11.6% in May 2020 as demand continues to far outweigh supply.

Note

1. According to Drewrys December 2021 report.

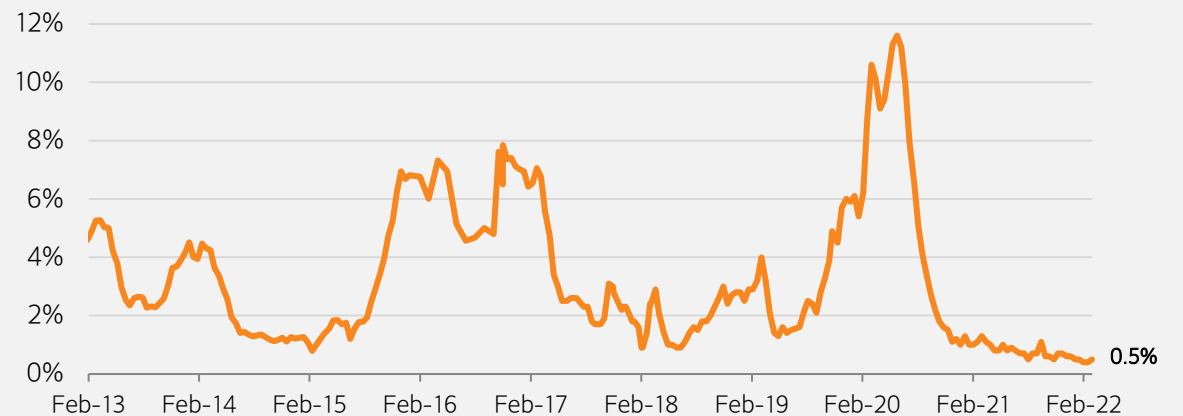
Charter Rates

12m Timecharter Rates



Source: Alphaliner – March 2022

Idle Fleet / Total Fleet



Source: Alphaliner– March 2022

Dry Bulk Market Environment

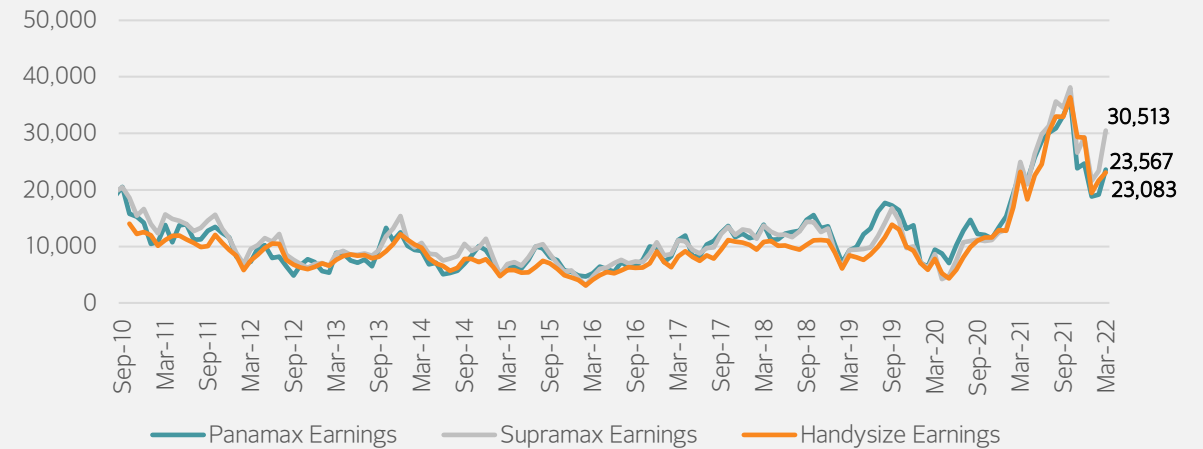
- ▶ Earnings for Panamaxes, Supramaxes and Handysize vessels are up on average by 17% year over year in February.

- ▶ Dry bulk vessel fleet growth is expected to be subdued for at least the next two to three years⁽¹⁾.
- ▶ The orderbook for newbuilding dry bulk vessels is currently at 6.8%, a historically low level.

Note

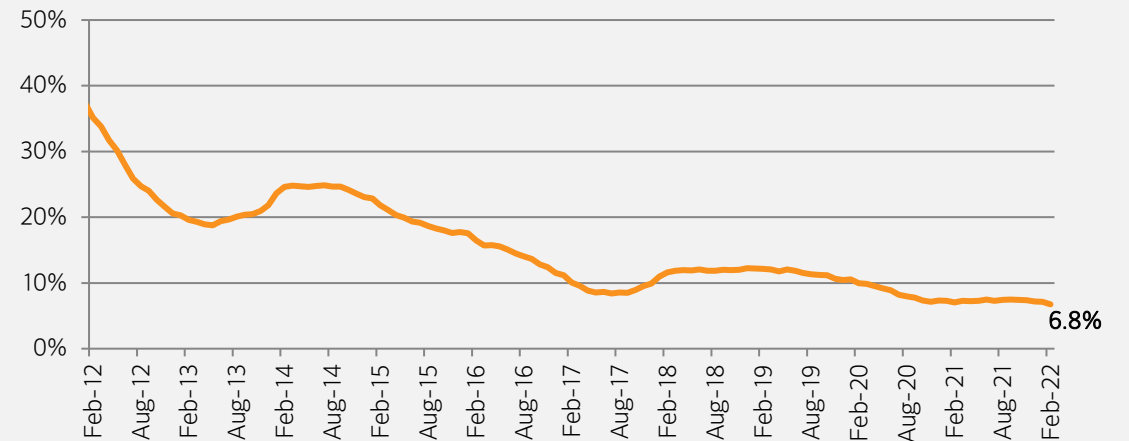
1. According to Clarksons Drybulk Trade Outlook – February 2022 report.

Average Spot Earnings (USD/p.d.)



Source: Clarksons – March 2022

Orderbook for Dry Bulk vessels



Source: Clarksons – March 2022

Thank You!
Q&A



Appendix I – Net Income to Adj. Net Income Reconciliation

<i>Expressed in thousands of U.S. dollars, except share and per share data</i>	Three-month period ended December 31,	
	2020	2021
Net Income/(Loss)	\$27,075	\$161,154
Earnings allocated to Preferred Stock	(7,767)	(7,767)
Net Income/(Loss) Available to common stockholders	\$19,308	\$153,387
Accrued charter revenue	5,308	(14,473)
Amortization of TC assumed	48	39
Loss on vessels held for sale	7,665	-
(Gain) on sale of vessels, net	(499)	(27,819)
(Gain)/loss on derivative instruments ⁽¹⁾	(446)	27
Add back G&As non-cash and other non-cash (Shares value)	1,239	1,891
Realized loss on Euro/USD FX contracts ⁽¹⁾	-	434
Gain on sale of equity securities	-	(2,017)
One-off write off of deferred financing costs	43	601
Adjusted Net Income available to common stockholders	\$32,666	\$112,070
Weighted average number of shares	121,817,769	123,737,763
Adjusted Earnings per Share	\$0.27	\$0.91

Adjusted Net Income available to common stockholders and Adjusted Earnings per Share represent Net Income after earnings allocated to preferred stock and gain on retirement of preferred stock, but before non-cash “Accrued charter revenue” recorded under charters with escalating or descending charter rates, realized (gain)/loss on Euro/USD forward contracts, (gain)/loss on sale / disposal of vessels, net, loss on vessels held for sale, gain on sale of equity securities, non-recurring, non-cash write-off of loan deferred financing costs, general and administrative expenses - non-cash component, non-cash changes in fair value of derivatives, and other non-recurring, non-cash items. “Accrued charter revenue” is attributed to the timing difference between the revenue recognition and the cash collection. However, Adjusted Net Income available to common stockholders and Adjusted Earnings per Share are not recognized measurements under U.S. GAAP. We believe that the presentation of Adjusted Net Income available to common stockholders and Adjusted Earnings per Share are useful to investors because they are frequently used by securities analysts, investors and other interested parties in the evaluation of companies in our industry. We also believe that Adjusted Net Income available to common stockholders and Adjusted Earnings per Share are useful in evaluating our ability to service additional debt and make capital expenditures. In addition, we believe that Adjusted Net Income available to common stockholders and Adjusted Earnings per Share are useful in evaluating our operating performance and liquidity position compared to that of other companies in our industry because the calculation of Adjusted Net Income available to common stockholders and Adjusted Earnings per Share generally eliminates the effects of the accounting effects of capital expenditures and acquisitions, certain hedging instruments and other accounting treatments, items which may vary for different companies for reasons unrelated to overall operating performance and liquidity. In evaluating Adjusted Net Income available to common stockholders and Adjusted Earnings per Share, you should be aware that in the future we may incur expenses that are the same as or similar to some of the adjustments in this presentation. Our presentation of Adjusted Net Income available to common stockholders and Adjusted Earnings per Share should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items.

(1) Items to consider for comparability include gains and charges. Gains positively impacting Net Income available to common stockholders are reflected as deductions to Adjusted Net Income available to common stockholders. Charges negatively impacting Net Income available to common stockholders are reflected as increases to Adjusted Net Income available to common stockholders.

Appendix II – Dry Bulk fleet

#	Vessel	Built	Size (DWT)
Panamax/Kamsarmax			
1	AEOLIAN	2012	83,478
2	GRENETA	2010	82,166
3	EGYPTIAN MIKE	2011	81,601
4	PHOENIX	2012	81,569
5	BUILDER	2012	81,541
6	FARMER	2012	81,541
7	SAUVAN	2010	79,700
8	ROSE	2008	76,619
Handysize			
1	COMITY	2010	37,302
2	VERITY	2012	37,163
3	PARITY	2012	37,152
4	ACUITY	2011	37,149
5	EQUITY	2013	37,071
6	DISCOVERY	2012	37,019
7	TAIBO	2011	35,112
8	BERNIS	2011	34,627
9	MANZANILLO	2010	34,426
10	ADVENTURE	2011	33,755
11	ALLIANCE	2012	33,751
12	CETUS (ex. CHARM)	2010	32,527
13	PROGRESS	2011	32,400
14	MINER	2010	32,300
15	KONSTANTINOS	2012	32,178
16	RESOURCE	2010	31,776

#	Vessel	Built	Size (DWT)
Supramax/Ultramax			
1	MERCHIA	2015	63,800
2	SEABIRD	2016	63,553
3	DAWN	2018	63,530
4	ORION	2015	63,473
5	DAMON	2012	63,227
6	TITAN I	2009	58,090
7	ERACLE	2012	58,018
8	PYTHIAS	2010	58,018
9	MAGDA (tbr. NORMA) ⁽¹⁾	2010	58,018
10	ORACLE	2009	57,970
11	CURACAO	2011	57,937
12	URUGUAY	2011	57,937
13	ATHENA	2012	57,809
14	THUNDER	2009	57,334
15	SERENA	2010	57,266
16	LIBRA	2010	56,729
17	PEGASUS	2011	56,726
18	MERIDA	2012	56,670
19	CLARA	2008	56,557
20	PEACE	2006	55,709
21	PRIDE	2006	55,705
22	BERMONDI	2009	55,469

As of March 9, 2022

Note

1. The m/v *Magda* (tbr. *Norma*) is expected to be delivered to us by the end of Q1 2022.

Appendix III – Containership Operating Fleet Charter Status (1/5)



12,000 – 15,000 TEUs

10x Vessels⁽²⁾

Charterer



Age

Vessels⁽¹⁾

YM TIPTOP

YM TARGET

YM TOTALITY

YM TRUTH

YM TRIUMPH



THESEUS

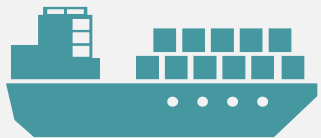
TAURUS

TALOS

TITAN

TRITON

Mar/22 Mar/23 Mar/24 Mar/25 Mar/26 Mar/27 Mar/28 Mar/29 Mar/30 Mar/31 Mar/32



10,000 – 12,000 TEUs

5x Vessels



CAPE AKRITAS

CAPE KORTIA

CAPE TAINARO

CAPE SOUNIO



CAPE ARTEMISIO

Mar/22 Mar/23 Mar/24 Mar/25 Mar/26 Mar/27 Mar/28 Mar/29 Mar/30 Mar/31 Mar/32

Note

1. Based on last charter fixtures per vessel and earliest re-delivery dates after giving effect to the exercise of any owners' extension options.
2. Excluding our contracted eight newbuilding vessels currently under construction.

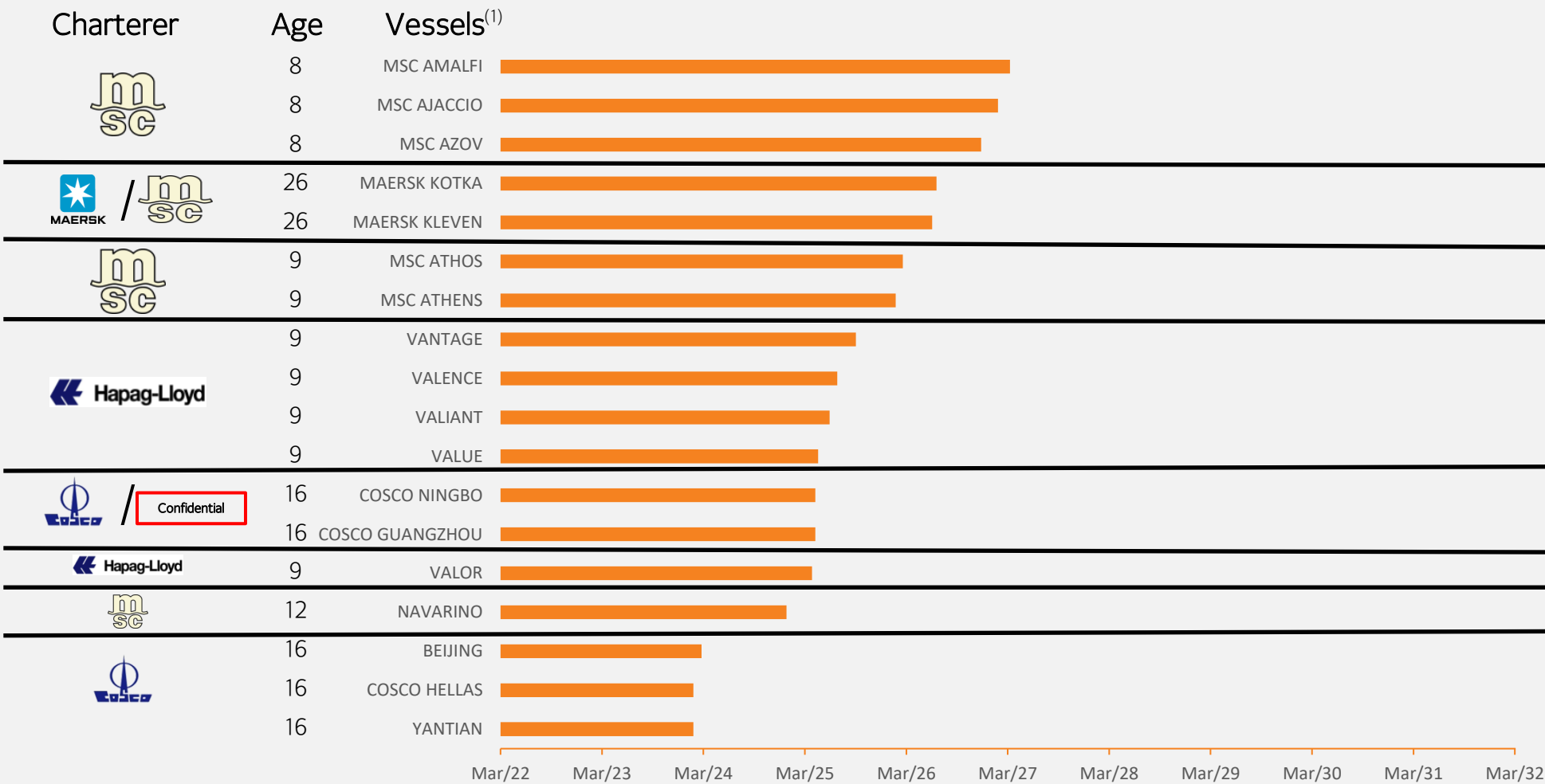


COSTAMARE INC.

Appendix III – Containership Operating Fleet Charter Status (2/5)



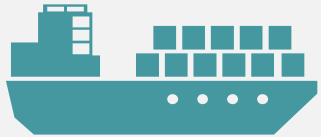
7,500 – 10,000 TEUs
18x Vessels



Note

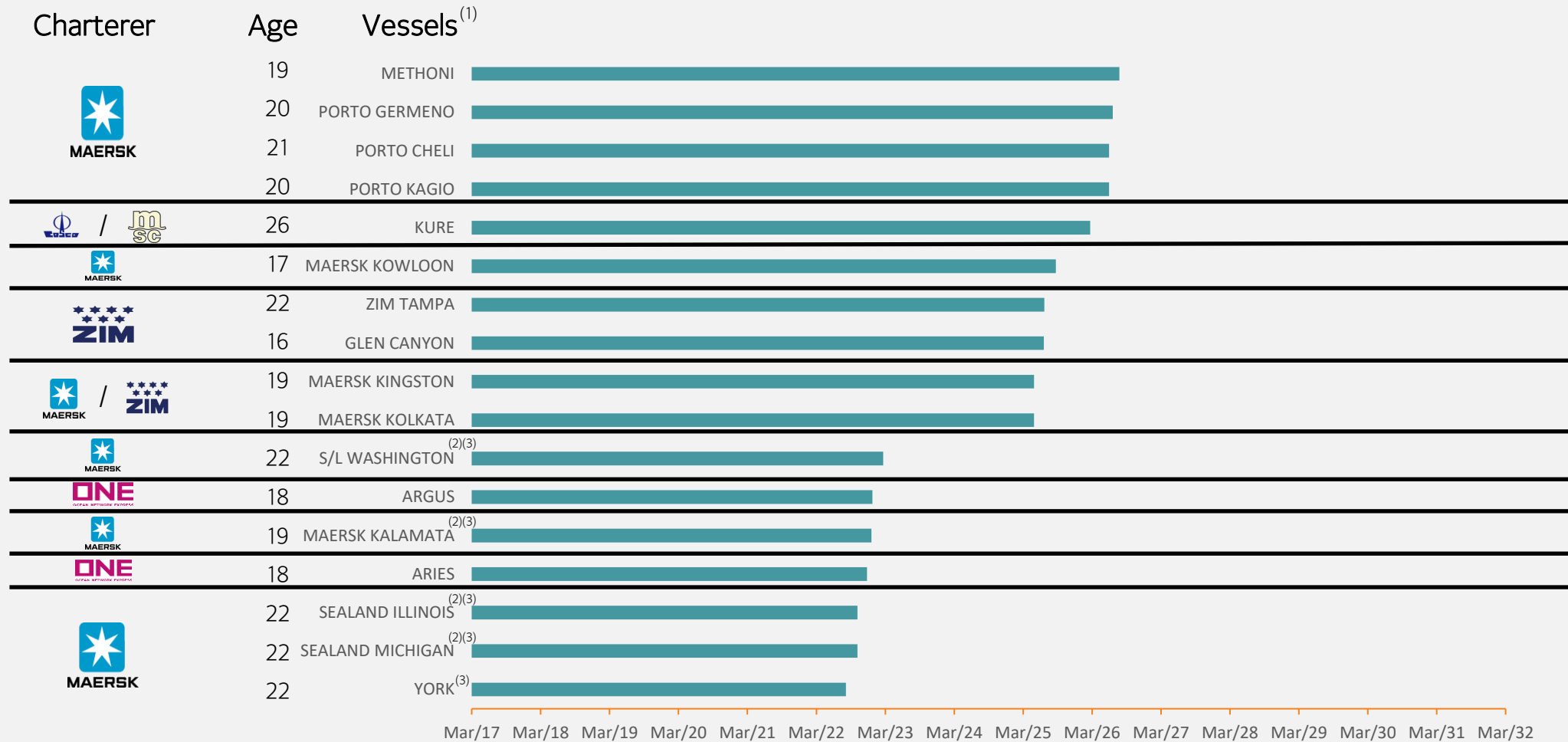
1. Based on last charter fixtures per vessel and earliest re-delivery dates after giving effect to the exercise of any owners' extension options.

Appendix III – Containership Operating Fleet Charter Status (3/5)



5,000 – 7,500 TEUs

17x Vessels



Note

1. Based on last charter fixtures per vessel and earliest re-delivery dates after giving effect to the exercise of any owners' extension options.
2. Charter tenor based on latest redelivery date.
3. Vessel agreed to be sold after expiration of current charter.

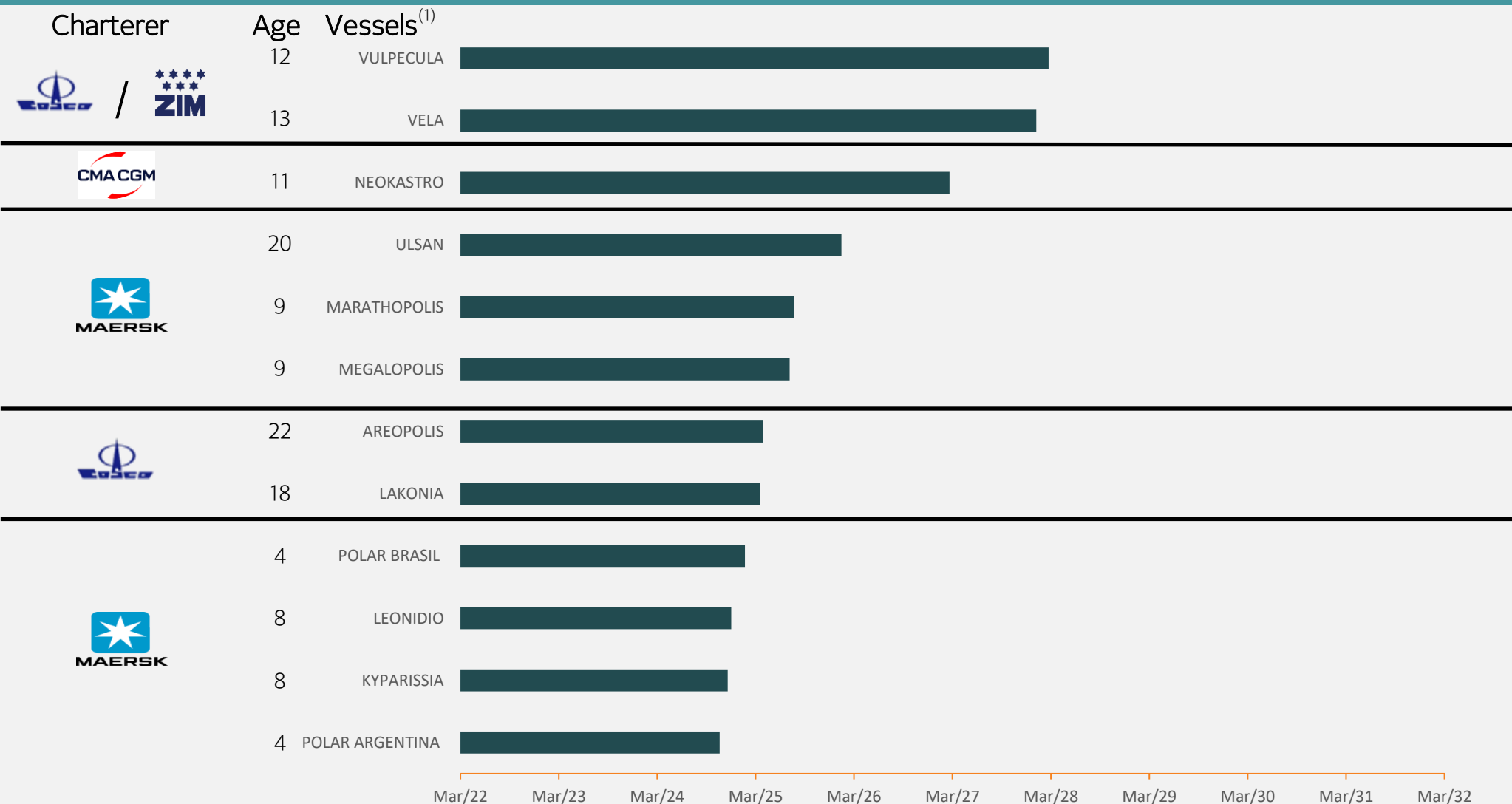


Appendix III – Containership Operating Fleet Charter Status (4/5)



1,000 – 5,000 TEUs

27x Vessels



Note
1. Based on latest charters concluded and earliest re-delivery dates after giving effect to the exercise of any owners' extension options.

Appendix III – Containership Operating Fleet Charter Status (5/5)



1,000 – 5,000 TEUs

27x Vessels

Charterer	Age	Vessels ⁽¹⁾
Confidential	14	TRADER
ZIM	13	GIALOVA
	12	VOLANS
MSC	21	LUEBECK
MAERSK	13	VIRGO
	14	DYROS
MSC	14	MICHIGAN
MAERSK	13	NORFOLK
SWIRE SHIPPING	21	ARKADIA
MAERSK	12	ANDROUSA
	22	OAKLAND
Confidential	17	ETOILE
Hapag-Lloyd	15	SCORPIUS
MAERSK	24	MONEMVASIA ⁽²⁾
Confidential	25	MESSINI ⁽³⁾

Note

- 1. Based on latest charters concluded and earliest re-delivery dates after giving effect to the exercise of any owners' extension options.
- 2. Charter tenor based on latest redelivery date.
- 3. Vessel agreed to be sold after expiration of current charter.