
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): August 3, 2016

GENCO SHIPPING & TRADING LIMITED

(Exact name of registrant as specified in its charter)

Republic of the Marshall Islands
(State or other jurisdiction of
incorporation or organization)

001-33393
(Commission file number)

98-043-9758
(I.R.S. employer
identification no.)

**299 Park Avenue
12th Floor**
(Address of principal executive offices)

10171
(Zip code)

Registrant's telephone number, including area code: (646) 443-8550

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

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- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02 Results of Operations and Financial Condition.

Attached and incorporated herein by reference as Exhibit 99.1 is a copy of a press release of Genco Shipping & Trading Limited (the “Company”), dated August 3, 2016, reporting the Company’s financial results for the second quarter ended June 30, 2016.

The information set forth under “Item 2.02 Results of Operations and Financial Condition,” including Exhibit 99.1 attached hereto, shall not be deemed “filed” for purposes of Section 18 of the Securities Act of 1934, as amended, nor shall such information be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
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99.1	Press Release dated August 3, 2016.
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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, Genco Shipping & Trading Limited has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

GENCO SHIPPING & TRADING LIMITED

DATE: August 3, 2016

/s/ Apostolos Zafolias

Apostolos Zafolias
Chief Financial Officer

EXHIBIT INDEX

Exhibit No.	Description
99.1	Press Release dated August 3, 2016.

CONTACT:

John C. Wobensmith
President
Genco Shipping & Trading Limited
(646) 443-8555



**GENCO SHIPPING & TRADING LIMITED ANNOUNCES
SECOND QUARTER FINANCIAL RESULTS**

New York, New York, August 3, 2016 – Genco Shipping & Trading Limited (NYSE:GNK) (“Genco” or the “Company”) today reported its financial results for the three and six months ended June 30, 2016.

The following financial review discusses the results for the three and six months ended June 30, 2016 and June 30, 2015.

Second Quarter 2016 and Year-to-Date Highlights

- Recorded a net loss attributable to Genco Shipping & Trading Limited of \$110.7 million for the second quarter of 2016
 - o Basic and diluted loss per share of \$15.32
 - o Basic and diluted loss of \$40.4 million or \$5.59 per share, excluding \$70.3 million of non-cash impairment charges;
- Entered into a commitment letter for a senior secured term loan facility in an aggregate principal amount of up to \$400.0 million (the “\$400 Million Credit Facility”), which has been extended through September 30, 2016
 - o Designed to refinance all of our existing credit facilities with the exception of the \$98 Million Credit Facility and the 2014 Term Loan Facilities;
 - o Participating lenders have agreed to provide or extend waivers of certain financial covenants through September 30, 2016;
- Effected a one-for-ten reverse stock split of Genco’s common stock as of July 7, 2016.

Financial Review: 2016 Second Quarter

The Company recorded a net loss attributable to Genco Shipping & Trading Limited for the second quarter of 2016 of \$110.7 million, or \$15.32 basic and diluted net loss per share. Comparatively, for the three months ended June 30, 2015, the Company recorded a net loss attributable to Genco Shipping & Trading Limited of \$40.3 million, or \$6.67 basic and diluted net loss per share. Basic and diluted net loss per share for both periods has been adjusted for the one-for-ten reverse stock split of Genco's common stock effected on July 7, 2016.

John C. Wobensmith, President, commented, "During the second quarter, we continued to tailor our commercial strategy to be responsive to market conditions, while maintaining our long-term focus on achieving operational efficiencies. We also took important steps aimed at strengthening our balance sheet and enhancing Genco's long-term prospects. We are pleased to have signed a commitment letter for a \$400 million credit facility which is subject to certain conditions including the completion of a \$125 million capital raise and intended to enable Genco to refinance most of its credit facilities on more favorable terms. Specifically, the proposed \$400 million facility includes a repayment structure with no significant amortization payments for two and a half years, the elimination of collateral maintenance tests through the first half of 2018, and a reduction of the minimum liquidity requirement."

The Company's revenues decreased to \$31.9 million for the three months ended June 30, 2016, compared to \$34.6 million for the three months ended June 30, 2015. The decrease was primarily due to lower spot market rates achieved by the majority of the vessels in our fleet during the second quarter of 2016 versus the same period last year marginally offset by the increase in the size of our fleet following the delivery of two Ultramax newbuilding vessels.

The average daily time charter equivalent, or TCE, rates obtained by the Company's fleet was \$4,618 per day for the three months ended June 30, 2016 as compared to \$5,065 for the three months ended June 30, 2015. The decrease in TCE was primarily due to lower spot rates achieved by the vessels in our fleet during the second quarter of 2016 versus the second quarter of 2015. During the second quarter of 2016, the Baltic Dry Index increased from the all-time lows registered during the first three months of the year. Freight rates during the quarter were primarily supported by heightened demand for iron ore cargoes due to augmented Chinese steel production, increased coal shipments to China as the country continues to reduce domestic coal output and a strong South American grain season. Furthermore, the global drybulk fleet has expanded at the slowest rate in nearly two decades despite the recent slowdown in scrapping from the record pace set earlier in the year.

Total operating expenses were \$132.6 million for the three months ended June 30, 2016 compared to \$80.8 million for the three months ended June 30, 2015. During the three months ended June 30, 2016, a \$67.6 million impairment loss was recorded in order to adjust the value of nine of our vessels to their estimated net realizable value as of June 30, 2016 as the Company determined that the sale or scrapping of these vessels was more likely than not based on the terms of the commitment letter of the \$400 Million Credit Facility. During the three months ended June 30, 2015, a loss on sale of vessels of \$1.2 million was recognized relating to the sale of the Baltic Tiger and the Baltic Lion in April 2015. Vessel operating expenses declined to \$28.5 million for the three months ended June 30, 2016 compared to \$29.9 million for the three

months ended June 30, 2015. This was primarily due to lower expenses related to maintenance as well as crewing and insurance partially offset by the increase in the size of our fleet. General, administrative and technical management expenses were \$13.9 million for the second quarter of 2016 compared to \$26.5 million for the second quarter of 2015, primarily due to a decrease in compensation and merger related expenses partially offset by costs related to financing or refinancing activities. Included in general, administrative and technical management expenses for the three months ended June 30, 2016 and the three months ended June 30, 2015, are non-cash compensation expenses of \$5.4 million and \$12.5 million, respectively, arising from awards under the 2015 Equity Incentive Plan and the 2014 Management Incentive Plan, or MIP. Depreciation and amortization expenses increased to \$19.7 million for the three months ended June 30, 2016 from \$19.4 million for the three months ended June 30, 2015, primarily due to the increase in the size of our fleet as well as an increase in drydocking amortization expense.

Daily vessel operating expenses, or DVOE, decreased to \$4,511 per vessel per day for the second quarter of 2016 compared to \$4,836 per vessel per day for the same quarter of 2015 predominantly due to lower expenses related to maintenance as well as crewing and insurance. We believe daily vessel operating expenses are best measured for comparative purposes over a 12-month period in order to take into account all of the expenses that each vessel in our fleet will incur over a full year of operation. Based on estimates provided by our technical managers and management's views, our DVOE budget for 2016 is \$4,820 per vessel per day on a weighted average basis for the entire year.

Apostolos Zafolias, Chief Financial Officer, commented, "We appreciate the strong and on-going support of our bank group. Under the commitment letter we signed for the \$400 million senior secured loan facility, we received temporary relief for certain cash flow measurement and collateral maintenance covenants. In addition, the proposed new facility would have more favorable financial covenants which we believe would better position Genco to operate in a challenging drybulk environment."

Financial Review: First Half 2016

The Company recorded a net loss attributable to Genco Shipping & Trading Limited of \$165.1 million or \$22.87 basic and diluted net loss per share for the six months ended June 30, 2016. This compares to a net loss attributable to Genco Shipping & Trading Limited of \$78.8 million or \$13.03 basic and diluted net loss per share for the six months ended June 30, 2015. Basic and diluted net loss per share for both periods has been adjusted for the one-for-ten reverse stock split of Genco's common stock effected on July 7, 2016. Revenues decreased to \$52.8 million for the six months ended June 30, 2016 compared to \$69.0 million for the six months ended June 30, 2015 due to lower spot market rates achieved by the majority of our vessels partially offset by the increase in the size of our fleet. TCE rates obtained by the Company decreased to \$3,622 per day for the six months ended June 30, 2016 from \$5,021 per day for the six months ended June 30, 2015, due to lower rates achieved by the majority of the vessels in our fleet. Total operating expenses, excluding non-cash vessel impairment charges totaling \$69.3 million relating to the revaluation of ten vessels to their estimated net realizable value, were \$131.3 million for the six months ended June 30, 2016. This compares to total operating expenses, excluding a non-cash vessel impairment charge of \$35.4 million relating to the sale of the Baltic Tiger and the Baltic

Lion in April 2015, of \$153.6 million for the six months ended June 30, 2015. Daily vessel operating expenses per vessel were \$4,542 versus \$4,762 in the comparative periods due to lower expenses related to crewing and maintenance.

Liquidity and Capital Resources

Cash Flow

Net cash used in operating activities for the six months ended June 30, 2016 and 2015 was \$41.2 million and \$29.8 million, respectively. Included in the net loss attributable to Genco during the six months ended June 30, 2016 and 2015 are \$72.0 million and \$35.4 million of non-cash impairment charges, respectively. Excluding the aforementioned non-cash charges for the six months ended June 30, 2016 and 2015, the loss would be less by \$2.5 million. Also included in the net loss during the six months ended June 30, 2016 and 2015 was \$10.9 million and \$24.8 million, respectively, of non-cash amortization of non-vested stock compensation due to the vesting of restricted shares and warrants issued under the MIP. Additionally, the fluctuation in accounts payable and accrued expenses decreased by \$11.4 million due to the timing of payments. The above changes in operating activities were partially offset by a \$2.3 million increase in the fluctuation in prepaid expenses and other current assets and a \$2.1 million increase in the fluctuation in due from charterers due to the timing of payments. Additionally, there was a \$6.2 million decrease in deferred drydocking costs incurred because there were fewer vessels that completed drydocking during the six months ended June 30, 2016 as compared to the same period during 2015.

Net cash provided by investing activities was \$3.7 million during the six months ended June 30, 2016 as compared to net cash used in investing activities of \$5.4 million during the six months ended June 30, 2015. The fluctuation is primarily due to a \$24.3 million decrease in the purchase of vessels, including deposits. The decrease is primarily due to the completion of the purchase of the Baltic Wasp on January 2, 2015. Additionally, there were \$1.9 million of net proceeds from the sale of the Genco Marine which was scrapped during the six months ended June 30, 2016. The decrease in the purchase of vessels, including deposits and proceeds from the sale for the Genco Marine were partially offset by a \$19.6 million decrease in deposits of restricted cash, representing the amount of restricted cash that was held in an escrow account as of December 31, 2014 for the purchase of the Baltic Wasp, which was released to the shipyard upon the vessel delivery on January 2, 2015.

Net cash used in financing activities was \$26.9 million during the six months ended June 30, 2016 as compared to net cash provided by financing activities of \$13.5 million. Net cash used in financing activities for the six months ended June 30, 2016 consisted primarily of the following: \$10.2 million repayment of debt under the \$253 Million Term Loan Facility, \$6.0 million repayment of debt under the \$148 Million Credit Facility, \$3.8 million repayment of debt under the \$100 Million Term Loan Facility, \$3.3 million repayment of debt under the 2015 Revolving Credit Facility, \$1.4 million repayment of debt under \$44 Million Term Loan Facility, \$1.4 million repayment of debt under the 2014 Term Loan Facilities, \$0.8 million repayment of debt under the \$22 Million Term Loan Facility, and \$0.1 million cash settlement paid to non-accredited 5.00% Convertible Senior Note holders. Net cash provided by financing activities for

the six months ended June 30, 2015 consisted primarily of \$115.0 million of proceeds from the \$148 Million Credit Facility and \$25.0 million of proceeds from 2015 Revolving Credit Facility partially offset by the following: \$102.3 million repayment of debt under the 2010 Credit Facility, \$10.2 million repayment of debt under the \$253 Million Term Loan Facility, \$3.8 million repayment of debt under the \$100 Million Term Loan Facility, \$2.4 million repayment of debt under the \$148 Million Term Loan Facility, \$1.4 million repayment of debt under the \$44 Million Term Loan Facility, \$0.8 million repayment of debt under the \$22 Million Term Loan Facility, \$0.7 million repayment of debt under the 2014 Term Loan Facilities, \$0.7 million cash settlement paid to non-accredited 5.00% Convertible Senior Note holders, and \$4.3 million payment of deferred financing costs.

Capital Expenditures

We make capital expenditures from time to time in connection with vessel acquisitions. Currently, our fleet consists of 13 Capesize, eight Panamax, four Ultramax, 21 Supramax, five Handymax and 18 Handysize vessels with an aggregate capacity of approximately 5,113,000 dwt.

In addition to acquisitions that we may undertake in future periods, we will incur additional capital expenditures due to special surveys and drydockings for our fleet. Two of our vessels were drydocked during the second quarter of 2016. We currently expect eight of our vessels to be drydocked during the remainder of 2016.

As previously announced, we have initiated a fuel efficiency upgrade program for certain of our vessels. We believe this program will generate considerable fuel savings going forward and increase the future earnings potential for these vessels. The upgrades have been successfully installed on 16 of our vessels, which completed their respective planned drydocking during 2014 and 2015. Currently, we do not expect to install fuel efficiency upgrades on any of the vessels scheduled to drydock in 2016.

We estimate our capital expenditures related to drydocking for our fleet through 2016 to be:

	<u>Q3 2016</u>	<u>Q4 2016</u>
Estimated Costs (1)	\$ 3.3 million	\$ 4.1 million
Estimated Offhire Days (2)	90	125

(1) Estimates are based on our budgeted cost of drydocking our vessels in China. Actual costs will vary based on various factors, including where the drydockings are actually performed. We expect to fund these costs with cash from operations. These costs do not include drydock expense items that are reflected in vessel operating expenses. The estimated costs shown in the table above include \$4.2 million of estimated costs associated with vessels that could potentially be sold or scrapped as per the terms of the \$400 Million Credit Facility.

(2) Actual length will vary based on the condition of the vessel, yard schedules and other factors. The estimated offhire days shown in the table above include 135 days associated with vessels that could potentially be sold or scrapped as per the terms of the \$400 Million Credit Facility.

The one vessel which completed drydocking during the second quarter was on planned offhire for 19.3 days. Additionally, there was one drydocking that began in June and crossed over into the third quarter. The planned offhire days recorded for this vessel during the second quarter of 2016 amounted to 14.0 days. Capitalized costs associated with drydocking incurred during the second quarter of 2016 were approximately \$1.0 million.

Credit Facility Waivers/New Facility

As previously announced, the Company entered into agreements for waivers of the collateral maintenance covenants under its \$253 Million Term Loan Facility, its \$100 Million Credit Facility, and its \$148 Million Credit Facility, which were extended by the commitment letter for the Company's \$400 Million Credit Facility, as amended. The \$400 Million Credit Facility is intended to address the Company's liquidity and covenant compliance issues and to refinance the Company's \$100 Million Term Loan Facility, \$253 Million Term Loan Facility, \$148 Million Credit Facility, \$22 Million Term Loan Facility, \$44 Million Term Loan Facility, and 2015 Revolving Credit Facility (the "Prior Facilities"). Under the amended commitment letter, collateral maintenance waivers have been implemented or extended for the Prior Facilities through September 30, 2016. Our credit facilities contain minimum cash covenants measured on a company-wide basis and on the basis of the number of vessels pledged by obligors under each such credit facility. The amended commitment letter also provides waivers of the Company's minimum cash covenants under the Prior Facilities that are applicable on a company-wide basis, so long as cash and cash equivalents of the Company are at least \$25 million, and of the Company's maximum leverage ratio through September 30, 2016. Additionally, we have obtained collateral maintenance waivers under the 2014 Term Loan Facilities through September 30, 2016. Moreover, under the amended commitment letter, from August 31 through September 30, 2016, the amount of cash we would need to maintain under our minimum cash covenants applicable only to obligors in each facility to be refinanced under the Amended Commitment Letter would be reduced by up to \$0.25 million per vessel, subject to an overall maximum cash withdrawal of \$10.0 million to pay expenses and additional conditions.

As also previously announced, the Company entered into a commitment letter for certain amendments to its \$98 Million Facility. This commitment letter provides for certain covenant relief through September 30, 2016. For such period, compliance with the company-wide minimum cash covenant has been waived so long as cash and cash equivalents of the Company are at least \$25 million; compliance with the maximum leverage ratio has been waived; and the ratio required to be maintained under the Company's collateral maintenance covenant will be 120% rather than 140%.

The foregoing waivers, amendments, and the \$400 Million Credit Facility are subject to conditions that the Company must fulfill, including entry into a definitive purchase agreement or filing of a registration statement for an equity financing by August 15, 2016.

NYSE Compliance

Based on a notice the Company received from the New York Stock Exchange (the “NYSE”), we are once again in compliance with the NYSE’s continued listing requirement of a minimum average closing price of \$1.00 per share over the previous 30 trading-day period. On February 23, 2016, we had been notified by the NYSE that we were not in compliance with such requirement.

Financial Statement Presentation

As previously announced, we completed our merger with Baltic Trading on July 17, 2015. Prior to the completion of the Genco and Baltic Trading merger, Genco consolidated Baltic Trading and the Baltic Trading common shares that Genco acquired in the merger were recognized as a noncontrolling interest in the consolidated financial statements of Genco. Under U.S. GAAP, changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary are considered equity transactions (i.e. transactions with owners in their capacity as owners) with any difference between the amount by which the noncontrolling interest is adjusted and the fair value of the consideration paid attributed to the equity of the parent. Accordingly, upon completion of the merger, any difference between the fair value of the Genco common shares issued in exchange for Baltic Trading common shares was reflected as an adjustment to the equity in Genco. No gain or loss was reorganized in Genco’s consolidated statement of comprehensive income upon completion of the transaction.

Summary Consolidated Financial and Other Data

The following table summarizes Genco Shipping & Trading Limited's selected consolidated financial and other data for the periods indicated below.

	Three Months Ended June 30, 2016	Three Months Ended June 30, 2015	Six Months Ended June 30, 2016	Six Months Ended June 30, 2015
	(Dollars in thousands, except share and per share data) (unaudited)		(Dollars in thousands, except share and per share data) (unaudited)	
INCOME STATEMENT DATA:				
Revenues:				
Voyage revenues	\$ 31,460	\$ 33,772	\$ 51,590	\$ 67,381
Service revenues	414	819	1,225	1,629
Total revenues	31,874	34,591	52,815	69,010
Operating expenses:				
Voyage expenses	3,074	3,757	6,970	8,137
Vessel operating expenses	28,538	29,928	57,665	58,599
General, administrative and management fees	13,853	26,491	26,708	46,815
Depreciation and amortization	19,686	19,399	40,025	38,809
Other operating income	(182)	-	(182)	-
Impairment of vessel assets	67,594	-	69,278	35,396
Loss on sale of vessels	77	1,210	77	1,210
Total operating expenses	132,640	80,785	200,541	188,966
Operating loss	(100,766)	(46,194)	(147,726)	(119,956)
Other (expense) income:				
Impairment of investment	(2,696)	-	(2,696)	-
Other expense	(50)	(65)	(174)	(54)
Interest income	33	25	95	49
Interest expense	(7,013)	(4,687)	(14,127)	(9,012)
Other expense	(9,726)	(4,727)	(16,902)	(9,017)
Loss before reorganization items, net	(110,492)	(50,921)	(164,628)	(128,973)
Reorganization items, net	(65)	(313)	(160)	(833)
Loss before income taxes	(110,557)	(51,234)	(164,788)	(129,806)
Income tax expense	(96)	(718)	(350)	(1,260)
Net loss	(110,653)	(51,952)	(165,138)	(131,066)
Less: Net loss attributable to noncontrolling interest	-	(11,620)	-	(52,293)
Net loss attributable to Genco Shipping & Trading Limited	\$ (110,653)	\$ (40,332)	\$ (165,138)	\$ (78,773)
Net loss per share - basic	\$ (15.32)	\$ (6.67)	\$ (22.87)	\$ (13.03)
Net loss per share - diluted	\$ (15.32)	\$ (6.67)	\$ (22.87)	\$ (13.03)
Weighted average common shares outstanding - basic	7,221,735	6,048,719	7,220,265	6,045,915
Weighted average common shares outstanding - diluted	7,221,735	6,048,719	7,220,265	6,045,915

BALANCE SHEET DATA:

	June 30, 2016	December 31, 2015
	(unaudited)	
Cash (including restricted cash)	\$ 76,477	\$ 140,889
Current assets	103,556	172,529
Total assets	1,530,388	1,714,663
Current liabilities (excluding current portion of long-term debt)	23,827	28,525
Current portion of long-term debt (net of \$8.4 million and \$9.4 million of unamortized debt issuance costs at June 30, 2016 and December 31, 2015, respectively)	553,301	579,023
Long-term debt	-	-
Shareholders' equity	951,751	1,105,966

	Six Months Ended June 30, 2016	Six Months Ended June 30, 2015
	(unaudited)	
Net cash used in operating activities	\$ (41,230)	\$ (29,830)
Net cash provided by (used in) investing activities	3,697	(5,427)
Net cash (used in) provided by financing activities	(26,879)	13,491

	Three Months Ended June 30, 2016	Three Months Ended June 30, 2015	Six Months Ended June 30, 2016	Six Months Ended June 30, 2015
	(Dollars in thousands) (unaudited)		(Dollars in thousands) (unaudited)	
EBITDA Reconciliation:				
Net Loss attributable to Genco Shipping & Trading Limited	\$ (110,653)	\$ (40,332)	\$ (165,138)	\$ (78,773)
+ Net interest expense	6,980	4,662	14,032	8,963
+ Income tax expense	96	718	350	1,260
+ Depreciation and amortization	19,686	19,399	40,025	38,809
EBITDA (1)	\$ (83,891)	\$ (15,553)	\$ (110,731)	\$ (29,741)

	Three Months Ended June 30, 2016	Three Months Ended June 30, 2015	Six Months Ended June 30, 2016	Six Months Ended June 30, 2015
	(unaudited)		(unaudited)	
Genco Consolidated Fleet Data:				
Total number of vessels at end of period	69	68	69	68
Average number of vessels (2)	69.5	68.0	69.8	68.0
Total ownership days for fleet (3)	6,326	6,188	12,696	12,307
Total available days for fleet (4)	6,146	5,926	12,321	11,798
Total operating days for fleet (5)	6,107	5,818	12,177	11,631
Fleet utilization (6)	99.4%	98.2%	98.8%	98.6%
Average Daily Results:				
Time charter equivalent (7)	\$ 4,618	\$ 5,065	\$ 3,622	\$ 5,021
Daily vessel operating expenses per vessel (8)	4,511	4,836	4,542	4,762

- 1) EBITDA represents net income (loss) plus net interest expense, taxes, and depreciation and amortization. EBITDA is included because it is used by management and certain investors as a measure of operating performance. EBITDA is used by analysts in the shipping industry as a common performance measure to compare results across peers. Our management uses EBITDA as a performance measure in consolidating internal financial statements and it is presented for review at our board meetings. For these reasons, we believe that EBITDA is a useful measure to present to our investors. EBITDA is not an item recognized by U.S. GAAP (i.e. non-GAAP measure) and should not be considered as an alternative to net income, operating income or any other indicator of a company's operating performance required by U.S. GAAP. EBITDA is not a source of liquidity or cash flows as shown in our consolidated statement of cash flows. The definition of EBITDA used here may not be comparable to that used by other companies. Pursuant to the amendments entered into on April 30, 2015 for our \$100 Million Term Loan Facility and our \$253 Million Term Loan Facility, the definition of Consolidated EBITDA used in the financial covenants has been eliminated.
- 2) Average number of vessels is the number of vessels that constituted our fleet for the relevant period, as measured by the sum of the number of days each vessel was part of our fleet during the period divided by the number of calendar days in that period.
- 3) We define ownership days as the aggregate number of days in a period during which each vessel in our fleet has been owned by us. Ownership days are an indicator of the size of our fleet over a period and affect both the amount of revenues and the amount of expenses that we record during a period.
- 4) We define available days as the number of our ownership days less the aggregate number of days that our vessels are off-hire due to scheduled repairs or repairs under guarantee, vessel upgrades or special surveys and the aggregate amount of time that we spend positioning our vessels between time charters. Companies in the shipping industry generally use available days to measure the number of days in a period during which vessels should be capable of generating revenues.
- 5) We define operating days as the number of our available days in a period less the aggregate number of days that our vessels are off-hire due to unforeseen circumstances. The shipping industry uses operating days to measure the aggregate number of days in a period during which vessels actually generate revenues.
- 6) We calculate fleet utilization by dividing the number of our operating days during a period by the number of our available days during the period. The shipping industry uses fleet utilization to measure a company's efficiency in finding suitable employment for its vessels and minimizing the number of days that its vessels are off-hire for reasons other than scheduled repairs or repairs under guarantee, vessel upgrades, special surveys or vessel positioning.
- 7) We define TCE rates as our net voyage revenue (voyage revenues less voyage expenses (including voyage expenses to Parent)) divided by the number of our available days during the period, which is consistent with industry standards. TCE rate is a common shipping industry performance measure used primarily to compare daily earnings generated by vessels on time charters with daily earnings generated by vessels on voyage charters, because charterhire rates for vessels on voyage charters are generally not expressed in per-day amounts while charterhire rates for vessels on time charters generally are expressed in such amounts.
- 8) We define daily vessel operating expenses to include crew wages and related costs, the cost of insurance expenses relating to repairs and maintenance (excluding drydocking), the costs of spares and consumable stores, tonnage taxes and other miscellaneous expenses. Daily vessel operating expenses are calculated by dividing vessel operating expenses by ownership days for the relevant period.

Genco Shipping & Trading Limited's Fleet

Genco Shipping & Trading Limited transports iron ore, coal, grain, steel products and other drybulk cargoes along worldwide shipping routes. Genco Shipping & Trading Limited's current fleet consists of 13 Capesize, eight Panamax, four Ultramax, 21 Supramax, five Handymax and 18 Handysize vessels with an aggregate capacity of approximately 5,113,000 dwt.

Our current fleet contains 16 groups of sister ships, which are vessels of virtually identical sizes and specifications. We believe that maintaining a fleet that includes sister ships reduces costs by creating economies of scale in the maintenance, supply and crewing of our vessels. As of August 3, 2016, the average age of our current fleet was 9.6 years.

The following table reflects the current employment of Genco's fleet:

Vessel	Year Built	Charterer	Charter Expiration(1)	Cash Daily Rate(2)
<u>Capesize Vessels</u>				
Genco Augustus	2007	Swissmarine Services S.A.	February 2017	\$7,800
Genco Tiberius	2007	Cargill International S.A.	November 2016	98% of BCI
Genco London	2007	Swissmarine Services S.A.	December 2016	\$3,250 with 50% profit sharing
Genco Titus	2007	Swissmarine Services S.A.	December 2016	\$8,000(3)
Genco Constantine	2008	Swissmarine Services S.A.	February 2017	\$7,800
Genco Hadrian	2008	Swissmarine Services S.A.	November 2016	98.5% of BCI
Genco Commodus	2009	Swissmarine Asia Pte. Ltd.	March 2017	\$3,250 with 50% profit sharing
Genco Maximus	2009	Swissmarine Services S.A.	February 2017	\$3,250 with 50% profit sharing
Genco Claudius	2010	Swissmarine Services S.A.	September 2016	99% of BCI
Genco Tiger	2011	Swissmarine Services S.A.	October 2016	103% of BCI
Baltic Lion	2012	Swissmarine Services S.A.	December 2016	\$3,250 with 50% profit sharing
Baltic Bear	2010	Swissmarine Services S.A.	February 2017	\$7,000
Baltic Wolf	2010	Swissmarine Services S.A.	December 2016	\$3,250 with 50% profit sharing
<u>Panamax Vessels</u>				
Genco Beauty	1999	Navig8 Inc.	September 2016	94.75% of BPI
Genco Knight	1999	Swissmarine Services S.A.	January 2017	95% of BPI
Genco Leader	1999	Navig8 Pan8 Pool Inc.	July 2016	Spot Pool(4)
Genco Vigour	1999	Swissmarine Services S.A.	December 2016	95% of BPI
Genco Acheron	1999	ADMIntermare	September 2016	\$6,900(5)
Genco Surprise	1998	Engelhart CTP (Switzerland) S.A.	October 2016	\$7,500(6)
Genco Raptor	2007	M2M Panamax Pool Ltd.	September 2016	100% of BPI
Genco Thunder	2007	Swissmarine Services S.A.	September 2016	100% of BPI
<u>Ultramax Vessels</u>				
Baltic Hornet	2014	Swissmarine Asia Pte. Ltd.	February 2017	115.5% of BSI
Baltic Wasp	2015	Pioneer Navigation Ltd.	January 2017	\$3,250 with 50% profit sharing
Baltic Scorpion	2015	Swissmarine Asia Pte. Ltd.	October 2016	115.5% of BSI

Baltic Mantis	2015	Pioneer Navigation Ltd.	December 2016	115% of BSI
<u>Supramax Vessels</u>				
Genco Predator	2005	ED&F Man Shipping Ltd.	October 2016	98.5% of BSI
Genco Warrior	2005	Centurion Bulk Pte. Ltd., Singapore	September 2016	98.5% of BSI
Genco Hunter	2007	Pioneer Navigation Ltd.	June 2017	104% of BSI
Genco Cavalier	2007	Maxwill Shipping	August 2016	\$5,250(7)
Genco Lorraine	2009	Chun An Chartering Co. Ltd.	September 2016	\$6,000(8)
Genco Loire	2009	Bulkhandling Handymax A/S	November 2016	Spot Pool(9)
Genco Aquitaine	2009	Bulkhandling Handymax A/S	November 2016	Spot Pool(9)
Genco Ardennes	2009	Clipper Sapphire Pool	February 2017	Spot Pool(10)
Genco Auvergne	2009	Pioneer Navigation Ltd.	September 2016	100% of BSI
Genco Bourgogne	2010	Clipper Sapphire Pool	February 2017	Spot Pool(10)
Genco Brittany	2010	Clipper Sapphire Pool	February 2017	Spot Pool(10)
Genco Languedoc	2010	Clipper Sapphire Pool	February 2017	Spot Pool(10)
Genco Normandy	2007	Harmony Innovation Shipping Ltd.	August 2016	\$6,000(11)
Genco Picardy	2005	Centurion Bulk Pte. Ltd., Singapore	September 2016	98.5% of BSI
Genco Provence	2004	Pioneer Navigation Ltd.	September 2016	100% of BSI
Genco Pyrenees	2010	Clipper Sapphire Pool	February 2017	Spot Pool(10)
Genco Rhone	2011	Pioneer Navigation Ltd.	December 2016	100% of BSI
Baltic Leopard	2009	Bulkhandling Handymax A/S	November 2016	Spot Pool(9)
Baltic Panther	2009	Bulkhandling Handymax A/S	November 2016	Spot Pool(9)
Baltic Jaguar	2009	Eastern Bulk Carriers A/S, Oslo	August 2016	\$3,000(12)
Baltic Cougar	2009	Bulkhandling Handymax A/S	November 2016	Spot Pool(9)
<u>Handymax Vessels</u>				
Genco Success	1997	TST NV, Nevis	February 2017	87.5% of BSI
Genco Carrier	1998	Tongli Samoa Shipping Co., Ltd.	August 2016	\$5,150(13)
Genco Prosperity	1997	TST NV, Nevis	March 2017	87.5% of BSI
Genco Wisdom	1997	ED&F Man Shipping Ltd.	September 2016	88.5% of BSI
Genco Muse	2001	Cargill International S.A.	August 2016	\$7,600(14)
<u>Handysize Vessels</u>				
Genco Sugar	1998	Clipper Logger Pool	September 2016	Spot Pool(15)
Genco Pioneer	1999	Clipper Logger Pool	September 2016	Spot Pool(15)
Genco Progress	1999	Clipper Logger Pool	February 2017	Spot Pool(15)
Genco Explorer	1999	Clipper Logger Pool	February 2017	Spot Pool(15)
Genco Reliance	1999	Clipper Logger Pool	February 2017	Spot Pool(15)
Baltic Hare	2009	Clipper Logger Pool	February 2017	Spot Pool(15)
Baltic Fox	2010	Clipper Logger Pool	February 2017	Spot Pool(15)
Genco Charger	2005	Clipper Logger Pool	February 2017	Spot Pool(15)
Genco Challenger	2003	Clipper Logger Pool	February 2017	Spot Pool(15)
Genco Champion	2006	Clipper Logger Pool	February 2017	Spot Pool(15)
Baltic Wind	2009	Trammo Bulk Carriers	February 2017	103% of BHSI
Baltic Cove	2010	Clipper Bulk Shipping Ltd.	Aug. 2016/Jul. 2017	100.5% of BHSI/\$5,750(16)
Baltic Breeze	2010	Trammo Bulk Carriers	January 2017	103% of BHSI
Genco Ocean	2010	Norvic Shipping North America Inc.	July 2016	\$7,000(17)
Genco Bay	2010	Clipper Bulk Shipping Ltd.	August 2016	102% of BHSI
Genco Avra	2011	Ultrabulk S.A.	April 2017	104% of BHSI
Genco Mare	2011	Pioneer Navigation Ltd.	July 2017	103.5% of BHSI
Genco Spirit	2011	Clipper Bulk Shipping Ltd.	August 2016	\$7,000

- (1) The charter expiration dates presented represent the earliest dates that our charters may be terminated in the ordinary course. Under the terms of each contract, the charterer is entitled to extend the time charter from two to four months in order to complete the vessel's final voyage plus any time the vessel has been off-hire.
- (2) Time charter rates presented are the gross daily charterhire rates before third-party brokerage commission generally ranging from 1.25% to 6.25%. In a time charter, the charterer is responsible for voyage expenses such as bunkers, port expenses, agents' fees and canal dues.
- (3) We have agreed to an extension with Swissmarine Services S.A. on a time charter for 4.5 to 7.5 months at a rate of \$8,000 per day. Hire is paid every 15 days in advance less a 5.00% third party brokerage commission. The extension began on August 2, 2016.
- (4) The vessel redelivered to Genco on July 25, 2016 and is currently awaiting next employment.
- (5) We have reached an agreement with ADMIntermare, a division of ADM International Sarl, for one time charter trip at a rate of \$6,900 per day. Hire is paid every 15 days in advance less a 5.00% third-party brokerage commission. The vessel delivered to charterers on July 18, 2016 after repositioning. A ballast bonus was awarded after the repositioning period. The vessel redelivered to Genco on June 17, 2016.
- (6) We have reached an agreement with Engelhart CTP (Switzerland) S.A. for one time charter trip at a rate of \$7,500 per day. Hire is paid every 15 days in advance less a 5.00% third-party brokerage commission. The vessel is expected to deliver to charterers on or about August 9, 2016 after repositioning. A ballast bonus will be awarded after the repositioning period. The vessel redelivered to Genco on July 4, 2016.
- (7) We have reached an agreement with Maxwell Shipping on a time charter for approximately 25 days at a rate of \$5,250 per day. Hire is paid every 15 days in advance less a 5.00% third-party brokerage commission. The vessel delivered to charterers on June 30, 2016 after repositioning. The vessel redelivered to Genco on June 27, 2016.
- (8) We have reached an agreement with Chun An Chartering Co. Ltd. on a time charter for approximately 30 days at a rate of \$6,000 per day. Hire is paid every 15 days in advance less a 5.00% third-party brokerage commission. The vessel delivered to charterers on August 2, 2016 after repositioning. The vessel redelivered to Genco on July 27, 2016.
- (9) We have reached an agreement to enter these vessels into the Bulkhandling Handymax A/S Pool, a vessel pool trading in the spot market of which Torvald Klaveness acts as the pool manager. Genco can withdraw a vessel with three months' notice.
- (10) We have reached an agreement to enter these vessels into the Clipper Sapphire Pool, a vessel pool trading in the spot market of which Clipper Group acts as the pool manager. Genco can withdraw a vessel with a minimum notice of six months.
- (11) We have agreed to an extension with Harmony Innovation Shipping Ltd. on a time charter for approximately 25 days at a rate of \$6,000 per day. Hire is paid every 15 days in advance less a 5.00% third-party brokerage commission. The extension began on July 25, 2016.
- (12) We have reached an agreement with Eastern Bulk Carriers A/S, Oslo on a time charter for approximately 35 days at a rate of \$3,000 per day. Hire is paid every 15 days in advance less a 5.00% third-party brokerage commission. The vessel delivered to charterers on July 21, 2016.
- (13) We have reached an agreement with Tongli Samoa Shipping Co., Ltd. on a time charter for approximately 15 days at a rate of \$5,150 per day. Hire is paid every 15 days in advance less a 5.00% third-party brokerage commission. The vessel delivered to charterers on July 10, 2016.
- (14) We have reached an agreement with Cargill International S.A. on a time charter for approximately 40 days at a rate of \$7,600 per day. Hire is paid every 15 days in advance less a 5.00% third-party brokerage commission. The vessel delivered to charterers on June 12, 2016 after repositioning. The vessel redelivered to Genco on April 28, 2016.
- (15) We have reached an agreement to enter these vessels into the Clipper Logger Pool, a vessel pool trading in the spot market of which Clipper Group acts as the pool manager. Genco can withdraw the vessels with a minimum notice of six months.
- (16) We have reached an agreement with Clipper Bulk Shipping Ltd. on a time charter for 11.5 to 14.5 months at a rate of \$5,750 per day. Hire is paid every 15 days in advance less a 5.00% third-party brokerage commission. The extension is expected to begin on or about August 5, 2016.
- (17) The vessel redelivered to Genco on July 28, 2016 and is currently awaiting next employment.

About Genco Shipping & Trading Limited

Genco Shipping & Trading Limited transports iron ore, coal, grain, steel products and other drybulk cargoes along worldwide shipping routes. Genco Shipping & Trading Limited's current fleet consists of 13 Capesize, eight Panamax, four Ultramax, 21 Supramax, five Handymax and 18 Handysize vessels with an aggregate capacity of approximately 5,113,000 dwt.

Conference Call Announcement

Genco Shipping & Trading Limited will hold a conference call on Thursday, August 4, 2016 at 8:30 a.m. Eastern Time to discuss its 2016 second quarter financial results. The conference call and a presentation will be simultaneously webcast and will be available on the Company's website, www.GencoShipping.com. To access the conference call, dial (800) 533-7619 or (785) 830-1923 and enter passcode 8882941. A replay of the conference call can also be accessed for two weeks by dialing (888) 203-1112 or (719) 457-0820 and entering the passcode 8882941. The Company intends to place additional materials related to the earnings announcement, including a slide presentation, on its website prior to the conference call.

Website Information

We intend to use our website, www.GencoShipping.com, as a means of disclosing material non-public information and for complying with our disclosure obligations under Regulation FD. Such disclosures will be included in our website's Investor Relations section. Accordingly, investors should monitor the Investor Relations portion of our website, in addition to following our press releases, SEC filings, public conference calls, and webcasts. To subscribe to our e-mail alert service, please click the "Receive E-mail Alerts" link in the Investor Relations section of our website and submit your email address. The information contained in, or that may be accessed through, our website is not incorporated by reference into or a part of this document or any other report or document we file with or furnish to the SEC, and any references to our website are intended to be inactive textual references only.

"Safe Harbor" Statement Under the Private Securities Litigation Reform Act of 1995

This press release contains forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements use words such as "anticipate," "budget," "estimate," "expect," "project," "intend," "plan," "believe," and other words and terms of similar meaning in connection with a discussion of potential future events, circumstances or future operating or financial performance. These forward looking statements are based on management's current expectations and observations. Included among the factors that, in our view, could cause actual results to differ materially from the forward looking statements contained in this report are the following: (i) further declines or sustained weakness in demand in the drybulk shipping industry; (ii) continuation of weakness in drybulk shipping rates; (iii) changes in the supply of or demand for drybulk products, generally or in particular regions; (iv) changes in the supply of drybulk carriers including newbuilding of vessels or lower than anticipated scrapping of older vessels; (v) changes in rules and regulations applicable to the cargo industry, including, without limitation, legislation adopted by international organizations or by individual countries and actions taken by regulatory authorities;

(vi) increases in costs and expenses including but not limited to: crew wages, insurance, provisions, lube, oil, bunkers, repairs, maintenance and general, administrative, and management fee expenses; (vii) whether our insurance arrangements are adequate; (viii) changes in general domestic and international political conditions; (ix) acts of war, terrorism, or piracy; (x) changes in the condition of the Company's vessels or applicable maintenance or regulatory standards (which may affect, among other things, our anticipated drydocking or maintenance and repair costs) and unanticipated drydock expenditures; (xi) the Company's acquisition or disposition of vessels; (xii) the amount of offhire time needed to complete repairs on vessels and the timing and amount of any reimbursement by our insurance carriers for insurance claims, including offhire days; (xiii) the completion of definitive documentation with respect to charters; (xiv) charterers' compliance with the terms of their charters in the current market environment; (xv) the ability to realize the expected benefits of the our merger with Baltic Trading to the degree, in the amounts or in the timeframe anticipated; (xvi) the extent to which our operating results continue to be affected by weakness in market conditions and charter rates; (xvii) our ability to continue as a going concern, (xviii) our ability to maintain contracts that are critical to our operation, to obtain and maintain acceptable terms with our vendors, customers and service providers and to retain key executives, managers and employees; (xix) our ability to implement measures to resolve our liquidity and covenant compliance issues; (xx) our ability to fulfill conditions under the commitment letters for our credit facilities, including without limitation completion of definitive documentation and an equity financing; and other factors listed from time to time in our public filings with the Securities and Exchange Commission including, without limitation, the Company's Annual Report on Form 10-K for the year ended December 31, 2015 and its subsequent reports on Form 8-K. Our ability to pay dividends in any period will depend upon various factors, including the limitations under any credit agreements to which we may be a party, applicable provisions of Marshall Islands law and the final determination by the Board of Directors each quarter after its review of our financial performance. The timing and amount of dividends, if any, could also be affected by factors affecting cash flows, results of operations, required capital expenditures, or reserves. As a result, the amount of dividends actually paid may vary. We do not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.