

Eagle Bulk Shipping Inc.
Form 10-Q
November 09, 2007

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2007
OR

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

For the transition period from to

Commission File Number 000-51366

EAGLE BULK SHIPPING INC.

(Exact name of Registrant as specified in its charter)

Republic of

the Marshall Islands 98-0453513 (State or other jurisdiction of
incorporation or organization) (I.R.S. Employer
Identification No.)
477 Madison Avenue
New York, New York 10022
Address of Principal Executive Offices

Registrant's telephone number, including area code: (212) 785-2500

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES NO

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated Filer Accelerated Filer Non-accelerated Filer

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

YES NO

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the last practicable date.

Common Stock, par value \$0.01 per share 46,727,153 shares outstanding as of November 9, 2007.

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Part 1: FINANCIAL INFORMATION

Item 1: Financial Statements

EAGLE BULK SHIPPING INC.
CONSOLIDATED BALANCE SHEETS

September 30, 2007	December 31, 2006	(Unaudited)	ASSETS:	Current Assets:	Cash	\$
154,947,136	\$ 22,275,491	Accounts Receivable	2,033,860	616,205	Prepaid Charter Revenue	500,000
3,740,000	Prepaid Expenses	1,618,699	1,020,821	Total Current Assets	159,099,695	27,652,517
Vessels and Vessel Improvements, net	611,870,650	502,141,951	Advances for Vessel Construction			
290,399,551	25,190,941	Restricted Cash	7,324,616	6,524,616	Deferred Drydock Costs, net	3,838,826
1,937,299	Deferred Financing Costs, net	2,509,504	2,406,839	Other Assets	—	2,936,804
\$ 1,075,042,842	\$ 568,790,967	LIABILITIES & STOCKHOLDERS' EQUITY		Current Liabilities:		
Accounts Payable	\$ 4,129,487	\$ 1,650,159	Accrued Interest	2,993,138	800,683	Other Accrued
Liabilities	1,796,334	1,717,124	Unearned Charter Hire Revenue	4,671,174	2,713,060	Total Current
Liabilities	13,590,133	6,881,026	Long-term Debt	527,839,099	239,974,820	Other Liabilities
3,151,969	359,180	Total Liabilities	544,581,201	247,215,026	Stockholders' Equity:	Preferred
Stock, \$.01 par value, 25,000,000 shares authorized, none issued	—	—	Common shares, \$.01 par value,			
100,000,000 shares authorized, 46,727,153 shares issued and outstanding as of September 30, 2007 and 35,900,001 shares issued and outstanding as of December 31, 2006, respectively	467,271	359,000	Additional Paid-In			
Capital	601,938,926	364,574,877	Retained Earnings (net of cumulative dividends declared of \$145,161,905 at September 30, 2007 and \$86,390,500 at December 31, 2006)	(68,792,587)	(45,935,560)	Accumulated Other
Comprehensive(Loss)/Income	(3,151,969)	2,577,624	Total Stockholders' Equity	530,461,641		
321,575,941	Total Liabilities and Stockholders' Equity	\$ 1,075,042,842	\$ 568,790,967			

The accompanying notes are an integral part of these Consolidated Financial Statements.

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EAGLE BULK SHIPPING INC.
 CONSOLIDATED STATEMENTS OF OPERATIONS
 (UNAUDITED)

	Three Months Ended	Nine Months Ended	September 30,			
	2007	2007	2007	2007	September 30,	September 30,
	September 30,	September 30,	September 30,	September 30,	2006	2007
2006 Revenues, net of Commissions	\$ 33,955,704	\$ 28,358,830	\$ 89,202,283	\$ 76,254,265	Vessel	
Expenses	6,647,223	6,118,038	19,749,702	15,742,457	Depreciation and Amortization	7,241,927
5,980,747	19,079,511	15,737,990	General and Administrative Expenses	1,570,980	1,266,905	
4,787,974	3,366,408	Non-cash Compensation Expense	120,614	3,076,699	3,504,193	5,768,355
Gain on Sale of Vessel	—	—	(872,568)	—	Total Operating Expenses	15,580,744
46,248,812	40,615,210	Operating Income	18,374,960	11,916,441	42,953,471	35,639,055
Interest Expense	3,476,977	3,180,336	9,789,541	7,364,009	Interest Income	(603,912)
(2,750,448)	(1,009,928)	Net Interest Expense	2,873,065	2,815,704	7,039,093	6,354,081
Income	\$ 15,501,895	\$ 9,100,737	\$ 35,914,378	\$ 29,284,974	Weighted Average Shares Outstanding :	
	Basic	42,209,617	35,900,000	40,493,753	34,086,813	Diluted
35,900,678	40,590,796	34,086,848	Per Share Amounts:		Basic Net Income	\$ 0.37
0.25	\$ 0.89	\$ 0.86	Diluted Net Income	\$ 0.37	\$ 0.25	\$ 0.88
Paid	\$ 0.47	\$ 0.50	\$ 1.48	\$ 1.57	Cash Dividends Declared and	

The accompanying notes are an integral part of these Consolidated Financial Statements.

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EAGLE BULK SHIPPING INC.
 CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY (UNAUDITED)
 FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2007

	Retained Earnings	Common					
Shares Common							
Shares							
Amount Additional							
Paid-In							
Capital Net Income Cash							
Dividends Accumulated							
Deficit Other							
Comprehensive							
Income Total							
Stockholders'							
Equity Balance at December 31, 2006	35,900,001	\$ 359,000	\$ 364,574,877	\$ 40,454,940	\$		
(86,390,500)	\$ (45,935,560)	\$ 2,577,624	\$ 321,575,941	Comprehensive Income:			
Net Income	— — — 35,914,378	— 35,914,378	— 35,914,378	Net Unrealized losses on			
change in derivatives	— — — — — — (5,729,593)	(5,729,593)	Comprehensive Income	— — —			
— — — — 30,184,785	Issuance of Common Shares, net of issuance costs	10,827,152	108,271				
233,859,856	— — — — 233,968,127	Cash Dividends	— — — — (58,771,405)	(58,771,405)			
— (58,771,405)	Non-cash Compensation	— — 3,504,193	— — — — 3,504,193	Balance at			
September 30, 2007	46,727,153	\$ 467,271	\$ 601,938,926	\$ 76,369,318	\$ (145,161,905)	\$	
(68,792,587)	\$ (3,151,969)	\$ 530,461,641					

The accompanying notes are an integral part of these Consolidated Financial Statements.

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EAGLE BULK SHIPPING INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
(UNAUDITED)

Nine Months Ended September 30,
2007 September 30,
2006 Cash Flows from Operating Activities: