

Eagle Bulk Shipping Inc.
Form 10-Q
August 08, 2007

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 June 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
(State or other jurisdiction of
incorporation or organization)

98-0453513
(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):

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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: 41,713,820 shares outstanding as of August 8, 2007.

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Item 1: Financial Statements

EAGLE BULK SHIPPING INC.
CONSOLIDATED BALANCE SHEETS

	June 30, 2007 (Unaudited)	December 31, 2006
ASSETS:		
Current Assets:		
Cash	\$ 22,879,415	\$ 22,275,491
Accounts Receivable	1,407,800	616,205
Prepaid Charter Revenue	1,580,000	3,740,000
Prepaid Expenses	996,243	1,020,821
Total Current Assets	26,863,458	27,652,517
Vessels and Vessel Improvements, net	618,572,336	502,141,951
Advances for Vessel Construction	64,785,240	25,190,941
Restricted Cash	7,324,616	6,524,616
Deferred Drydock Costs, net	1,962,697	1,937,299
Deferred Financing Costs, net	2,325,858	2,406,839
Other Assets	4,820,257	2,936,804
Total Assets	\$726,654,462	\$568,790,967
LIABILITIES & STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts Payable	\$ 3,132,066	\$ 1,650,159
Accrued Interest	895,442	800,683
Other Accrued Liabilities	1,366,512	1,717,124
Unearned Charter Hire Revenue	3,450,236	2,713,060
Total Current Liabilities	8,844,256	6,881,026
Long-term Debt	302,376,599	239,974,820
Other Liabilities	4,692,967	359,180
Total Liabilities	315,913,822	247,215,026
Commitment and Contingencies	—	—
Stockholders' Equity:		
Preferred Stock, \$.01 par value, 25,000,000 shares authorized, none issued	—	—
Common shares, \$.01 par value, 100,000,000 shares authorized, 41,713,820 shares issued and outstanding as of June 30, 2007 and 35,900,001 shares issued and outstanding as of December 31, 2006, respectively	417,138	359,000
Additional Paid-In Capital	474,885,199	364,574,877
Retained Earnings (net of cumulative dividends declared of \$125,556,410 at June 30, 2007 and \$86,390,500 at December 31, 2006)	(64,688,987)	(45,935,560)
Accumulated Other Comprehensive Income	127,290	2,577,624
Total Stockholders' Equity	410,740,640	321,575,941
Total Liabilities and Stockholders' Equity	\$726,654,462	\$568,790,967

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

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

	Three Months Ended		Six Months Ended	
	June 30, 2007	June 30, 2006	June 30, 2007	June 30, 2006
Revenues, net of Commissions	\$ 28,338,047	\$ 24,105,383	\$ 55,246,579	\$ 47,895,435
Vessel Expenses	6,856,581	4,919,422	13,102,479	9,624,419
Depreciation and Amortization	6,046,953	4,937,661	11,837,584	9,757,243
General and Administrative Expenses	1,573,174	1,114,024	3,216,994	2,099,503
Non-cash Compensation Expense	124,356	1,938,970	3,383,579	2,691,656
Gain on Sale of Vessel	—	—	(872,568)	—
Total Operating Expenses	14,601,064	12,910,077	30,668,068	24,172,821
Operating Income	13,736,983	11,195,306	24,578,511	23,722,614
Interest Expense	3,160,439	2,117,322	6,312,564	4,183,673
Interest Income	(1,348,151)	(313,752)	(2,146,536)	(645,296)
Net Interest Expense	1,812,288	1,803,570	4,166,028	3,538,377
Net Income	\$ 11,924,695	\$ 9,391,736	\$ 20,412,483	\$ 20,184,237
Weighted Average Shares Outstanding:				
Basic	41,713,820	33,180,220	39,593,975	33,165,193
Diluted	41,811,854	33,180,898	39,658,525	33,165,246
Per Share Amounts:				
Basic Net Income	\$ 0.29	\$ 0.28	\$ 0.52	