

Costamare Inc.  
Form 6-K  
May 08, 2012

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**FORM 6-K**

**REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR  
15d-16 UNDER THE SECURITIES EXCHANGE ACT OF 1934**

**For the month of May 2012**

**Commission File Number: 001-34934**

**COSTAMARE INC.**

(Translation of registrant's name into English)

**60 Zephyrou Street & Syngrou Avenue 17564, Athens, Greece**

(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F  Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

**INCORPORATION BY REFERENCE**

This Report on Form 6-K shall be incorporated by reference into our registration statement on Form F-3, as filed with the Securities and Exchange Commission on January 30, 2012 (File No. 333-179244), to the extent not superseded by documents or reports subsequently filed by us under the Securities Act of 1933 or the Securities Exchange Act of 1934, in each case as amended.

**EXHIBIT INDEX**

- 99.1 Press Release Dated May 8, 2012: Costamare Inc. Reports First Quarter Results for the Quarter Ended March 31, 2012.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: May 8, 2012

COSTAMARE INC.

By:	/s/ Gregory G. Zikos
Name:	Gregory G. Zikos
Title:	Chief Financial Officer

**COSTAMARE INC. REPORTS FIRST QUARTER RESULTS FOR THE QUARTER ENDED MARCH 31, 2012**

**Athens, Greece, May 8, 2012** Costamare Inc. ( Costamare or the Company ) (NYSE: CMRE) today reported unaudited financial results for the first quarter ended March 31, 2012.

**Financial Highlights**

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Voyage revenues of \$100.0 million for the three months ended March 31, 2012.

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Voyage revenues adjusted on a cash basis of \$100.5 million for the three months ended March 31, 2012.

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Adjusted EBITDA of \$67.1 million for the three months ended March 31, 2012.

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Net income of \$24.5 million or \$0.40 per share for the three months ended March 31, 2012.

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Adjusted Net Income of \$25.2 million or \$0.41 per share for the three months ended March 31, 2012.

**New Business Developments**

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Agreed to sell two 1984-built vessels and purchase two 1998-built vessels. The newer vessels will replace the vessels sold under their respective charters, and the older vessels will be sold for demolition. In particular, the Company has agreed the following:

i.

To purchase the 1998-built, 3,842 TEU containership *Bunga Raya Dua* (to be renamed *Koroni*)

ii.

To purchase the 1998-built, 3,842 TEU containership *Bunga Raya Satu* (to be renamed *Kyparissia*)

iii.

To sell the 1984-built, 2,922 TEU containership *Gifted*

iv.

To sell the 1984-built, 2,922 TEU containership *Genius I*

The total acquisition cost for the two vessels is approximately \$24.9 million and will be partly funded with debt drawn from a currently committed and undrawn credit facility. The total sale price for the *Gifted* and *Genius I* is approximately \$12.3 million.

The newly acquired vessels are expected to be delivered within May 2012 and will replace the *Gifted* and *Genius I* in their respective charter party agreements. At the same time, the Company and the charterers have agreed to extend these two charters for period of approximately 18 months, starting from November 2012, at an average daily rate of approximately \$11,150.

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Entered into an agreement, in March 2012, to time charter the 2010-built, 8,531 TEU containership *Hyundai Navarino* to Evergreen Marine (Hong Kong) Ltd. ( Evergreen ) for a period of approximately 18 months at a daily rate of \$30,950. The vessel commenced its charter with Evergreen in April 2012.

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Entered into an agreement to sell the 1984-built, 2,922 TEU containership *Gather* for demolition for a sale price of approximately \$6.1 million. The vessel was delivered to its buyers on March 19, 2012. The Company further agreed with Evergreen to substitute the 1992-built, 3,351 TEU containership *Marina* in the time charter of containership *Gather*. In addition, the time charter with Evergreen has been extended as from November 9, 2012 for a further period of approximately 6 months at a daily rate of \$8,000.

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Entered into agreements to extend the following three time charters:

i.

The time charter agreement with Mediterranean Shipping Company, S.A. ( MSC ) for the 1995-built, 1,162 TEU containership *Zagora* has been extended as from May 1, 2012 for a further period of approximately 12 months at a daily rate of \$5,500;

ii.

The time charter agreement with TS Lines Limited (HK) for the 1996-built, 1,504 TEU containership *Prosper* has been extended as from March 15, 2012 for a minimum of two and a maximum of four additional months at a daily rate of \$6,000;

iii.

The time charter agreement with Sea Consortium Pte Ltd for the 1991-built, 3,351 TEU containership *Karmen* has been extended as from April 1, 2012 for a minimum of two months and a maximum of four months, at a daily rate of \$6,900.

### **Follow-On Offering**

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In March 2012, the Company completed a follow-on public offering of 7.5 million shares of its common stock at \$14.10 per share. The gross proceeds from the offering before the underwriting discount and other offering expenses were approximately \$105.8 million. Members of the Konstantakopoulos family, who in the aggregate own a majority of the common stock of the Company, agreed to purchase 750,000 shares in the offering.

### **Dividend Announcements**

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On April 19, 2012, the Company declared a dividend for the first quarter ended March 31, 2012, of \$0.27 per share, payable on May 9, 2012 to stockholders of record at the close of trading of the Company's common stock on the New York Stock Exchange on April 30, 2012. This was the Company's sixth consecutive quarterly dividend since it commenced trading on the New York Stock Exchange.

**Mr. Gregory Zikos, Chief Financial Officer of Costamare Inc., commented:**

During the first quarter of the year, the Company continued to deliver positive results.

Since the beginning of 2012, we have been prudently renewing our fleet by taking advantage of attractive steel prices and charter-free values. At the same time, we have reduced our re-chartering risk with only four vessels coming out of charter during the year, excluding two vessels for which the charterer has the option to extend. The charters for those four vessels account for less than 2% of our 2012 contracted revenues.

In March, we completed a follow-on public equity offering with net proceeds of approximately \$ 100 million. The Konstantakopoulos family participated by buying 10% of the shares. We will be selective in our investments, as we have been in the past. We remain returns-oriented and will not seek growth at unjustified prices by assuming excessive market risk.

Finally, on April 19, we declared a dividend for the first quarter of \$ 0.27 per share. Consistent with our dividend policy, we continue to offer an attractive dividend, which we consider to be sustainable based on the quality of our charterers and the prudent amortization of our debt.

Going forward, we value optionality. Our contracted cash flow, combined with our conservative capital structure, put us in a position to execute quickly, should attractive opportunities arise in a down market, or to remain firm and benefit from the upside of a healthy market environment.

**Financial Summary**

**Three-month period ended March  
31,**

(Expressed in thousands of U.S.  
dollars, except share and per  
share data):

**2011**

**2012**

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Voyage revenue	\$ 85,961	\$100,031
Accrued charter revenue (1)	\$ 7,988	\$ 505
Voyage revenue adjusted on a cash basis (2)	\$ 93,949	\$ 100,536
Adjusted EBITDA (3)	\$ 61,305	\$ 67,095
Adjusted Net Income (3)	\$ 22,396	\$ 25,178
Weighted Average number of shares	60,300,000	61,124,176
Adjusted Earnings per share (3)	\$ 0.37	\$ 0.41
EBITDA (3)	\$ 56,857	\$ 66,451
Net Income	\$ 17,948	\$ 24,534
Weighted Average number of shares	60,300,000	61,124,176
Earnings per share	\$ 0.30	\$ 0.40

(1) Accrued charter revenue represents the difference between cash received during the period and revenue recognized on a straight-line basis. In the early years of a charter with escalating charter rates, voyage revenue will exceed cash received during the period.

(2) Voyage revenue adjusted on a cash basis represents Voyage revenue after adjusting for non-cash Accrued charter revenue recorded under charters with escalating charter rates. However, Voyage revenue adjusted on a cash basis is not a recognized measurement under U.S. generally accepted accounting principles, or GAAP. We believe that the presentation of Voyage revenue adjusted on a cash basis is useful to investors because it presents the charter revenue for the relevant period based on the then current daily charter rates. The increases or decreases in daily charter rates under our charter party agreements are described in the notes to the Fleet List below.

(3) Adjusted net income, adjusted earnings per share, EBITDA and adjusted EBITDA are non-GAAP measures. Refer to the reconciliation of net income to adjusted net income and net income to EBITDA and adjusted EBITDA below.

### Non-GAAP Measures

The Company reports its financial results in accordance with U.S. generally accepted accounting principles (GAAP). However, management believes that certain non-GAAP financial measures used in managing the business may



provide users of these financial measures additional meaningful comparisons between current results and results in prior operating periods. Management believes that these non-GAAP financial measures can provide additional meaningful reflection of underlying trends of the business because they provide a comparison of historical information that excludes certain items that impact the overall comparability. Management also uses these non-GAAP financial measures in making financial, operating and planning decisions and in evaluating the Company's performance. Tables below set out supplemental financial data and corresponding reconciliations to GAAP financial measures for the three-month periods ended March 31, 2012 and March 31, 2011. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, the Company's reported results prepared in accordance with GAAP. Non-GAAP financial measures include (i) Voyage revenue adjusted on a cash basis (reconciled above), (ii) Adjusted Net Income, (iii) Adjusted earnings per share, (iv) EBITDA and (v) Adjusted EBITDA.

### Reconciliation of Net Income to Adjusted Net Income

	<b>Three-month period ended March 31,</b>	
	<b>2011</b>	<b>2012</b>
(Expressed in thousands of U.S. dollars, except share and per share data)		
<b>Net Income</b>	\$ 17,948	\$ 24,534
Accrued charter revenue	7,988	505
Loss on sale/disposal of vessels	-	2,801
Realized (Gain) Loss on Euro/USD forward contracts	(6)	368
Gain on derivative instruments	(4,731)	(3,030)
Initial purchases of consumable stores for newly acquired vessels	1,197	-
<b>Adjusted Net income</b>	\$ 22,396	\$ 25,178
<b>Adjusted Earnings per Share</b>	\$ 0.37	\$ 0.41
Weighted average number of shares	60,300,000	61,124,176

Adjusted Net income and Adjusted Earnings per Share represent net income before gain/(loss) on sale of vessels, non-cash changes in fair value of derivatives, non-cash Accrued charter revenue recorded under charters with

escalating charter rates and the cash of partial purchases of consumable shares for newly acquired vessels. Accrued charter revenue is attributed to the timing difference between the revenue recognition and the cash collection. However, Adjusted Net income and Adjusted Earnings per Share are not recognized measurements under U.S. generally accepted accounting principles, or GAAP. We believe that the presentation of Adjusted Net income 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 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 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 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 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 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.

### Reconciliation of Net Income to Adjusted EBITDA

(Expressed in thousands of U.S. dollars)	Three-month period ended March 31,	
	2011	2012
<b>Net Income</b>	\$ 17,948	\$ 24,534
Interest and finance costs	18,744	20,240
Interest income	(191)	(284)
Depreciation	18,445	20,013
Amortization of dry-docking and special survey costs	1,911	1,948
<b>EBITDA</b>	<b>56,857</b>	<b>66,451</b>
Accrued charter revenue	7,988	505
Loss on sale/disposal of vessels	-	2,801
Realized (Gain) Loss on Euro/USD forward contracts	(6)	368

Gain on derivative instruments	(4,731)	(3,030)
Initial purchases of consumable stores for newly acquired vessels	1,197	-
<b>Adjusted EBITDA</b>	<b>\$ 61,305</b>	<b>\$ 67,095</b>

EBITDA represents net income before interest and finance costs, interest income, depreciation and amortization of deferred dry-docking & special survey costs. Adjusted EBITDA represents net income before interest and finance costs, interest income, depreciation, amortization of deferred dry-docking & special survey costs, gain/(loss) on sale of vessels, non-cash changes in fair value of derivatives, non-cash Accrued charter revenue recorded under charters with escalating charter rates and the cash of partial purchases of consumable stores for newly acquired vessels. Accrued charter revenue is attributed to the time difference between the revenue recognition and the cash collection. However, EBITDA and Adjusted EBITDA are not recognized measurements under U.S. generally accepted accounting principles, or GAAP. We believe that the presentation of EBITDA and Adjusted EBITDA 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 EBITDA and Adjusted EBITDA are useful in evaluating our ability to service additional debt and make capital expenditures. In addition, we believe that EBITDA and Adjusted EBITDA are useful in evaluating our operating performance and liquidity position compared to that of other companies in our industry because the calculation of EBITDA and Adjusted EBITDA generally eliminates the effects of financings, income taxes and the accounting effects of capital expenditures and acquisitions, items which may vary for different companies for reasons unrelated to overall operating performance and liquidity. In evaluating EBITDA and Adjusted EBITDA, 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 EBITDA and Adjusted EBITDA should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items.

Note: Items to consider for comparability include gains and charges. Gains positively impacting net income are reflected as deductions to net income. Charges negatively impacting net income are reflected as increases to net income.

## Results of Operations

### *Three-month period ended March 31, 2012 compared to the three-month period ended March 31, 2011*

During the three-month periods ended March 31, 2012 and 2011, we had an average of 46.5 and 45.5 vessels, respectively, in our fleet. In the three-month period ended March 31, 2012, we accepted delivery of the secondhand vessel *MSC Ulsan* with a TEU capacity of 4,132, and we sold the vessel *Gather*, with a TEU capacity of 2,922. In the three-month period ended March 31, 2011, we accepted delivery of eight secondhand vessels with an aggregate TEU capacity of 17,458. In the three-month periods ended March 31, 2012 and 2011, our fleet ownership days totaled 4,227 and 4,099 days, respectively. Ownership days are the primary driver of voyage revenue and vessels operating expenses and represent the aggregate number of days in a period during which each vessel in our fleet is owned.

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(Expressed in millions of U.S. dollars, except percentages)	Three-month period ended March 31,		Change	Percentage Change
	2011	2012		
Voyage revenue	\$ 86.0	\$ 100.0	\$ 14.0	16.3%
Voyage expenses	(1.1)	(0.7)	(0.4)	(36.4%)
Voyage expenses related parties	(0.6)	(0.7)	0.1	16.7%
Vessels operating expenses	(27.5)	(27.7)	0.2	0.7%
General and administrative expenses	(1.2)	(0.9)	(0.3)	(25.0%)
Management fees related parties	(3.5)	(3.7)	0.2	5.7%
Amortization of dry-docking and special survey costs	(1.9)	(1.9)	-	-
Depreciation	(18.4)	(20.0)	1.6	8.7%
Loss on sale/disposal of vessels	-	(2.8)	2.8	100.0%
Foreign exchange gains	0.1	0.1	-	-
Interest income	0.2	0.2	-	-
Interest and finance costs	(18.8)	(20.3)	1.5	8.0%
Other	(0.1)	(0.1)	-	-
Gain on derivative instruments	4.7	3.0	(1.7)	(36.2%)
<b>Net Income</b>	<b>\$ 17.9</b>	<b>\$ 24.5</b>	<b>\$ 6.6</b>	<b>36.9%</b>

(Expressed in millions of U.S. dollars, except percentages)	Three-month period ended March 31,		Change	Percentage Change
	2011	2012		
Voyage revenue	\$ 86.0	\$ 100.0	\$ 14.0	16.3%
Accrued charter revenue	8.0	0.5	(7.5)	(93.8%)
Voyage revenue adjusted on a cash basis	\$ 94.0	\$ 100.5	\$ 6.5	6.9%

Fleet operational data	Three-month period ended March 31,			Percentage
	2011	2012	Change	Change
Average number of vessels	45.5	46.5	1.0	2.2%
Ownership days	4,099	4,227	128	3.1%
Number of vessels under dry-docking	7	2	(5)	-

#### *Voyage Revenue*

Voyage revenue increased by 16.3%, or \$14.0 million, to \$100.0 million during the three-month period ended March 31, 2012, from \$86.0 million during the three-month period ended March 31, 2011. This increase is mainly due to (i) increased average number of vessels in our fleet during the three-month period ended March 31, 2012 compared to the three-month period ended March 31, 2011 and (ii) decreased off-hire days of our fleet, resulting from the decreased number of vessels that were dry-docked during the three-month period ended March 31, 2012 compared to the three-month period ended March 31, 2011. Voyage revenues adjusted on a cash basis (which eliminates non-cash

Accrued charter revenue ), increased by 6.9%, or \$6.5 million, to \$100.5 million during the three-month period ended March 31, 2012, from \$94.0 million during the three-month period ended March 31, 2011. The increase is attributable to the increased ownership days of our fleet, to the decreased off-hire days, resulting from the decreased number of vessels that were dry-docked.

#### *Voyage Expenses*

Voyage expenses decreased by 36.4%, or \$0.4 million, to \$0.7 million during the three-month period ended March 31, 2012, from \$1.1 million during the three-month period ended March 31, 2011. The decrease was primarily attributable to the decreased off-hire expenses of our fleet, mainly bunkers consumption, and to the decreased number of vessels that were dry-docked during the three-month period ended March 31, 2012 compared to the three-month period ended March 31, 2011.

#### *Voyage Expenses related parties*

Voyage expenses related parties in the amount of \$0.7 million during the three-month period ended March 31, 2012 and in the amount of \$0.6 million during the three-month period ended March 31, 2011 represent fees of 0.75% on voyage revenues charged to us by Costamare Shipping Company S.A. as provided under our management agreement signed on November 4, 2010 (Initial Public Offering completion date).

*Vessels Operating Expenses*

Vessels operating expenses, which also include the realized gain/ (loss) under derivative contracts entered into in relation to foreign currency exposure, increased by 0.7%, or \$0.2 million, to \$27.7 million during the three-month period ended March 31, 2012, from \$27.5 million during the three-month period ended March 31, 2011. The increase is attributable to the increase of 3.1% of the ownership days of our fleet offset to a great extent by more efficient logistics achieved in the three-month period ended March 31, 2012 compared to the three-month period ended March 31, 2011.

*General and Administrative Expenses*

General and administrative expenses decreased by 25.0%, or \$0.3 million, to \$0.9 million during the three-month period ended March 31, 2012, from \$1.2 million during the three-month period ended March 31, 2011. The decrease in the three-month period ended March 31, 2012 was mainly attributable to decreased legal and audit fees charged to us compared to the three-month period ended March 31, 2011. Furthermore, general and administrative expenses for the three-month periods ended March 31, 2012 and March 31, 2011 include \$0.25 million, respectively, for the services of the Company's officers in aggregate charged to us by Costamare Shipping Company S.A. as provided under our management agreement signed on November 4, 2010 (Initial Public Offering completion date).

*Management Fees related parties*

Management fees paid to our managers increased by 5.7%, or \$0.2 million, to \$3.7 million during the three-month period ended March 31, 2012, from \$3.5 million during the three-month period ended March 31, 2011. The increase was primarily attributable to the increased fleet ownership days for the three-month period ended March 31, 2012, compared to the three-month period ended March 31, 2011.

*Amortization of Dry-docking and Special Survey Costs*

Amortization of deferred dry-docking and special survey costs for the three-month periods ended March 31, 2012 and 2011 was \$1.9 million and \$1.9 million, respectively. During the three month periods ended March 31, 2011 and 2012, 7 vessels and 2 vessels, respectively, underwent their special survey. During the three month period ended March 31, 2012, one completed its respective works and one was in process. As of March 31, 2011 four completed their respective works and three were in process.

*Depreciation*

Depreciation expense increased by 8.7%, or \$1.6 million, to \$20.0 million during the three-month period ended March 31, 2012, from \$18.4 million during the three-month period ended March 31, 2011. The increase was primarily attributable to the depreciation expense charged for the ten containerships that were delivered to us during the year ended December 31, 2011 and to the one containership delivered to us during the three-month period ended March 31, 2012, partly offset by the depreciation expense not charged relating to the eight vessels sold or disposed of during the year ended December 31, 2011 and the three-month period ended March 31, 2012.

*Loss on Sale of Vessels*

During the three-month period ended March 31, 2012, we recorded a loss of \$2.8 million mainly from the sale of one vessel. During the three month period ended March 31, 2011, no vessels were sold.

*Foreign Exchange Gains*

Foreign exchange gains amounted to \$0.1 million during the three-month period ended March 31, 2012 and 2011, respectively.

*Interest Income*

During the three-month periods ended March 31, 2012 and March 31, 2011, interest income was \$0.2 million and \$0.2 million, respectively.

*Interest and Finance Costs*

Interest and finance costs increased by 8.0%, or \$1.5 million, to \$20.3 million during the three-month period ended March 31, 2012, from \$18.8 million during the three-month period ended March 31, 2011. The increase is partly attributable to increased interest expense, financing costs and commitment fees charged to us mainly in relation to new credit facilities we entered into with regards to our newbuilding program partly off-set by the capitalized interest in relation with our newbuilding program.

*Gain (Loss) on Derivative Instruments*

The fair value of our 28 interest rate derivative instruments which were outstanding as of March 31, 2012 equates to the amount that would be paid by us or to us should those instruments be terminated. As of March 31, 2012, the fair value of these 28 interest rate derivative instruments in aggregate amounted to a liability of \$160.3 million. Twenty-seven of the 28 interest rate derivative instruments that were outstanding as at March 31, 2012 qualified for hedge accounting and the effective portion of the change in their fair value is recorded in Comprehensive loss. For the three-month period ended March 31, 2012, a gain of \$8.6 million has been included in Comprehensive loss and a gain of \$1.8 million has been included in Gain (loss) on derivative instruments in the consolidated statement of income, resulting from the fair market value change of the interest rate derivative instruments during the three-month period ended March 31, 2012.

**Cash Flows**

*Three-month period ended March 31, 2012 and 2011*

<b>Condensed cash flows</b> (Expressed in millions of U.S. dollars)	<b>Three-month period ended March 31,</b>	
	<b>2011</b>	<b>2012</b>
Net Cash Provided by Operating Activities	\$ 39.4	\$ 35.4
Net Cash Used in Investing Activities	\$ (158.9)	\$ (44.4)
Net Cash Provided By (Used in) Financing Activities	\$ (34.7)	\$ 184.7

***Net Cash Provided by Operating Activities***

Net cash flows provided by operating activities for the three-month period ended March 31, 2012 decreased by \$4.0 million to \$35.4 million, compared to \$39.4 million for the three-month period ended March 31, 2011. The decrease was primarily attributable to (a) unfavorable change in working capital position, excluding the current portion of long-term debt and the accrued charter revenue (representing the difference between cash received in that period and revenue recognized on a straight-line basis) of \$9.9 million, partly offset by (b) increased cash from operations of \$6.6 million deriving from increased number of ownership days and escalating charter rates and (c) decreased dry-docking payments of \$2.0 million.

***Net Cash Used in Investing Activities***

Net cash used in investing activities was \$44.4 million in the three-month period ended March 31, 2012, which consisted of (a) \$20.2 million advance payments for the construction and purchase of two newbuild vessels, (b) \$30.0 million in payments for the acquisition of one secondhand vessel and (c) \$5.8 million we received from the sale of one vessel.

Net cash used in investing activities was \$158.9 million in the three-month period ended March 31, 2011, which consisted of (a) \$96.4 million advance payments for the construction and purchase of five newbuild vessels, (b) \$74.9 million in payments for the acquisition of eight second-hand vessels, (c) \$6.3 million of advances we received for the sale of three vessels and (d) \$6.1 million we received from the sale of governmental bonds.

***Net Cash Provided By (Used in) Financing Activities***

Net cash provided by financing activities was \$184.7 million in the three-month period ended March 31, 2012, which mainly consisted of (a) \$46.4 million of indebtedness that we repaid, (b) \$148.1 million we drew down from three of our credit facilities, (c) \$16.3 million we paid for dividends to our stockholders for the fourth quarter of the year ended December 31, 2011 and (d) \$100.6 million net proceeds we received from our follow-on offering in March 2012, net of underwriting discounts and expenses incurred in the offering.

Net cash used in financing activities was \$34.7 million in the three-month period ended March 31, 2011, which mainly consisted of (a) \$19.4 million of indebtedness that we repaid and (b) \$15.1 million we paid for dividends to our stockholders for the fourth quarter of the year ended December 31, 2010.

**Liquidity and Capital Expenditures**

***Cash and cash equivalents***

As of March 31, 2012, we had a total cash liquidity of \$320.8 million, consisting of cash, cash equivalents and restricted cash.

***Undrawn Credit Facilities***

As of March 31, 2012 and May 7, 2012, we had a total of undrawn credit facilities of \$18.5 million.

***Debt-free vessels***



As of May 7, 2012, the following vessels were free of debt.

**Unencumbered Vessels in the water**

*(refer to fleet list in page 13 for full charter details)*

<b>Vessel Name</b>	<b>Year Built</b>	<b>TEU Capacity</b>
NAVARINO	2010	8,531
AKRITAS	1987	3,152
MSC CHALLENGER	1986	2,633
HORIZON	1991	1,068

***Capital commitments***

As of May 7, 2012, we had outstanding commitments relating to our contracted newbuilds aggregating \$772.5 million payable in installments until the vessels are delivered.

**Conference Call details**

On Wednesday, May 9, 2012 at 8:30 a.m. EDT, Costamare's management team will hold a conference call to discuss the financial results.

Participants should dial into the call 10 minutes before the scheduled time using the following numbers: 1(866) 819-7111 (from the US), 0(800) 953-0329 (from the UK) or +(44) (0) 1452 542 301 (from outside the US). Please quote Costamare.

A replay of the conference call will be available until May 18, 2012. The United States replay number is 1(866) 247-4222; from the UK 0(800) 953-1533; the standard international replay number is (+44) (0) 1452 550 000 and the access code required for the replay is: 25306424#

### **Live webcast**

There will also be a simultaneous live webcast over the Internet, through the Costamare Inc. website ([www.costamare.com](http://www.costamare.com)) under the Investors section. Participants to the live webcast should register on the website approximately 10 minutes prior to the start of the webcast.

### **About Costamare Inc.**

Costamare Inc. is one of the world's leading owners and providers of containerships for charter. Costamare Inc. has 37 years of history in the international shipping industry and a fleet of 56 containerships, with a total capacity of approximately 326,000 TEU, including 10 newbuilds on order. Costamare Inc.'s common shares trade on The New York Stock Exchange under the symbol CMRE.

### **Forward-Looking Statements**

This earnings release contains forward-looking statements. In some cases, you can identify these statements by forward-looking words such as believe, intend, anticipate, estimate, project, forecast, plan, potential, could, and expect and similar expressions. These statements are not historical facts but instead represent only Costamare's belief regarding future results, many of which, by their nature, are inherently uncertain and outside of Costamare's control. It is possible that actual results may differ, possibly materially, from those anticipated in these forward-looking statements. For a discussion of some of the risks and important factors that could affect future results, see the discussion in Costamare Inc.'s Annual Report on Form 20-F (File No. 001-34934) under the caption Risk Factors.

### **Contacts**

#### **Company Contact:**

Gregory Zikos - Chief Financial Officer  
Konstantinos Tsakalidis - Business Development  
Costamare Inc., Athens, Greece  
Tel: (+30) 210-949-0000  
Email: [ir@costamare.com](mailto:ir@costamare.com)

[www.costamare.com](http://www.costamare.com)

**Investor Relations Advisor/ Media Contact:**

Nicolas Bornozis - President

Capital Link, Inc.

230 Park Avenue, Suite 1536

Tel: 212-661-7566

Email: [costamare@capitallink.com](mailto:costamare@capitallink.com)

**Fleet List**

The tables below provide additional information, as of May 7, 2012, about our fleet of 56 containerships, including 10 newbuilds on order. Each vessel is a cellular containership, meaning it is a dedicated container vessel.

	<b>Vessel Name</b>	<b>Charterer</b>	<b>Year Built</b>	<b>Capacity (TEU)</b>	<b>Time Charter Term<sup>(1)</sup></b>	<b>Current Daily Charter Hire (U.S. dollars)</b>	<b>Expiration of Charter<sup>(1)</sup></b>	<b>Average Daily Charter Rate Until Earliest Expiry of Charter (U.S. dollars)<sup>2</sup></b>
<b>1</b>	COSCO GUANGZHOU	COSCO	2006	9,469	12 years	36,400	December 2017	36,400
<b>2</b>	COSCO NINGBO	COSCO	2006	9,469	12 years	36,400	January 2018	36,400
<b>3</b>	COSCO YANTIAN	COSCO	2006	9,469	12 years	36,400	February 2018	36,400
<b>4</b>	COSCO BEIJING	COSCO	2006	9,469	12 years	36,400	April 2018	36,400
<b>5</b>	COSCO HELLAS	COSCO	2006	9,469	12 years	37,519	May 2018	37,519