



### Statistics

NASDAQ:	DRYS	Market Capitalization:	\$ 495.6 million
Options (CBOE, AMEX):	DQR	Shares Outstanding:	30,350,000
Recent Price (08/24/2005):	\$ 16.33	Fiscal Year Ends:	December 31
52-Week Price Range:	\$ 23.90 - \$ 13.80	Next Results Due	October 2005
Average Daily Volume:	274,743	Next Dividend Payable	October 2005

### Analyst Coverage

Cantor Fitzgerald Natasha Boyden

Dahlman Rose & Co. Harvey Stober

Jefferies & Co. Magnus Fyhr

Hibernia Soutcoast Capital, Pierre Conner III – Joseph Gibney

### Company Profile

DryShips Inc., (NASDAQ: DRYS) was incorporated in 2004 under the laws of Marshall Islands and has its principal offices in Greece. It is an owner and operator of drybulk carriers that operate worldwide on a multitude of trade routes carrying a wide range of cargoes for a number of industries. Commodities transported by the company consist of major bulks, which include iron ore, coal, and grain, and minor bulks such as bauxite, phosphate and steel products. DryShips currently owns a fleet of 24 drybulk carriers and has entered into agreements to purchase an additional 3 vessels, of which 2 are expected to be delivered during May 2005 and the 3<sup>rd</sup> within August 2005. The company's fully integrated fleet will have a total carrying capacity of 2.3 million deadweight tons (dwt) and will consist of four capesize carriers, twenty one Panamax carriers and two Handymax carriers with an average age of 10 years. **DryShips is the second largest Panamax Bulk Carrier operator in the world.** All of DryShips' vessels are managed by an affiliated company, Cardiff, a Liberian corporation, with offices in Greece.

The Company has a number of competitive strengths within the industry:

**Experienced Management Team:** Founder, Chairman and Chief Executive Officer, Mr. George Economou, started his career in shipping following graduation from the Massachusetts Institute of Technology with degrees in Naval Architecture and Marine Engineering and Shipping and Shipbuilding Management. Cardiff, under Mr. Economou's leadership, has assembled a management team of senior executive officers and key employees with decades of experience in all aspects of vessel operations and maintenance of drybulk carriers, tankers and container vessels.

**Strong Customer Relationships:** Cardiff has established relationships with leading charterers and a number of chartering, sales and purchase brokerage houses around the world. Since it's founding, Cardiff has maintained relationships with, and has achieved acceptance by, major national and private industrial users, commodity producers and traders. These customers have repeatedly chartered vessels managed by Cardiff over a span of several years.

**Efficient and Dependable Vessel Operations:** Cardiff has established its reputation as an efficient and dependable vessel operator. During the past 13 years, Cardiff has managed and operated over 60 vessels across a variety of shipping sectors such as drybulk carriers, container vessels, crude oil tankers, oil products tankers, chemical tankers and refrigerated cargo vessels. Many of the vessels managed by Cardiff are owned by related parties. Cardiff maintains high standards of operation, vessel technical condition, safety and environmental protection. None of its managed vessels have suffered a total loss, constructive total loss or caused any material environmental damage. Cardiff contains operating expenses through comprehensive planned maintenance systems, preventive maintenance programs and by retaining and training qualified crew members.

### Business Strategy

The Company's business strategy is to grow it's fleet through timely and selective acquisitions of drybulk carriers. The company will seek to identify potential second hand vessel acquisition candidates among all size categories of drybulk carriers, in order to gain a worldwide presence in the drybulk carrier market with a fleet capable of servicing virtually all major ports and routes used for the seaborne transportation of key commodities and raw materials.

### Dividend Policy

The company's policy is to declare and pay quarterly dividends to shareholders from net profits each January, April, July and October, beginning July 2005, and in amounts the Board of Directors may from time to time determine to be appropriate. Accordingly, the company declared and paid a dividend of .20 cents per share on July 29<sup>th</sup> 2005. Also, from time to time, the Board of Directors may determine to declare and pay quarterly dividends in an amount up to 50% of the net quarterly income. Declaration and payment of any dividend is subject to the discretion of the Board of Directors. The timing and amount of dividend payments may be dependent upon the company's earnings, financial condition, cash requirements and availability fleet renewal and expansion, restrictions in the company's loan agreements, the provisions of the Marshall Islands aw affecting the payment of distributions to shareholders and other factors, which may reduce or eliminate the cash available for distribution as dividends.

Fleet Data		Fleet Profile*			
	First Half of 2005	Type of Vessel	No of Vessels	Total DWT	Average Age
Average number of vessels during the period	16.28	Capesize 80,001-199,000 dtw	4	657,256	11.50 years
Total voyage days for fleet	2,946	Panamax 50,001-80,000 dtw	21	1,511,605	10.81 years
Total calendar days for fleet	2,967	Handymax 30,001-50,000 dtw	2	94,503	7.0 years
Fleet utilization	99.3%	<b>FLEET TOTAL</b>	<b>27</b>	<b>2,264,215</b>	<b>10.00 years</b>

\*By August 3, 2005, DryShips owned & operated 26 vessels (of the 27). The remaining vessel is scheduled for delivery within August 2005.



## Financial Highlights

<i>(Dollars in thousands, except per share data)</i> <i>(Note: The company changed its fiscal year from October 31<sup>st</sup> to December 31)</i>	<b>First Half of 2005</b> (unaudited)	<b>First Quarter 2005</b> (unaudited)	<b>Nov-Dec 2004</b> (unaudited)	<b>2004 Year Oct 31,</b> (audited)	<b>2003 Year Oct 31,</b> (audited)	<b>2002 Year Oct 31,</b> (audited)
Voyage Revenues	99,612	29,449	15,656	63,458	25,060	16,233
Depreciation & Amortization	14,474	2,536	1,143	6,451	5,244	4,853
Total Operating Expenses (incl. deprec.& amort)	30,422	9,965	4,258	23,160	16,860	16,019
Operating Income	69,190	19,635	11,398	40,298	8,200	404
Net Income (Loss)	62,438	19,110	10,983	39,113	7,189	(611)
<b>Basic &amp; fully diluted Earnings (losses) Per Share</b>	<b>2.30</b>	<b>0.80</b>	<b>0.71</b>	<b>2.54</b>	<b>0.47</b>	<b>(0.04)</b>
Weighted average no of shares, basic & diluted	27,129,226	23,871,667	15,400,000	15,400,000	15,400,000	15,400,000
Current Assets, including Cash	35,699	81,986	16,116	69,344	17,943	10,392
Total assets	889,796	601,770	70,329	183,553	73,902	67,937
Current liabilities, incl. current portion of LTD	135,706	73,826	28,646	98,178	11,889	11,703
Total Long term debt, including current portion	547,633*	302,221	40,749	115,202	46,479	47,294
Stockholders' equity (deficit)	313,915	277,195	6,609	(4,374)	25,513	18,376

\* On June 30, 2005, Current portion of long-term debt (July 1, '05 to June 30, '06) was \$ 107,458,000 and the Long-term debt, net of current portion was \$ 440,175,000.

## Recent Developments

- 08/02/2005 DryShips Inc. announced today its results (unaudited) for the Second Quarter and First Half periods ended June 30, 2005. For the second quarter 2005, net revenues were \$71.47 million, operating income was \$49.52 million, net income was \$43.33 million and EPS was \$ 1.43. For the first half of 2005, net revenues were \$99.61 million, operating income was \$69.19 million, net income was \$62.43 million and EPS was \$ 2.30.
- 07/15/2005 DryShips Inc. (Nasdaq: DRYS), released today updated charter details for its fleet of 26 vessels.
- 06/17/2005 DryShips Inc. announced today that its Board of Directors has declared the Company's quarterly cash dividend of \$0.20 per common share, payable July 29, 2005 to stockholders of record on June 28, 2005.
- 06/14/2005 DryShips Inc. clarifies that as disclosed in the Form 20F Registration Statement filed by DryShips (DRYS) on May 23rd, 2005, the company currently has 30,350,000 shares outstanding.
- April, 26, 2005 DryShips announced First Quarter 2005 Results for the three month period ended March 31, 2005. For the three months ended March 31, 2005, the company reported net income of \$19.1 million, an increase of 80% from the same period in the prior year. EPS of \$0.80 compared to \$0.69 in first quarter of 2004. Completed initial public offering, raising \$250 million, net of offering expenses. Took delivery of 11 vessels, increasing the fleet to seventeen vessels by the end of the quarter.
- April 6, 2005 DryShips announced that it added a "Daily Market Report" page to its website. The page has been designed to provide investors with up to date information on the drybulk chartering market
- April 4, 2005 DryShips announced results for the two-month period ended December 31, 2004. For this period, the Company reported voyage revenues of \$15.7 million, operating income of \$11.4 million and net income of \$11.0 million or \$0.71 per share.
- April 1, 2005 DryShips announced that it has taken delivery of the capesize bulkcarrier m.v. "Netadola," 149,475 dwt, built 1993, as well as the panamax bulkcarriers m.v. "Samsara," 73,688 dwt, built 1999, m.v. "Iguana," 70,349 dwt, built 1996, m.v. "Toro," 73,034 dwt, built 1995, m.v. "Paragon," 71,259 dwt, built 1995, and the handymax bulkcarrier m.v. "Alona," 48,640 dwt, built 2002
- March 3, 2005 DryShips announced that it has taken delivery of the panamax bulkcarrier m.v. "Tonga," 66,798 dwt, built 1984, as well as the handymax bulkcarrier m.v. "Matira," 45,863 dwt, built 1994.

## Market Makers

Archipelago Exchange (The); Banc of America Securities; Bear, Stearns & Co; Cantor Fitzgerald & Co; Credit Research & Trading; Credit Suisse First Boston; Dahlman Rose & Co; Fulcrum Global Partners LLC; GVR Company LLC; Hibernia Southcoast Capital; Hill, Thompson, Magid and Co.; Jefferies & Co; Knight Equity Markets; Lehman Brothers Inc.; National Stock Exchange; Oppenheimer & Co; Schwab Capital Markets; SG Cowen Securities; Susquehanna Capital Group; TD Waterhouse Capital Markets; Tradition Asiel Securities In; UBS Securities LLC.

## Management

George Economou  
Chairman, President & CEO  
Christopher Thomas  
Chief Financial Officer

## Headquarters

80, Kifissias Avenue  
Amaroussion  
Athens -15125  
Greece

## Contacts

Christopher Thomas  
Chief Financial Officer  
+30-210-8090-570  
E-mail: [finance@dryships.com](mailto:finance@dryships.com)  
[www.dryships.com](http://www.dryships.com)

## Investor Relations / Media

Nicolas Bornozis, **Capital Link, Inc.**  
230 Park Avenue, Suite 1536  
New York, NY 10169  
Tel. (212) 661-7566  
E-mail: [nbornozis@capitallink.com](mailto:nbornozis@capitallink.com)

**U.S. Legal Counsel** Seward & Kissel LLP

One Battery Park Plaza New York, N.Y. 10004

Phone: 212-574-1200

**Auditors** Ernst & Young (Hellas) S.A.

11<sup>th</sup> km National Road Athens-Lamia Athens, Greece

Phone: +30-210-288-6000

**Transfer Agent**

American Stock Transfer & Trust Company 59 Maiden Lane Plaza Level New York, N.Y. 10038

Phone: 212-936-5100

Matters discussed in this Corporate FactSheet may constitute forward-looking statements. Forward-looking statements reflect our current views with respect to future events and financial performance and may include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts. The forward-looking statements herein are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, management's examination of historical operating trends, data contained in our records and other data available from third parties. Although DryShips Inc. believes that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond our control, DryShips Inc. cannot assure you that it will achieve or accomplish these expectations, beliefs or projections. Important factors that, in our view, could cause actual results to differ materially from those discussed in the forward-looking statements include the strength of world economies and currencies, general market conditions, including changes in charterhire rates and vessel values, changes in demand that may affect attitudes of time charterers to scheduled and unscheduled drydocking, changes in DryShips Inc.'s operating expenses, including bunker prices, dry-docking and insurance costs, or actions taken by regulatory authorities, potential liability from pending or future litigation, domestic and international political conditions, potential disruption of shipping routes due to accidents and political events or acts by terrorists. Risks and uncertainties are further described in reports filed by DryShips Inc. with the US Securities and Exchange Commission.