Eagle Bulk Shipping Inc.
Form DEF 14A
April 10, 2009

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

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934

Filed by the Registrant [x]

Filed by a Party other than the Registrant [_]

Check the appropriate box:
[_] Preliminary Proxy Statement

[_] Confidential, For Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

[x] Definitive Proxy Statement

[_] Definitive Additional Materials

[_] Soliciting Material Under Rule 14a-12

EAGLE BULK SHIPPING INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):
[x] No fee required.
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1) Title of each class of securities to which transaction applies:

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2) Aggregate number of securities to which transaction applies:

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3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

4) Proposed maximum aggregate value of transaction:

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1) Amount previously paid:

2) Form, Schedule or Registration Statement No.:

3) Filing Party:

4) Date Filed:

Eagle Bulk Shipping Inc.
477 Madison Avenue, Suite 1405
New York, New York 10022
(212) 785-2500

April 7, 2009

Dear Shareholder:

You are cordially invited to attend the Annual Meeting of Shareholders of Eagle Bulk Shipping Inc., which will be held at the offices of Seward & Kissel LLP, 20th Floor, One Battery Park Plaza, New York, New York 10004 at 10:00 a.m., local time, on Thursday, May 21, 2009. On the following pages you will find the formal Notice of Annual Meeting and Proxy Statement.

The actions expected to be taken at the Annual Meeting are described in detail in the Company's Proxy Statement for the Annual Meeting of Shareholders.

Whether or not you plan to attend the meeting in person, it is important that your shares be represented and voted at the meeting. Accordingly, if you have elected to receive your proxy materials by mail, please date, sign and return the proxy card to be mailed to you on or about April 10, 2009. If you received your proxy materials over the Internet, please vote by Internet or by telephone in accordance with the instructions provided in the Notice of Internet Availability of Proxy Materials that you will receive in the mail. If you decide to attend the meeting in person, you will be able to vote in person, even if you have previously submitted a proxy.

I hope that you will attend the meeting, and I look forward to seeing you there.

Sincerely,

/s/ Sophocles N. Zoullas
Sophocles N. Zoullas
Chairman and Chief Executive Officer

Eagle Bulk Shipping Inc.
477 Madison Avenue, Suite 1405
New York, New York 10022
(212) 785-2500

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD ON MAY 21, 2009

NOTICE IS HEREBY GIVEN that the Annual Meeting of Shareholders (the “Annual Meeting”) of Eagle Bulk Shipping Inc., a Marshall Islands corporation (“Eagle Bulk Shipping” or the “Company”), will be held on Thursday, May 21, 2009, at 10:00 a.m., local time, at the offices of Seward & Kissel LLP, 20th Floor, One Battery Park Plaza, New York, New York 10004, for the following purposes:

1. To elect two Class I Directors to the Board of Directors;

2. To ratify the appointment of Ernst & Young LLP as the Company’s independent registered public accounting firm for the Company’s fiscal year 2009;

3. To approve the Company’s 2009 Equity Incentive Plan; and

4. To transact such other business as may properly come before the Annual Meeting or at any adjournment or postponement thereof.

As of the date of this proxy statement, the Company has received no notice of any matters, other than those set forth above, that may properly be presented at the Annual Meeting. If any other matters are properly presented for consideration at the Annual Meeting, the persons named as proxies on the proxy card, or their duly constituted substitutes acting at the Annual Meeting, or any adjournment or postponement of the Annual Meeting, will be deemed authorized to vote the shares represented by proxy or otherwise act on such matters in accordance with their judgment.

The close of business on March 24, 2009, has been fixed as the record date for determining those shareholders entitled to vote at the Annual Meeting. Accordingly, only shareholders of record as of the close of business on that date are entitled to vote at the Annual Meeting or any adjournments or postponements of the Annual Meeting. A list of such shareholders will be available at the Annual Meeting.

Important Notice Regarding the Availability of Proxy Materials for the Shareholder Meeting to be Held on May 21, 2009.

(1) This communication presents only an overview of the more complex proxy materials that are available to you on the Internet. We encourage you to access and review all of the important information contained in the proxy materials before voting.

(2) The proxy statement is available at http://materials.proxyvote.com/y2187A.

(3) If you want to receive a paper or email copy of these documents, you must request one. There is no charge to you for requesting a copy. Please make your request for a copy as instructed below on or before May 21, 2010, to facilitate timely delivery.

Please read the proxy statement which is available at http://materials.proxyvote.com/y2187A and, if you have requested to receive paper copies of our proxy materials by mail, the instructions on the proxy card included therein, which will be mailed to you on or about April 10, 2009. Whether or not you expect to attend the Annual Meeting in person, and no matter how many shares you own, please vote your shares as promptly as possible. Submitting a proxy now will help assure a quorum and avoid added proxy solicitation costs.

If you attend the Annual Meeting you may vote in person, even if you have previously submitted a proxy. If you require directions to attend the meeting, please send a written request to Alan S. Ginsberg, Secretary of Eagle Bulk Shipping Inc., at 477 Madison Avenue, Suite 1405, New York, New York 10022, telephone (212) 785-2500. All shareholders must present a form of personal photo identification in order to be admitted to the meeting. In addition, if your shares are held in the name of your broker, bank or other nominee and you wish to attend the Annual Meeting, you must bring an account statement or letter from the broker, bank or other nominee indicating that you were the owner of the shares on March 24, 2009.

If you hold your shares in your own name and you have requested to receive paper copies of our proxy materials by mail, you may submit a proxy by marking the proxy card to be mailed to you on or about April 10, 2009, and dating and signing it, and returning it in the postage paid envelope provided. You may also submit a proxy via our electronic voting platform at http://www.proxyvote.com or submit a proxy by telephone at 1-800 690-6903. You may also attend the Annual Meeting and vote in person. If your shares are held in the name of a bank, broker or other nominee, you will receive instructions from the holder of record that you must follow for your shares to be voted. Please follow their instructions carefully. Also, please note that if the holder of record of your shares is a broker, bank or other nominee and you wish to vote in person at the Annual Meeting, you must request a legal proxy from your bank, broker or other nominee that holds your shares and present that proxy and proof of identification at the Annual Meeting. You may revoke your proxy at any time before the vote is taken by delivering to the Corporate Secretary of the Company a written revocation or a proxy with a later date or by voting your shares in person at the meeting, in which case your prior proxy would be disregarded.

You may request that a copy of the proxy materials be sent to you at no charge by sending a written request to Alan S. Ginsberg, Secretary of Eagle Bulk Shipping Inc., at 477 Madison Avenue, Suite 1405, New York, New York 10022, telephone (212) 785-2500. You may also indicate a preference for receiving an electronic or paper copy of proxy materials for future shareholder meetings by notification to the same address.

By Order of the Board of Directors,

/s/ Alan Ginsberg
Alan Ginsberg
Chief Financial Officer and Secretary

New York, New York
April 7, 2009

Eagle Bulk Shipping Inc.
477 Madison Avenue, Suite 1405
New York, New York 10022
(212) 785-2500

PROXY STATEMENT
FOR THE ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD MAY 21, 2009

This proxy statement is furnished to shareholders of Eagle Bulk Shipping Inc. ("Eagle Bulk Shipping" or the "Company") in connection with the solicitation of proxies, in the accompanying form, by the Board of Directors of Eagle Bulk Shipping (the "Board of Directors") for use in voting at the Annual Meeting of Shareholders (the "Annual Meeting") to be held at the offices of Seward & Kissel LLP, 20th Floor, One Battery Park Plaza, New York, New York 10004, on Thursday, May 21, 2009, at 10:00 a.m., local time, and at any adjournment or postponement thereof.

This proxy statement is first available to shareholders at http://materials.proxyvote.com/y2187A on or about April 10, 2009.

QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING

Why did I receive a notice in the mail regarding the Internet availability of proxy materials this year instead of a full set of proxy materials?

Pursuant to the rules of the Securities and Exchange Commission, we have elected to provide access to our proxy materials over the Internet. We also believe that by electing to provide access to our proxy materials over the Internet, we will reduce the amount of natural resources used in connection with our proxy materials and our Annual Meeting. Accordingly, we are sending a Notice of Internet Availability of Proxy Materials (the "Notice") to our shareholders of record and beneficial owners. All shareholders will have the ability to access the proxy materials on a website referred to in the Notice or request to receive a printed set of the proxy materials, at no charge. Instructions on how to access the proxy materials over the Internet or to request a printed copy may be found on the Notice. In addition, shareholders may request to receive proxy materials in printed form by mail or electronically by email on an ongoing basis by following the instructions on the website referred to in the Notice. Shareholders who have already requested to receive paper copies of our proxy materials will receive a full set of our proxy materials, including our proxy card, in the mail and will not receive the Notice.

Why am I receiving these materials?

Our Board of Directors has made these materials available to you on the Internet, or, upon your request, we will deliver printed versions of these materials to you by mail, in connection with the Board of Directors' solicitation of proxies for use at our 2009 Annual Meeting. You are invited to attend the Annual Meeting and are requested to vote on the proposals described in this proxy statement.

What is included in these materials?

These materials include:

- Our proxy statement for the 2009 Annual Meeting; and
- Our 2008 Annual Report to Shareholders, which includes our audited consolidated financial statements.

If you request printed versions of these materials by mail, these materials will also include the proxy card for the 2009 Annual Meeting.

How can I get electronic access to the proxy materials?

The Notice provides you with instructions regarding how to:

- View our proxy materials for the 2009 Annual Meeting on the Internet; and
- Instruct us to send our future proxy materials to you electronically by email.

What is the purpose of the Annual Meeting?

At the Annual Meeting, shareholders will be asked to consider and vote upon the following matters:

- Election of two Directors to hold office until the 2012 Annual Meeting of Shareholders;
- Ratification of the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for the Company's fiscal year 2009; and
- Approval of the Company's 2009 Equity Incentive Plan.

Shareholders will also be asked to consider and vote at the Annual Meeting on any other matter that may properly come before the Annual Meeting or any adjournment or postponement of the Annual Meeting. At this time, the Company's Board of Directors is unaware of any matters, other than those set forth above, that may properly come before the Annual Meeting.

Who is entitled to vote at the Annual Meeting?

The Board of Directors has fixed the close of business on March 24, 2009, as the record date (the "Record Date") for the determination of shareholders entitled to notice of, and to vote at, the Annual Meeting. Only shareholders of record at the close of business on that date will be entitled to vote at the Annual Meeting or any adjournments or postponements thereof. As of the Record Date, Eagle Bulk Shipping had issued and outstanding 47,031,300 shares of common stock.

How Many Votes Do I Have?

Each common share outstanding on the Record Date will be entitled to one vote on each matter submitted to a vote of the shareholders, including the election of Directors. Cumulative voting by shareholders is not permitted.

What are the Board of Directors' voting recommendations?

The Board of Directors recommends that you vote "FOR" the nominees of the Board of Directors in the election of Directors, "FOR" ratification of the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for fiscal year 2009, and "FOR" approval of the Company's 2009 Equity Incentive Plan.

How can I vote my shares?

You can vote either in person at the Annual Meeting or by proxy whether or not you attend the Annual Meeting. You can vote by proxy as follows:

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- by mail – If you requested to receive paper copies of our proxy materials by mail, you may submit your proxy by mail by signing your proxy card that is included on the paper proxy materials that will be mailed to you on or around April 10, 2009, or, for shares held in street name, by following the voting instructions included by your stockbroker, trustee or nominee, and mailing it in the enclosed, postage paid envelop.

  by Internet or by telephone – If you have telephone or Internet Access, you may submit your proxy by following the instructions provided in the Notice, or if you received a printed version of our proxy materials by mail, by following the instructions provided with your proxy materials and on your proxy card or voting instructions card.

How may I vote my shares in person at the Annual Meeting?

If your shares are registered directly in your name with our transfer agent, Computershare Investor Services LLC, you are considered, with respect to those shares, the shareholder of record. As the shareholder of record, you have the right to vote in person at the Annual Meeting. If your shares are held in a brokerage account or by another nominee or trustee, you are considered the beneficial owner of shares held in street name. As the beneficial owner, you are also invited to attend the Annual Meeting. Since a beneficial owner is not the shareholder of record, you may not vote these shares in person at the Annual Meeting unless you obtain a "legal proxy" from your broker, nominee, or trustee that holds your shares, giving you the right to vote the shares at the meeting.

If I am the beneficial owner of shares held in "street name" by my broker, will my broker automatically vote my shares for me?

Rules applicable to broker-dealers grant your broker discretionary authority to vote your shares without receiving your instructions on certain matters, including the election of Directors and ratification of the independent registered public accounting firm. Your broker does not have discretionary authority to vote your shares for the approval of the Company's 2009 Equity Incentive Plan without receiving instructions.

How will my shares be voted if I give my proxy but do not specify how my shares should be voted?

If you provide specific voting instructions, your shares will be voted at the Annual Meeting in accordance with your instructions. If you hold shares in your name and sign and return a proxy card without giving specific voting instructions, your shares will be voted as follows:

- "FOR" the nominees of the Board of Directors in the election of Directors;
- "FOR" ratification of the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for fiscal year 2009; and
- "FOR" approval of the Company's 2009 Equity Incentive Plan.

With respect to any other matters that may properly come before the Annual Meeting, your shares will be voted at the discretion of the proxy holders.

Could other matters be decided at the Annual Meeting?

At this time, we are unaware of any matters, other than as set forth above, that may properly come before the Annual Meeting. If any other matters properly come before the Annual Meeting, the persons named in the proxy, or their duly constituted substitutes acting at the Annual Meeting or any adjournment or postponement of the Annual Meeting, will be deemed authorized to vote or otherwise act on such matters in accordance with their judgment.

What do I need to bring to be admitted to the Annual Meeting?

All shareholders must present a form of personal photo identification in order to be admitted to the meeting. In addition, if your shares are held in the name of your broker, bank or other nominee and you wish to attend the Annual Meeting, you must bring an account statement or letter from the broker, bank or other nominee indicating that you were the owner of the shares on the Record Date.

How can I change my vote?

Any person signing a proxy card in the form to be mailed to you on or about April 10, 2009, has the power to revoke it prior to the Annual Meeting or at the Annual Meeting prior to the vote. A proxy may be revoked by any of the following methods:

- by writing a letter delivered to Alan S. Ginsberg, Secretary of Eagle Bulk Shipping, 477 Madison Avenue, Suite 1405, New York, New York 10022, stating that the proxy is revoked;
- by submitting another proxy with a later date; or

- by attending the Annual Meeting and voting in person.

What are the quorum and voting requirements to elect Directors and approve the other proposals described in the proxy statement?

In order to take action on the matters scheduled for a vote at the Annual Meeting, a quorum (a majority of the aggregate number of shares of the Company's common stock issued and outstanding and entitled to vote as of the record date for the Annual Meeting) must be present in person or by proxy. Proxies marked "Abstain" and broker "non-votes," if any, will be treated as shares that are present for purposes of determining the presence of a quorum.

A plurality of the votes cast is required for approval of Proposal No. 1, concerning the election of Directors. A majority of the votes cast by the holders of our common shares at the Annual Meeting is required for approval of Proposal No. 2, concerning the ratification of the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for fiscal year 2009, and Proposal No. 3, concerning the approval of the Company's 2009 Equity Incentive Plan.

What is an "abstention" and how would it affect the vote?

An "abstention" occurs when a shareholder sends in a proxy with explicit instructions to decline to vote regarding a particular matter (other than the election of Directors for which the choice is limited to "for" or "withhold"). Abstentions are counted as present for purposes of determining a quorum. Abstentions will not be counted as having been voted and will have no effect on the outcome of the vote on Proposal No. 1, concerning the election of Directors, Proposal No. 2, concerning the ratification of the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for fiscal year 2009, or Proposal No. 3, concerning the approval of the Company's 2009 Equity Incentive Plan.

What is a broker "non-vote" and how would it affect the vote?

A broker non-vote occurs when a broker or other nominee who holds shares for another person does not vote on a particular proposal because that holder does not have discretionary voting power for the proposal and has not received voting instructions from the beneficial owner of the shares. Under rules applicable to broker-dealers, Proposal No. 1, concerning the election of Directors, and Proposal No. 2, concerning of the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for the Company's fiscal year 2009, are items on which brokerage firms may vote in their discretion on behalf of their clients, even if such clients have not furnished voting instructions. There will be no broker "non-votes" on these proposals because brokerage firms may vote in their discretion on behalf of their clients on these proposals even if such clients have not furnished voting instructions with respect to these proposals. There may be broker "non-votes" with respect to Proposal No. 3, concerning the approval of the Company's 2009 Equity Incentive Plan.

Who will count the votes?

The Company's proxy processor and tabulator, Broadridge Financial Solutions, Inc., will serve as proxy tabulator and count the votes. The results will be certified by the inspectors of election.

Who will conduct the proxy solicitation and how much will it cost?

We will pay the costs relating to this proxy statement, the proxy and the Annual Meeting. We may reimburse brokerage firms and other persons representing beneficial owners of shares for their expenses in forwarding solicitation material to beneficial owners. Directors, officers and employees may also solicit proxies. They will not receive any additional pay for the solicitation.

PROPOSAL NO. 1

ELECTION OF DIRECTORS

Under the Amended and Restated Articles of Incorporation of the Company, the Board of Directors is classified into three classes of Directors. The two Directors serving in Class I have terms expiring at the 2009 Annual Meeting. The Board of Directors has nominated the two current Class I Directors, Jon Tomasson and Sophocles N. Zoullas, for re-election as Class I Directors, each to serve for a three-year term until the 2012 Annual Meeting of Shareholders of the Company and until his respective successor is elected and qualified or until his earlier death, resignation, retirement, disqualification or removal. Although management has no reason to believe that the nominees will not be available as candidates, should such a situation arise, proxies may be voted for the election of such other persons as the holders of the proxies may, in their discretion, determine.

Directors are elected by a plurality of the votes cast at the Annual Meeting, either in person or by proxy.

Nominee Information

The following is information regarding the nominees for election as Class I Directors:

Jon Tomasson, age 50, serves as a Director of the Company and the Chair of the Company's Compensation Committee. Mr. Tomasson is Chief Executive Officer of Vínland Capital Investments, LLC, a real estate investment company that he founded in 2003. Prior to starting Vínland, Mr. Tomasson was a principal with Cardinal Capital Partners from 1999 until 2002. From 1990 until 1999, Mr. Tomasson worked at Citigroup's Global Real Estate Equity and Structured Finance (GREESF) business, with both transactional and various management responsibilities. Mr. Tomasson has served as a Director of the Company since April 2007.

Sophocles N. Zoullas, age 43, the Company's founder, has served as the Company's Chief Executive Officer and Chairman of the Board of Directors since January 2005. Mr. Zoullas has been involved in the drybulk shipping industry for 24 years with experience in strategic, commercial and operational aspects of the business. Mr. Zoullas's strategic and commercial experience includes ship purchase negotiations and financing, chartering and insurance. Mr. Zoullas's operational experience includes oversight of ship repair, maintenance and cost control. From 1989 to February 2005, Mr. Zoullas served as an executive officer and a director of Norland Shipping & Trading Corporation, a shipping agency in the drybulk shipping industry. Mr. Zoullas holds a bachelor's degree from Harvard College and an MBA from IMD (IMEDE) in Lausanne, Switzerland. Mr. Zoullas is currently Chairman of the USA Advisory Committee of Lloyd's Register and a member of the American Bureau of Shipping. Mr. Zoullas serves on the Board of Directors of the North American Marine Environment Protection Association (NAMEPA). Mr. Zoullas is also a committee member of the London P&I Club.

Continuing Director Information

The following is information regarding our Directors whose terms continue after the 2009 Annual Meeting:

Class II Directors – Terms Expiring at the 2010 Annual Meeting

Joseph M. Cianciolo, age 70, serves as a Director of the Company and the Chair of our Audit Committee. Mr. Cianciolo retired in June 1999 as the managing partner of the Providence, Rhode Island office of KPMG LLP. At the time of his retirement, Mr. Cianciolo had been a partner of KPMG LLP since 1970. Mr. Cianciolo currently serves as a director of United Natural Foods Inc. and Nortek, Inc. Mr. Cianciolo has served as a Director of the Company since 2006.

David B. Hiley, age 70, serves as a Director of the Company. Mr. Hiley has been a financial consultant, including a financial consultant to Nortek, Inc. for more than five years and currently serves as a director of Nortek, Inc. From April 1, 1998 through March 1, 2000, Mr. Hiley served as Executive Vice President and Chief Financial Officer of CRT Properties, Inc. (formerly Koger Equity, Inc.), a real estate investment trust. Mr. Hiley has served as a Director of the Company since 2005.

Forrest E. Wylie, age 46, serves as a Director of the Company. Mr. Wylie has over 20 years of experience in the energy services sector serving at the officer level for publicly traded companies. Mr. Wylie currently serves as Chairman and Chief Executive Officer of Buckeye Partners, LP, a publicly traded master limited partnership. Mr. Wylie served as the Vice Chairman of Pacific Energy Partners, LP, from March 2005 until November 2006, and served as the President of NuCoastal Corporation from May 2002 to March 2005. Mr. Wylie is currently a director of Coastal Energy Company, a publicly traded company with operations onshore and offshore in Thailand and as a director of The Cross Group Inc., a private offshore energy services company. Mr. Wylie has served as a Director of the Company since May 2007.

Class III Directors – Terms Expiring at the 2011 Annual Meeting

Douglas P. Haensel, age 46, serves as a Director of the Company and the Chair of the Company's Nominating and Governance Committee. He has served as Executive Vice President and Chief Financial Officer of Burt's Bees, Inc. since May 2005. From 2001 to 2004, Mr. Haensel was President and Chief Operating Officer of 21st Century Newspapers, Inc. He was Executive Vice President and Chief Financial Officer at The Athlete's Foot Group, Inc. from 1999 to 2001. Mr. Haensel started his career at General Electric Company and held several management positions at GE Capital. Mr. Haensel has served as a Director of the Company since 2005.

Alexis P. Zoullas, age 38, serves as a Director of the Company and is also a Vice-President of Eagle Shipping International (USA) LLC, a wholly owned subsidiary of the Company that provides commercial and strategic management to its fleet, since August 2008. He has served as Vice-President at Norland Shipping & Trading Corporation since 2005, where he began his maritime career in 1993. From 2000 to 2004, Mr. Zoullas worked as Chief Strategic Officer of Kaufman Astoria Studios and was a founding partner of Filter Partners LLC, an entertainment licensing company. Mr. Zoullas has served as a Director of the Company since April 2007.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT THE SHAREHOLDERS VOTE "FOR" PROPOSAL NO. 1, THE ELECTION OF MESSRS. JON TOMASSON AND SOPHOCLES N. ZOULLAS AS CLASS I DIRECTORS OF THE BOARD.

CORPORATE GOVERNANCE

Meetings of the Board of Directors

The Board of Directors held 21 meetings in 2008. Each Director attended at least 75% of the aggregate of the meetings of the Board of Directors and meetings held by all committees on which such Director served, during the period for which such Director served.

Directors are expected to attend the Company's annual meeting of shareholders. All seven of our Directors attended our 2008 annual meeting of shareholders.

Director Independence

The Board of Directors affirmatively determined that the following Directors, including each Director serving on the Audit Committee, the Compensation Committee and the Nominating and Governance Committee, satisfy the independence requirements of Rule 4350(c) of Nasdaq's listing standards: Joseph M. Cianciolo, Douglas P. Haensel, David B. Hiley, Jon Tomasson and Forrest E. Wylie. The Board of Directors also determined that the members of the Audit Committee satisfy the additional independence requirements of Rule 10A-3 under the Securities Exchange Act of 1934 and Nasdaq's requirements for audit committee members.

There is no family relationship between any of the nominees, continuing Directors or executive officers of the Company, except that Sophocles N. Zoullas and Alexis P. Zoullas are brothers.

Committees of the Board of Directors

The Board of Directors has a standing Audit Committee, Compensation Committee and Nominating and Governance Committee, the respective members and functions of which are described below. Current charters describing the nature and scope of the responsibilities of each of the Audit Committee, Compensation Committee and Nominating and Governance Committee are posted on our website at www.eagleships.com under the headings "Investors — Corporate Governance" and are available in print upon request to Eagle Bulk Shipping Inc., 477 Madison Avenue, Suite 1405, New York, New York 10022.

Audit Committee

The Company's Audit Committee is comprised of Joseph M. Cianciolo (Chairman), Douglas P. Haensel, and David B. Hiley, each of whom qualify as independent under the listing requirements of the Nasdaq Global Market and applicable rules of the Securities and Exchange Commission, or the SEC. The Board of Directors has determined that Joseph M. Cianciolo is an audit committee "financial expert" as such term is defined in applicable SEC rules, and that he has the requisite financial management expertise within the meaning of Nasdaq rules and regulations. As directed by its written charter, which was adopted on June 3, 2005, and amended in November 2006, the Audit Committee is responsible for appointing and overseeing the work of the independent auditors, including reviewing and approving their engagement letter and reviewing their annual audit plan; reviewing the adequacy and effectiveness of the Company's accounting and internal control procedures; reading and discussing with management and the independent auditors the annual audited financial statements and quarterly financial statements, and preparing annually a report to be included in the Company's proxy statement. The Audit Committee held five meetings during fiscal year 2008. See the report of the Audit Committee in this Proxy Statement for additional information regarding the Audit Committee's actions in fiscal year 2008.

Compensation Committee

The Company's Compensation Committee is comprised of Jon Tomasson (Chairman), Joseph M. Cianciolo, and Forrest E. Wylie, each of whom qualify as independent under the listing requirements of the Nasdaq Global Market. As directed by its written charter, which was approved on June 3, 2005, and amended in November 2006, the Compensation Committee administers the Company's stock option plan and other corporate benefits programs. The Compensation Committee also reviews and approves bonuses, special cash incentive awards, stock option or other equity incentive grants, compensation goals and objectives, and any employment severance or change in control agreements, and evaluates the performance of the Company's Chief Executive Officer and other executive officer and determines executive officer compensation. The Compensation Committee also reviews and approves the Board of Directors' compensation and fees and stock option or other equity incentive grants. See the Compensation Discussion & Analysis regarding additional details of the role of the Compensation Committee and our executive officers with respect to the determination and approval of executive compensation. The Compensation Committee engaged Steven Hall & Partners, an independent executive compensation consultant (the "Compensation Consultant"), as further described in more detail below. During fiscal year 2008, the Compensation Committee consulted with the Compensation Consultant and took the recommendations of the Compensation Consultant into consideration when making its decisions.

The Compensation Committee held thirty meetings during fiscal year 2008. See also the report of the Compensation Committee in this Proxy Statement.

Nominating and Governance Committee

The Company's Nominating and Governance Committee is comprised of Douglas P. Haensel (Chairman), Jon Tomasson, David B. Hiley, and Forrest E. Wylie, each of whom qualify as independent under the listing requirements of the Nasdaq Global Market. As directed by its written charter, the Nominating and Governance Committee assists the Board of Directors in identifying qualified individuals to become members of the Board of Directors, in determining the composition of the Board of Directors and its committees, in monitoring a process to assess Board of Directors effectiveness and in developing and implementing the Company's corporate governance guidelines. The Nominating and Governance Committee held four meetings in fiscal year 2008.

Nomination of Directors

Nominees for our Board of Directors will be selected by the Board of Directors based upon the recommendation of the Nominating and Governance Committee in accordance with the policies and principles set forth in the Committee's charter and our Corporate Governance Guidelines. The Nominating and Governance Committee seeks members from diverse professional and personal backgrounds who combine a broad spectrum of experience and expertise with a reputation for integrity. This assessment will include an individual's independence, as well as consideration of diversity, age, skills and experience in the context of the needs of the Board of Directors. Directors should be persons of good character and thus should generally have the personal characteristics of integrity, accountability, judgment, responsibility, high performance standards, commitment and enthusiasm, and courage to express his or her views. The Nominating and Governance Committee examines a candidate's specific experiences and skills, time availability in light of other commitments, potential conflicts of interest and independence from management and the Company.

The Nominating and Governance Committee identifies potential candidates by asking current Directors and executive officers to notify the Committee if they become aware of persons, meeting the criteria described above, who might have an interest in serving as a Director.

Shareholders may recommend qualified persons for consideration by the Nominating and Governance Committee. The Nominating and Governance Committee's evaluation process does not vary based on whether or not a candidate is recommended by a shareholder. Shareholders making a recommendation must submit the same information as that required to be included by the Company in its proxy statement with respect to nominees of the Board of Directors. The shareholder recommendation should be submitted in writing, addressed to: Alan S. Ginsberg, Secretary of Eagle Bulk Shipping Inc., 477 Madison Avenue, Suite 1405, New York, New York 10022.

Code of Ethics

The Company's Code of Ethics, which applies to our Directors, executive officers (our Chief Executive Officer and Chief Financial Officer) and employees, is available on our website at www.eagleships.com, and copies are available in print upon request to Eagle Bulk Shipping Inc., 477 Madison Avenue, Suite 1405, New York, New York 10022. The Company intends to satisfy any disclosure requirements regarding any amendment to, or waiver from, a provision of this Code of Ethics by posting such information on the Company's website.

Communications with the Board of Directors

Shareholders and other interested parties may communicate with members of the Board of Directors, including reporting any concerns related to governance, corporate conduct, business ethics, financial practices, legal issues and accounting or audit matters in writing addressed to the Board of Directors, or any such individual Directors or group or committee of Directors by either name or title in care of: Secretary of Eagle Bulk Shipping Inc., 477 Madison Avenue, Suite 1405, New York, New York 10022.

All communications received as set forth above will be opened by the office of our Secretary for the sole purpose of determining whether the contents represent a message to our Directors. Materials that are unrelated to the duties and responsibilities of the Board of Directors, such as solicitations, resumes and other forms of job inquiries, surveys and individual customer complaints, or materials that are unduly hostile, threatening, illegal or similarly unsuitable will not be distributed, but will be made available upon request to the Board of Directors, a committee of the Board of Directors or individual Directors as appropriate, depending on the facts and circumstances outlined in the communication.

Executive Sessions

Consistent with our Corporate Governance Guidelines, the non-employee directors of the Board of Directors regularly hold executive sessions. The Audit Committee, in accordance with its charter, meets separately with our executives at regular intervals or as otherwise deemed appropriate throughout the year to review our financial affairs, and meets separately in sessions with the independent auditors at such times as the Committee deems appropriate to fulfill its responsibilities under the charter. The independent directors met in executive sessions four times during 2008.

Compensation Committee Interlocks and Insider Participation

No member of the Compensation Committee was an officer or employee of the Company or any of the Company's subsidiaries, or had any relationship requiring disclosure under SEC regulations. None of the Company's Compensation Committee members or executive officers has served on the board of directors or on the compensation committee of any other entity whose executive officers served on our Board of Directors or on our Compensation Committee.

EXECUTIVE OFFICERS

Our executive officers are Sophocles N. Zoullas, for whom information is set forth under the heading "Nominee Information" above, and Alan S. Ginsberg, our Chief Financial Officer since February 2005.

Mr. Ginsberg, who is 50, has over 20 years of experience in the shipping industry and in particular in shipping finance. From 2002 until 2005, Mr. Ginsberg was the Director of Ship Financing for Northampton Capital Ltd., a transportation industry financial advisory firm. From 1998 to 2002, Mr. Ginsberg was a Director of High Yield Research at Scotia Capital (USA) Inc. and was responsible for analysis of the shipping industry, publishing research and maintaining relationships in the industry. From 1997 to 1998, Mr. Ginsberg was the publisher of Marine Money International, a leading maritime publication, and between 1988 and 1996 he served as the Chief Financial Officer of The Kedma Group, a privately held shipping company that owned and operated 17 vessels, including 14 Handymax dry bulk vessels and three tankers. Mr. Ginsberg holds a bachelor's degree from Georgetown University. Mr. Ginsberg is a certified public accountant and has previously worked at Coopers & Lybrand.

COMPENSATION DISCUSSION & ANALYSIS

Compensation Objectives and Philosophy

The primary objectives of our compensation program are to attract personnel for positions of substantial responsibility, to provide incentives for such persons to perform to the best of their abilities, to enable the Company to compete effectively in the seaborne transportation industry and to promote the success of our business. We need to ensure that we have key senior management with the talent, leadership and commitment needed to operate our business, create new opportunities, anticipate and effectively respond to new challenges, and to make and execute difficult decisions. The Compensation Committee also believes that the Company’s compensation programs should be designed to reward and encourage achievement of the Company’s annual and longer-term performance objectives and to align the Company’s executives’ long-term interests with those of its shareholders. The Compensation Committee fosters and oversees the Company’s compensation programs to attain these goals.

Overview of the Executive Compensation Program

The Company’s executive compensation is determined by the Company’s Compensation Committee. In order to provide proper incentives to each executive and appropriately reward performance, the Compensation Committee assesses the proper balance of short- and long-term compensation as well as the form of such compensation. The Compensation Committee also considers the compensation levels and performance of other companies in similar industries as the Company. Information regarding the compensation of individual executive officers of most of the companies in the Company's Standard Industrial Classification, or SIC, is not publicly available because most are non-U.S. companies. However, the Compensation Committee has considered compensation levels at seaborne transportation companies that are similar to the Company. Overall, the Compensation Committee views the cash compensation given to the Company’s executives as being within the range of that of other publicly-traded companies in the seaborne transportation industry. The decisions of the Compensation Committee with respect to the Company’s executive compensation for 2008 have been approved by the unanimous consent of the Company’s full Board of Directors, although such approval is not required pursuant to the Compensation Committee’s charter.

From the Company’s inception through January 9, 2007, the Company’s executive officers were compensated primarily through their profits interests in Eagle Ventures LLC, or Eagle Ventures, the Company’s founding shareholder, and the Company did not make any equity incentive grants to its executive officers prior to January 2007. The principal shareholders of Eagle Ventures were affiliates of Kelso & Co., L.P. Although the profits interests were granted by Eagle Ventures and not by the Company, the profits interests were booked in the Company’s results of operations as a non-cash charge for financial reporting purposes. With the sale by Eagle Ventures in January 2007 of substantially all of its shares in the Company, the profits interests in Eagle Ventures are no longer relevant to the compensation of the Company's executive officers. Since January 2007, the Company's equity incentive arrangements administered by the Compensation Committee have played the key role in the compensation of the Company's executive officers. The role of the Compensation Committee and the various elements and policies behind the Company's executive compensation program are discussed below.

Outside Consultant

The Compensation Committee and the Board of Directors retained Steven Hall & Partners, an independent executive compensation consultant, as its compensation consultant to assist in the continual development and evaluation of compensation policies and the Compensation Committee's determinations of compensation awards. The Compensation Committee interviewed a total of four compensation consultants before initially retaining Steven Hall & Partners in October of 2007. The Compensation Consultant is asked to provide independent, third-party advice and expertise in executive compensation issues. With respect to fiscal year 2008, the Compensation Consultant was asked to provide information relating to all aspects of the compensation of Company's executive officers, including aspects relating to equity compensation. The Compensation Consultant provides the Compensation Committee with comparative market data and alternatives to consider when making compensation decisions regarding our executive officers and also provided an evaluation of the Compensation Committee's and Board of Directors' proposed compensation policies and determinations.

Specific objectives in the engagement of the Compensation Consultant include determining marketplace value for the named executive officers, establishing guidelines for annual compensation levels on an ongoing basis and considering provisions in the event of a change in control.

The Compensation Committee consulted with the Compensation Consultant on matters in connection with the preparation of the Chief Executive Officer's new employment agreement, which was entered into effective June 19, 2008. The Compensation Committee also consulted with the Compensation Consultant in connection with determining the Chief Executive Officer's 2008 bonus amount and 2009 base salary, as well as with matters concerning the preparation of the Company's 2009 Equity Incentive Plan. In the future, the Compensation Committee may retain other similar consultants.

Competitive Benchmarking

The Compensation Committee, as part of its consideration of the appropriateness of the named executive officers' compensation, have, together with its Compensation Consultant, reviewed compensation data of other shipping companies that are publicly traded and, to the extent available, of other companies in the seaborne transportation industry. Because most of the Company's competitors are foreign companies that are not required to disclose compensation information for their executive officers on an individual basis, the Compensation Committee does not believe that it has sufficient information necessary to allow it to meaningfully benchmark executive compensation to the compensation of these other companies.

Compensation Committee Executive Officers Compensation Determinations

The Compensation Committee bases its executive officer compensation decisions primarily on its assessment of each executive's performance in his area of responsibility and contributions to the Company. This assessment is based on a number of factors, including:

- the executive's performance in light of the Company's current goals and objectives;
- the nature and scope of the executive's responsibilities;
- the executive's contribution to the Company's current financial and operational results;
- the executive's performance as reflected in the performance of the Company relative to similar seaborne transportation companies; and
- the executive's effectiveness with initiatives to deliver greater future value to shareholders.

The Compensation Committee's review process in 2008 included thirty meetings of the Compensation Committee, several consultations with the Company's Chief Executive Officer and meetings with the Compensation Consultant. The Chief Executive Officer and Chief Financial Officer did not have any control over their own compensation, although the Chief Executive Officer participated in the recommendations for the increase in base salary and cash bonus awarded to the Chief Financial Officer.

The Compensation Committee was not involved in the awarding or operation of the profits interests in Eagle Ventures. Its role prior to 2007 was generally limited to the determination of base salary increases and the consideration of awarding cash bonuses. As part of the review process, the base salary rates for 2008 and 2009, and cash bonus award for 2008 for the executive officers were reviewed, taking into account the following:

- with respect to the Company's Chief Financial Officer only, the recommendation of the Company's Chief Executive Officer;
- each officer's individual performance during 2008;
- the scope and importance of the functions the officer performed or for which the officer was responsible;
- an assessment of the officer's initiative, managerial ability and overall contributions to corporate performance; and
- practices of other companies in the seaborne transportation industry with respect to executive officer salary and bonus levels for 2007 and 2008 based on available SEC filing data.

The weighting given to these factors varied by position, but the Compensation Committee intended that each executive officer's base salary rates and annual bonus be generally competitive with the estimated current market rates paid by similar companies in the industry, and that the annual bonuses properly reflect the efforts and achievements of the Company's management team in fostering the Company's performance relative to competitors. The Compensation Committee also believed, based on available data, that the cash compensation of the Chief Executive Officer and Chief Financial Officer are within the range of that of other similar seaborne transportation companies. In this connection, the Compensation Committee also considered the recommendations of the Compensation Consultant and the Company's performance in 2008 in making its determination of the Chief Executive Officer's compensation for 2008. In determining 2008 cash bonuses and the special award granted to the Company's Chief Executive Officer, the Compensation Committee also took into consideration that the Company was not able to grant additional stock based equity compensation awards under its 2005 Stock Incentive Plan. In consideration for the signing of a new five-year employment agreement in June 2008, the Company awarded an equity stake to the Chief Executive Officer. The Compensation Committee believed that such an equity stake in the Company would result in the Chief Executive Officer's equity interests being more in-line with the equity interests of chief executive officer's of similar seaborne transportation companies. Since joining the Company in 2005, the Chief Executive Officer has never sold a share of the Company's stock. The Compensation Committee recognizes that the Chief Executive Officer's level of stock ownership significantly aligns his interests with those of the Company's shareholders. Nevertheless, because the Chief Executive Officer's continued leadership is critical to the Company, the Compensation Committee from time to time considers additional compensation arrangements for him. The equity incentives and cash bonus amounts granted or awarded to the Chief Executive Officer and Chief Financial Officer in 2008 may or may not be indicative of the equity incentives to be granted to the Company's executive officers in future years.

The following specific items of corporate performance were taken into account in setting cash bonuses for 2008 and salaries for 2009:

- corporate earnings per the Company's financial plan;
- achievement of the Company's strategic and commercial objectives; and
- extraordinary efforts on behalf of the Company.

Specifically, notwithstanding the challenging market conditions for the drybulk shipping industry and the credit markets in general during 2008, the Company achieved the following accomplishments:

- Vessel utilization rates. The Company maintained a vessel utilization rate of more than 99%, while increasing the fleet operating days by 18% in 2008 over 2007, resulting in consistent and currently above market earnings in a volatile and significantly weakened charter market;

- Charter agreements. Securing charter agreements of over 99% of our available days in 2008 and 74% of our available days in 2009;

- Renegotiation of newbuilding contracts. The Company successfully renegotiated its agreement with Yanghzou Dayang Shipbuilding Co., Ltd., the Company's ship builder in China, which resulted in a reduction in the Company's capital expenditure obligations of approximately $313.0 without any additional material cost to the Company, while at the same time preserving the Company's growth potential and reducing the credit risk exposure and expense. The amendments to the ship building contracts with Yanghzou Dayang Shipbuilding Co., Ltd., included the following:

(1) converted eight charter-free Supramax shipbuilding contracts into options on the part of the Company;

(2) preserved 100% of the Company's approximately $47.4 million deposits for those eight newbuilding contracts and applied this amount to on-going construction; and

(3) rescheduled delivery for one of its charter free vessels from September 2009 to November 2010.

- Amendment of Revolving Credit Facility. During 2008 the Company was able to successfully amend its revolving credit facility to, among other things, modify the covenant to reduce the required minimum security value of its fleet and reduce the minimum net worth requirement for 2009.

- Charter default insurance. The Company successfully negotiated the extension of its charterers default insurance policy through July 2011. This insurance is valuable as it provides our revenues the backing of an investment grade underwriter. The Company believes that it is one of the few shipping companies that maintain charter default insurance. In light of recent volatility in the global economy and in drybulk charter markets in particular, the Company believes that it is unlikely that such a policy could be obtained by others at commercially attractive terms in the current market, and the Company's ability to maintain and extend such coverage provides its with a significant competitive advantage;

- Expansion of fleet. The Company successfully integrated three newbuilding and two secondhand vessels into its operating fleet during 2008, with each vessel currently under time charter; and

- Expansion and integration of multi-manager strategy. During 2008 the Company entered into an agreement with a third technical manager to provide technical management services to its vessels. The addition of this third technical manager allows the Company to further expand on its strategy of utilizing large, international third party managers to provide the Company with technical management services and to benefit from the economies of scale and competitive pricing afforded by these managers.

Elements of the Company's Executive Compensation Program

Profits interests in Eagle Ventures LLC

From the Company's inception through the closing of a secondary offering on January 9, 2007, the profits interests in Eagle Ventures LLC were a vehicle for incentivizing the Company's executive officers. As further discussed in the Company's reports filed with the SEC, the Company's Chairman and Chief Executive Officer, Sophocles N. Zoullas, and Chief Financial Officer, Alan S. Ginsberg, have benefited from the growth of the Company primarily through their profits interests in Eagle Ventures. Therefore, the Company did not issue any equity based incentives to its executives in 2005 or 2006.

These profits interests entitled our Chief Executive Officer to an economic interest of up to 12.5025%, and our Chief Financial Officer to an economic interest of up to 2.5005% on a fully diluted basis (assuming all profits interests were vested) in any appreciation in the value of the assets of Eagle Ventures (including shares of the Company common stock owned by Eagle Ventures when sold). These profits interests diluted only the interests of owners of Eagle Ventures, and did not dilute direct holders of the Company's common stock. However, the Company's statement of operations reflects non-cash charges for compensation related to the profits interests.

Base Salary

In 2008, our Chief Executive Officer's base salary was $875,000. In 2009, our Chief Executive Officer will receive $900,000 in base salary. In 2008, our Chief Financial Officer's base salary was $275,282. In 2009, our Chief Financial Officer will receive $450,000 in base salary. The Compensation Committee approved these salary increases because it believed that these executives contributed significantly to the growth and health of the Company as well as to bring them in line with competitive positions.

Cash Bonus

Please see discussion in "Compensation Committee Executive Officers Compensation Determinations," above, for discretionary factors taken into account in determining the cash bonus award, and for weighting given to these factors, as the Company does not have set performance targets with respect to cash bonuses. Our Chief Executive Officer received a bonus for 2008 of $4,000,000. The Compensation Committee approved this bonus because it believed that our Chief Executive Officer contributed significantly to the growth and health of the Company, while his base salary was within the range of those earned by similar executive officers at similar seaborne transportation companies. Our Chief Financial Officer received a bonus for 2008 of $900,000. Our Chief Financial Officer's bonus was recommended to the Compensation Committee by our Chief Executive Officer. The Compensation Committee approved this bonus because it believed that our Chief Financial Officer contributed significantly to the growth and health of the Company.

Special Awards

From time to time, the Company also makes special cash incentive awards, as deemed appropriate by the Compensation Committee. The purpose of these payments is to recognize significant individual contributions that would not, in the view of the Compensation Committee, be fully accounted for under our annual compensation determination. The amount of any special cash incentive award for executive officers is determined and approved by the Compensation Committee. Our Chief Executive Officer received a $4,000,000 special cash incentive award for 2008. The Compensation Committee approved this award because it believed that our Chief Executive Officer's role in arranging the Company's renegotiation of newbuilding contracts and negotiating the amendment of the revolving credit facility, each as discussed in more detail above under the heading "Compensation Committee Executive Officers Compensation Determinations", were exceptional.

Perquisites

Currently, the only perquisite provided by the Company to its executive officers is the payment of a $20,000 life insurance premium on behalf of our Chief Executive Officer of which our Chief Executive Officer's wife is the beneficiary. The Company may provide its executive officers with perquisites and other personal benefits that the Board of Directors and the Compensation Committee believe are reasonable and consistent with its overall compensation program to better enable the Company to attract and retain superior employees for key positions. The Compensation Committee will periodically review the levels of perquisites and other personal benefits provided to named executive officers.

Equity-Based and Other Long Term Incentive Compensation

The Company adopted the 2005 Stock Incentive Plan for the purpose of affording an incentive to eligible persons to increase their efforts on behalf of the Company and to promote the Company's success. The 2005 Stock Incentive Plan provides for the grant of equity-based awards, including stock options, stock appreciation rights, restricted stock, restricted stock units, stock bonuses, dividend equivalents and other awards based on or relating to the Company's common stock to eligible non-employee Directors, selected officers and other employees and independent contractors.

The 2005 Stock Incentive Plan is administered by the Compensation Committee, which has the sole discretion and authority to administer the plan and to exercise all the powers and authorities specifically granted to it under the plan, including, without limitation, the authority to: grant awards; determine the persons to whom and the time or times at which awards will be granted; determine the type and number of awards to be granted, the number of shares of stock or cash or other property to which an award may relate and the terms, conditions, restrictions and performance criteria relating to any award; determine whether, to what extent, and under what circumstances an award may be settled, cancelled, forfeited, exchanged, or surrendered; construe and interpret the plan and any award; prescribe, amend and rescind rules and regulations relating to the plan; determine the terms and provisions of award agreements; and make all other determinations deemed necessary or advisable for the administration of the plan.

The 2005 Stock Incentive Plan provides that, unless otherwise determined by the Compensation Committee or in an award agreement, upon a change of control (as defined in the 2005 Stock Incentive Plan) all restricted stock shall vest and all unexercisable stock options and stock appreciation rights shall become fully exercisable.

An aggregate of 2.6 million shares of the Company's common stock was authorized for issuance under the 2005 Stock Incentive Plan. No additional shares remain available for issuance, and the Company is seeking approval for its 2009 Equity Incentive Plan at this Annual Meeting. See "Proposal No. 3 – Approval of 2009 Equity Incentive Plan."

Through December 31, 2008, the Company granted, pursuant to its 2005 Stock Incentive Plan, our Chief Executive Officer options to purchase 225,000 shares of Company common stock and granted our Chief Financial Officer options to purchase 90,000 shares of Company common stock. The date of each grant was January 12, 2007, and the options have an exercise price of $17.80 per share of Company common stock, which was equal to the fair market value per share of the Company common stock on the grant date. Each of these options will terminate on January 12, 2017, and each of the options granted to our Chief Executive Officer and Chief Financial Officer vest in three equal annual installments, commencing one year from the date of grant, as follows:

Mr. S. Zoullas		Mr. Ginsberg	
Date	Options that Vest	Date	Options that Vest
January 12, 2008	75,000	January 12, 2008	30,000
January 12, 2009	75,000	January 12, 2009	30,000
January 12, 2010	75,000	January 12, 2010	30,000

Through December 31, 2008, the Company has granted, pursuant to its 2005 Stock Incentive Plan, our Chief Executive Officer an aggregate of 1,538,000 restricted stock units of the Company and granted our Chief Financial Officer an aggregate of 48,230 restricted stock units of the Company. The date of the grants of the restricted stock units were (i) October 4, 2007, with respect to 300,000 restricted stock units granted to our Chief Executive Officer and 40,000 restricted stock units granted to our Chief Financial Officer, (ii) December 12, 2007, with respect to 405,000 restricted stock units granted to our Chief Executive Officer and 8,230 restricted stock units granted to our Chief Financial Officer, and (iii) June 19, 2008 with respect to 833,333 restricted stock units granted to our Chief Executive Officer in consideration for the signing of a new five-year employment agreement. No award was made as part of 2008 annual compensation. Each restricted stock unit granted to our Chief Executive Officer and our Chief Financial Officer also entitles him to receive a dividend equivalent payment on the unvested portion of the underlying shares granted under the award, each time the Company pays a dividend to the Company's stockholders. Each of the restricted stock units granted to our Chief Executive Officer and our Chief Financial Officer on October 4 and December 12, 2007, vest in three annual equal installments and each of the restricted stock units granted to our Chief Executive Officer on June 19, 2008, vest in five annual equal installments, commencing one year from the date of grant, as follows:

Mr. S. Zoullas		Mr. Ginsberg	
Date	Restricted Stock Units that Vest	Date	Restricted Stock Units that Vest
October 4, 2008	100,000	October 4, 2008	13,333
December 12, 2008	135,000	December 12, 2008	2,743
June 19, 2009	166,666	October 4, 2009	13,333
October 4, 2009	100,000	December 12, 2009	2,743
December 12, 2009	135,000	October 4, 2010	13,334
June 19, 2010	166,667	December 12, 2010	2,744
October 4, 2010	100,000		
December 12, 2010	135,000		
June 19, 2011	166,667		
June 19, 2012	166,666		
June 19, 2013	166,667		

The Compensation Committee determined to grant these options and restricted stock units with this vesting schedule based on the belief that the options and restricted stock units would enhance the personal stake of the executive officers in the growth and success of the Company and provide an incentive for the executive officers' continued service to the Company. In determining both the number and vesting period of the options and restricted stock units, the Compensation Committee also considered practices at other seaborne transportation companies, to the extent such information is available.

On January 12, 2007, pursuant to the 2005 Stock Incentive Plan, the Company awarded our Chief Executive Officer 225,000 Dividend Equivalent Rights and awarded our Chief Financial Officer 90,000 Dividend Equivalent Rights. These rights entitle our Chief Executive Officer and our Chief Financial Officer to receive a Dividend Equivalent payment each time the Company pays a dividend to the Company's shareholders. The amount of the Dividend Equivalent payment is equal to the number of Dividend Equivalent Rights multiplied by the amount of the per share dividend paid by the Company on its stock on the date the dividend is paid. The dividend equivalent rights are contingent upon our Chief Executive Officer and our Chief Financial Officer remaining employed by the Company at the dividend payment date.

Section 162(m)

Section 162(m) of the Internal Revenue Code of 1986, as amended, or the Code, limits the deductibility of compensation to certain employees in excess of $1 million. Because the Company believes that it currently qualifies for the exemption pursuant to Section 883 of the Code, pursuant to which it is not subject to United States federal income tax on its shipping income (which comprised substantially all of its gross revenue in 2008), it has not sought to structure its compensation arrangements to qualify for exemption under Section 162(m).

REPORT OF THE COMPENSATION COMMITTEE

The Compensation Committee of the Board of Directors has reviewed and discussed the Compensation Discussion & Analysis with management and, based on that review and discussion, the Compensation Committee recommended to the Board of Directors that the Compensation Discussion & Analysis be included in this proxy statement and be incorporated by reference into the Company's Annual Report for the fiscal year ending December 31, 2008 on Form 10-K.

Submitted by the Compensation Committee of the Board of Directors:

Jon Tomasson, Chairman
Joseph M. Cianciolo, and
Forrest E. Wylie

2008 SUMMARY COMPENSATION TABLE

The following Summary Compensation Table sets forth the compensation of our executive officers, or the named executive officers, for the fiscal years ending on December 31, 2006, 2007 and 2008.

Name & Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)(1)(2)	Option Awards ($)(3)	Non-equity incentive plan compensation ($)	Change in pension value And nonqualified deferred compensation earnings ($)	All Other Compensation (including special cash incentive award) ($)(4)	Total ($)
Sophocles N. Zoullas Chairman and Chief Executive Officer	2008	$ 875,000	$ 4,000,000	$ 9,063,493	$ 140,150	—	—	$ 6,663,333(5)	$ 20,741,976
	2007	$ 719,210	—	$ 2,933,073	$ 180,188	—	—	$ 615,500(5)	$ 4,447,971
	2006	$ 678,500	$ 100,000	$ 9,767,580	—	—	—	$ 20,000(5)	$ 10,566,080
Alan S. Ginsberg Chief Financial Officer	2008	$ 275,282	$ 900,000	$ 441,543	$ 56,060	—	—	$ 269,794	$ 1,942,679
	2007	$ 259,700	$ 225,000	$ 526,320	$ 72,075	—	—	$ 198,200	$ 1,281,295
	2006	$ 245,000	$ 150,000	$ 1,953,516	—	—	—	—	$ 2,348,516

(1) The amounts shown in this column represent the compensation expense of profits interests (as described below) which were held by the named executive officers in 2007, as recognized for financial reporting purposes under FAS 123(R) (but disregarding estimates of forfeitures for

service-based vesting) in 2007. See notes to our audited financial statements included in our 2007 Annual Report on Form 10-K for the assumptions we used in valuing and expensing these profits interests in accordance with FAS 123(R). This compensation expense relates to profits interests awarded to the named executive officers by Eagle Ventures LLC. These profits interests entitled holders to an economic interest of up to 12.50% for our Chief Executive Officer and 2.50% for our Chief Financial Officer, on a fully diluted basis (assuming all profits interests were vested) in any appreciation in the value of the assets of Eagle Ventures LLC (including shares of the Company's common shares owned by Eagle Ventures LLC when sold). These profits interests diluted only the interests of the owners of Eagle Ventures LLC, and did not dilute the direct holders of the Company's common shares. On January 9, 2007, Eagle Ventures, sold 7,202,679 shares of the Company's common shares in a secondary offering. The Company did not receive any proceeds from this offering. Based on the discretion of the compensation committee of Eagle Ventures exercised in accordance with the Fifth LLC Agreement, Eagle Ventures redeemed and retired the common interests held by certain members in full liquidation of the common interests held such members. The remaining proceeds received by Eagle Ventures were retained and distributed as determined by the compensation committee of Eagle Ventures. The distributions of the remaining cash proceeds, and the proceeds received from the sale of the 127,778 common shares held by Eagle Ventures, were distributed to the remaining members of Eagle Ventures, including the named executive officers, in accordance with the Fifth LLC Agreement, as modified by the permitted discretion of the compensation committee of Eagle Ventures reflected in an amendment to the Fifth LLC Agreement. In particular, Eagle Ventures retained $13,733,491 in cash, plus future accrued interest thereon, in respect of our Chief Executive Officer's profits interests and $2,961,868, plus future accrued interest thereon, in respect of our Chief Financial Officer's profits interests. Further, Eagle Ventures retained 90,133 common shares in respect of our Chief Executive Officer's profits interests and 19,439 common shares in respect of our Chief Financial Officer's profits interests.

(2) The amounts shown in this column, in addition to the compensation expense of profits interest, if any, represent the aggregate dollar amount recognized for financial reporting purposes under FAS 123(R) for fiscal years 2007 and 2008 for all outstanding awards, which in this case consists of the restricted stock units granted to our Chief Executive Officer and Chief Financial Officer on October 4 and December 12, 2007, the restricted stock units granted to our Chief Executive Officer on June 19, 2008. Estimates of forfeitures for service-based vesting are disregarded. See notes to our audited financial statements included in our 2008 Annual Report on Form 10-K for the assumptions used.

(3) The amounts shown in this column represent the aggregate dollar amount recognized for financial reporting purposes under FAS 123(R) for fiscal year 2007 for all outstanding awards, which in this case consists of the stock options granted to our Chief Executive Officer and Chief Financial Officer on January 12, 2007. Estimates for forfeitures for service-based vesting are disregarded. See notes to our audited financial statements included in our 2007 Annual Report on Form 10-K for the assumptions used.

(4) This amount includes the cash received in 2007 and 2008 with respect to "dividend equivalent rights" held. These rights entitle the holder to receive a dividend equivalent payment each time the Company pays a dividend to the Company's shareholders. The amount of the dividend equivalent payment is equal to the number of dividend equivalent rights multiplied by the amount of the per share dividend paid by the Company on its stock on the date the dividend is paid. The dividend equivalent rights are contingent upon continued employment with the Company. This amount also includes the special cash incentive award of $4.0 million paid to the Company's Chief Executive Officer for 2008.

(5) $20,000 of All Other Compensation for our Chief Executive Officer represents the cost paid by the Company for our Chief Executive Officer's life insurance, in accordance with the terms of his employment agreement.

The material terms of our Chief Executive Officer's employment agreement are summarized below in the section entitled "Potential Payments Upon Termination or Change of Control." Other elements of the Summary Compensation Table are discussed in the Compensation Discussion & Analysis above.

2008 Grants of Plan-Based Awards

The following table summarizes grants of plan-based awards made to named executive officers during the fiscal year ended December 31, 2008:

Name	Grant Date	All Other Stock Awards: Number of Shares of Stock or of Units (#) (1)	All Other Option Awards: Number of Securities Underlying Options (#)	Exercise or Base Price of Option Awards ($/Sh)	Grant Date Fair Value of Stock Awards (2)
Sophocles N. Zoullas Chairman and Chief Executive Officer	June 19, 2008	833,333	—	—	$24,249,990

(1) During the fiscal year ended December 31, 2008, the Company granted, pursuant to the Eagle Bulk Shipping Inc. 2005 Stock Incentive Plan, our Chief Executive Officer an aggregate of 833,333 restricted stock units granted on June 19, 2008, in consideration for the signing of a new five-year employment agreement. Each of the restricted stock units granted to our Chief Executive Officer during the fiscal year ended December 31, 2008 vest in five equal annual installments, commencing one year from the date of grant. No award was made as part of 2008 annual compensation.

(2) The amounts shown in this column represent the grant date fair value under FAS 123(R) of the respective grant. For a discussion of assumptions used for FAS 123(R), see notes to our audited financial statements included in our 2008 Annual Report on Form 10-K.

See the Compensation Discussion & Analysis above regarding additional material terms of grants.

Outstanding Equity Awards at Fiscal 2008 Year End

The following table summarizes the equity awards held by the named executive officers as of December 31, 2008:

Name	Date	Option Awards (1)				Stock Awards (2)	
		Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Un-exercisable	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($)
Sophocles N. Zoullas	January 12, 2007	75,000 (1)	150,000 (1)	$17.80	January 12, 2017		
Chairman and Chief Executive Officer	October 4, 2007 December 12, 2007					200,000 (2)	$1,364,000