# Form **8937**(December 2017) Department of the Treasury Internal Revenue Service

### Report of Organizational Actions Affecting Basis of Securities

► See separate instructions.

OMB No. 1545-0123

Part I Reporting	Issuer			
1 Issuer's name				2 Issuer's employer identification number (EIN)
SAFE BULKERS, INC  3 Name of contact for ac	Iditional information	98-0614567  5 Email address of contact		
3 Name of contact for ac	iditional information	4 releption	e No. of contact	5 Email address of contact
Nicolas Bornozis		safebulkers@capitallink.com		
6 Number and street (or	P.O. box if mail is not	7 City, town, or post office, state, and ZIP code of contact		
230 Park Avenue, Suite 1	536	New York, N.Y. 10169		
8 Date of action		9 Class	sification and description	
February 20, 2018  10 CUSIP number	11 Serial number		d Stock Series B 12 Ticker symbol	13 Account number(s)
10 COSIP Humber	11 Serial number	(5)	12 Ticker Symbol	13 Account number(s)
Y7388L103			SB	
	ional Action Atta	ch additiona		ee back of form for additional questions.
				ate against which shareholders' ownership is measured for
the action ► See at				
15 Describe the quantita	ative effect of the orga	anizational act	ion on the basis of the secu	rity in the hands of a U.S. taxpayer as an adjustment per
	tage of old basis $\triangleright$ S			
	_			
16 Describe the calculate	tion of the change in I	nasis and the	data that supports the calcu	lation, such as the market values of securities and the
valuation dates ► Se			data triat supports trio suisa	indiciti, such as the market values of socialities and the
36	e attached Statemer			

Par	t II	Organizational Action (continued)				
17	List	t the applicable Internal Revenue Code section(s	s) and subsection(s) upon which the tax tr	eatment is based ▶	See attached statement	
18 Can any resulting loss be recognized? ► See attached statement						
19	Pro	ovide any other information necessary to implem	ent the adjustment, such as the reportabl	e tax year ► See att	ached statement	
		Under penalties of perjury, I declare that I have exami	ined this return, including accompanying scheo	lules and statements, a	and to the best of my knowledge and	
٥.		belief, it is true, correct, and complete. Declaration of p	oreparer (other than officer) is based on all information	nation of which prepare	er nas any knowledge.	
Sign					2010	
Here	9	Signature ►		Date ► March 21,	2018	
		Print your name ► Konstantinos Adamopoulos	Preparer's signature	Title ► Chief Finar	ncial Officer	
Paid Prepa Use O		1 C	i reparer o orginature	March 26, 2040	Check if PTIN	
					self-employed P01621897	
		rnly Firm's name ► Flott & Co. PC Firm's address ► PO Box 17655, Arlingto	nn VA 22216 7655		Firm's EIN ► 54-1833719 Phone no. (703) 525-5110	
Send	venue Service, Ogde					

Safe Bulkers, Inc. 98-0614567

## Attachment to Form 8937 Report of Organizational Actions Affecting Basis of Securities

Disclaimer: This Form 8937 and its attachment do not constitute tax advice. Neither document analyzes any specific Shareholder's facts and circumstances. Shareholders should seek independent counsel from qualified tax advisors regarding the U.S. tax consequences of the transaction described in this statement and its impact on their U.S. taxes.

#### Form 8937, Part II, Line 14

On January 19, 2018 ("Redemption Notice Date"), Safe Bulkers, Inc. ("SB") announced a redemption ("Redemption") of all outstanding 8.00% Series B Cumulative Redeemable Perpetual Preferred Shares ("Series B Preferred Shares"). Pursuant to the Redemption, for each Series B Share a shareholder (a "Shareholder") owns the Shareholder shall receive \$25.00 ("Redemption Price") plus all accumulated and unpaid dividends to, but excluding, February 20, 2018 ("Redemption Date"). As of the Redemption Date the Series B Preferred Shares shall no longer be deemed outstanding, and all rights of the Shareholders will terminate, except the right to receive the Redemption Price.

There were 379,514 Series B Preferred Shares outstanding as of Redemption Notice Date.

In the aggregate, the Redemption resulted in a cash payment of \$9,532,128 for the redeemed Series B Preferred Shares.

#### Form 8937, Part II, Line 15

The Redemption may be a sale or exchange within the meaning of section 302(b) of the Internal Revenue Code ("the Code") if the Redemption, for a particular Shareholder: (1) is not "essentially equivalent to a dividend"; (2) is a distribution that "is substantially disproportionate with respect to the shareholder"; or (3) "is in complete redemption of all of the stock of the corporation owned by the shareholder". Since the determination of the treatment as a sale or exchange under the Code depends on each Shareholder's facts and circumstances, Shareholders are advised to consult with their own qualified tax advisors to determine the appropriate tax consequences for them.

#### Form 8937, Part II, Line 16

Shareholders may recognize a gain or loss on the Redemption. Each Shareholder must determine their adjusted tax basis to calculate whether there is a recognized gain or loss. Each Shareholder should consult with their qualified tax advisor to determine their specific tax consequences of the Redemption.

#### Fair Market Value:

As of the Redemption Notice Date, SB asserts that the FMV of the Series B Preferred Shares was \$25.00 per share.

#### Form 8937, Part II, Line 17

The relevant sections of the Code are; 301, 302, 317, and 1001.

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#### Form 8937, Part II, Line 18

The Redemption may result in a recognizable loss to U.S. Shareholders for federal tax purposes if the Shareholder's adjusted basis in the redeemed shares exceeds the net proceeds received from the Redemption.

#### Form 8937, Part II, Line 19

SB does not provide tax advice to its Shareholders. The explanation in this statement is neither intended nor written to be used, and cannot be used, for purposes of avoiding any penalties under the Code. The explanation does not purport to be a complete explanation of the tax consequences for any individual Shareholder, including the possibility of applying different methods for determining a Shareholder's tax basis

The reportable tax year is calendar year 2018.