Star Bulk Carriers Corp.
Form 6-K
December 18, 2009

FORM 6-K

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13A-16 OR 15D-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934

For the month of December 2009

Commission File Number:

Star Bulk Carriers Corp.
(Translation of registrant's name into English)

7, Fragoklisias Street, 2nd floor, Maroussi 151 25, Athens, Greece
(Address of principal executive office)

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

Form 20-F [X] Form 40-F [_]

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

Note: Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

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

Note: Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submitted to furnish a report or other document that the registrant foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant's "home country"), or under the rules of the home country exchange on which the registrant's securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant's security holders, and, if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

INFORMATION CONTAINED IN THIS FORM 6-K REPORT

Attached hereto as Exhibit 1 is Management's Discussion and Analysis of Financial Condition and Results of Operation and the unaudited interim condensed consolidated financial statements and related information and data of Star Bulk Carriers Corp. as of and for the nine months ended September 30, 2009.

Exhibit 1

MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following is a discussion of our financial condition and results of operations for the nine months ended September 30, 2009 and 2008. Unless otherwise specified herein, references to the "Company," "we," "us," or "our" shall include Star Bulk Carriers Corp. and its subsidiaries. You should read the following discussion and analysis together with the financial statements and related notes included elsewhere in this report. For additional information relating to our management's discussion and analysis of financial condition and results of operation, please see our annual report on Form 20-F for the year ended December 31, 2008, which was filed with the U.S. Securities and Exchange Commission, or the Commission, on April 16, 2009. This discussion includes forward-looking statements which, although based on assumptions that we consider reasonable, are subject to risks and uncertainties which could cause actual events or conditions to differ materially from those currently anticipated and expressed or implied by such forward-looking statements.

Overview

We are an international company providing worldwide transportation of drybulk commodities through our vessel-owning subsidiaries for a broad range of customers of major and minor bulk cargoes including iron ore, coal, grain, cement and fertilizer. We were incorporated in the Marshall Islands on December 13, 2006 as a wholly-owned subsidiary of Star Maritime Acquisition Corp., or Star Maritime. On November 30, 2007, we merged with and into Star Maritime with Star Bulk being the surviving entity and commenced operations on December 3, 2007, which was the date we took delivery of our first vessel. We refer to this merger throughout this report as the "Redomiciliation Merger."

Our Fleet

We own and operate a fleet of 12 vessels consisting of four Capesize and eight Supramax drybulk carriers with an average age of 10.7 years and a combined cargo carrying capacity of approximately 1.1 million dwt. Our fleet carries a variety of drybulk commodities including coal, iron ore, and grains, or major bulks, as well as bauxite, phosphate, fertilizers and steel products, or minor bulks. We charter all of our vessels on medium- to long-term time charters with terms of approximately one to five years, other than the Star Alpha, which is currently employed under a freight contract and Star Ypsilon which is currently employed on a time charter for a minimum of five months and a maximum of seven months. In addition, on January 20, 2009, we entered into a contract of affreightment, or COA, with Companhia Vale do Rio Doce, or Vale. Under the terms of the COA, we expect to transport approximately 700,000 metric tons of iron ore between Brazil and China in four separate Capesize vessel shipments. As of December 7, 2009, we successfully completed three of the four shipments under the COA. In November 2009, we chartered-in a Capesize vessel from a third party for a minimum of five months and a maximum of seven months at a gross daily rate of $50,000 to complete the fourth shipment under the COA.

The following table presents summary information concerning our fleet as of December 17, 2009:

Vessel Name	Vessel Type	Size (dwt.)	Year Built		DailyGross Hire Rate	Type/ Maximum Remaining Term
Star Alpha (1)	Capesize	175,075	1992		N/A	Spot
Star Beta (2)	Capesize	174,691	1993	$	32,500	Time charter/ 0.4 years
Star Gamma	Supramax	53,098	2002	$	38,000	Time charter/ 2.0 years
Star Delta (3)	Supramax	52,434	2000	$	11,250/14,000	Time charter/ 0.1/2.0 year
Star Epsilon (4)	Supramax	52,402	2001	$	16,000	Time charter/ 0.9 years
Star Zeta	Supramax	52,994	2003	$	42,500	Time charter/ 1.3 years
Star Theta (5)	Supramax	52,425	2003	$	11,300	Time charter/ 0.4 year
Star Kappa (6)	Supramax	52,055	2001	$	14,500	Time charter/ 1.9 years
Star Sigma (7)	Capesize	184,403	1991	$	38,000	Time charter/ 4.0 years
Star Omicron	Supramax	53,489	2005	$	43,000	Time charter/ 1.1 years
Star Cosmo	Supramax	52,247	2005	$	35,615	Time charter/ 1.2 years
Star Ypsilon(8)	Capesize	150,940	1991	$	43,250	Time charter/ 0.2 years

1. During January 2009, the Star Alpha underwent unscheduled repairs which resulted in a 25 day off-hire period. Following the completion of repairs, Star Alpha was redelivered to us by its charterers approximately one month prior to the earliest redelivery date allowed under the time charter agreement. Prior to the redelivery, arbitration proceedings had commenced pursuant to disputes that had arisen with the charterers of Star Alpha. The disputes relate to vessel performance characteristics and hire. The arbitration panel is also handling additional proceedings between third parties that sub-chartered the vessel. We notified the charterers of the vessel that we intend to seek additional damages in connection with the early redelivery of Star Alpha in the current arbitration proceedings.

   On July 21, 2009, we entered into agreements to sell the Star Alpha to an unaffiliated third party for a contracted sales price of approximately $19.9 million. As of September 30, 2009, we classified the Star Alpha as an asset held for sale and as a result recorded an impairment loss of $75.1 million during the nine months ended September 30, 2009. We expect to deliver the vessel to its purchasers in December 2009.

2. On February 10, 2009, we entered into a new time charter agreement for the Star Beta, for a minimum of 13 months and a maximum of 15 months, at a gross daily rate of $32,500. The vessel was delivered to the new charterer on February 14, 2009. On September 13, 2009, we chartered-in the vessel from its charterer to serve the third shipment under the COA described above. The Star Beta completed the third shipment under the COA in the fourth quarter of 2009.

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3. On January 30, 2009, we entered into a new time charter agreement for the Star Delta for a minimum of 11 months and a maximum of 13 months, at a gross daily rate of $11,250. The vessel was delivered to the new charterer on February 7, 2009. On October 8, 2009, we agreed with the current charterers of the Star Delta to an additional two year time charter agreement, which is scheduled to commence immediately following the current time charter, at a gross daily rate of $14,000.

4. On April 3, 2009, we entered into a new time charter agreement for the Star Epsilon with the existing charterer, for a minimum of 63 months and a maximum of 65 months, at a gross daily rate of $25,500. The new time charter agreement was effective as of April 12, 2009 and replaced the existing charter dated April 30, 2008, which was for a minimum of 59 months and a maximum of 61 months, at a gross daily rate of $32,400. In November 2009, we withdrew the vessel from its charterer's service due to repudiatory breach of the time charter contract by the charterer. We commenced arbitration proceedings against the charterers in London to pursue damages arising from such breach, which will include loss of hire. On November 6, 2009, we entered into a new one-year time charter agreement for the Star Epsilon with a charterer, at a gross daily rate of $16,000.

5. On April 17, 2009, we entered into a new time charter agreement for the Star Theta, for a minimum of 11 months and a maximum of 13 months, at a gross daily rate of $11,300. The vessel was delivered to the new charterer on May 17, 2009.

6. On April 3, 2009, we entered into a new time charter agreement for the Star Kappa with the existing charterer, for a minimum of 63 months and a maximum of 65 months, at a gross daily rate of $25,500. The new time charter agreement was effective as of April 7, 2009 and replaced the existing charter dated September 20, 2007, which was for a minimum of 35 months and a maximum of 37 months, at a gross daily rate of $47,800. In November 2009, we withdrew the vessel from its charterer's service due to repudiatory breach of the time charter contract by the charterer. We commenced arbitration proceedings against the charterers in London to pursue damages arising from such breach, which will include loss of hire. On November 6, 2009, we entered into a new two year time charter agreement for the Star Kappa with a new charterer, at a gross daily rate of $14,500.

7. On May 21, 2009, we amended the existing time charter agreement for the Star Sigma with the existing charterer, to a minimum of 56 months and a maximum of 61 months, at a gross daily rate of $38,000. The new time charter agreement was effective as of May 1, 2009 and replaces the existing charter dated March 6, 2008, which was for a minimum of 36 months and a maximum of 41 months, at an average daily rate of $63,000. In addition, the amended time charter agreement includes an index-based profit sharing arrangement effective as of March 1, 2012, pursuant to which the charterer is obligated to pay us, in addition to the above daily rate, 50% of the amount by which the Baltic Capesize Index rate exceeds $49,000.

8. On July 29, 2009, we entered into a new time charter agreement for the Star Ypsilon, for a minimum of five months and a maximum of seven months, at a gross daily rate of $43,250.

RECENT DEVELOPMENTS

Since our inception, we subcontracted the technical and crew management of all of our vessels other than Star Cosmo to Bernard Schulte Shipmanagement Ltd., or BSS. Since March 14, 2009, Starbulk S.A., our wholly owned subsidiary, gradually started to provide in-house technical management to our vessels. By November 6, 2009, Starbulk S.A. provided the technical management to all of the vessels previously managed by BSS (i.e., all of our vessels other than the Star Cosmo).

On November 16, 2009, with the consent of our lenders, we declared a dividend of $0.05 per outstanding share of our common stock for the three months ended September 30, 2009, which was paid on or about December 4, 2009, to shareholders on record as of November 27, 2009.

On November 23, 2009 at our annual meeting of shareholders, our shareholders voted to approve an amendment to our Amended and Restated Articles of Incorporation increasing the number of common shares that we are authorized to issue from 100 million registered common shares, par value $0.01 per share, to 300 million registered common shares, par value $0.01 per share.

In addition, our shareholders voted to approve an amendment to our Amended and Restated Articles of Incorporation as set forth below that would grant the Chairman of our Board of Directors a tie- breaking vote in the event the Board vote is evenly split or deadlocked on a matter presented for vote. The Marshall Islands Business Corporations Act, or BCA, does not currently provide for granting the Chairman a tie-breaking vote where, as in the Company's case, there is only one class of shares outstanding. However, there is a proposed amendment to the BCA pending before the current Session of the Marshall Islands legislature which would allow the granting of such tie-breaking vote to the Chairman. This amendment mirrors and is drawn from a similar existing provision in the Delaware General Corporation Law. The Board has deferred authorizing the necessary actions to effect such amendment to our Amended and Restated Articles of Incorporation until such time as the BCA has been amended to permit such amendment.

The text of the proposed amendment to our Amended and Restated Articles of Incorporation is set forth below.

"To the fullest extent permitted by law, the Chairman of the Corporation's Board of Directors shall be entitled, in his or her sole discretion, to cast an additional vote in any situation where the votes of directors (including the first vote of the Chairman and abstentions, if any) are evenly split on a matter, including, without limitation, if such even split results from:

(a) a vote of the entire membership of the Board of Directors;

(b) a vote of the Directors constituting a quorum at a meeting of the Board of Directors, or

(c) a vote of Directors actually voting at a meeting of the Board of Directors."

RECENT DEVELOPMENTS IN OUR INDUSTRY

The Baltic Dry Index, or BDI, a daily average of charter rates in 26 shipping routes measured on a time charter and voyage basis and covering Supramax, Panamax, and Capesize drybulk carriers, declined from a high of 11,793 in May 2008 to a low of 663 in December 2008, which represents a decline of 94%. Since December 2008, the BDI has risen to 3,474 through December 16, 2009, representing an increase of 424%, although it remains approximately 71% below its record highs. The general decline in the drybulk carrier charter market has resulted in lower charter rates for vessels exposed to the spot market and time charters linked to the BDI. One of our renegotiated charter parties includes index profit sharing agreements effective after March 2012. Furthermore, our ability to obtain renewal charters upon the expiration of our current charters or charters for new vessels that we may acquire in the future will be directly impacted by prevailing BDI charter rates. The charters for four of our vessels are scheduled to expire between February and November 2010, and the time charters for half of our vessels provide for rates significantly lower than the rates previously achieved by us. Please see fleet employment data contained under the heading "Our Fleet."

Drybulk carrier values have also declined both as a result of a slowdown in the availability of global credit and the significant deterioration in charter rates. Charter rates and vessel values have been affected in part by the lack of availability of credit to finance both vessel purchases and purchases of commodities carried by sea, resulting in a decline in cargo shipments, and the excess supply of iron ore in China which resulted in falling iron ore prices and increased stockpiles in Chinese ports. There can be no assurance as to how long charter rates and vessel values will remain at their current low levels or whether the recent improvement will continue. Charter rates may remain at low levels for some time which will adversely affect our revenue and profitability and could further affect compliance with the covenants in our loan agreements.

Recent developments in the drybulk charter market and credit markets have also resulted in additional risks. The occurrence of one or more of these risk factors would adversely affect our results of operations or financial condition.

RISK FACTORS

Investing in our common shares involves risks. Set forth below are updated or additional risk factors which should be read together with the risk factors beginning on page 4 of our annual report on Form 20-F for the year ended December 31, 2008, which was filed with the Commission on April 16, 2009 and the risk factors beginning on page 6 of our registration statement on Form F-3/A, which was filed with the Commission on February 12, 2009.

Industry Specific Risk Factors

An over-supply of drybulk carrier capacity may prolong or further depress the current low charter rates and, in turn, adversely affect our profitability

The market supply of drybulk carriers has been increasing, and the number of drybulk carriers on order is near historic highs. These newbuildings were delivered in significant numbers starting at the beginning of 2006 and continued to be delivered in significant numbers through 2008. Although many newbuildings cancellations occurred in 2009, a significant number of newbuildings continued to be delivered in 2009. As of November 1, 2009, newbuilding orders had been placed for an aggregate of about 62% of the current global drybulk fleet, with deliveries expected during the next 48 months. According to market sources about 50% of the drybulk fleet is contracted at established yards, while the other 50% is contracted at yards that are less established and whose viability may be uncertain. Due to lack of financing many analysts expect significant cancellations and slippage of newbuilding orders. While vessel supply will continue to be affected by the delivery of new vessels and the removal of vessels from the global fleet, either through scrapping or accidental losses, an over-supply of drybulk carrier capacity, particularly in conjunction with the currently low level of demand, could exacerbate the recent decrease in charter rates or prolong the period during which low charter rates prevail. If the current low charter rate environment persists, or a further reduction occurs, during a period when the current charters for our drybulk carriers expire or are terminated, we may only be able to recharter those vessels at reduced rates or we may not be able to charter our vessels at all. The charters for four of our vessels expire in 2010.

Company Specific Risk Factors

Our lenders have imposed a restriction on our dividend payments under the terms of our waiver agreements

As a result of restrictions imposed by our lenders, including the restriction on dividend payments under the terms of our waiver agreements, we may not be able to pay dividends.

We previously paid regular dividends on a quarterly basis from our operating surplus, in amounts that allowed us to retain a portion of our cash flows to fund vessel or fleet acquisitions, and for debt repayment and other corporate purposes, as determined by our management and board of directors. Under the terms of our waiver agreements with our lenders, payment of dividends and repurchases of our shares and warrants are subject to the prior written consent of our lenders.

In June 2009, with the consent of our lenders, we declared a dividend of $0.05 per outstanding share of our common stock for the three months ended June 30, 2009 which was paid on or about July 14, 2009 to shareholders as of record on July 7, 2009. Our lenders have consented to our declaration and payment of this quarterly dividend.

In November 2009, with the consent of our lenders, we declared a dividend of $0.05 per outstanding share of our common stock for the three months ended September 30, 2009, which was paid on or about December 4, 2009 to shareholders of record as of November 27, 2009.

In addition, the payment of any future dividends will be subject at all times to the discretion of our board of directors and the consent of our lenders. The timing and amount of dividends will depend on our earnings, financial condition, cash requirements and availability, fleet renewal and expansion, restrictions in our loan agreements, the provisions of Marshall Islands law affecting the payment of dividends and other factors. Marshall Islands law generally prohibits the payment of dividends other than from surplus or while a company is insolvent or would be rendered insolvent upon the payment of such dividends, or if there is no surplus, dividends may be declared or paid out of net profits for the fiscal year in which the dividend is declared and for the preceding fiscal year.

Substantial debt levels could limit our flexibility to obtain additional financing or pursue other business opportunities

As of December 17, 2009, we had outstanding indebtedness of $247.3 million and we expect to incur additional indebtedness as we continue to grow our fleet. Currently, we do not have any additional borrowing capacity under our existing loan facilities. This level of debt could have important consequences to us, including the following:

- we may not be able to obtain additional financing, if necessary, for working capital, capital expenditures, acquisitions or other purposes may be impaired or such financing may be unavailable on favorable terms;

- we may need to use a substantial portion of our cash from operations to make principal and interest payments on our debt, reducing the funds that would otherwise be available for operations, future business opportunities and dividends to our shareholders;

- our debt level could make us more vulnerable than our competitors with less debt to competitive pressures or a downturn in our business or the economy generally; and

- our debt level may limit our flexibility in responding to changing business and economic conditions.

Our ability to service our debt will depend upon, among other things, our future financial and operating performance, which will be affected by prevailing economic conditions and financial, business, regulatory and other factors, some of which are beyond our control. If our operating income is not sufficient to service our current or future indebtedness, we will be forced to take actions such as reducing or delaying our business activities, acquisitions, investments or capital expenditures, selling assets, restructuring or refinancing our debt or seeking additional equity capital. We may not be able to effect any of these remedies on satisfactory terms, or at all. In addition, a lack of liquidity in the debt and equity markets could hinder our ability to refinance our debt or obtain additional financing on favorable terms in the future.

The failure of our charterers to meet their obligations under our time charter agreements, on which we depend for substantially all of our revenues, could cause us to suffer losses or otherwise adversely affect our business

As of December 17, 2009, we employed all of our vessels under time charter agreements with an average remaining duration of approximately 1.4 years, other than the Star Alpha, which was employed under a freight contract. For the nine month period ended September 30, 2009, 69% of our voyage revenues were generated from five charterers. The ability and willingness of each of our counterparties to perform its obligations under a time charter agreement with us will depend on a number of factors that are beyond our control and may include, among other things, general economic conditions, the condition of the drybulk shipping industry and the overall financial condition of the counterparties. Charterers are sensitive to the commodity markets and may be impacted by market forces affecting commodities such as iron ore, coal, grain, and other minor bulks. In addition, in these depressed market conditions, certain charterers, including some of our charterers, are renegotiating the terms of the charters or defaulting on their obligations under the charters. The time charters for two of our vessels provide for charter rates that are significantly above market rates as of December 17, 2009. Should a counterparty fail to honor its obligations under agreements with us, it may be difficult to secure substitute employment for such vessel, and any new charter arrangements we secure in the spot market or through a time charter would be at lower rates because of the currently depressed drybulk carrier charter rate levels. If our charterers fail to meet their obligations to us or attempt to renegotiate our charter agreements, we could sustain significant losses which could have a material adverse effect on our business, financial condition, results of operations and cash flows, as well as our ability to pay dividends, if any, in the future. The Star Epsilon and the Star Kappa were previously time chartered until 2014. We withdrew both of the vessels from their charterers' service because of the charterers' repudiatory breach of time charter agreements. We have commenced arbitration proceedings against the vessels' charterers in London to pursue damages arising from such breach, which will include the loss of hire.

Our earnings may be adversely affected if we do not successfully employ our vessels

Our strategy is to employ our vessels on fixed rate period charters. Five of our charters, including one of our COAs with Vale, expire in 2010, four of our charters and our new COA with Vale expire in 2011, two of our charters expire in 2012 and one of our charters expires thereafter. Currently, prevailing drybulk carrier charter rates are significantly lower than those provided for in two of our existing charter agreements. In the past, charter rates for vessels have declined below operating costs of vessels. If our vessels become available for employment in the spot market or under new period charters during periods when charter rates are at depressed levels, such as the current charter market, we may have to employ our vessels at depressed charter rates, if we are able to secure employment for our vessels at all, which would lead to reduced or volatile earnings. If in the future we charter our vessels at depressed levels, our vessels' operation may be less profitable or not profitable at all and we may be unable to repay our debt.

We may be unable to renew our waivers

In March 2009, we entered into agreements with our lenders to obtain waivers for certain covenants including minimum asset coverage covenants contained in our loan agreements that expire in early 2010. Please see "Item 5.Operating and Financial Review and Prospects – Liquidity and Capital Resources – Senior Secured Credit Facilities." of our annual report on Form 20-F for the year ended December 31, 2008, which was filed with the Commission on April 16, 2009.

If we are not in compliance with our covenants and we are not able to obtain additional covenant waivers or modifications, our lenders could require us to post additional collateral, enhance our equity and liquidity, increase our interest payments or pay down our indebtedness to a level where we are in compliance with our loan covenants, sell vessels in our fleet, or they could accelerate our indebtedness, which would impair our ability to continue to conduct our business. If our indebtedness is accelerated, we might not be able to refinance our debt or obtain additional financing and could lose our vessels if our lenders foreclose their liens. In addition, if we find it necessary to sell our vessels at a time when vessel prices are low, we will recognize losses and a reduction in our earnings, which could affect our ability to raise additional capital necessary for us to comply with our loan agreements.

Operating Results

Factors Affecting Our Results of Operations

We charter all of our vessels on medium- to long-term time charters with terms of approximately one to five years, other than the Star Alpha, which was employed under a freight contract, and the Star Ypsilon which is currently employed on a time charter for a minimum of five months and maximum of seven months. Under our time charters, the charterer typically pays us a fixed daily charterhire rate and bears all voyage expenses, including the cost of bunkers (fuel oil) and port and canal charges. We remain responsible for paying the chartered vessel's operating expenses, including the cost of crewing, insuring, repairing and maintaining the vessel, the costs of spares and consumable stores, tonnage taxes and other miscellaneous expenses, and we also pay commissions to affiliated and unaffiliated ship brokers and to in-house brokers associated with the charterer for the arrangement of the relevant charter. COAs relate to the carriage of multiple cargoes over the same route and enable the COA holder to nominate different ships to perform individual voyages. Essentially, it constitutes a number of voyage charters to carry a specified amount of cargo during the term of the COA, which usually spans at least one year. All of the vessel's operating, voyage and capital costs are borne by the ship owner. The freight rate is generally set on a per cargo ton basis. Although the vessels in our fleet are primarily employed on medium- to long-term time charters ranging from one to five years, we may employ these and additional vessels under COAs, bareboat charters, in the spot market or in drybulk carrier pools in the future.

We believe that the important measures for analyzing trends in our results of operations consist of the following:

- Average number of vessels is the number of vessels that constituted our fleet for the relevant period, as measured by the sum of the number of days each vessel was a part of our fleet during the period divided by the number of calendar days in that period.

- Ownership days are the total calendar days each vessel in the fleet was owned by us for the relevant period.

- Available days are the total calendar days the vessels were in our possession for the relevant period after subtracting for off-hire days with major repairs drydocking or special or intermediate surveys