

DryShips Inc.

Capital Link

Invest in International Shipping Forum



NASDAQ: "DRYS"

March 25th, 2010

Forward Looking Statements

Matters discussed in this presentation may constitute forward-looking statements. Forward-looking statements reflect the Company's current views with respect to future events and financial performance and may include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts.

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

Risks and uncertainties are further described in reports filed by DryShips Inc. with the US Securities and Exchange Commission.



Company Overview

- Owner and operator of 39 dry bulk vessels and 2 drilling rigs
 - Dry bulk vessels include 7 Capesize, 30 Panamax (including 2 newbuildings) and 2 Supramax vessels, with a combined deadweight tonnage of over 3.5 million tons
 - Four newbuilding UDW drillships to be delivered by Q3 2011
- Transports “major” dry bulk commodities, such as iron ore, coal and grains and “minor bulks”, such as bauxite, phosphate, fertilizers and steel products
- Drilling rig assets and operations sit in one of DRYS' wholly-owned subsidiaries, Ocean Rig UDW Inc. (ex Primelead Ltd.)
- Traded on Nasdaq under ticker “DRYS” – current market capitalization of approximately \$1.5 billion^(a)

(a) As of 15/03/2010



Fixed Revenue: Dry Bulk – Fully fixed for 2010

Summary of Long Term Time Charters			
	2010	2011	2012
Average Number of Vessels on Long Term Time Charters	37.0	30.5	15.5
Average Number of Vessels Owned For The Period	37.2	37.1	39.0
% of Fleet on Long Term Time Charter	100%	82%	40%
Spot Days	67	2,389	8,592
Days Fixed Under Time Charter	13,493	11,147	5,667
Gross Revenue From Long Term Time Charters	\$ 453.6 m	\$ 412.4 m	\$ 267.8 m
Average Gross Rate of Long Term Time Charters	\$33,600 p/d	\$37,000 p/d	\$47,260 p/d

Total revenue from time charters for the next 3 years: \$1.1 billion



Fixed Revenue: Ultra Deep Water

Contracts in Place	2009E	2010E	2011E	2012E	2013E
Leiv Eiriksson	Shell – 2 years	Petrobras – 3 years			
Eirik Raude	Tullow – 3 years (Commenced October 2008)				
Drillship (Hull 1837)				Newbuilding Delivery	
Drillship (Hull 1838)				Newbuilding Delivery	
Drillship Hull 1865				Newbuilding Delivery	
Drillship Hull 1866				Newbuilding Delivery	

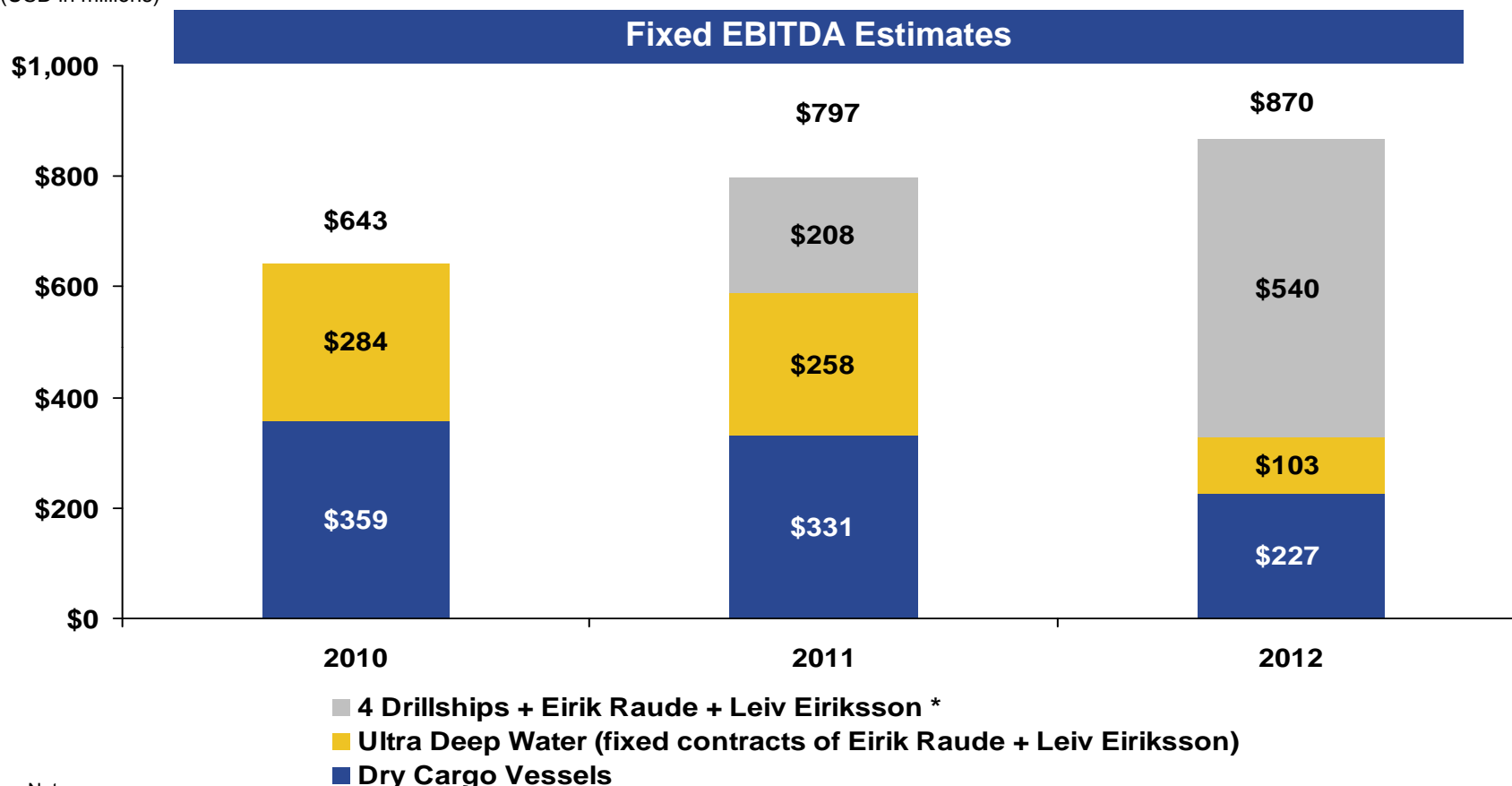
Semi-Submersible Rigs	Year Built	Current Employment	Redelivery		Customer	Operating Area	Backlog (\$mm)
			Earliest	Latest			
Leiv Eiriksson	2001	T/C	Oct – 12	Dec – 12	Petrobras	Black Sea	\$ 600
Eirik Raude	2002	T/C	Oct – 11	Oct – 11	Tullow	Off-shore Ghana	\$ 436
Total							\$1,037

Note: Backlog as of 31/12/2009



Strong Fixed Cashflow - Upside from Drillships

(USD in millions)



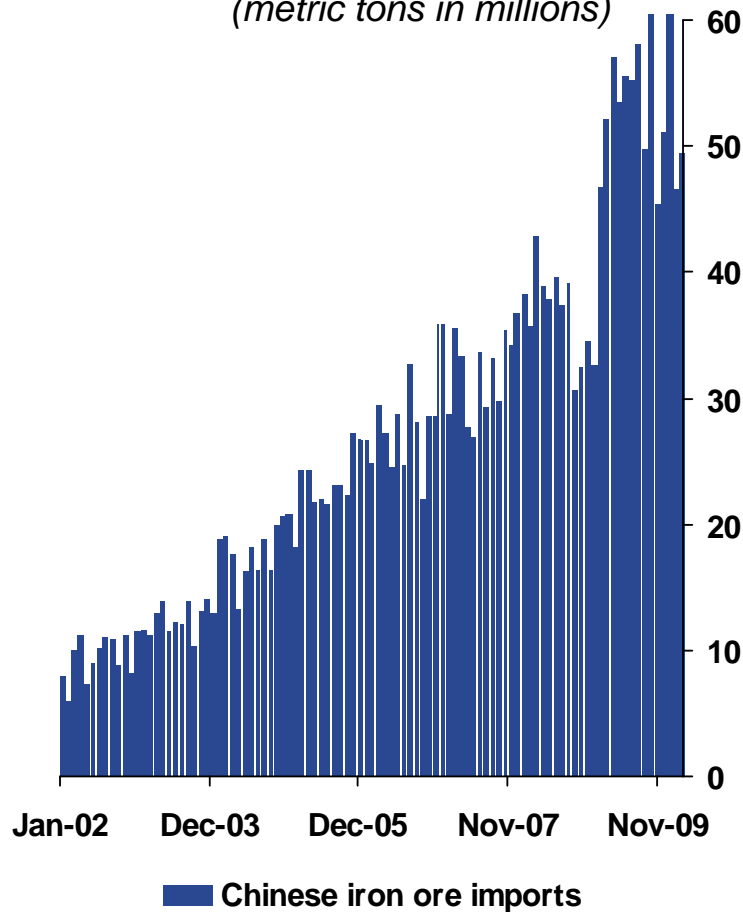
Notes:

- EBITDA has been estimated on the basis of Gross Revenues; Drydock expenses are not included in calculation of EBITDA. Cash G&A related to the fixed business is taken into account in calculation of EBITDA
- Assumed utilization rate of 95% for the rigs.
- UDW estimates only include the two fixed rigs Leiv Eiriksson and Eirik Raude, for the duration of their current contracts. * Thereafter, these two vessels are assumed fixed at \$475,000 with minimum mobilization (i.e., fixed within the same geographical territory) and OPEX of \$160,000 per day
- * For 2011 and 2012, the 4 UDW drillships, are assumed fixed upon delivery at \$475,000 per day (with 1 month mobilization period, and assumed OPEX of \$160,000 per day)



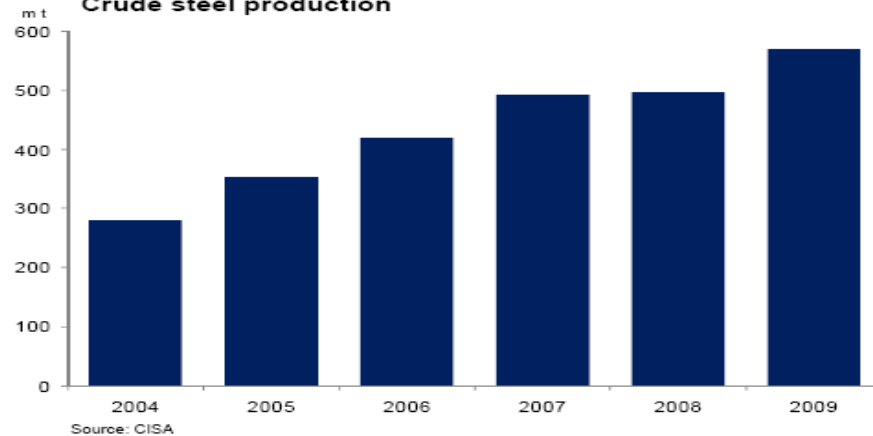
Record Pace of Chinese Commodity Imports

Chinese iron ore imports
(metric tons in millions)

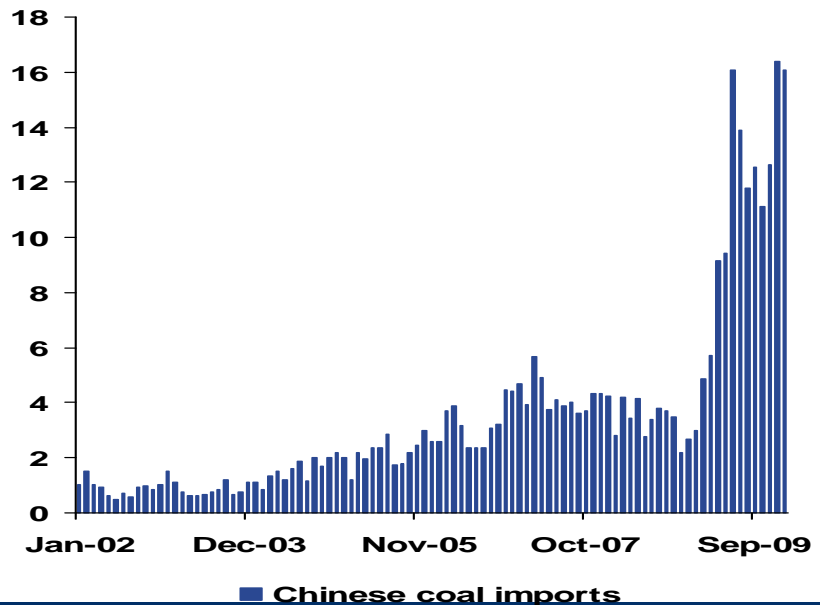


Source: The TEX Report, Baltic Exchange, CISA

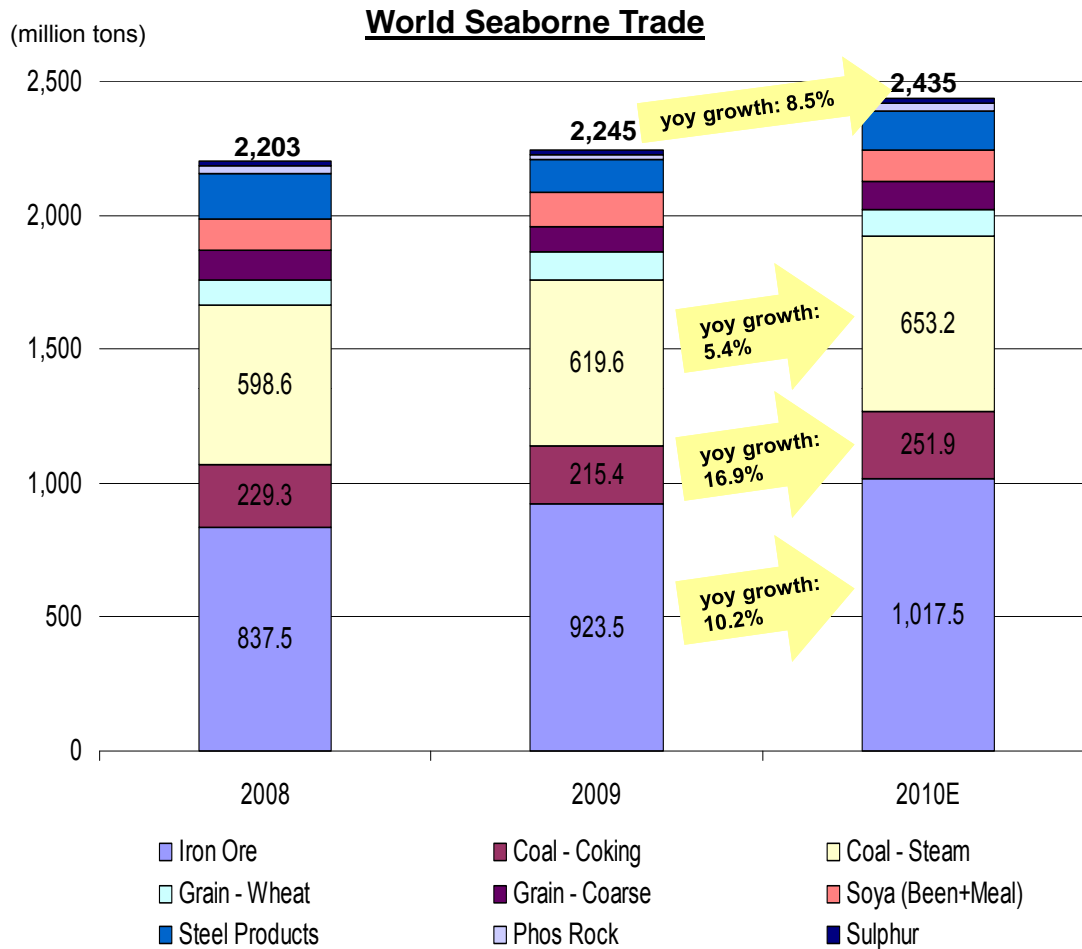
Crude steel production



Chinese coal imports
(million tonnes)



Strong Growth in Seaborne Trades



Chinese Imports

(million tons)	2008	2009	yoy growth
Iron Ore	443.7	628.1	41.6%
Coal - Coking	6.4	35.0	446.9%
Coal - Steam	34.3	88.8	158.9%
Total:	484.4	751.9	55.2%

Source: SSY



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Deliveries Significantly Below Estimates

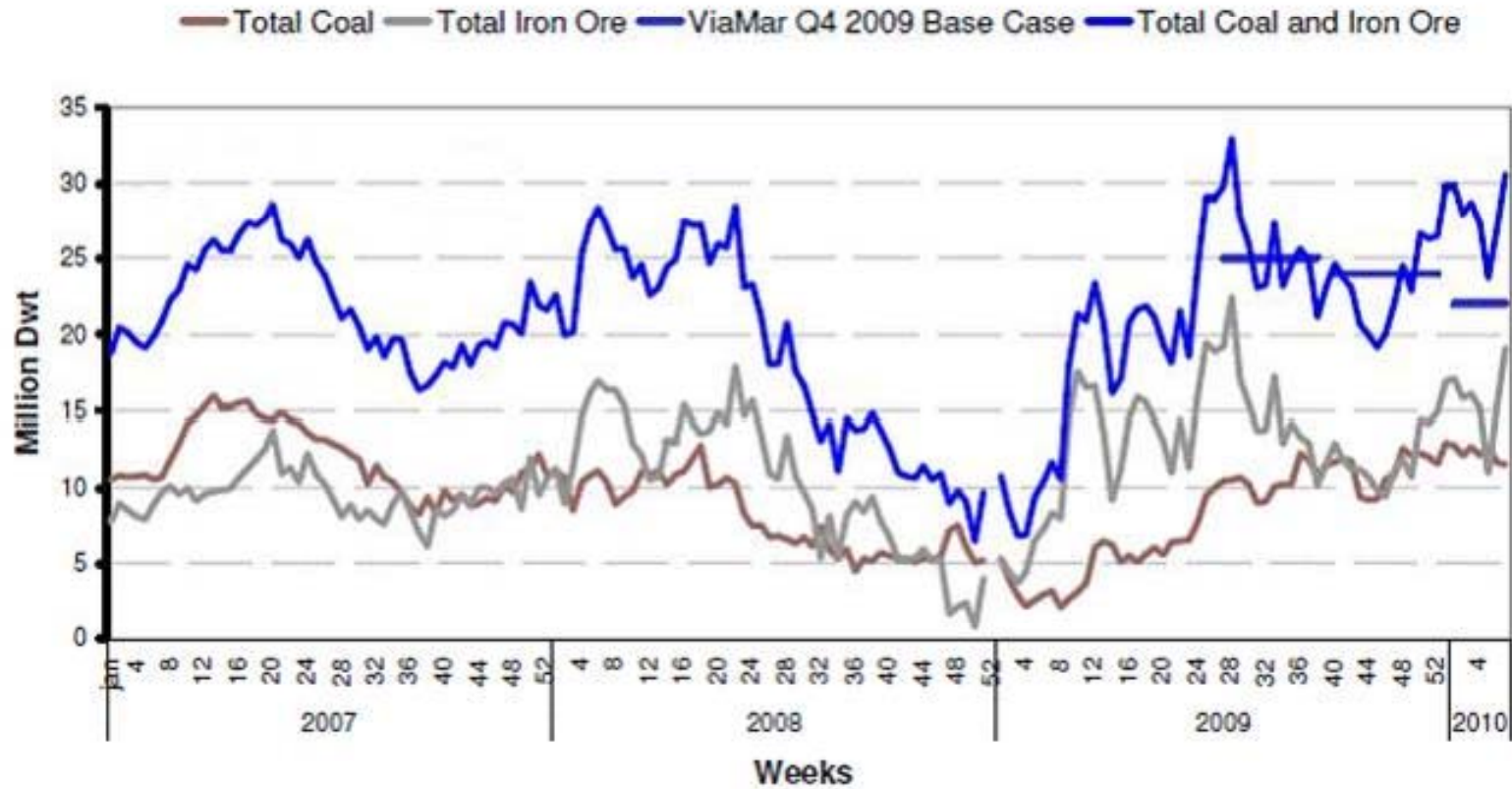
Total Dry Bulk Fleet	Dwt	No of ships
Current Orderbook	277.8	3,165
Orderbook beginning of 2009 for delivery 2009	71.3	964
Delivered in 2009	42.5	531
'Slippage' for 2009	40%	45%
% of '09 Orderbook actually delivered	60%	55%
Current Orderbook for 2010	118.6	1,438
Expected deliveries Jan - Feb 2010 (as at 01/01/10)	18.4	218
Actual deliveries Jan - Feb 2010	9.9	119
'Slippage' for Jan - Feb 2010	46%	45%

Source: Clarkson



Congestion Squeezing Supply

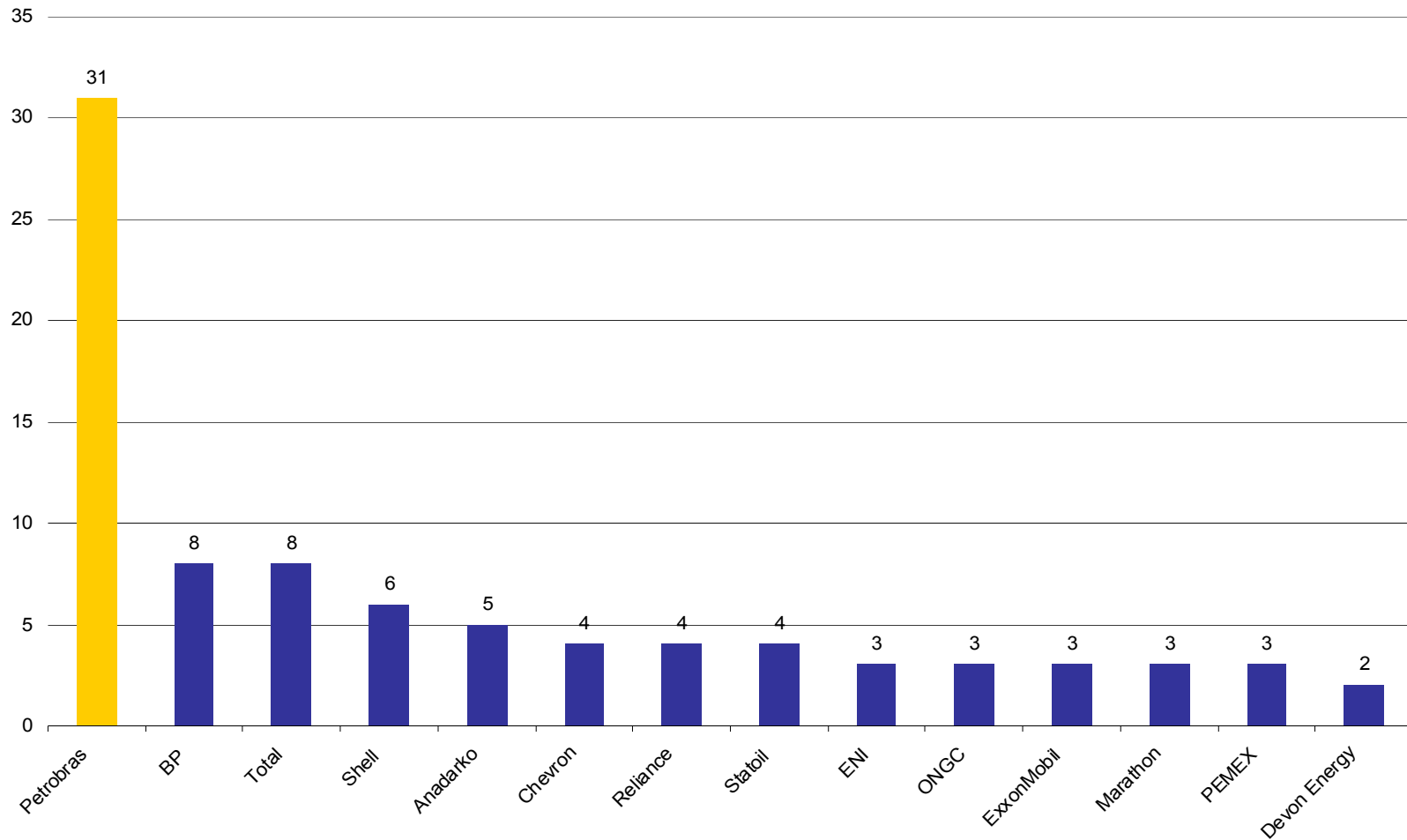
Excess demand due to days waiting for Coal and Iron Ore



Source: ViaMar



UDW drilling customers

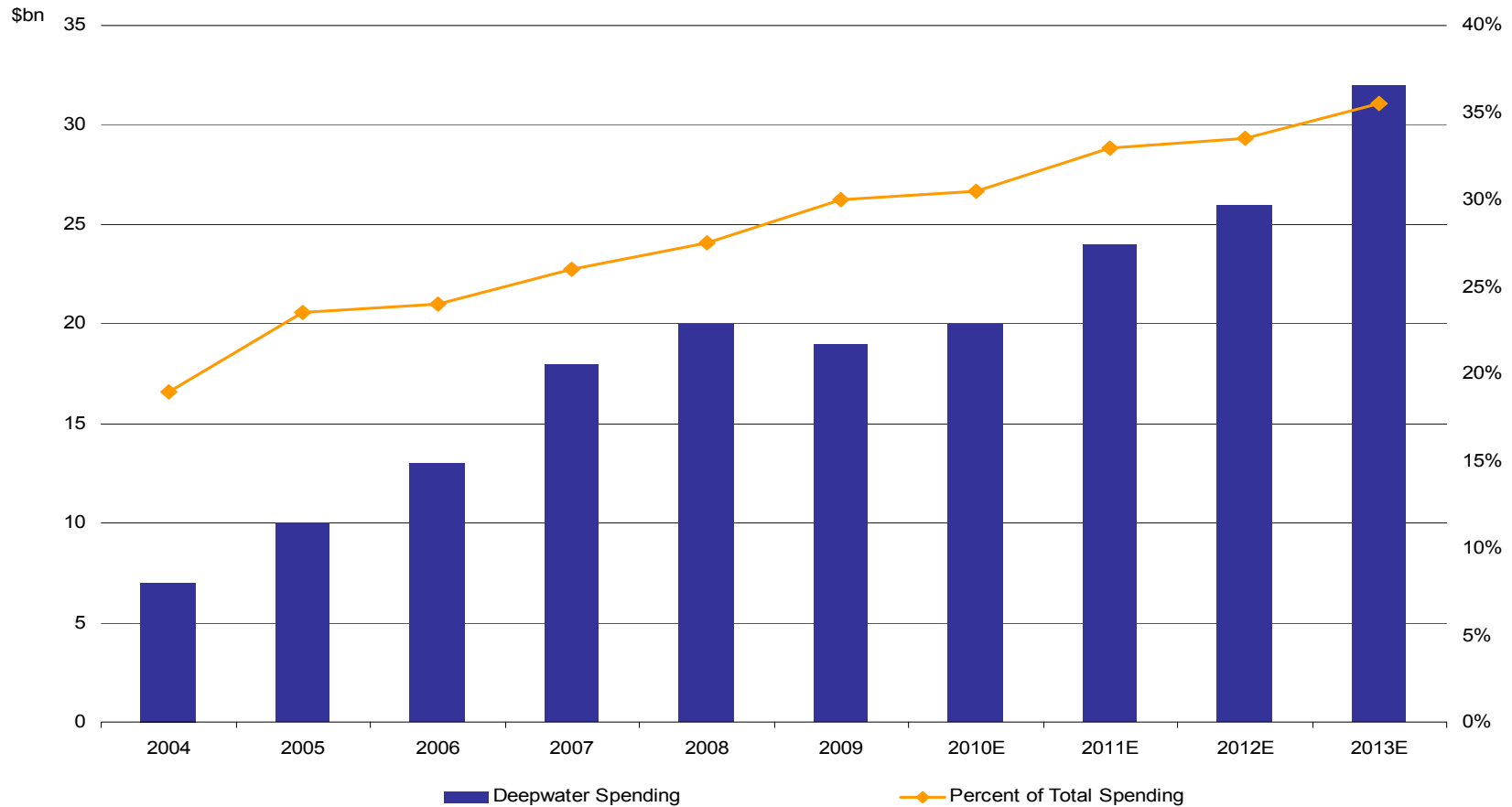


Strong credit-worthiness

Source: Arctic Securities



Deepwater Spending Accelerating



Deepwater spending accelerating given developments in US GoM, West Africa, Brazil India and Black Sea

Source: Douglas-Westwood



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Recent News – E&P spending

BP taps deep water to grow

“BP’s \$7 billion deal with Devon Energy Corp should help dispel some of the misgivings that have weighted on the British oil major’s stock in recent years – particularly doubts about its ability to keep pumping more and more oil.

The deal gives BP a foothold in the deep waters off the shores of Brazil, one of the world’s most prospective oil regions, and one that could turn into a major source of growth for the company in the coming years.”

Source: The Wall Street Journal (11/03/2010)

Upside for oil-services players

“A DnB survey of oil companies shows a 9% rise in exploration and production in 2010.

Total E&P spending among the oil companies last year was \$389 billion, which was \$11 billion more than estimates, but this is now expected to reach \$424 billion for 2010, putting the amount in line with 2008.”

Source: Tradewinds.no (05/02/2010)

Petrobras spending

“Petrobras CEO said Petrobras’ current spending plans call for more than \$150 billion through 2013 to assess and develop offshore Brazil deepwater fields and prospects and help build five refineries.

He said Petrobras aims to double its output in a dozen years and the company’s capital spending through 2014 will likely surpass the current 2009-2013 plan to spend nearly \$32 billion a year.”

Source: Reuters (08/03/2010)

ONGC bumps up exploration spend

“India’s Oil and Natural Gas Corporation plans to invest \$5.8 billion in the 2010/2011 financial year in exploration activities, a rise of 7.3% from the current year.”

Source: News wires (09/03/2010)

Exxon Mobil announces 2010 CAPEX plans

“The oil giant said it will spend about \$27 billion in 2010 on capital projects, \$1 billion more than it spent in 2009.”

Source: Forbes (11/03/2010)



UDW Drillships – Supply for 2010-2011

Rig name	Operator	Rig type	WD (ft.)	2010												2011											
				J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D
Deepsea Stavanger	Odfjell Drilling	Semisub	10,000	Construction/yard																							
Maersk Semi Tbn3	Maersk Drilling	Semisub	10,000	Construction/yard																							
ENSCO 7500	ENSCO	Semisub	8,000	Firm Contract																							
Pacific Bora	Pacific Drilling	Drillship	10,000	Construction/yard																							
Sedco Energy	Transocean	Semisub	7,500	Firm Contract																							
Ocean Rig Drillship 1	Ocean Rig	Drillship	10,000	Construction/yard																							
Discoverer Deep Seas	Transocean	Drillship	10,000	Firm Contract												Construction/yard											
Stena Tay	Stena	Semisub	8,100	Firm Contract												Construction/yard											
Discoverer Enterprise	Transocean	Drillship	8,450	Firm Contract												Construction/yard											
Noble Amos Runner	Noble	Semisub	8,000	Firm Contract												Construction/yard											
Ocean Rig Drillship 2	Ocean Rig	Drillship	10,000	Construction/yard												Construction/yard											
Pacific Scirocco	Pacific Drilling	Drillship	10,000	Construction/yard												Construction/yard											
Larsen Rig I	Grupo R	Semisub	10,000	Construction/yard												Construction/yard											
Deepsea Metro I	Odfjell Drilling	Drillship	10,000	Construction/yard												Construction/yard											
Pacific Mistral	Pacific Drilling	Drillship	10,000	Construction/yard												Construction/yard											
Ocean Endeavor	Diamond Offshore	Semisub	8,000	Firm Contract												Firm Contract											
SeaDragon II	Vantage Drilling	Semisub	10,000	Construction/yard												Construction/yard											
Noble Globetrotter	Noble	Drillship	10,000	Construction/yard												Construction/yard											
Ocean Rig Drillship 3	Ocean Rig	Drillship	10,000	Construction/yard												Construction/yard											
Pacific Santa Ana	Pacific Drilling	Drillship	10,000	Construction/yard												Construction/yard											
Deepwater Frontier	Transocean	Drillship	10,000	Firm Contract												Firm Contract											
ENSCO 8504	ENSCO	Semisub	8,500	Construction/yard												Construction/yard											
Ocean Rig Drillship 4	Ocean Rig	Drillship	10,000	Construction/yard												Construction/yard											
La Muralla IV	Grupo R	Semisub	10,000	Construction/yard												Construction/yard											
Eirik Raude	Ocean Rig	Semisub	10,000	Firm Contract												Firm Contract											
West Hercules	Seadrill	Semisub	10,000	Firm Contract												Firm Contract											
Noble Clyde Boudreaux	Noble	Semisub	10,000	Firm Contract												Firm Contract											
Deepsea Metro II	Odfjell Drilling	Drillship	10,000	Construction/yard												Construction/yard											
Stena DrillMAX ICE	Stena	Drillship	7,500	Construction/yard												Construction/yard											
West Capricorn	Seadrill	Semisub	10,000	Construction/yard												Construction/yard											
Sedco Express	Transocean	Semisub	7,500	Firm Contract												Firm Contract											
Stena DrillMAX	Stena	Drillship	7,500	Firm Contract												Firm Contract											
Deep Ocean Molokai	Pride	Drillship	10,000	Construction/yard												Construction/yard											

Source: Arctic Securities, Nordea, Pareto

Construction/yard Firm Contract



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Strategy

Secure employment
and financing for
drillships

Acquire distressed
assets



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Prepare Ocean
Rig for IPO when
valuation is right

Leverage the
commodity rebound

Provide investors with
long-term fixed rate
charter coverage with
upside from drillships

