



DRYSHIPS INC. ANNOUNCES FURTHER CAPEX REDUCTION AND SECURES FIXED RATE EMPLOYMENT

January 29, 2009. **ATHENS, GREECE** - DryShips Inc. (NASDAQ: DRYS), a global provider of marine transportation services for drybulk cargoes and off-shore contract drilling oil services, announced today that:

M/V Maple Valley

The Company has entered into an agreement to cancel the previously announced acquisition of the 2005 built Panamax drybulk carrier M/V Maple Valley for a purchase price of \$61.0 million from an unrelated third party. In view of market conditions and following negotiations, the Company and the Seller have mutually agreed to cancel the Memorandum of Agreement to acquire the M/V Maple Valley in consideration of a payment of \$8.0 million to the Seller and the Seller's retention of the \$6.1 million deposit that was previously paid. This cancellation will further reduce DryShips' 2009 capital expenditures by \$46.9 million. The London arbitration and the New York proceeding between the Seller and the Company are both being discontinued.

M/V Alameda

The Company also announced that it has entered into a time charter for the M/V Alameda, its only remaining unfixed spot based Capesize drybulk carrier. The M/V Alameda will be chartered at a gross rate of \$21,000 per day for a period of approximately two years. The charter is expected to commence during late February or early March 2009. The M/V Alameda is a 170,662 dwt Capesize drybulk carrier built in 2001.

About DryShips Inc.

DryShips Inc., based in Greece, is an owner and operator of drybulk carriers that operate worldwide. As of the day of this release, DryShips owns a fleet of 43 drybulk carriers in the water comprising seven Capesize, 29 Panamax, two Supramax and five newbuilding drybulk vessels with a combined deadweight tonnage of approximately 3.9 million tons, 2 ultra deep water semi-submersible drilling rigs and 2 ultra deep water newbuilding drillships.

DryShips Inc.'s common stock is listed on the NASDAQ Global Select Market where it trades under the symbol "DRYS".

Forward-Looking Statements

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

The forward-looking statements 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 our view, could cause actual results to differ materially from those discussed in the forward-looking statements include the strength of world economies and currencies, general market conditions, including changes in charterhire rates and vessel values, changes in demand that may affect attitudes of time charterers to scheduled and unscheduled drydocking, changes in DryShips Inc.'s operating expenses, including bunker prices, dry-docking and insurance costs, or actions taken by regulatory authorities, potential liability from pending or future litigation, domestic and international political conditions, potential disruption of shipping routes due to accidents and political events or acts by terrorists.

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

Investor Relations / Media:

Nicolas Bornozis
Capital Link, Inc. (New York)
Tel. 212-661-7566
E-mail: dryships@capitallink.com