

Costamare Inc.  
Form 424B5  
October 15, 2012

Filed Pursuant to Rule 424(b)(5)  
Registration No. 333-179244

**The information in this prospectus supplement and the accompanying prospectus is not complete and may be changed. This prospectus supplement and the accompanying prospectus are not an offer to sell these securities and are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.**

**Subject to completion, dated October 15, 2012**

**PROSPECTUS SUPPLEMENT  
(to Prospectus dated February 14, 2012)**

**7,000,000 Shares**

**Costamare Inc.  
COMMON STOCK**

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We are selling 7,000,000 shares of our common stock.

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Our common stock is listed on the New York Stock Exchange under the symbol CMRE. The last reported sale price of our common stock on October 12, 2012 was \$15.21 per share.

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Members of the Konstantakopoulos family, who in the aggregate own a majority of our common stock, have indicated their intention to purchase 700,000 shares of our common stock in the offering.

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**Investing in our common stock involves risk. Please read the section entitled Risk Factors on page S-13 of this prospectus supplement and beginning on page 3 of our Annual Report on Form 20-F filed with the Securities and Exchange Commission on February 29, 2012 before you make an investment in our shares.**

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|  | <b>Per Share</b> | <b>Total</b> |
|--|------------------|--------------|
| Public offering price                        | \$               | \$           |
| Underwriting discount <sup>(1)</sup>         | \$               | \$           |
| Proceeds, before expenses, to Costamare Inc. | \$               | \$           |

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- (1) The underwriters will not receive an underwriting discount or commission on the

sale of 700,000  
shares of our  
common stock to  
members of the  
Konstantakopoulos  
family.

We have granted the underwriters an option to purchase up to an additional 1,050,000 shares of our common stock.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus are truthful or complete. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the shares of common stock on or about , 2012.

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**Morgan Stanley**      **Goldman, Sachs & Co.**  
, 2012

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**PROSPECTUS SUPPLEMENT**

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**PROSPECTUS**

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This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of this offering and certain other matters. The second part, the prospectus, gives more general information about securities we may offer from time to time. Generally, when we refer to the prospectus, we are referring to both parts of this document combined. You should read both this prospectus supplement and the accompanying prospectus, together with additional information described under the heading **Where You Can Find Additional Information** and

**Incorporation by Reference**. To the extent the description of our securities in this prospectus supplement differs from the description of our securities in the accompanying prospectus, you should rely on the information in this prospectus supplement.

You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not, and the underwriters have not, authorized anyone to provide you with different information. The distribution of this prospectus and sale of these securities in certain jurisdictions may be restricted by law. Persons in possession of this prospectus supplement or the accompanying prospectus are required to inform themselves about and observe any such restrictions. We are not making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus supplement is accurate as of the date on the front cover of this prospectus supplement only. Our business, financial condition, results of operations and prospects may have changed since that date.

## PROSPECTUS SUMMARY

*This summary highlights information contained elsewhere in this prospectus supplement and the accompanying prospectus and should be read together with the information contained in other parts of this prospectus supplement, the accompanying prospectus and the documents we incorporate by reference, including the risk factors on page S-13 of this prospectus supplement and beginning on page 3 of our Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission (the "SEC") on February 29, 2012 (as amended on March 19, 2012, our Annual Report on Form 20-F).*

*Unless otherwise indicated, references in this prospectus to Costamare, the Company, we, our, us, or similar terms when used in a historical context refer to Costamare Inc., or any one or more of its subsidiaries or their predecessors, or to such entities collectively.*

*We use the term twenty foot equivalent unit, or TEU, the international standard measure of containers, in describing the capacity of our containerhips. Before making your investment decision, you should carefully read the prospectus and the documents referred to in Where You Can Find Additional Information and Incorporation by Reference for information about us, including our financial statements. Unless otherwise indicated, all references to currency amounts in this prospectus supplement and the accompanying prospectus are in U.S. dollars. Unless otherwise indicated, all data regarding our fleet and the terms of our charters is as of September 30, 2012 and references to our fleet at future dates assume there have been no acquisitions other than our ten contracted newbuilds and no dispositions.*

### Our Company

We are an international owner of containerhips, chartering our vessels to many of the world's largest liner companies. As of September 30, 2012, we had a fleet of 57 containerhips aggregating approximately 329,000 TEU, making us one of the largest public containerhip companies in the world, based on total TEU capacity. At that date, our fleet consisted of (i) 47 vessels in the water, aggregating approximately 240,000 TEU and (ii) ten newbuild vessels aggregating approximately 89,000 TEU that are scheduled to be delivered to us between February 2013 and February 2014, based on the current shipyard schedule.

Our strategy is to time-charter our containerhips to a geographically diverse, financially strong and loyal group of leading liner companies. Our containerhips operate primarily under multi-year time charters and therefore are not subject to the effect of seasonal variations in demand. Our containerhips have a record of low unscheduled off-hire days, with fleet utilization levels of 99.9%, 99.7%, 99.3% and 99.9% in 2009, 2010, 2011 and the first nine months of 2012, respectively. Over the last three years our largest customers by revenue were A.P. Moller-Maersk A/S (A.P. Moller-Maersk), Mediterranean Shipping Company, S.A. (MSC) and Cosco Container Lines Co., Ltd. (COSCO). As of September 30, 2012, the average (weighted by TEU capacity) remaining time-charter duration for our fleet of 57 containerhips was 5.5 years, based on the remaining fixed terms and assuming the exercise of any owner's options and the non-exercise of any charterer's options under our containerhips' charters. As of September 30, 2012, our fixed-term charters represented an aggregate of \$2.82 billion of contracted revenue, assuming the earliest redelivery dates possible and 365 revenue days per annum per containerhip. Five of these charters include an option exercisable by either party to extend the term for two one-year periods at the same charter rate, which represents an additional \$152.2 million of contracted revenue.

Our company and its founders have a long history of operating and investing in the shipping industry. Members of the Konstantakopoulos family hold an aggregate of 70.4% of our common stock and have indicated that they intend to purchase a total of 700,000 shares in the offering. Members of the Konstantakopoulos family will continue to own 64.8% of our common stock after the offering (assuming the underwriters' option to purchase additional shares is not exercised). Captain Vasileios Konstantakopoulos, the father of our chairman and chief executive officer, Konstantinos Konstantakopoulos, founded Costamare Shipping Company S.A. (Costamare Shipping) in 1975. We initially owned

and operated drybulk carrier vessels, but in 1984 we became the first Greek owned company to enter the containership market and, since 1992, we have focused

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exclusively on containerships. After assuming management of our company in 1998, Konstantinos Konstantakopoulos has concentrated on building a large, modern and reliable containership fleet run and supported by highly-skilled, experienced and loyal personnel. He founded the management companies CIEL Shipmanagement S.A. ( CIEL ) and Shanghai Costamare Ship Management Co., Ltd. ( Shanghai Costamare ) in 2001 and 2005, respectively, and the manning agency C-Man Maritime, Inc. ( C-Man Maritime ) in 2006. Today, Konstantinos Konstantakopoulos remains focused on continuing to develop the scope and capabilities of our management companies and related manning agency. Under his leadership, we have continued to foster a company culture focusing on excellent customer service, industry leadership and innovation.

Consistent with our strategy, we have actively managed the size of our fleet through timely acquisitions and dispositions, and successfully navigated our company through strong and weak containership charter markets. Between 2006 and mid-2010, unlike other public competitors, we did not burden our balance sheet with secondhand acquisitions and newbuild commitments when vessel prices were relatively high and our growth is not currently constrained by significant restrictions on debt incurrence.

In November 2010, we became a public company in order to increase our liquidity, improve our access to capital and position our company to capture attractive growth opportunities through fleet expansion. Since September 2010, we have expanded the fleet by over 50% in terms of TEU, including (i) shipbuilding contracts to acquire 10 newbuild containerships aggregating approximately 89,000 TEU, which will be delivered between February 2013 and February 2014, based on the current shipyard schedule, and (ii) the acquisition of 17 secondhand containerships aggregating 51,286 TEU, all of which have been delivered. For the acquisition of the 27 containerships discussed above, we paid or committed to pay approximately \$1.2 billion, in the aggregate.

As an established owner of containerships with a focus on reliability, a flexible and strong balance sheet, and significant experience and relationships in the containership sector, we believe we will have access to additional vessel acquisition opportunities from shipyards, our liner company customers, other shipowners, financial institutions and shipbrokers. In addition, we believe we are well-positioned to continue to obtain attractive chartering opportunities with leading liner companies. We plan to use the net proceeds of this offering for capital expenditures, including vessel acquisitions, and for other general corporate purposes, which may include repayments of indebtedness.

## Our Fleet and Newbuilds

The tables below provide additional information as of September 30, 2012, except where indicated otherwise, about our fleet of 57 containerships, including our contracted newbuild vessels. Each vessel is a cellular containership, meaning it is a dedicated container vessel.

|    | Vessel Name                    | Charterer          | Year Built | Capacity (TEU) | Time Charter Term <sup>(1)</sup> | Current Daily Charter Hire (U.S. dollars) | Expiration of Charter <sup>(1)</sup> | Average Daily Charter Rate Until Earliest Expiry of Charter (U.S. dollars) <sup>(2)</sup> |
|----|--------------------------------|--------------------|------------|----------------|----------------------------------|---|--------------------------------------|---|
| 1  | COSCO GUANGZHOU                | COSCO              | 2006       | 9,469          | 12 years                         | 36,400                                    | December 2017                        | 36,400  |
| 2  | COSCO NINGBO                   | COSCO              | 2006       | 9,469          | 12 years                         | 36,400                                    | January 2018                         | 36,400  |
| 3  | COSCO YANTIAN                  | COSCO              | 2006       | 9,469          | 12 years                         | 36,400                                    | February 2018                        | 36,400  |
| 4  | COSCO BEIJING                  | COSCO              | 2006       | 9,469          | 12 years                         | 36,400                                    | April 2018                           | 36,400  |
| 5  | COSCO HELLAS                   | COSCO              | 2006       | 9,469          | 12 years                         | 37,519                                    | May 2018                             | 37,519  |
| 6  | NAVARINO                       | Evergreen          | 2010       | 8,531          | 1.5 years                        | 30,950                                    | September 2013                       | 30,950  |
| 7  | MAERSK KAWASAKI <sup>(i)</sup> | A.P. Moller-Maersk | 1997       | 7,403          | 10 years                         | 37,000                                    | December 2017                        | 37,000  |
| 8  | MAERSK KURE <sup>(i)</sup>     | A.P. Moller-Maersk | 1996       | 7,403          | 10 years                         | 37,000                                    | December 2017                        | 37,000  |
| 9  | MAERSK KOKURA <sup>(i)</sup>   | A.P. Moller-Maersk | 1997       | 7,403          | 10 years                         | 37,000                                    | February 2018                        | 37,000  |
| 10 | MSC METHONI                    | MSC                | 2003       | 6,724          | 10 years                         | 29,000                                    | September 2021                       | 29,000  |
| 11 | SEALAND NEW YORK               | A.P. Moller-Maersk | 2000       | 6,648          | 11 years                         | 30,375 <sup>(3)</sup>                     | March 2018                           | 27,359  |
| 12 | MAERSK KOBE                    | A.P. Moller-Maersk | 2000       | 6,648          | 11 years                         | 38,179 <sup>(4)</sup>                     | May 2018                             | 29,880  |
| 13 | SEALAND WASHINGTON             | A.P. Moller-Maersk | 2000       | 6,648          | 11 years                         | 30,375 <sup>(5)</sup>                     | June 2018                            | 27,515  |
| 14 | SEALAND MICHIGAN               | A.P. Moller-Maersk | 2000       | 6,648          | 11 years                         | 25,375 <sup>(6)</sup>                     | August 2018                          | 25,847  |
| 15 | SEALAND ILLINOIS               | A.P. Moller-Maersk | 2000       | 6,648          | 11 years                         | 30,375 <sup>(7)</sup>                     | October 2018                         | 27,648  |
| 16 | MAERSK KOLKATA                 | A.P. Moller-Maersk | 2003       | 6,644          | 11 years                         | 38,490 <sup>(8)</sup>                     | November 2019                        | 31,816  |



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|    |                             |                       |      |       |              |                        |                                |        |
|----|-----------------------------|-----------------------|------|-------|--------------|------------------------|--------------------------------|--------|
| 17 | MAERSK<br>KINGSTON          | A.P.<br>Moller-Maersk | 2003 | 6,644 | 11 years     | 38,461 <sup>(9)</sup>  | February<br>2020               | 32,064 |
| 18 | MAERSK<br>KALAMATA          | A.P.<br>Moller-Maersk | 2003 | 6,644 | 11 years     | 38,418 <sup>(10)</sup> | April 2020                     | 32,145 |
| 19 | MSC ROMANOS                 | MSC                   | 2003 | 5,050 | 5.3<br>years | 28,000                 | November<br>2016               | 28,000 |
| 20 | ZIM NEW YORK                | ZIM                   | 2002 | 4,992 | 13 years     | 23,150                 | July<br>2015 <sup>(11)</sup>   | 23,150 |
| 21 | ZIM SHANGHAI                | ZIM                   | 2002 | 4,992 | 13 years     | 23,150                 | August<br>2015 <sup>(11)</sup> | 23,150 |
| 22 | ZIM PIRAEUS <sup>(ii)</sup> | ZIM                   | 2004 | 4,992 | 10 years     | 18,274 <sup>(12)</sup> | March 2014                     | 30,978 |
| 23 | OAKLAND<br>EXPRESS          | Hapag Lloyd           | 2000 | 4,890 | 8 years      | 30,500                 | September<br>2016              | 30,500 |
| 24 | HALIFAX<br>EXPRESS          | Hapag Lloyd           | 2000 | 4,890 | 8 years      | 30,500                 | October<br>2016                | 30,500 |
| 25 | SINGAPORE<br>EXPRESS        | Hapag Lloyd           | 2000 | 4,890 | 8 years      | 30,500                 | July 2016                      | 30,500 |
| 26 | MSC<br>MANDRAKI             | MSC                   | 1988 | 4,828 | 7.8<br>years | 20,000                 | August<br>2017                 | 20,000 |
| 27 | MSC MYKONOS                 | MSC                   | 1988 | 4,828 | 8.2<br>years | 20,000                 | September<br>2017              | 20,000 |
| 28 | MSC ULSAN                   | MSC                   | 2002 | 4,312 | 5.3<br>years | 16,500                 | April 2017                     | 16,500 |
| 29 | MSC ANTWERP                 | MSC                   | 1993 | 3,883 | 4.3<br>years | 17,500                 | August<br>2013                 | 17,500 |
| 30 | MSC<br>WASHINGTON           | MSC                   | 1984 | 3,876 | 3.2<br>years | 17,250                 | February<br>2013               | 17,250 |
| 31 | MSC KYOTO                   | MSC                   | 1981 | 3,876 | 3.1<br>years | 17,250                 | June 2013                      | 17,250 |
| 32 | KORONI                      | Evergreen             | 1998 | 3,842 | 2 years      | 15,200 <sup>(13)</sup> | April 2014                     | 11,480 |
| 33 | KYPARISSIA                  | Evergreen             | 1998 | 3,842 | 2 years      | 15,200 <sup>(14)</sup> | May 2014                       | 11,437 |
| 34 | MSC AUSTRIA                 | MSC                   | 1984 | 3,584 | 9.5<br>years | 17,250 <sup>(15)</sup> | September<br>2018              | 13,556 |
| 35 | KARMEN                      | Sea<br>Consortium     | 1991 | 3,351 | 1.5<br>years | 7,000                  | January<br>2013                | 7,000  |
| 36 | MARINA                      | Evergreen             | 1992 | 3,351 | 1.1<br>years | 15,200 <sup>(16)</sup> | April 2013                     | 9,508  |
| 37 | KONSTANTINA                 | Evergreen             | 1992 | 3,351 | 1 year       | 7,550 <sup>(17)</sup>  | September<br>2013              | 7,550  |
| 38 | AKRITAS                     | Hapag Lloyd           | 1987 | 3,152 | 4 years      | 12,500                 | August<br>2014                 | 12,500 |
| 39 | MSC<br>CHALLENGER           | MSC                   | 1986 | 2,633 | 4.8<br>years | 10,000                 | July 2015                      | 10,000 |
| 40 | MESSINI                     | Evergreen             | 1997 | 2,458 | 1.5<br>years | 8,100                  | February<br>2014               | 8,100  |

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|           |               |         |      |       |         |                       |            |        |
|-----------|---------------|---------|------|-------|---------|-----------------------|------------|--------|
| <b>41</b> | MSC REUNION   | MSC     | 1992 | 2,024 | 6 years | 11,500                | June 2014  | 11,500 |
|           | MSC NAMIBIA   |         |      |       | 6.8     |                       |            |        |
| <b>42</b> | II            | MSC     | 1991 | 2,023 | years   | 11,500                | July 2014  | 11,500 |
|           |               |         |      |       | 5.7     |                       |            |        |
| <b>43</b> | MSC SIERRA II | MSC     | 1991 | 2,023 | years   | 11,250                | June 2014  | 11,500 |
|           |               |         |      |       |         |                       | January    |        |
| <b>44</b> | MSC PYLOS     | MSC     | 1991 | 2,020 | 3 years | 11,500                | 2014       | 11,500 |
|           |               |         |      |       | 0.1     |                       | November   |        |
| <b>45</b> | PROSPER       | Sinokor | 1996 | 1,504 | years   | 5,750 <sup>(18)</sup> | 2012       | 5,750  |
|           |               |         |      |       | 1.7     |                       |            |        |
| <b>46</b> | ZAGORA        | MSC     | 1995 | 1,162 | years   | 5,500                 | April 2013 | 5,500  |
|           | STADT         |         |      |       | 0.6     |                       |            |        |
| <b>47</b> | LUEBECK       | CMA CGM | 2001 | 1,078 | years   | 5,800 <sup>(19)</sup> | April 2013 | 6,155  |

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**Vessels under Construction**

| <b>Vessel Name</b> | <b>Shipyard</b>       | <b>Charterer</b> | <b>Expected Delivery<br/>(based on latest<br/>shipyard Schedule)</b> | <b>Approximate<br/>Capacity<br/>(TEU)</b> |
|--------------------|-----------------------|------------------|--|---|
| 1 Hull S4010       | Sungdong Shipbuilding | MSC              | February 2013  | 9,000                                     |
| 2 Hull S4011       | Sungdong Shipbuilding | MSC              | February 2013  | 9,000                                     |
| 3 Hull S4020       | Sungdong Shipbuilding | Evergreen        | May 2013   | 8,800                                     |
| 4 Hull S4021       | Sungdong Shipbuilding | Evergreen        | May 2013   | 8,800                                     |
| 5 Hull S4022       | Sungdong Shipbuilding | Evergreen        | July 2013  | 8,800                                     |
| 6 Hull S4023       | Sungdong Shipbuilding | Evergreen        | July 2013  | 8,800                                     |
| 7 Hull S4024       | Sungdong Shipbuilding | Evergreen        | August 2013  | 8,800                                     |
| 8 H1068A           | Jiangnan Changxing    | MSC              | December 2013  | 9,000                                     |
| 9 H1069A           | Jiangnan Changxing    | MSC              | December 2013  | 9,000                                     |
| 10 H1070A          | Jiangnan Changxing    | MSC              | February 2014  | 9,000                                     |

(1) Charter terms and expiration dates are based on the earliest date charters could expire.

(2) This average rate is calculated based on contracted charter rates for the days remaining between September 30, 2012 and the earliest expiration of each charter. Certain of our charter rates change until their earliest expiration dates, as indicated in the footnotes below. For

those charter agreements entered into after September 30, 2012, this average rate is calculated based on contracted charter rates for the days between the commencement of the charter and the earliest expiration of each charter.

- (3) This charter rate changes on May 8, 2014 to \$26,100 per day until the earliest redelivery date.
- (4) This charter rate changes on June 30, 2014 to \$26,100 per day until the earliest redelivery date.
- (5) This charter rate changes on August 24, 2014 to \$26,100 per day until the earliest redelivery date.
- (6) This charter rate changes on October 20, 2014 to \$26,100 per day until the earliest redelivery date.
- (7) This charter rate changes on December 4, 2014 to \$26,100

per day until the earliest redelivery date.

(8) This charter rate changes on January 13, 2016 to \$26,100 per day until the earliest redelivery date.

(9) This charter rate changes on April 28, 2016 to \$26,100 per day until the earliest redelivery date.

(10) This charter rate changes on June 11, 2016 to \$26,100 per day until the earliest redelivery date.

(11) Charterers have the option to terminate the charter by giving six months notice, in which case they will have to make a one-time payment which would be \$6.9 million reduced proportionately by the amount of time by which the original 3-year extension period is shortened.

(12) This charter rate changes on January 1, 2013

to \$22,150 per day until the earliest redelivery date. In addition, the charterer is required to pay approximately \$5.0 million no later than July 2016, representing accrued charter hire, the payment of which was deferred.

- (13) This charter rate will change on November 2012 to \$10,500 per day and will escalate to \$11,500 per day, starting from May 2013 until the earliest redelivery date.
- (14) This charter rate will change on November 2012 to \$10,500 per day and will escalate to \$11,500 per day, starting from June 2013 until the earliest redelivery date.
- (15) As from December 1, 2012 until redelivery, this charter rate will be a minimum of \$13,500 per day plus 50% of the difference

between the market rate and the charter rate of \$13,500. The market rate will be determined annually based on the Hamburg ConTex type 3500 TEU index published on October 1 of each year until redelivery.

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- (16) This charter rate changes in November 2012 to \$8,000 per day until the earliest redelivery date.
- (17) The vessel is expected to be delivered to her charterers by October 29, 2012.
- (18) We entered into this agreement, subject to final documentation, as of October 15, 2012. The vessel is expected to be delivered to its charterers by October 24, 2012.
- (19) This charter rate changes on October 23, 2012 to \$6,200 per day until the earliest redelivery date. The charterer has a unilateral option to extend the charter for an additional six months after the initial period at a daily rate of \$8,500.
- (i) The charterer has a unilateral option to



extend the charter of the vessel for two periods of 30 months each +/-90 days on the final period performed, at a rate of \$41,700 per day.

- (ii) The charterer has a unilateral option to extend the charter of the vessel for a period of 12 months +/-60 days at a rate of \$27,500 per day.

### **Our Competitive Strengths**

We believe that we possess a number of competitive strengths that will allow us to capitalize on growth opportunities in the containership sector, including:

***Track Record of Navigating Through Strong and Weak Containership Markets.*** Consistent with our strategy of actively managing the size of our fleet through timely acquisitions and dispositions, we grew our fleet from 21 containerships with an aggregate capacity of 43,735 TEU in 2000 to a peak of 53 containerships of 227,778 TEU in 2008, followed by a proactive decrease in response to market conditions in 2009 and the first half of 2010 to a fleet of 42 containerships with a total capacity of 213,348 TEU as of June 30, 2010. Since the time of our initial public offering in November 2010, we have invested approximately \$1.2 billion in vessel acquisitions. As a result, we have grown our fleet to 57 containerships aggregating approximately 329,000 TEU, including 10 newbuilds on order, in line with the growth plans we outlined at that time. We believe that the financial flexibility resulting from our strategic growth policy, together with our experience, reputation, quality of services and long-standing relationships with container shipping industry participants and major financial institutions, position us to continue to renew and expand our fleet with further acquisitions of newbuild and high-quality secondhand vessels at attractive prices.

***Base of Contracted Cash Flows Through Multi-Year Charter Coverage and Staggered Charter Expiration Dates.*** We believe that the multi-year fixed-rate nature of most of our charters, many of which were arranged at attractive points in the shipping cycle, will continue to provide us with a stable base of contracted future revenue. As of September 30, 2012, the average (weighted by TEU capacity) remaining time-charter duration for our fleet of 57 containerships was 5.5 years, based on the remaining fixed terms and assuming the exercise of any owner's options

and the non-exercise of any charterer's options under our containerships' charters. As of September 30, 2012, over 97% of the anticipated total available days for the remainder of 2012 are under fixed-rate time charters. The staggered maturities of the charters for vessels that expire in the next several years will mean that we will likely conduct our rechartering activity in varying rate environments and we will seek to tailor our charter terms accordingly. As of September 30, 2012, our fixed-term charters represented an aggregate of \$2.82 billion of contracted revenue, assuming the earliest redelivery dates possible and 365 revenue days per annum per containership. Five of these charters include an option exercisable by either party to extend the term for two one-year periods at the same charter rate, which represents an additional \$152.2 million of contracted revenue.

***Large, Diversified High-Quality Fleet.*** Our fleet of 57 containerships, including 10 newbuilds on order, consists of containerships of various sizes and has been assembled to meet our customers' needs and is able to operate on East-West, North-South and Intra-regional trade routes, giving us increased flexibility in rechartering our containerships. We believe our containerships are built to high standards by reputable shipyards and have been carefully maintained by our three managers. We also believe that the reliability of our fleet has been a critical factor in retaining our active and long-standing relationships with the leading liner companies. We have also had success in chartering and operating our older vessels beyond their depreciable lives. We believe that owning a large, high-

quality and diverse fleet provides us with a competitive advantage in securing future employment for our containerships.

***Experienced Management Team.*** Our company and founders have a long history of operating and investing in the container shipping industry beginning in 1984. Our managers' senior management teams have a combined average of approximately 37 years of experience in the shipping industry. We believe that we are able to secure attractive multi-year charters with leading liner companies because of, among other things, our operating track record and our high level of service and support.

***Long-Standing Relationships with Leading, Financially Sound Charterers.*** Though our business is affected by changes in global and regional economic activity, we believe that by chartering our containerships to leading liner companies, including those we perceive to be most financially and operationally sound, we have reduced our potential charter counterparty risk. We currently charter containerships to A.P. Moller-Maersk, MSC, COSCO, Evergreen Marine (Hong Kong) Ltd. ( Evergreen ), Hapag Lloyd Aktiengesellschaft ( Hapag Lloyd ), Zim Integrated Shipping Services ( ZIM ), CMA CGM, Sea Consortium Pte Ltd ( Sea Consortium ) and Sinokor Merchant Marine Co., Ltd. ( Sinokor ).

***Access to Capital to Pursue Our Growth Strategy.*** As at June 30, 2012, we had total cash liquidity of \$296.0 million, consisting of cash, cash equivalents and restricted cash. As of September 30, 2012, we had \$264.5 million of cash liquidity, consisting of cash, cash equivalents and restricted cash, and 4 unencumbered containerships, aggregating 16,774 TEU, with an average age (weighted by TEU capacity) of 12.0 years. In addition, the debt portion of our newbuild capital expenditures is fully committed. We have arranged debt financing for our newbuilding program by executing between January and October 2011 loan agreements for a total of \$725.3 million in commitments. As of September 30, 2012, we had approximately \$580.2 million of undrawn capacity under committed credit facilities for newbuilds on order. We believe that our available liquidity will allow us to make additional vessel acquisitions as they become available.

### **Our Business Strategies**

Our primary objectives are to profitably grow our business, increase earnings and distributable cash flow per share and maximize value to our stockholders by pursuing the following strategies:

***Invest in Vessels at an Attractive Point in the Container Shipping Cycle.*** Given our broad and established customer relationships and financial flexibility, we believe we are well-positioned to take advantage of the significant opportunities created by the recent economic downturn and developments in the container shipping industry to acquire vessels at attractively low prices. As an established owner of containerships with significant experience and relationships in the containership sector, we believe we will have ready access to vessel acquisition opportunities from shipyards, our liner company customers, other shipowners, financial institutions and shipbrokers; chartering opportunities with leading liner companies; and available financing alternatives that will facilitate the further renewal and expansion of our fleet. Since September 2010, we have contracted to acquire 10 newbuilds, aggregating approximately 89,000 TEU in total capacity, and arranged for 10-year time charters for five of these newbuilds and five-year time charters (plus two one-year extension options exercisable by either us or the charterer) for the other five newbuilds. By securing long-term fixed rate charters at the time of purchase we believe we are well-positioned to realize attractive returns on these newbuild investments. We intend to continue expanding our fleet by acquiring additional containerships at favorable prices using our available cash, the net proceeds of this offering along with borrowings under new credit facilities.

***Actively Manage Portfolio of Charters Through the Shipping Cycle.*** We believe that a focus on high-quality charterers and a carefully-managed charter expiry profile are critical to our business strategy. Our largest customers in 2011 were A.P. Moller-Maersk, MSC and COSCO, which we perceive to be among the more creditworthy liner companies. As the global economy improves, we will continue to charter our containerships to high-quality charterers

and further expand the number of leading liner companies chartering our vessels in order to diversify further our portfolio of time

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charters from customer, geographic and maturity perspectives. While we believe that diversifying our customer base is important in order to reduce our revenue concentration and moderate our exposure to any one customer, we will also continue to focus our chartering on high quality, financially strong counterparties. We expect that our strategy will also allow us to recharter our containerships during various points in the charter market cycle.

***Continue to Manage Our Balance Sheet and Access to Capital.*** We believe that management of our balance sheet, including management of cash and capital commitments, will continue to give us financial flexibility. Unlike many of our public competitors, we are not burdened with acquisition and newbuild commitments that were incurred when vessel prices were relatively high, and we believe that we have taken advantage of opportunities at attractive points of the container shipping cycle and that we are well-positioned to continue to do so. As of September 30, 2012, we had \$264.5 million of cash liquidity, consisting of cash, cash equivalents and restricted cash and four unencumbered vessels. As of September 30, 2012, we also had approximately \$580.2 million of undrawn capacity under committed credit facilities for newbuilds on order with remaining installment payments totaling \$705.7 million.

***Provide High-Quality Customer Service.*** We seek to provide high-quality customer service that allows our customers to implement integrated logistics solutions in the marketplace. Our managers' ship management approach is to tailor their services by vessel type and age, which we believe has helped to differentiate us with our charterers and extend our charters and the useful lives of our containerships. We believe that having three management companies allows us to have a deep pool of operational management in multiple locations with market-specific experience and relationships, as well as the geographic flexibility needed to manage and crew our large and diverse fleet so as to provide a high level of service, while remaining cost-effective. We also believe that our focus on customer service and reliability enhances our relationships with our charterers. In the past decade, we have had successful chartering relationships with the majority of the top 20 liner companies by TEU capacity.

#### **Dividend Policy**

Commencing with a dividend of \$0.25 per share for the fourth quarter ended December 31, 2010, we have paid a cash dividend to our stockholders for seven consecutive quarters since our initial public offering in November 2010. In October 2011, our Board of Directors determined to raise our quarterly dividend from \$0.25 per share to \$0.27 per share, an increase of eight percent (8%), beginning with the dividend paid for the third quarter ended September 30, 2011. On October 5, 2012, we declared a dividend of \$0.27 per share payable on November 6, 2012, to holders of record on October 22, 2012. We intend to continue to pay our stockholders quarterly dividends of \$0.27 per share, or \$1.08 per share per year. However, there can be no assurance that we will pay regular quarterly dividends in the future.

Our board of directors may review and amend our dividend policy from time to time in light of our plans for future growth and other factors. We cannot assure you that we will be able to pay regular quarterly dividends in the amounts stated above or elsewhere in this prospectus, and our ability to pay dividends will be subject to the restrictions in our credit facilities and the provisions of the laws of the Republic of the Marshall Islands (the "Marshall Islands") as well as the other limitations set forth in the sections of this prospectus entitled "Dividend Policy" and "Risk Factors".

### Recent Developments

Since June 30, 2012, we entered into new chartering arrangements for certain vessels in our fleet, we purchased two vessels, which we subsequently agreed to charter, and we sold one vessel for demolition as follows:

We purchased the 1997-built, 2,458 TEU container vessel *Messini* (ex. *Pembroke*) for \$6.8 million. The vessel was delivered on August 2, 2012. The acquisition was entirely financed with cash on hand. The Company also entered into a charter agreement with Evergreen for the vessel for a period of approximately 18 months at a daily rate of \$8,100. The vessel was delivered to her charterers on September 24, 2012.

We have agreed to charter the 1992-built, 3,351 TEU container vessel *Konstantina* to Evergreen for a period of approximately one year at a daily rate of \$7,550. The vessel is expected to be

delivered to her charterers in October 2012.

On August 8, 2012, we took delivery of the 2001-built, 1,078 TEU containership *Stadt Luebeck*. The vessel was purchased from an insolvency administrator for a purchase price of \$11.3 million. The acquisition was funded entirely out of bank financing provided by an existing lender to the Company. The vessel is currently chartered to CMA CGM until the end of October 2012, at a daily rate of \$5,800. We have entered into an agreement, subject to final documentation, to extend the time charter agreement with CMA CGM from October 23, 2012 for a further period of a minimum of six months and a maximum of 10 months at a daily rate of

\$6,200. The charterer has a unilateral option to extend the charter for a period of an additional six months after the initial period at a daily rate of \$8,500.

We have entered into an agreement, subject to final documentation, to extend the time charter agreement with Sea Consortium for the 1991-built, 3,351 TEU containership *Karmen*, from October 1, 2012 for a minimum of four months and a maximum of nine months, at a daily rate of \$7,000.

We sold the 1991-built, 1,068 TEU containership *Horizon* for demolition for a sale price of approximately \$3.7 million. The vessel was delivered to its buyers on September 21, 2012. The sale of the *Horizon* resulted in a loss of



approximately  
\$7.1 million  
that will be  
reflected in our  
financial  
statements for  
the third quarter  
ended  
September 30,  
2012.

We have  
entered into an  
agreement,  
subject to final  
documentation,  
to charter the  
1996-built,  
1,504 TEU  
containership  
*Prosper* with  
Sinokor for a  
minimum of  
one month and  
a maximum of  
four months, at  
a daily rate of  
\$5,750. The  
vessel is  
expected to be  
delivered to its  
charterers on  
October 24,  
2012.

During the three month period after June 30, 2012, we drew \$11.3 million under the credit facility we entered into on October 6, 2011, as amended by a supplemental agreement we entered into on June 29, 2012, with Unicredit Bank AG, secured by eleven of our previously unencumbered existing containerships, in order to finance the purchase of the vessel *Stadt Luebeck*, which we took delivery of on August 8, 2012. Additionally we drew a total of \$30.6 million under two credit facilities we entered into on August 16, 2011 and October 12, 2011, in order to finance pre-delivery installments with regards to four of our contracted newbuildings.

Aggregate dry-docking costs for the third quarter ended September 30, 2012 are estimated to be \$5.4 million, which includes dry-docking costs, off-hire expenses and related voyage expenses, for 80 days required for dry-docking of four of our vessels.

On October 5, 2012, we declared a dividend of \$0.27 per share payable on November 6, 2012, to holders of record on October 22, 2012.

### **Corporate Information**

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Costamare Inc. was incorporated on April 21, 2008, under the laws of the Marshall Islands and conducts its operations through various subsidiaries. Each of our containerships is owned by one of our subsidiaries. We maintain our principal executive offices at 60 Zephyrou Street & Syngrou Avenue, 17564 Athens, Greece. Our telephone number at that address is +30-210-949-0050. We maintain a website at [www.costamare.com](http://www.costamare.com). The information contained on or linked to or from our website is not incorporated herein by reference.

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**The Offering**

|  |   |
|--|---|
| Issuer   | Costamare Inc., a Marshall Islands corporation.   |
| Shares of common stock offered   | 7,000,000 shares.<br><br>8,050,000 shares, if the underwriters exercise their option to purchase additional shares in full. Members of the Konstantakopoulos family have indicated their intention to purchase a total of 700,000 shares of our common stock in the offering.   |
| Shares of common stock to be outstanding immediately after this offering | 74,800,000 shares, assuming the underwriters do not exercise their option to purchase additional shares.  |
| Use of proceeds  | We estimate that the net proceeds from this offering, after deducting underwriting discounts and estimated expenses payable by us, will be approximately \$101.6 million. This amount is based on an assumed public offering price of \$15.21, the last reported sale price of our common stock on the New York Stock Exchange on October 12, 2012, and assumes no exercise of the underwriters' option to purchase additional shares. We plan to use the net proceeds of this offering for capital expenditures, including vessel acquisitions, and for other general corporate purposes, which may include repayments of indebtedness.  |
| Dividends  | Commencing with a dividend of \$0.25 per share for the fourth quarter ended December 31, 2010, we have paid a cash dividend to our stockholders for seven consecutive quarters since our initial public offering in November 2010. In October 2011, our Board of Directors determined to raise our quarterly dividend from \$0.25 per share to \$0.27 per share, an increase of eight percent (8%), beginning with the dividend paid for the third quarter ended September 30, 2011. We intend to continue to pay our stockholders quarterly dividends of \$0.27 per share, or \$1.08 per share per year. However, there can be no assurance that we will pay regular quarterly dividends in the future. Declaration and payment of any dividend is subject to the discretion of our board of directors. See Dividend Policy. |
| NYSE listing   | Our common stock is listed on the New York Stock Exchange under the symbol CMRE.  |
| Risk factors   | See Risk Factors on page S-13 of this prospectus supplement and beginning on page 3 of our Annual Report on Form 20-F for a discussion of factors you should carefully consider before deciding to invest in shares of our common stock.  |

Each share of our common stock includes one right that, under certain circumstances, will entitle the holder to purchase from us a unit consisting of one-thousandth of a share of preferred stock at a purchase price of \$25.00 per unit, subject to specified adjustments.

**Summary Combined and Consolidated Financial and Other Data**

The following table presents summary combined and consolidated financial and other data of Costamare Inc. for each of the five years in the five-year period ended December 31, 2011 and for the six months ended June 30, 2012 and June 30, 2011.

The summary combined and consolidated financial data for each of the five years in the five-year period ended December 31, 2011 is a summary of, is derived from, and is qualified by reference to, our audited consolidated financial statements and notes thereto, which have been prepared in accordance with U.S. generally accepted accounting principles, or "U.S. GAAP". Our audited consolidated statements of income, stockholders' equity and cash flows for the years ended December 31, 2009, 2010 and 2011 and the consolidated balance sheets at December 31, 2010 and 2011, together with the notes thereto, are included in our Annual Report on Form 20-F, incorporated by reference herein, and should be read in their entirety.

The summary consolidated financial data for the six months ended June 30, 2012 and June 30, 2011 and as of June 30, 2012, is derived from, and is qualified by reference to, our unaudited consolidated financial statements incorporated by reference in this prospectus. The summary consolidated financial data as of June 30, 2011 is derived from our unaudited consolidated financial statements not incorporated by reference in this prospectus. The results of operations for the six months ended June 30, 2012 may not be indicative of the results that may be expected for the entire year ending December 31, 2012.

|  | <b>Year Ended December 31,</b> |             |             |             |    |
|--|--------------------------------|-------------|-------------|-------------|----|
|  | <b>2007</b>                    | <b>2008</b> | <b>2009</b> | <b>2010</b> |    |
| (Expressed in thousands of U.S. dollars, except for share amounts) |                                |             |             |             |    |
| <b>STATEMENT OF INCOME</b>   |                                |             |             |             |    |
| Revenues:  |                                |             |             |             |    |
| Voyage revenue   | \$ 370,121                     | \$ 426,348  | \$ 399,939  | \$ 353,151  | \$ |
| Expenses:  |                                |             |             |             |    |
| Voyage expenses  | 2,780                          | 3,735       | 3,075       | 2,076       |    |
| Voyage expenses related parties                                    |                                |             |             | 410         |    |
| Charter agreement early termination fee                            |                                |             |             | 9,500       |    |
| Vessels operating expenses   | 124,666                        | 148,350     | 114,515     | 102,771     |    |
| General and administrative expenses                                | 466                            | 2,608       | 1,716       | 1,224       |    |
| Management fees related parties                                    | 11,812                         | 13,541      | 12,231      | 11,256      |    |
| Amortization of dry-docking and                                    | 3,095                          | 6,722       | 7,986       | 8,465       |    |

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|  |              |              |              |              |    |  |
|--|--------------|--------------|--------------|--------------|----|--|
| special survey costs                                 |              |              |              |              |    |  |
| Depreciation   | 50,710       | 72,256       | 71,148       | 70,887       |    |  |
| Gain on sale of vessels                              |              | (95 )        | (2,854 )     | (9,588 )     |    |  |
| Foreign exchange (gains)/losses                      | 579          | (235 )       | 535          | 273          |    |  |
| Other income/(expenses)                              | 301          | (37 )        |              |              |    |  |
| Operating income                                     | \$ 175,712   | \$ 179,503   | \$ 191,587   | \$ 155,877   | \$ |  |
| Other Income (Expenses):                             |              |              |              |              |    |  |
| Interest income                                      | \$ 3,589     | \$ 5,575     | \$ 2,672     | \$ 1,449     | \$ |  |
| Interest and finance costs                           | (62,568 )    | (68,420 )    | (86,817 )    | (71,949 )    |    |  |
| Other  | 188          | 109          | 3,892        | 306          |    |  |
| Gain (loss) on derivative instruments                | (1,498 )     | (16,988 )    | 5,595        | (4,459 )     |    |  |
| Total other income (expenses)                        | \$ (60,289 ) | \$ (79,724 ) | \$ (74,658 ) | \$ (74,653 ) | \$ |  |
| Net Income   | \$ 115,423   | \$ 99,779    | \$ 116,929   | \$ 81,224    | \$ |  |
| Earnings per common share, basic and diluted         | \$ 2.46      | \$ 2.12      | \$ 2.49      | \$ 1.65      | \$ |  |
| Weighted average number of shares, basic and diluted | 47,000,000   | 47,000,000   | 47,000,000   | 49,113,425   | 6  |  |

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**Year Ended December 31,**

|  | <b>2007</b> | <b>2008</b> | <b>2009</b> | <b>2010</b> | <b>2011</b> |
|--|-------------|-------------|-------------|-------------|-------------|
|--|-------------|-------------|-------------|-------------|-------------|

(Expressed in thousands of U.S. dollars)

**OTHER FINANCIAL DATA**

|  |            |            |            |            |            |
|--|------------|------------|------------|------------|------------|
| Net cash provided by operating activities            | \$ 166,619 | \$ 247,518 | \$ 161,893 | \$ 127,946 | \$ 195,179 |
| Net cash (used in) provided by investing activities  | (257,550 ) | (138,301 ) | 12,811     | (23,850 )  | (283,758 ) |
| Net cash (used in) provided by financing activities  | 93,099     | (22,529 )  | (252,684 ) | 43,396     | 26,801     |
| Net increase (decrease) in cash and cash equivalents | 2,168      | 86,688     | (77,980 )  | 147,492    | (61,778 )  |
| Dividends and distributions paid                     | (88,572 )  | (279,778 ) | (161,230 ) | (10,000 )  | (61,506 )  |
| EBITDA <sup>(1)</sup>                                | 228,207    | 241,602    | 280,208    | 231,076    | 249,498    |
| Adjusted EBITDA <sup>(1)</sup>                       | \$ 231,760 | \$ 259,617 | \$ 244,386 | \$ 223,609 | \$ 274,669 |

**BALANCE SHEET DATA**

**(at period end)**

|   |            |            |           |            |            |
|---|------------|------------|-----------|------------|------------|
| Total current assets                            | \$ 120,274 | \$ 121,495 | \$ 48,305 | \$ 211,212 | \$ 138,851 |
| Total assets                                    | 1,674,665  | 1,815,500  | 1,710,300 | 1,828,782  | 1,982,545  |
| Total current liabilities                       | 177,575    | 287,534    | 183,271   | 184,788    | 226,589    |
| Total long-term debt, including current portion | 1,102,926  | 1,529,948  | 1,435,593 | 1,341,737  | 1,443,420  |

|                           |         |           |         |         |         |
|---------------------------|---------|-----------|---------|---------|---------|
| Total stockholders equity | 521,453 | (10,750 ) | 155,222 | 362,142 | 329,986 |
|---------------------------|---------|-----------|---------|---------|---------|

|                   | Average for the Year Ended December 31, |         |         |         |         | Average, for the Six Months Ended June 30, |         |
|-------------------|---|---------|---------|---------|---------|--|---------|
|                   | 2007                                    | 2008    | 2009    | 2010    | 2011    | 2011                                       | 2012    |
| <b>FLEET DATA</b> |   |         |         |         |         |  |         |
| Number of vessels | 46.2                                    | 52.8    | 47.3    | 42.4    | 47.8    | 48.7                                       | 46.4    |
| TEU capacity      | 194,865                                 | 226,878 | 218,733 | 211,185 | 231,990 | 228,011                                    | 236,748 |

- (1) EBITDA and Adjusted EBITDA are non-GAAP measures. The Company reports its financial results in accordance with U.S. generally accepted accounting principles (GAAP). However, management believes that certain non-GAAP financial measures used in managing the business may provide users of these financial measures additional meaningful

comparisons between current results and results in prior operating periods. Management believes that these non-GAAP financial measures can provide additional meaningful reflection of underlying trends of the business because they provide a comparison of historical information that excludes certain items that impact the overall comparability. Management also uses these non-GAAP financial measures in making financial, operating and planning decisions and in evaluating the Company's performance. The table below sets out supplemental financial data and corresponding reconciliations to GAAP financial



measures for the years ended December 31, 2011, 2010, 2009, 2008 and 2007 and the six months ended June 30, 2012 and June 30, 2011. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, the Company's reported results prepared in accordance with GAAP.

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## Year Ended December 31,

2007

2008

2009

2010

2011

(Expressed in thousands of U.S. dollars)

**Reconciliation of Net Cash from Operating Activities to EBITDA**

|  |            |            |            |            |            |       |
|--|------------|------------|------------|------------|------------|-------|
| Net Cash provided by operating activities                              | \$ 166,619 | \$ 247,518 | \$ 161,893 | \$ 127,946 | \$ 195,179 | \$    |
| Net increase (decrease) in operating assets                            | (500 )     | (92,787 )  | 15,864     | 5,701      | (27,623 )  |       |
| Net (increase) decrease in operating liabilities                       | (11,590 )  | 16,213     | 1,066      | 10,124     | (4,159 )   |       |
| Interest and finance cost net  | 58,979     | 62,845     | 84,145     | 70,500     | 74,964     |       |
| Amortization of financing costs  | (190 )     | (964 )     | (746 )     | (1,827 )   | (2,747 )   |       |
| Gain on sale of vessels  |            | 95         | 2,854      | 9,588      | 13,077     |       |
| Gain (loss) on derivative instruments                                  | (1,501 )   | (16,657 )  | 5,595      | (4,459 )   | (8,709 )   |       |
| Payments for dry-dockings and special survey costs                     | 10,095     | 23,362     | 6,051      | 12,705     | 6,122      |       |
| Amortization and write-off of unearned revenue                         | 6,295      | 1,636      | 3,378      | 650        | 650        |       |
| Net settlements on interest rate swaps qualifying for hedge accounting |            |            |            |            |            | 2,752 |
| Gain on sale of  |            | 341        | 108        | 148        | (8 )       |       |

investments

|        |    |         |    |         |    |         |    |         |    |         |    |
|--------|----|---------|----|---------|----|---------|----|---------|----|---------|----|
| EBITDA | \$ | 228,207 | \$ | 241,602 | \$ | 280,208 | \$ | 231,076 | \$ | 249,498 | \$ |
|--------|----|---------|----|---------|----|---------|----|---------|----|---------|----|

**Reconciliation of Net Income to EBITDA**

|            |    |         |    |        |    |         |    |        |    |        |    |
|------------|----|---------|----|--------|----|---------|----|--------|----|--------|----|
| Net Income | \$ | 115,423 | \$ | 99,779 | \$ | 116,929 | \$ | 81,224 | \$ | 87,592 | \$ |
|------------|----|---------|----|--------|----|---------|----|--------|----|--------|----|

|                            |  |        |  |        |  |        |  |        |  |        |  |
|----------------------------|--|--------|--|--------|--|--------|--|--------|--|--------|--|
| Interest and finance costs |  | 62,568 |  | 68,420 |  | 86,817 |  | 71,949 |  | 75,441 |  |
|----------------------------|--|--------|--|--------|--|--------|--|--------|--|--------|--|

|                 |  |          |  |          |  |          |  |          |  |        |  |
|-----------------|--|----------|--|----------|--|----------|--|----------|--|--------|--|
| Interest income |  | (3,589 ) |  | (5,575 ) |  | (2,672 ) |  | (1,449 ) |  | (477 ) |  |
|-----------------|--|----------|--|----------|--|----------|--|----------|--|--------|--|

|              |  |        |  |        |  |        |  |        |  |        |  |
|--------------|--|--------|--|--------|--|--------|--|--------|--|--------|--|
| Depreciation |  | 50,710 |  | 72,256 |  | 71,148 |  | 70,887 |  | 78,803 |  |
|--------------|--|--------|--|--------|--|--------|--|--------|--|--------|--|

|  |  |       |  |       |  |       |  |       |  |       |  |
|--|--|-------|--|-------|--|-------|--|-------|--|-------|--|
| Amortization of dry-docking and special survey costs |  | 3,095 |  | 6,722 |  | 7,986 |  | 8,465 |  | 8,139 |  |
|--|--|-------|--|-------|--|-------|--|-------|--|-------|--|

|        |    |         |    |         |    |         |    |         |    |         |    |
|--------|----|---------|----|---------|----|---------|----|---------|----|---------|----|
| EBITDA | \$ | 228,207 | \$ | 241,602 | \$ | 280,208 | \$ | 231,076 | \$ | 249,498 | \$ |
|--------|----|---------|----|---------|----|---------|----|---------|----|---------|----|

|                         |  |       |  |       |  |           |  |           |  |        |  |
|-------------------------|--|-------|--|-------|--|-----------|--|-----------|--|--------|--|
| Accrued charter revenue |  | 2,055 |  | 1,122 |  | (22,374 ) |  | (13,596 ) |  | 30,313 |  |
|-------------------------|--|-------|--|-------|--|-----------|--|-----------|--|--------|--|

|                                |  |  |  |       |  |          |  |          |  |           |  |
|--------------------------------|--|--|--|-------|--|----------|--|----------|--|-----------|--|
| Gain (Loss) on sale of vessels |  |  |  | (95 ) |  | (2,854 ) |  | (9,588 ) |  | (13,077 ) |  |
|--------------------------------|--|--|--|-------|--|----------|--|----------|--|-----------|--|

|  |  |  |  |  |  |          |  |       |  |          |  |
|--|--|--|--|--|--|----------|--|-------|--|----------|--|
| Realized gain (Loss) on Euro/USD forward contracts |  |  |  |  |  | (4,999 ) |  | 1,758 |  | (1,971 ) |  |
|--|--|--|--|--|--|----------|--|-------|--|----------|--|

|   |  |  |  |  |  |  |  |       |  |  |  |
|---|--|--|--|--|--|--|--|-------|--|--|--|
| Charter agreement early termination fee |  |  |  |  |  |  |  | 9,500 |  |  |  |
|---|--|--|--|--|--|--|--|-------|--|--|--|

|                                       |  |       |  |        |  |          |  |       |  |       |  |
|---------------------------------------|--|-------|--|--------|--|----------|--|-------|--|-------|--|
| (Gain) loss on derivative instruments |  | 1,498 |  | 16,988 |  | (5,595 ) |  | 4,459 |  | 8,709 |  |
|---------------------------------------|--|-------|--|--------|--|----------|--|-------|--|-------|--|

|   |  |  |  |  |  |  |  |  |  |       |  |
|---|--|--|--|--|--|--|--|--|--|-------|--|
| Initial purchases of consumable stores for newly acquired vessels |  |  |  |  |  |  |  |  |  | 1,197 |  |
|---|--|--|--|--|--|--|--|--|--|-------|--|

|                 |            |            |            |            |            |    |
|-----------------|------------|------------|------------|------------|------------|----|
| Adjusted EBITDA | \$ 231,760 | \$ 259,617 | \$ 244,386 | \$ 223,609 | \$ 274,669 | \$ |
|-----------------|------------|------------|------------|------------|------------|----|

EBITDA represents net income before interest and finance costs, interest income, depreciation and amortization of deferred dry-docking and special survey costs. Adjusted EBITDA represents net income before interest and finance costs, interest income, depreciation, amortization of deferred dry-docking & special survey costs, gain/(loss) on sale of vessels, non-cash changes in fair value of derivatives, non-cash changes in Accrued charter revenue deriving from escalating charter rates under which certain of our vessels operate and the cash of partial purchases of consumable stores for newly acquired vessels. Accrued charter revenue is attributed to the time difference between the revenue recognition and the cash collection. However, EBITDA and Adjusted EBITDA are not recognized measurements under U.S. generally accepted accounting principles, or GAAP. We believe that the presentation of EBITDA and Adjusted EBITDA are useful to investors because they are frequently used by securities analysts, investors and other interested parties in the evaluation of companies in our industry. We also believe that EBITDA and Adjusted EBITDA are useful in evaluating our ability to service additional debt and make capital expenditures. In addition, we believe that EBITDA and Adjusted EBITDA are useful in evaluating our operating performance and liquidity position compared to that of other companies in our industry because the calculation of EBITDA and Adjusted EBITDA generally eliminates the effects of financings, income taxes and the accounting effects of capital expenditures and acquisitions, items which may vary for different companies for reasons unrelated to overall operating performance and liquidity. In evaluating EBITDA and Adjusted EBITDA, you should be aware that in the future we may incur expenses that are the same as or similar to some of the adjustments in this presentation. Our presentation of EBITDA and Adjusted EBITDA should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items.

## **RISK FACTORS**

Any investment in our common stock involves a high degree of risk. You should carefully consider the important factors set forth under the heading **Risk Factors** starting on page 3 of our Annual Report on Form 20-F, which was filed with the SEC on February 29, 2012 and incorporated herein by reference, before investing in our common stock. For further details, see the sections entitled **Where You Can Find Additional Information** and **Incorporation by Reference**.

Any of the risk factors referred to above could significantly and negatively affect our business, results of operations or financial condition, which may reduce our ability to pay dividends and lower the trading price of our common stock. The risks referred to above are not the only ones that may exist. Additional risks not currently known by us or that we deem immaterial may also impair our business operations. You may lose all or a part of your investment.

## **FORWARD-LOOKING STATEMENTS**

All statements in this prospectus (and in the documents and statements incorporated by referenced herein) that are not statements of historical fact are **forward-looking statements** within the meaning of the United States Private Securities Litigation Reform Act of 1995. The disclosure and analysis set forth in this prospectus includes assumptions, expectations, projections, intentions and beliefs about future events in a number of places, particularly in relation to our operations, cash flows, financial position, plans, strategies, business prospects, changes and trends in our business and the markets in which we operate. These statements are intended as forward-looking statements. In some cases, predictive, future-tense or forward-looking words such as **believe** , **intend** , **anticipate** , **estimate** , **project** , **forecast** , **potential** , **may** , **should** , **could** and **expect** and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. In addition, we and our representatives may from time to time make other oral or written statements which are forward-looking statements, including in our periodic reports that we file with the SEC, other information sent to our security holders, and other written materials.

Forward-looking statements include, but are not limited to, such matters as:

general market  
conditions and  
shipping  
industry trends,  
including  
charter rates,  
vessel values  
and factors  
affecting  
supply and  
demand;

our continued  
ability to enter  
into time  
charters with  
our customers,  
including the  
rechartering of  
vessels upon  
the expiry of

existing  
charters, or to  
secure  
profitable  
employment  
for our vessels  
in the spot  
market;

our contracted  
revenue;

future  
operating or  
financial  
results and  
future revenues  
and expenses;

our financial  
condition and  
liquidity,  
including our  
ability to make  
required  
payments  
under our  
credit facilities,  
comply with  
our loan  
covenants and  
obtain  
additional  
financing in  
the future to  
fund capital  
expenditures,  
acquisitions  
and other  
corporate  
activities, as  
well as our  
ability to  
refinance  
indebtedness;

the overall  
health and  
condition of  
the U.S. and  
global financial

markets,  
including the  
value of the  
U.S. dollar  
relative to  
other  
currencies;

the financial  
stability of our  
counterparties,  
both to our  
time charters  
and our credit  
facilities, and  
the ability of  
such  
counterparties  
to perform  
their  
obligations;

future, pending  
or recent  
acquisitions of  
vessels or other  
assets, business  
strategy, areas  
of possible  
expansion and  
expected  
capital  
spending or  
operating  
expenses;

our  
expectations  
relating to  
dividend  
payments and  
our ability to  
make such  
payments;

our  
expectations  
about  
availability of  
existing vessels  
to acquire or

newbuilds to purchase, the time that it may take to construct and deliver new vessels, including our newbuild vessels currently on order, or the useful lives of our vessels;

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availability of  
key employees  
and crew,  
length and  
number of  
off-hire days,  
drydocking  
requirements  
and fuel and  
insurance  
costs;

our anticipated  
general and  
administrative  
expenses;

our ability to  
leverage to our  
advantage our  
managers  
relationships  
and reputation  
within the  
container  
shipping  
industry;

expected  
compliance  
with financing  
agreements  
and the  
expected  
effect of  
restrictive  
covenants in  
such  
agreements;

environmental  
and regulatory  
conditions,  
including  
changes in  
laws and  
regulations or  
actions taken  
by regulatory  
authorities;

risks inherent  
in vessel  
operation,  
including  
terrorism,  
piracy and  
discharge of  
pollutants;

potential  
liability from  
future  
litigation; and

other factors  
discussed in  
Risk Factors in  
this prospectus  
(and in the  
Risk Factors  
described in  
our Annual  
Report on  
Form 20-F).

Many of these statements are based on our assumptions about factors that are beyond our ability to control or predict and are subject to risks and uncertainties that are described more fully in the Risk Factors section of this prospectus (and in the Risk Factors described in our Annual Report on Form 20-F). Any of these factors or a combination of these factors could materially affect future results of operations and the ultimate accuracy of the forward-looking statements. Factors that might cause future results to differ include, but are not limited to, the following:

changes in  
law,  
governmental  
rules and  
regulations, or  
actions taken  
by regulatory  
authorities;

changes in  
economic and  
competitive  
conditions  
affecting our  
business;

potential  
liability from  
future

litigation;

length and  
number of  
off-hire  
periods and  
dependence  
on affiliated  
managers; and

other factors  
discussed in  
Risk Factors  
in this  
prospectus  
(and in the  
Risk Factors  
described in  
our Annual  
Report on  
Form 20-F).

We caution that the forward-looking statements included in this prospectus (and in the documents and statements incorporated by reference herein) represent our estimates and assumptions only as of the date of this prospectus (and in the documents and statements incorporated by reference herein) and are not intended to give any assurance as to future results. Assumptions, expectations, projections, intentions and beliefs about future events may, and often do, vary from actual results and these differences can be material. The reasons for this include the risks, uncertainties and factors described under Risk Factors (and in the Risk Factors described in our Annual Report on Form 20-F). As a result, the forward-looking events discussed in this prospectus might not occur and our actual results may differ materially from those anticipated in the forward-looking statements. Accordingly, you should not unduly rely on any forward-looking statements.

We undertake no obligation to update or revise any forward-looking statements contained in this prospectus, whether as a result of new information, future events, a change in our views or expectations or otherwise. New factors emerge from time to time, and it is not possible for us to predict all of these factors. Further, we cannot assess the impact of each such factor on our business or the extent to which any factor, or combination of factors, may cause actual results to be materially different from those contained in any forward-looking statement.

### **USE OF PROCEEDS**

We estimate that the net proceeds from this offering, after deducting the underwriting discount and estimated expenses relating to this offering payable by us, will be approximately \$101.6 million. This amount is based on an assumed public offering price of \$15.21 per share, the last reported sale price of our common stock on the New York Stock Exchange on October 12, 2012, and assumes no exercise of the underwriters' option to purchase additional shares. We plan to use the net proceeds of this offering for capital expenditures, including vessel acquisitions, and for other general corporate purposes, which may include repayments of indebtedness.

Assuming the number of shares offered by us, as set forth on the cover page of this prospectus supplement, remains the same, after deducting the estimated underwriting discount and other estimated offering expenses payable by us, a \$0.50 increase or decrease in the assumed public offering price of \$15.21 per share would increase or decrease our expected net proceeds by approximately \$3.4 million, respectively.

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**CAPITALIZATION**

The following table sets forth our (i) cash and cash equivalents, (ii) restricted cash and (iii) consolidated capitalization as of June 30, 2012 on an:

actual basis;

as adjusted  
basis, giving  
effect to (i)  
dividends  
totaling  
\$18.3 million  
paid on  
August 7,  
2012, (ii)  
dividends  
totaling  
\$18.3 million  
payable on  
November 6,  
2012 to  
holders of  
record on  
October 22,  
2012, (iii)  
scheduled  
debt  
repayments  
totaling  
\$39.1 million  
since June  
30, 2012 and  
(iv) the  
draw-down  
of \$52.6  
million  
under our  
credit  
facilities  
since June  
30, 2012;  
and

as further  
adjusted  
basis, giving  
effect to (i)  
the issuance  
and sale of

the shares offered hereby at an assumed price of \$15.21 (the last reported sale price of our common stock on the New York Stock Exchange on October 12, 2012), and (ii) additional dividends totaling \$1.9 million payable on November 6, 2012 to holders of the shares offered hereby that are holders of record on October 22, 2012, in each case assuming the underwriters option to purchase additional shares is not exercised.

Other than these adjustments, there has been no material change in our capitalization from debt or equity issuances, re-capitalizations or special dividends between June 30, 2012 and October 12, 2012.

This table should be read in conjunction with our consolidated financial statements and the notes thereto incorporated by reference in this prospectus.

|                                       | <b>As of June 30, 2012</b> |                            |
|---------------------------------------|----------------------------|----------------------------|
| <b>Actual</b>                         | <b>As Adjusted</b>         | <b>As Further Adjusted</b> |
| <b>(in thousands of U.S. dollars)</b> |                            |                            |

|  |              |              |              |
|--|--------------|--------------|--------------|
| <b>Cash and cash equivalents</b>   | \$ 241,690   | \$ 218,577   | \$ 318,336   |
| <b>Restricted cash</b>   | \$ 54,344    | \$ 54,344    | \$ 54,344    |
| <b>Debt:</b>   |              |              |              |
| Total long-term debt <sup>(1)(2)</sup>   | \$ 1,552,488 | \$ 1,565,987 | \$ 1,565,987 |
| <b>Stockholders equity:</b>  |              |              |              |
| Common stock, par value \$0.0001 per share;<br>1,000,000,000 shares authorized on an actual, as<br>adjusted and as further adjusted basis;<br>67,800,000 shares issued and outstanding on an<br>actual and as adjusted basis, 74,800,000 shares<br>issued and outstanding on an as further adjusted<br>basis | 7            | 7            | 8            |
| Additional paid-in capital   | 620,554      | 620,554      | 722,202      |
| Accumulated deficit  | (37,760 )    | (74,372 )    | (76,262 )    |
| Accumulated other comprehensive loss   | (153,749 )   | (153,749 )   | (153,749 )   |
| Total stockholders equity  | \$ 429,052   | \$ 392,440   | \$ 492,199   |
| <b>Total capitalization</b>  | \$ 1,981,540 | \$ 1,958,427 | \$ 2,058,186 |

(1) As of June 30, 2012, we had approximately \$610.7 million of undrawn capacity under committed credit facilities for newbuilds on order.

(2) All of our existing indebtedness is secured.

**DIVIDEND POLICY**

Commencing with a dividend of \$0.25 per share for the fourth quarter ended December 31, 2010, we have paid a cash dividend to our stockholders for seven consecutive quarters since our initial public offering in November 2010. In October 2011, our Board of Directors determined to raise our quarterly dividend from \$0.25 per share to \$0.27 per share, an increase of eight percent (8%), beginning with the dividend paid for the third quarter ended September 30, 2011. On October 5, 2012, we declared a dividend of \$0.27 per share payable on November 6, 2012, to holders of record on October 22, 2012. We intend to continue to pay our stockholders quarterly dividends of \$0.27 per share, or \$1.08 per share per year. However, there can be no assurance that we will pay regular quarterly dividends in the future.

We currently intend to pay dividends in amounts that will allow us to retain a portion of our cash flows to fund vessel, fleet or company acquisitions that we expect to be accretive to earnings and cash flows and for debt repayment and dry-docking costs, as determined by management and our board of directors. Our board of directors may review and amend our dividend policy from time to time in light of our plans for future growth and other factors, and our ability to pay dividends will be subject to the restrictions in our credit facilities and the provisions of the Marshall Islands law. The timing and amount of dividend payments will be dependent upon our earnings, financial condition, cash requirements and availability, fleet renewal and expansion and other factors. We cannot assure you that we will be able to pay regular quarterly dividends in the amounts stated above or elsewhere in this prospectus, and dividends may be discontinued at any time at the discretion of our board of directors. Our ability to pay dividends may be limited by the amount of cash we can generate from operations following the payment of fees and expenses and the establishment of any reserves, as well as additional factors unrelated to our profitability. We are a holding company, and we depend on the ability of our subsidiaries to distribute funds to us in order to satisfy our financial obligations and to make dividend payments. See Item 3. Key Information D. Risk Factors Risks Inherent in Our Business beginning on page 3 of our Annual Report on Form 20-F for a discussion of the risks related to our ability to pay dividends.

Set out below is a table showing the dividends and distributions paid in 2007, 2008, 2009, 2010, 2011 and the first nine months of 2012.

|                    | <b>Year Ended December 31,</b>                 |                 |                 |                |                |                | <b>2012<br/>(through<br/>September<br/>30,<br/>2012)</b> | <b>Total</b> |
|--------------------|--|-----------------|-----------------|----------------|----------------|----------------|--|--------------|
|                    | <b>2007</b>                                    | <b>2008</b>     | <b>2009</b>     | <b>2010</b>    | <b>2011</b>    |                |  |              |
|                    | <b>(Expressed in millions of U.S. dollars)</b> |                 |                 |                |                |                |  |              |
| Dividends paid     | \$ 88.6  | \$ 10.8         | \$ 30.2         | \$ 10.0        | \$ 61.5        | \$ 52.9        | \$ 254.0   |              |
| Distributions paid | 0.0  | 269.0           | 131.0           | 0.0            | 0.0            | 0.0            | 400.0  |              |
| <b>Total</b>       | <b>\$ 88.6</b>                                 | <b>\$ 279.8</b> | <b>\$ 161.2</b> | <b>\$ 10.0</b> | <b>\$ 61.5</b> | <b>\$ 52.9</b> | <b>\$ 654.0</b>  |              |



**PRICE RANGE OF COMMON STOCK**

Since our initial public offering in the United States on November 4, 2010, our common stock has been listed on the New York Stock Exchange under the symbol CMRE. The following table shows the high and low closing sales prices for our common stock during the indicated periods.

|                                     | <b>Price Range</b> |            |
|-------------------------------------|--------------------|------------|
|                                     | <b>High</b>        | <b>Low</b> |
| Year ended December 31, 2010        | \$ 14.46           | \$ 10.75   |
| Year ended December 31, 2011        | 18.11              | 11.39      |
| First Quarter 2011                  | 17.40              | 14.33      |
| Second Quarter 2011                 | 18.11              | 16.30      |
| Third Quarter 2011                  | 17.68              | 12.31      |
| Fourth Quarter 2011                 | 14.31              | 11.39      |
| First Quarter 2012                  | 15.67              | 13.77      |
| Second Quarter 2012                 | 14.45              | 12.61      |
| Third Quarter 2012                  | 12.35              | 15.74      |
| April 2012                          | 14.15              | 13.00      |
| May 2012                            | 14.45              | 12.61      |
| June 2012                           | 13.90              | 12.83      |
| July 2012                           | 14.25              | 12.95      |
| August 2012                         | 13.17              | 12.35      |
| September 2012                      | 15.74              | 14.18      |
| October 1, 2012 to October 12, 2012 | 16.05              | 15.21      |

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**TAX CONSIDERATIONS**

You should carefully read the discussion of the principal U.S. Federal income tax, Marshall Islands tax and Liberian tax considerations associated with our operations and the acquisition, ownership and disposition of our common stock set forth in the section of our Annual Report on Form 20-F entitled Item 10. Additional Information E. Tax Considerations .

**OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION**

We estimate the expenses in connection with the issuance and distribution of our common stock in this offering, other than the underwriting discount, will be as follows:

|                               |    |         |
|-------------------------------|----|---------|
| SEC Registration Fee          | \$ | 14,523  |
| Printing                      |    | 50,000  |
| Legal Fees and Expenses       |    | 125,000 |
| Accountants Fees and Expenses |    | 27,000  |
| NYSE Fees                     |    | 33,600  |
| FINRA Fee                     |    | 9,150   |
| Miscellaneous Costs           |    | 10,727  |
| Total                         | \$ | 270,000 |

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**UNDERWRITING**

Under the terms and subject to the conditions in an underwriting agreement dated the date of this prospectus supplement, the underwriters named below have severally agreed to purchase, and we have agreed to sell to them, the number of shares of our common stock indicated below:

| Name                     | Number of<br>Shares |
|--------------------------|---------------------|
| Morgan Stanley & Co. LLC |                     |
| Goldman, Sachs & Co.     |                     |
| <b>Total</b>             | <b>7,000,000</b>    |

The underwriters are collectively referred to as the underwriters. The underwriters are offering the shares of common stock subject to their acceptance of the shares from us. The underwriting agreement provides that the obligations of the several underwriters to pay for and accept delivery of the shares of our common stock offered by this prospectus are subject to the approval of certain legal matters by their counsel and to certain other conditions. The underwriters are obligated to take and pay for all of the shares of our common stock offered by this prospectus if any such shares are taken. However, the underwriters are not required to take or pay for the shares covered by the underwriters' option to purchase additional shares described below.

The underwriters initially propose to offer part of the shares of our common stock directly to the public at the offering price listed on the cover page of this prospectus and part to certain dealers. After the initial offering of the shares of our common stock, the offering price and other selling terms may from time to time be varied by the underwriters.

We have granted to the underwriters an option, exercisable for 30 days from the date of this prospectus supplement, to purchase up to 1,050,000 additional shares of our common stock at the public offering price listed on the cover page of this prospectus, less underwriting discounts. To the extent the option is exercised, each underwriter will become obligated, subject to certain conditions, to purchase about the same percentage of the additional shares of our common stock as the number listed next to the underwriter's name in the preceding table bears to the total number of shares of our common stock listed next to the names of all underwriters in the preceding table.

The following table shows the per share and total public offering price, underwriting discounts and proceeds before expenses to us. These amounts are shown assuming both no exercise and full exercise of the underwriters' option to purchase up to an additional 1,050,000 shares of our common stock.

|  | Total     |                              |
|--|-----------|------------------------------|
|  | Per Share | No Exercise    Full Exercise |
| Public offering price                            |           |                              |
| Underwriting discounts paid by us <sup>(1)</sup> |           |                              |
| Proceeds, before expenses, to us                 |           |                              |

(1)

The underwriters will not receive an underwriting discount or commission on the sale of 700,000 shares of our common stock to members of the Konstantakopoulos family.

The estimated offering expenses payable by us, exclusive of the underwriting discounts, are approximately \$270,000.

Our common stock is listed on the New York Stock Exchange under the trading symbol CMRE.

We, our officers and directors and members of the Konstantakopoulos family have agreed not to sell or transfer any shares of our common stock or securities convertible into, exchangeable for, exercisable for or repayable with common stock, for 90 days after the date of this prospectus supplement without first obtaining the written consent of Morgan Stanley & Co. LLC and Goldman, Sachs & Co. Specifically, we, our officers, our directors and members of the Konstantakopoulos family have agreed, with certain limited exceptions, not to directly or indirectly:

offer,  
pledge,  
sell or  
contract  
to sell  
any  
shares of  
common  
stock;

sell any  
option or  
contract to  
purchase any  
shares of  
common  
stock;

purchase any  
option or  
contract to  
sell any shares  
of common  
stock;

grant any  
option, right  
or warrant for  
the sale of any  
shares of  
common  
stock;

lend or  
otherwise  
dispose of or  
transfer any  
shares of  
common  
stock;

request or  
demand that  
we file a  
registration  
statement  
related to the  
common  
stock; or

enter into any  
swap or other  
agreement  
that transfers,  
in whole or in  
part, the  
economic  
consequences  
of ownership  
of any shares

of common  
stock whether  
any such swap  
or transaction  
is to be settled  
by delivery of  
shares or  
other  
securities, in  
cash or  
otherwise.

These lock-up provisions apply to shares of our common stock and to securities convertible into or exchangeable or exercisable for or repayable with our common stock. These provisions also apply to shares of our common stock owned now or acquired later by such persons or for which such persons later acquire the power of disposition. The restrictions described above do not apply to:

the sale of  
shares to the  
underwriters;

transactions  
by a  
stockholder  
relating to  
shares of  
common  
stock or other  
securities  
acquired in  
open market  
transactions  
after the  
completion of  
this offering;  
provided that  
no filing  
under Section  
16(a) of the  
Exchange Act  
is required or  
voluntarily  
made;

the  
establishment  
of a trading  
plan pursuant  
to Rule  
10b5-1 under  
the Exchange

Act, for the transfer of shares of common stock, provided that such plan does not provide for the transfer of common stock during the 90-day restricted period;

transfers by a stockholder of shares of common stock or any security convertible into common stock as a bona fide gift;

distributions by a stockholder of shares of common stock or any security convertible into common stock to limited partners or stockholders of such stockholder; or

transfers by a stockholder of shares of common stock or any security convertible

into common  
stock to any  
immediate  
family  
member of  
such  
stockholder or  
any trust or  
other entity  
for the direct  
or indirect  
benefit of  
such  
stockholder or  
the immediate  
family of such  
stockholder.

provided, with respect to the transfers described in the last three bullet points above, that any donee, distributee, transferee or beneficiary agrees to be subject to the restrictions described in this paragraph and no filing under Section 16(a) of the Exchange Act is required or voluntarily made.

The 90-day restricted period described in the preceding paragraphs will be extended if:

during the  
last 17  
days of the  
90-day  
restricted  
period we  
issue an  
earnings  
release or  
announce  
material  
news or a  
material  
event;

prior to  
the  
expiration  
of the  
90-day  
restricted  
period, we  
announce  
that we  
will  
release  
earnings



results  
during the  
16-day  
period  
beginning  
on the last  
day of the  
90-day  
restricted  
period,

in which case, the restrictions described in the preceding paragraphs will continue to apply until the expiration of the 18-day period beginning on the issuance of the earnings release or the announcement of the material news or event.

In order to facilitate the offering of the shares of our common stock, the underwriters may engage in transactions that stabilize, maintain or otherwise affect the price of our common stock. Specifically, the underwriters may sell more shares than they are obligated to purchase under the underwriting agreement, creating a short position. A short sale is covered if the short position is no greater than the number of shares available for purchase by the underwriters under their option to purchase additional shares. The underwriters can close out a covered short sale by exercising their option to purchase additional shares or purchasing shares in the open market. In determining the source of shares to close out a covered short sale, the underwriters will consider, among other things, the open market price of shares compared to the price available under their option to purchase additional shares. The underwriters may also sell shares in excess of their option to purchase additional shares, creating a naked short position. The underwriters must close out any

naked short position by purchasing shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of our common stock in the open market after pricing that could adversely affect investors who purchase in this offering. As an additional means of facilitating this offering, the underwriters may bid for, and purchase, shares of our common stock in the open market to stabilize the price of our common stock. These activities may raise or maintain the market price of our common stock above independent market levels or prevent or retard a decline in the market price of our common stock. The underwriters are not required to engage in these activities and may end any of these activities at any time.

We and the underwriters have agreed to indemnify each other against certain liabilities, including liabilities under the Securities Act.

A prospectus in electronic format may be made available on websites maintained by one or more underwriters, or selling group members, if any, participating in this offering. The underwriters may agree to allocate a number of shares of our common stock for sale to their online brokerage account holders. Internet distributions will be allocated by the underwriters for Internet distributions on the same basis as other allocations.

The underwriters and their respective affiliates are full-service financial institutions and have, from time to time, performed, and may in the future perform, various financial advisory, commercial banking and investment banking services for us, for which they received or will receive customary fees and expenses. Charlotte Stratos, who is a member of our board of directors, is a consulting Senior Advisor to the Investment Banking Division of Morgan Stanley & Co. LLC, one of the underwriters of this offering.

## **Selling Restrictions**

### ***European Economic Area***

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a Relevant Member State ) an offer to the public of any shares of our common stock may not be made in that Relevant Member State, except that an offer to the public in that Relevant Member State of any shares of our common stock may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

- (a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending

Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the underwriters for any such offer; or

- (c) in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of shares of our common stock shall result in a requirement for the publication by us or any underwriter of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an offer to the public in relation to any shares of our common stock in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any shares of our common stock to be offered so as to enable an investor to decide to purchase any shares of our common stock, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression Prospectus Directive means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State, and the expression 2010 PD Amending Directive means Directive 2010/73/EU.



***United Kingdom***

Each underwriter has represented and agreed that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the shares of our common stock in circumstances in which Section 21(1) of the FSMA does not apply to us; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the shares of our common stock in, from or otherwise involving the United Kingdom.

***Notice to Prospective Investors in Switzerland***

The shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ( SIX ) or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the shares or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the offering, Costamare Inc. or the shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of shares will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA (FINMA), and the offer of shares has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes ( CISA ). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of shares.

***Notice to Prospective Investors in the Dubai International Financial Centre***

This prospectus supplement relates to an Exempt Offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority ( DFSA ). This prospectus supplement is intended for distribution only to persons of a type specified in the Offered Securities Rules of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this prospectus supplement nor taken steps to verify the information set forth herein and has no responsibility for the prospectus supplement. The shares to which this prospectus supplement relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the shares offered should conduct their own due diligence on the shares. If you do not understand the contents of this prospectus supplement you should consult an authorized financial advisor.

***Hong Kong***

The shares may not be offered or sold by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong), or (ii) to professional investors within the meaning of the Securities and Futures Ordinance (Cap.571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a prospectus within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong), and no advertisement, invitation or document relating to the shares may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with

respect to shares which are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

*Singapore*

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the shares may not be circulated or distributed, nor may the shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the SFA), (ii) to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA. Where the shares are subscribed or purchased under Section 275 by a relevant person which is: (i) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (ii) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries rights and interest in that trust shall not be transferable for 6 months after that corporation or that trust has acquired the shares under Section 275 except: (a) to an institutional investor under Section 274 of the SFA or to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA; (b) where no consideration is given for the transfer; or (c) by operation of law.

*Japan*

The securities have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (the Financial Instruments and Exchange Law) and no securities will be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

## LEGAL MATTERS

The validity of our common stock offered hereby and certain other matters relating to Marshall Islands law will be passed upon for us by Cozen O Connor, New York, New York. Certain other legal matters relating to United States law will be passed upon for us by Cravath, Swaine & Moore LLP, New York, New York. The underwriters are being represented by Morgan, Lewis & Bockius LLP, New York, New York.

## EXPERTS

The consolidated financial statements of Costamare Inc. as of December 31, 2011 and 2010 and for each of the three years in the period ended December 31, 2011, incorporated in this prospectus by reference from the Company's Annual Report on Form 20-F for the year ended December 31, 2011 and the effectiveness of Costamare Inc.'s internal control over financial reporting have been audited by Ernst & Young (Hellas) Certified Auditors Accountants S.A., an independent registered public accounting firm, as set forth in their reports thereon which are incorporated by reference herein, and are so incorporated in reliance upon such reports, given on the authority of such firm, as experts in accounting and auditing.

## WHERE YOU CAN FIND ADDITIONAL INFORMATION

We filed with the SEC a registration statement on Form F-3 under the Securities Act of 1933, as amended, with respect to the offer and sale of securities pursuant to this prospectus. This prospectus supplement and the accompanying prospectus, filed as a part of the registration statement, do not contain all of the information set forth in the registration statement. The registration statement includes and incorporates by reference additional information and exhibits. Statements made in this prospectus supplement or the accompanying prospectus concerning the contents of any contract, agreement or other document filed as an exhibit to the registration statement are summaries of all of the material terms of such contracts, agreements or documents, but do not repeat all of their terms. Reference is made to each such exhibit for a more complete description of the matters involved and such statements shall be deemed qualified in their entirety by such reference. The registration statement and the exhibits and schedules thereto filed with the SEC may be inspected, without charge, and copies may be obtained at prescribed rates, at the public reference facility maintained by the SEC at its principal office at 100 F Street, N.E., Washington, D.C. 20549. You may obtain information on the operation of the public reference facility by calling 1-800-SEC-0330. The SEC also maintains a website (<http://www.sec.gov>) that contains reports, proxy and information statements and other information regarding registrants that file electronically with the SEC. For further information pertaining to the common stock offered by this prospectus supplement and the accompanying prospectus and Costamare Inc., reference is made to the registration statement.

We are subject to the information and periodic reporting requirements of the Securities Exchange Act of 1934, as amended, and we file periodic reports and other information with the SEC. These periodic reports and other information are available for inspection and copying at the SEC's public reference facilities and the website of the SEC referred to above. As a foreign private issuer, we are exempt from the rules under the Securities Exchange Act of 1934, as amended, prescribing the furnishing and content of proxy statements to stockholders, but we are required to furnish certain proxy statements to stockholders under New York Stock Exchange rules. Those proxy statements are not expected to conform to Schedule 14A of the proxy rules promulgated under the Securities Exchange Act of 1934, as amended. In addition, as a foreign private issuer, we are exempt from the rules under the Securities Exchange Act of 1934, as amended, relating to short swing profit reporting and liability.



**INCORPORATION BY REFERENCE**

The SEC allows us to incorporate by reference the information we file with the SEC. This means that we can disclose important information to you by referring you to another document filed separately with the SEC. The information incorporated by reference is considered to be part of this prospectus. Any information that we file later with the SEC and that is deemed incorporated by reference will automatically update and supersede the information in this prospectus. In all such cases, you should rely on the later information over different information included in this prospectus.

This prospectus incorporates by reference the following documents:

our Annual Report on Form 20-F for the year ended December 31, 2011, filed with the SEC on February 29, 2012, as amended by our Form 20-F/A filed with the SEC on March 19, 2012;

our Reports on Form 6-K, furnished to the SEC on May 8, 2012, May 10, 2012, July 24, 2012, and July 26, 2012, as amended by our Form 6-K/A furnished to the SEC on August 3, 2012; and

the description of our common stock contained in

our  
registration  
statement on  
Form 8-A  
(File No.  
001-34934),  
filed with the  
SEC on  
October 27,  
2010 which  
incorporates  
by reference  
the  
description of  
our common  
stock  
contained in  
our  
Registration  
Statement on  
Form F-1  
(File No.  
333-170033),  
as amended,  
filed with the  
SEC on  
October 20,  
2010, and any  
amendments  
or reports  
filed updating  
that  
description.

We are also incorporating by reference all subsequent annual reports on Form 20-F that we file with the SEC and certain reports on Form 6-K that we furnish to the SEC after the date of this prospectus (if they state that they are incorporated by reference into this prospectus) until we file a post-effective amendment indicating that the offering of the securities made by this prospectus has been terminated. In all cases, you should rely on the later information over different information included in this prospectus or any accompanying prospectus supplement.

We will provide, free of charge upon written or oral request, to each person to whom this prospectus is delivered, including any beneficial owner of the securities, a copy of any or all of the information that has been incorporated by reference into this prospectus, but which has not been delivered with the prospectus. Copies of these documents also may be obtained on the Investors section of our website at [www.costamare.com](http://www.costamare.com). The information contained on or linked to or from our website is not incorporated by reference into this prospectus and should not be considered part of this prospectus. Requests for such information should be made to us at the following address:

Costamare Inc.  
60 Zephyrou Street &  
Syngrou Avenue  
17564 Athens, Greece  
+30-210-949-0050

Attention: Konstantinos Zacharatos

You should assume that the information appearing in this prospectus and any accompanying prospectus supplement, as well as the information we previously filed with the SEC and incorporated by reference, is accurate as of the dates on the front cover of those documents only. Our business, financial condition and results of operations and prospects may have changed since those dates.

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**PROSPECTUS**

**\$300,000,000**

**Costamare Inc.**

**Common Stock  
Preferred Stock  
Debt Securities  
Warrants  
Rights  
Units**

Through this prospectus, we may offer common stock, preferred stock, debt securities, warrants, rights and units from time to time. We may also offer securities of the types listed above that are convertible or exchangeable into one or more of the securities listed above. When we decide to sell a particular class or series of securities, we will provide specific terms of the offered securities in a prospectus supplement.

The securities covered by this prospectus may be offered and sold from time to time in one or more offerings, which may be through one or more underwriters, dealers and agents, or directly to the purchasers. The names of any underwriters, dealers or agents, if any, will be included in a supplement to this prospectus.

This prospectus describes some of the general terms that may apply to these securities and the general manner in which they may be offered. The specific terms of any securities to be offered, and the specific manner in which they may be offered, will be described in one or more supplements to this prospectus. A prospectus supplement may also add, update or change information contained in this prospectus.

Our common stock is traded on the New York Stock Exchange under the symbol CMRE.

Our principal executive offices are located at 60 Zephyrou Street & Syngrou Avenue, 17564 Athens, Greece. Our telephone number at such address is +30-210-949-0050.

**Investing in our securities involves risks. Before buying any securities you should carefully read the section entitled Risk Factors on page 6 of this prospectus.**

**Neither the Securities and Exchange Commission nor any state or other securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

The date of this prospectus is February 14, 2012.

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## FORWARD-LOOKING STATEMENTS

The disclosure and analysis set forth in this prospectus includes assumptions, expectations, projections, intentions and beliefs about future events in a number of places, particularly in relation to our operations, cash flows, financial position, plans, strategies, business prospects, changes and trends in our business and the markets in which we operate. These statements are intended as forward-looking statements. In some cases, predictive, future-tense or forward-looking words such as believe , intend , anticipate , estimate , project , forecast , plan , potential , could and expect and similar expressions are intended to identify forward-looking statements, but are not the exclusive means of identifying such statements. In addition, we and our representatives may from time to time make other oral or written statements which are forward-looking statements, including in our periodic reports that we file with the Securities Exchange Commission (the SEC ), other information sent to our security holders, and other written materials.

Forward-looking statements include, but are not limited to, such matters as:

general market  
conditions and  
shipping  
industry  
trends,  
including  
charter rates,  
vessel values  
and factors  
affecting  
supply and  
demand;

our continued  
ability to enter  
into time  
charters with  
our customers;

our contracted  
revenue;

future  
operating or  
financial  
results and  
future  
revenues and  
expenses;

our financial  
condition and  
liquidity,  
including our  
ability to make

required payments under our credit facilities and obtain additional financing in the future to fund capital expenditures, acquisitions and other corporate activities, as well as our ability to refinance indebtedness;

future, pending or recent acquisitions of vessels or other assets, business strategy, areas of possible expansion and expected capital spending or operating expenses;

our expectations relating to dividend payments and our ability to make such payments;

our expectations about availability of existing vessels to acquire or

newbuilds to purchase, the time that it may take to construct and deliver new vessels or the useful lives of our vessels;

availability of crew, number of off-hire days, drydocking requirements and insurance costs;

our anticipated general and administrative expenses;

our ability to leverage to our advantage our managers relationships and reputation within the container shipping industry;

expected compliance with financing agreements and the expected effect of restrictive covenants in such agreements;

environmental and regulatory conditions, including

changes in laws and regulations or actions taken by regulatory authorities;

risks inherent in vessel operation, including discharge of pollutants;

potential liability from future litigation; and

other factors discussed in the section entitled Risk Factors .

Many of these statements are based on our assumptions about factors that are beyond our ability to control or predict and are subject to risks and uncertainties that are described more fully in the Risk Factors section of this prospectus. Any of these factors or a combination of these factors could materially affect future results of operations and the ultimate accuracy of the forward-looking statements. Factors that might cause future results to differ include, but are not limited to, the following:

changes in law, governmental rules and regulations, or actions taken by regulatory authorities;

changes in economic and competitive conditions affecting our business;

potential liability from future litigation;



length and  
number of  
off-hire  
periods and  
dependence  
on affiliated  
managers; and

other factors  
discussed in  
the Risk  
Factors  
section of this  
prospectus.

We caution that the forward-looking statements included in this prospectus represent our estimates and assumptions only as of the date of this prospectus and are not intended to give any assurance as to future results. Assumptions, expectations, projections, intentions and beliefs about future events may, and often do, vary from actual results and these differences can be material. The reasons for this include the risks, uncertainties and factors described under the section of this prospectus entitled "Risk Factors". As a result, the forward-looking events discussed in this prospectus might not occur and our actual results may differ materially from those anticipated in the forward-looking statements. Accordingly, you should not unduly rely on any forward-looking statements.

We undertake no obligation to update or revise any forward-looking statements contained in this prospectus, whether as a result of new information, future events, a change in our views or expectations or otherwise. New factors emerge from time to time, and it is not possible for us to predict all of these factors. Further, we cannot assess the impact of each such factor on our business or the extent to which any factor, or combination of factors, may cause actual results to be materially different from those contained in any forward-looking statement. We make no prediction or statement about the performance of our common stock.

**THE COMPANY**

Costamare Inc. is an international owner of containerships, chartering our vessels to many of the world's largest liner companies. As of December 31, 2011, we had a fleet of 57 containerships aggregating approximately 327,000 TEU, including 10 newbuilds on order and one secondhand vessel to be delivered, making us one of the largest containership charter owners in the world, based on total TEU capacity.

Our strategy is to time-charter our containerships to a geographically diverse, financially strong and loyal group of leading liner companies. As of December 31, 2011, the average (weighted by TEU capacity) remaining time charter duration for our fleet of 57 containerships, including 10 newbuilds on order and one secondhand vessel to be delivered, was 5.8 years, based on the remaining fixed terms and assuming the earliest redelivery dates possible under our containerships' time charters.

The tables below provide additional information, as of December 31, 2011, about our fleet of 57 containerships. Each vessel is a cellular containership, meaning it is a dedicated container vessel.

|           | <b>Vessel Name</b>                | <b>Charterer</b>      | <b>Year Built</b> | <b>Capacity (TEU)</b> | <b>Time Charter Term<sup>(1)</sup></b> | <b>Current Daily Charter Hire (U.S. dollars)</b> | <b>Expiration of Charter<sup>(1)</sup></b> | <b>Average Daily Charter Rate Until Earliest Expiry of Charter (U.S. dollars)<sup>(2)</sup></b> |
|-----------|-----------------------------------|-----------------------|-------------------|-----------------------|--|--|--|---|
| <b>1</b>  | COSCO<br>GUANGZHOU                | COSCO                 | 2006              | 9,469                 | 12 years                               | 36,400   | December 2017                              | 36,400  |
| <b>2</b>  | COSCO NINGBO                      | COSCO                 | 2006              | 9,469                 | 12 years                               | 36,400   | January 2018                               | 36,400  |
| <b>3</b>  | COSCO<br>YANTIAN                  | COSCO                 | 2006              | 9,469                 | 12 years                               | 36,400   | February 2018                              | 36,400  |
| <b>4</b>  | COSCO BEIJING                     | COSCO                 | 2006              | 9,469                 | 12 years                               | 36,400   | April 2018                                 | 36,400  |
| <b>5</b>  | COSCO HELLAS                      | COSCO                 | 2006              | 9,469                 | 12 years                               | 37,519   | May 2018                                   | 37,519  |
| <b>6</b>  | HYUNDAI<br>NAVARINO               | HMM                   | 2010              | 8,531                 | 1.2 years                              | 44,000   | March 2012                                 | 44,000  |
| <b>7</b>  | MAERSK<br>KAWASAKI <sup>(i)</sup> | A.P.<br>Moller-Maersk | 1997              | 7,403                 | 10 years                               | 37,000   | December 2017                              | 37,000  |
| <b>8</b>  | MAERSK<br>KURE <sup>(i)</sup>     | A.P.<br>Moller-Maersk | 1996              | 7,403                 | 10 years                               | 37,000   | December 2017                              | 37,000  |
| <b>9</b>  | MAERSK<br>KOKURA <sup>(i)</sup>   | A.P.<br>Moller-Maersk | 1997              | 7,403                 | 10 years                               | 37,000   | February 2018                              | 37,000  |
| <b>10</b> | MSC METHONI                       | MSC                   | 2003              | 6,724                 | 10 years                               | 29,000   | September 2021                             | 29,000  |
| <b>11</b> | SEALAND NEW<br>YORK               | A.P.<br>Moller-Maersk | 2000              | 6,648                 | 11 years                               | 30,375 <sup>(3)</sup>                            | March 2018                                 | 27,725  |

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|    |                             |                       |      |       |              |                        |                   |        |
|----|-----------------------------|-----------------------|------|-------|--------------|------------------------|-------------------|--------|
| 12 | MAERSK KOBE                 | A.P.<br>Moller-Maersk | 2000 | 6,648 | 11 years     | 38,179 <sup>(4)</sup>  | May 2018          | 30,863 |
| 13 | SEALAND<br>WASHINGTON       | A.P.<br>Moller-Maersk | 2000 | 6,648 | 11 years     | 30,375 <sup>(5)</sup>  | June 2018         | 27,846 |
| 14 | SEALAND<br>MICHIGAN         | A.P.<br>Moller-Maersk | 2000 | 6,648 | 11 years     | 25,375 <sup>(6)</sup>  | August<br>2018    | 25,794 |
| 15 | SEALAND<br>ILLINOIS         | A.P.<br>Moller-Maersk | 2000 | 6,648 | 11 years     | 30,375 <sup>(7)</sup>  | October<br>2018   | 27,950 |
| 16 | MAERSK<br>KOLKATA           | A.P.<br>Moller-Maersk | 2003 | 6,644 | 11 years     | 38,490 <sup>(8)</sup>  | November<br>2019  | 32,452 |
| 17 | MAERSK<br>KINGSTON          | A.P.<br>Moller-Maersk | 2003 | 6,644 | 11 years     | 38,461 <sup>(9)</sup>  | February<br>2020  | 32,652 |
| 18 | MAERSK<br>KALAMATA          | A.P.<br>Moller-Maersk | 2003 | 6,644 | 11 years     | 38,418 <sup>(10)</sup> | April 2020        | 32,713 |
| 19 | MSC ROMANOS                 | MSC                   | 2003 | 5,050 | 5.3<br>years | 28,000                 | November<br>2016  | 28,000 |
| 20 | ZIM NEW YORK                | ZIM                   | 2002 | 4,992 | 10 years     | 16,205 <sup>(11)</sup> | July 2012         | 52,352 |
| 21 | ZIM SHANGHAI                | ZIM                   | 2002 | 4,992 | 10 years     | 16,205 <sup>(12)</sup> | August<br>2012    | 46,439 |
| 22 | ZIM PIRAEUS <sup>(ii)</sup> | ZIM                   | 2004 | 4,992 | 10 years     | 18,150 <sup>(13)</sup> | March 2014        | 26,607 |
| 23 | OAKLAND<br>EXPRESS          | Hapag Lloyd           | 2000 | 4,890 | 8 years      | 30,500                 | September<br>2016 | 30,500 |
| 24 | HALIFAX<br>EXPRESS          | Hapag Lloyd           | 2000 | 4,890 | 8 years      | 30,500                 | October<br>2016   | 30,500 |
| 25 | SINGAPORE<br>EXPRESS        | Hapag Lloyd           | 2000 | 4,890 | 8 years      | 30,500                 | July 2016         | 30,500 |
| 26 | MSC<br>MANDRAKI             | MSC                   | 1988 | 4,828 | 7.8<br>years | 20,000                 | August<br>2017    | 20,000 |
| 27 | MSC MYKONOS                 | MSC                   | 1988 | 4,828 | 8.2<br>years | 20,000                 | September<br>2017 | 20,000 |
| 28 | MSC ULSAN <sup>(iii)</sup>  | MSC                   | 2002 | 4,132 | 5.3<br>years | 16,500                 | March 2017        | 16,500 |
| 29 | MSC ANTWERP                 | MSC                   | 1993 | 3,883 | 4.3<br>years | 17,500                 | August<br>2013    | 17,500 |
| 30 | MSC<br>WASHINGTON           | MSC                   | 1984 | 3,876 | 3.2<br>years | 17,250                 | February<br>2013  | 17,250 |
| 31 | MSC KYOTO                   | MSC                   | 1981 | 3,876 | 3.1<br>years | 17,250                 | June 2013         | 17,250 |
| 32 | MSC AUSTRIA                 | MSC                   | 1984 | 3,584 | 9.5<br>years | 17,250 <sup>(14)</sup> | September<br>2018 | 13,971 |
| 33 | KARMEN                      | Sea<br>Consortium     | 1991 | 3,351 | 1 year       | 19,400                 | April 2012        | 19,400 |
| 34 | MARINA                      | PO Hainan             | 1992 | 3,351 | 1 year       | 18,000                 | March 2012        | 18,000 |
| 35 | KONSTANTINA                 | Sea<br>Consortium     | 1992 | 3,351 | 0.7<br>years | 17,400                 | February<br>2012  | 17,400 |

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|    |                          |             |      |       |           |                        |               |        |
|----|--------------------------|-------------|------|-------|-----------|------------------------|---------------|--------|
| 36 | AKRITAS                  | Hapag Lloyd | 1987 | 3,152 | 4 years   | 12,500                 | August 2014   | 12,500 |
| 37 | GIFTED <sup>(iv)</sup>   | Evergreen   | 1984 | 2,922 | 5 years   | 15,200                 | November 2012 | 15,200 |
| 38 | GENIUS I <sup>(iv)</sup> | Evergreen   | 1984 | 2,922 | 3.3 years | 15,200                 | November 2012 | 15,200 |
| 39 | GATHER <sup>(iv)</sup>   | Evergreen   | 1984 | 2,922 | 5 years   | 15,200                 | November 2012 | 15,200 |
| 40 | MSC CHALLENGER           | MSC         | 1986 | 2,633 | 4.8 years | 10,000                 | July 2015     | 10,000 |
| 41 | MSC REUNION              | MSC         | 1992 | 2,024 | 6 years   | 12,000 <sup>(15)</sup> | June 2014     | 11,615 |
| 42 | MSC NAMIBIA II           | MSC         | 1991 | 2,023 | 6.8 years | 11,500                 | July 2014     | 11,500 |
| 43 | MSC SIERRA II            | MSC         | 1991 | 2,023 | 5.7 years | 11,250 <sup>(16)</sup> | June 2014     | 11,448 |
| 44 | MSC PYLOS                | MSC         | 1991 | 2,020 | 3 years   | 9,200 <sup>(17)</sup>  | January 2014  | 11,321 |
| 45 | PROSPER                  | TS Lines    | 1996 | 1,504 | 1 year    | 10,500                 | March 2012    | 10,500 |
| 46 | ZAGORA                   | MSC         | 1995 | 1,162 | 0.7 years | 7,000                  | March 2012    | 7,000  |
| 47 | HORIZON                  | OACL        | 1991 | 1,068 | 7.1 years | 10,050                 | April 2012    | 10,050 |

**Newbuilds**

|    | <b>Vessel Name</b> | <b>Shipyard</b>       | <b>Charterer</b> | <b>Expected Delivery</b> | <b>Approximate Capacity (TEU)</b> |
|----|--------------------|-----------------------|------------------|--------------------------|-----------------------------------|
| 1  | Hull S4010         | Sungdong Shipbuilding | MSC              | 4th Quarter 2012         | 9,000                             |
| 2  | Hull S4011         | Sungdong Shipbuilding | MSC              | 4th Quarter 2012         | 9,000                             |
| 3  | Hull S4020         | Sungdong Shipbuilding | Evergreen        | 1st Quarter 2013         | 8,800                             |
| 4  | Hull S4021         | Sungdong Shipbuilding | Evergreen        | 1st Quarter 2013         | 8,800                             |
| 5  | Hull S4022         | Sungdong Shipbuilding | Evergreen        | 2nd Quarter 2013         | 8,800                             |
| 6  | Hull S4023         | Sungdong Shipbuilding | Evergreen        | 2nd Quarter 2013         | 8,800                             |
| 7  | Hull S4024         | Sungdong Shipbuilding | Evergreen        | 3rd Quarter 2013         | 8,800                             |
| 8  | H1068A             | Jiangnan Changxing    | MSC              | November 2013            | 9,000                             |
| 9  | H1069A             | Jiangnan Changxing    | MSC              | December 2013            | 9,000                             |
| 10 | H1070A             | Jiangnan Changxing    | MSC              | January 2014             | 9,000                             |

(1) Charter terms and expiration dates are based on the earliest date charters could expire.

(2) This average rate is calculated based on contracted charter rates for the days remaining between December 31, 2011 and the earliest expiration of each charter. Certain of our charter rates change until their earliest expiration dates, as indicated in

the footnotes  
below.

- (3) This charter rate changes on May 8, 2014 to \$26,100 per day until the earliest redelivery date.
- (4) This charter rate changes on June 30, 2014 to \$26,100 per day until the earliest redelivery date.
- (5) This charter rate changes on August 24, 2014 to \$26,100 per day until the earliest redelivery date.
- (6) This charter rate changes on October 20, 2014 to \$26,100 per day until the earliest redelivery date.
- (7) This charter rate changes on December 4, 2014 to \$26,100 per day until the earliest redelivery date.

date.

- (8) This charter rate changes on January 13, 2016 to \$26,100 per day until the earliest redelivery date.
- (9) This charter rate changes on April 28, 2016 to \$26,100 per day until the earliest redelivery date.
- (10) This charter rate changes on June 11, 2016 to \$26,100 per day until the earliest redelivery date.
- (11) This charter rate changes on July 1, 2012 to \$23,150 per day until the earliest redelivery date. In addition, if the charterer does not exercise its unilateral option to make a one-time payment at the earliest redelivery of the charter of



approximately \$6.9 million, the charter will be extended for a period of approximately 3 years at a minimum rate of \$23,150.

(12) This charter rate changes on July 1, 2012 to \$23,150 per day until the earliest redelivery date. In addition, if the charterer does not exercise its unilateral option to make a one-time payment at the earliest redelivery of the charter of approximately \$6.9 million, the charter will be extended for a period of approximately 3 years at a minimum rate of \$23,150.

(13) This charter rate changes on May 8, 2012 to \$18,274 per day and on January 1, 2013 to \$22,150 per day until the earliest redelivery

date. In addition, the charterer is required to pay approximately \$5.0 million no later than July 2016, representing accrued charter hire, the payment of which was deferred.

- (14) This charter rate changes on December 29, 2011 to \$17,250 per day until the earliest redelivery date. As from December 1, 2012 until redelivery, hire to be minimum \$13,500 per day plus 50% of the difference between the market rate and the hire rate of \$13,500. Market rate to be determined annually based on the Hamburg ConTex type 3500TEU index published on October 1 of each year until redelivery.

(15)

This charter rate changes on July 27, 2012 to \$11,500 per day until the earliest redelivery date.

(16) This charter rate changes on July 1, 2012 to \$11,500 per day until the earliest redelivery date.

(17) This charter rate changes on February 28, 2012 to \$11,500 per day until the earliest redelivery date.

- (i) The charterer has a unilateral option to extend the charter of the vessel for two periods of 30 months each +/-90 days on the final period performed, at a rate of \$41,700 per day.
- (ii) The charterer has a unilateral option to extend the charter of the vessel for a period of 12 months +/-60 days at a rate of \$27,500 per day.
- (iii) The company has agreed to purchase the vessel MSC Ulsan, subject to final documentation. The vessel is expected to be delivered within the first quarter of 2012.
- (iv) Each charterer has a unilateral option to extend the charter of the vessel for an additional period through 2014, at a rate of \$14,000 per day.

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In November 2010, we completed an initial public offering of shares of our common stock. Our common stock is listed on the New York Stock Exchange. If any securities are to be listed or quoted on any other securities exchange or

quotation system, the applicable prospectus supplement will so state.

We maintain our principal executive offices at 60 Zephyrou Street & Syngrou Avenue, 17564 Athens, Greece. Our telephone number at that address is +30-210-949-0050. We maintain a website at [www.costamare.com](http://www.costamare.com). Our registered address in the Marshall Islands is Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960. The name of our registered agent at such address is The Trust Company of the Marshall Islands, Inc.

## **RISK FACTORS**

Investing in the securities to be offered pursuant to this prospectus may involve a high degree of risk. You should carefully consider the important factors set forth under the heading *Risk Factors* in our most recent Annual Report on Form 20-F filed with the SEC and incorporated herein by reference and in the accompanying prospectus supplement for such issuance before investing in any securities that may be offered. For further details, see the section entitled *Where You Can Find Additional Information*.

In addition to the matters described under the heading *Our vessels may call on ports located in countries that are subject to restrictions imposed by the United States government, which could negatively affect the trading price of our shares of common stock* in our most recent Annual Report on Form 20-F, the U.S. Congress is currently considering the enactment of the Iran, North Korea, and Syria Nonproliferation Reform and Modernization Act of 2011, which would, among other things, provide for the imposition of sanctions, including a prohibition on investments by U.S. persons and a 180-day prohibition on calling at any U.S. port, on companies or persons that provide certain shipping services to or from Iran, North Korea or Syria with respect to certain prohibited goods.

Any of the risk factors referred to above could significantly and negatively affect our business, results of operations or financial condition, which may reduce our ability to pay dividends and lower the trading price of our common stock. The risks referred to above are not the only ones that may exist. Additional risks not currently known by us or that we deem immaterial may also impair our business operations. You may lose all or a part of your investment.

## **SERVICE OF PROCESS AND ENFORCEMENT OF LIABILITIES**

We are a Marshall Islands corporation and our principal executive offices are located outside of the United States in Athens, Greece. All of our directors and officers and some of the experts in this prospectus reside outside the United States. In addition, a substantial portion of our assets and the assets of our directors, officers and experts are located outside of the United States. As a result, you may have difficulty serving legal process within the United States upon us or any of these persons. You may also have difficulty enforcing, both in and outside of the United States, judgments you may obtain in U.S. courts against us or these persons in any action, including actions based upon the civil liability provisions of U.S. Federal or state securities laws.

Furthermore, there is substantial doubt that the courts of the Marshall Islands or Greece would enter judgments in original actions brought in those courts predicated on U.S. Federal or state securities laws.

## **ABOUT THIS PROSPECTUS**

This prospectus is part of a registration statement that we filed with the SEC using a shelf registration process. Under this shelf registration process, we may, from time to time, sell up to an aggregate public offering price of \$300,000,000 of any combination of the securities described in this prospectus in one or more offerings. This prospectus provides you with a general description of the securities we may offer. Each time we sell securities, we will provide you with this prospectus, as well as a prospectus supplement that will contain specific information about the terms of that offering. That prospectus supplement may include additional risk factors or other special considerations applicable to those particular securities. Any prospectus supplement may also add, update or change information contained in this prospectus. If there is any inconsistency between the information contained in this prospectus and any prospectus supplement, you should rely on the information contained in that particular prospectus supplement. You should read both this prospectus and any prospectus supplement together with additional information described under the heading *Where You Can Find Additional Information*.

## WHERE YOU CAN FIND ADDITIONAL INFORMATION

We have filed with the SEC a registration statement on Form F-3 under the Securities Act with respect to the offer and sale of securities pursuant to this prospectus. This prospectus, filed as a part of the registration statement, does not contain all of the information set forth in the registration statement or the exhibits and schedules thereto in accordance with the rules and regulations of the SEC and no reference is hereby made to such omitted information. Statements made in this prospectus concerning the contents of any contract, agreement or other document filed as an exhibit to the registration statement are summaries of all of the material terms of such contracts, agreements or documents, but do not repeat all of their terms. Reference is made to each such exhibit for a more complete description of the matters involved and such statements shall be deemed qualified in their entirety by such reference. The registration statement and the exhibits and schedules thereto filed with the SEC may be inspected, without charge, and copies may be obtained at prescribed rates, at the public reference facility maintained by the SEC at its principal office at 100 F Street, N.E., Washington, D.C. 20549. You may obtain information on the operation of the public reference facility by calling 1-800-SEC-0330. The SEC also maintains a website at <http://www.sec.gov> that contains reports, proxy and information statements and other information regarding registrants that file electronically with the SEC. For further information pertaining to the securities offered by this prospectus and Costamare Inc., reference is made to the registration statement.

We are subject to the information and periodic reporting requirements of the Exchange Act and we file periodic reports and other information with the SEC. These periodic reports and other information are available for inspection and copying at the SEC's public reference facilities and the website of the SEC referred to above. As a foreign private issuer, we are exempt from the rules under the Exchange Act prescribing the furnishing and content of proxy statements to stockholders, but we are required to furnish certain proxy statements to stockholders under NYSE rules. Those proxy statements are not expected to conform to Schedule 14A of the proxy rules promulgated under the Exchange Act. In addition, as a foreign private issuer, we are exempt from the rules under the Exchange Act relating to short swing profit reporting and liability.

## INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

The SEC allows us to incorporate by reference information that we file with it. This means that we can disclose important information to you by referring you to those filed documents. The information incorporated by reference is considered to be a part of this prospectus, and information that we file later with the SEC prior to the termination of this offering will also be considered to be part of this prospectus and will automatically update and supersede previously filed information, including information contained in this document.

This prospectus incorporates by reference the following documents:

our Annual  
Report on  
Form 20-F for  
the year  
ended  
December 31,  
2010, filed  
with the SEC  
on March 22,  
2011;

our Reports  
on Form 6-K

furnished to  
the SEC on  
April 12,  
2011, May  
11, 2011,  
May 24,  
2011, May  
24, 2011,  
June 30,  
2011, July 11,  
2011, July 19,  
2011, July 27,  
2011, July 28,  
2011,  
September  
15, 2011,  
September  
20, 2011,  
October 11,  
2011, October  
21, 2011,  
October 25,  
2011, October  
26, 2011,  
October 27,  
2011 and  
January 12,  
2012; and

the  
description of  
our common  
stock  
contained in  
our  
registration  
statement on  
Form 8-A  
(File No.  
001-34934),  
filed with the  
SEC on  
October 27,  
2010 which  
incorporates  
by reference  
the  
description of  
our common  
stock  
contained in



our  
Registration  
Statement on  
Form F-1  
(File No.  
333-170033),  
as amended,  
filed with the  
SEC on  
October 20,  
2010, and any  
amendments  
or reports  
filed updating  
that  
description.

We are also incorporating by reference all subsequent annual reports on Form 20-F that we file with the SEC and certain reports on Form 6-K that we furnish to the SEC after the date of this

prospectus (if they state that they are incorporated by reference into this prospectus) until we file a post-effective amendment indicating that the offering of the securities made by this prospectus has been terminated. In all cases, you should rely on the later information over different information included in this prospectus or any accompanying prospectus supplement.

We will provide, free of charge upon written or oral request, to each person to whom this prospectus is delivered, including any beneficial owner of the securities, a copy of any or all of the information that has been incorporated by reference into this prospectus, but which has not been delivered with the prospectus. Copies of these documents also may be obtained on the Investors section of our website at [www.costamare.com](http://www.costamare.com). Requests for such information should be made to us at the following address:

Costamare Inc.  
60 Zephyrou Street &  
Syngrou Avenue  
17564 Athens, Greece  
+30-210-949-0050  
Attention: Konstantinos Zacharatos

You should assume that the information appearing in this prospectus and any accompanying prospectus supplement, as well as the information we previously filed with the SEC and incorporated by reference, is accurate as of the dates on the front cover of those documents only. Our business, financial condition and results of operations and prospects may have changed since those dates.

### RATIO OF EARNINGS TO FIXED CHARGES

The following table shows our ratios of earnings to fixed charges for the periods indicated, computed using amounts derived from our financial statements prepared in accordance with U.S. GAAP.

|                                    | Year Ended December 31, |      |      |      |      | 9 Months<br>Ended<br>September 30, |
|------------------------------------|-------------------------|------|------|------|------|------------------------------------|
|                                    | 2006                    | 2007 | 2008 | 2009 | 2010 | 2011                               |
| Ratio of Earnings to Fixed Charges | 3.29                    | 2.85 | 2.54 | 2.41 | 2.18 | 2.11                               |

We have not issued any preferred stock as of the date of this prospectus. Accordingly, the ratio of earnings to combined fixed charges and preference dividends is equivalent to the ratio of earnings to fixed charges.

For the purpose of computing the consolidated ratio of earnings to fixed charges, earnings consist of net income plus fixed charges less interest capitalized. Fixed charges consist of interest expensed and capitalized, amortization and write-off of capitalized expenses relating to indebtedness.

### USE OF PROCEEDS

Unless otherwise set forth in the applicable prospectus supplement, we intend to use the net proceeds received from the sale of the securities we offer by this prospectus for general corporate purposes, which may include, among other things:

potential  
future vessel  
acquisitions;

additions to  
working  
capital; and

the repayment  
of  
indebtedness.

We may raise additional funds from time to time through equity or debt financings not involving the issuance of securities described in this prospectus, including borrowings under credit facilities, to finance our business and operations and new vessel acquisitions.

## CAPITALIZATION AND INDEBTEDNESS

Our capitalization and indebtedness will be set forth in a prospectus supplement to this prospectus or in a report on Form 6-K subsequently furnished to the SEC and specifically incorporated herein by reference.

### DESCRIPTION OF CAPITAL STOCK

A description of our common stock can be found in our registration statement on Form 8-A (File No. 001-34934), filed with the SEC on October 27, 2010 which incorporates by reference the description of our common stock contained in our Registration Statement on Form F-1 (File No. 333- 170033), as amended, filed with the SEC on October 20, 2010, and any amendments or reports filed updating that description.

### DESCRIPTION OF PREFERRED STOCK

Our articles of incorporation authorize our board of directors to establish one or more series of preferred shares and to determine, with respect to any series of preferred shares, the terms and rights of that series. The issuance of shares of preferred stock may have the effect of discouraging, delaying or preventing a change of control of us or the removal of our management. The issuance of shares of preferred stock with voting and conversion rights may adversely affect the voting power of the holders of shares of our common stock.

The applicable prospectus supplement will describe the following terms of any series of preferred shares in respect of which this prospectus is being delivered:

the designation  
of the series;

the number of  
shares in the  
series, which  
our board of  
directors may,  
except where  
otherwise  
provided in the  
preferred shares  
designation,  
increase or  
decrease, but  
not below the  
number of  
shares then  
outstanding;

whether  
dividends, if  
any, will be  
cumulative or  
non-cumulative  
and the  
dividend rate of

the series;

the dates at which dividends, if any, will be payable;

the redemption rights and price or prices, if any, for shares of the series;

the terms and amounts of any sinking fund provided for the purchase or redemption of shares of the series;

the amounts payable on shares of the series in the event of any voluntary or involuntary liquidation, dissolution or winding-up of the affairs of our company;

whether the shares of the series will be convertible into shares of any other class or series, or any other security, of our company or any other corporation, and, if so, the specification of the other class or series or

other security,  
the conversion  
price or prices  
or rate or rates,  
any rate  
adjustments, the  
date or dates as  
of which the  
shares will be  
convertible and  
all other terms  
and conditions  
upon which the  
conversion may  
be made;

restrictions on  
the issuance of  
shares of the  
same series or  
of any other  
class or series;  
and

the voting  
rights, if any, of  
the holders of  
the series.

The description in the applicable prospectus supplement of any preferred stock we offer will not necessarily be complete and will be qualified in its entirety by reference to the applicable certificate of designations or specimen stock certificate, which will be filed with the SEC if we offer preferred stock. For more information on how you can obtain copies of any certificate of designations or specimen stock certificate if we offer preferred stock, see [Where You Can Find Additional Information](#) beginning on page 7 of this prospectus. We urge you to read the applicable certificate of designations, the applicable specimen stock certificate and any applicable prospectus supplement in their entirety.

## DESCRIPTION OF DEBT SECURITIES

We may elect to offer debt securities. The following description of debt securities sets forth the material terms and provisions of the debt securities to which any prospectus supplement may relate. Our debt securities would be issued under an indenture between us and a trustee. The debt securities we may offer may be convertible into common stock or other securities. The indenture, a form of which is included as an exhibit to the registration statement of which this prospectus is a part, will be executed at the time we issue any debt securities. Any supplemental indentures will be filed with the SEC on a Form 6-K or by a post-effective amendment to the registration statement of which this prospectus is a part.

The particular terms of the debt securities offered by any prospectus supplement, and the extent to which the general provisions described below may apply to the offered debt securities, will be described in the applicable prospectus supplement. The indenture will be qualified under the Trust Indenture Act of 1939, as amended. The terms of the debt securities will include those stated in the indenture and those made part of the indenture by reference to the Trust Indenture Act.

Because the following summaries of the material terms and provisions of the indenture and the related debt securities are not complete, you should refer to the form of the indenture and the debt securities for complete information on some of the terms and provisions of the indenture, including definitions of some of the terms used below, and the debt securities.

### General

The provisions of the indenture do not limit the aggregate principal amount of debt securities which may be issued thereunder. Unless otherwise provided in a prospectus supplement, the debt securities will be our direct, unsecured and unsubordinated general obligations and will have the same rank in liquidation as all of our other unsecured and unsubordinated debt. The debt securities may be convertible into common stock or other securities if specified in the applicable prospectus supplement.

### Payments

We may issue debt securities from time to time in one or more series. The provisions of the indenture allow us to reopen a previous issue of a series of debt securities and issue additional debt securities of that series. The debt securities may be denominated and payable in U.S. dollars or other currencies. We may also issue debt securities from time to time with the principal amount or interest payable on any relevant payment date to be determined by reference to one or more currency exchange rates, securities or baskets of securities, commodity prices or indices. Holders of these types of debt securities will receive payments of principal or interest that depend upon the value of the applicable currency, security or basket of securities, commodity or index on the relevant payment dates.

Debt securities may bear interest at a fixed rate, which may be zero, a floating rate, or a rate which varies during the lifetime of the debt security. Debt securities bearing no interest or interest at a rate that at the time of issuance is below the prevailing market rate may be sold at a discount below their stated principal amount.

### Terms Specified in the Applicable Prospectus Supplement

The applicable prospectus supplement will contain, where applicable, the following terms of, and other information relating to, any offered debt securities:

the specific  
designation;

any limit on  
the aggregate  
principal  
amount of the  
debt securities,  
their purchase  
price and  
denomination;

the currency in  
which the debt  
securities are  
denominated  
and/or in  
which  
principal,  
premium, if  
any, and/or  
interest, if any,  
is payable;



the date of  
maturity;

the interest  
rate or rates or  
the method by  
which the  
calculation  
agent will  
determine the  
interest rate or  
rates, if any;

the interest  
payment dates,  
if any;

the place or  
places for  
payment of the  
principal of  
and any  
premium  
and/or interest  
on the debt  
securities;

any  
repayment,  
redemption,  
prepayment or  
sinking fund  
provisions,  
including any  
redemption  
notice  
provisions;

whether we  
will issue the  
debt securities  
in registered  
form or bearer  
form or both  
and, if we are  
offering debt  
securities in  
bearer form,  
any  
restrictions

applicable to  
the exchange  
of one form  
for another  
and to the  
offer, sale and  
delivery of  
those debt  
securities in  
bearer form;

whether we  
will issue the  
debt securities  
in definitive  
form and  
under what  
terms and  
conditions;

the terms on  
which holders  
of the debt  
securities may  
convert or  
exchange these  
securities into  
or for common  
stock or other  
securities, any  
specific terms  
relating to the  
adjustment of  
the conversion  
or exchange  
feature and the  
period during  
which the  
holders may  
make the  
conversion or  
exchange;

information as  
to the methods  
for  
determining  
the amount of  
principal or  
interest  
payable on any

date and/or the  
currencies,  
securities or  
baskets of  
securities,  
commodities  
or indices to  
which the  
amount  
payable on  
that date is  
linked;

any agents for  
the debt  
securities,  
including  
trustees,  
depositories,  
authenticating  
or paying  
agents,  
transfer agents  
or registrars;

whether and  
under what  
circumstances  
we will pay  
additional  
amounts on  
debt securities  
for any tax,  
assessment or  
governmental  
charge  
withheld or  
deducted and,  
if so, whether  
we will have  
the option to  
redeem those  
debt securities  
rather than pay  
the additional  
amounts;

any material  
United States  
federal income  
tax or other

income tax  
consequences,  
including, but  
not limited to:

tax  
considerations  
applicable to  
any discounted  
debt securities  
or to debt  
securities  
issued at par  
that are treated  
as having been  
issued at a  
discount for  
United States  
federal income  
tax purposes;  
and

tax  
considerations  
applicable to  
any debt  
securities  
denominated  
and payable in  
non-United  
States  
currencies;

whether  
certain  
payments on  
the debt  
securities will  
be guaranteed  
under a  
financial  
insurance  
guarantee  
policy and the  
terms of that  
guarantee;

whether the  
debt securities  
will be  
secured;

any applicable  
selling  
restrictions;  
and

any other  
specific terms  
of the debt  
securities,  
including any  
modifications  
to or  
additional  
events of  
default,  
covenants or  
modified or  
eliminated  
acceleration  
rights, and  
any terms  
required by or  
advisable  
under  
applicable  
laws or  
regulations.

Some of the debt securities may be issued as original issue discount securities. Original issue discount securities bear no interest or bear interest at below-market rates and may be sold at a discount below their stated principal amount. The applicable prospectus supplement will contain information relating to income tax, accounting, and other special considerations applicable to original issue discount securities.

### **Registration and Transfer of Debt Securities**

Holders may present debt securities for exchange, and holders of registered debt securities may present these securities for transfer, in the manner, at the places and subject to the restrictions

stated in the debt securities and described in the applicable prospectus supplement. We will provide these services without charge except for any tax or other governmental charge payable in connection with these services and subject to any limitations or requirements provided in the indenture or the supplemental indenture or issuer order under which that series of debt securities is issued. Holders may transfer debt securities in bearer form and/or the related coupons, if any, by delivery to the transferee. If any of the securities are held in global form, the procedures for transfer of interests in those securities will depend upon the procedures of the depositary for those global securities.

## Events of Default

The indenture provides holders of debt securities with remedies if we fail to perform specific obligations, such as making payments on the debt securities, or if we become bankrupt. Holders should review these provisions and understand which actions trigger an event of default and which actions do not. The indenture permits the issuance of debt securities in one or more series, and, in many cases, whether an event of default has occurred is determined on a series-by-series basis.

An event of default is defined under the indenture, with respect to any series of debt securities issued under the indenture, as any one or more of the following events, subject to modification in a supplemental indenture, each of which we refer to in this prospectus as an event of default, having occurred and be continuing:

default is made  
for more than  
30 days in the  
payment of  
interest,  
premium or  
principal in  
respect of the  
securities;

we fail to  
perform or  
observe any of  
our other  
obligations  
under the  
securities and  
this failure has  
continued for  
the period of  
60 days next  
following the  
service on us  
of notice  
requiring the  
same to be  
remedied;

our  
bankruptcy,  
insolvency or

reorganization  
under any  
applicable  
bankruptcy,  
insolvency or  
insolvency  
related  
reorganization  
law;

an order is  
made or an  
effective  
resolution is  
passed for the  
winding up or  
liquidation of  
us; or

any other  
event of  
default  
provided in the  
supplemental  
indenture or  
issuer order, if  
any, under  
which that  
series of debt  
securities is  
issued.

**Acceleration of Debt Securities Upon an Event of Default**

The indenture provides that, unless otherwise set forth in a supplemental indenture:

if an event of  
default occurs  
due to the  
default in  
payment of  
principal of, or  
any premium  
or interest on,  
any series of  
debt securities  
issued under  
the indenture,  
or due to the  
default in the  
performance or

breach of any other covenant or warranty of us applicable to that series of debt securities but not applicable to all outstanding debt securities issued under the indenture occurs and is continuing, either the trustee or the holders of not less than 25% in aggregate principal amount of the outstanding debt securities of each affected series, voting as one class, by notice in writing to us may declare the principal of and accrued interest on the debt securities of such affected series (but not any other debt securities issued under the indenture) to be due and payable immediately;

if an event of default occurs due to specified events of bankruptcy, insolvency or



reorganization  
of us, the  
principal of all  
debt securities  
and interest  
accrued on the  
debt securities  
to be due and  
payable  
immediately;  
and

if an event of  
default due to a  
default in the  
performance of  
any other of  
the covenants  
or agreements  
in the  
indenture  
applicable to  
all outstanding  
debt securities  
issued under  
the indenture  
occurs and is  
continuing,  
either the  
trustee or the  
holders of not  
less than 25%  
in aggregate  
principal  
amount of all  
outstanding  
debt securities  
issued under  
the indenture  
for which any  
applicable  
supplemental  
indenture does  
not prevent  
acceleration  
under the  
relevant  
circumstances,  
voting as one  
class, by notice  
in writing to us

may declare  
the principal of  
all debt  
securities and  
interest  
accrued on the  
debt securities  
to be due and  
payable  
immediately.

### **Annulment of Acceleration and Waiver of Defaults**

In some circumstances, if any and all events of default under the indenture, other than the non-payment of the principal of the securities that has become due as a result of an acceleration, have been cured, waived or otherwise remedied, then the holders of a majority in aggregate principal amount of all series of outstanding debt securities affected, voting as one class, may annul past declarations of acceleration or waive past defaults of the debt securities.

### **Indemnification of Trustee for Actions Taken on Your Behalf**

The indenture provides that the trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the holders of debt securities issued under the indenture relating to the time, method and place of conducting any proceeding for any remedy available to the trustee, or exercising any trust or power conferred upon the trustee. In addition, the indenture contains a provision entitling the trustee, subject to the duty of the trustee to act with the required standard of care during a default, to be indemnified to its satisfaction by the holders of debt securities issued under the indenture before proceeding to exercise any right or power at the request of holders. Subject to these provisions and specified other limitations, the holders of a majority in aggregate principal amount of each series of outstanding debt securities of each affected series, voting as one class, may direct the time, method and place of conducting any proceeding for any remedy available to the trustee, or exercising any trust or power conferred on the trustee.

### **Limitation on Actions by You as an Individual Holder**

The indenture provides that no individual holder of debt securities may institute any action against us under the indenture, except actions for payment of overdue principal and interest, unless the following actions have occurred:

the holder  
must have  
previously  
given  
written  
notice to the  
trustee of  
the  
continuing  
default;

the holders  
of not less  
than 25% in  
aggregate  
principal  
amount of  
the  
outstanding  
debt  
securities of  
each  
affected  
series,  
treated as

one class,  
must have:

requested  
the trustee  
to institute  
that action;  
and

offered the  
trustee  
indemnity  
satisfactory  
to it;

the trustee  
must have  
failed to  
institute that  
action  
within 60  
days after  
receipt of  
the request  
referred to  
above; and

the holders  
of a  
majority in  
principal  
amount of  
the  
outstanding  
debt  
securities of  
each  
affected  
series,  
voting as  
one class,  
must not  
have given  
directions to  
the trustee  
inconsistent  
with those  
of the  
holders  
referred to  
above.

The indenture contains a covenant that we will file annually with the trustee a certificate of no default or a certificate specifying any default that exists.

### **Discharge, Defeasance and Covenant Defeasance**

We have the ability to eliminate most or all of our obligations on any series of debt securities prior to maturity if we comply with the following provisions:

***Discharge of Indenture.*** We may discharge all of our obligations, other than as to transfers and exchanges, under the indenture after we have:

paid or  
caused to be  
paid the  
principal of  
and interest  
on all of the  
outstanding  
debt  
securities in  
accordance  
with their  
terms;

delivered to  
the trustee  
for  
cancellation  
all of the  
outstanding  
debt  
securities; or

irrevocably  
deposited  
with the  
trustee cash  
or, in the  
case of a  
series of  
debt  
securities  
payable only  
in U.S.  
dollars, U.S.  
government  
obligations  
in trust for  
the benefit  
of the

holders of  
any series of  
debt  
securities  
issued under  
the  
indenture  
that have  
either  
become

due and payable, or are by their terms due and payable, or are scheduled for redemption, within one year, in an amount certified to be sufficient to pay on each date that they become due and payable, the principal of and interest on, and any mandatory sinking fund payments for, those debt securities. However, the deposit of cash or U.S. government obligations for the benefit of holders of a series of debt securities that are due and payable, or are scheduled for redemption, within one year will discharge obligations

under the  
indenture  
relating only  
to that series  
of debt  
securities.

***Defeasance of a Series of Securities at Any Time.*** We may also discharge all of our obligations, other than as to transfers and exchanges, under any series of debt securities at any time, which we refer to as defeasance in this prospectus. We may be released with respect to any outstanding series of debt securities from the obligations imposed by any covenants and elect not to comply with those covenants without creating an event of default. Discharge under those procedures is called covenant defeasance.

Defeasance or covenant defeasance may be effected only if, among other things:

we  
irrevocably  
deposit with  
the trustee  
cash or, in  
the case of  
debt  
securities  
payable  
only in U.S.  
dollars, U.S.  
government  
obligations,  
as trust  
funds in an  
amount  
certified to  
be sufficient  
to pay on  
each date  
that they  
become due  
and payable,  
the principal  
of and  
interest on,  
and any  
mandatory  
sinking fund  
payments  
for, all  
outstanding  
debt  
securities of  
the series  
being



defeased;  
and

we deliver  
to the  
trustee an  
opinion of  
counsel to  
the effect  
that:

the holders  
of the series  
of debt  
securities  
being  
defeased  
will not  
recognize  
income,  
gain or loss  
for United  
States  
federal  
income tax  
purposes as  
a result of  
the  
defeasance  
or covenant  
defeasance;

the  
defeasance  
or covenant  
defeasance  
will not  
otherwise  
alter those  
holders  
United  
States  
federal  
income tax  
treatment of  
principal  
and interest  
payments  
on the series  
of debt  
securities

being  
defeased;  
and

in the case  
of a  
defeasance,  
this opinion  
must be  
based on a  
ruling of the  
Internal  
Revenue  
Service or a  
change in  
United  
States  
federal  
income tax  
law  
occurring  
after the  
date of this  
prospectus,  
since that  
result would  
not occur  
under  
current tax  
law.

#### **Modification of the Indenture**

***Modification without Consent of Holders.*** We and the trustee may enter into supplemental indentures without the consent of the holders of debt securities issued under the indenture to:

secure any  
debt securities;

evidence the  
assumption by  
a successor  
corporation of  
our  
obligations;

add covenants  
for the  
protection of  
the holders of  
debt securities;

cure any  
ambiguity or  
correct any  
inconsistency;

establish the  
forms or terms  
of debt  
securities of  
any series; or

evidence the  
acceptance of  
appointment  
by a successor  
trustee.

***Modification with Consent of Holders.*** We and the trustee, with the consent of the holders of not less than a majority in aggregate principal amount of each affected series of outstanding debt securities, voting as one class, may add any provisions to, or change in any manner or eliminate any of the provisions of, the indenture or modify in any manner the rights of the holders of those debt securities. However, we and the trustee may not make any of the following changes to any outstanding debt security without the consent of each holder that would be affected by the change:

extend  
the final  
maturity  
of the  
security;

reduce  
the  
principal  
amount;

reduce  
the rate  
or extend  
the time  
of  
payment  
of  
interest;

reduce any amount payable on redemption;

change the currency in which the principal, including any amount of original issue discount, premium, or interest on the security is payable;

modify or amend the provisions for conversion of any currency into another currency;

reduce the amount of any original issue discount security payable upon acceleration or provable in bankruptcy;

alter the terms on which holders of the debt securities may convert or exchange debt

securities for  
common  
stock or  
other  
securities,  
other than in  
accordance  
with the  
antidilution  
provisions or  
other similar  
adjustment  
provisions  
included in  
the terms of  
the debt  
securities;

impair the  
right of any  
holder to  
institute suit  
for the  
enforcement  
of any  
payment on  
any debt  
security  
when due; or

reduce the  
percentage of  
debt  
securities the  
consent of  
whose  
holders is  
required for  
modification  
of the  
indenture.

### **Form of Debt Security**

Each debt security will be represented either by a certificate issued in definitive form to a particular investor or by one or more global securities representing the entire issuance of securities. Both certificated securities in definitive form and global securities may be issued either:

in  
registered  
form,

where our  
obligation  
runs to the  
holder of  
the  
security  
named on  
the face of  
the  
security;  
or

in bearer  
form,  
where our  
obligation  
runs to the  
bearer of  
the  
security.

Definitive securities name you or your nominee as the owner of the security, other than definitive bearer securities, which name the bearer as owner, and in order to transfer or exchange these securities or to receive payments other than interest or other interim payments, you or your nominee must physically deliver the securities to the trustee, registrar, paying agent or other agent, as applicable.

Global securities name a depositary or its nominee as the owner of the debt securities represented by these global securities, other than global bearer securities, which name the bearer as owner. The depositary maintains a computerized system that will reflect each investor's beneficial ownership of the securities through an account maintained by the investor with its broker/dealer, bank, trust company or other representative, as we explain more fully below.

## **Global Securities**

***Registered Global Securities.*** We may issue the debt securities in the form of one or more fully registered global securities that will be deposited with a depositary or its nominee identified in the applicable prospectus supplement and registered in the name of that depositary or nominee. In those cases, one or more registered global securities will be issued in a denomination or aggregate denominations equal to the portion of the aggregate principal or face amount of the securities to be represented by registered global securities. Unless and until it is exchanged in whole for securities in definitive registered form, a registered global security may not be transferred except as a whole by and among the depositary for the registered global security, the nominees of the depositary or any successors of the depositary or those nominees. If not described below, any specific terms of the depositary arrangement with respect to any securities to be represented by a registered global security will be described in the prospectus supplement relating to those securities. We anticipate that the following provisions will apply to all depositary arrangements:

Ownership of beneficial interests in a registered global security will be limited to persons, called participants, that have accounts with the depositary or persons that may hold interests through participants. Upon the issuance of a registered global security, the depositary will credit, on its book-entry registration and transfer system, the participants accounts with the respective principal or face amounts of the securities beneficially owned by the participants. Any dealers, underwriters or selling



agents participating in the distribution of the securities will designate the accounts to be credited. Ownership of beneficial interests in a registered global security will be shown on, and the transfer of ownership interests will be effected only through, records maintained by the depository, with respect to interests of participants, and on the records of participants, with respect to interests of persons holding through participants. The laws of some jurisdictions may require that some purchasers of securities take physical delivery of these securities in definitive form. These laws may impair your ability to own, transfer or pledge beneficial interests in registered global securities. So long as the depository, or its nominee, is the registered owner of a registered global security, that depository or its nominee, as the case may be, will be considered the sole owner or holder of the securities represented by the registered global security for all purposes under the indenture.

Except as described below, owners of beneficial interests in a registered global security will not be entitled to have the securities represented by the registered global security registered in their names, will not receive or be entitled to receive physical delivery of the securities in definitive form and will not be considered the owners or holders of the securities under the indenture. Accordingly, each person owning a beneficial interest in a registered global security must rely on the procedures of the depository for that registered global security and, if that person is not a participant, on the procedures of the participant through which the person owns its interest, to exercise any rights of a holder under the indenture. We understand that under existing industry practices, if we request any action of holders or if an owner of a beneficial interest in a registered global security desires to give or take any action that a holder is entitled to give or take under the indenture, the depository for the registered global security would authorize the participants holding the relevant beneficial interests to give or take that action, and the participants would authorize beneficial owners owning through them to give or take that action or would otherwise act upon the instructions of beneficial owners holding through them.

Principal, premium, if any, and interest payments on debt securities represented by a registered global security registered in the name of a depository or its nominee will be made to the depository or its nominee, as the case may be, as the registered owner of the registered global security. None of us, the trustee or any other agent of us or agent of the trustee will have any responsibility or liability for any aspect of the records relating to payments made on account of beneficial ownership interests in the registered global security or for maintaining, supervising or reviewing any records relating to those beneficial ownership interests. We expect that the depository for any of the securities represented by a registered global security, upon receipt of any payment of principal, premium, interest or other distribution of underlying securities or other property to holders on that registered global security, will immediately credit participants' accounts in amounts proportionate to their respective beneficial interests in that registered global security as shown on the records of the depository. We also expect that payments by participants to owners of beneficial interests in a registered global security held through participants will be governed by standing customer instructions and customary practices, as is now the case with the securities held for the accounts of customers in bearer form or registered in street name, and will be the responsibility of those participants.

If the depository for any of these securities represented by a registered global security is at any time unwilling or unable to continue as depository or ceases to be a clearing agency registered under the Exchange Act, and a successor depository registered as a clearing agency under the Exchange Act is not appointed by us within 90 days, we will issue securities in definitive form in exchange for the registered global security that had been held by the depository. In addition, we may, at any time and in our sole discretion, decide not to have any of the securities represented by one or more registered global securities. If we make that decision, we will issue securities in definitive form in exchange for all of the registered global security or securities representing those securities. Any securities issued in definitive form in exchange for a registered global security will be registered in the name or names that the depository gives to the relevant trustee or other relevant agent of ours or theirs. It is expected that the depository's instructions will be based upon directions received by the depository from participants with respect to ownership of beneficial interests in the registered global security that had been held by the depository.



**Bearer Global Securities.** The securities may also be issued in the form of one or more bearer global securities that will be deposited with a common depository for the Euroclear System and Clearstream Banking, societe anonyme or with a nominee for the depository identified in the prospectus supplement relating to those securities. The specific terms and procedures, including the specific terms of the depository arrangement, with respect to any securities to be represented by a bearer global security will be described in the prospectus supplement relating to those securities.

### **New York Law to Govern**

The indenture and the debt securities will be governed by the laws of the State of New York.

### **DESCRIPTION OF WARRANTS**

We may issue warrants to purchase our equity securities or securities of third parties or other rights, including rights to receive payment in cash or securities based on the value, rate or price of one or more specified commodities, currencies, securities or indices, or any combination of the foregoing. Warrants may be issued independently or together with any other securities and may be attached to, or separate from, such securities. A series of warrants may be issued under a separate warrant agreement to be entered into between us and a warrant agent. The terms of any warrants to be issued and a description of the material provisions of any applicable warrant agreement will be set forth in the applicable prospectus supplement.

The applicable prospectus supplement will describe the following terms of any warrants in respect of which this prospectus is being delivered:

the title of such warrants;

the aggregate number of such warrants;

the price or prices at which such warrants will be issued;

the currency or currencies, in which the price of such warrants will be payable;

the securities or other rights, including rights to receive payment in cash or securities based on the value,

rate or price of one or more specified commodities, currencies, securities or indices, or any combination of the foregoing, purchasable upon exercise of such warrants;

the price at which and the currency or currencies, in which the securities or other rights purchasable upon exercise of such warrants may be purchased;

the date on which the right to exercise such warrants shall commence and the date on which such right shall expire;

the amount of warrants outstanding;

if applicable, the minimum or maximum amount of such warrants which may be exercised at any one time;

if applicable,  
the designation  
and terms of  
the securities  
with which  
such warrants  
are issued and  
the number of  
such warrants  
issued with  
each such  
security;

if applicable,  
the date on and  
after which  
such warrants  
and the related  
securities will  
be separately  
transferable;

information  
with respect to  
book-entry  
procedures, if  
any;

if applicable, a  
discussion of  
any material  
United States  
Federal income  
tax  
considerations;  
and

any other terms  
of such  
warrants,  
including  
terms,  
procedures and  
limitations  
relating to the  
exchange and  
exercise of  
such warrants.

The description in the applicable prospectus supplement of any warrants we offer will not necessarily be complete and will be qualified in its entirety by reference to the applicable warrant certificate or warrant agreement, which will be filed with the SEC if we offer warrants. For more information on how you can obtain copies of any warrant certificate

or warrant agreement if we

offer warrants, see [Where You Can Find Additional Information](#) beginning on page 7 of this prospectus. We urge you to read the applicable warrant certificate, the applicable warrant agreement and any applicable prospectus supplement in their entirety.

### DESCRIPTION OF RIGHTS

We may issue rights to purchase our equity securities. These rights may be issued independently or together with any other security offered by this prospectus and may or may not be transferable by the stockholder receiving the rights in the rights offering. In connection with any rights offering, we may enter into a standby underwriting agreement with one or more underwriters pursuant to which the underwriter will purchase any securities that remain unsubscribed for upon completion of the rights offering.

The applicable prospectus supplement relating to any rights will describe the terms of the offered rights, including, where applicable, the following:

the exercise price  
for the rights;

the number of  
rights issued to  
each stockholder;

the extent to  
which the rights  
are transferable;

any other terms of  
the rights,  
including terms,  
procedures and  
limitations  
relating to the  
exchange and  
exercise of the  
rights;

the date on which  
the right to  
exercise the rights  
will commence  
and the date on  
which the right  
will expire;

the amount of  
rights  
outstanding;

the extent to  
which the rights

include an  
over-subscription  
privilege with  
respect to  
unsubscribed  
securities; and

the material terms  
of any standby  
underwriting  
arrangement  
entered into by us  
in connection  
with the rights  
offering.

The description in the applicable prospectus supplement of any rights we offer will not necessarily be complete and will be qualified in its entirety by reference to the applicable rights certificate or rights agreement, which will be filed with the SEC if we offer rights. For more information on how you can obtain copies of any rights certificate or rights agreement if we offer rights, see [Where You Can Find Additional Information](#) beginning on page 7 of this prospectus. We urge you to read the applicable rights certificate, the applicable rights agreement and any applicable prospectus supplement in their entirety.

### **DESCRIPTION OF THE UNITS**

We may issue units consisting of common stock, preferred stock, warrants, rights and debt securities, or in combination thereof. Each unit will be issued so that the holder of the unit is also the holder of each security included in the unit. Thus, the holder of a unit will have the rights and obligations of a holder of each included security. The unit agreement under which a unit is issued may provide that the securities included in the unit may not be held or transferred separately, at any time, or at any time before a specified date.

The applicable prospectus supplement relating to any series of units will describe the terms of the units, including, where applicable, the following:

the  
designation  
and terms of  
the units and  
of the  
securities  
comprising the  
units,  
including  
whether and  
under what  
circumstances  
those  
securities may  
be held or  
transferred  
separately;

any provisions  
of the  
governing unit  
agreement;  
and

any provisions  
for the  
issuance,  
payment,  
settlement,  
transfer, or  
exchange of  
the units or of  
the securities  
comprising the  
units.

The description in the applicable prospectus supplement of any units we offer will not necessarily be complete and will be qualified in its entirety by reference to the applicable unit

certificate or unit agreement, which will be filed with the SEC if we offer units. For more information on how you can obtain copies of any unit certificate or unit agreement if we offer units, see [Where You Can Find Additional Information](#) beginning on page 7 of this prospectus. We urge you to read the applicable unit certificate, the applicable unit agreement and any applicable prospectus supplement in their entirety.

### **PLAN OF DISTRIBUTION**

We may offer and sell, from time to time, some or all of the securities covered by this prospectus up to an aggregate public offering price of \$300,000,000. We have registered the securities covered by this prospectus for offer and sale so that those securities may be freely sold to the public. Registration of the securities covered by this prospectus does not mean, however, that those securities necessarily will be offered or sold.

Securities covered by this prospectus may be sold from time to time, in one or more transactions, at market prices prevailing at the time of sale, at prices related to market prices, at a fixed price or prices subject to change, at varying prices determined at the time of sale or at negotiated prices, by a variety of methods including the following:

on the New York  
Stock Exchange  
or any other  
national  
securities  
exchange or U.S.  
inter-dealer  
system of a  
registered  
national  
securities  
association on  
which our  
common stock  
may be listed or  
quoted at the  
time of sale;

in the  
over-the-counter  
market;

in privately  
negotiated  
transactions;

in an exchange  
distribution in  
accordance with  
the rules of the  
applicable  
exchange;



as settlement of short sales entered into after the date of the prospectus;

through the writing or settlement of options or other hedging transactions, whether through an options exchange or otherwise;

through broker-dealers, who may act as agents or principals;

through sales at the market to or through a market-maker;

in a block trade, in which a broker-dealer will attempt to sell a block as agent but may position and resell a portion of the block as principal to facilitate the transaction;

through one or more underwriters on a firm commitment or best-efforts basis;

directly to one or more purchasers;

through agents;

in options  
transactions;

over the Internet;

any other method  
permitted  
pursuant to  
applicable law;  
or

in any  
combination of  
the above.

In effecting sales, brokers or dealers engaged by us may arrange for other brokers or dealers to participate.

Broker-dealer transactions may include:

purchases of  
the securities  
by a  
broker-dealer  
as principal  
and resales of  
the securities  
by the  
broker-dealer  
for its account  
pursuant to  
this  
prospectus;

ordinary  
brokerage  
transactions;  
or

transactions  
in which the  
broker-dealer  
solicits  
purchasers.

In addition, we may sell any securities covered by this prospectus in private transactions or under Rule 144 of the Securities Act of 1933, as amended, rather than pursuant to this prospectus.

In connection with the sale of securities covered by this prospectus, broker-dealers may receive commissions or other compensation from us in the form of commissions, discounts or concessions. Broker-dealers may also receive compensation from purchasers of the securities for whom they act



as agents or to whom they sell as principals or both. Compensation as to a particular broker-dealer may be in excess of customary commissions or in amounts to be negotiated. In connection with any underwritten offering, underwriters may receive compensation in the form of discounts, concessions or commissions from us or from purchasers of the securities for whom they act as agents. Underwriters may sell the securities to or through dealers, and such dealers may receive compensation in the form of discounts, concessions or commissions from the underwriters and/or commissions from the purchasers for whom they may act as agents. We and any underwriters, broker-dealers or agents that participate in the distribution of the securities may be deemed to be underwriters within the meaning of the Securities Act of 1933, as amended, and any profit on the sale of the securities by them and any discounts, commissions or concessions received by any of those underwriters, broker-dealers or agents may be deemed to be underwriting discounts and commissions under the Securities Act of 1933, as amended.

In connection with the distribution of the securities covered by this prospectus or otherwise, we may enter into hedging transactions with broker-dealers or other financial institutions. In connection with such transactions, broker-dealers or other financial institutions may engage in short sales of our securities in the course of hedging the positions they assume with us. We may also sell securities short and deliver the securities offered by this prospectus to close out our short positions. We may also enter into option or other transactions with broker-dealers or other financial institutions, which require the delivery to such broker-dealer or other financial institution of securities offered by this prospectus, which securities such broker-dealer or other financial institution may resell pursuant to this prospectus, as supplemented or amended to reflect such transaction. We may also from time to time pledge securities pursuant to the margin provisions of any customer agreements with brokers. Upon default, the broker may offer and sell such pledged securities from time to time pursuant to this prospectus, as supplemented or amended to reflect such transaction.

At any time a particular offer of the securities covered by this prospectus is made, a revised prospectus or prospectus supplement, if required, will be distributed which will set forth the aggregate amount of securities covered by this prospectus being offered and the terms of the offering, including the expected issue price or method of determining the price, the time period during which the offer will be open and whether the purchase period may be extended or shortened, the method and time limits for paying up and delivering securities, name or names of any underwriters, dealers, brokers or agents, any discounts, commissions, concessions and other items constituting compensation from us and any discounts, commissions or concessions allowed or reallocated or paid to dealers. Such prospectus supplement, and, if necessary, a post-effective amendment to the registration statement of which this prospectus is a part, will be filed with the SEC to reflect the disclosure of additional information with respect to the distribution of the securities covered by this prospectus. In order to comply with the securities laws of certain states, if applicable, the securities sold under this prospectus may only be sold through registered or licensed broker-dealers. In addition, in some states the securities may not be sold unless they have been registered or qualified for sale in the applicable state or an exemption from registration or qualification requirements is available and is complied with.

In connection with an underwritten offering, we would execute an underwriting agreement with an underwriter or underwriters. Unless otherwise indicated in the revised prospectus or applicable prospectus supplement, such underwriting agreement would provide that the obligations of the underwriter or underwriters are subject to certain conditions precedent and that the underwriter or underwriters with respect to a sale of the covered securities will be obligated to purchase all of the covered securities if any such securities are purchased. We may grant to the underwriter or underwriters an option to purchase additional securities at the public offering price, as may be set forth in the revised prospectus or applicable prospectus supplement. If we grant any such option, the terms of the option will be set forth in the revised prospectus or applicable prospectus supplement.

Pursuant to a requirement by the Financial Industry Regulatory Authority, or FINRA, the maximum commission or discount to be received by any FINRA member or independent broker-dealer may not be greater than 8% of the gross proceeds received by us for the sale of any securities being registered pursuant to SEC Rule 415 under the Securities Act.



Underwriters, agents, brokers or dealers may be entitled, pursuant to relevant agreements entered into with us, to indemnification by us against certain civil liabilities, including liabilities under the Securities Act of 1933, as amended, that may arise from any untrue statement or alleged untrue statement of a material fact, or any omission or alleged omission to state a material fact in this prospectus, any supplement or amendment hereto, or in the registration statement of which this prospectus forms a part, or to contribution with respect to payments which the underwriters, agents, brokers or dealers may be required to make.

We will bear all costs relating to all of the securities being registered under the registration statement of which this prospectus is a part.

### EXPENSES

The following are the expenses estimated to be incurred by us in connection with a possible offering of \$300,000,000 of the securities registered under this registration statement.

|                               |    |        |
|-------------------------------|----|--------|
| SEC Registration Fee          | \$ | 34,380 |
| Printing                      |    | *      |
| Legal Fees and Expenses       |    | *      |
| Accountants Fees and Expenses |    | *      |
| NYSE Fees                     |    | *      |
| FINRA Fee                     |    | 30,500 |
| Miscellaneous Costs           |    | *      |
| <br>                          |    |        |
| Total                         | \$ | *      |

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\* To be provided by a prospectus supplement or as an exhibit to a Report on Form 6-K that is incorporated by reference into this prospectus.

### LEGAL MATTERS

The validity of the securities that may be offered by this prospectus and certain other matters relating to Marshall Islands law will be passed upon for us by Cozen O Connor, New York, New York. Certain other legal matters relating to United States law will be passed upon for us by Cravath, Swaine & Moore LLP, New York, New York.

**EXPERTS**

The consolidated financial statements of Costamare Inc. as of December 31, 2010 and 2009 and for each of the three years in the period ended December 31, 2010, incorporated in this prospectus by reference from the Company's Annual Report on Form 20-F for the year ended December 31, 2010 have been audited by Ernst & Young (Hellas) Certified Auditors Accountants S.A., an independent registered public accounting firm, as set forth in their report thereon incorporated by reference herein, and are so incorporated in reliance upon such report, given on the authority of such firm, as experts in accounting and auditing.

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7,000,000 Shares

Common Stock

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**PROSPECTUS SUPPLEMENT**

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**Morgan Stanley**

**Goldman, Sachs & Co.**

**, 2012**

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