

TOP SHIPS INC.  
Form 6-K  
July 03, 2008

FORM 6-K

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

Report of Foreign Private Issuer  
Pursuant to Rule 13a-16 or 15d-16 of  
the Securities Exchange Act of 1934

For the month of July 2008

Commission File Number

TOP SHIPS INC.  
(Translation of registrant's name into English)

1 VAS. SOFIAS & MEG.  
ALEXANDROU STREET  
151 24, MAROUSSI  
ATHENS, GREECE  
(Address of principal executive offices)

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

Form 20-F  Form 40-F

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

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

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934. Yes  No

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):  
\_\_\_\_\_.

INFORMATION CONTAINED IN THIS FORM 6-K REPORT

Attached to this report on Form 6-K as Exhibit 1 are the first quarter financial results for the fiscal year 2008 for Top Ships Inc. (the "Company").

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## EXHIBIT 1

Key indicators highlighting changes in the financial performance of the Company's vessels during the first quarters of 2007 and 2008:

(In U.S. Dollars unless otherwise stated)	Suezmax Vessels		
	Three Months Ended March 31,		
	2007	2008	Change
Total available ship days	1,170	970	-17.1%
Total operating days	1,084	724	-33.2%
Utilization	92.6%	74.6%	-19.4%
TCE <sub>2</sub> per ship per day under spot voyage charter	38,565	47,548	23.3%
TCE per ship per day under time charter	35,123	38,574	9.8%
Average TCE	37,428	43,123	15.2%
Other vessel operating expenses per ship per day	8,231*	15,391*	87.0%

(In U.S. Dollars unless otherwise stated)	Handymax Vessels		
	Three Months Ended March 31,		
	2007	2008	Change
Total available ship days	990	728	-26.5%
Total operating days	911	621	-31.8%
Utilization	92.0%	85.3%	-7.3%
TCE per ship per day under spot voyage charter	-	16,000	-
TCE per ship per day under time charter	20,279	18,360	-9.5%
Average TCE	20,279	18,356	-9.5%
Other vessel operating expenses per ship per day	6,576	10,789*	64.1%

(In U.S. Dollars unless otherwise stated)	Tanker Fleet		
	Three Months Ended March 31,		
	2007	2008	Change
Total available ship days	2,160	1,698	-21.4%
Total operating days	1,995	1,345	-32.6%
Utilization	92.4%	79.2%	-14.2%
TCE per ship per day under spot voyage charter	38,565	47,462	23.1%
TCE per ship per day under time charter	24,467	25,746	5.2%
Average TCE	29,597	31,688	7.1%
Other vessel operating expenses per ship per day	7,473	13,418	79.6%

(In U.S. Dollars unless otherwise stated)	Drybulk Fleet		
	Three Months Ended March 31,		
	2007	2008	Change
Total available ship days	-	390	-
Total operating days	-	385	-
Utilization	-	98.7%	-
TCE per ship per day under spot voyage charter	-	-	-
TCE per ship per day under time charter	-	51,151	-
Average TCE	-	51,151	-

Other vessel operating expenses per ship per day	-	7,842*	-
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2 Time charter equivalent rate, or TCE rate, is a measure of the average daily revenue performance of a vessel on a per voyage basis. Our method of calculating TCE rate is consistent with industry standards and is determined by dividing time charter equivalent revenues or TCE revenues by voyage days for the relevant time period. TCE revenues are revenues minus voyage expenses. Voyage expenses primarily consist of port, canal and fuel costs that are unique to a particular voyage, which would otherwise be paid by the charterer under a time charter contract, as well as commissions. TCE revenues and TCE rate non-GAAP measures, provide additional meaningful information in conjunction with shipping revenues, the most directly comparable GAAP measure, because it assists Company's management in making decisions regarding the deployment and use of its vessels and in evaluating their financial performance.

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(In U.S. Dollars unless otherwise stated)	Total Fleet		
	Three Months Ended March 31,		
	2007	2008	Change
Total available ship days	2,160	2,088	-3.3%
Total operating days	1,995	1,730	-13.3%
Utilization	92.4%	82.9%	-10.3%
TCE per ship per day under spot voyage charter	38,565	47,462	23.1%
TCE per ship per day under time charter	24,467	32,927	34.6%
Average TCE	29,597	36,019	21.7%
Other vessel operating expenses per ship per day	7,473	12,376	65.6%
General and administrative expenses per ship per day**	2,406	3,690	53.3%

\* The daily Other vessel operating expenses for the Suezmax, Handymax and Drybulk Vessels for the first quarter of 2007 include approximately \$332, \$0 and \$0, respectively, and for the first quarter of 2008 include approximately \$5,269, \$1,621 and \$890, respectively, for specific unexpected repairs.

\*\* The daily General and Administrative expenses include approximately \$218 and \$322 for the first quarter of 2007 and 2008, respectively, of non-cash restricted stock expense, specific legal fees and depreciation for other fixed assets.

Fleet Report:

As of March 31, 2008, the Company's fleet consisted of 23 vessels, or 2.1 million dwt (including 12 owned, one under capital lease and 10 vessels sold and leased back for a period of five to seven years) as compared to 24 vessels, or 2.5 million dwt on March 31, 2007 (including 18 vessels sold and leased back for a period of 5 to 7 years).

In December 2007, the Company entered into an agreement to sell the vessel M/T Noiseless to an unrelated party. The gain from the sale of \$0.6 million was recognized upon the delivery of the vessel to the buyer on January 30, 2008.

In January 2008, the Company agreed to sell the vessel M/T Stainless to an unrelated party and entered into a bareboat charter with the buyer until July 31, 2008 (the vessel's delivery date). According to the terms of the bareboat charter, all bareboat hire payments made up to the end of the charter period will be deducted from the purchase price and ownership of the vessel will be transferred to the buyer at the end of the charter period. As ownership of the vessel will be transferred to the buyer at the end of the bareboat charter, the Company classified the charter and vessel's sale as a capital lease.

In August 2007, the Company entered into an agreement to acquire the M/V Astrale, a panamax drybulk vessel of 75,933 dwt built in Japan in 2000, from an unrelated third party with an expected delivery date between January and March 2008. In February 2008, the Company agreed with the owners of the M/V Astrale to charter the vessel up to April 27, 2008, for a daily hire. On May 1, 2008, the Company took ownership of the M/V Astrale, which was entered into a time charter contract for a period of 1 year at a net daily rate of \$67,500. As the ownership of the vessel was transferred to the Company at the end of the charter the Company accounted for the purchase and related charter as a capital lease.

In February 2008, the Company took delivery of the M/V Voc Gallant, a super handymax, or supramax, drybulk vessel of 51,200 dwt built in China in 2002, from an unrelated third party. The vessel was chartered back to the sellers for a period of 18 months at a daily net rate of \$25,650 on a bareboat basis. This employment agreement was later extended for an additional period of three years at a daily net rate of \$23,580.

In March 2008, the Company took delivery of the M/V Pepito, a panamax drybulk vessel of 75,928 dwt built in Japan in 2001 and entered into a time charter contract for a period of 5 years at a net daily rate of \$38,950.

In March 2008, the owner and lessor of M/T Faultless agreed to sell the vessel to a third party. The Company and the lessor mutually agreed to terminate the bareboat charter. The Company had sold the vessel in 2006 in a sale and lease-back transaction. The termination of the bareboat charter became effective upon the vessel's delivery to its new owners, on March 31, 2008.

In April 2008, the Company entered into an agreement to sell the vessel M/V Bertram with an attached time charter contract to a third party and the vessel was delivered to its new owners later in the month. Until its delivery, an amount of \$4.2 million, relating to the fair value of the time charter contract, had been amortized to the Company's revenues. Consequently, on the delivery to its new owners, the Company wrote-off the unamortized amount, which resulted in a loss of approximately \$2.0 million that will be recognized in the second quarter of 2008.