

TOP SHIPS INC.
Form F-1/A
April 18, 2012

As filed with the U.S. Securities and Exchange Commission on April 17, 2012.

Registration No. 333-174044

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

AMENDMENT NO. 1
TO
FORM F-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

TOP SHIPS INC.
(Exact name of Registrant as specified in its charter)

Republic of The Marshall Islands (State or other jurisdiction of incorporation or organization)	4412 (Primary Standard Industrial Classification Code Number)	N/A (I.R.S. Employer Identification No.)
1 Vas. Sofias and Meg. Alexandrou Str, 15124 Maroussi, Greece 011 30 210 8128180 (Address and telephone number of Registrant's principal executive offices)		Seward & Kissel LLP Attention: Gary J. Wolfe, Esq. One Battery Park Plaza New York, New York 10004 (212) 574-1223 (Name, address and telephone number of agent for service)

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Approximate date of commencement of proposed sale to the public: As soon as practicable after this Registration Statement becomes effective.

If any of the securities being registered on this Form are being offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act, check the following box. "

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Common Stock, \$0.01 par value per share	\$115,000,000 (1)(2)	\$13,179
Underwriters' Warrants to Purchase Common Stock (3)	N/A	N/A (4)
Common Stock Underlying Underwriters' Warrants, \$0.01 par value per share	\$1,250,000 (5)	\$143.25
Total Registration Fee		\$13,322.25 (6)

(1) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(o) under the Securities Act of 1933.

(2) Includes common shares that may be sold pursuant to the underwriters' over-allotment option.

(3) Pursuant to Rule 416 under the Securities Act, there are also being registered an indeterminable number of additional securities as may be issued to prevent dilution resulting from stock splits, stock dividends or similar transactions.

(4) In accordance with Rule 457(g) under the Securities Act, because the shares of the Registrant's common stock underlying the Underwriters' Warrants are registered hereby, no separate registration fee is required with respect to the warrants registered hereby.

(5) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(g) under the Securities Act, based on an estimated maximum exercise price of 125% of the maximum offering price.

(6) Previously paid.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and we are not soliciting offers to buy these securities in any state where the offer or sale is not permitted.

PRELIMINARY PROSPECTUS

SUBJECT TO COMPLETION

DATED APRIL 17, 2012

\$100,000,000
of Shares of
Common Stock

TOP SHIPS Inc. is offering \$100,000,000 of shares of its common stock.

Our common stock is listed on the Nasdaq Global Select Market under the symbol "TOPS." The last reported sale price of our common stock on April 16, 2012 was \$2.45 per share.

Investing in our common stock involves a high degree of risks. See "Risk Factors" beginning on page 12 of this prospectus for a discussion of information that should be considered in connection with an investment in our common stock .

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

	Per Share	Total
Public offering price	\$	\$
Underwriting discounts and commissions(1)	\$	\$
Proceeds to the Company before expenses	\$	\$

(1) Does not include a non-accountable expense allowance equal to 0.5% of the gross proceeds of this offering payable to Aegis Capital Corp., the representative of the underwriters. See "Underwriting" for a description of compensation payable to the underwriters.

We have granted a 45-day option to the representative to purchase up to additional shares of common stock solely to cover over-allotments, if any.

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

Aegis Capital Corp

, 2012

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You should rely only on information contained in this prospectus. We have not, and the underwriters have not, authorized anyone to give any information or to make any representations other than those contained in this prospectus. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. This prospectus is not an offer to sell, and it is not soliciting an offer to buy, (1) any securities other than our common shares or (2) our common shares in any circumstances in which such an offer or solicitation is unlawful. The information contained in this prospectus may change after the date of this prospectus. Do not assume after the date of this prospectus that the information contained in this prospectus is still correct.

(i)

PROSPECTUS SUMMARY

This section summarizes material information that appears later in this prospectus and is qualified in its entirety by the more detailed information and financial statements included elsewhere in this prospectus. This summary may not contain all of the information that may be important to you. As an investor or prospective investor, you should carefully review the entire prospectus, including the risk factors and the more detailed information that appears later.

Unless the context otherwise requires, as used in this prospectus, the terms "Company," "we," "us," and "our" refer to TOP SHIPS INC. and all of its subsidiaries, and "TOP SHIPS INC." refers only to TOP SHIPS INC. and not to its subsidiaries. We use the term deadweight ton, or dwt, in describing the size of vessels. Dwt, expressed in metric tons each of which is equivalent to 1,000 kilograms, refers to the maximum weight of cargo and supplies that a vessel can carry. Our reporting currency is in the U.S. dollar and all references in this prospectus to "\$" or "dollars" are to U.S. dollars. Throughout this prospectus, the conversion from Euros to U.S. dollars is based on the U.S. dollar/Euro exchange rate of 1.2938 as of December 31, 2011, unless otherwise specified.

Our Company

We are a provider of international seaborne transportation services, carrying petroleum products and crude oil for the oil industry and drybulk commodities for the steel, electric utility, construction and agriculture-food industries. As of the date of this prospectus, our fleet consists of seven vessels: six product tankers employed on bareboat charters and one drybulk vessel operating in the spot market. We refer to these vessels as our Initial Fleet.

We intend to grow our Initial Fleet via selective acquisitions of secondhand tanker vessels. We may also purchase newbuilding vessels, either directly from a shipyard or from unaffiliated third parties which have contracted with shipyards. The timing of these acquisitions will depend on our ability to identify vessels that meet our acquisition criteria. Additionally, we may acquire vessels in sectors which we believe offer accretive investment opportunities, such as the offshore marine services sector. We refer to these vessels as our Identified Fleet.

Following the successful completion of this offering, we intend to acquire vessels from their current owners for a total purchase price of \$ million. The acquisition of these vessels will be financed through the net proceeds of this offering and through new secured loan facilities in the amount of \$ million. The balance of the net proceeds, if any, will be used to reduce our corporate debt outstanding and for working capital and general corporate purposes. Unless indicated otherwise, references to our combined fleet are to our entire fleet after giving effect to the purchase of the Identified Fleet. We expect to take delivery of the vessels in our Identified Fleet within days of the closing of this offering. We expect to employ the vessels in our Identified Fleet on time charters, bareboat charters and in the spot market after they are delivered to us.

We believe we have established a reputation in the international ocean transport industry for operating and maintaining vessels with high standards of performance, reliability and safety. We have assembled a management team comprised of executives who have extensive experience managing and operating large and diversified fleets of vessels, and who have strong ties to a number of national, regional and international oil companies, charterers and traders.

Our predecessor, Ocean Holdings Inc., was formed as a corporation in January 2000 under the laws of the Republic of the Marshall Islands and renamed TOP TANKERS INC. in May 2004. In December 2007, TOP TANKERS INC. was renamed TOP SHIPS INC. Our common stock is currently listed on the NASDAQ Global Select Market under the symbol "TOPS." The current address of our principal executive office is 1 Vas. Sofias and Meg. Alexandrou Str, 15124 Maroussi, Greece. The telephone number of our registered office is +30 210 812 8000.

Our Initial Fleet

The following table presents information about our Initial Fleet and its employment as of the date of this prospectus:

	Dwt	Year Built	Charter Type	Expiry	Daily Base Rate
Six Tanker Vessels					
Miss Marilena	50,000	2009	Bareboat Charter	Q1-2/2019	\$ 14,400
Lichtenstein	50,000	2009	Bareboat Charter	Q1-2/2019	\$ 14,550
Ionian Wave	50,000	2009	Bareboat Charter	Q1-2/2018	\$ 9,000
Thyrrhenian Wave	50,000	2009	Bareboat Charter	Q1-2/2018	\$ 9,000
Britto	50,000	2009	Bareboat Charter	Q1-2/2019	\$ 14,550
Hongbo	50,000	2009	Bareboat Charter	Q1-2/2019	\$ 14,550
Total Tanker dwt					
	300,000				
One Drybulk Vessel					
Evian (ex Papillon)**	51,200	2000	Spot		
** As of December 31, 2011 we have classified M/V Evian as held for sale					
Total Drybulk dwt					
	51,200				
TOTAL DWT					
	351,200				

Our Identified Fleet

The following table presents information about our Identified Fleet and its employment as of the date of this prospectus:

	Dwt	Year Built	Charter Type	Charterer	Expiry	Daily Base Rate	Expected Delivery Date
Vessels							

Total

Chartering of the Fleet

As of the date of this prospectus, our drybulk vessel is employed on voyage charter in the spot market, while our six tankers are employed on bareboat charters. When our vessels are free of charters, we seek to deploy our vessels on

time charters, bareboat charters and in the spot market in a manner that will optimize our earnings and profitability.

Management of the Fleet

Central Mare Inc., or Central Mare, a related party controlled by the family of our Chief Executive Officer, performs all vessel operational, technical and commercial functions for us, including the chartering of our Initial Fleet. Central Mare performs these services pursuant to management agreements between Central Mare and us as well as Central Mare and our vessel-owning subsidiaries.

Competitive Strengths

We believe we possess a number of distinguishing factors that provide us with a strong position within the industry including:

Experienced Management Team. Our founder, President and Chief Executive Officer, Evangelos J. Pistiolis, has assembled a management team of senior executive officers and key employees with extensive experience in all aspects of the shipping industry. Our management team has substantial experience in the international shipping and commodities industries, and a successful track record of exploiting investment opportunities in these sectors throughout various economic cycles. We believe that our management team is capable of dealing with all aspects of commercial, technical, management and financial areas of our business, promoting a focused marketing effort, tight quality and cost controls, effective operations and safety.

Immediate Cash Flow Generation. Our Initial Fleet of 6 tanker vessels has total contracted revenue of \$192.4 million under the existing bareboat charters to be received until 2019, giving us immediate cash flow-generating power allow to fund our obligations and execute our business plan going forward.

Business Strategy

Our business strategy is focused on expanding our Initial Fleet, by growing either into the product tanker sector or into other sectors which we believe offer accretive investment opportunities. Additionally, we aim to build and maintain enduring relationships with participants in the international ocean transport industry, including leading charterers, national and independent oil companies, oil traders, brokers, suppliers, classification societies, insurers, shipyards and others. We believe we have established a reputation in the international ocean transport industry for operating and maintaining our fleet with high standards of performance, reliability and safety. We have assembled a management team comprised of executives who have extensive experience managing and operating large and diversified fleets of vessels, and who have strong ties to a number of national, regional and international oil companies, charterers and traders.

The key elements of our business strategy are:

Return-Driven Acquisitions and Selective Fleet Expansion. We intend to grow our fleet through timely and selective acquisitions of high quality vessels in a manner that is accretive to our earnings and cash flow. We continuously monitor acquisition opportunities in various sectors of the shipping industry based on certain financial returns criteria. We seek to identify, analyze and strategically invest when attractive opportunities arise.

Balanced Chartering Strategy. We actively and strategically deploy our fleet by employing our vessels under a mix of short-term charters and longer-term charters, including time charters of more than six months and bareboat charters, possibly with profit-sharing arrangements depending on our outlook for the markets we are operating. We believe this chartering policy allows us to capture advantageous opportunities in the spot market while limiting our exposure to spot market volatility by employing part of our fleet on longer term fixed-rate time charters and bareboat charters. As of the date of this prospectus, six of our tankers are employed on bareboat charters, and our drybulk vessel is employed on the spot market.

Risks

Our business and our ability to execute our business strategy are subject to a number of risks of which you should be aware before you decide to buy our common stock. In particular, you should carefully consider the following risks, which are discussed more fully in "Risk Factors" beginning on page 12.

- The international tanker and drybulk shipping industries have experienced drastic downturns after experiencing historically high charter rates and vessel values in early 2008, and a continued downturn in these markets may have

an adverse effect on our earnings, impair the carrying value of our vessels and affect compliance with our loan covenants;

- The international tanker and drybulk industries are both cyclical and volatile and this may lead to reductions and volatility in our charter rates when we re-charter our vessels, vessel values and our results of operations;
 - If economic conditions throughout the world do not improve, it will impede our operations;
- The current state of the global financial markets and current economic conditions may adversely impact our ability to obtain financing on acceptable terms and otherwise negatively impact our business;
- We are subject to complex laws and regulations, including environmental regulations that can adversely affect the cost, manner or feasibility of doing business;
- We are subject to international safety regulations and requirements imposed by classification societies and the failure to comply with these regulations may subject us to increased liability, may adversely affect our insurance coverage and may result in a denial of access to, or detention in, certain ports;
 - Climate change and greenhouse gas restrictions may adversely impact our operations and markets;

- Our vessels may suffer damage due to the inherent operational risks of the seaborne transportation industry and we may experience unexpected dry-docking costs, which may adversely affect our business and financial condition;
- The market value of our vessels, and those we may acquire in the future, may fluctuate significantly, which could cause us to incur losses if we decide to sell them following a decline in their market values or we may be required to write down their carrying value, which will adversely affect our earnings;
- An over-supply of drybulk carrier and/or tanker capacity may lead to reductions in charter hire rates and profitability;
- We are partially dependent on spot charters and any decrease in spot charter rates in the future may adversely affect our earnings;
- Operating results from our drybulk vessel is subject to seasonal fluctuations, which may adversely affect our operating results;
 - Our earnings may be adversely affected if we do not successfully employ our vessels;
- Our vessels may call on ports located in countries that are subject to restrictions imposed by the U.S. or other governments, which could adversely affect our business, reputation and the market for our common stock;
 - World events could adversely affect our results of operations and financial condition;
 - Acts of piracy on ocean-going vessels could adversely affect our business;
- Changes in the economic and political environment in China and policies adopted by the government to regulate its economy may have a material adverse effect on our business, financial condition and results of operations;
- An economic slowdown in the Asia Pacific region could have a material adverse effect on our business, financial condition and results of operations;
- Increased inspection procedures and tighter import and export controls could increase costs and disrupt our business;
 - Rising fuel prices may adversely affect our business;
- We are in breach of certain loan covenants contained in our loan agreements. If we are not successful in obtaining waivers and amendments with respect to covenants breached, our lenders may declare an event of default and accelerate our outstanding indebtedness under the relevant agreement, which would impair our ability to continue to conduct our business, which raises substantial doubt about our ability to continue as a going concern;
- Servicing current and future debt will limit funds available for other purposes and impair our ability to react to changes in our business;
 - We may not be able to expand our fleet or implement our growth effectively;
-

Our growth in the future will depend on our ability to successfully charter our vessels for which we will face substantial competition;

- We will be required to make substantial capital expenditures to expand the size of our fleet, which may diminish, our ability to pay dividends, increase our financial leverage, or dilute our shareholders' ownership interest in us;
- Our purchasing and operating previously owned vessels may result in increased operating costs and vessels off-hire, which could adversely affect our earnings;
- Our loan agreements contain restrictive covenants that may limit our liquidity and corporate activities, and our lenders may impose additional operating and financial restrictions on us in connection with waivers or amendments to our loan agreements;
- If we fail to manage our planned growth properly, we may not be able to successfully expand our market share;
- The derivative contracts we have entered into to hedge our exposure to fluctuations in interest rates could result in higher-than-market interest rates and charges against our income;

- Our ability to obtain additional debt financing may be dependent on the performance of our then-existing charters and the creditworthiness of our charterers;
- In the highly competitive international tanker and drybulk shipping markets, we may not be able to compete for charters with new entrants or established companies with greater resources;
 - A limited number of financial institutions hold our cash including financial institutions located in Greece;
- We depend upon a few significant customers for a large part of our revenues. The loss of one or more of these customers could adversely affect our financial performance;
- We may be subject to litigation that, if not resolved in our favor and not sufficiently insured against, could have a material adverse effect on us;
- We may be unable to attract and retain key management personnel and other employees in the international tanker and drybulk shipping industries, which may negatively impact the effectiveness of our management and our results of operations;
- If labor interruptions are not resolved in a timely manner, they could have a material adverse effect on our business, results of operations, cash flows, financial condition and available cash;
- A drop in spot charter rates may provide an incentive for some charterers to default on their charters, which could affect our cash flow and financial condition;
 - An increase in operating costs would decrease earnings and available cash;
- The aging of our fleet may result in increased operating costs in the future, which could adversely affect our earnings;
- Unless we set aside reserves or are able to borrow funds for vessel replacement, our revenue will decline at the end of a vessel's useful life, which would adversely affect our business, results of operations and financial condition;
 - We may not have adequate insurance to compensate us if we lose our vessels;
- We may be subject to increased premium payments, or calls, because we obtain some of our insurance through protection and indemnity associations;
 - Maritime claimants could arrest our vessels, which could interrupt our cash flow;
- Governments could requisition our vessels during a period of war or emergency, resulting in loss of earnings;
 - We may have to pay tax on U.S. source shipping income, which would reduce our earnings;
- We are likely to be treated as a "passive foreign investment company," which could have adverse U.S. federal income tax consequences to U.S. shareholders;
-

Fluctuations in exchange rates could affect our results of operations because we generate a portion of our expenses in currencies other than U.S. dollars;

- The instability of the Euro or the inability of countries to refinance their debts could have a material adverse effect on our revenue, profitability and financial position;
- Our share price may continue to be highly volatile, which could lead to a loss of all or part of a shareholder's investment;
 - There may not be a continuing public market for you to resell our common shares;
 - Certain existing stockholders, who hold approximately 82.3% of our common stock, may have the power to exert control over us, which may limit your ability to influence our actions;
- Shareholders may experience significant dilution as a result of future equity offerings or issuance if shares are sold at prices significantly below the price at which shareholders invested;
- Future issuances or sales, or the potential for future issuances or sales, of our common shares, or the conversion of convertible debt into our common shares, may cause the trading price of our securities to decline and could impair our ability to raise capital through subsequent equity offerings;

- If securities or industry analysts do not publish research or reports or publish unfavorable research about our business, the price and trading volume of our common stock could decline;
- We are incorporated in the Republic of the Marshall Islands, which does not have a well-developed body of corporate law and as a result, shareholders may have fewer rights and protections under Marshall Islands law than under a typical jurisdiction in the United States;
 - It may not be possible for investors to serve process on or enforce U.S. judgments against us;
- Anti-takeover provisions in our organizational documents could have the effect of discouraging, delaying or preventing a merger, amalgamation or acquisition, which could reduce the market price of our common shares;
 - We are dependent on our Fleet Manager to perform the day-to-day management of our fleet;
- Our Fleet Manager is a privately held company and there may be limited or no publicly available information about it;
 - Our Fleet Manager may have conflicts of interest between us and its other clients;
- If we cannot complete the purchase of the vessels we intend to purchase with the proceeds of this offering, we may use the proceeds of this offering for general corporate purposes with which you may not agree;
 - The price of our common shares after this offering may be volatile;
 - Future sales of our stock may depress our share price;
 - We cannot assure you that our Board of Directors will declare dividends; and
- We may issue additional common shares or other equity securities without your approval, which would dilute your ownership interests and may depress the market price of our common shares.

Dividend Policy

We paid special dividends of \$15.00 per share and \$7.50 per share on March 27, 2006 and April 25, 2006, respectively. On April 6, 2006 our Board decided to discontinue our policy of paying regular quarterly dividends. The declaration and payment of any future special dividends shall remain subject to the discretion of the Board and shall be based on general market and other conditions including our earnings, financial strength and cash requirements and availability.

We are permitted to pay dividends under the loans so long as we are not in default of a loan covenant and if such dividend payment would not result in a default of a loan covenant.

As our fleet expands, we will evaluate future increases to the quarterly dividend consistent with our cash flow and liquidity position. Our policy is to pay dividends in amounts that will allow us to retain sufficient liquidity to fund our obligations as well as execute our business plan going forward. Our Board of Directors will determine the timing and amount of all dividend payments, based on various factors, including our financial performance, cash requirements and contractual and legal restrictions. Accordingly, we cannot guarantee that we will be able to pay quarterly dividends. See "Dividend Policy" and "Risk Factors."

Corporate Structure

We were incorporated in the Marshall Islands in 2000. Our vessels are owned through separate wholly-owned subsidiaries incorporated in Liberia.

Central Mare, a related party controlled by the family of our Chief Executive Officer, has been performing all vessel operational, technical and commercial functions for us, including the chartering of our Initial Fleet. Central Mare performs these services pursuant to management agreements between Central Mare and us as well as Central Mare and our vessel-owning subsidiaries.

The current address of our principal executive office is 1 Vas. Sofias and Meg. Alexandrou Str, 15124 Maroussi, Greece. The telephone number of our registered office is +30 210 812 8000. Our corporate website address is www.topships.org. The information contained on our website does not constitute part of this prospectus.

THE OFFERING

The following summary contains basic information about the offering of our common stock hereunder and is not intended to be complete. It does not contain all the information that is important to you. For a more complete understanding of our common stock, please refer to the section of this prospectus entitled "Description of Capital Stock."

Shares offered by us	shares of common stock
Offering price per share	\$
Over-allotment option	We have granted the underwriters a 45-day option to purchase from us, from time to time, up to an additional shares of common stock, to cover any over-allotments.
Shares outstanding prior to this offering	17,147,534 shares of common stock
Shares to be outstanding immediately after this offering	shares of common stock (assuming no exercise of the underwriters' over-allotment option), excluding 472,219 shares of our common stock reserved for issuance but not yet issued pursuant to our equity incentive plan, out of a total equity incentive plan reserve of 1,066,661 shares of our common stock.
Use of proceeds	<p>We estimate that the net proceeds from this offering will be approximately \$ million or approximately \$ million if the underwriters exercise their over-allotment option, assuming a public offering price of \$ per share and after deducting assumed underwriting discounts and commissions, an expense and estimated offering expenses payable by us (other than certain expenses to be reimbursed by the underwriters).</p> <p>We expect to use the net proceeds of this offering to (1) reduce our corporate debt outstanding by an amount equal to \$ million; (2) complete the acquisition of the Identified Fleet and (3) apply any amounts not used for the above purposes for working capital and general corporate purposes. Please see "Use of Proceeds."</p>
Dividends	As our fleet expands, we will evaluate future increases to the quarterly dividend consistent with our cash flow and liquidity position. Our policy is to pay dividends in amounts that will allow us to retain sufficient liquidity to fund our obligations as well as execute our business plan going forward. Our Board of Directors will determine the timing and amount of all dividend payments, based on various factors, including our earnings, financial condition, cash requirements and availability, restrictions in our loan agreements, the provisions of Marshall Islands law affecting the payment of distributions to shareholders and other factors.

Accordingly, we cannot guarantee that we will be able to pay quarterly dividends. Please see "Our Dividend Policy."

Tax consequences

We are a "Passive Foreign Investment Company," or PFIC. The U.S. federal income tax and Marshall Islands tax consequences of purchasing, owning and disposing of shares of our common stock are described under "Tax Considerations." Prospective investors are urged to consult their own tax advisors regarding the tax consequences of purchasing, owning and disposing of our common stock. Please see "Tax Considerations."

Nasdaq Global Select Market listing

Our common stock is listed for trading on the Nasdaq Global Select Market under the symbol "TOPS."

Except where we or the context otherwise indicate, the information in this prospectus assumes (i) the common stock to be sold in this offering will be sold at \$ per share and (ii) no exercise of the underwriters' over-allotment option described on the cover page of this prospectus or of the Underwriters' Warrants described below in the section entitled "Underwriting."

SUMMARY FINANCIAL DATA

The following table sets forth our selected historical consolidated financial data and other operating data as of and for the years ended December 31, 2007, 2008, 2009, 2010 and 2011. The following information should be read in conjunction with "Management's Discussion And Analysis Of Financial Condition And Results Of Operations" and the consolidated financial statements and related notes included herein. The following selected historical consolidated financial data is derived from our consolidated financial statements and notes thereto, which have been prepared in accordance with U.S. generally accepted accounting principles, or GAAP, and have been audited by Deloitte, Hadjipavlou, Sofianos & Cambanis S.A., or Deloitte, an independent registered public accounting firm.

As of December 31, 2011, we have classified our last drybulk vessel as held for sale and determined to discontinue our drybulk operations. Our selected historical consolidated financial data and other operating data below has been adjusted to exclude discontinued operations. Please refer to "Management's Discussion And Analysis Of Financial Condition And Results Of Operations—Discontinued Drybulk Operations" for more information on our discontinued operations.

TOP SHIPS INC.

CONSOLIDATED STATEMENTS OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2007, 2008, 2009, 2010 AND 2011

(Expressed in thousands of U.S. dollars - except share and per share data)

	2007	2008	Year Ended December 31, 2009	2010	2011
REVENUES:					
Revenues	248,944	163,995	47,353	39,394	40,822
Other Income	-	-	-	-	872
EXPENSES:					
Voyage expenses	59,253	34,215	1,118	1,277	7,076
Charter hire expense	94,118	53,684	10,827	480	2,380
Amortization of deferred gain on sale and leaseback of vessels and write-off of seller's credit	(15,610)	(18,707)	(7,799)	-	-
Lease termination expense	-	-	15,391	-	5,750
Vessel operating expenses	67,225	56,272	15,032	6,090	4,673
Dry-docking costs	25,094	9,450	4,543	10	19
Vessel depreciation	26,560	13,867	12,580	13,371	12,485
Management fees-third parties	1,821	1,080	338	119	439
Management fees-related parties	-	-	-	1,804	3,418
General and administrative expenses	23,172	30,229	23,416	18,142	15,363
Gain on sale of vessels	(1,961)	(21,347)	-	(5,101)	(2,641)
Impairment on vessels	-	-	36,638	-	-

Operating income (loss) from continuing operations	(30,728)	5,252	(64,731)	3,202	(7,268)
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OTHER INCOME (EXPENSES):

Interest and finance costs	(18,440)	(11,888)	(8,450)	(10,601)	(12,386)
Loss on financial instruments	(2,728)	(4,675)	160	(1,772)	(375)
Interest income	2,752	1,451	173	34	45
Other, net	17	(127)	(183)	(54)	(81)
Total other expenses, net	(18,399)	(15,239)	(8,300)	(12,393)	(12,797)

	Year Ended December 31,				
	2007	2008	2009	2010	2011
Net income (loss) from continuing operations	(49,127)	(9,987)	(73,031)	(9,191)	(20,065)
Net income (loss) from discontinued operations	51	35,626	22,835	11,704	(169,047)
Net income (loss)	(49,076)	25,639	(50,196)	2,513	(189,112)
Earnings / (loss) per common share, basic					
From continuing operations	(40.98)	(3.92)	(25.87)	(2.99)	(3.18)
From discontinuing operations	0.04				