



NEWS RELEASE for August 7, 2008

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TOP SHIPS ANNOUNCES TERMINATION OF FIVE LEASES

ATHENS, GREECE (August 7, 2008). TOP Ships Inc. (NasdaqGS:TOPS) announced today that it has entered into agreements to terminate its bareboat charters for four Suezmax tankers, the Priceless (DWT 154,970, built 1991), the Flawless (DWT 154,970, built 1991), the Stopless (DWT 154,970, built 1991) and the Timeless (DWT 154,970, built 1991) and one Handymax tanker, the Sovereign (DWT 47,071, built 1992), in connection with the sale of these vessels by their owners to third parties.

The Suezmax charters are expected to be terminated by the end of September of 2008 upon sale of the vessels from their owners to third parties. The Handymax lease is expected to be terminated by August 20, 2008 upon sale of the vessel from its owner to third parties.

The aggregate unamortized portion of the deferred gain from the original sales of approximately \$13.3 million is expected to be recognized in the third quarter of 2008. Moreover, the Company will receive the amount of approximately \$11.3 million in cash, which represents the partial redemption of the initial seller's credit agreement with the lessors of the four Suezmaxes.

About TOP Ships Inc.

TOP Ships Inc., formerly known as TOP Tankers Inc., is an international provider of worldwide seaborne crude oil and petroleum products and drybulk transportation services. Upon delivery of the remaining suezmaxes to their new owners, the Company will operate a combined tanker and drybulk fleet as follows:

- A fleet of seven double-hull Handymax tankers, with a total carrying capacity of approximately 0.3 million dwt, of which 58% are sister ships. All of the Company's Handymaxes will be on time charter contracts with an average term of two years with all of the time charters including profit sharing agreements above their base rates.
- Six newbuilding product tankers, which are expected to be delivered in the first half of 2009. All the expected newbuildings have fixed rate bareboat employment agreements for periods between seven and ten years.

- a fleet of five drybulk vessels with a total carrying capacity of approximately 0.3 million dwt, of which 70% are sister ships. All of the Company's drybulk vessels have fixed rate employment contracts for an average period of 30 months.

Forward Looking Statement

Certain statements and information included in this release constitute “forward-looking statements” within the meaning of the Federal Private Securities Litigation Reform Act of 1995. The Private Securities Litigation Reform Act of 1995 provides safe harbor protections for forward-looking statements in order to encourage companies to provide prospective information about their business. Forward-looking statements reflect our current views with respect to future events and financial performance and may include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts.

The Company desires to take advantage of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and is including this cautionary statement in connection with this safe harbor legislation. The words “believe,” “anticipate,” “intends,” “estimate,” “forecast,” “project,” “plan,” “potential,” “will,” “may,” “should,” “expect,” “pending” and similar expressions identify forward-looking statements. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, our management’s examination of historical operating trends, data contained in our records and other data available from third parties. Although we believe that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond our control, we cannot assure you that we will achieve or accomplish these expectations, beliefs or projections.

In addition to these important factors, other important factors that, in our view, could cause actual results to differ materially from those discussed in the forward-looking statements include possible shareholder objections to the settlement of the class action, possible shareholder opt outs from the settlement, possible disapproval of the Court of the settlement, possible shareholder class appeals of the settlement and adverse outcomes on appeal, general market conditions, including fluctuations in charter rates and vessel values, changes in the demand for our vessels, potential liability from pending or future litigation, general domestic and international political conditions, and other factors. Please see our filings with the Securities and Exchange Commission for a more complete discussion of these and other risks and uncertainties.

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