Costamare Inc.
Form 424B5
May 06, 2015

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

SUBJECT TO COMPLETION, DATED May 6, 2015

PRELIMINARY PROSPECTUS SUPPLEMENT Filed Pursuant to Rule 424(b)(5)
(To Prospectus dated November 27, 2013) Registration No. 333-191833

Shares

Costamare Inc.
% SERIES D CUMULATIVE REDEEMABLE PERPETUAL PREFERRED STOCK
(LIQUIDATION PREFERENCE $25 PER SHARE)

We are offering shares of our % Series D Cumulative Redeemable Perpetual Preferred Stock, par value $0.0001 per share, liquidation preference $25.00 per share (the Series D Preferred Stock).

Dividends on the Series D Preferred Stock are cumulative from the date of original issue and will be payable quarterly in arrears on the 15th day of January, April, July and October of each year, when, as and if declared by our board of directors. The initial dividend on the Series D Preferred Stock offered hereby will be payable on July 15, 2015. Dividends will be payable out of amounts legally available therefor at a rate equal to % per annum of the stated liquidation preference.

At any time on or after May , 2020, the Series D Preferred Stock may be redeemed, in whole or in part, out of amounts available therefor, at a redemption price of $25.00 per share plus an amount equal to all accumulated and unpaid dividends thereon to the date of redemption, whether or not declared.

We intend to apply to have the Series D Preferred Stock listed on the New York Stock Exchange. Currently, there is no public market for the Series D Preferred Stock.

Investing in our Series D Preferred Stock involves a high degree of risk. Our Series D Preferred Stock has not been rated. See Risk Factors beginning on page S-18 of this prospectus supplement and page 3 of our Annual Report on Form 20-F filed with the Securities and Exchange Commission on March 5, 2015.

Total

	Per Share	
Public offering price	$	$
Underwriting discount[(1)]	$	$
Proceeds, before expenses, to Costamare Inc.	$	$

(1) See Underwriting .

We have granted the underwriters an option to purchase up to an additional shares of Series D Preferred Stock solely to cover over-allotments, if any. If the underwriters exercise the option in full, the total underwriting discounts and commissions payable by us will be $, and total proceeds to us before expenses will be $.

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 base prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the shares of Series D Preferred Stock against payment in New York, New York on or about May , 2015.

Joint Bookrunners

Morgan Stanley UBS Investment Bank Credit Suisse J.P. Morgan Stifel

, 2015

TABLE OF CONTENTS

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 headings 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.

It is expected that delivery of the shares of Series D Preferred Stock will be made on or about the closing date specified on the cover page of this prospectus supplement, which will be the fifth business day following the date of pricing of the Series D Preferred Stock (this settlement cycle being referred to as T+5). Under Rule 15c6-1 of the Securities Exchange Act of 1934, trades in the secondary market generally are required to settle in three business days, unless the parties to a trade expressly agree otherwise. Accordingly, purchasers who wish to trade the Series D Preferred Stock on the initial pricing date of the Series D Preferred Stock or the next succeeding business day will be required, by virtue of the fact that the Series D Preferred Stock initially will settle in T+5, to specify alternative settlement arrangements at the time of any such trade to prevent a failed settlement and should consult their own advisor.

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-18 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 March 5, 2015 (Annual Report on Form 20-F).

Unless we otherwise specify, when used in this prospectus supplement, the terms Costamare, the Company, we, our and us refer to Costamare Inc. and its subsidiaries and/or any one of them, except that when such terms are used in this prospectus supplement in reference to the common stock, the 7.625% Series B Cumulative Redeemable Perpetual Preferred Stock (the Series B Preferred Stock) or the 8.50% Series C Cumulative Redeemable Perpetual Preferred Stock (the Series C Preferred Stock) or the Series D Preferred Stock, they refer specifically to Costamare Inc.

We use the term twenty foot equivalent unit , or TEU , the international standard measure of containers, in describing the capacity of our containerships.

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 May 5, 2015 and references to our fleet at future dates assume there have been no additional acquisitions pursuant to the Framework Deed (the Framework Agreement) between the Company and its wholly- owned subsidiary, Costamare Ventures Inc. (Costamare Ventures), on the one hand, and York Capital Management Global Advisors LLC and an affiliated fund (collectively, together with the funds it manages or advises, York), on the other, by vessel-owning joint venture entities in which we hold a minority equity interest (any such entity, referred to as a Joint Venture entity , and any such jointly-owned vessel, including any vessel under construction, referred to as a Joint Venture vessel) and no dispositions.

Our Company

We are an international owner of containerships, chartering our vessels to many of the world s largest liner companies. As of May 5, 2015, we had a fleet of 69 containerships aggregating approximately 458,000 TEU, including ten newbuilds on order, making us one of the largest public containership companies in the world, based on total TEU capacity. At that date, our fleet consisted of (i) 59 vessels in the water, aggregating approximately 331,000 TEU and (ii) 10 newbuild vessels aggregating approximately 127,000 TEU that are scheduled to be delivered to us through the fourth quarter of 2016, based on the current shipyard schedule. As of May 5, 2015, 14 of our containerships, including ten newbuilds, had been acquired pursuant to the Framework Agreement with York by vessel-owning Joint Venture entities in which we hold a minority equity interest.

We principally deploy our containerships on long-term, fixed-rate time charters to take advantage of the stable cash flows and high utilization rates typically associated with long-term time charters. Time-chartered containerships are generally employed on long-term charters to liner companies that charter-in vessels on a long-term basis as part of their business strategies. As of May 5, 2015, the average (weighted by TEU capacity) remaining time-charter duration for our fleet of 69 containerships was approximately 4.0 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 March 31, 2015, our fixed-term charters represented an aggregate of $1.9 billion of contracted revenue, assuming the earliest redelivery dates possible and 365 revenue days per annum per containership (which amount includes our ownership percentage of contracted revenue for the existing Joint Venture vessels). Ten of these charters include an option exercisable by either party to extend the term: five vessels for two one-year periods at the same charter rate, which represents an additional $152.2 million of potential contracted revenue, and five Joint Venture vessels for a two-year period and a subsequent three-year period at the same charter rate, which represents an additional $170.5 million of potential contracted revenue that is attributable to our share of the relevant vessel-owning entities.

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 64.8% of our common stock. Captain Vasileios Konstantakopoulos, the father of our chairman and chief executive officer, Konstantinos Konstantakopoulos, founded Costamare Shipping Company S.A. (Costamare Shipping) in 1974. 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 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 company Shanghai Costamare Ship Management Co., Ltd. (Shanghai Costamare) in 2005 and the manning agency C-Man Maritime, Inc. (C-Man Maritime) in 2006. Today, Konstantinos Konstantakopoulos remains focused on the provision of high quality and reliable service by our management companies and related manning agency. Under his leadership, we have continued to foster a company culture focusing on reliable customer service, industry leadership and innovation.

On January 7, 2013, Costamare Shipping entered into a Co-operation Agreement (the Co-operation Agreement) with V.Ships Greece Ltd. (V.Ships Greece), a member of V.Group, pursuant to which the two companies established a ship management cell (the Cell), within V.Ships Greece. The Cell provides technical, crewing, provisioning, bunkering, sale and purchase and accounting services, as well as certain commercial services, to 20 of our containerships that fly the Liberian and Maltese flags, including two of the Joint Venture vessels in the water. Costamare Shipping passes to the Company the net profit, if any, it receives pursuant to the Co-operation Agreement as a refund or reduction of the management fees payable by the Company to Costamare Shipping under the group management agreement between Costamare Shipping and the Company.

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. Together with York, our joint venture partner, we continually evaluate potential transactions and enter into relevant negotiations for the acquisition of newbuilds and secondhand vessels. However, there can be no assurance that we will complete any particular vessel acquisition.

In November 2010, we completed an initial public offering of our common stock in the United States and our common stock began trading on the New York Stock Exchange on November 4, 2010 under the ticker symbol CMRE . On March 27, 2012 and October 19, 2012, we completed two follow- on public offerings of our common stock. In August 2013, we completed a public offering of our Series B Preferred Stock and it began trading on the New York Stock Exchange on August 8, 2013 under the ticker symbol CMRE PR B . In January 2014, we completed a public offering of our Series C Preferred Stock and it began trading on the New York Stock Exchange on January 22, 2014 under the ticker symbol CMRE PR C .

In May 2013, we entered into the Framework Agreement with York to jointly invest in newbuild and secondhand container vessels through jointly held companies in which we hold a stake between 25% and 49%, thereby increasing our ability to expand our operations while diversifying our risk. The joint venture established by the Framework Agreement is expected to be each party s exclusive joint venture for the acquisition of vessels in the containership industry during the commitment period ending May 28, 2015, unless terminated earlier in certain circumstances (although we may acquire vessels outside the joint venture where York rejects a vessel acquisition opportunity). As of

May 5, 2015, the joint venture had executed transactions with capital expenditure commitments of approximately $1.1 billion. As of the same date, Costamare and York had made total payments of $303.9 million, out of which $71.2 million had been financed based on debt financing arrangements. We are currently in discussions with York to extend the commitment period under the Framework Agreement.

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. 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.

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 general corporate purposes, including vessel acquisitions or investments under the Framework Agreement or otherwise.

Our Fleet, Acquisitions and Newbuildings

Our Fleet

The tables below provide additional information, as of May 5, 2015, about our fleet of 69 containerships, including ten newbuilds on order. Fourteen of our containerships, including ten newbuilds, have been acquired pursuant to the Framework Agreement with York by vessel-owning Joint Venture entities in which we hold a minority equity interest.

	Vessel Name	Charterer	Year Built	Capacity (TEU)	Time Charter Term(1)	Current Daily Charter Rate (U.S. dollars)	Expiration of Charter(1)	Average Daily Charter Rate Until Earliest Expiry of Charter (U.S. dollars)(2)
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	MSC AZOV(**)	MSC	2014	9,403	10 years	43,000	November 2023	43,000
7	MSC AJACCIO(**)	MSC	2014	9,403	10 years	43,000	February 2024	43,000
8	MSC AMALFI(**)	MSC	2014	9,403	10 years	43,000	March 2024	43,000
9	MSC ATHENS	MSC	2013	8,827	10 years	42,000	January 2023	42,000
10	MSC ATHOS	MSC	2013	8,827	10 years	42,000	February 2023	42,000
11	VALOR	Evergreen	2013	8,827	7.0years(i)	41,700	April 2020(i)	41,700
12	VALUE	Evergreen	2013	8,827	7.0 years(i)	41,700	April 2020(i)	41,700

13	VALIANT	Evergreen	2013	8,827	7.0 years(i)	41,700	June 2020(i)	41,700
14	VALENCE	Evergreen	2013	8,827	7.0 years(i)	41,700	July 2020(i)	41,700
15	VANTAGE	Evergreen	2013	8,827	7.0 years(i)	41,700	September 2020(i)	41,700
16	NAVARINO	MSC	2010	8,531	1.0 year		September 2015	
17	MAERSK KAWASAKI(ii)	A.P. Moller-Maersk	1997	7,403	10 years	37,000	December 2017	37,000
18	MAERSK KURE(ii)	A.P. Moller-Maersk	1996	7,403	10 years	37,000	December 2017	37,000
19	MAERSK KOKURA(ii)	A.P. Moller-Maersk	1997	7,403	10 years	37,000	February 2018	37,000
20	MSC METHONI	MSC	2003	6,724	10 years	29,000	September 2021	29,000
21	SEALAND NEW YORK	A.P. Moller-Maersk	2000	6,648	11 years	26,100	March 2018	26,100
22	MAERSK KOBE	A.P. Moller-Maersk	2000	6,648	11 years	26,100	May 2018	26,100
23	SEALAND WASHINGTON	A.P. Moller-Maersk	2000	6,648	11 years	26,100	June 2018	26,100
24	SEALAND MICHIGAN	A.P. Moller-Maersk	2000	6,648	11 years	26,100	August 2018	26,100
25	SEALAND ILLINOIS	A.P. Moller-Maersk	2000	6,648	11 years	26,100	October 2018	26,100
26	MAERSK KOLKATA	A.P. Moller-Maersk	2003	6,644	11 years	38,865(3)	November 2019	28,053
27	MAERSK KINGSTON	A.P. Moller-Maersk	2003	6,644	11 years	38,461(4)	February 2020	28,621
28	MAERSK KALAMATA	A.P. Moller-Maersk	2003	6,644	11 years	38,418(5)	April 2020	28,852
29	VENETIKO	PIL	2003	5,928	2.0 years	12,250	May 2015	12,250
30	ENSENADA EXPRESS(*)	Hapag Lloyd	2001	5,576	2.0 years	19,000	May 2015	19,000

	Vessel Name	Charterer	Year Built	Capacity (TEU)	Time Charter Term[(1)]	Current Daily Charter Rate (U.S. dollars)	Expiration of Charter[(1)]	Average Daily Charter Rate Until Earliest Expiry of Charter (U.S. dollars)[(2)]
31	MSC ROMANOS	MSC	2003	5,050	5.3 years	28,000	November 2016	28,000
32	ZIM NEW YORK	ZIM	2002	4,992	13 years	13,744	September 2015[(6)]	13,744
33	ZIM SHANGHAI	ZIM	2002	4,992	13 years	13,744	September 2015[(6)]	13,744
34	ZIM PIRAEUS	ZIM	2004	4,992	10 years	13,344	September 2015[(6)]	13,344
35	OAKLAND EXPRESS	Hapag Lloyd	2000	4,890	8.0 years	30,500	September 2016	30,500
36	HALIFAX EXPRESS	Hapag Lloyd	2000	4,890	8.0 years	30,500	October 2016	30,500
37	SINGAPORE EXPRESS	Hapag Lloyd	2000	4,890	8.0 years	30,500	July 2016	30,500
38	MSC MANDRAKI	MSC	1988	4,828	7.8 years	20,000	August 2017	20,000
39	MSC MYKONOS	MSC	1988	4,828	8.2 years	20,000	September 2017	20,000
40	MSC ULSAN	MSC	2002	4,132	5.3 years	16,500	March 2017	16,500
41	MSC KORONI	MSC	1998	3,842	9.5 years	13,500(7)	September 2018	13,500
42	MSC ITEA	MSC	1998	3,842	1.0 years	7,300	June 2015	7,300
43	KARMEN	Evergreen	1991	3,351	0.8 years	7,500	May 2015	7,500
44	MARINA	Evergreen	1992	3,351	2.5 years	7,000	May 2015	7,000
45	MSC CHALLENGER	MSC	1986	2,633	4.8 years	10,000	July 2015	10,000
46	LAKONIA	Evergreen	2004	2,586	2.0 years	8,600	February 2017	8,600
47	ELAFONISOS[(*)]	A.P. Moller-Maersk	1999	2,526	0.9 years	7,000	November 2015	7,000
48	AREOPOLIS	Evergreen	2000	2,474	0.9 years	7,200	July 2015	7,200
49	MESSINI	Evergreen	1997	2,458	3.3 years	7,900	February 2016	7,900
50	MSC REUNION	MSC	1992	2,024	8.0 years	7,600	July 2016	7,600
51	MSC NAMIBIA II	MSC	1991	2,023	8.8 years	7,600	July 2016	7,600
52	MSC SIERRA II	MSC	1991	2,023	7.7 years	7,600	June 2016	7,600
53	MSC PYLOS	MSC	1991	2,020	5.0 years	7,600	January 2016	7,600
54	X-PRESS PADMA[(*)]	Sea Consortium	1998	1,645	2.0 years	8,225	June 2015	8,225
55	NEAPOLIS	Yang Ming	2000	1,645	0.9 years	8,000	October 2015	8,000
56	PROSPER	Sea Consortium	1996	1,504	0.7 years	7,350(8)	August 2015	9,116
57	ZAGORA	MSC	1995	1,162	3.7 years	6,200	May 2015	6,200
58	PETALIDI[(*)]	CMA CGM	1994	1,162	2.0 years	6,800	August 2015	6,800
59	STADT LUEBECK	CMA CGM	2001	1.078	2.7 years	6,400	June 2015	6,400

Newbuilds

	Vessel Name	Shipyard	Charterer	Expected Delivery (based on latest shipyard schedule)
1	NCP0113(*)	Hanjin Subic Bay		4th Quarter 2015
2	NCP0114(*)	Hanjin Subic Bay		1st Quarter 2016
3	NCP0115(*)	Hanjin Subic Bay		2nd Quarter 2016
4	NCP0116(*)	Hanjin Subic Bay		2nd Quarter 2016
5	NCP0152(*)	Hanjin Subic Bay		4th Quarter 2016
6	S2121(*)(***)	Samsung Heavy	Evergreen	2nd Quarter 2016
7	S2122(*)(***)	Samsung Heavy	Evergreen	2nd Quarter 2016
8	S2123(*)(***)	Samsung Heavy	Evergreen	3rd Quarter 2016
9	S2124(*)(***)	Samsung Heavy	Evergreen	3rd Quarter 2016
10	S2125(*)(***)	Samsung Heavy	Evergreen	3rd Quarter 2016

Our newbuilds on order have an aggregate capacity in excess of 125,000 TEU.

(1) Charter terms and expiration dates are based on the earliest date charters could expire. Amounts set out for current daily charter rate are the amounts contained in the charter contracts.

(2) This average rate is calculated based on contracted charter rates for the days remaining between April 28, 2015 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 January 13, 2016 to $26,100 per day until the earliest redelivery date.

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

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

(6) Zim finalized the terms of its comprehensive financial restructuring plan with its shareholders and its creditors, including vessel and container lenders, shipowners, shipyards, unsecured lenders and bond holders. The amounts in the table reflect the current charter terms, giving effect to our agreement with Zim under the restructuring plan. Based on this agreement, we have been granted charter extensions and have been issued equity securities representing 1.2% of Zim s equity and approximately $8.2 million in interest bearing notes maturing in 2023. The Company will have the option to extend the charters for two of the three vessels chartered to Zim for successive one year periods at market rate plus $1,100 per day per vessel while the notes remain outstanding.

(7) As from December 1, 2012 until redelivery, the charter rate is to 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 is to be determined annually based on the Hamburg ConTex type 3500 TEU index published on October 1 of each year until redelivery.

(8) This charter rate changes on May 25, 2015 to $9,500 per day until the earliest redelivery date.

(i) Assumes exercise of owner s unilateral options to extend the charter of these vessels for two one year periods at the same charter rate. The charterer also has corresponding options to unilaterally extend the charter for the same periods at the same charter rate.

(ii) 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.

(*) Denotes vessels acquired pursuant to the Framework Agreement with York. The Company holds an equity interest ranging between 25% and 49% in each of the vessel-owning entities.

(**) Denotes a vessel which has been financed by means of a sale and lease back transaction pursuant to which the Company holds a bareboat charter interest in the vessel (see Item 5. Operating and Financial Review and Prospects CEXIM Adele in our Annual Report on Form 20-F).

(***) Denotes a Joint Venture newbuild which has been financed by means of a sale and leaseback transaction. The Joint Venture will hold a bareboat charter interest in the vessel upon its delivery.

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 paid or committed to pay approximately $1.8 billion in vessel acquisitions, including investments under our Framework Agreement. As a result, through the date of this prospectus supplement we have grown our fleet to 69 containerships with a total capacity of approximately 458,000 TEU, including 10 newbuilds on order. 14 of our containerships, including ten newbuilds, have been acquired pursuant to the Framework Agreement with York Capital Management by vessel-owning Joint Venture entities in which we hold a minority equity interest. 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, including through our joint venture with York, 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 May 5, 2015, the average (weighted by TEU capacity) remaining time- charter duration for our fleet of 69 containerships was approximately 4.0 years, based on the remaining fixed terms and assuming the exercise of any owner s extension options and the non-exercise of any charterer s extension options under our containerships charters. The staggered maturities of the charters for vessels that expire in the next several years will mean that we will likely conduct our re-chartering activity in varying rate environments and we will seek to tailor our charter terms accordingly. As of March 31, 2015, fixed-term charters represented an aggregate of $1.9 billion of contracted revenue, assuming the earliest redelivery dates possible and 365 revenue days per annum per containership (which amount includes our ownership percentage of contracted revenue for the existing Joint Venture vessels). Ten of these charters include an option exercisable by either party to extend the term: five vessels for two one-year periods at the same charter rate, which represents an additional $152.2 million of potential contracted revenue, and five Joint Venture vessels for a two-year period and a subsequent three-year period at the same charter rate, which represents an additional $170.5 million of potential contracted revenue that is attributable to our participation in the relevant vessel-owning entities.

Large, Diversified High-Quality Fleet.

Our fleet of 69 containerships, including ten newbuilds on order (all of which are Joint Venture vessels) and the four Joint Venture vessels in the water, 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 re-chartering our containerships. We believe our containerships are built to high standards by reputable shipyards and have been carefully maintained by our 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 38 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 A/S, Mediterranean Shipping Company, S.A., members of the Evergreen Group, Hapag Lloyd Aktiengesellschaft, Zim Integrated Shipping Services, Sea Consortium Pts Ltd., CMA CGM, Yang Ming, Pacific International Lines and Cosco Container Lines Co., Ltd.

Access to Capital to Meet Existing Capital Requirements for our Newbuilds and to Pursue Our Growth Strategy.

Since the time of our initial public offering in November 2010, we have arranged debt financing of approximately $1.8 billion to fund our newbuilding program and vessel acquisitions, including the investments under the Framework Agreement with York.

As of May 5, 2015, the Joint Venture entities had committed financing for five of the newbuild contacts, while they intend to seek debt financing for the remaining newbuild contracts.

In addition, as of March 31, 2015, we had (a) $141.4 million of cash liquidity, consisting of cash, cash equivalents and restricted cash and (b) six unencumbered containerships, excluding the existing Joint Venture vessels which are also free of debt, aggregating approximately 23,500 TEU, with an average age (weighted by TEU capacity) of 10.5 years.

We believe that our available liquidity will allow us to make additional vessel acquisitions as they become available through our joint venture with York or otherwise. In addition, through the Framework Agreement we have access to additional capital for investments.

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 newbuild and secondhand 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. We have arranged for long-term time charters with terms up 10 years for five newbuilds that will be delivered aggregating in excess of 70,000 TEU in total capacity. The Joint Venture entities will seek to arrange long-term time charters for the remaining newbuilds currently on order. We intend to continue expanding our fleet by acquiring additional containerships at favorable prices through our joint venture with York or on our own using our available resources, which include cash, the net proceeds of this offering and, as necessary and available, borrowings under new credit facilities. To this end we continually evaluate potential transactions and enter into relevant negotiations for the acquisition of newbuilds and secondhand vessels. However, there can be no assurance that we will complete any particular vessel acquisition.

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 through March 31, 2015, were A.P. Moller-Maersk, MSC, Evergreen 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 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 re-charter 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 March 31, 2015, we had $141.4 million of cash liquidity, consisting of cash, cash equivalents and restricted cash, and six unencumbered vessels, excluding six Joint Venture vessels which are also free of debt. As of May 5, 2015, we had outstanding commitments relating to our ten contracted newbuilds, which have been ordered under the Framework Agreement with York, aggregating approximately $307.6 million payable in installments until the vessels are delivered, out of which $185.0 million will be funded through committed financing. The amounts represent our interest in the relevant jointly-owned entities.

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 both affiliated and third-party 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.

Corporate Information

Costamare Inc. was incorporated on April 21, 2008, under the laws of the Republic of the Marshall Islands and conducts its operations through various subsidiaries. Each of our containerships, other than the Joint Venture vessels, is owned by one of our subsidiaries. Our participation in the Joint Venture vessels is held through our wholly-owned Marshall Islands subsidiary, Costamare Ventures. We maintain our 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.* The information contained on or linked to or from our website is not incorporated herein by reference.

The Offering

Issuer	Costamare Inc.
Securities Offered	shares of our % Series D Cumulative Redeemable Perpetual Preferred Stock, par value $0.0001 per share, liquidation preference $25.00 per share, plus up to an additional shares if the underwriters exercise their option to purchase additional shares in full. For a detailed description of the Series D Preferred Stock, see Description of Series D Preferred Stock.
Price per Share	$25.00
Conversion; Exchange and Preemptive Rights	The Series D Preferred Stock will not have any conversion or exchange rights or be subject to preemptive rights.
Dividends	Dividends on Series D Preferred Stock will accrue and be cumulative from the date that the Series D Stock is originally issued and will be payable on each Dividend Payment Date (as defined below) when, as and if declared by our board of directors out of legally available funds for such purpose.
Dividend Payment Dates	January 15, April 15, July 15 and October 15 (each, a Dividend Payment Date). If any Dividend Payment Date would otherwise fall on a date that is not a Business Day, declared dividend will be payable on the immediately succeeding Business Day without the accumulation of additional dividends. Dividends will not bear interest.
Dividend Rate	The dividend rate for the Series D Preferred Stock will be % per annum per $25.00 of liquidation preference per share (equal to $ per annum per share). The dividend rate is not subject to adjustment.
Ranking	The Series D Preferred Stock will represent perpetual equity interests in us and, unlike our indebtedness, will not give rise to a claim for payment of a principal amount at a particular date. The Series D Preferred Stock will rank: senior to our common stock and, if issued, our Series A Participating Preferred Stock, (the Series A Preferred Stock), and to each other class or series of capital stock established after the original issue date of the Series D Preferred Stock that is expressly made junior to the Series D Preferred Stock or any Parity Stock as to the payment of dividends and amounts payable upon liquidation, dissolution or winding up, whether voluntary or involuntary (Junior Stock);

pari passu with our existing Series B Preferred Stock, existing Series C Preferred Stock and any other class or series of capital stock established after the original issue date of the Series D Preferred Stock that is not expressly subordinated or senior to the Series D Preferred Stock as to the payment of dividends and amounts payable upon liquidation, dissolution or winding up, whether voluntary or involuntary (Parity Stock); and

junior to all of our indebtedness and other liabilities with respect to assets available to satisfy claims against us and each other class or series of capital stock expressly made senior to the Series D Preferred Stock as to the payment of dividends and amounts payable upon liquidation, dissolution or winding up, whether voluntary or involuntary (Senior Stock).

Payment of Dividends	No dividend may be declared or paid or set apart for payment on any Junior Stock (other than a dividend payable solely in shares of Junior Stock) unless full cumulative dividends have been or contemporaneously are being paid or provided for on all outstanding Series D Preferred Stock and any Parity Stock through the most recent respective dividend payment dates. Accumulated dividends in arrears for any past dividend period may be declared by our board of directors and paid on any date fixed by our board of directors, whether or not a Dividend Payment Date, to holders of the Series D Preferred Stock on the record date for such payment, which may not be more than 60 days, nor less than 5 days, before such payment date. Subject to the next succeeding sentence, if all accumulated dividends in arrears on all outstanding Series D Shares and any Parity Stock have not been declared and paid, or sufficient funds for the payment thereof have not been set apart, payment of accumulated dividends in arrears will be made in order of their respective dividend payment dates, commencing with the earliest such payment date. If less than all dividends payable with respect to all Series D Preferred Stock and any Parity Stock (including the Series B Preferred Stock and Series C Preferred Stock) are paid, any partial payment will be made pro rata with respect to the Series D Preferred Stock and any Parity Stock entitled to a dividend payment at such time in proportion to the aggregate amounts remaining due in respect of such shares at such time. Holders of the Series D Preferred Stock will not be entitled to any dividend, whether payable in cash, property or stock, in excess of full cumulative

	dividends. The holders of Series D Preferred Stock will not receive interest on unpaid dividends.
Optional Redemption	At any time on or after May , 2020, we may redeem, in whole or from time to time in part, the Series D Preferred Stock at a redemption price of $25.00 per share plus an amount equal to all accumulated and unpaid dividends thereon to the date of redemption, whether or not declared. Any such redemption would be effected out of any funds available for such purpose. We must provide not less than 30 days and not more than 60 days written notice of any such redemption.
Voting Rights	Holders of the Series D Preferred Stock

generally have no voting rights. However, if and whenever dividends payable on the Series D Preferred Stock are in arrears for six or more quarterly periods, whether or not consecutive, holders of Series D Preferred Stock (voting together as a class with all other classes or series of Parity Stock upon which like voting rights have been conferred and are exercisable, including holders of our Series B Preferred Stock and Series C Preferred Stock) will be entitled to elect one additional director to serve on our board of directors, and the size of our board of directors will be increased as needed to accommodate such change (unless the size of our board of directors already has been increased by reason of the election of a director by holders of Parity Stock upon which like voting rights have been conferred and with which the Series D Preferred Stock voted as a class for the election of such director). The right of such holders of Series D Preferred Stock to elect a member of our board of directors will continue until such time as all accumulated and unpaid dividends on the Series D Preferred Stock have been paid in full.

Unless we have received the affirmative vote or consent of the holders of at least two-thirds of the outstanding Series D Preferred Stock, voting as a single class, we may not adopt any amendment to our Second Amended and Restated Articles of Incorporation (Articles of Incorporation), that adversely alters the preferences, powers or rights of the Series D Preferred Stock.

In addition, unless we have received the affirmative vote or consent of the holders of at least two-thirds of the outstanding Series D Preferred Stock, voting as a class together with holders of any other Parity Stock upon which like voting rights have been conferred and are exercisable, we may not (i) issue any Parity Stock if the cumulative dividends payable

	on outstanding Series D Preferred Stock are in arrears or (ii) create or issue any Senior Stock. Except as noted above, no vote or consent of the holders of Series D Preferred Stock is required for (i) creation or incurrence of any indebtedness, (ii) authorization or issuance of any common stock or other Junior Stock or (iii) authorization or issuance of any preferred stock of any series.
Fixed Liquidation Price	In the event of any liquidation, dissolution or winding up of our affairs, whether voluntary or involuntary, holders of the Series D Preferred Stock will have the right to receive the liquidation preference of $25.00 per share plus an amount equal to all accumulated and unpaid

	dividends thereon to the date of payment, whether or not declared, before any payments are made to holders of our common stock or any other Junior Stock.
Sinking Fund	The Series D Preferred Stock will not be subject to any sinking fund requirements.
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 $ million (assuming the underwriters option to purchase additional shares is not exercised). We plan to use the net proceeds of this offering for general corporate purposes, including vessel acquisitions or investments under the Framework Agreement or otherwise.

Ratings	The Series D Preferred Stock will not be rated by any Nationally Recognized Statistical Rating Organization.
Listing	We intend to file an application to list the Series D Preferred Stock on The New York Stock Exchange (the NYSE). If the application is approved, trading of the Series D Preferred Stock on the NYSE is expected to begin within 30 days after the original issue date of the Series D Preferred Stock. The underwriters have advised us that they intend to make a market in the Series D Preferred Stock prior to commencement of any trading on the NYSE. However, the underwriters will have no obligation to do so, and no assurance can be given that a market for the

	Series D Preferred Stock will develop prior to commencement of trading on the NYSE or, if developed, that it will be maintained.
Form	The Series D Preferred Stock will be issued and maintained only in book-entry form registered in the name of the nominee of The Depository Trust Company (DTC), except under limited circumstances.

Settlement	Delivery of the Series D Preferred Stock offered hereby will be made against payment therefor on or about May , 2015.
Risk Factors	An investment in our Series D Preferred Stock involves risks. You should consider carefully the factors set forth in the section of this prospectus entitled Risk Factors beginning on page S-18 of this prospectus supplement and on page 3 of our Annual Report on Form 20-F filed with the Securities and Exchange Commission on March 5, 2015 to determine whether an investment in our Series D Preferred Stock is appropriate for you.
Tax Considerations	We believe that under current U.S. Federal income tax law, all or a portion of the distributions you receive

from us will constitute dividends and, if you are an individual citizen or resident of the United States or a U.S. estate or trust and meet certain holding period requirements, such dividends are expected to be taxable as qualified dividend income subject to a maximum 20% U.S. Federal income tax rate. Any portion of your distribution that is not treated as a dividend will be treated first as a non-taxable return of capital to the extent of your tax basis in your Series D Preferred Stock and, thereafter, as capital gain. See Material U.S. Federal Income Tax Considerations.

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, 2014 and for the three months ended March 31, 2015 and March 31, 2014.

The summary combined and consolidated financial data for each of the five years in the five-year period ended December 31, 2014 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 (U.S. GAAP or GAAP). Our audited consolidated statements of income, comprehensive income, stockholders equity and cash flows for the years ended December 31, 2012, 2013 and 2014 and the consolidated balance sheets at December 31, 2013 and 2014, 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 three months ended March 31, 2015 and 2014 and as of March 31, 2015 and 2014, is derived from, and is qualified by reference to, our unaudited consolidated financial statements incorporated by reference in this prospectus. The results of operations for the three months ended March 31, 2015 may not be indicative of the results that may be expected for the entire year ending December 31, 2015.

	Year Ended December 31,					Three Months Ended March 31,	
	2010	**2011**	**2012**	**2013**	**2014**	**2014**	**2015**
						(unaudited)	
	(Expressed in thousands of U.S. dollars, except for share and per share data)						
STATEMENT OF INCOME							
Revenues:							
Voyage revenue	$ 353,151	$ 382,155	$ 386,155	$ 414,249	$ 483,995	$ 114,898	$ 120,850
Expenses:							
Voyage expenses	2,076	4,218	5,533	3,484	3,608	685	636
Voyage expenses related parties	410	2,877	2,873	3,139	3,629	862	905
Charter agreement early termination fee							