

Costamare Inc.  
Form 6-K  
July 28, 2011

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

**FORM 6-K**

**REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR  
15d-16 UNDER THE SECURITIES EXCHANGE ACT OF 1934**

**For the month of July 2011**

**COSTAMARE INC.**

(Translation of registrant's name into English)

**60 Zephyrou Street & Syngrou Avenue 17564, Athens, Greece**

(Address of principal executive office)

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 the 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):

**EXHIBIT INDEX**

- 99.1 Unaudited interim condensed consolidated financial statements of Costamare Inc. (the “Company ”) for the six months period ended June 30, 2011, and the accompanying notes thereto.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: July 28, 2011

COSTAMARE INC.

By:	/s/ Gregory G. Zikos
Name:	Gregory G. Zikos
Title:	Chief Financial Officer

**COSTAMARE INC.****Consolidated Balance Sheets****As of December 31, 2010 and June 30, 2011**

(Expressed in thousands of U.S. dollars)

	<b>December 31, 2010</b>	<b>June 30, 2011 (unaudited)</b>
<b><u>ASSETS</u></b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 159,774	\$ 69,628
Restricted cash	5,121	7,074
Receivables	3,360	3,529
Inventories (Note 5)	9,534	12,915
Due from related parties (Note 3)	1,297	2,028
Fair value of derivatives (Note 15)	458	2,097
Insurance claims receivable	747	2,434
Accrued charter revenue (Note 10)	22,413	12,194
Prepayments and other	2,428	3,070
Investments (Note 4)	6,080	-
<b>Total current assets</b>	<b>211,212</b>	<b>114,969</b>
<b>FIXED ASSETS, NET:</b>		
Advances for vessel acquisitions (Note 6)	3,830	145,780
Vessels, net (Note 7)	1,531,610	1,566,013
<b>Total fixed assets, net</b>	<b>1,535,440</b>	<b>1,711,793</b>
<b>NON-CURRENT ASSETS:</b>		
Deferred charges, net (Note 8)	30,867	32,578
Restricted cash	36,814	37,716
Accrued charter revenue (Note 10)	14,449	9,226
<b>Total assets</b>	<b>\$ 1,828,782</b>	<b>\$ 1,906,282</b>
<b><u>LIABILITIES AND STOCKHOLDERS EQUITY</u></b>		
<b>CURRENT LIABILITIES:</b>		
Current portion of long-term debt (Note 9)	\$ 114,597	\$ 142,813
Accounts payable	4,128	6,390
Due to related parties (Note 3)	-	338

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Accrued liabilities	7,761	9,065
Unearned revenue (Note 10)	2,580	3,052
Fair value of derivatives (Note 15)	53,880	60,632
Other current liabilities	1,842	2,273
<b>Total current liabilities</b>	184,788	224,563
<b>NON-CURRENT LIABILITIES:</b>		
Long-term debt, net of current portion (Note 9)	1,227,140	1,257,196
Fair value of derivatives, net of current portion (Note 15)	54,062	55,254
Unearned revenue, net of current portion (Note 10)	650	248
<b>Total non-current liabilities</b>	1,281,852	1,312,698
<b>COMMITMENTS AND CONTINGENCIES</b>	-	-
<b>STOCKHOLDERS EQUITY:</b>		
Common Stock (Note 12)	6	6
Additional paid-in capital (Note 12)	519,971	519,971
Other comprehensive loss	(82,895)	(89,985)
Accumulated deficit	(74,940)	(60,971)
<b>Total stockholders equity</b>	362,142	369,021
<b>Total liabilities and stockholders equity</b>	\$ 1,828,782	\$ 1,906,282

The accompanying notes are an integral part of these consolidated financial statements.

**COSTAMARE INC.****Consolidated Unaudited Statements of Income****For the six-month periods ended June 30, 2010 and 2011**

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

	<b>2010</b>	<b>2011</b>
<b>REVENUES:</b>		
Voyage revenue	\$ 178,824	\$ 180,279
<b>EXPENSES:</b>		
Voyage expenses	(1,023)	(2,521)
Voyage expenses related parties (Note 3)	-	(1,357)
Vessels operating expenses	(51,751)	(55,733)
General and administrative expenses	(665)	(2,465)
Management fees related parties (Note 3)	(5,479)	(7,483)
Amortization of dry-docking and special survey costs (Note 8)	(4,079)	(4,043)
Depreciation (Note 7)	(34,447)	(38,013)
Gain on sale of vessels (Note 7)	7,853	10,771
Foreign exchange gains (losses)	(147)	73
<b>Operating income</b>	<b>89,086</b>	<b>79,508</b>
<b>OTHER INCOME (EXPENSES):</b>		
Interest income	636	309
Interest and finance costs (Note 13)	(34,184)	(36,106)
Other	280	477
Gain (loss) on derivative instruments (Note 15)	(10,182)	(69)
<b>Total other income (expenses)</b>	<b>(43,450)</b>	<b>(35,389)</b>
<b>Net Income</b>	<b>\$ 45,636</b>	<b>\$ 44,119</b>
Earnings per common share, basic and diluted (Note 12)	\$ 0.97	\$ 0.73
Weighted average number of shares, basic and diluted	47,000,000	60,300,000

The accompanying notes are an integral part of these consolidated financial statements.

**COSTAMARE INC.****Consolidated Unaudited Statements of Stockholder s Equity****For the six-month periods ended June 30, 2010 and 2011**

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

	Comprehensive Income	Common Stock # of shares	Par value	Additional Paid-in Capital	Accumulated Comprehensive Income (Loss)	Retained Earnings (Accumulated Deficit)	Total
<b>BALANCE, January 1, 2010</b>		47,000,000	-	372,034	(60,648)	(156,164)	155,222
- Net income	45,636	-	-	-	-	45,636	45,636
- Unrealized loss on cash flow hedges and unrealized gain on securities available for sale, net	(31,957)	-	-	-	(31,957)	-	(31,957)
- Comprehensive income	13,679						
<b>BALANCE, June 30, 2010</b>		47,000,000	-	372,034	(92,605)	(110,528)	168,901
<b>BALANCE, January 1, 2011</b>		60,300,000	6	519,971	(82,895)	(74,940)	362,142
- Net income	44,119	-	-	-	-	44,119	44,119
- Dividends		-	-	-	-	(30,150)	(30,150)
- Unrealized gain on cash flow hedges and on securities available for sale and variable interest on cash flow hedge	(7,090)	-	-	-	(7,090)	-	(7,090)
- Comprehensive income	37,029						

<b>BALANCE, June 30, 2011</b>	60,300,000	6	519,971	(89,985)	(60,971)	369,021
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The accompanying notes are an integral part of these consolidated financial statements.



**COSTAMARE INC.****Consolidated Unaudited Statements of Cash Flows****For the six-month periods ended June 30, 2010 and 2011**

(Expressed in thousands of U.S. dollars)

	<b>2010</b>	<b>2011</b>
Cash Flows from Operating Activities:		
<b>Net income:</b>	\$ 45,636	\$ 44,119
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	34,447	38,013
Amortization of financing costs	451	1,335
Amortization of deferred dry-docking and special survey	4,079	4,043
Amortization of unearned revenue	(322)	(322)
Loss (gain) on derivative instruments	10,182	69
Gain on sale of vessels	(7,853)	(10,771)
Net settlements on interest rate swaps qualifying for cash flow hedge	-	(861)
Loss on sale of investments	-	7
<b>Changes in operating assets and liabilities:</b>		
Receivables	(203)	(169)
Due from related parties	(389)	(731)
Inventories	1,585	(3,381)
Claims receivable	(68)	(1,687)
Prepayments and other	(1,070)	(642)
Accounts payable	(4,355)	2,262
Due to related parties	(675)	338
Accrued liabilities	2,070	1,305
Unearned revenue	580	393
Other liabilities	(864)	431
Dry-dockings	(8,770)	(6,122)
Accrued charter revenue	(18,412)	15,442
<b>Net Cash provided by Operating Activities</b>	<b>56,049</b>	<b>83,071</b>
<b>Cash Flows from Investing Activities:</b>		
Advances for vessel acquisitions	-	(145,780)
Vessels acquisitions / Additions to vessel cost	(28,281)	(74,843)
Proceeds from sale of available for sale securities	-	6,082
Proceeds from the sale of vessels	19,067	19,005
<b>Net Cash used in Investing Activities</b>	<b>(9,214)</b>	<b>(195,536)</b>
<b>Cash Flows from Financing Activities:</b>		
Proceeds from long-term debt	-	107,593

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Repayment of long-term debt	(44,060)	(49,321)
Payment of financing costs	(2,956)	(2,948)
Dividends paid	(10,000)	(30,150)
Initial public offering related costs	(778)	-
Decrease in restricted cash	1,131	(2,855)
<b>Net Cash provided by (used in) Financing Activities</b>	<b>(56,663)</b>	<b>22,319</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(9,828)</b>	<b>(90,146)</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>12,282</b>	<b>159,774</b>
<b>Cash and cash equivalents at end of the period</b>	<b>\$ 2,454</b>	<b>\$ 69,628</b>
<b>SUPPLEMENTAL CASH INFORMATION</b>		
Cash paid during the period for interest, net of amounts capitalized	\$ 9,017	\$ 9,874

The accompanying notes are an integral part of these consolidated financial statements.

**COSTAMARE INC.**

**Notes to Unaudited Consolidated Financial Statements**

**For the six-month periods ended June 30, 2010 and 2011**

(Expressed in thousands of U.S. dollars, unless otherwise stated)

**1.**

**Basis of Presentation and General Information:**

The accompanying consolidated financial statements include the accounts of Costamare Inc. ( Costamare ) and its wholly-owned subsidiaries (collectively, the Company ). Costamare was formed on April 21, 2008, under the laws of the Republic of the Marshall Islands.

Costamare was incorporated as part of a reorganization to acquire the ownership interest in 53 ship-owning companies (the predecessor companies ) owned by the Konstantakopoulos Family (Vasileios Konstantakopoulos and his three sons Messrs. Konstantinos Konstantakopoulos, Achillefs Konstantakopoulos and Christos Konstantakopoulos, together the Family ). The reorganization was completed in November 2008. On November 4, 2010, Costamare completed its initial public offering in the United States under the United States Securities Act of 1933, as amended. In this respect, 13,300,000 common shares at par value \$0.0001 were issued for \$12.00 per share. The net proceeds of the initial public offering were \$145,543.

The accompanying interim consolidated unaudited financial statements have been prepared in accordance with U.S. generally accepted accounting principles ( U.S. GAAP ) for interim financial information. Accordingly, they do not include all the information and notes required by U.S. GAAP for complete financial statements. These statements and the accompanying notes should be read in conjunction with the Company s financial statements for the year ended December 31, 2010. These interim consolidated unaudited financial statements have been prepared on the same basis as the annual financial statements and, in the opinion of management, reflect all adjustments, which include only normal recurring adjustments considered necessary for a fair presentation of the Company s financial position, results of operations and cash flows for the periods presented. Operating results for the six-month period ended June 30, 2011 are not necessarily indicative of the results that might be expected for the fiscal year ending December 31, 2011.

As of December 31, 2010 and June 30, 2011, the Company owned and operated a fleet of 43 and 48 container vessels with a total carrying capacity of approximately 218,584 TEU and 231,128 TEU, respectively, through wholly-owned subsidiaries incorporated in the Republic of Liberia, providing worldwide marine transportation services by chartering its container vessels to some of the world s leading liner operators under long-, medium- and short-term time charters.

At June 30, 2011, Costamare had 79 wholly owned subsidiaries, all incorporated in the Republic of Liberia out of which, 48 operate vessels, 14 sold their vessels in 2009 and 2010 and became dormant, three sold their vessels in 2011 and became dormant, ten were established in 2010 and 2011 to be used for the acquisition of ten newbuilds (Note 6)

and four were established to be used for future vessel acquisitions.

Revenues for the six-month period ended June 30, 2010 and 2011 derived from significant charterers (in percentages of total revenues) were as follows:

	<b>2010</b>	<b>2011</b>
<b>A</b>	36%	35%
<b>B</b>	19%	16%
<b>C</b>	19%	16%
<b>D</b>	10%	10%
<b>Total</b>	84%	77%

**2.**

**Significant Accounting Policies:**

A discussion of the Company's significant accounting policies can be found in the Company's Consolidated Financial Statements included in the Annual Report on Form 20-F for the year ended December 31, 2010. There have been no material changes to these policies in the six-month period ended June 30, 2011.

**COSTAMARE INC.**

**Notes to Unaudited Consolidated Financial Statements**

**For the six-month periods ended June 30, 2010 and 2011**

(Expressed in thousands of U.S. dollars, unless otherwise stated)

**3.**

**Transactions with Related Parties:**

*(a)*

***Costamare Shipping Company S.A. (the Manager or Costamare Shipping ):*** Costamare Shipping is a ship management company wholly-owned by Mr. Konstantinos Konstantakopoulos, the Company's Chief Executive Officer, and as such is not part of the consolidated group of the Company, but is a related party. With effect from the consummation of the Company's Initial Public Offering on November 4, 2010 (Note 1), Costamare Shipping receives a daily fee of \$0.850 for each containership that is subject to any charter other than a bareboat charter (\$0.700 prior to November 4, 2010,) and \$0.425 in the case of a containership subject to a bareboat charter, prorated for the calendar days the Company owns each containership, for providing the Company with general administrative services, certain commercial services, director and officer related insurance services and the provision of officers (but not for payment of such officer's compensation for their services). With effect from the consummation of the Company's Initial Public Offering on November 4, 2010 (Note 1), Costamare Shipping receives \$1,000 annually on a prorated basis for the services of the Company's officers in aggregate. Furthermore, Costamare Shipping is providing the Company's vessels flying the Greek, the Hong Kong and Liberian (Prosper) flags, with technical, commercial, insurance, accounting, provisions, sale and purchase, crewing and bunkering services, subcontracting the technical management of the latter to Shanghai Costamare Ship Management Co., Ltd. (Shanghai Costamare), also a related party, under separate management agreements executed between Costamare Shipping and Shanghai Costamare for each vessel in exchange for a daily fixed fee. The Company also pays to Costamare Shipping (i) a flat fee of \$700 for the supervision of the construction of any newbuild vessel contracted by the Company and (ii) a fee of 0.75% on all gross freight, demurrage, charter hire, ballast bonus or other income earned with respect to each containership in the Company's fleet. Costamare Shipping has also undertaken the commercial management of the Company's vessels flying flags other than Greek, Hong Kong and Liberian (Prosper) under separate commercial management agreements with each respective ship-owning company. The technical management of such vessels is performed by CIEL Shipmanagement S.A. (CIEL), a related party, pursuant to separate agreements signed between each ship-owning company and CIEL in exchange for a daily fixed fee.

The initial term of the management agreement expires on December 31, 2015, automatically renews for a one-year period and will be extended in additional one-year increments until December 31, 2020, at which point it will expire. The management fee per day for each containership is fixed until December 31, 2012, and will thereafter be annually adjusted upwards by 4%, with further annual increases permitted to reflect the strengthening of the Euro against the U.S. dollar and/or material unforeseen cost increases. After the initial term expires on December 31, 2015, the Company will be able to terminate the management agreement, subject to a termination fee, by providing written notice to Costamare Shipping at least 12 months before the end of the subsequent one-year term. The termination fee is equal to (a) the lesser of (i) five and (ii) the number of full years remaining prior to December 31, 2020, times (b) the aggregate fees due and payable to Costamare Shipping during the 12-month period ending on the date of termination; provided that the termination fee will always be at least two times the aggregate fees over the 12-month

period described above.

Management fees charged by the Manager in the six-month periods ended June 30, 2010 and 2011, were \$4,466 and \$5,853, respectively and are included in Management fees related parties in the accompanying consolidated statements of income. In addition, following the consummation of the Company's Initial Public Offering on November 4, 2010, the Manager charged for the six-month period ended June 30, 2011 (i) \$1,357, representing a fee of 0.75% on all gross revenues, as provided in the management agreements, which is separately reflected in the accompanying 2011 consolidated statement of income and (ii) \$500 for the services of the Company's officers in aggregate, which is included in General and administrative expenses in the accompanying 2011 consolidated statement of income.

The balance due from the Manager at December 31, 2010 amounted to \$504 and is included in Due from related parties in the accompanying 2010 consolidated balance sheet. The balance due to the Manager at June 30, 2011 amounted to \$338 and is separately reflected in Due to related parties in the accompanying 2011 consolidated balance sheet.

Furthermore, on September 5, 2008, the Company assumed from Costamare Shipping the interest rate collar swap agreement discussed in Note 15 (b) at its then fair value, which was a liability of \$7,887. The amount was payable by Costamare Shipping within 30 months from September 5, 2008. The amount was paid by the Manager on December 1, 2010.

**COSTAMARE INC.**

**Notes to Unaudited Consolidated Financial Statements**

**For the six-month periods ended June 30, 2010 and 2011**

(Expressed in thousands of U.S. dollars, unless otherwise stated)

**3.**

**Transactions with Related Parties - continued:**

*(b)*

*Ciel Shipmanagement S.A. ( CIEL )*: CIEL, a company incorporated in the Republic of Liberia, is owned 50.2% by the Company's chairman and chief executive officer and 49.8% by Mr. Dimitrios Lemonidis, CIEL's chief executive officer. CIEL is not part of the consolidated group of the Company but is a related party. CIEL provides the Company's vessels flying flags other than Greek, Hong Kong and Liberian (M/V Prosper) a wide range of shipping services such as technical support and maintenance, financial and accounting services, under separate management agreements signed between CIEL and each ship-owning company, in exchange for a daily fixed fee of \$0.600 per vessel (2010: \$0.600). CIEL specializes, although not exclusively, in managing containerships of up to 3,500 TEU.

As of June 30, 2011, CIEL provided technical, crewing, provisions, bunkering, sale and purchase and accounting services, as well as certain commercial services, to 14 (10 at December 31, 2010) of the Company's containerships below 3,500 TEU. Management fees charged by CIEL in the six-month periods ended June 30, 2010 and 2011, were \$973 and \$1,630, respectively, and are included in management fees in the accompanying consolidated statements of income. The balance due from CIEL at December 31, 2010 and June 30, 2011, amounted to \$793 and \$2,028, respectively, and is included in Due from related parties in the accompanying consolidated balance sheets. Furthermore, in the six-month period ended June 30, 2010, following the sale of the vessels MSC Germany and MSC Mexico, CIEL charged \$40 for accounting and administrative fees (\$20 per vessel), which are included in Management fees related parties in the accompanying 2010 consolidated statements of income.

*(c)*

*Shanghai Costamare Ship Management Co. Ltd. ( Shanghai Costamare )*: Shanghai Costamare is owned (indirectly) 70% by the Company's chairman and chief executive officer and 30% (indirectly) by Mr. Zhang Lei, a Chinese national who is Shanghai Costamare's chief executive officer. Shanghai Costamare is a related party company incorporated in Peoples' Republic of China in September 2004 and is not part of the consolidated group of the Company, but is a related party. The technical, crewing, provisions, bunkering, sale and purchase and accounting services, as well as certain commercial services of certain of the Company's vessels has been subcontracted from the Manager to Shanghai Costamare. As of June 30, 2011, Shanghai Costamare provided such services to nine (eight as of December 31, 2010) of the Company's containerships, eight of which are flying the Hong Kong flag and one is flying the Liberian flag (Prosper). The balance due to Shanghai Costamare at December 31, 2010 and June 30, 2011, was \$nil.

4.

**Investments:**

As at December 31, 2010, the Company held at fair value one Province of Ontario bond amounting to \$6,080 upon maturity of which, on February 22, 2011, the Company collected the amount of \$6,082 and recognized a loss of \$7, which is included in Interest income in the accompanying 2011 consolidated statement of income.

5.

**Inventories:**

The amounts in the accompanying consolidated balance sheets are analyzed as follows:

	<b>2010</b>	<b>2011</b>
Bunkers	133	762
Lubricants	7,893	10,591
Spare parts	1,508	1,562
<b>Total</b>	<b>9,534</b>	<b>12,915</b>



**COSTAMARE INC.****Notes to Unaudited Consolidated Financial Statements****For the six-month periods ended June 30, 2010 and 2011**

(Expressed in thousands of U.S. dollars, unless otherwise stated)

**6.****Advances for Vessels Acquisitions/Construction:**

During the period from January 1 to June 30, 2011, the Company acquired eight secondhand containerships: Prosper, MSC Pylos, Zagora, Marina, Konstantina, MSC Sudan II, MSC Sierra II and MSC Namibia II. The aggregate acquisition cost of the eight containerships was \$77,697, of which \$3,830 was advanced to the sellers as of December 31, 2010 and is separately reflected in the accompanying December 31, 2010 consolidated balance sheet.

On September 21, 2010, the Company contracted, subject to the loan concluded on January 14, 2011 (Note 9), with a shipyard for the construction and purchase of three newbuild containerships (Hulls H1068A, H1069A and H1070A), each of approximately 9,000 TEU capacity at a contract price per newbuild of \$95,080. These three newbuilds are scheduled to be delivered between November 2013 and January 2014, and the Company entered into ten-year charter party agreements from their delivery from the shipyard at a daily rate of \$43 each.

On January 28, 2011, the Company, through its two wholly- owned subsidiaries Jodie Shipping Co. and Kayley Shipping Co., contracted with a shipyard for the construction and purchase of two newbuild containerships (Hulls S 4010 and S 4011), each of approximately 9,000 TEU capacity . These two newbuilds are scheduled to be delivered to the Company by the end of 2012. The Company entered into ten-year charter party agreements from their delivery from the shipyard. Both the contract price and the daily charter rate are similar to those agreed regarding the three 9,000 TEU vessels discussed in the preceding paragraph.

On April 20, 2011, the Company, through its five wholly- owned subsidiaries Undine Shipping Co., Terance Shipping Co., Quentin Shipping Co., Raymond Shipping Co., and Sander Shipping Co., contracted with a shipyard for the construction and purchase of five newbuild containerships, each of approximately 8,800 TEU capacity. The five newbuild vessels are scheduled for delivery in the first three quarters of 2013 and the Company entered into long-term time charter agreements for the employment of each of the above newbuild vessels immediately upon delivery from the shipyard. Both the contract price and the daily charter rate are similar to those agreed on September 21, 2010 for the three approximately 9,000 TEU vessels discussed above.

The total aggregate price for all ten newbuild containerships is \$953,740, payable in installments until their delivery, of which \$143,131 was paid during the six-month period ended June 30, 2011.

The amount of \$145,780 included in the accompanying June 30, 2011 consolidated balance sheet includes amounts paid to the shipyards and other costs, as analyzed below:

Pre-delivery installments	143,131
Capitalized interest and finance costs	1,225
Other capitalized costs	1,424

Total 145,780

7.

**Vessels, Net:**

The amounts in the accompanying June 30, 2011 consolidated balance sheet is analyzed as follows:

	<b>Vessel Cost</b>	<b>Accumulated Depreciation</b>	<b>Net Book Value</b>
<b>Balance, December 31, 2010</b>	<b>2,148,860</b>	<b>(617,250)</b>	<b>1,531,610</b>
- Vessel acquisitions and other vessels costs	78,673	-	78,673
- Depreciation	-	(38,013)	(38,013)