



Navios Maritime Containers L.P. Reports Financial Results for the Third Quarter and Nine Months Ended September 30, 2019

October 30, 2019

Revenue

- \$102.5 million for 9M 2019
- \$37.0 million for Q3 2019

Cash from operating activities

- \$24.3 million for 9M 2019
- \$15.0 million for Q3 2019

EBITDA

- \$41.4 million for 9M 2019
- \$16.6 million for Q3 2019

Net income

- \$4.6 million for 9M 2019
- \$4.1 million for Q3 2019

Revenue Visibility

- **Time charters of two 10,000 TEU vessels extended through 2024**

MONACO, Oct. 30, 2019 (GLOBE NEWSWIRE) -- Navios Maritime Containers L.P. ("Navios Containers" or the "Company") (NASDAQ: NMCI), a growth vehicle dedicated to the container sector of the maritime industry, today reported its financial results for the third quarter and nine months ended September 30, 2019.

Angeliki Frangou, Chairman and Chief Executive Officer, stated, "I am pleased with the results for the third quarter of 2019. Navios Containers reported \$37.0 million of revenue, \$16.6 million of EBITDA and \$4.1 million of net income. Navios Containers also reported earnings per unit of 12 cents."

Angeliki Frangou continued, "We believe that Navios Containers is well-positioned going into 2020. It enjoys materially improved charter rates, with current market rates having increased by almost 70% since the first quarter of 2019. Navios Containers also benefits from fixed operating costs and attractive financing."

HIGHLIGHTS -- RECENT DEVELOPMENTS

Revenue Visibility – Time charters of two 10,000 TEU vessels extended through 2024

In September 2019, Navios Containers agreed to extend the time charters of the Navios Unison, a 2010-built 10,000 TEU containership, and the Navios Constellation, a 2011-built 10,000 TEU containership, at \$27,300 per day net until May 2024. Following such extension, an additional cumulative EBITDA of approximately \$30.0 million is expected for both vessels.

Vessels additional EBITDA is calculated as follows: (i) revenue at contracted net charter rate per day based on 360 days less, (ii) operating expenses based on new fixed rates as per management agreement and (iii) general and administrative expenses approximating current costs based on 365 days.

Renewal of Management and Administrative Agreement

In August 2019, the Company entered into an amendment to the Management Agreement (as amended, the "Management Agreement") with Navios Shipmanagement Inc.

Under the Management Agreement:

- The duration of the Management Agreement is extended until January 1, 2025.
- The Company's fixed rates which cover all technical and commercial management services and operating costs, other than dry-docking, are renewed for a two-year period commencing January 1, 2020. These rates, represent a weighted average increase of 3% compared to the fixed rates of the period up to December 31, 2019, based on Navios Containers' current fleet mix. A \$50 daily fee per vessel is charged for technical and commercial management services, commencing January

1, 2020.

- The above mentioned rates are subject to an annual increase of 3%, unless otherwise agreed, commencing January 1, 2022.

In August 2019, the Company entered into an amendment to the Administrative Services Agreement (as amended, the "Administrative Agreement") with Navios Shipmanagement Inc. to extend the duration of the Administrative Agreement until January 1, 2025, with an automatic renewal for an additional five years, unless earlier terminated by either party.

Fleet Employment

Navios Containers owns a fleet of 29 vessels, totaling 142,821 TEU. The current average age of the fleet is 11.3 years (See Exhibit II). As of October 25, 2019, Navios Containers has chartered-out 87.7% and 27.7% of available days for the remainder of 2019 and for 2020, respectively (excluding index-linked charters), which are expected to generate \$36.7 million and \$57.4 million in revenue, respectively. The average expected daily contracted charter-out rate for the fleet is \$15,690 and \$19,549 for the remainder of 2019 and for 2020, respectively, and the total expected available days for the remainder of 2019 and for 2020, are 2,668 days and 10,614 days, respectively.

Earnings Highlights

EBITDA is a non-U.S. GAAP financial measure and should not be used in isolation or as a substitute for Navios Containers' results calculated in accordance with U.S. generally accepted accounting principles ("U.S. GAAP").

See Exhibit I under the heading, "Disclosure of Non-GAAP Financial Measures," for a discussion of EBITDA of Navios Containers and a reconciliation of such measure to the most comparable measures calculated under U.S. GAAP.

On November 30, 2018, in connection with our listing on the Nasdaq Global Select Market, we converted into a limited partnership at a ratio of one common share of Navios Maritime Containers Inc. for each common unit of Navios Containers.

Third Quarter 2019 and 2018 Results

The third quarter 2019 and 2018 information presented below was derived from the unaudited condensed consolidated financial statements for the respective periods.

	Three Month Period Ended September 30, 2019 (unaudited)	Three Month Period Ended September 30, 2018 (unaudited)
<i>(in thousands of U.S. dollars, except per unit data)</i>		
Revenue	\$ 37,031	\$ 38,080
Net Income	\$ 4,071	\$ 5,414
Net cash provided by operating activities	\$ 14,988	\$ 18,261
EBITDA	\$ 16,641	\$ 19,236
Net Earnings per common unit (basic and diluted)	\$ 0.12	\$ 0.16

Revenue for the three months ended September 30, 2019 was \$37.0 million, as compared to \$38.1 million for the same period during 2018. The decrease of \$1.1 million was mainly due to the decrease in time charter rates reflecting primarily the expiration of certain legacy time charter contracts, partially offset by the increase in the number of vessels operating during the three months ended September 30, 2019 and the resulting increase in the number of available days from 2,242 for the three months ended September 30, 2018, to 2,646 for the three months ended September 30, 2019. TCE per day declined from \$16,518 for the three months ended September 30, 2018 to \$13,453 for the same period during 2019, primarily as a result of the expiration of contracts between the two periods.

Net Income for the three months ended September 30, 2019 was \$4.1 million compared to \$5.4 million for the same period in 2018. The \$1.3 million decrease in Net Income was mainly due to a: (i) \$2.6 million decrease in EBITDA; (ii) \$0.8 million increase in interest expense and finance cost, net related to the financing of new vessels; and (iii) \$0.6 million increase in amortization of deferred drydock and special survey costs, in each case, relating to the increase in the size of the fleet. This overall decrease of \$4.0 million was partially offset by a \$2.7 million decrease in depreciation and amortization expenses, relating mainly to the lower amortization of intangible assets.

EBITDA for the three months ended September 30, 2019 decreased by \$2.6 million to \$16.6 million as compared to \$19.2 million for the same period in 2018. The decrease in EBITDA was primarily due to a: (i) \$2.3 million increase in management fees mainly due to the increase of the available days from 2,242 days for the three months ended September 30, 2018, to 2,646 days for the three months ended September 30, 2019; (ii) \$1.1 million decrease in revenue; (iii) \$0.7 million increase in general and administrative expenses mainly related to the growth in our fleet; (iv) \$0.5 million decrease in other income, net; and (v) \$0.4 million increase in time charter and voyage expenses. This overall decrease of \$5.0 million was partially offset by a \$2.4 million decrease in listing transaction related-expenses.

Nine Months Ended September 30, 2019 and 2018 Results

The information for the nine months ended September 30, 2019 and 2018 presented below was derived from the unaudited condensed consolidated financial statements for the respective periods.

	Nine Month Period Ended September 30, 2019 (unaudited)	Nine Month Period Ended September 30, 2018 (unaudited)
<i>(in thousands of U.S. dollars, except per unit data)</i>		
Revenue	\$ 102,541	\$ 99,505
Net Income	\$ 4,572	\$ 12,942

Net cash provided by operating activities	\$	24,309	\$	37,874
EBITDA	\$	41,419	\$	51,599
Net Earnings per common unit (basic and diluted)	\$	0.13	\$	0.39

Revenue for the nine months ended September 30, 2019 was \$102.5 million, as compared to \$99.5 million for the same period during 2018. The increase of \$3.0 million was mainly due to the increase in the number of vessels operating during the nine months ended September 30, 2019 and the resulting increase in the number of available days from 6,161 for the nine months ended September 30, 2018, to 7,685 for the nine months ended September 30, 2019, partially offset by the decrease in time charter rates reflecting primarily the expiration of certain legacy time charter contracts. TCE per day declined from \$15,733 for the nine months ended September 30, 2018 to \$12,768 for the same period during 2019, primarily as a result of the expiration of these contracts between the two periods.

Net Income for the nine months ended September 30, 2019 was \$4.6 million compared to \$12.9 million for the same period in 2018. The \$8.3 million decrease in Net Income was mainly due to a: (i) \$10.2 million decrease in EBITDA; (ii) \$5.3 million increase in interest expense and finance cost, net related to the financing of new vessels; and (iii) \$1.7 million increase in amortization of deferred drydock and special survey costs, in each case, relating to the increase in the size of the fleet. This overall resulting decrease of \$17.2 million was partially offset by an \$8.9 million decrease in depreciation and amortization expenses, relating mainly to the lower amortization of intangible assets.

EBITDA for the nine months ended September 30, 2019 decreased by \$10.2 million to \$41.4 million as compared to \$51.6 million for the same period in 2018. The decrease in EBITDA was primarily due to a: (i) \$10.3 million increase in management fees mainly due to the increase of the available days from 6,161 days for the nine months ended September 30, 2018, to 7,685 days for the nine months ended September 30, 2019; (ii) \$2.6 million increase in general and administrative expenses mainly related to the growth in our fleet; (iii) \$1.8 million increase in time charter and voyage expenses; (iv) \$0.7 million decrease in other income, net; and (v) \$0.2 million increase in other direct vessel expenses. This overall resulting decrease of \$15.6 million was partially offset by a: (i) \$3.0 million increase in revenue described above reflecting the growth in the number of vessels operating in the fleet during the period; and (ii) \$2.4 million decrease in listing transaction related-expenses.

Fleet Summary Data:

The following table reflects certain key indicators indicative of the performance of the Navios Containers' operations and its fleet performance for the three and nine months ended September 30, 2019 and 2018.

	Three Month Period Ended September 30, 2019 (unaudited)		Three Month Period Ended September 30, 2018 (unaudited)		Nine Month Period Ended September 30, 2019 (unaudited)		Nine Month Period Ended September 30, 2018 (unaudited)	
Available Days ⁽¹⁾	2,646		2,242		7,685		6,161	
Operating Days ⁽²⁾	2,632		2,218		7,658		6,075	
Fleet Utilization ⁽³⁾	99.5	%	98.9	%	99.6	%	98.6	%
Vessels operating at period end	29		26		29		26	
TCE ⁽⁴⁾	\$ 13,453		\$ 16,518		\$ 12,768		\$ 15,733	

Available days for the fleet are total calendar days the vessels were in Navios Containers' possession for the relevant period after subtracting (1) off-hire days associated with scheduled repairs or repairs under guarantee, vessel upgrades, drydocking or special surveys. The shipping industry uses available days to measure the number of days in a relevant period during which vessels should be capable of generating revenues.

Operating days are the number of available days in the relevant period less the aggregate number of days that the vessels are off-hire due to any (2) reason, including unforeseen circumstances. The shipping industry uses operating days to measure the aggregate number of days in a relevant period during which vessels actually generate revenues.

Fleet utilization is the percentage of time that Navios Containers' vessels were available for generating revenue, and is determined by dividing the (3) number of operating days during a relevant period by the number of available days during that period. The shipping industry uses fleet utilization to measure a company's efficiency in finding suitable employment for its vessels.

TCE is defined as voyage and time charter revenues less voyage expenses during a relevant period divided by the number of available days (4) during the period.

Conference Call:

As previously announced, Navios Containers will host a conference call on Wednesday, October 30, 2019, at 8:30 am ET, during which time Navios Containers' senior management will provide highlights and commentary on earnings results for the third quarter and nine months ended September 30, 2019.

A supplemental slide presentation will be available on the Navios Containers website at www.navios-containers.com under the "Investors" section by 8:00 am ET on the day of the call.

Conference Call details:

Call Date/Time: Wednesday, October 30, 2019 at 8:30 am ET
Call Title: Navios Containers Q3 2019 Financial Results Conference Call
US Dial In: +1.866.703.4207
International Dial In: +1.636.692.6440
Conference ID: 458 0905

The conference call replay will be available two hours after the live call and remain available for one week at the following numbers:

US Replay Dial In: +1.800.585.8367
 International Replay Dial In: +1.404.537.3406
 Conference ID: 458 0905

This call will be simultaneously Webcast. The Webcast will be available on the Navios Containers' website, www.navios-containers.com under the "Investors" section. The Webcast will be archived and available at the same Web address for two weeks following the call.

About Navios Maritime Containers L.P.

Navios Maritime Containers L.P. is a growth-oriented international owner and operator of containerships. For more information, please visit our website at www.navios-containers.com.

Forward Looking Statements - Safe Harbor

This press release contains forward-looking statements (as defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended) concerning future events, including future contracted revenues and rates, EBITDA, future available days, future financial performance of the fleet, timing of vessel deliveries, vessel acquisitions, financing activities, and Navios Containers' growth strategy and measures to implement such strategy, including future vessel acquisitions and the ability to secure or refinance related financing, the further growth of our containership fleet, and entering into further time charters. Words such as "may," "expects," "intends," "plans," "believes," "anticipates," "hopes," "estimates," and variations of such words and similar expressions are intended to identify forward-looking statements. These forward-looking statements are based on the information available to, and the expectations and assumptions deemed reasonable by Navios Containers at the time these statements were made. Although Navios Containers believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. These statements involve risks and are based upon a number of assumptions and estimates that are inherently subject to significant uncertainties and contingencies, many of which are beyond the control of Navios Containers. Actual results may differ materially from those expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to, risks relating to: the favorable timing for acquisitions and chartering opportunities in the container shipping sector and Navios Containers' ability to take advantage of such opportunities; the value of container shipping vessels; Navios Containers' ability to identify container shipping vessels for acquisition at attractive prices, if at all, including the availability of distressed acquisition opportunities in the container shipping industry; Navios Containers' ability to execute on a low-cost operating structure; Navios Containers' ability to achieve a return on investment for and to pay cash distributions to our unitholders or make common unit repurchases from our unitholders; any advantages resulting from Navios Containers' strategic focus on intermediate-size containerships; Navios Containers' ability to leverage the scale, experience, reputation and relationships of the Navios Group, consisting of Navios Maritime Holdings Inc., Navios Maritime Acquisition Corporation, Navios Maritime Partners L.P., and any one or more of their subsidiaries and affiliates. Navios Containers' future financial condition or results of operations and its future revenues and expenses, including its estimated adjusted cash flow; the loss of any customer or charter or vessel; the aging of Navios Containers' vessels and resultant increases in operation and drydocking costs; Navios Containers' ability to maintain long-term relationships with major liner companies; Navios Containers' ability to access debt, credit and equity markets; potential liability from litigation and our vessel operations, including discharge of pollutants; Navios Containers' and the Navios Group's performance in safety, environmental and regulatory matters; increases in costs and expenses, including but not limited to, crew wages, insurance, technical maintenance costs, spares, stores and supplies, charter brokerage commissions on gross voyage revenues and general and administrative expenses; the changes to the regulatory requirements applicable to the shipping and container transportation industry, including, without limitation, stricter requirements adopted by international organizations, such as the International Maritime Organization and the European Union, or by individual countries or charterers and actions taken by regulatory authorities and governing such areas as safety and environmental compliance; the anticipated taxation of Navios Containers and its unitholders; and the effects of increasing emphasis on environmental and safety concerns by customers, governments and others, as well as changes in maritime regulations and standards. Navios Containers expressly disclaims any obligations or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in Navios Containers' expectations with respect thereto or any change in events, conditions or circumstances on which any statement is based. Navios Containers makes no prediction or statement about the performance of its common units.

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EXHIBIT I

**NAVIOS MARITIME CONTAINERS L.P.
 CONDENSED CONSOLIDATED STATEMENTS OF INCOME**

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

	Three Month Period Ended September 30, 2019 (unaudited)	Three Month Period Ended September 30, 2018 (unaudited)	Nine Month Period Ended September 30, 2019 (unaudited)	Nine Month Period Ended September 30, 2018 (unaudited)
Revenue	\$ 37,031	\$ 38,080	\$ 102,541	\$ 99,505
Time charter and voyage expenses	(1,431)	(1,048)	(4,413)	(2,573)
Direct vessel expenses	(974)	(355)	(2,796)	(815)
Management fees (entirely through related parties transactions)	(16,754)	(14,490)	(48,885)	(38,578)
General and administrative expenses	(2,623)	(1,847)	(7,687)	(5,207)
Listing transaction-related expenses	-	(2,396)	-	(2,396)

Depreciation and amortization	(7,229)	(9,850)	(21,402)	(30,287)
Interest expense and finance cost, net	(4,367)	(3,617)	(12,851)	(7,555)
Other income, net	418	937	65	848
Net income	\$ 4,071	\$ 5,414	\$ 4,572	\$ 12,942
Net earnings per unit, basic and diluted	\$ 0.12	\$ 0.16	\$ 0.13	\$ 0.39
Weighted average number of units, basic and diluted	34,603,100	34,603,100	34,603,100	33,164,538

NAVIOS MARITIME CONTAINERS L.P.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Expressed in thousands of U.S. dollars – except for unit data)

	September 30, 2019 (unaudited)	December 31, 2018 (unaudited)
ASSETS		
Cash and cash equivalents, including restricted cash	\$ 17,149	\$ 18,892
Vessels and deferred dry dock and special survey costs, net	411,457	354,079
Other assets (including current and non-current)	20,175	15,206
Intangible assets	10,982	25,350
Total assets	\$ 459,763	\$ 413,527
LIABILITIES AND PARTNERS' CAPITAL		
Other current liabilities	\$ 17,341	\$ 12,093
Current portion of long term borrowings, net	49,215	35,291
Long-term borrowings, net of current portion	206,162	183,670
Total Partners' capital	187,045	182,473
Total liabilities and partners' capital	\$ 459,763	\$ 413,527

Disclosure of Non-GAAP Financial Measures

EBITDA is a "non-U.S. GAAP financial measure" and should not be used in isolation or considered a substitute for net income/(loss), cash flow from operating activities and other operations or cash flow statement data prepared in accordance with generally accepted accounting principles in the United States.

EBITDA represents net income attributable to Navios Containers' common unitholders before interest and finance costs, before depreciation and amortization. Navios Containers uses EBITDA as a liquidity measure and reconciles EBITDA to net cash provided by/ (used in) operating activities, the most comparable U.S. GAAP liquidity measure. EBITDA is calculated as follows: net cash provided by operating activities adding back, when applicable and as the case may be, the effect of (i) net increase/(decrease) in operating assets; (ii) net (increase)/decrease in operating liabilities; (iii) net interest cost; (iv) deferred finance charges; and (v) payments for drydock and special survey costs. Navios Containers believes that EBITDA is a basis upon which liquidity can be assessed and represents useful information to investors regarding Navios Containers' ability to service and/or incur indebtedness, pay capital expenditures, meet working capital requirements and pay dividends. Navios Containers also believes that EBITDA is used: (i) by prospective and current lessors as well as potential lenders to evaluate potential transactions; (ii) to evaluate and price potential acquisition candidates; and (iii) by securities analysts, investors and other interested parties in the evaluation of companies in our industry.

EBITDA is presented to provide additional information with respect to the ability of Navios Containers to satisfy its respective obligations, including debt service, capital expenditures, working capital requirements and pay dividends. While EBITDA is frequently used as measure of operating results and the ability to meet debt service requirements, the definition of EBITDA used here may not be comparable to that used by other companies due to differences in methods of calculation.

EBITDA has limitations as an analytical tool, and therefore, should not be considered in isolation or as a substitute for the analysis of Navios Containers' results as reported under U.S. GAAP. Some of these limitations are: (i) EBITDA does not reflect changes in, or cash requirements for, working capital needs; (ii) EBITDA does not reflect the amounts necessary to service interest or principal payments on our debt and other financing arrangements; and (iii) although depreciation and amortization are non-cash charges, the assets being depreciated and amortized may have to be replaced in the future. EBITDA does not reflect any cash requirements for such capital expenditures. Because of these limitations, among others, EBITDA should not be considered as a principal indicator of Navios Containers' performance. Furthermore, our calculation of EBITDA may not be comparable to that reported by other companies due to differences in methods of calculation.

Reconciliation of EBITDA to Cash from Operations

	Three Month Period Ended September 30, 2019 (unaudited)	Three Month Period Ended September 30, 2018 (unaudited)	Nine Month Period Ended September 30, 2019 (unaudited)	Nine Month Period Ended September 30, 2018 (unaudited)
Expressed in thousands of U.S. dollars				
Net cash provided by operating activities	\$ 14,988	\$ 18,261	\$ 24,309	37,874
Net (decrease)/ increase in operating assets	(1,259)	(4,681)	4,969	3,766
Net (increase)/ decrease in operating liabilities	(3,965)	217	(5,249)	(513)

Net interest and finance cost	4,367	3,617	12,851	7,555
Amortization and write-off of deferred financing costs charges	(424)	(618)	(1,569)	(1,144)
Payments for dry dock and special survey costs	2,934	2,440	6,108	4,061
EBITDA	\$ 16,641	\$ 19,236	\$ 41,419	\$ 51,599

	Three Month Period Ended September 30, 2019	Three Month Period Ended September 30, 2018	Nine Month Period Ended September 30, 2019	Nine Month Period Ended September 30, 2018
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Net cash provided by operating activities	\$ 14,988	\$ 18,261	\$ 24,309	\$ 37,874
Net cash used in investing activities	\$ (4,251)	\$ (81,434)	\$ (60,898)	\$ (144,608)
Net cash (used in)/provided by financing activities	\$ (10,443)	\$ 36,202	\$ 34,846	\$ 106,362

EXHIBIT II

Owned Vessels

Vessel Name	TEU	Year Built
Navios Summer ⁽¹⁾	3,450	2006
Navios Verano ⁽¹⁾	3,450	2006
Navios Spring ⁽¹⁾	3,450	2007
Navios Amaranth ⁽¹⁾	4,250	2007
Navios Indigo ⁽¹⁾	4,250	2007
Navios Vermillion ⁽¹⁾	4,250	2007
Navios Verde ⁽¹⁾	4,250	2007
Navios Amarillo ⁽¹⁾	4,250	2007
Navios Azure ⁽¹⁾	4,250	2007
Navios Domino ⁽¹⁾	4,250	2008
Navios Delight ⁽¹⁾	4,250	2008
Navios Dedication ⁽¹⁾	4,250	2008
Navios Devotion ⁽¹⁾	4,250	2009
Navios Destiny ⁽¹⁾	4,250	2009
Navios Lapis	4,250	2009
Navios Tempo	4,250	2009
Navios Dorado	4,250	2010
Navios Felicitas	4,360	2010
Bahamas	4,360	2010
Bermuda	4,360	2010
Navios Miami	4,563	2009
APL Oakland	4,730	2008
APL Los Angeles	4,730	2008
APL Denver	4,730	2008
APL Atlanta	4,730	2008
YM Utmost	8,204	2006
Navios Unite	8,204	2006
Navios Unison	10,000	2010
Navios Constellation	10,000	2011

(1) The vessel is subject to a sale and leaseback transaction for a period of up to five years, at which time Navios Containers has an obligation to purchase the vessel.



Source: Navios Maritime Containers L.P.