

Navios Maritime Containers Inc. Reports Financial Results for the First Quarter Ended March 31, 2018

- **34% increase in fleet capacity YTD 2018**
- **Acquired four containerships YTD 2018 for \$129.0 million**
- **59% increase in sequential quarterly EBITDA**
 - **\$15.7 million EBITDA for Q1 2018 vs. \$9.9 million for Q4 2017**
- **Raised \$30.0 million equity in March 2018**
- **\$119.0 million sale and lease back agreement extending maturities to 2023**
- **\$61.0 million new term loan facilities**

MONACO- May 8, 2018 -- Navios Maritime Containers Inc. ("Navios Containers " or "the Company") (N-OTC: NMCI), a growth vehicle dedicated to the container sector of the maritime industry, today reported financial results for the first quarter ended March 31, 2018.

HIGHLIGHTS -- RECENT DEVELOPMENTS

Vessel Acquisitions

In April 2018, Navios Containers agreed to acquire from Navios Maritime Partners L.P. ("Navios Partners") the YM Utmost and YM Unity, two 2006-built containerships each of 8,204 TEU for an aggregate purchase price of \$67.0 million. These vessels are time chartered out at a net daily charter rate of \$34,266 per vessel until August 2018 and October 2018, respectively. The acquisition of the YM Utmost and YM Unity was unanimously approved by a Special Committee of the independent members of the Board of Directors of Navios Containers. The acquisition of the vessels will be financed with a \$36.0 million term loan facility and the balance with available cash. The term loan facility has an amortization profile of 7 years, matures in June 2022 and bears interest at LIBOR plus 325 bps per annum.

In March 2018, the Company agreed to acquire one 2010-built 10,000 TEU containership from an unrelated third party for a purchase price of \$50.25 million. This vessel is employed on time charter with a net daily charter rate of \$26,663 until March 2019. The acquisition of the vessel will be financed with a \$25.0 million term loan facility and the balance with available cash. The facility has an amortization profile of 9 years, matures in June 2023 and bears interest at LIBOR plus 300 bps per annum.

The Company expects to take delivery of all three vessels within the second quarter of 2018.

As previously announced, in March 2018 the Company took delivery of a 2010-built 4,250 TEU containership for a purchase price of \$11.78 million. Navios Containers financed the acquisition of the vessel with cash on its balance sheet and \$6.0 million of bank debt under one of its existing term loan facilities. The vessel has been chartered out at a daily net rate of \$10,468 until May 2019.

New Sale and Leaseback Agreement - Refinancing Existing Credit Facilities – Extending Maturities to 2023

In March 2018 the Company executed a term sheet for an up to \$119.0 million sale and leaseback agreement with a leading Chinese institution in order to refinance its credit facilities maturing in the fourth quarter of 2019, which had an outstanding balance of \$92.4 million as of March 31, 2018. The term sheet provides for 60 monthly payments of \$1.4 million each. In the definitive agreements, Navios Containers will have an obligation to purchase the vessels at the end of fifth year for \$59.5 million. The refinancing (if completed) is expected to release approximately \$26.6 million of cash, before fees and expenses, and

reduce the debt service cost for the remainder of 2018 by approximately \$22.7 million, providing the Company with an aggregate \$49.3 million of incremental cash during 2018. The transaction is expected to close within the second quarter of 2018. No assurances can be provided that the Company will successfully refinance these credit facilities or that the terms will be as described in this press release.

Fleet Development

Assuming the closing of these vessel acquisitions, Navios Containers will own a fleet of 25 vessels totaling 119,538 TEU. The current average age of the fleet is 10.1 years (See Exhibit II). As of May 4, 2018 and assuming closing of these vessel acquisitions, Navios Containers has chartered-out 69.3% and 20.4% of available days for the remaining nine months of 2018 and for 2019, respectively, which are expected to generate \$87.3 million and \$45.8 million in revenue, respectively. The average expected daily charter-out rate for the fleet is \$18,780 and \$24,644 for the remaining nine months of 2018 and for 2019, respectively and the total expected available days for the remaining nine months of 2018 and for 2019, are 6,707 days and 9,125 days, respectively.

Private Placement

On March 13, 2018, Navios Containers closed a private placement of 5,454,546 shares at a subscription price of \$5.50 per share, resulting in gross proceeds of \$30.0 million. Navios Partners and Navios Maritime Holdings Inc. (“Navios Holdings”) invested \$15.0 million at the subscription price and received 2,720,004 shares. Navios Partners and Navios Holdings also received warrants for 370,909 shares and 92,727 shares, respectively, with a five-year term.

As of March 31, 2018, Navios Partners and Navios Holdings hold 13,538,186 common shares representing 39.1% of the equity of Navios Containers. Both Navios Partners and Navios Holdings hold warrants for 2,353,011 shares and 588,253 shares with a five-year term, representing 6.8% and 1.7% of the total equity of Navios Containers, respectively.

Earnings Highlights

EBITDA is a non-U.S. GAAP financial measure and should not be used in isolation or as substitute for Navios Containers’ results calculated in accordance with 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 this measure to the most comparable measures calculated under U.S. GAAP.

First Quarter 2018 Results (in thousands of U.S. dollars, except per share data and unless otherwise stated):

The first quarter 2018 information presented below was derived from the unaudited condensed consolidated financial statements for the respective period.

	Three Month Period Ended March 31, 2018	
	(unaudited)	
Revenue	\$	29,917
Net Income	\$	3,041
Net cash provided by operating activities	\$	7,381
EBITDA	\$	15,706
Basic Earnings per Share	\$	0.10

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 month period ended March 31, 2018 and December 31, 2017 respectively.

	Three Month Period Ended March 31, 2018	Three Month Period Ended December 31, 2017
Available Days (1)	1,907	1,434
Operating Days (2)	1,877	1,352
Fleet Utilization (3)	98.4%	94.3%
Vessels operating at period end	22	21
TCE (4)	\$ 15,259	\$ 14,232

- (1) Available days for the fleet are total calendar days the vessels were in Navios Containers' possession for the relevant period after subtracting off-hire days associated with major repairs, 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.
- (2) 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 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.
- (3) Fleet utilization is the percentage of time that Navios Containers' vessels were available for generating revenue, and is determined by dividing the 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.
- (4) TCE is defined as voyage and time charter revenues less voyage expenses during a relevant period divided by the number of available days during the period.

About Navios Maritime Containers Inc.

Navios Maritime Containers Inc. (N-OTC: NMCI) is a growth vehicle dedicated to the container sector of the maritime industry. For more information, please visit its website at www.navios-containers.com.

About Navios Maritime Holdings Inc.

Navios Maritime Holdings Inc. (NYSE: NM) is a global, vertically integrated seaborne shipping and logistics company focused on the transport and transshipment of dry bulk commodities including iron ore, coal and grain. For more information about Navios Holdings please visit its website: www.navios.com.

About Navios Maritime Partners L.P.

Navios Maritime Partners L.P. (NYSE: NMM) is a publicly traded master limited partnership which owns and operates container and dry bulk vessels. For more information, please visit its website at www.navios-mlp.com.

Forward Looking Statements - Safe Harbor

This press release contains forward-looking statements 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 known and unknown risks and are based upon a number of assumptions and estimates which 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 future vessel acquisitions, the quality of the fleet and the market for the fleet vessels, the uncertainty relating to global trade, including prices of seaborne commodities and continuing issues related to seaborne volume and ton miles, our continued ability to enter into long-term time charters, our ability to maximize the use of our vessels, expected demand in the container shipping sector in general, fluctuations in charter rates for container carrier vessels, the aging of our fleet and resultant increases in operations costs, the loss of any customer or charter or vessel, the financial condition of our customers, changes in the availability and costs of funding due to conditions in the bank market, capital markets and other factors, increases in costs and expenses, including but not limited to: crew wages, insurance, provisions, port expenses, lube oil, bunkers, repairs, maintenance, and general and administrative expenses, the expected cost of, and our ability to comply with, governmental regulations and maritime self-regulatory organization standards, as well as standard regulations imposed by our charterers applicable to our business, general domestic and international political conditions, competitive factors in the market in which Navios Containers operates, and risks associated with global operations. 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 stock.

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NAVIOS MARITIME CONTAINERS INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Expressed in thousands of U.S. dollars - except for share and per share data)

	Three Month Period Ended March 31, 2018 (unaudited)	
Revenue		29,917
Time charter and voyage expenses		(811)
Direct vessel expenses		(228)
Management fees (entirely through related parties transactions)		(11,639)
General and administrative expenses		(1,690)
Depreciation and amortization		(10,566)
Interest expense and finance cost, net		(1,871)
Other expense, net		(71)
Net income	\$	3,041
Net earnings per share, basic and diluted	\$	0.10
Weighted average number of shares, basic and diluted		30,239,463

NAVIOS MARITIME CONTAINERS INC.
CONDENSED CONSOLIDATED BALANCE SHEET
(Expressed in thousands of U.S. dollars – except for share data)

	March 31, 2018 (unaudited)	December 31, 2017 (unaudited)
ASSETS		
Current assets		
Cash and cash equivalents	\$ 32,914	\$ 14,221
Restricted cash	377	280
Accounts receivable, net	199	642
Balance due from related companies, current	12,648	5,643
Inventories	854	536
Prepaid and other current assets	1,554	49
Total current assets	48,546	21,371
Vessels, net	189,663	177,597
Intangible assets	48,651	58,496
Deferred dry dock and special survey costs, net	3,355	3,582
Balance due from related companies, non- current	6,314	5,765
Total non-current assets	247,983	245,440
Total assets	\$ 296,529	\$ 266,811
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 1,416	\$ 582
Accrued expenses	4,617	3,934
Deferred income and cash received in advance	3,235	2,544
Current portion of long-term debt, net	40,747	42,499
Total current liabilities	50,015	49,559
Long-term debt, net of current portion	73,700	76,534
Total non-current liabilities	73,700	76,534
Total liabilities	\$ 123,715	\$ 126,093
Commitments and contingencies		
Stockholders' equity		
Common stock — \$0.0001 par value, 75,000,000 authorized registered ordinary shares, 34,603,100 and 29,148,554 issued and outstanding as of March 31, 2018 and December 31, 2017.	3	3
Additional paid-in capital	167,132	138,077
Retained earnings	5,679	2,638
Total stockholders' equity	172,814	140,718
Total liabilities and stockholders' equity	\$ 296,529	\$ 266,811

NAVIOS MARITIME CONTAINERS INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in thousands of U.S. dollars – except for share data)

	Three Month Period Ended March 31, 2018 (unaudited)
OPERATING ACTIVITIES:	
Net income	\$ 3,041
Adjustments to reconcile net income to net cash used in operating activities:	
Depreciation and amortization	10,566
Amortization of deferred financing costs	271
Amortization of deferred drydock and special survey costs	228
Changes in operating assets and liabilities:	
Decrease in accounts receivable	443
Increase in balance due from related companies, current	(7,005)
Increase in inventories	(318)
Increase in prepaid and other current assets	(1,505)
Increase in balance due from related companies, non-current	(549)
Increase in accounts payable	834
Increase in accrued expenses	684
Increase in deferred income and cash received in advance	691
Net cash used in operating activities	\$ 7,381
INVESTING ACTIVITIES:	
Acquisition of vessels	(12,788)
Net cash used in investing activities	\$ (12,788)
FINANCING ACTIVITIES:	
Repayment of long term debt	(10,858)
Proceeds from long-term debt	6,000
Proceeds from issuance of common shares, net of offering costs	29,055
Net cash provided by financing activities	24,197
Increase in cash and cash equivalents and restricted cash	18,790
Cash and cash equivalents and restricted cash, beginning of period	14,501
Cash and cash equivalents and restricted cash, end of period	\$ 33,291
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION	
Cash paid for interest, net	\$ 1,486

NAVIOS MARITIME CONTAINERS INC.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Expressed in thousands of U.S. dollars — except for share data)

For the period from December 31, 2017 to March 31, 2018

	Number of Common Shares	Common Stock	Additional Paid-in Capital	Retained Earnings	Total Stockholders' Equity
Balance December 31, 2017	29,148,554	\$ 3	138,077	\$ 2,638	\$ 140,718
Issuance of common stock, net of offering costs	5,454,546	-	29,055	-	29,055
Net income	-	-	-	3,041	3,041
Balance March 31, 2018 (unaudited)	<u>34,603,100</u>	<u>\$ 3</u>	<u>167,132</u>	<u>\$ 5,679</u>	<u>\$ 172,814</u>

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, 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 before interest and finance costs, before depreciation and amortization. We use EBITDA as liquidity measure and reconcile 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 a measure of operating results and the ability to meet debt service requirements, the definition of EBITDA used here may not be comparable to those 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.

Navios Containers Reconciliation of EBITDA to Cash from Operations

(in thousands of U.S. dollars)	Three Month Period Ended March 31, 2018	
	(unaudited)	
Net cash provided by operating activities	\$	7,381
Net increase in operating assets		8,934
Net increase in operating liabilities		(2,209)
Deferred finance charges		(271)
Net interest cost		1,871
EBITDA⁽¹⁾	\$	15,706

(1)	Three Month Period Ended March 31, 2018	
(in thousands of U.S. dollars)	(unaudited)	
Net cash provided by operating activities	\$	7,381
Net cash used in investing activities	\$	(12,788)
Net cash provided by financing activities	\$	24,197

Owned Vessels

Vessel Name	TEU	Year Built
Navios Summer	3,450	2006
Navios Verano	3,450	2006
Navios Spring	3,450	2007
Navios Amaranth	4,250	2007
Navios Indigo	4,250	2007
Navios Vermilion	4,250	2007
Navios Verde	4,250	2007
Navios Amarillo	4,250	2007
Navios Azure	4,250	2007
Navios Domino (ex MOL Dominance)	4,250	2008
MOL Delight	4,250	2008
MOL Dedication	4,250	2008
MOL Devotion	4,250	2009
MOL Destiny	4,250	2009
Navios Lapis	4,250	2009
Navios Tempo	4,250	2009
Niledutch Okapi (ex Navios Dorado)	4,250	2010
Navios Felicitas	4,360	2010
APL Oakland	4,730	2008
APL Los Angeles	4,730	2008
APL Denver	4,730	2008
APL Atlanta	4,730	2008

Owned Vessels to be delivered

Vessel Name	TEU	Year Built
Navios Unison	10,000	2010
YM Utmost	8,204	2006
YM Unity	8,204	2006