

Navios Maritime Containers Inc. Reports Financial Results for the Third Quarter Ended September 30, 2017

- **Agreed to purchase two 4,250 TEU containerships for \$19.8 million**
- **Completed \$50.0 million private placement in Q3 2017**
- **\$30.4 million of cash as of September 30, 2017**

MONACO- November 2, 2017 (GLOBE NEWSWIRE) -- Navios Maritime Containers Inc. ("Navios Containers") (N-OTC: [NMCI](#)), a growth vehicle dedicated to the container sector of the maritime industry, today reported financial results for the three month period ended September 30, 2017 and for the period from April 28, 2017 (date of inception) through September 30, 2017.

Angeliki Frangou, Chairman and Chief Executive Officer, stated, "We are pleased with our financial performance in our first full quarter of operation for which we reported adjusted EBITDA of \$7.0 million and adjusted net income of \$531 thousand. "

Angeliki Frangou continued: "We believe the container market continues to offer attractive acquisition candidates. We are actively pursuing opportunities while this favorable market persists. "

HIGHLIGHTS -- RECENT DEVELOPMENTS

Fleet Acquisition

Navios Containers continued to pursue fleet size expansion by executing Memorandums of Agreement ("MoAs") in September and October 2017 to acquire two 2009-built 4,250 TEU containerships for an aggregate purchase price of \$19.8 million. The containerships are expected to be delivered to Navios Containers' owned fleet in early November 2017.

The acquisition of these two vessels is expected to be financed initially with cash on hand while Navios Containers explores potential debt financing on terms consistent with its existing credit facilities.

Private Placement

On August 29, 2017, Navios Containers closed a private placement of 10,000,000 shares at a subscription price of \$5.00 per share, resulting in gross proceeds of \$50.0 million. Navios Maritime Partners L.P. ("Navios Partners") invested \$10.0 million and received 2,000,000 shares. Navios Partners and Navios Maritime Holdings Inc. ("Navios Holdings") also received warrants, with a five-year term, for 6.8% and 1.7% of the newly issued equity, respectively.

As of September 30, 2017, Navios Partners holds 8,000,000 common shares representing 39.9% of the equity, and Navios Holdings holds 1,000,000 common shares representing 5.0% of the equity of Navios Containers. Both Navios Partners and Navios Holdings hold warrants, with a five-year term, for 6.8% and 1.7% of the total equity of Navios Containers, respectively.

Credit Facility

On July 27, 2017, Navios Containers entered into a loan facility with a commercial bank for an amount of \$21.0 million to partially finance the acquisition of seven containerships previously acquired. The facility is repayable in five consecutive quarterly instalments of \$0.8 million each, plus a balloon payment on the last repayment date. The facility matures in November 2018 and bears interest at LIBOR plus 400 bps per annum. As of September 30, 2017, the outstanding principal amount under this facility was \$21.0 million.

Fleet Development

Navios Containers controls 16 vessels, totaling 65,600 TEU and with an average age of 9.7 years. Two of these vessels are expected to be delivered during the fourth quarter of 2017.

As of October 30, 2017, Navios Containers has chartered-out 89.3% and 25.7% of available days for 2017 and 2018, respectively, which are expected to generate revenue of \$35.3 million and \$36.2 million,

respectively. The average expected daily charter-out rate for the fleet is \$16,422 and \$24,177 for 2017 and 2018, respectively.

Earnings Highlights

EBITDA, Adjusted EBITDA, Adjusted Net Income and Adjusted Basic Earnings per Share are non-U.S. GAAP financial measures and should not be used in isolation or as substitutes 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, Adjusted EBITDA, Adjusted Net Income and Adjusted Basic Earnings per Share of Navios Containers and a reconciliation of such measures to the most comparable measures calculated under U.S. GAAP.

Third Quarter of 2017 and period from April 28, 2017 (date of inception) to September 30, 2017

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

The third quarter 2017 and the period from April 28, 2017 (date of inception) to September 30, 2017 information presented below was derived from the unaudited condensed consolidated financial statements for the respective period.

	Three Month Period Ended September 30, 2017	Period from April 28, 2017 (date of inception) to September 30, 2017
	(unaudited)	(unaudited)
Revenue	\$ 14,757	\$ 17,859
Net income	\$ 84	\$ 965
Adjusted Net Income ⁽¹⁾	\$ 531	\$ 1,412
Net cash provided by/(used in) operating activities	\$ 255	\$ (1,236)
EBITDA	\$ 6,511	\$ 8,792
Adjusted EBITDA ⁽¹⁾	\$ 6,958	\$ 9,239
Basic Earnings per Share	\$ 0.01	\$ 0.08
Adjusted Basic Earnings per Share ⁽¹⁾	\$ 0.04	\$ 0.11

(1) Adjusted EBITDA, Adjusted Net Income and Adjusted Earnings per Share for the three month period ended September 30, 2017 and for the period from April 28, 2017 (date of inception) to September 30, 2017 exclude \$0.4 million relating to the reactivation costs of four laid-up vessels.

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 September 30, 2017 and for the period from which the vessels were delivered, June 8, 2017 through September 30, 2017.

	Three Month Period Ended September 30, 2017	Period from June 8, 2017 to September 30, 2017
Available Days (1)	862	977
Operating Days (2)	801	916
Fleet Utilization (3)	92.9%	93.8%
Vessels operating at period end	14	14
TCE (4)	\$ 16,724	\$ 17,930

- (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 our website: www.navios.com.

About Navios Maritime Partners L.P.

Navios Partners (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 Navios Containers' cash flow generation for the remainder of 2017, future contracted revenues and rates, future financial performance of the fleet, timing of vessel deliveries, opportunities to reinvest cash accretively, to take advantage of the market and Navios Containers' growth strategy and measures to implement such strategy; including future vessel acquisitions and the ability to secure 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. Such statements include comments regarding expected revenue and time charters. 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 and the quality of the fleet, 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; and other factors listed from time to time in Navios Containers' public disclosures. 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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EXHIBIT I

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 September 30, 2017 (unaudited)	Period from April 28, 2017 (date of inception) to September 30, 2017 (unaudited)
Revenue	14,757	17,859
Time charter and voyage expenses	(343)	(343)
Direct vessel expenses	(515)	(515)
Management fees (entirely through related parties transactions)	(6,576)	(7,277)
General and administrative expenses	(870)	(987)
Depreciation and amortization	(5,351)	(6,671)
Interest expense and finance cost, net	(1,007)	(1,088)
Other expense, net	(11)	(13)
Net income	\$ 84	\$ 965
Net income attributable to common stockholders	\$ 84	\$ 965
Net earnings per share, basic and diluted	\$ 0.01	\$ 0.08
Weighted average number of shares, basic and diluted	13,535,906	12,864,663

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

	September 30, 2017 (unaudited)
ASSETS	
Current assets	
Cash and cash equivalents	\$ 29,932
Restricted Cash	468
Accounts receivable, net	1,286
Amounts due from related companies	3,618
Inventories	330
Prepaid and other current assets	55
Total current assets	35,689
Vessels, net	93,681
Favorable lease terms	20,162
Deferred dry dock and special survey costs, net	2,267
Long-term receivable from related companies	6,163
Total non-current assets	122,273
Total assets	\$ 157,962
LIABILITIES AND STOCKHOLDERS' EQUITY	
Current liabilities	
Accounts payable	\$ 1,868
Accrued expenses	4,789
Deferred income and cash received in advance	1,792
Amounts due to related companies	1,254
Current portion of long-term debt, net	17,651
Total current liabilities	27,354
Long-term debt, net of current portion	38,763
Total non-current liabilities	38,763
Total liabilities	\$ 66,117
Commitments and contingencies	
Stockholders' equity	
Common stock — \$0.0001 par value, 75,000,000 authorized registered ordinary shares, 20,057,645 issued and outstanding as of September 30, 2017.	2
Additional paid-in capital	90,878
Retained earnings	965
Total stockholders' equity	91,845
Total liabilities and stockholders' equity	\$ 157,962

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

	Period from April 28, 2017 (date of inception) to September 30, 2017 (unaudited)
OPERATING ACTIVITIES:	
Net income	\$ 965
Adjustments to reconcile net income to net cash used in operating activities:	
Depreciation and amortization	6,671
Amortization of deferred financing costs	199
Amortization of deferred drydock and special survey costs	68
Changes in operating assets and liabilities:	
Increase in restricted cash	(188)
Increase in accounts receivable	(1,286)
Increase in due from related companies	(3,169)
Increase in inventories	(330)
Increase in prepaid and other current assets	(9)
Increase in long-term receivable from affiliate companies	(6,163)
Increase in accounts payable	1,822
Increase in accrued expenses	3,398
Decrease in due to related companies	(420)
Decrease in deferred income and cash received in advance	(458)
Payments for dry dock and special survey costs	(2,336)
Net cash used in operating activities	\$ (1,236)
INVESTING ACTIVITIES:	
Cash acquired through asset acquisition	5,433
Acquisition of vessels and favorable lease terms	(125,503)
Net cash used in investing activities	\$ (120,070)
FINANCING ACTIVITIES:	
Proceeds from long-term borrowings, net of loan discount	60,685
Repayment of long term debt	(3,750)
Debt issuance costs	(720)
Increase in restricted cash	(280)
Proceeds from issuance of common shares, net of offering costs	95,303
Net cash provided by financing activities	151,238
Increase in cash and cash equivalents	29,932
Cash and cash equivalents, beginning of period	-
Cash and cash equivalents, end of period	\$ 29,932

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Non-cash investing and financing activities	
Cash paid for interest, net	\$ 502

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 April 28, 2017 (date of inception) to September 30, 2017

	Number of Common Shares	Common Stock	Additional Paid-in Capital	Retained Earnings	Total Stockholders' Equity
Balance April 28, 2017 (date of inception)	-	\$ -	-	\$ -	-
Issuance of common stock, net of offering expenses	20,057,645	2	95,301	-	95,303
Deemed distribution to controlling stockholders	-	-	(4,423)	-	(4,423)
Net income	-	-	-	965	965
Balance September 30, 2017 (unaudited)	<u>20,057,645</u>	<u>\$ 2</u>	<u>90,878</u>	<u>\$ 965</u>	<u>\$ 91,845</u>

Disclosure of Non-GAAP Financial Measures

EBITDA, Adjusted EBITDA, Adjusted Net Income and Adjusted Basic Earnings per Share are “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/(loss) before interest and finance costs, before depreciation and amortization. Adjusted EBITDA represents EBITDA, excluding the item as described under “Earnings Highlights”. Adjusted Income and Adjusted Basic Earnings per Share represent Net Income and Basic Earnings per Share, excluding the item as described under “Earnings Highlights”. We use EBITDA and Adjusted EBITDA as liquidity measures and reconcile EBITDA and Adjusted 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 and Adjusted EBITDA are 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 and Adjusted EBITDA are 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 and Adjusted EBITDA are 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 and Adjusted EBITDA are frequently used as a measure of operating results and the ability to meet debt service requirements, the definition of

EBITDA and Adjusted EBITDA used here may not be comparable to those used by other companies due to differences in methods of calculation.

EBITDA and Adjusted 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 and Adjusted EBITDA does not reflect changes in, or cash requirements for, working capital needs; (ii) EBITDA and Adjusted 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 and Adjusted EBITDA do not reflect any cash requirements for such capital expenditures. Because of these limitations, among others, EBITDA and Adjusted EBITDA should not be considered as a principal indicator of Navios Containers' performance. Furthermore, our calculation of EBITDA and Adjusted 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

	Three Month Period Ended September, 2017	Period from April 28,2017 (date of inception) to September, 2017
(in thousands of U.S. dollars)	(unaudited)	(unaudited)
Net cash provided by/(used in) operating activities	\$ 255	\$ (1,236)
Net increase in operating assets	6,935	11,145
Net increase in operating liabilities	(3,824)	(4,342)
Payments for drydock and special survey	2,336	2,336
Deferred finance charges	(199)	(199)
Net interest cost	1,008	1,088
EBITDA⁽¹⁾	\$ 6,511	\$ 8,792
Re-activation cost	447	447
Adjusted EBITDA	\$ 6,958	\$ 9,239

(1)	Three Month Period Ended September, 2017	Period from April 28,2017 (date of inception) to September 30, 2017
(in thousands of U.S. dollars)	(unaudited)	(unaudited)
Net cash provided by/(used in) operating activities	\$ 255	\$ (1,236)
Net cash used in investing activities	\$ (75,503)	\$ (120,070)
Net cash provided by financing activities	\$ 70,244	\$ 151,238

EXHIBIT II

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
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

Vessels to be Delivered

Vessel Name	TEU	Year Built	Delivery Date
Navios Lapis	4,250	2009	11/2017
Navios Tempo	4,250	2009	11/2017