

Navios Maritime Containers Inc. Reports Financial Results for the Fourth Quarter and Year Ended December 31, 2017

- **Acquired seven containerships for \$128.0 million**
- **Grew fleet by 50% in Q4 (14 to 21 vessels at year end)**
- **Increased available days by 66% in Q4 (from 862 days in Q3 to 1,434 days in Q4)**
- **\$9.9 million EBITDA for Q4; \$18.7 million EBITDA for the fiscal 2017 (April 28, 2017 through December 31, 2017)**
- **Raised \$50.0 million private placement in Q4**
- **Arranged \$74.0 million of new loan facilities**
- **Extended maturity of existing facilities to end of 2019**

MONACO- January 29, 2018 (GLOBE NEWSWIRE) -- 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 three month period ended December 31, 2017 and for the period from April 28, 2017 (date of inception) through December 31, 2017.

Angeliki Frangou, Chairman and Chief Executive Officer, stated, "We are pleased with our fourth quarter financial performance for which we reported EBITDA of \$9.9 million and net income of \$1.7 million."

Angeliki Frangou continued: "Within the eight months of fiscal 2017, we created a fleet of 21 containerships. Our run rate continues to rise, and we expect a 32% increase of available days in Q1 2018 over Q4 2017. We are also continuing to see attractive acquisition opportunities as the market consolidates."

HIGHLIGHTS -- RECENT DEVELOPMENTS

Vessel Acquisitions

In September and October 2017, the Company agreed to acquire two 2009-built 4,250 TEU containerships for an aggregate purchase price of \$19.75 million. The vessels were delivered to Navios Containers' owned fleet in November 2017. The acquisition of the vessels was financed through a new \$12.0 million loan from a commercial bank and the balance with available cash.

In November 2017, the Company agreed to acquire four 2008-built 4,730 TEU containerships for a total purchase price of \$96.8 million. These vessels are employed on charters with a net daily charter rate of \$27,156. The charters expire in 2020 and are expected to generate approximately \$70.0 million of EBITDA, assuming expenses approximating current operating costs and 360 revenue days per year. The vessels were delivered to Navios Containers' owned fleet in November and December 2017. The acquisition of these four vessels was financed through a new \$50.0 million loan from a commercial bank and the balance with available cash.

In December 2017, the Company agreed to acquire one 2010-built 4,360 TEU containership for a total purchase price of \$11.45 million. The vessel was delivered to Navios Containers' owned fleet in December 2017. The acquisition of the vessel was financed through a \$6.0 million loan from a commercial bank and the balance with available cash.

Fleet Development

Navios Containers controls a fleet of 21 vessels totaling 88,880 TEU. The current average age of the fleet is 9.8 years. As of January 25, 2018, Navios Containers has chartered-out 58.4% and 19.6% of available days for 2018 and 2019, respectively, which are expected to generate \$87.3 million and \$40.7 million in revenue, respectively. The average expected daily charter-out rate for the fleet is \$19,527 and \$27,148 for 2018 and 2019, respectively and the total expected available days for 2018 and 2019, are 7,665 days for both periods.

Private Placement

On November 9, 2017, Navios Containers closed a private placement of 9,090,909 shares at a subscription price of \$5.50 per share, resulting in gross proceeds of \$50.0 million. Navios Maritime Partners L.P. (“Navios Partners”) invested \$10.0 million at the subscription price and received 1,818,182 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 December 31, 2017, Navios Partners holds 9,818,182 common shares representing 33.7% of the equity and Navios Holdings holds 1,000,000 common shares representing 3.4% 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 Facilities

In December 2017, Navios Containers agreed to an additional tranche to its existing July 2017 \$21.0 million credit facility with a commercial bank for an incremental amount of \$50.0 million in order to finance the acquisition of the four 2008 built 4,730 TEU containerships. This tranche bears interest at LIBOR plus 385 bps per annum. The entire \$71.0 million facility now matures in the fourth quarter of 2019 and is repayable in eight quarterly payments of \$6.5 million each, plus a balloon payment on the last repayment date. As of December 31, 2017, the outstanding principal amount under this new tranche of the facility was \$50.0 million and the total amount outstanding under this facility was \$70.2 million.

The maturity of the other \$40.0 million loan facility the Company entered into in June 2017 has also been extended to the fourth quarter of 2019.

On December 20, 2017, Navios Containers entered into a loan facility for an amount of up to \$24.0 million with a commercial bank in order to partially finance the acquisition of four containerships. As of December 31, 2017, the outstanding principal amount under this facility was \$18.0 million (which was used to partially finance the two 2009-built 4,250 TEU containerships and the 2010-built 4,360 TEU containership), with the remaining \$6.0 million available to finance the acquisition of an additional vessel. The facility is repayable in twenty consecutive quarterly instalments of \$0.6 million each, plus a balloon payment on the last repayment date. The facility matures in December 2022 and bears interest at LIBOR plus 300 bps per annum.

Refinancing Credit Facilities – Reducing Cash Breakeven

The Company is in advanced discussions for re-financing its credit facilities maturing in the fourth quarter of 2019, totalling \$102.7 million outstanding on December 31, 2017. Under one of the alternatives for such refinancing, the daily debt service cost in 2018 for the containerships would be reduced by 58%. No assurances can be provided that the Company will successfully refinance these credit facilities.

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.

Fourth Quarter 2017 and period from April 28, 2017 (date of inception) to December 31, 2017

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

The fourth quarter 2017 and the period from April 28, 2017 (date of inception) to December 31, 2017 information presented below was derived from the unaudited condensed consolidated financial statements for the respective period.

	Three Month Period Ended December 31, 2017	Period from April 28, 2017 (date of inception) to December 31, 2017
	(unaudited)	(unaudited)
Revenue	\$ 21,329	\$ 39,188
Net Income	\$ 1,673	\$ 2,638
Adjusted Net Income ⁽¹⁾	\$ 1,673	\$ 3,085
Net cash provided by operating activities	\$ 3,859	\$ 2,623
EBITDA	\$ 9,917	\$ 18,709
Adjusted EBITDA ⁽¹⁾	\$ 9,917	\$ 19,156
Basic Earnings per Share	\$ 0.07	\$ 0.14
Adjusted Basic Earnings per Share ⁽¹⁾	\$ 0.07	\$ 0.17

(1) Adjusted EBITDA, Adjusted Net Income and Adjusted Earnings per Share for the three month period ended December 31, 2017 and for the period from April 28, 2017 (date of inception) to December 31, 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 December 31, 2017 and for the period from which the vessels were delivered, June 8, 2017 through December 31, 2017.

	Three Month Period Ended December 31, 2017	Period from June 8, 2017 to December 31, 2017
Available Days (1)	1,434	2,411
Operating Days (2)	1,352	2,268
Fleet Utilization (3)	94.3%	94.1%
Vessels operating at period end	21	21
TCE (4)	\$ 14,232	\$ 15,730

- (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 future contracted revenues and rates, EBITDA, future available days, future financial performance of the fleet, timing of vessel deliveries, 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.

Contact:

Navios Maritime Containers Inc.
+1.212.906.8648
investors@navios-containers.com

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 December 31, 2017 (unaudited)	Period from April 28, 2017 (date of inception) to December 31, 2017 (unaudited)
Revenue	21,329	39,188
Time charter and voyage expenses	(913)	(1,257)
Direct vessel expenses	(157)	(672)
Management fees (entirely through related parties transactions)	(9,211)	(16,488)
General and administrative expenses	(1,274)	(2,262)
Depreciation and amortization	(6,908)	(13,578)
Interest expense and finance cost, net	(1,180)	(2,268)
Other expense, net	(13)	(25)
Net income	\$ 1,673	\$ 2,638
Net income attributable to common stockholders	\$ 1,673	\$ 2,638
Net earnings per share, basic and diluted	\$ 0.07	\$ 0.14
Weighted average number of shares, basic and diluted	25,195,985	18,371,855

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

	December 31, 2017 (unaudited)
ASSETS	
Current assets	
Cash and cash equivalents	\$ 14,221
Restricted Cash	280
Accounts receivable, net	642
Amounts due from related companies	5,643
Inventories	536
Prepaid and other current assets	49
Total current assets	21,371
Vessels, net	177,597
Favorable lease terms	58,496
Deferred dry dock and special survey costs, net	3,582
Long-term receivable from related companies	5,765
Total non-current assets	245,440
Total assets	\$ 266,811
LIABILITIES AND STOCKHOLDERS' EQUITY	
Current liabilities	
Accounts payable	\$ 582
Accrued expenses	3,934
Deferred income and cash received in advance	2,544
Amounts due to related companies	-
Current portion of long-term debt, net	42,499
Total current liabilities	49,559
Long-term debt, net of current portion	76,534
Total non-current liabilities	76,534
Total liabilities	\$ 126,093
Commitments and contingencies	
Stockholders' equity	
Common stock — \$0.0001 par value, 75,000,000 authorized registered ordinary shares, 29,148,554 issued and outstanding as of December 31, 2017.	3
Additional paid-in capital	138,077
Retained earnings	2,638
Total stockholders' equity	140,718
Total liabilities and stockholders' equity	\$ 266,811

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
December 31,
2017
(unaudited)

OPERATING ACTIVITIES:	
Net income	\$ 2,638
Adjustments to reconcile net income to net cash used in operating activities:	
Depreciation and amortization	13,578
Amortization of deferred financing costs	430
Amortization of deferred drydock and special survey costs	225
Changes in operating assets and liabilities:	
Increase in accounts receivable	(642)
Increase in due from related companies	(5,195)
Increase in inventories	(536)
Increase in prepaid and other current assets	(4)
Increase in long-term receivable from affiliate companies	(5,765)
Increase in accounts payable	536
Increase in accrued expenses	2,541
Decrease in due to related companies	(1,674)
Decrease in deferred income and cash received in advance	298
Payments for dry dock and special survey costs	(3,807)
Net cash used in operating activities	\$ 2,623
INVESTING ACTIVITIES:	
Cash acquired through asset acquisition	5,433
Acquisition of vessels and favorable lease terms	(254,660)
Net cash used in investing activities	\$ (249,227)
FINANCING ACTIVITIES:	
Proceeds from long-term borrowings, net of loan discount	127,760
Repayment of long term debt	(8,340)
Debt issuance costs	(815)
Increase in restricted cash	(280)
Proceeds from issuance of common shares, net of offering costs	142,500
Net cash provided by financing activities	260,825
Increase in cash and cash equivalents	14,221
Cash and cash equivalents, beginning of period	-
Cash and cash equivalents, end of period	\$ 14,221

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Non-cash investing and financing activities	
Cash paid for interest, net	\$ 1,599

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 December 31, 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	29,148,554	3	142,500	-	142,503
Deemed distribution to controlling stockholders	-	-	(4,423)	-	(4,423)
Net income	-	-	-	2,638	2,638
Balance December 31, 2017 (unaudited)	<u>29,148,554</u>	<u>\$ 3</u>	<u>\$ 138,077</u>	<u>\$ 2,638</u>	<u>\$ 140,718</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 certain items as described under “Earnings Highlights”. Adjusted Net Income and Adjusted Basic Earnings per Share represent Net Income and Basic Earnings per Share, excluding certain items 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 December 31, 2017	Period from April 28,2017 (date of inception) to December 31, 2017
(in thousands of U.S. dollars)	(unaudited)	(unaudited)
Net cash provided by/(used in) operating activities	\$ 3,859	\$ 2,623
Net increase in operating assets	996	12,142
Net increase in operating liabilities	2,642	(1,701)
Payments for drydock and special survey	1,471	3,807
Deferred finance charges	(231)	(430)
Net interest cost	1,180	2,268
EBITDA⁽¹⁾	\$ 9,917	\$ 18,709
Re-activation cost	-	447
Adjusted EBITDA	\$ 9,917	\$ 19,156

(1)	Three Month Period Ended December 31, 2017	Period from April 28,2017 (date of inception) to December 31, 2017
(in thousands of U.S. dollars)	(unaudited)	(unaudited)
Net cash provided by operating activities	\$ 3,859	\$ 2,623
Net cash used in investing activities	\$ (129,157)	\$ (249,227)
Net cash provided by financing activities	\$ 109,587	\$ 260,825

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
Navios Lapis	4,250	2009
Navios Tempo	4,250	2009
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