

Navios Maritime Partners L.P.

Reports Financial Results for the Second Quarter Ended June 30, 2013

- *Cash distribution of \$0.4425 per unit for Q2 2013*
- *17.0% increase in quarterly net income to \$19.5 million*
- *23.8% increase in quarterly EBITDA to \$45.0 million*
- *35.6% increase in quarterly Operating Surplus to \$40.0 million*

PIRAEUS, GREECE, July 25, 2013 – Navios Maritime Partners L.P. (“Navios Partners”) (NYSE: NMM), an owner and operator of dry cargo vessels, today reported its financial results for the second quarter ended June 30, 2013.

Angeliki Frangou, Chairman and Chief Executive Officer of Navios Partners, stated: “We recently announced a quarterly distribution of \$0.44 and a quarter cent. This represents an annual distribution of \$1.77 and a current yield of about 11.8%. As we are committed to our distribution, we have worked hard over the past six months, engaging in a novel Term Loan B fundraising, taking costs out of our system and ensuring low leverage and a flexible chartering strategy. As a result of our hard work, we can assure investors that the current quarterly distribution is secure not only for the balance of 2013 but also for all of 2014”.

Angeliki Frangou continued, “In accessing the Term Loan B market, a first for dry bulk shipping, we raised \$250.0 million. This institutional debt market provides us access to new lenders, as traditional sources of shipping finance continue to shrink. Successfully completing this transaction is just one of many examples of Navios Partners’ ability to quickly identify and respond to changes in the market environment while positioning Navios Partners to take advantage of the eventual recovery in the dry bulk market”.

RECENT DEVELOPMENTS

Cash Distribution

The Board of Directors of Navios Partners declared a cash distribution for the second quarter of 2013 of \$0.4425 per unit. The cash distribution is payable on August 13, 2013 to unitholders of record on August 8, 2013.

\$250.0 million Term Loan B

In June 2013, Navios Partners announced the issuance of a \$250.0 million Term Loan B facility (the “Term Loan B”). The Term Loan B bears an interest rate of LIBOR +425 basis points and has a five year term, with 1% amortization profile. It is secured by first priority mortgages covering certain vessels owned by subsidiaries of Navios Partners, in addition to other collateral and guaranteed by each subsidiary of Navios Partners.

The net proceeds of the Term Loan B were used as follows: i) \$142.8 million to refinance existing indebtedness; ii) \$98.2 million, held in escrow, partially to finance part of the acquisition of four new vessels; and iii) to cover fees and expenses.

Long-Term and Insured Cash Flow

Navios Partners has entered into medium to long-term time charter-out agreements for its vessels with a remaining average term of 2.7 years, providing a stable base of revenue and distributable cash flow. Navios Partners has currently contracted out 95.6% of its available days for 2013, 44.0% for 2014 and 33.8% for 2015, generating revenues of approximately \$181.9 million, \$116.8 million and \$96.6 million, respectively. The average contractual daily charter-out rate for the fleet is \$24,001, \$29,058 and \$31,291 for 2013, 2014 and 2015, respectively. The average daily charter-in rate for the charter-in vessels is \$13,513 for 2013.

We have insured certain of our long-term charter-out contracts until the end of 2016, either through a “AA” rated European Union insurance provider up to a maximum cash payment of \$120.0 million or through a separate agreement with Navios Maritime Holdings Inc. (“Navios Holdings”) up to a maximum cash payment of \$20.0 million.

FINANCIAL HIGHLIGHTS

For the following results and the selected financial data presented herein, Navios Partners has compiled consolidated statements of income for the three and six month periods ended June 30, 2013 and 2012. The quarterly 2013 and 2012 information was derived from the unaudited condensed consolidated financial statements for the respective periods. EBITDA and Operating Surplus are non-GAAP financial measures and should not be used in isolation or substitution for Navios Partners’ results.

(in \$'000 except per unit data)	Three Month Period ended June 30, 2013 (unaudited)	Three Month Period ended June 30, 2012 (unaudited)	Six Month Period ended June 30, 2013 (unaudited)	Six Month Period ended June 30, 2012 (unaudited)
Revenue	\$ 49,154	\$ 49,122	\$ 99,435	\$ 97,109
Net income	\$ 19,511*	\$ 16,681	\$ 35,757*	\$ 33,618
EBITDA	\$ 45,046	\$ 36,377	\$ 82,100	\$ 73,162
Earnings per Common unit(basic and diluted)	\$ 0.29*	\$ 0.29	\$ 0.53*	\$ 0.59
Operating Surplus	\$ 40,008	\$ 29,497	\$ 71,223	\$ 59,087
Maintenance and Replacement Capital expenditure reserve	\$ (3,467)	\$ (4,525)	\$ (6,934)	\$ (8,986)

(*) Negatively affected by the non-cash write-off of \$3.2 million for both the three and six month periods ended June 30, 2013, relating to a favorable contract. Also includes the write off of deferred finance fees of \$2.0 million and \$2.4 million for the three and six month periods ended June 30, 2013.

Three month periods ended June 30, 2013 and 2012

Time charter revenues for the three month period ended June 30, 2013 increased by \$0.1 million or 0.1% to \$49.2 million, as compared to \$49.1 million for the same period in 2012. The increase was mainly attributable to the acquisitions of the Navios Buena Ventura on June 15, 2012, the Navios Soleil on July 24, 2012 and the Navios Helios on July 27, 2012. As a result of the vessel acquisitions, available days of the fleet increased to 1,894 days for the three month period ended June 30, 2013, as compared to 1,630 days for the three month period ended June 30, 2012. The above increase in time charter revenues was partially mitigated by the decrease in time charter equivalent (“TCE”) to \$25,318 for the three month period ended June 30, 2013, from \$29,262 for the three month period ended June 30, 2012.

EBITDA increased by \$8.6 million to \$45.0 million for the three month period ended June 30, 2013, as compared to \$36.4 million for the same period in 2012. The increase in EBITDA was due to a \$0.1 million increase in revenue following the acquisitions of the vessels, a \$0.2 million decrease in time charter expenses and a \$10.0 million increase in other income. The above increase was offset by a \$1.3 million increase in management fees due to the increased number of vessels, a \$0.1 million increase in general and administrative expenses and a \$0.2 million increase in other expenses.

The reserve for estimated maintenance and replacement capital expenditures for the three month periods ended June 30, 2013 and 2012 was \$3.5 million and \$4.5 million, respectively (please see Reconciliation of Non-GAAP Financial Measures in Exhibit 3).

Navios Partners generated an Operating Surplus for the three month period ended June 30, 2013 of \$40.0 million, as compared to \$29.5 million for the three month period ended June 30, 2012. Operating Surplus is a non-GAAP financial measure used by certain investors to assist in evaluating a partnership's ability to make quarterly cash distributions (please see Reconciliation of Non-GAAP Financial Measures in Exhibit 3).

Net income for the three months ended June 30, 2013 amounted to \$19.5 million compared to \$16.7 million for the three months ended June 30, 2012. The increase in net income by \$2.8 million was due to an \$8.6 million increase in EBITDA partially offset by a \$1.5 million increase in interest expense and finance cost and a \$4.3 million increase in depreciation and amortization expense due to the acquisitions of the vessels and the favorable lease terms recognized in relation to the Navios Buena Ventura.

Six month periods ended June 30, 2013 and 2012

Time charter revenues for the six month period ended June 30, 2013 increased by \$2.3 million or 2.4% to \$99.4 million, as compared to \$97.1 million for the same period in 2012. The increase was mainly attributable to the acquisitions of the Navios Buena Ventura on June 15, 2012, the Navios Soleil on July 24, 2012 and the Navios Helios on July 27, 2012. As a result of the vessel acquisitions, available days of the fleet increased to 3,784 days for the six month period ended June 30, 2013, as compared to 3,206 days for the six month period ended June 30, 2012. The above increase in time charter revenues was partially mitigated by the decrease in time charter equivalent ("TCE") to \$25,781 for the six month period ended June 30, 2013, from \$29,614 for the six month period ended June 30, 2012.

EBITDA increased by \$8.9 million to \$82.1 million for the six month period ended June 30, 2013, as compared to \$73.2 million for the same period in 2012. The increase in EBITDA was due to a \$2.3 million increase in revenue following the acquisitions of the vessels, a \$0.3 million decrease in time charter expenses and a \$9.8 million increase in other income. The above increase was offset by a \$2.5 million increase in management fees due to the increased number of vessels, a \$0.5 million increase in general and administrative expenses and a \$0.5 million increase in other expense.

The reserve for estimated maintenance and replacement capital expenditures for the six month periods ended June 30, 2013 and 2012 was \$6.9 million and \$8.9 million, respectively (please see Reconciliation of Non-GAAP Financial Measures in Exhibit 3).

Navios Partners generated an Operating Surplus for the six month period ended June 30, 2013 of \$71.2 million, as compared to \$59.1 million for the six month period ended June 30, 2012. Operating Surplus is a non-GAAP financial measure used by certain investors to assist in evaluating a partnership's ability to make quarterly cash distributions (please see Reconciliation of Non-GAAP Financial Measures in Exhibit 3).

Net income for the six months ended June 30, 2013 amounted to \$35.8 million compared to \$33.6 million for the six months ended June 30, 2012. The increase in net income by \$2.2 million was due to a \$8.9 million increase in EBITDA partially offset by a \$1.1 million increase in interest expense and finance cost, a \$5.5 million increase in depreciation and amortization expense due to the acquisitions of the vessels and the favorable lease terms recognized in relation to the Navios Buena Ventura and a \$0.1 million decrease in interest income.

Fleet Employment Profile

The following table reflects certain key indicators of Navios Partners' core fleet performance for the three and six month periods ended June 30, 2013 and 2012.

	Three Month Period ended June 30, 2013 (unaudited)	Three Month Period ended June 30, 2012 (unaudited)	Six Month Period ended June 30, 2013 (unaudited)	Six Month Period ended June 30, 2012 (unaudited)
Available Days ⁽¹⁾	1,894	1,630	3,784	3,206
Operating Days ⁽²⁾	1,893	1,628	3,779	3,202
Fleet Utilization ⁽³⁾	99.9%	99.9%	99.9%	99.9%
Time Charter Equivalent (per day) ⁽⁴⁾	\$25,318	\$29,262	\$25,781	\$29,614
Vessels operating at period end	21	19	21	19

- (1) Available days for the fleet represent total calendar days the vessels were in our possession for the relevant period after subtracting off-hire days associated with scheduled repairs, drydockings or special surveys. The shipping industry uses available days to measure the number of days in a relevant period during which a vessel is capable of generating revenues.
- (2) Operating days is 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 our vessels were available for revenue generating available days, 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 efficiency in finding employment for vessels and minimizing the amount of days that its vessels are off-hire for reasons other than scheduled repairs, drydockings or special surveys.
- (4) Time Charters Equivalents ("TCE") rates are defined as voyage and time charter revenues less voyage expenses during a period divided by the number of available days during the period. The TCE rate is a standard shipping industry performance measure used primarily to present the actual daily earnings generated by vessels on various types of charter contracts for the number of available days of the fleet.

Conference Call details:

Navios Partners' management will host a conference call today, Thursday, July 25, 2013 to discuss the results for the second quarter ended June 30, 2013.

Conference Call details:

Call Date/Time: Thursday, July 25, 2013 at 08:30 am ET

Call Title: Navios Partners Q2 2013 Financial Results Conference Call

US Dial In: +1.866.394.0817

International Dial In: +1.706.679.9759
Conference ID: 1842 6240

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: 1842 6240

Slides and audio webcast:

There will also be a live webcast of the conference call, through the Navios Partners website (www.navios-mlp.com) under "Investors". Participants to the live webcast should register on the website approximately 10 minutes prior to the start of the webcast.

A supplemental slide presentation will be available on the Navios Partners' website under the "Investors" section by 8:00 am ET on the day of the call.

About Navios Maritime Partners L.P.

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

Forward-Looking Statements

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 and Navios Partners' growth strategy and measures to implement such strategy; including expected vessel acquisitions 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. Although the Navios Partners 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 Partners. 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 changes in the demand for dry bulk vessels, competitive factors in the market in which Navios Partners operates; risks associated with operations outside the United States; and other factors listed from time to time in the Navios Partners' filings with the Securities and Exchange Commission. Navios Partners 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 Partners' expectations with respect thereto or any change in events, conditions or circumstances on which any statement is based.

Contacts

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NAVIOS MARITIME PARTNERS L.P.
CONDENSED CONSOLIDATED BALANCE SHEET
(Expressed in thousands of U.S. Dollars except unit data)

	<u>June 30,</u> <u>2013</u> <u>(unaudited)</u>	<u>December 31,</u> <u>2012</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 62,349	\$ 32,132
Restricted cash, short-term portion	830	29,529
Accounts receivable, net	22,506	7,778
Prepaid expenses and other current assets	560	594
Total current assets	86,245	70,033
Non-current assets		
Vessels, net	703,795	721,391
Deposits for vessels acquisitions	3,361	—
Deferred financing costs, net	4,783	2,767
Other long term assets	249	282
Intangible assets	138,048	160,479
Restricted cash, long-term portion	98,179	—
Total non-current assets	948,415	884,919
Total assets	\$ 1,034,660	\$ 954,952
LIABILITIES AND PARTNERS' CAPITAL		
Current liabilities		
Accounts payable	\$ 2,359	\$ 2,090
Accrued expenses	3,778	3,599
Deferred voyage revenue	2,724	9,112
Current portion of long-term debt	2,472	23,727
Amounts due to related parties	14,925	21,748
Total current liabilities	26,258	60,276
Non-current liabilities		
Long-term debt, net of current portion and discount	342,559	275,982
Total non-current liabilities	342,559	275,982
Total liabilities	\$ 368,817	\$ 336,258
Commitments and contingencies		
	—	—
Partners' capital:		
Common Unitholders (65,284,163 and 60,109,163 units issued and outstanding at June 30, 2013 and December 31, 2012, respectively)	662,741	616,604
General Partner (1,332,334 and 1,226,721 units issued and outstanding at June 30, 2013 and December 31, 2012, respectively)	3,102	2,090
Total partners' capital	\$ 665,843	\$ 618,694
Total liabilities and partners' capital	\$ 1,034,660	\$ 954,952

NAVIOS MARITIME PARTNERS L.P.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Expressed in thousands of U.S. Dollars except unit and per unit amounts)

	Three Month Period ended June 30, 2013 (\$ '000) (unaudited)	Three Month Period ended June 30, 2012 (\$ '000) (unaudited)	Six Month Period ended June 30, 2013 (\$ '000) (unaudited)	Six Month Period ended June 30, 2012 (\$ '000) (unaudited)
Time charter revenues (includes related party revenue of \$4.3 million and \$7.5 million for the three and six months ended June 30, 2013, respectively, and \$1.5 million and \$2.0 million for the three and six months ended June 30 2012, respectively)	\$ 49,154	\$ 49,122	\$ 99,435	\$ 97,109
Time charter expenses	(3,658)	(3,923)	(6,770)	(7,138)
Management fees	(8,586)	(7,336)	(17,077)	(14,582)
General and administrative expenses	(1,448)	(1,267)	(3,057)	(2,552)
Depreciation and amortization	(21,615)	(17,328)	(40,026)	(34,478)
Interest expense and finance cost, net	(3,927)	(2,384)	(6,332)	(5,196)
Interest income	7	29	15	155
Other income	10,083	107	10,127	342
Other expense	(499)	(339)	(558)	(42)
Net income	\$ 19,511	\$ 16,681	\$ 35,757	\$ 33,618

Earnings per unit:

	Three Month Period ended June 30, 2013 (unaudited)	Three Month Period ended June 30, 2012 (unaudited)	Six Month Period ended June 30, 2013 (unaudited)	Six Month Period ended June 30, 2012 (unaudited)
Net income	\$ 19,511	\$ 16,681	\$ 35,757	\$ 33,618
Earnings per unit:				
Common unit (basic and diluted)	\$ 0.29	\$ 0.29	\$ 0.53	\$ 0.59

NAVIOS MARITIME PARTNERS L.P.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in thousands of U.S. Dollars)

	Six Month Period Ended June 30, 2013 (unaudited)	Six Month Period Ended June 30, 2012 (unaudited)
OPERATING ACTIVITIES		
Net income	\$ 35,757	\$ 33,618
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	40,026	34,478
Amortization and write-off of deferred financing cost	2,788	272
Amortization of deferred dry dock costs	—	25
Changes in operating assets and liabilities:		
Increase in restricted cash	(1)	(1)
(Increase)/decrease in accounts receivable	(14,728)	351
Decrease in prepaid expenses and other current assets	34	1,773
Decrease/(increase) in other long term assets	33	(318)
Increase/(decrease) in accounts payable	269	(456)
Increase in accrued expenses	179	982
Decrease in deferred voyage revenue	(6,388)	(3,110)
(Decrease)/increase in amounts due to related parties	(6,823)	4,883
Net cash provided by operating activities	51,146	72,497
INVESTING ACTIVITIES:		
Acquisition of vessels	—	(40,820)
Deposits for acquisition of vessels	(3,361)	—
Acquisition of intangibles	—	(18,681)
Increase in restricted cash	(98,179)	—
Net cash used in investing activities	(101,540)	(59,501)
FINANCING ACTIVITIES:		
Cash distributions paid	(59,872)	(51,752)
Proceeds from issuance of general partner units	1,494	1,472
Proceeds from issuance of common units, net of offering costs	69,770	68,563
Proceeds from long term debt, net of discount	245,000	—
Decrease/(increase) in restricted cash	28,700	(2,696)
Repayment of long-term debt and payment of principal	(199,689)	(35,600)
Debt issuance costs	(4,792)	—
Net cash provided by/(used in) financing activities	80,611	(20,013)
Increase/(decrease) in cash and cash equivalents	30,217	(7,017)
Cash and cash equivalents, beginning of period	32,132	48,078
Cash and cash equivalents, end of period	\$ 62,349	\$ 41,061

EXHIBIT 2

Owned Vessels	Type	Built	Capacity (DWT)	Charter Expiration Date	Charter-Out Rate ⁽¹⁾
Navios Apollon	Ultra-Handymax	2000	52,073	February 2014	\$ 13,500 ⁽²⁾
Navios Soleil	Ultra-Handymax	2009	57,337	December 2013	\$ 8,906
Navios La Paix ⁽³⁾	Ultra-Handymax	2014	61,000	—	—
Navios Gemini S	Panamax	1994	68,636	February 2014	\$ 24,225
Navios Libra II	Panamax	1995	70,136	September 2015	\$ 12,000 ⁽²⁾
Navios Felicity	Panamax	1997	73,867	May 2014	\$ 12,000 ⁽⁴⁾
Navios Galaxy I	Panamax	2001	74,195	February 2018	\$ 21,937
Navios Helios	Panamax	2005	77,075	December 2013	\$ 7,838
Navios Hyperion	Panamax	2004	75,707	April 2014	\$ 37,953
Navios Alegria	Panamax	2004	76,466	February 2014	\$ 16,984 ⁽⁵⁾
Navios Orbiter	Panamax	2004	76,602	April 2014	\$ 38,052
Navios Hope	Panamax	2005	75,397	July 2014	\$ 10,000
Navios Sagittarius	Panamax	2006	75,756	November 2018	\$ 26,125
Navios Harmony ⁽⁶⁾	Panamax	2006	82,790	—	—
Navios Sun ⁽⁶⁾	Panamax	2005	76,619	—	—
Navios Fantastiks	Capesize	2005	180,265	March 2014	\$ 14,678
Navios Aurora II	Capesize	2009	169,031	November 2019	\$ 41,325
Navios Pollux	Capesize	2009	180,727	April 2019	\$ 40,888
Navios Fulvia	Capesize	2010	179,263	September 2015	\$ 50,588
Navios Melodia ⁽⁷⁾	Capesize	2010	179,132	September 2022	\$ 29,356 ⁽⁸⁾
Navios Luz	Capesize	2010	179,144	November 2020	\$ 29,356 ⁽⁹⁾
Navios Buena Ventura	Capesize	2010	179,259	October 2020	\$ 29,356 ⁽⁹⁾
Navios Joy ⁽⁶⁾	Capesize	2013	180,000	—	—
Chartered-in Vessels					
Navios Prosperity ⁽¹⁰⁾	Panamax	2007	82,535	November 2013	\$ 12,000 ⁽⁴⁾
Navios Aldebaran ⁽¹¹⁾	Panamax	2008	76,500	November 2013	\$ 11,000 ⁽¹²⁾

(1) Daily charter-out rate, net of commissions or net insurance or settlement proceeds, where applicable.

(2) Profit sharing 50% on the actual results above the period rates.

(3) Expected to be delivered in the first quarter of 2014.

(4) Profit sharing: The owners will receive 100% of the first \$1,500 in profits above the base rate and thereafter all profits will be split 50% to each party.

(5) Profit sharing 50% above \$16,984/ day based on Baltic Exchange Panamax TC Average.

(6) Expected to be delivered in the fourth quarter of 2013.

(7) In January 2011, Korea Line Corporation (“KLC”) filed for receivership. The charter was affirmed and will be performed by KLC on its original terms, following an interim suspension period during which Navios Partners trades the vessel directly.

(8) Profit sharing 50% above \$37,500/ day based on Baltic Exchange Capesize TC Average.

(9) Profit sharing 50% above \$38,500/ day based on Baltic Exchange Capesize TC Average.

(10) The Navios Prosperity is chartered-in for seven years until June 2014 and we have options to extend for two one-year periods. We have the option to purchase the vessel after June 2012 at a purchase price that is initially 3.8 billion Yen declining each year by 145 million Yen.

(11) The Navios Aldebaran is chartered-in for seven years until March 2015 and we have options to extend for two one-year periods. We

have the option to purchase the vessel after March 2013 at a purchase price that is initially 3.6 billion Yen declining each year by 150 million Yen.

(12) Profit sharing: The owners will receive 100% of the first \$2,500 in profits above the base rate and thereafter all profits will be split 50% to each party.

EXHIBIT 3

Disclosure of Non-GAAP Financial Measures

1. EBITDA

EBITDA represents net income plus interest and finance costs plus depreciation and amortization and income taxes.

EBITDA is presented because Navios Partners believes that EBITDA is a basis upon which liquidity can be assessed and present useful information to investors regarding Navios Partners' ability to service and/or incur indebtedness, pay capital expenditures, meet working capital requirements and pay dividends. EBITDA is a "non-GAAP financial measure" and should not be considered a substitute for net income, cash flow from operating activities and other operations or cash flow statement data prepared in accordance with accounting principles generally accepted in the United States or as a measure of profitability or liquidity.

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 that used by other companies due to differences in methods of calculation.

2. Operating Surplus

Operating Surplus represents net income adjusted for depreciation and amortization expense, non-cash interest expense and estimated maintenance and replacement capital expenditures. Maintenance and replacement capital expenditures are those capital expenditures required to maintain over the long term the operating capacity of, or the revenue generated by, Navios Partners' capital assets.

Operating Surplus is a quantitative measure used in the publicly-traded partnership investment community to assist in evaluating a partnership's ability to make quarterly cash distributions. Operating Surplus is not required by accounting principles generally accepted in the United States and should not be considered a substitute for net income, cash flow from operating activities and other operations or cash flow statement data prepared in accordance with accounting principles generally accepted in the United States or as a measure of profitability or liquidity.

3. Available Cash

Available Cash generally means for each fiscal quarter, all cash on hand at the end of the quarter:

- less the amount of cash reserves established by the Board of Directors to:
 - provide for the proper conduct of Navios Partners' business (including reserve for maintenance and replacement capital expenditures);
 - comply with applicable law, any of Navios Partners' debt instruments, or other agreements; or
 - provide funds for distributions to the unitholders and to the general partner for any one or more of the next four quarters;
- plus all cash on hand on the date of determination of available cash for the quarter resulting from working capital borrowings made after the end of the quarter. Working capital borrowings are generally borrowings that are made under any revolving credit or similar agreement used solely for working capital purposes or to pay distributions to partners.

Available Cash is a quantitative measure used in the publicly-traded partnership investment community to assist in evaluating a partnership's ability to make quarterly cash distributions. Available cash is not required by accounting principles generally accepted in the United States and should not be considered a substitute for net income, cash flow from operating activities and other operations or cash flow statement data prepared in accordance with accounting principles generally accepted in the United States or as a measure of profitability or liquidity.

4. Reconciliation of Non-GAAP Financial Measures

	Three Month Period ended June 30, 2013 (\$ '000) (unaudited)	Three Month Period ended June 30, 2012 (\$ '000) (unaudited)	Six Month Period ended June 30, 2013 (\$ '000) (unaudited)	Six Month Period ended June 30, 2012 (\$ '000) (unaudited)
Net cash provided by operating activities	\$ 21,753	\$ 34,709	\$ 51,146	\$ 72,497
Net increase/(decrease) in operating assets	13,655	726	14,662	(1,805)
Net increase in operating liabilities	7,970	(1,279)	12,763	(2,299)
Net interest cost	3,920	2,355	6,317	5,041
Amortization and write-off of deferred financing costs	(2,252)	(134)	(2,788)	(272)
EBITDA⁽¹⁾	\$ 45,046	\$ 36,377	\$ 82,100	\$ 73,162
Cash interest income	7	93	16	188
Cash interest paid	(1,578)	(2,448)	(3,959)	(5,277)
Maintenance and replacement capital expenditures	(3,467)	(4,525)	(6,934)	(8,986)
Operating Surplus	\$ 40,008	\$ 29,497	\$ 71,223	\$ 59,087
Cash distribution paid relating to the first quarter	—	—	(29,936)	(26,923)
Cash reserves	(10,072)	(1,934)	(11,351)	(4,601)
Available cash for distribution	\$ 29,936	\$ 27,563	\$ 29,936	\$ 27,563

(1)

	Three Month Period ended June 30, 2013 (\$ '000) (unaudited)	Three Month Period ended June 30, 2012 (\$ '000) (unaudited)	Six Month Period ended June 30, 2013 (\$ '000) (unaudited)	Six Month Period ended June 30, 2012 (\$ '000) (unaudited)
Net cash provided by operating activities	\$ 21,753	\$ 34,709	\$ 51,146	\$ 72,497
Net cash used in investing activities	(101,540)	(59,501)	(101,540)	(59,501)
Net cash provided / (used in) financing activities	68,244	32,357	80,611	(20,013)

