

Navios Maritime Partners L.P.

Reports Financial Results for the Third Quarter and Nine Months Ended September 30, 2012

- ***15.6% increase in quarterly Revenue to \$55.5 million***
- ***33.1% increase in quarterly Net Income to \$22.1 million***
- ***21.5% increase in quarterly Operating Surplus to \$35.6 million***
- ***19.4% increase in quarterly EBITDA to \$43.0 million***

PIRAEUS, GREECE, October 23, 2012 – Navios Maritime Partners L.P. (“Navios Partners”) (NYSE: NMM), an owner and operator of dry cargo vessels, today reported its financial results for the third quarter and nine months ended September 30, 2012.

Ms. Angeliki Frangou, Chairman and Chief Executive Officer of Navios Partners, stated: “I am pleased with the results for the third quarter of 2012. Our larger fleet allowed us to increase EBITDA by almost 20% and net income by 33%. We have 21 vessels with an average charter duration of 3.3 years and recently announced a quarterly distribution of \$0.4425 per unit with a record date of November 8, 2012. Our annual distribution of \$1.77 represents a yield of approximately 11.6%.”

Ms. Frangou continued, “We seek to increase distributions, regardless of the underlying market conditions. We have done so through various drop downs and, more recently, we have begun investing through the S&P market. We will continue to do so as opportunities warrant.”

RECENT DEVELOPMENTS

Cash Distribution

The Board of Directors of Navios Partners declared a cash distribution for the third quarter of 2012 of \$0.4425 per unit. The cash distribution is payable on November 13, 2012 to unitholders of record on November 8, 2012.

Vessel Acquisitions

On July 24, 2012, Navios Partners acquired from an unrelated third party the Navios Soleil, a 57,337 dwt Ultra-Handymax vessel built in 2009, for a cash purchase price of \$20.7 million.

On July 27, 2012, Navios Partners acquired from an unrelated third party the Navios Helios, a 77,075 dwt Panamax vessel built in 2005, for a cash purchase price of \$20.8 million.

Credit Facilities

On August 8, 2012, Navios Partners entered into a new credit facility (the “August Facility”) with DVB Bank SE and ABN AMRO Bank N.V, in order to borrow \$44.0 million to partially finance the acquisitions of the Navios Buena Ventura, the Navios Soleil and the Navios Helios. The August Facility matures on February 9, 2018 and is repayable in 22 equal quarterly installments of \$0.9 million each with a final balloon payment of \$23.7 million to be repaid on the last repayment date. It bears interest at a rate of LIBOR plus 350 bps. The August Facility also requires compliance with certain financial covenants.

On July 31, 2012, Navios Partners entered into a facility agreement (the “Loan Agreement”) with DVB Bank SE and Commerzbank AG for \$290.45 million in order to refinance Navios Partners’ two existing facilities consisting of the \$260.0 million credit facility, dated November 15, 2007, as amended, and the \$35.0 million credit facility dated May 27, 2011. The Loan Agreement matures on November 30, 2017 and is repayable (if the full amount is drawn) in 21 installments in various amounts during the term of the Loan Agreement consisting of \$0.6 million (two quarterly installments), \$7.9 million (17 quarterly installments) and \$12.9 million (two quarterly installments) with a final payment of \$128.6 million. It bears interest at a margin ranging from 180 to 205 bps per annum (depending on the loan amount compared to the security value). The Loan Agreement also requires compliance with certain financial covenants.

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 3.3 years, providing a stable base of revenue and distributable cash flow. Navios Partners has currently contracted out 99.3% of its available days for 2012, 83.0% for 2013 and 47.8% for 2014, generating revenues of approximately \$202.7 million, \$178.0 million and \$114.4 million, respectively. The average contractual daily charter-out rate for the fleet is \$28,734, \$27,987 and \$31,219 for 2012, 2013 and 2014, respectively. The average daily charter-in rate for the active long-term charter-in vessels is \$13,513 for 2012.

Navios Partners has insured its charter-out contracts for credit default through a “AA” rated insurance company in the European Union.

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 nine month periods ended September 30, 2012 and 2011. The quarterly 2012 and 2011 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 September 30, 2012 (unaudited)	Three Month Period ended September 30, 2011 (unaudited)	Nine Month Period ended September 30, 2012 (unaudited)	Nine Month Period ended September 30, 2011 (unaudited)
Revenue	\$55,540	\$48,011	\$152,649	\$136,490
Net income	\$22,143	\$16,563	\$55,761	\$46,674
EBITDA	\$43,030	\$35,980	\$116,192	\$99,203
Earnings per Common unit(basic and diluted)	\$0.36	\$0.35	\$0.95	\$0.98
Operating Surplus	\$35,642	\$29,344	\$94,729	\$84,540
Maintenance and Replacement Capital expenditure reserve	\$(4,941)	\$(4,828)	\$(13,927)	\$(13,740)

Three month periods ended September 30, 2012 and 2011

Time charter revenues for the three month period ended September 30, 2012 increased by \$7.5 million or 15.6% to \$55.5 million, as compared to \$48.0 million for the same period in 2011. The increase was mainly attributable to the acquisition of the Navios Buena Ventura on June 15, 2012, the acquisition of the Navios Soleil on July 24, 2012 and the acquisition of the Navios Helios on July 27, 2012. As a result of these vessel acquisitions, available days of the fleet increased to 1,882 days for the three month period ended September 30, 2012, as compared to 1,656 days for the three month period ended September 30, 2011. The time charter equivalent (“TCE”) increased to \$29,341 for the three month period ended September 30, 2012, from \$28,992 for the three month period ended September 30, 2011.

EBITDA increased by \$7.0 million to \$43.0 million for the three month period ended September 30, 2012, as

compared to \$36.0 million for the same period of 2011. The increase in EBITDA was due mainly to a \$7.5 million increase in revenue following the acquisition of the Navios Buena Ventura on June 15, 2012, the acquisition of the Navios Soleil on July 24, 2012 and the acquisition of the Navios Helios on July 27, 2012, a \$0.7 million decrease in time charter expenses and a \$0.3 million increase in other income/(expense), net. The above increase was partially offset by a \$1.4 million increase in management fees and a \$0.1 million increase in general and administrative expenses.

The reserve for estimated maintenance and replacement capital expenditures for the three month periods ended September 30, 2012 and 2011 was \$4.9 million and \$4.8 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 September 30, 2012 of \$35.6 million, as compared to \$29.3 million for the three month period ended September 30, 2011. 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 September 30, 2012 amounted to \$22.1 million compared to \$16.6 million for the three months ended September 30, 2011. The increase in net income by \$5.5 million was due to a \$7.0 million increase in EBITDA partially offset by: (i) a \$1.3 million increase in depreciation and amortization expense due to the acquisition of the Navios Buena Ventura, and the favorable lease terms recognized in relation to this acquisition and the acquisition of the Navios Soleil and the Navios Helios; and (ii) a \$0.1 million decrease in interest income.

Nine month periods ended September 30, 2012 and 2011

Time charter revenues for the nine month period ended September 30, 2012 increased by \$16.1 million or 11.8% to \$152.6 million, as compared to \$136.5 million for the same period in 2011. The increase was mainly attributable to the acquisitions of the Navios Luz and the Navios Orbiter on May 19, 2011, the acquisition of the Navios Buena Ventura on June 15, 2012, the acquisition of the Navios Soleil on July 24, 2012 and the acquisition of the Navios Helios on July 27, 2012. As a result of these vessel acquisitions, available days of the fleet increased to 5,088 days for the nine month period ended September 30, 2012, as compared to 4,604 days for the nine month period ended September 30, 2011. TCE increased to \$29,513 for the nine month period ended September 30, 2012, from \$29,646 for the nine month period ended September 30, 2011.

EBITDA increased by \$17.0 million to \$116.2 million for the nine month period ended September 30, 2012, as compared to \$99.2 million for the same period of 2011. The increase in EBITDA was mainly due to: (i) a \$16.1 million increase in revenue following the acquisitions of the five vessels at various times until July 2012 the Navios Luz, the Navios Orbiter, the Navios Buena Ventura, the Navios Soleil and the Navios Helios; (ii) a \$4.0 million of non-cash charge for the write-off of intangible asset associated with the Navios Apollon charter out contract incurred in the nine month period ended September 30, 2011; and (iii) a \$0.8 million increase in other income/ (expense), net. The above increase was partially offset by a \$3.4 million increase in management fees, a \$0.3 million increase in general and administrative expenses and a \$0.2 million increase in time charter expenses.

The reserve for estimated maintenance and replacement capital expenditures for the nine month periods ended September 30, 2012 and 2011 was \$13.9 million and \$13.7 million, respectively (please see Reconciliation of Non-GAAP Financial Measures in Exhibit 3).

Navios Partners generated an Operating Surplus for the nine month period ended September 30, 2012 of \$94.7 million, as compared to \$84.5 million for the nine month period ended September 30, 2011. 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 nine months ended September 30, 2012 amounted to \$55.8 million compared to \$46.7 million for the nine months ended September 30, 2011. The increase in net income by \$9.1 million was due to a \$17.0

million increase in EBITDA partially offset by: (i) a \$6.1 million increase in depreciation and amortization expense due to the acquisitions of the Navios Orbiter, the Navios Luz and the Buena Ventura and the favorable lease terms recognized in relation to these acquisitions and the acquisitions of the Navios Soleil and the Navios Helios; (ii) a \$1.2 million increase in interest expense and finance cost, net; and (iii) a \$0.6 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 nine month periods ended September 30, 2012 and 2011.

	Three Month Period ended September 30, 2012 (unaudited)	Three Month Period ended September 30, 2011 (unaudited)	Nine Month Period ended September 30, 2012 (unaudited)	Nine Month Period ended September 30, 2011 (unaudited)
Available Days ⁽¹⁾	1,882	1,656	5,088	4,604
Operating Days ⁽²⁾	1,870	1,504	5,072	4,317
Fleet Utilization ⁽³⁾	99.4%	90.8%	99.7%	93.8%
Time Charter Equivalent (per day) ⁽⁴⁾	\$29,341	\$28,992	\$29,513	\$29,646
Vessels operating at period end	21	18	21	18

- (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, Tuesday, October 23, 2012 to discuss the results for the third quarter and nine months ended September 30, 2012.

Conference Call details:

Call Date/Time: Tuesday, October 23, 2012 at 08:30 am ET
Call Title: Navios Partners Q3 2012 Financial Results Conference Call
US Dial In: +1.866.394.0817
International Dial In: +1.706.679.9759
Conference ID: 4016 8941

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: 4016 8941

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)

	September 30, 2012 (unaudited)	December 31, 2011
ASSETS		
Current assets		
Cash and cash equivalents	\$ 23,665	\$ 48,078
Restricted cash	28,066	8,468
Accounts receivable, net	8,226	4,835
Prepaid expenses and other current assets	729	2,177
Total current assets	60,686	63,558
Vessels, net	730,426	667,213
Deferred financing costs, net	3,133	2,466
Other long term assets	325	106
Intangible assets	170,092	176,581
Total non-current assets	903,976	846,366
Total assets	\$ 964,662	\$ 909,924
LIABILITIES AND PARTNERS' CAPITAL		
Current liabilities		
Accounts payable	\$ 1,985	\$ 2,022
Accrued expenses	3,176	2,986
Deferred voyage revenue	8,530	10,920
Current portion of long-term debt	27,428	36,700
Amounts due to related parties	19,009	4,077
Total current liabilities	60,128	56,705
Long-term debt	298,414	289,350
Deferred voyage revenue	—	4,230
Total non-current liabilities	298,414	293,580
Total liabilities	358,542	350,285
Commitments and contingencies	—	—
Partners' capital:		
Common Unitholders (60,109,163 and 46,887,320 units issued and outstanding at September 30, 2012 and December 31, 2011, respectively)	604,282	729,550
Subordinated Unitholders (0 and 7,621,843 units issued and outstanding at September 30, 2012 and December 31, 2011, respectively)	—	(177,969)
General Partner (1,226,721 units and 1,132,843 issued and outstanding at September 30, 2012 and December 31, 2011, respectively)	1,838	1,976
Subordinated Series A Unitholders (0 and 1,000,000 units issued and outstanding at September 30, 2012 and December 31, 2011, respectively)	—	6,082
Total partners' capital	606,120	559,639
Total liabilities and partners' capital	\$ 964,662	\$ 909,924

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 September 30, 2012 (\$ '000) (unaudited)	Three Month Period ended September 30, 2011 (\$ '000) (unaudited)	Nine Month Period ended September 30, 2012 (\$ '000) (unaudited)	Nine Month Period ended September 30, 2011 (\$ '000) (unaudited)
Time charter revenues	\$ 55,540	\$ 48,011	\$ 152,649	\$ 136,490
Time charter expenses	(2,772)	(3,480)	(9,910)	(9,672)
Direct vessel expenses	—	(13)	(25)	(48)
Management fees	(8,452)	(7,093)	(23,009)	(19,607)
General and administrative expenses	(1,322)	(1,186)	(3,874)	(3,578)
Depreciation and amortization	(18,496)	(17,151)	(52,974)	(46,821)
Write-off of intangible asset	—	—	—	(3,979)
Interest expense and finance cost, net	(2,415)	(2,377)	(7,611)	(6,415)
Interest income	24	124	179	755
Other income/(expense), net	36	(272)	336	(451)
Net income	\$ 22,143	\$ 16,563	\$ 55,761	\$ 46,674

Earnings per unit:

	Three Month Period ended September 30, 2012 (unaudited)	Three Month Period ended September 30, 2011 (unaudited)	Nine Month Period ended September 30, 2012 (unaudited)	Nine Month Period ended September 30, 2011 (unaudited)
Net income	\$ 22,143	\$ 16,563	\$ 55,761	\$ 46,674
Earnings attributable to:				
Common unit holders	21,700	16,231	54,646	44,095
Subordinated unit holders	—	—	—	1,645
General partner unit holders	443	332	1,115	934
Subordinated Series A unit holders	—	—	—	—
Weighted average units outstanding (basic and diluted)				
Common unit holders	60,109,163	46,887,320	57,303,324	44,911,890
Subordinated unit holders	—	7,621,843	—	7,621,843
General partner unit holders	1,226,721	1,132,843	1,182,866	1,092,528
Subordinated Series A unit holders	—	1,000,000	—	1,000,000
Earnings per unit- overall (basic and diluted):				
Common unit holders	\$ 0.36	\$ 0.35	\$ 0.95	\$ 0.98
Subordinated unit holders	\$ —	\$ —	\$ —	\$ 0.22
General partner unit holders	\$ 0.36	\$ 0.29	\$ 0.94	\$ 0.85

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

	Nine Month Period Ended September 30, 2012 (unaudited)	Nine Month Period Ended September 30, 2011 (unaudited)
OPERATING ACTIVITIES		
Net income	\$ 55,761	\$ 46,674
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	52,974	46,821
Write-off of intangible asset	—	3,979
Amortization of deferred financing cost	420	394
Amortization of deferred dry dock costs	25	48
Changes in operating assets and liabilities:		
Increase in restricted cash	(1)	(1)
Increase in accounts receivable	(3,391)	(5,012)
Decrease in prepaid expenses and other current assets	1,448	522
(Increase)/decrease in other long term assets	(244)	56
(Decrease)/increase in accounts payable	(37)	1,183
Increase in accrued expenses	190	476
Decrease in deferred voyage revenue	(6,620)	(5,819)
Increase in amounts due to related parties	14,932	6,812
Net cash provided by operating activities	115,457	96,133
INVESTING ACTIVITIES:		
Acquisition of vessels	(88,505)	(76,220)
Acquisition of intangibles	(21,193)	(43,780)
Net cash used in investing activities	(109,698)	(120,000)
FINANCING ACTIVITIES:		
Cash distributions paid	(79,315)	(70,669)
Proceeds from issuance of general partner units	1,472	2,052
Proceeds from issuance of common units, net of offering costs	68,563	86,288
Proceeds from long term debt	44,000	35,000
Increase in restricted cash	(19,596)	(7,642)
Repayment of long-term debt and payment of principal	(44,208)	(22,525)
Debt issuance costs	(1,088)	(414)
Net cash (used in)/ provided by financing activities	(30,172)	22,090
Decrease in cash and cash equivalents	(24,413)	(1,777)
Cash and cash equivalents, beginning of period	48,078	51,278
Cash and cash equivalents, end of period	\$ 23,665	\$ 49,501
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash paid for interest	\$ 7,732	\$ 5,596
Issuance of common units to Navios Holdings related to the acquisition of Navios Luz and Navios Orbiter in May 2011	\$ —	\$ 9,960

Owned Vessels	Type	Built	Capacity (DWT)	Charter Expiration Date	Charter-Out Rate ⁽¹⁾
Navios Apollon	Ultra-Handymax	2000	52,073	February 2013 February 2014	\$ 12,500 ⁽²⁾ \$ 13,500 ⁽²⁾
Navios Soleil	Ultra-Handymax	2009	57,337	November 2012	\$ 9,025
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	June 2013	\$ 26,169
Navios Galaxy I	Panamax	2001	74,195	February 2018	\$ 21,937
Navios Helios	Panamax	2005	77,075	September 2013	\$ 9,738
Navios Hyperion	Panamax	2004	75,707	April 2014	\$ 37,953
Navios Alegria	Panamax	2004	76,466	February 2014	\$ 16,984 ⁽³⁾
Navios Orbiter	Panamax	2004	76,602	April 2014	\$ 38,052
Navios Hope	Panamax	2005	75,397	August 2013	\$ 17,562
Navios Sagittarius	Panamax	2006	75,756	November 2018	\$ 26,125
Navios Fantastiks	Capesize	2005	180,265	February 2014	\$ 34,476 ⁽⁴⁾
Navios Aurora II	Capesize	2009	169,031	November 2019	\$ 41,325
Navios Pollux	Capesize	2009	180,727	July 2019	\$ 42,250
Navios Fulvia	Capesize	2010	179,263	September 2015	\$ 50,588
Navios Melodia ⁽⁵⁾	Capesize	2010	179,132	September 2022	\$ 29,356 ⁽⁶⁾
Navios Luz	Capesize	2010	179,144	November 2020	\$ 29,356 ⁽⁷⁾
Navios Buena Ventura	Capesize	2010	179,259	October 2020	\$ 29,356 ⁽⁷⁾

Long-term Chartered-in Vessels

Navios Prosperity ⁽⁸⁾	Panamax	2007	82,535	June 2013	\$ 12,000 ⁽¹⁰⁾
Navios Aldebaran ⁽⁹⁾	Panamax	2008	76,500	March 2013	\$ 28,391

(1) Net time charter-out rate per day (net of commissions). Represents the charter-out rate during the time charter period prior to the time charter expiration date and, if applicable, the charter-out rate under new time charter.

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

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

(4) Amount represents daily rate of insurance proceeds following the default of the original charterer. The vessel has been rechartered to third parties.

(5) In January 2011, Korea Line Corporation (“KLC”) filed for receivership. The charter was affirmed and will be performed by KLC on its original terms, provided that during an interim suspension period the sub-charterer pays Navios Partners directly.

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

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

(8) 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.

(9) 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.

(10) 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.

Disclosure of Non-GAAP Financial Measures**1. EBITDA and Adjusted EBITDA**

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

Adjusted EBITDA represents EBITDA plus the non-cash charge for the write-off of the intangible asset associated with the Navios Apollon charter-out contract.

EBITDA and Adjusted EBITDA are 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 and Adjusted EBITDA are "non-GAAP financial measures" 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 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 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 as an alternative to net income or any other indicator of Navios Partners' performance required by accounting principles generally accepted in the United States.

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 as an alternative to net income or any other indicator of Navios Partners' performance required by accounting principles generally accepted in the United States.

4. Reconciliation of Non-GAAP Financial Measures

	Three Month Period ended September 30, 2012 (\$ '000) (unaudited)	Three Month Period ended September 30, 2011 (\$ '000) (unaudited)	Nine Month Period ended September 30, 2012 (\$ '000) (unaudited)	Nine Month Period ended September 30, 2011 (\$ '000) (unaudited)
Net Cash from Operating Activities	\$ 42,960	\$ 34,263	\$ 115,457	\$ 96,133
Net increase in operating assets	3,993	1,764	2,188	4,435
Net increase in operating liabilities	(6,166)	(2,160)	(8,465)	(2,652)
Net interest cost	2,391	2,253	7,432	5,660
Write-off of intangible asset	—	—	—	(3,979)
Deferred finance charges	(148)	(140)	(420)	(394)
EBITDA⁽¹⁾	\$ 43,030	\$ 35,980	\$ 116,192	\$ 99,203
Write-off of intangible asset	—	—	—	3,979
Adjusted EBITDA	\$ 43,030	\$ 35,980	\$ 116,192	\$ 103,182
Cash interest income	8	96	196	694
Cash interest paid	(2,455)	(1,904)	(7,732)	(5,596)
Maintenance and replacement capital expenditures	(4,941)	(4,828)	(13,927)	(13,740)
Operating Surplus	\$ 35,642	\$ 29,344	\$ 94,729	\$ 84,540
Cash distribution paid relating to the first half of the year	—	—	(54,486)	(48,768)
Cash reserves	(8,079)	(4,515)	(12,680)	(10,943)
Available cash for distribution	\$ 27,563	\$ 24,829	\$ 27,563	\$ 24,829

(1)

	Three Month Period ended September 30, 2012 (\$ '000) (unaudited)	Three Month Period ended September 30, 2011 (\$ '000) (unaudited)	Nine Month Period ended September 30, 2012 (\$ '000) (unaudited)	Nine Month Period ended September 30, 2011 (\$ '000) (unaudited)
Net cash provided by operating activities	\$ 42,960	\$ 34,263	\$ 115,457	\$ 96,133
Net cash used in investing activities	\$ (50,197)	\$ —	\$ (109,698)	\$ (120,000)
Net cash (used in)/provided by financing activities	\$ (10,159)	\$ (37,754)	\$ (30,172)	\$ 22,090

