ASA Gold & Precious Metals Ltd
Form N-CSR
February 05, 2013

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-21650

ASA Gold and Precious Metals Limited
(Exact name of registrant as specified in charter)

400 S. El Camino Real, Suite 710, San Mateo, CA	94402
(Address of principal executive offices)	(Zip code)

JP Morgan Chase Bank, N.A.
3 MetroTech Center, 6th Floor
Brooklyn, New York 11245
(Name and address of agent for service)

Registrant's telephone number, including area code: 650-376-3135

Date of fiscal year end: November 30

Date of reporting period: November 30, 2012

Item 1. Report of Stockholders

ASA Gold and Precious Metals Limited

Annual Report and Consolidated Financial Statements

November 2012

ASA Gold and Precious Metals Limited

Annual Report and Consolidated Financial Statements

November 30, 2012

Table of Contents

Letter to Shareholders

The past fiscal year was the first in more than a decade that the gold price declined. The lack of gold price momentum, combined with rising operating costs and poor financial performance weighed on the share price performance of gold mining shares. The performance of ASA Gold and Precious Metals Limited (ASA or the Company) mirrored the performance of the broader gold mining industry with a total return of negative 24.2% based on its net asset value (NAV), including reinvested dividends, during the twelve months ended November 30, 2012 (fiscal year-end). The NAV of the Company was $24.18 per share at the fiscal year-end, versus $32.46 per share a year earlier. The closing price of ASA s shares on the New York Stock Exchange (NYSE) on November 30, 2012 was $22.00, representing a share price discount to NAV of 9.0%. The share prices of closed-end funds, like ASA, are normally determined by trading activity in the open market and consequently may reflect a premium (higher than) or a discount (lower than) to its underlying NAV.

For the fiscal year ended November 30, 2012, the total return based on ASA s share price of negative 22.4% outperformed the total return of negative 23.9% for the FTSE Total Return Gold Mines Index. ASA s share price outperformed the FTSE Gold Mines Total Return Index due to a combination of the return from the portfolio and a reduction in the discount at which ASA s shares trade in the market. Despite the good relative performance of ASA s share price, we remain disappointed with the performance of gold mining shares and gold bullion during the last twelve months. The gold price declined by 1.1% during the last fiscal year despite a sharp increase in government spending, continued quantitative easing, significant increases in gold ETF holdings and volatile currencies.

ASA s shares traded at an average discount of 7.8% during the last fiscal year, an improvement over the average discount of 8.8% during fiscal year 2011. This improving trend is believed to be due to an increase in ASA s continued marketing efforts, more active investment management and an effective discount management program enacted by the Board of Directors. As a result of the improvement in the discount, the Company did not acquire any shares in the market during the last year. Share repurchases are among the tools that the Board may utilize in an effort to help mitigate the discount. The Board continues to closely monitor the discount and undertakes a thorough review of the discount management program regularly.

Management of ASA continued its ongoing due diligence by visiting the mining operations of numerous companies around the globe, including assets in Canada, the United States, Mexico, Guatemala and the Kyrgyz Republic. Additionally, we held hundreds of meetings with precious metals companies in our office in California, at their corporate headquarters and at industry events. We believe strongly that one cannot stay in touch with the investments in this industry without a significant commitment to due diligence. While this effort has a cost, ASA continues to maintain one of the lowest expense ratios in the industry.

ASA has made distributions to shareholders continuously for 53 years. For the fiscal year ended November 30, 2012, ASA distributed $0.38 per share compared to $0.36 per share for the previous financial year. During the fiscal year, dividends received from gold mining companies continued to grow from the low levels witnessed during 2009 and 2010. After two years of underperformance from gold mining shares as compared to the performance of gold bullion, management of mining companies, who are dissatisfied with their share price performance, have realized that investors require a higher rate of return from mining shares than from an investment in gold bullion. As such, many of the senior gold producers announced increased dividends during the last year. Chart 1 illustrates the historical distributions to ASA shareholders since 2005. Distributions increased sharply in 2008 and 2009, largely due to the distribution of capital gains generated by the Company s tender offers. We anticipate some improvement in income during 2013 as the gold mining industry faces the need to improve shareholder returns.

Chart 1: Historical Distributions and Sources

Source: ASA Gold and Precious Metals Limited

Performance of Gold Mining Shares

Over the long-term, a diversified portfolio of gold mining companies has outperformed the gold price due to growth inherent in operating companies combined with their ability to pay dividends. In the last two years, this relationship became increasingly strained as the share price performance of gold miners has failed to keep pace with rising gold prices. Chart 2 below illustrates the degree to which gold mining shares, as represented by the FTSE Gold Mines Total Return Index, underperformed gold bullion. Investors in mining shares witnessed a nearly 21.0% decline in the value of their investments during the last two years ended November 30, 2012, while those invested in gold bullion have seen the value of their portfolio increase by 24.8% during the same time period. Both junior and senior gold equities struggled to break-even from a performance standpoint and all but two companies in the index declined in value during 2012.

2

Chart 2: Performance of Gold Bullion vs. Gold Mining Companies Indexed to 100 Since December 1, 2010

Source: ASA Gold and Precious Metals Limited, Bloomberg

Numerous theories have been put forth for the disparity in the recent price performance of gold miners relative to gold bullion. Two key points, in our view, hold the answer to this divergence. First, we believe that gold bullion ETFs have increased the liquidity and ease of investing in gold bullion, which in turn has drawn growing interest from fund managers to the diversification benefits of adding gold to one s portfolio. The increased ability to trade in gold bullion has commensurately reduced the demand for gold mining shares from managers looking for portfolio diversification through gold. However, gold is a non-interest paying, no-growth asset and, as such, gold bullion has historically underperformed mining shares over the longer term.

The second reason for the disparity in performance has been the poor financial performance of the gold mining industry during the last two years. Inefficient allocation of capital, combined with increased operating costs, has depressed financial results for the industry and negatively affected investor interest in this sector. The performance of gold mining shares may also be attributed in part to a prevalent risk-averse attitude on the part of investors and generally slow economic growth rates.

Chart 3: Growth in Demand for Gold Bullion ETFs

Source: ASA Gold and Precious Metals Limited, Bloomberg

We believe that the degree of underperformance of gold miners as compared to gold bullion has resulted in the largest contraction in valuation multiples that this industry has witnessed in many decades. At present, we estimate that the larger and mid-capitalized gold producers are trading at approximately 0.7x the net present value of cash flows (NPV), in contrast to ratios as high as 1.5x NPV historically. At present valuations, we believe that gold mining equities may present an excellent opportunity to participate in the gold and precious metals sector. We believe that the issues of capital allocation and poor financial results are being addressed by mining companies, and that the next two years may see potential for a recovery in valuations.

South Africa

Few countries are so endowed with an abundance of natural resources, an educated work force, and geographical benefits on which to build a vibrant economy as is South Africa. However, despite South Africa s many advantages, it has somehow managed to squander many of its opportunities in recent years. The last twelve months have been especially difficult for the South African mining industry. The inability of the South African government to deliver on its social commitments over many years has fueled recent labor unrest and sporadic strikes within the mining industry. Over the last decade, the responsibility for educating the labor force and providing housing and security in the local communities in which the mining companies have operated has shifted from the government to the mining companies. As the government has been unable to deliver on its social commitments, labor unions have instead turned to the mining companies to provide some of the community revitalization, shifting the cost and burden for these programs onto the mining companies, and negatively affecting financial and share price performance.

The violence that coincided with labor actions during 2012 has now entered a period of relative calm. Gold mining companies such as AngloGold Ashanti Limited and Gold Fields Limited have reported that most employees have returned to work and there has been a gradual ramp-up in operations with only one mine still closed. Moreover, the violence of the strikes in the platinum mining sector has also subsided.

The platinum mining industry in South Africa has been particularly hard hit during the last twelve months due to increased demands from labor, combined with rising operating costs and low platinum and palladium (PGM) prices. The recent strikes are estimated to have contributed to a 12% decline in platinum production within the South African mining industry during 2012. This has resulted in poor share price performance from the sector as well as a nearly 100% turnover in the industry s senior management. The CEOs of all four of the largest South African PGM producers have changed in the last six months of 2012, leaving the future stewardship of the sector to a new crop of managers. We continue to expect some difficulties ahead as the PGM industry is likely to face a series of layoffs in the coming year as it seeks to rebalance its operating cost profile in order to regain its financial health. Wage talks within the PGM and gold mining industries in mid-2013 may result in additional periods of labor instability in South Africa. Unfortunately, we expect that the currently elevated level of social unrest will continue to negatively affect the South African mining industry for some time to come.

Chart 4: Aggregate South African Exposure

Source: ASA Gold and Precious Metals Limited

The issues negatively affecting the South African mining industry cannot be solved by the mining industry alone and will need to be addressed through a sustained and collaborative approach driven by the South African Government and broader society. As stated by J.P. Morgan s research team, Until greater clarity emerges, whether by the actions of the mining companies, Government, or unions, a positive bias towards the South African mining sector is difficult to justify. As a consequence of the continued decline in the quality of South African mining operations and the lower level of dividend payments being received from the PGM companies, ASA s management has felt compelled to lower the portfolio s weighting to the South African mining industry as a whole during the last year. Overall, ASA s investments in South Africa declined from 19.3% at fiscal year-end 2011 to 12.1% at fiscal year-end 2012. The Company s weighting to the PGM sector declined from an estimated 8.7% at fiscal year-end 2011 to 4.8% at fiscal year-end 2012 as a result of the underperformance of these companies combined with the sale of some investments by ASA.

ASA has continued to hold its investments in physical platinum and palladium through ETFs, as we believe that the fundamentals for the metal itself have continued to improve due to the improving economic outlook in combination with limited growth in global PGM supply. We continue to believe that there is some diversification benefit to holding PGMs within a precious metals portfolio such as ASA's.

Changes to the Portfolio

Gold royalty companies such as Franco-Nevada Corporation and Royal Gold Inc. contributed positively to ASA s performance during the last year as these companies are perceived as being isolated from many of the risks generally associated with the mining industry. A royalty company provides liquidity to the mining industry and thus, in a capital intensive industry such as mining, can prosper during periods of capital scarcity. The advantage of this business model is that income in a royalty company is determined by the revenue of the underlying project and is not subject to operating cost inflation as is the case with most mining companies. During the 2012 fiscal year, ASA increased its ownership in the shares of Franco-Nevada Corporation, while our investment in Royal Gold Inc. continued to contribute nicely to the portfolio s total return.

Chart 5: ASA Portfolio Allocation November 30, 2012

Source: ASA Gold and Precious Metals Limited

ASA s investments in South Africa were reduced during the year as a result of the many trends identified previously. ASA sold portions of its investments in Anglo American Platinum Limited, Anglo American plc, AngloGold Ashanti Limited, Impala Platinum Holdings Limited, Lonmin Plc, and Gold Fields Limited. ASA, however, increased its investment in Harmony Gold Mining Company Limited, as we have been impressed with the progress that management has made in lowering operating costs, improvements in grade control and advancing the company s newest development project in Papua New Guinea.

During the year, ASA also sold the remainder of its investment in NovaGold Resources Inc. ASA purchased this investment several years ago, and as a result of the significant increase in the company s valuation, we elected to realize the gains in this position and reallocate capital to investments we believe have a higher return potential going forward. ASA retains a very small position in NovaCopper Inc., which was distributed to the shareholders of NovaGold Resources Inc. during 2012.

The most significant additions to the portfolio during the year include the purchase of additional shares in Silver Lake Resources Limited, a significant increase in Freeport-McMoRan Copper & Gold Inc., and new investments in CGA Mining Limited (CGA) and Belo Sun Mining Corp. CGA recently accepted an offer to be acquired by B2Gold Corp. (B2Gold) of Canada and thus, will be either sold or converted to B2Gold shares shortly. Belo Sun Mining Corp., ASA s newest portfolio holding, is developing the Volta Grande project in Brazil. This project is now well into the permitting and engineering stages of its development and the successful receipt of permits could see this company develop into one of Brazil s larger gold producers. The addition of Freeport-McMoRan Copper & Gold Inc. to the portfolio is attributable to the very high quality of Freeport s assets and a sharp decline in Freeport s share price following a slowing of Chinese economic growth and a recently announced acquisition. We believe that a recent decline in Freeport s share price provided a very attractive entry point for long-term investors such as ASA.

Some investments have not worked out as hoped when they were originally purchased. During the year, ASA liquidated its investment in Centamin plc, the Egyptian gold miner, as it became increasingly evident that the Egyptian revolution had not resulted in an improved business environment as hoped. Continued operating problems from shortages of supplies, export restrictions, and questions regarding the ownership status of the project have negatively affected results and investor confidence in management. Likewise, investments made by ASA during the 2011 fiscal year in Stornoway Diamond Corporation and West Kirkland Mining Inc. have not worked out as well as hoped, given the difficult environment for financing new mining projects. We continue to work with both companies with the goal of creating more value for ASA s shareholders. ASA increased its investment in Centerra Gold Inc. during the year following a visit to the company s operations in the Kyrgyz Republic. Unfortunately, continued political discussions within the country regarding the status of this project have negatively affected the performance of the share price despite a significant increase in the company s gold reserves during the year.

Economic Uncertainty Driving Gold Price

Gold traders are struggling between the potentially bullish indicators of continued instability within the European Union and the more bearish signs of continued economic improvement in the United States. We believe that the longer the U.S. Federal Reserve maintains a loose monetary policy, the higher the propensity for rising inflation rates, which could provide further support for the gold price during the coming year. On the other hand, gold investors will likely view any improvement in the U.S. economy and any ending of loose U.S. monetary policy as short-term negatives for gold prices.

All of the factors that have driven investor interest in gold during the last twelve years remain in the market today. Growing expectations of further quantitative easing and prolonged loose monetary policies, coupled with unsustainable debt levels in the major economies, have led many investors to consider gold as a necessary portion of their investment portfolio. Further, the decline in the valuation of gold and precious metals mining companies leave us convinced that gold and precious metals mining companies represent a compelling investment for long-term investors.

As always, we appreciate the support from both our Board of Directors and our shareholders over the past year.

David Christensen
President, Chief Executive Officer and Chief Investment Officer
January 19, 2013

* * * * * *

Copies of financial reports for ASA Gold and Precious Metals Limited, as well as its latest net asset value, may be requested from ASA Gold and Precious Metals Limited, 400 S. El Camino Real, Suite 710, San Mateo, CA (650) 376-3135 or (800) 432-3378, and may be found on the Company s website (www.asaltd.com). We would like to call to your attention the availability of the Dividend Reinvestment and Stock Purchase Plan. See page 21 of this report for information on how shareholders can participate in this plan.

* * * * * *

The Annual General Meeting of Shareholders will be held on Thursday, March 14, 2013 at 10:00 a.m. at the offices of K&L Gates LLP, 599 Lexington Avenue, 32nd Floor, New York, New York, USA. We look forward to your attendance.

* * * * * *

Forward-Looking Statements

This shareholder letter includes forward-looking statements within the meaning of U.S. federal securities laws that are intended to be covered by the safe harbors created thereunder. The Company s actual performance or results may differ from its beliefs, expectations, estimates, goals and projections, and consequently, investors should not rely on these forward-looking statements as predictions of future events. Forward-looking statements are not historical in nature and generally can be identified by words such as believe, anticipate, estimate, expect, intend, should, may, will, seek, or similar expressions or their forms, or by references to strategy, plans, goals or intentions. The absence of these words or references does not mean that the statements are not forward-looking. The Company s performance or results can fluctuate from month to month depending on a variety of factors, a number of which are beyond the Company s control and/or are difficult to predict, including without limitation: the Company s investment decisions, the performance of the securities in its investment portfolio, economic, political, market and financial factors, and the prices of gold, platinum and other precious minerals that may fluctuate substantially over short periods of time. The Company assumes no obligation to revise, correct or update the forward-looking statements as a result of new information, future events or otherwise.

The Company concentrates its investments in the gold and precious minerals sector. This sector may be more volatile than other industries and may be affected by movements in commodity prices triggered by international monetary and political developments. The Company is a non-diversified fund and, as such, may invest in fewer investments than that of a diversified portfolio. The Company may invest in smaller-sized companies that may be more volatile and less liquid than larger more established companies. Investments in foreign securities, especially those in the emerging markets, may involve increased risk as well as exposure to currency fluctuations. Shares of closed-end funds frequently trade at a discount to net asset value. All performance information reflects past performance and is presented on a total return basis. Past performance is no guarantee of future results. Current performance may differ from the performance shown.

This shareholder letter does not constitute an offer to sell or solicitation of an offer to buy any securities.

Certain investment policies and restrictions (unaudited)

The following is a summary of certain of the Company s investment policies and restrictions and is subject to the more complete statements contained in documents filed with the Securities and Exchange Commission.

The Concentration of Investments in a Particular Industry or Group of Industries. It is a fundamental policy (i.e., a policy that may be changed only by shareholder vote) of the Company that at least 80% of its total assets be (i) invested in common shares or securities convertible into common shares of companies engaged, directly or indirectly, in the exploration, mining or processing of gold, silver, platinum, diamonds or other precious minerals, (ii) held as bullion or other direct forms of gold, silver, platinum or other precious minerals, (iii) invested in instruments representing interests in gold, silver, platinum or other precious minerals such as certificates of deposit therefor, and/or (iv) invested in securities of investment companies, including exchange traded funds, or other securities that seek to replicate the price movement of gold, silver or platinum bullion. Compliance with the percentage limitation relating to the concentration of the Company s investments will be measured at the time of investment.

If investment opportunities deemed by the Company to be attractive are not available in the types of securities referred to in the preceding paragraph, the Company may deviate from the investment policy outlined in that paragraph and make temporary investments of unlimited amounts in securities issued by the U.S. Government, its agencies or instrumentalities or other high quality money market instruments.

The Percentage of Voting Securities of any one Issuer that the Company May Acquire. It is a non-fundamental policy (i.e., a policy that may be changed by the Board of Directors) of the Company that the Company shall not purchase a security if, at the time of purchase, more than 20% of the value of its total assets would be invested in securities of the issuer of such security.

Report of independent registered public accounting firm

To the Board of Directors and Shareholders
ASA Gold and Precious Metals Limited

We have audited the accompanying consolidated statement of assets and liabilities of ASA Gold and Precious Metals Limited (the Company) including the consolidated schedule of investments, as of November 30, 2012, and the related consolidated statement of operations, the consolidated statement of changes in net assets, and the financial highlights for year ended November 30, 2012. These financial statements and financial highlights are the responsibility of the Company s management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audit. Other auditors have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board, the consolidated statement of assets and liabilities, as of November 30, 2011, and the consolidated statement of operations and the consolidated statement of changes in net assets for the year ended November 30, 2011, and the financial highlights for each of the four years in the period ended November 30, 2011, and in their report, dated January 24, 2012, they expressed an unqualified opinion on those financial statements and financial highlights.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of November 30, 2012, by correspondence with the custodian. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the consolidated position of the Company, as of November 30, 2012, and the results of their operations, the changes in their net assets, and the financial highlights for the year ended November 30, 2012, in conformity with accounting principles generally accepted in the United States of America.

TAIT, WELLER & BAKER LLP
Philadelphia, Pennsylvania

January 19, 2013

7

Consolidated schedules of investments

November 30, 2012 and November 30, 2011

Name of Company	2012 Shares/ Principal Amount	Value	Percent of Net Assets	Shares/ Principal Amount
Common Shares and Warrants				
Gold and silver investments				
Gold mining, exploration, development and royalty companies				
Australia				
Centamin plc, (1)		$	%	3,250,000 $
CGA Mining Limited, (1)	1,343,700	3,364,655	0.7	
Newcrest Mining Limited ADRs	1,315,000	34,847,500	7.5	1,565,000
Silver Lake Resources Limited, (1)	1,550,000	5,608,700	1.2	1,100,000
		43,820,855	9.4	
Canada				
Agnico-Eagle Mines Limited	479,300	26,744,940	5.7	475,000
Alacer Gold Corp., (1)	1,343,400	6,106,364	1.3	1,343,400
Barrick Gold Corporation	1,250,000	43,162,500	9.3	1,250,000
Belo Sun Mining Corp., (1)	2,000,000	3,459,372	0.7	
Centerra Gold Inc.	625,000	5,600,111	1.2	325,000
Detour Gold Corporation, (1)	250,000	6,184,634	1.3	250,000
Eldorado Gold Corporation	650,000	9,412,000	2.0	650,000
Franco-Nevada Corporation	225,000	12,720,736	2.7	125,000
Goldcorp Inc.	1,182,400	45,758,880	9.8	1,082,400
IAMGOLD Corporation	600,000	7,098,000	1.5	600,000
	1,325,000	13,356,001	2.9	1,325,000

Kinross Gold Corporation				
Lake Shore Gold Corp., (1)				1,500,000
NovaGold Resources Inc., (1)				1,735,168
Osisko Mining Corporation, (1)	1,292,400	10,527,393	2.3	250,000
West Kirkland Mining Inc., (1)(2)	909,091	210,268	0.0	909,091
West Kirkland Mining Inc., C$1.50 Warrants, 11/22/2012, (1)(2)				454,545
		190,341,199	40.8	
Channel Islands				
Randgold Resources Limited ADRs	444,700	47,742,992	10.2	494,700
Latin America				
Compañia de Minas Buenaventura S.A.A. ADRs	909,000	29,787,930	6.4	909,000
South Africa				
AngloGold Ashanti Limited	593,194	18,371,218	3.9	793,194
Gold Fields Limited	1,029,577	12,643,206	2.7	1,629,577
Harmony Gold Mining Company Limited	400,000	3,124,000	0.7	250,000
		34,138,424	7.3	
United States				
Newmont Mining Corporation	620,368	29,213,129	6.3	520,368
Royal Gold, Inc.	210,000	16,959,600	3.6	210,000

46,172,729	9.9

Table of Contents

Litigation Relating to the Exchange Offer and Consent Solicitation

On January 23, 2019, a putative class action complaint was filed aga
the Southern District of New York by a purported holder of Series C
fiduciary duties. The complaint seeks, among other things, unspecifi
duties, a declaration that the consent solicitation is invalid, and an av
intend to vigorously defend against the complaint.

Principal Executive Offices

The legal and commercial name of Navios Holdings is Navios Marit
at 7 Avenue de Grande Bretagne, Office 11B2, Monte Carlo, MC 98
Holdings is a corporation incorporated under the BCA and the laws o
Inc. serves as Navios Holdings agent for service of process, and Na
process, is Trust Company Complex, Ajeltake Island P.O. Box 1405
https://www.navios.com. **Our website and the information contai**
on the NYSE under the symbol NM .

Table of Contents

THE EXCHANGE OFFER A

The following is a summary of the terms of the Exchange Offer and S
highlights certain material information in this prospectus, but befor
Consent Solicitation, we urge you to read carefully this entire prosp
Comparison of Rights Between the Preferred Shares and the 2024
Solicitation.

Offeror and Issuer	Navios Ma
Series G ADSs Outstanding	1,419,055
The Exchange Offer	We are off
	(1) c
	(2) n
	on the term
	For additio
	If all cond (representi ADSs are Tender A
	The Excha record date the Expira
Exchange Offer Consideration	We are off (ii) either Series G A

See Terms of the Exchange Offer and Series G ADS Consent Solic

You may
your Serie
proration
Solicitatio
informatio

Table of Contents

Tender Acceptance Proration Procedures	Upon the t 66 2/3% o limit, they remaining proration v Exchange
	Where the Seri not pro calculat Thresho holders tendere
	In apply G ADS approve purchas
	See Term Proration I
Guaranteed Delivery Procedures	If you wis Date, you procedures Solicitatio Consent S
Series G ADS Consent Solicitation	We are see Amendme
	The tender pursuant to Series G P the Series Bank of N consent in Shares und outstandin certificate

Table of Contents

	In addition certificate the holders become ef we intend stockholde Series G A
Series G Proposed Amendments	The Series covenants future peri certificate
	elimina
	elimina and any time in
	amendi effect s arrears Preferre
	elimina Navios Series C are in a
	elimina at least togethe outstan parity s
	elimina G Prefe apart fo repurch securiti

Even if the
analogous
contained

Table of Contents

	Preferred S Amendme
No Recommendation	Neither we Depositary recommen Offer or th in the Excl Offer base 2024 Note relevant. **You shoul particular prospectu the Excha**
Conditions to Completion of the Exchange Offer and Series G ADS Consent Solicitation	The compl certain add Solicitatio ADS Cons in the Seri
Expiration of the Exchange Offer	The Excha expire at 1 terminated and times the Expira determine
Closing Date	The closin and Series or about A
How to Tender Your Series G ADSs	Series G A be tendere If you tend exchange

	that you te tendered fo
	If you hav Terms of Tendering
Fractional Interest in the 2024 Notes	Fractional Instead, an receive a c
	See Term Exchange Solicitatio
Withdrawal of Tendered Series G ADSs	You may w Date. Any promptly f expiration that are no commence ADSs will Proposed A Solicitatio
Consequences of Not Exchanging Series G ADSs	If you curr ADSs and proration p your unexc amended p Moreover, outstandin the Series
Amendment and Termination	We may te conditions the right, s Offer and the terms o

Table of Contents

	and the Se Series G A prior to the holders wh previously holders an Exchange
Use of Proceeds	We will no considerat Notes, we accepted in Offer will
Certain U.S. Federal Income Tax Consequences	See Certa
Appraisal Rights	Under Rep consent to Proposed A the fair v Islands. Ho of Series C exercise th possible w than Marc Solicitatio
Information Agent	Georgeson
Exchange Agent	The Bank
Depositary	The Bank
Soliciting Dealer Fee	With respe a fee of 2.0 tendered o Offer and

Table of Contents

Additional Documentation; Further Information; Assistance	Any reque Informatio telephone other secu
	Any reque Agent at th (888) 566-

You should read this entire prospectus carefully before deciding personal financial advisor or other legal, tax or investment profe

Table of Contents

SUMMARY I

The following summary contains basic information about the 2024 N
is important to you. For a more complete understanding of the 2024
Notes.

Issuer	Navios Ma
Securities Offered	Up to $8.3 considerat
Issue Price	100%.
Maturity Date	April 15, 2
Interest	9.75% per 15 and Oc

Interest on the 2024 Notes issued in the Exchange Offer will accrue already been paid, from the date it was most recently paid. Because t ADS Exchange Offer will be issued on and will accrue interest from Offer and the Series H ADS Exchange Offer will have separate CUS of Notes No Assurance of an Active Trading Market and Certai Notes.

Guarantees	None.
Ranking	The 2024 I

senior i
that it i

pari pa

structur

effectiv
Navios
includi
any suc

Sinking Fund	None.

Table of Contents

Redemption	We will ha time, at a r redeemed, on which t
Events of Default	If an event principal a immediate certain eve
Restrictive Covenants	None.
United States Federal Income Tax Consequences	See Certa
No Assurance of an Active Trading Market	We cannot maintained maintained because th Notes issu the 2024 N trade unde issued to t subsequen considerat guarantee same CUS Notes Th trading ma
Risk Factors	You shoul particular, before par electing th
Trustee	Wilmingto
Governing Law	The gover

Table of Contents

SUMMARY HISTORICAL CONS

The summary consolidated financial and other data of Navios Holdi
audited consolidated financial statements included in this prospectus
accounting firm. The summary consolidated statement of comprehen
the nine month periods ended September 30, 2018 and September 3
this prospectus in Annex B. The summary consolidated balance shee
financial statements, which are not included in this prospectus. The i
financial statements and related notes included in the annexes to this
referenced above include all adjustments, consisting of normal recur
presented. The information below should be read in conjunction wit
financial statements, related notes and other financial information in
and our Form 6-K included in this prospectus as Annex B.

The historical results included below and elsewhere in this prospect

(in thousands of U.S. dollars)	Nin September 2018 (unaudite
Statement of Comprehensive (Loss)/income Data	
Revenue	$ 390,38
Administrative fee revenue from affiliates	21,48
Time charter, voyage and logistics business expenses	(155,36
Direct vessel expenses	(73,75
General and administrative expenses incurred on behalf of affiliates	(21,48
General and administrative expenses	(21,75
Depreciation and amortization	(75,24
Interest expense and finance cost, net	(97,79
Impairment losses	(16,07
Gain/(loss) on bond and debt extinguishment	6,46
Other (expense)/income, net	(8,92
Loss before equity in net earnings of affiliated companies	**$ (52,06**
Equity in net (losses)/earnings of affiliated companies	(13,72
Losses before taxes	**$ (65,78**
Income tax benefit/(expense)	1,32
Net loss	**$ (64,46**

Table of Contents

	Septe **2**
(in thousands of U.S. dollars)	**(una**
Less: Net income attributable to the noncontrolling interest	
Net loss attributable to Navios Holdings common stockholders	**$**
Loss attributable to Navios Holdings common stockholders, basic and diluted	**$**
Basic and diluted net loss per share attributable to Navios Holdings common stockholders	**$**
Weighted average number of shares, basic and diluted	**$ 119**
Balance Sheet Data	
(at period end)	
Current assets, including cash and cash equivalents and restricted cash	$
Total assets	2
Total long-term indebtedness, including current portion	1
Navios Holdings stockholders equity	$
Other Financial Data	
Net cash provided by operating activities	$
Net cash provided by/(used in) investing activities	
Net cash (used in)/provided by financing activities	
Book value per common share	
Cash dividends per common share	
Cash dividends per preferred share	
Cash paid for Common Stock dividend declared	
Cash paid for preferred stock dividend declared	
Adjusted EBITDA	$

(1) EBITDA represents net (loss)/income attributable to Navios H and amortization and before income taxes. Adjusted EBITDA as a liquidity measure and reconcile Adjusted EBITDA to net measure. Adjusted EBITDA is calculated as follows: net cash

when applicable and as the case may be, the effect of (i) net in
liabilities, (iii) net interest cost, (iv) deferred finance charges a
losses on accounts receivable, (vi) equity in affiliates, net of di
(viii) noncontrolling interest, (ix) gain/ (loss) on sale of assets/
reclassification to earnings of available-for-sale securities and
upon which liquidity can be assessed and represents useful inf
indebtedness, pay capital expenditures, meet working capital n
EBITDA is used (i) by prospective and current lessors as well
potential acquisition candidates; and (iii) by securities analysts
industry.

Adjusted EBITDA has limitations as an analytical tool, and therefore
Holdings results as reported under U.S. GAAP. Some of these limi
for, working capital needs; (ii) Adjusted EBITDA does not reflect th
financing arrangements; and (iii) although depreciation and amortiza
be replaced in the future. Adjusted EBITDA does not reflect any cas
others, Adjusted EBITDA should not be considered as a principal in
EBITDA may not be comparable to that reported by other companie

Table of Contents

The following table reconciles net cash provided by operating activi

Adjusted EBITDA Reconciliation from Cash from Operations

(in thousands of U.S. dollars)	Septen 20 (unau
Net cash provided by operating activities	$ 3
Net increase/(decrease) in operating assets	1
Net increase in operating liabilities	(
Payments for drydock and special survey costs	
Net interest cost	9
(Provision)/recovery for losses on accounts receivable	
Impairment losses	(1
Gain on sale of assets	
Gain on bond and debt extinguishment	
(Losses)/earnings in affiliates and joint ventures, net of dividends received	(1
Reclassification to earnings of available-for-sale securities	
Noncontrolling interest	(
Adjusted EBITDA	**$ 11**

Table of Contents

R

You should carefully consider the risk factors set forth below as wel information contained in this prospectus before deciding to particip described below and in Annex A are not the only risks facing us. Ad to be immaterial may also materially and adversely affect our busin materially and adversely affect our business, financial condition or the 2024 Notes.

Risks Relating to the Exchange Offer and the 2024 Notes

If you tender Series G ADSs, you may subject to proration as to th consideration for accepted Series G ADSs in the form you elect.

Upon the terms and subject to the conditions of the Exchange Offer, outstanding Series G ADSs. If Series G ADSs are validly tendered a acceptance proration procedures described in this prospectus. Any S Offer will be not be accepted for exchange and will be returned to te returned Series G ADSs will be subject to the Series G Proposed An Consent Solicitation Tender Acceptance Proration Procedures.

In addition, the consideration to be received for the Series G ADSs a excluding the Additional Series G ADS Cash Consideration, no mor consideration. If Series G ADSs are tendered in excess of this cash c ADSs in excess of this cash cap will be deemed to have been tender the form of consideration you receive will be dependent on the elect Exchange Offer. Accordingly, some of the consideration you receive The Exchange Offer Consideration Elections and Consideration P

We have not obtained a third-party determination that the Exchan

Neither we, our Board of Directors, the Information Agent, the Exch person is making any recommendation as to whether or not you shou you should choose to receive if you tender Series G ADSs in the Ex representative to act solely on behalf of the holders of Series G ADS preparing a report concerning the fairness of the Exchange Offer. Y Exchange Offer.

If the Exchange Offer is successfully completed and the Series G will generally no longer have certain voting rights or the protectio designation.

If the Exchange Offer is successfully completed and the Series G Pr Solicitation, and we obtain the vote of a majority of the outstanding

Table of Contents

substantially all of the restrictive covenants and our obligation to pay
eliminated and certain voting rights will be amended in the certificat
the protections of holders of the Series G ADSs will be eliminated a
Series G ADSs or is subject to proration, and the Exchange Offer an
majority of the outstanding Common Stock then the Series G ADSs
unpaid dividends for past periods and future periods and substantiall
Additionally, the liquidity of the Series G ADSs may be reduced.

The indenture governing the 2024 Notes will not contain restrictive

The indenture governing the 2024 Notes will not contain any negati

- incurring or guaranteeing additional indebtedness;
- creating liens on our assets;
- making new investments;
- engaging in mergers and acquisitions;
- paying dividends or redeeming capital stock;
- making capital expenditures; or
- entering into transactions with affiliates.

There will be no limitation to the amount of indebtedness, including
Notes. While there are restrictive covenants in the terms of our other
guarantee that such indebtedness will remain a part of our capital str
covenants contained in such indebtedness or that any refinancing inc
indebtedness. Additionally, the indenture governing the 2024 Notes
the 2024 Notes in the event of a change of control. Further, the inde
event of non-payment of interest due on or principal due of the 2024
for an event of default with respect to any covenants in the indenture
court judgments that may be rendered in the future. See Descriptio
limited events of default may limit your rights as holder of the 2024

The 2024 Notes will not be, guaranteed by any of Navios Holdings
Navios Holdings subsidiaries. Accordingly, Navios Holdings secu
creditors will have priority over you as a holder of the 2024 Notes

The 2024 Notes will not be guaranteed by any of our subsidiaries or
subsidiaries. As a consequence, the 2024 Notes will be structurally a
liabilities (other than trade creditors of Navios Holdings) and those o
other than the equity of its subsidiaries. Claims of creditors of our su
properties, assets and earnings of such subsidiaries over

Table of Contents

our claims or those of our creditors, including you as a holder of the
reorganize, dissolve or otherwise wind up, the properties, assets and
creditors, trade creditors, banks and other lenders and judgment cred

There is currently no market for the 2024 Notes and we cannot ass

The 2024 Notes are new securities for which there presently is no es
development or liquidity of any market for the 2024 Notes. We do n
Therefore, it is unlikely that a trading market for the 2024 Notes wil
Notes issued in the Exchange Offer may not be fungible with the 20
issue dates, the 2024 Notes issued as consideration for each of the S
therefore, the trading market for the 2024 Notes issued to the Series
settlement of the Exchange Offer that the 2024 Notes issued as cons
cannot guarantee that the 2024 Notes issued in the two exchange off
to the Exchange Offer and the 2024 Notes There is currently no ma
develop for the 2024 Notes.

Even if a limited trading market for the 2024 Notes does develop, yo
not be able to obtain the price you desire for your 2024 Notes. Histo
that have caused substantial fluctuations in the price of securities. If
from their initial offering price depending on many factors, includin
interest of securities dealers in making a market for the 2024 Notes,
results and financial condition, as well as of other companies in our

The liquidity of, and trading market for the 2024 Notes also may be
similar securities. Such declines may adversely affect such liquidity

The successful completion of the Exchange Offer will result in an

In February 2016, we announced the suspension of payment of quar
Notes pursuant to this Exchange Offer and the issuance of the 2024
obligation to the holders of the 2024 Notes to make a semi-annual, c
obligation to pay the dividends on the Series G ADSs and Series H
Assuming the Exchange Offer is successful, and we issue the maxim
assuming no cash consideration elections and including the issuance
Exchange Offer, our annual interest expense will increase by approx

Series G ADSs that you continue to hold after the Exchange Offer

Following consummation of the Exchange Offer, the number of Seri
remaining outstanding Series G ADSs may be less liquid and marke
G ADSs. Therefore, holders

whose Series G ADSs are not repurchased will own a greater percen
of the Exchange Offer. This may reduce the volume of trading and m
affecting the market price. Decreased liquidity may make it more dif

If you tender Series G ADSs in the Exchange Offer, a portion of th

The amount of Series G ADSs that we intend to accept in the Exchan
ADSs. As a result, we may not be able to accept for exchange a port
the Exchange Offer and the amount of the Series G ADSs that you v
proration. See Terms of the Exchange Offer and Series G ADS Co
Series G ADSs and the Exchange Offer and/or Series G ADS Conse
tendered Series G ADSs in excess of the proration threshold will be
G Proposed Amendments, if adopted. Consequently, substantially al
Factors Risks Relating to the Exchange Offer and the 2024 Notes I
Amendments are adopted, the holders of the remaining Series G AD
covenants under the Series G Preferred Shares certificate of designat
American Depositary Shares.

By participating in the Exchange Offer and tendering your Series
will relinquish any appraisal rights you may have under Republic

If you participate in the Exchange Offer and we accept your outstand
will, as a matter of Marshall Islands law, effective upon our acceptan
relinquish any appraisal rights you may have under Republic of the I
automatically withdrawn any outstanding demand for appraisal right
Exchange Offer and relinquishing appraisal rights, you are foregoing
you would have been entitled to had you asserted your appraisal righ
Solicitation Appraisal Rights.

If you have claims against us resulting from your acquisition or ov
Series G ADSs.

By tendering Series G ADSs in the Exchange Offer, upon closing of
and waived any and all claims they, their successors and their assign

us, our subsidiaries, our affiliates and their stockholders

our directors, officers, employees, attorneys, accountant
well as the directors, officers, employees, attorneys, acc
our stockholders,

arising from, related to, or in connection with their acquisition or ow
securities laws.

Table of Contents

Because it is not possible to estimate the likelihood of their success i
ultimately might be entitled, it is possible that the consideration that
value of any legal claims such holders are relinquishing. Moreover, I
who have already sold their Series G ADSs will continue to have the

Tax Risks

The tax consequences of the Exchange Offer are complex and will

The U.S. federal income tax consequences to you of participating in
Proposed Amendments are approved and become effective, whether
Series G ADSs are returned to you under the tender offer acceptance
combination of 2024 Notes and cash, whether your receipt of such c
federal income tax purposes, the issue price for U.S. federal incor
circumstances. Even if you do not participate in the Exchange Offer,
Proposed Amendments are approved and become effective.

If you participate in the Exchange Offer and you are a holder that is
recognize gain (which may exceed the amount of any cash you recei
exchange of your Series G ADSs. If you are permitted to recognize l
offset ordinary income that you generally would be required to recog
Notes are issued with original issue discount for U.S. federal inco
prospectus. Because the U.S. federal income tax consequences of the

The 2024 Notes may not be rated or may receive a lower rating tha

The 2024 Notes are not rated, and we do not intend to seek a rating o
and assigns the notes a rating lower than the rating expected by inve
the market price of our Common Stock could be harmed. In addition
our creditworthiness. Consequently, if a credit ratings agency rates a
on credit watch, the trading price of the 2024 Notes is likely to decli

The 2024 Notes may be issued with original issue discount for U.S.

If you receive 2024 Notes in the Exchange Offer and you are a holde
consequences will depend in part on the issue price of the 2024 N
of Holding the 2024 Notes Issue Price of the 2024 Notes in this pr
determined until after consummation of the Exchange Offer. If the p
equals or exceeds the statutory *de minimis* amount, then the 2024 No
purposes in an amount equal to such excess. A holder that is subject

Table of Contents

include OID in its gross income as it accrues as ordinary income usi
attributable to the OID, regardless of the U.S. holder s regular meth
discussion under Certain U.S. Federal Income Tax Consequences
concerning the tax consequences to you of the acquisition, ownershi
circumstances.

Risks Relating to Our Series G Preferred Shares and the Ameri

If the Series G Proposed Amendments are adopted then we will no Series G Preferred Shares.

In February 2016, we announced the suspension of payment of quar
dividend on the Series G Preferred Shares since then. If the Series G
accrued and unpaid dividends or future dividends on the Series G Pr
currently have no plans or intentions to pay dividends on the Series
Amendments, if adopted, will provide that we cannot pay a dividend
a dividend to holders of our Series G Preferred Shares in respect of
holders of the Series G Preferred Shares, including the Series G AD

Our Series G Preferred Shares and Series H Preferred Shares are pursuant to this Exchange Offer, and a holder s interests could be Preferred Shares and Series H Preferred Shares and by other tran

Our Series G Preferred Shares, with a liquidation preference of $2,5
$2,500.00 per share, are subordinated to all of our existing and futur
assuming the Exchange Offer is consummated and no cash consider
be issued in the Series H ADS Exchange Offer, we will issue approx
from time to time in the future, and the terms of the Series G Prefer
indebtedness we may incur. We announced the suspension of divide
and Series H Preferred Shares in February 2016. The payment of pri
our shares, including the Series G ADSs and Series H ADSs, should
dividends on the Series G Preferred Shares and Series H Preferred S
will provide that unpaid dividends on the Series G ADSs will not cu
respect to any given quarter unless we also pay a dividend to holder
additional preferred shares on a parity with or senior to our Series G
holders of our Series G Preferred Shares and Series H Preferred Sha
G Preferred Shares and Series H Preferred Shares or additional inde
preference on our Series G Preferred Shares and Series H Preferred
of our Series G Preferred Shares in the event of a highly leveraged o
substantially all our assets or business, which might adversely affec

Table of Contents

Our Series G Preferred Shares will rank *pari passu* with any other cl
Series G Preferred Shares that is not expressly subordinated or senio
payable upon liquidation or reorganization.

***Our ability to redeem our Series G Preferred Shares, and therefore
requirements of Republic of the Marshall Islands law.***

Republic of the Marshall Islands law provides that we may redeem t
such purposes. Legally available assets generally are limited to our s
consideration received by us for the sale of shares above the par valu
redeem Series G Preferred Shares if we are insolvent or would be re
redemption.

The Series G Preferred Shares represent perpetual equity interests

The Series G Preferred Shares represent perpetual equity interests in
principal amount at a particular date. As a result, holders of the Serie
the financial risks of an investment in the Series G Preferred Shares
the Series G Preferred Shares will rank junior to all our indebtedness
with respect to assets available to satisfy claims against us.

***The Series G Preferred Shares represented by the Series G ADSs h
trading price of the Series G ADSs.***

We have not sought to obtain a rating for the Series G Preferred Sha
rating agencies might independently determine to assign a rating to t
Preferred Shares in the future. In addition, we have issued securities
obtain a rating. Any ratings that are assigned to the Series G Preferre
may be issued on our other securities, if they are lower than market e
relative value for the Series G Preferred Shares and could adversely
the views of the issuing rating agency or agencies and such ratings c
issuing rating agency. A rating is not a recommendation to purchase
Series G ADSs. Ratings do not reflect market prices or suitability of
Shares and the Series G ADSs may not reflect all risks related to us a
and the Series G ADSs.

***The amount of the liquidation preference of our Series G Preferre
regardless of the circumstances.***

The payment due upon liquidation for our Series G Preferred Shares
per ADS). If the Exchange Offer is successfully completed and the S
Consent Solicitation, and we obtain the vote of a majority of the out
dividends on the Series G ADSs will not cumulate. In the event of o
liquidation preference of $2,500.00 per share (equivalent to $25.00 p
Furthermore, if the market price for the Series G Preferred Shares,

is greater than the liquidation preference, holders will have no right t

The Series G Preferred Shares are only redeemable at our option a on the dates they respectively become redeemable or on any particu

We may redeem, at our option, all or from time to time part of the Se
If we redeem the Series G Preferred Shares, holders of the Series G P
per share (equivalent to $25.00 per ADS). Any decision we may mak
depend upon, among other things, our evaluation of our capital posit
that time. In addition, investors might not be able to reinvest the mon
be, in a similar security or at similar rates. We may elect to exercise

Holders of the Series G ADSs may be subject to additional risks re

Because holders of the Series G ADSs do not hold their Series G Pre
others:

- a holder of either Series G ADSs will not be treated as o
- distributions on the Series G Preferred Shares represente makes a distribution to holder on behalf of the Series G Depositary that must be paid will be deducted;
- we and the Depositary may amend or terminate the Depo that could prejudice holders of Series G ADSs or that co
- the Depositary may take other actions inconsistent with

Risks Relating to our Debt

We have substantial debt and may incur substantial additional deb adversely affect our financial health and our ability to obtain finan the 2024 Notes.

As of September 30, 2018, we had $1,628.6 million in aggregate pri

Our substantial debt could have important consequences to holders o

- our ability to obtain additional financing for working cap general corporate purposes and our ability to satisfy our

a substantial portion of our cash flow from operations m
thereby reducing the funds available to us for other purp

Table of Contents

we will be exposed to the risk of increased interest rates
variable rates of interest;

it may be more difficult for us to satisfy our obligations
indebtedness;

we may be more vulnerable to general adverse economi

we may be at a competitive disadvantage compared to o
and, as a result, we may not be better positioned to with

our ability to refinance indebtedness may be limited or t

our flexibility to adjust to changing market conditions a
prevented from carrying out capital expenditures that ar
margins or our business.

We and our subsidiaries may be able to incur substantial additional i
indenture governing our 11.25% Senior Secured Notes due 2022 (th
Priority Ship Mortgage Notes due 2022 (the 2022 Notes) do not f
2024 Notes does not contain any limitation to the amount of indebte
indenture governing the 7.25% Senior Notes due 2022 (the 2022 L
agreements governing the terms of Term Loan B Facility (the Term
of Navios Logistics also permit Navios Logistics to incur substantia
debt is added to our current debt levels, the related risks that we now

The agreements and instruments governing our debt other than th
our ability to operate our business.

Our secured credit facilities and our indentures governing our 2022
restrictions on us. These restrictions limit our ability to:

incur or guarantee additional indebtedness;

create liens on our assets;

make new investments;

engage in mergers and acquisitions;

pay dividends or redeem capital stock;

make capital expenditures;

engage in certain FFA trading activities;

change the flag, class or commercial and technical mana

enter into long-term charter arrangements without the co

sell any of our vessels.

The agreements governing the terms of Navios Logistics indebtedn

Therefore, we and Navios Logistics will need to seek permission fro
actions that believe would be in the best interest of our respective

Table of Contents

business, and a denial of permission may make it difficult for us or N
compete with companies that are not similarly restricted. The interes
interests or those of our holders of our equity and debt securities, and
permission of lenders when needed. This may prevent us or Navios L
stockholders. Any future debt agreements may include similar or mo

Our ability to generate the significant amount of cash needed to pa
refinance all or a portion of our indebtedness or obtain additional

Our ability to make scheduled payments on or to refinance our respe
performance, which, in turn, will be subject to prevailing economic a
may be beyond the control of us and Navios Logistics.

The principal and interest on such debt will be paid in cash. The pay
working capital, capital expenditures, vessel acquisitions and other p
assets. We may need to take on additional debt as we expand our fle
service our debt may limit funds available for other purposes, and ou
foreclosure on assets such as owned vessels or otherwise negatively

The market values of our vessels, which have declined from histori
covenants in our credit facilities and result in the foreclosure of ou

Factors that influence vessel values include:

- number of newbuilding deliveries;
- number of vessels scrapped or otherwise removed from
- changes in environmental and other regulations that may
- changes in global dry cargo commodity supply;
- types and sizes of vessels;
- development viability and increase in use of other mode
- cost of vessel acquisitions;
- cost of newbuilding vessels;

- governmental or other regulations;
- prevailing level of charter rates;
- general economic and market conditions affecting the sh
- the cost of retrofitting or modifying existing ships to res
applicable environmental or other regulations or standar

If the market values of our owned vessels decrease, we may breach c
are unable to remedy any relevant breach, our lenders could

Table of Contents

accelerate our debt and foreclose on their collateral, including our ve
positive cash flow from operations and, therefore, service our debt. I
conditions, or a vessel is sold at a price below its book value, we wo

In addition, as vessels grow older, they generally decline in value. W
circumstances indicate that the carrying amount of the assets may no
undiscounted projected operating cash flows expected from the futur
short-term charters or in the spot market. Any impairment charges in
condition and results of operations. In addition, if we sell any vessel
impairment adjustment to our financial statements, the sale may be a
loss and a reduction in earnings.

We may require additional financing to acquire vessels or business

In the future, we may be required to make substantial cash outlays to
financing to cover all or a portion of the purchase prices. We intend
acquired, if applicable, but there can be no assurance that we will ge
covenants in our senior secured credit facility, the indentures or othe
on what we can offer as collateral.

The international nature of our operations may make the outcome

We are incorporated under the laws of the Republic of the Marshall I
the Marshall Islands, the Republic of Liberia, Malta, Belgium and ce
countries around the world. Consequently, in the event of any bankru
bankruptcy laws other than those of the United States could apply, w
important respects. We have limited operations in the United States.
in the United States may seek to assert jurisdiction over all of our as
no assurance, however, that we would become a debtor in the Unite
jurisdiction over such bankruptcy case or that courts in other countri
bankruptcy court s jurisdiction if any other bankruptcy court would

We are a holding company, and therefore our ability to make any r
subsidiaries to pay dividends or to advance funds.

We have no direct operations and no significant assets other than the
our operating subsidiaries, we depend on those entities for dividends
obligations, including our required obligations under the 2024 Notes
be subject to, among other things, the terms of any debt instruments
subsidiaries to us were eliminated, delayed, reduced or otherwise im
impaired.

Table of Contents

We have substantial equity investments in six companies, five of w
companies is subject to the risks related to their respective busines

As of the date of this prospectus, we had a 63.8% ownership interest
As such, the income and losses relating to Navios Logistics and the i
financial statements.

We also have substantial equity investments in two public companie
Partners. As of September 30, 2018, we held 45.3% of the voting sto
prospectus, we held 20.2% of the equity interest in Navios Partners (
value of our investments in these two affiliated companies amounted

In addition to the value of our investment, we receive dividend paym
month period ended September 30, 2018, we received $4.4 million a
respectively. Furthermore, we receive management and general and
to $76.3 million and $58.2 million, respectively, during the nine mo

On October 9, 2013, we, Navios Acquisition and Navios Partners es
interests of 47.5%, 47.5% and 5.0%, respectively and 50%, 50% and

On February 18, 2015, we, Navios Acquisition and Navios Partners
interests of 47.5%, 47.5% and 5.0%, respectively and voting interest

On June 8, 2017, Navios Containers completed a private placement
converted into to a limited partnership. In connection with the conve
limited liability company and wholly-owned subsidiary of Navios H
non-economic interest that does not provide the holder with any righ

Following the conversion of Navios Containers into a limited partne
outstanding equity of Navios Containers to the unitholders of Navios
Global Select Market. As of the date of this prospectus, we had a 3.7

Our ownership interest in Navios Logistics, Navios Acquisition, Nav
reflection of such companies (or the investment relating thereto) on
subject to a variety of risks, including risks relating to the respective
Containers, Navios Europe I and Navios Europe II as disclosed in th
of any such risks may negatively affect our financial condition.

We evaluate our investments in Navios Acquisition, Navios Partners
impairment (OTTI) on a quarterly basis. Consideration is given
carrying value, (ii) their financial condition and near term prospects,
period of time sufficient to allow for any anticipated recovery in fai

As of September 30, 2018, we consider the decline in the market val
However, there is the potential for future impairment charges

Table of Contents

relative to these equity securities if their respective fair values do no
may have a material adverse impact on our results of operations in th
during the year ended December 31, 2017, we did not recognize any

We and our subsidiaries are incorporated in the Republic of the M
officers and directors are non-U.S. residents. Although you may br
obtain a judgment against us, our directors or our management in
enforce judgments against us, our directors or our management.

We and our subsidiaries are organized under the laws of the Republi
are located outside of the United States. Our business is operated pri
and officers are non-residents of the United States, and all or a subst
States. As a result, it may be difficult or impossible for you to bring
that your rights have been infringed under securities laws or otherwi
courts of the Republic of the Marshall Islands, and the courts of the
damages, against us or our affiliates for a cause of action arising und
Enforceability of Civil Liabilities and Indemnification for Securitie

Our being subject to certain fraudulent transfer and conveyance st

The 2024 Notes may be voided, subordinated, or limited under fraud

The Republic of the Marshall Islands

Navios Holdings is organized under the laws of the Republic of the
bankruptcy statute or general statutory mechanism for insolvency pr
principles of fraudulent conveyance, discussed below, in light of the
could void or subordinate the 2024 Notes.

United States

Federal and state fraudulent transfer and conveyance statutes may ap
comparable provisions of U.S. state fraudulent transfer or conveyanc
state, the 2024 Notes could be voided as a fraudulent transfer or con
defrauding creditors or (2) we received less than reasonably equival
of (2) only, one of the following is also true at the time thereof:

- we were insolvent or rendered insolvent by reason of th

- the issuance of the 2024 Notes left us with an unreasona

- we intended to incur debts beyond our ability to pay as t

we were a defendant in an action for money damages, or
the judgment is unsatisfied.

Table of Contents

If a court were to find that the issuance of the 2024 Notes was a frau
the 2024 Notes or further subordinate the 2024 Notes. In the event o
any repayment on the 2024 Notes. Further, the voidance of the 2024
other debt that could result in acceleration of such debt.

As a general matter, value is given for a transfer or an obligation if,
debt is secured or satisfied. A debtor will generally not be considere
substantially benefit directly or indirectly from the transaction. In th
proceeds of a debt offering were used to make a dividend payment o

The measures of insolvency for purposes of fraudulent transfer or co
such that we cannot be certain as to the standards a court would use
however, an entity would be considered insolvent if, at the time it in

the sum of its debts, including contingent liabilities, was

the present fair saleable value of its assets was less than
including contingent liabilities, as they become absolute

it could not pay its debts as they become due.

In addition, any payment by us pursuant to the 2024 Notes at a time
be returned to us or to a fund for the benefit of our creditors if such
or within 90 days to any non-insider party and such payment would
have received in a liquidation under Chapter 7 of the U.S. Bankrupt

If we file a bankruptcy petition, or if a bankruptcy petition is filed
than you would have been entitled to receive under the indentures

If we file a bankruptcy petition under the United States Bankruptcy
against us, your claim against us for the principal amount of your 20

the original issue price for the 2024 Notes; and

the portion of original issue discount that does not const

Any original issue discount that was not amortized as of the date of
these circumstances, you may receive a lesser amount than you wou
2024 Notes, even if sufficient funds are available.

Table of Contents

USI

We will not receive any cash proceeds from the Exchange Offer. In
$8.3 million aggregate principal amount of 2024 Notes, we will rece
in the Exchange Offer. The Series G ADSs acquired by us pursuant

Table of Contents

TRADING MARKET

Our Series G ADSs trade on the NYSE under the symbol NMpG.
prices per Series G ADS.

2017
First Quarter
Second Quarter
Third Quarter
Fourth Quarter
2018
First Quarter
Second Quarter
Third Quarter
Fourth Quarter
2019
First Quarter (through March 15, 2019)

There were two holders of record of our Series G ADSs as of Decem

As of March 15, 2019, the last reported sale prices of the Series G A

Table of Contents

CA

The following table sets forth our cash and cash equivalents and cap

(i) on a historical basis; and

(ii) on an as adjusted basis after giving effect to the exchang
Notes for 66 2/3% of our outstanding Series G ADSs, as
and the cash cap in respect to the consideration elections
aggregate principal amount of the 2024 Notes to be issu

The information in this table should be read in conjunction with our
ended September 30, 2018 and related notes thereto and other inform

Cash and cash equivalents including restricted	
Long-term indebtedness (including current por	
Senior secured credit facilities	
7.375% First Priority Ship Mortgage Notes due 20	
11.25% Senior Secured Notes due 2022	
Notes offered in the Exchange Offer[1]	
Other long-term indebtedness	
Total long-term indebtedness (including curren	
Total Navios Holdings stockholders equity[4]	
Total capitalization	

(1) Up to $13.1 million aggregate principal amount of the 2024 N
(2) The 2024 Notes are structurally and effectively subordinated t
indebtedness (including current portion).
(3) Total long-term indebtedness (including current portion) is pre
(4) Navios Holdings stockholders equity is adjusted for the $8.9
the consideration elections having been reached for each of th

Table of Contents

SELECTED HISTORICAL

Navios Holdings selected historical financial information and opera
derived from the consolidated financial statements of Navios Holdin
the years ended December 31, 2017, 2016, and 2015 and the selecte
derived from our audited consolidated financial statements, which ar
comprehensive (loss)/income data for the years ended December 31,
December 31, 2015, 2014 and 2013 have been derived from our aud

Navios Holdings selected historical financial information and opera
September 30, 2017 are derived from the consolidated financial state
(loss)/income data for the nine months ended September 30, 2018 an
September 30, 2018 have been derived from our unaudited interim fi
consolidated balance sheet data as of September 30, 2017 have been
this prospectus.

The selected consolidated financial data should be read in conjunctio
financial statements, related notes and other financial information in
Annex B to this prospectus. The historical data included below and e
Selected Financial Data is as follows (in thousands, except share and

	Nine Months Ended	
(in thousands of U.S. dollars)	September 30, 2018 (unaudited)	September 3 2017 (unaudited
Statement of Comprehensive (Loss)/income Data		
Revenue	$ 390,386	$ 334,51
Administrative fee revenue from affiliates	21,488	16,94
Time charter, voyage and logistics business expenses	(155,363)	(161,62
Direct vessel expenses	(73,756)	(90,56
General and administrative expenses incurred on behalf of affiliates	(21,488)	(16,94
General and administrative expenses	(21,757)	(19,20
Depreciation and amortization	(75,247)	(77,89
Interest expense and finance cost, net	(97,797)	(83,81
Impairment losses	(16,070)	(14,23
Loss on Derivatives		
Gain/(loss) on bond and debt extinguishment	6,464	1,71
Other (expense)/income, net	(8,928)	(4,79
Loss before equity in net earnings of affiliated companies	**$ (52,068)**	**$ (115,89**
	(13,720)	2,20

Equity in net (losses)/earnings of affiliated companies

Table of Contents

(in thousands of U.S. dollars)	Nine Months Ended September 30, 2018 (unaudited)	September 30, 2017 (unaudited)	De
Losses before taxes	**$ (65,788)**	**$ (113,689)**	**$**
Income tax benefit/(expense)	1,324	562	
Net loss	**$ (64,464)**	**$ (113,127)**	**$**
Less: Net (income)/loss attributable to the noncontrolling interest	(3,501)	(1,182)	
Net loss attributable to Navios Holdings common stockholders	**$ (67,965)**	**$ (114,309)**	**$**
Loss attributable to Navios Holdings common stockholders, basic and diluted	**$ (75,644)**	**$ (121,049)**	**$**
Basic and diluted net loss per share attributable to Navios Holdings common stockholders	**$ (0.63)**	**$ (1.04)**	**$**
Weighted average number of shares, basic and diluted	**119,423,025**	**116,260,640**	**1**
Balance Sheet Data (at period end)			
Current assets, including cash and cash equivalents and restricted cash	$ 276,738	$ 232,865	$
Total assets	2,488,857	2,660,607	
Total long-term indebtedness, including current portion	1,599,331	1,643,215	
Navios Holdings stockholders equity	$ 451,633	$ 566,687	$
Other Financial Data			
Net cash provided by operating activities	$ 39,591	$ 33,578	$
	51,870	(32,987)	

Net cash provided by/(used in) investing activities					
Net cash (used in)/provided by financing activities		(82,670)		(22,730)	
Book value per common share		3.62		4.74	
Cash dividends per common share					
Cash dividends per preferred share					
Cash paid for Common Stock dividend declared					
Cash paid for preferred stock dividend declared					
Adjusted EBITDA	$	118,066	$	61,144	$

(1) EBITDA represents net (loss)/income attributable to Navios Ho
and amortization and before income taxes. Adjusted EBITDA re
a liquidity measure and reconcile Adjusted EBITDA to net cash
measure. Adjusted EBITDA is calculated as follows: net cash p
be, the effect of (i) net increase/(decrease) in operating assets, (i
finance charges and gains/

Table of Contents

(losses) on bond and debt extinguishment, (v) (provision)/recov
received, (vii) payments for drydock and special survey costs, (
(x) unrealized (loss)/gain on derivatives, and (xi) loss on sale an
charges. Navios Holdings believes that Adjusted EBITDA is a b
investors regarding Navios Holdings ability to service and/or i
pay dividends. Navios Holdings also believes that Adjusted EB
evaluate potential transactions; (ii) to evaluate and price potenti
interested parties in the evaluation of companies in our industry
Adjusted EBITDA has limitations as an analytical tool, and therefor
Holdings results as reported under U.S. GAAP. Some of these limi
for, working capital needs; (ii) Adjusted EBITDA does not reflect th
financing arrangements; and (iii) although depreciation and amortiza
be replaced in the future. Adjusted EBITDA does not reflect any cas
others, Adjusted EBITDA should not be considered as a principal in
EBITDA may not be comparable to that reported by other companie

The following table reconciles net cash provided by operating activi

Adjusted EBITDA Reconciliation from Cash from Operations

(in thousands of U.S. dollars except per share data)	Nine Months Ended September 30, 2018 (unaudited)	September 2017 (unaudite
Net cash provided by operating activities	$ 39,591	$ 33,5
Net increase/(decrease) in operating assets	13,742	(30,9
Net (increase)/decrease in operating liabilities	(3,095)	(12,1
Payments for drydock and special survey costs	6,189	10,0
Net interest cost	91,834	79,5
(Provision)/recovery for losses on accounts receivable	(418)	2
Impairment losses	(16,070)	(14,2
Gain on sale of assets	28	1,0
Unrealized loss on FFA derivatives, warrants, interest rate swaps		
Gain/(Loss) on bond and debt extinguishment	6,464	1,7
(Losses)/earnings in affiliates and joint ventures, net of dividends received	(16,698)	(6,5
Reclassification to earnings of available-for-sale securities		
Noncontrolling interest	(3,501)	(1,1

Adjusted EBITDA	**$ 118,066**	**$**	**61,1**

Table of Contents

SECURITY OWNERSHIP OF CERT

Major Shareholders

The following table sets forth information regarding the beneficial o
on shares of Common Stock outstanding as of such date of each pers
outstanding shares of Common Stock based upon the amounts and p
stockholders have the same voting rights with respect to their shares
one-for-ten reverse split that became effective on January 3, 2019. S

Unless otherwise indicated, based upon Schedules 13D filed with th
named in the table have sole voting and investment power with resp

Name
Angeliki Frangou(1)(2)(3)

(1) The amount and nature of beneficial ownership and the percen
vested but not yet exercised.

(2) As disclosed in a 13D Amendment dated March 29, 2018, Ms.
shares of Common Stock disclosed in the table above.

(3) Angeliki Frangou has filed a Schedule 13D amendment indica
of Common Stock and as of December 19, 2018, she had purc

Management

The following table sets forth information regarding the beneficial o
of Common Stock outstanding as of such day, by each of Navios Ho

Unless otherwise indicated based upon Schedules 13D filed with the
named in the table have sole voting and investment power with resp

Name and Address of Beneficial Owner(1)
Angeliki Frangou(2)(3)
George Achniotis
Ted C. Petrone
Vasiliki Papaefthymiou
Anna Kalathakis
Shunji Sasada

Leonidas Korres
Efstratios Desypris
Ioannis Karyotis
Erifili Tsironi
Chris Christopoulos
Spyridon Magoulas
John Stratakis
Efstathios Loizos
George Malanga

Table of Contents

* Less than one percent

(1) The business address of each of the individuals is c/o Navios M
MC 98000 Monaco.

(2) Angeliki Frangou has filed a Schedule 13D amendment indica
of Common Stock and as of December 19, 2018, she had purc

(3) The amount and nature of beneficial ownership and the percen
vested but not yet exercised.

Table of Contents

DESC

You can find the definitions of certain terms used in this description
Issuer refers only to Navios Maritime Holdings Inc. and not to an

The Issuer will issue the 9.75% Senior Notes due 2024 under an ind
National Association, as trustee (the Trustee). The terms of the n
reference to the Trust Indenture Act of 1939, as amended.

The following description is a summary of the material provisions o
read the indenture because it, and not this description, defines your
registration statement of which this prospectus forms a part.

The registered holder of a note will be treated as the owner of it for

Brief Description of the Notes

The notes will be:

- general senior obligations of the Issuer;
- senior in right of payment to any of our existing and fut
- *pari passu* in right of payment with all of our existing a
- structurally subordinated in right of payment to the obli
- effectively subordinated in right of payment to any exist
not secure the notes, including the Issuer s 2022 Senior
assets securing such other obligations.

As of September 30, 2018, the Issuer s subsidiaries had approxima
the 2024 Notes. The Issuer is not prohibited from incurring addition

Principal, Maturity and Interest

The Issuer will issue up to $8.3 million in aggregate principal amou
Issuer will also issue approximately $4.8 million in aggregate princi
principal amount of notes to be issued is dependent upon the allocat
Exchange Offer. See Terms of the Exchange Offer and Series G A

The Issuer is permitted to issue additional notes under the Indenture
Additional Notes that are issued will be treated as a single class for

waivers, amendments, redemptions and offers to purchase. However
including the notes issued in the Series H ADS Exchange Offer and

result in separate trading markets. While the Issuer may determine su
consideration to holders of the Series G ADSs and Series H ADSs ar
offers will ever trade under the same CUSIP number. See No Ass
to the notes for all purposes of the Indenture and in this Descrip

The Issuer will issue the notes in minimum denominations of $25.00
15, 2024.

Interest on the notes will accrue at the rate of 9.75% per annum and
commencing on October 15, 2019. Interest on overdue principal and
Issuer will make each interest payment to the holders of record on th

Interest on the 2024 Notes issued in the Exchange Offer will accrue
has already been paid, from the date it was most recently paid. See
2024 Notes. Interest will be computed on the basis of a 360-day ye

Additional Amounts

All payments made by the Issuer under or with respect to the notes w
account of any present or future Taxes imposed or levied by or on be
is otherwise resident for tax purposes, or any jurisdiction from or thr
Issuer is required to withhold or deduct Taxes by law or by the offic
deduct any amount for or on account of Taxes imposed by a Relevan
the Issuer will pay such additional amounts (Additional Amounts
(including Additional Amounts) after such withholding or deduction
withheld or deducted; *provided*, *however*, that no Additional Amoun

(1) that would not have been imposed, payable or due but fo
beneficial owner of, or person ultimately entitled to obta
a citizen or resident or national of, or carrying on a busin
the Relevant Taxing Jurisdiction) other than the mere ho

(2) that would not have been imposed, payable or due but fo
requirements whether imposed by statute, treaty, regulat
request to the holder to comply with such requirements a

(3) that would not have been imposed, payable or due if the
within 30 days after the date such payment was due and

(4) subject to the last paragraph of this section, that is an est
charge; or

(5) as a result of a combination of the foregoing.

Table of Contents

In addition, Additional Amounts will not be payable if the beneficial
the holder of the notes and such beneficial owner would not be entitl
(5) above. In addition, Additional Amounts will not be payable with
payment under or in respect of the notes.

Whenever in the indenture or in this Description of Notes there is
of the notes or of principal, interest or of any other amount payable u
mention of the payment of Additional Amounts to the extent that, in
thereof.

Upon request, the Issuer will provide the Trustee with documentatio

The Issuer will pay any present or future stamp, court or documentar
Jurisdiction from the execution, delivery or registration of the notes
payments with respect to or enforcement of the notes.

Methods of Receiving Payments on the Notes

If a holder of notes has given wire transfer instructions to the Issuer,
in accordance with those instructions so long as such holder holds at
notes will be made at the office or agency of the paying agent and re
by check mailed to the holders of notes at their respective addresses

Paying Agent and Registrar for the Notes

The Trustee will initially act as paying agent and registrar. The Issue
notes, and the Issuer or any of its subsidiaries may act as paying age
of the indenture.

Transfer and Exchange

A holder may transfer or exchange notes in accordance with the prov
other things, to furnish appropriate endorsements and transfer docum
due on transfer. The Issuer is not required to transfer or exchange an
exchange any note for a period of 15 days before a selection of notes

The transferor of any note shall upon request by the Trustee provide
allow the Trustee to comply with any applicable tax reporting obliga
Section 6045 of the Internal Revenue Code of 1986, as amended. Th
verify or ensure the accuracy of such information.

Optional Redemption

We will have the option to redeem the notes, in whole or in part, at o
of the notes to be redeemed, plus accrued and unpaid interest and Ad
which the notes are to be redeemed.

Table of Contents

Selection and Notice of Redemption

If less than all of the notes are to be redeemed at any time, the Truste

(1) if the notes are listed on any national securities exchange on which the notes are listed; or

(2) if the notes are not listed on any national securities exch customary procedures (or, in the case of notes issued in that most nearly approximates a pro rata selection in acc

Notices of redemption will be delivered electronically or mailed by f each holder of notes to be redeemed at its registered address, except date if the notice is issued in connection with a defeasance of the not redemption of notes, any such redemption may, at our discretion, be notice is subject to one or more conditions precedent, such notice sh such time as any or all of such conditions shall be satisfied, or such r all such conditions shall not have been satisfied by the redemption d been satisfied, the Issuer shall provide written notice to the Trustee p shorter period as may be acceptable to the Trustee). Upon receipt of redemption of the notes shall be rescinded or delayed as provided in the same manner in which the notice of redemption was given.

If any note is to be redeemed in part only, the notice of redemption t is to be redeemed. A new note in principal amount equal to the unred upon cancellation of the original note. Notes called for redemption b conditions precedent. On and after the redemption date, interest, if a the Issuer defaults in the payment of the redemption price or any con

Reports

The Issuer shall deliver to the Trustee, within 15 days after it files th documents and other reports (or copies of those portions of any of th Issuer is required to file with the Commission pursuant to Section 13 TIA Section 314(a).

Notwithstanding the foregoing, the Issuer will be deemed to have fu paragraph of this covenant to the Trustee and the holders of notes if and such reports are publicly available.

The Trustee shall have no responsibility for the filing, timeliness or

Delivery of the reports, information and documents in accordance w the case of the Trustee, such delivery shall be for informational

Table of Contents

purposes only, and the Trustee s receipt of such reports, informatio
therein or determinable from information contained therein, includin
entitled to conclusively rely on an Officers Certificate).

Events of Default and Remedies

Each of the following is an Event of Default :

(1) default by the Issuer for 30 consecutive days in the payn

(2) default by the Issuer in payment when due and payable

(3) certain events of bankruptcy or insolvency described in

In the case of an Event of Default arising from certain events of ban
and payable immediately without further action or notice. If any Eve
or the holders of at least 30% in principal amount of the then outstan
to be due and payable. Any notice from the Trustee or noteholders s
of Acceleration. Upon such declaration of acceleration pursuant to
on the outstanding notes shall become due and payable without furth

Subject to certain limitations, holders of a majority in principal amo
or power. The Trustee may withhold from holders of the notes notic
notice is in their interest, except a Default or Event of Default relati

The holders of a majority in aggregate principal amount of the notes
acceleration or waive any existing Default or Event of Default and i
in the payment of interest or premium, if any, on, or the principal of,

The Issuer will be required to deliver to the Trustee annually a writt
aware of any Default or Event of Default, the Issuer will be required
Default.

No Personal Liability of Directors, Officers, Employees and Sto

No past, future or present director, officer, employee, incorporator,
obligations of the Issuer under the notes, the indenture or for any cla
holder of notes by accepting a note waives and releases all such liab
The waiver may not be effective to waive liabilities under the federa
Islands.

Table of Contents

Legal Defeasance and Covenant Defeasance

The Issuer may, at their option and at any time, elect to have all of th
Defeasance). Such Legal Defeasance means that the Issuer shall be
outstanding notes, except for:

(1) the rights of holders of outstanding notes to receive paym
when such payments are due from the trust referred to be

(2) the Issuer s obligations with respect to the notes concer
stolen notes and the maintenance of an office or agency

(3) the rights, powers, trusts, duties and immunities of the T

(4) the Legal Defeasance provisions of the indenture.

In addition, the Issuer may, at their option and at any time, elect to h
covenants described in this Description of Notes) in the indenture (
will not, in each case, constitute a Default or Event of Default with r

In order to exercise either Legal Defeasance or Covenant Defeasance

(1) the Issuer must irrevocably deposit with the Trustee, in t
Government Securities, or a combination thereof, in amo
the opinion of a nationally recognized investment bank,
interest and premium, if any, on the outstanding notes on
the Issuer must specify whether the notes are being defe

(2) in the case of Legal Defeasance, the Issuer must deliver
from, or there has been published by, the U.S. Internal R
applicable U.S. federal income tax law, in either case to
holders of the outstanding notes will not recognize incom
Defeasance and will be subject to U.S. federal income ta
been the case if such Legal Defeasance had not occurred

(3) in the case of Covenant Defeasance, the Issuer must deli
outstanding notes will not recognize income, gain or los
will be subject to U.S. federal income tax on the same an
such Covenant Defeasance had not occurred;

(4) no Default or Event of Default has occurred and is conti from, or otherwise arising in connection with, the borrov borrowing);

(5) such Legal Defeasance or Covenant Defeasance will not agreement or instrument (other than the indenture) to wh Issuer or any of its subsidiaries are bound;

(6) the Issuer must deliver to the Trustee an Officer s Certi the holders of notes over the other creditors of the Issuer

Table of Contents

of its subsidiaries or with the intent of defeating, hinderi
others; and

(7) the Issuer must deliver to the Trustee an Officer s Certi
to the Legal Defeasance or the Covenant Defeasance ha
Notwithstanding the foregoing, the Opinion of Counsel required by
notes not theretofore delivered to the Trustee for cancellation will be
to the Trustee for the giving of a notice of redemption by the Truste

If the funds deposited with the Trustee to effect Covenant Defeasanc
the obligations of the Issuer under the indenture will be revived and

Satisfaction and Discharge

The indenture will be discharged and will cease to be of further effe

(1) either:

(a) all notes that have been authenticated, except los
payment money has been deposited in trust or se
discharged from the trust, have been delivered to

(b) all notes that have not been delivered to the Trus
notice of redemption or otherwise or will becom
the provisions described under Optional Rede
Trustee as trust funds in trust solely for the bene
Government Securities, or a combination thereof
interest, to pay and discharge the entire indebted
premium, if any, and accrued interest to the date

(2) no Default or Event of Default has occurred and is conti
borrowing of funds to be applied to such deposit includi
not result in a breach or violation of, or constitute a defa

(3) the Issuer has paid or caused to be paid all sums payable

(4) the Issuer has delivered irrevocable instructions to the T
notes at maturity or on the redemption date, as the case
In addition, the Issuer must deliver an Officer s Certificate and an C
and discharge have been satisfied.

Amendment, Supplement and Waiver

Except as provided in the next two succeeding paragraphs, the inden
and the holders of at least a majority in principal amount of the notes

Table of Contents

then outstanding (including, without limitation, consents obtained in
any existing Default or Event of Default or compliance with any pro
of a majority in principal amount of the then outstanding notes (inclu
tender offer or exchange offer for, notes).

Without the consent of the Issuer and each holder of notes affected, a
non-consenting holder to the extent permitted under the indenture):

(1) reduce the principal amount of notes whose holders mus

(2) reduce the principal of or change the fixed maturity of a
than, subject to the procedures of the applicable securiti
notes that notice of redemption must be given);

(3) reduce the rate of or change the time for payment of inte

(4) waive a Default or Event of Default in the payment of pr
acceleration of the notes by the holders of at least a majo
the provisions of the indenture and a waiver of the paym

(5) make any note payable in money other than that stated in

(6) make any change in the provisions of the indenture relat
of principal of, or interest or premium, if any, on the not

(7) waive a redemption payment with respect to any note;

(8) [Reserved];

(9) expressly subordinate in right of payment the notes to an

(10) make any change in the preceding amendment and waiv
Notwithstanding the preceding, without the consent of any holder of
modify the indenture or the notes:

(1) to cure any ambiguity, omission, mistake, defect or inco

(2) to provide for uncertificated notes in addition to or in pl

(3) to provide for the assumption of the Issuer s obligations
all or substantially all of the Issuer s assets, as applicab

(4) to make any change that would provide any additional r
the legal rights under the indenture of any such holder a

(5) to comply with requirements of the Commission in orde
Act;

(6) [Reserved];

(7) [Reserved];

(8) to evidence and provide for the acceptance of appointme

(9) to comply with the rules of any applicable securities dep

Table of Contents

(10) to conform the text of the indenture or the notes to any p
Description of Notes was intended by the Issuer (as dem
provision of the indenture or the notes;

(11) to add to the covenants of the Issuer for the benefit of th

(12) subject to any requirements of the applicable securities c
and

(13) to add collateral securing the notes.

Concerning the Trustee

If the trustee becomes a creditor of the Issuer, the indenture limits th
certain property received in respect of any such claim as security or
if it acquires any conflicting interest it must eliminate such conflict

The holders of a majority in principal amount of the then outstanding
proceeding for exercising any remedy available to the Trustee, subje
occurs and is continuing, the Trustee will be required, in the exercise
person s own affairs. The Trustee will be under no obligation to exe
notes, unless such holder has offered to the Trustee security and inde

The Trustee assumes no responsibility for the accuracy or completen
contained in this document or the related documents or for any failur
the significance or accuracy of such information.

No Assurance of an Active Trading Market

There is no assurance that an active and liquid market for the notes
develop or is not maintained, the market price of the notes may be a
not be fungible with the notes issued in the Series H ADS Exchange
for each of the Series G ADSs and Series H ADSs will trade under s
the Series G ADS holders may be further limited. While the Issuer n
issued as consideration to holders of the Series G ADSs and Series H
exchange offers will ever trade under the same CUSIP number. See
currently no market for the 2024 Notes.

Additional Information

A copy of the form of the indenture is filed as an exhibit to the regis

Certain Definitions

Set forth below are certain defined terms used in the indenture. Refe
other capitalized terms used herein for which no definition is provid

Table of Contents

Cash Equivalents means:

(1) United States dollars or Euro or other currency of a mem
such currencies as are held as overnight bank deposits ar

(2) securities issued or directly and fully guaranteed or insu
European Union or any other country whose sovereign d
any agency or instrumentality thereof having maturities

(3) demand and time deposits and eurodollar time deposits a
from the date of acquisition, in each case, with any finan
Organization for Economic Cooperation and Developme
S&P or at least P-2 or the equivalent thereof by Mood
another Rating Agency) or (b) having capital and surplu

(4) repurchase obligations with a term of not more than 60 d
with any financial institution meeting the qualifications

(5) commercial paper and variable or fixed rate notes rated
within one year after the date of acquisition;

(6) money market funds that invest primarily in Cash Equiv

(7) instruments equivalent to those referred to in clauses (1)
credit quality and tenor to those referred to above and cu
conducted by the Issuer in such jurisdiction or (b) any in

(8) local currency held by the Issuer from time to time in th

Commission means the U.S. Securities and Exchange Commissio

Default means any event that is, or with the passage of time or th

Exchange Act means the U.S. Securities Exchange Act of 1934, a
each case, the rules and regulations promulgated by the Commission

Government Securities means direct obligations of, or obligation
United States pledges its full faith and credit.

guarantee means as to any Person, a guarantee (other than by enc
business), direct or indirect, in any manner (including through letters
any indebtedness of another Person.

Issue Date means, , 2019 the date of the original issuance

Moody s means Moody s Investors Service, Inc., a subsidiary o

Table of Contents

Officer means, with respect to any Person, any of the following: t
Officer, the Chief Financial Officer, the President, the Chief Operati
Assistant Treasurer, the Secretary, any Assistant Secretary, the Cont
equivalent entity, serving in a similar capacity.

Officer s Certificate means a certificate delivered to the Trustee
principal executive officer, the principal financial officer, the treasu
Issuer.

Opinion of Counsel means a written opinion from legal counsel t
counsel to, the Issuer. Opinions of Counsel required to be delivered
required in the relevant jurisdiction or related to the items covered b
certificates of the Issuer or governmental authority or other officials
matters of fact, including that various covenants have been complie

Person means any natural person, corporation, limited partnershi
venture, association, joint-stock company, trust, unincorporated org
entity, whether legal or not.

Rating Agencies means Moody s and S&P, or if Moody s or S&
statistical rating agency or agencies, as the case may be, selected by
be.

S&P means S&P Global Ratings (a division of S&P Global Inc.)

Stated Maturity means, with respect to any installment of princip
scheduled to be paid in the documentation governing such indebted
initial incurrence thereof) and shall not include any contingent oblig
scheduled for the payment thereof.

Tax means any tax, duty, levy, impost, assessment or other gove

Taxing Authority means any government or political subdivision
thereof having power to tax.

Table of Contents

TERMS OF THE EXCHANGE OFFE

No Recommendation

THE EXCHANGE OF SERIES G ADSs FOR CASH AND/OR 202
NEITHER WE, OUR BOARD OF DIRECTORS, THE INFORMAT
AFFILIATE OF ANY OF THE FOREGOING OR ANY OTHER P
YOU SHOULD TENDER YOUR SERIES G ADSs IN THE EXCH
ELECT AS PAYMENT THEREFOR. YOU MUST MAKE YOUR
BASED UPON YOUR OWN ASSESSMENT OF THE MARKET
NEEDS, YOUR INVESTMENT OBJECTIVES AND ANY OTHE
DECISION, WE URGE YOU TO CAREFULLY READ THIS PRO
FORTH UNDER RISK FACTORS AND THE INFORMATION
TO CONSULT YOUR OWN FINANCIAL AND TAX ADVISORS
TAKE IN LIGHT OF YOUR OWN PARTICULAR CIRCUMSTA

Terms of the Exchange Offer

We are offering to acquire Series G ADSs for (i) $1.00 in cash, whic
principal amount of 9.75% Senior Notes due 2024, per Series G AD
portion of your Series G ADSs for 2024 Notes, subject to the cash c
heading Tender Acceptance Proration Procedures.

If all conditions to the Exchange Offer are satisfied or waived, we w
subject to the tender acceptance proration procedures described belo
validly tendered and not properly withdrawn.

Fractional interest in the 2024 Notes will not be issued in exchange
interest in the 2024 Notes will have its distribution of 2024 Notes ro
any entitlement to a fraction of a 2024 Note.

For a detailed description of the 2024 Notes, see Description of No

You may validly withdraw Series G ADSs that you tender at any tim
March 29, 2019, unless we extend it. Any Series G ADSs not accept
expiration or termination of the Exchange Offer. In addition, after th
tendered that are not accepted by us for exchange after the expiratio

Our obligation to accept existing Series G ADSs that are tendered is

Terms of the Series G ADS Consent Solicitation

Concurrently with the Exchange Offer, we are also soliciting consen
certificate of designation under which the Series G Preferred Shares

Table of Contents

were issued to eliminate substantially all of the restrictive covenants
future periods and to amend certain voting rights. The tender by a ho
Offer will constitute the granting of consent by such holder to the pr
with respect to the number of Series G Preferred Shares represented
Proposed Amendments, such consent will be provided as an instruct
Series G Preferred Shares, to consent in favor of the Series G Propos
tendered Series G ADSs. However, the Series G Proposed Amendm
amended and restated certificate of designation relating to the Series
Common Stock in a future vote.

The Series G Proposed Amendments, if adopted, will eliminate subs
unpaid dividends for any past periods or future periods and to amend

- eliminating the requirement that future unpaid dividends

- eliminating all previously accrued and unpaid dividends
such accrued and unpaid dividends at any time in the fut

- amending the restriction on paying dividends on junior s
Preferred Stock are in arrears to only being in effect in a
declared or paid in respect of such quarter;

- eliminating the increase of the dividend rate on the Serie
amended to permit the holders of the Series G Preferred

- eliminating the requirement that, without the affirmative
series of Series G Preferred Shares, voting as a class tog
dividends payable on outstanding Series G Preferred Sh
and

- eliminating the requirement that, in the event that full cu
securities shall not have been declared or paid and set ap
Holdings may repurchase, redeem or otherwise acquire a
securities, including Common Stock.

Even if the Series G Proposed Amendments are adopted, we will rem
of designation that were contained in the Series G Preferred Shares c
Amendments.

Approval of the majority of our outstanding Common Stock, and at l
order to amend and restate the Series G Preferred Shares certificate c
approval is received with respect to the Series G Preferred Shares, an

Common Stock, we will be able to amend and restate the Series G P
Amendments without the approval of any other holder of Series G A
ADSs who tendered their Series G ADSs but had some of such Serie

Table of Contents

described below, will be bound by the amended and restated certifica
holder did not give its consent. If the Exchange Offer is terminated o
consents received as a result of this Exchange Offer will be deemed
dividend rights and voting rights affected, we urge you to review the
proposed amended and restated certificate of designation for the Ser
C-1 Form of Amended and Restated Series G Preferred Shares Cert

Georgeson LLC is acting as Information Agent and The Bank of Ne
Offer. The Information Agent may contact holders of Series G ADS
brokers and other securities intermediaries to forward materials relat
Exchange Agent will each receive reasonable and customary compe
out-of-pocket expenses. The Information Agent and the Exchange A
Offer, including certain liabilities under the federal securities laws.

In addition, we will request that brokers and other securities interme
ADSs, and will provide reimbursement for the cost of forwarding su
securities intermediaries or other persons (other than as described ab

You should rely only on the information contained in this prospectus
understanding with any dealer, salesman or other person regarding th
Depositary, the Exchange Agent or the Information Agent has autho
anyone provides you with different or inconsistent information, you
made hereunder shall, under any circumstances, create any implicati
subsidiaries since the respective dates as of which information is giv
G ADSs and are seeking the consent of the Series G ADSs only in U
pursuant to the laws of such jurisdiction.

Any fees due to the Depositary for cancellation of the tendered Serie
ADSs through a broker or other securities intermediary may be char
should consult their broker or other securities intermediary to determ

The Expiration Date is 11:59 p.m., New York City Time, on March
respect to Series G ADSs is open, in which case the Expiration Date
such series of Series G ADSs, as so extended, expires.

DTC and its direct and indirect participants will establish their own
which will be earlier than the Expiration Date. You should contact y
applicable to you.

If the Exchange Offer expires or terminates without any Series G AD
Offer, you will continue to hold your Series G ADSs, and your Serie

Table of Contents

Conditions of the Exchange Offer and Series G ADS Consent So

The Exchange Offer and Series G ADS Consent Solicitation are sub
following conditions:

1. The SEC having declared the registration statement of w

2. no litigation arises regarding the Exchange Offer and Se

    that challenges or seeks to make illegal, material
    Series G ADSs and is likely to be successful; or

    which could have a material adverse effect on us

3. no governmental authority issues an order or takes any a
consummation of the Exchange Offer;

4. the consummation of the Exchange Offer does not viola
under the Republic of the Marshall Islands law;

5. no law, rule, regulation or governmental order becomes
result, directly or indirectly, in the consequences describ

6. no situation arises that could render the delivery of the 2
Amendments impermissible under the Republic of the M

We will, in our reasonable judgment, determine whether each condit
such condition(s) should be waived. We may, at our option and sole
statement of which this prospectus forms a part has been declared ef
Expiration Date and we do not or cannot waive such condition, the E
validly tendered. In addition, we reserve the right, in our sole discret
to the Expiration Date.

See The Exchange Offer Conditions of the Exchange Offer and

Tender Acceptance Proration Procedures

Upon the terms and subject to the conditions of the Exchange Offer,
outstanding Series G ADSs. The tender acceptance proration proced
the number of Series G ADSs sought in the Exchange Offer.

As of March 15, 2019, there were 1,419,055 Series G ADSs outstand
tendered and not properly withdrawn (the Series G ADS Proration

Where more than 946,100 (representing approximately 66 2/3%) of
be accepted for tender from holders who validly tendered and did no
calculation (the Series G Prorated Amount): (A) (i) the Series G
actually tendered by holders of the Series G ADSs *multiplied by* (B)

Table of Contents

ADSs actually tendered by the relevant holder of the Series G ADSs
holders of the Series G ADSs, including DTC participants, the Exch
that no fraction of an ADS is purchased from any holder of Series G

We will tender for the Series G Prorated Amount from each holder v
applicable, if we effect a proration of the Exchange Offer with respe
accepted for exchange as a result of proration will be returned to ten
returned Series G ADSs will be subject to the Series G Proposed An

Consideration Elections and Consideration Proration

When you tender Series G ADSs, you are entitled to $1.00 of cash c
plus, you may request either:

(i) $7.75 in cash for every Series G ADS validly tendered and not va

(ii) $8.78 principal amount of 2024 Notes for every Series G ADS v

If the Exchange Offer is completed with respect to the Series G ADS
election, subject to the next sentence. Excluding the Additional Serie
validly tendered and accepted will receive cash consideration. If mor
after giving effect to the proration described in Tender Acceptanc
consideration proration and all such Series G ADSs in excess of the
2024 Notes. Series G ADSs tendered in excess of this limitation will

Fractional 2024 Notes

Fractional interest in the 2024 Notes will not be issued in exchange f
interest in the 2024 Notes will have its distribution of 2024 Notes ro
any entitlement to a fraction of a 2024 Note equal to the principal an

Extension, Termination and Amendment

We expressly reserve the right, at any time and from time to time, to
Consent Solicitation, as applicable, with respect to the Series G ADS
applicable law or regulation or for any reason we deem appropriate.
withdrawn will remain subject to the Exchange Offer and subject to
Exchange Offer.

Subject to the SEC s applicable rules and regulations, we reserve th

amend or make changes to the terms of the Exchange O
Exchange Offer and Series G ADS Consent Solicitation

Table of Contents

delay our acceptance or our acquisition of any Series G
accept or acquire any Series G ADSs not previously acc
Exchange Offer have not been satisfied, as determined b

waive any condition.

We will follow any extension, termination, amendment or delay, as
any such announcement will be issued no later than 9:00 a.m., New
Date. If we amend the Exchange Offer and/or Series G ADS Consen
promptly disclose the amendment as required by law and, depending
registered holders, we will extend the Exchange Offer and/or Series
Offer and/or Series G ADS Consent Solicitation would otherwise ex

Without limiting the manner in which we may choose to make publi
of the Exchange Offer and/or Series G ADS Consent Solicitation, as
communicate any public announcement, other than by making a tim

If we make a material change in the terms of the Exchange Offer and
Offer and/or Series G ADS Consent Solicitation, or if we waive a m
we will extend the Exchange Offer and/or Series G ADS Consent So
Date, we increase or decrease the percentage of Series G ADSs bein
consideration, offered to holders of Series G ADSs, such modificatio
accepted pursuant to the Exchange Offer and Series G ADS Consent
sent or given to holders of Series G ADSs, the Exchange Offer and/
the tenth business day from and including the date that such notice i
Solicitation will be extended until the expiration of such ten busines
Solicitation, a business day means any day other than a Saturday,
11:59 p.m., New York City Time.

We reserve the right, in our sole discretion, but subject to applicable
any time prior to the Expiration Date.

Series G Proposed Amended and Restated Certificate of Designa

The Series G Proposed Amendments are provided in the form of Se
which is attached as Annex C-1. Upon our receipt of consents repres
subsequent vote of the holders of the majority of our outstanding Co
designation will become operative and effective. The Series G Prefe
binding on all the holders of Series G Preferred Shares who do not t
their Series G ADSs but some or all of such Series G ADSs were ret
The Series G Proposed Amendments if adopted and operative, will e
accrue any unpaid dividends for any past periods or future periods a

Table of Contents

amend certain voting rights in the Series G Preferred Shares certifica
designation, you should consult our existing Series G Preferred Shar
and restated certificate of designation, a copy of which is attached as

The Series G Proposed Amendments would:

- eliminate the requirement that future unpaid dividends a
- eliminate all previously accrued and unpaid dividends o accrued and unpaid dividends at any time in the future, i
- amend the restriction on paying dividends on junior secu Preferred Stock are in arrears to only being in effect in a declared or paid in respect of such quarter;
- eliminate the increase of the dividend rate on the Series amended to permit the holders of the Series G Preferred
- eliminate the requirement that, without the affirmative v of Series G Preferred Shares, voting as a class together v payable on the outstanding Series G Preferred Shares are
- eliminate the requirement that, in the event that full cum securities shall not have been declared or paid and set ap Holdings may repurchase, redeem or otherwise acquire a securities, including Common Stock.

Even if the Series G Proposed Amendments are adopted, we will ren of designation that were contained in the Series G Preferred Shares c Amendments.

The definitions relating solely to the eliminated covenants will also b designation may be amended to reflect the elimination or amendmen

The Series G Proposed Amendments require the consent of holders o vote of the holders of the majority of our outstanding Common Stoc

If the Series G Proposed Amendments become effective with regard

we will, as soon as practicable, transmit a notice describ
our Series G Preferred Shares that remain outstanding; a

non-tendering holders, including holders of Series G AD
returned as a result of the proration procedures describec
Shares certificate of designation, as amended and restate

The tender by a holder of Series G ADSs that are accepted for excha
holder of Series G ADSs to the Series G Proposed Amendments

Table of Contents

with respect to the number of Series G Preferred Shares those Series
Proposed Amendments, such consent will be provided as an instruct
G Preferred Shares, to consent in favor of the Series G Proposed Am
Series G ADSs. We are not soliciting and will not accept consents fr
Offer.

**The Series G Proposed Amendments constitute a single proposal
Shares, and a tendering and consenting holder must consent to t
selectively with respect to certain of the Series G Proposed Amer**

The elimination and modification effected by the Series G Preferred
Share of the covenants and other provisions set forth in the Series G
ADSs are accepted for exchange by us and, the Series G Preferred S
the majority of our outstanding Common Stock.

**If the Series G Preferred Shares proposed amended and restated
Preferred Shares and each holder of Series G Preferred Shares t
holders of Series G ADSs who tendered their Series G ADSs but
procedures described above, will be bound by the Series G Prop
Proposed Amendments. The Series G Preferred Shares underlyi
the Exchange Offer will remain obligations of Navios Holdings.**

Tender of Series G ADSs; Acceptance of Series G ADSs

Upon the terms and subject to the conditions of the Exchange Offer
of any such extension or amendment), we will acquire, promptly aft
properly withdrawn promptly after the Expiration Date. The settleme
subject to the applicable rules of the SEC, we expressly reserve the r
comply with any applicable law. The reservation of this right to dela
the provisions of Rule 14e-1(c) under the Exchange Act, which requ
by, or on behalf of, holders, promptly after the termination or withdr

For purposes of the Exchange Offer, we will be deemed to have acce
withdrawn, and subject to proration if necessary, if and when we not
pursuant to the Exchange Offer. Upon the terms and subject to the co
pay cash by wire transfer to the Exchange Agent, which will then be
consideration, we will deliver the 2024 Notes to the Exchange Agen
consideration for the purpose of receiving the 2024 Notes considerat
otherwise to such tendering holders receiving 2024 Notes considerat
securities accounts with direct or indirect participants in DTC will be
allocated by DTC and DTC participants to those holders securities

Table of Contents

Under no circumstances will we pay interest on the consideratio
or extension of the Expiration Date.

If, prior to the Expiration Date, we increase the consideration to
will pay or deliver such increased consideration for all such Seri
Series G ADSs were tendered prior to such increase in considera

If certain events occur, we may not be obligated to acquire Series G
Offer.

In all cases, delivery to a tendering holder of the consideration for S
timely receipt by the Exchange Agent of the confirmation of a book-
at DTC (the book-entry transfer facility) (a Book-Entry Confirmati
Tendering.

If we do not accept any tendered Series G ADSs pursuant to the tern
be credited back to the appropriate account promptly following expi

All Series G ADSs that are validly tendered and accepted by us in th
to the Depositary for cancellation, and the Preferred Shares underlyi
cancellation.

Procedure for Tendering

In order for a holder that holds Series G ADSs in a securities accoun
pursuant to the Exchange Offer, the Series G ADSs must be tendered
Book-Entry Confirmation must be received by the Depositary prior t
Series G ADSs at DTC, the book-entry transfer facility, for purposes
prospectus. The holder should instruct its broker or other securities i
G ADSs through DTC. The holder may change its election by transm
election information through DTC. Any securities intermediary that
ADSs by causing DTC to transfer those Series G ADSs into a design
securities intermediary must also send the Exchange Agent an Agent
DTC participant confirming that the participant has received a copy
Exchange Offer against the participant.

Holders of Series G ADSs who are unable to deliver confirmation of
DTC on or prior to the Expiration Date must tender their Series G A

Fees. If you tender your Series G ADSs, you will not be obligated to
you own your Series G ADSs through a broker or other securities int
ADSs on your behalf, such institution may charge you a fee for doin
whether any charges will apply.

Table of Contents

Transfer Taxes. We will pay any transfer taxes imposed by the Unite
respect to the exchange of Series G ADSs pursuant to the Exchange
withholding taxes). If a transfer tax is imposed for any reason other t
jurisdiction outside the United States or the Republic of the Marshal
holder or any other person) will be payable by the tendering holders.

Guaranteed Delivery Procedures

Holders wishing to tender their Series G ADSs but whose Series G A
any other available required documents to the Exchange Agent or co
Expiration Date may tender if:

the tender is made through an eligible institution;

prior to the Expiration Date, the Exchange Agent receiv
guaranteed delivery, by mail, overnight courier or pdf e
and any other required documents will be deposited by t
book-entry confirmation and all other documents require
guaranteed delivery.

Upon request to the Exchange Agent, a notice of guaranteed delivery
guaranteed delivery procedures set forth above.

Effects of Tenders

By tendering your Series G ADSs as set forth above, you irrevocably
attorneys-in-fact and proxies, each with full power of substitution, to
accepted by us, including to (i) transfer the tendered Series G ADSs
and instruct the Depositary to deliver the underlying Series G Prefer
Series G ADSs, instruct the Depositary to consent in favor of the Se
underlying the tendered Series G ADSs. Such appointment will be a
that are not accepted for exchange. All such powers and proxies shal
therefore shall not be revocable; provided that the Series G ADSs te
the Expiration Date, as it may be extended by us, and unless theretof
the expiration of 40 business days following the commencement of t
Upon the effectiveness of such appointment, all prior proxies or con
given (and, if given, will not be deemed effective) unless the tendere

We will determine all questions as to the validity, form, eligibility (i
Exchange Offer, and our determination shall be final and binding, su
and such court issuing a judgment to the contrary. We reserve the rig
by us not to be in proper form or the acceptance or acquisition of wh
tenders will be accepted and no fractional Series G ADSs will be pu

Subject to the applicable rules and regulations of the SEC, we also r
the conditions to the Exchange Offer, including the absolute right

Table of Contents

to waive any defect or irregularity in the tender of any Series G ADS
be deemed to have been made until all defects and irregularities in th
waived. Neither we, the Exchange Agent, the Information Agent nor
irregularities in the tender of any Series G ADSs in the Exchange Of
interpretation of the terms and conditions of the Exchange Offer wil
competent jurisdiction and such court issuing a judgment to the cont

Rule 14e-4 Net Long Position Requirement

It is a violation of Rule 14e-4 (promulgated under the Exchange Act
their own account unless the person so tendering their securities (a)
securities being tendered and (b) will cause such securities to be deli
similar restriction applicable to the tender or guarantee of a tender o

A tender of Series G ADSs in the Exchange Offer under any of the p
warranty that (a) such holder has a net long position in the Series G
14e-4 under the Exchange Act and (b) the tender of such Series G A

The tender of Series G ADSs, pursuant to any of the procedures desc
terms and subject to the conditions of the Exchange Offer.

Withdrawal of Tenders and Revocation of Corresponding Series

You may validly withdraw Series G ADSs that you tender at any tim
March 29, 2019, unless we extend it. Any Series G ADSs not accept
expiration or termination of the Exchange Offer. In addition, after th
tendered that are not accepted by us for exchange after the expiration

For a withdrawal to be effective, a withdrawal of Series G ADSs mu
your Series G ADSs are not previously accepted for exchange by us,
Exchange Offer.

If we extend the Exchange Offer, are delayed in our acceptance of th
Offer for any reason, then, without prejudice to our rights under the
those Series G ADSs may not be withdrawn except as otherwise pro
that an issuer making a tender offer shall either pay the consideration
of the Exchange Offer.

Any effective withdrawal with respect to the Series G ADSs will be
Amendments.

All questions as to the validity, form and eligibility, including time c
be final and binding on all parties, subject to a holder challenging ou
judgment to the contrary. Any Series G ADSs withdrawn will be dee

Table of Contents

and no consideration will be given, unless the Series G ADSs so wit
Series G ADSs may be re-tendered by following the procedures desc
Solicitation Procedure for Tendering at any time prior to the Expir

None of us, the Exchange Agent, the Information Agent or any o irregularities in any notice of withdrawal or will incur any liabil withdrawn will be deemed to not have been validly tendered for

Source and Amount of Funds

The Exchange Offer is not conditioned upon our receipt of financing
the Exchange Offer, including any payments for fractional shares of

Liquidity; Listing

The Series G ADSs are currently listed and traded on the NYSE.

Following the completion of the Exchange Offer, the number of Seri
not to tender their Series G ADSs will own a greater percentage inte
make it more difficult to buy or sell significant amounts of Series G
the Exchange Offer Series G ADSs that you continue to hold after t

We do not intend to list the 2024 Notes on the NYSE or any nationa
the 2024 Notes will exist upon consummation of the Exchange Offer
is currently no market for the 2024 Notes and we cannot assure you
the 2024 Notes issued in the Exchange Offer may not be fungible wi
different issue dates, the 2024 Notes issued as consideration to holde
numbers and, therefore, the trading market for the 2024 Notes issued
subsequent to the settlement of the Exchange Offer that the 2024 No
fungible, we cannot guarantee that the 2024 Notes issued in the two
Factors Risks Relating to the Exchange Offer and the 2024 Notes T
active trading market will develop for the 2024 Notes.

Appraisal Rights

Under Republic of the Marshall Islands law, holders of Series G Pre
restated certificate of designation have a right to dissent from the Se
Shares equal to the fair value of such shares, as determined by the
exercise those appraisal rights on behalf of a holder of Series G ADS
their appraisal rights, they would have to surrender their Series G AI
Preferred Shares not later than March 29, 2019. A shareholder that e
dissenters rights must comply with all provisions of Section 101 of

rights. Such provisions, which include but are not limited to (i) maki
(ii) providing a notice of an election to dissent within 20 days after t
amended and restated certificate of designation, are detailed and con
Section 101 of the BCA will result in a termination or waiver of app
may wish to pursue appraisal rights should consult their legal adviso
available at the request of a dissenting holder. See Where You Can

Certain Legal and Regulatory Matters

Except as set forth in this prospectus, we are not aware of any mater
administrative or regulatory agency that would be required for our ac
ADSs. We intend to make all required filings under the Exchange A

Subsequent Repurchases of Series G ADSs

Whether or not the Exchange Offer is consummated, subject to appli
applicable law, we or our affiliates may from time to time acquire Se
purchases, privately negotiated transactions, exchange offers, exerci
prices as we may determine, which may be more or less than the am
consideration not provided for in this Exchange Offer. So long as we
executed other than on a pro rata basis. However, we have no curren
Exchange Offer. Until the expiration of at least ten business days aft
affiliates will make any purchases of Series G ADSs otherwise than
any subsequent repurchases will be made in accordance with Rule 1

Exchange Agent

We have retained The Bank of New York Mellon as the Exchange A
its services in connection with the Exchange Offer and reimburse it f
with the tender of the Series G ADSs pursuant to the Exchange Offe
forth below:

The Bar

By Mail:

The Bank of New York Mellon

Voluntary Corporation Actions Suite V

P.O. Box 43031

Providence, Rhode Island 02940-3031

United States of America

Information Agent

Georgeson LLC is serving as Information Agent in connection with
will assist with the mailing of this prospectus and related materials

Table of Contents

to holders of Series G ADSs, respond to inquiries of and provide inf
Series G ADS Consent Solicitation, and provide other similar adviso
the Exchange Offer and Series G ADS Consent Solicitation, and req
required documents, may be directed to the Information Agent for th
telephone numbers set forth below:

C

Call To

Contact via E-m

Soliciting Dealer Fee

With respect to any tender and acceptance of Series G ADSs, we wil
preference ($25.00) applicable to each Series G ADS tendered (the
as (.02 x $25) per Series G ADSs tendered. The Soliciting Dealer Fe
us.

In order to be eligible to receive the Soliciting Dealer Fee, a properl
Exchange Agent prior to the Expiration Date. We will, in our sole di
Soliciting Dealer Fee (including, without limitation, the submission
bona fide tenders). Other than the foregoing, no fees or commissions
the Information Agent and the Exchange Agent, in connection with t

A soliciting dealer is a retail broker designated in the soliciting deale

a broker or dealer in securities which is a member of an

a bank or trust company located in the United States.

Soliciting dealers will include any of the organizations described abo
Offer and Series G ADS Consent Solicitation consist solely of forwa
Consent Solicitation and tendering ADSs as directed by beneficial o
solicits has received a copy of this prospectus, or concurrently with s
dealer is required to make any recommendation to holders of shares
assumption is made, in making payment to any soliciting dealer, tha
Solicitation included any activities other than those described in this
Series G ADS Consent Solicitation, the term solicit shall be deem
material regarding the Exchange Offer and Series G ADS Consent S

Soliciting dealers are not entitled to a Soliciting Dealer Fee with res
ADSs that are registered in the name of a soliciting dealer unless suc
beneficial owner of such ADSs.

Table of Contents

Expenses

We expect to incur reasonable and customary fees and expenses of a
ADS Consent Solicitation. We also will pay brokers and other secur
forwarding copies of this prospectus and related documents to the be
related consents of Series G ADSs by their customers, and we may a
their clients with tenders.

In connection with the Exchange Offer and Series G ADS Consent S
consents of Series G ADSs by use of the mails, personally or by tele

No brokerage commissions will be payable by tendering holders of S
will pay any fees due to the Depositary for the cancellation of the te
other securities intermediary should contact such institution as to wh

Additional Information

Pursuant to Exchange Act Rule 13e-4, we have filed with the SEC a
additional information with respect to the Exchange Offer. We will f
of the Exchange Offer and to report the final results of the Exchange
respectively. The Schedule TO, including the exhibits and any amen
requesting it in writing or by telephone from the appropriate compar

In

C

Call To

Contact via E-m

To ensure timely delivery of the documents in advance of the Ex event, no later than March 22, 2019, which is five business days

Table of Contents

COMPARISON OF RIGHTS BETWEEN THE

The following briefly summarizes the material differences between th
to be issued in the Exchange Offer. This comparison is based on the
of the Series G Proposed Amendments included in the proposed Seri
account. The 2024 Notes issued in the Exchange Offer will be gover
summary and is qualified in its entirety by reference to our Articles
Series G Preferred Shares) and the form of the 2024 Notes Indentur
herein and filed as exhibits or incorporated by reference to the regis
available from the Information Agent upon request. See Where You
more complete understanding of the differences between the Series G

Governing Documents

Series G Preferred Shares: The rights of holders of Series G Preferr
designation establishing the Series G Preferred Shares) and Republic
are available on EDGAR.

The 2024 Notes: The rights of holders of the 2024 Notes will be set f
statement of which this prospectus forms a part.

Dividends/Coupon

Series G Preferred Shares: Holders of the Series G Preferred Shares
annum per $2,500.00 stated liquidation preference per Series G Pref
of directors out of legally available funds for such purpose. Dividend
January 15, April 15, July 15 and October 15. Distributions on the S
not there are funds legally available for the payment of such dividen

The 2024 Notes: Holders of the 2024 Notes are entitled to receive 9.
and October 15 of each year, commencing on October 15, 2019. Inte
the settlement date of the Exchange Offer, or, if interest has already
as consideration in this Exchange Offer and the Series H ADS Excha
issued as consideration in this Exchange Offer and be issued on and
Description of Notes Principal, Maturity and Interest, Descripti
Income Tax Consequences Tax Consequences of Holding the 2024

Ranking

Series G Preferred Shares: With respect to dividend rights and right
Series G Preferred Shares rank (i) senior to all classes or series of ou
issued or outstanding, the terms of which specifically provide that su

Table of Contents

class or series of stock expressly designated as ranking on parity wit
expressly designated as ranking senior to the Series G Preferred Sha
Company s other existing and future debt obligations including the

The 2024 Notes: The 2024 Notes rank (i) senior in right of payment
to the 2024 Notes and all of our existing and future equity interest, i
existing and future senior obligations; (iii) structurally subordinated
subordinated in right of payment to any existing and future obligatio
2024 Notes, including the 2022 Senior Secured Notes and the 2022
obligations.

Voting Rights

Series G Preferred Shares: The Series G Preferred Shares have no v
Marshall Islands law. In the event that one quarterly dividend payab
have been declared and whether or not there are profits, surplus, or c
commercially reasonable efforts to obtain an amendment to our Arti
necessary to permit the holders of the Series G Preferred Shares to e
when dividends payable on the Series G Preferred Shares are in arre
not such dividends shall have been declared and whether or not ther
then (x) if our Articles of Incorporation have been amended as descr
the right, voting as a class together with holders of any other parity s
elect one member of our board of directors, and the size of our boar
size of our board of directors already has been increased by reason o
rights have been conferred and with which the Series G Preferred Sh
Incorporation have not been amended as described in the preceding
rate on the Series G Preferred Shares shall increase by 25 basis poin
Incorporation will be approved by our common stockholders and in
avoidance of doubt, commercially reasonable efforts shall not be de
amendment. Dividends payable on the Series G Preferred Shares wi
dividends through the most recent dividend payment date have not b
Articles of Incorporation, if obtained, shall also provide that the righ
directors will continue until such time as all dividends accumulated
funds for such payment have been declared and set apart for such pu
in the event of each and every subsequent failure to pay six quarterl
the Series G Preferred Shares and any other parity securities to vote
elected by such holders voting as a class will terminate immediately
parity securities shall each be entitled to one vote per director on an

Unless we have received the affirmative vote or consent of the hold
voting as a single class, we may not adopt any amendment to our A
or rights of the Series G

Table of Contents

Preferred Shares. In addition, unless we have received the affirmativ
Preferred Shares, voting as a class together with holders of any other
exercisable, we may not:

issue any parity securities if the cumulative dividends pa

create or issue any senior securities.

On any matter described above in which the holders of Series G Pref
per share. Any Series G Preferred Shares held by us or any of our su

No vote or consent of Series G Preferred Shares shall be required for
of any Common Stock or other junior securities or (iii) except as exp

Series G Preferred Shares held in nominee or street name account w
beneficial owner unless the arrangement between the beneficial own

The 2024 Notes: The 2024 Notes have no voting rights.

Mandatory Redemption Rights

Series G Preferred Shares: Commencing on January 2, 2019 with re
in part, the Series G Preferred Shares at a redemption price in cash e
all accumulated and unpaid dividends thereon to the date of redempt
out of funds legally available for such purpose. We may undertake m

A fundamental change means an event that shall be deemed to ha
admitted for trading on the NYSE, the NASDAQ Capital Market, th
respective successors).

The 2024 Notes: We will have the option to redeem the 2024 Notes,
of the principal amount of the 2024 Notes to be redeemed, plus accru
2024 Notes are to be redeemed.

Restrictions on Ownership and Transfer

Series G Preferred Shares: Generally, Series G Preferred Shares are
to affiliates. Notwithstanding the foregoing, transfers of Series G Pre
Incorporation. Transfers of Series G Preferred Shares will be effecti

The 2024 Notes: Generally, the 2024 Notes are freely transferable, s
are no restrictions on ownership of the 2024 Notes.

Listing

Series G Preferred Shares: Series G ADSs are listed on the NYSE.

Table of Contents

The 2024 Notes: The 2024 Notes will not be listed on any securities
trading. Accordingly, we cannot give you any assurance as to the de
2024 Notes issued in the Exchange Offer may not be fungible with t
different issue dates, the 2024 Notes issued as consideration to holde
numbers and, therefore, the trading market for the 2024 Notes issued
subsequent to the settlement of the Exchange Offer that the 2024 No
fungible, we cannot guarantee that the 2024 Notes issued in the two
Factors Risks Relating to the Exchange Offer and the 2024 Notes T
active trading market will develop for the 2024 Notes.

Table of Contents

CERTAIN U.S. FEDER

The following summary describes certain U.S. federal income tax co
Notes received in the Exchange Offer. This summary does not discu
beneficial owner in light of its particular investment or other circum
2024 Notes received in exchange for Series G ADSs, that holds the S
capital asset (generally, investment property). References in this sum
Series G ADSs in the Exchange Offer, and not the 2024 Notes that w
otherwise. This summary does not address U.S. federal income tax r
ADSs or 2024 Notes, such as:

- dealers in securities or currencies;
- traders securities;
- U.S. holders (as defined below) whose functional curren
- persons holding Series G ADSs or 2024 Notes as part of hedge, straddle or synthetic security;
- persons subject to the alternative minimum tax;
- certain U.S. expatriates;
- financial institutions;
- insurance companies;
- controlled foreign corporations, passive foreign investm corporations;
- entities that are tax-exempt for U.S. federal income tax p tax-deferred accounts;
- pass-through entities, including partnerships and entities and beneficial owners of pass-through entities;

persons that acquire 2024 Notes other than pursuant to t
Series G ADSs; and

persons that exercise appraisal rights with respect to thei

In addition, this summary only addresses U.S. federal income tax co
for example, estate or gift tax consequences or the Medicare tax on
local or non-U.S. income or other tax consequences.

If an entity or arrangement classified as a partnership for U.S. federa
tax treatment of a partner in the partnership generally will depend u
determinations made at the partner level. Entities or arrangements cl
partnerships, should consult their own tax advisors regarding the U.S
disposition of the 2024 Notes.

This summary is based on U.S. federal income tax law, including th
administrative rulings and judicial authority, all as in effect or in exi
Solicitation Statement. Subsequent developments in U.S. federal inc

Table of Contents

applied retroactively, could have a material effect on the U.S. federa
Internal Revenue Service (the IRS), will not challenge one or mo
do we intend to obtain, any ruling from the IRS or opinion of couns
disposition of the 2024 Notes. Each beneficial owner of Series G AD
federal, state and local and non-U.S. income and other tax conseque

As used in this summary, a U.S. holder means a beneficial owner

- a citizen or individual resident of the United States;
- a corporation (or entity treated as a corporation for such state thereof or the District of Columbia;
- an estate the income of which is subject to U.S. federal i
- a trust, if either (x) it is subject to the primary supervisio the authority to control all substantial decisions of the tr treated as a United States person.

As used in this summary, a non-U.S. holder is a beneficial owner
arrangement classified as a partnership for U.S. federal income tax p

U.S. holders that use an accrual method of accounting for U.S. feder
no later than the time such amounts are reflected on certain applicab
income earlier than would be the case under the general U.S. federal
accounting for U.S. federal income tax purposes should consult with
situation.

Tax Treatment of the Series G ADSs

A beneficial owner of the Series G ADSs is generally treated, for U.
Shares represented by such Series G ADSs. References in this summ
Preferred Shares represented by such Series G ADSs.

Tax Consequences of the Exchange Offer

Except as specifically described below, the following discussion app

The Exchange. If you tender all of your Series G ADSs in the Excha
tender offer acceptance proration procedures) you generally will be
redeemed by us in exchange for the cash, 2024 Notes or a combinati
income tax consequences generally will depend upon whether the

If you tender only a portion of your Series G ADSs in the Exchange
tender offer acceptance proration procedures), your U.S. federal

Table of Contents

income tax treatment will depend on whether the Proposed Amendm
did not tender (or that were returned to you). If the Proposed Amend
same U.S. federal income tax consequences with respect to your ten
all of its Series G ADSs. If the Proposed Amendments are approved
that were returned to you), it is likely that the changes to the terms o
to cause you to be treated, for U.S. federal income tax purposes, as e
In such case, your receipt of deemed new preferred shares and 2024
generally would be treated as a recapitalization for U.S. federal in

If your receipt of deemed new preferred shares and 2024 Notes, cash
recapitalization for U.S. federal income tax purposes, you generally
U.S. federal income tax purposes. The amount of gain that you will l
and the issue price of the 2024 Notes (determined as discussed be
Notes) that you receive and (ii) the amount of gain that you realiz
(a) the sum of the issue price of the 2024 Notes, plus the cash, plu
(b) your tax basis in the Series G ADSs that you tender. If none of th
are required to recognize generally will be treated as dividend incom
non-equivalence tests described above are satisfied, any gain that y
income tax purposes. In either case, your tax basis in the deemed nev
G ADSs that you tender, increased by the amount of gain, if any, tha
and the amount of cash that you receive and your holding period for
during which you held the Series G ADSs that you tendered.

If you tender more than one block of Series G ADSs (that is, grou
must calculate your recognized gain separately with respect to each l
recognized gain. Instead, you will recognize gain on those shares on
are urged to consult your own tax advisor.

If the changes to the terms of the Preferred Shares underlying the Se
income tax purposes, as exchanging the Series G ADSs that you reta
federal income tax consequences with respect to your tendered Serie
Series G ADSs. In such case, you generally would not have any U.S
(or that are returned to you).

Possible Bifurcation Treatment. If you tender only a portion of your
ADSs are returned to you under the tender offer acceptance proration
Series G ADSs would be substantial enough to cause you to be treate
retained for deemed new preferred shares, it is possible that the trans
exchange of the Series G ADSs that you tender for the 2024 Notes a
remaining Series G ADSs for deemed new preferred shares. In such

Table of Contents

consequences with respect to your tendered Series G ADSs as are de
you generally would not have any U.S. federal income tax conseque
It is unclear whether treatment as a bifurcated transaction could appl

If bifurcation treatment applies to your tender of Series G ADSs and
Series G ADSs is treated as a recapitalization or subject to bifurcatio
income tax purposes on any Series G ADSs that you tendered. You a
permitted to claim a loss in these circumstances for U.S. federal inco

Dividend Non-Equivalence Tests. If any of the dividend non-equiva
loss for U.S. federal income tax purposes, as described below under
are satisfied, you generally will be treated as recognizing dividend in
Dividend Income .

The dividend non-equivalence tests are as follows:

your percentage of our total outstanding voting shares th
is less than 80% of the percentage of our total outstandin
Exchange Offer and you have a similar reduction in you

as a result of the Exchange Offer, you no longer actually

the Exchange Offer results in a meaningful reduction of
particular facts and circumstances; however, under publ
does not own, actually or constructively, any common st
stockholder s proportionate interest in the issuing corpo

In determining whether any of the dividend non-equivalence tests
own, but also shares of our stock that you constructively own, includ
certain related individuals and certain entities in which you have an

Contemporaneous dispositions or acquisitions of shares by you (or p
transaction which will be taken into account in determining whether
of our Series G ADSs exchanged pursuant to the Exchange Offer. Fo
about the time you participate in the Exchange Offer, and these trans
in our stock, then the sales to persons other than us may, for U.S. fed
G ADSs pursuant to the Exchange Offer and, if integrated, should be
non-equivalence tests described above.

If you are contemplating participating in the Exchange Offer, we urg
described above, including the effect of the attribution rules and the
shares to persons other than us may assist in satisfying one or more o

Treatment as Capital Gain or Loss. If any of the dividend non-equ
recognizing capital gain or loss for U.S. federal income tax purposes

Table of Contents

Except in the case of a recapitalization (as discussed above), your
the issue price of the 2024 Notes (determined as discussed below
and the amount of any cash payment that you receive in the Exchang
such capital gain or loss generally will be treated as long-term capita
greater than one year at the time of the exchange. Your ability to dec
loss that you recognize generally will be treated as a U.S.-source cap

Treatment as Dividend Income. If none of the dividend non-equiva
dividend income for U.S. federal income tax purposes. Except in the
amount equal to the issue price of the 2024 Notes and the amount
basis in the Series G ADSs that you tender will be added to the tax b
ADSs, that you own, as the case may be, if you tender all of your Se
dividend income generally will be taxable to you as either ordinary c
regard to the extent of our earnings and profits, since we do not main
Because we are not a U.S. corporation, if you are a corporation (or o
not be entitled to claim a dividends-received deduction with respect
recognize generally will be treated as passive category income fo

If you are an individual, trust or estate, dividend income that you are
treated as qualified dividend income, provided that: (1) the Series
(such as the New York Stock Exchange), at the time of the exchange
which you are treated as receiving the dividend income or the immed
Federal Income Tax Considerations Taxation of U.S. Holders of ou
on Form 20-F for the year ended December 31, 2017, attached hereto
121-day period beginning 60 days before the date on which the Serie
transactions with respect to such Series G ADSs); (4) you are not un
similar or related property; and (5) you do not treat the dividends as
dividend income is taxed at a preferential rates applicable to long-ter
receive from us that are not eligible for the preferential rates will be

Special rules may apply to any dividend income you are treated as re
dividend. Generally, an extraordinary dividend is a dividend with r
tax basis (or fair market value in certain circumstances) in such share
one-year period that, in the aggregate, equal or exceed 20% of your t
receiving an extraordinary dividend that is treated as qualified divi
any loss you derive from a subsequent sale or exchange of such shar
dividend.

Basis and Holding Period of 2024 Notes. Regardless of whether you
income, your initial tax basis in the 2024 Notes generally will be

Table of Contents

equal to the issue price of the 2024 Notes, and your holding perio

Non-U.S. Holders. If you are a non-U.S. holder and you tender Serie
generally will be the same as described above. However:

Any amounts that are treated pursuant to the discussion
withholding tax, unless the dividend income is effective
are entitled to the benefits of an applicable income tax tr
be taxable in the United States only if it is attributable to

Any amounts that are treated pursuant to the discussion
withholding tax, unless:

(A) the gain is effectively connected with your condu
of an applicable income tax treaty with the Unite
establishment maintained by you in the United S

(B) you are an individual who is present in the Unite
recognized and certain other conditions are met.

Any income or gain that is effectively connected with your conduct
income tax, net of certain deductions, at the U.S. federal income tax
and profits that are attributable to your effectively connected income
tax at a rate of 30% (or such lower rate as may be specified by an ap

Any gain described in clause (B) above (net of certain U.S.-source lo
an applicable income tax treaty).

Potential for Recharacterization. We intend for the 2024 Notes to be
possible that this characterization could be challenged and the 2024
challenge were sustained, your exchange of Series G ADSs for 2024
consequences than those described above. In particular, you may not
treated as having preferred OID which you would be required to
non-U.S. holder, would be subject to withholding of U.S. federal inc
reporting requirements may apply.

Tax Consequences of Holding the 2024 Notes

Except as specifically described below, the following discussion app

Stated Interest. Stated interest on the 2024 Notes will be included in
accrued in accordance with your usual method of accounting for U.S
income from sources without the United States for foreign tax credit
case of certain U.S. holders, general category income, for foreign

Issue Price of the 2024 Notes. The determination of the issue price
Series G ADSs for which such notes are exchanged, are treated as

Table of Contents

traded on an established securities market within the meaning of t
days after the issue date of the 2024 Notes. In general, the Series G A
applicable period, (i) a price exists for an executed purchase or sale o
form at least one broker, dealer or pricing service and the identity of
circumstances, an indicative price quote for the Series G ADSs is av
market, the issue price of the 2024 Notes generally will be determine
into account the cash consideration paid in the Exchange Offer. If th
issue price of the 2024 Notes generally will be their stated principal
Notes following consummation of the Exchange.

Original Issue Discount. If the principal amount of the 2024 Notes e
statutory *de minimis* amount (generally, 25 basis points multiplied by
would be issued with original issue discount (OID) for U.S. feder

If the 2024 Notes are issued with OID, you will be required to accru
constant yield method, in advance of the receipt of the cash payment
federal income tax purposes. The amount of OID that you must inclu
OID that accrue on your 2024 Notes for each day of the taxable year
allocating to each day of an accrual period (generally, the period bet
allocable to such accrual period. The amount of OID allocable to an
beginning of the accrual period multiplied by the yield to maturity o
the amount of any qualified stated interest allocable to such accrual p
The adjusted issue price of the 2024 Notes at the beginning of an acc
amount of OID that has accrued on the 2024 Notes in all prior accru
amount of OID previously includible in your gross income is determ
defined below. You should consult your own tax advisor concerning

Qualified Reopening. Notwithstanding the above discussion of the is
the 2024 Notes, as determined under the rules described above (the
Notes will be treated as issued pursuant to a qualified reopening o
purpose, the threshold issue price, is the price at which the yield of t
acquisition date) would not exceed 110% of the yield of the 2024 N
For purposes of this calculation, the yield of the 2024 Notes that wer
stated interest rate of such notes, if such notes were issued with less
to a qualified reopening of the 2024 Notes that were previously is
same issue price, adjusted issue price and issue date as the 2024 Not
2024 Notes that were previously issued in exchange for Series H AD
issued with OID in an amount in an amount determined by reference
exchange for Series H ADSs on the 2024 Notes acquisition date. W

Table of Contents

concerning whether the 2024 Notes are treated as issued pursuant to
for Series H ADSs following consummation of the Exchange.

Bond Premium and Acquisition Premium. If the 2024 Notes are treat
previously issued in exchange for Series H ADSs, and the 2024 Note
(other than payments of stated interest), you will be considered to ha
It may be possible for you to elect to amortize the premium over the
taxable year generally will be treated first as a reduction of interest o
thereof, then as a deduction allowed in that taxable year to the exten
allowable against your future interest inclusions on the 2024 Notes.
the amount of the allowable amortization. If you do not elect to amo
you would otherwise recognize on a disposition of your 2024 Notes.
or subsequently acquired by you on or after the first day of the first t
election without the consent of the Internal Revenue Service. If the 2
include any OID in your gross income with respect to the 2024 Note

If the 2024 Notes are treated as issued pursuant to a qualified reope
and are treated as issued with OID, and the 2024 Notes acquisition
(other than payments of stated interest) and (2) greater than the 2024
date, then you will be treated as having acquired your 2024 Notes at
required to include in your gross income during an accrual period wi
fraction, the numerator of which is the excess of the 2024 Notes ac
acquisition date, and the denominator of which is the excess of the a
interest), over the 2024 Notes adjusted issue price (*i.e.*, the total ren
otherwise includible in your gross income by multiplying such OID
under original issue discount.

You should consult your own tax advisor before making this election
acquisition premium on the 2024 Notes.

Market Discount. If the 2024 Notes are treated as issued pursuant to
for Series H ADSs, and the 2024 Notes acquisition price is less th
interest), the excess of the amount payable at maturity over the 2024
discount will be considered to be zero if it is less than 1/4 of 1% of t
complete years to maturity from the 2024 Notes acquisition date.

Under the market discount rules of the Code, you generally will be r
other taxable disposition of, a 2024 Note having market discount as
discount which accrued but was not previously included in your inco
required to defer, until the maturity of such 2024 Note or its earlier d
expense on any indebtedness incurred or continued to purchase or ca
ratably during the period from the

Table of Contents

2024 Notes acquisition date to the maturity date of the 2024 Notes,
accrue market discount under a constant yield method. You may elec
(under either a ratable or constant yield method), in which case the r
disposition of the 2024 Notes and the deferral of interest deductions
election applies to all market discount obligations acquired on or afte
may not be revoke the election without the consent of the IRS.

Election to Treat All Interest as OID. You may elect to include in gr
OID (including less than *de minimis* OID), market discount includin
acquisition premium, by using the constant yield method described a
method to a 2024 Note with respect to which this election has been m
and the issue date of the 2024 Note will be the 2024 Notes acquisit
stated interest. This election generally will apply only to the 2024 No
the IRS. If this election is made for a 2024 Note with bond premium
instruments with bond premium held at the beginning of, or acquired
election may be revoked only with the consent of the IRS. Similarly,
deemed election to accrue market discount in income currently for th
beginning of, or acquired during, the taxable year in which the Note
IRS. A U.S. Holder s tax basis in a 2024 Note is increased by each a
this paragraph.

Dispositions of the Notes. Upon the sale, exchange, redemption, retir
taxable gain or loss in an amount equal to the difference, if any, betw
taxable disposition (other than amounts attributable to accrued stated
basis in the 2024 Note. Your adjusted tax basis in a 2024 Note will g
OID and market discount on the 2024 Note previously included in yo
premium previously amortized by you, as the case may be with respe

Gain or loss recognized by you on the sale, exchange, redemption, re
or loss and will be long-term capital gain or loss if your holding peri
respect to accrued market discount not previously included in your in
recognized by individual and certain other non-corporate U.S. holde
losses is subject to limitations. Capital gain or loss recognized by yo

Non-U.S. Holders. If you are a non-U.S. holder, subject to the discus
federal income or withholding tax on:

- interest and accruals of OID received in respect of the 20
of a trade or business in the United States; or

- gain realized on the sale, exchange, redemption or retire
of a trade or business in the United States or, in the case
States for 183 days or more in the taxable year of the dis

Table of Contents

Non-U.S. holders should consult their own tax advisors regarding th
of the exceptions noted above.

Information Reporting and Backup Withholding

In general, if you are a U.S. holder, information reporting requireme
the Exchange Offer, payments of stated interest and OID on the 2024
Holder.

In general, backup withholding may apply to any 2024 Notes and
interest on your notes and the proceeds of a disposition of your notes
number or otherwise comply with the applicable requirements of the

If you are a non-U.S. holder, you may be required to establish your e
non-U.S. status on IRS Form W-8BEN, W-8BEN-E, W-8ECI or W-

Backup withholding tax is not an additional tax. Rather, you general
that exceed your income tax liability by accurately completing and t

Certain Reporting Requirements. Individual U.S. holders (and to the
holders and certain U.S. holders that are entities) that hold specifie
are required to file a report on IRS Form 8938 with information relat
assets exceeds $75,000 at any time during the taxable year or $50,00
by applicable Treasury regulations). Specified foreign financial asse
held in an account maintained by a U.S. financial institution. Substa
is shown to be due to reasonable cause and not due to willful neglect
applicable Treasury regulations, an individual non-U.S. holder or a U
statute of limitations on the assessment and collection of U.S. federa
after the date that the required information is filed. U.S. holders (inc
regarding their reporting obligations with respect to specified foreig

Table of Contents

MARSHALL ISL

The following discussion is based upon the current laws of the Repu
offices in or engage in business in the Republic of the Marshall Islan

Because we and our subsidiaries do not and do not expect to conduc
documentation related to this Exchange Offer will be executed outsi
will not be subject to Marshall Islands taxation or withholding on an
subject to Marshall Islands stamp, capital gains or other taxes on the
Marshall Islands to file a tax return relating to your ownership of 20

YOU ARE URGED TO CONSULT HIS YOUR OWN TAX, LEGA
UNDER YOUR PARTICULAR CIRCUMSTANCES.

Table of Contents

LE

Certain legal matters relating to the validity of the 2024 Notes will b
New York. Certain legal matters governed by the laws of the Repub

Table of Contents

The consolidated financial statements of Navios Maritime Holdings
ended December 31, 2017, and management s assessment of the eff
Management s Report on Internal Control over Financial Reporting
reliance on the report of PricewaterhouseCoopers S.A., an independe
in auditing and accounting.

Table of Contents

Table of Contents

UI

SECURITIES AN

Wasl

(Mark One)

REGISTRATION STATEMENT PURSUANT TO SECTI

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15
For the fiscal y

TRANSITION REPORT PURSUANT TO SECTION 13 C

SHELL COMPANY REPORT PURSUANT TO SECTION
Date of event requirin

For the transition per

Com

Navios M

(Exact name of Reg

(Translation of R

Republ

(Jurisdiction of

7 Avenue de G

Monte Ca

(Address of

Fried, Frank, Ha

On

New Y

Te

Fa

(Name, Telephone, E-mail and/or Facsim

Table of Contents

Securities registered or to be re

Title of each class
Common Stock, par value $.0001 per share
8.75% Series G Cumulative Redeemable Perpetual Preferred S
par value $0.0001 per share (Series G)
American Depositary Shares, each representing 1/100th of a Sha
Series G
8.625% Series H Cumulative Redeemable Perpetual

Preferred Stock, par value $0.0001 per share (Series H
American Depositary Shares, each representing 1/100th of a Sha
Series H

* Not for trading, but in connection with the registration of Americ
Commission

Securities registered or to be regis

Securities for which there is a reporting

Indicate the number of outstanding shares of each of the issuer s cla
report:

120,386,472 shares of common stock, 14,191 shares

Indicate by check mark if the registrant is a well-known seasoned iss

If this report is an annual or transition report, indicate by check mark
the Securities Exchange Act of 1934. Yes No

Indicate by check mark whether the registrant has submitted electron
required to be submitted and posted pursuant to Rule 405 of Regulat
shorter period that the registrant was required to submit and post suc

Indicate by check mark whether the registrant (1) has filed all report
during the preceding 12 months (or for such shorter period that the r
requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant is a large accelerated f
See the definition of accelerated filer and large accelerated filer

Large accelerated filer Accelerated fil

If an emerging growth company that prepares its financial statement
elected not to use the extended transition period for complying with
13(a) of the Exchange Act.

The term new or revised financial accounting standard refers
Standards Codification after April 5, 2012.

Indicate by check mark which basis of accounting the registrant has

U.S. GAAP International Financial Re

by the International Acco

If Other has been checked in response to the previous question, in
follow. Item 17 Item 18

If this is an annual report, indicate by check mark whether the regist
Act). Yes No

Table of Contents

TABI

Table of Contents

Please note in this Annual Report, we , us , our , the Compa
subsidiaries, except as otherwise indicated or where the context othe

FORWARD-

This Annual Report should be read in conjunction with the consolida

Navios Maritime Holdings Inc. desires to take advantage of the safe
including this cautionary statement in connection with this safe harb
or on our behalf may include forward-looking statements, which refl
words may, could, should, would, expect, plan, a
expressions identify forward-looking statements.

The forward-looking statements in this document and in other writte
assumptions, many of which are based, in turn, upon further assump
operating trends, data contained in our records, and other data availa
when made, because these assumptions are inherently subject to sign
and are beyond our control, we cannot assure you that we will achiev

In addition to these important factors and matters discussed elsewhe
materially from those discussed in the forward-looking statements in
currencies and interest rates, general market conditions, including flu
cargo shipping industry, changes in the Company s operating expen
dividends and distributions from affiliates, the Company s ability to
Exchange (the NYSE), changes in governmental rules and regula
future litigation, general domestic and international political conditio
value of our publicly traded subsidiaries, and other important factors
Commission, or the SEC. See also Risk Factors below.

We undertake no obligation to update any forward-looking statemen
statement is made or to reflect the occurrence of unanticipated event
possible for us to predict all of these factors. Further, we cannot asse
or combination of factors, may cause actual results to be materially d

Item 1. Identity of Directors, Senior Management and Advisers

Not Applicable.

Table of Contents

Item 2. Offer Statistics and Expected Timetable

Not Applicable.

Item 3. Key Information

A. Selected Financial Data

Navios Holdings selected historical financial information and opera
derived from the consolidated financial statements of Navios Holdin
the years ended December 31, 2017, 2016 and 2015 and the selected
derived from our audited consolidated financial statements included
read in conjunction with Item 5. Operating and Financial Review a
information included elsewhere in this Annual Report. The historica
indicative of our future performance.

	Year Ended December 31, 2017
	(Exp
Statement of Comprehensive (Loss)/income Data	
Revenue	$ 463,049
Administrative fee revenue from affiliates	23,667
Time charter, voyage and logistics business expenses	(213,929)
Direct vessel expenses	(116,713)
General and administrative expenses incurred on behalf of affiliates	(23,667)
General and administrative expenses	(27,521)
Depreciation and amortization	(104,112)
Provision for losses on accounts receivable	(269)
Interest income	6,831
Interest expense and finance cost	(121,611)
Impairment losses	(50,565)
Loss on derivatives	
Gain on sale of assets	1,064
(Loss)/gain on bond and debt extinguishment	(981)
Other income	6,140
Other expense	(13,761)
Loss before equity in net earnings of affiliated companies	**$ (172,378)**

Table of Contents

		Year Ended December 31, 2017
		(Expres
Equity/(loss) in net earnings of affiliated companies	$	4,399
Loss before taxes	**$**	**(167,979)**
Income tax benefit/(expense)		3,192
Net loss	**$**	**(164,787)**
Less: Net (income)/loss attributable to the noncontrolling interest		(1,123)
Net loss attributable to Navios Holdings common stockholders	**$**	**(165,910)**
Loss attributable to Navios Holdings common stockholders, basic and diluted	**$**	**(175,298)**
Basic and diluted net loss per share attributable to Navios Holdings common stockholders	**$**	**(1.50)**
Weighted average number of shares, basic and diluted		**116,673,459**
Balance Sheet Data (at period end)		
Current assets, including cash and restricted cash	$	256,076
Total assets		2,629,981
Total long-term debt, net including current portion		1,682,488
Navios Holdings stockholders equity	$	516,098

Table of Contents

	Year Ended December 31, 2017
Other Financial Data	
Net cash provided by operating activities	$ 50,784
Net cash used in investing activities	(42,365)
Net cash (used in)/ provided by financing activities	(16,779)
Book value per common share	4.29
Cash dividends per common share	
Cash dividends per preferred share	
Cash paid for common stock dividend declared	
Cash paid for preferred stock dividend declared	
Adjusted EBITDA[(1)]	$ 68,813

(1) EBITDA represents net (loss)/income attributable to Navios H
and amortization and before income taxes. Adjusted EBITDA
as liquidity measure and reconcile Adjusted EBITDA to net ca
measure. Adjusted EBITDA is calculated as follows: net cash
be, the effect of (i) net increase/(decrease) in operating assets,
(iv) deferred finance charges and gains/(losses) on bond and d
(vi) equity in affiliates, net of dividends received, (vii) paymen
(loss) on sale of assets/ subsidiaries, (x) unrealized (loss)/gain
available-for-sale securities and impairment charges. Navios H
assessed and represents useful information to investors regardi
expenditures, meet working capital requirements and pay divi
prospective and current lessors as well as potential lenders to e
candidates; and (iii) by securities analysts, investors and other

Adjusted EBITDA has limitations as an analytical tool, and therefor
Holdings results as reported under U.S. GAAP. Some of these limi
for, working capital needs; (ii) Adjusted EBITDA does not reflect th
financing arrangements; and (iii) although depreciation and amortiza
be replaced in the future. Adjusted EBITDA does not reflect any cas
others, Adjusted EBITDA should not be considered as a principal in
EBITDA may not be comparable to that reported by other companie

Table of Contents

The following table reconciles net cash provided by operating activi

Adjusted EBITDA Reconciliation from Cash from Operations

	Year Ended December 3 2017
Net cash provided by operating activities	$ 50,784
Net (decrease)/ increase in operating assets	(25,052)
Net (increase)/decrease in operating liabilities	(20,814)
Payments for drydock and special survey costs	10,824
Net interest cost	108,389
Provision for losses on accounts receivable	(269)
Impairment losses	(50,565)
Gain on sale of assets	1,064
Unrealized loss on FFA derivatives, warrants, interest rate swaps	
Gain/ (Loss) on bond and debt extinguishment	185
(Losses)/earnings in affiliates and joint ventures, net of dividends received	(4,610)
Reclassification to earnings of available-for-sale securities	
Noncontrolling interest	(1,123)
Adjusted EBITDA	**$ 68,813**

B. Capitalization and Indebtedness

Not applicable.

C. ***Reasons for the Offer and Use of Proceeds***

Not applicable.

D. ***Risk Factors***

Some of the following risks relate principally to the industry in whic
securities market and ownership of our common stock. You should c
incorporated into this Annual Report when evaluating the Company
only ones the Company faces. Additional risks and uncertainties not
immaterial may also impair the Company s business operations. If a
business, financial condition and results of operations could be mate
stock could decline, and you could lose all or part of your investmen

Table of Contents

Risks Associated with the Shipping Industry and Our Operation

The cyclical nature of the shipping industry may lead to decreases
our affiliates results of operations and financial condition. In pa
and certain of our vessels may operate below operating cost.

The shipping business, including the dry cargo market, is cyclical in
consequently, vessel values. For example, during the period from Ja
average daily rates experienced a low of $2,260 and a high of $13,7
Baltic Exchange s Capesize time charter average (BCI-5TCA) dail
experienced a low of 290 points and a high of 1,743 points. There ca
lows. We anticipate that the future demand for our dry bulk carriers
commodities, economic growth in the emerging markets, including t
Russia and the rest of the world, seasonal and regional changes in de
social or other developments can decrease demand and prospects fo
decline in demand for commodities transported in dry bulk carriers c
rates, which could materially adversely affect our results of operatio
vessels has fallen, the sale may be at less than the vessel s carrying

Demand for container shipments declined significantly from 2008 to
from 2009 to 2017. In 2016, total container trade grew by 4.2%, infl
estimated to have gained 5.5%, led by recovering volumes going to t
less than demand growth during the year as there was elevated scrap
modestly. The oversupply in the market continued to prevent any sig
orders for large and very large containerships continue to be placed
vessels and having a spillover effect on the market segment for smal
while scrapping increased to a record volume in 2016 and was the th
disruptions in the credit markets significantly reduced demand for p
adverse effect on our and our affiliates results of operations and fi

The continuation of such containership oversupply or any declines i
affiliates seek to charter their containerships.

Historically, the tanker markets have been volatile as a result of the
capacity. Demand for crude oil and product tankers is historically w
years were marked by a major economic slowdown, which has had,
Global economic conditions remain fragile with significant uncertai
growth effects. Energy prices sharply declined from mid-2014 to the
response to this increased production, demand for tankers to move o
period charter rates for product and crude tankers rose, but have sinc
have been steady increases in Chinese and Indian crude oil imports s
decline in US crude oil imports since 2005. Oil products shipments

Table of Contents

Europe, Japan and Australia with oil products being shipped to those
production, the US became a net exporter of oil products since 2011
inventories of products have reduced arbitrage possibilities and spot
Exporting Countries (OPEC) is currently producing and shipping
OPEC significantly reduce oil production or should there be signific
countries suffer significant economic slowdowns, that may result in
affiliated tanker vessels and lower charter rates, which could have a

The percentage of the total tanker fleet on order as a percent of the t
2018. An over-supply of tanker capacity may result in a reduction of
able to charter their tanker vessels at unprofitable rates or may not b
our results of operations.

The demand for dry cargo vessels, containerships and tanker capacit

global and regional economic conditions;

developments in international trade;

changes in seaborne and other transportation pat

supply and demand for energy resources, commo
cargoes, including petroleum and petroleum prod

changes in the exploration or production of energ
products;

supply and demand for products shipped in conta

changes in global production of raw materials or

the distance dry bulk cargo or containers are to b

the globalization of manufacturing;

carrier alliances, vessel sharing or container slot weather and crop yields;

armed conflicts and terrorist activities, including

natural or man-made disasters that affect the abil

political, environmental and other regulatory dev
changes, import- export restrictions, central bank

embargoes and strikes;

technical advances in ship design and constructio

waiting days in ports;

changes in oil production and refining capacity a

Table of Contents

the distance chemicals, petroleum and petroleum

changes in seaborne and other transportation pat
geographic changes in where oil is produced, ref

competition from alternative sources of energy.

The supply of vessel capacity has generally been influenced by, amo

the number of vessels that are in or out of servic

the scrapping rate of older vessels;

port and canal traffic and congestion;

the number of newbuilding deliveries;

vessel casualties;

the availability of shipyard capacity;

the economics of slow steaming;

the number of vessels that are used for storage o

the conversion of tankers to other uses, includin
cargo and the reverse conversion;

availability of financing for new vessels;

the phasing out of single-hull tankers due to legi

the price of steel;

national or international regulations that may eff
of tonnage; and

environmental concerns and regulations.

Our growth depends on continued growth in demand for dry bulk

Our growth strategy focuses on expansion in the dry bulk shipping s
regional demand for dry bulk commodities and the shipping of dry b
declines in prices for dry bulk commodities, or general political and

Reduced demand for dry bulk commodities and the shipping of dry b
harm our business, results of operations and financial condition. In p
India have been the main driving force behind the current increase in
in economic conditions in any Asian Pacific country, but particularly
business, financial condition and results of operations, as well as our

Weak economic conditions throughout the world, particularly the A protectionist policies which could affect advanced economies, coul of operations.

The global economy remains relatively weak, especially when comp
recovery is proceeding at varying speeds across regions and is still

Table of Contents

subject to downside economic risks stemming from factors like fisca
accommodative macroeconomic policies, the significant fall in the p
and equity financing as well as political risks such as the continuing
populist and protectionist political movements in advanced economi

Concerns regarding new terrorist threats from groups in Europe and
impact globalization and global economic growth, which could disru
U.S., and other parts of the world which could have a material adver

In recent years, China has been one of the world s fastest growing e
shipping demand. However, if China s growth in gross domestic pr
negative economic growth in the future, this may negatively affect th
negatively impact shipping demand. For example, the possibility of
response to increasing terrorist activities, and the possibility of mark
weaken the Euro against the Chinese renminbi, could adversely affe
negatively impact the U.S. demand for imported goods, many of w
additional tariffs on imported goods carried in containers as part of p
economic conditions or protectionist measures could have a material
well as our cash flows.

***Disruptions in global financial markets from terrorist attacks, regi
action could have a material adverse impact our ability to obtain fi
disruption would adversely affect our results of operations, financi
decline.***

Terrorist attacks in certain parts of the world, such as the attacks on
continuing response of the U.S. and other countries to these attacks,
volatility in the world financial markets and may affect our business
and economic conditions have been severely disrupted and volatile i
deterioration of fiscal balances and the rapid accumulation of public
Credit markets as well as the debt and equity capital markets were ex
The continuing refugee crisis in the EU, the continuing war in Syria
in Iraq, general political unrest in Ukraine, and political tension or co
have led to increased volatility in global credit and equity markets. T
accordingly affect our business, results of operations and financial co
instability in regions where our vessels trade, could also affect trade
material adverse effect on our business, results of operations and fin

Further, as a result of the ongoing political and economic turmoil in
implemented by the Greek government, the operations of our manag
government policies that may require us to incur new or additional c

Table of Contents

payment of new taxes or other fees. We also face the risk that strikes
operations of our managers located in Greece.

Specifically, these issues, along with the re-pricing of credit risk and
likely continue to make, it difficult to obtain financing. As a result o
lenders have increased margins on lending rates, enacted tighter lend
advances, shorter maturities and smaller loan amounts), or have refu
historically been significant lenders to the shipping industry have re
capital requirements and the resulting policies adopted by lenders, c
financing commitments or be unable to fully draw on the capacity un
financing to us or unable to meet their funding obligations due to the
will be available on acceptable terms or at all. If financing is not ava
meet our future obligations as they come due. Our failure to obtain s
operations and financial condition, as well as our cash flows. In the a
opportunities or respond to competitive pressures.

The New York Stock Exchange may delist our common stock from
stock and subject us to additional trading restrictions.

A company is not in compliance with the continued listing standards
closing price of that company s common stock is less than $1.00 ov

Since March 26, 2018, the closing price of our common stock was le

Under the NYSE Listed Company Manual, a listed company is gene
to regain compliance, after which the NYSE will commence suspens
trading day of any calendar month, a company s common stock pric
During this six month period, a company s common stock will cont
requirements and further subject to the discretion of the NYSE to co
such as selling for an abnormally low price.

While we are currently in compliance with the NYSE listing standar
NYSE in the future.

If our common stock ultimately were to be delisted for any reason, v

- a limited availability of market quotations for our common sto
- a limited amount of news and analyst coverage for us;
- a decreased ability for us to issue additional securities or obtai
- limited liquidity for our shareholders due to thin trading; and

loss of our tax exemption under Section 883 of the Internal Re
rates for certain dividends received by certain non-corporate U
treated as a passive foreign investment company (PFIC).

Table of Contents

A decrease in the level of China s imports of raw materials or a de business and, in turn, could cause a material adverse impact on ou

China imports significant quantities of raw materials. For example, i shipped globally accounting for about 72% of the global seaborne ir in 2017 according to current estimates (217 million tons imported co from over 22% in 2013 (264 million tons imported compared to 1.18 by our charterers on routes involving dry bulk trade in and out of em derived from the shipment of goods within and to the Asia Pacific re China-based importers could have a material adverse effect on the gr government of China has implemented economic policies aimed at r or promoting the export of such coal. This may have the effect of red in demand for dry bulk shipping. Additionally, though in China there economy and enterprise reform, many of the reforms, particularly s principally determined by market forces, are unprecedented or exper and exports from China could be adversely affected by changes to th political, economic and social conditions or other relevant policies o

For example, China imposes a new tax for non-resident international cargo, among other items, in and out of China using their own, chart connected with the transportation. The regulation broadens the range Chinese enterprise income tax on profits generated from internationa regulations, such as the recently promoted environmental taxes on co China and the risks associated with importing raw materials to China charterers to China. This could have an adverse impact on our charte their ability to make timely charter hire payments to us and to renew

Our operations expose us to the risk that increased trade protectionis recovery is undermined by downside risks and the recent economic c industries against foreign imports, thereby depressing the demand fo charterers serve may cause (i) a decrease in cargoes available to our the risks associated with importing goods to China. Any increased tr adverse impact on our charterers business, operating results and fin payments to us and to renew and increase the number of their time c operations, financial condition and our ability to pay cash distributio

When our contracts expire, we may not be able to successfully repl are at or below operating costs.

The process for concluding contracts and longer term time charters g submission of competitive bids. In addition to the quality and

suitability of the vessel, medium and longer term shipping contracts
operator, including:

- environmental, health and safety record;
- compliance with regulatory industry standards;
- reputation for customer service, technical and op
- shipping experience and quality of ship operatio
- quality, experience and technical capability of cr
- the ability to finance vessels at competitive rates
- relationships with shipyards and the ability to ob
- construction management experience, including specifications;
- willingness to accept operational risks pursuant t and
- competitiveness of the bid in terms of overall pri

As a result of these factors, when our contracts including our long-te promptly or at all or at rates sufficient to allow us to operate our bus lenders, or to pay dividends. Our ability to renew the charter contrac vessels that we may acquire in the future, the charter rates payable u economic conditions in the sectors in which our vessels operate at th supply and demand for the transportation of commodities. During pe below operating costs, we may not choose to charter our vessels for during the period of the charter. We may instead choose or be forced and outlook at the time those vessels become available for charter.

However, if we are successful in employing our vessels under longe during an upturn in the market cycle, when spot trading may be mor contracts, our results of operations and operating cash flow could be

We may employ vessels on the spot market and thus expose ourselv

We periodically employ some of our vessels on a spot basis. The spo
highly volatile, while longer-term charter contracts provide income a
that we will be successful in keeping our vessels fully employed in t
vessels to be operated profitably. A significant decrease in spot mark
market would result in a reduction of the incremental revenue receiv
profitability and cash flows, with the result that our ability to pay de

Additionally, if spot market rates or short-term time charter rates bec
charterers are obligated to pay us under our existing charters, the

Table of Contents

charterers may have incentive to default under that charter or attemp
have to attempt to re-charter our vessels at lower charter rates, which
profitably. If we are not able to comply with our loan covenants and
could be required to sell vessels in our fleet and our ability to contin

We depend upon significant customers for part of our revenues. Th
of our customers could materially adversely affect our financial pe

We derive a significant part of our revenue from a small number of c
approximately 31.1%, 41.1%, and 33.8%, respectively, of our gross
customers accounted for more than 10% of the Company s revenue
13.1%, respectively, of the Company s revenue. For the year ended

We could lose a customer or the benefits of a time charter if, among

the customer fails to make charter payments beca
increasing due to the current economic environm

the customer terminates the charter because we f
beyond repair, there are serious deficiencies in th

the customer terminates the charter because the v

Furthermore, a number of our charters are at above-market rates, suc
Additionally, our charterers from time to time have sought to renego
default by our customers.

If one or more of our customers is unable to perform under one or m
charterer exercises certain rights to terminate the charter, or if a char
loss of revenues that could materially adversely affect our business,

We are subject to certain credit risks with respect to our counterpa
could cause us to suffer losses on such contracts and thereby decre

We charter-out our vessels to other parties who pay us a daily rate of
agree to carry cargoes, typically for industrial customers, who expor
Agreements (FFAs), parts of which are traded over-the-counter. V
carry a specified cargo on a specified route. The FFAs and these con
the counterparties fail to meet their obligations, we could suffer losse
condition and results of operations. In addition, if a charterer default
It is also possible that we would be unable to secure a charter at all. I
results of operations could be materially adversely affected.

Table of Contents

Trading and complementary hedging activities in freight, tonnage
could adversely affect our financial condition and results of operat

Due to dry bulk shipping market volatility, success in this shipping i
for long periods of time and trading them on a spot basis. A long-ter
situation depending on the direction of freight rates over the term of
complementary hedging activities in freight, tonnage and FFAs. We
fleet, specific vessels or freight commitments and taking advantage o
be able at all times to successfully protect ourselves from volatility i
exposed to unprofitable contracts, and may suffer trading losses resu

We are subject to certain operating risks, including vessel breakdo
vessels and which in turn could have an adverse effect on our resu

Our exposure to operating risks of vessel breakdown and accidents m
chartered-in under time charters and, as a result, most operating risks
a chartered-in vessel at a lower rate than the rate of hire it receives fr
of the vessel due to an operating risk suffered by the owner will, in a
Although we maintain insurance policies (subject to deductibles and
loss of a chartered-in vessel, we cannot assure you that we will be co
on commercially reasonable terms. Breakdowns or accidents involvi
insurance, would result in a loss of revenue from the affected vessels

Risks inherent in the operation of ocean-going vessels could affect
income, cash flow and the price of our common stock.

The operation of ocean-going vessels entails certain inherent risks th

the damage or destruction of vessels due to mari

the loss of a vessel due to piracy and terrorism;

cargo and property losses or damage as a result o
weather;

environmental accidents as a result of the forego

business interruptions and delivery delays cause
political action in various countries, labor strikes

Such occurrences could result in death or injury to persons, loss of p
from or termination of charter contracts, governmental fines, penalti
or third parties, higher insurance rates, and damage to our reputation

and war risks insurance, as well as protection and indemnity insuran
insurance coverage may be subject to caps or not cover such

losses and any of these circumstances or events could increase our c
disaster may harm our reputation as a safe and reliable vessel owner
results of operations and financial condition, as well as our cash flo

We are subject to various laws, regulations and conventions, inclu both to maintain compliance with such laws and to pay for any un environmental incident.

The shipping business and vessel operation are materially affected b and local laws, and regulations in force in the jurisdictions in which Governmental regulations, safety or other equipment standards, as w organizations and customer requirements or competition, may requi regulations are often revised, we cannot predict the ultimate cost of fair market price or useful life of our vessels. In order to satisfy any extended periods of time, with corresponding losses of revenues. In operate our vessels, particularly older vessels, profitably during the In addition, violations of environmental and safety regulations can r vessels.

Additional conventions, laws and regulations may be adopted that c increase our cost of doing business, which may materially adversely jurisdictions legislation has been enacted, or is under consideration, discharges from our vessels. For example, the International Maritim International Convention for the Prevention of Pollution from Ships 2010. The revised Annex VI implements a phased reduction of the s control areas (ECAs). Thus far, ECAs have been formally adopte the English Channel (limiting SOx emissions only) and the North A particulate matter emissions). In October 2016, the IMO approved t which is scheduled for adoption in 2017 and would take effect in Ja has been effective since January 1, 2014, limiting SOx, NOx and pa 0.10% m/m in ECAs established to limit SOx and particulate matter October 27, 2016 that it was proceeding with a requirement for 0.5% ECAs starting on January 1, 2020. Under Annex VI, the 2020 date w required the fuel availability review to be completed by 2018 but wa remove sulfur from emissions through the use of emission control e increased demand and higher prices due to supply constraints. Insta significantly increased costs to our company. Similarly, MARPOL A constructed and engines installed in ships operating in NOx ECAs f

Certain jurisdictions have adopted more stringent requirements. For California regulated waters. Compliance with new emissions standa it is unclear how new

Table of Contents

emissions standards will affect the employment of our vessels, over
become less competitive.

In addition, the IMO, the U.S. and states within the U.S. have propo
prevent the harmful effects of foreign invasive species. These ballas
ballast water.

The operation of vessels is also affected by the requirements set fort
shipowners and bareboat charterers to develop and maintain an exte
and environmental protection policy setting forth instructions and pr
emergencies. Further to this, the IMO has introduced the first ever m
global industry sector. These energy efficiency measures took effect
include the development of a ship energy efficiency management pl
will have to comply. The failure of a ship owner or bareboat charter
withdrawal of the permit to operate or manage the vessels, increased
result in a denial of access to, or detention in, certain ports.

We operate a fleet of vessels that are subject to national and internat
impose and limit pollution liability from vessels. An owner of a tank
Convention for Civil Liability for Oil Pollution Damage (the CLC
a contracting state by an escape or discharge from cargo or bunker t
tonnage of the ship, and the right to limit liability may be lost if the
be incurred under the CLC for a bunker spill from the vessel even w

When a tanker is carrying clean oil products that do not constitute
damage will generally fall outside the CLC and will depend on othe
occurs. The same principle applies to any pollution from the vessel i
jurisdictions around the world, but it does not apply in the U.S., whe
90) discussed below, are particularly stringent.

For vessel operations not covered by the CLC, including those opera
International Convention on Civil Liability for Bunker Oil Pollution
Convention, which imposes strict liability on shipowners for polluti
or threatened discharges, of bunker oil from all classes of ships not
ships over a certain size to maintain insurance to cover their liability
applicable national or international limitation regime, including liab
for Maritime Claims 1976, as amended (the 1976 Convention), di
effective in contracting states on November 21, 2008 and as of Febr
bunker oil pollution typically is determined by the national or other

The CLC and Bunker Convention also provide vessel owners a right
The CLC includes its own liability limits. The 1976

Table of Contents

Convention is the most widely applicable international regime limiti
are forfeited where a spill is caused by a shipowner s intentional or
1976 Convention, referred to herein as the Protocol of 1996. The
than the limits set forth in the 1976 Convention. Finally, some jurisd
Protocol of 1996, and, therefore, a shipowner s rights to limit liabili

Environmental legislation in the U.S. merits particular mention as it
mark of regulation with which ship owners and operators must comp
incident causing pollution. Though it has been eight years since the
incident), such regulation may become even stricter because of the
liability regime for the protection and cleanup of the environment fr
all owners and operators whose vessels trade in the U.S., its territori
U.S. s territorial sea and its 200 nautical mile exclusive economic z
responsible parties and are jointly, severally and strictly liable (u
an act of war) for all containment and clean-up costs and other dama
vessels. The U.S. Congress has in the past considered bills to strengt
the future. Further, under the federal Comprehensive Environmental
investigation and cleanup requirements for threatened or actual relea
on a joint and several basis, regardless of fault or the legality of the

In addition to potential liability under the federal OPA 90, vessel ow
state law in the particular state where the spillage occurred. For exam
plan be filed with the state, require that the ship owner contract with
responsibility, all prior to the vessel entering state waters.

In recent years, the EU has become increasingly active in the field o
regulation, the EU has introduced new laws without attempting to pr
2005 a directive, as amended in 2009, on ship-source pollution, impo
or recklessness (which would be an offence under MARPOL), but al
be interpreted in practice to be little more than ordinary negligence.
circumstances where it would not be incurred under international lav

The EU has also issued Directive 2013/30/EU of the European Parli
operations. The objective of this Directive is to reduce as much as po
and to limit their consequences, thus increasing the protection of the
minimum conditions for safe offshore exploration and exploitation o
and to improve the response mechanisms in case of an accident. The
concerned, the U.K. has various new or amended regulations such as
Functions) Regulations 2015 (OSDEF), the 2015 amendments to the
Convention) Regulations 1998 (OPRC 1998) and other

Table of Contents

environmental Directive requirements, specifically the Environment
Directive) Regulations 2015 will implement the licensing Directive r

Criminal liability for a pollution incident could not only result in us
facilitate civil liability claims for greater compensation than would c

We maintain insurance coverage for each owned vessel in our fleet a
one event. The insured risks include penalties and fines as well as ci
insurance coverage is subject to exclusions, deductibles and other ter
coverage, or if damages from a catastrophic incident exceed the aggr
financial position would be adversely impacted.

We may be required to make significant investments in ballast wat
performance, results of operations, and financial position.

As discussed above, the International Convention for the Control an
which was adopted in February 2004 aims to prevent the spread of h
procedures for the management and control of ships ballast water a
introduction of mandatory ballast water exchange requirements, to b
including recordkeeping requirements and implementation of a Balla
will enter into force twelve months after it has been adopted by at le
gross tonnage of the world s merchant shipping. With Finland s ac
the BWM convention entered into force on September 8, 2017. Ther
its 18.02% of world gross tonnage. As of September 8, 2017, the BV
Although new ships constructed after September 8, 2017 must comp
Convention has been delayed for existing vessels (constructed prior
of ballast water management systems must take place at the first ren
into force). The BWM Convention requires ships to manage ballast
of aquatic organisms and pathogens within ballast water and sedime
includes more robust testing and performance specifications. The en
treatment requirements in certain jurisdictions (such as the U.S. and
installation of equipment on our vessels to treat ballast water before
requirements. Investments in ballast water treatment may have a ma
financial position.

Climate change and government laws and regulations related to cl

We are and will be, directly and indirectly, subject to the effects of c
regulations related to climate change. A number of countries have ac
greenhouse gas emissions. In the U.S., the United States Environme
pollutants and has issued greenhouse gas reporting requirements for

industries (which does not include the shipping industry). EPA does
nitrogen oxides standards and in-use fuel specifications. In addition,
subject to the Kyoto Protocol to the United Nations Framework Con
implement national programs to reduce greenhouse gas emissions, th
It has responded to the global focus on climate change and greenhou
measures and a work plan for market-based mechanisms in 2011. Th
(SEEMP), outlined above, and an energy efficiency design index
measures through an expert working group. Among the numerous pr
based on the amount of fuel consumed by the vessel on its voyage to
emissions allowances and set an emissions cap; and an international
either by the UNFCCC or the IMO.

At its 64th session (2012), the IMO s Marine Environment Protectio
to identify market-based measures for international shipping. At its 6
operational measures relating to energy-efficiency measures for ship
January 1, 2013. It adopted the 2014 Guidelines on the Method of C
amendments to MARPOL Annex VI concerning the extension of the
cargo ships (vehicle carriers), ro-ro passenger ships and cruise passe
adopted the 2014 Guidelines on survey and certification of the EEDI
using LNG and liquid fuel oil. The MEPC also adopted amendments
maintain the maneuverability of ships in adverse conditions, to make
requirements. At its 68th session (2015), the MEPC amended the 20
of EEDI for new ships, the latter of which was again amended at the
requirements for ships of 5,000 gross tonnage or greater to collect fu
after the end of each calendar year.

Although regulation of greenhouse gas emissions in the shipping ind
Paris Conference), the agreement reached among the 195 nations
IMO announced it would continue its efforts on this issue at the ME
comprehensive GHG emissions reduction strategy for ships, which i
commitments in 2018. The Roadmap also provides for additional stu
with a goal of adopting a revised strategy in 2023 to include short-, r
2018, the committee charged with creating the reduction strategy mu

The EU announced in April 2007 that it planned to expand the EU e
required to report on carbon emissions and subject to a credit trading
expected if no global regime for reduction of seaborne emissions had
Commission announced that it would propose measures to monitor,
June 28, 2013, the European Commission adopted a communication
maritime transport in the EU s policy for reducing its overall greenh

Table of Contents

European Commission was an EU Regulation to an EU-wide system
large ships starting in 2018. The EU Regulation (2015/757) was ado
and verification requirements beginning on January 1, 2018. This Re
international negotiating process. The European Commission also ac
setting templates for monitoring plans, emissions reports and compli

In February 2017, EU member states met to consider independently
Parliament voted in favor of a bill to include maritime shipping in th
November 2017, the Council of Ministers, the EU s main decision m
IMO fails to deliver effective global measures. Last year, IMO s urg
before 2023 was met with industry push-back in many countries. De
additional compliance costs for our vessels.

We cannot predict with any degree of certainty what effect, if any po
change will have on our operations, whether directly or indirectly. H
weather events resulting from climate change, and government laws
cost of the vessels we may acquire in the future, (ii) our ability to co
(iv) insurance premiums, deductibles and the availability of coverage
climate change and related governmental regulation, and that impact

We are subject to vessel security regulations and will incur costs to comply with similar regulations that may be adopted in the future t

Since the terrorist attacks of September 11, 2001, there has been a va
Maritime Transportation Security Act of 2002 (MTSA), came int
Guard issued regulations requiring the implementation of certain sec
the U.S.. Similarly, in December 2002, amendments to the Internatio
the convention dealing specifically with maritime security. The new
obligations on vessels and port authorities, most of which are contain
Among the various requirements are:

- on-board installation of automatic information sy
- on-board installation of ship security alert system
- the development of vessel security plans; and
- compliance with flag state security certification r

Furthermore, additional security measures could be required in the fu
regulations, intended to be aligned with international maritime secur
provided such vessels have on board a valid International Ship Secur
requirements and the ISPS Code. We will implement the various sec

Table of Contents

measures addressed by the MTSA, SOLAS and the ISPS Code and t
requirements within the prescribed time periods. Although managem
impact on our operations, there can be no assurance that there will n
applicable requirements and any such interruption could cause a dec
required in the future, which could have a significant financial impa

The cost of vessel security measures has also been affected by acts o
their crews being detained for several months, and being released on
incurred as a result of such detention. Although we insure against th
could significantly affect our business. Costs are incurred in taking a
Deter Piracy, notably those contained in the BMP3 industry standard
expresses commitment to Best Management Practices in relation to p
the ISPS Code.

Acts of piracy on ocean-going vessels could adversely affect our bu

Acts of piracy have historically affected ocean-going vessels trading
off the coast of Somalia. Piracy continues to occur in the Gulf of Ad
the frequency and success of attacks have diminished recently, we st
container shipping industry, and protection against this risk requires
Crew costs, including those due to employing onboard security guar
intended to deter and prevent the hijacking of our vessels, it could al
property. In addition, while we believe the charterer remains liable f
this and withhold charter hire until the vessel is released. A chartere
of days and it is therefore entitled to cancel the charter party, a claim
these incidents, which could have a material adverse effect on our re
could also increase in such circumstances. We may not be adequatel
armed actions.

Political and government instability, terrorist attacks, increased ho disruption of our business.

We are an international company and conduct our operations primar
the countries where we are engaged in business or where our vessels
September 11, 2001 and the U.S. continuing response to these attac
Spain on March 11, 2004 and in Brussels on March 22, 2016, and th
Ukraine and other current and future conflicts, and the continuing re
continue to cause uncertainty in the world financial markets, includin
additional armed conflicts or to further acts of terrorism and civil dis
turmoil in the financial markets and may contribute further to econo
affect our business, operating results, financial condition, ability to r

Table of Contents

vessels, such as the October 2002 attack on the M/V Limburg, a VL
financial condition and directly impact our vessels or our customers.

Furthermore, our operations may be adversely affected by changing
are flagged or registered and in the regions where we otherwise enga
operation of our vessels, which could harm our business, financial co
expropriation of vessels, taxes, regulation, tariffs, trade embargoes, e
events or circumstances in or affecting the countries and regions wh

Governments could requisition our vessels during a period of war

A government of the jurisdiction where one or more of our vessels a
occurs when a government takes control of a vessel and becomes its
for hire occurs when a government takes control of a ship and effect
during a period of war or emergency, although governments may ele
entitled to compensation in the event of a requisition of one or more
Government requisition of one or more of our vessels may cause us
adverse effect on our business and results of operations and financia

A failure to pass inspection by classification societies could result
resulting in a loss of revenues from such vessels for that period an

The hull and machinery of every commercial vessel must be classed
society certifies that a vessel is safe and seaworthy in accordance wi
with SOLAS. Our owned fleet is currently enrolled with Nippon Kai
Shipping.

A vessel must undergo an annual survey, an intermediate survey and
continuous survey cycle, under which the machinery would be surve
for hull inspection and continuous survey cycles for machinery insp
inspection of the underwater parts of such vessel.

If any vessel fails any annual survey, intermediate survey or special
unemployable, potentially causing a negative impact on our revenue

Increased inspection procedures and tighter import and export con

International shipping is subject to various security and customs ins
trans-shipment points. Inspection procedures may result in the seizu
delivery and the levying of customs duties, fines or other penalties a

Table of Contents

It is possible that changes to inspection procedures could impose add
could also impose additional costs and obligations on our customers
uneconomical or impractical. Any such changes or developments ma
condition.

Our insurance may be insufficient to cover losses that may occur t

The operation of any vessel includes risks such as mechanical failure
and business interruption due to political circumstances in foreign co
possibility of a marine disaster, including oil spills and other environ
vessels in international trade. We procure insurance for our fleet in r
current insurance includes (i) hull and machinery and war risk insura
collisions and contact with fixed and floating objects, (ii) war risks i
and (iii) protection and indemnity insurance (which includes environ
as expenses resulting from the injury or death of crew members, pas
arising from collisions with other vessels, damage to other third-part
and other related costs, including wreck removal.

We can give no assurance that we are adequately insured against all
is adequate to cover our losses, we may not be able to obtain a timel
we may not be able to obtain adequate insurance coverage at reasona
led to increased costs for, and in the future may result in the lack of a
may also be subject to calls, or premiums, in amounts based not only
protection and indemnity associations through which we receive ind
or premiums payable to our protection and indemnity association. O
although we believe are standard in the shipping industry, may neve
our insurance coverage, which could have a material adverse effect o
underinsured loss could harm our business and financial condition. I
actions, such as vessels failing to maintain required certification.

Our charterers may engage in legally permitted trading in locations,
Our insurers may be contractually or by operation of law prohibited
reduced insurance coverage for losses incurred by the related vessels
unable to post security in respect of any incident in such locations, r
Company which could negatively impact our business, results of ope

Maritime claimants could arrest our vessels, which could interrupt

Crew members, suppliers of goods and services to a vessel, shippers
vessel for unsatisfied debts, claims or damages, including, in some ju
maritime lien-holder may

Table of Contents

enforce its lien by arresting a vessel. The arrest or attachment of one
interrupt our cash flows and could require us to pay large sums of m
material adverse effect on our business, results of operations and fin
existence of any such maritime lien on our vessels.

In addition, in some jurisdictions, such as South Africa, under the s
the claimant s maritime lien and any associated vessel, which is
ship liability against one vessel in our fleet for claims relating to an

The risks and costs associated with vessels increase as the vessels a

The costs to operate and maintain a vessel in operation increase with
fully delivered fleet, and most dry bulk vessels have an expected life
are more fuel efficient than older vessels. Cargo insurance rates also
as well. Governmental regulations, safety or other equipment standa
addition of new equipment to our vessels and may restrict the type o
vessels age, market conditions will justify those expenditures or enal
we sell vessels, we may have to sell them at a loss, and if charterers
adversely affected.

Technological innovation could reduce our charter hire income an

The charter hire rates and the value and operational life of a vessel a
flexibility and physical life. Efficiency includes speed, fuel economy
to enter harbors, utilize related docking facilities and pass through ca
and construction, its maintenance and the impact of the stress of ope
longer physical lives than our vessels, competition from these more
payments we receive for our vessels and the resale value of our vess
condition could be adversely affected.

If we fail to manage our planned growth properly, we may not be a financial position.

We have grown our fleet and business significantly. We intend to co

- ongoing and anticipated economic conditions an
- locating and acquiring suitable vessels;
- identifying reputable shipyards with available ca
- integrating any acquired vessels successfully wit

enhancing our customer base;

managing our expansion; and

obtaining required financing, which could includ

Table of Contents

Additionally, the marine transportation and logistics industries are ca
vessel acquisitions, capital expenditures and working capital needs.
could result in:

default and foreclosure on our assets if our opera
pay our debt obligations;

acceleration of our obligations to repay the indeb
debt security contained covenants that required t
breached without a waiver or renegotiation of th

our immediate payment of all principal and accru

our inability to obtain additional financing, if ne
additional financing while such security was out

In addition, our business plan and strategy is predicated on buying v
a cyclical industry. However, there is no assurance that shipping rate
shipping costs or vessel asset values in the near-term or at all, in whi
Growing any business by acquisition presents numerous risks such a
additional qualified personnel and managing relationships with custo
infrastructures. We may not be successful in growing and may incur

If we purchase any newbuilding vessels, delays, cancellations or n
results.

If we purchase any newbuilding vessels, the shipbuilder could fail to
purchase contract if the shipbuilder fails to meet its obligations. In a
delivery of the newbuilding to our customer is delayed, we may be r
customer may terminate the charter and, in addition to the resulting
damages. We do not derive any revenue from a vessel until after its
construction of a newbuilding. While we expect to have refund guar
event the vessel is not delivered by the shipyard or is otherwise not a
of such refund guarantees, in which case we would lose the amounts

The completion and delivery of newbuildings could be delayed, can

quality or engineering problems;

changes in governmental regulations or maritim work stoppages or other labor disturbances at the

bankruptcy or other financial crisis of the shipbu

a backlog of orders at the shipyard;

political or economic disturbances;

Table of Contents

weather interference or catastrophic event, such

requests for changes to the original vessel specif

shortages of or delays in the receipt of necessary

inability to finance the construction or conversio

inability to obtain requisite permits or approvals.

If delivery of a vessel is materially delayed, it could materially adve
cash distributions.

Although we have long-standing relationships with certain Japane you that we will always be able to maintain such relationships or t

We have long-standing relationships with certain Japanese shipowne include options to purchase the vessels at favorable prices relative to indefinitely. In addition, there is no assurance that Japanese shipown terms in the future.

The smuggling of drugs or other contraband onto our vessels may

We expect that our vessels will call in ports in South America and o with or without the knowledge of crew members. Under some jurisd forfeiture to the government of such jurisdiction. To the extent our v vessel and whether with or without the knowledge of any of our crew adverse effect on our business, results of operations, cash flows, fina

Our vessels may be subject to unbudgeted periods of off-hire, whic of operations.

Under the terms of the charter agreements under which our vessels o off-hire, or not available for service or otherwise deficient in its c and we will be responsible for all costs (including the cost of bunker lack of availability. A vessel generally will be deemed to be off-hire other things:

operational deficiencies;

the removal of a vessel from the water for repair equipment breakdowns;

delays due to accidents or deviations from cours

occurrence of hostilities in the vessel s flag stat

crewing strikes, labor boycotts, certain vessel de

our failure to maintain the vessel in compliance
international regulations or to provide the requir

Table of Contents

Under some of our charters, the charterer is permitted to terminate th
defined as a period of 90 or more consecutive off-hire days. Under s
terminate the time charter or suspend payment of charter hire.

As we do not maintain off-hire insurance except in cases of loss of h
off-hire period could have a material adverse effect on our results of

***Our international activities increase the compliance risks associate
jurisdictions.***

Our international operations and activities could expose us to risks a
imposed by the U.S. or other governments or organizations, includin
sanctions laws, governments may seek to impose modifications to, p
compliance programs, which may increase compliance costs, and, in

Iran

During the last few years until January 2016, the scope of sanctions
activities or doing certain business with and relating to Iran was exp
2010, the U.S. enacted the Comprehensive Iran Sanctions Accountab
Sanctions Act. The scope of U.S. sanctions against Iran were expand
Authorization Act of 2012 (the 2012 NDAA), the Iran Threat Red
Iran Freedom and Counter-Proliferation Act of 2012 (IFCA). The
non-U.S. companies, such as our company, and introduced limits on
trade with Iran when such activities relate to specific trade and inves

U.S. economic sanctions on Iran fall into two general categories: P
branches, U.S. citizens, U.S. permanent residents, and persons withi
transactions with Iran without U.S. government authorization, and
EU and U.S. nuclear-related sanctions with respect to Iran (including
the implementation of the Joint Comprehensive Plan of Action (the
Security Council (China, France, Russia, the U.K. and the U.S.) and
The primary sanctions with which U.S. persons or transactions with
except in a very limited fashion. Additionally, the sanctions lifted un
JCPOA or the U.S. withdraws from the JCPOA.

After the lifting of most of the nuclear-related sanctions on January
goods, missiles-related goods and items that might be used for intern
include restrictions on:

i. Graphite and certain raw or semi-finished metals such as
alloys and nickel and alloys (as listed in Annex VIIB to
Regulation);

Table of Contents

ii. Goods listed in the Nuclear Suppliers Group list (listed i

iii. Goods that could contribute to nuclear-related or other a
and

iv. Software designed for use in nuclear/military industries
Dealing with the above is no longer prohibited, but prior authorizatio
restrictions apply to the sale, supply, transfer or export, directly or in
assistance, financing or financial assistance in relation to the restricte
make available, directly or indirectly, economic resources or assets t
defined and it remains prohibited to provide vessels for a fixture fro
indirectly benefits. It is therefore still necessary to carry out due dili

Russia/Ukraine

As a result of the crisis in Ukraine and the annexation of Crimea by
certain persons and entities.

The EU has imposed travel bans and asset freezes on certain persons
indirectly, economic resources or assets to or for the benefit of the sa
Sevastopol Commercial Seaport and Port Feodosia are subject to the
provision of equity and debt financing to the listed entities. In additi
include a prohibition on the import into the EU of goods originating
military items and restrictions in relation to various items of technol
production, Arctic oil exploration and production or shale oil project
cargoes involved in fixtures relating to Russia.

The U.S. has imposed sanctions against certain designated Russian e
property and all interests in property of the U.S. Russian Sanctions T
commercial transactions with the U.S. Russian Sanctions Targets un
sanctions, U.S. sanctions also entail restrictions on certain exports fr
provision of equity and debt financing to designated Russian entities
compliance measures in place to guard against transactions with U.S
implicate prohibitions. The U.S. also maintains prohibitions on trade

The U.S. s Countering America s Adversaries Through Sanctions
Russia, and North Korea. The CAATSA sanctions with respect to R
and North Korea enhance existing sanctions.

Venezuela-Related Sanctions

The U.S. sanctions with respect to Venezuela prohibit dealings with
to PDVSA and other government entities. EU

Table of Contents

sanctions against Venezuela are primarily governed by EU Council I
view of the situation in Venezuela. This includes financial sanctions
restrictions including restrictions related to internal repression.

Other U.S. Economic Sanctions Targets

In addition to Iran and certain Russian entities and individuals, as in
Korea, and sanctions against entities and individuals (such as entitie
traffickers) whose names appear on the List of SDNs and Blocked P
Targets). We are subject to the prohibitions of these sanctions to th
a U.S. person or otherwise has a nexus to the U.S..

Other E.U. Economic Sanctions Targets

The EU also maintains sanctions against Syria, North Korea and cer
apply to our operations and as such, to the extent that these countrie
compliance with all relevant restrictions and to carry out due diligen

Compliance

Considering the aforementioned prohibitions of U.S. as well as EU s
worldwide trade of our vessels, which we seek to minimize by follo
and our compliance with all applicable sanctions and embargo laws
assurance that we will be in compliance in the future, particularly as
interpretations, and the law may change. Moreover, despite, for exa
that would violate economic sanctions, our charterers may neverthel
violations could in turn negatively affect our reputation and be impu
Partners, Navios Maritime Containers Inc. (Navios Containers) a
that an adverse finding against Navios Acquisition, Navios Partners,
others with respect to the matters discussed herein or any future mat
Navios Containers, Navios Midstream or ourselves will not have a n
our common stock-units.

We are constantly monitoring developments in the U.S., the E.U. an
and other sanctions targets, including developments in implementati
embargoes and other restrictions in the future (including additional c
existing sanctions are interpreted or enforced, could prevent our ves
of the risks described above materialize, it could have a material adv

To reduce the risk of violating economic sanctions, we have a polic
and continue to implement and diligently follow compliance procedu

Table of Contents

We rely on critical information systems for the operation of our bu cyber-security breach, may adversely impact our businesses.

We rely on information systems and networks in our operations and viruses, power failures and security breaches by computer hackers a to securely maintain confidential and proprietary information mainta information systems cannot be damaged or compromised. The unav anticipated for any reason could disrupt our business and could resu results of operations to suffer. Any significant interruption or failure affect our business, results of operations and financial condition, as

Changing laws and evolving reporting requirements could have a

Changing laws, regulations and standards relating to reporting requi (GDPR), may create additional compliance requirements for us. invested in, and intend to continue to invest in, reasonably necessar

GDPR broadens the scope of personal privacy laws to protect the ri breaches within 72 hours and be bound by more stringent rules for o become enforceable on May 25, 2018 and non-compliance may exp adverse effect on our business, financial conditions, results of opera

We could be materially adversely affected by violations of the U.S. other applicable jurisdictions.

As an international shipping company, we may operate in countries of 1977 (the FCPA) and other anti-corruption laws and regulatio their intermediaries from making improper payments to governmen companies may be held liable for some actions taken by strategic or Bribery Act 2010 (the U.K. Bribery Act) which is broader in sco We and our customers may be subject to these and similar anti-corr requirements could expose us to civil and/or criminal penalties, incl materially and adversely affect our business and results of operatio Compliance with the FCPA, the U.K. Bribery Act and other applica significant costs and operational burdens on us. Moreover, the comp Ethics and our anti-bribery and anti-corruption policy, may not ade anti-corruption legislation. However, we believe that the procedures defense in most circumstances to a violation or a mitigation of appli

We may be unable to attract and retain qualified, skilled employee increased costs for our employees and crew.

Our success will depend in part on our ability to attract, hire, train a technically skilled employees with specialized training

Table of Contents

who can perform physically demanding work. Competition to attract limited supply of, and increased demand for, well-qualified crew me pressure on crewing costs, which we generally bear under our period for any crew cost increases, our business, financial condition and res future to attract, hire, train and retain a sufficient number of qualified

Our Chairman and Chief Executive Officer holds approximately 3 our actions; her failure to own a significant amount of our commo secured credit facilities.

Ms. Angeliki Frangou owns approximately 30.6% of the outstanding filed an amended Schedule 13D indicating that she intends, subject t March 31, 2018, she had purchased approximately $10.0 million of t Executive Officer and a significant stockholder, she has the power to our stockholders are entitled to vote including the election of directo different from your interests. Furthermore, if Ms. Frangou ceases to in the business, or ceases to be our Chief Executive Officer, then we

The loss of key members of our senior management team could dis

We believe that our success depends on the continued contributions our Chairman, Chief Executive Officer and principal stockholder. Th senior management members could impair our ability to identify and manage our business, which could have a material adverse effect on

Certain of our directors, officers, and principal stockholders are af us, which may compete directly with us, causing such persons to h

Some of our directors, officers and principal stockholders have affili Certain of our directors are also directors of other shipping compani business activities may give rise to certain conflicts of interest in the directors, officers and principal stockholders from having such affili applicable laws and regulations in addressing such conflicts of intere ongoing operations, and our non-employee directors devote such tim company.

Because we generate substantially all of our revenues in U.S. dolla fluctuations could cause us to suffer exchange rate losses, thereby

We engage in worldwide commerce with a variety of entities. Althou transactions are predominantly U.S. dollar-denominated at the

Table of Contents

present. Additionally, our South American subsidiaries transact a no
Argentinean pesos and Brazilian Reales, whereas our wholly-owned
amount of their operations in Euros; however, all of the subsidiaries
our expenses were incurred in currencies other than U.S. dollars. Tra
exchange rate in effect at the date of each transaction. Expenses incu
thereby decreasing our income. A change in exchange rates between
change our net loss for the year ended December 31, 2017 by $1.5 m

For example, as of December 31, 2017, the value of the U.S. dollar a
respective value as of December 31, 2016. A greater percentage of o
than U.S. dollar. As part of our overall risk management policy, we a
may not always be successful in such hedging activities and, as a res
result of exchange rate fluctuations.

We are incorporated in the Republic of the Marshall Islands, whic

Our corporate affairs are governed by our amended and restated artic
Corporations Act (BCA). The provisions of the BCA are intended
However, there have been few judicial cases in the Republic of the M
directors under the law of the Republic of the Marshall Islands are n
under statutes or judicial precedent in existence in certain U.S. juriso
incorporate the non-statutory law, or judicial case law, of the State o
Accordingly, you may have more difficulty protecting your interests
you would in the case of a corporation incorporated in the State of D

We, and certain of our officers and directors, may be difficult to se
and such persons may reside outside of the U.S..

We are a corporation organized under the laws of the Republic of th
the majority of our directors and officers are residents of non-U.S. ju
or other non-U.S. jurisdictions. Thus, it may not be possible for inve
enforce any judgment obtained against these persons in U.S. courts.
obtained in U.S. courts against these persons in a non-U.S. jurisdicti

Being a foreign private issuer exempts us from certain SEC and N

We are a foreign private issuer within the meaning of rules promulga
As such, we are exempt from certain provisions applicable to U.S. p

the rules under the Exchange Act requiring the fi
Form 8-K;

the sections of the Exchange Act regulating the s
registered under the Exchange Act;

Table of Contents

the provisions of Regulation FD aimed at preven

the sections of the Exchange Act requiring inside
establishing insider liability for profits realized f
purchase, of the issuer s equity securities within

the obligation to obtain shareholder approval in c
plans.

Because of these exemptions, investors are not afforded the same pr
companies organized in the U.S.

Risks Relating to Our Common Stock

Our stock price may be volatile, and investors in our common stock

The following factors could cause the price of our common stock in

variations in our quarterly operating results;

changes in market valuations of companies in ou

fluctuations in stock market prices and volumes;

issuance of common stock or other securities in t

the addition or departure of key personnel;

announcements by us or our competitors of new

the other factors discussed elsewhere in this Ann

Volatility in the market price of our common stock may prevent inve
pays for our common stock in an offering. In the past, class action li
the market price of those companies common stock. We may becor
diverts management s attention and company resources and could h

Risks Relating to Our Series G and Series H and the Depositary

Our Series G and Series H are subordinated to our debt obligation including additional Series G, Series H and by other transactions.

Our Series G, with a liquidation preference of $2,500.00 per share a and the Series H together referred to as the Series G and H), both to all of our existing and future indebtedness. As of December 31, 2 from time to time in the future, and the terms of the Series G and H announced the suspension of payment of quarterly dividends on our interest on our debt reduces cash available for distribution to us and dividends be reinstated.

Table of Contents

The issuance of additional preferred stock on a parity with or senior
H, and any issuance of any preferred stock senior to or on parity wit
dividends on, redeem or pay the liquidation preference on our Series
Series G and H in the event of a highly leveraged or other transactio
assets or business, which might adversely affect the holders of our S

Our Series G and H will rank pari passu with any other class or serie
that is not expressly subordinated or senior to the Series G and H (
liquidation or reorganization. If less than all dividends payable with
payment shall be made pro rata with respect to shares of Series G an
proportion to the aggregate amounts remaining due in respect of suc

We may not have sufficient cash from our operations to enable us
Depositary Shares, as the case may be, following the payment of ex

In February 2016, we announced the suspension of payment of quar
reached six quarterly dividend payments in arrears relating to its Ser
We will reinstate and pay quarterly dividends on the Series G and H
purpose when, as and if declared by our board of directors. We may
each quarter if and when reinstated. In addition, we may have insuff
Shares. The amount of cash we can use to pay dividends or redeem
generate from our operations, which may fluctuate significantly, and

changes in our operating cash flow, capital expe

the amount of any cash reserves established by

restrictions under our credit facilities and other i
restrictions under our existing credit facilities an
event of default has occurred and is continuing,
ability to redeem equity securities;

restrictions under Marshall Islands law as descri

our overall financial and operating performance,
the risks associated with the shipping industry, o
beyond our control.

The amount of cash we generate from our operations may differ ma
noncash items, and our board of directors in its discretion may elect
reduce or eliminate the cash available for distribution as dividends.
during periods when we record losses and may not pay dividends du

Table of Contents

Our ability to pay dividends on and to redeem our Series G and H,
limited by the requirements of Marshall Islands law.

If we reinstate the payment of dividends, Marshall Islands law provi
that assets are legally available for such purposes. Legally available
earnings and the excess of consideration received by us for the sale c
we may not pay dividends on or redeem Series G and H if we are ins
making of such redemption.

The Series G and H represent perpetual equity interests.

The Series G and H represent perpetual equity interests in us and, ur
amount at a particular date. As a result, holders of the Series G and H
risks of an investment in the Series G and H (and accordingly the De
will rank junior to all our indebtedness and other liabilities, and any
satisfy claims against us.

Holders of Depositary Shares have extremely limited voting rights,
encounter difficulties in exercising some of such rights.

Voting rights of holders of Depositary Shares will be extremely limi
Holders of the Series G and H, and accordingly holders of the Depos
suspension of payment of quarterly dividends on the Series G and Se
amendment to our articles of incorporation to effectuate any and all
Shareholders or the Series H Preferred Shareholders, as the case may
and when dividends payable on either the Series G or the Series H, a
consecutive (and whether or not such dividends shall have been decl
for the payment of dividends), then (x) if our articles of incorporatio
G or the holders of Series G, as the case may be, will have the right
which like voting rights have been conferred and are exercisable), to
board of directors will be increased as needed to accommodate such
reason of the election of a director by holders of securities on parity
rights have been conferred and with which the Series G and H voted
have not been amended as described in the preceding clause (i), then
Series G or the Series H, as the case may be, shall increase by 25 bas
2016 and December 15, 2017, the Company proposed an amendmen
necessary to permit the Series G and/or Series H holders the ability t
receive the affirmative vote of holders of two-thirds of the Company
Meeting, which was required to approve the proposal. Therefore, sin
arrears for six or more quarterly periods the dividend rate on the Ser
assurance that any such further proposal to our stockholders to amen

Table of Contents

Furthermore, holders of the Depositary Shares may encounter difficu
long as they hold the Depositary Shares rather than the Series G or th
vote at meetings of holders of Series G or of the Series H, and they w
to The Bank of New York Mellon (the Depositary) in advance of
Depositary will be the holder of the Series G or the Series H underly
the Series G or the Series H represented by the Depositary Shares or
the Depositary Shares. To the limited extent permitted by the Deposi
Depositary to vote the underlying Series G or the Series H, as the ca
Depositary Shares may not receive voting materials in time to instru
underlying their Depositary Shares. In addition, the Depositary and i
holders of Depositary Shares or for the manner of carrying out such
voting rights, and they will have little, if any, recourse if the underly

The Depositary Shares lack a well developed trading market. Vario

Even though the Depositary Shares are listed on the NYSE, there ma
trading price of the Depositary Shares could be adversely affected an
may trade at prices lower than the offering price and the secondary m
Series H do not have a stated maturity date, investors seeking liquidi
secondary market absent redemption by us. We do not expect that th
represented by the Depositary Shares.

Other factors, some of which are beyond our control, will also influe
market prices of the Depositary Shares include:

whether we are able to reinstate dividends on the

the market for similar securities;

our issuance of debt or preferred equity securitie

our creditworthiness;

our financial condition, results of operations and

economic, financial, geopolitical, regulatory or j

Accordingly, the Depositary Shares that an investor purchases may t

The Series G and H represented by the Depositary Shares have not
price of the Depositary Shares.

We have not sought to obtain a rating for the Series G and H, and bo
agencies might independently determine to assign a rating to either t
Series G or the Series H in the future.

Table of Contents

In addition, we have issued securities that are rated and may elect to
assigned to the Series G or the Series H in the future, that have been
they are lower than market expectations or are subsequently lowered
and could adversely affect the market for or the market value of the
only reflect the views of the issuing rating agency or agencies and su
discretion of the issuing rating agency. A rating is not a recommenda
and the Depositary Shares. Ratings do not reflect market prices or su
and H and the Depositary Shares may not reflect all risks related to
Depositary Shares.

The amount of the liquidation preference of our Series G and H is the circumstances.

The payment due upon liquidation for both our Series G and H is fix
Depositary Share) plus accumulated and unpaid dividends to the dat
remaining assets to be distributed after payment of this amount, hold
the market price for the Series G or the Series H, as the case may be,
market price from us upon our liquidation.

The Series G and H are only redeemable at our option and investo they respectively become redeemable or on any particular date afte

We may redeem, at our option, all or from time to time part of the S
we redeem the Series G, holders of the Series G will be entitled to re
Depositary Share) plus accumulated and unpaid dividends to the dat
Series H will be entitled to receive a redemption price equal to $2,50
unpaid dividends to the date of redemption (whether or not declared)
G or the Series H will depend upon, among other things, our evaluat
market conditions at that time. In addition, investors might not be ab
H, as the case may be, in a similar security or at similar rates. We m

Holders of Depositary Shares may be subject to additional risks re

Because holders of Depositary Shares do not hold their shares direct

- a holder of Depositary Shares will not be treated
rights;

- distributions on the Series G and H represented b
makes a distribution to holder on behalf of the D
must be paid will be deducted;

- we and the Depositary may amend or terminate t
Shares in a manner that could prejudice holders

Shares, among others; and

Table of Contents

the Depositary may take other actions inconsiste

Risks Relating to Our Debt

We have substantial debt and may incur substantial additional deb
our ability to obtain financing in the future, react to changes in ou

As of December 31, 2017, we had $1,717.8 million in aggregate pri

Our substantial debt could have important consequences to holders o

our ability to obtain additional financing for wor
acquisitions or general corporate purposes and o
future;

a substantial portion of our cash flow from opera
indebtedness, thereby reducing the funds availab

we will be exposed to the risk of increased intere
variable rates of interest;

it may be more difficult for us to satisfy our obli
indebtedness;

we may be more vulnerable to general adverse e

we may be at a competitive disadvantage compa
rates and, as a result, we may not be better positi

our ability to refinance indebtedness may be lim

our flexibility to adjust to changing market cond
prevented from carrying out capital expenditures
operating margins or our business.

We and our subsidiaries may be able to incur substantial additional i
Senior Secured Notes due 2022 (the 2022 Senior Secured Notes)
(the 2022 Notes) do not fully prohibit us or our subsidiaries from
2022 Logistics Senior Notes) of Navios South American Logistic
Term Loan B Facility) and the agreements governing the terms o
substantial additional indebtedness in accordance with the terms of s

that we now face would increase and we may not be able to meet all

Table of Contents

The agreements and instruments governing our debt contain restri
business.

Our secured credit facilities and our indentures impose certain opera

- incur or guarantee additional indebtedness;
- create liens on our assets;
- make new investments;
- engage in mergers and acquisitions;
- pay dividends or redeem capital stock;
- make capital expenditures;
- engage in certain FFA trading activities;
- change the flag, class or commercial and technic
- enter into long-term charter arrangements withou
- sell any of our vessels.

The agreements governing the terms of Navios Logistics indebtedn

Therefore, we and Navios Logistics will need to seek permission fro
actions that believe would be in the best interest of our respective bu
to successfully execute our business strategy or effectively compete
Logistics lenders may be different from our respective interests or
Logistics will be able to obtain the permission of lenders when neede
interests of us, Navios Logistics or our stockholders. Any future deb

Our ability to generate the significant amount of cash needed to pa
refinance all or a portion of our indebtedness or obtain additional

The ability of us and Navios Logistics to make scheduled payments
financial and operating performance, which, in turn, will be subject t
factors, many of which may be beyond the control of us and Navios

The principal and interest on such debt will be paid in cash. The pay
our respective working capital, capital expenditures, vessel acquisitio
Navios Logistics may exceed our respective current assets. We or N
fleets or other operations, which could increase our respective ratio o
for other purposes, and our or Navios Logistics inability to service
such as owned vessels or otherwise negatively affect us.

Table of Contents

We may be unable to raise funds necessary to finance the change c notes and our secured credit facilities.

The indenture governing the 2022 Senior Secured Notes, the indentu
Notes and our and Navios Logistics secured credit facilities contai
changes of control under our respective notes, we or Navios Logistic
respective outstanding notes (unless otherwise redeemed) at a price
any, to the repurchase date. The occurrence of specified events that
Logistics secured credit facilities. In the event of a change of contr
assets to satisfy all of our obligations under these debt agreements, i
applicable secured credit facilities or repurchasing the applicable no

If the volatility in the London InterBank Offered Rate, or LIBOR,

LIBOR has been volatile, with the spread between LIBOR and the p
the recent disruptions in the international credit markets. Because th
LIBOR, if this volatility were to continue, it would affect the amoun
profitability, earnings and cash flow. See also Item 11 Qualitative

Furthermore, interest in most loan agreements in our industry has be
provisions that entitle the lenders, in their discretion, to replace publ
Such provisions could significantly increase our lending costs, whic

The market values of our vessels, which have declined from histor covenants in our credit facilities and result in the foreclosure of ou

Factors that influence vessel values include:

- number of newbuilding deliveries;
- number of vessels scrapped or otherwise remove
- changes in environmental and other regulations
- changes in global dry cargo commodity supply;
- types and sizes of vessels;
- development viability and increase in use of othe

cost of vessel acquisitions;

cost of newbuilding vessels;

governmental or other regulations;

prevailing level of charter rates;

general economic and market conditions affectin

the cost of retrofitting or modifying existing ship
applicable environmental or other regulations or

If the market values of our owned vessels decrease, we may breach c
are unable to remedy any relevant breach, our lenders could accelera
vessels would significantly decrease our ability to generate positive c
value of a vessel is impaired due to unfavorable market conditions, c
Logistics may be subject to similar ramifications under its credit fac

In addition, as vessels grow older, they generally decline in value. W
circumstances indicate that the carrying amount of the assets may no
undiscounted projected operating cash flows expected from the futur
short-term charters or in the spot market. Any impairment charges in
condition and results of operations. In addition, if we sell any vessel
impairment adjustment to our financial statements, the sale may be a
loss and a reduction in earnings.

We may require additional financing to acquire vessels or business

In the future, we may be required to make substantial cash outlays to
financing to cover all or a portion of the purchase prices. We intend
acquired, if applicable, but there can be no assurance that we will ge
covenants in our senior secured credit facility, the indentures or othe
on what we can offer as collateral.

***We have substantial equity investments in seven companies, six of
companies is subject to the risks related to their respective business***

As of December 31, 2017, we had a 63.8% ownership interest in Na
such, the income and losses relating to Navios Logistics and the inde
financial statements.

We also have substantial equity investments in two public companie
Partners. As of December 31, 2017, we held 42.9% of the voting sto
equity interest in Navios Partners (including a 2.0% general partner i
affiliated companies amounted to $166.4 million.

In addition to the value of our investment, we receive dividend paym
we received $14.6 million in dividends from Navios Acquisition. Fu
Navios Acquisition and Navios Partners, which amounted to $104.0

On October 9, 2013, Navios Holdings, Navios Acquisition and Navi
interests of 47.5%, 47.5% and 5.0%, respectively and 50%, 50% and
portion of the Navios Term Loans I (as defined herein) relating to N

Table of Contents

On February 18, 2015, Navios Holdings, Navios Acquisition and Na
economic interests of 47.5%, 47.5% and 5.0%, respectively and voti
Holdings portion of the Navios Term Loans II (as defined herein) re

On June 8, 2017, Navios Containers completed a private placement
shares on the Norwegian Over-The-Counter Market (N-OTC) on Jun
owned 3.4% of Navios Containers common stock and warrants, fo
in Navios Containers was $5.2 million.

During the year ended December 31, 2017, the Company received sh
under the Korean court for all unpaid amounts in respect of the empl
as of December 31, 2017. During the year ended December 31, 2013
year ended December 31, 2015 the Company received shares of STX
securities it held at the time.

Our ownership interest in Navios Logistics, Navios Acquisition, Nav
reflection of such companies (or the investment relating thereto) on
subject to a variety of risks, including risks relating to the respective
Containers, Navios Europe I and Navios Europe II as disclosed in th
of any such risks may negatively affect our financial condition.

We evaluate our investments in Navios Acquisition, Navios Partners
other-than-temporary impairment (OTTI) on a quarterly basis.
been less than the carrying value, (ii) their financial condition and ne
investment in these companies, for a period of time sufficient to allo

As of December 31, 2017, management considers the decline in the
there is the potential for future impairment changes relative to this se
such write down is necessary, which may have a material adverse im
December 31, 2017, we did not recognize any impairment loss in ea

During the year ended December 31, 2016, the Company considered
Acquisition as other-than-temporary and therefore, recognized a l
(loss)/income.

During each of the years ended December 31, 2016 and 2015, the Co
other-than-temporary and therefore, recognized a loss out of accu
respectively. The respective loss was included within the caption C
(loss)/income.

Table of Contents

Risks Relating to Navios Logistics

Navios Logistics grain port business has seasonal components lin of its grain port, including the loading and unloading operations, c its operations and revenues.

A significant portion of Navios Logistics grain port business is der in the Hidrovia, mainly during the season between April and Septem and vessels in its dry port and cause the space in its silos to be excee increased demand. Inability to provide services in a timely manner m contracts or inability to obtain new contracts.

Navios Logistics depends on a few significant customers for a larg materially and adversely affect its revenues.

In each of Navios Logistics businesses, a significant part of its reve small number of customers will continue to generate a substantial po 2017, its three largest customers, Vale International S.A. (Vale), 20.3%, 13.7% and 12.7% of its revenues, respectively, and its five la ended December 31, 2016, Navios Logistics two largest customers and 11.5%, of its revenues, respectively, and its five largest custome December 31, 2015, Navios Logistics two largest customers, Vale five largest customers accounted for approximately 61.7% of its reve significant customers, operate their own vessels and/or barges as we services for various reasons, including employment of their own ves including our large take-or-pay customers or the change of the contr dispute with one of these customers could materially adversely affec

If one or more of Navios Logistics customers does not perform unc replacement contract, or if a customer exercises certain rights to tern materially adversely affect its business, financial condition and resul

Navios Logistics could lose a customer or the benefits of a contract i

- the customer fails to make payments because of with Navios Logistics or otherwise;
- the customer terminates the contract because Na operational performance;
- the customer terminates the contract because Na lost or damaged beyond repair, there are serious

the customer terminates the contract because the

Navios Logistics could also become involved in legal disputes with c
customers, relating to its contracts, be it through litigation,

arbitration or otherwise, which could lead to delays in, or suspensior disruptive and expensive litigation or arbitration. If such contracts ar material contracts are terminated or renegotiated, its financial condit Logistics prevail in legal disputes relating to its customer contracts, would receive such compensation on a timely basis or in an amount March 30, 2016, Navios Logistics received written notice from Vale Corporacion Navios S.A. and Vale on September 27, 2013, relating arbitration proceedings in London on June 10, 2016 pursuant to the London arbitration tribunal ruled that the Vale port contract remains Navios Logistics may elect to terminate the contract and then would tariffs for the remaining period of the contract.

Navios Logistics business can be affected by adverse weather con affect production of the goods it transports and stores as well as th

A significant portion of Navios Logistics business is derived from products produced in the Hidrovia region. Any drought or other adv these products, which would likely result in a reduction in demand f financial condition. Furthermore, Navios Logistics fleet operates in of either of these rivers, such as changes in the depth of the water or ability to effectively transport cargo on the rivers. The possible effec similarly affect the demand for its services or its operations.

For instance, a prolonged drought, the possible effects of climate ch the region, the navigability of the Parana or Paraguay Rivers or Nav market value of its ports, barges and pushboats that operate in the re calm rivers, of which there are only a few in the world. If it becomes in the Hidrovia and Navios Logistics is forced to sell them to a third able to sell these vessels, and accordingly it may be forced to sell the

Navios Logistics may be unable to obtain financing for its growth its results of operations and financial condition.

Navios Logistics capital expenditures during 2015, 2016 and 2017 and/or pay installments for among others one bunker vessel, one nev expand Navios Logistics port terminal operations through the cons growth, Navios Logistics will need to fund future asset or business a

In the future, Navios Logistics will also need to make capital expend from its earnings may not be sufficient to fund all of these measures sale of debt or

equity securities. Navios Logistics ability to obtain bank financing
condition at the time of any such financing or offering, as well as by
conditions and contingencies and uncertainties that are beyond its co
expenditures required to maintain its ports, fleet and infrastructure, i
materially harm its revenues and profitability. If Navios Logistics fa
existing infrastructure, or increase its working capital or capital expe
could suffer. Furthermore, despite covenants under the indenture gov
agreements governing its other indebtedness, Navios Logistics will b
working capital, and to service its indebtedness.

Spare parts or other key equipment needed for the operation of Na it may face substantial delays, which could result in loss of revenu Logistics.

Navios Logistics ports and its fleet may need spare parts to be prov
Given the increased activity in the maritime industry and the industr
and its ports (such as engine makers, propulsion systems makers, co
immediately (or off the shelf) and may have to produce them when r
operate while waiting for such spare parts to be produced, delivered,

Navios Logistics owns and operates an up-river port terminal in Sa industrial development based upon the depth of the river in the are become a hub for industrial development, its future prospects coul

Navios Logistics owns and operates an up-river port terminal with ta
Navios Logistics believes that the port s location south of the city o
river transportation make this port well-positioned to become a hub
advantageous, or the use of the river or its convergence with the lan
industrial development, and its future prospects could be materially

The risks and costs associated with ports as well as vessels increas

The costs to operate and maintain a port or a vessel increase with the
equipment standards related to the age of the operational port equipr
equipment to Navios Logistics port equipment or vessels and may
to make capital expenditures to alter or add new equipment to Navio
these barges, pushboats and vessels may engage and may decrease t
activity in the maritime industry and the industry that supplies it, the
propulsion systems makers, control systems makers and others) may
have to produce them when required. If this was the case, Navios Lo
parts to

be produced, delivered, installed and tested, resulting in substantial l
more fuel efficient than older vessels, the age of some of Navios Log
Cargo insurance rates also increase with the age of a vessel, making

Navios Logistics cannot assure you that, as its operational port equip
expenditures or enable Navios Logistics to operate them profitably d
may have to sell them at a loss, or opt to scrap its assets, and if clien
operations could be materially adversely affected.

***As Navios Logistics expands its business, it may have difficulty ma
systems, staff and crew or to receive required approvals to impleme
recruit suitable employees or obtain required approvals, it may not***

Navios Logistics intends to grow its port terminal, barge and cabotag
through purchases of additional vessels, through chartered-in vessels
expansion and acquisition of new land or addition of vessels to its fl
and may require Navios Logistics to increase the number of its perso
continued activity for the new businesses.

In addition, approval of governmental, regulatory and other authoriti
Navios Logistics has available land within the Nueva Palmira Free Z
facility and construct a port terminal for liquid cargo. In order to con
authorization from several authorities. If these authorities deny its re
will not be able to proceed with these projects.

Growing any business by acquisition presents numerous risks. Acqu
involving an acquired company, its management or contingent liabil
in connection with an acquisition, and any contractual guarantees or
not be sufficient to protect it from, or compensate it for, actual liabil
Navios Logistics reputation and results of operations and reduce th
additional qualified personnel, managing relationships with custome
infrastructures.

Management is unable to predict whether or when any prospective a
favorable terms and conditions. Navios Logistics ability to expand
identify acquisitions or access capital markets at an acceptable cost a
assurance that it will be successful in executing its growth plans or t
its acquisitions will perform as expected, which could materially adv
the volume of cargo Navios Logistics ships is at or near the capacity
volumes shipped is limited by its ability to acquire or charter-in addi

With respect to Navios Logistics existing infrastructure, its initial c
its plan to expand, and its attempts to improve these systems

Table of Contents

may be ineffective. If Navios Logistics is unable to operate its financ
its operations, it may be unable to effectively control and manage the
might occur as the result of inadequate controls, it is generally harde
errors will occur as operations grow. Additional management infrast
avoid such errors.

Rising crew costs, fuel prices and other cost increases may adverse

At December 31, 2017, Navios Logistics employed 395 land-based e
expense for Navios Logistics. Recently, the limited supply of and inc
shipping fleet, has created upward pressure on crewing costs, which
labor union activity in the Hidrovia may create pressure for Navios L
largest operating expenses in Navios Logistics barge and cabotage
prices for and availability of fuel may be subject to rapid change or c
interruptions in production by suppliers, imposition of restrictions on
Currently, most of Navios Logistics long-term contracts provide fo
Navios Logistics may be unable to include similar provisions in thes
the extent Navios Logistics contracts do not pass-through changes
price increases. Navios Logistics may hedge in the futures market al
that it will be successful in hedging its exposure. In the event of a de
their performance under a contract, Navios Logistics may be subject
instruments, if any. In certain jurisdictions, the price of fuel is affect
international prices. Navios Logistics may not be able to pass onto it
consequence of such inability. Such increases in crew and fuel costs

Navios Logistics industry is highly competitive, and it may not be resources.

Navios Logistics provides services through its ports and employs its
international in scope and Navios Logistics competes with many diff

With respect to loading, storage and ancillary services, the market is
transits there are other companies operating in the river system that a
competitors are Montevideo Port in Montevideo and Ontur and TGU
Petropar, a Paraguayan state-owned entity. Other competitors includ

Navios Logistics faces competition in its barge and cabotage busines
independent ship owners and from vessel operators. The charter mar
the successor of Ultrapetrol Bahamas Ltd., Hidrovias do Brasil, Inter
including ADM, International S.A. (Cargill), Louis Dreyfus Hold
which they can use to transport cargo in lieu of hiring a

Table of Contents

third party. Navios Logistics also competes indirectly with other for
smaller entities are regular competitors of Navios Logistics in its pri
rates, vessel location and vessel manager know-how, reputation and

Navios Logistics competitors may be able to offer their customers
Logistics does. Accordingly, Navios Logistics may be unable to reta

If Navios Logistics fails to fulfill the oil majors vetting processes, spot and period markets, and consequently its results of operations

While numerous factors are considered and evaluated prior to a com
and are implementing two basic tools: (a) the Ship Inspection Repor
program. The former is a ship inspection based upon a thorough Ves
resulting in a report being logged on SIRE. The report is an importa
need exists.

Based upon commercial needs, there are three levels of assessment u
oil major s terminals, (b) voyage charter, which will clear the vesse
extended period of time. While for terminal use and voyage charter
evaluation to be undertaken, a term charter relationship also requires
guarantee one will be performed; it will take a long record of prove
commercial interest on the part of the oil major to have an office au
majors, it could have a material adverse effect on the employment o

Navios Logistics may employ its fleet on the spot market and thus

Navios Logistics periodically employs some of its fleet on a spot ba
on a dwt tons basis was employed under time charter or COA contra
in the spot market. The spot charter market can be competitive and f
fluctuations in spot rates being difficult to determine. Longer-term c
time. The cycles in its target markets have not yet been clearly deter
South American markets mature. Navios Logistics cannot assure yo
markets, or that future spot rates will be sufficient to enable such fle
vessels. A significant decrease in spot market rates or its inability to
reduction of the incremental revenue received from spot chartering a
flow.

Navios Logistics does not carry any strike insurance of its vessels. incur uninsured losses, which could have a material adverse effect

Navios Logistics does not currently maintain any strike insurance fo
Navios Logistics could incur uninsured liabilities and losses as a

Table of Contents

result. There can be no guarantee that Navios Logistics will be able t
able to obtain additional coverage, it may not carry sufficient insura
have a material adverse effect on its results of operations.

Certain of Navios Logistics directors, officers, and principal stock
conducted by Navios Logistics which may compete directly with it,

Some of Navios Logistics directors, officers and principal stockho
conducted by Navios Logistics. In addition, certain of Navios Logist
businesses in the future. These other affiliations and business activit
affiliation with Navios Logistics. Although Navios Logistics does no
affiliations, Navios Logistics uses its best efforts to cause such indiv
conflicts of interest. Navios Logistics officers and employee direct
non-employee directors devote such time as is necessary and require

Navios Logistics success depends upon its management team and
personnel and other employees, its results of operations may be ne

Navios Logistics success depends to a significant extent upon the a
particular, many members of its senior management team, including
Operating Officers and its Chief Commercial Officer, have extensive
their services for any reason, it is not clear whether any available rep
the members of its management team could impair Navios Logistics
and to otherwise manage its business, which could have a material a
Logistics does not maintain key man insurance on any of its officers
experienced crew members and employees. Difficulty in hiring and r
operations.

Risks Relating to Argentina

Argentine government actions concerning the economy, including d
controls, wages and taxes, restrictions on production, imports and ex
Logistics. Navios Logistics cannot provide any assurance that future
control, will not impair its business, financial condition or results of

The future economic and political environment of Argentina is un

The administration that took office in Argentina on December 10, 20
reforms, including reforms to the foreign exchange market in order t
Likewise, export duties on several agricultural products and export d

Table of Contents

We can offer no assurances as to the policies that may be implement
unrest in Argentina will not adversely affect our financial condition

The continuing inflation may have material adverse effects on the

In the past, Argentina has experienced periods of high inflation. Infl
The reliability of INDEC s statistics has been widely questioned. In
response, in 2014, INDEC adopted the IPCNu, an improved method

However, the current administration as one of its first measures decl
of all indexes until the INDEC is capable of accurately calculating su
data provided by the City of Buenos Aires and the province of San L

On July 15, 2016, INDEC published its inflation index again, indica
and December of 2016, variations of 3.1%, 2%, 0.2%, 1.1%, 2.4%, 1
to the most recent publicly available information, the inflation rate w

On the other hand, INDEC published the index of poverty and indig
6.2% during the first semester of 2017.

As a result of the readjustment of INDEC indexes, the IMF Executiv
Argentina in 2013 due to lack of consistency in its statistical data.

Over the last few years, the Argentine government has implemented
goods and services, including price agreements between the Argenti

The increase in wages and public spending, the adjustment of some
government could have a direct influence on inflation. In the past, in
the Argentine government to create conditions leading to growth. In
Coefficient (CER), strongly related to inflation, its increase woul

A high inflation economy could undermine Argentina s cost compe
also negatively affect economic activity and employment levels. Wh
denominated in U.S. dollars, freight under those contracts is collecte
crew cost adjustment terms. Uncertainty about future inflation may
volatility makes it impossible to estimate with reasonable certainty t
Argentine subsidiaries could be affected by inflation and exchange r

Table of Contents

The Argentine Central Bank has imposed restrictions on the trans may do so in the future, which could prevent Navios Logistics Ar Logistics Senior Notes or the related guarantees.

In 2001 and during the first half of 2002, Argentina experienced a m of time, which precipitated a liquidity crisis within the Argentine fin controls and restrictions on the ability of depositors to withdraw thei years, significant government controls and restrictions remained in p

In December 2015, the Argentine government implemented several the foreign exchange market for individuals and companies. Conseq abroad of the non-financial private sector, financial sector and local the MULC (the single and free floating foreign exchange market). F will be a condition precedent for the further access to that market so foreign currency in the country, the liquidation of the funds deposite

Additionally, pursuant to recent regulations, financial indebtedness t financial sector and non-financial private sector will not need to mee

Some remaining controls and restrictions, and any additional restrict ability to transfer funds generated by its Argentine operations in U.S other restrictions or requirements, that may be imposed in the future exchange rate of the Argentine peso.

The Argentine government has made certain changes to its tax rul further increase the fiscal burden on its operations in Argentina in

Since 1992, the Argentine government has not permitted the applica the substantial devaluation of the Argentine peso in 2002, the amoun depreciation for its past investments in plant, property and equipmen

However, in December 2016, a reform to the Income Tax Law was p deductions were raised; (ii) a new scale of aliquots was established, (iii) new deductions were established for per diem and room rent; (iv holidays, non-business days and weekends is exempt from income ta Employees (RIPTE) was established as of fiscal year 2018, with resp reduction of tax resources that these reforms will entail, an indirect t were created; in addition, the figure of the surrogate decision-maker established.

If the Argentine government decides to alter the tax burden on Navio could be materially and adversely affected.

Table of Contents

The Argentine economy could be adversely affected by economic d

Argentina s economy is vulnerable to external shocks that could be
significant decline in the economic growth of any of Argentina s ma
material adverse impact on Argentina s balance of trade and could a
is Argentina s largest export market and its principal source of impo
stemming from ongoing political crises, including the corruption inv
The Brazilian economy declined by 3.6% during 2016. In addition, t
dollar in 2016. Brazilian demand for Argentine exports has generally
in Brazil may increasingly reduce demand for Argentine exports and
Brazilian political and economic crisis may have further negative eff

Argentina may also be affected by other countries that have influenc
economies, including the U.S., emerging market economies, includin
and refinance existing debt, which could negatively affect their econ

Future policies of the Argentine government may affect the econo

During past years, the Argentine government took several actions to
the 1990 s, such as Aguas Argentinas S.A. and Aerolíneas Argentin
Congress, providing for the expropriation of 51% of the share capita
or indirectly, by Repsol YPF and its controlled or controlling entities
offer to compensate Repsol YPF for around $5.0 billion, which was
by the Argentine Congress. Although the current administration has
similar measures, such as mandatory renegotiation or modification o
affecting foreign trade, investment, among others, that may be adopt
Logistics business, financial condition and results of operations.

Risks Relating to Uruguayan Free Zone Regulation

Certain of Navios Logistics subsidiaries in Uruguay are operating a
Uruguayan General Directorate of Commerce allowing them to oper
exemptions and other benefits, such as a generic exemption on prese
and Wealth Tax. Other benefits that Navios Logistics subsidiaries e
public utility rates with government agencies and government guara
not need to pay import and export tariffs to introduce goods from ab
in Uruguay or send them abroad. However, Navios Logistics subsid
with the free trade zone contracts or framework, including exceeding
service activities outside of a free trade zone in Uruguay. In this case
zone, but under a different tax regime.

Table of Contents

Other Risks Relating to the Countries in which Navios Logistics

Navios Logistics is an international company that is exposed to the
market countries.

Navios Logistics is an international company and conducts all of its
future. These operations are performed in countries that are historica
Paraguay and Uruguay.

Some of the other risks Navios Logistics is generally exposed to thro

- political and economic instability, changing ecoi
- recessions in economies of countries in which N
- frequent government interventions into the coun
- the imposition of additional withholding, income
including currency exchange controls and curren
- the modification of Navios Logistics status or t
operates its dry port;
- the imposition of executive and judicial decision
associated with some of these countries;
- the imposition of or unexpected adverse changes
- longer payment cycles in foreign countries and d
- difficulties and costs of staffing and managing it
- compliance with anti-bribery laws; and
- acts of terrorism.

These risks may result in unforeseen harm to Navios Logistics busi
America, and a general decline in the economies of South America,
materially adversely affect Navios Logistics.

Navios Logistics business in emerging markets requires it to respo
success in international markets depends, in part, upon its ability to s
Navios Logistics may not continue to succeed in developing and imp
does business. Furthermore, the occurrence of any of the foregoing f

The governments of Argentina, Bolivia, Brazil, Paraguay and Uru
regional initiative to integrate the region s economies. There is no
governments involved in the initiative will follow through on its int
a material adverse impact on Navios Logistics results of operatio

The governments of Argentina, Bolivia, Brazil, Paraguay and Urugu
initiative to integrate the region s economies, a central

component of which is water transportation in the Hidrovia. Althoug
the Hidrovia river system will result in significant economic benefits
country will follow through on its intention to participate, or that the
growth in the Hidrovia or reducing transportation costs. If the region
materially and adversely affected.

Changes in rules and regulations with respect to cabotage or their material adverse effect on its results of operations.

In the markets in which Navios Logistics currently operates, in cabo
by region basis. Its operations currently benefit from these rules and
in Argentine cabotage for Argentine flagged vessels or foreign flagg
under one to three years licenses, including its Argentine cabotage
an adverse effect on Navios Logistics current or future cabotage op
utilization of some of its vessels in those trades) or less restrictive (w

Because Navios Logistics generates the majority of its revenues in exchange rate fluctuations could cause it to suffer exchange rate l

Navios Logistics engages in regional commerce with a variety of ent
currency risk, its revenues are predominantly U.S. dollar-denominat
transact certain operations in Uruguayan pesos, Paraguayan guaranie
cash flows are U.S. dollar-denominated. Currencies in Argentina and
December 31, 2017, 2016 and 2015 approximately 60.3%, 61.1% an
dollars. Transactions in currencies other than the functional currency
Expenses incurred in foreign currencies against which the U.S. dolla
percentage of Navios Logistics transactions and expenses in the fut
risk management policy, Navios Logistics may attempt to hedge thes
be successful in these hedging activities. Future fluctuations in the v
operates may occur, and if such fluctuations were to occur in one or
financial condition could be materially adversely affected.

Tax Risks

We may earn U.S. source income that is subject to tax, thereby adv

Under the Code, 50.0% of the gross shipping income of a vessel own
or ends, but that does not both begin and end, in the U.S. is characte
subject to a 4.0% U.S. federal income tax without allowance for ded
conduct of a trade or business in the U.S., U.S. federal corporate inc
tax (presently imposed at a 30.0% rate on effectively

Table of Contents

connected earnings), unless that corporation qualifies for exemption
subsidiaries qualifies and will continue to qualify for the foreseeable
U.S.-source shipping income, provided that our common stock conti
combined voting power of all classes of our stock entitled to vote an
owned, actually or constructively under specified stock attribution ru
own 5.0% or more of the vote and value of our common stock. Our a
circumstances related to the ownership of our common stock at such
determine that it is in our best interests to take an action that would r
give no assurance that we would qualify for the exemption under Sec
Section 883 exemption for any taxable year, we generally would be
shipping income or, if such U.S. source shipping income were effect
corporate income tax as well as a branch profits tax for those years. A
liable for tax, and our net income and cash flow could be adversely a
Considerations U.S. Federal Income Taxation of the Company Tax

Navios Holdings may be taxed as a U.S. corporation.

The purchase by International Shipping Enterprises Inc. (ISE), ou
and the subsequent downstream merger of ISE with and into Navios
the laws of the Republic of the Marshall Islands. ISE received an opi
authority that governs the tax treatment of the transaction, it was mo
corporation. Accordingly, we take the position that Navios Holdings
taxed as a U.S. corporation, its taxes would be significantly higher th

A change in tax laws, treaties or regulations, or their interpretation on our worldwide earnings, which could result in a significant neg

We are an international company that conducts business throughout
interpretation. Consequently, we are subject to changing tax laws, tre
tax expense is based upon our interpretation of tax laws in effect in v
laws, treaties or regulations, or in the interpretation thereof, or in the
or a higher effective tax rate on our worldwide earnings, and such ch
challenges our operational structure, intercompany pricing policies o
certain income tax treaties are interpreted in a manner that is adverse
tax rate on our worldwide earnings from our operations could increa
materially adversely affected. For example, in accordance with the c
or foreign ship management companies having established an office
basis of the relevant vessel s tonnage. The payment of said duties ex
manager against any tax, duty, charge or contribution payable on inc

Table of Contents

We and our subsidiaries may be subject to taxation in the jurisdictio
decreased earnings available to our stockholders.

Investors are encouraged to consult their own tax advisors concernin
investor s particular situation under U.S. federal, state, local and fo

***U.S. tax authorities could treat us as a passive foreign investmen
U.S. holders.***

A foreign corporation will be treated as a PFIC, for U.S. federal inc
consists of certain types of passive income or (2) at least 50% of
production of those types of passive income. For purposes of the
rents derived other than in the active conduct of a rental business). F
not constitute passive income. U.S. stockholders of a PFIC are su
derived by the PFIC, the distributions they receive from the PFIC an
the PFIC and additional tax filing obligations.

Based upon our actual and projected income, assets and activities, w
2017 or for subsequent taxable years. Based upon our operations as
income for purposes of determining whether we are a PFIC. Accordi
income, and the assets that we own and operate in connection with

There is substantial legal authority supporting this position consistin
concerning the characterization of income derived from time charte
be noted that there is also authority, which characterizes time charte
Accordingly, no assurance can be given that the IRS or a court of la
determine that we are a PFIC. In addition, no assurance can be give
factual determination based upon the composition of our income an
application of complex U.S. federal income tax rules concerning the
uncertainties involved in determining whether the income derived fr
income or income derived from the performance of services. We ha
the IRS or a court could disagree with our position. In addition, alth
being classified as a PFIC with respect to any taxable year, we cann
income or assets, will not change in the future, or that we can avoid

If the IRS were to find that we are or have been a PFIC for any taxa
consequences and certain information reporting requirements. Unde
Code (which election could itself have adverse consequences for su
to cease to be listed on the NYSE), such stockholders would be liab
plus interest, upon excess distributions and upon any gain from the
been recognized ratably over the stockholder s holding period of th

Table of Contents

PFIC and you actually or constructively own our common stock you
return to report certain information concerning your ownership of ou
Income Tax Considerations Taxation of U.S. Holders of our Comm

Item 4. Information on the Company

A. History and Development of the Company

The legal and commercial name of the Company is Navios Maritime
Avenue de Grande Bretagne, Office 11B2, Monte Carlo, MC 98000
corporation incorporated under the BCA and the laws of the Republi
Company s agent for service of process, and the Company s registe
Complex, Ajeltake Island P.O. Box 1405, Majuro, Marshall Islands

On August 25, 2005, pursuant to a Stock Purchase Agreement dated
shareholders of Navios Holdings, ISE acquired Navios Holdings thr
Holdings. As a result of this acquisition, Navios Holdings became a
with the acquisition of Navios Holdings, ISE effected a reincorporat
downstream merger with and into its newly acquired wholly-owned

The Company operates a fleet of owned Capesize, Panamax, Ultra H
Ultra Handymax and Handysize vessels that are employed to provid
vertically integrated seaborne shipping and logistics company focuse
coal and grain. For over 60 years, Navios Holdings has had in-house
materials, agricultural traders and exporters, industrial end-users, shi

Navios Logistics

Navios Logistics is one of the largest logistics companies in the Hid
navigable river system in the region, and on cabotage trades along th
customers integrated transportation, storage and related services thro
product tankers. Navios Logistics serves the needs of a number of gr
providers as well as users of refined petroleum products.

On January 1, 2008, pursuant to a share purchase agreement, Navios
subsidiary Corporacion Navios Sociedad Anonima (CNSA) in ex
Navios Logistics acquired all ownership interests in the Horamar Gr
outstanding stock. As of December 31, 2017, Navios Holdings owne

Table of Contents

Affiliates (not consolidated under Navios Holdings)

Navios Partners

Navios Partners (NYSE:NMM) is an international owner and operat
wide range of dry cargo commodities including iron ore, coal, grain,
charters.

On August 7, 2007, Navios Holdings formed Navios Partners under
wholly-owned subsidiary of Navios Holdings, was also formed on th
partner interest in Navios Partners.

On or prior to the closing of Navios Partners initial public offering
Navios Partners: (a) a management agreement with Navios Partners
subsidiary of Navios Holdings, provides Navios Partners with comm
with the Manager pursuant to which the Manager provides Navios P
Partners, governing, among other things, when Navios Partners and
certain dry bulk carriers.

Since the formation of Navios Partners, Navios Holdings sold in tota
Hyperion, the Navios Aurora II, the Navios Fulvia, the Navios Melo
Ventura) and also sold the rights of Navios Sagittarius to Navios Par
Navios Partners in total.

As of December 31, 2017, Navios Holdings interest in Navios Part

Navios Acquisition

Navios Acquisition (NYSE:NNA) is an owner and operator of tanke
bulk liquid chemicals.

On July 1, 2008, Navios Acquisition completed its IPO. On May 28,
its initial business combination. Following such transaction, Navios
Navios Holdings acquired control over Navios Acquisition, and cons
results of Navios Acquisition from that date until March 30, 2011.

On May 28, 2010, Navios Holdings entered into (a) a management a
Inc. (the Tankers Manager) provides Navios Acquisition commer
the Tankers Manager pursuant to which the Tankers Manager provid
reasonable costs and expenses; and (c) an omnibus agreement with N
connection with the closing of Navios Acquisition s vessel acquisiti
types of vessels and businesses.

On March 30, 2011, Navios Holdings exchanged 7,676,000 shares o
Convertible Preferred Stock of Navios Acquisition and had

Table of Contents

45.0% of the voting power and 53.7% of the economic interest in Na
stock for accounting purposes. From March 30, 2011, Navios Acqui
controlled subsidiary of the Company.

In February, May and September 2013, Navios Acquisition complet
to Navios Holdings and certain members of the management of Nav
were issued. As part of these offerings, Navios Holdings purchased i
common stock for $160.0 million. In February 2014, Navios Acquis

As of December 31, 2017, Navios Holdings ownership of the outst
Navios Acquisition was 46.2%.

Navios Europe I

Navios Europe I is engaged in the marine transportation industry thr

On October 9, 2013, Navios Holdings, Navios Acquisition and Navi
have economic interests of 47.5%, 47.5% and 5.0%, respectively an
respectively. On December 18, 2013, Navios Europe I acquired ten
the proceeds of senior loan facilities (the Senior Loans I) and loa
Partners (in each case, in proportion to their economic interests in N
junior participating loan facility (the Junior Loan I). In addition t
also made available to Navios Europe I revolving loans of up to $24
Loans I)..

Refer also to Item 5. Operating and Financial Review and Prospect

Navios Midstream

Navios Midstream (NYSE: NAP) is a publicly traded master limited
employment contracts.

On October 13, 2014, Navios Acquisition formed Navios Midstream
LLC, or the Midstream General Partner, a wholly-owned subsidiary
Navios Midstream and received a 2.0% general partner interest in N

As of December 31, 2017, and following the completion of the Navi
Subordinated Series A Units to Navios Acquisition in June 2015, Na
interest of 27.2% (through its ownership in Navios Acquisition) and

On or prior to the closing of Navios Midstream s IPO, Navios Hold
agreement with Navios Midstream pursuant to which the Tankers M
Midstream with commercial and technical management services; (b)
the Tankers Manager provides Navios Midstream administrative ser
and Navios Partners, governing, among other things, when Navios H
Midstream.

Table of Contents

At the same time, Navios Holdings entered into an option agreement
Navios Acquisition, which owns and controls Midstream General Pa
outstanding membership interests in Midstream General Partner, and
December 31, 2017, Navios Holdings had not exercised any part of t

Navios Europe II

Navios Europe II is engaged in the marine transportation industry th

On February 18, 2015, Navios Holdings, Navios Acquisition and Na
have economic interests of 47.5%, 47.5% and 5.0%, respectively, an
through December 31, 2015, Navios Europe II acquired 14 vessels fo
proceeds of a senior loan facility (the Senior Loans II) and loans a
Partners (in each case, in proportion to their economic interests in N
a junior participating loan facility (the Junior Loan II). In addition
Partners will also make available to Navios Europe II revolving loan
Revolving Loans II). In March 2017, the amount of the Navios Rev

Navios Containers

Navios Containers is a growth vehicle dedicated to the container sec
private placement and Navios Holdings invested $5.0 million. Navio
(N-OTC) on June 12, 2017 under the ticker NMCI . On August 29
placements.

As of December 31, 2017, Navios Holdings owned 3.4% of Navios C
Containers.

B. Business overview

Introduction

Navios Holdings is a global, vertically integrated seaborne shipping
commodities including iron ore, coal and grain. For over 60 years, N
with producers of raw materials, agricultural traders and exporters, i
(excluding the Navios Logistics fleet), the average age of which is ap
aggregating approximately 7.2 million dwt. Navios Holdings owns 1
(50,000-59,000 dwt), twelve Panamax vessels (74,000-85,000 dwt) a
Handymax, one Handysize, 19 Panamax, and seven Capesize vessel
chartered-in vessels (on one of which Navios Holdings holds an initi

Navios Holdings also offers commercial and technical management
Navios Europe I, Navios Europe II and Navios Containers. As

Table of Contents

of December 31, 2017, Navios Partners fleet was comprised of 29
February 2015, February 2016 and November 2017, the Company a
ship management services of its owned fleet at: (i) $4,225 daily rate
daily rate per Capesize vessel; (iv) $6,700 daily rate per container v
8,000; and (vi) $8,750 daily rate per very large container vessel of m
agreement will be reimbursed by Navios Partners at cost at occurren
tankers and eight VLCC vessels. In May 2016, Navios Holdings am
services of Navios Acquisition owned fleet at a daily fee of (i) $6,35
tanker vessel; and (iii) $9,500 per VLCC through May 2018. Drydo
vessels. As of December 31, 2017, Navios Midstream s fleet was c
of $9,500 per VLCC vessel. Drydocking expenses under this agreem
I s fleet was comprised of five tankers and five container vessels an
be reimbursed at cost at occurrence. Navios Europe II s fleet was c
drydocking expenses under the management agreement will be reim
comprised of 21 container vessels. The fee for the ship management
TEU, 3,450 TEU and 5,500 TEU container vessels. Drydocking exp

Navios Holdings strategy and business model focuses on:

Operation of a high quality, modern fleet. Navio
age of approximately 7.7 years, basis fully deliv
cargo operations, lower insurance and vessel ma
structure.

Pursuing an appropriate balance between vesse
combination of vessel ownership and long-term
believe, makes Navios Holdings one of the large
long-standing relationships with various shipyar
capacity without the capital expenditures require
chartered vessels permits Navios Holdings to de
Navios Holdings intends to monitor developmen
owned and long-term time chartered vessels.

Capitalize on Navios Holdings established rep
enable it to obtain favorable long-term time char
complement the capacity of its core fleet, as wel
readily available to other industry participants. T
as reflected in the purchase options contained in

Utilize industry expertise to take advantage of m
Holdings uses its experience in the industry, sen
against, and in some cases, to generate profit fro

Table of Contents

Maintain customer focus and reputation for serv
high quality of its service and safety record. Nav
provide Navios Holdings with an advantageous c

Enhance vessel utilization and profitability throu
implemented as follows:

The operation of voyage charters or spot fi

The operation of time charters, whereby th
voyages to be performed, with the ship ow

The use of COAs, under which Navios Ho
discharge ports within a stipulated time fra
voyages; and

The shipping industry uses fleet utilization
its vessels and minimizing the days its ves
believes that it has one of the highest fleet

Competitive Advantages

Controlling approximately 7.2 million dwt (excluding Navios Logist
bulk operators in the world. Management believes that Navios Holdi
global dry bulk markets permits it to enter into at any time, and take
future market trends. In addition, many of the long-term charter deal
the open market. Even in the open market, Navios Holdings solid r
long-term basis on very short notice. This ability is possessed by rel
Holdings market reputation for reliability in the performance of its
Holdings, therefore, has much greater flexibility than a traditional sh

Navios Holdings long involvement and reputation for reliability in
many of the largest trading houses in Japan, such as Marubeni Corpo
has obtained long-term charter-in deals, with options to extend time
reputation and relationships, Navios Holdings has had access to oppo
Holdings brand recognition, credibility, and track record.

In addition to its long-standing reputation and flexible business mod
market on the basis of the following factors:

A high-quality, modern fleet of vessels that prov
premiums, higher levels of productivity, and effi

owners of older fleets, especially in the time cha
significant importance in competing for business

A core fleet which has been chartered-in (some t
on terms generally that allow Navios Holdings to

charter-out the vessels at an attractive spread dur
low costs;

Strong commercial relationships with both freigh
Navios Holdings with access to future attractive

Strong in-house technical management team who
to subsequent shipping operations throughout the
drydocking, providing efficiency and transparenc

Visibility into worldwide commodity flows throu
and

An experienced management team with a strong
reputation for reliability and performance.

Management intends to maintain and build on these qualitative adva
reputation.

Shipping Operations

Navios Holdings Fleet. Navios Holdings controls a core fleet of 3
The average age of the fleet is 7.7 years, basis fully delivered fleet.

Owned Fleet. Navios Holdings owns and operates a fleet comprised
vessels and one Handysize vessel.

Table of Contents

Owned Vessels

Vessel Name
Navios Serenity
Navios Achilles
Navios Vector
Navios Meridian
Navios Mercator
Navios Arc
Navios Hios
Navios Kypros
Navios Astra
Navios Ulysses
Navios Celestial
Navios Vega
Navios Magellan
Navios Star
Navios Northern Star
Navios Amitie
Navios Taurus
Navios Asteriks
N Amalthia
Navios Galileo
N Bonanza
Navios Avior
Navios Centaurus
Navios Sphera
Navios Equator Prosper
Navios Stellar
Navios Bonavis
Navios Happiness
Navios Phoenix
Navios Lumen
Navios Antares
Navios Etoile
Navios Bonheur
Navios Altamira
Navios Azimuth
Navios Ray
Navios Gem
Navios Mars

Long-Term Fleet. In addition to the 38 owned vessels, Navios Hold
Handysize vessels under long-term time charters (including seven Pa
approximately 4.4 years, basis fully delivered fleet.

Table of Contents

Long-term Chartered-in Fleet in Operation

Vessel Name
Navios Lyra
Navios Primavera
Mercury Ocean
Kouju Lily
Navios Oriana
Navios Mercury
Navios Venus
Osmarine
Navios Aldebaran
KM Imabari
Navios Marco Polo
Navios Southern Star
Sea Victory
Navios Amber
Navios Sky
Navios Coral
Navios Citrine
Navios Dolphin
Elsa S
Pacific Explorer
King Ore
Navios Koyo
Navios Obeliks
Dream Canary
Dream Coral
Navios Felix

Long-term Chartered-in Fleet to be delivered

Vessel Name
TBN
TBN
TBN
TBN

Long-term Bareboat Chartered-in Fleet to be delivered

Vessel Name
TBN
TBN
TBN

(1) Generally, Navios Holdings may exercise its purchase optio

(2) Navios Holdings holds the initial 50% purchase option on th

(3) Navios Holdings has the right of first refusal and profit share

Table of Contents

Many of Navios Holdings current long-term chartered-in vessels ar
relationships. Navios Holdings pays these ship owners daily rates of
Navios Holdings a daily rate of hire. Navios Holdings also enters int
for industrial customers, who export or import dry bulk cargoes. Fur
Holdings is paid a rate per ton to carry a specified cargo from point

Short-Term Fleet: Navios Holdings short-term fleet is comprise
than 12 months. The number of short-term vessels varies from time

Exercise of Vessel Purchase Options

Navios Holdings has executed several purchase options comprising
delivered on various dates from November 30, 2005 until February 2
currently in operation (on one of the 23 purchase options Navios Ho

Commercial Ship Management: Commercial management of Navio
Europe I s, Navios Europe II s and Navios Containers fleet involv
its internal commercial ship management capabilities, Navios Holdin
(Acropolis), based in Piraeus, as well as numerous third-party cha
research and negotiate with different charterers, and propose charter
Partners, Navios Acquisition s, Navios Midstream s, Navios Europ
evaluates the employment opportunities available for each type of ve
conditions, and demurrage.

Technical Ship Management: Navios Holdings provides, through it
and Navios Tankers Management Inc., technical ship management a
Navios Partners , Navios Acquisition s, Navios Midstream s, Nav
management agreements between the parties. Based in Piraeus, Gree
oversee every step of technical management, from the construction o
including the superintendence of maintenance, repairs and drydockin

Operation of the Fleet: The operations departments supervise the po
Acquisition s, Navios Midstream s, Navios Europe I s, Navios Eu
employed) by monitoring their daily positions to ensure that the term

Financial Risk Management: Navios Holdings actively engages in
charter hire rates, fuel prices, credit risks, interest rates and foreign e
and guidelines established by the Company s executive managemen

Freight Rate Risk. Navios Holdings may use FF
capacity and freight commitments and respond t
short position. See Risk Factors

Risks Associated with the Shipping Industry and
freight, tonnage and FFAs subject us to trading r
condition and results of operations for addition
Navios Holdings holds no FFA contracts.

Credit Risk. Navios Holdings closely monitors it
established policies to ensure that contracts are e
and cash transactions are limited to high quality
Navios Holdings has guidelines and policies that

Interest Rate Risk. Navios Holdings may use fro
interest rates. These instruments allow Navios H
rates. Although these instruments are intended to
that may be set off against interest expense, they
Holdings holds no interest rate swap contracts. S
Interest Rate Risk.

Foreign Exchange Risk. Although Navios Holdi
Navios Logistics segment, are in Uruguayan pes
14.2% of its expenses related to operation of its
monitors its Euro, Argentinean Peso, Uruguayan
long-term currency forecasts and enters into fore

Customers

Dry bulk Vessel Operations

The international dry bulk shipping industry is highly fragmented an
charterer s financial condition and reliability is an important factor
vessels to major trading houses (including commodities traders), ma
charter parties, COAs, and other counterparties, include national, reg
Dreyfus Commodities, Oldendorff Carriers, Swiss Marine, Rio Tinto
for more than 10% of the Company s revenue. For the year ended D
the Company s revenue. For the year ended December 31, 2015, on

Logistics Business Operations

Customers of Navios Logistics include affiliates of ADM, Axion En
company of Paraguay), Shell, Vale, Vitol and YPF. Navios Logistics
generate and maintain longstanding relationships with its customers.
its key customers, ADM, Cargill and Louis Dreyfus, for more than 1
cabotage business, Navios Logistics has had long-term relationships
Axion Energy, Petrobras Group, YPF and Shell or their successors).
2008 for iron ore transportation and has signed new contracts since t

Table of Contents

Logistics is committed to providing quality logistics services for its

Concentrations of credit risk with respect to accounts receivables are
international operators and have an appropriate credit history. Due to
provided for collection losses, is inherent in its trade receivables. Fo
Vale, YPF and Axion Energy accounted for 20.3%, 13.7% and 12.7
approximately 61.9% of its revenues. For the year ended December
for 28.0%, 13.8% and 11.5% of its revenues, respectively, and its fiv
year ended December 31, 2015, its two largest customers, Vale and
five largest customers accounted for approximately 61.7% of its reve
accounted for more than 10% of Navios Logistics revenues during

Competition

The dry bulk shipping markets are extensive, diversified, competitiv
owners. The world s active dry bulk fleet consists of approximately
general principle, the smaller the cargo carrying capacity of a dry bu
vessel owner/operators. Even among the larger dry bulk owners and
known to have fleets of 100 vessels or more after the merger of the t
Group into China COSCO Shipping. The other eight are the largest
Yusen Kaisha plus the Fredriksen Group, Wisdom Marine, China M
to have fleets of between 30 and 100 vessels. However, vessel owne
charter their vessels out for extended periods, not just to end users (
operators may, at any given time, control a fleet many times the size
Cargill, Pacific Basin Shipping, Bocimar, Zodiac Maritime, Louis D

It is likely that we will face substantial competition for long-term ch
will have significantly greater financial resources than we do. It is al
transportation sectors, including in the dry bulk sector. Many of thes
Increased competition may cause greater price competition, especial

Navios Logistics

Navios Logistics is one of the largest logistics providers in the Hidro
ports, including its port terminals in Uruguay that provides access to
operate barges and pushboats. Navios Logistics also competes based

With respect to loading, storage and ancillary services, the market is
transits there are other companies operating in the river system that
companies are proprietary service providers that are focused on serv
service provider in the market for transits. With respect to exports, it

Table of Contents

Montevideo Port in Montevideo and Ontur in Nueva Palmira, and T
is Petropar, a Paraguayan state-owned entity. Other competitors incl

Navios Logistics faces competition in its barge and cabotage busines
independent ship owners and from vessel operators who primarily c
Navios Logistics vessels compete are highly competitive. Key com
Interbarge, P&O, Imperial Shipping and Fluviomar. In addition, som
have some of their own dedicated barge capacity, which they can us
indirectly with other forms of land-based transportation such as truc
vessel location and vessel manager know-how, reputation and credi
Logistics in its primary tanker trading areas.

Navios Logistics believes that its ability to combine its ports in Uru
integrated, end-to-end logistics solutions for both its dry and liquid
through the Hidrovia region has allowed Navios Logistics to differe

Intellectual Property

We consider NAVIOS to be our proprietary trademark, service mar
proprietary logos and the domain name registration for our website.

Governmental and Other Regulations

Sources of Applicable Rules and Standards: Shipping is one of th
industry standards. Government regulation significantly affects the
standards established by international conventions, but they also inc
vessels may operate or are registered, and which are commonly mor
U.S. and, increasingly, in Europe.

A variety of governmental and private entities subject vessels to bot
authorities (the U.S. Coast Guard, harbor masters or equivalent enti
and charterers, particularly terminal operators. Certain of these entit
operation of their vessels. Failure to maintain necessary permits or a
suspend operation of one or more of its vessels.

Heightened levels of environmental and quality concerns among ins
and safety requirements on all vessels and may accelerate the scrap
have created a demand for vessels that conform to stricter environm
vessels that will emphasize operational safety, quality maintenance,
international regulations.

International Environmental Regulations: The International Mar
concerned with ship safety and with preventing, reducing or control
those concerned generally with ship safety standards, and secondly

Table of Contents

Ship Safety Regulation: In the former category the primary interna
amended, together with the regulations and codes of practice that fo
pollution, but some of its safety provisions are intended to prevent p
regulations have been and continue to be regularly amended as new

An amendment of SOLAS introduced the International Safety Mana
Code, the party with operational control of a vessel is required to de
adoption of a safety and environmental protection policy setting fort
procedures for responding to emergencies. The ISM Code requires t
operate. This certificate evidences compliance by a vessel s manage
a certificate unless its manager has been awarded a document of con
Noncompliance with the ISM Code and other IMO regulations, such
to a safety management plan and came into effect on January 1, 201
decreases in available insurance coverage for affected vessels, and n
U.S. Coast Guard and EU authorities have indicated that vessels not
U.S. and EU respectively.

Another amendment of SOLAS, made after the terrorist attacks in th
security, including the International Ship and Port Facilities Security

Our owned fleet maintains ISM and ISPS certifications for safety an
compliance must be periodically verified. In addition, the Manager
Organization for Standardization (ISO), for its office and ships co
14001, respectively).

International Regulations to Prevent Pollution from Ships: In th
International Convention for the Prevention of Pollution from Ships
out in Annexes I-VI of MARPOL. These contain regulations for the
(Annex II), by harmful substances in packaged forms within the sco
(Annex IV), by garbage (Annex V), and by air emissions (Annex VI

These regulations have been and continue to be regularly amended a
which we are required to comply.

For example, MARPOL Annex VI, together with the NOx Technica
emissions from ship exhausts and prohibits deliberate emissions of c
cap on the sulphur content of fuel oil and allows for special areas to
September 1997, Annex VI came into force in May 2005 and was a
progressively more stringent limits on such emissions from 2010 on
things, establishing a series of progressive requirements to further li
establishing new tiers of nitrogen oxide emission standards for new

Table of Contents

depending on their date of installation. Additionally, more stringent (ECAs). Thus far, ECAs have been formally adopted for the Baltic Channel (limiting SOx emissions only) and the North American EC matter emissions). In October 2016, the IMO approved the designati would take effect in January 2021. The U.S. Caribbean Sea ECA ent limiting SOx, NOx and particulate matter emissions. In January 201 SOx and particulate matter emissions.

After considering the issue for many years, the IMO announced on C content in marine fuel (down from current levels of 3.5%) outside th review as to the availability of the required fuel oil. Annex VI requir completed in 2016. Therefore, by 2020, ships will be required to rem purchase marine fuel with 0.5% sulfur content, which may see increa control equipment or using lower sulfur fuel could result in significa standards for NOx emissions to be applied to ships constructed and e Marine Environment Protection Committee (the MEPC) adopted and the date for the implementation of the Tier III standards withi January 1, 2016, apply to marine diesel engines installed on ships wh installed marine diesel engines which operate in other ECAs which r (2016), Annex VI was also amended to require recordkeeping requir

Certain jurisdictions have adopted more stringent requirements. For within California-regulated waters. We anticipate incurring costs to c switching, vessel modification adding distillate fuel storage capacity operation of further control equipment at significantly increased cost our vessels, over time it is possible that ships not retrofitted to comp

The IMO has introduced the first ever mandatory measures for an in energy efficiency measures apply to all ships of 400 gross tonnage a plan (SEEMP) which is akin to a safety management plan. At its operational measures relating to energy-efficiency measures for ship January 1, 2013. It adopted the 2014 Guidelines on the Method of C amendments to MARPOL Annex VI concerning the extension of the cargo ships (vehicle carriers), ro-ro cargo ships, ro-ro passenger ship (2014), the MEPC adopted the 2014 Guidelines on survey and certif dual-fuel engines using LNG and liquid fuel oil. The MEPC also ado propulsion power to maintain the maneuverability of ships in advers of the EEDI requirements. At its 68th session (2015), the MEPC ame of calculating of EEDI for new ships. At its 70th session (2016), the

Table of Contents

calculating EEDI, and adopted mandatory requirements for ships of
used, and report the data to the flag State after the end of each calend

The revised Annex I to the MARPOL Convention entered into force
and imposes construction requirements for oil tankers delivered on o
Annex I) came into force imposing performance standards for accide
double-hull in all ships with an aggregate oil fuel capacity of 600 cu
ships for which the building contract is entered into on or after Augu
February 1, 2008. We intend that all of our newbuild tanker vessels,

Greenhouse Gas (GHG) Emissions: In February 2005, the Kyot
Kyoto Protcol) entered into force. Pursuant to the Kyoto Protocol
of certain gases, generally referred to as greenhouse gases, which are
emissions from international shipping do not come under the Kyoto

In December 2011, United Nations climate change talks took place i
Enhanced Action. In preparation for the Durban Conference, the Inte
the shipping industry s commitment to cut shipping emissions by 20
participants in the Durban Conference to give the IMO a clear mand
shipping industry environmental compensation fund. Notwithstandin
Conference did not result in any proposals specifically addressing th

Although regulation of greenhouse gas emissions in the shipping ind
Paris (the Paris Conference), the agreement reached among the 19
the shipping industry. Following the Paris Conference, the IMO ann
session, the MEPC approved a Roadmap for developing a comprehe
adopting an initial strategy and emission reduction commitments in 2
long-term reduction measures and schedules for implementation. In
finalize the initial draft of the strategy and submit a report to MEPC.
have or are evaluating various measures to reduce greenhouse gas en
market-based instruments, a carbon tax or other mandatory reductior
monitoring, reporting and verification of carbon dioxide emissions f
amended by Regulation (EU) 2016/2071). The MRV Regulation app
not limited to, warships and fish-catching or fish-processing vessels)
voyages within the EU as well as voyages coming into and going ou
monitoring, reporting and verification system adopted by the MRV R
future. This EU Regulation may be seen as indicative of an intention
Regulation, which entered into force in November 2016, was also ad
documents pursuant to Regulation 2015/757.

Table of Contents

Further, in February 2017, EU member states met to consider indepe
European Parliament voted in favor of a bill to include maritime shi
2021. In November 2017, the Council of Ministers, the EU s main c
if the IMO fails to deliver effective global measures. Last year, IMO
before 2023 was met with industry push-back in many countries. De
additional compliance costs for our vessels.

Any passage of climate control legislation or other regulatory initiati
operate, that restrict emissions of greenhouse gases from vessels, co
our operating costs.

Other International Regulations to Prevent Pollution: In addition
to prevent different types of pollution or environmental harm from s
Control and Management of Ships Ballast Water and Sediments (
phased introduction of mandatory ballast water exchange requireme
obligations including recordkeeping requirements and implementati

The BWM Convention stipulates that it will enter into force twelve
of which represent at least 35% of the gross tonnage of the world s
the 35% threshold was reached, and the BWM convention will enter
acceded to the BWM convention, adding its 18.02% of world gross
for 53.30% of world gross tonnage. Although new ships constructed
implementation of the BWM Convention has been delayed for existi
such existing vessels, installation of ballast water management syste
date the BWM Convention entered into force). The BWM Conventi
harmless or avoids the uptake or discharge of aquatic organisms and
Sediment Management Plan guidance includes more robust testing a
guidance, as well as similar ballast water treatment requirements in
compliance costs relating to the installation of equipment on our ves
management and reporting requirements. Investments in ballast wate
of operations, cash flows and financial position.

European Regulations

European regulations in the maritime sector are in general based on
increasingly active in the field of regulation of maritime safety and p
amendments of MARPOL (including, for example, changes to accel
carriage in such tankers of heavy grades of oil), and if dissatisfied ei
introduction it has been prepared to legislate on a unilateral basis. It
emissions are concerned and while it does in some respects align wi
are concerned, for example, the EU regulation has not just caught up

Table of Contents

it continues to have certain elements that exceed IMO regulations (e
the North Seam and the English Channel are using gas oils with a su
(1) requires member states to refuse access to their ports to certain s
detentions, (2) obliges member states to inspect at least 25% of vess
posing a high risk to maritime safety or the marine environment, (3)
including the ability to seek to suspend or revoke the authority of ne
certain pollution events, such as the unauthorized discharge of tank
and the liability of owners for oil pollution. In some instances where
same level of stringency as that introduced in Europe, but the risk is
costs on ship owners and operators which are additional to those inv
EU signed into law the National Emissions Ceiling (NEC) Direct
by individual members states through particular laws in each state b
non-methane volatile organic compounds, NOx and fine particulate
2020. While the NEC is not specifically directed toward the shippin
of the NEC as a contributor to emissions of PM2.5, SO2 and NOx. I
result in increased costs to us to comply with the more stringent stan

Notably, in 2015 the EU adopted a directive, as amended in 2009, o
this is caused by intent or recklessness (which would be an offense u
serious negligence may be interpreted in practice to be little more
being incurred in circumstances where it would not be incurred und
in us incurring substantial penalties or fines but may also, in some ju
otherwise have been payable.

The EU has also recently adopted a regulation that seeks to facilitate
vessel recycling and management of hazardous materials on vessels.
recycling facilities that must meet certain requirements, so as to min
new regulation also contains rules for the control and proper manage
use of certain hazardous materials on vessels. The new regulation ap
to vessels flying the flag of a third country calling at a port or ancho
member state, a vessel flying the flag of a third country will be requ
complies with the requirements of the new regulation and the vessel
statement of compliance issued by the relevant authorities of the cou
later than December 31, 2018, although certain of its provisions are
2020. Pursuant to this regulation, the EU has recently published the
requirements of the regulation, as well as four further implementing
the regulation.

In response to the 2010 Deepwater Horizon incident, the EU has issu
June 12, 2013 on safety of offshore oil and gas operations. The obje
accidents relating to offshore

Table of Contents

oil and gas operations and to limit their consequences, thus increasin
pollution, establishing minimum conditions for safe offshore explora
energy production, and to improve the response mechanisms in case
U.K. has various new or amended regulations such as: the Offshore
Regulations 2015 (OSDEF), the 2015 amendments to the Merchant
Regulations 1998 (OPRC 1998) and other environmental Directive r
Petroleum Licensing (Offshore Safety Directive) Regulations 2015 v

U.S. Environmental Regulations and Laws Governing Civil Liab
as it is in many respects more onerous than international laws, repres
comply, and of liability likely to be incurred in the event of non-com

U.S. federal legislation, including notably the Oil Pollution Act of 1
protection and cleanup of the environment from oil spills, including
whose vessels trade in the U.S., its territories and possessions or wh
nautical mile exclusive economic zone. Under OPA 90, vessel owne
severally and strictly liable (unless the spill results solely from the a
and clean-up costs and other damages arising from discharges or sub
damages broadly to include:

natural resource damages and the costs of assess

real and personal property damage;

net loss of taxes, royalties, rents, fees and other l

lost profits or impairment of earning capacity du

net cost of public services necessitated by a spill
subsistence use of natural resources.

OPA 90 preserves the right to recover damages under other existing
the relevant federal legislation, vessel owners may in some instance
state where the spillage occurred.

Title VII of the Coast Guard and Maritime Transportation Act of 20
tank vessel of 400 gross tons or more, that carries oil of any kind as
plan for each vessel on or before August 8, 2005. The implementing
include detailed information on actions to be taken by vessel person
ore from the vessel due to operational activities or casualties.

OPA 90 liability limits are periodically adjusted for inflation, and th
the Consumer Price Index. With this adjustment, OPA 90 currently l

tons to the greater of $3,500 per gross ton or $25.846 million (this ar
tank vessels over 3,000 gross tons, other than a single-hull vessel, lia

Table of Contents

per gross ton or $18.8 million (or $4.7 million for a vessel less than
$1,100 per gross ton or $939,800 per incident, whichever is greater.
caused by violation of applicable U.S. federal safety, construction or
misconduct, or if the responsible party fails or refuses to report the i

In response to the Deepwater Horizon incident in the Gulf of Mexic
amend OPA 90 to mandate stronger safety standards and increased l
Congressional activity on this topic is expected to continue to focus
certainty what form any such new legislative initiatives may take.

In addition, the Comprehensive Environmental Response, Compens
substances (other than oil) whether on land or at sea, contains a simi
damages. CERCLA, as well as certain U.S. state laws that may also
without regard to fault, on the owner or operator of a vessel, vehicle
Liability under CERCLA is limited to the greater of $300 per gross
residue, unless the incident is caused by gross negligence, willful mi

We currently maintain, for each of our owned vessels, insurance cov
insured risks include penalties and fines as well as civil liabilities an
subject to exclusions, deductibles and other terms and conditions. If
from a catastrophic incident exceed the $1.0 billion limitation of cov
adversely impacted.

All owners and operators of vessels over 300 gross tons are required
responsibility sufficient to meet their potential liabilities under OPA
required only to demonstrate evidence of financial responsibility in
liability under OPA. Under the self-insurance provisions, the ship ow
located in the U.S. against liabilities located anywhere in the world,
with the U.S. Coast Guard regulations by providing a certificate of r
evidencing sufficient self-insurance.

The U.S. Coast Guard s regulations concerning certificates of finan
directly against an insurer or guarantor that furnishes certificates of f
it is prohibited from asserting any contractual defense that it may ha
available to the responsible party and the defense that the incident w
which had typically provided certificates of financial responsibility
have declined to furnish evidence of insurance for vessel owners and
defenses. This requirement may have the effect of limiting the availa
costs of obtaining this insurance as well as the costs of our competit

Table of Contents

OPA 90 specifically permits individual states to impose their own li
boundaries, and some states environmental laws impose unlimited
oil, require an oil contingency plan be filed with the state, require th
certificate of financial responsibility, all prior to the vessel entering
issued implementing regulations defining vessels owners responsib
the ports where our vessels call.

The U.S. Clean Water Act (CWA) prohibits the discharge of oil o
form of penalties for unauthorized discharges. The CWA also impos
complements the remedies available under CERCLA. The U.S. Envi
other substances incidental to the normal operation of vessels in U.S
order to combat the risk of harmful organisms that can travel in balla
through numerous specified effluent streams incidental to the norma
commercial vessels 79 feet in length or longer (other than commerci
took effect on December 19, 2013. The 2013 VGP is valid for five y

This new 2013 VGP imposes a numeric standard to control the relea
2015, the U.S. Court of Appeals for the Second Circuit found the EP
finding that the EPA failed to adequately explain why stricter techno
to reconsider these issues but held the 2013 VCP remains in effect u
standards for ballast water discharges, we may incur costs to modify
certification provisions, that allow U.S. states to place additional co
proposed or implemented a variety of stricter ballast water requirem
expires at the end of this year, there may be new U.S. federal and sta
treat ballast water before it is discharged or the implementation of ot
and/or otherwise restrict our vessels from entering U.S. waters.

Compliance with new U.S. federal and state requirements could requ
discharged or the implementation of other port facility disposal arra
vessels from entering U.S. waters. Coast Guard regulations require c
certain requirements, which include using a U.S. type-approved Ball
that has been accepted by the Coast Guard, using ballast water obtai
facility or not discharging ballast water within 12 nautical miles. As
standards. As a result, the U.S. Coast Guard in the past provided wai
technology, but has begun to deny requests for waivers in light of its
taken a different approach to enforcing ballast discharge standards u
policy in connection with the new VGP in which the EPA indicated
technology installed, but will not grant any waivers.

A number of bills relating to ballast water management have been in
enacted. Several states, including Michigan and California, have

Table of Contents

adopted legislation or regulations relating to the permitting and man
management program to the regulation of hull fouling organisms
ballast water discharges. Other states could adopt similar requiremer

The Federal Clean Air Act (CAA) requires the EPA to promulgat
contaminants. Our vessels are subject to CAA vapor control and rec
regulated port areas, and to CAA emissions standards for so-called
adopted regulations implementing the provision of MARPOL Anne
regulations, both U.S. and foreign-flagged ships must comply with t
America ECA standards, which took effect in August 2012, when th
Lakes. Annex VI requirements are discussed in greater detail above
to install control equipment on our vessels to comply with the new s

Also under the CAA, since 1990, the U.S. Coast Guard has regulate
operating in regulated port areas have installed VCSs that are compl
U.S. Coast Guard adopted regulations that made its VCS requiremen
technology, and codified existing U.S. Coast Guard guidelines. We i
where our vessels call.

International laws governing civil liability for oil pollution dama

We operate a fleet of vessels that are subject to national and internat
impose and limit pollution liability from vessels. An owner of a tank
Convention for Civil Liability for Oil Pollution Damage (the CLC
a contracting state by an escape or discharge from cargo or bunker t
tonnage of the ship, and the right to limit liability may be lost if the
be incurred under the CLC for a bunker spill from the vessel even w

When a tanker is carrying clean oil products that do not constitute
damage will generally fall outside the CLC and will depend on other
occurs. The same principle applies to any pollution from the vessel i
jurisdictions around the world, but it does not apply in the U.S., whe
particularly stringent.

For vessel operations not covered by the CLC, in 2001, the IMO ad
Damage (the Bunker Convention), which imposes strict liability
by discharges of bunker oil. The Bunker Convention defines bu
used for the operation or propulsion of the ship, and any residues of
certain size to maintain insurance for pollution damage in an amoun
limitation regime. The Bunker Convention entered into force on No
jurisdictions, liability for spills or releases of oil from ships bunker
jurisdiction where the events or damages occur.

Table of Contents

Outside the U.S., national laws generally provide for the owner to be
national or international regimes for limitation of liability. The most
Convention on Limitation of Liability for Maritime Claims of 1976 (
forfeited where a spill is caused by a shipowners intentional or reck
Convention, which provides for liability limits substantially higher t
jurisdictions are not a party to either the 1976 Convention or the 199
pollution in such jurisdictions may be uncertain.

Other Regional Requirements

The environmental protection regimes in certain other countries, suc
waters of such countries or enter their ports, our vessels would typic
regions of the world also have the ability to adopt requirements or re
significant expenditures on our part and may increase the costs of ou
in those regions as a whole and would also affect our competitors. H
U.S., the EU or any other country or authority.

Security Regulations

A number of initiatives have been introduced in recent years intende
To implement certain portions of the MTSA, the U.S. Coast Guard i
requirements aboard vessels operating in waters subject to the jurisd
created a new chapter of the convention dealing specifically with ma
various detailed security obligations on vessels and port authorities,
requirements are:

on-board installation of automatic information systems to enha

on-board installation of ship security alert systems;

the development of vessel security plans; and

compliance with flag state security certification requirements.

The U.S. Coast Guard regulations, intended to align with internation
security measures, provided such vessels have on board a valid Inte
SOLAS security requirements and the ISPS Code. We have impleme
Code and have approved ISPS certificates and plans certified by the

Classification, Inspection and Maintenance: Every sea going vess
that the vessel is in class, signifying that the vessel has been built
with applicable rules and regulations of the vessel s country of regis
where surveys are required by international conventions and corresp
them on application or by official order, acting on behalf of the auth

Table of Contents

The classification society also undertakes, on request, other surveys
These surveys are subject to agreements made in each individual cas
regular and extraordinary surveys of hull, machinery (including the
follows:

Annual Surveys: For seagoing ships, annual surveys are condu
applicable, for special equipment classed, at intervals of 12 mo
certificate.

Intermediate Surveys: Extended annual surveys are referred to
commissioning and each class renewal. Intermediate surveys r

Class Renewal Surveys: Class renewal surveys, also known as
electrical plant), and for any special equipment classed, at the
survey, the vessel is thoroughly examined, including audio-ga
found to be less than class requirements, the classification soci
grace period for completion of the special survey. Substantial
if the vessel experiences excessive wear and tear. In lieu of the
granted, a ship owner has the option of arranging with the clas
survey cycle, in which every part of the vessel would be surve

Risk of Loss and Liability Insurance

General: The operation of any cargo vessel includes risks such as m
property loss, cargo loss or damage, business interruption due to pol
there is always an inherent possibility of marine disaster, including
and operating vessels in international trade. OPA 90, which imposes
vessel trading in the U.S. exclusive economic zone for certain oil po
for ship owners and operators trading in the U.S. market. While we
and there can be no guarantee that any specific claim will be paid, or
rates. Our current insurance includes the following:

Hull and Machinery and War Risk Insurance: We have marine h
actual or constructive total loss, for all of our owned vessels. Each o
$0.1 million per Panamax, Handymax and Container vessel and $0.2
extended our war risk insurance to include war loss of hire for any lo
and piracy seizure for up to 270 days of detention / loss of time. The

We have arranged, as necessary, increased value insurance for our v
will be able to recover the sum insured under the increased value po
value insurance also covers excess liabilities that are not recoverable
expect to maintain loss of hire insurance for our vessels. Loss of hire

Table of Contents

Protection and Indemnity Insurance: Protection and indemnity in
(P&I Associations), who indemnify members in respect of discha
operation of an entered ship. Such liabilities include but are not limit
passengers and other third parties, loss or damage to cargo, claims ar
pollution arising from oil or other substances, and salvage, towing ar
is a form of mutual indemnity insurance, extended by protection and
applicable associations rules and members agreed terms and cond

Our fleet is currently entered for protection and indemnity insurance
Clubs, coverage for oil pollution is limited to $1.0 billion per event.
approximately 95% of the world s commercial tonnage and have en
Each vessel that we acquire will be entered with P&I Associations o
the current policy year, each P&I club in the International Group is r
excess of $10.0 million and up to $100.0 million is shared by the clu
by the International Group in the international reinsurance market ur
provides an additional $2.0 billion of coverage for non-oil pollution
International Group for claims up to $1.0 billion in excess of $2.1 bi
$3.0 billion for any one event on any one vessel with a sub-limit of $
claims, should any other P&I claim exceed Group reinsurance limits
and members of any International Group Club will be liable for addi
overspill claim, or one even nearing this level.

As a member of the P&I Associations that are members of the Intern
individual fleet record, the associations overall its claim records as
members of the pool of P&I Associations comprising the Internation
are levied by means of Estimated Total Premiums (ETP) and the
ultimately required by the club for a particular policy year. Members
directors of the club if the ETP is insufficient to cover amounts paid
at the Club s Managers discretion, they may be also be liable to pay
in respect of potential outstanding Club/Member liabilities on open p
supplementary calls.

Uninsured Risks: Not all risks are insured and not all risks are insur
businesses, are loss of hire , strikes, except in cases of loss of h
these risks because the costs are regarded as disproportionate. These
not be receivable by the shipowner for reasons set forth in the policy
suffer a serious mechanical breakdown, the daily hire will no longer
the loss of hire during such periods. In the case of strikes insurance,
strike bound at a loading or discharging port, the insurance covers th
transiting high risk war and/or piracy areas, we arrange war loss of h
engage in

Table of Contents

legally permitted trading in locations which may still be subject to sa contractually or by operation of law prohibited from honoring our in for losses incurred by the related vessels. Furthermore, our insurers a respect of any incident in such locations, resulting in the loss of use negatively impact our business, results of operations, cash flows and

There are no deductibles for the war loss of hire cover. We maintain

Even if our insurance coverage is adequate to cover our losses, if we lost vessel. Furthermore, in the future, we may not be able to obtain stringent environmental regulations have led to increased costs for, a environmental damage or pollution. We may also be subject to calls, claim records of all other members of the protection and indemnity a catastrophic oil spill or marine disaster could exceed our insurance c operations and financial condition. Any uninsured or underinsured lo be voidable by the insurers as a result of certain actions, such as vess

Risk Management

Risk management in the shipping industry involves balancing a num challenge is to appropriately allocate capital to competing opportuni health of the market as well as an understanding of capital costs and owning the entire fleet to maximize risk management and economic ensuring that the vessels controlled by Navios Holdings are fully em

Navios Holdings seeks to manage risk through a number of strategie and FFA trading. Navios Holdings vessel control strategies include vessels, coupled with purchase options, when available, and spot cha subject to certain limitations, the flexibility to determine the means o

Legal Proceedings

Navios Holdings is not involved in any legal proceedings that it beli operations and liquidity.

From time to time, Navios Holdings may be subject to legal proceed would be covered by insurance if they involved liabilities such as the pollution and death or personal injuries to crew, subject to customary significant financial and managerial resources.

Refer to Item 8. Financial Information in Legal Proceedings .

Table of Contents

Crewing and Shore Employees

Navios Holdings crews its vessels primarily with Greek, Ukrainian,
Georgian, Indian, Romanian, Ethiopian and Ukrainian seamen. Navi
nationalities are referred to Navios Holdings fleet manager by loca
crew. The crewing agencies handle each seaman s training. Navios
to comply with international regulations and shipping conventions. N
and seamen. Navios Logistics fleet managers are responsible for se

As of December 31, 2017, with respect to shore-side employees, Na
office, 11 employees in its New York office, seven employees in its
employees in its Singapore office. Navios Logistics employs 50 emp
Antonio, Paraguay, 103 employees in the Buenos Aires, Argentina o
port facilities in Uruguay, and 10 employees at Hidronave South Am

Facilities

Navios Holdings and its affiliates currently lease the following prop

Navios Shipmanagement Inc. and Navios Corporation lease ap
pursuant to one lease agreement that continues to be effective
2019.

Kleimar N.V. leases approximately 632 square meters for its o

Navios Corporation leases approximately 16,703 square feet o
in 2019. Navios Holdings sublets a portion of the 34th floor in
comprise a portion of the premises under the main lease, to a t

Navios Tankers Management Inc. leases approximately 253.7
agreement signed October 29, 2010 and expiring in 2019.

Navios Shipmanagement Inc., Navios Maritime Holdings Inc.
lease that expires in June 2018.

Navios Logistics and its subsidiaries currently lease, (or occupy as fr

CNSA, as a free zone direct user at the Nueva Palmira Free Zo
facilities, located at Zona Franca, Nueva Palmira, Uruguay. Cl
resolution of the Executive, who on September 27, 1956 appro
CNSA s rights as a direct user were renewed in a single free z

incorporating new plots of land until its final version dated Ma
a transfer station to handle and store goods, and to build and o
liquid cargo on land in the Nueva Palmira Free Zone. The agre
option, until 2066. Navios Logistics pays a fixed annual fee of
January of each year

Table of Contents

and increasing yearly in proportion to the variation in the U.S.
transhipment fee of $0.20 per ton transshipped until December
obligations with respect to improving the land subject to the ag
the terms of the agreement, or labor laws and social security co
agreement. In March 2013, CNSA acquired Enresur, a Nueva
Cartisur and Edolmix, both also Nueva Palmira Free Zone dire
CNSA.

CNSA also leases approximately 400 square meters of space a
November 2020.

Compania Naviera Horamar S.A. leases approximately 409 sq
to a lease agreement that expires in November 2020.

Petrolera San Antonio S.A. leases approximately 10,481 squar
district of Asunción over the way to the Club Mbigua, pursuan

Compania Naviera Horamar S.A. leases a piece of land called
Islands of Ibicuy and Paranacito, pursuant to a lease agreemen

Compania Naviera Horamar S.A. leases approximately 1,370 s
pursuant to a lease agreement that expires in June 2021.

Merco Par S.A.C.I. leases approximately 655 square meters of
Asuncion, Paraguay, pursuant to a lease agreement that expire

Merco Par S.A.C.I. leases some premises alongside the River
property has 380 meters of costal line, by 40 meters of front or
District, in Paraguay. The lease is valid until July 2018 and it i

Petrolera San Antonio S.A: leases some premises alongside th
Blanco Cué. The lease is valid until June 2018.

CNSA owns premises in Montevideo, Uruguay. This space is approx
Montevideo 1100, Uruguay.

Petrolera San Antonio S.A. owns the premises from which it operate
meters and is located between Avenida San Antonio and Virgen de C

Compania Naviera Horamar S.A. owns two storehouses located at 8
Calle General Daniel Cerri, Ciudad Autonoma de Buenos Aires, Arg

Naviera Horamar S.A. also owns approximately 1,208 square meters
Aires, Argentina.

Petrovia Internacional S.A. owns three plots of land in Nueva Palmi

Table of Contents

C. Organizational structure

Navios Holdings and/or its subsidiaries maintain offices in Monaco,
management, risk management, operation and technical managemen
subsidiaries of Navios Holdings. Navios Logistics maintains offices
Corumba, Brazil. Navios Logistics conducts the commercial and tec
subsidiaries. Navios Logistics holds the rights to operate the ports ar
CNSA, and owns the San Antonio port facility through its Paraguaya

As of December 31, 2017, all subsidiaries included in the consolidat
subsidiaries, which is 63.8% owned by Navios Holdings.

The table below sets forth Navios Holdings corporate structure as c

Subsidiaries included in the consolidation:

Company Name	**Natur**
Navios Maritime Holdings Inc.	Holding Compa
Navios Corporation	Sub-Holding Co
Navios International Inc.	Operating Comp
Navimax Corporation	Operating Comp
Navios Handybulk Inc.	Operating Comp
Hestia Shipping Ltd	Operating Comp
Anemos Maritime Holdings Inc.	Sub-Holding Co
Navios Shipmanagement Inc.	Management Co
NAV Holdings Limited	Sub-Holding Co
Kleimar N.V.	Operating Comp Vessel Owning Management Co
Kleimar Ltd.	Operating Comp
Bulkinvest S.A.	Operating Comp
Primavera Shipping Corporation	Operating Comp
Ginger Services Co.	Operating Comp
Aquis Marine Corp.	Sub-Holding Co
Navios Tankers Management Inc.	Management Co
Astra Maritime Corporation	Vessel Owning
Achilles Shipping Corporation	Operating Comp
Apollon Shipping Corporation	Operating Comp
Herakles Shipping Corporation	Operating Comp
Hios Shipping Corporation	Operating Comp
Ionian Shipping Corporation	Operating Comp
Kypros Shipping Corporation	Operating Comp
Meridian Shipping Enterprises Inc.	Vessel Owning

Mercator Shipping Corporation	Vessel Owning C
Arc Shipping Corporation	Vessel Owning C
Horizon Shipping Enterprises Corporation	Vessel Owning C
Magellan Shipping Corporation	Vessel Owning C
Aegean Shipping Corporation	Operating Comp
Star Maritime Enterprises Corporation	Vessel Owning C
Corsair Shipping Ltd.	Vessel Owning C
Rowboat Marine Inc.	Operating Comp
Beaufiks Shipping Corporation	Operating Comp
Nostos Shipmanagement Corp.	Vessel Owning C
Portorosa Marine Corp.	Operating Comp

Table of Contents

Company Name	Nature
Shikhar Ventures S.A.	Vessel Owning C
Sizzling Ventures Inc.	Operating Compa
Rheia Associates Co.	Operating Compa
Taharqa Spirit Corp.	Operating Compa
Rumer Holding Ltd.	Vessel Owning C
Pharos Navigation S.A.	Vessel Owning C
Pueblo Holdings Ltd	Vessel Owning C
Quena Shipmanagement Inc.	Operating Compa
Aramis Navigation Inc.	Vessel Owning C
White Narcissus Marine S.A.	Vessel Owning C
Navios GP L.L.C.	Operating Compa
Red Rose Shipping Corp.	Vessel Owning C
Highbird Management Inc.	Vessel Owning C
Ducale Marine Inc.	Vessel Owning C
Vector Shipping Corporation	Vessel Owning C
Faith Marine Ltd.	Vessel Owning C
Navios Maritime Finance (US) Inc.	Operating Compa
Navios Maritime Finance II (US) Inc.	Operating Compa
Tulsi Shipmanagement Co.	Operating Compa
Cinthara Shipping Ltd.	Operating Compa
Rawlin Services Company	Operating Compa
Mauve International S.A.	Operating Compa
Serenity Shipping Enterprises Inc.	Vessel Owning C
Mandora Shipping Ltd	Vessel Owning C
Solange Shipping Ltd.	Vessel Owning C
Diesis Ship Management Ltd	Operating Compa
Navios Holdings Europe Finance Inc.	Sub-Holding Com
Navios Asia LLC	Sub-Holding Com
Iris Shipping Corporation	Vessel Owning C
Jasmine Shipping Corporation	Vessel Owning C
Emery Shipping Corporation	Vessel Owning C
Lavender Shipping Corporation	Vessel Owning C
Esmeralda Shipping Corporation	Vessel Owning C
Triangle Shipping Corporation	Vessel Owning C
Roselite Shipping Corporation	Operating Compa
Smaltite Shipping Corporation	Operating Compa
Motiva Trading Ltd	Operating Compa
Alpha Merit Corporation	Sub-Holding Com
Thalassa Marine S.A.	Operating Compa

Affiliates included in the financial statements accounted for und

In the consolidated financial statements of Navios Holdings, the foll
method for such periods: (i) Navios Partners and its subsidiaries (ow
general partner interest); (ii) Navios Acquisition and its subsidiaries
interest as of December 31, 2017 was 35.0%); (iv) Navios Europe I a
Navios Europe II and its subsidiaries (economic interest as of Decem

(economic interest as of December 31, 2017 was 3.4%).

D. Property, plants and equipment

Our only material property is the owned vessels, tanker vessels, barg
Item 4.B Business Overview above.

Table of Contents

Item 4A. Unresolved Staff Comments

None.

Item 5. Operating and Financial Review and Prospects

The following is a discussion of Navios Holdings financial conditi
2016 and 2015. Navios Holdings financial statements have been pr
States of America (U.S. GAAP). You should read this section togeth
financial statements, which are included in this document.

This report contains forward-looking statements made pursuant to th
forward-looking statements are based on Navios Holdings current
cause actual results to differ materially from the forward-looking sta
Forward-Looking Statements .

Overview

Navios Holdings is a global, vertically integrated seaborne shipping
commodities, including iron ore, coal and grain. Navios Holdings te
Navios Partners fleet, Navios Midstream s fleet, Navios Europe I
its chartered-in fleet.

On February 2, 2007, Navios Holdings acquired all of the outstandin
transportation company established in 1993. Kleimar is the owner ar
of cargoes and has an extensive COA business.

Navios Logistics, a consolidated subsidiary of Navios Holdings, is o
navigable river system in the region, and on the cabotage trades alon
through three port storage and transfer facilities, one for agricultural
petroleum products. Navios Logistics complements its three port ter
six oceangoing tankers, one bunker vessel and one river and estuary
currently owns 63.8% of Navios Logistics.

On August 7, 2007, Navios Holdings formed Navios Partners under
owned subsidiary of Navios Holdings, was also formed on that date
interest in Navios Partners. Navios Partners is an affiliate and not co

On May 28, 2010, Navios Holdings acquired control over Navios Ac
occurred and consolidated the results of Navios Acquisition from tha
considered as an affiliate entity of Navios Holdings. As of Decembe
Acquisition was 42.9% and its economic interest in Navios Acquisit

On October 9, 2013, Navios Holdings, Navios Acquisition and Navi
47.5% and 5.0%, respectively, and effective November 2014 voting

Table of Contents

On October 13, 2014, Navios Acquisition formed Navios Midstream
owned subsidiary of Navios Acquisition, was also formed on that da
partner interest in Navios Midstream. As of December 31, 2017, Na
economic interest of 27.2% (through its ownership in Navios Acqui

On February 18, 2015, Navios Holdings, Navios Acquisition and Na
47.5% and 5.0%, respectively and voting interests of 50%, 50% and

On June 8, 2017, Navios Containers completed a private placement
on the Norwegian Over-The-Counter Market (N-OTC) on June 12, 2
Navios Containers closed its additional private placements. As of De
stock and warrants, representing 1.7% of the equity of Navios Conta

Charter Policy and Industry Outlook

Navios Holdings policy has been to take a portfolio approach to ma
many of the vessels that it is operating (i.e., vessels owned by Navio
a duration of more than 12 months) for long-term periods to various
appropriate credit profiles. By doing this, Navios Holdings aims to l
flows, which it believes, will cushion it against unfavorable market
trades additional vessels taken in on shorter term charters of less tha

Generally, this chartering policy may have the effect of generating T
daily charter-in vessel cost for the Navios Holdings long-term charte
was $12,586 per day for the year ended December 31, 2017. The ave
long-term hire included elsewhere in this document and was comput
of days each vessel is in operation for the year; (b) summing those in
charter-in vessel days for the year. Furthermore, Navios Holdings ha
future at favorable prices relative to the then-current market.

Navios Holdings believes that a decrease in global commodity dema
world fleet, could have an adverse impact on future revenue and pro
its owned vessels and long-term chartered fleet will continue to help
environment also has an adverse impact on the value of Navios Hold
can also be negatively impacted.

Navios Logistics owns and operates vessels, barges and pushboats lo
facility in Uruguay, and an upriver liquid port facility located in Par
American grain production and export, in particular Argentinean, Br
American iron ore production and export, mainly from Brazil; and (i
Paraguayan markets. Navios Holdings believes that the continuing d
increase revenues at Navios

Table of Contents

Logistics. Should this development be delayed, grain harvests be red
ore, the operations in Navios Logistics could be adversely affected.

Fleet

The following is the current core fleet employment profile (exclu
7.2 million deadweight tons and has an average age of 7.7 years, ass
2018 is reflected in the tables below. Navios Holdings has currently
and 35.4% on index or profit sharing. Although the fees as presented
performance by the counterparties and us. Additionally, the level of
periodic maintenance.

Owned Vessels

Vessels	Type	Bui
Navios Serenity	Handysize	20
Navios Achilles	Ultra Handymax	20
Navios Vector	Ultra Handymax	20
Navios Meridian	Ultra Handymax	20
Navios Mercator	Ultra Handymax	20
Navios Arc	Ultra Handymax	20
Navios Hios	Ultra Handymax	20
Navios Kypros	Ultra Handymax	20
Navios Astra	Ultra Handymax	20
Navios Ulysses	Ultra Handymax	20
Navios Celestial	Ultra Handymax	20
Navios Vega	Ultra Handymax	20
Navios Magellan	Panamax	20
Navios Star	Panamax	20
Navios Northern Star	Panamax	20
Navios Amitie	Panamax	20
Navios Taurus	Panamax	20
Navios Asteriks	Panamax	20
N Amalthia	Panamax	20

Navios Galileo	Panamax	20
N Bonanza	Panamax	20

Table of Contents

Vessels	Type	Built
Navios Avior	Panamax	2012
Navios Centaurus	Panamax	2012
Navios Sphera	Panamax	2016
Navios Equator Prosper	Capesize	2000
Navios Stellar	Capesize	2009
Navios Bonavis	Capesize	2009
Navios Happiness	Capesize	2009
Navios Phoenix	Capesize	2009
Navios Lumen	Capesize	2009
Navios Antares	Capesize	2010
Navios Etoile	Capesize	2010
Navios Bonheur	Capesize	2010
Navios Altamira	Capesize	2011
Navios Azimuth	Capesize	2011
Navios Ray	Capesize	2012
Navios Gem	Capesize	2014
Navios Mars	Capesize	2016

Long-term Chartered-in Vessels

The average daily charter-in rate for the active long-term charter-in v
at $12,852/day. We estimate the days of the long-term charter-in ves
of 2018 are 8,848 days.

Table of Contents

Vessels	T
Navios Lyra	Handy
Navios Primavera	Ultra H
Mercury Ocean	Ultra H
Kouju Lily	Ultra H
Navios Oriana	Ultra H
Navios Mercury	Ultra H
Navios Venus	Ultra H
Osmarine	Panam
Navios Aldebaran	Panam
KM Imabari	Panam
Navios Marco Polo	Panam
Navios Southern Star	Panam
Sea Victory	Panam
Navios Amber	Panam
Navios Sky	Panam
Navios Coral	Panam
Navios Citrine	Panam
Navios Dolphin	Panam
Elsa S	Panam
Pacific Explorer	Capesi
King Ore	Capesi
Navios Koyo	Capesi

Navios Obeliks	Capesi
Dream Canary	Capesi
Dream Coral	Capesi
Navios Felix	Capesi

Long-term Chartered-in Fleet to be delivered

Vessels
TBN [18]
TBN [19]
TBN
TBN

Long-term Bareboat Chartered-in Fleet to be delivered

Vessels
TBN
TBN
TBN

(1) Daily rate net of commissions.

Table of Contents

(2) Expected redelivery basis midpoint of full redelivery period.
(3) Generally, Navios Holdings may exercise its purchase option a
(4) Navios Holdings holds the initial 50% purchase option on the
(5) Navios Holdings has the right of first refusal and profit share o
(6) 110% of average Baltic Supramax 52 Index Routes.
(7) 110% of average Baltic Supramax 58 10TC Index Routes.
(8) 113% of average Baltic Panamax Index 4TC Routes less adjus
(9) 113.75% of average Baltic Panamax Index 4TC Routes.
(10) 114% of average Baltic Panamax Index 4TC Routes less $2,48
(11) 120% of average Baltic Panamax Index 4TC Routes less adjus
(12) 115% of average Baltic Panamax Index 4TC Routes less adjus
(13) 118% of average Baltic Panamax Index 4TC Routes.
(14) 115% of average Baltic Panamax Index 4TC Routes.
(15) 103% of average Baltic Capesize Index 5TC Routes.
(16) 112% of average Baltic Capesize Index 5TC Routes.
(17) 120% of weighted average Baltic Capesize Index 5TC Routes.
(18) Chartered-out at $11,358/day up to 06/2018, then 115% of ave
(19) Chartered-out rate at $11,358/day up to 06/2018, then 115% o

Recent Developments

In January 2018, Navios Holdings agreed to charter-in, under two te
carriers of about 82,000 dwt per vessel, expected to be delivered in t
Holdings has agreed to pay in total $11.1 million, representing a dep
signing of the contracts. The average charter-in rate per day amounts

In February 2018, Navios Holdings acquired from an unrelated third
171,191 dwt vessel, for a total acquisition price of $10.0 million paid

On February 21, 2018, Navios Partners announced that it has closed
common units to Navios Holdings, at $1.90 per common unit. In add
interest. Following the closing of this offering, Navios Holdings own
interest.

In March 2018, Navios Holdings completed the sale to an unrelated
price of $7.7 million paid in cash. The impairment loss due to the sal

On March 13, 2018, Navios Containers announced that it has closed
per common share. Navios Holdings invested $0.5 million in the priv
Containers. In addition, Navios Holdings received warrants, with a f

Navios Acquisition

On March 27, 2018, Navios Holdings received $1.5 million from Na

Table of Contents

In February 2018, the Board of Directors of Navios Acquisition auth
common stock, for two years. Stock repurchases will be made from
privately negotiated transactions. As of March 31, 2018, Navios Acc
approximately $4.2 million. Following these repurchases and as of M
economic interest in Navios Acquisition was 44.4% and 47.7%, resp

A. Operating Results

Factors Affecting Navios Holdings Results of Operations:

Navios Holdings actively manages the risk in its operations by: (i) o
standards of safety and technical ship management; (ii) enhancing v
complemented by spot charters (time charters for short-term employ
both physical and FFAs transactions; (iv) monitoring market and cou
and procedures; and (vi) requiring counterparty credit approvals.

Navios Holdings believes that the important measures for analyzing

Market Exposure: Navios Holdings manages the size an
in order to adjust to anticipated changes in market rates.
and long and short-term chartered-in vessels and control
extend the charter duration of vessels it has under long-t
chartered vessels permit Navios Holdings to adjust the c

Available days: Available days are the total number of d
vessel is off-hire due to scheduled repairs or repairs und
available days to measure the number of days in a perio

Operating days: Operating days are the number of avail
due to any reason, including lack of demand or unforese
aggregate number of days in a period during which vess

Fleet utilization: Fleet utilization is obtained by dividin
during the period. The shipping industry uses fleet utiliz
vessels and minimizing the amount of days that its vess
vessel upgrades, special surveys or vessel positioning.

TCE rates: TCE rates are defined as voyage and time ch
available days during the period. The TCE rate is a stan
earnings generated by vessels on time charters with dail
vessels on voyage charters are generally not expressed i
expressed in such amounts.

Equivalent vessels: Equivalent vessels are defined as the
period.

Table of Contents

Voyage and Time Charter

Revenues are driven primarily by the number and type of vessels in
daily charter hire rates that the vessels earn under charters, which, in

the duration of the charters;

the level of spot market rates at the time of charters;

decisions relating to vessel acquisitions and disposals;

the amount of time spent positioning vessels;

the amount of time that vessels spend in drydock underg

the age, condition and specifications of the vessels; and

the aggregate level of supply and demand in the dry bul
Time charters are available for varying periods, ranging from a singl
charter, owners assume no risk for finding business and obtaining an
general, a long-term time charter assures the vessel owner of a consi
greater spot market opportunity, which may result in high rates when
Vessel charter rates are affected by world economics, international e
and many other factors that might be beyond the control of managem

Consistent with industry practice, Navios Holdings uses TCE rates, a
equating revenue generated from a voyage charter to time charter rev

TCE rate also serves as an industry standard for measuring revenue a

The cost to maintain and operate a vessel increases with the age of th
upgrades from time to time to comply with new regulations. The ave
fleet. However, as such fleet ages or if Navios Holdings expands its
expected to rise and, assuming all else, including rates, remains cons

Statement of Operations Breakdown by Segment

Navios Holdings reports financial information and evaluates its oper
customers or type of charter. Navios Holdings does not use discrete
Although revenue can be identified for each type of charters, manag

charter-by-charter or type of charter basis. The reportable segments r
offer different products and services. The Company currently has tw
The Dry bulk Vessel Operations segment consists of the transportati
vessels, freight, and FFAs. The Logistics Business segment consists
region of South America. Navios Holdings measures segment perfor

Table of Contents

For further segment information, please see Note 18 to the Consolid

Period over Period Comparisons

For the year ended December 31, 2017 compared to the year end

The following table presents consolidated revenue and expense infor
This information was derived from the audited consolidated revenue
December 31, 2017 and 2016.

(In thousands of U.S. dollars)
Revenue
Administrative fee revenue from affiliates
Time charter, voyage and logistics business expen
Direct vessel expenses
General and administrative expenses incurred on b
General and administrative expenses
Depreciation and amortization
Provision for losses on accounts receivable
Interest income
Interest expense and finance cost
Impairment losses
(Loss)/gain on bond and debt extinguishment
Gain on sale of assets
Other income
Other expense
Loss before equity in net earnings of affiliated c
Equity/(loss) in net earnings of affiliated compani
Loss before taxes
Income tax benefit/(expense)
Net loss
Less: Net income attributable to the noncontrollin
Net loss attributable to Navios Holdings comm

Table of Contents

Set forth below are selected historical and statistical data for the dry
2016 that the Company believes may be useful in better understandi

FLEET DATA	
Available days	
Operating days	
Fleet utilization	
Equivalent vessels	
AVERAGE DAILY RESULTS	
TCE	

During the year ended December 31, 2017, there were 1,525 more a
short-term charter-in fleet available days by 2,003 days. This increas
days, mainly due to the sale of Navios Ionian and Navios Horizon. N
long or short-term periods (less than one year).

The average TCE rate for the year ended December 31, 2017 was $9
the improved freight market.

Revenue: Revenue from dry bulk vessel operations for the year ende
same period during 2016. The increase in dry bulk revenue was mai
days of our fleet.

Revenue from the logistics business was $212.6 million for the year
December 31, 2016. The decrease of $7.7 million was mainly attribu
expiration of certain iron ore transportation contracts in the second h
attributable to a decrease in the cabotage fleet s operating days. The
terminal business mainly attributable to the commencement of opera
products, mainly attributable to an increase in volume and price of th

Administrative Fee Revenue from Affiliates: Administrative fee rev
year ended December 31, 2017, as compared to $21.8 million for the
on behalf of affiliates and general and administrative expenses discu

Time Charter, Voyage and Logistics Business Expenses: Time cha
$213.9 million for the year ended December 31, 2017, as compared

Time charter and voyage expenses from dry bulk operations increase
2017, as compared to $115.5 million for the year ended December 3
$30.5 million, mainly due to an increase in charter-in available days
expenses by $4.1 million. The overall increase was partially mitigate

Table of Contents

Of the total expenses for the years ended December 31, 2017 and 20
increase of $4.7 million in time charter, voyage and logistics busines
attributable to the increase in the volume and price of the products s
port terminal business mainly attributable to the commencement of
increase was partially mitigated by (i) a $0.4 million decrease in bar
$0.2 million decrease in cabotage business mainly attributable to the

Direct Vessel Expenses: Direct vessel expenses decreased by $10.7
compared to $127.4 million for the year ended December 31, 2016.
lubricating oils, insurance premiums and costs for maintenance and

Direct vessel expenses from dry bulk operations decreased by $5.2
compared to $51.4 million for the year ended December 31, 2016. T
owned vessels mainly due to the sale of the Navios Ionian and the N
costs; and (iv) a decrease in spare expenses.

Of the total amounts of direct vessel expenses for the years ended D
to the logistics business. The decrease of $5.5 million in direct vess
attributable to decreased repairs and maintenance and crew costs; an
in the cabotage fleet s operating days. The overall decrease was par
special survey costs of Navios Logistics fleet.

General and Administrative Expenses Incurred on Behalf of Affili
by $1.9 million, or 8.7%, to $23.7 million for the year ended Decem
See general and administrative expenses discussion below.

General and Administrative Expenses: General and administrative

(in thousands of U.S. dollars)
Administrative fee revenue from affiliates
General and administrative expenses incurred on b affiliates
General and administrative expenses

(in thousands of U.S. dollars)
Dry bulk Vessel Operations
Logistics Business
General and administrative expenses

The increase in general and administrative expenses by $2.2 million
$25.3 million for the year ended December 31, 2016, was mainly

Table of Contents

attributable to a $2.4 million increase in general and administrative e
other administrative expenses.

Depreciation and Amortization: For the year ended December 31, 2
compared to $113.8 million for the year ended December 31, 2016.

Depreciation expenses related to dry bulk operations decreased by $
compared to $74.6 million for the year ended December 31, 2016. T
Horizon. Amortization expenses related to dry bulk operations decre
2017, as compared to $12.6 million for the year ended December 31
quarter of 2016, resulting in the subsequent write-off of the related p

Of the total amount of depreciation and amortization for the year en
related to Navios Logistics. The increase in depreciation and amortiz
port terminal business mainly due to the commencement of operatio
business. The overall increase was partially mitigated by $1.7 millio
certain barges, recorded in 2016.

Provision for Losses on Accounts Receivable: For the year ended D
$1.0 million to $0.3 million, as compared to $1.3 million for the yea
$0.7 million decrease in the provision for losses in the logistics busi
operations.

Interest Income: Interest income increased by $1.9 million to $6.8 r
same period in 2016, mainly due to a $2.5 million increase in interes
from loans provided to Navios Europe I and Navios Europe II and th
in the Navios Revolving Loans I (as defined herein) to Navios Partn
decrease in interest income of logistics business mainly due to lowe

Interest Expense and Finance Cost: Interest expense and finance c
$121.6 million, as compared to $113.6 million in the same period of
finance cost of the dry bulk vessel operations, mainly attributable to
Loan, and its full repayment in November 2017; and (ii) a $4.1 milli
attributable to the increased amount of debt, and the reduced amoun
during the year ended December 31, 2017.

Impairment Losses: During the year ended December 31, 2017, the
Company s vessels; (ii) an impairment loss of $9.1 million relating
impairment loss of $5.1 million relating to the sale of Navios Horizo
relating to a favorable lease term considered as impaired and written

Gain on Bond and Debt Extinguishment: During year ended Decen
benefit to nominal value of $1.7 million was achieved. During

Table of Contents

November 2017, the Company refinanced its 2019 Notes resulting i

Gain on Sale of Assets: Gain on sale of assets amounted to $1.1 mil
self-propelled barges of the logistics business.

Other Income: Other income decreased by $12.1 million to $6.1 mi
year ended December 31, 2016. The decrease was due to a $14.2 mi
increase in other income of the logistics business.

The decrease in other income of the dry bulk vessels operations is m
2016 in exchange for $13.0 million in cash and settlement of outstan
by $0.7 million decrease in miscellaneous other income.

The increase in other income of the logistics business is mainly due
income recorded from an arbitration award; and (ii) a $0.3 million i
than income taxes.

Other Expense: Other expense increased by $2.1 million to $13.8 m
year ended December 31, 2016. This increase was due to a $1.2 mill
other expense of dry bulk vessels operations.

The increase in other expense of dry bulk vessels operations is main
partially mitigated by $1.2 million decrease in other miscellaneous e

The increase in other expense of the logistics business is mainly due

Equity/(loss) in Net Earnings of Affiliated Companies: Equity in n
income for the year ended December 31, 2017, as compared to $202
$83.6 million OTTI loss relating to the investment in Navios Partne
to the investment in Navios Acquisition recognized in the fourth qua
mitigated by a $0.1 million increase in amortization of deferred gain
$20.9 million decrease in equity method income was mainly due to
partially mitigated by (i) a $18.5 million increase in equity method i
from Navios Containers; (iii) a $0.2 million increase in equity meth
from Navios Europe I and Navios Europe II.

The Company recognizes the gain from the sale of vessels to Navios
Partners owned by third parties and defers recognition of the gain to
Related Party Transactions).

Income Tax Benefit/ (Expense): Income tax benefit increased by $
compared to a $1.3 million loss for the year ended December 31, 20

Table of Contents

The change in income tax was mainly attributable to Navios Logistic
reduction of deferred tax liability due to the decrease in future Arger
income tax expense in cabotage business mainly due to lower pretax

Net Income Attributable to the Noncontrolling Interest: Net incom
$1.1 million income for the year ended December 31, 2017, as comp
attributable to logistics business net income for the year ended Dece

For the year ended December 31, 2016 compared to the year end

The following table presents consolidated revenue and expense infor
This information was derived from the audited consolidated revenue
December 31, 2016 and 2015.

(In thousands of U.S. dollars)
Revenue
Administrative fee revenue from affiliates
Time charter, voyage and logistics business expen
Direct vessel expenses
General and administrative expenses incurred on b
General and administrative expenses
Depreciation and amortization
Provision for losses on accounts receivable
Interest income
Interest expense and finance cost
Gain on bond and debt extinguishment
Other income
Other expense
Loss before equity in net earnings of affiliated c
(Loss)/Equity in net earnings of affiliated compan
Loss before taxes
Income tax (expense)/ benefit
Net loss
Less: Net income attributable to the noncontrollin
Net loss attributable to Navios Holdings comm

Table of Contents

Set forth below are selected historical and statistical data for the dry
2015 that the Company believes may be useful in better understandi

FLEET DATA	
Available days	
Operating days	
Fleet utilization	
Equivalent vessels	
AVERAGE DAILY RESULTS	
TCE	

During the year ended December 31, 2016, there were 1,879 less ava
by 2,895 days. This decrease was partially mitigated an increase in c
Sphera and Navios Mars in the first quarter of 2016. Navios Holding
short-term periods (less than one year).

The average TCE rate for the year ended December 31, 2016 was $8
primarily to decreased voyage expenses in 2016 as compared to 201
to 2015.

Revenue: Revenue from dry bulk vessel operations for the year ende
same period during 2015. The decrease in dry bulk revenue was mai
decrease in short-term charter-in fleet available days; and (ii) the dec

Revenue from the logistics business was $220.3 million for the year
December 31, 2015. The decrease of $30.7 million was mainly attrib
to a decrease in the available days of the cabotage fleet; (ii) a $9.2 m
price of the products sold at the Paraguayan liquid port terminal; (iii
decrease in products transported at the dry port terminal; and (iv) a $

Administrative Fee Revenue From Affiliates: Administrative fee re
year ended December 31, 2016, as compared to $16.2 million for the
on behalf of affiliates and general and administrative expenses discu

Time Charter, Voyage and Logistics Business Expenses: Time cha
$175.1 million for the year ended December 31, 2016, as compared

Time charter and voyage expenses from dry bulk operations decreas
2016, as compared to $177.5 million for the year ended December 3
above); and (i) a decrease in voyage expenses mainly relating to fuel

Table of Contents

Of the total expenses for the years ended December 31, 2016 and 20
decrease of $10.8 million in time charter, voyage and logistics busin
mainly attributable to the decline in both the volume and the price of
decrease in the barge business mainly attributable to lower prices of
attributable to the decrease in the number of available days of Navio

Direct Vessel Expenses: Direct vessel expenses decreased by $0.8 m
compared to $128.2 million for the year ended December 31, 2015.
lubricating oils, insurance premiums and costs for maintenance and

Direct vessel expenses from dry bulk operations increased by $5.3 m
compared to $46.1 million for the year ended December 31, 2015. T
days due to the delivery of Navios Sphera and Navios Mars in the fi
expenses; and (iii) an increase in sundry general expenses.

Of the total amounts of direct vessel expenses for the years ended D
to the Logistics Business. The decrease of $6.0 million in direct vess
mainly attributable to a decrease in the cabotage fleet s available da
deferred drydock and special survey costs of the Navios Logistics
expenses of the barge business mainly attributable to increased repai

General and Administrative Expenses Incurred on Behalf of Affili
by $5.6 million, or 34.8%, to $21.8 million for the year ended Decer
See general and administrative expenses discussion below.

General and Administrative Expenses: General and administrative

(in thousands of U.S. dollars)
Administrative fee revenue from affiliates
General and administrative expenses incurred on b affiliates
General and administrative expenses

(in thousands of U.S. dollars)
Dry bulk Vessel Operations
Logistics Business
General and administrative expenses

The decrease in general and administrative expenses by $8.9 million
$34.2 million for the year ended December 31, 2015, was mainly

Table of Contents

attributable to (i) a $6.4 million decrease in payroll and other related
$1.8 million decrease in other administrative expenses, including off
Logistics Business.

Depreciation and Amortization: For the year ended December 31, 2
compared to $120.3 million for the year ended December 31, 2015.
and amortization of dry bulk vessels by $2.9 million, mainly due to t
the amortization of favorable and unfavorable lease balances by $8.1
in the fourth quarter of 2015, the re-delivery to the headowners of on
option, favorable and unfavorable lease balances; and (iii) a decrease

Provision for Losses on Accounts Receivable: For the year ended D
$1.2 million to $1.3 million, as compared to $0.1 million for the yea
business.

Interest Income: Interest income increased by $2.5 million to $4.9 m
same period in 2015, mainly due to (i) a $1.7 million increase of inte
increase of interest income from Navios Partners under the Navios P
income of the logistics business, mainly due to higher income from s

Interest Expense and Finance Cost: Interest expense and finance co
$113.6 million, as compared to $113.2 million in the same period of
finance cost of the dry bulk vessel operations, mainly attributable to
capitalized following the delivery of Navios Mars and Navios Spher
$58.9 million of the 2019 Notes; and (ii) a $2.9 million decrease in i

Gain on bond and debt extinguishment: During the year ended Dec
cash consideration of $30.7 million resulting in a gain on bond extin
the Company prepaid one of its secured credit facilities, which had a
a $1.5 million benefit to nominal value.

Other Income: Other income increased by $13.4 million to $18.2 m
year ended December 31, 2015. The increase was due to a $13.9 mil
decrease in other income of the logistics business.

The increase in other income of the dry bulk vessels operations is ma
redelivery of one vessel during the first quarter of 2016; and (ii) a $0
offset by a $1.4 million decrease in gains from foreign exchange diff

Other Expense: Other expense decreased by $23.3 million to $11.7
year ended December 31, 2015. This decrease was due to a $19.2 mi
decrease in other expense of the logistics business.

Table of Contents

The decrease in other expense of dry bulk vessels operations is main
Guarantee (as defined below) initially recorded in 2015, (ii) a $0.1 m
decrease in other miscellaneous expenses. This decrease was partiall
available-for-sale securities for an other-than-temporary impairm
business was mainly due to a decrease in taxes other-than-income ta

Equity/(loss) in Net Earnings of Affiliated Companies: Equity in ne
loss for the year ended December 31, 2016, as compared to $61.5 m
$83.6 million OTTI loss relating to its investment in Navios Partners
loss relating to its investment in Navios Acquisition recognized duri
method income; and (iv) a $0.8 million decrease in amortization of c
below). The $35.5 million decrease in equity method income was ma
Partners; (ii) $13.5 million decrease in equity method income from N
Navios Europe I and Navios Europe II.

The Company recognizes the gain from the sale of vessels to Navios
Partners owned by third parties and defers recognition of the gain to
Related Party Transactions).

Income Tax Benefit/ (Expense): Income tax benefit decreased by $4
compared to a $3.2 million benefit for the year ended December 31,
the effect of the pre-tax gains of certain subsidiaries of the barge bus

Net (Income)/ Loss Attributable to the Noncontrolling Interest: Ne
$3.7 million income for the year ended December 31, 2016, as comp
attributable to logistics business net income for the year ended Dece

Non-Guarantor Subsidiaries

Our non-guarantor subsidiaries accounted for $212.6 million, or 45.9
88.8% of our Adjusted EBITDA, $952.6 million, or 36.2%, of our to
year ended and as of December 31, 2017. Our non-guarantor subsidi
income of our total net loss, $63.3 million of Adjusted EBITDA, $94
liabilities for the year ended December 31, 2016. Our non-guarantor
or 12.1%, of our total net loss and $74.4 million, or 66.0%, of Adjus
24.3%, of our total liabilities, in each case, for the year ended Decem

B. Liquidity and Capital Resources

Navios Holdings has historically financed its capital requirements w
debt and borrowings under bank credit facilities. Main uses of funds
and upgrades at the port terminals, expenditures incurred in connecti
standards, repayments of debt and payments of dividends. Navios H

Table of Contents

from time to time, subject to restrictions under its debt and equity in
stock, depending upon market conditions and financing needs, use fu
by tender offer or otherwise, in compliance with applicable laws, rul
subject to Navios Holdings cash requirements for other purposes, co
factors management deems relevant. Navios Holdings cash forecas
April 13, 2018 to make the required principal and interest payments
business and remain in a positive working capital position. Generally
and other debt or equity financings, proceeds from asset sales and pr
will be able to secure adequate financing or obtain additional funds

See Item 4.B Business Overview Exercise of Vessel Purchase Op
Arrangements for further discussion of Navios Holdings working

The following table presents cash flow information for each of the y

(in thousands of U.S. dollars)
Net cash provided by operating activities
Net cash used in investing activities
Net cash (used in)/ provided by financing activities
Decrease in cash and cash equivalents
Cash and cash equivalents, beginning of year
Cash and cash equivalents, end of year

Table of Contents

Cash provided by operating activities for the year ended Decemb

Net cash provided by operating activities increased by $13.9 million
$36.9 million for the year ended December 31, 2016. In determining
certain non-cash items, which may be analyzed in detail as follows:

(in thousands of U.S. dollars)
Net loss
Adjustments to reconcile net loss to net cash pr operating activities:
Depreciation and amortization
Amortization and write-off of deferred financing c
Amortization of deferred drydock and special surv
Provision for losses on accounts receivable
Share based compensation
Gain on bond and debt extinguishment
Income tax (benefit)/expense
Realized holding loss on investments in-available-
Impairment losses
Gain on sale of assets
Loss/(equity) in affiliates, net of dividends receive
Net income adjusted for non-cash items

Accounts receivable, net, decreased by $5.5 million, from $65.8 mil
was primarily due to a $7.2 million decrease in accounts receivable c
following the favorable resolution of the arbitration proceedings in N
by (i) a $1.1 million increase in accounts receivable from charterers
increase in accrued voyage income in dry bulk operations business.

Amounts due from/(to) affiliate companies, including current and no
year ended December 31, 2016 to $82.7 million payable for the year
increase in payable of management and administrative fees, drydock
agreements; (b) a $3.2 million increase in balances relating to Navio
following the transfer to Navios Partners, the Company s rights to t

Inventories increased by $1.7 million, from $28.5 million at Decemb
to (i) a $1.2 million increase in inventories on board of our dry bulk
attributable to an increase in inventories in the liquid port in Paragua

Table of Contents

Prepaid expenses and other current assets decreased by $1.8 million,
The increase was primarily due to (i) a $4.5 million decrease in adva
decrease in prepaid expenses and other current assets of Navios Log
receivables; (ii) a $1.5 million increase in prepaid voyage and operat
(iv) a $0.4 million increase in other assets.

Other long-term assets increased by $2.3 million, from $2.6 million
primarily due to (i) a $2.7 million increase in long-term assets from
under a bareboat contract; and (ii) a $0.2 increase in available-for-sa
assets of Navios Logistics.

Accounts payable decreased by $5.8 million, from $85.5 million at D
primarily due to (i) a $7.6 million decrease in accounts payable of N
and other accounts payable; (iii) a $0.7 million decrease in accounts
The overall decrease was partially mitigated by (i) a $1.4 million inc
bunkers, lubricants and other suppliers; and (iv) a $0.6 million increa

Accrued expenses and other liabilities increased by $3.2 million to $
increase was primarily due to (i) a $3.7 million increase in accrued p
expenses; (iii) a $2.4 million increase in accrued direct vessel expen
overall increase was partially mitigated by (i) a $4.8 million decreas
other liabilities; and (iii) a $0.5 million decrease in accrued estimate

Deferred income and cash received in advance increased by $1.8 mi
2016. Deferred income primarily reflects freight and charter-out amo
the deferred gain from the sale of various vessels to Navios Partners
$1.2 million increase in deferred income of Navios Logistics; and (ii
decrease in the current portion of deferred gain from the sale of asse

Other long-term liabilities and deferred income remained stable to $
(i) a $1.5 million increase in other long-term payables; (ii) a $0.2 mi
$0.1 million increase in other long-term liabilities of Navios Logistic
portion of deferred gain from the sale of vessels to Navios Partners.

Cash used in investing activities for the year ended December 31

Cash used in investing activities was $42.4 million for the year ende

Cash used in investing activities for the year ended December 31, 20
in Navios Containers; (ii) a $4.5 million loan to

Table of Contents

Navios Europe I and Navios Europe II; (iii) $2.7 million payment as
in payments for the acquisition of general partner units in Navios Pa
payments for the expansion of Navios Logistics dry port terminal;
pushboats delivered in February 2018, (viii) $6.1 million in payment
for the improvement of barges, pushboats and vessels; (x) $0.7 milli
for the purchase of covers for dry barges; (xii) $11.8 million of proc
received from Navios Acquisition; and (xiv) $0.2 million in collectio

Cash used in investing activities for the year ended December 31, 20
bulk carrier vessels delivered in January 2016; (ii) a $4.3 million loa
$5.3 million proceeds from the sale of available-for-sale securities; a
(a) $85.6 million in payments for the expansion of the dry port termi
(c) $4.3 million in payments for improvements and purchase of othe

Cash (used in)/provided by financing activities for the year ende

Cash used in financing activities was $16.8 million for the year ende
activities for the same period of 2016.

Cash used in financing activities for the year ended December 31, 20
one of the Company s secured notes; (ii) $55.1 million related to pr
repayment installments; (iv) $25.3 million payments related to the d
to the refinancing of one of the Company s secured credit facilities;
leases; (vii) $7.3 million related to prepayment of indebtedness origi
restricted cash relating to loan repayments and security under certain
This was partially offset by (i) $291.2 million of loan proceeds (net o
of 2019 Notes; (ii) $95.5 million of proceeds from the Term Loan B
$14.7 million of loan proceeds (net of $0.5 million finance fees); (iv
financing cost of $0.1 million); (v) $4.1 million proceeds from the tr
Term Loans I, to Navios Partners both relating to Navios Europe I; a

Cash provided by financing activities for the year ended December 3
finance fees) to finance the acquisition of two bulk carrier vessels an
Acquisition Loan; (iii) a $11.0 million decrease in restricted cash rel
$60.3 million loan proceeds from Navios Logistics. Cash provided b
the repurchase of 2019 Notes; (ii) $9.3 million payment related to th
payments performed in connection with the Company s outstanding
for the year 2016, $13.8 million related to the refinancing of one of o
originally due in 2019 and 2020; (iv) $3.7 million of dividends paid

Table of Contents

to the Company s stockholders; (v) $0.8 million in payments for the
lease obligations.

Cash provided by operating activities for the year ended Decemb

Net cash provided by operating activities decreased by $6.6 million
$43.5 million for the year ended December 31, 2015. In determining
certain non-cash items, which may be analyzed in detail as follows:

(in thousands of U.S. dollars)
Net loss
Adjustments to reconcile net loss to net cash pr operating activities:
Depreciation and amortization
Amortization and write-off of deferred financing c
Amortization of deferred drydock and special surv
Provision for losses on accounts receivable
Share based compensation
Gain on bond and debt extinguishment
Income tax expense/(benefit)
Realized holding loss on investments in-available-
Equity/(loss) in affiliates, net of dividends receive
Net income/ (loss) adjusted for non-cash items

Accounts receivable, net, increased by $1.0 million, from $64.8 mill
primarily due to (i) a $6.8 million increase in accounts receivable of
(ii) a $0.6 million increase in accrued voyage income and expenses i
$6.4 million decrease in accounts receivable from charterers and oth

Amounts due from/(to) affiliate companies, including current and no
year ended December 31, 2015 to $15.3 million payable for the year
increase in payable of management and administrative fees, other ex
balances relating to Navios Europe I and Navios Europe II.

Inventories increased by $4.1 million, from $24.4 million at Decemb
to (i) a $2.0 million increase in inventories of Navios Logistics main
$2.1 million increase in inventories on board of our dry bulk vessels

Prepaid expenses and other current assets increased by $4.8 million,
The increase was primarily due to (i) a $4.5 million

Table of Contents

increase in advances for working capital under our pooling arrangem
Navios Logistics. This increase was partially mitigated by (i) a $1.7
prepaid voyage and operating costs; and (iii) a $0.2 million decrease

Other long-term assets decreased by $0.9 million, from $3.5 million
primarily due to (i) a $0.7 million decrease in long-term assets from
Navios Logistics.

Accounts payable increased by $12.9 million, from $72.6 million at
primarily due to (i) a $13.1 million increase in accounts payable rela
$4.9 million increase in accounts payable to bunkers, lubricants and
Logistics. This increase was partially mitigated by (i) a $6.7 million
$1.7 million decrease in accounts payable to headowners; and (iii) a

Accrued expenses and other liabilities decreased by $11.4 million to
The decrease was primarily due to (i) a $8.8 million decrease in clai
$3.1 million decrease in accrued dividends; (iii) a $1.1 million decre
vessel expenses; (v) a $1.4 million decrease in accrued interest; and
decrease was partially mitigated by (i) a $4.2 million increase in acc
uncompleted voyages; and (iii) a $0.5 million increase in accrued ex

Deferred income and cash received in advance decreased by $4.3 mi
2015. Deferred income primarily reflects freight and charter-out amo
the deferred gain from the sale of various vessels to Navios Partners
$1.7 million decrease in deferred freight; and (ii) a $2.7 million decr
increase in the current portion of deferred gain from the sale of asset

Other long-term liabilities and deferred income increased by $22.5 m
2015. The increase was primarily due to (i) a $13.2 million increase
$11.0 million increase in payable related to our long-term charter-in
was partially offset by a $1.9 million decrease in the non-current por

Cash used in investing activities for the year ended December 31

Cash used in investing activities was $150.6 million for the year end

Cash used in investing activities for the year ended December 31, 20
bulk carrier vessels delivered in January 2016; (ii) a $4.3 million loa
$5.3 million proceeds from the sale of available-for-sale securities; a
(a) $85.6 million in payments for the expansion of the dry port termi

Table of Contents

$1.3 million in payments for the construction of three new pushboats
assets.

Cash used in investing activities for the year ended December 31, 20
units and general partner units following Navios Partners offering i
$7.6 million in payments relating to deposits for the acquisition of tv
Europe II; (v) $0.3 million in payments in other fixed assets; and (vi
$0.8 million in payments for the transportation and other acquisition
port terminal; (c) $7.1 million in payments for the construction of th
purchase of other fixed assets. The above were partially offset by (i)
$10.4 million loan repayment from Navios Acquisition.

Cash provided by/ (used in) financing activities for the year ende

Cash provided by financing activities was $86.2 million for the year
activities for the same period of 2015.

Cash provided by financing activities for the year ended December 3
finance fees) to finance the acquisition of two bulk carrier vessels an
Acquisition Loan; (iii) a $11.0 million decrease in restricted cash rel
$60.3 million loan proceeds from Navios Logistics. Cash provided b
the repurchase of 2019 Notes; (ii) $9.3 million payment related to th
payments performed in connection with the Company s outstanding
for the year 2016, $13.8 million related to the refinancing of one of c
originally due in 2019 and 2020; (iv) $3.7 million of dividends paid
treasury stock; and (vi) $3.0 million relating to payments for capital

Cash used in financing activities for the year ended December 31, 20
the Company s outstanding indebtedness, of which $24.1 million re
and $5.0 million to balloon payments due in 2019 and 2020; (ii) $6.8
acquired by Navios Logistics in 2014 (both acquisitions of intangible
$35.4 million of dividends paid to the Company s stockholders; (v)
under certain credit facilities; (vi) $0.2 million in payments for the a
cost, in relation to the acquisition of two bulk carrier vessels delivere

Adjusted EBITDA: EBITDA represents net (loss)/income attributab
before depreciation and amortization and before income taxes. Adju
Adjusted EBITDA as liquidity measure and reconcile Adjusted EBIT
liquidity measure. Adjusted EBITDA is calculated as follows: net ca
may be, the effect of (i) net increase/(decrease) in operating assets, (
finance charges and gains/

Table of Contents

(losses) on bond and debt extinguishment, (v) (provision)/recovery f
(vii) payments for drydock and special survey costs, (viii) noncontro
(loss)/gain on derivatives, and (xi) loss on sale and reclassification to
believes that Adjusted EBITDA is a basis upon which liquidity can b
Holdings ability to service and/or incur indebtedness, pay capital e
also believes that Adjusted EBITDA is used (i) by prospective and c
evaluate and price potential acquisition candidates; and (iii) by secur
in our industry.

Adjusted EBITDA has limitations as an analytical tool, and therefore
Holdings results as reported under U.S. GAAP. Some of these limi
for, working capital needs; (ii) Adjusted EBITDA does not reflect th
financing arrangements; and (iii) although depreciation and amortiza
be replaced in the future. Adjusted EBITDA does not reflect any cas
others, Adjusted EBITDA should not be considered as a principal in
EBITDA may not be comparable to that reported by other companie

For a reconciliation of cash flows from operating activities to Adjust

Adjusted EBITDA for the years ended December 31, 2017 and 2016
in Adjusted EBITDA was primarily due to (i) a $207.2 million move
recognized during 2016; (ii) a $43.2 million increase in revenue; (iii
deferred drydock and special survey costs); (iv) a $2.6 million decre
on sale of assets; and (vi) a $1.0 million decrease in provision for los
mitigated by (i) a $50.6 million impairment losses (ii) a $38.8 millio
$30.2 million decrease in gain on bond/debt extinguishment; (iv) a $
expenses; and (vi) a $1.3 million increase in general and administrat

Adjusted EBITDA for the years ended December 31, 2016 and 2015
in Adjusted EBITDA was primarily due to (i) a $61.0 million decrea
affiliated companies; and (iii) a $1.2 million increase in provision fo
$72.8 million decrease in time charter, voyage and logistics business
increase in other income; (iv) a $29.2 million increase in gain on bon
administrative expenses (excluding share-based compensation expen
interest; and (vii) a $1.4 million decrease in direct vessel expenses (e

Table of Contents

Long-Term Debt Obligations and Credit Arrangements:

Navios Holdings loans

Senior Secured Notes

On November 21, 2017, the Company and its wholly owned subsidi
Co-Issuers) issued $305.0 million of 2022 Senior Secured Notes,

The 2022 Senior Secured Notes are secured by a first priority lien or
in each of Navios Maritime Partners L.P., Navios GP L.L.C., Navios
Navios Maritime Containers Inc. The 2022 Senior Secured Notes are
subsidiaries, except for certain subsidiaries designated as unrestricte
guarantees are full and unconditional , except that the indenture pr
customary circumstances, such as when a subsidiary is sold or all of
designated as an unrestricted subsidiary for purposes of the inden
defeasance or satisfaction and discharge of the 2022 Senior Secured
for its outstanding 8.125% Senior Notes due 2019 described below (
the payment of related fees and expenses and any redemption premi
extinguishment loss in the consolidated statements of comprehensive

The Co-Issuers have the option to redeem the 2022 Senior Secured N
of 108.438%, which price declines ratably until it reaches par in Nov

The 2022 Senior Secured Notes contain covenants which, among oth
preferred stock, the payment of dividends, redemption or repurchase
liens, transfer or sale of assets, entering in transactions with affiliate
properties and assets and creation or designation of restricted subsid
2017.

Senior Notes

On January 28, 2011, the Company and its wholly owned subsidiary
2019 Notes. During July, August and October 2016, the Company re
resulting in a gain on bond extinguishment of $27.7 million, net of d
2022 Senior Secured Notes. The net proceeds of the offering of the 2
amount of the 2019 Notes; and (ii) for general corporate purposes.

Ship Mortgage Notes

On November 29, 2013, Navios Holdings completed the sale of $65

The 2022 Notes are senior obligations of Navios Holdings and Navi
by first priority ship mortgages on 23 dry bulk vessels owned by cer
In June 2017,

Table of Contents

Navios Ionian and Navios Horizon were released from the 2022 Not
released from the 2022 Notes and replaced by the Navios Equator Pr
jointly and severally by all of the Company s direct and indirect sub
The guarantees of the Company s subsidiaries that own mortgaged
subsidiaries that do not own mortgaged vessels are senior unsecured
Notes in whole or in part, at any time on or after January 15, 2017, a
January 2020.

Furthermore, upon occurrence of certain change of control events, th
all of the 2022 Notes at 101% of their face amount. The 2022 Notes
indebtedness, issuance of certain preferred stock, the payment of div
and investments, creation of certain liens, transfer or sale of assets, e
all or substantially all of the 2022 Co-Issuers properties and assets
compliance with the covenants as of December 31, 2017.

Secured Credit Facilities

Credit Agricole (formerly Emporiki) Facilities: In December 2012, t
Corporate and Investment Bank.

In September 2010, Navios Holdings entered into a facility agreeme
partially finance the construction of one newbuilding Capesize vesse
August 2021. As of December 31, 2017, the outstanding amount unc
followed by seven semi-annual equal installments of $1.2 million wi
interest at a rate of LIBOR plus 275 basis points. The loan facility re
outstanding amount under this facility was $17.7 million.

In August 2011, Navios Holdings entered into a facility agreement v
partially finance the construction of one Panamax vessel. As of Dece
$0.7 million, followed by nine semi-annual equal installments of $0.
The loan bears interest at a rate of LIBOR plus 275 basis points. The
2017, the outstanding amount under this facility was $14.1 million.

In December 2011, Navios Holdings entered into a facility agreemer
partially finance the construction of one newbuilding bulk carrier. A
repayable in one quarterly installment of $0.7 million after the draw
final balloon payment of $7.5 million on the last payment date. The
requires compliance with certain covenants. As of December 31, 20

On December 20, 2013, Navios Holdings entered into a facility with
$22.5 million in two equal tranches, in order to finance the acquisiti
300 basis points. In December 2017, the Company agreed to extend

Table of Contents

quarterly installment of $0.6 million, followed by seven equal semi-
the last repayment date. The second tranche is repayable in one quar
of $0.6 million, with a final balloon payment of $2.8 million on the l
covenants. As of December 31, 2017, the outstanding amount of the

Commerzbank Facility: In June 2009, Navios Holdings entered into
tranches of $60.0 million) with Commerzbank AG in order to partial
Capesize vessels. Following the delivery of two Capesize vessels, N
their outstanding loan balances of $53.6 million and $54.5 million, r
the facility, which had an outstanding balance of $15.3 million, usin
During May 2017, the Company fully repaid the fourth tranche of th
$15.6 million of cash, thus achieving a $1.7 million benefit to nomir

HSH Nordbank Facility: On May 23, 2017, Navios Holdings entered
$15.3 million in order to partially refinance the fourth tranche of the
quarterly equal installments of $0.4 million, with a final balloon pay
LIBOR plus 300 basis points. The loan facility requires compliance
this facility was $14.5 million.

DVB Bank SE Facilities: On March 23, 2012, Navios Holdings enter
amount of up to $42.0 million in two tranches: (i) the first tranche is
Handysize vessel; and (ii) the second tranche is for an amount of up
The two tranches bear interest at a rate of LIBOR plus 285 and 360 l
existing facility, adding a new tranche for an amount of $30.0 millio
June 2014. The new tranche bears interest at a rate of LIBOR plus 2
quarterly installments of $0.4 million, with a final balloon payment o
quarterly installments of $0.3 million, with a final balloon payment o
quarterly installments of $0.5 million, with a final balloon payment o
with certain financial covenants. As of December 31, 2017, the total

In September 2013, Navios Holdings entered into a facility agreeme
acquisition of four Panamax vessels, delivered in August and Septem
During 2017, Navios Holdings prepaid the indebtedness originally n
vessel. In December 2017, Navios Holdings entered into a facility ag
balance originally due by September 2018 for three years, to Septem
installments of $0.7 million, with a final balloon payment of $7.3 mi
certain financial covenants. In December 2015, one newbuilding Pan
facility. As of December 31, 2017, the outstanding amount was $18.

In January 2016, Navios Holdings entered into a facility agreement w
tranches, to finance the acquisition of one newbuilding Panamax

Table of Contents

vessel and one newbuilding Capesize vessel. The facility bears inter
facility was $39.9 million. The first tranche is repayable in one quart
$0.4 million each, and a final balloon payment of $14.8 million on th
approximately $0.4 million each, followed by 16 quarterly installme
payment day. The loan facility also requires compliance with certain

Alpha Bank A.E.: On November 6, 2014, Navios Holdings entered in
in order to finance part of the acquisition of a Capesize vessel. The l
2017, the facility is repayable in 20 quarterly installments of $0.5 mi
loan facility requires compliance with certain financial covenants. A

On November 3, 2016, Navios Holdings entered into a facility agree
refinance one Capesize vessel. The facility bears interest at a rate of
installments of $0.3 million each, followed by 16 quarterly installme
the last repayment date. The first instalment will be due 15 months f
financial covenants. As of December 31, 2017, the outstanding amou

The facilities are secured by first priority mortgages on certain of Na

The credit facilities contain a number of restrictive covenants that lin
incurring or guaranteeing indebtedness; entering into affiliate transac
changing the flag, class, management or ownership of certain Navios
Navios Holdings vessels; selling or changing the ownership of cert
facilities to any general and administrative costs relating to the vesse
ISPS Code and to maintain valid safety management certificates and
compliance with the covenants contained in the indentures governing
be an event of default under the credit facilities if the financial coven
less than 20% of the outstanding share capital of Navios Holdings.

The majority of the Company s senior secured credit facilities requi
covenants, based on either charter-adjusted valuations, or charter-fre
maximum of $30.0 million, and (iii) net total debt divided by total as
75% to 80%. Certain covenants in our senior secured credit facilities
(from the current balance sheet date) and/or amended to include net
a maximum of 90%.

As of December 31, 2017, the Company was in compliance with all

Table of Contents

Navios Acquisition Loan

On November 3, 2017, the Company prepaid in full the outstanding
Navios Acquisition entered into in September 2016. The prepaymen
accrued interest. See also Item 7.B Related party transactions .

Navios Logistics loans

2022 Logistics Senior Notes

On April 22, 2014, Navios Logistics and its wholly-owned subsidiar
Logistics (the Logistics Co-Issuers) completed the sale of $375.0
2022 Logistics Senior Notes), at a fixed rate of 7.25%. The effect
statement of operations under (Loss)/gain on bond and debt exting
unconditionally guaranteed, jointly and severally, by all of Navios L
Ltda (Horamar do Brasil), Naviera Alto Parana S.A. (Naviera A
Logistics Senior Notes pursuant to certain exceptions under the inde
Notes. The subsidiary guarantees are full and unconditional , exce
automatically released in certain customary circumstances, such as i
of the subsidiary, in connection with the sale of a majority of the cap
subsidiary in accordance with the indenture, upon liquidation or dis
discharge of the 2022 Logistics Senior Notes.

The Logistics Co-Issuers have the option to redeem the 2022 Logisti
2017, at a fixed price of 105.438%, which price declines ratably unti
control events, the holders of the 2022 Logistics Senior Notes will h
2022 Logistics Senior Notes at 101% of their face amount, plus accr

The indenture governing the 2022 Logistics Senior Notes contains c
indebtedness, issuance of certain preferred stock, the payment of div
Navios Logistics in or from any public offering, redemption or repur
certain liens, transfer or sale of assets, entering into transactions wit
Logistics properties and assets and creation or designation of restri

The indenture governing the 2022 Logistics Senior Notes include cu
2022 Logistics Senior Notes, a failure to comply with covenants, a f
subsidiaries that, taken together, would constitute a significant subsi
events with respect to us or any significant subsidiary or any group c
subsidiary.

As of December 31, 2017, all subsidiaries, including Logistics Finan
Logistics Finance, Horamar do Brasil, Naviera Alto Parana and Terr

In addition, there are no significant restrictions on (i) the ability of th
2022 Logistics Senior Notes to obtain funds by dividend or loan fro
the issuer (or co-issuer) or any guarantor subsidiaries.

The Logistics Co-Issuers were in compliance with the covenants as

Navios Logistics Notes Payable

In connection with the purchase of mechanical equipment for the ex
unsecured export financing line of credit for a total amount of $42.0
multiple drawings upon the completion of certain milestones (Drav
signing promissory notes (Navios Logistics Notes Payable). Each
months after the completion of each Drawdown Event. Together wit
unsecured export financing line is fully and unconditionally guarant
total available amount and the outstanding balance of Notes Payable

Navios Logistics BBVA Loan Facility

On December 15, 2016, Navios Logistics entered into a facility with
$25.0 million, for general corporate purposes. The loan bears interes
quarterly installments, starting on June 19, 2017, and secured by ass
of the loan was $23.3 million.

Navios Logistics Alpha Bank Loan

On May 18, 2017, Navios Logistics enter into a $14.0 million term l
Logistics Alpha Bank Loan). The Navios Logistics Alpha Bank Lo
in 20 quarterly installments with a final balloon payment of $7.0 mil
of the loan was $13.3 million.

Navios Logistics Term Loan B Facility

On November 3, 2017, Navios Logistics and Navios Logistics Finan
Term Loan B Facility. The Term Loan B Facility bears an interest ra
per annum. The Term Loan B Facility is fully and unconditionally g
subsidiaries except for Horamar do Brasil Navegação Ltda (Horam
Group S.A. (Terra Norte), which are deemed to be immaterial, an
subsidiary guarantees are full and unconditional, except that the c
released in certain circumstances. The Term Loan B Facility is secu
business as well as by assignments of the revenues arising from cert
Term Loan B Facility were used: (i) to finance a $70.0 million divid
consolidated financial statements, and $25.3 million to its noncontro
expenses relating to the Term Loan B Facility.

Table of Contents

The Term Loan B Facility contains restrictive covenants including r
and dispositions. The Term Loan B Facility also provides for custom

As of December 31, 2017, a balance of $100.0 million was outstand

Navios Logistics was in compliance with the covenants set forth in t

Other indebtedness

In connection with the acquisition of Hidronave S.A. on October 29,
by Hidronave S.A. in 2001, in order to finance the construction of th
$0.3 million ($0.3 million as of December 31, 2016). The loan facili
installments and the final repayment must occur prior to August 10,

During the year ended December 31, 2017, the Company paid $48.6
year 2017, $7.3 million related to prepayments of indebtedness origi
refinancing of one of its secured credit facilities which had an outsta
value.

The annual weighted average interest rates of the Company s total b
2016 and 2015, respectively.

The maturity table below reflects the principal payments for the nex
Logistics) outstanding as of December 31, 2017, based on the repay
under the debt securities.

Year
2018
2019
2020
2021
2022
2023 and thereafter
Total

Working Capital Position: On December 31, 2017, Navios Holdin
$236.2 million, resulting in a positive working capital position of $1
cash during the next 12 months from April 13, 2018 to make the req
working capital requirements of the business and remain in a positiv

While projections indicate that existing cash balances and operating
continues to review its cash flows with a view toward increasing wo

Table of Contents

Capital Expenditures: On January 26, 2014, Navios Holdings enter
vessel and one 181,259 dwt Capesize vessel, to be built in Japan. Th
were delivered in January 2016. As of December 31, 2015 and 2014
$22.1 million, respectively. The remaining purchase price of $58.7 r

Navios Logistics

On February 11, 2014, Navios Logistics entered into an agreement f
$7.3 million for each pushboat. As of December 31, 2017, Navios Lo
which were delivered in February 2018.

Navios Logistics has signed a shipbuilding contract for the construct
million). As of December 31, 2017, Navios Logistics had paid $6.1 r
delivered in the second quarter of 2018.

During the second quarter of 2017, Navios Logistics substantially co
Navios Logistics had paid $156.8 million related to the iron ore term

On September 4, 2017, Navios Logistics has signed an agreement fo
As of December 31, 2017, Navios Logistics had paid $0.6 million.

Refer also to Item 5F. Contractual Obligations as at December 31,

Dividend Policy

In November 2015, due to the prolonged weakness in the dry bulk in
the quarterly dividend to its common stockholders in order to conser
reduce its cash requirements, Navios Holdings announced the suspen
Series G and Series H, until market conditions improve. The Board c
long-term interests of the Company and its stakeholders. The Board
changes. The reinstatement, declaration and payment of any further c
on, among other things, market conditions, Navios Holdings cash r
equity instruments, credit agreements, indentures and other debt obli

Concentration of Credit Risk:

Accounts receivable

Concentrations of credit risk with respect to accounts receivables are
internationally dispersed and have a variety of end markets in which
beyond amounts provided for collection losses is inherent in Navios

Table of Contents

customers accounted for more than 10% of the Company s revenue
13.1%, respectively, of the Company s revenue and for the year end
revenue.

Cash deposits with financial institutions

Cash deposits in excess of amounts covered by government-provide
institutions. Navios Holdings does maintain cash deposits in excess
credit risk by dealing with a diversified group of major financial inst

Effects of Inflation:

Navios Holdings does not consider inflation to be a significant risk t
impact on operating expenses, drydocking expenses and corporate o

C. Research and development, patents and licenses, etc.

Not applicable.

D. Trend information

Our results of operations depend primarily on the charter hire rates t
dynamics characterizing the dry bulk market at any given time. For
and Financial Review and Prospects .

E. Off-Balance Sheet Arrangements

Charter hire payments to third parties for chartered-in vessels are tre

Navios Holdings is also committed to making rental payments under
Navios Holdings non-cancelable operating leases are included in th
Holdings was contingently liable for letters of guarantee and letters
organizations and the total amount was collateralized by cash deposi

In November 2012 (as amended in March 2014), the Company enter
provide Navios Partners with guarantees against counterparty defaul
insurance for the same vessels, same periods and same amounts. The
$20.0 million by the Company to Navios Partners. Premiums that ar
the management fee that is paid by Navios Partners to Navios Holdi
Partners has submitted one claim under this agreement to the Compa
was estimated at $20.0 million and $19.7 million and included in C
final settlement of the amount due will take place at anytime but in
effective as of December 29, 2017. During the year ended Decembe
consolidated statement of comprehensive (loss)/income.

Table of Contents

The Company is involved in various disputes and arbitration procee
the financial statements for all such proceedings where the Company
reasonably estimated, based upon facts known on the date the financ
the ultimate resolutions of these matters, in the opinion of managem
adverse effect on the Company s financial position, results of opera

On October 7, 2016, a putative class action complaint was filed agai
Southern District of New York by a purported holder of Series G Ar
complaint asserts claims for breach of fiduciary duty and contract. T
declaration regarding certain of the Company s alleged obligations
rights to non-tendering holders if the exchange offer that commence
November 28, 2016, plaintiff s counsel informed the Court that the
attain the necessary support from the holders of Series G American
2017, plaintiff s counsel submitted a motion for attorneys fees to
requested that the Court deny the request for attorneys fees in its e
2017. On September 26, 2017, the Court issued a decision denying p
wishing to restore the case to the Court s active docket do so by Oc
the October 10, 2017 deadline. No appeal of the Court s denial of p
to file an appeal has expired.

On April 1, 2016, Navios Holdings was named as a defendant in a p
Navios Acquisition purportedly on behalf of nominal defendant, Na
New York, captioned Metropolitan Capital Advisors International L
challenged the March 9, 2016 loan agreement between Navios Hold
provide a $50.0 million credit facility (the Revolver) to Navios H

On April 14, 2016, Navios Holdings and Navios Acquisition annou
under the Revolver. In June 2016, the parties reached an agreement
approved by an order of the Court. The litigation was dismissed upo
inclusion of the order as an attachment to a Navios Acquisition Forn
plaintiffs request for attorneys fees and expenses. A copy of the o
Securities and Exchange Commission on June 9, 2016.

Navios Logistics had a dispute with Vale regarding the termination
February 10, 2017, the arbitration tribunal ruled in favor of Navios L
unpaid invoices, compensation for late payment of invoices, and rei

On March 30, 2016, Navios Logistics received written notice from V
between Corporacion Navios S.A. and Vale on September 27, 2013,
Uruguay. Navios Logistics

Table of Contents

initiated arbitration proceedings in London on June 10, 2016 pursuar
2016, a London arbitration tribunal ruled that the Vale port contract
contract, we may elect to terminate the contract and then would be e
for the remaining period of the contract.

As of December 31, 2017, Navios Logistics subsidiaries in South A
authorities. According to the Horamar acquisition agreement, if such
previous shareholders.

Navios Logistics has issued a guarantee and indemnity letter that gu
of all its obligations to Vitol S.A. up to $12.0 million. This guarantee

Refer also to Item 5F. Contractual Obligation as at December 31, 2

F. Contractual Obligations as at December 31, 2017:

Payment due by period ($ in millions) (unaudited)

Contractual Obligations
Long-term debt[1]
Operating Lease Obligations (Time Charters) for vessels in operation
Operating Lease Obligations (Time Charters) for vessels to be delive
Operating Lease Obligations Pushboats and Barges
Deposit obligations for options to acquire vessels[3]
Navios Logistics contractual payments[4]
Rent Obligations[5]
Total

(1) The amount identified does not include interest costs associate
costs of complying with any applicable regulatory requiremen
include interest costs for the 2022 Senior Secured Notes, the 2
Navios Logistics Notes Payable. The expected interest paymen
(3-5 years) and $0.3 million (more than 5 years). Expected inte
effective interest rates and margins as of December 31, 2017, t

(2) Approximately 42% of the time charter payments included abo

(3) The table above incorporates the deposits the Company agreed

(4) Represents Navios Logistics future remaining contractual pa
2018, future remaining contractual payments for the acquisitic
acquisition of an estuary and river tanker. Navios Logistics ha
with a maximum amount of $7.4 million (6.2 million).

Table of Contents

(5) The table above incorporates the lease obligations of the office
Overview Facilities.

Refer to Item 7.B. Related Party Transactions for Navios Partners

Navios Holdings, Navios Acquisition and Navios Partners will make
working capital requirements (collectively, the Navios Revolving L
increased by $14.0 million. As of December 31, 2017, the amount un
Holdings may be required to fund an amount ranging from $0 to $15

Refer also to Item 5. Operating and Financial Review and Prospect
2018, not reflected in the table above.

Critical Accounting Policies

Navios Holdings consolidated financial statements have been prepa
requires Navios Holdings to make estimates in the application of its
management. Following is a discussion of the accounting policies th
affect the reported amount of assets and liabilities, revenues and exp
financial statements. Actual results may differ from these estimates u

Critical accounting policies are those that reflect significant judgmen
different assumptions and conditions. Navios Holdings has described
degree of judgment and the methods of their application. For a descr
Consolidated Financial Statements, included herein.

Use of Estimates: The preparation of consolidated financial stateme
assumptions that affect the reported amounts of assets and liabilities
statements and the reported amounts of revenues and expenses durin
and judgments, including those related to uncompleted voyages, futu
carrying value of investments in affiliates, the selection of useful live
assets to support impairment tests, impairment test for goodwill, pro
disputes, pension benefits, contingencies, and guarantees. Managem
factors that are believed to be reasonable under the circumstances, th
of assets and liabilities that are not readily apparent from other sourc
and/or conditions.

Stock-based Compensation: In December 2017, the Company autho
December 2016, the Company authorized the grant of restricted shar
authorized the issuance of shares of restricted common stock, restric
plan for its employees, officers and directors. These awards of restri
units and stock options are based on service conditions only and vest
authorized

Table of Contents

the issuance of shares of restricted common stock, restricted stock u
achievement of certain internal performance criteria including certai

The fair value of share appreciation rights and stock option grants is
Black-Scholes models. The fair value of restricted share units, restri
price on the date of grant. Compensation expense, net of estimated f
Compensation expense for the awards that vest upon achievement o
criteria will be met and are being accounted for as equity.

Impairment of Long Lived Assets: Vessels, other fixed assets and o
for potential impairment whenever events or changes in circumstanc
recoverable. Navios Holdings management evaluates the carrying
events or changes in circumstances have occurred that would requir
impairment loss is based on the fair value of the asset. Navios Holdi
assumptions by making use of available market data and taking into
evaluating useful lives and carrying values of long-lived assets, cert
operating cash flows, vessel sales and purchases, business plans and

Undiscounted projected net operating cash flows are determined for
portion of deferred drydock and special survey costs related to the v
charter agreement attached to that vessel or the carrying value of de
bought and sold with a charter attached. The value of the charter ma
market rates. The loss recognized either on impairment (or on dispo
vessel asset group.

During the fourth quarter of fiscal year 2017, management conclude
potential impairment of Navios Holdings long-lived assets might e
impact of the current dry bulk sector has on management s expecta
(step one) was performed.

The Company determined undiscounted projected net operating cas
the carrying value of deferred drydock and special survey costs rela
The significant factors and assumptions used in the undiscounted pr
operating cash flows by considering the charter revenues from exist
agreement rates) and an estimated daily time charter equivalent for t
rates and 10-year average historical one-year time charter rates, adj
and address commissions excluding days of scheduled off-hires, run
2018 and a utilization rate of 99.2% based on the fleet s historical p

As of December 31, 2017, our assessment concluded that step two o
undiscounted projected net operating cash flows did not exceed the
$32.9 million for this vessel,

Table of Contents

being the difference between the fair value and the vessel s carrying
related to this vessel, presented within the caption Impairment loss
performed for 2016 and 2015 did not indicate a step two was necess

As of December 31, 2017, the 10-year historical average rates for th
future cash flows for purposes of its impairment analysis were 63.3
the fiscal year 2017 of $9,705 per day.

In addition, the Company compared the 10-year historical average (
one-year historical averages (of the one-year charter rate for similar
rate) and the five-year, three-year and one-year historical averages (
2017):

Handysize
Ultra-Handymax
Panamax
Capesize

If testing for impairment using the five-year, three-year and one-yea
10-year historical average (of the one-year charter rate for similar ve
have carrying values in excess of their projected undiscounted future

As of December 31, 2017 and 2016, the Company owns and operate
$1,295.1 million as of December 31, 2017, including the carrying va
of December 31, 2017 and 2016, the carrying value of 38 and 40 of
charter, if any, on the specified vessel) exceeds the estimated fair va
any, on the specified vessel) by approximately $591.1 million and $

Table of Contents

A vessel-by-vessel summary as of December 31, 2017 and 2016 foll
estimated fair value, including the related time charter):

Vessel	Year Built	Pu (i
Navios Serenity	2011	$
Navios Ionian	2000	
Navios Celestial	2009	
Navios Vector	2002	
Navios Horizon	2001	
Navios Herakles	2001	
Navios Achilles	2001	
Navios Meridian	2002	
Navios Mercator	2002	
Navios Arc	2003	
Navios Hios	2003	
Navios Kypros	2003	
Navios Ulysses	2007	
Navios Vega	2009	
Navios Astra	2006	
Navios Magellan	2000	
Navios Star	2002	
Navios Asteriks	2005	
Navios Centaurus	2012	
Navios Avior	2012	
Navios Bonavis	2009	
Navios Happiness	2009	
Navios Lumen	2009	
Navios Stellar	2009	
Navios Phoenix	2009	
Navios Antares	2010	
Navios Etoile	2010	
Navios Bonheur	2010	
Navios Altamira	2011	
Navios Azimuth	2011	
Navios Galileo	2006	
Navios Northern Star	2005	
Navios Amitie	2005	
Navios Taurus	2005	
N Amalthia	2006	
N Bonanza	2006	
Navios Gem	2014	
Navios Ray	2012	
Navios Sphera	2016	
Navios Mars	2016	

$

(1) All amounts include related time charter, if any.

Although the aforementioned excess of carrying value over fair valu
hypothetical disposition of those vessels as of December 31, 2017 ar
impairment) would require, among

Table of Contents

other things, that a triggering event had occurred and that the undisc
the vessel (including the carrying value of the time charter, if any, or

Vessels, Port Terminals, Tanker Vessels, Barges, Pushboats and O
and other fixed assets acquired as parts of business combinations are
acquisition, are recorded at cost (including transaction costs). Vessel
the contract price, capitalized interest and any material expenses incu
expenditures for major improvements and upgrades are capitalized, p
improve the efficiency or safety of the vessels. The cost and related a
the time of sale or retirement and any gain or loss is included in the a

Expenditures for routine maintenance and repairs are expensed as in

Depreciation is computed using the straight line method over the use
fixed assets, after considering the estimated residual value.

Annual depreciation rates used, which approximate the useful life of

Vessels
Port terminals
Tanker vessels, barges and pushboats
Furniture, fixtures and equipment
Computer equipment and software
Leasehold improvements

Management estimates the residual values of the Company s dry bu
lightweight tons (LWT). Residual values are periodically reviewe
Revisions of residual values affect the depreciable amount of the ves
Management estimates the residual values of the Company s vessel
scrap rates and ten-year average historical scrap rates of the residual

Management estimates the useful life of its vessels to be 25 years fro
on the ability of a vessel to trade on a worldwide basis, its useful life
the useful life of a vessel or in its residual value would have the effe
A decrease in the useful life of a vessel or in its residual value would

Deferred Drydock and Special Survey Costs: The Company s vess
surveys which are carried out every 30 and 60 months, respectively,
coincide with the renewal of the related certificates issued by the cla
certain conditions. The costs of drydocking and special surveys are d
survey date if such date has been determined. Unamortized drydocki
income in the year the vessel, barge or pushboat is sold.

Table of Contents

Costs capitalized as part of the drydocking or special survey consist
parts, paints, lubricants and services incurred solely during the drydo

Goodwill and Other Intangibles:

(i) Goodwill: Goodwill is tested for impairment at the reporting unit

The Company evaluates impairment of goodwill using a two-step pr
amount, including goodwill (step one). The Company determines th
(i.e. discounted cash flows) and market approach (i.e. comparative n
best indicator of fair value for its individual reporting units. If the fa
the carrying amount of the reporting unit exceeds the fair value, ther
fair value of the reporting unit s goodwill and compare it with its ca
fair value of the reporting unit to all the assets and liabilities of that r
and the fair value of the reporting unit was the purchase price. If the
impairment is recognized by writing the goodwill down to its implie

As of December 31, 2017, the Company performed its impairments
Business. The Company additionally considered that its market capi
net assets.

As of December 31, 2017, the Company performed step one of the i
allocated goodwill of $56.2 million. Step one impairment test reveal
exceeded the carrying amount of its net assets. Accordingly, no step

The fair value of the Dry Bulk Vessel Operations reporting unit was
approach, the expected present value of future cash flows used judgr
circumstances. The significant factors and assumptions the Company
used to calculate the present value of future cash flows and future ca
and administrative expense growth assumptions, and direct vessel ex
the charter revenues from existing time charters for the fixed fleet da
charter equivalent for the non-fixed days (based on a combination of
one-year time charter rates adjusted for outliers), which the Compan
time period for long-lived assets and consistent with the cyclicality c
discount future estimated cash flows to their present values. The WA
the Company s cost of equity and debt, optimal capital structure and
of the Company s business based on comparable publicly-traded co
of the valuations and considered the range of fair values determined
of net assets.

As of December 31, 2017, the Company performed step one of the i
$104.1 million. Step one of the impairment test used the income met
its net assets. Accordingly, no step

Table of Contents

two analysis was required. The future cash flows from the Logistics
contracts and estimated revenues based on the historical performanc
Logistics Business reporting unit has not been affected by the same
Operations reporting unit. In addition, the cash flows of the long-liv

No impairment loss was recognized for any of the periods presented

(ii) Intangibles Other Than Goodwill: Navios Holdings intangible
customer relationships, trade name and port terminal operating right
method, which values the trade name based on the estimated amount
name. The asset is being amortized under the straight line method ov
method over 10 years.

The fair value of customer relationships of Navios Logistics was det
flow generating ability of the asset. The asset is amortized under the

Other intangibles that are being amortized, such as customer relation
carrying value could not be recovered from the future undiscounted

When intangible assets or liabilities associated with the acquisition c
reference to market data and the discounted amount of expected futu
recorded, being the difference between the acquired charter rate and
market charter rates, a liability is recorded, being the difference betw
The determination of the fair value of acquired assets and assumed l
many variables including market charter rates, expected future chart
weighted average cost of capital. The use of different assumptions c
material impact on the Company s financial position and results of

The amortizable value of favorable and unfavorable leases is amorti
included in the consolidated statements of comprehensive (loss)/inco

The amortizable value of favorable leases would be considered impa
flows associated with the asset. Vessel purchase options that have no
impaired if the carrying value of an option, when added to the option

Vessel purchase options that are included in favorable leases are not
part of the cost of the vessel and depreciated over the remaining use
purchase options that are included in unfavorable lease terms are not
underlying vessel is sold, it will be recorded as part of gain/loss on s
in the consolidated statements of comprehensive (loss)/income.

During the fourth quarter of fiscal year 2017, management conclude
Navios Holdings intangible assets other than goodwill might exist.

Table of Contents

These indicators included continued volatility in the spot market and
for the future, consistent with those used in its vessel impairment as
indicated that the amortizable value of one of its favorable leases wo
asset. As a result, the Company recognized an impairment loss of $3
comprehensive (loss)/income. There were no other impairment losse
years ended December 31, 2016 and 2015.

The weighted average amortization periods for intangibles are:

Intangible Assets/Liabilities
Trade name
Favorable lease terms
Port terminal operating rights
Customer relationships

Investments in Equity Securities: Navios Holdings evaluates its inv
II and Navios Containers for OTTI on a quarterly basis. Consideratio
less than the carrying value, (ii) the financial condition and near-term
Europe II and Navios Containers, and (iii) the intent and ability of th
Europe I, Navios Europe II and Navios Containers, for a period of ti

Navios Holdings considers whether the fair values of its equity meth
or changes in circumstances indicate that the carrying value may not
on various factors, including historical financial results, economic an
overall health of the affiliate s industry), then we would write down

As of December 31, 2017, management considers the decline in the
there is the potential for future impairment changes relative to this se
such write down is necessary, which may have a material adverse im
December 31, 2017, we did not recognize any impairment loss in ea

As of December 31, 2016, the Company considered the decline in fa
other-than-temporary and therefore recognized a loss of $228.0 m

As of June 30, 2016, the Company considered the decline in fair valu
loss of $0.3 million out of accumulated other comprehensive income
accompanying consolidated statement of comprehensive (loss)/incom
held.

As of September 30, 2015, the Company considered the decline in fa
loss out of accumulated other comprehensive income /(loss) of $1.8
consolidated statement of comprehensive (loss)/income.

Table of Contents

Recent Accounting Pronouncements

For a description of Navios Holdings recent accounting pronounce

G. Safe Harbor

Applicable to the extent the disclosures in Item 5.E and 5.F above ar statements.

Item 6. Directors, Senior Management and Employees

A. Directors and Senior Management

The current board of directors, executive officers and significant em

Name	Age	
Angeliki Frangou	52	Chairman
George Achniotis	53	Chief Fin
Ted C. Petrone*	62	Vice Cha
Vasiliki Papaefthymiou	49	Executive
Anna Kalathakis	47	Chief Leg
Shunji Sasada*	59	President
Leonidas Korres	42	Senior Vi
Efstratios Desypris	43	Chief Fin
Ioannis Karyotis	41	Senior Vi
Erifili Tsironi	43	Senior Vi
Chris Christopoulos*	40	Senior Vi
Spyridon Magoulas	63	Director
John Stratakis	53	Director
Efstathios Loizos	56	Director
George Malanga	59	Director

* Significant employee

Angeliki Frangou has been our Chairman and CEO since August 2 Officer of Navios Maritime Partners L.P. (NYSE: NMM), an affilia Officer of Navios Maritime Acquisition Corporation (NYSE: NNA) Officer of Navios Maritime Midstream Partners L.P. (NYSE: NAP), Executive Officer of Navios Maritime Containers Inc. (N-OTC:NM of the Board of Directors of Navios Logistics since its inception in D Officer and President of International Shipping Enterprises Inc., whi Chief Executive Officer of Maritime Enterprises Management S.A. a vessels. Ms. Frangou is the non-executive Chairman of IRF Europea Ms. Frangou is Member of the Board of the United Kingdom Mutua Classification Society Mediterranean Committee, a member of the In Bureau Veritas, as well as a member of Greek Committee of Nippon

National Committee. Since May 2014, Ms. Frangou has been a

Table of Contents

Member of the Board of The Hellenic Mutual War Risks Associatio
Board of the Union of Greek Shipowners. Since October 2015, Ms.
University. Since July 2013, Ms. Frangou has been a member of the
Science. Ms. Frangou received a bachelor s degree in mechanical e
degree in mechanical engineering from Columbia University.

George Achniotis has been Navios Holdings Chief Financial Offi
Holdings, Mr. Achniotis served as Senior Vice President-Business D
Navios Holdings, Mr. Achniotis was a partner at PricewaterhouseCo
He became a partner at PwC in 1999 when he set up and headed the
consultation projects were performed. Mr. Achniotis is currently a D
New York Stock Exchange traded limited partnership, which is an a
profession with work experience in England, Cyprus and Greece. M
holds a Bachelor s degree in Civil Engineering from the University

Ted C. Petrone became Vice Chairman of Navios Corporation in Ja
May 2007 to January 2015 and President of Navios Corporation fro
for 39 years, 35 of which he has spent with Navios Holdings. After j
various operational and commercial positions. Mr. Petrone was prev
the trading of tonnage, derivative hedge positions and cargoes. Mr. P
Exchange listed company, and an affiliate of the Company; and has
Maritime College at Fort Schuyler with a Bachelor of Science degre
Command) tankers.

Vasiliki Papaefthymiou has been Executive Vice President Lega
that was a member of the board of directors of ISE. Ms. Papaefthym
October 2001, where she has advised the Company on shipping, cor
general counsel to Franser Shipping from October 1991 to Septembe
School of the University of Athens and a master degree in Maritime
admitted to practice law before the Bar in Piraeus, Greece.

Anna Kalathakis has been Chief Legal Risk Officer since Novemb
Holdings Inc. from December 2005 until October 2012. Before joini
of A. Bilbrough & Co. Ltd. and an Associate Director of the Compa
Limited). She has previously worked for a U.S. maritime law firm i
has also worked in a similar capacity at a London maritime law firm
practice law before the Bar in Piraeus, Greece in 2003. She has studi
holds an MBA from European University at Brussels (1992) and a J.

Shunji Sasada became a director of Navios Holdings and President
Navios Maritime Partners L.P. since August 2007 and as a

Table of Contents

director in Navios Maritime Midstream Partners L.P. since October
Vice President of Fleet Development, he headed Navios Holdings
and owned tonnage. Mr. Sasada is also President of Navimax Corpo
his shipping career in 1981 in Japan with Mitsui s O.S.K. Lines, Ltd
branch as a salesman for exporting steel products to worldwide desti
carrier division and was in charge of operations and then of charterin
Mr. Sasada moved to Norway to join Trinity Bulk Carriers as its cha
the shareholders. After an assignment in Norway, Mr. Sasada moved
Manager. Mr. Sasada joined Navios Holdings in May 1997. Mr. Sas
(Class NK). He is a graduate of Keio University, Tokyo, with a B.A.
of New York.

Leonidas Korres has been our Senior Vice President Business De
Navios Maritime Acquisition Corporation since April 2010. Mr. Kor
of Economy and Finance of the Hellenic Republic from October 200
served as Special Financial Advisor to the Minister of Economy and
Committee for the Olympic Games Athens 2004 S.A. From 2001 to
Finance. From October 2007 until January 2010, Mr. Korres was a m
2006, Mr. Korres was Chairman of the Center for Employment and
Mr. Korres served as a board member and audit committee member
New York Stock Exchanges). From June 2004 until November 2009
responsible for exploiting the Olympic venues. Mr. Korres earned hi
Business and his master s degree in Finance from the University of

Efstratios Desypris has been our Chief Financial Controller since F
May 2006. Mr. Desypris is also a director and Senior Vice President
Mr. Desypris is the Chief Financial Officer of Navios Maritime Part
Planning and Director of Navios Logistics, and as director in Navios
accounting profession, most recently as manager of the audit departm
Arthur Andersen & Co. in 1997. He holds a Bachelor of Science deg

Ioannis Karyotis has been our Senior Vice President Strategic Pla
Logistics since March 2011. Prior to joining the Company, from 200
Consulting Group (BCG), an international management consulting f
Securities, a Greek brokerage house, and in 2003, he was Senior An
subsidiary of HSBC Bank. Mr. Karyotis began his career in 2002 wi
in Economics from the Athens University of Economics and Busine
London School of Economics (1999) and an MBA from INSEAD (2

Erifili Tsironi has been our Senior Vice President Credit Manage
Maritime Midstream Partners LP. Ms. Tsironi has over 17

Table of Contents

years of experience in ship finance. Before joining the Company, sh
SE. Ms. Tsironi joined DVB Bank SE in 2000 serving as Assistant L
manager in ANZ Investment Bank / ANZ Grindlays Bank Ltd from
with Honours, from the London School of Economics and Political S
from Cass Business School of City University in London.

Chris Christopoulos has been the Senior Vice President Financial
2017. Mr. Christopoulos is also Chief Financial Officer of Navios M
financial markets and shipping. Before joining us, he was a Director
the origination, structuring and execution of advisory and capital ma
of the transportation investment banking team at Merrill Lynch, and
in 2004. Mr. Christopoulos received a Bachelor of Arts degree in Ec

Spyridon Magoulas has been a member of Navios Holdings Board
directors of ISE. Mr. Magoulas is the co-founder and director of Do
the managing director of Doric Shipbrokers S.A. since its formation
for Nicholas G. Moundreas Shipping S.A., a company located in Pir
Chartering Inc. in New York. Mr. Magoulas received a bachelor s d
master s degree in Transportation Management from the Maritime C
for Social Research in New York. In addition to his role on the Boar
Compensation Committee and the Nominating and Governance Con

John Stratakis has been a member of Navios Holdings Board of D
of ISE. Since 1994, Mr. Stratakis has been a partner with the law fir
specializes in all aspects of marine finance and admiralty law, real e
was an associate attorney with Wilson, Elser, Moskowitz Edelman &
President of the Hellenic-American Chamber of Commerce in New
promotes the New York region as a maritime business center. Mr. St
Doctor degree from Washington College of Law at American Unive
courts of the Southern and Eastern Districts of New York. In additio
Nominating and Governance Committee and a member of the Comp

Efstathios Loizos was appointed to our Board of Directors in July 2
June 2010. In October 2008, Mr. Loizos joined the Managing Team
responsibility of supervising MABEL S.A., one of the affiliated com
Directors of ION S.A. and assumed enlarged executive responsibilit
affiliated company INTERION S.A., which operates in Bulgaria. In
(Foundation of Economic and Industrial Research). Between 2001 a
Directors of ELSA S.A., a Greek steel packaging company, and also
S.A. From 2005 to 2007, Mr. Loizos served as the President of the

Table of Contents

International Packaging Association and as the Vice President of the
founders/owners of Facility Plus, which is engaged in the field of pr
Economiques from the University of Strasbourg and an M.B.A. in F
Committee and chairman of the Compensation Committee. Mr. Loiz

George Malanga has been a member of our Board of Directors sinc
Mr. Malanga has held a variety of positions during his 30 year tenur
roles before moving to risk management in 2000. Mr. Malanga has s
18 years. His credit risk experience includes head of asset recovery,
Mellon. Mr. Malanga is a member of BNY Mellon s Operating Co
College and an M.B.A. in Finance from New York University. Mr. M
Governance Committee. Mr. Malanga is an independent director.

There are no family relationships between any of our directors, exec

B. Compensation

The aggregate annual compensation (salaries and bonus) paid to our
December 31, 2017. Navios Holdings provides administrative servic
Navios Containers, Navios Europe I and Navios Europe II. Navios H
with the provision of these services. In February 2015, the Board of
Plan, as amended in December 2017 (the 2015 Equity Incentive Pl
issuance under such plan. The 2015 Equity Incentive Plan authorize
in such amounts and pursuant to such terms as may be determined b

On December 15, 2015, December 11, 2016, and December 13, 201
appreciation rights and the issuance of shares of restricted common
stock option plan for its employees, officers and directors. These aw
units, restricted common stock and stock options to its employees, o

Details of options granted

As of the filing of this Annual Report on Form 20-F, 7,705,995 stoc
appreciation rights have been granted of which 5,377,797 have vest
exercised in total, of which 411,438 at an exercise price of $3.18 pe
$5.15 per share, 59,546 at an exercise price of $3.81 per share, and 2

Out of the 7,705,995 stock options granted and 2,500,000 share appr
per share; 571,266 options were granted at an exercise price of $3.1
954,842 options were granted at an exercise price of $5.15 per share

share; 1,344,357 options were granted at an exercise price of $3.44 p
1,123,003 options were granted at an exercise price of $3.64 per sha
2,500,000 share appreciation rights were granted at an exercise price

Details of restricted stock and restricted stock units issued

As of the filing of this Annual Report on Form 20-F, 12,014,305 sha
restricted share units have been granted, of which 7,459,277 have ve
2017. See Note 12 to the Consolidated Financial Statements, include

Non-employee directors receive annual fees, effective January 1, 20
expenses. In addition, the non-executive serving as chairman of the
Nominating and Governance Committee receives an annual fee of $
$20,000, plus reimbursement of their out-of-pocket expenses.

C. Board Practices

The board of directors of Navios Holdings is divided into three class
a three-year term. In January 2015, Navios Holdings, following the
term of office of the first class of directors, consisting of Efstathios
of the second class of directors, consisting of Shunji Sasada and Spy
directors, consisting of Angeliki Frangou and Vasiliki Papaefthymio
their term.

The board of directors has established an audit committee of three in
was approved by the board of directors. One of the members of the a
and regulations. The audit committee, among other things, reviews o
to auditors and oversees our internal audit activities and procedures
comprised of Messrs. George Malanga, Efstathios Loizos and Spyrid

The board of directors has established a nominating and governance
Chairman, Spyridon Magoulas and George Malanga. This committee
The nominating and governance committee is responsible for provid
Company s stockholders relating to the Company s nominating pro
oversight, analysis and recommendations with respect to corporate g
compliance with laws and regulations.

The board of directors has established a compensation committee of
Spyridon Magoulas and John Stratakis. The compensation committe
The compensation committee is responsible for reviewing and appro
reviewing and evaluating, in consultation with senior management, t
change to existing compensation plans.

Table of Contents

The board of directors, from time to time, establishes special conflic
potential conflicts of interest. The conflicts committees determine if
of the conflicts committees may not be our officers or employees or
standards established by the New York Stock Exchange to serve on

D. Employees

Navios Holdings crews its vessels primarily with Greek, Ukrainian,
Georgian, Indian, Romanian, Ethiopian and Ukrainian seamen. Navi
nationalities are referred to Navios Holdings fleet manager by loca
crew. The crewing agencies handle each seaman s training. Navios
to comply with international regulations and shipping conventions.

Navios Logistics crews its fleet with Argentine, Brazilian and Parag
selecting the crew.

With respect to shore-side employees, as of December 31, 2017, Na
office, 11 employees in its New York office, seven employees in its
employees in its Singapore office. Navios Logistics employs 50 emp
Antonio, Paraguay, 103 employees in the Buenos Aires, Argentina o
port facilities in Uruguay, and 10 employees in the Corumba, Brazil

E. Share Ownership

The following table sets forth information regarding the beneficial o
124,709,280 shares of common stock outstanding as of such day, by

Table of Contents

Unless otherwise indicated based upon Schedules 13D filed with the
named in the table have sole voting and investment power with resp

Name and Address of Beneficial Owner(1)
Angeliki Frangou(2)(3)
George Achniotis
Ted C. Petrone
Vasiliki Papaefthymiou
Anna Kalathakis
Shunji Sasada
Leonidas Korres
Efstratios Desypris
Ioannis Karyotis
Erifili Tsironi
Chris Christopoulos
Spyridon Magoulas
John Stratakis
Efstathios Loizos
George Malanga

* Less than one percent

(1) The business address of each of the individuals is c/o Navios M
MC 98000 Monaco.

(2) Angeliki Frangou has filed a Schedule 13D amendment indica
of common stock and as of March 31, 2018, she had purchase

(3) The amount and nature of beneficial ownership and the percen
vested but not yet exercised.

Item 7. Major Shareholders and Related Party Transactions

A. Major Shareholders

The following table sets forth information regarding the beneficial o
shares of common stock outstanding as of such date of each person
outstanding shares of common stock based upon the amounts and pe
stockholders have the same voting rights with respect to their shares

Unless otherwise indicated, based upon Schedules 13D filed with th
named in the table have sole voting and investment power with resp

Name

Angeliki Frangou[1][2]

(1) The amount and nature of beneficial ownership and the percen
vested but not yet exercised.

Table of Contents

(2) As disclosed in a 13D Amendment dated March 29, 2018, Ms.
shares of common stock disclosed in the table above.

B. Related Party Transactions

Office Rent: The Company has entered into lease agreements with
Emerald Ktimatiki-Ikodomiki Touristiki Xenodohiaki Anonimos Et
Angeliki Frangou, Navios Holdings Chairman and Chief Executive
Greece to house the operations of most of the Company s subsidiar
million) and the lease agreements continue to be effective until eith
subject to annual adjustments, which are based on the inflation rate

Purchase of Services: The Company utilizes its affiliate company,
Navios Holdings owns 50% of Acropolis stock, Navios Holdings a
dividends will be allocated 35% to the Company with the balance to
the investment was $0.2 million and $0.1 million, respectively. Divi
were $0.1 million, $0.1 million and $0.5 million, respectively. Com
$0 million and commissions charged for the years ended December
trade accounts payable at both December 31, 2017 and 2016 was an

Vessels Charter Hire: From 2012, Navios Holdings has entered int
redelivered by April 2016.

In May 2012 and 2013, the Company entered into two charters with
February 11, 2015, the Company and Navios Partners entered into a
Aldebaran and the Navios Prosperity were transferred to Navios Ho

In 2012 and 2013, the Company entered into various charters with N
Hope. In April 2015, these charters were further extended for appro
50/50 profit sharing based on actual earnings at the end of the perio

In 2015, the Company entered into various charters with Navios Par
Navios Orbiter, Navios Fantastiks, Navios Alegria, Navios Pollux a
months, at a net daily rate of $7,600, $12,000, $12,000, $12,000, $1
sharing based on actual earnings at the end of the period.

In November 2016, the Company entered into a charter with Navios
charter was approximately three months from November 2016, at a

Total charter hire expense for all vessels for the years ended Decem
respectively, and was included in the consolidated statements of co
expenses .

Table of Contents

Management Fees: Navios Holdings provides commercial and tech
daily fee covers all of the vessels operating expenses, including the
February 2015, the Company amended its existing management agre
owned fleet at : (i) $4,000 daily rate per Ultra-Handymax vessel; (ii)
(iv) $6,500 daily rate per container vessel of TEU 6,800; (v) $7,200
per very large container vessel of more than TEU 13,000 through De
management agreement to fix the fees for ship management services
daily rate per Panamax vessel; (iii) $5,250 daily rate per Capesize ve
per container vessel of more than TEU 8,000; and (vi) $8,750 daily r
2017. In November 2017, the Company further amended its existing
fleet at: (i) $4,225 daily rate per Ultra-Handymax vessel; (ii) $4,325
$6,700 daily rate per container vessel of TEU 6,800; (v) $7,400 daily
very large container vessel of more than TEU 13,000 through Decem
at occurrence.

Total management fees for the years ended December 31, 2017, 201
respectively, and are presented net under the caption Direct vessel

Effective August 31, 2016, Navios Partners could, upon request to N
extraordinary fees and expenses under the management agreement to
such amounts would bear interest at a rate of 1% per annum over LI
to $0 million (December 31, 2016: $11.1 million) and is presented u

Navios Holdings provides commercial and technical management se
covers all of the vessels operating expenses, other than certain fees
consistent with how the initial fixed fees were determined. In May 2
with Navios Acquisition until May 2020 and fixed the fees for ship m
through May 2016 at $6,000 per owned MR2 product tanker and che
daily rate to $9,500 per VLCC vessel. In May 2016, Navios Holding
management services of Navios Acquisition owned fleet at a daily fe
LR1 product tanker vessel; and (iii) $9,500 per VLCC through May
occurrence for all vessels.

Total management fees for the years ended December 31, 2017, 201
respectively, and are presented net under the caption Direct vessel

Pursuant to a management agreement dated December 13, 2013, Nav
Europe I s tanker and container vessels. The term of this agreement
reimbursed at cost at occurrence. Total management fees for the yea
$20.9 million and $20.4 million, respectively, and are presented net

Table of Contents

Pursuant to a management agreement dated November 18, 2014, as
technical management services to Navios Midstream s vessels for a
2018. Drydocking expenses under this agreement will be reimbursed
five years. Total management fees for the years ended December 31
respectively, and are presented net under the caption Direct vessel

Pursuant to a management agreement dated June 5, 2015, Navios Ho
II s dry bulk and container vessels. The term of this agreement is fo
cost at occurrence. Total management fees for the year ended Decen
$9.6 million, respectively, and are presented net under the caption

Pursuant to a management agreement dated June 7, 2017, as amende
management services to Navios Containers vessels. The term of thi
period of five years thereafter unless a notice for termination is recei
Holdings is a daily fee of $6,100 per day for 4,250 TEU, 3,450 TEU
reimbursed by Navios Containers at cost. Total management fees for
net under the caption Direct vessel expenses .

Navios Partners Guarantee: In November 2012 (as amended in M
Navios Partners Guarantee) to provide Navios Partners with guar
been covered by the charter insurance for the same vessels, same per
possible payout of $20.0 million by the Company to Navios Partners
insurance are included in the management fee that is paid by Navios
December 31, 2017, Navios Partners has submitted one claim under
the fair value of the claim was estimated at $20.0 million and $19.7
income in the consolidated balance sheet. The final settlement of th
2019, in accordance with a letter of agreement effective as of Decem
recognized this claim as Other expense in the consolidated statem

General and Administrative Expenses incurred on behalf of affil
administrative services to Navios Partners. Navios Holdings is reimb
of these services. Navios Holdings extended the duration of its existi
2022, pursuant to its existing terms. Total general and administrative
$8.4 million, $7.8 million and $6.2 million, respectively.

Navios Holdings provides administrative services to Navios Acquisi
agreement with Navios Acquisition until May 2020, pursuant to its e
incurred in connection with the provision of these services. Total ger
2015 amounted to $9.0 million, $9.4 million and $7.6 million, respec

Navios Holdings provides administrative services to Navios Logistic
administrative services agreement with Navios Logistics until Decen

2021, pursuant to its existing terms. Navios Holdings is reimbursed
services. Total general and administrative fees for all the years ende
$0.8 million, respectively. The general and administrative fees have

Pursuant to an administrative services agreement dated December 1
tanker and container vessels. The term of this agreement is for a peri
incurred in connection with the provision of these services. Total ge
2015 amounted to $1.2 million, $1.3 million and $0.8 million, respe

Pursuant to an administrative services agreement dated November 1
The term of this agreement is for a period of five years. Navios Hol
the provision of these services. Total general and administrative fees
$1.5 million and $1.0 million, respectively.

Pursuant to an administrative services agreement dated June 5, 2015
and container vessels. The term of this agreement is for a period of s
in connection with the provision of these services. Total general and
amounted to $1.8, $1.8 and $0.6 million, respectively.

Pursuant to the administrative services agreement dated June 7, 201
Holdings is reimbursed for reasonable costs and expenses incurred i
an initial period of five years with an automatic extension for a peri
Total general and administrative fees attributable to this agreement f

Administrative services under these agreements include bookkeepin
clerical services, banking and financial services, advisory services, i

Balance due from/to affiliates (excluding Navios Europe I and N
amounted to $8.3 million (December 31, 2016: $8.7 million), and th
2016: $0 million). Balance due to Navios Acquisition as of Decemb
Long-term payable to Navios Acquisition amounted to $15.2 millio
December 31, 2017 amounted to $1.0 million (December 31, 2016:
$4.6 million (December 31, 2016: $0 million). Balance due to Navio
2016: $0 million), and the Long-term payable to Navios Containers

The balances mainly consisted of management fees, administrative f
management agreements and other amounts payable to affiliates.

Omnibus Agreements: Navios Holdings has entered into an omnib
connection with the closing of Navios Partners IPO governing, am
each other as well as rights of first offer on certain dry bulk carriers.

Table of Contents

not to acquire or own Panamax or Capesize dry bulk carriers under t
committee of Navios Partners. In addition, Navios Holdings has agre
Holdings when such vessels are fixed under time charters of three or

Navios Holdings entered into an omnibus agreement with Navios Ac
with the closing of Navios Acquisition s initial vessel acquisition, p
not to acquire, charter-in or own liquid shipment vessels, except for
America, without the consent of an independent committee of Navio
Agreement, agreed to cause its subsidiaries not to acquire, own, oper
Acquisition Omnibus Agreement, Navios Acquisition and its subsidi
proposed sale, transfer or other disposition of any of its dry bulk carr
Navios Holdings and Navios Partners agreed to grant a similar right
These rights of first offer will not apply to a (i) sale, transfer or other
of any charter or other agreement with a counterparty, or (ii) merger

Navios Holdings entered into an omnibus agreement with Navios M
Midstream IPO, pursuant to which Navios Acquisition, Navios Hold
acquire or own any VLCCs, crude oil tankers, refined petroleum pro
years without the consent of Navios Midstream. The omnibus agreem
Holdings, Navios Partners or any of their controlled affiliates to com

Navios Holdings entered into an omnibus agreement with Navios Co
which Navios Acquisition, Navios Holdings, Navios Partners, Navio
refusal to Navios Containers over any container vessels to be sold or
Acquisition, Navios Holdings, Navios Partners and Navios Midstrea
specified circumstances.

Midstream General Partner Option Agreement: Navios Holdings
Acquisition, which owns and controls Midstream General Partner, g
membership interests in Midstream General Partner and the incentiv
increasing percentage of the quarterly distributions when certain con
for the acquisition for all or part of the option interest shall be an am
not exercised any part of that option.

Sale of Vessels and Sale of Rights to Navios Partners: Upon the s
in earnings only to the extent of the interest in Navios Partners owne
ownership interest in Navios Partners (the deferred gain). Subseq
vessel. The recognition of the deferred gain is accelerated in the even
Partners or (ii) the Company s ownership interest in Navios Partner
Partners, a pro rata portion of the deferred gain is released to income

Table of Contents

Navios Partners. As of December 31, 2017 and 2016, the unamortize
$11.8 million, respectively. For the years ended December 31, 2017,
$2.6 million of the deferred gain, respectively, in Equity in net earn

Participation in Offerings of Affiliates: Refer to Item 4. Informa
Navios Holdings participation in Navios Acquisition s and Navios
purchase agreement with Navios Partners pursuant to which Navios
general partnership interests, in order to maintain its 20.0% partnersh
connection with this agreement, Navios Holdings entered into a regi
provided Navios Holdings with certain rights relating to the registrat
purchase agreements on December 30, 2016, March 3, 2017, March
partnership interests.

The Navios Acquisition Credit Facilities: On September 19, 2016,
Navios Acquisition. This credit facility is secured by all of the Comp
Logistics, representing a majority of the shares outstanding of Navio
November 3, 2017, Navios Holdings prepaid in full the outstanding
released.

In 2010, Navios Acquisition entered into a $40.0 million credit facil
available for multiple drawings up to a limit of $40.0 million and ha
2017. As of December 31, 2017 and 2016, there was no outstanding

The Navios Partners Credit Facility: In May 2015, Navios Partner
Navios Partners Credit Facility bears an interest of LIBOR plus 300
was no outstanding amount under this facility. In April 2016, Navios
was fully repaid during April 2016.

Balance due from Navios Europe I: Balance due from Navios Eur
million), which included the net current amount receivable of $4.0 m
accrued interest income earned under the Navios Revolving Loans I
2016: $2.2 million) related to the accrued interest income earned und

The Navios Revolving Loans I and the Navios Term Loans I earn in
on a quarterly compounding basis and are repaid from free cash flow
quarter. There are no covenant requirements or stated maturity dates

As of December 31, 2017 and 2016, the outstanding amount relating
and $7.1 million respectively, under the caption Loan receivable fr
Revolving Loans was $0 million.

On March 17, 2017, Navios Holdings transferred to Navios Partners
the respective accrued receivable interest), with a total carrying

Table of Contents

value of $21.4 million for a total consideration of $33.5 million, con
Navios Partners with a fair value of $29.4 million (based on Navios
this transaction in accordance with ASC 860, classifying it as a secu
recognized a long-term liability of $33.5 million, including a premiu
cost over the term of the loans, until 2023, and is included within
Navios Partners, under certain conditions, to repurchase the loans af
balance of the loans. As of December 31, 2017, the balance payable
of $10.4 million.

Balance due from Navios Europe II: Balance due from Navios Eu
$10.5 million), which included the net current payable amount of $1
fees and accrued interest income earned under the Navios Revolving
(December 31, 2016: $2.1 million) related to the accrued interest inc

The Navios Revolving Loans II and the Navios Term Loans II earn i
annum, on a quarterly compounding basis and are repaid from free c
of each quarter. There are no covenant requirements or stated maturi

As of December 31, 2017, the outstanding amount relating to Navios
(December 31, 2016: $11.6 million), under the caption Loan receiv
Revolving Loans II increased by $14.0 million. As of December 31,
which Navios Holdings may be required to fund an amount ranging

C. Interests of experts and counsel.

Not applicable.

Item 8. Financial Information

A. Consolidated Statements and Other Financial Information

Consolidated Financial Statements: See Item 18.

Legal Proceedings: Navios Holdings is not involved in any legal pr
position, results of operations or liquidity.

From time to time, Navios Holdings may be subject to legal proceed
would be covered by insurance if they involve liabilities such as aris
personal injuries to crew, subject to customary deductibles. Those cl
and managerial resources.

On October 7, 2016, a putative class action complaint was filed agai
Southern District of New York by a purported holder of Series G Ar
complaint asserts claims for breach of fiduciary duty and contract. T
declaration regarding certain of the Company s alleged obligations

Table of Contents

of designation, the restoration of certain alleged rights to non-tender
consummated, and an award of plaintiff s costs. On November 28, 2
failure of the consent solicitation (which did not attain the necessary
American Depositary Shares). On January 10, 2017, plaintiff s coun
opposition brief on February 3, 2017, which requested that the Court
attorney s fees was fully briefed on February 17, 2017. On Septemb
of attorneys fees and requiring that any party wishing to restore the
the case be restored to the active docket by the October 10, 2017 dea
attorneys fees has been taken to date and the time to file an appeal

On April 1, 2016, Navios Holdings was named as a defendant in a p
Navios Acquisition purportedly on behalf of nominal defendant, Nav
New York, captioned Metropolitan Capital Advisors International L
challenged the March 9, 2016 loan agreement between Navios Holdi
provide a $50.0 million credit facility (the Revolver) to Navios H

On April 14, 2016, Navios Holdings and Navios Acquisition announ
under the Revolver. In June 2016, the parties reached an agreement r
approved by an order of the Court. The litigation was dismissed upo
inclusion of the order as an attachment to a Navios Acquisition Form
plaintiffs request for attorneys fees and expenses. A copy of the o
Securities and Exchange Commission on June 9, 2016.

Refer also to Note 13 to the consolidated financial statements, incluc

Dividend Policy: Navios Holdings has announced the suspension of
shareholders, including holders of the Series G and Series H in Febr
generated by operations to conserve cash and improve liquidity. The
discretion of the Board of Directors, and will depend on, among othe
opportunities, debt obligations, market conditions, and restrictions c
its preferred stock. In addition, the terms and provisions of our curre
dividends in excess of certain amounts or if certain covenants are no

On February 16, 2015, the Board of Directors declared a quarterly ca
per share of common stock, paid on March 27, 2015 to stockholders

On May 18, 2015, the Board of Directors declared a quarterly cash d
share of common stock, paid on June 26, 2015 to stockholders of rec

Table of Contents

On August 17, 2015, the Board of Directors declared a quarterly cas
per share of common stock, paid on September 25, 2015 to stockhol

B. Significant Changes

Not applicable.

Item 9. Listing Details

As of February 22, 2007, the Company s common stock and warran
for our securities has been NYSE under the symbols NM for our
traded warrants expired and ceased to be publicly traded. For the per
units were trading on the Nasdaq National Market (NASDAQ) u
2005, the principal trading market of our securities was the Over-Th
and July 2014, respectively, are trading on the NYSE under the sym

The following table sets forth, for the periods indicated, the reported
Series H) on the NYSE.

On April 12, 2018, the closing price of our common stock was $0.74
markup, markdown or commission, and may not necessarily represe

(a) For the five most recent full financial years: the annual high and

Year Ended
December 31, 2017
December 31, 2016
December 31, 2015
December 31, 2014
December 31, 2013

(b) For the two most recent full financial years and any subsequent p

Quarter Ended
March 31, 2018
December 31, 2017
September 30, 2017
June 30, 2017
March 31, 2017
December 31, 2016
September 30, 2016
June 30, 2016

Table of Contents

(c) For the most recent six months: the high and low closing prices f

Month Ended
March 2018
February 2018
January 2018
December 2017
November 2017
October 2017

Item 10. Additional Information

A. Share Capital

Not applicable.

B. Memorandum of articles of association

Please refer to Exhibit 3.1 of Form F-1, filed with the Securities and
Exhibit 99.1 of Form 6-K, filed on January 17, 2007 with file numbe
following filings on Form 6-K or Form 8-A, as applicable, (file num
2008; Exhibit 3.1 of Form 6-K filed on July 7, 2009; Exhibit 3.1 of I
September 24, 2009; Exhibit 3.1 of Form 6-K filed on February 4, 2
filed on December 22, 2010; Exhibit 3.3 of Form 8-A filed on Janua
Company hereby incorporates by reference.

C. Material Contracts

Refer to Item 4. Information on the Company for a discussion c
Item 4.B. for a discussion of our option agreements to purchase 20 c
for a discussion of our long-term debt, including Item 5.F for a discu
Other than these agreements, there are no material contracts, other th
Company or any of its subsidiaries is a party.

D. Exchange controls

Under the laws of the Marshall Islands, Uruguay, Liberia, Panama, I
the British Virgin Islands, the countries of incorporation of the Com
of capital, including foreign exchange controls, or restrictions that a
of our common stock.

In the case of Argentina, however, it should be noted that since the y
that affect the export or import of capital. Such restrictions have bee
implemented certain reforms that provided greater flexibility and eas
of these restrictions have been lifted. However, there can be no assu

future.

Table of Contents

E. Taxation

Marshall Islands Tax Considerations

Navios Holdings is incorporated in the Marshall Islands. Under curr
capital gains, and no Marshall Islands withholding tax will be impos

Other Tax Jurisdictions

Certain of Navios Holdings subsidiaries are incorporated in countri
Navios Holdings operations.

Marshall Islands, Liberia, Panama and Malta do not impose a tax on
and Panama, the countries of incorporation of the Company and its s
and tonnage taxes, which have been included in direct vessel expens

Certain of the Company s subsidiaries have registered offices in Gr
companies are allowed to conduct the specific business activities pro
provides that these companies are exempted in Greece from any tax,

In accordance with the currently applicable Greek law, ship owning
management companies having established an office/branch in Gree
calculated on the basis of the relevant vessel s tonnage. In case that
vessel s flag state, these are deducted from the amount of the duty t
liability of the foreign ship owning company against any tax, duty, c
flagged vessel.

Navios Logistics subsidiaries are incorporated in countries, which in
liabilities of the Argentinean subsidiaries for the current and prior pe
using a tax rate of 35.0% on the taxable net income. As a result of th
corporate income tax rate will decrease to 30.0% for the year 2018, a
tax liability are those that are effective on the close of the fiscal peri
calculate an assets tax (Minimum Presumed Income Tax). This tax i
1.0% over the gross value of the corporate assets (based on tax law c
Minimum Presumed Income Tax. However, if the Minimum Presum
computed as a prepayment of any income tax excess over the Minim
the Paraguayan subsidiaries there are two possible options to determ
current and prior periods are measured at the amount expected to be
profit and loss. 50.0% of revenues derived from international freight
Paraguay and Argentina, Bolivia, Brazil or Uruguay. In any other ca
Paraguayan sourced. Companies whose operations are considered in
tax rate of 1.0% on such revenues, without considering any other kin

Table of Contents

Material U.S. Federal Income Tax Considerations

The following discussion addresses certain U.S. federal income tax c
our common stock. The discussion is based on the U.S. Internal Rev
pronouncements, and existing and proposed regulations issued by th
possibly with retroactive effect. Changes in these authorities may ca
below. No party has sought or will seek any rulings from the U.S. In
consequences discussed below. The discussion below is not in any w
income tax consequences discussed herein will be accepted by the II

The U.S. federal income tax consequences to a beneficial owner of c
situation or status. This discussion is limited to beneficial owners of
address aspects of U.S. federal income taxation that may be relevant
including but not limited to: dealers in securities; banks and other fin
persons holding our common stock as part of a hedge, straddle
investors in such entities); U.S. persons whose functional currency is
voting power or value) of our outstanding stock; U.S. expatriates; pe
any item of gross income for U.S. federal income tax purposes as a r
persons subject to alternative minimum tax. The following discussio
local tax matters, any non-U.S. tax matters, or any U.S. federal taxes
certain investment income).

You are encouraged to consult your own tax advisor regarding the pa
consequences applicable to us and to the purchase, ownership and di

U.S. Federal Income Taxation of the Company

Taxation of Our Shipping Income

Navios Holdings is incorporated under the laws of the Marshall Islan
corporation by the U.S., and the remainder of this discussion assume
corporation, it could be subject to substantially greater U.S. federal i
Holdings Inc. may be taxed as a U.S. corporation.

Subject to the discussion of effectively connected income below,
of the Code and the Treasury Regulations promulgated thereunder, a
U.S.-source gross shipping income (without allowance for deduction
shipping income that is attributable to transportation that begins or e
to transportation that both begins and ends in the U.S. is considered
exclusively between non-U.S. destinations is considered to be 100.0
income means income that is derived from the use of vessels, the h
participation in a pool, partnership, strategic alliance, joint operating
owns or participates in that generates such income, or the performan

Table of Contents

Under Section 883 of the Code and the Treasury Regulations promu
tax on its U.S.-source shipping income if the following three require

It is organized in a jurisdiction outside the United States that g
States with respect to the types of U.S.-source shipping incom

Either (i) its stock is primarily traded and regularly traded
or in another country that grants an equivalent exemption to
or indirectly, by (a) individuals who are residents of foreign
foreign countries that grant an equivalent exemption and th
described in the Treasury Regulations promulgated under Sect

It meets certain substantiation and reporting requirements.

We believe that we and each of our subsidiaries qualifies and will co
Section 883 with respect to our U.S.-source shipping income, provid
than 50.0% of the total combined voting power of all classes of our s
common stock is owned, actually or constructively under specified s
persons who each own 5.0% or more of the vote and value of our co
requirements or qualify for this exemption.

If we or our subsidiaries are not entitled to this exemption under Sec
years to the 4.0% U.S. federal income tax on our gross U.S.-source s
income below. We expect that no more than a small portion of our g
effective rate of U.S. federal income tax on our gross shipping incon

To the extent exemption under Section 883 is unavailable, our U.S.-
conduct of a U.S. trade or business (net of applicable deductions) wo
of up to 21.0%, but would not be subject to the 4% tax discussed abo
earnings and profits effectively connected with the conduct of such t
certain interest paid or deemed paid that is attributable to the conduc

Our U.S.-source shipping income attributable to time or voyage char
substantially all of our shipping income) would be considered effec

we had, or were considered to have, a fixed place of business i

Substantially all of our U.S.-source shipping were attributable

We do not have, or intend to have or permit circumstances that woul
to or from the U.S. on a regularly scheduled basis. Based on the fore
believe that none of our U.S.-source shipping income will be effect

Table of Contents

In addition, income attributable to transportation that both begins an
subject to either a 30.0% gross-basis tax or to U.S. federal corporate
discussed above). Although there can be no assurance, we do not ex

Taxation of Gain on Our Sale of Vessels

On the sale of a vessel that has produced effectively connected in
income tax as well as branch profits tax with respect to the gain reco
effectively connected income. Otherwise, we should not be subject t
provided the sale is considered to occur outside of the U.S. (as deter
fixed place of business maintained by us in the U.S. under U.S. fede

Taxation of U.S. Holders of our Common Stock

The following discussion is limited to persons that are U.S. holders
owner of our common stock that is:

- an individual U.S. citizen or resident (as determined for U.S. f
- a corporation (or other entity that is classified as a corporation of its political subdivisions;
- an estate the income of which is subject to U.S. federal income
- a trust if a court within the U.S. is able to exercise primary sup determined for U.S. federal income tax purposes) have the aut elected to be treated as a U.S. trust.

If an entity treated for U.S. federal income tax purposes as a partners
upon the status of the partner, upon the activities of the partnership a
partnership considering an investment in our common stock, you sho

Distributions on Our Common Stock

Subject to the discussion of passive foreign investment companies
will constitute dividends, which may be taxable as ordinary income
accumulated earnings and profits (as determined under U.S. federal
treated first as a non-taxable return of capital to the extent of your ta
do not maintain calculations of earnings and profits under U.S. feder
respect to your common stock generally will be treated as dividend i
of capital or as capital gain under the rules described above.

Because we are not a U.S. corporation, if you are a corporation (or o
not be entitled to claim a dividends-received deduction with respect

common stock will generally be treated as passive category income
purposes.

Table of Contents

If you are an individual, trust or estate, dividends you receive from u
stock is readily tradable on an established securities market in the U.
listed on the NYSE; (ii) we are not a passive foreign investment co
preceding taxable year (see the discussion below under Passive F
than 60 days in the 121-day period beginning 60 days before the dat
certain risk limiting transactions with respect to such common stock
positions in substantially similar or related property; and (v) you do
deduction.

Qualified dividend income is taxed at the preferential rates applicabl
Dividends you receive from us that are not eligible for the preferenti

Special rules may apply to any amounts received in respect of our co
extraordinary dividend is a dividend with respect to a share of our co
tax basis (or fair market value in certain circumstances) in such shar
within a one-year period that, in the aggregate, equal or exceed 20.0
pay an extraordinary dividend on any shares of our common stock th
then any loss you derive from a subsequent sale or exchange of such
of such dividend.

Sale, Exchange or Other Disposition of Common Stock

Provided that we are not a passive foreign investment company for a
recognize capital gain or loss upon a sale, exchange or other disposit
amount realized by you from such sale, exchange or other dispositio
long-term capital gain or loss if your holding period is greater than o
or loss will generally be treated as U.S. source income or loss, as ap
estate, your long-term capital gains are currently subject to tax at pre
subject to limitations.

Passive Foreign Investment Company Status

Special U.S. federal income tax rules apply to you if you hold stock
(PFIC) for U.S. federal income tax purposes. In general, we will b
either:

- at least 75.0% of our gross income for such taxable year consi
than in the active conduct of a rental business); or
- at least 50.0% of the quarterly average value of our assets duri
for the production of, passive income).

For purposes of determining whether we are a PFIC, we will be treat
respectively, of any of our subsidiary corporations in which we own
to earn, in connection with the performance of services will not cons

Table of Contents

constitute passive income (unless we are treated under certain specia

Based upon our actual and projected income, assets and activities, w 2017 or for subsequent taxable years. However, no assurance can be annual factual determination based upon the composition of our inco the application of complex U.S. federal income tax rules concerning uncertainties involved in determining whether the income derived fr income or income derived from the performance of services. In Tide income derived from certain time chartering activities should be trea corporation provision of the Code. The IRS has announced, in an Ac the Tidewater case and, at the same time, announced the position of treated as service contracts. The IRS AOD, however, is an adminis We have not sought, and we do not expect to seek, an IRS ruling on addition, although we intend to conduct our affairs in a manner to av year, we cannot assure you that the nature of our operations, or the n we can avoid PFIC status in the future.

As discussed below, if we are a PFIC for a taxable year during which subject to one of three different U.S. federal income tax regimes, dep during which we are treated as a PFIC and you actually or constructi your U.S. federal income tax return to report certain information con required to file IRS Form 8621 does not file such form, the statute o person for the related tax year may not close until three years after th

The PFIC rules are complex, and you are encouraged to consult you requirement.

Taxation of U.S. Holders That Make a Timely QEF Election

If we were treated as a PFIC for any taxable year during which you a to treat us as a Qualifying Electing Fund for U.S. tax purposes (a ordinary earnings (as ordinary income) and our net capital gain (as lo taxable year, regardless of whether we make any distributions to you applicable to qualified dividend income. Your adjusted tax basis in o earnings and profits. Distributions of earnings and profits that had pr basis in our common stock and would not be taxed again once distrib other disposition of our common stock. Even if you make a QEF Ele which you held our common stock and for which you did not make a described below under Taxation of U.S. Holders That Make No E treat us as a Qualifying Electing Fund would not be effective wit Election with respect to such subsidiary would be required.

Table of Contents

You would make a QEF Election by completing and filing IRS Forn
is made in accordance with the relevant instructions. If we were to b
holders of such treatment and would provide all necessary informati
Election described above with respect to us and the relevant subsidia

A QEF Election generally will not have any effect with respect to an
any subsequent taxable year for which we are a PFIC. It should be n
such election is not made in the first year of your holding period in v
election that is retroactive to the beginning of your holding period if

Taxation of U.S. Holders That Make a Timely Mark-to-Marke

Alternatively, if we were to be treated as a PFIC for any taxable year
common stock is treated as marketable stock, you would be allow
you complete and file IRS Form 8621 with your U.S. federal income
relevant instructions. If that election is made, you generally would in
value of our common stock at the end of the taxable year over your a
loss in respect of the excess, if any, of your adjusted tax basis in our
taxable year (but only to the extent of the net amount of gain previou
in our common stock would be adjusted to reflect any such income o
common stock would be treated as ordinary income, and any loss rea
treated as ordinary loss to the extent that such loss does not exceed t
our subsidiaries is a PFIC, your mark-to-market election with resp
such subsidiary. This may significantly limit the beneficial effect of

It should be noted that the beneficial effect of a mark-to-market e
your holding period in which we are a PFIC.

Taxation of U.S. Holders That Make No Election

Finally, if we were treated as a PFIC for any taxable year during whi
either a QEF Election or a mark-to-market election for that year, y
is, the portion of any distributions you receive on our common stock
received in the three preceding taxable years, or, if shorter, your hold
or other disposition of our common stock. Under these special rules:
holding period for our common stock (ii) the amount allocated to the
to each of the other taxable years would be subject to tax at the high
interest charge for the deemed deferral benefit would be imposed wi

If you died while owning our common stock, your successor general
purposes.

Table of Contents

If we are treated as a PFIC during any taxable year during your hold
election, for the first taxable year in which you hold our common sto
you are treated as a direct or indirect U.S. holder, even if we are not
respect to any available elections that may be applicable in such a si
result of the ownership of shares in a PFIC.

Taxation of Non-U.S. Holders

You are a non-U.S. holder if you are a beneficial owner of our co
federal income tax purposes) and you are not a U.S. holder.

Distributions on Our Common Stock

You generally will not be subject to U.S. federal income or withhold
arising from such distribution is effectively connected with your con
applicable income tax treaty with respect to that income, such incom
establishment maintained by you in the U.S.

Sale, Exchange or Other Disposition of Our Common Stock

You generally will not be subject to U.S. federal income tax or withh
common stock, unless:

- the gain is effectively connected with your condu
applicable income tax treaty with respect to that
U.S.); or
- you are an individual who is present in the U.S.
conditions are met.

Gain that is effectively connected with your conduct of a trade or bu
tax, net of certain deductions, at regular U.S. federal income tax rate
attributable to the effectively connected income (subject to certain a
30.0% (or such lower rate as may be specified by an applicable inco

Gain described in clause the second bullet point above (net of certai
be specified by an applicable tax treaty).

U.S. Backup Withholding and Information Reporting

In general, if you are a non-corporate U.S. holder, distributions and
reporting requirements. These payments to a non-corporate U.S. hol
(i) fails to provide an accurate taxpayer identification number; (ii) is
failure to report all interest or distributions required to be shown on
requirements.

If you are a non-U.S. holder, you may be required to establish your e
non-U.S. status on IRS Form W-8BEN, W-8BEN-E, W-8ECI or W-

Table of Contents

Backup withholding tax is not an additional tax. Rather, you general
that exceed your income tax liability by accurately completing and t

Tax Return Disclosure Requirements

Individual U.S. holders (and to the extent specified in applicable Tre
are entities) that hold certain specified foreign assets with values in e
8938 with their U.S. federal income tax return, subject to certain exc
U.S. financial institutions). Stock in a foreign corporation, including
held in an account maintained with a U.S. financial institution. Subs
encouraged to consult your own tax advisor regarding the filing of th
specified in applicable Treasury Regulations, an individual non-U.S.
form, the statute of limitations on the assessment and collection of U
three years after the date that the required information is filed. U.S. h
advisors regarding their reporting obligations with respect to specifi

F. Dividends and paying agents

Not applicable.

G. Statement by experts

Not applicable.

H. Documents on display

We file reports and other information with the Securities and Exchan
accompanying exhibits, may be inspected and copied at the public fa
from the SEC s website www.sec.gov. You may obtain information
may obtain copies at prescribed rates.

I. Subsidiary information

Not applicable.

Item 11. Quantitative and Qualitative Disclosures about Market

Navios Holdings is exposed to certain risks related to interest rate, fo
use interest rate swaps (for interest rate risk) and FFAs (for charter r

Interest Rate Risk:

Debt Instruments On December 31, 2017 and 2016, Navios Holdin
indebtedness. All of the Company s debt is U.S. dollar-denominated
2022 Notes, the 2022 Logistics Senior Notes and two Navios Logist
a fixed rate.

Table of Contents

Changes in interest rates for our floating-rate loan facilities would af
outstanding amount of the Company s floating rate loan facilities w
Notes, the 2022 Logistics Senior Notes, and two Navios Logistics
of December 31, 2017 was $1,283.7 million, but do not affect their r
increase interest expense for the year ended December 31, 2017, by

For a detailed discussion on Navios Holdings debt instruments refe
Item 5.B. of this Annual Report.

Interest Rate Swaps Navios Holdings enters from time to time into
long-term debt. Under the terms of interest rate swaps, Navios Holdi
a paying fixed rate and floating rate interest amount calculated by re
allow Navios Holdings to convert long-term borrowings issued at flo

There are no swap agreements as of December 31, 2017 and 2016.

FFAs Derivative Risk:

FFAs Navios Holdings may enter into dry bulk shipping FFAs as
hedges of transactions that Navios Holdings expects to carry out in t
Company has assumed the risk that might arise from the possible ina
The Company records all of its derivative financial instruments and

Inflation:

Inflation has had a minimal impact on vessel operating expenses and
to be a significant risk to direct expenses in the current and foreseeab

Item 12. Description of Securities Other than Equity Securities

Not applicable.

PART II

Item 13. Defaults, Dividend Arrearages and Delinquencies

In February 2016, Navios Holdings announced the suspension of pay
2017, the Company reached six quarterly dividend payments in arrea
increased by 0.25%. As of the date of this Annual Report, the Comp
and Series H.

Item 14. Material Modifications to the Rights of Security Holder

None.

Table of Contents

Item 15. Controls and Procedures

A. Disclosure Controls and Procedures

The Company s management, with the participation of its Chief Exe
Rule 13a-15 (e) promulgated under the Exchange Act, of the effectiv
on this evaluation, the Chief Executive Officer and Chief Financial O
December 31, 2017.

Disclosure controls and procedures means controls and other proced
the reports that we file or submit under the Exchange Act is recorded
SEC s rules and forms and that such information required to be disc
accumulated and communicated to our management, including our p
functions, as appropriate to allow timely decisions regarding require

B. Management s Annual Report on Internal Control over Financ

The management of Navios Holdings is responsible for establishing
Rule 13a-15(f) and 15d-15(f) of the Exchange Act. Navios Holdings
the reliability of financial reporting and the preparation of financial s
principles in the U.S..

Because of its inherent limitations, internal control over financial rep
of effectiveness to future periods are subject to the risk that controls
compliance with the policies or procedures may deteriorate.

Navios Holdings management assessed the effectiveness of Navios
making this assessment, it used the criteria set forth by the Committe
Control Integrated Framework (2013). Based on its assessment, m
control over financial reporting is effective based on those criteria.

Navios Holdings independent registered public accounting firm has
reporting.

C. Attestation Report of the Registered Public Accounting Firm

Navios Holdings independent registered public accounting firm has
This report appears on Page F-2 of the consolidated financial statem

D. Changes in Internal Control over Financial Reporting

There have been no changes in internal controls over financial repor
controls over financial reporting) that occurred during the year cover
materially affect, Navios Holdings internal controls over financial r

Item 16. [Reserved]

Table of Contents

Item 16A. Audit Committee financial expert

Navios Holdings Audit Committee consists of three independent d
Directors has determined that Efstathios Loizos qualifies as an aud
Form 20-F. Mr. Loizos is independent under applicable NYSE and S

Item 16B. Code of Ethics

Navios Holdings has adopted a code of ethics, the Navios Code of C
Navios Holdings that complies with applicable guidelines issued by
on Navios Holdings website at www.navios.com.

Item 16C. Principal Accountant Fees and Services

Audit Fees

Our principal accountants for fiscal years 2017 and 2016 were Price
December 31, 2017 and 2016 were $1.6 million and $1.4 million, re

The Audit Committee is responsible for the appointment, replaceme
As part of this responsibility, the audit committee pre-approves the a
assure that they do not impair the auditors independence from the C
members, the authority to grant such pre-approvals. The decision of
Committee at each of its scheduled meetings.

All audit services and other services provided by PricewaterhouseCo
pre-approved by the Audit Committee.

Audit-Related Fees

There were no audit-related fees billed in 2017 and 2016.

Tax Fees

There were no tax fees billed in 2017 and 2016.

All Other Fees

There were no other fees billed in 2017 and 2016.

Item 16D. Exemptions from the Listing Standards for Audit Co

Not applicable.

Item 16E. Purchases of Equity Securities by the Issuer and Affi

In November 2015, the Board of Directors approved a share repurch
repurchases were made pursuant to a program adopted under Rule 1

under the terms of the Company s credit facilities and indenture. Th

specific number or amount of shares and may be suspended or reinst
Navios Holdings, pursuant to the terms of its Series G and Series H,
shares, including the Series G and Series H (other than through an o
on the Series G and Series H, when payable, have been paid. In total
program, for approximately $1.1 million. Since that time, this progra

Item 16F. Changes in Registrant s Certifying Accountant

Not applicable.

Item 16G. Corporate Governance

Pursuant to an exception for foreign private issuers, we are not requi
under the NYSE listing standards. However, we have voluntarily ad
Islands law, we do not need or intend to obtain prior shareholder ap
Incentive Plan.

Item 16H. Mine Safety disclosures

Not applicable.

PART III

Item 17. Financial Statements

See Item 18.

Item 18. Financial Statements

The financial information required by this Item is set forth on pages

Separate consolidated financial statements and notes thereto for Nav
being provided as a result of Navios Acquisition meeting a significa
Regulation S-X and, accordingly, the financial statements of Navios
of this Annual Report on Form 20-F. See Exhibit 15.3 for Navios A

Item 19. Exhibits

1.1	Amended and Restated Articles of Incorporation of Na Registrant s Registration Statement on Form F-1 (File
1.2	Bylaws of Navios Maritime Holdings Inc. (Incorporate F-1 (File No. 333-129382)).
1.3	Articles of Amendment of Articles of Incorporation of the Registrant s Form 6-K, filed on January 17, 2007).

2.1	Specimen Unit Certificate (Incorporated by reference to No. 333-129382)).

Table of Contents

2.2	Specimen Common Stock Certificate. (Incorporated b (File No. 333-129382)).
2.3	Stockholders Rights Agreement, dated as of October and Trust Company (Incorporated by reference to Exh
2.4	Certificate of Designations of Rights, Preferences and by reference to Exhibit 99.2 to the Registrant s Form
2.5	Certificate of Designation, Preferences and Rights of (Incorporated by reference to Exhibit 3.1 to the Regist
2.6	Form of $20.0 million 6% Bond Due 2012 (Incorporat 2009).
2.7	Certificate of Designation, Preferences and Rights of (Incorporated by reference to Exhibit 3.1 to the Regist
2.8	Certificate of Designation, Preferences and Rights of (Incorporated by reference to Exhibit 3.1 to the Regist
2.9	Certificate of Designation, Preferences and Rights of (Incorporated by reference to Exhibit 3.1 to the Regist
2.10	Certificate of Designation, Preferences and Rights of (Incorporated by reference to Exhibit 1.1 to the Regist
2.11	Certificate of Designation, Preferences and Rights of (Incorporated by reference to Exhibit 1.1 to the Regist
2.12	Registration Rights Agreement, dated as of July 10, 2 and Morgan Stanley & Co. LLC, J.P. Morgan Securit Markets LLC, DNB Markets, Inc. and ABN AMRO S Registrant s Form 6-K, filed on July 18, 2012).
2.13	Indenture relating to the 7.375% First Priority Ship M Maritime Holdings Inc., Navios Logistics Finance II (Association, as trustee and collateral trustee (Incorpor December 13, 2013).
2.13.1	First Supplemental Indenture relating to the 7.375% F (Incorporated by reference to Exhibit 10.3 to the Regi
2.13.2	Second Supplemental Indenture relating to the 7.375% (Incorporated by reference to Exhibit 10.2 to the Regi
2.13.3	Third Supplemental Indenture relating to the 7.375% (Incorporated by reference to Exhibit 10.2 to the Regi

Table of Contents

2.13.4	Fourth Supplemental Indenture relating to the 7.375% (Incorporated by reference to Exhibit 10.3 to the Regis
2.14	Indenture relating to the 11.25% Senior Secured Notes Inc., Navios Logistics Finance II (US) Inc., the guaran collateral trustee (Incorporated by reference to Exhibit
2.15	Deposit Agreement, dated as of January 21, 2014, by the holders from time to time of the American deposit Registrant s Registration Statement on Form 8-A (Fil
2.16	Certificate of Designation of 8.75% Series G Cumulat (Incorporated by reference to Exhibit 3.3 to the Regist January 24, 2014).
2.17	Form of American Depositary Receipt representing th Exhibit 4.1 to the Registrant s Registration Statement
2.18	Form of Certificate representing the 8.75% Series G C Exhibit 4.3 to the Registrant s Registration Statement
2.19	Certificate of Designation of 8.625% Series H Cumula (Incorporated by reference to Exhibit 3.3 to the Regist 2014).
2.20	Form of Certificate representing the 8.625% Series H Exhibit 4.3 to the Registrant s Registration Statement
4.1	2006 Employee, Director and Consultant Stock Plan (May 16, 2007).
4.2	Financial Agreement relating to a loan facility of up to Egnatia Bank, S.A. (Incorporated by reference to Exhi
4.3	Facility Agreement for a loan amount up to $133.0 mi Sizzling Ventures Inc. and DnB NOR Bank ASA (Inc July 14, 2008).
4.4	Third Supplemental Agreement in relation to the Facil and a revolving credit facility of up to $120.0 million, AG and HSH Nordbank AG (Incorporated by referenc
4.5	Amendment to Share Purchase Agreement, dated June Maritime Partners L.P. (Incorporated by reference to E
4.6	Amendment to Omnibus Agreement, dated June 29, 2 Maritime Operating L.L.C. and Navios Maritime Partn 6-K, filed on July 7, 2009).

Table of Contents

4.7	Facility Agreement for a $240.0 million term loan faci Shipmanagement Corp., Pandora Marine Inc., Red Ro 10.3 to the Registrant s Form 6-K, filed on July 7, 200
4.8	Supplemental Agreement in relation to the Facility Ag dated July 10, 2009, among Chilali Corp., Rumer Hol Emporiki Bank of Greece S.A.) (Incorporated by refer
4.9	Second Supplemental Agreement in relation to the Fa million, dated August 28, 2009, between Chilali Corp (formerly Emporiki Bank of Greece S.A.) (Incorporat 2009).
4.10	Facility Agreement in respect of a loan of up to $75.0 Ducale Marine Inc. and Credit Agricole Corporate and reference to Exhibit 99.5 to the Registrant s Form 6-K
4.11	Loan Agreement relating to a revolving credit facility Shipmanagement Inc. and Marfin Egnatia Bank S.A. (November 10, 2009).
4.12	Facility Agreement for a $150.0 million term loan faci Andros Shipping Corporation, Antiparos Shipping Co Shipping Corporation, Deutsche Schiffsbank AG, Alp by reference to Exhibit 10.1 to the Registrant s Form
4.13	Facility Agreement for a $75.0 million term loan facil Shipping Corporation, Syros Shipping Corporation, F Registrant s Form 6-K, filed on April 8, 2010).
4.14	Fourth Supplemental Facility Agreement in relation to $120.0 million, dated as of January 8, 2010, by and be AG (Incorporated by reference to Exhibit 10.2 to the
4.15	Fifth Supplemental Agreement in relation to a Facility to $280.0 million and a reducing revolving credit facil Maritime Holdings Inc., Commerzbank AG and HSH Form 6-K, filed on May 18, 2010).
4.16	Facility Agreement for a $40.0 million term loan facil NOR Bank ASA (Incorporated by reference to Exhibit
4.17	Loan Agreement for a loan up to $40.0 million, dated Corporation and Navios Maritime Holdings Inc. (Inco October 14, 2010).
4.18	Facility Agreement in respect of a loan of up to $40.0 Credit Agricole Corporate and Investment Bank (form to the Registrant s Form 6-K, filed on October 14, 20

Table of Contents

4.19	Amended and Restated Loan Agreement relating to a f Maritime Ltd., the banks and financial institutions liste Exhibit 10.1 to the Registrant s Form 6-K, filed on No
4.20	Supplemental Agreement relating to the Facility Agree dated January 28, 2011, between Nostos Shipmanagem reference to Exhibit 10.1 to the Registrant s Form 6-K
4.21	Supplemental Agreement relating to the Facility Agree million, dated January 28, 2011, between Aramis Navi Emporiki Bank of Greece S.A.) (Incorporated by refer
4.22	Supplemental Agreement relating to the Facility Agree up to $154.0 million, dated January 28, 2011, between (formerly Emporiki Bank of Greece S.A.) (Incorporate 2011).
4.23	Supplemental Agreement relating to the Facility Agree $75.0 million, dated January 28, 2011, between Kohy and Investment Bank (formerly Emporiki Bank of Gre 6-K, filed on February 4, 2011).
4.24	Supplemental Agreement relating to the Amended and facility of up to $120.0 million, dated January 28, 201 institutions listed thereto and Dekabank Deutsche Giro filed on February 4, 2011).
4.25	Supplemental Agreement in relation to the Loan Agree of up to $110.0 million, dated January 28, 2011, betwe by reference to Exhibit 10.6 to the Registrant s Form
4.26	Sixth Supplemental Agreement in relation to the Facili up to $280.0 million and a reducing revolving credit fa Maritime Holdings Inc., Commerzbank AG and HSH Form 6-K, filed on February 4, 2011).
4.27	Supplemental Agreement in relation to the Facility Ag million, dated January 28, 2011, between Faith Marine the Registrant s Form 6-K, filed on February 4, 2011)
4.28	Supplemental Agreement No. 2 relating to a Loan Agr facility of up to $110.0 million, dated May 6, 2011, be Navios Maritime Holdings Inc. and Astra Maritime Co 6-K, filed on May 25, 2011).
4.29	Administrative Services Agreement, dated April 12, 2 Holdings Inc. (Incorporated by reference to Exhibit 10

Table of Contents

4.30	Letter of Amendment No. 1 to the Loan Agreement da Acquisition Corporation and Navios Maritime Holding filed on May 25, 2011).
4.31	Facility Agreement No. 242 in respect of a loan up to $ Credit Agricole Corporate and Investment Bank (form to the Registrant s Form 6-K, filed on August 25, 201
4.32	Letter Agreement No. 2 to the Loan Agreement dated Acquisition Corporation and Navios Maritime Holding filed on November 28, 2011).
4.33	Facility agreement in respect of a loan of up to $23.0 r Agricole Corporate and Investment Bank (formerly Er Registrant s Form 6-K, filed on January 26, 2012).
4.34	Shareholders Agreement, dated as of June 17, 2010, Investment S.A (Incorporated by reference to Exhibit 4 F-4 (Registration No. 333-179250), filed on January 3
4.35	Facility agreement for a $42.0 million term loan facilit Shipping Enterprises Inc., DVB Bank SE, Credit Agric and Norddeutsche Landesbank Girozentrale (Incorpora 2012).
4.36	Fifth Supplemental Agreement relating to the Loan Ag to $154.0 million, dated March 28, 2012, between Ru Emporiki Bank of Greece S.A.) (Incorporated by refer
4.37	Second Supplemental Agreement relating to the Facili $240.0 million, dated March 30, 2012, between Notro (Incorporated by reference to Exhibit 10.3 to the Regis
4.38	Facility Agreement for a $40.0 million term loan facili (Incorporated by reference to Exhibit 10.1 to the Regis
4.39	Facility Agreement for a $22.5 million term loan facili Shipping Corporation and Credit Agricole Corporate a Registrant s Form 6-K, filed on March 3, 2014).
4.40	Loan Agreement, dated December 13, 2013, between Europe Finance Inc. and Navios Holdings Europe Fina filed on March 3, 2014).
4.41	Facility Agreement for a $65.5 million term loan facili Corporation, Serenity Shipping Enterprises Inc., DVB Landesbank Girozentrale (Incorporated by reference to
4.42	Loan Agreement in respect of a loan of up to $31.0 mi Alpha Bank A.E. (Incorporated by reference to Exhibi

Table of Contents

4.43	Fourth Supplemental Agreement relating to the Facilit up to $240.0 million, dated March 31, 2015 between N (Incorporated by reference to Exhibit 10.1 to the Regi
4.44	Facility Agreement for a $41.0 million term loan facili Corporation, Navios Maritime Holdings Inc. and DVB 6-K, filed on February 25, 2016).
4.45	Third Supplemental Agreement related to the Facility loan facility, dated December 30, 2015, between Iris S Corporate and Investment Bank (Incorporated by refer
4.46	Loan Agreement for a Revolving Loan Facility of up t Inc. and Navios Maritime Acquisition Corporation (In March 9, 2016).
4.47	Termination of Loan Agreement, dated as of April 14 Corporation (Incorporated by reference to Exhibit 4.47
4.48	Loan Agreement for a Loan of up to $16.125 million, and Alpha Bank A.E (Incorporated by reference to Ex
4.49	Facility Agreement relating to a facility of up to $18.2 (Incorporated by reference to Exhibit 10.1 to the Regis
8.1	List of subsidiaries.
12.1	Certification of Chief Executive Officer Pursuant to Se
12.2	Certification of Chief Financial Officer Pursuant to Se
13.1	Certification of Chief Executive Officer and Chief Fin
15.1	Consent of PricewaterhouseCoopers S.A.
15.2	Consent of PricewaterhouseCoopers S.A.
15.3	Financial Statements of Navios Maritime Acquisition
101	The following materials from the Company s Annual eXtensible Business Reporting Language (XBRL): (i) Statements of Comprehensive (Loss)/Income for each Statements of Cash Flows for each of the years ended Equity for each of the years ended December 31, 2017

Table of Contents

Navios Maritime Holdings Inc. hereby certifies that it meets all of th
caused and authorized the undersigned to sign this Annual Report or

Navios Maritime Holdings Inc.

By: /s/ Angeliki Frangou
Name: Angeliki Frangou
Title: Chairman and Chief Executive Officer
Date: April 13, 2018

Table of Contents

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

NAVIOS MARITIME HOLDINGS INC.

Table of Contents

Report of Independen

To the Board of Directors and Stockholders of Navios Maritime Hol

Opinions on the Financial Statements and Internal Control over F

We have audited the accompanying consolidated balance sheets of N
December 31, 2017 and 2016, and the related consolidated statemen
of the three years in the period ended December 31, 2017, including
We also have audited the Company s internal control over financial
Control Integrated Framework (2013) issued by the Committee of

In our opinion, the consolidated financial statements referred to abov
December 31, 2017 and 2016, and the results of their operations and
in conformity with accounting principles generally accepted in the U
material respects, effective internal control over financial reporting a
Control Integrated Framework (2013) issued by the COSO.

Basis for Opinions

The Company s management is responsible for these consolidated f
reporting, and for its assessment of the effectiveness of internal cont
Control over Financial Reporting, appearing under item 15 (b) of the
opinions on the Company s consolidated financial statements and o
a public accounting firm registered with the Public Company Accou
with respect to the Company in accordance with the U.S. federal sec
Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PC
reasonable assurance about whether the consolidated financial stater
effective internal control over financial reporting was maintained in

Our audits of the consolidated financial statements included perform
financial statements, whether due to error or fraud, and performing p
test basis, evidence regarding the amounts and disclosures in the cor
principles used and significant estimates made by management, as w
Our audit of internal control over financial reporting included obtain
that a material weakness exists, and testing and evaluating the design
audits also included performing such other procedures as we conside
basis for our opinions.

Definition and Limitations of Internal Control over Financial Rep

A company s internal control over financial reporting is a process d
reporting and the preparation of financial statements for external pur

Table of Contents

accordance with generally accepted accounting principles. A compar
that (i) pertain to the maintenance of records that, in reasonable deta
company; (ii) provide reasonable assurance that transactions are reco
generally accepted accounting principles, and that receipts and exper
management and directors of the company; and (iii) provide reasona
use, or disposition of the company s assets that could have a materi

Because of its inherent limitations, internal control over financial rep
of effectiveness to future periods are subject to the risk that controls
compliance with the policies or procedures may deteriorate.

/s/ PricewaterhouseCoopers S.A.

Athens, Greece

April 13, 2018

We have served as the Company s (or its predecessor) auditor since

Table of Contents

NAVIOS MA

CONSOLID

(Expressed in thousa

ASSETS	
Current assets	
Cash and cash equivalents	
Restricted cash	
Accounts receivable, net	
Due from affiliate companies	
Inventories	
Prepaid expenses and other current assets	
Total current assets	
Deposits for vessels, port terminals and other fixed assets	
Vessels, port terminals and other fixed assets, net	
Deferred dry dock and special survey costs, net	
Loan receivable from affiliate companies	
Long-term receivable from affiliate companies	
Investments in affiliates	
Other long-term assets	
Intangible assets other than goodwill	
Goodwill	
Total non-current assets	
Total assets	
LIABILITIES AND STOCKHOLDERS EQUITY	
Current liabilities	
Accounts payable	
Accrued expenses and other liabilities	
Deferred income and cash received in advance	
Due to affiliate companies	
Current portion of capital lease obligations	
Current portion of long-term debt, net	
Total current liabilities	
Senior and ship mortgage notes, net	
Long-term debt, net of current portion	

Capital lease obligations, net of current portion
Other long-term liabilities and deferred income
Loan payable to affiliate company
Long-term payable to affiliate companies
Deferred tax liability

Total non-current liabilities

Total liabilities

Commitments and contingencies
Stockholders equity
Preferred Stock $0.0001 par value, authorized 1,000,000 shares, 4
outstanding as of December 31, 2017 and 2016, respectively.
Common stock $0.0001 par value, authorized 250,000,000 shares,
issued and outstanding as of December 31, 2017 and 2016, respectiv
Additional paid-in capital
Accumulated other comprehensive income
Accumulated deficit

Total Navios Holdings stockholders equity

Noncontrolling interest

Total stockholders equity

Total liabilities and stockholders equity

See notes to co

Table of Contents

NAVIOS MA

CONSOLIDATED STATEMEN

(Expressed in thousands of U

Revenue
Administrative fee revenue from affiliates
Time charter, voyage and logistics business expenses
Direct vessel expenses
General and administrative expenses incurred on behalf of affiliates
General and administrative expenses
Depreciation and amortization
Provision for losses on accounts receivable
Interest income
Interest expense and finance cost
Impairment losses
(Loss)/gain on bond and debt extinguishment
Gain on sale of assets
Other income
Other expense
Loss before equity in net earnings of affiliated companies
Equity/(loss) in net earnings of affiliated companies
Loss before taxes
Income tax benefit/(expense)
Net loss
Less: Net income attributable to the noncontrolling interest
Net loss attributable to Navios Holdings common stockholders
Loss attributable to Navios Holdings common stockholders, basi and diluted
Basic and diluted loss per share attributable to Navios Holdings common stockholders
Weighted average number of shares, basic and diluted
Other comprehensive income/(loss)

Unrealized holding gain/(loss) on investments in-available-for-sale securities
Reclassification to earnings
Total other comprehensive income
Total comprehensive loss
Comprehensive income attributable to noncontrolling interest
Total comprehensive loss attributable to Navios Holdings comm stockholders

See notes to co

Table of Contents

NAVIOS MA

CONSOLIDATED S

(Expressed i

OPERATING ACTIVITIES:
Net loss
Adjustments to reconcile net loss to net cash provided by operati activities:
Depreciation and amortization
Amortization and write-off of deferred financing costs
Amortization of deferred drydock and special survey costs
Provision for losses on accounts receivable
Share based compensation
Gain on bond and debt extinguishment
Income tax (benefit)/expense
Realized holding loss on investments in-available-for-sale-securities
Loss/(equity) in affiliates, net of dividends received
Gain on sale of assets
Impairment losses
Changes in operating assets and liabilities:
Decrease/(increase) in restricted cash
Decrease/(increase) in accounts receivable
(Increase)/decrease in inventories
Decrease /(increase) in prepaid expenses and other assets
Decrease/(increase) in due from affiliate companies
(Decrease)/increase in accounts payable
Increase/ (decrease) in accrued expenses and other liabilities
Increase in due to affiliate companies
Increase/(decrease) in deferred income and cash received in advance
(Decrease)/increase in other long-term liabilities and deferred incom
Payments for drydock and special survey costs
Net cash provided by operating activities
INVESTING ACTIVITIES:
Loan to affiliate company
Decrease in long-term receivable from affiliate companies
Dividends from affiliate companies
Deposits for vessels, port terminals and other fixed assets
Proceeds from lease receivable
Proceeds from sale of asset

Acquisition of investments in affiliates
Acquisition of vessels
Purchase of property, equipment and other fixed assets
Disposal of available-for-sale securities
Deposit for option to acquire vessel
Net cash used in investing activities

Table of Contents

NAVIOS MA

CONSOLIDATED S

(Expressed i

FINANCING ACTIVITIES:
Repurchase of preferred stock
(Repayment of)/proceeds from loan payable to affiliate company
Proceeds from transfer of rights to affiliate company
Proceeds from long-term loans
Proceeds from issuance of senior and ship mortgage notes net of disc debt issuance costs
Repayment of long-term debt and payment of principal
Repayment/repurchase of senior notes
Payments of obligations under capital leases
Debt issuance costs
(Increase)/ decrease in restricted cash
Payment for acquisition of intangible asset
Acquisition of treasury stock
Dividends paid to noncontrolling shareholders
Dividends paid
Net cash (used in)/provided by financing activities
Decrease in cash and cash equivalents
Cash and cash equivalents, beginning of year
Cash and cash equivalents, end of year
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORM
Cash paid for interest, net of capitalized interest
Cash paid for income taxes
Non-cash investing and financing activities
Purchase of property, equipment and other fixed assets
Deposits for vessels, port terminals and other fixed assets
Revaluation of vessels due to termination/restructuring of capital lea obligations
Decrease in capital lease obligations due to restructuring
Dividends payable
Accrued interest income on loan receivable from affiliate company
Accrued interest expense on loan payable to affiliate company

Accrued interest expense payable to affiliate company
Acquisition of vessels, port terminals and other fixed assets
Long-term payable to affiliate company
Transfers from deposits for vessels, port terminals and other fixed as

See notes to co

Table of Contents

NAVIOS MA

CONSOLIDATED STAT

(Expressed in thousar

	Number of Preferred Shares	Preferred Stock	Number of Common Shares	Common Stock
Balance December 31, 2014	**75,069**	**$**	**105,831,718**	**$ 11**
Net loss				
Total other comprehensive income				
Conversion of preferred stock to common stock (Note 16)	(1,134)		1,134,000	
Stock-based compensation expenses (Note 16)			3,711,678	
Cancellation of shares (Note 16)			(9,319)	
Acquisition of treasury stock (Note 16)			(199,324)	
Dividends declared/ paid				
Balance December 31, 2015	**73,935**	**$**	**110,468,753**	**$ 11**
Net loss				
Total other comprehensive income				
Tender Offer - Redemption of preferred stock (Note 16)	(24,431)		7,589,176	1
Stock-based compensation expenses (Note 16)			24,970	
Cancellation of shares (Note 16)			(2,908)	
Acquisition of treasury stock (Note 16)			(948,584)	
Dividends declared/ paid				

Balance December 31, 2016	**49,504**	**$**	**117,131,407**	**$**	**12**
Net loss					
Total other comprehensive income					
Tender Offer - Redemption of preferred stock (Note 16)	(766)		625,815		
Conversion of convertible preferred stock/ undeclared preferred dividend to common stock (Note 16)	(2,436)		1,790,150		
Stock-based compensation expenses (Note 16)			843,332		
Cancellation of shares (Note 16)			(4,232)		
Dividends paid to Noncontrolling Shareholders					
Balance December 31, 2017	**46,302**	**$**	**120,386,472**	**$**	**12**

See notes to co

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousan

NOTE 1: DESCRIPTION OF BUSINESS

Navios Maritime Holdings Inc. (Navios Holdings or the Compa
company focused on the transport and transshipment of dry bulk com

Navios Logistics

Navios South American Logistics Inc. (Navios Logistics), a conso
Hidrovia region of South America, focusing on the Hidrovia river sy
the eastern coast of South America. Navios Logistics is focused on p
through its port facilities, its large, versatile fleet of dry and liquid ca
of growing South American industries, including mineral and grain c
December 31, 2017, Navios Holdings owned 63.8% of Navios Logis

Navios Partners

Navios Maritime Partners L.P. (Navios Partners) (NYSE:NMM)
transportation services of a wide range of dry cargo commodities inc
under medium to long-term charters.

As of December 31, 2017, Navios Holdings owned a 20.8% interest

Navios Acquisition

Navios Maritime Acquisition Corporation (Navios Acquisition) (
transportation of petroleum products (clean and dirty) and bulk liqui

As of December 31, 2017, Navios Holdings ownership of the outst
46.2%.

Navios Midstream

Navios Maritime Midstream Partners L.P. (Navios Midstream) (N
crude oil tankers under long-term employment contracts.

As of December 31, 2017, Navios Holdings owned no direct equity

Navios Europe I

On October 9, 2013, Navios Holdings, Navios Acquisition and Navi
interests of 47.5%, 47.5% and 5.0%, respectively. Navios Europe I i
tanker and five container vessels. Effective November 2014, Navios

50% and 0%, respectively.

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

Navios Europe II

On February 18, 2015, Navios Holdings, Navios Acquisition and Na
economic interests of 47.5%, 47.5% and 5.0%, respectively and voti
marine transportation industry through the ownership of seven dry b

Navios Containers

Navios Maritime Containers Inc. (Navios Containers) is a growth
Navios Containers completed a private placement in which Navios H
Over-The-Counter Market (N-OTC) on June 12, 2017 under the tick
closed additional private placements. As of December 31, 2017, Nav
1.7% of the equity of Navios Containers.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POL

(a) ***Basis of presentation:*** The accompanying consolidated financ
accepted in the United States of America (U.S. GAAP).

The Company elected to early adopt the requirements of ASU 2017-
2017 and applied this guidance prospectively in the current period pr
this ASU did not have a material effect on the Company s consolida

(b) ***Principles of consolidation:*** The accompanying consolidated
corporation, and both its majority and wholly-owned subsidiar
the consolidated statements.

The Company also consolidates entities that are determined to be va
determines that it is the primary beneficiary. A VIE is defined as a le
of a controlling financial interest, including decision making ability
holders have not provided sufficient equity investment to permit the
(iii) the voting rights of some investors are not proportional to their o
expected residual returns of the entity, or both and substantially all o
has disproportionately few voting rights.

Based on internal forecasts and projections that take into account rea
the Company has adequate financial resources to continue in operati
expenditures and debt service obligations, for a period of at least twe

Accordingly, the Company continues to adopt the going concern bas

Subsidiaries: Subsidiaries are those entities in which the Company h
govern the financial and operating policies of the entity. The acquisi
cost of an

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

acquisition is measured as the fair value of the assets given up, share acquisition over the fair value of the net assets acquired and liabilitie financial statements are 100% owned, except for Navios Logistics, v

Investments in Affiliates: Affiliates are entities over which the Com Company has significant influence, but it does not exercise control. accounting. Under this method, the Company records an investment the earnings or losses of the affiliate subsequent to the date of invest from an affiliate reduce the carrying amount of the investment. The affiliates, provided that the issuance of shares qualifies as a sale of sl interest in the affiliate, the Company does not recognize further losse affiliate.

Affiliates included in the financial statements accounted for und

In the consolidated financial statements of Navios Holdings, the foll method for such periods: (i) Navios Partners and its subsidiaries (ow general partner interest); (ii) Navios Acquisition and its subsidiaries and Shipping Inc. (Acropolis) (economic interest as of December of December 31, 2017 was 47.5%); (v) Navios Europe II and its sub Containers and its subsidiaries (economic interest as of December 31

Subsidiaries Included in the Consolidation:

Company Name	Nature
Navios Maritime Holdings Inc.	Holding Company
Navios Corporation	Sub-Holding Compa
Navios International Inc.	Operating Company
Navimax Corporation	Operating Company
Navios Handybulk Inc.	Operating Company
Hestia Shipping Ltd	Operating Company
Anemos Maritime Holdings Inc.	Sub-Holding Compa
Navios Shipmanagement Inc.	Management Compa
NAV Holdings Limited	Sub-Holding Compa
Kleimar N.V.	Operating Company
	Vessel Owning Con

	Management Compa
Kleimar Ltd.	Operating Company
Bulkinvest S.A.	Operating Company
Primavera Shipping Corporation	Operating Company

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

Company Name	Nature
Ginger Services Co.	Operating Company
Aquis Marine Corp.	Sub-Holding Comp
Navios Tankers Management Inc.	Management Comp
Astra Maritime Corporation	Vessel Owning Cor
Achilles Shipping Corporation	Operating Company
Apollon Shipping Corporation	Operating Company
Herakles Shipping Corporation	Operating Company
Hios Shipping Corporation	Operating Company
Ionian Shipping Corporation	Operating Company
Kypros Shipping Corporation	Operating Company
Meridian Shipping Enterprises Inc.	Vessel Owning Cor
Mercator Shipping Corporation	Vessel Owning Cor
Arc Shipping Corporation	Vessel Owning Cor
Horizon Shipping Enterprises Corporation	Vessel Owning Cor
Magellan Shipping Corporation	Vessel Owning Cor
Aegean Shipping Corporation	Operating Company
Star Maritime Enterprises Corporation	Vessel Owning Cor
Corsair Shipping Ltd.	Vessel Owning Cor
Rowboat Marine Inc.	Operating Company
Beaufiks Shipping Corporation	Operating Company
Nostos Shipmanagement Corp.	Vessel Owning Cor
Portorosa Marine Corp.	Operating Company
Shikhar Ventures S.A.	Vessel Owning Cor
Sizzling Ventures Inc.	Operating Company
Rheia Associates Co.	Operating Company
Taharqa Spirit Corp.	Operating Company
Rumer Holding Ltd.	Vessel Owning Cor
Pharos Navigation S.A.	Vessel Owning Cor
Pueblo Holdings Ltd	Vessel Owning Cor
Quena Shipmanagement Inc.	Operating Company
Aramis Navigation Inc.	Vessel Owning Cor
White Narcissus Marine S.A.	Vessel Owning Cor

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousan

Company Name	Nature
Navios GP L.L.C.	Operating Company
Red Rose Shipping Corp.	Vessel Owning Compa
Highbird Management Inc.	Vessel Owning Compa
Ducale Marine Inc.	Vessel Owning Compa
Vector Shipping Corporation	Vessel Owning Compa
Faith Marine Ltd.	Vessel Owning Compa
Navios Maritime Finance (US) Inc.	Operating Company
Navios Maritime Finance II (US) Inc.	Operating Company
Tulsi Shipmanagement Co.	Operating Company
Cinthara Shipping Ltd.	Operating Company
Rawlin Services Company	Operating Company
Mauve International S.A.	Operating Company
Serenity Shipping Enterprises Inc.	Vessel Owning Compa
Mandora Shipping Ltd	Vessel Owning Compa
Solange Shipping Ltd.	Vessel Owning Compa
Diesis Ship Management Ltd	Operating Company
Navios Holdings Europe Finance Inc.	Sub-Holding Company
Navios Asia LLC	Sub-Holding Company
Iris Shipping Corporation	Vessel Owning Compa
Jasmine Shipping Corporation	Vessel Owning Compa
Emery Shipping Corporation	Vessel Owning Compa
Lavender Shipping Corporation	Vessel Owning Compa
Esmeralda Shipping Corporation	Vessel Owning Compa
Triangle Shipping Corporation	Vessel Owning Compa
Roselite Shipping Corporation	Operating Company
Smaltite Shipping Corporation	Operating Company
Motiva Trading Ltd	Operating Company
Alpha Merit Corporation	Sub-Holding Company
Thalassa Marine S.A.	Operating Company

(c) ***Use of Estimates:*** The preparation of consolidated financial st
estimates and assumptions that affect the reported amounts of
of the dates of the financial statements and the reported amour
on-going basis, management evaluates the estimates and judgr
dates, the assessment of other-than-temporary impairment rela
useful lives for tangible and intangible assets, expected future

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

long-lived assets to support impairment tests, impairment test provisions for legal disputes, pension benefits, contingencies a experience and on various other factors that are believed to be judgments about the carrying values of assets and liabilities th those estimates under different assumptions and/or conditions.

(d) ***Cash and Cash Equivalents:*** Cash and cash equivalents consi investments with original maturities of three months or less.

(e) ***Restricted Cash:*** As of December 31, 2017 and 2016, restricte retention accounts in order to service debt and interest paymer restricted cash as of December 31, 2017 and 2016 are amounts for both reporting periods. As of December 31, 2016, restricte retention account as part of the Vale International S.A. (Vale

(f) ***Insurance Claims:*** Insurance claims at each balance sheet dat submission (claims pending). They are recorded on an accrual through December 31 of each reporting period, which are prob the claims are included in accrued liabilities. The classificatio expectations as to their collection dates.

(g) ***Inventories:*** Inventories, which are comprised of lubricants, b petroleum products held by Navios Logistics, are valued at cos

(h) ***Vessels, Port Terminals, Tanker Vessels, Barges, Pushboats*** pushboats and other fixed assets acquired as parts of business an asset acquisition, are recorded at cost (including transactio which consists of the contract price, capitalized interest and an expenses). Subsequent expenditures for major improvements a earnings capability or improve the efficiency or safety of the v removed from the accounts at the time of sale or retirement an comprehensive (loss)/income.

Expenditures for routine maintenance and repairs are expensed as in

Depreciation is computed using the straight line method over the use
fixed assets, after considering the estimated residual value.

Annual depreciation rates used, which approximate the useful life of

Vessels
Port terminals
Tanker vessels, barges and pushboats
Furniture, fixtures and equipment
Computer equipment and software
Leasehold improvements

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

Management estimates the residual values of the Company s dry bu
lightweight tons (LWT). Residual values are periodically reviewe
Revisions of residual values affect the depreciable amount of the ve
Management estimates the residual values of the Company s vessel
scrap rates and ten-year average historical scrap rates of the residual

Management estimates the useful life of its vessels to be 25 years fro
on the ability of a vessel to trade on a worldwide basis, its useful life
the useful life of a vessel or in its residual value would have the effe
A decrease in the useful life of a vessel or in its residual value would

(i) ***Deposits for Vessels, Port Terminals and Other Fixed Assets*** purchase agreements for the construction of vessels, port term other fixed assets also include pre-delivery expenses. Pre-deliv condition necessary for it to be capable of operating in the ma the asset is substantially complete and ready for its intended u 2016 and 2015 amounted to $4,764, $5,843 and $5,154, respe

(j) ***Assets Held for Sale:*** It is the Company s policy to dispose o to keep them until the end of their useful life. The Company c criteria are met: management has committed to a plan to sell t in its present condition; an active program to locate a buyer an been initiated; the sale of the asset (disposal group) is probabl a completed sale within one year; the asset (disposal group) is current fair value; and actions required to complete the plan in plan will be withdrawn. Long-lived assets or disposal groups c value less cost to sell. These assets are not depreciated once th any of the periods presented.

(k) ***Impairment of Long Lived Assets:*** Vessels, other fixed assets periodically for potential impairment whenever events or chan be fully recoverable. Navios Holdings management evaluate determine if events or changes in circumstances have occurred Measurement of the impairment loss is based on the fair value management estimates and assumptions by making use of ava an individual vessel basis. In evaluating useful lives and carry

reviewed, such as undiscounted projected operating cash flows

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

Undiscounted projected net operating cash flows are determined for portion of deferred drydock and special survey costs related to the v charter agreement attached to that vessel or the carrying value of de bought and sold with a charter attached. The value of the charter ma market rates. The loss recognized either on impairment (or on dispos vessel asset group.

During the fourth quarter of fiscal year 2017, management conclude potential impairment of Navios Holdings long-lived assets might e impact of the current dry bulk sector has on management s expectat (step one) was performed.

The Company determined undiscounted projected net operating cash the carrying value of deferred drydock and special survey costs relat The significant factors and assumptions used in the undiscounted pr operating cash flows by considering the charter revenues from existi agreement rates) and an estimated daily time charter equivalent for t rates and 10-year average historical one-year time charter rates, adju and address commissions excluding days of scheduled off-hires, run 2018 and a utilization rate of 99.2% based on the fleet s historical p

As of December 31, 2017, our assessment concluded that step two o undiscounted projected net operating cash flows did not exceed the c for this vessel, being the difference between the fair value and the ve special survey costs related to this vessel, presented within the captio (loss)/income. The assessment performed for 2016 and 2015 did not See also Note 6.

(l) ***Deferred Drydock and Special Survey Costs:*** The Company special surveys which are carried out every 30 and 60 months, barges, to coincide with the renewal of the related certificates cases and under certain conditions. The costs of drydocking ar drydocking or special survey date if such date has been determ pushboats sold are written-off to income in the year the vessel Costs capitalized as part of the drydocking or special survey consist parts, paints, lubricants and services incurred solely during the dryd 2016 and 2015, the amortization of deferred drydock and special sur

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

(m) ***Deferred Financing Costs:*** Deferred financing costs include f facilities. Deferred financing costs are presented as a deductio related debt using the effective interest rate method, and are in for each of the years ended December 31, 2017, 2016 and 201

(n) ***Goodwill and Other Intangibles***

(i) ***Goodwill:*** Goodwill is tested for impairment at the repor The Company evaluates impairment of goodwill using a two-step pr amount, including goodwill (step one). The Company determines th (i.e. discounted cash flows) and market approach (i.e. comparative n best indicator of fair value for its individual reporting units. If the fa the carrying amount of the reporting unit exceeds the fair value, the fair value of the reporting unit s goodwill and compare it with its ca fair value of the reporting unit to all the assets and liabilities of that r and the fair value of the reporting unit was the purchase price. If the impairment is recognized by writing the goodwill down to its implie

As of December 31, 2017, the Company performed its impairments Business. The Company additionally considered that its market capi net assets.

As of December 31, 2017, the Company performed step one of the i allocated goodwill of $56,240. Step one impairment test revealed tha exceeded the carrying amount of its net assets. Accordingly, no step

The fair value of the Dry Bulk Vessel Operations reporting unit was approach, the expected present value of future cash flows used judgr circumstances. The significant factors and assumptions the Company used to calculate the present value of future cash flows and future ca and administrative expense growth assumptions, and direct vessel ex the charter revenues from existing time charters for the fixed fleet da charter equivalent for the non-fixed days (based on a combination of one-year time charter rates adjusted for outliers), which the Compan time period for long-lived assets and consistent with the cyclicality o discount future estimated cash flows to their present values. The WA the Company s cost of equity and debt, optimal capital structure and of the Company s business based on comparable publicly-traded co

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

Company utilized the results of the valuations and considered the ra
exceeded the carrying value of net assets.

As of December 31, 2017, the Company performed step one of the i
Step one of the impairment test used the income method and reveale
Accordingly, no step two analysis was required. The future cash flo
from existing contracts and estimated revenues based on the historic
capacity. The Logistics Business has not been affected by the same
Operations reporting unit. In addition, the cash flows of the long-liv
decline.

No impairment loss was recognized for any of the periods presented

(ii) Intangibles Other Than Goodwill: Navios Holdings intangible
customer relationships, trade name and port terminal operating right
method which values the trade name based on the estimated amount
name. The asset is being amortized under the straight line method ov
method over 10 years.

The fair value of customer relationships of Navios Logistics was det
flow generating ability of the asset. The asset is amortized under the

Other intangibles that are being amortized, such as customer relation
carrying value could not be recovered from the future undiscounted

When intangible assets or liabilities associated with the acquisition c
reference to market data and the discounted amount of expected futu
recorded, being the difference between the acquired charter rate and
market charter rates, a liability is recorded, being the difference betw
The determination of the fair value of acquired assets and assumed l
many variables including market charter rates, expected future chart
weighted average cost of capital. The use of different assumptions c
material impact on the Company s financial position and results of

The amortizable value of favorable and unfavorable leases is amorti
included in the consolidated statements of comprehensive (loss)/inc

The amortizable value of favorable leases would be considered imp
flows associated with the asset. Vessel purchase options that have n
impaired if the carrying value of an option, when added to the optio

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

Vessel purchase options that are included in favorable leases are not
part of the cost of the vessel and depreciated over the remaining usef
purchase options that are included in unfavorable lease terms are not
underlying vessel is sold, it will be recorded as part of gain/loss on s
in the consolidated statements of comprehensive (loss)/income.

During the fourth quarter of fiscal year 2017, management conclude
Navios Holdings intangible assets other than goodwill might exist.
impact of the current dry bulk sector has on management s expectat
As of December 31, 2017, the Company performed an assessment w
recoverable from the future undiscounted cash flows associated with
caption Impairment losses in the consolidated statements of comp
Company s intangible assets other than goodwill for any of the year

The weighted average amortization periods for intangibles are:

Intangible assets/liabilities
Trade name
Favorable lease terms
Port terminal operating rights
Customer relationships

See also Note 7.

(o) ***Foreign Currency Translation:*** The Company s functional a
commerce with a variety of entities. Although its operations m
predominantly U.S. dollar denominated. The Company s subs
their operations in Uruguayan pesos, Argentinean pesos, Brazi
subsidiaries and the vessel management subsidiaries transact a
primary cash flows are U.S. dollar denominated. The financial
balance sheet date except for property and equipment and equi
functional currency are translated at the exchange rate in effec
between the date a transaction denominated in a foreign curren
recognized in the statements of comprehensive (loss)/income.
Other income in the consolidated statements of comprehens
were $(3,000), $1,600 and $1,646, respectively.

(p) ***Provisions:*** The Company, in the ordinary course of business,
with internal and external advisers, will provide for a continge
financial statements and the likelihood of loss was probable ar

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

that the reasonable estimate of the loss is a range and there is r within the range. See also Note 13.

The Company participates in Protection and Indemnity (P&I) insura the terms of these plans, participants may be required to pay additio (back calls). Obligations for back calls are accrued annually base

Provisions for estimated losses on vessels under time charter are pro 2017 and 2016, the balance for this provision was $2,631 and $3,12

(q) ***Segment Reporting:*** Operating segments, as defined, are com is evaluated regularly by the chief operating decision maker in Company s methods of internal reporting and management st Operations segment and the Logistics Business segment.

(r) ***Revenue and Expense Recognition:***

Revenue Recognition: Revenue is recorded when services are rend arrangement, the price is fixed or determinable, and collection is rea time charter of vessels, port terminal operations, bareboat charters, c or liquid port terminal operations.

Voyage revenues for the transportation of cargo are recognized ratab commence when a vessel arrives at the loading port, as applicable u current cargo. Under a voyage charter, the Company agrees to provi for payment of an agreed upon freight rate per ton of cargo.

Revenues are recorded net of address commissions. Address commi percentage of the agreed upon charter rate. Since address commissio no identifiable benefit is received in exchange for the consideration revenue.

Revenue from time chartering and bareboat chartering is earned and affreightment (COA)/voyage contracts relating to our barges is re commence upon the barge s arrival at the loading port, as applicabl the current voyage. The percentage of voyage completion is based o for the voyage. The position of the barge at the balance sheet date is of the pushboat having the barge in tow. Revenue arising from cont recognized ratably over the period of the contracts.

Demurrage income represents payments made by the charterer to the
voyage charter and is recognized as it is earned.

Revenues arising from contracts that provide our customers with co
contracts.

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

Profit-sharing revenues are calculated at an agreed percentage of the
half-yearly basis) or the Baltic Dry Index over an agreed amount anc
contracts that provisional accruals cannot be made due to the nature

Revenues from time chartering of vessels are accounted for as opera
over the rental periods of such charter agreements as service is perfo
in the period when such loss is determined. A time charter involves p
charterer uses the vessel in return for the payment of a specified dail
spot-charters. Charters extending three months to a year are generall
Under time charters, operating costs such as for crews, maintenance

For vessels operating in pooling arrangements, the Company earns a
pool. The amount allocated to each pool participant vessel, including
which is determined by margins awarded to each vessel in the pool b
under pooling arrangements is accounted for on the accrual basis and
provided and the collectability is reasonably assured. Revenue for ve
for the years ended December 31, 2017, 2016 and 2015, respectively
pool, however, such changes are not expected to be material.

Revenues from port terminal operations consist of an agreed flat fee
product into silos or the stockpiles for temporary storage and then lo
loading the ocean-going vessels. Additionally, fees are charged for v
Dockage revenues are recognized ratably up to completion of loadin
storage beyond the contractually agreed time allowed. Storage fee re
loaded onto the ocean-going vessel.

Revenues from liquid port terminal operations consist mainly of sale
of an agreed flat fee per cubic meter to cover the services performed
then loading the trucks. Revenues are recognized upon completion o
contractually specified terms. Storage fee revenue is recognized rata

Recovery of lost revenue under credit default insurance for charterer
resolved. The amount of recovery of lost revenue is recorded within
recorded within the caption Other income .

Expenses related to our revenue-generating contracts are recognized

Administrative fee revenue from affiliates: Administrative fee rev
services pursuant to administrative services agreements with our

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

affiliates (Refer to Note 15). Administrative services include: bookk and clerical services, banking and financial services, advisory servic These revenues are recognized as the services are provided to affilia

The general and administrative expenses incurred on behalf of affilia the affiliates as well as a reasonable allocation of expenses that are n

Forward Freight Agreements (FFAs): Realized gains or losses FFAs are marked-to-market quarterly to determine the fair values trades for any of the periods presented.

Deferred Income and Cash Received In Advance: Deferred voyag earned. These amounts are recognized as revenue over the voyage or

Time Charter, Voyage and Logistics Business Expenses: Time ch particular voyage, including time charter hire paid and voyage freigh brokerage commissions. Also included in time charter, voyage and lo time charters and voyages in progress at year-end, direct port termin

Direct Vessel Expenses: Direct vessel expenses consist of all expen insurance, stores and lubricants and miscellaneous expenses such as related party management fees.

Prepaid Voyage Costs: Prepaid voyage costs relate to cash paid in a expenses over the voyage or charter period.

(s) Employee benefits:

Pension and Retirement Obligations-Crew: The Company s ship up to nine months) and, accordingly, they are not liable for any pens

Provision for Employees Severance and Retirement Compensa law. According to the law, the Company is required to pay retiremen full security retirement pension. The amount of compensation is bas dismissal or retirement up to a maximum of two years salary. If the they are entitled to retirement compensation which is equal to 40% o time. The number of employees that will remain with the Company u lump sum defined benefit pension plan and accounts for it under rele annually value the statutory terminations indemnities liability. Mana

the benefits. The Company provides, in full, for the employees term
December 31, 2017 and 2016, respectively.

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

U.S. Retirement Savings Plan: The Company sponsors a 401(k) re
is available to full time employees who meet the plan s eligibility re
annual salary with the Company matching up to the first 6%. The Co
amounts contributed by employees. Subsequent to making the match
make an additional discretionary contribution annually if such a con
independent professional firm that specializes in providing such serv

Other Post-Retirement Obligations: The Company has a legacy pe
Corporation employees. The entitlement to these benefits is only to t
using an accounting methodology similar to that for defined benefit

Stock-Based Compensation: In December 2017, the Company auth
2016, the Company authorized the grant of restricted share units and
of shares of restricted common stock, restricted stock units and stock
officers and directors. These awards of restricted share units, share a
are based on service conditions only and vest over three and four yea
restricted common stock, restricted stock units and stock options for
performance criteria including certain targets on operational perform

The fair value of share appreciation rights and stock option grants is
Black-Scholes models. The fair value of restricted share units, restri
price on the date of grant. Compensation expense, net of estimated f
Compensation expense for the awards that vest upon achievement of
criteria will be met and are being accounted for as equity.

(t) ***Financial Instruments:*** Financial instruments carried on the b
and payables, other receivables and other liabilities, long-term
methods applicable to each class of financial instrument are di
below as applicable.

Financial Risk Management: The Company s activities expose it
charter hire rates, fuel prices and credit and interest rates risk. Risk r
Guidelines are established for overall risk management, as well as sp

Credit Risk: The Company closely monitors its credit exposure to c
ensure that it trades with customers and counterparties with an appro

Interest Rate Risk: Any differential to be paid or received on an int
over the period of the agreement. Gains and losses on early

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

termination of interest rate swaps are reflected in the consolidated st
fair value of interest rate swap agreements that are designated and qu

Liquidity Risk: Prudent liquidity risk management implies maintain
adequate amount of committed credit facilities and the ability to clos
working capital needs.

Foreign Exchange Risk: Foreign currency transactions are translate
transactions. Foreign exchange gains and losses resulting from the se
liabilities denominated in foreign currencies are recognized in the co

Accounting for Derivative Financial Instruments and Hedging A
hedges relating to identifiable ship and/or cargo positions and as eco
course of its shipping business. By utilizing certain derivative instru
associated with fluctuating market conditions. The Company records
Company classifies cash flows related to derivative financial instrum
cash flows.

(u) ***(Loss)/Earnings Per Share:*** Basic (loss)/earnings per share ar
stockholders by the weighted average number of shares of com
to Navios Holdings common stockholders is calculated by add
attributable to Navios Holdings common stockholders the diffe
carrying value of the preferred stock, including the unamortize
cancelled. Diluted (loss)/earnings per share reflect the potentia
were exercised or converted. Dilution has been computed by th
options and warrants) are assumed to be exercised and the pro
of the Company s common stock during the relevant periods.
and the number of shares assumed purchased) are included in t
share units, restricted stock and restricted stock units (vested a
based on the weighted average number of restricted share units
period. Convertible shares are included in the calculation of th
convertible shares assumed to be outstanding during the period

(v) ***Income Taxes:*** The Company is a Marshall Islands Corporatio
Company believes that substantially all its operations are exem
The tax expense reflected in the Company s consolidated fina
attributable to its subsidiaries in South America, which are sub

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

The asset and liability method is used to account for future income t the estimated future tax consequences attributable to differences bet liabilities. Future income tax assets and liabilities are measured usin expected to be recovered or settled. The effect on future income tax that includes the enactment date. A deferred tax asset is recognized f valuation allowance is recognized if, based on the weight of availabl asset will not be realized.

On December 29, 2017, the Argentine government enacted the Law modifies the rates for income taxes applicable in the next years. In n expected to be enacted at the time of the reversal of the asset or liabi income tax rate of 30% was applied on temporary differences whose temporary differences remaining thereafter. During the year ended D within the caption Income tax benefit/(expense) in the consolidat income tax.

(w) ***Dividends:*** Dividends are recorded in the Company s financia and $19,325 to its common stockholders during the years ende its preferred stockholders during the years ended December 31 announced that the Board of Directors decided to suspend the announced the suspension of payment of quarterly dividends c Preferred Stock (the Series G) and Series H Cumulative Re eliminated upon consolidation.

(x) ***Guarantees:*** A liability for the fair value of an obligation unde required for certain guarantees such as the parent s guarantee guarantees excluded from the above guidance requiring the fai terms are made.

On November 15, 2012, the Company agreed to provide Navios Par also Note 15).

(y) ***Leases:*** Vessel leases where Navios Holdings is regarded as th assessment of the terms of the lease.

For charters classified as finance leases the minimum lease payment gross investment in the lease and the sum of the present values of th amortized to income over the lease term as finance lease interest inc

For charters classified as operating leases where Navios Holdings is

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

For charters classified as operating leases where Navios Holdings is
rental periods of such charter agreements. The expense is included u

(z) ***Treasury Stock:*** Treasury stock is accounted for using the cos
acquisition costs over its par value is recorded in additional pa

(aa) ***Trade Accounts Receivable:*** The amount shown as accounts r
hire, freight and demurrage billings and FFA counterparties, n
uncollectible accounts are assessed individually for purposes c

(ab) ***Convertible Preferred Stock:*** The Company s 2% Mandatoril
the date of issuance. The fair market value is determined using
spread of the Company, the volatility of its stock, as well as th
$0.0001. Each holder of Preferred Stock is entitled to receive a
payable quarterly, until such time as the Preferred Stock conve
then-outstanding shares of Preferred Stock shall automatically
share of common stock with the remaining balance of the then
stock under the same terms 10 years after their issuance date. A
price of the common stock has been at least $20.00 per share,
preferred shares shall automatically convert at a conversion pr
entitled, at their option, at any time following their issuance da
then-outstanding preferred shares into common stock at a conv

(ac) ***Cumulative Redeemable Perpetual Preferred Stock:*** The Cor
American Depositary Shares, Series H are recorded at fair mar
Series G, with a liquidation preference of $2,500.00 per share
on the Series G at a rate of 8.75% per annum and on the Series
on or after January 28, 2019, the Series G may be redeemed at
redeemed at the Company s option (and the American Deposi
legally available therefore, at a redemption price of $2,500.00
equal to all accumulated and unpaid dividends thereon to the d
shares as equity. See also Note 16.

(ad)

Investment in Available-for-Sale Securities: The Company cl
These securities are carried at fair value, with unrealized gains
equity as a component of other comprehensive (loss)/income u
case it is transferred to the consolidated statements of compreh
other-than-temporary impairment (OTTI) on a quarterly ba
the fair value has been less than cost, (ii) the financial

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

condition and near-term prospects of the investee, and (iii) the
period of time sufficient to allow for any anticipated recovery
Investment in Equity Securities: Navios Holdings evaluates its inve
and Navios Containers for OTTI on a quarterly basis. Consideration
than the carrying value, (ii) the financial condition and near-term pro
and Navios Containers, and (iii) the intent and ability of the Compar
Navios Europe II and Navios Containers, for a period of time suffici
be other-than-temporary , then we would write down the carrying

(ae) Financial Instruments and Fair Value: Guidance on Fair Va
valuation techniques used to measure fair value. The hierarchy
identical assets or liabilities (Level I measurements) and the lo
A financial instrument s level within the fair value hierarchy is base
determining the appropriate levels, the Company performs a detailed
Measurements.

(af) Recent Accounting Pronouncements:
In May 2017, the Financial Accounting Standards Board (FASB)
provides clarity and reduces both diversity in practice and cost and c
conditions of a share-based payment award. The amendments in this
payment award and are effective for all entities for annual periods, a
Early adoption is permitted, including adoption in any interim period
have not yet been issued and all other entities for reporting periods f
amendments in this update should be applied prospectively to an aw
standard is not expected to have material impact on the Company s

In February 2017, FASB issued ASU 2017-05, Other Income Gair
update clarifies the scope of Subtopic 610-20 Other Income Gains
partial sales of nonfinancial assets. Subtopic 610-20, which was issu
Customers (Topic 606) , provides guidance for recognizing gains ar
amendments in ASU 2017-05 are effective at the same time as the ar
effective for annual reporting periods beginning after December 15,
adoption of this new standard is not expected to have material impac

In January 2017, FASB issued ASU 2017-04, Intangibles-Goodwil
complexity of the goodwill impairment test and simplifies how an er

goodwill

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

impairment test. The amendments in this ASU are required for publi
statements and have not elected the private company alternative for t
business entities that are SEC filers for fiscal years beginning after D
currently assessing the impact that adopting this new accounting gui

In January 2017, FASB issued ASU 2017-03, Accounting Changes
Ventures (Topic 323) . The ASU amends the Codification for SEC
The SEC guidance that specifically relates to our consolidated financ
expressed their expectations about the extent of disclosures registran
amendments issued prior to adoption, on revenue (ASU 2014-09), le
accordance with SAB Topic 11.M. Registrants are required to disclo
statements when adopted in a future period. In cases where a registra
qualitative disclosures should be considered. The ASU incorporates
transition paragraphs of each of the three new standards. The adoptio
financial statements.

In December 2016, FASB issued ASU 2016-20, Technical Correct
amendments in this ASU affect narrow aspects of the guidance issue
items typically addressed in the Technical Corrections and Improven
are the same as the effective date and transition requirements for Top
Revenue from Contracts with Customers (Topic 606): Deferral of t
below.

In November 2016, FASB issued ASU 2016-18, Statement of Cash
presentation of changes in restricted cash on the statement of cash fl
public business entities for fiscal years beginning after December 15
method is required. Early adoption is permitted for all entities. The C
depending on the nature of the cash flow within the consolidated sta
result in a change in the presentation of restricted cash and cash equi
this guidance from January 1, 2018.

In August 2016, FASB issued ASU 2016-15, Statement of Cash Fl
addresses eight specific cash flow issues with the objective of reduci
business entities for fiscal years beginning after December 15, 2017,
January 1, 2018 and applied on a retrospective basis. The Company
adoption of this ASU does not have a material impact on the Compa

In June 2016, FASB issued ASU No. 2016-13, Financial Instrumen
Instruments. This standard requires entities to measure all

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

expected credit losses of financial assets held at a reporting date bas
forecasts in order to record credit losses in a more timely matter. AS
securities and purchased financial assets with credit deterioration. Th
December 15, 2019, although early adoption is permitted for interim
assessing the impact that adopting this new accounting guidance wil

In February 2016, FASB issued ASU 2016-02, Leases (Topic 842)
According to ASU 2016-02, lessees will be required to recognize as
types of leases, capital (or finance) leases and operating leases, with
after December 15, 2018, including interim periods within those fisc

This guidance requires companies to identify lease and non-lease co
leased asset and non-lease components relate to payments for goods
Total lease consideration is allocated to lease and non-lease compon
components will be governed by ASC 842 while revenue related to r

In January 2018, the FASB issued a proposed amendment to ASC 84
account for the impact of the adoption with a cumulative adjustment
than January 1, 2017, which would eliminate the need to restate amo
lessors can elect, as a practical expedient, not to allocate the total co
selling prices. If adopted, this practical expedient will allow lessors t
of the revenue recognition of the combined single lease component i
component would be classified as an operating lease.

ASC 842 provides practical expedients that allow entities to not (i) r
(ii) reassess the lease classification for any expired or existing leases

The Company plans to adopt the standard on January 1, 2019 and ex
ASC 842 is adopted, the Company would elect the transition method
expects the adoption of this guidance to have a material impact on it
right-of-use assets and lease liabilities on its consolidated balance sh
measurement or presentation of lease expenses within the statements

With regards to the Company s charter-out contracts, the Company
financial statements since the Company is a lessor for these charter-o
mentioned above is adopted and elected, good and services embedde
under a single lease component presentation. However, without the p
recognize the lease revenue component using an approach that is sub

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousa

that are categorized as lease components will generally be a fixed ra and services that are categorized as non-lease components will be re underlying goods or services to our charterers.

The Company is continuing its assessment of other miscellaneous le and may identify additional impacts this guidance will have on the c

In January 2016, FASB issued ASU 2016-01, Financial Instrument Financial Liabilities . The amendments in this ASU require an entit method of accounting or those that result in consolidation of the inve perform a qualitative assessment to identify impairment in equity inv other comprehensive income the fair value of a liability resulting fro financial assets and financial liabilities by measurement category an sheet. The amendments also eliminate the requirement, for public bu the fair value of financial instruments measured at amortized cost on allowance on a deferred tax asset related to available-for-sale securit entities, ASU 2016-01 is effective for fiscal years beginning after De of this new standard is not expected to have a material impact on the

In May 2014, FASB issued ASU 2014-09, Revenue from Contract requirements for revenue recognition on the statements of income. U contract, the transaction price and allocate the price to specific perfo amendments in this update also require disclosure of sufficient infor revenue and cash flow arising from contracts. In August 2015, the F entities by one year. The standard will be effective for public entities periods therein. The Company will adopt the standard as of January the adoption will not have a material effect on its financial statement agreements and in this respect revenue is accounted under ASC 840, and/or contracts of affreightment, contracts for which currently reve completion of the discharge of the current cargo, provided an agreed Upon adoption, the Company will recognize revenue ratably from th charterer s cargo is discharged as well as defer costs that meet the d impact of the adoption of this standard is expected to be minimal in

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

NOTE 3: CASH AND CASH EQUIVALENTS

Cash and cash equivalents consisted of the following:

Cash on hand and at banks
Short-term deposits and highly liquid funds
Cash and cash equivalents

Short-term deposits and highly liquid funds relate to amounts held ir
maturity of less than three months.

Cash deposits and cash equivalents in excess of amounts covered by
non-performance by financial institutions. Navios Holdings does ma
limits. Navios Holdings reduces exposure to credit risk by dealing w

NOTE 4: ACCOUNTS RECEIVABLE, NET

Accounts receivable consisted of the following:

Accounts receivable
Less: provision for doubtful receivables
Accounts receivable, net

Changes to the provisions for doubtful accounts are summarized as f

Allowance for doubtful receivables

Year ended December 31, 2015
Year ended December 31, 2016
Year ended December 31, 2017

Concentration of credit risk with respect to accounts receivable is lin
dispersed and have a variety of end markets in which they sell. Due t
provided for collection losses is inherent in the Company s trade rec
than 10% of the Company s revenue. For the year ended December
Company s revenue. For the year ended December 31, 2015, one cu
accounted for 14.7% in the year ended December 31, 2016.

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

NOTE 5: PREPAID EXPENSES AND OTHER CURRENT ASS

Prepaid expenses and other current assets consisted of the following

Prepaid voyage and operating costs
Claims receivable
Prepaid other taxes
Advances for working capital purposes
Other
Total prepaid expenses and other current asset

Claims receivable mainly represents claims against vessels insuran
as well as claims under charter contracts including off-hires. While i
claims may not all be recovered within one year due to the attendant
represent amounts currently due to the Company. All amounts are sh

NOTE 6: VESSELS, PORT TERMINALS AND OTHER FIXEI

Vessels
Balance December 31, 2014
Additions
Balance December 31, 2015
Additions
Transfers
Balance December 31, 2016
Additions
Impairment losses
Disposals
Balance December 31, 2017

Port Terminals (Navios Logistics)
Balance December 31, 2014
Additions
Balance December 31, 2015
Additions
Transfers
Balance December 31, 2016
Additions
Transfers from deposits for vessels, port terminals and other fixed a
Balance December 31, 2017

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

Tanker vessels, barges and pushboats (Navios Logistics)	
Balance December 31, 2014	
Additions	
Restructure of capital lease	
Balance December 31, 2015	
Additions	
Transfers	
Balance December 31, 2016	
Additions	
Disposals	
Revaluation of vessels due to termination of capital lease obligation	
Balance December 31, 2017	

Other fixed assets	
Balance December 31, 2014	
Additions	
Balance December 31, 2015	
Additions	
Transfers	
Balance December 31, 2016	
Additions	
Disposals	
Write offs	
Balance December 31, 2017	

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousa

Total
Balance December 31, 2014
Additions
Restructure of capital lease
Balance December 31, 2015
Additions
Transfers
Balance December 31, 2016
Additions
Impairment losses
Disposals
Write offs
Revaluation of vessels due to termination of capital lease obligation
Transfers from deposits for vessels, port terminals and other fixed a
Balance December 31, 2017

Deposits for Vessels and Port Terminals Acquisitions

On February 11, 2014, Navios Logistics entered into an agreement, a
purchase price of $7,344 for each pushboat. As of December 31, 201
respectively, for the construction of the new pushboats which were c
port terminals and other fixed assets for the construction of the three
December 31, 2016, respectively.

Navios Logistics has signed a shipbuilding contract for the construct
December 31, 2017, Navios Logistics had paid $6,141 (including su
and other fixed assets for the construction of the vessel amounted to
quarter of 2018. Navios Logistics has secured a credit from the shipb
$7,427 (6,200).

During the second quarter of 2017, Navios Logistics substantially co
of $137,357 had been transferred to Vessels, port terminals and oth
amounted to $9,971. As of December 31, 2016, Navios Logistics ha
included in deposits for vessels, port terminals and other fixed assets

Impairment losses

During year ended December 31, 2017, Navios Holdings recorded a

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

On June 16, 2017, Navios Holdings completed the sale to an unrelat
52,067 dwt, for a total net sale price of $5,280 paid in cash. As of D
amounted to $9,098 (including $551 remaining carrying balance of

On July 13, 2017 Navios Holdings completed the sale to an unrelate
50,346 dwt, for a total net sale price of $6,548 paid in cash. As of D
amounted to $5,141 (including $495 remaining carrying balance of

Vessel Acquisitions

On January 12, 2016, Navios Holdings took delivery of the Navios S
2016-Japanese built 181,259 dwt Capesize vessel, for an acquisition
$39,900 was financed through a loan. As of March 31, 2016, deposit
been transferred to vessels cost.

Navios Logistics

On September 4, 2017, Navios Logistics has signed an agreement fo
December 31, 2017, Navios Logistics had paid $629.

On May 18, 2017, Navios Logistics acquired two product tankers, F
previously leased with an obligation to purchase in 2020. Following
was terminated and the carrying value of the tankers was adjusted fo
December 31, 2016, the obligations for these vessels were accounte
2016 for both vessels were $3,032.

In February 2017, two fully depreciated self-propelled barges of Na
$1,109, to be paid in cash. Sale prices for the barges will be receive
transferred at the lessee s option at no cost at the end of the lease pe
amounted to $318 and is included in Prepaid expenses and other c
$500 and is included in Other long-term assets in the consolidate
comprehensive (loss)/income within the caption of Gain on sale of

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

NOTE 7: INTANGIBLE ASSETS/LIABILITIES OTHER THA

Net Book Value of Intangible Assets/Liabilities other than Good

Trade name
Port terminal operating rights
Customer relationships
Favorable lease terms(*)
Total Intangible assets

Net Book Value of Intangible Assets/Liabilities other than Good

Trade name
Port terminal operating rights
Customer relationships
Favorable lease terms(*)
Total Intangible assets
Unfavorable lease terms(**)
Total

(*) As of December 31, 2017 and 2016, intangible assets associat
respectively related to purchase options for the vessels (see als
$10,398 and accumulated amortization of $7,001 of favorable
During the year ended December 31, 2016, acquisition costs o
written off resulting in a loss of $13,007. This write-off result

(**) As of December 31, 2016, the intangible liability associated w
options held by third parties (see also Note 2(n)). During the y
amortization of $17,406 of unfavorable lease terms were writt
redelivery of one vessel. As of December 31, 2016, no purcha

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

On December 15, 2014, Navios Logistics acquired two companies fo
was paid in 2015. These companies, as free zone direct users, hold tl
the Nueva Palmira free zone in Uruguay, adjacent to Navios Logistic

Trade name	
Port terminal operating rights	
Customer relationships	
Favorable lease terms	
Unfavorable lease terms	
Total	

The remaining aggregate amortization of acquired intangibles as of l

Description	**Within one year**	**Ye**
Trade name	$ 2,811	$
Port terminal operating rights	985	
Customer relationships	1,775	
Total amortization	**$ 5,571**	**$**

NOTE 8: INVESTMENTS IN AFFILIATES AND INVESTMEN

Navios Partners

On August 7, 2007, Navios Holdings formed Navios Partners under
owned subsidiary of Navios Holdings, was also formed on that date
interest.

In February 2015, Navios Partners completed a public offering of 4,
transaction, Navios Holdings paid $1,229 to retain its 2.0% general p
1,120,547 common units and 22,868 general partner units to Navios

On March 17, 2017, Navios Holdings transferred to Navios Partners
both as defined herein, and relating to Navios Europe I, for a conside
common units of Navios Partners with a fair value of $29,423 (based
Concurrently, Navios Holdings acquired 266,876 common units in N
consideration of $468. See also Note 15.

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

On March 20, 2017, Navios Partners announced that it has closed an
acquired 975,408 common units in Navios Partners in order to maint

During the first quarter of 2017, Navios Partners also issued 2,040,0
1,200,442 common units pursuant to Navios Partners Continuous C
common units in Navios Partners in order to maintain its 2% general

In September 2017, Navios Holdings acquired 7,376 common units
consideration of $12.

As of December 31, 2017, Navios Holdings held a total of 28,421,23
interest in Navios Partners, including the 2.0% general partner intere
method.

As of December 31, 2017 and 2016, the unamortized difference betw
the Company s underlying equity in net assets of Navios Partners w
earnings of affiliated companies over the remaining life of Navios

As of December 31, 2017 and 2016, the carrying amount of the inve
ended December 31, 2016, the Company recognized an OTTI loss o
in Equity/(loss) in net earnings of affiliated companies .

Total pre-OTTI equity method income/(loss) and amortization of de
net earnings of affiliated companies for the years ended December

Dividends received during the year ended December 31, 2017, 2016

As of December 31, 2017, the market value of the investment in Nav

Acropolis

Navios Holdings has a 50% interest in Acropolis, a brokerage firm f
stock, Navios Holdings agreed with the other shareholder that the ea
Company with the balance to the other shareholder. As of December
respectively. Dividends received for each of the years ended Decemb

Navios Acquisition

As of December 31, 2017, Navios Holdings had a 42.9% voting and

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

As of December 31, 2017 and 2016, the unamortized difference betv
of the Company s underlying equity in net assets of Navios Acquisi
Equity/(loss) in net earnings of affiliated companies over the rem

As of December 31, 2017 and 2016, the carrying amount of the inve
year ended December 31, 2016, the Company recognized an OTTI l
was included in Equity /(loss) in net earnings of affiliated compani

Total pre-OTTI equity method (loss)/income of $(9,875), $29,801 ar
for the years ended December 31, 2017, 2016 and 2015, respectively

Dividends received for each of the years ended December 31, 2017,

As of December 31, 2017, the market value of the investment in Nav

Navios Europe I

On December 18, 2013, Navios Europe I acquired ten vessels for ag
senior loan facilities (the Senior Loans I) and loans aggregating to
case, in proportion to their economic interests in Navios Europe I) (c
participating loan facility (the Junior Loan I). In addition to the N
also make available to Navios Europe I revolving loans up to $24,10
Loans I). The Navios Term Loans I will be repaid from the future s

On an ongoing basis, Navios Europe I is required to distribute cash f
of the Senior Loans I) according to a defined waterfall calculation.

Navios Holdings evaluated its investment in Navios Europe I under
most closely associated with Navios Europe I and, accordingly, is no

Navios Holdings further evaluated its investment in the common sto
exercise significant influence over the operating and financial polici
for under the equity method.

The initial amount provided for in Navios Europe I of $4,750 at the
value and the underlying book value of the assets of Navios Europe
net earnings of affiliated companies over the remaining life of Nav
basis difference of Navios Europe I was $4,034, and $4,710, respect

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

As of December 31, 2017 and 2016, the estimated maximum potenti
$18,268, respectively, which represents the Company s carrying va
respectively, including accrued interest, plus the Company s balanc
accrued interest, and does not include the undrawn portion of the Na

(Loss)/Income of $(1,089), $1,303 and $1,293 was recognized in E
2017, 2016 and 2015, respectively.

As of December 31, 2017 and 2016, the carrying amount of the inve

Navios Europe II

On February 18, 2015, Navios Holdings, Navios Acquisition and Na
December 31, 2015, Navios Europe II acquired 14 vessels for aggreg
senior loan facility (the Senior Loans II) and loans aggregating to
case, in proportion to their economic interests in Navios Europe II) (
participating loan facility (the Junior Loan II). In addition to the N
also make available to Navios Europe II revolving loans up to $43,5
Loans II). The Navios Term Loans II will be repaid from the future
Navios Revolving Loans II increased by $14,000.

On an ongoing basis, Navios Europe II is required to distribute cash
the Senior Loans II) according to a defined waterfall calculation.

Navios Holdings evaluated its investment in Navios Europe II under
most closely associated with Navios Europe II and, accordingly, is n

Navios Holdings further evaluated its investment in the common sto
exercise significant influence over the operating and financial polici
accounted for under the equity method.

The initial amount provided for in Navios Europe II of $6,650, at the
value and the underlying book value of the assets of Navios Europe
net earnings of affiliated companies over the remaining life of Nav
basis difference of Navios Europe II was $7,011 and $7,953, respect

As of December 31, 2017 and 2016, the estimated maximum potenti
$22,287, respectively, which represents the Company s carrying va
respectively, plus the Company s balance of the Navios Revolving
not include the undrawn portion of the Navios Revolving Loans II.

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

Income/(loss)of $2,456 and $(14) was recognized in Equity/(loss) i
2016, respectively.

As of December 31, 2017 and December 31, 2016, the carrying amo

Navios Containers

On June 8, 2017, Navios Containers closed a private placement of 1(
resulting in gross proceeds of $50,288. Navios Holdings invested $5
Holdings and Navios Partners also received warrants for the purchas
The warrants can be exercised for shares of common stock of Navios
warrants have a five year-term, which may be reduced to an earlier e

As of December 31, 2017, and following Navios Containers privat
Navios Containers and warrants, for the purchase of an additional 1.

Navios Holdings evaluated its investment in the common stock of N
significant influence over the operating and financial policies of Nav
under the equity method.

Total equity method income of $161 was recognized in Equity/(los

As of December 31, 2017, the carrying amount of the investment in
investment in Navios Containers was $5,581.

Following the results of the significant tests performed by the Comp
summarized financial information of all affiliated companies being p

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

Summarized financial information of the affiliated companies is pres

Balance Sheet	**Navios Partners**
Cash and cash equivalents, including restricted cash	$ 29,933
Current assets	60,306
Non-current assets	1,244,996
Current liabilities	54,247
Long- term debt including current portion, net	493,463
Non-current liabilities	483,345

	December 31, 2017		
Income Statement	**Navios Partners**	**Navios Europe I**	**Navios Europe II**
Revenue	$ 211,652	$ 37,468	$ 38,633
Net (loss)/ income before non-cash change in fair value of Junior Loan I and Junior Loan II	$ (15,090)	$ (20,778)	$ 22,749
Net (loss)/income	$ (15,090)	$ 9,762	$ (9,086)

Available-for-sale securities (AFS Securities)

During the year ended December 31, 2017, the Company received sl
the Korean court for all unpaid amounts in respect of the employmer
issuance and subsequent changes in market value are recognized wit
gain was $2 and $0 as of December 31, 2017 and 2016, respectively

During the year ended December 31, 2013, the Company received sh
2015, the Company received shares of STX. During the third quarter
total consideration of $5,303.

The shares received from KLC and STX were accounted for under th

As of December 31, 2017 and 2016, the carrying amount of the avai
recorded under Other long-term assets in the consolidated balance

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

sheet. During each of the years ended December 31, 2016 and 2015,
other-than-temporary and therefore, recognized a loss out of accu
respective losses were included within the caption Other expense

NOTE 9: ACCRUED EXPENSES AND OTHER LIABILITIES

Accrued expenses and other liabilities as of December 31, 2017 and

Payroll
Accrued interest
Accrued voyage expenses
Accrued running costs
Provision for estimated losses on vessels under tin
Audit fees and related services
Accrued taxes
Professional fees
Other accrued expenses
Total accrued expenses

NOTE 10: BORROWINGS

Borrowings as of December 31, 2017 and 2016 consisted of the follo

Navios Holdings borrowings
Commerzbank A.G. ($240,000)
HSH Nordbank ($15,300)
Loan Facility Credit Agricole ($40,000)
Loan Facility Credit Agricole ($23,000)
Loan Facility Credit Agricole ($23,000)
Loan Facility DVB Bank SE ($72,000)
Loan Facility DVB Bank SE ($41,000)
Loan Facility Credit Agricole ($22,500)

Loan Facility DVB Bank SE ($40,000)
Loan Facility Alpha Bank ($31,000)
Loan Facility Alpha Bank ($16,125)
Navios Acquisition Loan
2019 Notes
2022 Senior Secured Notes
2022 Notes
Total Navios Holdings borrowings

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

Navios Logistics borrowings	
2022 Logistics Senior Notes	
Navios Logistics Notes Payable	
Navios Logistics BBVA Loan Facility	
Navios Logistics Alpha Bank Loan	
Navios Logistics Term Loan B Facility	
Other long-term loans	
Total Navios Logistics borrowings	
Total	
Total borrowings	
Less: current portion, net	
Less: deferred finance costs and discount, net	
Total long-term borrowings	

Navios Holdings loans

Senior Secured Notes

On November 21, 2017, the Company and its wholly owned subsidia
Co-Issuers) issued $305,000 of 11.25% Senior Notes due 2022 (t

The 2022 Senior Secured Notes are secured by a first priority lien or
in each of Navios Maritime Partners L.P., Navios GP L.L.C., Navios
Navios Maritime Containers Inc. The 2022 Senior Secured Notes are
subsidiaries, except for certain subsidiaries designated as unrestricte
guarantees are full and unconditional , except that the indenture pr
customary circumstances, such as when a subsidiary is sold or all of
designated as an unrestricted subsidiary for purposes of the inden
defeasance or satisfaction and discharge of the 2022 Senior Secured
for its outstanding 8.125% Senior Notes due 2019 described below (
the payment of related fees and expenses and any redemption premiu
loss in the consolidated statements of comprehensive (loss)/income u

The Co-Issuers have the option to redeem the 2022 Senior Secured N
of 108.438%, which price declines ratably until it reaches par in 201

The 2022 Senior Secured Notes contain covenants which, among oth
preferred stock, the payment of dividends, redemption or repurchase

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

of capital stock or making restricted payments and investments, crea
affiliates, merging or consolidating or selling all or substantially all
subsidiaries. The Co-Issuers were in compliance with the covenants

Senior Notes

On January 28, 2011, the Company and its wholly owned subsidiary
Notes. During July, August and October 2016, the Company repurch
gain on bond extinguishment of $27,670, net of deferred fees writter
Secured Notes. The net proceeds of the offering of the 2022 Senior S
2019 Notes; and (ii) for general corporate purposes.

Ship Mortgage Notes

On November 29, 2013, Navios Holdings completed the sale of $65

The 2022 Notes are senior obligations of Navios Holdings and Navi
by first priority ship mortgages on 23 dry bulk vessels owned by cer
In June 2017, Navios Ionian and Navios Horizon were released from
Herakles was released from the 2022 Notes and replaced by the Nav
guaranteed, jointly and severally by all of the Company s direct and
(US) Inc. The guarantees of the Company s subsidiaries that own m
subsidiaries that do not own mortgaged vessels are senior unsecured
Notes in whole or in part, at any time on or after January 15, 2017, a
2020.

Furthermore, upon occurrence of certain change of control events, th
all of the 2022 Notes at 101% of their face amount. The 2022 Notes
indebtedness, issuance of certain preferred stock, the payment of div
and investments, creation of certain liens, transfer or sale of assets, e
all or substantially all of the 2022 Co-Issuers properties and assets
compliance with the covenants as of December 31, 2017.

Secured credit facilities

Credit Agricole (formerly Emporiki) Facilities: In December 2012, t
Corporate and Investment Bank.

In September 2010, Navios Holdings entered into a facility agreeme
partially finance the construction of one newbuilding Capesize vess

August 2021. As of December 31, 2017,

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

the outstanding amount under the loan facility was repayable in one of $1,205 with a final balloon payment of $6,810 on the last paymen facility requires compliance with certain financial covenants. As of I

In August 2011, Navios Holdings entered into a facility agreement v finance the construction of one Panamax vessel. As of December 31 nine semi-annual equal installments of $681, with a final balloon pay LIBOR plus 275 basis points. The loan facility requires compliance this facility was $14,074.

In December 2011, Navios Holdings entered into a facility agreemen partially finance the construction of one newbuilding bulk carrier. A repayable in one quarterly installment of $700 after the drawdown d payment of $7,450 on the last payment date. The loan bears interest certain covenants. As of December 31, 2017, the outstanding amoun

On December 20, 2013, Navios Holdings entered into a facility with two equal tranches, in order to finance the acquisition of two Panam In December 2017, the Company agreed to extend the last payment $563, followed by seven equal semi-annual installments of $563, wi is repayable in one quarterly installment of $1,125, followed by seve on the last repayment date. The loan facility requires compliance wit the loan was $15,188.

Commerzbank Facility: In June 2009, Navios Holdings entered into $60,000) with Commerzbank AG in order to partially finance the ac Following the delivery of two Capesize vessels, Navios Holdings ca loan balances of $53,600 and $54,500, respectively. During October outstanding balance of $15,319, using $13,802 of cash, thus achievir the fourth tranche of the facility, which had an outstanding loan bala value.

HSH Nordbank Facility: On May 23, 2017, Navios Holdings enterec in order to partially refinance the fourth tranche of the Commerzban installments of $383, with a final balloon payment of $8,798 on the l The loan facility requires compliance with certain covenants. As of I

DVB Bank SE Facilities: On March 23, 2012, Navios Holdings enter amount of up to $42,000 in two tranches: (i) the first tranche is

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

for an amount of up to $26,000 in order to finance the acquisition of refinance the outstanding debt of an Ultra-Handymax vessel. The tw respectively. On June 27, 2014, Navios Holdings refinanced the exis acquisition of a Capesize vessel. The new tranche bears interest at a repayable in nine quarterly installments of $362, with a final balloon ten quarterly installments of $269, with a final balloon payment of $ installments of $469, with a final balloon payment of $18,750 on the covenants. As of December 31, 2017, the total outstanding amount v

In September 2013, Navios Holdings entered into a facility agreeme acquisition of four Panamax vessels, delivered in August and Septen During 2017, Navios Holdings prepaid the indebtedness originally n vessel. In December 2017, Navios Holdings entered into a facility ag balance originally due by September 2018 for three years, to Septem installments of $730, with a final balloon payment of $7,302 payabl financial covenants. In December 2015, one newbuilding Panamax v As of December 31, 2017, the outstanding amount was $18,254.

In January 2016, Navios Holdings entered into a facility agreement finance the acquisition of one newbuilding Panamax vessel and one 255 basis points. The total amount drawn under the facility was $39, by 16 quarterly installments of $369 each, and a final balloon payme quarterly installment of approximately $377, followed by 16 quarter payment day. The loan facility also requires compliance with certain

Alpha Bank A.E.: On November 6, 2014, Navios Holdings entered in order to finance part of the acquisition of a Capesize vessel. The loan the facility is repayable in 20 quarterly installments of $450, with a f requires compliance with certain financial covenants. As of Decemb

On November 3, 2016, Navios Holdings entered into a facility agree one Capesize vessel. The facility bears interest at a rate of LIBOR pl each, followed by 16 quarterly installments of $275 each, with a fina instalment will be due 15 months from the loan drawdown date. The December 31, 2017, the outstanding amount was $16,125.

The facilities are secured by first priority mortgages on certain of Na

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

The credit facilities contain a number of restrictive covenants that lir
incurring or guaranteeing indebtedness; entering into affiliate transac
changing the flag, class, management or ownership of certain Navios
Navios Holdings vessels; selling or changing the ownership of cert
facilities to any general and administrative costs relating to the vesse
ISPS Code and to maintain valid safety management certificates and
compliance with the covenants contained in the indentures governing
be an event of default under the credit facilities if the financial cover
less than 20% of the outstanding share capital of Navios Holdings.

The majority of the Company s senior secured credit facilities requi
covenants, based on either charter-adjusted valuations, or charter-fre
maximum of $30,000, and (iii) net total debt divided by total assets,
to 80%. Certain covenants in our senior secured credit facilities have
the current balance sheet date) and/or amended to include net total d
maximum of 90%.

As of December 31, 2017, the Company was in compliance with all

Navios Acquisition Loan

On November 3, 2017, the Company prepaid in full the outstanding
Acquisition entered into in September 2016. The prepayment amour
Please see also Note 15.

Navios Logistics loans

2022 Logistics Senior Notes

On April 22, 2014, Navios Logistics and its wholly-owned subsidiar
Logistics (the Logistics Co-Issuers) completed the sale of $375,0
Logistics Senior Notes), at a fixed rate of 7.25%. The 2022 Logisti
severally, by all of Navios Logistics direct and indirect subsidiaries
Parana S.A. (Naviera Alto Parana) and Terra Norte Group S.A. (
certain exceptions under the indenture, and Logistics Finance, which
full and unconditional except that the indenture provides for an in
circumstances, such as in connection with a sale or other disposition
of a majority of the capital stock of the subsidiary, if the subsidiary i
liquidation or dissolution of the subsidiary or upon legal or covenant

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

The Logistics Co-Issuers have the option to redeem the 2022 Logisti
2017, at a fixed price of 105.438%, which price declines ratably unti
control events, the holders of the 2022 Logistics Senior Notes will h
2022 Logistics Senior Notes at 101% of their face amount, plus accr

The indenture governing the 2022 Logistics Senior Notes contains c
indebtedness, issuance of certain preferred stock, the payment of div
Navios Logistics in or from any public offering, redemption or repu
certain liens, transfer or sale of assets, entering into transactions with
Logistics properties and assets and creation or designation of restri

The indenture governing the 2022 Logistics Senior Notes include cu
2022 Logistics Senior Notes, a failure to comply with covenants, a f
subsidiaries that, taken together, would constitute a significant subsi
events with respect to us or any significant subsidiary or any group o
subsidiary.

As of December 31, 2017, all subsidiaries, including Logistics Finan
Logistics Finance, Horamar do Brasil, Naviera Alto Parana and Ter

In addition, there are no significant restrictions on (i) the ability of th
2022 Logistics Senior Notes to obtain funds by dividend or loan fro
the issuer (or co-issuer) or any guarantor subsidiaries.

The 2022 Logistics Co-Issuers were in compliance with the covenan

Navios Logistics Notes Payable

In connection with the purchase of mechanical equipment for the ex
unsecured export financing line of credit for a total amount of $41,9
drawings upon the completion of certain milestones (Drawdown E
promissory notes (Navios Logistics Notes Payable). Each drawd
the completion of each Drawdown Event. Together with each Note I
financing line is fully and unconditionally guaranteed by Navios Lo
amount and the outstanding balance of Notes Payable was $31,109.

Navios Logistics BBVA Loan Facility

On December 15, 2016, Navios Logistics entered into a facility with
$25,000, for general corporate purposes. The loan bears interest at a

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

rate of LIBOR (180 days) plus 325 basis points. The loan is repayab assignments of certain receivables. As of December 31, 2017, the ou

Navios Logistics Alpha Bank Loan

On May 18, 2017, Navios Logistics enter into a $14,000 term loan fa Alpha Bank Loan). The Navios Logistics Alpha Bank Loan bears i quarterly installments with a final balloon payment of $7,000 on the was $13,300.

Navios Logistics Term Loan B Faciliy

On November 3, 2017, Navios Logistics and Navios Logistics Finan Loan B Facility (the Term Loan B Facility). The Term Loan B Fa with 1.0% amortization per annum. The Term Loan B Facility is full direct and indirect subsidiaries except for Horamar do Brasil Navega Terra Norte Group S.A. (Terra Norte), which are deemed to be in The subsidiary guarantees are full and unconditional, except that automatically released in certain circumstances. The Term Loan B F cabotage business as well as by assignments of the revenues arising of the Term Loan B Facility were used: (i) to finance a $70,000 divi consolidated financial statements, and $25,323 to its noncontrolling relating to the Term Loan B Facility.

The Term Loan B Facility contains restrictive covenants including re and dispositions. The Term Loan B Facility also provides for custom

As of December 31, 2017, a balance of $100,000 was outstanding un

Navios Logistics was in compliance with the covenants set forth in t

Other indebtedness

In connection with the acquisition of Hidronave S.A. on October 29, Hidronave S.A. in 2001, in order to finance the construction of the p ($321 as of December 31, 2016). The loan facility bears interest at a each and the final repayment must occur prior to August 10, 2021.

During the year ended December 31, 2017, the Company paid $48,6 2017, $7,286 related to prepayments of indebtedness originally

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

maturing the third quarter of 2018, and $15,607 related to the refinar
$17,332, thus achieving a $1,715 benefit to nominal value.

The annual weighted average interest rates of the Company s total b
2016 and 2015, respectively.

The maturity table below reflects the principal payments for the next
Logistics) outstanding as of December 31, 2017, based on the repayr
under the debt securities.

Year
2018
2019
2020
2021
2022
2023 and thereafter
Total

NOTE 11: FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value of financial instruments

The following methods and assumptions were used to estimate the fa

Cash and cash equivalents: The carrying amounts reported in the co
approximate their fair value because of the short maturity of these in

Restricted cash: The carrying amounts reported in the consolidated
the short maturity of these investments.

Borrowings: The book value has been adjusted to reflect the net pre
loans continues to approximate their fair value, excluding the effect
Senior Notes, the 2022 Senior Secured Notes, the Navios Acquisitio
was determined based on quoted market prices.

Capital leases: The capital leases are fixed rate obligations and their

Loan receivable from affiliate companies: The carrying amount of

Loan payable to affiliate company: The carrying amount of the fixe

Long-term receivable from affiliate company: The carrying amount

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

Long-term payable to affiliate companies: The carrying amount of

Investments in available-for-sale securities: The carrying amount o balance sheets represents unrealized gains and losses on these securi other-than-temporary , in which case it is transferred to the consol ***companies:*** The carrying amount of other long-term payables to affi

The estimated fair values of the Company s financial instruments w

Cash and cash equivalents
Restricted cash
Investments in available-for-sale-securities
Loan receivable from affiliate companies
Long-term receivable from affiliate companies
Capital lease obligations, including current portion
Senior and ship mortgage notes, net
Long-term debt, including current portion
Loan payable to affiliate company
Long-term payable to affiliate companies

The following table sets forth our assets that are measured at fair val fair value guidance, assets are categorized in their entirety based on were no assets and/or liabilities measured at fair value on a recurring

Investments in available-for-sale-securities
Total

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

The Company s assets measured at fair value on a non-recurring ba

Vessels, port terminals and other fixed assets, net
The Company recorded an impairment loss of $32,930 during the ye
value to $16,500, as at December 31, 2017.

Investments in affiliates
The Company recorded an OTTI loss of $228,026 on its investments
2016, thus reducing their total carrying value to $148,095 as at Dece

Fair Value Measurements

The estimated fair value of our financial instruments that are not mea
hierarchy, are as follows:

Level I: Inputs are unadjusted, quoted prices for identical assets or li
items does not entail a significant amount of judgment.

Level II: Inputs other than quoted prices included in Level I that are
measurement date.

Level III: Inputs that are unobservable.

Cash and cash equivalents
Restricted cash
Investments in available-for-sale-securities
Loan receivable from affiliate companies(2)
Senior and ship mortgage notes
Long-term debt, including current portion(1)
Long-term payable to affiliate companies(2)

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

Cash and cash equivalents
Restricted cash
Loan receivable from affiliate company(2)
Long-term receivable from affiliate companies (2)
Capital lease obligations, including current portion (1)
Senior and ship mortgage notes
Long-term debt, including current portion(1)
Loan payable to affiliate company(2)
Long-term payable to affiliate companies(2)

(1) The fair value of the Company s long-term debt/ Capital lease
terms, interest rates and remaining maturities, published quote

(2) The fair value of the Company s loan receivable from/ payabl
is estimated based on currently available debt with similar con
counterparty s creditworthiness.

NOTE 12: EMPLOYEE BENEFIT PLANS

Retirement Saving Plan

The Company sponsors an employee saving plan covering all of its e
saving plan during the years ended December 31, 2017, 2016 and 20
discretionary contribution of $22, $0, and $14, respectively.

Defined Benefit Pension Plan

The Company sponsors a legacy unfunded defined benefit pension p
Corporation employees. The liability related to the plan is recognize
accrued expenses and the non-current portion of the liability is inclu

The Greek office employees are protected by the Greek Labor Law.
employees on dismissal, or on leaving with an entitlement to a full s

Stock Plan

The Company has awarded restricted share units, shares of restricted
The restriction lapses in two, three or four equal tranches, over the re

Company has also awarded

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

share appreciation rights and stock options to its officers and directo
requisite service periods of one, two and three years from the grant d

On December 15, 2014, the Company awarded shares of restricted s
options to its officers and directors, which vest all at once upon achi
Company determined that it was probable that the performance crite
$2,615.

During the years ended December 31, 2017, 2016 and 2015, the Con
which vest upon achievement of certain performance conditions.

The fair value of all share appreciation rights awards and stock optio
description of the significant assumptions used to estimate the fair va

Expected term: The Company began granting stock opti
options exercised during each of the years ended Decem
(130,577) was small in relation to the total number of op
December 31, 2017, 2016 and 2015. Therefore, due to li
upon which to estimate expected term, the Company opt
The simplified method used includes taking the average of the we
rights and option awards. The service conditions share appreciation r
respectively, resulting in a weighted average time to vest of approxir
approach formula, the derived expected term estimate for the Compa

Expected volatility: The historical volatility of Navios H
appreciation rights and stock option awards. The final ex
service conditions option awards was 84.71% and 55.17

Expected dividends: The expected dividend is based on t
of our stock.

Risk-free rate: Navios Holdings has selected to employ t
estimated under the simplified method . For the servic
yield-to-maturity rate as of the grant date was 1.81% and

The fair value of restricted share unit, restricted stock and restricted
restricted stock and restricted stock units are not entitled. The expect
stock and restricted stock units grant is $0 for 2017, 2016 and 2015.

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

The weighted average grant date fair value of restricted units and res
$1.27, respectively.

The weighted average grant date fair value of stock options and restr
respectively.

The weighted average grant date fair value of stock options and restr
respectively.

The effect of compensation expense arising from the stock-based arr
ended December 31, 2017, 2016 and 2015, respectively and it was re
comprehensive (loss)/income. The recognized compensation expens
provided by operating activities on the consolidated statements of ca

The summary of stock-based awards is summarized as follows (in th

Options
Outstanding as of December 31, 2014
Vested at December 31, 2014
Exercisable at December 31, 2014
Forfeited or expired
Granted
Outstanding as of December 31, 2015
Vested at December 31, 2015
Exercisable at December 31, 2015
Forfeited or expired
Granted
Outstanding as of December 31, 2016
Vested at December 31, 2016
Exercisable at December 31, 2016
Forfeited or expired

Granted

Outstanding as of December 31, 2017

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

Restricted stock and restricted stock units
Non Vested as of December 31, 2014
Granted
Vested
Forfeited or expired
Non Vested as of December 31, 2015
Granted
Vested
Forfeited or expired
Non Vested as of December 31, 2016
Granted
Vested
Forfeited or expired
Non Vested as of December 31, 2017

The estimated compensation cost relating to service conditions of no
units, restricted stock and restricted stock unit awards, not yet recogn
to be recognized over the weighted average period of 2.93 years.

NOTE 13: COMMITMENTS AND CONTINGENCIES

As of December 31, 2017, the Company was contingently liable for
$590) issued by various banks in favor of various organizations and
component of restricted cash.

In December 2017, the Company agreed to charter-in, under a ten ye
vessel of about 82,000 dwt, expected to be delivered in the fourth qu
deposit for the option to acquire the vessel, of which $2,705 was pai
expenses and interest, is presented under the caption Other long-ter

Navios Logistics has issued a guarantee and indemnity letter that gua
of all its obligations to Vitol S.A. up to $12,000. This guarantee exp

The Company is involved in various disputes and arbitration procee
the financial statements for all such proceedings where the Company
reasonably estimated, based upon facts known on the date the financ
the ultimate resolutions of these matters, in the opinion of managem
adverse effect on the Company s financial position, results of opera

As of December 31, 2017, Navios Logistics had operating lease obli

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

As of December 31, 2017, Navios Logistics had obligations related t
estuary tanker (including supervision costs) and the construction of c
2018.

Navios Logistics had a dispute with Vale regarding the termination c
Navios Logistics has received full security for its claim to date. As o
credit amounting to $2,900 and the total amount was collateralized b
balance sheets as of December 31, 2016. On February 10, 2017, the
Navios Logistics $21,500, compensating for all unpaid invoices, late
in the consolidated statements of comprehensive (loss)/income unde
March 2017, and the collateralized cash amount of $2,900, was relea

On March 30, 2016, Navios Logistics received written notice from V
between CNSA and Vale on September 27, 2013, relating to the iron
proceedings in London on June 10, 2016 pursuant to the dispute reso
arbitration tribunal ruled that the Vale port contract remains in full fo
Logistics may elect to terminate the contract and then would be entit
the remaining period of the contract.

On October 7, 2016, a putative class action complaint was filed agai
Southern District of New York by a purported holder of Series G Am
complaint asserts claims for breach of fiduciary duty and contract. T
declaration regarding certain of the Company s alleged obligations t
rights to non-tendering holders if the exchange offer that commence
November 28, 2016, plaintiff s counsel informed the Court that the
attain the necessary support from the holders of Series G American I
2017, plaintiff s counsel submitted a motion for attorneys fees to v
requested that the Court deny the request for attorneys fees in its en
2017. On September 26, 2017, the Court issued a decision denying p
wishing to restore the case to the Court s active docket do so by Oct
the October 10, 2017 deadline. No appeal of the Court s denial of p
to file an appeal has expired.

On April 1, 2016, Navios Holdings was named as a defendant in a p
Navios Acquisition purportedly on behalf of nominal defendant, Nav
New York, captioned Metropolitan Capital Advisors International L
challenged the March 9, 2016 loan agreement between Navios Holdi
provide a $50,000 credit facility (the Revolver) to Navios Holdin

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

On April 14, 2016, Navios Holdings and Navios Acquisition annour
under the Revolver. In June 2016, the parties reached an agreement r
approved by an order of the Court. The litigation was dismissed upo
inclusion of the order as an attachment to a Navios Acquisition Form
plaintiffs request for attorneys fees and expenses. A copy of the o
Securities and Exchange Commission on June 9, 2016.

The Company, in the normal course of business, entered into contrac

NOTE 14: LEASES

Chartered-in vessels, barges, pushboats and office space:

As of December 31, 2017, the Company s future minimum commit
space were as follows:

2018	
2019	
2020	
2021	
2022	
2023 and thereafter	
Total	

Charter hire expense for Navios Holdings chartered-in vessels amou
2017, 2016 and 2015, respectively. Charter hire expense for logistics
the years ended December 31, 2017, 2016 and 2015, respectively.

Rent expense for office space amounted to $2,648, $2,748, and $2,5
The Company leases office space at 825 3rd Avenue, New York, Ne
office space at 85 Akti Miaouli, Piraeus, Greece, pursuant to one lea
agreement and other lease agreements that expire in 2019. The Com
2018. The Company also leases office space in Antwerp, Belgium pu

Navios Logistics subsidiaries lease various premises in Argentina a
the lease commitments on all offices as disclosed above.

Chartered-out vessels, barges and pushboats:

The future minimum revenue, net of commissions, (i) for dry bulk v
Company s logistics business, expected to be earned on

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

non-cancelable time charters, COA s with minimum guaranteed vol
are as follows:

2018	
2019	
2020	
2021	
2022	
2023 and thereafter	
Total minimum revenue, net of commissions	

Revenues from time charters are not generally received when a vess

Navios Logistics future minimum revenue, as presented in the tabl
the successful completion of the construction of a river and estuary t

NOTE 15: TRANSACTIONS WITH RELATED PARTIES

Office rent: The Company has entered into lease agreements with G
Emerald Ktimatiki-Ikodomiki Touristiki Xenodohiaki Anonimos Ete
Angeliki Frangou, Navios Holdings Chairman and Chief Executive
Greece to house the operations of most of the Company s subsidiari
the lease agreements continue to be effective until either party termi
annual adjustments, which are based on the inflation rate prevailing

Purchase of services: The Company utilizes its affiliate company, A
ended December 31, 2017, 2016 and 2015 were $0, $0 and $6, respe
2016 was an amount due to Acropolis of $76 and $76, respectively.

Vessels charter hire: From 2012, Navios Holdings has entered into
redelivered by April 2016.

In May 2012 and 2013, the Company entered into two charters with
February 11, 2015, the Company and Navios Partners entered into a
Aldebaran and the Navios Prosperity were transferred to Navios Hol

In 2012 and 2013, the Company entered into various charters with N
Hope. In April 2015, these charters were further extended for approx
sharing based on actual earnings at the end of the period.

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

In 2015, the Company entered into various charters with Navios Par
Navios Orbiter, Navios Fantastiks, Navios Alegria, Navios Pollux ar
months, at a net daily rate of $7.6, $12.0, $12.0, $12.0, $12.0, $12.5,
earnings at the end of the period.

In November 2016 the Company entered into a charter with Navios
charter was approximately three months from November 2016, at a r

Total charter hire expense for all vessels for the years ended Decemb
included in the consolidated statements of comprehensive (loss)/inco

Management fees: Navios Holdings provides commercial and techn
daily fee covers all of the vessels operating expenses, including the
February 2015, the Company amended its existing management agre
owned fleet at: (i) $4.0 daily rate per Ultra-Handymax vessel; (ii) $4
daily rate per container vessel of TEU 6,800; (v) $7.2 daily rate per
container vessel of more than TEU 13,000 through December 31, 20
agreement to fix the fees for ship management services of its owned
Panamax vessel; (iii) $5.25 daily rate per Capesize vessel; (iv) $6.7
of more than TEU 8,000; and (vi) $8.75 daily rate per very large con
2017, the Company further amended its existing management agreer
rate per Ultra-Handymax vessel; (ii) $4.3 daily rate per Panamax ves
vessel of TEU 6,800; (v) $7.4 daily rate per container vessel of more
than TEU 13,000 through December 31, 2019. Drydocking expenses

Total management fees for the years ended December 31, 2017, 201
presented net under the caption Direct vessel expenses .

Effective August 31, 2016, Navios Partners could, upon request to N
extraordinary fees and expenses under the management agreement to
such amounts would bear interest at a rate of 1% per annum over LI
to $0 (December 31, 2016: $11,105) and is presented under the capti

Navios Holdings provides commercial and technical management se
covers all of the vessels operating expenses, other than certain fees
consistent with how the initial fixed fees were determined. In May 2
with Navios Acquisition until May 2020 and fixed the fees for ship r

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

Acquisition owned fleet for two additional years through May 2016
LR1 product tanker vessel and reduced the daily rate to $9.5 per VL
Acquisition to fix the fees for ship management services of Navios A
chemical tanker vessel; (ii) $7.15 per LR1 product tanker vessel; and
agreement will be reimbursed at cost at occurrence for all vessels.

Total management fees for the years ended December 31, 2017, 201
presented net under the caption Direct vessel expenses .

Pursuant to a management agreement dated December 13, 2013, Na
Europe I s tanker and container vessels. The term of this agreement
reimbursed at cost at occurrence. Total management fees for the yea
$20,383, respectively, and are presented net under the caption Dire

Pursuant to a management agreement dated November 18, 2014, as
technical management services to Navios Midstream s vessels for a
2018. Drydocking expenses under this agreement will be reimbursed
five years. Total management fees for the years ended December 31
and are presented net under the caption Direct vessel expenses .

Pursuant to a management agreement dated June 5, 2015, Navios Ho
II s dry bulk and container vessels. The term of this agreement is fo
cost at occurrence. Total management fees for the year ended Decen
respectively, and are presented net under the caption Direct vessel

Pursuant to a management agreement dated June 7, 2017, as amende
management services to Navios Containers vessels. The term of thi
period of five years thereafter unless a notice for termination is recei
Holdings is a daily fee of $6.1 per day for 4,250 TEU, 3,450 TEU ar
reimbursed by Navios Containers at cost. Total management fees for
under the caption Direct vessel expenses .

Navios Partners Guarantee: In November 2012 (as amended in M
Navios Partners Guarantee) to provide Navios Partners with guar
been covered by the charter insurance for the same vessels, same per
possible payout of $20,000 by the Company to Navios Partners. Pre
included in the management fee that is paid by Navios Partners to N
Navios Partners has submitted one claim under this agreement to the
claim was estimated at $20,000 and $19,739, respectively and incluc
sheet. The final settlement of the amount due

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

will take place at anytime but in no case later than December 31, 201
During the year ended December 31, 2015, the Company initially re
comprehensive (loss)/income.

General and administrative expenses incurred on behalf of affili
administrative services to Navios Partners. Navios Holdings is reimb
of these services. Navios Holdings extended the duration of its existi
2022, pursuant to its existing terms. Total general and administrative
$7,751 and $6,205, respectively.

Navios Holdings provides administrative services to Navios Acquisi
agreement with Navios Acquisition until May 2020 pursuant to its ex
incurred in connection with the provision of these services. Total ger
2015 amounted to $9,000, $9,427 and $7,608, respectively.

Navios Holdings provides administrative services to Navios Logistic
administrative services agreement with Navios Logistics until Decer
reasonable costs and expenses incurred in connection with the provis
December 31, 2017, 2016 and 2015 amounted to $1,000, $1,000 and
consolidation.

Pursuant to an administrative services agreement dated December 13
tanker and container vessels. The term of this agreement is for a peri
incurred in connection with the provision of these services. Total ger
2015 amounted to $1,187, $1,300 and $800, respectively.

Pursuant to an administrative services agreement dated November 18
The term of this agreement is for a period of five years. Navios Hold
the provision of these services. Total general and administrative fees
$1,500 and $1,014, respectively.

Pursuant to an administrative services agreement dated June 5, 2015
and container vessels. The term of this agreement is for a period of s
in connection with the provision of these services. Total general and
amounted to $1,766, $1,820 and $550, respectively.

Pursuant to the administrative services agreement dated June 7, 2017
Holdings is reimbursed for reasonable costs and expenses incurred in
an initial period of five years with an automatic extension for a perio
Total general and administrative fees attributable to this agreement f

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

Administrative services under these agreements include bookkeepin
clerical services, banking and financial services, advisory services, i

Balance due from/to affiliates (excluding Navios Europe I and N
amounted to $8,315 (December 31, 2016: $8,664), and the Long-ter
Balance due to Navios Acquisition as of December 31, 2017 amoun
Acquisition amounted to $15,236 (December 31, 2016: $6,399). Bal
(December 31, 2016: $4,800), and the Long-term payable to Navios
Containers as of December 31, 2017 amounted to $3,334 (Decembe
$7,965 (December 31, 2016: $0)

The balances mainly consisted of management fees, administrative f
management agreements and other amounts payable to affiliates.

Omnibus agreements: Navios Holdings has entered into an omnibu
with the closing of Navios Partners IPO governing, among other th
well as rights of first offer on certain dry bulk carriers. Pursuant to t
own Panamax or Capesize dry bulk carriers under time charters of th
Partners. In addition, Navios Holdings has agreed to offer to Navios
vessels are fixed under time charters of three or more years.

Navios Holdings entered into an omnibus agreement with Navios A
with the closing of Navios Acquisition s initial vessel acquisition, p
not to acquire, charter-in or own liquid shipment vessels, except for
America, without the consent of an independent committee of Navic
Agreement, agreed to cause its subsidiaries not to acquire, own, ope
Acquisition Omnibus Agreement, Navios Acquisition and its subsid
proposed sale, transfer or other disposition of any of its dry bulk car
Navios Holdings and Navios Partners agreed to grant a similar right
These rights of first offer will not apply to a (i) sale, transfer or othe
of any charter or other agreement with a counterparty, or (ii) merger

Navios Holdings entered into an omnibus agreement with Navios M
Midstream IPO, pursuant to which Navios Acquisition, Navios Hold
acquire or own any VLCCs, crude oil tankers, refined petroleum pro
years without the consent of Navios Midstream. The omnibus agree
Holdings, Navios Partners or any of their controlled affiliates to com

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

Navios Holdings entered into an omnibus agreement with Navios Co which Navios Acquisition, Navios Holdings, Navios Partners, Navio refusal to Navios Containers over any container vessels to be sold or Acquisition, Navios Holdings, Navios Partners and Navios Midstrea specified circumstances.

Midstream General Partner Option Agreement: Navios Holdings Acquisition, which owns and controls Navios Maritime Midstream P to acquire a minimum of 25% of the outstanding membership interes Midstream representing the right to receive an increasing percentage expire on November 18, 2024. The purchase price for the acquisition value. As of December 31, 2017, Navios Holdings had not exercised

Sale of Vessels and Sale of Rights to Navios Partners: Upon the s in earnings only to the extent of the interest in Navios Partners owne ownership interest in Navios Partners (the deferred gain). Subseq vessel. The recognition of the deferred gain is accelerated in the even Partners or (ii) the Company s ownership interest in Navios Partner Partners, a pro rata portion of the deferred gain is released to income December 31, 2017 and 2016, the unamortized deferred gain for all ended December 31, 2017, 2016 and 2015, Navios Holdings recogni net earnings of affiliated companies .

Participation in offerings of affiliates: Refer to Note 8 for Navios February 4, 2015, Navios Holdings entered into a share purchase agr investment in Navios Partners by purchasing common units, and gen Navios Partners following its equity offering in February 2015. In co agreement with Navios Partners pursuant to which Navios Partners p common units. Navios Holdings has entered into additional share pu and March 31, 2017 for the purchase up to a total of 1,313,399 gener

The Navios Acquisition Credit Facilities: On September 19, 2016, Navios Acquisition. This credit facility was secured by all of the Co Navios Logistics, representing a majority of the shares outstanding o November 3, 2017, Navios Holdings prepaid in full the outstanding released.

In 2010, Navios Acquisition entered into a $40,000 credit facility wi for multiple drawings up to a limit of $40,000 and had a margin of

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

LIBOR plus 300 basis points. The final maturity date was January 2, this facility.

The Navios Partners Credit Facility: In May 2015, Navios Partner Partners Credit Facility bears an interest of LIBOR plus 300 bps. Th there was no outstanding amount under this facility. In April 2016, N was fully repaid during April 2016.

Balance due from Navios Europe I: Balance due from Navios Euro which included the net current amount receivable of $4,002 (Decem earned under the Navios Revolving Loans I (as defined in Note 8) an $2,231) related to the accrued interest income earned under the Navi

The Navios Revolving Loans I and the Navios Term Loans I earn in on a quarterly compounding basis and are repaid from free cash flow quarter. There are no covenant requirements or stated maturity dates

As of December 31, 2017 and 2016, the outstanding amount relating $7,125, respectively, under the caption Loan receivable from affilia Loans I was $0.

On March 17, 2017, Navios Holdings transferred to Navios Partners the respective accrued receivable interest), with a total carrying valu 13,076,923 newly issued common units of Navios Partners with a fa transaction). The Company evaluated this transaction in accordance this transaction, the Company recognized a long-term liability of $3 income over the term of the loans until 2023, and is included withi Navios Partners, under certain conditions, to repurchase the loans af balance of the loans. See also Note 8. As of December 31, 2017, the unamortized premium of $10,390.

Balance due from Navios Europe II: Balance due from Navios Eu $10,453), which included the net current payable amount of $1,310 interest income earned under the Navios Revolving Loans II (as defi (December 31, 2016: $2,051) related to the accrued interest income

The Navios Revolving Loans II and the Navios Term Loans II earn i annum, on a quarterly compounding basis and are repaid from free c of each quarter. There are no covenant requirements or stated maturi

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

As of December 31, 2017, the outstanding amount relating to Navios
(December 31, 2016: $11,602), under the caption Loan receivable
Revolving Loans II increased by $14,000. As of December 31, 2017
Navios Holdings may be required to fund an amount ranging from $

NOTE 16: PREFERRED AND COMMON STOCK

Vested, Surrendered and Forfeited

During 2017, 843,332 restricted stock units, issued to the Company

During 2016, 24,970 restricted stock units, issued to the Company s

During 2015, 16,960 restricted stock units, issued to the Company s

During the year ended December 31, 2017 and 2016, 4,232 and 2,90
of employment.

Conversion of Preferred Stock

During the year ended December 31, 2017, 2,436 shares of convertib
shares of convertible preferred stock were converted pursuant to thei
all or any such then-outstanding shares of preferred stock into a num
dividing the amount of the liquidation preference ($10,000 per share
conversion, the Company cancelled the undeclared preferred divider
a fair value of $84 at the date of issuance (See also note 19).

During the year ended December 31, 2016, there were no conversion

Issuance of Cumulative Perpetual Preferred Stock

The Company s 2,000,000 American Depositary Shares, Series G a
value on issuance. Each of the shares represents 1/100th of a share o
($25.00 per American Depositary Share). Dividends are payable qua
a rate of 8.625% per annum of the stated liquidation preference. The

Series G and Series H American Depositary Shares Exchange Offer

On November 8, 2016, the Company announced the completion of t
all outstanding of its Series G and Series H. A total number of 5,449

representing an aggregate book value of $61,078. The Company paic
total of 7,589,176 shares of common stock, with a fair value of $7,89

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

On April 19, 2017, Navios Holdings announced the completion of th
Company s common stock for any and all outstanding American De
360 Series G and 406 Series H shares were validly tendered, represe
for tender offer expenses $571, and issued a total of 625,815 shares
the Company cancelled the undeclared preferred dividend of Series

In February 2016, Navios Holdings announced the suspension of pay
Series H. Total undeclared preferred dividends as of December 31, 2

On July 15, 2017, the Company reached six quarterly dividend paym
dividend rate increased by 0.25%.

Issuances to Employees, Officers and Directors

On December 11, 2017, pursuant to the stock plan approved by the
employees, officers and directors and issued on January 16, 2018.

On December 11, 2015, pursuant to the stock plan approved by the
2,540,000 shares of restricted common stock and 1,000,000 stock op

Acquisition of Treasury Stock

In November 2015, the Board of Directors approved a share repurch
repurchases were made pursuant to a program adopted under Rule 1
under the terms of the Company s credit facilities and indenture. Th
of shares and may be suspended or reinstated at any time in the Com
terms of its Series G and Series H, may not redeem, repurchase or ot
Series H (other than through an offer made to all holders of Series G
payable, have been paid. As of December 31, 2016, 948,584 shares,
until February 2016, 1,147,908 shares were repurchased under this p
suspended by the Company.

Navios Holdings had outstanding as of December 31, 2017 and 2016
preferred stock 46,302 (14,191 Series G, 28,612 Series H and 3,499
and 5,935 shares of convertible preferred stock), respectively.

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

NOTE 17: INTEREST EXPENSE AND FINANCE COST

Interest expense and finance cost consisted of the following:

Interest expense
Amortization and write-off of deferred financing costs
Other
Interest expense and finance cost

NOTE 18: SEGMENT INFORMATION

The Company currently has two reportable segments from which it c
reportable segments reflect the internal organization of the Company
Bulk Vessel Operations consists of the transportation and handling o
FFAs. The Logistics Business consists of operating ports and transfe
transport facilities in the Hidrovia region.

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

The Company measures segment performance based on net income/
and transfers are not significant and have been eliminated and are no
each of the Company s reportable segments is as follows:

Revenue
Administrative fee revenue from affiliates
Interest income
Interest expense and finance cost
Depreciation and amortization
Equity/ (Loss) in net earnings of affiliated companies
Net (loss)/ income attributable to Navios Holdings common stockholders
Total assets
Goodwill
Capital expenditures
Investment in affiliates
Cash and cash equivalents
Restricted cash
Long-term debt, net (including current and noncurrent portion)

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

Revenue
Administrative fee revenue from affiliates
Interest income
Interest expense and finance cost
Depreciation and amortization
Equity/ (Loss) in net earnings of affiliated companies
Net (loss)/ income attributable to Navios Holdings common stockholders
Total assets
Goodwill
Capital expenditures
Investment in affiliates
Cash and cash equivalents
Restricted cash
Long-term debt, net (including current and noncurrent portion)

Revenue
Administrative fee revenue from affiliates
Interest income
Interest expense and finance cost
Depreciation and amortization
Equity in net earnings of affiliated companies
Net (loss)/ income attributable to Navios Holdings common stockholders
Total assets
Goodwill
Capital expenditures

Investment in affiliates
Cash and cash equivalents
Restricted cash
Long-term debt, net (including current and noncurrent portion)

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

The following table sets out the Company s revenue by geographic
affiliates) and Logistics Business revenue are allocated on the basis
worldwide. Logistics business operates different types of tanker vess
between ports in the Paraná, Paraguay and Uruguay River systems ir

Revenues from specific geographic regions which contribute over 10

Revenue by Geographic Region

North America
Europe
Asia
South America
Other
Total

Vessels operate on a worldwide basis and are not restricted to specif
to specific countries. The total net book value of long-lived assets fo
and 2016, respectively. For Logistics Business, all long-lived assets
Logistics Business amounted to $563,887 and $544,065 at Decembe

NOTE 19: LOSS PER COMMON SHARE

Loss per share is calculated by dividing net loss attributable to Navio
Navios Holdings outstanding during the periods presented. Net (loss
adding to (if a discount) or deducting from (if a premium) net (loss)/
between the fair value of the consideration paid upon redemption an
costs of the preferred stock, and the amount of any undeclared divid

For the year ended December 31, 2017, 5,033,156 potential commor
anti-dilutive effect (i.e. those that increase income per share or decre
loss per share.

For the year ended December 31, 2016, 3,411,270 potential commor
anti-dilutive effect (i.e. those that increase income per share or decre
loss per share.

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

For the year ended December 31, 2015, 1,698,569 potential commor anti-dilutive effect (i.e. those that increase income per share or decre loss per share.

Numerator:	
Net loss attributable to Navios Holdings common stockholders	
Declared and undeclared dividend on preferred stock and on unvested restricted shares	
Tender Offer Redemption of preferred stock Series G and H including $972 and $5,063 of undeclared preferred dividend cancelled for the year ended December 31, 2017 and December 31, 2016, respectively	
Loss available to Navios Holdings common stockholders, basic and diluted	
Denominator:	
Denominator for basic and diluted net loss per share attributable to Navios Holdings stockholders adjusted weighted shares	
Basic and diluted net loss per share attributable to Navios Holdings stockholders	

NOTE 20: INCOME TAXES

Marshall Islands, Liberia, Panama and Malta do not impose a tax on and Panama, the countries of incorporation of the Company and its s and tonnage taxes which have been included in direct vessel expense

Certain of the Company s subsidiaries have registered offices in Gr companies are allowed to conduct the specific business activities pro provides that these companies are exempted in Greece from any tax,

In accordance with the currently applicable Greek law, ship owning management companies having established an office/branch in Gree calculated on the basis of the relevant

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

vessel s tonnage. In case that tonnage tax and/or similar taxes/dutie
from the amount of the duty to be paid in Greece by the ship owner.
company against any tax, duty, charge or contribution payable on in

In Belgium, taxation on ocean shipping is based on the tonnage of th

Pursuant to Section 883 of the Internal Revenue Code of the United
generally exempt from U.S. federal income tax if the company that i
requirements set forth in Section 883 of the Code and the U.S. Treas
exemption, each relevant company must be incorporated in a countr
taxes to U.S. corporations. In addition, either (i) the stock of each re
Treasury regulations thereunder as primarily traded and regular
that grants an equivalent exemption or (ii) more than 50% of the
(a) individuals who are residents in countries that grant an equivale
equivalent exemption and that meet the test described in (i) and/o
Treasury regulations thereunder. The management of the Company
exemption under Section 883 of the Code, provided that the Compa
50% of the total combined voting power of all classes of the Compa
than 50% of the Company s common stock is owned, actually or co
days in the relevant year by persons who each own 5% or more of th
that the Company will satisfy these requirements or qualify for this e

The income tax benefit / (expense) reflected in the Company s cons
is mainly attributable to Navios Holdings subsidiaries in South Am
regime.

CNSA is located in a tax free zone and is not liable to income tax. N

Income tax liabilities of the Argentinean companies for the current a
authorities, using a tax rate of 35% on the taxable net income. As a r
the corporate income tax rate will decrease to 30% for the year 2018
tax liability are those that are effective on the close of the fiscal peri
calculate an assets tax, the Minimum Presumed Income Tax). This t
rate of 1% over the gross value of the corporate assets (based on tax
Minimum Presumed Income Tax. However, if the Minimum Presum
computed as a prepayment of any income tax excess over the Minim

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

Under the tax laws of Argentina, the subsidiaries of the Company in
on the jurisdiction where revenues are earned for tax purposes. Aver
for both 2016 and 2015, respectively). As a result of the tax reform v
of January 2018, from 5.0% to 3.0%.

There are two possible options to determine the income tax liability
current and prior periods are measured at the amount expected to be
and loss. 50% of revenues derived from international freights are cor
Argentina, Bolivia, Brazil or Uruguay. Alternatively, only 30% of re
Companies whose operations are considered international freights ca
such revenues, without considering any other kind of adjustments. F

The corporate income tax rate in Brazil and Paraguay is 34% and 10

The Company s deferred taxes as of December 31, 2017 and 2016,
connection with Navios Logistics.

As of January 1, 2007, the Company adopted the provisions of FASI
application of a more likely than not threshold to the recognition anc
recognize the amount of tax benefit that has a greater that 50% likeli
in judgment related to the expected ultimate resolution of uncertain t
tax years are 2014 and onwards. Argentinean companies have open t
have open tax years ranging from 2011 and onwards. In relation to tl
positions.

NOTE 21: OTHER INCOME OTHER EXPENSE

During the years ended December 31, 2017, 2016 and 2015, taxes ot
$11,976, respectively, and were included in the statements of compr

In March 2016, the Company agreed with a charterer for the early re
outstanding claims payable to the charterer amounting to $1,871. Th
(loss)/income within the caption Other income .

NOTE 22: SUBSEQUENT EVENTS

a) In January 2018, Navios Holdings agreed to charter-in, u
newbuilding bulk carriers of about 82,000 dwt per vesse

2020 respectively. Navios Holdings has agreed to pay in
which $5,570 was paid upon signing of the contracts. Th

Table of Contents

NAVIOS MA

NOTES TO THE CONSO

(Expressed in thousar

b) In February 2018, Navios Holdings acquired from an un
2000 built, 171,191 dwt vessel, for a total acquisition pr

c) On February 21, 2018, Navios Partners announced that i
$5,000 of common units to Navios Holdings, at $1.90 pe
partnership interest. Following the closing of this offerin
general partnership interest.

d) In March 2018, Navios Holdings completed the sale to a
total net sale price of $7,682 paid in cash. The impairme

d) On March 13, 2018, Navios Containers announced that i
price of $5.50 per common share. Navios Holdings inve
share capital of Navios Containers. In addition, Navios I
equity.

Table of Contents

Table of Contents

U

SECURITIES AN

Was

REPORT OF F

PURSUANT T

OF THE SECURIT

Dated

Commis

NAVIOS MA

7 Avenue de G

Monte C

(Address of

Indicate by check mark whether the registrant files or will file annua

Form 2(

Indicate by check mark if the registrant is submitting the Form 6-K i

Indicate by check mark if the registrant is submitting the Form 6-K i

Table of Contents

The information contained in this Report is incorporated by referenc
and 333-222002, and the related prospectuses.

Operating and Financial Review and Prospects

The following is a discussion of the financial condition and results o
for the three and nine month periods ended September 30, 2018 and
Generally Accepted Accounting Principles in the United States of A
financial statements and the accompanying notes included in Navios
filed with the Securities and Exchange Commission (SEC) and th
elsewhere in this report.

This report contains forward-looking statements within the meaning
than statements of historical fact, including statements regarding bus
should be considered forward-looking. These forward looking staten
that could cause actual results to differ materially include, but are no
commodities and continuing issues related to seaborne volume and t
maximize the use of our vessels, expected demand in the dry cargo s
Handymax vessels in particular, fluctuations in charter rates for dry
costs, the loss of any customer or charter or vessel, the financial con
conditions in the bank market, capital markets and other factors, inc
provisions, port expenses, lube oil, bunkers, repairs, maintenance, a
comply with, governmental regulations and maritime self-regulatory
applicable to our business, general domestic and international politic
the value of our publicly traded subsidiaries, our ability to effectuate
Stock Exchange minimum share price requirements and risks associ
actual results to differ from our current expectations and observation
in Navios Holdings Annual Report on Form 20-F for the year ende
as of the date of this document. The Company undertakes no obligat
of new information, future events or otherwise.

Rec

Fleet Update

Navios Holdings agreed to charter-in, under one ten-year bareboat c
dwt, expected to be delivered in the second quarter of 2020. Navios
option to acquire this vessel, of which $2.9 million was paid upon si

In November 2018, Navios Primavera, a 2007-built, 53,464 dwt ves
exercised the option to acquire the above chartered-in vessel, for a p
the vessel.

Table of Contents

In November 2018, Navios Holdings agreed to sell to an unrelated th
total net sale price of $7.0 million to be paid in cash, with delivery e
approximately $5.4 million.

Navios South American Logistics Inc. (Navios Logistics   )

On November 12, 2018, Navios Logistics acquired approximately 3.
consideration of $1.1 million. Navios Logistics plans to develop this

*Navios Maritime Acquisition Corporation (Navios Acquisition   )
Midstream   )*

On October 8, 2018 Navios Midstream and Navios Acquisition anno
Acquisition will acquire all of the publicly held units of Navios Mid

The conflicts committee of the board of directors of Navios Midstrea
unitholders. The transaction was unanimously approved by the Conf
directors of Navios Acquisition.

The approval and adoption of the merger agreement and the merger
units. Navios Acquisition owns a sufficient number of Navios Midst
unitholders and has agreed to consent to the merger. The closing of t
registration statement on Form F-4 filed with the SEC on October 30
unitholders.

Navios Acquisition   Reverse stock split

On November 9, 2018 Navios Acquisition announced that a one-for-
stockholders at a special meeting. The reverse stock split was effecte
on a split-adjusted basis on the NYSE, under the same ticker symbol

Navios Maritime Containers Inc. (Navios Containers   )

Navios Maritime Partners L.P. (Navios Partners   ) announced a dis
unitholders of Navios Partners in connection with the proposed listin
statement on Form F-1, filed with the SEC. Following the distributio
Containers. The record date for the unitholders entitled to the distrib
December 3, 2018.

On November 30, 2018, Navios Containers will be converted into a
GP LLC, a Marshall Islands limited liability company and wholly-ow
partner and will hold a non-economic interest that will not provide th

Listing Developments

On April 18, 2018, Navios Holdings received notice from the New Y
NYSE   s continued listing standards because the average closing

Table of Contents

price of its common stock was less than $1.00 over a consecutive 30
standards, Navios Holdings Board of Directors has approved a one
holders of a majority of the Company s issued and outstanding com
not approve the reverse stock split at our annual meeting, our comm
significant negative effect on the value and liquidity of our common
securities regulations, and could adversely affect our ability to raise

General

Navios Holdings is a global, vertically integrated seaborne shipping
commodities, including iron ore, coal and grain. Navios Holdings te
Navios Partners fleet, Navios Midstream s fleet, Navios Europe In
Navios Containers fleet, and commercially manages its chartered-i
oversee every step of ship management, including the shipping oper
repairs and drydocking.

Navios Logistics

Navios Logistics, a consolidated subsidiary of the Company, is one
on the Hidrovia river system, the main navigable river system in the
Logistics is focused on providing its customers integrated transporta
of dry and liquid cargo barges and its product tankers. Navios Logis
mineral and grain commodity providers as well as users of refined p
Navios Logistics.

Affiliates (not consolidated under Navios Holdings)

Navios Partners (NYSE:NMM) is an international owner and operat
range of dry cargo commodities including iron ore, coal, grain, fertil
On February 21, 2018, Navios Partners closed an offering of 18,422
Navios Holdings, at $1.90 per common unit. In addition, Navios Ho
closing of that offering and as of September 30, 2018, Navios Holdi
interest.

Navios Acquisition (NYSE: NNA), an affiliate (former subsidiary)
transportation of petroleum products (clean and dirty) and bulk liqui
authorized a stock repurchase program for up to $25.0 million of Na
from time to time for cash in open market transactions at prevailing
Navios Acquisition has repurchased 8,055,074 shares of common st
as of September 30, 2018, Navios Holdings ownership of the outst
48.6 %.

Table of Contents

Navios Midstream (NYSE: NAP) is a publicly traded master limited
employment contracts. Currently, Navios Holdings owns no direct e

Navios Europe I is engaged in the marine transportation industry thr
Navios Acquisition and Navios Partners have voting interests of 50%
respectively, in Navios Europe I.

Navios Europe II is engaged in the marine transportation industry th
Holdings, Navios Acquisition and Navios Partners have voting inter
interests, respectively, in Navios Europe II.

Navios Containers is a growth vehicle dedicated to the container sec
private placement and Navios Holdings invested $5.0 million. Navio
(N-OTC) on June 12, 2017 under the ticker NMCI . On August 29
placements. On March 13, 2018, Navios Containers closed an additi
September 30, 2018, Navios Holdings owned 3.1% of Navios Conta
Containers.

Fleet

The following is the current Navios Holdings core fleet employ
totaling 7.1 million deadweight tons and has an average age of 8.0 y
November 16, 2018, is reflected in the tables below. Navios Holding
2018, out of which 73.6% is on fixed rate and 22.1% is on index or
on contractual charter rates, any contract is subject to performance b
depending on the vessels off-hire days to perform periodic mainten

Owned Fleet. Navios Holdings owns a fleet comprised of 13 Capesi
vessel.

Vessels	**Type**
Navios Serenity	Handysize
Navios Vector	Ultra Handymax
Navios Meridian	Ultra Handymax
Navios Mercator	Ultra Handymax
Navios Arc	Ultra Handymax
Navios Hios	Ultra Handymax
Navios Kypros	Ultra Handymax
Navios Astra	Ultra Handymax
Navios Primavera	Ultra Handymax

Navios Ulysses	Ultra Handymax

Table of Contents

Vessels	Type
Navios Celestial	Ultra Handymax
Navios Vega	Ultra Handymax
Navios Magellan (i)	Panamax
Navios Star	Panamax
Navios Northern Star	Panamax
Navios Amitie	Panamax
Navios Taurus	Panamax
Navios Asteriks	Panamax
N Amalthia	Panamax
Navios Galileo	Panamax

N Bonanza	Panamax
Navios Avior	Panamax

Table of Contents

Vessels	Type
Navios Centaurus	Panamax
Navios Equator Prosper	Capesize
Navios Stellar	Capesize
Navios Bonavis	Capesize
Navios Happiness	Capesize
Navios Phoenix	Capesize
Navios Lumen	Capesize
Navios Antares	Capesize
Navios Etoile	Capesize
Navios Bonheur	Capesize
Navios Altamira	Capesize
Navios Azimuth	Capesize
Navios Ray	Capesize
Navios Gem	Capesize

(i) Agreed to be sold.

Long-Term Fleet. In addition to the 36 owned vessels, Navios Hold
Handysize vessels under long-term charter-in contracts, which have
active long-term charter-in vessels (excluding vessels which are utili

Table of Contents

three months of 2018 is $12,887. We estimate the days of the long-t
remaining three months of 2018 are 2,275 days.

Long-term Chartered-in Vessels

Vessels	T
Navios Lyra	Handys
Mercury Ocean	Ultra H
Kouju Lily	Ultra H
Navios Oriana	Ultra H
Navios Mercury	Ultra H
Navios Venus	Ultra H
Osmarine	Panama
Navios Aldebaran	Panama
KM Imabari	Panama
Navios Marco Polo	Panama
Navios Southern Star	Panama
Sea Victory	Panama
Elsa S	Panama
Navios Amber	Panama
Navios Sky	Panama
Navios Coral	Panama
Navios Citrine	Panama
Navios Dolphin	Panama
Mont Blanc Hawk	Panama

Cassiopeia Ocean	Panama
Navios Gemini	Panama
Pacific Explorer	Capesiz
King Ore	Capesiz
Navios Koyo	Capesiz
Navios Obeliks	Capesiz
Dream Canary	Capesiz

Table of Contents

Vessels	T
Dream Coral	Cap
Navios Felix	Cap

Long term Chartered-in Fleet to be delivered

Vessels
Navios Horizon I

Long-term Bareboat Chartered-in Fleet to be delivered

Vessels
TBN Navios Herakles I [20]
TBN Navios Felicity I [20]
TBN [20]
TBN [20]
TBN [20]

(1) Daily rate net of commissions.
(2) Expected redelivery basis midpoint of full redelivery period.
(3) Generally, Navios Holdings may exercise its purchase option a
(4) Navios Holdings holds the initial 50% purchase option on the
(5) 112% of average Baltic Supramax 58 10TC Index Routes.
(6) 110% of average Baltic Supramax 58 10TC Index Routes.
(7) 110-112% of average Baltic Supramax 58 10TC Index Routes
(8) 112% of average Baltic Panamax 4TC Index Routes.
(9) 133.75% of average Baltic Panamax 4TC Index Routes.
(10) 114% of average Baltic Panamax 4TC Index Routes less $2,48
(11) 112% of average Baltic Panamax 4TC Index Routes.
(12) 115% of average Baltic Panamax 4TC Index Routes.
(13) 120% of average Baltic Panamax 4TC Index Routes, less adju
(14) 113% of average Baltic Panamax 4TC Index Routes.
(15) 120% of average Baltic Panamax 4TC Index Routes.
(16) 103% of average Baltic Capesize 5TC Index Routes.
(17) 112% of average Baltic Capesize 5TC Index Routes.
(18) 120% of average Baltic Capesize 5TC Index Routes.
(19) Navios has the right of first refusal and profit sharing on sale o
(20) TBN: To be named identifies a vessel that has not yet been

Many of Navios Holdings current long-term chartered-in vessels ar relationships. Navios Holdings pays these ship owners daily rates of

Navios Holdings a daily rate of hire. Navios Holdings also enters int
for industrial customers, who export or import dry bulk cargoes. Fur
Holdings is paid a rate per ton to carry a specified cargo from point

Table of Contents

Short-Term Fleet. Navios Holdings short-term fleet is comprised c than 12 months. The number of short-term vessels varies from time t

Charter Policy and Industry Outlook

Navios Holdings policy has been to take a portfolio approach to ma many of the vessels that it is operating (i.e., vessels owned by Navio a duration of more than 12 months) for long-term periods to various appropriate credit profiles. By doing this, Navios Holdings aims to lo flows, which it believes will cushion it against unfavorable market c trades additional vessels taken in on shorter term charters of less tha

Generally, this chartering policy may have the effect of generating T daily charter-in vessel cost for the Navios Holdings long-term charte was $12,690 per day for the nine month period ended September 30, (a) multiplying (i) the daily charter-in rate for each vessel by (ii) the individual multiplications; and (c) dividing such total by the total nu ability to increase its owned fleet through purchase options exercisal Holdings holds 24 purchase options, including the purchase options

Navios Holdings believes that a decrease in global commodity dema world fleet, could have an adverse impact on future revenue and pro its owned vessels and long-term chartered-in fleet will continue to h environment also has an adverse impact on the value of Navios Hold can also be negatively impacted.

Navios Logistics owns and operates vessels, barges and pushboats lo facility in Uruguay, and an upriver liquid port facility located in Para American grain production and export, in particular Argentinean, Br American iron ore production and export, mainly from Brazil; and (i Paraguayan markets. Navios Holdings believes that the continuing d increase revenues at Navios Logistics. Should this development be d the demand for grain or iron ore, the operations in Navios Logistics

Factors Affecting Navios Holdings Results of Operations

Navios Holdings believes the principal factors that will affect its futu conditions that affect the shipping industry generally and that affect read Risk Factors included in Navios Holdings Annual Report o discussion of certain risks inherent in its business.

Navios Holdings actively manages the risk in its operations by: (i) o standards of safety and technical ship management; (ii) enhancing

Table of Contents

vessel utilization and profitability through an appropriate mix of lon
employment) and COAs; (iii) monitoring the financial impact of cor
and counterparty credit risk limits; (v) adhering to risk management
approvals.

Navios Holdings believes that important measures for analyzing tren

Market Exposure: Navios Holdings manages the size an
in order to adjust to anticipated changes in market rates.
and long and short-term chartered-in vessels and control
extend the charter duration of vessels it has under long-t
chartered vessels permit Navios Holdings to adjust the c

Available days: Available days are the total number of d
vessel is off-hire due to scheduled repairs or repairs und
voyages. The shipping industry uses available days to m
generating revenues.

Operating days: Operating days are the number of avail
due to any reason, including lack of demand or unforese
aggregate number of days in a period during which vess

Fleet utilization: Fleet utilization is obtained by dividin
during the period. The shipping industry uses fleet utiliz
vessels and minimizing the amount of days that its vesse
vessel upgrades, special surveys or vessel positioning.

TCE rates: TCE rates are defined as voyage and time ch
available days during the period. The TCE rate is a stan
earnings generated by vessels on time charters with dail
vessels on voyage charters are generally not expressed i
expressed in such amounts.

Equivalent vessels: Equivalent vessels are defined as the
period.

Voyage and Time Charter

Revenues are driven primarily by the number and type of vessels in
daily charter hire rates that the vessels earn under charters, which, in

the duration of the charters;

the level of spot market rates at the time of charters;

decisions relating to vessel acquisitions and disposals;

the amount of time spent positioning vessels;

Table of Contents

the amount of time that vessels spend in drydock underg

the age, condition and specifications of the vessels; and

the aggregate level of supply and demand in the dry bull
Time charters are available for varying periods, ranging from a singl
charter, owners assume no risk for finding business and obtaining an
general, a long-term time charter assures the vessel owner of a consi
greater spot market opportunity, which may result in high rates when
Vessel charter rates are affected by world economics, international e
and many other factors that might be beyond the control of managem

Consistent with industry practice, Navios Holdings uses TCE rates a
equating revenue generated from a voyage charter to time charter rev

TCE rate also serves as an industry standard for measuring revenue a

The cost to maintain and operate a vessel increases with the age of th
upgrades from time to time to comply with new regulations. The ave
ages or if Navios Holdings expands its fleet by acquiring previously
assuming all else, including rates, remains constant, vessel profitabil

Statement of Operations Breakdown by Segment

Navios Holdings reports financial information and evaluates its oper
customers or type of charter. Navios Holdings does not use discrete r
Although revenue can be identified for each type of charter, manage
charter-by-charter or type of charter basis. The reportable segments r
offer different products and services. The Company currently has tw
The Dry Bulk Vessel Operations segment consists of the transportati
vessels, freight, and FFAs. The Logistics Business segment consists
region of South America. Navios Holdings measures segment perfor

For further segment information, please see Note 11 to the Condense

Table of Contents

Period over Period Comparisons

For the Three Month Period Ended September 30, 2018 Compar

The following table presents consolidated revenue and expense infor
respectively. This information was derived from the unaudited cond
for the respective periods.

(in thousands of U.S. dollars)
Revenue
Administrative fee revenue from affiliates
Time charter, voyage and logistics business expen
Direct vessel expenses
General and administrative expenses incurred on b affiliates
General and administrative expenses
Depreciation and amortization
Interest expense and finance cost, net
Impairment loss on sale of vessels
Gain on bond extinguishment
Other expense, net
Loss before equity in net earnings of affiliated c
Equity in net earnings/(loss) of affiliated compani
Income/(loss) before taxes
Income tax benefit/(expense)
Net income/(loss)
Less: Net income attributable to the noncontrollin
Net loss attributable to Navios Holdings comm stockholders

Set forth below are selected historical and statistical data for the dry
September 30, 2018 and 2017 that the Company believes may be us
operations.

FLEET DATA
Available days
Operating days
Fleet utilization
Equivalent vessels
AVERAGE DAILY RESULTS
Time Charter Equivalents

Table of Contents

During the three month period ended September 30, 2018, there wer
increase in available days of 179 days in long-term charter-in fleet a
by 98 days following the sale of Navios Mars, Navios Sphera, Navio

The average TCE rate for the three months ended September 30, 201
achieved in the same period during 2017. This was due primarily to

Revenue: Revenue from dry bulk vessel operations for the three mo
the same period in 2017. The increase in dry bulk revenue was main
third quarter of 2018 as compared to $9,481 per day in the same peri

Revenue from the logistics business was $55.9 million for the three
period in 2017. The decrease was mainly attributable to (i) a $3.7 mi
days; (ii) a $2.8 million decrease in sales of products mainly due to a
$1.9 million decrease in revenue from the barge business mainly rel
$4.7 million increase in revenue from the port terminal business mai

Administrative Service fee from Affiliates: Administrative fee reve
month period ended September 30, 2018, as compared to $6.3 millio
discussion below.

Time Charter, Voyage and Logistics Business Expenses: Time cha
$50.0 million for the three month period ended September 30, 2018,
2017.

The time charter and voyage expenses from dry bulk operations dec
September 30, 2018, as compared to $38.4 million for the three mon
decrease in off hire and fuel expenses by $2.8 million; and (ii) a dec
by (i) an increase in charter-in expenses by $1.7 million; and (ii) an

Of the total amounts of time charter, voyages and logistics business
$13.9 million and $18.4 million, respectively, were related to Navio
related to Navios Logistics was mainly attributable to (i) a decrease
terminal; (ii) a decrease in time charter and voyage expenses of the b
business; and (iv) a decrease in cost of products sold mainly due to t

Direct Vessel Expenses: Direct vessel expenses decreased by $3.7 m
2018, as compared to $28.7 million for the three month period ende
and engine stores, lubricating oils, insurance premiums and costs for

Direct vessel expenses from dry bulk operations increased by $0.7 m
2018, as compared to $10.4 million for the three month period ende

Table of Contents

September 30, 2017. This increase was mainly attributable to (i) an i
increase in lubricants and chemicals expenses; partially mitigated by
Navios Horizon; and (ii) a decrease in sundry general expenses.

Of the total amounts of direct vessel expenses for the three month pe
respectively, related to Navios Logistics. The decrease of $4.5 millio
(i) a $3.3 million decrease in cabotage business, mainly due to fewer
business mainly due to decreased crew costs.

General and Administrative Expenses Incurred on Behalf of Affili
by $1.1 million, or 17.1%, to $7.4 million for the three month period
2017. See the General and Administrative Expenses discussion belo

General and Administrative Expenses: General and administrative

(in thousands of U.S. dollars)
Administrative fee revenue from affiliates
General and administrative expenses incurred on b affiliates
General and administrative expenses

(in thousands of U.S. dollars)
Dry Bulk Vessel Operations
Logistics Business
General and administrative expenses

The decrease in general and administrative expenses by $0.2 million
compared to $6.7 million for the three month period ended Septembe
logistics business. This decrease was partially mitigated by (i) a $0.3
in other administrative expenses.

Depreciation and Amortization: For the three month period ended S
$24.6 million as compared to $26.2 million for the three month perio

Depreciation expenses related to dry bulk vessel operations decrease
September 30, 2018, as compared to $18.2 million for the three mon
of Navios Mars, Navios Sphera, Navios Achilles, Navios Herakles a

2017 for one of the Company s vessels; partially mitigated by the ac
operations decreased by $0.1 million, or 12.5%, to

Table of Contents

$0.7 million for the three month period ended September 30, 2018, a

Of the total amount of depreciation and amortization for the three m
respectively, related to Navios Logistics. The increase of $0.1 millio
$0.1 million increase in the port terminal business.

Interest Expense and Finance Cost, Net: Interest expense and finan
$3.9 million, or 13.5%, to $32.7 million, as compared to $28.8 milli

This increase was mainly due to (i) a $1.7 million increase in interes
increase in interest expense and finance costs related to 2022 Senior
Acquisition Loan, 2019 Notes (as defined herein) and one DVB Loa
increase in interest expenses and finance cost, net of logistics busine
quarter of 2017. This overall increase was partially mitigated by a $0
to higher interest income from loans provided to Navios Europe I an
2017 of Navios Holdings participation in the Navios Revolving Lo

Impairment loss on sale of vessels: During the three month period e
$2.8 million relating to the sale of Navios Mars and Navios Sphera.

Gain on bond extinguishment: During the three month period ende
(as defined herein) for a cash consideration of $28.8 million resultin

Other Expense, Net: Other expense, net remained flat at $1.9 millio
2017. Other expense, net of dry bulk vessels operations has increase
logistics business.

The increase in other expense, net of dry bulk vessels operations wa
(ii) a $0.3 million increase in miscellaneous voyage expenses; and (i
increase was partially mitigated by a $0.7 million decrease in loss fr

The decrease in other expense, net of the logistics business was mai
expense, net in the cabotage business and a decrease in other expens

Equity in Net (losses)/Earnings of Affiliated Companies: Equity in
for the three month period ended September 30, 2018, as compared t
decrease in equity method income. This decrease in equity method in
Navios Acquisition, partially mitigated by (i) a $1.5 million increase
equity method income from Navios Europe II; and (iii) a $0.2 millio

Income Tax Benefit: Income tax benefit increased by $0.3 million t
to $0.1 million for the same period in 2017. The total change in

Table of Contents

income tax was attributable to Navios Logistics and was due to a dec
benefit in the barge business.

Net Income Attributable to the Noncontrolling Interest: Net incom
$2.4 million for the three month period ended September 30, 2018, a
attributable to the increase in net income of the logistics business for
in 2017.

For the Nine Month Period Ended September 30, 2018 Compare

The following table presents consolidated revenue and expense infor
information was derived from the unaudited condensed consolidated

(in thousands of U.S. dollars)
Revenue
Administrative fee revenue from affiliates
Time charter, voyage and logistics business expen
Direct vessel expenses
General and administrative expenses incurred on behalf of affiliates
General and administrative expenses
Depreciation and amortization
Interest expense and finance cost, net
Impairment loss on sale of vessels
Gain on bond and debt extinguishment
Other expense, net
Loss before equity in net earnings of affiliated companies
Equity in net (losses)/earnings of affiliated companies
Loss before taxes
Income tax benefit
Net loss
Less: Net income attributable to the noncontrollin interest
Net loss attributable to Navios Holdings comm stockholders

Table of Contents

Set forth below are selected historical and statistical data for the Dry
September 30, 2018 and 2017 that the Company believes may be use
operations.

FLEET DATA
Available days
Operating days
Fleet utilization
Equivalent vessels
AVERAGE DAILY RESULTS
Time Charter Equivalents

During the nine month period ended September 30, 2018, there were
decrease in available days for owned vessels by 610 days following
Horizon and Navios Ionian; and (ii) a decrease in short-term charter-
an increase in long-term charter-in fleet available days by 325 days.

The average TCE rate for the nine month period ended September 3
same period in 2017, mainly due to the improved freight market and

Revenue: Revenue from dry bulk vessel operations for the nine mon
for the same period in 2017. The increase in dry bulk revenue was m
the nine month period ended September 30, 2018, as compared to $8

Revenue from the logistics business was $168.3 million for the nine
period in 2017. The increase was mainly attributable to a $21.7 milli
commencement of operations at the new iron ore terminal. The over
the barge business mainly related to liquid cargo transportation; (ii)
operating days and lower rates; and (iii) a $1.9 million decrease in sa
products sold.

Administrative Fee Revenue From Affiliates: Administrative fee re
nine month period ended September 30, 2018, as compared to $16.9
discussion below.

Time Charter, Voyage and Logistics Business Expenses: Time cha
$155.4 million for the nine month period ended September 30, 2018
2017.

The time charter and voyage expenses from dry bulk operations dec
September 30, 2018, as compared to $111.2 million for the nine mon
decrease in off hire and fuel expenses by $5.8 million; and (ii) a dec
increase in charter-in expenses by $3.7 million.

Table of Contents

Of the total amounts of time charter, voyage and logistics business e
$47.9 million and $50.5 million, respectively, were related to Navios
was mainly due to (i) a decrease in time charter and voyage expense
$1.1 million mainly attributable to the decrease in the Paraguayan lic
voyage expenses of the cabotage business by$0.6 million. The overa
attributable to the commencement of operations at the new iron ore t

Direct Vessel Expenses: Direct vessel expenses decreased by $16.7
2018, as compared to $90.5 million for the same period in 2017. Dir
lubricating oils, insurance premiums and costs for maintenance and r

Direct vessel expenses from dry bulk operations decreased by $5.0 m
2018, as compared to $35.5 million for the nine month period ended
Mars, Navios Sphera, Navios Achilles, Navios Herakles, Navios Ho
sundry general expenses; and (iv) a decrease in insurance costs.

Of the total amounts of direct vessel expenses for the nine month per
respectively, related to Navios Logistics. The decrease of $11.7 mill
(i) a $8.4 million decrease in cabotage business, mainly due to fewer
business mainly due to decreased crew costs.

General and Administrative Expenses Incurred on Behalf of Affili
by $4.6 million, or 27.2%, to $21.5 million for the nine month perio
2017. See the General and Administrative Expenses discussion belo

General and Administrative Expenses: General and administrative

(in thousands of U.S. dollars)
Administrative fee revenue from affiliates
General and administrative expenses incurred on b affiliates
General and administrative expenses

(in thousands of U.S. dollars)
Dry Bulk Vessel Operations
Logistics Business
General and administrative expenses

The increase in general and administrative expenses by $2.6 million
as compared to $19.2 million for the nine month period ended

Table of Contents

September 30, 2017, was mainly attributable to (i) a $2.3 million inc
administrative expenses; and (iii) a $0.1 million increase in professio
$0.4 million decrease attributable to the logistics business.

Depreciation and Amortization: For the nine month period ended Se
3.5%, to $75.2 million, as compared to $77.9 million for the same pe

Depreciation expenses related to dry bulk operations decreased by $4
September 30, 2018, as compared to $55.7 million for the nine mont
of Navios Mars, Navios Sphera, Navios Achilles, Navios Herakles a
the fourth quarter of 2017 for one of the Company s vessels; partial
related to dry bulk operations decreased by $0.5 million, or 19.2%, t
$2.6 million for the nine month period ended September 30, 2017.

Of the total amount of depreciation and amortization for the nine mo
respectively, related to Navios Logistics. The increase of $2.0 millio
$2.3 million increase in the port terminal business mainly due to the
was partially mitigated by (i) a $0.2 million decrease in the cabotage

Interest Expense and Finance Cost, Net: Interest expense and finan
$14.0 million, or 16.7%, to $97.8 million, as compared to $83.8 mill
increase in interest expenses and finance cost, net of logistics busine
quarter of 2017 and reduced capitalized interest following the compl
mainly attributable to increase in interest expense and finance costs r
repayment of the Navios Acquisition Loan, 2019 Notes (as defined h
herein) . This overall increase was partially mitigated by a $1.1 milli
higher interest income from loans provided to Navios Europe I and N
2017 of Navios Holdings participation in the Navios Revolving Lo

Impairment loss on sale of vessels: During the nine month period en
$6.7 million relating to the sale of Navios Herakles; (ii) an impairme
impairment loss of $2.8 million relating to the sale of Navios Mars a
Company recognized (i) an impairment loss of $9.1 million relating
impairment loss of $5.1 million relating to the sale of Navios Horizo

Gain on bond and debt extinguishment: During the nine month per
Notes (as defined herein) for a cash consideration of $28.8 million re
written-off. During the nine month period ended September 30, 2017
nominal value of $1.7 million was achieved.

Table of Contents

Other Expense, Net: Other expense, net increased by $4.1 million, o
2018, as compared to $4.8 million of expense for the same period in
the logistics business; and (ii) a $1.3 million increase in other expens

The increase in other expense, net of dry bulk vessels operations was
(ii) a $0.3 million decrease in recovery for losses on accounts receiv
was partially mitigated by (i) a $1.5 million decrease in loss from fo
voyage expenses.

The increase in other expense, net by $2.8 million related to the logi
business, a decrease in gain on sale of assets, a decrease in other exp
terminal business.

Equity in Net (Losses)/ Earnings of Affiliated Companies: Equity i
loss for the nine month period ended September 30, 2018, as compar
in equity method income. The $15.9 million decrease in equity meth
from Navios Acquisition; and (ii) a $0.1 million decrease in equity m
equity method income from Navios Partners; (ii) a $0.9 million incre
(iii) a $0.3 million increase in equity method income from Navios C

Income Tax Benefit: Income tax benefit for the nine month period e
month period ended September 30, 2018, as compared to a $0.6 mill
attributable to Navios Logistics due to (i) a decrease in income tax e
barge business.

Net Income Attributable to the Noncontrolling Interest: Net incom
$3.5 million for the nine month period ended September 30, 2018, as
attributable to the increase in net income of the logistics business for
in 2017.

Non-Guarantor Subsidiaries

Our non-guarantor subsidiaries accounted for $168.3 million, or 43.
periods ended September 30, 2018, respectively, $5.9 million net inc
loss for the nine and three month periods ended September 30, 2018
EBITDA for the nine and three month periods ended September 30,
or 30.0%, of our total liabilities, in each case, for the nine month per
for $162.8 million, or 48.7% and $59.6 million, or 49.4%, of our rev
$2.2 million net income and $1.3 million net income of our $114.3 m
ended September 30, 2017, respectively and $46.5 million, or 76.1%
month periods ended September 30, 2017, respectively. Our non-gua
$588.5 million, or 29.2%, of our total liabilities, in each case, as of D

Table of Contents

Liquidity and Capital Resources

Navios Holdings has historically financed its capital requirements w
borrowings under bank credit facilities. Main uses of funds have bee
upgrades at the port terminals, expenditures incurred in connection v
standards, repayments and/or prepayments of debt and payments of d
debt and equity instruments, including limitations on dividends and r
financing needs, use funds to refinance or repurchase its debt and/or
otherwise, in compliance with applicable laws, rules and regulations
Holdings cash requirements for other purposes, compliance with the
other factors management deems relevant. Generally, Navios Holdin
other debt or equity financings, proceeds from asset sales and procee
able to secure adequate financing or obtain additional funds on favor
Long-Term Debt Obligations and Credit Arrangements for furthe

The following table presents cash flow information derived from the
the nine month periods ended September 30, 2018 and 2017.

(in thousands of U.S. dollars)
Net cash provided by operating activities
Net cash provided by/(used in) investing activities
Net cash used in financing activities
Decrease in cash and cash equivalents and restr
Cash and cash equivalents and restricted cash, beg
Cash and cash equivalents and restricted cash,

**Cash provided by operating activities for the nine month period
September 30, 2017:**

Net cash provided by operating activities decreased by $6.0 million t
ended September 30, 2018, as compared to $33.6 million of cash pro
In determining net cash provided by operating activities, net loss is a

The aggregate adjustments to reconcile net loss to net cash provided
September 30, 2018, which consisted mainly of the following adjust
earnings in affiliates, net of dividends received, $16.1 million impair
expenses, $6.0 million of amortization of deferred finance fees, $3.5
receivables. These adjustments were partially mitigated by a $6.5 mi

Table of Contents

The net cash outflow resulting from the change in operating assets a
resulted from a $6.2 million in payments for drydock and special su
$3.3 million decrease in other long term liabilities, a $2.8 million de
were partially mitigated by a $0.9 million increase in inventories, a
to affiliates, mainly consisted of management fees, administrative fe
management agreements and a $0.4 million increase in accrued exp

The aggregate adjustments to reconcile net loss to net cash provided
period ended September 30, 2017, which consisted mainly of the fo
impairment loss on sale of vessels, $11.1 million of amortization of
dividends received, $4.3 million of amortization of deferred finance
were mitigated by a $1.7 million gain on debt extinguishment, a $1.
$0.3 million recovery for losses on accounts receivables.

The net cash inflow resulting from the change in operating assets an
resulted from a $41.8 million increase in net payables to affiliates, m
expenses prepaid by the affiliates according to our management agre
cash received in March 2017 following the favorable resolution of th
a $3.0 million decrease in inventories, a $3.2 million decrease in pre
$0.6 million increase in other long term liabilities. These were parti
payments for drydock and special survey costs, and a $2.4 million d

Cash provided by/(used in) investing activities for the nine mont
ended September 30, 2017:

Cash provided by investing activities was $51.9 million for the nine
the same period in 2017.

Cash provided by investing activities for the nine months ended Sep
Navios Herakles, Navios Achilles, Navios Mars and Navios Sphera;
collections of Navios Logistics note receivable; (iv) $11.0 million
(v) $10.2 million in payments for the purchase of a vessel; (vi) $9.1
(vii) $5.8 million in payments for the acquisition of common units a
Europe II; (ix) $2.1 million in payments for the construction of the N
Company for the purchase of other fixed assets; (xi) $1.3 million in
(xii) $1.2 million in payments for the expansion of Navios Logistics
(xiv) $0.5 million in payments for the purchase of covers for dry ba
Containers; and (xvi) $0.4 million payment for additions to vessels.

Cash used in investing activities for the nine months ended Septemb
Navios Logistics dry port terminal, (ii) $8.6 million in payments fo
payments for the

Table of Contents

purchase of other fixed assets mainly relating to amounts paid by Na
Navios Containers, (v) $4.5 million loan to Navios Europe I and Nav
Logistics river and estuary tanker, (vii) $2.6 million in payments fo
proceeds from sale of Navios Ionian and Navios Horizon, (ix) $3.7 m
collections of Navios Logistics note receivable.

Cash used in financing activities for the nine month period ended September 30, 2017:

Cash used in financing activities was $82.7 million for the nine mon period of 2017.

Cash used in financing activities for the nine months ended Septemb indebtedness originally maturing the first quarter of 2021; (ii) $28.8 related to scheduled repayment installments; (iv) $3.2 million of pay payment of finance fees; (vi) $7.0 million proceeds from Navios Log

Cash used in financing activities for the nine months ended Septemb installments; (ii) $7.3 million related to prepayment of indebtedness to the refinancing of one of the Company s secured credit facilities; and (v) $0.5 million relating to tender offer/redemption of preferred $0.2 million finance fees); (ii) $13.9 million of proceeds from Navio (iii) $4.1 million proceeds from the transfer of the Company s partic defined herein, to Navios Partners both relating to Navios Europe I;

Adjusted EBITDA: EBITDA represents net (loss)/income attributab before depreciation and amortization and before income taxes. Adju Adjusted EBITDA as a liquidity measure and reconcile Adjusted EB GAAP liquidity measure. Adjusted EBITDA is calculated as follows case may be, the effect of (i) net increase/(decrease) in operating ass (iv) deferred finance charges and gains/(losses) on bond and debt ex in affiliates, net of dividends received, (vii) payments for drydock an assets/ subsidiaries, (x) unrealized (loss)/gain on derivatives, and (xi impairment charges. Navios Holdings believes that Adjusted EBITD to investors regarding Navios Holdings ability to service and/or inc pay dividends. Navios Holdings also believes that Adjusted EBITDA evaluate potential transactions; (ii) to evaluate and price potential ac parties in the evaluation of companies in our industry.

Adjusted EBITDA has limitations as an analytical tool, and therefore Holdings results as reported under U.S. GAAP. Some of these limi for, working capital

Table of Contents

needs; (ii) Adjusted EBITDA does not reflect the amounts necessary
arrangements; and (iii) although depreciation and amortization are n
replaced in the future. Adjusted EBITDA does not reflect any cash r
others, Adjusted EBITDA should not be considered as a principal in
EBITDA may not be comparable to that reported by other companie

Adjusted EBITDA Reconciliation to Cash from Operations

(in thousands of U.S. dollars)
Net cash provided by/(used in) operating activities
Net increase in operating assets
Net decrease in operating liabilities
Net interest cost
Deferred finance charges
Recovery for losses on accounts receivable
Equity in affiliates, net of dividends received
Payments for drydock and special survey costs
Net income attributable to the noncontrolling inter
Other gain on assets
Gain on bond extinguishment
Impairment loss on sale of vessels
Adjusted EBITDA

Table of Contents

(in thousands of U.S. dollars)
Net cash provided by operating activities
Net increase/(decrease) in operating assets
Net increase in operating liabilities
Net interest cost
Deferred finance charges
(Provision)/recovery for losses on accounts receiv
Equity in affiliates, net of dividends received
Payments for drydock and special survey costs
Net income attributable to the noncontrolling inter
Other gain on assets
Gain on bond and debt extinguishment
Impairment loss on sale of vessels
Adjusted EBITDA

Adjusted EBITDA for the three months ended September 30, 2018 v
$28.8 million increase in Adjusted EBITDA was primarily due to (i)
voyage and logistics business expenses; (iii) a $6.5 million increase
expenses (excluding the amortization of deferred drydock and specia
expenses (excluding share-based compensation expenses). This over
in equity in net earnings from affiliated companies; (ii) a $2.8 millio
net income attributable to noncontrolling interest.

Adjusted EBITDA for the nine months ended September 30, 2018 w
$57.0 million increase in Adjusted EBITDA was primarily due to (i)
expenses (excluding the amortization of deferred drydock and specia
business expenses; and (iv) a $4.8 million increase in gain on bond a
mitigated by (i) a $15.9 million decrease in equity in net earnings fro
$2.3 million increase in net income attributable to noncontrolling int
share-based compensation expenses); (v) a $1.9 million increase in i
assets.

Long-Term Debt Obligations and Credit Arrangements

Secured Credit Facilities

As of September 30, 2018, the Company had secured credit facilities
purpose of the facilities was to finance the construction or acquisitio
in U.S. dollars and bear interest based on LIBOR plus spread rangin

Table of Contents

either semi-annual or quarterly installments, followed by balloon pa
maturity table included below.

The facilities are secured by first priority mortgages on certain of Na

The credit facilities contain a number of restrictive covenants that li
incurring or guaranteeing indebtedness; entering into affiliate transa
changing the flag, class, management or ownership of certain Navio
Navios Holdings vessels; selling or changing the ownership of cert
facilities to any general and administrative costs relating to the vess
ISPS Code and to maintain valid safety management certificates and
compliance with the covenants contained in the indentures governin
below). Among other events, it will be an event of default under the
Frangou and her affiliates, together, own less than 20% of the outsta

The majority of the Company s senior secured credit facilities requ
covenants, based on either charter-adjusted valuations, or charter-fre
maximum of $30.0 million, and (iii) net total debt divided by total a
75% to 80%. Certain covenants in our senior secured credit facilitie
(from the current balance sheet date) to increase the covenant levels
defined in each senior secured credit facility, to a maximum of 85%

As of September 30, 2018, the Company was in compliance with all

2022 Senior Secured Notes

On November 21, 2017, the Company and its wholly owned subsidi
Co-Issuers) issued $305.0 million of 11.25% Senior Notes due 2

The 2022 Senior Secured Notes are secured by a first priority lien o
in each of Navios Maritime Partners L.P., Navios GP L.L.C., Navio
Navios Maritime Containers Inc. The 2022 Senior Secured Notes ar
subsidiaries, except for certain subsidiaries designated as unrestrict
The subsidiary guarantees are full and unconditional , except that
released in certain customary circumstances, such as when a subsidi
when the subsidiary is designated as an unrestricted subsidiary fo
legal or covenant defeasance or satisfaction and discharge of the 20
cash tender offer for the Company s outstanding 8.125% Senior No
the tender offer, including the payment of related fees and expenses

Table of Contents

The Co-Issuers have the option to redeem the 2022 Senior Secured N
of 108.438%, which price declines ratably until it reaches par in Janu

Upon occurrence of certain change of control events, the holders of t
all of the 2022 Senior Secured Notes at 101% of their face amount. T
the incurrence of additional indebtedness, issuance of certain preferr
making restricted payments and investments, creation of certain lien
consolidating or selling all or substantially all of the Co-Issuers pro
Co-Issuers were in compliance with the covenants as of September 3
customary events of default.

2019 Notes

On January 28, 2011, the Co-Issuers completed the sale of $350.0 m
repurchased $58.9 million of its 2019 Notes for a cash consideration
of deferred fees written-off. On November 21, 2017, Co-Issuers com
of the 2022 Senior Secured Notes have been used to repay, in full, th

2022 Notes

On November 29, 2013, the Co-Issuers completed the sale of $650.0
Notes). During September 2018, the Company repurchased $35.7 r
on bond extinguishment of $6.5 million, net of deferred fees written-

The 2022 Notes are senior obligations of the Co- Issuers and were o
certain subsidiary guarantors and certain other associated property a
guarantors and mortgaged vessels and added others from time to tim
unregistered and fully and unconditionally guaranteed, jointly and se
2022 Senior Secured Notes. The guarantees of the Company s subsi
of the Company s subsidiaries that do not own mortgaged vessels a
redeem the 2022 Notes in whole or in part, at any time on or after Ja
reaches par in 2020.

Upon occurrence of certain change of control events, the holders of t
2022 Notes at 101% of their face amount. The 2022 Notes contain c
indebtedness, issuance of certain preferred stock, the payment of div
and investments, creation of certain liens, transfer or sale of assets, e
all or substantially all of the 2022 Co-Issuers properties and assets
2022 Notes includes customary events of default. The 2022 Co-Issu

Table of Contents

2022 Logistics Senior Notes

On April 22, 2014, Navios Logistics and its wholly-owned subsidiar
Logistics (the Logistics Co-Issuers) issued $375.0 million in aggr
Senior Notes), at a fixed rate of 7.25%. The 2022 Logistics Senior
severally, by all of Navios Logistics direct and indirect subsidiarie
Parana S.A. (Naviera Alto Parana) and Terra Norte Group S.A. (
certain exceptions under the indenture, and Logistics Finance, which
full and unconditional , except that the indenture provides for an i
circumstances, such as in connection with a sale or other disposition
of a majority of the capital stock of the subsidiary, if the subsidiary i
liquidation or dissolution of the subsidiary or upon legal or covenant

The Logistics Co-Issuers have the option to redeem the 2022 Logisti
2017, at a fixed price of 105.438%, which price declines ratably unti
the holders of the 2022 Logistics Senior Notes will have the right to
Senior Notes at 101% of their face amount, plus accrued and unpaid

The indenture governing the 2022 Logistics Senior Notes contains c
indebtedness, issuance of certain preferred stock, the payment of div
and investments, creation of certain liens, transfer or sale of assets, e
substantially all of Navios Logistics properties and assets and creat

The indenture governing the 2022 Logistics Senior Notes includes c

In addition, there are no significant restrictions on (i) the ability of th
2022 Logistics Senior Notes to obtain funds by dividend or loan fro
the issuer (or co-issuer) or any guarantor subsidiaries.

The 2022 Logistics Co-Issuers were in compliance with the covenan

Navios Logistics

As of September 30, 2018, Navios Logistics had long-term loans an
the facilities was to finance the construction of its dry port terminal,
mainly denominated in U.S. dollars and bear interest based on LIBO
in installments and have maturities ranging from August 2020 to No

Navios Acquisition Loan

On November 3, 2017, the Company prepaid in full the outstanding
Navios Acquisition entered into in September 2016. The prepaymen
accrued interest. See also Related Party Transactions .

Table of Contents

During the nine month period ended September 30, 2018, the Comp
$28.9 million related to scheduled repayment installments and $31.8
Panamax vessel originally maturing in the first quarter of 2021.

The annualized weighted average interest rates of the Company s to
September 30, 2018 and 2017, respectively, and 7.75% and 6.96% f

The maturity table below reflects the principal payments for the next
Logistics) outstanding as of September 30, 2018, based on the repay
under the debt securities.

Payment due by period
September 30, 2019
September 30, 2020
September 30, 2021
September 30, 2022
September 30, 2023
September 30, 2024 and thereafter
Total

Contractual Obligations:

Long-term Debt (1)
Operating Lease Obligations (Time Charters) for vessels (2)
Operating Lease Obligations (Time Charters) for vessels to be delive
Deposit for option to acquire vessels (3)
Dry vessel obligation (4)
Rent Obligations (5)
Total

(1) The amount identified does not include interest costs associate
costs of complying with any applicable regulatory requiremen
include interest costs for the 2022 Senior Secured Notes, the 2

Facility for a river and estuary tanker and the Navios Logistics
1 year), $243.6 million (1-3 years), $74.8 million (3-5 years) a
outstanding principal amounts, currently applicable effective i
and the term of the debt obligations.

(2) Approximately 42% of the time charter payments included ab

Table of Contents

(3) As of September 30, 2018, the Company agreed to charter in,
82,000 dwt per vessel and one newbuilding bulk carrier of abo
The table above incorporates the deposits the Company agreed
(4) Future remaining contractual obligation for the acquisition of
(5) Navios Corporation leases approximately 16,703 square feet o
of space in New York pursuant to a lease that expires in 2029.
square meters of space in Piraeus, Greece, pursuant to one leas
agreement and other lease agreements that expire in 2018 and
Tankers Management Inc. and Navios Maritime Containers In
Kleimar N.V. leases approximately 632 square meters for its o
leases also approximately 2,954 square meters for its offices in
agreements that expire in 2025 and 2034. Navios Containers M
a lease that expires in 2030. Kleimar LTD. leases approximate
table above incorporates the lease obligations of the offices of
4.B. Business Overview Facilities in our Annual Report o

Refer to Related Party Transactions for the Navios Partners Guar

Navios Holdings, Navios Acquisition and Navios Partners will make
working capital requirements (collectively, the Navios Revolving L
$14.0 million. As of September 30, 2018, the amount undrawn from
required to fund an amount ranging from $0 to $9.8 million.

Refer to Recent Developments for one ten-year bareboat contract

Working Capital Position

On September 30, 2018, Navios Holdings current assets totaled $2
working capital position of $43.8 million. Navios Holdings cash fo
November 29, 2018 to make the required principal and interest paym
the business and remain in a positive working capital position throug

Capital Expenditures

In December 2017, the Company agreed to charter-in, under a ten ye
vessel of about 82,000 dwt, expected to be delivered in the first quar
deposit for the option to acquire the vessel, of which $2.7 million wa
total amount of $2.9 million, including expenses and interest, is pres

In January 2018, Navios Holdings agreed to charter-in, under two te
carriers of about 82,000 dwt per vessel, expected to be delivered in

Table of Contents

the third and fourth quarter of 2019 respectively. Navios Holdings h
acquire these vessels, of which $5.6 million was paid during the peri
$6.0 million, including expenses and interest, is presented under the

In April 2018, Navios Holdings agreed to charter-in, under one ten-y
about 81,000 dwt, expected to be delivered in the fourth quarter of 2
for the option to acquire this vessel, of which $2.8 million was paid
amount of $2.9 million, including expenses and interest, is presented

In August 2018, Navios Holdings exercised the option to acquire the
the contract, Navios Holdings paid an amount of $1.1 million.

During the third quarter of 2018, a new river and estuary tanker was
paid $17.4 million for the construction of the river and estuary tanke

During the first quarter of 2018, three new pushboats were delivered
$32.0 million for the construction of the three new pushboats.

During the second quarter of 2017, Navios Logistics substantially co
Navios Logistics had paid $159.4 million related to the iron ore term

On September 4, 2017, Navios Logistics signed an agreement for the
September 30, 2018, Navios Logistics has paid the whole amount.

Dividend Policy

In November 2015, due to the prolonged weakness in the dry bulk in
the quarterly dividend to its common stockholders in order to conser
reduce its cash requirements, Navios Holdings announced the suspen
Series G and Series H, until market conditions improve. The Board o
long-term interests of the Company and its stakeholders. The Board
changes. The reinstatement, declaration and payment of any further o
on, among other things, market conditions, Navios Holdings cash r
equity instruments, credit agreements, indentures and other debt obli

Concentration of Credit Risk

Accounts receivable

Concentration of credit risk with respect to accounts receivable is lin
and have a variety of end markets in which they sell, therefore, mana
collection losses is inherent in Navios Holdings trade receivables. I
more than 10% of the Company s revenue compared to no custome

Table of Contents

If one or more of our customers does not perform under one or more
customer exercises certain rights to terminate the contract, we could
financial condition and results of operations.

We could lose a customer or the benefits of a contract if, among othe

the customer fails to make payments because of its finan
us or otherwise;

the customer terminates the contract because we fail to r

the customer terminates the contract because we fail to c
repair, there are serious deficiencies in the vessel or prol

the customer terminates the contract because the vessel l
See below, under Off-Balance Sheet Arrangements , for a discussi
relating to the service contract for the iron ore port facility in Nueva

Cash deposits with financial institutions

Cash deposits in excess of amounts covered by government-provided
institutions. Navios Holdings does maintain cash deposits in excess o
credit risk by dealing with a diversified group of major financial inst

Effects of Inflation

Navios Holdings does not consider inflation to be a significant risk t
impact on operating expenses, drydocking expenses and corporate o

Off-Balance Sheet Arrangements

Charter hire payments to third parties for chartered-in vessels are tre

Navios Holdings is also committed to making rental payments under
Navios Holdings non-cancelable operating leases are included in th
Holdings was contingently liable for letters of guarantee and letters o
organizations and the total amount was collateralized by cash deposi

In November 2012 (as amended in March 2014), the Company enter
provide Navios Partners with guarantees against counterparty defaul
insurance for the same vessels, same periods and same amounts. The
$20.0 million by the Company to Navios Partners. Premiums that are
the management fee that is paid by Navios Partners to Navios Holdin

claim under this agreement

Table of Contents

to the Company. As at both September 30, 2018 and December 31, 2
Other long-term liabilities and deferred income in the consolidate
in no case later than December 31, 2019, in accordance with a letter
December 31, 2015, the Company initially recognized this claim as

The Company is involved in various disputes and arbitration procee
the financial statements for all such proceedings where the Compan
reasonably estimated, based upon facts known on the date the financ
the ultimate resolutions of these matters, in the opinion of managem
adverse effect on the Company s financial position, results of opera

On October 7, 2016, a putative class action complaint was filed agai
Southern District of New York by a purported holder of Series G Am
complaint asserts claims for breach of fiduciary duty and contract. T
declaration regarding certain of the Company s alleged obligations
rights to non-tendering holders if the exchange offer that commence
November 28, 2016, plaintiff s counsel informed the Court that the
attain the necessary support from the holders of Series G American
2017, plaintiff s counsel submitted a motion for attorneys fees to
requested that the Court deny the request for attorneys fees in its e
2017. On September 26, 2017, the Court issued a decision denying p
wishing to restore the case to the Court s active docket do so by Oc
the October 10, 2017 deadline. No appeal of the Court s denial of p
to file an appeal has expired.

Navios Logistics had a dispute with Vale regarding the termination
February 10, 2017, the arbitration tribunal ruled in favor of Navios L
unpaid invoices, compensation for late payment of invoices, and rei

On August 16, 2018, there was a fire incident at the iron ore port ter
effect in Navios Logistics consolidated financial statements as Navi
types of events (subject to applicable deductibles and other customa

Navios Logistics issued a guarantee and indemnity letter that guaran
all its obligations to Vitol S.A. up to $12.0 million. This guarantee e

Related Party Transactions

Office rent: The Company has entered into lease agreements with C
Emerald Ktimatiki-Ikodomiki Touristiki Xenodohiaki Anonimos Et

Table of Contents

of which are Greek corporations that are currently majority-owned b
lease agreements provide for the leasing of facilities located in Pirae
annual lease payments are in aggregate 0.9 million (approximately
either party terminates the agreement and other lease agreements tha
are based on the inflation rate prevailing in Greece as reported by th

Purchase of services: The Company utilizes its affiliate company, A
Navios Holdings owns 50% of Acropolis stock, Navios Holdings a
dividends will be allocated 35% to the Company with the balance to
and nine month periods ended September 30, 2018 and 2017 were $
December 31, 2017 was an amount due to Acropolis of less than $0.

Vessels charter hire: From 2012, Navios Holdings has entered into
redelivered by April 2016.

In 2015, the Company entered into various charters with Navios Par
Navios Orbiter, Navios Fantastiks, Navios Alegria, Navios Pollux a
months, at a net daily rate of $7,600, $12,000, $12,000, $12,000, $1
sharing based on actual earnings at the end of the period.

In November 2016 the Company entered into a charter with Navios
charter was approximately three months from November 2016, at a

Total charter hire expense for all vessels for each of the three month
month periods ended September 30, 2018 and 2017 were $0 million
comprehensive (loss)/income under Time charter, voyage and logi

Management fees: Navios Holdings provides commercial and techn
daily fee covers all of the vessels operating expenses, including the
February 2015, the Company amended its existing management agre
owned fleet at : (i) $4,000 daily rate per Ultra-Handymax vessel; (ii)
(iv) $6,500 daily rate per container vessel of TEU 6,800; (v) $7,200
per very large container vessel of more than TEU 13,000 through De
management agreement to fix the fees for ship management services
daily rate per Panamax vessel; (iii) $5,250 daily rate per Capesize ve
per container vessel of more than TEU 8,000; and (vi) $8,750 daily
2017. In November 2017, the Company further amended its existing
fleet at: (i) $4,225 daily rate per Ultra-Handymax vessel; (ii) $4,325
(iv) $6,700 daily rate per container vessel of TEU 6,800; (v) $7,400
per very large container vessel of more than TEU 13,000 through De
cost at occurrence. Total

Table of Contents

management fees for the three month periods ended September 30, 2
the nine month periods ended September 30, 2018 and 2017 amount
caption Direct vessel expenses .

Navios Holdings provides commercial and technical management se
covers all of the vessels operating expenses, other than certain fees
consistent with how the initial fixed fees were determined. In May 2
with Navios Acquisition until May 2020 and fixed the fees for ship r
through May 2016 at $6,000 per owned MR2 product tanker and che
daily rate to $9,500 per VLCC vessel. In May 2016, Navios Holding
management services of Navios Acquisition owned fleet at a daily fe
LR1 product tanker vessel; and (iii) $9,500 per VLCC through May
Acquisition to fix the fees for ship management services of Navios A
chemical tanker vessel; (ii) $7,150 per LR1 product tanker vessel; an
agreement will be reimbursed at cost at occurrence for all vessels. To
2017 amounted to $23.3 million and $23.9 million, respectively, and
$69.7 million and $71.0 million, respectively, and are presented net

Pursuant to a management agreement dated December 13, 2013, Nav
Europe I s tanker and container vessels. The term of this agreement
reimbursed at cost at occurrence. Total management fees for the thre
$5.2 million, respectively, and for the nine month periods ended Sep
respectively, and are presented net under the caption Direct vessel

Pursuant to a management agreement dated November 18, 2014, as
technical management services to Navios Midstream s vessels for a
2018. Drydocking expenses under this agreement will be reimbursed
five years. Total management fees for each of the three month perio
month periods ended September 30, 2018 and 2017 amounted to $1
Direct vessel expenses .

Pursuant to a management agreement dated June 5, 2015, Navios Ho
II s dry bulk and container vessels. The term of this agreement is fo
cost at occurrence. Total management fees for each of the three mon
$5.1 million, respectively, and for the nine month periods ended Sep
respectively, and are presented net under the caption Direct vessel

Pursuant to a management agreement dated June 7, 2017, as amende
commercial and technical management services to Navios Container
automatic extension period of five years thereafter unless a notice fo
provided by Navios Holdings is a daily fee of $6,100 per day for up
8,000 TEU container vessels and $7,400 per day for above 8,000 TE
agreement are reimbursed

by Navios Containers at cost. Total management fees for the three m
$6.6 million, respectively, and for the nine month periods ended Sep
respectively, and are presented net under the caption Direct vessel

Navios Partners Guarantee: In November 2012 (as amended in M
Navios Partners Guarantee) to provide Navios Partners with guar
been covered by the charter insurance for the same vessels, same pe
possible payout of $20.0 million by the Company to Navios Partners
insurance are included in the management fee that is paid by Navios
Partners has submitted one claim under this agreement to the Compa
$20.0 million and was included in Other long-term liabilities and d
due may take place at anytime but in no case later than December 31
During the year ended December 31, 2015, the Company initially re
comprehensive (loss)/income.

General and administrative expenses incurred on behalf of affili
administrative services to Navios Partners. Navios Holdings is reimb
of these services. Navios Holdings extended the duration of its existi
2022, pursuant to its existing terms. Total general and administrative
$2.4 million and $2.2 million, respectively, and for the nine month p
$6.0 million, respectively.

Navios Holdings provides administrative services to Navios Acquisi
agreement with Navios Acquisition until May 2020, pursuant to its e
incurred in connection with the provision of these services. Total ge
September 30, 2018 and 2017 amounted to $2.2 million, and for the
and $6.8 million, respectively.

Navios Holdings provides administrative services to Navios Logistic
administrative services agreement with Navios Logistics until Dece
reasonable costs and expenses incurred in connection with the provi
month periods ended September 30, 2018 and 2017 amounted to $0.
2017 amounted to $0.8 million. The general and administrative fees

Pursuant to an administrative services agreement dated December 1
tanker and container vessels. The term of this agreement is for a peri
incurred in connection with the provision of these services. Total ge
September 30, 2018 and 2017 amounted to $0.3 million, and for the
and $0.9 million, respectively.

Pursuant to an administrative services agreement dated November 1
The term of this agreement is for a period of five years. Navios Hold
the provision of these

Table of Contents

services. Total general and administrative fees for each of the three r
for each of the nine month periods ended September 30, 2018 and 20

Pursuant to an administrative services agreement dated June 5, 2015
and container vessels. The term of this agreement is for a period of s
in connection with the provision of these services. Total general and
and 2017 amounted to $0.5 million, and for the nine month periods e
respectively.

Pursuant to the administrative services agreement dated June 7, 201
Holdings is reimbursed for reasonable costs and expenses incurred i
an initial period of five years with an automatic extension for a perio
Total general and administrative fees for the three month periods en
respectively, and for the nine month periods ended September 30, 20

Administrative services under these agreements include bookkeepin
clerical services, banking and financial services, advisory services, i

Balance due to/from affiliates (excluding Navios Europe I and N
amounted to $8.7 million (December 31, 2017: $8.3 million), and th
2017: $14.9 million). Balance due from Navios Acquisition as of Se
to Navios Acquisition), and the Long-term payable to Navios Acqui
Navios Midstream as of September 30, 2018 amounted to $2.3 milli
Midstream amounted to $2.6 million (December 31, 2017: $4.6 mill
$4.9 million (December 31, 2017: $3.3 million), and the Long-term
$8.0 million).

The balances mainly consisted of management fees, administrative f
management agreements and other amounts payable to affiliates.

Omnibus agreements: Navios Holdings has entered into an omnibu
with the closing of Navios Partners IPO governing, among other th
well as rights of first offer on certain dry bulk carriers. Pursuant to th
own Panamax or Capesize dry bulk carriers under time charters of th
Partners. In addition, Navios Holdings has agreed to offer to Navios
vessels are fixed under time charters of three or more years.

Navios Holdings entered into an omnibus agreement with Navios Ac
with the closing of Navios Acquisition s initial vessel acquisition, p
not to acquire, charter-in or own liquid shipment vessels, except for
America, without the consent of an independent committee of Navio
Agreement, agreed to cause its subsidiaries not to

Table of Contents

acquire, own, operate or charter dry bulk carriers subject to specific
subsidiaries granted to Navios Holdings and Navios Partners, a right
bulk carriers and related charters owned or acquired by Navios Acqu
right of first offer to Navios Acquisition for any liquid shipment ves
other disposition of vessels between any affiliated subsidiaries, or pu
(ii) merger with or into, or sale of substantially all of the assets to, an

Navios Holdings entered into an omnibus agreement with Navios M
Midstream IPO, pursuant to which Navios Acquisition, Navios Hold
acquire or own any VLCCs, crude oil tankers, refined petroleum pro
years without the consent of Navios Midstream. The omnibus agreem
Holdings, Navios Partners or any of their controlled affiliates to com

Navios Holdings entered into an omnibus agreement with Navios Co
which Navios Acquisition, Navios Holdings, Navios Partners, Navio
refusal to Navios Containers over any container vessels to be sold or
Acquisition, Navios Holdings, Navios Partners and Navios Midstrea
specified circumstances.

Midstream General Partner Option Agreement: Navios Holdings
Acquisition, which owns and controls Navios Maritime Midstream P
to acquire a minimum of 25% of the outstanding membership interes
Midstream representing the right to receive an increasing percentage
expire on November 18, 2024. The purchase price for the acquisition
value. As of September 30, 2018, Navios Holdings had not exercised

Sale of vessels and sale of rights to Navios Partners: Upon the sal
in earnings only to the extent of the interest in Navios Partners owne
ownership interest in Navios Partners (the deferred gain). Subseq
vessel. The recognition of the deferred gain is accelerated in the even
Partners or (ii) the Company s ownership interest in Navios Partners
Partners, a pro rata portion of the deferred gain is released to income
September 30, 2018 and December 31, 2017, the unamortized deferr
respectively. For each of the three month periods ended September 3
Equity in net (losses)/earnings of affiliated companies and for eac
recognized $1.4 million of the deferred gain in Equity in net (losse

Participation in offerings of affiliates: Refer to Overview for N
February 4, 2015, Navios Holdings entered into a share purchase agr
investment in Navios Partners by purchasing common units, and gen
Navios Partners following its equity offering in February 2015. In co

agreement, Navios Holdings entered into a registration rights agreen
Holdings with certain rights relating to the registration of the commo
December 30, 2016, March 3, 2017, March 23, 2017, March 31, 201
1,717,318 general partnership interests.

The Navios Acquisition Credit Facility: On September 19, 2016, N
Navios Acquisition. This credit facility was secured by all of the Co
Navios Logistics, representing a majority of the shares outstanding o
$0.7 million. On November 3, 2017, Navios Holdings prepaid in ful
collateral was released.

Balance due from Navios Europe I: Balance due from Navios Eur
$7.2 million) which included the net current receivable amount of $1
fees, accrued interest income earned under the Navios Revolving Lo
(December 31, 2017: $3.2 million) related to the accrued interest inc
condensed consolidated financial statements included in this report).

The Navios Revolving Loans I and the Navios Term Loans I earn in
on a quarterly compounding basis and are repaid from free cash flow
quarter. There are no covenant requirements or stated maturity dates

As of September 30, 2018, the outstanding amount relating to Navio
31, 2017: $11.1 million), under the caption Loan receivable from a
Revolving Loans I was $0 million.

On March 17, 2017, Navios Holdings transferred to Navios Partners
the respective accrued receivable interest), with a total carrying valu
$4.1 million in cash and 13,076,923 newly issued common units of N
price as of the closing of the transaction). The Company evaluated th
arrangement. At the date of this transaction, the Company recognize
which will be amortized through Interest expense and finance cost,
to affiliate companies . Navios Holdings may be required from Nav
anniversary of the date of the transaction based on the then-outstand
Navios Partners amounted to $35.1 million, including the unamortiz

Balance due from Navios Europe II: Balance due from Navios Eu
$2.4 million), which included the net current payable amount of $2.8
and net of accrued interest income earned under the Navios Revolvin
$5.2 million (December 31, 2017: $3.8 million) related to the accrue
the unaudited condensed consolidated financial statements included

Table of Contents

The Navios Revolving Loans II and the Navios Term Loans II earn i
annum, on a quarterly compounding basis and are repaid from free c
of each quarter. There are no covenant requirements or stated maturi

As of September 30, 2018, the outstanding amount relating to Navio
(December 31, 2017: $12.1 million), under the caption Loan receiv
Revolving Loans II increased by $14.0 million. As of September 30,
of which Navios Holdings may be required to fund an amount rangi

Quantitative and Qualitative Disclosures about Market Risks

Navios Holdings is exposed to certain risks related to interest rate, fo
use interest rate swaps (for interest rate risk) and FFAs (for charter r

Interest Rate Risk

Debt Instruments On September 30, 2018 and December 31, 2017
of long-term indebtedness. All of the Company s debt is U.S. dollar
Notes, the 2022 Notes, the 2022 Logistics Senior Notes and two Nav
at a fixed rate.

The interest on the loan facilities is at a floating rate and, therefore, c
September 30, 2018, the outstanding amount of the Company s floa
Secured Notes, the 2022 Notes, the 2022 Logistics Senior Notes, and
their fair value, which as of September 30, 2018 was $1,119.8 millio
100 basis points would change interest expense for the nine months

For a detailed discussion of Navios Holdings debt instruments refe
elsewhere in this document.

Foreign Currency Risk

Foreign Currency: In general, the shipping industry is a U.S. dollar
58.1% of Navios Holdings expenses are also incurred in U.S. dolla
the exchange rates of the various currencies at September 30, 2018 v
September 30, 2018.

Critical Accounting Policies

Navios Holdings interim condensed consolidated financial stateme
financial statements requires Navios Holdings to make estimates in t
and opinions of management. Critical accounting policies are those t
materially different results under different assumptions and conditio
Report on Form 20-F for the year ended December 31, 2017.

Table of Contents

Investments in Equity Securities

Navios Holdings evaluates its investments in Navios Acquisition, Na other-than-temporary impairment (OTTI) on a quarterly basis. Co been less than the carrying value, (ii) the financial condition and nea to retain its investment in these companies for a period of time suffic management considers the decline in the market value of its investm the potential for the future impairment charges relative to these equit indicates such write downs are necessary which may have a material Note 13 included elsewhere in this Report).

Recent Accounting Pronouncements

The Company s recent accounting pronouncements are included in statements included elsewhere in this report.

Table of Contents

NAVIOS MA

Index

Table of Contents

NAVIOS MA

CONDENSED CON

(Expressed in thousan

ASSETS
Current assets
Cash and cash equivalents
Restricted cash
Accounts receivable, net
Due from affiliate companies
Inventories
Prepaid expenses and other current assets
Total current assets
Deposits for vessels, port terminals and other fixed assets
Vessels, port terminals and other fixed assets, net
Loan receivable from affiliate companies
Investments in affiliates
Other long-term assets
Intangible assets other than goodwill
Goodwill
Total non-current assets
Total assets
LIABILITIES AND STOCKHOLDERS EQUITY
Current liabilities
Accounts payable
Accrued expenses and other liabilities
Deferred income and cash received in advance
Due to affiliate companies
Current portion of long-term debt, net
Total current liabilities
Senior and ship mortgage notes, net
Long-term debt, net of current portion
Other long-term liabilities and deferred income
Long-term payable to affiliate companies

Deferred tax liability
Total non-current liabilities
Total liabilities
Commitments and contingencies
Stockholders equity
Preferred Stock $0.0001 par value, authorized 1,000,000 shares, 4 outstanding as of September 30, 2018 and December 31, 2017.
Common stock $0.0001 par value, authorized 250,000,000 shares, 120,386,472 issued and outstanding as of September 30, 2018 and D respectively.
Additional paid-in capital
Accumulated other comprehensive income
Accumulated deficit
Total Navios Holdings stockholders equity
Noncontrolling interest
Total stockholders equity
Total liabilities and stockholders equity

See unaudited condensed notes

Table of Contents

NAVIOS MA

CONDENSED CONSOLIDATED STAT

(Expressed in thousands of U

	Notes		Three Mor Period Enc September 30 (unaudite
Revenue	11	$	141
Administrative fee revenue from affiliates	8, 11		7
Time charter, voyage and logistics business expenses	8		(49
Direct vessel expenses	8		(24
General and administrative expenses incurred on behalf of affiliates	8		(7
General and administrative expenses	8		(6
Depreciation and amortization	3, 4 , 11		(24
Interest expense and finance cost, net	11		(32
Impairment loss on sale of vessels	3		(2
Gain on bond and debt extinguishment	5		6
Other expense, net	10, 13		(1
Income/(loss) before equity in net earnings of affiliated companies			4
Equity in net (losses)/earnings of affiliated companies	8, 11, 13		(4
Income/(loss) before taxes		**$**	
Income tax benefit			
Net income/(loss)			
Less: Net income attributable to the noncontrolling interest			(2

Net loss attributable to Navios Holdings common stockholders		$	(1
Loss attributable to Navios Holdings common stockholders, basic and diluted	12	$	(4
Basic and diluted loss per share attributable to Navios Holdings common stockholders		**$**	(
Weighted average number of shares, basic and diluted	12		**119,423**

See unaudited condensed notes

Table of Contents

NAVIOS MA

CONDENSED CONSOLID

(Expressed i

OPERATING ACTIVITIES:
Net loss
Adjustments to reconcile net loss to net cash provided by operati activities:
Non-cash adjustments
(Increase)/decrease in operating assets
Increase in operating liabilities
Payments for drydock and special survey costs
Net cash provided by operating activities
INVESTING ACTIVITIES:
Acquisition of investments in affiliates
Acquisition of/additions to vessels
Deposits for vessels, port terminals and other fixed assets acquisitio
Deposits for option to acquire vessels
Loans to affiliate companies
Proceeds from lease receivable
Proceeds from sale of assets
Purchase of property, equipment and other fixed assets
Dividends received from affiliates
Net cash provided by/(used in) investing activities
FINANCING ACTIVITIES:
Proceeds from transfer of rights to affiliate company
Fees for repurchase of preferred stock
Repayment of long-term debt and payment of principal
Repurchase of senior notes
Proceeds from long-term loans, net of deferred finance fees
Payments of obligations under capital leases
Net cash used in financing activities
Increase/(decrease) in cash and cash equivalents and restricted c

Cash and cash equivalents and restricted cash, beginning of peri	
Cash and cash equivalents and restricted cash, end of period	
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORM	
Cash paid for interest, net of capitalized interest	
Cash paid for income taxes	
Non-cash investing and financing activities	
Deposits for vessels, port terminals and other fixed assets	
Accrued interest income on loan receivable from affiliate company	
Accrued interest expense on loan payable to affiliate company	
Accrued interest expense payable to affiliate company	
Long-term payable to affiliate company	
Revaluation of vessels due to termination of capital lease obligations	
Transfers from deposits for vessels, port terminals and other fixed as	
Acquisition of vessels, port terminals and other fixed assets	
Transfers to other long term-assets	

See unaudited condensed notes

Table of Contents

NAVIOS MA

CONDENSED CONSOLIDATE

(Expressed in thousan

	Number of Preferred Shares	Preferred Stock	Number of Common Shares	C
Balance December 31, 2016	**49,504**	**$**	**117,131,407**	
Net loss				
Tender Offer Redemption of preferred stock (Note 9)	(766)		625,815	
Conversion of convertible preferred stock to common stock (Note 9)	(2,436)		1,740,000	
Conversion of undeclared preferred dividend to common stock (Note 9)			50,150	
Stock-based compensation expenses				
Balance September 30, 2017 (unaudited)	**46,302**	**$**	**119,547,372**	
Balance December 31, 2017	**46,302**	**$**	**120,386,472**	
Net loss				
Cumulative-effect adjustment due to adoption of new standard (Note 13)				
Stock-based compensation expenses (Note 9)			4,324,308	
Cancellation of shares (Note 9)			(4,500)	
Balance September 30, 2018 (unaudited)	**46,302**	**$**	**124,706,280**	

See unaudited condensed notes

Table of Contents

NAVIOS MA

UNAUDITED C

CONDENSED CONSOL

(Expressed in thousan

NOTE 1: DESCRIPTION OF BUSINESS

Navios Maritime Holdings Inc. (Navios Holdings or the Compa
company focused on the transport and transshipment of dry bulk cor

Navios Logistics

Navios South American Logistics Inc. (Navios Logistics), a cons
Hidrovia region of South America, focusing on the Hidrovia river sy
the eastern coast of South America. Navios Logistics is focused on p
through its port facilities, its large, versatile fleet of dry and liquid ca
of growing South American industries, including mineral and grain
September 30, 2018, Navios Holdings owned 63.8% of Navios Logi

Navios Partners

Navios Maritime Partners L.P. (Navios Partners) (NYSE:NMM)
transportation services of a wide range of dry cargo commodities inc
under medium to long-term charters.

As of September 30, 2018, Navios Holdings owned a 20.2% interest

Navios Acquisition

Navios Maritime Acquisition Corporation (Navios Acquisition) (
transportation of petroleum products (clean and dirty) and bulk liqui

In February 2018, the Board of Directors of Navios Acquisition auth
common stock, for two years. Stock repurchases will be made from
privately negotiated transactions. As of September 30, 2018, Navios

Following these repurchases and as of September 30, 2018, Navios I
45.3% and its economic interest was 48.6%.

Navios Midstream

Navios Maritime Midstream Partners L.P. (Navios Midstream) (N
crude oil tankers under long-term employment contracts.

As of September 30, 2018, Navios Holdings owned no direct equity

Table of Contents

NAVIOS MA

UNAUDITED C

CONDENSED CONSOL

(Expressed in thousan

Navios Europe I

On October 9, 2013, Navios Holdings, Navios Acquisition and Navi
interests of 47.5%, 47.5% and 5.0%, respectively. Navios Europe I i
tanker and five container vessels. Effective November 2014, Navios
50% and 0%, respectively.

Navios Europe II

On February 18, 2015, Navios Holdings, Navios Acquisition and Na
economic interests of 47.5%, 47.5% and 5.0%, respectively and voti
marine transportation industry through the ownership of seven dry b

Navios Containers

Navios Maritime Containers Inc. (Navios Containers) is a growth
Navios Containers completed a private placement in which Navios H
Over-The-Counter Market (N-OTC) on June 12, 2017 under the tick
Containers common stock and warrants representing 1.7% of the e

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POL

(a) ***Basis of presentation:*** The accompanying interim condensed
reflect all adjustments for a fair statement of Navios Holdings
statements of cash flows and statements of changes in equity f
necessarily indicative of results for the full year. The footnotes
and accordingly, do not include information and disclosures re
for complete financial statements. All such adjustments are de
be read in conjunction with the Company s consolidated finan
ended December 31, 2017 filed on Form 20-F with the Securit

Change in accounting principles:

ASU 2016-18, *Statement of Cash Flows (Topic 230): Restricted Cas*

The Company historically presented changes in restricted cash and c
statements of cash flows. During the first quarter of 2018, the Comp

which requires that restricted cash and restricted cash equivalents be
statement of cash flows. The recognition and measurement guidance
retrospectively to all prior periods presented in the Company s finan

Table of Contents

NAVIOS MA

UNAUDITED C

CONDENSED CONSOL

(Expressed in thousan

The effect of the retrospective application of this change in accounti
months ended September 30, 2017 resulted in a decrease of cash pro
financing activities in the amount of $2,491 with a corresponding de

The following table provides a reconciliation of cash and cash equiv
balance sheets:

Reconciliation of cash and cash equivalents and cash:
Current assets:
Cash and cash equivalents
Restricted cash
Total cash and cash equivalents and restricted

ASC 606, Revenue from Contracts with Customers (ASC 606)

On January 1, 2018, the Company adopted the provisions of *ASC 60*
to determine how revenue is recognized. In doing so, the Company r
estimating the amount of variable consideration to include in the tra
Revenue is recognized when (or as) the Company transfers promised
which the company expects to be entitled to in exchange for those go
obligations and transfers control of the promised goods or services to
as it fulfills its obligations under its agreements, the Company perfo
contract; (ii) determination of whether the promised goods or service
the contract; (iii) measurement of the transaction price, including the
performance obligations based on estimated selling prices; and (v) re
obligation.

The Company s contract revenues from time chartering continue to
recognition of earnings from time charter contracts to which the Co

(b) ***Principles of consolidation:*** The accompanying interim conde
Marshall Islands corporation, and its majority owned subsidiar
the consolidated statements.

Subsidiaries: Subsidiaries are those entities in which the Company h
govern the financial and operating policies. The acquisition method
acquisition is measured as the fair

NAVIOS MA

UNAUDITED C

CONDENSED CONSOL

(Expressed in thousan

value of the assets given up, shares issued or liabilities undertaken a the net assets acquired and liabilities assumed is recorded as goodwi owned, except for Navios Logistics, which is 63.8% owned.

Investments in Affiliates: Affiliates are entities over which the Com Company has significant influence, but it does not exercise control. accounting. Under this method the Company records an investment the earnings or losses of the affiliate subsequent to the date of invest from an affiliate reduce the carrying amount of the investment. The affiliates, provided that the issuance of shares qualifies as a sale of s interest in the affiliate, the Company does not recognize further loss affiliate.

Affiliates included in the financial statements accounted for und

In the consolidated financial statements of Navios Holdings, the foll method for such periods: (i) Navios Partners and its subsidiaries (ow general partner interest); (ii) Navios Acquisition and its subsidiaries Chartering and Shipping Inc. (Acropolis) (economic interest as o interest as of September 30, 2018 was 47.5%); (v) Navios Europe II (vi) Navios Containers and its subsidiaries (economic interest as of

(c) Revenue Recognition:

Revenue is recorded when services are rendered, the Company has a determinable, and collection is reasonably assured. The Company ge operations, bareboat charters, contracts of affreightment/voyage con

Voyage revenues for the transportation of cargo were previously rec was deemed to commence when a vessel arrives at the loading port, discharge of the current cargo. Under a voyage charter, a vessel is pr payment of an agreed upon freight per ton of cargo.

Revenues are recorded net of address commissions. Address commi percentage of the agreed upon charter rate. Since address commissio no identifiable benefit is received in exchange for the consideration revenue.

Revenue from contracts of affreightment (COA)/voyage contracts
transit time of each voyage. A voyage was deemed to commence

NAVIOS MA

UNAUDITED C

CONDENSED CONSOL

(Expressed in thousan

upon the barge s arrival at the loading port, as applicable under the voyage. The percentage of transit time was based on the days travele The position of the barge at the balance sheet date was determined b pushboat having the barge in tow. Revenue arising from contracts th recognized ratably over the period of the contracts.

Demurrage income represents payments made by the charterer to the voyage charter and is recognized as it is earned.

Upon adoption of ASC 606, the Company will recognize revenue ra contract, to when the charterer s cargo is discharged as well as defe contract. The adoption of this standard had no material effect on the statements of comprehensive (loss)/income.

Revenues earned under contracts of affreightment (COA)/voyage the three month periods ended September 30, 2018 and 2017, respec 2018 and 2017, respectively. Revenues earned under contracts of aff $10,655 and $11,232 for the three month periods ended September 3 periods ended September 30, 2018 and 2017, respectively.

Revenues from time chartering and bareboat chartering of vessels ar line basis as the average revenue over the rental periods of such char which case the loss is recognized in the period when such loss is det for a period of time during which the charterer uses the vessel in retu three months are referred to as spot-charters. Charters extending thre charters are considered long-term. Under time charters, operating co the vessel. Revenues from time chartering of vessels in the Dry Bulk ended September 30, 2018 and 2017, respectively and $204,168 and respectively. Revenues from time chartering and bareboat chartering for the three month periods ended September 30, 2018 and 2017, res September 30, 2018 and 2017, respectively.

For vessels operating in pooling arrangements, the Company earns a pool. The amount allocated to each pool participant vessel, including which is determined by margins awarded to each vessel in the pool b under pooling arrangements is accounted for on the accrual basis and such net revenue may be subject to future adjustments by the pool, h operating in pooling

Table of Contents

NAVIOS MA

UNAUDITED C

CONDENSED CONSOL

(Expressed in thousan

arrangements in the Dry Bulk Vessel Operations amounted to $0 and
respectively and $0 and $8,219 for the nine month periods ended Se

Profit-sharing revenues are calculated at an agreed percentage of the
half-yearly basis) or the Baltic Dry Index over an agreed amount and
contracts that provisional accruals cannot be made due to the nature
Profit sharing results from the Dry Bulk Vessel Operations for the th
$759, respectively and for the nine month periods ended September

Revenues from dry port terminal operations consist of an agreed flat
the product into silos or the stockpiles for temporary storage and the
loading the ocean-going vessels. Revenue arising from contracts tha
transshipment capacity is recognized ratably over the period of the c
excess of contractually specified terms. Dockage revenues are recog
evenly over the loading period. Storage fees are assessed and recogn
contractually agreed time allowed. Storage fee revenue is recognized
ocean-going vessel. Revenues from port terminal operations of the L
ended September 30, 2018 and 2017, respectively and $51,848 and
respectively. Revenues from storage fees (dry port) of the Logistics
September 30, 2018 and 2017, respectively and $526 and $984 for th
revenues from the Logistics business in the dry port terminal operati
2018 and 2017, respectively and $2,227 and $3,582 for the nine mon

Revenues from liquid port terminal consist mainly of sales of petrole
Revenues from liquid port terminal operations consist of an agreed f
performed to unload barges, transfer the products into the tanks for t
flat fee per cubic meter are recognized upon completion of loading t
over a specific period are recognized ratably over the storage period
loaded onto the trucks. Revenues from sale of products by the Logis
September 30, 2018 and 2017, respectively and $23,881 and $25,78
Revenues from liquid port terminal operations from the Logistics bu
September 30, 2018 and 2017, respectively and $2,821 and $1,990 f

Additionally, revenues consist of an agreed flat fee per cubic meter t
for temporary storage and then loading the trucks. Revenues are rec
storage time in excess of

Table of Contents

NAVIOS MA

UNAUDITED C

CONDENSED CONSOL

(Expressed in thousan

contractually specified terms. Storage fee revenue is recognized rata

Expenses related to our revenue-generating contracts are recognized

Administrative fee revenue from affiliates: Administrative fee rev
services pursuant to administrative services agreements with our affi
accounting services, legal and insurance services, administrative and
investor relations and other general and administrative services. The

The general and administrative expenses incurred on behalf of affili
the affiliates as well as a reasonable allocation of expenses that are n

Forward Freight Agreements (FFAs): Realized gains or losses
FFAs are marked-to-market quarterly to determine the fair values
trades for any of the periods presented.

Deferred Income and Cash Received In Advance: Deferred voya
earned. These amounts are recognized as revenue over the voyage o

(d) ***Recent Accounting Pronouncements:***

In August 2018, the Financial Accounting Standards Board (FASB
(Topic 715-20): Disclosure Framework-Changes to the Disclosure R
requirements for defined benefit pension plans and other postretirem
beginning in the first quarter of fiscal year 2021, and earlier adoptio
new accounting guidance will have on its disclosures to the consolid

In August 2018, FASB issued ASU 2018-13, Fair Value Measurem
Fair Value Measurement . This update modifies the disclosure requ
beginning after December 15, 2019, and earlier adoption is permitte
guidance will have on its disclosures to the consolidated financial st

In January 2017, FASB issued ASU 2017-04, Intangibles-Goodwil
and complexity of the goodwill impairment test and simplifies how a
goodwill impairment test. The amendments in this ASU are required
financial statements and have not elected the private company altern
for public business entities that are SEC filers for fiscal years beginn
Company is currently

Table of Contents

NAVIOS MA

UNAUDITED C

CONDENSED CONSOL

(Expressed in thousan

assessing the impact that adopting this new accounting guidance wil

In January 2017, FASB issued ASU 2017-03, Accounting Change
Ventures (Topic 323) . The ASU amends the Codification for SEC
The SEC guidance that specifically relates to our consolidated finan
expressed their expectations about the extent of disclosures registran
amendments issued prior to adoption, on revenue (ASU 2014-09), le
accordance with SAB Topic 11.M. Registrants are required to disclo
statements when adopted in a future period. In cases where a registra
qualitative disclosures should be considered. The ASU incorporates
transition paragraphs of each of the three new standards. The adoptio
financial statements.

In June 2016, FASB issued ASU No. 2016-13, Financial Instrume
Instruments. This standard requires entities to measure all expecte
experience, current conditions, and reasonable and supportable fore
amends the accounting for credit losses on available-for-sale debt se
effective for interim and annual reporting periods beginning after De
periods beginning after December 15, 2018. The Company is curren
consolidated financial statements.

In February 2016, FASB issued ASU 2016-02, Leases (Topic 842)
According to ASU 2016-02, lessees will be required to recognize as
types of leases, capital (or finance) leases and operating leases, with
after December 15, 2018, including interim periods within those fisc

This guidance requires companies to identify lease and non-lease co
leased asset and non-lease components relate to payments for goods
Total lease consideration is allocated to lease and non-lease compon
components will be governed by ASC 842 while revenue related to n

In July 2018, FASB issued ASU 2018-10, Codification Improvemen
narrow aspects of the guidance issued in the amendments in ASU 20
which are not yet effective but for which early adoption upon issuan
effective upon issuance of this update, and the transition requiremen
the effective date and transition requirements will be the same as the

NAVIOS MA

UNAUDITED C

CONDENSED CONSOL

(Expressed in thousan

In addition, in July 2018, FASB issued ASU 2018-11, Targeted Imp
2018-11 provide for (a) an optional new transition method for adopt
earnings in the year of adoption and (b) a practical expedient for less
of revenues for presentation purposes.

ASC 842 provides practical expedients that allow entities to not (i) r
(ii) reassess the lease classification for any expired or existing leases

The Company plans to adopt the standard on January 1, 2019 and ex
alternative transition method for adoption as described above. Based
to have a material impact on its assets and liabilities due to its charte
consolidated balance sheets although adoption is not expected to sig
within the statements of comprehensive (loss)/income or cash flows.

With regards to the Company s charter-out contracts, the Company
financial statements since the Company is a lessor for these charter-
use of practical expedient available to lessors which allows good and
components to be combined under a single lease component present

The Company is continuing its assessment of other miscellaneous le
months, and may identify additional impacts this guidance will have

NOTE 3: VESSELS, PORT TERMINALS AND OTHER FIXE

Vessels, Port Terminals and Other Fixed Assets, net
Balance December 31, 2017
Additions
Impairment losses
Vessel disposals
Other disposals
Write offs
Vessel acquisition
Transfers from deposits for vessels, port terminal and other fixed as
Transfers to other long term-assets

Balance September 30, 2018

Table of Contents

NAVIOS MA

UNAUDITED C

CONDENSED CONSOL

(Expressed in thousan

Deposits for Vessels, Port Terminal and Other Fixed Assets Acquisit

In August 2018, Navios Holdings exercised the option to acquire the the contract, Navios Holdings paid an amount of $1,063.

During the third quarter of 2018, a river and estuary tanker was deliv transferred to Vessels, port terminals and other fixed assets, net in December 31, 2017, Navios Logistics had paid $6,141 for the constr

During the first quarter of 2018, three new pushboats were delivered to Vessels, port terminals and other fixed assets, net in the consol December 31, 2017, Navios Logistics had paid $30,708 for the cons

Impairment losses

In August 2018, Navios Holdings completed the sale to its affiliate, Navios Sphera, a 2016-built, 84,872 dwt vessel, for a total sale price consolidated statements of comprehensive (loss)/income under Imp

In July 2018, Navios Holdings completed the sale to an unrelated thi price of $8,085 paid in cash. As of September 30, 2018, Navios Hol (including $584 remaining carrying balance of dry dock and special

In March 2018, Navios Holdings completed the sale to an unrelated sale price of $7,682 paid in cash. The impairment loss due to the sal special survey costs).

Vessel acquisitions

In February 2018, Navios Holdings acquired from an unrelated third 171,191 dwt vessel, for a total acquisition cost of $10,255 which wa

Navios Logistics

On September 4, 2017, Navios Logistics signed an agreement for the September 30, 2018, Navios Logistics has paid the whole amount (a

In February 2017, two fully depreciated self-propelled barges of Nav
$1,109, to be paid in cash. Sale price will be received in installments
lessee s option, at no cost, at the end of the lease period.

Table of Contents

NAVIOS MA

UNAUDITED C

CONDENSED CONSOL

(Expressed in thousan

NOTE 4: INTANGIBLE ASSETS OTHER THAN GOODWILL

Intangible assets
Acquisition cost (*)
Accumulated amortization
Write offs
Total Intangible assets net book value

(*) As of both September 30, 2018 and December 31, 2017, intan related to purchase options for the vessels.

Amortization expense for the three month periods ended September month periods ended September 30, 2018 and 2017 amounted to $4,

The remaining aggregate amortization of acquired intangibles as of S

Period
Year One
Year Two
Year Three
Year Four
Year Five
Thereafter
Total

NOTE 5: BORROWINGS

Borrowings, as of September 30, 2018 and December 31, 2017, cons

Facility
Secured credit facilities
2022 Senior Secured Notes
2022 Notes
2022 Logistics Senior Notes
Navios Logistics other long-term loans and notes [
Total borrowings
Less: current portion, net
Less: deferred finance costs, net
Total long-term borrowings

Table of Contents

NAVIOS MA

UNAUDITED C

CONDENSED CONSOL

(Expressed in thousan

Secured Credit Facilities

As of September 30, 2018, the Company had secured credit facilities the facilities was to finance the construction or acquisition of vessels dollars and bear interest based on LIBOR plus spread ranging from 2 quarterly installments, followed by balloon payments with maturities included below.

The facilities are secured by first priority mortgages on certain of Na

The credit facilities contain a number of restrictive covenants that lin incurring or guaranteeing indebtedness; entering into affiliate transac changing the flag, class, management or ownership of certain Navios Navios Holdings vessels; selling or changing the ownership of cert facilities to any general and administrative costs relating to the vesse ISPS Code and to maintain valid safety management certificates and compliance with the covenants contained in the indentures governing below). Among other events, it will be an event of default under the Frangou and her affiliates, together, own less than 20% of the outsta

The majority of the Company s senior secured credit facilities requi covenants, based on either charter-adjusted valuations, or charter-fre maximum of $30,000, and (iii) net total debt divided by total assets, to 80%. Certain covenants in our senior secured credit facilities have the current balance sheet date) to increase the covenant levels for the in each senior secured credit facility, to a maximum of 85% to 90%.

As of September 30, 2018, the Company was in compliance with all

2022 Senior Secured Notes

On November 21, 2017, the Company and its wholly owned subsidia Co-Issuers) issued $305,000 of 11.25% Senior Notes due 2022 (t

The 2022 Senior Secured Notes are secured by a first priority lien on in each of Navios Maritime Partners L.P., Navios GP L.L.C., Navios Navios Maritime Containers Inc. The 2022 Senior Secured Notes are

Table of Contents

NAVIOS MA

UNAUDITED C

CONDENSED CONSOL

(Expressed in thousan

and indirect subsidiaries, except for certain subsidiaries designated a
subsidiaries. The subsidiary guarantees are full and unconditional
automatically released in certain customary circumstances, such as v
stock is sold, when the subsidiary is designated as an unrestricted s
subsidiary or upon legal or covenant defeasance or satisfaction and d
used to complete a cash tender offer for the Company s outstanding
notes not purchased in the tender offer, including the payment of rel

The Co-Issuers have the option to redeem the 2022 Senior Secured N
of 108.438%, which price declines ratably until it reaches par in Janu

Upon occurrence of certain change of control events, the holders of t
all of the 2022 Senior Secured Notes at 101% of their face amount. T
the incurrence of additional indebtedness, issuance of certain preferr
making restricted payments and investments, creation of certain lien
consolidating or selling all or substantially all of the Co-Issuers pro
Co-Issuers were in compliance with the covenants as of September 3
customary events of default.

2019 Notes

On January 28, 2011, the Co-Issuers completed the sale of $350,000
$58,906 of its 2019 Notes for a cash consideration of $30,671 resulti
On November 21, 2017, Co-Issuers completed the sale of the 2022 S
Notes have been used to repay, in full, the outstanding amount of the

2022 Notes

On November 29, 2013, the Co-Issuers completed the sale of $650,0
During September 2018, the Company repurchased $35,661 of its 20
extinguishment of $6,464, net of deferred fees written-off.

The 2022 Notes are senior obligations of the Co-Issuers and were or
certain subsidiary guarantors and certain other associated property a
guarantors and mortgaged vessels and added others from time to tim
unregistered and fully and unconditionally guaranteed, jointly and se
2022 Senior Secured Notes. The guarantees of the

Table of Contents

NAVIOS MA

UNAUDITED C

CONDENSED CONSOL

(Expressed in thousan

Company s subsidiaries that own mortgaged vessels are senior secu
mortgaged vessels are senior unsecured guarantees. In addition, the
any time on or after January 15, 2017, at a fixed price of 105.531%,

Upon occurrence of certain change of control events, the holders of
2022 Notes at 101% of their face amount. The 2022 Notes contain c
indebtedness, issuance of certain preferred stock, the payment of div
and investments, creation of certain liens, transfer or sale of assets, e
all or substantially all of the 2022 Co-Issuers properties and assets
2022 Notes includes customary events of default. The 2022 Co-Issu

2022 Logistics Senior Notes

On April 22, 2014, Navios Logistics and its wholly-owned subsidiar
Logistics (the Logistics Co-Issuers) issued $375,000 in aggregate
Notes), at a fixed rate of 7.25%. The 2022 Logistics Senior Notes a
by all of Navios Logistics direct and indirect subsidiaries except fo
(Naviera Alto Parana) and Terra Norte Group S.A. (Terra Norte
exceptions under the indenture, and Logistics Finance, which is the
unconditional , except that the indenture provides for an individual
circumstances, such as in connection with a sale or other disposition
of a majority of the capital stock of the subsidiary, if the subsidiary i
liquidation or dissolution of the subsidiary or upon legal or covenant

The Logistics Co-Issuers have the option to redeem the 2022 Logisti
2017, at a fixed price of 105.438%, which price declines ratably unti
the holders of the 2022 Logistics Senior Notes will have the right to
Senior Notes at 101% of their face amount, plus accrued and unpaid

The indenture governing the 2022 Logistics Senior Notes contains c
indebtedness, issuance of certain preferred stock, the payment of div
and investments, creation of certain liens, transfer or sale of assets, e
substantially all of Navios Logistics properties and assets and creat

The indenture governing the 2022 Logistics Senior Notes includes c

In addition, there are no significant restrictions on (i) the ability of th
2022 Logistics Senior Notes to obtain funds by dividend or loan fro

Table of Contents

NAVIOS MA

UNAUDITED C

CONDENSED CONSOL

(Expressed in thousan

any of their subsidiaries or (ii) the ability of any subsidiaries to trans

The 2022 Logistics Co-Issuers were in compliance with the covenan

Navios Logistics

As of September 30, 2018, Navios Logistics had long-term loans and facilities was to finance the construction of its dry port terminal, the denominated in U.S. dollars and bear interest based on LIBOR plus installments and have maturities ranging from August 2020 to Nove

Navios Acquisition Loan

On November 3, 2017, the Company prepaid in full the outstanding Acquisition entered into in September 2016. The prepayment amoun Please see also Note 8.

During the nine month period ended September 30, 2018, the Comp related to scheduled repayment installments and $31,769 related to p originally maturing in the first quarter of 2021.

The annualized weighted average interest rates of the Company s to September 30, 2018 and 2017, respectively, and 7.75% and 6.96% f

The maturity table below reflects the principal payments for the next Logistics) outstanding as of September 30, 2018, based on the repay under the debt securities.

Payment due by period
September 30, 2019
September 30, 2020
September 30, 2021
September 30, 2022
September 30, 2023
September 30, 2024 and thereafter

Total

Table of Contents

NAVIOS MA

UNAUDITED C

CONDENSED CONSOL

(Expressed in thousan

NOTE 6: FAIR VALUE OF FINANCIAL INSTRUMENTS

The following methods and assumptions were used to estimate the fa

Cash and cash equivalents: The carrying amounts reported in the co approximate their fair value because of the short maturity of these in

Restricted cash: The carrying amounts reported in the consolidated the short maturity of these investments.

Loan receivable from affiliate companies: The carrying amount of

Investments in available-for-sale securities: The carrying amount o balance sheets represents unrealized gains and losses on these securi (loss)/income at each reporting period.

Borrowings: The book value has been adjusted to reflect the net pre loans continues to approximate its fair value, excluding the effect of 2022 Logistics Senior Notes and two Navios Logistics loans are fix prices.

Long-term payable to affiliate companies: The carrying amount of

The estimated fair values of the Company s financial instruments ar

Cash and cash equivalents
Restricted cash
Loan receivable from affiliate companies
Investments in available-for-sale-securities
Senior and ship mortgage notes, net
Long-term debt, including current portion
Long term payable to affiliate companies

Table of Contents

NAVIOS MA

UNAUDITED C

CONDENSED CONSOL

(Expressed in thousan

The following table sets forth our assets that are measured at fair val
fair value guidance, assets are categorized in their entirety based on

Investments in available-for-sale-securities	$
Total	$

Investments in available-for-sale-securities	$
Total	$

The Company s assets measured at fair value on a non-recurring ba

	Tota
Vessels, port terminals and other fixed assets, net	$ 16,5
Total	**$ 16,5**

The Company recorded an impairment loss of $32,930 during the ye
value to $16,500, as at December 31, 2017.

Fair Value Measurements

The estimated fair value of our financial instruments that are not me
hierarchy, are as follows:

Level I: Inputs are unadjusted, quoted prices for identical assets or li
items does not entail a significant amount of judgment.

Level II: Inputs other than quoted prices included in Level I that are
measurement date.

Table of Contents

NAVIOS MA

UNAUDITED C

CONDENSED CONSOL

(Expressed in thousan

Level III: Inputs that are unobservable.

Cash and cash equivalents
Restricted cash
Loan receivable from affiliate companies(2)
Senior and ship mortgage notes
Long-term debt, including current portion(1)
Long-term payable to affiliate companies(2)

Cash and cash equivalents
Restricted cash
Loan receivable from affiliate companies(2)
Senior and ship mortgage notes
Long-term debt, including current portion(1)
Long-term payable to affiliate companies(2)

(1) The fair value of the Company s long-term debt is estimated l
remaining maturities, published quoted market prices as well a

(2) The fair value of the Company s loan receivable from/ payabl
is estimated based on currently available debt with similar con
the counterparty s creditworthiness.

NOTE 7: COMMITMENTS AND CONTINGENCIES

As of September 30, 2018, the Company was contingently liable for
$590) issued by various banks in favor of various organizations and
component of restricted cash.

In December 2017, the Company agreed to charter-in, under a ten ye
vessel of about 82,000 dwt, expected to be delivered in the first quar
for the option to acquire the vessel, of which $2,705 was paid during
$2,896, including expenses and interest, is presented under the captio

In January 2018, Navios Holdings agreed to charter-in, under two te
carriers of about 82,000 dwt per vessel, expected to be delivered in t
in total $11,140, representing a deposit for the option to acquire thes
As of September 30, 2018, the total amount of $5,989, including exp

In April 2018, Navios Holdings agreed to charter-in, under one ten-y
about 81,000 dwt, expected to be delivered in the fourth

Table of Contents

NAVIOS MA

UNAUDITED C

CONDENSED CONSOL

(Expressed in thousan

quarter of 2019. Navios Holdings has agreed to pay in total $5,590, paid during the period ended September 30, 2018. As of September under the caption Other long-term assets .

Navios Logistics issued a guarantee and indemnity letter that guaran all its obligations to Vitol S.A. up to $12,000. This guarantee expire

The Company is involved in various disputes and arbitration procee the financial statements for all such proceedings where the Compan reasonably estimated, based upon facts known on the date the financ the ultimate resolutions of these matters, in the opinion of managem adverse effect on the Company s financial position, results of opera

Navios Logistics had a dispute with Vale International S.A. (Vale proceedings in New York. Related to this arbitration, Navios Logisti collateralized by a cash deposit, which was presented as restricted c 2017, the arbitration tribunal ruled in favor of Navios Logistics. Val invoices, late payment of invoices, and legal fees incurred. An amou income, net as part of this compensation during the first quarter of amount of $2,900, was released.

On August 16, 2018, there was a fire incident at the iron ore port ter effect in Navios Logistics consolidated financial statements as Navi types of events (subject to applicable deductibles and other customa

The Company, in the normal course of business, entered into contra

Table of Contents

NAVIOS MA

UNAUDITED C

CONDENSED CONSOL

(Expressed in thousan

As of September 30, 2018, the Company s future minimum commit

September 30, 2019
September 30, 2020
September 30, 2021
September 30, 2022
September 30, 2023
September 30, 2024 and thereafter
Total

NOTE 8: TRANSACTIONS WITH RELATED PARTIES

Office rent: The Company has entered into lease agreements with C
Emerald Ktimatiki-Ikodomiki Touristiki Xenodohiaki Anonimos Ete
Angeliki Frangou, Navios Holdings Chairman and Chief Executive
Greece to house the operations of most of the Company s subsidiari
pursuant to one lease agreement that continues to be effective until e
2030. These payments are subject to annual adjustments, which are l
end of each year.

Purchase of services: The Company utilizes its affiliate company, A
and nine month periods ended September 30, 2018 and 2017 were $
December 31, 2017 was an amount due to Acropolis of $76.

Vessels charter hire: From 2012, Navios Holdings has entered into
redelivered by April 2016.

In 2015, the Company entered into various charters with Navios Par
Navios Orbiter, Navios Fantastiks, Navios Alegria, Navios Pollux ar
months, at a net daily rate of $7.6, $12.0, $12.0, $12.0, $12.0, $12.5,
earnings at the end of the period.

In November 2016 the Company entered into a charter with Navios
charter was approximately three months from November 2016, at a

Total charter hire expense for all vessels for each of the three month
periods ended September 30, 2018 and 2017 was $0 and $651, respe
(loss)/income under Time charter, voyage and logistics business ex

NAVIOS MA

UNAUDITED C

CONDENSED CONSOL

(Expressed in thousan

Management fees: Navios Holdings provides commercial and techn
daily fee covers all of the vessels operating expenses, including the
February 2015, the Company amended its existing management agre
owned fleet at: (i) $4.0 daily rate per Ultra-Handymax vessel; (ii) $4
daily rate per container vessel of TEU 6,800; (v) $7.2 daily rate per
container vessel of more than TEU 13,000 through December 31, 20
agreement to fix the fees for ship management services of its owned
Panamax vessel; (iii) $5.25 daily rate per Capesize vessel; (iv) $6.7
of more than TEU 8,000; and (vi) $8.75 daily rate per very large con
2017, the Company further amended its existing management agreen
rate per Ultra-Handymax vessel; (ii) $4.3 daily rate per Panamax ves
vessel of TEU 6,800; (v) $7.4 daily rate per container vessel of more
than TEU 13,000 through December 31, 2019. Drydocking expenses

Total management fees for the three month periods ended Septembe
nine month periods ended September 30, 2018 and 2017 amounted t
vessel expenses .

Navios Holdings provides commercial and technical management se
covers all of the vessels operating expenses, other than certain fees
consistent with how the initial fixed fees were determined. In May 2
with Navios Acquisition until May 2020 and fixed the fees for ship
through May 2016 at $6.0 per owned MR2 product tanker and chem
rate to $9.5 per VLCC vessel. In May 2016, Navios Holdings amend
services of Navios Acquisition owned fleet at a daily fee of (i) $6.35
tanker vessel; and (iii) $9.5 per VLCC through May 2018. In May 20
fees for ship management services of Navios Acquisition owned flee
$7.15 per LR1 product tanker vessel; and (iii) $9.5 per VLCC throug
at occurrence for all vessels.

Total management fees for the three month periods ended Septembe
nine month periods ended September 30, 2018 and 2017 amounted t
vessel expenses .

Pursuant to a management agreement dated December 13, 2013, Nav
Europe I s tanker and container vessels. The term of this agreement
reimbursed at cost at occurrence. Total

Table of Contents

NAVIOS MA

UNAUDITED C

CONDENSED CONSOL

(Expressed in thousan

management fees for the three month periods ended September 30, 2
periods ended September 30, 2018 and 2017 amounted to $16,318 a
expenses .

Pursuant to a management agreement dated November 18, 2014, as
technical management services to Navios Midstream s vessels for a
2018. Drydocking expenses under this agreement will be reimbursed
five years. Total management fees for each of the three month perio
periods ended September 30, 2018 and 2017 amounted to $15,495 a
expenses .

Pursuant to a management agreement dated June 5, 2015, Navios Ho
II s dry bulk and container vessels. The term of this agreement is fo
cost at occurrence. Total management fees for each of the three mon
respectively, and for the nine month periods ended September 30, 20
under the caption Direct vessel expenses .

Pursuant to a management agreement dated June 7, 2017, as amende
commercial and technical management services to Navios Container
automatic extension period of five years thereafter unless a notice fo
provided by Navios Holdings is a daily fee of $6.1 per day for up to
TEU container vessels and $7.4 per day for above 8,000 TEU and up
reimbursed by Navios Containers at cost. Total management fees for
and $6,576, respectively, and for the nine month periods ended Sept
presented net under the caption Direct vessel expenses .

Navios Partners Guarantee: In November 2012 (as amended in M
Navios Partners Guarantee) to provide Navios Partners with guar
been covered by the charter insurance for the same vessels, same pe
possible payout of $20,000 by the Company to Navios Partners. Pre
included in the management fee that is paid by Navios Partners to N
submitted one claim under this agreement to the Company. As at bo
estimated at $20,000 and was included in Other long-term liabilitie
amount due will take place at any time but in no case later than Dec
December 29, 2017. During the year ended December 31, 2015, the
statements of comprehensive (loss)/income.

General and administrative expenses incurred on behalf of affili
administrative services to Navios Partners. Navios Holdings is reimb

Table of Contents

NAVIOS MA

UNAUDITED C

CONDENSED CONSOL

(Expressed in thousan

for reasonable costs and expenses incurred in connection with the pr
administrative services agreement with Navios Partners until Decem
for the three month periods ended September 30, 2018 and 2017 amo
September 30, 2018 and 2017 amounted to $6,938 and $6,042, respe

Navios Holdings provides administrative services to Navios Acquisi
agreement with Navios Acquisition until May 2020 pursuant to its ex
incurred in connection with the provision of these services. Total ger
and 2017 amounted to $2,188 and $2,250, respectively, and for the n
$6,750, respectively.

Navios Holdings provides administrative services to Navios Logistic
administrative services agreement with Navios Logistics until Decem
reasonable costs and expenses incurred in connection with the provis
month periods ended September 30, 2018 and 2017 amounted to $25
amounted to $750. The general and administrative fees have been eli

Pursuant to an administrative services agreement dated December 13
tanker and container vessels. The term of this agreement is for a peri
incurred in connection with the provision of these services. Total ger
and 2017 amounted to $335 and $299, respectively, and for the nine
respectively.

Pursuant to an administrative services agreement dated November 1
The term of this agreement is for a period of five years. Navios Hold
the provision of these services. Total general and administrative fees
to $375, and for the nine month periods ended September 30, 2018 a

Pursuant to an administrative services agreement dated June 5, 2015
and container vessels. The term of this agreement is for a period of s
in connection with the provision of these services. Total general and
and 2017 amounted to $514 and $445, respectively, and for the nine
$1,321, respectively.

Pursuant to the administrative services agreement dated June 7, 2017
Holdings is reimbursed for reasonable costs and expenses incurred in
an initial period of five years with an automatic extension for a perio
Total general and administrative fees attributable to this agreement f

Table of Contents

NAVIOS MA

UNAUDITED C

CONDENSED CONSOL

(Expressed in thousan

periods ended September 30, 2018 and 2017, amounted to $1,587 an
and 2017 amounted to $4,287 and $817, respectively.

Administrative services under these agreements include bookkeepin
clerical services, banking and financial services, advisory services, i

Balance due to/from affiliates (excluding Navios Europe I and N
amounted to $8,694 (December 31, 2017: $8,315), and the Long-ter
Balance due from Navios Acquisition as of September 30, 2018 amo
Long-term payable to Navios Acquisition amounted to $9,273 (Dece
2018 amounted to $2,264 (December 31, 2017: $990), and the Long
$4,554). Balance due to Navios Containers as of September 30, 201
Navios Containers amounted to $7,551 (December 31, 2017: $7,965

The balances mainly consisted of management fees, administrative f
management agreements and other amounts payable to affiliates.

Omnibus agreements: Navios Holdings has entered into an omnibu
with the closing of Navios Partners IPO governing, among other th
well as rights of first offer on certain dry bulk carriers. Pursuant to th
own Panamax or Capesize dry bulk carriers under time charters of th
Partners. In addition, Navios Holdings has agreed to offer to Navios
vessels are fixed under time charters of three or more years.

Navios Holdings entered into an omnibus agreement with Navios Ac
with the closing of Navios Acquisition s initial vessel acquisition, p
not to acquire, charter-in or own liquid shipment vessels, except for
America, without the consent of an independent committee of Navio
Agreement, agreed to cause its subsidiaries not to acquire, own, ope
Acquisition Omnibus Agreement, Navios Acquisition and its subsidi
proposed sale, transfer or other disposition of any of its dry bulk car
Navios Holdings and Navios Partners agreed to grant a similar right
These rights of first offer will not apply to a (i) sale, transfer or othe
of any charter or other agreement with a counterparty, or (ii) merger

Navios Holdings entered into an omnibus agreement with Navios M
Midstream IPO, pursuant to which Navios Acquisition, Navios Hold
acquire or own any VLCCs,

Table of Contents

NAVIOS MA

UNAUDITED C

CONDENSED CONSOL

(Expressed in thousan

crude oil tankers, refined petroleum product tankers, LPG tankers or
Navios Midstream. The omnibus agreement contains significant exc
any of their controlled affiliates to compete with Navios Midstream

Navios Holdings entered into an omnibus agreement with Navios Co
which Navios Acquisition, Navios Holdings, Navios Partners, Navio
refusal to Navios Containers over any container vessels to be sold or
Acquisition, Navios Holdings, Navios Partners and Navios Midstrea
specified circumstances.

Midstream General Partner Option Agreement: Navios Holdings
Acquisition, which owns and controls Navios Maritime Midstream P
to acquire a minimum of 25% of the outstanding membership interes
Midstream representing the right to receive an increasing percentage
expire on November 18, 2024. The purchase price for the acquisition
value. As of September 30, 2018, Navios Holdings had not exercised

Sale of vessels and sale of rights to Navios Partners: Upon the sal
in earnings only to the extent of the interest in Navios Partners owne
ownership interest in Navios Partners (the deferred gain). Subseq
vessel. The recognition of the deferred gain is accelerated in the even
Partners or (ii) the Company s ownership interest in Navios Partner
Partners, a pro rata portion of the deferred gain is released to income
September 30, 2018 and December 31, 2017, the unamortized deferr
each of the three month periods ended September 30, 2018 and 2017
(losses)/earnings of affiliated companies and for each of the nine m
the deferred gain in Equity in net (losses)/earnings of affiliated com

Participation in offerings of affiliates: Refer to Note 13 for Navios
February 4, 2015, Navios Holdings entered into a share purchase agr
investment in Navios Partners by purchasing common units, and gen
Navios Partners following its equity offering in February 2015. In co
agreement with Navios Partners pursuant to which Navios Partners p
common units. Navios Holdings has entered into additional share pu
March 31, 2017, January 11, 2018 and February 21, 2018 for the pur

The Navios Acquisition Credit Facility: On September 19, 2016, N
Acquisition. This credit facility was secured by all of the Company

Table of Contents

NAVIOS MA

UNAUDITED C

CONDENSED CONSOL

(Expressed in thousan

interest in Navios Acquisition and 78.5% of the Company s interest
Logistics. This facility was provided for an arrangement fee of $700
under this credit facility with Navios Acquisition and all collateral w

Balance due from Navios Europe I: Balance due from Navios Eur
which included the net current receivable amount of $13,088 (Decem
income earned under the Navios Revolving Loans I (as defined in N
(December 31, 2017: $3,174) related to the accrued interest income

The Navios Revolving Loans I and the Navios Term Loans I earn in
on a quarterly compounding basis and are repaid from free cash flow
quarter. There are no covenant requirements or stated maturity dates

As of September 30, 2018, the outstanding amount relating to Navio
2017: $11,125), under the caption Loan receivable from affiliate co
Loans I was $0.

On March 17, 2017, Navios Holdings transferred to Navios Partners
the respective accrued receivable interest), with a total carrying valu
13,076,923 newly issued common units of Navios Partners with a fa
transaction). The Company evaluated this transaction in accordance
this transaction, the Company recognized a long-term liability of $3
expense and finance cost, net over the term of the loans until 2023,
may be required from Navios Partners, under certain conditions, to r
on the then-outstanding balance of the loans. See also Note 13. As o
$35,061, including the unamortized premium of $8,854.

Balance due from Navios Europe II: Balance due from Navios Eu
$2,440), which included the net current payable amount of $2,813 (I
accrued interest income earned under the Navios Revolving Loans I
of $5,236 (December 31, 2017: $3,750) related to the accrued intere

The Navios Revolving Loans II and the Navios Term Loans II earn i
annum, on a quarterly compounding basis and are repaid from free c
of each quarter. There are no covenant requirements or stated maturi

As of September 30, 2018, the outstanding amount relating to Navio
31, 2017: $12,063), under the caption Loan receivable from

NAVIOS MA

UNAUDITED C

CONDENSED CONSOL

(Expressed in thousan

affiliate companies. In March 2017, the amount undrawn from the amount undrawn from the Navios Revolving Loans II was $9,753, o $9,753.

NOTE 9: PREFERRED AND COMMON STOCK

Vested, Surrendered and Forfeited

During the nine month period ended September 30, 2018, 3,333 rest

During the nine month period ended September 30, 2017, 0 restricte

During the nine month period ended September 30, 2018, 4,500 rest

During the nine month period ended September 30, 2017, 0 restricte

Conversion of Preferred Stock

During the nine month period ended September 30, 2017, 2,436 shar stock. The shares of convertible preferred stock were converted purs to convert all or any such then-outstanding shares of preferred stock by dividing the amount of the liquidation preference ($10,000 per sh this conversion, the Company cancelled the undeclared preferred div converted to 50,150 shares of common stock with a fair value of $84

Issuance of Cumulative Perpetual Preferred Stock

The Company s 2,000,000 American Depositary Shares, Series G a value on issuance. Each of the shares represents 1/100th of a share o ($25.00 per American Depositary Share). Dividends are payable qua a rate of 8.625% per annum of the stated liquidation preference. The

Series G and Series H American Depositary Shares Exchange Offer

On April 19, 2017, Navios Holdings announced the completion of th Company s common stock for any and all outstanding American De 360 Series G and 406 Series H shares were validly tendered, represe Navios Holdings paid for tender offer expenses $485, and issued a to completion of the offer, the Company cancelled the undeclared prefe

Table of Contents

NAVIOS MA

UNAUDITED C

CONDENSED CONSOL

(Expressed in thousan

In February 2016, Navios Holdings announced the suspension of pay
Series H. Total undeclared preferred dividends as of September 30, 2

On July 15, 2017, the Company reached six quarterly dividend paym
dividend rate increased by 0.25%.

Issuances to Employees, Officers and Directors

On December 11, 2017, pursuant to the stock plan approved by the B
Holdings employees, officers and directors and issued on January 16

Navios Holdings had outstanding as of September 30, 2018 and Dec
respectively, 14,191 Series G, 28,612 Series H and 3,499 shares of c

NOTE 10: OTHER EXPENSE, NET

In February 2017, two self-propelled barges of Navios Logistics fle
price will be received in installments in the form of lease payments t
end of the lease period. Gain on sale of assets of $1,030 was include
(expense)/income, net .

During the nine month period ended September 30, 2018 and 2017,
respectively, and were included in the statements of comprehensive

NOTE 11: SEGMENT INFORMATION

The Company currently has two reportable segments from which it d
reportable segments reflect the internal organization of the Company
Bulk Vessel Operations consists of the transportation and handling o
FFAs. The Logistics Business consists of operating ports and transfe
transport facilities in the Hidrovia region.

Table of Contents

NAVIOS MA

UNAUDITED C

CONDENSED CONSOL

(Expressed in thousan

The Company measures segment performance based on net income
and transfers are not significant and have been eliminated and are no
each of the Company s reportable segments is as follows:

	Drybulk Vessel Ope	
	Three Month Period Ended September 30, 2018	Three Perio Septe 2
Revenue	$ 85,533	$
Administrative fee revenue from affiliates	7,357	
Interest expense and finance cost, net	(22,778)	
Depreciation and amortization	(17,389)	
Equity in net (losses)/earnings of affiliated companies	(4,231)	
Net (loss)/income attributable to Navios Holdings common stockholders	(6,111)	
Total assets	1,806,177	1
Goodwill	56,240	
Capital expenditures	(1,301)	
Investments in affiliates	166,888	
Cash and cash equivalents	50,378	
Restricted cash	10,056	
Long-term debt (including current and non-current portion)	$ 1,066,080	$ 1

Table of Contents

NAVIOS MA

UNAUDITED C

CONDENSED CONSOL

(Expressed in thousan

	Drybulk Vessel Ope Nine Month Period Ended September 30, 2018	Nine Perio Septe 2
Revenue	$ 222,135	$
Administrative fee revenue from affiliates	21,488	
Interest expense and finance cost, net	(68,599)	
Depreciation and amortization	(53,612)	
Equity in net (losses)/earnings of affiliated companies	(13,720)	
Net (loss)/income attributable to Navios Holdings common stockholders	(74,141)	
Total assets	1,806,177	1
Goodwill	56,240	
Capital expenditures	(13,747)	
Investments in affiliates	166,888	
Cash and cash equivalents	50,378	
Restricted cash	10,056	
Long-term debt (including current and non-current portion)	$ 1,066,080	$ 1

NOTE 12: LOSS PER COMMON SHARE

Loss per share is calculated by dividing net loss attributable to Navi
Navios Holdings outstanding during the periods presented. Net (loss
adding to (if a discount) or deducting from (if a premium) net (loss)/
between the fair value of the consideration paid upon redemption an
costs of the preferred stock, and the amount of any undeclared divid

For the three month period ended September 30, 2018, 7,012,813 po
have an anti-dilutive effect (i.e. those that increase income per share
diluted net loss per share.

Table of Contents

NAVIOS MA

UNAUDITED C

CONDENSED CONSOL

(Expressed in thousan

For the three month period ended September 30, 2017, 5,035,167 po have an anti-dilutive effect (i.e. those that increase income per share diluted net loss per share.

For the nine month period ended September 30, 2018, 6,761,637 pot have an anti-dilutive effect (i.e. those that increase income per share diluted net loss per share.

For the nine month period ended September 30, 2017, 5,307,928 pot have an anti-dilutive effect (i.e. those that increase income per share diluted net loss per share.

		Three Month Period Ended September 30, 2018
Numerator:		
Net loss attributable to Navios Holdings common stockholders	$	(1,816)
Less:		
Declared and undeclared dividend on preferred stock and on unvested restricted shares		(2,566)
Plus:		
Tender Offer Redemption of preferred stock Series G and Series H including $702 and $972 of undeclared preferred dividend cancelled for the three and nine months of 2017, respectively		
Loss attributable to Navios Holdings common stockholders, basic and diluted	$	(4,382)
Denominator:		
		119,423,135

Denominator for basic and diluted net loss per share attributable to Navios Holdings common stockholders weighted average shares		
Basic and diluted net losses per share attributable to Navios Holdings common stockholders	$	(0.04)

Table of Contents

NAVIOS MA

UNAUDITED C

CONDENSED CONSOL

(Expressed in thousan

NOTE 13: INVESTMENT IN AFFILIATES AND AVAILABLE

Navios Partners

On August 7, 2007, Navios Holdings formed Navios Partners under owned subsidiary of Navios Holdings, was also formed on that date interest.

On March 17, 2017, Navios Holdings transferred to Navios Partners both as defined herein, and relating to Navios Europe I. Concurrently maintain its 2.0% general partner interest for a cash consideration of

On March 20, 2017, Navios Partners announced that it has closed an units in Navios Partners in order to maintain its 2.0% general partner

During the first quarter of 2017, Navios Partners also issued 2,040,0 1,200,442 common units pursuant to Navios Partners Continuous C common units in Navios Partners in order to maintain its 2.0% gener

During the first quarter of 2018, Navios Partners also issued 1,370,0 Navios Holdings acquired 27,960 common units in Navios Partners $64.

On February 21, 2018, Navios Partners closed an offering of 18,422 Holdings. In addition, Navios Holdings paid $714 to retain its 2.0%

As of September 30, 2018, Navios Holdings held a total of 31,053,2 interest in Navios Partners, including the 2.0% general partner intere method.

As of September 30, 2018 and December 31, 2017, the unamortized the amount of the Company s underlying equity in net assets of Nav in net (losses)/earnings of affiliated companies over the remaining

Total equity method income and amortization of deferred gain of $4 companies for the three month periods ended September 30, 2018 a gain of $14,363 and $6,670 were recognized for the nine month peri

As of September 30, 2018 and December 31, 2017, the carrying amo

Table of Contents

NAVIOS MA

UNAUDITED C

CONDENSED CONSOL

(Expressed in thousan

Dividends received during each of the three month periods ended Se
month periods ended September 30, 2018 and 2017 were $1,379 and

As of September 30, 2018, the market value of the investment in Na

Acropolis

Navios Holdings has a 50% interest in Acropolis, a brokerage firm f
stock, Navios Holdings agreed with the other shareholder that the ea
Company with the balance to the other shareholder. As of Septembe
$123 and $228, respectively. During each of the three month periods
during the nine month periods ended September 30, 2018 and 2017,

Navios Acquisition

As of September 30, 2018 and December 31, 2017, the unamortized
and the amount of the Company s underlying equity in net assets of
through Equity in net (losses)/earnings of affiliated companies ov

Total equity method loss of $9,856 and $2,744 were recognized in
ended September 30, 2018 and 2017, respectively, and total equity n
September 30, 2018 and 2017, respectively.

As of September 30, 2018 and December 31, 2017, the carrying amo
respectively.

Dividends received for each of the three month periods ended Septer
nine month periods ended September 30, 2018 and 2017 were $4,37

As of September 30, 2018, the market value of the investment in Na

Navios Europe I

On December 18, 2013, Navios Europe I acquired ten vessels for ag
senior loan facilities (the Senior Loans I) and loans aggregating to
case, in proportion to their economic interests in Navios Europe I) (c
participating loan facility (the Junior Loan I). In addition to the N
also make available to Navios Europe I revolving loans up to $24,10

I). The Navios Term Loans I will be repaid from the future sale of

Table of Contents

NAVIOS MA

UNAUDITED C

CONDENSED CONSOL

(Expressed in thousan

On an ongoing basis, Navios Europe I is required to distribute cash f
of the Senior Loans I) according to a defined waterfall calculation.

Navios Holdings evaluated its investment in Navios Europe I under
most closely associated with Navios Europe I and, accordingly, is no

Navios Holdings further evaluated its investment in the common sto
exercise significant influence over the operating and financial polici
for under the equity method.

The initial amount provided for in Navios Europe I of $4,750 at the
value and the underlying book value of the assets of Navios Europe
(losses)/earnings of affiliated companies over the remaining life of
unamortized basis difference of Navios Europe I was $3,526, and $4

As of September 30, 2018 and December 31, 2017, the estimated ma
$26,207 and $23,838, respectively, which represents the Company
$7,924, respectively, including accrued interest, plus the Company
including accrued interest, and does not include the undrawn portion

Loss of $0 and $5 was recognized in Equity in net (losses)/earning
2017, respectively, and income of $0 and $153 was recognized for t

As of September 30, 2018 and December 31, 2017, the carrying amo
$4,750 for both periods.

Navios Europe II

On February 18, 2015, Navios Holdings, Navios Acquisition and Na
December 31, 2015, Navios Europe II acquired 14 vessels for aggreg
senior loan facility (the Senior Loans II) and loans aggregating to
case, in proportion to their economic interests in Navios Europe II) (
participating loan facility (the Junior Loan II). In addition to the N
also make available to Navios Europe II revolving loans up to $43,5
II). The Navios Term Loans II will be repaid from the future sale o
Revolving Loans II increased by $14,000.

On an ongoing basis, Navios Europe II is required to distribute cash
the Senior Loans II) according to a defined waterfall calculation.

Table of Contents

NAVIOS MA

UNAUDITED C

CONDENSED CONSOL

(Expressed in thousan

Navios Holdings evaluated its investment in Navios Europe II under
most closely associated with Navios Europe II and, accordingly, is n

Navios Holdings further evaluated its investment in the common sto
exercise significant influence over the operating and financial polici
accounted for under the equity method.

The initial amount provided for in Navios Europe II of $6,650, at the
value and the underlying book value of the assets of Navios Europe
(losses)/earnings of affiliated companies over the remaining life of
unamortized basis difference of Navios Europe II was $6,305 and $7

As of September 30, 2018 and December 31, 2017, the estimated ma
$26,198 and $22,463, respectively, which represents the Company
and $10,400, respectively, plus the Company s balance of the Navio
interest, and does not include the undrawn portion of the Navios Rev

Income of $523 and $244 was recognized in Equity in net (losses)/
2018 and 2017, respectively, and income of $1,485 and $445 was re
respectively.

As of September 30, 2018 and December 31, 2017, the carrying amo
was $6,650 for both periods.

Navios Containers

On June 8, 2017, Navios Containers closed a private placement of 1
resulting in gross proceeds of $50,288. Navios Holdings invested $5
Holdings and Navios Partners also received warrants for the purchas
The warrants can be exercised for shares of common stock of Navio
warrants have a five year-term, which may be reduced to an earlier e
partnership.

On March 13, 2018, Navios Containers closed an additional private

As of September 30, 2018, and following Navios Containers privat
owned 3.1% in Navios Containers and warrants for the purchase of a

Navios Holdings evaluated its investment in the common stock of N
significant influence over the operating and financial policies of Nav
under the equity method.

NAVIOS MA

UNAUDITED C

CONDENSED CONSOL

(Expressed in thousan

Total equity method income of $171 and $7 were recognized in Eq
ended September 30, 2018 and 2017, respectively, and total equity n
September 30, 2018 and 2017, respectively.

As of September 30, 2018 and December 31, 2017, the carrying amo

As of September 30, 2018, the market value of the investment in Na

Following the results of the significant tests performed by the Comp
summarized financial information to be presented.

	Se Navios Partner
Balance Sheet	
Cash and cash equivalents, including restricted cash	$ 58,322
Current assets	89,350
Non-current assets	1,239,273
Current liabilities	54,075
Long- term debt including current portion, net	511,669
Non-current liabilities	491,262

	Nine I Se Navios Partners
Income Statement	
Revenue	$ 173,819
Net (loss)/ income	$ (13,598)

	Three Se Navios Partners
Income Statement	

Revenue	$	62,571
Net income / (loss)	$	10,457

Available-for-sale securities (AFS Securities)

During the year ended December 31, 2017, the Company received sl
under the Korean court for all unpaid amounts in respect of the empl
issuance and subsequent changes in market value are recognized wit
within consolidated statements of comprehensive (loss)/income.

NAVIOS MA

UNAUDITED C

CONDENSED CONSOL

(Expressed in thousan

The shares received from STX were accounted for under the guidanc January 1, 2018, the Company adopted ASU 2016-01, Financial In Assets and Financial Liabilities .

As of September 30, 2018 and December 31, 2017, the carrying amo respectively and was recorded under Other long-term assets in the

As of December 31, 2017, the unrealized holding losses related to th During the three and nine month period ended September 30, 2018, Other (expense)/income, net was $16 and $(11), respectively.

NOTE 14: SUBSEQUENT EVENTS

a) Navios Holdings agreed to charter-in, under one ten-yea about 81,000 dwt, expected to be delivered in the secon deposit for the option to acquire this vessel, of which $2

b) In November 2018, Navios Primavera, a 2007-built, 53, had exercised the option to acquire the above chartered- delivery date of the vessel.

c) In November 2018, Navios Holdings agreed to sell to an dwt, for a total net sale price of $6,950 to be paid in cash expected to be approximately $5,402.

d) On November 12, 2018, Navios Logistics acquired appr for a total consideration of $1,093. Navios Logistics pla

Table of Contents

Pursuant to the requirements of the Securities Exchange Act of 1934
undersigned, thereunto duly authorized.

NAVIOS MARITIME HOLDINGS INC.

By: /s/ Angeliki Frangou
Angeliki Frangou
Chief Executive Officer
Date: November 29, 2018

Table of Contents

Table of Contents

ARTICLE

ARTICLES

NAVIOS MA

UNDER SECTION 90 OF

The undersigned, *(name)* the (*title*) of NAVIOS MARITIME HOLD
Marshall Islands, for the purpose of amending the Articles of Incorp

1. The name of the Corporation is NAVIOS MARITIME HOLDIN

2. The Articles of Incorporation were originally filed with the Regis
November 19, 2002, Restated Articles of Incorporation were filed o
filed on April 23, 2003 and February 16, 2005, Articles of Merger w
Incorporation was filed on August 25, 2005, Articles of Amendment
Designation were filed on October 6, 2008, June 30, 2009, Septemb
November 26, 2010, January 27, 2014, and July 7, 2014.

3. The Certificate of Designation relating to Preferred Stock of the C
filed on January 27, 2014, is hereby amended and restated in its enti

Section 1 Designation.

The Shareholders hereby amend and restate the designation of the B
Redeemable Perpetual Preferred Stock, and fix the preferences, rig
this Amended and Restated Certificate of Designation. Each share o
Series G Preferred Stock. The Series G Preferred Stock represent pe
holder for redemption thereof at a particular date.

Section 2 Shares.

The authorized number of shares of Series G Preferred Stock shall b
respect to such additional shares. Shares of Series G Preferred Stock
and shall revert to the status of authorized but unissued preferred sto

Section 3 Dividends.

(a) Dividends, when, as, and if and only if declared by the Corporati
Section 3, shall be paid quarterly on each Series G Dividend Payme
the Corporation shall have no obligations, payment or otherwise, in
Period is prior to or after the date of this Amended and Restated Cer
have been declared for any such prior Series G Dividend Period). If
Business Day, declared Series G Dividends shall be paid on the imm
dividends. Series G Dividends shall be payable based on a 360-day

Table of Contents

(b) Not later than 5:00 p.m., New York City time, on each Series G I
that shall have been declared by the Board of Directors to the Paying
as such Series G Holders names appear on the stock transfer books
The record date (the *Series G Dividend Record Date*) for any Seri
applicable Series G Dividend Payment Date. No dividend shall be de
Dividend Period (other than a dividend payable solely in Junior Secu
Series G Dividend Rate have been or contemporaneously are being p
payable with respect to all Series G Preferred Stock and any Parity S
made pro rata with respect to the Series G Preferred Stock and any P
aggregate dividend amounts remaining due in respect of such Series
entitled to any dividend, whether payable in cash, property or stock,
discretion. The Paying Agent shall be responsible for holding or dist
Series G Holders. In other circumstances, dividends may be paid by
particular case, the Corporation elects to pay the wire transfer.

Section 4 Liquidation Rights.

(a) Upon the occurrence of any Liquidation Event, Series G Holders
legally available for distribution to stockholders of the Corporation,
all applicable distributions of such assets or proceeds being made to
such Liquidation Event, (iii) concurrently with any applicable distrib
Parity Securities then outstanding in respect of such Liquidation Eve
for the holders of Common Stock and any other classes or series of J
redemption of such Series G Preferred Stock in an amount equal to t
any Liquidation Event, (x) the holders of then outstanding Senior Se
amount of any accumulated and unpaid dividends thereon (whether
Securities before any distribution shall be made to the Series G Hold
Series G Liquidation Preference per share of Series G Preferred Stoc
Securities and before any distribution shall be made to the holders of
entitled to any other amounts from the Corporation, in their capacity
The payment of the Series G Liquidation Preference shall be a paym
of the full Series G Liquidation Preference any such share of Series

(b) If, in the event of any distribution or payment described in Sectio
the outstanding Series G Preferred Stock and any Parity Securities ar
Preferred Stock and Parity Securities, the Corporation s then remain
Corporation shall be distributed among the holders of outstanding Se
basis of their relative aggregate Liquidation Preferences. To the exte
Preference, such

Table of Contents

partial payment shall reduce the Series G Liquidation Preference of t

(c) After payment of the applicable Liquidation Preference to the hol
Corporation s remaining assets and funds shall be distributed amon
Junior Securities then outstanding according to their respective right

Section 5 Voting Rights.

(a) Notwithstanding anything to the contrary in this Amended and R
voting rights except as set forth in this Section 5 or as otherwise pro

(b) In the event that one quarterly Series G Dividend have not been d
and whether or not there are profits, surplus or other funds legally av
commercially reasonable efforts to obtain an amendment to the Artic
necessary to permit the Series G Holders to exercise the voting right
Dividends are have not been declared or paid, whether or not consec
not there are profits, surplus, or other funds legally available for the
described in the preceding sentence, the Series G Holders shall have
which like voting rights have been conferred and are exercisable, at
the Corporation of a request by Series G Holders holding a majority
Directors, and the size of the Board of Directors shall be increased a
already has been increased by reason of the election of a director by
with which the Series G Preferred Stock voted as a class for the elec
shall not be deemed to include the requirement to pay any consent o
amendment to the Articles of Incorporation, if obtained, shall also pr
Directors shall continue until such time as the Corporation has paid
time such right shall terminate, subject to the revesting of such right
Series G Dividends as described above in this Section 5(b). Upon an
other Parity Securities to vote as a class for such director, the term o
voting as a class shall terminate immediately. Any director elected b
entitled to one vote on any matter before the Board of Directors.

(c) Unless the Corporation shall have received the affirmative vote o
Stock, voting as a single class, the Corporation shall not adopt any a
preferences, powers or rights of the Series G Preferred Stock.

(d) Unless the Corporation shall have received the affirmative vote o
Stock, voting as a class together, the Corporation shall not create or

Table of Contents

(e) For any matter described in this Section 5 in which the Series G I
holders of any Parity Securities), such Series G Holders shall be enti
Preferred Stock held by the Corporation or any of its subsidiaries or

(f) No vote or consent of Series G Holders shall be required for (i) th
any Common Stock or other Junior Securities or (iii) the authorizatio

Section 6 Optional Redemption.

The Corporation shall have the right at any time, and from time to ti
or in part, from any source of funds legally available for such purpos
sentence of this paragraph, any such redemption shall occur on a dat

(a) The Corporation shall effect any such redemption by paying cash
Liquidation Preference for such Series G Preferred Stock on such Se
Redemption Price shall be paid by the Paying Agent to the Series G

(b) The Corporation shall give notice of any redemption by mail, pos
Series G Redemption Date, to the Series G Holders (as of 5:00 p.m.
given) of any Series G Preferred Stock to be redeemed as such Serie
the Transfer Agent at the address of such Series G Holders shown th
Redemption Date, (2) the number of shares of Series G Preferred Sto
be redeemed, the number (and the identification) of shares of Series
Redemption Price and (4) the place where the shares of Series G Pre
payment of the Series G Redemption Price therefor.

(c) If the Corporation elects to redeem less than all of the outstandin
redeemed shall be determined by the Corporation, and such shares o
Paying Agent shall determine, either pro rata or by lot, with adjustm
aggregate Series G Redemption Price for any such partial redemptio
among the redeemed shares of Series G Preferred Stock. The shares
all the rights and preferences provided in this Amended and Restated
redeem all or part of the Series G Preferred Stock outstanding at any

(d) If the Corporation gives or causes to be given a Series G Redemp
to redeem the Series G Preferred Stock as to which such Series G Re
time, on the Business Day immediately preceding the Series G Rede
to pay the Series G Redemption Price to the Series G Holders to be r
forth in the Series G Redemption Notice. If the Series G Redemption
unless the Corporation defaults in providing funds sufficient for such
Redemption Notice, all rights of holders of such Series G Preferred S

Table of Contents

stockholders with respect to such Series G Preferred Stock shall ceas
Preferred Stock shall not thereafter be transferred on the books of th
Corporation shall be entitled to receive from the Paying Agent the in
extent that such interest income is not required to pay the Series G R
of any Series G Preferred Stock so redeemed shall have no claim to a
the Corporation for any reason, including, but not limited to, redemp
after the applicable Series G Redemption Date or other payment date
request, after which repayment the Series G Holders entitled to such
Notwithstanding any Series G Redemption Notice, there shall be no
sufficient to pay the full Series G Redemption Price of such Series G
Agent.

(e) Any Series G Preferred Stock that are redeemed or otherwise acq
subject to designation by the Board of Directors as set forth in the A
represented by a certificate shall have been called for redemption, up
the Series G Holders a new certificate (or adjust the applicable book
the surrendered certificate that have not been called for redemption.

Section 7 Rank.

The Series G Preferred Stock shall be deemed to rank:

(a) Senior to (i) the Common Stock, (ii) the Existing Preferred Stock
Original Issue Date by the Board of Directors, the terms of which cla
Series G Preferred Stock as to dividends and distributions upon any
Existing Preferred Stock as *Junior Securities*);

(b) On a parity with any class or series of capital stock established af
series are not expressly subordinated or senior to the Series G Prefer
(collectively referred to as *Parity Securities*); and

(c) Junior to any class or series of capital stock established after the
expressly provide that it ranks senior to the Series G Preferred Stock
to as *Senior Securities*).

The Corporation may issue Junior Securities, Parity Securities and, s
Senior Securities from time to time in one or more classes or series w
authority to determine the preferences, powers, qualifications, limita
class or series before the issuance of any shares of such class or serie

Table of Contents

Section 8 Definitions.

Affiliate means, with respect to any Person, any other Person that
or is under common control with, the Person in question. As used he
or cause the direction of the management and policies of a Person, w

Amended and Restated Certificate of Designation means this Am
as it may be amended from time to time in a manner consistent with
Incorporation, the Bylaws and the BCA.

Articles of Incorporation means the Amended and Restated Artic
in a manner consistent with this Amended and Restated Certificate o
Designation.

BCA has the meaning set forth in the introductory paragraph of th

Board of Directors means the board of directors of the Corporatio
authorized committee thereof.

Business Day means a day on which the New York Stock Exchan
banks in New York City are authorized or required to close.

Bylaws means the bylaws of the Corporation, as they may be ame

Common Stock means the common stock of the Corporation, par
Corporation.

Corporation has the meaning set forth in the introductory paragra

Existing Preferred Stock means the Corporation s Preferred Stoc
on the date hereof of the Corporation s Series A Convertible Prefer
Stock, Series D Convertible Preferred Stock, Series E Convertible P

Junior Securities has the meaning set forth in Section 7(a).

Liquidation Event means the occurrence of a dissolution, winding
involuntary. Neither the sale of all or substantially all of the property
with or into any other Person, individually or in a series of transactio

Liquidation Preference means, in connection with any distributio
Restated Certificate of Designation and with respect to any holder of
payable to such holder in such distribution with respect to such class
available for such distribution). For avoidance of doubt, for the foreg
with respect to the Series G Preferred Stock.

Table of Contents

Parity Securities has the meaning set forth in Section 7(b).

Paying Agent means Continental Stock Transfer and Trust Comp
respective successors and assigns or any other payment agent appoin

Person means an individual or a corporation, firm, limited liabilit
association, governmental agency or political subdivision thereof or

Preferred Stock means securities of the Corporation, designated a
to dividends or as to the distribution of assets upon any Liquidation

Record Holder means the Person in whose name Series G Preferr
forth in this Amended and Restated Certificate of Designation, the o

Registrar means the Registrar of Corporations as defined in Secti

Senior Securities has the meaning set forth in Section 7(c).

Series G Dividends means dividends with respect to the Series G

Series G Dividend Payment Date means each January 15, April 1

Series G Dividend Period means a period of time from and incluc
Dividend Period, which shall commence on and include the Series G
paid on such date, to but excluding the next Series G Dividend Paym

Series G Dividend Rate means a rate equal to 8.75% per annum o
share of Series G Preferred Stock.

Series G Dividend Record Date has the meaning set forth in Secti

Series G Holder means a Record Holder of the Series G Preferred

Series G Liquidation Preference means a liquidation preference f
which liquidation preference shall be subject to decrease upon a dist
Amended and Restated Certificate of Designation which does not re
Preferred Stock.

Series G Original Issue Date means January 28, 2014.

Series G Preferred Stock means Preferred Stock having the desig
Certificate of Designation.

Series G Redemption Date has the meaning set forth in Section 6.

Series G Redemption Notice has the meaning set forth in Section

Series G Redemption Price has the meaning set forth in Section 6

Transfer Agent means Continental Stock Transfer and Trust Com
Stock, and its respective successors and assigns or any other bank, tr
Corporation to act as registrar and transfer agent for the Series G Pre

Section 9 Fractional Shares.

No Series G Preferred Stock may be issued in fractions of a share.

Section 10 No Sinking Fund.

The Series G Preferred Stock shall not have the benefit of any sinkin

Section 11 Record Holders.

To the fullest extent permitted by applicable law, the Corporation, th
Series G Holder as the true, lawful and absolute owner of the applica
Registrar, the Transfer Agent or the Paying Agent shall be affected b

Section 12 Notices.

All notices or communications in respect of the Series G Preferred S
first class mail, postage prepaid, or if given in such other manner as
Articles of Incorporation, the Bylaws or by applicable law.

Section 13 Other Rights.

The Series G Preferred Stock shall not have any voting powers, pref
limitations or restrictions thereof, other than as set forth in this Ame
Bylaws or as provided by applicable law.

4. The amendment to the Articles of Incorporation was authorized b
vote thereon at a meeting of shareholders and (ii) 66 2/3% of the hol
as a class.

IN WITNESS WHEREOF, we have executed these Articles of Ame

Table of Contents

Navios M

OFFE

Cash and/or 9

946,100 American Depositary Shares, Each Re

Redeemable

SERIES G ADS CONS

To Adopt The Series

Certi

I

The

The Ban

By Mail:

The Bank of New York Mellon

Voluntary Corporate Actions Suite V

P.O. Box 43031

Providence, Rhode Island 02940-3031

United States of America

The I

C

1290 Avenu

Ne

Call To

Contact via E-m

Any questions or requests for assistance may be directed to the Infor
additional copies of this prospectus may be directed to the Informati
may also contact their custodian for assistance concerning the Excha