

Navios Maritime Acquisition Corporation Reports Financial Results for the First Quarter Ended March 31, 2020

May 6, 2020

- **Revenue**
 - 26.9% increase in Q1 2020 revenue to \$97.9 million
- **Net Cash from Operating Activities**
 - \$30.5 million in Q1 2020
- **Adjusted EBITDA**
 - 36.3% increase in Q1 2020 Adjusted EBITDA to \$56.2 million
- **Liquidation of Navios Europe II Inc. expected in Q2 2020**
- **Returning capital to stockholders:**
 - Quarterly dividend: \$0.30 per share

MONACO, May 06, 2020 (GLOBE NEWSWIRE) -- Navios Maritime Acquisition Corporation ("Navios Acquisition") (NYSE: NNA), an owner and operator of tanker vessels, reported its financial results today for the first quarter ended March 31, 2020.

Angeliki Frangou, Chairman and Chief Executive Officer of Navios Acquisition stated, "While the humanitarian crises caused by the Pandemic has been heartbreaking, we have also been strengthened by the courage and compassion of the first responders, particularly the many dedicated health care workers. At any given time, our seagoing vessels carry over 1,000 people. Keeping these people safe and these vessels moving in and out of quarantined countries, with ever-changing rules and problems, requires the immediate input of many disciplines. I am proud of the members of the Navios family as they have shown admirable resilience during this unprecedented time of uncertainty. We have taken the necessary measures to ensure safety of our people while keeping our fleet functioning."

Angeliki Frangou continued, "I am pleased with our results for the first quarter of 2020. During the quarter, Navios Acquisition recorded revenue of \$97.9 million and adjusted EBITDA of \$56.2 million, representing increases of about 27% and 36%, respectively, over the first quarter of 2019. Navios Acquisition also recorded adjusted net income of \$14.9 million, or \$0.95 per share, for the first quarter of 2020. We declared a quarterly distribution of \$0.30 per share for the first quarter of 2020."

HIGHLIGHTS — RECENT DEVELOPMENTS

Quarterly dividend: \$0.30 per share

On April 29, 2020, the Board of Directors declared a quarterly cash dividend in respect of the first quarter of 2020 of \$0.30 per share of common stock, which will be paid on July 9, 2020 to stockholders of record as of June 3, 2020. The declaration and payment of any further dividends remain subject to the discretion of the Board of Directors and will depend on, among other things, Navios Acquisition's cash requirements as measured by market opportunities and restrictions under its credit agreements and other debt obligations and such other factors as the Board of Directors may deem advisable.

Debt developments

In April 2020, Navios Acquisition entered into indicative terms sheets for contemplated sale and leaseback arrangements of \$76.7 million, with unrelated third parties in order to refinance \$54.0 million outstanding on the existing facilities on four product tankers. The agreements will be repaid through periods ranging from four to seven years in consecutive quarterly installments of up to \$1.9 million each, with a purchase obligation of \$28.7 million to be repaid on the last repayment date. The agreements bear interest at LIBOR plus a margin ranging from 390 to 410 bps per annum, depending on the vessel financed. No assurance can be provided that definitive agreements will be executed or that the financing will be consummated in whole or in part.

Liquidation of Navios Europe II Inc.

On April 21, 2020, Navios Europe II agreed with the lender to fully release the liabilities under the junior participating loan facility for \$5.0 million. Navios Europe II owns seven container vessels and seven dry bulk vessels. The structure is expected to be liquidated during the second quarter of 2020 and Navios Acquisition expects to receive cash and steel value. The Company's Board of Directors formed a Special Committee of independent and disinterested directors to consider and approve the liquidation. Vessels to be acquired will be held for sale.

Continuous Offering Program

On November 29, 2019, Navios Acquisition entered into a Continuous Offering Program Sales Agreement, pursuant to which Navios Acquisition may issue and sell from time to time through the sales agent shares of common stock having an aggregate offering price of up to \$25.0 million. As of May 5, 2020, since the commencement of the program, Navios Acquisition has issued 426,628 shares of common stock and received net proceeds of \$2.8 million.

Fleet employment

As of April 30, 2020, Navios Acquisition's fleet consisted of a total of 46 vessels, of which 13 are very large crude carriers ("VLCCs") (including three bareboat chartered-in VLCCs expected to be delivered in each of the fourth quarter of 2020, and the first and the second quarters of 2021), 31 are product tankers and two are chemical tankers.

Currently, Navios Acquisition has contracted 83.4% of its available days on a charter-out basis for the remaining nine month period of 2020. The average base contractual net daily charter-out rate for the 70.5% of available days that are contracted on base rate and/or base rate with profit sharing arrangements is expected to be \$19,578 for the remaining nine month period of 2020.

FINANCIAL HIGHLIGHTS

For the following results and the selected financial data presented herein, Navios Acquisition has compiled its consolidated statements of income for the three months ended March 31, 2020 and 2019. The quarterly information for 2020 and 2019 was derived from the unaudited condensed consolidated financial statements for the respective periods.

(Expressed in thousands of U.S. dollars)	Three Month Period ended March 31, 2020 (unaudited)		Three Month Period ended March 31, 2019 (unaudited)	
Revenue	\$ 97,857		\$ 77,119	
Net income	\$ 869		\$ 861	
Adjusted net income	\$ 14,892	(1)	\$ 560	(2)
Net cash provided by operating activities	\$ 30,517		\$ 9,888	
EBITDA	\$ 42,205		\$ 41,664	
Adjusted EBITDA	\$ 56,228	(1)	\$ 41,242	(2)
Earnings per share (basic and diluted)	\$ 0.05		\$ 0.06	
Adjusted earnings per share (basic)	\$ 0.95	(1)	\$ 0.04	(2)
Adjusted earnings per share (diluted)	\$ 0.94	(1)	\$ 0.04	(2)

(1) EBITDA, net earnings and earnings per share (basic and diluted) for the three month period ended March 31, 2020 have been adjusted to exclude a \$13.9 million impairment loss relating to the other-than-temporary impairment recognized in the Navios Acquisition's receivable from Navios Europe II and \$0.1 million of non-cash stock based compensation.

(2) EBITDA, net earnings and earnings per share (basic and diluted) for the three month period ended March 31, 2019 have been adjusted to exclude \$0.7 million gain on sale of vessel, \$0.2 million of non-cash stock based compensation and \$0.1 million write-off of deferred financing costs.

EBITDA, Adjusted EBITDA, Adjusted net income and Adjusted earnings per share (basic and diluted) are non-GAAP financial measures and should not be used in isolation or substitution for Navios Acquisition's results (see Exhibit II for reconciliation of EBITDA and Adjusted EBITDA).

Three month periods ended March 31, 2020 and 2019

Revenue for the three month period ended March 31, 2020 increased by \$20.7 million, or 26.9%, to \$97.9 million, as compared to \$77.1 million for the same period of 2019. The increase was mainly attributable to an: (i) increase in revenue by \$8.8 million due to the acquisition of five product tankers of Navios Europe I in December 2019; and (ii) increase in market rates during the three month period ended March 31, 2020 as compared to the same period of 2019; partially mitigated by the sale of three VLCCs in 2019. Available days of the fleet increased to 3,755 days for the three month period ended March 31, 2020, as compared to 3,683 days for the three month period ended March 31, 2019, mainly as a result of the acquisition of five product tankers of Navios Europe I in December 2019; partially mitigated by the sale of three VLCCs in 2019. The time charter equivalent rate, or TCE Rate, increased to \$24,442 for the three month period ended March 31, 2020, from \$19,643 for the three month period ended March 31, 2019.

Time charter and voyage expenses for the three month period ended March 31, 2020 increased by \$1.3 million, or 27.1%, to \$6.1 million, as compared to \$4.8 million for the same period of 2019. The increase was mainly attributable to a: (a) \$1.2 million increase in bunkers consumption and voyage expenses related to the spot voyages incurred in the period; and (b) \$0.1 million increase in brokers' commission.

Net earnings was \$0.9 million for each of the three month periods ended March 31, 2020 and 2019. Net earnings was affected by the items described in the table above. Adjusted net earnings for the three month period ended March 31, 2020 was \$14.9 million as compared to \$0.6 million for the same period of 2019. The increase in adjusted net earnings was mainly attributable to a: (a) \$15.0 million increase in adjusted EBITDA; (b) \$1.0 million decrease in interest expense and finance cost; and (c) \$1.1 million decrease in depreciation and amortization; partially mitigated by a: (i) \$2.2 million decrease in interest income; and (ii) \$0.6 million increase in direct vessel expenses (in relation to amortization of dry dock and special survey cost).

Adjusted EBITDA affected by the items described in the table above, for the three month period ended March 31, 2020 increased by \$15.0 million to \$56.2 million, as compared to \$41.2 million for the same period of 2019. The increase in Adjusted EBITDA was mainly due to a: (a) \$20.7 million increase in revenue; and (b) \$1.1 million decrease in general and administrative expenses (excluding stock-based compensation); partially mitigated by a: (i) \$2.6 million increase in other (expense)/ income, net; (ii) \$1.9 million increase in management fees mainly due to the acquisition of the five product tankers of Navios Europe I in December 2019 and to the amendment of the fees under the management agreement, partially mitigated by the sale of three VLCCs in 2019; (iii) \$1.3 million increase in time charter and voyage expenses; (iv) \$0.8 million decrease in equity in net earnings of affiliated companies; and (v) \$0.2 million increase in direct vessel expenses (other than amortization of dry dock and special survey cost).

Fleet employment profile

The following table reflects certain key indicators of the performance of Navios Acquisition and its core fleet for the three month periods ended March 31, 2020 and 2019.

	Three month period ended	
	March 31,	
	2020	2019
	(unaudited)	(unaudited)
FLEET DATA		
Available days ⁽¹⁾	3,755	3,683
Operating days ⁽²⁾	3,730	3,672
Fleet utilization ⁽³⁾	99.3	% 99.7
Vessels operating at period end	43	40
AVERAGE DAILY RESULTS		
Time charter equivalent rate per day ⁽⁴⁾	\$ 24,442	\$ 19,643

Navios Acquisition believes that the important measures for analyzing trends in its results of income consist of the following:

Available days: Available days for the fleet are total calendar days the vessels were in Navios Acquisition's possession for the relevant period (1) after subtracting off-hire days associated with major repairs, drydocking or special surveys. The shipping industry uses available days to measure the number of days in a relevant period during which vessels should be capable of generating revenues.

Operating days: Operating days are the number of available days in the relevant period less the aggregate number of days that the vessels are (2) off-hire due to any reason, including unforeseen circumstances. The shipping industry uses operating days to measure the aggregate number of days in a relevant period during which vessels actually generate revenues.

Fleet utilization: Fleet utilization is the percentage of time that Navios Acquisition's vessels were available for generating revenue, and is (3) determined by dividing the number of operating days during a relevant period by the number of available days during that period. The shipping industry uses fleet utilization to measure a company's efficiency in finding suitable employment for its vessels and minimizing the amount of days that its vessels are off hire for reasons other than scheduled repairs, dry dockings or special surveys.

TCE Rate: Time charter equivalent rate per day is defined as voyage and time charter revenues less voyage expenses during a period divided by (4) the number of available days during the period. The TCE Rate per day is a standard shipping industry performance measure used primarily to present the actual daily earnings generated by vessels of various types of charter contracts for the number of available days of the fleet.

Conference Call, Webcast and Presentation Details:

As previously announced, Navios Acquisition will host a conference call on Wednesday, May 6, 2020 at 8:30 am ET, at which time Navios Acquisitions' senior management will provide highlights and commentary on earnings results for the first quarter ended March 31, 2020.

US Dial In: +1.877.480.3873
International Dial In: +1.404.665.9927
Conference ID: 789 6414

The conference call replay will be available shortly after the live call and remain available for one week at the following numbers:

US Replay Dial In: +1.800.585.8367
International Replay Dial In: +1.404.537.3406
Conference ID: 789 6414

The call will be simultaneously Webcast. The Webcast will be available on the Navios Acquisition website, www.navios-acquisition.com, under the "Investors" section. The Webcast will be archived and available at the same Web address for two weeks following the call.

A supplemental slide presentation will be available by 8:00 am ET on the day of the call.

About Navios Acquisition

Navios Acquisition (NYSE: NNA) is an owner and operator of tanker vessels focusing on the transportation of petroleum products (clean and dirty) and bulk liquid chemicals.

For more information about Navios Acquisition, please visit our website: www.navios-acquisition.com.

Forward Looking Statements

This press release contains forward-looking statements (as defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended) concerning future events and expectations, including with respect to Navios Acquisition's future dividends, expected cash flow generation and Navios Acquisition's growth strategy and measures to implement such strategy, including expected vessel acquisitions and entering into further employment contracts. Words such as "may," "expects," "intends," "plans," "believes," "anticipates," "hopes," "estimates," and variations of such words and similar expressions are intended to identify forward-looking statements. Such statements include comments regarding expected revenue and employment contracts. These forward-looking statements are based on the information available to, and the expectations and assumptions deemed reasonable by, Navios Acquisition at the time these statements were made. Although Navios Acquisition believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. These statements involve risks and are based upon a number of assumptions and estimates that are inherently subject to significant uncertainties and contingencies, many of which are beyond the control of Navios Acquisition. Actual results may differ materially from those expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to risks related to: global and regional economic and political conditions including the impact of the COVID-19 pandemic and efforts throughout the world to contain its spread, including effects on global economic activity, demand for seaborne transportation of the products we ship, the ability and willingness of charterers to fulfill their obligations to us and prevailing charter rates, shipyards performing scrubber installations, drydocking and repairs, changing vessel crews and availability of financing; potential disruption of shipping routes due to accidents, diseases,

pandemics, political events, piracy or acts by terrorists, including the impact of the COVID-19 pandemic and the ongoing efforts throughout the world to contain it; the creditworthiness of our charterers and the ability of our contract counterparties to fulfill their obligations to us; tanker industry trends, including charter rates and vessel values and factors affecting vessel supply and demand; the aging of our vessels and resultant increases in operation and dry docking costs; the loss of any customer or charter or vessel; our ability to repay outstanding indebtedness, to obtain additional financing and to obtain replacement charters for our vessels, in each case, at commercially acceptable rates or at all; increases in costs and expenses, including but not limited to crew wages, insurance, provisions, port expenses, lube oil, bunkers, repairs, maintenance and general and administrative expenses; the expected cost of, and our ability to comply with, governmental regulations and maritime self-regulatory organization standards, as well as standard regulations imposed by our charterers applicable to our business; potential liability from litigation and our vessel operations, including discharge of pollutants; general domestic and international political conditions; competitive factors in the market in which Navios Acquisition operates; operations outside the United States; and other factors listed from time to time in Navios Acquisition's filings with the SEC, including its annual and interim reports filed on Form 20-F and Form 6-K. Navios Acquisition expressly disclaims any obligations or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in Navios Acquisition's expectations with respect thereto or any change in events, conditions or circumstances on which any statement is based. Navios Acquisition makes no prediction or statement about the performance of its common stock.

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EXHIBIT I

**NAVIOS MARITIME ACQUISITION CORPORATION
SELECTED BALANCE SHEET DATA**

(Expressed in thousands of U.S. dollars- except share data)

	March 31, 2020	December 31, 2019
ASSETS		
Cash and cash equivalents, including restricted cash	\$ 51,068	\$ 44,051
Vessels, net	1,334,141	1,348,251
Other assets (including current and non-current)	\$ 137,420	\$ 162,074
Goodwill	1,579	1,579
Total assets	\$ 1,524,208	\$ 1,555,955
LIABILITIES AND STOCKHOLDERS' EQUITY		
Other current liabilities	\$ 52,353	\$ 68,986
Long-term debt, including current portion, net of deferred finance costs and premium	1,161,462	1,173,117
Total liabilities	\$ 1,213,815	\$ 1,242,103
Total stockholders' equity	310,393	313,852
Total liabilities and stockholders' equity	\$ 1,524,208	\$ 1,555,955

**NAVIOS MARITIME ACQUISITION CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF INCOME**

(Expressed in thousands of U.S. dollars- except share and per share data)

	For the Three Months Ended March 31, 2020 (unaudited)	For the Three Months Ended March 31, 2019 (unaudited)
Revenue	\$ 97,857	\$ 77,119
Time charter and voyage expenses	(6,082)	(4,767)
Direct vessel expenses	(3,140)	(2,355)
Management fees (entirely through related party transactions)	(29,837)	(27,906)
General and administrative expenses	(3,954)	(5,137)
Depreciation and amortization	(16,606)	(17,721)
Interest income	3	2,160
Interest expenses and finance cost	(21,843)	(22,929)
Gain on sale of vessel	—	651
Impairment of receivable in affiliated company / Equity in net earnings of affiliated companies	(13,900)	845
Other (expense)/ income, net	(1,629)	901
Net income	\$ 869	\$ 861
Net earnings per share, basic and diluted	\$ 0.05	\$ 0.06
Weighted average number of shares, basic	15,717,977	13,317,668
Weighted average number of shares, diluted	15,874,089	13,533,733

EXHIBIT II

Reconciliation of EBITDA and Adjusted EBITDA to Net Cash from Operating Activities

	Three Month Period Ended March 31, 2020 (unaudited)	Three Month Period Ended March 31, 2019 (unaudited)
Expressed in thousands of U.S. dollars		
Net cash provided by operating activities	\$ 30,517	\$ 9,888
Net (increase)/ decrease in operating assets	(13,961)) 8,041
Net increase in operating liabilities	4,397	2,581
Net interest cost	21,840	20,769
Amortization and write-off of deferred finance costs and bond premium	(1,512)) (974)
Impairment of receivable in Navios Europe II / Equity in net earnings of affiliated companies	(13,900)) 845
Payments for dry dock and special survey costs	14,947	92
Gain on sale of vessel	—	651
Stock-based compensation	(123)) (229)
EBITDA	\$ 42,205	\$ 41,664
Gain on sale of vessel	—	(651)
Impairment of receivable in Navios Europe II	13,900	—
Stock-based compensation	123	229
Adjusted EBITDA	\$ 56,228	\$ 41,242

	Three Month Period Ended March 31, 2020 (unaudited)	Three Month Period Ended March 31, 2019 (unaudited)
Net cash provided by operating activities	\$ 30,517	\$ 9,888
Net cash (used in)/ provided by investing activities	\$ (5,882)) \$ 17,450
Net cash used in financing activities	\$ (17,618)) \$ (6,049)

Disclosure of Non-GAAP Financial Measures

EBITDA, Adjusted EBITDA, Adjusted net income/ (loss) and Adjusted income/ (loss) per share (basic and diluted) are non-U.S. GAAP financial measures and should not be used in isolation or as substitution for Navios Acquisition's results calculated in accordance with U.S. generally accepted accounting principles ("U.S. GAAP").

EBITDA represents net income/ (loss) before interest and finance costs, before depreciation and amortization and before income taxes. Adjusted EBITDA in this document represents EBITDA excluding certain items as described under "Financial Highlights". Adjusted net income/ (loss) and Adjusted income/ (loss) per share (basic and diluted) represent Net income/ (loss) and income/ (loss) per share (basic and diluted), excluding certain items as described under "Financial Highlights". We use Adjusted EBITDA as liquidity measure and reconcile EBITDA and Adjusted EBITDA to net cash provided by/ (used in) operating activities, the most comparable U.S. GAAP liquidity measure. EBITDA is calculated as follows: net cash provided by/(used in) operating activities adding back, when applicable and as the case may be, the effect of: (i) net increase/(decrease) in operating assets; (ii) net (increase)/decrease in operating liabilities; (iii) net interest cost; (iv) amortization of deferred finance costs and other related expenses; (v) equity/ (loss) in net earnings of affiliates, net of dividends received; (vi) payments for dry dock and special survey costs; (vii) impairment charges; (viii) gain on sale of assets; (ix) gain/ (loss) on debt repayment; (x) stock-based compensation and (xi) transaction costs. Navios Acquisition believes that EBITDA and Adjusted EBITDA are each the basis upon which liquidity can be assessed and present useful information to investors regarding Navios Acquisition's ability to service and/or incur indebtedness, pay capital expenditures, meet working capital requirements and pay dividends. Navios Acquisition also believes that EBITDA and Adjusted EBITDA are used: (i) by potential lenders to evaluate potential transactions; (ii) to evaluate and price potential acquisition candidates; and (iii) by securities analysts, investors and other interested parties in the evaluation of companies in our industry. EBITDA and Adjusted EBITDA have limitations as an analytical tool, and should not be considered in isolation or as a substitute for the analysis of Navios Acquisition's results as reported under U.S. GAAP. Some of these limitations are: (i) EBITDA and Adjusted EBITDA do not reflect changes in, or cash requirements for, working capital needs; and (ii) although depreciation and amortization are non-cash charges, the assets being depreciated and amortized may have to be replaced in the future. EBITDA and Adjusted EBITDA do not reflect any cash requirements for such capital expenditures. Because of these limitations, EBITDA and Adjusted EBITDA should not be considered as a principal indicator of Navios Acquisition's performance. Furthermore, our calculation of EBITDA and Adjusted EBITDA may not be comparable to that reported by other companies due to differences in methods of calculation.

EXHIBIT III

Year Built/Delivery

Vessels	Type	Date	DWT
Owned Vessels			
Nave Polaris	Chemical Tanker	2011	25,145
Nave Cosmos	Chemical Tanker	2010	25,130
Star N	MR1 Product Tanker	2009	37,836
Hector N	MR1 Product Tanker	2008	38,402
Perseus N	MR1 Product Tanker	2009	36,264
Nave Velocity	MR2 Product Tanker	2015	49,999
Nave Sextans	MR2 Product Tanker	2015	49,999
Nave Pyxis	MR2 Product Tanker	2014	49,998
Nave Luminosity	MR2 Product Tanker	2014	49,999
Nave Jupiter	MR2 Product Tanker	2014	49,999
Bougainville	MR2 Product Tanker	2013	50,626
Nave Alderamin	MR2 Product Tanker	2013	49,998
Nave Bellatrix	MR2 Product Tanker	2013	49,999
Nave Capella	MR2 Product Tanker	2013	49,995
Nave Orion	MR2 Product Tanker	2013	49,999
Nave Titan	MR2 Product Tanker	2013	49,999
Nave Aquila	MR2 Product Tanker	2012	49,991
Nave Atria	MR2 Product Tanker	2012	49,992
Nave Orbit	MR2 Product Tanker	2009	50,470
Nave Equator	MR2 Product Tanker	2009	50,542
Nave Equinox	MR2 Product Tanker	2007	50,922
Nave Pulsar	MR2 Product Tanker	2007	50,922
Nave Dorado	MR2 Product Tanker	2005	47,999
Nave Atropos	LR1 Product Tanker	2013	74,695
Nave Rigel	LR1 Product Tanker	2013	74,673
Nave Cassiopeia	LR1 Product Tanker	2012	74,711
Nave Cetus	LR1 Product Tanker	2012	74,581
Nave Estella	LR1 Product Tanker	2012	75,000
Nave Andromeda	LR1 Product Tanker	2011	75,000
Nave Ariadne	LR1 Product Tanker	2007	74,671
Nave Cielo	LR1 Product Tanker	2007	74,671
Lumen N	LR1 Product Tanker	2008	63,599
Aurora N	LR1 Product Tanker	2008	63,495
Nave Neutrino	VLCC	2003	298,287
Nave Celeste	VLCC	2003	298,717
Nave Photon	VLCC	2008	297,395
Nave Spherical	VLCC	2009	297,188
Nave Galactic	VLCC	2009	297,168
Nave Quasar	VLCC	2010	297,376
Nave Synergy	VLCC	2010	299,973
Nave Constellation	VLCC	2010	298,000
Nave Universe	VLCC	2011	297,066
Nave Buena Suerte	VLCC	2011	297,491
Vessels to be delivered*			
TBN I	VLCC	Expected Q4 2020	310,000
TBN II	VLCC	Expected Q1 2021	310,000
TBN III	VLCC	Expected Q2 2021	310,000

* Bareboat chartered-in vessels with purchase option, expected to be delivered in each of the fourth quarter of 2020, and the first and second quarters of 2021. Navios Acquisition has an option for a fourth bareboat chartered-in VLCC.



Source: Navios Maritime Acquisition