

Navios Maritime Acquisition Corporation Reports Financial Results for the Third Quarter and Nine Months Ended September 30, 2019

November 7, 2019

- **Revenue**
 - 41.8% increase in Q3 2019 revenue to \$59.0 million
 - 50.7% increase in 9M 2019 revenue to \$194.7 million
- **Net Cash from Operating Activities**
 - \$19.5 million in Q3 2019
 - \$21.1 million in 9M 2019
- **Adjusted EBITDA**
 - 141.7% increase in Q3 2019 adjusted EBITDA to \$23.9 million
 - 143.1% increase in 9M 2019 adjusted EBITDA to \$87.3 million
- **Term Loan B refinancing completed**
 - \$184.8 million new financing
 - Extended maturities through 2027
- **Deleveraging**
 - 4% debt reduction YTD (\$45.3 million)
 - \$15.0 million equity raised in October 2019
- **Returning capital to stockholders:**
 - Quarterly dividend: \$0.30 per share

MONACO, Nov. 07, 2019 (GLOBE NEWSWIRE) -- Navios Maritime Acquisition Corporation ("Navios Acquisition") (NYSE: NNA), an owner and operator of tanker vessels, reported its financial results today for the third quarter and the nine month period ended September 30, 2019.

Angeliki Frangou, Chairman and Chief Executive Officer of Navios Acquisition stated, "I am pleased with our results for the third quarter of 2019. Navios Acquisition recorded revenue of \$59.0 million and Adjusted EBITDA of \$23.9 million, reflecting increases of about 42% and 142%, respectively, over the third quarter of 2018. We declared a quarterly distribution of \$0.30 cents per share for the third quarter of 2019, for a current yield of about 16%."

Angeliki Frangou continued, "In a robust tanker rate market, we have a good mix of fixed revenue and market exposure. We have cash flow visibility from \$430.0 million in long-term contracted revenue. About 43% of available days in 2020 are fixed, almost half of which with profit sharing. At the same time, we are positioned to capture upside, as 61.7% of available days in 2020 are open or on floating rates. All of our delivered tankers are on the water generating revenue, as we have no tankers now being fit with scrubbers."

HIGHLIGHTS — RECENT DEVELOPMENTS

Quarterly dividend: \$0.30 per share

On November 5, 2019, the Board of Directors declared a quarterly cash dividend in respect of the third quarter of 2019 of \$0.30 per share of common stock, which will be paid on January 9, 2020, to stockholders of record as of December 17, 2019. 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.

Equity Offering

On October 20, 2019, Navios Acquisition completed a registered direct offering of 1,875,000 shares of its common stock at \$8.00 per share, raising gross proceeds of \$15.0 million. Total net proceeds of the above transaction, net of agents' costs of \$0.7 million and estimated offering costs \$0.3 million, amounted to \$14.0 million.

Term Loan B Refinancing and other debt developments

In October 2019, Navios Acquisition fully prepaid its Term Loan B facility due in June 2020. The outstanding balance of the Term Loan B as of June 30, 2019 was \$196.8 million. Navios Acquisition funded the repayment as follows:

1. \$153.0 million financing through sale-and-leaseback transactions. The sale and leaseback transactions have (a) an average amortization profile of approximately 17 years on an age-adjusted basis, (b) annual interest of LIBOR plus a margin ranging from 335 bps to 360 bps and (c) an average maturity of 7 years;
2. \$31.8 million facility from a commercial bank in order to finance one VLCC. The facility bears an annual interest of LIBOR

plus 280 bps, and matures in one year; and

3. \$12.0 million from cash on balance sheet.

Following the completion of the repayment of the Term Loan B, Navios Acquisition has no debt maturities until the third quarter of 2020. In the fourth quarter 2019 Navios Acquisition repurchased \$7.0 million of Ship Mortgage Notes for a cost of \$5.8 million. Year to date, Navios Acquisition reduced its debt by 4% or \$45.3 million, compared to the outstanding balance as of December 31, 2018.

Amendment of the Management Agreement and the Administrative Services Agreement

In August 2019, Navios Acquisition extended the duration of its existing management agreement (the "Management Agreement") with Navios Tankers Management Inc. (the "Manager") until January 1, 2025. In addition management fees are fixed for two years commencing from January 1, 2020 at: (a) \$6,825 per day per MR2 product tanker and chemical tanker vessel; (b) \$7,225 per day per LR1 product tanker vessel; and (c) \$9,650 per day per VLCC. The agreement also provides for a technical and commercial management fee of \$50 per day per vessel and an annual increase of 3% after January 1, 2022 for the remaining period unless agreed otherwise. Drydocking expenses are reimbursed at cost for all vessels.

In August 2019, Navios Acquisition extended the duration of its existing administrative services agreement (the "Administrative Services Agreement") with the Manager until January 1, 2025, which provides for allocable general and administrative costs.

Fleet employment

On October 8, 2019, Navios Acquisition sold the Nave Electron, a 2002-built VLCC vessel of 305,178 dwt to an unaffiliated third party for a sale price of \$25.3 million.

On October 17, 2019 the Nave Synergy, a 2010-built VLCC was chartered to a major charterer for 62 - 74 months at charterers' option at a net base rate of \$48,153 per day with profit sharing arrangements. The Nave Buena Suerte a 2011-built VLCC will take over the contract when released from existing commitment. The Nave Photon, a 2008-built VLCC was chartered to a major charterer for 74 - 86 months at charterers' option with delivery between December 2019 and February 2020 at a net base rate of \$48,153 per day with profit sharing arrangements. The TBN III bareboat chartered-in VLCC will take over the contract upon delivery in the third quarter 2021.

As of November 7, 2019, Navios Acquisition's fleet consisted of a total of 41 vessels, of which 13 are VLCCs (including three bareboat chartered-in VLCCs expected to be delivered in the third and fourth quarters of 2020 and the third quarter of 2021), 26 are product tankers, two are chemical tankers.

Currently, Navios Acquisition has contracted 42.7% of its available days on a charter-out basis for 2020, which are expected to generate revenues of approximately \$112.1 million. The average base contractual net daily charter-out rate for the 38.3% of available days that are contracted on base rate and/or base rate with profit sharing arrangements is expected to be \$20,917.

FINANCIAL HIGHLIGHTS

For the following results and the selected financial data presented herein, Navios Acquisition has compiled its consolidated statements of operations for the three and nine months ended September 30, 2019 and 2018. The quarterly information for 2019 and 2018 was derived from the unaudited condensed consolidated financial statements for the respective periods.

Following the completion of the merger, effective as of December 13, 2018, Navios Midstream Partners L.P. ("Navios Midstream") is included in the consolidated financial statements of Navios Acquisition, as a wholly-owned subsidiary.

(Expressed in thousands of U.S. dollars)	Three Month Period ended September 30, 2019 (unaudited)	Three Month Period ended September 30, 2018 (unaudited)	Nine Month Period ended September 30, 2019 (unaudited)	Nine Month Period ended September 30, 2018 (unaudited)
Revenue	\$ 58,965	\$ 41,589	\$ 194,669	\$ 129,218
Net loss	\$ (56,396)	\$ (23,408)	\$ (72,085)	\$ (69,942)
Adjusted net loss	\$ (16,186)	\$ (23,133)	\$ (34,180)	\$ (62,830)
Net cash provided by / (used in) operating activities	\$ 19,513	\$ 7,139	\$ 21,058	\$ (23,855)
EBITDA	\$ 16,413	\$ 9,627	\$ 82,560	\$ 29,114
Adjusted EBITDA	\$ 23,934	\$ 9,902	\$ 87,296	\$ 35,910
Loss per share (basic)	\$ (4.18)	\$ (2.34)	\$ (5.38)	\$ (6.87)
Adjusted Loss per share (basic)	\$ (1.20)	\$ (2.25)	\$ (2.56)	\$ (6.15)

(1) EBITDA for the three month period ended September 30, 2019 has been adjusted to exclude \$7.3 million impairment loss relating to the sale of one VLCC and \$0.2 million of non-cash stock based compensation. Net loss and loss per share (basic) for the three month period ended September 30, 2019 have been further adjusted to exclude \$32.7 million accelerated amortization of intangible assets in connection with early termination of certain contracts.

(2) EBITDA for the nine month period ended September 30, 2019 has been adjusted to exclude \$7.3 million impairment loss relating to the sale of one VLCC, \$3.2 million gain on sale of vessels and \$0.7 million of non-cash stock based compensation. Net loss and loss per share (basic) for the nine month period ended September 30, 2019 have been further adjusted to exclude \$32.7 million accelerated amortization of intangible assets in connection with early termination of certain contracts and \$0.5 million write off of deferred finance costs.

- (3) EBITDA, net loss and loss per share (basic) for the three month period ended September 30, 2018 have been adjusted to exclude \$0.3 million of non-cash stock based compensation.

- EBITDA, net loss and loss per share (basic) for the nine month period ended September 30, 2018 have been adjusted to exclude: (i) \$6.0 million of negative effect on equity/ (loss) in net earnings of affiliated companies, relating to the sale of the Shinyo Kannika by Navios Midstream; (ii) \$0.8 million of non-cash stock based compensation; and (iii) \$0.03 million of gain from the sale of the Nave Galactic. Net loss and loss per share (basic) for the nine month period ended September 30, 2018 have been further adjusted to exclude a \$0.3 million write-off of deferred finance costs.

EBITDA, Adjusted EBITDA, Adjusted net loss and Adjusted loss per share (basic) 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 September 30, 2019 and 2018

Revenue for the three month period ended September 30, 2019 increased by \$17.4 million, or 41.8%, to \$59.0 million, as compared to \$41.6 million for the same period of 2018. The increase was mainly attributable to an: (i) increase in revenue by \$12.8 million due to the acquisition and resulting consolidation of Navios Midstream; and (ii) increase in market rates during the three month period ended September 30, 2019 as compared to the same period of 2018. Available days of the fleet increased to 3,491 days for the three month period ended September 30, 2019, as compared to 3,178 days for the three month period ended September 30, 2018, mainly as a result of the merger with Navios Midstream effective as of December 13, 2018. The time charter equivalent rate, or TCE Rate, increased to \$15,349 for the three month period ended September 30, 2019, from \$12,394 for the three month period ended September 30, 2018.

Time charter and voyage expenses for the three month period ended September 30, 2019 decreased by \$4.2 million, or 43.8%, to \$5.4 million, as compared to \$9.6 million for the same period of 2018. The decrease was mainly attributable to \$7.4 million of backstop commitment incurred in the three month period ended September 30, 2018; partially mitigated by a: (i) \$3.0 million increase in bunkers consumption and voyage expenses due to spot voyages incurred in the three month period ended September 30, 2019; and (ii) \$0.2 million increase in brokers' commission.

Net loss for the three month period ended September 30, 2019 was \$56.4 million as compared to \$23.4 million loss for the same period of 2018. Net loss was affected by the items described in the table above. Adjusted net loss for the three month period ended September 30, 2019 was \$16.2 million as compared to \$23.1 million for the same period of 2018. The decrease in adjusted net loss was mainly attributable to a: (a) \$14.0 million increase in adjusted EBITDA; and (b) \$0.3 million increase in interest income, partially mitigated by a: (i) \$3.6 million increase in interest expense and finance cost; (ii) \$3.4 million increase in depreciation and amortization, due to the acquisition of Navios Midstream in December 2018; and (iii) \$0.4 million increase in direct vessel expenses.

Adjusted EBITDA affected by the items described in the table above, for the three month period ended September 30, 2019 increased by approximately \$14.0 million to \$23.9 million, as compared to \$9.9 million for the same period of 2018. The increase in Adjusted EBITDA was mainly due to a: (a) \$17.4 million increase in revenue; (b) \$4.2 million decrease in time charter and voyage expenses; and (c) \$0.2 million decrease in other expense; partially mitigated by a: (i) \$3.5 million increase in management fees due to the acquisition of Navios Midstream in December 2018 and to the amendment of the fees under the Management Agreement in May 2018; (ii) \$3.6 million decrease in equity/ (loss) in net earnings of affiliated companies; and (iii) \$0.6 million increase in general and administrative expenses (excluding stock-based compensation) mainly due to the acquisition of Navios Midstream.

Nine month periods ended September 30, 2019 and 2018

Revenue for the nine month period ended September 30, 2019 increased by \$65.5 million, or 50.7%, to \$194.7 million, as compared to \$129.2 million for the same period of 2018. The increase was mainly attributable to an: (i) increase in revenue by \$46.0 million due to the acquisition and resulting consolidation of Navios Midstream; and (ii) increase in market rates during the nine month period ended September 30, 2019 as compared to the same period of 2018. Available days of the fleet increased from 9,439 days for the nine month period ended September 30, 2018, to 10,678 days for the nine month period ended September 30, 2019. The TCE Rate increased from \$13,287 for the nine month period ended September 30, 2018, to \$16,888 for the nine month period ended September 30, 2019.

Time charter and voyage expenses for the nine month period ended September 30, 2019 decreased by \$7.4 million to \$14.3 million as compared to \$21.7 million for the nine month period ended September 30, 2018. The decrease was attributable to \$17.9 million of backstop commitment to Navios Midstream incurred in the nine month period ended September 30, 2018; partially mitigated by a (i) \$9.2 million increase in bunkers consumption and voyage expenses due to spot voyages incurred in the nine month period ended September 30, 2019; and (ii) a \$1.3 million increase in broker commission costs.

Net loss for the nine month period ended September 30, 2019 was \$72.1 million as compared to \$69.9 million loss for the same period of 2018. Net loss was affected by the items described in the table above. Adjusted net loss for the nine month period ended September 30, 2019 was \$34.2 million as compared to \$62.8 million for the same period of 2018. The decrease in adjusted net loss was mainly due to a: (a) \$51.4 million increase in adjusted EBITDA; and (b) \$1.0 million increase in interest income, partially mitigated by: (i) an \$11.4 million increase in interest expense and finance cost; (ii) a \$10.5 million increase in depreciation and amortization, due to the acquisition of Navios Midstream in December 2018; and (iii) a \$1.9 million increase in direct vessel expenses.

Adjusted EBITDA affected by the items described in the table above, for the nine month period ended September 30, 2019 increased by \$51.4 million to \$87.3 million, as compared to \$35.9 million for the same period of 2018. The increase in Adjusted EBITDA was mainly due to a: (a) \$65.5 million increase in revenue; (b) \$7.4 million decrease in time charter and voyage expenses; (c) \$1.2 million decrease in other expense; and (d) \$1.3 million increase in other income; partially mitigated by: (i) an \$11.6 million increase in management fees due to the acquisition of Navios Midstream in December 2018 and to the amendment of the fees under the Management Agreement in May 2018; (ii) a \$7.8 million decrease in equity/ (loss) in net earnings of affiliated companies (excluding the \$6.0 million of negative effect on equity/ (loss) in net earnings of affiliated companies, relating to the sale of the Shinyo Kannika by Navios Midstream); and (iii) a \$4.6 million increase in general and administrative expenses (excluding stock-based

compensation) mainly due to the acquisition of Navios Midstream.

Fleet Employment Profile

The following table reflects certain key indicators of the performance of Navios Acquisition and its core fleet for the three and the nine month periods ended September 30, 2019 and 2018.

	Three month period ended September 30,		Nine month period ended September 30,	
	2019 (unaudited)	2018 (unaudited)	2019 (unaudited)	2018 (unaudited)
FLEET DATA				
Available days ⁽¹⁾	3,491	3,178	10,678	9,439
Operating days ⁽²⁾	3,472	3,153	10,642	9,386
Fleet utilization ⁽³⁾	99.4	% 99.2	% 99.7	% 99.4
Vessels operating at period end	39	35	39	35
AVERAGE DAILY RESULTS				
Time charter equivalent rate per day ⁽⁴⁾	\$ 15,349	\$ 12,394	\$ 16,888	\$ 13,287

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

- (1) **Available days:** Available days for the fleet are total calendar days the vessels were in Navios Acquisition's possession for the relevant period after subtracting off-hire days associated with major repairs, drydocking or special surveys. The shipping industry uses available days to measure the number of days in a relevant period during which vessels should be capable of generating revenues.
- (2) **Operating days:** Operating days are the number of available days in the relevant period less the aggregate number of days that the vessels are off-hire due to any reason, including unforeseen circumstances. The shipping industry uses operating days to measure the aggregate number of days in a relevant period during which vessels actually generate revenues.
- (3) **Fleet utilization:** Fleet utilization is the percentage of time that Navios Acquisition's vessels were available for generating revenue, and is determined by dividing the number of operating days during a relevant period by the number of available days during that period. The shipping industry uses fleet utilization to measure a company's efficiency in finding suitable employment for its vessels and minimizing the amount of days that its vessels are off hire for reasons other than scheduled repairs, dry dockings or special surveys.
- (4) **TCE Rate:** Time charter equivalent rate per day is defined as voyage and time charter revenues less voyage expenses during a period divided by the number of available days during the period. The TCE Rate 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 today, Thursday, November 7, 2019 at 8:30 am ET, at which time Navios Acquisition's senior management will provide highlights and commentary on earnings results for the third quarter and nine months ended September 30, 2019.

US Dial In: +1.877.480.3873
International Dial In: +1.404.665.9927
Conference ID: 899 5496

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: 899 5496

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 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; risks associated with 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)

	September 30, 2019	December 31, 2018
	(unaudited)	(unaudited)
ASSETS		
Cash and cash equivalents, including restricted cash	\$ 102,872	\$ 46,609
Vessels, net	1,297,920	1,383,605
Other assets (including current and non-current)	\$ 171,548	\$ 160,525
Intangible assets other than goodwill	—	36,645
Total assets	\$ 1,572,340	\$ 1,627,384
LIABILITIES AND STOCKHOLDERS' EQUITY		
Other current liabilities	\$ 50,788	\$ 41,195
Long-term debt, including current portion, net of deferred finance costs and premium	1,225,316	1,205,837
Total liabilities	\$ 1,276,104	\$ 1,247,032
Total stockholders' equity	296,236	380,352
Total liabilities and stockholders' equity	\$ 1,572,340	\$ 1,627,384

NAVIOS MARITIME ACQUISITION CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Expressed in thousands of U.S. dollars- except share and per share data)

	For the Three Months Ended September 30, 2019	For the Three Months Ended September 30, 2018	For the Nine Months Ended September 30, 2019	For the Nine Months Ended September 30, 2018
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Revenue	\$ 58,965	\$ 41,589	\$ 194,669	\$ 129,218
Time charter and voyage expenses	(5,377)	(9,560)	(14,340)	(21,749)
Direct vessel expenses	(2,439)	(2,011)	(7,117)	(5,251)
Management fees (entirely through related party transactions)	(26,837)	(23,340)	(81,224)	(69,652)
General and administrative expenses	(3,732)	(3,157)	(15,677)	(11,212)
Depreciation and amortization	(17,216)	(13,777)	(52,257)	(41,763)
(Loss)/ gain on sale of vessels/ Impairment loss	(39,976)	—	(36,731)	25
Interest income	2,384	2,061	6,840	5,875
Interest expense and finance cost	(22,849)	(19,308)	(69,474)	(57,917)

Equity in net earnings of affiliated companies	936	4,522	2,670	4,463
Other income	10	2	1,343	13
Other expense	(265)	) (429)	) (787)	) (1,992)
Net loss	\$ (56,396)	) \$ (23,408)	) \$ (72,085)	) \$ (69,942)
Net loss per share, basic and diluted	\$ (4.18)	) \$ (2.34)	) \$ (5.38)	) \$ (6.87)
Weighted average number of shares, basic and diluted	13,510,361	9,522,463	13,446,836	9,678,995

NAVIOS MARITIME ACQUISITION CORPORATION
Other Financial Information
(Expressed in thousands of U.S. dollars)

	Nine Month Period Ended September 30, 2019 (unaudited)	Nine Month Period Ended September 30, 2018 (unaudited)
Net cash provided by/ (used in) operating activities	\$ 21,058	\$ (23,855)
Net cash provided by investing activities	31,343	52,977
Net cash provided by/ (used in) financing activities	3,862	(67,267)
Net increase/ (decrease) in cash, cash equivalents and restricted cash	\$ 56,263	\$ (38,145)

EXHIBIT II

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

	Three Month Period Ended September 30, 2019 (unaudited)	Three Month Period Ended September 30, 2018 (unaudited)	Nine Month Period Ended September 30, 2019 (unaudited)	Nine Month Period Ended September 30, 2018 (unaudited)
Expressed in thousands of U.S. dollars				
Net cash provided by/ (used in) operating activities	\$ 19,513	\$ 7,139	\$ 21,058	\$ (23,855)
Net (decrease)/ increase in operating assets	(5,311)	) 571	132	2,450
Net (increase)/ decrease in operating liabilities	(15,735)	) (23,202)	) (2,633)	) (18,250)
Net interest cost	20,465	17,247	62,634	52,042
Amortization and write-off of deferred finance costs and bond premium	(1,053)	) (879)	) (3,346)	) (2,860)
Equity in net earnings of affiliates, net of dividends received	936	4,522	2,670	4,463
Payments for dry dock and special survey costs	5,119	4,504	6,781	15,915
Gain on sale of vessel	—	—	3,245	25
Impairment loss	(7,287)	) —	(7,287)) —
Stock-based compensation	(234)	) (275)	) (694)	) (816)
EBITDA	\$ 16,413	\$ 9,627	\$ 82,560	\$ 29,114
Net negative effect on equity/ (loss) in net earnings of affiliated companies due to sale of the Shinyo Kannika by Navios Midstream to an unaffiliated third party	—	—	—	6,005
Gain on sale of vessel	—	—	(3,245)	) (25)
Impairment loss	7,287	—	7,287	—
Stock-based compensation	234	275	694	816
Adjusted EBITDA	\$ 23,934	\$ 9,902	\$ 87,296	\$ 35,910

	Three Month Period Ended September 30, 2019 (unaudited)	Three Month Period Ended September 30, 2018 (unaudited)	Nine Month Period Ended September 30, 2019 (unaudited)	Nine Month Period Ended September 30, 2018 (unaudited)
Net cash provided by/ (used in) operating activities	\$ 19,513	\$ 7,139	\$ 21,058	\$ (23,855)

Net cash provided by investing activities	\$ 5,605	\$ 1,575	\$ 31,343	\$ 52,977
Net cash provided by/ (used in) financing activities	\$ 35,792	\$ (12,464	) \$ 3,862	\$ (67,267

Disclosure of Non-GAAP Financial Measures

EBITDA, Adjusted EBITDA, Adjusted net (loss)/ income and Adjusted (loss)/ income per share (basic) 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 (loss)/income 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 (loss)/ income and Adjusted (loss)/ income per share (basic) represent Net (loss)/ income and (loss)/ income per share (basic), 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

Vessels	Type	Year Built/Delivery Date	DWT
Owned Vessels			
Nave Polaris	Chemical Tanker	2011	25,145
Nave Cosmos	Chemical Tanker	2010	25,130
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
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 Q3 2020	310,000
TBN II	VLCC	Expected Q4 2020	310,000
TBN III	VLCC	Expected Q3 2021	310,000

*Bareboat chartered-in vessels with purchase option



Source: Navios Maritime Acquisition