Navios Maritime Holdings Inc.
Form 6-K
May 24, 2013

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER

PURSUANT TO RULE 13a-16 OR 15d-16

OF THE SECURITIES EXCHANGE ACT OF 1934

Dated: May 24, 2013

Commission File No. 001-33311

NAVIOS MARITIME HOLDINGS INC.

85 Akti Miaouli Street, Piraeus, Greece 185 38

(Address of Principal Executive Offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F:

Form 20-F x Form 40-F ¨

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes ¨ No x

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes ¨ No x

Table of Contents

The information contained in this Report is incorporated by reference into the Registration Statement on Form F-3, File No. 333-165754, the Registration Statement on Form S-8, File No. 333-147186, and the related prospectuses.

Operating and Financial Review and Prospects

The following is a discussion of the financial condition and results of operations of Navios Maritime Holdings Inc. (Navios Holdings or the Company) for the three month periods ended March 31, 2013 and 2012. Navios Holdings financial statements have been prepared in accordance with Generally Accepted Accounting Principles in the United States of America (U.S. GAAP). You should read this section together with the consolidated financial statements and the accompanying notes included in Navios Holdings 2012 annual report on Form 20-F filed with the Securities and Exchange Commission (SEC) and the condensed consolidated financial statements and the accompanying notes included elsewhere in this Form 6-K.

This report contains forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Reform Act of 1995. These forward looking statements are based on Navios Holdings current expectations and observations. Included among the factors that, in management s view, could cause actual results to differ materially from the forward-looking statements contained in this report are changes in any of the following: (i) charter demand and/or charter rates; (ii) production or demand for the types of dry bulk products that are transported by Navios Holdings vessels; (iii) operating costs including but not limited to changes in crew salaries, insurance, provisions, repairs, maintenance and overhead expenses; or (iv) changes in interest rates. Other factors that might cause a difference include, but are not limited to, those discussed under Part I, Item 3D Risk Factors in Navios Holdings 2012 annual report on Form 20-F.

Recent Developments

Navios Holdings

Formation of Navios Asia LLC

In May 2013, Navios Holdings formed Navios Asia LLC (Navios Asia) in partnership with a significant ship owner and operator based in Japan (the Asian Partner). Navios Holdings will own 51% and appoint three members to the board. The Asian Partner will own 49% and appoint two members to the board.

Navios Asia will serve as an acquisition vehicle for Japanese-built dry cargo vessels. Navios Asia has initially agreed to acquire six Panamax vessels, with an average age of 6.1 years for a total consideration of $114.0 million.

Navios Asia expects to finance the acquisition of these vessels through approximately $40.0 million of equity, of which Navios Holdings will contribute $20.4 million and the Asian Partner will contribute $19.6 million. The balance of the purchase price is expected to be financed by debt.

Operations

Navios Holdings will administer Navios Asia and provide commercial management to the fleet whilst the Asian Partner will provide the technical management to the fleet. Both will be reasonably compensated for their services.

Navios Asia expects to take delivery of the vessels during the third quarter of 2013. Five of the vessels are subject to charters, with an average charter rate of $11,474, with optional years at higher rates. For fleet and employment details see Fleet section.

Strategic Partnership with HSH Nordbank AG

In April 2013, Navios Holdings and Navios Maritime Acquisition Corporation (Navios Acquisition) executed a binding letter of intent to acquire, through a new joint venture (Navios JV), ten vessels, composed of five product tankers and five container vessels with an average age of 5.5 years, from debtors of HSH Nordbank AG (HSH).

It is estimated that the purchase price to be paid to HSH will consist of $130.0 million in cash and the assumption of the HSH Subordinated Participating Loans. It is anticipated that the cash payment will be funded as follows:

$10.0 million, from an investment by Navios JV funded by Navios Holdings and Navios Acquisition; and

$120.0 million, from the proceeds of a senior bank financing to be secured with a first-priority mortgage on the vessels.

The closing of the transaction is subject to a number of conditions, and no assurance can be provided that the transaction will be concluded as contemplated, if at all.

Fleet Developments

Acquisition of four Panamax vessels

During May 2013, Navios Holdings agreed to acquire one 2006-built Panamax vessel and three 2005-built Panamax vessels with an average age of 7.8 years, for an aggregate purchase price of $66.0 million.

Table of Contents

The four vessels are expected to be delivered into Navios Holdings fleet in the third quarter of 2013. The Company expects to finance the acquisition of the four vessels through new debt and existing cash.

Chartered-in Fleet

In April 2013, Navios Holdings agreed to postpone the deliveries of two committed charter-in vessels, the Navios Felix, a newbuilding Capesize vessel, and the Navios Venus, a newbuilding Ultra Handymax vessel, initially expected to be delivered in the third quarter of 2013 and in the fourth quarter of 2013, respectively. The new vessels will be new Eco design vessels in exchange for an additional daily cost of $350 for the Navios Felix and $200 for the Navios Venus. The Navios Felix delivery was postponed to the first half of 2016 and the Navios Venus delivery was postponed to the first quarter of 2015.

Dividend Policy

On May 17, 2013, the Board of Directors declared a quarterly cash dividend for the first quarter of 2013 of $0.06 per share of common stock. This dividend is payable on June 26, 2013 to stockholders of record on June 18, 2013. The declaration and payment of any further dividends remain subject to the discretion of the Board, and will depend on, among other things, Navios Holdings cash requirements as measured by market opportunities, debt obligations and restrictions under its credit and other debt agreements.

Changes in Capital Structure

During the three month period ended March 31, 2013, 11,202 shares of restricted common stock were forfeited to the Company upon termination of employment of certain employees.

Following the forfeiture of the shares described above, as of March 31, 2013, Navios Holdings had 103,244,207 shares of common stock and 8,479 shares of preferred stock outstanding.

Navios South American Logistics Inc. (Navios Logistics)

Issuance of Additional Logistics Senior Notes

On March 7, 2013, Navios Logistics issued $90.0 million in aggregate principal amount of 9.25% Senior Notes due 2019 (the Additional Logistics Senior Notes) at a premium, with a price of 103.750%. The terms of the Additional Logistics Senior Notes are identical to the $200.0 million of Senior Notes due 2019, which were issued in April 2011.

Navios Acquisition

On May 21, 2013, Navios Acquisition completed an offering of 32,876,712 shares of its common stock, at a price of $3.65 per share, raising gross proceeds of $120.0 million. Navios Holdings purchased, in a private placement, an aggregate of 16,438,356 shares of Navios Acquisition common stock for $60.0 million. Following this offering, Navios Holdings ownership of the outstanding voting stock of Navios Acquisition increased to 48.2% and its economic interest in Navios Acquisition decreased to 51.6%.

On April 4, 2013, Navios Holdings received an amount of $2.2 million from Navios Acquisition, equal to a dividend of $0.05 per common share, representing the cash distribution for the fourth quarter of 2012.

Navios Maritime Partners L.P. (Navios Partners)

On May 14, 2013, Navios Holdings received an amount of $7.3 million from Navios Partners, representing the cash distribution for the first quarter of 2013.

Table of Contents

Overview

General

Navios Holdings is a global, vertically integrated seaborne shipping and logistics company focused on the transport and transshipment of dry bulk commodities, including iron ore, coal and grain. Navios Holdings technically and commercially manages its owned fleet, Navios Acquisitions fleet and Navios Partners fleet, and commercially manages its chartered-in fleet. Navios Holdings has in-house ship management expertise that allows it to oversee every step of ship management of its owned fleet, Navios Partners and Navios Acquisitions fleet, including the shipping operations throughout the life of the vessels and the superintendence of maintenance, repairs and drydocking.

On August 25, 2005, Navios Holdings was acquired by International Shipping Enterprises, Inc. (ISE) through the purchase of all of the outstanding shares of common stock of Navios Holdings. As a result of this acquisition, Navios Holdings became a wholly owned subsidiary of ISE. In addition, on August 25, 2005, simultaneously with the acquisition of Navios Holdings, ISE effected a reincorporation from the State of Delaware to the Republic of the Marshall Islands through a downstream merger with and into its newly acquired wholly owned subsidiary, whose name was and continues to be Navios Maritime Holdings Inc.

Navios Logistics

Navios Logistics, a consolidated subsidiary of Navios Holdings, is one of the largest logistics companies in the Hidrovia region of South America, serving the storage and marine transportation needs of its customers through two port storage and transfer facilities, one for grain commodities and the other for refined petroleum products, and a diverse fleet consisting of vessels, barges and pushboats. Navios Holdings currently owns 63.8% of Navios Logistics.

Affiliates (not consolidated under Navios Holdings)

Navios Partners is engaged in the seaborne transportation services of a wide range of dry bulk commodities including iron ore, coal, grain and fertilizer, chartering its vessels under medium to long term charters. Currently, Navios Holdings interest in Navios Partners is 23.4 % (which includes a 2% general partner interest).

Navios Acquisition is an owner and operator of tanker vessels focusing in the transportation of petroleum products (clean and dirty) and bulk liquid chemicals. Currently, Navios Holdings ownership of the outstanding voting stock of Navios Acquisition is 48.2% and its economic interest in Navios Acquisition is 51.6%.

Fleet

The following is the current core fleet employment profile (excluding Navios Logistics), including the newbuilds to be delivered. The current core fleet consists of 60 vessels totaling 5.8 million dwt. The employment profile of the fleet as of May 22, 2013 is reflected in the tables below. The 47 vessels currently in operation aggregate to approximately 4.8 million deadweight tons (dwt) and have an average age of 6.2 years. Navios Holdings has currently fixed 72.5% and 15.9% of the 2013 and 2014 available days, respectively, of its fleet (excluding vessels which are utilized to fulfill Contracts of Affreightment (COAs)), representing contracted fees (net of commissions), based on contracted charter rates from its current charter agreements of $141.8 million, and $48.6 million, respectively. Although these fees are based on contractual charter rates, any contract is subject to performance by the counterparties and us. Additionally, the level of these fees would decrease depending on the vessels off-hire days to perform periodic maintenance. The average contractual daily charter-out rate for the core fleet (excluding vessels which are utilized to fulfill COAs) is $11,892 and $17,213 for 2013 and 2014, respectively. The average daily charter-in rate for the active long-term charter-in vessels (excluding vessels which are utilized to fulfill COAs) for 2013 is estimated at $13,356.

Owned Fleet. Navios Holdings owns a fleet comprised of 14 Ultra Handymax vessels, ten Capesize vessels, 15 Panamax vessels and one Handysize vessel, which have an average age of approximately 6.7 years. Of the 40 owned vessels, 30 are currently in operation under long-term time charters, four vessels are expected to be delivered in third quarter of 2013 and the Navios Asia fleet is expected to be delivered in the third quarter of 2013.

Owned Vessels

Vessels	Type	Built	DWT	Charter-out Rate [1]	Profit Share[5]	Expiration Date [2]
Navios Serenity	Handysize	2011	34,690	7,600	No	05/31/2013
Navios Ionian	Ultra Handymax	2000	52,067	8,550	No	06/06/2013
Navios Celestial	Ultra Handymax	2009	58,063	8,883	No	11/08/2013
Navios Vector	Ultra Handymax	2002	50,296	9,738	No	10/06/2013
Navios Horizon	Ultra Handymax	2001	50,346	9,500	No	09/05/2013
Navios Herakles	Ultra Handymax	2001	52,061	8,788	No	03/28/2014
Navios Achilles	Ultra Handymax	2001	52,063	8,788[9]	No	10/28/2013
Navios Meridian	Ultra Handymax	2002	50,316	8,883	No	11/04/2013
Navios Mercator	Ultra Handymax	2002	53,553	10,450[9]	No	10/24/2013
Navios Arc	Ultra Handymax	2003	53,514	8,788	No	09/19/2013
Navios Hios	Ultra Handymax	2003	55,180	8,075	No	06/28/2013
Navios Kypros	Ultra Handymax	2003	55,222	8,550[7]	No	03/20/2014
Navios Ulysses	Ultra Handymax	2007	55,728	9,975[7]	No	04/30/2014
Navios Vega	Ultra Handymax	2009	58,792	8,550	No	06/23/2013
Navios Astra	Ultra Handymax	2006	53,468	8,075	No	07/10/2013
Navios Magellan	Panamax	2000	74,333	7,173	No	06/09/2013
Navios Star	Panamax	2002	76,662	7,790	No	01/22/2014
Navios Asteriks	Panamax	2005	76,801			
Navios Centaurus	Panamax	2012	81,472	12,825	No	04/15/2014
Navios Avior	Panamax	2012	81,355	12,716	No	05/14/2014
Navios Bonavis	Capesize	2009	180,022	47,400	No	06/29/2014
Navios Happiness	Capesize	2009	180,022	13,039[9]	No	08/05/2013
Navios Lumen	Capesize	2009	180,661	10,450[8]	No	01/18/2014
Navios Stellar	Capesize	2009	169,001	10,450[7]	No	11/11/2013
Navios Phoenix	Capesize	2009	180,242	13,656	No	01/27/2014[6]
Navios Antares	Capesize	2010	169,059	6,600[7]	No	06/20/2013
Navios Etoile	Capesize	2010	179,234	29,356	50% in excess of $38,500	12/02/2020
Navios Bonheur	Capesize	2010	179,259	13,538[9]	No	05/08/2013
Navios Altamira	Capesize	2011	179,165	24,674	No	01/18/2021
Navios Azimuth	Capesize	2011	179,169	9,738[9]	No	01/15/2014

Table of Contents

Owned Vessels to be Delivered

Vessels	Type	Built	Delivery Date
Navios TBN	Panamax	2006	Q3 2013
Navios TBN	Panamax	2005	Q3 2013
Navios TBN	Panamax	2005	Q3 2013
Navios TBN	Panamax	2005	Q3 2013
Total DWT of 303,982			

Navios Asia Vessels to be Delivered [10]

Vessels	Type	Built	Delivery Date	Charter-out Rate [11]	Expiration Date [12]
Navios TBN	Panamax	2007	Q3 2013	13,199	Q4 2014
Navios TBN	Panamax	2007	Q3 2013	11,426	Q4 2014
Navios TBN	Panamax	2007	Q3 2013	10,687	Q3 2015
Navios TBN	Panamax	2007	Q3 2013	10,540	Q3 2014
Navios TBN	Panamax	2006	Q3 2013		
Navios TBN	Panamax	2006	Q3 2013	11,520	Q4 2013
Total DWT of 464,173					

Long-Term Fleet. In addition to the 40 owned vessels, Navios Holdings controls a fleet of seven Capesize, six Panamax, six Ultra Handymax, and one Handysize vessels, which have an average age of approximately 5.3 years. Of the 20 chartered-in vessels, 17 are currently in operation and three are scheduled for delivery at various times through April 2016, as set forth in the following table:

Long-term Chartered-in Vessels

Vessels	Type	Built	DWT	Purchase Option [3]	Charter-out Rate [1]	Expiration Date [2]
Navios Lyra	Handysize	2012	34,718	Yes[4]	7,030	05/28/2013
					6,531	08/09/2013
Navios Primavera	Ultra Handymax	2007	53,464	Yes	8,835	11/16/2013
Navios Armonia	Ultra Handymax	2008	55,100	No	9,263	09/24/2013
Navios Apollon	Ultra Handymax	2000	52,073	No	7,600	06/12/2013
Navios Oriana	Ultra Handymax	2012	61,442	Yes	8,788	08/05/2013
Navios Libra II	Panamax	1995	70,136	No	7,363	06/24/2013
Navios Altair	Panamax	2006	83,001	No	8,075	10/22/2013
Navios Esperanza	Panamax	2007	75,356	No	6,840	09/03/2013
Navios Marco Polo	Panamax	2011	80,647	Yes	7,838	01/13/2014
Navios Southern Star	Panamax	2013	82,224	Yes	10,450	10/12/2013
Navios Koyo	Capesize	2011	181,415	Yes	11,970	03/05/2014
Golden Heiwa	Panamax	2007	76,662	No		
Beaufiks	Capesize	2004	180,310	Yes		
Rubena N	Capesize	2006	203,233	No		
SC Lotta	Capesize	2009	169,056	No		
King Ore	Capesize	2010	176,800	No		
Navios Obeliks	Capesize	2012	181,415	Yes		

Table of Contents

Long-term Chartered-in Vessels to be Delivered

		Delivery	Purchase	
Vessels	**Type**	**Date**	**Option**	**DWT**
Navios Felix	Capesize	04/2016	Yes	180,000
Navios Mercury	Ultra Handymax	09/2013	Yes	61,000
Navios Venus	Ultra Handymax	02/2015	Yes	61,000

(1) Daily rate net of commissions. These rates do not include insurance proceeds received upfront in November 2012.
(2) Expected redelivery basis midpoint of full redelivery period.
(3) Generally, Navios Holdings may exercise its purchase option after three to five years of service.
(4) Navios Holdings holds the initial 50% purchase option on the vessel.
(5) Profit share based on applicable Baltic TC Average exceeding $/day rates listed.
(6) Subject to COA of $45,500 per day for the remaining period until first quarter of 2015.
(7) Amount represents daily rate of mitigation proceeds following the default of the original charterer.
(8) Amount represents daily rate of mitigation proceeds following the restructuring of the original charter.
(9) The contracts for these vessels have been temporarily suspended and the vessels have been re-chartered to third parties for variable charter periods following the default of the original charterer. Amount represents daily rate of mitigation proceeds.
(10) 51% ownership of Navios Holdings.
(11) Daily rate net of commissions.
(12) Expiration date assuming no exercise of optional periods.

Many of Navios Holdings current long-term chartered-in vessels are chartered from ship owners with whom Navios Holdings has long-standing relationships. Navios Holdings pays these ship owners daily rates of hire for such vessels, and then charters out these vessels to other parties, who pay Navios Holdings a daily rate of hire.

Navios Holdings enters into COAs pursuant to which Navios Holdings has agreed to carry cargoes, typically for industrial customers, who export or import dry bulk cargoes. Further, Navios Holdings enters into spot market voyage contracts, where Navios Holdings is paid a rate per ton to carry a specified cargo from point A to point B.

Short-Term Fleet: Navios Holdings short-term fleet is comprised of Capesize, Panamax and Ultra Handymax vessels chartered-in for a duration of less than 12 months. The number of short-term vessels varies from time to time. These vessels are not included in the core fleet of the Company.

Charter Policy and Industry Outlook

Navios Holdings policy has been to take a portfolio approach to managing commercial risks. This policy led Navios Holdings to time charter-out many of the vessels that it is presently operating (i.e., vessels owned by Navios Holdings or which Navios Holdings has taken into its fleet under charters having a duration of more than 12 months) for periods of up to 10 years at inception to various shipping industry counterparties considered by Navios Holdings to have appropriate credit profiles. During periods where low to moderate market rates prevail, Navios Holdings will charter out the vessels it is presently operating for shorter periods to take advantage of market upturns. By doing this, Navios Holdings aims to lock in, subject to credit and operating risks, favorable forward revenue and cash flows which it believes will cushion it against unfavorable market conditions. From time to time Navios Holdings also trades additional vessels taken in on shorter term charters of less than 12 month duration as well as voyage charters or COAs and forward freight agreements (FFAs).

In 2010, 2011 and 2012, this chartering policy had the effect of generating Time Charter Equivalents (TCE) that were higher than spot employment.

The average daily charter-in vessel cost for the Navios Holdings long-term charter-in fleet (excluding vessels, which are utilized to serve voyage charters or COAs) was $12,910 per day for the three month period ended March 31, 2013. The average long-term charter-in hire rate per vessel was included in the amount of long-term hire included elsewhere in this document and was computed by (a) multiplying (i) the daily charter-in rate for each vessel by (ii) the number of days the vessel is in operation for the year and (b) dividing such product by the total number of vessel days for the year. These rates exclude gains and losses from FFAs. Furthermore, Navios Holdings has the ability to increase its owned fleet through purchase options exercisable in the future at favorable prices relative to the then current market.

Navios Holdings believes that a decrease in global commodity demand from its current level, and the delivery of drybulk carrier new buildings into the world fleet, could have an adverse impact on future revenue and profitability. However, the operating cost advantage of Navios Holdings owned vessels and long-term chartered fleet, which is chartered-in at favorable rates, will continue to help mitigate the impact of the declines in freight rates. A weaker freight rate environment may also have an adverse impact on the value of Navios Holdings owned fleet. In reaction to a decline in freight rates and the global financial crisis, available ship financing has also been negatively impacted, which Navios Holdings believes should mitigate ship ordering.

Navios Logistics owns and operates vessels, barges and pushboats located mainly in Argentina, Paraguay and Brazil, the largest independent bulk transfer and storage port facility in Uruguay, and an upriver liquid port facility located in Paraguay. Operating results for Navios Logistics are highly correlated to: (i) South American grain production and export, in particular Argentinean, Brazilian, Paraguayan, Uruguayan and Bolivian production and export; (ii) South American iron ore production and export, mainly from Brazil; and (iii) sales (and logistic services) of petroleum products in the Argentine and Paraguayan markets. Navios Holdings believes that the continuing development of these businesses will foster throughput growth and therefore increase revenues at Navios Logistics. Should this development be delayed, grain harvests be reduced, or the market experience an overall decrease in the demand for grain or iron ore, the operations in Navios Logistics could be adversely affected.

Factors Affecting Navios Holdings Results of Operations

Navios Holdings believes the principal factors that will affect its future results of operations are the economic, regulatory, political and governmental conditions that affect the shipping industry generally and that affect conditions in countries and markets in which its vessels engage in business. Please read Risk Factors included in Navios Holdings 2012 annual report on Form 20-F filed with the Securities and Exchange Commission for a discussion of certain risks inherent in its business.

Table of Contents

Navios Holdings actively manages the risk in its operations by: (i) operating the vessels in its fleet in accordance with all applicable international standards of safety and technical ship management; (ii) enhancing vessel utilization and profitability through an appropriate mix of long-term charters complemented by spot charters (time charters for short term employment) and COAs; (iii) monitoring the financial impact of corporate exposure from both physical and FFAs transactions; (iv) monitoring market and counterparty credit risk limits; (v) adhering to risk management and operation policies and procedures; and (vi) requiring counterparty credit approvals.

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

Market Exposure: Navios Holdings manages the size and composition of its fleet by chartering and owning vessels in order to adjust to anticipated changes in market rates. Navios Holdings aims to achieve an appropriate balance between owned vessels and long and short-term chartered-in vessels and controls approximately 5.8 million dwt in dry bulk tonnage. Navios Holdings options to extend the charter duration of vessels it has under long-term time charter (durations of over 12 months) and its purchase options on chartered vessels permit Navios Holdings to adjust the cost and the fleet size to correspond to market conditions.

Available days: Available days is the total number of days a vessel is controlled by a company less the aggregate number of days that the vessel is off-hire due to scheduled repairs or repairs under guarantee, vessel upgrades or special surveys. The shipping industry uses available days to measure the number of days in a period during which vessels should be capable of generating revenues.

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

Fleet utilization: Fleet utilization is obtained by dividing the number of operating days during a period by the number of available days during the 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 or repairs under guarantee, vessel upgrades, special surveys or vessel positioning.

TCE rates: TCE rates are defined as voyage and time charter revenues less voyage expenses during a period divided by the number of available days during the period. The TCE rate is a standard shipping industry performance measure used primarily to compare daily earnings generated by vessels on time charters with daily earnings generated by vessels on voyage charters, because charter hire rates for vessels on voyage charters are generally not expressed in per day amounts, while charter hire rates for vessels on time charters generally are expressed in such amounts.

Equivalent vessels: Equivalent vessels data is the available days of the fleet divided by the number of the calendar days in the period.

Voyage and Time Charter

Revenues are driven primarily by the number of vessels in the fleet, the number of days during which such vessels operate and the amount of daily charter hire rates that the vessels earn under charters, which, in turn, are affected by a number of factors, including:

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 undergoing repairs and upgrades;

the age, condition and specifications of the vessels; and

the aggregate level of supply and demand in the dry bulk shipping industry.

Time charters are available for varying periods, ranging from a single trip (spot charter) to a long-term period which may be many years. Under a time charter, owners assume no risk for finding business, obtaining and paying for fuel or other expenses related to the voyage, such as port entry fees. In general, a long-term time charter assures the vessel owner of a consistent stream of revenue. Operating the vessel in the spot market affords the owner greater spot market opportunity, which may result in high rates when vessels are in high demand or low rates when vessel availability exceeds demand. Vessel charter rates are affected by world economics, international events, weather conditions, strikes, governmental policies, supply and demand, and many other factors that might be beyond the control of management.

Consistent with industry practice, Navios Holdings uses TCE rates, which consist of revenue from vessels operating on time charters and voyage revenue less voyage expenses from vessels operating on voyage charters in the spot market, as a method of analyzing fluctuations between financial periods and as a method of equating revenue generated from a voyage charter to time charter revenue.

TCE revenue also serves as an industry standard for measuring revenue and comparing results between geographical regions and among competitors.

The cost to maintain and operate a vessel increases with the age of the vessel. Older vessels are less fuel efficient, cost more to insure and require upgrades from time to time to comply with new regulations. The average age of Navios Holdings owned core fleet is 6.7 years. However, as such fleet ages or if Navios Holdings expands its fleet by acquiring previously owned and older vessels, the cost per vessel would be expected to rise and, assuming all else, including rates, remains constant, vessel profitability would be expected to decrease.

Spot Charters, Contracts of Affreightment and Forward Freight Agreements (COA and FFAs)

Navios Holdings enhances vessel utilization and profitability through a mix of voyage charters, short-term charter-out contracts, COAs and strategic backhaul cargo contracts.

Table of Contents

Navios Holdings enters into drybulk shipping FFAs as economic hedges relating to identifiable ship and/or cargo positions and as economic hedges of transactions the Company expects to carry out in the normal course of its shipping business. By utilizing certain derivative instruments, including drybulk shipping FFAs, the Company manages the financial risk associated with fluctuating market conditions. In entering into these contracts, the Company has assumed the risks relating to the possible inability of counterparties to meet the terms of their contracts.

FFAs cover periods generally ranging from one month to one year and are based on time charter rates or freight rates on specific quoted routes. FFAs are executed either over-the-counter, between two parties, or through LCH, the London clearing house. FFAs are settled in cash monthly based on publicly quoted indices.

LCH calls for both base and margin collaterals, which are funded by Navios Holdings, and which in turn substantially eliminates counterparty risk. Certain portions of these collateral funds may be restricted at any given time as determined by LCH.

At the end of each calendar quarter, the fair value of drybulk shipping FFAs traded over-the-counter are determined from an index published in London, United Kingdom and the fair value of those FFAs traded with LCH are determined from the LCH valuations accordingly. Navios Holdings has implemented specific procedures designed to respond to credit risk associated with over-the-counter trades, including the establishment of a list of approved counterparties and a credit committee which meets regularly.

Statement of Operations Breakdown by Segment

Navios Holdings reports financial information and evaluates its operations by charter revenues and not by vessel type, length of ship employment, customers or type of charter. Navios Holdings does not use discrete financial information to evaluate the operating results for each such type of charter. Although revenue can be identified for these types of charters, management does not identify expenses, profitability or other financial information for these charters. The reportable segments reflect the internal organization of the Company and are strategic businesses that offer different products and services. The Company currently has two reportable segments from which it derives its revenues, Drybulk Vessel Operations and Logistics Business. The Drybulk Vessel Operations business consists of the transportation and handling of bulk cargoes through the ownership, operation, and trading of vessels, freight, and FFAs. For Navios Holdings reporting purposes, Navios Logistics is considered as one reportable segment, the Logistics Business segment. The Logistics Business segment consists of Navios Holdings port terminal business, barge business and cabotage business in the Hidrovia region of South America. Navios Holdings measures segment performance based on net income attributable to Navios Holdings common stockholders .

Period over Period Comparisons

For the Three Month Period Ended March 31, 2013 Compared to the Three Month Period Ended March 31, 2012

The following table presents consolidated revenue and expense information for the three month periods ended March 31, 2013 and 2012. This information was derived from the unaudited condensed consolidated revenue and expense accounts of Navios Holdings for the respective periods.

(Expressed in thousands of U.S. dollars)	**Three Month Period Ended March 31, 2013 (unaudited)**	**Three Month Period Ended March 31, 2012 (unaudited)**
Revenue	$ 133,837	$ 152,014
Time charter, voyage and logistics business expenses	(70,008)	(61,717)
Direct vessel expenses	(27,695)	(26,008)
General and administrative expenses	(8,962)	(12,553)
Depreciation and amortization	(24,323)	(25,834)
Interest income/(expense) and finance cost, net	(25,358)	(25,240)
Loss on derivatives	(173)	(126)
Other expense, net	(3,131)	(1,367)
Loss before equity in net earnings of affiliated companies	**(25,813)**	**(831)**

Equity in net earnings of affiliated companies	14,123	8,575
(Loss)/income before taxes	**(11,690)**	**7,744**
Income tax benefit	3,700	854
Net (loss)/income	**(7,990)**	**8,598**
Less: Net (income)/loss attributable to the noncontrolling interest	(2,165)	861
Net (loss)/income attributable to Navios Holdings common stockholders	**$ (10,155)**	**$ 9,459**

Set forth below are selected historical and statistical data for Navios Holdings (excluding Navios Logistics) for each of the three month periods ended March 31, 2013 and 2012 that the Company believes may be useful in better understanding the Company s financial position and results of operations.

	Three Month Period Ended March 31,	
	2013 (unaudited)	**2012 (unaudited)**
FLEET DATA		
Available days	4,330	4,107
Operating days	4,226	4,064
Fleet utilization	97.6%	99.0%
Equivalent vessels	48	45
AVERAGE DAILY RESULTS		
Time Charter Equivalents	$ 11,820	$ 21,496

Table of Contents

During the three month period ended March 31, 2013, there were 223 more available days, as compared to the same period of 2012 due to (i) an increase of 153 available days of owned vessels mainly attributable to the delivery of the two owned newbuilding vessels, the Navios Avior and the Navios Centaurus during the first half of 2012, and (ii) an increase in long-term and short-term charter-in fleet available days of 58 days and 12 days, respectively.

The average TCE rate for the three month period ended March 31, 2013 was $11,820 per day, $9,676 per day lower than the rate achieved in the same period of 2012. This was primarily due to (i) the receipt in advance of $175.4 million due to restructuring of credit default insurance, and (ii) the slowdown in the freight market resulting in lower charter-out daily rates in the first quarter of 2013 than those achieved in the first quarter of 2012.

Revenue: Revenue from drybulk vessel operations for the three months ended March 31, 2013 was $60.6 million, as compared to $101.9 million for the same period during 2012. The decrease in drybulk revenue was mainly attributable to a decrease in TCE per day by 45.0% to $11,820 per day in the first quarter of 2013, as compared to $21,496 per day in the same period of 2012. This decrease was partially offset by an increase in available days as discussed above.

Revenue from the logistics business was $73.2 million for the three months ended March 31, 2013 as compared to $50.1 million for the same period of 2012. This increase was mainly attributable to an increase in (i) rates in the dry port terminal; (ii) the cabotage fleet s utilization; (iii) revenue from liquid cargo transportation due to higher rates; and (iv) the Paraguayan liquid port s volume and price of products sold.

Time Charter, Voyage and Logistics Business Expenses: Time charter, voyage and logistics business expenses increased by $8.3 million or 13.4% to $70.0 million for the three month period ended March 31, 2013, as compared to $61.7 million for the three month period ended March 31, 2012.

The time charter and voyage expenses from drybulk operations decreased by $5.8 million or 14.2% to $34.5 million for the three month period ended March 31, 2013, as compared to $40.3 million for the three month period ended March 31, 2012. This was primarily due to a decrease in charter-in hire rates and voyage charter expenses mainly due to decrease in bunker expenses. This decrease was mitigated by a net increase of 70 days in the short-term and long-term fleet available days (as discussed above).

Of the total amounts for the three month periods ended March 31, 2013 and 2012, $35.5 million and $21.4 million, respectively, related to Navios Logistics. The $14.1 million increase in Navios Logistics was mainly due to an increase in (i) the Paraguayan liquid port s volume and cost of products sold; (ii) operations at Navios Logistics dry port facility in Uruguay; and (iii) the operating days of the cabotage fleet. This increase was mitigated by a decrease in time charter and voyage expenses of the barge business mainly attributable to a decrease in charter-in expenses due to the acquisition of one pushboat and six tank barges in the third quarter of 2012, which were previously chartered-in.

Direct Vessel Expenses: Direct vessel expenses increased by $1.7 million or 6.5% to $27.7 million for the three month period ended March 31, 2013, as compared to $26.0 million for the same period in 2012. Direct vessel expenses include crew costs, provisions, deck and engine stores, lubricating oils, insurance premiums and costs for maintenance and repairs. Of the total amounts for the three month periods ended March 31, 2013 and 2012, $18.2 million and $15.9 million, respectively, related to Navios Logistics. This increase was mainly attributable due to an increase in crew costs and repairs and maintenance.

The drybulk direct vessel expenses decreased by $0.6 million or 6.2% to $9.5 million for the three month period ended March 31, 2013, as compared to $10.1 million for same period in 2012. This decrease was mainly attributable due to a decrease in stores, provisions, lubricants, chemicals, repairs and maintenance.

General and Administrative Expenses: General and administrative expenses of Navios Holdings are composed of the following:

(Expressed in thousands of U.S. dollars)	Three Month Period Ended March 31, 2013 (unaudited)	Three Month Period Ended March 31, 2012 (unaudited)
Payroll and related costs(1)	$ 4,697	$ 5,490
Professional, legal, audit fees and other(1)	902	1,697
Navios Logistics(2)	3,070	3,634

Sub-total		**8,669**		**10,821**
Credit risk insurance(1)		293		1,732
General and administrative expenses	**$**	**8,962**	**$**	**12,553**

(1) Excludes the logistics business.

(2) Includes $0.2 million of administrative management services provided by Navios Holdings as per the administrative agreement with Navios Logistics.

The decrease in general and administrative expenses by $3.6 million or 28.6% to $9.0 million for the three month period ended March 31, 2013, as compared to $12.6 million for the same period of 2012, was mainly attributable to (i) a $0.8 million decrease in professional, legal, audit fees and other expenses; (ii) a $0.6 million decrease in general and administrative expenses attributable to the logistics business; (iii) a $1.4 million decrease in credit risk insurance following its restructuring; and (iv) a $0.8 million decrease in payroll and related costs.

Depreciation and Amortization: For the three month period ended March 31, 2013, depreciation and amortization decreased by $1.5 million or 5.9% to $24.3 million, as compared to $25.8 million for the same period in 2012. The decrease was primarily due to a decrease in (i) depreciation and amortization in the logistics business by $0.7 million mainly due to the decrease of the amortization of intangible assets allocated to the barge business which were fully amortized in 2012; and (ii) depreciation and amortization of drybulk vessels by $0.8 million mainly due to change in scrap rates. (See Critical Accounting Policies section).

Table of Contents

Interest Income/(Expense) and Finance Cost, Net: Interest income/(expense) and finance cost, net for the three month period ended March 31, 2013 increased by $0.1 million or 0.5% to $25.3 million, as compared to $25.2 million in the same period of 2012. This increase was mainly due to a $0.4 million increase in interest expense due to the issuance of $90.0 million Additional Logistics Senior Notes in March 2013. This increase was mitigated by a $0.3 million decrease in interest income/(expense) and finance cost, net of Navios Holdings mainly attributable to the increase in interest income from time deposits, as a result of increased cash balances and higher interest rates.

Other Expense, Net: Other expense, net increased by $1.8 million or 129.0% to $3.2 million for the three month period ended March 31, 2013, as compared to $1.4 million for the same period in 2012. This increase was mainly due to (i) a $2.1 million increase in other expenses, net of Navios Logistics mainly due to increases in (a) taxes other than income tax, (b) foreign exchange differences and (c) miscellaneous expenses, net; and (ii) a $0.3 million decrease in miscellaneous voyage expenses.

Equity in Net Earnings of Affiliated Companies: Equity in net earnings of affiliated companies increased by $5.5 million or 64.7% to $14.1 million for the three month period ended March 31, 2013, as compared to $8.6 million for the same period in 2012. This increase was mainly due to a net gain recorded as a result of the decrease in Navios Holdings ownership in Navios Partners and Navios Acquisitions following the Navios Partners offering in February 2013 and the Navios Acquisition s multiple offerings in February 2013. The amortization of deferred gain was $2.7 million for both of the three month periods ended March 31, 2013 and 2012.

The Company recognizes the gain from the sale of vessels to Navios Partners immediately in earnings only to the extent of the interest in Navios Partners owned by third parties and defers recognition of the gain to the extent of its own ownership interest in Navios Partners (the deferred gain) (see also Related Party Transactions). Subsequently, the deferred gain is amortized to income over the remaining useful life of the vessel. The recognition of the deferred gain is accelerated in the event that (i) the vessel is subsequently sold or otherwise disposed of by Navios Partners or (ii) the Company s ownership interest in Navios Partners is reduced.

Income Tax: Income tax benefit for the three month period ended March 31, 2013 was $3.7 million, generated by Navios Logistics. The total change in income taxes was mainly attributable to the merging of certain subsidiaries in Paraguay resulting in a one-off income tax benefit in deferred income tax of $4.2 million for the three month period ended March 31, 2013. This change was partially offset by an increase in income taxes of the cabotage business.

Net (Income)/Loss Attributable to the Noncontrolling Interest: Net (income)/loss attributable to noncontrolling interests increased by $3.1 million to $2.2 million income for the three month period ended March 31, 2013, as compared to a $0.9 million loss for the same period in 2012. This increase was attributable to the fact that Navios Logistics results for the three month period ended March 31, 2013 was a net income as compared to a net loss for the same period in 2012.

Liquidity and Capital Resources

Navios Holdings has historically financed its capital requirements with cash flows from operations, equity contributions from stockholders, proceeds from bonds and credit facilities. Main uses of funds have been capital expenditures for the acquisition of new vessels, new construction and upgrades at the port terminals, expenditures incurred in connection with ensuring that the owned vessels comply with international and regulatory standards, repayments of credit facilities and payments of dividends. Navios Holdings anticipates that cash on hand, internally generated cash flows and borrowings under the existing credit facilities will be sufficient to fund the operations of the fleet and the logistics business, including working capital requirements. However, see Working Capital Position and Long-Term Debt Obligations and Credit Arrangements for further discussion of Navios Holdings working capital position.

In November 2008, the Board of Directors approved a share repurchase program for up to $25.0 million of Navios Holdings common stock. Share repurchases are made pursuant to a program adopted under Rule 10b5-1 under the Securities Exchange Act of 1934, as amended. The program does not require any minimum purchase or any specific number or amount of shares and may be suspended or reinstated at any time in Navios Holdings discretion and without notice. Repurchases are subject to restrictions under the terms of the Company s credit facilities and indenture. There were no shares repurchased during the three month periods ended March 31, 2012 and 2013. Since the initiation of the program, 981,131 shares have been repurchased for a total consideration of $2.0 million.

The following table presents cash flow information derived from the unaudited consolidated statements of cash flows of Navios Holdings for the three month periods ended March 31, 2013 and 2012.

	Three Month Period	Three Month Period

(Expressed in thousands of U.S. dollars)	Ended March 31, 2013 (unaudited)	Ended March 31, 2012 (unaudited)
Net cash provided by operating activities	$ 16,701	$ 29,801
Net cash used in investing activities	(28,080)	(33,754)
Net cash provided by/(used in) financing activities	64,389	(6,896)
Increase/(decrease) in cash and cash equivalents	**53,010**	**(10,849)**
Cash and cash equivalents, beginning of the period	257,868	171,096
Cash and cash equivalents, end of period	**$ 310,878**	**$ 160,247**

Cash provided by operating activities for the three month period ended March 31, 2013 as compared to the cash provided by for the three month period ended March 31, 2012:

Net cash provided by operating activities decreased by $13.1 million to $16.7 million for the three month period ended March 31, 2013, as compared to $29.8 million for the same period of 2012. In determining net cash provided by operating activities, net income is adjusted for the effects of certain non-cash items as discussed below.

Table of Contents

The aggregate adjustments to reconcile net loss to net cash provided by operating activities was a $23.5 million gain for the three month period ended March 31, 2013, which consisted mainly of the following adjustments: $24.3 million of depreciation and amortization, $2.0 million of amortization of deferred drydock expenses, $1.7 million of amortization of deferred finance fees, $0.2 million of unrealized losses on FFAs, $0.7 million relating to share-based compensation, and a $0.3 million provision for losses on accounts receivable. These adjustments were partially offset by a $3.8 million movement in income taxes and a $1.9 million movement in earnings in affiliates net of dividends received.

The net cash inflow resulting from the change in operating assets and liabilities of $1.2 million for the three month period ended March 31, 2013 resulted from a $0.1 million decrease in restricted cash, a $3.2 million decrease in accounts receivable, a $3.6 million decrease in amounts due from affiliates, a $9.2 million increase in accounts payable, a $5.0 million increase in accrued expenses and a $3.8 million increase in other long term liabilities. These were partially offset by a $2.7 million payment for drydock and special survey costs, a $0.2 million decrease in derivative accounts, a $13.5 million increase in prepaid expenses and other assets, and a $7.3 million decrease in deferred income.

The aggregate adjustments to reconcile net loss to net cash provided by operating activities was a $31.7 million gain for the three month period ended March 31, 2012, which consisted mainly of the following adjustments: $25.8 million of depreciation and amortization, $1.7 million of amortization of deferred drydock expenses, $1.3 million of amortization of deferred finance fees, $0.1 million of unrealized losses on FFAs, $1.2 million relating to share-based compensation, a $2.2 million movement in earnings in affiliates net of dividends received and a $0.1 provision for losses on accounts receivable. These adjustments were partially offset by a $0.9 million decrease in income taxes.

The net cash outflow resulting from the change in operating assets and liabilities of $10.5 million for the three month period ended March 31, 2012 resulted from a $4.9 million increase in restricted cash, a $0.1 million decrease in derivative accounts, a $15.3 million increase in amounts due from affiliates, a $10.4 million increase in prepaid expenses and other assets, a $2.4 million increase in other long term assets, a $7.4 million decrease in accounts payable, a $7.1 million decrease in deferred income and $4.2 million of payments for drydock and special survey costs. These were partially offset by a $3.8 million decrease in accounts receivable, a $15.5 million increase in accrued expenses and a $22.0 million increase in other long term liabilities.

Cash used in investing activities for the three month period ended March 31, 2013 as compared to the cash used in investing activities for the three month period ended March 31, 2012:

Cash used in investing activities was $28.1 million for the three month period ended March 31, 2013, while cash used in investing activities was $33.8 million for the same period in 2012.

Cash used in investing activities for the three months ended March 31, 2013 was the result of (i) $51.5 million in payments relating to (a) $1.5 million for the acquisition of General Partner units following Navios Partners offering and (b) $50.0 million relating to the acquisition of Navios Acquisition shares as part of its February 2013 offerings; (ii) $2.1 million payments relating to Navios Acquisition; (iii) $2.1 million relating to the acquisition of port terminal operating rights; and (iv) $7.4 million of payments in other fixed assets mainly relating to amounts paid by Navios Logistics for (a) the construction of a new conveyor belt in Nueva Palmira, (b) the construction of two new tank barges and (c) the purchase of other fixed assets. The above was partially offset by a $35.0 million loan repayment from Navios Acquisition.

Cash used in investing activities for the three months ended March 31, 2012 was the result of (i) $26.1 million paid for the acquisition of the vessel Navios Serenity and $7.1 million paid for the delivery of the Navios Centaurus on March 30, 2012; (ii) $1.2 million of deposits for the acquisition of the vessel Navios Avior; and (iii) the purchase of other fixed assets and improvements amounting to $4.4 million mainly relating to Navios Logistics. The above was partially offset by a $5.0 million loan repayment from Navios Acquisition.

Cash provided by financing activities for the three month period ended March 31, 2013 as compared to the cash used in financing activities for the three month period ended March 31, 2012:

Cash provided by financing activities was $64.4 million for the three month period ended March 31, 2013, while cash used in financing activities was $6.9 million for the same period of 2012.

Cash provided by financing activities for the three months ended March 31, 2013 was the result of (i) $90.6 million of proceeds (net of $2.8 million finance fees) from the Additional Logistics Senior Notes issued in March 2013, and (ii) a $13.8 million movement in restricted cash relating to loan repayments. This was partially offset by: (i) a $33.1 million of installments paid in connection with Navios Holdings outstanding indebtedness, (ii) $0.3 million relating to payments for capital lease obligations, and (iii) $6.6 million of dividends paid to the Company s stockholders.

Cash used in financing activities for the three months ended March 31, 2012 was the result of (i) $37.7 million of installments paid in connection with Navios Holdings outstanding indebtedness, (ii) $0.5 million relating to payments for capital lease obligations and (iii) $6.6 million of dividends paid to the Company s stockholders. This was partially offset by: (i) $25.3 million of loan proceeds for financing the acquisition of the Navios Serenity (net of relating finance fees of $0.7 million), (ii) $11.3 million of loan proceeds for financing the construction of the Navios Avior, (iii) a $1.2 million movement in restricted cash relating to loan repayments and (iv) $0.1 million of proceeds from the exercise of options to purchase common stock.

Adjusted EBITDA: EBITDA represents net income plus interest and finance costs plus depreciation and amortization and income taxes. Adjusted EBITDA in this document represents EBITDA before stock-based compensation. Navios Holdings believes that Adjusted EBITDA is a basis upon which liquidity can be assessed and represents useful information to investors regarding Navios Holdings ability to service and/or incur indebtedness, pay capital expenditures, meet working capital requirements and pay dividends. Navios Holdings also believes that Adjusted EBITDA is used (i) by prospective and current lessors as well as potential lenders to evaluate potential transactions; and (ii) to evaluate and price potential acquisition candidates.

Adjusted EBITDA has limitations as an analytical tool, and should not be considered in isolation or as a substitute for the analysis of Navios Holdings results as reported under U.S. GAAP. Some of these limitations are: (i) Adjusted EBITDA does 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. Adjusted EBITDA does not reflect any cash requirements for such capital expenditures. Because of these limitations, Adjusted EBITDA should not be considered as a principal indicator of Navios Holdings performance. Furthermore, our calculation of Adjusted EBITDA may not be comparable to that reported by other companies due to differences in methods of calculation.

Table of Contents

Adjusted EBITDA Reconciliation to Cash from Operations

(Expressed in thousands of U.S. dollars)	Three Months Ended March 31, 2013 (unaudited)	Three Months Ended March 31, 2012 (unaudited)
Net cash provided by operating activities	$ 16,701	$ 29,801
Net increase in operating assets	6,652	29,224
Net increase in operating liabilities	(10,532)	(22,947)