

Navios Maritime Holdings Inc.
Form 6-K
August 25, 2016
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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: August 25, 2016

Commission File No. 001-33311

NAVIOS MARITIME HOLDINGS INC.

7 Avenue de Grande Bretagne, Office 11B2

Monte Carlo, MC 98000 Monaco

(Address of Principal Executive Offices)

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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 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

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

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The information contained in this Report is incorporated by reference into the Registration Statement on Form F-3, File No. 333-189231, the Registration Statements on Form S-8, File No. 333-147186 and 333-202141, 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 and six month periods ended June 30, 2016 and 2015. 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 Annual Report on Form 20-F for the year ended December 31, 2015 filed with the Securities and Exchange Commission (SEC) and the condensed consolidated financial statements and the accompanying notes included elsewhere in this report.

This report contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements herein other than statements of historical fact, including statements regarding business and industry prospects or future results of operations or financial position, should be considered forward-looking. 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 could cause our actual results to differ from our current expectations and observations include, but are not limited to, those discussed under Part I, Item 3D Risk Factors in Navios Holdings Annual Report on Form 20-F for the year ended December 31, 2015. All forward-looking statements made in this report speak only as of the date of this document. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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 Maritime Acquisition Corporation s (Navios Acquisition) fleet, Navios Maritime Partners L.P. s (Navios Partners) fleet, Navios Maritime Midstream Partners L.P. s (Navios Midstream) fleet, Navios Europe Inc. s (Navios Europe I) fleet, and Navios Europe (II) Inc. s (Navios Europe II) 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, including the shipping operations throughout the life of the vessels and the superintendence of maintenance, repairs and drydocking.

Navios Logistics

Navios South American Logistics Inc. (Navios Logistics), a consolidated subsidiary of the Company, is one of the largest logistics companies in the Hidrovia region of South America, focusing on the Hidrovia river system, the main navigable river system in the region, and on cabotage trades along the eastern coast of South America. Navios

Logistics is focused on providing its customers integrated transportation, storage and related services through its port facilities, its large, versatile fleet of dry and liquid cargo barges and its product tankers. Navios Logistics serves the needs of a number of growing South American industries, including mineral and grain commodity providers as well as users of refined petroleum products. Navios Holdings currently owns 63.8% of Navios Logistics.

Affiliates (not consolidated under Navios Holdings)

Navios Partners (NYSE:NMM) is an international owner and operator of dry cargo vessels and is engaged in seaborne transportation services of a wide range of dry bulk commodities including iron ore, coal, grain, fertilizer and also containers, chartering its vessels under medium to long-term charters. Currently, Navios Holdings owns a 20.1% interest in Navios Partners, including a 2.0% general partner interest.

Navios Acquisition (NYSE: NNA), an affiliate (former subsidiary) of the Company, 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 43.3% and its economic interest in Navios Acquisition is 46.3%.

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Navios Midstream (NYSE: NAP) is a publicly traded master limited partnership which owns and operates crude oil tankers under long-term employment contracts. Currently, Navios Holdings owns no direct equity interest in Navios Midstream.

Navios Europe I is engaged in the marine transportation industry through the ownership of five tankers and five container vessels. Navios Holdings, Navios Acquisition and Navios Partners have voting interests of 50%, 50% and 0%, respectively, and 47.5%, 47.5% and 5% economic interest, respectively, in Navios Europe I.

Navios Europe II is engaged in the marine transportation industry through the ownership of seven dry bulk and seven container vessels. Navios Holdings, Navios Acquisition and Navios Partners have voting interests of 50%, 50% and 0%, respectively, and 47.5%, 47.5% and 5% economic interest, respectively, in Navios Europe II.

Fleet

The following is the current core fleet employment profile (excluding Navios Logistics). The current core fleet consists of 61 vessels totaling 6.3 million dwt. The employment profile of the fleet as of August 22, 2016 is reflected in the tables below. The 57 vessels in current operation aggregate approximately 5.9 million dwt and have an average age of 7.8 years. Navios Holdings has currently fixed 86.6% and 34.2% (including index-linked charters) for the remaining six months of 2016 and for 2017, respectively, of its fleet (excluding vessels which are utilized to fulfill Contracts of Affreightment (COAs)), representing contracted fees (net of commissions), from the contracted base charter rates of our current charter agreements of \$57.1 million and \$20.9 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 base rate for the core fleet (excluding vessels which are utilized to fulfill COAs) is \$8,813 and \$15,319 for the remaining six months of 2016 and for 2017, respectively. The average daily charter-in rate for the active long-term charter-in vessels (excluding vessels which are utilized to fulfill COAs) for the remaining six months of 2016 is estimated at \$12,421. We estimate the days of the long-term charter-in vessels (excluding vessels which are utilized to fulfill COAs) for the remaining six months of 2016 are 2,715 days.

Owned Fleet. Navios Holdings owns a fleet comprised of 14 Ultra Handymax vessels, 13 Capesize vessels, 12 Panamax vessels and one Handysize vessel, which have an average age of approximately 9.3 years.

Vessels	Type	Built	DWT	Charter-out Rate ⁽¹⁾	Profit Share	Expiration Date ⁽²⁾
Navios Serenity	Handysize	2011	34,690	5,700	No	09/2016
Navios Ionian	Ultra Handymax	2000	52,067	5,035	No	09/2016
Navios Celestial	Ultra Handymax	2009	58,063	8,075	No	09/2016
Navios Vector	Ultra Handymax	2002	50,296	8,313	No	10/2016
Navios Horizon	Ultra Handymax	2001	50,346	4,750	No	11/2016
Navios Herakles	Ultra Handymax	2001	52,061	5,938	No	11/2016
Navios Achilles	Ultra Handymax	2001	52,063	6,413	No	01/2017
Navios Meridian	Ultra Handymax	2002	50,316	4,750	No	11/2016
Navios Mercator	Ultra Handymax	2002	53,553	4,750	No	03/2017
Navios Arc	Ultra Handymax	2003	53,514	5,219	100% of average Supramax Index	09/2016

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					6TC Routes	12/2016
Navios Hios	Ultra Handymax	2003	55,180	5,195	Pool Earnings + 4%	07/2016
						02/2017
Navios Kypros	Ultra Handymax	2003	55,222	5,260	Pool Earnings + 4%	07/2016
						02/2017
Navios Ulysses	Ultra Handymax	2007	55,728	5,266	Pool Earnings + 4%	07/2016
						04/2017
Navios Vega	Ultra Handymax	2009	58,792	5,297	Pool earnings +7%	07/2016
						09/2016
Navios Astra	Ultra Handymax	2006	53,468	5,938	No	02/2017
Navios Magellan	Panamax	2000	74,333	4,988	No	10/2016

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Navios Star	Panamax	2002	76,662	9,986	No	12/2016
					100% of average Panamax	12/2018
					Index 4TC Routes less \$2,488/day	
Navios Asteriks	Panamax	2005	76,801	9,986	No	11/2016
					100% of average Panamax	11/2018
					Index 4TC Routes less \$2,488/day	
Navios Centaurus	Panamax	2012	81,472	11,983	No	12/2016
					110% of average Panamax	12/2018
					Index 4TC Routes less adjustment to be based on index formula	
Navios Avior	Panamax	2012	81,355	4,751	Weighted average basis Panamax Index Routes +16.5%	08/2016 03/2017
Navios Galileo	Panamax	2006	76,596	9,986	No	12/2016
					100% of average Panamax	12/2018
					Index 4TC Routes less \$2,488/day	
Navios Northern Star	Panamax	2005	75,395	5,510	No	04/2017
Navios Amitie	Panamax	2005	75,395	9,986	No	12/2016
					100% of average Panamax	12/2018
					Index 4TC Routes less \$2,488/day	
Navios Taurus	Panamax	2005	76,596	4,689		

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					Average basis Panamax Index 4TC Routes +4%	08/2016 01/2017
N Amalthia	Panamax	2006	75,318	9,986	No	12/2016
					100% of average Panamax	12/2018
					Index 4TC Routes less \$2,488/day	
N Bonanza	Panamax	2006	76,596	9,986	No	11/2016
					100% of average Panamax	11/2018
					Index 4TC Routes less \$2,488/day	
Navios Sphera	Panamax	2016	84,872	11,983	No	01/2017
					123% of average Panamax	01/2019
					Index 4TC Routes less adjustment to be based on index formula	
Navios Bonavis	Capesize	2009	180,022	13,110	No	02/2017
Navios Happiness	Capesize	2009	180,022	7,028	\$4,750+50% weighted average Baltic Capesize	09/2016 01/2017
					Index 5TC Index Routes	
Navios Lumen	Capesize	2009	180,661	5,083	No	01/2017
Navios Stellar	Capesize	2009	169,001		\$9,480 adjusted for 50% Pool Earnings or Weighted Average Baltic Capesize 5TC Index Routes	10/2017

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Navios Phoenix	Capesize	2009	180,242		\$9,480 adjusted for 50%	08/2017 ⁽⁵⁾
					Pool Earnings or Weighted	
					Average Baltic Capesize	
					5TC Index Routes	
Navios Antares	Capesize	2010	169,059	8,450	No	09/2016
Navios Etoile	Capesize	2010	179,234	29,356	No	12/2020
Navios Bonheur	Capesize	2010	179,259		Pool Earnings	01/2017
Navios Altamira	Capesize	2011	179,165		\$9,480 adjusted for 50%	09/2017
					Pool Earnings or Weighted	
					Average Baltic Capesize	
					5TC Index Routes	
Navios Azimuth	Capesize	2011	179,169	5,083	No	02/2017
Navios Gem	Capesize	2014	181,336	7,322	\$5,000 +55% weighted average Baltic Capesize Index 5TC Index Routes	08/2016 01/2017
Navios Ray	Capesize	2012	179,515	8,075	No	11/2016
Navios Mars	Capesize	2016	181,259		\$11,455 adjusted for 50%	10/2017
					Pool Earnings or Weighted	
					Average Baltic Capesize	
					5TC Index Routes	

Long-Term Fleet. In addition to the 40 owned vessels, Navios Holdings controls a fleet of seven Capesize, nine Panamax, four Ultra Handymax, and one Handysize vessels under long-term charter-in contracts, which have an average age of approximately 4.1 years. Of the 21 chartered-in vessels, 17 are currently in operation and four are scheduled for delivery at various times during the fourth quarter of 2016 and the first quarter of 2017, as set forth in the following table:

Long-term Chartered-in Vessels

Vessels	Type	Built	DWT
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				Purchase Option (3)	Charter-out Rate (1)	Expiration Date (2)
Navios Lyra	Handysize	2012	34,718	Yes ⁽⁴⁾	5,700	09/2016
Navios Primavera	Ultra Handymax	2007	53,464	Yes	8,550	08/2016
Navios Oriana	Ultra Handymax	2012	61,442	Yes	5,839 ⁽⁶⁾	07/2016
					⁽⁶⁾	02/2017
Navios Mercury	Ultra Handymax	2013	61,393	Yes	5,839 ⁽⁶⁾	07/2016
					⁽⁶⁾	02/2017
Navios Venus	Ultra Handymax	2015	61,339	Yes	5,950 ⁽⁶⁾	07/2016
					⁽⁶⁾	02/2017
Navios Marco Polo	Panamax	2011	80,647	Yes	11,983	01/2017
					⁽⁷⁾	09/2018
Navios Southern Star	Panamax	2013	82,224	Yes	5,735 ⁽⁸⁾	08/2016
					⁽⁸⁾	02/2017
Navios Aldebaran	Panamax	2008	76,500	Yes	5,700	10/2016
Sea Victory	Panamax	2014	77,095	Yes	9,986	11/2016
					⁽⁹⁾	11/2018
Navios Sky	Panamax	2015	82,056	Yes	11,983	03/2017
					⁽¹⁰⁾	03/2019
Navios Amber	Panamax	2015	80,994	Yes	11,983	01/2017
					⁽¹¹⁾	01/2019
Navios Koyo	Capesize	2011	181,415	Yes	7,039 ⁽¹²⁾	08/2016
					⁽¹²⁾	01/2017

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Dream Canary	Capesize	2015	180,528	Yes	10,450	11/2016
Dream Coral	Capesize	2015	181,249	Yes	12,350	02/2018
Beaufiks	Capesize	2004	180,310	Yes		
King Ore	Capesize	2010	176,800	No		
Navios Obeliks	Capesize	2012	181,415	Yes		

Long-term Chartered-in Vessels to be Delivered

Vessels	Type	Delivery Date	Purchase Option	DWT
Navios Felix	Capesize	Q4 2016	Yes	180,000
Navios Coral	Panamax	Q4 2016	Yes	84,000
Navios Citrine	Panamax	Q1 2017	Yes	81,000
Navios Dolphin	Panamax	Q1 2017	Yes	81,000

- (1) Daily rate net of commissions.
- (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) Subject to COA of \$34,013 per day for the remaining period until fourth quarter of 2016.
- (6) Based on Pool Earnings +18%.
- (7) Based on 113% of average Panamax 4TC Routes less adjustment to be based on index formula.
- (8) Based on 114% in excess of \$3,350 basis Panamax Index 4TC Routes.
- (9) Based on 114% of average Panamax Index 4TC Routes less \$2,488/day.
- (10) Based on 115% of average Panamax 4TC Routes less adjustment to be based on index formula.
- (11) Based on 120% of average Panamax 4TC Routes less adjustment to be based on index formula.
- (12) Based on 150% in excess of \$4,750 basis Baltic Capesize Index 5TC.

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 also 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 durations 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 operating and counterparty risks. This policy may lead Navios Holdings to time charter-out many of the vessels that it is 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 long-term periods to various shipping industry counterparties considered by Navios Holdings to have appropriate credit profiles. 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, when the Company deems necessary. In addition, Navios Holdings trades additional vessels taken in on shorter term charters of less than 12 months duration as well as voyage charters or COAs and Forward Freight Agreements (FFAs).

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 \$11,229 per day for the six month period ended June 30, 2016. The average long-term charter-in hire rate per vessel included in this document was computed by (a) multiplying (i) the daily charter-in rate

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for each vessel by (ii) the number of days each vessel is in operation for the period under review; (b) summing those individual multiplications; and (c) dividing such total by the total number of charter-in vessel days for the period. 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. Generally, this chartering policy had the effect of generating Time Charter Equivalents (TCE) that were higher than spot employment.

Navios Holdings believes that a decrease in global commodity demand from its current level, and the delivery of dry bulk carrier new buildings into the world fleet, could have an adverse impact on future revenue and profitability. However, Navios Holdings believes that the operating cost advantage of its owned vessels will continue to help mitigate the impact of the declines in freight rates. A reduced freight rate environment also has an adverse impact on the value of Navios Holdings' owned fleet. In reaction to a decline in freight rates, available ship financing can also be negatively impacted.

Navios Logistics owns and operates vessels, barges and pushboats located mainly in Argentina, 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 prices or the demand for grain or iron ore, the operations of 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' Annual Report on Form 20-F for the year ended December 31, 2015 filed with the SEC for a discussion of certain risks inherent in its business.

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 important measures for analyzing trends in its results of operations include the following:

Market Exposure: Navios Holdings manages the size and composition of its fleet by seeking a mix between 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 6.3 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 are 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 are 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.

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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 are defined as 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 and type 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;