

Navios Maritime Holdings Inc.
Form 6-K
August 29, 2012

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 29, 2012

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:

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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

The information contained in this Report is incorporated by reference into the Registration Statements on Form F-3, File No. 333-165754, the Registration Statement on Form S-8, File No. 333-147186, the Registration Statement on Form F-4, File No. 333-182784 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, 2012 and 2011. 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 on Form 6-K dated July 20, 2012 and in Navios Holdings' 2011 management discussion and analysis in the 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 drybulk 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' 2011 annual report on Form 20-F.

Recent Developments

Navios Holdings

\$88 million 8 7/8% First Priority Ship Mortgage notes due 2017

On July 10, 2012, Navios Holdings issued \$88.0 million in aggregate principal amount of 8 7/8% First Priority Ship Mortgage Notes due 2017 (the Notes) at par value. The terms of the Notes are identical to the \$400.0 million of 8 7/8% First Priority Ship Mortgage Notes due 2017 that were issued in November 2009 (the Existing Notes) and are secured by first priority ship mortgages on 17 drybulk vessels owned by certain subsidiary guarantors and certain other associated property and contract rights. The proceeds were used to partially repay \$88.6 million of bank debt.

Repayment of Unsecured Bond due July 2012

On July 24, 2012, Navios Holdings repaid in full the outstanding amount of its \$20.0 million unsecured bond due in July 2012.

Vessel Sale

On June 15, 2012, Navios Holdings sold the Navios Buena Ventura, a 2010-built Capesize vessel of 179,259 deadweight ton (dwt) to its affiliate, Navios Maritime Partners L.P. (Navios Partners) for cash consideration of \$67.5 million and repaid in full \$26.8 million of indebtedness associated with the vessel using a portion of the cash proceeds.

Dividend Policy

On August 20, 2012, the Board of Directors declared a quarterly cash dividend for the second quarter of 2012 of \$0.06 per share of common stock. This dividend is payable on October 4, 2012 to stockholders of record on September 18, 2012. 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 and such other factors as the Board may deem advisable.

Navios Logistics

Construction of New Conveyor Belt in the Dry Port

During the second quarter of 2012, Navios Logistics began the construction of a new conveyor belt in its dry port facility in Nueva Palmira, Uruguay, which is expected to be completed in the first half of 2013. As of June 30, 2012, Navios Logistics had paid \$1.0 million for the

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construction of the new conveyor belt.

Construction of Four New Tank Barges

During the second quarter of 2012, Navios Logistics began the construction of four new tank barges, which are expected to be delivered gradually from September 2012 through June 2013. As of June 30, 2012, Navios Logistics had paid \$1.1 million for the construction of the tank barges.

Completion of Tank in the Liquid Port

In August 2012, Navios Logistics completed the construction of a new tank with a storage capacity of 5,000 cubic meters increasing the total storage capacity of the liquid port in San Antonio, Paraguay to 43,560 cubic meters. Another tank with a capacity of 2,100 cubic meters is currently under construction and is expected to be completed in September 2012. This tank will increase the total storage capacity of the liquid port to 45,660 cubic meters.

Navios Acquisition

On July 3, 2012, Navios Holdings received an amount of \$1.3 million, equal to a dividend of \$0.05 per common share, representing the cash distribution from Navios Maritime Acquisition Corporation (Navios Acquisition) for the first quarter of 2012.

Navios Partners

On August 13, 2012, Navios Holdings received an amount of \$7.3 million, representing the cash distribution from Navios Partners for the second quarter of 2012.

Changes in Capital Structure

During the six month period ended June 30, 2012, 29,251 shares of common stock were issued following the exercise of the options for cash at an exercise price of \$3.18 per share and 4,300 restricted shares of common stock were forfeited to the Company.

Following the issuances and cancellations of the shares described above, as of June 30, 2012, Navios Holdings had 102,434,315 shares of common stock and 8,479 shares of preferred stock outstanding.

Overview

General

Navios Holdings is a global, vertically integrated seaborne shipping and logistics company focused on the transport and transshipment of drybulk commodities, including iron ore, coal and grain. Navios Holdings technically and commercially manages its owned fleet, Navios Acquisition's 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 technical management of its owned fleet, and Navios Partners' and Navios Acquisition's 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.

On August 7, 2007, Navios Holdings formed Navios Partners under the laws of Marshall Islands. Navios G.P. L.L.C. (the General Partner), a wholly owned subsidiary of Navios Holdings, was also formed on that date to act as the general partner of Navios Partners and received a 2% general partner interest in Navios Partners. Navios Partners is an affiliate and is not consolidated under Navios Holdings.

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.

As of June 30, 2012, Navios Holdings owned 63.8% of Navios Logistics.

Navios Acquisition

Navios Acquisition, an affiliate and a former subsidiary of Navios Holdings, is an owner and operator of tanker vessels focusing in the transportation of petroleum products (clean and dirty) and bulk liquid chemicals.

On March 30, 2011, Navios Holdings exchanged 7,676,000 shares of Navios Acquisition's common stock it held for non-voting Series C preferred stock of Navios Acquisition (the Navios Acquisition Share Exchange) pursuant to an Exchange Agreement entered into on March 30, 2011 between Navios Acquisition and Navios Holdings. The fair value of the exchange was \$30.5 million. Immediately after the Navios Acquisition Share Exchange, Navios Holdings' ownership of the outstanding voting stock of Navios Acquisition decreased to 45% and Navios Holdings ceased to control a majority of the voting power of Navios Acquisition. From that date onwards, Navios Acquisition has been considered an affiliate entity of Navios Holdings and not a controlled subsidiary of the Company, and the investment in Navios Acquisition has been accounted for under the equity method due to the Company's significant influence over Navios Acquisition based on Navios Holdings' economic interest in Navios Acquisition, since the preferred stock is considered to be, in-substance, common stock for accounting purposes.

As of June 30, 2012, Navios Holdings' ownership of the outstanding voting stock of Navios Acquisition was 45.24% and its economic interest in Navios Acquisition was 53.96%.

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 54 vessels totaling 5.5 million dwt. The employment profile of the fleet as of August 22, 2012 is reflected in the tables below. The 50 vessels currently in operation aggregate to approximately 5.1 million dwt and have an average age of 5.3 years. Navios Holdings has currently fixed 93.4%, 41.3% and 24.4% of the 2012, 2013 and 2014 available days, respectively, of its fleet (excluding vessels which are utilized to fulfill Contracts of Affreightment (COAs)), respectively, representing contracted fees (net of commissions), based on contracted charter rates from its current charter agreements of \$279.8 million, \$169.6 million and \$110.9 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 rate for the core fleet (excluding vessels which are utilized to fulfill COAs) is \$20,870, \$28,363 and \$31,590 for 2012, 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 2012 is estimated at \$12,656.

Owned Vessels

Vessels	Type	Built	DWT	Charter-out Rate ⁽¹⁾	Profit Share ⁽⁵⁾	Expiration Date ⁽²⁾
Navios Serenity	Handysize	2011	34,690	7,695	No	09/15/2012
Navios Ionian	Ultra Handymax	2000	52,067	8,075	No	12/22/2012
Navios Celestial	Ultra Handymax	2009	58,063	9,500	No	11/07/2012
Navios Vector	Ultra Handymax	2002	50,296	16,863	No	08/27/2012
Navios Horizon	Ultra Handymax	2001	50,346	9,975	No	10/13/2012
Navios Herakles	Ultra Handymax	2001	52,061	11,400	No	04/03/2013
Navios Achilles	Ultra Handymax	2001	52,063	25,521 ⁽⁷⁾	65%/\$20,000	11/17/2013
Navios Meridian	Ultra Handymax	2002	50,316	11,400	No	09/25/2012
Navios Mercator	Ultra Handymax	2002	53,553	29,783 ⁽⁷⁾	65%/\$20,000	01/12/2015
Navios Arc	Ultra Handymax	2003	53,514	9,500	No	11/14/2012
Navios Hios	Ultra Handymax	2003	55,180	10,925	No	03/15/2013
Navios Kypros	Ultra Handymax	2003	55,222	19,739 ⁽⁹⁾	No	01/28/2014
Navios Ulysses	Ultra Handymax	2007	55,728	29,717 ⁽⁹⁾	No	10/12/2013
Navios Vega	Ultra Handymax	2009	58,792	15,751	No	05/23/2013
Navios Astra	Ultra Handymax	2006	53,468	12,825	No	11/18/2012
Navios Magellan	Panamax	2000	74,333	10,925	No	04/12/2013
Navios Star	Panamax	2002	76,662	16,958	No	12/04/2012
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	52,345 ⁽⁷⁾	50%/\$32,000	05/24/2014
Navios Lumen	Capesize	2009	180,661	39,830 ⁽⁶⁾	Yes	12/10/2012
				43,193 ⁽⁶⁾	Yes	12/10/2013
				42,690 ⁽⁶⁾	Yes	12/10/2016
				39,305 ⁽⁶⁾	Yes	12/10/2017
Navios Stellar	Capesize	2009	169,001	35,874 ⁽⁹⁾	No	12/22/2016
Navios Phoenix	Capesize	2009	180,242	17,005	No	11/25/2012 ⁽⁸⁾
Navios Antares	Capesize	2010	169,059	36,100 ⁽⁹⁾	No	01/19/2015
				45,125 ⁽⁹⁾	No	01/19/2018
Navios Etoile	Capesize	2010	179,234	29,356	50% in excess of \$38,500	12/02/2020
Navios Bonheur	Capesize	2010	179,259	27,888 ⁽⁷⁾	50%/\$32,000	12/16/2013
				25,025 ⁽⁷⁾		07/17/2022
Navios Altamira	Capesize	2011	179,165	24,674	No	01/18/2021
Navios Azimuth	Capesize	2011	179,169	26,469 ⁽⁷⁾	50%/\$34,500	09/14/2022

Long-Term Fleet. In addition to the 30 owned vessels, Navios Holdings controls a fleet of eight Capesize, nine Panamax, six Ultra Handymax, and one Handysize vessels under long-term time charters, which have an average age of approximately 4.4 years. Of the 24 chartered-in vessels, 20 are currently in operation and four are scheduled for delivery at various times through December 2013, as set forth in the following table:

Long-term Chartered-in Fleet

Vessels	Type	Built	DWT	Purchase Option ⁽³⁾	Charter-out Rate ⁽¹⁾	Expiration Date ⁽²⁾
Navios Lyra	Handysize	2012	34,718	Yes ⁽⁴⁾	8,313	12/01/2012
Navios Primavera	Ultra Handymax	2007	53,464	Yes	13,300	10/07/2012
Navios Armonia	Ultra Handymax	2008	55,100	No	11,875	10/21/2012
Navios Apollon	Ultra Handymax	2000	52,073	No	10,688	11/02/2012
Navios Oriana	Ultra Handymax	2012	61,442	Yes	11,400	04/25/2013
Navios Orion	Panamax	2005	76,602	No	49,400	12/14/2012
Navios Titan	Panamax	2005	82,936	No	19,000	09/15/2012
Navios Altair	Panamax	2006	83,001	No	6,888	02/11/2013

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Navios Prosperity	Panamax	2007	82,535	No	7,838	11/21/2012
Navios Esperanza	Panamax	2007	75,356	No	14,513	02/19/2013
Navios Marco Polo						