

Edgar Filing: Navios Maritime Holdings Inc. - Form 424B5

Navios Maritime Holdings Inc.  
Form 424B5  
May 16, 2007

The information in this prospectus supplement is not complete and may be changed. This prospectus supplement and the accompanying prospectus are not offers to sell these securities and we are not soliciting offers to buy these securities in any jurisdiction where the offer or sale is not permitted.

Filed Pursuant to Rule 424(B)(5)  
Registration No. 333-141872

Subject to completion, dated May 16, 2007

Prospectus supplement  
(to Prospectus dated April 13, 2007)

11,500,000 Shares

NAVIOS MARITIME HOLDINGS INC.

Common Stock

We are offering 11,500,000 shares of our common stock pursuant to this prospectus supplement.

Our common stock is listed on the New York Stock Exchange under the symbol "NM." On May 15, 2007, the closing price of our common stock on the New York Stock Exchange was \$9.14 per share.

	Per Share	Total
Public offering price	\$	\$
Underwriting discounts and commissions	\$	\$
Proceeds to us, before expenses	\$	\$

We have granted the underwriters an option for a period of 30 days to purchase from us up to 1,725,000 additional shares of our common stock to cover any over-allotments.

Investing in our common stock involves a high degree of risk. See "Risk factors" beginning on page S-13 of this prospectus supplement.

The delivery of shares of common stock will be made on or about \_\_\_\_\_, 2007.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement or accompanying prospectus. Any representation to the contrary is a criminal offense.

JPMorgan

Merrill Lynch & Co.

S. Goldman Advisors LLC  
May , 2007

Dahlman Rose & Company

---

Table of Contents

Important notice about information in this prospectus supplement

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of this offering and also adds to and updates information contained in the accompanying base prospectus and the documents incorporated by reference into this prospectus supplement and the base prospectus. The second part, the base prospectus, gives more general information about securities we may offer from time to time, some of which does not apply to this offering. Generally, when we refer only to the prospectus, we are referring to both parts combined, and when we refer to the accompanying prospectus, we are referring to the base prospectus.

If the description of this offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

You should rely only on the information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not authorized anyone to provide you with information that is different. If anyone provides you with different or inconsistent information, you should not rely on it. We are offering to sell, and seeking offers to buy, shares of common stock only in jurisdictions where offers and sales are permitted. The information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus is accurate only as of the date such information was issued, regardless of the time of delivery of this prospectus supplement and the accompany prospectus or any sale of our shares of common stock.

Dry bulk shipping industry data

The discussions contained in the section of this prospectus supplement entitled “The International dry bulk shipping industry” has been reviewed by Drewry Shipping Consultants Ltd., or Drewry, which has confirmed to us that they accurately describe the international dry bulk shipping industry, subject to the reliability of the data supporting the statistical and graphical information presented in this prospectus supplement.

The statistical and graphical information we use in this prospectus supplement has been compiled by Drewry from its database. Drewry compiles and publishes data for the benefit of its clients. Its methodologies for collecting data, and therefore the data collected, may differ from those of other sources, and its data does not reflect all or even necessarily a comprehensive set of the actual transactions occurring in the market.

S-i

---

Table of contents

	Page
<u>Forward-looking statements</u>	<u>S-iii</u>
<u>Summary</u>	<u>S-1</u>
<u>The offering</u>	<u>S-9</u>
<u>Summary consolidated financial and other data</u>	<u>S-10</u>
<u>Risk factors</u>	<u>S-13</u>
<u>Use of proceeds</u>	<u>S-17</u>
<u>Price range of common stock</u>	<u>S-18</u>
<u>Dividend policy</u>	<u>S-19</u>
<u>Capitalization</u>	<u>S-20</u>
<u>Management’s discussion and analysis of financial condition and results of operations</u>	<u>S-21</u>
<u>The international dry bulk shipping industry</u>	<u>S-51</u>
<u>Tax considerations</u>	<u>S-60</u>
<u>Underwriting</u>	<u>S-68</u>
<u>Legal matters</u>	<u>S-75</u>
<u>Experts</u>	<u>S-75</u>
<u>Incorporation by reference</u>	<u>S-76</u>
<u>Glossary of shipping terms</u>	<u>S-77</u>

Navios Maritime Holdings Inc. is incorporated under the laws of the Marshall Islands. We maintain our principal executive offices at 85 Akti Miaouli Street, Piraeus, Greece 185 38. Our telephone number at that address is (011) +30-210-4595000. Our website address is www.navios.com. The information on our website is not a part of this prospectus supplement or accompanying prospectus.

S-ii

---

## Table of Contents

### Forward-looking statements

Statements in this prospectus supplement, the accompanying prospectus and documents incorporated by reference may constitute forward-looking statements. The Private Securities Litigation Reform Act of 1995 provides safe harbor protections for forward-looking statements in order to encourage companies to provide prospective information about their business. Forward-looking statements include statements concerning plans, objectives, goals, strategies, future events or performance and underlying assumptions and other statements, which are other than statements of historical facts.

We desire to take advantage of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and are including this cautionary statement in connection with this safe harbor legislation. This prospectus and any other written or oral statements made by us or on our behalf may include forward-looking statements which reflect our current views with respect to future events and financial performance. The words “believe”, “anticipate”, “intend”, “estimate”, “forecast”, “project”, “plan”, “potential”, “will”, “may”, “should”, “expect” and similar expressions identify forward-looking statements.

The forward-looking statements in this prospectus are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, management’s examination of historical operating trends,

data contained in our records and other data available from third parties. Although we believe that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond our control, we cannot assure you that we will achieve or accomplish these expectations, beliefs or projections.

In addition to these important factors and matters discussed elsewhere in this prospectus supplement, and in the documents incorporated by reference in this prospectus, important factors that, in our view, could cause actual results to differ materially from those discussed in the forward-looking statements include the strength of world economies and currencies, general market conditions, changes in our operating expenses, changes in governmental rules and regulations or actions taken by regulatory authorities in, potential liability from future litigation, general domestic and international political conditions, potential disruption of shipping routes due to accidents or political events and other important factors described from time to time in the reports we file with the SEC and the New York Stock Exchange. We caution readers of this prospectus supplement and the accompanying prospectus not to place undue reliance on these forward-looking statements, which speak only as of their dates. We undertake no obligation to update or revise any forward-looking statements.

S-iii

---

## Table of Contents

### Summary

This summary provides an overview of the company and its subsidiaries and the key aspects of the offering. This summary is not complete and does not contain all of the information you should consider before purchasing our common stock. You should carefully read all of the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus, including the “Risk factors” and our financial statements and related notes contained herein and therein, before making an investment decision. In this prospectus supplement, references to “Navios Maritime Holdings Inc.,” “Navios,” “we,” “us,” “company” and “our” refer to Navios Maritime Holdings Inc. and its subsidiaries. See “Management’s discussion and analysis of financial condition and results of operations — EBITDA reconciliation” for a reconciliation of our calculation of earnings before interest, taxes and depreciation, or EBITDA, which is used in this prospectus supplement, to generally accepted accounting principles.

### Our Company

#### Overview

We are a large, global, vertically integrated seaborne shipping company transporting a wide range of drybulk commodities, including iron ore, coal, grain and fertilizer. We charter our vessels to a diversified group of companies, including strong counterparties, such as BHP Billiton, Cargill International, Mitsui O.S.K. Lines and COSCO Bulk Carrier Co. The Navios business was established by United States Steel Corporation in 1954, and we believe that we have built strong brand equity through over 50 years of experience working with raw materials producers, agricultural traders and exporters, and industrial end-users.

We have a modern fleet of 37 active vessels aggregating approximately 3.0 million deadweight tons, or dwt, and have contracted to take delivery of eight additional vessels bringing our total controlled fleet to 45 vessels aggregating approximately 3.8 million dwt. The active vessels in our fleet are significantly younger than the world drybulk fleet and have an average age of approximately 4.3 years compared to an industry average of 15.5 years. Our fleet consists of Capesize, Panamax and Ultra-Handymax vessels. Capesize vessels are large vessels primarily used to transport iron

ore and coal. The Panamax and Ultra-Handymax vessels are smaller vessels which are highly flexible and capable of carrying a wide range of drybulk commodities and of being accommodated in most major discharge ports. We have a balanced strategy of owning and chartering-in vessels. Of the 37 active vessels in our fleet, we own and operate 21 vessels, including one Capesize (170,000 dwt) vessel, nine Panamax vessels (60,000-83,000 dwt) and ten Ultra-Handymax (50,000-59,000 dwt) vessels. We also own one Handysize product tanker (19,000 dwt), which was acquired in connection with the acquisition of Kleimar, N.V. in February 2007.

We believe our large, modern fleet, coupled with the long Navios operating history, allows us to charter-out our vessels for long periods of time and to high quality counterparties. We currently have all of our 37 active vessels under long and medium-term charter-out contracts. Excluding the vessels from the acquisition of Kleimar, N.V., our owned fleet has charter-out contracts with an average initial duration of approximately 2.2 years. As of May 1, 2007, the average remaining charter period for our owned and charter-in fleet, other than the vessels acquired in the acquisition of Kleimar, is approximately 1.7 years and, as of May 1, 2007, we have charters covering 92.4% of our 2007 available days, 65.0% of our 2008 available days and 23.2% of our 2009 available days for such fleet.

We have grown our active fleet by 76% over the past 19 months through a variety of means, including the acquisition of Kleimar, N.V. in February 2007, the acquisition of vessels through the exercise of purchase options, open market acquisitions and long-term charter-in contracts. As of March 31, 2007, we had purchase options on 11 of our 24 controlled charter-in vessels, including purchase options on four of the eight vessels to be delivered. Many of these purchase options are

S-1

---

## Table of Contents

at purchase prices significantly below the current market value for the vessels. We believe that our long history, brand recognition and relationship with many of the largest trading houses in Japan, such as Marubeni Corporation and Mitsui & Co., are important factors in our continued access to favorable long-term charters and purchase options. We regularly investigate the acquisition of additional vessels and shipping businesses and are currently in discussions regarding several of such acquisitions, any of which could be material.

Our management team, with an average of over 20 years of industry experience, is well respected in the drybulk sector and the shipping industry. The collective expertise of our management team and our in-house technical management, together with the efficiencies derived from our modern fleet, allow us to operate at a comparatively low cost and to more fully utilize our fleet while achieving a desirable mix of revenues. We believe our operating costs for the year ended December 31, 2006, were approximately 18% below the industry average for vessels of a similar age. Through strategic commercial management of our fleet, we employ our vessels in the following ways: long-term charters, short-term charters, spot charters, and the use of contracts of affreightment, or CoAs.

We believe our contracted revenues, low operating expenses and demonstrated growth, enable us to improve the stability, predictability and growth of our cash flow. For the twelve months ended December 31, 2006, our EBITDA was \$103.2 million as compared to EBITDA of \$82.2 million for the twelve months ended December 31, 2005. Our EBITDA for the three month period ended March 31, 2007, was \$34.6 million as compared to EBITDA of \$24.6 million for the three months ended March 31, 2006.

Navios is seeking to develop a South American logistics business to capitalize on its bulk transfer and storage port terminal in Uruguay. The facility, which is the largest in Uruguay, and is strategically located in an international tax free trade zone at the confluence of the Parana and Uruguay rivers, provides leading international grain and

commodity houses with the transfer and storage of a wide range of commodities. The region's growing agricultural and mineral exports, the cost effectiveness of river transport compared to available alternatives and the strategic placement of the facility provide a significant opportunity to develop this business.

Our Fleet

Since September 1, 2005, we have grown our fleet from 21 vessels to 37 vessels.

Fleet Growth Profile

	2005		2006	2007
	September	December	December	March
	1	31	31	31
Owned Vessels	6	11	17	21
Charter-in Vessels With Purchase Options	10	8	5	7
Charter-in Vessels Without Purchase Options	5	4	5	9
Total Active Fleet	21	23	27	37
Owned as a % of Total	29%	48%	63%	57%
Dwt (in millions)	1.3	1.5	1.8	3.0

S-2

Table of Contents

The following tables present certain information relating to our fleet as of May 10, 2007:

Owned Fleet

Vessel Name(1)	Vessel Type	Year Built	Dwt
Navios Ionian	Ultra Handymax	2000	52,068
Navios Apollon	Ultra Handymax	2000	52,073
Navios Horizon	Ultra Handymax	2001	