



# Third Quarter 2020 Earnings Presentation

November 2, 2020

## Capital Product Partners L.P.

**CAPITAL**

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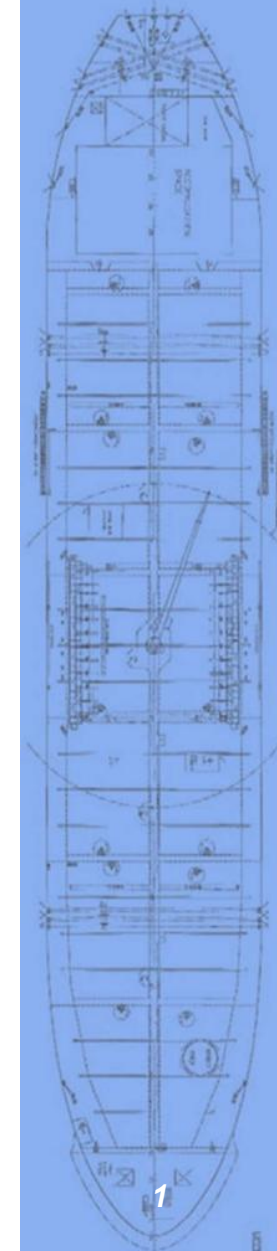
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# IMPORTANT NOTICE

The statements in this presentation that are not historical facts, including, among other things, the expected financial performance of CPLP's business, CPLP's ability to pursue growth opportunities, CPLP's expectations or objectives regarding future distributions, and market and charter rate expectations and, in particular, the effects of COVID-19 on the financial condition and operations of CPLP and the container industry in general are forward-looking statements (as such term is defined in Section 21E of the Securities Exchange Act of 1934, as amended). These forward-looking statements involve risks and uncertainties that could cause the stated or forecasted results to be materially different from those anticipated. For a discussion of factors that could materially affect the outcome of forward-looking statements and other risks and uncertainties, see "Risk Factors" in CPLP's annual report filed with the SEC on Form 20-F. Unless required by law, CPLP expressly disclaims any obligation to update or revise any of these forward-looking statements, whether because of future events, new information, a change in its views or expectations, to conform them to actual results or otherwise. CPLP does not assume any responsibility for the accuracy and completeness of the forward-looking statements. You are cautioned not to place undue reliance on forward-looking statements.

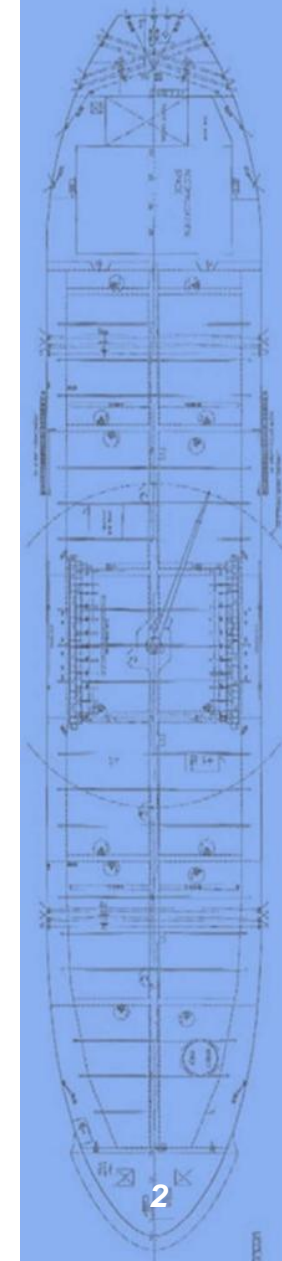
## Non-GAAP Measures

This presentation contains non-GAAP measures, including Operating Surplus, EBITDA and Free Cash Flow. Operating Surplus is a quantitative measure used in the publicly traded partnership investment community to assist in evaluating a partnership's financial performance and ability to make quarterly cash distributions. It should not be considered a measure of profitability or liquidity. We define EBITDA as Revenue less Operating Expenses and SG&A. These definitions may differ from similarly titled measures used by other companies and MLPs. These measures are not required by accounting principles generally accepted in the United States and should not be considered a substitute for net income, cash flow from operating activities and other operations or cash flow statement data prepared in accordance with accounting principles generally accepted in the United States.



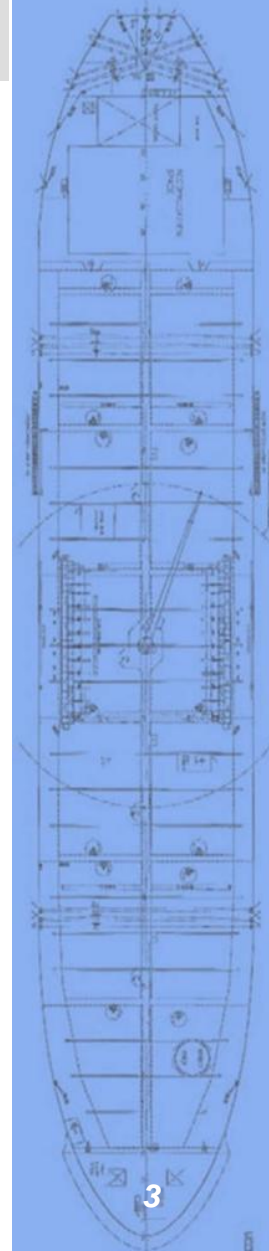
# Third Quarter 2020 Highlights & Update

- Net income for 3Q2020: \$7.8 million.
- Declared common unit distribution of \$0.10 for the quarter.
- Partnership's operating surplus: \$21.0 mil or \$11.7 mil after the quarterly allocation to the capital reserve.
- Secured employment for the M/V 'Adonis' with ZIM Integrated Shipping Services Ltd. ('ZIM') for 12 to 14 months at \$33,500 gross per day.
- Average remaining charter duration 4.5 years with 91% charter coverage for 2020 and 86% for 2021.
- CPLP's sponsor, Capital Maritime Trading Corp., purchased 234,051 common units during the quarter.



# Statements Of Comprehensive Income

(\$ In Thousands)



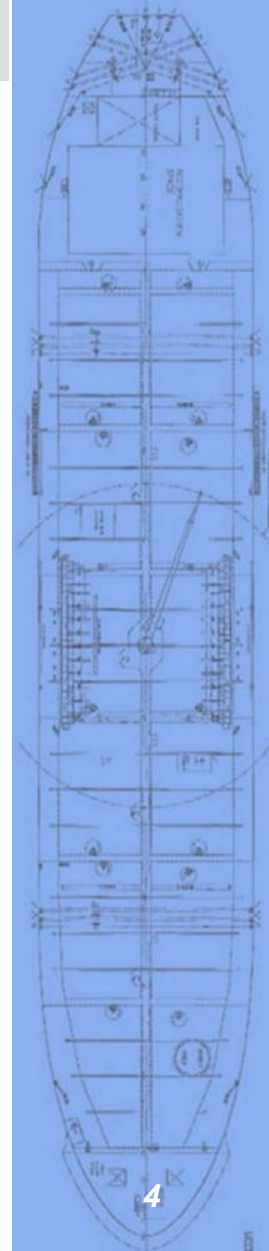
	For the Three-Month Period Ended <u>September 30, 2020</u>	For the Three-Month Period Ended <u>September 30, 2019</u>
Revenues	35,523	26,439
<b>Total Revenues</b>	<b>35,523</b>	<b>26,439</b>
<b>Expenses:</b>		
Voyage expenses	1,919	726
Vessel operating expenses	8,192	8,790
Vessel operating expenses – related parties	1,267	994
General and administrative expenses	1,835	1,499
Vessel depreciation and amortization	10,625	7,336
<b>Operating income</b>	<b>11,685</b>	<b>7,094</b>
Other income / (expense), net:		
Interest expense and finance cost	(3,536)	(4,137)
Interest and other (expense) / income, net	(380)	403
<b>Total other expense, net</b>	<b>(3,916)</b>	<b>(3,734)</b>
<b>Net income from continuing operations</b>	<b>7,769</b>	<b>3,360</b>
Net loss from Discontinued operations	-	34
<b>Net income</b>	<b>7,769</b>	<b>3,394</b>

# Operating Surplus For Calculation Of Unit Distribution<sup>1</sup>

(\$ In Thousands)

	For the Three-Month Period Ended September 30, 2020		For the Three-Month Period Ended June 30, 2020	
Net income from continuing operations		7,769		8,656
<b>Adjustments to net income from continuing operations</b>				
Depreciation and amortization	11,513		12,930	
Amortization of above market acquired charters and straight line revenue adjustments	1,755		3,919	
<b>TOTAL OPERATING SURPLUS PRIOR TO CAPITAL RESERVE</b>		<b>\$21,037</b>		<b>\$25,505</b>
Capital reserve		(9,302)		(9,302)
<b>OPERATING SURPLUS AFTER CAPITAL RESERVE</b>		<b>11,735</b>		<b>16,203</b>
Increase in recommended reserves		(9,838)		(14,306)
<b>AVAILABLE CASH</b>		<b>\$1,897</b>		<b>\$1,897</b>

**Common Unit Coverage: 6.2x**



<sup>1</sup> Operating Surplus is a non-GAAP measure. See Important Notice at the front of this presentation.

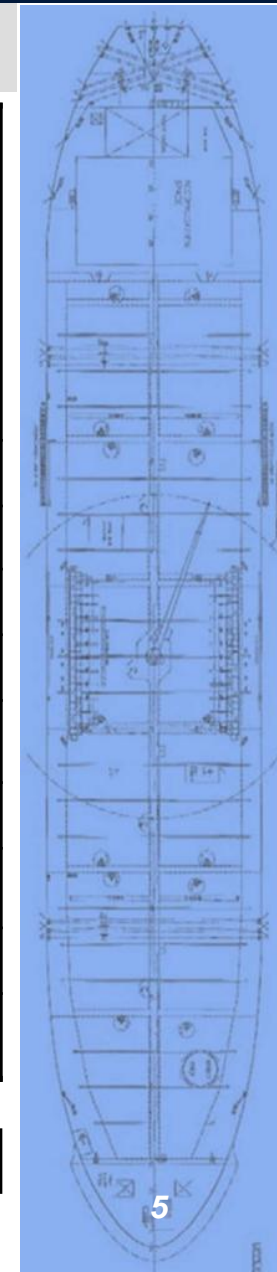
# Strong Balance Sheet

(\$ In Thousands)



	As Of <u>September 30, 2020</u>	As Of <u>December 31, 2019</u>
<b>Assets</b>		
<b>Current Assets</b>	\$50,307	\$65,946
<b>Fixed Assets</b>	720,672	576,891
<b>Other Non-Current Assets</b>	54,311	60,625
<b>Total Assets</b>	<b>\$825,290</b>	<b>\$703,462</b>
<b>Liabilities and Partners' Capital</b>		
<b>Current Liabilities</b>	\$61,620	\$64,736
<b>Long-Term Liabilities</b>	347,478	231,989
<b>Partners' Capital</b>	416,192	406,737
<b>Total Liabilities and Partners' Capital</b>	<b>\$825,290</b>	<b>\$703,462</b>

**Net Debt<sup>(1)</sup>/Capitalization: 42.4%**

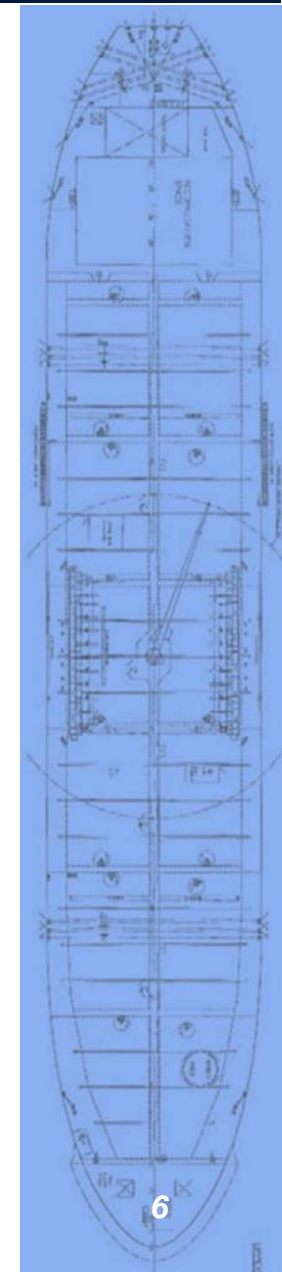
<sup>1</sup> Gross of deferred loan issuance costs



# Fleet Employment Update

Name	TEU / DWT	Built	Gross Rate (Per Day)	Charterer	Earliest Charter Expiry
M/V Akadimos	9,288	2015	\$29,800		June 2022
M/V Adonis	9,288	2015	\$33,500		September 2021

- Secured employment at increasing rates for two of our wide beam, eco 9,000TEU container vessels.
- Mixed length charters with staggered expirations mitigating re-chartering risk.
- Further diversification of our customer base with the addition of ONE and ZIM.



# Strong Charter Coverage

- **Strong charter coverage on CPLP assets.**
  - ▶ 13 containerships and 1 drybulk vessel with 4.5 years remaining on charter on average.
- **91% and 86% charter coverage for 2020 and 2021, respectively.**

## Charter Profile

### Expiry of Current Charters

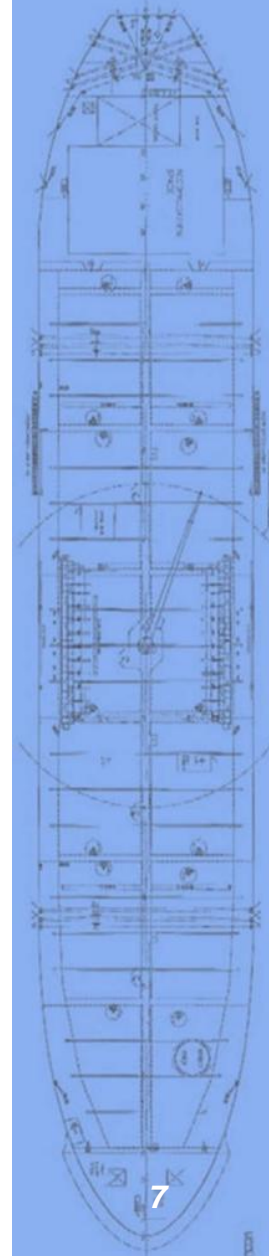
### Rates

Vessel Type		Oct-20	Oct-21	Oct-22	Oct-23	Oct-24	Oct-25	Gross Rate Per Day
Dry Bulk	Cape Agamemnon							-
Containership	CMA CGM Magdalena	■						\$39,250
Containership	Adonis		■					\$33,500
Containership	Akadimos		■	■				\$29,800 <sup>4</sup>
Containership	Agamemnon				■			-1
Containership	Archimidis				■			-1
Containership	Hyundai Prestige					■		\$34,250
Containership	Hyundai Premium					■		\$34,250
Containership	Hyundai Paramount					■		\$34,250
Containership	Hyundai Privilege					■		\$34,250
Containership	Hyundai Platinum					■		\$34,250
Containership	Athos						■	\$26,950 <sup>3</sup>
Containership	Aristomenis						■	\$26,950 <sup>2</sup>
Containership	Athenian						■	\$26,950 <sup>3</sup>

## High Quality Customer Base



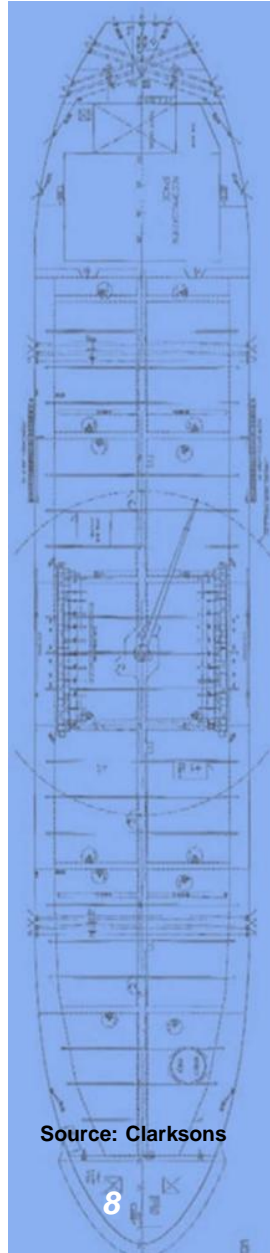
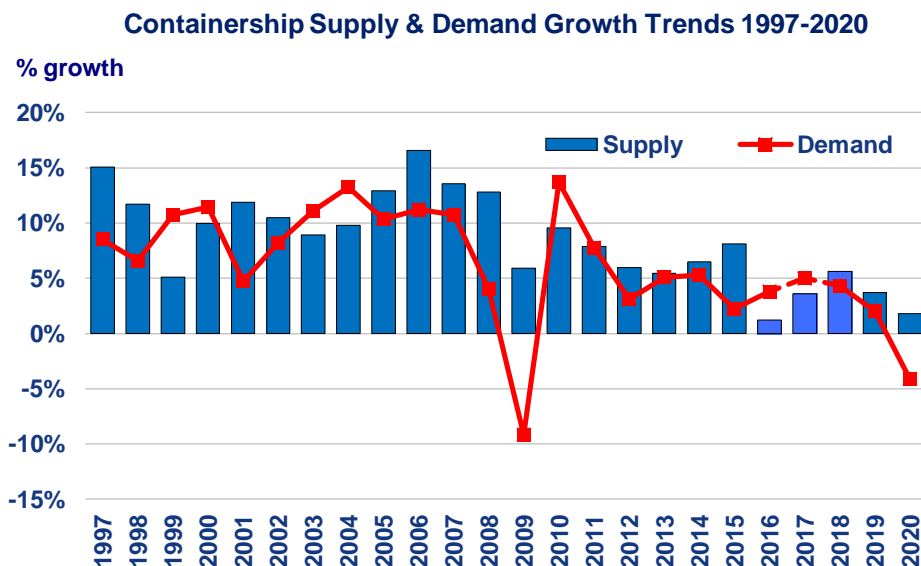
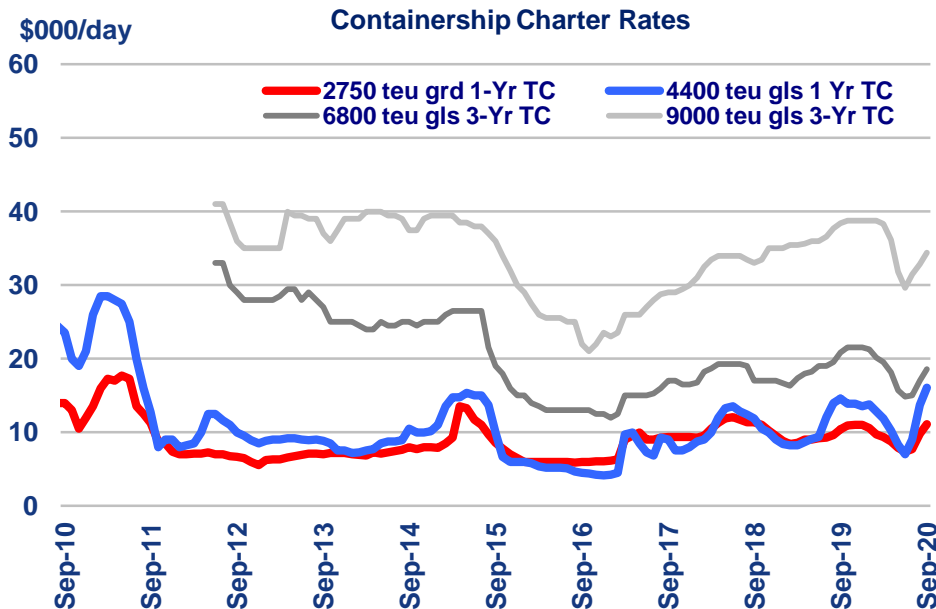
<sup>1</sup> Expected to generate collectively an EBITDA of approximately \$44.5 million. <sup>2</sup> \$25,950pd until Oct/2020. <sup>3</sup> \$25,950pd until Jul/2021 <sup>4</sup> Blended average of escalating rate basis minimum charter period.





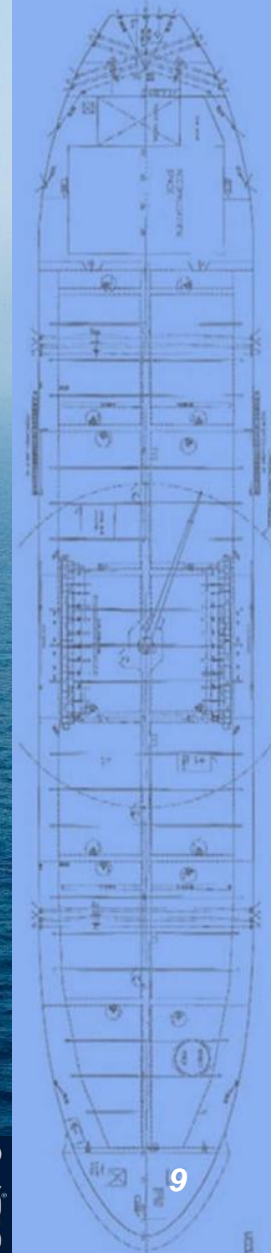
# Container Charter Market Review

- The container charter market experienced a strong rebound across all sizes during 3Q2020.
- Operators' stringent capacity management coupled with lower bunker prices have lifted liner profitability at or close to historical highs.
- Base-case forecast for container trade for 2020 has been upwards from -10.7% in May to -4.1%.
- Overall demand growth expected to rebound to 5.7% in 2021, revised downwards from 6.8% in previous quarter.
- Supply growth forecast full year 2020: 1.8%. Drastic decline from 3.1% expectation at end 2019.
- Slippage in TEU terms amounts to 29% including cancellations from 40% in previous quarter.
- Container orderbook: 8% of the total fleet from 9.1% in the previous quarter.



Source: Clarksons

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