



Fourth Quarter 2020 Earnings Presentation

January 29, 2021

Capital Product Partners L.P.

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www.capitalplp.com

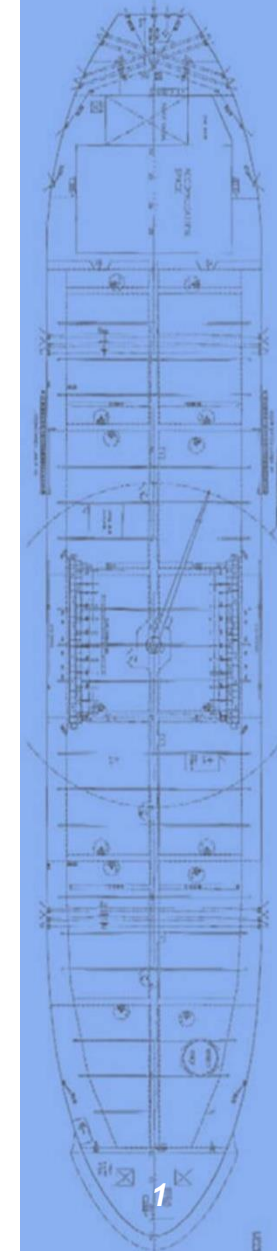
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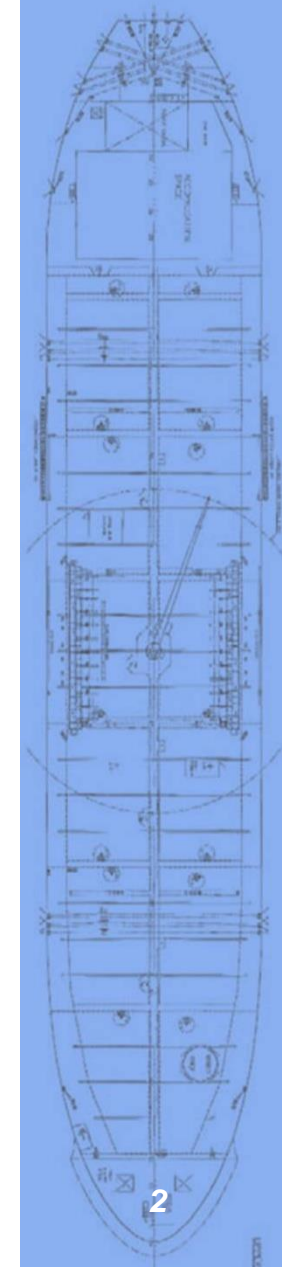
Non-GAAP Measures

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.



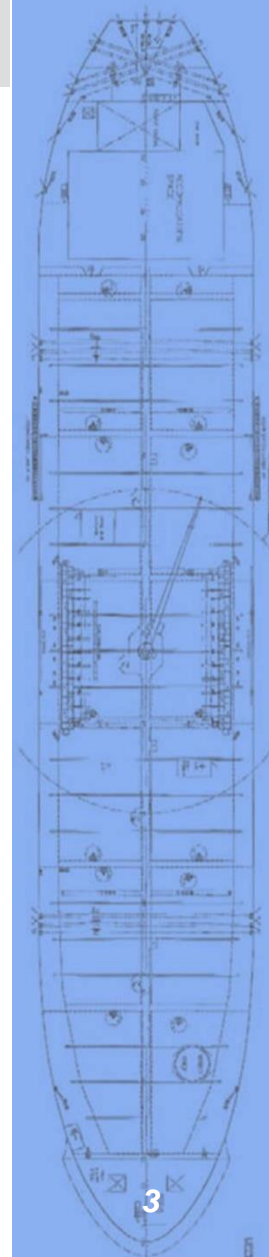
Fourth Quarter 2020 Highlights & Update

- Net income for 4Q2020: \$7.3 million.
- Declared common unit distribution of \$0.10 for the quarter.
- Partnership's operating surplus: \$20.7 million or \$11.4 million after the quarterly allocation to the capital reserve.
- Agreed to acquire from Capital Maritime & Trading Corp. ("Capital Maritime") three 5,100 TEU sister container vessels with long term employment for a total consideration of \$40.5 million.
- Announced a common unit repurchase program of up to \$30.0 million commencing in February 2021.
- Average remaining charter duration 4.2 years with 90% charter coverage for 2021 and 81% for 2022.



Statements Of Comprehensive Income

(\$ In Thousands)



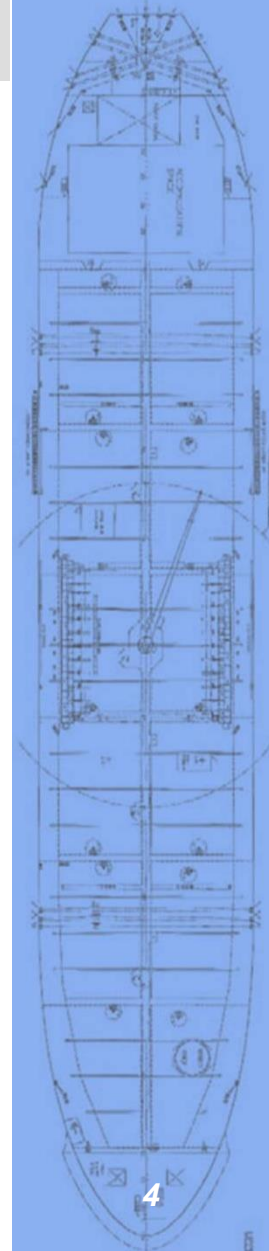
	For the Three-Month Period Ended <u>December 31, 2020</u>	For the Three-Month Period Ended <u>December 31, 2019</u>
Revenues	35,085	27,701
Total Revenues	35,085	27,701
Expenses:		
Voyage expenses	1,863	1,078
Vessel operating expenses	9,030	6,703
Vessel operating expenses – related parties	1,268	995
General and administrative expenses	1,753	2,016
Vessel depreciation and amortization	10,678	7,450
Operating income	10,493	9,459
Other income / (expense), net:		
Interest expense and finance cost	(3,358)	(3,865)
Interest and other income, net	133	202
Total other expense, net	(3,255)	(3,663)
Net income from continuing operations	7,268	5,796
Net loss from discontinued operations	-	(172)
Net income	7,268	5,624

Operating Surplus For Calculation Of Unit Distribution¹

(\$ In Thousands)

	For the Three-Month Period Ended December 31, 2020		For the Three-Month Period Ended September 30, 2020	
Net income from continuing operations		7,268		7,769
Adjustments to net income from continuing operations				
Depreciation and amortization	11,560		11,513	
Amortization of above market acquired charters and straight-line revenue adjustments	1,854		1,755	
TOTAL OPERATING SURPLUS PRIOR TO CAPITAL RESERVE		\$20,682		\$21,037
Capital reserve		(9,302)		(9,302)
OPERATING SURPLUS AFTER CAPITAL RESERVE		11,380		11,735
Increase in recommended reserves		(9,483)		(9,838)
AVAILABLE CASH		\$1,897		\$1,897

Common Unit Coverage: 6.0x



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

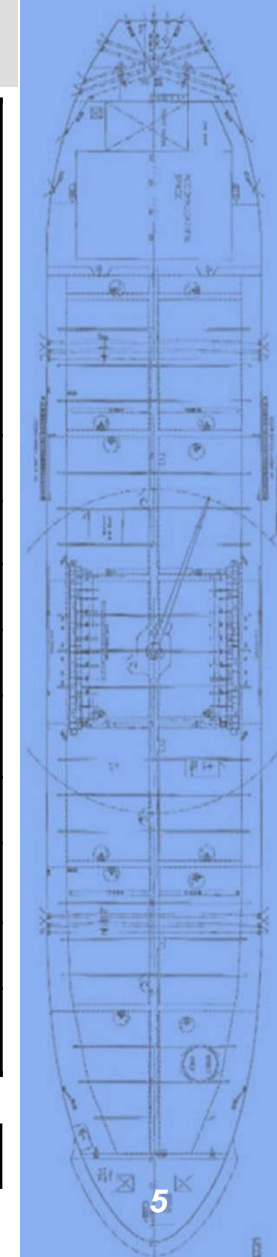
Strong Balance Sheet

(\$ In Thousands)

	As Of <u>December 31, 2020</u>	As Of <u>December 31, 2019</u>
Assets		
Current Assets	\$57,779	\$65,946
Fixed Assets	712,197	576,891
Other Non-Current Assets	52,222	60,625
Total Assets	\$822,198	\$703,462
Liabilities and Partners' Capital		
Current Liabilities	\$61,606	\$64,736
Long-Term Liabilities	338,514	231,989
Partners' Capital	422,078	406,737
Total Liabilities and Partners' Capital	\$822,198	\$703,462

Net Debt⁽¹⁾/Capitalization: 40.6%

¹ Gross of deferred loan issuance costs



Acquisition of 3 x Panamax Containers

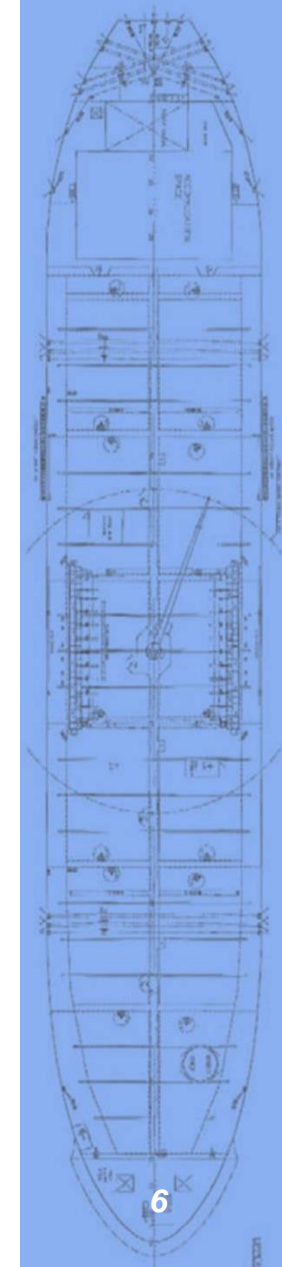
- Agreed to acquire from Capital Maritime three 5,100 TEU sister container vessels with long term time charters attached for a total consideration of \$40.5 million.

Key Vessels Specifications

- Built: 2008 at Hanjin Heavy Industries, S. Korea
- Lightweight: 19,905 MT
- Liberia flag
- 5,089 TEU nominal intake
- 482 Reefer plugs
- Special Survey passed

Environmental Improvements

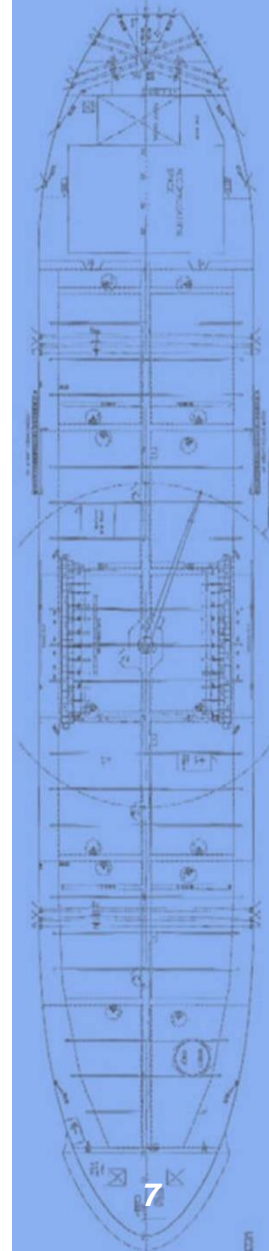
- Alternative Maritime Power (AMP)
- Ballast Water Treatment System fitted
- Reefer Container Monitoring System
- Fitted with TRIM Optimizer Software for better consumption control and reduced ballast water intake
- Ability to super slow steam
- High spec fouling paint reducing vessel fuel consumption



Long-Term Employment In Place

Employment Details

Vessel	Earliest Charter Expiry	Latest Charter Expiry	Charterer	Gross Rate Per Day	Option
Seattle Express	Sept-25	Jan-26		\$12,300	2 +1 Years at \$17,000pd
Long Beach Express	Jun-25	Oct-25		\$12,300	
Fos Express	Sept-25	Jan-26		\$12,300	



M/V 'Long Beach Express'



M/V 'Fos Express'



M/V 'Seattle Express'

Financing of the Vessels

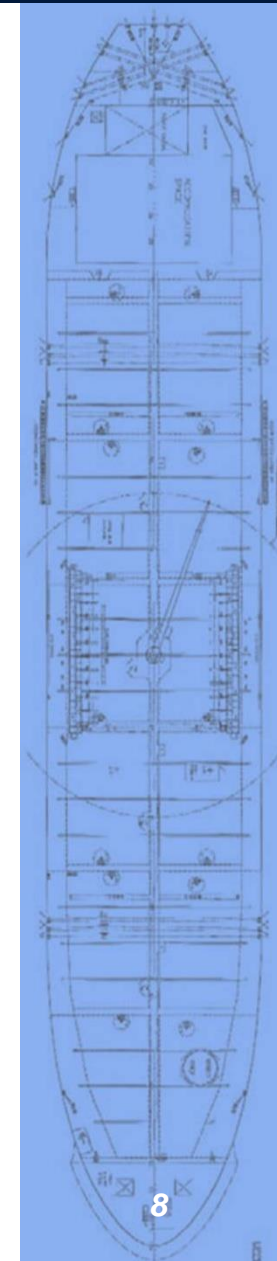
Sources (USD Million)	Total
Financial Lease	\$30.0
Sellers' credit agreement	\$6.0
Cash from Balance Sheet	\$5.1
Total	\$41.1

Uses (USD Million)	Total
Acquisition Price	\$40.5
Estimated Financing Fees	\$0.6
Total	\$41.1

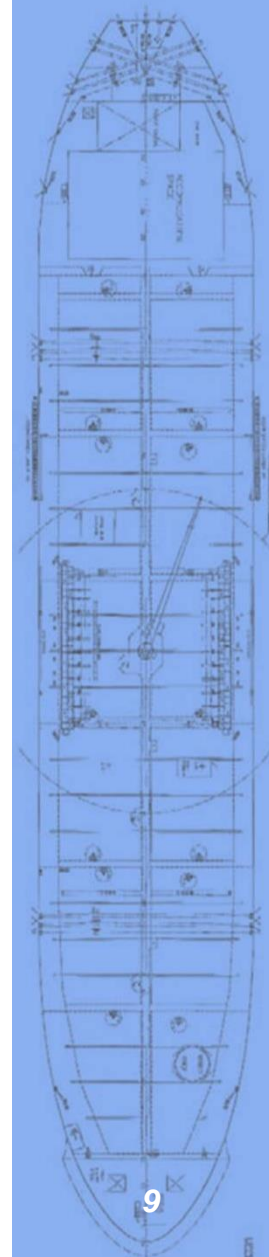
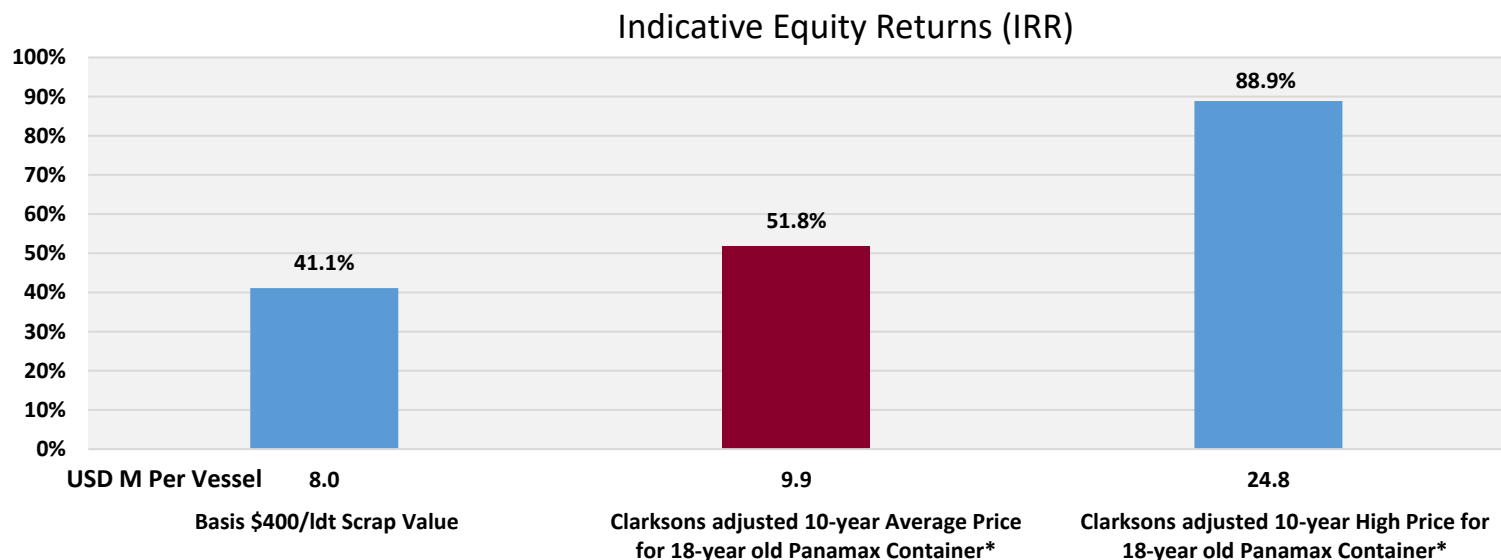
Financing Terms (USD million):

Financial Lease	
Amount	\$30.0
Maturity	4Q2025
Interest Rate	L + 2.85%
Annual Amortization	\$3.3

Sellers' Credit Agreement	
Amount	\$6.0
Fixed Rate	5%
Maturity	4Q2025
Structure	Bullet



Delivering Growth with Attractive Equity Returns



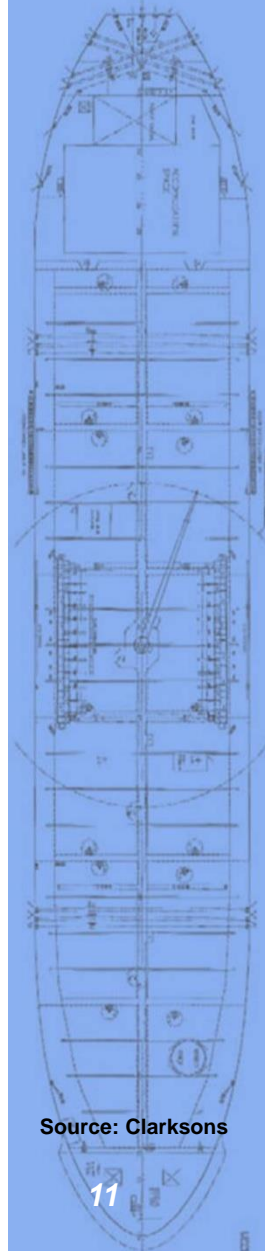
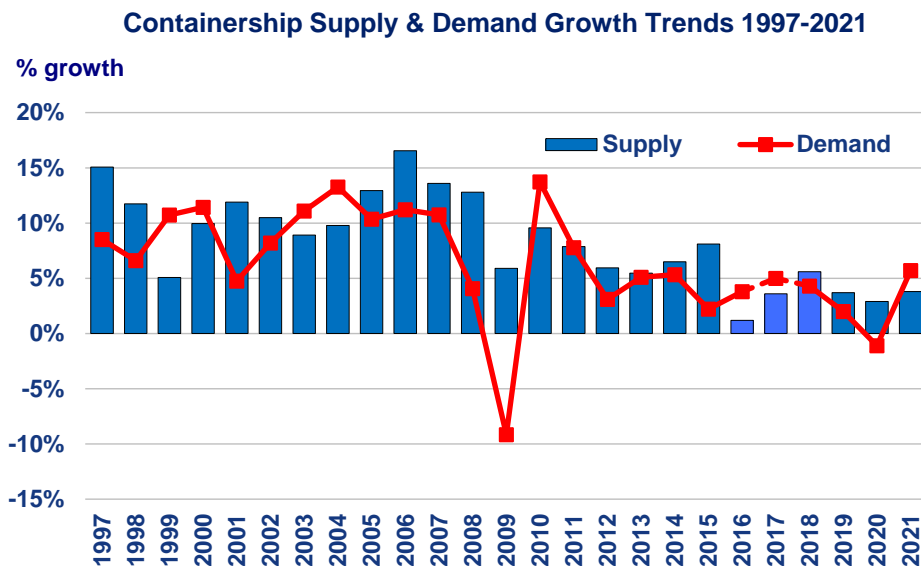
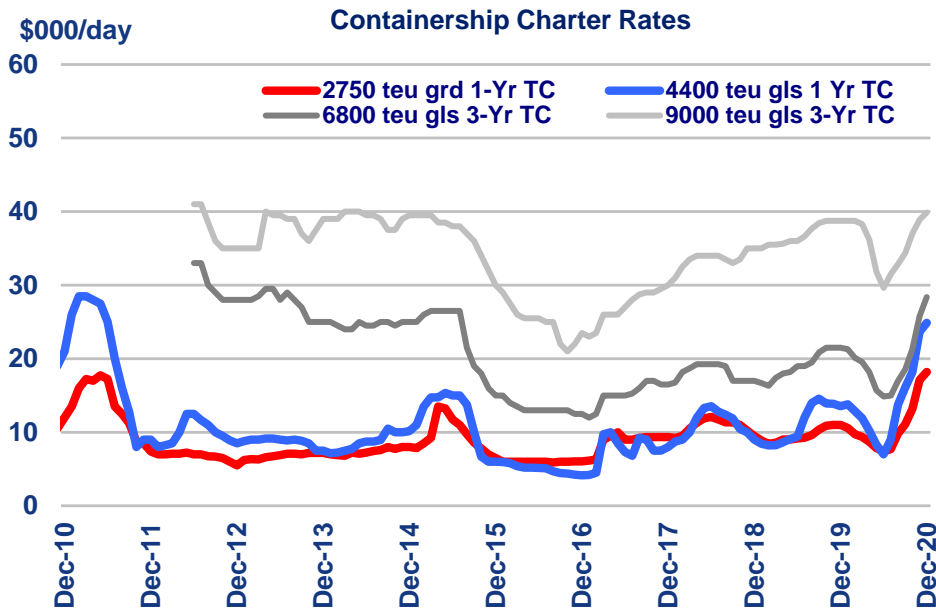
- Transaction expected to generate EBITDA** of approx. \$32.0 million over 5 years.
- Indicative equity returns (IRR) on standalone basis ranging from 41.1% to 88.9% underpinned by long-term charters and based on a range of terminal values.
- Transaction increases the Partnership's fleet size by 21%.
- YoY fleet size increase of 54% in terms of number of vessels and 65% in terms of TEU capacity.

* Assuming 4% annual depreciation.

** IRR calculation estimates based on free cash flow generated based on following key assumptions: OPEX: \$6,000 per day, escalation 1% quarterly, \$12,300/d T/C rate through end 2025, LWT: 19,905, Libor at 0.5%, 99% Utilization rate. EBITDA estimate based on revenues x utilization less OPEX.

Container Charter Market Review

- Stronger container charter market across all sizes in 4Q2020.
- Time charter rates for neo-panamax containers more than doubled compared to early in 3Q2020.
- The base-case forecast for container trade for 2020 has been revised down to -1.1% vs. -10.7% estimate in May.
- Overall demand growth expected to average 5.7% in 2021.
- Container orderbook increased to 10.8% of the total fleet capacity.
- Second Hand and Newbuilding prices on the rise.
- Slippage in TEU terms amounts to 25% including cancelations.
- Demolition for FY2020 similar to previous year with 80 units of 190,000 TEU vs. 93 units of 180,000 TEU in 2019.
- Supply growth forecast for FY2021 at 3.8%.



Source: Clarksons

Dropdown Opportunities

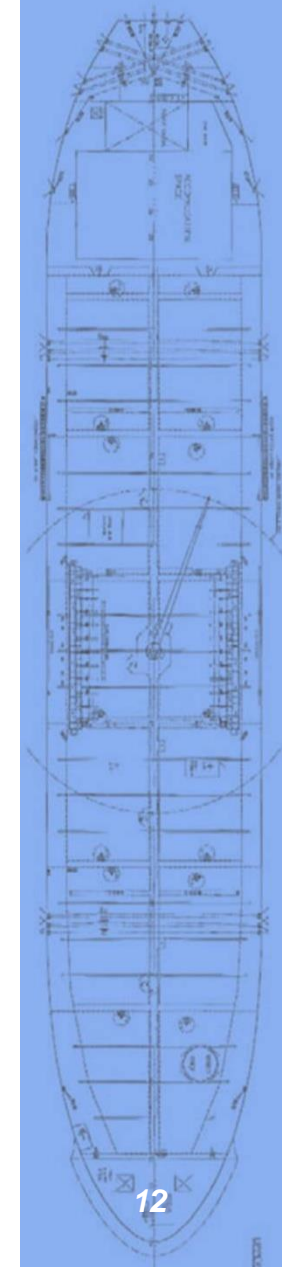
- Capital Maritime contracted 4+2 x 13,200 TEU latest eco type container vessels with high reefer capacity at Hyundai Heavy Industries.
- Deliveries: 3Q2021 – 2Q2023.

Key Vessels Specifications

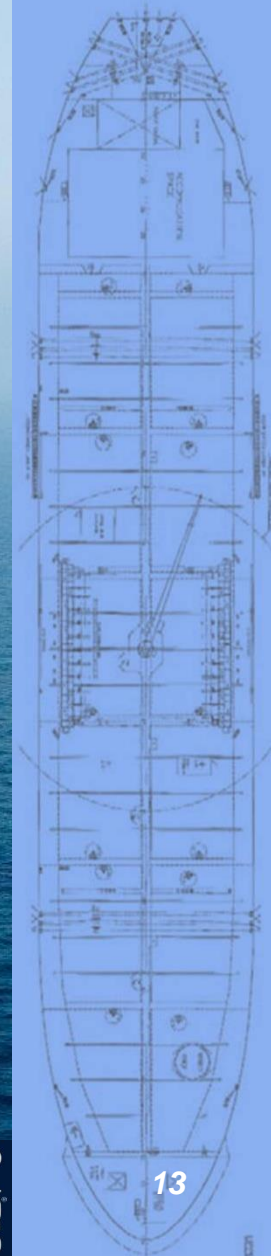
- Total Container Capacity: 13,212 TEU
- Total DWT Capacity: 140,000
- High Reefer Capacity 2,220 FEU
- 9,420 14mt Homogeneous containers at 16m draft
- Hybrid Scrubber Ready with Class Notation with optionality for open loop or Hybrid Scrubber

Environmental Improvements

- New energy efficient hull form and main engine
- Approx. 52% reduction in CO2 energy efficiency per ton mile compared with Phase 0
- EEDI Phase 3 attained with margin of 10.8%
- Fixed AMP with reel, port & starboard



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