



KNOT

Offshore Partners LP

Fourth Quarter 2017 Results

February 21, 2018



Notice to Recipients

This presentation is not a prospectus and is not an offer to sell, nor a solicitation of an offer to buy, securities. This presentation contains certain forward-looking statements concerning future events and KNOT Offshore Partners LP's ("KNOP") operations, performance and financial condition. Forward-looking statements include, without limitation, any statement that may predict, forecast, indicate or imply future results, performance or achievements, and may contain the words "believe," "anticipate," "expect," "estimate," "project," "will be," "will continue," "will likely result," "plan," "intend" or words or phrases of similar meanings. These statements involve known and unknown risks and are based upon a number of assumptions and estimates that are inherently subject to significant uncertainties and contingencies, many of which are beyond KNOP's control. Actual results may differ materially from those expressed or implied by such forward-looking statements. Forward-looking statements include statements with respect to, among other things: market trends in the shuttle tanker or general tanker industries, including hire rates, factors affecting supply and demand, and opportunities for the profitable operations of shuttle tankers; the ability of Knutsen NYK Offshore Tankers AS ("Knutsen NYK") and KNOP to build shuttle tankers and the timing of the delivery and acceptance of any such vessels by their respective charterers; forecasts of KNOP ability to make or increase distributions on its common units and to make distributions on its Series A Preferred Units and the amount of any such distributions; KNOP's ability to integrate and realize the expected benefits from acquisitions, including the acquisition of the *Lena Knutsen*; the estimated net income and estimated EBITDA relating to the intended acquisition of KNOT 26 for the twelve months following the closing of the acquisition; KNOP's anticipated growth strategies; the effects of a worldwide or regional economic slowdown; turmoil in the global financial markets; fluctuations in currencies and interest rates; fluctuations in the price of oil; general market conditions, including fluctuations in hire rates and vessel values; changes in KNOP's operating expenses, including drydocking and insurance costs and bunker prices; KNOP's future financial condition or results of operations and future revenues and expenses; the repayment of debt and settling of any interest rate swaps; KNOP's ability to make additional borrowings and to access debt and equity markets; planned capital expenditures and availability of capital resources to fund capital expenditures; KNOP's ability to maintain long-term relationships with major users of shuttle tonnage; KNOP's ability to leverage Knutsen NYK's relationships and reputation in the shipping industry; KNOP's ability to purchase vessels from Knutsen NYK in the future; KNOP's continued ability to enter into long-term charters, which KNOP defines as charters of five years or more; KNOP's ability to maximize the use of its vessels, including the re-deployment or disposition of vessels no longer under long-term charter; the financial condition of KNOP's existing or future customers and their ability to fulfill their charter obligations; timely purchases and deliveries of newbuilds; future purchase prices of newbuilds and secondhand vessels; any impairment of the value of KNOP's vessels; KNOP's ability to compete successfully for future chartering and newbuild opportunities; acceptance of a vessel by its charterer; termination dates and extensions of charters; the expected cost of, and KNOP's ability to, comply with governmental regulations, maritime self-regulatory organization standards, as well as standard regulations imposed by its charterers applicable to KNOP's business; availability of skilled labor, vessel crews and management; KNOP's general and administrative expenses and its fees and expenses payable under the technical management agreements, the management and administration agreements and the administrative services agreement; modifications to the Norwegian Tonnage Tax regime; the anticipated taxation of KNOP and distributions to KNOP's unitholders; estimated future maintenance and replacement capital expenditures; KNOP's ability to retain key employees; customers' increasing emphasis on environmental and safety concerns; potential liability from any pending or future litigation; potential disruption of shipping routes due to accidents, political events, piracy or acts by terrorists; future sales of KNOP's securities in the public market; KNOP's business strategy and other plans and objectives for future operations; and other factors listed from time to time in the reports and other documents that KNOP files with the U.S. Securities and Exchange Commission ("SEC"), including its Annual Report on Form 20-F for the year ended December 31, 2016 and reports on Form 6K.

All forward-looking statements included in this presentation are made only as of the date of this presentation. New factors emerge from time to time, and it is not possible for KNOP to predict all of these factors. Further, KNOP cannot assess the impact of each such factor on its business or the extent to which any factor, or combination of factors, may cause actual results to be materially different from those contained in any forward-looking statement. KNOP does not intend to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in KNOP's expectations with respect thereto or any change in events, conditions or circumstances on which any such statement is based.

Q4 2017 Financial Highlights & recent events

- Generated total revenue of \$61.6 million, operating income of \$25.0 million and net income of 18.6 million
- Generated Adjusted EBITDA⁽¹⁾ of \$45.1 million
- Generated distribution cash flow⁽¹⁾ of \$21.5 million, with a coverage ratio⁽²⁾ of 1.19x, or 1.24x prior to post-quarter end equity offering
- Declared cash distribution of \$0.52 per unit for Q4 2017
- On November 15, 2017, the Partnership successfully completed an equity offering, raising total net proceeds of \$66.0 million
- Completed the acquisition of *Brasil Knutsen* which is on 5 years charter to Galp Sinopec Brasil Services B.V.
- Completed the refinancing of the Torill Facility
- The Partnership entered into a share purchase agreement with Knutsen NYK to acquire the company that owns the *Anna Knutsen*

(1) Adjusted EBITDA and distributable cash flow are non-GAAP financial measures used by management and external users of our financial statements. Please see Appendix A for definitions of Adjusted EBITDA and distributable cash flow and a reference to reconciliation to net income, the most directly comparable GAAP financial measure.

(2) Distribution coverage ratio is equal to distributable cash flow divided by distributions declared for the period presented.

Income Statement

| <i>Unaudited, USD in thousands</i> | 4Q 2017 | 3Q 2017 | 4Q 2016 | FY 2017 | FY 2016 |
|--|----------------|----------------|----------------|----------------|----------------|
| Time charter and bareboat revenues | 59,247 | 57,970 | 44,798 | 212,501 | 172,878 |
| Loss of hire insurance recoveries | 1,750 | — | — | 5,176 | |
| Other income | 592 | 247 | 197 | 1,526 | 793 |
| Total revenues | 61,589 | 58,217 | 44,995 | 219,203 | 173,671 |
| Vessel operating expenses | 15,172 | 11,828 | 7,693 | 46,709 | 30,903 |
| Depreciation | 20,079 | 18,379 | 14,505 | 71,583 | 56,230 |
| General and administrative expenses | 1,308 | 1,285 | 1,207 | 5,555 | 4,371 |
| Total operating expenses | 36,559 | 31,492 | 23,405 | 123,847 | 91,504 |
| Operating income | 25,030 | 26,725 | 21,590 | 95,356 | 82,167 |
| Interest income | 101 | 68 | 15 | 248 | 24 |
| Interest expense | (9,208) | (8,040) | (5,654) | (30,714) | (20,867) |
| Realized and unrealized gain (loss) on derivative instruments | 3,015 | 2,832 | 3,960 | 4,831 | 1,213 |
| Other financial items ⁽¹⁾ | (322) | (503) | (430) | (1,672) | (1,450) |
| Income before income taxes | 18,616 | 21,082 | 19,481 | 68,049 | 61,087 |
| Income tax benefit (expense) | 24 | (3) | 24 | 16 | 15 |
| Net income | 18,640 | 21,079 | 19,505 | 68,065 | 61,102 |

(1) Other financial items consist of other finance expenses and net gain (loss) on derivative instruments

Adjusted EBITDA

| <i>Unaudited, USD in thousands</i> | 4Q 2017 | 3Q 2017 | 4Q 2016 | FY 2017 | FY 2016 |
|--------------------------------------|----------------|----------------|----------------|----------------|----------------|
| Net income | 18,640 | 21,079 | 19,505 | 68,065 | 61,102 |
| Interest income | (101) | (68) | (15) | (248) | (24) |
| Interest expense | 9,208 | 8,040 | 5,654 | 30,714 | 20,864 |
| Depreciation | 20,079 | 18,379 | 14,505 | 71,583 | 56,230 |
| Income tax (benefits) expense | (24) | 3 | (24) | (16) | (15) |
| EBITDA ⁽¹⁾ | 47,802 | 47,433 | 39,625 | 170,098 | 138,157 |
| Other financial items ⁽²⁾ | (2,693) | (2,329) | (3,530) | (3,159) | 237 |
| Adjusted EBITDA⁽¹⁾ | 45,109 | 45,104 | 36,095 | 166,939 | 138,394 |

(1) EBITDA, Adjusted EBITDA and distributable cash flow are non-GAAP financial measures used by management and external users of our financial statements. Please see Appendix A for definitions of EBITDA, Adjusted EBITDA and distributable cash flow and a reference to reconciliation to net income, the most directly comparable GAAP financial measure.

(2) Other financial items consist of other finance expense, realized and unrealized gain (loss) on derivative instruments and net gain (loss) on foreign currency transactions.

Distributable cash flow

| <i>Unaudited, USD in thousands</i> | 4Q 2017 | 3Q 2017 | 4Q 2016 | FY 2017 | FY 2016 |
|--|----------------|----------------|----------------|----------------|----------------|
| Net income | 18,640 | 21,079 | 19,505 | 68,065 | 61,102 |
| Add: | | | | | |
| Depreciation | 20,079 | 18,379 | 14,505 | 71,583 | 56,230 |
| Other non-cash items; deferred costs amortization debt | 513 | 469 | 315 | 1,736 | 1,198 |
| Unrealized losses from interest rate derivatives and forward exchange currency contracts | — | — | 2,911 | 1,334 | 8,867 |
| Less: | | | | | |
| Estimated maintenance and replacement capital expenditures (including drydocking reserve) | (11,450) | (10,560) | (8,100) | (41,120) | (31,786) |
| Distributions to Serie A Convertible Preferred Units | (1,800) | (1,800) | | (5,253) | |
| Other non-cash items; deferred revenue and accrued income | (693) | (746) | (983) | (3,116) | (4,300) |
| Unrealized gains from interest rate derivatives and forward exchange currency contracts | (3,779) | (2,855) | (7,375) | (8,726) | (13,900) |
| Distributable cash flow⁽¹⁾ | 21,510 | 23,966 | 20,778 | 84,502 | 77,412 |
| Total distributions | 18,034 | 16,379 | 16,379 | 67,171 | 61,528 |
| Distribution coverage ratio⁽²⁾ | 1.19X | 1.46X | 1.27X | 1.26X | 1.26X |

(1) Distributable cash flow is a non-GAAP financial measure used by management and external users of our financial statements. Please see Appendix A for a definition of distributable cash flow and a reference to reconciliation to net income, the most directly comparable GAAP financial measure.

(2) Distribution coverage ratio is equal to distributable cash flow divided by distributions declared for the period presented.

Balance sheet

| <i>Unaudited, USD in thousands</i> | At December 31, 2017 | At December 31, 2016 | | At December 31, 2017 | At December 31, 2016 |
|------------------------------------|-------------------------|-------------------------|-------------------------------------|-------------------------|-------------------------|
| Current assets: | | | Current liabilities | | |
| Cash and cash equivalents | 46,104 | 27,664 | Current portion of long-term debt | 92,985 | 58,984 |
| Inventories | 2,241 | 1,176 | Derivative liabilities | 978 | 3,304 |
| Derivative assets | 1,579 | — | Contract liabilities | 1,518 | 1,518 |
| Other current assets | 6,181 | 2,239 | Other current liabilities | 27,333 | 13,831 |
| Total current assets | 56,105 | 31,079 | Total current liabilities | 122,814 | 77,637 |
| | | | Long-term liabilities: | | |
| Long-term assets: | | | Long-term debt | 933,630 | 657,662 |
| Net vessels and equipment | 1,723,023 | 1,256,889 | Long-term debt related parties | — | 25,000 |
| Intangible assets, net | 2,497 | — | Derivative liabilities | 164 | 285 |
| Derivative assets | 9,850 | 3,154 | Contract liabilities | 6,722 | 8,239 |
| Accrued income | 1,693 | 1,153 | Deferred tax liabilities | 624 | 685 |
| Total long-term assets | 1,723,023 | 1,261,196 | Other long-term liabilities | — | 1,051 |
| | | | Total liabilities | 1,063,954 | 770,565 |
| Total assets | 1,793,168 | 1,292,275 | Convertible Preferred Units | 89,264 | — |
| | | | Total partners' equity | 639,950 | 521,710 |
| | | | Total equity and liabilities | 1,793,168 | 1,292,275 |

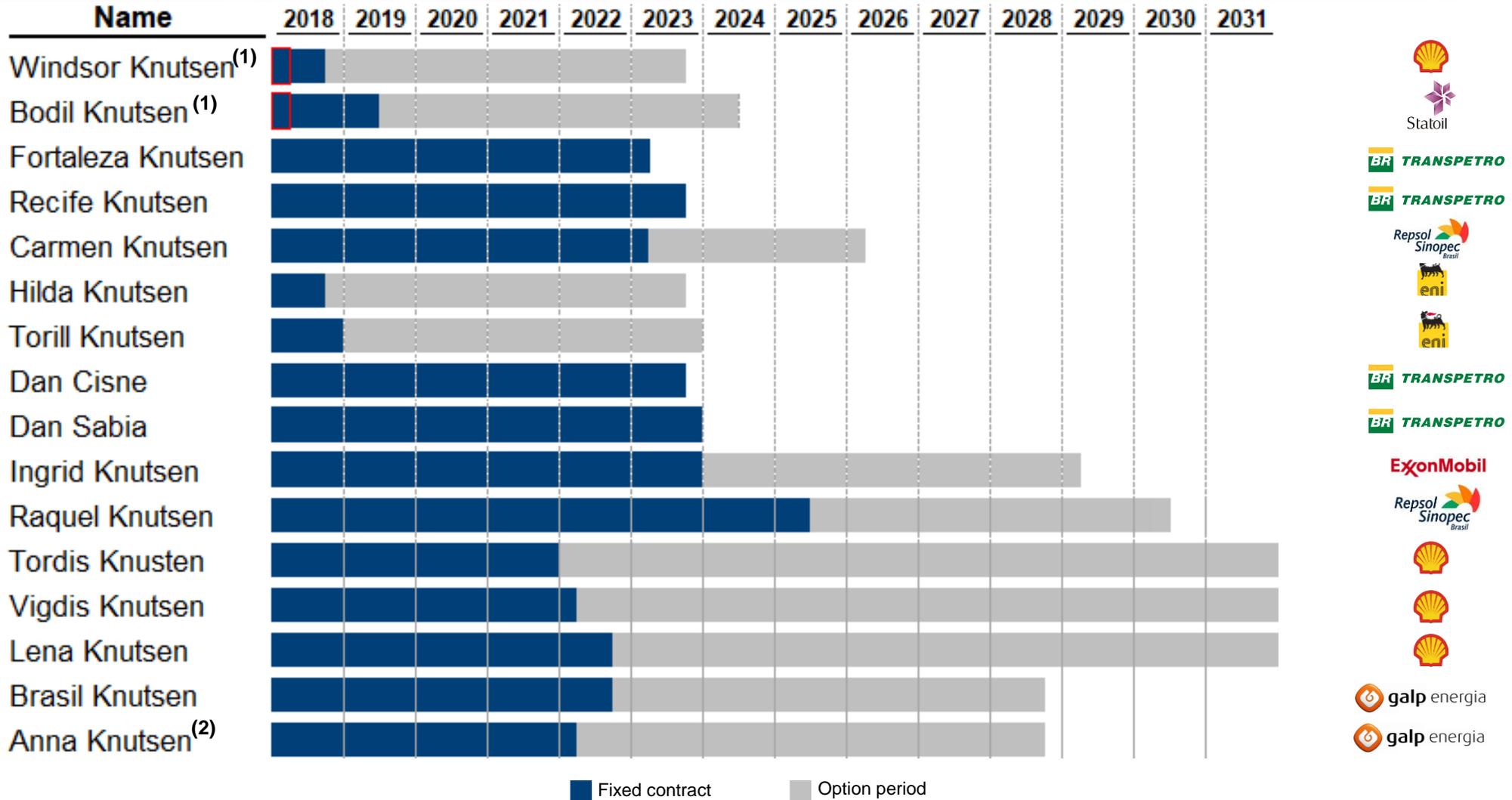
EBITDA growth from Brasil Knutsen and Anna Knutsen acquisitions

| | Brasil Knutsen | Anna Knutsen |
|-------------------------------|-------------------|------------------------------|
| Announcement date | December 15, 2018 | February 20, 2018 |
| Closing date | December 15, 2018 | March 1, 2018 ⁽¹⁾ |
| Purchase price ⁽²⁾ | \$96.0 million | \$120.0 million |
| Year built | May 2013 | March 2017 |
| Type | DP 2 Suezmax | DP 2 Suezmax |
| Charterer | Galp Sinopec | Galp Sinopec |
| Charter period end | Q3 2022 | Q2 2022 |
| Option period | 2 x 3 years | 2 x 3 years |
| Trading area | Brazil | Brazil |

(1) Subject to closing March 1, 2018

(2) Plus \$0,6 million for capitalized fees related to refinancing the vessel and \$3.4 million post closing adjustments for working capital for the Brasil Knutsen and plus \$1.4 million for capitalized fees and subject to post-closing adjustments

Long-term Contracts Backed by Leading Energy Companies

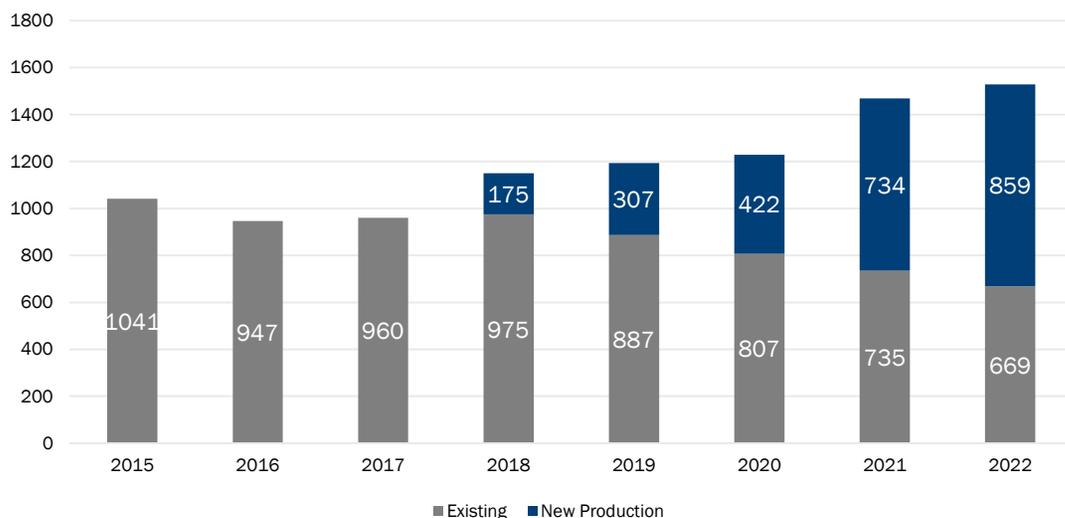


KNOP fleet has average remaining fixed contract duration of 4.2⁽²⁾ years
Additional 4.7 years on average in Charterers option

(1) KNOT has guaranteed the hire rate to April 2018 (five years from IPO date)
 (2) Purchase Agreement executed; closing anticipated 1 March, 2018
 (3) Remaining contract life is calculated as of 31/12/2016, including the acquisition of Anna Knutsen

Oil production from shuttle tanker operated fields

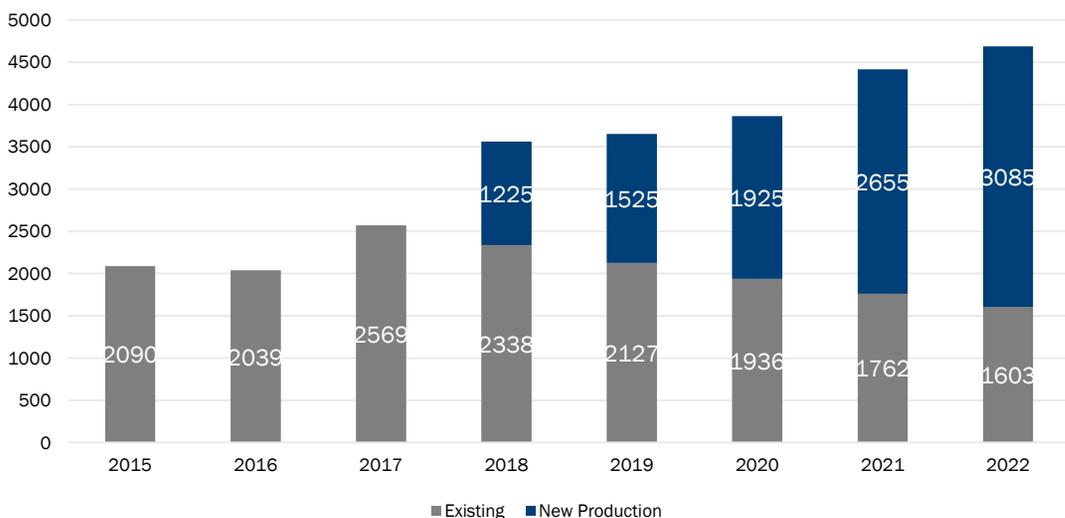
Oil Production Development
(Shuttle Tanker Operated Fields in the North Sea)



North Sea:

- The 9% p.a. depletion rate applied to existing fields is very conservative as the average depletion rate 2000-14 is 6.0% p.a.
- In 2017, eight Norwegian Continental Shelf Plan for Development and Operation were submitted and approved involving offshore loading.
- Mixed success in Barents Sea drilling in 2017, but oil companies remain optimistic and continues drilling in 2018.

Oil & condensate Production Development
(Shuttle Tanker Operated Fields in Brazil)

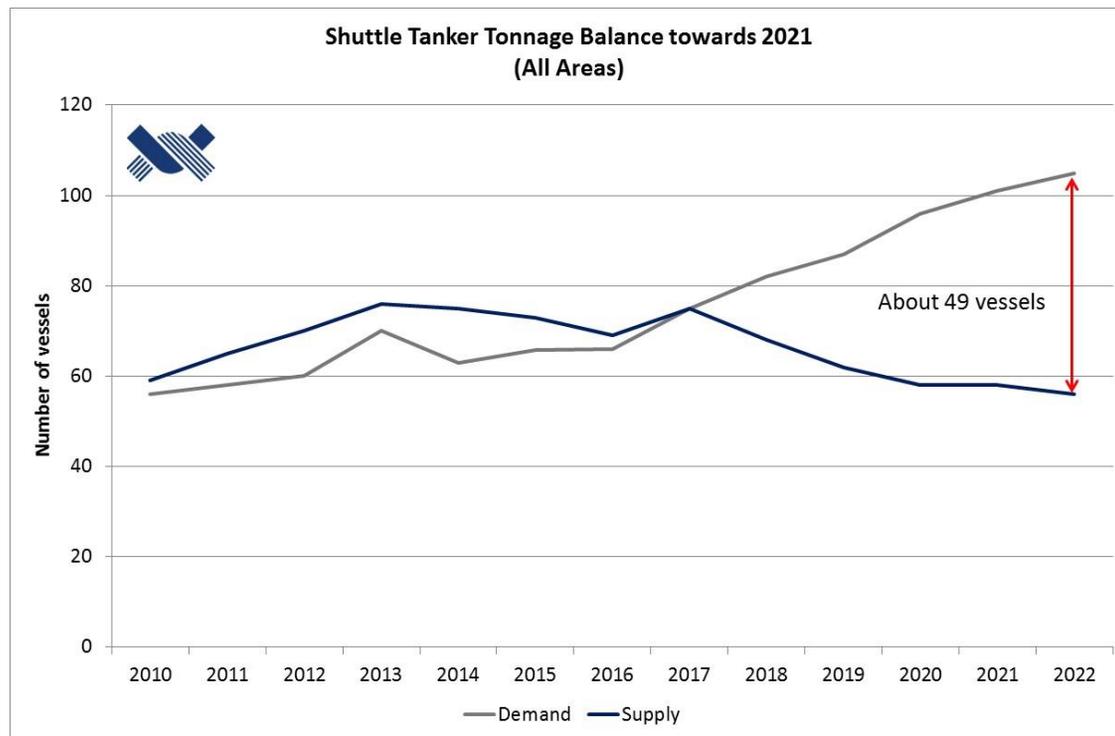


Brazil:

- A 9% depletion rate for existing fields is an official Petrobras figure.
- The effects of the corruption scandals seems to decrease as a record number of field developments are under development.
- Petrobras alone have 17 projects due to start up by 2022.
- The post 2020 Libra development (12-16 shuttle tankers) is moving forward according to plan, and licensees have started exploring their options for offshore loading and transportation

Attractive long-term outlook for the shuttle tanker business

- As of today shuttle tanker market extremely tight
 - No speculative newbuildings orders
- An active tender for long term contracts for Petrobras shuttle tanker in the market
- Fearnleys sees a significant demand for new shuttle tankers going forward
 - Expects tenders for in excess of 40 vessels up to 2022
 - Including attrition demand which represent more than half of the demand



Summary



- Another quarter strong financial performance and substantial increase on financial measure
- Successful equity execution and good access to attractive bank financing
- Completed acquisition of *Brasil Knutsen*
- Entered into share purchase agreement to acquire *Anna Knutsen*
- Strong outlook for the shuttle tanker business
- Attractive value proposition with quarterly distribution of \$0.52 per unit
 - 10% yield⁽²⁾

(1) Adjusted EBITDA and distributable cash flow are non-GAAP financial measures used by management and external users of our financial statements. Please see Appendix A for definitions of Adjusted EBITDA and distributable cash flow and a reference to reconciliation to net income, the most directly comparable GAAP financial measure.

(2) Quarterly distribution annualized / unit price \$20.90 per 20 February, 2018



Thank you, any questions?



APPENDIX

Non-GAAP Financial Measures

Adjusted EBITDA

Adjusted EBITDA refers to earnings before interest, depreciation, taxes, goodwill impairment charge and other financial items. Adjusted EBITDA is a non-GAAP financial measure used by investors to measure our performance. Adjusted EBITDA is used as a supplemental financial measure by management and external users of financial statements, such as investors, to assess our financial and operating performance.

The Partnership believes that Adjusted EBITDA assists its management and investors by increasing the comparability of its performance from period to period and against the performance of other companies in its industry that provide Adjusted EBITDA information. This increased comparability is achieved by excluding the potentially disparate effects between periods or companies of interest, other financial items, taxes goodwill impairment charges and depreciation and amortization, which items are affected by various and possibly changing financing methods, capital structure and historical cost basis and which items may significantly affect net income between periods. The Partnership believes that including Adjusted EBITDA as a financial measure benefits investors in (a) selecting between investing in the Partnership and other investment alternatives and (b) monitoring the Partnership's ongoing financial and operational strength in assessing whether to continue to hold common units. Adjusted EBITDA is a non-GAAP financial measure and should not be considered as an alternative to net income or any other indicator of Partnership performance calculated in accordance with GAAP. The reconciliation of Adjusted EBITDA to net income, the most directly comparable GAAP measure, set forth in the tables below:

For the Quarter Ended

| <i>(USD in thousands)</i> | 16 April-13 | | | | | | | | |
|------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | to 30 June-13 | 30-Sep-13 | 31-Dec-13 | 31-Mar-14 | 30-Jun-14 | 30-Sep-14 | 31-Dec-14 | 31-Mar-15 | 30-Jun-15 |
| Net income | 3,971 | 6,357 | 7,902 | 6,424 | 2,497 | 12,563 | 5,908 | 7,186 | 6,887 |
| Interest income | (3) | (16) | (5) | (1) | (3) | 0 | (9) | (1) | (2) |
| Interest expense | 2,529 | 2,653 | 2,832 | 2,713 | 3,856 | 4,014 | 4,688 | 4,186 | 4,212 |
| Depreciation | 5,340 | 6,304 | 6,785 | 6,780 | 6,782 | 10,201 | 10,559 | 11,400 | 11,560 |
| Goodwill impairment charge | - | - | - | - | - | - | - | - | 6,217 |
| Income tax (benefit) expense | - | (5) | (111) | 19 | (18) | (1) | 15 | 3 | 3 |
| EBITDA | 11,837 | 15,293 | 17,403 | 15,935 | 13,114 | 26,777 | 21,161 | 22,774 | 28,877 |
| Other financial items | 911 | 371 | (615) | 199 | 3,220 | (1,100) | 5,333 | 5,571 | (42) |
| Adjusted EBITDA | 12,748 | 15,664 | 16,788 | 16,134 | 16,334 | 25,677 | 26,494 | 28,345 | 28,835 |

For the Quarter Ended

| <i>(USD in thousands)</i> | 30-Sep-15 | | | | | | | | |
|------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 30-Sep-15 | 31-Dec-15 | 31-Mar-16 | 30-Jun-16 | 30-Sep-16 | 31-Dec-16 | 31-Mar-17 | 30-Jun-17 | 30-Sep-17 |
| Net income | 8,802 | 17,567 | 10,663 | 11,578 | 19,357 | 19,505 | 11,429 | 16,915 | 21,079 |
| Interest income | - | (5) | (2) | - | (6) | (15) | (36) | (44) | (68) |
| Interest expense | 4,322 | 4,731 | 5,029 | 5,055 | 5,129 | 5,654 | 6,215 | 7,252 | 8,040 |
| Depreciation | 12,420 | 13,464 | 13,892 | 13,913 | 13,920 | 14,505 | 15,753 | 17,372 | 18,379 |
| Goodwill impairment charge | - | - | - | - | - | - | - | - | - |
| Income tax (benefit) expense | - | (65) | 3 | 3 | 3 | (24) | 3 | 3 | 3 |
| EBITDA | 25,543 | 35,692 | 29,585 | 30,549 | 38,402 | 39,625 | 33,364 | 41,498 | 47,433 |
| Other financial items | 6,624 | (1,849) | 3,486 | 3,592 | (3,311) | (3,530) | (123) | 1,988 | (2,329) |
| Adjusted EBITDA | 32,167 | 33,843 | 33,071 | 34,141 | 35,092 | 36,095 | 33,241 | 43,486 | 45,104 |

Non-GAAP Financial Measures

Distributable Cash Flow

Distributable cash flow represents net income adjusted for depreciation and amortization, unrealized gains and losses from derivatives, unrealized foreign exchange gains and losses, distributions on the Series A Preferred Units, goodwill impairment charge other non-cash items and estimated maintenance and replacement capital expenditures. Estimated maintenance and replacement capital expenditures, including estimated expenditures for drydocking, represent capital expenditures required to maintain over the long-term the operating capacity of, or the revenue generated by our capital assets. Distributable cash flow is a quantitative standard used by investors in publicly-traded partnerships to assist in evaluating a partnership's ability to make quarterly cash distributions. Distributable cash flow is a non-GAAP financial measure and should not be considered as an alternative to net income or any other indicator of KNOT Offshore Partners' performance calculated in accordance with GAAP.

The reconciliation of distributable cash flow to net income, the most directly comparable cash measure, set forth in the tables below:

| | For the Quarter Ended | | | | | | | | |
|---|------------------------------|--------------|--------------|--------------|--------------|---------------|---------------|---------------|---------------|
| | 16 April-13 to 30 June-13 | 30-Sep-13 | 31-Dec-13 | 31-Mar-14 | 30-Jun-14 | 30-Sep-14 | 31-Dec-14 | 31-Mar-15 | 30-Jun-15 |
| <i>(USD in thousands)</i> | | | | | | | | | |
| Net income | 3,971 | 6,357 | 7,902 | 6,424 | 2,497 | 12,563 | 5,908 | 7,186 | 6,887 |
| <i>Add:</i> | | | | | | | | | |
| Depreciation | 5,340 | 6,304 | 6,785 | 6,780 | 6,782 | 10,201 | 10,559 | 11,400 | 11,560 |
| Goodwill impairment charge | - | - | - | - | - | - | - | - | 6,217 |
| Other non cash items; deferred cost amortization debt | 870 | 338 | 287 | 279 | 1,416 | 308 | 1,018 | 284 | 287 |
| Unrealized loss from interest rate derivatives and forward exchange currency contracts | 434 | 252 | - | - | 1,642 | - | 4,213 | 4,597 | - |
| IPO expenses covered by Predecessor | 60 | - | - | - | - | - | - | - | - |
| <i>Less:</i> | | | | | | | | | |
| Estimated maintenance and replacement capital expenditures(including drydocking reserve) | (2,980) | (3,477) | (3,738) | (3,738) | (3,738) | (5,659) | (5,747) | (6,175) | (6,264) |
| Distribution to Convertible Preferred Units | - | - | - | - | - | - | - | - | - |
| Other non cash items; Accrued income | - | - | - | - | - | - | - | - | - |
| Other non cash items; Deferred revenue | (477) | (486) | (486) | (486) | (486) | (858) | (858) | (858) | (858) |
| Unrealized gain from interest rate derivatives and forward exchange currency contracts | - | - | (994) | (99) | - | (1,846) | - | (6,175) | (6,264) |
| Distributable cash flow | 7,218 | 9,288 | 9,756 | 9,160 | 8,113 | 14,709 | 15,093 | 16,434 | 16,243 |

Non-GAAP Financial Measures

The reconciliation of distributable cash flow to net income, the most directly comparable cash measure, set forth in the tables below:

For the Quarter Ended

(USD in thousands)

| | 30-Sep-15 | 31-Dec-15 | 31-Mar-16 | 30-Jun-16 | 30-Sep-16 | 31-Dec-16 | 31-Mar-17 | 30-Jun-17 | 30-Sep-17 |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Net income | 8,802 | 17,567 | 10,663 | 11,578 | 19,357 | 19,505 | 11,429 | 16,915 | 21,079 |
| <i>Add:</i> | | | | | | | | | |
| Depreciation | 12,420 | 13,464 | 13,892 | 13,913 | 13,920 | 14,505 | 15,753 | 17,372 | 18,379 |
| Goodwill impairment charge | - | - | - | - | - | - | - | - | - |
| Other non cash items; deferred cost amortization debt | 289 | 289 | 287 | 287 | 310 | 315 | 348 | 407 | 469 |
| Unrealized loss from interest rate derivatives and forward exchange currency contracts | 4,032 | - | 4,348 | 1,608 | - | 2,911 | - | 1,334 | - |
| IPO expenses covered by Predecessor | - | - | - | - | - | - | - | - | - |
| <i>Less:</i> | | | | | | | | | |
| Estimated maintenance and replacement capital expenditures(including drydocking reserve) | (6,749) | (7,516) | (7,895) | (7,894) | (7,894) | (8,100) | (9,120) | (9,990) | (10,560) |
| Distribution to Convertible Preferred Units | - | - | - | - | - | - | (645) | (1,009) | (1,800) |
| Other non cash items; Accrued income | - | - | (461) | (245) | (216) | (232) | (149) | (151) | (146) |
| Other non cash items; Deferred revenue | (858) | (858) | (858) | (787) | (751) | (751) | (726) | (650) | (600) |
| Unrealized gain from interest rate derivatives and forward exchange currency contracts | (1,789) | (4,864) | (2,089) | - | (4,438) | (7,375) | (1,258) | (833) | (2,855) |
| Distributable cash flow | 16,147 | 18,082 | 17,888 | 18,460 | 20,288 | 20,778 | 15,632 | 23,395 | 23,966 |