Capital Product Partners L.P. Announces Third Quarter 2010 Financial Results

October 29, 2010

ATHENS, Greece, October 29, 2010 -- Capital Product Partners L.P. (the "Partnership") (Nasdaq: CPLP), an international owner of modern double-hull tankers, today released its financial results for the third quarter ended September 30, 2010.

The Partnership's net income for the quarter ended September 30, 2010 was $3.6 million, or $0.10 per limited partnership unit, which is $0.06 lower than the $0.16 per unit from the previous quarter ended June 30, 2010, and $0.18 lower than the $0.28 per unit from the third quarter of 2009.

Operating surplus for the quarter ended September 30, 2010 was $9.5 million, which is $0.7 million lower than the $10.2 million from the second quarter of 2010 and $1.2 million lower than the $10.7 million from the third quarter of 2009. Operating surplus is a non-GAAP financial measure used by certain investors to measure the financial performance of the Partnership and other master limited partnerships. (Please see Appendix A for a reconciliation of this non-GAAP measure to net income.)

Revenues for the third quarter of 2010 were $30.3 million, compared to $33.6 million in the third quarter of 2009. The Partnership's revenues reflect the lower charter rates at which it re-chartered a number of its vessels whose original charters expired during the previous three quarters.

Total operating expenses for the third quarter of 2010 were $18.4 million, including $7.9 million in fees for the commercial and technical management of the fleet paid to a subsidiary of our Sponsor, Capital Maritime & Trading Corp, $7.9 million in depreciation and $1.0 million in general and administrative expenses, compared to $17.5 million total operating expenses for the third quarter of 2009.

Net interest expense and finance cost for the third quarter of 2010 amounted to $8.3 million compared to $8.2 million for the third quarter of 2009. The increase in net interest expense and finance cost is primarily due to the Partnership's lower cash deposit rates.

As of September 30, 2010 the Partnership's long-term debt remained unchanged, compared to December 31, 2009 at $474.0 million and Partners' capital stood at $240.0 million.

Market Commentary

Overall, average product tanker spot earnings for the third quarter improved, with respect to the third quarter of 2009 but remained at historically low levels due to the seasonal market weakness coupled with increased supply of vessels in certain key trades.

Period charter rates and asset prices continued to improve over the third quarter reflecting owners' and charterers' positive expectations for product tanker demand going forward. Projections for global seaborne product imports continue to be revised upwards, while the product tanker orderbook has been consistently shrinking over the last few quarters.

The Suezmax market weakened considerably over the third quarter, as seasonally softer demand and the unwinding of floating storage had an adverse impact on the crude tanker market overall.

Completion of Offering of 6,052,254 Common Units

On August 9, 2010, the Partnership announced the issuance of 5,500,000 common units at a public offering price of

$8.63 per common unit. An additional 552,254 common units were subsequently sold on the same terms following the partial exercise of the over-allotment option granted to the underwriters. Capital GP LLC, the Partnership's general partner, participated in both the offering and the exercise of the over-allotment option and purchased an additional 123,515 units at the public offering price, thereby maintaining its 2 percent interest in the Partnership.

Aggregate proceeds to the Partnership, before expenses relating to the offering, were approximately $53.3 million. The net proceeds from the offering were used to acquire the M/T Assos (renamed M/T Insurgentes) and for general partnership purposes.

Fleet Developments

On August 16, 2010, the Partnership acquired the M/T Assos (renamed M/T Insurgentes) (2006 Hyundai Mipo 47,000 dwt ICE Class 1A) from Capital Maritime at a purchase price of $43.5 million. The M/T Assos is the Partnership's eighteenth modern, medium range (MR) tanker, bringing the size of its fleet to 21 vessels, and is chartered to Petroleos Mexicanos (PEMEX), the state-owned Mexican petroleum company, through Arrendadora Ocean Mexicana, S.A. de C.V., under a charter expected to expire in March 2014, and with terms as set out in the Partnership’s press release of August 9, 2010.

The M/T Anemos I (2007 Hyundai Mipo 47,823 dwt Ice Class 1A) was fixed at a gross daily charter rate of $14,700 to Petrobras for 36 months. The charter commenced on 9 September 2010 and the earliest expected redelivery under the charter is August 2013.

The M/T Apostolos (2007 Hyundai Mipo 47,782 dwt Ice Class 1A) was fixed at a gross daily charter rate of $14,000, including a 50/50 profit sharing arrangement for breaking Institute Warranty Limits (IWL) to BP Shipping Limited for 24 months. The charter commenced on October 4, 2010, and the earliest expected redelivery under the charter is September 2012.

Following the rechartering of the M/T Anemos I and the M/T Apostolos, 90% of the fleet total days for the remainder of 2010, and 64% of the fleet total days in 2011 are secured under period charter coverage.

Omnibus Incentive Compensation Plan

On August 31, 2010, the Partnership completed the allocation of its first ever management incentive award under the Omnibus Incentive Compensation Plan adopted in April 2008, as amended (the “Equity Plan”). The award is comprehensive in its breadth and depth, with the Partnership having issued a total of 795,200 (or 2% of the Partnership’s total units outstanding as of September 30, 2010) of the 800,000 units authorized under its Equity Plan, with the majority vesting after 3 years from the date of issue. Awards were issued to all members of the Partnership’s Board, to all employees of its General Partner and its Manager, and to employees of key affiliates, all of whom have significantly contributed to the performance of the Partnership and the growth and ongoing successful commercial and technical performance of its fleet since its Initial Public Offering in March 2007.

Quarterly Cash Distribution

In July 2010, the Partnership announced the upward revision of its target annual distribution level to $0.93 from $0.90, following an improvement in the product tanker market from its historic lows and two accretive acquisitions of MR product tankers with charters of at least two years, commencing with the payment of the third quarter 2010 distribution.

On October 25, 2010, the Board of Directors of the Partnership declared a cash distribution of $0.2325 per unit for the third quarter of 2010, in line with management’s annual guidance. The third quarter 2010 distribution will be paid on November 16, 2010 to unit holders of record on November 5, 2010.

Management Commentary

Mr. Ioannis Lazaridis, Chief Executive and Chief Financial Officer of the Partnership's General Partner commented: "During the third quarter of 2010, we observed a weakness in the product tanker market, mostly explained by seasonal factors. However, the spot charter levels reached during the quarter were on average above the lows reached in the second half of 2009, and the period market continued to strengthen. Taking advantage of the improved period charter market, we chartered the M/T Apostolos and the M/T Anemos I for a period of two and three years, respectively. Furthermore, we are particularly pleased that during the quarter, we successfully completed our second equity offering this year, further expanding our fleet with the accretive acquisition of the M/T Assos".

Mr. Lazaridis continued: "We will continue to closely monitor key industry factors, including changes in oil product demand, oil refinery utilization rates, the implementation of the single-hull tanker phase out, the availability of shipping finance, as well as further delays and cancellations that could reduce the number of new tanker vessel deliveries, in order to assess a further market recovery for the remainder of 2010 and 2011. We will continue to monitor market developments and explore further accretive acquisitions and as a result we will revisit our annual distribution guidance."

Conference Call and Webcast

Today, Friday, October 29, 2010 at 10:00 a.m. Eastern Daylight Time (U.S.), the Partnership will host an interactive conference call.

Conference Call details:

Participants should dial into the call 10 minutes before the scheduled time using the following numbers: 1(866) 819-7111 (from the US), 0(800) 953-0329 (from the UK) or + (44) 1452 542 301 (Standard International Dial-in). Please quote "Capital Product Partners."

A replay of the conference call will be available until November 5, 2010. The United States replay number is 1(866) 247-4222; from the UK 0(800) 953-1533; the standard international replay number is (+44) 1452 550 000 and the access code required for the replay is: 69648481#.

Slides and audio webcast:

The slide presentation accompanying the conference call will be available on the Partnership's website at www.capitalpplp.com. An audio webcast of the call will also be accessible on the website. The relevant links will be found in the Investor Relations section of the website.

Forward-Looking Statements:

The statements in this press release that are not historical facts, including our expectations regarding developments in the markets, their effects and the factors that may contribute to a market recovery, our expectations regarding the employment of our vessels and their charters, our expected charter coverage ratios for 2010 and 2011 and expectations regarding our quarterly distribution may be 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. Unless required by law, we expressly disclaim any obligation to update or revise any of these forward-looking statements, whether because of future events, new information, a change in our views or expectations, to conform them to actual results or otherwise. We assume no responsibility for the accuracy and completeness of the forward-looking statements. We make no prediction or statement about the performance of our common units.

About Capital Product Partners L.P.

Capital Product Partners L.P. (Nasdaq:CPLP), a Marshall Islands master limited partnership, is an international owner of modern double-hull tankers. The Partnership owns 21 vessels, including 18 modern MR tankers, two small product tankers and one suezmax crude oil tanker. Most of its vessels are under medium- to long-term charters to BP Shipping

Limited, Overseas Shipholding Group, Petrobras, Arrendadora Ocean Mexicana, S.A. de C.V. and Capital Maritime & Trading Corp.

For more information about the Partnership, please visit our website: www.capitalpplp.com.

CPLP-F

Contact Details:

Capital GP L.L.C.

Ioannis Lazaridis, CEO and CFO

+30 (210) 4584 950

E-mail: i.lazaridis@capitalpplp.com

Investor Relations / Media

Matthew Abenante

Capital Link, Inc. (New York)

Tel. +1-212-661-7566

E-mail: cplp@capitallink.com

Capital Maritime & Trading Corp.

Jerry Kalogiratos

+30 (210) 4584 950

j.kalogiratos@capitalpplp.com

Capital Product Partners L.P.
Unaudited Condensed Consolidated and Combined Statements of Income (Note 1)
(In thousands of United States Dollars, except number of units and earnings per unit)

	For the three-month period ended September 30,		For the nine-month period ended September 30,	
	2010	2009	2010	2009
Revenues	$ 26,875	$ 33,611	$ 88,702	$ 102,006
Revenues – related party	3,473	-	6,884	-
Total Revenues	**30,348**	**33,611**	**95,586**	**102,006**
Expenses:				
Voyage expenses	1,635	1,129	5,839	3,184
Vessel operating expenses - related party	7,896	7,383	22,322	22,409
Vessel operating expenses	-	427	1,034	1,705
General and administrative expenses	973	831	2,235	2,244
Depreciation	7,916	7,697	23,347	22,987
Operating income	**11,928**	**16,144**	**40,809**	**49,477**
Other income (expense), net:				
Interest expense and finance cost	(8,445)	(8,564)	(24,918)	(24,227)
Interest and other income	129	336	639	1,204
Total other (expense), net	**(8,316)**	**(8,228)**	**(24,279)**	**(23,023)**
Net income	**3,612**	**7,916**	**16,530**	**26,454**
Less:				
Net income attributable to CMTC operations	**-**	**(784)**	**(983)**	**(2,505)**
Partnership's net income	**$ 3,612**	**$ 7,132**	**$ 15,547**	<div style="MARGIN