



# TEN Ltd

## Tsakos Energy Navigation

TNP  
LISTED  
NYSE.

March 16, 2012

Q4 & YE 2011 Earnings Conference Call



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## Corporate Highlights

- ❑! 50 vessels (proforma)
  - ⇒!48 in operation
  - ⇒!2 DP2 shuttle tanker suezmaxes under construction
- ❑! 100% double hull vs. 93% of world fleet
- ❑! Average fleet age: 7.0 years vs. 8.5 of world fleet
- ❑! 21 vessels with ice-class capabilities
- ❑! Over \$3.2 billion investment in 57 newbuildings since 1997 (initiation of newbuilding program)
- ❑! 37 out of a pro-form fleet of 50 in fixed employment utilization
- ❑! Fleet utilization in 2011 at 97%
- ❑! 64% of remaining 2012 and 50% of 2013 available days in secured revenue contracts
- ❑! Accumulated income since 2002 NYSE listing close to \$1 billion
- ❑! Total capital gains since 2002 NYSE listing close to \$280 million
- ❑! Total dividend payments since 2002 NYSE listing, including most recent payment total \$9.225/share (\$7.50 issue price, split adjusted)
- ❑! 18 years of continuous growth



## 2011 & Q4 Highlights

### 2011

❑!Voyage Revenues:	\$395.2 million
❑!Net Income / (Loss):	\$(89.5) million
❑!Av. TCE per vessel per day:	\$16,047
❑!Av. Opex per vessel per day :	\$7,606

- ! Sale of two aframax tankers (*Opal Queen* and *Vergina II*) with \$5.0 million capital gains. \$18.2 million released of free cash
- ! 16 new vessel charters with minimum revenues in excess of \$1.0 billion (incl. 2x shuttle tankers under construction)
- ! Charter of LNG *Neo Energy*, from March 2012 at rate double it' s breakeven

### Q4 2011

❑!Voyage Revenues:	\$100.8 million
❑!Net Income / (Loss):	\$(56.6) million
❑!Av. TCE per vessel per day:	\$15,749
❑!Av. Opex per vessel per day :	\$7,438



# Fleet (as of March 15, 2012)

## CLEAN / PRODUCT TANKERS

	Dwt	Built	Hull	Ice Class
<b>AFRAMAX - LR</b>				
1 Proteas	117,055	2006	DH	1A
2 Promitheas	117,055	2006	DH	1A
3 Propontis	117,055	2006	DH	1A
<b>PANAMAX</b>				
1 World Harmony	74,200	2009	DH	
2 Chantal	74,329	2009	DH	
3 Selini	74,296	2009	DH	
4 Salamina	74,251	2009	DH	
5 Seleccion	74,296	2008	DH	
6 Socrates	74,327	2008	DH	
7 Maya <sup>(1)</sup>	68,439	2003	DH	
8 Inca <sup>(1)</sup>	68,439	2003	DH	
9 Andes	68,439	2003	DH	
<b>HANDYMAX - MR</b>				
1 Ariadne	53,021	2005	DH	1A
2 Artemis	53,039	2005	DH	1A
3 Afrodite	53,082	2005	DH	1A
4 Apollon	53,149	2005	DH	1A
5 Aris	53,107	2005	DH	1A
6 Ajax	53,095	2005	DH	1A
<b>HANDYSIZE - MR</b>				
1 Andromeda	37,061	2007	DH	1A
2 Aegeas	37,061	2007	DH	1A
3 Byzantion	37,275	2007	DH	1B
4 Bosporos	37,275	2007	DH	1B
5 Amphitrite	37,061	2006	DH	1A
6 Arion	37,061	2006	DH	1A
7 Didimon	37,432	2005	DH	
8 Delphi	37,432	2004	DH	
<b>LNG</b>				
1 Neo Energy	85,602	2007	DH	

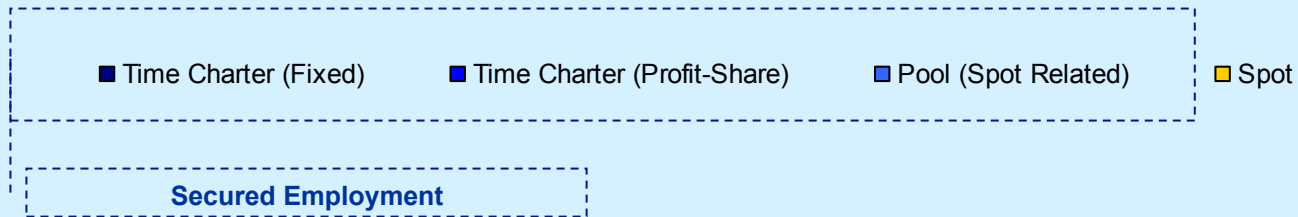
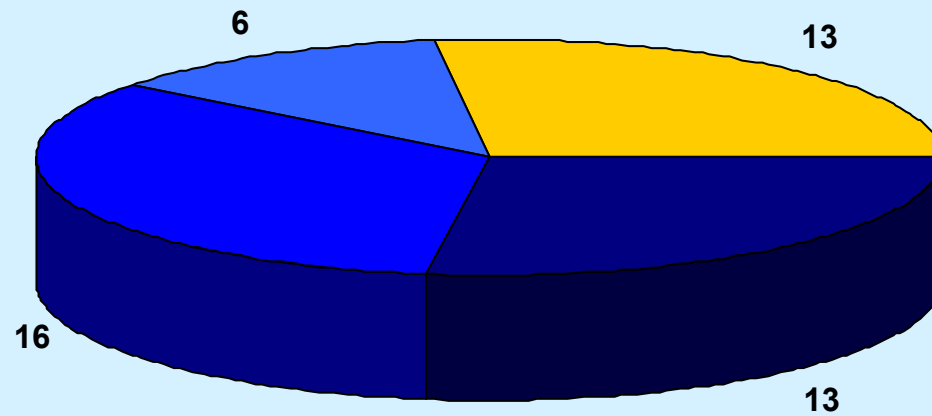
## CRUDE TANKERS

	Dwt	Built	Hull	Ice Class
<b>VLCC</b>				
1 Millennium	301,171	1998	DH	
2 La Madrina	299,700	1994	DH	
3 La Prudencia	298,900	1993	DH	
<b>SUEZMAX</b>				
1 DP2 Shuttle	157,000	2012	DH	
2 DP2 Shuttle	157,000	2012	DH	
3 Spyros K	158,000	2011	DH	
4 Dimitris P	158,000	2011	DH	
5 Arctic	163,216	2007	DH	1A
6 Antarctic	163,216	2007	DH	1A
7 Archangel	163,216	2006	DH	1A
8 Alaska	163,250	2006	DH	1A
9 Eurochampion 2004	164,608	2005	DH	1C
10 Euronike	164,565	2005	DH	1C
11 Triathlon	164,445	2002	DH	
12 Silia T	164,286	2002	DH	
<b>AFRAMAX</b>				
1 Uraga Princess	105,344	2010	DH	
2 Sapporo Princess	105,354	2010	DH	
3 Asahi Princess	105,372	2009	DH	
4 Ise Princess	105,361	2009	DH	
5 Maria Princess	105,346	2008	DH	
6 Nippon Princess	105,392	2008	DH	
7 Izumo Princess	105,374	2007	DH	
8 Sakura Princess	105,365	2007	DH	

<sup>(1)</sup> 51% ownership



## Operational Fleet - Employment Details (as of March 15, 2012)

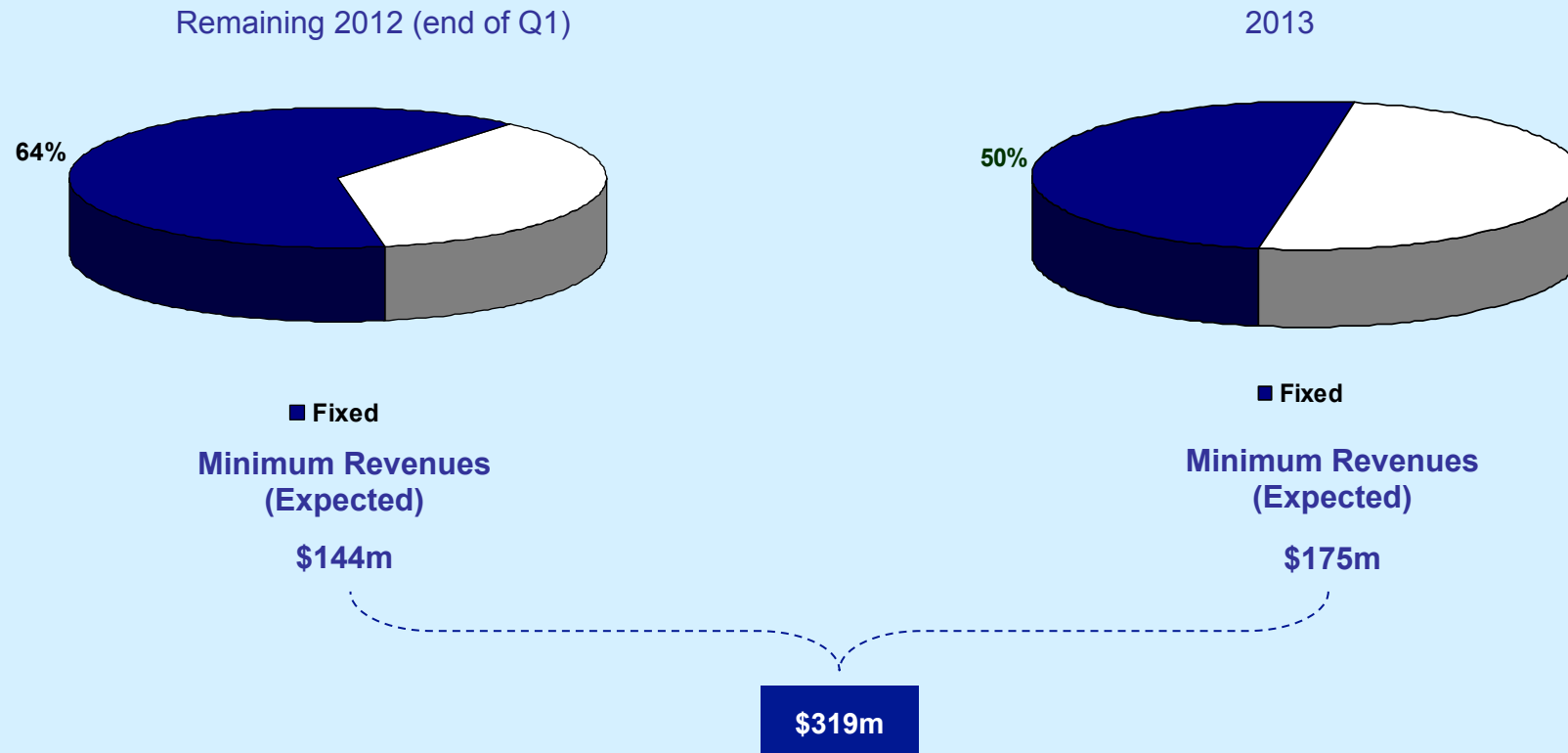


*Note: Excluding 15 year contracts for two shuttle tankers to be delivered in 2013*



## Secured Revenues (including TC, TC w/PS, Pool)

Based on employable dates and includes vessels time charter, pools – subject to change based on new deliveries and potential changes in TEN's chartering policy



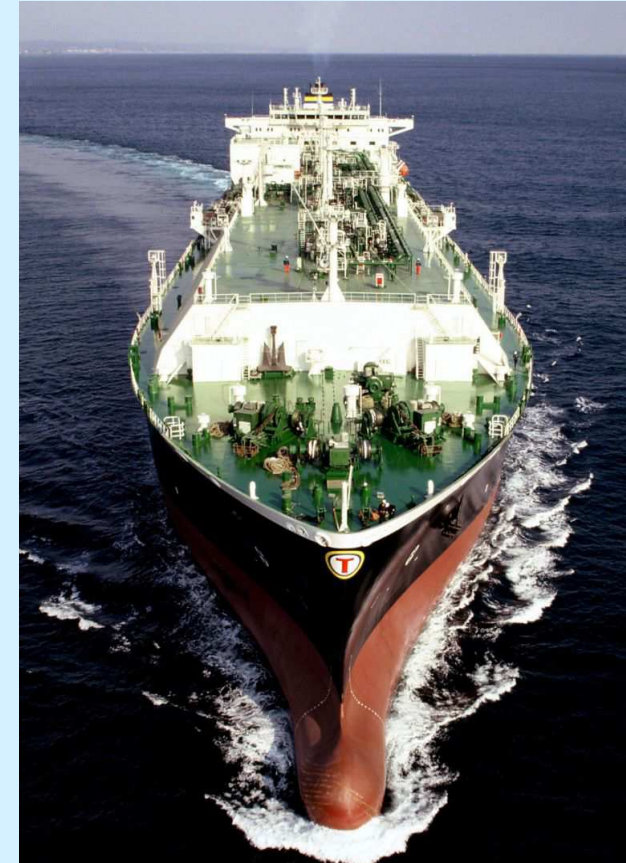
As of March 15, 2012 **31 vessels** with time charter employment only (profit-share vessels at min. rates) and including the two shuttle tankers have secured until end of respective employments:

*1,133 months forward coverage - 3.1 years average - \$1.1bl in expected min. revenues*



## Sale & Purchase Activity – Capital Gains

- ❑! Sale & Purchase activity integral to operations – Close to 100 transactions - realizing actual value
- ❑! Since 2003 TEN has generated capital gains from its sale & purchase activity close to \$280 million
- ❑! \$29 million average per year in capital gains since NYSE listing in 2002
- ❑! Unprecedented fleet growth
- ❑! Maintain fleet modernity
- ❑! Sale & Purchase activity integral to operations
- ❑! On average approximately 27% of net income in capital gains



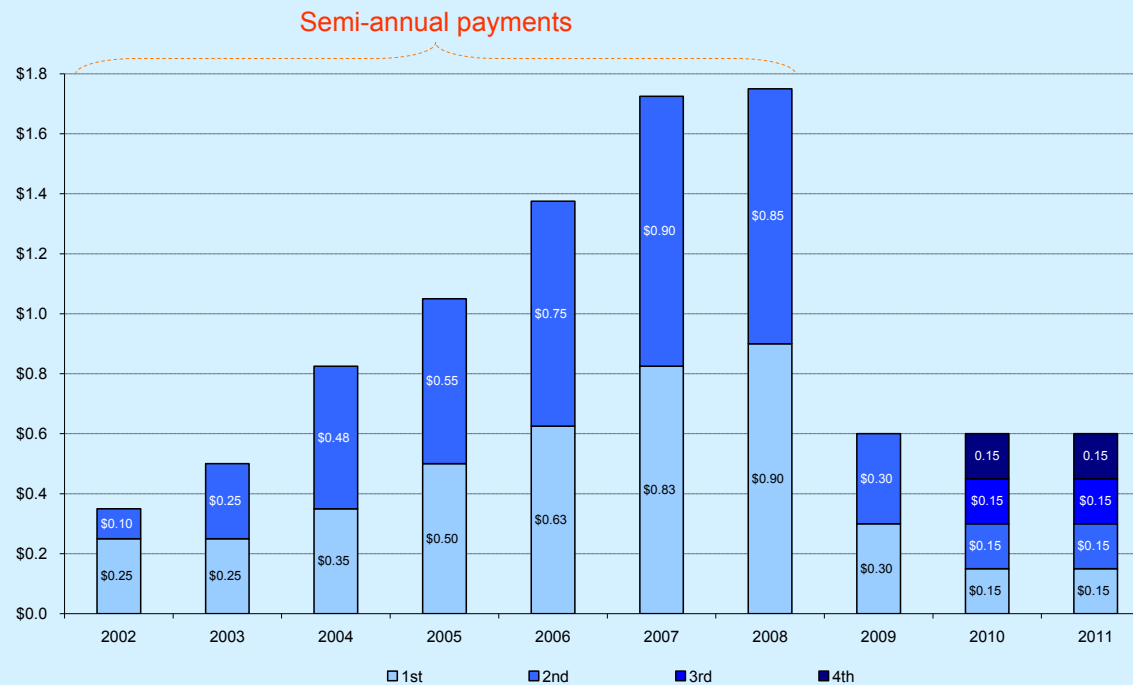




## Continuous Dividend Payments

On June 4th, 2010 the Board of Directors declared a change in TEN's dividend policy from semi-annual to quarterly payments

- ! Since initiation of dividend payments and including the recently announced quarterly payment, TEN has distributed a total of \$9.225 per share to its shareholders (IPO price, split adjusted: \$7.50)
- ! The basis of dividends will continue to target a payout ratio of 25% to 50% of net income subject to maintaining an appropriate level of liquidity as a function of a prudent and strong financial position





# Income Statement

STATEMENT OF INCOME DATA	Three months ended December 31		Year ended December 31	
	2011	2010	2011	2010
<b>Voyage revenues</b>	\$ 100,795	\$ 94,966	\$ 395,162	\$ 408,006
Commissions	3,817	2,246	14,290	13,837
Voyage expenses	35,066	18,313	127,156	85,813
Charter hire expense	-	-	-	1,905
Vessel operating expenses	32,172	31,021	129,884	126,022
Depreciation	26,105	25,037	101,050	92,889
Amortization of deferred dry-docking costs	1,305	1,021	4,878	4,553
Management fees	3,900	3,825	15,598	14,143
General and administrative expenses	1,288	923	4,292	3,627
Management incentive award	-	425	-	425
Stock compensation expense	47	(206)	820	1,068
Foreign currency (gains)/losses	(42)	328	458	(378)
Net gain on sale of vessels	-	-	(5,001)	(19,670)
	<u>103,658</u>	<u>82,933</u>	<u>393,425</u>	<u>324,234</u>
	<u>(2,863)</u>	<u>12,033</u>	<u>1,737</u>	<u>83,772</u>
Vessel impairment charge	(39,434)	(3,077)	(39,434)	(3,077)
Interest and finance costs, net	(14,699)	(12,099)	(53,571)	(62,283)
Interest income	749	611	2,715	2,626
Other, net	(193)	81	(397)	(3)
<b>Total other expenses, net</b>	<u>(14,143)</u>	<u>(11,407)</u>	<u>(51,253)</u>	<u>(59,660)</u>
<b>Net (loss)/income</b>	<u>(56,440)</u>	<u>(2,451)</u>	<u>(88,950)</u>	<u>21,035</u>
Less: Net income attributable to the noncontrolling interest	(151)	(184)	(546)	(1,267)
<b>Net (loss)/income attributable to Tsakos Energy Navigation Limited</b>	<u>\$ (56,591)</u>	<u>\$ (2,635)</u>	<u>\$ (89,496)</u>	<u>\$ 19,768</u>
(Loss)/Earnings per share, basic	\$ (1.23)	\$ (0.06)	\$ (1.94)	\$ 0.50
(Loss)/Earnings per share, diluted	\$ (1.23)	\$ (0.06)	\$ (1.94)	\$ 0.50
Weighted average number of shares outstanding				
Basic	46,155,177	43,241,145	46,118,534	39,235,601
Diluted	46,155,177	43,241,145	46,118,534	39,601,678



## Balance Sheet

	<b>December 31 2011</b>	<b>December 31 2010</b>
Cash and cash equivalents	175,708	276,637
Current assets, including cash	287,633	367,453
Investments	1,000	1,000
Financial instruments, net of current portion	-	498
Advances for vessels under construction	37,937	81,882
Vessels	2,642,773	2,638,550
Accumulated Depreciation	(445,689)	(403,485)
Vessels' Net Book Value	2,197,084	2,235,065
Deferred charges, net	14,708	16,362
<b>Total assets</b>	<b>\$ 2,538,362</b>	<b>\$ 2,702,260</b>
Current portion of long-term debt	188,087	133,819
Current liabilities, including current portion of long-term debt	270,803	217,244
Long-term debt, net of current portion	1,327,576	1,428,648
Financial instruments, net of current portion	17,800	36,438
Total stockholders' equity	922,183	1,019,930
<b>Total liabilities and stockholders' equity</b>	<b>\$ 2,538,362</b>	<b>\$ 2,702,260</b>



## Other Financial / Fleet Data

OTHER FINANCIAL DATA	Three months ended December 31		Year ended December 31	
	2011	2010	2011	2010
Net cash from operating activities	\$ 4,938	\$ 15,824	\$ 45,587	\$ 83,327
Net cash used in investing activities	\$ (19,653)	\$ (121,775)	\$ (69,187)	\$ (240,115)
Net cash (used in)/from financing activities	\$ (40,619)	\$ 132,957	\$ (77,329)	\$ 137,244
TCE per ship per day	\$ 15,749	\$ 18,287	\$ 16,047	\$ 19,825
Operating expenses per ship per day	\$ 7,438	\$ 7,284	\$ 7,606	\$ 7,647
Vessel overhead costs per ship per day	\$ 1,185	\$ 1,142	\$ 1,188	\$ 1,144
	8,623	8,426	8,794	8,791
<b>FLEET DATA</b>				
Average number of vessels during period	48.0	47.3	47.8	46.1
Number of vessels at end of period	48.0	48.0	48.0	48.0
Average age of fleet at end of period	Years 7.0	6.8	7.0	6.8
Dwt at end of period (in thousands)	5,073	4,962	5,073	4,962
Time charter employment - fixed rate	Days 1,126	826	3,666	3,083
Time charter employment - variable rate	Days 1,384	1,858	6,576	7,463
Period employment (pool and coa) at market rates	Days 505	700	2,497	3,124
Spot voyage employment at market rates	Days 1,217	858	4,190	2,766
Total operating days	4,232	4,242	16,929	16,436
Total available days	4,416	4,349	17,431	16,836
Utilization	95.8%	97.5%	97.1%	97.6%

TCE represents voyage revenue less voyage expenses. Commission is not deducted.

Operating expenses per ship per day exclude the vessel bare-boat chartered out.

Vessel overhead costs include Management fees, General & Administrative expenses, Management incentive award and Stock compensation expense.

Adjusted EBITDA (earnings before interest, taxes, impairment, net gain on sale of vessels, depreciation and amortization) is a non-GAAP metric used within the financial community for evaluating and comparing the performance of con  
The Company does not incur corporation tax for the purposes of calculating Adjusted EBITDA.



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