



**TSAKOS ENERGY NAVIGATION LIMITED
(TEN)**

367 Syngrou Avenue, 175 64 P. Faliro, Hellas

Tel: 30210 94 07 710-3, **Fax:** 30210 94 07 716, **e-mail:** ten@tenn.gr

Website: <http://www.tenn.gr>

Press Release
July 31, 2015

**TSAKOS ENERGY NAVIGATION REPORTS HIGHEST SECOND QUARTER
AND HALF-YEAR 2015 NET INCOME IN SEVEN YEARS
AND DECLARES DIVIDEND**

Q2 2015 net income of \$41.3 million (\$0.45/share) vs. \$0.2 million in Q2 2014

Q2 2015 EBITDA of \$76 million vs. \$34 million in Q2 2014 – a 124% increase

Acquisition of two preordered VLCC re-sales, two modern suezmaxes and sale of first generation suezmax and product tanker

*New charters for five vessels with minimum revenues of \$71.0 million plus profit share –
Total fleet contracted revenues at minimum \$1.4 billion*

SIX MONTHS AND RECENT HIGHLIGHTS

- Net income in the second quarter 2015 of \$41.3 million (\$0.45 per basic and diluted share) compared to \$0.2 million in second quarter 2014.
- Net income for the first six months 2015 of \$78.6 million (\$0.86 per basic and diluted share) compared to \$14.8 million for the first six months of 2014.
- EBITDA of \$76.4 million for the second quarter 2015 against \$34.1 million in the 2014 second quarter, a 124% year-on-year increase
- EBITDA of \$148.0 million for the first six months of 2015 against \$83.0 million in the 2014 first six months, a 78.0% increase
- Cash at \$288.0 million at June 30, 2015
- Time charter equivalent increased by 55.7% to \$26,721 per day in second quarter 2015 versus \$17,163 per day in second quarter 2014
- 73% of remaining days in 2015 available today for spot or spot related contracts
- Full fleet utilization of 98.5% for six-months after dry-dockings
- New charters totaling a minimum of \$71.0 million for five vessels, one suezmax and four MR product tankers
- Total fleet contracted revenue at minimum \$1.4 billion
- Acquisition of two VLCC resales with delivery in 2016
- Acquisition of two modern suezmax tankers with delivery in Q3 and Q4 2015
- Sale of two older vessels, a product carrier and a suezmax tanker
- Pre-delivery financing complete for newbuilding program

Visit our company website at: <http://www.tenn.gr>

- Pro-forma fleet of 65 vessels, totaling 7.3 million dwt, consisting of 47 tankers for trade in the crude space, three shuttle tankers, 13 tankers carrying products and two LNG vessels
- Dividend of \$0.06 per common share paid on February 19 and May 28, 2015 and dividends of \$0.06 per common share declared for payment on September 10 and December 15, 2015

Athens, Greece – July 31, 2015--Tsakos Energy Navigation Limited (TEN) (NYSE: TNP) (the “Company”) today reported results (unaudited) for the quarter and six months ended June 30, 2015.

SECOND QUARTER 2015 RESULTS

TEN’s fleet continued to operate at almost full utilization at 97.7%. TEN operated a fleet of 50.0 vessels on average in the second quarter 2015, compared to 48.2 vessels in the second quarter 2014, the additions being two modern suezmax tankers, the *Euro* and *Eurovision*, timely acquired in mid-2014.

TEN generated net income of \$41.3 million in the second quarter of 2015 compared to \$0.2 million in the second quarter of 2014. Diluted and basic earnings per share amounted to \$0.45 after taking account of the effect of \$3.4 million in preferred stock dividends.

Revenues, net of voyage expenses (bunker, port expenses and commissions), amounted to \$118.8 million in the second quarter of 2015, an increase of 61.3% over the second quarter of 2014. With limited new deliveries, the dynamic demand for crude transportation witnessed in the first quarter of 2015, spurred by low oil prices, continued through the second quarter and into the third quarter. The low oil prices also led to a 40% fall in bunker prices, from which the Company benefitted materially due to its significant spot exposure.

Profit-sharing contributed \$8.2 million to second quarter revenue, part of this based on six-month determination, which also covered the relevant vessels’ operations in the first quarter, but could not be booked until June 30, 2015. The two modern suezmaxes, the *Euro* and the *Eurovision*, contributed materially to the increase. TEN’s product carriers operating in the spot market also saw significant increases in revenue as that market also started to exhibit signs of sustained firmness.

Earnings before interest, depreciation and amortization (EBITDA) amounted to \$76.4 million in the second quarter of 2015, compared to \$34.1 million EBITDA in the second quarter of 2014. Apart from two vessels undergoing their scheduled dry-dockings, all the vessels generated positive EBITDA in the second quarter of 2015.

The average daily time charter equivalent (TCE) rate (voyage revenue less voyage expenses) was \$26,721 compared to \$17,163 average TCE earned in the second quarter of 2014, a 55.7% improvement.

Total operating expenses amounted to \$37.1 million in the second quarter of 2015, an increase from the second quarter of 2014 due to the addition of the two suezmaxes and the scheduled dry-dockings of three vessels during the quarter, although these effects were mostly offset by savings arising from the 19% appreciation of the US dollar versus the Euro since the 2014 second quarter.

Depreciation and dry-docking amortization costs, which include the impact of the two 2014 suezmax acquisitions and recent dry-dockings, totaled \$27.2 million.

G&A costs, which include management fees, were at \$5.3 million, somewhat higher from Q2 2014, mainly due to vessel additions since the prior year second quarter.

Operating income for the second quarter amounted to \$49.2 million, over five times higher than the previous year second quarter, mainly due to the improvement in net revenue.

Interest and finance costs in the second quarter of 2015 were \$7.9 million, compared to \$8.6 million in the second quarter of 2014, the decrease mainly resulting from reduced loan interest due to lower interest rate margins.

TEN's liquidity remained strong with cash balances on June 30, 2015 totaling \$288.0 million, all held in various banks internationally in order to meet commitments without fail to our overseas suppliers, lenders and yards. Net debt to capital at the end of the second quarter 2015 was at the comfortable level of 45.8%, a notable reduction from prior quarters.

SIX MONTHS 2015 RESULTS

TEN achieved net income of \$78.6 million in the first six months of 2015, a significant increase over the first half of 2014 which stood at \$14.8 million. Operating income for the same period was \$94.9 million compared to \$33.0 million in the first six months of 2014. This improvement was primarily due to the significant increase in crude charter rates spurred by a well balanced fleet servicing a healthy worldwide demand for oil. As a result, the average daily time charter equivalent rate per vessel increased to \$26,155, compared to \$19,351 in the first six months of 2014, a 35.2% increase.

Vessel operating expenses for the first six months of 2015 amounted to \$73.1 million against \$71.4 million, in the first six months of 2014, a modest 2.4% increase due to the addition of the two suezmax tankers. On a daily basis, and due to the higher number of vessels in the fleet over that period and by extension higher operating days available, operating costs per vessel for the six months decreased by 1.6% to \$8,080.

Earnings before interest, depreciation and amortization (EBITDA) at \$148.2 million in the first six months of 2015 compared to \$83.0 million in the same period of 2014, a 78.5% increase.

Depreciation and dry-docking amortization costs amounted to \$53.2 million after taking into consideration the addition of the suezmax tankers *Euro* and *Eurovision*. General and administrative expenses totaled \$11.9 million, an increase over the first half of 2014, due to normal management fees on the extra vessels and the incentive award paid in the first quarter.

Interest and finance costs decreased to \$16.4 million from \$18.1 million in the first six months of 2015 mainly due to reduced interest rate margins and the maturity of an interest rate swap in 2014.

Dividend – Common Shares

The Company will pay a dividend of \$0.06 per common share on September 10, 2015 to shareholders of record as of September 3, 2015. In addition, the Company declared a further

dividend of \$0.06 per common share for payment on December 15, 2015 to shareholders of record as at December 9, 2015.

In its annual upcoming Strategy Meeting in October 2015, TEN's Board of Directors expects to discuss and address the Company's dividend policy going forward.

Inclusive of these distributions (September and December), TEN will have distributed in total \$10.115 per share in dividends to its common shareholders since the Company was listed on the NYSE in March 2002.

Operational Activities

As part of the Company's fleet renewal program, TEN has recently acquired four vessels and sold two, expanding the proforma fleet to 65 vessels, totalling 7.3 million dwt. Specifically, TEN acquired two modern suezmaxes for a total price of \$122.0 million and two VLCC re-sales for \$193.9 million en bloc including extras. Concurrently with these acquisitions, the Company sold a first generation suezmax and handysize product tanker for a net \$43.0 million en bloc realizing, after debt repayments, approximately \$20.0 million in cash and about \$2.0 million in capital gains to be accounted in the third quarter of 2015. To finance the two modern suezmaxes, TEN will use own cash and traditional bank debt while for the VLCCs, TEN issued on July 30, 2015 2,626,357 common shares to York Capital Management, paid about \$14.0 million in cash and expects to raise the remainder in bank debt.

The VLCCs are currently under construction at Hyundai Samho in South Korea and are expected to be delivered in the early and latter part of 2016, respectively.

The Company today also announced a 30-month charter for one of its suezmaxes to a major US oil company and new charters for four of its MR product tankers for an average period of 24-months with 12-month options and profit sharing provisions to major European and North American oil concerns. The total minimum gross revenues from these five fixtures are expected at around \$71.0 million and could reach \$95.0 million if charterers exercise their extension options on the four product contracts.

Together with these new charters, the Company's total contracted revenues, over a pro forma fleet of 65 vessels, amount to a minimum of \$1.4 billion.

Corporate Strategy

With the crude shipping space still going strong supported by the recent and further drop in crude oil prices and an equilibrium in the global fleet, crude oil tankers and lately product tankers continue to provide attractive returns to companies with modern fleets and solid operational track records. TEN is on the forefront of such companies and is utilizing to the fullest its ability to attract premium rates for its modern vessels and ultimately enhance its cash inflows and overall earnings visibility of the fleet.

Looking ahead management will continue to focus on further developing the earning capacity and quality of its fleet while at the same time exerting proactive and prudent control on all its expenses, operating and financial. This is something that the Company has done consistently and successfully over the years and through the cycles.

“We are particularly pleased that together with very solid results, the Company is in the fortunate position to report premium charters, accretive acquisitions and profitable sales. All these reinforce TEN’s position as a company of choice for highly rated end users and financial investors looking for a well balanced tanker entity with good visibility and upside potential,” Mr. Nikolas P. Tsakos, President and CEO of TEN commented. “With the strongest tanker market since 2008 and with a larger and more advanced fleet compared to then, we expect the Company’s financial performance to excel and be reflected on our bottom line and our share price going forward,” Mr. Tsakos concluded.

Conference Call

As previously announced, today, Friday, July 31, 2015, at 9:00 a.m. Eastern Time, TEN will host a conference call to review the results as well as management's outlook for the business. The call, which will be hosted by TEN's senior management, may contain information beyond what is included in this earnings press release.

Conference Call details:

Participants should dial into the call 10 minutes before the scheduled time using the following numbers: 1 866 819 7111 (US Toll Free Dial In), 0800 953 0329 (UK Toll Free Dial In) or +44 (0)1452 542 301 (Standard International Dial In). Please quote "Tsakos" to the operator.

A telephonic replay of the conference call will be available until August 14, 2015 by dialing 1 866 247 4222 (US Toll Free Dial In), 0800 953 1533 (UK Toll Free Dial In) or +44 (0)1452 550 000 (Standard International Dial In). Access Code: 90295809#

Simultaneous Slides and Audio Webcast:

There will also be a simultaneous live, and then archived, slides webcast of the conference call, available through TEN's website (www.tenn.gr). The slides webcast will also provide details related to fleet composition and deployment and other related company information. This presentation will be available on the Company's corporate website reception page at www.tenn.gr. Participants for the live webcast should register on the website approximately 10 minutes prior to the start of the webcast

ABOUT TSAKOS ENERGY NAVIGATION

To date, TEN's fleet, including two VLCCs, the LNG carrier Maria Energy, nine Aframax crude oil tankers, a Suezmax DP2 shuttle tanker and two LR1 tankers all under construction, consists of 65 double-hull vessels, a mix of crude tankers, product tankers and LNG carriers, totalling 7.3 million dwt. Of these, 47 vessels trade in crude, 13 in products, three are shuttle tankers and two LNG carriers. In addition, TEN has an option to construct another Suezmax DP2 shuttle tanker.

ABOUT FORWARD-LOOKING STATEMENTS

Except for the historical information contained herein, the matters discussed in this press release are forward-looking statements that involve risks and uncertainties that could cause actual results to differ materially from those predicted by such forward-looking statements. TEN undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events, or otherwise.

For further information please contact:

Visit our company website at: <http://www.tenn.gr>

Company
Tsakos Energy Navigation Ltd.
George Saroglou, COO
+30210 94 07 710
gsaroglou@tenn.gr

Investor Relations / Media
Capital Link, Inc.
Nicolas Bornozis
Paul Lampoutis
+212 661 7566
ten@capitallink.com

TSAKOS ENERGY NAVIGATION LIMITED AND SUBSIDIARIES

Selected Consolidated Financial and Other Data

(In Thousands of U.S. Dollars, except share, per share and fleet data)

STATEMENT OF OPERATIONS DATA	Three months ended		Six months ended	
	June 30 (unaudited)		June 30 (unaudited)	
	2015	2014	2015	2014
Voyage revenues	\$ 154,020	\$ 112,396	\$ 302,887	\$ 242,684
Voyage expenses	35,248	38,766	69,798	77,774
Vessel operating expenses	37,144	34,922	73,124	71,421
Depreciation and amortization	27,155	25,314	53,243	50,169
General and administrative expenses	5,302	4,914	11,856	10,341
Total expenses	<u>104,849</u>	<u>103,916</u>	<u>208,021</u>	<u>209,705</u>
Operating income	<u>49,171</u>	<u>8,480</u>	<u>94,866</u>	<u>32,979</u>
Interest and finance costs, net	(7,940)	(8,570)	(16,427)	(18,095)
Interest income	65	69	118	114
Other, net	0	270	(3)	(251)
Total other expenses, net	<u>(7,875)</u>	<u>(8,231)</u>	<u>(16,312)</u>	<u>(18,232)</u>
Net Income	<u>41,296</u>	<u>249</u>	<u>78,554</u>	<u>14,747</u>
Less: Net income attributable to the noncontrolling interest	(10)	(50)	12	19
Net Income attributable to Tsakos Energy Navigation Limited	<u>\$ 41,286</u>	<u>\$ 199</u>	<u>\$ 78,566</u>	<u>\$ 14,766</u>
Effect of preferred dividends	(3,390)	(2,109)	(5,500)	(4,219)
Net Income attributable to common stockholders of Tsakos Energy Navigation Limited	\$ 37,896	\$ (1,910)	73,066	10,547
Earnings per share, basic and diluted	\$ 0.45	\$ (0.02)	\$ 0.86	\$ 0.14
Weighted average number of common shares, basic and diluted	<u>84,712,295</u>	<u>80,135,152</u>	<u>84,712,295</u>	<u>73,427,149</u>

BALANCE SHEET DATA

	June 30	December 31
	2015	2014
Cash	287,983	214,441
Other assets	163,675	96,548
Vessels, net	2,110,841	2,199,154
Advances for vessels under construction	263,759	188,954
Total assets	<u>\$ 2,826,258</u>	<u>\$ 2,699,097</u>
Debt	1,404,425	1,418,336
Other liabilities	99,000	102,849
Stockholders' equity	1,322,833	1,177,912
Total liabilities and stockholders' equity	<u>\$ 2,826,258</u>	<u>\$ 2,699,097</u>

Visit our company website at: <http://www.tenn.gr>

OTHER FINANCIAL DATA	Three months ended		Six months ended	
	June 30		June 30	
	2015	2014	2015	2014
Net cash from operating activities	\$ 42,105	\$ 8,108	\$ 97,519	\$ 26,870
Net cash used in investing activities	\$ (32,794)	\$ (63,175)	\$ (76,650)	\$ (110,789)
Net cash provided by financing activities	\$ 69,846	\$ 88,463	\$ 55,951	\$ 151,409
TCE per ship per day	\$ 26,721	\$ 17,163	\$ 26,155	\$ 19,351
Operating expenses per ship per day	\$ 8,164	\$ 7,969	\$ 8,080	\$ 8,207
Vessel overhead costs per ship per day	\$ 1,165	\$ 1,121	\$ 1,310	\$ 1,188
	9,329	9,090	9,390	9,395

FLEET DATA

Average number of vessels during period		50.0	48.2	50.0	48.1
Number of vessels at end of period		50.0	49.0	50.0	49.0
Average age of fleet at end of period	Years	8.2	7.4	8.2	7.4
Dwt at end of period (in thousands)		5,102	4,944	5,102	4,944
Time charter employment - fixed rate	Days	1,541	1,794	3,241	3,557
Time charter employment - variable rate	Days	824	818	1,752	1,608
Period employment (pool and coa) at market rates	Days	237	292	417	576
Spot voyage employment at market rates	Days	1,843	1,386	3,502	2,781
Total operating days		4,445	4,290	8,912	8,522
Total available days		4,550	4,382	9,050	8,702
Utilization		97.7%	97.9%	98.5%	97.9%

Non-GAAP Measures Reconciliation of Net Income to EBITDA

	Three months ended		Six months ended	
	June 30		June 30	
	2015	2014	2015	2014
Net Income attributable to Tsakos Energy Navigation Limited	41,286	199	78,566	14,766
Depreciation and amortization	27,155	25,314	53,243	50,169
Interest Expense	7,940	8,570	16,427	18,095
EBITDA	\$ 76,381	\$ 34,083	\$ 148,236	\$ 83,030

The Company reports its financial results in accordance with U.S. generally accepted accounting principles (GAAP). However, management believes that certain non-GAAP measures used within the financial community may provide users of this financial information additional meaningful comparisons between current results and results in prior operating periods as well as comparisons between the performance of Shipping Companies. Management also uses these non-GAAP financial measures in making financial, operating and planning decisions and in evaluating the Company's performance. We are using the following Non-GAAP measures:

- (i) TCE which represents voyage revenues less voyage expenses divided by the number of operating days.
- (ii) Vessel overhead costs are General & Administrative expenses, which also include Management fees, Stock compensation expense and Management incentive award.
- (iii) Operating expenses per ship per day which exclude Management fees, General & Administrative expenses, Stock compensation expense and Management incentive award.

(iv) EBITDA. See above for reconciliation to net income.

Non-GAAP financial measures should be viewed in addition to and not as an alternative for, the Company's reported results prepared in accordance with GAAP.

The Company does not incur corporation tax.

Visit our company website at: <http://www.tenn.gr>