



TSAKOS ENERGY NAVIGATION LIMITED (TEN)

367 Syngrou Avenue, 175 64 P. Faliro, Hellas

Tel: 30 210 94 07 710-3, **Fax:** 30 210 94 07 716, **e-mail:** ten@tenn.gr

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

Press Release

March 19, 2015

TSAKOS ENERGY NAVIGATION REPORTS PROFITS FOR THE FOURTH QUARTER AND YEAR ENDED DECEMBER 31, 2014 AND COMMON STOCK DIVIDEND DECLARATION

*\$33.5 million net income for the year 2014 and
\$13.5 million net income for Q4 2014 (after \$7.6 million bunker hedging costs)
Dividend of \$0.06 declared for payment in May 2015
Cheap oil and restrained vessel supply continues to keep spot rates buoyant*

RECENT HIGHLIGHTS

- For the year 2014, net income of \$33.5 million or \$0.32 per basic and diluted share, compared to a \$9.2 million loss for 2013 (before 2013 impairment charges)
- Income of \$21.1 million or \$0.23 per share before \$7.6 million of bunker hedging costs in fourth quarter 2014
- \$13.5 million net income for the fourth quarter 2014 or \$0.14 per diluted share (\$21.1 million, or \$0.23 per share, if exclude bunker hedging costs), compared to a \$7.3 million loss in the fourth quarter of 2013 (before 2013 impairment charges)
- 2014 EBITDA \$180 million, 35.8% more than 2013
- Healthy liquidity position at \$214.4 million of cash at end of 2014
- Pro-forma fleet of 64 vessels, totaling 6.7 million dwt, consisting of 44 tankers for trade in the crude space, four shuttle tankers (including one option vessel), 14 tankers carrying products and two LNG vessels
- 73% of 2015 available days in spot or spot related contracts - Total contracted coverage for fleet in water of \$750 million with average charter term of 2.3 years
- Newbuilding program of 13 vessels, 12 of which under long-term contracts with a potential minimum gross revenue of approximately \$1.25 billion
- Timely acquisition of two modern suezmax crude tankers in mid-2014
- Common stock dividend of \$0.06 per share paid on February 19, 2015 and \$0.06 dividend payment declared for payment on May 28th 2015 – TEN's dividends total \$10.0 per share since IPO in 2002 or \$405 million

Athens, Greece – March 19, 2015 – Tsakos Energy Navigation Limited (TEN or the “Company”) (NYSE: TNP) today reported results (unaudited) for the year ended December 31, 2014 and the fourth quarter of 2014.

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

FULL YEAR 2014 RESULTS

TEN achieved the best annual results in 2014 since 2010 and which were significantly higher than 2013. Operating income for 2014 was \$76.0 million compared to \$33.2 million (before \$28.3 million impairment charges) in 2013, a 129.2% increase. Net income for 2014 amounted to \$33.5 million compared to a net loss of \$9.2 million in 2013 (before impairment charges).

Revenue, net of voyage expenses and commissions, totaled \$346.9 million in 2014 compared to \$285.4 million in 2013, a 21.5% increase. The increase was primarily due to the significantly stronger TCE rates achieved for crude carrying suezmaxes and aframax in 2014, especially in the first and fourth quarters.

EBITDA for the year 2014 amounted to \$179.5 million, a 35.8% increase from 2013. All the vessels enjoyed positive EBITDA during 2014.

The full year operation of the two shuttle tankers, the two new suezmaxes and the fact that the VLCC *Millennium* completed its bare-boat charter in late 2013, together contributed over half of the \$16.6 million increase in total vessel operating costs in 2014 over 2013. However, these five vessels generated three and a half times more net revenue than operating expenses in 2014, and together \$20.2 million more net revenue than in 2013. General and administrative expenses continued to remain relatively stable at \$4.4 million.

Interest and finance costs in 2014 were \$43.1 million, compared to \$40.9 million in 2013.

FOURTH QUARTER RESULTS

TEN enjoyed a very strong fourth quarter with operating income amounting to \$29.2 million, compared to \$5.2 million (before impairment charges) in the fourth quarter of 2013 mainly due to a robust freight market, particularly for crude cargoes, generating higher net revenue. The sudden fall in oil prices, although it spurred demand and reduced bunker costs, also resulted in a one-time negative hit in valuations and charges relating to our bunker hedges. Without these bunker hedge costs, net income would have been \$21.1 million or \$0.23 per share. The fourth quarter of 2014 ended with net income of \$13.5 million or \$0.14 per basic and diluted share, compared to a net loss of \$7.3 million in the fourth quarter of 2013 (before impairment charges).

Revenues, net of voyage expenses and commissions, were \$99.5 million in the fourth quarter of 2014, up 41.0% from the previous fourth quarter. The fall in oil prices had a markedly positive effect on tanker demand within the fourth quarter and an additional substantial impact by lowering bunker prices and thereby increasing TCE rates on spot voyages. Despite significant exposure in spot related days and three vessels undergoing dry-docking during the 2014 fourth quarter, fleet utilization remained high at 97.7%, an indication of the tight supply of crude tankers and the success of TEN in securing lucrative employment for its vessels. The success of the chartering strategy is also reflected in the total amount of profit-share that is generated by time-charters with a profit-share element, once the tanker market starts to enjoy stronger rates. In the fourth quarter of 2014, \$5.5 million extra gross revenue was earned through profit-share, which mostly went straight to the bottom-line, making up approximately 40% of the net income. The average daily time charter equivalent per vessel increased by 33.7% to \$23,289, compared to \$17,419 in the fourth quarter of 2013.

Cash flow for the quarter from net income before depreciation, amortization and interest (“EBITDA”) was \$55.4 million, compared to \$28.7 million in the prior fourth quarter when the 2013 impairment is also ignored for calculating EBITDA.

Fourth quarter 2014 interest and finance costs were \$15.6 million compared to \$10.0 million in the fourth quarter of 2013. This increase was due to costs and negative valuation of bunker hedging swaps following the sudden and sharp drop in oil prices, which resulted in a cut in bunker prices by more than half, the effect of which by far covered the hedging costs.

“It is a great pleasure to report significant profitability in 2014. It is also encouraging that 2015 has started with very strong rates. The market fundamentals including the low cost of oil and the negative fleet growth is reassuring for, at least, the medium term prospects of our industry,” stated Mr. Nikolas P. Tsakos, President and CEO of TEN. “Through our counter cyclical investment strategy and flexible chartering policy, TEN has become a prime beneficiary of the rewards the tanker markets are offering. We strongly believe that the Company’s sound fundamentals and prospects, particularly in the strong market we are currently navigating, will be soon reflected in our share price and further enhance our shareholders value,” Mr. Tsakos concluded.

LIQUIDITY

TEN continued to maintain strong liquidity through the fourth quarter of 2014, at the end of which, total cash amounted to \$214.4 million compared to \$171.8 million at the end of 2013. Net debt to capital was a comfortable 50.6% at the end of the fourth quarter 2014, compared to 54.8% at end of 2013.

Cash flow for the quarter from net income before depreciation, amortization and interest (“EBITDA”) was \$55.4 million, compared to \$28.7 million in the prior fourth quarter. EBITDA for the year 2014 amounted to \$179.5 million, a 35.8% increase. All the vessels enjoyed positive EBITDA during 2014.

The Company has also earmarked several vessels for possible sale, which if all materialized could result in as much as \$100 million of cash being released.

DIVIDEND - COMMON SHARES

The Company will pay a dividend of \$0.06 per share of common stock on May 28, 2015 to shareholders of record as of May 21, 2015. TEN’s total dividends since 2002 amount to \$405 million or \$10.0 per share

CORPORATE STRATEGY

Following on the impressive take-off in the latter part of the third quarter of 2014, crude tanker rates continued to surge through the fourth quarter and first quarter of 2015 and remain firm fuelled by low oil prices that supported a boost in consumer demand around the world that has led to increased imports. In addition, the depressed price of crude has generated a contango effect, which removed a meaningful amount of tonnage from the market while the continuation of slow steaming, which despite a small uptick in average speeds, avoided additional capacity being added to the available “for charter” fleet. All these factors, coupled with the limited growth of the fleet over the last 12 months (indeed some tanker categories could even

experience negative fleet capacity growth this year) and the manageable orderbook provide TEN with utmost confidence for solid tanker markets over the medium term.

This realignment in market fundamentals has created a solid underlying strength in the overall crude and product tanker markets, especially evident in spot fixtures, and as a result they have allowed TEN, with 73% of remaining 2015 available days on spot or spot related contracts, to enjoy significant benefits from operating under such market related and flexible charters.

The intention of the management is to retain charter flexibility and the ability to adjust the blend of charters opportunistically, but always mindful of the continuation, and further creation, of secured cash streams and healthy cash buffers, irrespective of cycles. In addition, and in order to take advantage of the current pick-up in asset values, management evaluates and will continue to assess opportunities to strategically divest some of its older assets in line with its long stated policy of vessel divestments for capital and cash gains and fleet rejuvenation. At the same time, management will remain on the look-out for modern accretive assets to acquire, while avoiding large speculative newbuilding orders.

Conference Call

As previously announced, today, Thursday, March 19, 2015, at 10:00 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 the 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 March 26, 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.

New York Investor Day:

Following the Connecticut Maritime Association (CMA) awards on Wednesday March 25th, honoring Captain Panagiotis N. Tsakos as this year's Commodore, the Company will host an investor day on Thursday March 26th at the Metropolitan Club in New York City. If interested to attend, please contact Mr. Nicholas Bornozis or Paul Lampoutis at Capital Link for further details.

ABOUT FORWARD-LOOKING STATEMENTS

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

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:

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 and per share data)

STATEMENT OF OPERATIONS DATA	Three months ended		Year ended	
	December 31		December 31	
	2014	2013	2014	2013
Voyage revenues	\$ 137,448	\$ 105,030	\$ 501,013	\$ 418,379
Commissions	5,157	4,001	18,819	16,019
Voyage expenses	32,809	30,478	135,324	116,980
Vessel operating expenses	38,789	33,706	147,346	130,760
Depreciation	25,223	24,582	97,938	95,349
Amortization of deferred dry-docking costs	968	1,357	4,953	5,064
Management fees	4,195	4,050	16,457	15,896
General and administrative expenses	1,161	1,056	4,430	4,366
Stock compensation expense	-	469	142	469
Foreign currency (gains)/losses	(85)	148	(444)	293
Vessel impairment charge	-	28,290	-	28,290
Total expenses	108,217	128,137	424,965	413,486
Operating income	29,231	(23,107)	76,048	4,893
Interest and finance costs, net	(15,642)	(10,042)	(43,074)	(40,917)
Interest income	196	66	498	366
Other, net	0	(2,533)	246	(2,912)
Total other expenses, net	(15,446)	(12,509)	(42,330)	(43,463)
Net Income	13,785	(35,616)	33,718	(38,570)
Less: Net (income)/loss attributable to the noncontrolling interest	(238)	23	(191)	1,108
Net Income/(loss) attributable to Tsakos Energy Navigation Limited	\$ 13,547	\$ (35,593)	\$ 33,527	\$ (37,462)
Effect of preferred dividends	(2,109)	(2,109)	(8,438)	(3,676)
Net Income/(loss) attributable to common stockholders of Tsakos Energy Navigation Limited	\$ 11,438	\$ (37,702)	25,089	(41,138)
Earnings/(loss) per share, basic and diluted	\$ 0.14	\$ (0.66)	\$ 0.32	\$ (0.73)
Weighted average number of common shares, basic and diluted	84,712,295	57,286,257	79,114,401	56,698,955

BALANCE SHEET DATA	December 31	
	2014	2013
Cash	214,441	171,764
Other assets	96,548	80,546
Vessels, net	2,199,154	2,173,068
Advances for vessels under construction	188,954	58,521
Total assets	\$ 2,699,097	\$ 2,483,899
Debt	1,418,336	1,380,298
Other liabilities	102,849	105,938
Stockholders' equity	1,177,912	997,663
Total liabilities and stockholders' equity	\$ 2,699,097	\$ 2,483,899

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

OTHER FINANCIAL DATA	Three months ended				Year ended			
	December 31				December 31			
	2014		2013		2014		2013	
Net cash from operating activities	\$	46,165	\$	13,694	\$	106,971	\$	117,923
Net cash used in investing activities	\$	(35,017)	\$	(1,659)	\$	(254,307)	\$	(144,437)
Net cash (used in)/provided by financing activities	\$	(13,722)	\$	(17,121)	\$	187,206	\$	44,454
TCE per ship per day	\$	23,289	\$	17,419	\$	20,910	\$	17,902
Operating expenses per ship per day	\$	8,432	\$	7,633	\$	8,234	\$	7,634
Vessel overhead costs per ship per day	\$	1,164	\$	1,262	\$	1,175	\$	1,196
		9,596		8,895		9,409		8,830

FLEET DATA					
Average number of vessels during period		50.0	48.0	49.0	47.5
Number of vessels at end of period		50.0	48.0	50.0	48.0
Average age of fleet at end of period	Years	7.7	7.1	7.7	7.1
Dwt at end of period (in thousands)		5,102	4,786	5,102	4,786
Time charter employment - fixed rate	Days	1,779	1,892	7,202	6,713
Time charter employment - variable rate	Days	915	932	3,351	4,107
Period employment (pool and coa) at market rates	Days	184	276	1,018	674
Spot voyage employment at market rates	Days	1,615	1,180	5,918	5,460
Total operating days		4,493	4,280	17,489	16,954
Total available days		4,600	4,416	17,895	17,339
Utilization		97.7%	96.9%	97.7%	97.8%

Non-GAAP Measures								
Reconciliation of Net Income to EBITDA								
	Three months ended				Year ended			
	December 31				December 31			
	2014		2013		2014		2013	
Net Income/(loss) attributable to Tsakos Energy Navigation Limited		13,547	(35,593)		33,527	(37,462)		
Depreciation		25,223	24,582		97,938	95,349		
Amortization of deferred special survey & drydocking costs		968	1,357		4,953	5,064		
Vessel impairment charge		-	28,290		-	28,290		
Interest Expense		15,642	10,042		43,074	40,917		
EBITDA	\$	55,380	\$	28,678	\$	179,492	\$	132,158

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. Commission is not deducted.
- (ii) Vessel overhead costs which include Management fees, General & Administrative expenses and Stock compensation expense.
- (iii) Operating expenses per ship per day which exclude Management fees, General & Administrative expenses and Stock compensation expense.
- (iv) EBITDA. See in the table 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>