



TEN, Ltd.

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Press Release
September 7, 2018

**TEN LTD REPORTS RESULTS FOR THE QUARTER AND SIX MONTHS
ENDED JUNE 30, 2018 AND DECLARES DIVIDEND OF \$0.05 PER COMMON
SHARE**

23% income improvement from Q1 2018

TEN's Tanker Fleet Earnings Outperform Spot Market by over 100%

*23 New and Extended Contracts Year-to-Date - \$1.2 Billion in Minimum Contracted
Revenues with 2.5 years Average TC Duration*

Athens, Greece – September 7, 2018 -TEN, Ltd (TEN) (NYSE: TNP) (the “Company”) today reported results (unaudited) for the quarter and half-year ended June 30, 2018.

Q2 2018 SUMMARY RESULTS

TEN's fleet earned \$124 million in gross revenues and \$4.2 million in operating income. Excluding a marginal loss of \$0.4 million from the sale of the VLCC *Millennium*, the Company incurred a net loss of \$9.2 million, a 23% improvement from the first quarter of 2018. Adjusted EBITDA (Earnings before interest, taxes, depreciation and amortization and loss on vessel sale) totaled \$35.5 million.

Fleet utilization increased to 96.2% with two vessels undergoing dry-docking in the period.

During this quarter, almost 80% of the fleet was employed on secured revenue contracts, a third of which with profit sharing provisions, which, as in the first quarter of 2018, led TEN's fleet earnings to outperform the spot market by more than 100%.

These vessels under secured revenue contracts continued to generate enough cash to cover most of the fleet's operating, overhead and finance costs. TEN's vessels on spot charters and despite the soft market, contributed approximately \$15.3 million of revenue after bunker, port expenses and commissions.

Depreciation and dry-docking amortization costs up by \$2.3 million due to new vessel deliveries.

Management strict cost controls resulted in a reduction of operating expenses to \$7,571 per vessel per day, 6.8% and 3.8% decreases from the first quarter of 2018 and the second quarter of 2017 respectively, despite a weakening of the US dollar.

Total interest and finance costs were reduced by \$1.1 million to \$14.8 million, from the 2017 second quarter primarily due to successful hedging against increases in bunker prices.

SIX MONTHS 2018 SUMMARY RESULTS

TEN's vessels earned gross revenues of \$250 million in the first half of 2018 with operating income at \$9.8 million. Net losses in the six months to June 30, 2018 amounted to \$21 million, before a marginal \$0.4 million loss from the sale of VLCC *Millennium*. Adjusted EBITDA (Earnings before interest, taxes, depreciation and amortization and loss on sale of vessel) totaled \$70.7 million.

The daily time charter equivalent rate per vessel, was \$17,463, more than double the average spot rates for the period.

Fleet utilization was at 96.2%, most of the lost time having been incurred in the first quarter due to bringing forward, to take advantage of the low freight markets, various dry-dockings scheduled for a later date, which impacted revenue and increased operating expenses.

Average weighted daily operating expenses per vessel were kept at \$7,849.

Depreciation and dry-docking amortization costs were at \$72.4 million due to the larger size of the fleet and the recent dry-dockings, which included the two shuttle tankers.

General and administrative expenses irrespective of their higher size, remained almost the same from last year's first half, at \$1,168 due to reduced office expenses.

Interest and finance costs increased to \$32.7 million mainly due to indebtedness relating to new vessels and to loan interest rate increases, plus the reduction in capitalized interest as new vessels were delivered.

MANAGEMENT COMMENTARY

TEN's industrial approach on vessel employment, and strategic asset dispositions ensures that the Company maintains a solid balance sheet regardless of market conditions. Today with 80% of fleet available days and 62% and 44% for 2019 and 2020 respectively under secured revenue contracts, cash flow generation and visibility remain strong.

So far this year, and in line with management's efforts in maintaining a solid cash base, 23 vessels have new or extended long term business, including the two units purposely built for a major oil end-user. As a result, TEN's minimum contracted revenue now stands at \$1.2 billion with an average employment of 2.5 years. The divestment in the second quarter of the 1998-built VLCC *Millennium* which released \$7.4 million of free cash after the repayment of \$10.2 million of related debt is an added example of management's actions to efficiently recycle the Company's vessels. In addition, since the beginning of this year, the Company has raised \$4.6 million through the at-the-market sale of common shares, mostly from treasury stock.

“TEN has determined to ensure maximum protection against the downside in one of the weakest periods for the tanker industry in recent memory. TEN’s industrial model of keeping most of the fleet on long-term contracts safeguards revenue flows, avoiding the severe punishment inflicted by the spot market,” Mr. George Saroglou, COO of TEN commented. “Looking ahead, we are confident for the future and await for the critical fundamentals that may lead to a recovery to become more apparent by the end of the year. These fundamentals include a more balanced global fleet following a high level of scrapping, a slow-down in the pace of deliveries, increasing tanker demand arising from global growth, new refineries and adequate supply by increased US and OPEC oil exports. In addition, the anticipated IMO 2020 disruptions will result to a healthier supply and demand equilibrium. TEN’s diversified fleet with a growing presence in shuttle tankers and LNG carriers, will increase its revenues and maximize cashflow and profitability for the benefit of shareholders,” Mr. Saroglou concluded.

DIVIDEND – COMMON SHARES

The Company will pay a dividend of \$0.05 per common share to shareholders of record as of November 30, 2018 to be paid on December 6, 2018. Inclusive of this payment, TEN will have distributed a total of \$10.755 per share in uninterrupted dividends to its common shareholders since the Company’s listing on the NYSE in March 2002 against an issue price of \$7.50.

CONFERENCE CALL

As previously announced, today, September 7, 2018 at 8:30 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 that which is included in the earnings press release.

Participants should dial into the call 10 minutes before the scheduled time using the following numbers: 1 (877) 553-9962 (US Toll Free Dial In), 0(808) 238- 0669 (UK Toll Free Dial In) or +44 (0) 2071 928592 (Standard International Dial In). Please quote "Tsakos" to the operator.

A telephonic replay of the conference call will be available until September 14, 2018, by dialing 1(866) 331-1332 (US Toll Free Dial In), 0(808) 238-0667 (UK Toll Free Dial In) or +44 (0) 3333 009785 (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

TEN, founded in 1993 and celebrating this year 25 years as a public company, is one of the first and most established public shipping companies in the world today. TEN’s fleet currently consists of 66 double-hull vessels, including two aframax tankers under construction, constituting a mix of crude tankers, product tankers and LNG carriers, totalling 7.2 million dwt. Of the fleet in the water, 46 vessels trade in crude, 13 in products, three are shuttle tankers and two are LNG carriers.

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.

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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)	
	2018	2017	2018	2017
Voyage revenues	\$ 123,927	\$ 132,180	\$ 249,651	\$ 270,421
Voyage expenses	29,407	28,121	56,683	58,204
Charter hire expense	2,698	-	5,376	-
Vessel operating expenses	44,169	43,894	91,704	83,905
Depreciation and amortization	36,621	34,298	72,432	66,588
General and administrative expenses	6,812	6,557	13,643	12,667
Total expenses	119,707	112,870	239,838	221,364
Operating income	4,220	19,310	9,813	49,057
Interest and finance costs, net	(14,783)	(15,873)	(32,728)	(27,738)
Interest income	389	313	711	431
Other, net	2	199	(333)	54
Total other expenses, net	(14,392)	(15,361)	(32,350)	(27,253)
Net (loss) income	(10,172)	3,949	(22,537)	21,804
Less: Net loss (income) attributable to the noncontrolling interest	983	(374)	1,433	(751)
Net (loss) income attributable to Tsakos Energy Navigation Limited	\$ (9,189)	\$ 3,575	\$ (21,104)	\$ 21,053
Loss on sale of vessel	(364)	-	(364)	-
Net (loss) income attributable to Tsakos Energy Navigation Limited after non-recurring items	\$ (9,553)	\$ 3,575	\$ (21,468)	\$ 21,053
Effect of preferred dividends	(6,713)	(6,524)	(13,355)	(10,492)
Net (loss) income attributable to common stockholders of Tsakos Energy Navigation Limited	\$ (16,266)	\$ (2,949)	\$ (34,823)	\$ 10,561
(Loss) Earnings per share, basic and diluted	\$ (0.19)	\$ (0.03)	\$ (0.40)	\$ 0.13
Weighted average number of common shares, basic and diluted	86,942,159	84,284,281	86,634,907	84,126,285

BALANCE SHEET DATA

	June 30	December 31
	2018	2017
Cash	282,425	197,773
Other assets	141,978	186,210
Vessels, net	2,961,188	2,677,061
Advances for vessels under construction	12,123	216,531
Total assets	\$ 3,397,714	\$ 3,277,575
Debt, net of deferred finance costs	1,672,085	1,753,855
Other liabilities	128,793	106,270
Stockholders' equity	1,596,836	1,417,450
Total liabilities and stockholders' equity	\$ 3,397,714	\$ 3,277,575

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OTHER FINANCIAL DATA	Three months ended		Six months ended	
	June 30		June 30	
	2018	2017	2018	2017
Net cash from operating activities	\$ 14,493	\$ 56,456	\$ 39,075	\$ 110,908
Net cash provided by (used in) investing activities	\$ 6,475	\$ (74,586)	\$ 6,034	\$ (221,221)
Net cash provided by financing activities	\$ 83,181	\$ 122,327	\$ 34,643	\$ 172,944
TCE per ship per day	\$ 17,154	\$ 19,200	\$ 17,463	\$ 20,038
Operating expenses per ship per day	\$ 7,571	\$ 7,866	\$ 7,849	\$ 7,729
Vessel overhead costs per ship per day	\$ 1,168	\$ 1,156	\$ 1,168	\$ 1,148
	8,739	9,022	9,017	8,877
FLEET DATA				
Average number of vessels during period	64.1	62.3	64.6	61.0
Number of vessels at end of period	64.0	63.0	64.0	63.0
Average age of fleet at end of period	Years 7.7	7.5	7.7	7.5
Dwt at end of period (in thousands)	6,936	7,012	6,936	7,012
Time charter employment - fixed rate	Days 2,546	2,297	4,953	4,352
Time charter employment - variable rate	Days 1,575	1,537	3,307	2,877
Period employment (coa) at market rates	Days 361	273	715	541
Spot voyage employment at market rates	Days 1,132	1,360	2,263	2,911
Total operating days	5,614	5,467	11,238	10,681
Total available days	5,834	5,671	11,684	11,035
Utilization	96.2%	96.4%	96.2%	96.8%

Non-GAAP Measures

Reconciliation of Net (loss) income to Adjusted Net (loss) Income

	Three months ended		Six months ended	
	June 30		June 30	
	2018	2017	2018	2017
Net (loss) income attributable to common stockholders of Tsakos Energy Navigation Limited	(16,266)	(2,949)	(34,823)	10,561
Add: Loss on sale of vessel	364	-	364	-
Adjusted net (loss) income attributable to common stockholders of Tsakos Energy Navigation Limited	\$ (15,902)	\$ (2,949)	\$ (34,459)	\$ 10,561

Calculation of Adjusted (Loss) Earnings per Share

	Three months ended		Six months ended	
	June 30		June 30	
	2018	2017	2018	2017
Adjusted net (loss) income attributable to common stockholders of Tsakos Energy Navigation Limited	(15,902)	(2,949)	(34,459)	10,561
Weighted average number of common shares, basic and diluted	86,942,159	84,284,281	86,634,907	84,126,285
Adjusted (loss) earnings per share attributable to common stockholders of Tsakos Energy Navigation Limited	\$ (0.18)	\$ (0.03)	\$ (0.40)	\$ 0.13

Reconciliation of Net (loss) income to Adjusted EBITDA

	Three months ended		Six months ended	
	June 30		June 30	
	2018	2017	2018	2017
Net (loss) income attributable to common stockholders of Tsakos Energy Navigation Limited	(16,266)	(2,949)	(34,823)	10,561
Depreciation and amortization	36,621	34,298	72,432	66,588
Interest Expense	14,783	15,873	32,728	27,738
Loss on sale of vessel	364	-	364	-
Adjusted EBITDA	\$ 35,502	\$ 47,222	\$ 70,701	\$ 104,887

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 less 188 days lost as a result of calculating revenue on a loading to discharge basis for the first half of 2018 and 104 days for the second quarter of 2018.
- (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
- (iv) EBITDA. See above for reconciliation to net (loss) 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.

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