



**TEN, Ltd.**

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Press Release  
**June 11, 2020**

**TEN LTD REPORTS STRONG PROFITS FOR FIRST QUARTER 2020 AND  
ANNOUNCES SPECIAL DIVIDEND**

**250% increase of Net Income before non-cash items**

**50% special dividend increase to 7.5 cents total**

**Efficient anti-Covid safety measures for onshore and at-sea personnel**

**Healthy fundamentals indicate to a strong market for remainder of 2020**

**Athens, Greece - June 11, 2020** -TEN, Ltd (TEN) (NYSE: TNP) (the “Company”) today reported results (unaudited) for the quarter ended March 31, 2020.

**Q1 2020 Summary Results**

Gross revenues for the first quarter of 2020 came at approximately \$180 million, \$32 million higher than in the 2019 first quarter.

Operating income doubled to \$54.7 million from \$27.8 million in the 2019 first quarter.

Net income, exclusive of a non-cash bunker hedge effect, increased 250% to \$39.3 million, and to a solid \$21.2 million after taking into account the impact of non-cash items. Earnings per share, after non-cash bunker hedges and preferred stock dividends, increased to \$0.12 in the first quarter of 2020 from \$0.01 in the first quarter of 2019.

EBITDA amounted to about \$90 million, 40% higher than in the 2019 first quarter.

The daily average TCE per vessel reached \$26,629 compared to \$21,054 in the first quarter of 2019.

This performance was a reflection of the strong market that started in the latter months of 2019 and continued into the first and second quarter of 2020. As a result, TEN once again benefited by chartering its vessels on long-term contracts hence securing future earnings and allowing the fleet to achieve a high fleet utilization, reaching 97% with only one vessel undergoing scheduled dry docking.

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Fleet operating expenses increased modestly to \$45.5 million from \$43.3 million in the first quarter of 2019, partly due to the size of the fleet and calculated increases in provisions and stores taken onboard vessels for precautionary reasons as the Covid-19 pandemic began to spread, threatening access to terminals.

On a daily average per vessel basis, operating expenses were once again controlled to about \$7,900 due to strict cost checks.

G&A expenses increased by \$1.17 million mainly due to a slightly higher fleet from the first quarter of 2019.

Depreciation and amortization combined were about \$0.5 million lower than in the 2019 first quarter due to vessel sales.

In the first quarter of 2020, interest and finance costs reached \$33.6 million which included hedge related payments and \$16.0 million non-cash negative changes in bunker valuations. These non-cash items have already reversed due to the rebalancing of the oil market in terms of oil production and expected to have a positive impact on the balance sheet going forward.

Actual bank loan interest payments fell by \$4.4 million due to lower interest rates and declining outstanding loans from scheduled repayments and vessel sales.

By the end of the 2020 first quarter, total outstanding indebtedness fell by a net \$53.5 million and correspondingly TEN's net debt to capital declined to 46.5%. Concurrently, TEN's cash balances reached a level well beyond earlier expectations, with cash reserves at a healthy \$221 million.

In January 2020, TEN took delivery of the newbuilding aframax *Caribbean Voyager* which immediately commenced its five-year bareboat employment to a US oil major, sistership to the *Mediterranean Voyager* delivered in October 2019 to the same charterer for identical employment.

### **Dividend – Common Shares**

Following the March 24, 2020 announcement of a 5 cents per common share dividend, the Company's Board of Directors have subsequently approved to increase, for this time, that amount by 50% and pay a total of 7.5 cents per common share on June 26, 2020. The record date has been set for June 22, 2020 with ex-dividend date June 19, 2020.

### **Corporate Strategy & Outlook**

The primary objective of management since the beginning of the year has been to ensure that the fleet's crew is safe and sound in these challenging times, especially as government actions around the world have applied harsh, but necessary restrictions to contain the Covid-19 pandemic.

In this unprecedented environment, with 65 vessels navigating all corners of the world and crewed by 2,000 seafarers, management's goal has been to ensure their health and safety. We are proud to have safeguarded our employees to the best of our ability, so far.

During this period, the silver lining has been the strength of the tanker market, due to its solid fundamentals and the strong demand for our services during the first six months of 2020. In this environment, TEN took the opportunity to agree long-term accretive charters, that will secure the Company's positive performance for the remainder of 2020.

Maintaining a strong balance sheet by increasing liquidity and reducing debt obligations continues to be a priority. As previously stated, it remains management's intention to initiate the, at par, redemption of its Series C preferred shares next quarter.

"In the first quarter of 2020, the pandemic was accompanied by a strong tanker market that continued well into the second quarter. During that period, TEN fixed long-term charters for its vessels that will secure positive returns for the remainder of the year and beyond," Mr. George Saroglou, COO of TEN commented. "Management continues to be in discussions with first-class charterers for similar accretive employments to safeguard cash flow visibility, a core element in TEN's strategy. The safety of our seafarers was, is and remains our top priority as TEN continues its long established and market tested operating model to achieve the highest utilization levels and long-term profitability. This is the fourth and most challenging crisis we have successfully navigated in 28 years of operations. We would like to thank all our colleagues for their efforts during these extraordinary times and wish them to remain safe and healthy," Mr. Saroglou concluded.

### **Reverse Share Split**

At the Company's Annual General Meeting which was held on May 28, 2020 it was resolved by shareholders to undertake a one-for-five reverse split of our common shares by which one new common share will be given in exchange for every five currently held. This is scheduled to take effect at the opening of trading on July 1<sup>st</sup>, 2020 and management expects this to increase the universe of investors with the ability to invest in TEN. Further details will be provided in a Press Release on this topic.

### **Conference Call details:**

Participants should dial into the call 10 minutes before the scheduled time using the following numbers: +1 (844) 824-7423 (US Toll Free Dial In), +1(918) 922-6416 (Standard International Dial In) or +44 (0) 8000 288 438 (UK Toll Free Dial In). Please quote "Tsakos" to the operator.

A telephonic replay of the conference call will be available until Thursday, June 18, 2020 by dialing +1(855) 859-2056 (US Toll Free Dial In), or (800) 585-8367 (Standard International Dial In). Access Code: 3680608#

### **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](http://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](http://www.tenn.gr). Participants for the live webcast should register on the website approximately 10 minutes prior to the start of the webcast.

## ABOUT TEN

TEN, founded in 1993 and celebrating this year 27 years as a public company, is one of the first and most established public shipping companies in the world. TEN's diversified energy fleet currently consists of 69 double-hull vessels, including two suezmax tankers and one LNG carrier under construction, constituting a mix of crude tankers, product tankers and LNG carriers, totalling 7.6 million dwt. Of the proforma fleet today, 48 vessels trade in crude, 15 in products, three are shuttle tankers and three are LNG carriers.

## TEN's Growth Program

| # | Name   | Type    | Delivery | Built       | Financed | Employment |
|---|--------|---------|----------|-------------|----------|------------|
| 1 | HN8041 | Suezmax | 2020     | South Korea | Yes      | Yes        |
| 2 | HN8042 | Suezmax | 2020     | South Korea | Yes      | Yes        |
| 3 | HN3157 | LNG     | 2021     | South Korea | TBD      | TBD        |

## 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<br>March 31 (unaudited) |                  |
|---|--|------------------|
|   | 2020                                       | 2019             |
| <b>Voyage revenues</b>  | \$ 178,899                                 | \$ 147,046       |
| Voyage expenses   | 32,711                                     | 31,566           |
| Charter hire expense  | 5,140                                      | 2,669            |
| Vessel operating expenses   | 45,488                                     | 43,324           |
| Depreciation and amortization   | 34,828                                     | 35,285           |
| General and administrative expenses   | 7,603                                      | 6,436            |
| Gain on sale of vessel  | (1,638)                                    | -                |
| Total expenses  | 124,132                                    | 119,280          |
| Operating income  | 54,767                                     | 27,766           |
| Interest and finance costs, net   | (33,593)                                   | (17,593)         |
| Interest income   | 391  | 774              |
| Other, net  | 408  | (29)             |
| Total other expenses, net   | (32,794)                                   | (16,848)         |
| <b>Net income</b>   | <b>21,973</b>                              | <b>10,918</b>    |
| Less: Net (income) loss attributable to the non controlling interest                      | (752)                                      | 311              |
| <b>Net income attributable to Tsakos Energy Navigation Limited</b>                        | <b>\$ 21,221</b>                           | <b>\$ 11,229</b> |
| Effect of preferred dividends   | (10,207)                                   | (10,204)         |
| <b>Net income attributable to common stockholders of Tsakos Energy Navigation Limited</b> | <b>\$ 11,014</b>                           | <b>\$ 1,025</b>  |
| Earnings per share, basic and diluted   | \$ 0.12                                    | \$ 0.01          |
| Weighted average number of common shares, basic and diluted                               | 95,613,804                                 | 87,604,645       |

| <b>BALANCE SHEET DATA</b>                         | <b>March 31</b>     | <b>December 31</b>  |
|---|---------------------|---------------------|
|   | <b>2020</b>         | <b>2019</b>         |
| Cash  | 220,851             | 197,770             |
| Other assets                                      | 234,029             | 261,607             |
| Vessels, net                                      | 2,655,529           | 2,633,251           |
| Advances for vessels under construction           | 49,200              | 61,475              |
| <b>Total assets</b>                               | <b>\$ 3,159,609</b> | <b>\$ 3,154,103</b> |
| Debt, net of deferred finance costs               | 1,481,080           | 1,534,296           |
| Other liabilities                                 | 214,520             | 147,488             |
| Stockholders' equity                              | 1,464,009           | 1,472,319           |
| <b>Total liabilities and stockholders' equity</b> | <b>\$ 3,159,609</b> | <b>\$ 3,154,103</b> |

| <b>OTHER FINANCIAL DATA</b>                         | <b>Three months ended</b> |             |
|---|---------------------------|-------------|
|   | <b>March 31</b>           |             |
|   | <b>2020</b>               | <b>2019</b> |
| Net cash from operating activities                  | \$ 57,453                 | \$ 39,238   |
| Net cash provided by (used in) investing activities | \$ 22,546                 | \$ (20,830) |
| Net cash provided by (used in) financing activities | \$ (56,918)               | \$ (47,179) |
| TCE per ship per day                                | \$ 26,629                 | \$ 21,054   |
| Operating expenses per ship per day                 | \$ 7,886                  | \$ 7,522    |
| Vessel overhead costs per ship per day              | \$ 1,279                  | \$ 1,117    |
|   | 9,165                     | 8,639       |

#### **FLEET DATA**

|   |       |       |       |
|---|-------|-------|-------|
| Average number of vessels during period |       | 65.3  | 64.0  |
| Number of vessels at end of period      |       | 65.0  | 64.0  |
| Average age of fleet at end of period   | Years | 9.0   | 8.5   |
| Dwt at end of period (in thousands)     |       | 6,998 | 6,936 |
| Time charter employment - fixed rate    | Days  | 2,511 | 2,393 |
| Time charter employment - variable rate | Days  | 1,735 | 1,674 |
| Period employment (coa) at market rates | Days  | 89    | 180   |
| Spot voyage employment at market rates  | Days  | 1,421 | 1,328 |
| Total operating days                    |       | 5,756 | 5,575 |
| Total available days                    |       | 5,943 | 5,760 |
| Utilization                             |       | 96.9% | 96.8% |

**Non-GAAP Measures**  
**Reconciliation of Net income to Adjusted EBITDA**

|   | <b>Three months ended</b> |             |
|---|---------------------------|-------------|
|   | <b>March 31</b>           |             |
|   | <b>2020</b>               | <b>2019</b> |
| Net income attributable to Tsakos Energy Navigation Limited | 21,221                    | 11,229      |
| Depreciation and amortization                               | 34,828                    | 35,285      |
| Interest Expense  | 33,593                    | 17,593      |
| Gain on sale of vessel                                      | (1,638)                   | -           |
| Adjusted EBITDA   | \$ 88,004                 | \$ 64,107   |

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 revenue less voyage expenses is divided by the number of operating days less 200 days lost for the first quarter of 2020 and 90 days for the prior year quarter of 2019 as a result of calculating revenue on a loading to discharge basis.

(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.