

# TEN Ltd

## Tsakos Energy Navigation

10<sup>th</sup> Annual Capital Link Forum

October 30<sup>th</sup>, 2008

New York City

Harrys Kosmatos, Senior Manager – Corporate Development



**TNP**  
**LISTED**  
**NYSE.**

# THE PRINCIPLE OF...KISS!



**K**keep  
**I**t  
**S**imple  
**S**tupid

# Corporate Highlights



## HISTORY

- ❑ 15 years of profitable operations (no loss making quarter since inception)
- ❑ Public markets experience: 1993-2005 Oslo Stock Exchange, 2002 New York Stock Exchange
- ❑ Staggering growth: 4 ships in 1993 – 50 today
- ❑ Affiliated to the Tsakos Group – a hands-on traditional ship management company established in 1970

## SCALE

- ❑ One of the largest transporters of energy in the world – Carried 380m barrels of oil in 2007 – the equivalent of 40 days of US imports
- ❑ 50 vessels of 5.3 million dwt (proforma): 25 crude oil carriers + 25 product tankers (incl. one LNG vessel)
  - ❖ 45 operating
  - ❖ 5 under construction
- ❑ Modern diversified fleet: 100% double hull vs. 78% of world fleet – 5.5yrs average age vs. 10.3 of world fleet
- ❑ \$3.0 billion investment in 53 newbuildings since 1997
- ❑ One of the largest ice-class owners in the world (23 ice-class vessels)

## OTHER

- ❑ Significant equity sponsorship by Tsakos interests and management (about 40%)
- ❑ Entry in LNG and exploring investments in the greater energy sector (FPSOs, Drill Ships, Oil Rigs etc.)

# Diversified Fleet



## 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	Arctic	163,216	2007	DH	1A
2	Antarctic	163,216	2007	DH	1A
3	Archangel	163,216	2006	DH	1A
4	Alaska	163,250	2006	DH	1A
5	Eurochampion 2004	164,608	2005	DH	1C
6	Euronike	164,565	2005	DH	1C
7	Triathlon	164,445	2002	DH	
8	Silia T	164,286	2002	DH	
9	Cape Balboa*	164,274	2002	DH	
10	Decathlon	164,236	2002	DH	
<b>AFRAMAX</b>					
1	Uraga Princess	105,000	2010	DH	
2	Ise Princess	105,000	2009	DH	
3	Asahi Princess	105,000	2009	DH	
4	Sapporo Princess	105,000	2009	DH	
5	Maria Princess	105,000	2008	DH	
6	Nikken Princess	105,000	2008	DH	
7	Izumo Princess	104,865	2007	DH	
8	Sakura Princess	104,865	2007	DH	
9	Marathon	107,181	2003	DH	
10	Parthenon	107,081	2003	DH	
11	Opal Queen	107,222	2001	DH	
12	Vergina II	96,709	1991	DH	

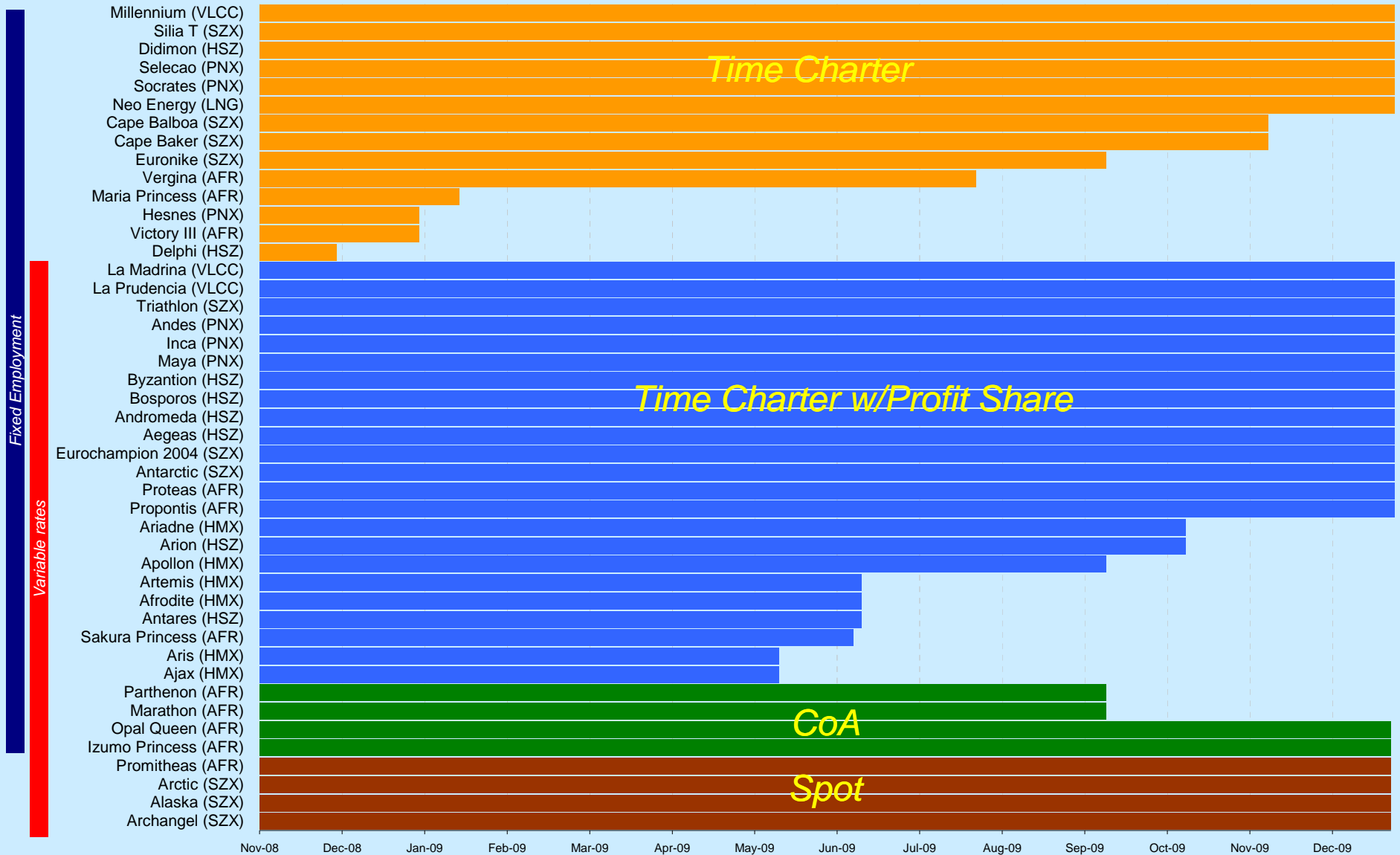
## CLEAN / PRODUCT TANKERS

		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	Selecao	73,800	2008	DH	
2	Socrates	73,800	2008	DH	
3	Maya <sup>(1)</sup>	68,439	2003	DH	
4	Inca <sup>(1)</sup>	68,439	2003	DH	
5	Andes	68,439	2003	DH	
6	Victory III	68,160	1990	DH	1C
7	Hesnes	68,157	1990	DH	1C
<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</b>					
1	Andromeda	37,066	2007	DH	1A
2	Aegeas	36,660	2007	DH	1A
3	Byzantion	37,340	2007	DH	1B
4	Bosporos	37,340	2007	DH	1B
5	Antares	37,061	2006	DH	1A
6	Arion	37,066	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	

\* Chartered-in (option to buy in 2008)

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

# Earnings Visibility (as of October 22, 2008 – variable rates subject to market)



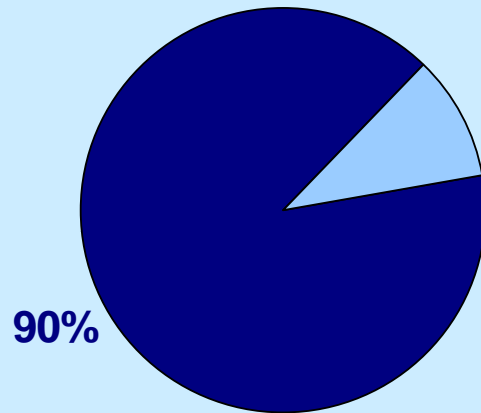
For employment details please go to Appendix 6

# Secured Revenues



(Based on employable days – subject to change based on new vessel deliveries and potential changes in Company's chartering policy)

*2008 (remaining days)*

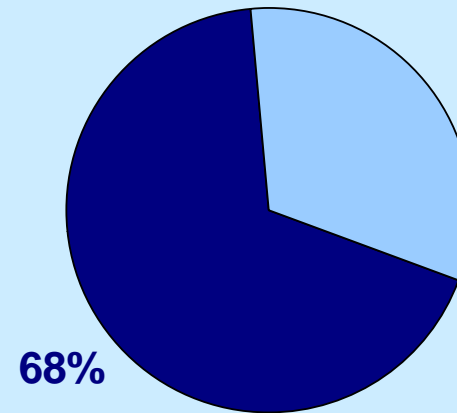


■ Fixed to dated

**Minimum Revenues  
(guaranteed)**

**\$115m**

*2009 (full year)*



■ Fixed to dated

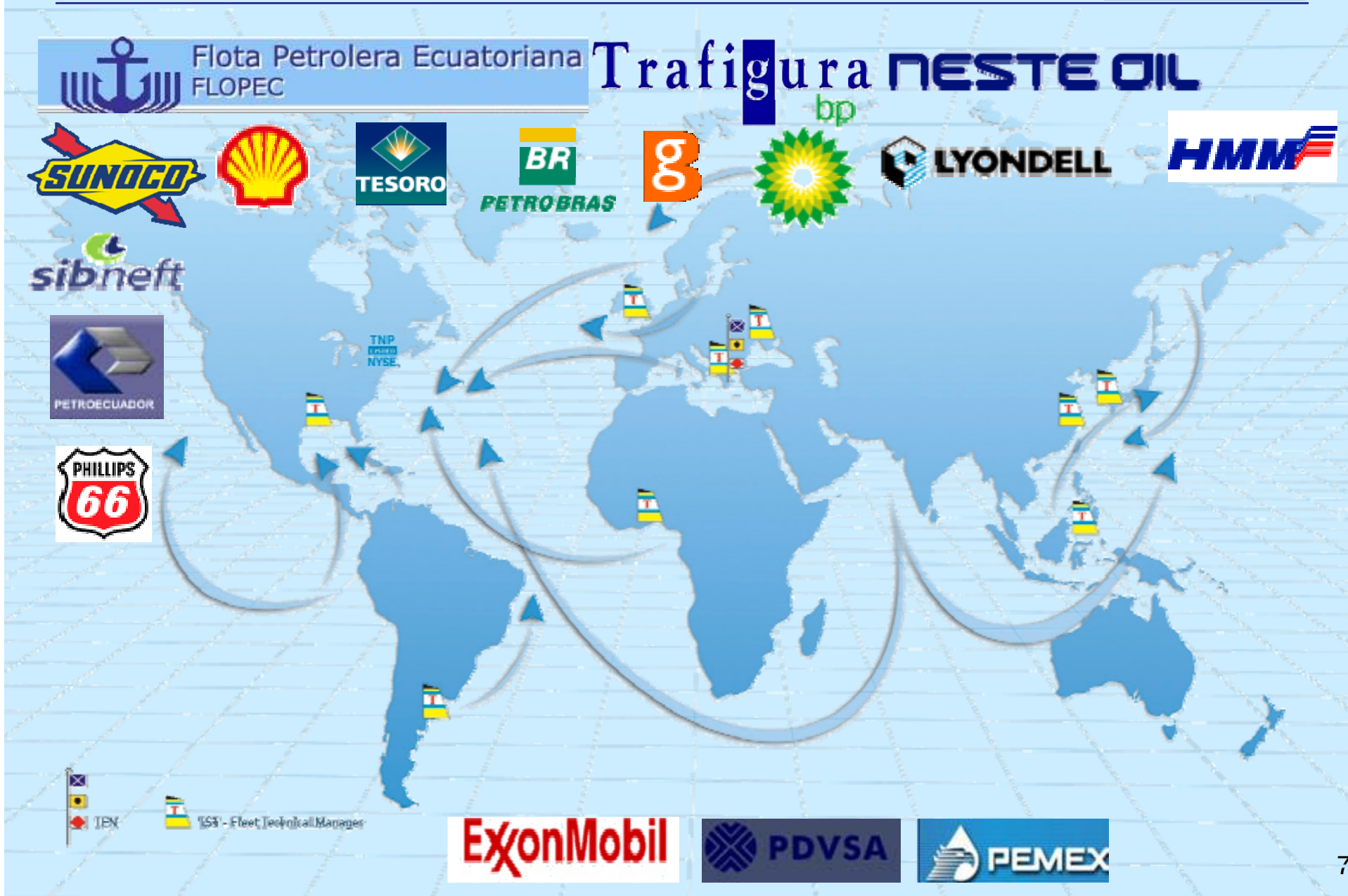
**Minimum Revenues  
(guaranteed)**

**\$280m**

39 vessels with period employment (profit-share vessels only at min. rates) have secured:

*779 months forward coverage (1.7 years per ship) • \$585 million in min. revenues*

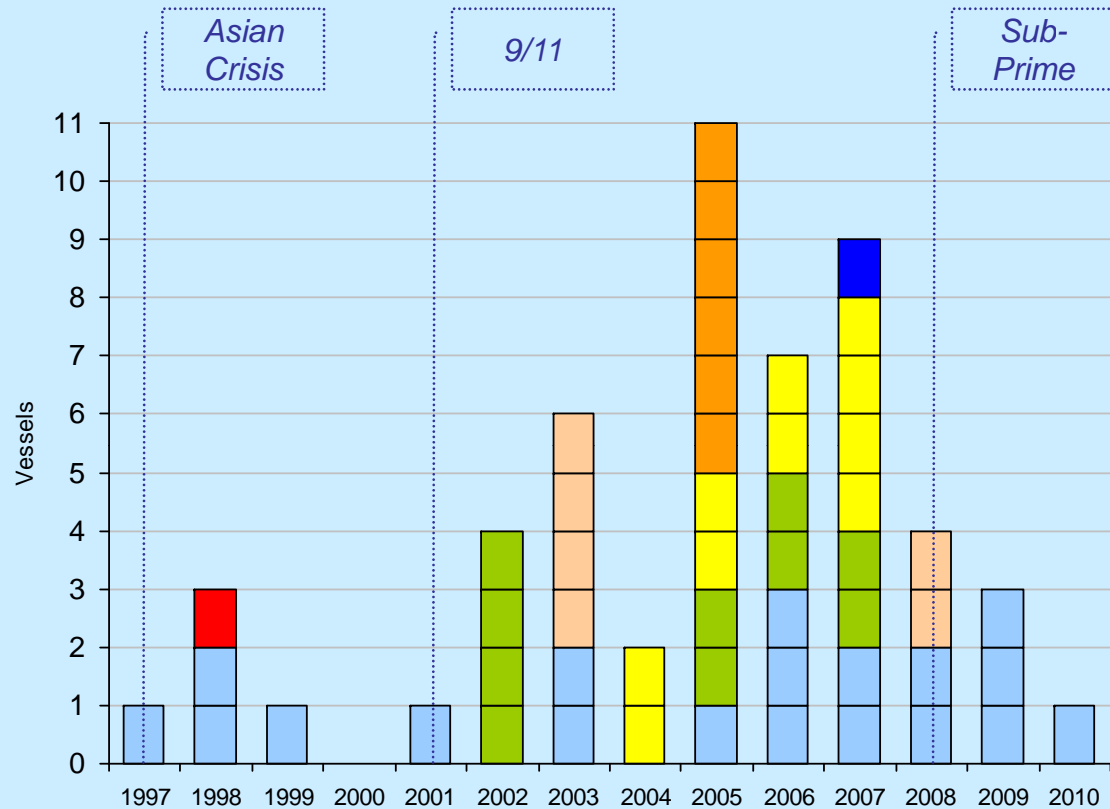
# Global Presence - Blue Chip (Repeat) Clients



# Timely Newbuilding Program



- ❑ Strong relationships with yards in South Korea and Japan
- ❑ Average contract price at significant discount to current NB prices
- ❑ Strong banking relations to finance upcoming deliveries
- ❑ Capacity to take advantage of NB resales if appropriate
- ❑ Newbuildings the backbone of TEN's growth
- ❑ One of the largest newbuilding programs (historically) in the peer group



	Total
Handysize	10 vessels
Handymax	6 vessels
Panamax	6 vessels
Aframax	19 vessels
Suezmax	10 vessels
VLCC	1 vessel
LNG	1 vessel



# S&P Activity – Integral Part of Operations



2004			
	Deliveries & Orders	Sales	Net Growth
Dwt:	1,101,000	205,000	896,000
Av. Age:	5.0	10.0	
Capital Gains:	<b>\$21.31</b>		

2005			
	Deliveries & Orders	Sales	Net Growth
Dwt:	508,500	404,000	104,500
Av. Age:	0.0	14.5	
Capital Gains:	<b>\$45.30</b>		

2006			
	Deliveries & Orders	Sales	Net Growth
Dwt:	1,715,660	216,000	1,499,660
Av. Age:	1.7	14.0	
Capital Gains:	<b>\$63.30</b>		

2007			
	Deliveries & Orders	Sales	Net Growth
Dwt:	645,000	282,000	363,000
Av. Age:	0.0	9.0	
Capital Gains:	<b>\$69.00</b>		

2008 (To date)			
	Deliveries & Orders	Sales	Net Growth
Dwt:	147,600	107,181	40,419
Av. Age:	0.0	8.0	
Capital Gains:	<b>\$34.50</b>		

TOTAL			
	Deliveries & Orders	Sales	Net Growth
Dwt:	4,117,760	1,214,181	2,903,579
Av. Age:	1.7	11.1	
Capital Gains:	<b>\$233.41</b>		



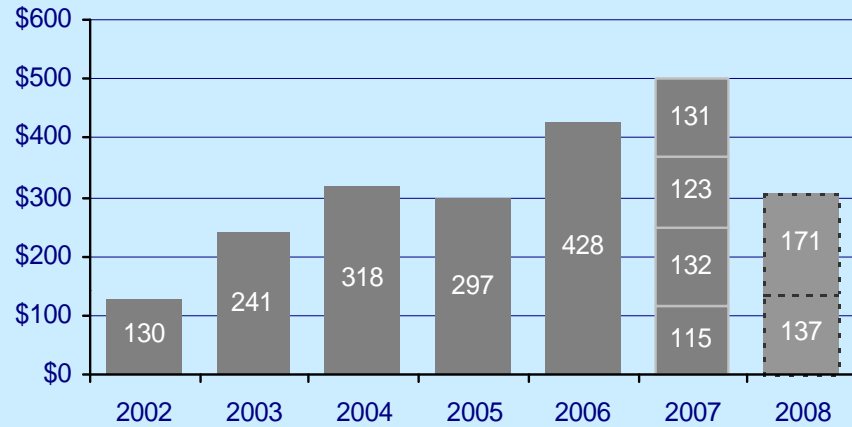
# Financial Highlights



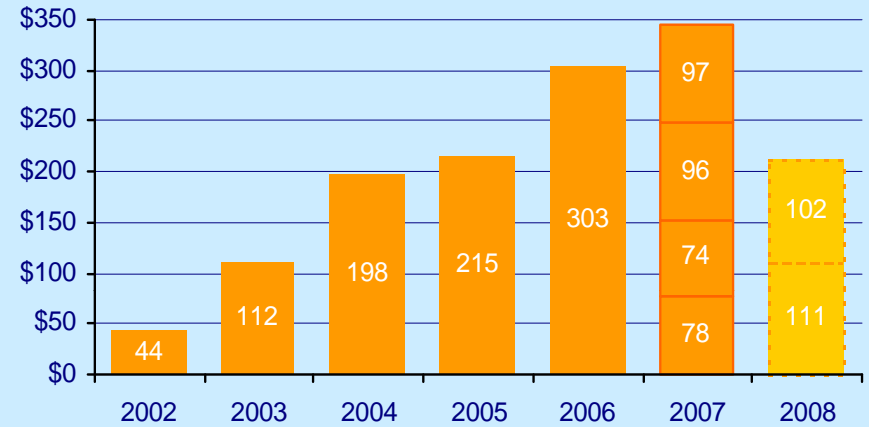
# Strong Performance



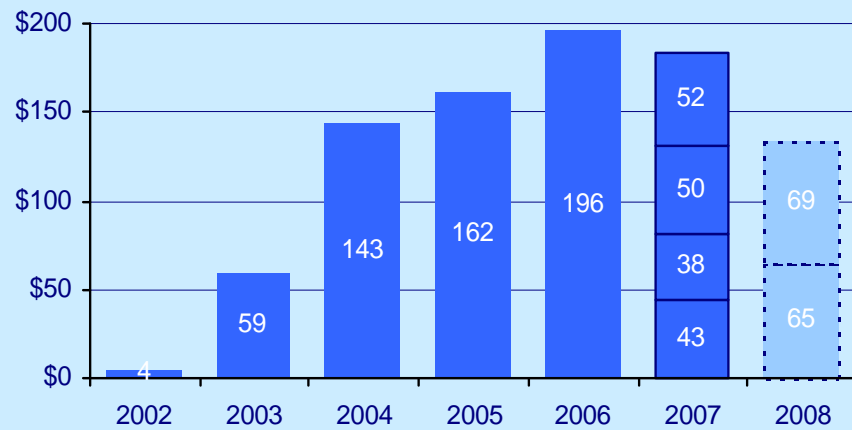
Voyage Revenues (in US\$mill)



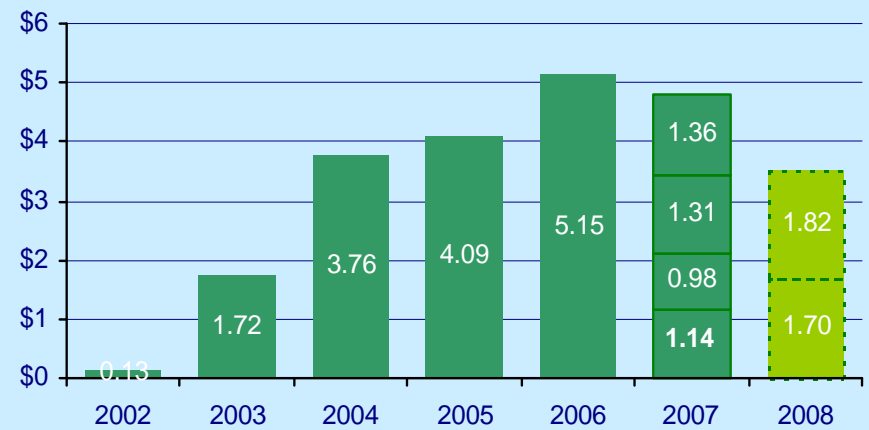
EBITDA (in US\$mill)



Net Income (in US\$mill)



EPS, Diluted



## Strong Balance Sheet



	2005	2006	2007	Q2 2008
<b>Cash &amp; Cash equivalents</b>	\$145,769	\$174,567	\$181,447	\$304,296
<b>Total Current Assets (incl. cash)</b>	\$191,734	\$222,493	\$276,053	\$375,855
<b>Advances for vessels under construction</b>	\$150,428	\$261,242	\$169,739	\$80,837
<b>Vessels' net book value</b>	\$711,362	\$1,458,647	\$1,900,183	\$1,978,037
<b>Total Assets</b>	\$1,089,174	\$1,969,875	\$2,362,776	\$2,453,003
<b>Current portion of long term debt</b>	\$51,496	\$23,117	\$44,363	\$59,885
<b>Total Current Liabilities</b>	\$91,518	\$101,214	\$159,265	\$173,681
<b>Long term debt, net of current portion</b>	\$382,023	\$1,110,544	\$1,345,580	\$1,332,778
<b>Total Stockholders' equity</b>	\$607,186	\$755,489	\$854,540	\$943,622

<b>Total Debt</b>	\$433,519	\$1,133,661	\$1,389,943	\$1,392,663
<b>Net Debt/Cap</b>	32%	56%	59%	54%

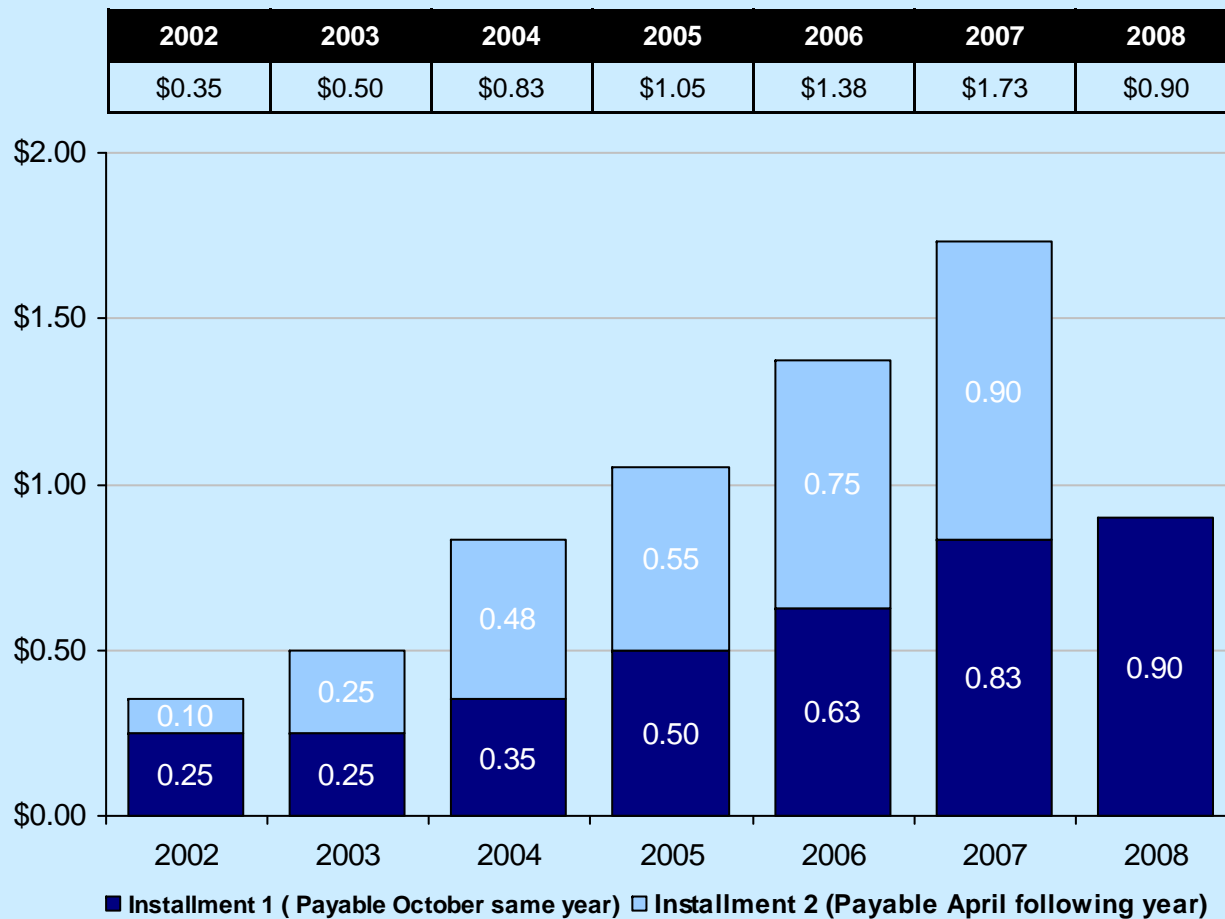
# Additional Shareholder's Value



Numbers reflect 2:1 Stock Split effected on November 15, 2007

## Dividend Policy

- Paid in 2 semi-annual installments
- Between 25-50% of Net Income
- Paid out since 2002 \$6.74 per share (over \$250 million) in total dividends



## Additional Shareholder's Value (cont.)



### Share Buyback

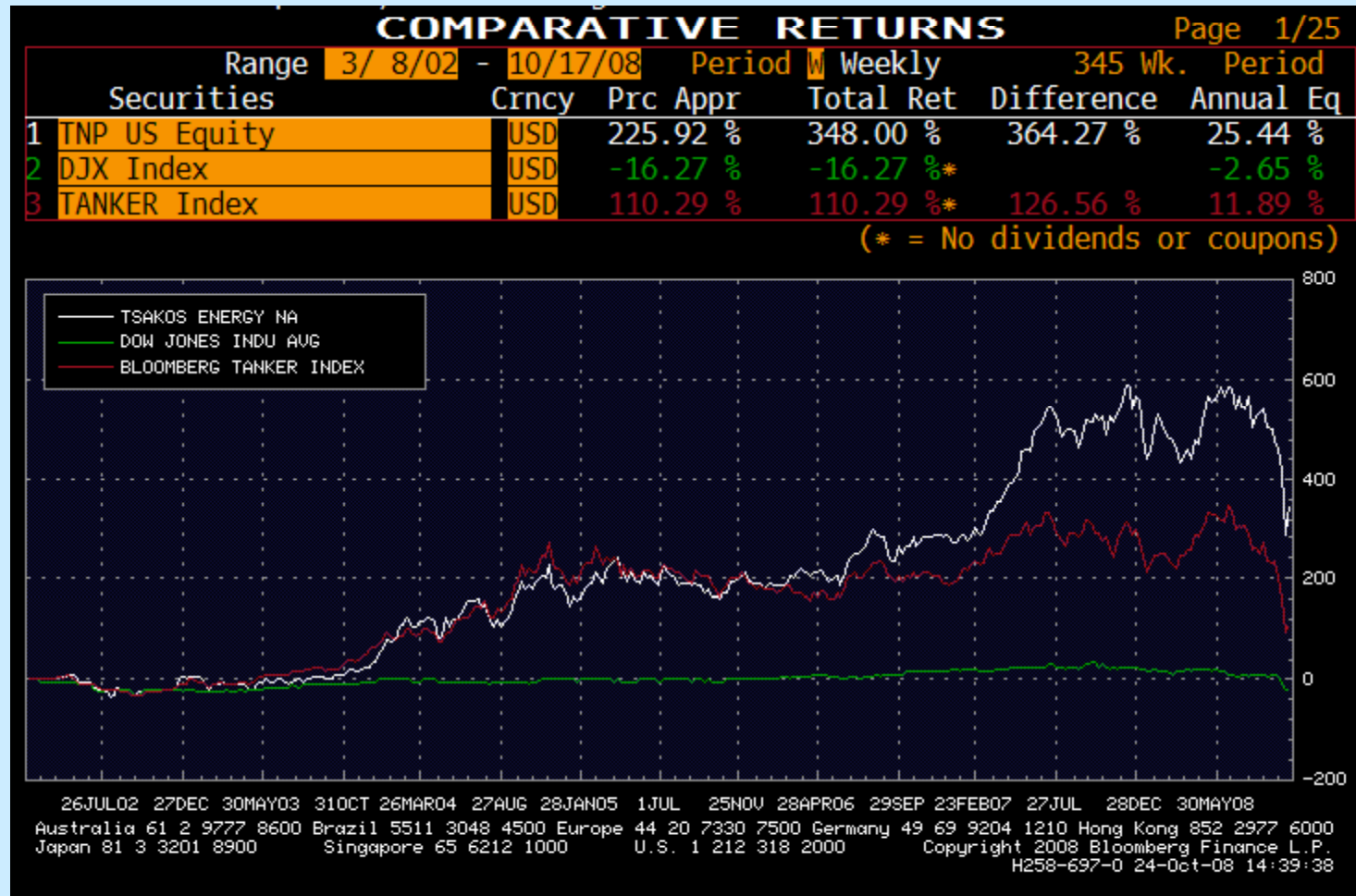
- Since initiation of share repurchase program, TEN has bought: 3,396,580 shares at a cost of \$75.1 million for an average price of **\$22.11/share**
- In 2008 (through October 15), TEN has bought: 1,035,000 shares at a cost of \$30.8 million for an average price of **\$29.70/share**
- Over \$33.1 million remaining capacity

SHARE REPURCHASE PROGRAMS	
Year	Program
1. January 2005	\$8.25 million
2. May 2005	\$20.00 million
3. September 2005	\$40 .00 million
<b>SUB TOTAL:</b>	<b>\$68.25 million</b>
4. September 2008	\$40.00 million
<b>TOTAL:</b>	<b>\$108.25 million</b>

# Market Outperform



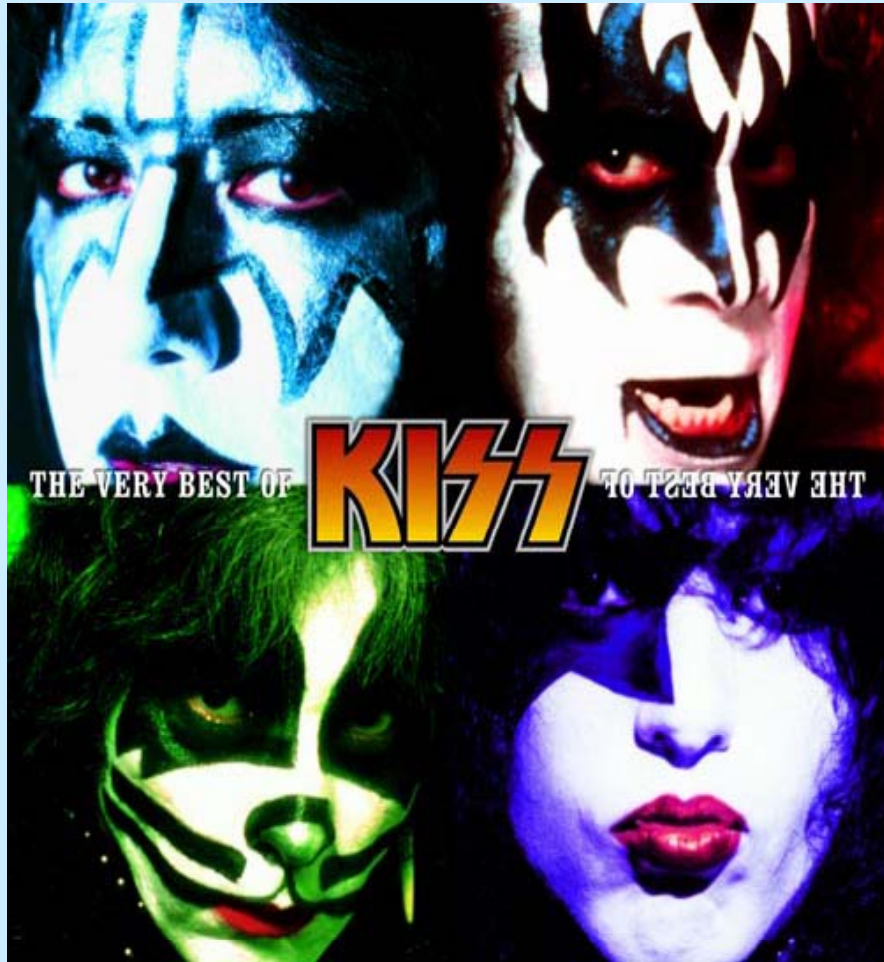
- Total returns to investors who subscribed to the IPO in March 2002 and reinvested their dividends have been 25.4% p.a. compounded. The Bloomberg Tanker Index (TNP, TK, FRO, OSG, GMR) returns were 11.9% while for the Dow Jones they were negative 2.6%



## Why invest in TNP...

- ✓ **Modern & diversified fleet**
  - ✓ **Earnings visibility**
  - ✓ **Growth potential**
  - ✓ **Dividend payments**
  - ✓ **Strong balance sheet**
  - ✓ **Public markets experience**
  - ✓ **Track record - Profitable throughout market cycles**
  - ✓ **Effective cost control**
  - ✓ **Expansion in new energy fields**
  - ✓ **Ice-class capabilities**
  - ✓ **Management largest shareholder**
  - ✓ **Attractive valuations**
- 





# TEN Ltd

**TNP**  
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