



TNP  
LISTED  
NYSE.

TEN Ltd

# Tsakos Energy Navigation



March 2012

# Scale & Diversified Operations



**Crude**

**LNG**

**Product**



**Empire State**  
1,250'

**VLCC**  
1,100'

**Suezmax**  
900'

**Aframax**  
850'

**LNG**  
750'

**Aframax**  
850'

**Panamax**  
750'

**Handymax**  
615'

**Handysize**  
570'

**300,000dwt**

**150,000dwt**

**100,000dwt**

**85,000dwt**

**100,000dwt**

**70,000dwt**

**50,000dwt**

**37,000dwt**

**3**

**12**

**8**

**1**

**3**

**9**

**6**

**8**

# Corporate Highlights – Value Proposition



## HISTORY

- 18 years of profitable operations
- Public markets experience: 1993-2005 Oslo Stock Exchange, 2002 New York Stock Exchange
- Since NYSE listing in 2002: Average ROE 13.6% pa, accumulated Net Income of about \$1bn  
=> Total Capital Gains at \$280 million
- Total Dividends of \$346 million paid since NYSE listing (2Q 2002) – approx. \$1/share average dividend per year
- \$9.225/share in total dividends against an IPO price of \$7.50/share (in 2002)
- Growth: 4 ships in 1993 – 50 today

## SCALE

- One of the largest transporters of energy in the world
  - ❖ Carried 380m barrels of oil in 2011 – the equivalent of about 38 days of current US imports
- 50 vessels of 5.4 million dwt (proforma): 23 crude oil carriers + 27 product tankers (incl. one LNG vessel)
  - ❖ 48 operating
  - ❖ 2 under construction
- Modern diversified fleet: 100% double hull vs. 93% of world fleet – 7.0 yrs average age vs. 8.5 of world fleet
- \$3.2 billion investment in 57 newbuildings since 1997
- One of the largest ice-class owners in the world (21 ice-class vessels)

## VALUE PROPOSITION

- Share price at significant discount to Book Value (\$19.96/share)
- Dividend yield today at about 9.0% - Consistent dividend payments – Dividend sustainability
- Tsakos family, insiders and management control about 40% of the equity

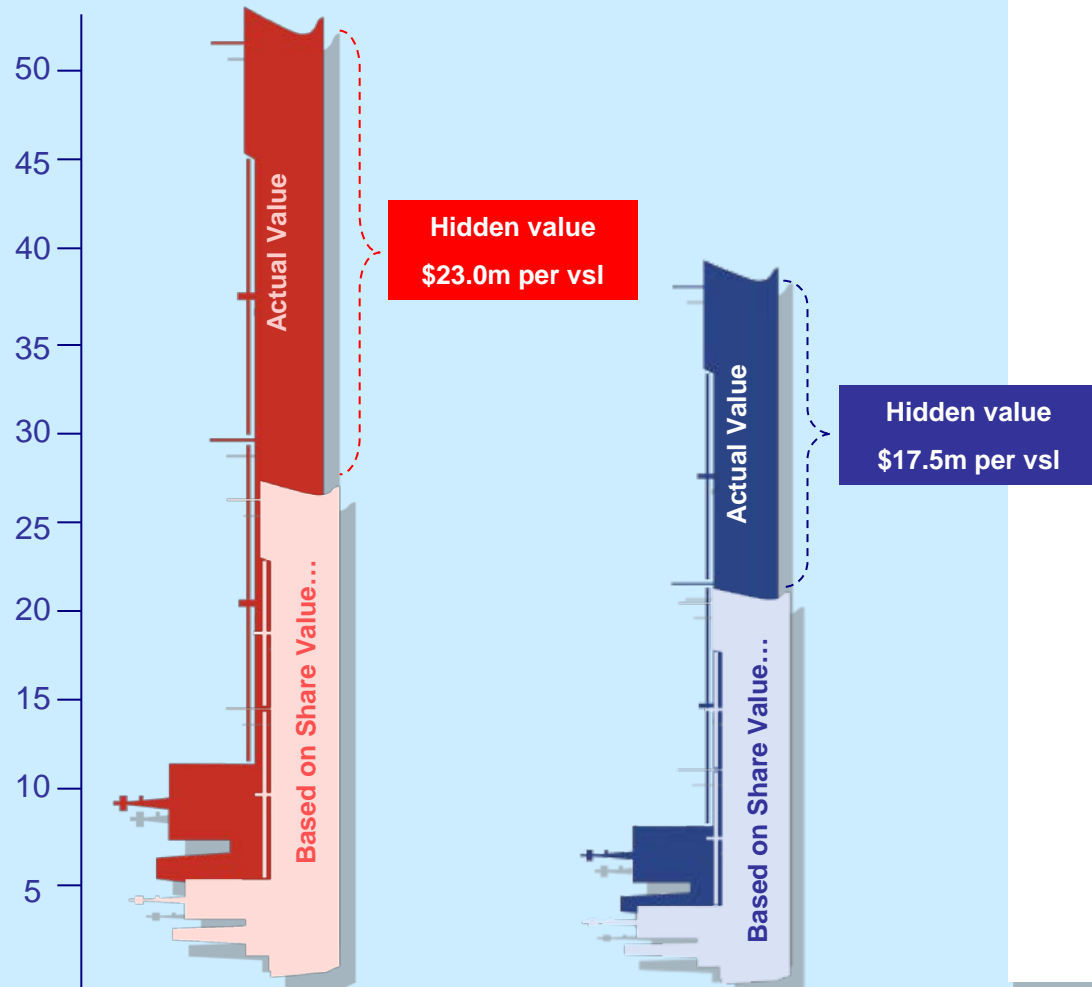
# Hidden Value of TNP stock vs. Actual Market



In USD mill

**SUEZMAX**

**AFRAMAX**



**Market Cap: \$308m**

**Share price at 01/10/11: \$6.71**

**52-wk High (03/22/11): \$11.18**

**52-wk Low (12/30/11): \$4.78**

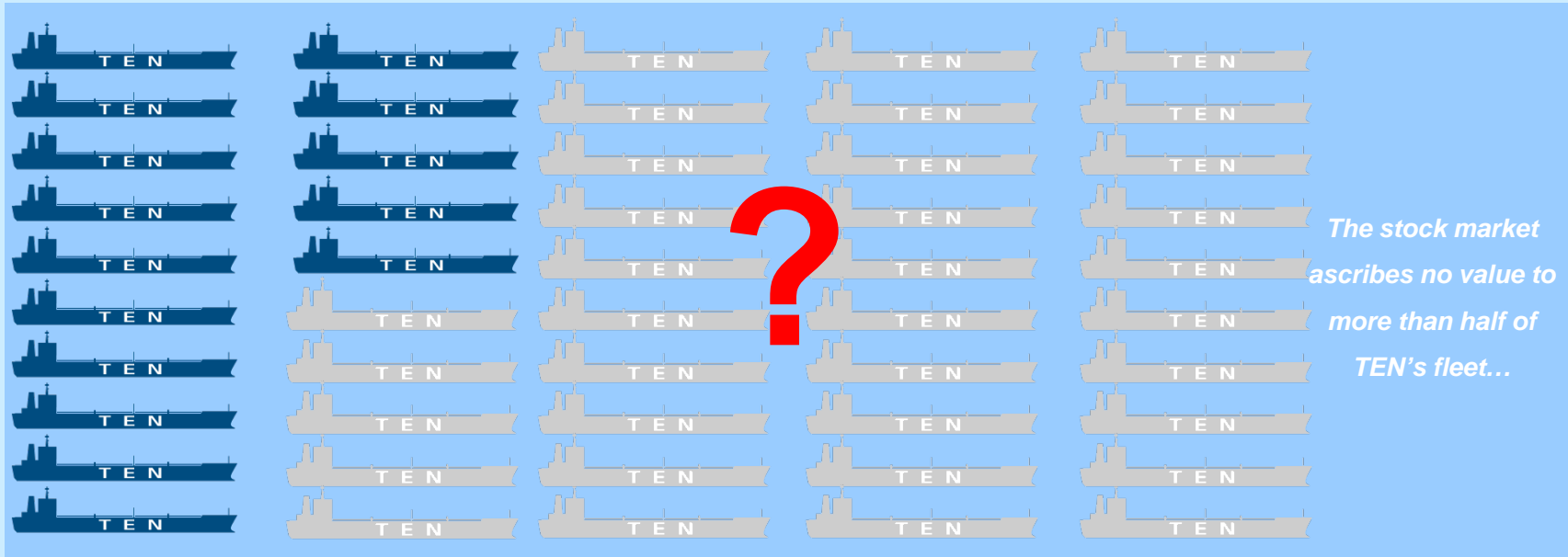
**Discount/Analyst NAV: 40-50%**

- ✓ **Average ROE since 2002: 13.6%**
- ✓ **Consistent dividends**
- ✓ **Versatile / flexible employment**
- ✓ **Active in Sales & Purchase**
  - More than 100 transactions
  - Realizing actual value
  - \$280m in capital gains
- ✓ **Attractive comparison to peer group**

**Pentathlon/Decathlon**  
 Sale Price: \$51.5m each  
 Total Capital Gains: \$6.0m  
 Free Cash: \$101m  
 Total ROI: 56.0%

**Parthenon / Marathon**  
 Sale Price: \$39.0m each  
 Total Capital Gains: \$14.2m  
 Free Cash: \$19.4m  
 Total ROI: 88.2%

# Virtual Reality.....Valuation Imbalance



- Equity value of TEN as of 12/31/10: \$1.0 billion
- Market Cap today: \$245 million
- Market values TNP as a 15-vessel company – 35 modern vessels at NO value

*		Real market values as of 3/15/12	Stock market values as of 3/15/12
LNG	1	\$200m	\$80m
Suezmax	12	\$48m	\$19m
Aframax	11	\$37m	\$15m
Product	23	\$30m	\$12m

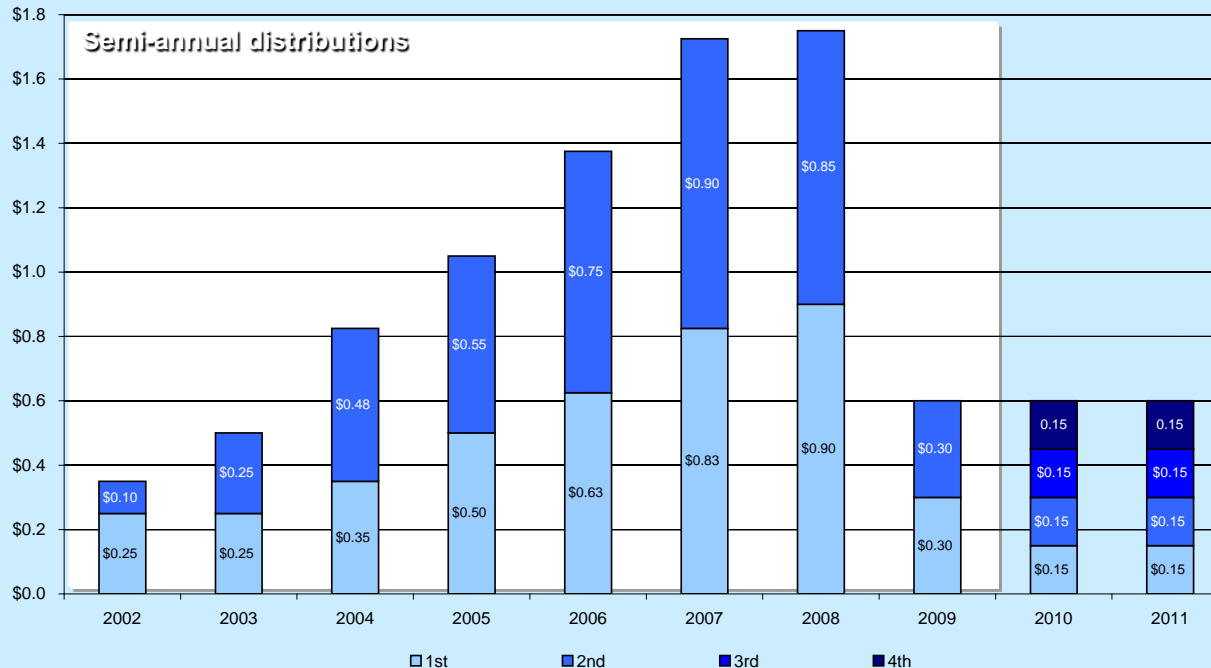
\*All based on Clarkson's 5 year vessels

# Continuous Dividend Payments



On June 4th, 2010 the Board of Directors declared a change in TEN's dividend policy from semi-annual to quarterly payments

- Since initiation of dividend payments and including the recently announced quarterly payment, TEN has distributed a total of \$9.225 per share to its shareholders (IPO price, split adjusted: \$7.50)
- The basis of dividends will continue to target a payout ratio of 25% to 50% of net income subject to maintaining an appropriate level of liquidity as a function of a prudent and strong financial position



# Fleet Operation & Growth

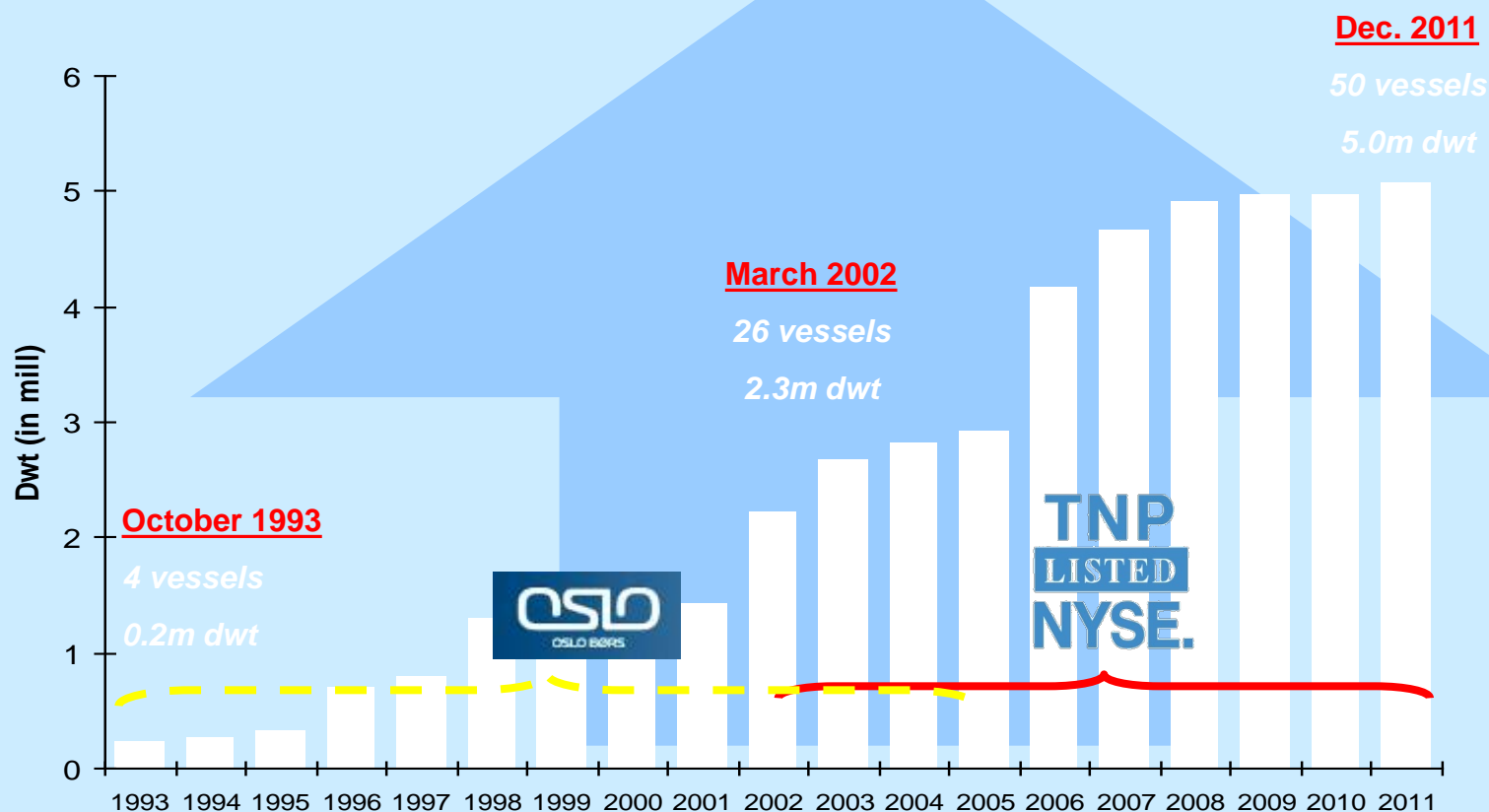


# Timely Fleet Expansion



- 13.6% average ROE pa since 2002 NYSE listing
- A deadweight CAGR of 25% since inception (1993)
- Competitive operating expenses per vessel per day compared to peer group
- Efficient expense maintenance – achieved significant reductions
- Net income of \$3.9m in 2002 (NYSE listing) – record net income \$203m in 2008

=> Accumulated Net Income since NYSE listing close to \$1 billion





# Modern & Diversified Fleet



## 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	World Harmony	74,200	2009	DH	
2	Chantal	74,329	2009	DH	
3	Selini	74,296	2009	DH	
4	Salamina	74,251	2009	DH	
5	Selecao	74,296	2008	DH	
6	Socrates	74,327	2008	DH	
7	Maya <sup>(1)</sup>	68,439	2003	DH	
8	Inca <sup>(1)</sup>	68,439	2003	DH	
9	Andes	68,439	2003	DH	
<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 - MR</b>					
1	Andromeda	37,061	2007	DH	1A
2	Aegeas	37,061	2007	DH	1A
3	Byzantion	37,275	2007	DH	1B
4	Bosporos	37,275	2007	DH	1B
5	Amphitrite	37,061	2006	DH	1A
6	Arion	37,061	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	

## 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	DP2 Shuttle	157,000	2013	DH	
2	DP2 Shuttle	157,000	2013	DH	
3	Spyros K	158,000	2011	DH	
4	Dimitris P	158,000	2011	DH	
5	Arctic	163,216	2007	DH	1A
6	Antarctic	163,216	2007	DH	1A
7	Archangel	163,216	2006	DH	1A
8	Alaska	163,250	2006	DH	1A
9	Eurochampion 2004	164,608	2005	DH	1C
10	Euronike	164,565	2005	DH	1C
11	Triathlon	164,445	2002	DH	
12	Silia T	164,286	2002	DH	
<b>AFRAMAX</b>					
1	Uruga Princess	105,344	2010	DH	
2	Sapporo Princess	105,354	2010	DH	
3	Asahi Princess	105,372	2009	DH	
4	Ise Princess	105,361	2009	DH	
5	Maria Princess	105,346	2008	DH	
6	Nippon Princess	105,392	2008	DH	
7	Izumo Princess	105,374	2007	DH	
8	Sakura Princess	105,365	2007	DH	

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

# Blue-Chip Clientele – Repeat Business

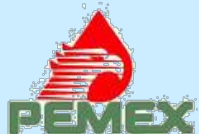


**NESTE OIL**

**Trafigura**

**ExxonMobil**

**ConocoPhillips**

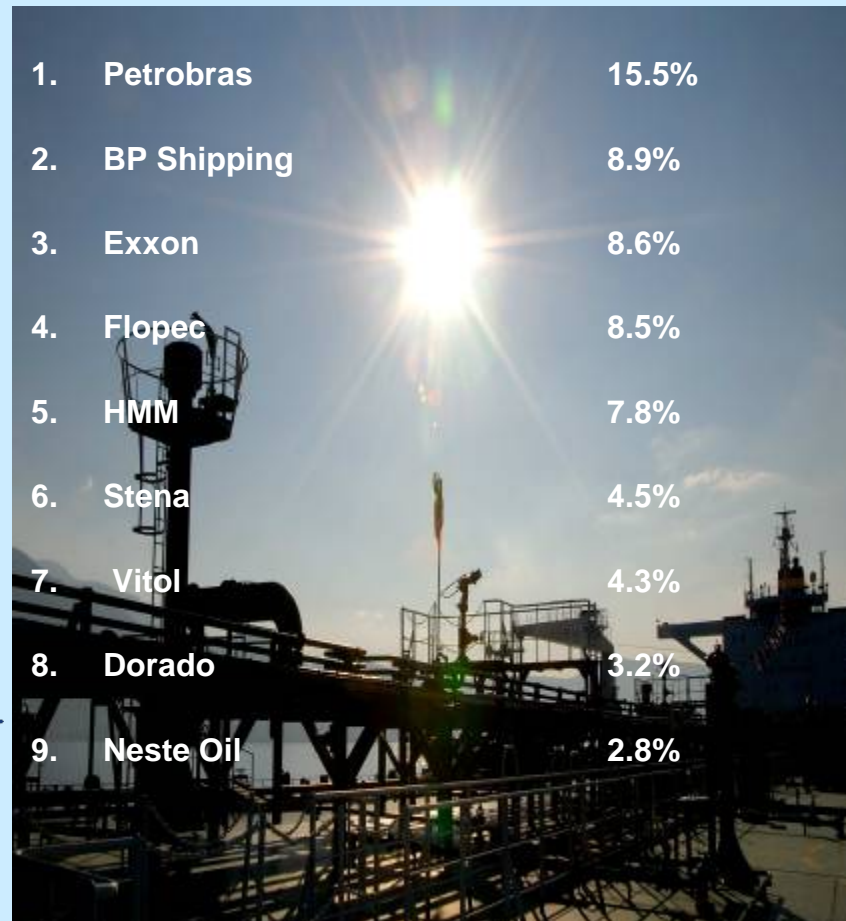


BG GROUP

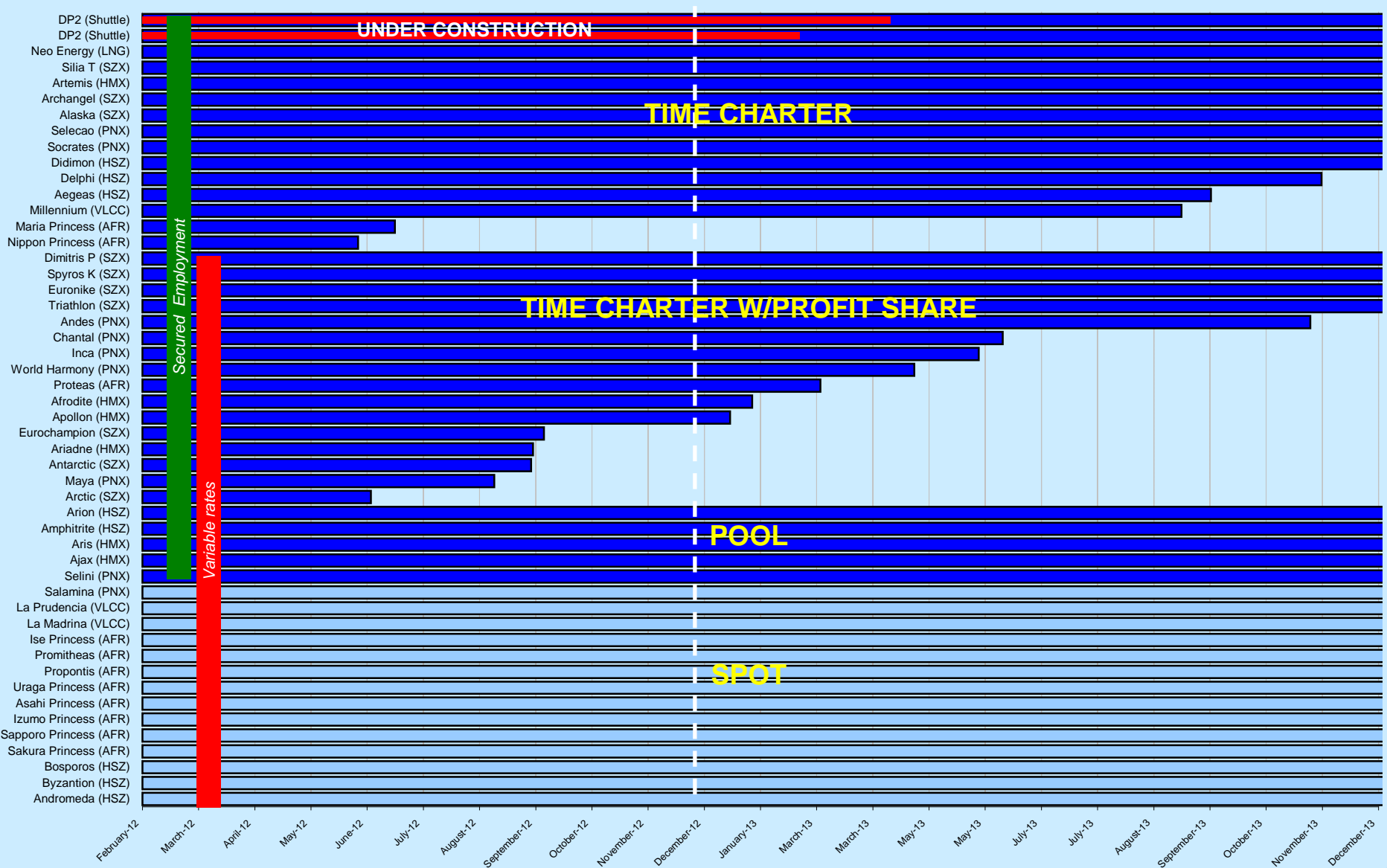


## TOP CLIENTS (2010) - IN TERMS OF REVENUES

1.	Petrobras	15.5%
2.	BP Shipping	8.9%
3.	Exxon	8.6%
4.	Flopec	8.5%
5.	HMM	7.8%
6.	Stena	4.5%
7.	Vitol	4.3%
8.	Dorado	3.2%
9.	Neste Oil	2.8%



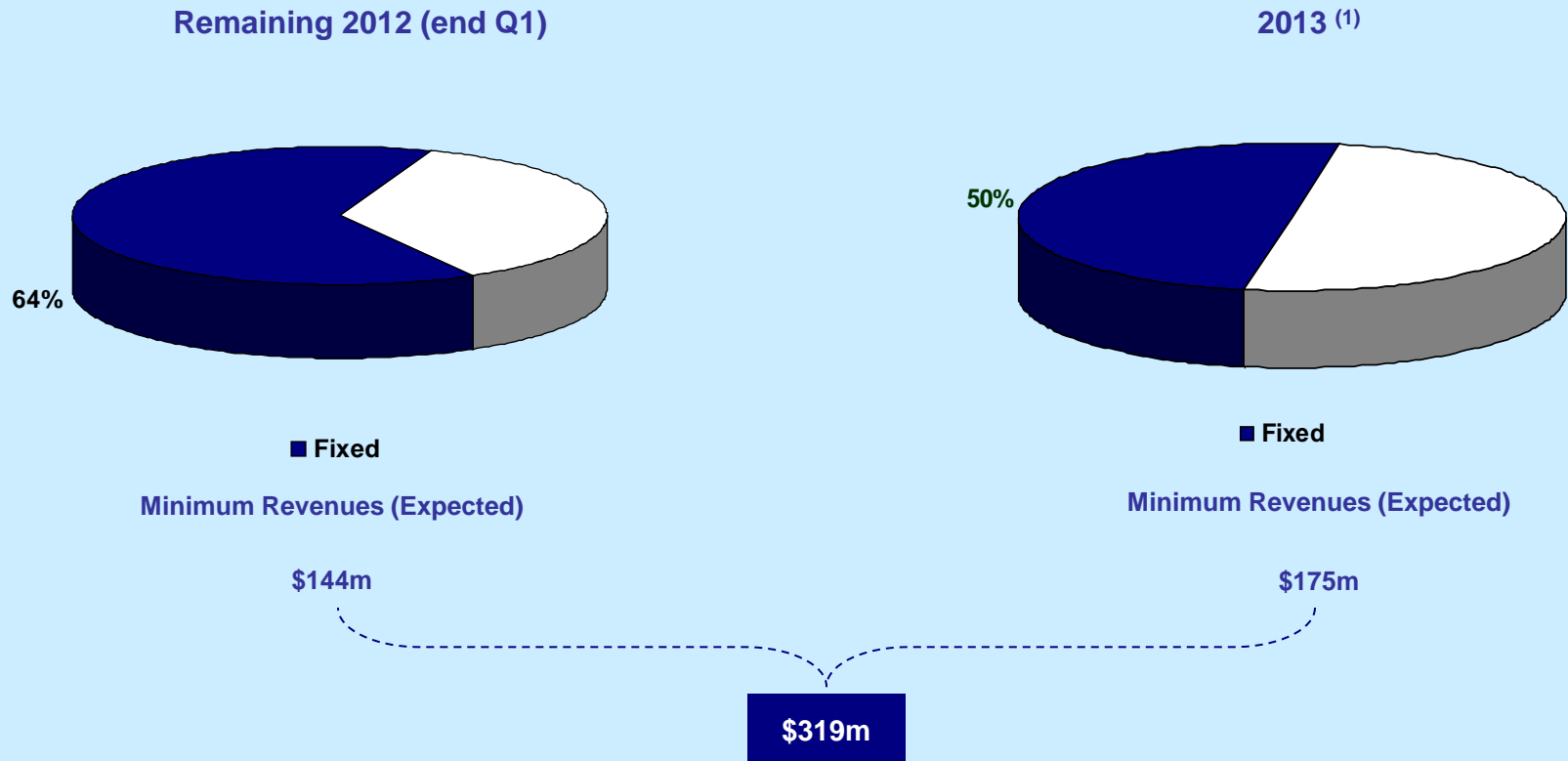
# Earnings Visibility (as of Mar. 2012 – variable rates subject to market)



# Secured Revenues (TC, TC w/PS, Pool)



Based on employable dates and includes vessels time charter, pools – subject to change based on new deliveries and potential changes in TEN's chartering policy



As of March. 15, 2012 29 vessels with time charter employment only (profit-share vessels at min. rates) have secured:

**773 months forward coverage - \$537m in minimum gross revenues**

**Total Fixed Fleet Average Employment: 2.2 years**

(1) Includes delivery and employment of two DP2 Shuttle tankers currently under construction. The first from Feb 2013 and the second from April 2013

# S&P Activity - Integral Part of Operations



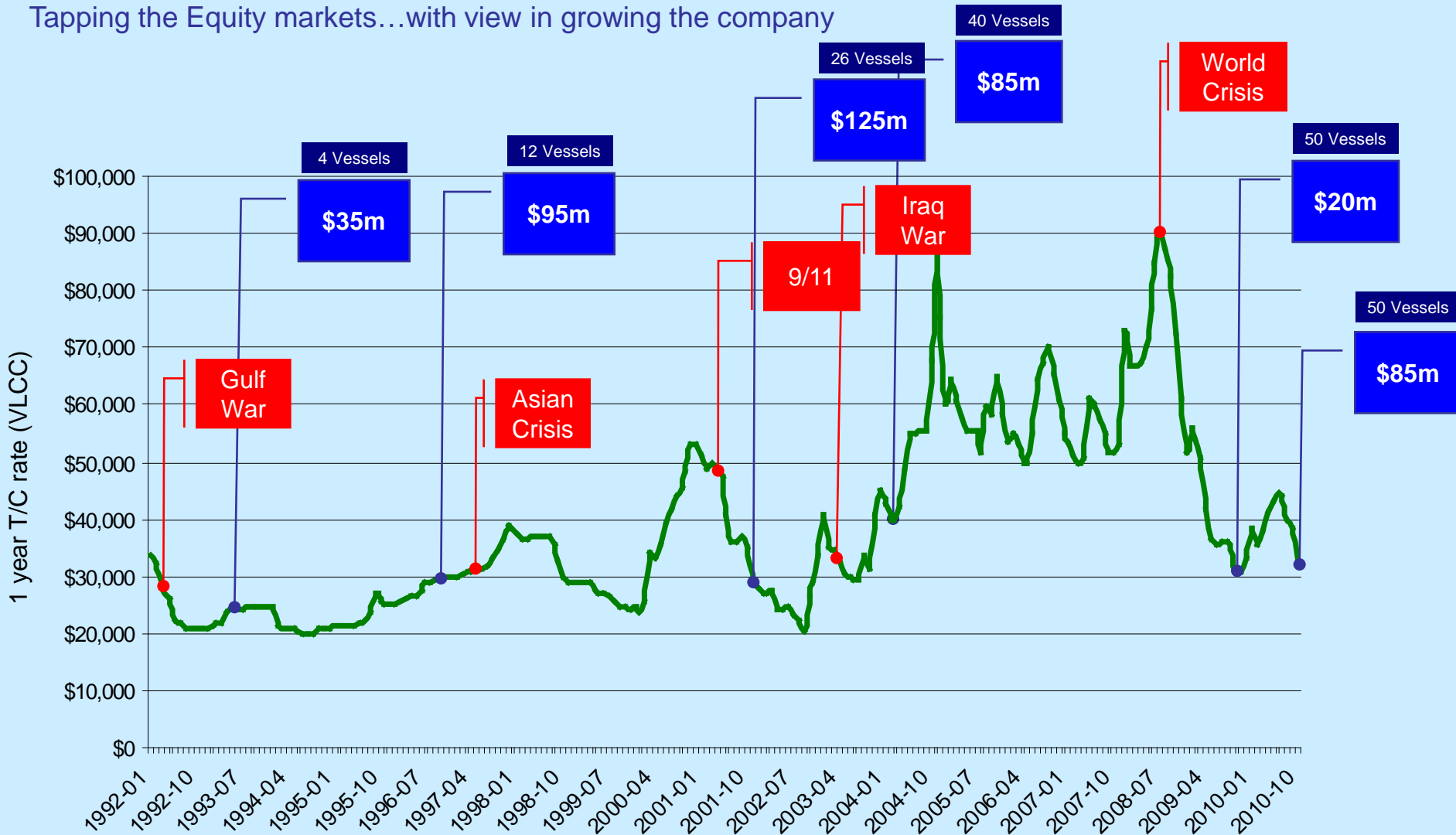
- Sale & Purchase activity integral to operations – Close to 100 transactions - realizing actual value
- Since 2003 TEN has generated capital gains from its sale & purchase activity close to \$280 million
- \$29 million average per year in capital gains since NYSE listing in 2002
- Unprecedented fleet growth
- Maintain fleet modernity
- Sale & Purchase activity integral to operations
- On average approximately 27% of net income in capital gains



# Strategic Growth in Challenging Times



Tapping the Equity markets...with view in growing the company



Taking advantage of tanker lows....

# Financial Highlights



TEN LTD

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# Strong Profitability



In US\$ million except per share and vessel data. Numbers reflect 2:1 Stock Split effected on November 15, 2007

<i>Expressed in million US dollars</i>	2004	2005	2006	2007	2008	2009	2010	2011
<b>Av. Number of Vessels</b>	27.3	26.1	33.8	41.7	44.1	46.6	46.1	<b>47.8</b>
<b>Total Revenues</b>	\$318	\$296	\$428	\$501	\$623	\$445	\$408	<b>\$395</b>
<b>TCE Revenues, net <sup>(1)</sup></b>	\$276	\$260	\$359	\$429	\$540	\$368	\$322	<b>\$381</b>
<b>Net Income</b>	\$143.3	\$161.8	\$196.4	\$183.2	\$202.9	\$28.7	\$19.8	<b>\$(89.5)</b>
<b>Capital Gains</b>	\$21	\$45	\$63	\$69	\$35	\$5.1	\$19.7	<b>\$5.0</b>
<b>EPS, diluted</b> (split adjusted)	\$3.76	\$4.09	\$5.15	\$4.79	\$5.33	\$0.77	\$0.50	<b>\$(1.94)</b>
<b>W/Av. Shares Out. diluted</b>	38.2	39.6	38.1	38.2	38.0	37.2	39.6	<b>46.1</b>
<b>ROE</b>	45.5%	31.1%	32.3%	24.8%	23.7%	3.2%	2.2%	<b>-8.8%</b>
<b>EBITDA <sup>(2)</sup></b>	\$198	\$215	\$303	\$345	\$377	\$176	\$179	<b>\$104</b>

<sup>(1)</sup> TCE = Revenues less voyage expenses (bunkers, port expenses, canal dues)

<sup>(2)</sup> EBITDA = Net Income + Interest and Finance Cost + Depreciation + Amortization. 2011 EBITDA adds back impairment charges



# Strong Balance Sheet



*Expressed in million US dollars*

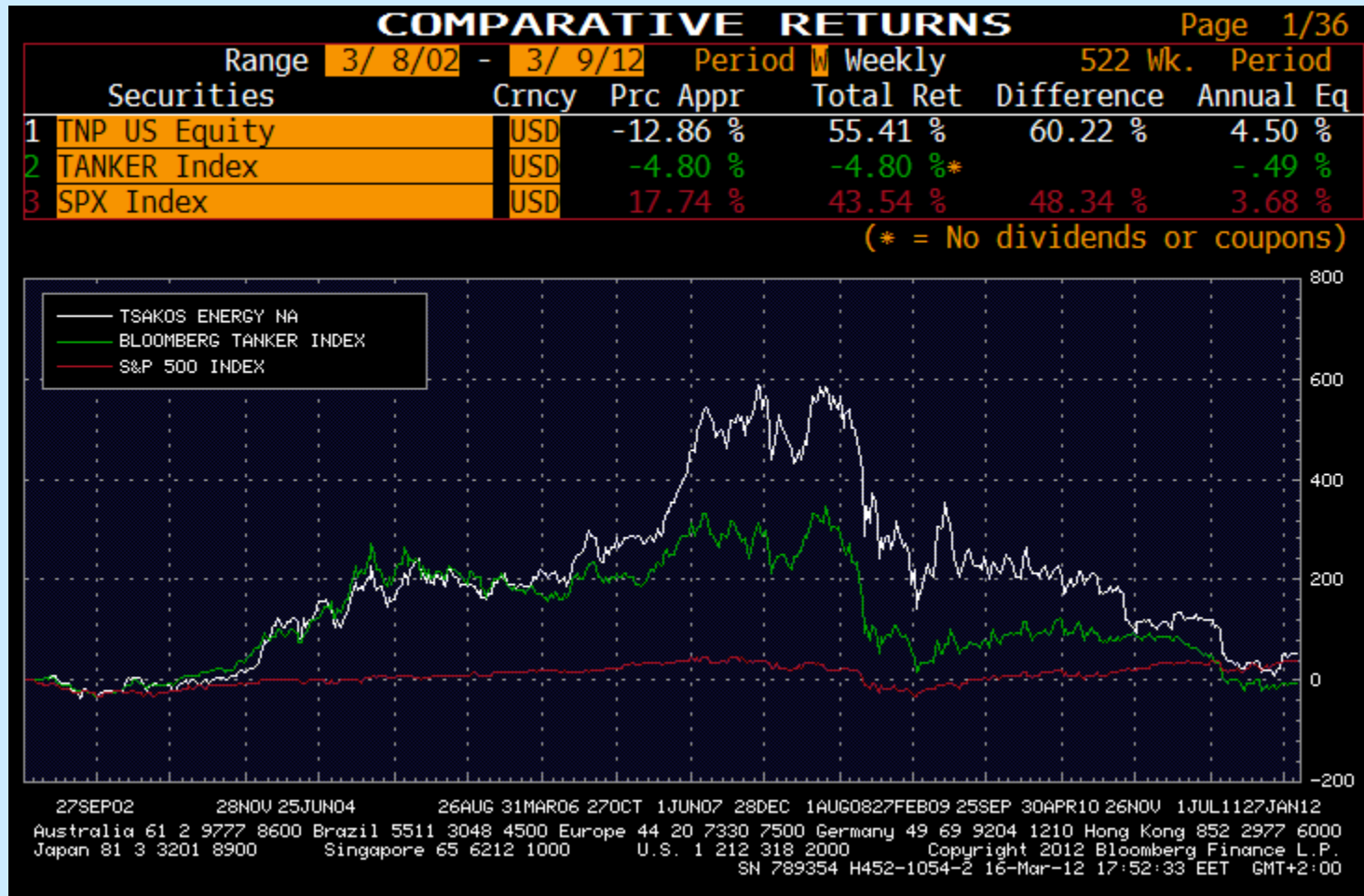
	2005	2006	2007	2008	2009	2010	2011
<b>Cash &amp; Cash equivalents</b>	\$146	\$175	\$181	\$312	\$296	\$277	<b>\$176</b>
<b>Total Current Assets (incl. cash)</b>	\$192	\$223	\$276	\$371	\$472	\$367	<b>\$288</b>
<b>Advances for vessels under construction</b>	\$150	\$261	\$170	\$54	\$49	\$82	<b>\$38</b>
<b>Vessels' net book value</b>	\$711	\$1,458	\$1,900	\$2,155	\$2,009	\$2,235	<b>\$2,302</b>
<b>Total Assets</b>	\$1,090	\$1,970	\$2,363	\$2,602	\$2,550	\$2,702	<b>\$2,538</b>
<b>Current portion of long term debt</b>	\$51	\$23	\$44	\$92	\$173	\$134	<b>\$188</b>
<b>Total Current Liabilities</b>	\$92	\$101	\$132	\$190	\$264	\$223	<b>\$271</b>
<b>Long term debt, net of current portion</b>	\$382	\$1,111	\$1,346	\$1,423	\$1,330	\$1,429	<b>\$1,327</b>
<b>Total Stockholders' equity</b>	\$607	\$755	\$858	\$915	\$914	\$1,013	<b>\$922</b>

<b>Total Debt</b>	\$434	<b>\$1,134</b>	\$1,390	\$1,514	\$1,503	\$1,562	<b>\$1,515</b>
<b>Net Debt/Cap</b>	32%	56%	59%	57%	57%	56%	56%

# Market Outperform



- Total returns to investors who subscribed to the IPO in March 2002 and reinvested their dividends have been 4.5% p.a. compounded. The Bloomberg Tanker Index (TNP, TK, FRO, NAT, OSG, GMR) returns were -0.5% while for the S&P Index stood at 3.7%



# Why is TNP Different...

- ✓ Attractive stock valuation
- ✓ Modern & diversified tanker fleet
- ✓ No Greek country risk
- ✓ Earnings visibility
- ✓ Strong balance sheet
- ✓ Easy to analyze
- ✓ Track record - Profitable throughout market cycles
- ✓ Growth potential
- ✓ LNG Exposure
- ✓ Dividend payments
- ✓ Public markets experience
- ✓ Ice-class capabilities
- ✓ Management largest shareholder



# TEN Ltd

TNP  
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NYSE



## TEN LTD

### TSAKOS ENERGY NAVIGATION LTD

TNP  
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TNP

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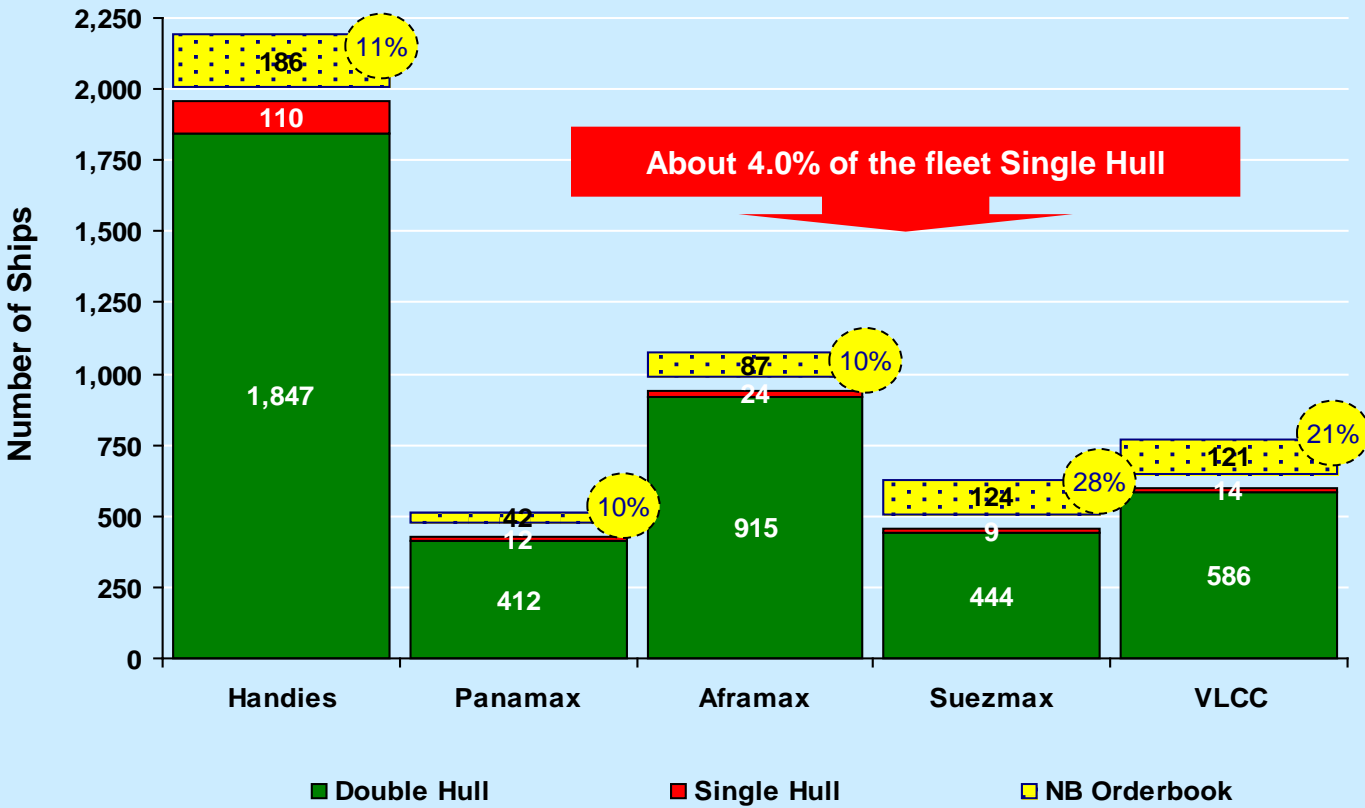
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# Recent Chartering Activity



- Above charters are expected to generate over \$800 million in total gross revenues over respective employments....

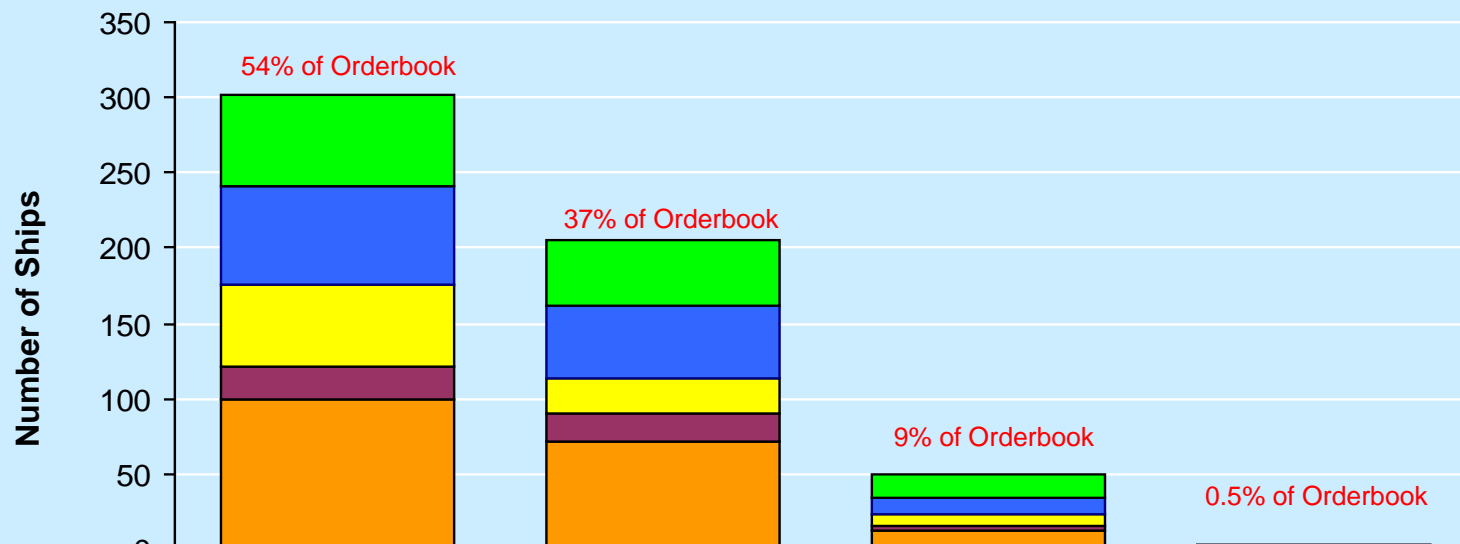
# World Fleet Breakdown (By Vessel Type)



Source: Clarkson Research Studies, Oil & Tanker Trades Outlook – February 2012  
For vessels over 30,000dwt

- Net fleet increase in the next four years at about 5.0% pa
- 169 single-hull vessels (263 vessels over 20 years of age) in a total fleet of 4,204
- Single-hull vessels not scrapped could be converted to FPSO units or operate in coastal regions
- Scrapping backlog – Past healthy freight market dissuaded owners from scrapping older vessels

# Newbuilding Orderbook (Delivery Schedule)



	2012 (Feb)	2013	2014	2015
VLCC	61	45	14	1
Suezmax	65	48	11	
Aframax	55	23	9	
Panamax	22	18	2	
Handysize	99	72	13	2

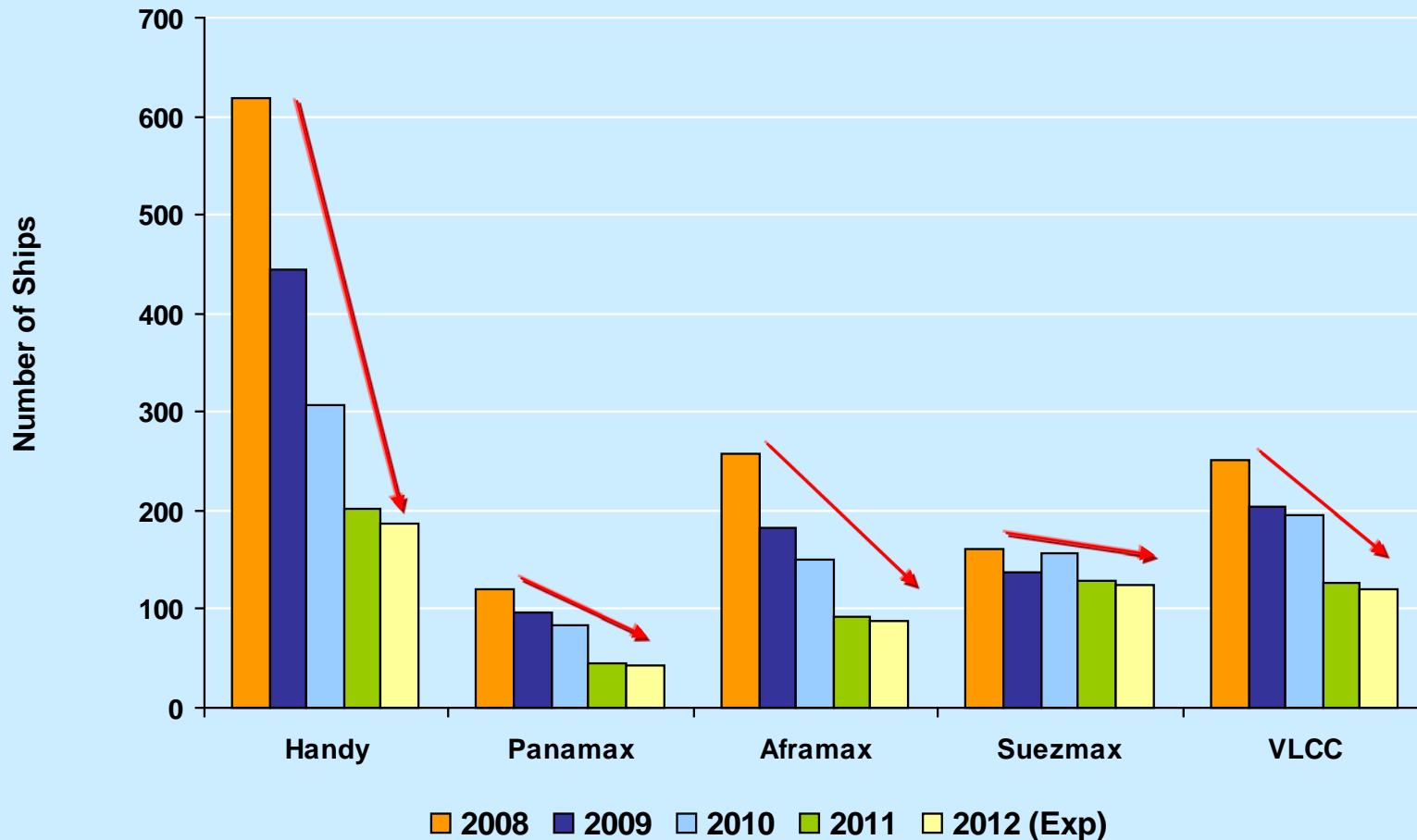
Total NBs	Total S/Hs
121	14
124	9
87	24
42	12
186	110
<b>560</b>	<b>169</b>

■ Handysize   
 ■ Panamax   
 ■ Aframax   
 ■ Suezmax   
 ■ VLCC

# Newbuilding Orderbook on a Downward Trend



- In Feb. 2012 the Orderbook stood at 13% of the fleet
- At November 2011 it stood at 15%





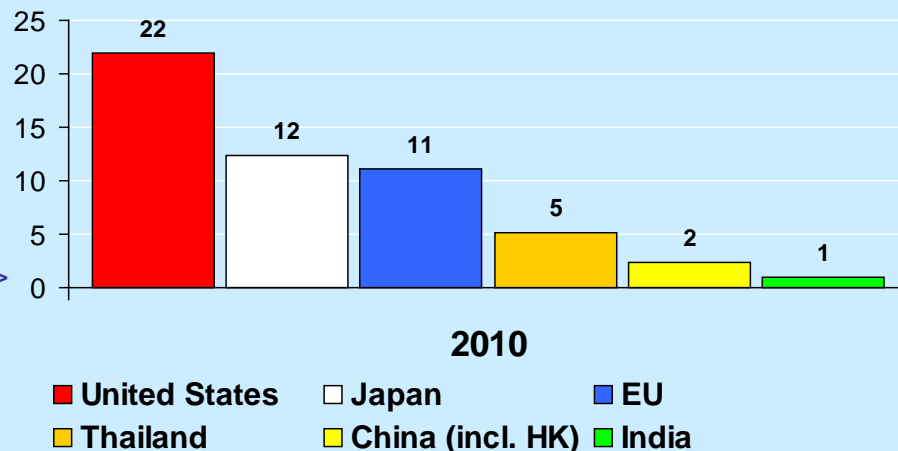
# Demand (today) – Positive Long-Term Outlook



- Tremendous potential of China and India with a combined population of 2.5 billion in a world of 6.5 billion. Their per capita oil consumption is at extremely low levels and have already embarked on an aggressive industrialization program
- If China reaches the same levels of consumption per capita as Thailand, Chinese oil demand (based on existing population) would rise to 18 mbpd, an increase of 10 mbpd from current levels
- IEA expects demand for oil to continue its recovery in 2012 => 89.9 mbpd +0.8 mbpd over 2011 or 0.9% increase
- OPEC crude supply (at 31.4 mbpd at the highest level since 2008)
- Crude oil storage due to oil contango although narrow at present (in VLCCs, Suezmaxes and Aframax) could be a swing factor
- IMF revised world GDP growth in 2011, 2012 and 2013, 3.8%, 3.3% and 3.9% respectively

## BARRELS OF OIL PER CAPITA PER ANNUM

(Source: BP Statistical Review of World Energy June 2010)

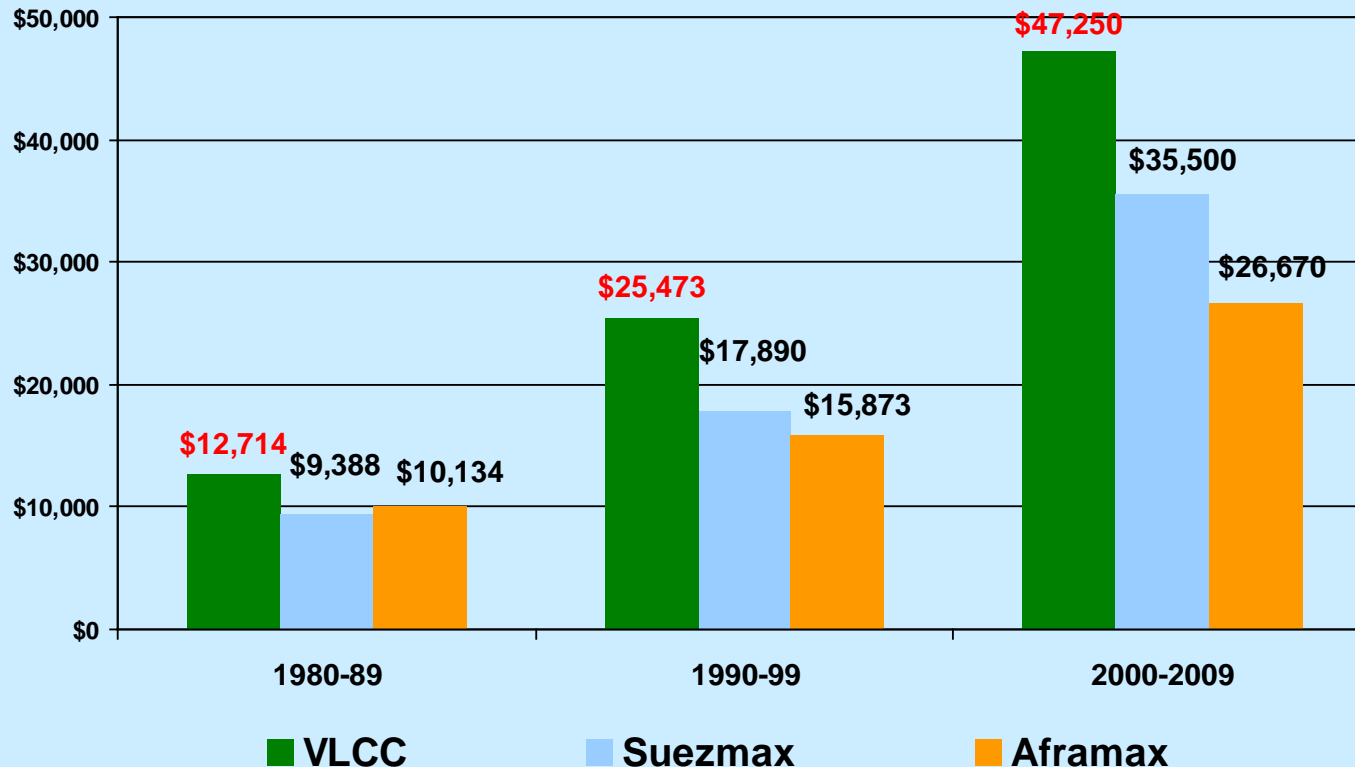


GLOBAL OIL DEMAND			
Year	Demand	YoY Change	% Change
2006	85.3 mbpd	+1.1 mbpd	+1.3%
2007	87.0 mbpd	+1.7 mbpd	+2.0%
2008	86.4 mbpd	-0.6 mbpd	-0.7%
2009	85.1 mbpd	-1.3 mbpd	-1.5%
2010	88.3 mbpd	+3.2 mbpd	+3.7%
2011	89.2 mbpd	+0.2 mbpd	+0.9%
2012 (est)	89.9 mbpd	+0.8 mbpd	+0.9%

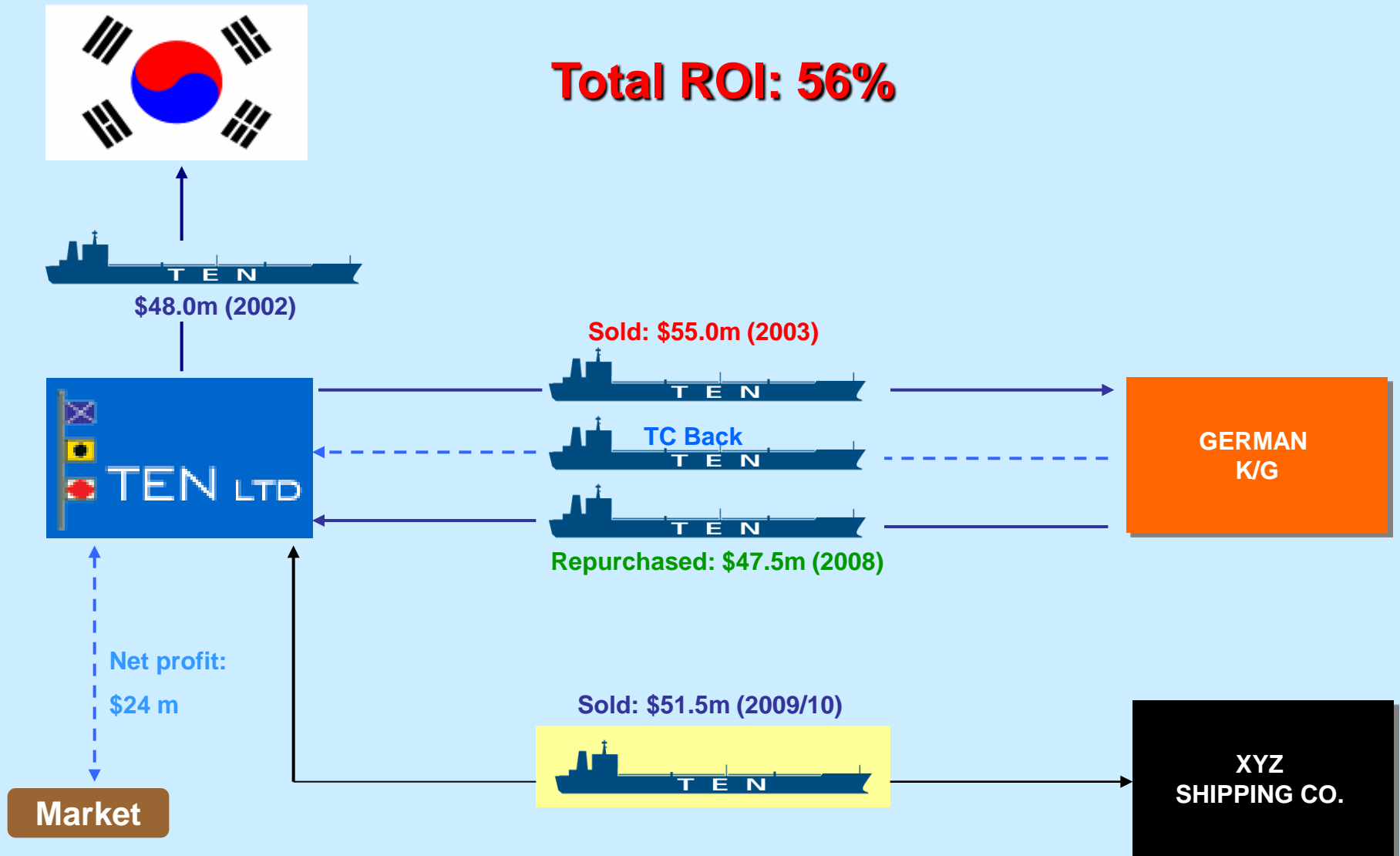
# Historical Healthy Operating Environment



- Structural changes and improved ship designs have led to higher base rates over the last three decades
- Flight to quality has raised the floor for double hull tankers
- TEN's modern double-hull fleet on the forefront of reaping the rewards



# Decathlon / Pentathlon Case Study





This presentation may contain forward-looking statements that are not based on historical fact, including without limitation, statements containing the words “expects,” “anticipates,” “intends,” “plans,” “believes,” “seeks,” “estimates” and similar expressions. Because these forward-looking statements involve known and unknown risks and uncertainties, there are important factors that could cause actual results, events or developments to differ materially from those expressed or implied by these forward-looking statements. Such factors include those risks described from time to time in Tsakos Energy Navigation Ltd’s (TEN) filings with the Securities and Exchange Commission, including, without limitation, the risks described in TEN’s most recent Annual Report on Form 20-F on file with the Securities and Exchange Commission. These factors should be considered carefully and you are cautioned not to place undue reliance on such forward-looking statements. All information is current as of the date of this presentation, and TEN undertakes no duty to update this information.

