



**TEN LTD**

**Q3 & 9mo 2020 Earnings Presentation**

November 23, 2020

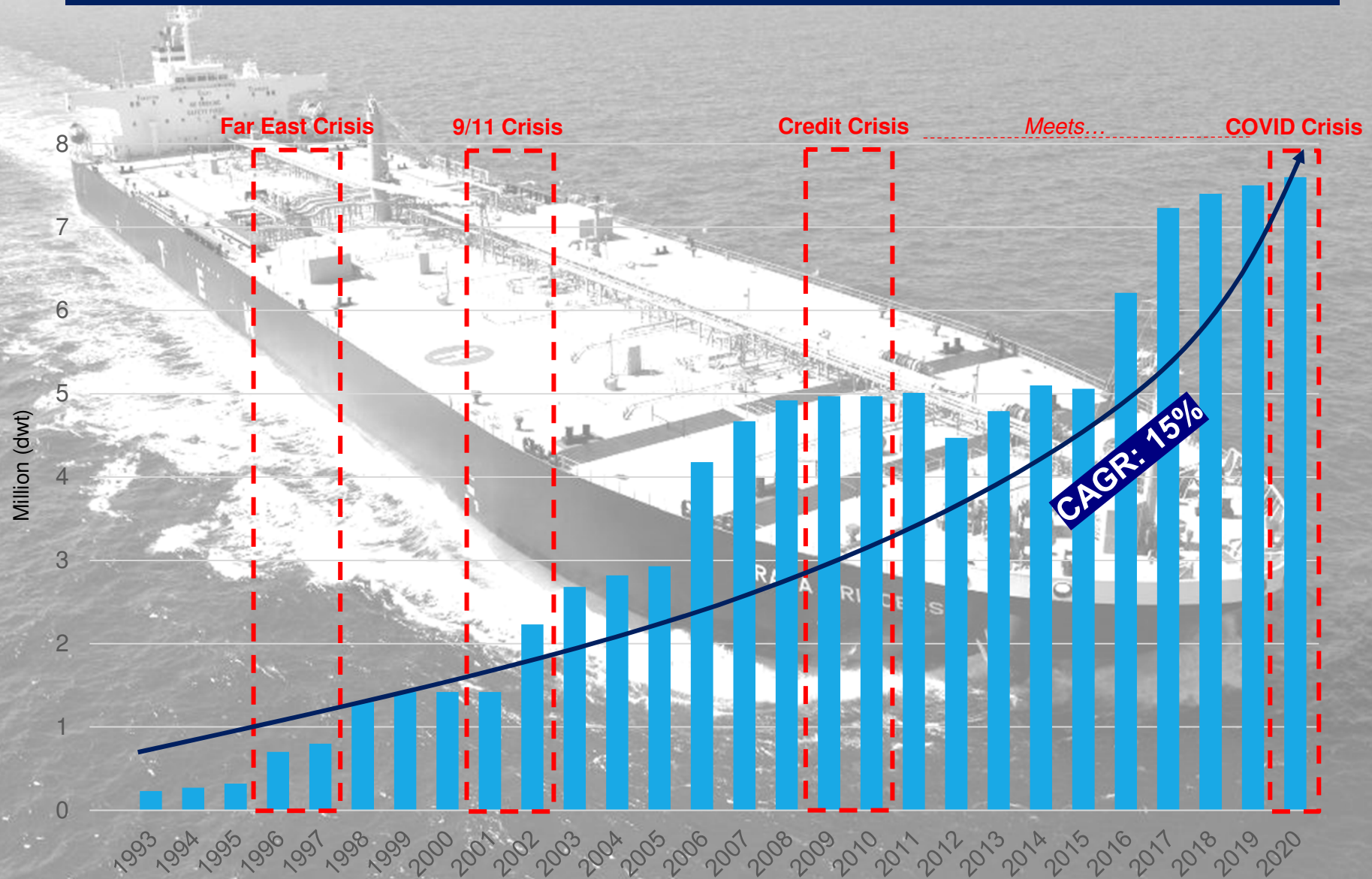




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## Crisis-Resistant Growth Model Spanning Four Decades







## Diversified Fleet - Secured Revenues – Market Upside

		CRUDE TANKERS					COATED TANKERS								
		Dwt	Built	Yard	Hull	Ice Class/Other			Dwt	Built	Yard	Hull	Ice Class/Other		
VLCC	1	Hercules	300,000	2017	South Korean	DH	LR2	36	Proteas	117,055	2006	South Korean	DH	1A	
	2	Ulysses	300,000	2016	South Korean	DH		37	Promitheas	117,055	2006	South Korean	DH	1A	
SUEZMAX	3	Artemis Voyager	158,000	2020	South Korean	DH	PANAMAX LR1	38	Propontis	117,055	2006	South Korean	DH	1A	
	4	Apollo Voyager	158,000	2020	South Korean	DH		39	Sunrise	74,000	2016	South Korean	DH		
	5	Euro	158,000	2012	South Korean	DH		40	Sunray	74,000	2016	South Korean	DH		
	6	Spyros K	158,000	2011	South Korean	DH		41	World Harmony	74,200	2009	South Korean	DH		
	7	Dimitris P	158,000	2011	South Korean	DH		42	Chantal	74,329	2009	South Korean	DH		
	8	Arctic	163,216	2007	South Korean	DH		43	Selini <sup>(2)</sup>	74,296	2009	South Korean	DH		
	9	Pentathlon	158,000	2009	South Korean	DH		44	Salamina <sup>(2)</sup>	74,251	2009	South Korean	DH		
	10	Eurovision	158,000	2013	South Korean	DH		45	Selecao	74,296	2008	South Korean	DH		
	11	Antarctic	163,216	2007	South Korean	DH		46	Socrates	74,327	2008	South Korean	DH		
	12	Archangel <sup>(1)</sup>	163,216	2006	South Korean	DH		47	Andes	68,439	2003	Japanese	DH		
	13	Alaska <sup>(1)</sup>	163,250	2006	South Korean	DH		48	Maya <sup>(2)</sup>	68,439	2003	Japanese	DH		
	14	Decathlon	158,000	2012	South Korean	DH		49	Inca <sup>(2)</sup>	68,439	2003	Japanese	DH		
	15	Eurochampion 2004 <sup>(1)</sup>	164,608	2005	South Korean	DH		HANDYMAX	50	Ajax	53,095	2005	South Korean	DH	1A
	16	Euronike <sup>(1)</sup>	164,565	2005	South Korean	DH			51	Afrodite	53,082	2005	South Korean	DH	1A
17	Caribbean Voyager	115,000	2020	South Korean	DH	52	Apollon		53,149	2005	South Korean	DH	1A		
18	Mediterranean Voyager	115,000	2019	South Korean	DH	53	Ariadne		53,021	2005	South Korean	DH	1A		
19	Bergen TS	112,700	2017	South Korean	DH	54	Artemis		53,039	2005	South Korean	DH	1A		
20	Sola TS	112,700	2017	South Korean	DH	55	Aris		53,107	2005	South Korean	DH	1A		
21	Oslo TS	112,700	2017	South Korean	DH	HANDYSIZE	56		Byzantion <sup>(2)</sup>	37,275	2007	South Korean	DH	1B	
22	Stavanger TS	112,700	2017	South Korean	DH		57		Bosporos <sup>(2)</sup>	37,275	2007	South Korean	DH	1B	
23	Marathon TS	112,700	2017	South Korean	DH		58		Andromeda	37,061	2007	South Korean	DH	1A	
24	Parthenon TS	112,700	2016	South Korean	DH		59		Aegeas	37,061	2007	South Korean	DH	1A	
25	Leontios H	112,700	2016	South Korean	DH		60		Amphitrite	37,061	2006	South Korean	DH	1A	
26	Thomas Zafiras	112,700	2016	South Korean	DH		61		Arion	37,061	2006	South Korean	DH	1A	
AFRAMAX	27	Elias Tsakos	112,700	2016	South Korean	DH	LNG		62	(TBN) Energy	81,479	2021	South Korean	DH	174,000m³
	28	Sakura Princess	105,365	2007	Japanese	DH			63	Maria Energy	86,000	2016	South Korean	DH	174,000m³
	29	Izumo Princess	105,374	2007	Japanese	DH		64	Neo Energy	85,602	2007	South Korean	DH	150,000m³	
	30	Uraga Princess	105,344	2010	Japanese	DH	SHUTTLE	65	TBN (Option)	155,000	2023	South Korean	DH	DP2	
	31	Sapporo Princess	105,354	2010	Japanese	DH		66	TBN (Option)	155,000	2023	South Korean	DH	DP2	
	32	Asahi Princess	105,372	2009	Japanese	DH		67	TBN	155,000	2022	South Korean	DH	DP2	
	33	Ise Princess	105,361	2009	Japanese	DH		68	Lisboa	157,000	2017	South Korean	DH	DP2	
	34	Nippon Princess	105,346	2008	Japanese	DH		69	Rio 2016	157,000	2013	South Korean	DH	DP2	
	35	Maria Princess	105,392	2008	Japanese	DH		70	Brasil 2014	157,000	2013	South Korean	DH	DP2	

- 1) Sale & Leaseback
- 2) 51% owned

Vessels in Fixed TC Contracts (at Nov. 22, 2020)

Vessels in TC w/Profit Share contracts (at Nov. 22, 2020)






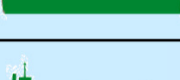



Spot contracts (at Nov. 22, 2020)

65% of Fleet in the Water (TC P/S, CoA and Spot) with Market Exposure  
54% in Secured Contracts (TC, TC P/S & CoA)



## Timely Acquisitions => Low 9mo 2020 B/E Rates\*

\*Breakeven rates after Operating Expenses, G&A, Interest and Depreciation

2	VLCC		<b>\$24,970</b>
13 <sup>(1)</sup>	SUEZMAX		<b>\$22,928</b>
19	AFRAMAX		<b>\$17,468</b>
3	AFRAMAX LR2		<b>\$18,360</b>
11	PANAMAX LR1		<b>\$14,929</b>
6	HANDYMAX MR		<b>\$15,708</b>
6	HANDYSIZE		<b>\$11,761</b>
2 <sup>(2)</sup>	LNG		<b>\$40,963</b>
3 <sup>(3)</sup>	DP2 SHUTTLE		<b>\$31,198</b>

\$450,000,000

\$400,000,000

\$350,000,000

\$300,000,000

\$250,000,000

\$200,000,000

\$150,000,000

\$100,000,000

\$50,000,000

\$0

Spot

Time Charter

Expenses

**Every \$1,000pd Increase in Spot Rates has a Positive \$0.59 Impact in Annual EPS (split adjusted)**  
(Based on Current Vessels in Spot Contracts Only)

- (1) Excludes one Suezmax newbuilding delivered Nov. 2020
- (2) Excludes one LNG under construction
- (3) Excludes on DP2 Shuttle Tanker under construction

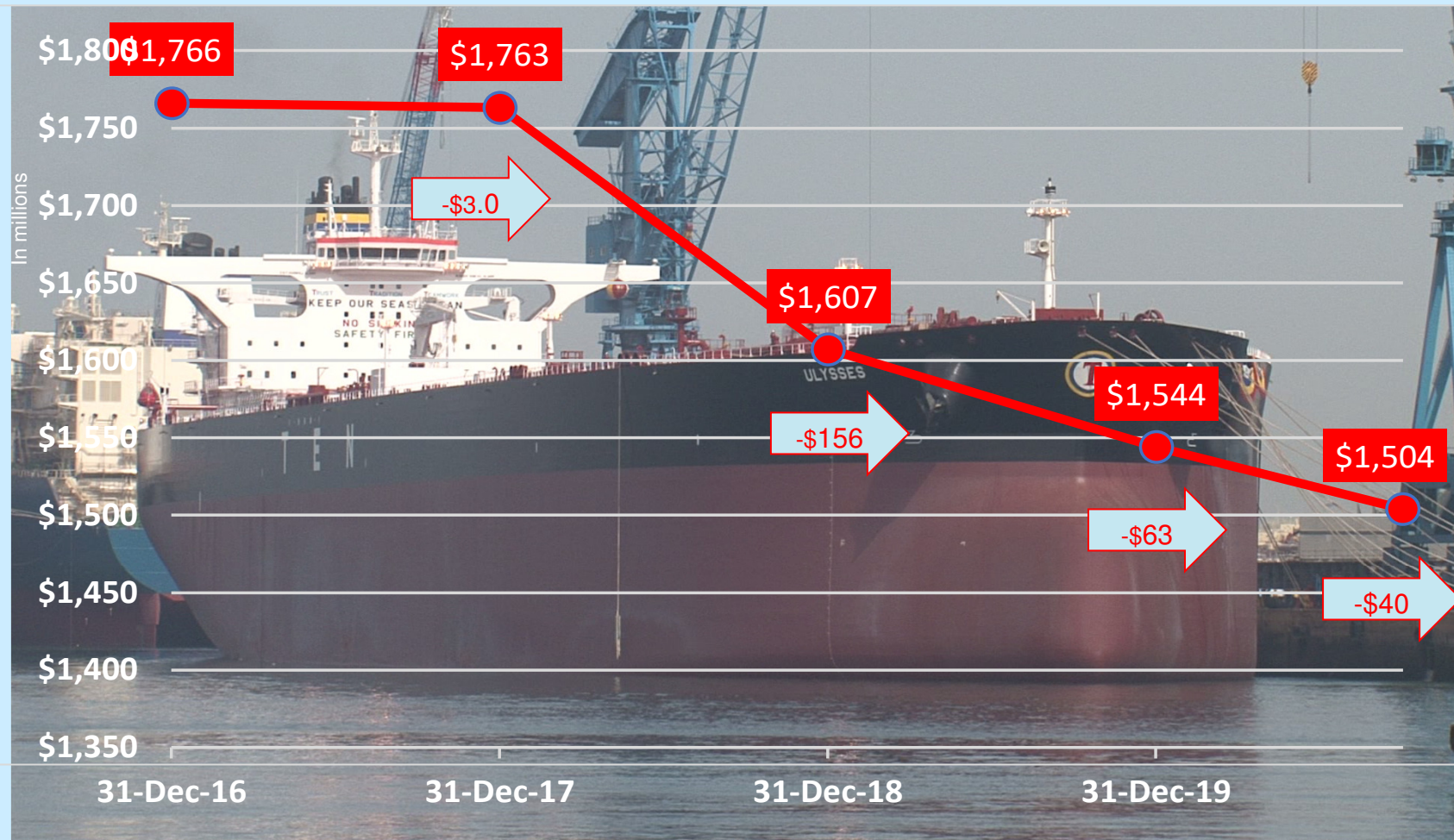
Note:

Spot net of Voyage Expenses

Expenses = Opex + Finance Expenses + Commissions + Overheads + Charter Hire



## Reducing Bank Debt an Integral Part of Strategy



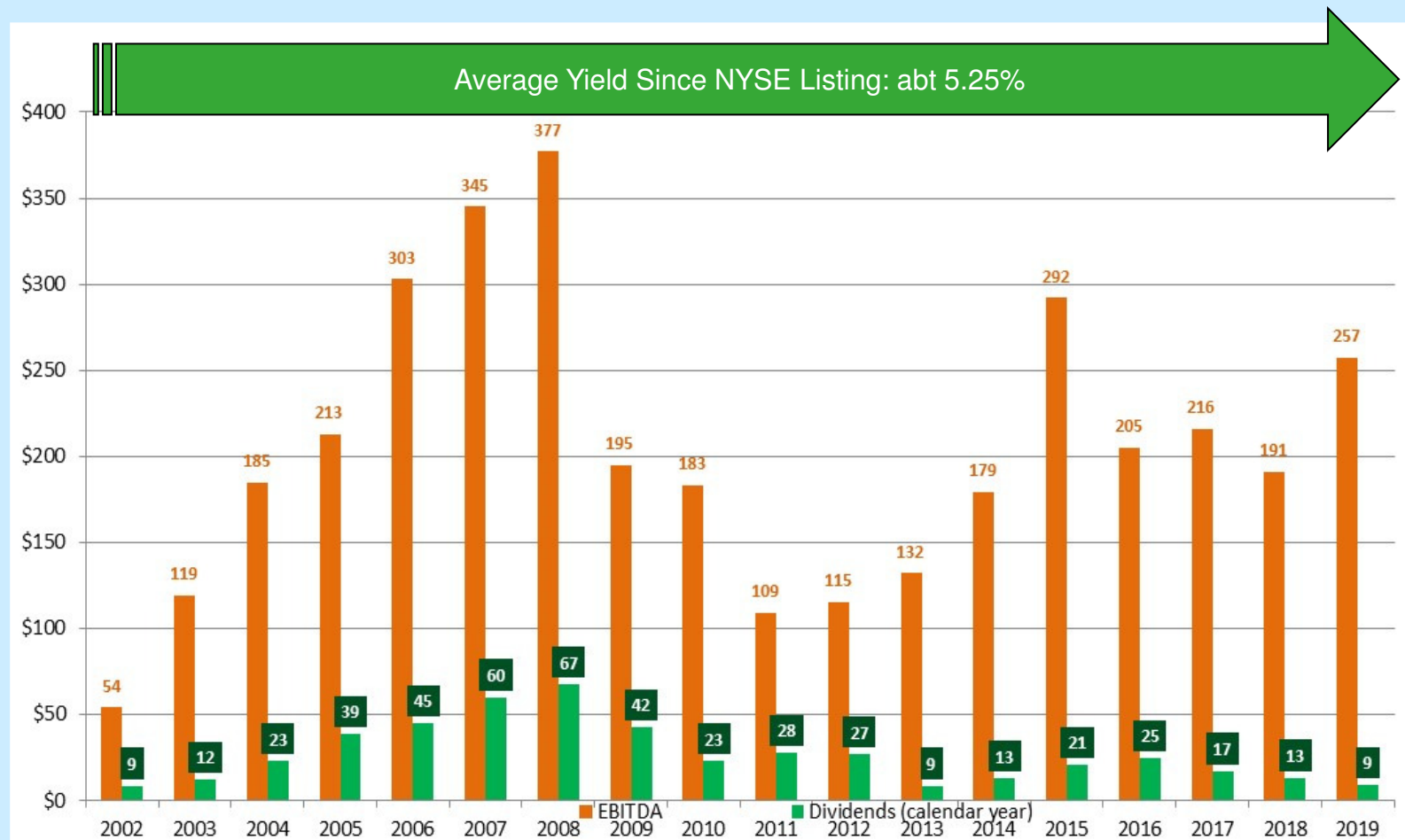
- ❑ **\$262 million** total debt reduction since Dec. 2016 peak
- ❑ **\$100 million** at par repayment of Series B and Series C Preferred Shares in 2019 and 2020
- ❑ Net Debt to Capital (30/09/20): **46.5%**

NOTE: Total debt balances exclude deferred charges



## Healthy Dividends Through Market Cyclicity and Growth

- ❑ Common Stock Dividend Continuity: \$0.125 declared and payable in December 2020 – increases annual payment to \$0.50 (reverse stock-split adjusted)
- ❑ TEN has always paid a dividend irrespective of market cycles; \$489 million in total dividend payments since NYSE listing in 2002
- ❑ Long-term nature of Company's employment policy to known industrial concerns provides cash flow sustainability and visibility



NOTE: EBITDA and Dividend numbers in USD millions



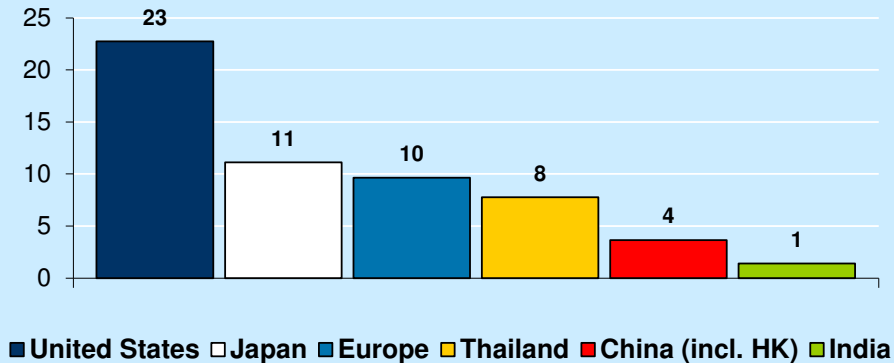


# Impact of Covid-19 on Global Demand Expected to Alleviate in 2021

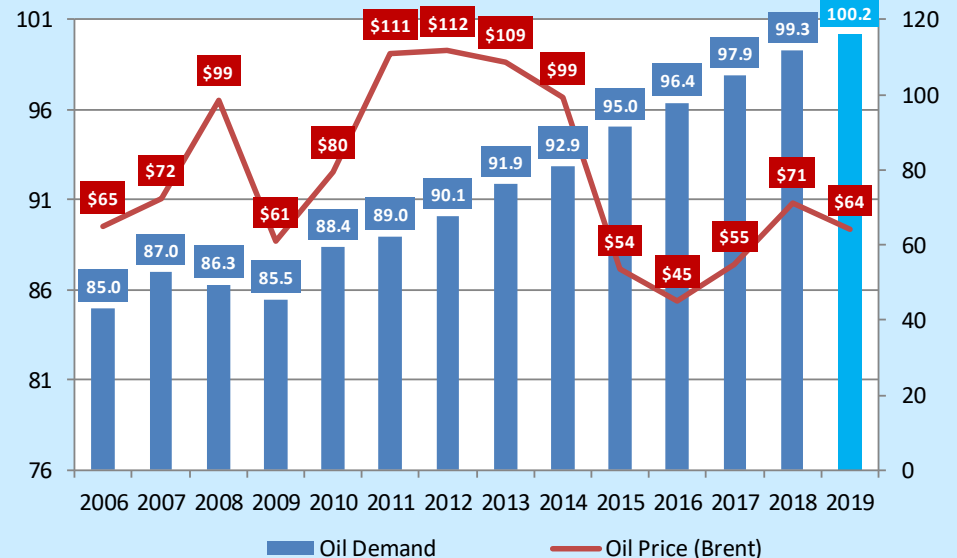
- Strong potential of China and India with a combined population of 2.5 billion in a world of 7.0 billion. Their per capita oil consumption is at extremely low levels and have already embarked on an aggressive industrialization program
- If China reaches the same levels of consumption as Thailand, Chinese oil demand (based on existing population) would rise to 18mbpd, an increase of 5mbpd from current levels
- China and India** will continue to be the main drivers behind oil demand growth in 2020.

- Oil demand for 2020 at **91.2mbpd**, **-8.8mbpd** due to impact of Covid-19 pandemic
- Global GDP to decline by 4.4% in 2020 but expected to rebound to 5.2% in 2021 - a possible V-shape recovery should Covid-related issues dissipate after widespread availability of vaccine (expected in 2021)
- US currently the biggest oil producer after Russia, having surpassed Saudi Arabia**

BARRELS OF OIL PER CAPITA PER ANNUM  
(Source: BP Statistical Review of World Energy June 2020)



Oil Price vs. Global Oil Demand (in mbpd)

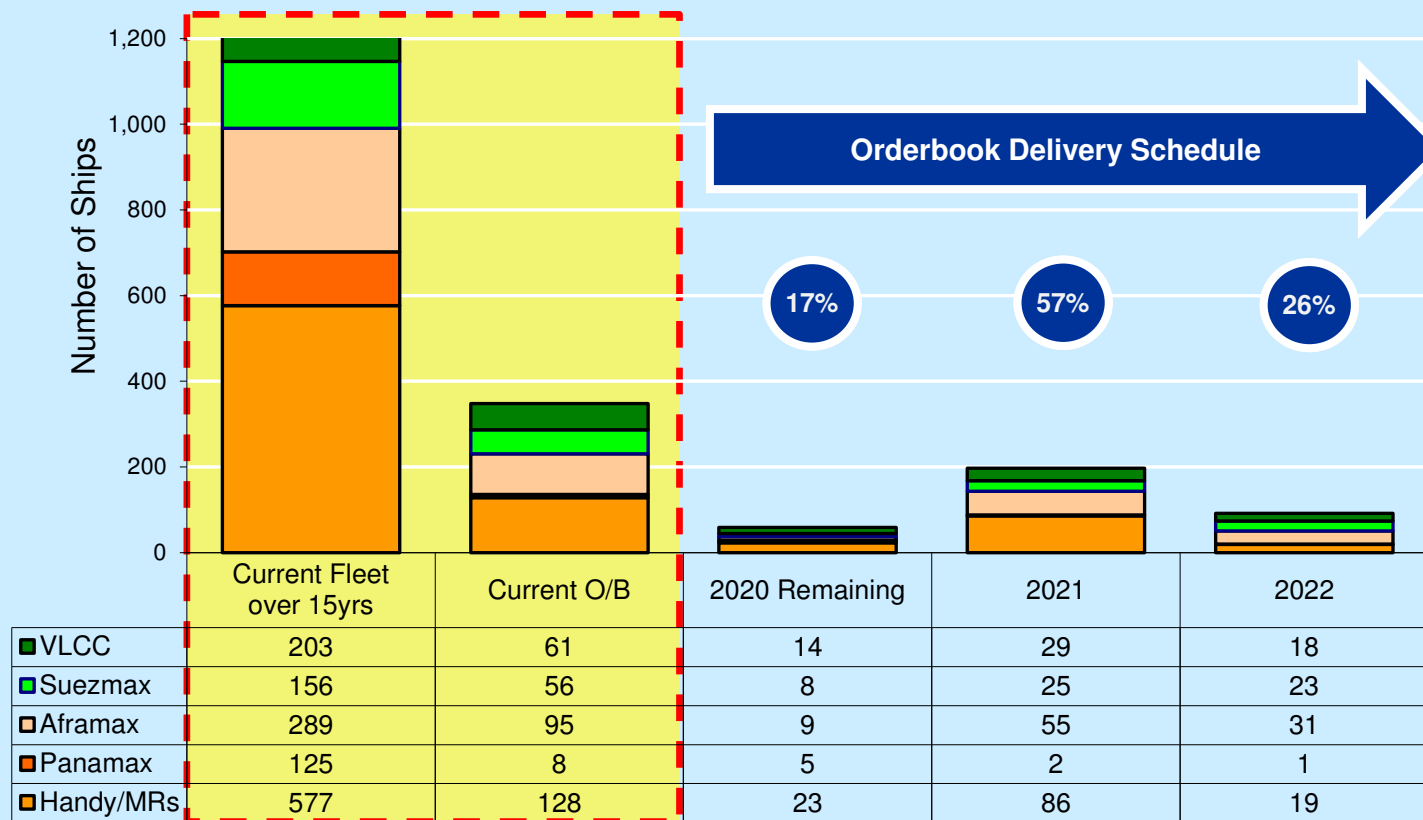






## Low NB Orderbook / Delivery Schedule vs. Fleet over 15 Years Old

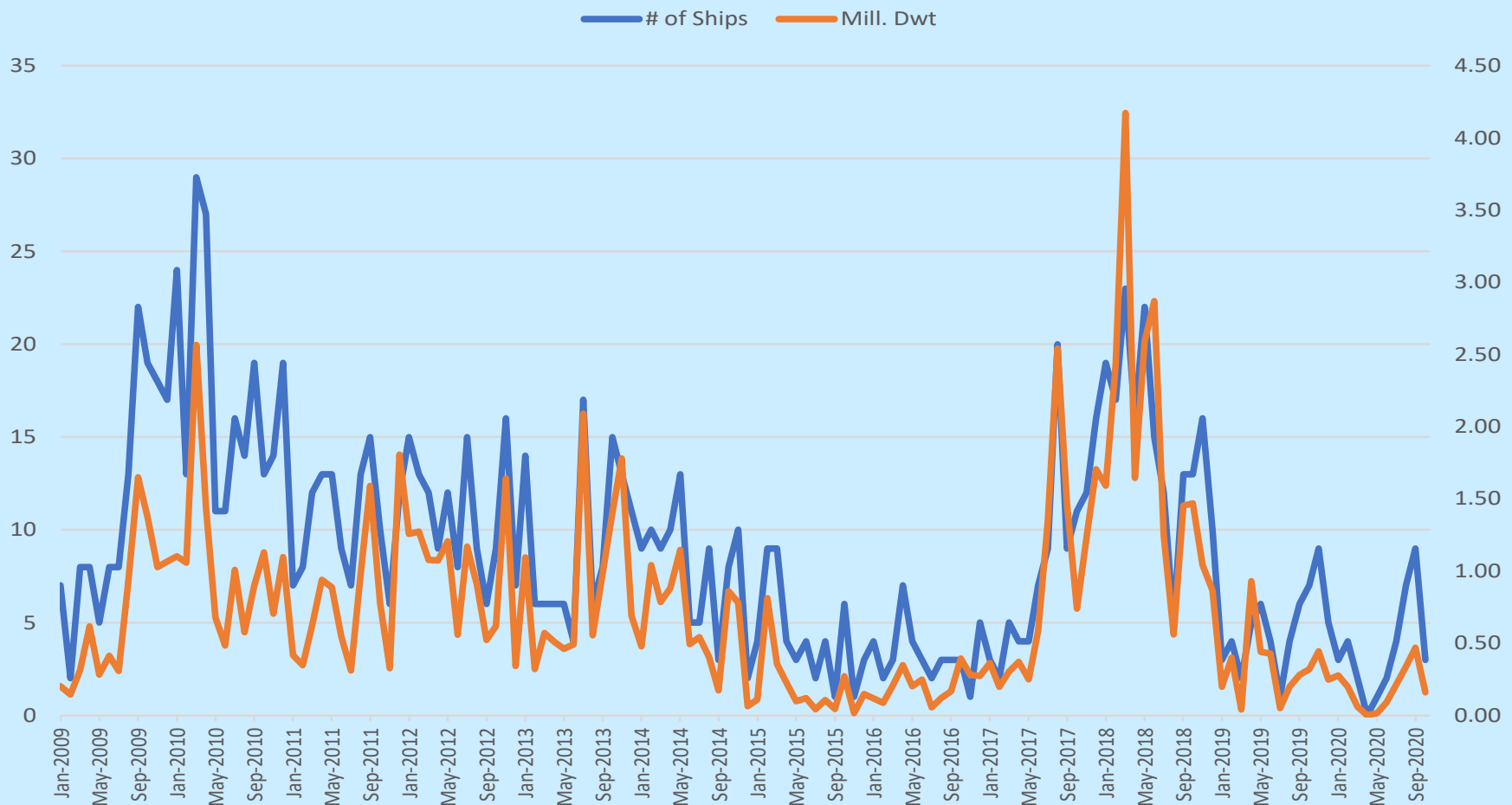
- ❑ **Total NB Orderbook of 348 tankers** to join the fleet over the next three years vs. **1,350 vessels 15 years or older** that are expected to depart the competitive fleet in the same timeframe (This does NOT include 1,564 vessels in the 10-14-year age bracket most of which will be around the 15-year age mark by 2023-25)
- ❑ **7.1%** of current fleet over 20 years old
- ❑ **Low Orderbook – 7.0%** in October 2020 vs. 10.2% in 2018 and 22.3% in 2010



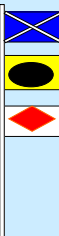


## Scrapping Expected to Rebound Strongly after Covid-19 and Due to IMO2020

- ❑ Scrapping at a standstill due to the global lockdowns imposed after the Covid-19 pandemic but is expected to rebound as world economies enter a restart mode assisted by the development of a vaccine - IMO2020 regulations should further accelerate scrapping activity
- ❑ **56 vessels** of 3.9 million dwt scrapped in 2019 vs. **181 vessels** of 21.9 million dwt scrapped in **2018**. So far this year (until October 2020), **35 vessels** have been scrapped of just 1.83 million dwt







# Financial Highlights

TNP  
LISTED  
NYSE

## STATEMENT OF OPERATIONS DATA

	Three months ended September 30 (unaudited)		Nine months ended September 30 (unaudited)	
	2020	2019	2020	2019
<b>Voyage revenues</b>	\$ 142,834	\$ 131,002	\$ 512,503	\$ 422,066
Voyage expenses	37,242	30,132	105,363	96,888
Charter hire expense	5,471	2,728	16,033	8,094
Vessel operating expenses	45,246	44,766	133,440	134,163
Depreciation and amortization	33,144	34,522	102,477	104,065
General and administrative expenses	6,591	7,143	21,859	20,375
Loss on sale of vessels	-	-	3,050	-
Impairment charges	-	-	13,450	-
Total expenses	127,694	119,291	395,672	363,585
Operating income	15,140	11,711	116,831	58,481
Interest and finance costs, net	(13,485)	(22,133)	(60,958)	(60,988)
Interest income	28	690	538	3,238
Other, net	(140)	(3)	377	(34)
Total other expenses, net	(13,597)	(21,446)	(60,043)	(57,784)
<b>Net income (loss)</b>	<b>1,543</b>	<b>(9,735)</b>	<b>56,788</b>	<b>697</b>
Less: Net (income) loss attributable to the noncontrolling interest	(123)	206	(2,668)	1,312
<b>Net income (loss) attributable to Tsakos Energy Navigation Limited</b>	<b>\$ 1,420</b>	<b>\$ (9,529)</b>	<b>\$ 54,120</b>	<b>\$ 2,009</b>
Effect of preferred dividends	(9,204)	(10,204)	(28,268)	(30,613)
Undistributed income to Series G participants	-	-	(1,370)	-
Deemed dividend on Series B preferred shares	-	-	-	(2,750)
Deemed dividend on Series C preferred shares	(2,493)	-	(2,493)	-
<b>Net income (loss) attributable to common stockholders of Tsakos Energy Navigation Limited, basic</b>	<b>\$ (10,277)</b>	<b>\$ (19,733)</b>	<b>\$ 21,989</b>	<b>\$ (31,354)</b>
<b>Net income (loss) attributable to common stockholders of Tsakos Energy Navigation Limited, diluted</b>	<b>\$ (10,277)</b>	<b>\$ (19,733)</b>	<b>\$ 24,013</b>	<b>\$ (31,354)</b>
Earnings (Loss) per share, basic	\$ (0.55)	\$ (1.11)	\$ 1.16	\$ (1.78)
Earnings (Loss) per share, diluted	\$ (0.55)	\$ (1.11)	\$ 1.16	\$ (1.78)
Weighted average number of common shares, basic	18,605,661	17,825,746	18,937,444	17,633,473
Weighted average number of common shares, diluted	18,605,661	17,825,746	20,681,143	17,633,473

## BALANCE SHEET DATA

	September 30 2020	December 31 2019
Cash	236,493	197,770
Other assets	290,639	261,607
Vessels, net	2,574,077	2,633,251
Advances for vessels under construction	77,493	61,475
<b>Total assets</b>	<b>\$ 3,178,702</b>	<b>\$ 3,154,103</b>
Debt, net of deferred finance costs	1,495,003	1,534,296
Other liabilities	262,897	147,488
Stockholders' equity	1,420,802	1,472,319
<b>Total liabilities and stockholders' equity</b>	<b>\$ 3,178,702</b>	<b>\$ 3,154,103</b>



## Financial Highlights (cont.)

TNP  
LISTED  
NYSE

### OTHER FINANCIAL DATA

	Three months ended September 30		Nine months ended September 30	
	2020	2019	2020	2019
Net cash from operating activities	\$ 45,098	\$ 36,769	\$ 187,179	\$ 121,373
Net cash used in investing activities	\$ (86,375)	\$ (27,453)	\$ (70,274)	\$ (60,297)
Net cash provided by (used in) financing activities	\$ 21,217	\$ (24,898)	\$ (78,183)	\$ (104,598)
TCE per ship per day	\$ 20,451	\$ 18,837	\$ 25,351	\$ 19,900
Operating expenses per ship per day	\$ 7,927	\$ 7,603	\$ 7,757	\$ 7,679
Vessel overhead costs per ship per day	\$ 1,117	\$ 1,213	\$ 1,232	\$ 1,166
	9,044	8,816	8,989	8,845

### FLEET DATA

Average number of vessels during period		64.1	64.0	64.8	64.0
Number of vessels at end of period		65.0	64.0	65.0	64.0
Average age of fleet at end of period	Years	9.2	9.0	9.2	9.0
Dwt at end of period (in thousands)		7,119	6,936	7,119	6,936
Time charter employment - fixed rate	Days	2,030	2,425	6,953	7,090
Time charter employment - variable rate	Days	1,225	1,589	4,448	4,817
Period employment (coa) at market rates	Days	58	177	234	630
Spot voyage employment at market rates	Days	2,171	1,289	5,261	4,143
Total operating days		5,484	5,480	16,896	16,680
Total available days		5,898	5,888	17,749	17,472
Utilization		93.0%	93.1%	95.2%	95.5%

### Non-GAAP Measures

#### Reconciliation of Net income (loss) to Adjusted EBITDA

	Three months ended September 30		Nine months ended September 30	
	2020	2019	2020	2019
Net income (loss) attributable to Tsakos Energy Navigation Limited	1,420	(9,529)	54,120	2,009
Depreciation and amortization	33,144	34,522	102,477	104,065
Interest Expense	13,485	22,133	60,958	60,988
Loss on sale of vessels	-	-	3,050	-
Impairment charges	-	-	13,450	-
Adjusted EBITDA	\$ 48,049	\$ 47,126	\$ 234,055	\$ 167,062



To all our seafarers, onshore colleagues and friends a  
**BIG THANK YOU**  
for all your help and support during these extraordinary times

**STAY SAFE – STAY HEALTHY**





# TSAKOS ENERGY NAVIGATION, LTD

**For more information please contact:**

**Paul Durham:**

Chief Financial Officer  
[pdurham@tenn.gr](mailto:pdurham@tenn.gr)

**George Saroglou:**

Chief Operating Officer  
[gsaroglou@tenn.gr](mailto:gsaroglou@tenn.gr)

**Harrys Kosmatos:**

Corporate Development Officer  
[hkosmatos@tenn.gr](mailto:hkosmatos@tenn.gr)

**Tsakos Energy Navigation, Ltd**  
367 Syngrou Avenue  
Athens 175 64  
Greece

**Tel:** +30210 94 07 710  
**Fax:** +30210 94 07 716  
**Email:** [ten@tenn.gr](mailto:ten@tenn.gr)

