



TNP
LISTED
NYSE.

TEN Ltd

Tsakos Energy Navigation



Corporate Highlights



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 21% pa, accumulated Net Income of over \$1bn
=> Total Capital Gains at \$280 million
- Total Dividends of \$354 million paid since NYSE listing (2Q 2002)
- \$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 405m barrels of oil in 2010 – the equivalent of about 37 days of current US imports
- 50 vessels of 5.4 million dwt (proforma): 23 crude oil carriers + 27 product tankers (incl. 1x LNG vessel)
 - ❖ 48 operating
 - ❖ 2 under construction
- Modern diversified fleet: 100% double hull vs. 93% of world fleet – 6.8 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)



- Expand footprint in other energy sectors – Venture beyond the horizon
- Attain a “first mover” advantage vis-à-vis the competition (vessel ordered in June 2004)
- Proactive not reactive to expected boom in LNG (...delayed five years from expected “take-off” in 2007/8)
- Enhance / diversify chartering base – BG, GDF Suez, Qatar, Nigeria
- Create a platform to attract additional investors (public / private) – Provide latitude for future public offerings
- Learn and excel internally in a new “discipline”





- Gas is cheap, clean and plentiful
- Natural gas accounted for 24% of the global energy market in 2010 – North America the largest gas consumer in the world but largest growth in Asia – 14.3% increase from 2009 levels
- LNG expected to be among the world's fastest growing energy sources in the next 10-20 years (CAGR at about 6.0% vs. Oil at 0.8%)
- LNG increasingly important to bring gas from source to end-users – Solid pipeline of new liquefaction projects (five) and regasification facilities (11 new terminals)
- LNG importing countries increased from 10 to 23 from 2000 to 2010
- LNG to replace nuclear power which become controversial after disaster in Japan
- 30% of global natural gas traded internationally traded by sea as LNG



- Qatar is the world's largest LNG exporter (25.4% of global exports) – 51% jump in exports from 2009 levels.
- Japan is the world's largest importer of LNG followed by South Korea (Spain in Europe)
- China can spur a similar growth in gas demand as it did for oil
- China's share of global LNG imports: 0% in 2000 vs. 5% today (expected at 12% by 2014/15)
- A boom in Shale (fine-grain clastic sedimentary rock) gas production in the US could make the country a major LNG exporter

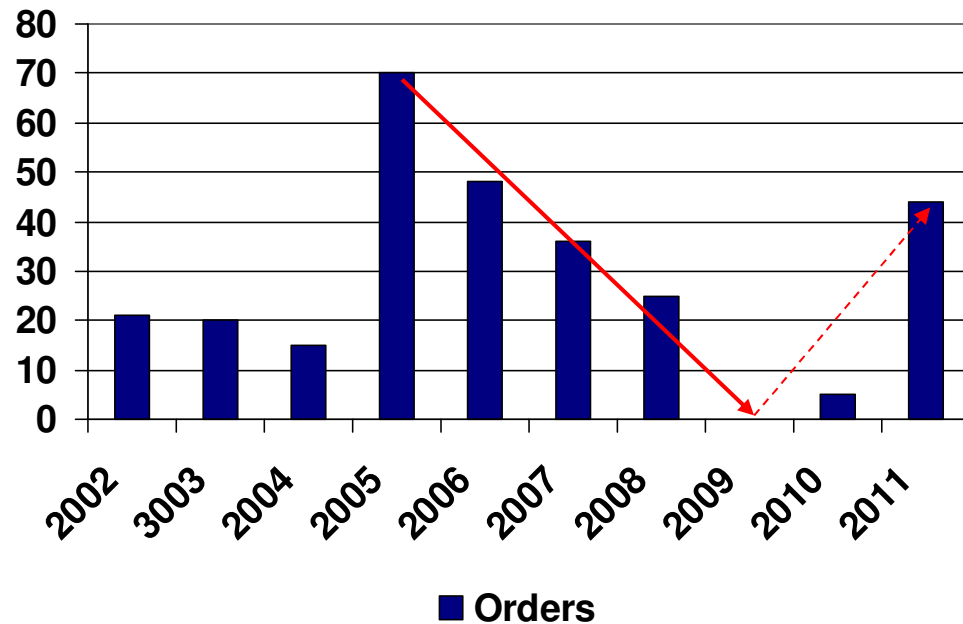
⇒ According to the EIA, the US has 2.5 trillion cubic feet of potential natural gas production. Shale accounts for 862 trillion or 34.5% of that



Market Boom Here to Stay?



- 1yr TC rates increased from mid-\$20K two years to over \$150,000pd today
- LNG fleet in the water 100% utilized
- Orderbook in constant decline since peak of 2004 but picked up recently
 - Orderbook at 16% of fleet (373 vessels vs. 58 on order)
- Fleet growth expected to decline: From 13.3% experienced between 2001-2011 to 3.4% from 2012 to 2016



Source: Pareto Securities Equity Research, January 2011

Market Boom Here to Stay? (Cont.)



- According to Pareto Securities, based on current liquefaction capacity and + 50% of proposed projects 169 new LNG vessels will be needed by 2020. At 100% of proposed projects the required LNG vessels will rise to 339
- Spot market (contracts < 4yrs) on an increase. From about 5% of the global LNG trade in 2002 to about 19% today
- Limited yard capacity before 2015 the earliest
- Seven yards internationally that can build LNGs (Samsung, Daewoo, Hyundai, Mitsubishi, Hudong, China, STX and Kawasaki)

What's Next for TEN?



- Looking to expand. In talks with shipyards and charterers....

Thank you

