

DESK NOTE

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Tsakos Energy (TEN US) – *Set Sail with TEN: A 44% Upside Opportunity in Energy Shipping*

Conclusive Summary: TEN presents a compelling investment case, combining a modern fleet and shareholder-focused financial management. The company's fleet of 60 tankers, with an average age below the global average, supports efficient operations and compliance with environmental standards. **Management's regular share purchases** signal strong alignment with shareholder interests, further reinforced by **uninterrupted dividends since inception**. **Recent earnings outperformance (last 3 quarters)** and **a robust backlog of time charters provide earnings visibility**, while exposure to the spot market allows participation in cyclical upturns. TEN's diversified client base, including top-tier energy majors, underpins its resilience and market position. With a **suggested target price of \$31.00, offering a +44% upside**, TEN is well-positioned to benefit from improving tanker market fundamentals and growing demand for energy logistics. However, investors should consider potential risks related to market volatility and geopolitical uncertainties.

Competitive Position: Tsakos Energy Navigation (TEN) holds a strong competitive position in the global maritime energy transportation industry. Its fleet of 60 vessels, with an average age of 10.7 years compared to the global average of 12.9 years, reflects a modern and efficient operational base. The company's fleet diversification—spanning VLCCs, Suezmax, Aframax, and Panamax tankers—enables it to cater to a wide range of client needs across multiple trade routes.

Valuation: Using a combination of EV/IC, EV/EBIT and P/E target multiples we reach a **blended target price (TP) of \$30.74**, around +44% above current levels. The stock is trading at a premium to its 2-year multiple averages, but at a discount to its 5-year averages as well as compared to its peers. **We recommend adding TEN stock up to \$23.**

Ticker: TEN US

Previous day close price: \$20.36

Price range (52w.): \$ 15.88 - \$31.48

Target price: \$31.00 (+44% upside)

Recommendation: **Buy@Current**

Description: Tsakos Energy Navigation (NYSE: TEN) is a global provider of seaborne crude oil and petroleum product transportation services, headquartered in Athens, Greece. Operating a diversified fleet that includes crude tankers, product carriers, and LNG vessels, TEN serves major energy companies, refiners, and traders. The company combines long-term charters and spot market exposure to balance earnings stability and market opportunities. With ongoing investment in eco-friendly vessels and adherence to industry regulations, TEN is positioned to benefit from trends in energy logistics and global trade, while maintaining disciplined financial management and shareholder returns.

Andreas Eliades, ae@dprginvestment.com
Sergey Malygin, CFA, sm@dprginvestment.com
Tel: +357 223 22030

Multiple Next 12 Months		Factor	Target EV	Net Debt	Target MCap	Shares	Target Price
EV/IC	0.65	3527	2293	1,393	900	29.51	\$30.49
EV/EBIT	7.00	327	2,288	1,393	895	29.51	\$30.33
P/E	6.5	4.83	2,319	1,393	926	29.51	\$31.40
Avg. Multiple Price							\$30.74

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