

TSAKOS ENERGY NAVIGATION LTD

Form 20-F

April 29, 2013

[Table of Contents](#)

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 20-F

REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR 12(g) OF THE SECURITIES EXCHANGE ACT OF 1934
OR

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2012

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
OR

SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
Date of event requiring this shell company report

For the transition period from _____ to _____

Commission file number 001-31236

TSAKOS ENERGY NAVIGATION LIMITED

(Exact name of Registrant as specified in its charter)

Not Applicable

(Translation of Registrant's name into English)

Bermuda

(Jurisdiction of incorporation or organization)

367 Syngrou Avenue

175 64 P. Faliro

Athens, Greece

011-30210-9407710

(Address of principal executive offices)

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(Name, Address, Telephone Number, E-mail and Facsimile Number of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Shares, par value \$1.00 per share	New York Stock Exchange
Preferred share purchase rights	New York Stock Exchange
Securities registered or to be registered pursuant to Section 12(g) of the Act: None	

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Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: None

As of December 31, 2012, there were 56,443,237 of the registrant's Common Shares outstanding.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. Yes No

Note: Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 from their obligations under those Sections.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP International Financial Reporting Standards Other
If Other has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow. Item 17 Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Table of Contents

TABLE OF CONTENTS

	Page
<u>FORWARD-LOOKING INFORMATION</u>	1
<u>PART I</u>	2
<u>Item 1. Identity of Directors, Senior Management and Advisers</u>	2
<u>Item 2. Offer Statistics and Expected Timetable</u>	2
<u>Item 3. Key Information</u>	2
<u>Item 4. Information on the Company</u>	24
<u>Item 4A. Unresolved Staff Comments</u>	43
<u>Item 5. Operating and Financial Review and Prospects</u>	44
<u>Item 6. Directors, Senior Management and Employees</u>	86
<u>Item 7. Major Shareholders and Related Party Transactions</u>	96
<u>Item 8. Financial Information</u>	100
<u>Item 9. The Offer and Listing</u>	101
<u>Item 10. Additional Information</u>	102
<u>Item 11. Quantitative and Qualitative Disclosures About Market Risk</u>	117
<u>Item 12. Description of Securities Other than Equity Securities</u>	119
<u>PART II</u>	120
<u>Item 13. Defaults, Dividend Arrearages and Delinquencies</u>	120
<u>Item 14. Material Modifications to the Rights of Security Holders and Use of Proceeds</u>	120
<u>Item 15. Controls and Procedures</u>	120
<u>Item 16A. Audit Committee Financial Expert</u>	121
<u>Item 16B. Code of Ethics</u>	121
<u>Item 16C. Principal Accountant Fees and Services</u>	121
<u>Item 16D. Exemptions from the Listing Standards for Audit Committees</u>	122
<u>Item 16E. Purchases of Equity Securities by the Issuer and Affiliated Purchasers</u>	122
<u>Item 16F. Change in Registrant's Certifying Accountant</u>	123
<u>Item 16G. Corporate Governance</u>	123
<u>Item 16H. Mine Safety Disclosure</u>	123
<u>PART III</u>	124
<u>Item 17. Financial Statements</u>	124
<u>Item 18. Financial Statements</u>	124
<u>Item 19. Exhibits</u>	124

Table of Contents

FORWARD-LOOKING INFORMATION

All statements in this Annual Report on Form 20-F that are not statements of historical fact are forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. The disclosure and analysis set forth in this Annual Report on Form 20-F includes assumptions, expectations, projections, intentions and beliefs about future events in a number of places, particularly in relation to our operations, cash flows, financial position, plans, strategies, business prospects, changes and trends in our business and the markets in which we operate. These statements are intended as forward-looking statements. In some cases, predictive, future-tense or forward-looking words such as believe , intend , anticipate , estimate , project , forecast , plan , potential , may , predict, should and expect and similar expressions identify forward-looking statements, but are not the exclusive means of identifying such statements.

Forward-looking statements include, but are not limited to, such matters as:

future operating or financial results and future revenues and expenses;

future, pending or recent business and vessel acquisitions, business strategy, areas of possible expansion and expected capital spending and our ability to fund such expenditure;

operating expenses including the availability of key employees, crew, length and number of off-hire days, dry-docking requirements and fuel and insurance costs;

general market conditions and shipping industry trends, including charter rates, vessel values and factors affecting supply and demand of crude oil and petroleum products;

our financial condition and liquidity, including our ability to make required payments under our credit facilities, comply with our loan covenants and obtain additional financing in the future to fund capital expenditures, acquisitions and other corporate activities;

the overall health and condition of the U.S. and global financial markets, including the value of the U.S. dollar relative to other currencies;

the carrying value of our vessels and the potential for any asset impairments;

our expectations about the time that it may take to construct and deliver new vessels or the useful lives of our vessels;

our continued ability to enter into period time charters with our customers and secure profitable employment for our vessels in the spot market;

the ability of our counterparties including our charterers to honor their contractual obligations;

our expectations relating to dividend payments and ability to make such payments;

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our ability to leverage to our advantage the relationships and reputation of Tsakos Columbia Shipmanagement within the shipping industry;

our anticipated general and administrative expenses;

environmental and regulatory conditions, including changes in laws and regulations or actions taken by regulatory authorities;

risks inherent in vessel operation, including terrorism, piracy and discharge of pollutants;

potential liability from future litigation;

global and regional political conditions;

tanker, product carrier and LNG carrier supply and demand; and

other factors discussed in the Risk Factors described in Item 3. of this Annual Report on Form 20-F.

Table of Contents

We caution that the forward-looking statements included in this Annual Report on Form 20-F represent our estimates and assumptions only as of the date of this Annual Report on Form 20-F and are not intended to give any assurance as to future results. These forward-looking statements are not statements of historical fact and represent only our management's belief as of the date hereof, and involve risks and uncertainties that could cause actual results to differ materially and inversely from expectations expressed in or indicated by the forward-looking statements. Assumptions, expectations, projections, intentions and beliefs about future events may, and often do, vary from actual results and these differences can be material. There are a variety of factors, many of which are beyond our control, which affect our operations, performance, business strategy and results and could cause actual reported results and performance to differ materially from the performance and expectations expressed in these forward-looking statements. These factors include, but are not limited to, supply and demand for crude oil carriers and product tankers, charter rates and vessel values, supply and demand for crude oil and petroleum products, accidents, collisions and spills, environmental and other government regulation, the availability of debt financing, fluctuation of currency exchange and interest rates and the other risks and uncertainties that are outlined in this Annual Report on Form 20-F. As a result, the forward-looking events discussed in this Annual Report on Form 20-F might not occur and our actual results may differ materially from those anticipated in the forward-looking statements. Accordingly, you should not unduly rely on any forward-looking statements.

We undertake no obligation to update or revise any forward-looking statements contained in this Annual Report on Form 20-F, whether as a result of new information, future events, a change in our views or expectations or otherwise. New factors emerge from time to time, and it is not possible for us to predict all of these factors. Further, we cannot assess the impact of each such factor on our business or the extent to which any factor, or combination of factors, may cause actual results to be materially different from those contained in any forward-looking statement.

PART I

Tsakos Energy Navigation Limited is a Bermuda company that is referred to in this Annual Report on Form 20-F, together with its subsidiaries, as Tsakos Energy Navigation, the Company, we, us, or our. This report should be read in conjunction with our consolidated financial statements and the accompanying notes thereto, which are included in Item 18 to this report.

Item 1. Identity of Directors, Senior Management and Advisers

Not Applicable.

Item 2. Offer Statistics and Expected Timetable

Not Applicable.

Item 3. Key Information Selected Consolidated Financial Data and Other Data

The following table presents selected consolidated financial and other data of Tsakos Energy Navigation Limited for each of the five years in the five-year period ended December 31, 2012. The table should be read together with Item 5. Operating and Financial Review and Prospects. The selected consolidated financial data of Tsakos Energy Navigation Limited is a summary of, is derived from and is qualified by reference to, our consolidated financial statements and notes thereto which have been prepared in accordance with U.S. generally accepted accounting principles (US GAAP).

Our audited consolidated statements of operations, comprehensive income/(loss), stockholders' equity and cash flows for the years ended December 31, 2012, 2011 and 2010, and the consolidated balance sheets at December 31, 2012 and 2011, together with the notes thereto, are included in Item 18. Financial Statements and should be read in their entirety.

Table of Contents**Selected Consolidated Financial and Other Data****(Dollars in thousands, except for share and per share amounts and fleet data)**

	2012	2011	2010	2009	2008
Income Statement Data					
Voyage revenues	\$ 393,989	\$ 395,162	\$ 408,006	\$ 444,926	\$ 623,040
Expenses					
Commissions	12,215	14,290	13,837	16,086	22,997
Voyage expenses	111,797	127,156	85,813	77,224	83,065
Charter hire expense			1,905		13,487
Vessel operating expenses(1)	133,251	129,884	126,022	144,586	143,757
Depreciation	94,340	101,050	92,889	94,279	85,462
Amortization of deferred dry-docking costs	4,910	4,878	4,553	7,243	5,281
Management fees	15,887	15,598	14,143	13,273	12,015
General and administrative expenses	4,093	4,292	3,627	4,069	4,626
Management incentive award			425		4,750
Stock compensation expense	730	820	1,068	1,087	3,046
Foreign currency losses (gains)	30	458	(378)	730	915
Amortization of deferred gain on sale of vessels					(634)
Net gain on sale of vessels	1,879	(5,001)	(19,670)	(5,122)	(34,565)
Vessel impairment charge	13,567	39,434	3,077	19,066	
Operating income (loss)	1,290	(37,697)	80,695	72,405	278,838
Other expenses (income):					
Interest and finance costs, net	51,576	53,571	62,283	45,877	82,897
Interest and investment income	(1,348)	(2,715)	(2,626)	(3,572)	(8,406)
Other, net	118	397	3	(75)	350
Total other expenses (income), net	50,346	51,253	59,660	42,230	74,841
Net income (loss)	(49,056)	(88,950)	21,035	30,175	203,997
Less: Net (income) loss attributable to non-controlling interest	207	546	(1,267)	(1,490)	(1,066)
Net income (loss) attributable to Tsakos Energy Navigation Ltd.	\$ (49,263)	\$ (89,496)	\$ 19,768	\$ 28,685	\$ 202,931
Per Share Data					
Earnings (loss) per share, basic	\$ (0.92)	\$ (1.94)	\$ 0.50	\$ 0.78	\$ 5.40
Earnings (loss) per share, diluted	\$ (0.92)	\$ (1.94)	\$ 0.50	\$ 0.77	\$ 5.33
Weighted average number of shares, basic	53,301,039	46,118,534	39,235,601	36,940,198	37,552,848
Weighted average number of shares, diluted	53,301,039	46,118,534	39,601,678	37,200,187	38,047,134
Dividends per common share, paid	\$ 0.50	\$ 0.60	\$ 0.60	\$ 1.15	\$ 1.80
Cash Flow Data					
Net cash provided by operating activities	60,862	45,587	83,327	117,161	274,141
Net cash used in investing activities	(42,985)	(69,187)	(240,115)	(75,568)	(164,637)
Net cash provided by / (used in) financing activities	(49,288)	(77,329)	137,244	(57,581)	21,218
Balance Sheet Data (at year end)					
Cash and cash equivalents	\$ 144,297	\$ 175,708	\$ 276,637	\$ 296,181	\$ 312,169
Cash, restricted	16,192	5,984	6,291	6,818	7,581
Investments	1,000	1,000	1,000	1,000	1,000