TEN Posts Record 9M and Q3 2026 Earnings, Doubles First 2027 Dividend, Weighs Singapore Listing

TEN Ltd. (NYSE: TEN) reported record nine-month 2026 earnings alongside a doubling of its first semiannual dividend for 2027, a $150 million buyback program and a possible secondary listing in Singapore, a combination management presents as the deployment of a cash balance that has grown by $269 million year over year to $533.5 million.Net income for the nine months reached $402.6 million, or $12.69 per share, from $102.9 million and $2.75 a year earlier. Third-quarter 2026 net income was $174.5 million, or $5.57 per share.

Earnings Momentum

Gross revenues reached $851 million for the first nine months of 2026, an increase of approximately $274 million year over year, while third-quarter gross revenues rose 61% to approximately $300 million. Operating income increased to $467.1 million from $171.1 million for the nine-month period and more than tripled to $194.5 million from $60.5 million in the third quarter. Fleet utilization remained high at 95.5% and 93.5%, respectively.

Nine-month results included $94.0 million in gains from the sale of four vessels, of which $56.2 million was recognized in the third quarter. Chief Financial Officer, Harrys Kosmatos gave the underlying comparisons on the earnings call: excluding vessel sale gains, nine-month net income rose 241%, operating income 135%, and third-quarter net income by over 300%. The TCE rate per vessel per day reached $45,170 over the nine months, up 47%, and $48,615 in the third quarter, up 59%. Adjusted EBITDA, which the company's reconciliation strikes the vessel gains from, came to $509.5 million for the nine months and $185.4 million for the quarter, increases of 77% and 94%.

Revenue Visibility

Minimum contracted revenues currently stand at $3.6 billion. Of the 61 vessels in the water, 49 or 80% are on secured revenue contracts, and TEN chartered or extended 24 of them during the nine months at rates 60% above their initial levels, representing close to a third of the fleet, according to Founder and Chief Executive Officer, Dr. Nikolas P. Tsakos.

Mr. Kosmatos shared that the company would be keen to lock in further long-term business at prevailing market levels and lift the backlog beyond $3.6 billion, while holding about a third of the fleet in spot-related employment.

Spot Exposure and Earnings Upside

Twenty-five vessels, or 41% of TEN’s operating fleet, retain exposure to the spot market through direct spot employment or profit-sharing charters. Revenue from profit-sharing arrangements rose nearly sevenfold to $128.3 million for the nine months, from $18.5 million a year earlier, and increased to $57.7 million in the third quarter from $8.0 million. The increase came despite a smaller proportion of fleet operating days attributable to these contracts, at 25% compared with 31% a year earlier.

President and Chief Operating Officer, George Saroglou quantified the company’s earnings sensitivity to spot market movements, noting that every $1,000 increase in daily spot rates translates into an additional $0.15 in annual earnings per share. Dr. Tsakos indicated that fourth-quarter profit-sharing revenues could match or potentially exceed third-quarter levels.

Dividend Boost and $150 Million Buyback Program

The first 2027 semi-annual dividend doubles to $1.00 per share, payable on 20 January to holders of record on 12 January. Total 2026 distributions came to $1.50 per share, and by the end of this year, TEN will have paid more than $1.0 billion in aggregate common and preferred dividends since its 2002 NYSE listing.

The $150 million buyback authorization covers both common and preferred shares. Combined with the approximately $30 million earmarked for the January 2027 common dividend, TEN's announced capital returns to shareholders amount to up to $180 million.

Mr. Kosmatos commented that the 9.25% Series E preferred, just under approximately $120 million, becomes redeemable at the end of May 2027, that the company intends to take it out at par, and that the remainder would go to the common. Asked about a special dividend distribution, Dr. Tsakos said that any such component would attach to the July payment.

Fleet Growth and Singapore Listing in Focus

TEN is advancing, a 20-vessel newbuilding program spanning VLCCs, LR1 Panamaxes, DP2 shuttle tankers and LNG carriers, while increasing shareholder distributions. Dr. Tsakos disclosed that the Company is in advanced discussions with major end users to secure seven- to 10-year charters for at least two vessels in the DP shuttle tanker segment, with an announcement on additional strategic alliances in the deep-sea tanker and gas segments expected in December.

The potential secondary listing in Singapore is intended to broaden TEN's shareholder base. The company is evaluating an application to the Main Board of the Singapore Exchange, while retaining the NYSE as its primary listing venue. Dr. Tsakos pointed to the first quarter of 2027 as a potential timeframe for a direct listing, without raising additional equity. Chairman of the Board, Takis Arapoglou, confirmed the Board's full support for the initiative, citing the potential to expand TEN's investor reach and attract additional analyst coverage across East Asia.

Tanker Market Dynamics

Mr. Saroglou placed the world tanker orderbook at 21% of the fleet over 25,000 dwt, or 1,210 vessels, with tonnage over 15 years old at almost 51% of the global fleet, 2.4 times the orderbook. Geopolitical disruptions in the Middle East, the Red Sea and Ukraine continue to lengthen ton-mile demand, with middle distillates trading at nearly twice the Brent crude price of $92 per barrel, while flows through the Strait of Hormuz remain at around 80% of pre-war levels. TEN continues to avoid transiting the strait. The fair market value of TEN's fleet stands at approximately $5.7 billion, against outstanding bank debt of $2.0 billion, with a net debt-to-capital ratio of approximately 42.4%.

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