

Scorpio Tankers Inc. Q4 2017 Earnings Presentation

February 14, 2018

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ENVIRONMENT

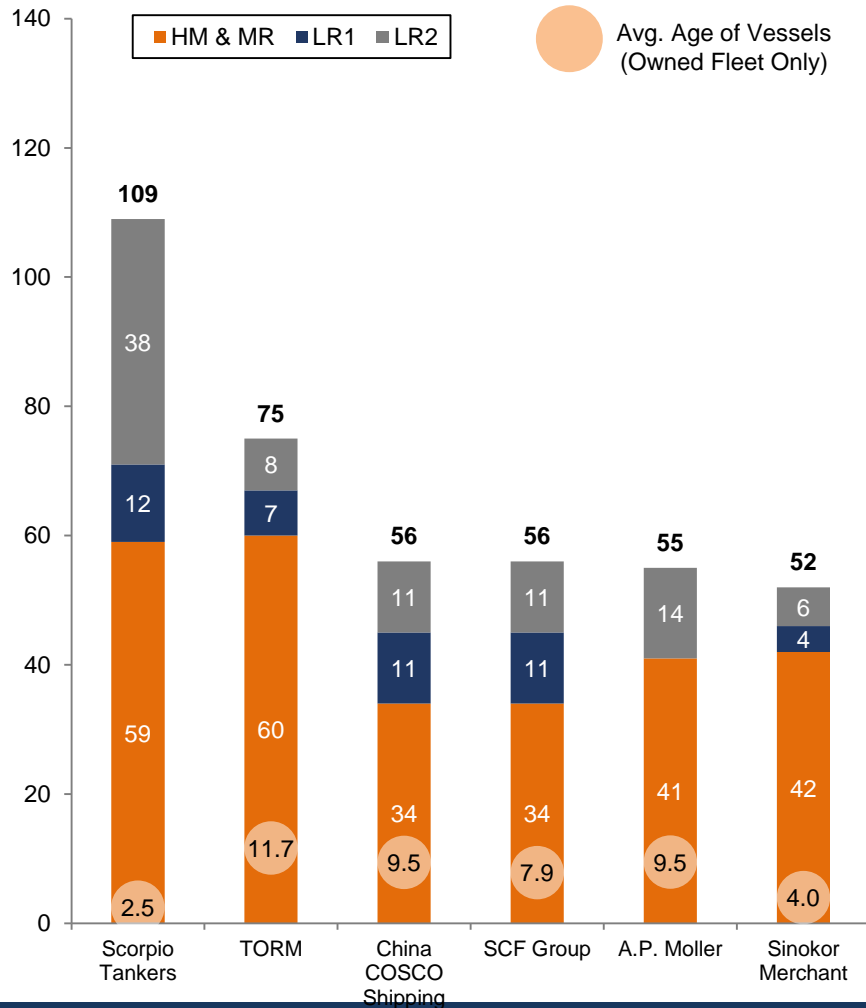
This document may contain forward-looking statements that reflects management's expectations for the future. The Private Securities Litigation Reform Act of 1995 provides safe harbor protections for forward-looking statements in order to encourage companies to provide prospective information about their business. Forward-looking statements include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts. The Company desires to take advantage of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and is including this cautionary statement in connection with this safe harbor legislation. The words "believe," "anticipate," "intend," "estimate," "forecast," "project," "plan," "potential," "may," "should," "expect," "pending" and similar expressions identify forward-looking statements.

The forward-looking statements in this document are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, our management's examination of historical operating trends, data contained in our records and other data available from third parties. Although we believe that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond our control, we cannot assure you that we will achieve or accomplish these expectations, beliefs or projections.

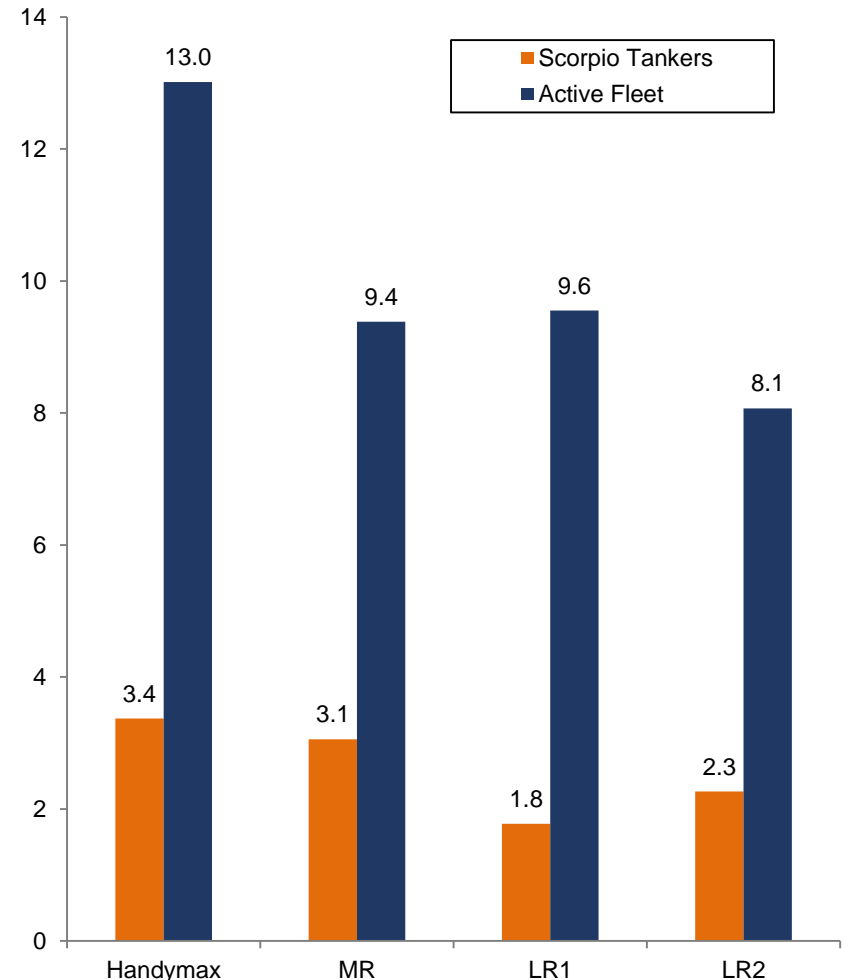
In addition to these important factors, other important factors that, in our view, could cause actual results to differ materially from those discussed in the forward-looking statements include the failure of counterparties to fully perform their contracts with us, the strength of world economies and currencies, general market conditions, including fluctuations in charter rates and vessel values, changes in demand for dry bulk vessel capacity, changes in our operating expenses, including bunker prices, drydocking and insurance costs, the market for our vessels, availability of financing and refinancing, charter counterparty performance, ability to obtain financing and comply with covenants in such financing arrangements, changes in governmental rules and regulations or actions taken by regulatory authorities, potential liability from pending or future litigation, general domestic and international political conditions, potential disruption of shipping routes due to accidents or political events, vessels breakdowns and instances of off-hires and other factors. Please see our filings with the Securities and Exchange Commission for a more complete discussion of these and other risks and uncertainties.

# Scorpio has the Largest & Youngest Product Tanker Fleet

## Largest & Youngest Product Tanker Fleet



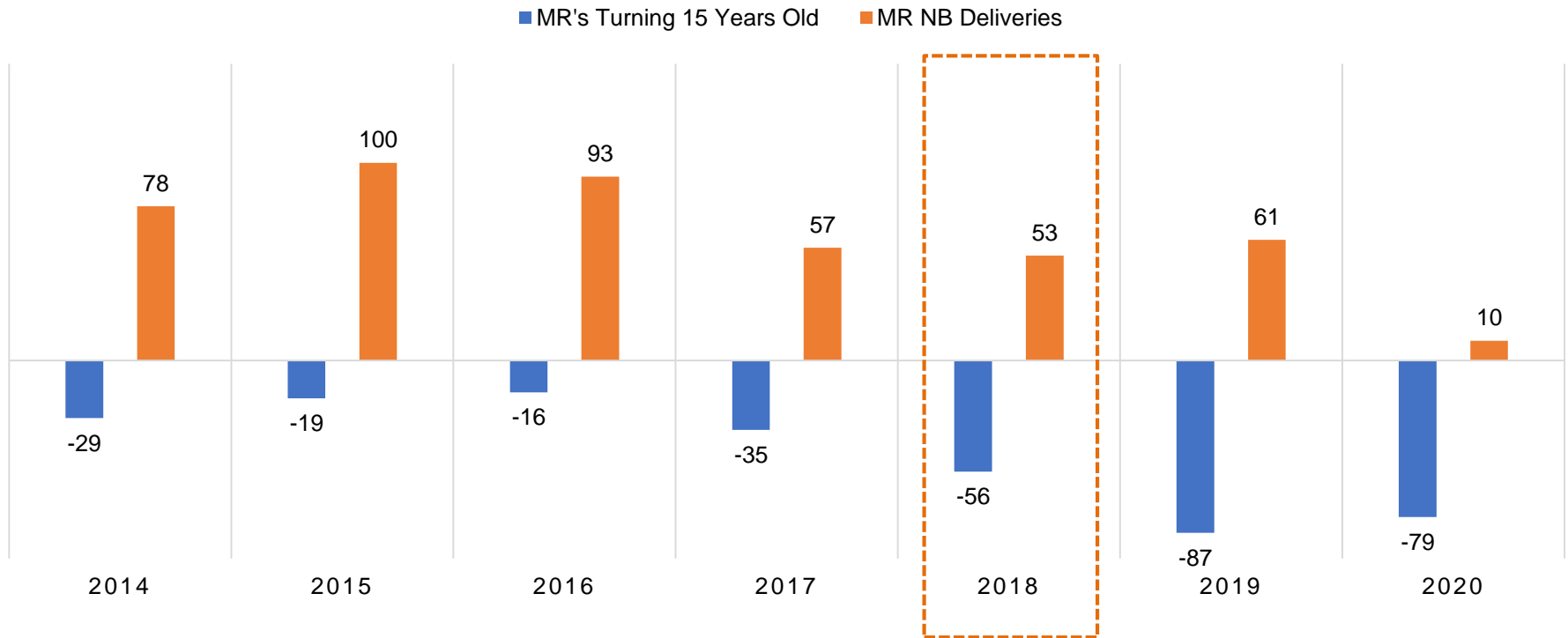
## Scorpio Average Age vs. Worldwide Fleet



Figures do not include newbuilding vessels on order.  
 Source: Clarksons Research Services, February 2018

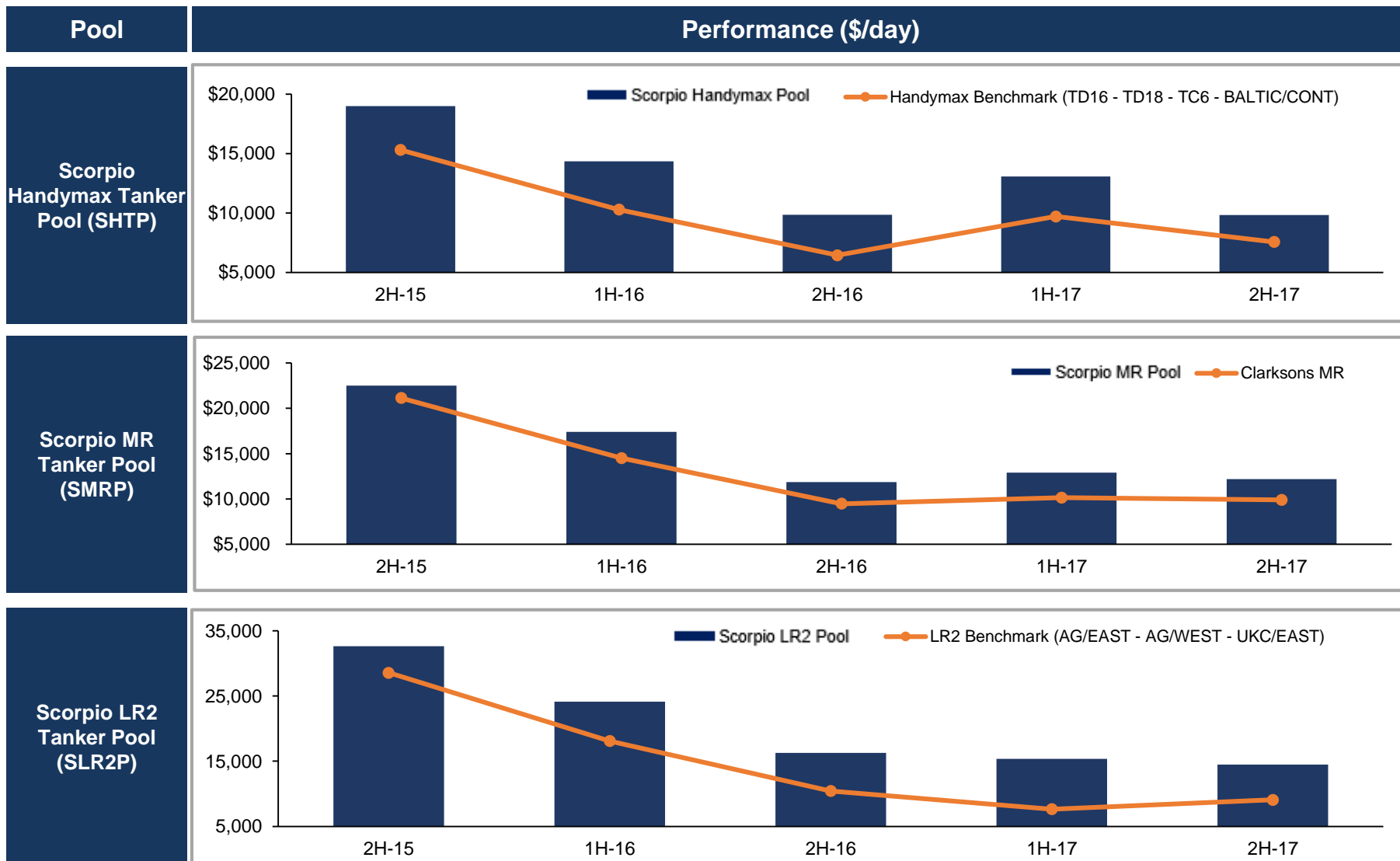
# MR's Turning 15 vs Newbuild Deliveries

- Certain key customers will only employ product tankers 15 years and younger
- This limits trading opportunities for older tonnage and creates a two tiered market where;
- Owners consider continuing to carry refined products, switching from products to crude, vessel conversion, storage, and scrapping
- The switch from products to crude is relatively easy, but becomes difficult to switch from crude to products as the age of the vessel increases



**For the first time more MR's will turn 15 years old than are delivered**

# Scorpio Pools Have Consistently Outperformed Market



## Year over Year:

- ARA and Singapore inventories of gasoline and diesel declined 14.4% and 17.7%, respectively<sup>(1)</sup>
- Asset values increased y-o-y by \$2 & \$2.5 million for handymax and MR vessels and \$1 & \$1.5 million for LR1 and LR2 vessels<sup>(2)</sup>
- MR Atlantic triangular spot earnings are up 91% y-o-y from \$8,000/day to \$17,000<sup>(3)</sup>

## Going forward:

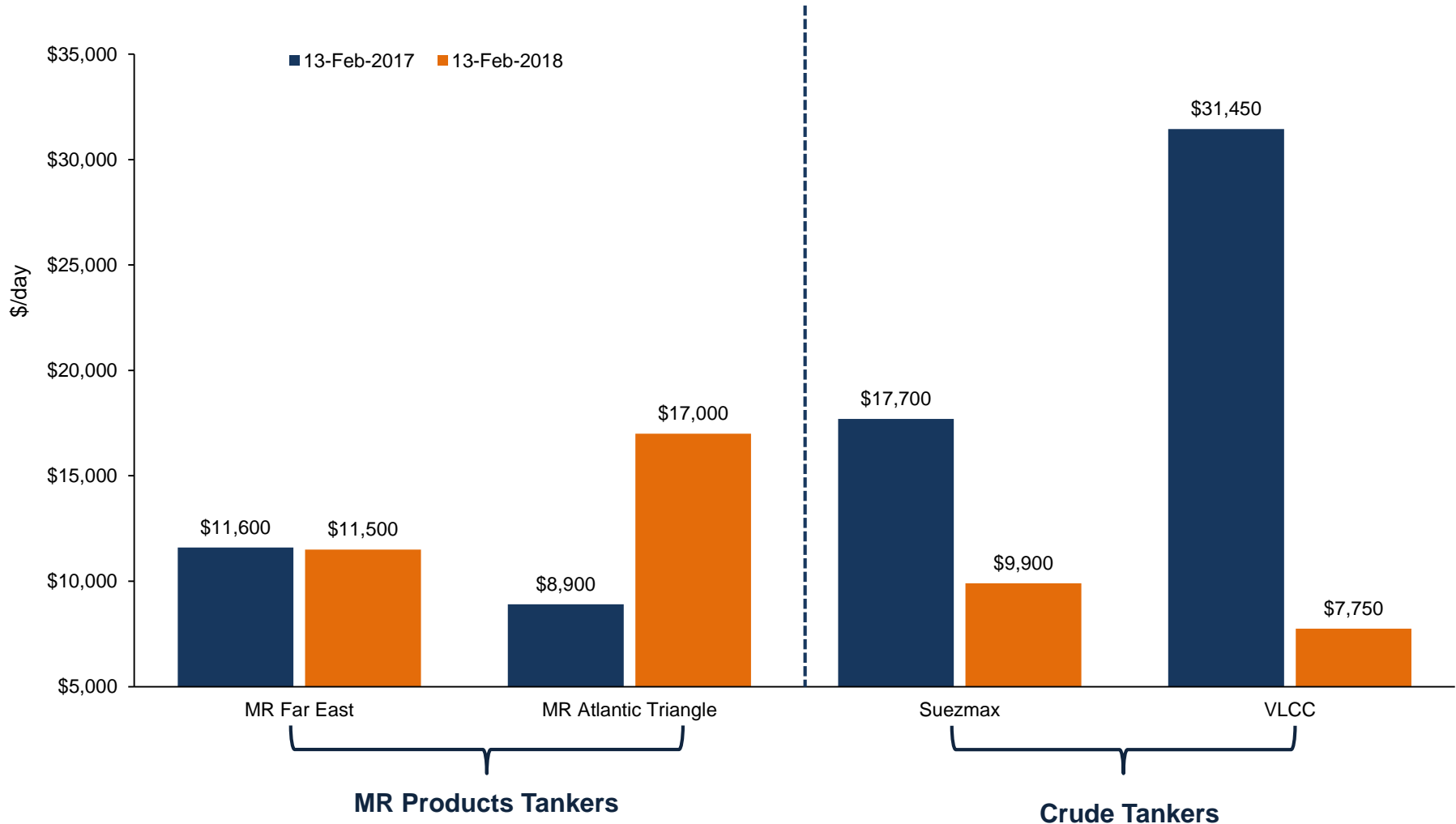
- 2018 refining capacity additions are double additions in 2017
- More MR's will turn 15 years old than newbuildings delivered in 2018
- Scorpio has significant operating leverage to a market recovery

1) Bloomberg, comparison from Jan 2017 to Jan 2018. "ARA" refers to "Amsterdam, Rotterdam, Antwerp"

2) Clarksons Research Services, resale values for HM,MR,LR1, and LR2 as of February 2017

3) Clarksons Daily Market Snapshot February 13, 2013

# Clarksons Spot Market Average Earnings



Suezmax rates: average of WAF/Europe and Cross Med routes

VLCC rates: average of AG/East and WAF/China routes

Source: Clarksons Research Services, February 13, 2018

# Refining Capacity Additions: 2017 & 2018

## Global Oil Products Supply: Driven by 10 New Refineries in 2017

Country	Company	Plant	New Supply (MBPD)
1) Qatar	QatarGas	Laffan (1Q 17)	65
2) Oman	Orpic	Sohar (2Q 17)	55
3) China	CNOOC	Huizhou, GD (3Q 17)	50
4) China	Hyundai	Daesan (3Q 17)	45
5) Iran	NIORDC	Persian Gulf Star (3Q 17+)	40
6) China	Petrochina	Kunming, YN (3Q 17)	40
7) FSU	Rosneft	Komsomolsk (3Q 16)	40
8) FSU	LUKOil	Volograd (3Q 17)	30
9) FSU	Rosneft	Syzran (1Q 17)	25
10) FSU	NefteGaz	Afipsky (4Q 17)	25
			<b>415</b>

## Global Oil Products Supply: Driven by 9 New Refineries in 2018

Country	Company	Plant	New Supply (MBPD)
1) Iran	NIORDC	Persian Gulf Star (3Q 17+)	155
2) China	CNOOC	Huizhou, GD (3Q 17)	150
3) China	Petrochina	Kunming, YN (3Q 17)	120
4) India	BPCL	Kochi, KL (4Q 17)	85
5) Turkey	SOCAR	Izmir- STAR (2Q 18)	80
6) Saudi Arabia	Saudi Aramco	Jizan (3Q 18)	80
7) Egypt	ERC	Cairo (1Q 18)	60
8) FSU	New Stream	Antipinsky (4Q 17)	45
9) Kazakhstan	Kazmunaigas	Mangistau (1Q 18)	45
			<b>820</b>

**Increases in refinery capacity additions in 2018 are double 2017**



# Significant Operating Leverage to a Market Recovery

- Applying the actual TCE rates earned by the Company in 2015 to its larger fleet today, the company would generate \$978 million in revenue or \$3.10/share

Class	# of Vessels	Days/Yr	Total Days	2015A Rates	Annualized Revenue
				(\$/day)	(Millions \$USD)
HM	14	365	5,110	\$19,686	\$101
MR	45	365	16,425	\$21,803	\$358
LR1	12	365	4,380	\$21,804	\$96
LR2	38	365	13,870	\$30,544	\$424
	<b>109</b>		<b>39,785</b>	<b>Total Revenue</b>	<b>\$978</b>

A \$1,000/day change in rates equates to \$39.7 million in annualized cash flow or \$0.12/share<sup>(1)</sup>

1) Calculations only taking into consideration the Company's 109 owned vessels