



STIFEL Conference Presentation

February 2017

Company Overview

- Scorpio Tankers Inc. (“STNG” or “Company”) is the world’s largest ECO-spec product tanker company
- By Q1-18, the Company will own a fleet of 87 eco-design product tankers
- 78 product tankers on the water with an average age of 2.3 years
 - 22 LR2s (110,000 DWT, ~750,000 bbls)
 - 42 MRs (52,000 DWT, ~275,000 bbls)
 - 14 Ice-Class Handymax (38,000 DWT, ~200,000 bbls)
- 9 vessels under construction
 - 1 LR2 to be delivered in 2017
 - 8 MRs to be delivered in 2017 & 2018
- 17 product tankers time/bareboat chartered-in Vessels
- Vessels employed in well-established Scorpio pools
- NYSE-compliant governance and transparency
- The Company is headquartered in Monaco, incorporated in the Marshall Islands and is not subject to US income tax



Operating Leverage Continues to Grow

Class	Existing	To be Delivered		Total Owned	TC/BB-In	Total
		2017	2018			
Handymax (35,000 DWT)	14	-	-	14	7	21
MR (52,000 DWT)	42	7	1	50	8	58
LR1 (75,000 DWT)	-	-	-	-	1	1
LR2 (110,000 DWT)	22	1	-	23	1	25
Total	78	8	1	87	17	105

Product Tankers in the Oil Supply Chain

- Crude Tankers provide the marine transportation of the crude oil to the refineries.
- Product Tankers provide the marine transportation of the refined products to areas of demand.
- Structural demand drivers in the product tanker industry:
 - US has emerged as a refined products powerhouse, becoming the worlds largest product exporter
 - Changes in refinery locations, expansion of refining capacity in Asia and Middle East as well as a reduction in OECD refining capacity (Europe & Australia).
 - Changes in consumption demand growth in Latin America, Africa, and non-China/Japan Asia and lack of corresponding growth in refining capacity
 - Balance of trade: needs of each particular region- gasoline/diesel trade between U.S./Europe is a prime example of this given significantly different diesel penetration rates for light vehicles
 - Europe imports surplus diesel from the United States, and exports surplus gasoline to the United States.

Exploration & Production



Oil production includes drilling, extraction, and recovery of oil from underground.

Crude Transportation



Crude oil is transported to the refinery for processing by crude tankers, rail cars, and pipelines.

Refining



Refineries convert the crude oil into a wide range of consumable products.

Products Transportation



Refined products are moved from the refinery to the end users via product tankers, railcars, pipelines and trucks.

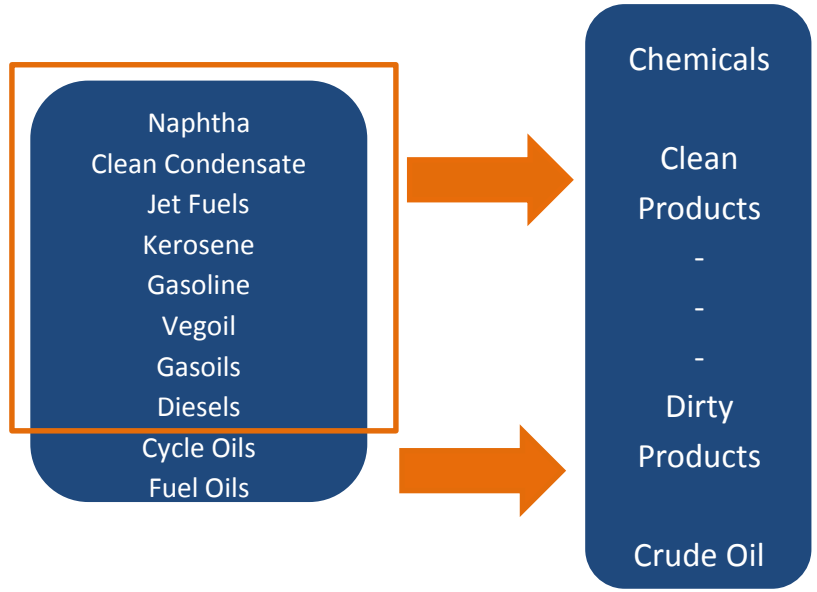
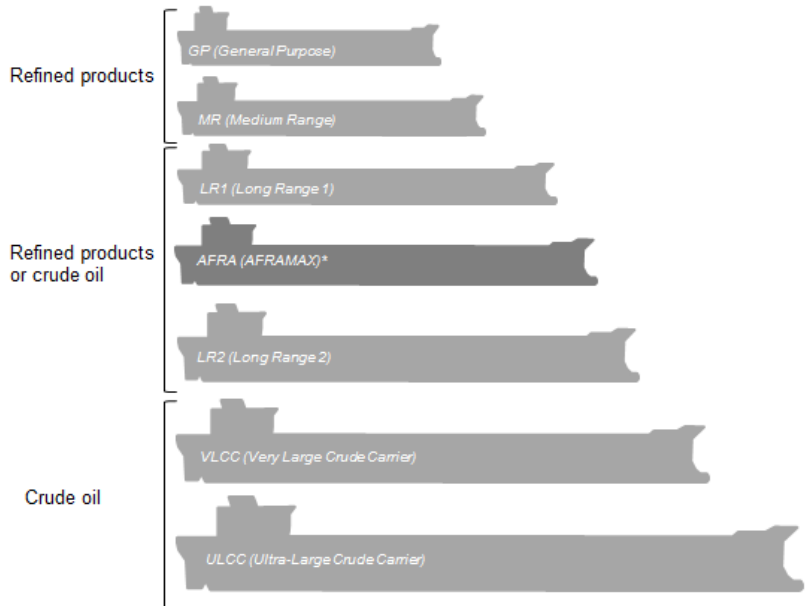
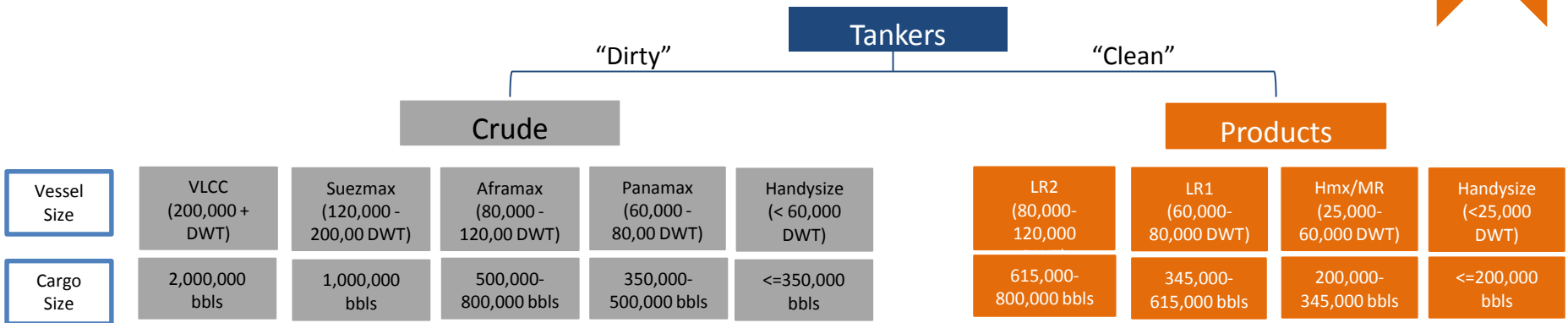
Terminalling & Distribution



Terminals are located closer to transportation hubs and are the final staging point for the refined fuel before the point of sale.

SCORPIO

Product and Crude Tankers



Product Tanker Specifications

IMO Classes I, II, & III		
IMO Class I	Chemical Tankers	IMO Class I refers to the transportation of the most hazardous, very acidic, chemicals. The tanks can be stainless steel, epoxy or marine-line coated.
IMO Class II	Chemical & Product Tankers	IMO Class II carries Veg & Palm Oils, Caustic Soda. These tanks tend to be coated with Epoxy or Stainless steel.
IMO Class III	Product Tankers	Typically carry refined either light, refined oil “clean” products or “dirty” heavy crude or refined oils.

- Product tankers have coated tanks, typically epoxy, making them easy to clean and preventing cargo contamination and hull corrosion.
- IMO II & III tankers have at least 6 segregations and 12 tanks, i.e. 2 tanks can have a common line for discharge.
- Oil majors and traders have strict requirements for the transportation of chemicals, FOSFA cargoes (vegetable oils and chemicals), and refined products.
- Tanks must be completely cleaned before a new product is loaded to prevent contamination.

New Design Features on Scorpio Product Tankers

Lower Co2 Emissions at Sea & In Port

Vapor Recovery System

Deepwell Pumps, Cleaning Capability for Rapid Discharge & Cargo Flexibility



Mewis Duct

Larger Propeller

G-Type
(Electronic Long Stroke Main Engine)

Hydrodynamic Hull Form

Low Friction Hull Coating

Enhanced Cargo Tank Coatings

Bulbous Bow

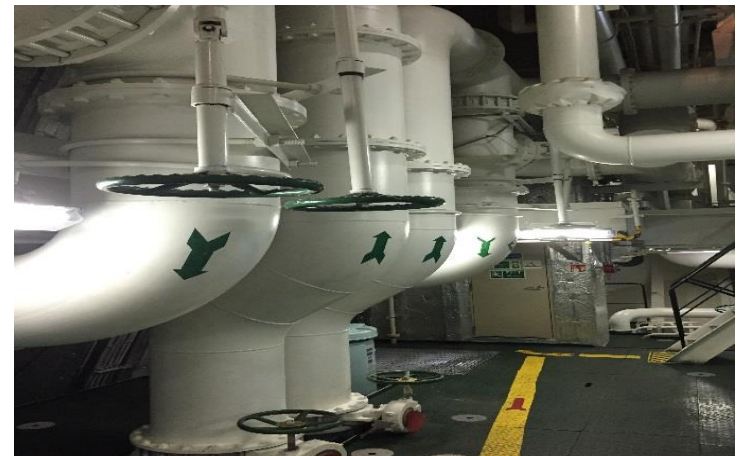
Ballast Water Treatment Systems

- The IMO's Ballast Water Convention is due to enter force on September 8, 2017.
- After September 2017, ship operators will need to install type-approved ballast water treatment systems by the time the International Oil Pollution Prevention (IOPP) certificate falls due for renewal, typically at Special Survey.
- Ballast water is used to stabilize vessels and ensure structural integrity. It is typically pumped in while cargo is being unloaded, and discharged while cargo is being loaded.
- Water taken on in one ecological zone and released into another can result in the introduction and spread of aquatic invasive species, many of which can have serious ecological, economic and public health effects if transferred to regions where they are not native
- Ballast water treatment systems actively remove, kill and/or inactivate organisms in the ballast water prior to discharge.
- Ballast water treatment systems are expected to cost \$500,000 to \$1.5 million and depends on the type and size of vessel.
- Retrofits on older, existing ships, can be more challenging and expensive as they were designed without the space in the engine room.

BWTS Filtering Unit



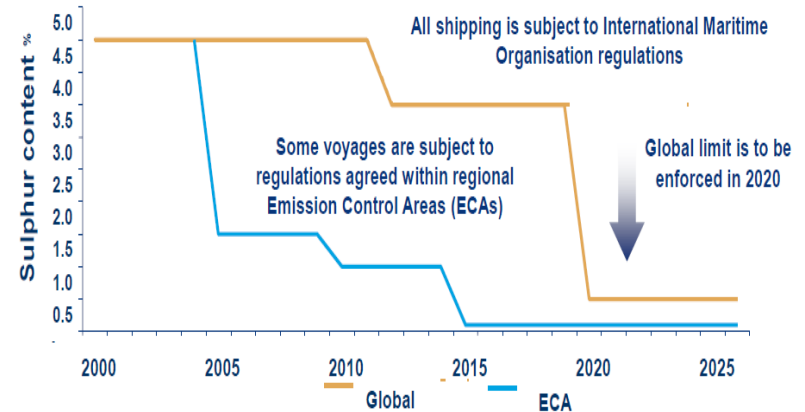
BWTS Piping in Engine Room



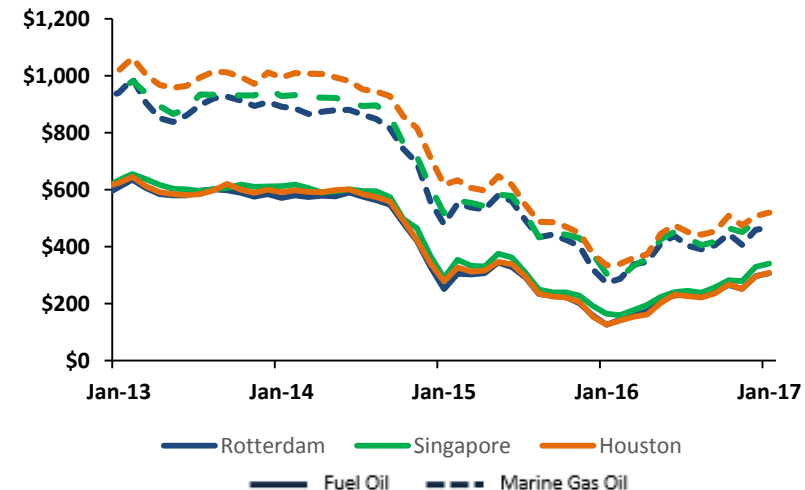
New Sulfur Emission Regulations

- On October 27, 2016 the International Maritime Organization's (IMO) announced the results from a vote to ratify and formalize regulations mandating a reduction in sulfur emissions from 3.5% currently to 0.5% as of the beginning of 2020.
- Ship owners will have to decide between:
 - Installing a scrubber so the vessel can continue to burn HFSO; or
 - Paying the premium to consume MGO with a sulfur content < 0.5%
- The cost of the scrubber depends on the size and type of ship but is estimated to cost \$4-\$10 million.
- Refineries that currently produce traditional fuel oil in areas such as Russia, Mexico, Venezuela, Iraq, and Iran are unlikely to have enough capital to upgrade refineries, resulting in the need to more blended fuel.
- Assuming 80% gasoil is blended with diesel, this would lead to an increase in global diesel demand, increasing the demand for product tankers.
- Increase in scrap rate as the cost to equip older tonnage with scrubbers can exceed the scrap value of the vessel.
- Modern fuel efficient ships have a competitive advantage over older tonnage through lower fuel consumption.

MARPOL Annex VI SOx Emission Timeline

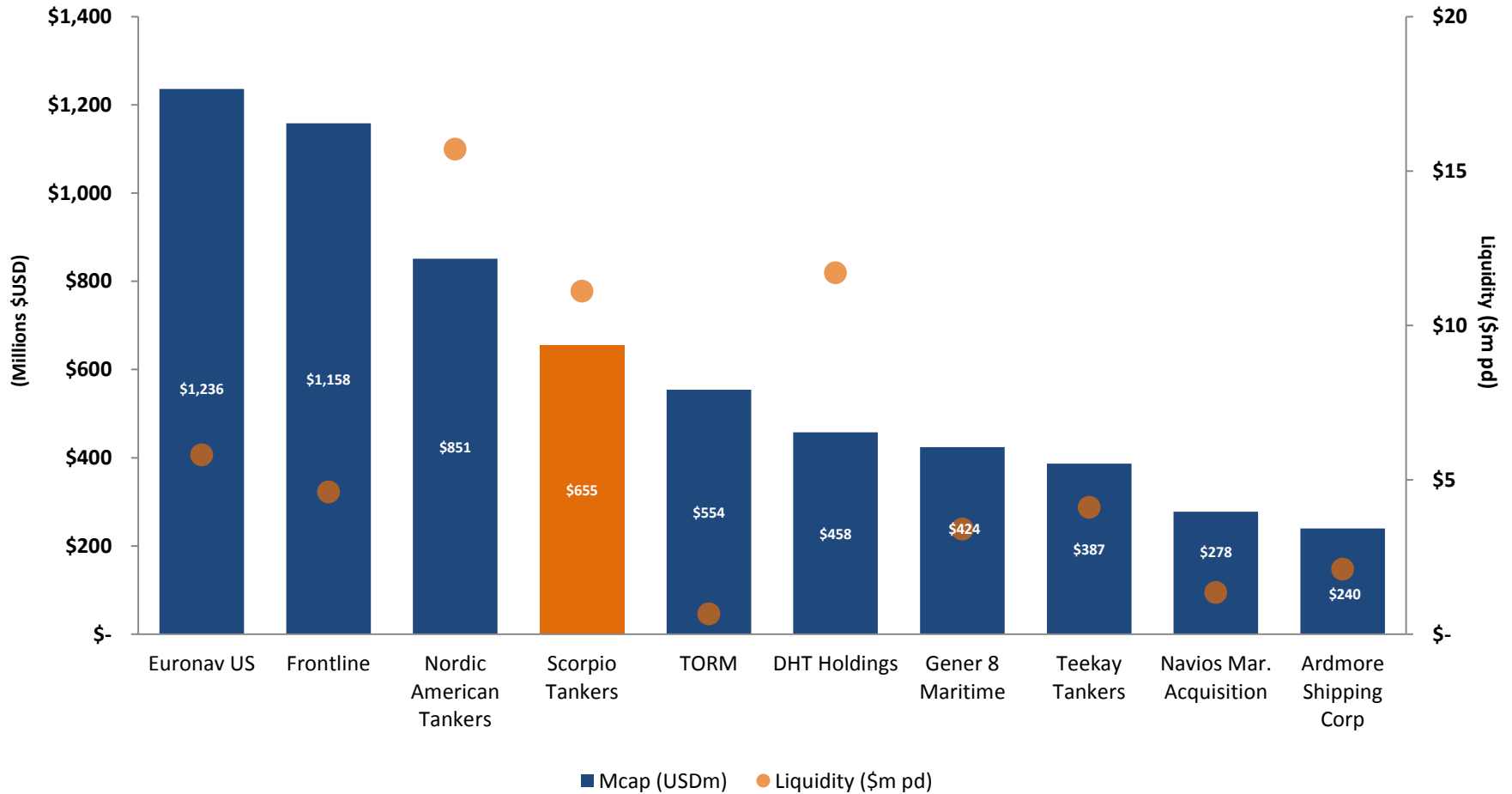


Historical FO & MGO Prices (\$/MT)¹



Source: Ocean Connect, February 2017

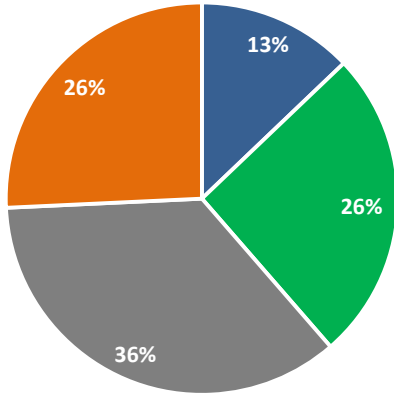
STNG Market Cap & Liquidity



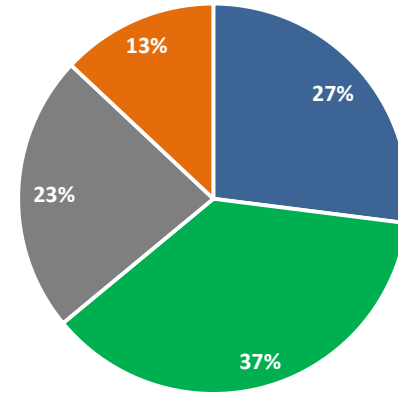
Source: Fearnleys February 6 2017

Product Tanker Fleet Age Profile

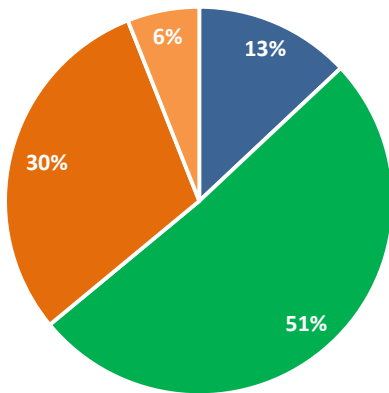
HM



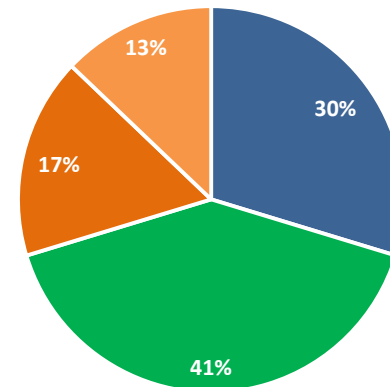
MR



LR1



LR2



■ 0-4 ■ 5-9 ■ 10-14 ■ 15 +

Product Tanker Owners & Operators

Scorpio's trading platform operates the largest product tanker fleet in the market with over 140 vessels under commercial management

Top Pool Operators

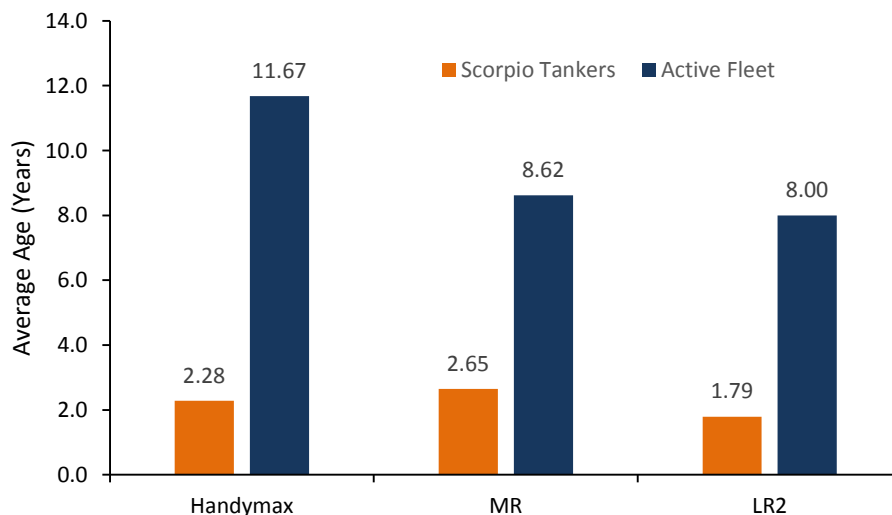
Pool Operator	Handymax	MR	LR2	Total
Scorpio	39	85	25	149
Handytankers	70	33	-	103
Norient	33	52	-	85
Navig8	4	12	21	37
Teekay Taurus	-	-	13	13

* Does not include newbuilds or committed third party vessels to be delivered.

Top Five Handymax & MR Owners ⁽¹⁾

#	Owner	Vessels
1	Scorpio Tankers	56
2	TORM	55
3	A.P. Moller	50
4	Sinokor Merchant	43
5	China Merchants Grp	39
Total Fleet		1,921

Scorpio Average Age vs. Worldwide Fleet ⁽²⁾



Top Five LR2 Owners ⁽¹⁾

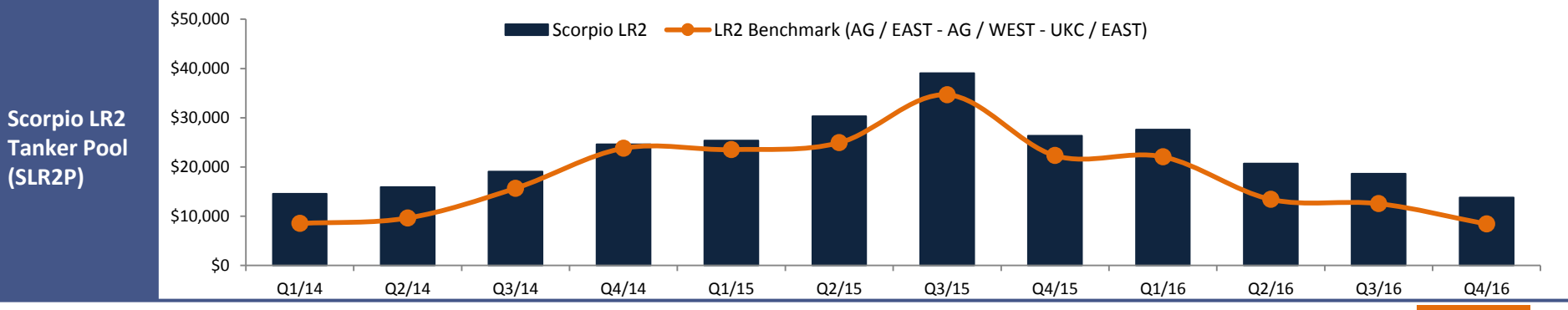
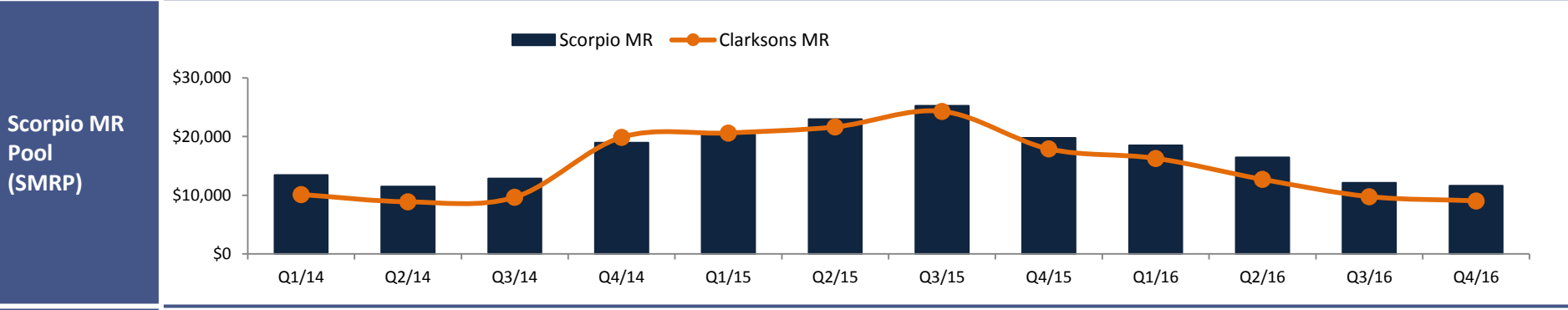
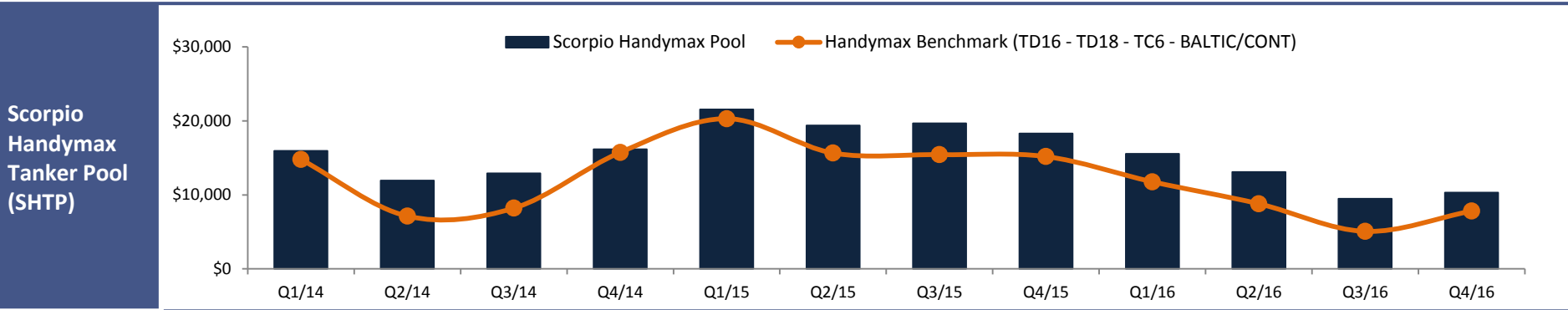
#	Owner	Vessels
1	Scorpio Tankers	22
2	A.P. Moller	14
3	Ocean Tankers	12
4	Fredriksen Group	12
5	SCF Group	11
Total Fleet		320

(1) Clarksons Research Services, February 2017

(2) Clarksons Research Services, February 2017

Scorpio Pools Have Consistently Outperformed The Market

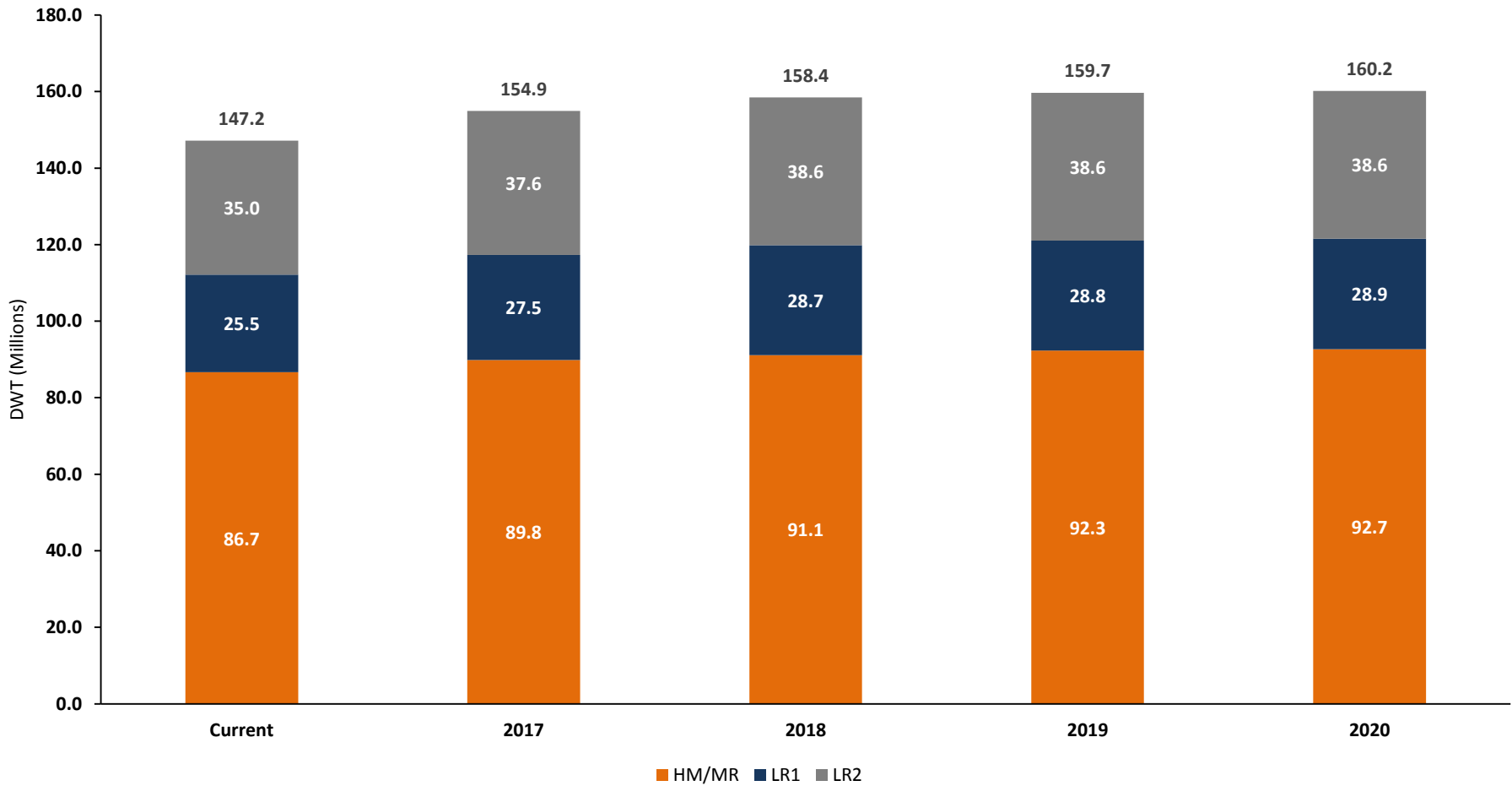
Pool Performance (\$/day)



Product Tanker Fundamentals



Product Tanker DWT Before Scrapping

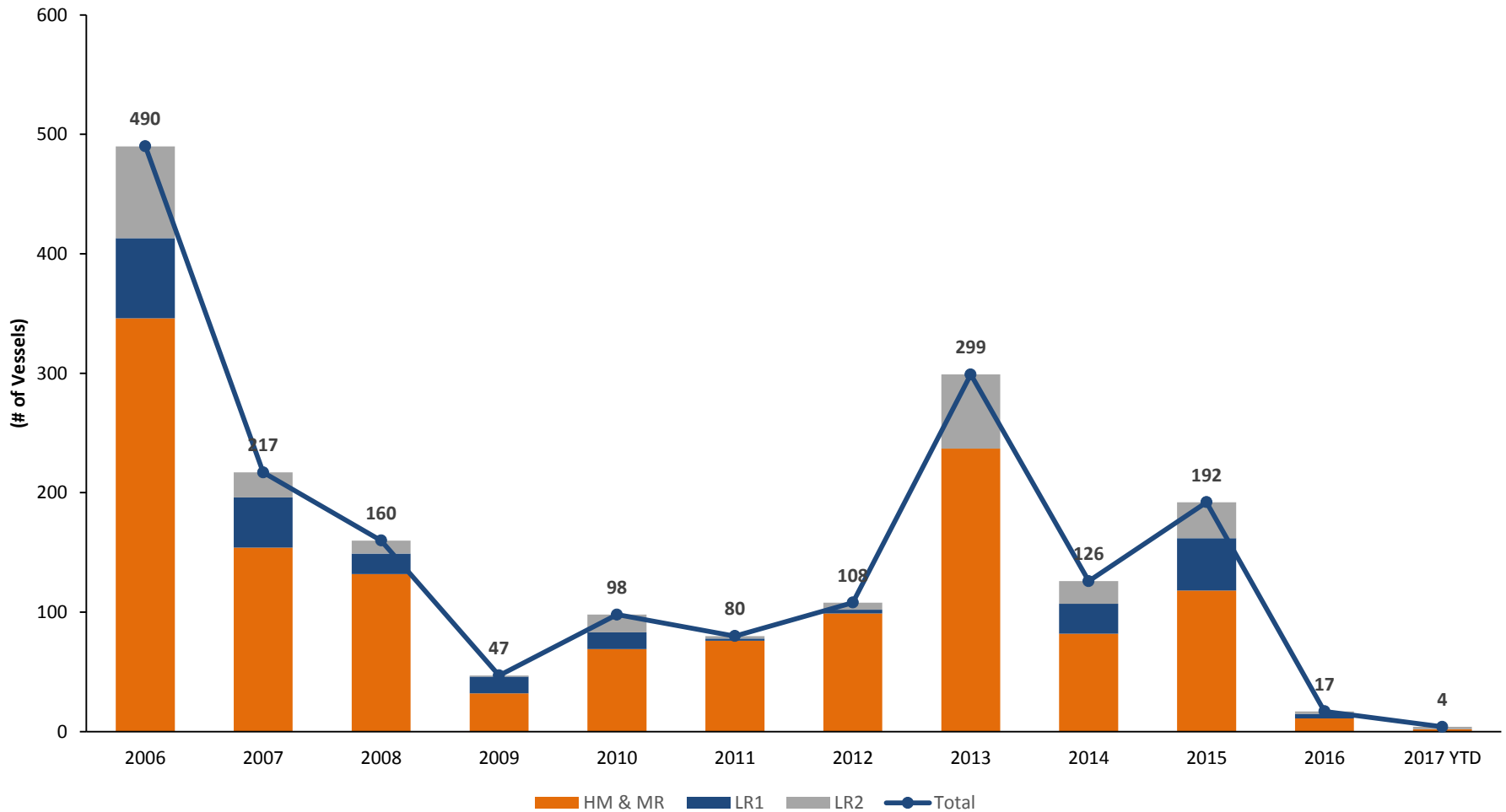


Assumes no slippage, cancellation or scrapping
Source: Clarksons Research Services, February 2017

Product Tanker Newbuilding Contracts at 20 Year Low

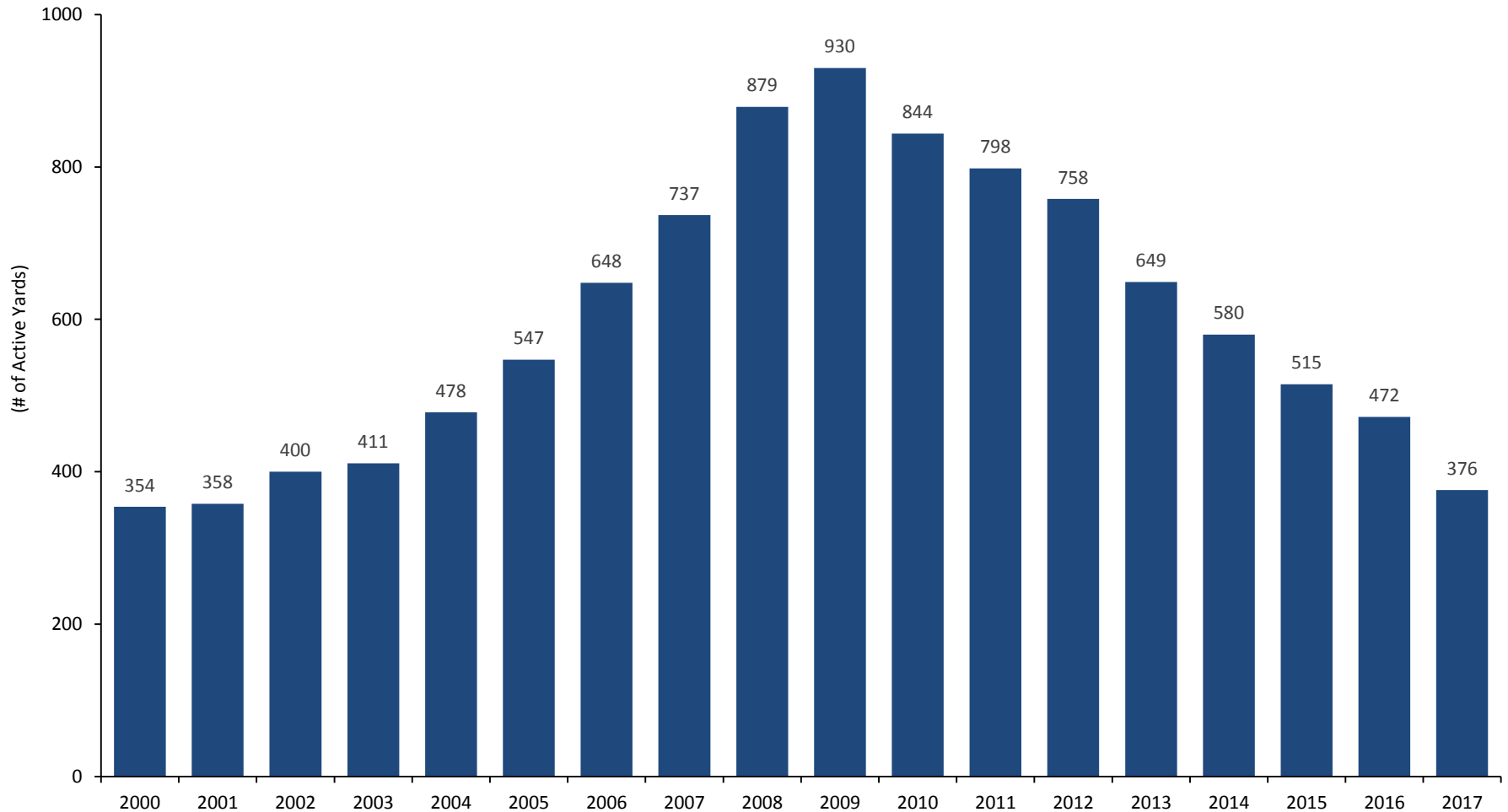
2017 Newbuilding Contracts YTD

Handymax	MR	LR1	LR2	Total
0	2	0	2	4



Source: Clarksons Research Services, February 2017

Reductions in Shipyard Capacity



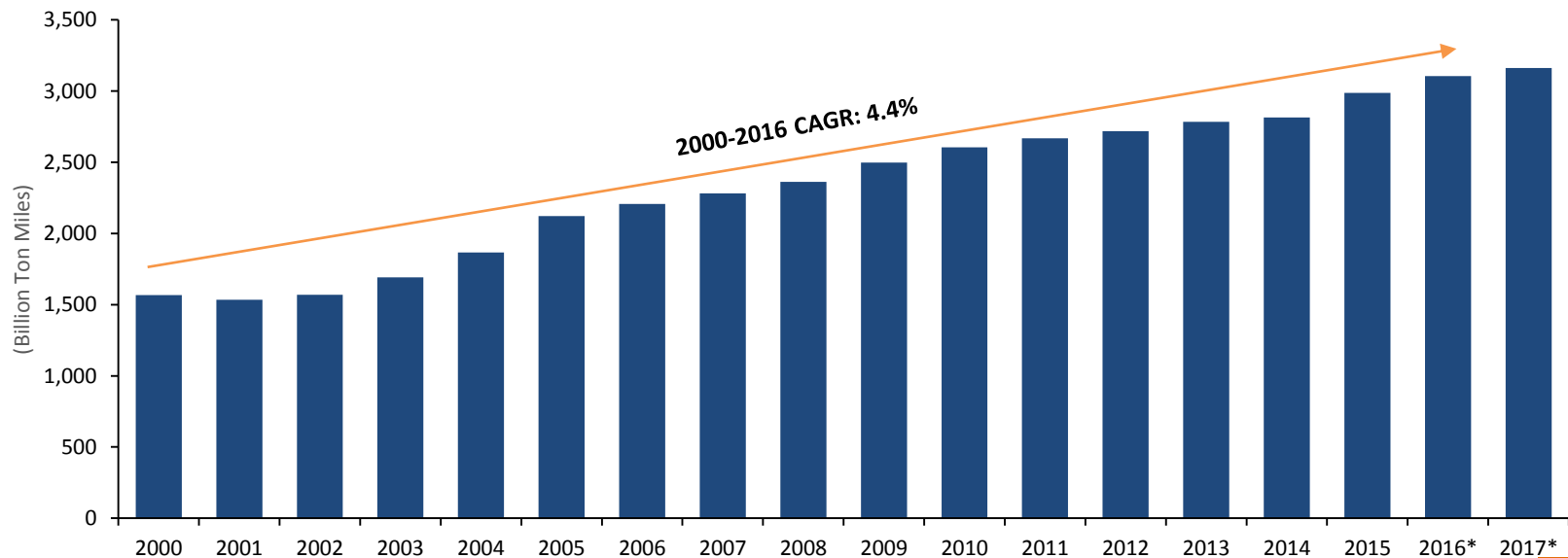
*Active Yards: Yards with at least one vessel above 1,000 GT on order, includes merchant and 'ship-shaped' offshore vessels only.

Source: Clarksons Research Services, February 2017

Structural Drivers in Demand for Refined Products

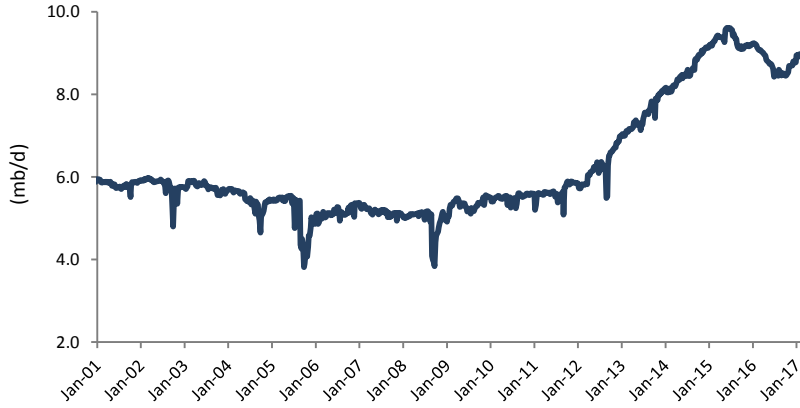
- Between 2000-2016, ton miles have increased an average of 4.4% per year.
- Reduction in oil prices has led to an increase in the production of refined products, and consequently the quantity to be transported.
- US has emerged as a refined products powerhouse, becoming the world's largest product exporter.
- Changes in refinery locations, expansion of refining capacity in Asia and Middle East as well as a reduction in OECD refining capacity (Europe & Australia).
- Growing consumption in Latin America, Africa, and non-China/Japan Asia and lack of corresponding refining capacity growth.
- Balance of trade needs of each particular region- gasoline/diesel trade between U.S./Europe is a prime example.

World Seaborne Refined Products Trade

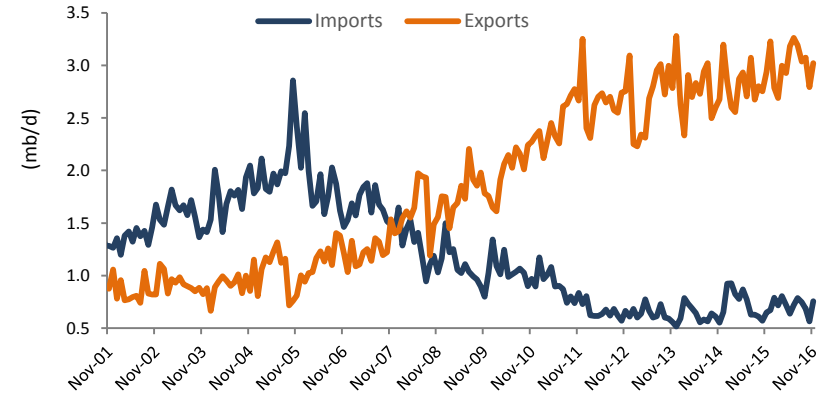


US Has Become the World's Largest Products Exporter

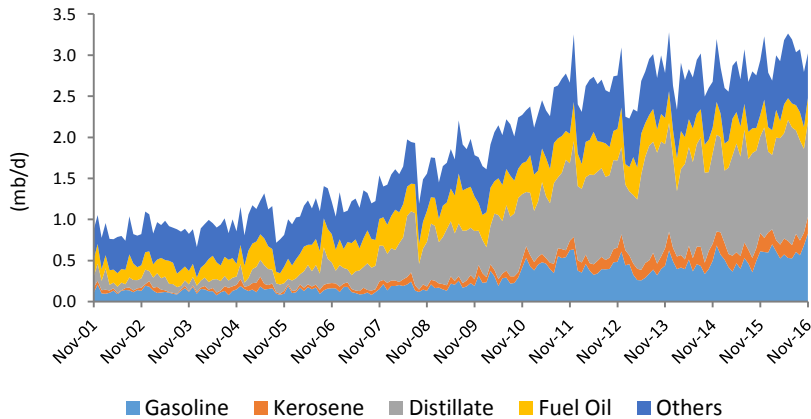
U.S. Crude Oil Production



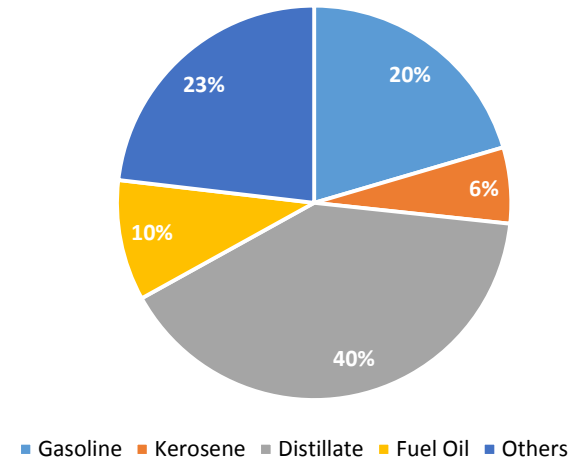
U.S. Imports and Exports of Finished Oil Products



U.S. Finished Oil Product Exports

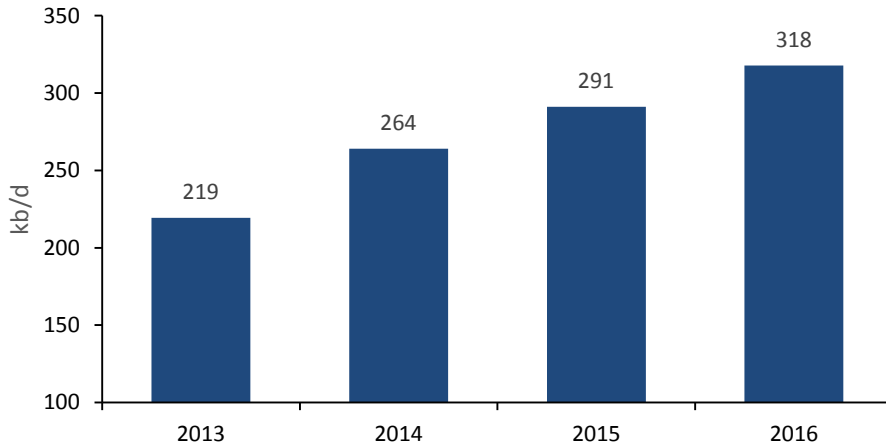


U.S. Refined Product Exports By Type: Jan-Nov 2016

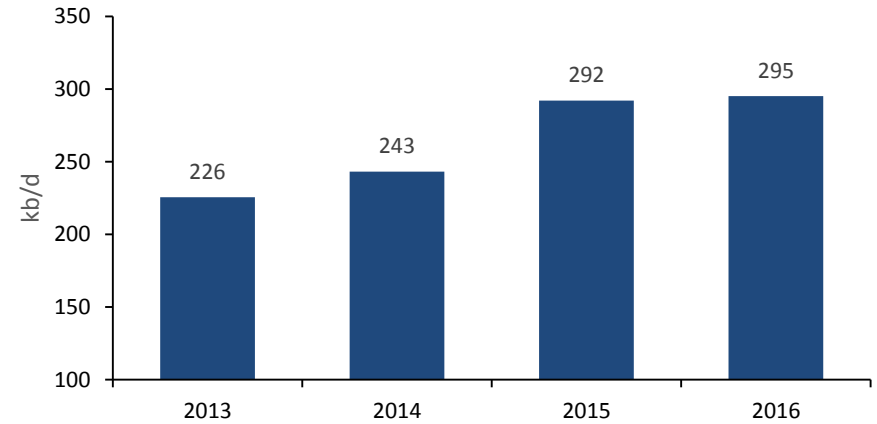


Underlying Demand Growth Drives Imports

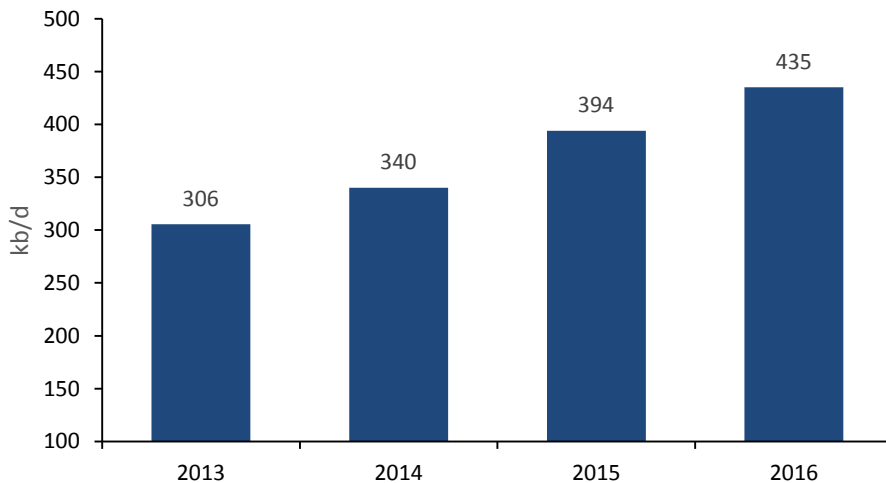
United Kingdom: Diesel



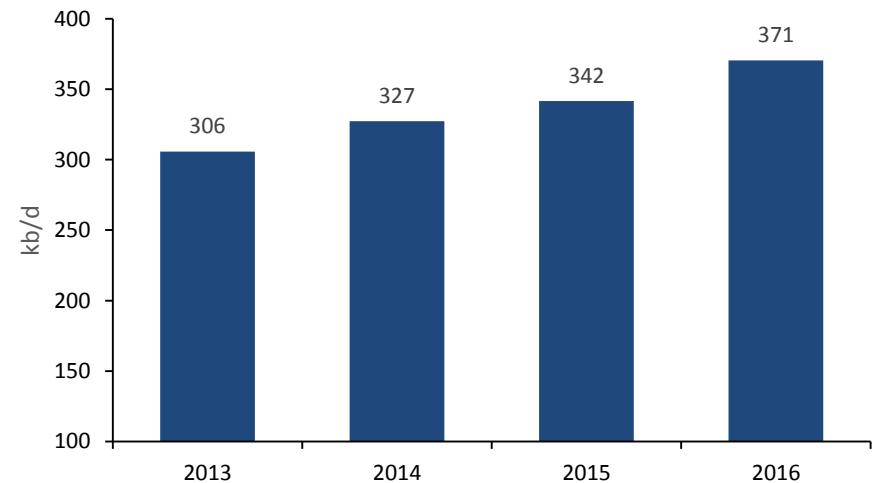
Australia: Diesel



Mexico: Gasoline



Singapore: Gasoline



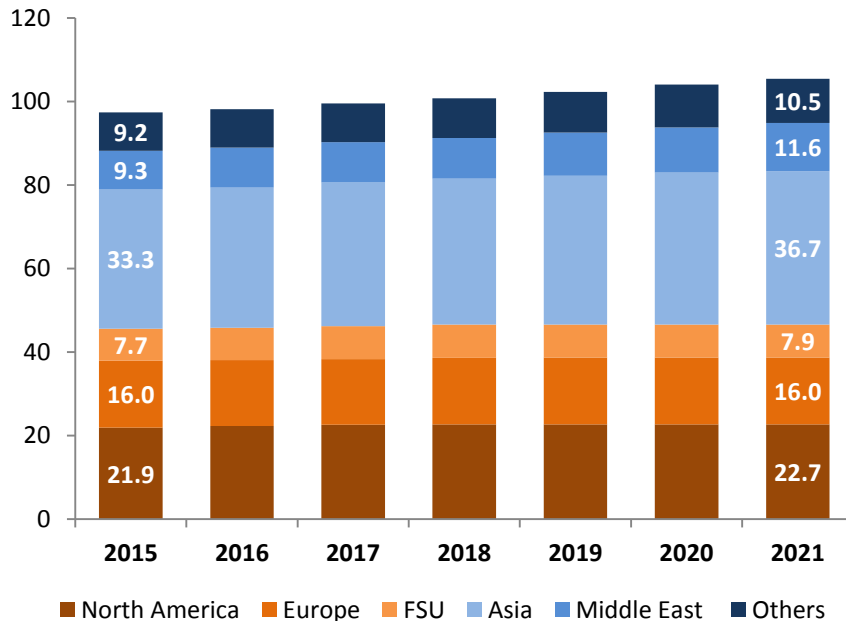
Average monthly imports from January to November in each year.

Source: JODI, February 2017

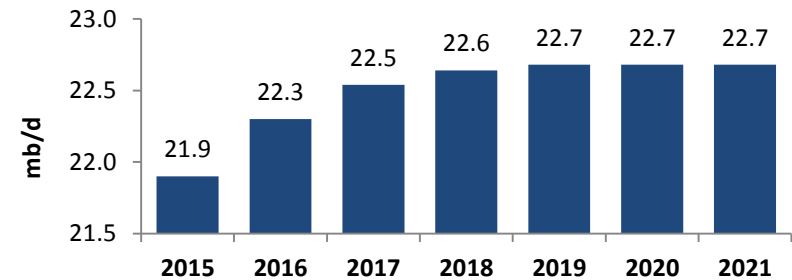
Refinery Capacity Expansions Drive Demand

- The refining industry continues to undergo massive expansion and restructuring as worldwide refining hubs in Asia, the Middle East, and United States are crowding out legacy capacity in Europe and OECD Asia Oceania.
- According to International Energy Agency (“IEA”), refinery capacity is expected to increase by 7.7 mb/d between 2015-2021, reaching 104.9 mb/d in 2021.
- Non-OECD Asia, including the Middle East, remains the contributor to growth, adding 2.3 mb/d, followed by China with increased capacity of 2.2 mb/d.
- North America looks to add 0.8 mb/d of new refining capacity through 2021, of which the majority is accounted for by US expansion in the next two years.

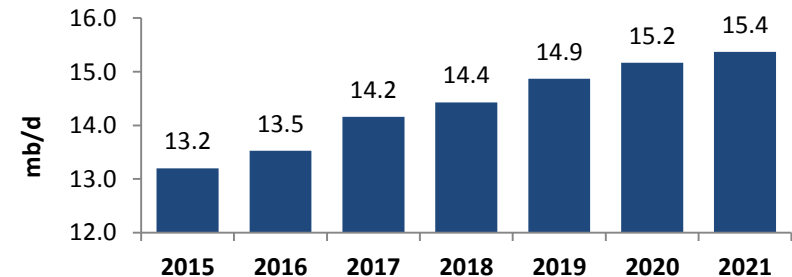
Global Refining Capacity: 2015-2021 (mb/d)



North American Refinery Capacity Expansions



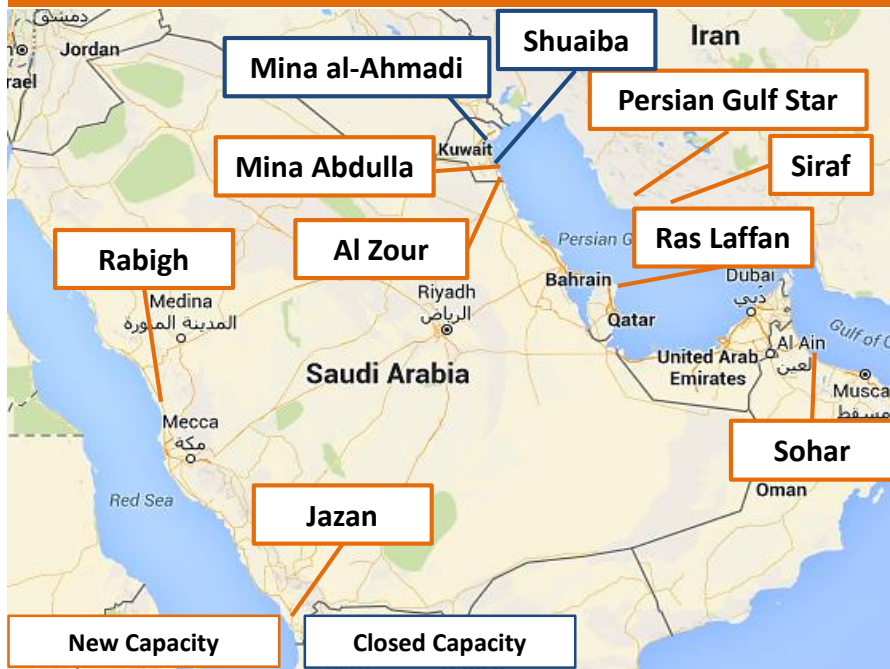
Chinese Refinery Capacity Expansions



Middle East Investing in New Refinery Capacity

- New refinery projects coming on stream in the Middle East exceed regional demand growth, resulting in increased product exports particularly middle distillates.
- Europe is the most likely destination for much of the new volumes, particularly diesel.
- The next major facility to begin operations is Sohar refinery in Oman, which shut down operations in December as part of its testing phase. The 116,000 bpd refinery remains on schedule for 2017 and will increase capacity to around 198,00 bpd.

Major Capacity Additions 2016-2019

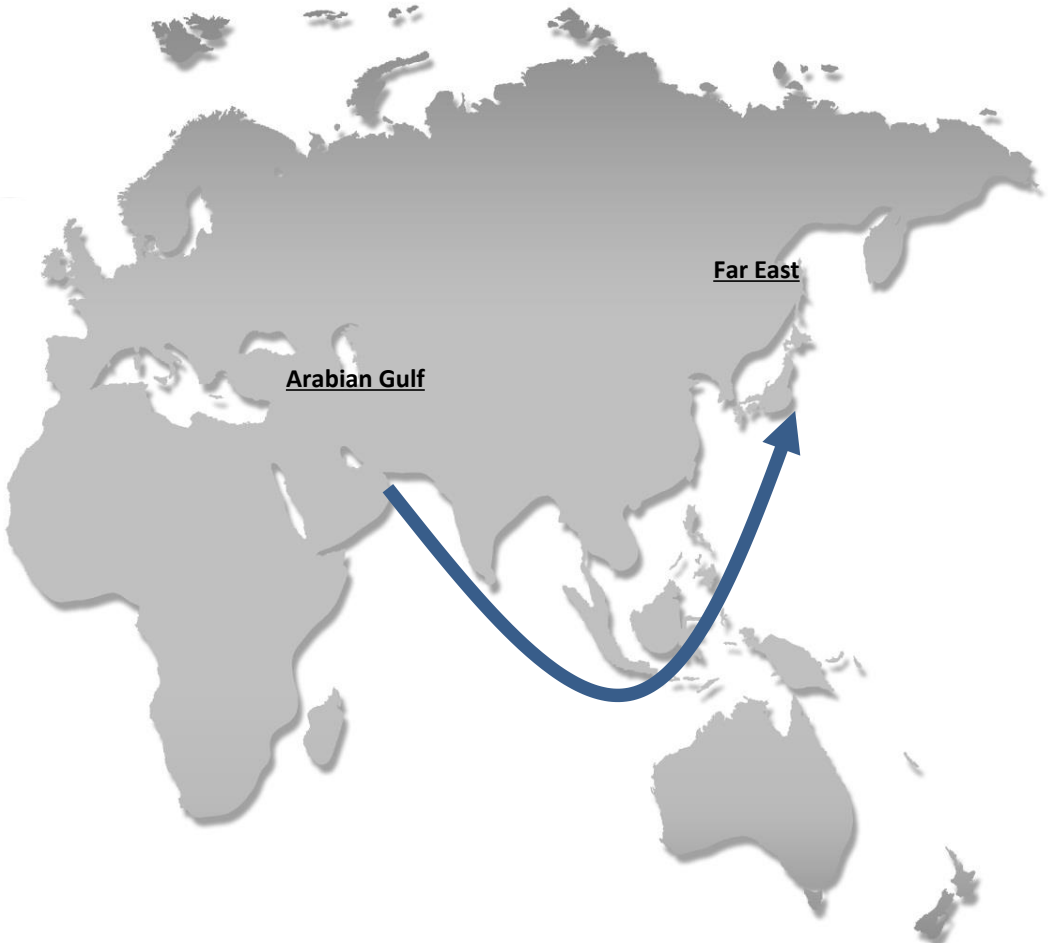


Middle East Refinery Expansion Projects

Country	Refinery	Year	Capacity (kb/d)
New Refineries			
Qatar	Ras Laffan 2	2017	145
Iran	Persian Gulf Star 1	2017	120
Oman	Sohar	2017	82
Saudi Arabia	Rabigh 2	2017	50
Iraq	Qaiwan-Baizan	2018	50
Saudi Arabia	Jazan	2018	400
Kuwait	Al Zour	2019	615
Kuwait	Mina Abdulla	2019	184
Iran	Siraf	2019	120
Iran	Persian Gulf Star 2	2019	120
New Refinery Capacity			1,886
Closures			
Kuwait	Shuaiba	2017	-200
Kuwait	Mina al-Ahmadi	2019	-119
Closure Capacity			-319
Capacity Expansion			1,567

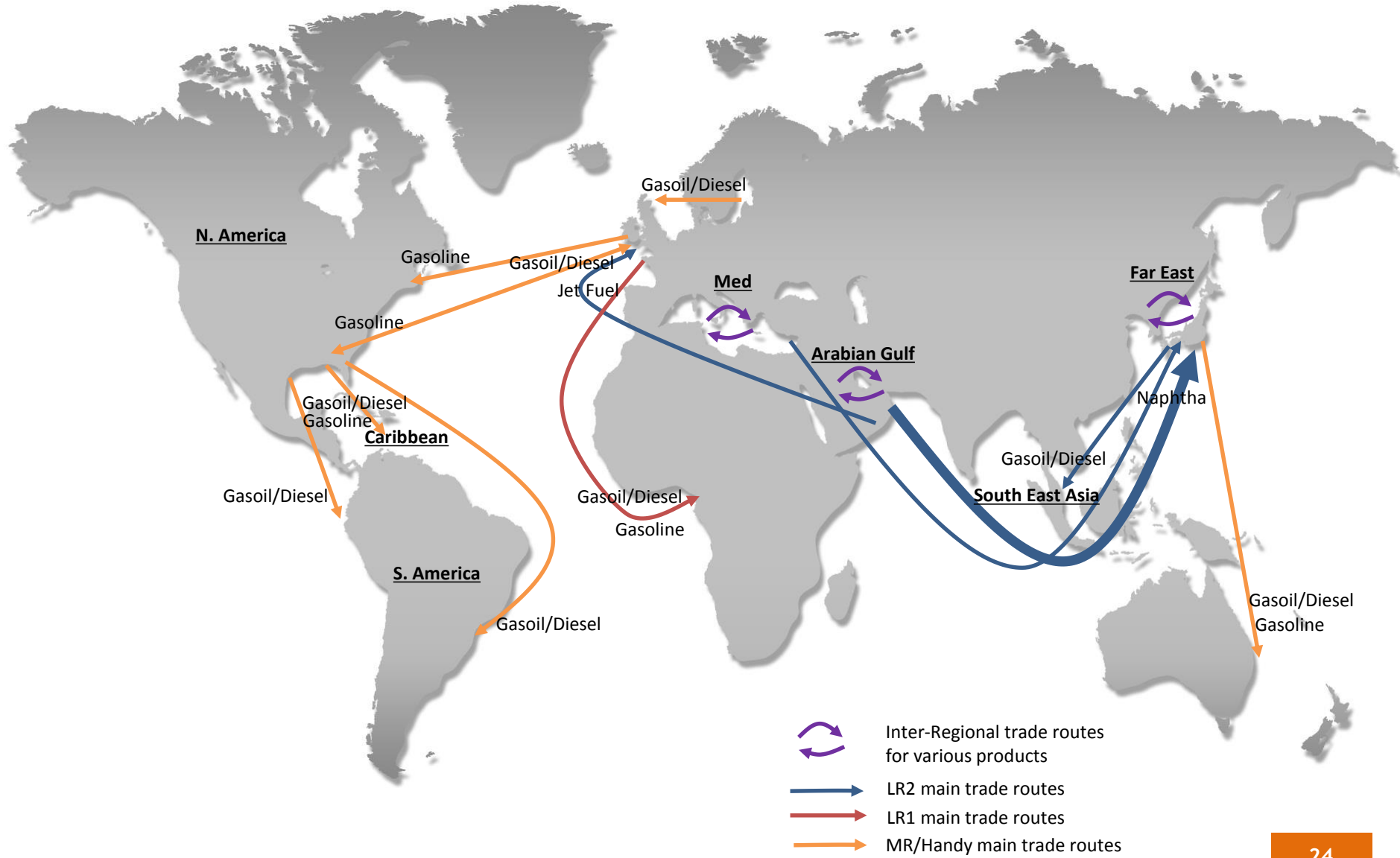
Product Tankers Needed to Meet Refining Capacity Growth

Product Tankers Needed to Meet New Capacity Growth AG-FE Example	
Incremental Refining Capacity Growth(bbl/d)	500,000
HM/MR Carrying Capacity (bbl)	250,000
LR1/LR2 Carrying Capacity (bbl)	600,000
Laden Speed (knots)	12.5
Ballast Speed (knots)	12.5
Voyage Days (Ras Tanura – Yokohama)	
Sailing (Round Trip)	44
Loading	2
Discharging	2
Total Voyage Days (Per Trip)	48
Operating Days (Per Year)	360
AG-FE Round Trip Voyages Per Year	7.5
Product Tankers Needed Per Year	
HM/MR Needed Per Year	96
LR1/LR2 Needed Per Year	40



→ AG-Far East trade route

Product Tanker Trade Map



Company Highlights

1

Modern, fuel-efficient fleet

- World's largest fleet of ECO-design product tankers
- ECO-design vessels have substantially lower fuel costs than prior generation vessels
- Young fleet (average age of 2.3 years), built at high quality yards.

2

Tremendous fleet growth and operating leverage

- STNG currently operates a fleet of 78 wholly owned tankers and time/bareboat charters-in an additional 17 tankers
- The Company has 9 vessels under construction – 1 LR2 and 8 MRs to be delivered in 2017/2018
- Scorpio Group manages the fleet in commercial pools that have historically outperformed the charter market

3

Positive market fundamentals

- Remaining orderbook provides favourable supply / demand balance
- Increasing U.S. refined product exports combined with increasing refinery capacity in Asia and the Middle East supports demand growth

4

Strategy targets a conservative financial profile

- Commitment towards maintaining low leverage and a conservative capital structure
- Flexibility to manage successfully through shipping cycles and take advantage of strategic growth opportunities

Appendix

Fleet List

Owned Vessels

Name	Year	DWT	Type	Name	Year	DWT	Type
STI Comandante	May-14	38,000	HM	STI Yorkville	Oct-14	52,000	MR
STI Brixton	Jun-14	38,000	HM	STI Memphis	Nov-14	52,000	MR
STI Pimlico	Jul-14	38,000	HM	STI Milwaukee	Nov-14	52,000	MR
STI Hackney	Aug-14	38,000	HM	STI Battery	Dec-14	52,000	MR
STI Acton	Sep-14	38,000	HM	STI Soho	Dec-14	52,000	MR
STI Fulham	Sep-14	38,000	HM	STI Tribeca	Jan-15	52,000	MR
STI Camden	Sep-14	38,000	HM	STI Gramercy	Jan-15	52,000	MR
STI Battersea	Oct-14	38,000	HM	STI Bronx	Feb-15	52,000	MR
STI Wembley	Oct-14	38,000	HM	STI Pontiac	Mar-15	52,000	MR
STI Finchley	Nov-14	38,000	HM	STI Manhattan	Mar-15	52,000	MR
STI Clapham	Nov-14	38,000	HM	STI Queens	Apr-15	52,000	MR
STI Poplar	Dec-14	38,000	HM	STI Osceola	Apr-15	52,000	MR
STI Hammersmith	Jan-15	38,000	HM	STI Notting Hill	May-15	52,000	MR
STI Rotherhithe	Jan-15	38,000	HM	STI Seneca	Jun-15	52,000	MR
STI Amber	Jul-12	52,000	MR	STI Westminster	Jun-15	52,000	MR
STI Topaz	Aug-12	52,000	MR	STI Brooklyn	Jul-15	52,000	MR
STI Ruby	Sep-12	52,000	MR	STI Black Hawk	Sep-15	52,000	MR
STI Garnet	Sep-12	52,000	MR	STI Elysees	Jul-14	114,000	LR2
STI Onyx	Sep-12	52,000	MR	STI Madison	Aug-14	114,000	LR2
STI Sapphire	Jan-13	52,000	MR	STI Park	Sep-14	114,000	LR2
STI Emerald	Mar-13	52,000	MR	STI Orchard	Sep-14	114,000	LR2
STI Beryl	Apr-13	52,000	MR	STI Sloane	Oct-14	114,000	LR2
STI Le Rocher	Jun-13	52,000	MR	STI Broadway	Nov-14	114,000	LR2
STI Larvotto	Jul-13	52,000	MR	STI Condotti	Nov-14	114,000	LR2
STI Fontvieille	Jul-13	52,000	MR	STI Rose	Jan-15	114,000	LR2
STI Ville	Sep-13	52,000	MR	STI Veneto	Jan-15	114,000	LR2
STI Opera	Jan-14	52,000	MR	STI Alexis	Jan-15	114,000	LR2
STI Duchessa	Jan-14	52,000	MR	STI Winnie	Mar-15	114,000	LR2
STI Texas City	Mar-14	52,000	MR	STI Oxford	Apr-15	114,000	LR2
STI Meraux	Apr-14	52,000	MR	STI Lauren	Apr-15	114,000	LR2
STI San Antonio	May-14	52,000	MR	STI Connaught	May-15	114,000	LR2
STI Venere	Jun-14	52,000	MR	STI Spiga	Jun-15	114,000	LR2
STI Virtus	Jun-14	52,000	MR	STI Savile Row	Jun-15	114,000	LR2
STI Aqua	Jul-14	52,000	MR	STI Kingsway	Aug-15	114,000	LR2
STI Dama	Jul-14	52,000	MR	STI Lombard	Aug-15	114,000	LR2
STI Benicia	Sep-14	52,000	MR	STI Carnaby	Sep-15	114,000	LR2
STI Regina	Sep-14	52,000	MR	STI Grace	Mar-16	114,000	LR2
STI St Charles	Sep-14	52,000	MR	STI Jermyn	May-16	114,000	LR2
STI Mayfair	Oct-14	52,000	MR	STI Selatar	Feb-17	114,000	LR2

2017 Delivery Schedule

Name	Year	DWT	Type
STI Rambla	Mar-17	114,000	LR2
STI Galata	Mar-17	52,000	MR
STI Bosphorus	Apr-17	52,000	MR
STI Leblon	Jun-17	52,000	MR
STI La Boca	Jul-17	52,000	MR
STI San Telmo	Sep-17	52,000	MR
STI Jurere	Oct-17	52,000	MR
STI Esles II	Nov-17	52,000	MR

2018 Delivery Schedule

Name	Year	DWT	Type
STI Jardins	Jan-18	52,000	MR

78 existing vessels, plus 9 Newbuilds

Largest Shareholders

#	Holder	%
1	Wellington Management Company	11.5%
2	Dimensional Fund Advisors	8.2%
3	Fidelity Management & Research Company	4.1%
4	Putnam Investment Management	4.0%
5	The Vanguard Group	3.5%
6	Daruma Capital Management	3.5%
7	BlackRock Fund Advisors	3.5%
8	Millennium Management	2.3%
9	Investec Asset Management	2.3%
10	Baron Capital Management	2.0%
11	Boston Partners Global Investor	1.9%
12	Comerica Bank (Asset Management)	1.8%
13	State Street Global Advisors	1.7%
14	Avenue Capital Management II	1.7%
15	Northern Trust Investments	1.5%
16	Tricadia Capital Management	1.2%
17	American Century Investment Management	1.1%
18	Bank of America Merrill Lynch	1.1%
19	Numeric Investors	1.1%
20	Hosking Partners	1.0%



Thank you!

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