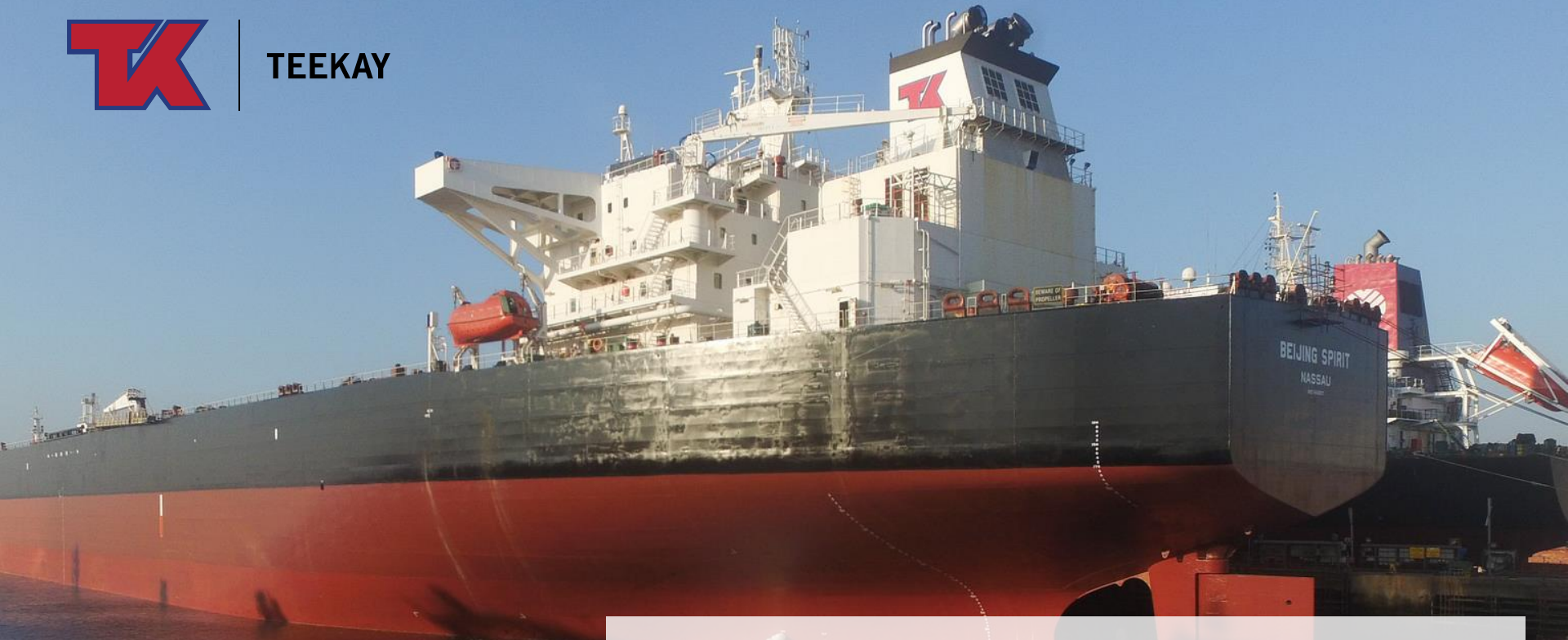




TEEKAY



TEEKAY TANKERS Q1-2017 EARNINGS PRESENTATION

May 18, 2017

Forward Looking Statements

This presentation contains forward-looking statements (as defined in Section 21E of the Securities Exchange Act of 1934, as amended) which reflect management's current views with respect to certain future events and performance, including statements regarding: crude oil and refined product tanker market fundamentals, including the balance of supply and demand in the tanker market, the amount of new orders for tankers, the estimated growth in the world tanker fleet, the amount of tanker scrapping, estimated growth in global oil demand and supply, crude oil tanker demand, and the impact of the new regulations on ballast water treatment; the effect of OPEC supply cuts on changing trading patterns and increasing U.S. exports, including the impact on ton-mile demand and mid-size tanker demand; the timing and certainty of completing the sale-leaseback financing transaction relating to four modern Suezmax tankers and the expected impact on the Company's liquidity; and the timing and certainty of the *Kyeema Spirit* vessel sale and delivery. The following factors are among those that could cause actual results to differ materially from the forward-looking statements, which involve risks and uncertainties, and that should be considered in evaluating any such statement: changes in the production of, or demand for, oil or refined products; changes in trading patterns significantly affecting overall vessel tonnage requirements; greater or less than anticipated levels of tanker newbuilding orders and deliveries and greater or less than anticipated rates of tanker scrapping; changes in global oil prices; changes in applicable industry laws and regulations and the timing of implementation of new laws and regulations; increased costs; inability to complete or a change to the terms of the sale-leaseback financing transaction relating to the four modern Suezmax tankers; a delay in, or failure to complete, the sale of the *Kyeema Spirit* and other factors discussed in Teekay Tankers' filings from time to time with the United States Securities and Exchange Commission, including its Report on Form 20-F for the fiscal year ended December 31, 2016. The Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company's expectations with respect thereto or any change in events, conditions or circumstances on which any such statement is based.



Recent Highlights

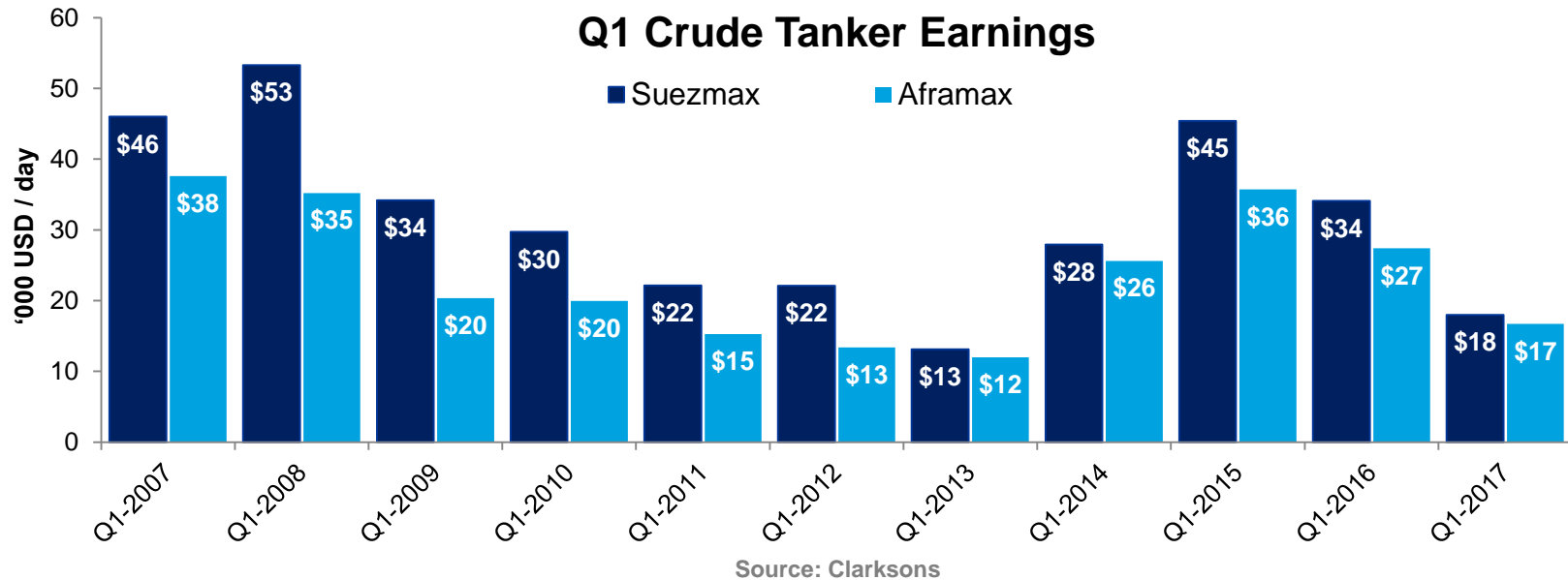
- Q1-17 Financial Results
 - Generated adjusted net income⁽¹⁾ of \$7.0 million, or \$0.04 per share, and free cash flow⁽¹⁾ of \$34.4 million
- Dividend of \$0.03 per share for Q1-17, consistent with dividend policy
- Fleet Developments
 - Signed term sheet for a 12-year sale-leaseback financing for four Suezmax tankers, increasing liquidity by ~\$30 million
 - Completed sale and delivery of two 2002-built Suezmax tankers for combined proceeds of \$33.8 million
 - Agreed to sell a 1999-built Aframax tanker for proceeds of \$7.5 million
 - Out-chartered Suezmax tanker for a firm period of 12 months at a daily rate of \$21,000/day

(1) These are non-GAAP financial measures. Please refer to "Definitions and Non-GAAP Financial Measures" and the Appendices of the Q1-17 earnings release for definitions of these terms and reconciliations of these non-GAAP financial measures as used in the earnings presentation to the most directly comparable financial measures under United States generally accepted accounting principals (GAAP).



Q1-2017 Spot Market Review

Rates trending downwards, but higher than the last market downturn



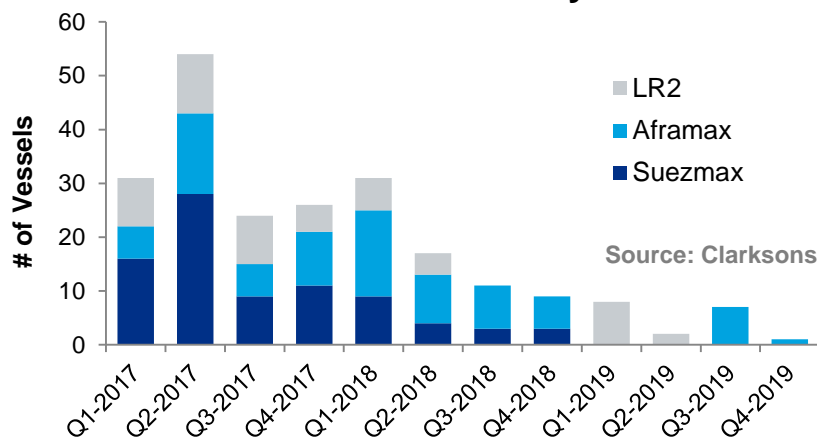
- Q1-17 rates were lowest first quarter results in four years due to challenging fundamentals:
 - OPEC supply cuts and high fleet growth
- However, rates are above the lows seen during the last market downturn in 2013 due to some underlying positive changes to tanker trade:
 - Increased long-haul movements from the Atlantic Basin to Asia
 - US crude oil exports averaged 0.7 mb/d in the first quarter



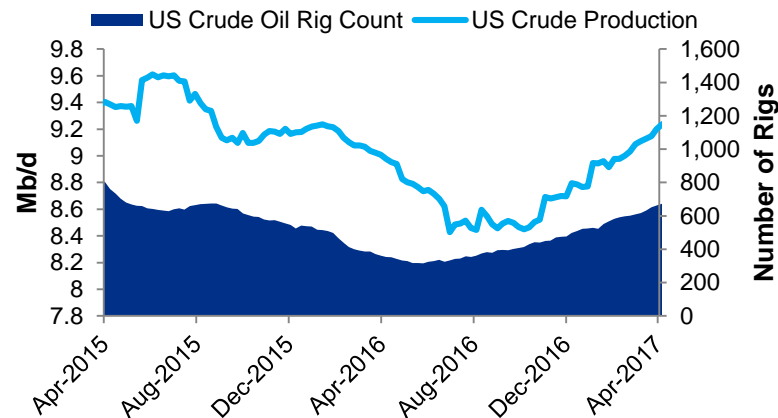
Headwinds for Tanker Rates in 2017...

...but Atlantic Basin supply increases provide support

Mid-Size Tanker Delivery Schedule



US Crude Production & Rig Count



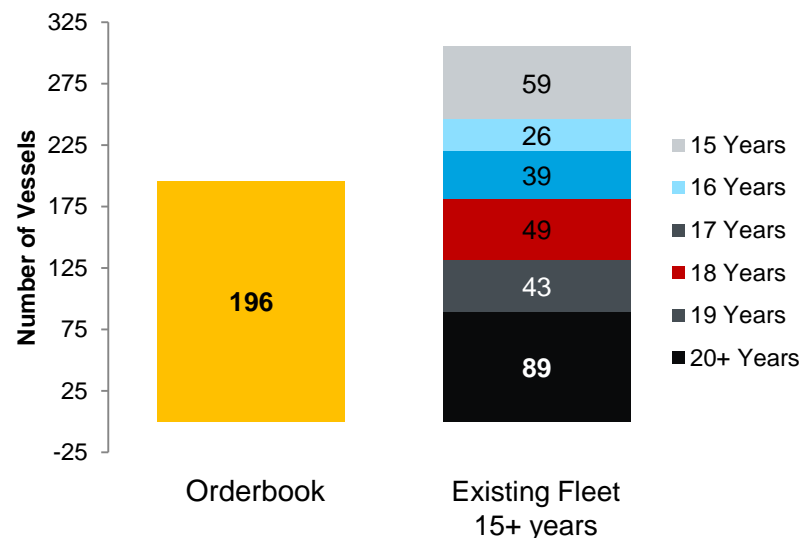
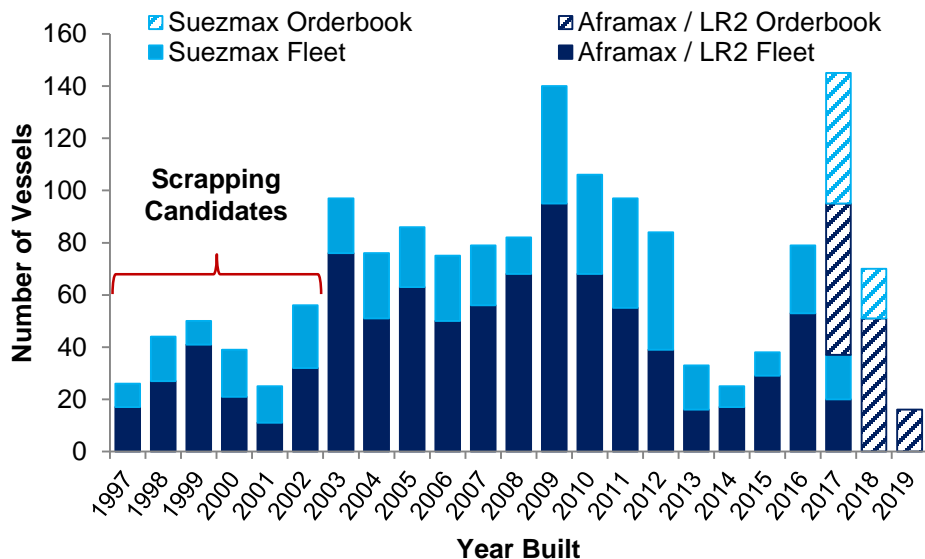
- Fleet growth will present headwinds to tanker fleet utilization in 2017
- OPEC cuts have encouraged Asian buyers to turn to tonne-mile intensive Atlantic volumes
 - Narrowing of Brent-Dubai spread opens arbitrage opportunities for Atlantic grades to Asia
 - Chinese demand for US crude increasing due to price and a desire to diversify supply regions
- 2017 Atlantic supply increases: FSU, Brazil, West Africa, Libya, US
 - US production to increase ~0.7 mb/d in 2017, supporting mid-sized tanker demand
 - Ramping up of Kashagan field to increase Black Sea exports by ~200 kb/d
 - Libyan / Nigerian supply has the potential to increase by ~500 kb/d



Positive Long-Term Supply Outlook

Small mid-size orderbook from 2018+ and an aging fleet

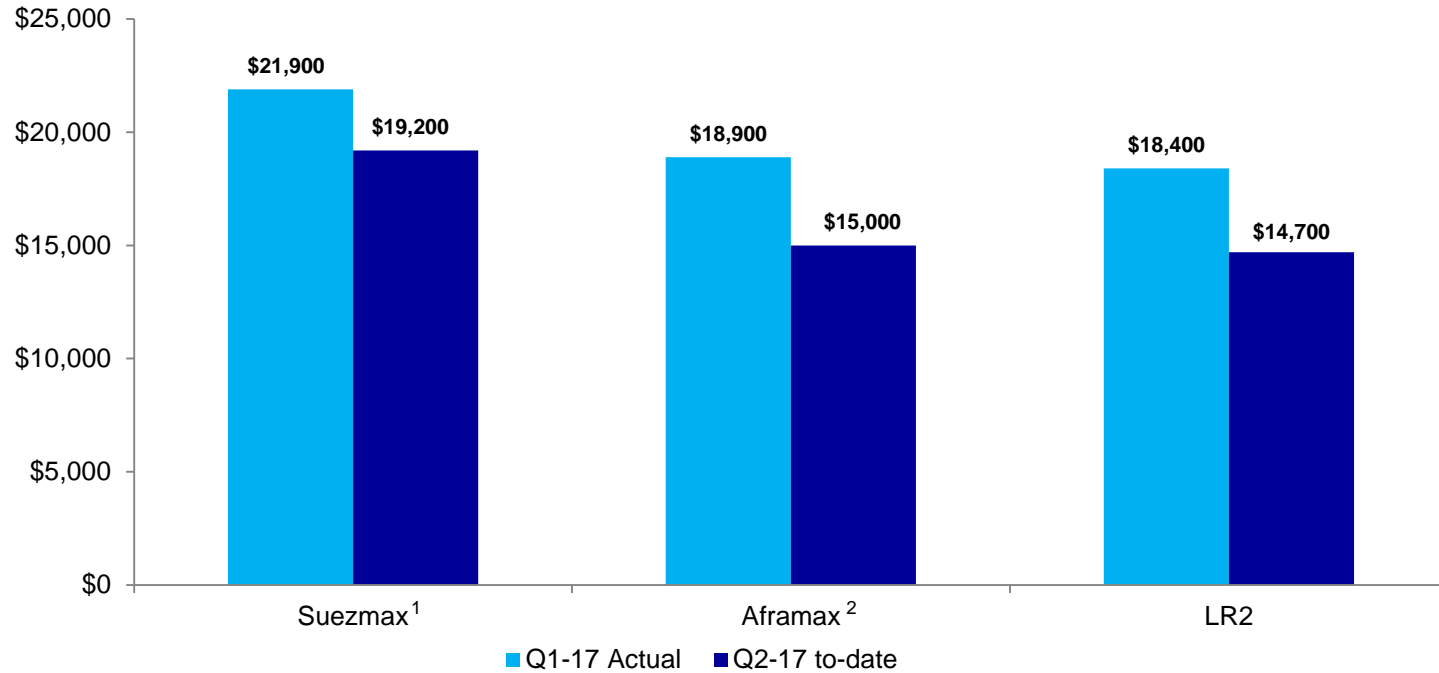
Mid-Size Tanker Fleet and Orderbook Profile



- Mid-sized tanker ordering for delivery in 2018 / 2019 is low
 - 2 Suezmax, 13 Aframax contracts so far in 2017 versus 24 contracts for VLCCs
- Lack of scrapping in recent years leading to a build-up of potential scrap candidates
 - Impending regulations and associated CAPEX could boost scrapping



Q2-17 Spot Earnings Update



	Suezmax	Aframax	LR2
Q2-17 spot ship days available	1,236	1,081	455
Q2-17 % booked to-date	55%	52%	40%

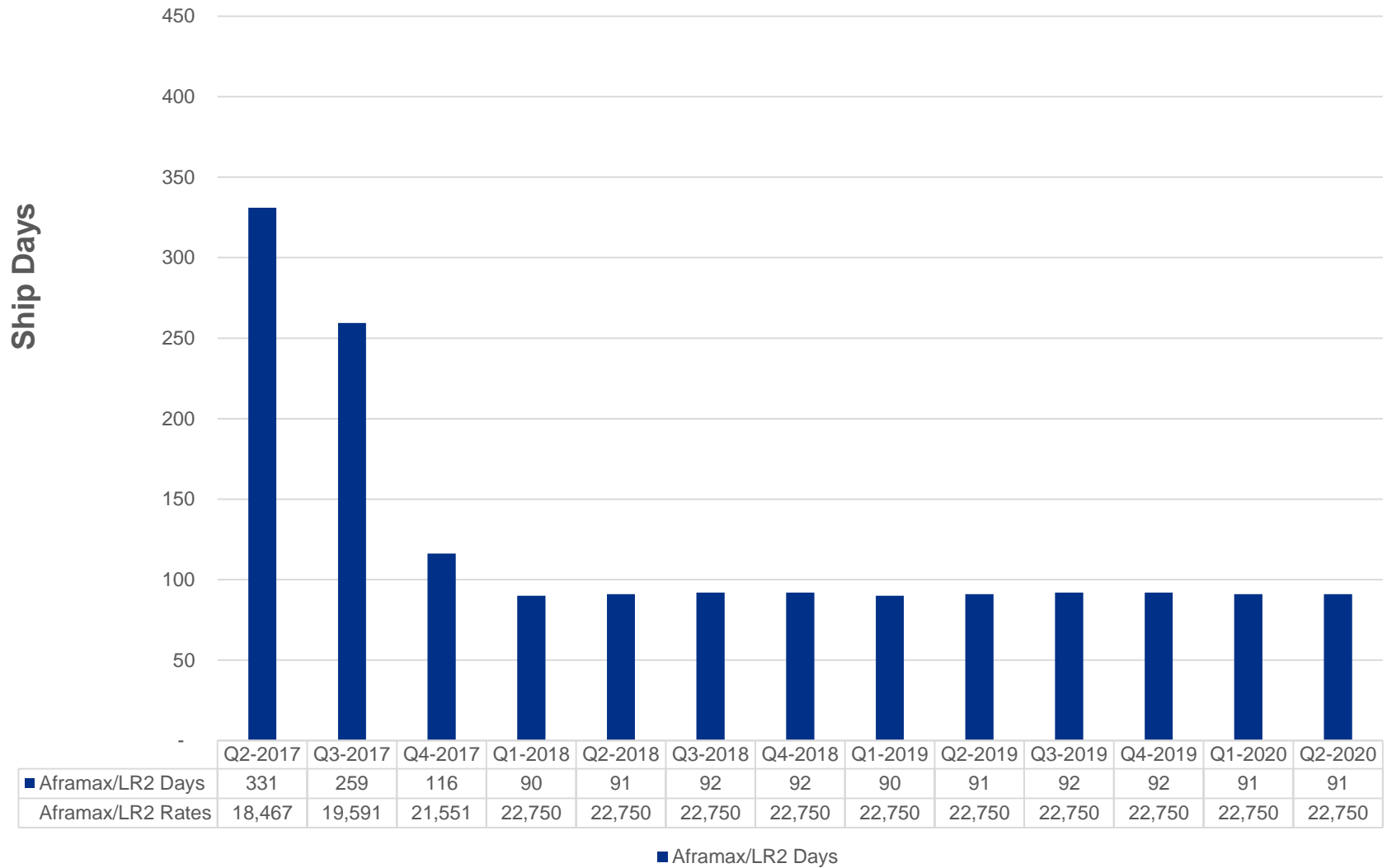


(1) Combined average spot TCE rate including Suezmax RSA pool and non-pool spot voyage charters
 (2) Combined average spot TCE rate including Aframax RSA pools, non-pool spot voyage charters, full service lightering contracts and profit/ loss from in chartering against FSL contracts

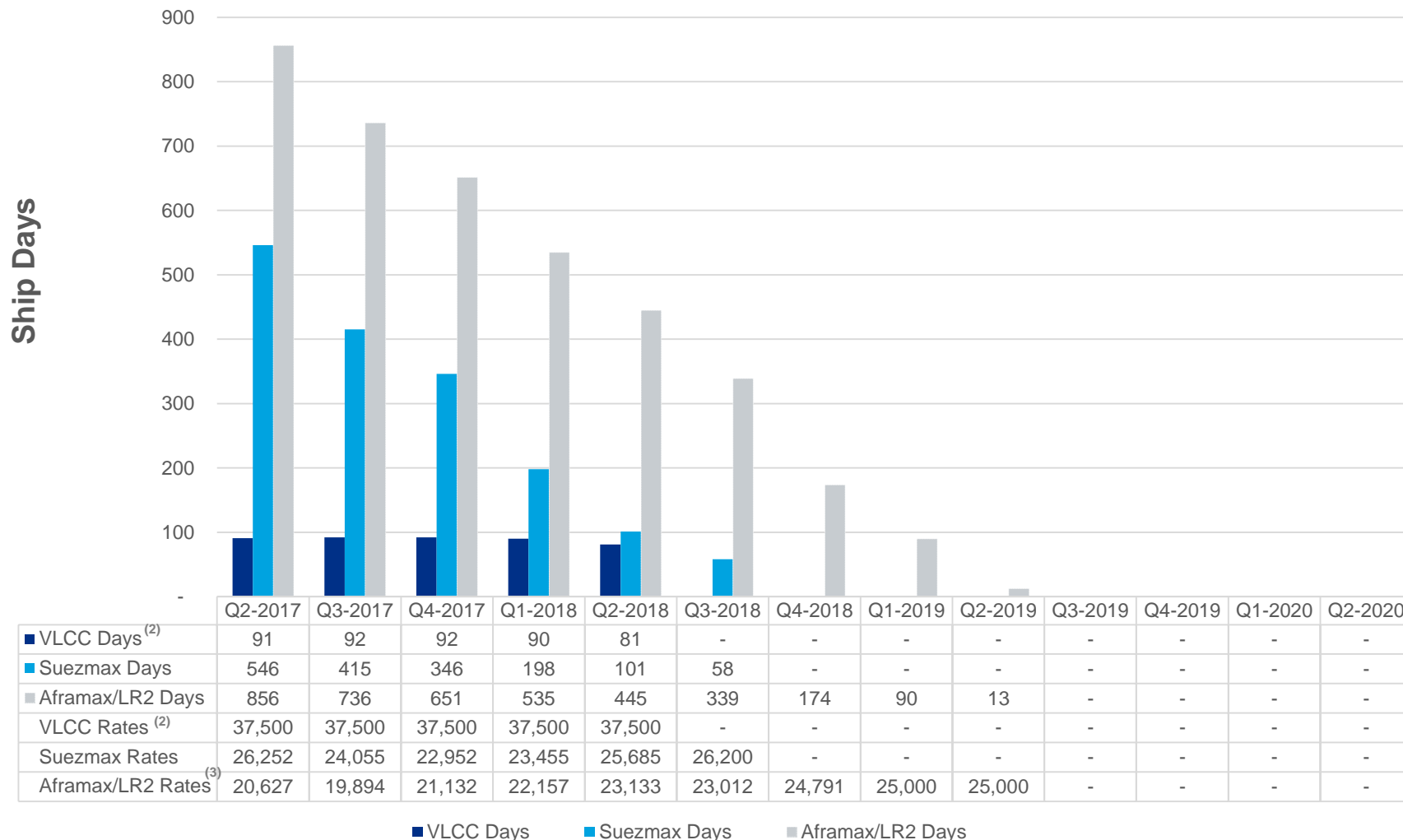
APPENDIX



Fleet Employment – In Charters



Fleet Employment – Out Charters¹



(1) Excludes expected drydock/ offhire days noted on slide 13

(2) The Company's ownership interest in this vessel is 50%. 50/50 profit share if earnings are above \$40,500 per day

(3) Excludes full service lightering

Q2-17 Outlook

Income Statement Item	Q2-17 Outlook (expected changes from Q1-17)
Revenues	<p>Decrease of approximately 275 net revenue days in TNK, mainly due to the redeliveries of four in-charters to their owners at various times in Q1-17 and Q2-17, changes to vessel employment and the sale of vessels in Q1-17 and Q2-17.</p> <p>Refer to Slide 7 for Q2-17 to-date spot tanker rates.</p>
Vessel operating expenses	<p>Approximately \$0.5 million decrease from the lay up of one lightering support vessel that commenced in late Q1-17 and the timing of repairs and planned maintenance activities.</p>
Time charter hire expense	<p>Approximately of \$5.0 million decrease from the redeliveries of in-charters at various times in Q1-17 and Q2-17.</p>
Depreciation and amortization	<p>Consistent with Q1-17.</p>
General and administrative expenses	<p>Approximately \$0.5 million decrease from accelerated stock-based compensation that is recognized in Q1 of each year.</p>
Equity income	<p>Approximately \$1.0 million decrease primarily due to a decrease in equity income from TIL and TTOL resulting from lower average forecasted spot TCE rates in Q2-17.</p>



(1) Changes described are after adjusting Q1-17 for items included in Appendix A of Teekay Tankers Q1-17 Earnings Release and realized gains and losses on derivatives (see slide 12 to the earnings release for the Consolidated Adjusted Line Items for Q1-17).

Consolidated Adjusted Line Items

Q1-17

Income Statement Item	As Reported	Appendix A Items ⁽¹⁾	Reclassification for Realized Gain/ Loss on Derivatives	As Adjusted
Revenues	125,096	-	780	125,876
Loss on sale of vessels	(4,427)	4,427	-	-
Interest expense	(7,306)	-	(440)	(7,746)
Realized and unrealized gain on derivative instruments	461	(121)	(340)	-
Equity income	2,011	(46)	-	1,965
Other expense	(1,429)	(60)	-	(1,489)



¹ Please refer to Appendix A in Teekay Tankers Q1-17 Earnings Release for a description of Appendix A items.

Drydock & Offhire Schedule

Teekay Tankers Segment	March 31, 2017 (A)		June 30, 2017 (E)		September 30, 2017 (E)		December 31, 2017 (E)		Total 2017	
	Vessels	Total Off-hire Days	Vessels	Total Off-hire Days	Vessels	Total Off-hire Days	Vessels	Total Off-hire Days	Vessels	Total Off-hire Days
Spot Tanker	1	29	1	30	2	60	4	120	8	239
Fixed-Rate Tanker	-	-	-	-	-	-	-	-	-	-
	1	29	1	30	2	60	4	120	8	239

Note:

- (1) In the case that a vessel drydock & offhire straddles between quarters, the drydock & offhire has been allocated to the quarter in which majority of drydock days occur.
- (2) Only owned vessels are accounted for in this schedule.



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