TEEKAY

TEEKAY TANKERS Q4-2016 EARNINGS PRESENTATION

February 23, 2017

Forward Looking Statements

This presentation contains forward-looking statements (as defined in Section 21E of the U.S. Securities Exchange Act of 1934, as amended) which reflect management's current views with respect to certain future events and performance, including statements regarding: vessel sales and deliveries; the Company's forward fixed-rate charter coverage; the impact of OPEC production cuts and increased non-OPEC production on the Company; the impact of the Company's lighterage and other fee-based businesses in 2017 and its ability to reduce future tanker market volatility; 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, the impact of changes to the regulatory landscape, and the length and depth of the current tanker market cycle; tanker fleet utilization and spot tanker rates, including; the effect rates of refinery maintenance, weather, changes in oil prices and refinery throughput;. 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: a delay in, or failure to complete, expected vessel sales; 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; the performance of the Company's lighterage and other fee-based businesses in 2017; the potential for early termination of charter contracts of existing vessels in the Company's fleet; the inability of charterers to make future charter payments; the inability of the Company to renew or replace charter contracts; 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, 2015. 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.

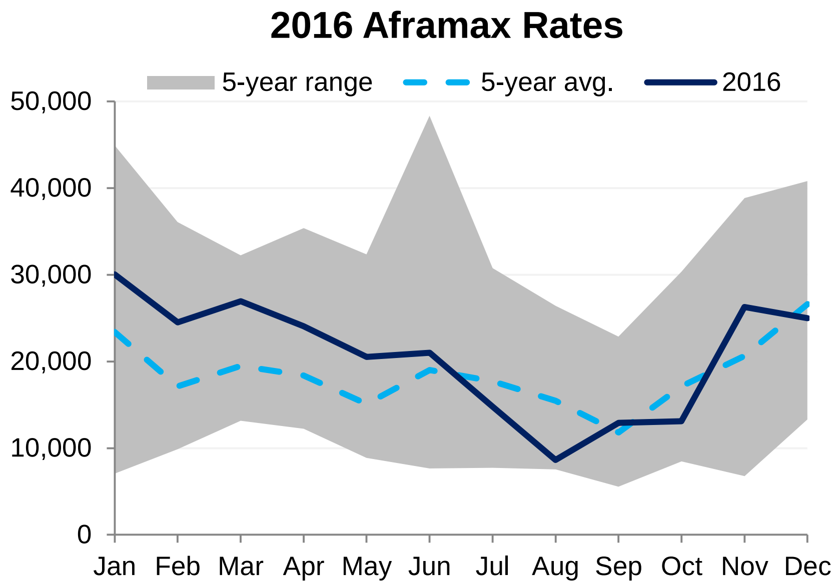
Recent Highlights

- Q4-16 Financial Results
  - Generated adjusted income[(1)] of $5.1 million, or $0.03 per share, and free cash flow[(1)] of $34.2 million
- Dividend of $0.03 per share for Q4-16, consistent with dividend policy
- Decreased net debt to capitalization from 50% in Q3-16 to 47%[(2)] in Q4-16
- Secured three out-charter contracts, increasing Teekay Tankers' fixed-rate coverage to ~40% for the 12 months ending December 31, 2017

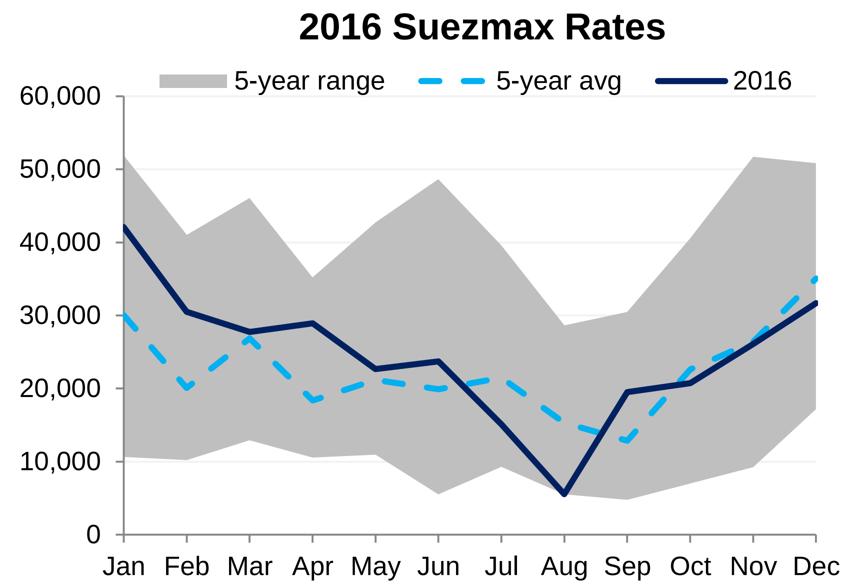
(1) These are non-GAAP financial measures. Please refer to “Definitions and Non-GAAP Financial Measures” and the Appendices of the earnings release for definitions of these terms and reconciliations of these non-GAAP financial measures as used in the earnings release to the most directly comparable financial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

(2) Pro-forma to include Q1-17 vessel sales that were committed for in Q4-16

Seasonal Uptick in Rates During Q4-16



Source: Clarksons



Source: Clarksons

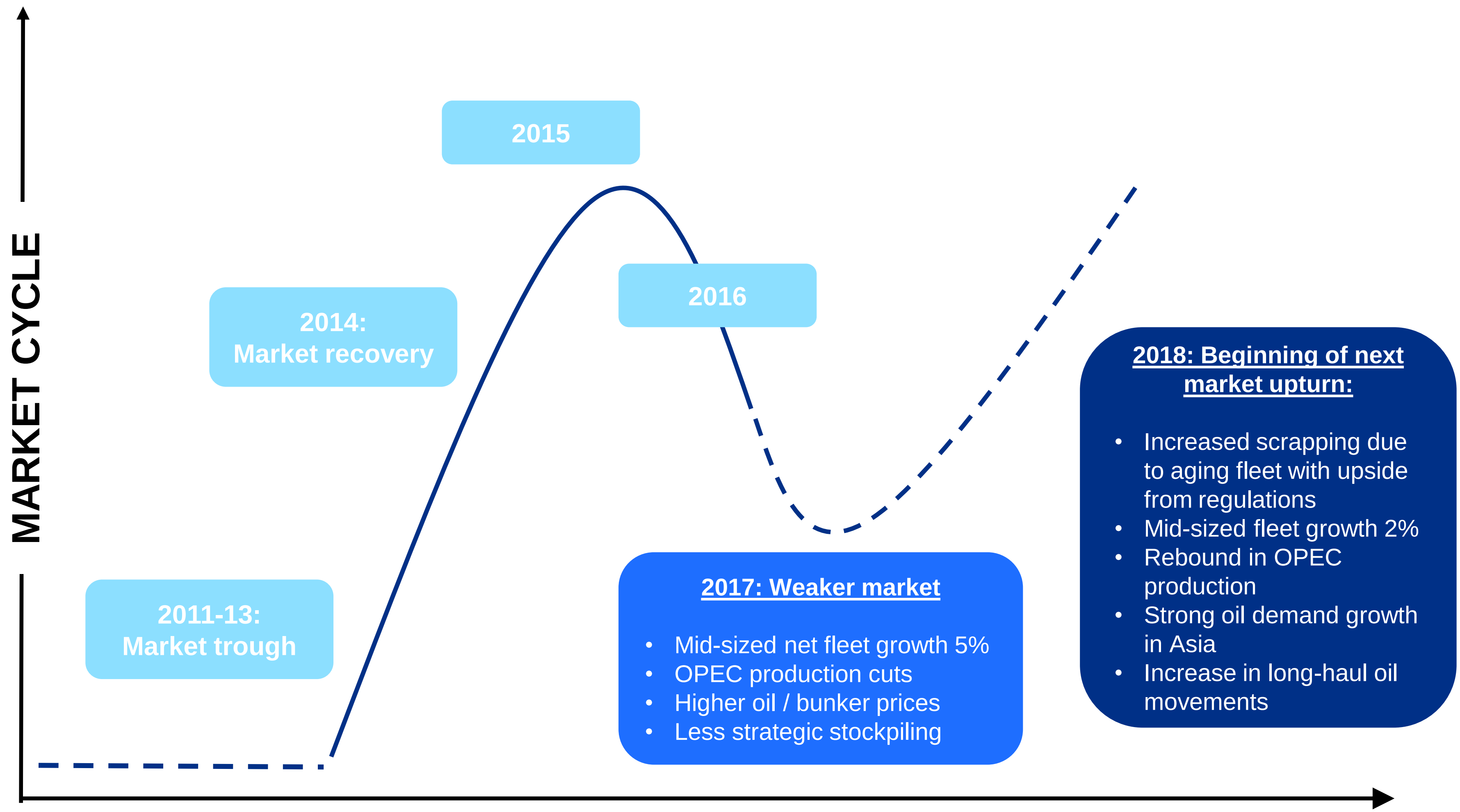
Spot rates firmed in Q4-16 due to changing supply dynamics and seasonal factors, including:

- Increased exports out of Nigeria, Libya, and Baltic / Black Sea ports
- Regional stockpiling ahead of expected rising oil prices ahead of OPEC cuts
- Seasonal demand factors, including high global refinery throughput and winter weather delays

Strength in spot rates continued into Q1-17, however now starting to soften due to:

- OPEC cuts limiting cargos available for export
- Heavy refinery maintenance expected into early April
- Clearing weather delays

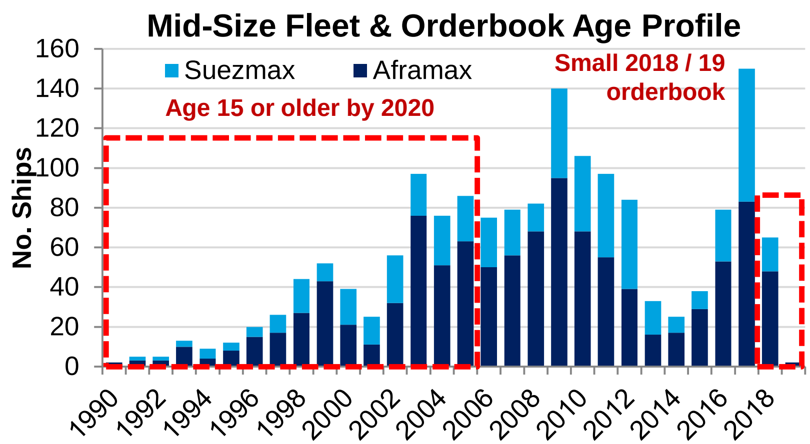
Near-term Tanker Market Cycle*

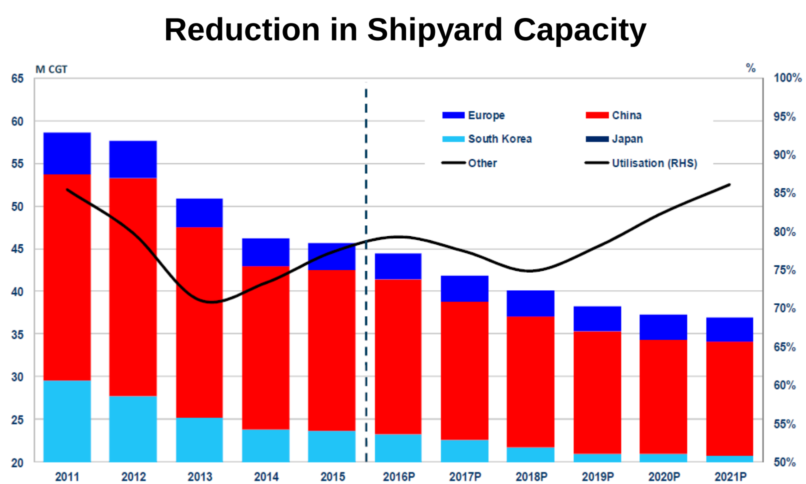


* Market cycle timeline not to scale

2018 and Beyond: Positive Supply Factors

Lack of newbuilding orders and aging fleet to limit supply growth



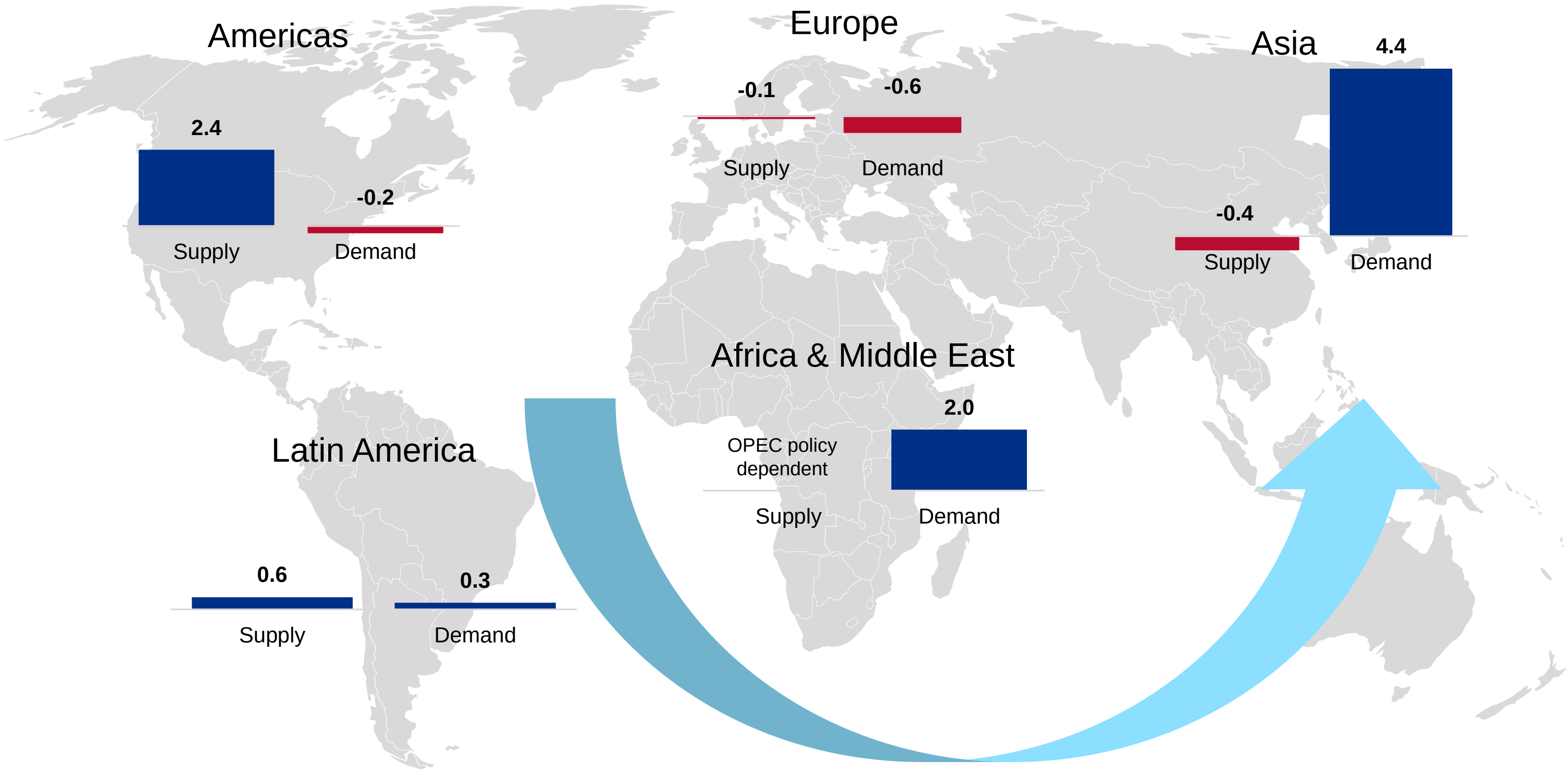


- Aging fleet: potential for more scrapping
  - 1/3 of mid-sized fleet reaches age 15 years or older by 2020
  - Capex requirements of new regulations
- Small orderbook for 2018 / 19 due to a lack of newbuild orders
  - Tanker ordering in 2016 was the lowest since 1995
- Decrease in ordering has been due to three main factors:
  - Lack of available financing
  - Rationalization of shipyard capacity
  - Increased spread between secondhand and newbuild prices

Source: Clarksons

2018 and Beyond: Positive Demand Factors

Long-haul trade growth



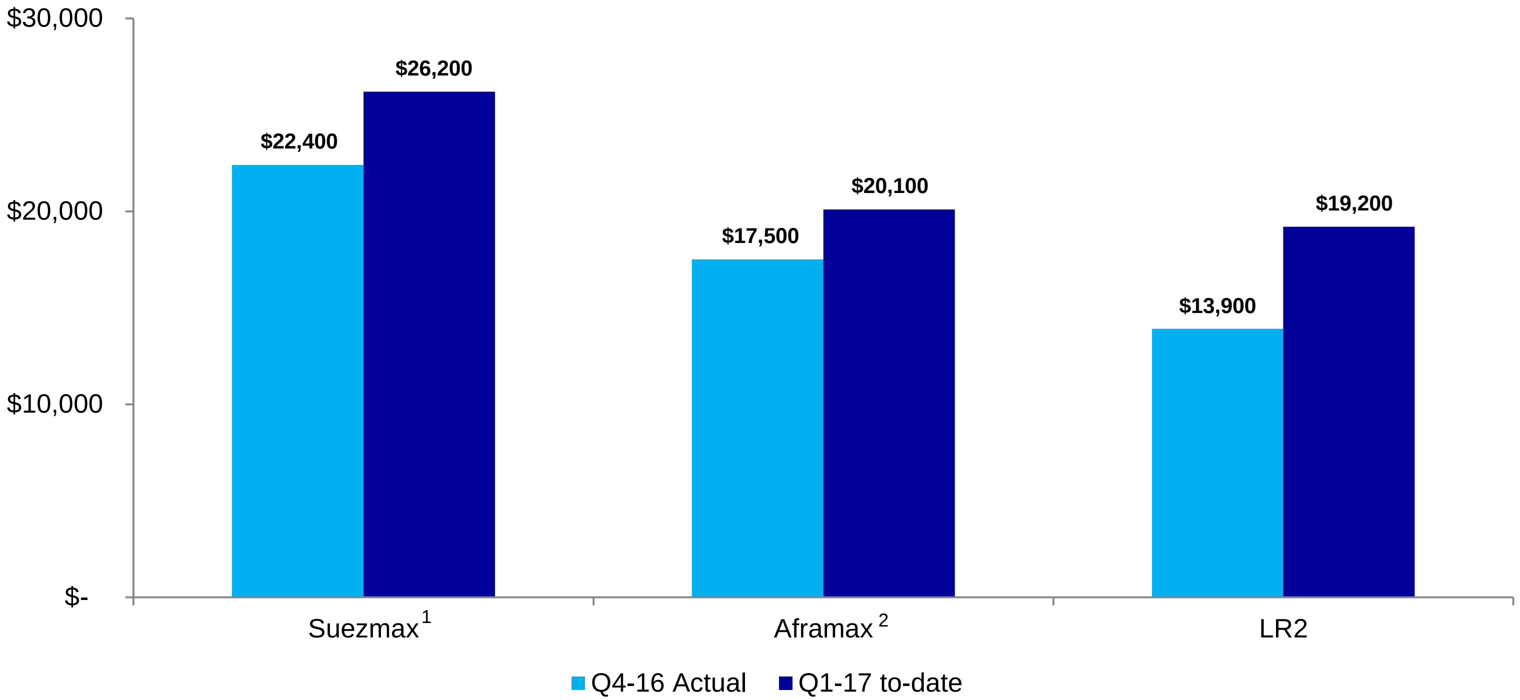
Note: Figures in million barrels per day (m/bd) and are changes between 2016-2021
Source: IEA MTOMR 2016

Changing Market: TNK Well-Positioned

TNK has the agility to respond to changing market conditions

Changing Market Conditions	TNK Well-Positioned
Softening freight market in 2017	Increased fixed-rate cover; strengthened balance sheet
Increasing U.S. exports	Strengthened STS operations in U.S. Gulf
OPEC cuts to production	Regional focus of mid-sized segments
Softening clean product trade	Switched coated vessels to crude trade
Improving market conditions in 2018/19	Re-engaging strategic levers

Q1-17 Spot Earnings Update

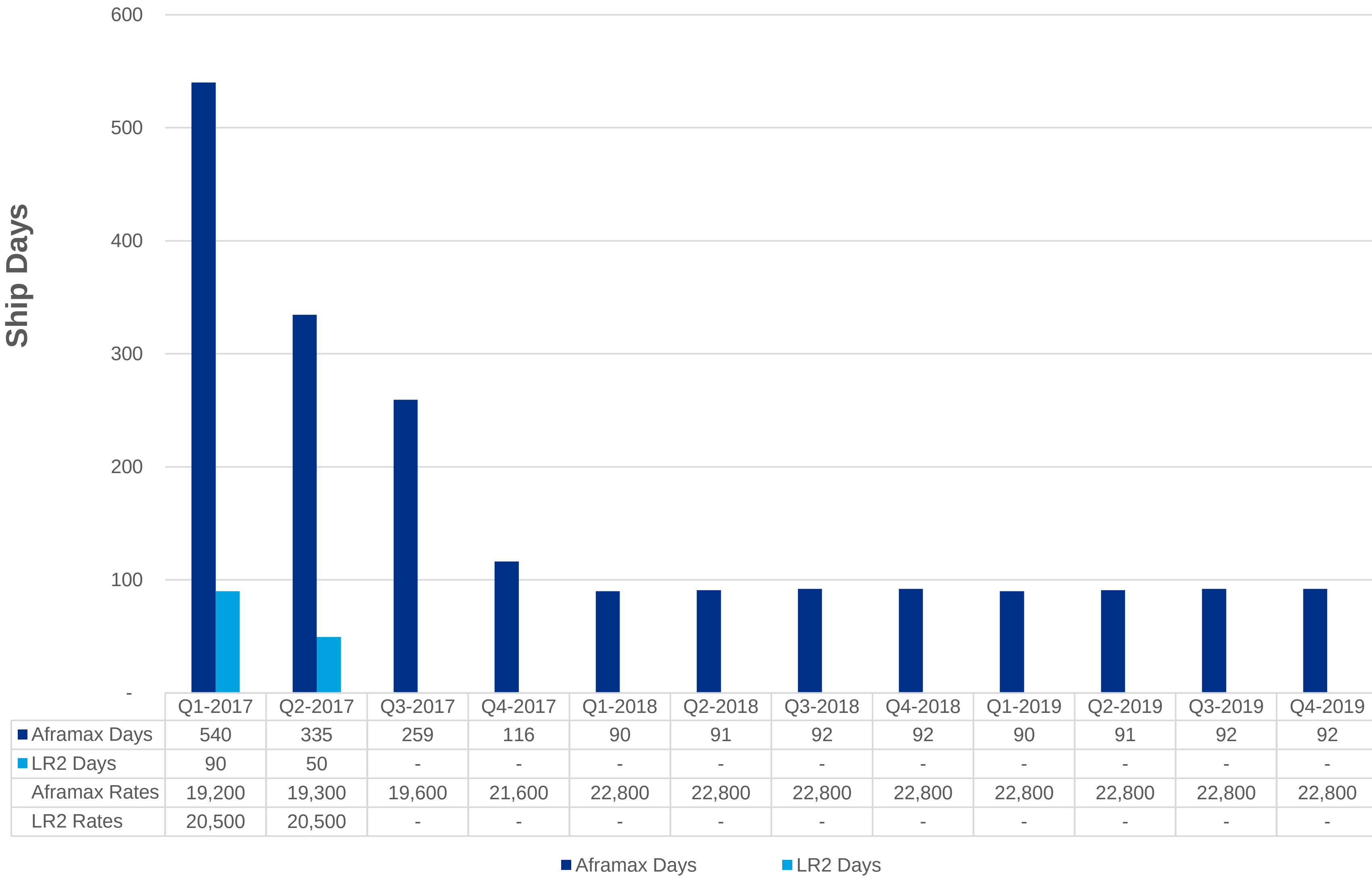


	Suezmax	Aframax	LR2
Q1-17 spot ship days available	1,337	1,187	450
Q1-17 % booked to-date	62%	55%	49%

(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

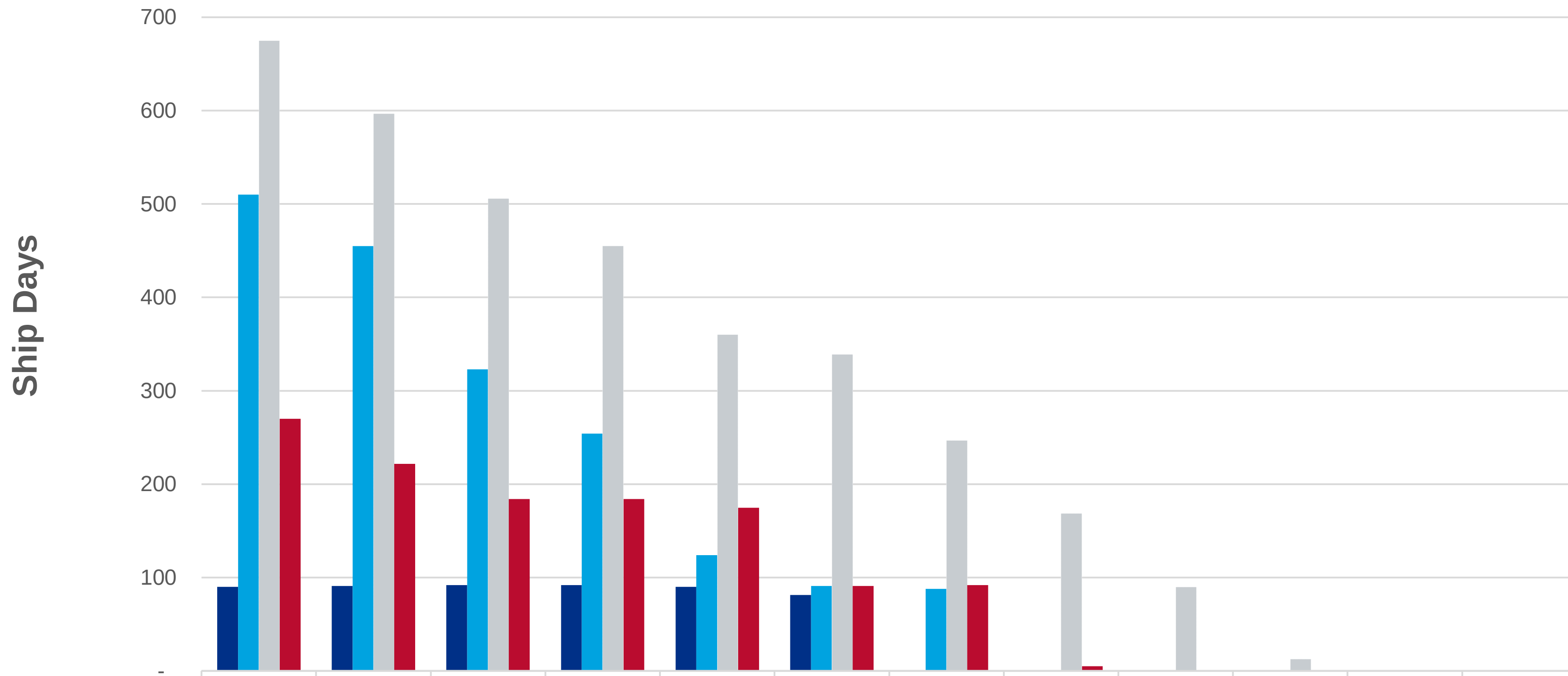
APPENDIX

Fleet Employment – In Charters



	Q1-2017	Q2-2017	Q3-2017	Q4-2017	Q1-2018	Q2-2018	Q3-2018	Q4-2018	Q1-2019	Q2-2019	Q3-2019	Q4-2019
Aframax Days	540	335	259	116	90	91	92	92	90	91	92	92
LR2 Days	90	50	-	-	-	-	-	-	-	-	-	-
Aframax Rates	19,200	19,300	19,600	21,600	22,800	22,800	22,800	22,800	22,800	22,800	22,800	22,800
LR2 Rates	20,500	20,500	-	-	-	-	-	-	-	-	-	-

Fleet Employment – Out Charters[1]



	Q1-2017	Q2-2017	Q3-2017	Q4-2017	Q1-2018	Q2-2018	Q3-2018	Q4-2018	Q1-2019	Q2-2019	Q3-2019	Q4-2019
VLCC Days (2)	90	91	92	92	90	81	-	-	-	-	-	-
Suezmax Days	510	455	323	254	124	91	88	-	-	-	-	-
Aframax Days	675	597	506	455	360	339	247	169	90	13	-	-
LR2 Days	270	222	184	184	175	91	92	5	-	-	-	-
VLCC Rates (2)	37,500	37,500	37,500	37,500	37,500	37,500	-	-	-	-	-	-
Suezmax Rates	26,200	27,300	24,900	23,700	25,000	26,200	26,200	-	-	-	-	-
Aframax Rates(3)	23,100	22,700	22,500	23,200	24,500	24,600	25,000	25,000	25,000	25,000	-	-
LR2 Rates	20,300	18,900	17,400	17,400	17,400	17,800	17,800	17,800	-	-	-	-

VLCC Days Suezmax Days Aframax Days LR2 Days

(1) Excludes expected drydock/ offhire days noted on slide 15
(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

Q1-17 Outlook

Income Statement Item	Q1-17 Outlook (expected changes from Q4-16)
Revenues	Decrease of approximately 430 net spot revenue days in TNK, mainly due to changes to vessel employment and the sale of three vessels, with one vessel delivered to the new owner in Q4-16 and two vessels to be delivered in Q1-17. Refer to Slide 9 for Q1-17 to-date spot tanker rates and Slide 12 for fixed days.
Vessel operating expenses	Approximately $3.5 million decrease from the timing of repairs and planned maintenance activities and the sale of three vessels.
Time charter hire expense	Expected to be consistent with Q4-16.
Depreciation and amortization	Consistent with Q4-16, as the decrease from the sale of three vessels is offset by an increase in drydocking amortization.
General and administrative expenses	Approximately $1.0 million increase from accelerated stock-based compensation that is recognized in Q1 of each year and timing of bonus accruals.
Net interest expense and realized loss on derivative instruments	Approximately $0.5 million decrease from the sale of three vessels and the expiration of one interest rate swap in Q4-16.
Equity income	Approximately $1.5 million decrease primarily due to a decrease in TIL's equity income resulting from lower average forecasted spot TCE rates in Q1-17 and a decrease in TTOL's equity income resulting from fewer overall forecasted revenue days in Q1-17.
Other expense	Approximately $2.0 million decrease due to lower estimated freight tax accruals compared to Q4-16.

(1) Changes described are after adjusting Q4-16 for items included in Appendix A of Teekay Tankers Q4-16 Earnings Release and realized gains and losses on derivatives (see slide 14 to this presentation for the Consolidated Adjusted Line Items for Q4-16).

Consolidated Adjusted Line Items

Income Statement Item	As Reported	Appendix A Items (1)	Reclassification for Realized Gain/ Loss on Derivatives	As Adjusted
Revenues	117,704	-	932	118,636
General and administrative expenses	(4,437)	495	-	(3,942)
Loss on sale of vessels	(6,271)	6,271	-	-
Interest expense	(7,363)	-	(652)	(8,015)
Realized and unrealized gain on derivative instruments	6,938	(6,658)	(280)	-
Equity income	3,502	(126)	-	3,376
Other expense	(1,938)	(1,724)	-	(3,662)

(1) Please refer to Appendix A in Teekay Tankers Q4-16 Earnings Release for a description of Appendix A items.

Drydock & Offhire Schedule

Teekay Tankers	March 31, 2017 (E)		June 30, 2017 (E)		September 30, 2017 (E)		December 31, 2017 (E)		Total 2017	
Segment	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	30	3	90	3	90	2	60	9	270
Fixed-Rate Tanker	-	-	-	-	-	-	-	-	-	-
	1	30	3	90	3	90	2	60	9	270

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.

BRINGING ENERGY TO THE WORLD