



TEEKAY

TEEKAY TANKERS Q4 AND FISCAL 2015 EARNINGS PRESENTATION

February 19, 2016

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: future dividend payout ratio; the impact of the U.S. government's decision to lift the ban on crude oil exports, including new trade routes for mid-size tankers; the crude oil and refined product tanker market fundamentals, including the balance of supply and demand in the tanker market, estimated growth in the world tanker fleet, estimated growth in global oil demand, crude oil tanker demand and OPEC crude oil supply; tanker fleet utilization, spot tanker rates, the potential for localized floating storage and port delays and future newbuild ordering; the effect of lower global oil prices, including the potential impact on oil stockpiling, refinery throughput and bunker fuel prices; the impact of the tanker market on the Company's earnings, free cash flow, net asset value, future dividends and financial leverage, including the estimated dividend payout range; the delivery of one chartered-in Aframax tanker; the impact of the lightering Aframax tanker acquisition on the Company's earnings and free cash flow per share; and the impact on the Company's debt maturity profile and financial flexibility as a result of the new \$900 million long-term debt facility, including the Company's scheduled repayments. 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; the amount of cash reserves established by the Company's Board of Directors; actual payout ratio determined by the Company's Board of Directors; increased costs; 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, 2014 and on Form 6-K for the quarters ended March 31, 2015, June 30, 2015 and September 30, 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

- Q4-15 Financial Results
 - Generated adjusted net income¹ of \$48.5 million, or \$0.31 per share, versus adjusted net income of \$18.6 million, or \$0.21 per share in Q4-14
 - Generated free cash flow¹ of \$74.0 million, or \$0.48 per share, versus \$31.7 million, or \$0.35 per share in Q4-14
- Implemented new earnings-based variable dividend policy
- Acquired two purpose-built lightering Aframaxes for \$80 million en bloc to bolster strategic US Gulf presence
- Refinanced majority of fleet through new five-year, ~\$900 million debt facility



(1) See the Q4-15 earnings release for explanations and reconciliations of these non-GAAP measures to the most directly comparable financial measures under GAAP.

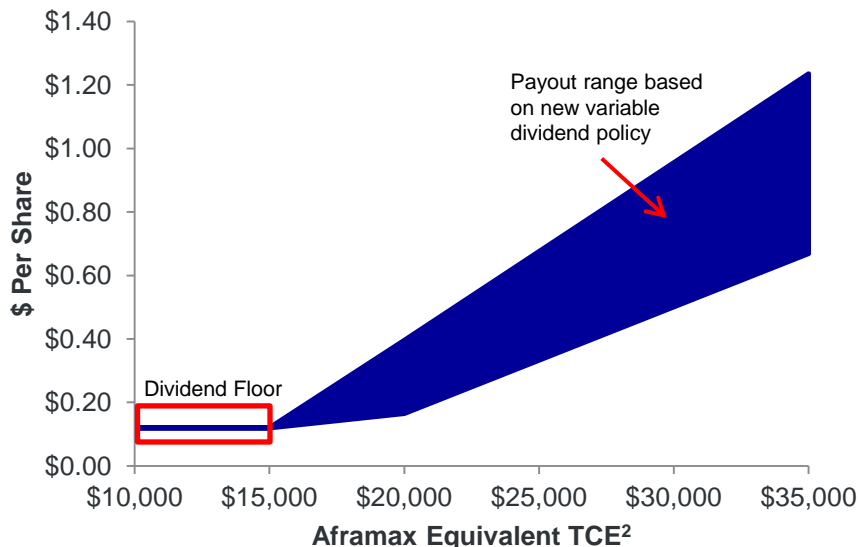


Dividend Increase

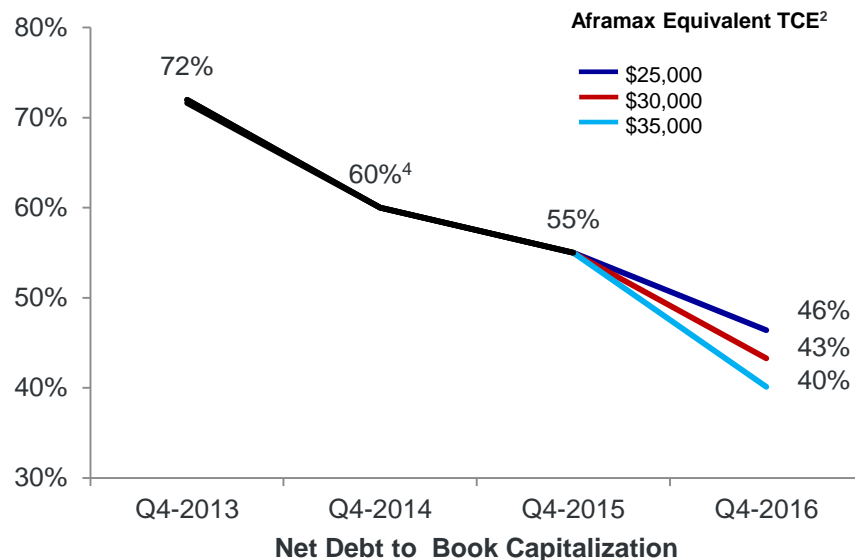
Rewarding shareholders while continuing to build financial strength

- Distribute 30% to 50% of quarterly adjusted net income, while maintaining minimum quarterly dividend of \$0.03 per share
 - Significantly increased dividend from \$0.03 per share to \$0.12 per share in Q4-15
- New dividend policy provides investors opportunity to directly participate in Company's strong free cash flow
- Maintains financial flexibility and allows for continued balance sheet delevering

Annual Dividend Per Share¹



Financial Leverage³



(1) Based on estimated results for fiscal year 2016 assuming current fleet
 (2) Aframax equivalent TCE: Suezmax = 1.30x, LR2 = 1.00x, MR = 0.70x
 (3) Based on 40% dividend payout
 (4) Pro-forma to include Q1-15 vessel acquisitions that were committed for in Q4-14

Expanding Strategic Presence in US Gulf

- Building upon recent ship-to-ship transfer business acquisition and expanding US Gulf presence with:
 - Acquisition of two purpose-built lightering Aframax tankers
 - In-charter of a purpose-built lightering vessel for five years at attractive rate
- Vessel acquisitions partially financed through assumption of a ~\$50 million revolving credit facility from Seller
 - Debt facility assumed at rate of LIBOR plus 45 bps
- Acquisition immediately accretive to earnings and free cash flow per share

Vessel	Delivery Dates	Year Built	Vessel Type	Yard Built
Navigator Spirit (Acquisition)	Dec 18, 2015	2008	Aframax	Tsuneishi
SPT Explorer (Acquisition)	Dec 18, 2015	2008	Aframax	Tsuneishi
Bergitta (In-charter)	Est. Feb/Mar 2016	2007	Aframax	Tsuneishi

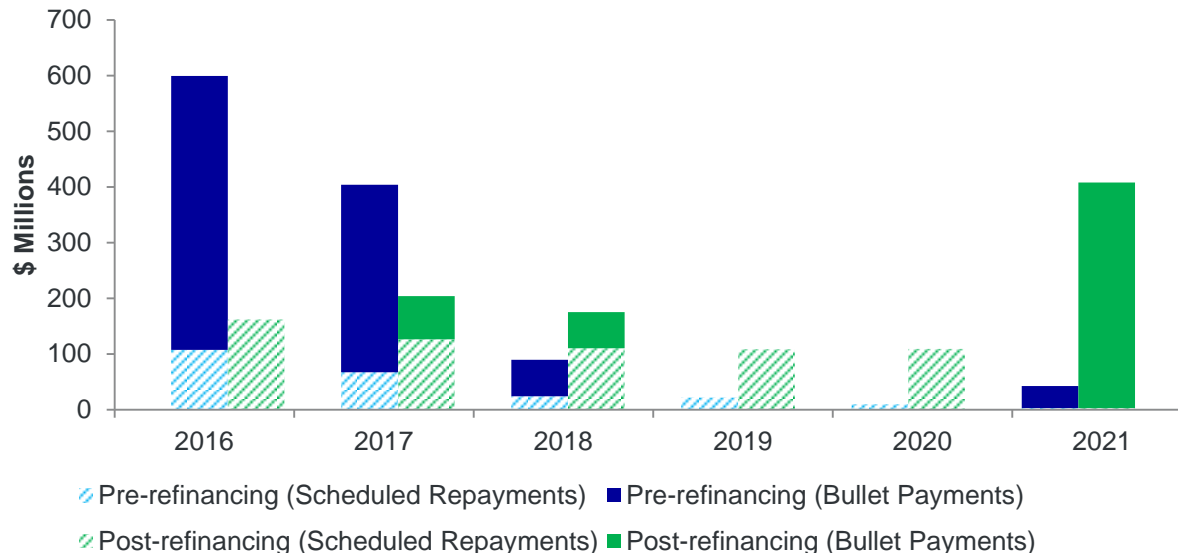
Well-positioned to take advantage of developing US Gulf import & export activities



Secured New Debt Facility

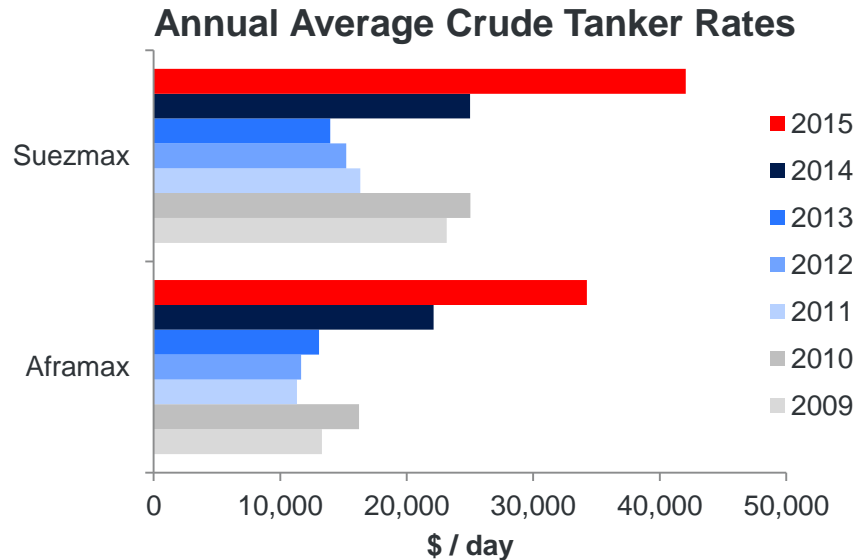
- Completed ~\$900 million debt facility in January 2016 which includes both term loan and revolving credit facility components
 - 1.4 times oversubscribed
 - Used to refinance 36 existing vessels
 - Replaces five facilities including TNK's two bridge loans which matured in January 2016 and its main revolving credit facility which was scheduled to mature in November 2017
- Provides financial flexibility while extending debt maturity profile to 2021

Scheduled Debt Repayment Profile (Assumes Revolving Credit Facilities are Fully Drawn)

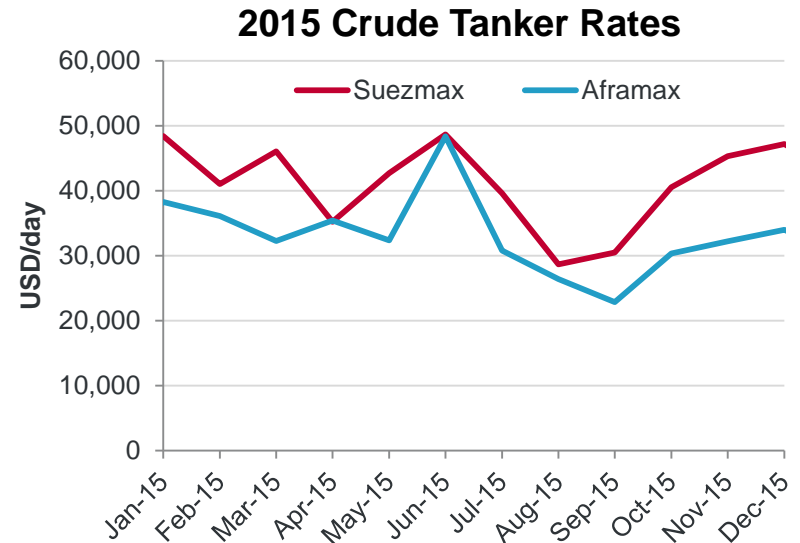


2015: Strongest Crude Tanker Rates In 7 Years

Low fleet growth and surging demand gave rise to rate volatility



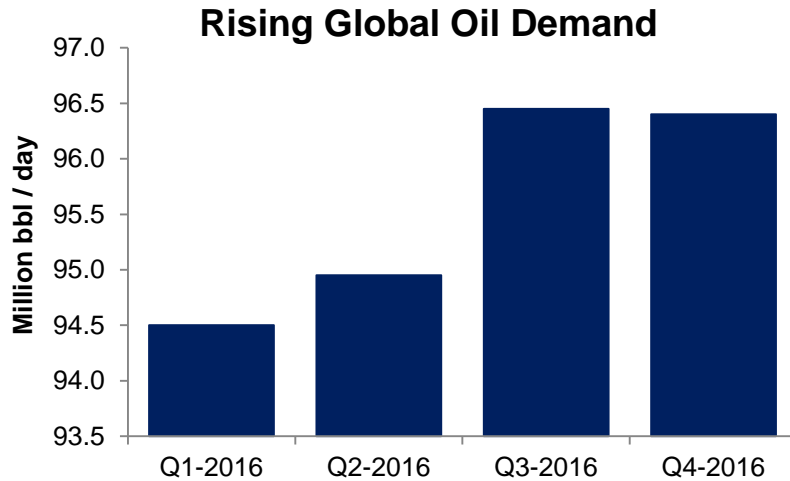
Source: 90% Clarksons



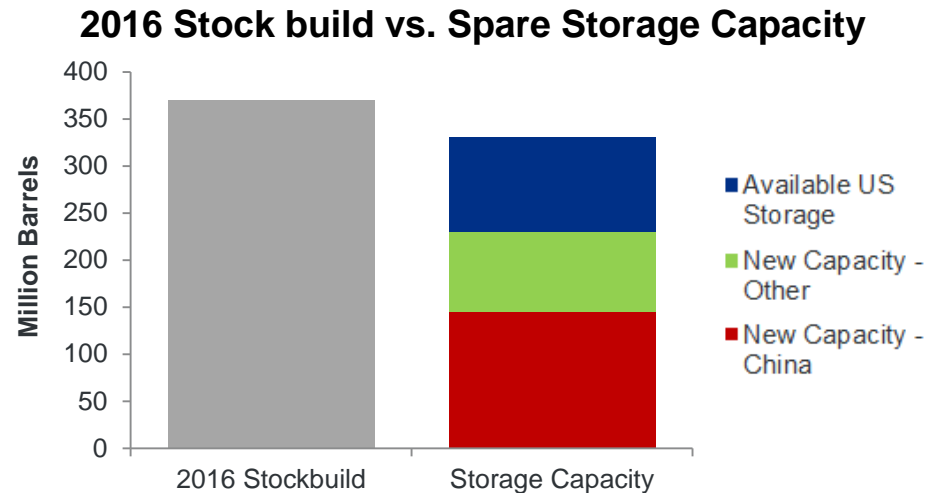
- The strong tanker market in 2015 was driven by a combination of factors:
 - Low crude tanker fleet growth of ~2%
 - 1.0 mb/d increase in OPEC crude oil production led by Saudi Arabia and Iraq
 - 5-year high global oil demand growth of 1.7 mb/d
 - Strong refining margins, strategic & commercial stockpiling and lower bunker prices were all driven by the lowest crude oil prices seen in 11 year (averaging \$52 / bbl)

2016: Strong Demand Fundamentals Intact

Low oil prices are positive for tanker demand



Source: IEA



Source: IEA

- Global oil demand is expected to grow by ~1.2 mb/d
- Increase in crude trade volumes due to rising OPEC supply (Iran +0.5 mb/d)
- Ullage delays / floating storage as a result of rising global oil inventories
- Vessel fuel costs expected to remain low due to weak global bunker prices



New Trade Routes for Mid-Size Tankers

US import / export changes & Panama Canal expansion create opportunities

- The US is now free to export surplus light sweet crude to markets in Europe and Asia
- Volume of trade dependent on relative pricing between US crude and international grades (exports will increase when US crude is trading at a discount)
- Conversely, US Atlantic Coast refineries may import more WAF crude on Suezmaxes when US crude is trading at a premium

US GULF

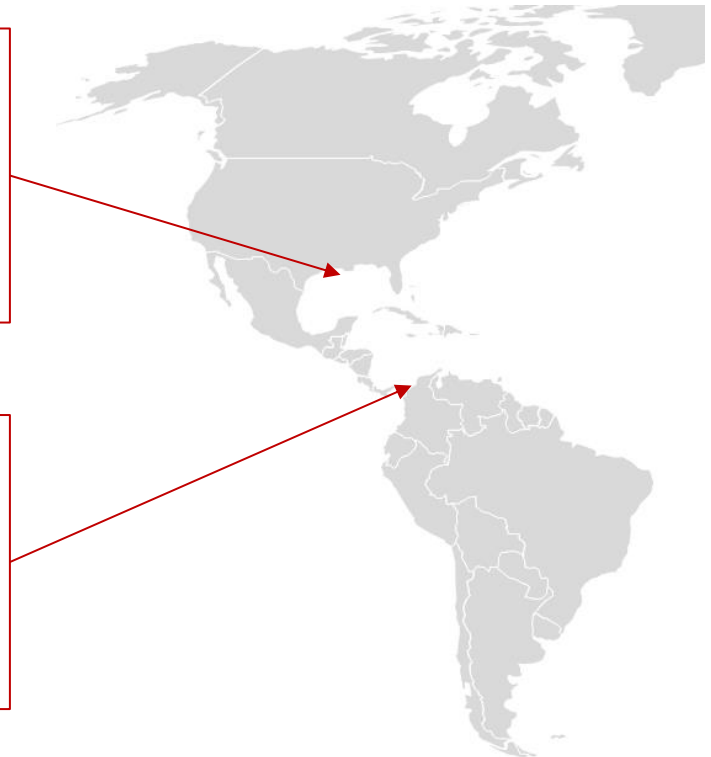
New import / export dynamics have the potential to drive increased demand for STS services via:

- A return to long haul imports from WAF and Middle East
- Reverse lightering for new US crude exports

PANAMA CANAL

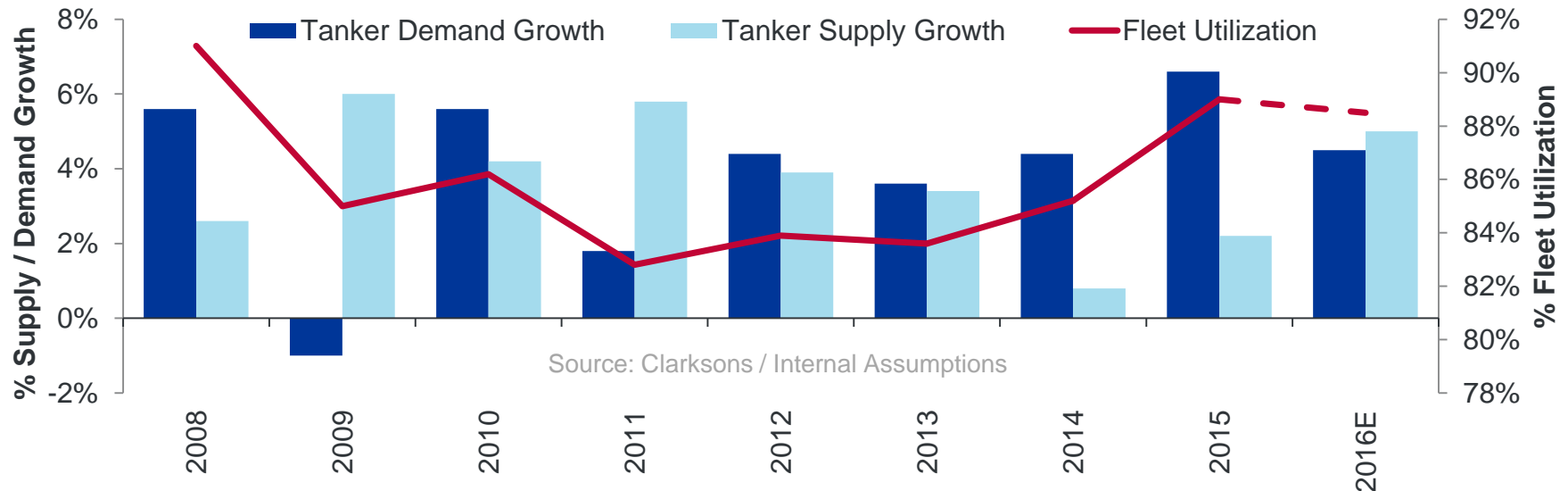
Expansion from Q2-16 may drive transshipment opportunities through the Canal:

- US crude & product to Asia on Aframax / LR2s
- WCSA crude to USG / Caribs or CBS to USWC and Asia



Fleet Utilization Remains High in 2016

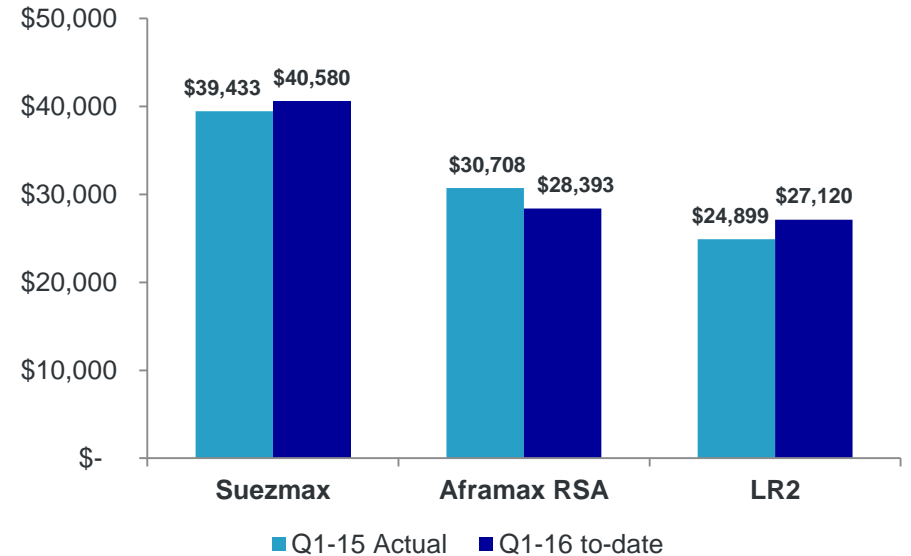
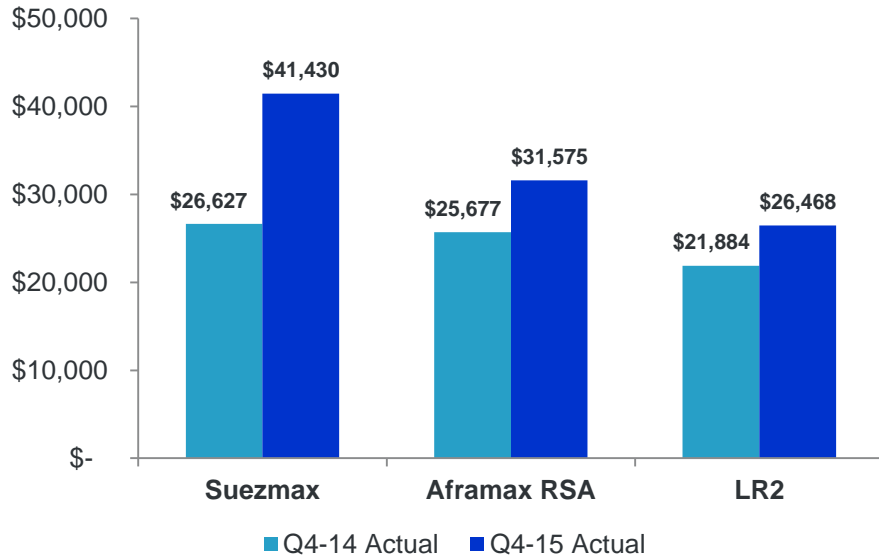
Demand growth is sufficient to largely offset higher tanker fleet growth



- Tanker ordering is expected to moderate in 2016 as owners face additional cost of NOx Tier III compliance.
- Tighter credit conditions and lack of private equity interest in the sector will dampen new-build demand
 - No tanker orders have been placed in 2016-to-date
- Ballast Water Treatment Systems (BWTS) legislation could give upside to scrapping in the next 12-24 months

Q1-16 Spot Earnings Update

- Spot rates averaged significantly higher year-on-year in Q4-15
- Strong demand fundamentals lead to continued strength in Q1-16



	Suezmax	Aframax	LR2
Q1-16 spot ship days	1,717	1,369	731
Q1-16 % booked to-date	63%	54%	54%



2015 Year in Review

Building our brand, our capabilities and our financial strength



Focusing on core segments, aligning sea and shore capabilities to drive our operational excellence

Expansion and modernization of our fleet

- Invested ~\$1 billion in 19 modern Suezmax, Aframax and LR2 tankers
- Reduced our fleet age profile by 2 years
- Generated \$42 million of net income through 15 in-chartered vessels

Refocusing customer strategy by consolidating Teekay Tanker brand

- Brought technical management back in-house
- Brought all our fleet's commercial management back under Teekay control
- Added new services dimension in form of Ship-to-Ship transfer capabilities

Enhancing financial strength and rewarding shareholder loyalty

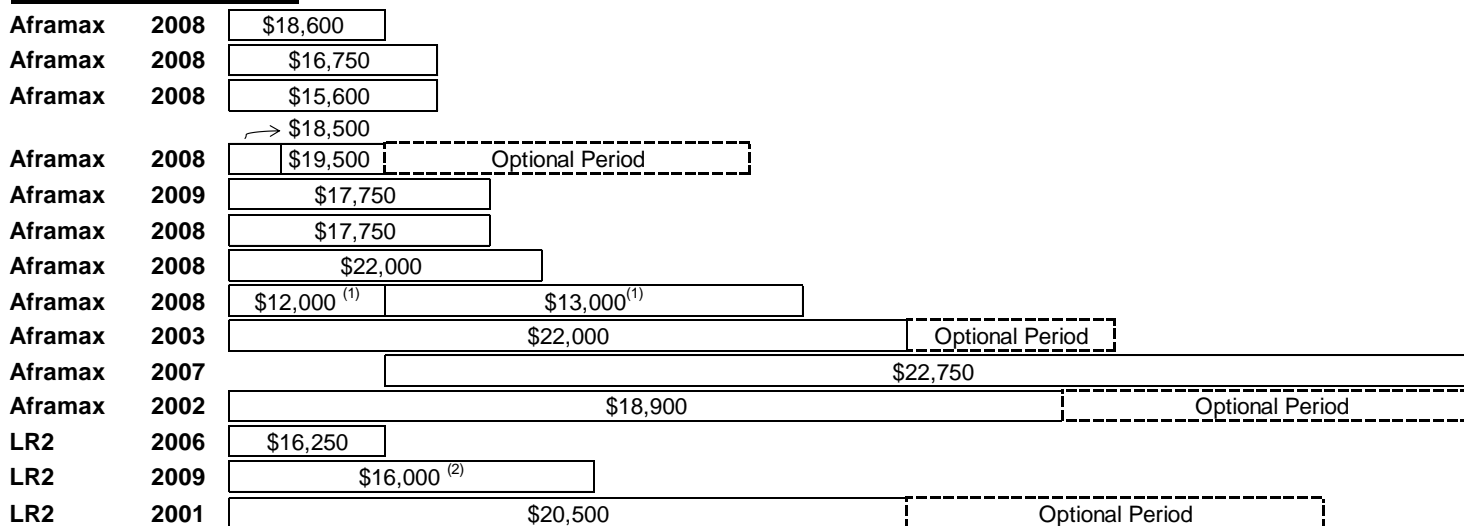
- Reduced financial leverage to 55% in 2015
- Implemented higher pay-out variable dividend policy
- Refinanced debt facilities

APPENDIX

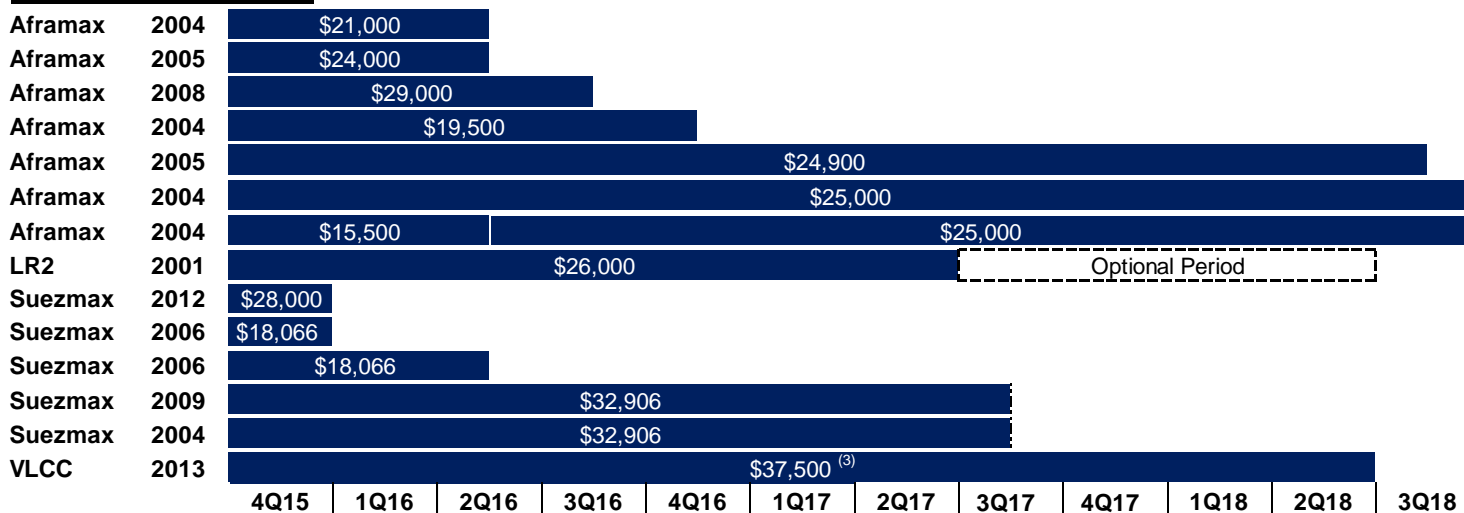


Fleet Employment Profile

In-Charter Portfolio



Out-Charter Portfolio



(1) 50/50 profit share if earnings are above \$12,000/day and \$13,000/day, respectively

(2) 50/50 profit share if earnings are between \$16,000 and \$24,000 /day plus 75/25 profit share in TNK's favor if earnings are above \$24,001/day

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



Drydock & Offhire Schedule

Teekay Tankers Segment	March 31, 2016 (E)		June 30, 2016 (E)		September 30, 2016 (E)		December 31, 2016 (E)		Total 2016	
	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	10	1	23	1	14	-	-	3	47
Fixed-Rate Tanker	1	91	-	15	-	-	-	-	1	106
	2	101	1	38	1	14	-	-	4	153

Note:

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



Q4-15 vs. Q3-15 Results

(\$'000's, except share and per share data)	Q4-15 Adjusted (unaudited) ⁽¹⁾	Q3-15 Adjusted (unaudited) ⁽¹⁾	Comments
Net revenues	157,907	122,781	<ul style="list-style-type: none"> • \$40m increase from the Principal vessels acquired during Q3-15 and Q4-15; • \$2m increase from a full quarter impact of the full service lightering and lightering support business from the acquisition of SPT; and partially offset by • \$2m decrease from heavier drydocking activity; • \$2m decrease due to employment changes; • \$1m decrease due to lower average realized spot TCE rates; and • \$1m decrease due to the sale of the <i>Mahanadi Spirit</i>.
Vessel operating expenses	(48,558)	(33,574)	<ul style="list-style-type: none"> • \$10m increase due to the purchase of the Principal vessels; • \$3m increase due to timing/scope of repair and planned maintenance activities; and • \$2m increase from a full quarter of operations for the ship-to-ship transfer business.
Time charter hire expense	(23,403)	(22,600)	• Increase mainly due to higher time-charter rates on two vessels from exercising of options to extend.
Depreciation and amortization	(25,130)	(17,399)	• Increase mainly due to the impact of the Principal vessels acquired and higher drydock amortization costs.
General and administrative expenses	(6,217)	(4,138)	• Increase due to higher costs associated with additional administrative, legal and strategic support related to recent acquisitions and refinancing activity.
Income from operations	54,599	45,070	
Net interest expense and realized loss on derivative instruments	(10,002)	(6,351)	• Increase due to higher interest and loan cost amortization expense associated with the bridge loan, which was to partially finance the purchase of the Principal vessels.
Equity income	5,606	2,919	<ul style="list-style-type: none"> • \$2m increase in equity income from TIL is primarily due to a full quarter of operations of their newly acquired vessels and higher average spot rates earned in Q4-15; and • \$1m increase in equity income from TTOL is mainly due to higher management fee income due to the new full services lightering pool commenced in November 2015.
Other expense	(1,661)	(1,341)	Other expense consists mainly of freight tax expenses.
Adjusted net income attributable to shareholders of Teekay Tankers	48,542	40,297	
Adjusted net income per share	0.31	0.30	

(1) Adjusted net income attributable to the shareholders of Teekay Tankers is a non-GAAP financial measure. Both periods exclude the results of Entities under Common Control. Please refer to *Appendix A* to the Q4-15 and Q3-15 Earnings Releases.

