



TEEKAY TANKERS LTD.
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EARNINGS RELEASE

TEEKAY TANKERS LTD. REPORTS FOURTH QUARTER AND ANNUAL RESULTS

Highlights

- Declared a cash dividend of \$0.11 per share for the quarter ended December 31, 2011, compared to \$0.15 per share in the previous quarter.
- Reported fourth quarter adjusted net loss⁽¹⁾ of \$1.2 million, or \$0.02 per share (excluding an unrealized gain on interest rate which decreased GAAP net loss by \$0.7 million, or \$0.01 per share).
- Over half of fourth quarter revenue days earned an averaged fixed time-charter rate of over \$21,400 per day; significantly above average spot TCE rate of \$10,200 per day earned for remaining spot revenues days.
- Time-chartered out an existing Aframax tanker and extended in-charters for two Aframax tankers, contributing to aggregate fixed-rate coverage of 47 percent for 2012.
- Current liquidity of approximately \$360 million, including proceeds of \$66 million from February 2012 equity offering.

Hamilton, Bermuda, February 23, 2012 - Teekay Tankers Ltd. (*Teekay Tankers* or *the Company*) today reported its fourth quarter and annual results for 2011. During the quarter, the Company generated \$9.3 million in Cash Available for Distribution⁽²⁾. On February 7, 2012, Teekay Tankers declared a dividend of \$0.11 per share⁽³⁾ for the fourth quarter of 2011, which will be paid on February 28, 2011 to all shareholders of record on February 21, 2011.

Teekay Tankers' policy is to pay a variable quarterly dividend equal to its Cash Available for Distribution, subject to any reserves its board of directors may from time to time determine are required. Since the Company's initial public offering in December 2007, it has declared a dividend in 17 consecutive quarters, which now totals \$6.865 per share on a cumulative basis (including the \$0.11 per share dividend to be paid on February 28, 2011).

"A combination of seasonal factors and record oil production levels pushed rates higher during the fourth quarter," commented Bruce Chan, Teekay Tankers' Chief Executive Officer. "We are encouraged by this strengthening which has had an even greater benefit on our first quarter results to date. With approximately two thirds of first quarter revenue days booked, Teekay Tankers has realized averaged TCE rates of approximately \$21,000 per day for our three spot-traded Suezmax tankers and \$13,000 per day for our five spot-traded Aframax tankers (including in-chartered vessels), compared to approximately \$12,900 and \$8,500 per day, respectively, in the fourth quarter."

"With global tanker supply growth expected to exceed demand growth for at least the first half of 2012, we expect the current seasonal spot tanker rate strength to give way to similar weakness and volatility as experienced in 2011," Mr. Chan continued. "With this outlook in mind, we continue to tactically manage our fleet in favor of increased fixed-rate cover. At the same time, we are taking measures to preserve some of the upside to potential market strength. During the fourth quarter we renegotiated the rates for two chartered-in Aframax tankers to \$10,000 per day and \$10,500 per day, respectively, enhancing our operating leverage at rates currently below the spot rate average for the first quarter to date. The contracts have multiple options to extend at escalating rates after their current three-month firm periods, which provide us with flexibility in coming quarters."

- (1) Adjusted net income (loss) is a non-GAAP financial measure. Please refer to *Appendix A* to this release for a reconciliation of this non-GAAP measure to the most directly comparable financial measure under United States generally accepted accounting principles (*GAAP*) and information about specific items affecting net income (loss) that are typically excluded by securities analysts in their published estimates of the Company's financial results.
- (2) Cash Available for Distribution represents net income (loss) excluding depreciation and amortization, unrealized (gains) losses from derivatives, any non-cash items or write-offs of other non-recurring items, and net income attributable to the historical results of vessels acquired by the Company from Teekay Corporation (*Teekay*), referred to herein as the *Dropdown Predecessor*, for the period when these vessels were owned and operated by Teekay.
- (3) Please refer to *Appendix B* to this release for the calculation of the cash dividend amount.

Mr. Chan added, “With secondhand tanker values down by approximately 20 to 30 percent in 2011 and possibly further reductions, we believe 2012 will provide opportunities to acquire assets at attractive prices. When assessing opportunities, our preference will favor mid-size Aframax and Suezmax tankers, where we have already established a strong franchise, and the long-haul product tanker sector, where we believe market dynamics are becoming increasingly attractive. With approximately \$360 million of available liquidity following our recent equity offering, we believe Teekay Tankers is well positioned for fleet growth in the coming quarters.”

Summary of Recent Transactions

In early November 2011, Teekay Tankers extended its time-charter out contract for the *Kyeema Spirit*, for an additional two years at a rate of approximately \$17,000 per day. In addition, the Company exercised its extension options on two in-chartered Aframax tankers, the *Sanko Brave* and *Stavanger Bell*, at renegotiated rates of \$10,000 per day and \$10,500 per day until March 2012 and April 2012, respectively, with various extension options.

In early February 2012, and as previously announced, the Company completed a public follow-on offering of 17.25 million Class A common shares (includes underwriters’ over-allotment option of 2.25 million shares which was exercised). Teekay Tankers used the proceeds from this equity offering to repay a portion of its outstanding debt under its revolving credit facility. Teekay Tankers continues to evaluate the tanker market for attractive vessel acquisition opportunities and may draw on its revolving credit facilities to finance future acquisitions.

Estimated First Quarter 2012 Dividend

The table below presents the estimated cash dividend per share for the quarter ending March 31, 2012 at various average rates earned by the Company’s spot tanker fleet and reflects the estimated contribution from its existing fixed-rate, time-charter out contracts and the effect of scheduled vessel drydockings. These estimates are based on current assumptions and actual dividends may differ materially from those included in the following table. In addition, the Company’s Aframax and Suezmax spot rates earned during the first quarter of 2012 may not necessarily equal industry averages:

Q1 2012 Dividend Estimate		Suezmax Spot Rate Assumption (TCE per day)						
		\$10,000	\$15,000	\$20,000	\$25,000	\$30,000	\$35,000	\$40,000
Aframax Spot Rate Assumption (TCE per day)	\$10,000	0.09	0.11	0.13	0.15	0.17	0.20	0.23
	\$15,000	0.12	0.14	0.16	0.18	0.20	0.23	0.26
	\$20,000	0.15	0.17	0.19	0.21	0.23	0.26	0.29
	\$25,000	0.18	0.20	0.22	0.24	0.26	0.29	0.32
	\$30,000	0.21	0.23	0.25	0.27	0.29	0.32	0.35
	\$35,000	0.25	0.26	0.28	0.30	0.32	0.36	0.38

* Estimated dividend per share is based on estimated Cash Available for Distribution less \$0.45 million for scheduled principal payments related to one of the Company’s debt facilities and less a \$2.0 million reserve for estimated drydocking costs and other vessel capital expenditures. Based on the estimated weighted-average number of shares outstanding for the first quarter of 71.0 million shares.

Tanker Market

Crude tanker rates strengthened during the fourth quarter of 2011 due to seasonal factors and an increase in global oil production to record highs. In the Atlantic, weather in the North Sea and Baltic Sea and transit delays through the Turkish Straits led to an increase in European Aframax and Suezmax rates. The return of Libyan oil production to approximately 1.0 million barrels per day (*mb/d*) by the end of the year also provided support to tanker rates in the Mediterranean. In the Pacific, an increase in Asian oil imports to meet peak winter demand caused rates to firm up, particularly in the large crude oil tanker sectors. Weather disruptions in the Atlantic have continued to give support to crude tanker rates in early 2012.

The tanker fleet grew by 26.1 million deadweight tonnes (*mdwt*), or 5.8 percent, during 2011, compared to an increase of 17.7 mdwt, or 4.1 percent, during 2010. A total of 39.6 mdwt of new tankers entered the fleet in 2011, a decrease from 41.5 mdwt in the previous year. A total of 13.6 mdwt of tankers were removed for scrapping or conversion during 2011, a decrease from 23.8 mdwt in 2010. Approximately 50 mdwt of tankers are scheduled for delivery during 2012; however, the Company anticipates an order book slippage rate of around 33 percent due to construction delays and order cancellations and estimate actual deliveries of approximately 33.5 mdwt. Assuming scrapping of 12 mdwt occurs, the Company estimates that the tanker fleet will grow by approximately 21.5 mdwt, or 4.5 percent, during 2012.

Based on the average range of forecasts from the International Energy Agency (*IEA*), the Energy Information Agency (*EIA*) and the Organization of Petroleum Exporting Countries (*OPEC*), global oil demand is expected to grow by 1.0 mb/d in 2012, with growth expected to be driven entirely by non-OECD regions. This increase in oil demand is expected to increase demand for tankers through 2012. In addition, the Company anticipates that average voyage distances will lengthen during 2012 due to a narrowing in the price spread between crude oil produced in the Atlantic - such as Brent - and Middle Eastern grades, which makes Atlantic basin crude more attractive to Asian buyers.

With tanker supply growth expected to exceed demand growth for at least the first half of 2012, the current seasonal strength is expected to give way to spot tanker rate weakness and volatility similar to that experienced in 2011. These conditions are expected to persist through much of 2012 before an anticipated reduction in tanker supply growth begins to provide support for potentially stronger rates in the latter part of the year.

Financial Summary

The Company reported adjusted net loss⁽¹⁾ (as detailed in *Appendix A* to this release) of \$1.2 million, or \$0.02 per share, for the quarter ended December 31, 2011, compared to adjusted net income of \$2.6 million, or \$0.05 per share, for the quarter ended December 31, 2010. The reduction in adjusted net income is primarily the result of lower average realized tanker rates for our spot and time-charter out fleets during the fourth quarter of 2011, compared to the same period in the prior year. Adjusted net loss excludes an unrealized gain relating to the changes in fair value of interest rate swaps of \$0.7 million, or \$0.01 per share, for the quarter ended December 31, 2011. Adjusted net income⁽¹⁾ for the three months ended December 31, 2010 excludes an unrealized gain of \$5.9 million, or \$0.12 per share, relating to changes in the fair value of interest rate swaps, and \$0.7 million, or \$0.02 per share, relating to a net loss attributable to the Dropdown Predecessor (as defined below). These adjustments are detailed in *Appendix A* included in this release. Including these items, the Company reported, on a GAAP basis, a net loss of \$0.5 million, or \$0.01 per share, for the quarter ended December 31, 2011, compared to a net income of \$7.8 million, or \$0.17 per share, for the quarter ended December 31, 2010. Net revenues⁽²⁾ were \$27.3 million for the fourth quarter of 2011, compared to \$29.6 million for the same period last year.

Adjusted net income⁽¹⁾ for the year ended December 31, 2011 was \$10.1 million, or \$0.17 per share, compared to adjusted net income of \$22.4 million, or \$0.53 per share, for the year ended December 31, 2010. The reduction in the adjusted net income is primarily the result of lower average realized tanker rates for our spot and time-charter out fleets in the year ended December 31, 2011, compared to the prior year, which was partially offset by higher revenues of \$6.0 million from the Company's investment in two term loans, which were made in July 2010. Adjusted net income excludes an unrealized loss relating to the changes in fair value of interest rate swaps of \$5.3 million, or \$0.09 per share, a goodwill impairment charge associated with the Suezmax tanker fleet of \$13.3 million, or \$0.22 per share, and a one-time management fee associated with the portion of stock-based compensation grants of the Company's former Chief Executive Officer of \$0.5 million, or \$0.01 per share, for the year ended December 31, 2011. Adjusted net income for the year ended December 31, 2010 excludes an unrealized loss relating to changes in the fair value of interest swaps of \$5.0 million, or \$0.12 per share, a loss from the sale of the *Falster Spirit* and *Sotra Spirit* during the year of \$1.9 million, or \$0.04 per share, as well as net income of \$0.7 million, or \$0.02 per share, attributable to the Dropdown Predecessor. These adjustments are detailed in *Appendix A* included in this release. Including these items, the Company reported, on a GAAP basis, a net loss of \$9.1 million, or \$0.15 per share, for the year ended December 31, 2011, compared to net income of \$16.3 million, or \$0.37 per share, for the year ended December 31, 2010. Net revenues⁽²⁾ were \$118.3 million for the year ended December 31, 2011, compared to \$136.9 million for the prior year.

For accounting purposes, the Company is required to recognize the changes in the fair value of its derivative instruments in the statements of income. This method of accounting does not affect the Company's cash flows or the calculation of Cash Available for Distribution, but results in the recognition of unrealized gains or losses in the statements of income.

The Company's financial statements for 2010 include historical results of vessels acquired by the Company from Teekay, referred to herein as the *Dropdown Predecessor*, for the periods when these vessels were owned and operated by Teekay.

(1) Adjusted net income (loss) is a non-GAAP financial measure. Please refer to *Appendix A* included in this release for a reconciliation of this non-GAAP measure to the most directly comparable financial measure under United States generally accepted accounting principles (*GAAP*) and information about specific items affecting net income (loss) that are typically excluded by securities analysts in their published estimates of the Company's financial results.

(2) Net revenues represents revenues less voyage expenses. Net revenues is a non-GAAP financial measure used by certain investors to measure the financial performance of shipping companies. Please see the Company's website at www.teekaytankers.com for a reconciliation of net revenues to the most directly comparable financial measure under GAAP.

Operating Results

The following table highlights the operating performance of the Company's time-charter and spot vessels measured in net voyage revenue per revenue day, or time-charter equivalent (*TCE*) rates, before related-party pool management fees, related-party commissions and offhire bunker expenses:

	Three Months Ended		
	December 31, 2011	September 30, 2011	December 31, 2010
Time-Charter Fleet			
Aframax revenue days	571	695	515
Aframax TCE per revenue day ^{(i) (ii)}	\$19,133	\$21,326	\$23,369
Suezmax revenue days	275	276	276
Suezmax TCE per revenue day ⁽ⁱ⁾	\$26,336	\$27,814	\$26,297
Spot Fleet			
Aframax revenue days	428	204	267
Aframax TCE per revenue day	\$8,542	\$10,704	\$13,602
Suezmax revenue days	273	276	237
Suezmax TCE per revenue day ⁽ⁱⁱ⁾	\$12,922	\$8,582	\$16,107
Total Fleet			
Aframax revenue days	999	899	782
Aframax TCE per revenue day ^{(i) (ii)}	\$14,595	\$18,914	\$20,032
Suezmax revenue days	548	552	513
Suezmax TCE per revenue day ^{(i) (ii)}	\$19,656	\$18,186	\$21,591

- (i) Excludes profit share amounts relating to certain vessels which are employed on fixed-rate, time-charter contracts that include a profit-sharing component.
- (ii) The TCE rates in the table exclude the Dropdown Predecessor results of the *Esther Spirit* and *Iskmati Spirit* prior to the acquisition of these vessels by the Company during the fourth quarter of 2010.

Teekay Tankers' Fleet

The following table summarizes the Company's fleet as of February 1, 2012:

	Owned Vessels	Chartered-in Vessels	Newbuildings	Total
<u>Fixed-rate:</u>				
Aframax Tankers	6	-	-	6
Suezmax Tankers	3	-	-	3
VLCC Tankers	-	-	1	1
Total Fixed-Rate Fleet	9	-	1	10
<u>Spot-rate:</u>				
Aframax Tankers ⁽ⁱ⁾	3	2	-	5
Suezmax Tankers	3	-	-	3
Total Spot Fleet	6	2	-	8
Total Teekay Tankers Fleet	15	2	1	18

- (i) Two chartered-in Aframaxes, comprised of the *Stavanger Bell* and the *Sanko Brave*, are currently on initial three-month time-charter in periods to March and April 2012, respectively. Teekay Tankers holds extension options to extend the time-charter in periods by up to four three-month options on the *Stavanger Bell* and two four-month options followed by two six-month options on the *Sanko Brave*, respectively.

The fleet list above includes a Very Large Crude Carrier (*VLCC*) newbuilding that Teekay Tankers owns through a 50/50 joint venture it entered into with Wah Kwong Maritime Transport Holdings Limited in October 2010. The newbuilding is scheduled to deliver in April 2013, at which time it will commence a time-charter out to a major Chinese shipping company for a period of five years. The time-charter contract includes a fixed floor rate, coupled with a profit-sharing component.

In July 2010, the Company made loans secured by first-priority ship mortgages on two VLCC newbuildings, the income of which the Company believes approximates that of two vessels trading on fixed-rate bareboat charters. Including the income earned from these loans, and assuming options on the in-chartered vessels are not exercised, the Company currently has fixed-rate coverage of approximately 58 percent and 47 percent for the first quarter and fiscal 2012, respectively.

Liquidity

As of December 31, 2011, the Company had total liquidity of \$293.4 million (which consisted of \$15.9 million of cash and \$277.5 million in an undrawn revolving credit facility), compared to total liquidity of \$291.6 million as at September 30, 2011. Including net proceeds from the Company's February 2012 equity offering, the Company's current liquidity is approximately \$360 million.

Conference Call

The Company plans to host a conference call on February 23, 2012 at 1:00 p.m. (ET) to discuss its results for the fourth quarter and fiscal year 2011. An accompanying investor presentation will be available on Teekay Tankers' website at www.teekaytankers.com prior to the start of the call. All shareholders and interested parties are invited to listen to the live conference call by choosing from the following options:

- By dialing (800) 711-9538 or (416) 640-5925, if outside North America, and quoting conference ID code 4754557.
- By accessing the webcast, which will be available on Teekay Tankers' website at www.teekaytankers.com (the archive will remain on the Web site for a period of 30 days).

The conference call will be recorded and made available until Thursday, March 1, 2012. This recording can be accessed following the live call by dialing (888) 203-1112 or (647) 436-0148, if outside North America, and entering access code 4754557.

About Teekay Tankers

Teekay Tankers owns a fleet of nine double-hull Aframax tankers and six double-hull Suezmax tankers, and in-charters an additional two Aframax tankers, all of which an affiliate of Teekay Corporation manages through a mix of short- or medium-term, fixed-rate time-charter contracts and spot tanker market trading. In addition, the Company owns a VLCC newbuilding, through a 50 percent joint venture which is scheduled to deliver in April 2013. Teekay Tankers Ltd. was formed in December 2007 by Teekay Corporation (NYSE: TK) as part of its strategy to expand its conventional oil tanker business. Since inception, Teekay Tankers has distributed on a quarterly basis all of its Cash Available for Distribution, less reserves established by its board of directors.

Teekay Tankers' common stock trades on the New York Stock Exchange under the symbol "TNK".

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TEEKAY TANKERS LTD.

SUMMARY CONSOLIDATED STATEMENTS OF (LOSS) INCOME ⁽¹⁾

(in thousands of U.S. dollars, except share data)

	<u>Three Months Ended</u>			<u>Year ended</u>	
	<u>December 31,</u> <u>2011</u> <u>(unaudited)</u>	<u>September 30,</u> <u>2011</u> <u>(unaudited)</u>	<u>December 31,</u> <u>2010⁽¹⁾</u> <u>(unaudited)</u>	<u>December 31,</u> <u>2011</u> <u>(unaudited)</u>	<u>December 31,</u> <u>2010⁽¹⁾</u> <u>(unaudited)</u>
Time charter revenues	18,600	22,632	19,838	78,780	86,244
Net pool revenues	6,670	4,208	7,438	30,894	47,914
Voyage charter revenues	-	-	-	-	24
Interest income from investment in term loans	2,861	2,855	2,884	11,323	5,297
REVENUES	28,131	29,695	30,160	120,997	139,479
OPERATING EXPENSES					
Voyage expenses	809	729	545	2,697	2,544
Vessel operating expenses	10,694	10,908	11,383	42,056	44,453
Time-charter hire expense	2,436	1,610	-	4,046	-
Depreciation and amortization	10,811	10,797	11,222	43,185	45,455
General and administrative	1,882	1,927	1,867	8,609	9,789
Net loss on sale of vessels	-	-	-	-	1,864
Goodwill impairment charge	-	13,310	-	13,310	-
	26,632	39,281	25,017	113,903	104,105
Income (loss) from operations	1,499	(9,586)	5,143	7,094	35,374
OTHER ITEMS					
Interest expense	(1,229)	(740)	(1,668)	(4,185)	(7,513)
Interest income	5	12	46	57	97
Realized and unrealized (loss) gain on derivative instruments ⁽²⁾	(807)	(6,703)	4,404	(11,444)	(10,536)
Other income (expenses)	67	(116)	(152)	(587)	(1,113)
	(1,964)	(7,547)	2,630	(16,159)	(19,065)
Net (loss) income	(465)	(17,133)	7,773	(9,065)	16,309
(Loss) earnings per share ⁽³⁾					
- Basic and diluted	(0.01)	(0.28)	0.17	(0.15)	0.37
Weighted-average number of Class A common shares outstanding					
- Basic and diluted	49,376,744	49,376,744	38,938,048	48,270,525	29,830,038
Weighted-average number of Class B common shares outstanding					
- Basic and diluted	12,500,000	12,500,000	12,500,000	12,500,000	12,500,000
Weighted-average number of total common shares outstanding					
- Basic and diluted	61,876,744	61,876,744	51,438,048	60,770,525	42,330,038

(1) Results for three Suezmax tankers the *Iskmati Spirit*, the *Kaveri Spirit* and the *Yamuna Spirit*, and for two Aframax tankers, the *Esther Spirit* and *Helga Spirit*, for the periods prior to their acquisition by the Company when they were owned and operating under Teekay Corporation, are referred to as the *Dropdown Predecessor*. Dropdown Predecessor amounts included in the Company's consolidated financial results are summarized for the respective periods in *Appendix A* in this release.

(2) Includes realized losses relating to interest rate swaps of \$1.5 million, \$1.6 million and \$1.5 million for the three months ended December 31, 2011, September 30, 2011 and December 31, 2010, respectively, and \$6.1 million and \$5.5 million for the years ended December 31, 2011 and 2010, respectively.

(3) (Loss) earnings per share is determined by dividing (a) net (loss) income of the Company after removing the amount attributable to the Dropdown Predecessor, by (b) the weighted-average number of shares outstanding during the applicable period.

TEEKAY TANKERS LTD.
SUMMARY CONSOLIDATED BALANCE SHEETS
(in thousands of U.S. dollars)

	<u>As at</u> <u>December 31, 2011</u> <u>(unaudited)</u>	<u>As at</u> <u>September 30, 2011</u> <u>(unaudited)</u>	<u>As at</u> <u>December 31, 2010</u> <u>(unaudited)</u>
ASSETS			
Cash	15,859	14,104	12,450
Pool receivable from related parties	2,664	1,463	8,606
Interest receivable	1,754	1,811	1,811
Other current assets	3,860	4,602	2,813
Due from affiliates	12,610	13,568	12,357
Vessels and equipment	716,567	726,766	757,437
Investment in term loans	116,844	116,629	116,014
Loan to joint venture	9,830	9,830	9,830
Other non-current assets	1,938	2,021	1,889
Goodwill	-	-	13,310
Total assets	881,926	890,794	936,517
LIABILITIES AND EQUITY			
Accounts payable and accrued liabilities	9,358	9,936	10,073
Current portion of long-term debt	1,800	1,800	1,800
Current portion of derivative instruments	4,027	4,306	4,509
Other current liabilities	1,892	1,896	2,305
Due to affiliates	4,999	2,322	5,841
Long-term debt	347,100	347,550	452,228
Other long-term liabilities	23,379	23,866	17,072
Equity	489,371	499,118	442,689
Total liabilities and equity	881,926	890,794	936,517

TEEKAY TANKERS LTD.
SUMMARY CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands of U.S. dollars)

	<u>Year Ended</u>	
	<u>December 31, 2011</u>	<u>December 31, 2010</u> ⁽¹⁾
	<u>(unaudited)</u>	<u>(unaudited)</u>
Cash and cash equivalents provided by (used for)		
OPERATING ACTIVITIES		
Net operating cash flow	55,105	58,391
FINANCING ACTIVITIES		
Proceeds of long-term debt	15,000	185,000
Repayments of long-term debt	(1,800)	(3,150)
Prepayments of long-term debt	(118,328)	(33,050)
Proceeds from long-term debt of Dropdown Predecessor	-	37,222
Prepayments of long-term debt of Dropdown Predecessor	-	(306,169)
Acquisition of Helga Spirit LLC, Yamuna Spirit LLC, Kaveri Spirit LLC, Esther Spirit LLC and Iskmati Spirit LLC from Teekay Corporation	-	(244,185)
Contribution of capital from Teekay Corporation to Dropdown	-	128,900
Net advances from affiliates	-	127,982
Proceeds from issuance of Class A common stock	112,054	211,978
Share issuance and other financing costs	(4,949)	(9,395)
Cash dividends paid	(51,358)	(55,244)
Net financing cash flow	(49,381)	39,889
INVESTING ACTIVITIES		
Proceeds from the sale of vessels and equipment	-	35,396
Expenditures for vessels and equipment	(2,315)	(6,253)
Advances to joint venture	-	(9,830)
Investment in term loans	-	(115,575)
Net investing cash flow	(2,315)	(96,262)
Increase in cash and cash equivalents	3,409	2,018
Cash and cash equivalents, beginning of the year	12,450	10,432
Cash and cash equivalents, end of the year	15,859	12,450

- (1) In accordance with GAAP, the applicable statements of cash flows include the cash flows relating to the Dropdown Predecessor for the following vessels, when the vessels were under the common control of Teekay Corporation but prior to their acquisition by the Company: the *Yamuna Spirit* and *Kaveri Spirit*, for the period from August 1, 2007 to April 14, 2010; the *Helga Spirit* for the period from January 6, 2005 to May 11, 2010; the *Esther Spirit* for the period from July 7, 2004 to November 8, 2010; and the *Iskmati Spirit* for the period from August 1, 2007 to November 8, 2010.

TEEKAY TANKERS LTD.
APPENDIX A – SPECIFIC ITEMS AFFECTING NET INCOME
(in thousands of U.S. dollars, except per share amounts)

Set forth below is a reconciliation of the Company's unaudited adjusted net (loss) income attributable to the shareholders of Teekay Tankers Ltd., a non-GAAP financial measure, to net (loss) income as determined in accordance with GAAP. The Company believes that, in addition to conventional measures prepared in accordance with GAAP, certain investors use this information to evaluate the Company's financial performance. The items below are also typically excluded by securities analysts in their published estimates of the Company's financial results. Adjusted net (loss) income attributable to the shareholders of Teekay Tankers Ltd. is intended to provide additional information and should not be considered a substitute for measures of performance prepared in accordance with GAAP.

	<u>Three Months Ended</u>			
	<u>December 31, 2011</u>		<u>December 31, 2010</u>	
	<u>(unaudited)</u>		<u>(unaudited)</u>	
	\$	\$ Per Share	\$	\$ Per Share
Net (loss) income - GAAP basis	(465)		7,773	
<i>Add:</i>				
Net loss attributable to the Dropdown Predecessor	-		736	
Net (loss) income attributable to shareholders of Teekay Tankers	(465)	(\$0.01)	8,509	\$0.17
Subtract specific items affecting net income:				
Unrealized gain on interest rate swaps ⁽¹⁾	(697)	(\$0.01)	(5,941)	(\$0.12)
Total adjustments	(697)	(\$0.01)	(5,941)	(\$0.12)
Adjusted net (loss) income	(1,162)	(\$0.02)	2,568	\$0.05

	<u>Year Ended</u>			
	<u>December 31, 2011</u>		<u>December 31, 2010</u>	
	<u>(unaudited)</u>		<u>(unaudited)</u>	
	\$	\$ Per Share	\$	\$ Per Share
Net (loss) income - GAAP basis	(9,065)		16,309	
<i>Subtract:</i>				
Net income attributable to the Dropdown Predecessor	-		(747)	
Net (loss) income attributable to shareholders of Teekay Tankers	(9,065)	(\$0.15)	15,562	\$0.37
Add specific items affecting net income:				
Unrealized loss on interest rate swaps ⁽¹⁾	5,330	\$0.09	4,955	\$0.12
Goodwill impairment charge ⁽²⁾	13,310	\$0.22	-	-
Other ⁽³⁾	478	\$0.01	-	-
Net loss on the sale of vessels	-	-	1,864	\$0.04
Total adjustments	19,118	\$0.32	6,819	\$0.16
Adjusted net income	10,053	\$0.17	22,381	\$0.53

- (1) Reflects the unrealized gain or loss due to changes in the mark-to-market value of derivative instruments that are not designated as hedges for accounting purposes.
- (2) Amount for the year ended December 31, 2011 relates to a non-cash goodwill impairment charge associated with the Suezmax tanker fleet. This goodwill, initially recorded by Teekay Corporation and later recorded by the Company, was made in accordance with Dropdown Predecessor accounting, and did not represent any amounts paid by the Company to Teekay Corporation. The non-cash charge, which does not affect the Company's operations, cash flows, liquidity, or any of its loan covenants, reduced the Company's remaining goodwill balance to nil as of September 30, 2011.
- (3) Amount for the year ended December 31, 2011 relates to a one-time management fee associated with the portion of stock-based compensation grants of the Company's former Chief Executive Officer that had not yet vested prior to the date of his retirement on March 31, 2011.

TEEKAY TANKERS LTD.
APPENDIX B – CASH DIVIDEND CALCULATION
(in thousands of U.S. dollars, except per share data)

Cash Available for Distribution

The Company has adopted a dividend policy to pay a variable quarterly dividend equal to its Cash Available for Distribution, subject to any reserves its board of directors may from time to time determine are required for the prudent conduct of its business. Cash Available for Distribution represents net (loss) income, plus depreciation and amortization, unrealized losses from derivatives, non-cash items and any write-offs or other non-recurring items, less unrealized gains from derivatives and net income attributable to the historical results of vessels acquired by the Company from Teekay Corporation for the period when these vessels were owned and operated by Teekay Corporation.

	<u>Three Months Ended</u> <u>December 31, 2011</u> (unaudited)
Net loss for the period	(465)
<i>Add:</i>	
Depreciation and amortization	10,811
Amortization of debt issuance costs	156
<i>Less:</i>	
Unrealized gain on interest rate swaps	(697)
Non-cash accrual of repayment premium on term loans	(264)
Amortization of in-process revenue contract and other non-cash gains	(201)
Cash Available for Distribution before Reserves	9,340
<i>Less:</i>	
Reserve for scheduled drydockings and other capital expenditures	(2,000)
Reserve for debt principal repayment	(450)
Cash Available for Distribution after Reserves	6,890
Weighted-average number of common shares outstanding for the quarter ended December 31, 2011	61,876,744
Cash dividend per share (rounded)	\$0.11

FORWARD LOOKING STATEMENTS

This release 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: tanker market fundamentals, including the balance of supply and demand in the tanker market, spot tanker charter rates and anticipated scrapping rates; the Company's financial position and ability to acquire additional assets, and available market opportunities to acquire vessels, including any product tankers; estimated dividends per share for the quarter ending March 31, 2012 based on various spot tanker rates earned by the Company; the Company's mix of spot market and time-charter trading, and fixed-rate cover for the first quarter and fiscal 2012; anticipated drydocking and vessel upgrade costs; the Company's ability to generate cash flow and pay dividends; and potential vessel acquisitions, and their affect on the Company's future Cash Available for Distribution. 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; changes in trading patterns significantly affecting overall vessel tonnage requirements; lower than expected level of tanker scrapping; changes in applicable industry laws and regulations and the timing of implementation of new laws and regulations; the potential for early termination of short- or medium-term contracts and inability of the Company to renew or replace short- or medium-term contracts; changes in interest rates and the capital markets; the ability of the owner of the two VLCC newbuildings securing the two first-priority ship mortgage loans to continue to meet its payment obligations; increases in the Company's expenses, including any drydocking expenses and associated offhire days; the ability of Teekay Tankers' Board of directors to establish cash reserves for the prudent conduct of Teekay Tankers' business or otherwise; failure of Teekay Tankers Board of Directors and its Conflicts Committee to accept future acquisitions of vessels that may be offered by Teekay Corporation or third parties; market opportunities to acquire additional assets; 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, 2010. 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.