



TEEKAY

TEEKAY TANKERS THIRD QUARTER 2014 EARNINGS PRESENTATION

November 6, 2014

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: 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 in 2014 and 2015, estimated growth in global oil demand and crude oil tanker demand in 2014 and 2015, increased long-haul crude tanker movements from the Atlantic to Pacific basins and tanker fleet utilization and spot tanker rates in 2014 and 2015; the impact of lower global oil prices, including stockpiling, a contango price structure, higher oil demand and reduced bunker fuel prices; the Company's financial position and ability to take advantage of growth opportunities in an expected future tanker market recovery; the Company's plans regarding increased spot market exposure; the Company's fixed-rate coverage for the next 12 months and the timing of new charter-in vessel deliveries; the expected effects of the Company's acquisition of a 50 percent interest in Teekay Operations; and the estimated spot tanker rates for the Company for the fourth quarter of 2014. 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; greater or less than anticipated levels of tanker newbuilding orders and deliveries or 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 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 financial markets; increases in the Company's expenses, including any dry docking expenses and associated off-hire days; delays in delivery of new charter-in vessels; failure to realize expected benefits of the acquisition of an interest in Teekay Operations; 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; 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, 2013. 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

- Q3-14 Results
 - Reported adjusted net income of \$2.6 million or \$0.03 per share
 - Generated Cash Available for Distribution (CAD)⁽¹⁾ of \$0.19 per share
 - Declared quarterly fixed dividend of \$0.03 per share
- On August 1, 2014, completed the acquisition of a 50% interest in Teekay Corporation's commercial and technical management operations
- In October 2014, TNK secured additional time charter-in contracts for two Aframax tankers at average rate of \$18,000 per day
 - New in-charter vessels increase TNK's total in-charter fleet to ten vessels
- In October 2014, Teekay Tankers invested approximately \$10 million to increase its holdings in Tanker Investments Ltd. to 9.3%

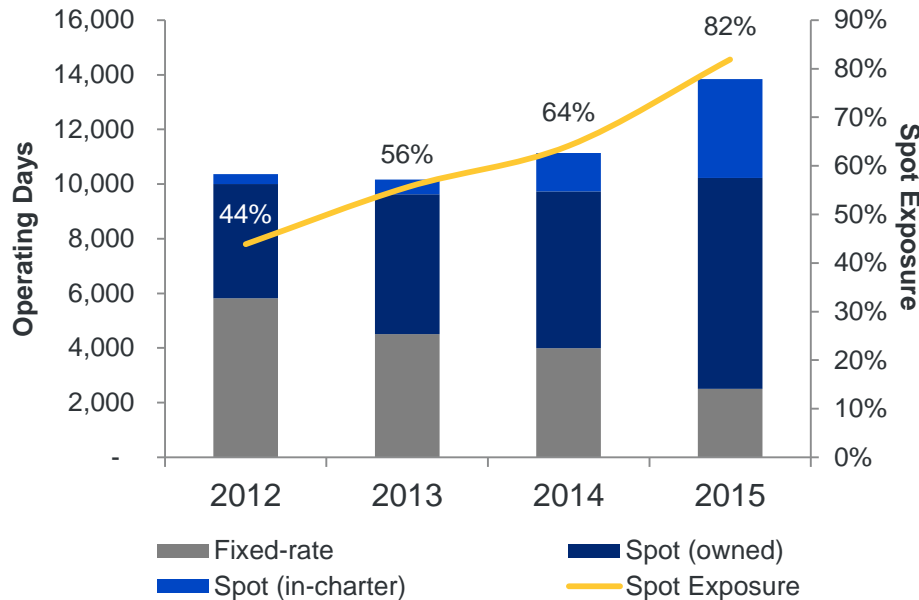


(1) Cash Available for Distribution represents net income (loss), plus depreciation and amortization, unrealized losses from derivatives, non-cash items and any write-downs or other non-recurring items, less unrealized gains from derivatives. Please refer to the Teekay Tankers Q3-14 Earnings Release for reconciliation to most directly comparable GAAP financial measure.

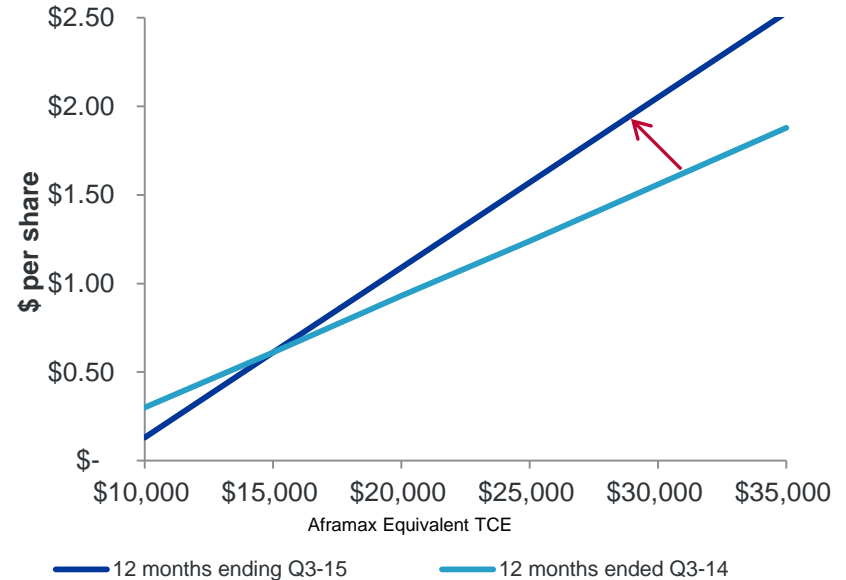
Increasing Earnings Power

Additional spot exposure better positions TNK for a tanker market recovery

TNK Fleet Employment Mix



TNK CAD Per Share Spot Rate Sensitivity



- Actively increased in-charter portfolio to 10 vessels resulting in ~3,600 additional spot days in FY2015
- Vessels re-delivering from out-charterers will join our spot fleet

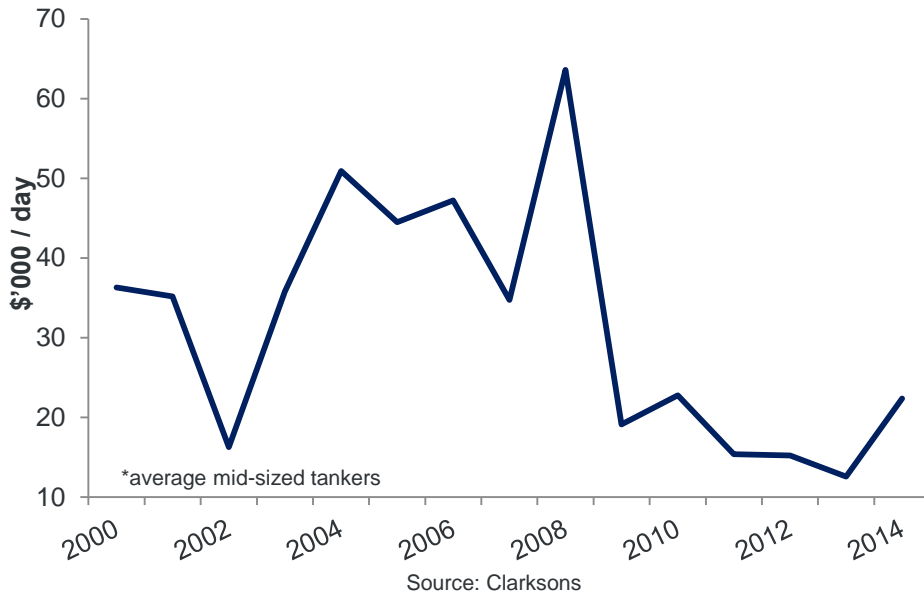
- For every \$5,000 per day increase in spot rates, TNK's CAD increases by \$0.48 per share compared to \$0.32 per share for the same period in the prior year



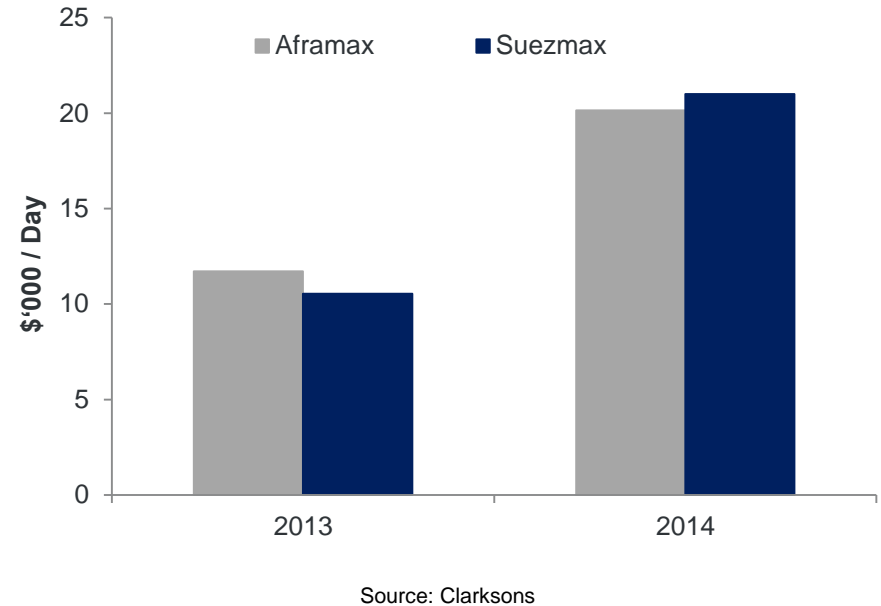
Stronger Crude Tanker Rates

Strongest Q3 tanker rates since 2008

Tanker Rates: January – October

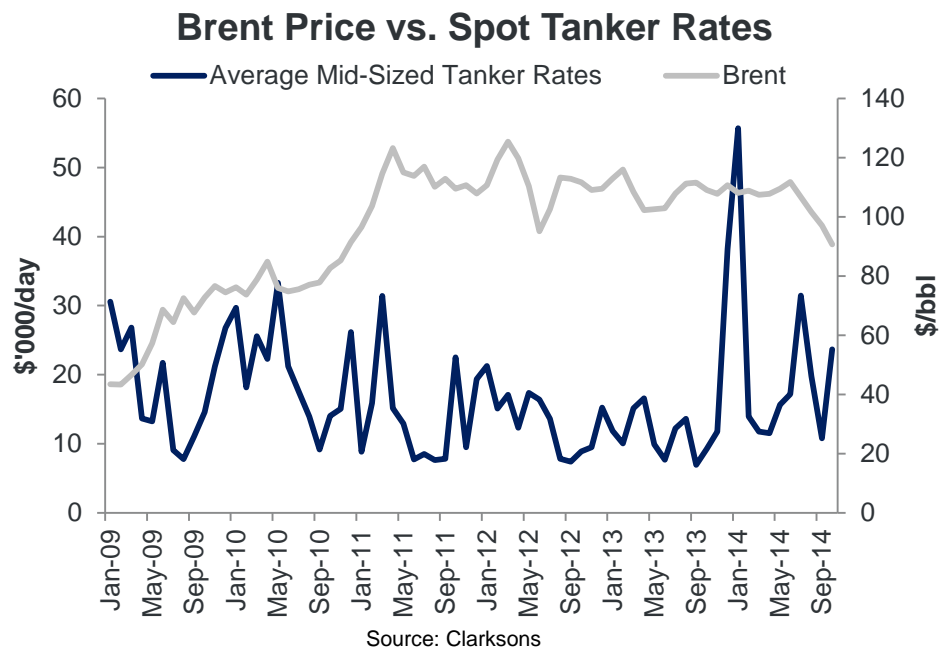


Q3-13 vs Q3-14 Earnings



- Q3-14 earnings improved as a result of:
 - Q3-14 oil demand increased by ~ 1.5 mb/d, majority coming from OECD
 - Longer-haul movements as WAF barrels moved to Asia in record volumes
- Q3-14 rates averaged ~\$9,000 / day higher than in the same period of 2013
 - Mid-sized tanker rates for Q1-14 and Q2-14 were also higher y-o-y

Positive Impact of Oil Prices on Tanker Earnings



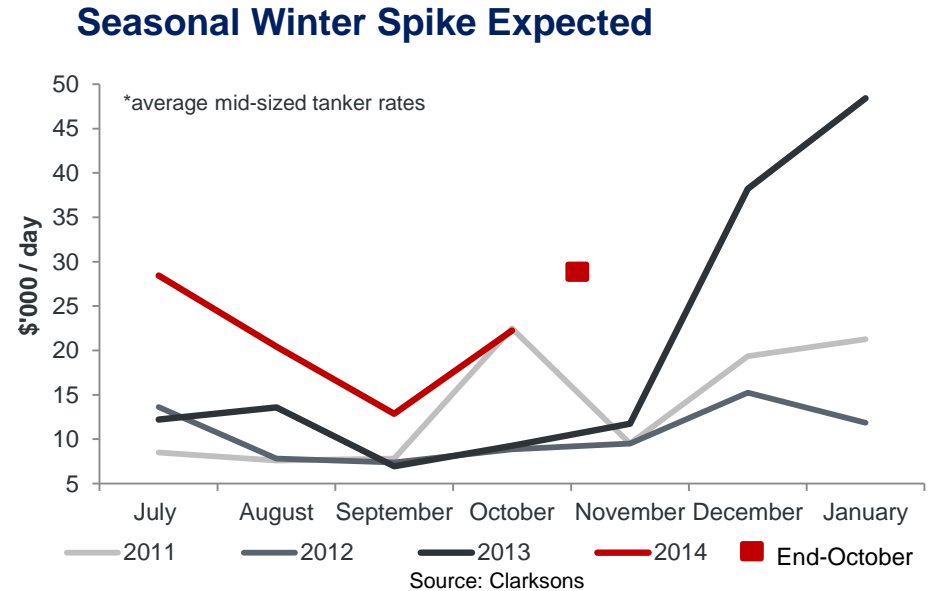
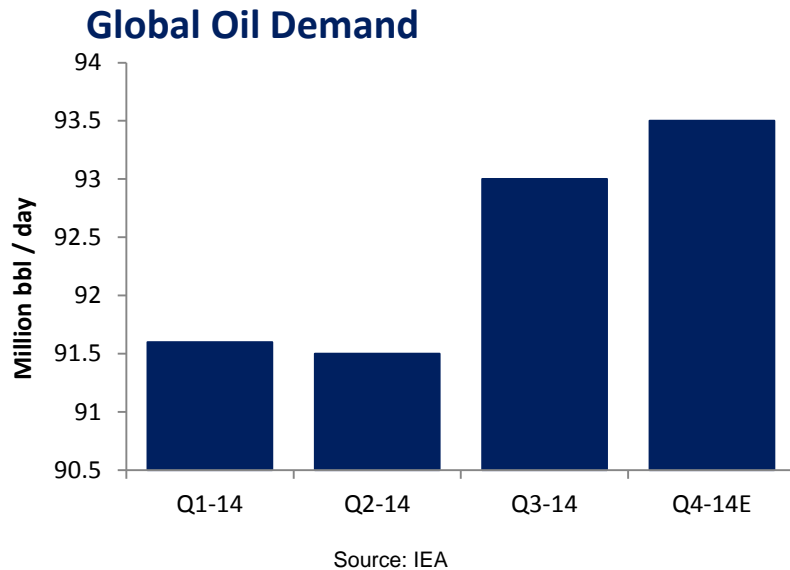
- Prices for Brent oil benchmark lowest since November 2010 as supply currently outpaces demand
 - Price decline driven by glut of light sweet crude in the Atlantic coupled with slowing global economic growth
- Producers strategically lowering Official Selling Prices (OSP) to protect market share
 - Saudi Arabian reductions to OSP in September 2014 and October 2014 prompted Chinese buyers to purchase 28 million barrels

Benefits of declining oil price:

- Increased earnings: each \$10 drop in price of oil equivalent to \$2,400/day in bunker fuel savings
- Arbitrage buying driven by lower OSPs has potential to alter traditional trade patterns
- Supportive of positive refining margins, potential to increase crude tanker demand
- Contango price structure may encourage floating storage

Winter Rally Expected to Support Q4 Rates

Increased demand in winter should result in higher spot rates

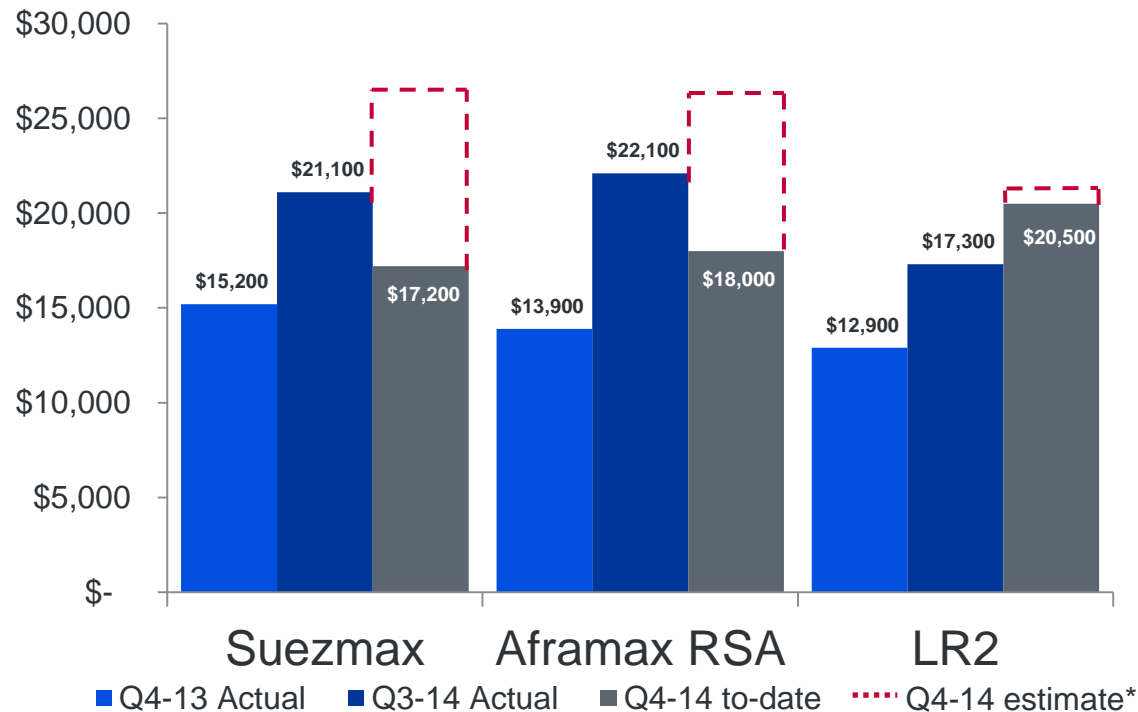


- Expected oil demand increase of ~500 kb/d in Q4-14 in OECD due to colder weather in Northern Hemisphere
- Chinese oil demand forecasted to increase by ~200 kb/d in Q4, though actual import requirements will be much higher as China takes advantage of recent low oil prices to fill its strategic petroleum reserves
- Winter weather and transit delays into Q4-14 could provide support to crude tanker rates
 - Turkish Straits transit delays, Baltic sea ice conditions, potential for late season hurricane/storm activity in the Atlantic



Q4-14 Spot Earnings Update

Overall, average spot bookings for Q4-14 to-date are higher than Q4-13 based on approximately 50%, 40%, and 60% of days booked in the quarter for Suezmax, Aframax, and LR2 segments, respectively.



Although Q4-14 spot bookings to-date are lower than Q3-14, recent strengthening in the market calls for stronger final Q4-14 results.



*Q4-14 estimates are based on bookings to-date plus BITR-based forward rates for unfixed days (forward rates are: ~\$37k for Suezmax, ~\$32k for Aframax, and ~\$21k for LR2)

APPENDIX



TNK 2014 & 2015 Drydock Schedule

Entity	Segment	March 31, 2014 (A)		June 30, 2014 (A)		September 30, 2014 (A)		December 31, 2014 (E)		Total 2014		Total 2015	
		Vessels Drydocked	Total Offhire Days	Vessels Drydocked	Total Offhire Days	Vessels Drydocked	Total Offhire Days	Vessels Drydocked	Total Offhire Days	Vessels Drydocked	Total Offhire Days	Vessels Drydocked	Total Offhire Days
Teekay Tankers	Spot Tanker	1	21	-	-	4	143	-	-	5	164	7	113
	Fixed-Rate Tanker	-	-	2	56	1	35	1	24	4	115	-	-
		1	21	2	56	5	178	1	24	9	279	7	113

