



TEEKAY TANKERS LTD.

First Quarter 2012 Earnings Presentation

May 17, 2012

NYSE : TNK

www.teekaytankers.com

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 Company's anticipated acquisition of 13 conventional crude oil and product tankers from Teekay Corporation, including the purchase price, timing and certainty of completing the transaction and the effect of the transaction on the Company's business, Cash Available for Distribution, dividend, liquidity, and fixed cover for the 12-month period commencing July 1, 2012; opportunities in the product tanker segment; tanker market fundamentals, including the balance of supply and demand in the tanker market, and spot tanker charter rates; anticipated tanker fleet utilization; the Company's financial position and ability to acquire additional assets; estimated dividends per share for the quarter ending June 30, 2012 and the 12-month period commencing July 1, 2012 based on various spot tanker rates earned by the Company; anticipated dry-docking and vessel upgrade costs; the Company's ability to generate surplus 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: failure to satisfy the closing conditions or obtain the necessary third party consents for the Company's anticipated 13-vessel acquisition from Teekay Corporation or unexpected results from the technical inspection of those vessels that would result in a change to the transaction purchase price; 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; future issuances of the Company's common stock; 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 dry-docking expenses and associated off-hire 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; 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, 2011. 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

- » Declared a dividend of \$0.16 per share for Q1-12, up from \$0.11 per share in the previous quarter
 - Payable on June 5th to all shareholders of record on May 29th
- » 55% of Q1-12 revenue days earned avg. of \$21,000 per day on fixed-rate time-charters, above average spot TCE of \$17,800 per day
- » Earned adjusted net income of \$3.1 million, or \$0.04 per share¹
- » Agreed to acquire 13 conventional tankers from Teekay Corporation for a total purchase price of approximately \$455 million
 - On schedule to close in June 2012

¹ Excluding net gain of \$1.1 million, or \$0.02 per share related to change in fair value of interest rate swaps as detailed in Appendix A of the Q1-12 earnings release.

Strategic Acquisition of 13 Tankers From Teekay Corp.

- » Teekay Tankers will acquire 13 conventional tankers from Teekay Corporation for a total purchase price of approximately \$455 million
 - 7 mid-size conventional oil tankers and 6 product tankers with average age of 7 years
 - 9 of the thirteen vessels come with fixed-rate charters earning over \$20,000/day
 - Increases fixed cover from 29% to 43% for 12-month period commencing July 1, 2012
 - Non-competition agreement with Teekay Corp for conventional tanker projects for a period of 3 years

Strategic Benefits

- » Modern vessels acquired at cyclical low purchase price
- » Increases near-term fixed-rate coverage during expected weaker Q2 and Q3
- » Provides diversification into product tankers
- » Attractive, 'covenant-lite' debt facilities with favorable repayment profiles
- » \$400 million of liquidity post-transaction provides financial flexibility



Pro Forma Fleet Employment

Name	Class	Y/Built
Erik Spirit	Aframax	2005
Kareela Spirit	Aframax	1999
Nassau Spirit	Aframax	1998
Ashkini Spirit	Suezmax	2003
Iskmati Spirit	Suezmax	2003
Kaveri Spirit	Suezmax	2004
Zenith Spirit	Suezmax	2009
Donegal Spirit	LR2	2006
Limerick Spirit	LR2	2007
Galway Spirit	LR2	2007
Ganges Spirit	Suezmax	2002
Yamuna Spirit	Suezmax	2002
Everest Spirit	Aframax	2004
Esther Spirit	Aframax	2004
Kanata Spirit	Aframax	1999
Matterhorn Spirit	Aframax	2005
Narmada Spirit	Suezmax	2003
Godavari Spirit	Suezmax	2004
Teesta Spirit	MR	2004
VLCC Mortgage A		
VLCC Mortgage B		
Mahanadi Spirit	MR	2000
Kyeema Spirit	Aframax	1999
Helga Spirit	Aframax	2005
Pinnacle Spirit	Suezmax	2008
Summit Spirit	Suezmax	2008
Hugli Spirit	MR	2005
Americas Spirit	Aframax	2003
Australian Spirit	Aframax	2004
Axel Spirit	Aframax	2004
Newbuilding J/V	VLCC	2013

Trading in Teekay Pools

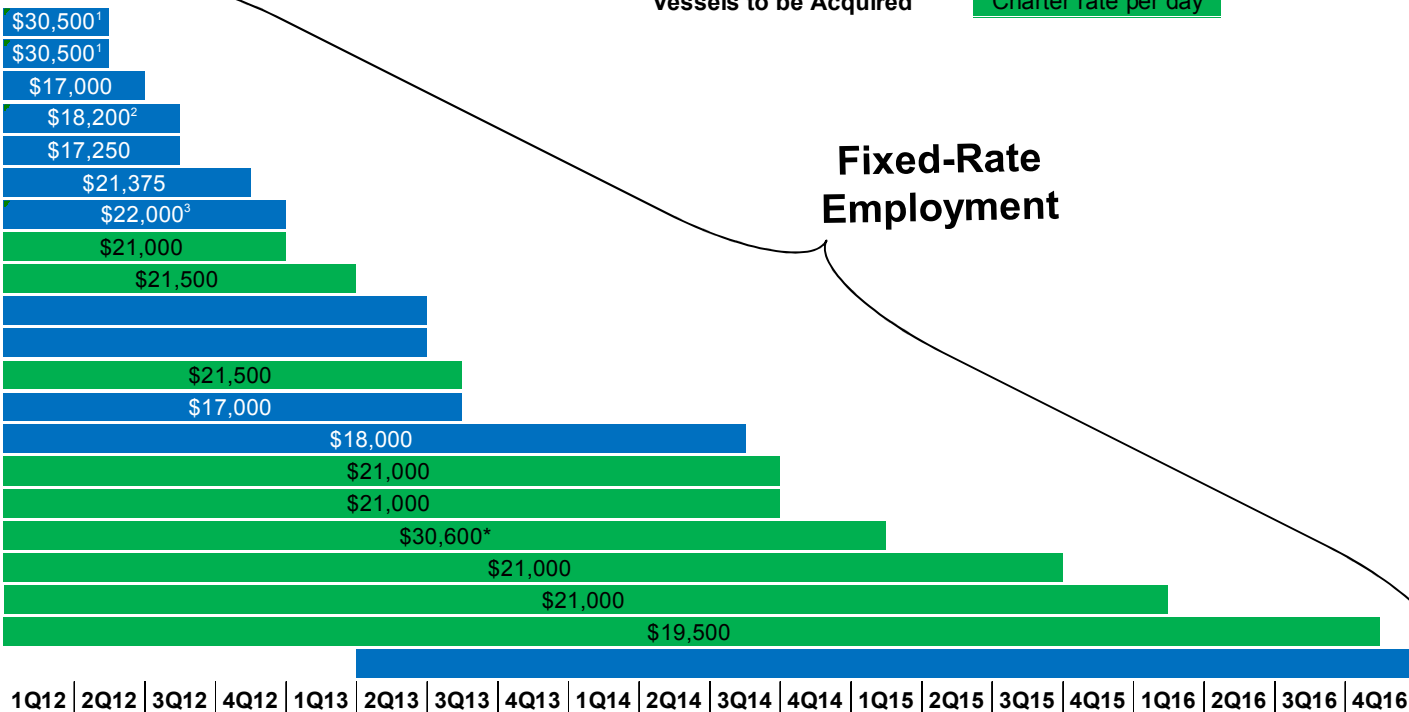
Fixed-Rate Coverage (estimated)

	Pre-Transaction	Post-Transaction
12 months Commencing July 1, 2012	29%	43%
FY 2013	23%	34%

Existing Vessels
Vessels to be Acquired

Charter rate per day
Charter rate per day

Fixed-Rate Employment



1 Plus profit share. Profit share above \$30,500 per day entitles Teekay Tankers to the first \$3,000 per day plus 50% thereafter of vessel's incremental Gemini Pool earnings, settled in the second quarter of each year.

2 Includes profit share paying 49% of earnings in excess of \$18,700 generated December 1 through March 20.

3 Profit share above the applicable minimum time-charter rate entitles Teekay Tankers to 50% of the difference between the average TD5 BTR rate and the minimum rate.

4 Charter rate covers incremental Australian crewing expenses of approximately \$14,000 per day above international crewing costs.

Q1-12 Dividend Calculation

(USD thousands, except shares outstanding and per share amounts)

	<u>Three Months Ended</u> <u>March 31, 2012</u> (unaudited)	
Net income for the period	4,137	
Add:		
Depreciation and amortization	10,738	
Amortization of debt issuance costs	155	
Less:		
Unrealized gain on interest rate swaps	(1,050)	
Non-cash accrual of repayment premium on term loans	(295)	
Amortization of in-process revenue contract	(69)	
Cash Available for Distribution before Reserves	13,616	
Less:		
Reserve for scheduled dry-dockings and other capital expenditures	(2,000)	→ (3,500)
Reserve for debt principal repayment	(450)	→ (4,000)
Cash Available for Distribution after Reserves	11,166	
Weighted average number of common shares outstanding for the quarter ended March 31, 2012	70,975,645	→ 83,591,030
Cash dividend per share (rounded)	\$0.16	

Post-Transaction*

Reserves:

(3,500)

(4,000)

Share Count:

83,591,030

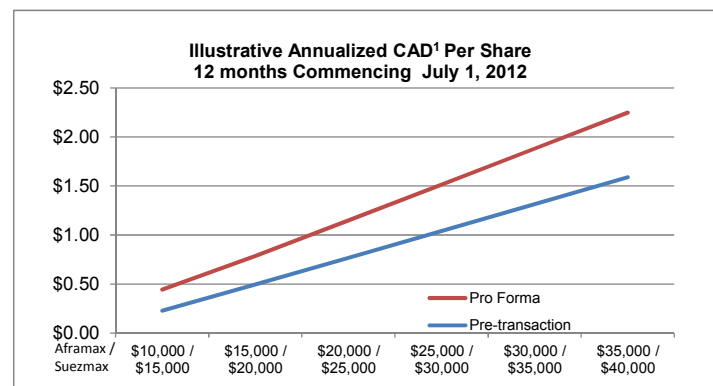
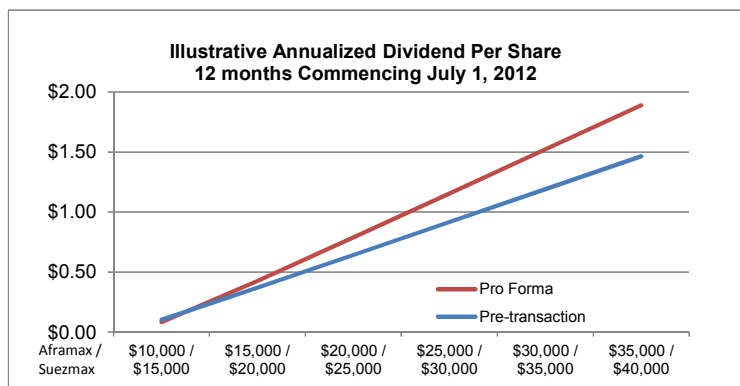
* Commencing in Q3-12

Q2-12 Dividend Outlook

- » Average spot bookings in Q2 to date are down from the previous quarter (based on ~50% days booked)
- Aframax: \$9,500 per day (vs. \$12,700 per day in Q1-12)
 - Suezmax: \$19,500 per day (vs. \$25,200 per day in Q1-12)

Q2-2012 Estimated Dividend Per Share*		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	0.05	0.07	0.10	0.13	0.15	0.18	0.21
	\$15,000	0.08	0.10	0.13	0.15	0.18	0.21	0.24
	\$20,000	0.11	0.13	0.16	0.18	0.21	0.24	0.27
	\$25,000	0.14	0.16	0.18	0.21	0.24	0.27	0.30
	\$30,000	0.16	0.19	0.21	0.24	0.27	0.30	0.33
	\$35,000	0.19	0.22	0.24	0.27	0.30	0.33	0.36

* 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 \$2.2 million reserve for estimated drydocking costs and \$750,000 of transaction costs related to the 13-vessel acquisition from Teekay Corporation. Based on the estimated weighted average number of shares outstanding for the second quarter of 79.9 million shares.



For every \$1,000 / day increase in spot rates, annual dividend increases by ~\$0.075 per share

¹ 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 for the period when these vessels were owned and operated by Teekay.

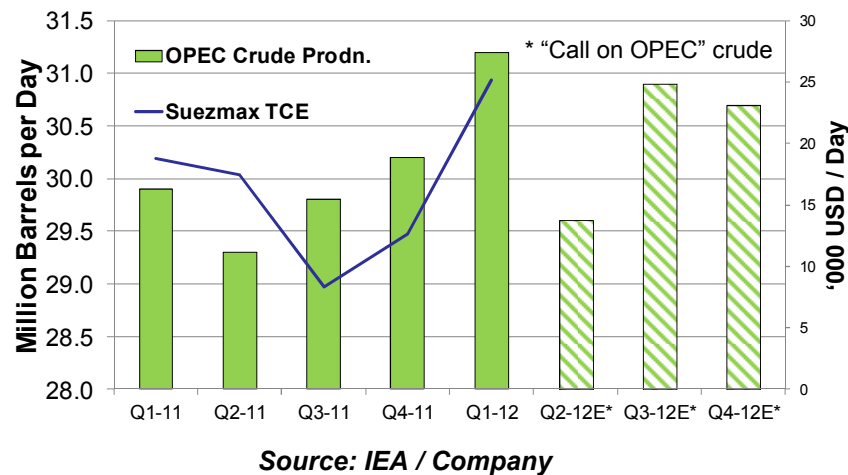
Positive Tanker Fundamentals in Q1-2012

1. Global oil production reached a record high of over 90.5 mb/d
2. OPEC crude supply grew by 1.0 mb/d to a 3.5 year high of over 31 mb/d
 - Replacement for non-OPEC supply outages (Sudan, Syria, North Sea)
 - Higher levels of OPEC production = longer voyage distances
3. Increased demand for crude imports in Asia for stockpiling purposes
 - Precaution against potential Iranian supply disruptions
4. Seasonal factors provided periodic support for rates
 - Weather delays in the US Gulf / Turkish Straits
5. Jan-Apr 2012 tanker scrapping at 4.6 mdwt (vs. 9.8 mdwt in 2011)

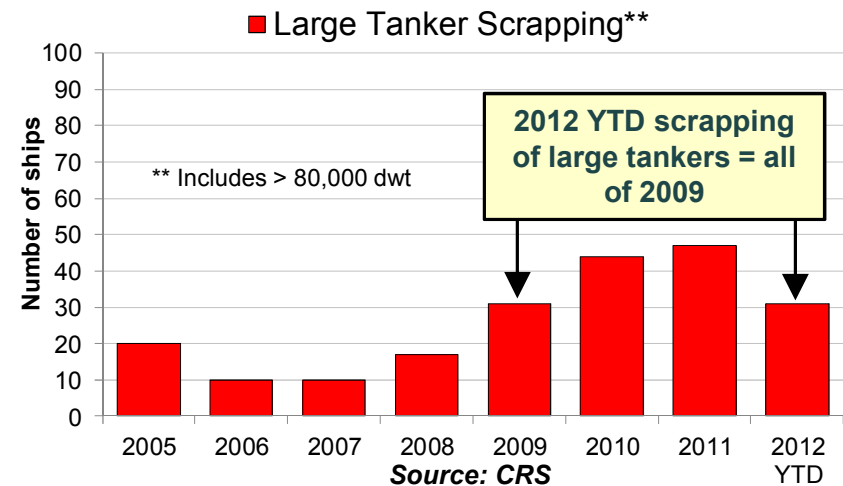
Average Teekay Tankers Suezmax spot rate of \$25,200/day highest since Q2-2010

Crude Tanker Market Outlook

High OPEC supply leading to increased tonne-miles...



...as supply is dampened by scrapping

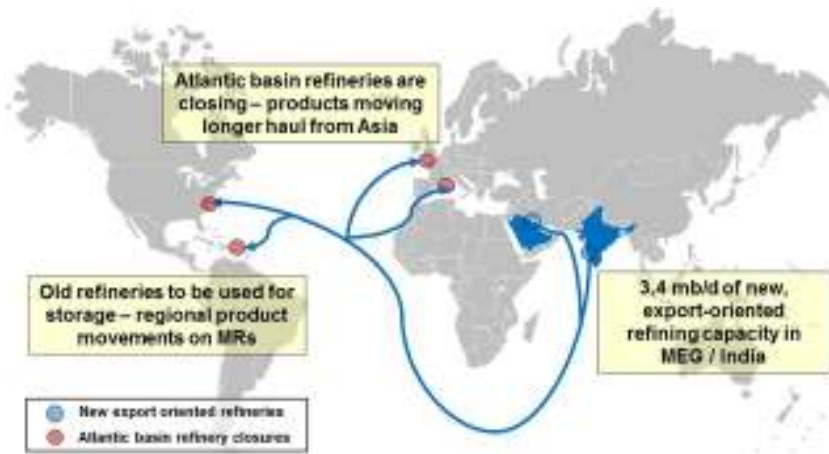


- » Robust demand growth in Asia is the key driver for crude tanker demand
- » Longer distances due to an increase in OPEC vs. non-OPEC production and greater movement of Atlantic barrels to Asia adds to tanker tonne-mile effect

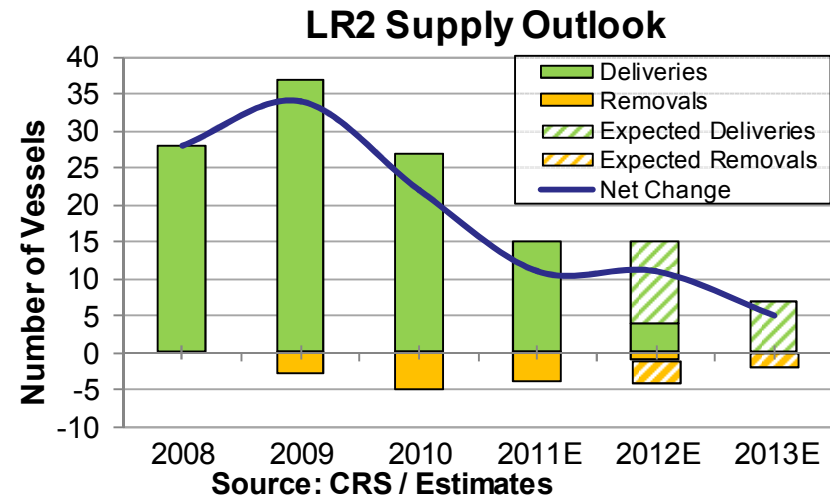
**Crude tanker market expected to move into balance during 2013;
Increased scrap / removal of older double-hulls a positive development**

Product Tanker Market Outlook

Product tanker tonne-miles set to grow...



...as LR2 fleet growth falls away

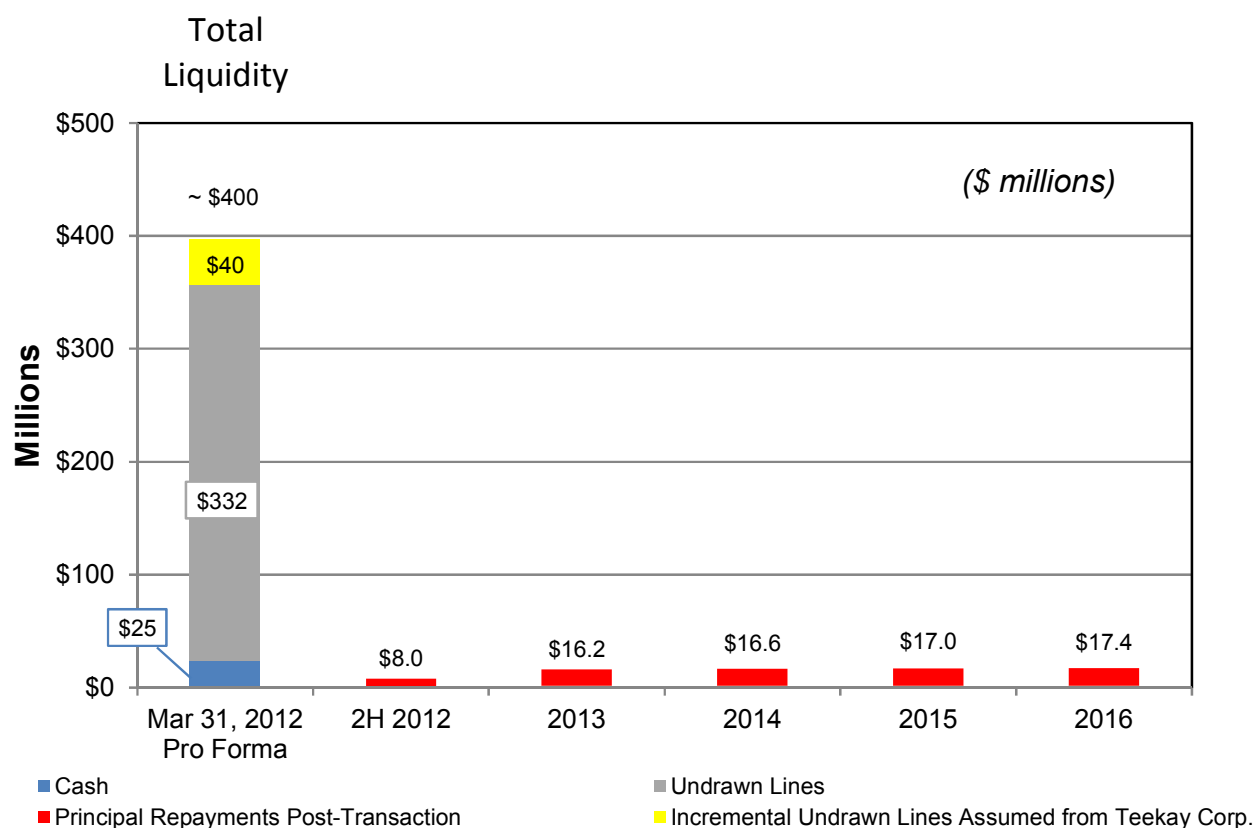


- » Global refining capacity expected to increase by ~8 mb/d in the period 2012-2016
 - ~40% of new capacity is from export-oriented facilities in India / MEG
- » Product tanker trades / demand expected to grow at a faster pace in the future
- » LR2 fleet growth expected to be lower by 2013 as the orderbook rolls off

**Low fleet growth and the development of longer haul product trades
positive for LR2 product tanker fleet utilization**

Strong Financial Position

- » March 31, 2012 total liquidity of approximately \$400 million, pro forma for 13-vessel acquisition
- » Average cost of debt remains at approximately 3.7%
- » Low principal repayments through 2016
- » No financial covenant concerns



2012 Investor Day



Save the Date

We cordially invite you to attend Teekay's 2012 Investor Day in New York.

The senior management team will present the strategy, market outlook and financial position for Teekay Corporation, Teekay LNG Partners, Teekay Offshore Partners and Teekay Tankers Ltd.

Please mark this date in your calendar. Further event details to follow.

For more information or to schedule a one-on-one meeting, contact Emily Yee at +1 604 609 6437 or emily.yee@teekay.com

WHEN

Monday, June 18, 2012
1:00 – 1:30 pm Lunch
1:30 – 5:00 pm Presentations

WHERE

The Waldorf = Astoria
301 Park Avenue, New York

Live webcast available on
www.teekaytankers.com