

The background features a large, stylized graphic of the Teekay Tankers logo, which consists of a series of thick, light blue lines forming a jagged, upward-pointing shape. The lines are layered, creating a sense of depth and movement.

Teekay Tankers

Q1-2019 Earnings Presentation

May 23, 2019

Forward Looking Statement

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, among other things, statements regarding: the effect of financing transactions recently completed on the Company's liquidity; expected contract commencement dates; and crude oil and refined product tanker market fundamentals, including the balance of supply and demand in the oil and tanker markets, the occurrence and expected timing of a tanker market recovery, forecasts of worldwide tanker fleet growth, the amount of tanker scrapping and newbuilding tanker deliveries, estimated growth in global oil demand and supply, future tanker rates, future OPEC oil production, the expected increase in global refinery throughput, the expected increase in U.S. crude oil production and exports and the corresponding impact on mid-size tanker demand, and estimated impact of IMO 2020 regulations on tanker demand. 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: 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; changes in tanker rates; 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 and the impact of such changes; increased costs; and other factors discussed in Teekay Tankers' filings from time to time with the United States Securities and Exchange Commission, including its Annual Report on Form 20-F for the fiscal year ended December 31, 2018. 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

Q1-19 Results

Total adjusted EBITDA⁽¹⁾ of \$63.4 million, up from \$63.0 million in Q4-18

Adjusted net income⁽¹⁾ of \$14.6 million, or \$0.05 per share, up from an adjusted net income⁽¹⁾ of \$14.0 million, or \$0.05 per share, in Q4-18

Financing Initiatives

Completed previously announced sale-leaseback relating to two Suezmax tankers, which increased liquidity by \$25 million

Increased amount available under RSA working capital loan, which provides \$15 million of additional liquidity

Charters

Chartered-out a Suezmax vessel for 6 months at \$27,500 per day

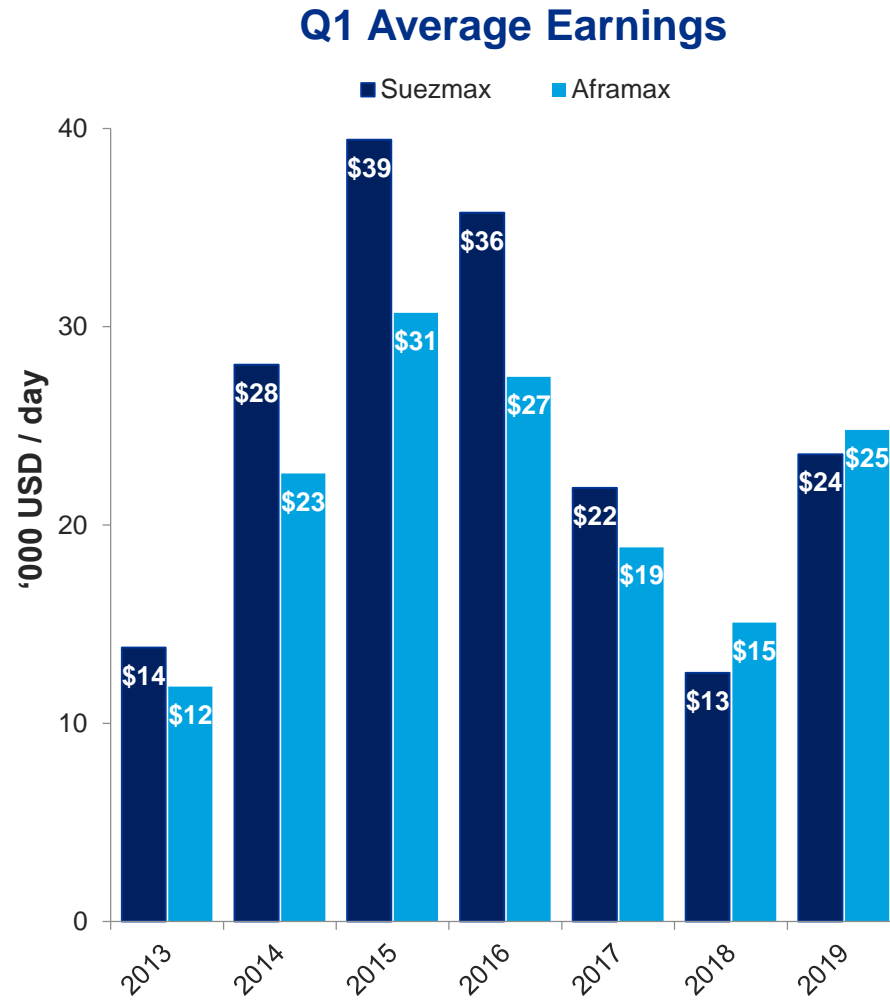
Chartered-in an Aframax vessel for a firm period of 2 years at \$21,000 per day, plus an extension option

(1) These are non-GAAP financial measures. Please see Teekay Tankers' Q1-19 earnings release for definitions and reconciliations to the comparable GAAP measures.

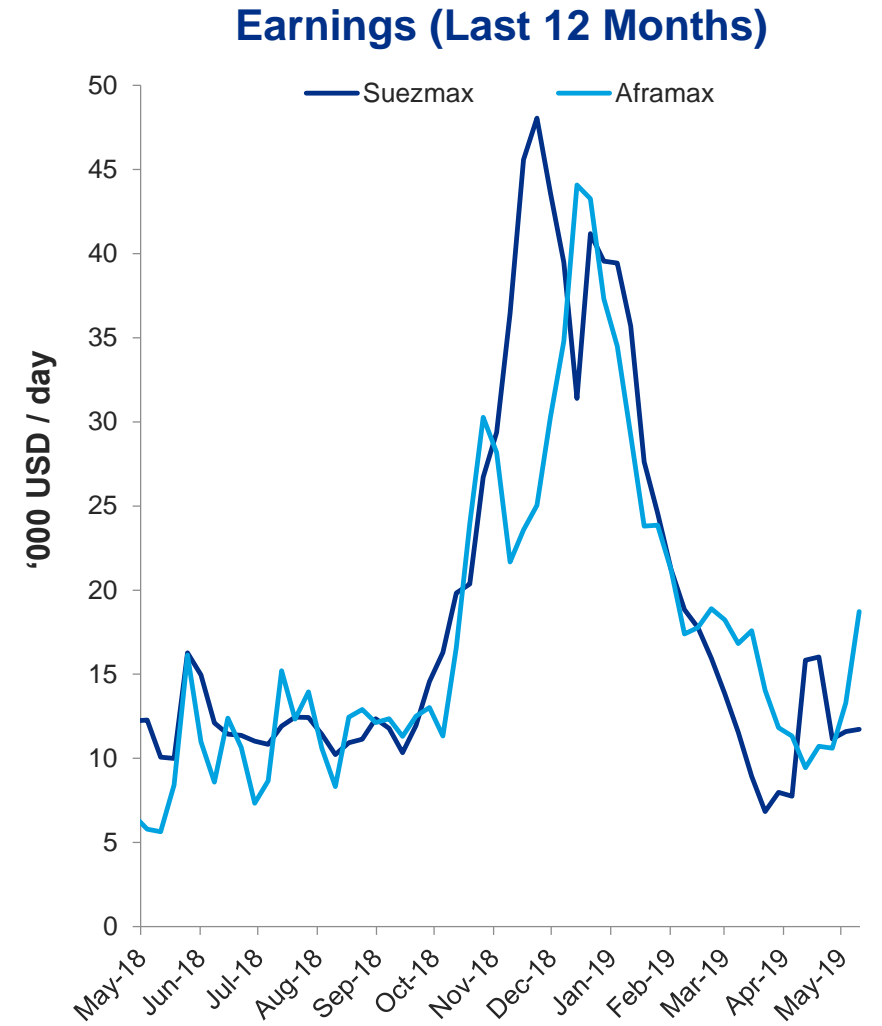


Tanker Rates Resilient in the Face of Near-Term Headwinds

Best Q1 earnings since 2016;
Q2 seasonally weaker



Source: Teekay Tankers



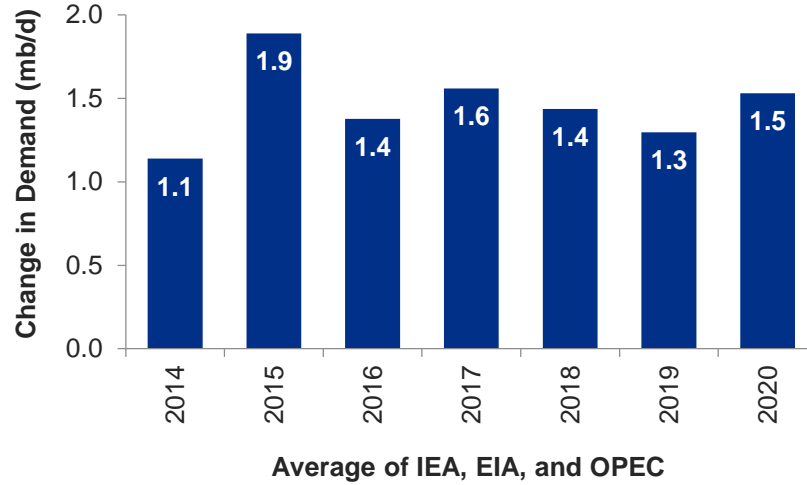
Source: Clarksons

Tanker Demand Set To Increase From 2H-2019

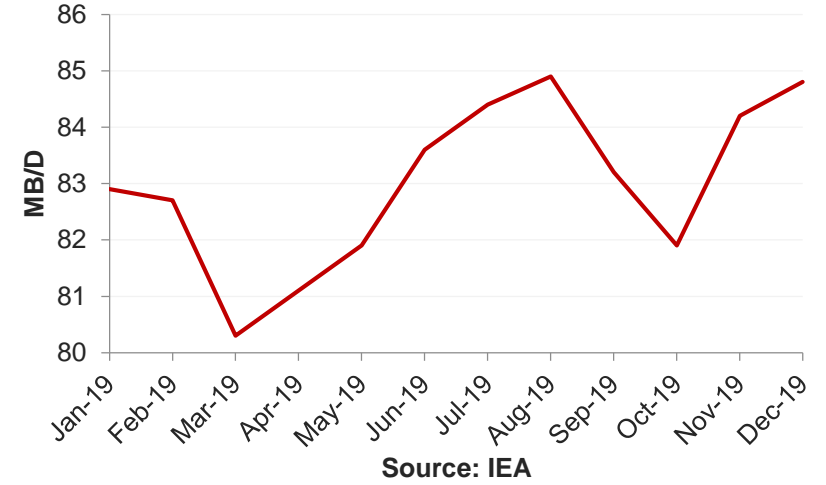
Near-term headwinds expected to give way to longer-term tailwinds

- IMO 2020 expected to be a positive demand event from 2H-2019 onwards
- Higher refinery runs and increased crude throughput
- New trading patterns for both crude and product
- Floating storage

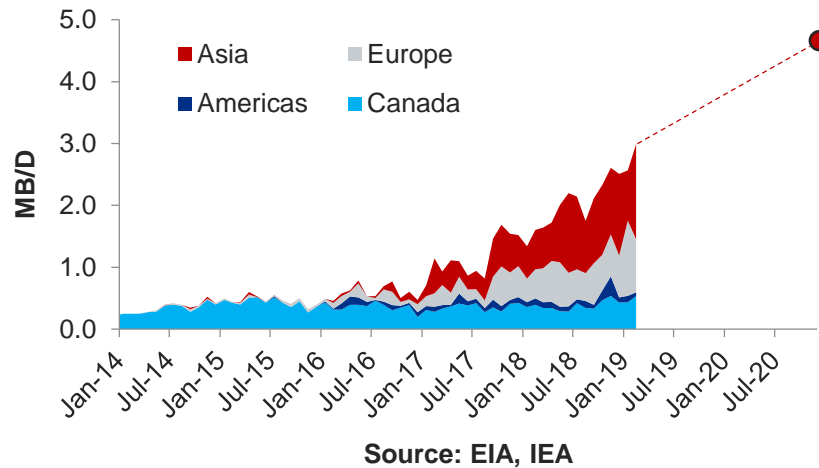
Steady Oil Demand Growth



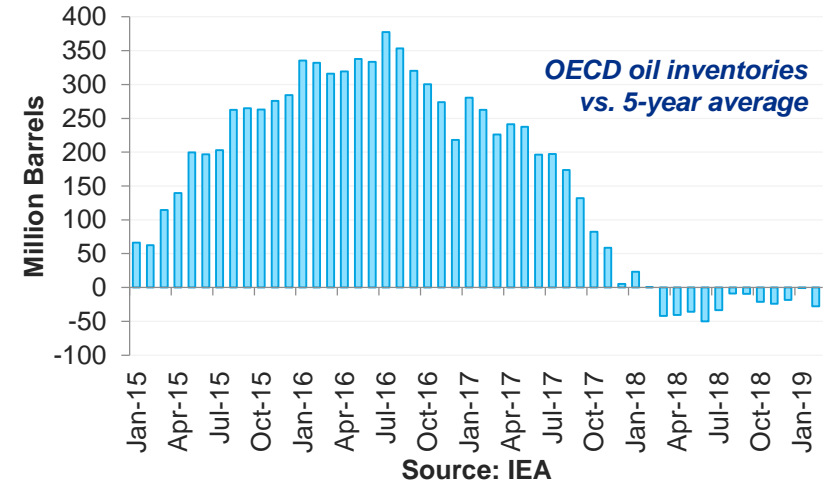
Refinery Throughput Set to Surge



US Crude Exports to Exceed 4 mb/d



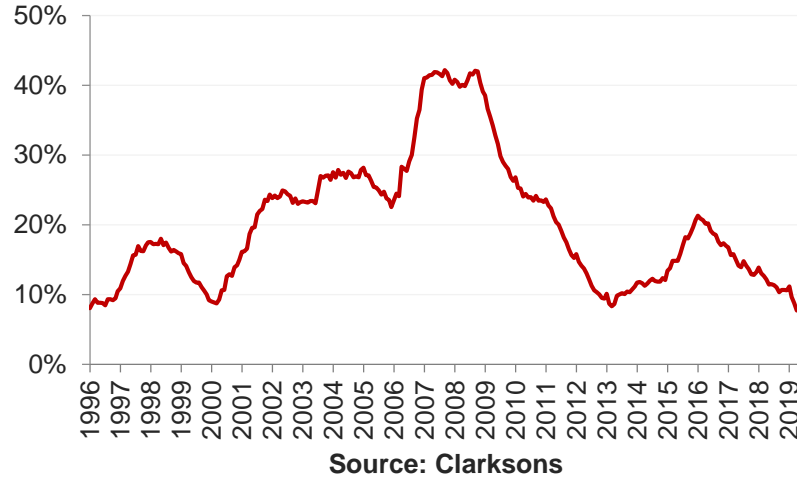
Balanced Oil Market



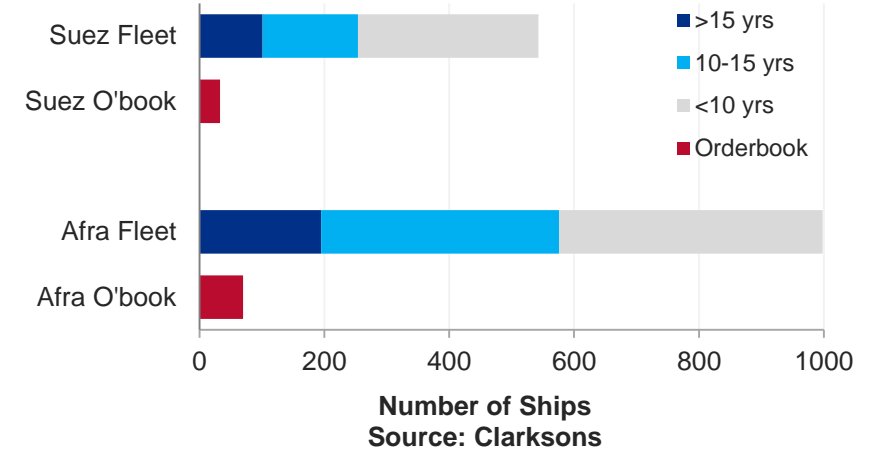
Extended Period Of Low Fleet Growth Ahead

Small orderbook and aging fleet expected to keep fleet growth low

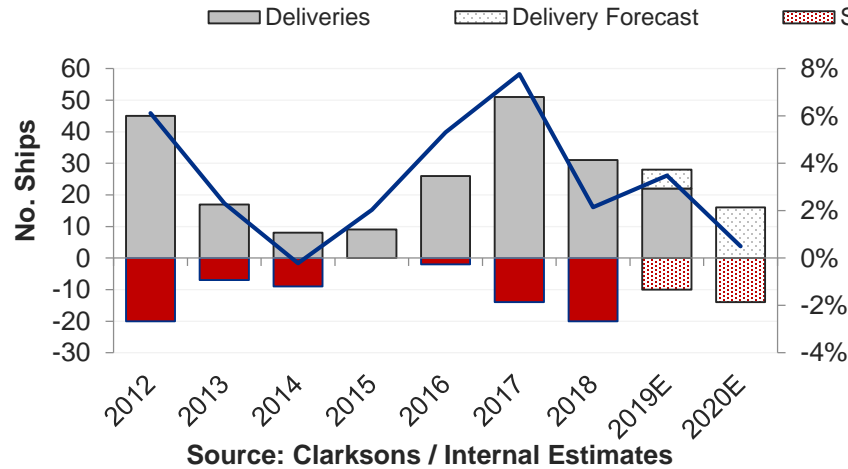
Suez / Afra Orderbook as % of Fleet



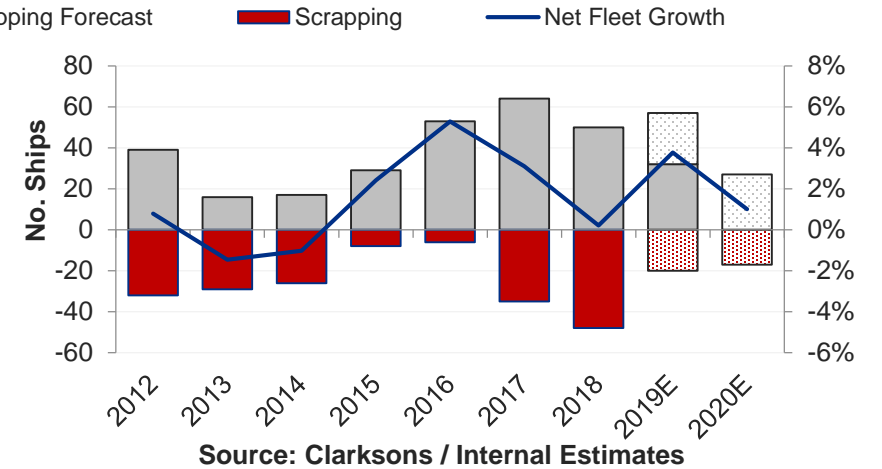
Fleet Age Profile (Suez / Afra)



Suezmax Fleet Growth



Aframax Fleet Growth



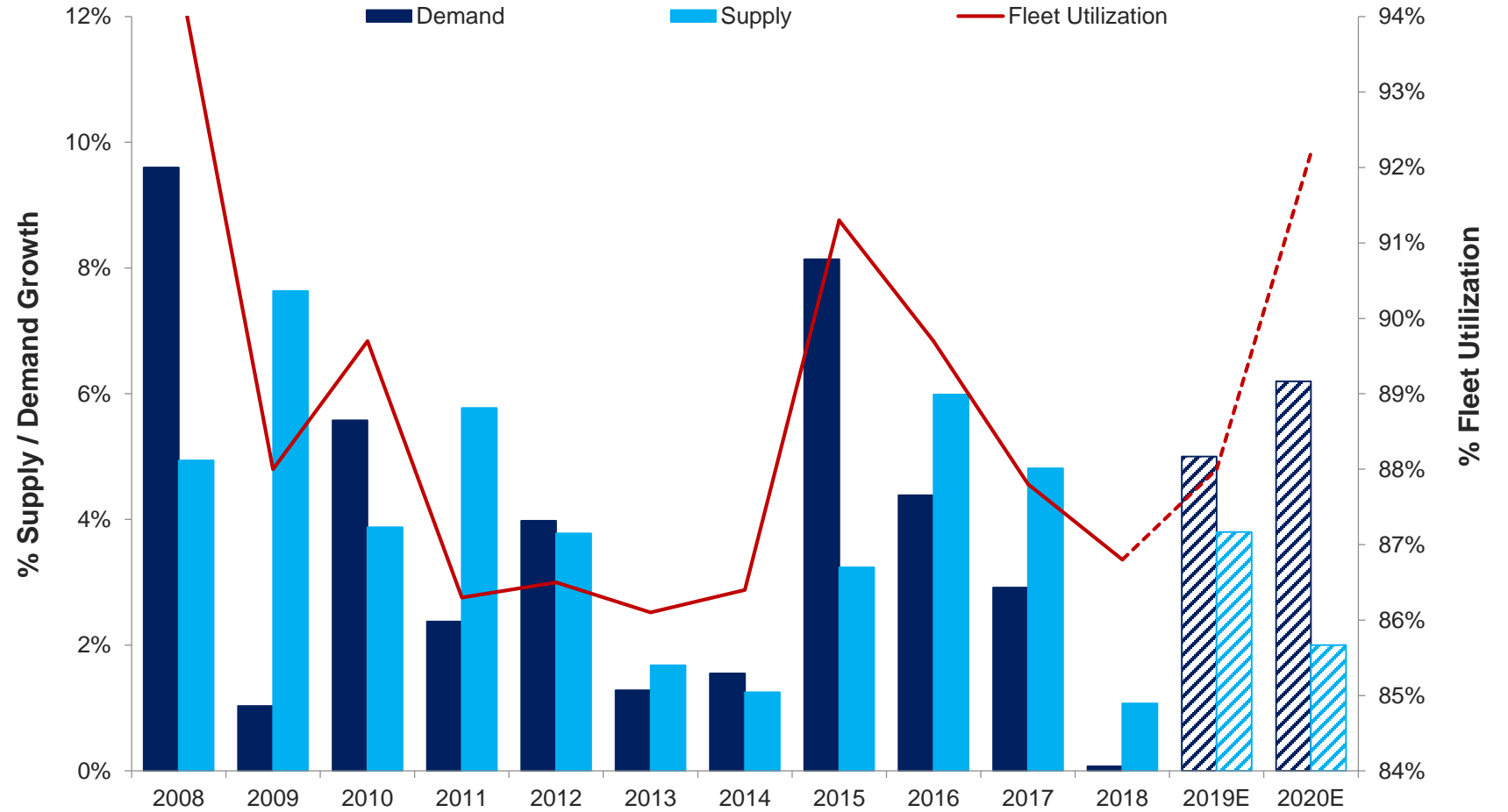
Note: Aframax data includes both coated and uncoated vessels



Tanker Fleet Utilization Forecast

Return to "full" fleet utilization in 2020

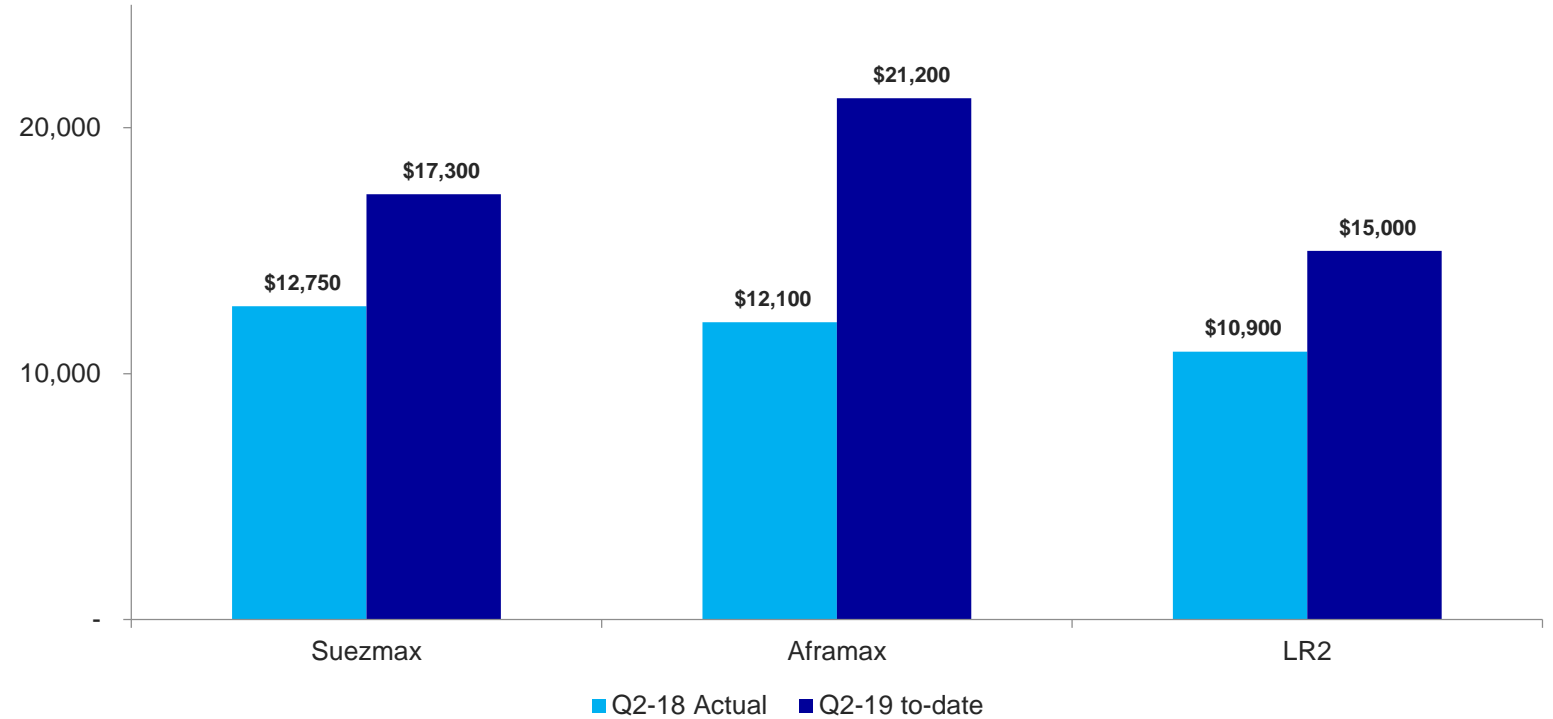
Tanker Fleet Utilization Forecast



Source: Clarksons / Internal Estimates



Q2-19 Spot Earnings Update



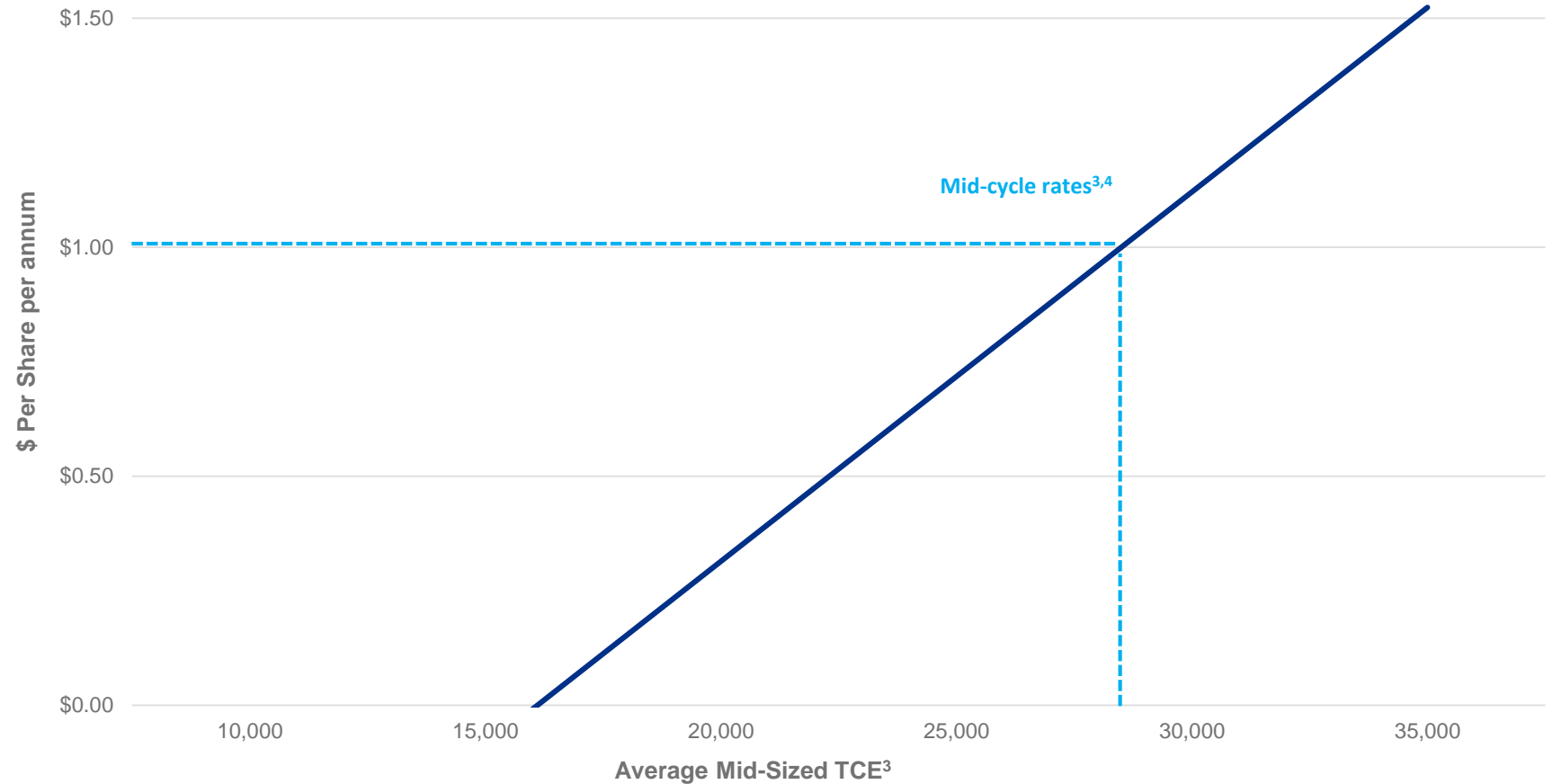
	Suezmax	Aframax	LR2
Q2-19 spot ship days available	2,430	1,752	900
Q2-19 % booked to-date	61%	55%	54%

- (1) Combined average spot TCE rate including Teekay Suezmax RSA, Teekay Suezmax Classic RSA and non-pool voyage charters
 (2) Combined average spot TCE rate including Teekay Aframax RSA, Teekay Aframax Classic RSA, non-pool voyage charters and full service lightering (FSL) voyages
 (3) Combined average spot TCE rate including Teekay Taurus RSA and non-pool voyage charters.

Appendix

TNK Offers Significant Upside in Tanker Market Recovery

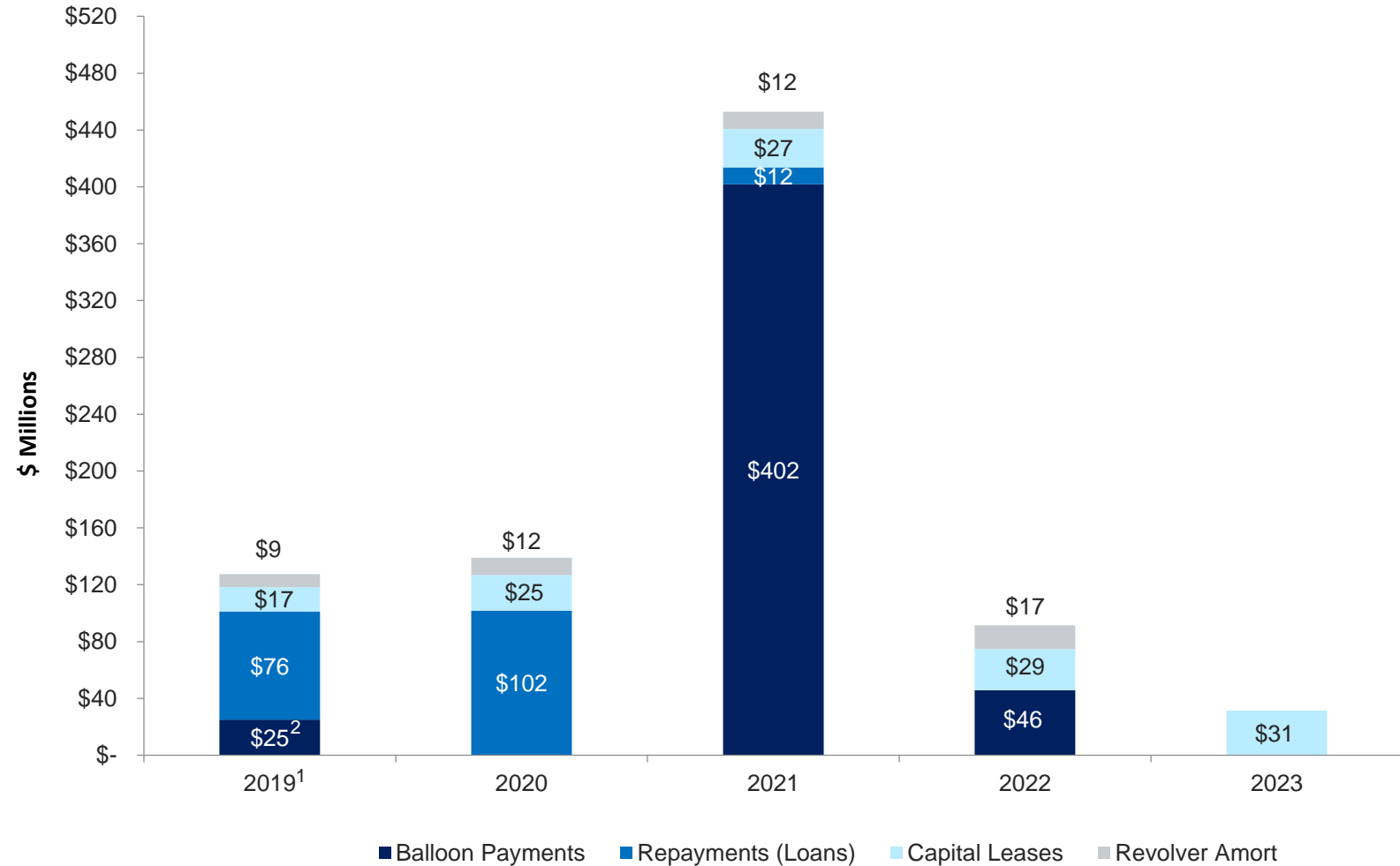
FCF¹ Per Share Spot Rate Sensitivity²



- (1) Free cash flow (FCF) represents net income, plus depreciation and amortization, unrealized losses from derivatives, non-cash items, FCF from equity accounted investments and any write-offs or other non-recurring items, less unrealized gains from derivatives and other non-cash items. Please refer to the Teekay Tankers Earnings Releases for reconciliation to most directly comparable GAAP financial measure.
- (2) For 12 months ending Q1-20
- (3) Based on weighted average number of forecast Suezmax and Aframax / LR2 spot market ship days for 12 months ending Q1-20
- (4) Mid-cycle spot rates based on 90% Clarksons global average 15-year mean

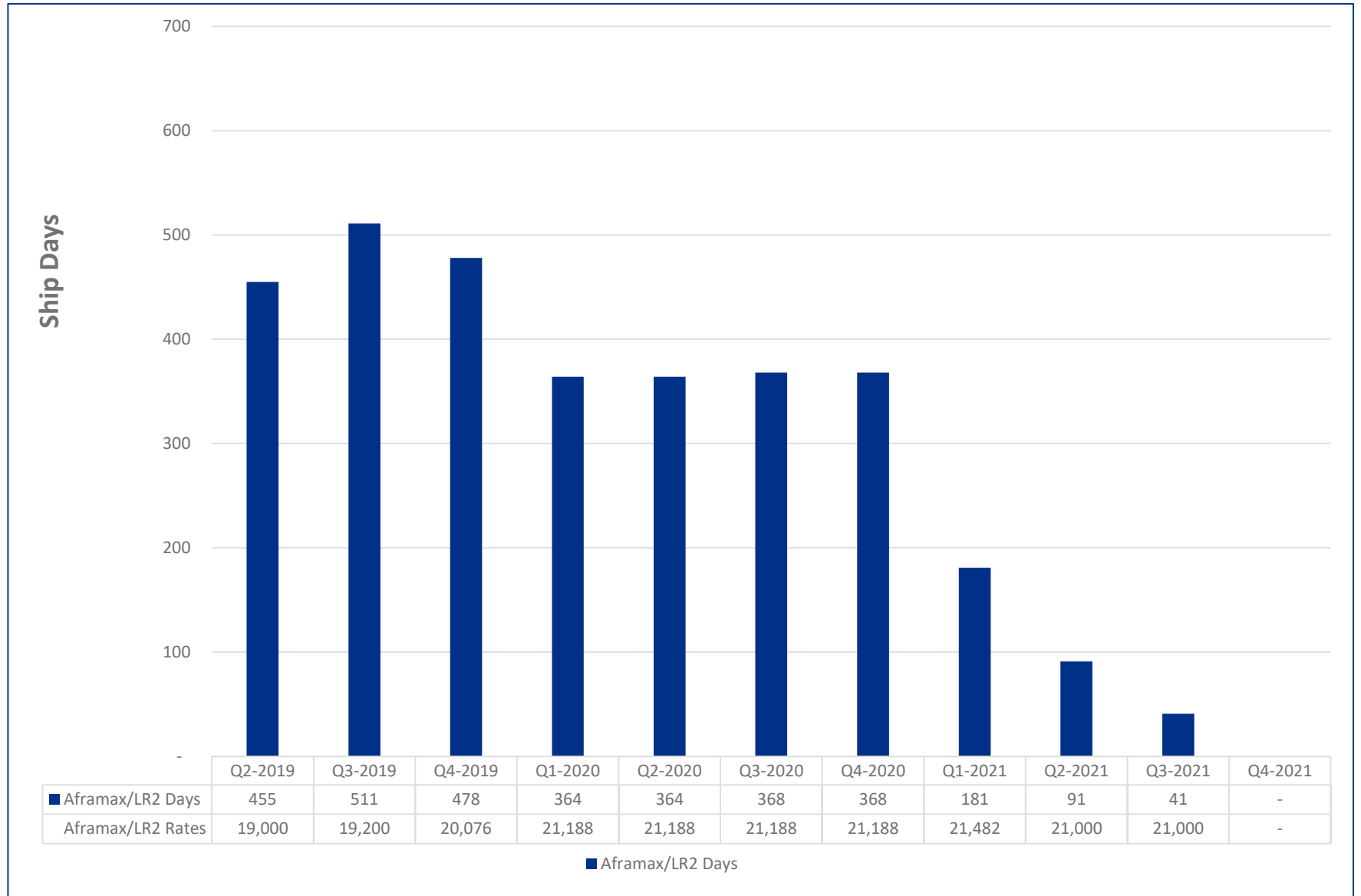


Debt Repayment Profile



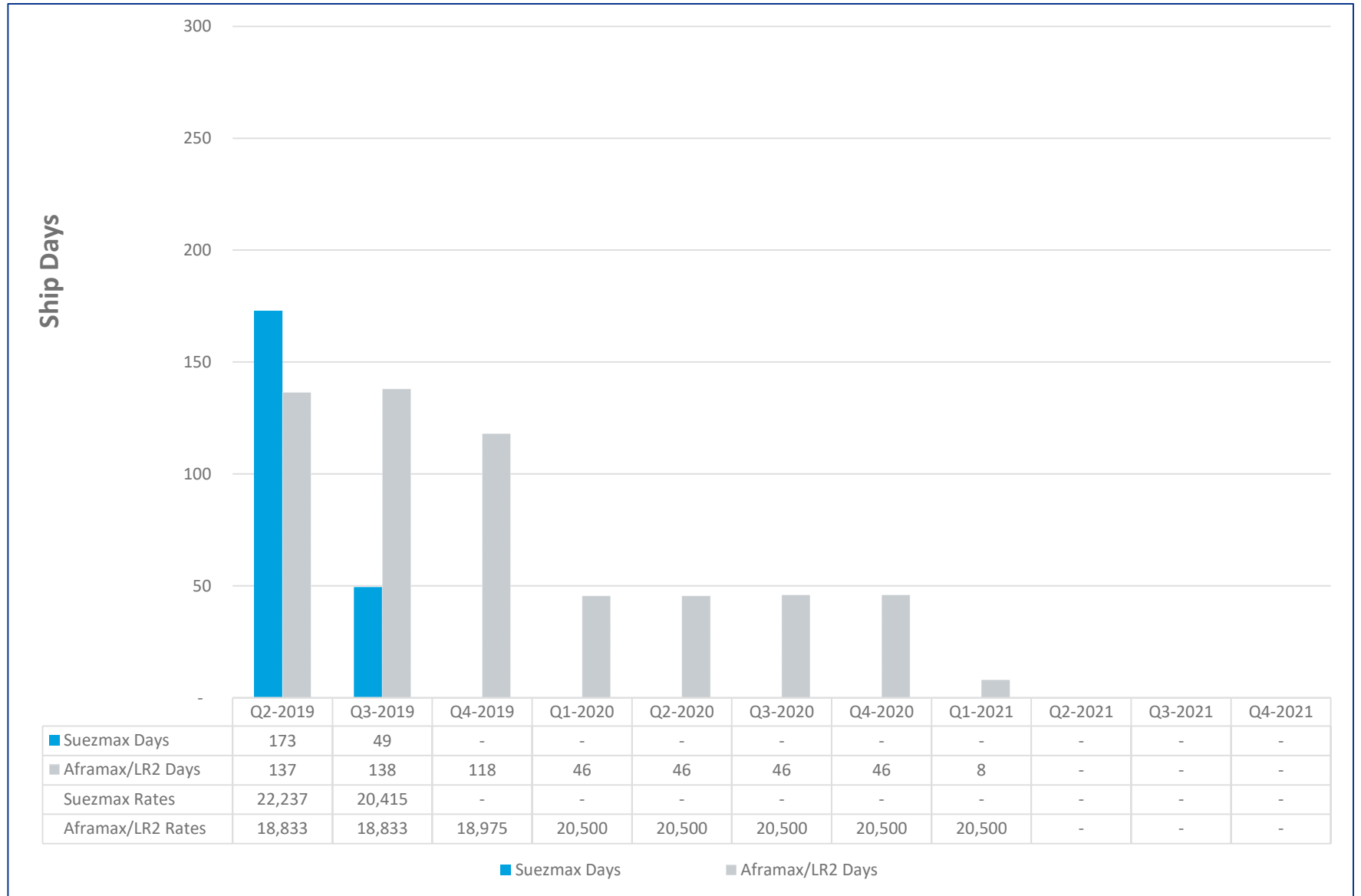
- (1) Pro-forma debt repayment profile as at March 31, 2019, including the Q2-19 two-vessel sale-leaseback transaction. Repayments are presented for the remaining 9 months of 2019.
 (2) Working Capital Loan with an initial maturity date in August 2019 but shall be continually extended for periods of six months thereafter until the lender gives notice in writing that no further extensions shall occur

Fleet Employment – In Charter



(1) Based on existing charters excluding extension options

Fleet Employment – Out-Chartering¹



(1) Based on existing charters excluding extension options and expected drydock/ off-hire days noted on slide 19

(2) Excludes full service lightering

Q2-2019 Outlook

Income Statement Item	Q2-19 Outlook (expected changes from Q1-19)
Revenues	<p>Decrease of approximately 60 net revenue days in TNK, mainly due to more scheduled drydocks in Q2-19, partially offset by more calendar days in Q2-19 and a full quarter of operation of two chartered-in vessels that were delivered to us in Q1-19.</p> <p>Refer to Slide 8 for Q2-19 to-date spot tanker rates.</p>
Time-charter hire expenses	<p>Increase of approximately \$1.0 million due to a full quarter of operation of two chartered-in vessels that were delivered to us in Q1-19.</p>
Depreciation and amortization	<p>Increase of approximately \$0.5 million primarily due to amortization of recent drydock costs.</p>
General and administrative expenses	<p>Increase of approximately \$0.5 million primarily due to timing of corporate costs.</p>

(1) Changes described are after adjusting Q1-19 for items included in Appendix A of Teekay Tankers Q1-19 Earnings Release and realized gains and losses on derivatives (see slide 16 to this earnings presentation for the Consolidated Adjusted Line Items for Q1-19).



Adjusted Net Income

Q1-2019 vs Q4-2018

(In thousands of U.S. dollars)

Statement Item	Q1-2019 (unaudited)	Q4-2018 (unaudited)	Variance	Comments
Revenues	232,488	239,997	(7,509)	Decrease primarily due to fewer full service lightering voyages, partially offset by higher overall spot rates and reimbursable staff costs related to an LNG terminal operations contract.
Voyage expenses	(97,339)	(110,602)	13,263	Decrease primarily due to fewer full service lightering voyages, partially offset by more vessels trading in the spot market in Q1-19 compared to Q4-18.
Vessel operating expenses	(54,587)	(51,323)	(3,264)	Increase primarily due to the timing of maintenance and purchasing activities, as well as reimbursable staff costs related to an LNG terminal operations contract that were incurred starting in mid Q1-19.
Time-charter hire expenses	(9,448)	(4,841)	(4,607)	Increase primarily due to the timing of in-chartered vessels that were delivered to us at various time in Q1-19 and Q4-18.
Depreciation and amortization	(29,865)	(29,916)	51	
General and administrative expenses	(9,165)	(11,836)	2,671	Decrease primarily due to non-recurring expenses recognized in Q4-18.
Income from operations	32,084	31,479	605	
Interest expense	(15,988)	(16,245)	257	
Interest income	365	311	54	
Equity income	753	955	(202)	
Other expense	(2,567)	(2,498)	(69)	
Adjusted net income	14,647	14,002	645	

(1) Refer to slide 16 for the Q1-19 reconciliations of non-GAAP financial measures to the most directly comparable financial measures under United States generally accepted accounting principles (GAAP). For the Q4-18 reconciliation, refer to page 17 of the Q4-18 earnings presentation.

Consolidated Adjusted Statement of Income

Q1-2019

(In thousands of U.S. dollars)

Statement Item	As Reported	Appendix A Items ⁽¹⁾	Reclassification for Realized Gain/ Loss on Derivatives	As Adjusted
Revenues	232,501	-	(13)	232,488
Voyage expenses	(97,339)	-	-	(97,339)
Vessel operating expenses	(54,587)	-	-	(54,587)
Time-charter hire expenses	(9,448)	-	-	(9,448)
Depreciation and amortization	(29,865)	-	-	(29,865)
General and administrative expenses	(9,165)	-	-	(9,165)
Income from operations	32,097	-	(13)	32,084
Interest expense	(16,942)	-	954	(15,988)
Interest income	365	-	-	365
Realized and unrealized loss on derivative instruments	(847)	1,788	(941)	-
Equity income	753	-	-	753
Other expense	(2,979)	412	-	(2,567)
Net income	12,447	2,200	-	14,647

(1) Please refer to Appendix A in Teekay Tankers Q1-19 Earnings Release for a description of Appendix A items.



Drydock & Off-hire Schedule

Teekay Tankers Segment	March 31, 2019 (A)		June 30, 2019 (E)		September 30, 2019 (E)		December 31, 2019 (E)		Total 2019	
	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	3	107	10	301	3	90	-	6	16	504
Fixed-Rate Tanker	-	-	-	-	-	-	-	-	-	-
Other - Unplanned Offhire	-	123	-	80	-	60	-	60	-	323
	3	230	10	381	3	150	-	66	16	827

Note:

- (1) Includes vessels scheduled for drydocking and an estimate of unscheduled offhire.
- (2) 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.
- (3) Only owned vessels are accounted for in this schedule and vessel count only reflects the vessels with drydock related offhire.

