Teekay Tankers

Q4-2019 Earnings Presentation

February 27, 2020

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: crude oil and refined product tanker market fundamentals, including the balance of supply and demand in the oil and tanker markets; forecasts of worldwide tanker fleet growth or contraction and newbuilding tanker deliveries; estimated growth in global oil demand and supply; future tanker rates; future OPEC oil production or oil supply cuts; expected changes in global refinery throughput; the potential impact of IMO 2020 regulations and scrubber installations on tanker supply and demand; the potential impact of the coronavirus outbreak on global refinery throughput and oil and tanker supply and demand; agreed asset sales by the Company and the anticipated timing of closings of such transactions; the Company's liquidity and market position; and the Company's strategic priorities and anticipated delevering of the Company's balance sheet. 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 tanker rates; changes in the production of, or demand for, oil or refined products; changes in trading patterns significantly affecting overall vessel tonnage requirements; OPEC production and supply levels; the duration and extent of the coronavirus outbreak; the impact of geopolitical tensions and changes in global economic conditions; greater or less than anticipated levels of tanker newbuilding orders and deliveries and greater or less than anticipated rates of tanker scrapping; 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 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, including IMO 2020; 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

Results

Total adjusted EBITDA[1] of $131.5 million, up from $27.8 million in Q3-19

Adjusted net income[1] of $83.0 million, or $2.47 per share, up from adjusted net loss[1] of $(21.2) million, or $(0.63) per share, in Q3-19

Strengthening our Balance Sheet

Over $100 million of opportunistic assets sales

- 4 Suezmax tankers for $78 million
- Entered into agreement to sell a portion of the oil and gas ship-to-ship transfer support services business for $26 million, while retaining the U.S. Gulf lightering business
- Proforma for the impact of asset sales, net debt reduced by approximately $153 million, or 15%, from Q3-19 to Q4-19

Completed a 5-year, $533 million revolving credit facility to refinance 31 vessels

- Pro-forma[2] December 31 liquidity of $260 million

Tanker Market

Q4-19 and Q1-20 fixed to-date spot rates at multi-year highs

Near-term market weakness in some segments due to COVID-19 and the return of sanctioned COSCO ships; underlying fundamentals positive for the remainder of 2020 and 2021

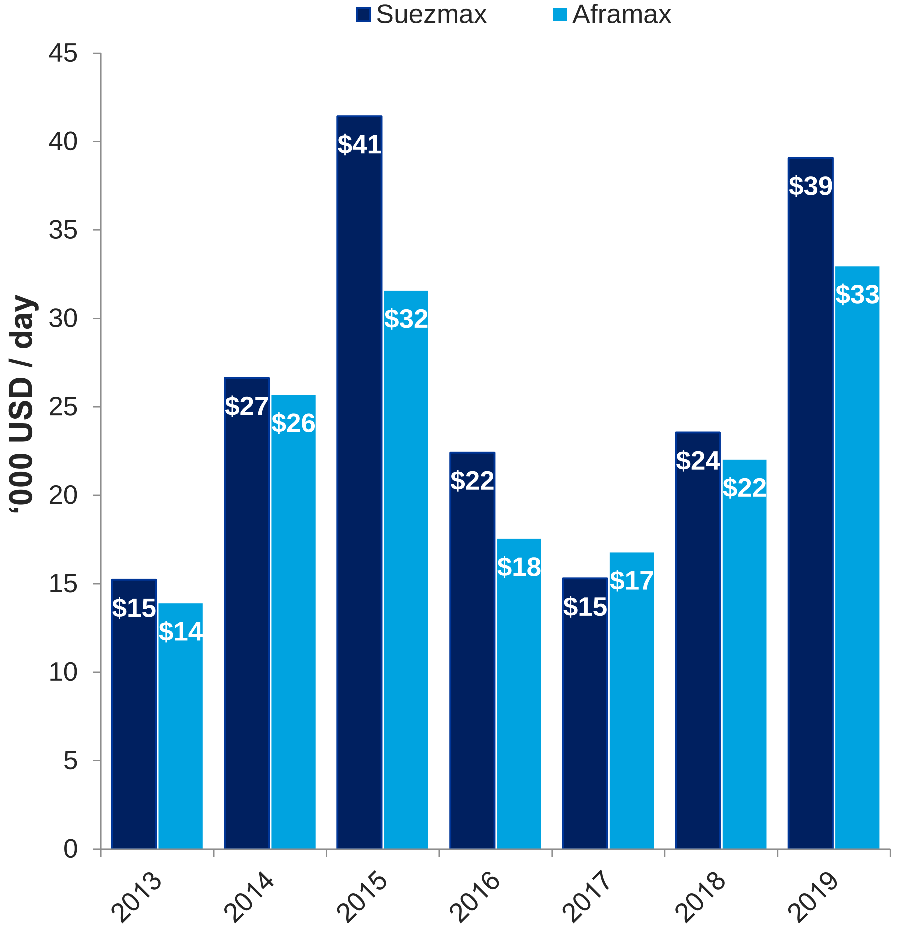
(1) These are non-GAAP financial measures. Please see Teekay Tankers' Q4-19 earnings release for definitions and reconciliations to the comparable GAAP measures.
(2) Pro forma adjustment for sale of 3 Suezmax vessels, sale of portion of ship-to-ship transfer support services business and $533 million revolving credit facility in Q1-2020

Rates in Q4-19 the Highest in Four Years

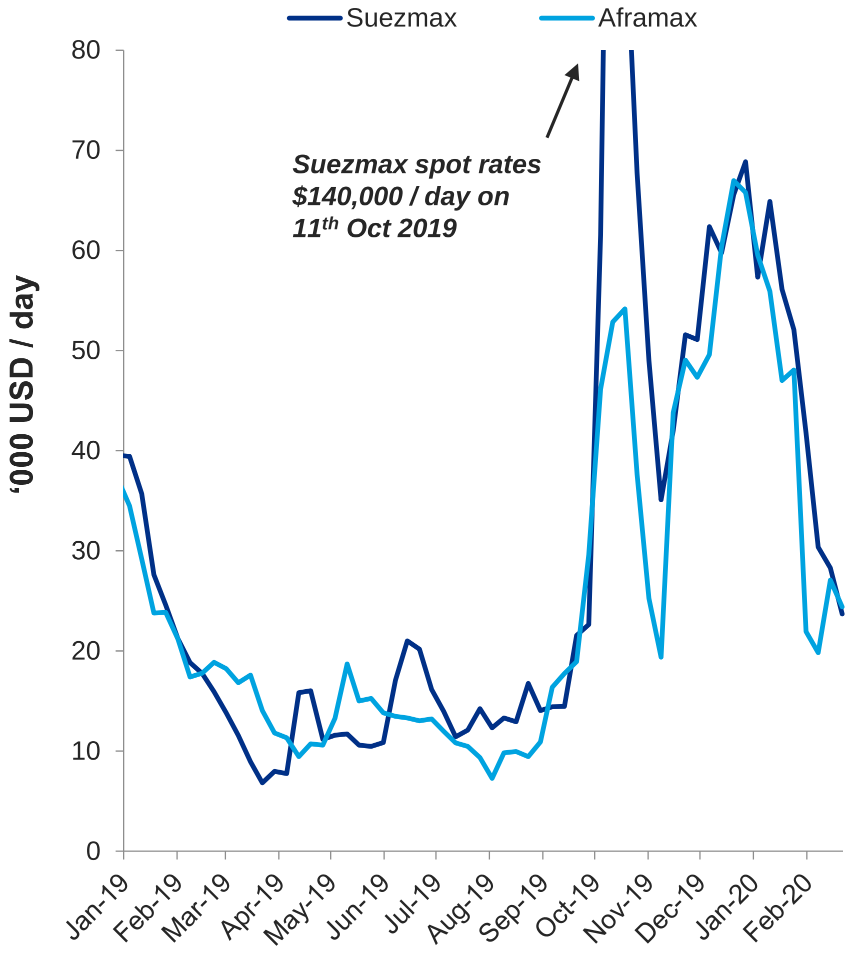
Stronger oil demand during Q4-19 and the removal of COSCO vessels from the trading fleet due to sanctions tightened the tanker supply / demand balance

October 2019 saw spot rates briefly spike to the highest level since 2008

Four TNK Suezmaxes out-chartered at attractive average rates of $37,000/day for an average duration of 12 months



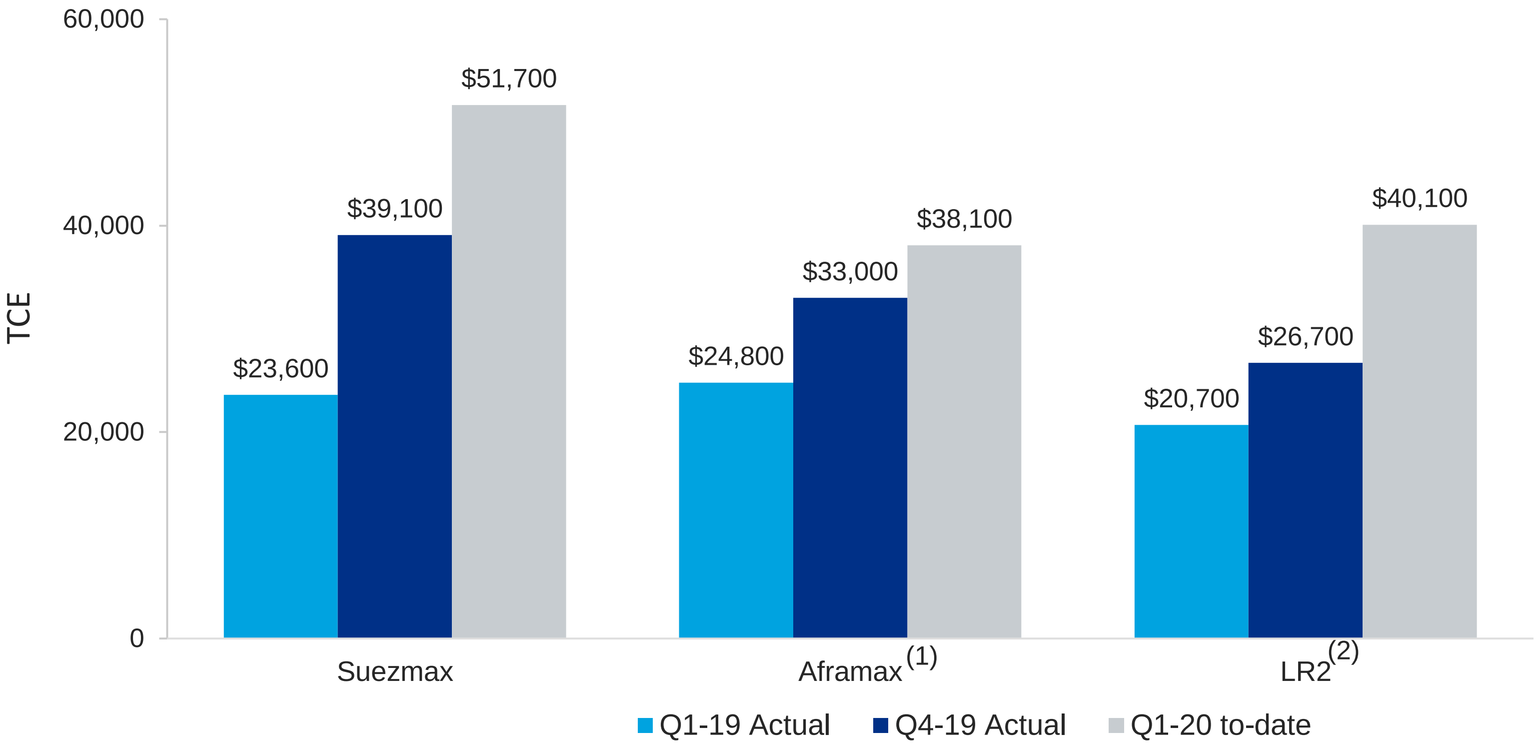
Source: Teekay Tankers



Source: Clarksons

Q1-20 Spot TCEs Update

Nine out of eleven LR2 vessels are currently trading in the crude spot market to optimize earnings



	Suezmax	Aframax[(1)]	LR2[(2)]
Q1-20 spot ship days available	2,048	1,712	945
Q1-20 % booked to-date	77%	62%	65%

(1) Earnings and percentage booked to-date include Aframax RSA, full service lightering (FSL) and non-pool voyage charters for all Aframax vessels; for periods prior to Q1-2020, earnings included all vessels trading in the Aframax RSA which included LR2 vessels trading in the dirty spot market.

(2) Earnings and percentage booked to-date include Aframax RSA, FSL and non-pool voyage charters for all LR2 vessels, whether trading in the clean or dirty spot market; for periods prior to Q1-2020, earnings included all vessels trading in the Taurus RSA, which excluded some LR2 vessels trading in the crude market.

Coronavirus, COSCO Creating Near-Term Headwinds

But underlying supply / demand fundamentals remain favorable

Near-Term

- Magnitude and duration of Coronavirus impact is uncertain:
  - – Lower Chinese oil demand / imports
  - – Increased pressure on refining margins
  - – Potential OPEC supply cuts
  - + Vessel delays at Chinese ports
  - + Delays at Chinese shipyards / repair yards
  - + Lower oil / bunker prices; potential stockpiling of oil due to contango pricing structure

– Return of sanctioned COSCO vessels to the trading fleet

– Weak global refining margins, start of seasonal maintenance

Medium-Term

- 2 mb/d non-OPEC supply growth in 2020 led by the US, Brazil, Guyana and Norway:
  - + Increased Atlantic-to-Pacific movements
  - + Stretching of the global tanker fleet

+ Potential for a strong rebound in global oil demand post-Coronavirus

- Supportive fleet supply fundamentals:
  - + Small orderbook, equivalent to 9% of the existing fleet size
  - + Potential for higher scrapping (63 crude tankers of 13 mdwt reaching age 20 in 2020)
  - + Constrained newbuild ordering due to uncertainty over regulation & technology
  - + Continued removal of vessels for scrubber retrofitting throughout 2020

TNK Share Price has Substantial Upside Potential in Firm Tanker Market

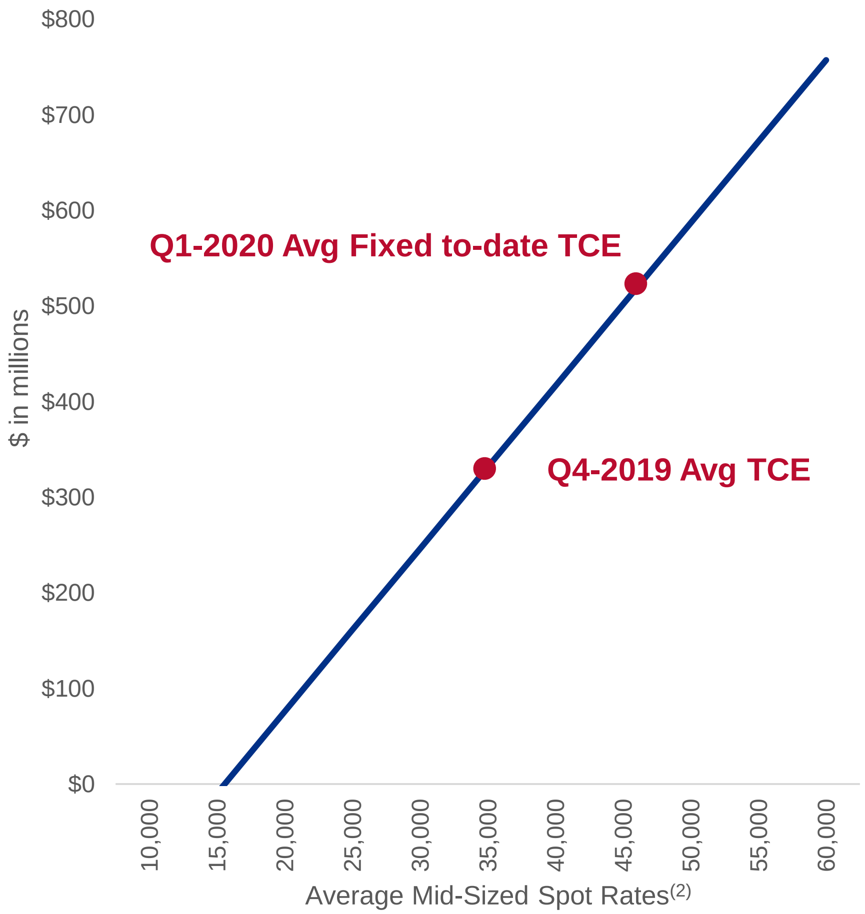
Expected to generate significant Free Cash flow (FCF) based on spot rates seen in Q4-2019 and fixed-to-date in Q1-2020

FCF increases by approximately $85 million for every $5,000 increase in spot rates

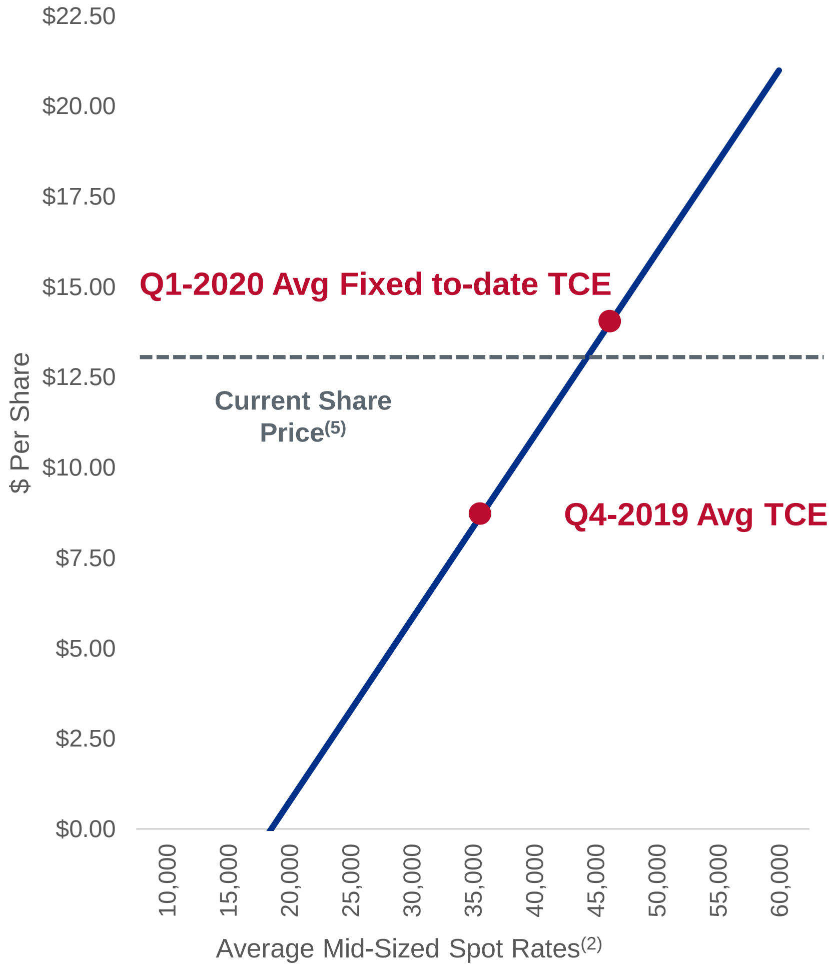
$8.00/share 2020 EPS at Q4-2019 spot rate levels

P/E ratio of 1.6x[5] based on Q4-2019 spot rate levels

2020 FCF[3,4] Spot Rate Sensitivity



2020 EPS[1,4] Spot Rate Sensitivity



(1) Earnings per share is based on adjusted net income and excludes items of income or loss from GAAP net income that are typically excluded by securities analysts in their published estimates of the Company's financial results
(2) Average of Suezmax and Aframax spot rates
(3) 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.
(4) For 12 months ending Q4-2020
(5) Based on February 26, 2020 closing price

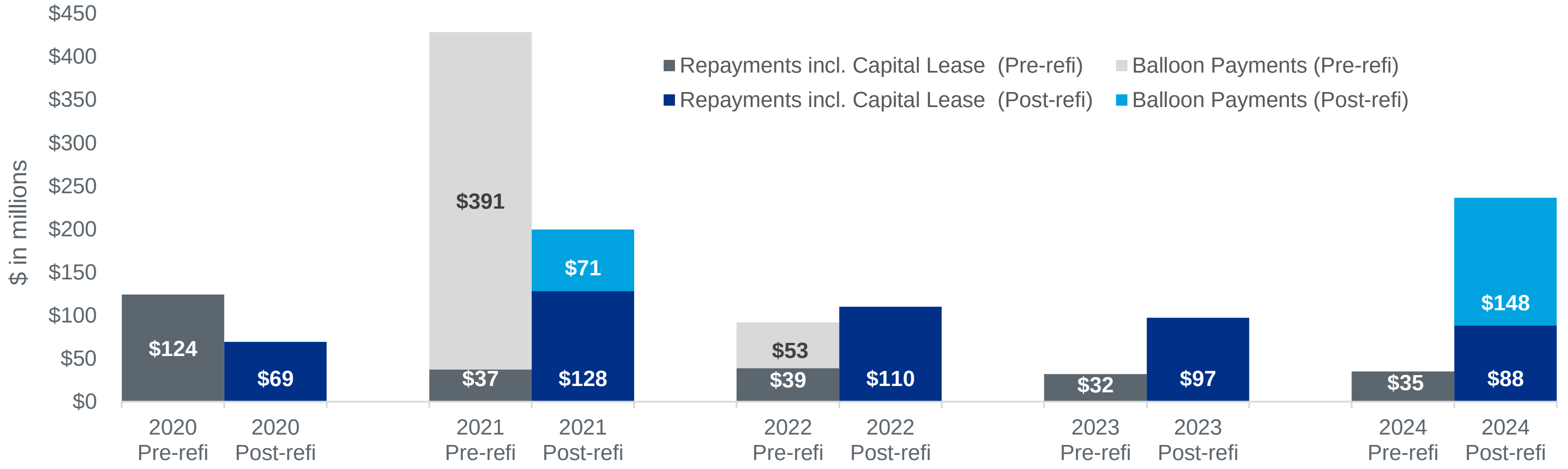
Improved Balance Sheet

Debt repayment profile based on completed refinancing of 31 vessels for $533 million, 5-year debt facility

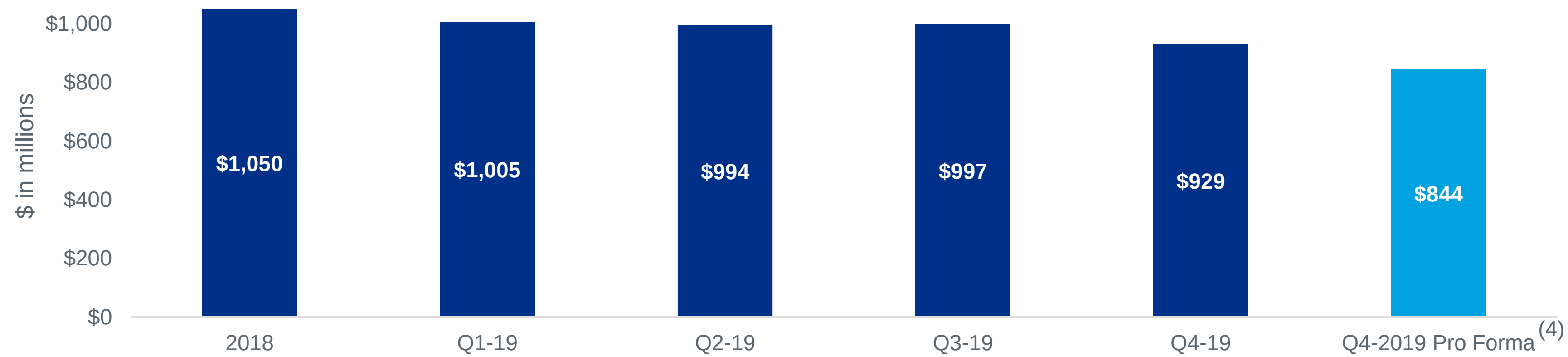
- Pro-forma[(4)] December 31 liquidity of $260 million
- Pro forma[(4)] December 31, 2019 Net Debt to Capitalization of 46%

Including proforma asset sales, net debt reduced by approximately $153 million from Q3-19 to Q4-19

Debt Repayment Profile[(1,2)]



Net Debt[(3)]



(1) Excludes working capital loan facility which is expected to be continually extended for periods of six months unless and until the lender gives notice that no further extensions shall occur
(2) Repayment profile based on current drawn amounts
(3) Net debt is a non-GAAP financial measure and represents short-term, current and long-term debt and current and long-term obligations related to finance leases less cash and cash equivalents and restricted cash.
(4) Pro forma adjustment for sale of 3 Suezmax vessels for approximately $59 million that have closed, or are expected to close, after December 31, 2019, the sale of portion of ship-to-ship transfer support services business of approximately $26 million and $533 million revolving credit facility in Q1-2020

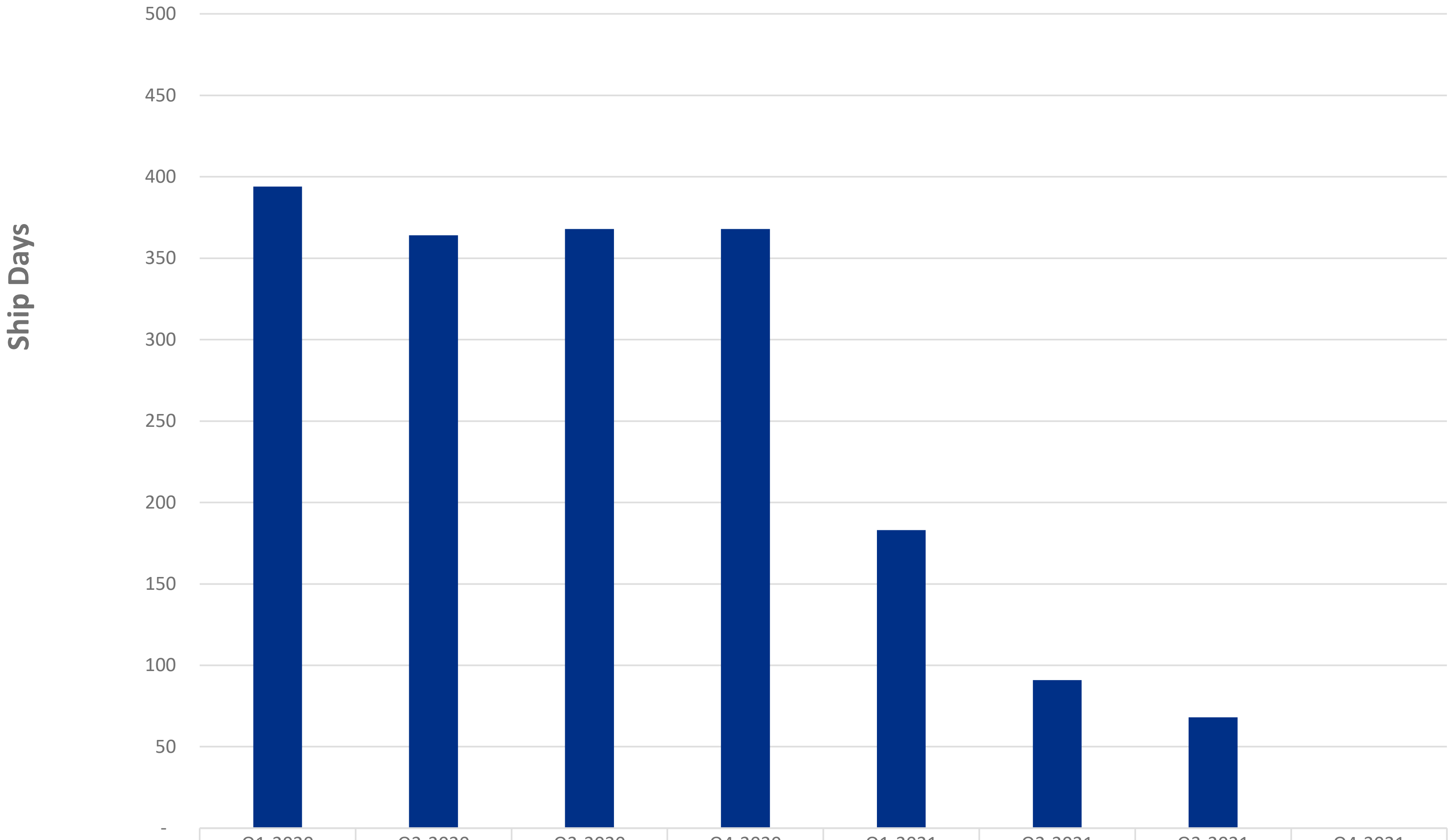
Executing on our Strategic Priorities

Recent achievements have created shareholder value and greater financial flexibility

	2020 Strategic Priorities	Execution to-date
Operating Leverage	• Maintain significant spot exposure • Opportunistically increase fixed rate out-charter contracts	• Approximately 85% of the fleet trading in spot market • Out-chartered four Suezmaxes at attractive TC rates averaging $37,000/day
Financial	• Focus on delevering, building net asset value and reducing cost of capital • No dividends expected in 2020	• Accelerating deleveraging with free cash flow and proceeds from asset sales • Closed $533M revolving credit facility
Assets	• Consider selling vessels on an opportunistic basis • No vessel investments	• Agreed to sell 4 older Suezmaxes into the strength of a firming asset market • Agreed to sell non-core ship-to-ship transfe support services business
IMO 2020	• Smooth transition to low sulphur fuels	• Secured fuel supply contracts for 75% of our fuel requirements for 2020, resulting in a seamless switch to low sulphur fuels

Appendix

In-Charters[1]

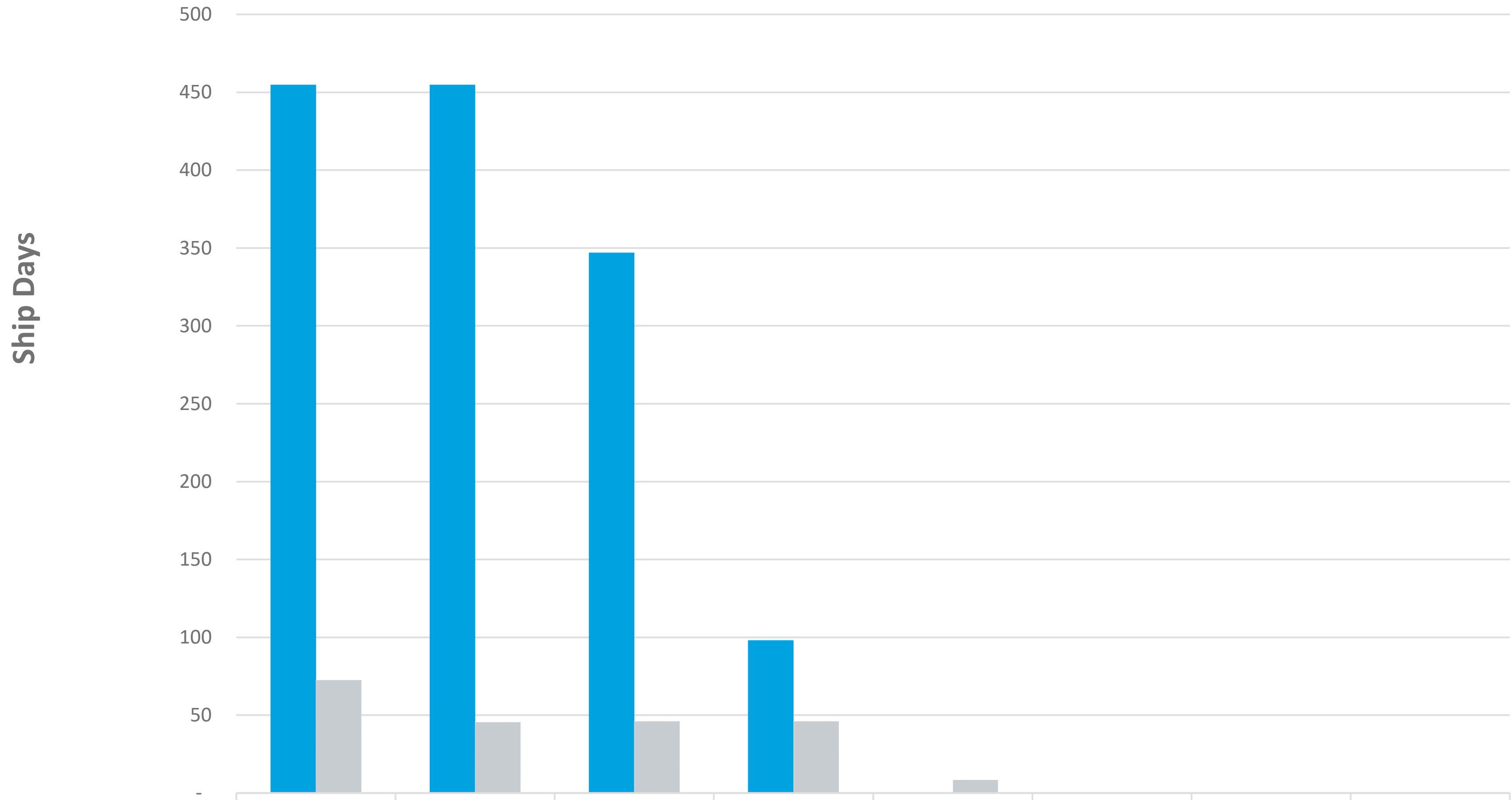


	Q1-2020	Q2-2020	Q3-2020	Q4-2020	Q1-2021	Q2-2021	Q3-2021	Q4-2021
Aframax/LR2 Days	394	364	368	368	183	91	68	-
Aframax/LR2 Rates	20,909	21,188	21,188	21,188	21,471	21,000	21,000	-

Aframax/LR2 Days

(1) Based on existing charters excluding extension options

Fleet Employment – Out-Charters[1]



	Q1-2020	Q2-2020	Q3-2020	Q4-2020	Q1-2021	Q2-2021	Q3-2021	Q4-2021
Suezmax Days	455	455	347	98	-	-	-	-
Aframax/LR2 Days	73	46	46	46	9	-	-	-
Suezmax Rates	34,240	34,240	35,847	37,010	-	-	-	-
Aframax/LR2 Rates	19,569	20,500	20,500	20,500	20,500	-	-	-

Suezmax Days   Aframax/LR2 Days

(1) Based on existing charters excluding extension options and expected drydock/ off-hire days noted on slide 18
(2) Excludes full service lightering

Q1-20 Outlook

Income Statement Item	Q1-20 Outlook (expected changes from Q4-19)[(1)]
Revenues	Decrease of approximately 295 net revenue days, mainly due to the sale of three vessels, the redelivery of two chartered-in vessels and fewer calendar days in Q1-20 compared to Q4-19, partially offset by fewer dry dockings in Q1-20. Refer to Slide 5 for Q1-20 booked to-date spot tanker rates.
Time-charter hire expenses	Decrease of approximately \$2.5 million, primarily due to the redelivery of two chartered-in vessels in early Q1-20.
Depreciation and amortization	Decrease of approximately \$1.0 million, primarily due to the sale of three vessels during Q4-19 and Q1-20 and one vessel that the Company agreed to sell in Q1-20.

(1) Changes described are after adjusting Q4-19 for items included in Appendix A of Teekay Tankers Q4-19 Earnings Release and realized gains and losses on derivatives (see slide 15 to this earnings presentation for the Consolidated Adjusted Line Items for Q4-19).

Adjusted Net Income (Loss)[1]

Q4-19 vs Q3-19

(In thousands of U.S. dollars)

Statement Item	Q4-2019 (unaudited)	Q3-2019 (unaudited)	Variance	Comments
Revenues	304,982	182,739	122,243	Increase primarily due to higher overall spot TCE rates in Q4-19, higher net results from full service lightering and the support services business, as well as lower off-hire bunker expenses and fewer off-hire days, partially offset by the sale of one vessel in Q4-19.
Voyage expenses	(102,831)	(87,726)	(15,105)	Increase primarily due to more spot voyage activities resulting from fewer off-hire days and higher costs related to spot-in charter vessels used to support full service lightering activities.
Vessel operating expenses	(51,875)	(48,539)	(3,336)	Increase primarily due to the timing of repairs and maintenance activities and the timing of ship management related costs.
Time-charter hire expenses	(12,312)	(10,637)	(1,675)	Increase due to a full quarter of operation of one chartered-in vessel that was delivered in the second half of Q3-19.
Depreciation and amortization	(31,943)	(31,536)	(407)	
General and administrative expenses	(8,992)	(8,739)	(253)	
Income (loss) from operations	97,029	(4,438)	101,467	
Interest expense	(15,284)	(15,521)	237	
Interest income	147	138	9	
Equity income	1,693	68	1,625	Increase due to higher earnings recognized from the equity-accounted for VLCC as a result of higher realized spot rates in Q4-19.
Other expense	(594)	(1,420)	826	
Adjusted net income (loss)	82,991	(21,173)	104,164	

(1) Refer to slide 15 for the Q4-19 reconciliations of non-GAAP financial measures to the most directly comparable financial measures under United States generally accepted accounting principles (*GAAP*). For the Q3-19 reconciliation, refer to page 6 of the Q3-19 earnings presentation.

Consolidated Adjusted Statement of Income

Q4-19

(In thousands of U.S. dollars)

Statement Item	As Reported	Appendix A Items [1]	Reclassification for Realized Gain/ Loss on Derivatives	As Adjusted
Revenues	303,885	-	1,097	304,982
Voyage expenses	(102,831)	-	-	(102,831)
Vessel operating expenses	(51,875)	-	-	(51,875)
Time-charter hire expenses	(12,312)	-	-	(12,312)
Depreciation and amortization	(31,943)	-	-	(31,943)
General and administrative expenses	(8,992)	-	-	(8,992)
Loss and write-down on sale of vessels	(5,544)	5,544	-	-
Income from operations	90,388	5,544	1,097	97,029
Interest expense	(15,679)	-	395	(15,284)
Interest income	147	-	-	147
Realized and unrealized gain (loss) on derivative instruments	205	1,287	(1,492)	-
Equity income	1,693	-	-	1,693
Other expense	(13,682)	13,088	-	(594)
Net income	63,072	19,919	-	82,991

(1) Please refer to Appendix A in Teekay Tankers Q4-19 Earnings Release for a description of Appendix A items.

Drydock & Off-hire Schedule

Segment	March 31, 2020 (E)		June 30, 2020 (E)		September 30, 2020 (E)		December 31, 2020 (E)		Total 2020	
	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	-	-	2	60	7	210	-	-	9	270
Fixed-Rate Tanker	-	-	1	30	1	30	-	-	2	60
Other - Unplanned Offhire	-	40	-	55	-	50	-	50	-	195
	-	40	3	145	8	290	-	50	11	525

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.