

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

Q2-2020 Earnings Presentation

August 13, 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 and the volatility of such markets; forecasts of worldwide tanker fleet growth or contraction and newbuilding tanker deliveries and vessel scrapping; estimated growth in global oil demand and supply; future tanker rates; future OPEC+ and non-OPEC oil production or oil supply cuts, including the resulting impact on export volumes; floating storage demand and unwinding of existing floating storage and the resulting impact on tanker rates; expected changes in global refinery throughput; the impact of the COVID-19 outbreak and related developments on the Company's business and tanker and oil market fundamentals; future free cash flow breakeven levels; the Company's ability to complete remaining crew changes and anticipated timing thereof; the Company's continued operation of its oil ship-to-ship transfer support services in North America and the Caribbean and the synergies of that business with the Company's core Full Service Lightering business; the Company's liquidity and market position; the Company's strategic priorities; and the Company's ability to deal with potential market volatility and create shareholder value. 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+ and non-OPEC production and supply levels; the duration and extent of the COVID-19 outbreak and any resulting effects on the markets in which the Company operates; the impact of the COVID-19 outbreak on the Company's ability to maintain safe and efficient operations; 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 and IMO 2030; 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, 2019. 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

Q2-20 Results

Total adjusted EBITDA⁽¹⁾ of \$124.2 million, up \$88.0 million from Q2-19

Adjusted net income⁽¹⁾ of \$80.7 million, or \$2.39 per share, up from a loss of (\$12.1M), or (\$0.36) per share in Q2-19

1H-20 annualized adjusted EPS yield of 71.2%⁽²⁾

Strengthening our Balance Sheet

Generated \$125.8 million of free cash flow⁽¹⁾ in Q2-20

- Net debt reduced by approx. \$181 million in Q2-20
- Liquidity of \$468 million as at June 30th
- Net debt to total cap reduced to 31.5% vs. 40.0% in Q1-20

Final payment received in July from \$27.1 million sale of STS business; gain of \$3.1 million recognized in Q2-20

Secured new 3-year, \$67 million term loan to refinance four vessels priced at LIBOR + 225 bps; eliminating any debt maturities until 2023

COVID-19 Update

Ongoing efforts to safely change-out our overdue seafarers

No material impact on vessel operations

Tanker Market

Mid-size tanker spot rates in Q2-20 remained firm and significantly higher Y-o-Y

Spot rates have weakened in Q3-20 but impact mitigated as 13 vessels currently out-chartered at an average rate of \$39,100 per day⁽³⁾

(1) These are non-GAAP financial measures. Please see Teekay Tankers' Q2-20 earnings release for definitions and reconciliations to the comparable GAAP measures.

(2) Based on TNK's closing share price on August 12th of \$15.90

(3) Further details of fleet employment on slide 14



Third Consecutive Quarter of Strong Spot Rates in Q2-20

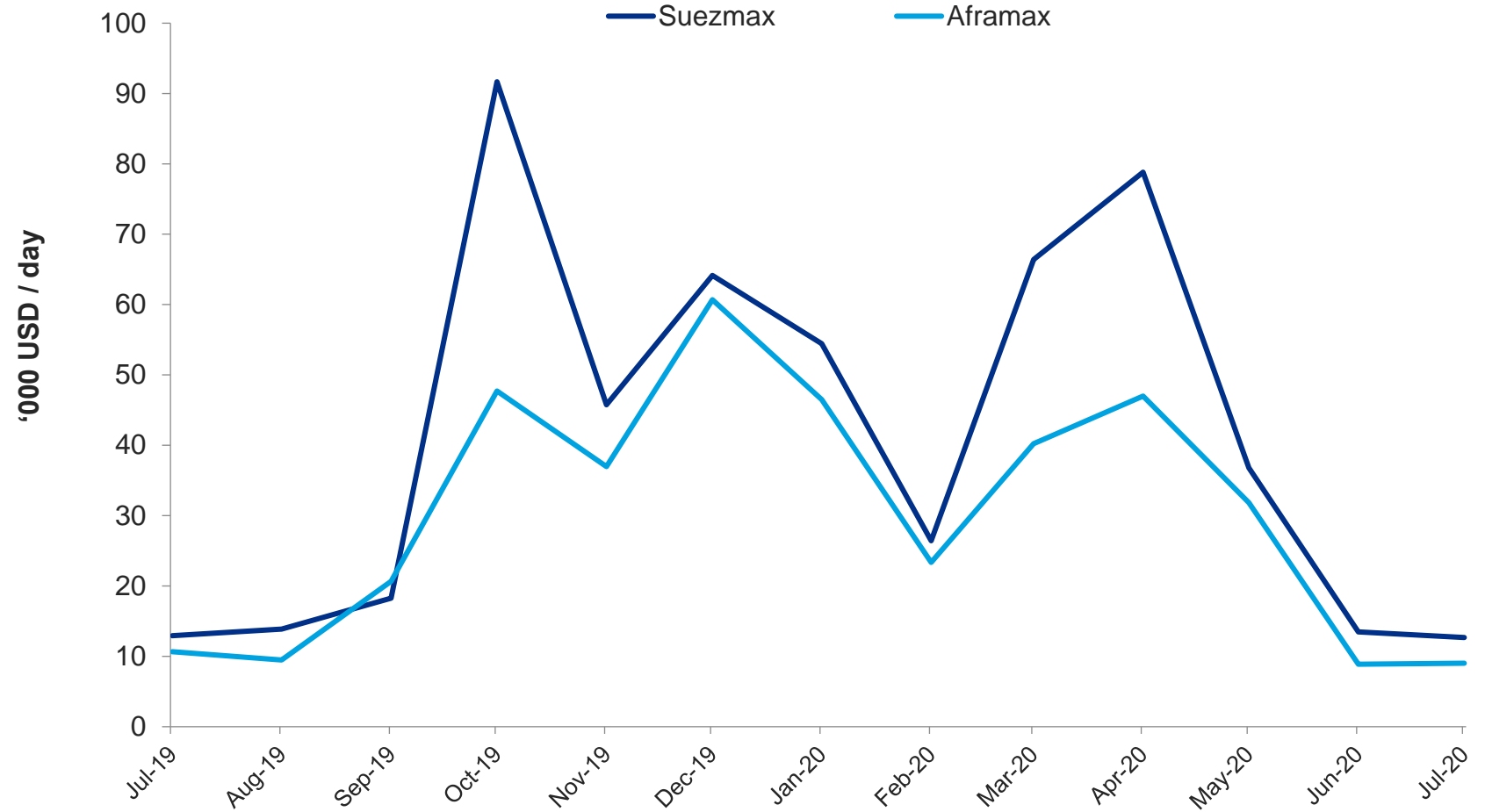
Tanker spot rates remained firm in Q2-20 driven by:

- Elevated crude trade at the start of the quarter due to Saudi Arabia / Russia price war
- Floating storage demand, which peaked in mid-May at over 10% of the trading fleet

Weaker spot rate environment has emerged in Q3-20:

- OPEC+ supply cuts of 9.7 mb/d from May 2020
- Additional 1.2 mb/d of cuts in June from Saudi Arabia, UAE, Kuwait
- Reduced non-OPEC production due to low oil prices
- Return of some ships from floating storage to the trading fleet

Mid-Size Tanker Spot Rates



Source: Clarksons

Q3-20 Charter rates

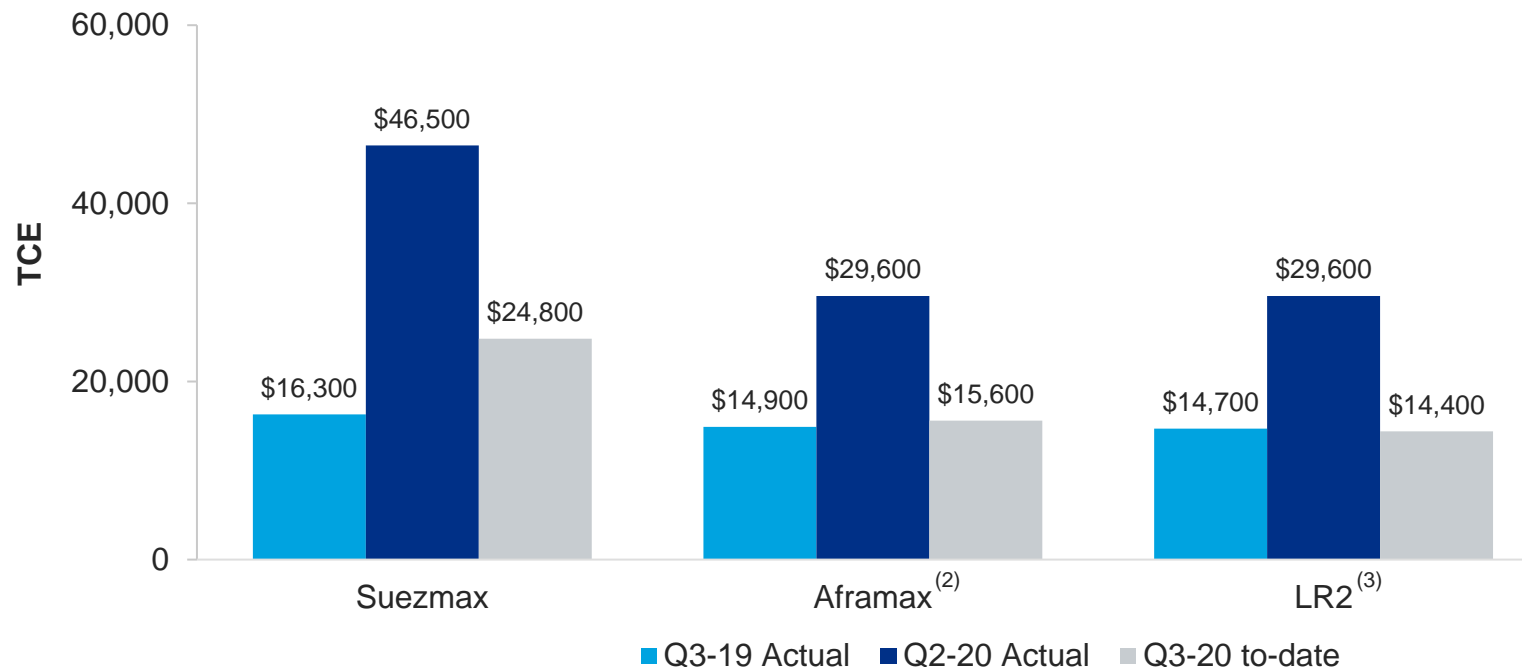
Fixed rates charters⁽¹⁾

- Currently, 23% of fleet fixed at weighted average rate of \$39,100 per day

Combined spot and fixed rate charters for Q3-20:

- 73% of Suezmax days fixed at average rate of \$33,500 per day
- 56% of Aframax days fixed at average rate of \$17,600 per day
- 48% of LR2 days fixed at average rate of \$17,400 per day

Spot Rates



	Suezmax	Aframax ⁽²⁾	LR2 ⁽³⁾
Q3-20 spot ship days available	1,400	1,479	853
Q3-20 % spot booked to-date	57%	51%	42%

(1) Further details of fleet employment on slide 14

(2) 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 Q1-20, earnings included all vessels trading in the Aframax RSA which included LR2 vessels trading in the dirty spot market.

(3) 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 dirty market. LR2s are trading dirty in Q3-20 to-date.

Opposing Tanker Demand / Supply Forces Over the Next 12-18 Months

Rising oil demand and supply counterbalanced by ships returning from storage

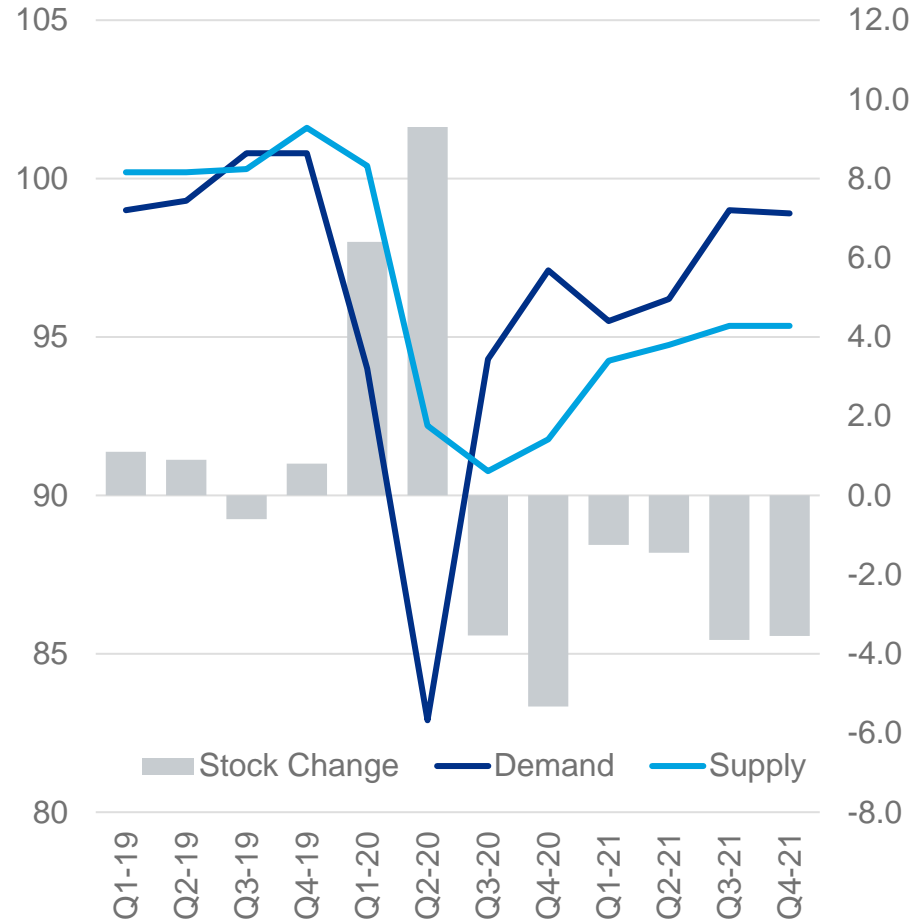
Tanker demand set to improve gradually from 2H-20 onwards

- OPEC+ to return 2 mb/d of supply from August
- Non-OPEC volumes bottoming out as oil prices stabilize
- Global refinery throughput expected to increase by 9 mb/d between Q2-20 and Q4-20

Floating storage volumes expected to unwind in 2H-20

- Contango no longer supports floating storage
- Global oil supply deficit in 2H-20 expected to lead to a drawdown of floating storage volumes

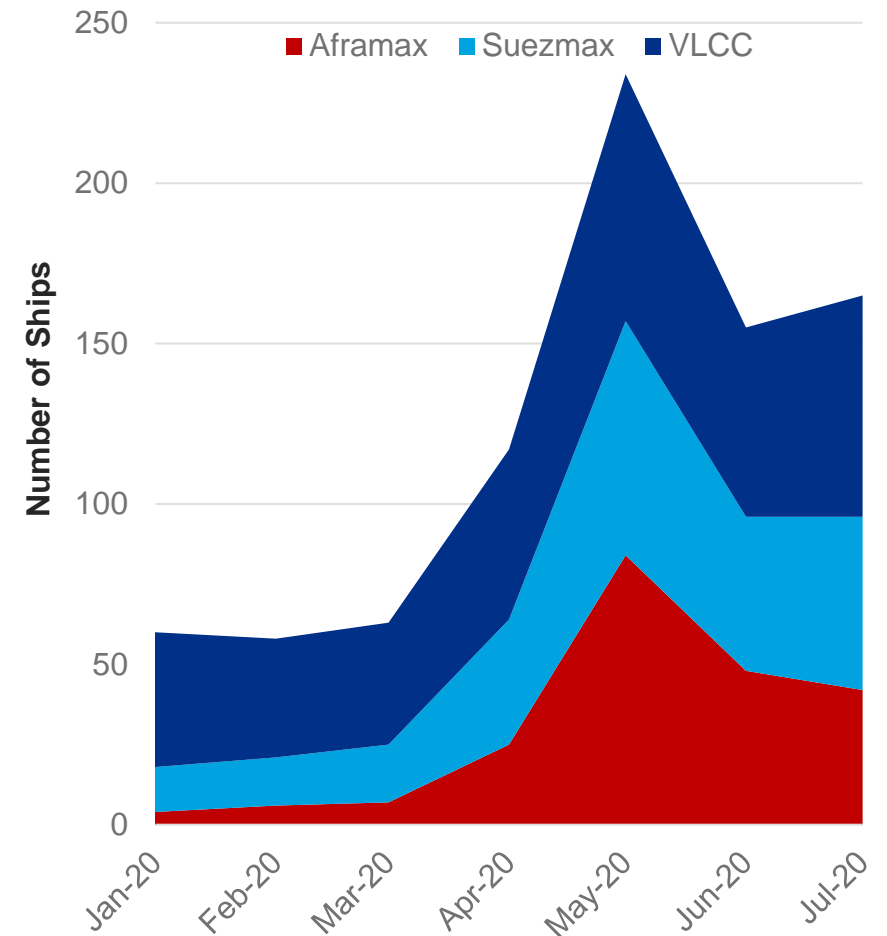
Global Oil Market Balance



Source: IEA

Assumes 100% compliance with OPEC+ deal

Crude Tanker Floating Storage⁽¹⁾



Source: Clarksons

(1) Excludes dedicated storage vessels



Positive Fleet Supply Fundamentals

Tanker orderbook at a 20+ year low with significant phase-out potential in the coming years

140 mid-size vessels on order vs. 370 potential scrap candidates (aged 15-20 years)

In a weaker freight environment, we could see an increase in scrapping of ships reaching the 17.5-year survey, particularly given the additional capex for ballast water systems

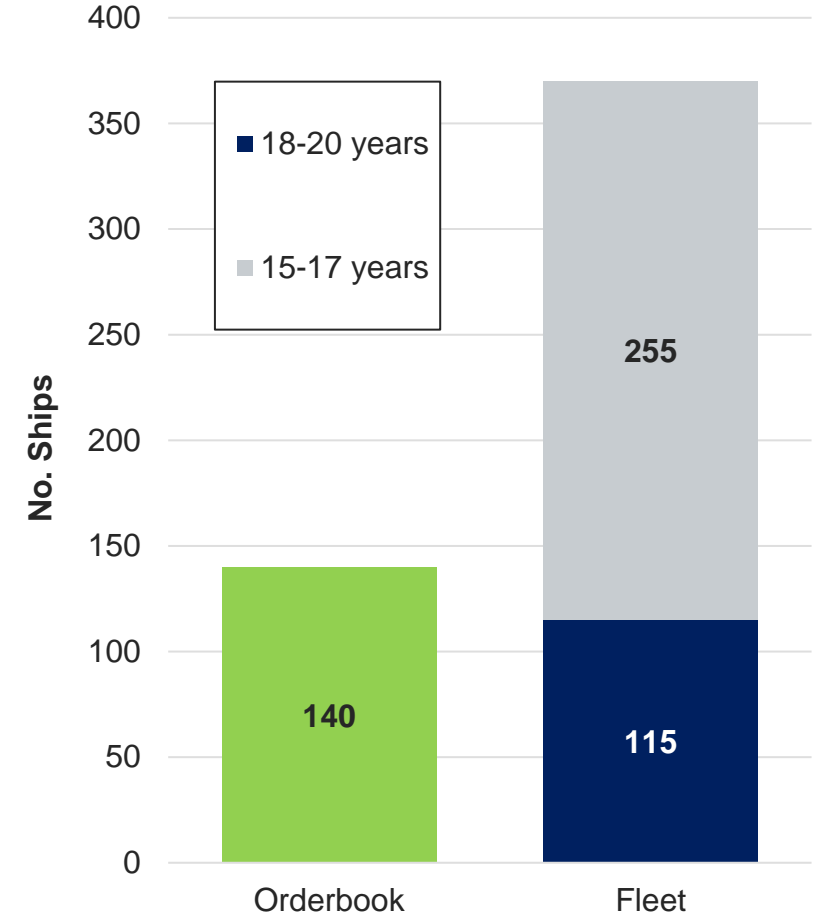
Tanker ordering remains very low due to a more restrictive financial landscape and uncertainty over what type of propulsion system to order

Tanker Orderbook (% of Fleet)



Source: Clarksons

Mid-Size⁽¹⁾ Tanker Orderbook vs. Potential Scrap Candidates



Source: Clarksons

(1) Mid-size refers to Suezmax and Aframax / LR2 vessels

Balance Sheet Transformation

FCF⁽¹⁾ last 12 months of \$381M

Balance sheet significantly strengthened in the last four quarters

Time charter-out contracts secured during market peaks lowers spot fleet free cash flow⁽¹⁾⁽²⁾ breakeven to \$12,700 per day through mid-2021

No debt maturities until 2023

	Q2-19	Q2-20	Change
Net Debt	\$994M	\$549M	-\$445M ✓
Net Debt to Cap	51.2%	31.5%	-19.7% ✓
Liquidity	\$120M	\$468M	+\$348M ✓
Percent of fleet fixed	2%	23%	+21% ✓
NAV	\$18/share ⁽³⁾	\$28/share	+\$10/share ✓

Building resiliency for periods of market uncertainty

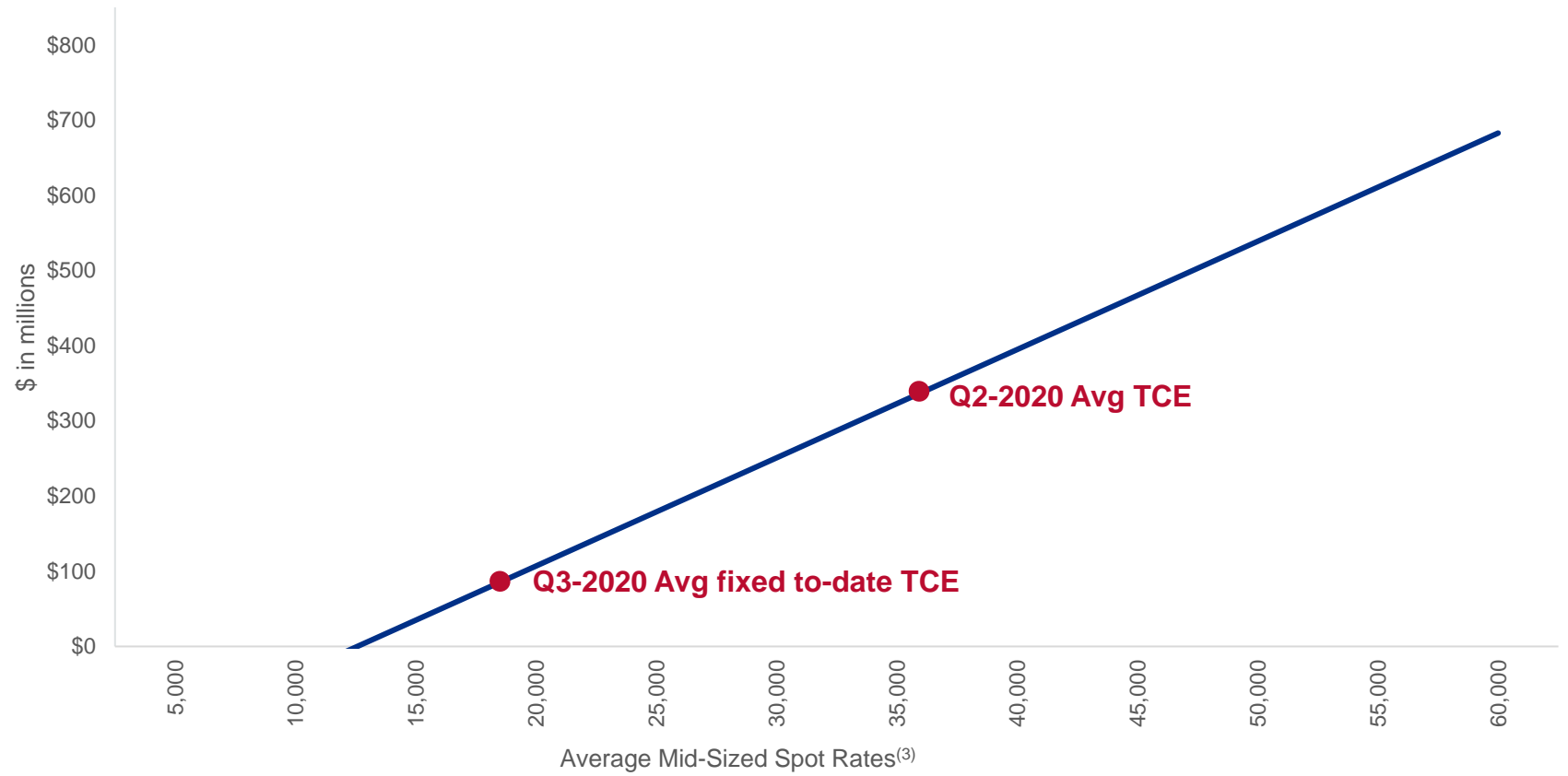


- (1) Free cash flow (FCF) represents net income, plus depreciation and amortization, unrealized losses from derivatives, non-cash items, FCF from equity accounted investments and any write-offs or other non-recurring items, less unrealized gains from derivatives and other non-cash items. Please refer to the Teekay Tankers Earnings Releases for reconciliation to most directly comparable GAAP financial measure.
- (2) Includes expenditures for drydock and ballast water treatment system installation.
- (3) Share count reflects 1 for 8 reverse stock split effective November 25, 2019.

Appendix

Significant Operating Leverage

FCF⁽¹⁾⁽²⁾ Spot Rate Sensitivity Next-12-Months⁽⁴⁾



(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) Includes estimated expenditures for drydock and ballast water treatment system installation

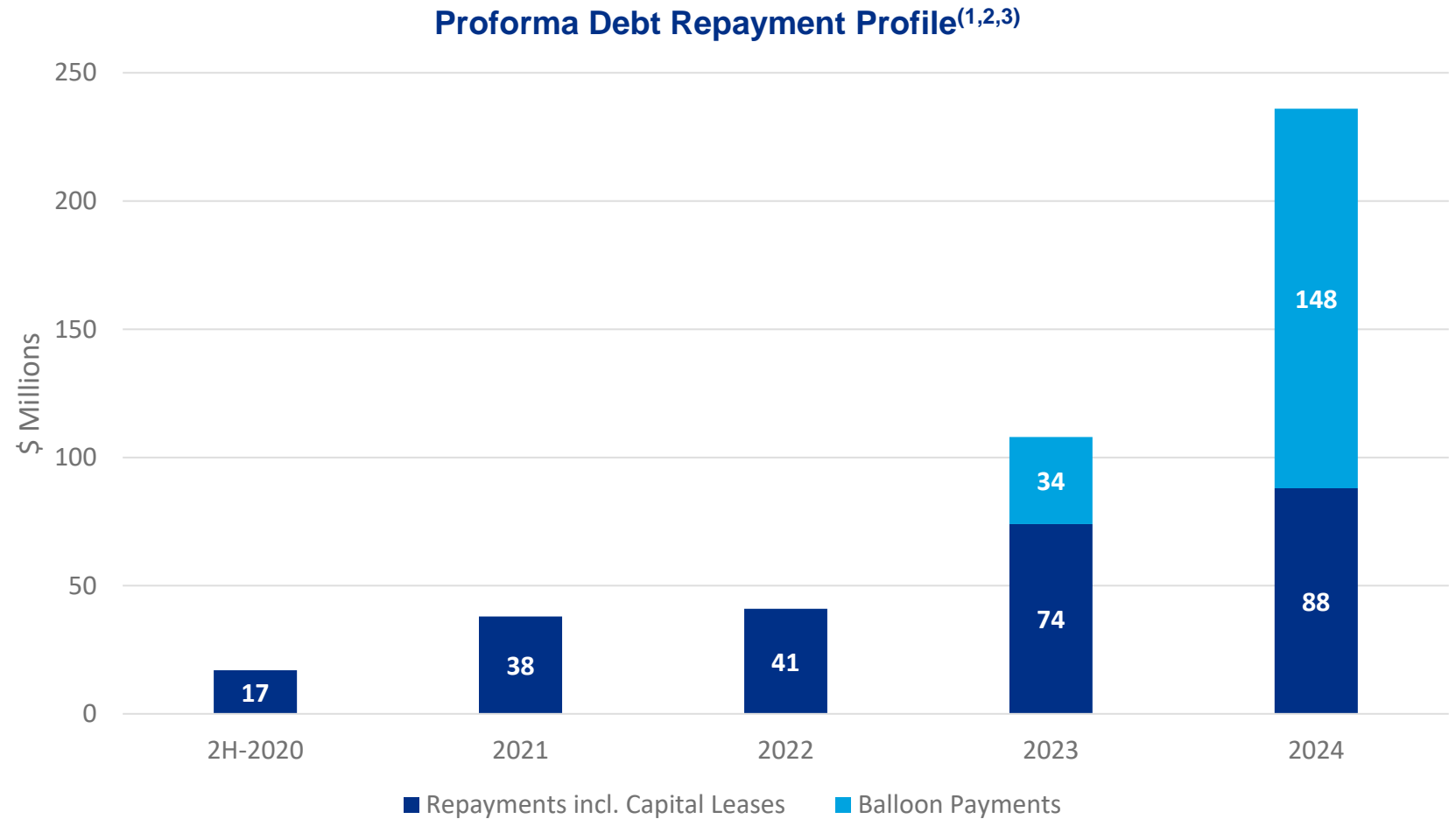
(3) Average of Suezmax and Aframax spot rates

(4) For 12 months ending June 30, 2021



Proforma Debt Repayment Profile

No Debt Maturities Until 2023



(1) Proforma for new 3-year, \$67 million term loan to refinance debt secured by four Suezmaxes that was scheduled to mature in 2021

(2) 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

(3) Repayment profile based on current drawn amounts

NAV Breakdown

Net Asset Value (NAV) / share		
	<u>August</u> <u>2020</u>	<u>August</u> <u>2019</u>
Fleet Value ⁽¹⁾	1,353	1,496
Working Capital ⁽⁵⁾	55	62
Service Businesses ^{(2),(4)}	43	58
Mark-to-Market Time Charters ⁽²⁾	49	(2)
Less: Net Debt ⁽⁵⁾	(549)	(994)
Net Asset Value (NAV)	949.6	618.9
No. of Shares Outstanding	33.7	33.6
NAV / Share	\$28.16	\$18.41

No.	Type	Year Built	FMV (2020)	FMV (2019)	No.	Type	Year Built	FMV (2020)	FMV (2019)
1	Suezmax	2003	Sold	16.0	31	Aframax	2003	11.0	13.0
2	Suezmax	2003	Sold	16.0	32	Aframax	2004	13.0	15.0
3	Suezmax	2003	Sold	16.0	33	Aframax	2004	13.0	15.0
4	Suezmax	2004	Sold	18.0	34	Aframax	2004	13.0	15.0
5	Suezmax	2004		19.0	35	Aframax	2004	13.0	15.0
6	Suezmax	2005		22.0	36	Aframax	2005	15.0	17.0
7	Suezmax	2006		24.4	37	Aframax	2005	15.0	17.0
8	Suezmax	2006		24.4	38	Aframax	2005	15.5	17.0
9	Suezmax	2007		26.8	39	Aframax	2008	21.0	23.0
10	Suezmax	2008		29.2	40	Aframax	2008	21.0	23.0
11	Suezmax	2008		29.2	41	Aframax	2008	21.0	23.0
12	Suezmax	2009		31.6	42	Aframax	2009	23.0	25.0
13	Suezmax	2009		30.0	43	Aframax	2009	21.9	23.8
14	Suezmax	2009		30.0	44	Aframax	2009	21.9	23.8
15	Suezmax	2009		30.0	45	Aframax	2010	23.8	26.2
16	Suezmax	2009		30.0	46	Aframax	2010	23.8	26.2
17	Suezmax	2009		30.0	47	Aframax	2011	27.7	30.2
18	Suezmax	2009		30.0	48	LR2	2006	17.0	19.0
19	Suezmax	2009		30.0	49	LR2	2007	19.0	21.0
20	Suezmax	2009		30.0	50	LR2	2007	19.0	21.0
21	Suezmax	2010		32.3	51	LR2	2010	23.8	26.2
22	Suezmax	2010		32.3	52	LR2	2011	26.3	28.7
23	Suezmax	2010		32.3	53	LR2	2011	26.3	28.7
24	Suezmax	2010		32.3	54	LR2	2011	26.3	28.7
25	Suezmax	2011		36.8	55	LR2	2012	30.0	33.8
26	Suezmax	2011		36.8	56	LR2	2012	30.0	33.8
27	Suezmax	2011		36.8	57	VLCC ⁽³⁾	2013	14.4	14.0
28	Suezmax	2012		39.6					
29	Suezmax	2012		39.6					
30	Suezmax	2013		42.4					

(1) Valuations for vessels are based on Clarkson's published asset values.

(2) Valuations for service businesses and mark-to-market of time charters are based on internal estimates.

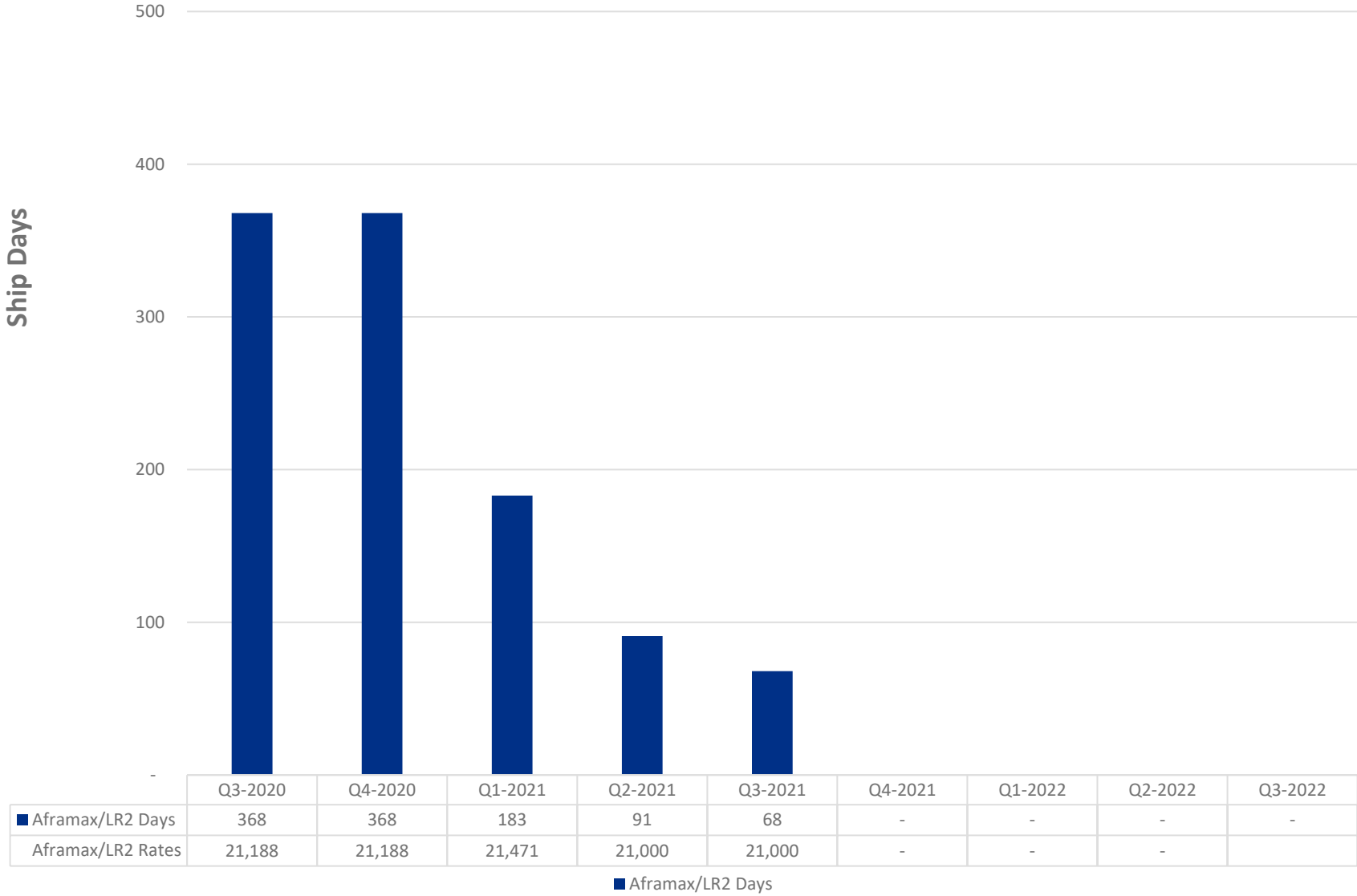
(3) FMV based on TNK's 50% ownership, net of debt.

(4) Includes full service lightering, global support services, and commercial management.

(5) Net debt and working capital are as at June 30, 2020 and June 30, 2019. Net debt 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. Working capital represents current assets minus current liabilities excluding debt, cash and restricted cash.



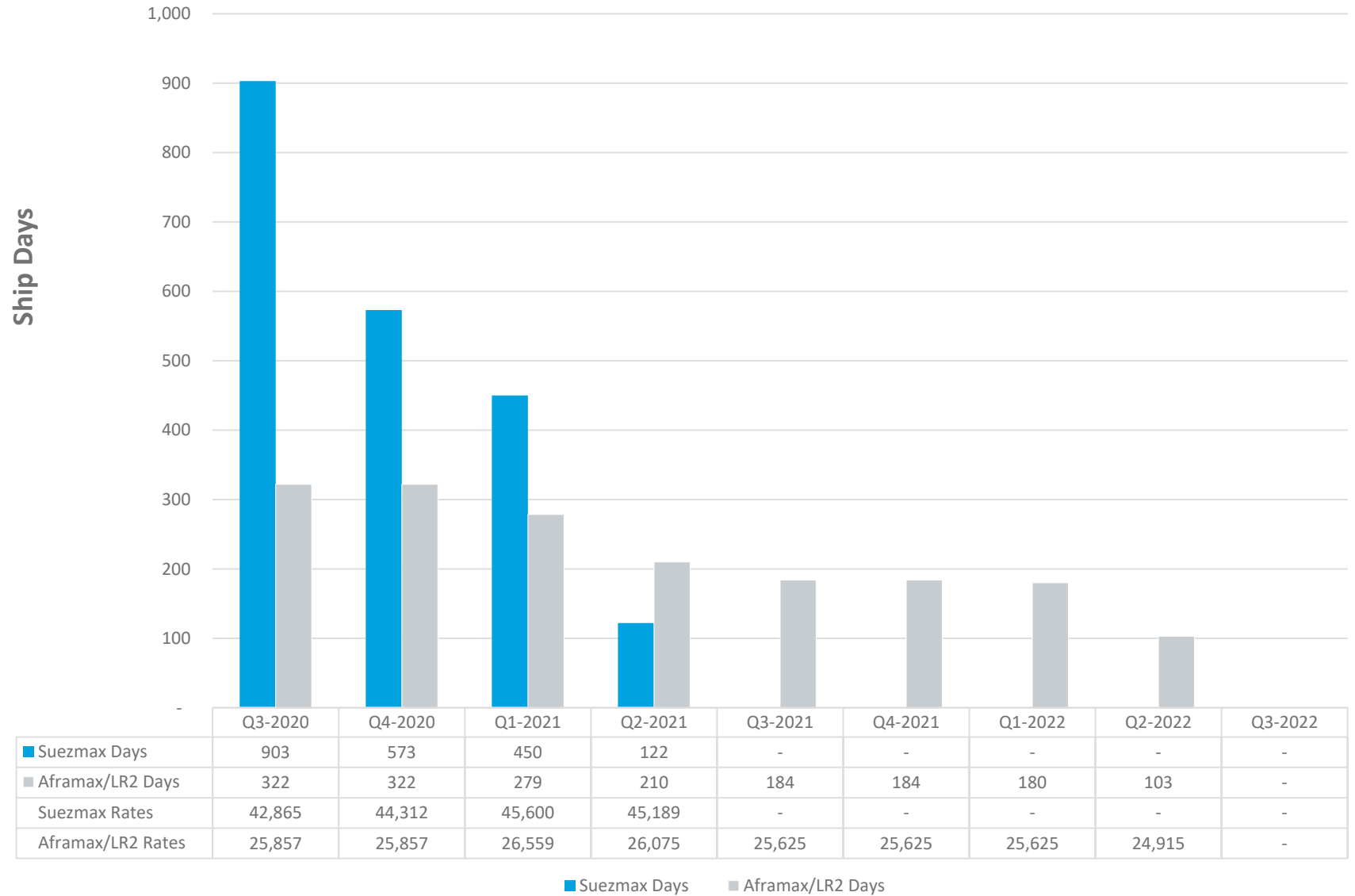
Fleet Employment – In-Charters⁽¹⁾



(1) Based on existing charters excluding extension options



Fleet Employment – Out-Chartering⁽¹⁾



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

Q3-20 Outlook

Income Statement Item	Q3-20 Outlook ⁽¹⁾ (expected changes from Q2-20)
Revenues	<p>Decrease of approximately 210 net revenue days, mainly due to more scheduled dry dockings in Q3-20 compared to Q2-20, partially offset by more calendar days in Q3-20.</p> <p>Refer to Slide 5 for Q3-20 booked to-date spot tanker rates.</p>
Vessel operating expenses	<p>Increase of approximately \$1 million, primarily due to the timing of repair and maintenance activities as well as higher costs related to completing crew changes.</p>
Interest expense	<p>Decrease of approximately \$2 million, primarily due to a lower average amount drawn from our credit facilities, as well as a lower LIBOR in Q3-20 compared to Q2-20.</p>
Equity income	<p>Decrease of approximately \$3 million, primarily due to lower earnings expected from our equity-accounted VLCC resulting from lower spot tanker rates.</p>
Other income	<p>Decrease of approximately \$2 million, primarily due to non-recurring items recognized in Q2-20.</p>

(1) Changes described are after adjusting Q2-20 for items included in Appendix A of Teekay Tankers' Q2-20 Earnings Release and realized gains and losses on derivatives (see slide 17 of this earnings presentation for the Consolidated Adjusted Line Items for Q2-20).



Adjusted Net Income⁽¹⁾

Q2-20 vs Q1-20

(In thousands of U.S. dollars)

Statement Item	Q2-2020 (unaudited)	Q1-2020 (unaudited)	Variance	Comments
Revenues	246,292	341,851	(95,559)	Decrease primarily due to lower overall spot TCE rates in Q2-20, the sale of three vessels in Q1-20, the sale of the non-US portion of the ship-to-ship support services business and the LNG terminal management business in Q2-20, and a higher number of vessels on time-charter out contracts earning lower fixed rates compared to the Q1-20 spot rates.
Voyage expenses	(61,558)	(119,241)	57,683	Decrease primarily due to a reduction in spot voyage activities resulting from eight vessels commencing time-charter out contracts during Q2-20, the sale of three vessels in Q1-20, as well as a lower average price of bunkers consumed during Q2-20 compared to Q1-20.
Vessel operating expenses	(46,218)	(50,649)	4,431	Decrease primarily due to the sale of three vessels in Q1-20 and the sale of the non-US portion of the ship-to-ship support services business and the LNG terminal management business in Q2-20, partially offset by the timing of purchases and planned maintenance activities, as well as higher crew related costs.
Time-charter hire expenses	(9,296)	(9,879)	583	
Depreciation and amortization	(29,546)	(29,632)	86	
General and administrative expenses	(9,784)	(9,286)	(498)	
Income from operations	89,890	123,164	(33,274)	
Interest expense	(13,406)	(14,723)	1,317	Decrease primarily due to scheduled repayments and prepayments on the credit facilities, as well as a lower LIBOR in Q2-20.
Interest income	567	256	311	
Equity income	3,188	1,940	1,248	Increase primarily due to higher earnings from the equity-accounted for VLCC primarily as a result of higher realized spot rates in Q2-20.
Other income (expense)	461	(656)	1,117	Change primarily due to non-recurring items recognized in Q2-20.
Adjusted net income	80,700	109,981	(29,281)	

(1) Refer to slide 17 for the Q2-20 reconciliations of non-GAAP financial measures to the most directly comparable financial measures under United States generally accepted accounting principles (GAAP). For the Q1-20 reconciliation, refer to the Q1-20 earnings presentation.

Consolidated Adjusted Statement of Income

(In thousands of U.S. dollars)

Q2-20

Statement Item	As Reported	Appendix A Items ⁽¹⁾	Reclassification for Realized Gain/ Loss on Derivatives	As Adjusted
Revenues	246,492	-	(200)	246,292
Voyage expenses	(61,558)	-	-	(61,558)
Vessel operating expenses	(46,218)	-	-	(46,218)
Time-charter hire expenses	(9,296)	-	-	(9,296)
Depreciation and amortization	(29,546)	-	-	(29,546)
General and administrative expenses	(9,784)	-	-	(9,784)
Gain on sale of assets and write-down of assets	2,896	(2,896)	-	-
Income from operations	92,986	(2,896)	(200)	89,890
Interest expense	(13,492)	-	86	(13,406)
Interest income	567	-	-	567
Realized and unrealized loss on derivative instruments	(589)	475	114	-
Equity income	3,188	-	-	3,188
Other income	15,538	(15,077)	-	461
Net income	98,198	(17,498)	-	80,700

(1) Please refer to Appendix A in Teekay Tankers Q2-20 Earnings Release for a description of Appendix A items.



Drydock & Off-hire Schedule⁽¹⁾⁽²⁾⁽³⁾

Teekay Tankers Segment	March 31, 2020 (A)		June 30, 2020 (A)		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	-	-	-	16	8	231	2	75	10	322
Fixed-Rate Tanker	-	-	-	-	1	30	-	-	1	30
Other - Unplanned Offhire	-	29	-	28	-	50	-	55	-	162
	-	29	-	44	9	311	2	130	11	514

(1) Includes vessels scheduled for drydocking and an estimate of unscheduled off-hire.

(2) In the case that a vessel drydock & off-hire straddles between quarters, the drydock & off-hire 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 off-hire.

