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TANKER INVESTMENTS LTD. REPORTS THIRD QUARTER 2016 RESULTS

Hamilton, Bermuda, November 3, 2016 - Tanker Investments Ltd. (*Tanker Investments, TIL* or *the Company*) today reported its financial results for the quarter ended September 30, 2016.

Highlights:

- Reported net loss of USD 2.9 million, or USD 0.09 per share, for the third quarter of 2016.
- Generated cash flow from vessel operations (CFVO[1]) of USD 10.2 million in the third quarter of 2016, compared to USD 27.1 million in the previous quarter.
- As of September 30, 2016, the Company had total liquidity of USD 113.4 million, comprised of cash and undrawn credit facilities.

"As expected, rates dropped in the third quarter due to a combination of scheduled refinery maintenance and production outages in Nigeria," commented William Hung, Tanker Investments Limited's CEO. "As these outages came back on-line in October, we saw an increase in rates for mid-size tankers and expect this trend to continue for the latter part of the fourth quarter."

Mr. Hung continued, "We are pleased to announce that TIL is executing on the strategy we announced last quarter by chartering out the M/T Emerald Spirit Aframax tanker for 12 months and we are evaluating further opportunities as well." Mr. Hung summarized, "With a conservative financial profile including over $110 million of liquidity, a young, modern fleet with a low cash break-even level, we believe Tanker Investments is well positioned to weather the volatility we anticipate throughout 2017."

[1] Cash flow from vessel operations is a non-GAAP financial measure. Please refer to "Definitions and Non-GAAP Financial Measures" and the Appendices to this release for a definition of the term and reconciliation of this non-GAAP financial measure as used in this release to the most directly comparable financial measure under United States generally accepted accounting principles (or GAAP).

Selected Financial Information

All figures in USD millions (except per share, per day and unless otherwise specified)			
Balance Sheet Summary	**As at September 30, 2016**	**As at June 30, 2016**	**As at September 30, 2015[(1)]**
Cash & Cash Equivalents	$41.7	$39.1	$57.5
Total Assets	$816.1	$829.9	$1,043.2
Total Liabilities	$393.9	$404.8	$611.3
Total Liquidity	$113.4	$112.7	$81.0
Net Debt to Capitalization [(2)]	44%	45%	55%
	Three Months Ended		
Income Statement Summary	**September 30, 2016**	**June 30, 2016**	**September 30, 2015**
Total Revenues	$26.6	$43.0	$51.6
Net (loss) Income	($2.9)	$12.6	$11.6
Net (loss) Income per share	($0.09)	$0.41	$0.32
Cash Flow from Vessel Operations (CFVO) [(2)]	$10.2	$27.1	$27.6
	Three Months Ended		
Time-Charter Equivalent (TCE) Spot Rates [(3)]	**September 30, 2016**	**June 30, 2016**	**September 30, 2015**
Suezmax Revenue Days	918	889	484
Suezmax TCE rate per day	$18,550	$31,158	$33,880
Aframax Revenue Days	543	533	552
Aframax TCE rate per day	$14,682	$23,769	$32,483
Coated Aframax Revenue Days	179	182	184
Coated Aframax TCE rate per day	$15,042	$21,371	$33,187
VLCC Revenue Days	–	–	173
VLCC TCE rate per day	–	–	$37,959

All figures in USD millions **(except per share, per day and unless otherwise specified)**		
	Nine Months Ended	
Income Statement Summary	**September 30, 2016**	**September 30, 2015**
Total Revenues	$120.2	$140.7
Net Income	$28.5	$47.3
Net Income per share	$0.91	$1.28
Cash Flow from Vessel Operations (CFVO) (2)	$70.1	$87.2
	Nine Months Ended	
Time-Charter Equivalent (TCE) Spot Rates (3)	**September 30, 2016**	**September 30, 2015**
Suezmax Revenue Days	2,691	1,205
Suezmax TCE rate per day	$28,488	$37,007
Aframax Revenue Days	1,621	1,611
Aframax TCE rate per day	$22,114	$32,251
Coated Aframax Revenue Days	543	546
Coated Aframax TCE rate per day	$20,301	$28,935
VLCC Revenue Days	–	494
VLCC TCE rate per day	–	$45,088

(1) Prior period information relating to debt issuance costs has been retrospectively adjusted due to the adoption of Accounting Standards Update 2015-03, *Simplifying the Presentation of Debt Issuance Costs (or ASU2015-03),* in December 2015. As a result of adopting ASU 2015-03, total assets and total liabilities decreased by $2.3 million as at September 30, 2015. This change had no impact on net income.

(2) These are non-GAAP financial measures. Please refer to "Definitions and Non-GAAP Financial Measures" and the Appendices to this release for a definition of the terms and reconciliation of these non-GAAP financial measures as used in this release to the most directly comparable financial measures under United States generally accepted accounting principles (or GAAP).

(3) Time-charter equivalent (TCE) spot rates represent the operating performance of the Company's spot vessels measured in net voyage revenue per revenue day, before related-party pool management fees, related-party commissions and off-hire bunker expenses.

Financial Review of the Three and Nine Months Ended September 2016

During the third quarter of 2016, total revenues decreased to USD 26.6 million from USD 51.6 million in the third quarter of 2015. This decrease is primarily due to weakening spot tanker rates earned across the fleet in the third quarter of 2016 and the effects of the sale of the Hemsedal Spirit and Voss Spirit in the first quarter of 2016. This decrease is partially offset by revenues from the additional six Suezmax vessels acquired during the third quarter of 2015. During the nine months ended September 30, 2016, total revenues decreased to USD 120.2 million from USD 140.7 million for the first nine months of 2015, due primarily to lower average tanker rates. The decrease is somewhat offset by the larger average fleet size in operation in 2016.

CFVO was USD 10.2 million during the third quarter of 2016, which decreased from USD 27.6 million in the third quarter of 2015 primarily due to lower revenue earned on the Company's fleet, as described above. CFVO was USD 70.1 million during the nine months ended September 30, 2016 which decreased from USD 87.2 million for the same period in 2015.

Total interest expense was USD 4.6 million in the third quarter of 2016, compared to USD 6.3 million in the third quarter of 2015. This decrease is mainly due to lower average debt balances in the third quarter of 2016. Total interest expense was USD 14.7 million for the nine months ended September 30, 2016, compared to USD 16.2 million for the same period in 2015.

Tanker Investments reported a net loss of USD (2.9) million, or USD (0.09) per share, for the third quarter of 2016 compared to net income of USD 11.6 million, or USD 0.32 per share, in the third quarter of 2015.

Net income was USD 28.5 million, or USD 0.91 per share, for the nine months ended September 30, 2016 compared to a net income of USD 47.3 million, or USD 1.28 per share, for the corresponding period in 2015.

Tanker Market Outlook

Crude tanker rates fell to a three-year low in the third quarter of 2016 as normal seasonality was compounded by oil production outages in key Aframax and Suezmax load areas, a shift to shorter-haul trade routes as a result of production outages in the Atlantic, very low refinery throughput, and tanker fleet growth.

Nigerian crude oil production fell to a low of 1.4 million barrels per day (*mb/d*) during the third quarter of 2016, down from 1.8 mb/d at the start of the year and well below Nigeria's maximum production capacity of 2.2 mb/d. This led to a reduction in cargoes from West Africa, which had a negative impact on the Suezmax market. Furthermore, a shift by Asian buyers from Atlantic oil barrels to more Middle-Eastern oil barrels reduced overall tanker ton-mile demand. Although global oil demand remains robust, refineries have lowered their purchases of crude oil due to high inventory levels, which impacted tanker demand during the third quarter of 2016. Finally, there has been an acceleration in tanker fleet growth in recent months with 18 Suezmax tanker newbuildings delivered since the start of May 2016 versus just two deliveries in the first four months of 2016.

Crude tanker rates have recovered during the early part of the fourth quarter of 2016, in tandem with a recovery in Nigerian oil production as force majeures are lifted, and as refineries have increased purchases of crude oil ahead of the peak winter demand season. In addition, an increase in Libyan crude oil exports upon the reopening of key ports, and the first export cargos from the Kashagan field via Baltic and Black Sea ports, are further supporting mid-size crude tanker demand in the Atlantic basin. With the onset of winter weather conditions and associated vessels delays, crude tanker rates are expected to continue to improve through the winter months.

Looking ahead to 2017, the International Energy Agency (*IEA*) forecasts global oil demand growth of 1.2 mb/d, which is similar to 2016 levels. In addition, the IEA is forecasting an increase in non-OPEC production during 2017 including higher volumes from Brazil and Kazakhstan, both of which are expected to contribute to increased demand for mid-size tankers. Recovering supply in Nigeria and Libya are also expected to be positive for mid-size tanker demand, although a potential reduction in supply from other parts of OPEC could weigh on crude tanker demand should OPEC decide to introduce production limits at its upcoming meeting on November 30, 2016.

The global tanker fleet grew by approximately 24 million deadweight tons (*mdwt*), or 4.6 percent, during the first nine months of 2016. Higher than average fleet growth is set to continue through to the end of 2017 as the orderbook delivers, with projected tanker fleet growth of over 5 percent next year. Looking further ahead, a lack of new vessel ordering in 2016-to-date due to restricted access to capital is expected to give rise to much lower fleet growth in 2018. In addition, the recent ratification of the International Maritime Organization (*IMO*) convention on ballast water could result in increased scrapping of older vessels due to the high cost of retrofitting ballast water treatment systems on existing vessels.

Overall, the Company expects the tanker market to improve during the remainder of the fourth quarter of 2016 due to normal winter seasonality coupled with the return of Atlantic basin oil production.

Tanker Investments' Fleet as of September 30, 2016

Vessel Name	Type	Built	Delivery Date
Tianlong Spirit	Suezmax	2009	February 28, 2014
Jiaolong Spirit	Suezmax	2009	February 28, 2014
Shenlong Spirit	Suezmax	2009	February 28, 2014
Dilong Spirit	Suezmax	2009	February 28, 2014
Tarbet Spirit	Aframax	2009	March 10, 2014
Emerald Spirit	Aframax	2009	April 10, 2014
Whistler Spirit	Aframax	2010	May 2, 2014
Hovden Spirit	Coated Aframax	2012	June 2, 2014
Trysil Spirit	Coated Aframax	2012	June 19, 2014
Garibaldi Spirit	Aframax	2009	June 20, 2014
Blackcomb Spirit	Aframax	2010	June 30, 2014
Peak Spirit	Aframax	2011	October 24, 2014
Baker Spirit	Suezmax	2009	July 16, 2015
Cascade Spirit	Suezmax	2009	August 5, 2015
Copper Spirit	Suezmax	2010	August 6, 2015
Aspen Spirit	Suezmax	2009	August 6, 2015
Tahoe Spirit	Suezmax	2010	August 7, 2015
Vail Spirit	Suezmax	2009	August 14, 2015

Liquidity

As of September 30, 2016, Tanker Investments had total liquidity of approximately USD 113.4 million, including USD 41.7 million of cash and undrawn revolving credit facilities of USD 71.7 million, compared to total liquidity of USD 81.0 million as at September 30, 2015.

Share Repurchase Update

As of September 30, 2016, Tanker Investments had 30,363,561 shares outstanding, net of the 8.1 million shares repurchased to-date, all of which were canceled on July 26, 2016.

Conference Call

Tanker Investments plans to host a conference call on November 3, 2016 at 10 a.m. (ET) / 3 p.m. (CET) to discuss its results for the third quarter of 2016. An accompanying investor presentation will be available on the Company's website at www.tankerinvestments.com prior to the start of the call. All shareholders and interested parties are invited to listen to the live conference call by choosing from the following options:

- By dialing 1-800-505-9568 or 1-416-204-9271, if outside of North America, and quoting conference ID code 2352273.
- By accessing the webcast, which will be available on Tanker Investments' website at www.tankerinvestments.com (the archive will remain on the website for a period of 30 days).

The conference call will be recorded and available until November 17, 2016. This recording can be accessed following the live call by dialing 1-888-203-1112 or 1-647-436-0148, if outside North America, and entering access code 2352273.

About Tanker Investments Ltd.

Tanker Investments Ltd., created in January 2014, is a specialized investment company focused on the tanker market. Tanker Investments Ltd. was formed to operate and sell modern secondhand tankers to benefit from cyclical fluctuations in the tanker market. Tanker Investments' fleet consists of 18 vessels.

Tanker Investments' common stock trades on the Oslo Stock Exchange under the symbol "TIL".

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Definitions and Non-GAAP Financial Measures

This release includes financial measures that are non-GAAP financial measures as defined under the rules of the European Securities and Market Authority. These non-GAAP financial measures, Cash Flow from Vessel Operations and Net Debt to Capitalization, are intended to provide additional information and should not be considered a substitute for the measures of performance prepared in accordance with GAAP. In addition, these measures do not have a standardized meaning, and may not be comparable to similar measures presented by other companies. The Company believes that certain investors use this information to evaluate the Company's financial performance.

Cash Flow from Vessel Operations (CFVO)

Cash flow from vessel operations is a non-GAAP financial measure used by certain investors to measure the financial performance of shipping companies. Cash flow from vessel operations represents net (loss) income plus depreciation and amortization expense, interest expense and other expenses, less gain on sale of vessels and interest income. Please refer to Appendix A of this release for the reconciliation of this non-GAAP measure as used in this release to the most directly comparable GAAP financial measure.

Net Debt to Capitalization

Net debt to capitalization, a non-GAAP financial measure, is a ratio of the Company's total debt (less cash) to its total capital and it is used to assess the Company's degree of leverage. Please refer to Appendix B of this release for the reconciliation of this non-GAAP measure as used in this release to the most directly comparable GAAP financial measure.

TANKER INVESTMENTS LTD. AND SUBSIDIARIES

UNAUDITED CONSOLIDATED STATEMENTS OF (LOSS) INCOME

(in thousands of U.S. dollars, except share and per share amounts)

	Three Months Ended September 30, 2016 $	Three Months Ended September 30, 2015 $	Nine Months Ended September 30, 2016 $	Nine Months Ended September 30, 2015 $
Net pool revenues from affiliates *(note 6b)*	26,560	42,147	118,911	120,942
Voyage revenues	(10)	9,423	1,243	19,721
Total revenues	26,550	51,570	120,154	140,663
Voyage expenses	(147)	(5,173)	(1,315)	(9,369)
Vessel operating expenses *(notes 6b and 6c)*	(14,554)	(17,140)	(43,555)	(39,701)
Depreciation and amortization	(8,883)	(9,193)	(26,354)	(22,600)
General and administrative expenses (*notes 6b and 6c*)	(1,642)	(1,689)	(5,265)	(4,397)
Gain on sale of vessels *(notes 6b and 8)*	–	–	1,228	–
Income from operations	1,324	18,375	44,893	64,596
Interest expense *(notes 2 and 6a)*	(4,646)	(6,316)	(14,746)	(16,218)
Interest income	30	52	115	93
Other income (expenses) (*note 3*)	415	(478)	(1,812)	(1,132)
Net (loss) income	(2,877)	11,633	28,450	47,339
Per common share of Tanker Investments Ltd. *(note 7)*				
• Basic (loss) earnings attributable to common stockholders of Tanker Investments Ltd.	(0.09)	0.32	0.91	1.28
• Diluted (loss) earnings attributable to common stockholders of Tanker Investments Ltd.	(0.09)	0.31	0.91	1.26
Weighted average number of common shares outstanding *(note 7)*				
• Basic	30,363,561	36,877,136	31,155,259	36,954,190
• Diluted	30,363,561	37,494,229	31,365,399	37,495,628
Total number of common shares outstanding at end of period	30,363,561	36,556,815	30,363,561	36,556,815

Related party transactions (*note 6*)

The accompanying notes are an integral part of these unaudited consolidated financial statements.

TANKER INVESTMENTS LTD. AND SUBSIDIARIES
UNAUDITED CONSOLIDATED BALANCE SHEETS
(in thousands of U.S. dollars)

	As at September 30, 2016 $	As at December 31, 2015 $
ASSETS		
Current		
Cash and cash equivalents	41,692	43,420
Pool receivables from affiliates, net *(note 6b)*	6,794	31,920
Accounts receivable	202	5,574
Due from affiliates	67	45
Prepaid expenses and other current assets (*note 6c*)	7,474	7,767
Vessels held for sale	—	150,286
Total current assets	56,229	239,012
Vessels and equipment		
At cost, less accumulated depreciation of $65.3 million (December 31, 2015 - $39.1 million)	737,849	763,098
Due from affiliates *(note 6b)*	22,039	25,268
Total assets	816,117	1,027,378
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable	871	3,473
Accrued liabilities *(note 6c)*	8,840	12,194
Current portion of long-term debt *(note 2)*	41,196	143,685
Due to affiliates	1,699	2,136
Total current liabilities	52,606	161,488
Long-term debt *(note 2*)	336,771	437,750
Other long-term liabilities *(note 3)*	4,538	2,789
Total liabilities	393,915	602,027
Commitments and contingencies *(note 6d)*		
Shareholders' Equity		
Common stock ($0.001 par value; 400 million shares authorized; 30.4 million shares issued and 38.4 million outstanding) (33.7 million shares issued and 38.4 million shares outstanding) *(note 5)*	31	34
Preferred stock ($0.001 par value; 100 million shares authorized; 2 shares issued and outstanding) *(note 5)*	1	1
Additional paid-in capital *(note 5)*	322,488	357,831
Retained earnings	99,682	67,485
Total shareholders' equity	422,202	425,351
Total liabilities and shareholders' equity	816,117	1,027,378

Subsequent events (*note 9*)

The accompanying notes are an integral part of these unaudited consolidated financial statements.

TANKER INVESTMENTS LTD. AND SUBSIDIARIES
UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands of U.S. dollars)

	Nine Months Ended September 30, 2016 $	Nine Months Ended September 30, 2015 $
Cash and cash equivalents provided by (used for)		
OPERATING ACTIVITIES		
Net income	28,450	47,339
Non-cash items:		
Depreciation and amortization	26,354	22,600
Other	2,166	2,869
Change in non-cash working capital items related to operating activities	27,603	(7,255)
Expenditures for dry-docking	(977)	(6,469)
Net operating cash flow	**83,596**	**59,084**
FINANCING ACTIVITIES		
Repayments of long-term debt	(127,897)	(64,888)
Prepayments of long-term debt	(76,836)	–
Repurchase of common stock *(note 5)*	(31,797)	(5,578)
Drawdown of revolving credit facility, net of issuance costs *(note 2)*	–	319,723
Other financing activities	(181)	–
Net financing cash flow	**(236,711)**	**249,257**
INVESTING ACTIVITIES		
Proceeds on sale of vessels	151,597	–
Expenditures for vessels and equipment	(210)	(320,412)
Net investing cash flow	**151,387**	**(320,412)**
Decrease in cash and cash equivalents	(1,728)	(12,071)
Cash and cash equivalents, beginning of the period	43,420	69,592
Cash and cash equivalents, end of the period	**41,692**	**57,521**

The accompanying notes are an integral part of these unaudited consolidated financial statements.

TANKER INVESTMENTS LTD. AND SUBSIDIARIES

UNAUDITED CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY

(in thousands of U.S. dollars, except share amounts)

	Thousands of Shares of Common Stock Outstanding	Common Stock	Shares of Preferred Stock Outstanding	Preferred Stock	Additional Paid-In Capital	Retained Earnings	Total Shareholders' Equity
	#	$	#	$	$	$	$
Balance as at December 31, 2015	33,683	34	2	1	357,831	67,485	425,351
Net income	–	–	–	–	–	28,450	28,450
Shares issued as compensation (*note 5*)	26	–	–	–	198	–	198
Share buyback	(3,345)	(3)	–	–	(35,541)	3,747	(31,797)
Balance as at September 30, 2016	30,364	31	2	1	322,488	99,682	422,202

The accompanying notes are an integral part of these unaudited consolidated financial statements.

(all tabular amounts stated in thousands of U.S. dollars, except share and per share amounts)

1. Basis of Presentation and Nature of Operations

On January 10, 2014, Teekay Corporation (or *Teekay*) and Teekay Tankers Ltd. (or *Teekay Tankers*) formed Tanker Investments Ltd., under the laws of the Republic of the Marshall Islands. Tanker Investments Ltd. and its subsidiaries (collectively the *Company*) engage in the ownership and operation of crude oil tankers. The Company has adopted a December 31 fiscal year-end. At September 30, 2016, the Company's fleet included 18 vessels (December 31, 2015 - 20 vessels).

These unaudited interim consolidated financial statements have been prepared in conformity with United States generally accepted accounting principles (or *GAAP*). The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Certain information and footnote disclosures required by GAAP for complete annual financial statements have been omitted and, therefore these interim unaudited consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2015. In the opinion of management, these unaudited interim consolidated financial statements reflect all adjustments, consisting solely of a normal recurring nature, necessary to present fairly, in all material respects, the Company's unaudited consolidated financial position, results of operations, and cash flows for the period presented. Significant intercompany balances and transactions have been eliminated upon consolidation.

2. Long-Term Debt

	September 30, 2016 $	December 31, 2015 $
Revolving Credit Facilities due through 2020	249,242	348,608
Term Loan due through 2021	132,198	141,115
Term Loan due June 30, 2016	–	96,450
Total principal	381,440	586,173
Unamortized discount and debt issuance costs	(3,473)	(4,738)
Total debt	377,967	581,435
Less current portion	(41,196)	(143,685)
Long-term portion	336,771	437,750

As of September 30, 2016, the Company had two revolving credit facilities available, which, as at such date, provided for borrowings of up to a maximum of $345.9 million (December 31, 2015 - $373.6 million). Based on the vessels provided as collateral as at September 30, 2016, which were first-priority mortgages granted on 14 of the Company's vessels, the borrowings available to the Company under its revolving credit facilities was $320.9 million, of which $249.2 million was drawn (December 31, 2015 - $348.6 million available and fully drawn). Interest payments are based on LIBOR plus margins. At September 30, 2016, the margin was 3.25% (December 31, 2015 - 3.00% respectively). The margin ranges from 2.75% to 3.50%, depending on the fair market value of the vessels provided as collateral relative to the amount drawn on the credit facilities. At September 30, 2016, the total amount available under the credit facilities reduces by $9.2 million (2016), $36.9 million (2017), $36.9 million (2018), $143.7 million (2019) and $94.2 million (2020). The credit facilities contain a covenant that requires the Company to maintain a free liquidity of not less than the lower of (i) $25.0 million and (ii) $2.0 million per vessel owned as long as the number of vessels owned by the Company is less than 25. If the Company owns 25 or more vessels, the covenant requires the Company to maintain a free liquidity of the aggregate of (i) $25.0 million and (ii) $1.3 million multiplied by the number of vessels owned by the Company in excess of 25. The Company is also required to maintain a minimum capitalization ratio, a minimum level of tangible net worth, a minimum ratio of net income before interest and certain non-cash items to interest expense and the fair market value of collateral vessels shall be equal to at least 150 percent of the drawn amount under the revolving credit facilities. As at September 30, 2016, the Company was in compliance with all its covenants in respect of these credit facilities.

As of September 30, 2016, the Company had one term loan (Term Loan) outstanding with an outstanding balance of $132.2 million (December 31, 2015- $141.1 million), repayable by 2021. Of this amount, $52.5 million bears interest at LIBOR plus a margin of 0.50% and the remaining $79.7 million bears interest at a fixed rate of 5.37% (December 31, 2015 - $54.0 million and $87.1 million, respectively). The loan is collateralized by four of the Company's vessels, together with other related security. In addition, the loan requires Teekay (the Guarantor) to maintain a minimum liquidity (cash and cash equivalents) of at least $100.0 million and an aggregate of free cash and undrawn committed revolving credit lines with at least six months to maturity of at least 7.5% of Teekay's total consolidated debt which has recourse to Teekay. As at September 30, 2016, Teekay was in compliance with all their covenants in respect of the Term Loan.

As of December 31, 2015, the Company had a term loan outstanding with an outstanding balance of $96.5 million, repayable by June 30, 2016. The loan along with the related interest costs were repaid in full in the first quarter of 2016. The loan bore interest at LIBOR plus a margin of 2.50% and was collateralized by the two of the Company's vessels which were sold in the first quarter of 2016.

The weighted-average effective interest rate on the Company's long-term debt as at September 30, 2016 and December 31, 2015 was 3.93% and 3.42% respectively, excluding the guarantee fee paid to Teekay (see note 6a). The aggregate annual principal repayments required to be made by the Company subsequent to September 30, 2016 are $10.3 million (2016), $41.3 million (2017), $41.4 million (2018), $116.3 million (2019), $91.6 million (2020) and $80.5 million (2021).

(all tabular amounts stated in thousands of U.S. dollars, except share and per share amounts)

3. Other Long-Term Liabilities

The Company recognizes freight tax expenses in other expenses in its unaudited consolidated statements of (loss) income. The Company does not presently anticipate its uncertain tax positions will significantly increase or decrease in the next 12 months; however, actual developments could differ from those currently expected.

The following is a roll-forward of the Company's freight tax expenses which are recorded in the unaudited consolidated balance sheet in other long-term liabilities, at September 30, 2016:

	$
Balance at January 1, 2016	2,789
Freight tax expense	1,749
Balance at September 30, 2016	4,538

The remainder of the amounts recorded in other expenses in the unaudited consolidated statements of (loss) income relate to foreign exchange gains and losses.

4. Fair Value Measurements

For a description of how the Company estimates fair value and for a description of the fair value hierarchy levels, see note 6 in the Company's audited consolidated financial statements filed with its Annual Report for the year ended December 31, 2015.

The following table includes the estimated fair value, carrying value and categorization using the fair value hierarchy of those assets and liabilities that are measured at their estimated fair value on a recurring and non-recurring basis, as well as certain financial instruments that are not measured at fair value.

		September 30, 2016		December 31, 2015	
	Fair Value Hierarchy Level	Carrying Amount Asset / (Liability) $	Fair Value Asset / (Liability) $	Carrying Amount Asset / (Liability) $	Fair Value Asset / (Liability) $
Cash and cash equivalents	Level 1	41,692	41,692	43,420	43,420
Long-term debt, including current portion	Level 2	(377,967)	(379,917)	(581,435)	(582,511)

5. Capital Stock and Warrants

Tanker Investments Ltd. was incorporated on January 10, 2014. The authorized capital stock of Tanker Investments Ltd. is 400,000,000 shares of Common Stock, with a par value of $0.001 per share and 100,000,000 shares of Preferred Stock, with a par value of $0.001 per share. Two Series of Preferred Stock have been created, Series A-1 Preferred and Series A-2 Preferred (collectively Series A Preferred shares). The authorized number of Series A-1 Preferred shares and Series A-2 Preferred shares is one share for each series. Further information on the rights and restrictions related to the Common Stock as well as outstanding warrants can be found in note 7 in the Company's audited consolidated financial statements filed with its Annual Report for the year ended December 31, 2015.

On October 27, 2014, the Company announced that its Board of Directors had authorized the repurchase of up to $30.0 million of its Common Stock in the open market. On September 27, 2015 the Company announced the Board of Directors had authorized a $30.0 million upsize to the share repurchase program, increasing the total amount authorized to $60.0 million. On February 8, 2016 the Company announced that the Board of Directors had authorized a new share repurchase program for the repurchase of a further $60.0 million of the Company's common stock. As at September 30, 2016, the Company had repurchased 8.1 million shares of its Common Stock for $87.6 million. (December 31, 2015 - 4.8 million shares). On July 26, 2016 the 8.1 million shares repurchased by the Company, held in treasury, were canceled.

In May 2016, a total of 25,844 shares of Common Stock, with an aggregate value of $0.2 million, were granted to the Company's non-management directors as part of their annual compensation for 2016. These shares were issued from the 400,000,000 shares of Common Stock authorized under Tanker Investments Ltd.'s articles of incorporation.

As at September 30, 2016, Teekay owned 2.5 million shares of Common Stock, 1 Series A-1 Preferred share and a stock purchase warrant entitling it to purchase, in aggregate, up to 0.75 million shares of Common Stock. As at September 30, 2016, Teekay Tankers owned 3.4 million shares of Common Stock, 1 Series A-2 Preferred share and a stock purchase warrant entitling it to purchase, in aggregate, up to 0.75 million shares of Common Stock. Teekay Tankers is a controlled subsidiary of Teekay.

6. Related Party Transactions and Commitments

a) Teekay is a guarantor to the borrowers' obligations under the Term Loan and the Company entered into a non-competition agreement (the "Non-Competition Agreement") with Teekay and Teekay Tankers. For a detailed description of these agreements, see Notes 8 (e) and 8 (g) in the Company's audited consolidated financial statements filed with its Annual Report for the year ended December 31, 2015. The guarantee fee was $0.1 million for the three months ended September 30, 2016 and the three months ended September 30, 2015. The guarantee fee was $0.3 million for the nine months ended September 30, 2016 and the nine months ended September 30, 2015.

(all tabular amounts stated in thousands of U.S. dollars, except share and per share amounts)

b) Affiliates of Teekay provide management services to the Company. The terms of such agreements are contained in Note 8(h) in the Company's audited consolidated financial statements filed with its Annual Report for the year ended December 31, 2015. Amounts incurred by the Company for such services for the periods indicated below were as follows:

	Three Months Ended September 30, 2016 $	Three Months Ended September 30, 2015 $	Nine Months Ended September 30, 2016 $	Nine Months Ended September 30, 2015 $
Net pool revenues from affiliates – commercial management services	1,163	1,339	3,971	3,831
Vessel operating expenses - ship management services	1,156	1,141	3,612	2,910
General and administrative – corporate services	1,361	1,200	4,074	3,248
Gain on sale of vessels – transaction services	–	–	(1,550)	–
Vessels and equipment - transaction services	–	3,150	–	3,150

The amounts owing from the Pool Managers, which are reflected in the unaudited consolidated balance sheet as pool receivables from affiliates, are without interest and are repayable upon the terms contained within the pool agreement. In addition, the Company had advanced $22.0 million and $25.3 million as at September 30, 2016 and December 31, 2015, respectively, to the Pool Managers for working capital purposes. The Company may be required to advance additional working capital funds from time to time. Working capital advances are repayable to the Company when a vessel no longer participates in the pool, less any set-offs for outstanding liabilities or contingencies. These amounts owing, which are reflected in the unaudited consolidated balance sheet as due from affiliates, are without interest.

c) As at September 30, 2016 and December 31, 2015, $2.8 million and $3.0 million, was payable to a subsidiary of Teekay for reimbursement of crewing and manning costs to operate the Company's vessels and such amounts are included in accrued liabilities on the unaudited consolidated balance sheet. As at September 30, 2016 and December 31, 2015, $2.7 million and $2.9 million, respectively, was advanced to a subsidiary of Teekay to cover future non-manning vessel operating costs and such amounts are included in prepaid expenses and other current assets on the unaudited consolidated balance sheet.

d) On June 11, 2015, one of Tanker Investments' VLCC vessels, the Hemsedal Spirit, was struck by Tokitsu Maru, a crude oil tanker owned by a third party, while safely anchored at Fujirah Anchorage. At the time of the incident, the Hemsedal Spirit had no cargo on board. There were no injuries to personnel or pollution to sea, however the vessel was damaged as a result of the collision and went off hire. Damages to the vessel were covered by insurance and the Company paid a deductible of $0.3 million. The vessel was repaired and it resumed trading on June 30, 2015. Tanker Investments is seeking damages for vessel repairs and other costs associated with the incident.

7. Earnings Per Share

	Three Months Ended September 30, 2016 $	Three Months Ended September 30, 2015 $	Nine Months Ended September 30, 2016 $	Nine Months Ended September 30, 2015 $
Net (loss) income	(2,877)	11,633	28,450	47,339
Weighted average number of common shares	30,363,561	36,877,136	31,155,259	36,954,190
Dilutive effect of warrants	–	617,093	210,140	541,438
Common stock and common stock equivalents	30,363,561	37,494,229	31,365,399	37,495,628
(Loss) earnings per common share:				
• Basic	(0.09)	0.32	0.91	1.28
• Diluted	(0.09)	0.31	0.91	1.26

For the three months ended September 30, 2016, warrants to acquire 1.5 million shares of Common Stock have been excluded from the calculation of diluted earnings per common share, as inclusion of them in this calculation would have an anti-dilutive impact.

8. Gain on sale of vessels

During the nine months ended September 30, 2016, the Company sold two 2010 built VLCCs, the Hemsedal Spirit and the Voss Spirit, for gross proceeds of $155.0 million and recognized a $1.2 million gain related to the sale of these vessels.

9. Subsequent Events

Subsequent events have been evaluated through November 3, 2016, the date the unaudited interim consolidated financial statements were issued. No significant events occurred subsequent to the balance sheet date but prior to November 3, 2016, that would have a material impact on the unaudited consolidated financial statements.

TANKER INVESTMENTS LTD.
APPENDIX A - RECONCILIATION OF NON-GAAP FINANCIAL MEASURE
CASH FLOW FROM VESSEL OPERATIONS
(U.S. Dollars in Millions)

Set forth below is an unaudited calculation of Tanker Investments Ltd. cash flow from vessel operations. For a definition of this non-GAAP financial measure, please see page 7 of this earnings release.

	Three Months Ended September 30, 2016 (unaudited)	**Three Months Ended June 30, 2016** (unaudited)	**Three Months Ended September 30, 2015** (unaudited)
Net (loss) income	($2.9)	$12.6	$11.6
Add:			
Depreciation and amortization	$8.9	$8.8	$9.2
Interest expense	$4.6	$4.7	$6.3
Other (income) expenses	($0.4)	$1.0	$0.5
Cash Flow from Vessel Operations	$10.2	$27.1	$27.6

	Nine Months Ended September 30, 2016 (unaudited)	**Nine Months Ended September 30, 2015** (unaudited)
Net income	$28.5	$47.3
Add:		
Depreciation and amortization	$26.4	$22.6
Interest expense	$14.7	$16.2
Other expenses	$1.8	$1.1
Less:		
Gain on sale of vessels	($1.2)	–
Interest income	($0.1)	–
Cash Flow from Vessel Operations	$70.1	$87.2

TANKER INVESTMENTS LTD.
APPENDIX B - RECONCILIATION OF NON-GAAP FINANCIAL MEASURE
NET DEBT TO CAPITALIZATION
(U.S. Dollars in Millions)

Set forth below is an unaudited calculation of Tanker Investments Ltd. net debt to capitalization. For a definition of this non-GAAP financial measure, please see page 7 of this earnings release.

	September 30, 2016	**June 30, 2016**	**September 30, 2015**(1)
	(unaudited)	(unaudited)	(unaudited)
Current Debt	$41.2	$41.2	$159.1
Long-term Debt	$336.8	$346.7	$435.1
Total Debt	$378.0	$387.9	$594.2
Less:			
Cash	($41.7)	($39.1)	($57.5)
Net Debt	$336.3	$348.8	$536.7
Equity	$422.2	$425.1	$431.9
Capitalization	$758.5	$773.9	$968.6
Net Debt / Capitalization	44%	45%	55%

(1) Prior period information relating to debt issuance costs has been retrospectively adjusted due to the adoption of Accounting Standards Update 2015-03, *Simplifying the Presentation of Debt Issuance Costs (or ASU2015-03),* in December 2015. As a result of adopting ASU 2015-03, total debt decreased by $2.3 million as at September 30, 2015. This change had no impact on net income.

FORWARD LOOKING STATEMENT

This release contains forward-looking statements 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; the expectation that the Company will generate strong cash flow; the Company's financial position and intention to return excess capital to shareholders; and the expected effect of any acquisitions on the Company's financial results. 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 applicable industry laws and regulations and the timing of implementation of new laws and regulations; changes in interest rates and the financial markets; increases in the Company's expenses, including any dry docking expenses and associated off-hire days; and other factors discussed in Tanker Investments Ltd.'s filings from time to time with the Financial Supervisory Authority of Norway. 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.