



Third Quarter 2013 Earnings Presentation

November 7, 2013



TEEKAY CORPORATION

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: timing and certainty of future increases to Teekay Offshore and Teekay LNG's common unit quarterly cash distributions, including the potential 2.5 percent Teekay Offshore and Teekay LNG quarterly cash distribution increases, commencing with the fourth quarter 2013 distributions payable in February 2014, and the resulting incremental cash flow to Teekay Parent; the fundamentals in the offshore and gas businesses; future growth opportunities, including Teekay Offshore and Teekay LNG's ability to successfully bid for new offshore and gas projects and the resulting growth in Teekay Parent's cash flows; the estimated cost and timing of delivery of newbuildings and converted vessels and the commencement of associated time-charter contracts; the *Voyageur Spirit* FPSO achieving the certificate of final acceptance from its charterer and commencing full operations under the E.ON contract; securing long-term employment for the two LNG carrier newbuildings ordered by Teekay LNG in July 2013; expected fuel-efficiency and emission levels associated with the MEGI engines to be built by DSME; Teekay LNG's acquisition of a second newbuilding LNG carrier and bareboat charter back to Awilco; the Company realizing on its security in loans secured by three VLCCs; the timing of completion of repairs to the *Foinaven* FPSO's second compressor train and the FPSO unit achieving target production under its charter contract; and the timing of amount of future capital expenditure commitments for Teekay Parent, Teekay LNG and Teekay Offshore. 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 production of or demand for oil, petroleum products, LNG and LPG, either generally or in particular regions; greater or less than anticipated levels of tanker newbuilding orders or greater or less than anticipated rates of tanker scrapping; changes in trading patterns significantly affecting overall vessel tonnage requirements; changes in applicable industry laws and regulations and the timing of implementation of new laws and regulations; changes in the typical seasonal variations in tanker charter rates; changes in the offshore production of oil or demand for shuttle tankers, FSOs and FPSOs; decreases in oil production by or increased operating expenses for FPSO units; trends in prevailing charter rates for shuttle tanker and FPSO contract renewals; the potential for early termination of long-term contracts and inability of the Company to renew or replace long-term contracts or complete existing contract negotiations; the inability to negotiate new contracts on the two LNG carrier newbuildings ordered in July 2013; shipyard production or vessel conversion delays and cost overruns; delays in commencement of operations of FPSO and FSO units at designated fields; changes in the Company's expenses; the Company's future capital expenditure requirements and the inability to secure financing for such requirements; the inability of the *Voyageur Spirit* FPSO to complete certain operational tests and receive its certificate of final acceptance from E.ON; the inability of the Company to repair the second gas compressor train on the *Foinaven* FPSO and achieve target production; the inability of the Company to realize on the security of its VLCC term loan investments; the inability of the Company to complete vessel sale transactions to its public-traded subsidiaries or to third parties; failure of the respective Board of Directors of the general partners of Teekay Offshore and Teekay LNG to approve future distribution increases; conditions in the United States capital markets; actual performance of the MEGI engines; and other factors discussed in Teekay's filings from time to time with the SEC, including its Report on Form 20-F for the fiscal year ended December 31, 2012. 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



TEEKAY CORPORATION (PARENT)

- Generated \$195m of total CFVO¹ in Q3-13, compared to \$184m in Q2-13
- Reported Q3-13 consolidated adjusted net loss² of \$36.0m, or \$0.51 per share, compared to Q3-12 consolidated adjusted net loss³ \$20.0m, or \$0.29 per share
- *Voyageur Spirit* FPSO repairs completed and has been on charter since August 27th
- Both TGP and TOO intend to increase Q4-13 L.P. distributions by 2.5%

TEEKAY LNG PARTNERS

- Declared Q3-13 distribution of \$0.675 per unit - **\$23m to Teekay Parent**
- Agreed to acquire and charter back second LNG newbuild with Awilco LNG for \$155m
- Bidding on several LNG and FSRU projects beginning in 2016

TEEKAY OFFSHORE PARTNERS

- Declared Q3-13 distribution of \$0.5253 per unit - **\$16m to Teekay Parent**
- Completed accretive acquisition of HiLoad Dynamic Positioning (*DP*) unit from Remora AS
- Bidding on several offshore projects

TEEKAY TANKERS LTD.

- Declared Q3-13 dividend of \$0.03 per share - **\$0.6m to Teekay Parent**
- Generated Q3-13 CAD⁴ of \$0.10 per share
- LR2 product tanker order not expected to proceed

1) Total cash flow from vessel operations (CFVO) is a non-GAAP financial measure used by certain investors to measure the financial performance of shipping companies. Includes both CFVO from vessels that are consolidated and CFVO from vessels that are equity accounted for on the Company's financial statements. Please see appendices in the Q3-13 and Q2-13 earnings releases for a reconciliation of this non-GAAP measure as used in this presentation to the most directly comparable GAAP financial measure.

2) Adjusted net loss attributable to stockholders of Teekay for Q3-13 excludes specific items which increased GAAP net loss by \$13.1m, or \$0.18 per share, as detailed in Appendix A of the Q3-13 earnings release.

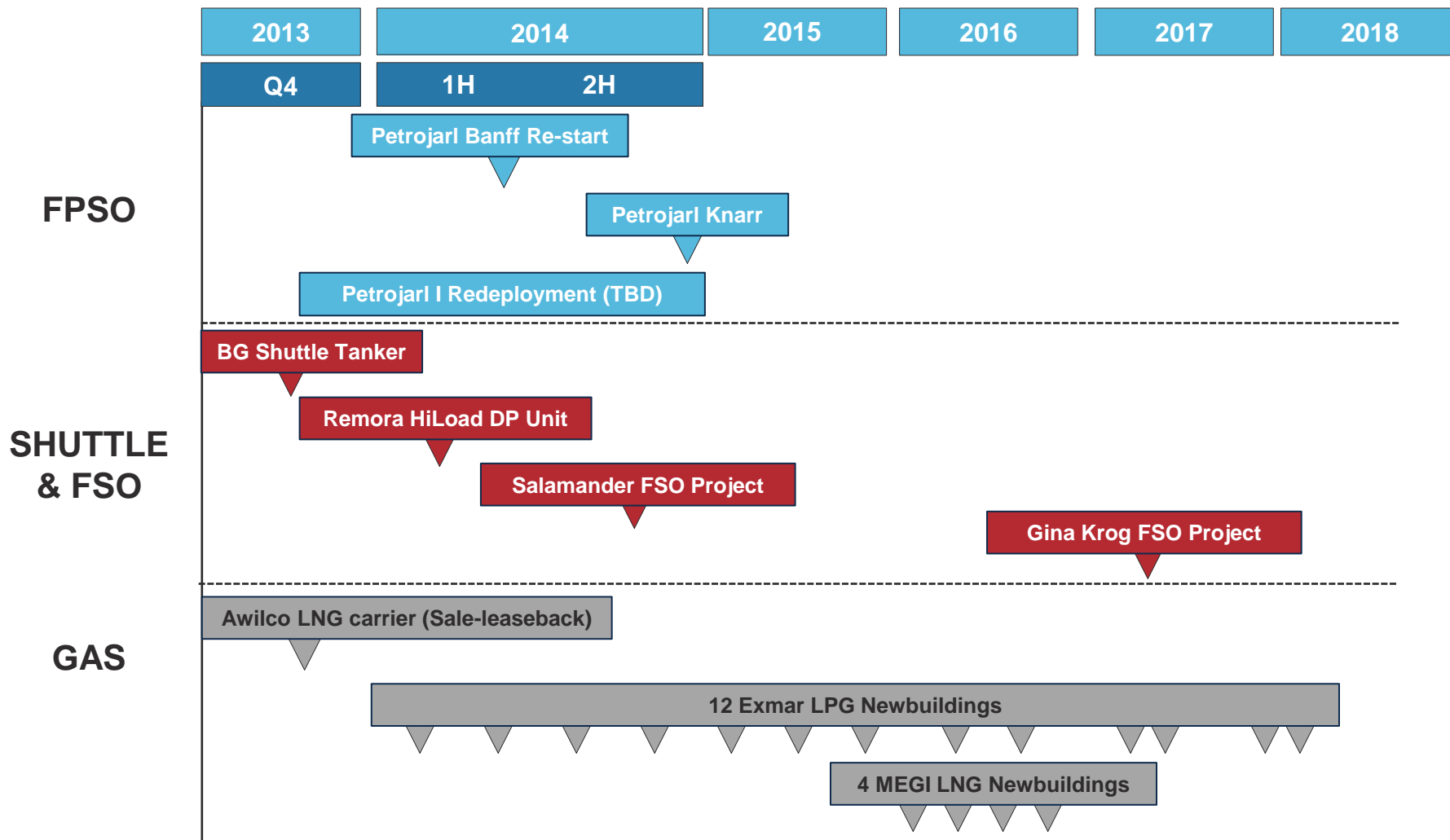
3) Adjusted net loss attributable to stockholders of Teekay for Q3-12 excludes specific items which increased GAAP net loss by \$0.3m, or \$0.00 per share, as detailed in Appendix A of the Q3-13 earnings release.

4) Cash Available for Distribution (CAD) represents net income (loss), plus depreciation and amortization, unrealized losses from derivatives, non-cash items and any write-offs of other non-recurring items, less unrealized gains from derivatives.

Operational and Commercial FPSO Update

FPSO	Update	Commentary
<i>Voyageur Spirit</i> FPSO	Repairs completed	Achieved full production capacity and has been on full rate since Aug 27 th , and is now waiting on the certificate of final acceptance on completion of operational tests.
<i>Foinaven</i> FPSO	Repairs on track	First compressor repaired in late Aug-2013 and unit is currently producing 35,000 bbls per day. Repairs to second compressor expected to be completed in Q4-13.
<i>Knarr</i> FPSO Newbuilding	Delayed by customer to Q4-14	BG decided the unit will service two combined fields. As a result, design modifications to the unit's mooring table were ordered by BG.
<i>Hummingbird Spirit</i> FPSO	Contract extension	Centrica Energy extended contract up to March 2016.

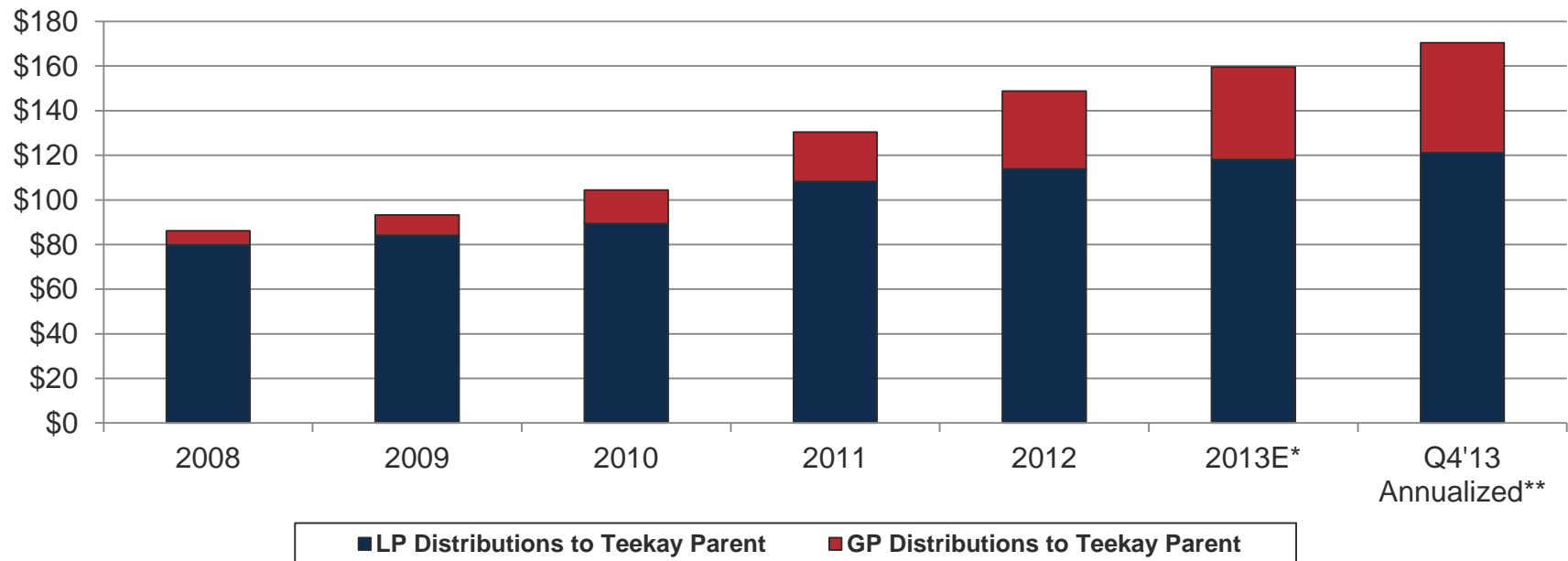
Continued Focus on Project Execution



Organic Growth and Acquisitions Continuing to Yield Results

- Both TOO and TGP intend to increase Q4'13 L.P. distributions by 2.5%, adding further to GP distributions as both TOO and TGP GP Incentive distribution rights (*IDRs*) are in the 50% high-splits

TOO & TGP Cash Distributions to Teekay Parent



- More growth to come in both the offshore and gas businesses through current projects, new growth opportunities and on-the-water acquisitions

* 2013 based on 2013 year-to-date and the expected 2.5% distribution increase for both TGP and TOO in Q4'13.

** Based on the expected 2.5% distribution increase for both TGP and TOO in Q4'13 annualized.

Q3 2013 Consolidated Adjusted Statement of Income (loss)

	Three Months Ended September 30, 2013			Three Months Ended June 30, 2013	
	As Reported	Appendix A Items (1)	Reclass for Realized Gains/ Losses on Derivatives (2)	As Adjusted	As Adjusted
(in thousands of US dollars, except per share amounts)					
NET REVENUES					
Revenues	454,795	-	-	454,795	429,616
Voyage expenses	28,022	-	-	28,022	26,154
Net revenues	426,773	-	-	426,773	403,462
OPERATING EXPENSES					
Vessel operating expenses	217,579	-	422	218,001	194,741
Time charter hire expense	25,486	-	-	25,486	26,544
Depreciation and amortization	109,114	-	-	109,114	108,673
General and administrative	31,932	(19)	506	32,419	33,110
Asset impairments and provisions	72,846	(72,846)	-	-	-
Gain on sale of vessels and equipment	(726)	726	-	-	-
Restructuring charges	461	(461)	-	-	-
Total operating expenses	456,692	(72,600)	928	385,020	363,068
(Loss) income from vessel operations	(29,919)	72,600	(928)	41,753	40,394
OTHER ITEMS					
Interest expense	(45,817)	-	(29,944)	(75,761)	(74,812)
Interest income	1,543	-	-	1,543	2,018
Realized and unrealized loss on derivative instruments	(26,707)	(4,527)	31,234	-	-
Equity income	26,753	2,393	-	29,146	30,196
Income tax recovery (expense)	662	-	-	662	(1,873)
Foreign exchange loss	(11,837)	12,199	(362)	-	-
Other - net	625	-	-	625	700
Total other items	(54,778)	10,065	928	(43,785)	(43,771)
Net loss	(84,697)	82,665	-	(2,032)	(3,377)
Less: Net loss (income) attributable to non- controlling interest	35,593	(69,575)	-	(33,982)	(29,947)
NET LOSS ATTRIBUTABLE TO STOCKHOLDERS OF TEEKAY CORP.	(49,104)	13,090	-	(36,014)	(33,324)
Fully diluted loss per share	(0.69)			(0.51)	(0.47)

1 See Appendix to this presentation for description of Appendix A items.

2 Please refer to footnotes (2) and (5) to the Summary Consolidated Statements of Loss (Income) in the Q3-13 earnings release.

Q4 2013 Outlook – Teekay Consolidated

Income Statement Item	Q4-2013 Outlook
Net Revenues	<ul style="list-style-type: none"> » <u>Fixed-Rate Fleet (expected changes from Q3-13):</u> <ul style="list-style-type: none"> • \$30m increase from the Foinaven FPSO, resulting from higher production and the recognition of the annual operational and oil price tariff revenue for 2013 • \$10m increase from a full quarter's revenue from the Voyageur Spirit FPSO • \$5m increase from the BG shuttle tanker newbuildings • \$4m increase from the two Awilco LNG carriers • \$17m decrease from FEED study revenue recognized in Q3-13 » <u>Spot-Rate Fleet (expected changes from Q3-13):</u> <ul style="list-style-type: none"> • Net revenue days consistent with Q3-13 • Approximately 40% of Q4-13 spot revenue days for Aframaxes and Suezmaxes fixed at \$11,000/day, compared to \$13,000/day and \$13,800/day, respectively, in Q3-13
Vessel Operating Expenses (OPEX)	<ul style="list-style-type: none"> » After removal of Q3-13 FEED study-related OPEX of \$20m, decrease of \$5m from lower repairs and maintenance in the FPSO fleet, partially offset by an increase of \$3m from the BG shuttles and other items
Time-charter Hire Expense	<ul style="list-style-type: none"> » Decrease of \$3m due to the re-delivery of one in-chartered shuttle tanker during Q4-13
Depreciation & Amortization	<ul style="list-style-type: none"> » Expected to be consistent with Q3-13 as BG shuttle tanker deliveries are offset by lower depreciation from Q3-13 vessel impairments
General & Administrative	<ul style="list-style-type: none"> » Expected to be approximately \$33m
Net Interest Expense	<ul style="list-style-type: none"> » Increase of approximately \$5m primarily from BG shuttle tanker deliveries, TGP's NOK bond for a full quarter and the Awilco LNG carriers
Equity Income	<ul style="list-style-type: none"> » Expected to be consistent with Q3-13
Income Tax Expense	<ul style="list-style-type: none"> » Approximately \$1m
Non-controlling Interest Expense	<ul style="list-style-type: none"> » Expected range: \$49m to \$51m, increase primarily due to higher income expected in TOO

Execution Plan

Increasing Teekay Parent
Free Cash Flow and NAV

Deleveraging
Teekay Parent
Balance Sheet

Improving
Profitability of
Existing Assets

Support Future
Daughter
Growth

Appendix



Q3 2013 Appendix A Item Description

(in thousands of US dollars)	Q3 - 2013	
	<u>Appendix A Items</u>	<u>Explanation of Items</u>
NET VOYAGE REVENUES		
Revenues	-	
Voyage expenses	-	
Net revenues	<u>-</u>	
OPERATING EXPENSES		
Vessel operating expense	-	
Time charter hire expense	-	
Depreciation and amortization	-	
General and administrative	(19)	Unrealized losses on derivative instruments
Asset impairments and provisions	(72,846)	Impairment charges on four shuttle tankers, and provisions for investments in term loans and loan to a joint venture partner's parent
Gain on sale of vessels and equipment	726	Gain on sale of one conventional tanker
Restructuring charges	(461)	Restructuring of marine operations
Total operating expenses	<u>(72,600)</u>	
Loss from vessel operations	72,600	
OTHER ITEMS		
Interest expense	-	
Interest income	-	
Realized and unrealized loss on derivative instruments	(4,527)	Unrealized gains on derivative instruments and realized loss on early termination of an interest rate swap
Equity income	2,393	Unrealized gains on derivative instruments in joint ventures, share of severance accrual in a joint venture, and share of write-down of a receivable in a joint venture
Income tax recovery	-	
Foreign exchange loss	12,199	Unrealized foreign exchange losses
Other - net	-	
Total other items	<u>10,065</u>	
Net loss	82,665	
Less: Amount attributable to non-controlling interest	(69,575)	Non-controlling interest on applicable items noted above
NET LOSS ATTRIBUTABLE TO STOCKHOLDERS OF TEEKAY CORP.	<u>13,090</u>	

Q2 2013 Consolidated Adjusted Income Statement

Three Months Ended
June 30, 2013

(in thousands of US dollars, except per share amounts)

	As Reported	Voyageur VIE	Appendix A Items (1)	Reclass for Realized Gains/ Losses on Derivatives (2)	As Adjusted
NET REVENUES					
Revenues	430,707	(1,091)	-	-	429,616
Voyage expenses	26,154	-	-	-	26,154
Net revenues	404,553	(1,091)	-	-	403,462
OPERATING EXPENSES					
Vessel operating expenses	195,978	(1,097)	-	(140)	194,741
Time charter hire expense	26,544	-	-	-	26,544
Depreciation and amortization	109,769	(1,096)	-	-	108,673
General and administrative	35,395	(1,424)	(1,011)	150	33,110
Loss on sale of vessels and asset impairments	5,701	-	(5,701)	-	-
Restructuring charges	1,789	-	(1,789)	-	-
Total operating expenses	375,176	(3,617)	(8,501)	10	363,068
Income from vessel operations	29,377	2,526	8,501	(10)	40,394
OTHER ITEMS					
Interest expense	(44,687)	272	-	(30,397)	(74,812)
Interest income	2,018	-	-	-	2,018
Realized and unrealized gain (loss) on derivative instruments	56,035	298	(87,242)	30,909	-
Equity income	47,372	-	(17,176)	-	30,196
Income tax expense	(1,873)	-	-	-	(1,873)
Foreign exchange gain (loss)	678	271	(447)	(502)	-
Other - net	(1,386)	24	2,062	-	700
Total other items	58,157	865	(102,803)	10	(43,771)
Net income (loss)	87,534	3,391	(94,302)	-	(3,377)
Less: Net income attributable to non-controlling interest	(76,167)	(3,391)	49,611	-	(29,947)
NET INCOME (LOSS) ATTRIBUTABLE TO STOCKHOLDERS OF TEEKAY CORP.	11,367	-	(44,691)	-	(33,324)
Fully diluted earnings (loss) per share	0.16				(0.47)

(1) (2) Please see Appendix A in the Company's Q2-13 earnings release.

Teekay Parent Sum-of-Parts Update

(\$ millions, except per share amounts)

Teekay Parent Assets

Conventional Tankers ¹	\$152
FPSOs ¹	530
Newbuilding ²	606
JVs and Other Investments	75

FMV of Teekay Parent Assets **\$1,363**

Teekay Parent Net Debt as at September 30, 2013 **\$(1,136)**

Equity Value of Teekay Parent Assets **\$227**

Teekay Parent Equity Investment in Daughters ^{3,4}

TGP	\$1,050
TOO	827
TNK	55
Sevan Marine	100
Implied value of GP equity ⁵	1,360

Total Equity Investment in Daughters **\$3,392**

Teekay Parent Net Asset Value **\$3,619**

Teekay Corporation Shares Outstanding (millions) 70.8

Teekay Parent Net Asset Value per Share **\$51.12**

Teekay Corporation Current Share Price (Nov 6,13) **\$43.95**

GP Ticker	P/DCF multiple	% DCF to GP
KMI	23.5x	45.6%
AHGP	19.9x	44.0%
WMB	16.1x	33.8%
PAGP	33.1x	33.0%
TRGP	26.7x	27.8%
OKE	19.1x	22.5%
XTXI	35.2x	19.8%
ATLS	27.6x	9.1%
ETE	24.7x	8.5%
WGP	48.6x	5.0%
Average	27.5x	24.9%

AVG= 34.0x

TOO	TGP
7.7%	11.2%

Does not yet include uplift from TOO & TGP expected cash distribution increases of 2.5% in Q4-2013

~14% discount

- 1) Management estimates.
- 2) Progress payments on existing newbuilding as of September 30, 2013.
- 3) Based on Teekay Parent's current percentage of TGP, TOO, TNK and Sevan Marine ownership.

- 4) Closing share prices as of November 6, 2013.
- 5) Implied value calculated by annualizing Q3-13 GP cash flows of \$10.0m and multiplying by the current 34.0x average P/DCF multiple for publicly traded GPs that are early in the GP splits.

Teekay Group Capital Commitments

- Teekay Group's remaining capital commitments relating to its portion of acquisitions and newbuildings as at September 30, 2013, including recent transactions announced after September 30, 2013:

(in Millions)	2013	2014	2015	2016	2017	2018	Total
Teekay Offshore ⁽¹⁾	\$85	\$75	\$95	\$69	-	-	\$324
Teekay LNG ⁽²⁾	\$165	\$123	\$134	\$595	\$39	\$35	\$1,091
Teekay Parent ⁽³⁾	\$14	\$352	-	-	-	-	\$366
Total Teekay Consolidated	\$264	\$550	\$229	\$664	\$39	\$35	\$1,781

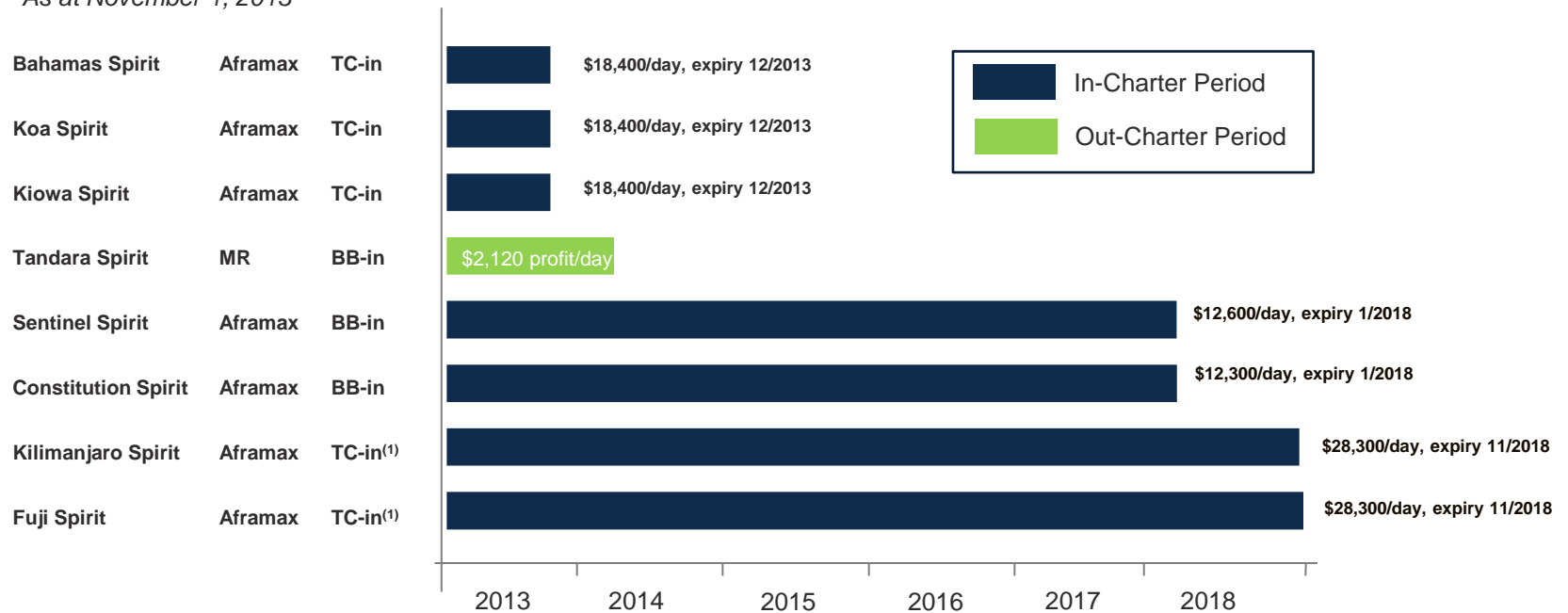
(1) Includes capital expenditures related to one newbuilding shuttle tanker and two FSO unit conversions using existing shuttle tankers.

(2) Includes capital expenditures related to four newbuilding LNG carriers, Teekay LNG's 50 percent interest in the 12 newbuilding LPG carriers being constructed for the Exmar LPG BVBA joint venture and Teekay LNG's acquisition of one LNG carrier newbuilding from Awilco LNG ASA.

(3) Includes remaining capital expenditures related to the *Petrojarl Knarr* FPSO newbuilding.

Teekay Parent In-Chartered Conventional Tanker Fleet Rapidly Rolling Off

As at November 1, 2013



(1) In-chartered vessel owned by Teekay Offshore Partners.

2013 and 2014 Drydock Schedule

Entity	Segment	March 31, 2013 (A)		June 30, 2013 (A)		September 30, 2013 (A)		December 31, 2013 (E)		Total 2013		Total 2014	
		Vessels Off-hire	Total Off-hire Days	Vessels Off-hire	Total Off-hire Days	Vessels Off-hire	Total Off-hire Days	Vessels Off-hire	Total Off-hire Days	Vessels Off-hire	Total Off-hire Days	Vessels Off-hire	Total Off-hire Days
Teekay Parent	Spot Tanker	-	-	-	-	-	-	1	33	1	33	3	72
	Fixed-Rate Tanker	-	-	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	1	33	1	33	3	72
Teekay LNG	Fixed-Rate Tanker	-	-	1	25	-	-	2	60	3	85	3	68
	Liquefied Gas	1	41	1	21	-	-	-	-	2	62	3	48
	LNG Carriers in equity accounted for investments	1	28	-	-	-	-	-	-	1	28	2	40
		2	69	2	46	-	-	2	60	6	175	8	156
Teekay Offshore	Spot Tanker	-	-	-	-	1	26	-	-	1	26	-	-
	Fixed-Rate Tanker	-	-	-	-	-	-	-	-	-	-	1	26
	FSO	-	-	-	-	-	-	-	-	-	-	-	-
	Shuttle Tanker	1	32	1	32	2	48	1	32	5	144	7	245
		1	32	1	32	3	74	1	32	6	170	8	271
Teekay Tankers	Spot Tanker	1	21	-	-	1	34	2	83	4	138	3	58
	Fixed-Rate Tanker	1	20	1	22	2	56	1	19	5	117	4	102
		2	41	1	22	3	90	3	102	9	255	7	160
Teekay Consolidated	Spot Tanker	1	21	-	-	2	60	3	116	6	197	6	130
	Fixed-Rate Tanker	1	20	2	47	2	56	3	79	8	202	8	196
	Liquefied Gas	1	41	1	21	-	-	-	-	2	62	3	48
	FSO	-	-	-	-	-	-	-	-	-	-	-	-
	Shuttle Tanker	1	32	1	32	2	48	1	32	5	144	7	245
	LNG Carriers in equity accounted for investments	1	28	-	-	-	-	-	-	1	28	2	40
		5	142	4	100	6	164	7	227	22	633	26	659

Note: In the case that a vessel off-hire straddles between quarters, the off-hire has been allocated to the quarter in which the majority of off-hire days occur.

Teekay Parent Conventional Tanker Fleet Performance

	Q3-13	Q2-13	Q3-12
Suezmax			
Gemini Suezmax Pool average spot TCE rate ⁽¹⁾	\$ 13,800	\$ 12,000	\$ 13,724
Spot revenue days ⁽²⁾	368	364	405
Average time-charter rate ⁽³⁾	\$ 21,600	\$ 20,300	\$ -
Time-charter revenue days	134	182	-
Aframax			
Teekay Aframax Pool average spot TCE rate ^{(1) (4) (5)}	\$ 14,100	\$ 12,000	\$ 12,242
Spot revenue days ⁽²⁾	489	525	629
Average time-charter rate ⁽³⁾	\$ 13,700	\$ 14,100	\$ 19,647
Time-charter revenue days	92	178	355
MR			
Average time-charter rate ⁽³⁾	\$ 41,200	\$ 44,400	\$ 46,477
Time-charter revenue days	92	91	92

(1) Average spot rates include short-term time-charters and fixed-rate contracts of affreightment that are initially under a year in duration and third-party vessels trading in the pools.

(2) Spot revenue days include total owned and in-chartered vessels in the Teekay Parent fleet, but exclude vessels commercially managed on behalf of third parties. Suezmax spot revenues days exclude vessels on back-to-back in-

(3) Average time-charter rates include realized gains and losses of FFAs, bunker hedges, short-term time-charters, and fixed-rate contracts of affreightment that are initially one year in duration or greater.

(4) Excludes vessels greater than 15 years-old.

(5) The average Teekay Aframax spot TCE table (including vessels greater than 15 years old and realized results of bunker hedging and FFAs) was \$12,800 per day, \$10,800 per day, and \$12,515 per day during the three months ended September 30, 2013, June 30, 2013, and September 30, 2012, respectively.



TEEKAY CORPORATION