Teekay Offshore Partners and Teekay LNG Partners

NAPTP Conference-May 23/24, 2012

Teekay's MLPs

TEEKAY LNG PARTNERS L.P.

NYSE: TGP

- Market Cap: $2.5bn*
- Strong Sponsor
  - Teekay Corp Ownership: 40.1% (incl. 2% GP interest)
- Core Focus: LNG & LPG projects
- Contracts: 10 – 25 year fixed-rate
- Recently acquired 52% of 6 LNG Carriers from A.P. Moller-Maersk
- Tax Treatment: K1 filer
- Current Quarterly Distribution: $0.675/unit
  - Q1 distribution increased by 7.0%

- Current Yield: 7.0%*

TEEKAY OFFSHORE PARTNERS L.P.

NYSE: TOO

- Market Cap: $2.0bn*
- Strong Sponsor
  - Teekay Corp Ownership: 33.0% (incl. 2% GP interest)
- Core Focus: Deep water offshore production and transport projects
- Contracts: 3 – 10 year fixed-rate
- Available Growth From Sponsor:
  - 4+3 FPSO units
- Tax Treatment: 1099 filer
- Current Quarterly Distribution: $0.5125/unit
  - Q1 distribution increased by 2.5%

- Current Yield: 7.3%*

*As at May 17, 2012

Teekay Offshore Partners

NYSE: TOO

IPO Date: Dec. 13, 2006

Current Unit Price: $28.10*

Current Yield: 7.3%**

*As at May 17, 2012
**Based on an annualized dividend of $2.05 per unit

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: the Partnership's future operating results and growth prospects; growth prospects of the markets in which the Partnership and Teekay Corporation operate, including generally and in specific regions (such as the North Sea and Brazil) and in specific market segments (such as the FPSO, FSO and shuttle tanker segments); opportunities for the Partnership to acquire assets from Teekay Corporation, including, among others, Teekay's existing FPSO units; the Partnership's and Teekay Corporation's positioning to take advantage of growth opportunities, including, among other things, the potential for Teekay to secure future FPSO and other offshore projects which may be offered to the Partnership for purchase; and vessel delivery dates. 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 offshore oil, either generally or in particular regions; 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; the potential for early termination of long-term contracts and inability of the Partnership to renew or replace long-term contracts; required approvals by the board of directors of Teekay Corporation and of the Partnership's general partner (including the conflicts committee of the board of such general partner) to acquire from Teekay Corporation additional vessels; the Partnership's ability to finance the purchase of additional vessels; and potential delays in vessels deliveries, and other factors; and other factors discussed in Teekay Offshore's filings from time to time with the SEC, including its Report on Form 20-F for the fiscal year ended December 31, 2010. The Partnership 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 Partnership's expectations with respect thereto or any change in events, conditions or circumstances on which any such statement is based.

Investment Highlights

» Stable Operating Model

- Revenues generated from diversified portfolio of fixed-rate contracts with major oil companies

» Leading Market Positions

- Teekay is a market leader in harsh weather FPSO operations
- World's largest owner and operator of shuttle tankers with a market leading position in the North Sea and Brazil

» Partnership growth through accretive acquisitions of assets

- Five FPSO units available for purchase from Sponsor, Teekay Corporation
  - Two additional units from recent Sevan transaction
- Four newbuilding shuttle tankers on long-term charter to BG Brazil delivering mid-to late 2013

» Industry in Growth Mode

- Offshore oil production and shuttle transportation remains an area of growth
  - Expect substantial new projects under all oil price scenarios
  - New offshore projects developed by Sponsor must be offered to Teekay Offshore

» Advantageous Tax Structure

- Teekay Offshore is a 1099 filer – no K-1 reporting requirements

Original Strategy Still Drives Management

Teekay Offshore's business objective hasn't changed since IPO in 2006:

Increase distributions per unit by executing on the following strategies:

» **Expand global operations in high growth regions**

- Focus on Brazil and new fields in the North Sea

» **Pursue additional opportunities in the FPSO sector**

- FPSO sector expanding again, in addition to 7 FPSOs at Sponsor

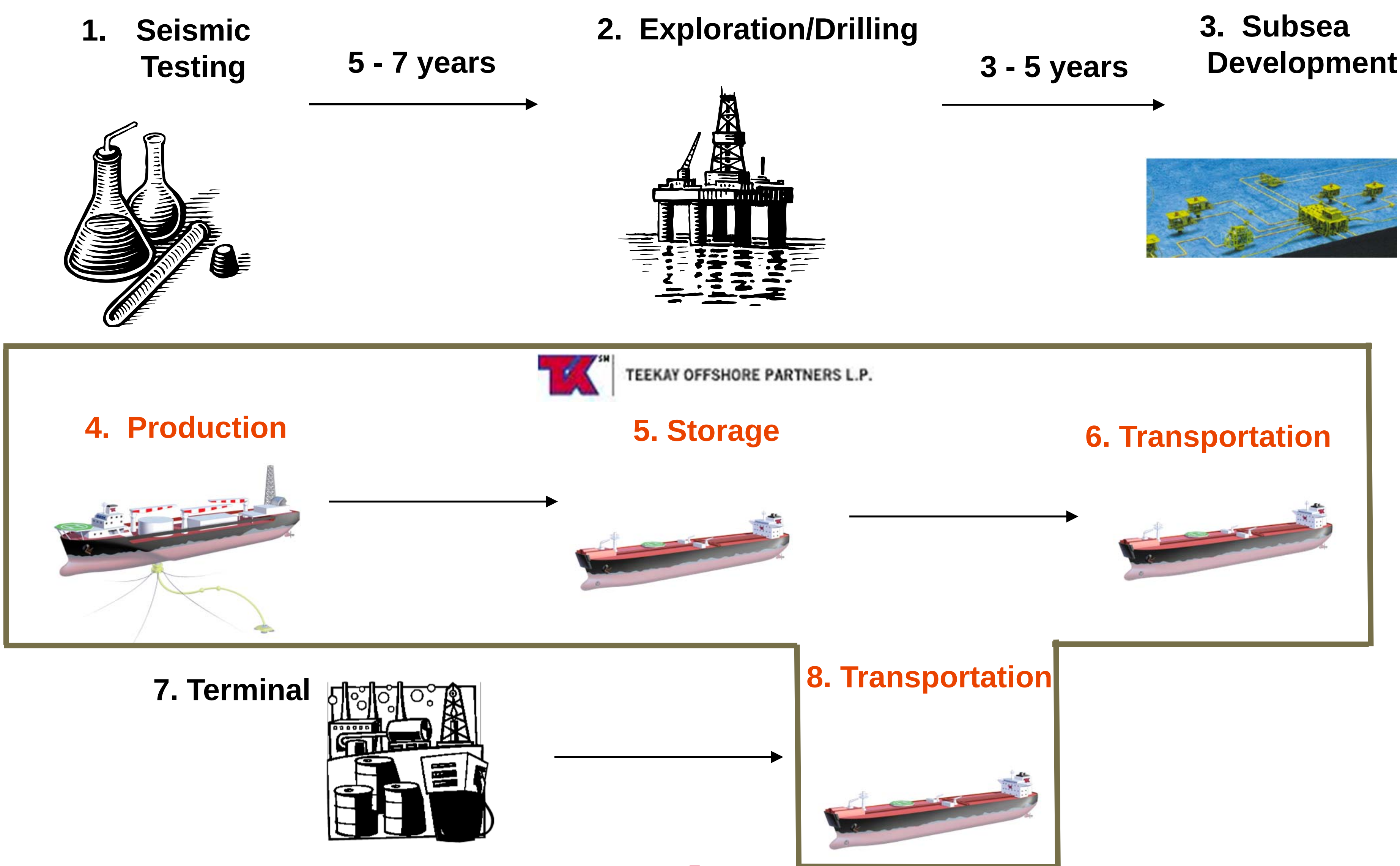
» **Acquire additional vessels on long-term fixed-rate contracts**

- All vessels acquired will be servicing contracts – no speculative ordering

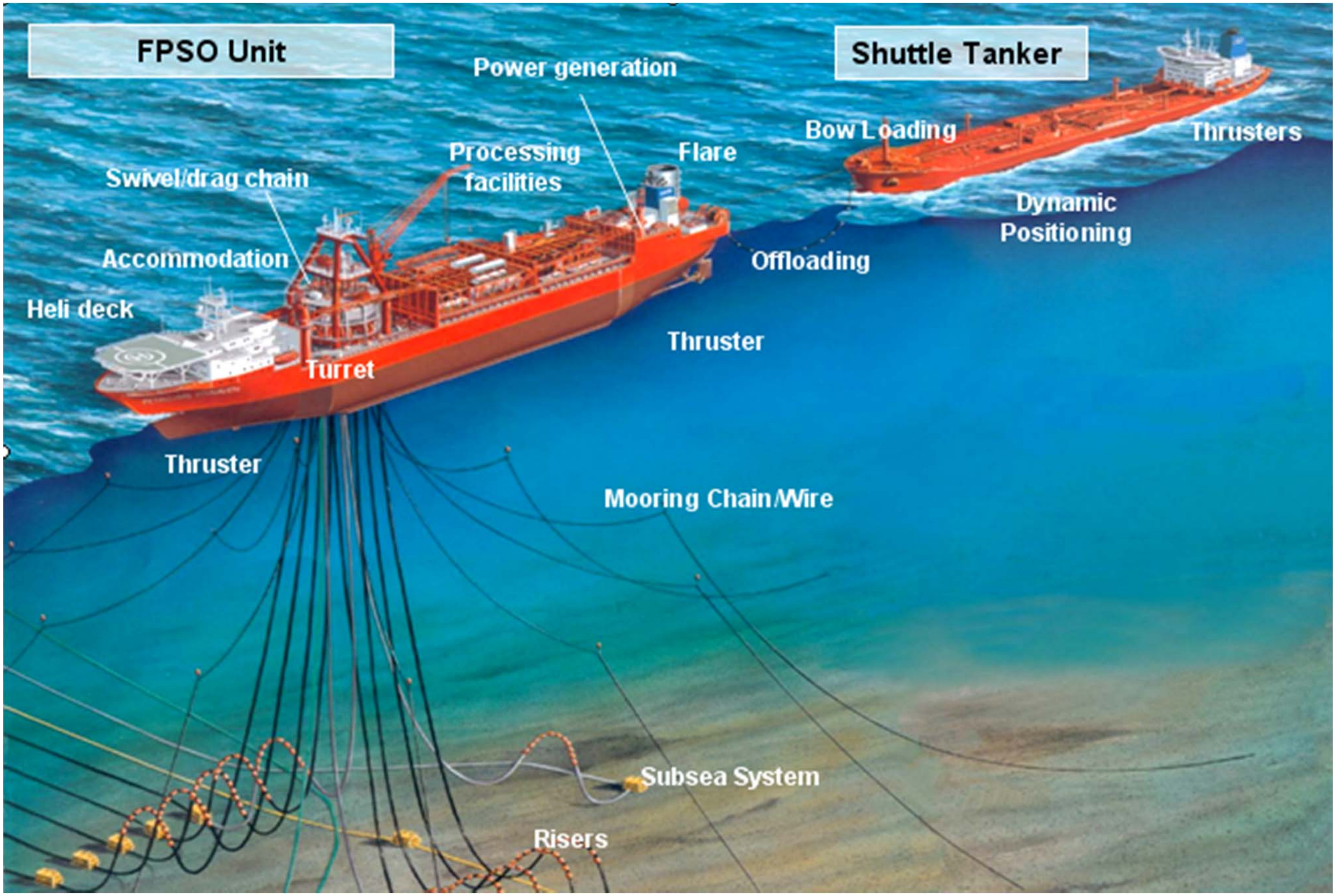
» **Provide superior customer service by maintaining high reliability, safety, environmental and quality standards**

- Operational expertise is a competitive advantage

Teekay Offshore in the Offshore Value Chain

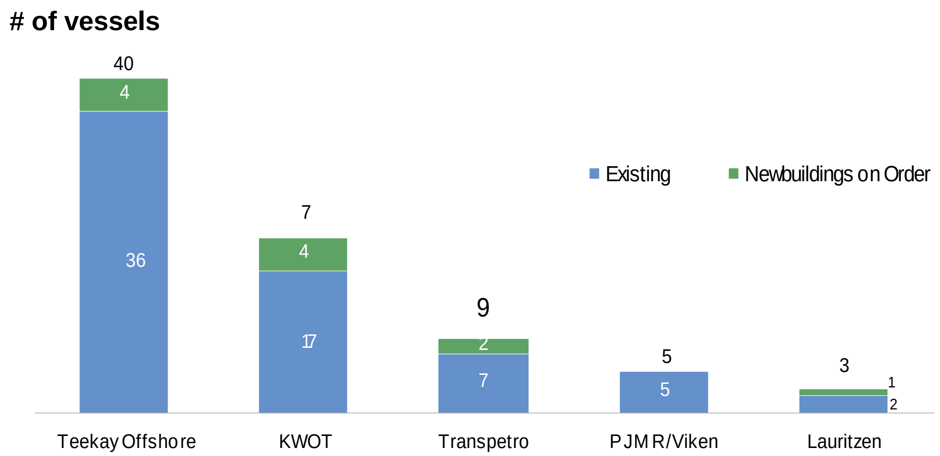


Example of Teekay Offshore’s Bundled Service Offering



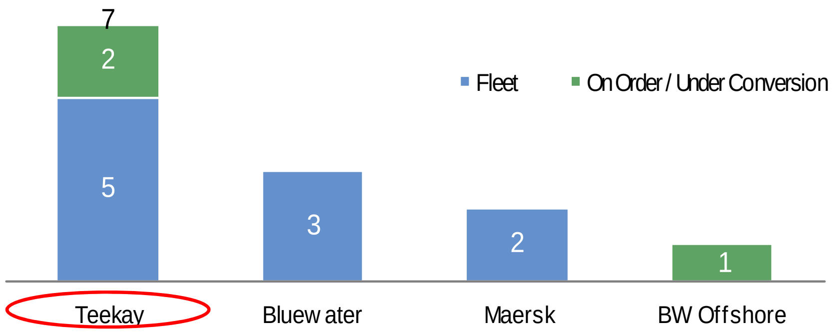
Teekay Offshore is a Market Leader in its Core Segments

Largest Operator of Shuttle Tankers



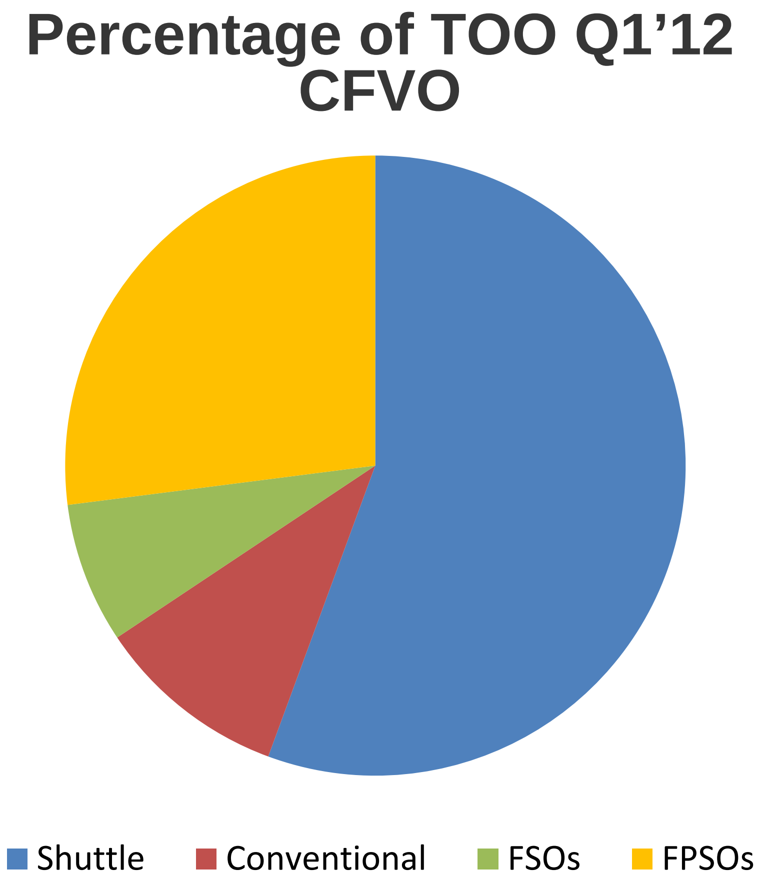
Teekay Offshore Controls More Than 50% of the World's Fleet

Teekay/TOO Largest Leased Operator of North Sea FPSOs



Source: Clarkson Research Services, Platou, Company Websites, Industry Sources.

Diversified Operations from Four Business Segments



	Cash Flow Characteristics
Shuttle Tanker Segment **(56%)**	Mix of CoAs (volume based, fixed-rate) and time-charter/bareboat contracts
Conventional Tanker Segment **(10%)**	Long-term fixed-rate time-charter contracts
FSO Segment **(7%)**	Long-term fixed-rate time-charter contracts
FPSO Segment **(27%)**	Long-term fixed-rate time-charter with upside based on amount of oil production

Cash Flows Backed by High Credit Quality Customers

Long-Term Contract Portfolio With Strong Counterparties

» Substantial portfolio of long-term, fixed-rate contracts with high quality oil and gas companies

- Total forward fixed-rate revenues of $4.1 billion
- Weighted average remaining contract life of over 5.0 years

	Shuttle Tankers	FPSO Units	FSO Units	Conventional Tankers
# of units	40	3	5	10
Average Contract Life	5.6 years	4.2 years	3.6 years	3.6 years
Forward Revenues	$2.7 bn	$0.9 bn	$0.2 bn	$0.3 bn

High Quality Customers

Significant Visible Growth Opportunities for Teekay Offshore

Near-term **Medium-term** **Longer-term**

Sevan Piranema (Petrobras)

Acquired directly by TOO

50% of Tiro & Sidon (Petrobras)

Under Construction

Knarr FPSO (BG)

Sevan Hummingbird (Centrica)

Petrojarl Banff (CNR)

Petrojarl Foinaven (BP)

Sevan Voyageur (E.ON)

Under Construction

4 BG Shuttle Tankers

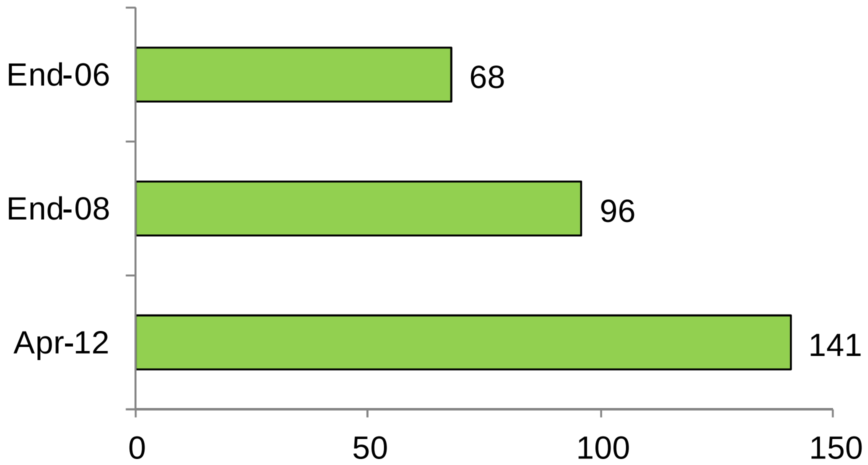
Directly ordered by TOO

Petrojarl I (Statoil)

Omnibus Agreement with Sevan Expected to Provide Additional Growth Opportunities

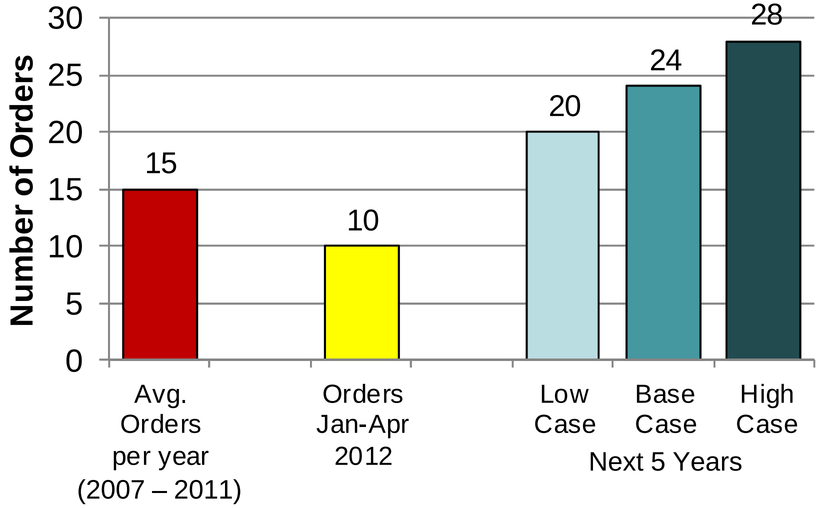
FPSO Business Update

Number of FPSO Projects in the Planning Stage



Source: IMA

Forecast of Annual FPSO Orders in Next 5 Years



Source: IMA

FPSO Market Outlook

» The number of projects which could require an FPSO has doubled in the past five years

» Estimate of 20-28 FPSO orders per year over the next five years depending on the global economy, oil demand, energy prices

- 60% leased vs. 40% owned
- Redeployment of existing units to account for ~20% of demand

Teekay's FPSO Activity

» Tiro Sidon* and Voyageur Spirit FPSOs on-track for first oil in Q4-12

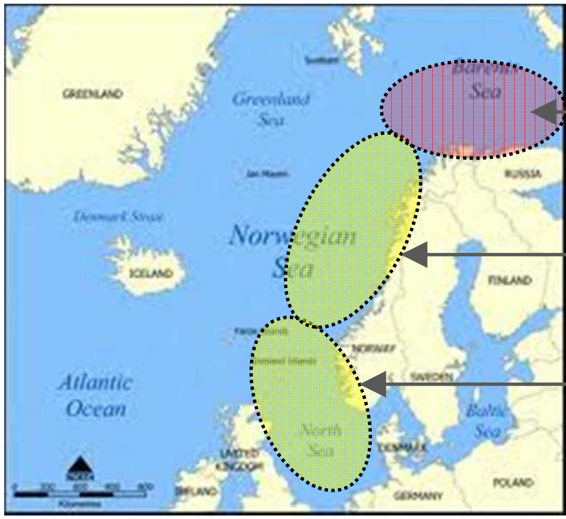
» Knarr FPSO project proceeding on time and budget

» Involved in several FEED studies for new FPSO projects

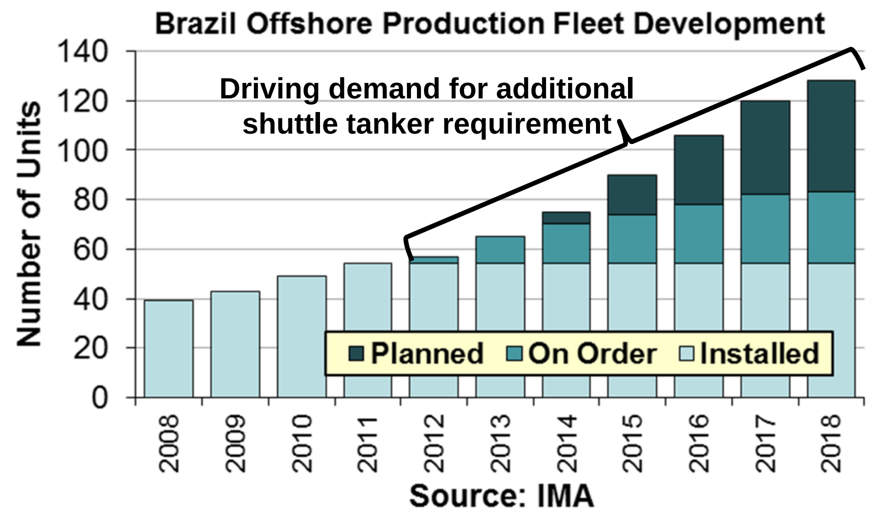
* To be named the *Cidade de Itajai*.

Shuttle Tanker Business Update

Demand Growing for High Spec Shuttle Tankers



More Brazilian Requirements Expected Later This Year



Shuttle Tanker Market Outlook

» Increasing need for high spec shuttle tankers to serve oilfields in the Barents Sea
  - Goliat
  - Skrugard

» Requirement for new shuttle tankers in Brazil expected to emerge later this year

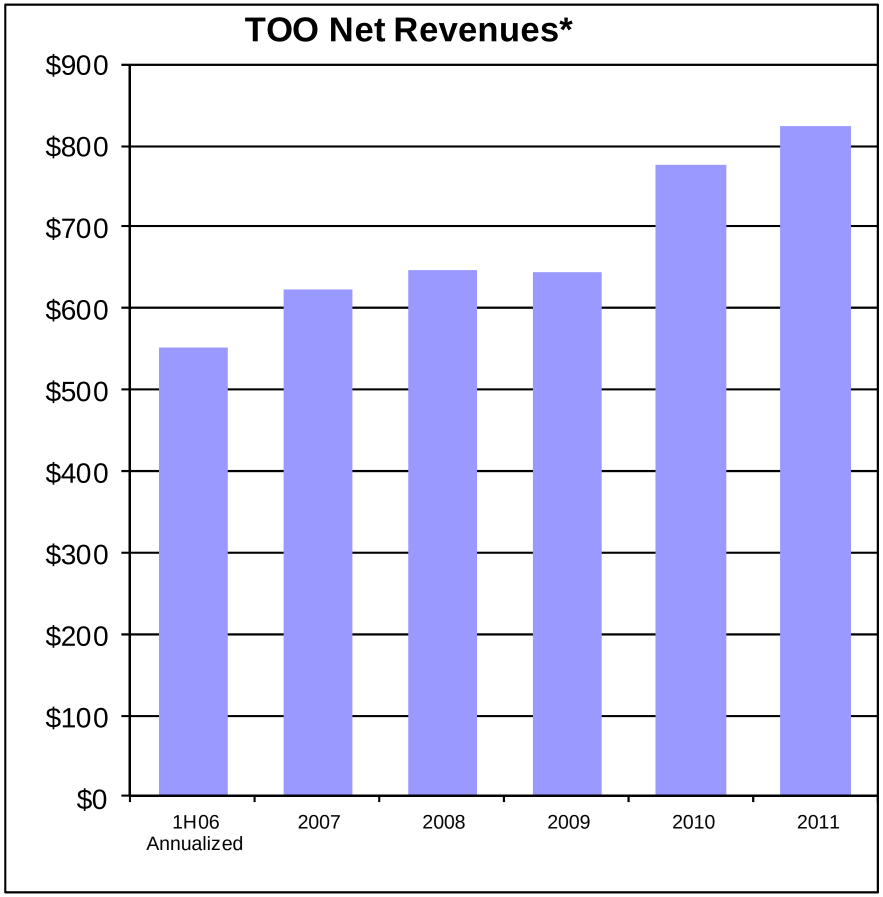
Teekay's Shuttle Tanker Activity

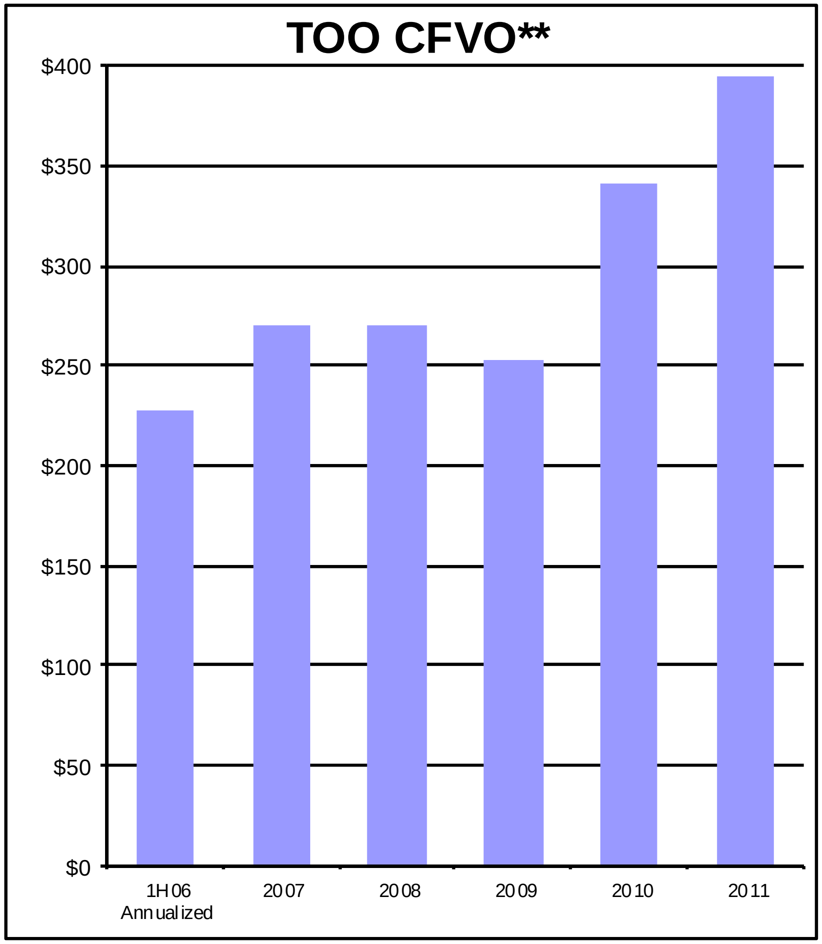
» Contracts for two shuttle tankers, one in Brazil and one in North Sea, extended for 12 and 24 months, respectively

» Strong tendering activity linked to field developments in the Barents Sea

» Construction of BG shuttles underway

Key Financial Information





* Net revenues represents revenues less voyage expenses, which comprise all expenses relating to certain voyages, including bunker fuel expenses, port fees, canal tolls and brokerage commissions. Net revenues is a non-GAAP financial measure used by certain investors to measure the financial performance of shipping companies. Please see the Partnership's web site at www.teekayoffshore.com for a reconciliation of this non-GAAP measure as used in this release to the most directly comparable GAAP financial measure.

** Cash flow from vessel operations represents income from vessel operations before depreciation and amortization expense and amortization of deferred gains, includes the realized gains (losses) on the settlements foreign exchange forward contracts and excludes the cash flow from vessel operations relating to the Dropdown Predecessor and adjusting for direct financing leases to a cash basis. Cash flow from vessel operations is a non-GAAP financial measure used by certain investors to measure the financial performance of shipping companies. Please see the Partnership's web site at www.teekayoffshore.com for a reconciliation of this non-GAAP measure as used in this release to the most directly comparable GAAP financial measure.

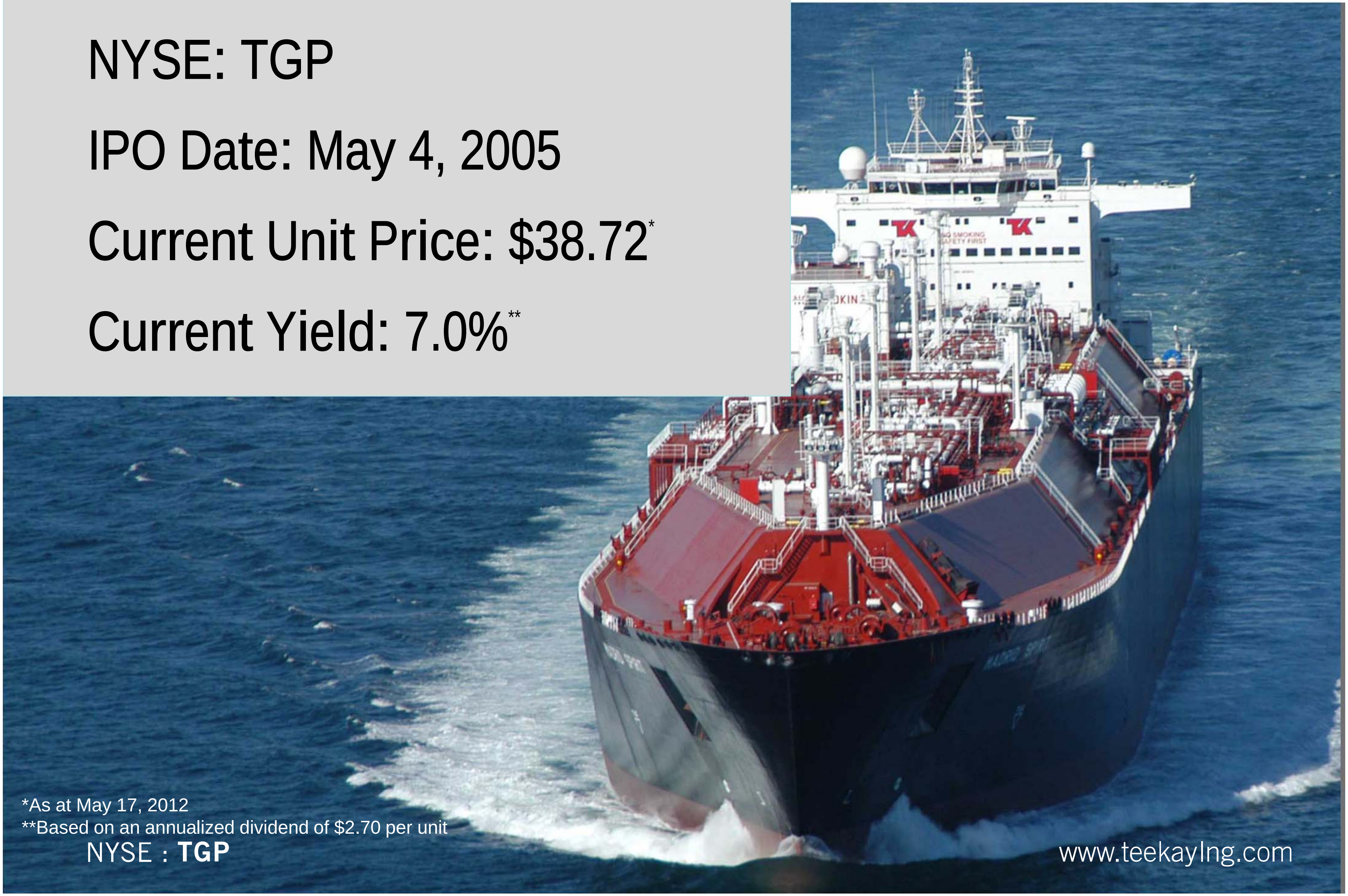
Teekay LNG Partners

NYSE: TGP

IPO Date: May 4, 2005

Current Unit Price: $38.72*

Current Yield: 7.0%**



*As at May 17, 2012
**Based on an annualized dividend of $2.70 per unit

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: the Partnership's future growth opportunities; the Partnership's financial position, including available liquidity; and the ability of the Partnership to pursue additional projects and acquisitions. 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 LNG or LPG, either generally or in particular regions; development of LNG and LPG projects; 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; the potential for early termination of long-term contracts of existing vessels in the Teekay LNG fleet and inability of the Partnership to renew or replace long-term contracts; the Partnership's ability to raise financing to purchase additional vessels or to pursue other projects; changes to the amount or proportion of revenues, expenses, or debt service costs denominated in foreign currencies; and other factors discussed in Teekay LNG Partners' filings from time to time with the SEC, including its Report on Form 20-F for the fiscal year ended December 31, 2011. The Partnership expressly disclaims any obligation to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Partnership's expectations with respect thereto or any change in events, conditions or circumstances on which any such statement is based.

Investment Highlights

» One of the world's largest LNG carrier owners

- Top 3 independent owner and operator of LNG carriers
- Market Capitalization of $2.5 billion (NYSE: TGP) with strong sponsorship from Teekay Corporation (NYSE: TK)

» Leading LNG shipping company with stable operating cash flow

- 100% of fleet operating under fixed-rate contracts (weighted avg. contract duration of ~14 years) primarily to major oil and gas companies
- $6.7 billion of forward fixed-rate revenues
- Modern fleet of avg. 6 years vs. global LNG fleet avg. of 10 years

» Solid LNG industry fundamentals

- Combination of surging LNG demand in Asia and abundant supply of gas in the U.S. and Australia underlies strength in LNG shipping market

» Strong financial position and access to equity capital

- No loan covenant concerns or unfunded CAPEX
- ~$440 million of liquidity including proceeds from recently completed NOK 700 million, $125 million unsecured bond
- no material debt balloon payments until 2018

Our Business Strategy

» Expand our LNG business through:

- Organic newbuilding projects
- Industry consolidation via acquisition of third party assets

» Generate stable cash flows through a portfolio of medium to long-term charter contracts

Al Areesh and Al Marrouna

» Leverage Teekay's customer and supplier relationships

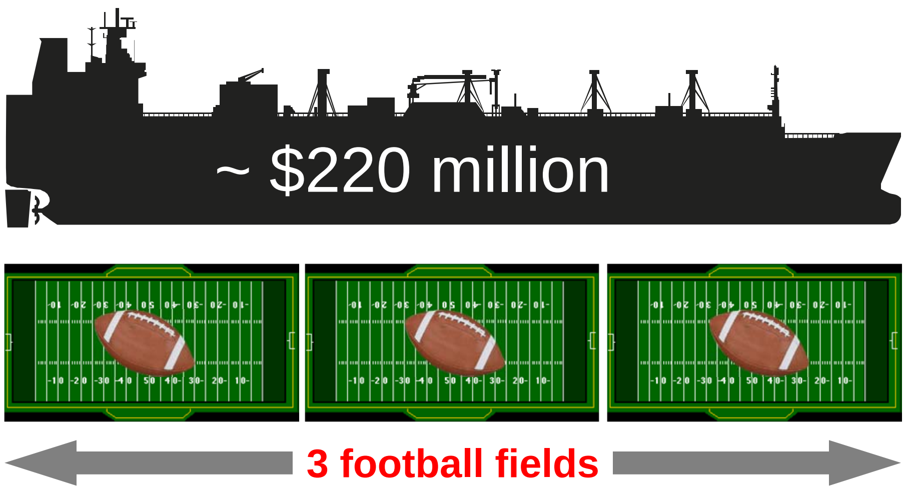
» Provide superior vessel operations

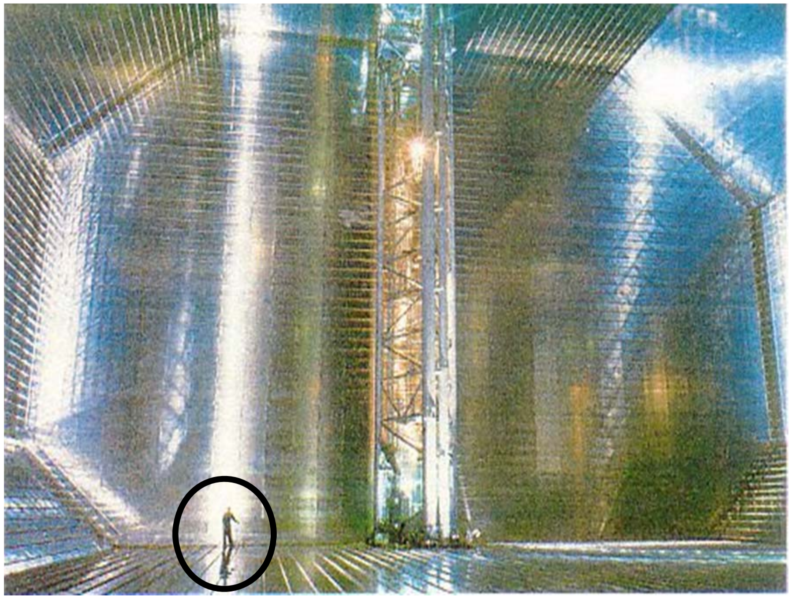
» Pursue specialized LNG project business

Objective: to increase distributable cash flow per unit

LNG Carrier Characteristics

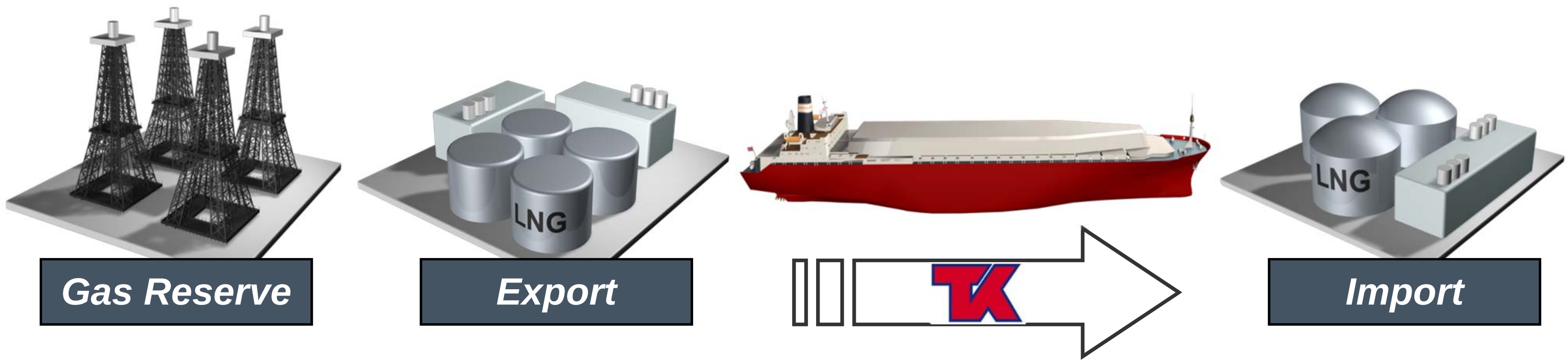
- Constructed to carry LNG, which is natural gas super-cooled to a liquid 1/600th the volume of its gaseous state
- Designed to handle low temperatures (-162ºC)
- Double hull construction complying with latest regulations





LNG Carriers are Floating Pipelines

A cost-effective means to transport natural gas overseas, where pipelines are not economical or feasible



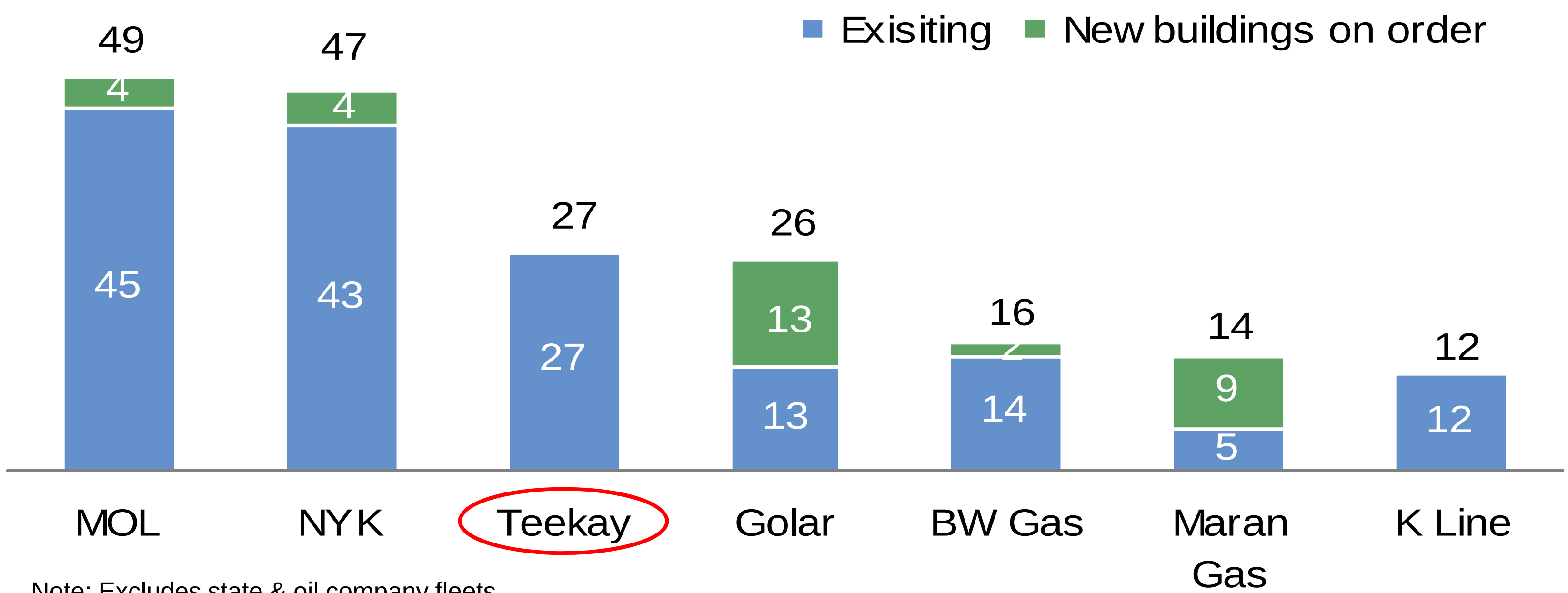
Production	Gas Liquefaction Facilities	LNG Shipping	LNG Regasification Terminals
15-20% of landed cost	**30-45%** of landed cost	**10-30%** of landed cost	**15-25%** of landed cost

Cost of Single Supply Chain = >$5 billion

$6.00-$8.00 / mmBtu landed cost

Major Independent LNG Operator

- **Teekay LNG has grown to become the third largest independent operator of LNG carriers**



Note: Excludes state & oil company fleets.

Stable Long-Term Cash Flows

» Attractive fixed-rate contracts "locking in" cash flows:

- 10 - 25 years initial length for LNG carriers
- High credit quality customers
- Cost escalation provisions

» Long remaining contract life for all vessels:

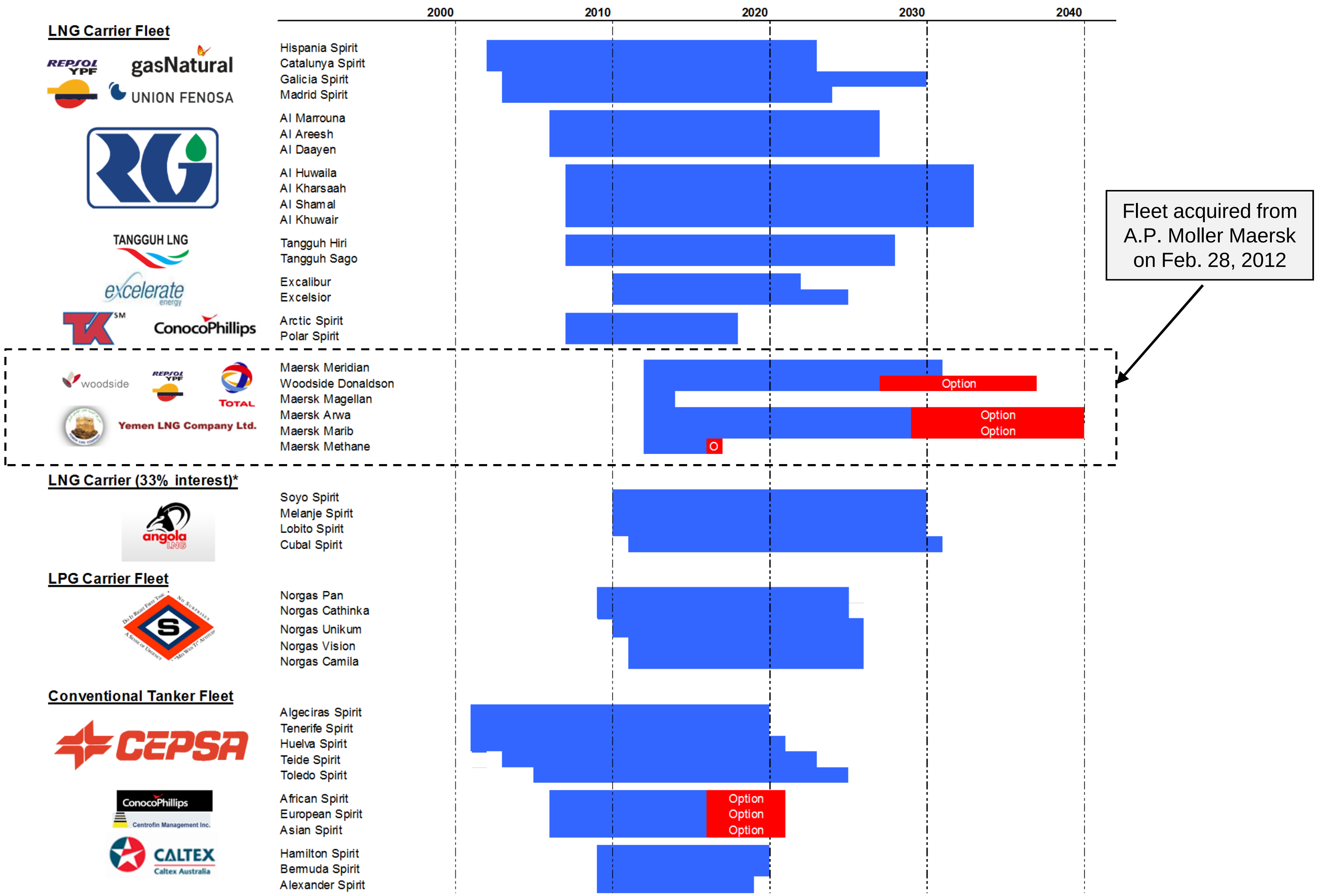
- LNGs: 14 years
- LPGs: 13 years
- Tankers: 8 years

Al Daayen

» Liabilities are matched to contracts:

- Repayment profile of principal matches revenue stream
- Interest rates hedged for duration of contract

Teekay LNG's Fleet Under Long-Term Contracts



Long-Term Contract Portfolio With Strong Counterparties

» **Substantial portfolio of long-term, fixed-rate contracts with high quality oil and gas companies**

- Weighted average remaining contract life of over 13.5 years

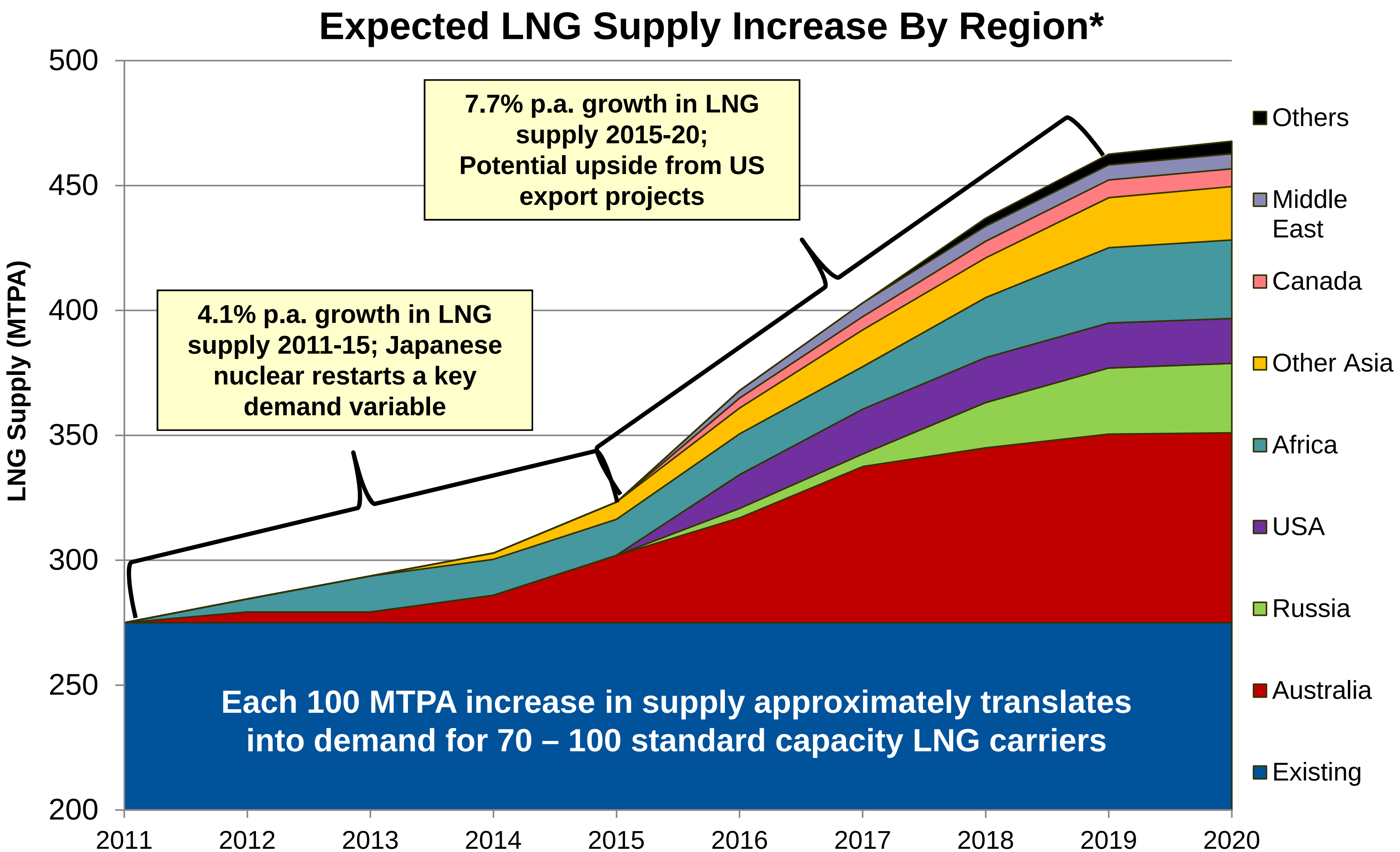
	LNG Carriers	LPG Carriers	Conventional Tankers
# of units	27	5	11
Average Contract Life	14 years	13 years	8 years
Forward Revenues	$5.8 bn	$0.3 bn	$0.6 bn
High Quality Customers	UNION FENOSA, REPSOL YPF, ConocoPhillips, YEMEN LNG COMPANY, RasGas, woodside, gasNatural, CEPSA, QATARGAS, excelerate energy, CALTEX, bp, TOTAL		

LNG Market: US Exports – A Game Changer?

- US domestic gas price of ~$2-3 per MMBtu versus Asian prices of ~$14-18 per MMBtu – compelling case for LNG arbitrage trade
- Potential export capacity of 70 mtpa – would put US in the top three LNG exporters by the end of the decade
- Cheniere has already sold 10.5 mtpa from its Sabine Pass terminal to BG / Gas Natural Fenosa / GAIL

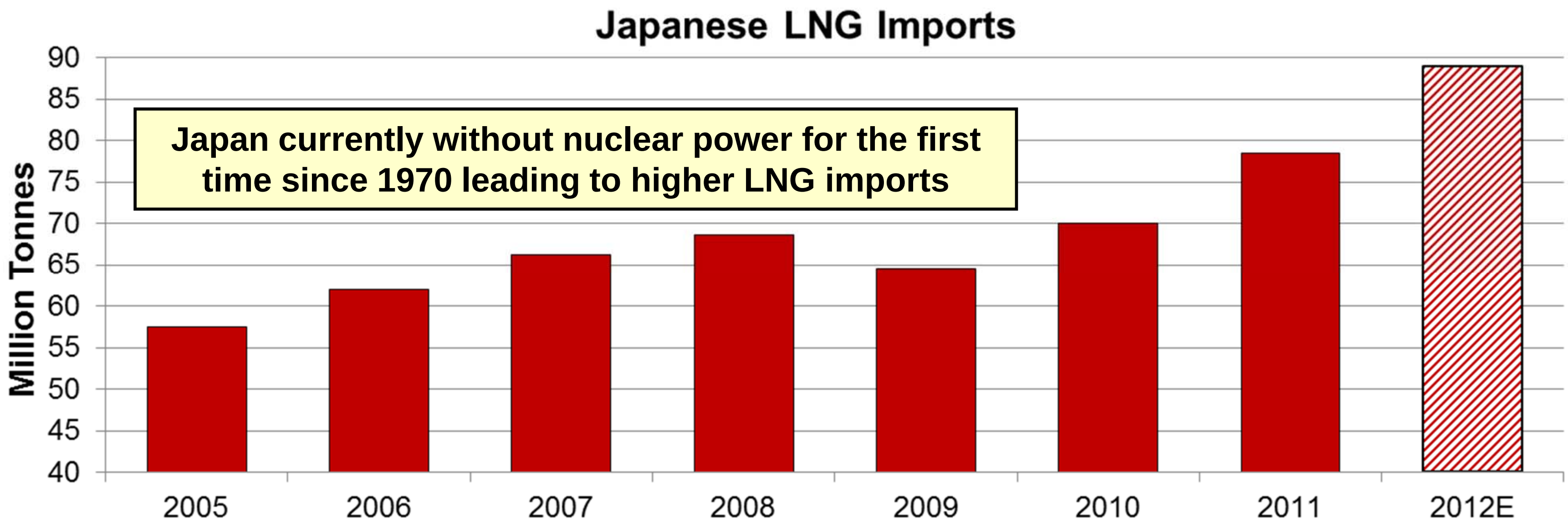
US exports could significantly alter the LNG trade landscape in the next decade, however, significant obstacles are still to be overcome

LNG Market: Wave of Projects Coming 2015+



**Excludes high risk / unlikely projects; assumes some project start-up delays*

Gas Business Update



Source: GIIGNL/Market Sources

Liquefied Gas Industry Outlook

» Japanese LNG imports up 24% y-o-y in Q1-12
  - All Japanese nuclear plants currently offline

» LNG shipping rates are in steep backwardation
  - $140k+ per day for short-term charters; ~$80-90k per day for medium-term business

» Rates outlook for 2012 positive on strong demand growth / limited fleet growth

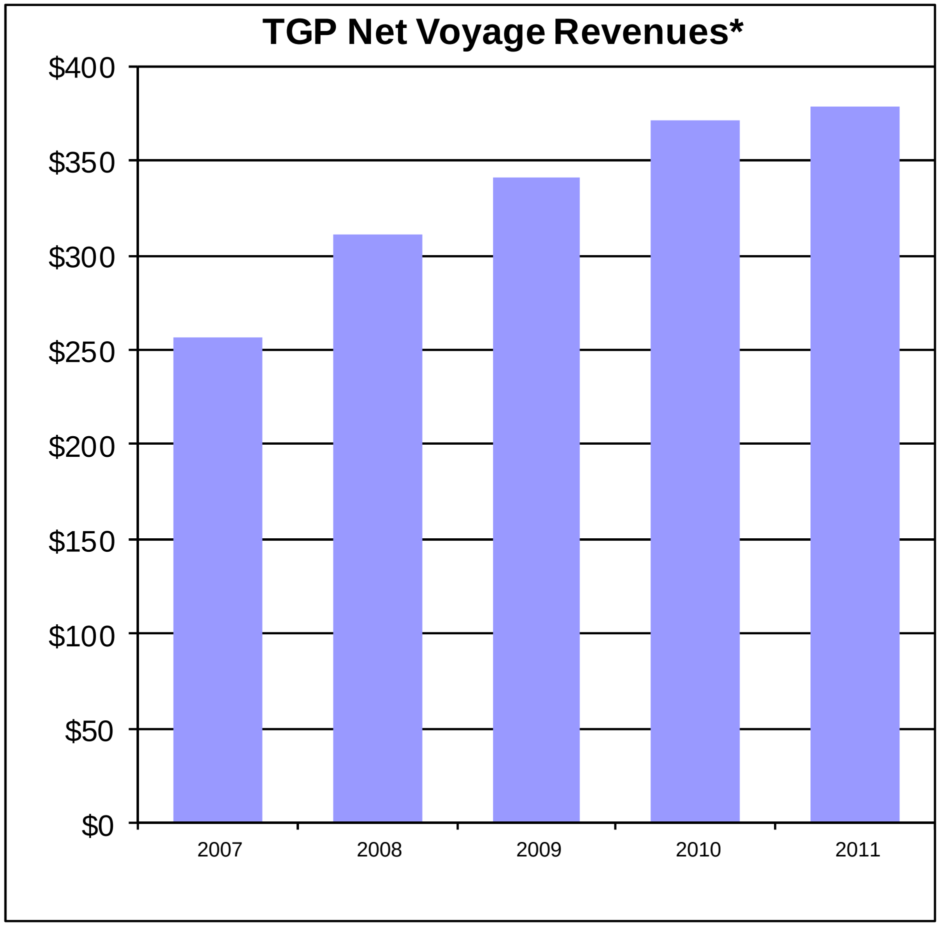
Teekay LNG's Gas Activity

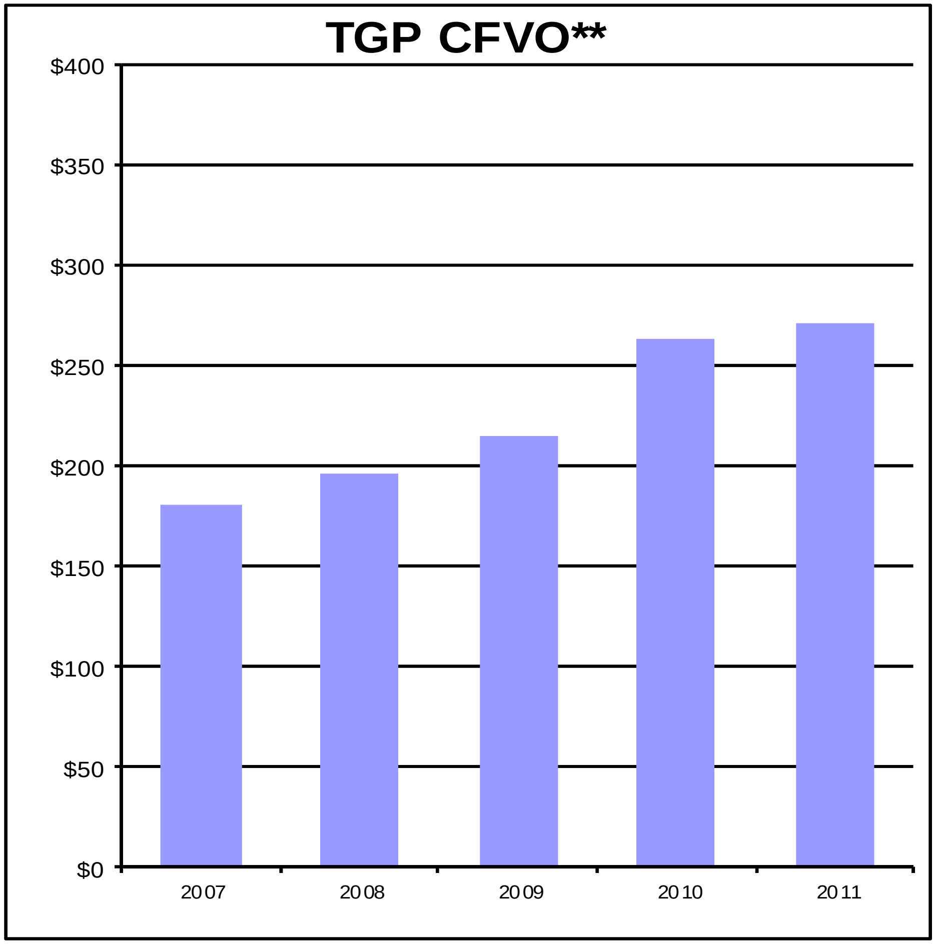
» Took delivery of final Angola LNG carrier in January 2012, completing latest LNG newbuilding program

» One LNG vessel available for new contract in 2013

» Actively reviewing additional project and acquisition opportunities

Key Financial Information





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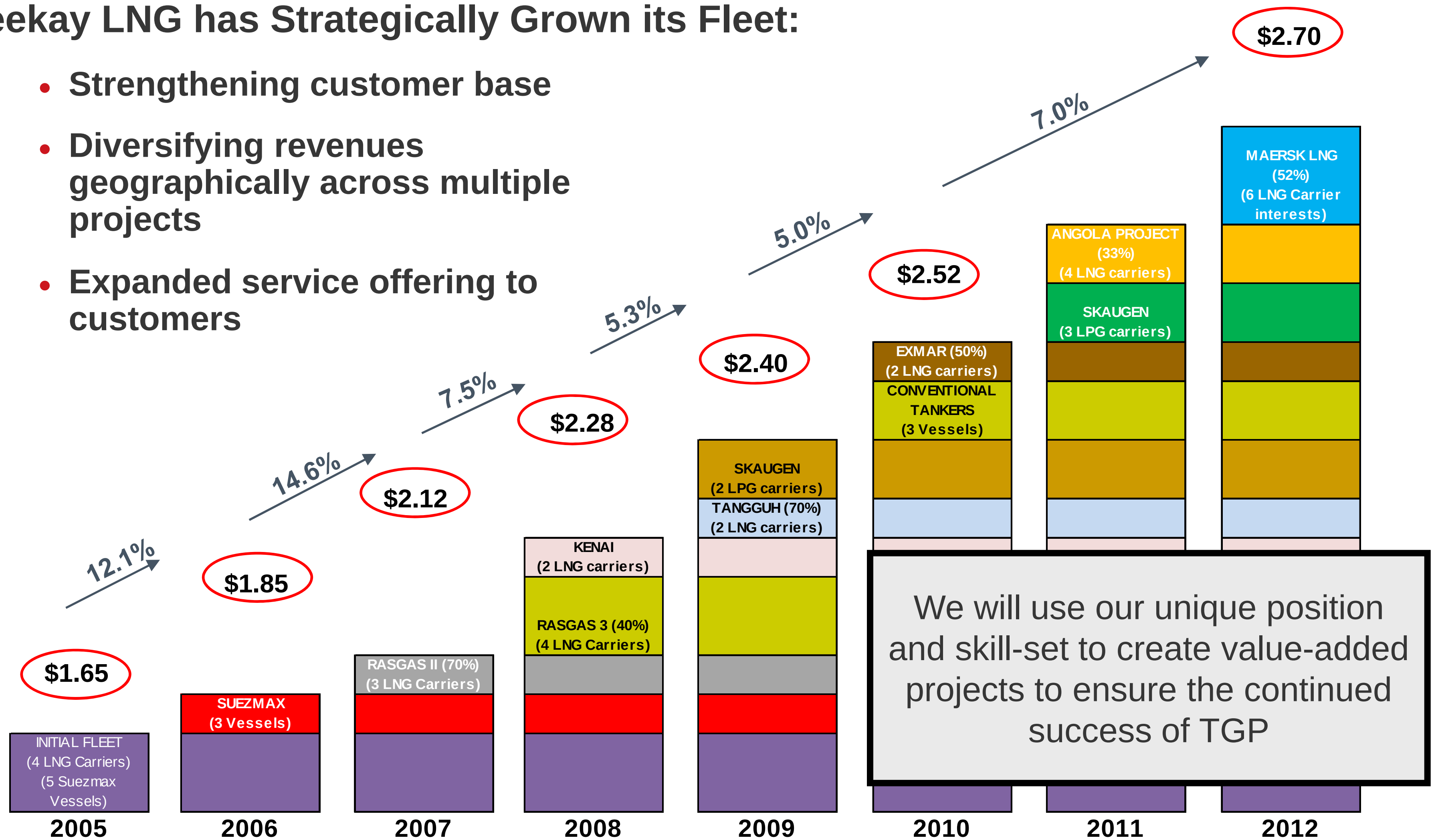
Teekay LNG Has a Consistent Track Record of Distribution Growth

Teekay LNG has Strategically Grown its Fleet:

- Strengthening customer base
- Diversifying revenues geographically across multiple projects
- Expanded service offering to customers



Note: Distributions shown represent latest quarter dividends annualized. Diagram not to scale.

We cordially invite you to attend the Teekay Group of Companies 2012 Investor Day in New York.

The senior management team will present the strategy, market outlook and financial position for Teekay Corporation, Teekay LNG Partners, Teekay Offshore Partners and Teekay Tankers Ltd.

Please mark this date in your calendar. Further event details to follow.

For more information or to schedule a one-on-one meeting after the presentation contact Emily Yee at + 1 604 609 6437 emily.yee@teekay.com

WHEN

Monday, June 18, 2012

1:00 – 1:30 pm Lunch

1:30 – 5:00 pm Presentations

WHERE

The Waldorf = Astoria

301 Park Avenue, New York

Appendix

Teekay LNG Partners LP – Ownership Structure

Teekay Corporation

100%

Teekay GP LLC
(General Partner)

2%

38%

Public Unitholders

60%

TEEKAY LNG PARTNERS L.P.

LNG Fleet

27 Vessels

Conventional Tanker Fleet

11 Vessels

Multigas / LPG Fleet

5 Vessels

Adjusted Operating Results for Q1 2012 vs. Q4 2011

Teekay LNG Partners L.P.
Adjusted Net Income (unaudited)

(in thousands of US dollars)

	Three Months Ended March 31, 2012				Three Months Ended December 31, 2011
	As Reported	**Appendix A Items (1)**	**Reclass for Realized Gains/Losses on Derivatives (2)**	**TGP Adjusted Income Statement**	**TGP Adjusted Income Statement**
NET VOYAGE REVENUES					
Voyage revenues	99,216	-	(32)	99,184	97,213
Voyage expenses	343	-	-	343	25
Net voyage revenues	98,873	-	(32)	98,841	97,188
OPERATING EXPENSES					
Vessel operating expense	20,531	-	-	20,531	22,485
Depreciation and amortization	24,633	-	-	24,633	24,367
General and administrative	7,116	-	-	7,116	5,455
Total operating expenses	52,280	-	-	52,280	52,307
Income from vessel operations	46,593	-	(32)	46,561	44,881
OTHER ITEMS					
Interest expense	(12,798)	-	(14,188)	(26,986)	(29,018)
Interest income	932	-	5,109	6,041	7,197
Realized and unrealized (loss) gain on derivative instruments	(15,903)	6,792	9,111	-	-
Foreign exchange (loss) gain	(9,668)	9,668	-	-	-
Equity income	17,048	(4,811)	-	12,237	8,866
Other income - net	475	-	-	475	98
Total other items	(19,914)	11,649	32	(8,233)	(12,857)
Net income	26,679	11,649	-	38,328	32,024
Less: Net (income) attributable to Non-controlling interest	(1,948)	(777)	-	(2,725)	(2,270)
NET INCOME ATTRIBUTABLE TO THE PARTNERS	24,731	10,872	-	35,603	29,754

(1) See Appendix A to the Partnership's Q1-12 earnings release for description of Appendix A items.
(2) Reallocating the realized gains/losses to their respective line as if hedge accounting had applied . Please refer to footnote (1) to the Summary Consolidated Statements of Income in the Q1-12 earnings release.

Distributable Cash Flow and Cash Distribution

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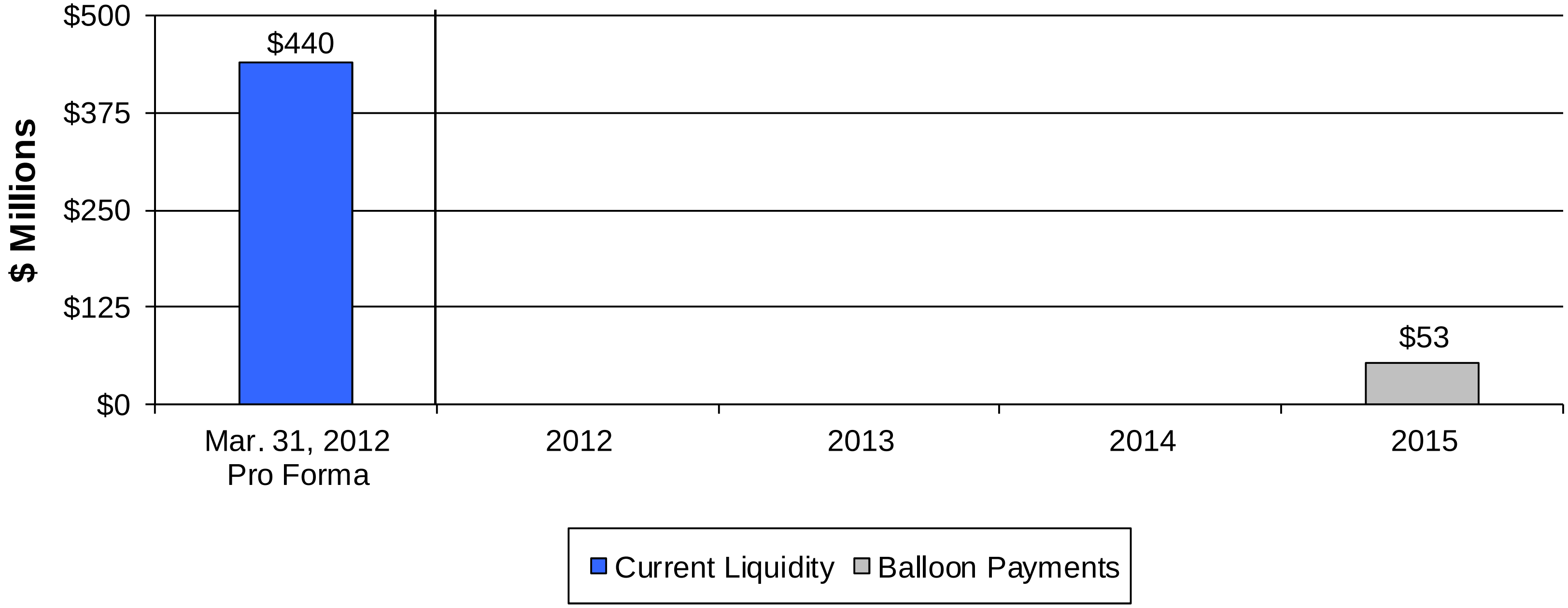
	Three Months Ended 31-Mar-12 (unaudited)	Three Months Ended 31-Mar-11 (unaudited)	
Net income:	26,679	29,737	
Add:			
Depreciation and amortization	24,633	22,349	
Partnership's share of equity accounted joint ventures' DCF before estimated maintenance capital expenditures	16,828	7,863	
Unrealized foreign exchange loss	9,668	21,033	
Unrealized loss (gain) on derivatives and other non-cash items	7,586	(19,427)	
Less:			
Estimated maintenance capital expenditures	(12,716)	(11,168)	
Equity income	(17,048)	(8,057)	
Non-cash tax (recovery) expense	(412)	617	
Distributable Cash Flow before Non-controlling interest	55,218	42,947	
Non-controlling interests' share of DCF before estimated maintenance capital expenditures	(4,450)	(3,866)	
Distributable Cash Flow	50,768	39,081	A
Total Distributions	49,303	40,571	B
Coverage Ratio	1.03x	0.96x	A / B

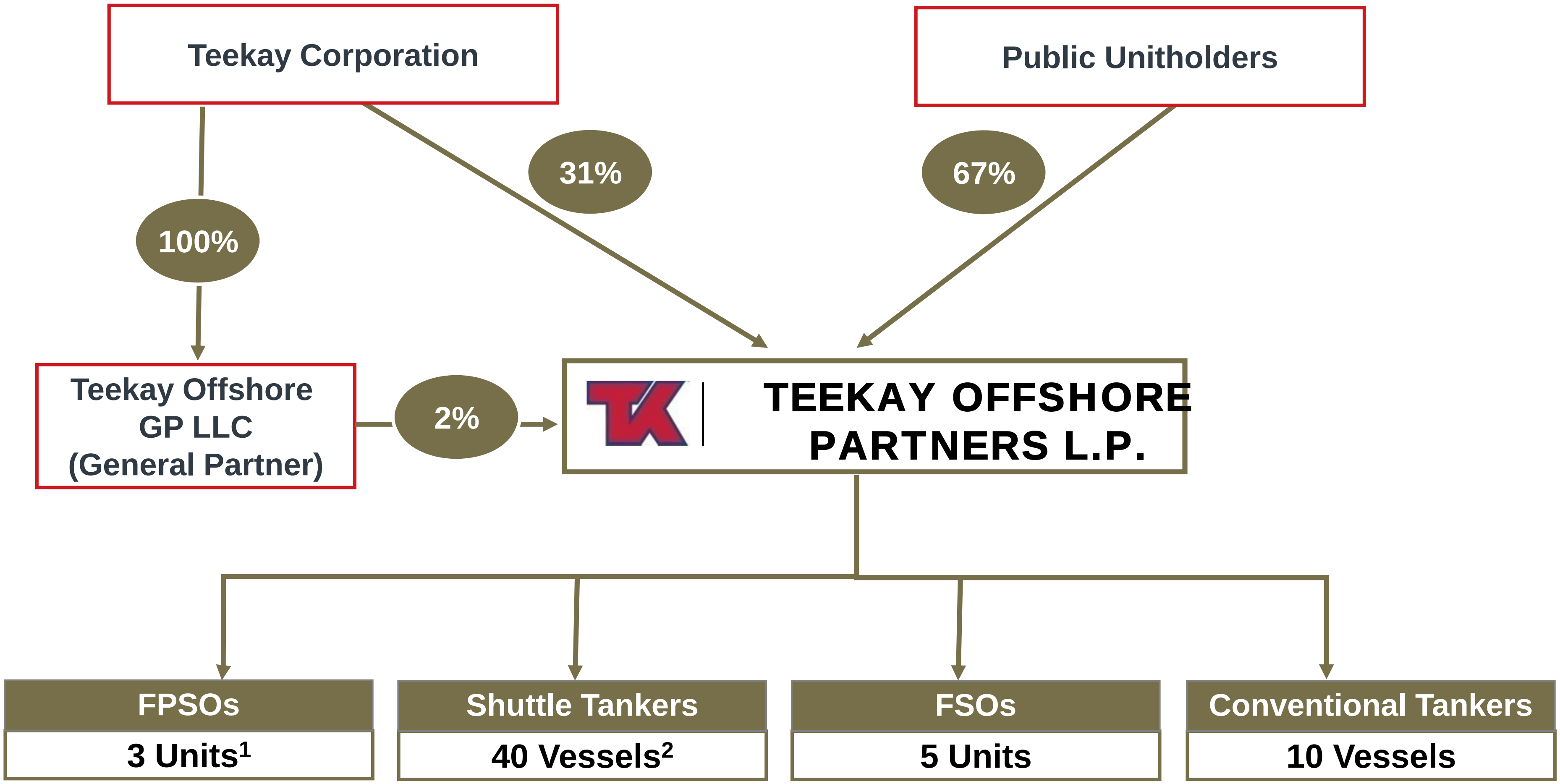
Teekay LNG – Strong Credit Profile

- » Total liquidity of ~$440 million at March 31, 2012, including USD 125 million of proceeds from for May 2012 NOK bond offering
- » No loan covenant concerns
- » No near-term maturities



Note: Future balloon payments are based on amounts drawn as at March 31, 2012

Teekay Offshore Partners LP – Ownership Structure



[1] Includes FPSO Piranema acquired directly from Sevan on 30 November 2011

[2] Includes four newbuildings scheduled for delivery in mid- to late-2013.

Adjusted Operating Results for Q1 2012 vs. Q4 2011

UNAUDITED (in thousands of US dollars)	Three Months Ended March 31, 2012 As Reported	Appendix A Items (1)	Reclass for Realized Gains/Losses on Derivatives (2)	TOO Adjusted Income Statement	Three Months Ended December 31, 2011 TOO Adjusted Income Statement
NET REVENUES					
Revenues	244,598	-	-	244,598	238,122
Voyage expenses	36,481	-	-	36,481	33,011
Net revenues	208,117	-	-	208,117	205,111
OPERATING EXPENSES					
Vessel operating expense	71,007	-	(1,198)	69,809	68,028
Time charter hire expense	13,617	-	-	13,617	17,406
Depreciation and amortization	49,611	-	-	49,611	48,194
General and administrative	20,136	20	-	20,156	16,939
Total operating expenses	154,371	20	(1,198)	153,193	150,567
Income from vessel operations	53,746	(20)	1,198	54,924	54,544
OTHER ITEMS					
Interest expense	(12,776)	-	(14,013)	(26,789)	(25,259)
Interest income	212	-	-	212	199
Realized and unrealized gain (loss) on non-designated derivatives	16,239	(30,048)	13,809	-	-
Foreign exchange (loss) gain	(2,758)	3,752	(994)	-	-
Income taxes expense	(1,485)	-	-	(1,485)	(4,517)
Other - net	1,425	(546)	-	879	984
Total other items	857	(26,842)	(1,198)	(27,183)	(28,593)
Net Income	54,603	(26,862)	-	27,741	25,951
Less: Net income attributable to non-controlling interest	(1,969)	313	-	(1,656)	(3,663)
ADJUSTED NET INCOME ATTRIBUTABLE TO THE PARTNERSHIP	52,634	(26,549)	-	26,085	22,288

(1) See Appendix A to the Partnership's Q1-12 earnings release for description of Appendix A items.

(2) Reallocating the realized gains/losses to their respective line as if hedge accounting had applied . Please refer to footnotes (3) and (4) to the Summary Consolidated Statements of Income in the Q1-12 earnings release.

Distributable Cash Flow and Cash Distribution

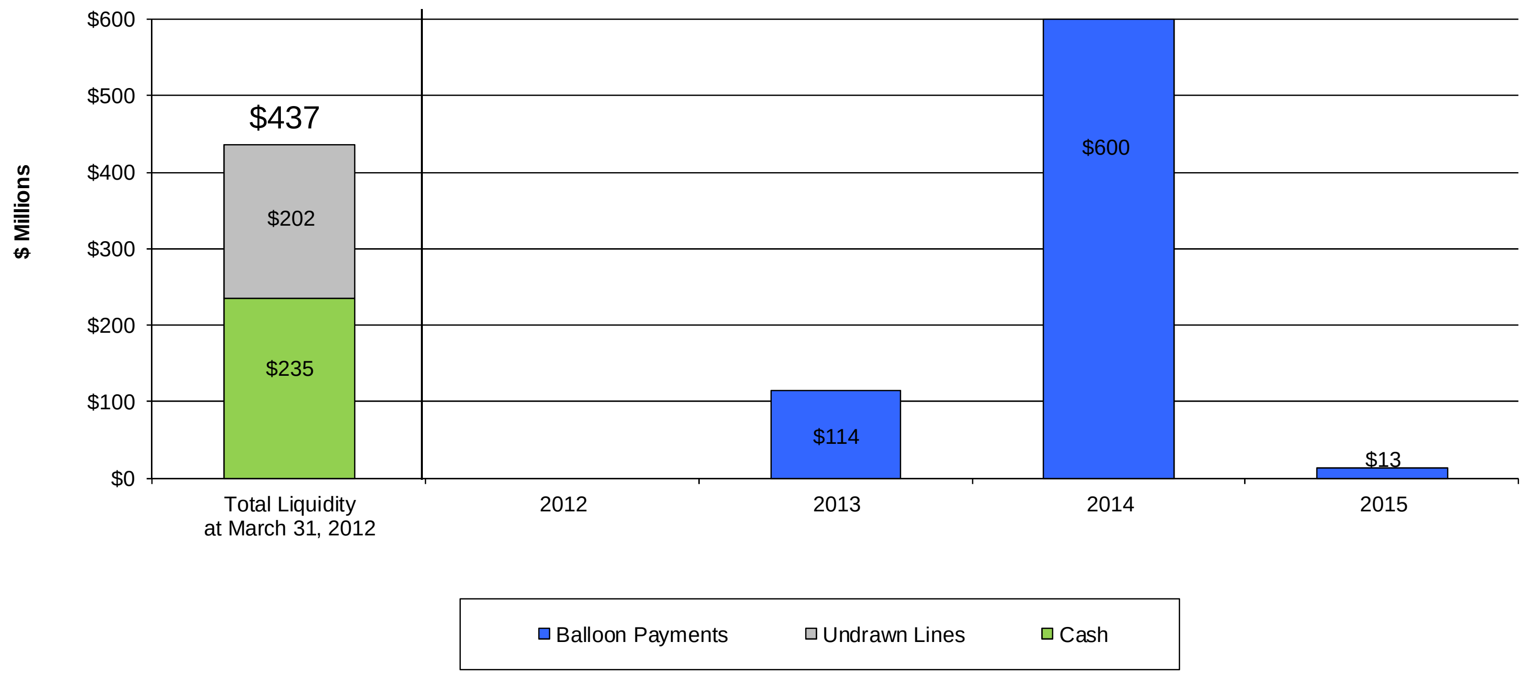
	Three Months Ended March 31, 2012 (unaudited)	
Net income	54,603	
Add (subtract):		
Depreciation and amortization	49,611	
Distributions relating to equity financing of newbuilding installments	914	
Foreign exchange and other, net	1,144	
Estimated maintenance capital expenditures	(27,673)	
Unrealized gains on non-designated derivative instruments	(30,048)	
Distributable Cash Flow before Non-Controlling Interest	**48,551**	
Non-controlling interests' share of DCF	(6,127)	
Distributable Cash Flow	**42,424**	**A**
Total Distributions	**38,978**	**B**
Coverage ratio	**1.09X**	**A / B**

Teekay Offshore has a Strong Financial Profile

» March 31, 2012 total liquidity (cash and undrawn lines): ~$437 million

» No material refinancing requirements in 2012

- Working on refinancing 2013 and 2014 balloon payments



Note: Future balloon payments are based on amounts drawn as at March 31, 2012