TEEKAY CORPORATION Q3-2016 EARNINGS PRESENTATION

November 4, 2016

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 Company's future results and cash flows; the timing of newbuilding vessel and conversion deliveries and the commencement of related contracts, including potential delays and additional costs on the *Petrojarl I* FPSO and the outcome of associated discussions with the charterer, shipyard and lenders; the amount, timing and certainty of securing financing for Teekay LNG's committed growth projects; the impact of Teekay Offshore's and Teekay LNG's growth projects on future cash flow from vessel operations; the timing of the Yamal LNG project start-up; Teekay LNG's intent to secure a long-term charter for one of its newbuildings; the timing of start-up and the voyage requirements of Teekay Offshore's new shuttle tanker CoA; Teekay Tankers' expected vessel sales; and the timing and impact of Teekay Tankers' lightering contracts. 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 newbuilding orders or greater or less than anticipated rates of vessel 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, FPSOs, UMS, and towage vessels; changes in oil production and the impact on the Company's tankers and offshore units; fluctuations in global oil prices; trends in prevailing charter rates for the Company's vessels and offshore unit contract renewals; the potential for early termination of long-term contracts and inability of the Company to renew or replace long-term contracts; the inability of charterers to make future charter payments; the inability of the Company to negotiate acceptable terms with the charterer, shipyard and lenders related to the delay of the *Petrojarl I* FPSO; potential shipyard and project construction delays, newbuilding specification changes or cost overruns; costs relating to projects; delays in commencement of operations of FPSO and FSO units at designated fields; Teekay LNG's and Teekay LNG's joint ventures' ability to secure financing for its existing newbuildings and projects; changes in the Company's expenses; 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, 2015. 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

- Generated Q3-16 consolidated CFVO[1] of $285.5 million
- Reported Q3-16 adjusted net loss[1] of $19.5 million, or $0.23 per share
- Declared a Q3-16 cash dividend of $0.055 per share
- Sold last remaining directly-owned conventional tanker, the *Shoshone Spirit* VLCC, for gross proceeds of $63 million in October 2016

1) See the Q3-16 earnings release for explanations and reconciliations of these non-GAAP financial measures to the most directly comparable financial measures under GAAP.

Recent Daughter Highlights

Teekay LNG Partners

- Generated Q3-16 distributable cash flow[1] of $54.3 million, or $0.68 per common unit
- Declared Q3-16 cash distribution of $0.14 per unit – distribution coverage ratio of 4.8x
- All LNG carrier newbuildings now committed to charter contracts
- On track to complete $1.3 billion[2] in new long-term financings over next few months
- In October, completed $125 million preferred equity offering and $110 million NOK bond issuance

Teekay Offshore Partners

- Generated Q3-16 distributable cash flow[1] of $31.8 million, or $0.23 per common unit
- Declared Q3-16 cash distribution of $0.11 per unit – distribution coverage ratio of 2.0x
- Awarded a new three-year North Sea shuttle tanker contract of affreightment (*CoA*) in September 2016
- Took delivery of ALP Striker, the first of four newbuilding towage vessels, in September 2016

Teekay Tankers

- Generated Q3-16 adjusted net loss[1] of $1.5 million, or $0.01 per share, and free cash flow[1] of $26.6 million
- Declared Q3-16 cash dividend of $0.03 per share (representing the minimum dividend)
- Agreed to sell final MR product tanker and two older Suezmax tankers for aggregate proceeds of approximately $47.0 million
- Secured two key ship-to-ship lightering contracts with oil majors providing cargo volumes for up to three Aframax vessel-equivalents per year

1) See Teekay LNG's, Teekay Offshore's and Teekay Tankers' Q3-16 earnings releases for explanations and reconciliations of these non-GAAP financial measures to the most directly comparable financial measures under GAAP.

2) Based on Teekay LNG's proportionate ownership interests in the projects.

Financing of TGP's Growth Projects On Track

Project	Remaining CAPEX ($ millions as at September 30, 2016)(1)	Committed and Anticipated Debt Financing ($ millions as at September 30, 2016)(1)	Financing Status	2016	2017	2018	2019	2020
8 MEGI LNG Carriers (100%)	1,342	1,385	4 vessels expected completion Q4-2016: Delivery 2017/18 4 vessels term sheet negotiation: Delivery 2017-19	5 vessels with 6 – 8 year contracts, plus extension options with Shell, 1 vessel with 13-year contract with BP, 1 vessel with 15-year contract with Yamal LNG and 1 vessel with 10-month contract plus extension option with energy major				
Bahrain Regas Terminal (30%) and FSU (100%)	483	390	Regas Terminal financial close expected Q4-2016 FSU to be financed in 2017			20-year FSU and terminal contracts		
Shell (ex. BG) LNG Carriers (20-30%)	188(2)	148	Financing Completed		20-year charter contracts, plus extension options			
Yamal LNG ARC 7 Carriers (50%)	901	845	2 vessels credit approved, finalizing documentation: Delivery 2018 4 vessels term sheet negotiation: Delivery 2019/20		Charter contracts through to 2045, plus extension options			
Exmar LPG Carriers (50%)	98	131	Financing Completed	1 Vessel with 2 year charter, plus extension option				
Preferred Equity Issued Oct-16		125	Financing Completed					
Total	**$3,012**	**$3,024**						

Contracted
MGC LPG short-term market

Remaining Capex Expected to be Funded through Committed or Anticipated Financings

(1) Teekay LNG's proportionate share
(2) Excludes shipbuilding and crew training costs reimbursable by Shell (ex. BG)

TOO's Growth Pipeline

Growth projects on-track; working with charterer, yard and lenders to resolve Petrojarl I FPSO delay

Project	Remaining CAPEX ($ millions as at Sep 30, 2016)	Remaining Undrawn Financing ($ millions as at Sep 30, 2016)	2017	2018
ALP Towage Newbuildings[1]	50	68		
Gina Krog FSO[2] (conversion)	81	66	Statoil	Firm period out to 2020; Options out to 2032
Libra FPSO[3] (conversion)	204	182	Petrobras / Total / Shell / CNPC / CNOOC	Out to 2029
East Coast Canada Shuttle Tankers	313	209	Chevron / Husky / Nalcor / Murphy / CHH / Exxon / Statoil / Suncor / Mosbacher	Firm Period out to 2030; Options out to 2035
Petrojarl I FPSO (upgrade)	112	-	QGEP	Out to 2022
Total	**760**	**525**		

Short-term charters   Charter contract

$200 million of additional annual CFVO from growth projects through to 2018[3]

(1) Based on full amount of loan facility to be drawn; capital commitments shown net of expected cash liquidated damages payments from shipyard as compensation for late delivery.
(2) Excludes amounts reimbursable upon delivery.
(3) Includes only TOO's 50% proportionate share of the Libra FPSO.

Appendix

Q4 2016 Outlook – Teekay Consolidated

Income Statement Item	Q4 2016 Outlook (expected changes from Q3-16)
Net Revenues [1]	<u>Teekay Parent:</u> • $10m increase from the Q4-16 recognition of annual operational tariff revenue from the *Foinaven* FPSO • $4m decrease from the sale of the *Shoshone Spirit* VLCC in early-October 2016 <u>Teekay Offshore:</u> • $5m increase from higher CoA days in the shuttle tanker fleet in Q4-16 • $5m increase from the Q4-16 recognition of annual bonuses from the FPSO fleet • $2m increase due to full quarter of operations for the *ALP Striker* and higher utilization in the towage fleet • $3m decrease from the FSO fleet from the expiration of the *Navion Saga's* time-charter in early-October 2016 <u>Teekay LNG:</u> • Expected to be consistent with Q3-16 <u>Teekay Tankers:</u> • $3m increase due to higher number of lightering voyages in Q4-16 • Approximately 40% of Q4-16 spot revenue days for Aframaxes and Suezmaxes fixed at $16,200/day and $19,800/day, respectively, compared to $14,900/day and $17,600/day, respectively, in Q3-16
Vessel Operating Expenses (OPEX) [1]	• Teekay Offshore - $5m decrease primarily due to lower maintenance costs in the shuttle tanker and FPSO fleets in Q4-16
Time-Charter Hire Expense	• Expected to be consistent with Q3-16
Depreciation and Amortization	• Expected to be consistent with Q3-16
Net Interest Expense [1]	• Expected to be consistent with Q3-16
General & Administrative [1]	• Expected to range from $30m - $32m on a consolidated basis
Equity Income [1]	• Decrease of $4m primarily due to lower income in Teekay LNG's MALT joint venture
Non-controlling Interest Expense [1]	• Expected to range from $46m to $48m primarily due to higher expected net income in Teekay Offshore

(1) Changes described are after adjusting Q3-16 for items included in Appendix A to our Third Quarter 2016 Earnings Release and realized gains and losses on derivatives (see slide 9 to this presentation for the Consolidated Adjusted Line Items for Q3-16)

Consolidated Adjusted Line Items

Q3-16

Income Statement Item	As Reported	Appendix A Items [1]	Reclassification for Realized Gains/ Loss on Derivatives [2]	As Adjusted
Revenues	547,639	(1,430)	1,096	547,305
Vessel Operating Expenses (OPEX)	(204,156)	-	(1,210)	(205,366)
General & Administrative Expenses	(30,052)	-	(1,251)	(31,303)
Loss on sale of vessels and equipment	(72)	72	-	-
Asset Impairments	(7,766)	7,766	-	-
Restructuring Charges	(3,117)	3,117	-	-
Interest Expense	(68,490)	3	(27,831)	(96,318)
Realized and Unrealized Gains on Derivative Instruments	29,926	(53,510)	23,584	-
Equity Income	21,070	(9,142)	-	11,928
Foreign Exchange Gain	6,116	(11,728)	5,612	-
Other - Net	480	460	-	940
Net Income Attributable to Non-Controlling Interests	(74,071)	38,784	-	(35,287)

1 Please refer to Appendix A in the Q3-16 earnings release for a description of Appendix A items.
2 Please refer to footnote (3) to the Summary Consolidated Statements of Income (Loss) in the Q3-16 earnings release.


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