TEEKAY GROUP INVESTOR DAY

September 30, 2014

Agenda & Speakers

Teekay Corporation	**Peter Evensen** **Kenneth Hvid** **Vince Lok**	President & CEO Chief Strategy Officer Chief Financial Officer	8:00 – 9:30 am
Teekay LNG Partners	**David Glendinning**	President, Teekay Gas Services	9:30 – 10:15 am
	Coffee Break		10:15 – 10:30 am
Teekay Offshore Partners	**Kenneth Hvid** **Ingvild Sæther**	Chief Strategy Officer President, Teekay Shuttle & Offshore Services	10:30 – 11:30 am
Teekay Tankers	**Kevin Mackay**	President & CEO, Teekay Tankers	11:30 – 12:00 pm

PETER EVENSEN

President and CEO

Photo credit:
Ainoa Juan
Catalunya Spirit

EXPERIENCED LEADERSHIP

Peter Evensen
President and
Chief Executive Officer

Vince Lok
Executive Vice President
and Chief Financial Officer

David Glendinning
President,
Teekay Gas Services

Kenneth Hvid
Executive Vice President
and Chief Strategy Officer

Ingvild Sæther
President,
Teekay Shuttle and
Offshore Services

Art Bensler
Executive Vice President
and General Counsel

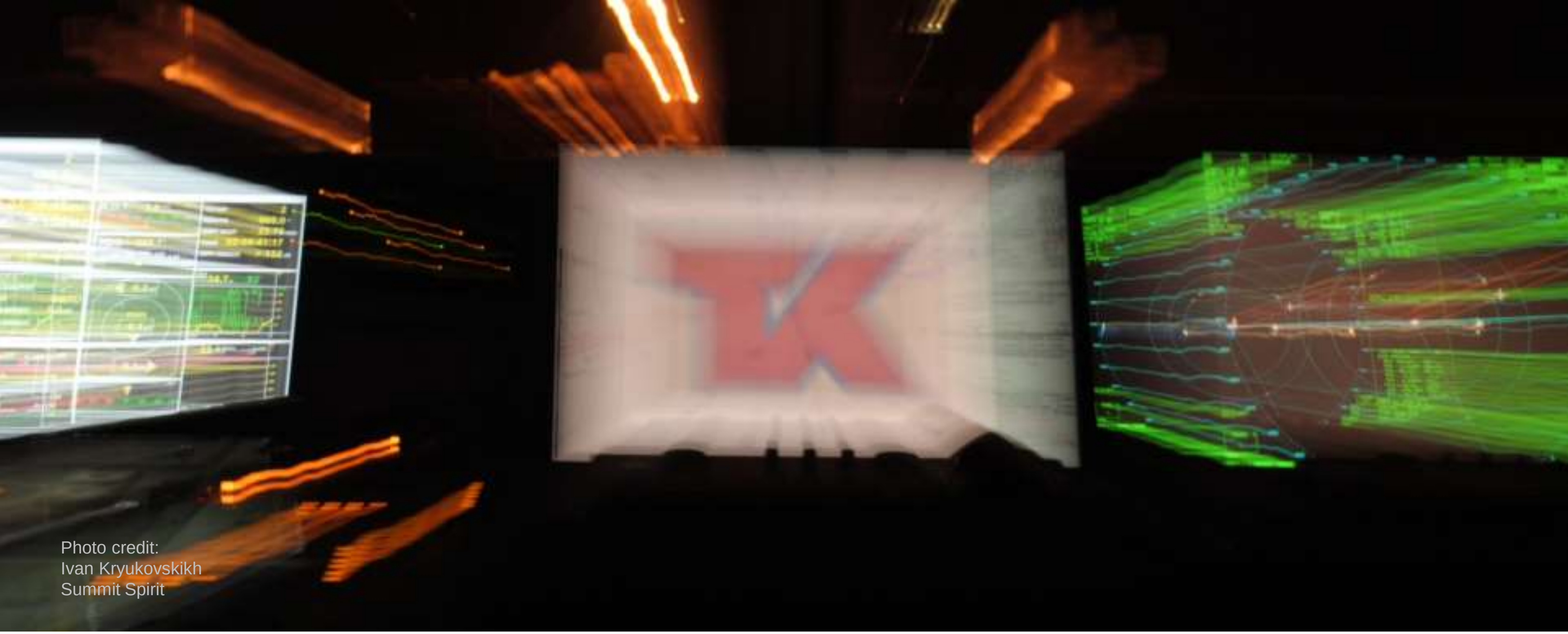
Peter Lytzen
President and
Chief Executive Officer,
Teekay Petrojarl

Lois Nahirney
Executive Vice President,
Corporate Resources

Kevin Mackay
President and Chief Executive Officer,
Teekay Tankers Ltd.

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. All statements included in or accompanying this presentation, other than statements of historical fact, are forward-looking statements. Forward-looking statements are not guarantees and actual results could differ materially from those expressed or implied in the forward-looking statements. Forward-looking statements in this presentation include, among others, statements regarding: future industry and market conditions; the Company’s growth strategy and competitive advantages; Teekay Parent’s transformation into a pure-play general partner, including the dropdown or other disposition of assets (including the *Knarr* and other FPSO units) and debt repayments, and the respective timing thereof and consideration therefor; the Company’s forward fee-rate revenues; anticipated free cash flow growth; the timing and amount of proposed dividend increases by the Company and distribution increases by Teekay Offshore Partners and Teekay LNG Partners, and the potential effect thereof on the Company’s valuation; the initial target range of the dividend-related coverage ratio and anticipated future reductions to the ratio; existing and potential growth opportunities for Teekay Offshore and Teekay LNG and estimated capital expenditures related to existing projects; growth capital expenditure capacities of Teekay Offshore and Teekay LNG; access to capital; illustrations of future Teekay Parent and daughter company free cash flows, public company distributions, corporate general and administrative expenses and dividend-related coverage ratios; the anticipated multiplier effect on Company dividends of anticipated distribution increases by Teekay Offshore and Teekay LNG and of a reduced coverage ratio; and expected benefits of partnering with third parties and of scale. 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 or related vessels, either generally or in particular regions; levels of vessel newbuilding orders and vessel scrappings; 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; 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; delays in commencement of operations of FPSO and FSO units at designated fields, including the *Knarr* FPSO unit, or of the completion of vessel construction or conversion; the future capital expenditure requirements of the Company and its daughter companies and the inability to secure financing for such requirements; the amount of future distributions by the daughter companies to the Company; the amount of Teekay Parent and daughter company expenses; the amount of cash reserves and actual coverage ratios established by the Company’s board of directors; the potential inability of the Company to successfully complete existing growth transactions or to realize expected benefits from them, or of Teekay Parent to complete vessel sale transactions to Teekay Offshore Partners and Teekay LNG Partners or to third parties; conditions in the United States and international capital markets; and other factors discussed in the Company’s filings from time to time with the SEC, including its Report on Form 20-F for the fiscal year ended December 31, 2013. 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.



Investment Highlights

Transformation into a Pure-Play GP	New Dividend Policy	Strong Industry Fundamentals	Multiple Ways to Grow GP Cash Flow

TEEKAY GROUP AT A GLANCE

40+ Years
of Experience
(since 1973)

$4B+
TK Market Cap

4 NYSE
Listings

TK TGP TOO TNK

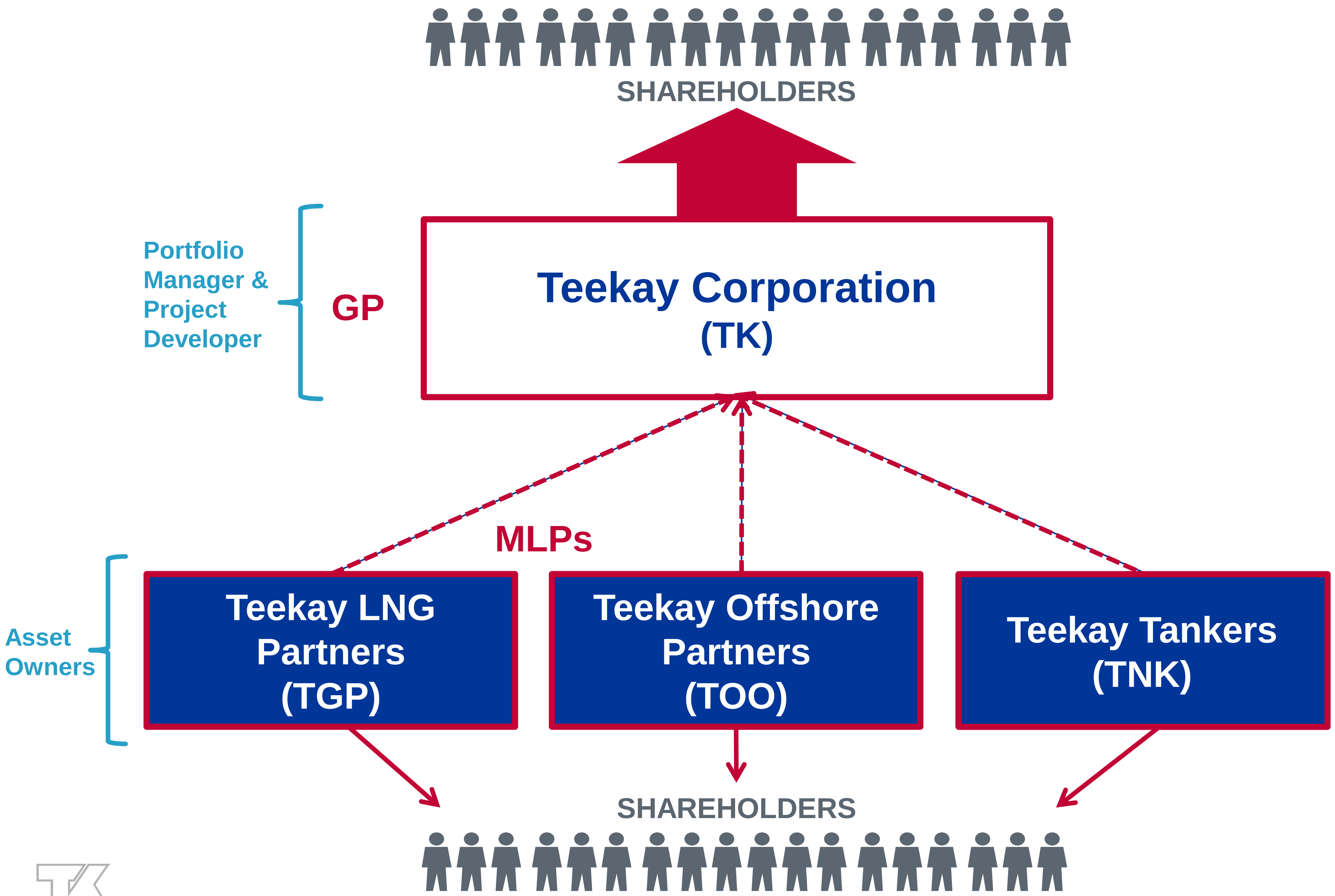
6700
Employees

$12B
In Assets

185
Vessels

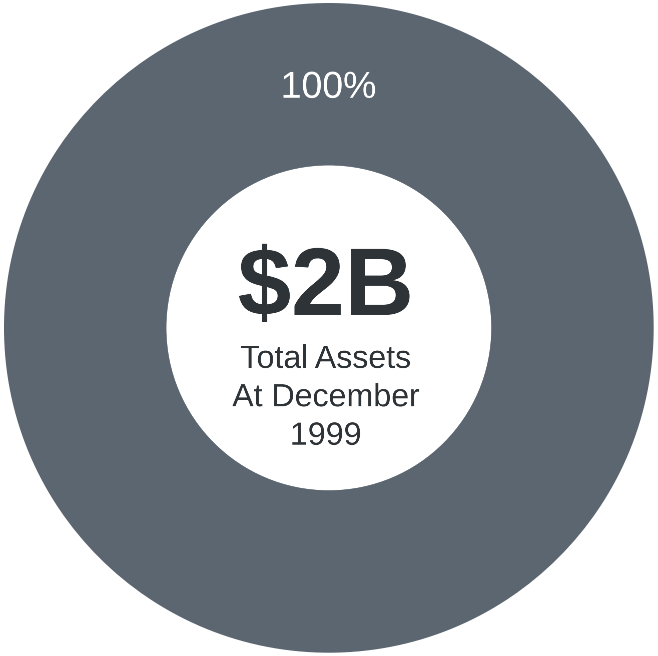
Teekay's Transformation into a Pure-Play GP Nearing Completion

Teekay's Transition to Pure Play Structure

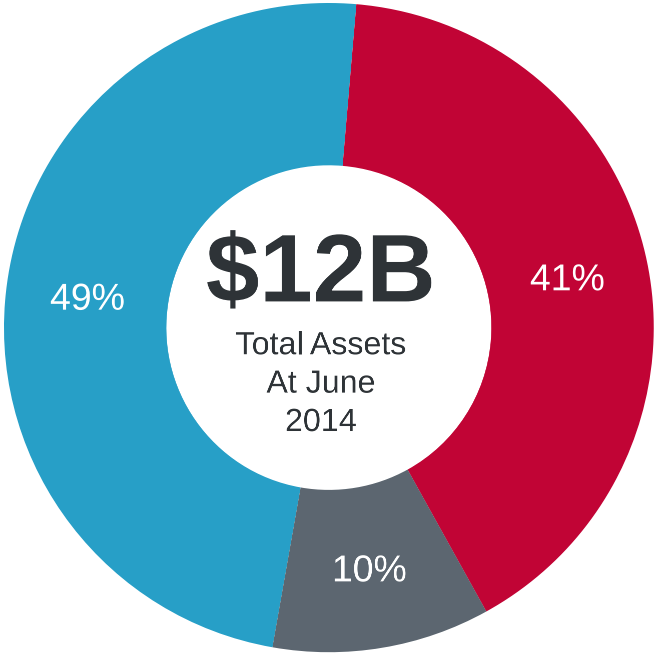


Gas and Offshore Have Become Core to Teekay's Growth

Invested Capital by Segment (Consolidated)



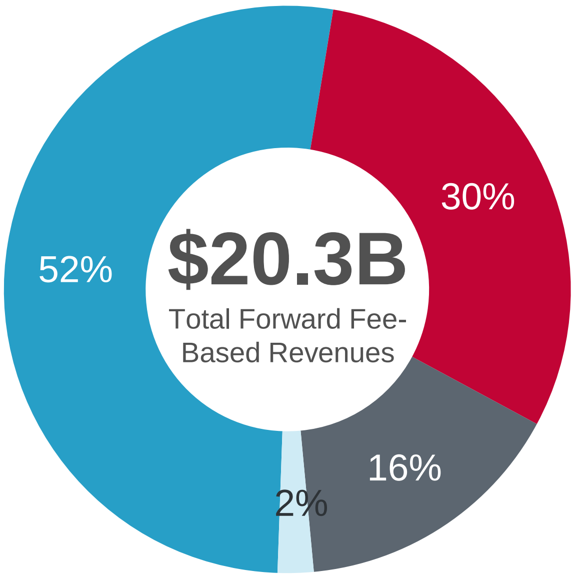
Invested Capital by Segment (Consolidated)



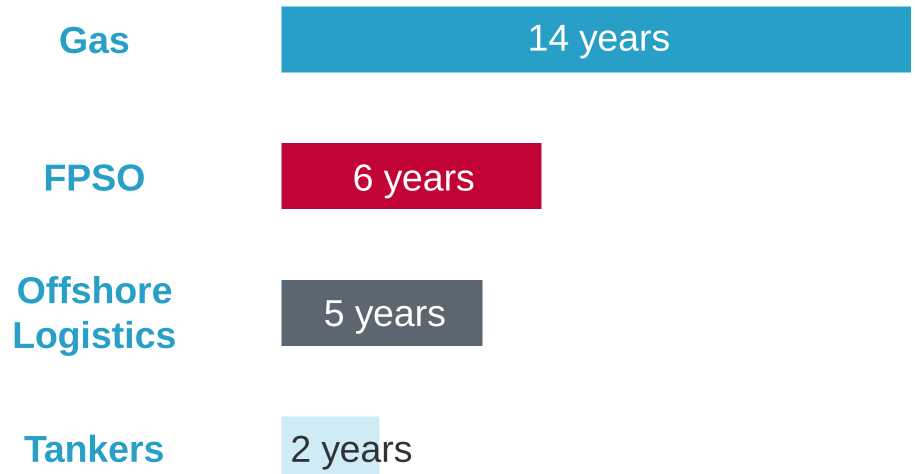
Tankers Offshore Gas

Teekay Has Diverse, Fee-Based Revenues from Strong Customer Base

Forward Fee-Based Revenues by Segment



Average Remaining Contract Length by Segment



Note: Forward fee-based revenues and average remaining contract life excludes extension options.

Teekay's Transformation into a Pure-Play GP Nearing Completion

Dropdowns	Organic Growth	M&A
Nearly Complete	Pursued by Daughters Directly	

Growth Now Taking Place Directly at Daughters

	Dropdowns	Organic Growth	M&A
Before	Ownership by Teekay Parent	Ordered and warehoused by Teekay Parent before dropdown to daughter companies	Acquired by Teekay Parent before dropdown to daughter companies
Now	5 FPSOs remain at Teekay Parent	Ordered and warehoused by daughter companies	Acquired directly by daughter companies

Targeting to complete remaining FPSO sales to Teekay Offshore or third parties by end of 2016

Recent examples

YAMAL LNG

PETROBRAS FPSO

EXMAR LPG

MAERSK LNG Fleet

LOGITEL OFFSHORE

alp maritime services

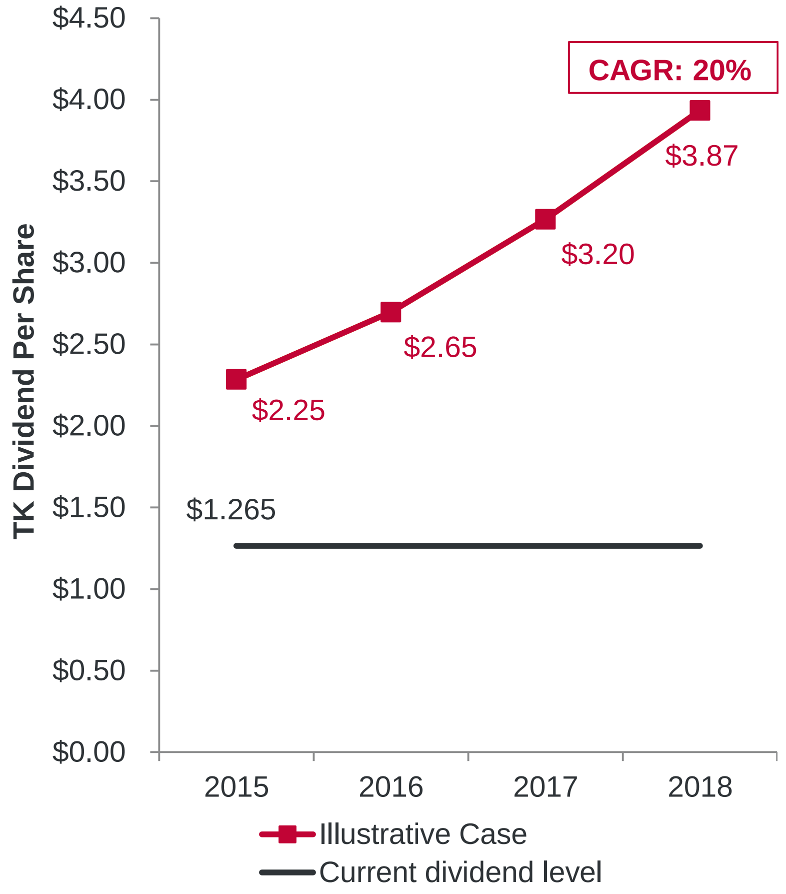
Introduction to Teekay's New Dividend Policy

Teekay's New Dividend Policy

Reflects the next step in Teekay's transformation into a pure-play GP

- Dividend to be linked to the cash flows received from Daughter entities
- Initial dividend increase of 75%-80% to **\$2.20 - \$2.30 per share** (annualized)
  - Upon completion of *Knarr* FPSO dropdown[1]
- Expect to further grow the dividend by approximately 20% per annum
- Initial target coverage ratio: 1.15x – 1.20x
  - Intend to reduce coverage ratio over time

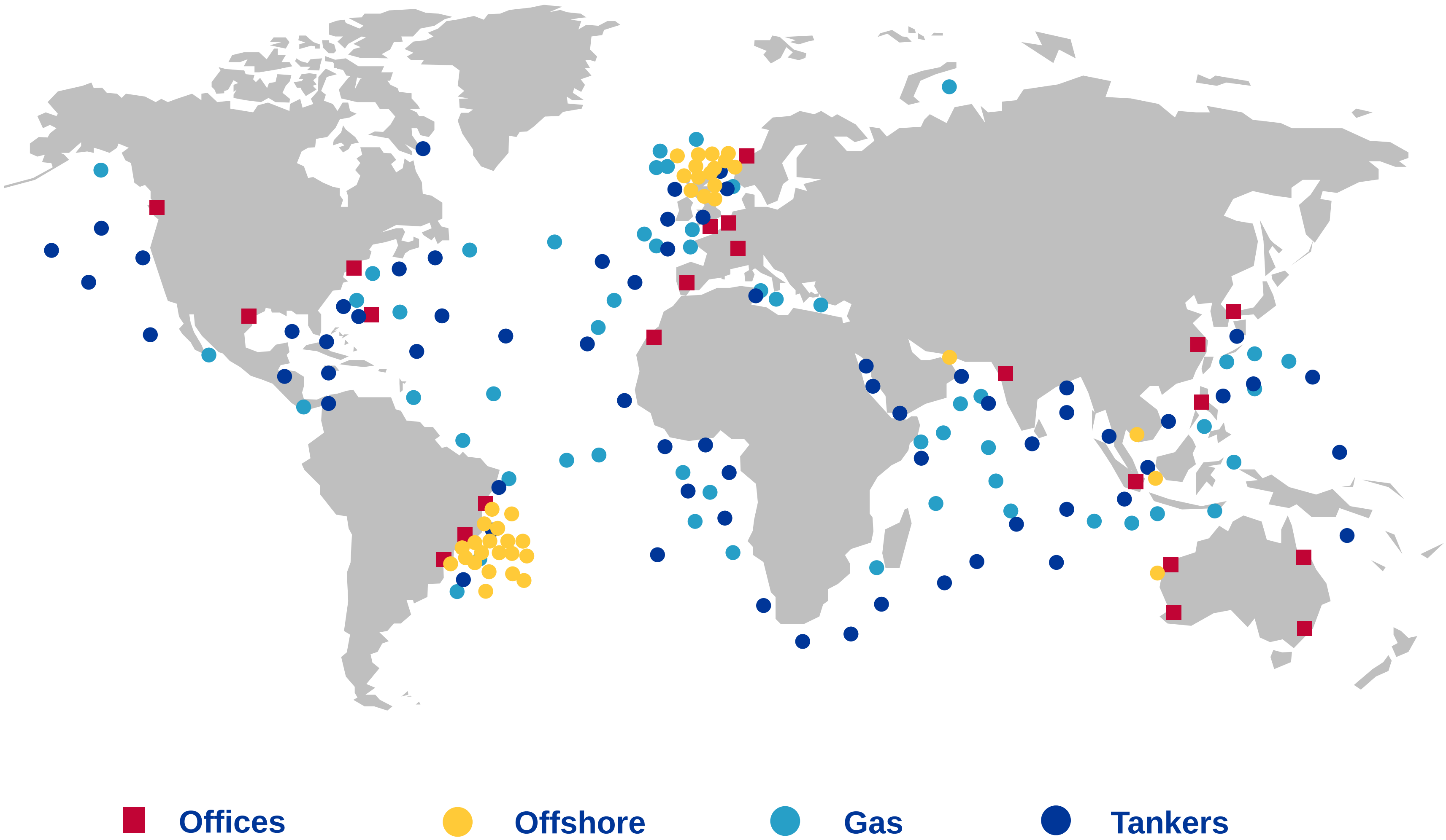
Illustrative Dividend Growth[2]



(1) Expected implementation in Q1-15, subject to successful contract start-up and dropdown of *Knarr* FPSO.
(2) See Financial Discussion for detailed illustrative dividend assumptions.

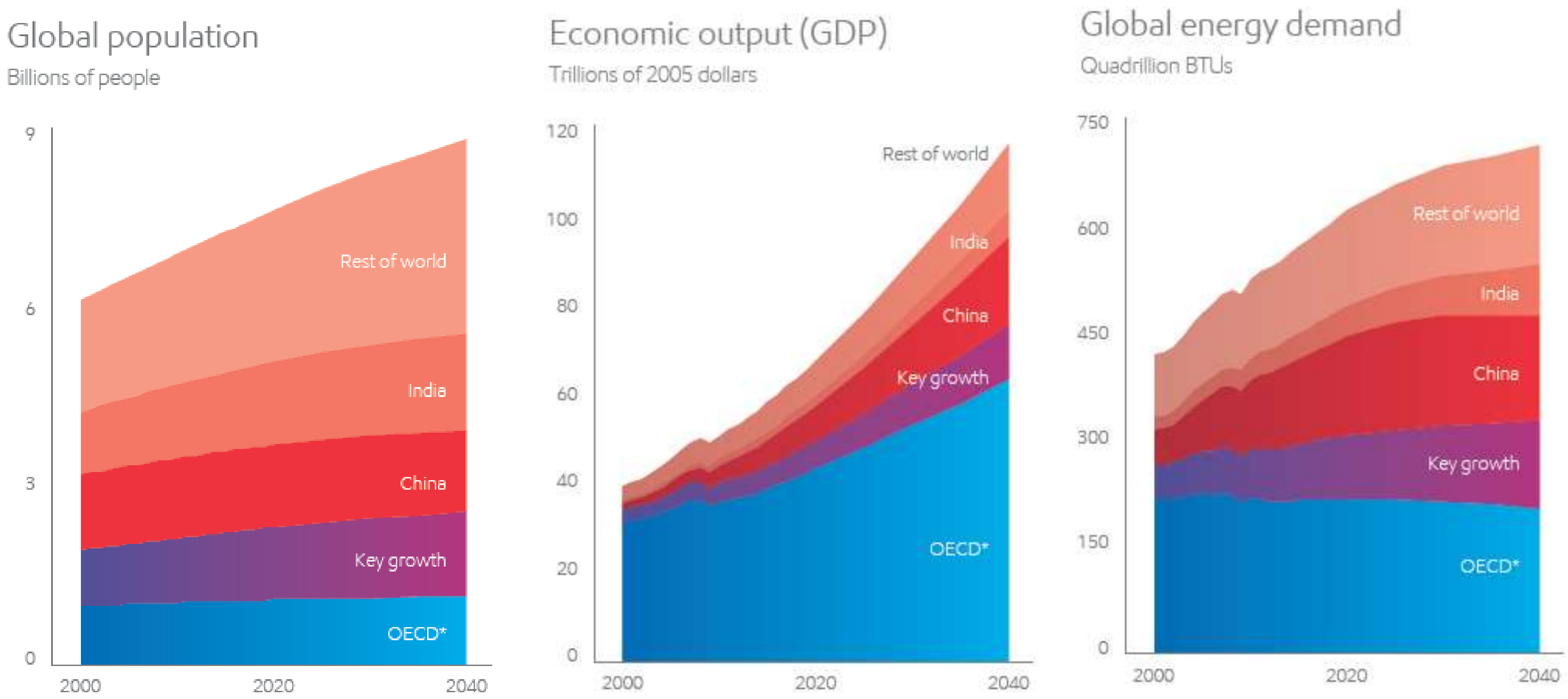
Teekay Positioned to Benefit from Strong Industry Fundamentals

Teekay is a Play on the Global Energy Build-Out



Population Growth Drives Energy Demand

Which in turn drives the global energy trade

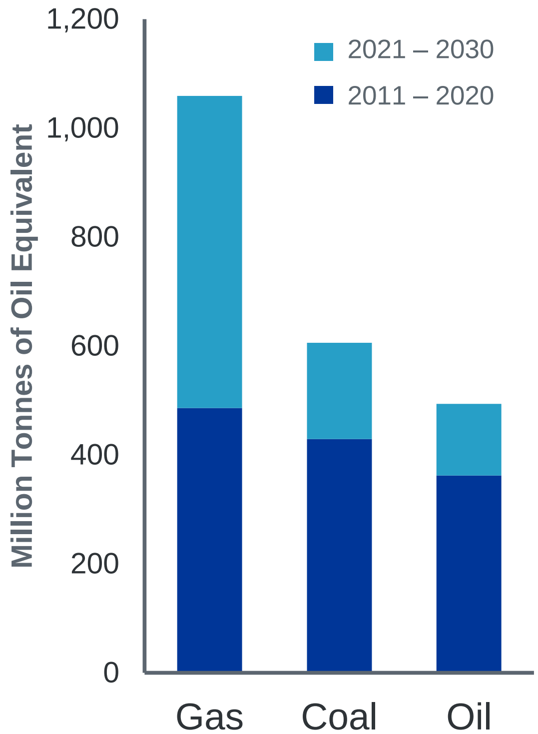


Source: ExxonMobil
Key Growth countries: Brazil, Indonesia, Saudi Arabia, Iran, South Africa, Nigeria, Thailand, Egypt, Mexico and Turkey

Gas is the Fastest Growing Fossil Fuel

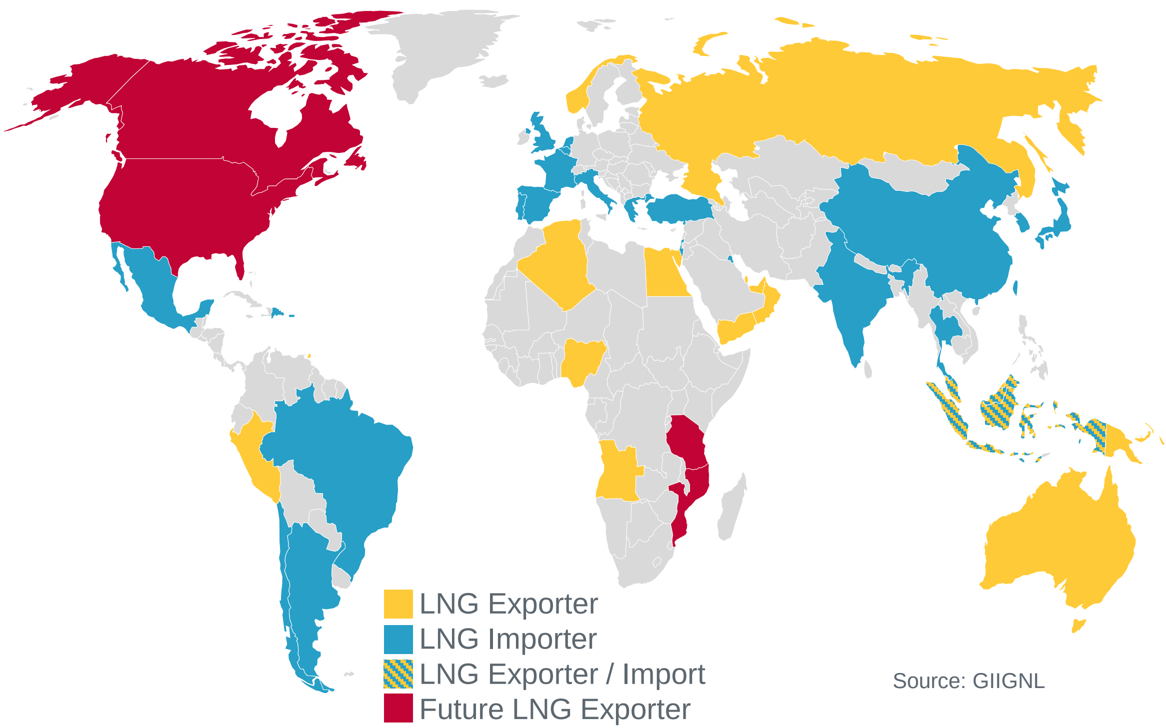
Dislocation of production and consumption creates LNG transport demand

Energy Demand Growth to 2030



Source: IEA

LNG Export / Import Countries

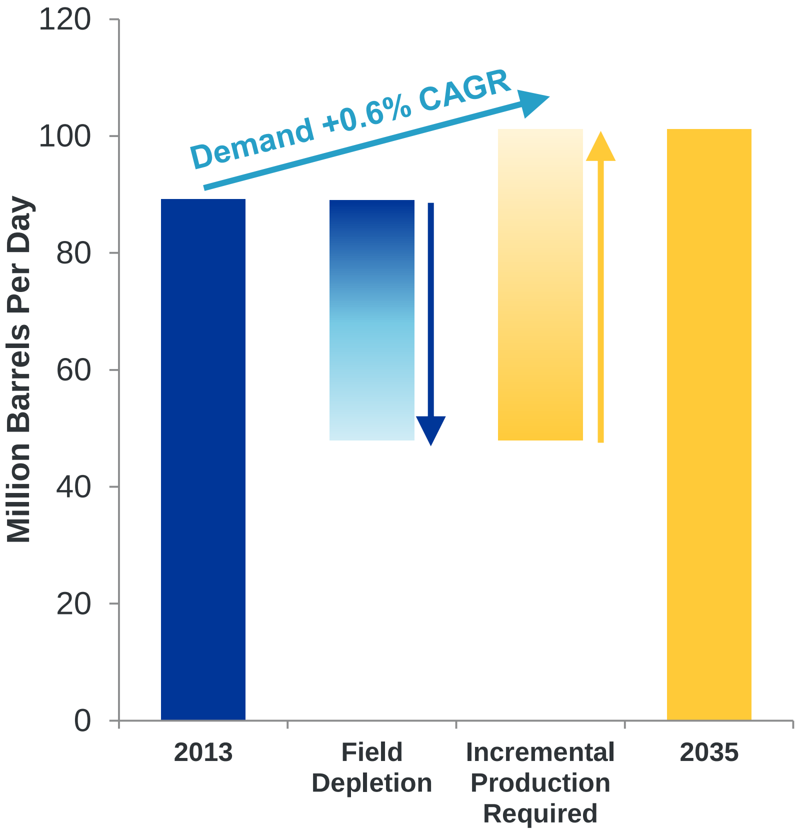


Source: GIIGNL

Deepwater Oil Production Set to Double

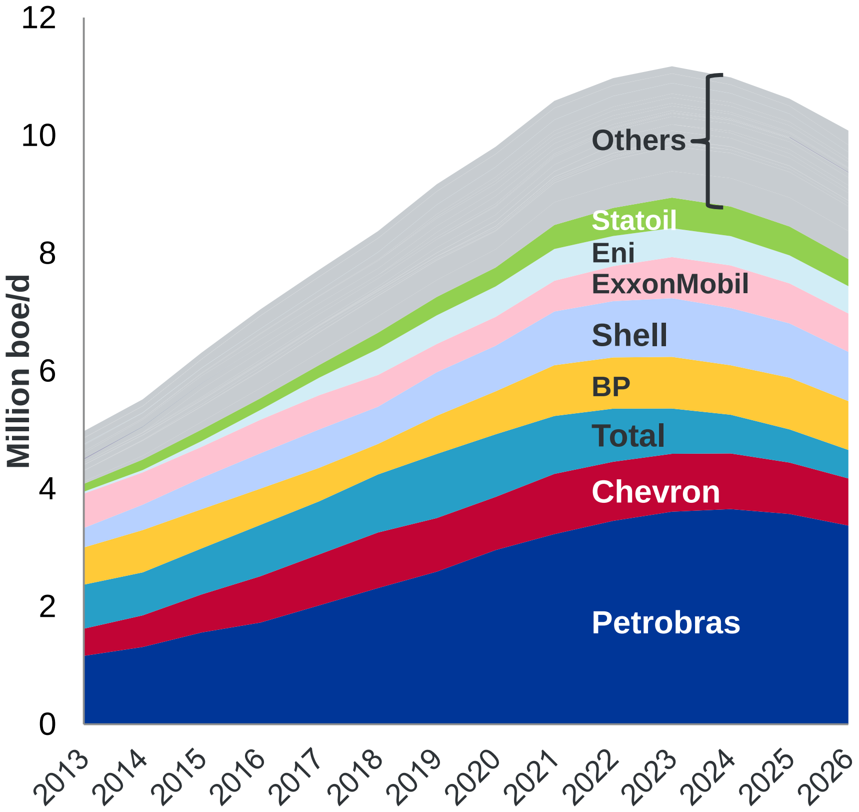
World is turning to new sources of oil to offset existing field decline

Oil Production Outlook



Source: IEA

Deepwater Oil Production by Company

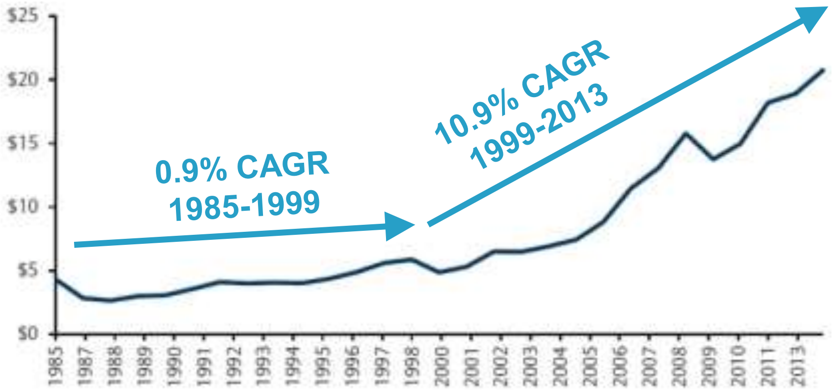


Source: IHS

Challenging Oil and Gas Cost Environment

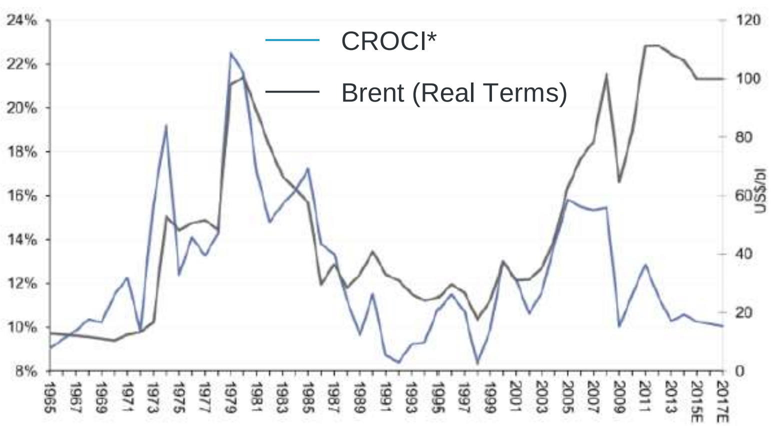
Oil companies concentrating on the most profitable developments

E&P Capex per Barrel



Source: Barclays Capital

Reduced Oil Company Profitability



Source: Goldman Sachs

- E&P costs have been rising at a far quicker rate than oil and gas revenues
- Oil & gas companies have been divesting non-core assets and concentrating on maximizing return on capital vs. reserve replacement
- Deepwater offshore remains core for our key customers with an increasing demand for leased solutions

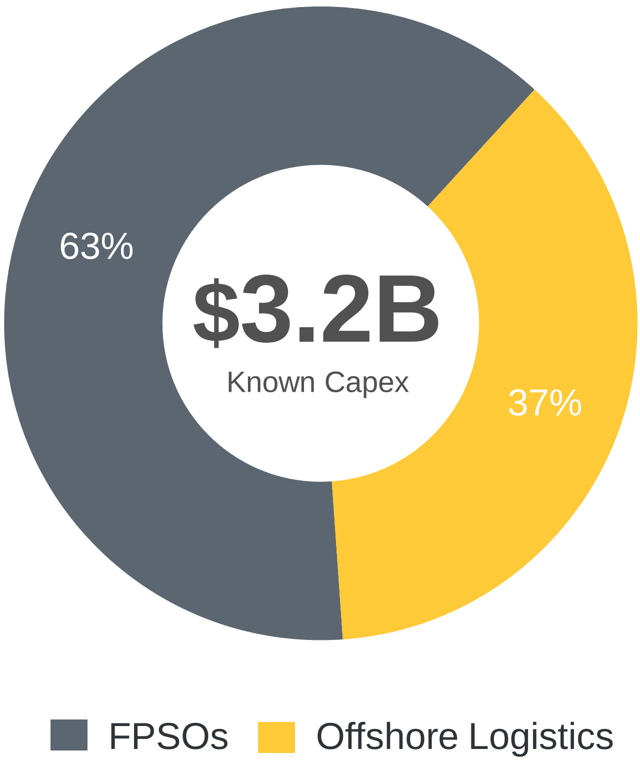
Source: Goldman Sachs
*Cash Return on Cash Invested for global super-majors

Multiple Ways to
Grow GP Cash Flow

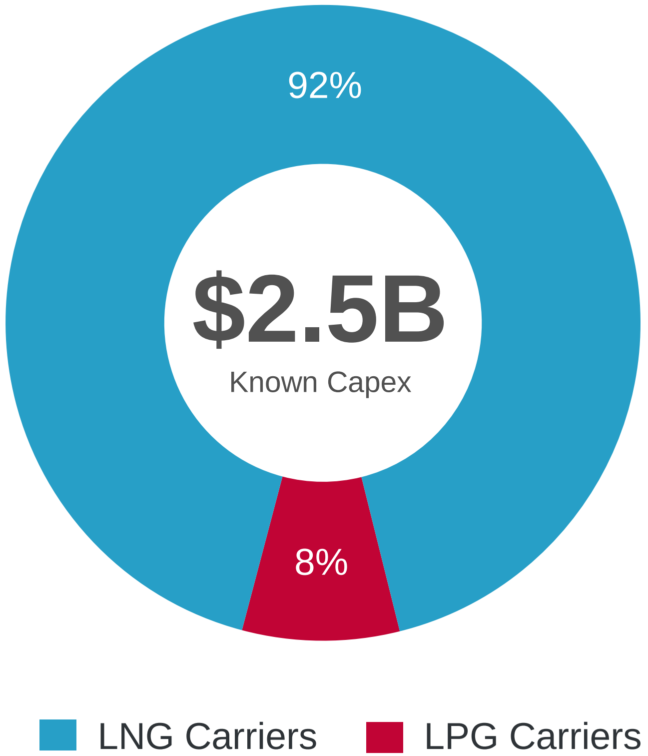
Ramping Up Growth at MLPs

Teekay GPs will benefit from $5.7 billion of known accretive growth

Teekay Offshore Partners



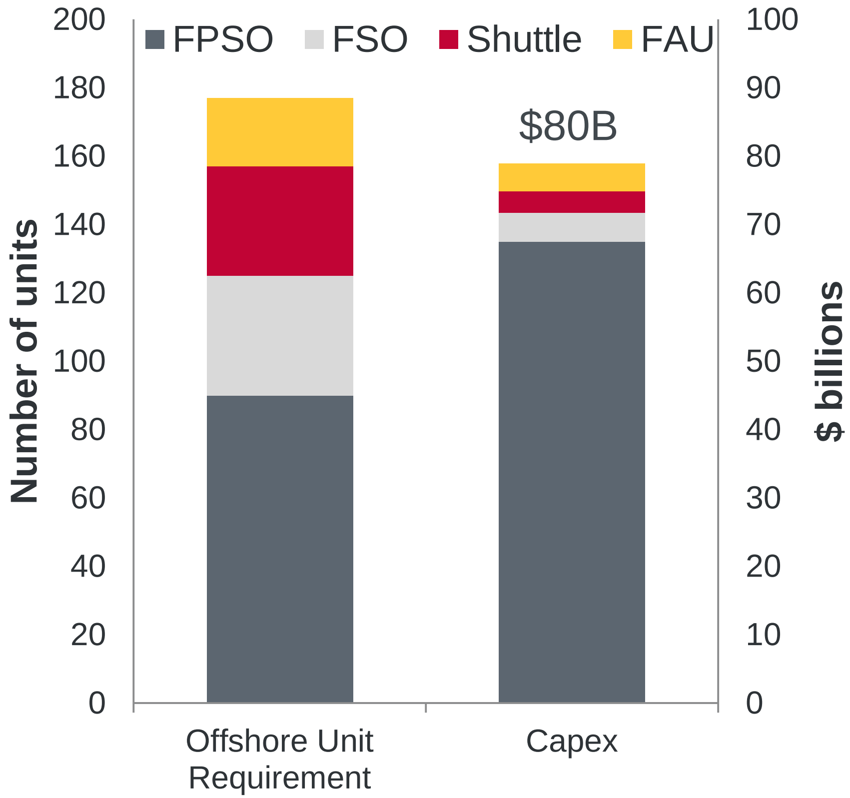
Teekay LNG Partners



Significant Future Growth in our Core Markets

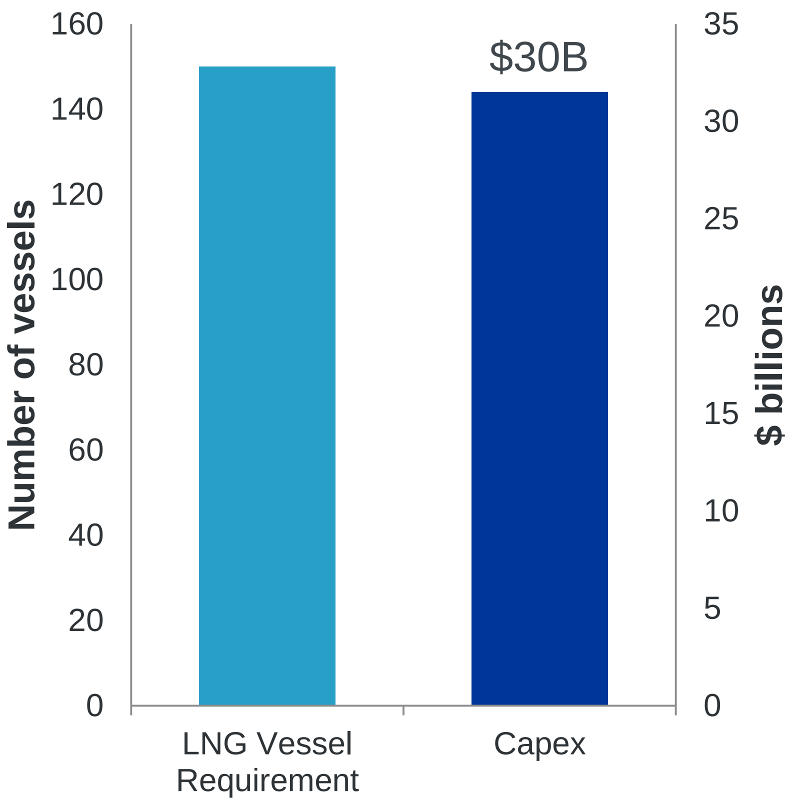
Over $100 billion of new industry Capex required by 2020

Teekay Offshore Partners



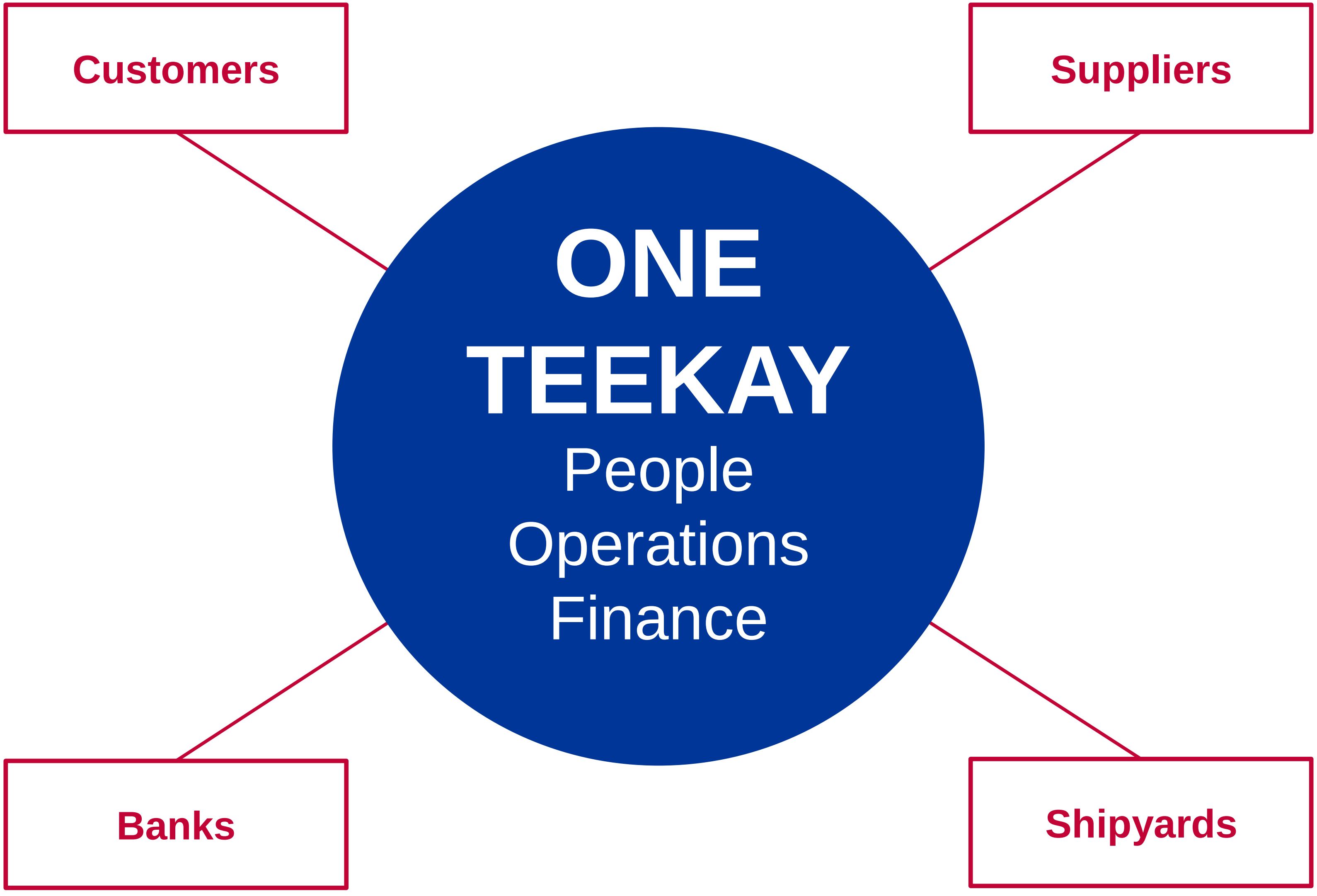
Source: Internal Estimates

Teekay LNG Partners



Source: Internal Estimates

Power of One Teekay


Customers
Suppliers
ONE
TEEKAY
People
Operations
Finance
Banks
Shipyards

BG Customer Relationship Case Study

Leveraged offshore relationship to obtain new gas business

BG GROUP

Offshore

2011

Awarded 4 shuttle tanker newbuild contracts
Teekay Offshore

Awarded *Knarr* FPSO newbuild contract
Teekay Parent

2012

2013

Awarded Hi-Load front-end engineering and design (*FEED*) study
Teekay Parent

Awarded COA shuttle tanker contracts for Knarr field
Teekay Offshore

2014

Gas

Awarded supervision and technical management on 4 LNG newbuilds
Teekay Parent

Award led to ownership

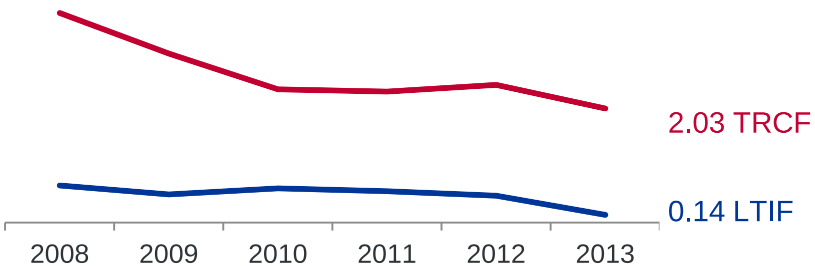
Acquired ownership interest in these newbuilds
Teekay LNG

WORKING TOGETHER TO ACHIEVE OPERATIONAL EXCELLENCE

Photo credit:
Kanwar Ghei
Yamuna Spirit

2013: BEST SAFETY PERFORMANCE IN TEEKAY'S HISTORY

HSEQ KPIs
(Per Million Man Hours)



TRCF: Total Recordable Case Frequency
LTIF: Loss Time Injury Frequency

1,300,000,000

barrels of cargo shipped in 2013

<0.5

barrels of oil lost to sea in 2013

Safety & Sustainability
Passion
Integrity
Reliability
Innovation
Teamwork

Photo credit:
Give Ganza
Axel Spirit


#TeekaySpirit
Photo credit:
Akesh Hiralal
Al Marrouna

STRATEGY

KENNETH HVID

Chief Strategy Officer

Photo credit:
Kanwar Deep Ghei
Yamuna Spirit

Teekay's Dual-Track Approach to Growth

Since June 2012 Investor Day, Teekay Group has committed $4.8 billion of new growth Capex

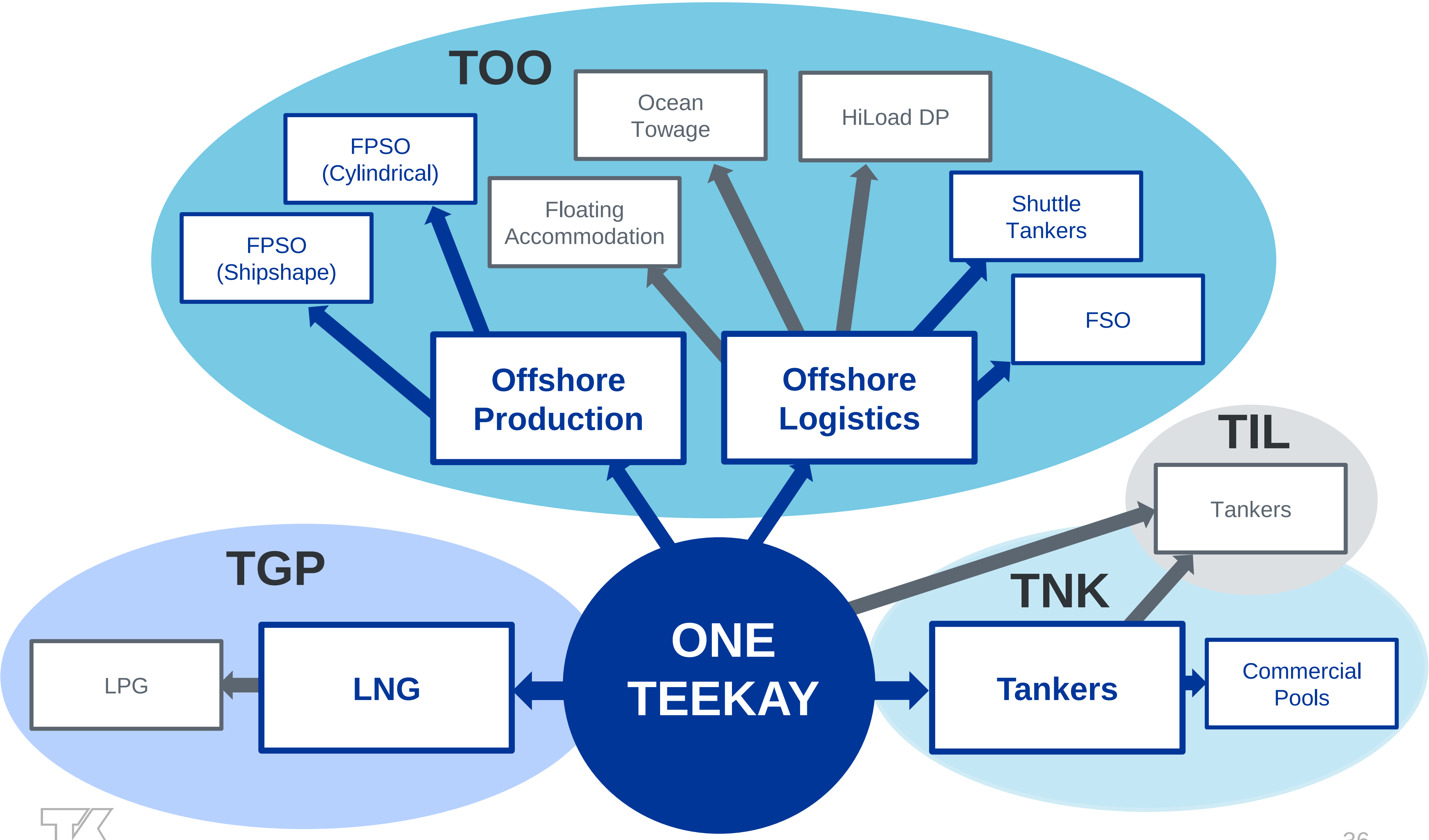
Growth in Existing Core Businesses

- **Offshore Production (TOO)**
  - Libra FPSO
- **Offshore Logistics (TOO)**
  - Salamander FSO conversion
  - Gina Krog FSO conversion
  - Dampier Spirit FSO life extension and recontracting
- **LNG (TGP)**
  - 5 MEGI LNG carrier newbuildings
  - 2 Awilco LNG carrier newbuildings
  - 6 Yamal icebreaker LNG carrier newbuildings
  - 4 BG LNG carrier newbuildings

Growth through New Adjacent Businesses

- **Floating Accommodation (TOO)**
  - Acquisition of Logitel Offshore and 3 floating accommodation units
- **Ocean Towage (TOO)**
  - Acquisition of ALP Marine and order placed for 4 newbuilding DP ocean towage vessels
- **Hi-Load DP (TOO)**
  - Direct investment in Remora AS
  - HiLoad DP unit
- **LPG (TGP)**
  - Exmar LPG joint venture
  - Additional 8 LPG carrier newbuildings

Growth of Existing Teekay Platforms Enables Further Growth into New Areas



Selective and Disciplined Approach to Growth

- Does the opportunity fit with an existing core business?
  - Same market drivers
  - Same customers
  - Same market geographies
- Can we use our competitive strengths to enhance value?
  - Will the opportunity be more successful operating under a Teekay platform?
- Will the opportunity provide profitable growth?
- Do we have the required human and financial capacity?

Teekay's Competitive Advantage

Engineering

Corporate Governance

Access to Low Cost Capital

Financial Expertise

Balance Sheet

Business Development

Project Execution

Strategic Partnerships

Industry Expertise

Customer Relationships

Market Insight

Operational Excellence

Partnering for Growth

Partnering allows Teekay to expand its business footprint more quickly, and at a lower cost, compared to in-house innovation alone

Customer Relationships & Market Expertise

- Access to new markets and new lines of business

EXMAR LPG

Engineering Expertise

- Intellectual property
- Innovation

SEVAN marine
KANFA Process Systems and Services
REMORA

Project Development

- Local content
- Diversification of project risk

ODEBRECHT

Financing

- Access to new sources of capital
- Diversification of financial risk

Marubeni
China LNG

Case Study: Sevan Marine

SEVAN marine

Developer

- Engineering
- Intellectual Property

+

TK

Owner

- Financing
- Operational Excellence
- Customer Relationships

Operating/Constructing

FPSO
Floating, Production, Storage and Offloading

FAU
Floating Accommodation

Bidding on Projects

FSO
Floating Storage Offtake

Future Opportunity

FLNG
Floating Liquefied Natural Gas

Focused on Staying Agile as We Get Bigger

Maintain balance between scale benefits and entrepreneurial spirit

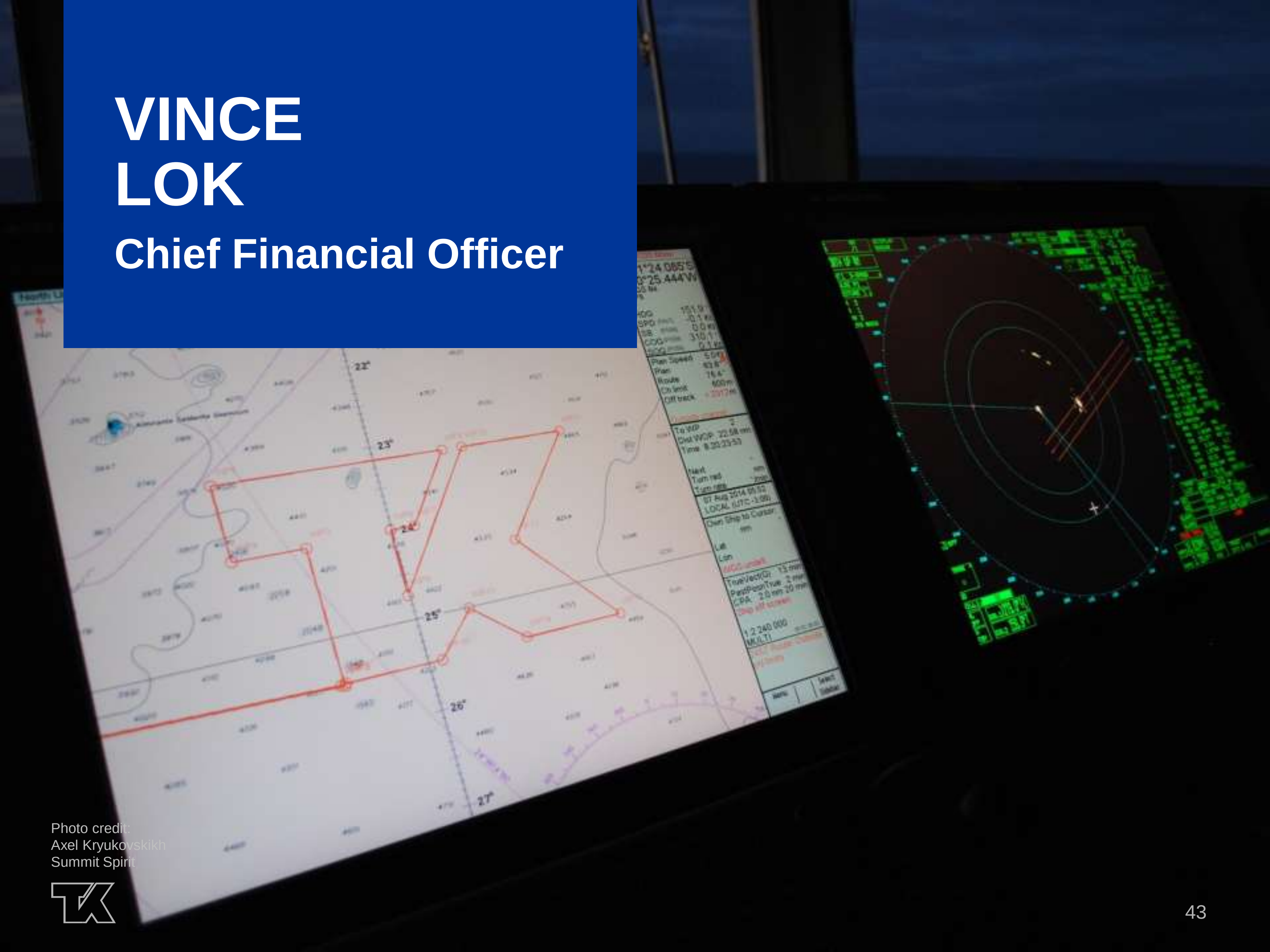
Scale Benefits

- Access to capital
- Scale economies
- Common vision and values
- Industry relationships
- Diversified service offering
- Talent pool

Entrepreneurial Spirit

- Agility to evolve and move in and out of segments
- Flexible business structures
- Team empowerment

FINANCIAL DISCUSSION



VINCE LOK

Chief Financial Officer

Photo credit:
Axel Kryukovskikh
Summit Spirit

Primary Financial Objective:

Increase Teekay Parent's Free Cash Flow Per Share

Key Components of Financial Strategy

Delever Teekay Parent Balance Sheet

- Legacy FPSO debt will be novated to TOO as assets are dropped down
- Net proceeds from legacy asset dropdowns/sales can be used to repay corporate level debt

Grow GP and LP Cash Flows

- New growth focused directly at Daughter level
- **Two GPs** early in the 50% high-splits

TEEKAY IS FOCUSED ON SUSTAINABLE LONG-TERM VALUE CREATION

Teekay Group Structured for Sustainable Growth

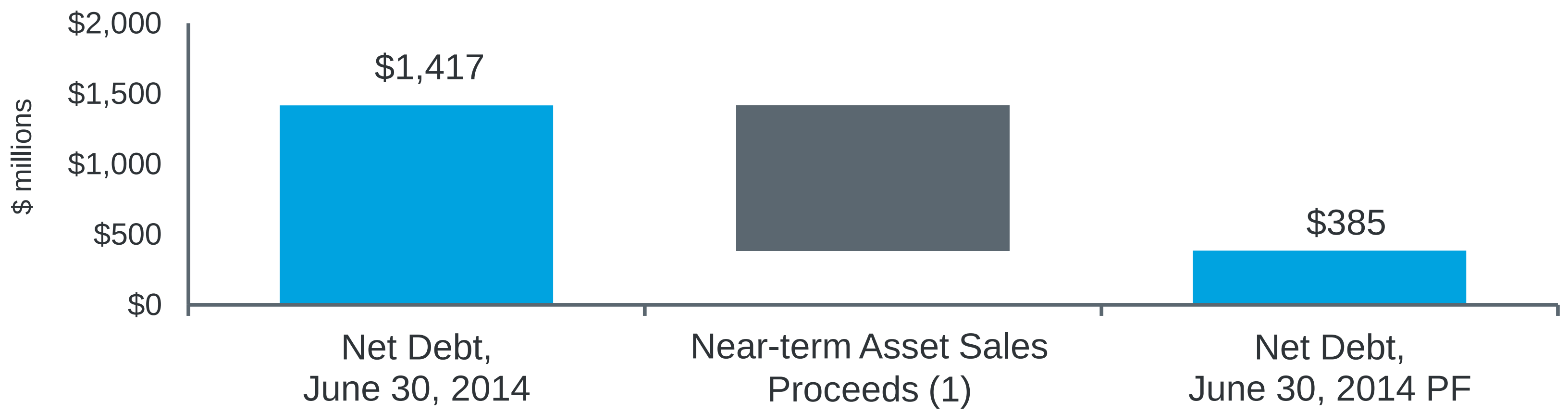
Balance Sheet Strength and Financial Flexibility

Access to Capital to Fund Daughter Growth

Teekay Parent Closer to Net Debt Free After Knarr Dropdown

Strong balance sheet is a key component of Teekay's transformation to a pure-play GP

Pro Forma Teekay Parent Net Debt Reduction



Further debt reduction upon dropdown/sale of remaining FPSO units

(1) Asset Sales Proceeds consist of the Knarr FPSO and the VLCC tanker; net of assumed $200 million TOO LP unit takeback.

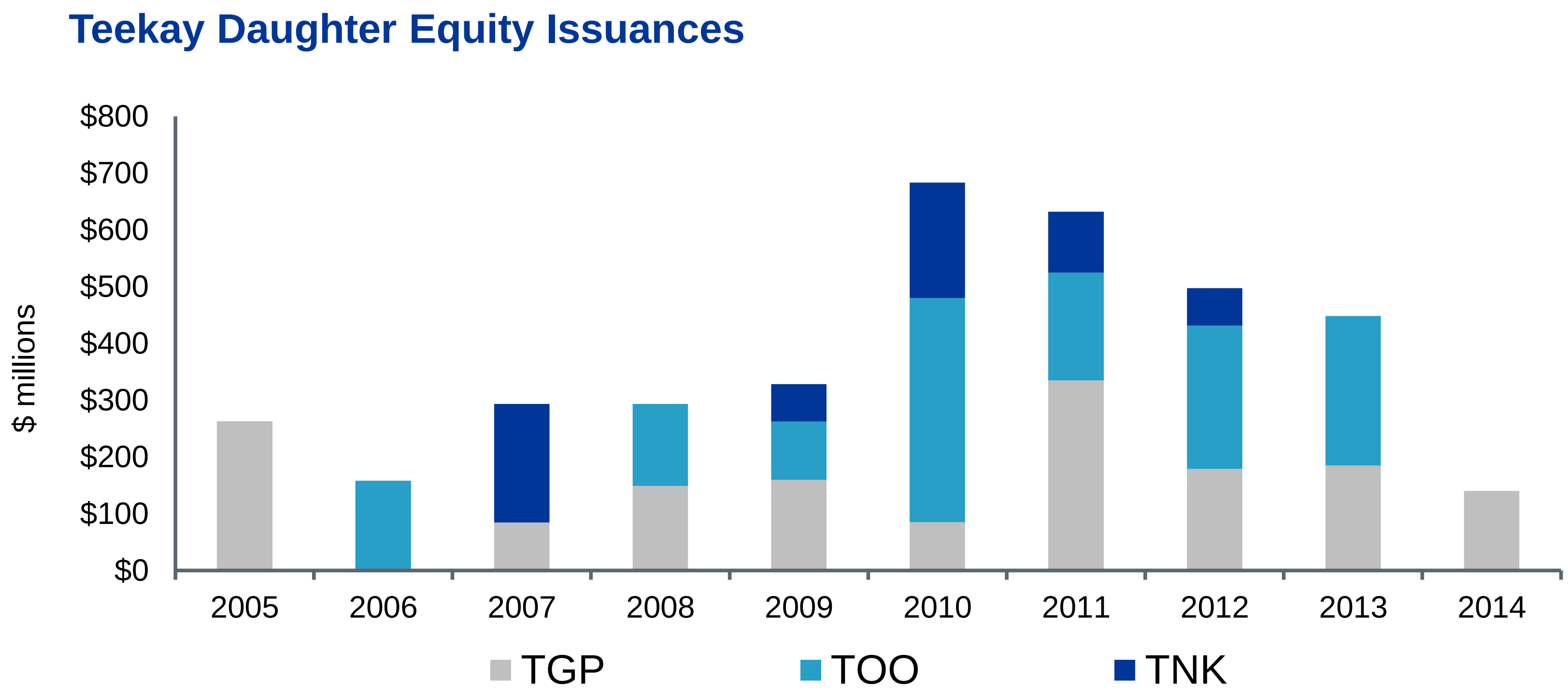
TGP and TOO Have Financial Capacity to Support Their Own Growth

$ millions	TGP	TOO	
Market Capitalization[1] ($ billions)	$3.3	$2.9	
Annual Equity Issuance Capacity (15% of Market Capitalization)	$500	$435	
Annual Debt Capacity[2]	$930	$650	**TOTAL**
Annual Investment Capacity	**$1,430**	**$1,085**	**$2,515**

Growth capacity will expand as Daughter market capitalizations increase

(1) Based on market closing unit prices on September 24, 2014.
(2) Based on target debt / equity of 65%/35% for TGP and 60%/40% for TOO.

Consistent Access to Equity Capital



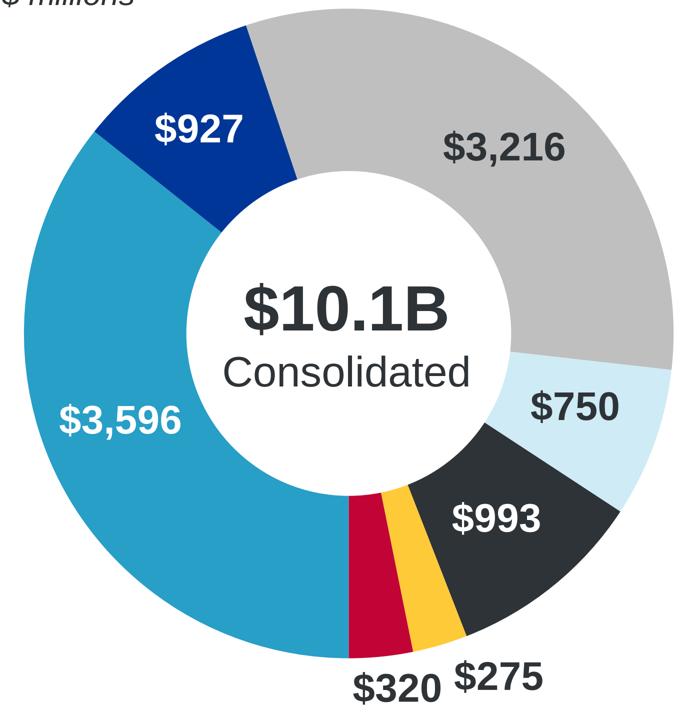
Cumulative Equity: $1,580m $1,505m $652m

$3.7 billion of third party equity raised by Teekay Daughters since 2005

Continuing to Diversify Sources of Capital

- Commercial Bank Debt
- Export Credit Agency (ECA) Facilities
- Daughter Equity
- U.S. Corporate Bonds
- Norwegian Kroner Bonds
- U.S. Project Bonds
- Joint Venture Partners

Teekay Group Sources of Capital
(December 31, 2008 – Present)
$ millions



Focused on diversifying capital base and reducing cost of capital

DEFINING TEEKAY’S NEW DIVIDEND POLICY

Defining Teekay Parent's Cash Flows

"GPCO"

Long-term cash flows from Teekay Parent's equity ownership in Daughter entities

- GP Incentive Distribution Rights (IDRs)
- LP Distributions
- Other Dividends
- Corporate G&A

Growing

"OPCO"

Cash flows related to Teekay Parent's legacy operating assets

- Remaining FPSOs
- VLCC
- Remaining In-Charters
- Interest Expense (including 8.5% Teekay Bond)

Self-Sustaining* & Winding Down

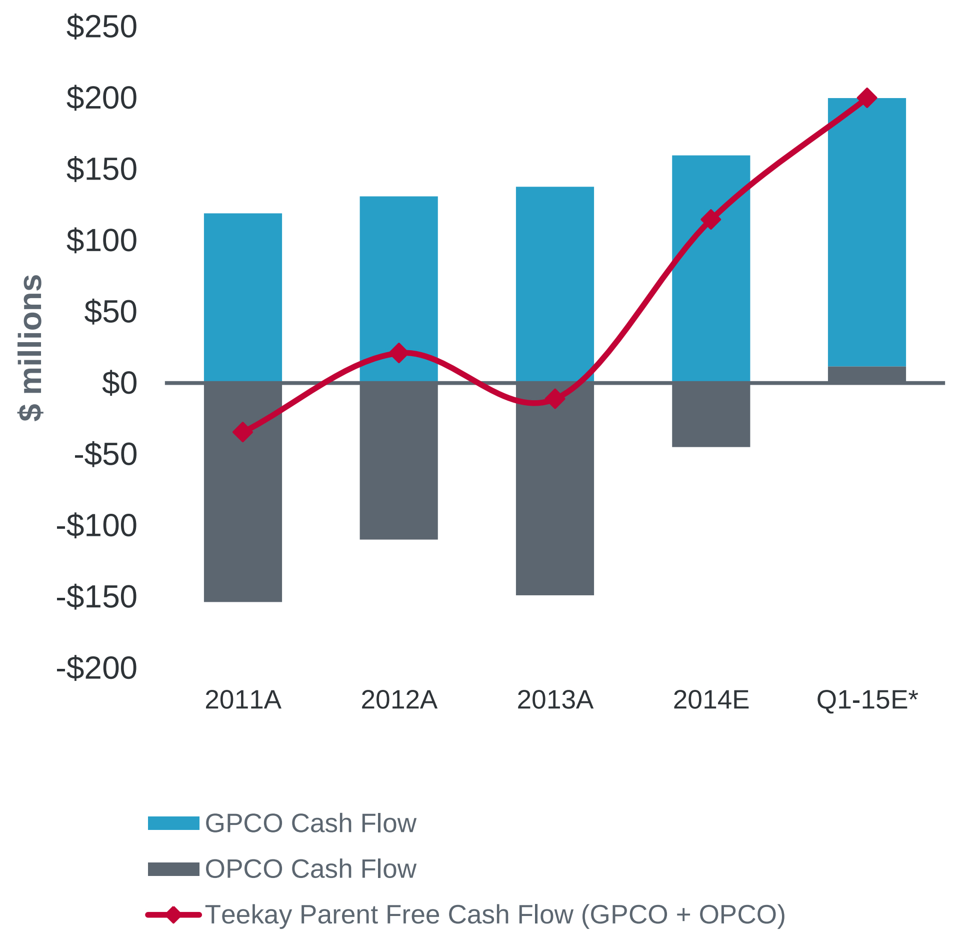
* See Appendix for a summary of illustrative OPCO cash flows.

Teekay Parent at Positive Inflection Point

Timing is right for new Teekay dividend policy:

1. Transition to asset-light, net debt free corporate structure nearly complete
2. OPCO no longer a cash flow drag
3. GPCO poised for significant growth with two GPs early in the 50% “high-splits”

Teekay Parent Free Cash Flows (GPCO + OPCO)



* Annualized.

Future Dividends Linked to Daughter Cash Flows

GPCO

$$\text{Teekay Dividend} = \frac{\text{GP Cash Flows} + \text{LP Cash Flows} + \text{Other Dividends} - \text{Corp. G\&A} - \text{Reserves}}{\text{Target Coverage Ratio}}$$

- Initial dividend increase to **$2.20 - $2.30 per share** (annualized)*
  - **~75% - 80% increase** from current annual dividend of $1.265 per share
- Expect to further **grow dividend by ~20% per annum** over the next 3 years
- Intend to implement in Q1-15, subject to successful contract start-up and dropdown of Knarr FPSO
- **Initial Target Coverage Ratio: 1.15x – 1.20x**
  - Intend to reduce coverage ratio over time as remaining OPCO legacy assets are dropped down / sold

* See Appendix for illustrative calculation.

Illustrative Teekay Parent Free Cash Flow Forecast Assumptions

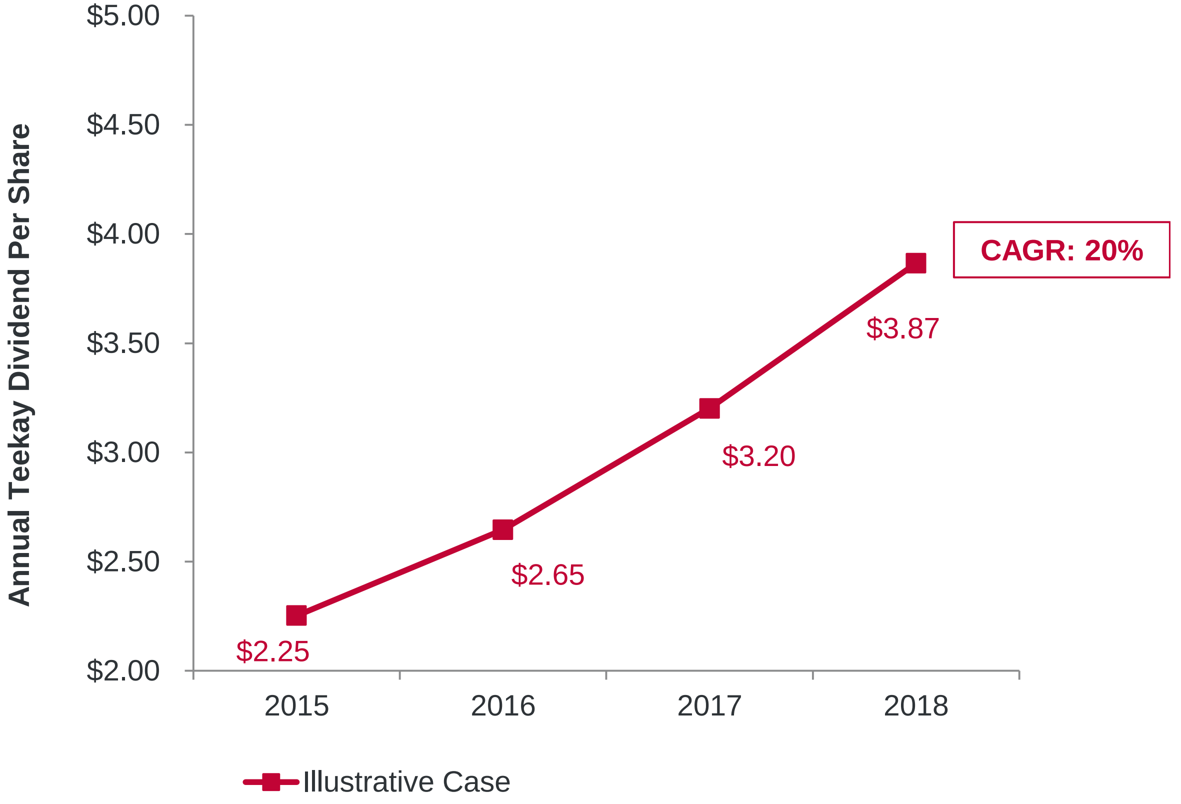
		CAGR (IPO – 2014)	2015	2016	2017	2018
TOO	LP Distribution Growth Per Unit	6%	7.5%	5%	5%	5%
	LP Unit Growth*		12%	8%	9%	10%
TGP	LP Distribution Growth Per Unit	6%	0%	2.5%	4%	4%
	LP Unit Growth*		5%	6%	10%	10%

- Other Dividends: $3 million per annum from TNK
- Corporate G&A: $20 million per annum
- Coverage Ratio: 1.175x (assumed to be at mid-point of initial range)

* Includes equity related to funding the construction of newbuilding/conversion projects.

Illustrative Teekay Parent Dividend Growth

Illustrative Dividend Growth*

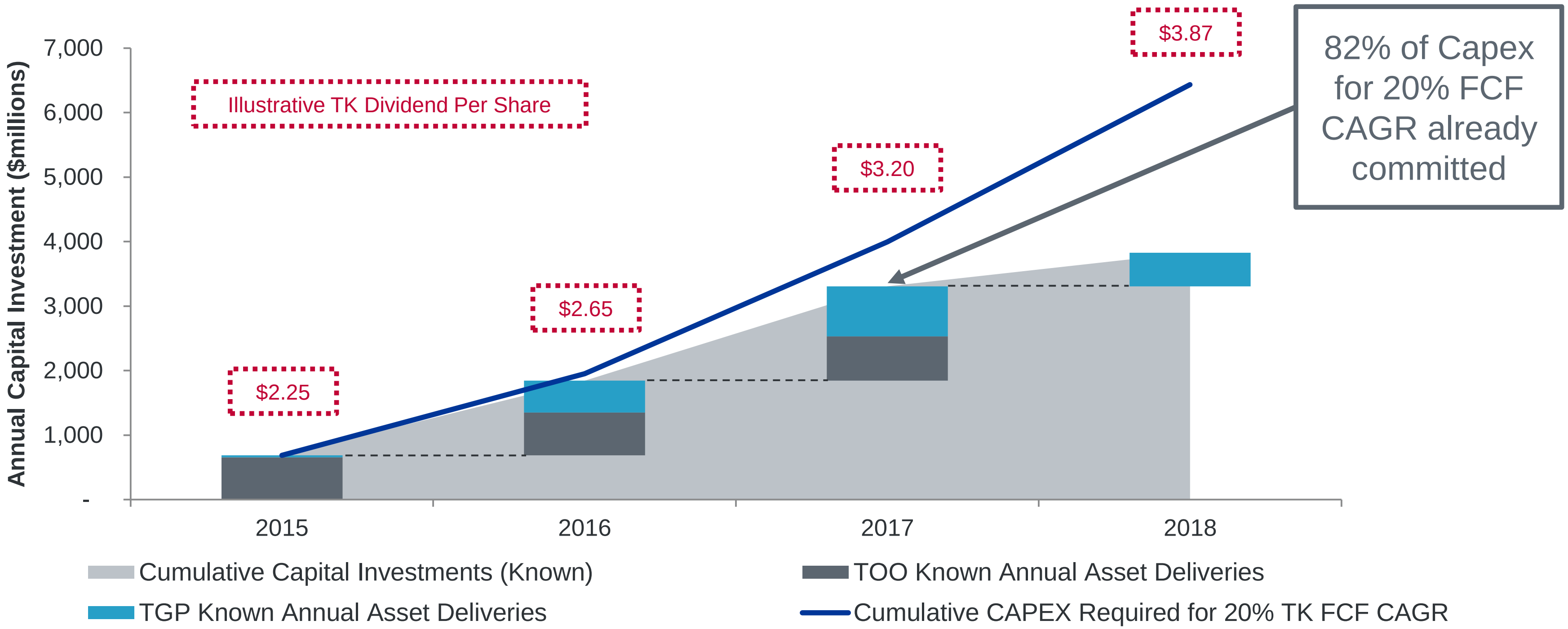


* Based on illustrative case assumptions; starting at mid-point of expected Q1-15 dividend per share range.

Over 80% of Growth Capex Already Booked to Achieve 20% CAGR Through 2017

Actively bidding on additional gas and offshore opportunities to drive further free cash flow growth

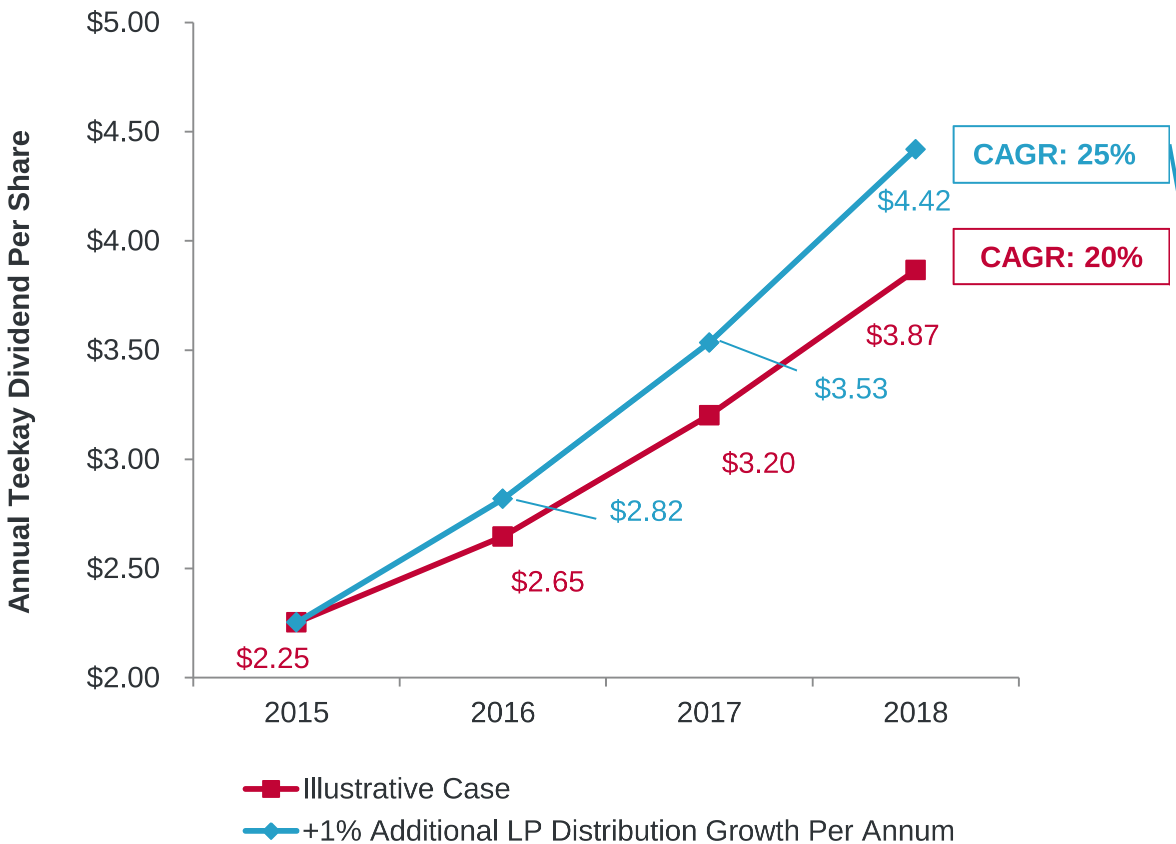
TGP and TOO Growth Capex – Committed vs. Illustrative Target



* Excludes $0.8 billion of additional growth capex for projects delivering after 2018.

Illustrative Teekay Parent Dividend Growth

Illustrative Dividend Growth*



GP Multiplier Effect:
An additional 1% annual increase in LP distributions from both TOO and TGP would increase Teekay's dividend CAGR by 5%

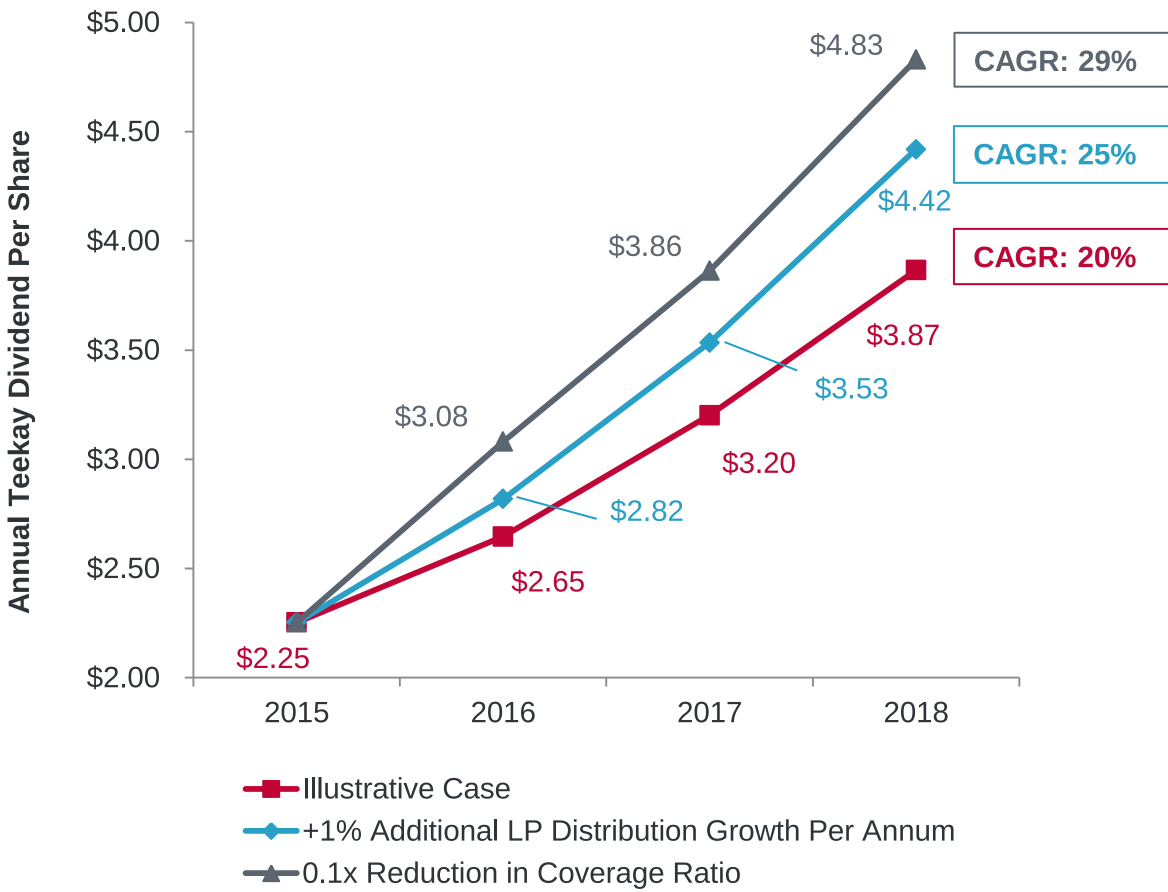
* Based on illustrative case assumptions; starting at mid-point of expected Q1-15 dividend per share range.

Intend to Reduce Target Coverage Ratio As OPCO Winds Down

Remaining FPSOs	Drop down to Teekay Offshore or sold (by end-2016)
VLCC	Sell to third party buyer
In-charters	Redeliver vessels to owners following expiry of in-charter contracts (by end-2018)
Interest Expense	Use dropdown proceeds and retained cash to repay revolvers, repurchase 8.5% bonds or take back LP units

Illustrative Teekay Parent Dividend Growth

Illustrative Dividend Growth*

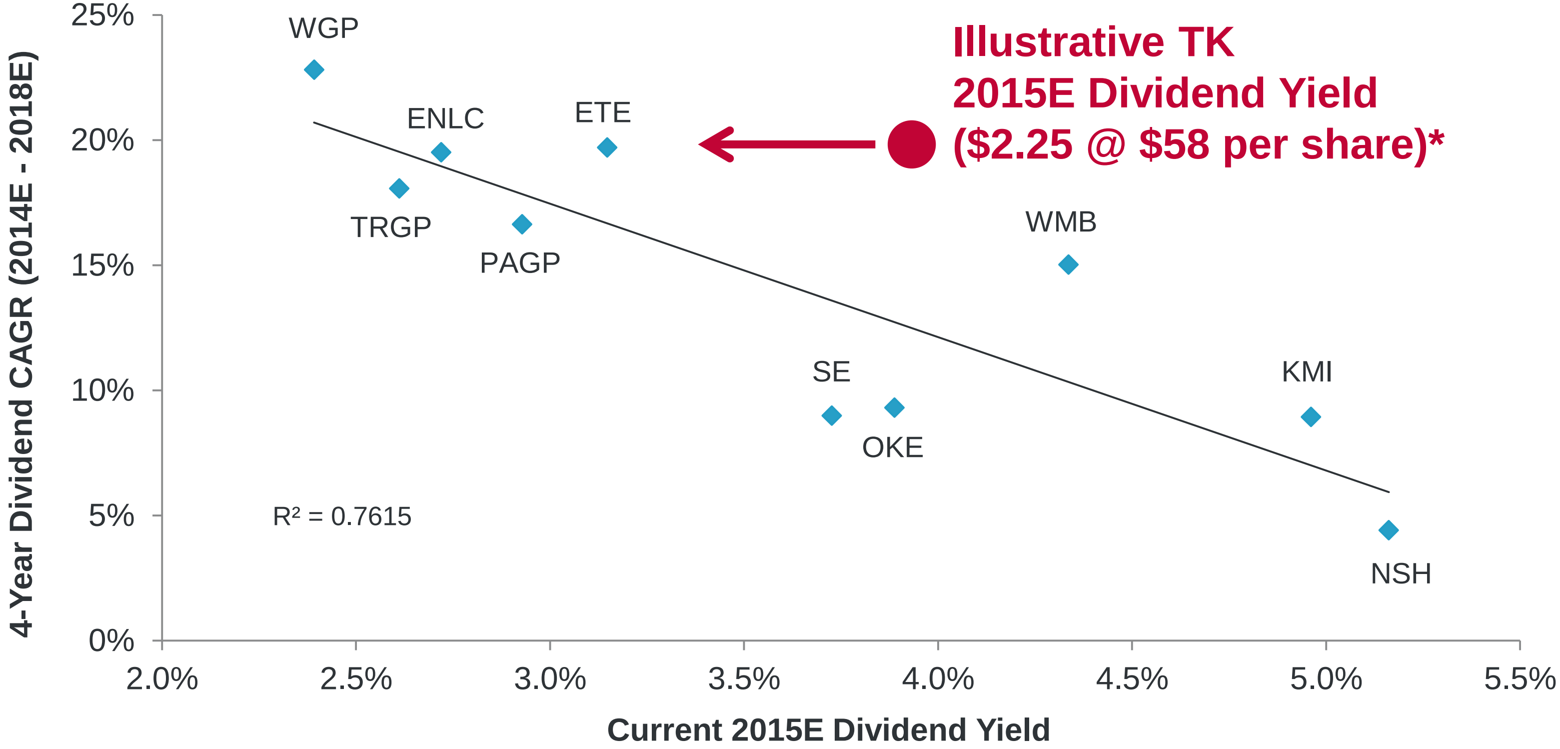


Coverage Ratio Effect:
A 0.1x reduction in Coverage Ratio would increase Teekay's dividend CAGR by a further 4%

GP Multiplier Effect:
An additional 1% annual increase in LP distributions from both TOO and TGP would increase Teekay's dividend CAGR by 5%

* Based on illustrative case assumptions; starting at mid-point of expected Q1-15 dividend per share range.

Benchmark to GP Peers Implies Teekay Valuation Upside



Source: Bloomberg, as of September 24, 2014.
* Based on illustrative forecast assumptions and closing share price on September 24, 2014.

TEEKAY IS POSITIONED FOR SIGNIFICANT FREE CASH FLOW GROWTH

- Strong industry fundamentals
- Leading market positions in core businesses
- Strong balance sheet and access to capital
- Flexible corporate structure with two GPs

APPENDIX

Teekay Parent Illustrative Free Cash Flow Forecast

Cash Flow Forecast	Q1-14	Q2-14	Q3-14E	Q4-14E	2014E		Q1-15E
OPCO EBITDA	0.2	(20.1)	(3.1)	42.5	19.5		17.1*
FPSO Interest Expense	(3.3)	(3.2)	(3.1)	(3.0)	(12.6)		(2.9)
Corporate Net Interest Expense	(12.9)	(11.8)	(13.5)	(11.9)	(50.1)		(11.3)
Drydocking Expense	(0.5)	(0.4)	(0.6)	(2.5)	(4.0)		0.0
Teekay Parent OPCO Cash Flow	**(16.5)**	**(35.5)**	**(20.3)**	**25.1**	**(47.2)**		**2.9**
LP Distributions	30.3	30.2	30.2	33.5	124.2		34.3
GP Distributions	12.4	12.8	12.6	13.4	51.2		17.0
Other Dividends	0.6	0.6	0.7	0.7	2.6		0.7
Cash Taxes	0.0	0.0	0.0	0.0	0.0		0.0
Total Daughter Distributions	43.3	43.6	43.5	47.6	178.0		52.0
Less:							
Corporate G&A	(5.7)	(3.5)	(5.0)	(5.0)	(19.2)		(5.0)
Teekay Parent GPCO Cash Flow	**37.6**	**40.1**	**38.5**	**42.6**	**158.8**		**47.0**
TK Dividend Per Share							
Coverage Ratio						1.20x	1.15x
Total TK Dividend	22.4	22.8	22.9	22.9	91.0	39.2	40.9
TK Dividend Per Share	$ 0.32	$ 0.32	$ 0.32	$ 0.32	$ 1.265	$0.55	$0.57

* Includes accrual for Foinaven FPSO annual incentive-related revenue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