TEEKAY CORPORATION
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TEEKAY CORPORATION
2010 ANNUAL GENERAL MEETING
BJORN MOLLER, PRESIDENT AND CEO
JUNE 23, 2010

Good morning, ladies and gentlemen. Thank you for attending our Annual General Meeting. As usual, I would like to spend a few minutes reviewing key developments of the past year.

For further information, I would like to refer you to our Web site, www.teekay.com, where you will be able to download our 2009 20F filing with the United States Securities and Exchange Commission.

Before I begin, I would like to remind you of the usual caution regarding comments with respect to future performance, which is mandated by US Securities laws. [(1)]

Looking back, 2009 was one of the most challenging years in recent memory, both for the global economy and for most of the shipping industry.

For Teekay, the contribution from our growing fixed-rate businesses proved particularly valuable, providing cash flow stability through one of the most volatile spot tanker markets in decades.

And, while tanker market volatility has continued into 2010, our fixed-rate offshore, liquefied gas and conventional tanker businesses continue to provide Teekay with a significant base of stable cash flows while our spot-traded fleet retains the potential upside to the spot tanker market.

On a U.S. GAAP basis, net income attributable to our shareholders was $128.4 million, or $1.76 per share for the year ended December 31, 2009, compared to a net loss of $469.4 million, or $6.48 per share, in the prior year, mainly due to large, non-cash items.

At a time when many companies struggled to – or were unable to – do so, Teekay maintained its regular quarterly dividend of $0.31625 per share throughout the year. This dividend was entirely funded by the stable distributions we receive from Teekay's ownership in our two MLP daughter companies, Teekay LNG Partners and Teekay Offshore Partners.

Further increasing Teekay's financial strength and flexibility was central to our efforts in 2009, and we made significant progress in this area by reducing net debt at the parent level, building liquidity and improving profitability.

The proceeds from third party asset sales and vessel dropdown transactions to our three publicly-listed daughter companies - made possible by our unique corporate structure - resulted in a reduction in net debt and newbuilding commitments at the parent company level of over $900 million between December 31, 2008 and April 30, 2010. Liquidity was increased significantly and debt maturities were extended with a highly successful $450 million bond offering completed in January 2010, as well as other debt financings and refinancings. Improvements to profitability were achieved through efficiency gains and reductions in G&A costs, vessel operating expenses and time charter hire expense. In addition, we are beginning to see increases to our revenues through charter contract renegotiations and renewals, particularly in our offshore segment.

Today, Teekay's financial strength and flexibility are underpinned by a number of factors: $2.2 billion of consolidated liquidity; $12.0 billion of forward-fixed rate revenues with an average remaining term of over 10 years; the majority of consolidated debt sitting with our daughter companies, approximately 90% of which is non-recourse to Teekay Parent; strong asset coverage at Teekay Parent of $4.0 billion against only $576 million of net debt; and a favorable debt maturity profile with no significant near-term maturities and no debt covenant concerns.

Turning to a review of our business, I will touch briefly on recent key developments.

Let me start by highlighting that operational excellence is a key strength and a core value at Teekay. The safety of our people and the safe operation of our vessels remain our highest priorities. A wise person once stated that "safety results cannot be banked". This means that our work is never done in this area and this is the reason we devote enormous effort to continuous improvement in our performance.

Offshore oil production continues to represent exciting opportunities for Teekay with deepwater oil production expected to reach 35% of world oil production by 2015. Offshore oil production cannot be discussed today without bringing to mind the incident unfolding at the Macondo oil well in the Gulf of Mexico. An increase in regulation for the offshore industry is amongst the expected outcomes. Teekay, which has operated for many years in highly regulated areas such as the North Sea, is well prepared and well positioned in this regard. It is also worth noting that our offshore units are involved in production, not exploratory drilling, and our floating production, storage and offloading (FPSO) projects are typically five to seven years down the value chain from the exploration phase. As a result, most of the projected FPSO and shuttle tanker demand over the next 5 years is linked to fields on which exploration drilling has already been completed. Forecasts point to increasing demand for FPSO units, floating storage and offloading (FSO) units and shuttle tankers. Brazil remains at the forefront of new offshore activity and we are seeing exciting new project development in the North Sea; both these regions are part of Teekay's core offshore markets.

The strength of the floating production sector is also benefiting our existing offshore assets which are seeing renewal of their contracts at higher rates. The contract for the Petrojarl Varg FPSO was renewed in July 2009 resulting in a 37% increase to its cash flow from vessels operations (CFVO). The Petrojarl Foinaven FPSO contract was amended in March 2010 resulting in an incremental $30 to $40 million in annual CFVO through 2021 plus $60 million in catch-up payments relating to prior years operations. A third Teekay FPSO, the Petrojarl Cidade de Rio das Ostras FPSO, which has been operating successfully as a well-test facility for the production of heavy crude oil in Brazil's Campos Basin since 2008, recently extended its contract with Petrobras through 2018 and will be redeployed to the Aruana field in the Campos Basin later this year. A number of our shuttle tanker contracts have also renewed at higher rates and we are working on renewing other shuttle tanker contracts. During 2009, we converted one of our older shuttle tankers for a 7.5 year fixed-rate FSO contract in Qatar.

The market for new LNG shipping projects remained relatively quiet last year due to the deferral of final investment decisions on new gas field developments. However, Teekay's existing portfolio of newbuilding gas projects which were secured in previous years continued to provide built-in growth to Teekay's gas fleet during 2009. We took delivery of the two LNG carriers which commenced 20-year fixed rate charters to the Tangguh LNG project in Indonesia. In the fourth quarter of 2009, we took delivery on the second of five LPG newbuildings, and we commenced construction on a fourth LNG carrier as part of our 33% interest in the Angola LNG project, which will commence 20-year contracts upon delivery in 2011 and 2012. We believe that the long-term demand fundamentals for natural gas are positive given its cleaner burning characteristics and its cost competitiveness. We are also exploring various higher value-added niche opportunities such as floating liquefaction and regasification units.

Given the volatility of spot tanker rates throughout 2009, particularly the very weak second-half of the year, we carefully managed our spot market exposure through the re-delivery of a large number of in-chartered ships and chartering out several of our spot tankers on one- to three-year fixed-rate charters. Our current conventional tanker newbuild program was completed with the delivery of the fourth and final Bohai-built Suezmax tanker in December 2009.

We have seen some encouraging signs in the spot tanker market so far in 2010 with spot tanker rates averaging higher than expected. Led by non-OECD countries, oil demand growth has picked up and is forecast by the IEA to be the strongest since 2004 on the back of global economic recovery. Tanker supply growth has been dampened by increased scrapping of single-hull tankers and delays in newbuilding deliveries. We expect the spot tanker market to remain volatile in 2010 and we continue to actively manage our spot exposure as we see the market unfold. In addition, we are working to expand our commercial footprint and better serve our customers through our tonnage pools. We now commercially manage the world's largest Suezmax fleet through our Gemini pool, and we also operate pools in the Aframax crude oil and the LR2 product tanker segments.

Our mission as the marine midstream company is to be the premier provider of marine services to our customers in the oil and gas sector. Today, Teekay transports approximately 10% of the world's seaborne oil, has a significant presence in liquefied natural gas transportation, is a leading provider of offshore solutions and maintains one of the largest commercial footprints in the conventional tanker business.

With our diverse business platform, our strong balance sheet and large base of fixed-rate cash flows and our unique corporate structure, we believe that Teekay is well-positioned to create long-term shareholder value through improving the profitability of our existing assets and through attractive growth opportunities over the next several years.

In closing, I would like to thank our customers for the opportunity to serve them; our colleagues for their dedicated efforts; our Board of Directors for their valued guidance; and our fellow shareholders for their continued support.

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[1] Before I proceed with my report to the shareholders, please allow me to remind you that various remarks that we may make in the course of this presentation about future expectations, plans and prospects for the company and the shipping industry constitute forward-looking statements for the purposes of the Safe Harbour provisions under the Private Securities Litigation Act of 1995.

Actual results may differ materially from those indicated by these forward-looking statements, as a result of various important factors, including those discussed in our annual report on Form 20-F for the year ended December 31, 2009 and dated April 29, 2010.