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 growth prospects; tanker market fundamentals, including the balance of supply and demand in the tanker market and sources of incremental oil production, and spot tanker charter rates; newbuilding delivery dates and the commencement of service under long-term contracts; the Company’s future capital expenditure commitments and the financing requirements for such commitments; shipyard capacities and mix of vessels produced; and proceeds and gain in the fourth quarter of 2004 relating to the sale of five of its older vessels. 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 and LNG, 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 tanker tonnage requirements; changes in the number of shipyards and demand for certain types of vessels; 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; the potential for early termination of long-term contracts and inability of the Company to renew or replace long-term contracts; shipyard production delays; the Company’s future capital expenditure requirements; 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, 2003. 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.
3rd Quarter Highlights

- Achieved highest ever quarterly net income of $245.3 million, or $2.77 per share
- Realized $143.6 million gain on sale of vessels and investment in Torm
- Increased dividend for second consecutive year – 28% cumulative increase over last two years
- Tapias integration progressing smoothly – 1 LNG delivered in Q3, another delivering before year end
- World economy and global oil demand growing at fastest pace in 30 years
- Current voyages being booked at $60,000 to $100,000 per day
Continued Strong Global Oil Demand Growth

2004: Highest Growth Rate Since 1978

Source: IEA
Growing Oil Production Supported by Increased Demand

Source: IEA
Conservative Bias in Demand Estimates?

Note: the IEA publishes oil demand estimates on a monthly basis. The IMF publishes global GDP forecasts in April and September every year.
Long-haul Middle East Oil Gaining Market Share...

Source: IEA

Most tonne-mile intensive source of oil
Estimated percentage increase in global tanker demand resulting from a 1% increase in global oil supply, if the entire increase originated from:

FSU
Non OPEC
Middle East

Source: Platou / IEA

(The Middle East no. is based on an equal increase in oil exports to Japan and the US)
Tanker Supply

- Deliveries
- Deletions
- On Order
- Net Change

Remaining mandatory scrapping of ~19 mdwt

Source: CRS
## Market to Remain Largely Balanced Through 2006

<table>
<thead>
<tr>
<th></th>
<th>2005 (mdwt)</th>
<th>2006 (mdwt)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Newbuilding Deliveries</td>
<td>32</td>
<td>23</td>
</tr>
<tr>
<td>less: Mandatory scrapping *</td>
<td>(19)</td>
<td>(1)</td>
</tr>
<tr>
<td>Net fleet growth</td>
<td>13</td>
<td>22</td>
</tr>
<tr>
<td>Tanker demand growth (1)</td>
<td>(11)</td>
<td>(12)</td>
</tr>
<tr>
<td>Change in supply / demand balance</td>
<td>2</td>
<td>10</td>
</tr>
</tbody>
</table>

### Assumptions

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2006</th>
</tr>
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<tbody>
<tr>
<td>Oil demand growth (p.a.)</td>
<td>1.8%</td>
<td>2%</td>
</tr>
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<td>Tanker demand growth (p.a.) at 1:1.75</td>
<td>3.2%</td>
<td>3.5%</td>
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* Assumes no scrapping for the balance of 2004
**But Tight Fundamentals Through 2010**

<table>
<thead>
<tr>
<th></th>
<th>2005 (mdwt)</th>
<th>2006 (mdwt)</th>
<th>Total during 2007-2010 (mdwt)</th>
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<tbody>
<tr>
<td>Newbuilding Deliveries</td>
<td>32</td>
<td>23</td>
<td>133</td>
</tr>
<tr>
<td>less: Mandatory scrapping *</td>
<td>(19)</td>
<td>(1)</td>
<td>(78)</td>
</tr>
<tr>
<td>Net fleet growth</td>
<td>13</td>
<td>22</td>
<td>55</td>
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<td>(11)</td>
<td>(12)</td>
<td>(55)</td>
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<tr>
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<td>2</td>
<td>10</td>
<td>0</td>
</tr>
</tbody>
</table>

Required newbuilding deliveries to meet fleet replacement and demand growth:
- 25 mdwt 2007 (est.)
- 36 mdwt 2008 (req’d)
- 36 mdwt 2009 (req’d)
- 36 mdwt 2010 (req’d)
- 133 mdwt

(1) Assumptions

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<th>2007-2010 **</th>
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</tr>
</tbody>
</table>

* Assumes no scrapping for the balance of 2004 and no exemptions assumed for single hull tankers beyond 2010

** Tanker demand growth of 3.5% assumed for 2007-2010 on a compounded annual growth basis
Aggregate Tanker Output Declining

Tanker Deliveries by Shipyard Location

Shift in Shipyard Priorities

<table>
<thead>
<tr>
<th>Shipyard Capacity Allocation by Ship Type</th>
<th>2003</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tanker</td>
<td>37%</td>
<td>28%</td>
</tr>
<tr>
<td>Container</td>
<td>20%</td>
<td>32%</td>
</tr>
<tr>
<td>LNG</td>
<td>5%</td>
<td>15%</td>
</tr>
</tbody>
</table>

Source: CRS
OPEC Production vs. Aframax TCE

* OPEC production in Oct. 2004 assumed to remain unchanged from Sept. 2004
Developments in Spot Tanker Segment

- Q3 average Aframax TCE of $31,100 per calendar-ship-day, up from $27,600 in Q2
- 9 owned and 2 in-chartered newbuildings on order in spot segment
- Profitable fleet renewal through well-timed arbitrage; example:
  - In Q3, took delivery of Aframax newbuilding at cost of $37.5 million (ordered 2002)
  - In early Q4, sold an 11 year-old Aframax for $35 million
- Average age of Teekay fleet now 7.5 years (excluding newbuildings)
- Maintaining high tanker operating leverage through combination of newbuilding deliveries and in-charters
## Spot Tankers: # of ships *

<table>
<thead>
<tr>
<th></th>
<th>1q04</th>
<th>2q04</th>
<th>3q04</th>
<th>4q04 **</th>
<th>2005 **</th>
<th>2006+ **</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Additions</strong></td>
<td>5</td>
<td>6</td>
<td>6</td>
<td>2</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td><strong>Deletions</strong></td>
<td>8</td>
<td>3</td>
<td>9</td>
<td>3</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net Change</strong></td>
<td>-3</td>
<td>3</td>
<td>-3</td>
<td>-1</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Owned and in-chartered

**Transactions concluded as of October 20, 2004
## Highly Profitable In-charter Strategy

<table>
<thead>
<tr>
<th></th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D=C-B</th>
<th>Cflow=D<em>365</em>A</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. of ships</td>
<td>Avg. Remaining in years *</td>
<td>Ship Years</td>
<td>Optional Ship Years</td>
<td>Avg. break-even rates / day (LTM)</td>
</tr>
<tr>
<td>VLCC</td>
<td>2</td>
<td>1.8</td>
<td>3.6</td>
<td>2</td>
<td>$38,000</td>
</tr>
<tr>
<td>Suezmax</td>
<td>4</td>
<td>1.9</td>
<td>7.5</td>
<td>3</td>
<td>$25,100</td>
</tr>
<tr>
<td>Aframax (includes 2 ships joining in 4q04)</td>
<td>19</td>
<td>2</td>
<td>37.4</td>
<td>16.5</td>
<td>$18,600</td>
</tr>
<tr>
<td>Large product tankers</td>
<td>6</td>
<td>1.4</td>
<td>8.4</td>
<td>2</td>
<td>$19,500</td>
</tr>
<tr>
<td>Small product tankers</td>
<td>10</td>
<td>1.8</td>
<td>20</td>
<td>44</td>
<td>$11,100</td>
</tr>
</tbody>
</table>

**Annualized cash-flow from TC-in fleet** $143,518,000

**ROIC of Teekay’s Spot Fleet for 9 months of 2004: 36%**

* Excludes option years
** Excludes gains on vessel and Torm sales
Developments in Fixed-rate Segments

- Awarded 5-year shuttle tanker contract for new North Sea oil field, “Alvheim”
- Took delivery of third LNG newbuilding which commenced 25-year charter
- Delivered another shuttle tanker on minimum 13-year charter to Petrobras
- Record quarterly cash-flow from vessel operations from fixed-rate segments of $77 million
## Segment Operating Results

<table>
<thead>
<tr>
<th>(in thousands of U.S. dollars)</th>
<th>Three Months Ended 30-Sep-04 (unaudited)</th>
<th>Three Months Ended 30-Sep-03 (unaudited)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Spot Tanker Segment</td>
<td>Fixed-Rate Tanker Segment</td>
</tr>
<tr>
<td>Net voyage revenues</td>
<td>237,843</td>
<td>159,033</td>
</tr>
<tr>
<td>Vessel operating expenses</td>
<td>23,457</td>
<td>31,635</td>
</tr>
<tr>
<td>Time-charter hire expense</td>
<td>71,346</td>
<td>49,552</td>
</tr>
<tr>
<td>Depreciation &amp; amortization</td>
<td>24,913</td>
<td>34,739</td>
</tr>
<tr>
<td>Cash flow from vessel operations*</td>
<td>129,460</td>
<td>63,634</td>
</tr>
</tbody>
</table>

* Cash flow from vessel operations represents income from vessel operations before depreciation and amortization expense and vessel write-downs/(gain) loss on sale of vessels. Cash flow from vessel operations is a non-GAAP financial measure used by certain investors to measure the financial performance of shipping companies.
### Summary Income Statement

<table>
<thead>
<tr>
<th></th>
<th>Sept. 30, 2004 (unaudited)</th>
<th>Sept. 30, 2003 (unaudited)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Voyage Revenues</strong></td>
<td>520,612</td>
<td>380,544</td>
</tr>
<tr>
<td>General and administrative expenses</td>
<td>(29,050)</td>
<td>(23,461)</td>
</tr>
<tr>
<td>Other Operating Expenses</td>
<td>(296,853)</td>
<td>(313,307)</td>
</tr>
<tr>
<td><strong>Income from vessel operations</strong></td>
<td>194,709</td>
<td>43,776</td>
</tr>
<tr>
<td><strong>OTHER ITEMS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net interest expense</td>
<td>(29,325)</td>
<td>(21,028)</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>(8,066)</td>
<td>(6,000)</td>
</tr>
<tr>
<td>Equity income from joint ventures</td>
<td>2,535</td>
<td>1,357</td>
</tr>
<tr>
<td>Gain (loss) on sale of marketable securities</td>
<td>90,070</td>
<td>(28)</td>
</tr>
<tr>
<td>Other items</td>
<td>(4,591)</td>
<td>2,250</td>
</tr>
<tr>
<td><strong>Subtotal of other items</strong></td>
<td>50,623</td>
<td>(23,449)</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>245,332</td>
<td>20,327</td>
</tr>
<tr>
<td>Earnings per common share - diluted</td>
<td>$2.77</td>
<td>$0.25</td>
</tr>
<tr>
<td>Weighted-avg # shares outstanding - diluted *</td>
<td>88,718,531</td>
<td>81,884,344</td>
</tr>
</tbody>
</table>

*Reflects the effect of outstanding stock options and the $143.75 million mandatory convertible preferred PEPS units, computed using the treasury stock method.
### Summary Balance Sheet

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>As at Sept. 30, 2004 (unaudited)</th>
<th>As at June 30, 2004 (unaudited)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>308,034</td>
<td>215,743</td>
</tr>
<tr>
<td>Other current assets</td>
<td>205,626</td>
<td>242,557</td>
</tr>
<tr>
<td>Total Restricted cash</td>
<td>413,706</td>
<td>395,459</td>
</tr>
<tr>
<td>Marketable Securities</td>
<td>-</td>
<td>139,654</td>
</tr>
<tr>
<td>Total vessels and equipment</td>
<td>3,540,936</td>
<td>3,505,633</td>
</tr>
<tr>
<td>Other assets</td>
<td>212,531</td>
<td>203,874</td>
</tr>
<tr>
<td>Intangibles and goodwill</td>
<td>458,437</td>
<td>473,271</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>5,139,270</strong></td>
<td><strong>5,176,191</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LIABILITIES AND STOCKHOLDERS’ EQUITY</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable and accrued liabilities</td>
<td>154,873</td>
<td>148,262</td>
</tr>
<tr>
<td>Current portion of long-term debt *</td>
<td>199,395</td>
<td>213,000</td>
</tr>
<tr>
<td>Long-term debt *</td>
<td>2,447,895</td>
<td>2,605,789</td>
</tr>
<tr>
<td>Other long-term liabilities</td>
<td>245,798</td>
<td>211,637</td>
</tr>
<tr>
<td>Minority interest</td>
<td>14,563</td>
<td>14,179</td>
</tr>
<tr>
<td>Stockholders’ equity</td>
<td>2,076,746</td>
<td>1,983,324</td>
</tr>
<tr>
<td><strong>Total Liabilities and Stockholders’ Equity</strong></td>
<td><strong>5,139,270</strong></td>
<td><strong>5,176,191</strong></td>
</tr>
</tbody>
</table>

*includes capital lease obligations
Significant Operating Leverage

2004:
Spot Rate increase
$1,000 TCE/day above $14,500 / day
EPS Increase ~ $0.08 - $0.09 / qtr

Actual Q3 2004 EPS *

43% of 4th Qtr. booked at avg. TCE of $44,000 per day
However, present fixtures are from $60,000 to $100,000 per day

*excluding non-operating items of $133.7 million