TEEKAY OFFSHORE PARTNERS / TEEKAY LNG PARTNERS

2009 MLP Investor Conference

September 2009

Teekay has Two MLPs

TEEKAY CORPORATION

NYSE: TK

- Market Cap: $1.5bn
- Supportive sponsor
- ~$2.4bn of assets suitable to sell to appropriate daughter company

53.05% Ownership
(incl. 2% GP interest)

TEEKAY LNG PARTNERS L.P.

NYSE: TGP

- Market Cap: $1.1bn
- Focus on gas projects
- 10 – 25 year fixed rate contracts
- **Stable Dividend Policy Current Yield: 10%**

40.5% Ownership
(incl. 2% GP interest)

TEEKAY OFFSHORE PARTNERS L.P.

NYSE: TOO

- Market Cap: $563m
- Focus on offshore projects
- 3 - 10 year fixed rate contracts
- **Stable Dividend Policy Current Yield: 12%**

42.19% Ownership

TEEKAY TANKERS LTD.

NYSE: TNK

- Market Cap: $276m
- Focus on conventional tankers
- Spot and short-term time-charter contracts (0 – 3 years)
- **Variable Dividend Current Yield: 19%**

TEEKAY OFFSHORE PARTNERS LP

NYSE: TOO

IPO Date: Dec. 13, 2006

Current Unit Price: $14.93*

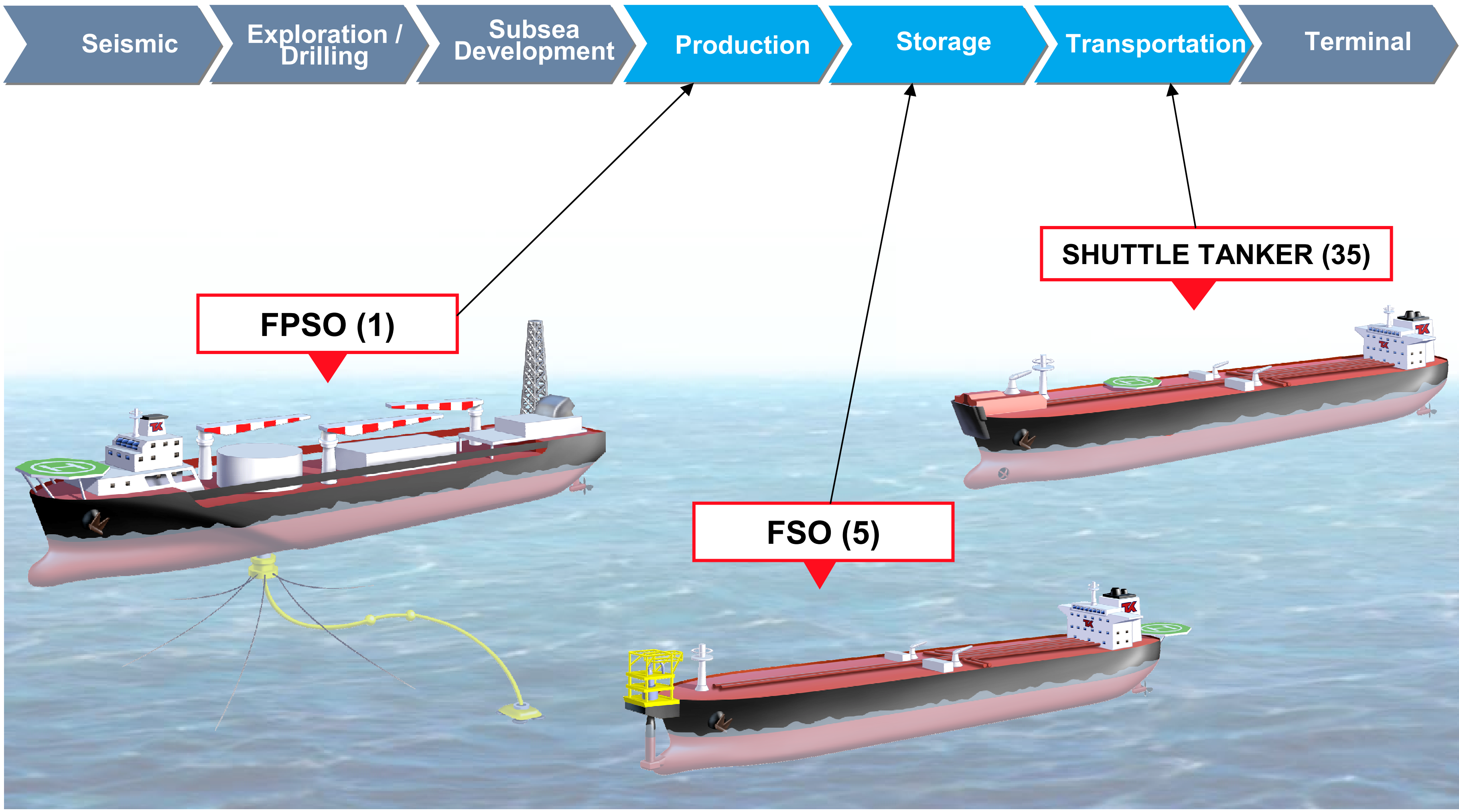
Current Yield: 12.0%**

*As at September 11, 2009
**Based on an annualized dividend of $1.80 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 stability of the Partnership's distributable cash flow; the Partnership's future growth prospects; the potential for Teekay to offer up to four Aframax shuttle tanker newbuildings either with new long-term fixed-rate contracts, or to service the contracts-of-affreightment in the North Sea; the potential for Teekay to offer Teekay Petrojarl's existing FPSO units; the expected contribution of the *Petrojarl Varg* FPSO to the Partnership's distributable cash flow and EBITDA; the potential for Teekay to secure future FPSO projects through its wholly-owned subsidiary, Teekay Petrojarl ASA; the potential for Teekay to offer to Teekay Offshore additional limited partner interests in OPCO; and the Partnership's exposure to foreign currency fluctuations, particularly in Norwegian Kroner. 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 or OPCO to renew or replace long-term contracts; the failure of Teekay to offer additional interests in OPCO to Teekay Offshore; required approvals by the board of directors of Teekay and Teekay Offshore, as well as the conflicts committee of Teekay Offshore to acquire additional interests in OPCO; the Partnership's ability to raise financing to purchase additional vessels and/or interests in OPCO; changes to the amount or proportion of revenues, expenses, or debt service costs denominated in foreign currencies; and other factors discussed in Teekay Offshore's filings from time to time with the SEC, including its Report on Form 20-F/A for the fiscal year ended December 31, 2007. 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.

TOO in the Offshore Value Chain



Source: Douglas Westwood.

Teekay Offshore Partners - Investment Highlights

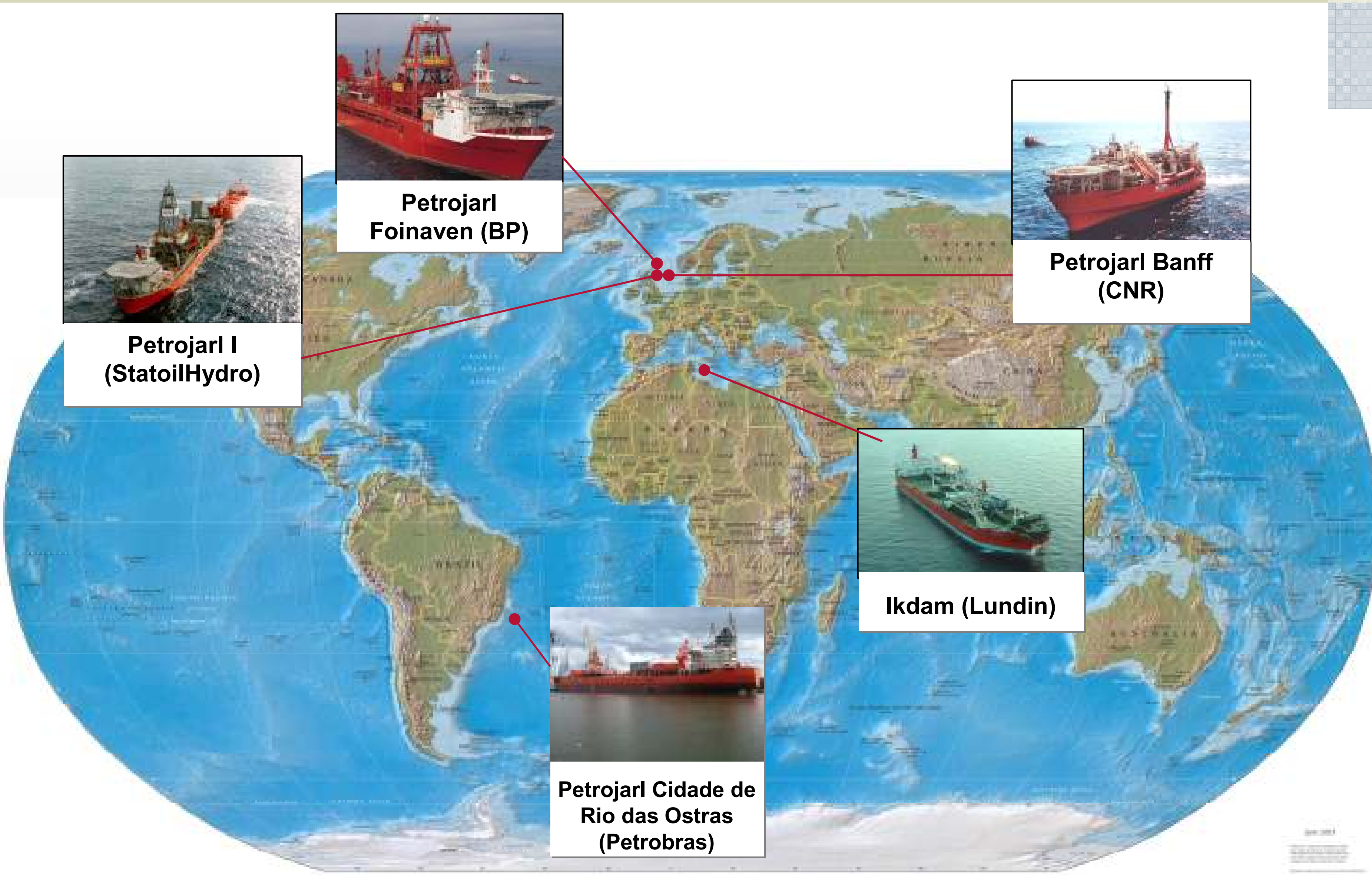
- **Stable Operating Model**
  - Revenues generated from fixed-rate contracts
  - Diversified portfolio of contracts with major oil companies
- **Leading Market Position**
  - World's largest owner and operator of shuttle tankers with a market leading position in the North Sea and expanding operations in Brazil
  - Integral part of customers' offshore oil production chain
- **Industry Remains in Growth Mode**
  - Offshore oil production remains an area of growth
    - Offshore production is expected to represent more than 35 percent of world oil production by 2015
    - Expect substantial new projects under all oil price scenarios
  - Significant Qualifying Assets available from Sponsor
    - Five FPSO units available for purchase from Teekay Parent
    - Four advanced shuttle tankers scheduled for 2010/11 delivery to parent and available for purchase from Teekay Parent
    - Remaining 49% interest in OPCO

Acquisition of Varg FPSO

- On September 8, 2009 the Partnership agreed to acquire the Petrojarl Varg FPSO from Teekay Corporation for $320m
  - Funded with $104m of proceeds from August follow-on offering and $220m of vendor financing
  - New $260m revolving credit facility will repay $160m of the vendor financing and increase the Partnership's liquidity by $100m
- On July 1, 2009 the Varg FPSO commenced a new 4-year contract (with extension options) with Talisman Energy at increased rates
  - Incremental average annual CFVO of ~$55m
- Transaction now completed

Varg acquisition will add ~$30m to TOO's annual distributable cash flow

FPSOs Available for Dropdown from Teekay Parent



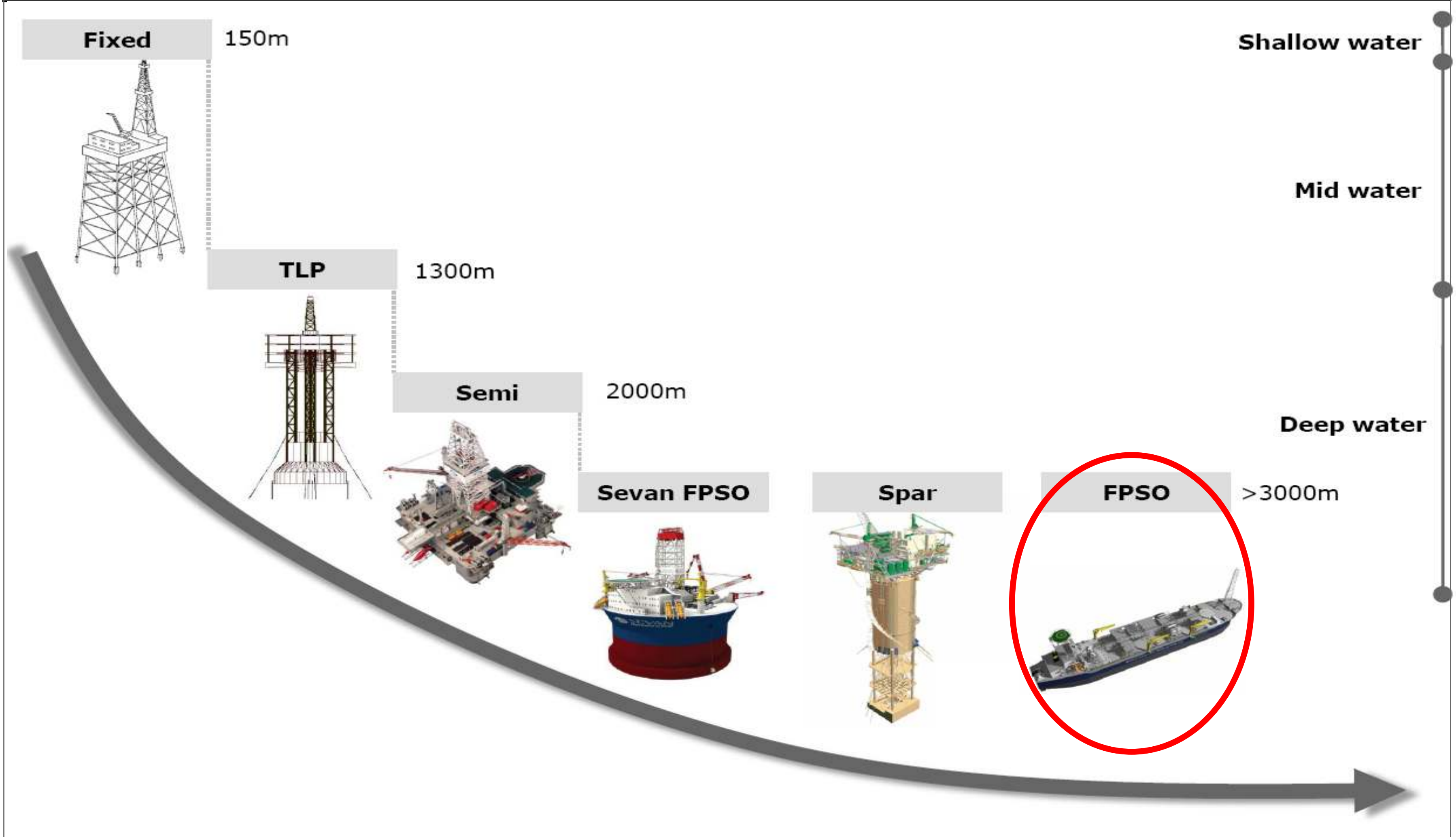
Understanding FPSOs

- **FPSO = Floating Production, Storage and Offloading**
- An offshore production facility, typically ship-shaped, which:
  - Receives oil from the sea bed,
  - Processes it to remove impurities (water, sand, stones),
  - Stores it onboard before offloading via tankers

- Well suited for deepwater oil fields in excess of 8,000 feet where a fixed installation and pipeline may not be feasible
- Cost effective solutions for smaller oil fields
- Can either be purpose built or converted from an existing oil tanker.
- Cost can range anywhere from $100 million to >$1 billion
- The first FPSO entered service in 1977 and there are now over 150 units in operation worldwide with a further 27 on order

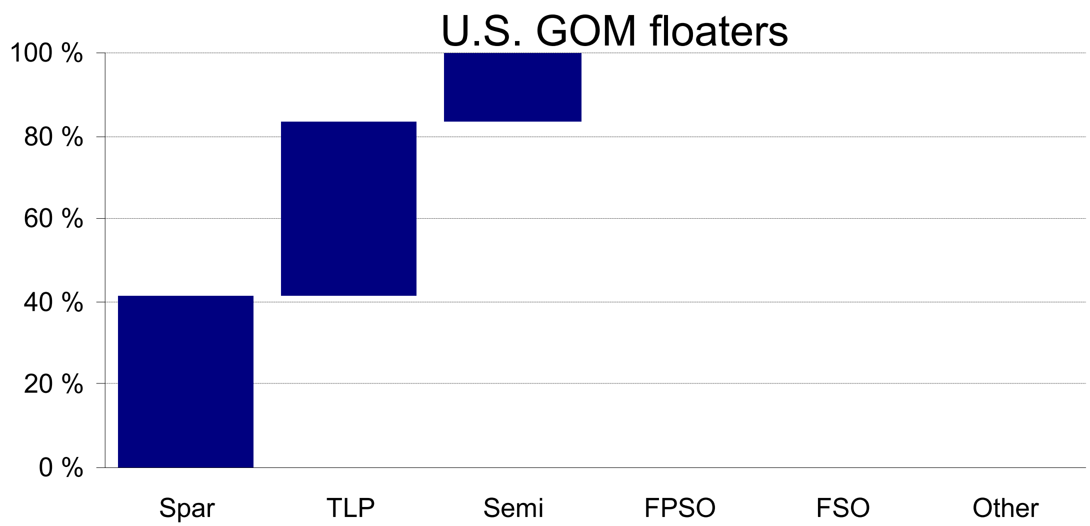
FPSOs: Production Solution for Deep and Ultra-Deep Water

Current Offshore Production Solutions



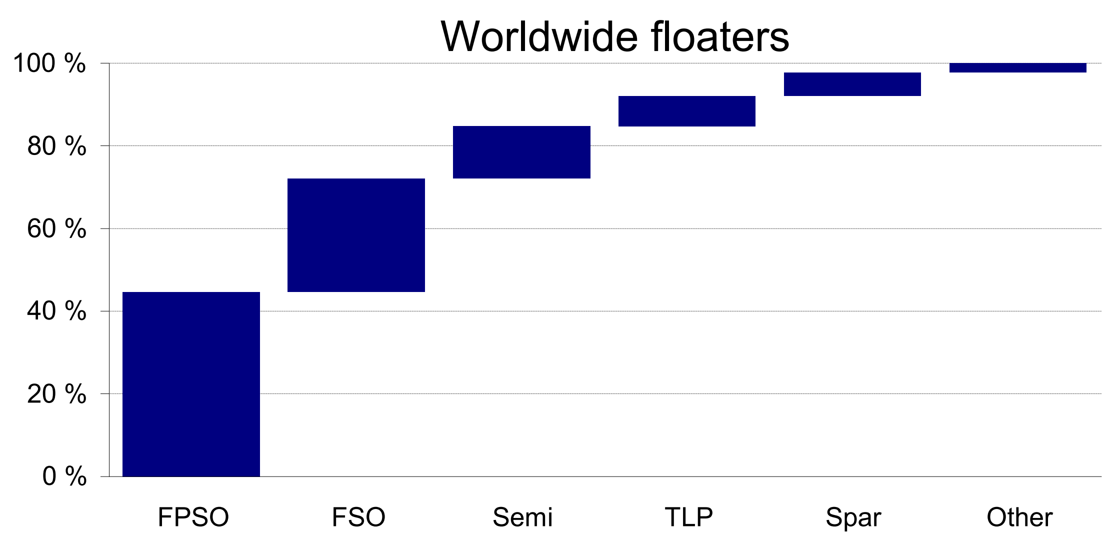
Source: DnB NOR Markets

FPSOs Very Popular Outside of GoM



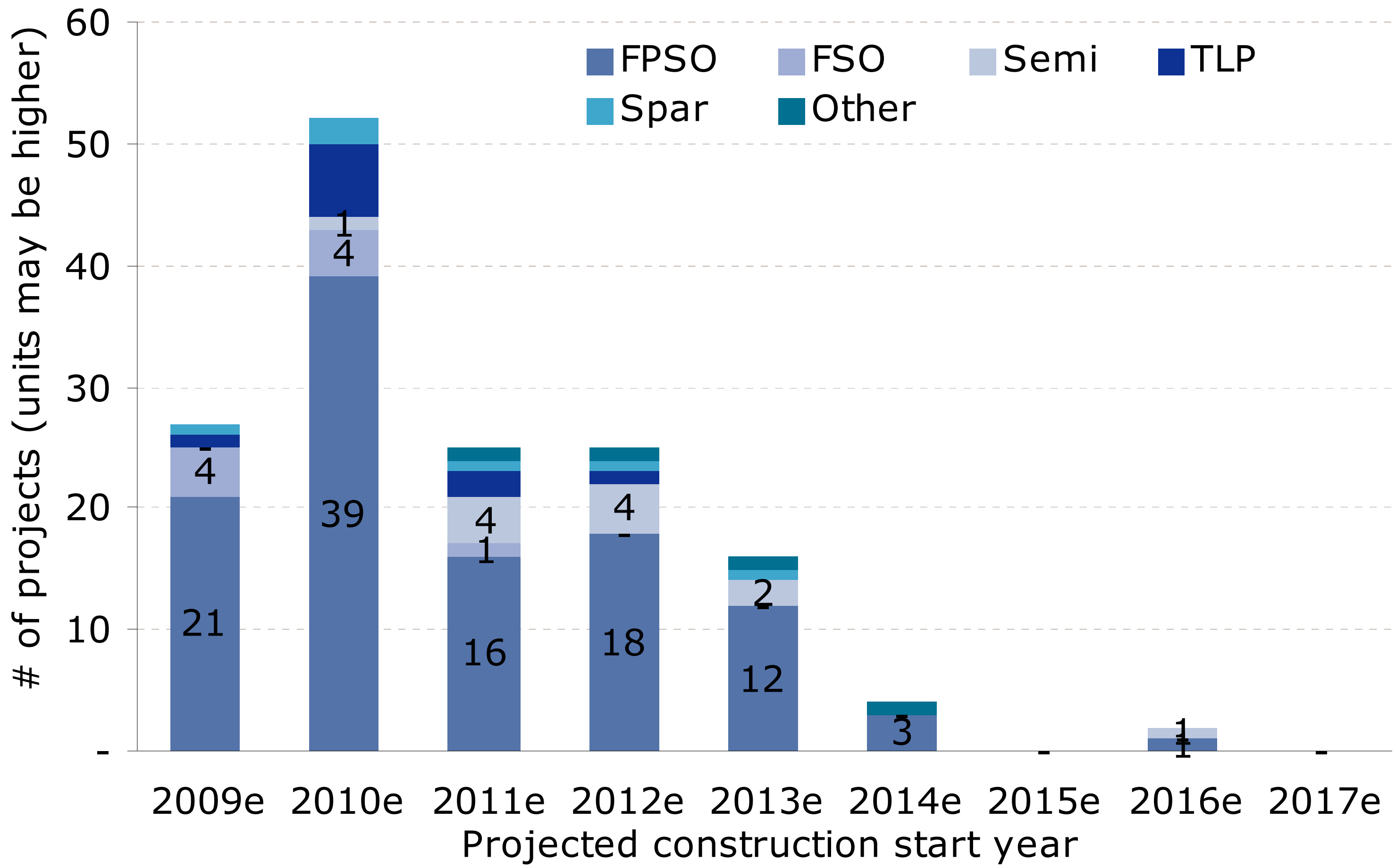
- Gulf of Mexico's shallow waters more suitable for other types of floating production facilities

- FPSOs are the preferred floating production solution worldwide with over 40% market share



Source: ODS-Petrodata and DnB NOR Markets

FPSOs will Continue to be the Preferred Solution Worldwide



- During next 3 years, FPSOs will be the preferred solution for over 73% of planned offshore oil projects

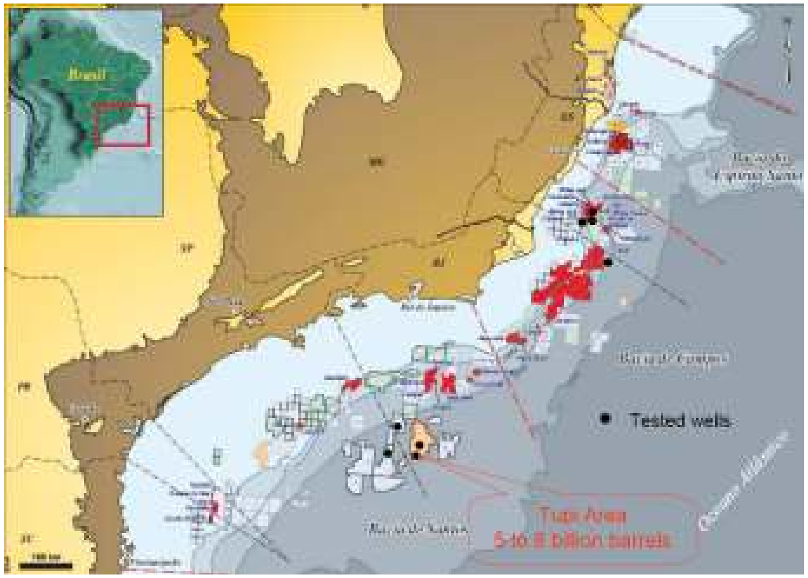
Source: ODS-Petrodata and DnB NOR Markets

North Sea Opportunities

- High exploration activity ongoing
  - Norwegian and UK authorities pushing for continued exploration and development
- FPSO upside through tie-ins to adjacent fields
- FSO market providing opportunities for conversion and use of older tonnage
- Smaller fields show increased interest for using Shuttle tankers as combined storage and shuttling – means more tonnage-intensive fields
- Barent Sea being built for shuttling
- Further opportunities to optimize fleet by
  - Taking on Short term Offshore projects
  - Conventional spot market

Brazil is a Significant Growth Opportunity

- Almost 90% of Brazilian oil is currently produced offshore
- Significant demand for FPSOs and shuttle tankers
  - Driven by the depth and distance from shore of discoveries
  - +20 FPSO projects currently planned or possible for Brazil offshore
- Petrobras produced 2.4m boe in 2008; plans to increase production to 3.7m boe by 2013 and 5.7m boe by 2020*
- Teekay in Brazil
  - 11 out of 13 DP shuttle tankers in Brazil are owned by Teekay
  - Siri FPSO commenced charter in February 2008



Teekay opened offices in Rio and Macae to be closer to this opportunity

*Source: Petrobras

Teekay Offshore Financial Snapshot

- June 30, 2009 total liquidity: $246m
  - Will increase by $100m following on completion of Varg debt financing
- No requirement to tap equity markets
- No CAPEX commitments
- No near-term refinancing requirements
  - Only $32 million in balloon payments due between now and end-2013
  - Current liquidity more than sufficient to all upcoming balloon payments

TEEKAY LNG PARTNERS LP

NYSE: TGP

IPO Date: May 4, 2005

Current Unit Price: $23.55*

Current Yield: 9.7%**

*As at Sep 11, 2009
**Based on an annualized dividend of $2.28 per unit

Forward Looking Statements

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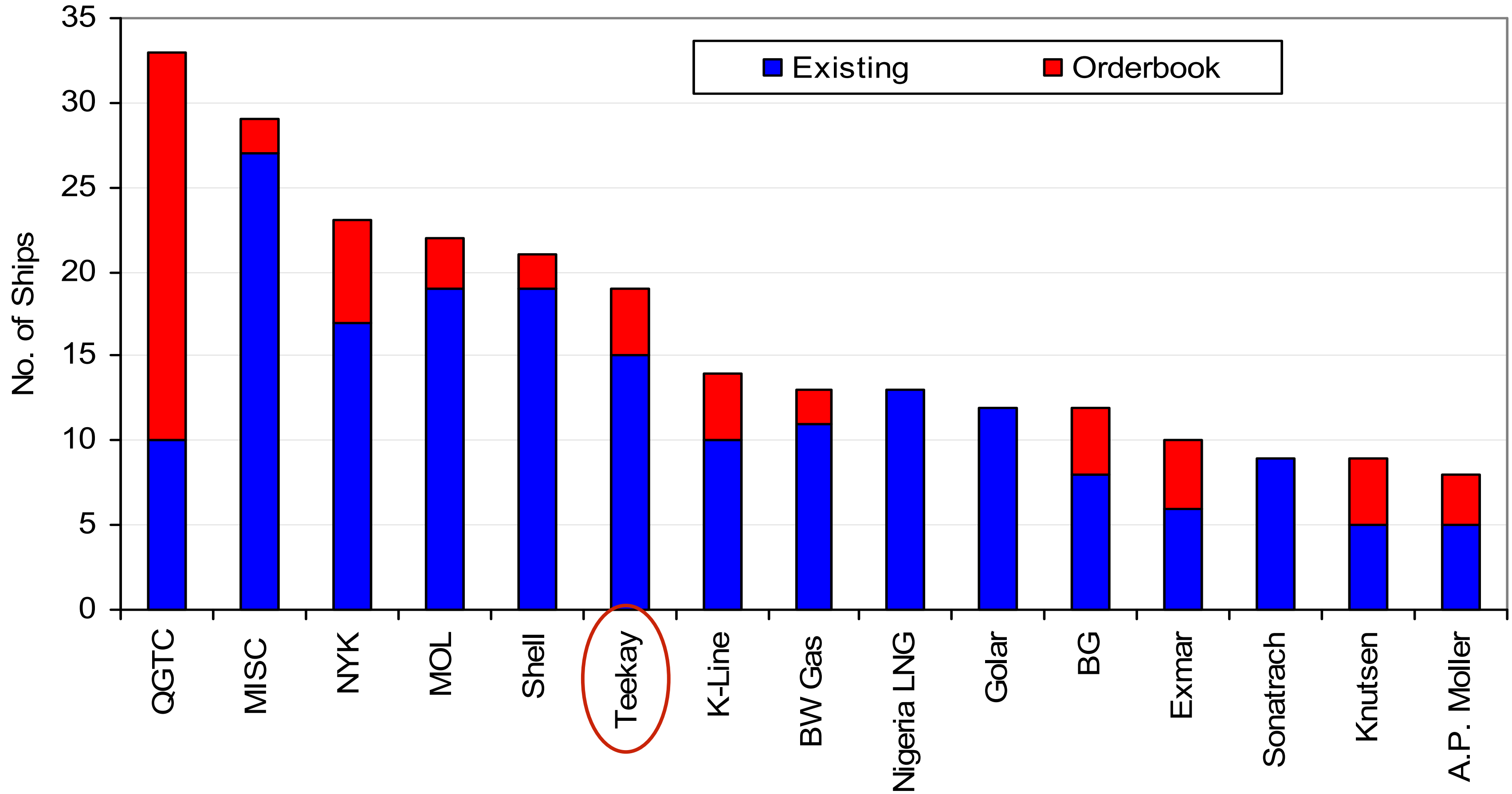
Teekay LNG Partners - Investment Highlights

- **Stable operating model**
  - Contracts are long-term (typically 10-25 years) fixed-rate and generate stable cash flows from strong counterparties
- **Existing growth CAPEX projects fully financed**
  - Fully financed newbuilding program
- **LNG industry dynamics**
  - Global demand for LNG is expected to increase by more than 50 percent by 2030
- **New growth focused on organic value-added projects and existing vessel acquisitions**
  - Common feature - fixed-rate employment
  - Acquired 2 Tangguh LNG carriers in August

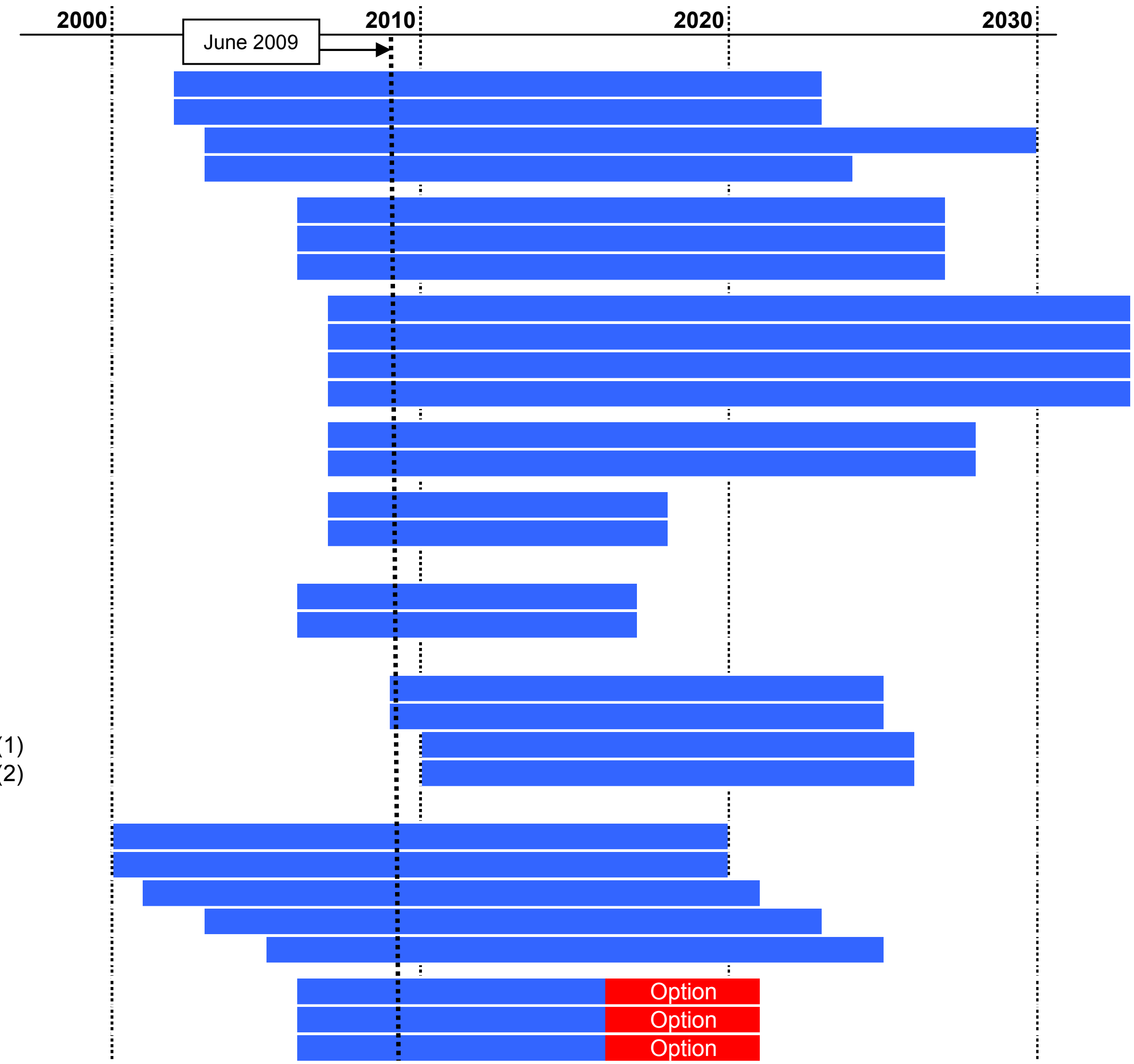
Major Independent LNG Operator

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



Source : CRS / Industry Sources

Teekay LNG's Fleet Under Long-Term Contracts



LNG Carrier Fleet

gasNatural
UNION FENOSA

Hispania Spirit
Catalunya Spirit
Galicia Spirit
Madrid Spirit

Al Marrouna
Al Areesh
Al Daayen

Al Huwaila
Al Kharsaah
Al Shamal
Al Khuwair

TANGGUH LNG

Tangguh Hiri
Tangguh Sago

Arctic Spirit
Polar Spirit

LPG Carrier Fleet

Dania Spirit
Norgas Pan

LPG Carrier Newbuildings

WZL 0502
WZL 0503
Dingheng Jiangsu NB (1)
Dingheng Jiangsu NB (2)

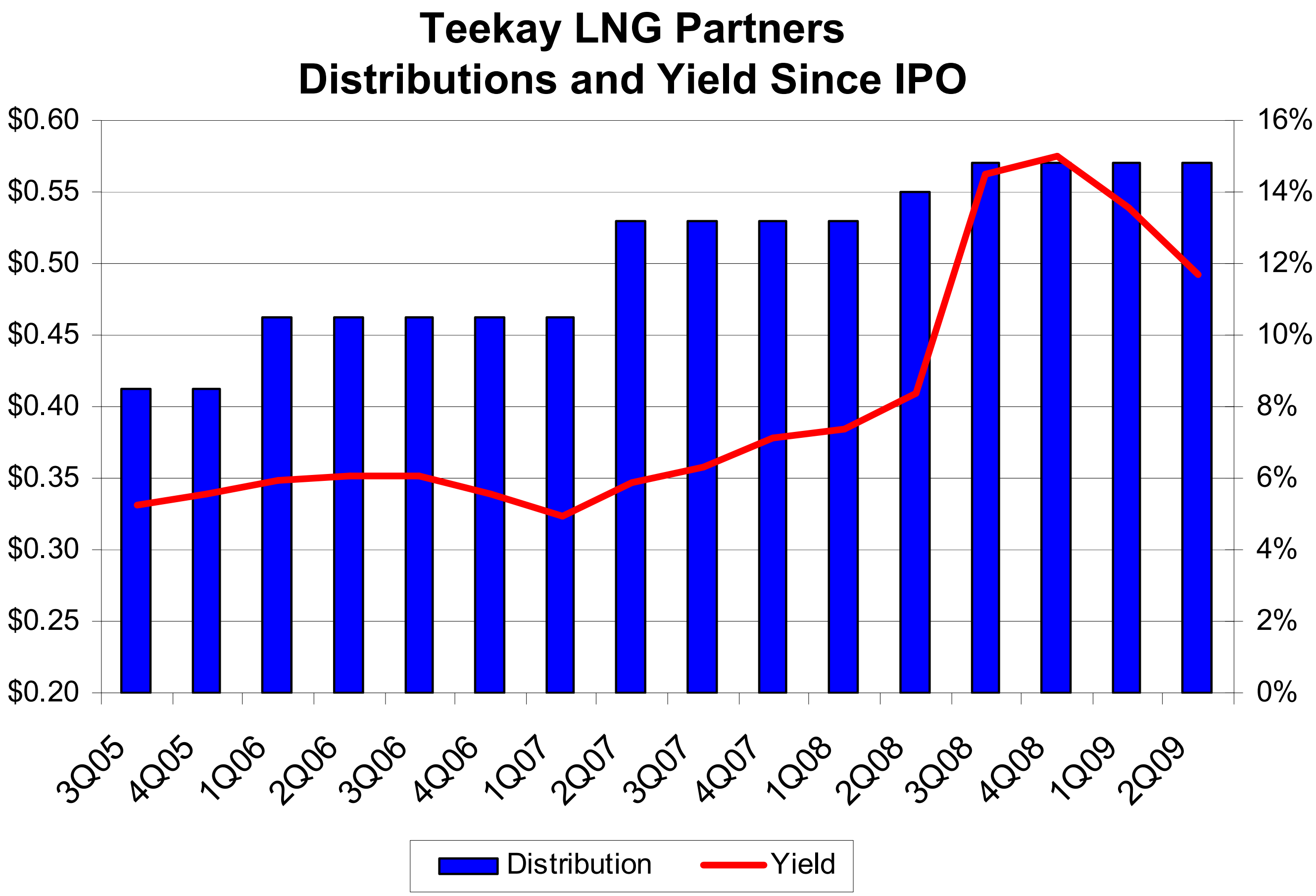
Suezmax Tanker Fleet

Algeciras Spirit
Tenerife Spirit
Huelva Spirit
Teide Spirit
Toledo Spirit

African Spirit
European Spirit
Asian Spirit

Track Record of Growing Distributions

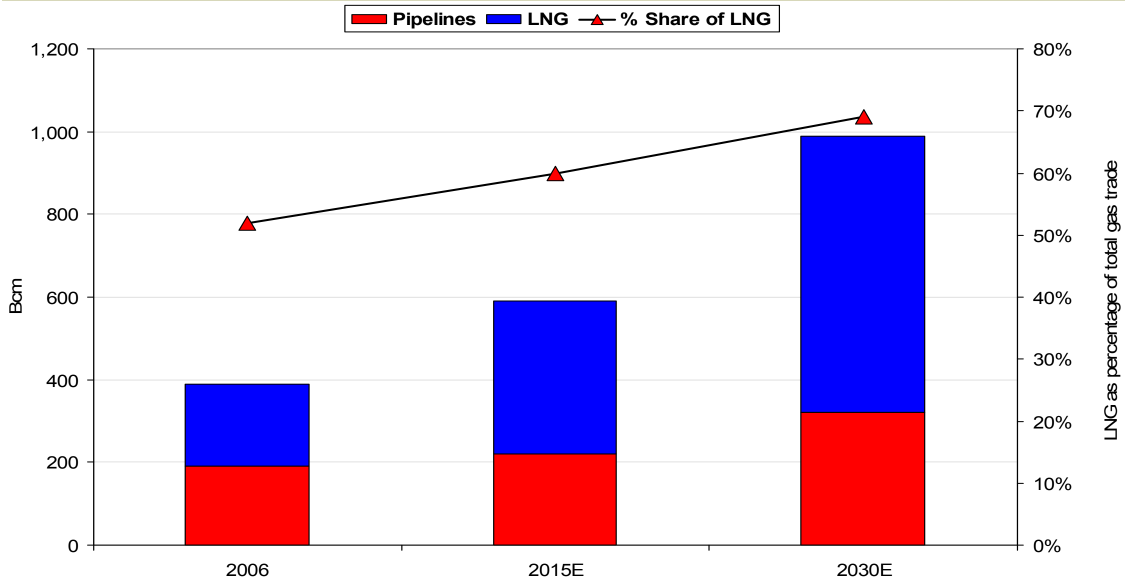
- TGP has increased distributions each year as it completes projects and acquisitions
- Valuation of our partnership affected by market and macroeconomic factors



Teekay LNG – Areas of Focus

- Improving profitability of existing assets and operations
  - Reducing operating expenses
  - Reducing G&A through office rationalization
- Complete existing projects on-time and on-budget
- New growth: focus on value-added projects and existing vessel acquisitions:
  - Reduced activity in point-to-point LNG tenders
  - Floating LNG projects
  - Acquisition of vessels with long-term contracts

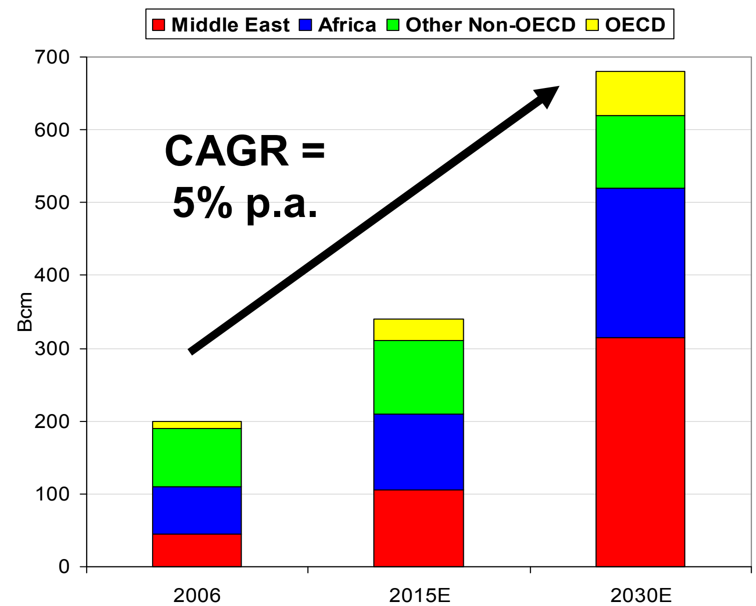
Positive Long-term Fundamentals for LNG transport



Source : IEA

LNG expected to account for ~80% of increase in total inter-regional trade

~85% of increase in global inter-regional exports expected to come from Middle East / Africa



Source : IEA

Expected Gas Tenders Over the Next Few Years

Project	Number of Vessels
ExxonMobil Papua New Guinea	4
Brass Nigeria	12
NLNG Train 7 Nigeria	12
Gorgon Australia	6
BG Queensland, Australia	4
Wheatstone Australia	4
Pluto 2 Australia	4
Browse Australia	7
Damietta expansion, Egypt	2
Trinidad expansion	3
Equatorial Guinea expansion	5

Floating Liquefaction (FLNG) – Significant Growth Area

Benefits of Floating LNG:

- More cost effective than on-shore liquefaction
- Shipyard construction vs. costly onshore / onsite construction
- Addresses “NIMBY” issues
- Less exposure to terrorism / conflict
- Greater flexibility through redeployment
- Shorter time to market than shore based plants

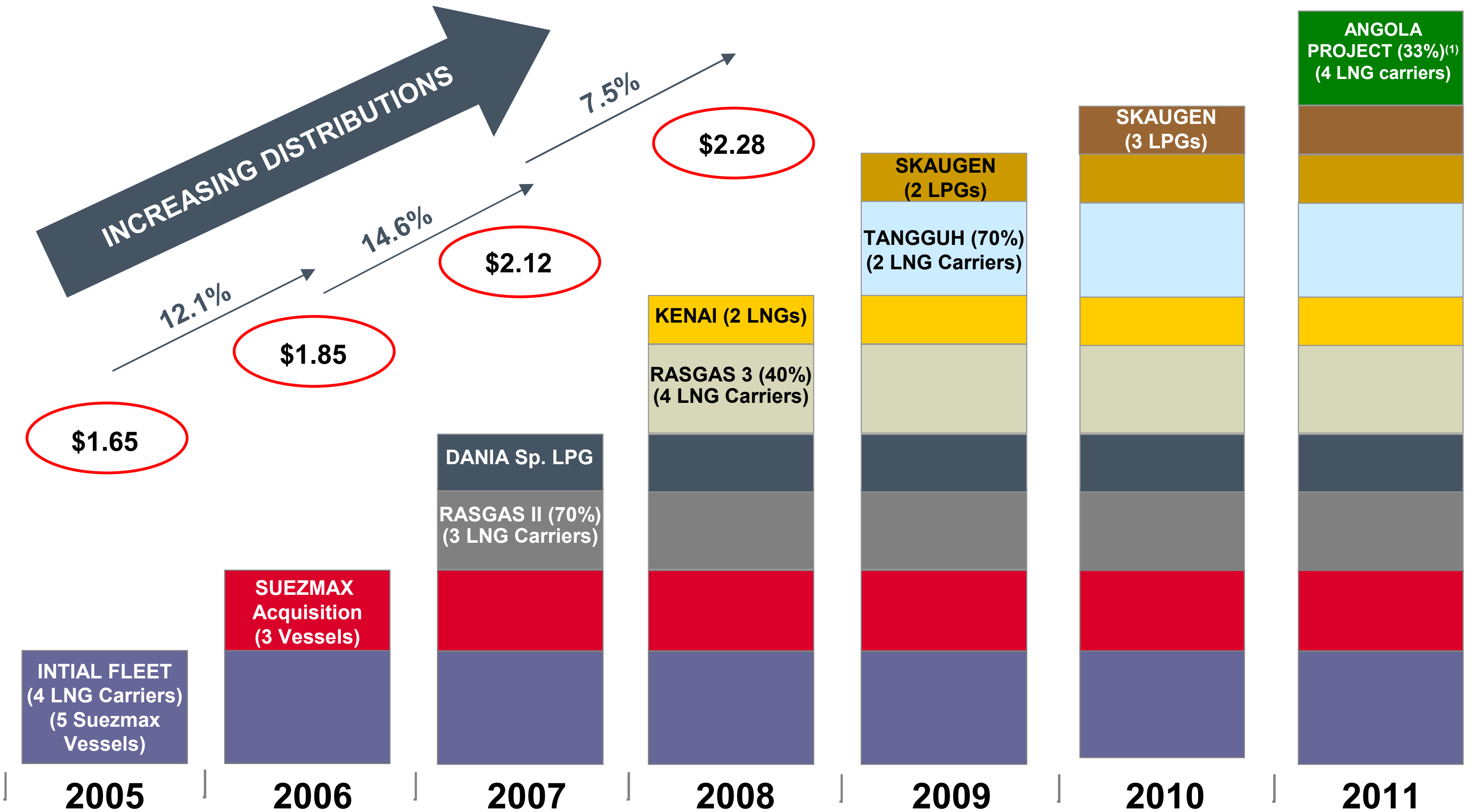
Kitimat FLNG

- Project to jointly develop a floating liquefied natural gas (FLNG) plant using an existing LNG carrier, the Arctic Spirit
  - Agreement between Teekay Corporation and Merrill Lynch / Bank of America
  - Teekay LNG Partners will also have the option to participate
  - Teekay LNG Partners will continue to receive time-charter payments for the remaining duration of its existing contract (~9 years)
- Located in Kitimat, British Columbia at the terminus of the Pacific Northern Gas pipeline
- Capacity to liquefy ~2-3 million m^3 per day, or 0.5 million tonnes of LNG annually
- Project development subject to certain approvals
  - Expected to commence operations in 2012
  - Initial contract period of 10 years

Teekay LNG Financial Snapshot

- Q2 distribution consistent with Q1 at $0.57 per unit ($2.28 per unit annualized)
- Total liquidity at June 30, 2009: $520 million
- No covenant concerns
- Stability of long-term contracts supports higher debt levels
  - Repayment profile of principal matches revenue stream
  - Interest rates hedged
- No near-term refinancing requirements
  - No significant balloon payments until late 2011
  - Current liquidity more than sufficient to repay all facilities coming due
- Fully funded CAPEX

Multi-Year, Built-in Growth



Additional growth opportunities exist through 3rd party acquisitions

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

(1) Teekay Corporation is obligated to offer Teekay LNG Partners the opportunity to purchase its 33% interest in these vessels.