TEEKAY

TEEKAY’S Q3-2018 EARNINGS PRESENTATION

November 15, 2018

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, among other things, regarding: the effect of Teekay Tankers' financing transactions on its liquidity and debt maturity profile; the impact of contract extensions on future cash flows; the timing and certainty of the Company's sale of its ownership interest in Sevan, and the expected income/gain from the sale; the anticipated benefit to the Company's future financial results and balance sheet from the delivery of the remaining LNG projects and newbuildings over the next few years; the timing and cost of delivery and start-up of various newbuildings and other projects and the commencement of related contracts; the effects of future newbuilding deliveries on Teekay LNG's future cash flows; Teekay LNG's proposed election to be classified as a corporation, instead of a partnership, for U.S. federal income tax purposes, and the effects of any such change; Teekay LNG's guidance as to 2019 cash distributions, and the expected benefits of Teekay LNG's capital allocation strategy, including its ability to consider additional return of capital to its unitholders in the future; Teekay LNG's ability to benefit from future LNG fundamentals; the completion and impact of Teekay Offshore's newbuilding orders on its position in the North Sea CoA shuttle tanker market, and customer demand in that market; the timing and amount of future settlement payments from Petrobras, including the impact on revenue for the fourth quarter of 2018 and of any Offset Amounts; the estimated effect of the rate reduction relating to the *Piranema Spirit* FPSO; the timing and certainty of the effectiveness of the agreement with Alpha to develop the Cheviot field, including satisfaction by Alpha of the various conditions precedent to its effectiveness; the expected requirements of ALP Maritime to service fuel consumption and emissions for the shuttle tanker newbuildings; the ability of the Teekay Group to benefit from a broader energy and tanker market recovery; the potential upside from charter arrangements that include a variable rate component; Teekay Tankers potential free cash flow upside from higher tanker rates; and Teekay Parent's future FPSO cash flow from vessel operations. 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 exploration, production and storage of offshore oil and gas, either generally or in particular regions that would impact expected future growth, particularly in or related to North Sea, Brazil and East Coast of Canada offshore fields; changes in the demand for oil, refined products, LNG or LPG; changes in trading patterns significantly affecting overall vessel tonnage requirements; greater or less than anticipated levels of vessel newbuilding orders and deliveries and greater or less than anticipated rates of vessel scrapping; changes in global oil prices; issues with vessel operations; variations in expected levels of field maintenance; increased operating expenses; potential project delays or cancellations; newbuilding or conversion specification changes, cost overruns, or shipyard disputes; changes in applicable industry laws and regulations and the timing of implementation of new laws and regulations; the effects of IMO 2020; the potential for early termination of long-term contracts of existing vessels; delays in the commencement of charter or other contracts; the ability to fund remaining capital commitments and debt maturities; the Daughter Entities' ability to secure or draw on financings; the result of potential rechartering discussions and negotiations; the outcome of the unitholder vote at the special meeting to approve changes to the tax classification of Teekay LNG and related amendments to Teekay LNG's partnership agreement, and the actual effect of any such changes on Teekay LNG and its unitholders; actual levels of quarterly distributions approved by Teekay LNG's general partner; the ability of Alpha to satisfy all of the conditions precedent relating to the contract between Teekay Offshore and Alpha; failure to complete the sale of shares in Sevan; and other factors discussed in Teekay's filings from time to time with the SEC, including its Annual Report on Form 20-F for the fiscal year ended December 31, 2017. Teekay 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 Teekay's expectations with respect thereto or any change in events, conditions or circumstances on which any such statement is based.

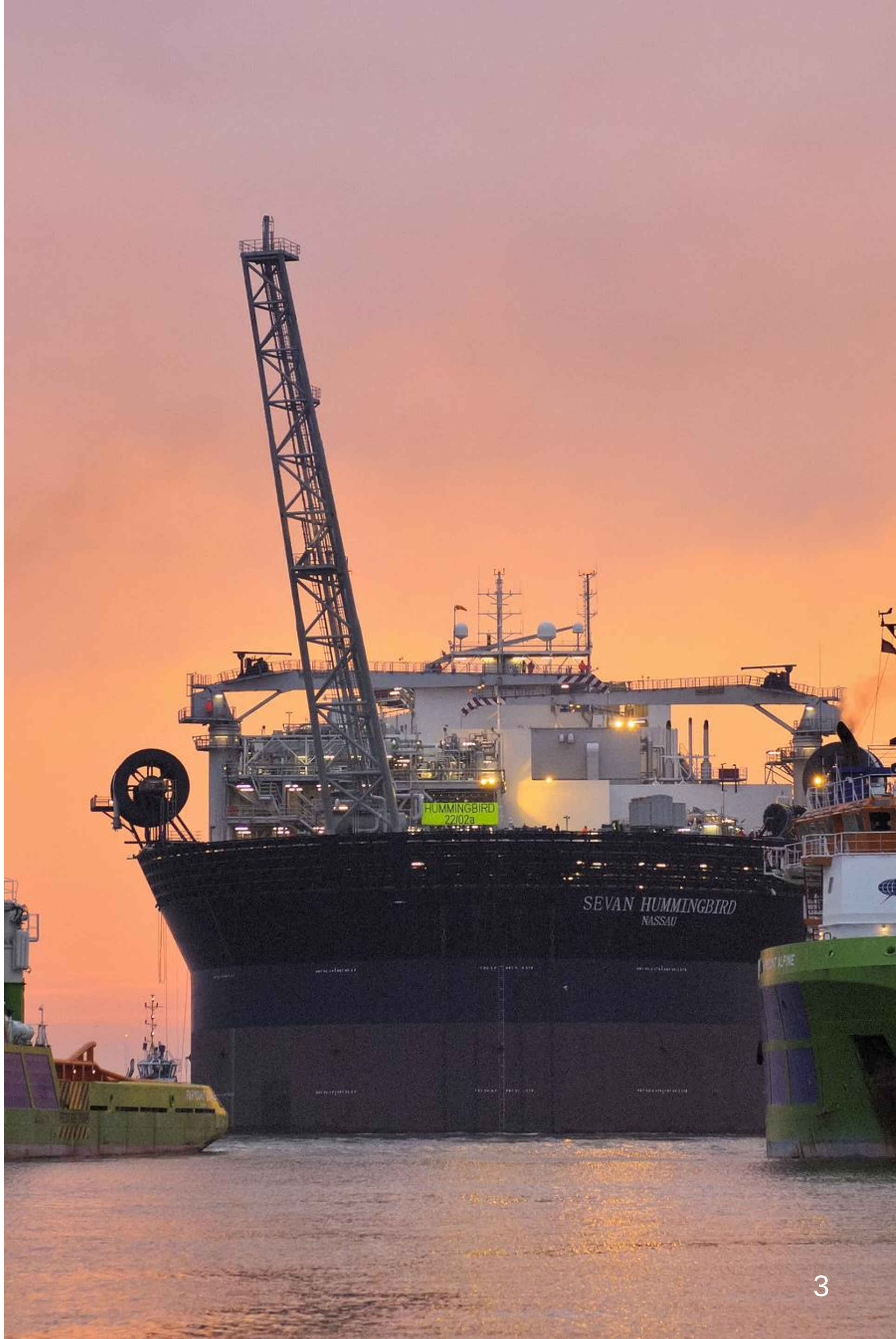
Q3-18 Results

Teekay Corporation Consolidated

- Q3-18 consolidated total CFVO[1] of $196.4 million, compared to $164.2 million in Q2-18
- Q3-18 consolidated adjusted net loss[1] of $11.4 million, or $0.11 per share, compared to adjusted net loss of $21.6 million, or $0.21 per share, in Q2-18

Teekay Parent

- Q3-18 adjusted CFVO [1] of $19.8 million, compared to $16.6 million in Q2-18
  - Increase driven by higher cash flows from oil price-linked production tariffs on the *Banff* and *Hummingbird Spirit* FPSOs



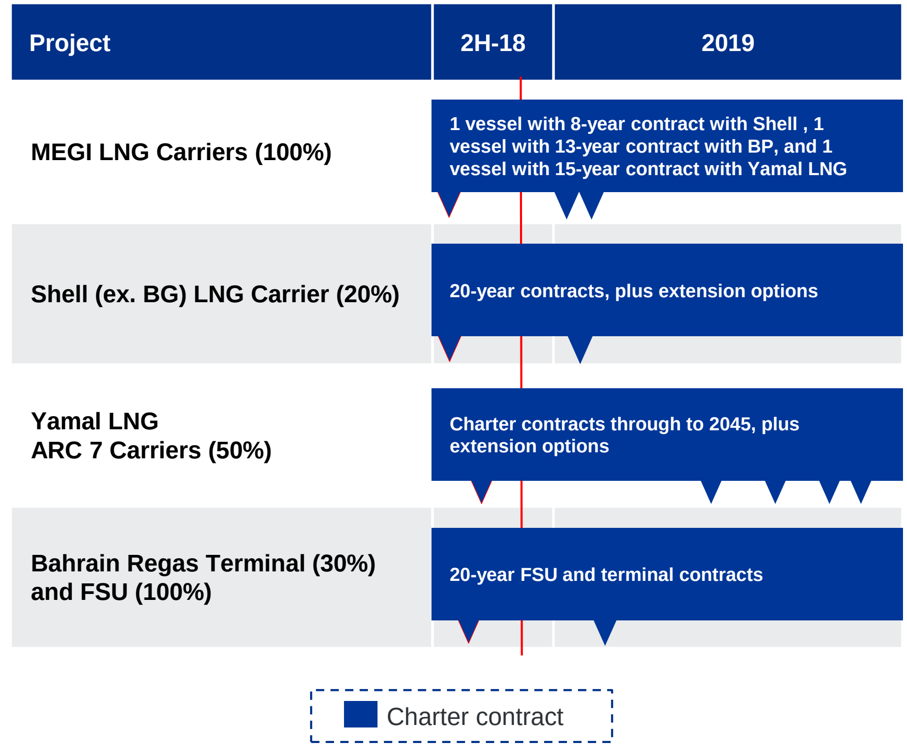
(1) These are non-GAAP financial measures. Please see Teekay Corporation's Q3-18 release for definitions and reconciliations to the comparable GAAP measures.

Teekay LNG Partners (“TGP”)

Recent Highlights

- Q3-18 total CFVO[1] of $132.6 million and adjusted net income[1] of $19.5 million, or $0.16 per common unit, up 15%, 44% and 78% from Q2-18, respectively.
- Since June 2018, took delivery of three LNG carrier newbuildings and a floating storage unit, all on long-term charters
- Spot LNG shipping rates hitting multi-year highs
- Stronger market and early delivery of six LNG newbuildings expected to result in higher CFVO
- Announced balanced capital allocation strategy
  - Intention to increase 2019 distributions by 36%
  - Allows TGP to delever balance sheet and better position to return additional capital to unitholders and fund attractive growth in the future
- Intend to amend tax structure to be treated as a corporation instead of a partnership
  - If approved by common unitholders, common and preferred unit investors will receive 1099s (instead of K-1s) starting in FY2019

Existing Growth Projects

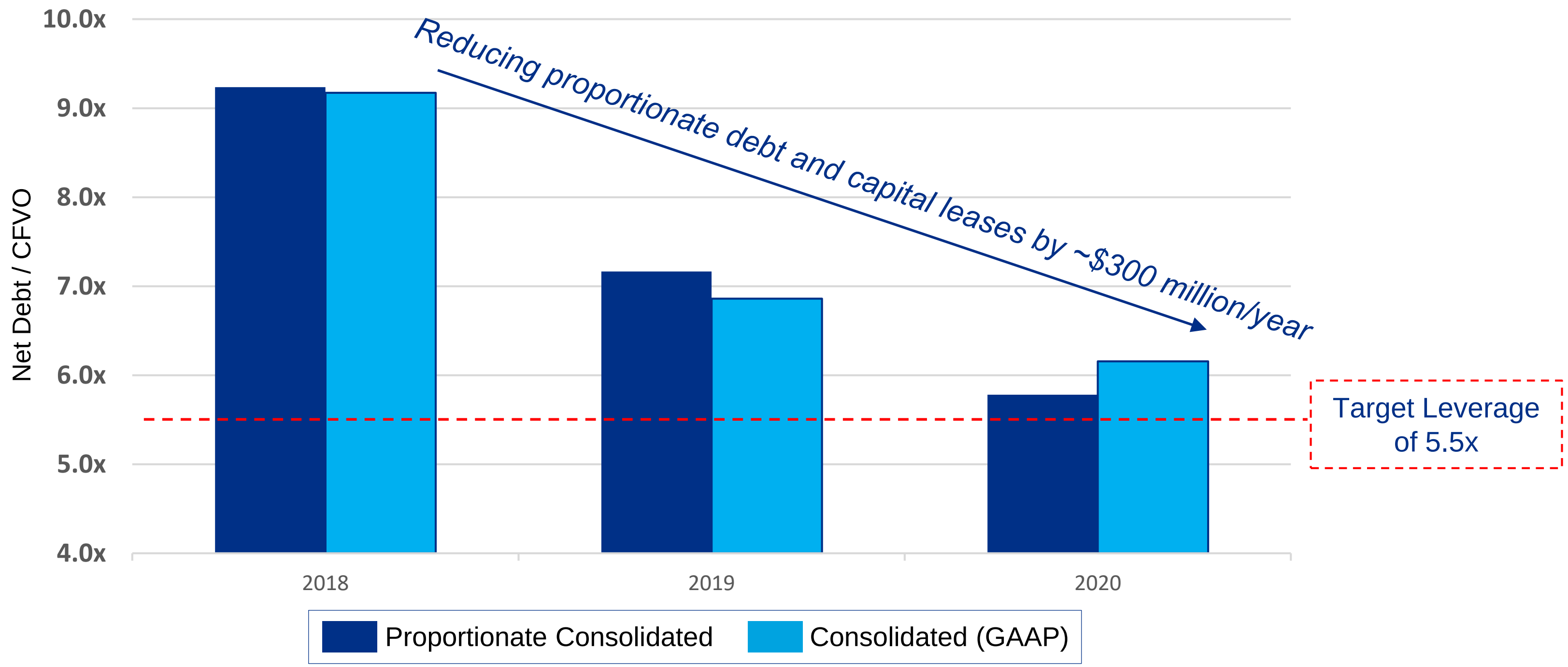


Annual CFVO[2] attributable to TGP is expected to grow by ~$150 million per annum[3] with delivery of growth projects, which is expected to naturally de-lever balance sheet

(1) These are non-GAAP financial measures. Please see Teekay LNG’s Q3-18 earnings release for definitions and reconciliations to the comparable GAAP measures.
(2) Management did not prepare a reconciliation to the comparable GAAP measure because information to provide such a forward-looking estimate is not available without unreasonable effort.
(3) Annualized incremental CFVO as of October 1, 2018, based on management estimates and assuming full delivery of vessels / growth projects.

Delevering While Returning Capital to Unitholders

Building equity value inside TGP will benefit Teekay Parent through its LP and GP interest longer-term



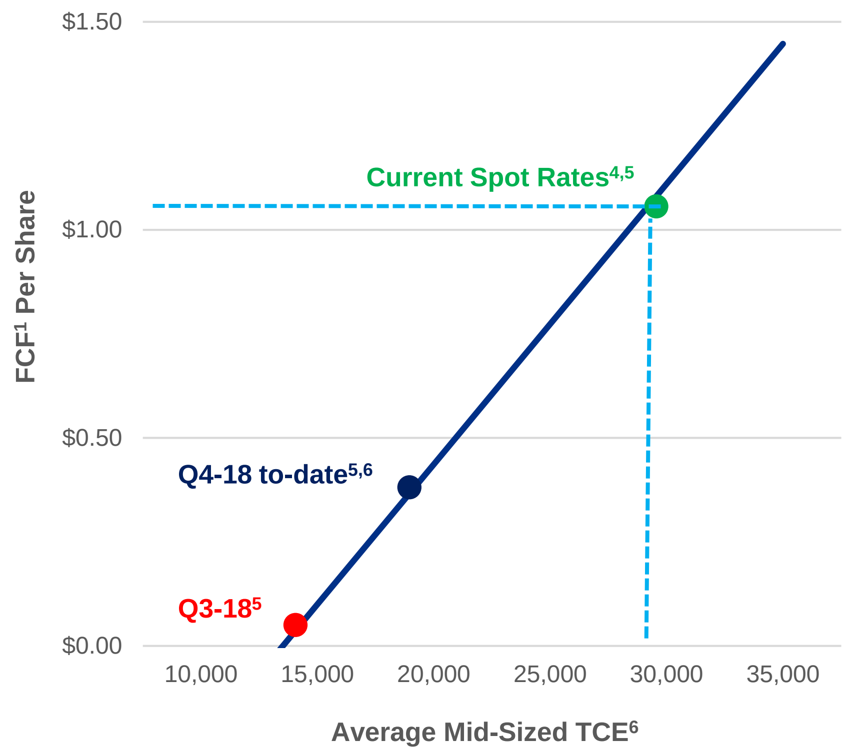
- As TGP approaches its target leverage range, it enhances its capacity to:
  - Return additional capital to unitholders – distribution increases and/or unit buybacks
  - Disciplined, attractive growth

Note: This slide is based on management estimates

Teekay Tankers ("TNK")

- Q3-18 total CFVO(1) of $27.8 million, compared to $16.6 million in Q2-18
- Q3-18 adjusted net loss(1) of $18.0 million, or $0.07 per share, compared to $28.7 million, or $0.11 per share, in Q2-18
- Crude spot tanker rates strengthened counter-seasonally in Q3-2018 and have continued to increase in Q4-2018 to-date:
  - Suezmax – 59% booked at $19,000/day
  - Aframax – 54% booked at $19,900/day
  - LR2 Tankers – 42% booked at $17,000/day
- Completed three previously-announced financings amounting to approximately $100 million in additional liquidity

FCF[2] Per Share Spot Rate Sensitivity[3]



(1) These are non-GAAP financial measures. Please see Teekay Tankers' Q3-18 earnings release for definitions and reconciliations to the comparable GAAP measures.
(2) Free cash flow (FCF) represents net income, plus depreciation and amortization, unrealized losses from derivatives, non-cash items, FCF from equity accounted investments and any write-offs or other non-recurring items, less unrealized gains from derivatives and other non-cash items. Please refer to the Teekay Tankers Earnings Releases for reconciliation to most directly comparable GAAP financial measure.
(3) For 12 months ending Q3-19
(4) Based on 90% of Clarksons global average Aframax and Suezmax spot rates on November 9, 2018
(5) Based on weighted average number of forecast Suezmax and Aframax / LR2 spot market ship days for 12 months ending Q3-19
(6) Combined average Q4-18 spot TCE rate booked-to-date including RSA, non-pool voyage and FSL voyages

Teekay Offshore Partners ("TOO")

Recent Highlights

- Q3-18 total CFVO[1] of $167.3 million and adjusted net income of $7 million, compared to $162.2 million and an adjusted net loss of $0.7 million in Q2-18
- Refinanced 2019 bond maturities and 2022 promissory note with $700 million private placement of 8.5% senior unsecured notes maturing in 2023
- Reached positive settlement agreement with Petrobras for a total of $96 million
- Entered into a conditional 7-year charter agreement with Alpha Petroleum for the *Varg* FPSO for their development of the Cheviot oil field[2]

Existing Growth Projects

Project	2018	2019	2020	2021
North Sea Shuttle Tankers		Secured on charter contracts		

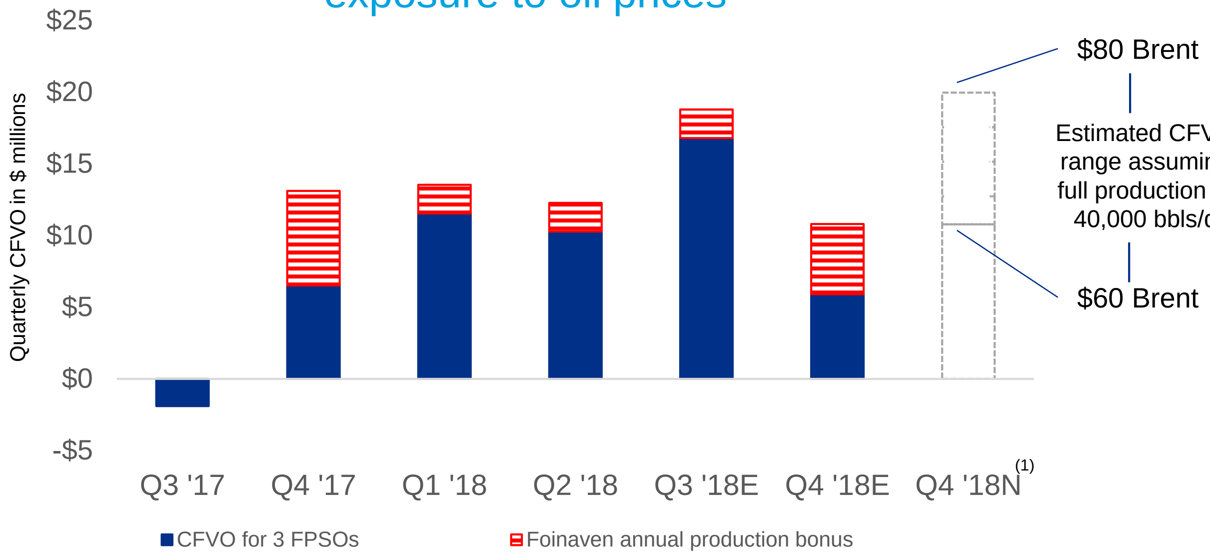
(1) These are non-GAAP financial measures. Please see Teekay Offshore's Q3-18 earnings release for definitions and reconciliations to the comparable GAAP measures.
(2) Subject to completion of various conditions precedent.

Teekay Parent FPSOs Benefiting from Stronger Oil Prices

Discussing contract extensions for all 3 units

Banff	Hummingbird Spirit	Foinaven
Canadian Natural Operating under Evergreen contract with firm charter contract out to August 2019	SPIRIT ENERGY Firm charter contract out to September 2020	Operating under Evergreen contract.
Fixed-rate, plus tariffs linked to oil production and oil price	OPEX covered, plus tariffs linked to oil production and oil price	Current contract includes production and oil price tariff

FPSO contracts provide upside exposure to oil prices



(1) N = normalized for Q4-18 run-rate production excluding the impact of the Q4-18 shutdowns.
(2) As a result of the adoption of the new revenue accounting standard in Q1-18, $2 million of additional annual incentive revenue relating to the Foinaven FPSO has been recognized in Q1-18, Q2-18, and Q3-18, which was historically recognized in the fourth quarter of each year.

Steady Progress Towards Greater Value Creation

Key Drivers	TGP	TNK	TOO	TKC
Improving Macro	LNG trade increasing; hitting multi-year high LNG carrier spot rates	Favourable supply/demand fundamentals; hitting multi-year high tanker spot rates	Increasing offshore activity	Global oil & gas demand growing driving need for oil and gas shipping
Financial Strength	2018/19 financings virtually complete; delevering on the back of project deliveries and balanced capital allocation strategy	Completed numerous financings and continue to focus on increasing liquidity and extending debt maturity profile	Refinanced 2019 bond maturities; naturally delevering as growth projects are fully reflected in cash flows	Completed bond buybacks; delevering further with sale of interest in Sevan Marine and sale of FPSOs over time
Cash flow growth	Total CFVO up 24% (Q3-18 vs. Q3-17) with more to come as projects deliver through 2019	Total CFVO up 35% (Q3-18 vs. Q3-17) as a result of higher spot tanker rates and Q4-18 rates higher	Total CFVO up 35% (Q3-18 vs. Q3-17) as a result of project deliveries	Teekay Parent adjusted CFVO up $19 million (Q3-18 vs. Q3-17) as a result of stronger FPSO results

Appendix

Consolidated Adjusted Net Loss Comparison

Q3-18 vs. Q2-18

(Thousands of U.S. Dollars except per share amounts)	Q3-2018 (unaudited)(1)	Q2-2018 (unaudited)(1)	Comments
Revenues	416,443	403,921	
Voyage expenses	(90,899)	(94,912)	
Net revenues	325,544	309,009	Teekay Parent - $6m increase primarily from the *Banff* FPSO from higher oil price linked tariff revenues in Q3-18 Teekay LNG - $3m increase primarily due to vessel deliveries in Q2-18 and Q3-18 and less off-hire days for scheduled drydockings. These increases were partially offset by lower rates earned on certain vessels trading in the spot market. Teekay Tankers - $8m increase primarily due to higher spot rates in Q3-18 compared to Q2-18
Vessel operating expenses	(157,463)	(161,755)	Teekay LNG - $6m decrease due to additional repairs and spares purchased on multi-gas carriers in Q2-18
Time-charter hire expenses	(20,965)	(20,648)	
Depreciation and amortization	(69,967)	(67,960)	Teekay LNG - $2m increase due to vessels deliveries in Q2-18 and Q3-18
General and administrative expenses	(19,050)	(23,720)	Teekay LNG - $3m decrease due to lower professional fees in Q3-18
Income from vessel operations	**58,099**	**34,926**	
Interest expense	(71,266)	(65,373)	Teekay LNG - $8m increase primarily due to vessel deliveries in Q2-18 and Q3-18
Interest income	2,103	2,095	
Equity income	9,509	4,563	Teekay LNG - $6m increase primarily from the Teekay LNG-Marubeni joint venture due to more employment opportunities for certain of its vessels, and from the Pan Union and Yamal LNG joint ventures due to the deliveries of two LNG carrier newbuildings in Q3-18
Income tax expense	(4,060)	(4,141)	
Other - net	(363)	520	
Net loss	**(5,978)**	**(27,410)**	
Net (income) loss attributable to non-controlling interests	(5,400)	5,855	Increase due to higher adjusted net income in Teekay LNG and lower adjusted net loss in Teekay Tankers
Net loss attributable to stockholders of Teekay Corporation	**(11,378)**	**(21,555)**	
Basic loss per share	**(0.11)**	**(0.21)**	

(1) Amounts are after adjusting Q3-18 and Q2-18 for items included in Appendix A to our Third Quarter 2018 Results Earnings Release and realized gains and losses on derivatives (see slide 13 to this presentation for the Consolidated Adjusted Statement of Net Loss Reconciliation for Q3-18 and Q2-18)

Q4 2018 Outlook – Teekay Consolidated

Income Statement Item	Q4 2018 Outlook (expected changes from Q3-18) (1)
Net Revenues	Teekay Parent • $13m decrease from the *Banff* FPSO from an unplanned shutdown in Q4-18, lower expected tariff revenues in Q4-18, and the recognition of a maintenance bonus in Q3-18 • $7m increase from the *Foinaven* FPSO from the recognition of additional annual operational tariff revenues in Q4-18 (in addition to $6m accrued during the first nine months of 2018) • $2m decrease from the *Hummingbird* FPSO primarily from lower expected tariff revenues in Q4-18 Teekay LNG • $10m increase from the commencement of the charter contract for the *Magellan Spirit* in Q4-18, which is in-chartered from the Teekay LNG Marubeni Joint Venture (see Time-Charter Hire Expense below) • $8m increase primarily from the commencement of charter contracts for the *Bahrain Spirit* in Q4-18 and one MEGI LNG carrier newbuilding in Q3-18 • $2m increase due to higher forecast spot rates for the multi-gas carriers in Q4-18 Teekay Tankers • Decrease of approximately 95 net revenue days, mainly due to the drydockings for various vessels. Approximately 54% and 59%, or 830 and 1440 spot revenue days for Aframaxes and Suezmaxes have been fixed at $19,900/day and $19,000/day, respectively, so far in Q4-18 compared to actual rates of $13,700/day and $15,800/day, respectively, in Q3-18.
Vessel Operating Expenses (OPEX)	• Teekay LNG - $4m increase due the timing of maintenance costs and newbuilding deliveries
Time-Charter Hire Expense	• Teekay LNG - $4m increase from the commencement of the charter-in contract for the *Magellan Spirit* in September 2018 from the Teekay LNG Marubeni Joint Venture
Depreciation and Amortization	• Expected to be consistent with Q3-18
Net Interest Expense	• Teekay LNG - $2m increase from the financings of the *Bahrain Spirit* and one MEGI LNG carrier newbuilding which delivered in Q3-18 • Teekay Tankers - $2m increase primarily due to the two sale-leaseback transactions which completed in late Q3-18 and mid Q4-18
General & Administrative	• Expected to range from $22m - $24m on a consolidated basis
Equity Income	• $13m increase due to higher earnings in Teekay Offshore, primarily due to the positive settlement with Petrobras recognized in Q4-18 • $2m decrease primarily from lower earnings in Teekay LNG's Exmar LPG, MALT and Bahrain joint ventures, partially offset by higher earnings in the Yamal joint venture
Adjusted Net Income Attributable to Non-controlling Interests	• Expected to range from $24m to $26m due to higher expected adjusted net income in Teekay Tankers and Teekay LNG (compared to adjusted net income attributable to non-controlling interests in Q3-18 of $5m)

(1) Changes described are after adjusting Q3-18 for items included in Appendix A to our Third Quarter 2018 Results Earnings Release and realized gains and losses on derivatives (see slide 13 to this presentation for the Consolidated Adjusted Statement of Net Loss Reconciliation for Q3-18)

Consolidated Adjusted Net Loss Reconciliation

Q3-18 vs Q2-18

(in thousands of US dollars, except per share amounts)	Three Months Ended September 30, 2018				Three Months Ended June 30, 2018			
	As Reported	Appendix A Items (1)	Reclass for Realized Gains/ Losses on Derivatives (2)	As Adjusted	As Reported	Appendix A Items (1)	Reclass for Realized Gains/ Losses on Derivatives (2)	As Adjusted
Revenues	416,562	-	(119)	416,443	405,642	(1,721)	-	403,921
Voyage expenses	(90,899)	-	-	(90,899)	(94,912)	-	-	(94,912)
Net revenues	325,663	-	(119)	325,544	310,730	(1,721)	-	309,009
Vessel operating expenses	(157,585)	122	-	(157,463)	(162,537)	782	-	(161,755)
Time charter hire expenses	(20,965)	-	-	(20,965)	(20,648)	-	-	(20,648)
Depreciation and amortization	(69,967)	-	-	(69,967)	(67,960)	-	-	(67,960)
General and administrative expenses	(19,050)	-	-	(19,050)	(23,720)	-	-	(23,720)
Write-down and loss on sale of vessels	(2,201)	2,201	-	-	(32,830)	32,830	-	-
Restructuring charges	(813)	813	-	-	(1,114)	1,114	-	-
Income from vessel operations	**55,082**	**3,136**	**(119)**	**58,099**	**1,921**	**33,005**	**-**	**34,926**
Interest expense	(67,343)	525	(4,448)	(71,266)	(59,526)	-	(5,847)	(65,373)
Interest income	2,103	-	-	2,103	2,095	-	-	2,095
Realized and unrealized (losses) gains on derivative instruments	(2,168)	(655)	2,823	-	10,723	(14,772)	4,049	-
Equity income	13,744	(4,235)	-	9,509	837	3,726	-	4,563
Income tax expense	(4,334)	274	-	(4,060)	(8,746)	4,605	-	(4,141)
Foreign exchange gain	3,553	(5,297)	1,744	-	12,529	(14,327)	1,798	-
Other - net	(2,400)	2,037	-	(363)	520	-	-	520
Net loss	**(1,763)**	**(4,215)**	**-**	**(5,978)**	**(39,647)**	**12,237**	**-**	**(27,410)**
Net (income) loss attributable to non-controlling interests	(10,242)	4,842	-	(5,400)	11,323	(5,468)	-	5,855
NET LOSS ATTRIBUTABLE TO STOCKHOLDERS OF TEEKAY CORP.	**(12,005)**	**627**	-	**(11,378)**	**(28,324)**	**6,769**	-	**(21,555)**
Basic loss per share	**(0.12)**			**(0.11)**	**(0.28)**			**(0.21)**

The above provides a Normalized Income Statement by adjusting for the following:

(1) removal of Appendix A items as documented in the Earnings Release

(2) reallocating the realized gains/losses to their respective line as if hedge accounting had applied

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