Teekay Corporation

Q2-2020 Earnings Presentation

August 13, 2020

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 impact of COVID-19 and related global events on the Company's business and financial results; the Company's ability to complete remaining crew changes and anticipated timing thereof; the Company's results for the third quarter of 2020; the future outlook for the tanker market; Teekay Tankers future free cash flow breakevens for its spot fleet; the timing on the Banff FPSO unit leaving its field and undergoing green recycling and the timing and costs associated with the remediation of the Banff field's subsea infrastructure and the Banff FPSO unit's decommissioning and recycling; the Company's liquidity and the Teekay Group's positioning for both near-term market volatility and to create long-term shareholder value and the ability in the longer-term to shape the future of marine energy transportation; the Company's strategic priorities and anticipated delevering of the Teekay Group's balance sheets and simplification of its structure; expected timing for completing the Company's new and refinanced debt facilities and the ability of the Company to use proceeds from new debt facilities to repay its existing facilities in full; and Teekay Tankers' continued operation of its oil ship-to-ship transfer support services in North America and the Caribbean and the synergies of that business with Teekay Tankers' core Full Service Lightering business. 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: market or counterparty reaction to changes in exploration, production and storage of offshore oil and gas, either generally or in particular regions that would impact expected future growth; 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 or tanker rates; OPEC+ and non-OPEC production and supply levels; oil contango levels; the duration and extent of the COVID-19 pandemic and any resulting effects on the markets in which the Company operates; the impact of the pandemic on the Company's ability to maintain safe and efficient operations; issues with vessel operations; higher than expected costs and expenses, off-hire days or dry-docking requirements; higher than expected costs and/or delays associated with the remediation of the Banff field or the decommission/recycling of the Banff FPSO unit; changes in applicable industry laws and regulations and the timing of implementation of new laws and regulations; the effects of IMO 2020 and IMO 2030; the potential for early termination of long-term contracts of existing vessels; delays in the commencement of charter or other contracts, including potential further delays to the commencement of commercial operations of the regasification terminal in Bahrain; changes in borrowing costs or equity valuations; declaration by Teekay LNG's board of directors of common unit distributions; available cash to reduce financial leverage at Teekay Parent, Teekay LNG and Teekay Tankers; the impact of geopolitical tensions and changes in global economic conditions; 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, 2019. 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.

Q2-20 Highlights

Third consecutive quarterly consolidated adjusted profit

Total Adjusted EBITDA increased by $119M, or 61%, in Q2-20 vs. Q2-19

Eliminated remaining TNK debt guarantees

Improved cash flows and earnings

- Q2-20 Total Adjusted EBITDA(1) of $316M, compared to $197M in Q2-19
- Q2-20 consolidated Adjusted Net Income(1) of $40M, or $0.39 per share, compared to Adjusted Net Loss of $(13M), or $(0.13) per share, in Q2-19

Stronger financial position

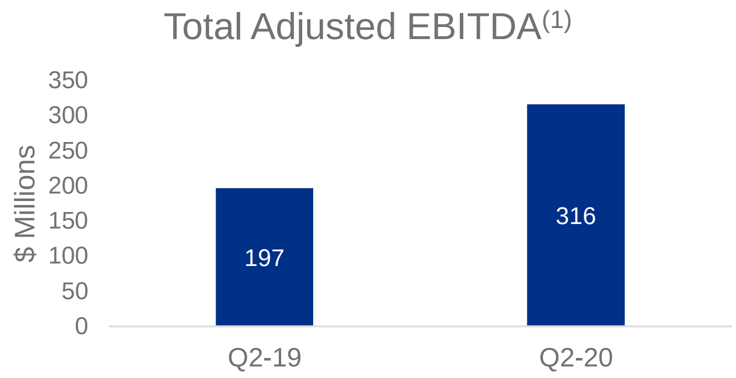
- Reduced consolidated net debt by $887M, or 20%, since Q2-19, creating significant equity value
- Total consolidated liquidity position of approx. $940M
- Secured bank commitments for new equity margin revolver to refinance December 2020 debt maturity, which is currently undrawn

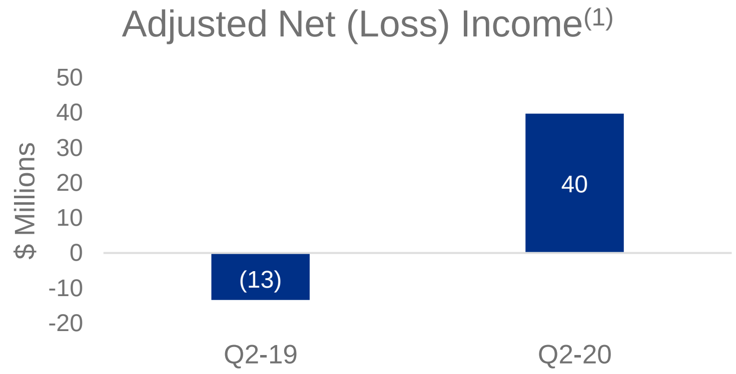
Simplified structure

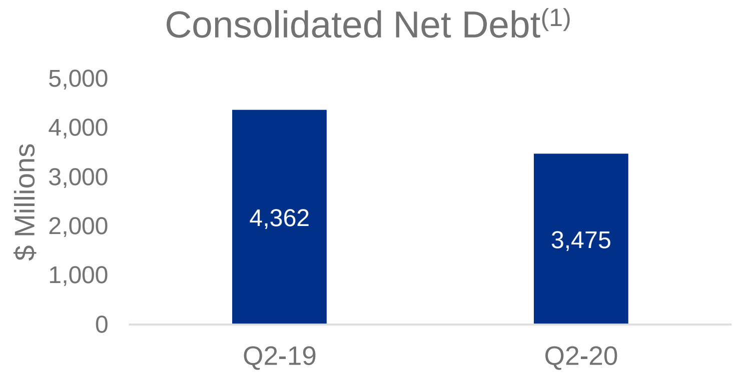
- Eliminated all remaining TNK debt guarantees as a result of August 2020 TNK refinancing
- Eliminated TGP Incentive Distributions Rights (IDRs) in exchange for 10.75M newly-issued TGP common units

Achieved safe and efficient operations

- Safely changed-out a significant number of seafarers on our vessels, with no reported COVID-19 cases; and focusing on changing remaining overdue seafarers as soon as possible







(1) These are non-GAAP financial measures. Please see Teekay Corporation, Teekay LNG and Teekay Tankers Q2-20 and Q2-19 earnings releases for definitions and reconciliations to the comparable GAAP measures.
(2) Excludes Teekay Parent's distributions from daughter companies totaling $9.4 million and $5.1 million in Q2-20 and Q2-19, respectively.

Continue to Wind-Down FPSO Segment

Foinaven

- Secured up to 10-year bareboat charter contract, which effectively covers remaining life and the eventual green recycling of unit
  - Received $67M upfront cash payment in April 2020
  - Nominal per day fee for contract life to cover ancillary costs
  - Lump sum cash payment at the end of the contract (expected to cover cleaning / recycling costs of units)
- Eliminated operational exposure to the unit and previous loss-making contract

Banff

- Unit ceased production in June 2020 and is expected to come off existing field in Q3-20 for green recycling by the end of 2020
- Expect to continue to incur operating costs on the unit during Q3-20 of approx. $20M depending on timing of leaving the field during the quarter
- Unique contract where Teekay is responsible for part of the field remediation
  - Net asset retirement obligation (ARO) of approximately $44M* accrued as of June 30th; roughly half of which will be incurred in 2020 and the remainder in the summer of 2021

Hummingbird

- Continues to produce on its field under its existing fixed-rate contract
- Recently completed paid scheduled summer maintenance as planned

* Excluding FPSO operating costs and lay-up costs to be incurred prior to recycling the FPSO unit.

Teekay LNG ("TGP")

Another record-high Adjusted Net Income and Total Adjusted EBITDA in Q2-20

- 8th consecutive quarterly increase in Total Adjusted EBITDA

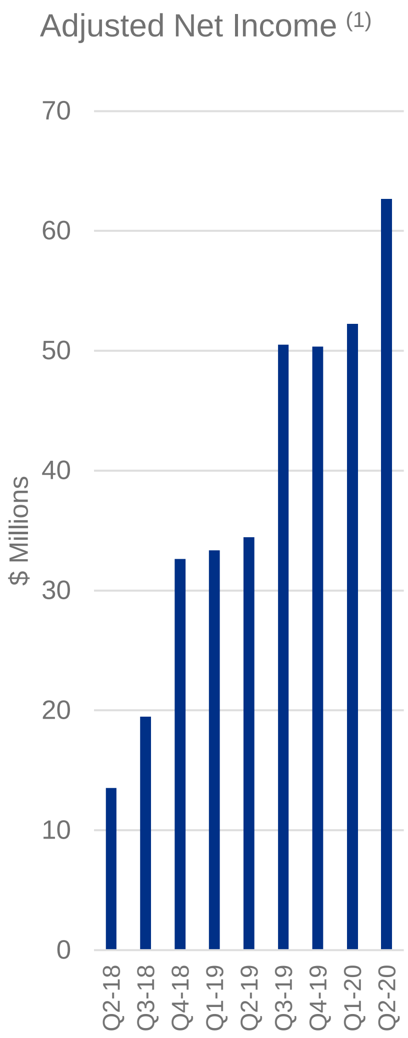
LNG fleet is ~100% fixed for remainder of 2020 and 94% fixed in 2021

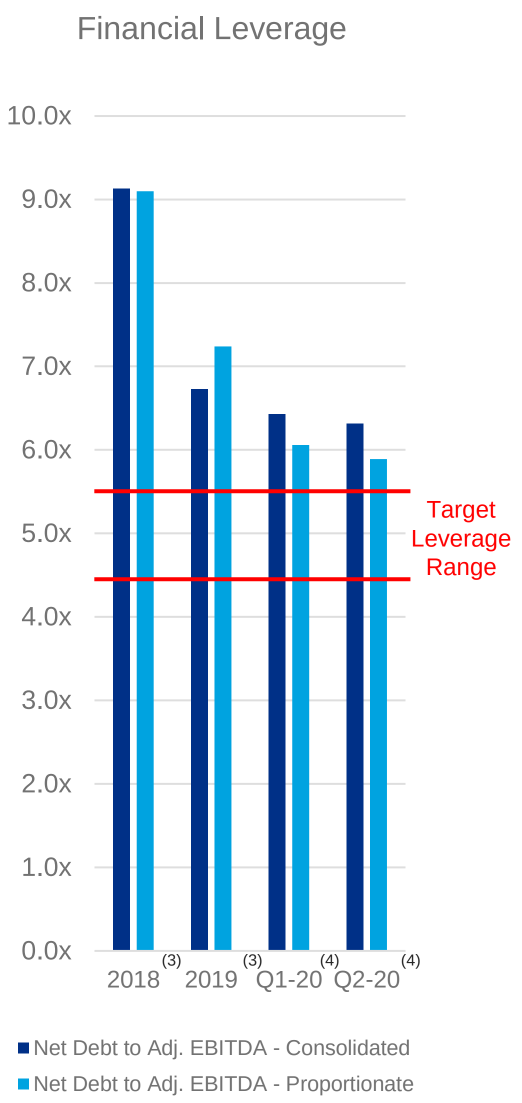
- TGP's average 2020 LNG fixed charter rate of +$80,500/day

Continue to delever balance sheet

Recent Highlights

- Q2-20 Total Adjusted EBITDA[1] of $192M and Adjusted Net Income[1] of $63M, or $0.67 per unit, up 19%, 82% and 91% from Q2-19, respectively
- Reaffirmed 2020 financial guidance
- Continue to further delever balance sheet and make progress on achieving target leverage range of 4.5x to 5.5x on a Net Debt / Total Adj. EBITDA[2] basis
  - Repaid May 2020 NOK bond maturity with existing cash
  - Proportionate Net Debt / Total Adj. EBITDA[2] of 5.9x in Q2-20, down from 7.2x in 2019





(1) These are non-GAAP financial measures. Please see Teekay LNG's Q2-20 earnings release for definitions and reconciliations to the comparable GAAP measures.
(2) Net debt is equal to long-term debt, including capital lease obligations, less cash and cash equivalents and restricted cash.
(3) Based on Adj.EBITDA for the full year 2018 and 2019.
(4) Based on Adj.EBITDA for Q1-20 and Q2-20 annualized

Teekay Tankers ("TNK")

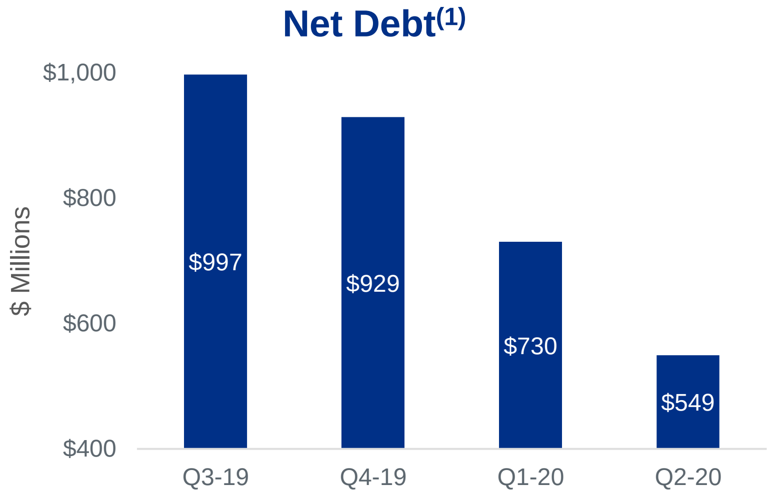
Third consecutive quarter of strong earnings and cash flows

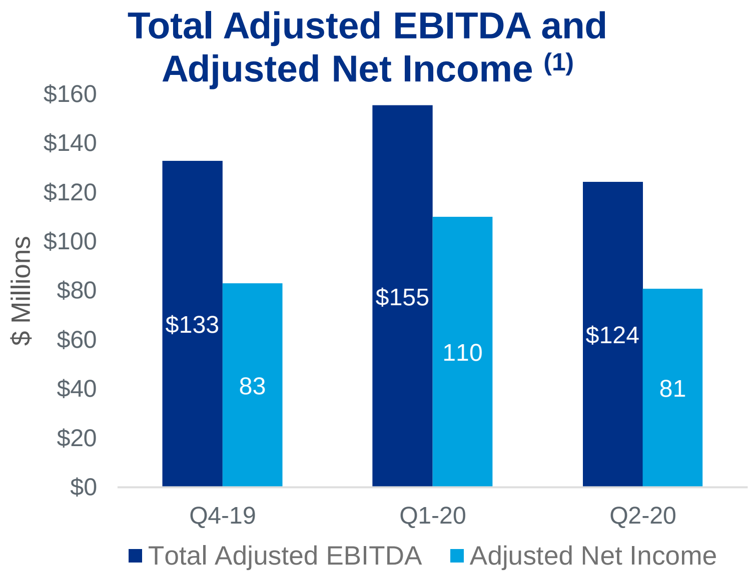
- Over the past 3 quarters, earned adjusted net income and total adjusted EBITDA of $274M and $412M, respectively

Transformed the balance sheet from strong operating cash flows and asset sales

Recent Highlights

- Q2-20 Total Adjusted EBITDA(1) of $124M, compared to $36M in Q2-19
- Q2-20 Adjusted Net Income(1) of $81M, or $2.39 per share, compared to Adjusted Net Loss of ($12M), or ($0.36) per share, in Q2-19
- Reduced net debt by over $180M, or 25%, during Q2-20
- Increased total liquidity to $468 million as of June 30th
- Secured $67M debt refinancing on four vessels in August 2020
  - No debt maturities until 2023
- Delivered 9 vessels onto previously announced time charter contracts (13 vessels currently on time charter contracts at attractive rates)
  - Reduces free cash flow break-even spot TCE rate to $12,700 per day(2) through mid-2021





(1) These are non-GAAP financial measures. Please see Teekay Tankers' Q2-20 earnings release for definitions and reconciliations to the comparable GAAP measures.
(2) Includes expenditures for drydock and ballast water treatment system installation.

Stronger Financial Foundation

Improved profitability and delevered the balance sheet across the Group

No committed growth CAPEX

No significant near-term debt maturities

Teekay Consolidated

	Q2-19	Q2-20	Change
Net Debt(1)	$4,362M	$3,475M	-$887M (-20%) ✓
Net Debt(1) to Cap	62.0%	57.3%	-4.7% ✓
Liquidity	$644M	$939M	+$295M (+46%) ✓
G&A expenses (LTM)(2)	$90M	$80M	-$10M (-11%) ✓
Total Adj. EBITDA (LTM)(2)(3)(4)	$877M	$1,175M	+$298M (+34%) ✓
Adj. Net (Loss) Income (LTM)(2)(3)(4)	($40M)	$72M	+$112M ✓
Adj. Net (Loss) Income per share (LTM)(2)(3)(4)	($0.39)	$0.71	+$1.10 ✓

(1) Net debt is a non-GAAP financial measure and represents short-term debt, current portion of long-term debt and long-term debt, less cash and cash equivalents and restricted cash.
(2) LTM = last twelve months
(3) These are non-GAAP financial measures. Please see Teekay Corporation earnings releases for definitions and reconciliations to the comparable GAAP measures.
(4) Adjusted results only include $11 million of the $67 million upfront cash payment from the new Foinaven FPSO contract secured in Q1-20.

Appendix

Teekay Corp - Levered Play on Daughter Entities

Daughters continue to trade at significant discounts to their intrinsic values

Teekay Corp represents an attractive and diversified way to participate in the potential appreciation in TGP and TNK

Teekay Parent Sum-of-the Parts (SOTP)
In $ Million, except share/unit figures

	Current
Equity Investments in Daughters[(1)(2)]	
TGP LP (35.96M units x $11.92 unit price)	$429
TGP GP (1.55M units x $11.92 unit price)	19
TNK (9.66M shares x $15.90 share price))[(3)]	154
	602
Directly-owned Assets	
FPSO Book Value[(4)]	$14
Banff Asset Retirement Obligation (ARO)[(5)]	(44)
	(30)
Total Assets	$572
Net Debt – June 30/2020[(6)]	($283)
Net Asset Value (NAV)	$289
Teekay Corp shares O/S (in millions)	101.1
NAV per share	$2.85
Current share price (Aug 12/20)	**$2.74**

Excludes Daughter control premiums

Trading at 4% discount

TK NAV Per Share Returns Based on 10% Increases in Daughter Unit / Share Prices

Columns: % Increases to TGP's Current Unit Price of $11.92 per unit. Rows: % Increases to TNK's Current Share Price of $15.90 per share

		11.92	13.11	14.30	15.50	16.69	17.88	19.07	20.26	21.46
		0%	**10%**	**20%**	**30%**	**40%**	**50%**	**60%**	**70%**	**80%**
15.90	**0%**	0%	16%	31%	47%	62%	78%	93%	109%	124%
17.49	**10%**	5%	21%	36%	52%	68%	83%	99%	114%	130%
19.08	**20%**	11%	26%	42%	57%	73%	88%	104%	120%	135%
20.67	**30%**	16%	32%	47%	63%	78%	94%	109%	125%	140%
22.26	**40%**	21%	37%	52%	68%	84%	99%	115%	130%	146%
23.85	**50%**	27%	42%	58%	73%	89%	104%	120%	136%	151%
25.44	**60%**	32%	48%	63%	79%	94%	110%	125%	141%	156%
27.03	**70%**	37%	53%	69%	84%	100%	115%	131%	146%	162%
28.62	**80%**	43%	58%	74%	89%	105%	121%	136%	152%	167%

(1) Values based on closing share/unit prices on August 12, 2020.
(2) Based on ownership as of August 12, 2020.
(3) Includes 5.0 million and 4.6 million Class A and B common shares, respectively. Teekay Corporation controls a 28.6% economic interest and voting control of 53.9%in Teekay Tankers.
(4) Book value of the Hummingbird Spirit FPSO. Banff FPSO has a nil book value.
(5) As of June 30, 2020. Relates to remediation of the subsea infrastructure for the Banff FPSO and is net of a customer receivable of $8.1 million. Excludes remaining operating expenses and recycling costs relating to the FPSO unit. See slide 4 for more detail.
(6) Net debt is based on Teekay Parent's current portion of long-term debt and long-term debt, less cash and cash equivalents and restricted cash.

Consolidated Adjusted Net Income Reconciliation[(1)]

Q2-20 vs. Q1-20

(Thousands of U.S. Dollars except per share amounts)	Q2-2020 (unaudited)	Q1-2020 (unaudited)	Variance	Comments
Revenues	474,004	572,805	(98,801)	
Voyage expenses	(66,896)	(121,564)	54,668	
Net revenues	407,108	451,241	(44,133)	Teekay Parent - $11m decrease primarily from the *Petrojarl Foinaven* FPSO unit commencing its new bareboat contract in March 2020 and lower revenues from the *Petrojarl Banff* FPSO unit as a result of the commencment of its decommissioning as of June 1, 2020 as well as lower oil price tariffs earned due to lower oil prices during Q2-20. Teekay LNG - $5m increase primarily due to reduction in operational performance claims in Q2-20. Teekay Tankers - $38m decrease mainly due to lower overall spot TCE rates in Q2-20, the sale of three vessels in Q1-20, the sale of the non-US portion of the ship-to-ship support services business and the LNG terminal management business in Q2-20, and a higher number of vessels on time-charter out contracts earning lower fixed rates compared to the Q1-20 spot rates; partially offset by a reduction in spot voyage activities resulting from eight vessels commencing on time-charter out contracts during Q2-20 and a lower average price of bunkers consumed during Q2-20 compared to Q1-20.
Vessel operating expenses	(138,158)	(153,293)	15,135	Teekay Parent - $13m decrease primarily from the *Petrojarl Foinaven* FPSO unit commencing its new bareboat contract in March 2020 and the *Petrojarl Banff* FPSO unit ceasing operations as of June 1, 2020. Teekay LNG - $2m increase mainly related to timing of maintenance and repairs on certain LNG carriers, offsetting the favorable timing variance last quarter. Teekay Tankers - $4m decrease primarily due to the sale of three vessels in Q1-20 and the sale of the non-US portion of the ship-to-ship support services business and the LNG terminal management business in Q2-20, partially offset by the timing of purchases and planned maintenance activities, as well as higher crew related costs.
Time-charter hire expenses	(17,714)	(27,056)	9,342	Teekay Parent - $8m decrease due to the *Petrojarl Foinaven* FPSO unit commencing its new bareboat contract in March 2020 and the *Petrojarl Banff* FPSO unit ceasing operations as of June 1, 2020.
Depreciation and amortization	(62,936)	(73,158)	10,222	Teekay Parent - $9m decrease due to write-downs of two FPSO units recorded in Q1-20 and Q2-20, as well as the derecognition of the *Petrojarl Foinaven* FPSO in Q1-20 upon the commencement of the bareboat contract. Teekay LNG - $1m decrease due to write-down recorded in Q1-20.
General and administrative expenses	(23,668)	(18,277)	(5,391)	Increase due to annual equity-based compensation granted in Q2-20 and additional professional fees associated with the incentive distribution rights transaction.
Income from vessel operations	**164,632**	**179,457**	**(14,825)**	
Interest expense - net	(62,242)	(64,422)	2,180	Decrease due to scheduled repayments and prepayments on debt, as well as a lower LIBOR in Q2-20.
Equity income	39,088	32,958	6,130	Teekay LNG - $5m increase primarily due to higher LPG rates earned within the Exmar LPG Joint Venture during Q2-20. Teekay Tankers - $1m increase due to higher earnings recognized from the equity-accounted for VLCC primarily as a result of higher realized spot rates in Q2-20.
Income tax expense	(645)	(3,792)	3,147	Teekay LNG - $3m decrease due to the timing of tax deductions.
Other - net	191	(681)	872	
Net income	**141,024**	**143,520**	**(2,496)**	
Net income attributable to non-controlling interests	(101,311)	(118,261)	16,950	Decrease primarily due to decrease in Teekay Tankers' net income in Q2-20.
Net income attributable to shareholders of Teekay Corporation	**39,713**	**25,259**	**14,454**	
Basic earnings per share	**0.39**	**0.25**	**0.14**	

(1) Amounts are after adjusting Q2-20 and Q1-20 for items included in Appendix A to our Second Quarter 2020 Results Earnings Release and realized gains and losses on derivatives (see slide 12 to this presentation for the Consolidated Adjusted Statement of Net (Loss) Income Reconciliation for Q2-20 and Q1-20)

Q3-2020 Outlook – Teekay Consolidated

<table>
<tr><th>Income Statement Item</th><th>Q2-20 in millions adjusted basis</th><th>Q3 2020 Adjusted Net Income Outlook (expected changes from Q2-20) [1]</th></tr>
<tr><td>Net Revenues</td><td>407</td><td>
<u>Teekay Parent</u>
$12m decrease from the Banff FPSO due to the cessation of production on June 1, 2020
<u>Teekay LNG</u>
$2m decrease due to a scheduled dry docking of an LNG carrier in Q3-20
<u>Teekay Tankers</u>
Decrease of approximately 210 net revenue days, mainly due to more drydockings scheduled in Q3-20 compared to Q2-20
<table>
<tr><td>Vessel type - Days (% fixed) at Day Rate in $</td><td>Aframax[2]</td><td>Suezmax</td><td>LR2[3]</td></tr>
<tr><td>Q3 To-Date (fixed days quarter-to-date)</td><td>754 days (51%) at $15,600</td><td>798 days (57%) at $24,800</td><td>358 days (42%) at $14,400</td></tr>
<tr><td>Q2 Actual</td><td>1,632 days at $29,600</td><td>1,544 days at $46,500</td><td>876 days at $29,600</td></tr>
</table>
</td></tr>
<tr><td>Vessel Operating Expenses (OPEX)</td><td>(138)</td><td>Teekay Parent - $5m decrease from the Banff FPSO due to the cessation of production on June 1, 2020. Excluding operating costs associated with the decommissioning of the Banff FPSO and Apollo Spirit FSO[4]
Teekay LNG - $4m increase primarily due to timing of repairs, maintenance, spares and consumables
Teekay Tankers - $1m increase primarily due to the timing of repair and maintenance activities as well as higher costs related to completing crew changes</td></tr>
<tr><td>Time-Charter Hire Expense</td><td>(18)</td><td>Expected to be consistent with Q2-20</td></tr>
<tr><td>Depreciation and Amortization</td><td>(63)</td><td>Expected to be consistent with Q2-20</td></tr>
<tr><td>General & Administrative</td><td>(24)</td><td>Expected to be lower, ranging from $19m - $21m on a consolidated basis due to non-recurring professional fees in relation to the elimination of Teekay LNG's Incentive Distribution Rights in Q2-20, and costs related to stock-based compensation granted in Q2-20, which is recognized annually in the quarter they are granted</td></tr>
<tr><td>Net Interest Expense</td><td>(62)</td><td>Teekay LNG - $3m decrease primarily due to lower forecasted LIBOR rates in Q3-20 vs Q2-20 and the forecasted reduction of debt
Teekay Tankers - $2m decrease primarily due to a lower average amount drawn from credit facilities, as well as a lower LIBOR in Q3-20 compared to Q2-20</td></tr>
<tr><td>Equity Income</td><td>39</td><td>Teekay LNG - $3m decrease due to scheduled dry dockings of certain LPG and LNG vessels Q3-20; $2m decrease due to the redeployment of certain LNG vessels at lower rates than in Q2-20
Teekay Tankers - $3m decrease primarily due to lower earnings expected from the equity-accounted VLCC resulting from lower spot tanker rates</td></tr>
<tr><td>Adjusted Net Income Attributable to Non-controlling Interests</td><td>(102)</td><td>Expected to range from ($35m) to ($40m) primarily due to expected lower adjusted net income in Teekay LNG and Teekay Tankers</td></tr>
</table>

(1) Changes described are after adjusting Q2-20 for items included in Appendix A to our Second Quarter 2020 Results Earnings Release and realized gains and losses on derivatives (see slide 12 to this presentation for the Consolidated Adjusted Statement of Net Loss Reconciliation for Q2-20)
(2) Days and percentage booked to-date include Aframax RSA, full service lightering (FSL) and non-pool voyage charters for all Aframax vessels
(3) Days and percentage booked to-date include Aframax RSA, FSL and non-pool voyage charters for all LR2 vessels, whether trading in the clean or dirty spot market
(4) See slide 4 to this presentation for further details on forecasted *Banff* FPSO decommissioning costs.

Consolidated Adjusted Statement of Net Income (Loss) Reconciliation

Q2-20 vs. Q1-20

(in thousands of US dollars, except per share amounts)	Three Months Ended June 30, 2020				Three Months Ended March 31, 2020			
	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	482,805	(8,601)	(200)	474,004	574,054	(1,200)	(49)	572,805
Voyage expenses	(66,896)	-	-	(66,896)	(121,564)	-	-	(121,564)
Net revenues	415,909	(8,601)	(200)	407,108	452,490	(1,200)	(49)	451,241
Vessel operating expenses	(147,796)	9,638	-	(138,158)	(153,293)	-	-	(153,293)
Time charter hire expenses	(17,714)	-	-	(17,714)	(27,056)	-	-	(27,056)
Depreciation and amortization	(62,936)	-	-	(62,936)	(72,917)	-	(241)	(73,158)
General and administrative expenses	(23,668)	-	-	(23,668)	(18,277)	-	-	(18,277)
Asset impairments and gain on sale	(10,669)	10,669	-	-	(94,606)	94,606	-	-
Gain on commencement of sales-type lease	-	-	-	-	44,943	(44,943)	-	-
Restructuring charges	(4,622)	4,622	-	-	(2,388)	2,388	-	-
Income from vessel operations	**148,504**	**16,328**	**(200)**	**164,632**	**128,896**	**50,851**	**(290)**	**179,457**
Interest expense	(59,245)	-	(5,311)	(64,556)	(62,520)	263	(4,968)	(67,225)
Interest income	2,314	-	-	2,314	2,803	-	-	2,803
Realized and unrealized losses derivative instruments	(9,270)	5,189	4,081	-	(21,663)	18,222	3,441	-
Equity income	35,343	3,745	-	39,088	2,313	30,645	-	32,958
Income tax recovery (expense)	17,175	(17,820)	-	(645)	(3,792)	-	-	(3,792)
Foreign exchange (loss) gain	(8,922)	7,492	1,430	-	6,646	(8,463)	1,817	-
Other - net	(399)	590	-	191	(681)	-	-	(681)
Net income	**125,500**	**15,524**	**-**	**141,024**	**52,002**	**91,518**	**-**	**143,520**
Net income attributable to non-controlling interests	(103,777)	2,466	-	(101,311)	(101,807)	(16,454)	-	(118,261)
NET INCOME (LOSS) ATTRIBUTABLE TO SHAREHOLDERS OF TEEKAY CORP.	**21,723**	**17,990**	**-**	**39,713**	**(49,805)**	**75,065**	**-**	**25,259**
Basic earnings (loss) per share	**0.21**			**0.39**	**(0.49)**			**0.25**

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