

# Teekay Shipping

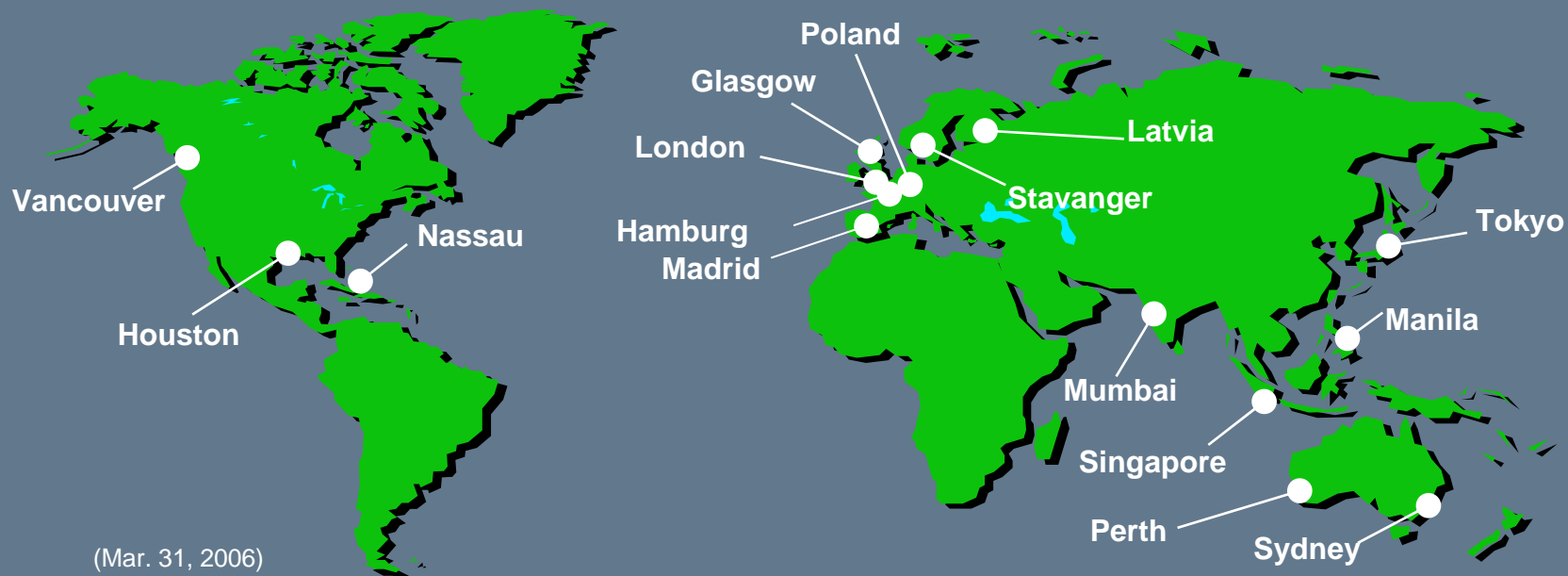


▶ TEEKAY – THE MARINE MIDSTREAM COMPANY

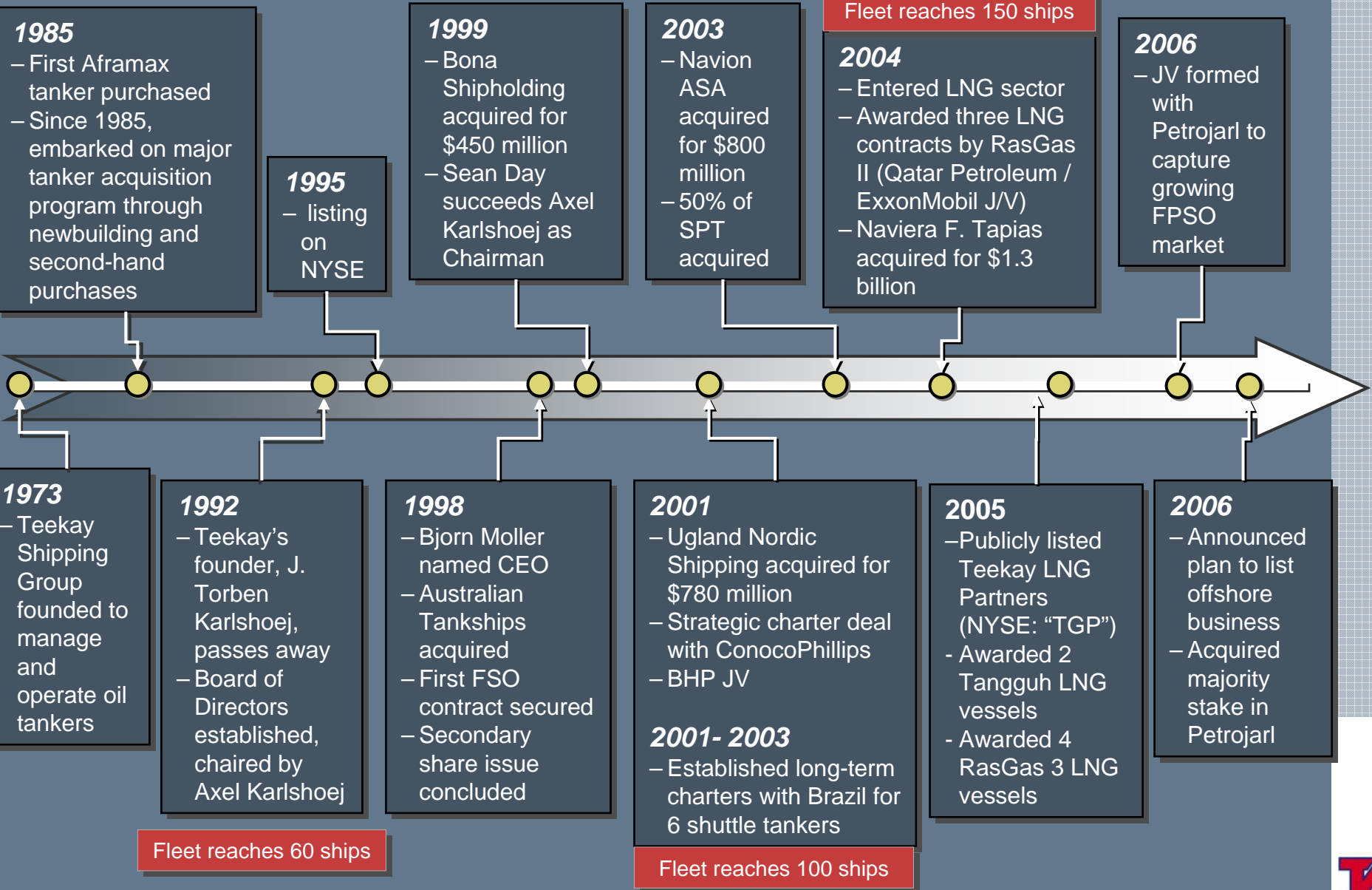


# Teekay – A Global Franchise

- ▶ Founded 1973 by the late Torben Karlshoej
- ▶ Transnational company with 5,100+ employees worldwide
- ▶ World's largest tanker company by Market Capitalization (NYSE: "TK")
- ▶ 140-ship fleet
- ▶ Transporter of more than 10% of world's seaborne oil
- ▶ Leading franchises in crude oil and shuttle tanker segments
- ▶ Fastest growing LNG shipping company
- ▶ Growing presence in offshore marine and product tankers
- ▶ Acknowledged leader in safety, quality, and service



# Company History



# Operator of One of the World's Largest Tanker Fleets



Crude oil tankers: 60  
Shuttle tankers: 40  
Product tankers: 22  
Gas tankers: 14  
FSO tankers: 4

**1998**

**Regional Leader in  
Mid-size Tankers**

- 45 ships



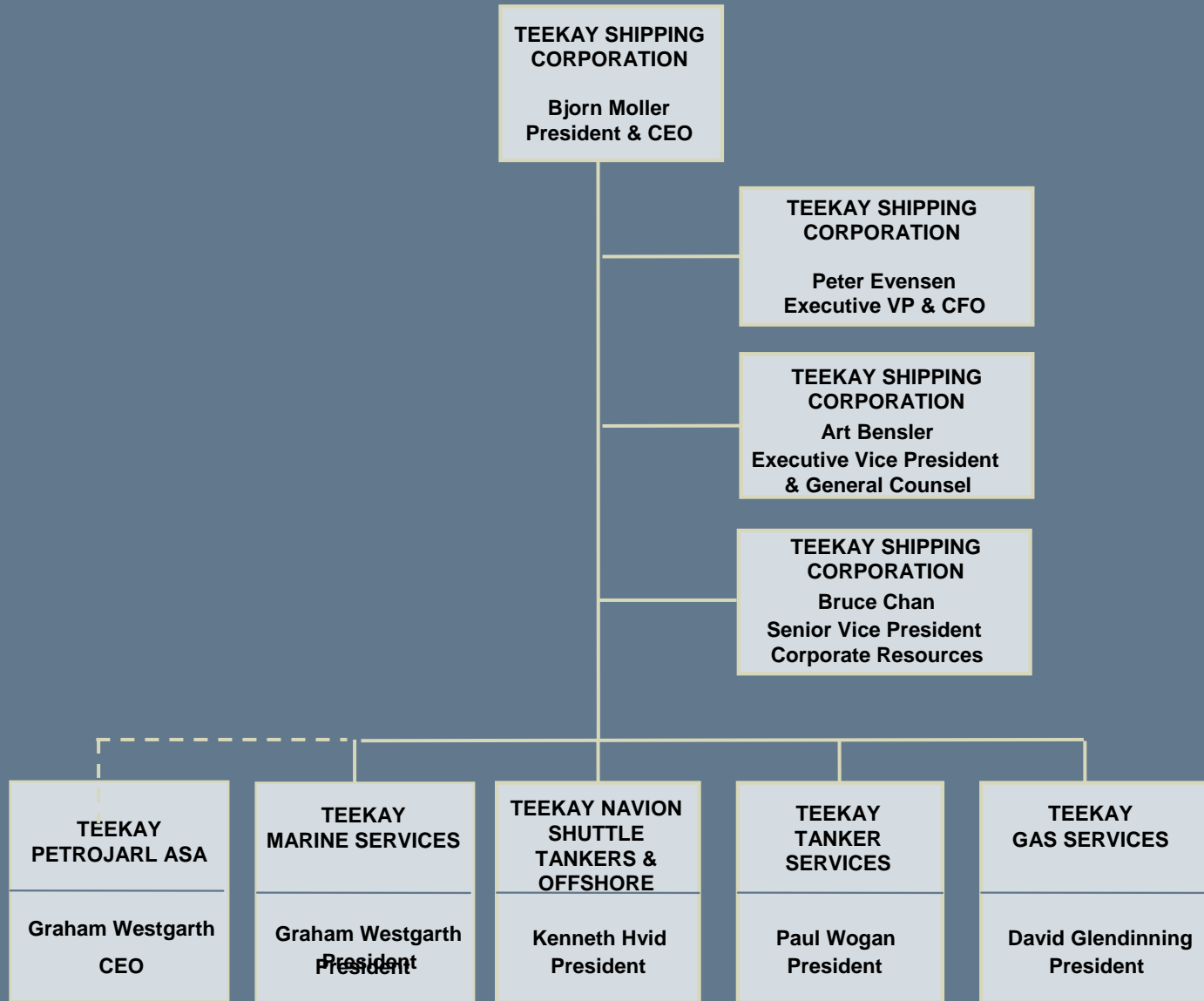
**2006**

**World Leader in  
Marine Energy Transportation**

- 140 ships carrying over 10% of world's sea borne oil



# Business Unit Structure



# Teekay Tanker Services



# Teekay Tanker Services

- ▶ Commercial management of Teekay's conventional tanker fleet
- ▶ 1.1 billion barrels of oil shipped in 2005
- ▶ 420 million barrels of oil under contract
- ▶ 50% owner of Navion Chartering
- ▶ 50% owner of Skaugen PetroTrans (SPT)



Teekay Aframax: Americas Spirit



# Large Modern Fleet

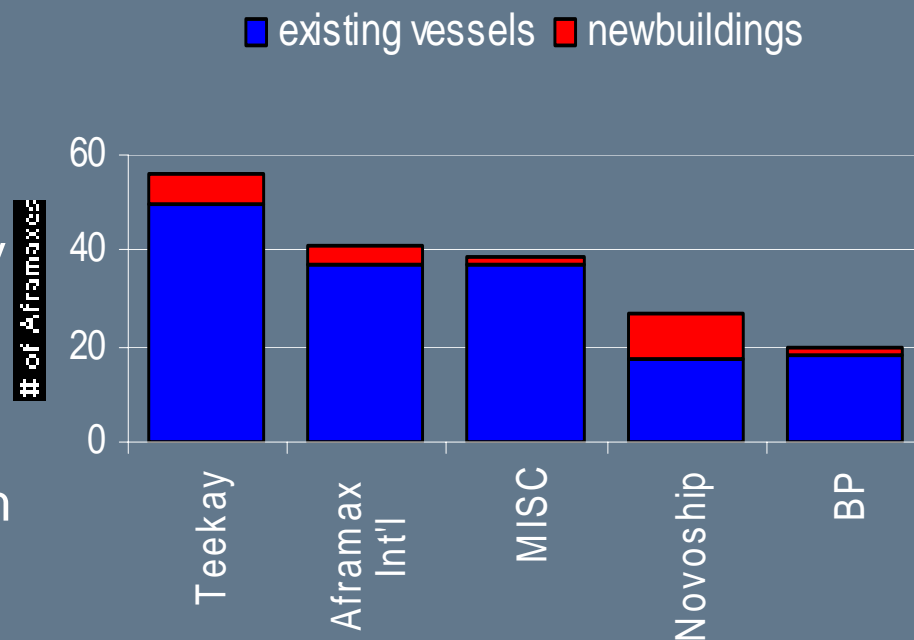
Owned	In Charter	On Order	% D/Hull	Av. Age (Yrs)	Comr. Mgmt.	Total
3	17	4	96.7	2.6	3	27
29	14	2	100	6.7	4	49
9	4	10	100	2.4	1	24
-	1	-	100	3	-	1
			<b>99.6</b>	<b>4.4</b>		<b>101</b>





# Teekay's Spot Tanker Business

- ▶ Largest spot operator of medium-sized tankers
- ▶ Unique global organization
- ▶ Maintaining high in-charter activity
- ▶ Higher operating leverage than typical shipowner
- ▶ Portfolio of strategic contracts with blue chip customer base
- ▶ Aggressively growing product tanker presence & Suezmax fleet



## Unique Customer Service



# Teekay Navion Shuttle Tankers and Offshore



# Entrusted to Move North Sea Oil Production



- ▶ 34 Contracts of Affreightment (CoA) with 17 oil companies shipping close to 600 million bbls/year or 1,650,000 bbls/day
- ▶ Provider of turnkey solutions within offshore shuttling and storage
- ▶ Partner in risk sharing for offshore shuttling and storage projects
- ▶ Extensive experience in harsh weather environments using Dynamic Positioning
- ▶ Sophisticated scheduling system



# Growing Floating Storage Business

- ▶ FSO units deployed in North Sea, Australia and Thailand
- ▶ Field-specific solutions
- ▶ Turnkey conversion and commissioning



# Teekay Gas Services



# Gas Services

## Our Long Term Growth Strategy:

- ▶ Expand our LNG fleet on a build-to-suit basis
- ▶ Grow through newbuildings, joint ventures and acquisitions
- ▶ Leverage customer and supplier relationships
- ▶ Provide superior vessel operations
- ▶ Deliver competitive rates by leveraging our financial strength
- ▶ Work with customers to provide innovative gas transport solutions



Madrid Spirit



# Teekay LNG Fleet



HISPANIA SPIRIT

140,500

DAEWOO



CATALUNYA SPIRIT

138,000

IZAR

STEAM TURBINE



GALICIA SPIRIT

140,500

DAEWOO



MADRID SPIRIT

138,000

IZAR



AL MARROUNA

151,700

DAEWOO



AL AREESH

151,700

DAEWOO

STEAM TURBINE



AL DAYEEN

151,700

DAEWOO



HHI # 1780

155,000

HYUNDAI

DUAL FUEL  
DIESEL ELECTRIC



HSHI # S298

155,000

SAMHO



SHI # 1643

217,000

SAMSUNG

SLOW SPEED  
DIESEL



SHI # 1644

217,000

SAMSUNG

&



SHI # 1645

217,000

SAMSUNG

ONBOARD  
RELIQUEFACTION



SHI # 1646

217,000

SAMSUNG



# Teekay Marine Services





# Global In-house Capability

## 500 Multi Disciplined Shore Staff in TMS -

- ▶ Master Mariners
- ▶ Mechanical Engineers
- ▶ Civil Engineers
- ▶ Naval Architects
- ▶ DP Engineers
- ▶ Marine Engineers
- ▶ Process Engineers
- ▶ Structural and Coating Specialists
- ▶ Electrical/Automation Engineers
- ▶ IT Specialists



# Maintaining a World Class Asset Base

## Newbuild Management

- ▶ 58 newbuildings delivered into the Teekay fleet since 1988
  - ▶ 24 of these in last 5 years
- ▶ \$ 3.2 billion newbuilding program underway
- ▶ 23 newbuilds at 5 different yards



## Asset Conversions

- ▶ FSOs
- ▶ Shuttle Tankers



# First Class Customer Service

- ▶ Over 6,500 port calls in 2005
- ▶ 75 countries
- ▶ 115 customers
- ▶ In excess of 235 million tonnes of cargo per annum



# Teekay Petrojarl ASA



# Teekay Petrojarl - Company Background



- ▶ Former Golar-Nor Offshore, established as drilling contractor in 1973.
- ▶ FPSO contractor since 1984 (Petrojarl I)
- ▶ Acquired by Teekay in 2006 (65% of shares)
- ▶ Operating from Trondheim and Aberdeen
- ▶ 564 employees involved in production operations (incl. shuttle tankers)
- ▶ Largest FPSO contractor in the North Sea:
  - 4 owned and operated FPSO's
  - 2 leased shuttle tankers and 1 FSO
- ▶ Maximum production capacity > 300,000 bbls oil per day



# The FPSO Fleet



## Petrojarl I

*Field:* Glitne, NCS  
*Client:* Statoil



## Petrojarl Foinaven

*Field:* Foinaven, UKCS  
*Client:* BP



## Petrojarl Varg

*Field:* Varg, NCS  
*Client:* Talisman



## Petrojarl Banff

*Field:* Banff, UKCS  
*Client:* CNR



## Ikdam

*Field:* Oudna, Tunisia  
*Client:* Lundin



# Petrojarl Cidade de Rio das Ostras



- ▶ First FPSO project in Brazil
- ▶ 2 + 1 year contract for Petrobras on Siri field, Campos basin
- ▶ Currently undergoing conversion work at Remontowa Shipyard, Gdansk, Poland.
- ▶ Technical specification:
  - ▶ Year built 1981
  - ▶ Builder Weser AG, Germany
  - ▶ Class Lloyds
  - ▶ DWT 46,900 mt
  - ▶ LOA 182,97 m
  - ▶ Width 32,2 m
  - ▶ Depth 16,1 m
  - ▶ Storage 214,125 bbls
- ▶ Process specification:
  - ▶ Oil Prod. 2400 m<sup>3</sup> p/day
  - ▶ Gas Prod. Capacity: 70,000m<sup>3</sup> p/day
  - ▶ Oil Density: 12,6 – 13,6 API



# The Teekay Petrojarl Combination

## Solid platform for international growth



- ▶ FPSO owner and operator
- ▶ Excellent customer relationships
- ▶ Topside design, technology and engineering capability
- ▶ 20 years of experience from operating FPSOs with high regularity
- ▶ Excellent HSEQ performance



- ▶ Excellent customer relationships
- ▶ Global presence
- ▶ Hull assessment and conversion expertise
- ▶ Leverage with shipyards
- ▶ Access to hulls for conversion and capability to operate efficiently while awaiting conversion
- ▶ Owner and operator of FSOs and DP shuttle tankers





# Well Positioned to Realize Growth Ambitions

## HARSH ENVIRONMENT

*Focus on core area (harsh environment) operations through redeployment and new projects.*

- ❑ Retain position as the leading North Sea FPSO contractor
- ❑ Redeployment of existing units in core area
- ❑ Actively seek to develop new projects

## NEW AREAS

*Growth strategy with focus on new areas through organic growth and structural moves.*

- ❑ Market expansion beyond North Sea region
- ❑ Target selective FPSO projects based on converted tanker solutions
- ❑ Explore M&A and JV initiatives for value creation

