TEEKAY CORPORATION RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

	<u>Three Months Ended June 30, 2007</u> <u>(unaudited)</u>					
	Offshore Segment	Fixed-Rate Tanker Segment	Liquefied Gas Segment	Spot Tanker Segment	Total	
Income from vessel operations	47,552	16,610	13,547	39,926	117,635	
Depreciation and amortization Amortization of in process	35,627	8,260	11,571	12,637	68,095	
revenue contracts	(7,063)	-	-	-	(7,063)	
Amortization of deferred gain	(105)	-	-	(1,786)	(1,891)	
Gain on sale of vessels						
and equipment	(11,613)	-	-	-	(11,613)	
Cash flow from vessel operations ⁽¹⁾	64,398	24,870	25,118	50,777	165,163	

(in thousands of U.S. dollars)

	<u>Three Months Ended June 30, 2006</u> <u>(unaudited)</u>					
	Offshore Segment	Fixed-Rate Tanker Segment	Liquefied Gas Segment	Spot Tanker Segment	Total	
Income from vessel operations	18,167	16,327	6,302	28,126	68,922	
Depreciation and amortization Writedown / (gain) on sale of	20,856	8,162	8,031	13,108	50,157	
vessels and equipment	1,950	-	-	(300)	1,650	
Cash flow from vessel						
operations ⁽¹⁾	40,973	24,489	14,333	40,934	120,729	

(1) Cash flow from vessel operations represents income from vessel operations before depreciation and amortization expense and writedown / (gain) on sale of vessels and equipment. Cash flow from vessel operations is included because certain investors use this data to measure a company's financial performance. Cash flow from vessel operations is not required by accounting principles generally accepted in the United States and should not be considered as an alternative to net income or any other indicator of the Company's performance required by accounting principles generally accepted in the United States.

TEEKAY SHIPPING CORPORATION RECONCILIATION OF NON-GAAP FINANCIAL MEASURES CONTINUED

Offshore Segment 236,233 (26,064) 210,169	Fixed-Rate Tanker Segment 45,787	Liquefied Gas Segment	Spot Tanker Segment		
(26,064)	45,787		Segment	Total	
(26,064)	,	38,496	257,366	577,882	
	(592)	(8)	(108,645)	(135,309)	
	45,195	38,488	148,721	442,573	
<u>Three Months Ended March 31, 2007</u> <u>(unaudited)</u>					
Offshore Segment	Fixed-Rate Tanker Segment	Liquefied Gas Segment	Spot Tanker Segment	Total	
248,875	44,589	37,477	252,075	583,016	
(28,726)	(560)	(5)	(94,269)	(123,560)	
220,149	44,029	37,472	157,806	459,456	
<u>Three Months Ended June 30, 2006</u> <u>(unaudited)</u>					
Offshore Segment	Fixed-Rate Tanker Segment	Liquefied Gas Segment	Spot Tanker Segment	Total	
133,742	43,852	23,777	221,216	422,587	
(19,113)	(508)	(401)	(91,395)	(111,417)	
114,629	43,344	23,376	129,821	311,170	
<u>Six Months Ended June 30, 2007</u> <u>(unaudited)</u>					
Offshore Segment	Fixed-Rate Tanker Segment	Liquefied Gas Segment	Spot Tanker Segment	Total	
485,108	90,376	75,973	509,441	1,160,898	
(54,790)	(1,152)	(13)	(202,914)	(258,869)	
430,318	89,224	75,960	306,527	902,029	
	Segment 248,875 (28,726) 220,149 Offshore Segment 133,742 (19,113) 114,629 Offshore Segment 485,108 (54,790)	Offshore Segment Tanker Segment 248,875 44,589 (28,726) (560) 220,149 44,029 Three Mo Fixed-Rate Tanker Segment 0ffshore Segment Fixed-Rate Tanker Segment 133,742 43,852 (19,113) 133,742 43,852 (19,113) 14,629 43,344 Six Mor Six Mor 485,108 90,376 (54,790) 485,108 90,376 (1,152)	Offshore Segment Tanker Segment Gas Segment 248,875 44,589 37,477 (28,726) (560) (5) 220,149 44,029 37,472 Three Months Ended June (unaudited) Fixed-Rate Liquefied Offshore Tanker Gas Segment Segment Segment 133,742 43,852 23,777 (19,113) (508) (401) 114,629 43,344 23,376 Six Months Ended June 3 (unaudited) Fixed-Rate Liquefied Offshore Six Months Ended June 3 (unaudited) 14,629 43,344 23,376 Six Months Ended June 3 (unaudited) Segment 485,108 90,376 75,973 (54,790) (1,152) (13)	Offshore Segment Tanker Segment Gas Segment Tanker Segment 248,875 44,589 37,477 252,075 (28,726) (560) (5) (94,269) 220,149 44,029 37,472 157,806 Three Months Ended June 30, 2006 (unaudited) Three Months Ended June 30, 2006 Offshore Segment Fixed-Rate Segment Liquefied Gas Spot 133,742 43,852 23,777 221,216 (19,113) (508) (401) (91,395) 114,629 43,344 23,376 129,821 Six Months Ended June 30, 2007 (unaudited) Spot Spot Offshore Fixed-Rate Segment Liquefied Gas Spot 133,742 43,852 23,777 221,216 (19,113) (508) (401) (91,395) 114,629 43,344 23,376 129,821 Six Months Ended June 30, 2007 (unaudited) Spot Spot Offshore Tanker Gas Tanker Segment Segment Segment </td	

	<u>(unautited)</u>					
	Offshore Segment	Fixed-Rate Tanker Segment	Liquefied Gas Segment	Spot Tanker Segment	Total	
Revenues	283,715	88,290	48,735	527,843	948,583	
Voyage expenses	(41,816)	(933)	(405)	(201,874)	(245,028)	
Net revenues ⁽²⁾	241,899	87,357	48,330	325,969	703,555	

(2) Net revenues represents revenues less voyage expenses, which comprise all expenses relating to certain voyages, including bunker fuel expenses, port fees, canal tolls and brokerage commissions. Net revenues is included because certain investors use this data to measure the financial performance of shipping companies. Net revenues is not required by accounting principles generally accepted in the United States and should not be considered as an alternative to revenues or any other indicator of the Company's performance required by accounting principles generally accepted in the United States.