

TEEKAY CORPORATION
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

(in thousands of U.S. dollars)

	Three Months Ended December 31, 2007				
	(unaudited)				
	Offshore Segment	Fixed-Rate Tanker Segment	Liquefied Gas Segment	Spot Tanker Segment	Total
Income from vessel operations	24,357	14,034	22,879	12,925	74,195
Depreciation and amortization	46,275	10,054	12,162	26,206	94,697
Amortization of in process revenue contracts	(17,948)	(92)	-	(1,860)	(19,900)
Unrealized gains on forward freight agreements	-	-	-	(11,643)	(11,643)
Gain on sale of vessels and equipment	1,055	-	-	-	1,055
Cash flow from vessel operations ⁽¹⁾	53,739	23,996	35,041	25,628	138,404

	Three Months Ended December 31, 2006				
	(unaudited)				
	Offshore Segment	Fixed-Rate Tanker Segment	Liquefied Gas Segment	Spot Tanker Segment	Total
Income from vessel operations	34,286	17,911	10,929	42,053	105,179
Depreciation and amortization	43,524	8,136	8,938	12,877	73,475
Amortization of in process revenue contracts	(22,404)	-	-	-	(22,404)
Write-down / (gain) on sale of vessels and equipment	5,362	-	-	(608)	4,754
Cash flow from vessel operations ⁽¹⁾	60,768	26,047	19,867	54,322	161,004

	Year Ended December 31, 2007				
	(unaudited)				
	Offshore Segment	Fixed-Rate Tanker Segment	Liquefied Gas Segment	Spot Tanker Segment	Total
Income from vessel operations	155,929	61,476	69,144	111,355	397,904
Depreciation and amortization	172,983	36,018	46,018	74,094	329,113
Amortization of in process revenue contracts	(66,578)	(226)	-	(4,174)	(70,978)
Unrealized gains on forward freight agreements	-	-	-	(15,181)	(15,181)
Gain on sale of vessels and equipment	(18,630)	-	-	-	(18,630)
Cash flow from vessel operations ⁽¹⁾	243,704	97,268	115,162	166,094	622,228

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Year Ended December 31, 2006
(unaudited)

	Offshore Segment	Fixed-Rate Tanker Segment	Liquefied Gas Segment	Spot Tanker Segment	Total
Income from vessel operations	108,070	69,913	35,757	208,109	421,849
Depreciation and amortization	105,861	32,741	33,160	52,203	223,965
Amortization of in process revenue contracts	(22,404)	-	-	-	(22,404)
Write-down / (gain) on sale of vessels and equipment	698	-	-	(2,039)	(1,341)
Cash flow from vessel operations ⁽¹⁾	192,225	102,654	68,917	258,273	622,069

- (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 CORPORATION
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES CONTINUED

(in thousands of U.S. dollars)

<u>Three Months Ended December 31, 2007</u>					
<u>(unaudited)</u>					
	Offshore Segment	Fixed-Rate Tanker Segment	Liquefied Gas Segment	Spot Tanker Segment	Total
Revenues	257,963	54,398	48,014	312,671	673,046
Voyage expenses	(33,139)	(844)	(23)	(124,909)	(158,915)
Net revenues ⁽²⁾	224,824	53,554	47,991	187,762	514,131

<u>Three Months Ended September 30, 2007</u>					
<u>(unaudited)</u>					
	Offshore Segment	Fixed-Rate Tanker Segment	Liquefied Gas Segment	Spot Tanker Segment	Total
Revenues	249,255	51,168	42,994	245,637	589,054
Voyage expenses	(29,642)	(711)	(73)	(96,346)	(126,772)
Net revenues ⁽²⁾	219,613	50,457	42,921	149,291	462,282

<u>Three Months Ended December 31, 2006</u>					
<u>(unaudited)</u>					
	Offshore Segment	Fixed-Rate Tanker Segment	Liquefied Gas Segment	Spot Tanker Segment	Total
Revenues	239,980	46,801	29,286	270,923	586,990
Voyage expenses	(21,700)	(614)	(175)	(121,170)	(143,659)
Net revenues ⁽²⁾	218,280	46,187	29,111	149,753	443,331

<u>Year Ended December 31, 2007</u>					
<u>(unaudited)</u>					
	Offshore Segment	Fixed-Rate Tanker Segment	Liquefied Gas Segment	Spot Tanker Segment	Total
Revenues	992,326	195,942	166,981	1,051,373	2,406,622
Voyage expenses	(117,571)	(2,707)	(109)	(407,793)	(528,180)
Net revenues ⁽²⁾	874,755	193,235	166,872	643,580	1,878,442

<u>Year Ended December 31, 2006</u>					
<u>(unaudited)</u>					
	Offshore Segment	Fixed-Rate Tanker Segment	Liquefied Gas Segment	Spot Tanker Segment	Total
Revenues	667,847	181,605	104,489	1,059,365	2,013,306
Voyage expenses	(89,642)	(1,999)	(975)	(429,501)	(522,117)
Net revenues ⁽²⁾	578,205	179,606	103,514	629,864	1,491,189

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- (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.