

TEEKAY CORPORATION
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

(in thousands of U.S. dollars)

Three Months Ended March 31, 2012

(unaudited)

	Teekay Offshore Partners LP	Teekay LNG Partners LP	Teekay Tankers Ltd.	Teekay Parent	Consolidation Adjustments	Teekay Corporation Consolidated
Income (loss) from vessel operations	53,746	46,593	6,042	(21,424)	(7,000)	77,957
Depreciation and amortization	49,611	24,633	10,738	29,632	-	114,614
Amortization of in process revenue contracts and other	(3,093)	-	-	(14,684)	-	(17,777)
Unrealized (gains) losses from the change in fair value of designated foreign exchange forward contracts	(20)	-	-	38	-	18
Realized gains (losses) from the settlements of non-designated foreign exchange forward contracts/bunkers/FFAs	1,198	(32)	-	71	-	1,237
Gain on sale of vessels and equipment	-	-	-	(197)	-	(197)
Cash flow from time-charter contracts, net of revenue accounted for as direct finance leases	641	1,473	-	-	-	2,114
Cash flow from vessel operations - Consolidated ^{(1) (2)}	102,083	72,667	16,780	(6,564)	(7,000)	177,966

Three Months Ended March 31, 2011

(unaudited)

	Teekay Offshore Partners LP	Teekay LNG Partners LP	Teekay Tankers Ltd.	Teekay Parent	Consolidation Adjustments	Teekay Corporation Consolidated
Income from vessel operations	43,611	43,367	8,079	(60,577)	-	34,480
Depreciation and amortization	45,570	22,349	10,784	26,335	-	105,038
Amortization of in process revenue contracts and other	759	-	-	(10,798)	-	(10,039)
Unrealized losses from the change in fair value of designated foreign exchange forward contracts	54	-	-	30	-	84
Realized losses from the settlements of non-designated foreign exchange forward contracts/bunkers/FFAs	418	-	-	956	-	1,374
Asset impairments / net loss on vessel sales	1,071	-	-	2,522	-	3,593
Cash flow from time-charter						

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contracts, net of revenue accounted for as direct finance leases	512	1,359	-	-	-	1,871
Cash flow from vessel operations - Consolidated ^{(1) (2)}	91,995	67,075	18,863	(41,532)	-	136,401

- (1) Cash flow from vessel operations represents income from vessel operations before depreciation and amortization expense, amortization of in-process revenue contracts, vessel write-downs, gains or losses on the sale of vessels and unrealized gains or losses relating to derivatives but includes realized gains or losses on the settlement of foreign exchange forward contracts. 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.
- (2) Excludes the cash flow from vessel operations relating to assets acquired from Teekay Parent for the periods prior to their acquisition by Teekay Offshore, Teekay LNG and Teekay Tankers, respectively, as those results are included in the historical results for Teekay Parent.

TEEKAY CORPORATION
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES CONTINUED

(in thousands of U.S. dollars)

	<u>Three Months Ended March 31, 2012</u>		<u>Three Months Ended March 31, 2011</u>	
	<u>(unaudited)</u>		<u>(unaudited)</u>	
	At 100%	Company's Portion ⁽¹⁾	At 100%	Company's Portion ⁽¹⁾
Revenues	128,459	55,375	55,664	25,310
Voyage expenses	163	65	2	1
Vessel operating expenses	53,674	24,380	27,907	13,514
Depreciation and amortization	18,900	8,436	2,261	1,054
General and administrative	4,277	2,042	2,518	1,209
Income from vessel operations of equity accounted vessels	51,445	20,452	22,976	9,532
Interest expense	(22,083)	(8,496)	(8,553)	(3,628)
Realized and unrealized gain on derivative instruments	13,710	5,122	1,651	666
Other income - net	613	566	(664)	(176)
Other items	(7,760)	(2,808)	(7,566)	(3,138)
Net income / equity income of equity accounted vessels	43,685	17,644	15,410	6,394
Income from vessel operations of equity accounted vessels	51,445	20,452	22,976	9,532
Depreciation and amortization	18,900	8,436	2,261	1,054
Revenue accounted for as direct financing lease	(50,240)	(18,363)	(24,556)	(9,822)
Cash flow from time-charter contracts	56,938	20,810	27,464	10,985
Amortization of in-process revenue contracts and other	(13,645)	(5,774)	-	-
Cash flow from vessel operations of equity accounted vessels⁽²⁾	63,398	25,561	28,145	11,749

- (1) The Company's proportionate share of its equity accounted vessels and other investments ranging from 33 percent to 50 percent.
- (2) Cash flow from vessel operations (CFVO) from equity accounted vessels represents the Company's proportionate share of CFVO from its equity accounted vessels and other investments.

TEEKAY CORPORATION
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES CONTINUED

(in thousands of U.S. dollars)

Three Months Ended March 31, 2012
(unaudited)

	Teekay Offshore Partners LP	Teekay LNG Partners LP	Teekay Tankers Ltd.	Teekay Parent	Consolidation Adjustments	Teekay Corporation Consolidated
Revenues	244,598	99,216	31,876	157,356	(37,482)	495,564
Voyage expense	(36,481)	(343)	(779)	(1,034)	-	(38,637)
Net revenues ⁽¹⁾	208,117	98,873	31,097	156,322	(37,482)	456,927

Three Months Ended December 31, 2011
(unaudited)

	Teekay Offshore Partners LP	Teekay LNG Partners LP	Teekay Tankers Ltd.	Teekay Parent	Consolidation Adjustments	Teekay Corporation Consolidated
Revenues	238,122	97,253	28,131	190,386	(41,162)	512,730
Voyage expense	(33,011)	(25)	(809)	(6,160)	-	(40,005)
Net revenues ⁽¹⁾	205,111	97,228	27,322	184,226	(41,162)	472,725

Three Months Ended March 31, 2011
(unaudited)

	Teekay Offshore Partners LP	Teekay LNG Partners LP	Teekay Tankers Ltd.	Teekay Parent	Consolidation Adjustments	Teekay Corporation Consolidated
Revenues	233,771	93,219	31,744	181,146	(51,856)	488,024
Voyage expense	(25,465)	(370)	(610)	(18,681)	-	(45,126)
Net revenues ⁽¹⁾	208,306	92,849	31,134	162,465	(51,856)	442,898

- (1) 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.

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