

TEEKAY CORPORATION
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

(in thousands of U.S. dollars)

Three Months Ended September 30, 2010					
(unaudited)					
	Teekay Offshore Partners LP	Teekay LNG Partners LP	Teekay Tankers Ltd.	Teekay Parent	Teekay Corporation Consolidated
Income (loss) from vessel operations	34,157	43,090	7,150	(81,274)	3,123
Depreciation and amortization	42,623	22,126	9,722	34,723	109,194
Amortization of in process revenue contracts and other	760	-	-	(6,873)	(6,113)
Unrealized gains from the change in fair value of designated foreign exchange forward contracts	(16)	-	-	(574)	(590)
Realized (losses) gains from the settlements of non-designated foreign exchange forward contracts/bunkers/FFAs	(150)	-	-	2,332	2,182
Loss on sale of vessels and equipment, net of write-downs	-	-	1,901	22,272	24,173
Cash flow from time-charter contracts, net of revenue accounted for as direct finance leases	517	1,407	-	-	1,924
Cash flow from vessel operations ⁽¹⁾⁽²⁾	77,891	66,623	18,773	(29,394)	133,893

Three Months Ended September 30, 2009					
(unaudited)					
	Teekay Offshore Partners LP	Teekay LNG Partners LP	Teekay Tankers Ltd.	Teekay Parent	Teekay Corporation Consolidated
Income (loss) from vessel operations	37,345	40,654	3,560	(56,976)	24,583
Depreciation and amortization	40,981	20,560	9,525	36,045	107,111
Amortization of in process revenue contracts and other	517	(2,497)	-	(14,730)	(16,710)
Unrealized gains from the change in fair value of designated foreign exchange forward contracts	(2,786)	-	-	(2,808)	(5,594)
Realized (losses) gains from the settlements of non-designated foreign exchange forward contracts/bunkers/FFAs	(93)	-	-	1,766	1,673
Loss on sale of vessels and equipment, net of write-downs	-	-	-	915	915
Dropdown predecessor cash flow	(12,168)	(4,789)	(1,965)	18,922	-
Cash flow from vessel operations ⁽¹⁾⁽²⁾	63,796	53,928	11,120	(16,866)	111,978

- (1) Cash flow from vessel operations represents income from vessel operations before depreciation and amortization expense, vessel/goodwill 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, bunkers and FFAs. 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)

Three Months Ended September 30, 2010
(unaudited)

	Teekay Offshore Partners LP	Teekay LNG Partners LP	Teekay Tankers Ltd.	Teekay Parent	Consolidation Adjustments	Teekay Corporation Consolidated
Revenues	200,379	92,154	30,345	182,882	(43,643)	462,117
Voyage expense	(27,692)	(723)	(398)	(29,976)	5,070	(53,719)
Net revenues ⁽¹⁾	172,687	91,431	29,947	152,906	(38,573)	408,398

Three Months Ended June 30, 2010
(unaudited)

	Teekay Offshore Partners LP	Teekay LNG Partners LP	Teekay Tankers Ltd.	Teekay Parent	Consolidation Adjustments	Teekay Corporation Consolidated
Revenues	215,960	91,846	31,917	252,449	(47,225)	544,947
Voyage expense	(34,949)	(493)	(784)	(36,799)	6,306	(66,719)
Net revenues ⁽¹⁾	181,011	91,353	31,133	215,650	(40,919)	478,228

Three Months Ended September 30, 2009
(unaudited)

	Teekay Offshore Partners LP	Teekay LNG Partners LP	Teekay Tankers Ltd.	Teekay Parent	Consolidation Adjustments	Teekay Corporation Consolidated
Revenues	204,509	88,389	26,703	230,085	(49,318)	500,368
Voyage expense	(29,363)	(755)	(1,329)	(46,823)	6,611	(71,659)
Net revenues ⁽¹⁾	175,146	87,634	25,374	183,262	(42,707)	428,709

TEEKAY CORPORATION
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES CONTINUED

(in thousands of U.S. dollars)

Nine Months Ended September 30, 2010
(unaudited)

	Teekay Offshore Partners LP	Teekay LNG Partners LP	Teekay Tankers Ltd.	Teekay Parent	Consolidation Adjustments	Teekay Corporation Consolidated
Revenues	637,769	276,492	96,864	700,528	(140,051)	1,571,602
Voyage expense	(97,595)	(1,357)	(1,950)	(108,761)	17,027	(192,636)
Net revenues ⁽¹⁾	540,174	275,135	94,914	591,767	(123,024)	1,378,966

Nine Months Ended September 30, 2009
(unaudited)

	Teekay Offshore Partners LP	Teekay LNG Partners LP	Teekay Tankers Ltd.	Teekay Parent	Consolidation Adjustments	Teekay Corporation Consolidated
Revenues	608,460	247,231	108,377	835,988	(150,664)	1,649,392
Voyage expense	(76,405)	(1,495)	(2,415)	(164,016)	19,078	(225,253)
Net revenues ⁽¹⁾	532,055	245,736	105,962	671,972	(131,586)	1,424,139

- (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.