

**TEEKAY SHIPPING CORPORATION**  
**RECONCILIATION OF NON-GAAP FINANCIAL MEASURES**

(in thousands of U.S. dollars)

**Three Months Ended December 31, 2006**  
**(unaudited)**

	<b>Offshore Segment</b>	<b>Fixed-Rate Tanker Segment</b>	<b>Liquefied Gas Segment</b>	<b>Spot Tanker Segment</b>	<b>Total</b>
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 <sup>(1)</sup>	60,768	26,047	19,867	54,322	161,004

**Three Months Ended December 31, 2005**  
**(unaudited)**

	<b>Offshore Segment</b>	<b>Fixed-Rate Tanker Segment</b>	<b>Liquefied Gas Segment</b>	<b>Spot Tanker Segment</b>	<b>Total</b>
Income from vessel operations	31,951	18,514	9,234	108,517	168,216
Depreciation and amortization	21,332	8,146	8,073	13,178	50,729
Gain on sale of vessels	(4,660)	-	-	(10,201)	(14,861)
Cash flow from vessel operations <sup>(1)</sup>	48,623	26,660	17,307	111,494	204,084

**Year Ended December 31, 2006**  
**(unaudited)**

	<b>Offshore Segment</b>	<b>Fixed-Rate Tanker Segment</b>	<b>Liquefied Gas Segment</b>	<b>Spot Tanker Segment</b>	<b>Total</b>
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	698	-	-	(2,039)	(1,341)
Cash flow from vessel operations <sup>(1)</sup>	192,225	102,654	68,917	258,273	622,069

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**Year Ended December 31, 2005**  
**(unaudited)**

	<b>Offshore Segment</b>	<b>Fixed-Rate Tanker Segment</b>	<b>Liquefied Gas Segment</b>	<b>Spot Tanker Segment</b>	<b>Total</b>
Income from vessel operations	97,989	59,102	39,631	435,054	631,776
Depreciation and amortization	89,177	29,702	31,545	55,105	205,529
Write-down / (gain) on sale of vessels	2,820	-	-	(142,004)	(139,184)
Cash flow from vessel operations <sup>(1)</sup>	189,986	88,804	71,176	348,155	698,121

- (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**

(in thousands of U.S. dollars)

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

<b>Three Months Ended September 30, 2006</b>					
<b>(unaudited)</b>					
	<b>Offshore Segment</b>	<b>Fixed-Rate Tanker Segment</b>	<b>Liquefied Gas Segment</b>	<b>Spot Tanker Segment</b>	<b>Total</b>
Voyage revenues	144,152	46,514	26,468	260,599	477,733
Voyage expenses	(26,126)	(452)	(395)	(106,457)	(133,430)
Net voyage revenues <sup>(2)</sup>	118,026	46,062	26,073	154,142	344,303

<b>Three Months Ended December 31, 2005</b>					
<b>(unaudited)</b>					
	<b>Offshore Segment</b>	<b>Fixed-Rate Tanker Segment</b>	<b>Liquefied Gas Segment</b>	<b>Spot Tanker Segment</b>	<b>Total</b>
Voyage revenues	145,600	47,657	25,343	312,873	531,473
Voyage expenses	(20,782)	(570)	(2)	(93,155)	(114,509)
Net voyage revenues <sup>(2)</sup>	124,818	47,087	25,341	219,718	416,964

<b>Year Ended December 31, 2006</b>					
<b>(unaudited)</b>					
	<b>Offshore Segment</b>	<b>Fixed-Rate Tanker Segment</b>	<b>Liquefied Gas Segment</b>	<b>Spot Tanker Segment</b>	<b>Total</b>
Voyage 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 voyage revenues <sup>(2)</sup>	578,205	179,606	103,514	629,864	1,491,189

<b>Year Ended December 31, 2005</b>					
<b>(unaudited)</b>					
	<b>Offshore Segment</b>	<b>Fixed-Rate Tanker Segment</b>	<b>Liquefied Gas Segment</b>	<b>Spot Tanker Segment</b>	<b>Total</b>
Voyage revenues	559,094	170,256	102,423	1,122,845	1,954,618
Voyage expenses	(69,137)	(2,919)	(70)	(347,043)	(419,169)
Net voyage revenues <sup>(2)</sup>	489,957	167,337	102,353	775,802	1,535,449

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