

TEEKAY OFFSHORE PARTNERS L.P.
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

(in thousands of U.S. dollars)

Three Months Ended March 31, 2009
(unaudited)

| | Shuttle Tanker Segment | Conventional Tanker Segment | FSO Segment | Total |
|---|---------------------------------------|--|------------------------|--------------|
| Income from vessel operations ⁽¹⁾ | 12,826 | 11,064 | 3,189 | 27,079 |
| Depreciation and amortization | 23,155 | 5,974 | 5,402 | 34,531 |
| Unrealized gains from the change in fair value of designated foreign exchange forward contracts | (1,937) | - | - | (1,937) |
| Realized losses from the settlements of non-designated foreign exchange forward contracts | (2,934) | - | - | (2,934) |
| Amortization of drydock expenditures on in-chartered vessel | 399 | - | - | 399 |
| Amortization of deferred gain | (105) | - | - | (105) |
| Cash flow from vessel operations ⁽²⁾ | 31,404 | 17,038 | 8,591 | 57,033 |

Three Months Ended March 31, 2008
(unaudited)

| | Shuttle Tanker Segment | Conventional Tanker Segment | FSO Segment | Total |
|--|---------------------------------------|--|------------------------|--------------|
| Income from vessel operations ⁽¹⁾ | 16,364 | 8,931 | 4,453 | 29,748 |
| Depreciation and amortization | 22,551 | 5,257 | 5,104 | 32,912 |
| Unrealized losses from the change in fair value of designated foreign exchange forward contracts | 676 | - | - | 676 |
| Amortization of drydock expenditures on in-chartered vessel | 287 | - | - | 287 |
| Other non-cash items from Dropdown recast | - | (1,146) | - | (1,146) |
| Amortization of deferred gain | (105) | - | - | (105) |
| Cash flow from vessel operations ⁽²⁾ | 39,265 | 13,042 | 9,557 | 61,864 |

- (1) Commencing in the quarter ended March 31, 2009, and applied retroactively, the gains and losses related to non-designated derivative instruments have been reclassified to a separate line item in the Statements of Income (Loss) and are no longer included in the amounts above.
- (2) Cash flow from vessel operations represents income from vessel operations before depreciation and amortization expense and amortization of deferred gains, and includes the realized gains (losses) on the settlements 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 United States generally accepted accounting principles and should not be considered as an alternative to net income or any other indicator of the Partnership's performance required by United States generally accepted accounting principles.

TEEKAY OFFSHORE PARTNERS L.P.
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES CONTINUED

(in thousands of U.S. dollars)

Three Months Ended March 31, 2009
(unaudited)

| | Shuttle Tanker Segment | Conventional Tanker Segment | FSO Segment | Total |
|------------------------------------|---------------------------------------|--|------------------------|--------------|
| Voyage revenues | 138,135 | 30,201 | 15,089 | 183,425 |
| Voyage expenses | 18,238 | 6,339 | 236 | 24,813 |
| Net voyage revenues ⁽¹⁾ | 119,897 | 23,862 | 14,853 | 158,612 |

Three Months Ended March 31, 2008
(unaudited)

| | Shuttle Tanker Segment | Conventional Tanker Segment | FSO Segment | Total |
|------------------------------------|---------------------------------------|--|------------------------|--------------|
| Voyage revenues | 153,059 | 34,827 | 17,046 | 204,932 |
| Voyage expenses | 38,553 | 12,476 | 348 | 51,377 |
| Net voyage revenues ⁽¹⁾ | 114,506 | 22,351 | 16,698 | 153,555 |

- (1) Net voyage revenues represents voyage revenues less voyage expenses where voyage expenses is comprised of all expenses relating to certain voyages, including bunker fuel expenses, port fees, canal tolls and brokerage commissions. Net voyage revenues is a non-GAAP financial measure used by certain investors to measure the financial performance of shipping companies; however, it is not required by United States generally accepted accounting principles and should not be considered as an alternative to voyage revenues or any other indicator of the Partnership's performance required by United States generally accepted accounting principles.