



## TEEKAY SHIPPING CORPORATION

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P.O. Box SS-6293, Nassau, Bahamas

### EARNINGS RELEASE

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#### TEEKAY SHIPPING CORPORATION REPORTS FIRST QUARTER PROFIT OF \$19.9 MILLION

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Nassau, The Bahamas, April 26, 2000 - Teekay Shipping Corporation today reported net income of \$19.9 million, or 52 cents per share, for the quarter ended March 31, 2000, compared to \$1.9 million, or 6 cents per share, for the quarter ended March 31, 1999. Results for the current quarter included a loss of \$1.0 million, or 3 cents per share, on the sale of two of the Company's oldest vessels. Net voyage revenues for the quarter were \$120.1 million, compared to \$70.0 million recorded in the same period last year, while income from vessel operations increased to \$37.8 million, from \$10.6 million. The results for the current quarter reflect an improvement in tanker charter rates and an increase in fleet size as a result of the acquisition of Bona Shipholding Ltd. on June 11, 1999.

The following key indicators serve to highlight the changes in financial performance:

	Three Months Ended March 31,		%
	2000	1999	Change
<b>International Fleet (excluding ex-Bona OBOs and Australian crewed vessels):</b>			
Revenue-generating ship-days:	5,253	3,593	46.2%
TCE per revenue-generating ship-day:	\$19,016	\$17,150	10.9%
Operating cash flow per calendar ship-day:	\$10,441	\$8,034	30.0%
<b>Australian Crewed Vessels:</b>			
Operating cash flow per calendar ship-day:	\$14,304	\$14,088	1.5%
<b>Total Fleet operating cash flow per calendar ship-day:</b>	<b>\$9,851</b>	<b>\$8,502</b>	<b>15.9%</b>

The Company benefited from a significant increase in Aframax charter rates during the past three months as tanker demand increased, while tanker supply declined slightly.

The International Energy Agency estimated that global crude oil consumption, an indicator of tanker demand, averaged 76.2 million barrels per day, down 0.1% from the quarter ended March 31, 1999 but is forecasting that oil consumption during the remainder of 2000 will be 2.8% higher than in the corresponding period in 1999.

The size of the world tanker and ore/bulk/oil ("OBO") fleet declined to 301.2 million deadweight tonnes ("mdwt") at the end of the quarter, down 0.2% from last quarter, as the pace of scrapping exceeded newbuilding deliveries. Deliveries of tanker newbuildings during the quarter totalled 5.6 mdwt, down from 5.7 mdwt in the previous quarter, while scrapping totalled 6.5 mdwt despite a strong tanker market, compared to 7.0 mdwt scrapped in the previous quarter.

The world tanker and OBO orderbook measured 39.5 mdwt at March 31, 2000, representing 13.1% of the total world tanker and OBO fleet. The Aframax tanker orderbook declined from 37 vessels last quarter to 36 vessels as of March 31, 2000, or from 5.9% to 5.8% of the world Aframax fleet (including OBOs).

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During the quarter, the Company sold two of its older vessels, the 1982-built, 40,800 dwt SCOTLAND and the 1980-built, 81,700 dwt MENDANA SPIRIT.

The following is a summary of the Teekay fleet as of this date:

Type	Number	Dwt
Double-hull or double-sided Aframax (1):	38	3,765,600
Single-hull Aframax:	18	1,828,300
Ore/Bulk/Oil Carriers (2):	8	625,900
Time-chartered-in Aframax:	5	514,000
Other size tankers (3):	5	670,200
Total:	74	7,404,000

(1) Includes one 50%-owned Aframax tanker.

(2) Includes one 67%-owned OBO carrier & one 52%-owned OBO carrier.

(3) Includes two 50%-owned Suezmax tankers.

Teekay Shipping Corporation is a leading provider of international crude oil and petroleum product transportation services through the world's largest fleet of medium-sized oil tankers. Headquartered in Nassau, Bahamas, with offices in eleven other countries, Teekay employs approximately 300 on-shore and more than 2,700 seagoing staff around the world. The Company's modern fleet has earned a reputation for safety and excellence in providing transportation services to major oil companies, oil traders and government agencies worldwide.

Teekay's common stock is listed on the New York Stock Exchange where it trades under the symbol "TK".

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## SUMMARY CONSOLIDATED STATEMENTS OF INCOME

(in thousands of U.S. dollars, except share and per share data)

	<b>Three Months Ended March 31,</b>	
	<b><u>2000</u></b>	<b><u>1999</u></b>
	\$	\$
	<b>(unaudited)</b>	
<b>NET VOYAGE REVENUES</b>		
Voyage revenues	182,262	93,012
Voyage expenses	62,195	23,014
Net voyage revenues	120,067	69,998
<b>OPERATING EXPENSES</b>		
Vessel operating expenses	34,769	22,258
Time-charter hire expense	12,966	7,770
Depreciation and amortization	25,042	22,026
General and administrative	9,522	7,327
	82,299	59,381
Income from vessel operations	37,768	10,617
<b>OTHER ITEMS</b>		
Interest expense	(19,989)	(9,767)
Interest income	3,253	1,361
Other income (loss)	(1,092)	(339)
	(17,828)	(8,745)
Net income	19,940	1,872
Earnings per common share		
- Basic and diluted	0.52	0.06
Weighted-average number of common shares outstanding	38,069,614	31,648,191

## SUMMARY CONSOLIDATED BALANCE SHEETS

(in thousands of U.S. dollars)

	<b><u>As at March 31,</u></b>	<b><u>As at December 31,</u></b>
	<b><u>2000</u></b>	<b><u>1999</u></b>
	\$	\$
	<b>(unaudited)</b>	
<b>ASSETS</b>		
Cash and marketable securities	253,749	226,381
Other current assets	70,598	60,332
Vessels and equipment	1,629,962	1,666,755
Other assets	34,058	29,216
<b>Total Assets</b>	1,988,367	1,982,684
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Accounts payable and accrued liabilities	62,767	59,946
Current portion of long-term debt	66,591	66,557
Long-term debt	1,007,970	1,018,610
Other long-term liabilities and minority interest	6,312	5,504
Stockholders' equity	844,727	832,067
<b>Total Liabilities and Stockholders' Equity</b>	1,988,367	1,982,684

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## **FORWARD LOOKING STATEMENTS**

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This release contains forward-looking statements (as defined in Section 21E of the Securities Exchange Act of 1934, as amended) which reflect management's current views with respect to certain future events and performance, including statements regarding tanker charter rates, seasonal variations in the tanker market, and the balance of supply and demand in the crude tanker market. The following factors are among those that could cause actual results to differ materially from the forward-looking statements, which involve risks and uncertainties, and that should be considered in evaluating any such statement: changes in production of or demand for oil and petroleum products, either generally or in particular regions; greater than anticipated levels of tanker newbuilding orders or less than anticipated rates of tanker scrapping; changes in trading patterns significantly impacting overall tanker tonnage requirements; and changes in the typical seasonal variations in tanker charter rates.