

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

(in thousands of U.S. dollars)

	<b>Three Months Ended September 30, 2007</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>
Income from vessel operations	39,130	15,274	17,697	8,519	80,620
Depreciation and amortization	45,359	9,236	11,491	20,972	87,058
Amortization of in process revenue contracts	(18,083)	(134)	-	(2,314)	(20,531)
Unrealized gains on forward freight agreements	-	-	-	(3,538)	(3,538)
Gain on sale of vessels and equipment	(8,072)	-	-	-	(8,072)
Cash flow from vessel operations <sup>(1)</sup>	58,334	24,376	29,188	23,639	135,537

	<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>
Income from vessel operations	29,103	18,683	9,396	47,853	105,035
Depreciation and amortization	20,297	8,294	8,235	13,023	49,849
Gain on sale of vessels and equipment	(6,509)	-	-	(629)	(7,138)
Cash flow from vessel operations <sup>(1)</sup>	42,891	26,977	17,631	60,247	147,746

- (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 CORPORATION**  
**RECONCILIATION OF NON-GAAP FINANCIAL MEASURES CONTINUED**

(in thousands of U.S. dollars)

<u>Three Months Ended September 30, 2007</u> (unaudited)					
	Offshore Segment	Fixed-Rate Tanker Segment	Liquefied Gas Segment	Spot Tanker Segment	Total
Revenues	249,255	51,168	42,994	263,419	606,836
Voyage expenses	(29,642)	(711)	(73)	(114,128)	(144,554)
Net revenues <sup>(2)</sup>	219,613	50,457	42,921	149,291	462,282

<u>Three Months Ended June 30, 2007</u> (unaudited)					
	Offshore Segment	Fixed-Rate Tanker Segment	Liquefied Gas Segment	Spot Tanker Segment	Total
Revenues	236,233	45,787	38,496	257,366	577,882
Voyage expenses	(26,064)	(592)	(8)	(108,645)	(135,309)
Net revenues <sup>(2)</sup>	210,169	45,195	38,488	148,721	442,573

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

<u>Nine Months Ended September 30, 2007</u> (unaudited)					
	Offshore Segment	Fixed-Rate Tanker Segment	Liquefied Gas Segment	Spot Tanker Segment	Total
Revenues	734,363	141,544	118,967	772,860	1,767,734
Voyage expenses	(84,432)	(1,863)	(86)	(317,042)	(403,423)
Net revenues <sup>(2)</sup>	649,931	139,681	118,881	455,818	1,364,311

<u>Nine Months Ended September 30, 2006</u> (unaudited)					
	Offshore Segment	Fixed-Rate Tanker Segment	Liquefied Gas Segment	Spot Tanker Segment	Total
Revenues	427,867	134,804	75,203	788,442	1,426,316
Voyage expenses	(67,942)	(1,385)	(800)	(308,331)	(378,458)
Net revenues <sup>(2)</sup>	359,925	133,419	74,403	480,111	1,047,858

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- (2) 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.