

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

(in thousands of U.S. dollars)

	<u>Three Months Ended December 31, 2011</u>				<b>Teekay Corporation Consolidated</b>
	<u>(unaudited)</u>				
	<b>Teekay Offshore Partners LP</b>	<b>Teekay LNG Partners LP</b>	<b>Teekay Tankers Ltd.</b>	<b>Teekay Parent</b>	
Income (loss) from vessel operations	(6,216)	44,921	1,499	57,675	97,879
Depreciation and amortization	48,194	24,367	10,811	27,218	110,590
Amortization of in process revenue contracts and other	(108)	-	-	(13,502)	(13,610)
Unrealized losses from the change in fair value of designated foreign exchange forward contracts	96	-	-	247	343
Realized gains (losses) from the settlements of non-designated foreign exchange forward contracts/bunkers/FFAs	1,132	(40)	-	(262)	830
Asset impairments/net loss (gain) on vessel sales	57,882	-	-	(8,037)	49,845
Bargain purchase gain	-	-	-	(58,235)	(58,235)
Cash flow from time-charter contracts, net of revenue accounted for as direct finance leases	613	1,648	-	-	2,261
<b>Cash flow from vessel operations <sup>(1) (2)</sup></b>	<b>101,593</b>	<b>70,896</b>	<b>12,310</b>	<b>5,104</b>	<b>189,903</b>

	<u>Three Months Ended December 31, 2010</u>				<b>Teekay Corporation Consolidated</b>
	<u>(unaudited)</u>				
	<b>Teekay Offshore Partners LP</b>	<b>Teekay LNG Partners LP</b>	<b>Teekay Tankers Ltd.</b>	<b>Teekay Parent</b>	
Income (loss) from vessel operations	31,722	50,402	5,143	(56,454)	30,813
Depreciation and amortization	50,230	22,658	11,222	27,937	112,047
Amortization of in process revenue contracts and other	2,510	(1,919)	-	(13,542)	(12,951)
Unrealized (gains) losses from the change in fair value of designated foreign exchange forward contracts	341	-	-	(127)	214
Realized (losses) gains from the settlements of non-designated foreign exchange forward contracts/bunkers/FFAs	(384)	-	-	1,315	931
Asset impairments/net loss (gain) on vessel sales	9,441	(4,340)	-	19,094	24,195
Cash flow from time-charter contracts, net of revenue accounted for as direct finance leases	541	1,544	-	-	2,085
Dropdown predecessor cash flow	-	-	(103)	103	-
<b>Cash flow from vessel operations <sup>(1) (2)</sup></b>	<b>94,401</b>	<b>68,345</b>	<b>16,262</b>	<b>(21,674)</b>	<b>157,334</b>

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- (1) Cash flow from vessel operations represents income from vessel operations before depreciation and amortization expense, vessel 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 December 31, 2011**  
**(unaudited)**

	Teekay Offshore Partners LP	Teekay LNG Partners LP	Teekay Tankers Ltd.	Teekay Parent	Consolidation Adjustments	Teekay Corporation Consolidated
Revenues	238,122	97,253	28,131	190,386	(41,162)	512,730
Voyage expense	(33,011)	(25)	(809)	(6,160)	-	(40,005)
Net revenues <sup>(1)</sup>	205,111	97,228	27,322	184,226	(41,162)	472,725

**Three Months Ended September 30, 2011**  
**(unaudited)**

	Teekay Offshore Partners LP	Teekay LNG Partners LP	Teekay Tankers Ltd.	Teekay Parent	Consolidation Adjustments	Teekay Corporation Consolidated
Revenues	243,023	97,256	29,695	156,965	(58,833)	468,106
Voyage expense	(34,404)	(307)	(729)	(4,155)	-	(39,595)
Net revenues <sup>(1)</sup>	208,619	96,949	28,966	152,810	(58,833)	428,511

**Three Months Ended December 31, 2010**  
**(unaudited)**

	Teekay Offshore Partners LP	Teekay LNG Partners LP	Teekay Tankers Ltd.	Teekay Parent	Consolidation Adjustments	Teekay Corporation Consolidated
Revenues	229,263	97,516	30,160	193,775	(48,005)	502,709
Voyage expense	(26,151)	(685)	(545)	(31,019)	5,402	(52,998)
Net revenues <sup>(1)</sup>	203,112	96,831	29,615	162,756	(42,603)	449,711

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

(in thousands of U.S. dollars)

**Year Ended December 31, 2011**  
**(unaudited)**

	<b>Teekay Offshore Partners LP</b>	<b>Teekay LNG Partners LP</b>	<b>Teekay Tankers Ltd.</b>	<b>Teekay Parent</b>	<b>Consolidation Adjustments</b>	<b>Teekay Corporation Consolidated</b>
Revenues	949,061	379,975	120,997	711,037	(207,288)	1,953,782
Voyage expense	(125,452)	(1,387)	(2,697)	(47,078)	-	(176,614)
Net revenues <sup>(1)</sup>	823,609	378,588	118,300	663,959	(207,288)	1,777,168

**Year Ended December 31, 2010**  
**(unaudited)**

	<b>Teekay Offshore Partners LP</b>	<b>Teekay LNG Partners LP</b>	<b>Teekay Tankers Ltd.</b>	<b>Teekay Parent</b>	<b>Consolidation Adjustments</b>	<b>Teekay Corporation Consolidated</b>
Revenues	900,546	374,008	139,479	866,348	(184,628)	2,095,753
Voyage expense	(125,101)	(2,042)	(2,544)	(134,411)	19,001	(245,097)
Net revenues <sup>(1)</sup>	775,445	371,966	136,935	731,937	(165,627)	1,850,656

(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.

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