

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

(in thousands of U.S. dollars)

Three Months Ended December 31, 2006
(unaudited)

	Shuttle Tanker Segment	Conventional Tanker Segment	FSO Segment	Total
Income from vessel operations	24,753	12,599	461	37,813
Depreciation and amortization	18,272	4,994	2,466	25,732
Gain on sale of vessels and equipment	(114)	-	-	(114)
Cash flow from vessel operations ⁽¹⁾	42,911	17,593	2,927	63,431

Three Months Ended September 30, 2006
(unaudited)

	Shuttle Tanker Segment	Conventional Tanker Segment	FSO Segment	Total
Income from vessel operations	29,676	1,431	1,015	32,122
Depreciation and amortization	17,283	5,432	2,243	24,958
Gain on sale of vessels and equipment	(6,509)	-	-	(6,509)
Cash flow from vessel operations ⁽¹⁾	40,450	6,863	3,258	50,571

- (1) Cash flow from vessel operations represents income from vessel operations before depreciation and amortization expense and 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 Partnership's performance required by accounting principles generally accepted in the United States.

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

(in thousands of U.S. dollars)

Three Months Ended December 31, 2006
(unaudited)

	Shuttle Tanker Segment	Conventional Tanker Segment	FSO Segment	Total
Voyage revenues	140,016	23,939	5,367	169,322
Voyage expenses	21,197	362	394	21,953
Net voyage revenues ⁽²⁾	118,819	23,577	4,973	147,369

Three Months Ended September 30, 2006
(unaudited)

	Shuttle Tanker Segment	Conventional Tanker Segment	FSO Segment	Total
Voyage revenues	132,753	14,576	5,317	152,646
Voyage expenses	22,559	1,399	168	24,126
Net voyage revenues ⁽²⁾	110,194	13,177	5,149	128,520

- (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 Partnership's performance required by accounting principles generally accepted in the United States.

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