



TEEKAY SHIPPING CORPORATION
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EARNINGS RELEASE

TEEKAY SHIPPING CORPORATION REPORTS RECORD SECOND QUARTER NET INCOME

2nd Quarter Highlights

- Achieved highest ever second quarter net income of \$98.5 million
- Generated highest ever cash flow from vessel operations from fixed-rate contract business of \$76.0 million
- Completed acquisition of Naviera F. Tapias S.A. on April 30, 2004
- Awarded three long-term charter contracts to export LNG from Qatar
- Completed two-for-one stock split effective May 17, 2004

Nassau, The Bahamas, July 21, 2004 - Teekay Shipping Corporation today reported net income of \$98.5 million, or \$1.13 per share, for the quarter ended June 30, 2004, compared to net income of \$96.9 million, or \$1.20 per share, for the quarter ended June 30, 2003. The results for the second quarter of 2004 included an unrealized foreign currency translation loss of \$5.2 million, or \$0.06 per share, relating to long-term debt denominated in Euros. The results for the second quarter of 2003 included \$4.7 million, or \$0.06 per share, in write-downs to the carrying value and losses on the sale of certain older vessels. Net voyage revenues⁽¹⁾ for the second quarter of 2004 were \$368.9 million compared to \$353.1 million for the same period in 2003, and income from vessel operations decreased to \$122.1 million from \$127.7 million.

The results for the second quarter of 2004 reflect the inclusion of the results from Naviera F. Tapias S.A. (renamed Teekay Shipping Spain S.A.) from May 1, 2004 and an increase in the Company's existing fixed-rate business, partially offset by the sale of certain older spot vessels over the past 12 months.

Spot tanker rates during the second quarter of 2004 remained strong as Teekay's spot Aframax fleet averaged \$27,567 per calendar-ship day, a slight increase from the average of \$27,327 per calendar-ship day for the same period in 2003. However, unlike 2003 when the strength of spot tanker rates in the second quarter was amplified by the temporary disruption of oil supplies from Venezuela, which resulted in an increase in longer-haul West Africa and Middle East oil production, the strong market in 2004 has been primarily the result of fundamental oil demand growth.

Net income for the six months ended June 30, 2004 was \$287.6 million, or \$3.32 per share, compared to \$150.5 million, or \$1.86 per share, for the same period last year. The results for the six months ended June 30, 2004 included a \$5.2 million, or \$0.06 per share unrealized foreign currency translation loss relating to the above-mentioned Euro denominated debt. The results for the six months ended June 30, 2003 included \$30.5 million, or \$0.38 per share in write-downs to the carrying value of certain older vessels, and a \$4.9 million, or \$0.06 per share, write-down in the carrying value of certain marketable securities. Net voyage revenues⁽¹⁾ for the six months ended June 30, 2004 were \$816.5 million, compared to \$566.0 million in the same period last year, while income from vessel operations increased to \$330.7 million from \$205.4 million.

Expansion of Teekay's LNG Platform into Qatar

On July 1, 2004, the Company announced that it had been awarded long-term contracts to charter three liquefied natural gas (LNG) carriers to Ras Laffan Liquefied Natural Gas Co. Limited (RasGas II), a joint venture company between Exxon Mobil Corporation and Qatar Petroleum. The vessels will be chartered to RasGas II for a period of 20 years (with options to extend up to 35 years), commencing in late 2006 and early 2007. Concurrently, the Company placed orders for three 151,700 m³ LNG carriers from Daewoo Shipbuilding and Marine Engineering Co. Ltd. for approximately \$510 million. At this time, these are the largest LNG ships ever ordered. Qatar Gas Transport Company is expected to acquire a 30% interest in the vessels through a joint venture with Teekay.

(1) Net voyage revenues represents voyage revenues less voyage expenses. Net voyage revenues is a non-GAAP financial measure used by certain investors to measure the financial performance of shipping companies. See the Company's website at www.teekay.com for a reconciliation of this non-GAAP measure as used in this release to the most directly comparable GAAP financial measure.

Operating Results

The following table highlights certain financial information of Teekay's three main segments, the spot tanker segment, the fixed-rate tanker segment and the Company's new fixed-rate LNG segment (see the "Teekay Fleet" section of this release for further details:

(in thousands of U.S. dollars)	<u>Three Months Ended</u> <u>June 30, 2004</u> <u>(unaudited)</u>				<u>Three Months Ended</u> <u>June 30, 2003</u> <u>(unaudited)</u>		
	Spot Tanker Segment	Fixed-Rate Tanker Segment	Fixed-Rate LNG Segment	Total	Spot Tanker Segment	Fixed-Rate Tanker Segment	Total
Net voyage revenues	202,965	158,065	7,884	368,914	222,186	130,898	353,084
Vessel operating expenses	23,752	28,376	1,637	53,765	32,415	23,115	55,530
Time-charter hire expense	60,369	46,205	-	106,574	50,828	42,655	93,483
Depreciation & amortization	25,976	32,493	2,377	60,846	27,800	21,975	49,775
Cash flow from vessel operations*	106,523	70,490	5,506	182,519	125,950	56,212	182,162

* Cash flow from vessel operations represents income from vessel operations before depreciation and amortization expense and vessel write-downs/(gain) loss on sale of vessels. Cash flow from vessel operations is a non-GAAP financial measure used by certain investors to measure the financial performance of shipping companies. See the Company's website at www.teekay.com for a reconciliation of this non-GAAP measure as used in this release to the most directly comparable GAAP financial measure.

Fixed-Rate Tanker Segment

For the quarter ended June 30, 2004, cash flow from vessel operations from the Company's fixed-rate tanker segment increased to \$70.5 million from \$56.2 million for the second quarter of 2003, primarily due to the addition of five conventional tankers on charter to ConocoPhillips and the inclusion of Teekay Shipping Spain's fixed-rate Suezmax tanker results from May 1, 2004.

Fixed-Rate LNG Segment

The acquisition of Tapias established Teekay's presence in LNG shipping, the fastest growing sector of sea-borne energy transportation. The LNG segment operating results for the second quarter of 2004 consists of Teekay Shipping Spain's two existing LNG carriers from May 1, 2004, which generated \$5.5 million of cash flow from vessel operations. In July 2004, the Company took delivery of a third newbuilding LNG carrier, which commenced service under a 25-year charter contract and a fourth newbuilding LNG carrier is expected to deliver in the fourth quarter of 2004. In addition, the three LNG carriers ordered for the RasGas II project are expected to deliver in late 2006 and early 2007.

Spot Tanker Segment

Cash flow from vessel operations from the Company's spot tanker segment for the quarter ended June 30, 2004 decreased to \$106.5 million from \$126.0 million in the second quarter of 2003, primarily due to the sale of a number of older single-hull vessels during the last 12 months, partially offset by newbuilding deliveries and additional in-chartered vessels. On a net basis, these fleet changes reduced the total number of calendar ship days for the spot tanker segment by 691 days in the second quarter of 2004 compared to the second quarter of 2003.

The following table highlights the operating performance of the Company's spot tanker segment measured in net voyage revenues per calendar-ship-day, or time-charter equivalent (TCE).

	Three Months Ended			Six Months Ended	
	June 30, 2004	March 31, 2004	June 30, 2003	June 30, 2004	June 30, 2003
Spot Tanker Segment					
Very Large Crude Carrier Fleet					
Calendar-Ship Days	273	273	176	546	266
TCE per calendar-ship-day	\$54,788	\$71,062	\$43,261	\$62,925	\$55,075
Suezmax Tanker Fleet					
Calendar-Ship Days	647	561	612	1,208	612
TCE per calendar-ship-day	\$36,879	\$65,018	\$45,180	\$49,947	\$45,180
Aframax Tanker Fleet					
Calendar-Ship Days	5,152	5,122	5,597	10,274	10,757
TCE per calendar-ship-day	\$27,567	\$40,235	\$27,327	\$33,883	\$28,015
Oil/Bulk/Ore Fleet					
Calendar-Ship Days	-	157	646	157	1,366
TCE per calendar-ship-day	-	\$20,822	\$17,209	\$20,822	\$17,507
Large Product Tanker Fleet					
Calendar-Ship Days	503	395	177	898	177
TCE per calendar-ship-day	\$20,332	\$27,478	\$42,881	\$23,476	\$42,881
Small Product Tanker Fleet					
Calendar-Ship Days	902	847	960	1,749	960
TCE per calendar-ship-day	\$13,188	\$13,510	\$12,155	\$13,344	\$12,155

Tanker Market Overview

During the second quarter of 2004, tanker freight rates declined from the near record levels reached in the prior quarter, yet remained at relatively high levels when compared to historical averages due to continued favourable tanker market fundamentals.

Global oil demand, an underlying driver of tanker demand, continued to be strong averaging 80.4 million barrels per day (mb/d) during the second quarter of 2004, a decline of 1.1 mb/d from the previous quarter but 3.9 mb/d higher than the second quarter of 2003. The year-on-year increase in global oil demand during the second quarter of 2004 was attributable mainly to the recovery of the global economy. On July 13, 2004, the International Energy Agency (IEA) raised its forecast for 2004 oil demand to 81.4 mb/d, which represents a 2.5 mb/d, or 3.2% increase over 2003 demand, the highest growth rate in 25 years. For 2005, the IEA forecasts a further increase in oil demand of 1.8 mb/d, or 2.2% over 2004, to 83.2 mb/d.

Global oil supply grew by 0.1 mb/d to 81.9 mb/d in the second quarter of 2004 compared with the first quarter of 2004. OPEC production rose by 0.2 mb/d due to increased output from Saudi Arabia while non-OPEC production levels declined by 0.1 mb/d as a result of a decrease in North American and European output. At its June 3, 2004 meeting, OPEC raised its production quota by 2.0 mb/d to 25.5 mb/d, effective on July 1, 2004 in a bid to meet strong global oil demand. On July 15, 2004, OPEC announced that it would raise its output quota by a further 0.5 mb/d, effective on August 1, 2004.

The size of the world tanker fleet increased to 324.0 million deadweight tonnes (mdwt) as of June 30, 2004, up 0.8% from the end of the previous quarter. Deletions totaled 2.8 mdwt in the second quarter of 2004 down from 4.1 mdwt in the previous quarter. Deliveries of tanker newbuildings during the second quarter of 2004 totaled 5.6 mdwt compared to the 8.5 mdwt in the previous quarter.

As of June 30, 2004, the world tanker orderbook stood at 84.9 mdwt, representing 26.2% of the total world tanker fleet compared to 81.6 mdwt or 25.4% at the end of the previous quarter.

Teekay Fleet

As at July 1, 2004, Teekay's fleet (excluding vessels managed for third parties) consisted of 168 vessels, including 51 chartered-in vessels and 20 newbuildings on order. During the second quarter, the Company took delivery of three newbuildings: the EVEREST SPIRIT (Aframax tanker) and the AXEL SPIRIT (Aframax tanker) which will trade in the spot market; and the NORDIC RIO (Suezmax tanker) which completed its conversion to a shuttle tanker and commenced on long-term charter to Petrobras Transporte S.A.

The following table summarizes the Teekay fleet as at July 1, 2004 (incorporating the three LNG vessels ordered as part of the RasGas II contracts):

	Number of Vessels ⁽¹⁾			
	Owned Vessels	Chartered-in Vessels	Newbuildings on Order	Total
Spot Tanker Segment:				
Very Large Crude Carriers	1	2	-	3
Suezmax Tankers	4	5	1	10
Aframax Tankers	44	14	7	65
Large Product Tankers	-	6	3	9
Small Product Tankers	-	10	-	10
Total Spot Tanker Segment	49	37	11	97
Fixed-Rate Tanker Segment:				
Shuttle Tankers ⁽²⁾	30	13	-	43
Conventional Tankers	11	-	4	15
Floating Storage & Offtake (FSO) Units ⁽³⁾	4	-	-	4
LPG / Methanol Carriers	1	1	-	2
Total Fixed-Rate Tanker Segment	46	14	4	64
Fixed-Rate LNG Segment	2	-	5	7
Total	97	51	20	168

(1) Does not include vessels managed on behalf of third parties

(2) Includes seven shuttle tankers of which the Company's ownership interests range from 50% to 70.25%.

(3) Includes one FSO unit in which the Company's ownership interest is 89%

During the second quarter, as part of its ongoing fleet renewal program, the Company entered into agreements to sell four of its single-hull vessels: the MUSASHI SPIRIT (1993-built VLCC), the PACIFIC SPIRIT (1988-built Aframax tanker), the SHILLA SPIRIT (1990-built Aframax tanker), and the ULSAN SPIRIT (1990-built Aframax tanker) for total gross proceeds of approximately \$102 million. These vessels are expected to deliver to the buyers during the third quarter, at which time the Company expects to record a gain of approximately \$25 million on the sale of the vessels. In addition, in July 2004 the Company took delivery of two newbuildings: the ESTHER SPIRIT (Aframax tanker) which entered the spot tanker fleet and the GALICIA SPIRIT (LNG carrier), acquired as part of the Tapias transaction, which commenced service under a 25-year fixed-rate charter contract to Union Fenosa Gas S.A.

Liquidity and Capital Expenditures

As at June 30, 2004, the Company had total liquidity of \$540.8 million, comprising \$215.7 million in cash and cash equivalents and \$321.1 million in undrawn medium-term revolving credit facilities.

As at July 1, 2004, including the RasGas II LNG newbuildings, the Company had approximately \$1,132 million in remaining capital commitments relating to its 20 newbuildings on order. Of this, approximately \$312 million was due during the second half of 2004, \$378 million in 2005, \$250 million in 2006 and \$192 million due in 2007 and early 2008. For the remaining capital commitments, long-term financing arrangements totaling approximately \$897 million exist for 15 of the 20 newbuildings on order.

Sale of A/S Dampskibsselskabet TORM Shares

On July 16, 2004, the Company announced that it had sold its 16 percent stake in A/S Dampskibsselskabet TORM (TORM), acquired in July 2003 for a total cost of \$37.3 million, for total proceeds of approximately \$130.2 million. The Company has recognized a gain on sale of \$2.2 million in the second quarter of 2004 and will recognize an additional gain of approximately \$88 million in the third quarter of 2004, representing a total return of over 250% (including \$5.7 million in dividends received in the second quarter of 2004).

About Teekay

Teekay Shipping Corporation transports more than 10 percent of the world's sea-borne oil and is also expanding its position in the rapidly growing liquefied natural gas shipping sector. With a fleet of over 160 tankers, offices in 14 countries and approximately 5,500 seagoing and shore-based employees, the Company provides a uniquely-wide range of marine services to the world's leading oil and gas companies, helping them seamlessly link their upstream energy production to their downstream processing operations. Teekay's reputation for safety, quality and innovation has earned it a position in the global energy industry as the premier marine midstream company.

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

Earnings Conference Call

The Company plans to host a conference call at 11:00 a.m. EDT (8:00 a.m. PDT) on July 22, 2004, to discuss the results for the quarter. All shareholders and interested parties are invited to listen to the live conference call and view the Company's earnings presentation through the Company's web site at www.teekay.com. The presentation will be available on the web site prior to the conference call. A recording of the call will be available until July 29, 2004 by dialing (719) 457-0820, access code 516648, or via the Company's web site until August 22, 2004.

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TEEKAY SHIPPING CORPORATION
SUMMARY CONSOLIDATED STATEMENTS OF INCOME

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

	<u>Three Months Ended</u>			<u>Six Months Ended</u>	
	<u>June 30,</u> <u>2004</u> <u>(unaudited)</u>	<u>March 31,</u> <u>2004</u> <u>(unaudited)</u>	<u>June 30,</u> <u>2003</u> <u>(unaudited)</u>	<u>June 30,</u> <u>2004</u> <u>(unaudited)</u>	<u>June 30,</u> <u>2003</u> <u>(unaudited)</u>
VOYAGE REVENUES	477,622	551,451	462,271	1,029,073	744,503
OPERATING EXPENSES					
Voyage expenses	108,708	103,884	109,187	212,592	178,521
Vessel operating expenses	53,765	48,912	55,530	102,677	98,176
Time-charter hire expense	106,574	108,665	93,483	215,239	106,394
Depreciation and amortization	60,846	53,614	49,775	114,460	88,905
General and administrative	25,816	27,625	20,597	53,441	35,324
Vessel write-downs/(gain) loss on sale of vessels	(450)	(603)	4,711	(1,053)	30,498
Restructuring charge	240	762	1,312	1,002	1,312
	355,499	342,859	334,595	698,358	539,130
Income from vessel operations	122,123	208,592	127,676	330,715	205,373
OTHER ITEMS					
Interest expense	(30,672)	(21,563)	(21,700)	(52,235)	(36,086)
Interest income	4,883	1,254	1,287	6,137	2,133
Income tax expense	(6,086)	(2,149)	(13,864)	(8,235)	(17,186)
Equity income from joint ventures	3,288	1,836	1,611	5,124	2,396
Other – net	5,007	1,039	1,865	6,046	(6,176)
	(23,580)	(19,583)	(30,801)	(43,163)	(54,919)
Net income	98,543	189,009	96,875	287,552	150,454
Earnings per common share					
- Basic	\$1.19	\$2.32	\$1.22	\$3.50	\$1.89
- Diluted	\$1.13	\$2.18	\$1.20	\$3.32	\$1.86
Weighted-average number of common shares outstanding					
- Basic	82,603,379	81,620,792	79,651,592	82,112,086	79,566,668
- Diluted *	87,340,951	86,522,164	81,045,440	86,697,235	80,911,462

*Reflects the effect of outstanding stock options and the \$143.75 million mandatory convertible preferred PEPS units, computed using the treasury stock method

TEEKAY SHIPPING CORPORATION
SUMMARY CONSOLIDATED BALANCE SHEETS

(in thousands of U.S. dollars)

	<u>As at June 30,</u> <u>2004</u> <u>(unaudited)</u>	<u>As at December 31,</u> <u>2003</u>
ASSETS		
Cash and cash equivalents	215,743	292,284
Other current assets	242,557	188,249
Restricted cash – current	77,120	-
Marketable securities – long-term	139,654	95,511
Restricted cash – long-term	318,339	-
Vessels and equipment	3,184,503	2,424,204
Advances on newbuilding contracts	321,130	150,656
Other assets	203,874	187,798
Intangible assets	293,968	118,588
Goodwill	179,303	130,754
Total Assets	5,176,191	3,588,044
LIABILITIES AND STOCKHOLDERS' EQUITY		
Accounts payable and accrued liabilities	148,262	171,411
Current portion of long-term debt	213,000	103,221
Long-term debt	2,605,789	1,533,537
Other long-term liabilities	211,637	112,726
Minority interest	14,179	15,322
Stockholders' equity	1,983,324	1,651,827
Total Liabilities and Stockholders' Equity	5,176,191	3,588,044

TEEKAY SHIPPING CORPORATION
SUMMARY CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands of U.S. dollars)

	<u>Six Months Ended</u> <u>June 30,</u>	
	<u>2004</u> <u>(unaudited)</u>	<u>2003</u> <u>(unaudited)</u>
Cash and cash equivalents provided by (used for)		
OPERATING ACTIVITIES		
Net cash flow from operating activities	396,179	260,698
FINANCING ACTIVITIES		
Net proceeds from long-term debt	874,236	1,496,499
Scheduled repayments of long-term debt	(76,662)	(37,203)
Prepayments of long-term debt	(704,170)	(945,000)
Other	1,214	(10,691)
Net cash flow from financing activities	94,618	503,605
INVESTING ACTIVITIES		
Expenditures for vessels and equipment	(263,715)	(115,657)
Expenditures for the purchase of Naviera F. Tapias S.A.	(286,112)	-
Expenditures for the purchase of Navion ASA	-	(703,590)
Proceeds from disposition of assets	8,806	42,615
Other	(26,317)	20,903
Net cash flow from investing activities	(567,338)	(755,729)
(Decrease) increase in cash and cash equivalents	(76,541)	8,574
Cash and cash equivalents, beginning of the period	292,284	284,625
Cash and cash equivalents, end of the period	215,743	293,199

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TEEKAY SHIPPING CORPORATION
APPENDIX A - SUPPLEMENTAL INFORMATION

(in thousands of U.S. dollars)

Three Months Ended June 30, 2004
(unaudited)

	Spot Tanker Segment	Fixed-Rate Tanker Segment	Fixed-Rate LNG Segment	Total
Net voyage revenues	202,965	158,065	7,884	368,914
Vessel operating expenses	23,752	28,376	1,637	53,765
Time-charter hire expense	60,369	46,205	-	106,574
Depreciation and amortization	25,976	32,493	2,377	60,846
General and administrative	12,081	12,994	741	25,816
Vessel write-downs/(gain) loss on sale of vessels	(450)	-	-	(450)
Restructuring charge	240	-	-	240
Income from vessel operations	80,997	37,997	3,129	122,123

Three Months Ended March 31, 2004
(unaudited)

	Spot Tanker Segment	Fixed-Rate Tanker Segment	Fixed-Rate LNG Segment	Total
Net voyage revenues	288,081	159,486	-	447,567
Vessel operating expenses	23,453	25,459	-	48,912
Time-charter hire expense	59,555	49,110	-	108,665
Depreciation and amortization	24,886	28,728	-	53,614
General and administrative	13,018	14,607	-	27,625
Vessel write-downs/(gain) loss on sale of vessels	(603)	-	-	(603)
Restructuring charge	762	-	-	762
Income from vessel operations	167,010	41,582	-	208,592

Three Months Ended June 30, 2003
(unaudited)

	Spot Tanker Segment	Fixed-Rate Tanker Segment	Fixed-Rate LNG Segment	Total
Net voyage revenues	222,186	130,898	-	353,084
Vessel operating expenses	32,415	23,115	-	55,530
Time-charter hire expense	50,828	42,655	-	93,483
Depreciation and amortization	27,800	21,975	-	49,775
General and administrative	12,993	7,604	-	20,597
Vessel write-downs/(gain) loss on sale of vessels	4,711	-	-	4,711
Restructuring charge	-	1,312	-	1,312
Income from vessel operations	93,439	34,237	-	127,676

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TEEKAY SHIPPING CORPORATION
APPENDIX A - SUPPLEMENTAL INFORMATION CONTINUED

(in thousands of U.S. dollars)

Six Months Ended June 30, 2004
(unaudited)

	Spot Tanker Segment	Fixed-Rate Tanker Segment	Fixed-Rate LNG Segment	Total
Net voyage revenues	491,046	317,551	7,884	816,481
Vessel operating expenses	47,205	53,835	1,637	102,677
Time-charter hire expense	119,924	95,315	-	215,239
Depreciation and amortization	50,862	61,221	2,377	114,460
General and administrative	25,099	27,601	741	53,441
Vessel write-downs/(gain) loss on sale of vessels	(1,053)	-	-	(1,053)
Restructuring charge	1,002	-	-	1,002
Income from vessel operations	248,007	79,579	3,129	330,715

Six Months Ended June 30, 2003
(unaudited)

	Spot Tanker Segment	Fixed-Rate Tanker Segment	Fixed-Rate LNG Segment	Total
Net voyage revenues	395,654	170,328	-	565,982
Vessel operating expenses	64,028	34,148	-	98,176
Time-charter hire expense	63,739	42,655	-	106,394
Depreciation and amortization	54,667	34,238	-	88,905
General and administrative	24,582	10,742	-	35,324
Vessel write-downs/(gain) loss on sale of vessels	30,498	-	-	30,498
Restructuring charge	-	1,312	-	1,312
Income from vessel operations	158,140	47,233	-	205,373

FORWARD LOOKING STATEMENTS

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 the Company's future growth prospects; tanker market fundamentals, including the balance of supply and demand in the tanker market, and spot tanker charter rates; newbuilding delivery dates and the commencement of service under long-term contracts; Qatar Gas Transport Company's ownership interest in the RasGas II LNG vessels; the growth prospects of the LNG shipping sector; the Company's future capital expenditure commitments and the financing requirements for such commitments; and the gain in the third quarter of 2004 relating to the sale of the Company's 16% ownership in TORM and four of its single-hull vessels. 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, petroleum products and LNG, either generally or in particular regions; greater or less than anticipated levels of tanker newbuilding orders or greater or less than anticipated rates of tanker scrapping; changes in trading patterns significantly impacting overall tanker tonnage requirements; changes in applicable industry laws and regulations and the timing of implementation of new laws and regulations; changes in the typical seasonal variations in tanker charter rates; changes in the offshore production of oil; the potential inability of Teekay to integrate Tapias successfully; the potential for early termination of long-term contracts and inability of the Company to renew or replace long-term contracts; shipyard production delays; the Company's future capital expenditure requirements; and other factors discussed in Teekay's filings from time to time with the SEC, including its Report on Form 20-F for the fiscal year ended December 31, 2003. The Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company's expectations with respect thereto or any change in events, conditions or circumstances on which any such statement is based.