TEEKAY CORPORATION

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EARNINGS RELEASE

TEEKAY CORPORATION
REPORTS FOURTH QUARTER AND ANNUAL RESULTS

Highlights

- Fourth quarter 2011 cash flow from vessel operations(1) of $189.9 million, up 21 percent from the same period of the prior year.
- Fourth quarter 2011 adjusted net income attributable to stockholders of Teekay(2) of $1.6 million, or $0.02 per share (excluding specific items which increased GAAP net income by $46.8 million, or $0.67 per share).
- Completed previously announced Sevan Marine transaction on November 30, 2011.
- Expect to complete in February 2012 the previously-announced acquisition of A.P. Moller-Maersk A/S' LNG fleet, adjusted to six LNG carriers, through joint venture between Teekay LNG and Marubeni Corporation.
- Since November 2011, raised a total of $1.6 billion in debt financings and $415 million in separate equity offerings at Teekay LNG, Teekay Offshore, and Teekay Tankers.
- Total consolidated liquidity of approximately $1.9 billion as at February 22, 2012, including financings completed subsequent to December 31, 2011.

Hamilton, Bermuda, February 23, 2012 - Teekay Corporation (*Teekay* or *the Company*) (NYSE: TK) today reported adjusted net income attributable to stockholders of Teekay(2) of $1.6 million, or $0.02 per share, for the quarter ended December 31, 2011, compared to adjusted net loss attributable to the stockholders of Teekay of $37.8 million, or $0.51 per share, for the same period of the prior year. Adjusted net income attributable to stockholders of Teekay excludes a number of specific items that had the net effect of increasing GAAP net income (loss) by $46.8 million (or $0.67 per share) for the three months ended December 31, 2011 and increasing GAAP net income by $123.7 million, (or $1.67 per share,) for the three months ended December 31, 2010, as detailed in *Appendix A* to this release. Including these items, the Company reported on a GAAP basis, a net income attributable to the stockholders of Teekay of $48.4 million, or $0.69 per share, for the quarter ended December 31, 2011, compared to net income attributable to the stockholders of Teekay of $85.9 million, or $1.16 per share, for the same period of the prior year. Net revenues(3) for the fourth quarter of 2011 were $472.7 million, compared to $449.7 million for the same period of the prior year.

For the year ended December 31, 2011, the Company reported adjusted net loss attributable to stockholders of Teekay(2) of $103.1 million, or $1.47 per share, compared to adjusted net loss attributable to the stockholders of Teekay of $121.0 million, or $1.67 per share, for the year ended December 31, 2010. Adjusted net loss attributable to stockholders of Teekay excludes a number of specific items that had the net effect of increasing GAAP net loss by $265.8 million, (or $3.78 per share) for the year ended December 31, 2011 and increasing GAAP net loss by $146.2 million, (or $2.00 per share) for the year ended December 31, 2010, as detailed in *Appendix A* to this release. Including these items, the Company reported on a GAAP basis, net loss attributable to the stockholders of Teekay of $368.9 million, or $5.25 per share, for the year ended December 31, 2011, compared to net loss attributable to the stockholders of Teekay of $267.3 million, or $3.67 per share, for the year ended December 31, 2010. Net revenues(3) for the year ended December 31, 2011 were $1.78 billion, compared to $1.85 billion for the prior year.

(1) Cash flow from vessel operations represents income from vessel operations before depreciation and amortization expense, vessel/goodwill write-downs, gains and losses on the sale of vessels and unrealized gains and losses relating to derivatives, but includes realized gains and losses on the settlement of foreign currency forward contracts. Cash flow from vessel operations is a non-GAAP financial measure used by certain investors to measure the financial performance of shipping companies. Please 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.

(2) Adjusted net income (loss) attributable to stockholders of Teekay is a non-GAAP financial measure. Please refer to *Appendix A* to this release for a reconciliation of this non-GAAP measure as used in this release to the most directly comparable financial measure under United States generally accepted accounting principles (*GAAP*).

(3) Net revenues represents revenues less voyage expenses, which comprise all expenses relating to certain voyages, including bunker fuel expenses, port fees, cargo loading and unloading expenses, canal tolls, agency fees and commissions. Net revenues is a non-GAAP financial measure used by certain investors to measure the financial performance of shipping companies. Please 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 financial measure under GAAP.

On January 5, 2012, the Company declared a cash dividend on its common stock of $0.31625 per share for the quarter ended December 31, 2011. The cash dividend was paid on January 31, 2012, to all shareholders of record on January 20, 2012.

"The improvement in our fourth quarter results compared to the prior year reflects our increased investment in fixed-rate businesses and efforts to improve profitability in our existing fleet throughout 2011," commented Peter Evensen, Teekay Corporation's President and Chief Executive Officer. "In addition to one month of cash flows from the two Sevan FPSO units we acquired from Sevan Marine at the end of November 2011, we realized approximately $35 million of additional cash flow in the quarter based on certain annual production and oil price revenue components of the *Foinaven* FPSO contract which are recognized annually in the fourth quarter. Apart from the timing differences associated with the *Foinaven* FPSO revenues and the net reduction in cash flows associated with the *Banff* FPSO off-hire, we expect Teekay Parent's average quarterly cash flow to be enhanced in 2012, partly due to the *Hummingbird* FPSO acquisition in November 2011 and expected growth in general partnership cash flows from Teekay LNG Partners and Teekay Offshore Partners as a result of the respective Maersk LNG fleet and Piranema FPSO acquisitions. Our 2011 initiatives to increase the cash flows from our existing assets, including the renewal of contracts at higher rates and reduction of operating expenses in our shuttle tanker fleet, the negotiation of improved terms under the existing Petrojarl 1 FPSO contract, redelivery of our time-chartered in vessels, and taking advantage of the strong spot LNG shipping market to secure new charters for the Arctic Spirit and Polar Spirit LNG carriers, are also expected to contribute enhanced cash flows and profitability in 2012."

Mr. Evensen added, "As we redeliver our time-chartered in conventional tanker fleet which continues to generate losses, add and extend time-charter out contracts at fixed rates, and find operational savings through initiatives such as slow steaming, we believe we will continue to lower the cash flow breakeven levels of our conventional tanker fleet as well. While spot tanker rates strengthened in the fourth quarter and into the first two months of 2012, primarily due to seasonal factors and record high global oil production, the high level of tanker supply growth relative to demand growth projected for 2012 is expected to result in continued spot rate weakness and volatility through much of the year. With this in mind, we will continue to manage our operating costs and spot tanker exposure in anticipation of a potential tanker market recovery in late 2012 or early 2013."

"In the current constrained global financial environment, Teekay's diversified business model and corporate structure is proving to be a source of competitive strength," Mr. Evensen added. "In fiscal 2011, Teekay Parent completed over $1.1 billion of asset sales to its publically traded subsidiaries which, on a combined basis, raised approximately $640 million of third party equity financing. Having recently completed, and soon to complete, major acquisitions in our offshore and LNG businesses, we are commencing 2012 with a renewed focus on deleveraging our parent company balance sheet and rebuilding liquidity to provide the Company with greater financial flexibility and the ability to selectively grow our project portfolio in the future."

Operating Results

The following tables highlight certain financial information for each of Teekay's four publicly-listed entities: Teekay Offshore Partners L.P. (*Teekay Offshore*) (NYSE: TOO), Teekay LNG Partners L.P. (*Teekay LNG*) (NYSE: TGP), Teekay Tankers Ltd. (*Teekay Tankers*) (NYSE: TNK) and Teekay, excluding results attributed to Teekay Offshore, Teekay LNG and Teekay Tankers, referred to herein as *Teekay Parent*. A brief description of each entity and an analysis of its respective financial results follow the tables below. Please also refer to the "Fleet List" section below and *Appendix B* to this release for further details.

(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
Net revenues	205,111	97,228	27,322	184,226	(41,162)	472,725
Vessel operating expense	69,065	22,485	10,694	66,777	-	169,021
Time-charter hire expense	17,406	-	2,436	71,621	(41,162)	50,301
Depreciation and amortization	48,194	24,367	10,811	27,218	-	110,590
Cash flow from vessel operations(1)(2)	101,593	70,896	12,310	5,104 (3)	-	189,903
Net debt(4)	1,849,142	1,373,017	333,041	1,343,940	-	4,899,140

(in thousands of U.S. dollars)	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
Net revenues	203,112	96,831	29,615	162,756	(42,603)	449,711
Vessel operating expense	77,344	20,545	11,383	56,378	-	165,650
Time-charter hire expense	20,981	-	-	84,964	(42,603)	63,342
Depreciation and amortization	50,230	22,658	11,222	27,937	-	112,047
Cash flow from vessel operations(1)(2)	94,401	68,345	16,262	(21,674)(3)	-	157,334
Net debt(4)	1,550,657	1,484,056	441,578	337,888	-	3,814,179

(1) Cash flow from vessel operations represents income from vessel operations before depreciation and amortization expense, vessel/goodwill write-downs, gains and losses on the sale of vessels and unrealized gains and losses relating to derivatives, but includes realized gains and losses on the settlement of foreign currency forward contracts. Cash flow from vessel operations is a non-GAAP financial measure used by certain investors to measure the financial performance of shipping companies. Please 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.

(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.

(3) In addition to Teekay Parent's cash flow from vessel operations, Teekay Parent also receives cash dividends and distributions from its daughter public companies. For the three months ended December 31, 2011 and 2010, Teekay Parent received daughter company dividends and distributions totaling $34.8 million and $45.9 million, respectively. The dividends and distributions received by Teekay Parent include those made with respect to its general partner interests in Teekay Offshore and Teekay LNG and its 49 percent interest in Teekay Offshore Operating L.P., which is controlled by Teekay Offshore, prior to the sale of this interest to Teekay Offshore on March 8, 2011. Please refer to *Appendix D* to this release for further details.

(4) Net debt represents current and long-term debt less cash and, if applicable, current and long-term restricted cash.

Teekay Offshore Partners L.P.

Teekay Offshore is an international provider of marine transportation and oil production and storage services to the offshore oil industry through its fleet of 40 shuttle tankers (including four chartered-in vessels, and four committed newbuildings), three floating, production, storage and offloading (*FPSO*) units, five floating, storage and offtake (*FSO*) units and 10 conventional oil tankers, in which Teekay Offshore's interests range from 50 percent to 100 percent. Teekay Offshore also has the right to participate in certain other FPSO and vessel opportunities. As at December 31, 2011, Teekay Parent owned a 33.0 percent interest in Teekay Offshore (including the 2 percent sole general partner interest).

Cash flow from vessel operations from Teekay Offshore increased to $101.6 million in the fourth quarter of 2011, from $94.4 million in the same period of the prior year. This increase was primarily due to a decrease in vessel operating costs, lower time-charter hire expense, the acquisition of the *Piranema* FPSO on November 30, 2011, and a full quarter's contribution of the *Nansen Spirit* and *Peary Spirit*. Vessel operating costs decreased due to temporary lay-up of the *Basker Spirit* commencing in the first quarter of 2011 and from repair costs incurred on certain shuttle tankers in the fourth quarter of 2010. This was partially offset by an increase in general and administrative expenses mainly related to higher business development and project costs.

On October 1, 2011, Teekay Offshore completed the acquisition from Teekay Parent of another newbuilding shuttle tanker, the *Scott Spirit*, for a cost of $116 million, including $93.3 million of debt which was assumed by Teekay Offshore. The purchase price is subject to adjustment for up to an additional $12 million based upon incremental shuttle tanker revenues secured during the two years following acquisition.

On November 30, 2011, Teekay Offshore completed the sale of 7.1 million common units in a private placement to a group of institutional investors for net proceeds of $170 million (excluding its general partner's proportionate capital contribution). Teekay Offshore used the net proceeds to finance the acquisition of the *Piranema* FPSO, as described below, and to partially fund Teekay Offshore's previously-announced acquisition of four newbuilding shuttle tankers that are scheduled to deliver in mid-2013.

On November 30, 2011, in connection with Teekay Parent's previously-announced transaction to acquire FPSO units from Sevan, Teekay Offshore completed the acquisition of the *Piranema* FPSO unit directly from Sevan for $165 million. The 2007-built *Piranema* FPSO is currently operating under a long-term charter to Petrobras S.A. on the Piranema field located in the Brazil offshore region. The charter includes a firm contract period through March 2018, with up to 11 one-year extension options that includes cost-escalation clauses.

In late January 2012, Teekay Offshore issued NOK 600 million in senior unsecured bonds that mature in January 2017 in the Norwegian bond market. The aggregate principal amount of the bonds is equivalent to approximately 100 million U.S. dollars (*USD*) and all interest and principal payments have been swapped into USD and fixed at an interest rate of 7.49 percent. Proceeds from the bond offering were used to reduce amounts outstanding under Teekay Offshore's revolving credit facilities and for general partnership purposes, including future acquisitions. Teekay Offshore is in the process of listing these bonds on the Oslo Stock Exchange.

For the fourth quarter of 2011, Teekay Offshore's quarterly distribution was $0.50 per common unit. The cash distribution received by Teekay Parent based on its common unit ownership and general partnership interest in Teekay Offshore totaled $13.7 million for the fourth quarter of 2011, as detailed in *Appendix D* to this release.

Teekay LNG Partners L.P.

Teekay LNG provides liquefied natural gas *(LNG)*, liquefied petroleum gas *(LPG)* and crude oil marine transportation services under long-term, fixed-rate charter contracts with major energy and utility companies through its current fleet of 21 LNG carriers, five LPG/Multigas carriers and 11 conventional tankers, in which vessels Teekay LNG's interest range from 33 to 100 percent. Teekay LNG also expects to acquire, through its joint venture with Marubeni Corporation (*Marubeni)*, indirect 52 percent ownership interests in six LNG carriers as described below. As at December 31, 2011, Teekay Parent owned a 40.1 percent interest in Teekay LNG (including the 2 percent sole general partner interest).

Cash flow from vessel operations from Teekay LNG during the fourth quarter of 2011 increased to $70.9 million from $68.3 million in the same period of the prior year. This increase was primarily due to the acquisition in 2011 of two Multigas carriers and an LPG carrier, partially offset by the sale of the *Dania Spirit* LPG carrier in November 2010 and a greater number of off-hire days in the fourth quarter of 2011 related to scheduled drydockings. The increase does not include cash flows from Teekay LNG's three equity accounted joint ventures, which increased to $20.0 million for the fourth quarter of 2011 from $11.9 million for the same period in the prior year, mainly due to the Partnership's acquisition in 2011 of a 33 percent interest in 3 LNG carriers and a full quarter of cash flows from the Partnership's 50 percent interest in 2 LNG carriers acquired from Exmar in November 2010.

In October 2011, Teekay LNG announced that its joint venture with Marubeni Corporation (*the Teekay LNG-Marubeni Joint Venture*) agreed to acquire ownership interests in eight LNG carriers (*the Maersk LNG Carriers*) from Denmark-based global conglomerate, A.P. Moller-Maersk A/S for a total purchase price of approximately $1.4 billion. Subsequently, the majority owners of the two LNG carriers in which the Teekay LNG Marubeni JV was expected to purchase a 26 percent interest exercised their rights to acquire the remaining interests in these vessels. As a result, the Teekay LNG-Marubeni Joint Venture will acquire 100 percent interests in only six of the Maersk LNG carriers at a lower purchase price of approximately $1.33 billion. Teekay LNG and Marubeni own a 52 percent and a 48 percent economic interest in the Teekay LNG Marubeni Joint Venture, respectively, but share control of the Joint Venture. To finance this transaction the Teekay LNG Marubeni Joint Venture has received bank commitments to finance up to 80 percent of the purchase price, or approximately $1.1 billion. The remaining $266 million of the purchase price will to be financed with pro-rata equity contributions from Teekay LNG and Marubeni, commensurate with the respective joint venture ownership interests. The transaction is expected to close by the end of February 2012.

In early November 2011, Teekay LNG completed a public equity offering of 5.5 million common units raising net proceeds of approximately $179.5 million (including Teekay Parent's contribution to maintain its 2 percent general partnership interest) which will be used to fully finance Teekay LNG's $138 million pro rata equity purchase price for the six Maersk LNG Carriers.

In January 2012, Teekay LNG acquired from Teekay Parent a 33 percent interest in the last of four newbuilding Angola LNG carriers for a total equity purchase price of approximately $19 million.

For the fourth quarter of 2011, Teekay LNG's quarterly distribution was $0.63 per unit. The cash distribution received by Teekay Parent based on its common unit ownership and general partnership interest in Teekay LNG totaled $19.4 million for the fourth quarter of 2011, as detailed in *Appendix D* to this release.

Teekay Tankers Ltd.

Teekay Tankers' fleet includes 11 Aframax tankers and six Suezmax tankers (including two time-chartered in Aframax tankers). In addition, Teekay Tankers owns a 50 percent interest in a VLCC newbuilding scheduled to deliver in April 2013 and has invested $115 million in first-priority mortgage loans secured by two 2010-built Very Large Crude Carriers (*VLCC*s). Of the 17 vessels currently in operation, 10 are employed on fixed-rate time-charters, generally ranging from one to three years in initial duration, with the remaining vessels trading in Teekay's spot tanker pools. Teekay Tankers' currently has fixed-rate coverage of approximately 58 percent for the first quarter of 2012 and 47 percent for fiscal 2012. Teekay Parent currently owns a 20.4 percent interest in Teekay Tankers (including 100 percent of the outstanding Class B common shares, which together with its current ownership of Class A common shares, provides Teekay voting control of Teekay Tankers).

Cash flow from vessel operations from Teekay Tankers decreased to $12.3 million in the fourth quarter of 2011, from $16.3 million in the same period of the prior year, primarily due to lower average realized tanker rates for its spot and fixed-rate fleets during the fourth quarter of 2011, compared to the same period of the prior year.

In early February 2012, Teekay Tankers completed a public offering of 17.25 million shares of Class A common shares. Teekay Tankers used the net proceeds of approximately $66 million from this equity offering to repay a portion of its outstanding debt under its revolving credit facility, which may be redrawn to finance future acquisitions.

On February 7, 2012, Teekay Tankers declared a fourth quarter 2011 dividend of $0.11 per share which will be paid on February 28, 2012 to all shareholders of record on February 21, 2012. Based on its ownership of Teekay Tankers Class A and Class B shares, the dividend to be paid to Teekay Parent will total $1.8 million for the fourth quarter of 2011.

Teekay Parent

In addition to its equity ownership interests in Teekay Offshore, Teekay LNG and Teekay Tankers, Teekay Parent directly owns a substantial fleet of vessels. As at February 1, 2012, this fleet included 17 conventional tankers and six FPSO units (including two which are currently under construction or conversion), in which Teekay Parent's interests range from 50 to 100 percent. In addition, as at February 1, 2012, Teekay Parent had 15 chartered-in conventional tankers (including six vessels owned by its publicly-traded subsidiaries), two chartered-in LNG carriers owned by Teekay LNG and two chartered-in shuttle tankers owned by Teekay Offshore.

In the fourth quarter of 2011, Teekay Parent generated cash flow from vessel operations of $5.1 million, compared to negative cash flow from vessel operations of $21.7 million in the same period of the prior year. The increase in cash flow is primarily due to higher revenues from the *Foinaven* FPSO unit due to improved annual operational performance measures, oil production levels and average oil prices, as well as lower time-charter hire expense as a result of redeliveries of time-chartered in vessels during 2011, and increased revenues from the *Arctic Spirit* and *Polar Spirit* as a result of new contracts signed in 2011. This increase was partially offset by a decrease in average realized spot tanker rates for the fourth quarter of 2011 compared to the same period in the prior year and lower revenue from the *Petrojarl Banff* FPSO.

On December 7, 2011 the *Petrojarl Banff* FPSO unit (Banff FPSO), which operates on the Banff field in the U.K. sector of the North Sea, encountered a severe storm event and sustained damage to its moorings, turret and subsea equipment which necessitated the shutdown of production on the unit. Due to damage incurred, on December 8, 2011 the Company declared force majeure and the Banff FPSO commenced a period of off-hire which is currently expected to continue until the second quarter of 2013 while repairs are assessed and completed. As a result, for the quarter ended December 31, 2011 the Company experienced a loss of revenue totaling approximately $3 million. In addition, the Company expects to incur a loss of operating cash flow of approximately $35 million and $15 million in fiscal years 2012 and 2013, respectively. Following repairs, the Banff FPSO unit is expected to resume production on the Banff field where it is expected to remain under contract until the end of 2018. The Company is insured against damage to the Banff FPSO and associated equipment related to this incident, subject to a $750,000 deductible. The Company expects repair costs to the Banff FPSO/equipment and costs associated with the emergency response to prevent loss or further damage during the December 7, 2011 storm event, will be reimbursed through its insurance coverage subject to the terms and conditions of the applicable policies.

In October 2011, Teekay Parent sold to Teekay Offshore the *Scott Spirit* shuttle tanker newbuilding, the fourth and final vessel in the "Explorer" class of shuttle tankers which includes the *Amundsen Spirit*, *Peary Spirit* and *Nansen Spirit*, for a total purchase price of approximately $116 million, including $93.3 million of debt which was assumed by Teekay Offshore. The purchase price is subject to adjustment for up to an additional $12 million based upon incremental shuttle tanker revenues secured during the two years following acquisition.

In November 2011, in connection with Teekay's previously-announced transaction to acquire three FPSO units (the *Hummingbird*, the *Piranema* and the *Voyageur*), including their existing charter contracts, from Sevan, Teekay Parent completed the acquisition of the *Hummingbird* FPSO for a total purchase price of approximately $179 million. As part of the agreement, Teekay Parent also invested $25 million to acquire approximately 40 percent of a recapitalized Sevan and entered into a cooperation agreement relating to joint marketing of offshore projects, the development of future projects, and the financing of such projects. In addition, Teekay Parent will fund the remaining cost required to complete the upgrade of the *Voyageur* FPSO. The purchase of the *Voyageur* FPSO is expected to be completed upon the completion of the upgrade and the commencement of the *Voyageur* FPSO charter contract, which is expected to be in the fourth quarter of 2012.

Tanker Market

Crude tanker rates strengthened during the fourth quarter of 2011 due to seasonal factors and an increase in global oil production to record highs. In the Atlantic, weather in the North Sea and Baltic Sea and transit delays through the Turkish Straits led to an increase in European Aframax and Suezmax rates. The return of Libyan oil production to approximately 1.0 million barrels per day (*mb/d*) by the end of the year also provided support to tanker rates in the Mediterranean. In the Pacific, an increase in Asian oil imports to meet peak winter demand caused rates to firm up, particularly in the large crude oil tanker sectors. Weather disruptions in the Atlantic have continued to give support to crude tanker rates in early 2012.

The tanker fleet grew by 26.1 million deadweight tonnes (*mdwt*), or 5.8 percent, during 2011, compared to an increase of 17.7 mdwt, or 4.1 percent, during 2010. A total of 39.6 mdwt of new tankers entered the fleet in 2011, a decrease from 41.5 mdwt in the previous year. A total of 13.6 mdwt of tankers were removed for scrapping or conversion during 2011, a decrease from 23.8 mdwt in 2010. Approximately 50 mdwt of tankers are scheduled for delivery during 2012; however, the Company anticipates an order book slippage rate of around 33 percent due to construction delays and order cancellations and estimate actual deliveries of approximately 33.5 mdwt. Assuming scrapping of 12 mdwt occurs, the Company estimates that the tanker fleet will grow by approximately 21.5 mdwt, or 4.5 percent, during 2012.

Based on the average range of forecasts from the International Energy Agency *(IEA)*, the Energy Information Agency *(EIA)* and the Organization of Petroleum Exporting Countries *(OPEC)*, global oil demand is expected to grow by 1.0 mb/d in 2012, with growth expected to be driven entirely by non-OECD regions. This increase in oil demand is expected to increase demand for tankers through 2012. In addition, the Company anticipates that average voyage distances will lengthen during 2012 due to a narrowing in the price spread between crude oil produced in the Atlantic - such as Brent - and Middle Eastern grades, which makes Atlantic basin crude more attractive to Asian buyers.

With tanker supply growth expected to exceed demand growth for at least the first half of 2012, the current seasonal strength is expected to give way to spot tanker rate weakness and volatility similar to that experienced in 2011. These conditions are expected to persist through much of 2012 before an anticipated reduction in tanker supply growth begins to provide support for potentially stronger rates in the latter part of the year.

Teekay Parent Conventional Tanker Fleet Performance

The table below highlights the operating performance of Teekay Parent's owned and in-chartered conventional tankers participating in the Company's commercial tonnage pools and vessels on period out-charters with an initial term greater than one year, measured in net revenues per revenue day, or time-charter equivalent (*TCE*) rates. Revenue days represent the total number of vessel calendar days less off-hire days associated with major repairs, drydockings, or mandated surveys.

	Three Months Ended			Twelve Months Ended	
	December 31, 2011	September 30, 2011	December 31, 2010	December 31, 2011	December 31, 2010
Suezmax					
Gemini Suezmax Pool average spot TCE rate (1)	$12,641	$8,289	$15,564	$14,710	$25,386
Spot revenue days (2)(3)	549	481	398	2,276	2,010
Average time-charter rate (4)(5)	$23,432	$23,384	$24,620	$24,691	$27,081
Time-charter revenue days (3)(4)	368	366	736	1,498	3,173
Aframax					
Teekay Aframax Pool average spot TCE rate (1)(6)(7)	$8,835	$10,496	$12,659	$13,465	$16,388
Spot revenue days (2)(3)	1,066	1,105	1,324	5,045	5,914
Average time-charter rate (5)	$21,266	$22,405	$22,944	$22,754	$24,159
Time-charter revenue days (3)	689	793	889	2,931	4,114
LR2					
Taurus LR2 Pool average spot TCE rate (1)	$8,630	$12,130	$13,867	$12,801	$15,116
Spot revenue days (2)(3)	407	433	394	1,743	1,483
MR					
MR product tanker average spot TCE rate (1)	-	-	-	-	$9,725
Spot revenue days (2)(3)	-	-	-	-	286
Average product tanker time-charter rate (5)	$32,982	$33,172	$25,632	$31,278	$27,723
Time-charter revenue days (3)	427	455	237	1,558	1,283

(1) Average spot rates include short-term time-charters and fixed-rate contracts of affreightment that are initially under a year in duration and third-party vessels trading in the pools.
(2) Spot revenue days include total owned and in-chartered vessels in the Teekay Parent fleet, but exclude commercially managed on behalf of third parties. Suezmax spot revenue days exclude vessels on back-to-back spot in-charter.
(3) Average time-charter days are adjusted to reflect the vessel-equivalent number of days in the respective period that any synthetic time-charters (*STCs*) or forward freight agreements (*FFAs*) were in effect. For vessel classes in which STCs and FFAs are in effect, a corresponding reduction in spot revenue days is made in each of the respective periods.
(4) Includes one VLCC on time-charter out at a TCE rate of $47,000 per day prior to May 14, 2011 when this vessel was redelivered following the expiry of its time-charter in contract.
(5) Average time-charter rates include realized gains and losses of STCs and FFAs, bunker hedges, short-term time-charters, and fixed-rate contracts of affreightment that are initially one year in duration or greater.
(6) Excludes vessels greater than 15 years-old.
(7) The average Teekay Aframax spot TCE rate (including vessels greater than 15 years old and realized results of bunker hedging, STCs and FFAs), was $9,280 per day, $8,858 per day and $11,460 per day for the three months ended December 31, 2011, September 30, 2011 and December 31, 2010, respectively, and $11,845 per day and $15,749 per day for the year ended December 31, 2011 and December 31, 2010 respectively.

Fleet List

As at February 1, 2012, Teekay's consolidated fleet consisted of 151 vessels, including chartered-in vessels and newbuildings under construction/conversion, but excluding vessels managed for third parties and vessels expected to be acquired as part of the Sevan and Maersk LNG transactions, as summarized in the following table:

	Number of Vessels (1)			
	Owned Vessels	**Chartered-in Vessels**	**Newbuildings / Conversions**	**Total**
Teekay Parent Fleet				
Spot-rate:				
Aframax Tankers(2)	-	9	-	9
Suezmax Tankers	5	1	-	6
LR2 Product Tankers	2	1	-	3
Total Teekay Parent Spot Fleet	7	11	-	18
Fixed-rate:(3)(4)				
Aframax Tankers(2)	3	2	-	5
Suezmax Tankers	3	1	-	4
LR2 Product Tankers	1	-	-	1
MR Product Tankers	3	1	-	4
FPSO Units	4	-	2	6
Total Teekay Parent Fixed-rate Fleet	14	4	2	20
Total Teekay Parent Fleet	21	15	2	38
Teekay Offshore Fleet	50	4	4	58
Teekay LNG Fleet	37	-	-	37
Teekay Tankers Fleet	15	2	1	18
Total Teekay Consolidated Fleet	**123**	**21**	**7**	**151**

(1) Ownership percentages in these vessels range from 33 percent to 100 percent. Excludes vessels managed on behalf of third parties.
(2) Excludes six vessels chartered-in from Teekay Offshore.
(3) Excludes two LNG carriers chartered-in from Teekay LNG.
(4) Excludes two shuttle tankers chartered-in from Teekay Offshore.

Liquidity, Financings and Capital Expenditures

As at December 31, 2011, Teekay had consolidated liquidity of $1.5 billion. Including proceeds from financings completed subsequent to December 31, 2011, Teekay had consolidated liquidity of $1.9 billion as of February 22, 2012, of which approximately $620 million of this amount is attributable to Teekay Parent.

Since November 2011, on a consolidated basis, the Company has completed debt financings and refinancings totaling approximately $1.6 billion (including only the Company's pro rata share of these debt facilities) which relate to the Sevan transaction, the Teekay LNG Marubeni Joint Venture acquisition of six Maersk LNG carriers, the *Petrojarl Cidade de Itajai* FPSO conversion, the *Madrid Spirit* LNG carrier refinancing, and Teekay Offshore's NOK 600 million issuance of 5-year unsecured Norwegian Bonds. In addition, each of Teekay's three publicly traded subsidiaries raised equity financing during this same period totaling approximately $415 million on a combined basis.

The following table provides the Company's remaining capital commitments relating to its portion of acquisitions, newbuildings and conversions as at December 31, 2011 and related total financing completed as at February 22, 2012:

(in millions of U.S. dollars)	2012	2013	2014	2015	Total	Amount Financed to Date
Teekay Offshore(1)	78	323	-	-	401	-
Teekay LNG(2)	737	-	-	-	737	732
Teekay Tankers(3)	29	10	-	-	39	34
Teekay Parent(4)	735	384	13	-	1,132	395
Teekay Consolidated	1,579	717	13	-	2,309	1,161

(1) Includes capital expenditures related to four newbuilding shuttle tankers.
(2) Includes capital expenditures related to a 33 percent interest in the final Angola LNG carrier (which delivered January 2012) and cost to acquire Teekay LNG's 52 percent joint venture interest in six Maersk LNG carriers.
(3) Includes remaining capital expenditures related to Teekay Tankers' 50 percent interest in the Wah Kwong VLCC Newbuilding.
(4) Includes remaining capital expenditures related to Teekay Parent's 50 percent interest in the *Petrojarl Cidade de Itajai* FPSO, the Knarr FPSO newbuilding and capital cost to upgrade and acquire the *Voyageur* FPSO.

As indicated above, the Company had total capital expenditure commitments pertaining to its portion of acquisitions, newbuildings and conversions of approximately $2.3 billion remaining as at December 31, 2011. As of February 22, 2012, the Company had pre-arranged financing in place for approximately $1.2 billion of this amount, as shown in the table above. The Company is in the process of obtaining debt financing to fund its remaining capital expenditure commitments relating to the four shuttle tanker newbuildings and the Knarr FPSO newbuilding, which are scheduled to deliver in mid- to late-2013.

Conference Call

The Company plans to host a conference call on Thursday, February 23, 2012 at 11:00 a.m. (ET) to discuss its results for the fourth quarter and fiscal year 2011. An accompanying investor presentation will be available on Teekay's website at www.teekay.com prior to the start of the call. All shareholders and interested parties are invited to listen to the live conference call by choosing from the following options:

- By dialing (866) 322-8032 or (416) 640-3406, if outside North America, and quoting conference ID code 9739413.
- By accessing the webcast, which will be available on Teekay's website at www.teekay.com (the archive will remain on the website for a period of 30 days).

The conference call will be recorded and available until Thursday, March 1, 2012. This recording can be accessed following the live call by dialing (888) 203-1112 or (647) 436-0148, if outside North America, and entering access code 9739413.

About Teekay

Teekay Corporation is an operational leader and project developer in the marine midstream space. Through its general partnership interests in two master limited partnerships (MLPs), Teekay LNG Partners L.P. (NYSE: TGP) and Teekay Offshore Partners L.P. (NYSE: TOO), its controlling ownership of Teekay Tankers Ltd. (NYSE: TNK), and its fleet of directly-owned vessels, Teekay is responsible for managing and operating a fleet of 151 liquefied gas, offshore, and conventional tanker assets with a combined value of over $11 billion. With offices in 16 countries and approximately 6,400 seagoing and shore-based employees, Teekay provides a comprehensive set of marine services to the world's leading oil and gas companies, and its reputation for safety, quality and innovation has earned it a position with its customers as The Marine Midstream Company.

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

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TEEKAY CORPORATION

SUMMARY CONSOLIDATED STATEMENTS OF INCOME (LOSS)

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

	Three Months Ended			Year Ended	
	December 31, 2011 (unaudited)	September 30, 2011 (unaudited)	December 31, 2010 (unaudited)	December 31, 2011 (unaudited)	December 31, 2010 (unaudited)
REVENUES [1]	512,730	468,106	502,709	1,953,782	2,095,753
OPERATING EXPENSES					
Voyage expenses	40,005	39,595	52,998	176,614	245,097
Vessel operating expenses [1][2]	169,021	172,372	165,650	677,687	630,547
Time-charter hire expense	50,301	47,433	63,342	214,179	285,992
Depreciation and amortization	110,590	107,746	112,047	428,608	440,705
General and administrative [1][2]	53,324	48,801	48,486	223,616	193,743
Asset impairments/net loss on vessel sales	49,845	91,809	24,195	151,059	49,150
Bargain purchase gain [3]	(58,235)	-	-	(58,235)	-
Goodwill impairment	-	36,652	-	36,652	-
Restructuring charges	-	69	5,178	5,490	16,396
	414,851	544,477	471,896	1,855,670	1,861,630
Income (loss) from vessel operations	97,879	(76,371)	30,813	98,112	234,123
OTHER ITEMS					
Interest expense	(37,645)	(33,649)	(35,177)	(137,604)	(136,107)
Interest income	2,762	2,394	3,050	10,078	12,999
Realized and unrealized (loss) gain on derivative instruments [1]	(44,269)	(219,570)	140,715	(342,722)	(299,598)
Income tax recovery (expense)	31	(1,487)	2,458	(4,290)	6,340
Equity income (loss) [1]	4,971	(40,624)	29,246	(35,309)	(11,257)
Foreign exchange gain	13,921	26,230	4,186	12,654	31,983
Other income (loss) – net	10,540	766	2,323	12,360	(5,118)
Net income (loss)	48,190	(342,311)	177,614	(386,721)	(166,635)
Less: Net (income) loss attributable to non-controlling interests	160	51,149	(91,707)	17,805	(100,652)
Net income (loss) attributable to stockholders of Teekay Corporation	48,350	(291,162)	85,907	(368,916)	(267,287)
Earnings (loss) per common share of Teekay					
- Basic	$0.70	($4.20)	$1.18	($5.25)	($3.67)
- Diluted	$0.69	($4.20)	$1.16	($5.25)	($3.67)
Weighted-average number of common shares outstanding					
- Basic	68,726,590	69,375,036	72,717,002	70,234,817	72,862,617
- Diluted	69,883,057	69,375,036	74,076,588	70,234,817	72,862,617

(1) Realized and unrealized gains and losses related to derivative instruments that are not designated as hedges for accounting purposes are included as a separate line item in the statements of income (loss). The realized gains (losses) relate to the amounts the Company actually received or paid to settle such derivative instruments and the unrealized gains (losses) relate to the change in fair value of such derivative instruments, as detailed in the table below:

	Three Months Ended			Year Ended	
	December 31, 2011	September 30, 2011	December 31, 2010	December 31, 2011	December 31, 2010
Realized (losses) gains relating to:					
Interest rate swaps	(33,803)	(32,447)	(37,681)	(132,939)	(154,098)
Interest rate swap resets and terminations	(22,560)	(34,426)	-	(149,658)	-
Foreign currency forward contracts					
Vessel operating expenses	870	4,065	(654)	9,488	(2,866)
General and administrative expenses	-	147	543	477	592
Bunkers, FFAs and other	-	(6)	(6,558)	36	(7,914)
	(55,493)	(62,667)	(44,350)	(272,596)	(164,286)
Unrealized gains (losses) gains relating to:					
Interest rate swaps	15,765	(142,697)	179,103	(58,405)	(146,780)
Foreign currency forward contracts	(4,323)	(14,324)	523	(11,399)	6,307
Bunkers, FFAs and other	(218)	118	5,439	(322)	5,161
	11,224	(156,903)	185,065	(70,126)	(135,312)
Total realized and unrealized (losses) gains on non-designated derivative instruments	(44,269)	(219,570)	140,715	(342,722)	(299,598)

In addition, equity income (loss) includes net unrealized (losses) gains from non-designated interest rate swaps held within the joint ventures of $(0.4) million, $(26.6) million and $23.4 million for the three months ended December 31, 2011, September 30, 2011, and December 31, 2010, respectively, and $(35.2) million and $(24.7) million for the year ended December 31, 2011 and December 31, 2010, respectively.

In addition, equity loss includes impairment of an investment in joint venture of $19.4 million for the three months ended September 30, 2011 and for the year ended December 31, 2011.

(2) The Company has entered into foreign currency forward contracts, which are economic hedges of vessel operating expenses and general and administrative expenses. Certain of these forward contracts have been designated as cash flow hedges pursuant to GAAP. Unrealized gains (losses) arising from hedge ineffectiveness from such forward contracts are reflected in vessel operating expenses and general and administrative expenses in the above Summary Consolidated Statements of Income (Loss), as detailed in the table below:

	Three Months Ended			Year Ended	
	December 31, 2011	September 30, 2011	December 31, 2010	December 31, 2011	December 31, 2010
Vessel operating expenses	(49)	(168)	(52)	(567)	(3,473)
General and administrative	(294)	(145)	(162)	(223)	(1,402)

(3) The Company has recognized a preliminary bargain purchase gain of $58.2 million for the three and twelve months ended December 31, 2011 related to the acquisition of three FPSO units from and a 40% equity investment in Sevan Marine ASA. The Company is currently reviewing the preliminary fair values of the assets acquired and liabilities assumed as a result of this transaction. In accordance with US GAAP, the Company has up to a year following the acquisition date to finalize these fair values. Any changes as a result of finalizing these preliminary fair value calculations will not impact adjusted net income for the three and twelve months ended December 31, 2011 as shown in Appendix A.

TEEKAY CORPORATION
SUMMARY CONSOLIDATED BALANCE SHEET
(in thousands of U.S. dollars)

	As at December 31, 2011 (unaudited)	As at September 30, 2011 (unaudited)	As at December 31, 2010 (unaudited)
ASSETS			
Cash and cash equivalents	692,127	775,403	779,748
Other current assets	460,903	364,356	343,027
Restricted cash – current	4,370	88,397	86,559
Restricted cash – long-term	495,784	492,987	489,712
Vessels held for sale	19,000	-	-
Vessels and equipment	7,360,454	6,583,413	6,573,388
Advances on newbuilding contracts/conversions	507,908	347,393	197,987
Derivative assets	165,269	163,409	83,198
Investment in equity accounted investees	252,637	202,186	207,633
Investment in direct financing leases	459,908	466,874	487,516
Investment in term loans	186,844	186,629	116,014
Other assets	234,438	167,857	188,482
Intangible assets	136,742	141,632	155,893
Goodwill	166,539	166,539	203,191
Total Assets	11,142,923	10,147,075	9,912,348
LIABILITIES AND EQUITY			
Accounts payable and accrued liabilities	503,197	388,637	423,359
Other current liabilities	-	-	59
Current portion of long-term debt	448,626	446,156	543,890
Current portion of long-term debt - variable interest entity(1)	220,450	-	-
Long-term debt	5,422,345	5,350,147	4,626,308
Derivative liabilities	686,879	697,317	531,235
In process revenue contracts	308,639	163,505	196,106
Other long-term liabilities	220,986	221,446	217,658
Redeemable non-controlling interest	38,307	39,147	41,725
Equity:			
Non-controlling interests	1,863,798	1,500,793	1,353,561
Stockholders of Teekay	1,429,696	1,339,927	1,978,447
Total Liabilities and Equity	11,142,923	10,147,075	9,912,348

(1) For accounting purposes, the Voyageur is a variable interest entity (*VIE*), whereby Teekay is the primary beneficiary. As a result, the Company has consolidated the VIE as at December 1, 2011. The Company is in the process of amending this debt facility which upon completion will result in a reclassification to long-term debt.

TEEKAY CORPORATION
SUMMARY CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands of U.S. dollars)

	Year Ended December 31	
	2011 (unaudited)	**2010 (unaudited)**
Cash and cash equivalents provided by (used for)		
OPERATING ACTIVITIES		
Net operating cash flow	107,193	411,750
FINANCING ACTIVITIES		
Net proceeds from long-term debt	2,104,245	1,756,453
Scheduled repayments of long-term debt	(538,844)	(250,218)
Prepayments of long-term debt	(881,207)	(1,536,587)
Decrease in restricted cash	73,105	30,291
Repurchase of common stock	(122,195)	(40,111)
Net proceeds from public offerings of Teekay LNG	334,101	50,000
Net proceeds from private placements of Teekay Offshore	189,722	392,944
Net proceeds from public offerings of Teekay Tankers	107,234	202,698
Cash dividends paid	(93,480)	(92,695)
Distribution from subsidiaries to non-controlling interests	(201,942)	(159,808)
Other	5,906	5,735
Net financing cash flow	976,645	358,702
INVESTING ACTIVITIES		
Expenditures for vessels and equipment	(704,746)	(343,091)
Proceeds from sale of vessels and equipment	33,424	70,958
Investment in term loans	(70,000)	(115,575)
Purchase of Sevan	(347,800)	-
Proceeds from sale of marketable securities	8,774	565
Loans to joint ventures	(55,156)	(5,447)
Other	(35,955)	(20,624)
Net investing cash flow	(1,171,460)	(413,214)
(Decrease) increase in cash and cash equivalents	(87,621)	357,238
Cash and cash equivalents, beginning of the year	779,748	422,510
Cash and cash equivalents, end of the year	692,127	779,748

TEEKAY CORPORATION
APPENDIX A – SPECIFIC ITEMS AFFECTING NET INCOME (LOSS)
(in thousands of U.S. dollars, except per share data)

Set forth below is a reconciliation of the Company's unaudited adjusted net (loss) income attributable to the stockholders of Teekay, a non-GAAP financial measure, to net income (loss) attributable to stockholders of Teekay as determined in accordance with GAAP. The Company believes that, in addition to conventional measures prepared in accordance with GAAP, certain investors use this information to evaluate the Company's financial performance. The items below are also typically excluded by securities analysts in their published estimates of the Company's financial results. Adjusted net (loss) income attributable to the stockholders of Teekay is intended to provide additional information and should not be considered a substitute for measures of performance prepared in accordance with GAAP.

	Three Months Ended December 31, 2011 (unaudited)		Year Ended December 31, 2011 (unaudited)	
	$	$ Per Share (1)	$	$ Per Share (1)
Net income (loss) – GAAP basis	48,190		(386,721)	
Adjust for: Net loss attributable to non-controlling interests	160		17,805	
Net income (loss) attributable to stockholders of Teekay	**48,350**	**0.69**	**(368,916)**	**(5.25)**
Add (subtract) specific items affecting net loss:				
Unrealized (gains) losses from derivative instruments(2)	(10,519)	(0.15)	106,077	1.51
Foreign currency exchange gains(3)	(14,582)	(0.21)	(12,646)	(0.18)
Gain on acquisition (4)	(58,235)	(0.83)	(58,235)	(0.83)
Asset impairments/net loss on vessel sales(5)	49,845	0.71	170,470	2.43
Upfront payments related to interest rate swap resets and interest rate swap termination	22,560	0.32	149,658	2.13
Gain on sale of marketable securities	(3,372)	(0.05)	(3,372)	(0.05)
Acquisition costs(6)	1,937	0.03	1,937	0.03
Restructuring charge(7)	-	-	5,490	0.08
Goodwill impairment(8)	-	-	36,652	0.52
Adjustments to pension accruals and stock based compensation(9)	-	-	18,102	0.26
Deferred income tax expense on unrealized foreign exchange gains	-	-	10,095	0.14
Other - net(10)	(2,971)	(0.04)	(9,203)	(0.13)
Non-controlling interests' share of items above	(31,420)	(0.45)	(149,205)	(2.12)
Total adjustments	(46,757)	(0.67)	265,820	3.78
Adjusted net income (loss) attributable to stockholders of Teekay	**1,593**	**0.02**	**(103,096)**	**(1.47)**

(1) Fully diluted per share amounts.
(2) Reflects the unrealized gains or losses relating to the change in the mark-to-market value of derivative instruments that are not designated as hedges for accounting purposes, including those included in equity income (loss) from joint ventures, and the ineffective portion of foreign currency forward contracts designated as hedges for accounting purposes.
(3) Foreign currency exchange gains and losses primarily relate to the Company's debt denominated in Euros and deferred tax liability denominated in Norwegian Kroner. A substantial majority of the Company's foreign currency exchange gains and losses are unrealized.
(4) Relates to bargain purchase gain recognized upon acquisition of three FPSO units from Sevan Marine ASA and a 40% equity investment in Sevan Marine ASA.
(5) Relates to impairment of certain older vessels and equipment and impairment on an investment in a joint venture.
(6) Relates to costs associated with the acquisition of three FPSO units from Sevan Marine ASA, a 40% equity investment in Sevan Marine ASA, and six Maersk LNG Carriers.
(7) Restructuring charges relate to crew changes, reflagging of certain vessels, and global staffing changes.
(8) Relates to impairment of goodwill of the Company's conventional tanker segment.
(9) Relates to one-time pension retirement payment to the Company's former President and Chief Executive Officer and accelerated timing of accounting recognition of stock-based compensation expense.
(10) Relates to non-recurring adjustments to tax accruals, non-recurring adjustment to asset retirement obligation, early redelivery penalty for an in-chartered vessel, and a non-current asset write-down.

TEEKAY CORPORATION
APPENDIX A – SPECIFIC ITEMS AFFECTING NET INCOME (LOSS)
(in thousands of U.S. dollars, except per share data)

Set forth below is a reconciliation of the Company's unaudited adjusted net (loss) income attributable to the stockholders of Teekay, a non-GAAP financial measure, to net income (loss) attributable to stockholders of Teekay as determined in accordance with GAAP. The Company believes that, in addition to conventional measures prepared in accordance with GAAP, certain investors use this information to evaluate the Company's financial performance. The items below are also typically excluded by securities analysts in their published estimates of the Company's financial results. Adjusted net (loss) income attributable to the stockholders of Teekay is intended to provide additional information and should not be considered a substitute for measures of performance prepared in accordance with GAAP.

	Three Months Ended December 31, 2010 (unaudited)		Year Ended December 31, 2010 (unaudited)	
	$	$ Per Share [(1)]	$	$ Per Share [(1)]
Net income (loss) – GAAP basis	177,614		(166,635)	
Adjust for: Net income attributable to non-controlling interests	(91,707)		(100,652)	
Net income (loss) attributable to stockholders of Teekay	**85,907**	**1.16**	**(267,287)**	**(3.67)**
Add (subtract) specific items affecting net income:				
Unrealized (gains) losses from derivative instruments [(2)]	(208,271)	(2.82)	164,854	2.26
Foreign currency exchange gains [(3)]	(4,186)	(0.06)	(31,983)	(0.44)
Deferred income tax expense on unrealized foreign exchange gains	1,178	0.02	146	-
Restructuring charges[(4)]	5,178	0.07	16,396	0.23
Asset impairments/net loss on vessel sales	24,195	0.33	49,150	0.67
Adjustments to pension accruals[(5)]	(3,723)	(0.05)	(3,723)	(0.05)
Retroactive component of revenue recognized from contract amendment[(6)]	-	-	(59,200)	(0.81)
Loss on bond repurchase (8.875 percent notes due 2011)	-	-	12,645	0.17
Adjustments to carrying value of certain capitalized drydocking expenditures	-	-	7,092	0.10
Non-recurring adjustments to tax accruals	(2,500)	(0.03)	2,415	0.02
Other[(7)]	1,812	0.02	2,551	0.04
Non-controlling interests' share of items above	62,607	0.85	(14,104)	(0.19)
Total adjustments	(123,710)	(1.67)	146,239	2.00
Adjusted net loss attributable to stockholders of Teekay	**(37,803)**	**(0.51)**	**(121,048)**	**(1.67)**

(1) Fully diluted per share amounts.
(2) Reflects the unrealized gains or losses relating to the change in the mark-to-market value of derivative instruments that are not designated as hedges for accounting purposes, including those included in equity income (loss) from joint ventures, and the ineffective portion of foreign currency forward contracts designated as hedges for accounting purposes.
(3) Foreign currency exchange gains and losses primarily relate to the Company's debt denominated in Euros and deferred tax liability denominated in Norwegian Kroner. Nearly all of the Company's foreign currency exchange gains and losses are unrealized.
(4) Restructuring charges relate to crew changes, reflagging of certain vessels, and global staffing changes.
(5) Changes to Norwegian pension legislation resulting in a one-time pension expense reversal.
(6) Reflects the retroactive component of revenue recognized in the nine months ended September 30, 2010 relating to the signing of the *Foinaven* FPSO contract amendment on March 30, 2010.
(7) Relates to write-off of capitalized loan costs upon prepayments of long-term debt, realized loss on embedded derivative settlement, gain on sale of marketable securities and gain on wind-up of a joint venture.

TEEKAY CORPORATION
APPENDIX B – SUPPLEMENTAL FINANCIAL INFORMATION
SUMMARY BALANCE SHEET AS AT DECEMBER 31, 2011
(in thousands of U.S. dollars)
(unaudited)

	Teekay Offshore	Teekay LNG	Teekay Tankers	Teekay Parent	Consolidation Adjustments	Total
ASSETS						
Cash and cash equivalents	179,934	93,627	15,859	402,707	-	692,127
Other current assets	121,274	18,837	8,278	312,514	-	460,903
Restricted cash (current & non-current)	-	495,634	-	4,520	-	500,154
Vessels held for sale	19,000	-	-	-	-	19,000
Vessels and equipment	2,539,949	2,021,123	716,567	2,082,815	-	7,360,454
Advances/conversions on newbuilding contracts	45,637	-	-	462,271	-	507,908
Derivative assets	5,194	155,259	-	4,816	-	165,269
Investment in equity accounted investees	2	191,448	114	61,073	-	252,637
Investment in direct financing lease	50,306	409,541	-	61	-	459,908
Investment in term loans	-	-	116,844	70,000	-	186,844
Other assets	28,538	34,760	11,654	159,486	-	234,438
Advances to affiliates	6,146	11,922	12,578	(30,646)	-	-
Equity investment in subsidiaries	-	-	-	395,209	(395,209)	-
Intangibles and goodwill	148,757	150,047	-	4,477	-	303,281
TOTAL ASSETS	3,144,737	3,582,198	881,894	3,929,303	(395,209)	11,142,923
LIABILITIES AND EQUITY						
Accounts payable and accrued liabilities	99,221	60,030	11,135	332,811	-	503,197
Advances from affiliates	44,922	17,400	4,967	(67,289)	-	-
Current portion of long-term debt	229,365	131,925	1,800	85,536	-	448,626
Current portion of long-term debt - variable interest entity	-	-	-	220,450	-	220,450
Long-term debt	1,799,711	1,830,353	347,100	1,445,181	-	5,422,345
Derivative liabilities	291,393	293,218	24,178	78,090	-	686,879
In-process revenue contracts	126,752	-	115	181,772	-	308,639
Other long-term liabilities	30,333	109,565	3,228	77,860	-	220,986
Redeemable non-controlling interest	38,307	-	-	-	-	38,307
Equity:						
Non-controlling interests [1]	40,645	16,427	-	145,196	1,661,530	1,863,798
Equity attributable to stockholders/ unit holders of publicly listed entities	444,088	1,123,280	489,371	1,429,696	(2,056,739)	1,429,696
TOTAL LIABILITIES AND EQUITY	3,144,737	3,582,198	881,894	3,929,303	(395,209)	11,142,923
NET DEBT [2]	1,849,142	1,373,017	333,041	1,343,940	-	4,899,140

(1) Non-controlling interests in the Teekay Offshore and Teekay LNG columns represent the joint venture partners' share of joint venture net assets. Non-controlling interest in the Consolidation Adjustments column represents the public's share of the net assets of Teekay's publicly-traded subsidiaries.
(2) Net debt represents current and long-term debt less cash and, if applicable, current and long-term restricted cash.

TEEKAY CORPORATION
APPENDIX B – SUPPLEMENTAL FINANCIAL INFORMATION
SUMMARY STATEMENT OF INCOME (LOSS) FOR THE THREE MONTHS ENDED DECEMBER 31, 2011

(in thousands of U.S. dollars)

(unaudited)

	Teekay Offshore	Teekay LNG	Teekay Tankers	Teekay Parent	Consolidation Adjustments	Total
Revenues	238,122	97,253	28,131	190,386	(41,162)	512,730
Voyage expenses	33,011	25	809	6,160	-	40,005
Vessel operating expenses	69,065	22,485	10,694	66,777	-	169,021
Time-charter hire expense	17,406	-	2,436	71,621	(41,162)	50,301
Depreciation and amortization	48,194	24,367	10,811	27,218	-	110,590
General and administrative	18,780	5,455	1,882	27,207	-	53,324
Asset impairments/net (gain) loss on vessel sales	57,882	-	-	(8,037)	-	49,845
Bargain purchase gain	-	-	-	(58,235)	-	(58,235)
Total operating expenses	244,338	52,332	26,632	132,711	(41,162)	414,851
(Loss) income from vessel operations	(6,216)	44,921	1,499	57,675	-	97,879
Net interest expense	(9,605)	(12,026)	(1,224)	(12,028)	-	(34,883)
Realized and unrealized loss on derivative instruments	(19,179)	(8,780)	(807)	(15,503)	-	(44,269)
Income tax recovery (expense)	(4,518)	(3)	-	4,552	-	31
Equity income (loss)	-	8,189	-	(3,218)	-	4,971
Equity in earnings of subsidiaries (1)	-	-	-	5,601	(5,601)	-
Foreign exchange gain (loss)	2,247	10,722	(1)	953	-	13,921
Other – net	171	101	68	10,200	-	10,540
Net (loss) income	(37,100)	43,124	(465)	48,232	(5,601)	48,190
Less: Net (income) loss attributable to non-controlling interests (2)	(4,089)	(2,662)	-	118	6,793	160
Net (loss) income attributable to stockholders/unitholders of publicly-listed entities	**(41,189)**	**40,462**	**(465)**	**48,350**	**1,192**	**48,350**
CASH FLOW FROM VESSEL OPERATIONS (3)	101,593	70,896	12,310	5,104 (4)	-	189,903

(1) Teekay Corporation's proportionate share of the net earnings of its publicly-traded subsidiaries.

(2) Net (income) loss attributable to non-controlling interests in the Teekay Offshore and Teekay LNG columns represent the joint venture partners' share of the net income (loss) of the respective joint ventures. Net (income) loss attributable to non-controlling interest in the Consolidation Adjustments column represents the public's share of the net income (loss) of Teekay's publicly-traded subsidiaries.

(3) Cash flow from vessel operations represents income from vessel operations before depreciation and amortization expense, vessel/goodwill write-downs, gains or losses on the sale of vessels and unrealized gains and losses relating to derivatives, but includes realized gains and losses on the settlement of foreign currency forward contracts. Cash flow from vessel operations is a non-GAAP financial measure used by certain investors to measure the financial performance of shipping companies. Please see the Company's website at www.teekay.com for a reconciliation of this non-GAAP financial measure as used in this release to the most directly comparable GAAP financial measure.

(4) In addition to Teekay Parent's cash flow from vessel operations, Teekay Parent also receives cash dividends and distributions from its daughter public companies. For the three months ended December 31, 2011, Teekay Parent received/will receive daughter company cash dividends and distributions totaling $34.8 million. The dividends and distributions received by Teekay Parent include those made with respect to its general partner interests in Teekay Offshore and Teekay LNG. Please refer to *Appendix D* to this release for further details.

TEEKAY CORPORATION
APPENDIX B – SUPPLEMENTAL FINANCIAL INFORMATION
SUMMARY STATEMENT OF INCOME (LOSS) FOR THE YEAR ENDED DECEMBER 31, 2011
(in thousands of U.S. dollars)

(unaudited)

	Teekay Offshore	Teekay LNG	Teekay Tankers	Teekay Parent	Consolidation Adjustments	Total
Revenues	949,061	379,975	120,997	711,037	(207,288)	1,953,782
Voyage expenses	125,452	1,387	2,697	47,078	-	176,614
Vessel operating expenses	292,175	89,046	42,056	254,410	-	677,687
Time-charter hire expense	74,478	-	4,046	342,943	(207,288)	214,179
Depreciation and amortization	187,710	91,919	43,185	105,794	-	428,608
General and administrative	73,529	24,120	8,609	117,358	-	223,616
Asset impairments/net loss on vessel sales	91,108	-	-	59,951	-	151,059
Bargain purchase gain	-	-	-	(58,235)	-	(58,235)
Goodwill impairment	-	-	13,310	23,342	-	36,652
Restructuring charges	3,924	-	-	1,566	-	5,490
Total operating expenses	848,376	206,472	113,903	894,207	(207,288)	1,855,670
Income (loss) from vessel operations	100,685	173,503	7,094	(183,170)	-	98,112
Net interest expense	(36,238)	(43,193)	(4,128)	(43,967)	-	(127,526)
Realized and unrealized loss on derivative instruments	(159,744)	(63,030)	(11,444)	(108,504)	-	(342,722)
Income tax (expense) recovery	(6,679)	(782)	-	3,171	-	(4,290)
Equity income (loss)	-	20,584	(2)	(55,891)	-	(35,309)
Equity in earnings of subsidiaries (1)	-	-	-	8,944	(8,944)	-
Foreign exchange gain (loss)	1,499	10,310	(33)	878	-	12,654
Other – net	3,606	(37)	(552)	9,343	-	12,360
Net (loss) income	(96,871)	97,355	(9,065)	(369,196)	(8,944)	(386,721)
Less: Net (income) loss attributable (2) to non-controlling interests	(11,348)	(7,278)	-	280	36,151	17,805
Net (loss) income attributable to stockholders/unitholders of publicly-listed entities	**(108,219)**	**90,077**	**(9,065)**	**(368,916)**	**27,207**	**(368,916)**
CASH FLOW FROM VESSEL OPERATIONS (3)	393,986	271,503	63,589	(96,590)(4)	-	632,488

(1) Teekay Corporation's proportionate share of the net earnings of its publicly-traded subsidiaries.
(2) Net (income) loss attributable to non-controlling interests in the Teekay Offshore and Teekay LNG columns represent the joint venture partners' share of the net income (loss) of the respective joint ventures. Net (income) loss attributable to non-controlling interest in the Consolidation Adjustments column represents the public's share of the net income (loss) of Teekay's publicly-traded subsidiaries.
(3) Cash flow from vessel operations represents income from vessel operations before depreciation and amortization expense, vessel/goodwill write-downs, gains or losses on the sale of vessels and unrealized gains and losses relating to derivatives, but includes realized gains and losses on the settlement of foreign currency forward contracts. Cash flow from vessel operations is a non-GAAP financial measure used by certain investors to measure the financial performance of shipping companies. Please see the Company's website at www.teekay.com for a reconciliation of this non-GAAP financial measure as used in this release to the most directly comparable GAAP financial measure.
(4) In addition to Teekay Parent's cash flow from vessel operations, Teekay Parent also receives cash dividends and distributions from its daughter public companies. For the year ended December 31, 2011, Teekay Parent received/will receive daughter company cash dividends and distributions totaling $142.0 million. The dividends and distributions received by Teekay Parent include those made with respect to its general partner interests in Teekay Offshore and Teekay LNG. Please refer to *Appendix D* to this release for further details.

TEEKAY CORPORATION
APPENDIX C – SUPPLEMENTAL FINANCIAL INFORMATION
TEEKAY PARENT SUMMARY OPERATING RESULTS
FOR THE THREE MONTHS ENDED DECEMBER 31, 2011
(in thousands of U.S. dollars)
(unaudited)

Set forth below is a reconciliation of unaudited cash flow from vessel operations, a non-GAAP financial measure, to income from vessel operations as determined in accordance with GAAP, for Teekay Parent's primary operating segments. The Company believes that, in addition to conventional measures prepared in accordance with GAAP, certain investors use this information to evaluate Teekay Parent's financial performance. Disaggregated cash flow from vessel operations for Teekay Parent, as provided below, is intended to provide additional information and should not be considered a substitute for measures of performance prepared in accordance with GAAP.

	Spot Conventional Tanker	Fixed-rate Conventional Tanker	FPSO	Other [1]	Teekay Parent Total
Revenues	34,723	37,045	107,731	10,887	190,386
Voyage expenses	4,699	300	-	1,161	6,160
Vessel operating expenses	7,457	13,257	44,348	1,715	66,777
Time-charter hire expense	40,420	14,823	7,357	9,021	71,621
Depreciation and amortization	5,525	4,967	15,735	991	27,218
General and administrative	7,752	4,345	12,129	2,981	27,207
Asset impairments/net loss (gain) on vessel sales	(15,067)	-	712	6,318	(8,037)
Bargain purchase gain	-	-	(58,235)	-	(58,235)
Total operating expenses	50,786	37,692	22,046	22,187	132,711
(Loss) income from vessel operations	(16,063)	(647)	85,685	(11,300)	57,675
Reconciliation of (loss) income from vessel operations to cash flow from vessel operations					
(Loss) income from vessel operations	(16,063)	(647)	85,685	(11,300)	57,675
Depreciation and amortization	5,525	4,967	15,735	991	27,218
Asset impairments/net loss on vessels	(15,067)	-	712	6,318	(8,037)
Bargain purchase gain	-	-	(58,235)	-	(58,235)
Amortization of in process revenue contracts and other	-	-	(13,502)	-	(13,502)
Unrealized losses from the change in fair value of designated foreign exchange forward contracts	-	105	142	-	247
Realized (losses) gains from the settlements of non-designated foreign exchange forward contracts/bunkers/FFAs	-	(622)	360	-	(262)
CASH FLOW FROM VESSEL OPERATIONS	(25,605)	3,803	30,897	(3,991)	5,104

(1) Results of two chartered-in LNG carriers owned by Teekay LNG and one chartered-in FSO unit owned by Teekay Offshore.

TEEKAY CORPORATION
APPENDIX C – SUPPLEMENTAL FINANCIAL INFORMATION
TEEKAY PARENT SUMMARY OPERATING RESULTS
FOR THE YEAR ENDED DECEMBER 31, 2011
(in thousands of U.S. dollars)
(unaudited)

Set forth below is a reconciliation of unaudited cash flow from vessel operations, a non-GAAP financial measure, to income from vessel operations as determined in accordance with GAAP, for Teekay Parent's primary operating segments. The Company believes that, in addition to conventional measures prepared in accordance with GAAP, certain investors use this information to evaluate Teekay Parent's financial performance. Disaggregated cash flow from vessel operations for Teekay Parent, as provided below, is intended to provide additional information and should not be considered a substitute for measures of performance prepared in accordance with GAAP.

	Spot Conventional Tanker	**Fixed-rate Conventional Tanker**	**FPSO**	**Other [1]**	**Teekay Parent Total**
Revenues	203,055	157,247	303,279	47,456	711,037
Voyage expenses	40,846	965	-	5,267	47,078
Vessel operating expenses	34,852	49,384	164,957	5,217	254,410
Time-charter hire expense	205,604	57,723	37,759	41,857	342,943
Depreciation and amortization	21,118	22,861	59,421	2,394	105,794
General and administrative	35,582	17,304	39,039	25,433	117,358
Asset impairments/net (gain) loss on vessel sales	(206)	58,146	(4,888)	6,899	59,951
Bargain purchase gain	-	-	(58,235)	-	(58,235)
Goodwill impairment	19,294	4,048	-	-	23,342
Restructuring charges	123	16	-	1,427	1,566
Total operating expenses	357,213	210,447	238,053	88,494	894,207
(Loss) income from vessel operations	(154,158)	(53,200)	65,226	(41,038)	(183,170)

Reconciliation of (loss) income from vessel operations to cash flow from vessel operations

	Spot Conventional Tanker	**Fixed-rate Conventional Tanker**	**FPSO**	**Other [1]**	**Teekay Parent Total**
(Loss) income from vessel operations	(154,158)	(53,200)	65,226	(41,038)	(183,170)
Depreciation and amortization	21,118	22,861	59,421	2,394	105,794
Asset impairments/net (gain) loss on vessel sales	(206)	58,146	(4,888)	6,899	59,951
Bargain purchase gain	-	-	(58,235)	-	(58,235)
Goodwill impairment	19,294	4,048	-	-	23,342
Amortization of in process revenue contracts and other	-	-	(45,896)	(2,610)	(48,506)
Unrealized losses from the change in fair value of designated foreign exchange forward contracts	-	130	354	-	484
Realized gains from the settlements of non-designated foreign exchange forward contracts/bunkers/FFAs	-	1,288	4,008	-	5,296
Dropdown predecessor cash flow	-	-	-	(1,544)	(1,544)
CASH FLOW FROM VESSEL OPERATIONS	(113,952)	33,273	19,990	(35,899)	(96,588)

(1) Results of two chartered-in LNG carriers owned by Teekay LNG, one FSO unit owned by Teekay Parent, two newbuilding shuttle tankers delivered in May 2011 and July 2011 and includes one-time pension retirement payment to former President and CEO and non-cash stock-based compensation adjustments.
(2) Represents the cash flow from vessel operations for the nine months ended September 30, 2011 relating to assets acquired from Teekay Parent prior to its acquisition by Teekay Offshore, as this cash flow are excluded from the cash flow from vessel operations of Teekay Offshore.

TEEKAY CORPORATION
APPENDIX D – SUPPLEMENTAL FINANCIAL INFORMATION
TEEKAY PARENT FREE CASH FLOW
(in thousands of U.S. dollars, except for per share/unit amounts)
(unaudited)

Set forth below is an unaudited calculation of Teekay Parent free cash flow for the three months ended December 31, 2011, September 30, 2011, June 30, 2011, March 31, 2011, and December 31, 2010. The Company defines free cash flow, a non-GAAP financial measure, as cash flow from vessel operations attributed to its directly-owned and in-chartered assets, distributions received as a result of ownership interests in its publicly-traded subsidiaries (Teekay LNG, Teekay Offshore, and Teekay Tankers), and its 49 percent ownership interest in Teekay Offshore Operating L.P., through March 8, 2011 when it sold this remaining interest to Teekay Offshore, net of interest expense and drydock expenditures in the respective period. For a reconciliation of Teekay Parent cash flow from vessel operations for the three months ended December 31, 2011 to the most directly comparable financial measure under GAAP please refer to *Appendix B* or *Appendix C* to this release. For a reconciliation of Teekay Parent cash flow from vessel operations to the most directly comparable GAAP financial measure for the three months ended September 30, 2011, June 30, 2011, March 31, 2011, and December 31, 2010, please see the Company's website at www.teekay.com. Teekay Parent free cash flow, as provided below, is intended to provide additional information and should not be considered a substitute for measures of performance prepared in accordance with GAAP.

	Three Months Ended				
	December 31, 2011	**September 30, 2011**	**June 30, 2011**	**March 31, 2011**	**December 31, 2010**
Teekay Parent cash flow from vessel operations	5,104	(32,736)	(27,425)	(41,532)	(21,674)
Daughter company distributions to Teekay Parent [(1)]					
Common shares/units [(2)]					
Teekay LNG Partners	15,881	15,881	15,881	15,881	15,881
Teekay Offshore Partners	11,181	11,181	11,181	11,181	7,030
Teekay Offshore Operating L.P. (OPCO) [(3)]	-	-	-	-	15,000
Teekay Tankers [(4)]	1,772	2,417	3,384	4,028	3,545
Total	28,834	29,479	30,446	31,090	41,456
General partner interest					
Teekay LNG Partners	3,470	3,176	3,176	3,176	2,949
Teekay Offshore Partners	2,488	2,237	2,237	2,212	1,485
Total	5,958	5,413	5,413	5,388	4,434
Total Teekay Parent cash flow before interest and drydock expenditures	39,896	2,156	8,434	(5,054)	24,216
Less:					
Net interest expense [(5)]	(17,280)	(16,920)	(18,012)	(19,214)	(25,855)
Drydock expenditures	(3,659)	(1,811)	(3,040)	(287)	(7,474)
TOTAL TEEKAY PARENT FREE CASH FLOW	18,957	(16,575)	(12,618)	(24,555)	(9,113)

(1) Cash dividend and distribution cash flows are shown on an accrual basis for dividends and distributions declared for the respective period.
(2) Common share/unit dividend and distribution cash flows to Teekay Parent are based on Teekay Parent's ownership on the ex-dividend date for the respective company and period as follows:

	Three Months Ended				
	December 31, 2011	September 30, 2011	June 30, 2011	March 31, 2011	December 31, 2010
Teekay LNG Partners					
Distribution per common unit	$ 0.63	$ 0.63	$ 0.63	$ 0.63	$ 0.63
Common units owned by Teekay Parent	25,208,274	25,208,274	25,208,274	25,208,274	25,208,274
Total distribution	$ 15,881,213	$ 15,881,213	$ 15,881,213	$ 15,881,213	$ 15,881,213
Teekay Offshore Partners					
Distribution per common unit	$ 0.50	$ 0.50	$ 0.50	$ 0.50	$ 0.475
Common units owned by Teekay Parent	22,362,814	22,362,814	22,362,814	22,362,814	14,800,000
Total distribution	$ 11,181,407	$ 11,181,407	$ 11,181,407	$ 11,181,407	$ 7,030,000
Teekay Tankers					
Dividend per share	$ 0.11	$ 0.15	$ 0.21	$ 0.25	$ 0.22
Shares owned by Teekay Parent (4)	16,112,244	16,112,244	16,112,244	16,112,244	16,112,244
Total dividend	$ 1,772,347	$ 2,416,837	$ 3,383,571	$ 4,028,061	$ 3,544,694

(3) Based on 49 percent interest owned directly by Teekay Parent. In March 2011, Teekay sold its remaining 49 percent interest in Teekay Offshore Operating L.P. to Teekay Offshore.

(4) Includes Class A and Class B shareholdings.

(5) Net interest expense includes realized gains and losses on interest rate swaps. Excludes upfront payment of $92.7 million related to interest rate swap resets for the three months ended March 31, 2011 and excludes realized loss of $34.4 million related to early termination of an interest rate swap agreement for the three months ended September 30, 2011.

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: tanker market fundamentals, including the balance of supply and demand in the tanker market and the impact of seasonal factors on spot tanker charter rates; future operating results, including Teekay Parent's cash flows in 2012, cost reductions, related lower cash flow break-even levels, and results of managing the Company's spot exposure; the timing and certainty of the Company's pending acquisition of the *Voyageur* FPSO from Sevan and the estimated remaining cost to complete the *Voyageur* FPSO upgrade; the Teekay LNG-Marubeni Joint Venture's pending acquisition of the Maersk LNG Carriers, including the timing and certainty of closing of the transaction, expected results of the transaction to the Company, the purchase price for such vessels, and the financing associated with the transaction; the expected timing of newbuilding deliveries and in-chartered vessel redeliveries; the future revenue contribution of the *Foinaven* FPSO; off-hire duration, repairs and future operations of the *Banff* FPSO, including expected losses of operating cash flow during 2012 and 2013, and anticipated insurance recoveries relating to damage to the unit; the Company's future capital expenditure commitments and the debt financings that the Company expects to obtain for its remaining unfinanced capital expenditure commitments; and the Company's future business priorities. 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, LNG and LPG, 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 affecting overall vessel 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 or demand for shuttle tankers, FSOs and FPSOs; decreases in oil production by or increased operating expenses for FPSO units; trends in prevailing charter rates for shuttle tanker and FPSO contract renewals; failure to satisfy the closing conditions for the acquisition of the Maersk LNG carriers, including obtaining approvals from the charters and relevant regulatory authorities; obtaining financing for the Maersk LNG carrier transaction; potential delays in repairs to the *Banff* FPSO unit, failure to implement expected vessel operating expense reductions, or challenges to insurance coverage for its storm damage; the potential for early termination of long-term contracts and inability of the Company to renew or replace long-term contracts or complete existing contract negotiations; changes affecting the offshore tanker market; shipyard production delays and cost overruns; changes in the Company's expenses; the Company's future capital expenditure requirements and the inability to secure financing for such requirements; the inability of the Company to complete vessel sale transactions to its public company subsidiaries or to third parties; conditions in the United States capital markets; 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, 2010. 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.

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