

TEEKAY CORPORATION
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

(in thousands of U.S. dollars)

Three Months Ended March 31, 2008					
(unaudited)					
	Offshore Segment	Fixed-Rate Tanker Segment	Liquefied Gas Segment	Spot Tanker Segment	Total
Income from vessel operations	24,303	15,205	24,553	46,861	110,922
Depreciation and amortization	46,074	9,673	14,195	27,765	97,707
Amortization of in process revenue contracts	(18,312)	(136)	-	(2,710)	(21,158)
Unrealized gains on forward freight agreements	-	-	-	(2,193)	(2,193)
Gain on sale of vessels and equipment	-	-	-	(496)	(496)
Cash flow from vessel operations ⁽¹⁾	52,065	24,742	38,748	69,227	184,782

Three Months Ended March 31, 2007					
(unaudited)					
	Offshore Segment	Fixed-Rate Tanker Segment	Liquefied Gas Segment	Spot Tanker Segment	Total
Income from vessel operations	44,890	15,558	15,021	49,985	125,454
Depreciation and amortization	45,722	8,468	10,794	14,279	79,263
Amortization of in process revenue contracts	(23,484)	-	-	-	(23,484)
Cash flow from vessel operations ⁽¹⁾	67,128	24,026	25,815	64,264	181,233

- (1) Cash flow from vessel operations represents income from vessel operations before depreciation and amortization expense and writedown / (gain) on sale of vessels and equipment. Cash flow from vessel operations is included because certain investors use this data to measure a company's financial performance. Cash flow from vessel operations is not required by accounting principles generally accepted in the United States and should not be considered as an alternative to net income or any other indicator of the Company's performance required by accounting principles generally accepted in the United States.

TEEKAY CORPORATION
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES CONTINUED

(in thousands of U.S. dollars)

Three Months Ended March 31, 2008
(unaudited)

	Offshore Segment	Fixed-Rate Tanker Segment	Liquefied Gas Segment	Spot Tanker Segment	Total
Revenues	258,788	60,815	56,132	360,656	736,391
Voyage expenses	(38,901)	(680)	(150)	(128,992)	(168,723)
Net revenues ⁽²⁾	219,887	60,135	55,982	231,664	567,668

Three Months Ended December 31, 2007
(unaudited)

	Offshore Segment	Fixed-Rate Tanker Segment	Liquefied Gas Segment	Spot Tanker Segment	Total
Revenues	257,963	54,398	48,014	312,671	673,046
Voyage expenses	(33,139)	(844)	(23)	(124,909)	(158,915)
Net revenues ⁽²⁾	224,824	53,554	47,991	187,762	514,131

Three Months Ended March 31, 2007
(unaudited)

	Offshore Segment	Fixed-Rate Tanker Segment	Liquefied Gas Segment	Spot Tanker Segment	Total
Revenues	248,875	44,589	37,477	247,454	578,395
Voyage expenses	(28,726)	(560)	(5)	(89,648)	(118,939)
Net revenues ⁽²⁾	220,149	44,029	37,472	157,806	459,456

- (2) Net revenues represents revenues less voyage expenses, which comprise all expenses relating to certain voyages, including bunker fuel expenses, port fees, canal tolls and brokerage commissions. Net revenues is included because certain investors use this data to measure the financial performance of shipping companies. Net revenues is not required by accounting principles generally accepted in the United States and should not be considered as an alternative to revenues or any other indicator of the Company's performance required by accounting principles generally accepted in the United States.