

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

(in thousands of U.S. dollars)

Three Months Ended December 31, 2008
(unaudited)

	Shuttle Tanker Segment	Conventional Tanker Segment	FSO Segment	Total
Income from vessel operations	12,944	11,162	2,171	26,277
Depreciation and amortization	23,247	6,288	5,501	35,036
Unrealized losses from the change in fair value of foreign exchange forward contracts	4,033	-	-	4,033
Amortization of drydock expenditures on in-chartered vessel	264	-	-	264
Amortization of deferred gain	(105)	-	-	(105)
Cash flow from vessel operations ⁽¹⁾	40,383	17,450	7,672	65,505

Three Months Ended December 31, 2007
(unaudited)

	Shuttle Tanker Segment	Conventional Tanker Segment	FSO Segment	Total
Income from vessel operations	16,459	8,085	4,704	29,248
Depreciation and amortization	22,912	5,576	4,985	33,473
Unrealized losses from the change in fair value of foreign exchange forward contracts	427	-	-	427
Amortization of drydock expenditures on in-chartered vessel	744	-	-	744
Amortization of deferred gain	(105)	-	-	(105)
Cash flow from vessel operations ⁽¹⁾	40,437	13,661	9,689	63,787

- (1) Cash flow from vessel operations represents income from vessel operations before depreciation and amortization expense, unrealized gains and losses from the change in fair value of certain foreign exchange forward contracts that do not qualify as effective hedges for accounting purposes that are included in vessel operating expenses or general and administrative expenses, and amortization of deferred gains. 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 United States generally accepted accounting principles and should not be considered as an alternative to net income or any other indicator of the Partnership's performance required by United States generally accepted accounting principles.

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

(in thousands of U.S. dollars)

Three Months Ended December 31, 2008
(unaudited)

	Shuttle Tanker Segment	Conventional Tanker Segment	FSO Segment	Total
Voyage revenues	162,182	38,951	14,996	216,129
Voyage expenses	38,045	12,746	502	51,293
Net voyage revenues ⁽¹⁾	124,137	26,205	14,494	164,836

Three Months Ended December 31, 2007
(unaudited)

	Shuttle Tanker Segment	Conventional Tanker Segment	FSO Segment	Total
Voyage revenues	152,817	33,174	17,987	203,978
Voyage expenses	32,858	10,625	302	43,785
Net voyage revenues ⁽¹⁾	119,959	22,549	17,685	160,193

Year Ended December 31, 2008
(unaudited)

	Shuttle Tanker Segment	Conventional Tanker Segment	FSO Segment	Total
Voyage revenues	650,897	153,199	68,396	872,492
Voyage expenses	169,578	53,722	1,729	225,029
Net voyage revenues ⁽¹⁾	481,319	99,477	66,667	647,463

Year Ended December 31, 2007
(unaudited)

	Shuttle Tanker Segment	Conventional Tanker Segment	FSO Segment	Total
Voyage revenues	590,611	135,922	58,670	785,203
Voyage expenses	114,157	36,594	886	151,637
Net voyage revenues ⁽¹⁾	476,454	99,328	57,784	633,566

- (1) Net voyage revenues represents voyage revenues less voyage expenses where voyage expenses is comprised of all expenses relating to certain voyages, including bunker fuel expenses, port fees, canal tolls and brokerage commissions. Net voyage revenues is a non-GAAP financial measure used by certain investors to measure the financial performance of shipping companies; however, it is not required by United States generally accepted accounting principles and should not be considered as an alternative to voyage revenues or any other indicator of the Partnership's performance required by United States generally accepted accounting principles.