

TEEKAY SHIPPING CORP
Form 6-K
April 21, 2004

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

WASHINGTON, D.C. 20549

FORM 6-K

Report of Foreign Private Issuer

Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934

Date of report: April 21, 2004

TEEKAY SHIPPING CORPORATION

(Exact name of Registrant as specified in its charter)

TK House
Bayside Executive Park
West Bay Street & Blake Road
P.O. Box AP-59212, Nassau, Bahamas
(Address of principal executive office)

[Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F Form 40-F

[Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):_____]

Yes No

[Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):_____]

Yes No

[Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

[If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):82-_____]

Item 1 - Information Contained in this Form 6-K Report

Attached as Exhibit I is a copy of an announcement of Teekay Shipping Corporation (the Company), dated April 21, 2004.

THIS REPORT ON FORM 6-K IS HEREBY INCORPORATED BY REFERENCE INTO THE FOLLOWING REGISTRATION STATEMENTS OF THE COMPANY.

**REGISTRATION STATEMENT ON FORM F-3 (NO. 33-97746) FILED WITH THE SEC ON OCTOBER 4, 1995;
REGISTRATION STATEMENT ON FORM S-8 (NO. 333-42434) FILED WITH THE SEC ON JULY 28, 2000; AND
REGISTRATION STATEMENT ON FORM F-3 (NO. 333-102594) FILED WITH THE SEC ON JANUARY 17, 2003.**

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: April 21, 2004

TEEKAY SHIPPING CORPORATION

By: /s/ Peter Evensen

SIGNATURES

Peter Evensen
Executive Vice President and Chief Financial Officer
(Principal Financial and Accounting Officer)

EXHIBIT I

TEEKAY SHIPPING CORPORATION
TK House, Bayside Executive Park, West Bay Street & Blake Road
P.O. Box AP-59212, Nassau, Bahamas
EARNINGS RELEASE

TEEKAY REPORTS RECORD QUARTERLY EPS OF \$4.37, up 231% ;
ANNOUNCES 2-for-1 STOCK SPLIT

1st Quarter Highlights

- Achieved highest ever net income of \$189.0 million (up 253% from prior year)
- Generated highest ever cash flow from vessel operations of \$262.4 million, of which \$70.3 million was from long-term fixed-rate contracts
- Announced entry into LNG shipping sector through the acquisition of Naviera F. Tapias S.A.

Nassau, The Bahamas, April 21, 2004 - Teekay Shipping Corporation today reported net income of \$189.0 million, or \$4.37 per share, for the quarter ended March 31, 2004, compared to net income of \$53.6 million, or \$1.32 per share, for the quarter ended March 31, 2003. The results for the first quarter of 2003 included \$31.7 million, or \$0.78 per share, in write-downs to the carrying value of certain older vessels and marketable securities. Net voyage revenues for the first quarter of 2004 were \$447.6 million compared to \$212.9 million for the same period in 2003, and income from vessel operations increased to \$208.8 million from \$103.5 million. The higher results for the current quarter are primarily attributable to the increase in spot tanker charter rates, as well as the inclusion of the Navion AS (Navion) fleet since its acquisition in April 2003.

In addition, Teekay's Board of Directors authorized a two-for-one stock split relating to the Company's common stock, which will be effected in the form of a 100% stock dividend. All stockholders of record on May 3, 2004 will receive one additional share of common stock for each share held. The additional shares will be distributed on or about the effective date of May 17, 2004.

The strength of Teekay's business model was clearly demonstrated this quarter with both our spot and fixed-rate segments producing record financial results, commented Bjorn Moller, Teekay's President and Chief Executive Officer. Our decision to increase the size of our spot fleet over the past year allowed our spot tanker segment to generate over \$190 million in cash flow from vessel operations as a result of the very high freight rates during the quarter. Our long-term fixed-rate segment continued its rapid growth, generating over \$70 million in cash flow from vessel operations. Mr. Moller continued, The decision of our Board of Directors to effect a stock split reflects Teekay's future growth prospects and the desire to increase the liquidity of our shares.

Acquisition of Naviera F. Tapias S.A.

On March 16, 2004, Teekay announced that it had entered into a definitive agreement to acquire Naviera F. Tapias S.A. (Tapias), the leading independent owner and operator of liquefied natural gas (LNG) carriers and Suezmax tankers in Spain, for a total enterprise value of approximately \$810 million. The purchase price will include a combination of cash payments and the assumption of existing debt. In addition, Teekay will assume approximately \$540 million in newbuilding commitments, most of which is expected to be fully debt financed prior to the vessel deliveries. Teekay also entered into an agreement with the shareholders of Tapias to establish a 50/50 joint venture that will pursue new business in the oil and gas shipping sectors, focusing specifically on the Spanish market. The transaction will establish Teekay's presence in the high growth LNG shipping sector and position the Company as a key supplier of LNG shipping to Spain, the world's third largest importer of

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LNG.

Tapias fleet includes four LNG carriers (including two newbuildings), all on long-term fixed-rate contracts with Spanish energy companies with an average remaining term of approximately 21 years. The acquisition will further extend Teekay's leading position in the crude oil tanker sector with the addition of Tapias' nine Suezmax tankers (including three newbuildings), five of which are contracted under long-term fixed-rate charters with a major Spanish oil company with an average remaining term of approximately 18 years. Management expects that the acquisition will be immediately accretive to earnings and will add long-term fixed-rate cash flow from vessel operations of approximately \$85 million in 2004 (on an annualized basis) and approximately \$115 million per annum thereafter. The transaction, which is subject to customary closing conditions, is expected to close by April 30, 2004.

Operating Results

The following table highlights certain financial information of the Company's two main segments, the spot tanker segment and the fixed-rate segment (see the Teekay Fleet section of this release for a breakdown of the fleet composition):

<u>(in thousands of U.S. dollars)</u>	<u>Three Months Ended</u> <u>March 31, 2004</u> <u>(unaudited)</u>			<u>Three Mo</u> <u>March</u> <u>(un</u>
	<u>Spot Tanker</u> <u>Segment</u>	<u>Fixed-Rate</u> <u>Segment</u>	<u>Total</u>	<u>Spot Tanker</u> <u>Segment</u>
Net voyage revenues	288,081	159,486	447,567	173,468
Vessel operating expenses	23,453	25,459	48,912	31,613
Time-charter hire expense	59,555	49,110	108,665	12,911
Depreciation & amortization	24,886	28,728	53,614	26,867
Cash flow from vessel operations*	192,055	70,310	262,365	117,355

* Cash flow from vessel operations represents income from vessel operations before depreciation and amortization expense. See reconciliation in Appendix B to this release.

Fixed-Rate Segment

For the quarter ended March 31, 2004, cash flow from vessel operations from the Company's fixed-rate segment increased to \$70.3 million from \$25.3 million for the first quarter of 2003, primarily due to the inclusion of Navion's shuttle tanker operations and the addition of five conventional tankers on long-term fixed-rate charters to ConocoPhillips. Cash flow from vessel operations from the fixed-rate segment was higher than the \$61.0 million generated during the quarter ended December 31, 2003, primarily as a result of:

- The delivery of the AUSTRALIAN SPIRIT (Aframax tanker) and the ASIAN SPIRIT (Suezmax tanker), which immediately commenced service under fixed-rate contracts to ConocoPhillips;
- High shuttle tanker utilization due to typically higher oil production during the winter months; and
- The delivery of the NORDIC BRASILIA (Suezmax shuttle tanker), during the first quarter.

The Company expects its existing fixed-rate segment to generate annualized cash flow from vessel operations of approximately \$285 million by the fourth quarter of 2004. With the acquisition of Tapias, the fixed-rate segment's annualized cash flow from vessel operations is expected to further increase to approximately \$400 million by the end of 2004.

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Spot Tanker Segment

Cash flow from vessel operations for the quarter ended March 31, 2004 from the Company's spot tanker segment increased to \$192.1 million from \$117.4 million in the first quarter of 2003, primarily due to the increase in spot tanker charter rates and the inclusion of Navion's conventional tanker fleet.

The following table highlights the 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	
	March 31, 2004	December 31, 2003 (unaudited)
Spot Tanker Segment		
Very Large Crude Carrier Fleet		
Calendar Days	273	276
TCE per calendar-ship-day	\$71,062	\$46,442
Suezmax Tanker Fleet		
Calendar Days	561	585
TCE per calendar-ship-day	\$65,018	\$34,079
Aframax Tanker Fleet		
Calendar Days	5,122	5,255
TCE per calendar-ship-day	\$40,235	\$25,419
Oil/Bulk/Ore ("OBO") Fleet		
Calendar Days	157	460
TCE per calendar-ship-day	\$20,822	\$16,457
Large Product Tanker Fleet		
Calendar Days	395	199
TCE per calendar-ship-day	\$27,478	\$28,879
Small Product Tanker Fleet		
Calendar Days	847	746
TCE per calendar-ship-day	\$13,510	\$10,929

Tanker Market Overview

Tanker freight rates continued to strengthen during the first quarter of 2004 as a result of strong global oil demand and increased oil supplies from long-haul sources combined with constrained tanker supply growth. During April 2004, tanker rates have declined from the near record levels experienced during the first quarter of 2004, mainly due to seasonal factors, but remain at relatively high levels when compared to historical averages.

Global oil demand, an underlying driver of tanker demand, continued to be strong, averaging 80.3 million barrels per day (mb/d) during the first quarter of 2004, down from 80.8 mb/d in the fourth quarter of 2003, but up 1.1 mb/d compared to the first quarter of 2003. On April 9, 2004, the International Energy Agency raised its forecast for 2004 oil demand to 80.3 mb/d, which would represent an increase of 2.1% over 2003 demand.

Global oil supply grew to 82.1 mb/d in the first quarter of 2004, an increase of 0.5 mb/d from the fourth quarter of 2003. Rising Iraqi exports helped increase OPEC production by 0.3 mb/d while non-OPEC production rose by 0.2 mb/d, led by the former Soviet Union. During the first quarter of 2004, OPEC (excluding Iraq) production averaged approximately 25.9 mb/d, 1.4 mb/d above its quota of 24.5 mb/d announced in November 2003. At its March 31, 2004 meeting, OPEC reiterated its earlier decision to further reduce production quotas by 1.0 mb/d to 23.5 mb/d, effective April 1, 2004, in anticipation of the normal seasonal reduction in oil demand. Market sources indicate that OPEC continues to produce significantly above these stated quotas.

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The size of the world tanker fleet increased to 320.9 million deadweight tonnes (mdwt) as of March 31, 2004, up 1.2% from the end of the previous quarter. Despite the strong tanker rates, deletions in the first quarter of 2004 of 4.0 mdwt exceeded the 3.4 mdwt of tankers scrapped in the previous quarter. Deliveries of tanker newbuildings during the first quarter totaled 7.8 mdwt, up from 5.7 mdwt in the previous quarter.

As at March 31, 2004, the world tanker orderbook stood at 82.3 mdwt, representing 25.6% of the total world tanker fleet compared to 77.7 mdwt, or 24.5%, at the end of the previous quarter.

Teekay Fleet

As at March 31, 2004, Teekay's fleet (excluding vessels managed for third parties and the Tapias fleet) consisted of 152 vessels, including 51 chartered-in vessels and 15 newbuilding tankers on order. During the quarter, the Company took delivery of three newbuildings: the AUSTRALIAN SPIRIT (Aframax tanker) and the ASIAN SPIRIT (Suezmax tanker), which immediately commenced service under fixed-rate contracts to ConocoPhillips; and the NORDIC BRASILIA (Suezmax tanker), which currently is trading in the spot market but is expected to commence its long-term charter to Transpetro by the third quarter of 2004 after conversion to a shuttle tanker. The Company did not sell any vessels during the quarter.

The following is a summary of the Teekay fleet as at March 31, 2004:

	Number of Vessels		
	Owned Vessels	Chartered-in Vessels	Newbuil O
Spot Tanker Segment:			
Very Large Crude Carriers	1	2	
Suezmax Tankers	1	5	
Aframax Tankers (1)	43	15	
Large Product Tankers	-	5	
Small Product Tankers	-	10	
Total Spot Tanker Segment	45	37	
Fixed-Rate Segment:			
Shuttle Tankers (2)	29	13	
Conventional Tankers	8	-	
Floating Storage & Offtake (FSO) Units (3)	3	-	
LPG / Methanol Carriers	1	1	
Total Fixed-Rate Segment	41	14	
Total	86	51	

- (1) Includes one Aframax to be converted to an FSO and scheduled to commence service under a long-term contract during the second quarter of 2004.
- (2) Includes six shuttle tankers of which the Company's ownership interests range from 50% to 65.5%.
- (3) Includes one FSO unit of which the Company's ownership interest is 89%

Liquidity and Capital Expenditures

As at March 31, 2004, the Company had total liquidity of \$786 million, comprising \$304 million in cash and cash equivalents and \$482 million in undrawn medium-term revolving credit facilities.

Excluding the Tapias acquisition, as at March 31, 2004, the Company had approximately \$543 million in remaining capital commitments relating to its 15 newbuildings on order. Of this, approximately \$218 million was due during the remainder of 2004, \$95 million in 2005, \$83

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million in 2006 and \$147 million due in 2007 and early 2008. Long-term financing arrangements totaling approximately \$255 million exist for 8 of the 15 newbuildings on order.

About Teekay

Teekay is the world's leading provider of international crude oil and petroleum product transportation services, transporting more than 10% of the world's sea-borne oil.

With offices in 13 countries, Teekay employs more than 4,700 seagoing and shore-based staff around the world. The Company has earned a reputation for safety and excellence in providing transportation services to major oil companies, oil traders and government agencies worldwide.

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 April 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. A recording of the call will be available until April 29, 2004 by dialing (719) 457-0820, access code 495362, or via the Company's web site until May 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>March 31,</u> <u>2004</u> <u>(unaudited)</u>	<u>Three Months Ended</u> <u>December 31,</u> <u>2003</u> <u>(unaudited)</u>
VOYAGE REVENUES	551,451	451,048
<hr/>		
OPERATING EXPENSES		
Voyage expenses	103,884	110,449
Vessel operating expenses	48,912	57,239
Time-charter hire expense	108,665	102,274
Depreciation and amortization	53,614	52,447
General and administrative	27,625	26,362

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	342,700	348,771
Income from vessel operations	208,751	102,277
Write-down and gain (loss) on sale of vessels	603	(54,048)
Restructuring charge	(762)	(4,414)
Equity income from joint ventures	1,836	3,217
Operating income	210,428	47,032
OTHER ITEMS		
Interest expense	(21,563)	(23,086)
Interest income	1,254	989
Income tax expense	(2,149)	(13,315)
Other - net	1,039	(5,038)
	(21,419)	(40,450)
Net income	189,009	6,582
Earnings per common share		
- Basic	\$4.63	\$0.16
- Diluted	\$4.37	\$0.16
Weighted-average number of common shares outstanding		
- Basic	40,810,396	40,357,275
- Diluted *	43,261,082	41,832,176

*Reflects the effect of outstanding stock options and the \$143.75 million mandatory convertible preferred issue computed using the Treasury Stock Method

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

	<u>As at March 31,</u> <u>2004</u> <u>(unaudited)</u>
ASSETS	
Cash and cash equivalents	304,009
Other current assets	187,032
Marketable securities - long-term	173,311
Vessels and equipment	2,543,376
Advances on newbuilding contracts	80,183
Other assets	218,493
Intangible assets	113,705
Goodwill	130,754
Total Assets	3,750,863
LIABILITIES AND STOCKHOLDERS' EQUITY	
Accounts payable and accrued liabilities	132,898

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Current portion of long-term debt	102,527
Long-term debt	1,467,188
Other long-term liabilities	110,897
Minority interest	15,925
Stockholders' equity	1,921,428
Total Liabilities and Stockholders' Equity	3,750,863

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

	<u>Three Months Ended</u> <u>March 31,</u> <u>2004</u> <u>(unaudited)</u>
Cash and cash equivalents provided by (used for)	
OPERATING ACTIVITIES	
Net cash flow from operating activities	205,192
FINANCING ACTIVITIES	
Net proceeds from long-term debt	413,598
Scheduled repayments of long-term debt	(52,607)
Prepayments of long-term debt	(428,170)
Other	7,894
Net cash flow from financing activities	(59,285)
INVESTING ACTIVITIES	
Expenditures for vessels and equipment	(93,829)
Expenditures for the purchase of Tapias	(30,183)
Proceeds from disposition of assets	5,764
Other	(15,934)
Net cash flow from investing activities	(134,182)
Increase (decrease) in cash and cash equivalents	11,725
Cash and cash equivalents, beginning of the period	292,284
Cash and cash equivalents, end of the period	304,009

TEEKAY SHIPPING CORPORATION
APPENDIX A SUPPLEMENTAL INFORMATION
(in thousands of U.S. dollars)

	<u>Three Months Ended March 31, 2004</u> <u>(unaudited)</u>	
	<u>Spot Tanker</u>	<u>Fixed-Rate</u>

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	<u>Segment</u>	<u>Segment</u>
Net voyage revenues	288,081	159,486
Vessel operating expenses	23,453	25,459
Time-charter hire expense	59,555	49,110
Depreciation and amortization	24,886	28,728
General and administrative	13,018	14,607
Income from vessel operations	167,169	41,582

Three Months Ended December 31, 2003
(unaudited)

	<u>Spot Tanker</u> <u>Segment</u>	<u>Fixed-Rate</u> <u>Segment</u>
Net voyage revenues	192,922	147,677
Vessel operating expenses	30,440	26,799
Time-charter hire expense	54,493	47,781
Depreciation and amortization	24,703	27,744
General and administrative	14,267	12,095
Income from vessel operations	69,019	33,258

Three Months Ended March 31, 2003
(unaudited)

	<u>Spot Tanker</u> <u>Segment</u>	<u>Fixed-Rate</u> <u>Segment</u>
Net voyage revenues	173,468	39,430
Vessel operating expenses	31,613	11,033
Time-charter hire expense	12,911	-
Depreciation and amortization	26,867	12,263
General and administrative	11,589	3,138
Income from vessel operations	90,488	12,996

TEEKAY SHIPPING CORPORATION
APPENDIX B RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
(in thousands of U.S. dollars)

Three Months Ended March 31, 2004
(unaudited)

	<u>Spot Tanker</u> <u>Segment</u>	<u>Fixed-Rate</u> <u>Segment</u>
Income from vessel operations	167,169	41,582
Depreciation and amortization	24,886	28,728

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Cash flow from vessel operations (1)	192,055	70,310
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Three Months Ended March 31, 2003
(unaudited)

	<u>Spot Tanker</u> <u>Segment</u>	<u>Fixed-Rate</u> <u>Segment</u>
Income from vessel operations	90,488	12,996
Depreciation and amortization	26,867	12,263
Cash flow from vessel operations (1)	117,355	25,259

Annualized Projections as at
December 31, 2004
(unaudited)

	<u>Fixed-rate Segment</u> <u>(excluding Tapias)</u>	<u>Fixed-rate Segment</u> <u>(including Tapias)</u>
Income from vessel operations	170,000	245,000
Depreciation and amortization	115,000	155,000
Cash flow from vessel operations (1)	285,000	400,000

Projections for Tapias Fixed-rate Segment
(unaudited)

	<u>Year Ended</u> <u>December 31, 2004</u>	<u>Year Ended</u> <u>December 31, 2005</u>
Income from vessel operations	49,000	75,000
Depreciation and amortization	36,000	40,000
Cash flow from vessel operations (1)	85,000	115,000

- (1) Cash flow from vessel operations represents income from vessel operations before depreciation and amortization expense. 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 SHIPPING CORPORATION
APPENDIX B RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
CONTINUED
(in thousands of U.S. dollars)

Three Months Ended March 31, 2004
(unaudited)

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	<u>Spot Tanker Segment</u>	<u>Fixed-Rate Segment</u>
Voyage revenues	375,856	175,595
Voyages expenses	87,775	16,109

Net voyage revenues (2)	288,081	159,486
=====		

Three Months Ended December 31, 2003
(unaudited)

	<u>Spot Tanker Segment</u>	<u>Fixed-Rate Segment</u>
Voyage revenues	284,572	166,476
Voyages expenses	91,650	18,799

Net voyage revenues (2)	192,922	147,677
=====		

Three Months Ended March 31, 2003
(unaudited)

	<u>Spot Tanker Segment</u>	<u>Fixed-Rate Segment</u>
Voyage revenues	241,717	40,515
Voyages expenses	68,249	1,085

Net voyage revenues (2)	173,468	39,430
=====		

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

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; anticipated annualized cash flow from vessel operations from the Company's fixed-rate segment by the end of 2004; newbuilding delivery dates and the commencement of service under long-term contracts; the impact of the Tapias acquisition to Teekay's earnings, future cash flow from vessel operations and strategic position; the financing requirements for and the closing of the acquisition; the growth prospects of the LNG shipping sector and the joint venture company with the Tapias shareholders; and the anticipated distribution date for the stock split. 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

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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 failure to close the Tapias transaction; 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, 2002. 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.