

Yes _____ No X

[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 November 2, 2005.

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;

REGISTRATION STATEMENT ON FORM F-3 (NO. 333-102594) FILED WITH THE SEC ON JANUARY 17, 2003; AND

REGISTRATION STATEMENT ON FORM S-8 (NO. 333-119564) FILED WITH THE SEC ON OCTOBER 6, 2004

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.

SIGNATURES

TEEKAY SHIPPING CORPORATION

Date: November 2, 2005

By: /s/ Peter Evensen
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 THIRD QUARTER
NET INCOME OF \$42.7 MILLION**

Highlights

- Reported third quarter net income of \$42.7 million, or \$0.52 per share (including specific items that increased net income by \$8.1 million, or \$0.10 per share) ⁽¹⁾
- Increased the quarterly dividend by 51% to \$0.2075 per share
- Repurchased 4.9 million shares for a total cost of \$207.3 million since last reported on July 27, 2005
- Awarded two major long-term LNG projects from Qatar and Indonesia
- Announced proposed sale of three Suezmax tankers to Teekay LNG Partners L.P.

Nassau, The Bahamas, November 2, 2005 Teekay Shipping Corporation (*Teekay* or *the Company*) (NYSE: TK) today reported net income of \$42.7 million, or \$0.52 per share, for the quarter ended September 30, 2005, compared to net income of \$245.3 million, or \$2.77 per share, for the quarter ended September 30, 2004. The results for the quarter ended September 30, 2005 included a number of items that, on a net basis, increased net income by \$8.1 million, or \$0.10 per share, as detailed in *Appendix B* to this release. The results for the third quarter of 2004 included a number of items that, on a net basis, increased net income by \$132.4 million, or \$1.49 per share, also as detailed in *Appendix B* to this release. Net voyage revenues⁽²⁾ for the third quarter of 2005 were \$317.8 million, compared to \$414.1 million for the same period in 2004, and

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income from vessel operations decreased to \$62.2 million from \$194.7 million.

Net income for the nine months ended September 30, 2005 was \$426.3 million, or \$4.99 per share, compared to \$532.9 million, or \$6.12 per share, for the same period last year. The results for the nine months ended September 30, 2005 included a number of items that had the net effect of increasing net income by \$154.6 million, or \$1.81 per share, as detailed in *Appendix B* to this release. The results for the nine months ended September 30, 2004 included a number of items that had the effect of increasing net income by \$135.7 million, or \$1.56 per share, also as detailed in *Appendix B* to this release. Net voyage revenues⁽²⁾ for the nine months ended September 30, 2005 were \$1.12 billion compared to \$1.23 billion in the same period last year, while income from vessel operations decreased to \$463.6 million from \$525.4 million.

Share Repurchase Program

On July 27, 2005, the Company announced that its Board of Directors had authorized a \$250 million increase to the then existing share repurchase program, which had a remaining authorization of approximately \$55 million, for a total authorization at that time of \$305 million. Between July 27, 2005 and November 1, 2005, the Company repurchased under that authorization approximately 4.9 million shares at an average price of \$42.20 per share for a total cost of approximately \$207.3 million.

Since the end of November 2004, when Teekay announced the authorization of its first share repurchase program, Teekay has repurchased a total of approximately 11.8 million shares at an average price of \$42.78 per share for a total cost of approximately \$505.8 million. If the remaining share repurchase authorization of approximately \$98 million is completed at an average price of \$39.44 per share (Teekay's closing share price on November 1, 2005), the Company will have repurchased over 17%, or approximately \$604 million, of the Company's outstanding shares since November 2004.

As at September 30, 2005, the Company had approximately 75,412,000 common shares issued and outstanding.

(1) Please see *Appendix B* to this release for information about specific items affecting net income that securities analysts typically exclude in their published estimates of the Company's financial results.

(2) Net voyage revenues represents voyage revenues less voyage expenses. Net voyage revenues is a non-GAAP financial measure used by certain investors to measure the financial performance of shipping companies. Please see the Company's Web site 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.

Dividend Increase

On September 13, 2005, Teekay announced a 51% increase to its quarterly dividend to a total of \$0.2075 per share. This represents the third consecutive annual increase to the Company's dividend following the 10% increase in 2003 and the 16% increase in 2004. Going forward, the Company will continue to review its dividend in light of future increases in cash distributions Teekay may receive from Teekay LNG Partners L.P. (*Teekay LNG*) and growth in its other business segments.

Operating Results

The following table highlights certain financial information for Teekay's three main segments: the spot tanker segment, the fixed-rate tanker segment, and the fixed-rate LNG segment. Please read the *Teekay's Fleet* section of this release and *Appendix A* for further details about these segments.

	Three Months Ended September 30, 2005 (unaudited)				Three Mo Septembe (unau			
	(in thousands of U.S. dollars)	Spot Tanker Segment	Fixed-Rate Tanker Segment	Fixed-Rate LNG Segment	Total	Spot Tanker Segment	Fixed-Rate Tanker Segment	Fixe L Seg
Net voyage revenues	134,084	159,172	24,503	317,759	237,843	159,033		17,
Vessel operating expenses	15,240	32,102	3,401	50,743	23,457	31,635		3,
Time-charter hire expense	68,089	52,467	-	120,556	71,346	49,552		

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Depreciation & amortization	13,377	29,512	7,522	50,411	24,913	34,739	5,
Cash flow from vessel operations*	28,667	59,633	17,705	106,005	129,460	63,634	12,

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

Fixed-Rate Tanker Segment

The Company's cash flow from vessel operations from its fixed-rate tanker segment decreased from \$63.6 million in the third quarter of 2004 to \$59.6 million in the third quarter of 2005 primarily because of lower utilization of the shuttle tanker fleet due to longer than normal seasonal maintenance of offshore oil facilities and the delayed startup of certain fields in the North Sea.

In October 2005, Teekay signed a short-term contract to provide shuttle tanker services in the Gulf of Mexico on a trial basis to an offshore platform whose pipelines are unable to be utilized because of the recent hurricanes. This is Teekay's first contract to provide shuttle tanker services in the U.S. Gulf and the Company believes that this is the first use of a dynamically-positioned tanker to serve in this capacity in this region.

Teekay has agreed to sell to its publicly-listed subsidiary, Teekay LNG (NYSE: TGP), three Suezmax class crude oil tankers and related long-term fixed-rate charters for an aggregate price of \$180 million. These vessels, the *African Spirit*, *Asian Spirit*, and *European Spirit*, have an average age of two years and are chartered to a subsidiary of ConocoPhillips, an international, integrated energy company. Teekay LNG intends to finance the acquisition with the net proceeds of a proposed public offering of its common units, together with borrowings under its revolving credit facility, cash balances or both. Teekay LNG has filed a registration statement with the U.S. Securities and exchange Commission for the public offering and the acquisition of the vessels will take place upon the completion of the offering.

Fixed-Rate LNG Segment

The Company's cash flow from vessel operations from its fixed-rate LNG segment increased from \$12.9 million in the third quarter of 2004 to \$17.7 million in the third quarter of 2005, primarily due to the delivery of one newbuilding LNG carrier in December 2004. The Company, including Teekay LNG, has ownership interests ranging from 40% to 70% in nine LNG newbuildings scheduled to deliver during the fourth quarter of 2006 and early 2009, all of which upon delivery will commence service under 20 or 25 year fixed-rate contracts with major energy companies.

Spot Tanker Segment

The Company's cash flow from vessel operations from its spot tanker segment decreased to \$28.7 million in the third quarter of 2005 from \$129.5 million in the third quarter of 2004, primarily due to a decrease in spot tanker rates and the sale of a number of older non-double hull vessels during the past 12 months, partially offset by the delivery of newbuildings. On a net basis, these fleet changes reduced the total number of revenue days in the Company's spot tanker segment by 1,741 days, from 7,558 days in the third quarter of 2004 to 5,817 days in the third quarter of 2005. Revenue days represent the total number of calendar days the Company's vessels were in its possession for the periods presented less the total number of off-hire days associated with major repairs, drydockings or special and intermediate surveys.

The Company's spot tanker segment generally includes vessels operating on voyage and period out-charters with an initial term of less than three years. The following table highlights the operating performance of the Company's spot tanker segment measured in net voyage revenue per day, or time-charter equivalent (*TCE*), and includes the effect of forward freight agreements (*FFAs*) which are entered into as hedges against a portion of the Company's exposure to spot market rates:

	Three Months Ended			Nine M
	September 30,	June 30,	September 30,	September 3
	2005	2005	2004	2005

Spot Tanker Segment

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Very Large Crude Carrier Fleet

Revenue days	-	-	202	90
TCE per revenue day	-	-	\$78,455	\$92,744

Suezmax Tanker Fleet

Revenue days	409	577	620	1,526
TCE per revenue day *	\$24,606	\$42,527	\$45,616	\$36,428

Aframax Tanker Fleet

Revenue days	3,430	3,575	5,315	11,326
TCE per revenue day	\$24,846	\$34,496	\$31,729	\$33,529

Oil/Bulk/Ore Fleet

Revenue days	-	-	-	-
TCE per revenue day	-	-	-	-

Large/Medium-Size Product Tanker Fleet

Revenue days	975	782	558	2,404
TCE per revenue day	\$27,355	\$28,508	\$23,484	\$28,964

Small Product Tanker Fleet

Revenue days	1,003	996	863	2,948
TCE per revenue day	\$12,088	\$15,148	\$13,896	\$14,513

* Results for the nine months ended September 30, 2005 for the Company's Suezmax tankers include realized losses from FFAs of \$3.0 million (or \$1,989 per revenue day). Results for the three and nine months ended September 30, 2004 for the Company's Suezmax tankers include realized losses from FFAs of \$1.9 million (or \$3,130 per revenue day) and \$4.1 million (or \$2,228 per revenue day), respectively. Results for the three months ended June 30, 2005 for the Company's Suezmax tankers include realized losses from FFAs of \$0.8 million (or \$1,460 per revenue day). The FFAs relating to the Suezmax tankers were entered into as a hedge against one of the Company's Suezmax tankers that is chartered-in at a fixed rate, thus effectively locking in a profit.

Tanker Market Overview

During the third quarter of 2005, tanker freight rates continued to follow their traditional seasonal pattern, declining from the very high levels experienced earlier this year. However, subsequent to the end of the third quarter, Aframax tanker rates have surged to levels not experienced since the record highs achieved in the fourth quarter of 2004, with charter rates earned on several Aframax routes exceeding rates earned by larger ships. Hurricane related production disruptions and refinery outages in the U.S. Gulf led to increased distance over which crude oil and product imports had to be carried therefore leading to higher tonne-mile demand, particularly for crude and product tankers.

Global oil demand, an underlying driver of tanker demand, averaged 82.4 million barrels per day (*mb/d*) during the third quarter of 2005, an increase of 0.5 *mb/d* over the previous quarter and 0.7 *mb/d*, or 0.9%, higher than the third quarter of 2004. During the quarter, the International Energy Agency (*IEA*) reduced its annual global oil demand growth forecast for 2005 by 0.3 *mb/d*, primarily due to the economic impact of high energy prices and hurricane-related disruptions in the United States. However, the outlook for the fourth quarter of 2005 remains firm with global oil demand estimated to be 3.1 *mb/d*, or 3.8%, higher than the third quarter of 2005 and 1.7 *mb/d*, or 2.0%, higher than the fourth quarter of 2004. For 2006, the IEA did not revise its forecast for a further increase in oil demand of 1.7 *mb/d*, or 2.1%, from 2005 levels, to 85.2 *mb/d*.

Global oil supply, a direct driver of tanker demand, averaged 84.3 *mb/d* during the third quarter of 2005, which was virtually unchanged from the second quarter of 2005, but 1.0 *mb/d* higher than the third quarter of 2004. Long-haul Middle East OPEC oil production rose by 0.4 *mb/d* in the third quarter of 2005 from the previous quarter, while non-OPEC production declined by 0.6 *mb/d* as a result of the U.S. Gulf production outages and scheduled summer field maintenance in the North Sea.

The size of the world tanker fleet rose to 348.9 million deadweight tonnes (*mdwt*) as of September 30, 2005, up 3.3 *mdwt*, or 1.0%, from the end of the previous quarter. Deletions aggregated 3.1 *mdwt* in the third quarter of 2005, up from 2.1 *mdwt* in the previous quarter. Deliveries of tanker newbuildings during the third quarter of 2005 declined to 6.4 *mdwt* from 6.8 *mdwt* delivered during the previous quarter.

As of September 30, 2005, the world tanker orderbook stood at 87.5 *mdwt*, representing 25.1% of the world tanker fleet, compared to 88.9 *mdwt*, or 25.8%, as of June 30, 2005.

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Teekay's Fleet

At September 30, 2005, Teekay's fleet consisted of 146 vessels, including 52 chartered-in vessels and 16 newbuildings on order. During the third quarter of 2005, the Company sold an older single-hulled Aframax tanker and took delivery of two newbuildings: an Aframax-sized product tanker (LRII), which is currently trading in the spot market, and one Suezmax tanker owned by Teekay LNG, which commenced service under a 20-year fixed-rate charter contract.

The following table summarizes Teekay's fleet as of September 30, 2005:

	Number of Vessels (1)		
	Owned Vessels	Chartered-in Vessels	Newb on
Spot Tanker Segment:			
Suezmax Tankers	1	4	
Aframax Tankers	26	14	
Large / Medium-Range Product Tankers	1	8	
Small Product Tankers	-	11	
Total Spot Tanker Segment	28	37	
Fixed-Rate Tanker Segment:			
Shuttle Tankers (2)	28	13	
Conventional Tankers (3)	13	1	
Floating Storage & Offtake Units (4)	4	-	
LPG / Methanol Carriers	1	1	
Total Fixed-Rate Tanker Segment	46	15	
Fixed-Rate LNG Segment (5)	4	-	
Total	78	52	

(1) Excludes vessels managed on behalf of third parties.

(2) Includes six shuttle tankers of which the Company's ownership interests range from 50% to 50.5%.

(3) Includes five Suezmax tankers owned by subsidiaries of Teekay LNG.

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

(5) The four existing LNG vessels are owned by Teekay LNG; Teekay LNG has agreed to acquire Teekay's 70% interest in three of the LNG newbuildings; and the remaining six LNG newbuildings (of which Teekay's owns a 70% interest in two vessels and a 40% interest in four vessels) will be offered to Teekay LNG in accordance with existing agreements.

In October 2005, the Company sold and delivered a 1981-built shuttle tanker for gross proceeds of approximately \$10 million. The Company expects to record a gain of approximately \$4 million relating to the sale of this vessel during the fourth quarter of 2005.

For a detailed listing of vessel sales and deliveries, please refer to the Company's Web site at www.teekay.com.

Liquidity and Capital Expenditures

At September 30, 2005, the Company had total liquidity of over \$1.1 billion, comprising \$252.9 million in cash and cash equivalents and \$886.3 million in undrawn medium-term revolving credit facilities.

At September 30, 2005, the Company had approximately \$1.0 billion in remaining capital commitments relating to its portion of newbuildings on order, for which the Company has arranged long-term financing. Of this total amount, approximately \$129.7 million is due during the fourth

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quarter of 2005, \$235.0 million in 2006, \$435.6 million in 2007 and \$207.6 million in 2008 and early 2009. Of these remaining capital commitments, approximately \$766.9 million is for the Company's portion of installment payments relating to LNG newbuildings.

About Teekay

Teekay Shipping transports more than 10 percent of the world's seaborne oil and, together with its publicly-listed subsidiary Teekay LNG Partners L.P., has a significant presence in the liquefied natural gas shipping sector. With a fleet of over 145 tankers, offices in 15 countries and 5,500 seagoing and shore-based employees, Teekay is a leading provider of marine services to the world's leading oil and gas companies, helping them seamlessly link their upstream energy production to their downstream processing operations. Teekay's reputation for safety, quality and innovation has earned it a position with its customers as The Marine Midstream Company.

Teekay's common stock trades on the New York Stock Exchange under the symbol **TK**.

Earnings Conference Call

The Company plans to host a conference call at 11:00 a.m. EST (8:00 a.m. PST) on November 3, 2005, to discuss the Company's results and the outlook for its business activities. All shareholders and interested parties are invited to listen to the live conference call and view the Company's earnings presentation through the Company's Web site at www.teekay.com. The Company currently plans to make available a recording of the call until November 10, 2005 by dialing (719) 457-0820, access code 9851974, or via the Company's Web site until December 3, 2005.

For Investor Relations enquiries contact:

Scott Gayton
Tel: +1 (604) 844-6654

For Media enquiries contact:

Kim Barbero
Tel: +1 (604) 609-4703

Web site: www.teekay.com

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>September 30,</u> <u>2004</u> <u>(unaudited)</u>	<u>Nine Months</u> <u>September 30,</u> <u>2005</u> <u>(unaudited)</u>
	<u>September 30,</u>	<u>June 30,</u>		
	<u>2005</u> <u>(unaudited)</u>	<u>2005</u> <u>(unaudited)</u>		
VOYAGE REVENUES	425,594	480,140	520,612	1,423,145
OPERATING EXPENSES				
Voyage expenses	107,835	98,296	106,466	304,660
Vessel operating expenses	50,743	51,341	58,199	156,524
Time-charter hire expense	120,556	124,454	120,898	353,592
Depreciation and amortization	50,411	50,306	64,802	154,800
General and administrative	40,455	40,179	29,050	114,332
Write-down / (gain) on sale of vessels and equipment	(6,576)	(15,894)	(53,512)	(124,323)
Restructuring charge	-	-	-	-

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	363,424	348,682	325,903	959,585
Income from vessel operations	62,170	131,458	194,709	463,560
OTHER ITEMS				
Interest expense	(29,599)	(33,319)	(35,225)	(100,615)
Interest income	8,254	8,426	5,900	24,910
Income tax recovery (expense)	2,005	555	(8,066)	11,877
Equity income from joint ventures	854	2,884	2,535	6,565
Gain on sale of marketable securities	-	-	90,070	-
Other - net	(1,009)	(5,435)	(4,591)	19,993
	(19,495)	(26,889)	50,623	(37,270)
Net income	42,675	104,569	245,332	426,290
Earnings per common share				
- Basic	\$0.55	\$1.31	\$2.94	\$5.34
- Diluted *	\$0.52	\$1.23	\$2.77	\$4.99
Weighted-average number of common shares outstanding				
- Basic	77,104,662	79,953,740	83,317,200	79,872,761
- Diluted *	82,559,885	85,314,815	88,718,531	85,395,369

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

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

	<u>As at September 30,</u> <u>2005</u> <u>(unaudited)</u>
ASSETS	
Cash and cash equivalents	252,851
Other current assets	205,387
Restricted cash - current	95,612
Vessels held for sale	4,296
Restricted cash - long-term	302,397
Vessels and equipment	3,236,665
Advances on newbuilding contracts	337,358
Other assets	308,464
Intangible assets	258,109
Goodwill	171,563
Total Assets	5,172,702
LIABILITIES AND STOCKHOLDERS' EQUITY	
Accounts payable and accrued liabilities	168,108
Current portion of long-term debt	241,587
Long-term debt	2,140,072
Other long-term liabilities	171,280
Minority interest	219,070

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Stockholders' equity	2,232,585
Total Liabilities and Stockholders' Equity	5,172,702

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

	<u>Nine Months</u> <u>September</u> <u>2005</u> <u>(unaudited)</u>
Cash and cash equivalents provided by (used for)	
OPERATING ACTIVITIES	
Net operating cash flow	428,877
FINANCING ACTIVITIES	
Net proceeds from long-term debt	1,702,431
Scheduled repayments of long-term debt	(63,994)
Prepayments of long-term debt	(1,981,349)
Repurchase of common stock	(369,047)
Net proceeds from the initial public offering of Teekay LNG	135,713
Settlement of interest rate swaps	(143,295)
Other	61,507
Net financing cash flow	(658,034)
INVESTING ACTIVITIES	
Expenditures for vessels and equipment	(306,595)
Purchase of Teekay Shipping Spain S.L.	-
Proceeds from sale of vessels and equipment	454,729
Proceeds from sale of marketable securities	-
Other	(93,163)
Net investing cash flow	54,971
Decrease in cash and cash equivalents	(174,186)
Cash and cash equivalents, beginning of the period	427,037
Cash and cash equivalents, end of the period	252,851

TEEKAY SHIPPING CORPORATION
APPENDIX A - SEGMENT INFORMATION

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(in thousands of U.S. dollars)

<u>Three Months Ended September 30, 2005</u>			
<u>(unaudited)</u>			
	Spot Tanker Segment	Fixed-Rate Tanker Segment	Fixed-Rate LNG Segment
Net voyage revenues	134,084	159,172	24,503
Vessel operating expenses	15,240	32,102	3,401
Time-charter hire expense	68,089	52,467	-
Depreciation and amortization	13,377	29,512	7,522
General and administrative	22,088	14,970	3,397
Write-down / (gain) on sale of vessels and equipment	(8,687)	2,111	-
Income from vessel operations	23,977	28,010	10,183

<u>Three Months Ended June 30, 2005</u>			
<u>(unaudited)</u>			
	Spot Tanker Segment	Fixed-Rate Tanker Segment	Fixed-Rate LNG Segment
Net voyage revenues	185,212	171,856	24,776
Vessel operating expenses	16,068	31,453	3,820
Time-charter hire expense	72,280	52,174	-
Depreciation and amortization	12,684	30,099	7,523
General and administrative	23,310	13,607	3,262
Write-down / (gain) on sale of vessels and equipment	(26,147)	10,253	-
Income from vessel operations	87,017	34,270	10,171

<u>Three Months Ended September 30, 2004</u>			
<u>(unaudited)</u>			
	Spot Tanker Segment	Fixed-Rate Tanker Segment	Fixed-Rate LNG Segment
Net voyage revenues	237,843	159,033	17,270
Vessel operating expenses	23,457	31,635	3,107
Time-charter hire expense	71,346	49,552	-
Depreciation and amortization	24,913	34,739	5,150
General and administrative	13,580	14,212	1,258
Gain on sale of vessels	(49,821)	(3,691)	-
Income from vessel operations	154,368	32,586	7,755

TEEKAY SHIPPING CORPORATION
APPENDIX A - SEGMENT INFORMATION

(in thousands of U.S. dollars)

	<u>Nine Months Ended September 30, 2005</u> <u>(unaudited)</u>		
	Spot Tanker Segment	Fixed-Rate Tanker Segment	Fixed-Rate LNG Segment
Net voyage revenues	556,084	488,905	73,496
Vessel operating expenses	49,115	95,845	11,564
Time-charter hire expense	206,585	147,007	-
Depreciation and amortization	41,927	90,306	22,567
General and administrative	63,723	41,010	9,599
Write-down / (gain) on sale of vessels and equipment	(131,803)	7,480	-
Income from vessel operations	326,537	107,257	29,766

	<u>Nine Months Ended September 30, 2004</u> <u>(unaudited)</u>		
	Spot Tanker Segment	Fixed-Rate Tanker Segment	Fixed-Rate LNG Segment
Net voyage revenues	728,889	476,584	25,154
Vessel operating expenses	70,663	85,469	4,744
Time-charter hire expense	191,271	144,866	-
Depreciation and amortization	75,775	95,960	7,527
General and administrative	38,679	41,813	1,999
Gain on sale of vessels	(50,874)	(3,691)	-
Restructuring charge	1,002	-	-
Income from vessel operations	402,373	112,167	10,884

TEEKAY SHIPPING CORPORATION
APPENDIX B - SPECIFIC ITEMS AFFECTING NET INCOME
(in thousands of U.S. dollars, except per share data)

Set forth below are some of the significant items of income and expense that affected the Company

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for the three and nine months ended September 30, 2005, which securities analysts typically expect. The following table summarizes the Company's published estimates of the Company's financial results:

	<u>Three Months Ended</u> <u>September 30, 2005</u> <u>(unaudited)</u>		<u>N</u>
	<u>\$</u>	<u>Per</u> <u>Share</u>	<u>Se</u>
Gain on sale of vessels	8,619	0.10	136,
Foreign currency exchange gains (1)	2,763	0.03	45,
Deferred income tax recovery on unrealized foreign exchange losses (2)	97	-	10,
Write off of capitalized loan costs and loss on termination of interest rate swaps (3)	-	-	(15,
Write down of vessels and equipment (4)	(2,043)	(0.02)	(12,
Loss on bond repurchases (8.875% Notes due 2011) (5)	(1,334)	(0.02)	(10,
Total	8,102	0.10	154,

	<u>Three Months Ended</u> <u>September 30, 2004</u> <u>(unaudited)</u>		<u>S</u>
	<u>\$</u>	<u>Per</u> <u>Share</u>	<u>S</u>
Gain on sale of vessels	53,512	0.60	54,
Gain on sale of marketable securities	90,070	1.02	93,
Foreign currency exchange losses (1)	(5,575)	(0.06)	(10,
Deferred income tax recovery (expense) on unrealized foreign exchange losses (gains) (2)	(4,284)	(0.09)	
Restructuring charge and write down of other assets	(580)	(0.01)	(1,
Loss on bond repurchases (8.32% Notes)	(716)	(0.01)	(
Total	132,427	1.49	135,

- (1) Foreign currency exchange gains and losses (net of minority owner's share) 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.
- (2) Deferred income tax recovery (expense) relating to unrealized foreign exchange losses (gains) on intercompany debt.
- (3) In connection with the initial public offering of Teekay LNG Partners L.P., the Company repaid \$337.3 million of debt and terminated certain related interest rate swap contracts.
- (4) The Company wrote-down the carrying value of certain offshore equipment due to a lower estimated net realizable value.
- (5) During the three and nine months ended September 30, 2005, the Company repurchased \$8.3 million and \$65.1 million, respectively, of its 8.875% bonds due 2011 at a premium to their book value.

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; the Company's future capital expenditure commitments and the financing requirements for such commitments; the Company's share repurchase program; the sale of three Suezmax tankers and related time charters to Teekay LNG; the offers to Teekay LNG of Teekay's interests in LNG projects; and the timing of newbuilding deliveries. The following factors are among those that could cause actual results to differ materially from the forward-looking statements, which involve risks and uncertainties, and that should be considered in evaluating any such statement: changes in production of or demand for oil, petroleum products and LNG, either generally or in particular regions; greater or less than anticipated levels of tanker newbuilding orders or greater or less than anticipated rates of tanker scrapping; changes in trading patterns significantly 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; 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; the Company's and Teekay LNG's potential inability to raise financing to purchase additional vessels; the potential inability to repurchase the Company's shares under its share repurchase program; 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, 2004. 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.