TEEKAY CORP
Form 6-K
November 26, 2008

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: November 25, 2008
Commission file number 1- 12874
TEEKAY CORPORATION
(Exact name of Registrant as specified in its charter)
4th Floor
Belvedere Building
69 Pitts Bay Road
Hamilton, HM08 Bermuda
(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 þ Form 40-F o

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 o No þ

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 o No þ

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 o No þ

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 Corporation dated November 25, 2008.

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.

TEEKAY CORPORATION

Date: November 25, 2008

By: /s/ Vincent Lok
Vincent Lok
Executive Vice President and Chief Financial Officer
(Principal Financial and Accounting Officer)

TEEKAY CORPORATION
4th Floor, Belvedere Building, 69 Pitts Bay Road
Hamilton, HM 08, Bermuda

NEWS RELEASE

TEEKAY CORPORATION REPORTS PRELIMINARY RESTATED HISTORICAL RESULTS

Highlights

Teekay Corporation has substantially completed its previously announced financial restatement.

As anticipated, there is no impact from any restatement adjustments on the Company s actual cash flows or liquidity in any period.

All restatement adjustments are non-cash in nature and do not affect the economics of the Company.

The Company will host a conference call on Tuesday, November 25, 2008 to discuss its preliminary restated results and key elements of its financial position and outlook.

Hamilton, Bermuda, November 25, 2008 Teekay Corporation (*Teekay or the Company*) (NYSE: TK) today reported preliminary results for its previously announced financial restatement, including results for fiscal years 2003 through 2007 and the first and second quarters of 2008, to adjust for:

its accounting treatment for certain derivative transactions under the Statement of Financial Accounting Standards No. 133, *Accounting for Derivative Instruments and Hedging* (*SFAS 133*), as more fully discussed below under Restatement for Accounting under SFAS 133 ; and

its financial statement presentation for the Company s interests in the RasGas joint ventures, whereby certain assets and liabilities have been grossed-up for accounting presentation purposes, as more fully discussed below under Restatement for Gross-up Presentation of RasGas Joint Ventures and Other.

In addition, the Company is currently finalizing the review of an outstanding item pertaining to the timing of the expense recognition relating to the Company s long-term incentive program. As such, all restated results included in this release, including results for fiscal years 2003 through 2007 and the first and second quarters of 2008, should be considered preliminary, subject to finalization of the review of the Company s long-term incentive program and completion of Ernst & Young LLP s procedures associated with the Company s restated financial statements. Any adjustments relating to expense accruals related to the Company s long-term incentive program will be non-cash in nature and will not impact the total cost of the program.

It is important to emphasize that adjustments to the Company s preliminary reported net income as a result of these restatements are due to changes in the Company s accounting treatment only and have no impact on the Company s actual cash flows, stated Vince Lok, Teekay Corporation s Chief Financial Officer. Any adjustments to net income as a result of the change in the Company s hedge accounting are exclusively due to unrealized gains or losses from the change in the mark-to-market value of our derivative instruments at the end of each reporting period, which have no cash impact. The change in the Company s hedge accounting treatment does not affect the economics of our hedging transactions.

Mr. Lok continued, In addition, the gross-up of assets and liabilities related to the Company s RasGas joint venture interests, which came into scope as a result of the Company s detailed and thorough restatement audit, does not impact stockholders equity and does not result in any change to the Company s net exposure in these joint ventures.

A summary of financial information reflecting the preliminary restatement adjustments for the three and six months ended June 30, 2008 and 2007 is presented below. Appendix C to this release provides a summary of the impact of the preliminary restatements on reported net income for the fiscal years ended December 31, 2003 through 2007. Please see Information on SEC Filings below for information about the Company s upcoming filings with the U.S. Securities and Exchange Commission (*SEC*) relating to the restatements.

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Summary of Preliminary Restated Second Quarter 2008 Results

The tables below summarize the impact of the preliminary restatements on previously reported net income, and net income excluding specific items which are detailed in Appendix A[(1)] to this release, for the three and six months ended June 30, 2008 and 2007. The restatement adjustments are all non-cash in nature and, thus, have no impact on net income excluding the specific items in Appendix A[(1)]. Details of the preliminary restatement adjustments for each of the three and six month periods ended June 30, 2008 and 2007 are included in the summary financial statements provided in this release.

	Three Months Ended June 30, 2008 [(2)]			
		Adjustments		
(in thousands of U.S. dollars)	**As Previously Reported (unaudited)**	**Derivative Instruments (3) (unaudited)**	**Gross-Up Presentation and Other (4) (unaudited)**	**As Preliminarily Restated (unaudited)**
Net Income	104,467	75,191	2,903	182,561
Appendix A Items [(1)]	(27,390)	(75,191)	(2,903)	(105,484)
Net Income excluding Appendix A Items	77,077			77,077

	Three Months Ended June, 2007[(2)]			
		Adjustments		
(in thousands of U.S. dollars)	**As Previously Reported (unaudited)**	**Derivative Instruments (3) (unaudited)**	**Gross-Up Presentation and Other (4) (unaudited)**	**As Preliminarily Restated (unaudited)**
Net Income	78,411	90,426	154	168,991
Appendix A Items [(1)]	(10,752)	(90,426)	(154)	(101,332)
Net Income excluding Appendix A Items	67,659			67,659

For the three months ended June 30, 2008, the Company now preliminarily reports net income of $182.6 million, (or $2.49 per share), compared to net income of $169.0 million, (or $2.24 per share), for the same period last year. The results for the three months ended June 30, 2008 and 2007 include a number of specific items which have the net effect of increasing net income by $105.5 million (or $1.44 per share) and $101.3 million (or $1.34 per share), respectively, as detailed in Appendix A to this release. Net revenues[(5)] for the second quarter of 2008 increased to $579.9 million from $443.2 million for the same period in 2007, and income from vessel operations decreased to $97.6 million from $127.0 million for such periods.

(1) Appendix A to this release lists specific items affecting net

income which are typically excluded by securities analysts in their published estimates of the Company s financial results.

(2) The Company is currently reviewing the accounting for its long-term incentive program. This review may result in additional accrual adjustments which are not reflected in the preliminary results included in this release.

(3) Please refer to Restatement for Accounting under SFAS 133 included in this release.

(4) Please refer to Restatement for Gross-up Presentation of RasGas Joint Ventures and Other included in this release.

(5) Net revenues represents revenues less voyage expenses. 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 web site 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 United States generally accepted accounting principles (GAAP).

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(in thousands of U.S. dollars)	As Previously Reported (unaudited)	Six Months Ended June 30, 2008 (1) Adjustments Derivative Instruments (2) (unaudited)	Gross-Up Presentation and Other (3) (unaudited)	As Preliminarily Restated (unaudited)
Net Income	119,645	(46,000)	2,270	75,915
Appendix A Items (4)	18,177	46,000	(2,270)	61,907
Net Income excluding Appendix A Items	137,822			137,822

(in thousands of U.S. dollars)	As Previously Reported (unaudited)	Six Months Ended June 30, 2007(1) Adjustments Derivative Instruments (2) (unaudited)	Gross-Up Presentation and Other (3) (unaudited)	As Preliminarily Restated (unaudited)
Net Income	154,786	102,110	(864)	256,032
Appendix A Items (4)	(3,383)	(102,110)	864	(104,629)
Net Income excluding Appendix A Items	151,403			151,403

Preliminary net income for the six months ended June 30, 2008 is now $75.9 million, (or $1.03 per share), compared to $256.0 million, (or $3.42 per share), for the same period last year. The results for the six months ended June 30, 2008 and 2007 include a number of specific items which have the net effect of decreasing net income by $61.9 million (or $0.85 per share) and increasing net income by $104.6 million (or $1.40 per share), respectively, as detailed in Appendix A to this release. Net revenues(5) for the six months ended June 30, 2008 increased to $1.2 billion from $904.0 million for the same period in 2007, and income from vessel operations decreased to $219.1 million from $258.0 million for the such periods.

Since the preliminary restatement adjustments are all non-cash in nature, they have no impact on the Company s cash dividends. On October 7, 2008, the Company declared a 15 percent increase to its quarterly cash dividend to $0.31625 per share for the three months ended September 30, 2008. The dividend was paid on October 31, 2008, to all shareholders of record on October 17, 2008.

<u>Further Information Regarding Restatement Items</u>

Restatement for Accounting under SFAS 133

On August 7, 2008, the Company announced that it would restate its historical financial statements to adjust its accounting treatment for certain derivative transactions under SFAS 133. This restatement adjusts for certain interest rate swap agreements, foreign exchange forward contracts, freight forward agreements and synthetic time charters that did not qualify for hedge accounting treatment under SFAS 133 as aspects of the Company s hedge documentation did not meet the strict technical requirements of the standard.

(1) The Company is currently reviewing the accounting for its long-term incentive program. This review may result in additional accrual adjustments which are not reflected in the preliminary results included in this release.

(2) Please refer to Restatement for Accounting under SFAS 133 included in this release.

(3) Please refer to Restatement for Gross-up Presentation of RasGas Joint Ventures and Other included in this release.

(4) Appendix A to this release lists specific items affecting net income which are typically excluded by securities analysts in their published estimates of the Company s financial results.

(5) Net revenues represents revenues less voyage expenses. 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 web site 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 United States generally accepted accounting principles (GAAP).

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Accordingly, the Company has now recognized changes in the fair value of these derivatives through the statement of income (loss) rather than directly to stockholders equity on the balance sheet. This restatement, which is non-cash in nature, has resulted in adjustments to Teekay s previously reported net income, but does not affect the economics of any hedging transactions nor the Company s actual cash flows or liquidity. The Company believes that the applicable derivative transactions were consistent with its risk management policies and that its overall hedging strategy continues to be sound.

The Company has decided to discontinue the use of hedge accounting for its derivative instruments, except for certain foreign currency forward contracts. As a result, the unrealized gains and losses due to the change in the fair values of its non-designated derivative instruments will be reflected as increases or decreases to the Company s net income going forward. This change will not impact the economics of these hedging transactions nor the Company s actual cash flows or liquidity in any future period.

Restatement for Gross-up Presentation of RasGas Joint Ventures and Other

Subsequent to the release of its preliminary second quarter financial results in August 2008, the Company reviewed and revised its financial statement presentation of debt and interest rate swap agreements related to its joint venture interests in the three RasGas II and four RasGas 3 LNG carriers. As a result, certain of the Company s assets and liabilities have been grossed up for accounting presentation purposes. These adjustments, which do not affect the Company s net income, net cash flows, liquidity or stockholders equity in any period, are described below. All of the RasGas II and RasGas 3 LNG carriers have now been delivered and are currently operating under long-term, fixed-rate contracts.

In January 2006, the Company entered into a sale and 30-year leaseback arrangement pertaining to shipbuilding contracts for its 70 percent interest in the three RasGas II LNG carriers. In accordance with Emerging Issues Task Force Issue 97-10, *The Effect of Lessee Involvement in Asset Construction*, the Company has now recorded on its December 31, 2006 balance sheet the accumulated construction cost of these vessels and related capital lease obligations for the period subsequent to the RasGas II sale-leaseback transaction as the Company retained certain construction period risks. This adjustment does not impact the accounting treatment for these vessels in any period following their delivery in the first quarter of 2007. The Company has restated its consolidated balance sheet as at December 31, 2006 to record the accumulated cost of approximately $295 million for these vessels under construction, and related capital lease obligations.

Through a wholly-owned subsidiary, the Company owns a 40 percent interest in the four RasGas 3 LNG carriers. The joint venture partner, a wholly-owned subsidiary of Qatar Gas Transport Company, owns the remaining 60 percent interest. Both wholly-owned subsidiaries are joint and several co-borrowers with respect to the RasGas 3 term loan and related interest rate swap agreements. Previously, the Company recorded 40 percent of the RasGas 3 term loan and interest rate swap agreements in its financial statements. As the Company is a joint and several borrower, it has now made adjustments to its balance sheet to reflect 100 percent of the RasGas 3 term loan and interest rate swap agreements, as well as offsetting increases in assets, for the fourth quarter of 2006 through the second quarter of 2008. The Company has also made an adjustment to its statement of income to reflect 100 percent of the interest expense on the RasGas 3 term loan with an offsetting amount to interest income from its loan to the joint venture. These adjustments do not result in any increase to the Company s net exposure in these joint ventures.

The Company has also restated certain other items primarily relating to amounts attributable to minority interests.

Information on SEC Filings

More detailed financial information relating to the restatements will be included in the amended Form 20-F/A for the year ended December 31, 2007 (certain financial information will be included for annual fiscal periods from 2003 through 2007), in the amended Form 6-K/A for the quarter ended March 31, 2008 and in the Form 6-K for the quarter ended June 30, 2008, which the Company will file with or furnish to, as applicable, the SEC and make available on its website at www.teekay.com once the final restatement has been completed. For a summary of the impact of the preliminary restatements on reported net income for the fiscal years ended December 31, 2003 through 2007, please refer to Appendix C of this release.

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About Teekay

Teekay Corporation transports more than 10 percent of the world s seaborne oil, has built a significant presence in the liquefied natural gas shipping sector through its publicly-listed subsidiary, Teekay LNG Partners L.P. (NYSE: TGP), is further growing its operations in the offshore oil production, storage and transportation sector through its publicly-listed subsidiary, Teekay Offshore Partners L.P. (NYSE: TOO), and continues to expand its conventional tanker business through its publicly-listed subsidiary, Teekay Tankers Ltd. (NYSE: TNK). With a fleet of approximately 190 vessels, offices in 22 countries and 6,400 seagoing and shore-based employees, Teekay provides a comprehensive set 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 is listed on the New York Stock Exchange where it trades under the symbol TK .

Conference Call

The Company plans to host a conference call at 11:00 a.m. ET on Tuesday, November 25, 2008, to discuss the Company s preliminary restated results. In addition, the Company will take the opportunity to discuss key elements of its financial position and outlook. All shareholders and interested parties are invited to listen to the live conference call at www.teekay.com or by dialing (866) 322-1159, or (416) 640-3404 if outside North America, and quoting confirmation code 1428377. The Company plans to make available a recording of the conference call until midnight December 2, 2008 by dialing (888) 203-1112 or (647) 436-0148, and entering access code 1428377, or via the Company s web site until December 24, 2008.

An investor presentation to accompany this conference call will be made available on the Company s web site at www.teekay.com prior to the start of the call.

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TEEKAY CORPORATION
SUMMARY PRELIMINARY RESTATED CONSOLIDATED STATEMENT OF INCOME[1]
(in thousands of U.S. dollars, except share and per share data)

	Three Months Ended June 30, 2008			
		Adjustments		
	As Previously Reported (unaudited)	Derivative Instruments [2] (unaudited)	Gross-Up Presentation and Other [3] (unaudited)	As Restated (unaudited)
REVENUES [4]	790,530	(21,131)		769,399
OPERATING EXPENSES [5]				
Voyage expenses [6]	190,859	(1,344)		189,515
Vessel operating expenses	158,948	522		159,470
Time-charter hire expense	142,702	(20)		142,682
Depreciation and amortization	106,700			106,700
General and administrative	69,899	1,841		71,740
Gain on sale of vessels and equipment	(2,925)			(2,925)
Restructuring charge	4,617			4,617
Total operating expenses	670,800	999		671,799
Income from vessel operations	119,730	(22,130)		97,600
OTHER ITEMS				
Interest (expense) gain [7]	(25,398)	143,691	(4,331)	113,962
Interest income (loss) [7]	16,703	(23,183)	4,331	(2,149)
Income tax recovery (expense)	10,160	(559)	1,600	11,201
Equity loss from joint ventures	(2,063)			(2,063)
Foreign currency exchange gain (loss) [5]	958	(2,765)		(1,807)
Minority interest (expense) income	(20,951)	(19,174)	1,303	(38,822)
Other net	5,328	(689)		4,639
Total other items	(15,263)	97,321	2,903	84,961
Net income	104,467	75,191	2,903	182,561
Earnings per common share				
- Basic	$ 1.44			$ 2.52
- Diluted	$ 1.43			$ 2.49

Weighted average number of common shares outstanding:		
- Basic	72,377,684	72,377,684
- Diluted	73,279,213	73,279,213

(1) The Company is currently reviewing the accounting for its long-term incentive program. This review may result in additional accrual adjustments which are not reflected in the preliminary results included in this release.

(2) Please refer to Restatement for Accounting under SFAS 133 included in this release.

(3) Please refer to Restatement for Gross-up Presentation of RasGas Joint Ventures and Other included in this release.

(4) Revenues have been restated to reflect the unrealized loss due to changes in the mark-to-market value of non-designated freight forward agreements (FFAs) and synthetic time charters (STCs) that do not qualify as effective hedges for accounting

purposes. FFAs and STCs are agreements put in place to economically hedge a portion of the Company s exposure to changes in spot tanker charter rates.

(5) Vessel operating expenses, time-charter hire expense, general and administrative and foreign currency exchange gain (loss) have been restated to reflect the unrealized gains or losses due to changes in the mark-to-market value of non-designated foreign exchange forward contracts that do not qualify as effective hedges for accounting purposes.

(6) Voyage expenses have been restated to reflect the unrealized gain due to changes in the mark-to-market value of non-designated bunker fuel swap contracts that do not qualify as effective hedges for accounting purposes. Bunker fuel swap contracts are used as

economic hedges to protect against changes in forecasted bunker fuel costs for certain time-chartered-out vessels and for vessels servicing certain contracts of affreightment.

(7) Adjustments to interest (expense) gain and interest income (loss) reflect the unrealized gains and losses from the change in fair value of certain interest rate swap agreements that do not qualify as effective hedges for accounting purposes.

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TEEKAY CORPORATION
SUMMARY PRELIMINARY RESTATED CONSOLIDATED
STATEMENT OF INCOME (LOSS)[1]
(in thousands of U.S. dollars, except share and per share data)

	Three Months Ended March 31, 2008			
		Adjustments		
	As Previously Reported (unaudited)	Derivative Instruments (2) (unaudited)	Gross-Up Presentation and Other (3) (unaudited)	As Restated (unaudited)
REVENUES (4)	736,391	6,981		743,372
OPERATING EXPENSES (5)				
Voyage expenses (6)	168,723	738		169,461
Vessel operating expenses	145,443	(2,394)		143,049
Time-charter hire expense	144,921	(437)		144,484
Depreciation and amortization	97,707			97,707
General and administrative	67,671	(1,515)		66,156
Gain on sale of vessels and equipment	(496)			(496)
Restructuring charge	1,500			1,500
Total operating expenses	625,469	(3,608)		621,861
Income from vessel operations	110,922	10,589		121,511
OTHER ITEMS				
Interest expense (7)	(87,188)	(190,429)	(4,631)	(282,248)
Interest income (7)	18,359	37,619	4,631	60,609
Income tax recovery (expense)	(2,726)	243		(2,483)
Equity loss from joint ventures	(3,609)			(3,609)
Foreign currency exchange loss (5)	(29,483)	(2,509)		(31,992)
Minority interest (expense) income	3,472	23,721	(633)	26,560
Other net	5,431	(425)		5,006
Total other items	(95,744)	(131,780)	(633)	(228,157)
Net income (loss)	15,178	(121,191)	(633)	(106,646)
Earnings (loss) per common share				
- Basic	$ 0.21			($1.47)
- Diluted	$ 0.21			($1.47)

Weighted average number of common shares outstanding:		
- Basic	72,644,397	72,644,397
- Diluted	73,435,167	72,644,397

(1) The Company is currently reviewing the accounting for its long-term incentive program. This review may result in additional accrual adjustments which are not reflected in the preliminary results included in this release.

(2) Please refer to Restatement for Accounting under SFAS 133 included in this release.

(3) Please refer to Restatement for Gross-up Presentation of RasGas Joint Ventures and Other included in this release.

(4) Revenues have been restated to reflect the unrealized gain due to changes in the mark-to-market value of non-designated freight forward agreements (FFAs) and synthetic time charters (STCs) that do not qualify as effective hedges

for accounting purposes. FFAs and STCs are agreements put in place to economically hedge a portion of the Company s exposure to changes in spot tanker charter rates.

(5) Vessel operating expenses, time-charter hire expense, general and administrative and foreign currency exchange loss have been restated to reflect the unrealized gains or losses due to changes in the mark-to-market value of non-designated foreign exchange forward contracts that do not qualify as effective hedges for accounting purposes.

(6) Voyage expenses have been restated to reflect the unrealized loss due to changes in the mark-to-market value of non-designated bunker fuel swap contracts that do not qualify as effective hedges for accounting purposes. Bunker fuel swap contracts are used as

economic hedges to protect against changes in forecasted bunker fuel costs for certain time-chartered-out vessels and for vessels servicing certain contracts of affreightment.

(7) Adjustments to interest expense and interest income reflect the unrealized gains and losses from the change in fair value of certain interest rate swap agreements that do not qualify as effective hedges for accounting purposes.

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TEEKAY CORPORATION
SUMMARY PRELIMINARY RESTATED CONSOLIDATED STATEMENT OF INCOME[1]
(in thousands of U.S. dollars, except share and per share data)

	Three Months Ended June 30, 2007			
		Adjustments		
	As Previously Reported (unaudited)	Derivative Instruments [2] (unaudited)	Gross-Up Presentation and Other[3] (unaudited)	As Restated (unaudited)
REVENUES [4]	566,127	(391)		565,736
OPERATING EXPENSES [5]				
Voyage expenses [6]	123,554	(1,046)		122,508
Vessel operating expenses	108,851	(4,948)		103,903
Time-charter hire expense	101,247	(289)		100,958
Depreciation and amortization	68,095			68,095
General and administrative	58,358	(3,467)		54,891
Gain on sale of vessels and equipment	(11,613)			(11,613)
Restructuring charge				
Total operating expenses	448,492	(9,750)		438,742
Income from vessel operations	117,635	9,359		126,994
OTHER ITEMS				
Interest (expense) gain [7]	(64,158)	137,193	(4,079)	68,956