

- a decrease of \$25.3 million related to the *Petrojarl Foinaven* FPSO unit, primarily due to lower production, an increase in shutdown days for maintenance, and lower tariff revenue earned in 2019; and
- a decrease of \$3.1 million related to the *Sevan Hummingbird* FPSO unit, primarily due to lower tariff revenue earned in 2019 as a result of lower oil prices and lower production in 2019. This was partially offset by lower depreciation as a result of a write-down of the unit in the third quarter of 2019.

Teekay Parent – Other and Corporate G&A

Loss from vessel operations for Other and Corporate G&A was \$10.9 million for the year ended December 31, 2019 compared to loss from vessel operations of \$14.4 million for the year ended December 31, 2018, primarily due to a decrease in corporate expenses and the redelivery of the two in-chartered LNG carriers to Teekay LNG in 2018, partially offset by the termination of certain contracts for managing drybulk vessels.

Teekay Parent – Equity Income

Equity income was \$0.1 million for the year ended December 31, 2019, compared to equity income of \$13.2 million for the year ended December 31, 2018. The change was primarily due to the sale of Teekay Parent's 43.5% ownership interest in Magnora ASA (or *Magnora*) in November 2018.

Equity-Accounted Investment in Altera

Recent Developments in Altera

In May 2019, we sold to Brookfield all of our remaining interests in Altera, which included our 49% general partner interest, common units, warrants, and an outstanding \$25 million loan from us to Altera, for total proceeds of \$100 million.

Prior to the sale in May 2019 of our remaining interests in Altera to Brookfield, we accounted for our investment in Altera's general partner and common units using the equity method. We recognized equity losses from Altera of \$75.8 million for the year ended December 31, 2019 (\$6.9 million – year ended December 31, 2018). Included in that amount for 2019 was a write-down of our investment in Altera of \$64.9 million and a loss on sale of Altera of \$8.9 million. The equity loss for the year ended December 31, 2018 includes our proportionate share of write-downs of two of Altera's FPSO units totaling \$9.4 million and gains on Altera's settlement with Petrobras in relation to the previously-terminated charter contracts of the *HiLoad DP* unit and *Arendal Spirit* UMS of \$12.9 million.

Other Consolidated Operating Results

The following table compares our other consolidated operating results for 2019 and 2018:

(in thousands of U.S. dollars, except percentages)	Year Ended December 31,	
	2019	2018
Interest expense	(279,059)	(254,126)
Interest income	7,804	8,525
Realized and unrealized losses on non-designated derivative instruments	(13,719)	(14,852)
Foreign exchange (loss) gain	(13,574)	6,140
Loss on deconsolidation of Altera	—	(7,070)
Other loss	(14,475)	(2,013)
Income tax expense	(25,482)	(19,724)

Interest expense. Interest expense increased to \$279.1 million in 2019, compared to \$254.1 million in 2018, primarily due to:

- an increase of \$29.9 million primarily to the commencement of Teekay LNG's finance lease obligations upon the deliveries of the *Myrina*, *Megara* and *Yamal Spirit* LNG carriers and an increase in debt balance to pay for the final newbuilding installments on the *Bahrain Spirit* and *Sean Spirit* LNG carrier newbuilding deliveries;
- an increase of \$6.7 million primarily due to the additional interest expense incurred by Teekay Tankers with respect to three sale-leaseback financing transactions completed in September 2018, November 2018 and May 2019; and
- an increase of \$6.3 million due to decreases in capitalized interest in Teekay LNG in 2019 as a result of vessels delivered during 2018 and 2019;

partially offset by

- net decrease of \$13.8 million as a result of the repurchase of the 8.5% senior notes (or the *2020 Notes*), partially offset by an increase in debt issuance cost amortization and the higher interest rate for the 9.25% senior secured notes due November 2022 (or the *2022 Notes*) issued by Teekay Parent in May 2019 (please read "Item 18 – Financial Statements: Note 9 – Long-Term Debt"); and