



TEEKAY LNG PARTNERS L.P.



First Quarter 2012 Earnings Presentation

May 18, 2012



NYSE : TGP

www.teekaylng.com

Forward Looking Statements

This presentation 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 Partnership's future growth opportunities; the Partnership's financial position, including available liquidity; and the Partnership's ability to secure additional growth opportunities. 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: availability of LNG shipping, floating storage regasification and other growth opportunities; changes in production of LNG or LPG, either generally or in particular regions; development of LNG and LPG projects; 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; the potential for early termination of long-term contracts of existing vessels in the Teekay LNG fleet and inability of the Partnership to renew or replace long-term contracts; the Partnership's ability to raise financing to purchase additional vessels or to pursue other projects; changes to the amount or proportion of revenues, expenses, or debt service costs denominated in foreign currencies; and other factors discussed in Teekay LNG Partners' filings from time to time with the SEC, including its Report on Form 20-F for the fiscal year ended December 31, 2011. The Partnership expressly disclaims any obligation to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Partnership's expectations with respect thereto or any change in events, conditions or circumstances on which any such statement is based.

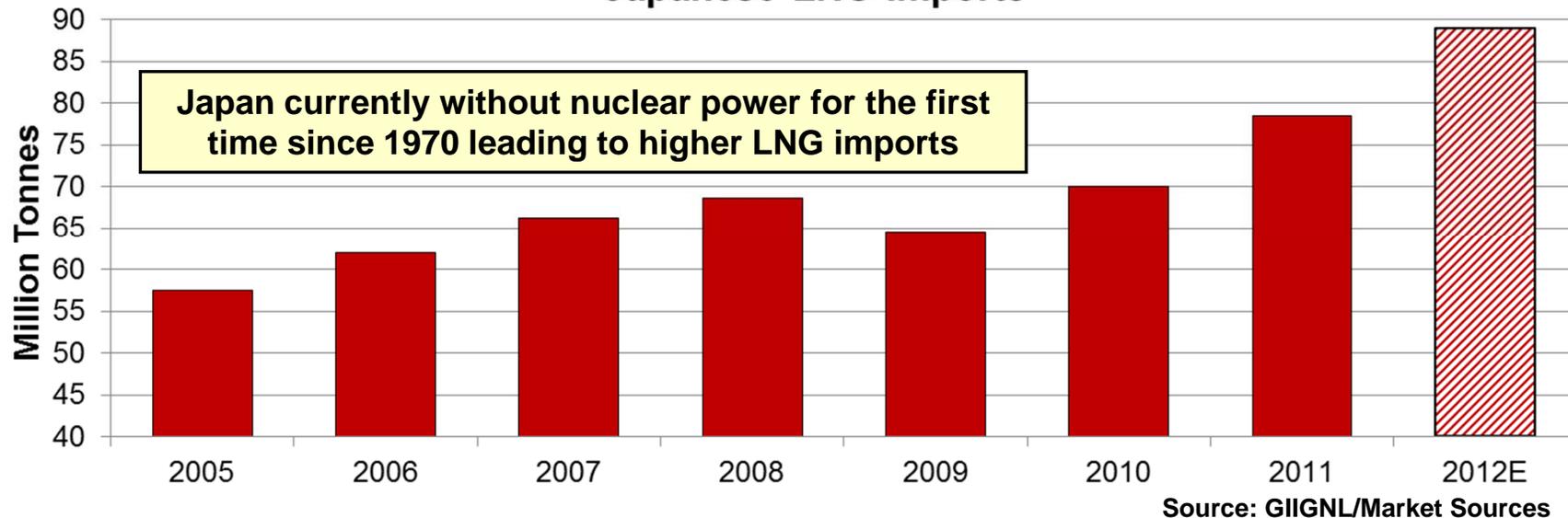
Recent Highlights

- » Generated distributable cash flow of \$50.8 million in Q1-12, up 30% from \$39.1 million in Q1-11
- » Completed \$1.3 billion Maersk LNG acquisition in late-February through TGP-Marubeni joint venture
- » Increased Q1-12 distribution by 7% to \$0.675 per unit
- » Completed NOK 700 million (USD125 million), 5-year unsecured Norwegian bond offering in May 2012
- » increases TGP liquidity to ~\$440 million



Gas Business Update

Japanese LNG Imports



Liquefied Gas Industry Outlook

- » Japanese LNG imports up 24% y-o-y in Q1-12
 - All Japanese nuclear plants currently offline
- » LNG shipping rates are in steep backwardation
 - \$140k+ per day for short-term charters;
~\$80-90k per day for medium-term business
- » Rates outlook for 2012 positive on strong demand growth / limited fleet growth

Teekay's Gas Activity

- » Took delivery of final Angola LNG carrier in January 2012, completing latest LNG newbuilding program
- » One LNG vessel available for new contract in 2013
- » Actively reviewing additional project and acquisition opportunities

Adjusted Operating Results for Q1 2012 vs. Q4 2011

Teekay LNG Partners L.P. Adjusted Net Income (unaudited)	Three Months Ended			Three Months Ended	
	March 31, 2012			December 31, 2011	
(in thousands of US dollars)	As Reported	Appendix A Items (1)	Reclass for Realized Gains/Losses on Derivatives (2)	TGP Adjusted Income Statement	TGP Adjusted Income Statement
NET VOYAGE REVENUES					
Voyage revenues	99,216	-	(32)	99,184	97,213
Voyage expenses	343	-	-	343	25
Net voyage revenues	98,873	-	(32)	98,841	97,188
OPERATING EXPENSES					
Vessel operating expense	20,531	-	-	20,531	22,485
Depreciation and amortization	24,633	-	-	24,633	24,367
General and administrative	7,116	-	-	7,116	5,455
Total operating expenses	52,280	-	-	52,280	52,307
Income from vessel operations	46,593	-	(32)	46,561	44,881
OTHER ITEMS					
Interest expense	(12,798)	-	(14,188)	(26,986)	(29,018)
Interest income	932	-	5,109	6,041	7,197
Realized and unrealized (loss) gain on derivative instruments	(15,903)	6,792	9,111	-	-
Foreign exchange (loss) gain	(9,668)	9,668	-	-	-
Equity income	17,048	(4,811)	-	12,237	8,866
Other income - net	475	-	-	475	98
Total other items	(19,914)	11,649	32	(8,233)	(12,857)
Net income	26,679	11,649	-	38,328	32,024
Less: Net (income) attributable to Non-controlling interest	(1,948)	(777)	-	(2,725)	(2,270)
NET INCOME ATTRIBUTABLE TO THE PARTNERS	24,731	10,872	-	35,603	29,754

(1) See Appendix A to the Partnership's Q1-12 earnings release for description of Appendix A items.

(2) Reallocating the realized gains/losses to their respective line as if hedge accounting had applied. Please refer to footnote (1) to the Summary Consolidated Statements of Income in the Q1-12 earnings release.

Distributable Cash Flow and Cash Distribution

	Three Months Ended 31-Mar-12 (unaudited)	Three Months Ended 31-Mar-11 (unaudited)
Net income:	26,679	29,737
Add:		
Depreciation and amortization	24,633	22,349
Partnership's share of equity accounted joint ventures' DCF before estimated maintenance capital expenditures	16,828	7,863
Unrealized foreign exchange loss	9,668	21,033
Unrealized loss (gain) on derivatives and other non-cash items	7,586	(19,427)
Less:		
Estimated maintenance capital expenditures	(12,716)	(11,168)
Equity income	(17,048)	(8,057)
Non-cash tax (recovery) expense	(412)	617
Distributable Cash Flow before Non-controlling interest	55,218	42,947
Non-controlling interests' share of DCF before estimated maintenance capital expenditures	(4,450)	(3,866)
Distributable Cash Flow	50,768	39,081
Total Distributions	49,303	40,571
Coverage Ratio	1.03x	0.96x

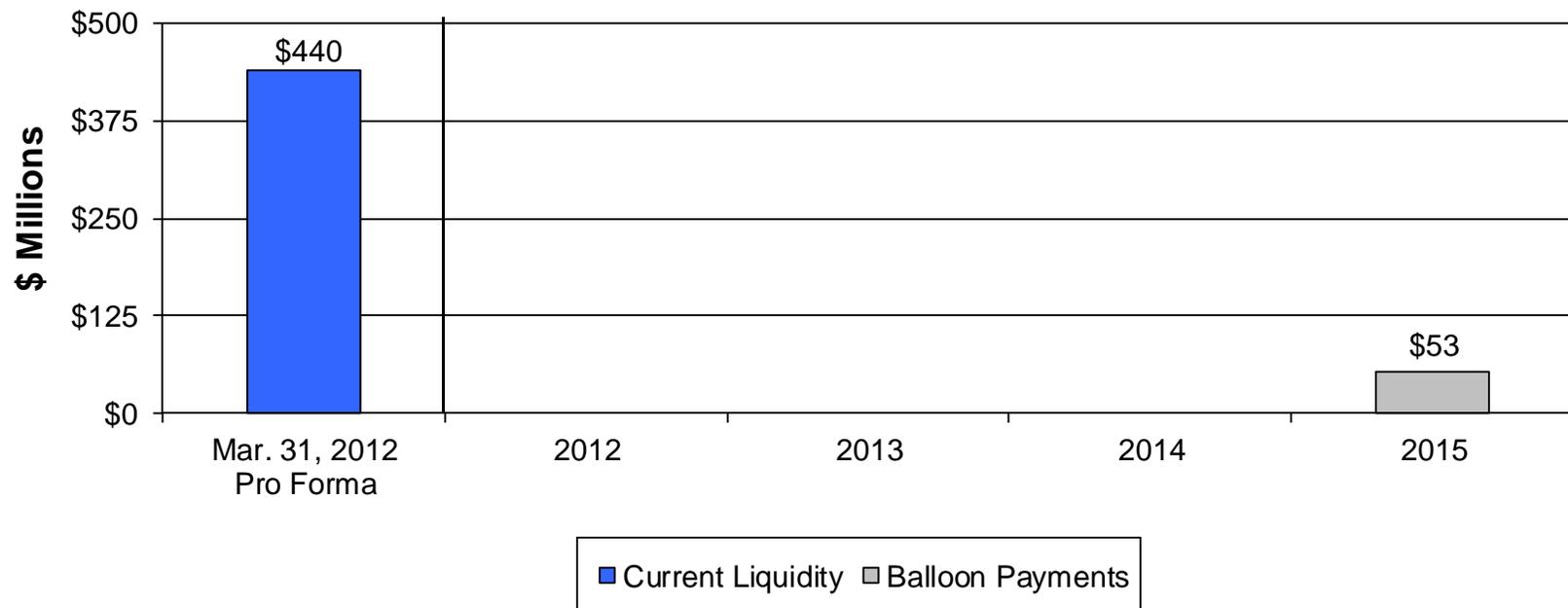
A

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Teekay LNG – Strong Credit Profile

- » Total liquidity of ~\$440 million at March 31, 2012, including USD 125 million of proceeds from for May 2012 NOK bond offering
- » No loan covenant concerns
- » No near-term maturities



Note: Future balloon payments are based on amounts drawn as at March 31, 2012

2012 Investor Day



Save the Date

We cordially invite you to attend the Teekay Group of Companies 2012 Investor Day in New York.

The senior management team will present the strategy, market outlook and financial position for Teekay Corporation, Teekay LNG Partners, Teekay Offshore Partners and Teekay Tankers Ltd.

Please mark this date in your calendar. Further event details to follow.

For more information or to schedule a one-on-one meeting after the presentation contact Emily Yee at + 1 604 609 6437 emily.yee@teekay.com

WHEN

Monday, June 18, 2012

1:00 – 1:30 pm Lunch

1:30 – 5:00 pm Presentations

WHERE

The Waldorf = Astoria

301 Park Avenue, New York