TEEKAY PARTNERS

Peter Evensen, CEO

Teekay Offshore Partners and Teekay LNG Partners

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 prospects; the offers of shuttle tankers, FSOs and FPSOs and associated contracts from Teekay to Teekay Offshore; the potential for Teekay to offer to Teekay Offshore additional limited partner interests in OPCO; and the Partnership's exposure to foreign currency fluctuations, particularly in Norwegian Kroner. 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 offshore oil, either generally or in particular regions; 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 and inability of the Partnership or OPCO to renew or replace long-term contracts; the failure of Teekay to offer additional interests in OPCO to Teekay Offshore; the Partnership's ability to raise financing to purchase additional vessels and/or interests in OPCO; changes to the amount or proportion of revenues, expenses, or debt service costs denominated in foreign currencies; and other factors discussed in the Registration Statement of Teekay Offshore Partners L.P. on Form F-1 dated December 13, 2006. The Partnership 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 Partnership's expectations with respect thereto or any change in events, conditions or circumstances on which any such statement is based.

Teekay Offshore's Investment Highlights

- ***Built-in acquisition growth*** – visible opportunities to make accretive acquisitions
- ***Substantial organic growth opportunities*** – rapidly expanding offshore oil sector
- ***Leading market position*** – integral part of offshore oil production chain
- ***Stable cash flows*** – diverse portfolio of long-term, fixed-rate contracts with major energy companies

Opportunity to Co-Invest in Teekay's Offshore Oil Business

TEEKAY OFFSHORE PARTNERS L.P.

NYSE: TOO

IPO Date: Dec. 13, 2006

Current Price/unit: $30.40

Current Dist'n/unit: $1.40

Teekay Offshore's Investment Highlights

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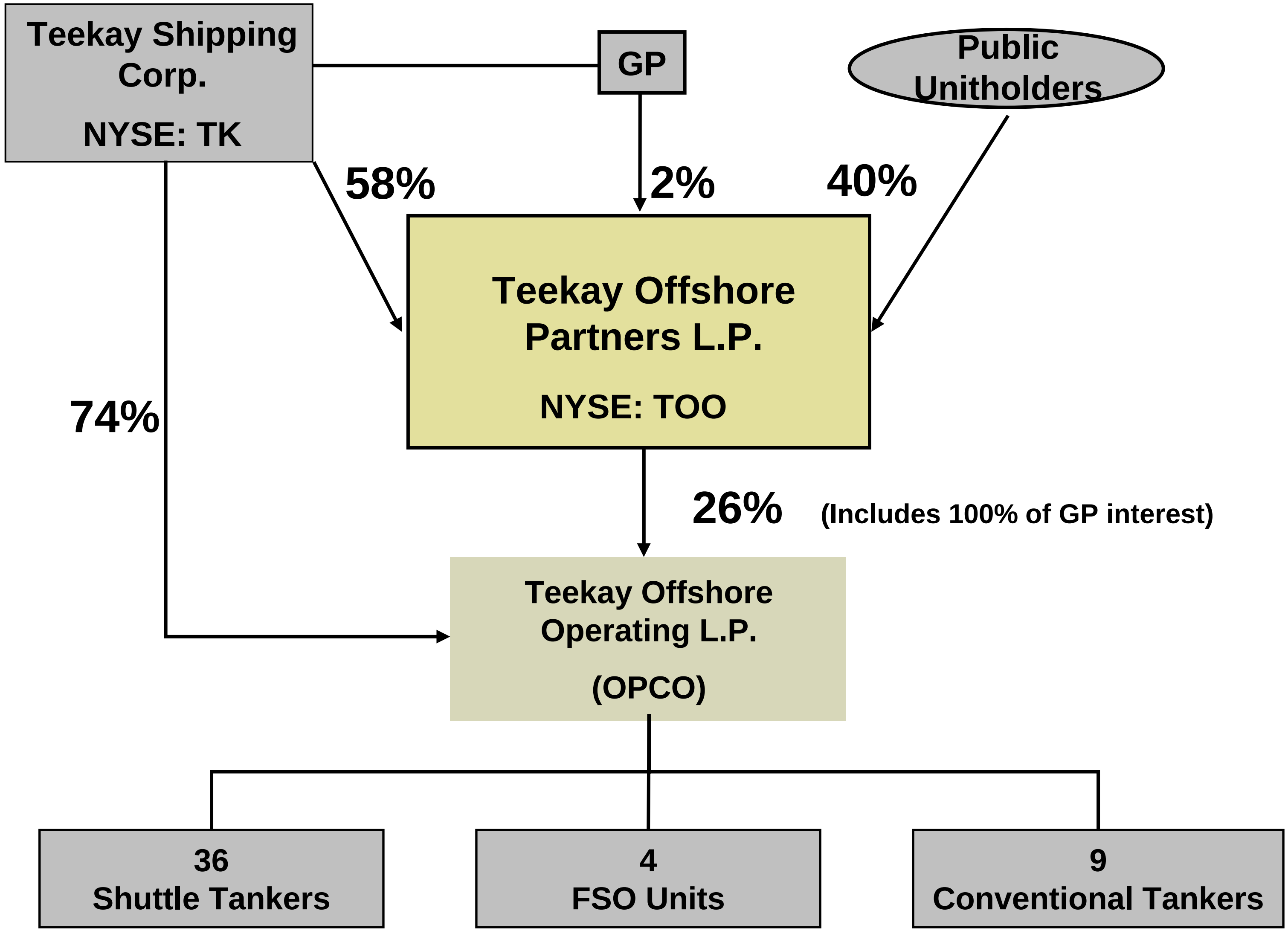
Opportunity to Co-Invest in Teekay's Offshore Oil Business

Teekay Offshore Partners Tax Arrangement

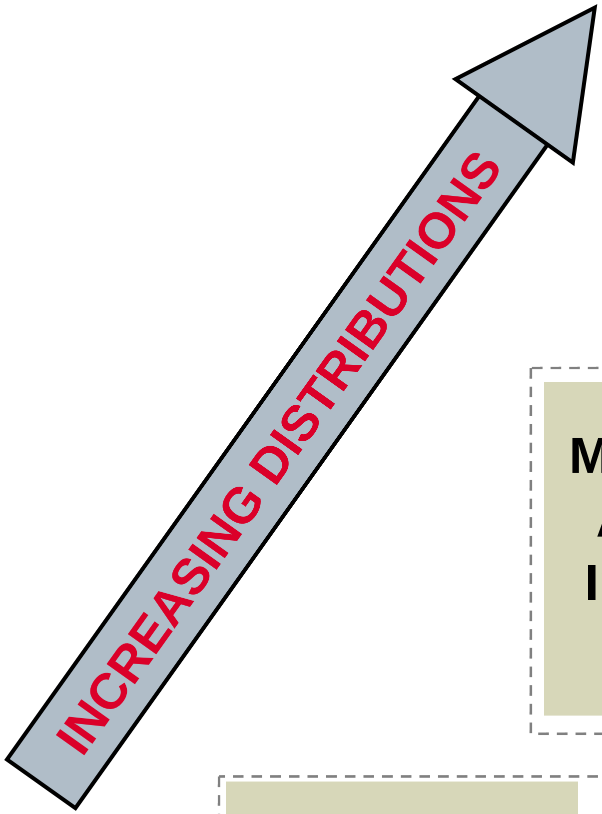
Structure	A legal partnership that is electing to be taxed as a corporation in the U.S. *However, the partnership pays no U.S. income tax since its business is considered "offshore" for tax purposes*
Benefits	Investors receive standard Form 1099s No K-1s
Taxation of Distributions	~70% dividend income (taxed at "qualified" dividend rate of 15%) and ~30% return of capital

An MLP with no K-1 Reporting

Teekay Offshore Partners – Ownership Structure



Significant Growth Opportunities



FPSO Opportunity (Petrojarl)

- Teekay Shipping’s 50% JV with Teekay Petrojarl is actively bidding on new projects
- Teekay Petrojarl currently owns 4 FPSO units

May Acquire Additional Interests in OPCO

- Teekay may sell 74% interest in OPCO over time

Expand The Fleet

- 2 newbuild shuttle tankers and 1 FSO will be offered <u>directly</u> to Teekay Offshore
- Focus on long-term contracts

Growing Investment in Offshore Oil and Gas Sector

Seismic → Exploration / Drilling → Subsea Development → Production → Storage → Transportation → Terminal

$163 billion in 2005 expenditures

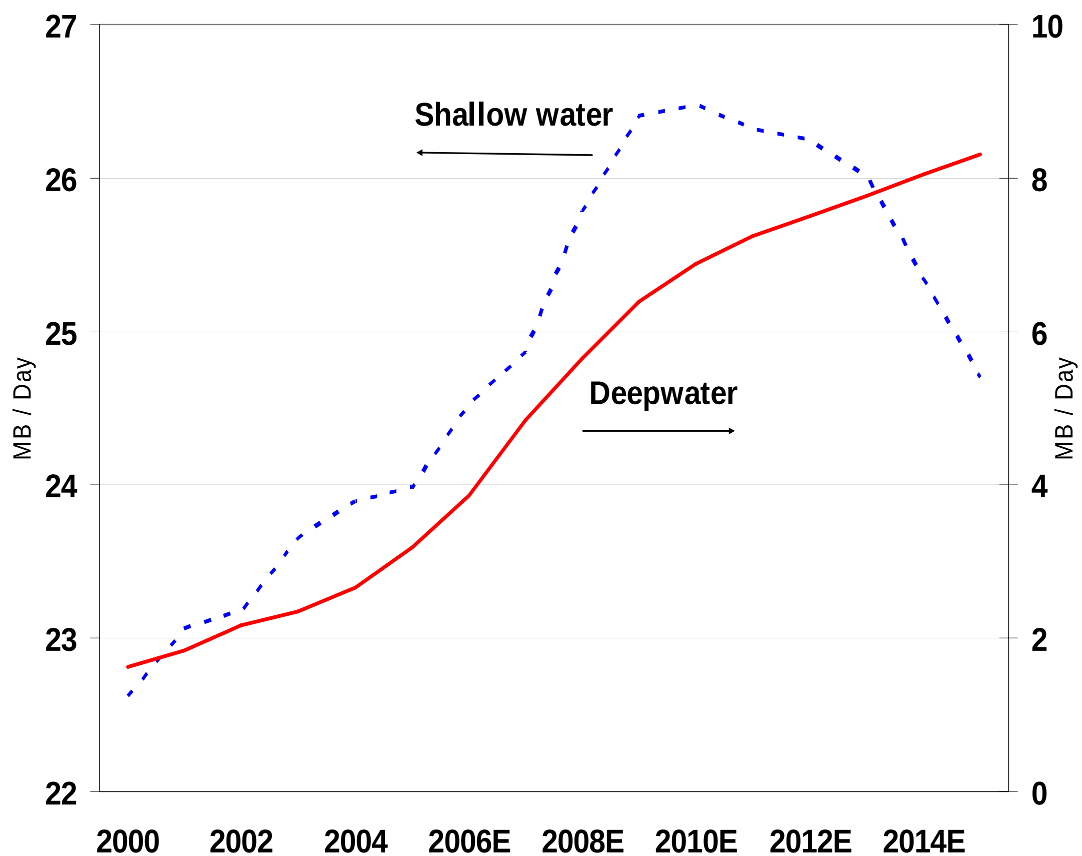
Run-rate of $247 billion annually by 2010

Source: Douglas Westwood.

Significant Deepwater Offshore Growth

- Deepwater offshore oil production is one of the fastest growing areas in the energy industry
- Only significant opportunity to add reserves outside of Russia and Middle East
- High oil prices have stimulated offshore oil production
- Oil exploration being done at up to 3,000 m, compared to 1,000 m ten years ago

Increasing Trend Towards Deepwater Oil Production



Deepwater Crude Oil Production is Expected to Almost Triple from 2005 – 2015

Source: Douglas Westwood

Offshore Oil Transportation, Storage and Production

FPSO

Oil production and storage vessel

Contracts are generally long-term

Cost: $100m - $1b

FSO

Provides on-site storage for oil fields

Contracts are generally long-term, fixed-rate

Cost: $20m - $50m

Shuttle Tanker

Specially designed to transport oil from offshore installations to refineries

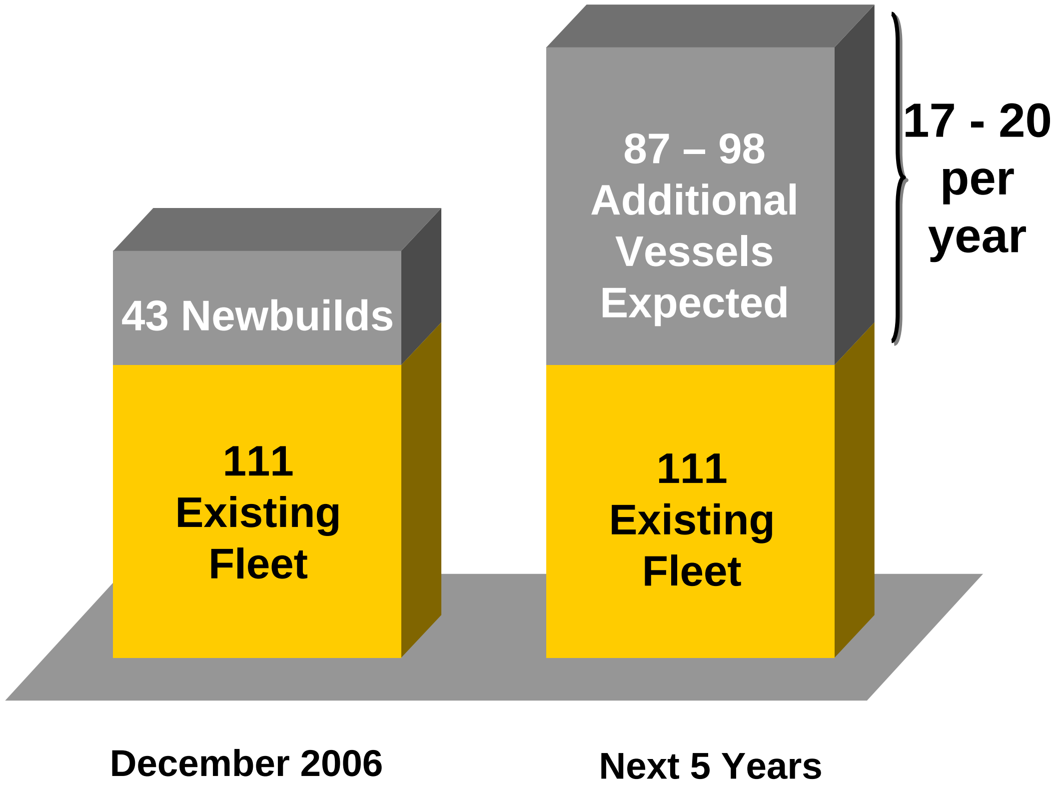
Majority of contracts are 'life of field'

Cost: $60m - $100m

Increasing Demand for FPSOs

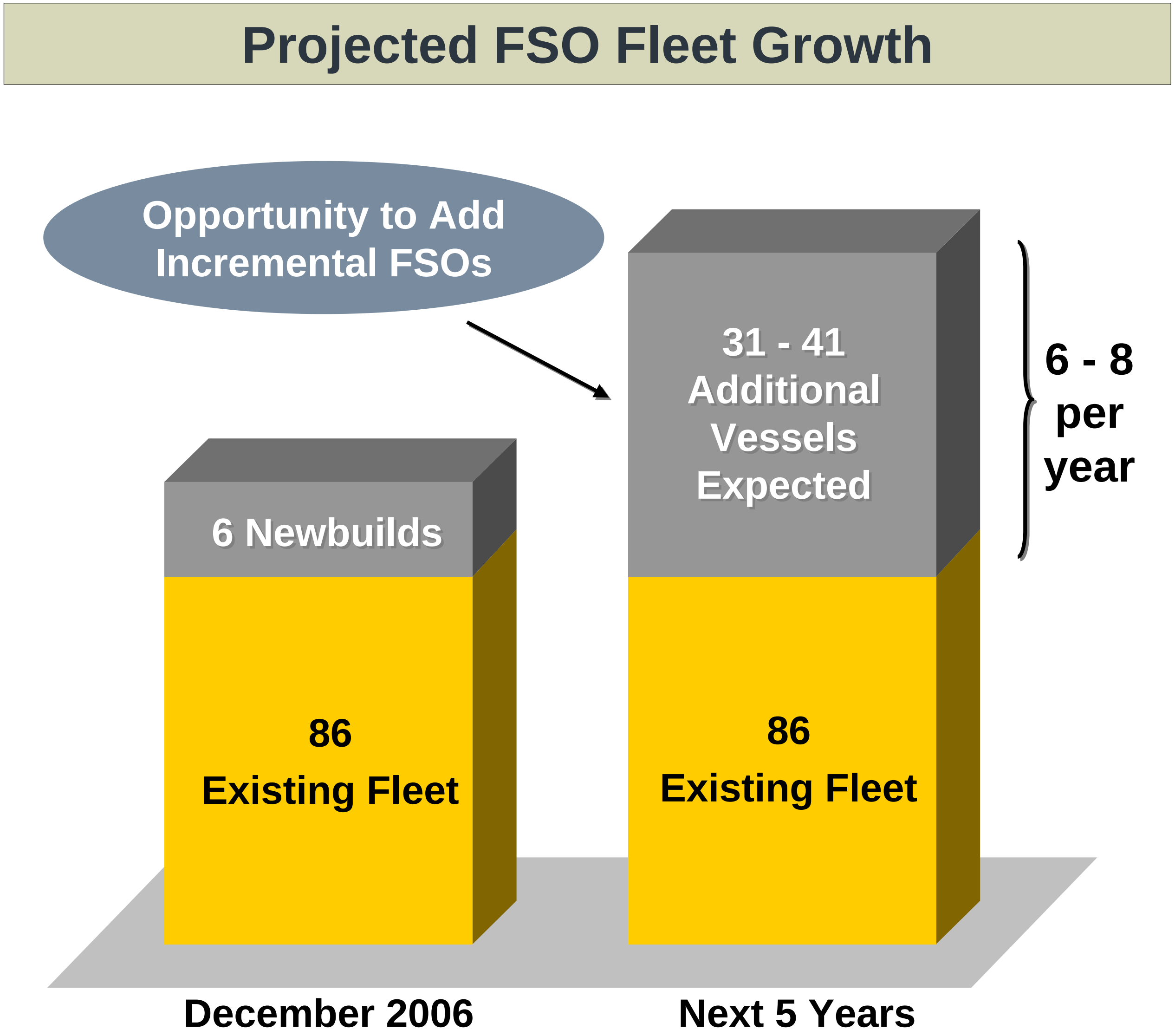
- Current operating fleet expected to nearly double over next 5 years
- FPSO usage increasingly popular in offshore sector
- Growing trend to use independent FPSO contractors

Projected FPSO Fleet Growth



Source: International Maritime Associates (IMA)

Increasing Demand for FSOs



Source: International Maritime Associates (IMA)

Shuttle Tankers: “Floating Pipelines” for Offshore Oil

North Sea Offshore Oil Network

Advantages Over Pipelines

- Less costly – especially for remote areas
- Vessel interchangeability allows undisrupted oil movement
- Destination flexibility for the customer
- Segregation of cargo

Shuttle tanker connected to STL buoy in heavy seas (Heidrun field in Norway)

Dominant Position in an Expanding Market

World's Largest Owner and Operator

- OPCO operates 62% of the world's shuttle tankers

Geographic Presence in Growing Markets

- Only foreign flag operator in Brazil (8 vessels)

Low Threat of Substitution

- Integral part of offshore oil production logistics chain
- No speculative newbuildings on order

High Barriers to Entry

- CoA contract structure requires "critical mass"
- Sophisticated technology and operational "know-how" is critical

Shuttle Tanker Trade To Grow Approximately 36% By 2015
(3.3m bbls / day in 2006 to 4.5m bbls / day)*

*Source: Douglas Westwood.

Long-term, Diverse Contract Portfolio

	Shuttle Tankers	FSO Units	Conventional Tankers
Average Contract Life	▸ Majority of CoA volumes are life of field (16 year average field life) – 21 vessels ▸ Time / bareboat charter 6 years – 15 vessels	▸ 5 years	▸ 8 years (plus 5 one-year options)

High Quality Customers

ExxonMobil, Statoil, ConocoPhillips, bp, Hess, Hydro, Shell, Marathon, Chevron, BR Petrobras, Total, Apache Corporation, Woodside, TK

Summary Financial Information – OPCO

Forecast Twelve Months Ending December 31, 2007
(Dollars in millions)

Voyage Revenues	$749.3
Voyage Expenses	146.7
Time-Charter Hire Expense	146.4
Vessel Operating Expense	124.0
Depreciation & Amortization	115.6
General & Admin Expenses	64.6
Income from Vessel Ops.	**$151.9**
EBITDA* (before non-controlling interest)	**$278.4**

MLP Also Has Option to Purchase Directly from Sponsor

- 2 shuttle tankers on 13-year fixed-rate contracts
- 1 FSO on 7-year fixed-rate contract

- **Net Debt / EBITDA* (before non-controlling interest) = 4.3x**
- **Total liquidity of approximately $429 million**
- **Revenues and expenses primarily denominated in U.S. dollars**
- **Interest rates are substantially hedged long-term**

See Reconciliation of EBITDA to Net Operating Cash Flow in the Appendix at the end of this presentation.

TEEKAY LNG PARTNERS L.P.

NYSE: TGP

IPO Date: May 5, 2005

Current Price/unit: $36.75

Current Dist'n/unit: $1.85

2007 Dist'n Guidance: $2.12*

*Run-rate commencing in Q2, 2007

Forward Looking Statements

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Teekay LNG Partners' Investment Highlights

- ***Attractive industry fundamentals* — LNG is one of the fastest growing energy sectors**
- ***Multi-year, built-in growth* — our portfolio of available projects puts us in a position to grow in each of the next three years**
- ***Stable cash flows* — fixed-rate, long-term contracts**

Opportunity to Co-Invest in Teekay's LNG Business

Teekay LNG Partners LP – Ownership Structure

Teekay Shipping Corporation

100%

Teekay GP L.L.C.
(General Partner)

65.8%

Public Unitholders

2%

Teekay LNG Partners L.P.

32.2%

Current LNG/LPG Fleet

8 Vessels

Current Oil Tanker Fleet

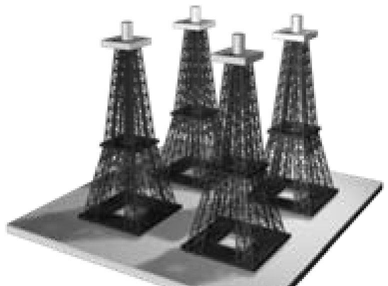
8 Vessels

LNG/LPG Carriers on Order

9 Vessels

LNG Carriers are Floating Pipelines

A cost-effective means to transport natural gas overseas, where pipelines are not economical or feasible



Gas Reserve

Production

15-20%

of landed cost

Export

Gas Liquefaction Facilities

30-45%

of landed cost

LNG Shipping

10-30%

of landed cost

Import

LNG Regasification Terminals

15-25%

of landed cost

Cost of Single Supply Chain = >$5 billion

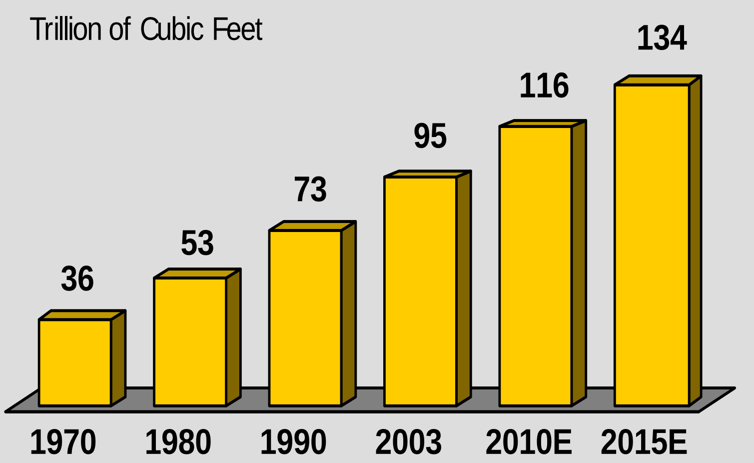
$3.00-$4.00 / mmBtu landed cost

Source: Management Estimates.

LNG Shipments: 7% Expected Annual Growth

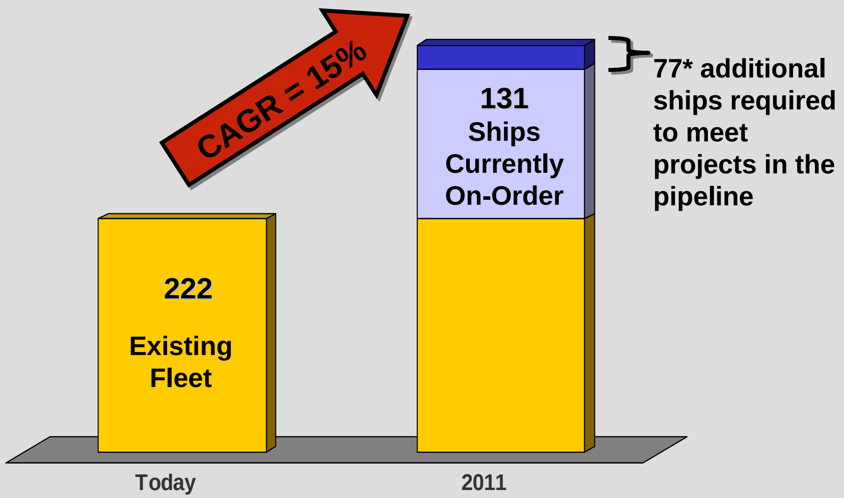
- **Global demand for natural gas is expected to continue to grow significantly**
- **Growing shortfall of natural gas in key consuming countries**
- **LNG shipments are the obvious solution to address this shortfall**
- **Creates increased demand for LNG Carriers and a $17 + billion market opportunity**

Growing World Natural Gas Demand



Source: US Department of Energy, April 2006 and IEA.

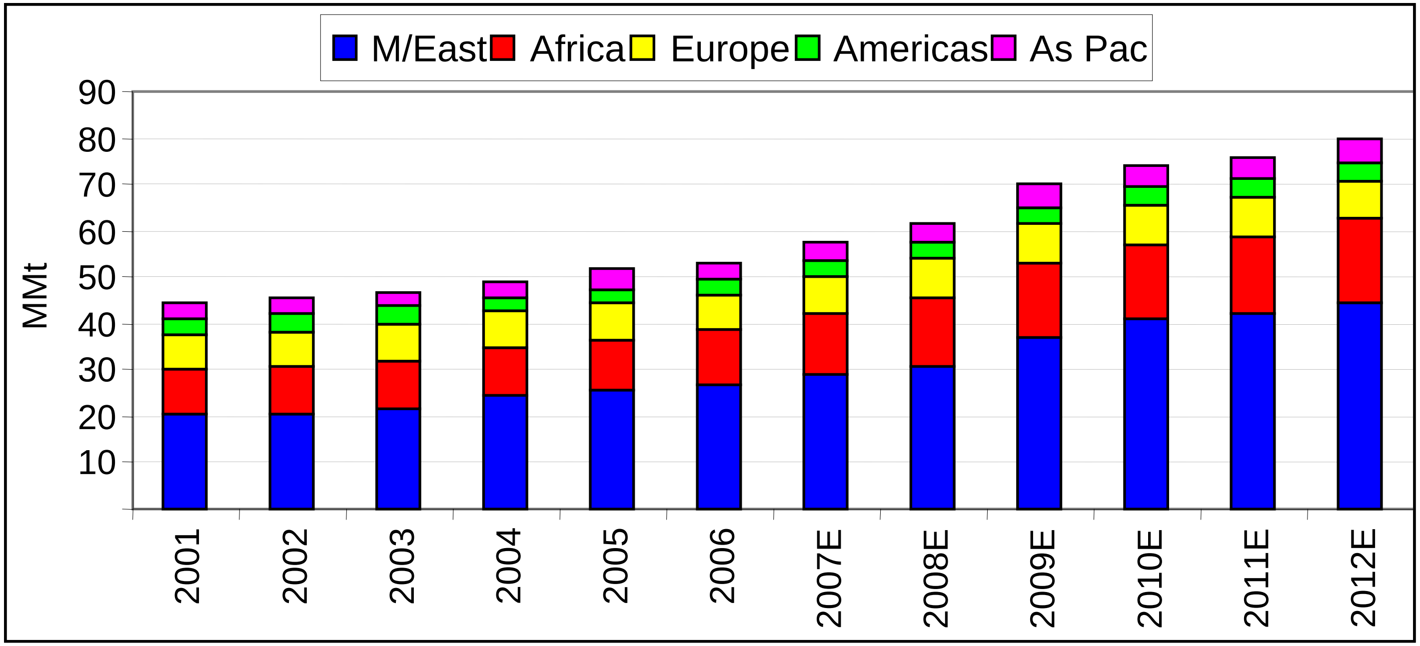
Projected Demand for LNG Carriers by 2011



* Excludes speculative projects, Partnership estimates

LPG Shipments: 7% Expected Annual Growth

- Rapid growth in China and India will lead worldwide consumption of LPG
- As a by-product of natural gas production and liquefaction, LPG supply will increase with new LNG projects
  - Over half of the supply growth will originate from the Middle East
- Longer haul trades will develop as demand and supply increases, increasing the seaborne trade of LPG



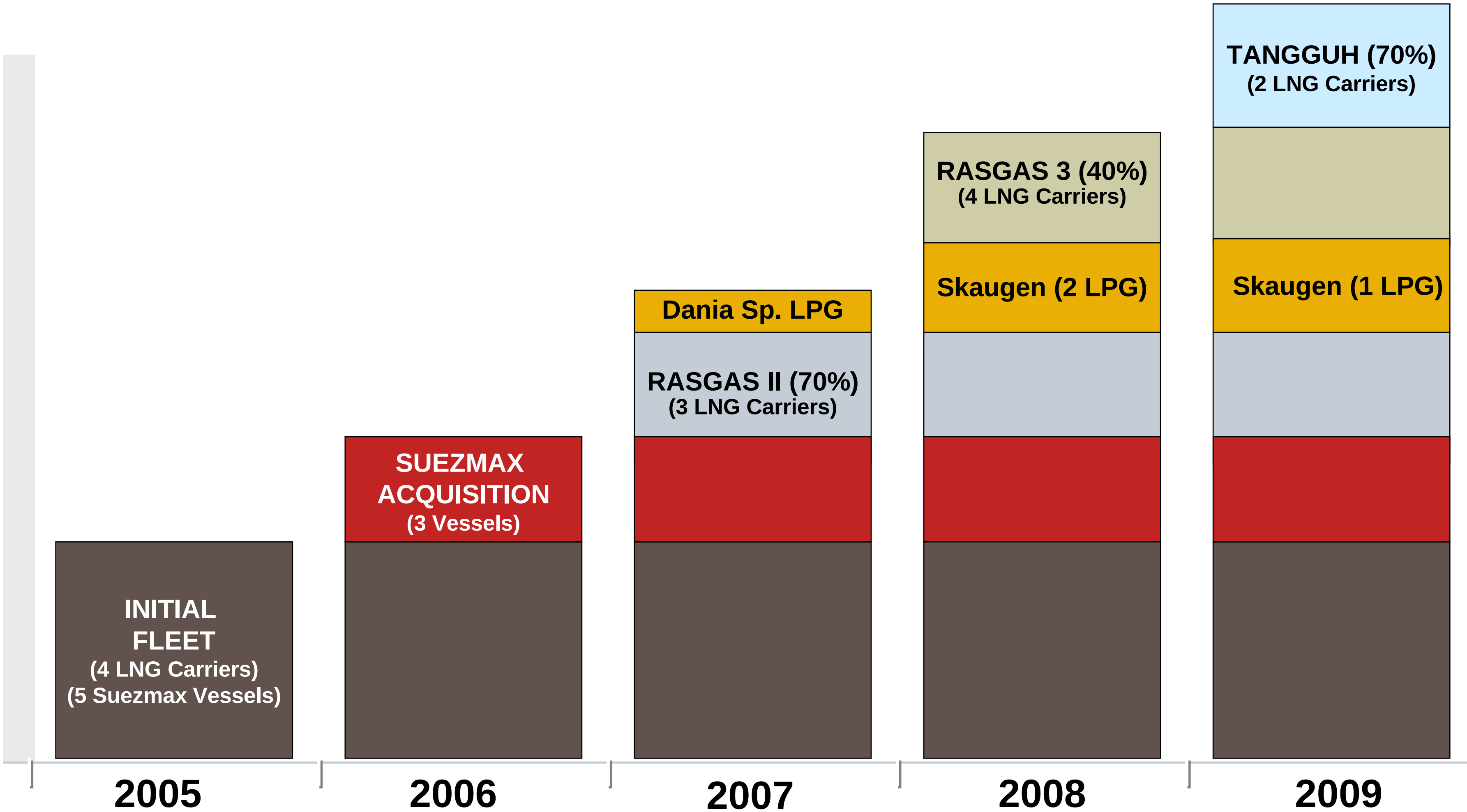
Seaborne Trade Outlook – Global LPG Exports

Our Business Strategy

Objective: To increase distributable cash flow per unit

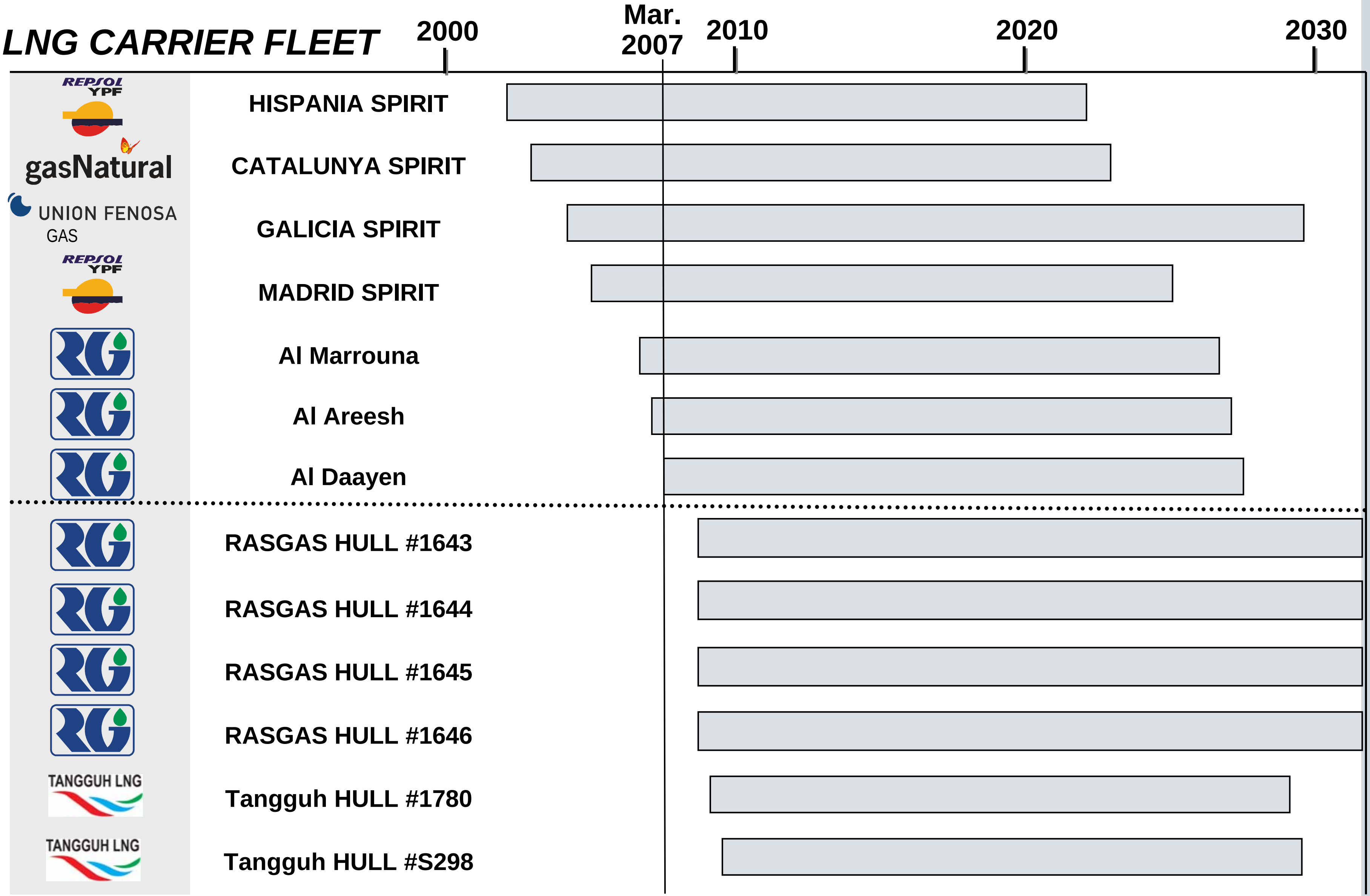
- Expand our LNG/LPG fleets on a build-to-suit basis
- Pursue industry consolidation through accretive acquisitions
- Leverage customer and supplier relationships already existing within the Teekay organization
- Provide superior vessel operations

Multi-year, Built-in Growth

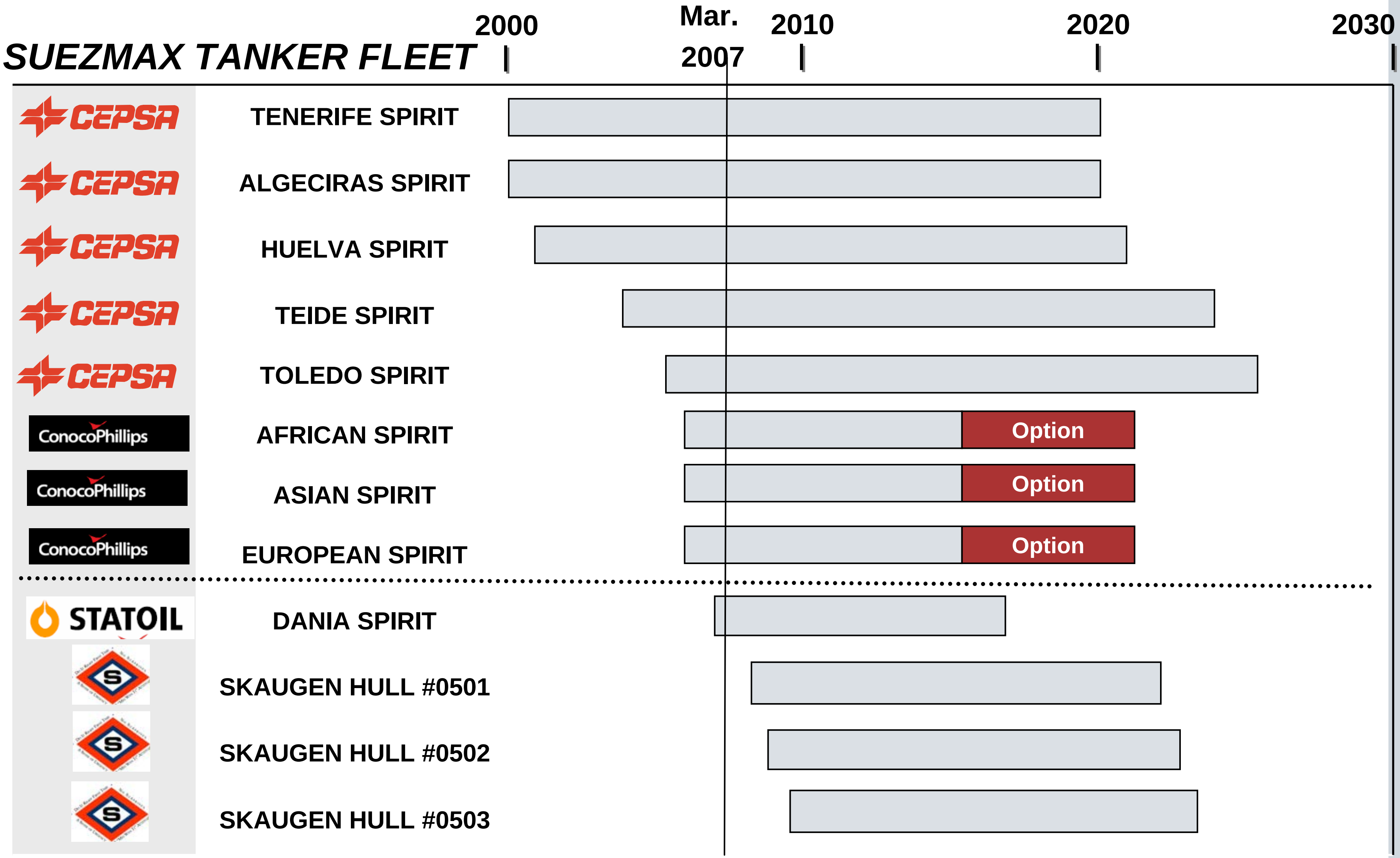


This portfolio of projects puts us in a position to grow in 2007, 2008 and 2009

LNG Fleet Under Long-Term Contracts



Suezmax/LPG Fleet Under Long-Term Contracts



Teekay: Strong Sponsorship of MLPs

Teekay Shipping Corp.
NYSE: "TK"

Global Reach and Scale

- Operates more than 160 oil/product/LNG/LPG carriers and FPSOs
- World's largest medium size tanker operator
- World's largest shuttle tanker operator
- Offices in 17 countries with over 5,600 employees

Strong Shipping Reputation

- Average management industry experience: 20 + years
- Industry reputation for safe, cost effective operations

Track Record of Profitable Growth

- Assets have almost tripled (26% CAGR) since 2000 through acquisitions and organic growth
- Market capitalization has increased more than six times to more than $3.7 billion
- One of the strongest balance sheets in industry – Over $2b in liquidity to facilitate growth

Synergistic Customer Relationships

- Top ten customers include Exxon, Shell, BP, Statoil

Appendix

Teekay Offshore Reconciliation of EBITDA to Net Income

(Dollars in millions)

Forecast EBITDA for Twelve Months Ending December 31, 2007	
Net Income	$22.1
Add:	
Depreciation and Amortization	115.6
Interest Expense	73.2
Less:	
Interest Income	(3.6)
Income Tax Recovery	(4.0)
EBITDA*	**$203.4**
Non-Controlling Interest	75.0
EBITDA **(before non-controlling interest)**	**$278.4**

*Earnings before interest, taxes, depreciation and amortization as calculated in the F-1 dated December 13, 2006

Teekay Offshore Distributable Cash Flow and Cash Distribution

In thousands of U.S. dollars		For the period Dec 19 to Dec 31, 2006 (unaudited)	
Net income	$	848	
Add:			
Depreciation and amortization		3,636	
Non-controlling interest		2,413	
Non-cash expenses		112	
Foreign exchange loss		131	
Income tax expense		99	
Less:			
Estimated maintenance capital expenditure		(2,632)	
Distributable Cash Flow before Non-Controlling Interest		4,607	
Non-controlling interest's share of DCF		(3,409)	
Distributable Cash Flow [1]	$	1,198	A

Minimum Quarterly Distribution (19,600,000 units x $0.05 / unit)	$	980	
General Partner 2% Distribution		20	
Total Distribution	$	1,000	B
Coverage Ratio		1.20x	=A/B

[1] Please refer to the 4th Quarter of 2006 Earnings Release for a description of Distributable Cash Flow and a reconciliation to its most directly comparable GAAP financial measure.

Teekay Offshore Post-IPO Period vs. Forecast

Teekay Offshore Partners L.P.
Consolidated Income Statement (Unaudited)
In thousands of dollars

	Dec 19 - Dec 31, 2006		
	Actual	**Forecast (1)**	**Variance**
Net Voyage Revenues (2)	20,824	21,462	(638)
Operating Expenses			
Vessel operating expenses	4,087	4,418	(331)
Time-charter hire expense	5,641	5,215	426
Depreciation and amortization	3,636	4,119	(483)
General and administrative expenses	2,129	2,301	(172)
	15,493	16,053	(560)
Income from Vessel Operations	5,331	5,409	(78)
Other Items			
Interest expense	(2,200)	(2,609)	409
Interest income	191	128	63
Foreign exchange loss	(131)	-	(131)
Income tax recovery (expense)	(99)	142	(241)
Other - net	169	389	(220)
Income before non-controlling interest	3,261	3,459	(198)
Non-controlling interest	(2,413)	(2,671)	258
Net income	848	788	60

(1) Based on the forecast for the year ending Dec. 31, 2007 included in the Partnership's Prospectus dated December 13, 2006, prorated for the 13-day period.
(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 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 Partnership's performance required by accounting principles generally accepted in the United States.

Teekay Offshore Balance Sheet

In thousands of U.S. dollars	As at Dec 31 2006 (unaudited)	As at June 30, 2006 (PRO FORMA)* (unaudited)
ASSETS		
Cash and cash equivalents	113,986	90,000
Other current assets	78,739	102,096
Vessel held for sale	-	2,500
Vessels and equipment	1,524,842	1,528,480
Other assets	130,216	112,129
Intangible assets	66,425	72,464
Goodwill	127,113	130,549
Total Assets	**2,041,321**	**2,038,218**
LIABILITIES AND PARTNERS' EQUITY		
Accounts payable and accrued liabilities	50,353	39,281
Current portion of long-term debt	17,656	17,656
Advances from affiliate	16,951	-
Long-term debt	1,285,696	1,299,658
Other long-term liabilities	103,746	105,768
Non-controlling interest	427,977	437,450
Partners' equity	138,942	138,405
Total Liabilities and Partners' Equity	**2,041,321**	**2,038,218**

Total Liquidity	**429,000**

* Based on the Pro Forma Consolidated Balance Sheet included in the Partnership's Prospectus dated December 13, 2006.

Net Debt to EBITDA = 4.3x

Teekay LNG Distributable Cash Flow and Cash Distribution

In thousands of U.S. dollars		Three months ended Dec. 31, 2006 (unaudited)	
Net loss	$	(7,418)	
Add:			
Foreign exchange loss		15,137	
Depreciation and amortization		13,595	
Non-cash interest expense		1,774	
Minority owners' share of DCF before estimated maintenance capital expenditures		506	
Less:			
Estimated maintenance capital expenditures		5,268	
Minority interest recovery		723	
Income tax recovery		9	
Distributable Cash Flow [(1)]	$	17,594	A

Quarterly Distribution	$	16,176	
(34,975,119 units x $0.4625 / share)			
General Partner 2% Distribution		330	
Total Distribution	$	16,506	B
Coverage Ratio		1.07x	=A/B

[(1)] Please refer to the 4th Quarter of 2006 Earnings Release for a description of Distributable Cash Flow and a reconciliation to its most directly comparable GAAP financial measure.

Teekay LNG Q4 ’06 vs. Q3 ‘06

Teekay LNG Partners L.P.
Summary Consolidated Income Statement (Unaudited)
In thousands of dollars

	Three Months Ended		
	December 31, 2006	September 30, 2006	Variance
Net Voyage Revenues (1)	48,962	46,033	2,929
Operating Expenses			
Vessel operating expenses	10,540	9,532	1,008
Depreciation and amortization	13,595	12,972	623
General and administrative expenses	4,254	2,864	1,390
	28,389	25,368	3,021
Income from Vessel Operations	20,573	20,665	(92)
Other Items			
Interest expense	(24,196)	(22,282)	(1,914)
Interest income	10,664	9,881	783
Income tax recovery	9	180	(171)
Foreign exchange gain/(loss)	(15,137)	3,752	(18,889)
Other - net	669	389	280
	(27,991)	(8,080)	(19,911)
Net income (loss)	(7,418)	12,585	(20,003)

(1) 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 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 Partnership's performance required by accounting principles generally accepted in the United States.

Teekay LNG Balance Sheet

In thousands of U.S. dollars (unaudited)	As at December 31, 2006				As at September 30, 2006
	TK LNG (excl RG 3 and Tangguh)	RasGas 3	Tangguh	Consolidated	Consolidated
ASSETS					
Cash and cash equivalents	28,871	-	-	28,871	20,592
Restricted cash related to newbuilding vessels to be delivered	293,409	-	-	293,409	437,571
Other current assets	15,937	-	-	15,937	22,277
Vessels and equipment	1,316,836	-	-	1,316,836	1,157,910
Other assets	267,364	145,395	86,252	499,011	258,926
Total Assets	1,922,417	145,395	86,252	**2,154,064**	**1,897,276**
LIABILITIES AND PARTNERS' EQUITY					
Accounts payable and accrued liabilities	18,106	528	34	18,668	21,474
Unearned revenue	6,708	-	-	6,708	7,307
Advances from affiliate	31,573	3,867	3,499	38,939	7,553
Long-term debt*, net of restricted cash	789,886	-	-	789,886	629,564
Long-term debt related to newbuilding vessels to be delivered *	205,882	60,458	-	266,340	451,432
Other long-term liabilities	147,197	-	2,100	149,297	44,287
Minority interest	3,445	80,133	82,151	165,729	-
Partners' equity	719,620	409	(1,532)	718,497	735,659
Total Liabilities and Partners' Equity	1,922,417	145,395	86,252	**2,154,064**	**1,897,276**

Total Liquidity	**444,500**	**465,700**

Net Debt to Capitalization** = 52.1%

***including current portion of long-term debt**

****excluding debt and equity of Tangguh and RasGas 3.**

Teekay Offshore Non-GAAP Financial Measures

Teekay Offshore Partners L.P.
Reconciliation of Non-GAAP Financial Measure
In thousands of dollars

	Three Months Ended	
	December 31, 2006	September 30, 2006
Voyage Revenues	23,926	26,688
Voyage Expenses	3,102	5,226
Net Voyage Revenues	20,824	21,462

Teekay Offshore Non-GAAP Financial Measures

Reconciliation of Net Debt to EBITDA

In thousands of U.S. dollars	As at Dec 31, 2006 (unaudited)	
Cash and cash equivalents	113,986	A
Current portion of long-term debt	17,656	
Advances from affiliates	16,951	
Long-term debt	1,285,696	
Total debt	1,320,303	B
Net debt	1,206,317	C=B-A
EBITDA*	278,420	D
Net Debt to EBITDA	**4.3**	**=C/D**

* Based on the forecast for the year ending Dec. 31, 2007 included in the Partnership's Prospectus dated December 13, 2006.

Teekay LNG Non-GAAP Financial Measure

Teekay LNG Partners L.P.
Reconciliation of Non-GAAP Financial Measure
In thousands of dollars

	Three Months Ended	
	December 31, 2006	September 30, 2006
Voyage Revenues	49,402	46,696
Voyage Expenses	440	663
Net Voyage Revenues	48,962	46,033

Teekay LNG Non-GAAP Financial Measure

Reconcilation of Net Debt to Capitalization*

In thousands of U.S. dollars	As at Dec. 31, 2006 (unaudited)	
Cash	28,871	
Restricted cash - current	55,009	
Restricted cash - long-term	615,749	
Total cash and restricted cash	699,629	A
Current portion of long-term debt	181,197	
Long-term debt	1,293,433	
Total long-term debt	1,474,630	B
Net debt	775,001	C=B-A
Minority Interest (RG II)	(6,081)	
Partners' equity	719,620	
Net debt	775,001	C
Total capitalization	1,488,540	D
Net debt	775,001	C
Total capitalization	1,488,540	D
Net debt to capitalization	**52.1%**	**=C/D**

* Excluding debt and equity of Tangguh and RG 3.