TEEKAY LNG PARTNERS Q1-2018 EARNINGS PRESENTATION

May 17, 2018

Forward Looking Statement

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 effects of recent and future newbuilding deliveries on the Partnership's future cash flows and balance sheet leverage; the timing of newbuilding vessel deliveries and the commencement of related contracts; and potential tax indemnification liabilities relating to the Teekay Nakilat Joint Venture. 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: potential shipyard and project construction delays, newbuilding specification changes or cost overruns; changes in production of LNG or LPG, either generally or in particular regions; changes in trading patterns or timing of start-up of new LNG liquefaction and regasification projects 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 Partnership's fleet; the inability of charterers to make future charter payments; the inability of the Partnership to renew or replace long-term contracts on existing vessels; the Partnership's or the Partnership's joint ventures' ability to secure or draw on financings for its vessels; the effects on the Teekay Nakilat Joint Venture of HMRC's decision on tax indemnification liabilities and determinations of the lessor under the RasGas II LNG carrier leases; 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, 2017. 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

RESULTS

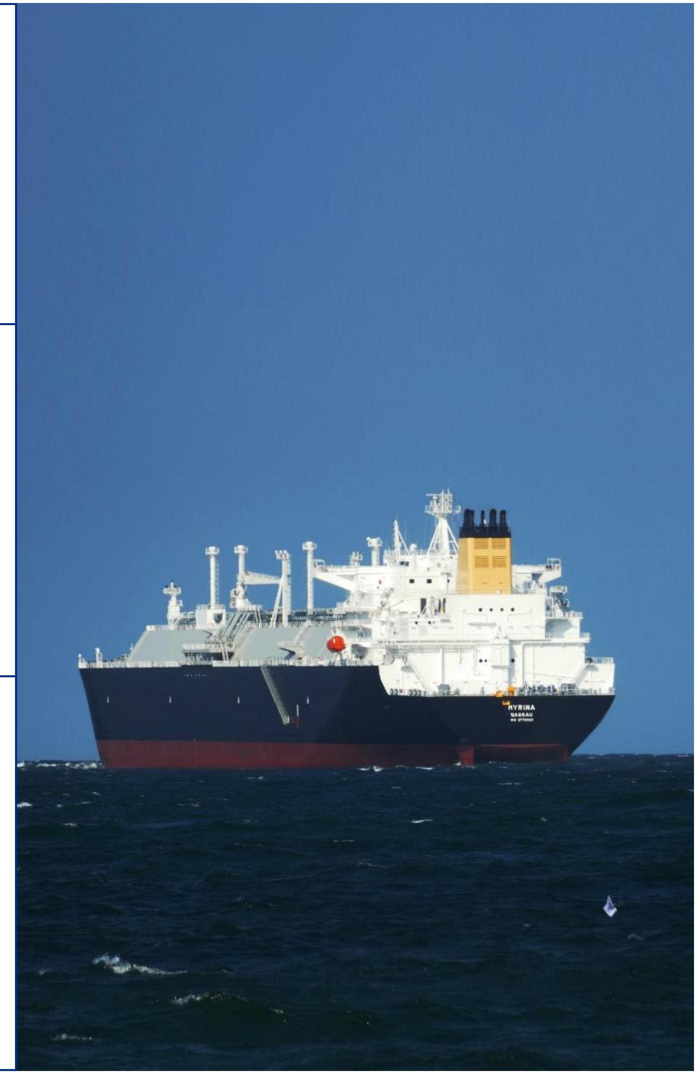
- Total cash flow from vessel operations (CFVO)[1] of $117.6 million, and distributable cash flow (DCF)[1] of $35.3 million in Q1-18
  - Earnings impacted by tax indemnification provision and write-down of conventional oil tankers

CHARTERS

- Agreed two new fixed-rate LNG charters with Petronas:
  - Arctic Spirit – commenced 4-year charter in May
  - Polar Spirit – in June, will commence 9-month charter
- Torben Spirit extended 6 months to December 2018

EXECUTION

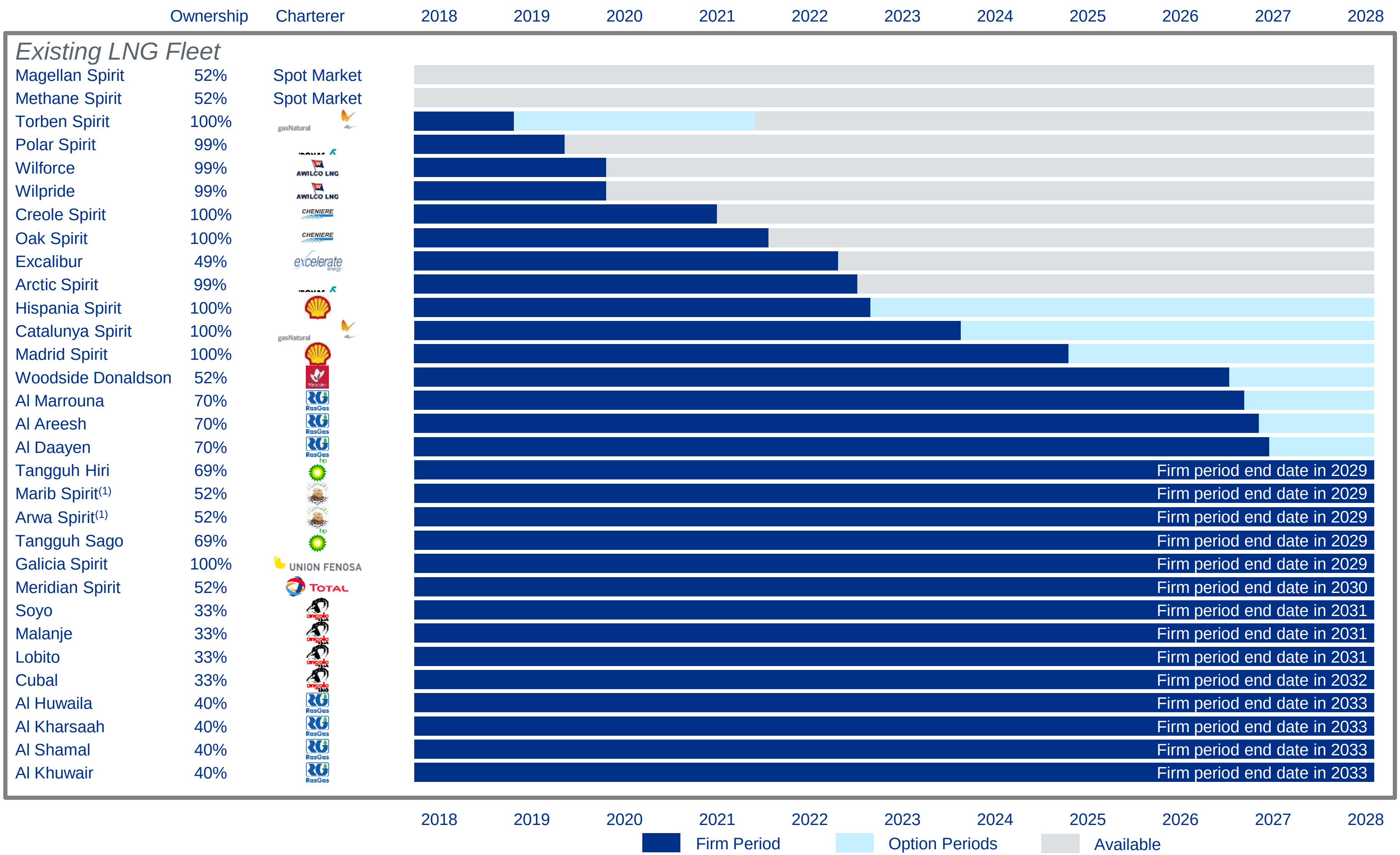
- Myrina LNGC delivered last week; 4 additional LNGCs to deliver by Nov 2018; further 7 LNGCs plus Bahrain regas Terminal to deliver through Q1-2020
- Collectively, TGP's LNG projects will add $310 million[2] of incremental CFVO



1) These are non-GAAP financial measures. Please refer to "Definitions and Non-GAAP Financial Measures" and the Appendices in the Partnership's Q1-2018 earnings release for definitions of these terms and reconciliations of these non-GAAP financial measures as used in this presentation to the most directly comparable financial measures under United States generally accepted accounting principles (*GAAP*).

2) Includes vessels delivering beginning October 2017 and including Teekay LNG's proportionate share of CFVO from equity-accounted joint ventures.

Long-Term Contract Coverage With High- Quality Customers



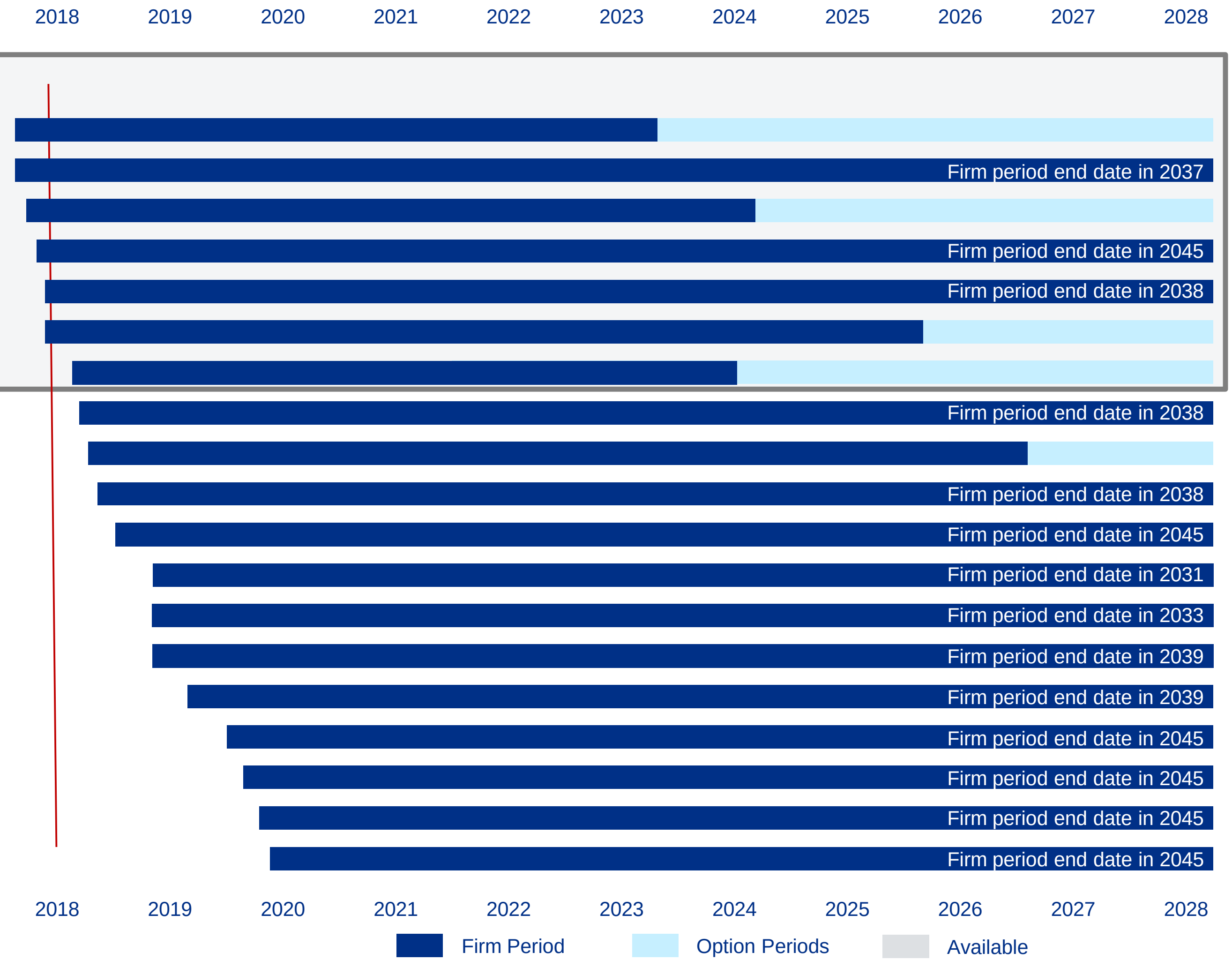
(1) Trading in short-term market as a result of the temporary closing of YLNG's LNG plant in Yemen in 2015 due to the conflict situation.

Stable and Growing Fixed-Rate Cash Flows

LNG Carrier Newbuildings and Regas Terminal expected to contribute an additional ~$310[1] million of annual CFVO

Average Total Fleet Age in 2020: 8.3 yrs[2]

	Ownership	Charterer	Financing completed
Delivered			
Macoma	99%		✓
Pan Asia	30%		✓
Murex	99%		✓
Eduard Toll	50%	YAMAL LNG	✓
Pan Americas	30%		✓
Magdala	99%		✓
Myrina	99%		✓
Pan Europe	20%		✓
Megara	99%		✓
Bahrain Spirit	100%	Bahrain LNG	✓
Rudolf Samoylovich	50%	YAMAL LNG	✓
Sean Spirit	100%	bp	✓
Yamal Spirit	100%	YAMAL LNG	Est. 2H-18
Pan Africa	20%		✓
Regas Terminal	30%	nogaholding	✓
Nikolay Yevgenov	50%	YAMAL LNG	✓
Vladimir Voronin	50%	YAMAL LNG	✓
Georgiy Ushakov	50%	YAMAL LNG	✓
Yakov Gakkel	50%	YAMAL LNG	✓

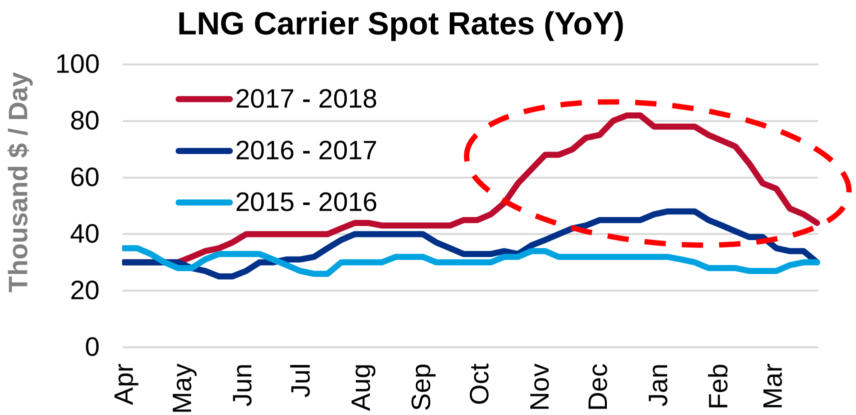


(1) Annualized incremental CFVO as of October 1, 2017, based on management estimates and assuming full delivery of vessels / growth projects. Includes Teekay LNG's proportionate share of CFVO from equity-accounted joint ventures.

(2) Average fleet age in 2020 on a fully delivered basis, including existing on-the-water LNG fleet.

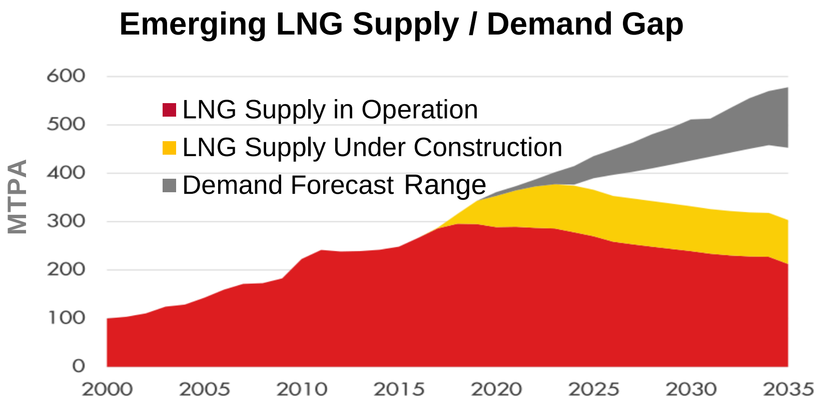
Strong LNG Supply / Demand Fundamentals

LNG Carrier Fleet Utilization Tightening



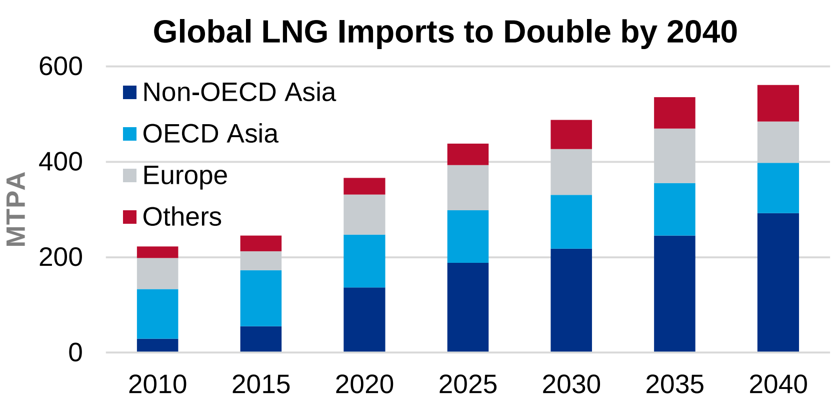
Source: Clarksons

New LNG Projects Poised For FID(1)



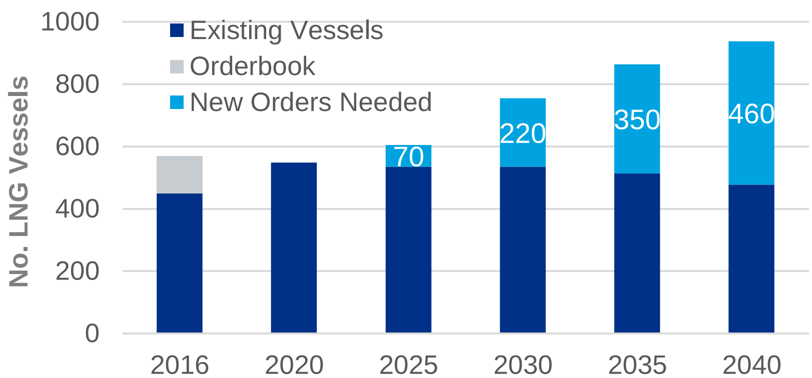
Source: Shell

Attractive Long-Term Demand Growth



Source: BP

Growing Demand for Vessel Orders

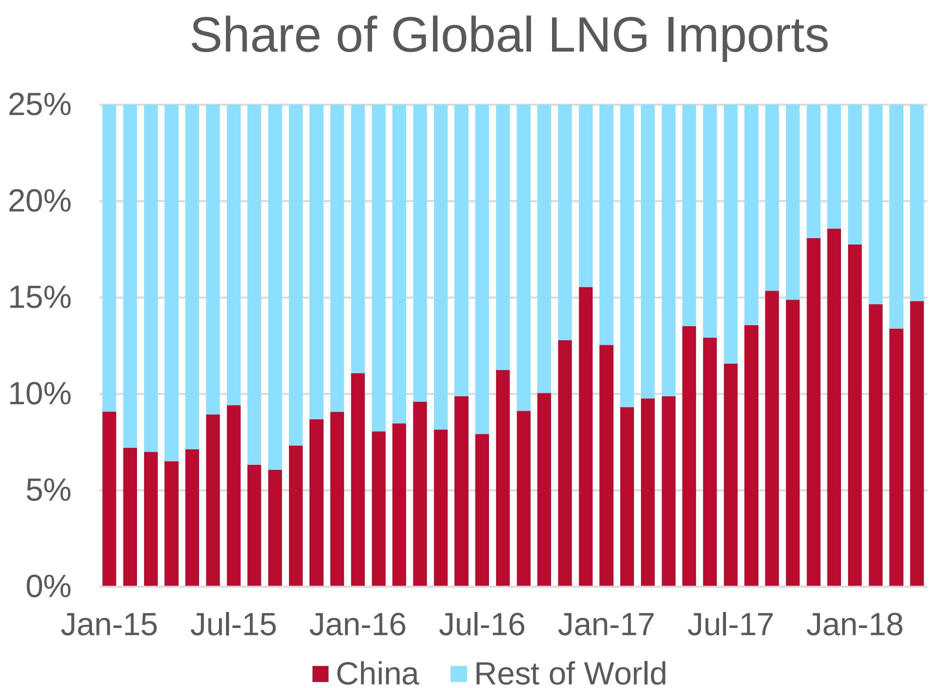


Source: IEA

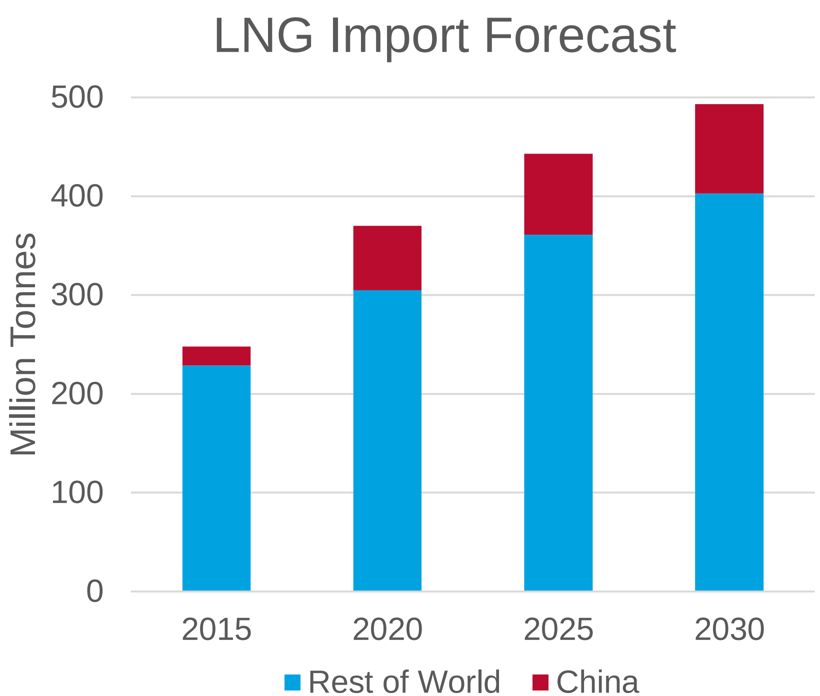
(1) Final Investment Decision (FID).

China's Increasing Share of the LNG Market

- China has grown from <5% of global LNG imports in 2010 to ~13% in 2017
- By 2030, China is expect to consume almost 20% of all global LNG supply, with total imports of ~90 MTPA; larger than Japan's current LNG imports
- In 2017, Teekay vessels delivered 2 million tonnes of LNG to China, approximately 5% of China's total LNG imports



Source: Thomson Reuters



Source: BP

Delivering Long-Term Value to Unitholders

Executing on Business and Financial Strategy

Financings progressing

Newbuildings substantially financed; all 2018 refinancings on-track with 2 completed to-date

Newbuildings delivering

7 LNG and 2 LPG carriers delivered in past 7 months

Built-in cash flow growth

$310 million of incremental fixed-rate LNG cash flow p.a. to be realized Q4-2017 thru Q1-2020

Balanced financial strategy

Balancing delevering with returning capital to unitholders and pursuit of attractive growth

Strong Underlying LNG Fundamentals

Attractive LNG Supply/Demand Fundamentals

Significant new LNG Vessel Orders Needed by 2030

Appendix

2018 Refinancing Update

Financing	Status	Balloon (MUSD)	Expected Refinancing Amount (MUSD)	Expected Completion
2X Spanish LNG Carriers	Completed	$197	$197	Feb 2018
7X LPG/Multigas Vessels	Completed	$51	$90	May 2018
Arctic/Polar Spirit	Credit Approved	$57	$40	June 2018
1X Spanish LNG Carrier	Credit Approved	$127(1)	$123	Q3-2018
Total Secured Debt Refinancings		**$432**	**$450**	
Unsecured RCF	Annual Refinancing	$190(2)	$190	Q4-2018
NOK Bond	TBD	$138(3)	TBD	TBD

(1) US Dollar equivalent of Euro denominated loan as at March 31, 2018

(2) Unsecured Corporate Revolver was $105 million drawn and $85 million undrawn as at March 31, 2018

(3) NOK Bond Maturity is net of cash collateral placed to secure associated cross-currency swaps

Distributable Cash Flow

Q1-18 vs. Q4-17

(Thousands of U.S. Dollars except units outstanding or unless otherwise indicated)	Q1-2018 (unaudited)	Q4-2017 (unaudited)	Comments
Net voyage revenues[1]	109,814	122,156	Decrease primarily due to Q4-17 recognition of the remaining Skaugen prepaid lease payments of $10.7M, sale of the Teide Spirit in Q1-18, and two fewer calendar days. These decreases were partially offset by the delivery of the Magdala.
Adjusted vessel operating expenses[1]	(28,467)	(26,930)	Increase due to timing of vessel maintenance activities.
Estimated maintenance capital expenditures	(14,907)	(14,265)	
General and administrative expenses	(6,571)	(4,949)	Increase due to timing of expenses and higher level of corporate activity.
Partnership's share of equity-accounted joint ventures' DCF net of estimated maintenance capital expenditures	18,726	13,719	Higher equity income due to the delivery of the Eduard Toll ARC7 LNG carrier in the Yamal LNG Joint Venture, higher earnings on short-term trading vessels in the Teekay LNG-Marubeni Joint Venture, and the delivery of the Pan Americas LNG carrier in the Pan Union Joint Venture.
Adjusted interest expense[1]	(31,408)	(30,738)	Increase due to vessel deliveries during Q4-17 and Q1-18.
Interest income	914	880	
Adjusted Income tax expense[1]	(505)	(703)	
Distributions relating to preferred units	(6,425)	(5,541)	Increase due to the issuance of preferred units in October 2017.
Distributions relating to equity financing of newbuildings	2,421	3,844	Decrease primarily due to securing debt financing for the Yamal LNG Joint Venture in December 2017, and vessel deliveries during Q4-17 and Q1-18.
Direct finance lease payments received in excess of revenue recognized and other adjustments	2,887	2,142	
Portion of additional tax indemnification guarantee liability previously recognized in DCF	(3,849)	-	See Note 1 to Appendix B in the Q1-18 Earnings Release.
Other adjustments - net	(2,086)	(2,711)	
Distributable Cash Flow before Non-Controlling Interests	**40,544**	**56,904**	
Non-controlling interests' share of DCF	(5,203)	(4,850)	
Distributable Cash Flow[2]	**35,341**	**52,054**	
Cash distributions to the General Partner	(228)	(226)	
Limited partners' Distributable Cash Flow	35,113	51,828	
Weighted-average number of common units outstanding	79,687,499	79,626,819	
Distributable Cash Flow per limited partner unit	**0.44**	**0.65**	

1) Refer to next slide for a reconciliation of Net Voyage Revenues, Adjusted Vessel Operating Expense, Adjusted Interest Expense, and Adjusted Income Tax Expense.
2) For a reconciliation of Distributable Cash Flow, a non-GAAP measure, to the most directly comparable GAAP figures, see Appendix B in the Q1-18 and Q4-17 Earnings Releases.

Reconciliations of Non-GAAP Financial Measures

Reconciliation of the Partnership's Net Voyage Revenues:

(Thousands of U.S. Dollars)	Three Months Ended March 31, 2018 (unaudited)	Three Months Ended December 31, 2017 (unaudited)
Voyage revenues as reported	115,306	126,307
Voyage expenses as reported	(5,801)	(4,303)
Realized gains on charter contract derivative instrument	309	152
Net Voyage Revenues	**109,814**	**122,156**

Reconciliation of the Partnership's Adjusted Vessel Operating Expenses:

(Thousands of U.S. Dollars)	Three Months Ended March 31, 2018 (unaudited)	Three Months Ended December 31, 2017 (unaudited)
Vessel operating expenses as reported	(28,467)	(27,026)
Pre-delivery crew-training expenses relating to newbuildings	-	96
Adjusted Vessel Operating Expenses	**(28,467)**	**(26,930)**

Reconciliation of the Partnership's Adjusted Interest Expense:

(Thousands of U.S. Dollars)	Three Months Ended March 31, 2018 (unaudited)	Three Months Ended December 31, 2017 (unaudited)
Interest expense as reported	(24,706)	(23,333)
Realized losses on derivative instruments and other	(6,702)	(7,405)
Adjusted Interest Expense	**(31,408)**	**(30,738)**

Reconciliation of the Partnership's Adjusted Income Tax Expense:

(Thousands of U.S. Dollars)	Three Months Ended March 31, 2018 (unaudited)	Three Months Ended December 31, 2017 (unaudited)
Income tax (expense) recovery as reported	(779)	319
Deferred income tax expense (recovery)	274	(2,652)
Tax provision relating to uncertain tax positions in prior years	-	1,630
Adjusted Income Tax Expense	**(505)**	**(703)**

Q2 2018 Outlook

Distributable Cash Flow Item	Q2 2018 Outlook (compared to Q1 2018)
Net voyage revenues	• $3M increase primarily due to charter contract commencements for the Myrina and Magdala and an additional calendar day in Q2-18, partially offset by a scheduled dry docking for an LNG carrier in Q2-18 and the sale of the Teide Spirit in Q1-18.
Vessel operating expenses	• $2M increase primarily due to timing of maintenance activities.
Estimated maintenance capital expenditures	• $1M increase primarily due to vessel deliveries.
General and administrative expenses	• $1M decrease due to timing of expenses.
Partnership's share of equity-accounted joint ventures' DCF net of estimated maintenance capital expenditures	• $2M decrease in equity income from the Teekay LNG–Marubeni Joint Venture primarily due to planned engine maintenance and a scheduled dry docking. • $1M decrease in equity income due to the sale of the Excelsior Joint Venture in Q1-18.
Adjusted interest expense	• $3M increase primarily due to vessel deliveries.
Distributions relating to preferred units	• Expected to be consistent with Q1-18.
Distributions relating to equity financing of newbuildings	• Expected to be consistent with Q1-18.
Direct finance lease payments received in excess of revenue recognized	• $1M increase due to scheduled increases in lease rates for the Wilpride and Wilforce LNG carriers.
Portion of additional tax indemnification guarantee liability previously recognized in DCF	• $4M positive impact in Q2-18 as the Q1-18 negative impact resulted from a one-time, non-recurring adjustment. See Note 1 to Appendix B in the Q1-18 Earnings Release.
Non-controlling interests' share of DCF	• Expected to be consistent with Q1-18.
Cash distributions to the General Partner	• Expected to be consistent with Q1-18.
Other adjustments - net	• Expected to be consistent with Q1-18.

2018(E) Drydock Schedule

Segment	March 31, 2018 (A)		June 30, 2018 (E)		September 30, 2018 (E)		December 31, 2018 (E)		Total 2018 (E)	
	Vessels	Total Off-hire Days	Vessels	Total Off-hire Days	Vessels	Total Off-hire Days	Vessels	Total Off-hire Days	Vessels	Total Off-hire Days
Liquefied Gas - Consolidated	1	48	2	54	-	4	-	-	3	106
Conventional Tankers	-	-	1	23	-	-	-	-	1	23
LPG Equity	-	-	-	-	-	-	1	24	1	24
LNG Equity	-	-	1	24	1	24	-	-	2	48
	1	48	4	101	1	28	1	24	7	201


BRINGING ENERGY TO THE WORLD