Teekay LNG Partners

Q4 2018 Earnings Presentation

February 21, 2019

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, among other things, regarding: estimated guidance for 2019 for the non-GAAP measures of adjusted net income attributable to partners and preferred unitholders, limited partners' interest in adjusted net income per common unit, cash flow from vessels operations from consolidated vessels and total cash flow from vessel operations; the expected timing of newbuilding vessel deliveries and completion of the Bahrain regasification facility, and the commencement of related contracts; the effects of future newbuilding deliveries and commencement of operations at the regasification facility on the Partnership’s 2019 operating results; future delevering of the Partnership’s balance sheet; further potential repurchases under the Partnership’s common unit repurchase program; and the timing and amount of increases to quarterly distributions on the Partnership’s common units. 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 the size of the global LNG or LPG fleets; 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; higher than expected costs and expenses; changes in the number of the Partnership’s outstanding common units; actual levels of quarterly distributions approved by the general partner’s Board of Directors; the inability of charterers to make future charter payments; the inability of the Partnership to renew or replace long-term contracts on existing vessels, including new charters at higher rates; allocations of cash to repay indebtedness or to repurchase common units; the trading price of the Partnership’s common units; the Partnership’s or the Partnership’s joint ventures’ ability to secure or draw on financings for its vessels; 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

Financial Results

Total CFVO[(1)] of $150.1 million, up 13% over last quarter

Adjusted net income[(1)] of $32.6 million, up 68% over last quarter

Adjusted earnings per unit[(1)] of $0.32, up 100% over last quarter

Deliveries

Took delivery of three LNG carriers, all on long-term charters, including the Yamal Spirit LNG, which delivered and commenced its 15-year charter in late-Jan 2019

2019 Outlook

Adjusted net income [(1)] of approx. $1.85 to $2.20 per unit[(2)]

Total CFVO[(1)] of $635 to $660 million[(2)]

CFVO from consolidated vessels[(1)] of $420 to $440 million[(2)]

Returning Capital to Unitholders

Repurchased 1.1 million units at a cost of $11.38 per unit

Distributions to increase by 36% with May 2019 payment

Financing

Completed the last newbuilding financing for the Yamal Spirit LNG carrier newbuilding

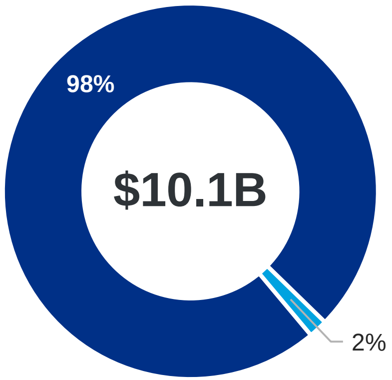
(1) These are non-GAAP financial measures. Please see Teekay LNG's Q4-18 release for definitions and reconciliations to the comparable GAAP measures.

(2) All estimates are as of the date hereof, are approximations and based on current information (including the number of outstanding common units). Actual results may differ materially from these estimates, and the Partnership expressly disclaims any obligation to release publicly any updates or revisions to any such estimates, including to reflect any change in the Partnership's expectations with respect thereto or any change in events, conditions or circumstances on which any such estimates are based. 2019 guidance is based upon uncontracted TFDE/DFDE and steam vessel spot rates of $60,000/day and $50,000/day, respectively. Based on average LNG spot charter rates, a +/-10% change in underlying spot rates would result in a +/-$0.05 change in Adjusted net income per unit, and a +/-$4.1 million change in Total CFVO.

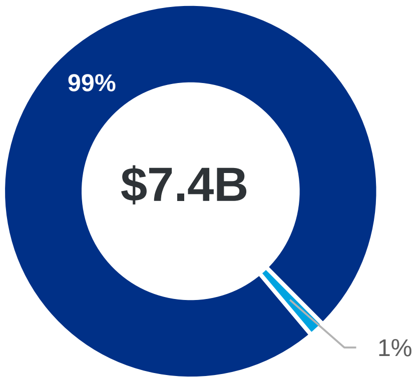
Largest and Most Diversified Portfolio of Long-term LNG Contracts

Existing Portfolio of Long-term LNG Contracts Provides Cash Flow Stability

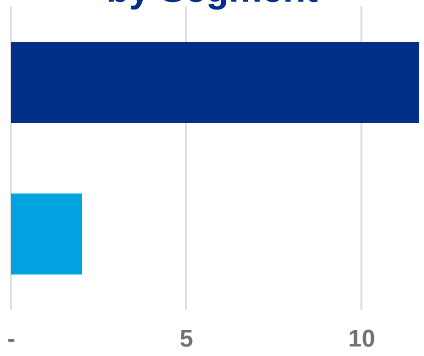
Total Forward Fee-Based Revenues (excl. extension options) (1)



Total Forward CFVO (excl. extension options)(1)

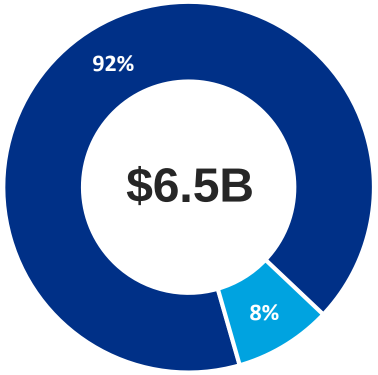


Avg. Remaining Contract Length by Segment (1)



LNG
LPG

Invested Capital Breakdown by Segment (2)



(1) As of January 1, 2019. Based on existing contracts but excludes extension options; includes proportionate share of equity-accounted joint ventures.
(2) Based on book values as of December 31, 2018 and includes proportionate share of equity-accounted joint ventures and upcoming CAPEX.

2019 / 2020: Growth From Export Projects and Fixed Supply Will Strengthen Rates

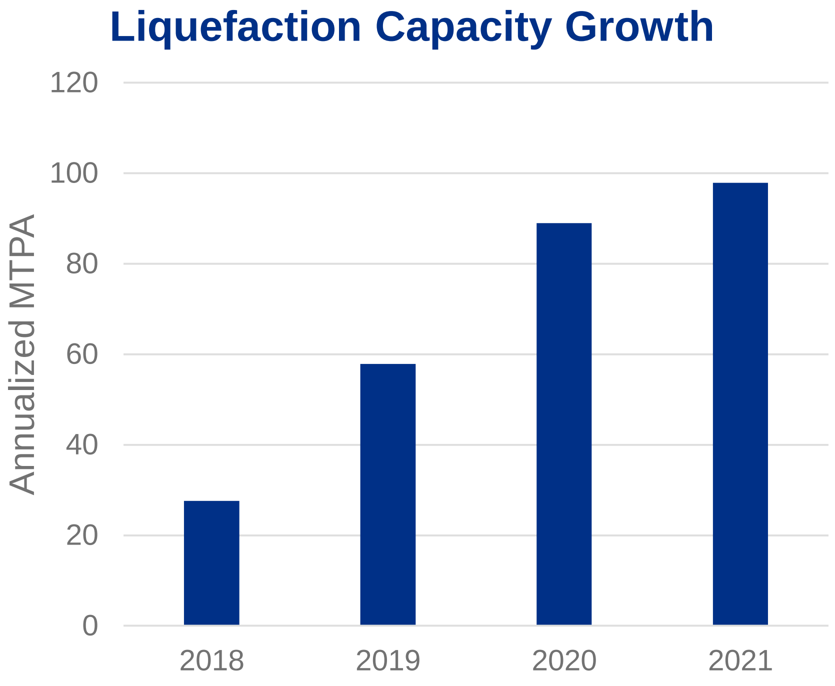
Expected tonne-mile demand growth of 10% in 2019 due to increasing exports

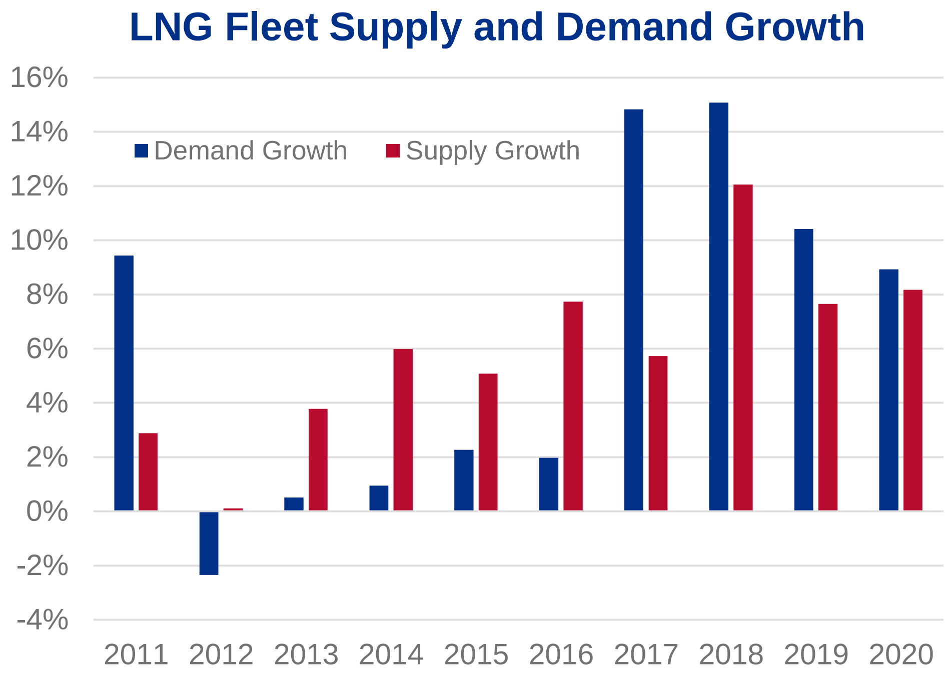
- 2018 projects continuing to ramp up production as some were delayed until 2nd half of the year
- 30 MTPA expected to start up

With orderbook set, trade demand looks set to exceed fleet growth in 2019/2020

- Fleet growth ~8% p.a.
- Demand growth 10% (2019) and 9% (2020)

Expect to take advantage of strong market as 3x vessels come off-charter in 2019/2020



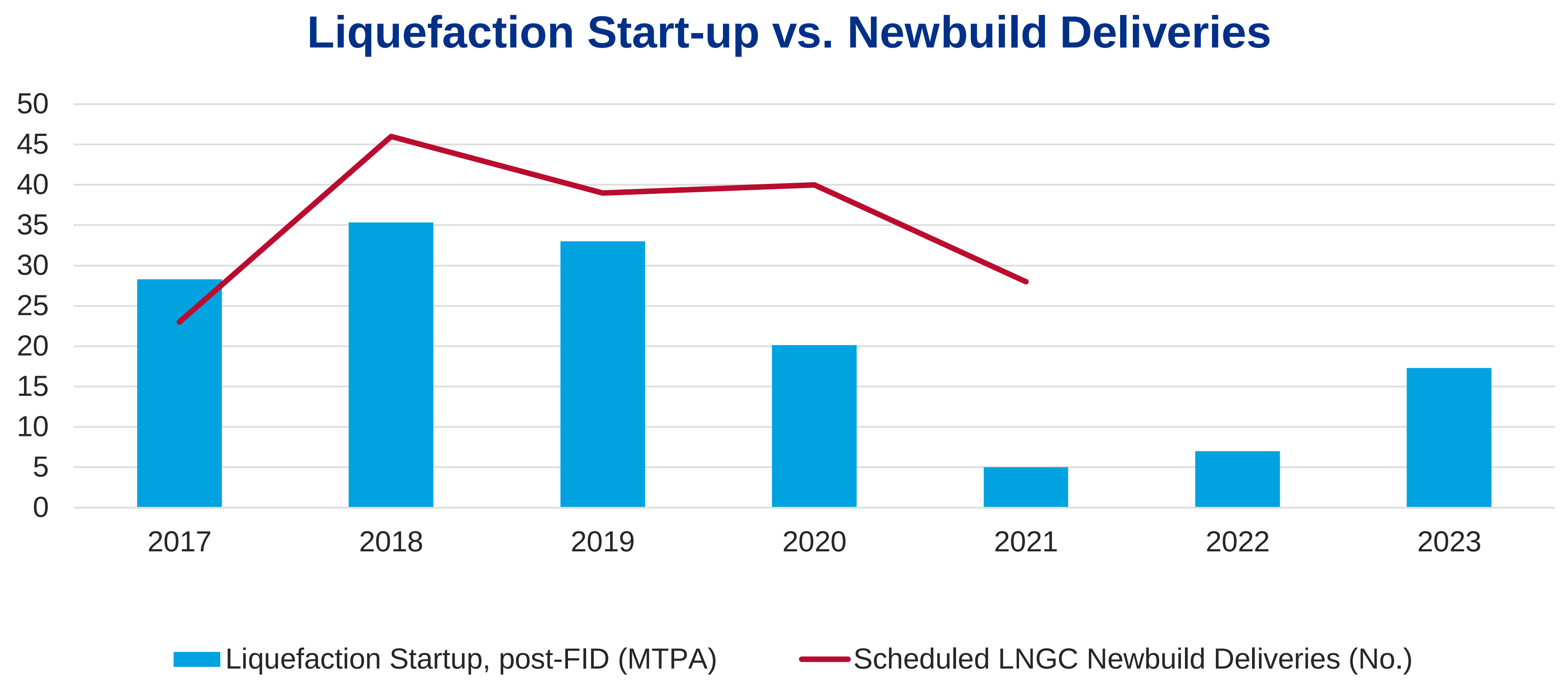


2021/22: Order Delivery and Slowing Export Growth Could Dampen Rates

Export growth slows after 2020 due to lack of new export train start-ups

Coincides with delivery of 69 orders since 2018; potential for softer rates

TGP will seek term business for spot-based vessels prior to 2021



Positioned to Execute

Yamal Spirit financing completed prior to vessel delivery in late-Jan 2019

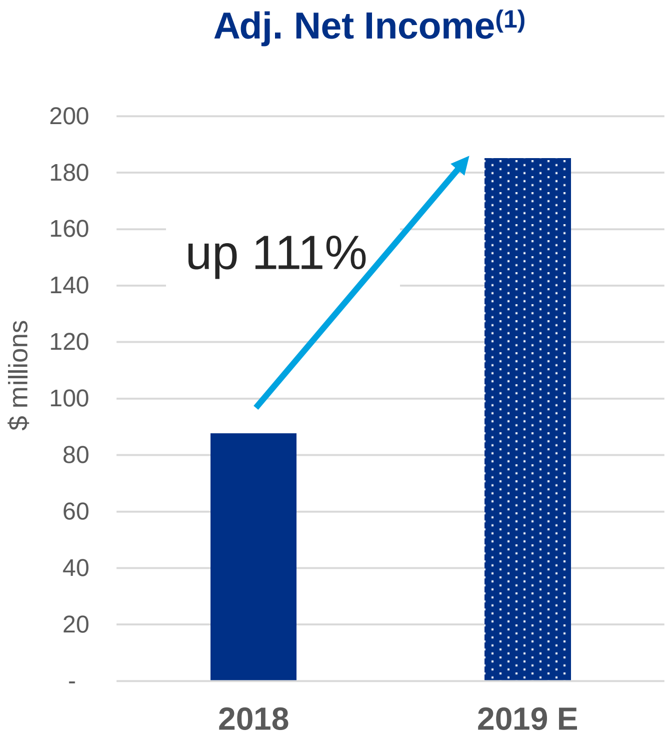
Balanced Capital Allocation Plan

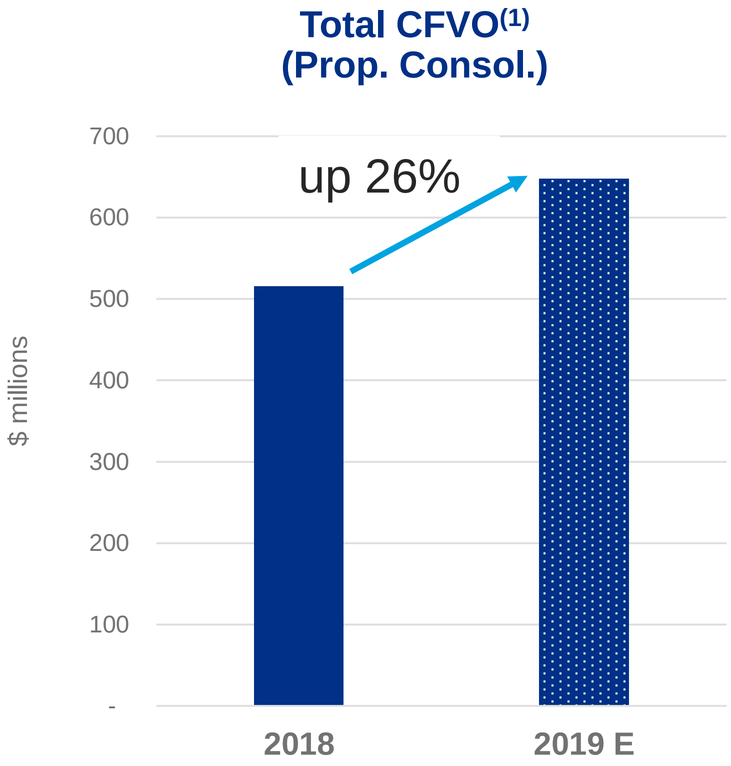
1. Delever Balance Sheet	2. Return Capital to Unitholders	3. Disciplined, Attractive Growth
Target Net Debt / CFVO of 5.0x – 5.5x	**Sustainable, Flexible and Value-Focused**	**Focused on Core Assets and Returns**
Will build equity value through debt repayment: • Consolidated amort. ~ $185 million per annum[1] • Prop. Consol. amort. ~ $300 million per annum [1]	*Distributions to increase 36% in Q1-19* • Units trading at a 5.7% forward yield *Completed $13 million in buybacks since late-Dec 2018*	*4 newbuilds + Bahrain Terminal to deliver in 2019* *Further growth not expected until further delevering and relative returns improve*

(1) excludes balloon maturities/repayments

2019 Results Expected to Increase Substantially

- Vessel and project deliveries throughout 2018 and 2019
- Contracts rolling at higher levels
- Early delivery of vessels





Multiple

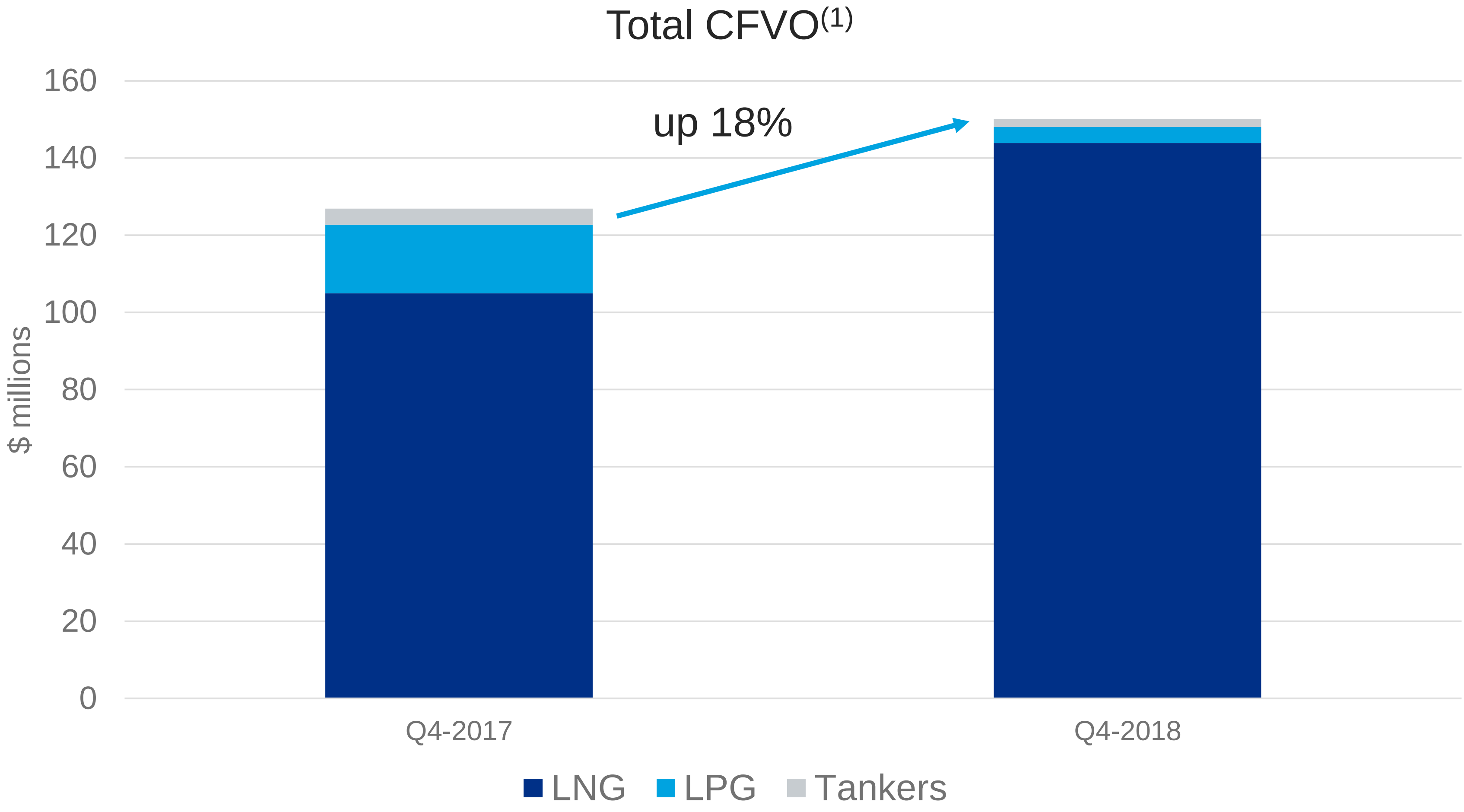
6.6x
2019 earnings[2]

Consol. CFVO Multiple

9.5x
2019 cash flow[2]

(1) Assumes mid-point of guidance range. These are non-GAAP financial measures. Please see Teekay LNG's Q4-18 release for definitions and reconciliations to the comparable GAAP measures.
(2) Based on unit price of $13.45 per unit as of February 20th 2019 and midpoint of 2019 guidance

New Segment Breakdown Highlights Focus on LNG



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TGP's J/Vs are Significant

Teekay LNG's J/V Investments = $14.00 per TGP unit of equity value

J/V Name	Primary Customer	TGP Ownership %	TGP Equity Investment $ millions	# of vessels / on-order	Avg. Age of Vessels	Remaining Contract Length	Forward Revenues $ millions	Next Debt Maturity
MALT	TOTAL 4 x spot	52%	$352	6 / 0	10 years	7 years	$355	2H-2023
Yamal	YAMAL LNG Total, Novatek, CNPC	50%	$205	2 / 4	<1 year and 4 for Q2-Q4 '19 start up	27 years	$2,766	2030 / 32
Exmar LNG / LPG	Various	50%	$186	23 / 0	9 years	3 years	$201	Q2-2021
RG3		40%	$132	4 / 0	11 years	14 years	$660	2026
Angola	Chevron, BP, Sonangol, Eni, Total	33%	$86	4 / 0	7 years	13 years	$499	2H-2023
Bahrain Terminal	nogaholding	30%	$81	0 / 1	Summer '19 start-up	21 years	$868	2036
Pan Union		~25% (avg.)	$74	4 / 0	<1 year	19 years	$587	2029 / 31
Total			**$1,116**	**43 / 5**		**~15 years**	**$5,936**	

TGP Business Strategy Foundation

Simplify & Focus

1. Project Execution and Flawless Operations
2. Optimize Portfolio of Existing Assets

Position for the Future

3. Build Financial Strength and Return Capital to Unitholders
4. Partner of Choice for Our Customers

Appendix

TGP: Stable and Growing Fixed-Rate Cash Flows

Expect 2019 Total CFVO(1) to be 23% to 28% higher than 2018 as recent deliveries impact results

Average Total Fleet Age in 2020: 8.5 yrs(2)

	Ownership	Charterer	Financing completed	2018–2028
Delivered				
Macoma	99%		✓	
Pan Asia	30%		✓	Firm period end date in 2037
Murex	99%		✓	
Eduard Toll	50%	YAMAL LNG	✓	Firm period end date in 2045
Pan Americas	30%		✓	Firm period end date in 2038
Magdala	99%		✓	
Myrina	99%		✓	
Pan Europe	20%		✓	Firm period end date in 2038
Megara	99%		✓	
Bahrain Spirit	100%	Bahrain LNG	✓	Firm period end date in 2038
Rudolf Samoylovich	50%	YAMAL LNG	✓	Firm period end date in 2045
Sean Spirit	100%	bp	✓	
Yamal Spirit	100%	YAMAL LNG	✓	Firm period end date in 2033
Pan Africa	20%		✓	Firm period end date in 2039
Regas Terminal	30%	nogaholding	✓	Firm period end date in 2039
Nikolay Yevgenov	50%	YAMAL LNG	✓	Firm period end date in 2045
Vladimir Voronin	50%	YAMAL LNG	✓	Firm period end date in 2045
Georgiy Ushakov	50%	YAMAL LNG	✓	Firm period end date in 2045
Yakov Gakkel	50%	YAMAL LNG	✓	Firm period end date in 2045

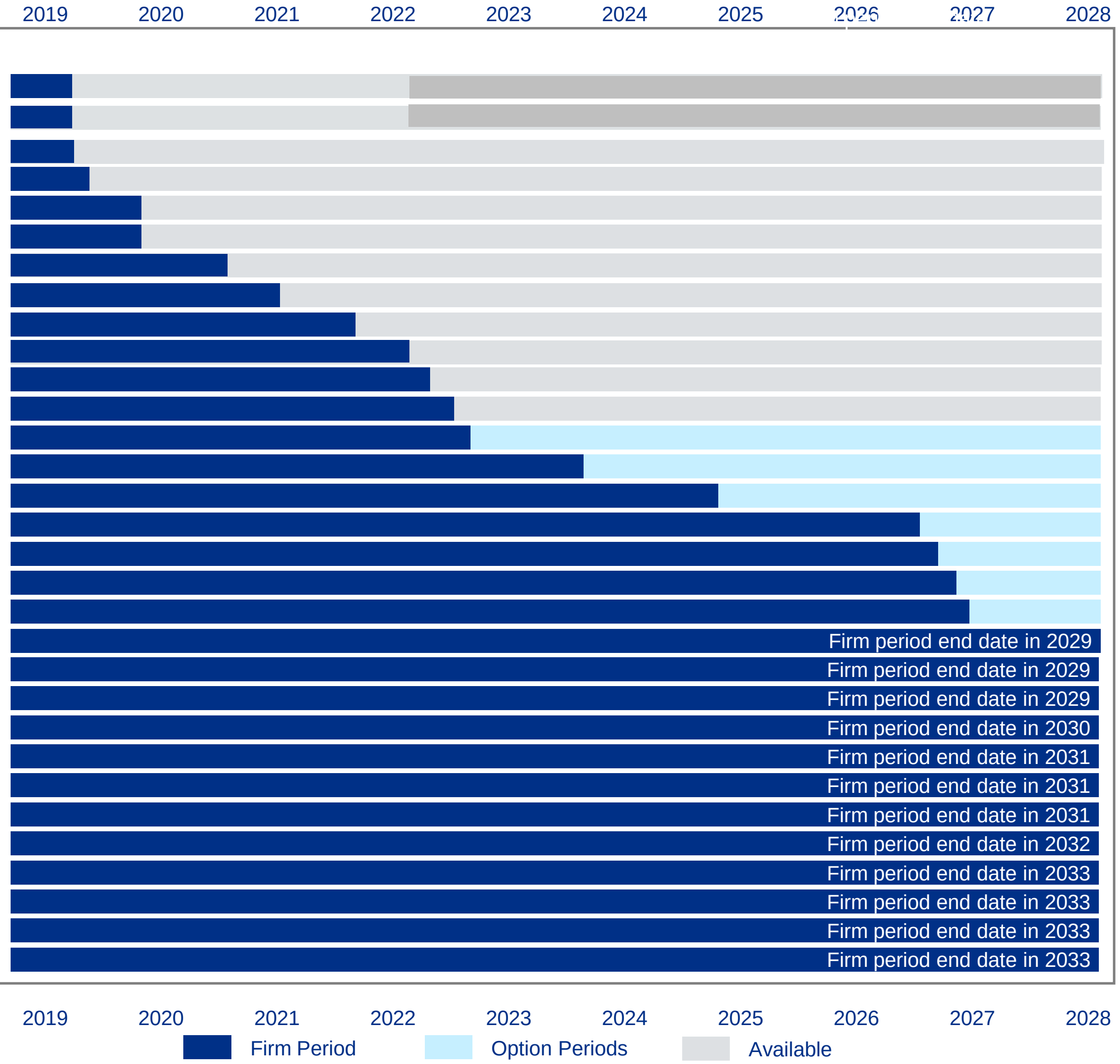
Firm Period | Option Periods | Available

(1) Annualized incremental CFVO as of January 1, 2019, 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.

TGP: Long-Term Contract Coverage With High Quality Customers

Existing LNG Fleet

Vessel	Ownership	Charterer
Marib Spirit[1]	52%	
Arwa Spirit[1]	52%	
Magellan Spirit (in-charter)	52%	TRAFIGURA
Polar Spirit	99%	PETRONAS
Wilforce	99%	AWILCO LNG
Wilpride	99%	AWILCO LNG
Methane Spirit	52%	OSAKA GAS
Creole Spirit	100%	CHENIERE
Oak Spirit	100%	CHENIERE
Torben Spirit	100%	gasNatural
Excalibur	49%	excelerate energy
Arctic Spirit	99%	PETRONAS
Hispania Spirit	100%	
Catalunya Spirit	100%	gasNatural
Madrid Spirit	100%	
Woodside Donaldson	52%	
Al Marrouna	70%	
Al Areesh	70%	
Al Daayen	70%	
Tangguh Hiri	69%	bp
Tangguh Sago	69%	bp
Galicia Spirit	100%	UNION FENOSA
Meridian Spirit	52%	TOTAL
Soyo	33%	
Malanje	33%	
Lobito	33%	
Cubal	33%	
Al Huwaila	40%	
Al Kharsaah	40%	
Al Shamal	40%	
Al Khuwair	40%	



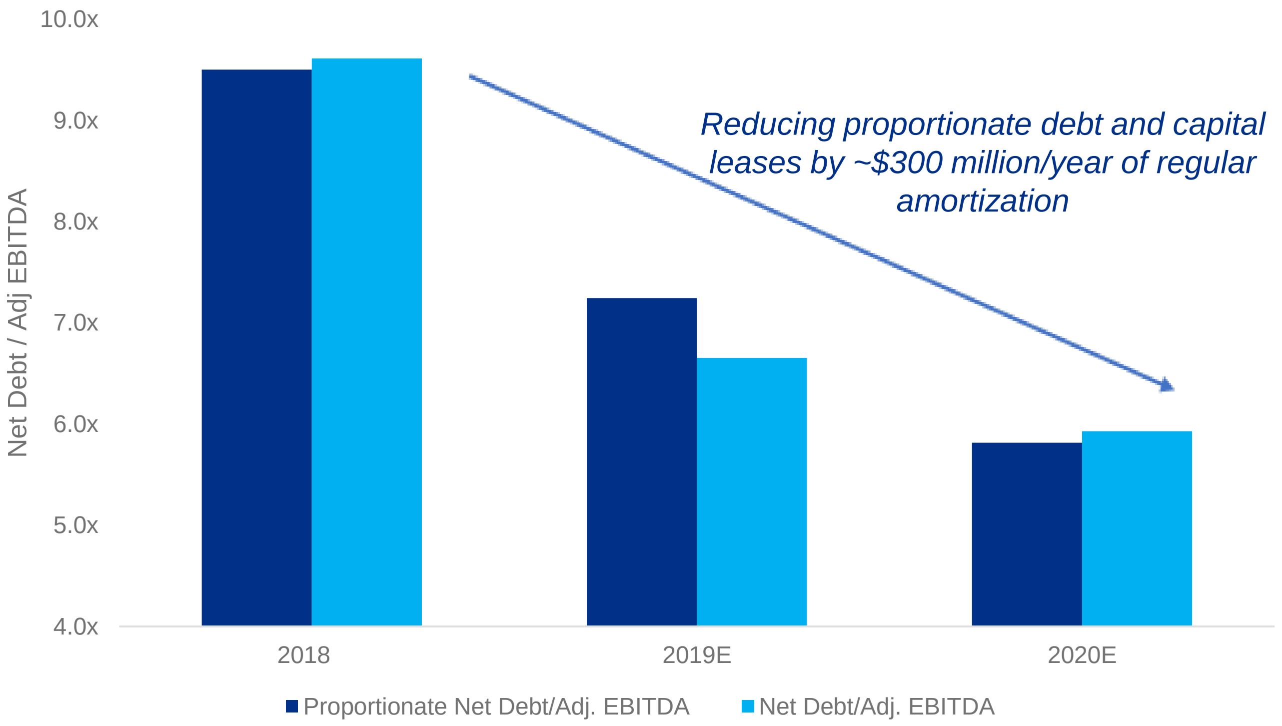
(1) Trading in short-term market as a result of the temporary closing of YLNG's LNG plant in Yemen in 2015 due to the conflict situation.

Delevering While Returning Capital to Unitholders

Debt reduction contributes significantly to unitholders equity value

Consolidated amort. = $185 million per annum(1)

Prop. Consol. amort. = $300 million per annum (1)

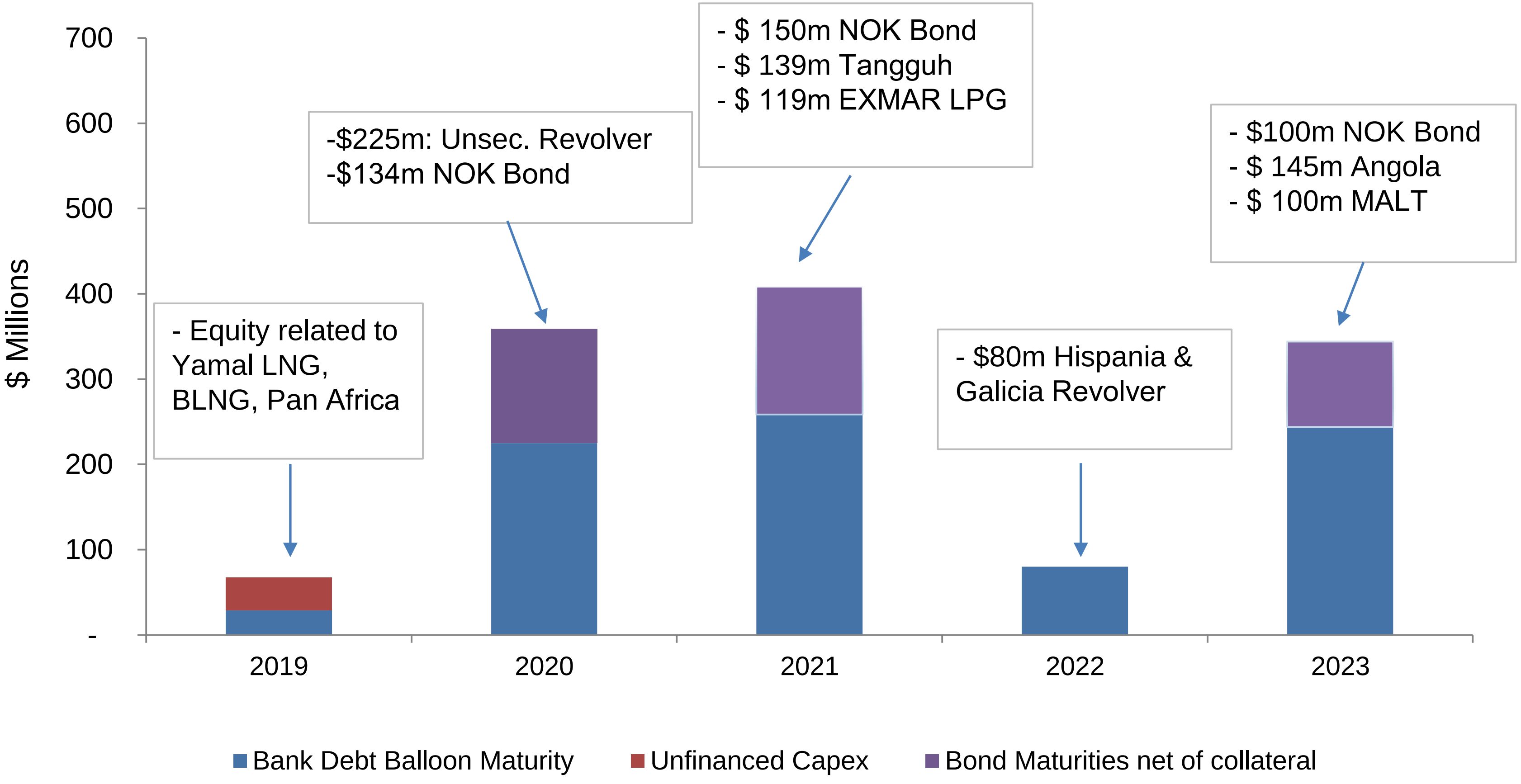


(1) excludes any balloon maturities/repayments

TGP: Strong Position for Upcoming Refinancings

Firm contract coverage and low loan-to-values support refinancings

- Total liquidity (cash, cash equivalents and undrawn lines) as at December 31, 2018: $325 million
- Upcoming maturities excluding firm vessel sales[(1)]



(1) Excludes balloon amounts for 2X Awilco LNG vessels whereby Awilco has purchase obligations in 2019.
(2) Any debt maturities relating to joint venture above is adjusted for TGP's proportional share in the joint venture.

2018 / 2019 Refinancing Update

Financing	Status	Balloon (MUSD)	Refinancing Amount (MUSD)	Completion Date
Arctic/Polar Spirit	Completed	$57	$40	June 2018
1X Spanish LNG Carrier	Completed	$127[(1)]	$117	July 2018
NOK Bond	Completed	$132[(2)]	$100	Aug. 2018
Unsecured 364-day RCF	Completed	$190	$225	Nov. 2018
Yamal Spirit n/b (100% owned)	Completed	N/A	$160	Jan. 2019
J/V Financings (at 100%)				
Woodside Donaldson (52% owned)	Completed	$102	$102	May 2018
Wepion LPG n/b (50% owned)	Completed	N/A	$35	July 2018
4x MALT vessels	Completed	$306	$306	Oct. 2018
Excalibur LNG	In-process	$60	$52.5	Expected Q1-19

(1) US Dollar equivalent of Euro denominated loan

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

Adjusted Net Income

Q4 -18 vs. Q3-18

(Thousands of U.S. Dollars except units outstanding or unless otherwise indicated)	Q4-2018	Q3-2018	Comments
Voyage revenues	149,137	125,025	
Voyage expenses	(6,529)	(7,956)	
Net voyage revenues[1]	142,608	117,069	Increase primarily due to the commencement of charter-out contract for the Magellan Spirit in Q4-18, the deliveries of the Bahrain Spirit and Sean Spirit in Sep-18 and Dec-18, respectively, and higher spot rates earned on the multi-gas vessels. These increases were partially offset by an increase in off-hire days due to drydockings and repairs.
Adjusted vessel operating expenses[1]	(30,454)	(25,871)	Increase due to newbuilding deliveries in Q3-18 and Q4-18, and timing of repairs and maintenance.
Time-charter hire expense	(5,980)	(1,690)	Increase due to full quarter impact of the Magellan Spirit LNG carrier chartered-in from Teekay LNG-Marubeni Joint Venture in Q3-18.
Depreciation and amortization	(33,079)	(32,238)	
General and administrative expenses	(7,809)	(5,811)	Increase due to higher professional fees and other non-recurring costs incurred in Q4-18.
Income from vessel operations	65,286	51,459	
Adjusted equity income[1]	10,697	11,775	
Adjusted interest expense[1]	(41,577)	(40,511)	
Interest income	964	980	
Other income – net	545	314	
Adjusted income tax expense[1]	(13)	(1,275)	
Net income	35,902	22,742	
Less: Net income attributable to Non-controlling interests	(3,266)	(3,268)	
Net income attributable to the partners and preferred unitholders	32,636	19,474	
Weighted-average number of common units outstanding	79,676,541	79,687,499	
Limited partner's interest in adjusted net income per common unit	0.32	0.16	

1) Refer to slide labelled Reconciliations of Non-GAAP Financial Measures for a reconciliation of Net Voyage Revenues, Adjusted Vessel Operating Expense, Adjusted Equity Income, Adjusted Interest Expense, and Adjusted Income Tax Expense.

Reconciliations of Non-GAAP Financial Measures

Reconciliation of the Partnership’s Net Voyage Revenues:

(Thousands of U.S. Dollars)	Three Months Ended December 31, 2018	Three Months Ended September 30, 2018
Voyage revenues as reported	149,805	123,336
Voyage expenses as reported	(6,529)	(7,956)
Realized (losses) gains on charter contract derivative instrument	(668)	1,689
Net Voyage Revenues	**142,608**	**117,069**

Reconciliation of the Partnership’s Adjusted Vessel Operating Expenses:

(Thousands of U.S. Dollars)	Three Months Ended December 31, 2018	Three Months Ended September 30, 2018
Vessel operating expenses as reported	(30,454)	(25,993)
Pre-delivery crew-training expenses relating to newbuildings	-	122
Adjusted Vessel Operating Expenses	**(30,454)**	**(25,871)**

Reconciliation of the Partnership’s Adjusted Equity Income:

(Thousands of U.S. Dollars)	Three Months Ended December 31, 2018	Three Months Ended September 30, 2018
Equity income as reported	949	14,679
Proportionate share of unrealized loss (gain) on non-designated interest rate swaps	4,736	(2,614)
Proportionate share of ineffective portion of hedge-accounted interest rate swaps	4,831	(105)
Proportionate share of other items	181	(185)
Adjusted Vessel Operating Expenses	**10,697**	**11,775**

Reconciliation of the Partnership’s Adjusted Interest Expense:

(Thousands of U.S. Dollars)	Three Months Ended December 31, 2018	Three Months Ended September 30, 2018
Interest expense as reported	(39,551)	(35,875)
Realized losses on derivative instruments and other	(2,026)	(4,636)
Adjusted Interest Expense	**(41,577)**	**(40,511)**

Reconciliation of the Partnership’s Adjusted Income Tax Expense:

(Thousands of U.S. Dollars)	Three Months Ended December 31, 2018	Three Months Ended September 30, 2018
Income tax expense as reported	(42)	(1,549)
Deferred income tax expense	29	274
Adjusted Income Tax Expense	**(13)**	**(1,275)**

Q1-2019 Outlook

Adjusted Net Income	Q1 2019 Outlook (compared to Q4 2018)
Net voyage revenues	• $9M increase from Yamal Spirit and Sean Spirit due to full quarter activity forecasted for Q1-19 • $3M increase from Torben Spirit relating to a higher time-charter rate in Q1-19 • $3M increase from Polar Spirit due to off-hire in Q4-18 for repairs • ($3M) decrease from two fewer calendar days in Q1-19 vs Q4-18 • ($3M) decrease from reduced earnings expected on Magellan Spirit • ($3M) decrease from European Spirit and Toledo Spirit due to vessel sales in Q4-18 and Q1-19, respectively • ($2M) decrease from Galicia Spirit relating to drydocking scheduled in Q1-19
Adjusted vessel operating expenses	• $2M increase due to newbuilding deliveries, net of vessel sales, in Q4-18 and Q1-19
Time-charter hire expense	• Expected to be consistent with Q4-18
Depreciation and amortization	• $1M increase due to vessel deliveries in Q4-18 and Q1-19
General and administrative expenses	• Expected to be consistent with Q4-18, as non-recurring expenses in Q4-18 are expected to be offset by accelerated stock-based compensation which is recognized in Q1 of each year
Adjusted equity income	• ($2M) decrease in Bahrain LNG JV as no sub-charter income is forecasted in Q1-19 for the Bahrain Spirit FSU chartered-in from the Partnership • $2M increase in Exmar LPG due to higher rates forecasted in Q1-19
Adjusted interest expense	• $3M increase due to newbuilding deliveries, net of vessel sales, in Q4-18 and Q1-19
Interest income	• Expected to be consistent with Q4-18
Other income - net	• Expected to be consistent with Q4-18
Adjusted income tax expense	• Expected to be consistent with Q4-18
Adjusted net income attributable to non-controlling interests	• Expected to be consistent with Q4-18

2019(E) Drydock Schedule

		March 31, 2019 (E)		June 30, 2019 (E)		September 30, 2019 (E)		December 31, 2019 (E)		Total 2019 (E)	
Entity	Segment	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
		-	-	-	-	-	-	-	-	-	-
Teekay LNG	LNG - Consolidated	1	30	-	-	1	34	-	-	2	64
	LPG - Consolidated	1	42	-	-	-	-	1	30	2	72
	Conventional Tankers	-	-	-	-	-	-	-	-	-	-
	LNG Equity Accounted	-	7	2	74	1	32	-	-	3	113
	LPG Equity Accounted	1	15	3	83	1	26	1	31	6	155
		3	94	5	157	3	92	2	61	13	404