Teekay LNG Partners

Q1-2019 Earnings Presentation

May 23, 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: the timing of newbuilding vessel deliveries (including expected early deliveries, where applicable) and completion of the Bahrain regasification facility, and the commencement of related contracts; the effects of future newbuilding deliveries, recent new charters and the completion of the Bahrain facility on the Partnership's Total Adjusted EBITDA, earnings and financial leverage; expectations on the Partnership's 2019 financial results; the strength of the LNG and LPG carrier market; the expected commencement date of the charter contracts for the *Magellan Spirit*, *Arwa Spirit* and *Marib Spirit* LNG carriers; the Partnership's capital allocation plan and its ability to create equity value and allocate excess capital in the future; and Teekay LNG's ability to benefit from future LNG fundamentals. 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; deliveries of vessels under charter contracts and the commencement thereof; 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; higher than expected costs and expenses; general market conditions and trends, including spot, multi-month and multi-year charter rates; 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; potential lack of cash flow to reduce balance sheet leverage or of excess capital available to allocate; 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, 2018. 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 Adjusted EBITDA[1] of $158.2 million, up 5.4% over last quarter

Adjusted net income[1] of $33.4 million, up 2.2% over last quarter

Adjusted earnings per unit[1] of $0.34, up 6.3% over last quarter

Charters

Secured charters on 4 LNG carriers, locking-in +$70 million of Total Adjusted EBITDA[1]

2019 Outlook Update

Previously provided guidance ranges still appropriate:

- Adjusted net income[1] of approx. $1.85 to $2.20 per unit[2]
- Total Adjusted EBITDA[1] of $635 to $660 million[2]
- Adjusted EBITDA from consolidated vessels[1] of $420 to $440 million[2]

Returning Capital to Unitholders

May 2019 distribution increased by 36%

Will opportunistically repurchase units

Improving Multi-gas Earnings

7 multi-gas carriers now transferred to Lauritzen-Kosan LPG Pool

Early rate indications are positive – full effect expected in Q3-19

1) These are non-GAAP financial measures. Please see Teekay LNG's Q1-19 earnings 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.

Recent Fixture Activity Has Secured Strong Cash Flow

Over $70 million of Total Adjusted EBITDA secured with recent charters

12 years average remaining contract duration across the LNG fleet

With recent LNG fixed-rate charters, LNG fleet revenues are now 100%, 97% and 92% fixed for remainder of 2019, for 2020 and 2021, respectively

Yamal ARC7 newbuilds expected to deliver early and Bahrain regas terminal expected to start-up end of Q3-19

50%-owned Yamal ARC7 LNG carrier newbuildings deliveries on track

Name	Previous Delivery Date	Expected Delivery Date
Nikolay Yevgenov	June 4, 2019	June 1-3, 2019
Vladimir Voronin	August 9, 2019	July 21, 2019
Georgiy Ushakov	Oct. 11, 2019	Oct. 4, 2019
Yakov Gakkel	Nov. 25, 2019	Nov. 25, 2019

Seasonal Weakness In The Spot LNG Market; Time Charter Rates Remain Strong

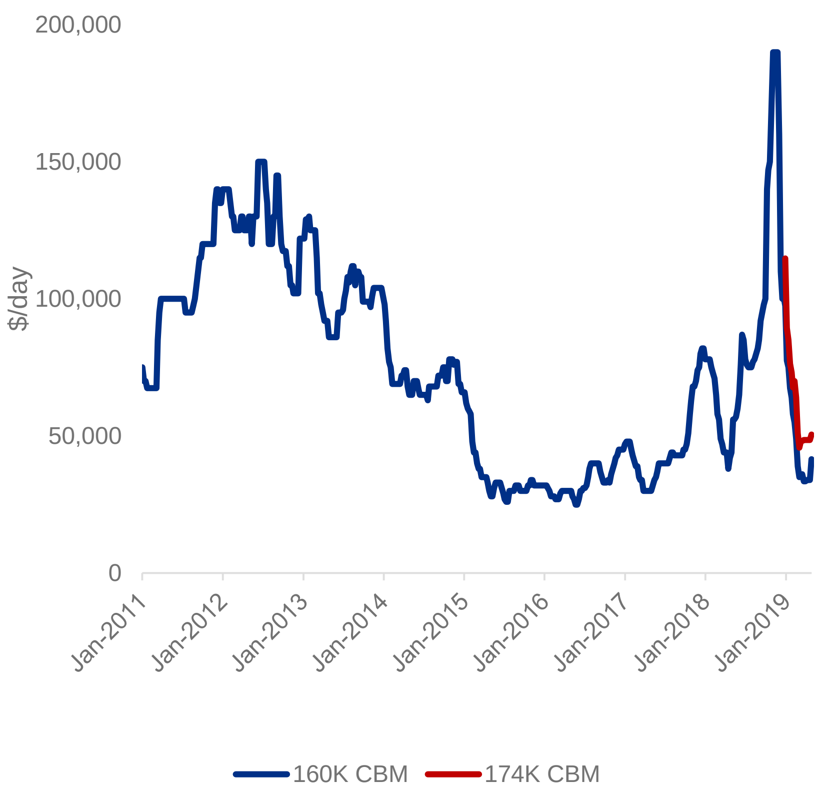
Soft demand in N. Asia due to warmer winter diminished the Europe-Asia LNG price arbitrage

More cargoes sent to Europe instead which saw imports increase by 18% from prior quarter. Number of re-loads in this region reduced, resulting in decrease of tonne-mile demand

Q1-19 spot rates averaged $30,000/day for 160K CBM vessels

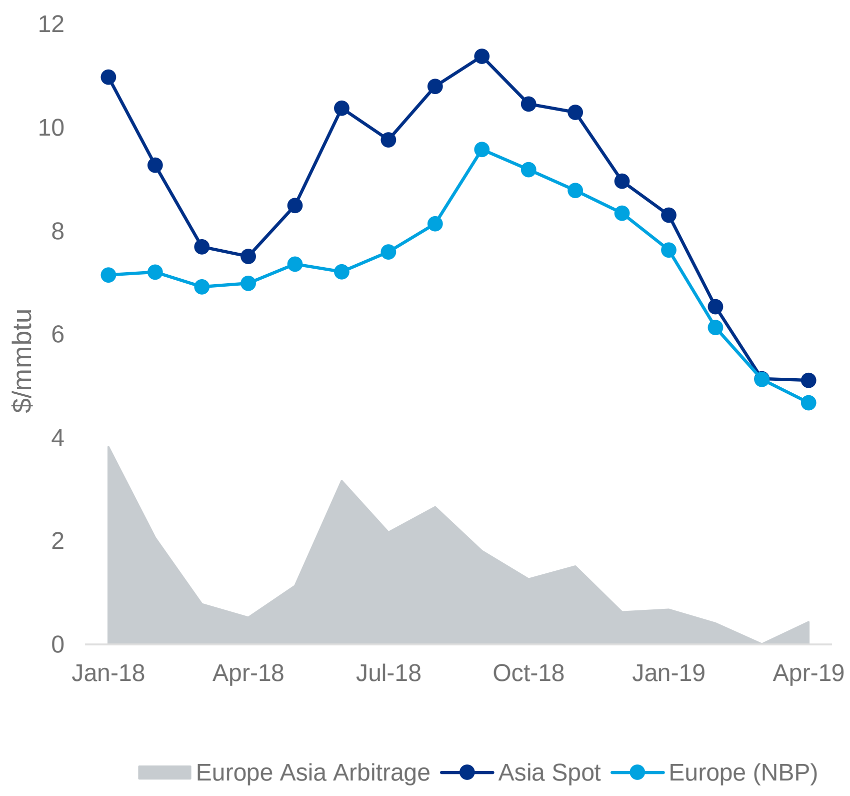
However, one-year time charter rates remain firm with Clarksons reporting avg. of $86,000/day at the beginning of Q2-19

LNG Vessel Spot Rates



Source: Clarksons

LNG Prices and Arbitrage



Source: Thomson Reuters

Positive Outlook For 2H-19; 2020 To Remain Strong

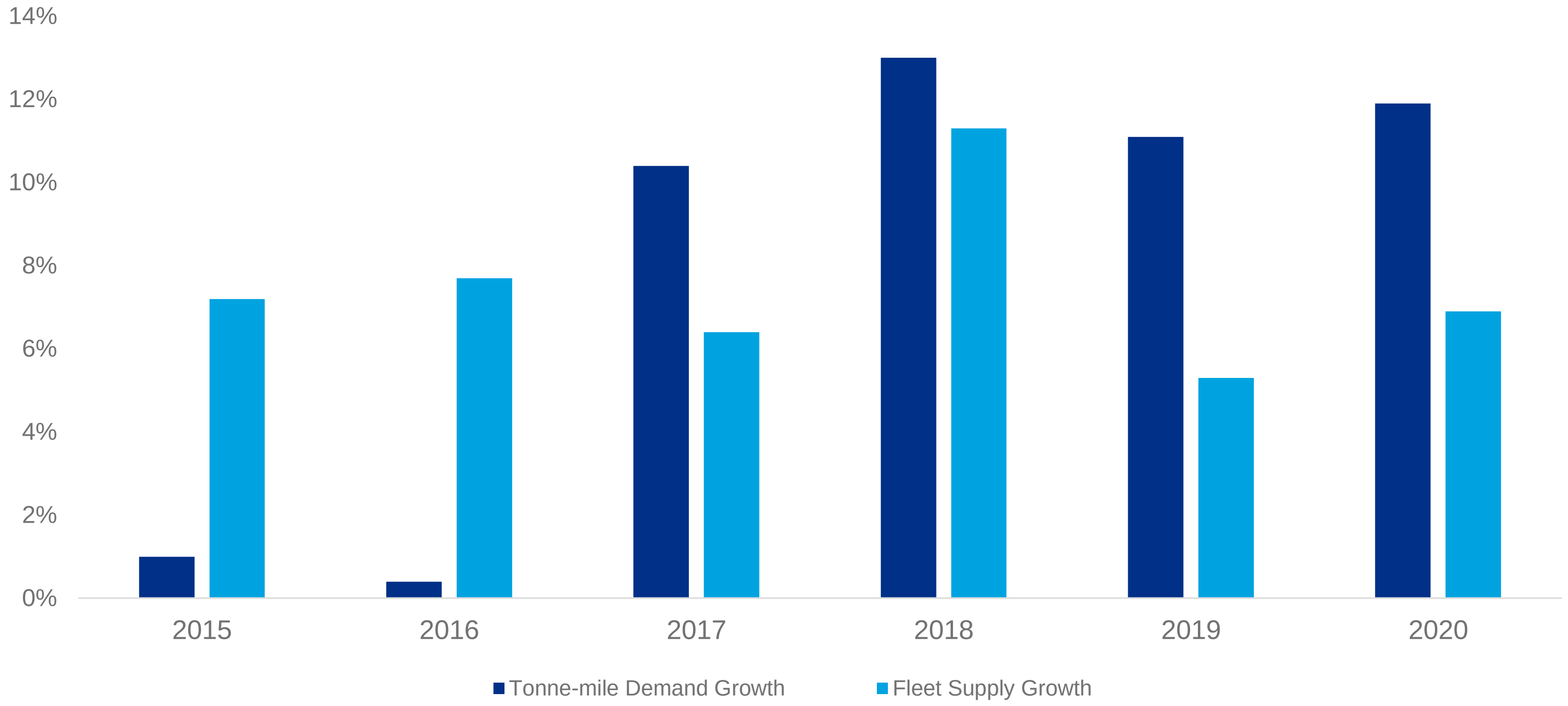
Expected tonne-mile demand growth of 11% in 2019 due to increasing exports

- 2018 projects continue to ramp up production as some were delayed until 2nd half of the year
- 33 MTPA expected to start-up in 2019

Momentum to continue into 2020

- Tonne-mile demand growth of 12% in 2020 from new export projects
- But rates may dampen as 70 newbuild orders in 2018 expected to deliver in late-2020 through 2021 period

LNG Fleet Demand and Supply Growth



Source: Clarksons

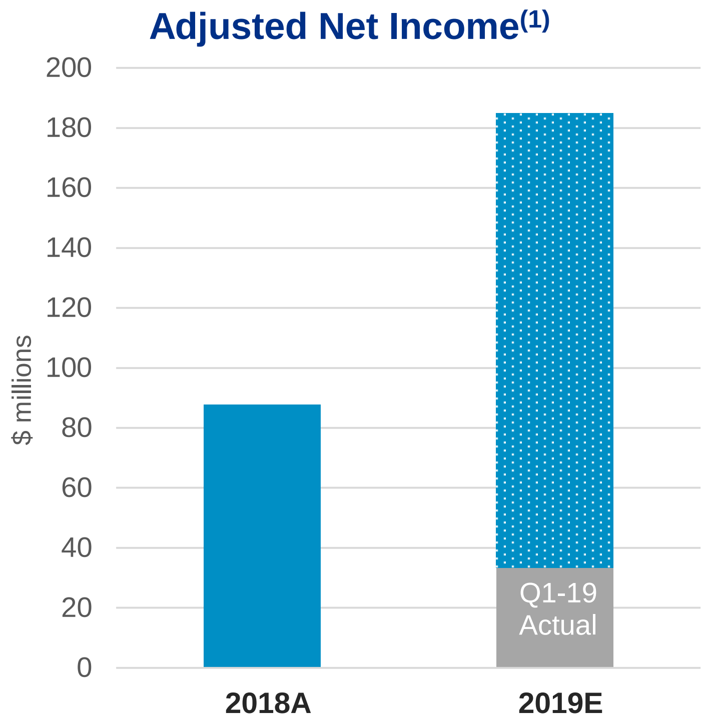
TGP's J/Vs Represent Significant Value

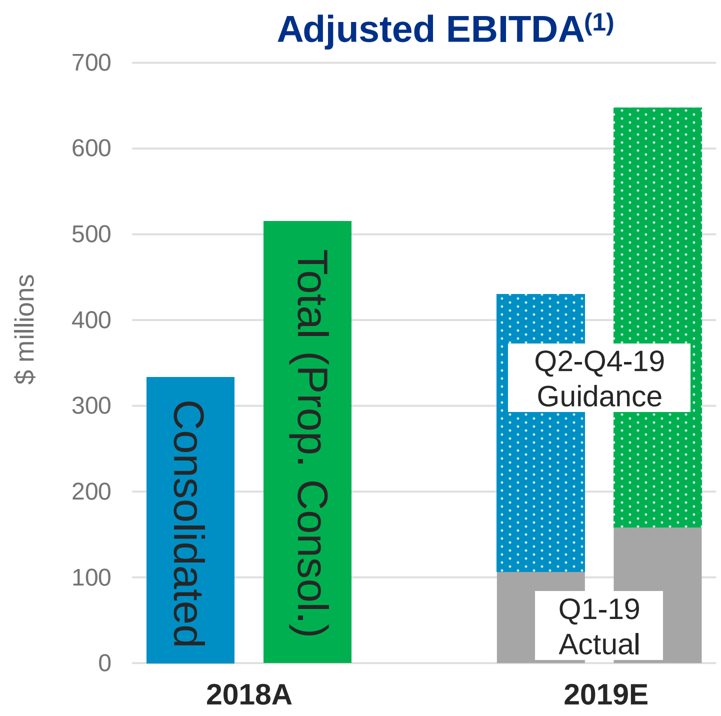
Teekay LNG's J/V Investments = $14.00 per TGP unit of book equity value

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	Mar. 31 '19 o/s Debt (TGP's Proportionate Share)	To be Drawn $ millions (TGP's Proportionate Share)	Normal-ized Amort. $ millions (TGP's Proportionate Share)	Next Debt Maturity
MALT	OSAKA GAS GROUP; 1 x spot; TOTAL	52%	$349	6 / 0	10 years	7 years	$355	$282	-	$25	2H-2023
Yamal	YAMAL LNG	50%	$203	2 / 4	<1 year	27 years	$2,766	$427	$378	$34	2030 / 32
Exmar LNG / LPG	Various	50%	$184	23 / 0	9 years	3 years	$201	$297	-	$35	Q2-2021
RG3		40%	$125	4 / 0	11 years	14 years	$660	$269	-	$10	2026
MINT	Angola	33%	$86	4 / 0	7 years	13 years	$499	$200	-	$11	2H-2023
Bahrain Terminal	nogaholding	30%	$73	0 / 1	Q3-19 start-up	21 years	$868	$186	$37	$9	2036
Pan Union		25% (avg.)	$76	4 / 0	<1 year	19 years	$587	$183	-	$6	2029 / 31
Total			**$1,096**	**43 / 5**		**~15 years**	**$5,936**	**$1,844**	**$415**	**$130**	

2019 Results On Track to Increase Substantially

- Vessel and project deliveries throughout 2018 and 2019
- Contracts rolling at higher levels
- Early delivery of vessels
- Expect results to fall within guidance ranges previously provided





Current Trading Multiple

7.1x 2019 EPU[1][2]

Current Trading Multiple

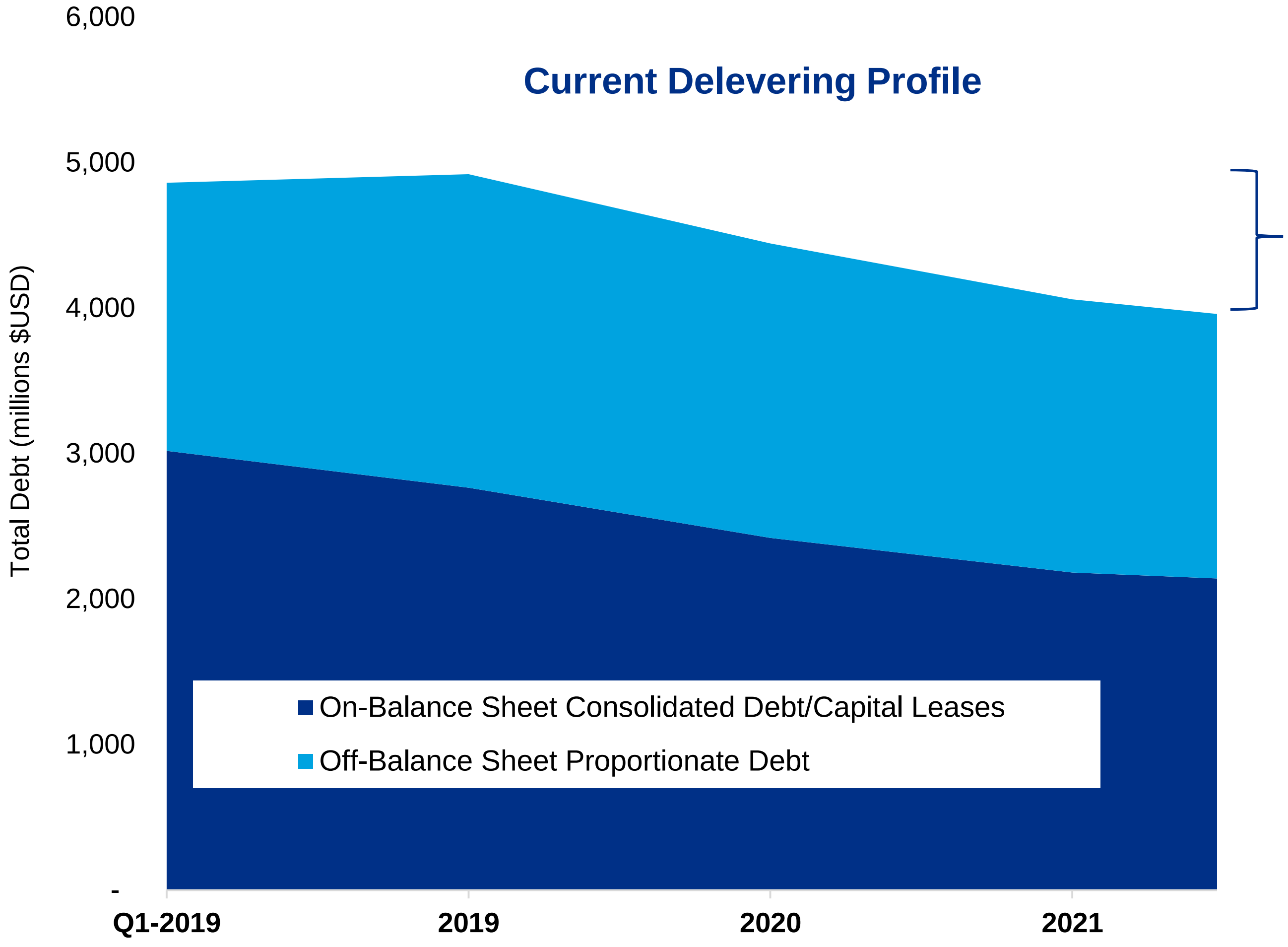
9.0x 2019 Total Adj. EBITDA[1][2]

(1) Assumes mid-point of guidance range. These are non-GAAP financial measures. Please see Teekay LNG's Q1-19 earnings release for definitions and reconciliations to the comparable GAAP measures.
(2) Based on unit price of $14.45 per unit as of May 21, 2019 and midpoint of 2019 guidance of $635-660 million

Delevering Translates into Increase in Equity Value

Consolidated debt amortization: ~ $185 million per annum

Proportionate Consolidated debt amortization: ~ $300 million per annum



~$900 million of total debt amortization = $11.30 / unit of equity value to be built over the next 3 years

Appendix

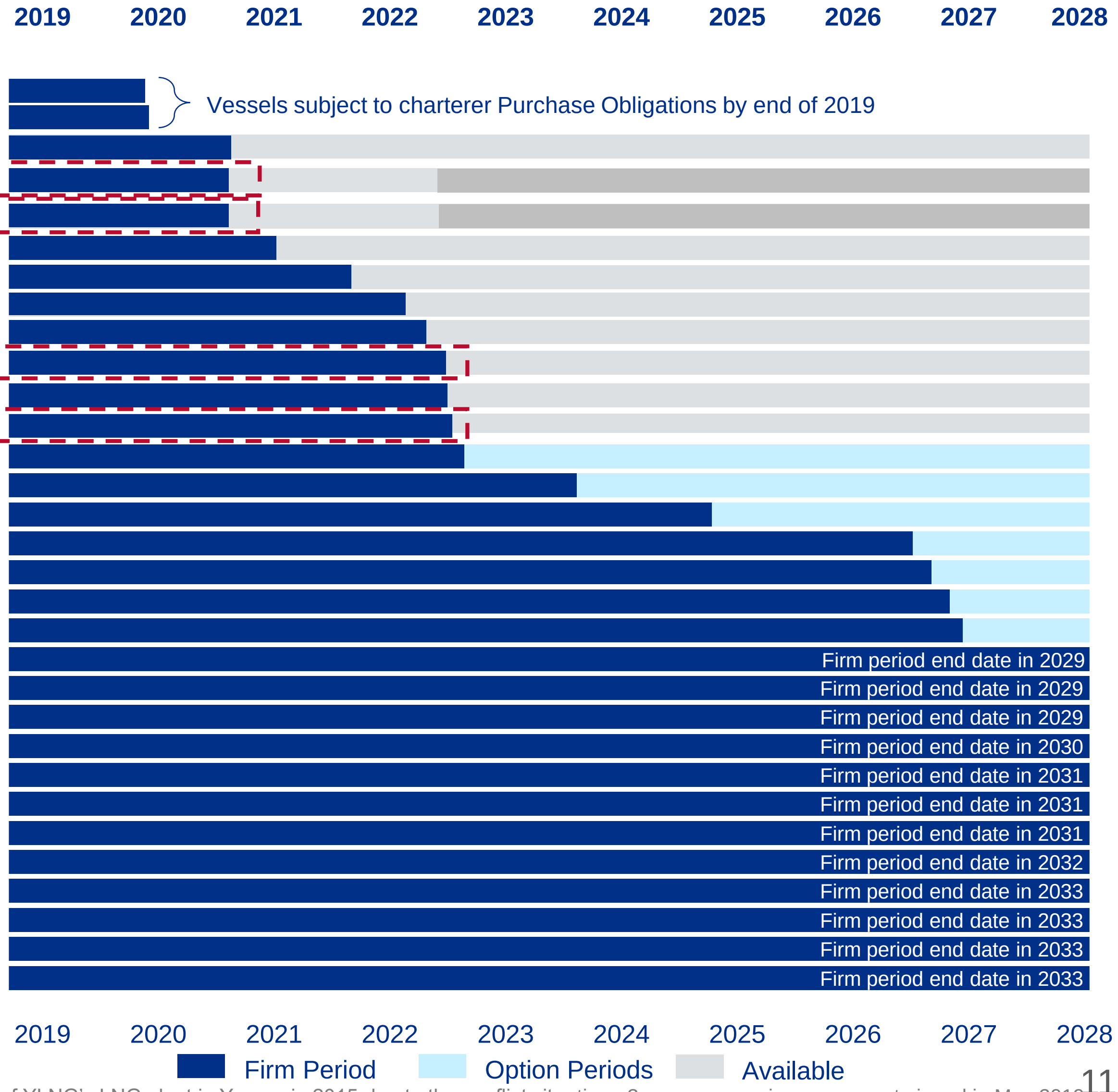
Long-Term Contract Coverage With High Quality Customers

12 year average remaining contract duration across the LNG fleet*

With recent LNG fixed-rate charters, LNG fleet revenues are now 100%, 97% and 92% fixed for remainder of 2019, for 2020 and 2021, respectively

Current Charter Terms

	Ownership	Charterer
Existing LNG Fleet		
Wilforce	99%	AWILCO LNG
Wilpride	99%	AWILCO LNG
Methane Spirit	52%	OSAKA GAS GROUP
Marib Spirit[1]	52%	CHENIERE
Arwa Spirit[1]	52%	CHENIERE
Creole Spirit	100%	CHENIERE
Oak Spirit	100%	CHENIERE
Torben Spirit	100%	gasNatural
Excalibur	49%	excelerate
Polar Spirit	99%	PETRONAS
Arctic Spirit	99%	PETRONAS
Magellan Spirit (in-charter)	52%	Petrobras
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%	angola LNG
Malanje	33%	angola LNG
Lobito	33%	angola LNG
Cubal	33%	angola LNG
Al Huwaila	40%	
Al Kharsaah	40%	
Al Shamal	40%	
Al Khuwair	40%	



Recent charter awards

[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. 3-year suspension agreement signed in May 2019

* As of April 1 2019, excludes extension options; includes existing vessels and growth projects

Stable and Growing Fixed-Rate Cash Flows

Financing completed for all deliveries

3rd Yamal ARC7 expected to deliver early-June – earlier than previously anticipated

Recent and Existing Growth Projects

Average Total Fleet Age in 2020: 8.5 years[1]

	Ownership	Charterer	Financing completed	2018 – 2019E – 2020E – 2021E – 2022E – 2023E – 2024E – 2025E – 2026E – 2027E – 2028E
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
Nikolay Yevgenov	50%	YAMAL LNG	✓	Firm period end date in 2045
Vladimir Voronin	50%	YAMAL LNG	✓	Firm period end date in 2045
Regas Terminal	30%	nogaholding	✓	Firm period end date in 2039
Georgiy Ushakov	50%	YAMAL LNG	✓	Firm period end date in 2045
Yakov Gakkel	50%	YAMAL LNG	✓	Firm period end date in 2045

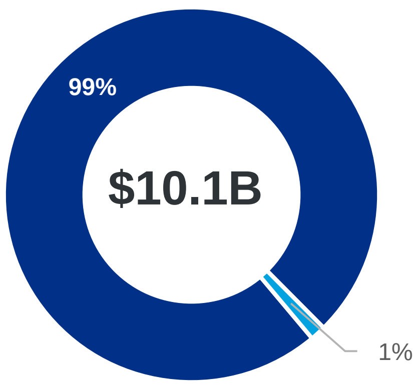
Firm Period | Option Periods

[1] Average fleet age in 2020 on a fully delivered basis, including existing on-the-water LNG fleet as of January 1, 2019

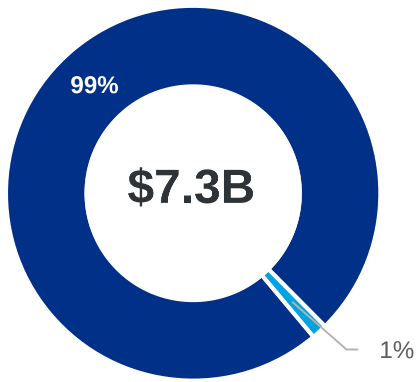
Largest and Most Diversified Portfolio of Long-term LNG Contracts

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

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

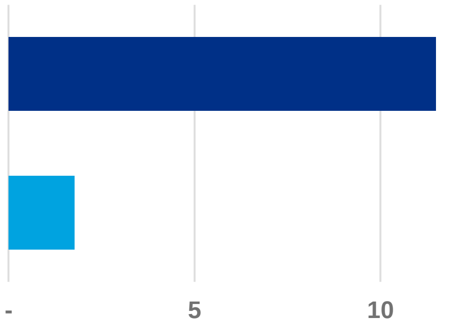


Total Forward Adj. EBITDA (excl. extension options) (1)

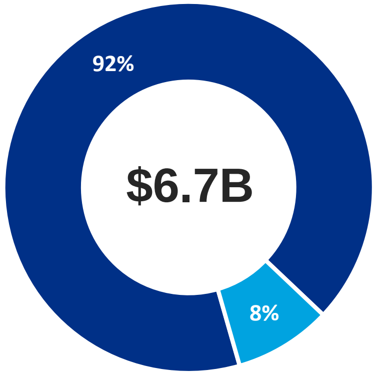


LNG
LPG

Avg. Remaining Contract Length by Segment (1)



Invested Capital Breakdown by Segment (2)



(1) As of April 1, 2019. Based on existing contracts, including recently secured LNG charter contracts, but excludes extension options; includes proportionate share of equity-accounted joint ventures

(2) Based on book values as of April 1, 2019 and includes proportionate share of equity-accounted joint ventures and upcoming CAPEX.

Adjusted Net Income

Q1-19 vs. Q4-18

(Thousands of U.S. Dollars except units outstanding or unless otherwise indicated)	Q1-2019	Q4-2018	Comments
Net voyage revenues[(1)]	143,969	142,608	Increase primarily due to the deliveries of the Sean Spirit and Yamal Spirit in Dec-18 and Jan-19, respectively, the Torben Spirit earning a higher time-charter rate commencing late Q4-18, and higher spot rates earned on the multi-gas vessels. These increases were partially offset by the Magellan Spirit earning a lower time-charter rate upon reemployment during Q4-18, an increase in off-hire days due to drydockings and repairs and the sales of three Suezmax vessels between Q4-18 and Q1-19.
Vessel operating expenses	(26,101)	(30,454)	Decrease primarily due to the sales of three Suezmax vessels, and timing of repairs and maintenance. These decreases were partially offset by vessel deliveries between Q4-18 and Q1-19.
Time-charter hire expense	(5,591)	(5,980)	
Depreciation and amortization	(34,126)	(33,079)	
General and administrative expenses	(6,632)	(7,809)	
Income from vessel operations	71,519	65,286	
Adjusted equity income[(1)]	10,283	10,697	
Adjusted interest expense[(1)]	(44,211)	(41,577)	Increase due to vessel deliveries between Q4-18 and Q1-19.
Interest income	1,078	964	
Other income – net	251	545	
Adjusted income tax expense[(1)]	(2,578)	(13)	Increase due to additional freight tax liability recognized in Q1-19.
Net income	36,342	35,902	
Less: Net income attributable to Non-controlling interests	(2,977)	(3,266)	
Net income attributable to the partners and preferred unitholders	33,365	32,636	
Weighted-average number of common units outstanding	78,598,678	79,676,541	
Limited partner's interest in adjusted net income per common unit	0.34	0.32	

1) Refer to slide labelled Reconciliations of Non-GAAP Financial Measures for a reconciliation of Net Voyage Revenues, 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 March 31, 2019	Three Months Ended December 31, 2018
Voyage revenues as reported	149,744	149,805
Voyage expenses as reported	(5,775)	(6,529)
Realized (losses) gains on charter contract derivative instrument	-	(668)
Net Voyage Revenues	**143,969**	**142,608**

Reconciliation of the Partnership's Adjusted Equity Income:

(Thousands of U.S. Dollars)	Three Months Ended March 31, 2019	Three Months Ended December 31, 2018
Equity income as reported	5,578	949
Proportionate share of unrealized loss on non-designated interest rate swaps	4,360	4,736
Proportionate share of ineffective portion of hedge-accounted interest rate swaps	-	4,831
Proportionate share of other items	345	181
Adjusted Equity Income	**10,283**	**10,697**

Reconciliation of the Partnership's Adjusted Interest Expense:

(Thousands of U.S. Dollars)	Three Months Ended March 31, 2019	Three Months Ended December 31, 2018
Interest expense as reported	(42,217)	(39,551)
Realized losses on derivative instruments and other	(1,994)	(2,026)
Adjusted Interest Expense	**(44,211)**	**(41,577)**

Reconciliation of the Partnership's Adjusted Income Tax Expense:

(Thousands of U.S. Dollars)	Three Months Ended March 31, 2019	Three Months Ended December 31, 2018
Income tax expense as reported	(2,578)	(42)
Deferred income tax expense	-	29
Adjusted Income Tax Expense	**(2,578)**	**(13)**

Q2 2019 Outlook

Adjusted Net Income	Q2 2019 Outlook (compared to Q1 2019)
Net voyage revenues	• $5M increase from Spanish LNGs due to fewer off-hire days for dry-docking and repairs in Q2-19 • $3M increase from multi-gas vessels due to higher forecasted rates in Q2-19 • $3M increase from Yamal Spirit delivery in Q1-19 • $2M increase from one additional calendar day in Q2-19 vs Q1-19 • ($8M) decrease due to the dry-docking of the Magellan Spirit in Q2-19
Adjusted vessel operating expenses	• $3M increase primarily due to timing of repairs and maintenance, offsetting favorable timing variance in Q1-19, and Yamal Spirit delivery in Q1-19
Time-charter hire expense	• $3M decrease due to dry-docking of the Magellan Spirit in Q2-19
Depreciation and amortization	• $1M increase due to the delivery of the Yamal Spirit in Q1-19
General and administrative expenses	• $1M decrease due to timing of stock-based compensation and directors fees in Q1-19
Adjusted equity income	• ($8M) decrease in Malt JV due to idle days for two Malt vessels on spot voyages, two vessels dry-docking in Q2-19 and timing of main engine overhauls • $1M increase in Yamal LNG JV due to the delivery of the Nikolay Yevgenov in Q2-19 • $1M increase in Exmar LPG JV due to higher forecasted rates partially offset by more off-hire days for scheduled dry-dockings in Q2-19
Adjusted interest expense	• Expected to be consistent with Q1-19
Interest income	• Expected to be consistent with Q1-19
Other income - net	• Expected to be consistent with Q1-19
Income tax expense	• Expected to be consistent with Q1-19
Adjusted net income attributable to non-controlling interests	• Expected to be consistent with Q1-19

2019(E) Drydock Schedule

Entity	Segment	March 31, 2019 (A)		June 30, 2019 (E)		September 30, 2019 (E)		December 31, 2019 (E)		Total 2019 (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
Teekay LNG	LNG - Consolidated	1	37	-	-	4	46	-	-	5	83
	LPG - Consolidated	1	38	-	-	-	-	1	30	2	68
	Conventional Tankers	-	-	-	-	-	-	-	-	-	-
	LNG Equity Accounted (1)	-	4	2	82	4	16	-	-	6	102
	LPG Equity Accounted	1	23	4	96	1	26	1	31	7	176
		3	102	6	178	9	88	2	61	20	429

* In the case that a vessel's offhire days straddles between quarters, the quarter with the majority of offhire days will have the vessel allocated to it.

- (A) – Actual
- (E) – Estimate

Note (1) - The Magellan Spirit drydock in Q2'19 is included in the LNG Equity Accounted line, however, as the vessel is chartered-in by the Partnership from the Teekay LNG-Marubeni Joint Venture, the drydock will have an impact on the Partnership's consolidated voyage revenues and time-charter hire expense.