Teekay LNG Partners

Q1-2020
Earnings Presentation

May 21, 2020

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 impact of COVID-19 and related global events on the Partnership's operations and cash flows; the Partnership's ability to achieve previously disclosed adjusted net income guidance figures for the year-ending December 31, 2020; expectations on future allocation of capital towards balance sheet deleveraging and returning capital to unitholders; the ability to continue to pay increased distributions on its common units; expected charter commencement dates; and the Partnership's positioning to meet its upcoming debt maturities. 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 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, including as a result of off-hire days or dry-docking requirements; general market conditions and trends, including spot, multi-month and multi-year charter rates; inability of customers of the Partnership or any of its joint ventures to make future payments under contracts; potential further delays to the formal commencement of commercial operations of the Bahrain Regasification Terminal; the inability of the Partnership to renew or replace long-term contracts on existing vessels; potential lack of cash flow to reduce balance sheet leverage or of excess capital available to allocate towards returning capital to unitholders; 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, 2019. 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

Record-high Q1-20 adjusted net income of $52.2 million; 7th consecutive quarterly increase

52%-owned *Marib Spirit* chartered on 6-month fixed-rate contract

Eliminated IDRs owned by our General Partner

Trading at attractive multiple of earnings and cash flow

Key Takeaways:

Another Record Quarter for TGP	Total Adjusted EBITDA[1] up nearly 20% over prior year to $188.4 million
LNG Fleet 100% Fixed for 2020 and 94% Fixed for 2021	Goal of maximizing vessel utilization provides financial stability; all contracts are 'take-or-pay' with strong counterparties
Strong Financial Foundation	Leverage continues to decrease; $134 million NOK Bond just repaid with cash; no remaining debt maturities in 2020; no growth CAPEX
2020 Guidance Reaffirmed	2020 Adjusted Net Income [1] projected to increase by nearly 50%[2] over 2019, which was up 92% over 2018
Increasing Returns to Investors	Distributions increased 32% over 2019 while continuing to opportunistically repurchase units

1) These are non-GAAP financial measures. Please see Teekay LNG's Q1-20 earnings release for definitions and reconciliations to the comparable GAAP measures.
2) Assumes mid-point of 2020 adjusted net income Guidance Range included on Slide 9 of this presentation

Operating in a COVID-19 Environment

Protecting the health and safety of our seafarers and onshore staff while ensuring business continuity

Operations Continue to Perform Efficiently

- No impact on vessel days, availability remains unaffected
- No onboard cases of COVID-19
- Working from home globally

All Charter Contracts Operating as Expected

- LNG cargo cancellations not impacting chartered vessels
- Similar to previous energy market downturns, our fixed-rate charters are functioning as expected

Focus on Safety and Health of our Crew

- Crew changes are not possible except for special cases and our seafarers remain onboard beyond their planned length
- Preventative policies enforced to ensure health and safety of our crew

Maintenance Management

- Advanced purchases of critical spares
- 2020 drydocks heavily weighted to tail-end.

Financial Results Continue to Improve

TGP's $3.5 billion growth program was completed in Dec. 2019

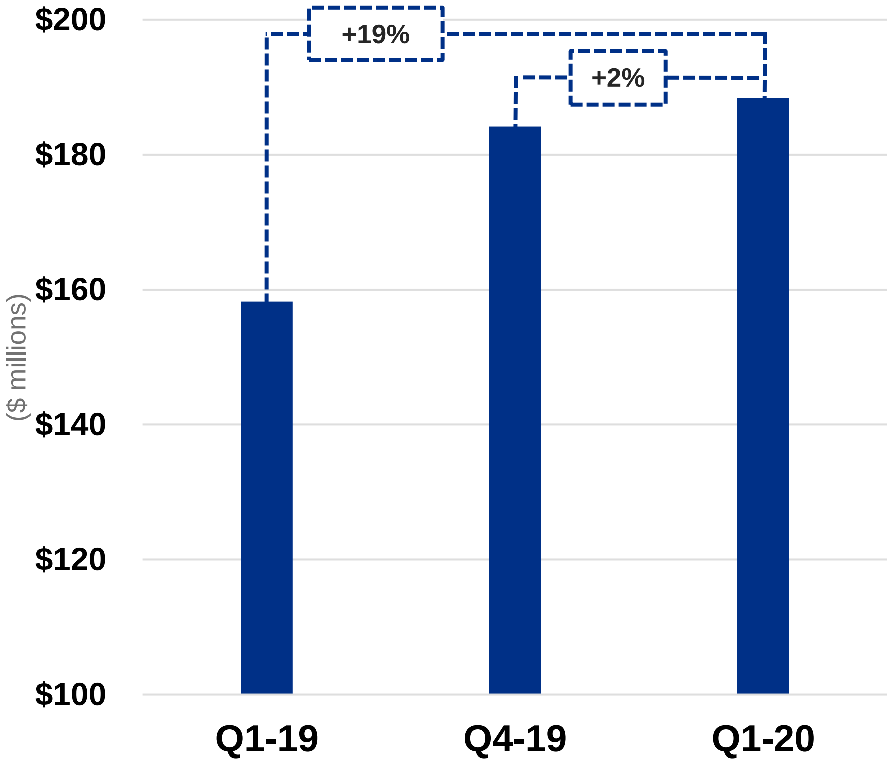
Total adjusted EBITDA and adjusted net income continue to increase as:

- 6 vessels delivered during 2019 onto fixed-rate contracts
- The Bahrain Regasification Terminal started receiving terminal use payments in Jan. 2020
- Higher LPG rates in Exmar JV

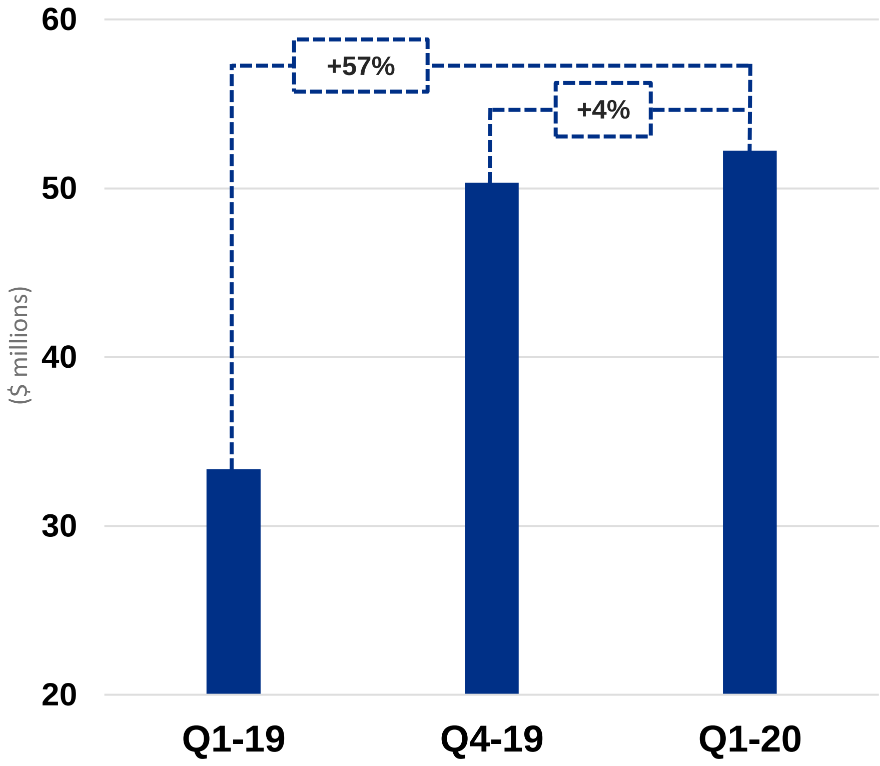
Partially offset slightly by sales of non-core assets

Expect second quarter adjusted earnings and cash flow to exceed Q1-20

Total Adjusted EBITDA



Adjusted Net Income



Long-Term Contract Coverage With High Quality Customers

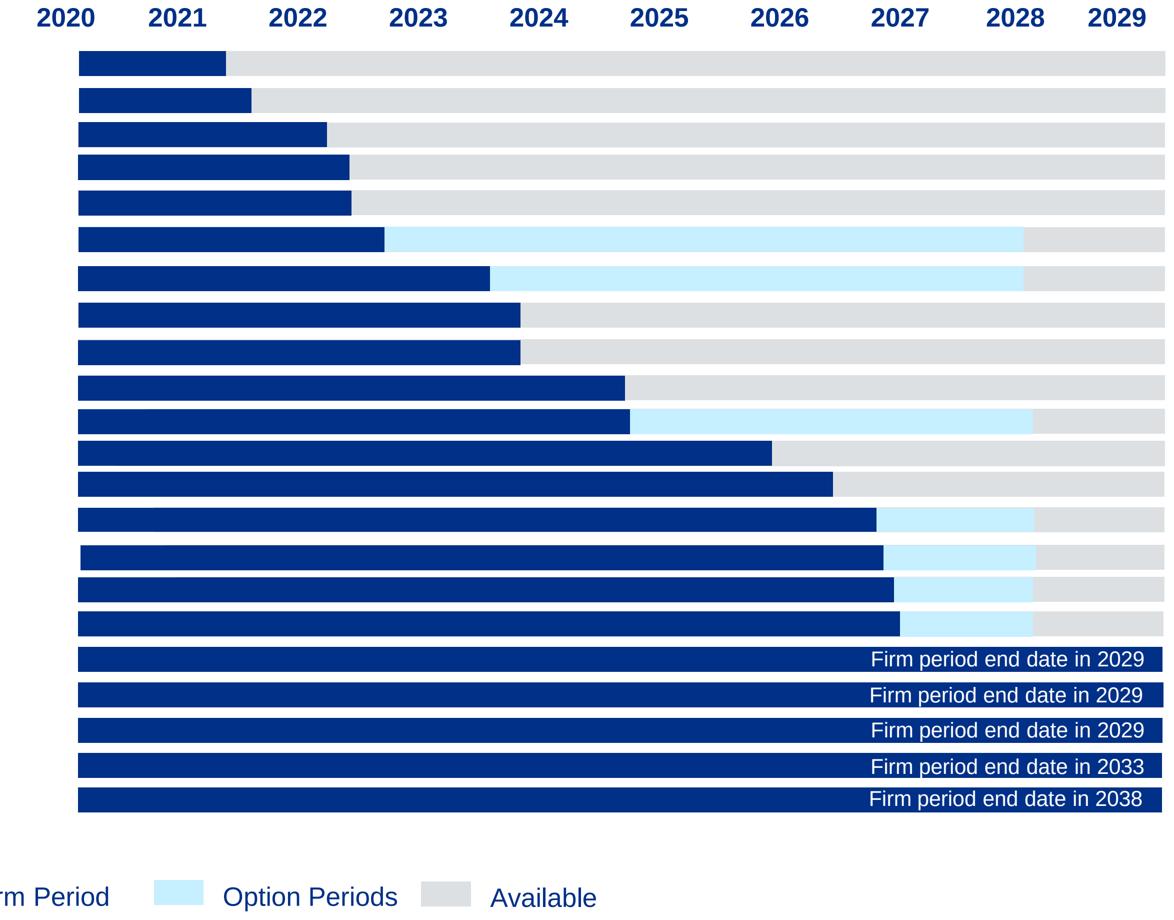
Teekay LNG's fixed-rate contracts fleet-wide:

- 'Take-or-pay' (i.e. customer pays full hire to Teekay LNG irrespective of their usage of the vessel)
- Not impacted by LNG prices or possible cargo cancellations
- Not impacted by structural or global imbalances of LNG

Current Charter Terms - Consolidated LNG Fleet

Average Total Fleet Age: 9 years(1)

	Ownership	Propulsion	Charterer
Creole Spirit	100%	MEGI	CHENIERE
Oak Spirit	100%	MEGI	CHENIERE
Torben Spirit	100%	MEGI	
Polar Spirit	100%	Steam	PETRONAS
Arctic Spirit	100%	Steam	PETRONAS
Hispania Spirit	100%	Steam	
Catalunya Spirit	100%	Steam	
Macoma	100%	MEGI	
Murex	100%	MEGI	
Myrina	100%	MEGI	
Madrid Spirit	100%	Steam	
Magdala	100%	MEGI	
Megara	100%	MEGI	
Sean Spirit	100%	MEGI	bp
Al Marrouna	70%	Steam	
Al Areesh	70%	Steam	
Al Daayen	70%	Steam	
Tangguh Hiri	70%	DFDE	bp
Tangguh Sago	70%	DFDE	bp
Galicia Spirit	100%	Steam	UNION FENOSA
Yamal Spirit	100%	MEGI	YAMAL LNG
Bahrain Spirit	100%	MEGI	Bahrain LNG



(1) Average fleet age on January 1, 2020

Long-Term Contract Coverage With High Quality Customers

LNG fleet revenues 100% and 94% fixed for 2020 and 2021, respectively

- Recently chartered 3x 52%-owned LNG carriers on 12, 8 and 6-month charters
- 2 are in direct continuation of existing charters, commencing May and July, thereby maximizing utilization

Current Charter Terms - Joint Venture LNG Fleet

Average Total Fleet Age: 9 years

	Ownership	Propulsion	Charterer	2020–2029
Marib Spirit[1]	52%	DFDE	TRAFIGURA	
Methane Spirit	52%	TFDE	OSAKA GAS	
Arwa Spirit[1]	52%	DFDE	TRAFIGURA	
Excalibur	50%	Steam		
Magellan Spirit (in-charter)	52%	TFDE	PETROBRAS	
Woodside Donaldson	52%	TFDE		
Meridian Spirit	52%	TFDE	TOTAL	Firm period end date in 2030
Soyo	33%	TFDE		Firm period end date in 2031
Malanje	33%	TFDE		Firm period end date in 2031
Lobito	33%	TFDE		Firm period end date in 2031
Cubal	33%	TFDE		Firm period end date in 2032
Al Huwaila	40%	SSD[2]		Firm period end date in 2033
Al Kharsaah	40%	SSD[2]		Firm period end date in 2033
Al Shamal	40%	SSD[2]		Firm period end date in 2033
Al Khuwair	40%	SSD[2]		Firm period end date in 2033
Pan Asia	30%	TFDE		Firm period end date in 2037
Pan Americas	30%	TFDE		Firm period end date in 2038
Pan Europe	20%	TFDE		Firm period end date in 2038
Pan Africa	20%	TFDE		Firm period end date in 2039
Eduard Toll	50%	ARC7	YAMAL LNG	Firm period end date in 2045
Rudolf Samoylovich	50%	ARC7	YAMAL LNG	Firm period end date in 2045
Nikolay Yevgenov	50%	ARC7	YAMAL LNG	Firm period end date in 2045
Vladimir Voronin	50%	ARC7	YAMAL LNG	Firm period end date in 2045
Georgiy Ushakov	50%	ARC7	YAMAL LNG	Firm period end date in 2045
Yakov Gakkel	50%	ARC7	YAMAL LNG	Firm period end date in 2045
Regas Terminal	30%	Terminal		Firm period end date in 2039

Recently Secured Charters | Firm Period | Option Periods | Available

(1) Trading in the 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.
(2) SSD = Slow Steam Diesel

TGP's Financial Position Continues to Strengthen

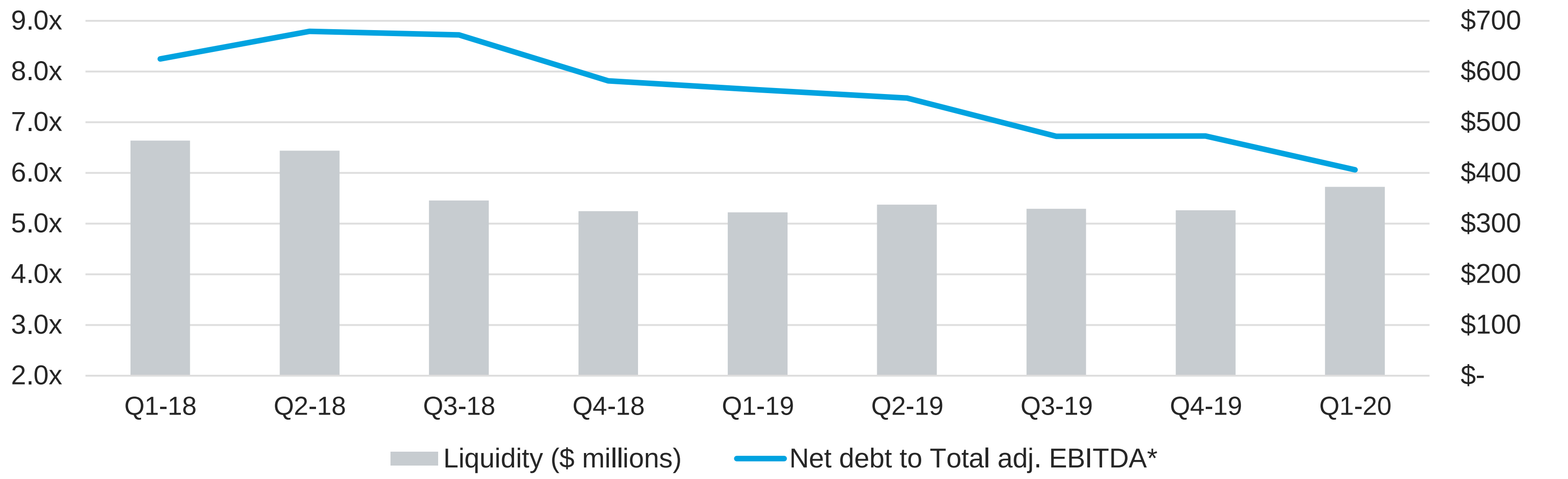
Leverage continues to decline which benefits investors:

- Increased financial flexibility as equity base increases
- Annualized interest savings of $20 – 25 million through regular amortization and repaying NOK Bond

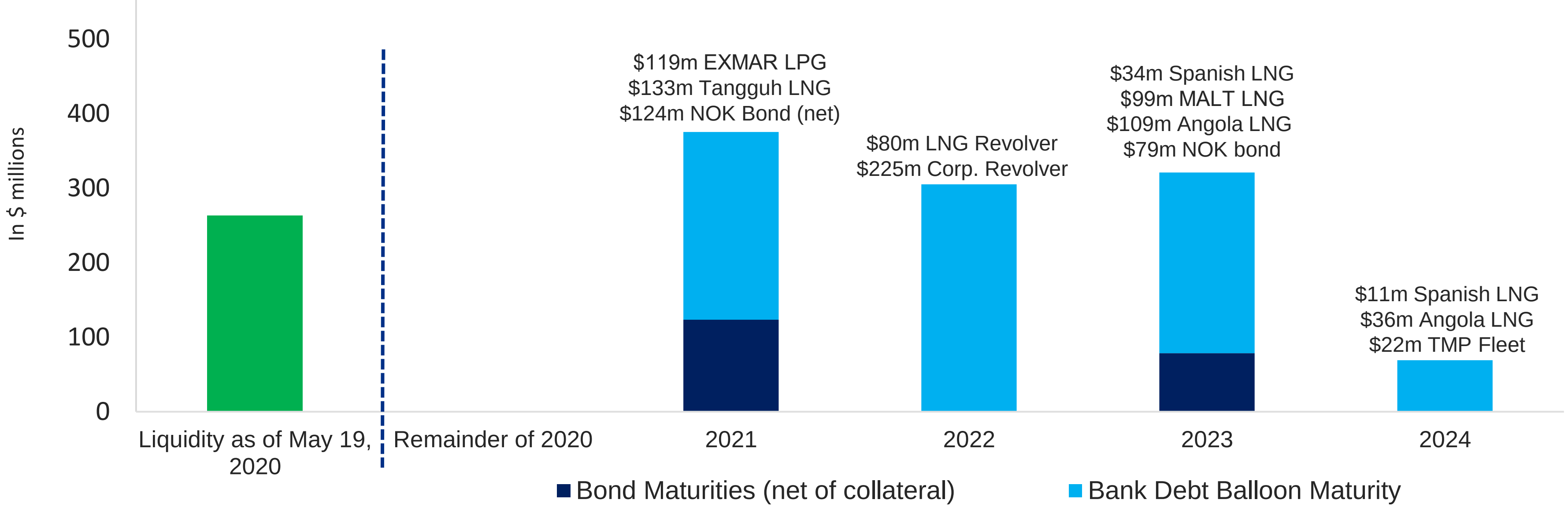
Strong liquidity balance provides for additional strength and flexibility

No remaining debt maturities in 2020; discussing terms with lenders on two facilities maturing in 2021

Leverage and Liquidity



Debt Balloon Maturity and Refinancing Profile**



* EBITDA in each quarter has been annualized These are non-GAAP financial measures. Please see Teekay LNG's Q1-20 earnings release for definitions and reconciliations to the comparable GAAP measures.
** Debt maturities are based on % ownership, contractual maturity dates and exclude possible early refinancings

TGP Represents a Compelling Investment in Today's Uncertain Markets

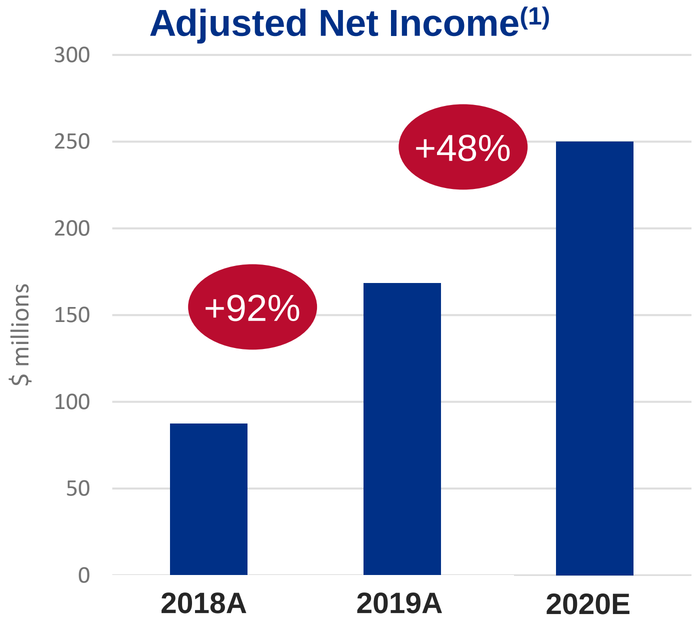
$9.3 billion of forward fee-based revenue with 10.5+ years remaining duration

Reaffirming 2020 Guidance – 2020 results expected to increase significantly over 2019

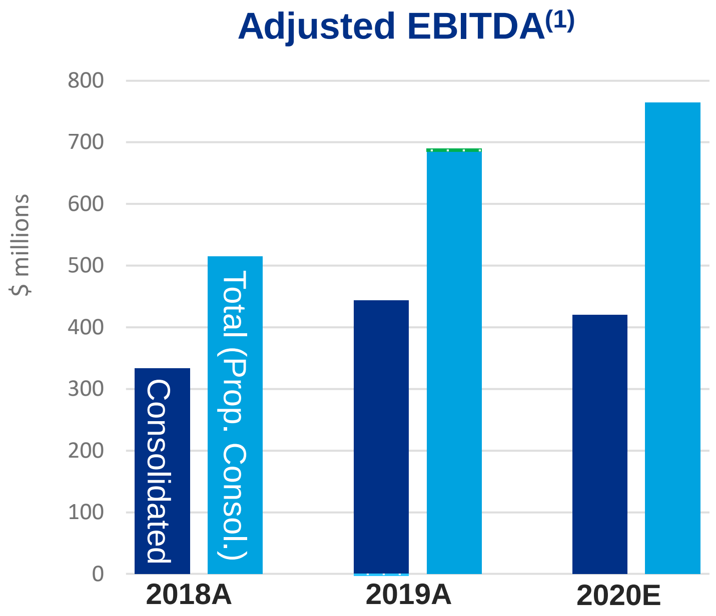
Continuing to return capital to unitholders:

- Distributions increased by 32%; LP yield = 9.2% based on distribution of $1.00 per unit per annum and $10.92 unit price
- Repurchased 810k units since late-Feb. 2020 at avg. $9.75/unit

Financial position continuing to strengthen which benefits investors



Current Trading Multiple 4.0x 2020 EPU(1)(2)(3)



Current Trading Multiple 7.7x 2020 Total Adj. EBITDA(1)(2)(3)

Reaffirming 2020 Guidance Ranges

	Adjusted Net Income(1)	EPU(1)(3)	Consol. adj. EBITDA(1)	Total adj. EBITDA(1)
Range – high	$270m	$3.00/unit	$430m	$780m
Range – low	$230m	$2.50/unit	$410m	$750m
Midpoint	$250m	$2.75/unit	$420m	$765m
% change from 2019 Actual results(1)	48%	54%	(5%)	12%

(1) These are non-GAAP financial measures. Please see Teekay LNG's Q1-20 earnings release for definitions and reconciliations to the comparable GAAP measures.
(2) Based on unit price of $10.92 per unit as of May 19, 2020 and mid-point of 2020 guidance range. See Appendix for calculation and references.
(3) Assumes 81.5 million avg. LP units outstanding for 2020 after TGP issued 10.75 million units to Teekay in mid-May 2020 in exchange for eliminating its Incentive Distribution Rights

Appendix

TGP Detailed EV/EBITDA Calculation

In $ millions except ratios and per unit data

Proporitionately Consolidated EV/EBITDA Calculation			
Consolidated Cash		426.2	Mar. 31, 2020 Balance Sheet
Proportionate share of J/V cash		241.1	Mar. 31, 2020 Appendix F of Earnings Release
Total Proportionate Consolidated Cash		667.4	
Consolidated Debt		3,078.7	Mar. 31, 2020 Balance Sheet
Proportionate share of J/V Debt		2,154.6	Mar. 31, 2020 Appendix F of Earnings Release
Total Proportionate Consolidated Net Debt	a	4,565.9	
Common Units outstanding		86.9	
Unit price		$ 10.92	as at May 19, 2020
Total Common Market Cap		$ 949.2	
Preferreds A & B		295.0	Mar. 31, 2020 Balance Sheet
Total Equity value (common + Prefs)	b	1,244.2	
Tangguh and RG2 NCI	c	52.05	Mar. 31, 2020 Balance Sheet
Enterprise Value	d=a+b+c	5,862.1	
2020 EBITDA Guidance (midpoint)	e	765	As provided
Total EV/Total EBITDA	=d/e	7.7 x	

Teekay LNG Adjusted Net Income

Q1-20 vs. Q4-19

(Thousands of U.S. Dollars except units outstanding or unless otherwise indicated)	Q1-2020	Q4-2019	Comments
Adjusted net voyage revenues[1]	137,570	150,365	Decreased primarily due to the sale of WilForce and WilPride in January 2020
Vessel operating expenses	(26,104)	(30,706)	Decreased due to the timing of purchases and lower crew travel costs due to COVID-19 restrictions
Time-charter hire expenses	(5,922)	(5,987)	
Adjusted depreciation and amortization[1]	(32,639)	(34,603)	Decreased due to the sale of WilForce and WilPride in January 2020
General and administrative expenses	(6,167)	(4,829)	Increased due to timing of expenses
Adjusted income from vessel operations[1]	66,738	74,240	
Adjusted equity income[1]	31,018	25,372	Increased primarily due to the delivery of two ARC7 LNG carrier newbuildings in November and December 2019 in the Yamal LNG Joint Venture, and the commencement of the LNG regasification terminal in the Bahrain LNG Joint Venture in January 2020
Adjusted net interest expense[1]	(39,303)	(43,729)	Decreased due to lower LIBOR and principal repayments
Adjusted other expense – net[1]	(461)	(1,767)	
Adjusted income tax expense[1]	(2,512)	(585)	
Adjusted net income	55,480	53,531	
Less: Adjusted net income attributable to non-controlling interests	(3,244)	(3,189)	
Adjusted net income attributable to the partners and preferred unitholders	52,236	50,342	
Weighted-average number of common units outstanding	77,071,647	77,509,379	
Limited partner's interest in adjusted net income per common unit	0.58	0.56	

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

Reconciliations of Non-GAAP Financial Measures

Q1-20 vs. Q4-19

Reconciliation of the Partnership's Adjusted Net Voyage Revenues:

(Thousands of U.S. Dollars)	Three Months Ended 31-Mar-20	Three Months Ended 31-Dec-19
Voyage revenues as reported	139,887	148,797
Voyage expenses as reported	(2,317)	(4,628)
Hire receipts from Awilco treated as a reduction in lease receivables for GAAP	-	6,196
Adjusted Net Voyage Revenues	**137,570**	**150,365**

Reconciliation of the Partnership's Adjusted Depreciation and Amortization:

(Thousands of U.S. Dollars)	Three Months Ended 31-Mar-20	Three Months Ended 31-Dec-19
Depreciation and amortization as reported	(32,639)	(33,053)
Awilco vessels derecognized and treated as sales-type leases for GAAP	-	(1,550)
Adjusted Depreciation and Amortization	**(32,639)**	**(34,603)**

Reconciliation of the Partnership's Adjusted Equity Income:

(Thousands of U.S. Dollars)	Three Months Ended 31-Mar-20	Three Months Ended 31-Dec-19
Equity income as reported	373	30,207
Proportionate share of unrealized loss (gain) on non-designated interest rate swaps	22,204	(6,271)
Proportionate share of unrealized credit loss provision adjustment due to adoption of ASC 326 on January 1, 2020	8,980	-
Proportionate share of other items	(539)	1,436
Adjusted Equity Income	**31,018**	**25,372**

Reconciliation of the Partnership's Adjusted Net Interest Expense:

(Thousands of U.S. Dollars)	Three Months Ended 31-Mar-20	Three Months Ended 31-Dec-19
Interest expense as reported	(36,704)	(40,712)
Interest income as reported	2,370	922
Realized losses on derivative instruments and other	(4,969)	(3,939)
Adjusted Net Interest Expense	**(39,303)**	**(43,729)**

Reconciliations of Non-GAAP Financial Measures (Continued)

Q1-20 vs. Q4-19

Reconciliation of the Partnership's Adjusted Other Expense - Net:

(Thousands of U.S. Dollars)	Three Months Ended 31-Mar-20	Three Months Ended 31-Dec-19
Other expense as reported	(361)	(1,767)
Credit loss provision adjustment due to adoption of ASC 326 on January 1, 2020	(100)	-
Adjusted Other Expense - Net	**(461)**	**(1,767)**

Reconciliation of the Partnership's Adjusted Income Tax Expense:

(Thousands of U.S. Dollars)	Three Months Ended 31-Mar-20	Three Months Ended 31-Dec-19
Income tax expense as reported	(2,512)	(985)
Freight tax adjustments relating to prior years	-	400
Adjusted Income Tax Expense	**(2,512)**	**(585)**

Q2-2020 Outlook

Adjusted Net Income	Q2 2020 Outlook (compared to Q1 2020)
Adjusted net voyage revenues	• $7M increase due to reduction in claims for certain of the Partnership's LNG carriers • $1M decrease from multi-gas vessels due to lower forecasted daily rates
Vessel operating expenses	• $3M increase primarily due to timing of repairs, maintenance and consumables; and higher manning costs offsetting favorable variances achieved in Q1-20
Time-charter hire expenses	• Expected to be consistent with Q1-20
Adjusted depreciation and amortization expense	• $1M decrease due to impairment charge recorded for six multi-gas vessels in Q1-20
General and administrative expenses	• $2M increase due to professional fees, and costs related to stock-based compensation, which is recognized annually in the quarter they are granted
Adjusted equity income	• $3M increase in Exmar LPG JV due to time-charter extensions of certain vessels at higher rates in Q2-20 partially offset by the scheduled dry-docking of an LPG carrier
Adjusted net interest expense	• $1M decrease due to lower forecasted LIBOR rate in Q2-20 and forecasted reduction of debt
Adjusted other expense – net	• Expected to be consistent with Q1-20
Adjusted income tax expense	• Expected to be consistent with Q1-20
Adjusted net income attributable to non-controlling interests	• Expected to be consistent with Q1-20

2020(E) Drydock Schedule

Summary of Dry-dock and Off-hire Days

Entity	Segment	March 31, 2020 (A)		June 30, 2020 (E)		September 30, 2020 (E)		December 31, 2020 (E)		Total 2020 (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	33	-	7	1	40
	LPG - Consolidated	-	-	-	15	1	19	-	-	1	34
	LNG Equity Accounted	-	-	-	-	-	-	1	25	1	25
	LPG Equity Accounted	1	26	1	24	1	26	3	90	6	166
		1	26	1	39	3	78	4	122	9	265

*NOTE: In the case that a vessel's off-hire days straddles between quarters, the quarter with the majority of off-hire days will have the vessel allocated to it

- (A) – Actual
- (E) – Estimate