TEEKAY LNG PARTNERS L.P.

Teekay LNG Partners Investor Day Presentation

October 20, 2010

NYSE : **TGP**

www.teekaylng.com

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; Teekay Corporation offering its interest in four LNG newbuilding vessels to the Partnership; the timing of three LPG newbuilding deliveries and the contribution to future cash flows; and the amount and timing of cash flows related to the acquisition of three conventional tankers under long-term contracts; completion of the acquisition of 50 percent interest in the vessels Excalibur and Excelsior upon the terms of the agreement in principle between the Partnership and Exmar NV; the amount of incremental distributable cash flow to the Partnership resulting from acquiring a 50 percent interest in the vessels Excalibur and Excelsior, based on their respective existing fixed-rate time-charter contracts; and the ability of the Partnership to finance the equity portion of the acquired interest in the vessels Excalibur and Excelsior without the requirement to raise additional equity capital . 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: the unit price of equity offerings to finance acquisitions; the outcome of a ruling that the Partnership requested of the IRS with respect to an LPG carrier holding structure that the Partnership also intends to use to acquire and hold the carriers servicing the Tangguh LNG project; failure of Exmar and Teekay LNG to execute a definitive agreement and to complete the acquisition upon the terms of their agreement in principle; less than anticipated revenues or higher than anticipated costs or capital requirements related to the vessels in which the Partnership acquires an interest, including higher than anticipated drydocking costs changes in production of LNG or LPG, either generally or in particular regions; required approvals by the conflicts committee of the board of directors of the Partnership's general partner to acquire any LNG projects offered to the Partnership by Teekay Corporation; less than anticipated revenues or higher than anticipated costs or capital requirements; 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 to renew or replace long-term contracts; LNG and LPG project delays, shipyard production delays; the Partnership's ability to raise financing to purchase additional vessels or to pursue LNG or LPG projects; the securing of lenders' internal approvals for the provision of financing on the Partnership's five LPG newbuildings; changes to the amount or proportion of revenues, expenses, or debt service costs denominated in foreign currencies; 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, 2009. 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.

Teekay LNG Partners - Investment Highlights

» **Stable operating model**

- Contracts are long-term (typically 10-25 years) fixed-rate and generate stable cash flows from strong counterparties

» **Distribution growth comes from adding new contracts**

- Acquisition of Exmar ships will be reflected in fourth quarter results

» **Existing growth CAPEX projects fully financed**

- Fully financed newbuilding program

» **Sound long-term LNG industry dynamics**

- Global demand for LNG is expected to increase by more than 50 percent by 2030

» **New growth focused on organic value-added projects and third party acquisitions**

- Exmar – 50% J/V in one LNG carrier and one LNG carrier / FSRU
- 3 newbuilding LPG carriers delivering in 2011
- 4 LNG carriers (33% interest) delivering to Teekay Corp in 2011/12 will be offered to the Partnership

Our Business Strategy

» Expand our LNG fleet on a build-to-suit basis

» Focus on fixed-rate contracts in excess of 10 years

» Pursue industry consolidation through accretive acquisitions

Al Areesh and Al Marrouna

» Leverage Teekay's customer and supplier relationships

» Provide superior vessel operations

» Pursue specialized LNG project business

Objective: to increase distributable cash flow per unit

Stable Long-Term Cash Flows

» Attractive fixed-rate contracts “locking in” cash flows:

- 10 - 25 years initial length for LNG carriers
- High credit quality customers
- Cost escalation provisions

» Long remaining contract life for all vessels:

- LNGs: 16 years
- LPGs: 15 years
- Tankers: 10 years

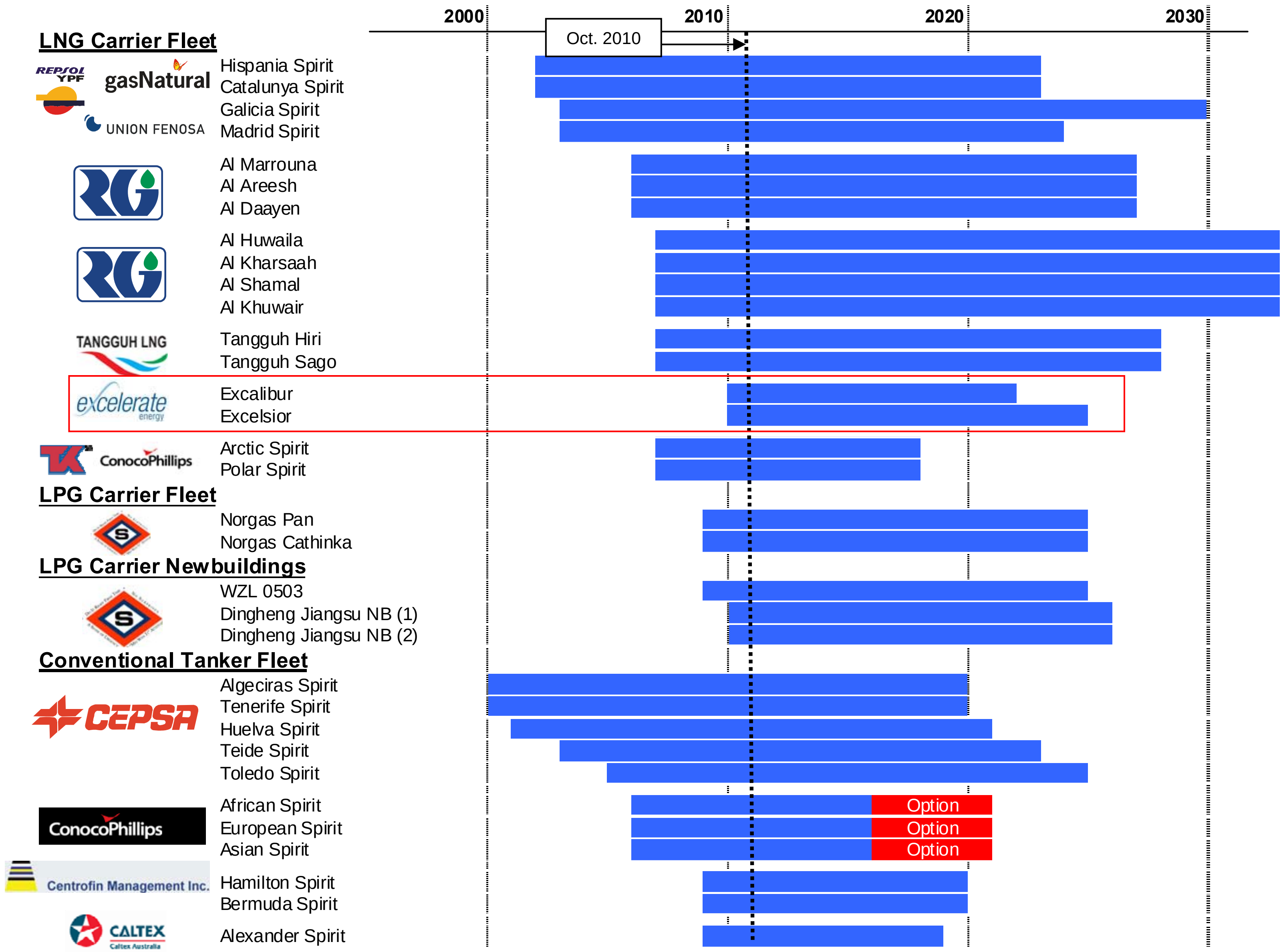
Al Daayen

» Liabilities are matched to contracts:

- Repayment profile of principal matches revenue stream
- Interest rates hedged for duration of contract

Note: Weighted average remaining contract life calculations include newbuildings.

Teekay LNG's Fleet Under Long-Term Contracts



Acquisition – 50% of Two Exmar Vessels

» Agreed to acquire 50 percent interest in two LNG carriers with 12 and 15 years remaining on fixed-rate charters, for a total cost of $170 million
  - Financed via assumption of $100 million debt, and
  - $35 million cash + $35 million direct equity placement
  - Expected to close mid-October 2010

» Expected to provide the Partnership with $10 million of incremental Distributable Cash Flow* per annum over life of contracts

» Both vessels are on long-term, fixed-rate charter contracts to Excelerate Energy LP, a leading provider of LNG offshore solutions

» First step into exciting Floating Storage and Regas (FSRU) sector

» Provides avenue for possible future growth with Exmar

» In a position to increase fourth quarter distribution - to paid in Feb. 2011

* Distributable cash flow represents net income adjusted for depreciation and amortization expense, non-controlling interest, non-cash items, estimated maintenance capital expenditures, gains and losses on vessel sales, unrealized gains and losses from derivatives, non-cash income taxes and unrealized foreign exchange related items. Maintenance capital expenditures represent those capital expenditures required to maintain over the long-term the operating capacity of, or the revenue generated by, the Partnership's capital assets. Distributable cash flow is a quantitative standard used in the publicly-traded partnership investment community to assist in evaluating a partnership's ability to make quarterly cash distributions. Distributable cash flow is not defined by U.S. generally accepted accounting principles (GAAP) and should not be considered as an alternative to net income or any other indicator of the Partnership's performance required by GAAP.

The Exmar Vessels

The Excalibur

» 138,000 m³ LNG carrier built in Korea in 2002

» Used as a conventional LNG Carrier operating worldwide

The Excelsior

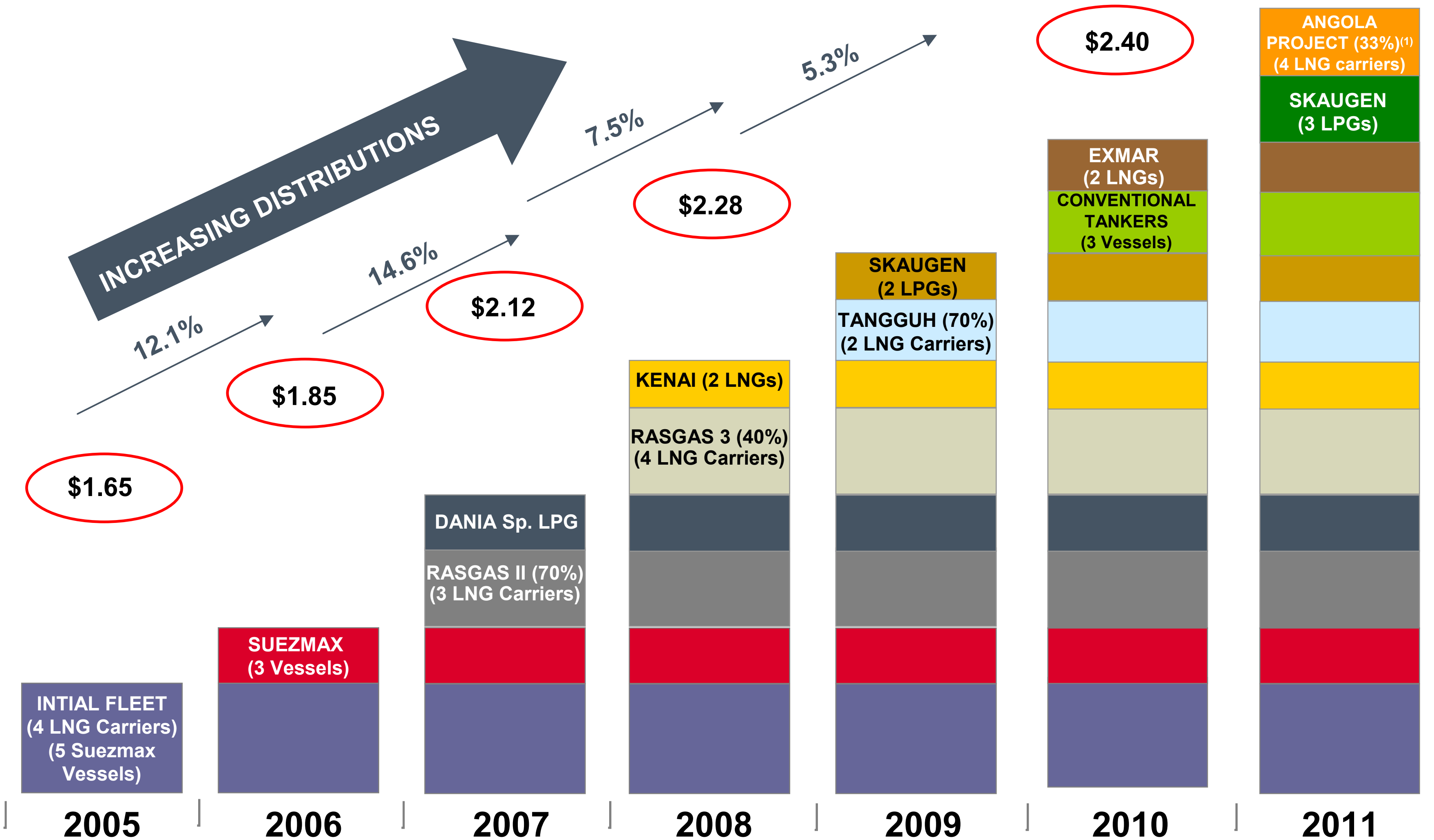
» 138,000 m³ LNG carrier /Floating Storage Regas Unit (FSRU) built in Korea in 2005

» Based in Bahia Blanca, Argentina and currently being used as a storage and regas facility

- Since delivery, only used as a Regasification facility

» Recently completed ship-to-ship transfer with the *Hispania Spirit* – another TGP vessel

Multi-Year, Built-in Growth



Additional growth opportunities exist through 3rd party acquisitions

Note: Distributions shown represent latest quarter dividends annualized. Diagram not to scale.
(1) Teekay Corporation is obligated to offer Teekay LNG Partners the opportunity to purchase its 33% interest in these vessels.

Future Growth Opportunities

- Projects being warehoused at Sponsor
- ‘Point-to-point’ LNG transport market
- Industry consolidation of LNG transportation industry
- LNG Regasification projects

With liquidity of more than $450m at June 30, 2010 and fully funded CAPEX program, TGP has financial capacity to grow

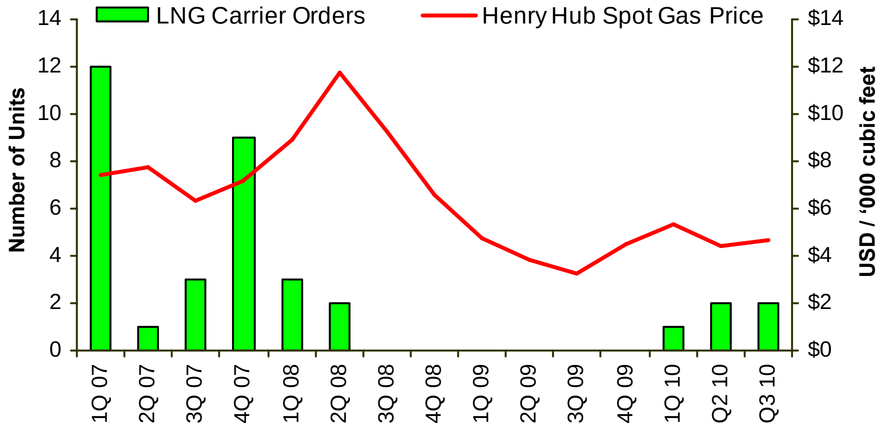
Future Growth Opportunities Being Warehoused at Teekay Corp.

» One Skaugen Liquefied Petroleum Gas (LPG) carrier, and 2 multi-gas carriers scheduled to deliver in 2011
  - Multi-gas carriers capable of carrying LNG and LPG

» 33% interest in 4 - 160,000m^3 LNG carriers on-track for delivery in 2011 and 2012
  - Upon delivery, will commence long-term charter to Angola LNG Supply Services, led by Chevron, BP, Total and Eni

Point-to-Point Market Growth is Muted at Present

LNG Carrier Orders



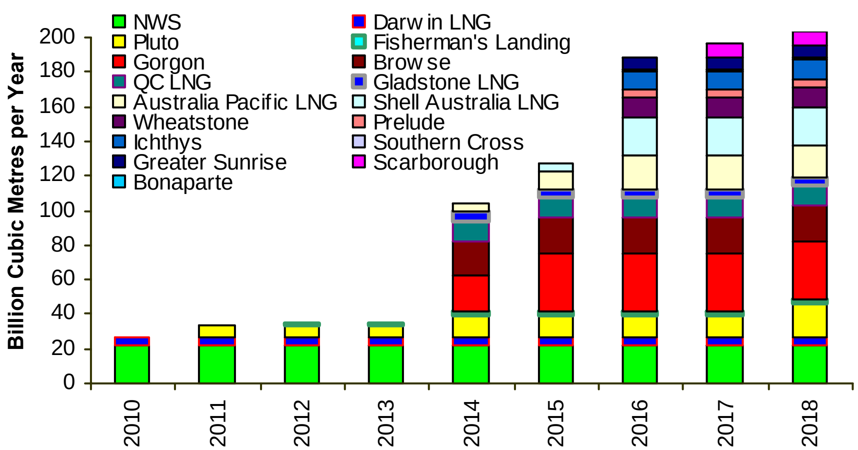
Source: Clarksons / EIA

First New Orders Placed After 2 Year Hiatus

» No LNG carrier orders were placed between Q2-08 and Q1-10
- Delays to liquefaction projects
- Rising domestic natural gas production in the US

» Feb 2010 saw the first LNG carrier orders placed in two years

Australia Project Pipeline – 130 BCM by 2015



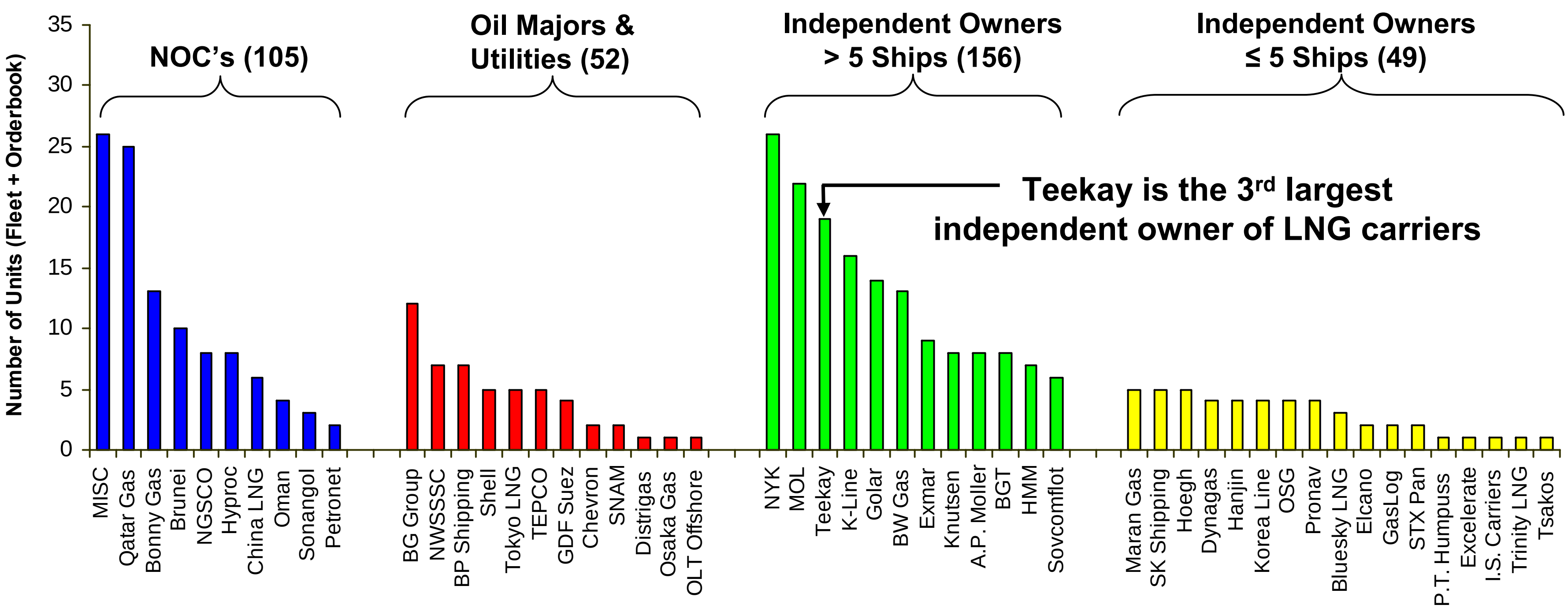
Source: IEA

Plenty of Projects in the Works

» 500 bcm of LNG liquefaction capacity currently in the planning pipeline
- 77% from Australia, Nigeria, Iran, Russia
- Potential to generate demand for 100+ LNG carriers in the next few years

» Australia projects most likely to get go ahead
- Political situation in Nigeria / Iran
- Russian projects hit by weak Atlantic demand (e.g. Shtokman)

Potential Consolidation Opportunities



» Slow LNG market could present consolidation opportunities

» 14% of fleet controlled by independent owners with small fleets of <5 units

» 27% of fleet controlled by independent owners with fleets of <10 units

» Oil majors / utilities could look to divest out of shipping

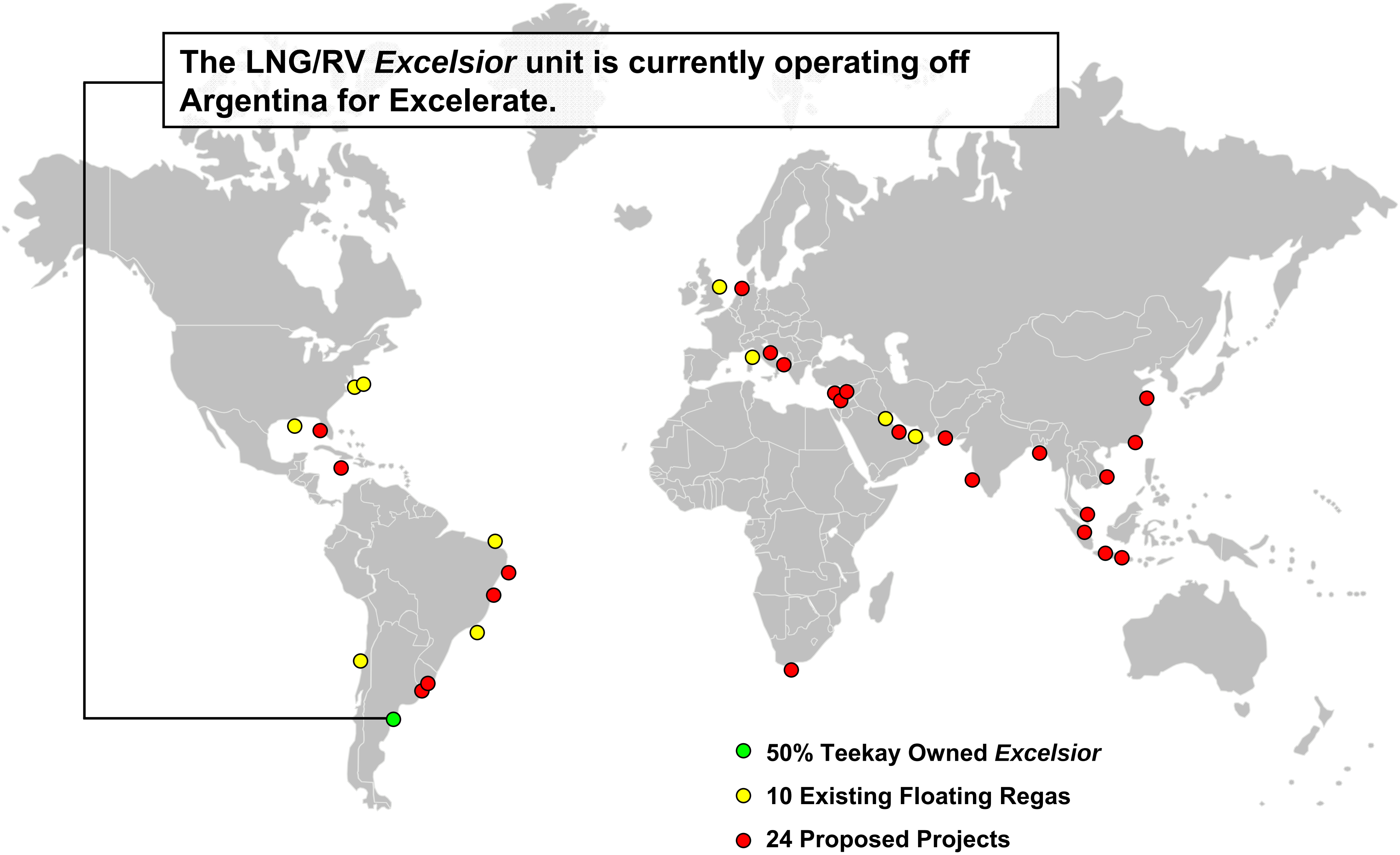
Growing Demand For Floating LNG Solutions

FLOATING REGASIFICATION

» Floating regasification allows prospective importers to gain fast and relatively cost efficient access to global LNG supply. Its advantages include:

1. Ability to **fast track** regasification access for new LNG importers
2. Lower upfront **capital investment** compared to onshore facilities
3. Can be **relocated** if demand is short term and / or seasonal
4. Allows customers in new markets to **gain confidence** in LNG
5. Good solution for when **availability of land** is limited
6. Large pool of potential FSRU **conversion candidates** in the fleet

Floating Regasification Current and Proposed Projects

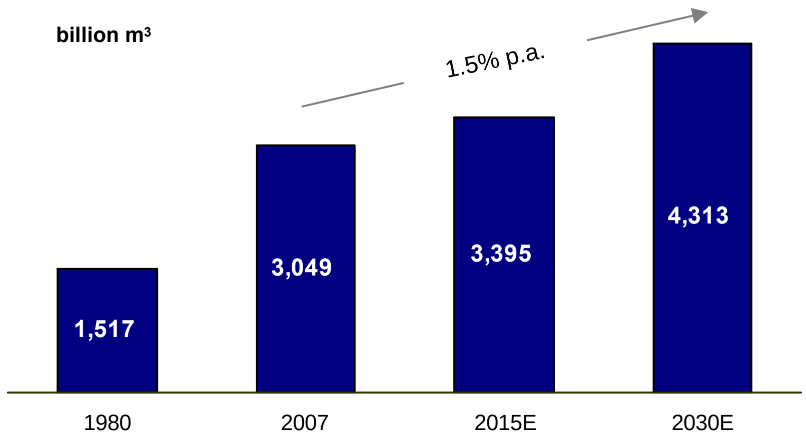


Teekay Has the Necessary Competencies for FSRU projects

- ‘Hands-on’ LNG operational expertise
- Involved in many regasification projects through J/V with Skaugen Petro Trans
- LNG and Oil offtake and ship-to-ship transfer expertise
- Offshore expertise - Shuttle Tankers, FPSOs and FSOs
- Gas handling (compression, dehydration)
- Harsh and benign environment conditions
- Expertise with moorings, risers and subsea equipment through Teekay’s FPSO business
- Project Management and shipyard expertise
- Risk Management

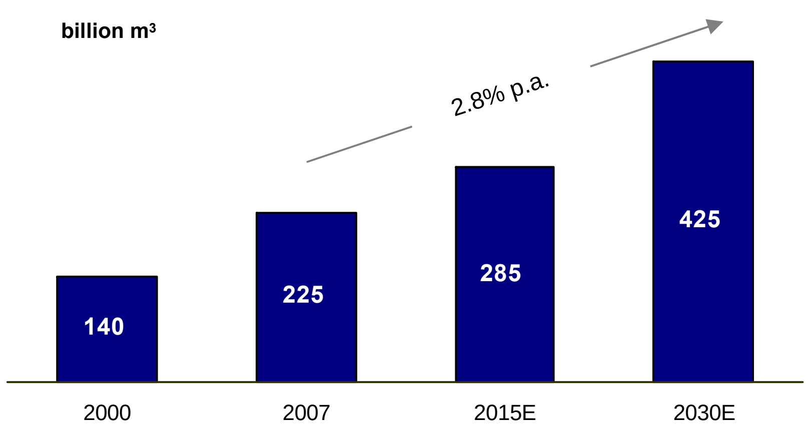
LNG Market – Sound Long-Term Fundamentals

Global Natural Gas Demand



Source: IEA.

Global LNG Trade



Source: IEA.

LNG Commentary

» Natural gas is one of the world's fastest growing primary energy sources due to its abundance and clean burning characteristics

» Global LNG trade grew by over 7% p.a. between 2000 and 2007

» Demand for LNG is expected to grow faster than underlying natural gas demand

» Emergence of shale gas has provided unexpected competition for LNG imports

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