

TEEKAY LNG PARTNERS

Third Quarter 2007 Earnings Presentation

November 2, 2007



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 being awarded LNG vessels and associated long-term contracts to service the Angola LNG Project and offering its interest in these vessels to the Partnership; the timing of the commencement of the RasGas 3 and Tangguh LNG projects; the timing of LNG and LPG newbuilding deliveries; and the Partnership's exposure to foreign currency fluctuations, particularly in Euros. 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, changes in production of LNG or LPG, either generally or in particular regions; 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 that the conditions relating to the final award of the charter contracts for the Angola LNG Project are not met; 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; changes to the amount or proportion of revenues, expenses, or debt service costs denominated in foreign currencies; and other factors discussed in Teekay LNG's filings from time to time with the SEC, including its Report on Form 20-F for the fiscal year ended December 31, 2006. The Partnership expressly disclaims any obligation or undertaking 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.

Third Quarter Highlights

- ▶ Generated distributable cash flow of \$20.4⁽¹⁾ million, compared to \$22.2 million in 2Q07
- ▶ Declared cash distribution of \$0.53 per unit for the third quarter of 2007 (\$2.12 annualized)
 - ▶ Record date: Nov 7th ▶ Payment date: Nov 14th



(1) Please refer to the 3rd Quarter of 2007 Earnings Release for a description of Distributable Cash Flow and its most directly comparable GAAP measure

Distributable Cash Flow and Cash Distribution

Teekay LNG Partners L.P.
 Distributable Cash Flow & Coverage Ratio (Unaudited)
 In thousands of U.S. dollars

	Three months ended Sept. 30, 2007 (unaudited)
Net loss	\$ (12,779)
Add:	
Foreign exchange loss	21,555
Depreciation and amortization	16,501
Non-cash interest expense	3,692
Minority interest expense	254
Less:	
Estimated maintenance capital expenditures	6,647
Income tax recovery	91
Minority owners' share of DCF before estimated maintenance capital expenditures	2,044
<u>Distributable Cash Flow ⁽¹⁾</u>	<u>\$ 20,441</u> A

Quarterly L.P. Distribution (37,275,119 L.P. units x \$0.53 / share)	\$ 19,756
General Partner Distribution	796
Total Distribution	<u>\$ 20,552</u> B
Coverage Ratio	0.99x =A/B

⁽¹⁾ Please refer to the 3rd Quarter of 2007 Earnings Release for a description of Distributable Cash Flow and a reconciliation to its most directly comparable GAAP financial measure.

Segment Operating Results

Teekay LNG Partners L.P.
 Operating Results (Unaudited)
 In thousands of U.S. dollars

(in thousands of U.S. dollars)	<u>Three Months Ended</u> <u>September 30, 2007</u> (unaudited)			<u>Three Months Ended</u> <u>June 30, 2007</u> (unaudited)		
	Liquefied Gas Segment	Suezmax Segment	Total	Liquefied Gas Segment	Suezmax Segment	Total
Net voyage revenues (1)	43,166	20,233	63,399	44,084	20,924	65,008
Vessel operating expenses	7,977	5,958	13,935	8,094	5,836	13,930
Depreciation & amortization	11,490	5,011	16,501	11,551	5,004	16,555
Cash flow from vessel operations (2)	33,526	12,407	45,933	34,119	13,200	47,319

(1) Net voyage revenues represents voyage revenues less voyage expenses, which comprise all expenses relating to certain voyages, including bunker fuel expenses, port fees, canal tolls and brokerage commissions. Net voyage revenues is not required by accounting principles generally accepted in the United States and should not be considered as an alternative to voyage revenues or any other indicator of the Partnership's performance required by accounting principles generally accepted in the United States. Please refer to the Partnership's web site at www.teekaylng.com for a reconciliation of this non-GAAP measure as used in this release to the most directly comparable GAAP financial measure

(2) Cash flow from vessel operations represents income from vessel operations before depreciation and amortization expense. Cash flow from vessel operations is a non-GAAP financial measure used by certain investors to measure the financial performance of shipping companies. Please see the Partnership's Web site at www.teekaylng.com for a reconciliation of this non-GAAP measure as used in this release to the most directly comparable GAAP financial measure.

Q3 '07 vs. Q2 '07

Teekay LNG Partners L.P.
Summary Consolidated Income Statement (Unaudited)
 In thousands of U.S. dollars

	Three Months Ended		Variance
	Sept 30, 2007	June 30, 2007	
Net Voyage Revenues ⁽¹⁾	63,399	65,008	(1,609)
Operating Expenses			
Vessel operating expenses	13,935	13,930	5
Depreciation and amortization	16,501	16,555	(54)
General and administrative expenses	3,531	3,759	(228)
	33,967	34,244	(277)
Income from Vessel Operations	29,432	30,764	(1,332)
Other Items			
Interest expense	(32,651)	(35,819)	3,168
Interest income	12,219	13,020	(801)
Income tax recovery (expense)	91	(209)	300
Foreign exchange loss	(21,555)	(5,682)	(15,873)
Other - net	(315)	387	(702)
	(42,211)	(28,303)	(13,908)
Net (loss) income	(12,779)	2,461	(15,240)

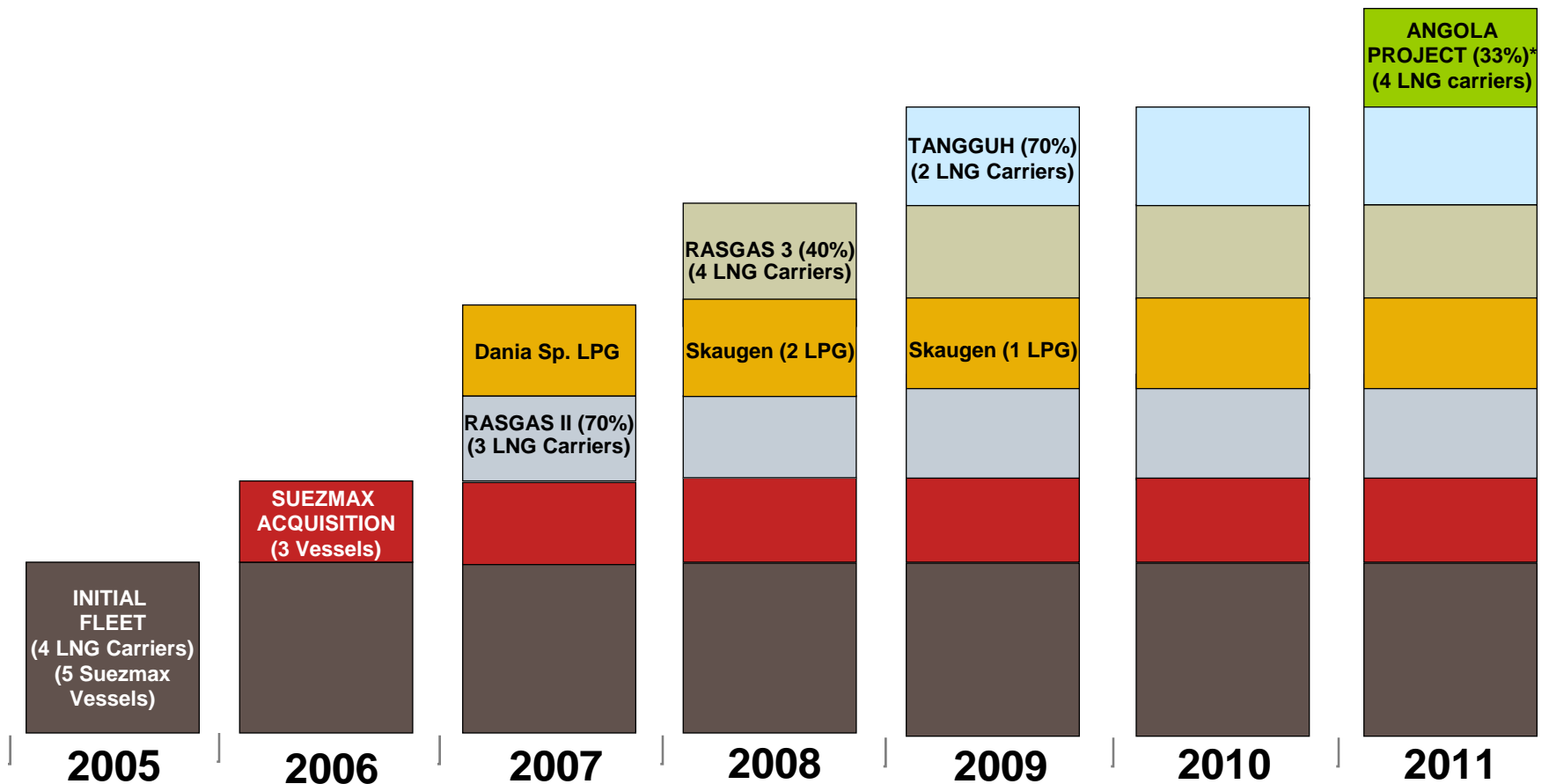
(1) Net voyage revenues represents voyage revenues less voyage expenses, which comprise all expenses relating to certain voyages, including bunker fuel expenses, port fees, canal tolls and brokerage commissions. Net voyage revenues is not required by accounting principles generally accepted in the United States and should not be considered as an alternative to voyage revenues or any other indicator of the Partnership's performance required by accounting principles generally accepted in the United States. Please refer to the Partnership's web site at www.teekaylng.com for a reconciliation of this non-GAAP measure as used in this release to the most directly comparable GAAP financial measure

Balance Sheet

Teekay LNG Partners L.P. In thousands of U.S. dollars (unaudited)	As at Sept. 30, 2007			As at June 30, 2007	
	TK LNG (excl RG 3 and Tangguh)	RasGas 3	Tangguh	Consolidated	Consolidated
ASSETS					
Cash and cash equivalents	39,629	1,235	29	40,893	29,894
Other current assets	22,551	-	-	22,551	12,017
Vessels and equipment	1,608,851	-	-	1,608,851	1,620,361
Other assets	281,872	333,056	237,661	852,589	772,874
Total Assets	1,952,903	334,291	237,690	2,524,884	2,435,146
LIABILITIES AND PARTNERS' EQUITY					
Accounts payable and accrued liabilities	33,945	3,606	516	38,067	27,945
Unearned revenue	7,559	-	-	7,559	4,900
Advances from affiliate	24,345	9,686	6,510	40,541	20,222
Long-term debt*, net of restricted cash	1,084,432	-	-	1,084,432	1,050,800
Long-term debt related to newbuilding vessels to be delivered *	-	240,396	147,877	388,273	274,314
Other long-term liabilities	60,327	475	2,390	63,192	90,889
Minority interest	-	80,133	82,078	162,211	162,265
Partners' equity	742,295	(5)	(1,681)	740,609	803,811
Total Liabilities and Partners' Equity	1,952,903	334,291	237,690	2,524,884	2,435,146
Total Liquidity				486,300	451,800

*including current portion of long-term debt

Multi-Year, Built-in Growth



This portfolio of projects puts us in a position to grow in 2007, 2008, 2009 and 2011

* Teekay Corporation is obligated to offer Teekay LNG Partners the opportunity to purchase these vessels.



TEEKAY LNG PARTNERS

