

TEEKAY LNG PARTNERS LP

RBC Capital Markets MLP Conference

November 2009



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 the Angola LNG Project vessels to the Partnership; the timing of LNG and LPG/Multigas newbuilding deliveries and incremental cash flows related to such newbuildings; the stability of the Partnership's distributable cash flows; and Partnership's financial position. 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; 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/Multigas project delays, shipyard production delays; the Partnership's ability to raise financing to purchase additional vessels or to pursue LNG or LPG/Multigas 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 Partners' filings from time to time with the SEC, including its Report on Form 20-F for the fiscal year ended December 31, 2008. 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.

Financial Market Profile



TEEKAY CORPORATION

NYSE: TK

- ▶ Market Cap: \$1.7bn*
- ▶ Supportive sponsor of its 'daughters'
- ▶ ~\$2.8bn of assets suitable to sell to appropriate daughter company

49.61% Ownership**
(incl. 2% GP interest)



TEEKAY LNG PARTNERS L.P.

NYSE: TGP

- ▶ Market Cap: \$1.3bn*
- ▶ MLP focused on gas projects
- ▶ 10 – 25 year fixed rate contracts
- ▶ **Stable Dividend Policy**
Current Yield: 9%

40.5% Ownership
(incl. 2% GP interest)



TEEKAY OFFSHORE PARTNERS L.P.

NYSE: TOO

- ▶ Market Cap: \$651m
- ▶ MLP focused on offshore projects
- ▶ 3 - 10 year fixed rate contracts
- ▶ **Stable Dividend Policy**
Current Yield: 10%

42.19% Ownership



TEEKAY TANKERS LTD.

NYSE: TNK

- ▶ Market Cap: \$266m
- ▶ C-Corp focused on conventional tankers
- ▶ Spot and short-term time-charter contracts (0 – 3 years)
- ▶ **Variable Dividend**
LTM Yield: 22%

* Based on November 16, 2009 closing price.

** Pro forma for 3.5m unit (excluding 15% greenshoe) follow-on equity offering which is expected to close on November 20, 2009.



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

▶ **Existing growth CAPEX projects fully financed**

- ▶ Fully financed newbuilding program

▶ **LNG industry dynamics**

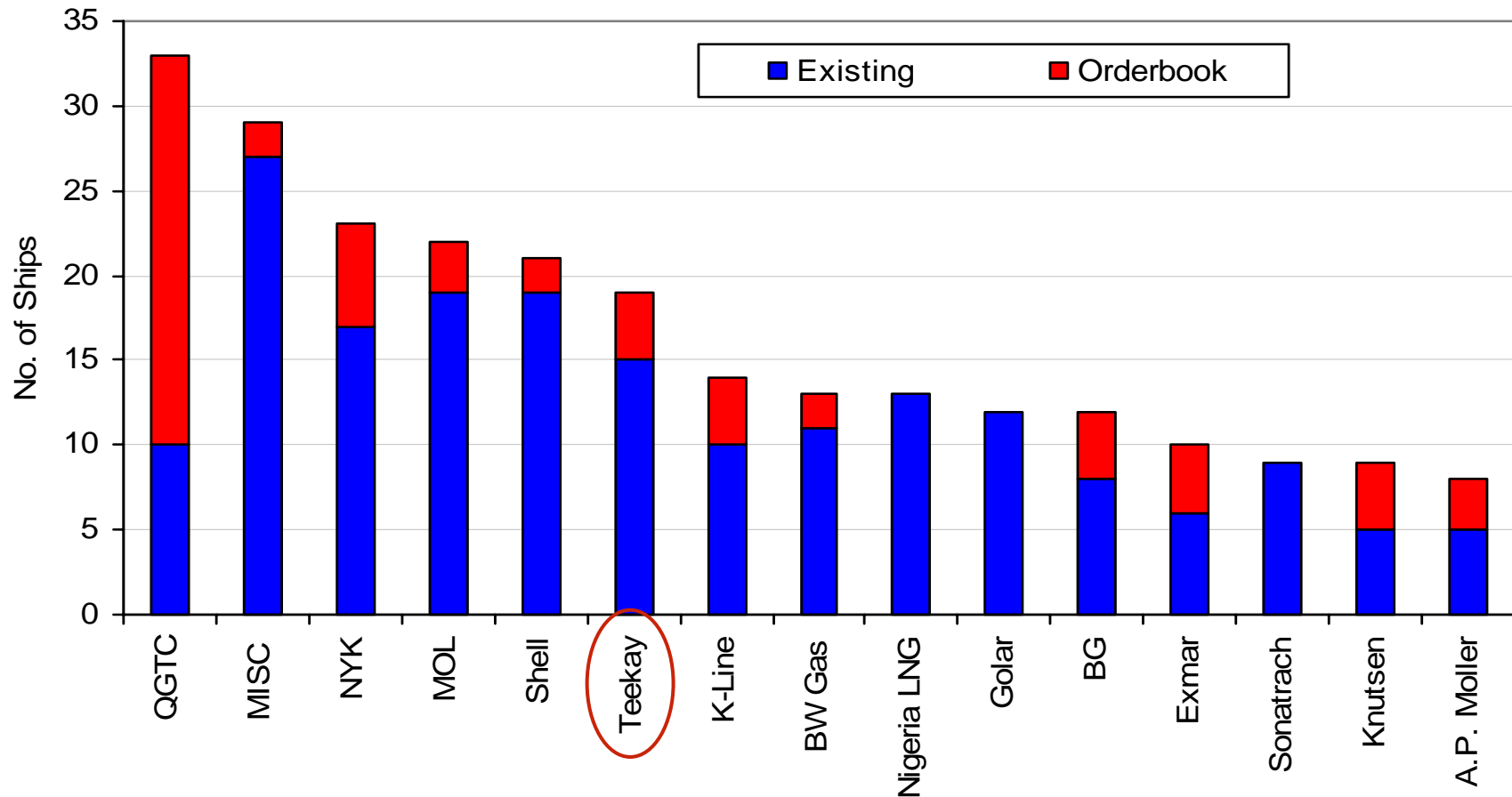
- ▶ Global demand for LNG is expected to increase by more than 50 percent by 2030

▶ **New growth focused on organic value-added projects and existing vessel acquisitions**

- ▶ Common feature - fixed-rate employment
- ▶ Acquired two Tangguh LNG carriers in August 2009 and took delivery of the second of five Skaugen LPG/Multigas carriers in November

Major Independent LNG Operator

- ▶ Teekay LNG has grown to become the third largest independent operator of LNG carriers



Source : CRS / Industry Sources

Teekay LNG's Fleet Under Long-Term Contracts

LNG Carrier Fleet



Hispania Spirit
Catalunya Spirit
Galicia Spirit
Madrid Spirit



Al Marrouna
Al Areesh
Al Daayen



Al Huwaila
Al Kharsaah
Al Shamal
Al Khuwair



Tangguh Hiri
Tangguh Sago



Arctic Spirit
Polar Spirit

LPG Carrier Fleet



Dania Spirit
Norgas Pan
Norgas Cathinka



LPG Carrier Newbuildings



WZL 0503
Dingheng Jiangsu NB (1)
Dingheng Jiangsu NB (2)

Suezmax Tanker Fleet



Algeciras Spirit
Tenerife Spirit
Huelva Spirit
Teide Spirit
Toledo Spirit

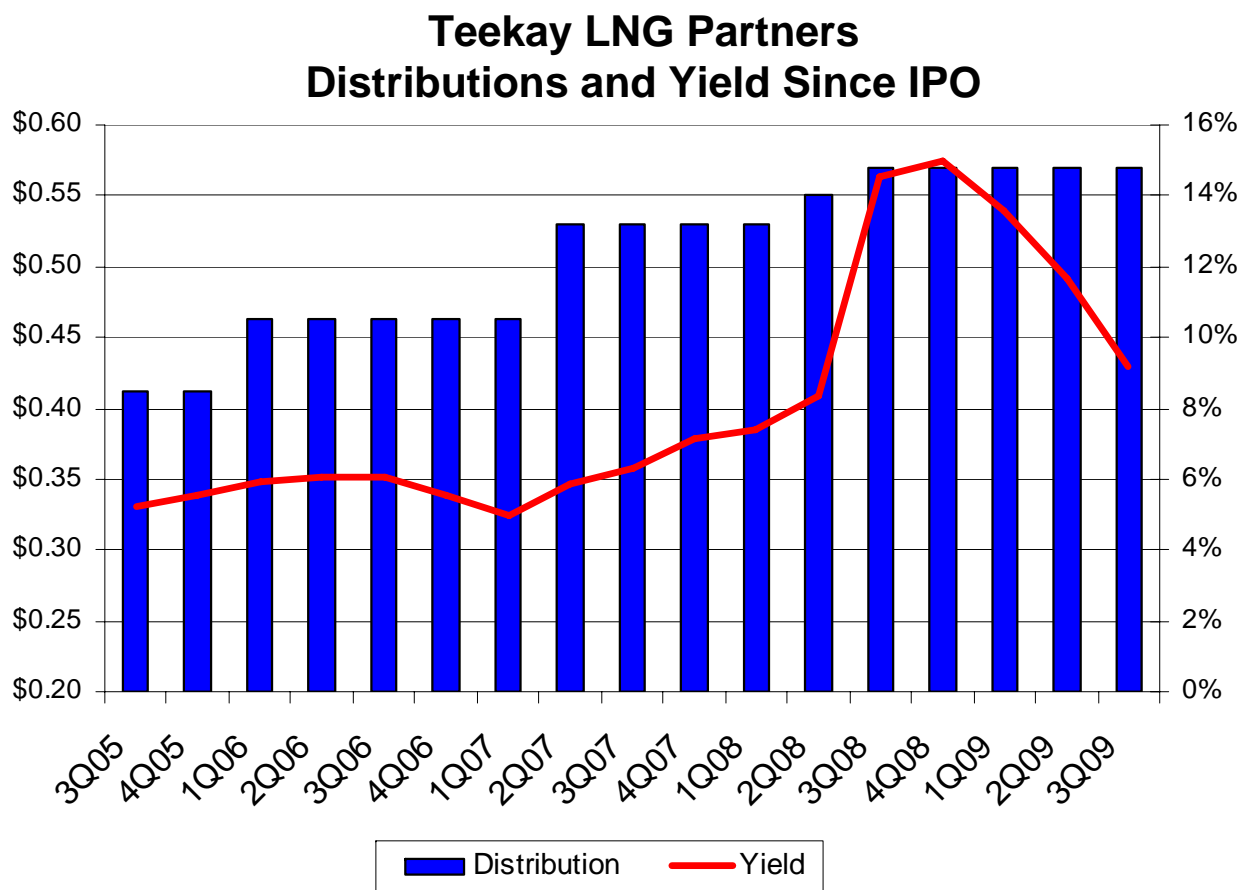


African Spirit
European Spirit
Asian Spirit



Track Record of Growing Distributions

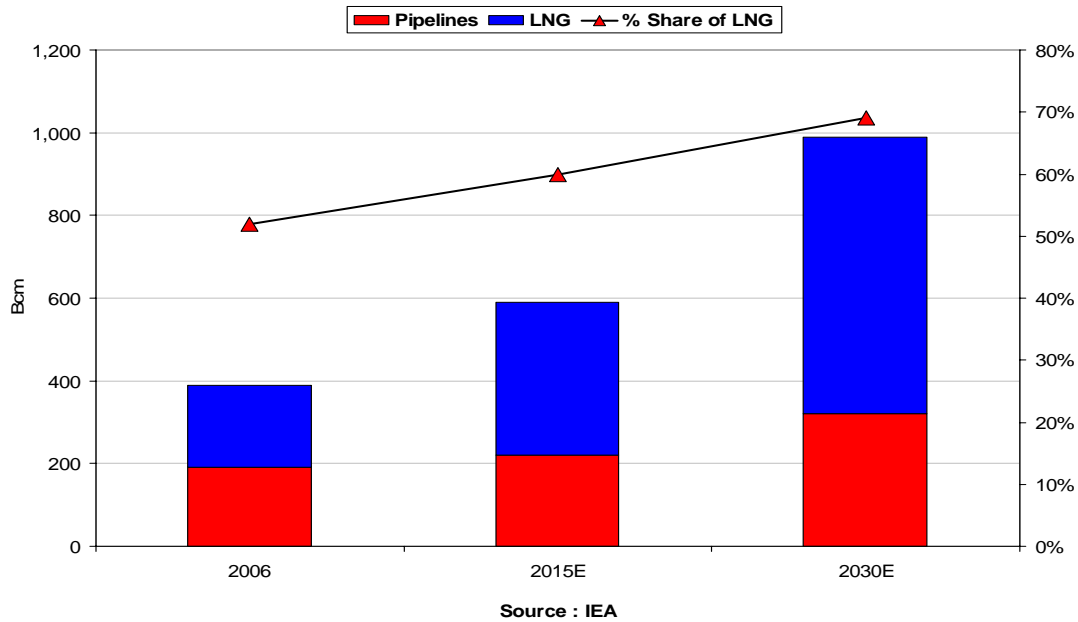
- ▶ TGP has increased distributions each year as it completes projects and acquisitions
- ▶ Valuation of our partnership affected by market and macroeconomic factors



Teekay LNG – Areas of Focus

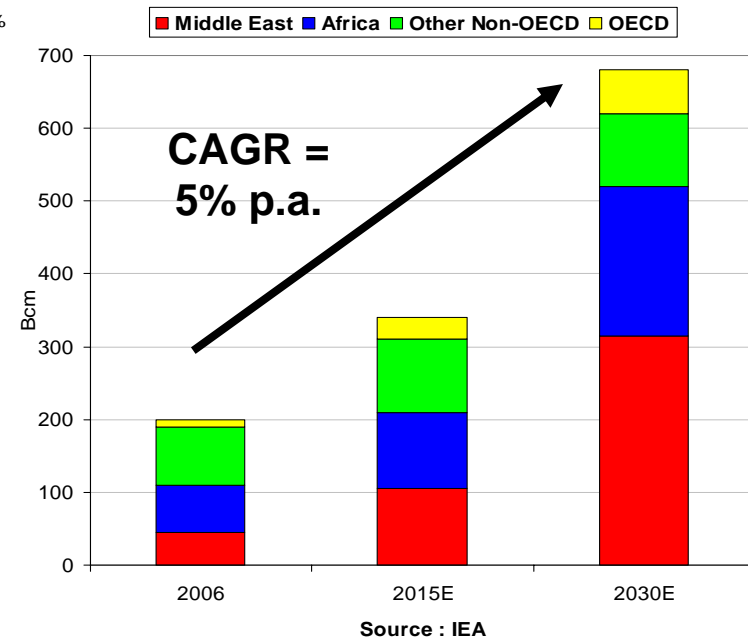
- ▶ Improving profitability of existing assets and operations
 - ▶ Reducing operating expenses
 - ▶ Reducing G&A through office rationalization
- ▶ Complete existing projects on-time and on-budget
- ▶ New growth: focus on value-added projects and existing vessel acquisitions:
 - ▶ Reduced activity in point-to-point LNG tenders
 - ▶ Floating LNG projects
 - ▶ Acquisition of vessels with long-term contracts

Positive Long-term Fundamentals for LNG transport



~85% of increase in global inter-regional exports expected to come from Middle East / Africa

LNG expected to account for ~80% of increase in total inter-regional trade



Expected Gas Tenders Over the Next Few Years

Project	Number of Vessels
ExxonMobil Papua New Guinea	4
Brass Nigeria	12
NLNG Train 7 Nigeria	12
Gorgon Australia	6
BG Queensland, Australia	4
Wheatstone Australia	4
Pluto 2 Australia	4
Browse Australia	7
Damietta expansion, Egypt	2
Trinidad expansion	3
Equatorial Guinea expansion	5

Floating Liquefaction (FLNG) – Significant Growth Area

Benefits of Floating LNG:

- ▶ More cost effective than on-shore liquefaction
- ▶ Shipyard construction vs. costly onshore / onsite construction
- ▶ Addresses “NIMBY” issues
- ▶ Less exposure to terrorism / conflict
- ▶ Greater flexibility through redeployment
- ▶ Shorter time to market than shore based plants



Kitimat FLNG

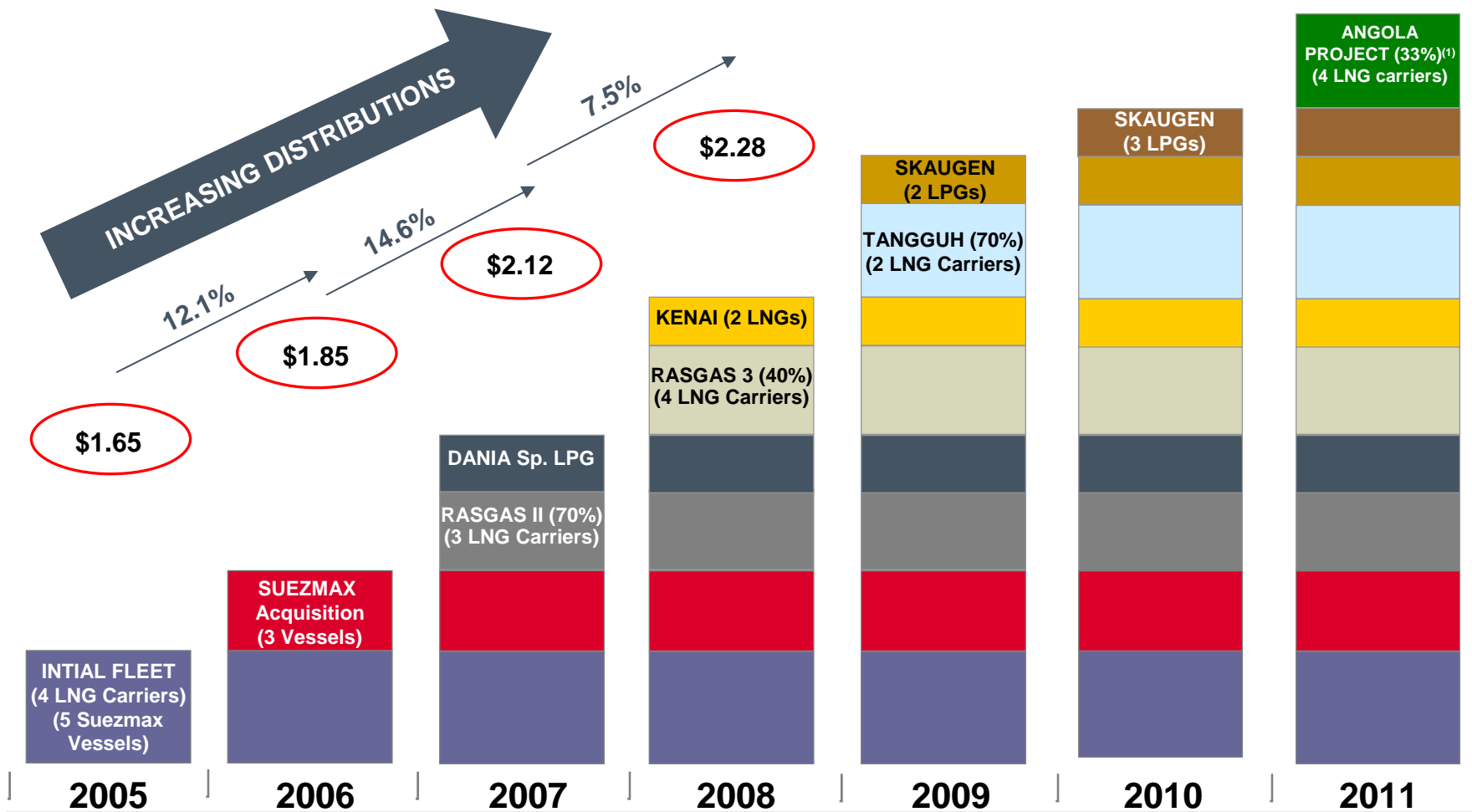
- ▶ Project to jointly develop a floating liquefied natural gas (FLNG) plant using an existing LNG carrier, the Arctic Spirit
 - ▶ Agreement between Teekay Corporation and Merrill Lynch / Bank of America
 - ▶ Teekay LNG Partners will also have the option to participate
 - ▶ Teekay LNG Partners will continue to receive time-charter payments for the remaining duration of its existing contract (~9 years)
- ▶ Located in Kitimat, British Columbia at the terminus of the Pacific Northern Gas pipeline
- ▶ Capacity to liquefy ~2-3 million m³ per day, or 0.5 million tonnes of LNG annually
- ▶ Project development subject to certain approvals
 - ▶ Targeted to commence operations in 2012
 - ▶ Initial contract period of 10 years

Teekay LNG Financial Snapshot

- ▶ Total liquidity at September 30, 2009: \$523m*
- ▶ No covenant concerns
- ▶ Stability of long-term contracts supports higher debt levels
 - ▶ Repayment profile of principal matches revenue stream
 - ▶ Interest rates hedged
- ▶ No near-term refinancing requirements
 - ▶ No significant balloon payments until late 2011
 - ▶ Current liquidity more than sufficient to repay all facilities coming due
- ▶ Fully funded CAPEX

* Pro forma for 3.5m unit follow-on equity offering (excluding 15% greenshoe) which is expected to close on November 20, 2009.

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.