

# FIRST QUARTER, 2008 RESULTS

Golar LNG



# FORWARD LOOKING STATEMENTS

Golar LNG



This presentation contains forward-looking statements (as defined in Section 21E of the Securities Exchange Act of 1934, as amended) which reflects management's current expectations, estimates and projections about its operations. All statements, other than statements of historical facts, that address activities and events that will, should, could or may occur in the future are forward-looking statements. Words such as "may," "could," "should," "would," "expect," "plan," "anticipate," "intend," "forecast," "believe," "estimate," "predict," "propose," "potential," "continue" or the negative of these terms and similar expressions are intended to identify such forward-looking statements. These statements are not guarantees of future performance and are subject to certain risks, uncertainties and other factors, some of which are beyond our control and are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements. You should not place undue reliance on these forward-looking statements, which speak only as of the date of this presentation. Unless legally required, Golar LNG undertakes no obligation to update publicly any forward-looking statements whether as a result of new information, future events or otherwise.

Among the important factors that could cause actual results to differ materially from those in the forward-looking statements are: changes in liquid natural gas (LNG) and floating storage and regasification unit (FSRU) market trends, including charter rates; changes in the supply and demand for LNG; changes in trading patterns that affect the opportunities for the profitable operation of LNG carriers and FSRUs; changes in Golar LNG's ability to retrofit vessels as FSRUs and the timing of the delivery and acceptance of such retrofitted vessels; increases in costs; changes in the availability of vessels to purchase, the time it takes to construct new vessels, or the vessels' useful lives; and changes in the ability of Golar LNG to obtain additional financing. Unpredictable or unknown factors herein also could have material adverse effects on forward-looking statements.



1. Q1 Highlights
2. Q1 Financial Results
3. Market Overview
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# Q1 HIGHLIGHTS

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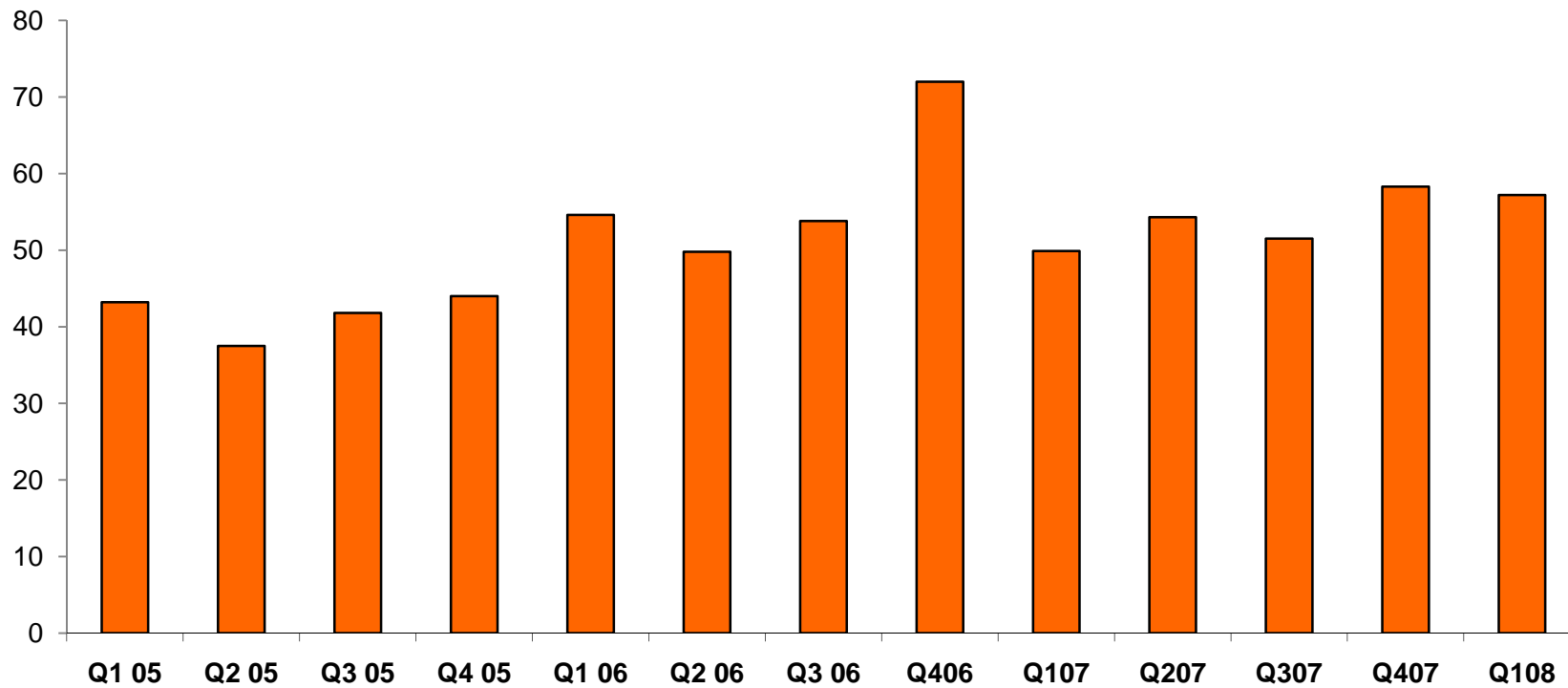
- Golar successfully takes delivery of the 2003 built “Granatina”.
- 10 year time charter with Dubai Supply Authority signed for the Golar Freeze as a converted FSRU.
- Continued solid earnings from short term vessels although weaker outlook for Q2.
- Golar announces the decision to convert the Hilli to an FSRU in anticipation of further FSRU contracts.
- A cash dividend of \$0.25 per share.
- A further non-cash interest rate swap valuation loss.

# FINANCIALS - REVENUE

Golar LNG



Net Revenue (USD '000) - All Vessels



Vessels	10	10	10	10	11	11	12	12	12	12	12	12	13
TCE per day	50,550	41,200	45,450	47,850	55,100	49,700	52,000	65,200	48,400	50,900	47,300	57,600	53,100

# KEY FINANCIALS

Golar LNG



<i>(USD million)</i>	Q1 2008	Q4 2007	Q3 2007	Q2 2007	Q1 2007	12m to Dec-07
Net operating revenues	57.2	58.3	51.5	54.3	49.9	213.9
Gain on sale of newbuilding	-	-	-	-	41.1	41.1
EBITDA	37.3	40.0	34.0	33.4	73.7	181.0
Operating income	21.5	24.7	18.9	18.8	58.6	120.9
Net financial expenses	(36.0)	(21.6)	(27.8)	0.9	(17.2)	(65.6)
Equity investment earnings, minorities, taxes	(1.2)	(2.2)	0.1	69.9	13.0	80.9
Net (Loss) / Income	(15.7)	0.9	(8.8)	89.6	54.4	136.2
Vessel numbers	13	12	12	12	12	12
<i>(USD thousand per day)</i>						
Time charter equivalent rates	53,100	57,600	47,300	50,900	48,400	51,000
Ship operating expenses	13,212	12,369	11,324	12,233	12,471	12,097

# INCOME STATEMENT

Golar LNG



<i>(USD thousands)</i>	<b>2008</b> <b>Jan-Mar</b> <i>(unaudited)</i>	<b>2007</b> <b>Oct-Dec</b> <i>(unaudited)</i>	<b>2007</b> <b>Jan-Mar</b> <i>(unaudited)</i>	<b>2007</b> <b>Jan-Dec</b> <i>(audited)</i>
<b>Operating revenues</b>	<b>58,772</b>	<b>61,293</b>	<b>53,734</b>	<b>224,674</b>
Gain on sale of newbuilding	-	-	41,088	41,088
Vessel operating expenses	15,458	13,657	13,469	52,986
Voyage expenses	1,541	2,993	3,858	10,763
Administrative expenses	4,502	4,635	3,821	18,645
Depreciation and amortisation	15,738	15,318	15,114	60,163
Impairment of long-lived assets	-	-	-	2,345
<b>Total operating expenses</b>	<b>37,239</b>	<b>36,603</b>	<b>36,262</b>	<b>144,902</b>
<b>Operating income</b>	<b>21,533</b>	<b>24,690</b>	<b>58,560</b>	<b>120,860</b>
Interest income	12,526	14,537	11,719	54,906
Interest expense	(27,108)	(28,043)	(26,920)	(112,336)
Other financial items	(21,438)	(8,054)	(1,994)	(8,162)
Gain on sale of available-for-sale securities	-	-	-	46,276
<b>Income before taxes and minority interest</b>	<b>(14,487)</b>	<b>3,130</b>	<b>41,365</b>	<b>101,544</b>
Minority interest	(928)	(1,730)	(1,760)	(6,547)
Taxes	5	(120)	(31)	299
Equity in net earnings of investees	(265)	(369)	14,758	13,640
Gain on sale of associate	-	-	-	27,268
<b>Net income</b>	<b>(15,675)</b>	<b>911</b>	<b>54,332</b>	<b>136,204</b>
<b>Earnings per share (\$)</b>	<b>\$(0.23)</b>	<b>\$0.01</b>	<b>\$0.83</b>	<b>\$2.09</b>
<b>Weighted average shares in issue</b>	<b>67,017,644</b>	<b>65,817,832</b>	<b>65,562,000</b>	<b>65,282,637</b>

# BALANCE SHEET ASSETS

Golar LNG



<i>(USD thousands)</i>	<b>2008 March 31 (unaudited)</b>	<b>2007 December 31 (audited)</b>	<b>2007 March 31 (unaudited)</b>
<b>Short term assets</b>			
Cash and cash equivalents	69,661	185,739	102,420
Restricted cash and short-term investments	62,152	52,106	65,668
Fixed asset available for sale	153,236	-	-
Other current assets	28,069	32,476	19,993
<b>Long term assets</b>			
Restricted cash (relates to leases)	789,932	792,038	776,135
Equity in net assets of non-consolidated associate	17,368	14,023	120,750
Vessel and equipment, net	1,478,975	1,448,576	1,456,517
Other long term assets	63,477	48,652	43,451
<b>TOTAL ASSETS</b>	<b>2,662,870</b>	<b>2,573,610</b>	<b>2,584,934</b>

# BALANCE SHEET LIABILITIES

Golar LNG



<i>(USD thousands)</i>	<b>2008 March 31 (unaudited)</b>	<b>2007 December 31 (audited)</b>	<b>2007 March 31 (unaudited)</b>
<b>Short term liabilities</b>			
Current portion of long-term debt	174,460	80,037	72,030
Current portion of capital lease obligations	5,689	5,678	5,371
Other current liabilities	78,952	60,494	49,145
<b>Long term liabilities</b>			
Long term debt	745,218	735,629	791,324
Long term capital lease obligations	1,022,204	1,024,086	1,011,145
Other long term liabilities	77,204	78,171	84,253
Minority interest	37,910	36,983	34,196
Stockholders' equity	521,233	552,532	537,470
<b>TOTAL LIABILITIES &amp; STOCKHOLDER'S EQUITY</b>	<b>2,662,870</b>	<b>2,573,610</b>	<b>2,584,934</b>
<b>Percentage of fixed interest debt</b>	<b>68%</b>	<b>55%</b>	<b>57%</b>
<b>Shares outstanding (net of treasury and equity swap shares)</b>	<b>66,901,866</b>	<b>67,176,866</b>	<b>65,562,000</b>

# STATEMENT OF CASH FLOWS

Golar LNG



<i>(usd thousands)</i>	<b>Jan-Mar 08 (unaudited)</b>	<b>Oct-Dec 07 (unaudited)</b>	<b>Jan-Mar 07 (unaudited)</b>	<b>Jan-Dec 07 (audited)</b>
<b>OPERATING ACTIVITIES</b>				
Net (Loss) / Income	(15,675)	911	54,332	136,204
Gain on disposal of newbuilding	0	0	(41,088)	(41,088)
Depreciation and amortization	16,085	15,646	15,560	61,235
Non-cash movements in associates & investments	265	368	(14,758)	(85,966)
Drydocking expenditure	(821)	(69)	(6,217)	(14,694)
Changes in market value of derivatives & foreign exchange gain/loss	20,736	7,536	1,302	5,739
Impairment of long-lived assets	0	0	0	(2,345)
Other non-cash income adjustments	2,260	3,422	3,324	15,672
Change in operating assets and liabilities	4,205	6,082	1,038	(1,702)
<b>Net cash provided by operating activities</b>	<b>27,055</b>	<b>33,896</b>	<b>13,493</b>	<b>73,055</b>
<b>INVESTING ACTIVITIES</b>				
Additions to newbuildings, vessels & equipment	(214,043)	(23,787)	(3,523)	(48,144)
Disposal of newbuildings	0	0	92,618	92,618
Restricted cash and short-term investments	(8,815)	5,614	(9,814)	392
Purchase/sale of investments	(5,435)	0	0	171,595
Proceeds from termination of equity swap	0	0	0	7,974
<b>Net cash used in investing activities</b>	<b>(228,293)</b>	<b>(18,173)</b>	<b>79,281</b>	<b>224,435</b>
<b>FINANCING ACTIVITIES</b>				
Proceeds from/ repayments of long-term debt & lease obligations	102,785	(22,805)	(14,122)	(65,463)
Financing costs paid	(1,136)	(8)	0	(168)
Cash dividends paid (including dividends to minority shareholders)	(16,896)	(2,000)	(32,848)	(147,772)
Payments to repurchase equity	0	(8,201)	0	(31,024)
Proceeds from issuance of equity	0	75,734	0	76,060
Proceeds from disposal of treasury shares	407	0	0	0
<b>Net cash (used in) provided by financing activities</b>	<b>85,160</b>	<b>42,720</b>	<b>(46,970)</b>	<b>(168,367)</b>
<b>Net increase / (decrease) in cash &amp; cash equivalents</b>	<b>(116,078)</b>	<b>58,443</b>	<b>45,804</b>	<b>129,123</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>185,739</b>	<b>127,296</b>	<b>56,616</b>	<b>56,616</b>
<b>Cash and cash equivalents at end of period</b>	<b>69,661</b>	<b>185,739</b>	<b>102,420</b>	<b>185,739</b>

# FINANCIAL EXPENSES ANALYSIS

Golar LNG



<i>(USD million)</i>	2008 Jan - Mar	2007 Oct- Dec	2007 Jul- Sep	2007 Apr- Jun	2007 Jan - Mar
Lease related interest income	11.5	12.7	12.5	11.7	11.1
Other Interest income	1.0	1.8	2.1	2.4	0.6
	<b>12.5</b>	<b>14.5</b>	<b>14.6</b>	<b>14.1</b>	<b>11.7</b>
Lease interest expense	(14.6)	(15.7)	(15.6)	(14.9)	(14.4)
Debt interest expense	(12.5)	(12.3)	(13.2)	(13.6)	(12.5)
	<b>(27.1)</b>	<b>(28.0)</b>	<b>(28.8)</b>	<b>(28.5)</b>	<b>(26.9)</b>
Interest rate swap gain / (loss)	(15.8)	(8.5)	(11.8)	8.4	(1.7)
Net FX gain / (loss) on lease balances	(3.1)	1.0	(0.8)	0.6	(0.4)
Other financial items	(0.2)	(0.6)	(1.0)	(0.2)	(0.8)
Equity swap gain / (loss)	(2.3)	0.0	0.0	6.6	0.9
	<b>(21.4)</b>	<b>(8.1)</b>	<b>(13.6)</b>	<b>15.4</b>	<b>(2.0)</b>
<b>Net Financial Expenses</b>	<b>(36.0)</b>	<b>(21.6)</b>	<b>(27.8)</b>	<b>1.0</b>	<b>(17.2)</b>



- Operating issues continue to trouble several established liquefaction facilities. Trinidad, NLNG, Damietta and Snohvit operating at less than nameplate capacity.
- New liquefaction capacity currently under construction experiencing slippage against original schedules whilst shipyards are continuing to deliver on time.
- New projects announced in PNG (ExxonMobil) and NE Australia (several). Australian projects are based on coal bed methane (to include LNG Ltd Gladstone project).



- 271\* ships trading.
- 20\* New buildings delivered so far this year.
- 127\* ships on order (>76,000 cbm, excl. 4 off Flex LNG Vessels).
- New shipyard orders YTD currently at 3 vessels

\* As at end of April 2008.



- South Asia and Far East buyers still paying premium for LNG. Increasing competition from Atlantic Basin buyers (summer seasonal demand).
- Much of recent spot market activity driven by commissioning cargoes (Costa Azul, Sabine Pass, Freeport, Sakhalin, Bahia Blanca, N.E. Gateway).
- Spot market rates continue to soften due to available idle tonnage and continuing lack of available cargoes.
- Spot market expected to improve towards year end as new projects are commissioned and diversions east increase.

# GOLAR PORTFOLIO

Golar LNG



Ship	Built	Capacity m <sup>3</sup>	Containment	Current Charterer	2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024																
					Timeline of contracts and conversions																
<b>Methane Princess</b>	2003	138,000	Membrane	BG Group	CHARTERED TO BG GROUP																
<b>Golar Freeze</b> <sup>(1)</sup>	1977	126,000	Moss	BG Group	BG (2007-2009), DUBAI SUPPLY AUTHORITY (2009-2024)																
<b>Golar Winter</b> <sup>(2)</sup>	2004	138,000	Membrane	Shell	Shell (2007-2009), PETROBRAS (2009-2024)																
<b>Golar Spirit</b> <sup>(2)</sup>	1981	129,000	Moss	Petrobras	Petrobras (2007-2024)																
<b>Golar Mazo</b> (60% owned with CPC)	2000	135,000	Moss	Pertamina (CPC)	PERTAMINA (2007-2024)																
<b>Khannur</b>	1977	125,000	Moss	BG Group	BG (2007-2011), Options (2011-2021)																
<b>Gimi</b>	1976	125,000	Moss	BG Group	BG (2007-2011), Options (2011-2021)																
<b>Gracilis</b>	2005	140,000	Membrane	Shell	SHELL (2007-2011)																
<b>Grandis</b>	2006	145,700	Membrane	Shell	SHELL (2007-2011)																
<b>Granosa</b>	2006	145,700	Membrane	Shell	SHELL (2007-2011)																
<b>Granatina</b>	2003	140,650	Membrane	Shell	Shell (2007-2008)																
<b>Hilli</b>	1975	125,000	Moss	Short-term	Short-term (2007-2008)																
<b>Golar Frost</b> <sup>(3)</sup>	2004	137,000	Moss	Short-term	Short-term (2007-2008)																

■ Committed contract 
 ■ Options 
 ■ Spot 
 ■ Yard Conversion

(1) Golar Freeze chartered to Dubai Supply Authority as an FSRU following current BG charter and conversion period.

(2) Golar Spirit & Winter chartered to Petrobras as FSRU's following yard conversion.

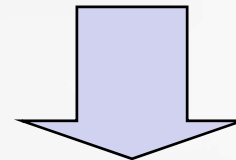
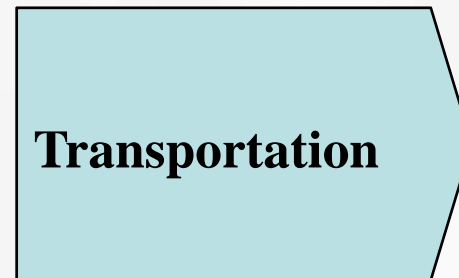
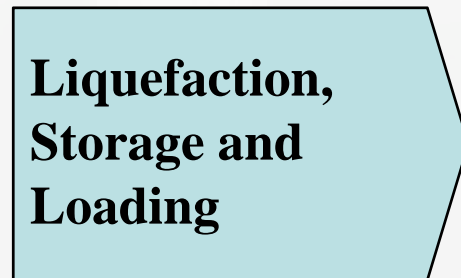
(3) Golar Fost sold to Livono FRSU project for \$231 million. Sale completion scheduled June 2008.



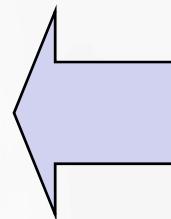
- No dockings in Q1.
- Khannur docking at Sobrena, France, from May 6th with expected departure on June 3rd.
- 94% overall fleet utilisation (excluding Spirit).
- Hilli was redelivered from the BG T/C on April 18th.
- Pressure on operating costs persists. Strategies developed to address crew retention and costs have shown positive effects on retention through Q1.

# PROJECTS: MOVING IN LNG CHAIN

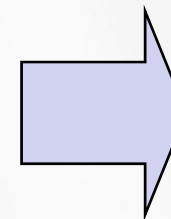
Golar LNG



**Going here**



**Golar LNG  
Core  
Business**



**Going  
here**

# FSRU PROJECT EXECUTION

Golar LNG



## **Golar Spirit (Petrobras)**

- Conversion in final stages
- Vessel to deliver Q2 2008

## **Golar Winter (Petrobras)**

- Detailed engineering advanced
- Vessel enters yard in Oct 2009 for conversion

## **Golar Frost (Livorno)**

- Vessel sale completion expected end of Q2
- EPC contract awarded to Saipem

## **Golar Freeze (Dubai Supply Authority)**

- FID taken Apr. 2008
- Detailed engineering commenced

## **Hilli (Speculative)**

- Decision taken to commence conversion



# DUBAI FSRU

Golar LNG



- Conversion of Golar Freeze into FSRU
- Term 10 yrs with options up to Oct. 2024
- \$450M (incl. OPEX) commitment
- Scheduled to start conversion in Oct. 2009
- Delivery scheduled for Q2 2010
- Regasification capacity of 400 MCFD

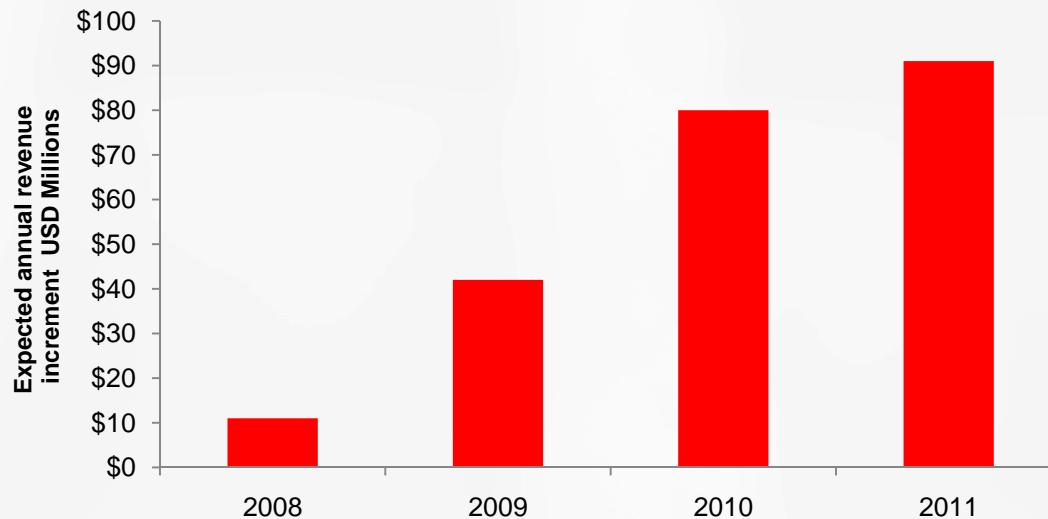


# FSRU: INCREMENTAL REVENUE

Golar LNG



- Operating revenues in 2007 = \$224.7 million.
- Expected incremental revenue from Golar Spirit, Golar Winter and Golar Freeze FSRU contracts (based on assumptions noted below):



#### Assumptions:

- Assumes an average scheduled maintenance time, no unscheduled offhire and based on contracted rates.
- Assumes revenue in each year generated from the Golar Spirit, Golar Winter and Golar Freeze FSRU contracts over and above the revenue each vessel earned in 2007.
- Only takes into account the expectations for the above 3 vessels

- Estimated timing of expected remaining conversion capex: 2008 - \$134m; 2009 - \$92mm; 2010 - \$26m.