

# THIRD 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. Q3 Highlights
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# Q3 HIGHLIGHTS

Golar LNG



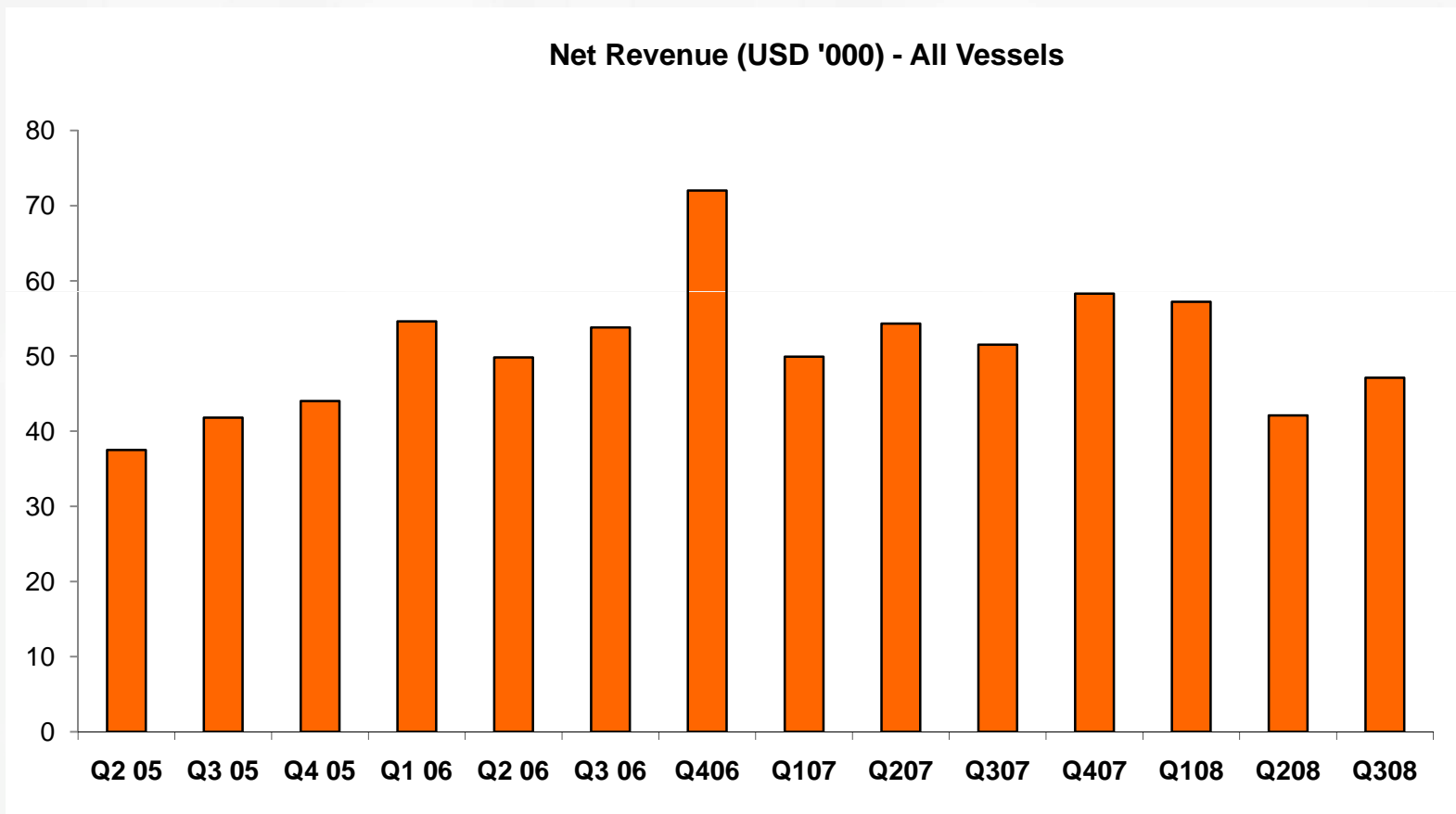
- Improved quarter for ships trading spot/short term
- FSRU Golar Spirit on hire to Petrobras
- Good progress made to identify FLNG opportunities with partner PTTEP
- LNG Ltd's Gladstone project making good progress, Golar seeking material role
- Signed new \$285 million revolving credit facility
- A cash dividend of \$0.25 per share

# FINANCIALS - REVENUE

Golar LNG



Net Revenue (USD '000) - All Vessels



Vessels

10      10      10      11      11      12      12      12      12      12      12      13      13      13

TCE per day

41,200    45,450    47,850    55,100    49,700    52,000    65,200    48,400    50,900    47,300    57,600    53,100    39,900    41,400

# KEY FINANCIALS

Golar LNG



<i>(USD million)</i>	Q3 2008	Q2 2008	Q1 2008	Q3 2007	9m to Sept-08	9m to Sept-07	12m to Dec-07
Net operating revenues	47.1	42.1	57.2	51.5	146.4	155.6	213.9
Gain on sale of vessel/newbuilding	78.1	-	-	-	78.1	41.1	41.1
EBITDA	105.9	22.0	37.3	34.0	165.1	141.0	181.0
Operating income	89.7	7.3	21.5	18.8	118.5	96.2	120.9
Net financial expenses	(34.5)	6.7	(36.0)	(27.8)	(63.8)	(44.0)	(65.6)
Equity investment earnings, minorities, taxes	(3.4)	(2.3)	(1.2)	0.1	(7.0)	82.9	80.9
Net (Loss) / Income	51.7	11.7	(15.7)	(8.8)	47.7	135.0	136.2
Vessel numbers	13	13	13	12	13	12	12
<i>(USD thousand per day)</i>							
Time charter equivalent rates	41,400	39,900	53,100	47,300	44,800	48,900	51,000
Ship operating expenses	12,192	13,378	13,212	11,324	12,923	12,005	12,097

# INCOME STATEMENT

Golar LNG



<i>(USD thousands)</i>	<b>2008</b> <b>Jul-Sept</b> <i>(unaudited)</i>	<b>2008</b> <b>Apr-Jun</b> <i>(unaudited)</i>	<b>2007</b> <b>Jul-Sept</b> <i>(unaudited)</i>	<b>2008</b> <b>Jan-Sept</b> <i>(unaudited)</i>	<b>2007</b> <b>Jan-Sept</b> <i>(unaudited)</i>	<b>2007</b> <b>Jan-Dec</b> <i>(audited)</i>
<b>Operating revenues</b>	<b>58,058</b>	<b>52,470</b>	<b>54,265</b>	<b>169,300</b>	<b>165,127</b>	<b>224,674</b>
Gain on sale of vessel/newbuilding	78,108	-	-	78,108	41,088	41,088
Vessel operating expenses	14,581	15,826	12,501	45,865	39,329	52,986
Voyage expenses	10,978	10,365	2,797	22,884	9,516	10,763
Administrative expenses	4,739	4,469	5,001	13,710	14,010	18,645
Depreciation and amortisation	16,201	14,634	15,116	46,573	44,845	60,163
Gain on sale of long-lived assets	-	(226)	-	(226)	-	-
Impairment of long-lived assets	-	64	-	64	2,345	2,345
<b>Total operating expenses</b>	<b>46,499</b>	<b>45,132</b>	<b>35,415</b>	<b>128,870</b>	<b>110,045</b>	<b>144,902</b>
<b>Operating income</b>	<b>89,667</b>	<b>7,338</b>	<b>18,850</b>	<b>118,538</b>	<b>96,170</b>	<b>120,860</b>
Interest income	10,892	12,196	14,577	35,614	40,369	54,906
Interest expense	(22,302)	(24,959)	(28,845)	(74,369)	(84,293)	(112,336)
Other financial items	(23,107)	19,489	(13,514)	(25,056)	(108)	(8,162)
Gain on sale of available-for-sale shares	-	-	-	-	46,276	46,276
<b>Income (loss) before taxes &amp; minority interest</b>	<b>55,150</b>	<b>14,064</b>	<b>(8,932)</b>	<b>54,727</b>	<b>98,414</b>	<b>101,544</b>
Minority interest	(1,710)	(2,456)	(889)	(5,094)	(4,817)	(6,547)
Taxes	(681)	120	832	(556)	419	299
Equity in net earnings of investees	(1,055)	(24)	205	(1,344)	13,736	13,640
Gain on sale of associate	-	-	-	-	27,268	27,268
<b>Net income (loss)</b>	<b>51,704</b>	<b>11,704</b>	<b>(8,874)</b>	<b>47,733</b>	<b>135,020</b>	<b>136,204</b>
<b>Earnings per share (\$)</b>	<b>\$0.77</b>	<b>\$0.17</b>	<b>(\$0.14)</b>	<b>\$0.71</b>	<b>\$2.07</b>	<b>\$2.09</b>
<b>Weighted average shares in issue</b>	<b>67,226,866</b>	<b>67,210,932</b>	<b>64,345,700</b>	<b>67,209,895</b>	<b>65,102,279</b>	<b>65,282,637</b>

# BALANCE SHEET ASSETS

Golar LNG



<i>(USD thousands)</i>	<b>2008 Sept 30 <i>(unaudited)</i></b>	<b>2007 December 31 <i>(audited)</i></b>	<b>2007 Sept 30 <i>(unaudited)</i></b>
<b>Short term assets</b>			
Cash and cash equivalents	88,905	185,739	127,296
Restricted cash and short-term investments	67,766	52,106	60,938
Other current assets	31,868	32,476	30,973
<b>Long term assets</b>			
Restricted cash (relates to leases)	677,767	792,038	807,737
Equity in net assets of non-consolidated investees	39,092	14,023	12,616
Vessel and equipment, net	1,501,380	1,448,576	1,435,079
Other long term assets	91,722	48,652	61,398
<b>TOTAL ASSETS</b>	<b>2,498,500</b>	<b>2,573,610</b>	<b>2,536,037</b>

# BALANCE SHEET LIABILITIES

Golar LNG



<i>(USD thousands)</i>	<b>2008 Sept 30 <i>(unaudited)</i></b>	<b>2007 December 31 <i>(audited)</i></b>	<b>2007 Sept 30 <i>(unaudited)</i></b>
<b>Short term liabilities</b>			
Current portion of long-term debt	77,934	80,037	75,760
Current portion of capital lease obligations	5,609	5,678	5,581
Other current liabilities	96,489	60,494	47,852
<b>Long term liabilities</b>			
Long term debt	706,055	735,629	761,488
Long term capital lease obligations	942,011	1,024,086	1,047,596
Other long term liabilities	75,434	78,171	83,692
Minority interest	42,076	36,983	37,253
Stockholders' equity	552,892	552,532	476,815
<b>TOTAL LIABILITIES &amp; STOCKHOLDER'S EQUITY</b>	<b>2,498,500</b>	<b>2,573,610</b>	<b>2,536,037</b>
<b>Percentage of fixed interest debt</b>	<b>74%</b>	<b>55%</b>	<b>59%</b>
<b>Shares outstanding (net of treasury shares)</b>	<b>67,226,866</b>	<b>67,176,866</b>	<b>64,345,700</b>

# STATEMENT OF CASH FLOWS

Golar LNG



<i>(usd thousands)</i>	<i>Jul-Sept 08 (unaudited)</i>	<i>Apr-Jun 08 (unaudited)</i>	<i>Jan-Sep 08 (unaudited)</i>	<i>Jan-Sep 07 (unaudited)</i>	<i>Jan-Dec 07 (audited)</i>
<b>OPERATING ACTIVITIES</b>					
Net (Loss) / Income	51,704	11,704	47,733	135,020	136,204
Gain on disposal of newbuilding/long lived asset	(78,108)	(226)	(78,334)	(41,088)	(41,088)
Depreciation and amortization	16,497	14,957	47,539	45,570	61,235
Drydocking expenditure	(7,648)	(11,129)	(19,598)	(14,625)	(14,694)
Changes in market value of derivatives & foreign exchange gain/loss	21,979	(19,602)	23,113	(1,796)	5,739
Other changes in operating assets and liabilities	(15,959)	20,103	10,875	(83,922)	(74,341)
<b>Net cash provided by operating activities</b>	<b>(11,535)</b>	<b>15,807</b>	<b>31,328</b>	<b>39,159</b>	<b>73,055</b>
<b>INVESTING ACTIVITIES</b>					
Additions to newbuildings, vessels & equipment	(33,548)	(32,128)	(279,719)	(24,357)	(48,144)
Disposal of newbuildings/long lived asset	231,344	1,900	233,244	92,618	92,618
Restricted cash and short-term investments	(1,775)	44,415	33,824	(5,222)	392
Purchase/sale of investments	(22,501)	0	(27,936)	171,595	171,595
Proceeds from termination of equity swap	(538)	0	(538)	7,974	7,974
<b>Net cash used in investing activities</b>	<b>172,982</b>	<b>14,187</b>	<b>(41,125)</b>	<b>242,608</b>	<b>224,435</b>
<b>FINANCING ACTIVITIES</b>					
Proceeds from/ repayments of long-term debt & lease obligations	(111,133)	(27,386)	(35,734)	(42,658)	(65,463)
Financing costs paid	0	(557)	(1,693)	(160)	(168)
Cash dividends paid (including dividends to minority shareholders)	(33,633)	0	(50,529)	(145,772)	(147,772)
Payments to repurchase equity	0	0	0	(22,823)	(31,024)
Proceeds from issuance of equity	0	0	0	326	76,060
Proceeds from disposal/receipt of dividends on treasury shares	169	343	919	0	0
<b>Net cash (used in) provided by financing activities</b>	<b>(144,597)</b>	<b>(27,600)</b>	<b>(87,037)</b>	<b>(211,087)</b>	<b>(168,367)</b>
<b>Net increase / (decrease) in cash &amp; cash equivalents</b>	<b>16,850</b>	<b>2,394</b>	<b>(96,834)</b>	<b>70,680</b>	<b>129,123</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>72,055</b>	<b>69,661</b>	<b>185,739</b>	<b>56,616</b>	<b>56,616</b>
<b>Cash and cash equivalents at end of period</b>	<b>88,905</b>	<b>72,055</b>	<b>88,905</b>	<b>127,296</b>	<b>185,739</b>

# FINANCIAL EXPENSES ANALYSIS

Golar LNG



<i>(USD million)</i>	2008 Jul - Sep	2008 Apr - Jun	2008 Jan - Mar	2007 Oct- Dec	2007 Jul- Sep
Lease related interest income	10.3	11.5	11.5	12.7	12.5
Other Interest income	0.6	0.7	1.0	1.8	2.1
	<b>10.9</b>	<b>12.2</b>	<b>12.5</b>	<b>14.5</b>	<b>14.6</b>
Lease interest expense	(12.8)	(13.9)	(14.6)	(15.7)	(15.6)
Debt interest expense	(9.5)	(11.1)	(12.5)	(12.3)	(13.2)
	<b>(22.3)</b>	<b>(25.0)</b>	<b>(27.1)</b>	<b>(28.0)</b>	<b>(28.8)</b>
Interest rate swap gain / (loss)	(9.8)	18.6	(15.8)	(8.5)	(11.8)
Net FX gain / (loss) on lease balances and currency forward contracts	(8.7)	1.0	(3.1)	1.0	(0.8)
Other financial items	(1.1)	(1.0)	(0.2)	(0.6)	(1.0)
Equity swap gain / (loss)	(3.5)	0.9	(2.3)	0.0	0.0
	<b>(23.1)</b>	<b>19.5</b>	<b>(21.4)</b>	<b>(8.1)</b>	<b>(13.6)</b>
<b>Net Financial Expenses</b>	<b>(34.5)</b>	<b>6.7</b>	<b>(36.0)</b>	<b>(21.6)</b>	<b>(27.8)</b>

# 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	BG																	
<b>Golar Freeze</b>	1977	126,000	Moss	BG Group	BG DUBAI SUPPLY AUTHORITY																	
<b>Golar Frost <sup>(1)</sup></b>	2004	137,000	Moss		OLT-O																	
<b>Golar Winter</b>	2004	138,000	Membrane	Shell	Shell PETROBRAS																	
<b>Golar Spirit</b>	1981	129,000	Moss	Petrobras	PETROBRAS																	
<b>Golar Mazo</b>	2000	135,000	Moss	Pertamina	PERTAMINA																	
<b>Khannur</b>	1977	125,000	Moss	BG Group	BG																	
<b>Gimi</b>	1976	125,000	Moss	BG Group	BG																	
<b>Hilli</b>	1975	125,000	Moss	Conversion	Conversion																	
<b>Gracilis</b>	2005	140,000	Membrane	Shell	SHELL																	
<b>Grandis</b>	2006	145,700	Membrane	Shell	SHELL																	
<b>Granosa</b>	2006	145,700	Membrane	Shell	SHELL																	
<b>Granatina</b>	2003	140,650	Membrane	Shell	Shell																	
<b>Gandria</b>	1977	126,000	Moss	Conversion	Conversion																	
<b>Ebisu</b>	2008	147,200	Moss	BP / Spot	BP / Spot																	

■ Committed contract ■ Options ■ Spot ■ Yard Conversion

(1) Golar Frost sold to Livono FRSU in Jul 2008. Vessel managed/operated by Golar until June 2009.

# FLEET HIGHLIGHTS

Golar LNG



- Methane Princess docked at Keppel shipyard, Singapore from August 12th
- Granatina docked at Sembawang, Singapore from August 6th
- Golar Winter arrived at Keppel ship yard on September 29 for FSRU conversion
  - Expected sailaway date from the shipyard is Q2 2009
- 83% overall fleet utilisation (excluding Spirit); increase from 78% in Q2
- Golar Spirit arrived at Pecem, Brazil on July 22
  - Petrobras finalising works on newly refurbished jetty
  - While awaiting completion, comprehensive testing of modifications completed



- LNG Supply Market going through a period of transition
  - Far East winter demand weakened due to events in the wider economy
  - Significant new liquefaction capacity about to come on stream
  - Expected growing importance of Atlantic Basin markets, particularly the US
  
- Shipping Market balanced in Q3, holding for Q4
  - Diversions East started early this year
  - Some evidence of floating storage plays
  - High bunker prices making repositioning expensive
  - One new build order cancelled
  
- FSRU Market Inquiry Strong
  - Steady stream of FSRU inquiry since Dubai signing in April 2008
  - LNG Supply Market fundamentals plus ‘fast track’ FSRU s= new LNG markets

# FSRU MARKET GROWTH

Golar LNG





## **Liquefaction**

- Floating LNG (PTTEP JV): Pursuing ‘field first’ strategy; positive progress to identify suitable offshore gas fields in parallel with technical capability development
- Gladstone CBM Project (LNG Ltd.): Project is finalising EPC contract, environmental permitting, equity participation and LNG offtake; Golar pursuing material role (equity/ LNG offtake)

## **Shipping**

- Improved market conditions in spot/short term charter market; expected to hold through Q4
- Building on existing relationships

## **Regasification**

- Golar Spirit on hire
- Golar Winter conversion commenced
- Golar Freeze finalising detailed engineering
- FSRU market inquiry strong; particularly in Asia Pacific
- Aggressively working to further capitalise on FSRU capability