Golar LNG Partners LP


# Third Quarter 2019 Results

# FORWARD LOOKING STATEMENTS

This presentation contains forward-looking statements as defined in the Securities Exchange Act of 1934, as amended and which reflect management's current expectations, estimates and projections about its operations. All statements, other than statements of historical facts, that address activities and events that should, could or may occur in the future are forward-looking statements. Words such as "may," "could," "should," "would," "expect," "plan," "anticipate," "intend," "believe," "estimate," "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 Partners LP ("Golar Partners," "we," "us" and "our") undertakes no obligation to update publicly any forward-looking statements whether as a result of new information, future events or otherwise.

Important factors that could cause actual results to differ materially include, but are not limited to: the ability of Golar LNG Partners LP ("Golar Partners," "we," "us" and "our") to enter into long-term time charters, including our ability to re-charter floating storage and regasification units ("FSRUs") and liquefied natural gas ("LNG") carriers following the termination or expiration of their time charters; our ability to maximize the use of our vessels, including the re-deployment or disposition of vessels no longer under long-term time charter; our ability to maintain cash distributions on our units and the amount of any such distributions; the repayment of debt and settling of interest rate swaps; our and Golar LNG Limited ("Golar") ability to make additional borrowings and to access debt and equity markets; market trends in the FSRU, LNG carrier and floating liquefied natural gas vessel ("FLNG") industries, including charter rates, vessel values, factors affecting supply and demand, and opportunities for the profitable operations of FSRUs, LNG carriers and FLNGs; the ability of Golar and us to retrofit vessels as FSRUs or FLNGs and the timing of the delivery and acceptance of any such retrofitted vessels by their respective charterers; our ability to integrate and realize the expected benefits from acquisitions and potential acquisitions: the future share of earnings relating to the Hilli, which is accounted for under the equity method; our anticipated growth strategies; the effect of a worldwide economic slowdown; turmoil in the global financial markets; fluctuations in currencies and interest rates; changes in commodity prices; the liquidity and creditworthiness of our charterers; changes in our operating expenses, including dry-docking and insurance costs and bunker prices; our future financial condition or results of operations and future revenues and expenses; planned capital expenditures and availability of capital resources to fund capital expenditures; the exercise of purchase options by our charters; our ability to maintain long-term relationships with major LNG traders; our ability to leverage the relationships and reputation of Golar and Golar Power Limited ("Golar Power") in the LNG industry; the ability of Golar Power and us to work together to develop projects requiring our FSRUs; our ability to purchase vessels from Golar and Golar Power in the future; timely purchases and deliveries of newbuilding vessels; future purchase prices of newbuildings and secondhand vessels; our ability to compete successfully for future chartering and newbuilding opportunities; acceptance of a vessel by its charterer; termination dates and extensions of charters; the expected cost of, and our ability to comply with, governmental regulations, maritime self-regulatory organization standards, as well as standard regulations imposed by its charterers applicable to our business; economic substance laws and regulations adopted or considered by various jurisdictions of formation of us and certain of our subsidiaries; availability of skilled labor, vessel crews and management; our general and administrative expenses and our fees and expenses payable under the fleet management agreements and the management and administrative services agreement; the anticipated taxation of our partnership and distributions to our unitholders; challenges by authorities to the tax benefits we previously obtained; estimated future maintenance and replacement capital expenditures; our and Golar's ability to retain key employees; customers' increasing emphasis on environmental and safety concerns; potential liability from any pending or future litigation; potential disruption of shipping routes due to accidents, political events, piracy or acts by terrorists; our business strategy and other plans and objectives for future operations; and other factors listed from time to time in the reports and other documents that we file with the U.S. Securities and Exchange Commission (the "SEC").Factors may cause actual results to be materially different from those contained in any forward-looking statement. Golar Partners does not intend to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in Golar Partners' expectations with respect thereto or any change in events, conditions or circumstances on which any such statement is based.

# Recent Highlights

- Exclusive of its interest in FLNG Hilli Episeyo, generated operating income of $35.9 million for the third quarter of 2019.
- Reported net income of $7.9 million after accounting for $10.9 million of interest rate swap losses.
- Generated distributable cash flow[1] of $33.6 million for the quarter resulting in a distribution coverage ratio of 1.18[1].
- Secured a two-year charter for LNG carrier Golar Maria commencing November 2020 as well as additional short-term charter to April 2020.
- Received notice of contract award for two-years for the FSRU Golar Igloo commencing March 2020.
- Declared a distribution for the third quarter of $0.4042 per unit.



[1] Distributable cash flow (DCF) and distribution coverage ratio are non-GAAP measures. See the Appendices for a discussion. Also see Slide 8.

# Consolidated Statements of Income

| *(USD thousands)* | 2019 Jul-Sep *(unaudited)* | 2019 Apr-Jun *(unaudited)* | 2019 Jan-Sep *(unaudited)* | 2018 Jul-Sep *(unaudited)* | 2018 Jan-Sep *(unaudited)* | 2018 Jan-Dec *(audited)* |
|---|---|---|---|---|---|---|
| **Total operating revenues** | **75,818** | **77,361** | **223,089** | **108,232** | **266,647** | **346,650** |
| Vessel operating expenses | (14,740) | (14,913) | (46,463) | (16,372) | (49,378) | (65,247) |
| Voyage and commission expenses | (1,685) | (1,621) | (5,164) | (2,312) | (7,241) | (11,222) |
| Administrative expenses | (3,110) | (3,251) | (10,227) | (2,944) | (10,140) | (14,809) |
| Depreciation and amortization | (20,380) | (21,368) | (63,188) | (24,593) | (75,171) | (98,812) |
| **Total operating expenses** | **(39,915)** | **(41,153)** | **(125,042)** | **(46,221)** | **(141,930)** | **(190,090)** |
| **Operating income** | **35,903** | **36,208** | **98,047** | **62,011** | **124,717** | **156,560** |
| Other non-operating income | - | 4,195 | 4,195 | - | 236 | 449 |
| Interest income | 4,990 | 2,409 | 8,474 | 1,177 | 7,959 | 8,950 |
| Interest expense | (19,764) | (20,695) | (61,236) | (20,062) | (59,679) | (80,650) |
| Other financial items | (9,396) | (23,756) | 47,649 | 10,793 | 33,159 | 7,514 |
| **Income (loss) before tax** | **11,733** | **(1,639)** | **1,831** | **53,919** | **106,392** | **92,823** |
| Income taxes | (4,817) | (4,926) | (15,032) | (4,512) | (12,938) | (17,465) |
| Equity in net income (loss) of affiliate | 1,181 | 1,327 | 2,773 | (71) | (71) | 1,190 |
| **Net income (loss) before non-controlling interests** | **8,097** | **(5,238)** | **(10,428)** | **49,336** | **93,383** | **76,548** |
| Net income attributable to non-controlling interests | (173) | (278) | (2,162) | (372) | (1,224) | (3,358) |
| **Net income (loss)** | **7,924** | **(5,516)** | **(12,590)** | **48,964** | **92,159** | **73,190** |

# Segment Information[2]

| *(in thousands of $)* | Q3 2019 | | | | Q2 2019 | | | |
|---|---|---|---|---|---|---|---|---|
| | **FSRU*** | **LNGC*** | **FLNG**** | **Total** | **FSRU*** | **LNGC*** | **FLNG**** | **Total** |
| Total Operating Revenues | 63,490 | 12,328 | 26,018 | 101,836 | 64,824 | 12,537 | 26,018 | 103,379 |
| Amount invoiced under sales-type lease | 4,600 | --- | --- | 4,600 | 2,300 | --- | --- | 2,300 |
| **Adjusted Operating Revenues[1]** | **68,090** | **12,328** | **26,018** | **106,436** | **67,124** | **12,537** | **26,018** | **105,679** |
| Voyage and Commission Expenses | (1,002) | (683) | --- | (1,685) | (1,109) | (512) | (50) | (1,671) |
| Vessel operating expenses | (9,542) | (5,198) | (5,686) | (20,426) | (10,070) | (4,843) | (6,163) | (21,076) |
| Administrative expenses | (1,870) | (1,240) | (223) | (3,333) | (1,947) | (1,304) | (198) | (3,449) |
| **Adjusted EBITDA[1]** | **55,676** | **5,207** | **20,109** | **80,992** | **53,998** | **5,878** | **19,607** | **79,483** |

* Indirect administrative expenses are allocated to the FSRU and LNG carrier segments based on the number of vessels.
** Relates to the attributable earnings of our investment in Golar Hilli LLC had we consolidated its 50% of the Hilli common units.



[1] Adjusted Operating Revenues and adjusted EBITDA are non-GAAP measures. Please see the appendices for discussion.
[2] Refer also to Appendix D for Segment information.

# Consolidated Balance Sheet: Assets

| *(USD thousands)* | 2019 Sep 30 *unaudited* | 2019 Jun 30 *unaudited* | 2019 Mar 31 *unaudited* | 2018 Dec 31 *audited* | 2018 Sep 30 *unaudited* | 2018 Jun 30 *unaudited* |
|---|---|---|---|---|---|---|
| **Current assets** | | | | | | |
| Cash and cash equivalents | 51,961 | 62,059 | 74,412 | 96,648 | 75,781 | 115,877 |
| Restricted cash and short-term deposits | 48,743 | 42,756 | 43,043 | 31,330 | 27,106 | 22,356 |
| Amount due from related parties | 5,964 | 2,273 | 4,412 | - | - | 10,157 |
| Current portion of net investment in leased vessel | 2,229 | 2,152 | - | - | - | - |
| Other current assets | 23,613 | 30,183 | 27,641 | 36,551 | 53,480 | 26,423 |
| **Non-current assets** | | | | | | |
| Restricted cash | 129,954 | 135,460 | 140,621 | 141,114 | 145,932 | 149,603 |
| Investment in affiliate | 196,045 | 200,861 | 203,448 | 206,180 | 208,554 | - |
| Vessels and vessel under capital lease, net | 1,494,567 | 1,511,714 | 1,640,076 | 1,650,468 | 1,649,650 | 1,660,251 |
| Net investment in leased vessel | 112,462 | 113,074 | - | - | - | - |
| Amount due from related parties | - | - | - | - | - | 177,247 |
| Other long term assets | 56,095 | 59,532 | 69,120 | 78,526 | 102,368 | 98,917 |
| **TOTAL ASSETS** | **2,121,633** | **2,160,064** | **2,202,773** | **2,240,817** | **2,262,871** | **2,260,831** |

# Consolidated Balance Sheet: Liabilities & Equity

| *(USD thousands)* | 2019 Sep 30 *unaudited* | 2019 Jun 30 *unaudited* | 2019 Mar 31 *unaudited* | 2018 Dec 31 *audited* | 2018 Sep 30 *unaudited* | 2018 Jun 30 *unaudited* |
|---|---|---|---|---|---|---|
| **Current liabilities** | | | | | | |
| Current portion of long-term debt and short-term debt | 225,156 | 225,056 | 76,553 | 75,451 | 267,030 | 271,360 |
| Current portion of obligation under capital lease | 1,768 | 1,729 | 1,676 | 1,564 | 1,504 | 1,431 |
| Amount due to related parties | - | - | - | 1,237 | 9,964 | - |
| Other current liabilities | 86,294 | 75,277 | 57,419 | 57,855 | 45,205 | 45,606 |
| **Non-current liabilities and equity** | | | | | | |
| Long term debt | 1,011,926 | 1,032,171 | 1,200,754 | 1,196,899 | 975,131 | 990,678 |
| Obligation under capital lease | 112,462 | 116,648 | 120,255 | 118,119 | 121,095 | 123,138 |
| Other long term liabilities | 31,347 | 31,420 | 31,500 | 30,175 | 30,313 | 21,203 |
| Total Partners' capital | 570,616 | 595,872 | 633,003 | 679,615 | 734,861 | 730,019 |
| Non-controlling interest | 82,064 | 81,891 | 81,613 | 79,902 | 77,768 | 77,396 |
| **TOTAL LIABILITIES AND EQUITY** | **2,121,633** | **2,160,064** | **2,202,773** | **2,240,817** | **2,262,871** | **2,260,831** |
| **ADJUSTED NET DEBT[1]** | **1,551,154** | **1,574,079** | **1,588,162** | **1,578,191** | **1,579,441** | **1,098,771** |
| **ADJUSTED NET DEBT[1] TO 4Q ANNUALIZED ADJUSTED EBITDA[1] MULTIPLE** | **4.8x** | **5.0x** | **5.9x** | **5.1x** | **3.8x** | **4.4x** |
| **DEBT LESS LONG-TERM RESTRICTED CASH SWAPPED TO A FIXED RATE** | **98%** | **98%** | **103%** | **104%** | **107%** | **139%** |
| **AVAILABLE AND UNDRAWN CREDIT FACILITIES** | **-** | **-** | **-** | **25,000** | **75,000** | **75,000** |



[1] Adjusted net debt and annualized adjusted EBITDA are non-GAAP measures. Please see Appendices for discussion

# Distributable Cash Flow

| *(USD thousands)* | Three months ended Sep 30, 2019 | Three months ended Jun 30, 2019 | Three months ended Mar 31, 2019 |
|---|---|---|---|
| **Adjusted EBITDA[1]** | **80,992** | **79,483** | **66,953** |
| Interest Income | 925 | 1,049 | 1,075 |
| Interest expense (excluding amortization of deferred charges) | (18,586) | (20,437) | (19,558) |
| Other cash financial items | 705 | 1,999 | 2,255 |
| Current income tax charge | (4,296) | (4,398) | (3,253) |
| Deferred income | - | - | 10,202 |
| Estimated maintenance & replacement capital expenditures (including dry-docking reserve) | (14,160) | (14,062) | (14,262) |
| Non-controlling interest's share of DCF before maintenance and replacement capital expenditure | 549 | 444 | (1,610) |
| Unrealized partnership's share of equity accounted affiliate's DCF net of estimated capital expenditures | (9,494) | (9,075) | (9,962) |
| Distributions relating to preferred units | (3,019) | (3,019) | (3,019) |
| **Distributable cash flow** | **33,616** | **31,984** | **28,821** |
| Depreciation and amortization | (20,380) | (21,368) | (21,440) |
| Unrealized net losses from interest rate derivatives | (10,860) | (26,492) | (16,484) |
| Gain on recognition of net investment in leased vessel | - | 4,195 | - |
| Lease payment in excess of sales-type lease income | (535) | - | - |
| Unrealized foreign exchange loss / (gain) | 249 | 208 | (807) |
| Amortization of deferred charges | (667) | (668) | (680) |
| Deferred income | - | - | (10,202) |
| Movement in deferred tax liability | (521) | (529) | (2,036) |
| Distributions relating to preferred units | 3,019 | 3,019 | 3,019 |
| Estimated maintenance and replacement capital expenditures (including dry-docking reserve) | 14,160 | 14,062 | 14,262 |
| Realized partnership's share of equity accounted affiliate's DCF net of estimated capital expenditures | (9,435) | (9,205) | (9,350) |
| Non-controlling interest's share of DCF before maintenance and replacement capital expenditure | (549) | (444) | 1,610 |
| **Net (loss) / income before non-controlling interests** | **8,097** | **(5,238)** | **(13,287)** |
| **Distributions declared** | **28,593** | **28,654** | **28,654** |
| **Distribution coverage ratio[1]** | **1.18** | **1.12** | **1.01** |



[1] Adjusted EBITDA and distribution coverage ratios are non-GAAP measures. Please see the appendices for discussion.

# $2.14bn of Revenue Backlog[1]

Golar MLP

**Golar Spirit**
Cold layup

**Golar Freeze**
15 year Jamaica charter

**Golar Winter**
10-year contract extended to 15 years

**Nusantara Regas Satu**
11-year contract

**Golar Igloo**
2-year contract award subject to contract

**Golar Eskimo**
10-year contract

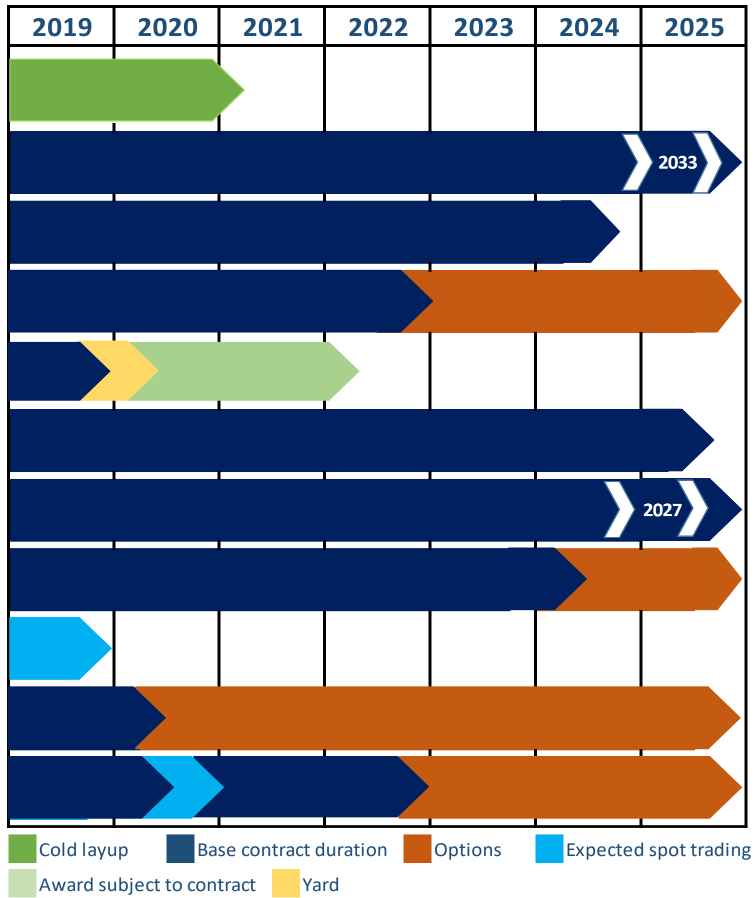
**Hilli Episeyo (50% of common units)**
8-year contract

**Methane Princess**
20-year contract

**Golar Mazo (60% owned)**
Spot market

**Golar Grand**
2-year contract extended by 1 year

**Golar Maria**
2-year contract from late 2020




***Energy & Logistics Company***

***International oil major***

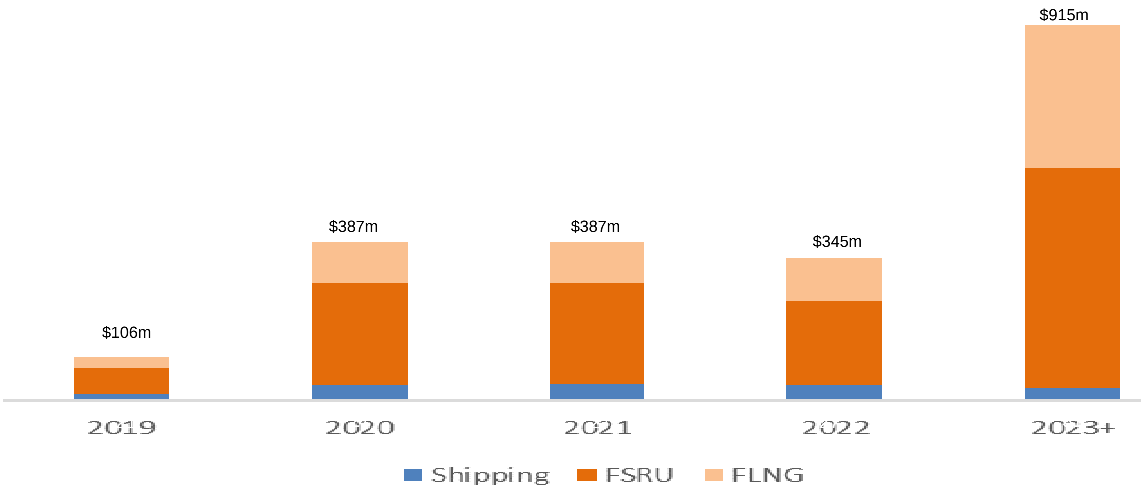
***US Exporter***

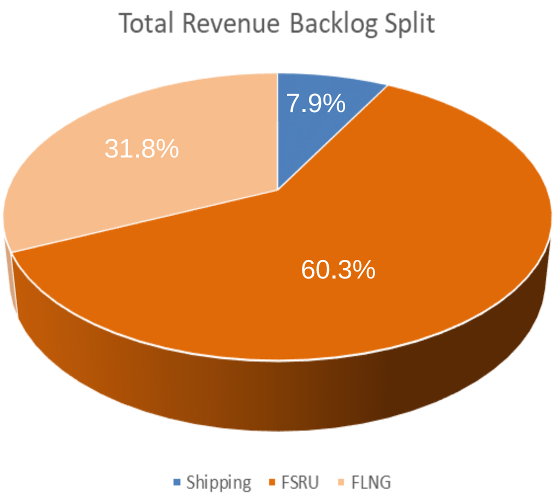


1 Revenue backlog represents revenue from our executed contracts and includes our proportionate share of Hilli LLC's revenue backlog. The $2.14 billion (refer to Slide 10) includes project awards that are subject to contract but does not include any "options" as highlighted in the above graph, nor does it include any future growth opportunities. Any future contracts relating to these prospects will be incremental to the above number. Revenue backlog is a non GAAP measure. Please see the Appendices for a further discussion.

# > 90% of contracted revenue from LNG infrastructure assets

**Revenue Backlog[1] (USDm)**




- Existing fleet exemplifies long term earnings visibility.
- Strong track-record in redeployment of assets – Golar has never retired an asset and fully expects the Golar Spirit to be redeployed.
- Exposure to shipping volatility is reducing. Increasing interest in Golar Mazo for short haul service. Decision to initiate scheduled dry-dock in 1Q 2020 contingent on securing term business.

**Well positioned across all LNG segments to capture redeployment opportunities**

(1) Excludes options but includes project awards that are subject to contract

# ESG: Developing our reporting & KPI's

We believe that Natural Gas has a critical role to play in providing cleaner energy for many years to come:

- ➢ Gas is a highly complimentary companion fuel to renewables
- ➢ Provides significant emission savings compared to other fossil fuels
- ➢ Most relevant in remote communities that currently have little choice on how they create energy.
- ➢ Our business provides people with cleaner energy at less cost.

- We will focus our ESG reporting on what really matters to us.
- We have identified five key focus areas (see right).
- We will formally report from 2020.
- We believe that the Golar ESG story is an important one to explain.

**Making an impact – our focus areas**

Five key areas which will be covered in our external reporting and will be a focus of our efforts internally:

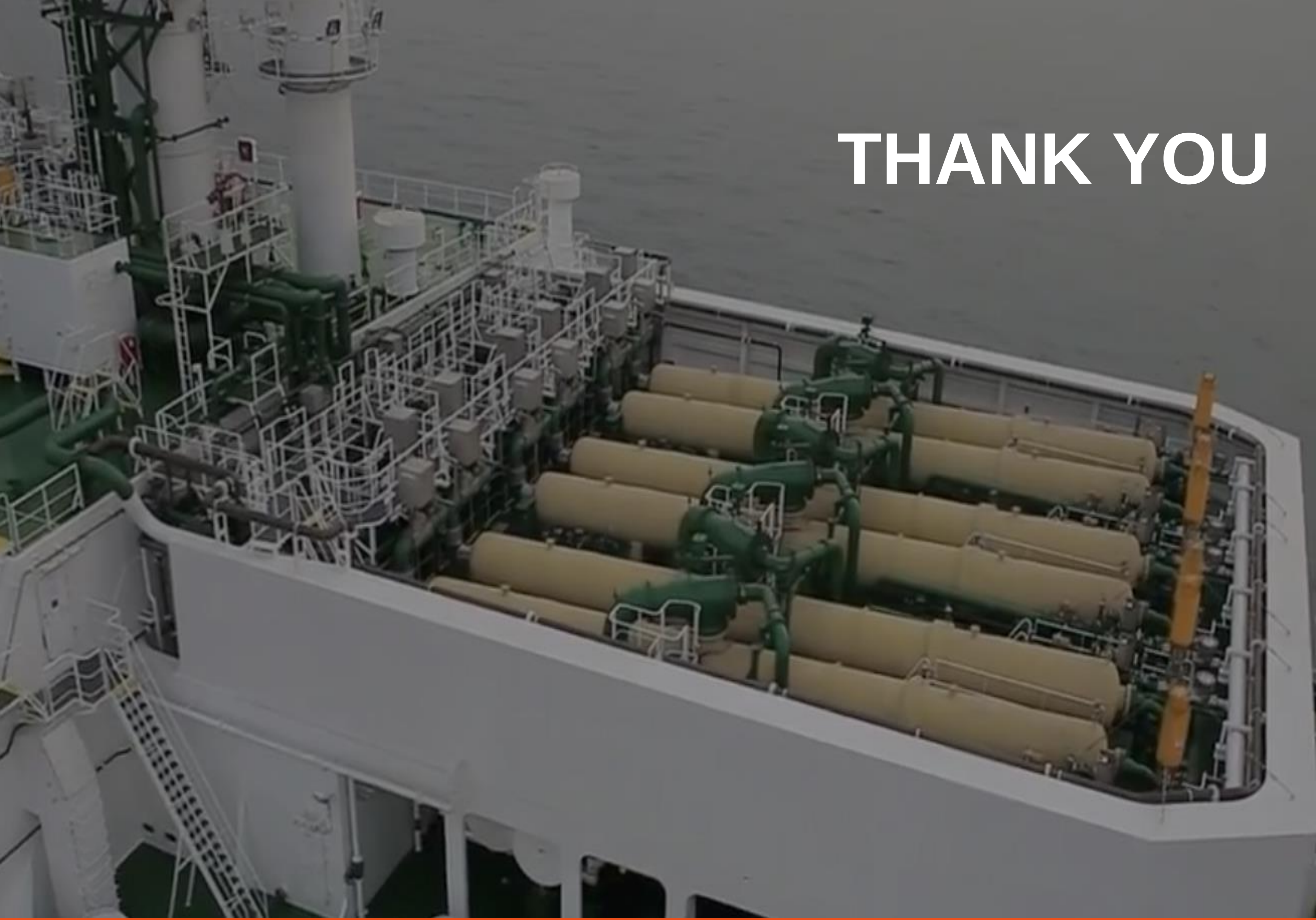
1. Health, safety and security
2. Environmental impact
3. Energy efficiency and innovation
4. People and community
5. Governance & Business Ethics

# Summary

- Shipping market bullish despite low LNG prices – low gas prices caused by record increases in LNG production resulting in shorter than expected voyages and greater use of vessel storage. This increases the competitiveness of steam vessels; Golar Maria has secured 30 months of revenue backlog; Golar Mazo has secured short voyage charters and is attracting more interest; Charterers decision on next Golar Grand option expected in 1Q 2020.
- FSRU market also stimulated by low LNG prices – Expect to convert award for 2-year Kuwait extension into a contract during December. New rate is lower than the prior level although contract for 10 months per year as opposed to prior contract for 9 months. High focus on finding employment for Golar Spirit particularly for smaller scale projects where low cost gas can also displace dirty and more expensive fuel oil and diesel.
- Good financial footing – Revenue backlog[1] of $2.14 billion including interest in FLNG Hilli Episeyo and expected contribution from Igloo award; Solid distribution coverage ratio[1] at 1.18; Adjusted Net Debt[1] to Annualized Adjusted EBITDA[1] falling.
- Distributable cash flow[1] – 4Q distribution coverage ratio[1] expected to be approximately in line with 3Q. Re-contracting risk has been reduced in 3Q with full focus now on finding term employment for Golar Spirit and Golar Mazo.



[1] Refer to Appendices for Non-GAAP measure details.



# THANK YOU

# Appendix A – Non-GAAP measures

**Distributable cash flow:** Distributable cash flow represents Total Segment EBITDA adjusted for the cash components of interest, derivatives, tax and earnings from affiliates. We also include an adjustment for maintenance and replacement capital expenditures (including expenditure on dry docking). This represents the Partnership's capital expenditures required to maintain the long-term operating capacity of the Partnerships' capital assets. Distributable cash flow is a quantitative standard used by investors in publicly-traded partnerships to assist in evaluating a partnership's ability to make quarterly cash distributions to common unitholders, general partners and incentive distribution rights ("IDRs"). Distributable cash flow is a non-GAAP liquidity measure and should not be considered as an alternative to any other indicator of Golar Partners' performance calculated in accordance with U.S. GAAP. A reconciliation from Total Segment EBITDA to net income before non-controlling interests, the most directly comparable U.S. GAAP measure is included on slide 8.

**Distribution coverage ratio:** Distribution coverage ratio represents the ratio of distributable cash flow to total cash distributions paid. We believe that this measure allows investors and other users of the financial statements to assess our liquidity based on our distributable cash flow. This presentation is consistent with management's view of the business. Distribution coverage ratio is a non-GAAP financial measure and should not be considered as an alternative to any other indicator of the Partnership's performance calculated in accordance with US GAAP. A reconciliation of the calculation is provided on slide 8.

**Non GAAP Measures impacted by management's monitoring of the FLNG segment (i.e. our equity investment in Hilli LLC) on a proportionate basis:** In Q42018 the Partnership changed the way in which it measures the business and the operating segments of the Company. The two key changes were the introduction of "EBITDA" as the operating segment profit measure and reporting our FLNG segment (our equity investment in Hilli LLC) on a proportionate basis. Although management monitors the operating segments based on EBITDA, a number of our total metrics have also been impacted by our proportionate view of the FLNG segment. Specifically "Adjusted EBITDA", "Annualized Adjusted EBITDA", "Adjusted Net Debt" and "Revenue Backlog". These metrics are discussed below.

**Adjusted EBITDA:** Adjusted EBITDA is the EBITDA of our operating segments adjusted for amounts invoiced under finance leases. This is used as a supplemental financial measure by management and investors to assess the Partnership's total financial and operating performance. Management believes that it assists management and investors by increasing comparability of its total performance from period to period and against the performance of other companies. Adjusted EBITDA is a non GAAP financial measure and should not be considered as an alternative to net income or any other performance measure presented in accordance with US GAAP. Annualized Adjusted EBITDA is "Adjusted EBITDA" multiplied by 4. Management believe that this is a useful performance measure as it includes a full year of FLNG EBITDA. Adjusted EBITDA is a non GAAP measure and should not be considered as an alternative to net income or any other performance measure presented in accordance with GAAP. Please see the next slide for a reconciliation.

**Adjusted Net Debt:** Adjusted Net Debt includes short and long term third party borrowings (inclusive of our proportionate share of Hilli LLC's debt) and our obligations under our capital leases offset by cash, cash equivalents and restricted cash. Adjusted Net Debt is a non-GAAP financial measure used by investors to measure our performance and should not be considered as an alternative to any other indicator of Golar Partners' performance calculated in accordance with U.S. GAAP. The Partnership believes that Adjusted Net Debt assists its management and investors by increasing the comparability of its combined indebtedness and cash position against other companies in its industry. This increased comparability is achieved by providing a comparative measure of debt levels irrespective of the levels of cash that a company maintains. We provide a ratio of Adjusted Net Debt to Annualized Total Segment EBITDA to enable our investors to understand better our liquidity position and our ability to service our debt obligations. This presentation is consistent with management's view of the business. Adjusted net debt is a non-GAAP liquidity measure and should not be considered as an alternative to any other indicator of the Partnership's performance calculated in accordance with US GAAP.

**Revenue backlog:** Revenue backlog is defined as the contracted daily charter rate for each vessel multiplied by the number of scheduled hire days for the remaining contract term. Revenue backlog includes the Partnership's pro-rata share of Hilli LLC's contractual billings. This is consistent with management's view of the business and our presentation in our segment note. Revenue backlog is not intended to represent EBITDA or future cashflows that will be generated from these contracts. This measure should be seen as a supplement and not a substitute for our US GAAP measures of performance.

# Appendix B – Adjusted EBITDA

| *(in thousands)* | Three months ended September 30, 2019 | Three months ended June 30, 2019 | Three months ended September 30, 2018 |
|---|---|---|---|
| **Net income (loss)** | **8,097** | **(5,238)** | **49,336** |
| Depreciation and amortization | 20,380 | 21,368 | 24,593 |
| Other non-operating income | - | (4,195) | - |
| Interest income | (4,990) | (2,409) | (1,177) |
| Interest expense | 19,764 | 20,695 | 20,062 |
| Losses/(gains) on derivative instruments | 9,937 | 24,502 | (11,338) |
| Other financial items, net | (541) | (746) | 545 |
| Income taxes | 4,817 | 4,926 | 4,512 |
| Equity in net earnings of affiliate | (1,181) | (1,327) | 71 |
| FLNG’s EBITDA | 20,109 | 19,607 | 16,969 |
| Amount invoiced under sales-type lease | 4,600 | 2,300 | — |
| **Adjusted EBITDA** | **80,992** | **79,483** | **103,573** |
| **Annualized Adjusted EBITDA** | **323,968** | **317,932** | **414,292** |

# Appendix C – Adjusted Net Debt

| *(in thousands)* | **At September 30, 2019** | **At June 30, 2019** | **At September 30, 2018** |
|---|---|---|---|
| Net Debt | 1,120,654 | 1,135,329 | 1,115,941 |
| Share of Hilli’s contractual debt | 430,500 | 438,750 | 463,500 |
| Adjusted Net Debt | 1,551,154 | 1,574,079 | 1,579,441 |
| **Adjusted Net Debt to Annualized Adjusted EBITDA** | **4.8** | **5.0** | **3.8** |

# Appendix D – Segment Information

| Q3 2019 (in thousands) | FSRU[1] | LNG Carrier[1] | FLNG[2] | Total Segment Reporting | Elimination[3] | Consolidated Reporting |
|---|---|---|---|---|---|---|
| Total operating revenues | 63,490 | 12,328 | 26,018 | 101,836 | (26,018) | 75,818 |
| Voyage and commission expenses | (1,002) | (683) | --- | (1,685) | --- | (1,685) |
| Vessel operating expenses | (9,542) | (5,198) | (5,686) | (20,426) | 5,686 | (14,740) |
| Administrative expenses | (1,870) | (1,240) | (223) | (3,333) | 223 | (3,110) |
| Amount invoiced under sales-type lease | 4,600 | --- | --- | 4,600 | (4,600) | --- |
| **Adjusted EBITDA** | **55,676** | **5,207** | **20,109** | **80,992** | **(24,709)** | **56,283** |

| Q2 2019 (in thousands) | FSRU[1] | LNG Carrier[1] | FLNG[2] | Total Segment Reporting | Elimination[3] | Consolidated Reporting |
|---|---|---|---|---|---|---|
| Total operating revenues | 64,824 | 12,537 | 26,018 | 103,379 | (26,018) | 77,361 |
| Voyage and commission expenses | (1,109) | (512) | (50) | (1,671) | 50 | (1,621) |
| Vessel operating expenses | (10,070) | (4,843) | (6,163) | (21,076) | 6,163 | (14,913) |
| Administrative expenses | (1,947) | (1,304) | (198) | (3,449) | 198 | (3,251) |
| Amount invoiced under sales-type lease | 2,300 | --- | --- | 2,300 | (2,300) | --- |
| **Adjusted EBITDA** | **53,998** | **5,878** | **19,607** | **79,483** | **(21,907)** | **57,576** |

| Q3 2018 (in thousands) | FSRU[1] | LNG Carrier[1] | FLNG[2] | Total Segment Reporting | Elimination[3] | Consolidated Reporting |
|---|---|---|---|---|---|---|
| Total operating revenues | 96,836 | 11,396 | 23,736 | 131,968 | (23,736) | 108,232 |
| Voyage and commission expenses | (1,146) | (1,166) | (655) | (2,967) | 655 | (2,312) |
| Vessel operating expenses | (10,317) | (6,055) | (5,049) | (21,421) | 5,049 | (16,372) |
| Administrative expenses | (1,810) | (1,134) | (1,063) | (4,007) | 1,063 | (2,944) |
| **Adjusted EBITDA** | **83,563** | **3,041** | **16,969** | **103,573** | **(16,969)** | **86,604** |



1 Indirect administrative expenses are allocated to the FSRU and LNG carrier segments based on the number of vessels.
2 Relates to the attributable earnings of our investment in Hilli LLC had we consolidated its 50% of the Hilli common units.
**3** Eliminations reverses the earnings attributable to our investment in Hilli LLC and the amount invoiced under sales-type lease to reflect the amount reported in the consolidated statements of income. The earnings attributable to our investment in Hilli LLC is included in the equity in net income/(losses) of affiliate on the consolidated statements of income.

# Appendix E – Developing our ESG KPI's

## Health, safety and security

- Golar has a culture that encourages safety, learning & innovation
- 40+ years of safe high quality marine operations with an ingrained technical competence
- Safety is the primary goal for every operation and project. Safety is integrated in everything we do and ensure that all our staff training.

## Environmental Impact

- Our vessels comply with relevant environmental requirements and we hold ISO 14001 certification.
- We monitor and analyse fleet efficiency in order to learn and improve this includes voyage optimisation, hull performance and trim.
- Our vessels operate predominantly on LNG, rather than marine or heavy fuel oil enabling us to meet the standard set by IMO 2030 already.

## Energy Efficiency and Innovation

- We have a program of converting vessels to extend their useful lives.
- We pursue opportunities to improve vessel energy efficiency recent examples include:
  - We use HRSGs to recover waste heat energy from the liquification trains on our FLNGs.
  - We are investigating hydro energy systems and we are trialling this technology on one of our FSRUs in 2020

## People and community

- We have diversity and inclusion and equal opportunities policies and practises.
- We have strong and diverse culture onboard and have over 90% retention rate for our crew.
- We contribute to social development funds in countries where Golar has a significant presence.
- We invest in developing our staff with leadership and development programs for onshore and offshore staff

## Governance and Business Ethics

- We have an environmental committee which oversees ESG performance
- We have anti-bribery policy and compliance program including annual training for all staff.
- Modern slavery and human trafficking statement
- Anonymous whistleblowing hotline
- Compliance with NASDAQ requirements including Sox compliance.