



The Floating Gas Pipeline Increases Capacity

Lehman Energy Conference – New York
September 4th 2003



FORWARD LOOKING STATEMENTS

This presentation contains forward looking statements. These statements are based upon various assumptions, many of which are based, in turn, upon further assumptions, including examination of historical operating trends made by the management of Golar LNG. Although Golar LNG believes that these assumptions were reasonable when made, because assumptions are inherently subject to significant uncertainties and contingencies, which are difficult or impossible to predict and are beyond its control, Golar LNG cannot give assurance that it will achieve or accomplish these expectations, beliefs or intentions.

Included among the factors that, in the Company's view, could cause actual results to differ materially from the forward looking statements contained in this presentation are the following: inability of the Company to obtain financing for the newbuilding vessels at all or on favourable terms; changes in demand; a material decline or prolonged weakness in rates for LNG carriers; political events affecting production in areas in which natural gas is produced and demand for natural gas in areas to which our vessels deliver; changes in demand for natural gas generally or in particular regions; changes in the financial stability of our major customers; adoption of new rules and regulations applicable to LNG carriers; actions taken by regulatory authorities that may prohibit the access of LNG carriers to various ports; our inability to achieve successful utilisation of our expanded fleet and inability to expand beyond the carriage of LNG; increases in costs including: crew wages, insurance, provisions, repairs and maintenance; changes in general domestic and international political conditions; changes in applicable maintenance or regulatory standards that could affect our anticipated dry-docking or maintenance and repair costs; failure of shipyards to comply with delivery schedules on a timely bases and other factors listed from time to time in registration statements and reports that we have filed with or furnished to the Securities and Exchange Commission, including our Registration Statement on Form 20-F and subsequent announcements and reports.



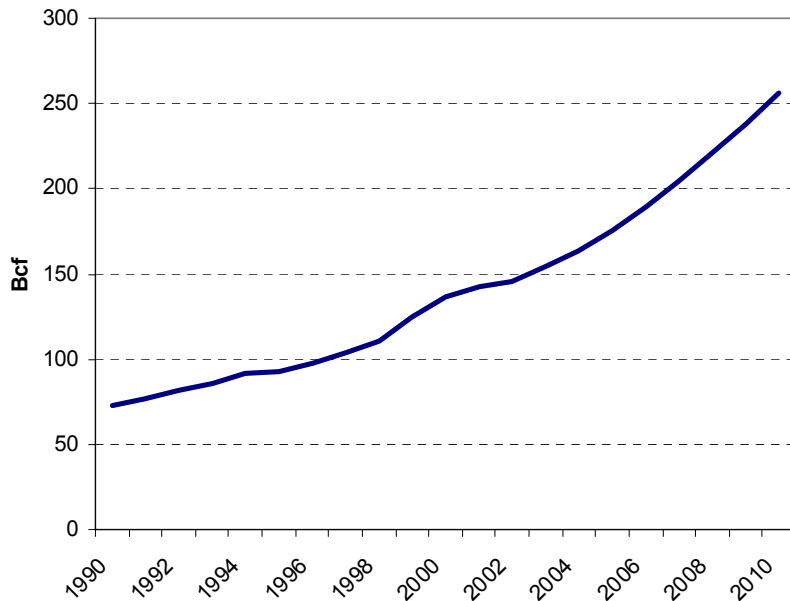
The Expansion Part I





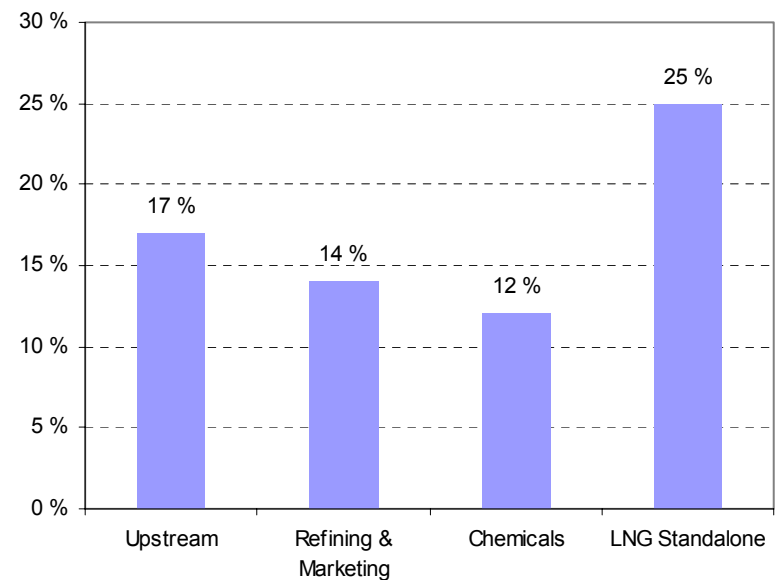
LNG High Growth & High Profitability

LNG Trade Development & Projected Growth



Source: Ocean Shipping Consultants

Estimated Division Return for Oil Majors



Source: Morgan Stanley Research



Robust Economy – Strong Forward Prices

LNG Costs & Returns: Selected Routes

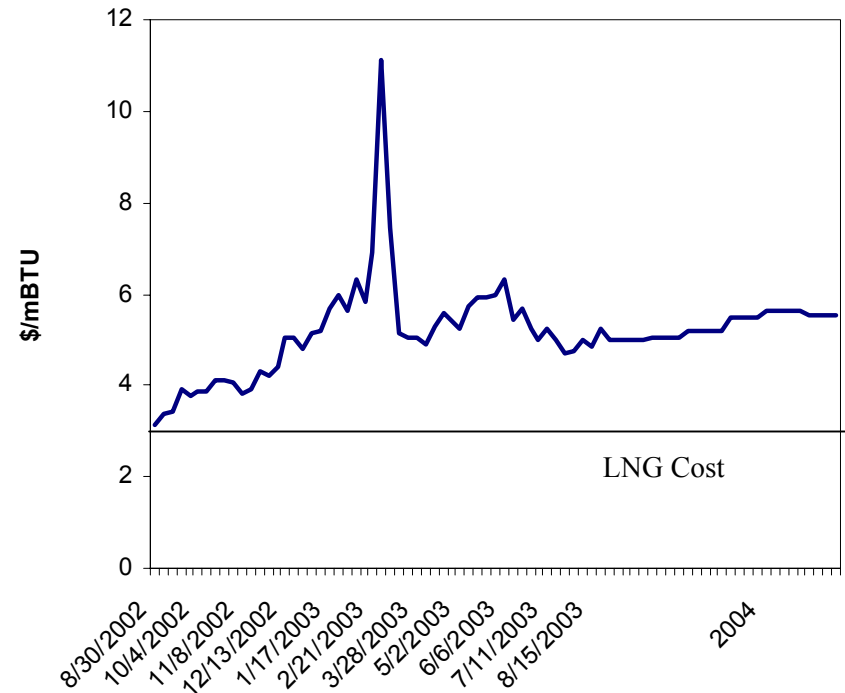
(US\$)							Return at
From	To	Supply	Liqui- faction	Shipping	Re-Gas	Total	US\$3.5/ mcf (%)
Algeria	EL	0,50	1,05	0,54	0,50	2,59	25
Nigeria	EV	0,30	1,04	0,64	0,50	2,48	26
Norway	LC	1,00	1,04	0,69	0,44	3,17	15
Venezuela	CP	0,75	1,04	0,28	0,42	2,49	29
Trinidad	EV	0,50	1,04	0,31	0,50	2,35	31
Qatar	LC	0,50	1,02	1,25	0,44	3,21	14
Average		0,59	1,04	0,62	0,47	2,72	23

Return Sensitivity: Selected Routes

Gas Price (US\$)	Sourced from Qatar	Sourced from Trinidad
2,20	-3 %	12 %
2,60	2 %	21 %
3,00	8 %	30 %
3,40	13 %	39 %
3,80	19 %	48 %
4,20	24 %	57 %

Terminals: EL=Elba Island; EV=Everett; LC=Lake Charles; CP=Cove Point
Source: Morgan Stanley Research

Natural Gas price (US Henry Hub)



Source: Bloomberg



The LNG Trades

LNG Trade Movements in 2002

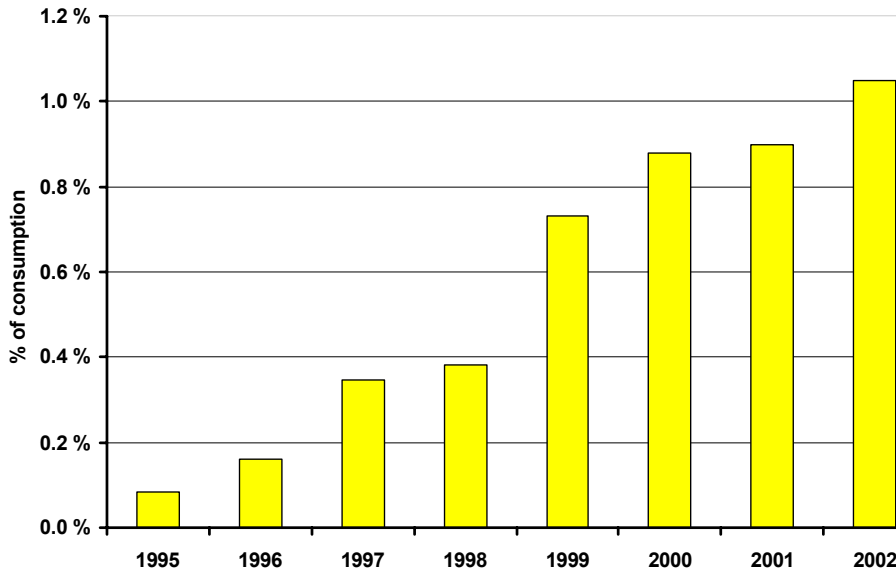
LNG Trade movements															
Heading Billion cubic metres															
To	From														Total
	USA	Trinidad & Tobago	Oman	Qatar	UAE	Algeria	Libya	Nigeria	Australia	Brunei	Indonesia	Japan	Malaysia	South Korea	
Imports															
<i>North America</i>															
USA		4,28	0,09	0,99		0,75		0,23		0,07			0,07		6,48
<i>South&Central America</i>															
Puerto Rico		0,58		0,05											0,63
<i>Europe</i>															
Belgium					0,10	3,20									3,30
France			0,54			10,20		0,80							11,54
Greece						0,50									0,50
Italy						2,20		3,50							5,70
Portugal								0,43							0,43
Spain		0,46	0,76	2,20	0,50	5,95	0,63	1,61	0,07	0,08					12,26
Turkey						4,08		1,27							5,35
<i>Asia Pacific</i>															
Japan	1,70		1,09	8,40	5,93				9,72	7,95	23,40		14,50	0,05	72,74
South Korea			5,48	6,95	0,32				0,24	1,04	6,78	0,15	3,10		24,06
Taiwan											4,15		2,85		7,00
Total exports	1,70	5,32	7,96	18,59	6,85	26,88	0,63	7,84	10,03	9,14	34,33	0,15	20,52	0,05	149,99



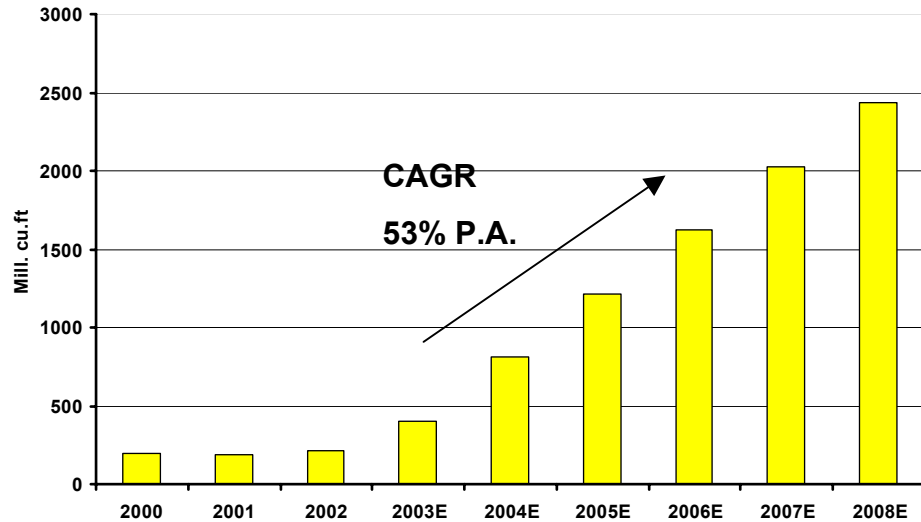
The US LNG Story



LNG imports in % of US consumption



Projected US LNG imports





The New Demand / LNG Production 2003 - 2006

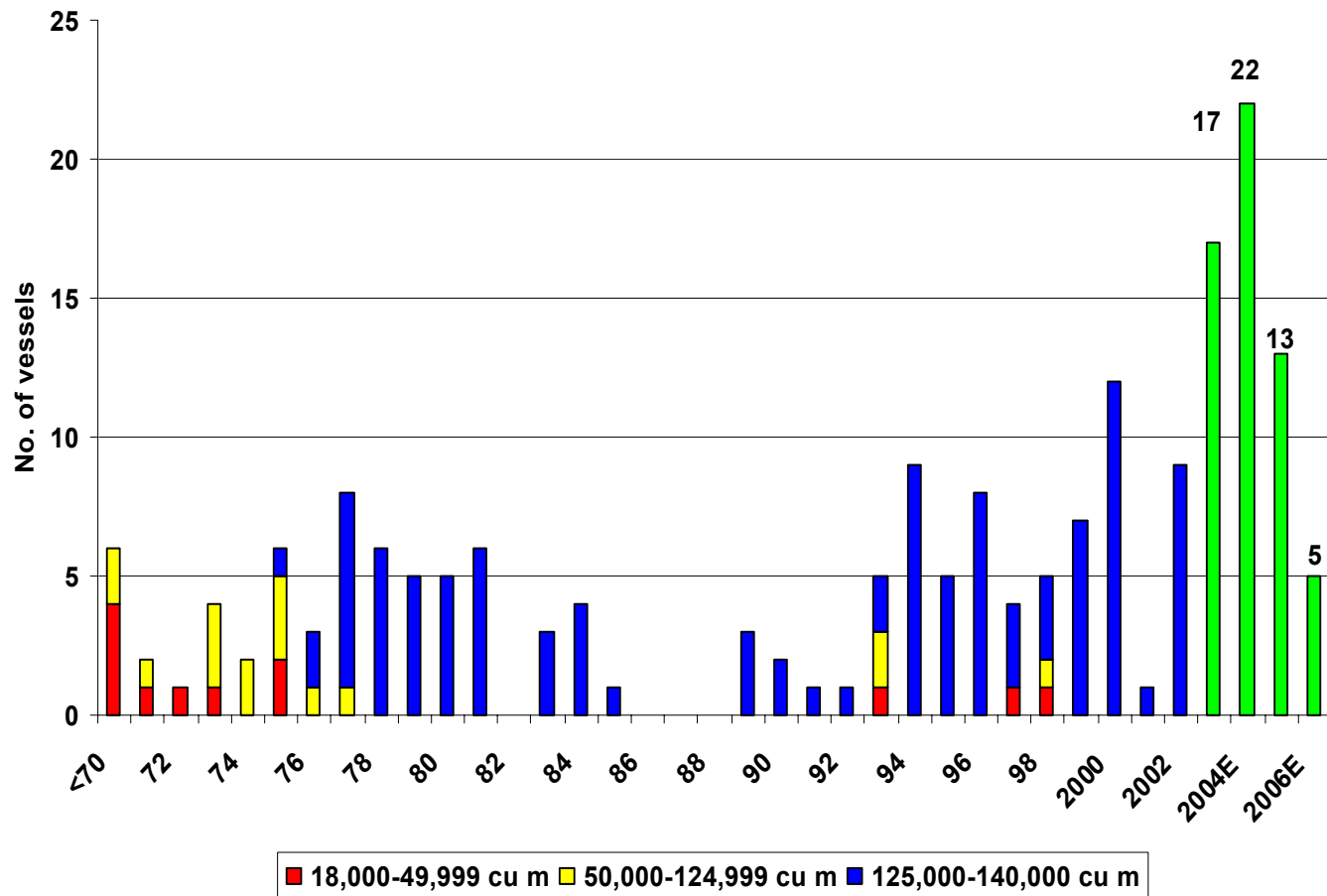
LNG Liquefaction Plants

Country	Location	Plant Operator	Start-up	No. of trains	Capacity Mmtpa
Nigeria	Bonny Island	NLNG	2003	1	2,95
Malaysia	Malaysia Tiga	MLNG III	2003	2	6,80
Trinidad	Point Fortin	Atlantic LNG	2003	1	3,30
Australia	North West Shelf (NWS)	Woodside Petroleum	2004	1	4,20
Qatar	Ras Laffan	Ras Laffan LNG	2004	2	9,40
Egypt	Damietta	Union Fenosa	2005	2	4,50
Egypt	Idku	BG/Edison	2005	2	4,00
Indonesia	Bontang I	PT Badak LNG	2005	1	3,00
Norway	Snohvit	Statoil	2006	1	4,20
Total				13	42,45

Source: Drewry



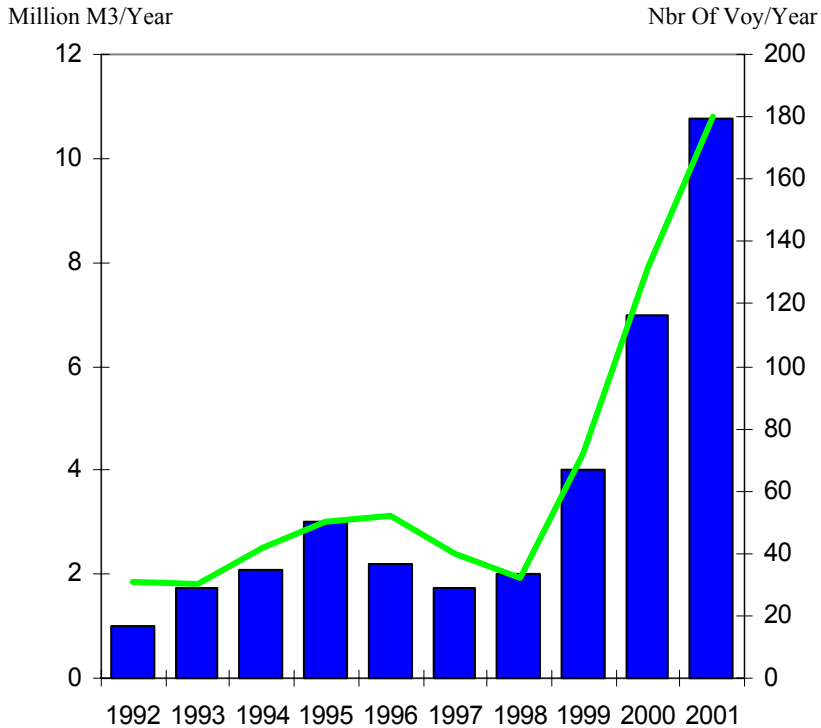
The Supply





A Developing Spot Market

Development of LNG Spot Market

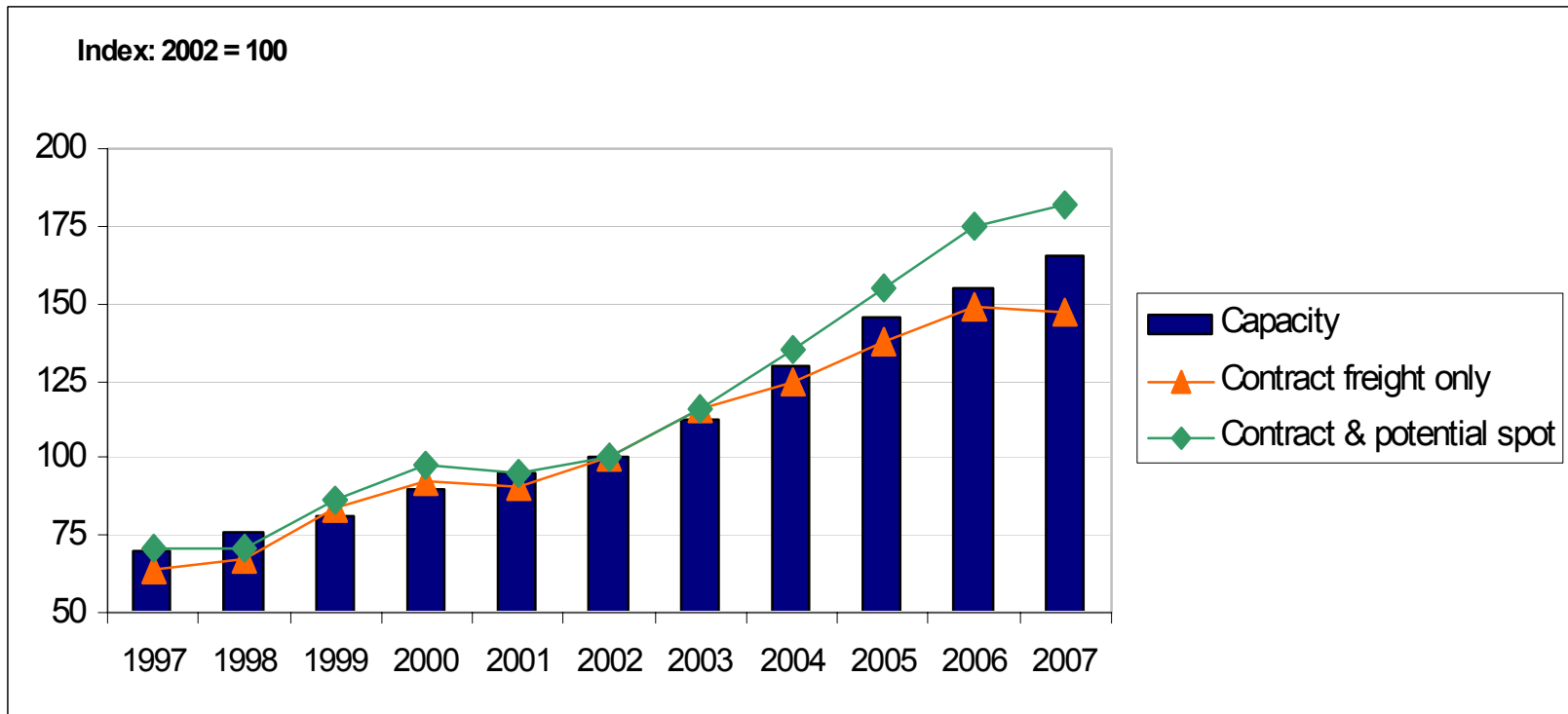


Spot cargoes 2001

Supplier	Receiver	# of cargoes	Total
Algeria	France, Italy, Spain, USA	9, 18, 26, 4	57
Qatar	France, Japan, South Korea, USA	2, 6, 12, 12, 10	42
Indonesia	Japan, South Korea	20, 5	25
Nigeria	Belgium, France, USA	1, 1, 15	17
Oman	Belgium, Japan, Spain, Taiwan	1, 1, 2, 1, 6	11
Abu Dhabi	South Korea, Spain	2, 9	11
Trinidad	USA	9	9
Malaysia	Japan, South Korea	2, 5	7
Australia	Japan, South Korea	1, 1	2



The Supply Demand LNG Shipping Situation



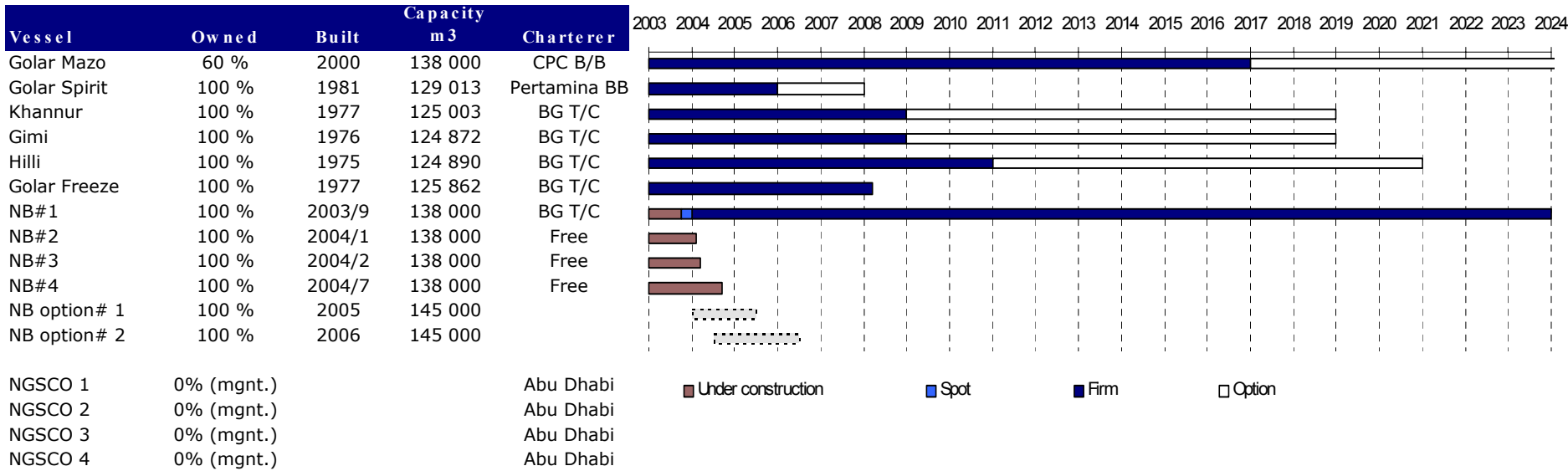


Golar LNG – Our Business

- **To be a ship owner that charters out LNG tonnage for various periods to the market in general**
- **To be an LNG shipper that buys LNG FOB from various sources jointly with our major clients, and sells gas to LNG customers all over the world. As part of this activity, Golar will consider investing in other parts of the LNG chain, like upstream , liquefaction or regasification capacity**
- **To be an LNG development / construction company that invests in or develops new concepts like floating regas or liquefaction units**



Golar LNG – The Fleet



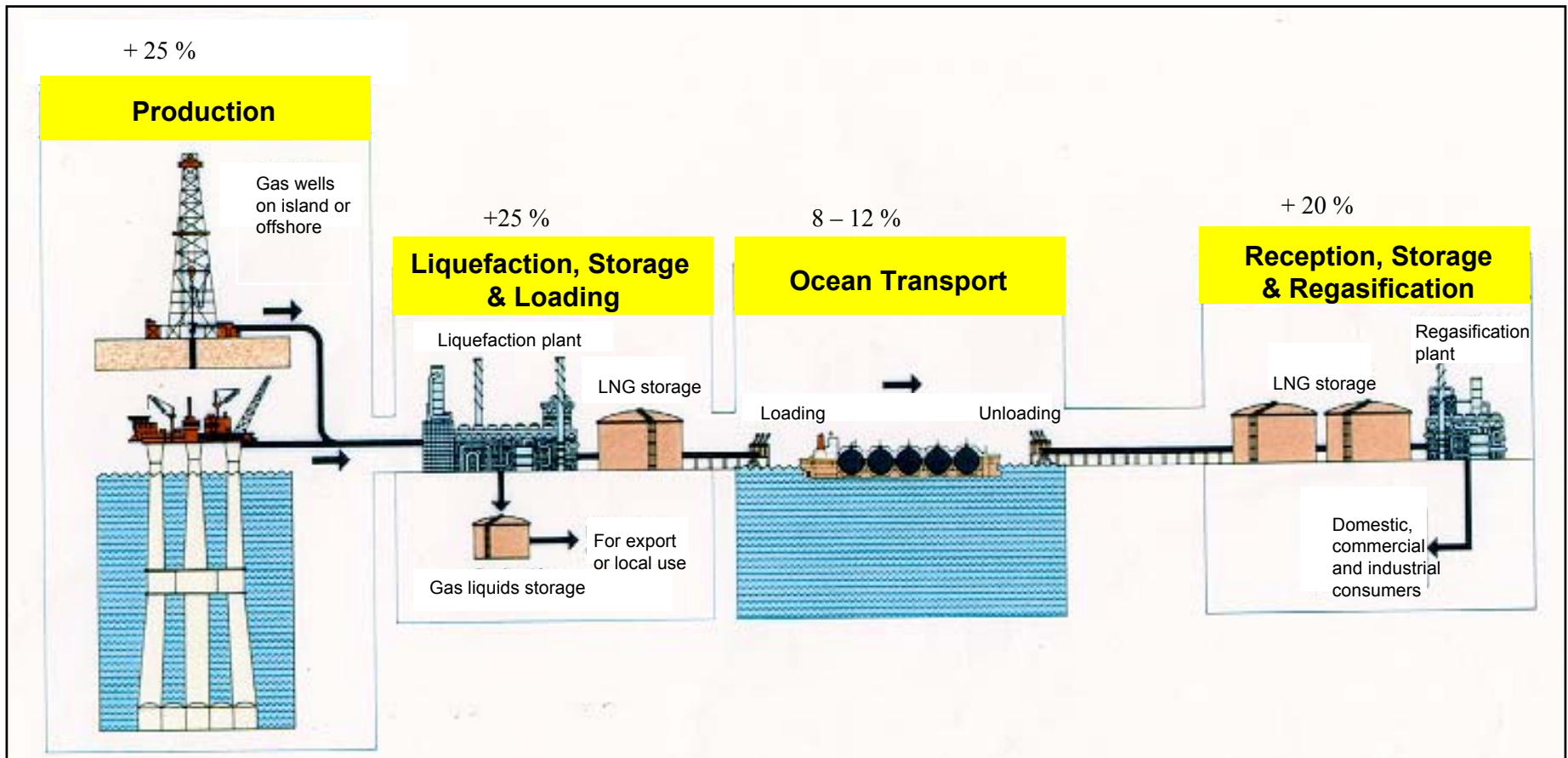


Golar LNG – The Projects

- The Cross Gas Floating Receiving Terminal in Livorno
- The Baja Mexico Receiving Facility
- Several other terminal projects under consideration
- The Statoil Coastal LNG Ship
- The development of an LNG Trading Arm
- The Producer / Shipper Joint venture
- 3 – 4 Consolidation projects.



The LNG Chain Return





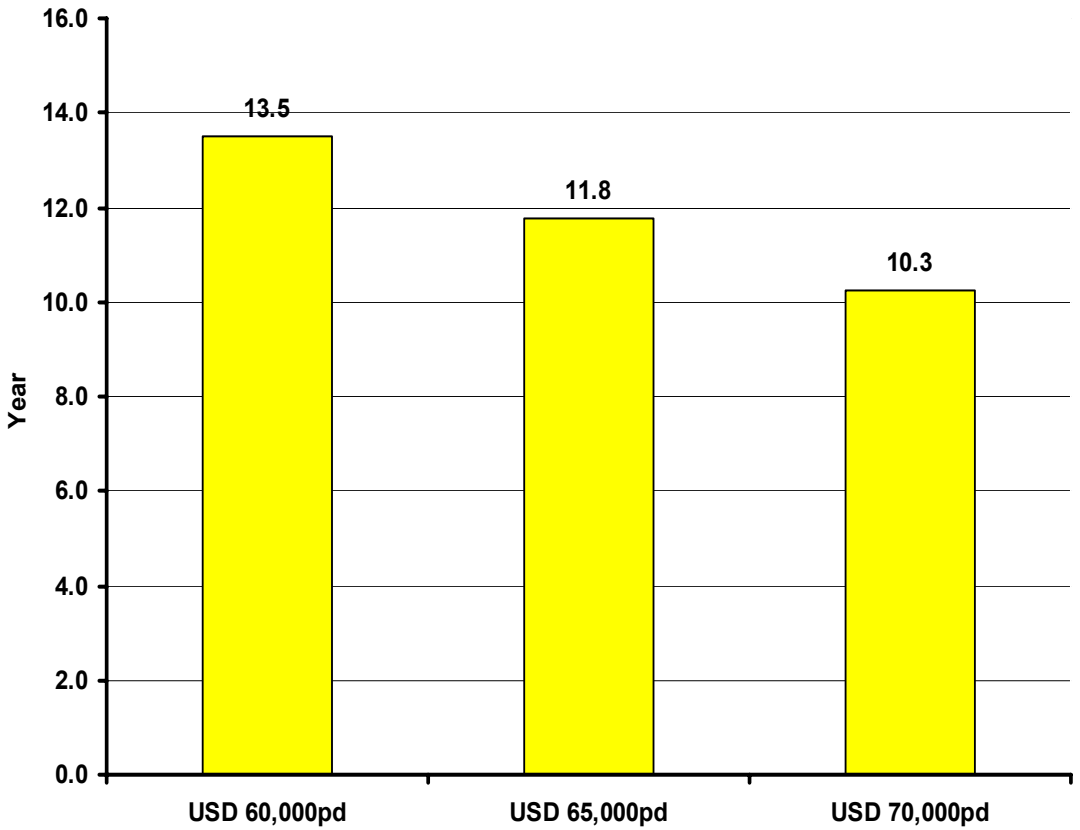
Our Targets for the next 12 Months

- **FIX 1 – 2 ships on medium to long-term charter**
- **Develop a prudent spot operation preferably together with major LNG prod.**
- **Do at least one major corporate transaction with focus on consolidation**
- **Increase existing fleet with 1 – 2 ships through internal growth**
- **Be successful on at least one infrastructure project**
- **Optimize financing**
- **Have an impeccable operation**
- **Focus Existing clients needs (BG–Pertamina–CPC–NGSCO-Cross)**
- **Tailor LNG solutions for Utilities – Industrial Groups.**
- **Broaden Golar’s position in the LNG chain**
- **Make money for our shareholders**





Payback Time for LNG Vessels





- Peer group pricing *)

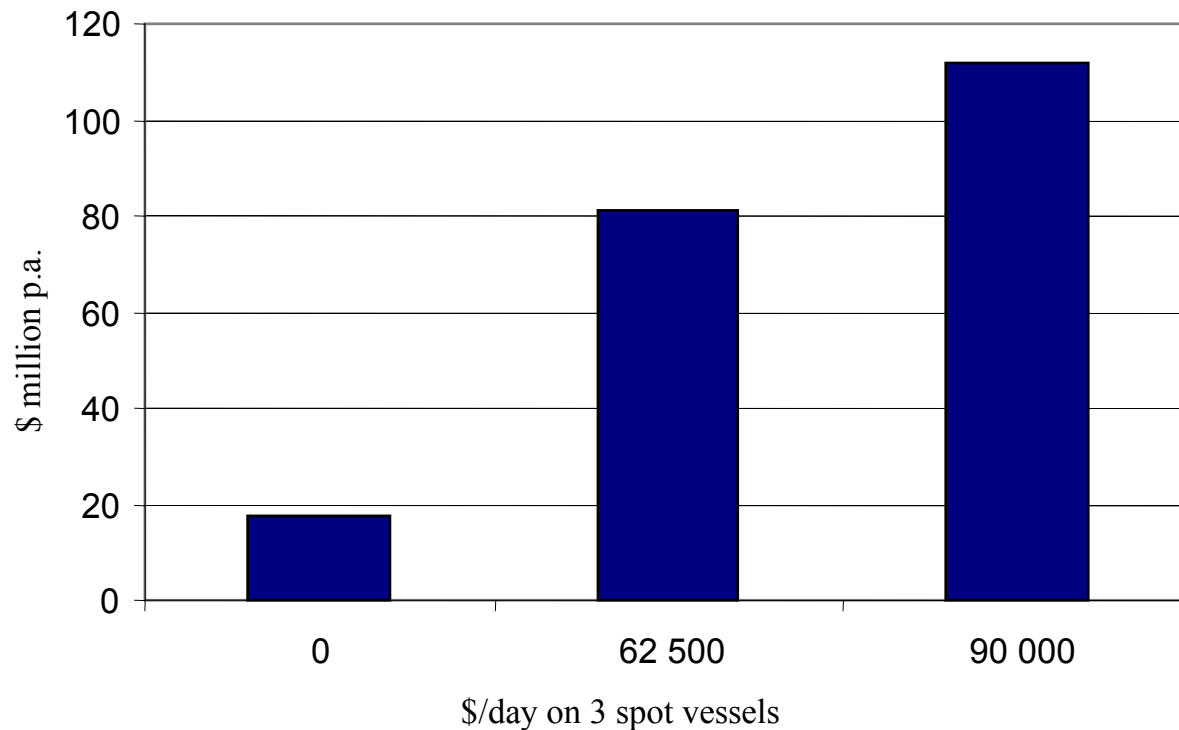
Gas pipeline	PER '03	PER '04
Kinder Morgan Kansas	16,50	14,80
Kinder Morgan Energy	19,30	18,10
Dynegy	24,10	16,00
Lakehead Pipe	19,70	18,40
Western Gas Res.	17,90	21,10
El Paso Corp.	11,10	10,30
Williams cos.	58,80	21,80
Equitable res.	14,40	13,10
Nat.fuel gas	13,80	14,50
Atlas Pipeline	10,70	10,60
Questar	15,20	14,20
Average	20,10	15,70
Average (ex Williams)	16,30	15,10

*) Produced by Enskilda



The GOLAR Earnings

Net income 12 months after all 4 NBs delivered



Current market cap USD 720 million



The Financials





GOLAR LNG LIMITED SECOND QUARTER 2003 REPORT (UNAUDITED)

INCOME STATEMENT <i>(in thousands of \$)</i>	2003 Apr-Jun	2003 Jan-Jun	2002 Jan-Dec <i>audited</i>
Operating revenues	30,918	63,939	130,611
Vessel operating expenses	6,776	14,030	28,061
Administrative expenses	1,528	2,734	6,127
Depreciation and amortisation	6,972	14,618	31,300
Total operating expenses	15,276	31,382	65,488
Operating income	15,642	32,557	65,123
Interest income	3,790	3,897	1,073
Interest expense	(9,211)	(14,617)	(23,553)
Other financial items	(592)	(1,789)	(17,887)
Income before taxes and minority interest	9,629	20,048	24,756
Minority interest	756	1,427	(2,469)
Taxes	50	82	88
Net income	8,823	18,539	27,137
Earnings per share (\$)	\$0.16	\$0.33	\$0.48



GOLAR LNG LIMITED (UNAUDITED) BALANCE SHEET

BALANCE SHEET <i>(in thousands of \$)</i>	2003 June 30	2002 June 30	2002 Dec 31 <i>audited</i>
ASSETS			
<i>Short term</i>			
Cash and cash equivalents	50,078	51,613	52,741
Restricted cash and short-term investments	24,846	13,235	12,760
Other current assets	8,142	5,579	5,240
Amounts due from related parties	84	231	281
<i>Long term</i>			
Restricted cash	428,829	-	-
Newbuildings	308,471	234,216	291,671
Vessel and equipment, net	612,261	630,313	617,583
Other long term assets	7,236	6,157	7,659
Total assets	1,439,947	941,344	987,935
LIABILITIES AND STOCKHOLDERS' EQUITY			
<i>Short term</i>			
Current portion of long-term debt	56,210	42,341	48,437
Current indebtedness due to related parties	16,703	16,259	32,703
Other current liabilities	59,418	31,102	44,764
Amounts due to related parties	881	870	642
<i>Long term</i>			
Long term debt and capital lease obligations	1,010,669	626,181	629,173
Other long term liabilities	68,310	16,888	22,731
Minority interest	13,081	18,188	13,349
Stockholders' equity	214,675	189,515	196,136
Total liabilities and stockholders' equity	1,439,947	941,344	987,935

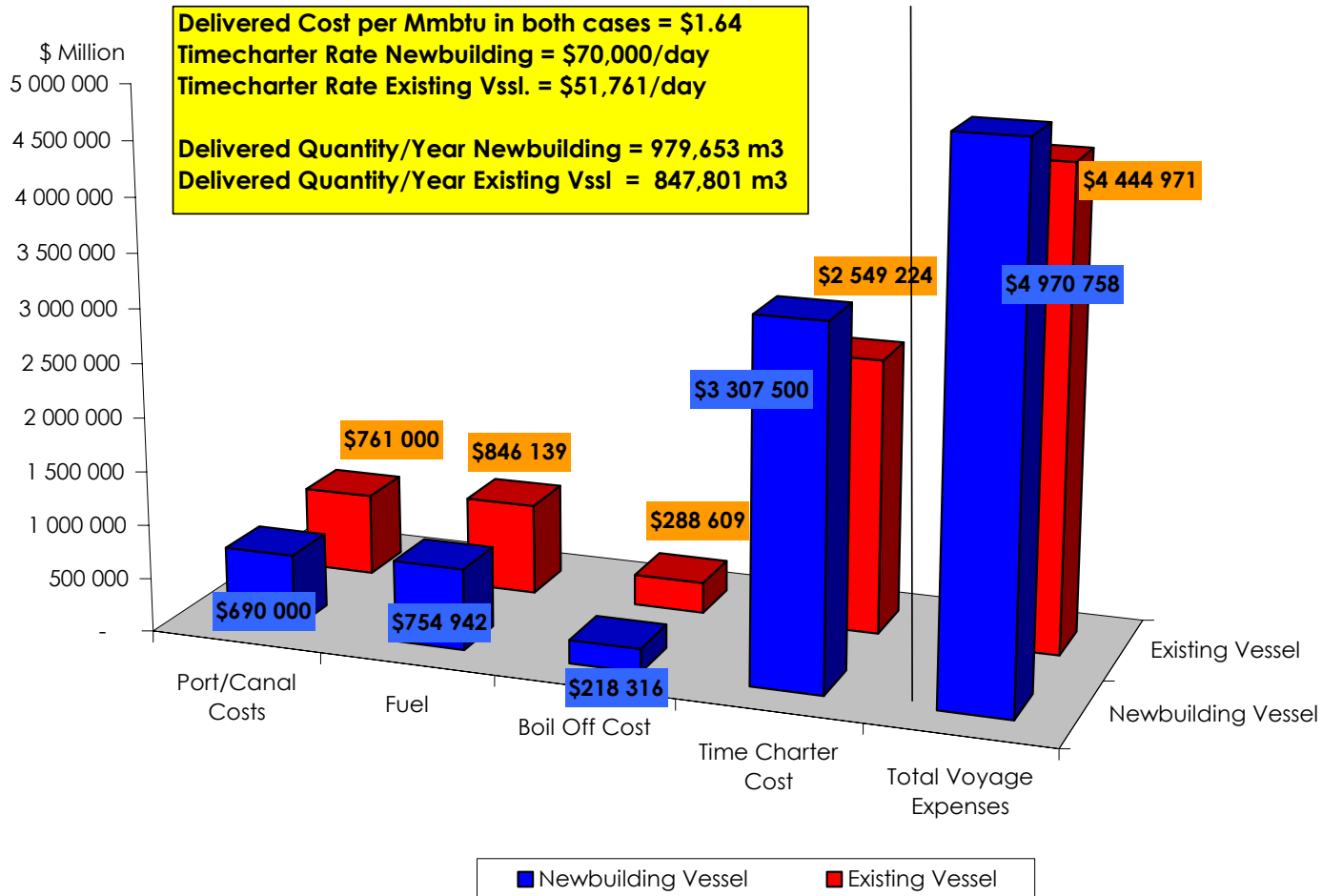
WWW.GOLAR.COM





The New vs Old Technology

Newbuilding v. Existing Vessel Voyage Cost Components; Ras Laffan to Lake Charles





LNG Shipping Trends

- Optimizing of shipping capacity
- Larger vessels
- New propulsion systems
- Development of floating solutions
- New vessels – lower operating costs / less downtime
- Shorter charter periods - spot market develops
- Shortage of qualified marine crew
- Increased focus on financing – tax leases / interest risk
- Tight yard situation
- Strong growth
- **LNG TAKES TIME**



- **EXTRAS**

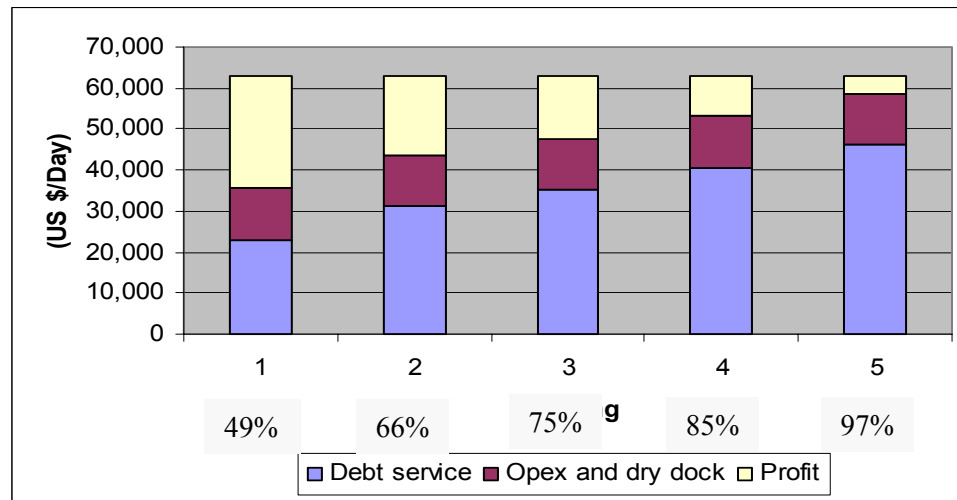


Newbuilding Returns

Debt	85,000	115,000	130,000	150,000	170,000
Equity	90,000	60,000	45,000	25,000	5,000
Delivered cost	175,000	175,000	175,000	175,000	175,000
Annual ROE	10.5%	10.8%	11.2%	12.1%	21.1%
Project IIR	10.2%	12.0%	13.6%	17.9%	na

Assumptions :

Daily Hire Rate = \$63,000,
 Residual = \$60M,
 Interest Rate = 6%,
 Debt Service based on 10 year loan 50% Balloon,
 IRR assumes debt repaid over 20 years,
 Contract Term = 20 yrs,
 356 hire days/yr





LNG Nominal Production Capacity Growth (MTPA)

Installed Production Capacity

	Under Construction	Train No.	Capacity (MTPA)	Start-up	Buyers	Shipping	
						Committed	Needed
Existing capacity (as of 1st Oct 2002)	Trinidad	3	3.3	2003	Spain, US	3	3
	Malaysia III	1&2	6.8	2003/04	Japan	6	6
	NWS IV	4	4.2	Q2,2004	Japan, China	1	4
	Rasgas II	3&4	9.4	2004/05	India, Italy, Spot	2	8
	Qatargas Debott.	1, 2, 3	1.7	2005	Asia, Europe	1	2
	Idku	1, 2	7.2	2005/06	France, US	0	4
	Oman LNG	3	3.3	2005/06	Spain, FE	2	4
	Snøhvit	1	4.2	2006	Europe, US	3	4
	SEGAS (Damietta)	1	4.8	2005	Spain (Ferr/Sag)	2	2
	Nigeria	4&5	8	2005	Europe, US	8	8
	TOTALS					31	48
Under construction							
"Planned"							
Probability of capacity in by end 2006	In Progress						
	Trinidad	4	5	2005	US/Europe	0	4
	Indonesia - Tangguh	1, 2	6	2005/06	Chin/Phil/USA/Jap	0	4
	Nigeria	6	5	2006	Atlantic basin	0	5
	Eq. Guinea	1	3.4	2007	US/Europe	0	3
	Russia, Sakhalin		9.6	2007	Jap., Kor., China	0	6
	TOTALS					0	16
"Prospective"							
	Proposed						
	Peru/Bolivia	1	4	2006/07	US W. Coast	0	4
	Indonesia	9	3	2006	US, China	0	4
	Australia/Timor/Donggi		12	2006	FE, US W. Coast	0	8
	Snøhvit T2		5	2006/07	US, Europe	0	4
	Venezuela (M.Sucre)		4.7	2007	US E. Coast, Carrib	0	4
	Qatar		10	2007	UK, US, Europe	0	>8
	Angola (Chev/Tex)		4	2007/08	Atlantic Basin	0	4
	Brass Rivers (Philipps/ENI)		5	2007/08	Atlantic basin	0	4
W.Niger Delta (Exx/Con)		9	2008	US, Europe	0	8	
	TOTALS					0	60