Golar LNG
Interim Report
September 2003

THIRD QUARTER AND NINE MONTHS RESULTS

Golar LNG reports net income of $7.1 million for the three months ended September 30, 2003 and operating income of $12.0 million as compared to $1.9 million and $16.5 million, respectively, for the three months ended September 30, 2002. Operating income includes a charge for depreciation and amortization of $7.8 million and $7.9 million, respectively, for the third quarters of 2003 and 2002. Earnings per share for the quarter were $0.12 as compared to $0.03 for the same period in 2002.

The results do not include compensation received from the shipyard in connection with the delivery of the 'Methane Princess', the Company's first newbuilding, which was originally due for delivery in March 2003 and was later re-scheduled to be delivered on October 9, 2003. The vessel was ultimately delivered on August 29, 2003. $2.9 million of the total $12,9 million compensation received from the yard was paid as charter hire compensation from the new delivery date until the original rescheduled delivery date, October 9. This date also corresponds with the date the Methane Princess loaded its first cargo. US GAAP requires that all such compensation, even if received in compensation for loss of charter hire income, be treated as a reduction of the vessel cost in the balance sheet. This income is therefore not included in revenue whilst the operating costs of the vessel for the same period are included as part of vessel operating expenses.

The result is after a net (after minority interests) gain of $2.2 million, compared with a $7.6 million loss for the third quarter of 2002, as a result of the movement of the fair value of interest rate swaps.

Operating revenues for the third quarter of 2003 were $29.4 million ($32.6 million for the third quarter of 2002). Revenue for the quarter was adversely affected by vessel drydocks and offhire as a result of required repair work. This was mitigated by revenue generated by the 'Methane Princess', the Company's first newbuilding, following her delivery on August 29, 2003 and loss of hire insurance.

Vessel operating expenses for the third quarter of 2003 were $7.6 million as compared with $6.6 million for the same period in 2002. The increase is as a result of the inclusion of the 'Methane Princess' for part of the third quarter of 2003 and additional crew, repair and insurance costs. Administration costs were $2.1 million ($1.5 million in 2002) and include a charge of $0.5m in connection with expenses incurred by the Baja LNG joint arrangement.

Net interest expense for the third quarter of 2003 was $5.2 million, compared to $5.6 million for the same period in 2002. Included within interest expense and interest income is $4.2 million and $4.4 million respectively relating to both of the Company's lease finance transactions. The $4.2 million expense is interest recorded in respect of the lease obligation and the $4.4 million income arises from the cash deposit securing the obligation, both the obligation and the cash deposit being recorded on Golar's balance sheet. The most recent lease transaction in respect of the 'Methane Princess', concluded in August 2003, has been accounted for in a similar way to the Company's first lease transaction, which was described in last quarter's report.

Other financial items of $3.0 million income for the quarter include a gain of $3.7 million associated with the fair valuing of interest rate swaps. In the same period in 2002 the Company reported an expense of $13.0 million that included a loss of $12.7 million in respect of the swaps valuation. Additionally during the third quarter of 2003 $0.7 million of deferred financing costs were written as a result of loan repayments.

For the nine months ended September 30, 2003 the Company reports revenues of $93.4 million, (2002 $97.1 million), net income of $25.6 million, (2002 $17.0 million), and earnings per share of $0.45 (2002 $0.30).

Total assets and total liabilities on the balance sheet as at September 30, 2003 have increased as a result of the accounting for the Company's second lease finance transaction in respect of the 'Methane Princess' in a similar way to the increases described in last quarter's report in respect of the Company's first lease finance transaction. On the liability side a lease obligation of $146 million and a deferred credit of $24 million have been recorded and on the asset side there is a restricted cash deposit securing the lease obligation of $152 million (of which $3 million is shown as short-term) in addition to the net cash receipt of approximately $18 million.

The number of shares outstanding as of September 30, 2003 was 61,612,000 and was 56,012,000 as at December 31, 2002. The increase is as a result of the issuance of an additional 5.6 million shares during the quarter ended September 30, 2003. The weighted average number of shares outstanding for the quarter and nine months ended September 30, 2003 was 59,846,783 and 57,304,308 respectively.

FINANCING

As reported last quarter and as noted above, in August 2003, the Company entered into a second lease finance transaction in respect of its first newbuilding, the 'Methane Princess', with a major UK bank, which generated a cash inflow for the Company of approximately $18 million.

The Company has continued to hedge long-term interest rate exposure, a further $20 million of the Methane Princess financing has been fixed in the current quarter. A total of $105 million of this loan has now been fixed at a rate of interest including margin that gives a cost of financing of approximately 5.9 per cent per annum for 12 years.

As also reported last quarter the Company has raised $55.2 million via a direct equity offering of 5.6 million shares during the third quarter of 2003 to be used for new projects.

Good progress has been made with regard to financing the Company's two new buildings due for delivery at the end of the year, 2003 and March 2004. It is expected that the first vessel will be financed by traditional bank debt, by an amount that will cover the final delivery instalment and that the second vessel will be financed by a combination of lease finance and bank debt. Discussions with regard to leasing the second vessel are ongoing and again positive.

After the recent equity offering and based on the financing in progress, the Company is in a good position with regard to its liquidity.

CORPORATE AND OTHER MATTERS

As reported last quarter the Company's first newbuilding, the 'Methane Princess', was delivered on August 29, 2003. The vessel has been trading in the spot market since delivery for clients such as BG and Total Fina Elf. The vessel will commence its 20-year charter to BG during the first quarter of 2004.

In September 2003 the company signed a fifth newbuilding contract for a LNG carrier. The ship will be a 145,000 m^3 membrane design and is expected to be delivered from Daewoo within first quarter 2006. The Company has two further options for similar ships from the same yard.

Good progress has been made during the quarter on the development of the floating terminal project in Livorno, Italy with safety approvals having been given. The environmental approval is expected shortly. Following environmental approval it is anticipated that a third approval conference can be arranged ten days later, with a final decision from the Italian authorities expected to follow soon after. The partnership is currently in discussions with major oil and gas companies regarding use of the terminal. The project will, if successful, be an important milestone in the worldwide marketing of floating LNG receiving facilities.

The development of the Marathon led terminal project in Baja, Mexico, where Golar has a 10 per cent interest, has shown limited progress during the quarter.

Golar is actively looking for alternative ways to expand the business. In connection with this the company has evaluated several investment opportunities both in the LNG shipping field as well as more integrated LNG projects. Some minor investments have been made. The Board expects that this work will continue and is likely to lead to more significant investments during the next half-year.

MARKET

The third quarter of 2003 saw US LNG imports more than double as compared to the second quarter from 29 to 59 cargoes, with activity much increased at all four existing US import terminals. With the continued development of new US import projects and with several terminal approvals likely within a relatively short time scale, interest in LNG remains high. Expected increased exports from Malaysia and Algeria during the second quarter of 2004 and from Nigeria from the first quarter of 2004, signals the potential for a significant jump in trade over the next 2 years. Added to this is the imminent confirmation of Indonesia's Tennguh project that will likely increase supply significantly in the Far East, underpinned by increasing demand in Korea, Taiwan, China and to some extent Japan. The fourth quarter of 2003 has however seen the LNG market pause to take a breath. Warmer than average last quarter weather conditions have capped demand for tonnage on a short-term basis, both in the USA and the Far East, and trade has been relatively slack, with a high proportion of the uncommitted cargoes from West Africa and the Middle East going to Europe and Japan respectively, due to US gas prices being a little weaker. The strength in European LNG prices this winter has caused several ships to be diverted from US to Europe. Though only a handful of ships are offered in the market for short-term work the demand for those vessels has been restrained in view of a lack of cargo availability. What this relative inactivity prefaces however is the imminent commencement of what is expected to be one of the largest increases in LNG trades ever. Qatar Petroleum, ExxonMobil and ConocoPhillips appear to be just about to embark on a ship ordering spree of unprecedented scale that will see close to 40 new vessels ordered before the end of 2005. The supply of LNG and demand for ships is expected to come from the increased exports noted above and further projects such as Sakhalin II which has now issued a tender for shipping with start up now expected in 2007. All this potential demand means opportunity for Golar as there are very few vessels available as an alternative to the contracting of newbuildings. Over 20 million tonnes of liquefaction capacity is anticipated to come on stream between now and the summer of 2005.

Newbuilding prices are firming caused by strong development in other shipping sectors especially dry cargo and containers, and the anticipated boom in LNG ordering during the next two years. This has created a good order inflow for the yards which combined with a weaker USD and stronger steel prices is leading to firmer newbuilding prices.

The Board is pleased to announce that the Company's oldest ship, LNGC Hilli, built in 1975, has gone through a conditional assessment rating (CAP), after completion of the recent upgrading and drydocking. The ship was awarded a CAP 1 (the highest rating) on the important structural assessment. This confirms the very high standards of construction when these ships were built and also confirms the ship's ability to trade until at least 40 years of age. It is anticipated that the three other old ships on charter to BG will be taken through drydocking with a material upgrading program during 2004 and 2005.

OUTLOOK

The Methane Princess has performed well on the spot market and is expected to be fully employed until her delivery to BG in the first quarter of 2004. The delivery from the shipyards of Golar's three uncommitted newbuildings is now expected to take place in January, March and October 2004. The employment of these three uncommitted newbuildings will still be influenced by what happens to the Baja and Livorno projects, as well as the development of the short and medium term market trades, which will be enhanced by new production capacity coming on line in 2004. As reported last quarter, shareholders should be prepared for a situation where part of the new capacity will trade in the spot market for a period. This could ultimately result in more volatile earnings and also increased commercial waiting time. However, in view of the seven ships fixed on long-term charters the Board is still comfortable with the current employment situation. Furthermore, the recently enhanced combination of strong expansion of LNG production, the increase in receiving capacity, particularly in the USA, strong gas prices, limited uncommitted shipping capacity, and an increasingly tight yard situation, have all greatly enhanced the upside potential for profitable short to medium-term shipping deals, for which Golar is well positioned to capitalise on.

It is expected that more trading days as a result of no drydockings and full employment of the Methane Princess will lead to the fourth quarter showing a material improvement in operating results as compared to the third quarter before any effect of swap valuations.

The Board is optimistic about the future.

FORWARD LOOKING STATEMENTS

This press release 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 press release 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.

November 30, 2003
The Board of Directors
Golar LNG Limited
Hamilton, Bermuda

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GOLAR LNG LIMITED THIRD QUARTER 2003 REPORT (UNAUDITED)

INCOME STATEMENT *(in thousands of $)*	**2003** **Jul-Sep** *unaudited*	**2002** **Jul-Sep** *unaudited*	**2003** **Jan – Sep** *unaudited*	**2002** **Jan – Sep** *unaudited*	**2002** **Jan-Dec** *audited*
Operating revenues	**29,443**	**32,622**	**93,382**	**97,143**	**130,611**
Vessel operating expenses	7,589	6,641	21,619	20,239	28,061
Administrative expenses	2,114	1,519	4,848	4,228	6,127
Depreciation and amortisation	7,773	7,936	22,391	23,614	31,300
Total operating expenses	**17,476**	**16,096**	**48,858**	**48,081**	**65,488**
Operating income	**11,967**	**16,526**	**44,524**	**49,062**	**65,123**
Interest income	4,513	266	8,410	843	1,073
Interest expense	(9,742)	(5,878)	(24,359)	(17,924)	(23,553)
Other financial items	2,976	(13,019)	1,187	(18,925)	(17,887)
Income (loss) before taxes and minority interest	**9,714**	**(2,105)**	**29,762**	**13,056**	**24,756**
Minority interest	2,569	(4,061)	3,996	(4,110)	(2,469)
Taxes	46	39	128	131	88
Net income	**7,099**	**1,917**	**25,638**	**17,035**	**27,137**
Earnings per share ($)	$0.12	$0.03	$0.45	$0.30	$0.48

BALANCE SHEET *(in thousands of $)*	**2003** **Sep 30** *unaudited*	**2002** **Sep 30** *unaudited*	**2002** **Dec 31** *audited*
ASSETS			
Short term			
Cash and cash equivalents	96,804	46,388	52,741
Restricted cash and short-term investments	34,684	19,422	12,760
Other current assets	14,085	7,102	5,240
Amounts due from related parties	83	258	281
Long term			
Restricted cash	584,985	-	-
Newbuildings	188,019	245,874	291,671
Vessel and equipment, net	772,789	623,984	617,583
Other long term assets	6,426	6,441	7,659
Total assets	**1,697,875**	**949,469**	**987,935**
LIABILITIES AND STOCKHOLDERS' EQUITY			
Short term			
Current portion of long-term debt	61,172	43,136	48,437
Current indebtedness due to related parties	-	-	32,703
Other current liabilities	62,506	49,011	44,764
Amounts due to related parties	795	652	642
Long term			
Long term debt	612,943	587,555	629,173
Long term debt due to related parties	-	48,962	-
Long term capital lease obligations	575,861	-	-
Other long term liabilities	91,981	17,013	22,731
Minority interest	15,650	11,708	13,349
Stockholders' equity	276,967	191,432	196,136
Total liabilities and stockholders' equity	**1,697,875**	**949,469**	**987,935**

GOLAR LNG LIMITED THIRD QUARTER 2003 REPORT (UNAUDITED)

STATEMENT OF CASH FLOWS *(in thousands of $)*	**2003** **Jul-Sep** *unaudited*	**2002** **Jul-Sep** *unaudited*	**2003** **Jan – Sep** *unaudited*	**2002** **Jan – Sep** *unaudited*	**2002** **Jan-Dec** *audited*
OPERATING ACTIVITIES					
Net income	7,099	1,917	25,638	17,035	27,137
Adjustments to reconcile net income to net cash provided by operating activities:					
Depreciation and amortisation	7,773	7,936	22,391	23,614	31,300
Amortisation of deferred charges	919	131	1,320	681	972
Income (loss) attributable to minority interests	2,569	(4,061)	3,996	(4,110)	(2,469)
Drydocking expenditure	(5,988)	-	(11,002)	-	(1,600)
Change in market value of interest rate derivatives	(3,710)	12,685	(1,721)	17,894	16,459
Unrealised foreign exchange gain	(318)	-	(1,328)	-	-
Change in operating assets and liabilities	253	3,005	3,921	(1,375)	(583)
Net cash provided by operating activities	**8,597**	**21,613**	**43,215**	**53,739**	**71,216**
INVESTING ACTIVITIES					
Additions to newbuildings	(41,205)	(11,658)	(58,005)	(113,018)	(158,815)
Additions to vessels and equipment	(1,547)	(1,285)	(6,597)	(4,150)	(5,912)
Long-term restricted cash	(142,726)	-	(545,958)	-	-
Short-term restricted cash and investments	(9,838)	-	(21,212)	-	1,403
Net cash used in investing activities	**(195,316)**	**(12,943)**	**(631,772)**	**(117,168)**	**(163,324)**
FINANCING ACTIVITIES					
Proceeds from long-term debt	177,364	2,372	506,128	134,274	194,335
Proceeds from long-term debt due to related parties	-	-	-	16,259	16,259
Proceeds from long-term capital lease obligation	163,718	-	616,298	-	-
Repayments of long-term debt	(146,241)	(7,500)	(509,623)	(27,912)	(41,054)
Repayments of long-term debt due to related parties	(16,703)	-	(32,703)	(52,575)	(68,834)
Additions to long-term lease obligations	1,153	-	1,153	-	-
Financing costs paid	(1,039)	(161)	(2,131)	(2,537)	(3,424)
Dividends paid to minority shareholders	-	(2,419)	(1,695)	(10,002)	(10,002)
Proceeds from issuance of equity	55,193	-	55,193	-	-
Net cash provided by financing activities	**233,445**	**(7,708)**	**632,620**	**57,507**	**87,280**
Net increase (decrease) in cash and cash equivalents	**46,726**	**962**	**44,063**	**(5,922)**	**(4,828)**
Cash and cash equivalents at beginning of period	**50,078**	**64,848**	**52,741**	**71,732**	**57,569**
Cash and cash equivalents at end of period	**96,804**	**65,810**	**96,804**	**65,810**	**52,741**