

Equity in net earnings of affiliates:

	December 31,			
(in thousands of \$)	2019	2018	Change	% Change
Share in net (loss)/earnings in Golar Partners	(20,050)	7,001	(27,051)	(386)%
Impairment of investment in Golar Partners	—	(149,389)	149,389	100 %
Share of net (losses)/earnings in other affiliates	(2,515)	3,711	(6,226)	(168)%
	(22,565)	(138,677)	116,112	(84)%

As of December 31, 2019, we held a 32.0% (2018: 32.0%) ownership interest in Golar Partners (including our 2% general partner interest) and 100% of the incentive distribution rights ("IDRs"). The decrease in the share of net earnings in Golar Partners is due to a decrease in underlying performance of Golar Partners and fair value adjustment for the year ended December 31, 2019. The decrease in the share of net earnings in Golar Partners is offset by the movement of the impairment charge of \$149.4 million recognized for the year ended December 31, 2018.

The share of net earnings in other affiliates represents our share of equity in Egyptian Company for Gas Services S.A.E ("ECGS") and Avenir LNG Limited ("Avenir"). During the year ended December 31, 2018 we recognized negative goodwill of \$3.8 million in equity in net earnings of affiliates to reflect our bargain purchase of Avenir. Refer to note 14 "Investment in Affiliates" of our consolidated financial statements included herein for further details.

FLNG segment

	December 31,			
(in thousands of \$)	2019	2018	Change	% Change
Total operating revenues	218,096	127,625	90,471	71 %
Vessel operating expenses	(53,689)	(26,317)	(27,372)	104 %
Voyage expenses, charter-hire and commission expenses	(460)	(1,363)	903	(66)%
Administrative expenses	(1,371)	175	(1,546)	(883)%
Project development expenses	(2,939)	(16,526)	13,587	(82)%
Depreciation and amortization	(48,088)	(28,193)	(19,895)	71 %
Other operating (losses)/gains	(28,963)	2,749	(31,712)	(1,154)%
Operating income	82,586	58,150	24,436	42 %
Equity in net losses of affiliates	—	(2,047)	2,047	(100)%

Total operating revenues: On May 31, 2018, the *Hilli* was accepted by the customer and, accordingly, commenced operations. The *Hilli* generated \$218.1 million of total operating revenues, as a result of a full year of operations during 2019, in relation to her liquefaction services, compared to \$127.6 million in 2018.

Vessel operating expenses: The *Hilli* incurred \$53.7 million of vessel operating expenses for the year ended December 31, 2019, as a result of a full year of operations in 2019, compared to \$26.3 million in 2018 following commencement of operations on May 31, 2018.

Voyage, charterhire and commission expenses: The decrease in voyage, charterhire and commission expenses of \$0.9 million to \$0.5 million for the year ended December 31, 2019 compared to \$1.4 million in 2018, is due to lower bunker consumption as a result of the *Hilli* undergoing commissioning in preparation for her commercial readiness in 2018.

Administrative expenses: Administrative expenses increased by \$1.5 million to \$1.4 million for the year ended December 31, 2019 compared to a credit \$0.2 million in 2018, principally due to an increase in corporate expenses, salaries and employee benefits following the full year of operation of the *Hilli*, compared to seven months in 2018.

Project development expenses: This relates to non-capitalized project-related expenses comprising of legal, professional and consultancy costs. The decrease was due to the commencement of capitalization of engineering consultation fees in relation to the Gimi GTA Project following the *Gimi* entering Keppel's shipyard for her conversion into a FLNG in December 2018.