

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 20-F

(Mark One)

- REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934**
- ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018**
- TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
- SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

GasLog Partners LP

(Exact name of Registrant as specified in its charter)

Not Applicable

(Translation of Registrant's name into English)

Republic of the Marshall Islands

(Jurisdiction of incorporation or organization)

c/o GasLog Monaco S.A.M.

Gildo Pastor Center

7 Rue du Gabian

MC 98000, Monaco

(Address of principal executive offices)

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(Name, Telephone, E-mail and/or Facsimile number and Address of Registrant contact person)

SECURITIES REGISTERED OR TO BE REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

Title of Each Class	Name of Each Exchange on Which Registered
Common Units representing limited partner interests	New York Stock Exchange
Series A Preference Units	New York Stock Exchange
Series B Preference Units	New York Stock Exchange
Series C Preference Units	New York Stock Exchange

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT: None

SECURITIES FOR WHICH THERE IS A REPORTING OBLIGATION PURSUANT TO SECTION 15(d) OF THE ACT: None

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report.

As of December 31, 2018, there were 45,448,993 Partnership common units, 5,750,000 Series A Preference Units, 4,600,000 Series B Preference Units and 4,000,000 Series C Preference Units outstanding.

Indicate by check mark if the Company is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes No

If this report is an annual or transition report, indicate by check mark if the Company is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

Yes No

Indicate by check mark whether the Company (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the Company has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Company was required to submit such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer Emerging growth company

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards[†] provided pursuant to Section 13(a) of the Exchange Act.

[†]The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark which basis of accounting the Company has used to prepare the financial statements included in this filing.

U.S. GAAP

International Financial Reporting Standards as issued by the International Accounting Standards Board

Other

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the Company has elected to follow.

Item 17 Item 18

If this is an annual report, indicate by check mark whether the Company is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

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ABOUT THIS REPORT

In this annual report, unless otherwise indicated:

- “GasLog Partners”, the “Partnership”, “we”, “our”, “us” or similar terms refer to GasLog Partners LP or any one or more of its subsidiaries, or to all such entities unless the context otherwise indicates;
- “GasLog”, depending on the context, refers to GasLog Ltd. and to any one or more of its direct and indirect subsidiaries, other than GasLog Partners;
- “GasLog Group”, refers to GasLog Ltd. and to any one or more of its direct and indirect subsidiaries, including GasLog Partners;
- “our general partner” refers to GasLog Partners GP LLC, the general partner of GasLog Partners and a wholly owned subsidiary of GasLog;
- “GasLog LNG Services” refers to GasLog LNG Services Ltd., a wholly owned subsidiary of GasLog;
- “GasLog Carriers” refers to GasLog Carriers Ltd., a wholly owned subsidiary of GasLog;
- “GasLog Partners Holdings” refers to GasLog Partners Holdings LLC, a wholly owned subsidiary of GasLog;
- “Shell” refers to Royal Dutch Shell plc or any one or more of its subsidiaries;
- “MSL” refers to Methane Services Limited, a subsidiary of Shell;
- “Samsung” refers to Samsung Heavy Industries Co. Ltd. or any one or more of its subsidiaries;
- “Total” refers to Total Gas & Power Chartering Limited, a wholly owned subsidiary of Total S.A.;
- “Centrica” refers to Pioneer Shipping Limited, a wholly owned subsidiary of Centrica plc;
- “Cheniere” refers to Cheniere Marketing International LLP, a wholly owned subsidiary of Cheniere Energy, Inc.;
- “Trafigura” refers to Trafigura Maritime Logistics PTE Ltd.;
- “ATM Programme” refers to our at-the-market common equity offering programme which commenced in May 2017;
- “Series A Preference Units” refers to our 8.625% Series A Cumulative Redeemable Perpetual Fixed to Floating Rate Preference Units;
- “Series B Preference Units” refers to our 8.200% Series B Cumulative Redeemable Perpetual Fixed to Floating Rate Preference Units;
- “Series C Preference Units” refers to our 8.500% Series C Cumulative Redeemable Perpetual Fixed to Floating Rate Preference Units;
- “Preference Units” refers to our Series A Preference Units, our Series B Preference Units and our Series C Preference Units;
- “LNG” refers to liquefied natural gas;
- “FSRUs” refers to Floating Storage and Regasification Units;
- “NYSE” refers to the New York Stock Exchange;
- “SEC” refers to the U.S. Securities and Exchange Commission;

- “IPO” refers to the initial public offering of GasLog Partners on May 12, 2014;
- “IFRS” refers to International Financial Reporting Standards;
- “IASB” refers to International Accounting Standards Board;
- “dollars” and “\$” refer to, and amounts are presented in, U.S. dollars;
- “TFDE” refers to tri-fuel diesel electric engine propulsion;
- “LP-2S” refers to low pressure dual fuel two-stroke engine propulsion;
- “Steam” refers to steam turbine propulsion;
- “cbm” refers to cubic meters; and
- “mtpa” refers to million tonnes per annum.

FORWARD-LOOKING STATEMENTS

All statements in this annual report that are not statements of historical fact are “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements include statements that address activities, events or developments that the Partnership expects, projects, believes or anticipates will or may occur in the future, particularly in relation to our operations, cash flows, financial position, liquidity and cash available for dividends or distributions, plans, strategies, business prospects and changes and trends in our business and the markets in which we operate. In some cases, predictive, future-tense or forward-looking words such as “believe”, “intend”, “anticipate”, “estimate”, “project”, “forecast”, “plan”, “potential”, “may”, “should”, “could” and “expect” and similar expressions are intended to identify forward-looking statements, but are not the exclusive means of identifying such statements. In addition, we and our representatives may from time to time make other oral or written statements which are forward-looking statements, including in our periodic reports that we file with the SEC, other information sent to our security holders, and other written materials. We caution that these forward-looking statements represent our estimates and assumptions only as of the date of this annual report or the date on which such oral or written statements are made, as applicable, about factors that are beyond our ability to control or predict, and are not intended to give any assurance as to future results. Any of these factors or a combination of these factors could materially affect future results of operations and the ultimate accuracy of the forward-looking statements. Accordingly, you should not unduly rely on any forward-looking statements.

Factors that might cause future results and outcomes to differ include, but are not limited to, the following:

- general LNG shipping market conditions and trends, including spot and multi-year charter rates, ship values, factors affecting supply and demand of LNG and LNG shipping, technological advancements and opportunities for the profitable operations of LNG carriers;
- fluctuations in charter hire rates and vessel values;
- our ability to secure new multi-year charters at economically attractive rates;
- our ability to maximize the use of our vessels, including the re-deployment or disposition of vessels which are not under multi-year charters, including the risk that certain of our vessels may no longer have the latest technology at such time which may impact the rate at which we can charter such vessels;
- changes in our operating expenses, including crew wages, maintenance, dry-docking and insurance costs and bunker prices;
- number of off-hire days and dry-docking requirements including our ability to complete scheduled dry-dockings on time and within budget;
- planned capital expenditures and availability of capital resources to fund capital expenditures;
- fluctuations in prices for crude oil, petroleum products and natural gas;
- fluctuations in exchange rates, especially the U.S. dollar and Euro;
- our ability to expand our portfolio by acquiring vessels through our drop-down pipeline with GasLog or by acquiring other assets from third parties;
- our ability to leverage GasLog’s relationships and reputation in the shipping industry;
- the ability of GasLog to maintain long-term relationships with major energy companies and major LNG producers, marketers and consumers;

- GasLog’s relationships with its employees and ship crews, its ability to retain key employees and provide services to us, and the availability of skilled labor, ship crews and management;
- changes in the ownership of our charterers;
- our customers’ performance of their obligations under our time charters and other contracts;
- our future operating performance, financial condition, liquidity and cash available for distributions;
- our ability to obtain financing to fund capital expenditures, acquisitions and other corporate activities, funding by banks of their financial commitments, funding by GasLog of the New Sponsor Credit Facility (as defined below) and our ability to meet our restrictive covenants and other obligations under our credit facilities;
- future, pending or recent acquisitions of ships or other assets, business strategy, areas of possible expansion and expected capital spending;
- risks inherent in ship operation, including the discharge of pollutants;
- any malfunction or disruption of information technology systems and networks that our operations rely on or any impact of a possible cybersecurity event;
- the expected cost of and our ability to comply with environmental and regulatory conditions, including changes in laws and regulations or actions taken by regulatory authorities, governmental organizations, classification societies and standards imposed by our charterers applicable to our business;
- potential disruption of shipping routes due to accidents, political events, piracy or acts by terrorists;
- potential liability from future litigation; and
- other factors discussed in “Item 3. Key Information—D. Risk Factors” of this annual report.

We undertake no obligation to update or revise any forward-looking statements contained in this annual report, whether as a result of new information, future events, a change in our views or expectations or otherwise, except as required by applicable law. New factors emerge from time to time, and it is not possible for us to predict all of these factors. Further, we cannot assess the impact of each such factor on our business or the extent to which any factor, or combination of factors, may cause actual results to be materially different from those contained in any forward-looking statement.

PART I

ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS

Not applicable.

ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE

Not applicable.

ITEM 3. KEY INFORMATION

A. Selected Financial Data

This information should be read together with, and is qualified in its entirety by, our consolidated financial statements and the notes thereto included in “Item 18. Financial Statements”. You should also read “Item 5. Operating and Financial Review and Prospects”.

Certain numerical figures included in the below tables have been rounded. Discrepancies in tables between totals and the sums of the amounts listed may occur due to such rounding.

A.1. IFRS Common Control Reported Results

The following table presents, in each case for the periods and as of the dates indicated, selected historical financial and operating data. The selected historical financial data as of December 31, 2017 and 2018 and for each of the years in the three-year period ended December 31, 2018 has been derived from our audited consolidated financial statements included in “Item 18. Financial Statements”. The selected historical financial data as of December 31, 2014, 2015 and 2016 and for each of the years ended December 31, 2014 and 2015 is a summary of and is derived from our audited consolidated financial statements after retroactive restatement for the transfer of vessels from GasLog to the Partnership that are not included in this report. The financial statements have been prepared in accordance with IFRS, as issued by the IASB.

Prior to the closing of our IPO, we did not own any vessels. The following presentation assumes that our business was operated as a separate entity prior to its inception. For the periods prior to the closing of the IPO, our financial position, results of operations and cash flows reflected in our financial statements include all expenses allocable to our business, but may not be indicative of those that would have been incurred had we operated as a separate public entity for all years presented or of future results. The annual consolidated financial statements and our historical financial and operating data under “IFRS Common Control Reported Results” include the accounts of the Partnership and its subsidiaries assuming that they are consolidated from the date of their incorporation by GasLog, as they were under the common control of GasLog. The following transfers of vessels from GasLog to the Partnership were each accounted for as a reorganization of entities under common control under IFRS and prior periods were retroactively restated:

<u>Date</u>	<u>Vessel(s) Transferred</u>
May 12, 2014	<i>GasLog Santiago, GasLog Shanghai and GasLog Sydney</i>
September 29, 2014	<i>Methane Jane Elizabeth and Methane Rita Andrea</i>
July 1, 2015	<i>Methane Alison Victoria, Methane Heather Sally and Methane Shirley Elisabeth</i>
November 1, 2016	<i>GasLog Seattle</i>
May 3, 2017	<i>GasLog Greece</i>
July 3, 2017	<i>GasLog Geneva</i>
October 20, 2017	<i>Solaris</i>
April 26, 2018	<i>GasLog Gibraltar</i>
November 14, 2018	<i>Methane Becki Anne</i>

	Year Ended December 31,				
	2014	2015	2016	2017	2018
	(restated) ⁽¹⁾	(restated) ⁽¹⁾	(restated) ⁽¹⁾	(restated) ⁽¹⁾	
	(in thousands of U.S. dollars, except per unit data)				
STATEMENT OF PROFIT OR LOSS					
Revenues	\$196,482	\$269,077	\$317,489	\$371,146	\$352,541
Net pool allocation	—	—	—	—	3,700
Voyage expenses and commissions	(2,580)	(3,644)	(4,333)	(4,650)	(7,122)
Vessel operating costs	(38,435)	(57,877)	(63,076)	(71,369)	(68,725)
Depreciation	(42,433)	(61,406)	(70,290)	(81,089)	(81,590)
General and administrative expenses	(7,066)	(12,065)	(13,206)	(15,311)	(19,369)
Profit from operations	105,968	134,085	166,584	198,727	179,435
Financial costs	(39,992)	(42,035)	(60,247)	(65,122)	(66,287)
Financial income	51	41	209	1,019	2,413
(Loss)/gain on derivatives	(18,554)	(5,895)	(6,837)	121	(48)
Total other expenses, net	(58,495)	(47,889)	(66,875)	(63,982)	(63,922)
Profit for the year	\$ 47,473	\$ 86,196	\$ 99,709	\$134,745	\$115,513
Profit attributable to GasLog's					
operations⁽²⁾	\$ 32,929	\$ 21,156	\$ 22,439	\$ 40,628	\$ 12,916
Partnership's profit⁽²⁾	\$ 14,544	\$ 65,040	\$ 77,270	\$ 94,117	\$102,597
EARNINGS PER UNIT ATTRIBUTABLE TO THE PARTNERSHIP⁽³⁾					
Common units (basic)	\$ 0.75	\$ 2.38	\$ 2.18	\$ 2.09	\$ 1.77
Common units (diluted)	\$ 0.75	\$ 2.38	\$ 2.17	\$ 2.09	\$ 1.76
Subordinated units ⁽⁴⁾	\$ 0.56	\$ 1.85	\$ 2.14	\$ 0.52	N/A
General partner units	\$ 0.66	\$ 2.28	\$ 2.31	\$ 2.18	\$ 1.83

	As of December 31,				
	2014	2015	2016	2017	2018
	(restated) ⁽¹⁾	(restated) ⁽¹⁾	(restated) ⁽¹⁾	(restated) ⁽¹⁾	
	(in thousands of U.S. dollars, except per unit data)				
STATEMENT OF FINANCIAL POSITION DATA					
Cash and cash equivalents	\$ 52,313	\$ 70,279	\$ 64,173	\$ 149,455	\$ 129,125
Short-term investments	23,201	3,000	7,500	—	10,000
Vessels	1,706,619	1,887,316	2,439,092	2,363,668	2,315,823
Vessels under construction	40,986	105,558	—	—	—
Total assets	1,833,649	2,084,955	2,543,545	2,528,263	2,488,638
Borrowings—current portion	35,561	390,426	89,422	121,197	429,437
Borrowings—non-current portion	1,028,193	831,621	1,474,510	1,278,931	805,560
Total equity	687,390	777,332	919,680	1,065,708	1,179,659
NUMBER OF UNITS OUTSTANDING					
General partner units	492,750	645,811	701,933	836,779	927,532
Common units	14,322,358	21,822,358	24,572,358	41,002,121	45,448,993
Subordinated units ⁽⁴⁾	9,822,358	9,822,358	9,822,358	—	—
Preference Units	—	—	—	5,750,000	14,350,000

	Year Ended December 31,				
	2014	2015	2016	2017	2018
	(restated) ⁽¹⁾	(restated) ⁽¹⁾	(restated) ⁽¹⁾	(restated) ⁽¹⁾	
	(in thousands of U.S. dollars)				
CASH FLOW DATA					
Net cash provided by operating activities . .	\$ 140,961	\$ 143,402	\$ 204,930	\$ 242,827	\$ 185,107
Net cash (used in)/provided by investing activities	(955,708)	(219,169)	(506,428)	3,381	(31,851)
Net cash provided by/(used in) financing activities	846,943	93,733	295,392	(160,926)	(173,586)

	Year Ended December 31,				
	2014	2015	2016	2017	2018
	(restated) ⁽¹⁾	(restated) ⁽¹⁾	(restated) ⁽¹⁾	(restated) ⁽¹⁾	
	(in thousands of U.S. dollars)				
FLEET DATA*					
Number of LNG carriers at end of period	10	11	14	14	14
Average number of LNG carriers during period	7.6	10.8	12.2	14	14
Average age of LNG carriers (years)	4.7	5.7	5.3	6.3	7.3
Total calendar days of fleet for the period	2,779	3,926	4,456	5,110	5,110
Total operating days of fleet for the period ⁽⁵⁾ . .	2,769	3,835	4,411	5,091	4,910

* The Fleet Data above is calculated consistent with our IFRS Common Control Reported Results.

	Year Ended December 31,				
	2014	2015	2016	2017	2018
	(restated) ⁽¹⁾	(restated) ⁽¹⁾	(restated) ⁽¹⁾	(restated) ⁽¹⁾	
	(in thousands of U.S. dollars)				
OTHER FINANCIAL DATA					
EBITDA ⁽⁶⁾	\$148,401	\$195,491	\$236,874	\$279,816	\$261,025
Capital expenditures:					
Payment for vessels and vessel additions . . .	934,050	239,422	502,132	5,131	24,177
Distributable cash flow ⁽⁶⁾	27,259	72,254	83,660	100,551	108,945
Cash distributions declared	22,179 ⁽⁷⁾	62,993 ⁽⁸⁾	65,577 ⁽⁹⁾	83,048 ⁽¹¹⁾	97,105 ⁽¹²⁾
Cash distributions paid	23,169 ⁽⁷⁾	60,003 ⁽⁸⁾	77,377 ⁽¹⁰⁾	83,048 ⁽¹¹⁾	97,105 ⁽¹²⁾
Preference Unit distributions declared and paid	—	—	—	7,232	20,989

A.2. Partnership Performance Results

The financial and operating data below exclude amounts related to vessels currently owned by the Partnership for the periods prior to their respective transfers to GasLog Partners from GasLog, as the Partnership was not entitled to the cash or results generated in the periods prior to such transfers. The Partnership Performance Results are non-GAAP financial measures that the Partnership believes provide meaningful supplemental information to both management and investors regarding the financial and operating performance of the Partnership because such presentation is consistent with the

calculation of the quarterly distribution and the earnings per unit, which similarly exclude the results of vessels prior to their transfer to the Partnership.

	Year Ended December 31,				
	2014	2015	2016	2017	2018
	(in thousands of U.S. dollars)				
PARTNERSHIP PERFORMANCE					
STATEMENT OF PROFIT OR LOSS					
Revenues ⁽⁶⁾	\$ 65,931	\$168,927	\$206,424	\$269,071	\$316,991
Net pool allocation ⁽⁶⁾	—	—	—	—	3,700
Voyage expenses and commissions ⁽⁶⁾	(817)	(2,102)	(2,841)	(3,377)	(6,678)
Vessel operating costs ⁽⁶⁾	(12,226)	(33,656)	(43,479)	(55,692)	(61,452)
Depreciation ⁽⁶⁾	(13,352)	(35,981)	(45,230)	(58,193)	(73,151)
General and administrative expenses ⁽⁶⁾	(4,591)	(10,383)	(11,219)	(13,869)	(18,905)
Profit from operations⁽⁶⁾	34,945	86,805	103,655	137,940	160,505
Financial costs ⁽⁶⁾	(15,206)	(21,789)	(30,187)	(44,916)	(60,258)
Financial income ⁽⁶⁾	23	24	179	972	2,398
(Loss)/gain on derivatives ⁽⁶⁾	(5,218)	—	3,623	121	(48)
Total other expenses, net⁽⁶⁾	(20,401)	(21,765)	(26,385)	(43,823)	(57,908)
Partnership's profit⁽²⁾⁽⁶⁾	\$ 14,544	\$ 65,040	\$ 77,270	\$ 94,117	\$102,597

	Year Ended December 31,				
	2014	2015	2016	2017	2018
PARTNERSHIP PERFORMANCE FLEET DATA*					
Number of LNG carriers at end of period	5	8	9	12	14
Average number of LNG carriers during period	2.4	6.5	8.2	10.4	12.8
Average age of LNG carriers (years)	4.5	6.7	7.2	6.7	7.3
Total calendar days of fleet for the period	885	2,377	2,989	3,783	4,676
Total operating days of fleet for the period ⁽⁵⁾	885	2,377	2,944	3,764	4,476

* The Partnership Performance Fleet Data above is calculated consistent with our Partnership Performance Results.

	Year Ended December 31,				
	2014	2015	2016	2017	2018
	(in thousands of U.S. dollars)				
OTHER PARTNERSHIP PERFORMANCE FINANCIAL DATA					
EBITDA ⁽⁶⁾	\$48,297	\$122,786	\$148,885	\$196,133	\$233,656
Distributable cash flow ⁽⁶⁾	27,259	72,254	83,660	100,551	108,945
Cash distributions declared and paid	13,369 ⁽¹³⁾	51,192 ⁽¹⁴⁾	65,577 ⁽⁹⁾	83,048 ⁽¹¹⁾	97,105 ⁽¹²⁾
Preference Unit distributions declared and paid	—	—	—	7,232	20,989

⁽¹⁾ Restated so as to reflect the historical financial statements of GAS-fourteen Ltd. acquired on April 26, 2018 and GAS-twenty seven Ltd. acquired on November 14, 2018, respectively, from GasLog. See Note 1 to our audited consolidated financial statements included elsewhere in this annual report.

⁽²⁾ See Note 19 to our audited consolidated financial statements included elsewhere in this annual report.

⁽³⁾ On May 12, 2014, the Partnership completed its IPO and issued 9,822,358 common units, 9,822,358 subordinated units and 400,913 general partner units. On September 29, 2014, the Partnership completed an equity offering of 4,500,000 common units. In connection with the offering, the Partnership issued 91,837 general partner units to its general partner in order for GasLog to retain its 2.0% general partner interest. On June 26, 2015, the Partnership completed an equity offering of 7,500,000 common units. In connection with the offering, the Partnership issued 153,061 general partner units to its general partner in order for GasLog to retain its 2.0% general partner interest. On August 5, 2016, the Partnership completed an equity offering of 2,750,000 common units. In connection with the offering, the Partnership issued 56,122 general partner units to its general partner in order for GasLog to retain its 2.0% general partner interest. On January 27, 2017, the Partnership completed an equity offering of 3,750,000 common units. In addition, the option to purchase additional units was partially exercised by the underwriter

on February 24, 2017, resulting in 120,000 additional units being sold at the same price. In connection with the offering, the Partnership issued 78,980 general partner units to its general partner in order for GasLog to retain its 2.0% general partner interest.

On May 16, 2017, the subordination period expired, and the 9,822,358 subordinated units held by GasLog converted on a one-for-one basis into common units and now participate pro rata with other common units in distributions for available cash.

Also, on May 16, 2017, GasLog Partners entered into an Equity Distribution Agreement (the "Equity Distribution Agreement") under which the Partnership may, from time to time, raise equity through the ATM Programme having an aggregate offering price of up to \$100.0 million. On November 3, 2017, the Partnership entered into the Amended and Restated Equity Distribution Agreement to increase the size of the ATM Programme from \$100.0 million to \$144.0 million. Since the commencement of the ATM Programme through December 31, 2018, GasLog Partners has issued and received payment for a total of 5,291,304 common units. In connection with the issuance of common units under the Equity Distribution Agreement during this period, the Partnership also issued 107,987 general partner units to its general partner in order for GasLog to retain its 2.0% general partner interest. Earnings per share is presented for the periods in which the units were outstanding.

- (4) Upon the expiration of the subordination period, which occurred on May 16, 2017, the 9,822,358 subordinated units held by GasLog converted on a one-for-one basis into common units and now participate pro rata with other common units in distributions of available cash. Consequently, earnings have been allocated to subordinated units and the weighted average number of subordinated units has been calculated only for the applicable period in 2017 during which they were entitled to distributions based on the Partnership Agreement, i.e., for the three months ended March 31, 2017.
- (5) The operating days for our fleet are the total number of days in a given period that the vessels were in our possession less the total number of days off-hire not recoverable from the insurers. We define days off-hire as days lost to, among other things, operational deficiencies, dry-docking for repairs, maintenance or inspection, equipment breakdowns, special surveys and vessel upgrades, delays due to accidents, crew strikes, certain vessel detentions or similar problems, our failure to maintain the vessel in compliance with its specifications and contractual standards or to provide the required crew, or periods of commercial waiting time during which we do not earn charter hire.
- (6) **Non-GAAP Financial Measures**

Partnership Performance Results. As described above, our IFRS Common Control Reported Results are derived from the consolidated financial statements of the Partnership.

Our Partnership Performance Results presented below are non-GAAP measures and exclude amounts related to GAS-three Ltd., GAS-four Ltd. and GAS-five Ltd. (the owners of the *GasLog Shanghai*, the *GasLog Santiago* and the *GasLog Sydney*, respectively) for the period prior to the closing of the IPO, GAS-sixteen Ltd. and GAS-seventeen Ltd. (the owners of the *Methane Rita Andrea* and the *Methane Jane Elizabeth*, respectively) for the period prior to their transfer to the Partnership on September 29, 2014, the amounts related to GAS-nineteen Ltd., GAS-twenty Ltd. and GAS-twenty one Ltd. (the owners of the *Methane Alison Victoria*, the *Methane Shirley Elisabeth* and the *Methane Heather Sally*, respectively) for the period prior to their transfer to the Partnership on July 1, 2015, the amounts related to GAS-seven Ltd. (the owner of the *GasLog Seattle*) for the period prior to its transfer to the Partnership on November 1, 2016, the amounts related to GAS-eleven Ltd. (the owner of the *GasLog Greece*) for the period prior to its transfer to the Partnership on May 3, 2017, the amounts related to GAS-thirteen Ltd. (the owner of the *GasLog Geneva*) for the period prior to its transfer to the Partnership on July 3, 2017, the amounts related to GAS-eight Ltd. (the owner of the *Solaris*) for the period prior to its transfer to the Partnership on October 20, 2017, the amounts related to GAS-fourteen Ltd. (the owner of the *GasLog Gibraltar*) for the period prior to its transfer to the Partnership on April 26, 2018 and the amounts related to GAS-twenty seven Ltd. (the owner of the *Methane Becki Anne*) for the period prior to its transfer on November 14, 2018. While such amounts are reflected in the Partnership's reported financial statements because the transfers to the Partnership were accounted for as a reorganization of entities under common control under IFRS, the above mentioned entities were not owned by the Partnership prior to their transfers to the Partnership on the respective dates, and accordingly the Partnership was not entitled to the cash or results generated in the period prior to such transfers.

The Partnership Performance Results are non-GAAP financial measures. GasLog Partners believes that these financial measures provide meaningful supplemental information to both management and investors regarding the financial and operating performance of the Partnership because such presentation is consistent with the calculation of the quarterly distribution and the earnings per unit, which similarly exclude the results of vessels prior to their transfer to the Partnership. These non-GAAP financial measures should not be viewed in isolation or as substitutes to the equivalent GAAP measures presented in accordance with IFRS, but should be used in conjunction with the most directly comparable IFRS Common Control Reported Results.

Reconciliation of Partnership Performance Results to IFRS Common Control Reported Results in our Financial Statements:

	Year ended December 31, 2015			Year ended December 31, 2016			Year ended December 31, 2017			Year ended December 31, 2018		
	Results attributable to GasLog	Partnership Performance Results	IFRS Common Control Reported Results	Results attributable to GasLog	Partnership Performance Results	IFRS Common Control Reported Results	Results attributable to GasLog	Partnership Performance Results	IFRS Common Control Reported Results	Results attributable to GasLog	Partnership Performance Results	IFRS Common Control Reported Results
	Restated ⁽¹⁾		Restated ⁽¹⁾	Restated ⁽¹⁾		Restated ⁽¹⁾	Restated ⁽¹⁾		Restated ⁽¹⁾			Restated ⁽¹⁾
(in thousands of U.S. dollars)												
STATEMENT OF PROFIT OR LOSS												
Revenues	\$100,150	\$168,927	\$269,077	\$111,065	\$206,424	\$317,489	\$102,075	\$269,071	\$371,146	\$35,550	\$316,991	\$352,541
Net pool allocation . .	—	—	—	—	—	—	—	—	—	—	3,700	3,700
Voyage expenses and commissions	(1,542)	(2,102)	(3,644)	(1,492)	(2,841)	(4,333)	(1,273)	(3,377)	(4,650)	(444)	(6,678)	(7,122)
Vessel operating costs	(24,221)	(33,656)	(57,877)	(19,597)	(43,479)	(63,076)	(15,677)	(55,692)	(71,369)	(7,273)	(61,452)	(68,725)
Depreciation	(25,425)	(35,981)	(61,406)	(25,060)	(45,230)	(70,290)	(22,896)	(58,193)	(81,089)	(8,439)	(73,151)	(81,590)
General and administrative expenses	(1,682)	(10,383)	(12,065)	(1,987)	(11,219)	(13,206)	(1,442)	(13,869)	(15,311)	(464)	(18,905)	(19,369)
Profit from operations .	47,280	86,805	134,085	62,929	103,655	166,584	60,787	137,940	198,727	18,930	160,505	179,435
Financial costs	(20,246)	(21,789)	(42,035)	(30,060)	(30,187)	(60,247)	(20,206)	(44,916)	(65,122)	(6,029)	(60,258)	(66,287)
Financial income	17	24	41	30	179	209	47	972	1,019	15	2,398	2,413
(Loss)/gain on derivatives	(5,895)	—	(5,895)	(10,460)	3,623	(6,837)	—	121	121	—	(48)	(48)
Total other expense .	(26,124)	(21,765)	(47,889)	(40,490)	(26,385)	(66,875)	(20,159)	(43,823)	(63,982)	(6,014)	(57,908)	(63,922)
Profit for the year . .	\$ 21,156	\$ 65,040	\$ 86,196	\$ 22,439	\$ 77,270	\$ 99,709	\$ 40,628	\$ 94,117	\$ 134,745	\$ 12,916	\$ 102,597	\$ 115,513

EBITDA. EBITDA is defined as earnings before interest income and expense, gain/loss on derivative financial instruments, taxes, depreciation and amortization. EBITDA, which is a non-GAAP financial measure, is used as a supplemental financial measure by management and external users of financial statements, such as

our investors, to assess our operating performance. The Partnership believes that this non-GAAP financial measure assists our management and investors by increasing the comparability of our performance from period to period. The Partnership believes that including EBITDA assists our management and investors in (i) understanding and analyzing the results of our operating and business performance, (ii) selecting between investing in us and other investment alternatives and (iii) monitoring our ongoing financial and operational strength in assessing whether to purchase and/or to continue to hold our common units. This increased comparability is achieved by excluding the potentially disparate effects between periods of financial costs, gains/losses on derivatives, taxes, depreciation and amortization, which items are affected by various and possibly changing financing methods, financial market conditions, capital structure and historical cost basis and which items may significantly affect results of operations between periods.

EBITDA has limitations as an analytical tool and should not be considered as an alternative to, or as a substitute for, or superior to profit, profit from operations, earnings per unit or any other measure of operating performance presented in accordance with IFRS. Some of these limitations include the fact that it does not reflect (i) our cash capital expenditures or future requirements for capital expenditures or contractual commitments, (ii) changes in, or cash requirements for, our working capital needs and (iii) the significant interest expense, or the cash requirements necessary to service interest or principal payments, on our debt. Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future and EBITDA does not reflect any cash requirements for such replacements.

EBITDA excludes some, but not all, items that affect profit and these measures may vary among other companies. Therefore, EBITDA as presented herein may not be comparable to similarly titled measures of other companies. The following table reconciles EBITDA to profit, the most directly comparable IFRS financial measure, for the periods presented.

EBITDA is presented on the basis of IFRS Common Control Reported Results and Partnership Performance Results. Partnership Performance Results are non-GAAP measures. The difference between IFRS Common Control Reported Results and Partnership Performance Results are results attributable to GasLog as set out in the reconciliation above.

Reconciliation of Profit to EBITDA:

	IFRS Common Control Reported Results Year ended December 31,					Partnership Performance Results Year ended December 31,				
	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018
	Restated ⁽¹⁾	Restated ⁽¹⁾	Restated ⁽¹⁾	Restated ⁽¹⁾						
	(in thousands of U.S. dollars)									
Profit for the year	\$ 47,473	\$ 86,196	\$ 99,709	\$134,745	\$115,513	\$14,544	\$ 65,040	\$ 77,270	\$ 94,117	\$102,597
Depreciation	42,433	61,406	70,290	81,089	81,590	13,352	35,981	45,230	58,193	73,151
Financial costs	39,992	42,035	60,247	65,122	66,287	15,206	21,789	30,187	44,916	60,258
Financial income	(51)	(41)	(209)	(1,019)	(2,413)	(23)	(24)	(179)	(972)	(2,398)
Loss/(gain) on derivatives	18,554	5,895	6,837	(121)	48	5,218	—	(3,623)	(121)	48
EBITDA	\$148,401	\$195,491	\$236,874	\$279,816	\$261,025	\$48,297	\$122,786	\$148,885	\$196,133	\$233,656

Distributable cash flow. Distributable cash flow means EBITDA, on the basis of the Partnership Performance Results, after considering financial costs for the year, including realized loss on derivatives and excluding amortization of loan fees, estimated dry-docking and replacement capital reserves established by the Partnership and accrued distributions on Preference Units, whether or not declared. Estimated dry-docking and replacement capital reserves represent capital expenditures required to renew and maintain over the long-term the operating capacity of, or the revenue generated by, our capital assets. The Partnership believes that Distributable cash flow, which is a non-GAAP financial measure, is useful because it is a quantitative standard used by investors in publicly-traded partnerships to assess their ability to make quarterly cash distributions. Our calculation of Distributable cash flow may not be comparable to that reported by other companies.

Distributable cash flow has limitations as an analytical tool and should not be considered as an alternative to, or substitute for, or superior to, profit or loss, profit or loss from operations, earnings per unit or any other measure of operating performance presented in accordance with IFRS.

The table below reconciles Distributable cash flow and Cash distributions declared to EBITDA (Partnership Performance Results).

Reconciliation of EBITDA to Distributable Cash Flow*:

	Partnership Performance Results Year ended December 31,		
	2016	2017	2018
	(in thousands of U.S. dollars)		
EBITDA (Partnership Performance Results)*	\$148,885	\$196,133	\$233,656
Financial costs (excluding amortization of loan fees) and realized loss on derivatives	(26,929)	(41,722)	(52,876)
Dry-docking capital reserve	(8,829)	(12,234)	(13,890)
Replacement capital reserve	(29,467)	(33,877)	(35,450)
Paid and accrued preferred equity distribution	—	(7,749)	(22,495)
Distributable cash flow	83,660	100,551	108,945
Other reserves**	(14,244)	(14,207)	(7,756)
Cash distributions***	\$ 69,416	\$ 86,344	\$101,189

* The reconciliation of Profit to EBITDA on the basis of Partnership Performance Results is presented in Note 6 above.

** Refers to reserves (other than the dry-docking and replacement capital reserves) which have been established for the proper conduct of the business of the Partnership and its subsidiaries (including reserves for future capital expenditures and for anticipated future credit needs of the Partnership and its subsidiaries).

*** Refers to cash distributions made since the Partnership's IPO. It excludes payments of dividends due to GasLog before vessels were acquired by the Partnership.

⁽⁷⁾ Does not reflect a distribution of \$10.7 million declared in January 2015 in respect of the fourth quarter of 2014. Cash distribution paid includes \$9.8 million dividend due to GasLog which was declared in 2013 and excludes \$8.8 million dividend due to GasLog which was declared in 2014, in both cases prior to the contribution of the relevant vessels to the Partnership.

⁽⁸⁾ Does not reflect a distribution of \$15.7 million declared in January 2016 in respect of the fourth quarter of 2015. Cash distribution paid includes \$8.8 million dividend due to GasLog which was declared in 2014 and excludes \$11.8 million dividend due to GasLog which was declared in 2015, in both cases prior to the contribution of the relevant vessels to the Partnership.

- ⁽⁹⁾ Does not reflect a distribution of \$19.6 million declared in January 2017 and paid in February 2017, in respect of the fourth quarter of 2016.
- ⁽¹⁰⁾ Cash distribution paid includes \$7.8 million, \$3.0 million and \$1.0 million of dividends due to GasLog which were declared in 2015 prior to the contribution of the *GasLog Seattle*, the *Solaris* and the *Methane Becki Anne*, respectively, to the Partnership.
- ⁽¹¹⁾ Does not reflect a distribution of \$22.8 million declared in January 2018 and paid in February 2018, in respect of the fourth quarter of 2017.
- ⁽¹²⁾ Does not reflect a distribution of \$26.9 million declared in January 2019 and paid in February 2019, in respect of the fourth quarter of 2018.
- ⁽¹³⁾ Does not reflect a distribution of \$10.7 million declared in January 2015 and paid in February 2015, in respect of the fourth quarter of 2014.
- ⁽¹⁴⁾ Does not reflect a distribution of \$15.7 million declared in January 2016 and paid in February 2016, in respect of the fourth quarter of 2015.

B. Capitalization and Indebtedness

The following table sets forth our capitalization as of December 31, 2018:

This information should be read in conjunction with “Item 5. Operating and Financial Review and Prospects”, and our consolidated financial statements and the notes thereto included in “Item 18. Financial Statements”.

	<u>As of December 31, 2018</u> (in thousands of U.S. dollars)
Debt: ⁽¹⁾	
Borrowings—current portion	429,437
Borrowings—non-current portion	<u>805,560</u>
Total debt	<u>1,234,997</u>
Partners’ Equity:	
Common unitholders: 45,448,993 units issued and outstanding	812,863
General partner: 927,532 units issued and outstanding	13,289
Preference unitholders: 5,750,000 Series A, 4,600,000 Series B and 4,000,000 Series C issued and outstanding	348,331
Incentive distribution rights	<u>5,176</u>
Total Partners’ Equity	<u>1,179,659</u>
Total capitalization	<u>2,414,656</u>

⁽¹⁾ All of our bank debt has been incurred by our vessel-owning subsidiaries. See “Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources—Credit Facilities” for more information about our credit facilities.

C. Reasons for the Offer and Use of Proceeds

Not applicable.

D. Risk Factors

Risks Inherent in Our Business

Our fleet consists of 14 LNG carriers. The charters on two of the Steam vessels expire in 2019, one of which has been rechartered, and five further charters expire in 2020, including four Steam vessels. On redelivery, the vessels may operate in the short-term spot market until we successfully secure new multi-year time charters. Operating vessels in the spot market could have a material adverse effect on our business, results of operations and financial condition and could significantly reduce or eliminate our ability to pay distributions on our common or Preference Units.

The *Methane Jane Elizabeth* is due to come off charter in October 2019 and the *Methane Alison Victoria* in December 2019, each plus or minus 30 days. A one-year charter has been secured for either the *Methane Jane Elizabeth* or the *Methane Alison Victoria* (as nominated by the Partnership) commencing in either November or December 2019 at the Partnership's option. The charter rate for this one-year charter is lower than the current charter rates of either the *Methane Jane Elizabeth* or the *Methane Alison Victoria*. In addition, the *Methane Rita Andrea*, the *Methane Shirley Elisabeth*, the *Methane Heather Sally*, the *GasLog Sydney* and either the *Methane Jane Elizabeth* or the *Methane Alison Victoria* are due to come off charter during 2020. We continue to pursue opportunities for new multi-year charters for these vessels, but we may have difficulty in securing new charters at attractive rates and durations. In the interim, we may have exposure to the volatile spot market which is highly competitive and subject to significant price fluctuations. Moreover, multi-year charters that we secure for on-the-water vessels may not be as long in duration as multi-year charters we have enjoyed in the past. In recent years, as a result of more LNG being traded on a short-term basis and greater liquidity in the LNG shipping market, there has been a decrease in the duration of term charters for on-the-water vessels with such charters now generally being anywhere between one and five years in duration. If we are unable to re-deploy a vessel, we will not receive any revenues from that vessel, and we will be required to pay expenses necessary to maintain the vessel in proper operating condition as well as to service the debt attached to that vessel.

Failure to secure new multi-year charters could adversely affect our future liquidity, results of operations and cash flows, including cash available for distribution to unitholders, as well as our ability to meet certain of our debt covenants. A sustained decline in charter rates could also adversely affect the market value of our vessels, on which certain of the ratios and financial covenants with which we are required to comply are based. Vessel values may fluctuate substantially, which could result in an impairment charge, could impact our compliance with the covenants in our loan agreements and, if the values are lower at a time when we are attempting to dispose of vessels, could cause us to incur a loss.

Our fleet of 14 LNG carriers includes nine TFDE vessels and five Steam vessels. The charters on the five Steam vessels expire during 2019 and 2020. Whilst we will seek to recharter all five Steam vessels on multi-year contracts, advances in LNG carrier technology may negatively impact our ability to recharter these vessels on attractive terms. If we are unable to recharter the Steam vessels on multi-year charters with similar terms, our revenues and cash flows from these vessels will decline following expiration of our current charter arrangements.

Our Steam vessels are less efficient than larger and more modern LNG carriers and it may be more challenging to find spot and/or term employment for these vessels. However, we will continue to pursue new multi-year charters for these vessels. If we are unable to secure new multi-year charters, the Steam vessels may operate in the short-term spot market and the revenues and cash flows from these vessels are likely to decline following expiration of our current charter arrangements. Failure to secure new multi-year charters could adversely affect our future liquidity, results of operations and cash flows, including cash available for distribution to unitholders, as well as our ability to meet certain of our debt covenants

If the number of vessels available in the short-term or spot LNG carrier charter market continues to expand and results in reduced opportunities to secure multi-year charters for our vessels, our revenues and cash flows may become more volatile and may decline following expiration or early termination of our current charter arrangements.

Most shipping requirements for new LNG projects continue to be secured on a multi-year basis, though the level of spot voyages and short-term time charters of less than 12 months in duration has grown in the past few years. If the number of vessels available in the short-term or spot charter market continues to expand and results in reduced opportunities to secure multi-year charters for our vessels, we may only be able to enter into short-term time charters upon expiration or early termination of our current charters. As a result, our revenues and cash flows may become more volatile. In addition, an active short-term or spot charter market may require us to enter into charters based on changing market prices, as opposed to contracts based on fixed rates, which could result in a decrease in our revenues and cash flows, including cash available for distribution to unitholders, if we enter into charters during periods when the market price for shipping LNG is depressed.

An oversupply of LNG carriers may lead to a reduction in the charter hire rates we are able to obtain when seeking charters in the future which could adversely affect our results of operations and cash flows.

While we currently believe that the global LNG carrier fleet may experience high levels of utilization over the next two to three years, the supply of LNG carriers has been increasing as a result of the delivery and ordering of new ships. The development of liquefaction projects in the United States and the anticipation of exports beginning in early 2016 drove significant ordering activity. Whilst we saw a decline in ordering of newbuilds during 2016 and 2017, ordering of newbuilds increased in 2018, driven by strengthening charter rates and increasing expectations for long-term LNG supply and demand. According to Poten, as of February 11, 2019, the global fleet of LNG carriers (>65,000 cbm) consisted of 493 vessels, with 105 LNG carriers on order, of which 66 have long term charters. This increase in ship orders, the large number of ordered newbuilds that are uncommitted and any future expansion of the global LNG carrier fleet in excess of the demand for LNG shipping may have a negative impact on charter hire rates, ship utilization and ship values.

If charter hire rates are lower when we are seeking new time charters, our revenues and cash flows, including cash available for distribution to unitholders, may decline.

Our future capital needs are uncertain and we may need to raise additional funds in the future.

We believe that our existing cash and cash equivalents will be sufficient to meet our anticipated cash requirements for at least the next 12 months. However, we may need to raise additional capital to maintain, replace and expand the operating capacity of our fleet, fund our operations and meet our debt service obligations. Our future funding requirements will depend on many factors, including the cost and timing of vessel acquisitions, the cost of retrofitting or modifying existing ships as a result of technological advances, changes in applicable environmental or other regulations or standards, customer requirements or otherwise. Our ability to obtain bank financing or to access the capital markets for future offerings may be limited by our financial condition at the time of any such financing or offering, as well as by adverse market conditions that are beyond our control. If we raise additional funds by issuing equity or equity-linked securities, our unitholders may experience dilution or reduced distributions per unit. Inability to secure bank financing or access the capital markets could have a material adverse effect on our business, or financial condition, results of operations and cash flows, including cash available for distributions to our unitholders.

Four of our credit facilities, including our intercompany credit facility, are due to mature between 2019 and 2022. We cannot guarantee that renewal or replacement of these lines of credit will occur on similar or more favourable terms.

Securing access to replacement funds in advance of the maturity of our current debt facilities cannot be assured on the same or similar terms. Debt financing, if available, may involve covenants restricting our operations or our ability to incur additional debt or to pay distributions to unitholders. Any future debt or equity financing raised may contain unfavorable terms to us or our unitholders. If we are unable to raise adequate funds, we may have to liquidate some or all of our assets, or delay, reduce the scope of, or eliminate some or all of our fleet expansion plans. Any of these factors could have a material adverse effect on our business, financial condition, results of operations and cash flows, including cash available for distributions to our unitholders.

Our relationship with GasLog is key to our operations and to our future growth. If GasLog fails to maintain a drop-down pipeline of vessels with multi-year charters and to support our operations and commercial endeavours, this would have a material adverse effect on our business, results of operations and financial condition and could significantly reduce or eliminate our ability to pay distributions on our common or Preference Units.

Our current drop-down pipeline is composed solely of GasLog vessels. Our future growth, at this time, is largely dependent on a continuing relationship with GasLog and other factors related to that relationship, some of which are beyond our control including our ability to:

- maintain a drop-down pipeline of existing or newbuild vessels with multi-year charters from GasLog. GasLog's increased exposure to the spot market and potential lack of success in winning new charters for existing or newbuild vessels may limit the availability of vessels with multi-year charters that we are able to acquire;
- access the financing required to fund the acquisition of vessels from GasLog; or
- obtain the required consents from lenders and charterers for the acquisition of vessels from GasLog.

We and our operating subsidiaries have entered into various service agreements with GasLog and its subsidiaries, including GasLog LNG Services. Under such agreements, GasLog and its subsidiaries provide certain administrative, financial and other services, and provide substantially all of our crew, technical management services (including vessel maintenance, periodic dry-docking, cleaning and painting, performing work required by regulations and human resources and financial services) and other advisory and commercial management services, including the sourcing of new contracts and renewals of existing contracts. Our operational success and ability to execute our growth strategy depend significantly upon the satisfactory performance of these services by GasLog and its subsidiaries. Our business will be harmed if such subsidiaries fail to perform these services satisfactorily or if they stop providing these services to us or our operating subsidiaries.

Our ability to compete for new charters and expand our customer relationships depends largely on our ability to leverage our relationship with GasLog and its reputation and relationships in the shipping industry. If GasLog suffers material damage to its reputation or relationships, it may harm our ability to:

- renew existing charters upon their expiration;
- obtain new charters;
- successfully interact with shipyards;
- obtain financing on commercially acceptable terms;

- maintain access to capital under the revolving credit facility with GasLog entered into in April 2017, the “New Sponsor Credit Facility”;
- maintain satisfactory relationships with suppliers and other third parties;
- recruit and retain suitably qualified and experienced seafarers and shore-based employees through GasLog pursuant to the services agreements we have entered into with GasLog. We currently rely on GasLog’s ability to attract, hire, train and retain highly skilled and qualified personnel on our behalf in a highly competitive market; and
- continue to meet technical and safety performance standards.

If our ability to do any of the things described above is impaired, it would have a material adverse effect on our business, financial condition, results of operations and ability to make cash distributions to our unitholders.

Our future growth depends on our ability to maintain our relationship with our existing customers, establish new customer relationships and obtain new time charter contracts, for which we face considerable competition from other established companies with significant resources, as well as recent and potential future new entrants.

One of our principal objectives is to enter into additional multi-year, fixed-rate charters. The process of obtaining multi-year, fixed rate charters for LNG carriers is highly competitive and generally involves an intensive screening process by potential customers and the submission of competitive bids, all of which can often extend for several months. We believe LNG carrier time charters are awarded based upon a variety of factors relating to the ship and the ship operator, including:

- size, age, technical specifications and condition of the ship;
- efficiency of ship operations;
- LNG shipping experience and quality of ship operations;
- shipping industry relationships and reputation for customer service;
- technical ability and reputation for operation of highly specialized ships;
- quality and experience of officers and crew;
- safety record;
- the ability to finance ships at competitive rates and financial stability generally;
- relationships with shipyards and the ability to get suitable berths;
- construction management experience, including the ability to obtain on-time delivery of new ships according to customer specifications; and
- competitiveness of the bid in terms of overall price.

We expect substantial competition from a number of experienced companies and recent and potential future new entrants to the LNG shipping market. Competitors may include other independent ship owners, state-sponsored entities and major energy companies that own and operate LNG carriers, all of whom may compete with independent owners by using their own fleets to carry LNG for third parties. Some of these competitors have significantly greater financial resources and larger fleets than we or GasLog have, and some have particular relationships that may provide them with competitive advantages. During 2017 and 2018, a number of marine transportation companies, including companies with strong reputations and extensive resources and experience, have either entered or significantly increased their presence in the LNG transportation market. There are other

ship owners and managers who may also attempt to participate in the LNG market in the future. This increased competition may cause greater price competition for time charters. As a result, we may be unable to expand our relationships with existing customers or to obtain new customers on a profitable basis and we may not be successful in executing any future growth plans, which could have a material adverse effect on our business, financial condition, results of operations and cash flows, including cash available for distribution to unitholders.

We may experience operational problems with vessels that reduce revenues and increase costs. In addition, there are risks associated with operating ocean-going ships. Any limitation in the availability or operation of our ships could have a material adverse effect on our business, our reputation, financial condition, results of operations and cash flows.

Our fleet consists of 14 LNG carriers that are in operation. LNG carriers are complex and their operations are technically challenging. Marine transportation operations are subject to mechanical risks and problems. Operational problems may lead to loss of revenues or higher than anticipated operating expenses or require additional capital expenditures.

Furthermore, the operation of ocean-going ships carries inherent risks. These risks include the possibility of:

- marine disaster;
- piracy;
- cyber attacks or other failures of operational and information technology systems;
- environmental accidents;
- adverse weather conditions;
- grounding, fire, explosions and collisions;
- cargo and property loss or damage;
- business interruptions caused by mechanical failure, human error, war, terrorism, disease and quarantine, or political action in various countries; and
- work stoppages or other labor problems with crew members serving on our ships.

An accident involving any of our owned ships could result in any of the following:

- death or injury to persons, damage to our ships, loss of property or environmental damage;
- delays in the delivery of cargo;
- loss of revenues from termination of charter contracts;
- governmental fines, penalties or restrictions on conducting business;
- litigation with our employees, customers or third parties;
- higher insurance rates; and
- damage to our reputation and customer relationships generally.

If any of our ships are unable to generate revenues for any significant period of time for any reason, including unexpected periods of off-hire or early charter termination (which could result from damage to our ships), our business, financial condition, results of operations and cash flows, including cash available for distribution to unitholders, could be materially and adversely affected. The impact of any limitation in the operation of our ships or any early charter termination would be amplified, as a substantial portion of our cash flows and income is dependent on the revenues earned by the

chartering of our 14 LNG carriers in operation. In addition, the costs of ship repairs are unpredictable and can be substantial. In the event of repair costs that are not covered by our insurance policies, we may have to pay for such repair costs, which would decrease our earnings and cash flows. Any of these results could harm our business, financial condition, results of operations and ability to make cash distributions to our unitholders.

We currently derive the majority of our revenues from a single customer and in the immediate future we will continue to depend on one customer for nearly all of our revenues after our expected acquisition of additional vessels from GasLog. The loss of this customer would result in a significant loss of revenues and could have a material adverse effect on our business, financial condition, results of operations and cash flows.

We currently derive the majority of our revenues from wholly-owned subsidiaries of Shell. We could lose a customer or the benefits of our time charter arrangements for many different reasons. The customer may be unable or unwilling to make charter hire or other payments to us because of a deterioration in its financial condition, commercial disputes with us, long term force majeure events or otherwise. If a customer terminates its charters, chooses not to re-charter our ships or is unable to perform under its charters and we are not able to find replacement charters on similar terms, we will suffer a loss of revenues. Such a loss could have a material adverse effect on our business, financial condition, results of operations and cash flows, including cash available for distribution to unitholders.

If we cannot meet our charterers' quality and compliance requirements we may not be able to operate our vessels profitably which could have an adverse effect on our future performance, results of operations, cash flows and financial position.

Customers, and in particular those in the LNG industry, have a high and increasing focus on quality and compliance standards with their suppliers across the entire value chain, including the shipping and transportation segment. Our continuous compliance with these standards and quality requirements is vital for our operations. Related risks could materialize in multiple ways, including a sudden and unexpected breach in quality and/or compliance concerning one or more vessels and/or a continuous decrease in the quality concerning one or more LNG carriers occurring over time. Moreover, continuously increasing requirements from LNG industry constituents can further complicate our ability to meet the standards. We are largely dependent on GasLog for our compliance with the standards of our customers. Any noncompliance by us, either suddenly or over a period of time, on one or more LNG carriers, or an increase in requirements by our charterers above and beyond what we deliver, may have a material adverse effect on our future performance, results of operations, cash flows and financial position.

Any charter termination could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Our charterer has the right to terminate a ship's time charter in certain circumstances, such as:

- loss of the ship or damage to it beyond repair;
- if the ship is off-hire for any reason other than scheduled dry-docking for a period exceeding 90 consecutive days, or for more than 90 days in any one-year period;
- defaults by us in our obligations under the charter; or
- the outbreak of war or hostilities involving two or more major nations, such as the United States or the People's Republic of China, that would materially and adversely affect the trading of the ship for a period of at least 30 days.

A termination right under one ship's time charter would not automatically give the charterer the right to terminate its other charter contracts with us. However, a charter termination could materially

affect our relationship with the customer and our reputation in the LNG shipping industry, and in some circumstances the event giving rise to the termination right could potentially impact multiple charters. Accordingly, the existence of any right of termination could have a material adverse effect on our business, financial condition, results of operations and cash flows, including cash available for distribution to unitholders.

Our future performance and ability to secure future time charters depends on continued growth in LNG production and demand for LNG and LNG shipping.

Our future performance, including our ability to profitably expand our fleet, will depend on continued growth in LNG production and the demand for LNG and LNG shipping. A complete LNG project includes natural gas production, liquefaction, storage, regasification and distribution facilities, in addition to the marine transportation of LNG. Increased infrastructure investment has led to an expansion of LNG production capacity in recent years, but material delays in the construction of new liquefaction facilities could constrain the amount of LNG available for shipping, reducing ship utilization. The rate of growth of the LNG industry has fluctuated due to several factors, including the rate of global economic growth, fluctuations in global commodity prices, including natural gas, oil and coal as well as other sources of energy, and energy and environmental policy in markets which produce and/or consume LNG. Continued growth in LNG production and demand for LNG and LNG shipping could be negatively affected by a number of factors, including:

- prices for crude oil, petroleum products and natural gas;
- the cost of natural gas derived from LNG relative to the cost of natural gas generally and to the cost of alternative fuels, including renewables, and the impact of increases in the cost of natural gas derived from LNG on consumption of LNG;
- increases in the production levels of lower cost domestic natural gas in natural gas consuming markets, which could further depress prices for natural gas in those markets and make LNG uneconomical;
- increases in the production of natural gas in areas linked by pipelines to consuming areas, the extension of existing pipelines, or the development of new pipeline systems in markets we may serve;
- infrastructure constraints such as delays in the construction of liquefaction or regasification facilities, the inability of project owners or operators to obtain governmental approvals to construct or operate LNG facilities, as well as community or political action group resistance to new LNG infrastructure due to concerns about the environment, safety and terrorism;
- the availability and allocation of capital by developers to new LNG projects, especially the major oil and gas companies and other leading participants in the LNG industry;
- increases in interest rates or other events that may affect the availability of sufficient financing for LNG projects on commercially reasonable terms;
- negative global or regional economic or political conditions, particularly in LNG consuming regions, which could reduce energy consumption or its growth;
- new taxes or regulations affecting LNG production or liquefaction that make LNG production less attractive;
- labor or political unrest or military conflicts affecting existing or proposed areas of LNG production or regasification;
- any significant explosion, spill or other incident involving an LNG facility or carrier; or
- regional, national or international energy policies that constrain the production or consumption of hydrocarbons including natural gas.

In recent years, global crude oil prices were volatile. Any decline in oil prices can depress natural gas prices and lead to a narrowing of the difference in pricing between geographic regions, which can adversely affect the length of voyages in the spot LNG shipping market and the spot rates and medium-term charter rates for charters which commence in the near future.

A continuation of the recent volatility in natural gas and oil prices may adversely affect our growth prospects and results of operations.

Natural gas prices are volatile and are affected by numerous factors beyond our control, including but not limited to the following:

- price and availability of crude oil and petroleum products;
- worldwide and regional demand for and price of natural gas;
- the costs of exploration, development, production, transportation and distribution of natural gas;
- expectations regarding future energy prices for both natural gas and other sources of energy, including renewable energy sources;
- the level of worldwide LNG production and exports;
- government laws and regulations, including but not limited to environmental protection laws and regulations;
- local and international political, economic and weather conditions;
- political and military conflicts; and
- the availability and cost of alternative energy sources, including alternate sources of natural gas in gas importing and consuming countries as well as alternate sources of primary energy such as renewables.

Given the significant global natural gas and crude oil price volatility referenced above, and with six vessels currently scheduled to come off charter during 2019 and 2020, a continuation of volatility in natural gas or oil prices may adversely affect our future business, results of operations and financial condition and our ability to make cash distributions, as a result of, among other things:

- a reduction in exploration for or development of new natural gas reserves or projects, or the delay or cancellation of existing projects as energy companies lower their capital expenditures budgets, which may reduce our growth opportunities;
- low oil prices negatively affecting the market price of natural gas, to the extent that natural gas prices are benchmarked to the price of crude oil, in turn negatively affecting the economics of potential new LNG production projects, which may reduce our growth opportunities;
- high oil prices negatively affecting the competitiveness of natural gas to the extent that natural gas prices are benchmarked to the price of crude oil;
- lower demand for vessels of the types we own and operate, which may reduce available charter rates and revenue to us upon redeployment of our vessels following expiration or termination of existing contracts or upon the initial chartering of vessels;
- customers potentially seeking to renegotiate or terminate existing vessel contracts, or failing to extend or renew contracts upon expiration;
- the inability or refusal of customers to make charter payments to us due to financial constraints or otherwise; or

- declines in vessel values, which may result in losses to us upon vessel sales or impairment charges against our earnings and could impact our compliance with the covenants in our loan agreements.

Ship values may fluctuate substantially, which could result in an impairment charge, impact our compliance with the covenants in our loan agreements and, if the values are lower at a time when we are attempting to dispose of ships, cause us to incur a loss.

Values for ships can fluctuate substantially over time due to a number of different factors, including:

- prevailing economic conditions in the natural gas and energy markets;
- a substantial or extended decline in demand for LNG;
- the level of worldwide LNG production and exports;
- changes in the supply-demand balance of the global LNG carrier fleet and the size and contract profile of the LNG carrier orderbook;
- changes in prevailing charter hire rates;
- the physical condition of the ship;
- the size, age and technical specifications of the ship; and
- the cost of retrofitting or modifying existing ships, as a result of technological advances in ship design or equipment, changes in applicable environmental or other regulations or standards, customer requirements or otherwise.

If the market value of our ships declines, we may be required to record an impairment charge in our financial statements, which could adversely affect our results of operations. See “Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Recourses—Critical Accounting Policies—Impairment of Vessels”. Deterioration in market value of our ships may trigger a breach of some of the covenants contained in our credit facilities. If we do breach such covenants and we are unable to remedy the relevant breach, our lenders could accelerate our indebtedness and seek to foreclose on the ships in our fleet securing those credit facilities. In addition, if a charter contract expires or is terminated by the customer, we may be unable to re-deploy the affected ships at attractive rates and, rather than continue to incur costs to maintain and finance them, we may seek to dispose of them. Any foreclosure on our ships, or any disposal by us of a ship at a time when ship prices have fallen, could result in a loss and could materially and adversely affect our business, financial condition, results of operations and cash flows, including cash available for distribution to unitholders.

Due to our lack of diversification, adverse developments in the LNG market and/or in the LNG transportation industry could adversely affect our business, particularly if such developments occur at a time when we are seeking a new charter.

We rely exclusively on the cash flow generated from charters for our LNG vessels. Due to our lack of diversification, an adverse development in the LNG market and/or the LNG transportation industry could have a significantly greater impact on our business, particularly if such developments occur at a time when our ships are not under charter or nearing the end of their charters, than if we maintained more diverse assets or lines of businesses.

Changes in global and regional economic conditions could adversely impact our business, financial condition, results of operations and cash flows.

Weak global or regional economic conditions may negatively impact our business, financial condition, results of operations and cash flows in ways that we cannot predict. Our ability to expand our fleet will be dependent on our ability to obtain financing to fund the acquisition of additional ships. In addition, uncertainty about current and future global economic conditions may cause our customers to defer projects in response to tighter credit, decreased capital availability and declining customer confidence, which may negatively impact the demand for our ships and services and could also result in defaults under our current charters. Global financial markets and economic conditions have been volatile in recent years and remain subject to significant vulnerabilities. A further tightening of the credit markets may negatively impact our operations by affecting the solvency of our suppliers or customers, which could lead to disruptions in delivery of supplies such as equipment for conversions, cost increases for supplies, accelerated payments to suppliers, customer bad debts or reduced revenues. Similarly, such market conditions could affect lenders participating in our financing agreements, making them unable to fulfill their commitments and obligations to us. Any reduction in activity owing to such conditions or failure by our customers, suppliers or lenders to meet their contractual obligations to us could adversely affect our business, financial position, results of operations and ability to make cash distributions to our unitholders.

GasLog LNG Services, our vessels' management company, and a substantial number of its staff are located in Greece. A return of economic instability in Greece could disrupt our operations and have an adverse effect on our business. We have sought to minimize this risk and preserve operational stability by carefully developing staff deployment plans, an information technology recovery site, an alternative ship to shore communications plan and funding mechanisms outside of Greece. While we believe these plans, combined with the international nature of our operations, will mitigate the impact of any disruption of operations in Greece, we cannot assure you that these plans will be effective in all circumstances.

GasLog has an office in England and our vessels may visit ports within the United Kingdom. The United Kingdom is due to exit the European Union on March 29, 2019 and will then enter a transition period from March 30, 2019 to December 31, 2020 during which it will seek to complete its separation from the European Union. Uncertainty regarding the process the United Kingdom will follow to withdraw from the European Union, the transition period and the relationship between the United Kingdom and the European Union post 2020 may create economic instability in the United Kingdom which could disrupt our operations and have an adverse effect on our business. Whilst we will seek to minimize any potential risk by putting appropriate mitigation plans in place, we cannot assure you that these plans will be effective in all circumstances.

A cyber-attack could materially disrupt the Partnership's business.

The Partnership relies on information technology systems and networks, the majority of which are hosted by GasLog, in its operations and the administration of its business. The Partnership's business operations, or those of GasLog, could be targeted by individuals or groups seeking to sabotage or disrupt the Partnership's or GasLog's information and operational technology systems and networks, or to steal data. A successful cyber-attack could materially disrupt the Partnership's operations, including the safety and integrity of its operations, or lead to unauthorized release of information or alteration of information on its systems. Any such attack or other breach of the Partnership's information technology systems could have a material adverse effect on the Partnership's business and results of operations. While we have insurance policies in place to cover losses in the event of a cyber-related event, there can be no assurance that any specific event would be covered by these policies or that the losses would be covered in full.

We may not have sufficient cash from operations following the establishment of cash reserves and payment of fees and expenses to enable us to pay the quarterly distributions on our common units, Preference Units and general partner units or to redeem our Preference Units.

Our board of directors makes determinations regarding the payment of distributions in its sole discretion and in accordance with our partnership agreement and applicable law. There is no guarantee that we will continue to make distributions to our unitholders in the future (including cumulative distributions payable with respect to our Preference Units). The markets in which we operate our vessels are volatile and we cannot predict with certainty the amount of cash, if any, that will be available for distribution in any period. We may not have sufficient cash from operations to pay the minimum quarterly distribution of \$0.375 per unit on our common units and general partner units or to pay the quarterly preference distributions on our Preference Units. The amount of cash we can distribute on our units depends upon the amount of cash we generate from our operations, which may fluctuate from quarter to quarter based on the risks described in this section, including, among other things:

- the rates we obtain from our charters and the performance by our charterers of their obligations under the charters;
- the expiration of charter contracts;
- the charterers' options to terminate charter contracts;
- the number of off-hire days for our fleet and the timing of, and number of days required for, dry-docking of vessels;
- the level of our operating costs, such as the cost of crews, vessel maintenance and insurance;
- the supply of LNG carriers;
- prevailing global and regional economic and political conditions; and
- the effect of governmental regulations and maritime self-regulatory organization standards on the conduct of our business.

In addition, the actual amount of cash available for distribution will depend on other factors, including:

- the level of capital expenditures we make, including for maintaining or replacing vessels and complying with regulations;
- our debt service requirements, including fluctuations in interest rates, and restrictions on distributions contained in our debt instruments;
- our financial covenants, especially as concerns the minimum liquidity that we are required to maintain at all times;
- the level of debt we will incur to fund future acquisitions, including if we exercise our options to purchase any additional vessels from GasLog;
- fluctuations in our working capital needs;
- our ability to make, and the level of, working capital borrowings; and
- the amount of any cash reserves, including reserves for future maintenance and replacement capital expenditures, working capital and other matters, established by our board of directors, which cash reserves are not subject to any specified maximum dollar amount.

The amount of cash we generate from our operations may differ materially from our profit or loss for a specified period, which will be affected by non-cash items. As a result of this and the other

factors mentioned above, we may make cash distributions during periods in which we record losses and may not make cash distributions during periods when we record a profit.

Our ability to grow and to meet our financial needs may be adversely affected by our cash distribution policy.

Our cash distribution policy, which is consistent with our partnership agreement, requires us to distribute all of our available cash (as defined in our partnership agreement) each quarter. Accordingly, our growth may not be as fast as that of businesses that reinvest their available cash to expand ongoing operations.

In determining the amount of cash available for distribution, our board of directors approves the amount of cash reserves to set aside, including reserves for future maintenance and replacement capital expenditures, working capital and other matters. We also rely upon external financing sources, including commercial borrowings, to fund our capital expenditures. To the extent we do not have sufficient cash reserves or are unable to obtain financing, our cash distribution policy may significantly impair our ability to meet our financial needs or to grow.

We must make substantial capital expenditures to maintain and expand our fleet, which will reduce cash available for distribution. In addition, each quarter we are required to deduct estimated maintenance and replacement capital expenditures from operating surplus, which may result in less cash available to unitholders than if actual maintenance and replacement capital expenditures were deducted.

We must make substantial capital expenditures to maintain and replace, over the long-term, the operating capacity of our fleet. Maintenance and replacement capital expenditures from operating surplus totaled \$49.3 million for the year ended December 31, 2018. We estimate that future maintenance and replacement capital expenditures will average approximately \$54.8 million per full year, including potential costs related to replacing current vessels at the end of their useful lives. Maintenance and replacement capital expenditures include capital expenditures associated with (i) the removal of a vessel from the water for inspection, maintenance and/or repair of submerged parts (or dry-docking) and (ii) modifying an existing vessel or acquiring a new vessel, to the extent these expenditures are incurred to maintain, enhance or replace the operating capacity of our fleet. These expenditures could vary significantly from quarter to quarter and could increase as a result of changes in:

- the cost of labor and materials;
- the time required to carry out any investments;
- customer requirements;
- the size of our fleet;
- the cost of replacement vessels;
- the length and terms of our charters;
- governmental regulations and maritime self-regulatory organization standards relating to safety, security or the environment;
- competitive standards; and
- the age of our ships.

Significant capital expenditures, including to maintain and replace, over the long-term, the operating capacity of our fleet, may reduce or eliminate the amount of cash available for distribution to our unitholders. Our partnership agreement requires our board of directors to deduct estimated, rather than actual, maintenance and replacement capital expenditures from operating surplus each quarter in

an effort to reduce fluctuations in operating surplus (as defined in our partnership agreement). The amount of estimated maintenance and replacement capital expenditures deducted from operating surplus is subject to review and change by our conflicts committee at least once a year. In years when estimated maintenance and replacement capital expenditures are higher than actual maintenance and replacement capital expenditures, the amount of cash available for distribution to unitholders will be lower than if actual maintenance and replacement capital expenditures were deducted from operating surplus. If our board of directors underestimates the appropriate level of estimated maintenance and replacement capital expenditures, we may have less cash available for distribution in future periods when actual capital expenditures exceed our previous estimates.

Our ability to obtain additional debt financing for future acquisitions of ships or to refinance our existing debt may depend on the creditworthiness of our charterers and the terms of our future charters.

Our ability to borrow against the ships in our existing fleet and any ships we may acquire in the future largely depends on the value of the ships, which in turn depends in part on charter hire rates, charter lengths and the ability of our charterers to comply with the terms of their charters. The actual or perceived credit quality of our charterers, and any defaults by them, may materially affect our ability to obtain the additional capital resources that we will require to purchase additional ships and to refinance our existing debt as balloon payments come due, or may significantly increase our costs of obtaining such capital. Our inability to obtain additional financing or committing to financing on unattractive terms could have a material adverse effect on our business, financial condition, results of operations and cash flows, including cash available for distributions to our unitholders.

The derivative contracts used to hedge our exposure to fluctuations in interest rates and foreign exchange rates could result in reductions in our partners' equity as well as charges against our profit.

We enter into derivative contracts from time to time for purposes of managing our exposure to fluctuations in interest rates applicable to floating rate indebtedness and in foreign exchange rates relating to our operating expenditures that are denominated in currencies other than the U.S. dollar. As of December 31, 2018, we had six interest rate swaps in place with a notional amount of \$625.0 million (of which \$75.0 million had an effective date of January 2019) and nine foreign exchange forward contracts to purchase a total notional amount of €18.0 million. None of the existing derivative contracts were designated as a cash flow hedging instrument. The changes in their fair value are recognized in our statement of profit or loss. Changes in the fair value of any derivative contracts that do not qualify for treatment as cash flow hedges for financial reporting purposes would affect, among other things, our profit and earnings per unit and would affect compliance with the market value adjusted net worth covenants in our credit facilities. For future interest rate swaps and foreign exchange forwards that may be designated as cash flow hedging instruments, the changes in the fair value of the contracts will be recognized in our statement of other comprehensive income as cash flow hedge gains or losses for the period, and could affect compliance with the market value adjusted net worth covenants in our credit facilities.

There is no assurance that our derivative contracts will provide adequate protection against adverse changes in interest rates or foreign exchange rates or that our bank counterparties will be able to perform their obligations. In addition, as a result of the implementation of new regulation of the swaps markets in the United States, the European Union and elsewhere over the next few years, the cost and availability of interest rate and currency hedges may increase or suitable hedges may not be available.

Our earnings and business are subject to the credit risk associated with our contractual counterparties.

We will enter into, among other things, time charters and other contracts with our customers, credit facilities and commitment letters with banks, insurance contracts and interest rate swaps and

foreign exchange forward contracts. Such agreements subject us to counterparty credit risk. For example, the majority of our vessels are chartered to, and we received the majority of our total revenues for the year ended December 31, 2018 from, subsidiaries of Shell. During 2019, two of our vessels will be on charter to Trafigura and one will be on charter to Cheniere. While we believe both of these companies to be strong counterparties, their creditworthiness as assessed by independent parties such as credit rating agencies is less strong than that of Shell. In the future, we may enter into new charters with these and other counterparties who are less creditworthy.

The ability and willingness of each of our counterparties to perform its obligations under a contract with us will depend upon a number of factors that are beyond our control and may include, among other things, general economic conditions, the condition of the natural gas and LNG markets and charter hire rates. Should a counterparty fail to honor its obligations under agreements with us, we could sustain significant losses which in turn could have a material adverse effect on our business, financial condition, results of operations and cash flows, including cash available for distribution to unitholders.

Our debt levels may limit our flexibility in obtaining additional financing, pursuing other business opportunities and paying distributions to unitholders.

Our level of debt could have important consequences to us, including the following:

- our ability to obtain additional financing, if necessary, for working capital, capital expenditures, ship acquisitions or other purposes may be impaired or such financing may not be available on favorable terms;
- we will need a substantial portion of our cash flow to make principal and interest payments on our debt, reducing the funds that would otherwise be available for operations, future business opportunities and distributions to unitholders;
- the requirement on us to maintain minimum levels of liquidity as a percentage of our total debt, reducing the funds that would otherwise be available for operations, future business opportunities and distributions to unitholders;
- our debt level may make us more vulnerable than our competitors with less debt to competitive pressures, changes in financial market conditions or a downturn in our industry or the economy generally;
- our debt level may limit our flexibility in responding to changing business and economic conditions; and
- if we are unable to satisfy the restrictions included in any of our financing agreements or are otherwise in default under any of those agreements, as a result of our debt levels or otherwise, we will not be able to make cash distributions to you, notwithstanding our stated cash distribution policy.

Our ability to service our debt depends upon, among other things, our future financial and operating performance, which will be affected by prevailing economic conditions and financial, business, regulatory and other factors, some of which are beyond our control. As of December 31, 2018, we had an aggregate of \$1,235.0 million of indebtedness outstanding under our credit facilities, of which \$429.4 million is repayable within one year. See “Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources”.

If our operating results are not sufficient to service our current or future indebtedness, we will be forced to take actions such as reducing distributions, reducing or delaying our business activities, acquisitions, investments or capital expenditures, selling assets, restructuring or refinancing our debt, or

seeking additional equity capital or bankruptcy protection. We may not be able to effect any of these remedies on satisfactory terms, or at all.

Financing agreements containing operating and financial restrictions may restrict our business and financing activities. A failure by us to meet our obligations under our financing agreements would result in an event of default under such credit facilities which could lead to foreclosure on our ships.

The operating and financial restrictions and covenants in our credit facilities and any future financing agreements could adversely affect our ability to finance future operations or capital needs or to engage, expand or pursue our business activities. For example, the financing agreements may restrict the ability of us and our subsidiaries to:

- incur or guarantee indebtedness;
- change ownership or structure, including mergers, consolidations, liquidations and dissolutions;
- pay dividends or distributions;
- make certain negative pledges and grant certain liens;
- sell, transfer, assign or convey assets;
- make certain investments; and
- enter into a new line of business.

In addition, such financing agreements may require us to comply with certain financial ratios and tests, including, among others, maintaining a minimum liquidity, maintaining positive working capital, ensuring that EBITDA exceeds debt service obligations (any amounts payable for interest and debt installments calculated on a trailing four-quarter rolling average basis), maintaining a minimum collateral value, and maintaining a minimum book equity ratio. Our ability to comply with the restrictions and covenants, including financial ratios and tests, contained in such financing agreements is dependent on future performance and may be affected by events beyond our control, including prevailing economic, financial and industry conditions. If market or other economic conditions deteriorate, our ability to comply with these covenants may be impaired.

If we are unable to comply with the restrictions and covenants in the agreements governing our indebtedness or in current or future debt financing agreements, there could be a default under the terms of those agreements. If a default occurs under these agreements, lenders could terminate their commitments to lend and/or accelerate the outstanding loans and declare all amounts borrowed due and payable. We have pledged our vessels as security for our outstanding indebtedness. If our lenders were to foreclose on our vessels in the event of a default, this may adversely affect our ability to finance future operations or capital needs or to engage, expand or pursue our business activities. If any of these events occur, we cannot guarantee that our assets will be sufficient to repay in full all of our outstanding indebtedness, and we may be unable to find alternative financing. Even if we could obtain alternative financing, that financing might not be on terms that are favorable or acceptable. Any of these events would adversely affect our ability to make distributions to our unitholders and cause a decline in the market price of our common units and Preference Units. See “Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources—Credit Facilities”.

Restrictions in our debt agreements may prevent us or our subsidiaries from paying distributions.

The payment of principal and interest on our debt reduces cash available for distribution to us and on our units. In addition, our credit facilities prohibit the payment of distributions to our common unitholders or our preference unitholders upon the occurrence of the following events, among others:

- failure to pay any principal, interest, fees, expenses or other amounts when due;

- breach or lapse of any insurance with respect to vessels securing the facilities;
- breach of certain financial covenants;
- failure to observe any other agreement, security instrument, obligation or covenant beyond specified cure periods in certain cases;
- default under other indebtedness;
- bankruptcy or insolvency events;
- failure of any representation or warranty to be correct;
- a change of ownership of the borrowers or GasLog Partners Holdings; and
- a material adverse effect.

Furthermore, we expect that our future financing agreements will contain similar provisions. For more information regarding these financing agreements, see “Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources—Credit Facilities”.

The failure to consummate or integrate acquisitions in a timely and cost-effective manner could have an adverse effect on our financial condition and results of operations.

Acquisitions that expand our fleet are an important component of our strategy. Under the omnibus agreement, we currently have the option to purchase from GasLog: (i) the *GasLog Glasgow* within 36 months after GasLog notifies our board of directors of her acceptance by her charterer, and (ii) the *GasLog Houston* within 30 days following receipt of notice from GasLog that the vessel has commenced its multi-year charter (being at least five years in length). In each case, our option to purchase is at fair market value as determined pursuant to the omnibus agreement. In addition, according to the terms of the omnibus agreement, GasLog will be required to offer us the opportunity to purchase each of Hull Nos. 2131, 2213, 2262, 2300, 2301, 2311 and 2312 within 30 days of the commencement of their respective charters.

We will not be obligated to purchase any of these vessels and, accordingly, we may not complete the purchase of any of such vessels. Furthermore, if we are able to agree on a price with GasLog, there are no assurances that we will be able to obtain adequate financing on terms that are acceptable to us. In light of recent master limited partnership (“MLP”) market volatility, it may be more difficult for us to complete an accretive acquisition.

We believe that other acquisition opportunities may arise from time to time, and any such acquisition could be significant. Any acquisition of a vessel or other asset or business may not be profitable at or after the time of acquisition and may not generate cash flow sufficient to justify the investment. In addition, our acquisition growth strategy exposes us to risks that may harm our business, financial condition, results of operations and ability to make cash distributions to our unitholders, including risks that we may:

- fail to realize anticipated benefits, such as new customer relationships, cost-savings or cash flow enhancements;
- be unable to attract, hire, train or retain qualified shore and seafaring personnel to manage and operate our growing business and fleet;
- decrease our liquidity by using a significant portion of available cash or borrowing capacity to finance acquisitions;
- significantly increase our interest expense or financial leverage if we incur additional debt to finance acquisitions;

- incur or assume unanticipated liabilities, losses or costs associated with the business or vessels acquired; or
- incur other significant charges, such as impairment of goodwill or other intangible assets, asset devaluation or restructuring charges.

In addition, unlike newbuildings, existing vessels typically do not carry warranties as to their condition. While we generally inspect existing vessels prior to purchase, such an inspection would normally not provide us with as much knowledge of a vessel's condition as we would possess if it had been built for us and operated by us during its life. Repairs and maintenance costs for existing vessels are difficult to predict and may be substantially higher than for vessels we have operated since they were built. These costs could decrease our cash flow and reduce our liquidity.

Certain acquisition and investment opportunities may not result in the consummation of a transaction. In addition, we may not be able to obtain acceptable terms for the required financing for any such acquisition or investment that arises. We cannot predict the effect, if any, that any announcement or consummation of an acquisition would have on the trading price of our common units or Preference Units. Our future acquisitions could present a number of risks, including the risk of failing to integrate successfully and timely the operations or management of any acquired vessels or businesses and the risk of diverting management's attention from existing operations or other priorities. We may also be subject to additional costs related to compliance with various international laws in connection with such acquisition. If we fail to consummate and integrate our acquisitions in a timely and cost-effective manner, our business, financial condition, results of operations and cash available for distribution could be adversely affected.

In 2019, two of our vessels are scheduled to be dry-docked and in 2020, four of our vessels are scheduled to be dry-docked. Any delay or cost overrun of the dry-docking could have a material adverse effect on our business, results of operations and financial condition and could significantly reduce or eliminate our ability to pay distributions on our common or Preference Units.

Dry-dockings of our vessels require significant expenditures and result in loss of revenue as our vessels are off-hire during such period. Any significant increase in either the number of off-hire days or in the costs of any repairs or investments carried out during the dry-docking period could have a material adverse effect on our profitability and our cash flows. Given the potential for unforeseen issues arising during dry-docking, we may not be able to predict accurately the time required to dry-dock any of our vessels. If more than one of our ships is required to be out of service at the same time, or if a ship is dry-docked longer than expected or if the cost of repairs is greater than budgeted, our results of operations and our cash flows, including cash available for distribution to unitholders, could be adversely affected. The upcoming dry-dockings of our vessels are expected to be carried out in 2019 (2 vessels), 2020 (4 vessels), 2021 (4 vessels) and 2023 (4 vessels).

Delays in deliveries of GasLog's newbuilding vessels could adversely affect our business.

We may expand our fleet by acquiring newly built vessels from GasLog pursuant to the omnibus agreement. The delivery of any newbuildings could be delayed, which would adversely affect our future growth, which is expected to be primarily based on the acquisition of vessels from GasLog.

The completion and delivery of newbuildings could be delayed because of:

- quality or engineering problems;
- changes in governmental regulations or maritime self-regulatory organization standards;
- work stoppages or other labor disturbances at the shipyard;
- bankruptcy or other financial crisis of the shipbuilder;

- a backlog of orders at the shipyard;
- political or economic disturbances;
- weather interference or a catastrophic event, such as a major earthquake or fire;
- requests for changes to the original vessel specifications;
- shortages of or delays in the receipt of necessary construction materials, such as steel;
- the inability to finance the construction or conversion of the vessels; or
- the inability to obtain requisite permits or approvals.

We are subject to certain risks with respect to our relationship with GasLog, and failure of GasLog to comply with certain of its financial covenants under its debt instruments could, among other things, limit or prevent us from acquiring future vessels from GasLog, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Certain of GasLog's existing debt instruments impose operating and financial restrictions on GasLog, including financial maintenance covenants. GasLog's ability to meet certain operating and financial restrictions in its existing debt instruments is dependent in part on the charter rates which it obtains for its vessels. GasLog is active in the LNG shipping spot market through its participation in The Cool Pool Limited with Golar LNG Ltd. The charter rates available for spot/short-term charters of LNG carriers have been at historically low levels for the last several years and although recent months have seen significantly higher rates, this has been accompanied by market volatility and we cannot be certain that the late 2018 peak will be sustained. GasLog continuously monitors and manages its covenant compliance. Under GasLog's credit facilities, as is typical with secured credit facilities generally, a default by the borrower permits the lenders to exercise remedies as secured creditors which, if such a default was to occur, could include foreclosing on GasLog vessels. Our future growth, which is expected to be based on the acquisition of vessels from GasLog, would also be adversely affected by such a default event if it was to occur. We are also dependent on GasLog for the provision of administrative, commercial and ship management services.

Additionally, any default by GasLog under its corporate guarantees could result in a default under the loan facilities related to the *Methane Alison Victoria*, the *Methane Shirley Elisabeth*, the *Methane Heather Sally*, the *Methane Becki Anne*, the *GasLog Seattle*, the *GasLog Greece*, the *GasLog Geneva*, the *GasLog Gibraltar* and the *Solaris*.

We may have difficulty obtaining consents that are necessary to acquire vessels with an existing charter or a financing agreement.

Under the omnibus agreement entered into with GasLog in connection with the IPO, we have certain options and other rights to acquire vessels with existing charters from GasLog. The omnibus agreement provides that our ability to consummate the acquisition of any such vessels from GasLog will be subject to obtaining all relevant consents including governmental authorities and other non-affiliated third parties to those agreements. In particular, with respect to GasLog's existing vessels, we would need the consent of the existing charterers and lenders. While GasLog will be obligated to use reasonable efforts to obtain any such consents, we cannot assure you that in any particular case the necessary consent will be obtained from the required parties including the governmental authorities and charterer, lender or other entity.

We are a holding company and we depend on the ability of our subsidiaries to distribute funds to us in order to satisfy our financial obligations and to make distributions to unitholders.

We are a holding company. Our subsidiaries conduct all of our operations and own all of our operating assets, including our ships. We have no significant assets other than the equity interests in our subsidiaries. As a result, our ability to pay our obligations and to make distributions to unitholders depends entirely on our subsidiaries and their ability to distribute funds to us. The ability of a subsidiary to make these distributions could be affected by a claim or other action by a third party, including a creditor, or by the law of its jurisdiction of incorporation which regulates the payment of distributions. If we are unable to obtain funds from our subsidiaries, our board of directors may exercise its discretion not to make distributions to unitholders.

Compliance with safety and other requirements imposed by classification societies may be very costly and may adversely affect our business.

The hull and machinery of every commercial LNG carrier must be classed by a classification society. The classification society certifies that the ship has been built and subsequently maintained in accordance with the applicable rules and regulations of that classification society. Moreover, every ship must comply with all applicable international conventions and the regulations of the ship's flag state as verified by a classification society. Finally, each ship must successfully undergo periodic surveys, including annual, intermediate and special surveys performed under the classification society's rules.

If any ship does not maintain its class, it will lose its insurance coverage and be unable to trade, and the ship's owner will be in breach of relevant covenants under its financing arrangements. Failure to maintain the class of one or more of our ships could have a material adverse effect on our business, financial condition, results of operations and cash flows, including cash available for distribution to unitholders.

The LNG shipping industry is subject to substantial environmental and other regulations, which may significantly limit our operations or increase our expenses.

Our operations are materially affected by extensive and changing international, national, state and local environmental laws, regulations, treaties, conventions and standards which are in force in international waters, or in the jurisdictional waters of the countries in which our ships operate and in the countries in which our ships are registered. These requirements include those relating to equipping and operating ships, providing security and minimizing or addressing impacts on the environment from ship operations. We may incur substantial costs in complying with these requirements, including costs for ship modifications and changes in operating procedures. We also could incur substantial costs, including clean-up costs, civil and criminal penalties and sanctions, the suspension or termination of operations and third-party claims as a result of violations of, or liabilities under, such laws and regulations.

In addition, these requirements can affect the resale value or useful lives of our ships, require a reduction in cargo capacity, necessitate ship modifications or operational changes or restrictions or lead to decreased availability of insurance coverage for environmental matters. They could further result in the denial of access to certain jurisdictional waters or ports or detention in certain ports. We are required to obtain governmental approvals and permits to operate our ships. Delays in obtaining such governmental approvals may increase our expenses, and the terms and conditions of such approvals could materially and adversely affect our operations.

Additional laws and regulations may be adopted that could limit our ability to do business or increase our operating costs, which could materially and adversely affect our business. For example, new or amended legislation relating to ship recycling, sewage systems, emission control (including emissions of greenhouse gases and other pollutants) as well as ballast water treatment and ballast water

handling may be adopted. For example, the United States has enacted legislation, and more recently a convention adopted by the IMO has become effective, governing ballast water management systems on ocean-going ships. The IMO has also established progressive standards limiting the sulfur content of fuel, which are being phased in between 2012 and 2020. These and other laws or regulations may require additional capital expenditures or operating expenses (such as increased costs for low-sulfur fuel or pollution controls) in order for us to maintain our ships' compliance with international and/or national regulations. We also may become subject to additional laws and regulations if we enter new markets or trades.

We also believe that the heightened environmental, quality and security concerns of insurance underwriters, regulators and charterers will generally lead to additional regulatory requirements, including enhanced risk assessment and security requirements, as well as greater inspection and safety requirements on all LNG carriers in the marine transportation market. These requirements are likely to add incremental costs to our operations, and the failure to comply with these requirements may affect the ability of our ships to obtain and, possibly, recover from, insurance policies or to obtain the required certificates for entry into the different ports where we operate.

Some environmental laws and regulations, such as the U.S. Oil Pollution Act of 1990, or "OPA", provide for potentially unlimited joint, several and/or strict liability for owners, operators and demise or bareboat charterers for oil pollution and related damages. OPA applies to discharges of any oil from a ship in U.S. waters, including discharges of fuel and lubricants from an LNG carrier, even if the ships do not carry oil as cargo. In addition, many states in the United States bordering a navigable waterway have enacted legislation providing for potentially unlimited strict liability without regard to fault for the discharge of pollutants within their waters. We also are subject to other laws and conventions outside the United States that provide for an owner or operator of LNG carriers to bear strict liability for pollution, such as the Convention on Limitation of Liability for Maritime Claims of 1976, or the "London Convention".

Some of these laws and conventions, including OPA and the London Convention, may include limitations on liability. However, the limitations may not be applicable in certain circumstances, such as where a spill is caused by a ship owner's or operator's intentional or reckless conduct. These limitations are also subject to periodic updates and may otherwise be amended in the future.

Compliance with OPA and other environmental laws and regulations also may result in ship owners and operators incurring increased costs for additional maintenance and inspection requirements, the development of contingency arrangements for potential spills, obtaining mandated insurance coverage and meeting financial responsibility requirements.

Climate change and greenhouse gas restrictions may adversely impact our operations and markets.

Due to concern over the risks of climate change, a number of countries and the International Maritime Organization, or "IMO", have adopted, or are considering the adoption of, regulatory frameworks to reduce greenhouse gas emission from ships. These regulatory measures may include adoption of cap and trade regimes, carbon taxes, increased efficiency standards and incentives or mandates for renewable energy. Although emissions of greenhouse gases from international shipping currently are not subject to agreements under the United Nations Framework Convention on Climate Change, such as the "Kyoto Protocol" and the "Paris Agreement", a new treaty may be adopted in the future that includes additional restrictions on shipping emissions to those already adopted under the International Convention for the Prevention of Marine Pollution from Ships, or the "MARPOL Convention". Compliance with future changes in laws and regulations relating to climate change could increase the costs of operating and maintaining our ships and could require us to install new emission controls, as well as acquire allowances, pay taxes related to our greenhouse gas emissions or administer and manage a greenhouse gas emissions program. Revenue generation and strategic growth opportunities may also be adversely affected.

There is increasing focus on the environmental footprint of the energy and transportation sectors from governments, regulators, shareholders, customers, environmental pressure groups and other stakeholders. This has been manifested recently by Shell's commitment to base executive remuneration in part on the achievement of specific carbon emissions targets, covering all of its activities and products and those of its suppliers. GasLog's vessels on charter to Shell and other energy companies form part of their supply chain and are likely to be captured within these targets. In addition, many large financial institutions are under pressure both to reduce their own environmental footprints and to monitor the environmental footprints of the companies and projects to which they lend. While LNG is among the cleanest marine transportation fuels and while there are no legally binding obligations on GasLog or its peers to reduce emissions today, the focus and pressure on the environmental footprint of the marine transportation sector is likely to remain high and may increase. Any specific requirements imposed on GasLog by regulators, governments, customers or other stakeholders may impact the useful life of our vessels, increase our operating costs or require us to undertake significant investments in our vessels which may reduce our revenues, profits and cash flows and may impact our ability to pay distributions to our unitholders.

Adverse effects upon the oil and gas industry relating to climate change, including growing public concern about the environmental impact of climate change, may also have an effect on demand for our services. For example, increased regulation of greenhouse gases or other concerns relating to climate change may reduce the demand for oil and natural gas in the future or create greater incentives for use of alternative energy sources. Any long-term material adverse effect on the oil and gas industry could have significant financial and operational adverse impacts on our business that we cannot predict with certainty at this time.

We operate our ships worldwide, which could expose us to political, governmental and economic instability that could harm our business.

Because we operate our ships in the geographic areas where our customers do business, our operations may be affected by political, governmental and economic conditions in the countries where our ships operate or where they are registered. Any disruption caused by these factors could harm our business, financial condition, results of operations and cash flows, including cash available for distribution to unitholders. In particular, our ships frequent LNG terminals in countries including Egypt, Nigeria, Equatorial Guinea and Trinidad, as well as transit through the Gulf of Aden and the Strait of Malacca. Economic, political and governmental conditions in these and other regions have from time to time resulted in military conflicts, terrorism, attacks on ships, mining of waterways, piracy and other efforts to disrupt shipping. Future hostilities or other political instability in the geographic regions where we operate or may operate could have a material adverse effect on our business, financial condition, results of operations and cash flows, including cash available for distribution to unitholders. General trade tensions between the U.S. and China escalated in 2018, with three rounds of U.S. tariffs on Chinese goods taking effect in July, August and September 2018, each followed by a round of retaliatory Chinese tariffs on U.S. goods. Our business could be harmed by these tariffs, as well as any trade embargoes or other economic sanctions by the United States or other countries against countries in the Middle East, Asia, Russia or elsewhere as a result of terrorist attacks, hostilities or diplomatic or political pressures that limit trading activities with those countries.

Our insurance may be insufficient to cover losses that may occur to our property or result from our operations which could adversely affect our results of operations and cash flows.

The operation of any ship includes risks such as mechanical failure, personal injury, collision, fire, contact with floating objects, property loss or damage, cargo loss or damage, failure of or disruption to information and operational technology systems and business interruption due to a number of reasons, including political circumstances in foreign countries, hostilities and labor strikes. In addition, there is

always an inherent possibility of a marine disaster, including collision, explosion, spills and other environmental mishaps, and other liabilities arising from owning, operating or managing ships in international trade. Although we carry protection and indemnity, hull and machinery and loss of hire insurance covering our ships consistent with industry standards, we can give no assurance that we are adequately insured against all risks or that our insurers will pay a particular claim. In addition, we may be unable to insure against certain cyber events that may disrupt our information and operational technology systems. We also may be unable to procure adequate insurance coverage at commercially reasonable rates in the future. Even if our insurance coverage is adequate to cover our losses, we may not be able to obtain a timely replacement ship in the event of a loss of a ship. Any uninsured or underinsured loss could harm our business, financial condition, results of operations and cash flows, including cash available for distribution to unitholders.

In addition, some of our insurance coverage is maintained through mutual protection and indemnity associations and, as a member of such associations, we may be required to make additional payments over and above budgeted premiums if member claims exceed association reserves.

Terrorist attacks, international hostilities, political change and piracy could adversely affect our business, financial condition, results of operations and cash flows.

Terrorist attacks, piracy and the current conflicts in the Middle East and elsewhere, as well as other current and future conflicts and political change, may adversely affect our business, financial condition, results of operations and cash flows, including cash available for distribution to unitholders. The continuing hostilities in the Middle East may lead to additional acts of terrorism, further regional conflicts, other armed actions around the world and civil disturbance in the United States or elsewhere, which may contribute to further instability in the global financial markets. These uncertainties could also adversely affect our ability to obtain additional financing on terms acceptable to us, or at all.

In the past, political conflicts have also resulted in attacks on ships, mining of waterways and other efforts to disrupt international shipping, particularly in the Arabian Gulf region. Acts of terrorism and piracy have also affected ships trading in regions such as the South China Sea and the Gulf of Aden. Any terrorist attacks targeted at ships may in the future negatively materially affect our business, financial condition, results of operations and cash flows and could directly impact our ships or our customers.

We currently employ armed guards onboard certain vessels operating in areas that may be prone to hijacking or terrorist attacks. The presence of armed guards may increase the risk of damage, injury or loss of life in connection with any attacks on our vessels, in addition to increasing crew costs.

We may not be adequately insured to cover losses from acts of terrorism, piracy, regional conflicts and other armed actions, including losses relating to the employment of armed guards.

LNG facilities, shipyards, ships, pipelines and gas fields could be targets of future terrorist attacks or piracy. Any such attacks could lead to, among other things, bodily injury or loss of life, as well as damage to the ships or other property, increased ship operating costs, including insurance costs, reductions in the supply of LNG and the inability to transport LNG to or from certain locations. Terrorist attacks, war or other events beyond our control that adversely affect the production, storage or transportation of LNG to be shipped by us could entitle our customers to terminate our charter contracts in certain circumstances, which would harm our cash flows and our business.

Terrorist attacks, or the perception that LNG facilities and LNG carriers are potential terrorist targets, could materially and adversely affect expansion of LNG infrastructure and the continued supply of LNG. Concern that LNG facilities may be targeted for attack by terrorists has contributed significantly to local community and environmental group resistance to the construction of a number of LNG facilities, primarily in North America. If a terrorist incident involving an LNG facility or LNG

carrier did occur, in addition to the possible effects identified in the previous paragraph, the incident may adversely affect the construction of additional LNG facilities and could lead to the temporary or permanent closing of various LNG facilities currently in operation.

In the future, the ships we own could be required to call on ports located in countries that are subject to restrictions imposed by the United States and other governments.

The United States and other governments and their agencies impose sanctions and embargoes on certain countries and maintain lists of countries they consider to be state sponsors of terrorism. For example, in 2010, the United States enacted the Comprehensive Iran Sanctions Accountability and Divestment Act, or “CISADA”, which expanded the scope of the former Iran Sanctions Act. Among other things, CISADA expanded the application of the prohibitions imposed by the U.S. government to non-U.S. companies, such as us, and limits the ability of companies and persons to do business or trade with Iran when such activities relate to the investment, supply or export of refined petroleum or petroleum products, as well as LNG.

In 2012, President Obama signed Executive Order 13608, which prohibits foreign persons from violating or attempting to violate, or causing a violation of, any sanctions in effect against Iran, or facilitating any deceptive transactions for or on behalf of any person subject to U.S. sanctions. The Secretary of the Treasury may prohibit any transactions or dealings, including any U.S. capital markets financing, involving any person found to be in violation of Executive Order 13608. Also in 2012, the U.S. enacted the Iran Threat Reduction and Syria Human Rights Act of 2012, or the “ITRA”, which created new sanctions and strengthened existing sanctions. Among other things, the ITRA intensifies existing sanctions regarding the provision of goods, services, infrastructure or technology to Iran’s petroleum or petrochemical sector. The ITRA also includes a provision requiring the President of the United States to impose five or more sanctions from Section 6(a) of the Iran Sanctions Act, as amended, on a person the President determines is a controlling beneficial owner of, or otherwise owns, operates, or controls or insures a vessel that was used to transport crude oil from Iran to another country and (1) if the person is a controlling beneficial owner of the vessel, the person had actual knowledge the vessel was so used or (2) if the person otherwise owns, operates, or controls, or insures the vessel, the person knew or should have known the vessel was so used. Such a person could be subject to a variety of sanctions, including exclusion from U.S. capital markets, exclusion from financial transactions subject to U.S. jurisdiction, and exclusion of such person’s vessels from U.S. ports for up to two years. The ITRA also includes a requirement that issuers of securities must disclose to the SEC in their annual and quarterly reports filed after February 6, 2013 whether the issuer or “any affiliate” has “knowingly” engaged in certain sanctioned activities involving Iran during the timeframe covered by the report. Finally, in January 2013, the U.S. enacted the Iran Freedom and Counter-Proliferation Act of 2012 or the “IFCA”, which expanded the scope of U.S. sanctions on any person that is part of Iran’s energy, shipping or shipbuilding sector and operators of ports in Iran, and imposes penalties on any person who facilitates or otherwise knowingly provides significant financial, material or other support to these entities.

On January 16, 2016, the United States suspended certain sanctions against Iran applicable to non-U.S. companies, such as us, pursuant to the nuclear agreement reached between Iran, China, France, Germany, Russia, the United Kingdom, the United States and the European Union. To implement these changes, beginning on January 16, 2016, the United States waived enforcement of many of the sanctions against Iran’s energy and petrochemical sectors described above, among other things, including certain provisions of CISADA, ITRA, and IFCA. In May 2018, President Trump announced the withdrawal of the U.S. from the Joint Comprehensive Plan of Action and almost all the U.S. sanctions waived and lifted in January 2016 were reinstated in August 2018 and November 2018, respectively.

Although the ships we own have not called on ports in countries subject to sanctions or embargoes or in countries identified as state sponsors of terrorism, including Iran, North Korea and Syria, we cannot assure you that these ships will not call on ports in these countries in the future. While we intend to maintain compliance with all sanctions and embargoes applicable to us, U.S. and international sanctions and embargo laws and regulations do not necessarily apply to the same countries or proscribe the same activities, which may make compliance difficult. Additionally, the scope of certain laws may be unclear, and these laws may be subject to changing interpretations and application and may be amended or strengthened from time to time, including by adding or removing countries from the proscribed lists. Violations of sanctions and embargo laws and regulations could result in fines or other penalties and could result in some investors deciding, or being required, to divest their investment, or not to invest, in us.

Failure to comply with the U.S. Foreign Corrupt Practices Act, the UK Bribery Act and other anti-bribery legislation in other jurisdictions could result in fines, criminal penalties, contract terminations and an adverse effect on our business.

We operate our ships worldwide, requiring our ships to trade in countries known to have a reputation for corruption. We are committed to doing business in accordance with applicable anti-corruption laws and have adopted a code of business conduct and ethics which is consistent and in full compliance with the U.S. Foreign Corrupt Practices Act of 1977, or the “FCPA”, and the Bribery Act 2010 of the United Kingdom or the “UK Bribery Act”. We are subject, however, to the risk that we, our affiliated entities or our or their respective officers, directors, employees and agents may take actions determined to be in violation of such anti-corruption laws, including the FCPA and the UK Bribery Act. Any such violation could result in substantial fines, sanctions, civil and/or criminal penalties, or curtailment of operations in certain jurisdictions, and might adversely affect our business, results of operations or financial condition. In addition, actual or alleged violations could damage our reputation and ability to do business. Furthermore, detecting, investigating, and resolving actual or alleged violations is expensive and can consume significant time and attention of our senior management.

Changing laws and evolving reporting requirements could have an adverse effect on our business.

Changing laws, regulations and standards relating to reporting requirements, including the European Union General Data Protection Regulation (“GDPR”), may create additional compliance requirements for us. To maintain high standards of corporate governance and public disclosure, GasLog has invested in, and intends to continue to invest in, reasonably necessary resources to comply with evolving standards.

GDPR broadens the scope of personal privacy laws to protect the rights of European Union citizens and requires organizations to report on data breaches within 72 hours and be bound by more stringent rules for obtaining the consent of individuals on how their data can be used. GDPR came into force on May 25, 2018 and non-compliance may expose entities to significant fines or other regulatory claims which could have an adverse effect on our business, financial conditions, results of operations, cash flows and ability to pay distributions.

The European Union Code of Conduct Group has assessed the tax policies of a range of countries including Bermuda, where our vessel owning entities are incorporated. Bermuda was included in a list of jurisdictions which are required to address the European Union Code of Conduct Group’s concerns in respect of ‘economic substance’. Bermuda, along with the British Virgin Islands, the Cayman Islands, Guernsey, Bailiwick of Jersey and the Isle of Man, has committed to comply with the European Union Code of Conduct Group’s requirements on economic substance and has passed legislation in the form of the Economic Substance Act 2018 (the “ESA”). Currently, there is uncertainty surrounding the final form of the ESA and the relevant regulations as the Bermuda government, along with the respective governments of the other jurisdictions referenced above, remain in discussions with the European Union Code of Conduct Group.

At present, the impact of these new economic substance requirements is unclear, and it is not possible to accurately predict the effect of these requirements on GasLog and its business. The requirements may increase the complexity and costs of carrying on GasLog's business and could also affect GasLog's operations.

Increased regulatory oversight, uncertainty relating to the LIBOR calculation process and potential phasing out of LIBOR after 2021 may adversely impact our ability to manage our exposure to fluctuations in interest rates.

On July 27, 2017, the United Kingdom Financial Conduct Authority ("FCA"), which regulates LIBOR, announced that the continuation of LIBOR on the current basis is not guaranteed after 2021. It is not possible to predict the effect of the FCA announcement, any changes in the methods pursuant to which LIBOR rates are determined and any other reforms to LIBOR that will be enacted in the United Kingdom and elsewhere, or result in the phasing out of LIBOR as a reference rate for securities. The changes may adversely affect the trading market for LIBOR based agreements, including our credit facilities, interest rate swaps and Preference Units.

Further, if a LIBOR rate is not available on a determination date during the floating rate period for any of our LIBOR based agreements, the terms of such agreements will require alternative determination procedures which may result in interest or distribution payments differing from expectations and could affect our profit and the market value of our Preference Units.

In addition, any changes announced by the FCA, including the FCA Announcement, the ICE Benchmark Administration Limited (the independent administrator of LIBOR) or any other successor governance or oversight body, or future changes adopted by such body, in the method pursuant to which LIBOR rates are determined may result in a sudden or prolonged increase or decrease in reported LIBOR rates. If that were to occur, the level of interest or distribution payments during the floating rate period for our LIBOR based agreements would be affected and could affect our profit or the market value of our Preference Units.

Reliability of suppliers may limit our ability to obtain supplies and services when needed.

We rely, and will in the future rely, on a significant supply of consumables, spare parts and equipment to operate, maintain, repair and upgrade our fleet of ships. Delays in delivery or unavailability of supplies could result in off-hire days due to consequent delays in the repair and maintenance of our fleet. This would negatively impact our revenues and cash flows.

Governments could requisition our ships during a period of war or emergency, resulting in loss of earnings.

The government of a jurisdiction where one or more of our ships are registered could requisition for title or seize our ships. Requisition for title occurs when a government takes control of a ship and becomes its owner. Also, a government could requisition our ships for hire. Requisition for hire occurs when a government takes control of a ship and effectively becomes the charterer at dictated charter rates. Generally, requisitions occur during a period of war or emergency, although governments may elect to requisition ships in other circumstances. Although we would expect to be entitled to government compensation in the event of a requisition of one or more of our ships, the amount and timing of payments, if any, would be uncertain. A government requisition of one or more of our ships would result in off-hire days under our time charters, may cause us to breach covenants in certain of our credit facilities and could have a material adverse effect on our business, financial condition, results of operations and cash flows, including cash available for distribution to unitholders.

Maritime claimants could arrest our ships, which could interrupt our cash flows.

Crew members, suppliers of goods and services to a ship, shippers or receivers of cargo and other parties may be entitled to a maritime lien against a ship for unsatisfied debts, claims or damages. In many jurisdictions, a maritime lienholder may enforce its lien by arresting a ship. The arrest or attachment of one or more of our ships which is not timely discharged could cause us to default on a charter or breach covenants in certain of our credit facilities and, to the extent such arrest or attachment is not covered by our protection and indemnity insurance, could require us to pay large sums of money to have the arrest or attachment lifted. Any of these occurrences could have a material adverse effect on our business, financial condition, results of operations and cash flows, including cash available for distribution to unitholders.

Additionally, in some jurisdictions, such as the Republic of South Africa, under the “sister ship” theory of liability, a claimant may arrest both the ship that is subject to the claimant’s maritime lien and any “associated” ship, which is any ship owned or controlled by the same owner. Claimants could try to assert “sister ship” liability against one ship in our fleet for claims relating to another of our ships.

We may be subject to litigation that could have an adverse effect on us.

We may in the future be involved from time to time in litigation matters. These matters may include, among other things, contract disputes, personal injury claims, environmental claims or proceedings, toxic tort claims, employment matters and governmental claims for taxes or duties, as well as other litigation that arises in the ordinary course of our business. We cannot predict with certainty the outcome of any claim or other litigation matter. The ultimate outcome of any litigation matter and the potential costs associated with prosecuting or defending such lawsuits, including the diversion of management’s attention to these matters, could have an adverse effect on us and, in the event of litigation that could reasonably be expected to have a material adverse effect on us, could lead to an event of default under certain of our credit facilities.

Risks Inherent in an Investment in Us

GasLog and its affiliates may compete with us.

Pursuant to the omnibus agreement between us and GasLog, GasLog and its controlled affiliates (other than us, our general partner and our subsidiaries) generally have agreed not to acquire, own, operate or charter certain LNG carriers operating under charters of five full years or more. The omnibus agreement, however, contains significant exceptions that may allow GasLog or any of its controlled affiliates to compete with us, which could harm our business. For example, these exceptions result in GasLog not being restricted from: acquiring, owning, operating or chartering Non-Five-Year Vessels; acquiring a non-controlling equity ownership, voting or profit participation interest in any company, business or pool of assets; acquiring, owning, operating or chartering a Five-Year Vessel that GasLog would otherwise be restricted from owning if we are not willing or able to acquire such vessel from GasLog within the periods set forth in the omnibus agreement; or owning or operating any Five-Year Vessel that GasLog owns on the closing date of the IPO and that was not part of our fleet as of such date. See “Item 7. Major Unitholders and Related Party Transactions—B. Related Party Transactions—Omnibus Agreement—Noncompetition” for a detailed description of those exceptions and the definitions of “Five-Year Vessel” and “Non-Five-Year Vessel”.

Common unitholders have limited voting rights, and our partnership agreement restricts the voting rights of unitholders owning more than 4.9% of our common units.

Unlike the holders of common stock in a corporation, holders of common units have only limited voting rights on matters affecting our business. We will hold a meeting of the limited partners every

year to elect one or more members of our board of directors and to vote on any other matters that are properly brought before the meeting. Our general partner has appointed four of our seven directors and the common unitholders elected the remaining three directors. Four of our directors meet the independence standards of the NYSE, and three of the four also qualify as independent of GasLog under our partnership agreement, so as to be eligible for membership on our conflicts committee. If our general partner exercises its right to transfer the power to elect a majority of our directors to the common unitholders, an additional director will thereafter be elected by our common unitholders. Our general partner may exercise this right in order to permit us to claim, or continue to claim, an exemption from U.S. federal income tax under Section 883 of the U.S. Internal Revenue Code of 1986, as amended, or the “Code”. See “Item 4. Information on the Partnership—B. Business Overview—Taxation of the Partnership”.

The partnership agreement also contains provisions limiting the ability of common unitholders to call meetings or to acquire information about our operations, as well as other provisions limiting the common unitholders’ ability to influence the manner or direction of management. Unitholders have no right to elect our general partner, and our general partner may not be removed except by a vote of the holders of at least 66⅔% of the outstanding common units, including any units owned by our general partner and its affiliates, voting together as a single class.

Our partnership agreement further restricts unitholders’ voting rights by providing that if any person or group owns beneficially more than 4.9% of any class or series of units (other than the Preference Units) then outstanding, any such units owned by that person or group in excess of 4.9% may not be voted on any matter and will not be considered to be outstanding when sending notices of a meeting of limited partners, calculating required votes (except for purposes of nominating a person for election to our board of directors), determining the presence of a quorum or for other similar purposes, unless required by law.

Effectively, this means that the voting rights of any common unitholders not entitled to vote on a specific matter will be redistributed pro rata among the other common unitholders. Our general partner, its affiliates and persons who acquired common units with the prior approval of our board of directors will not be subject to the 4.9% limitation, except with respect to voting their common units in the election of the elected directors.

GasLog and our general partner own a controlling interest in us and have conflicts of interest and limited fiduciary and contractual duties to us and our unitholders, which may permit them to favor their own interests to your detriment.

GasLog currently owns limited partnership units representing a 25.5% partnership interest and a 2.0% general partner interest in us, and owns and controls our general partner. In addition, our general partner has the right to appoint four of seven, or a majority, of our directors. Certain of our directors and officers are directors and officers of GasLog or its affiliates, and, as such, they have fiduciary duties to GasLog or its affiliates that may cause them to pursue business strategies that disproportionately benefit GasLog or its affiliates or which otherwise are not in the best interests of us or our unitholders. Conflicts of interest may arise between GasLog and its affiliates (including our general partner), on the one hand, and us and our unitholders, on the other hand. As a result of these conflicts, our general partner and its affiliates may favor their own interests over the interests of our unitholders. See “—Our partnership agreement limits our general partner’s and our directors’ fiduciary duties to our unitholders and restricts the remedies available to unitholders for actions taken by our general partner or our directors”. These conflicts include, among others, the following situations:

- neither our partnership agreement nor any other agreement requires our general partner or GasLog or its affiliates to pursue a business strategy that favors us or utilizes our assets, and

GasLog's officers and directors have a fiduciary duty to make decisions in the best interests of the shareholders of GasLog, which may be contrary to our interests;

- our partnership agreement permits our general partner to make a number of decisions in its individual capacity, as opposed to in its capacity as our general partner. Specifically, our general partner will be considered to be acting in its individual capacity if it exercises its call right, pre-emptive rights or registration rights, consents or withholds consent to any merger or consolidation of the partnership, appoints any directors or votes for the election of any director, votes or refrains from voting on amendments to our partnership agreement that require a vote of the outstanding units, voluntarily withdraws from the partnership, transfers (to the extent permitted under our partnership agreement) or refrains from transferring its units or general partner interest or votes upon the dissolution of the partnership;
- under our partnership agreement, as permitted under Marshall Islands law, our general partner and our directors have limited fiduciary duties. The partnership agreement also restricts the remedies available to our unitholders; as a result of purchasing units, unitholders are treated as having agreed to the modified standard of fiduciary duties and to certain actions that may be taken by our general partner and our directors, all as set forth in the partnership agreement;
- our general partner is entitled to reimbursement of all reasonable costs incurred by it and its affiliates for our benefit;
- our partnership agreement does not restrict us from paying our general partner or its affiliates for any services rendered to us on terms that are fair and reasonable or entering into additional contractual arrangements with any of these entities on our behalf;
- our general partner may exercise its right to call and purchase our common units if it and its affiliates own more than 80% of our common units; and
- our general partner is not obligated to obtain a fairness opinion regarding the value of the common units to be repurchased by it upon the exercise of its limited call right.

Even if our general partner relinquishes the power to elect one director to the common unitholders, so that they will elect a majority of our directors, our general partner will have substantial influence on decisions made by our board of directors. See "Item 7. Major Unitholders and Related Party Transactions—B. Related Party Transactions".

Our officers face conflicts in the allocation of their time to our business.

Our officers are all employed by GasLog or its applicable affiliate and are performing executive officer functions for us pursuant to the administrative services agreement. Our officers, with the exception of our Chief Executive Officer ("CEO"), Andrew J. Orekar, are not required to work full-time on our affairs and also perform services for affiliates of our general partner (including GasLog). As a result, there could be material competition for the time and effort of our officers who also provide services to our general partner's affiliates, which could have a material adverse effect on our business, results of operations and financial condition. See "Item 6. Directors, Senior Management and Employees".

Our partnership agreement limits our general partner's and our directors' fiduciary duties to our unitholders and restricts the remedies available to unitholders for actions taken by our general partner or our directors.

Under the partnership agreement, our general partner has delegated to our board of directors the authority to oversee and direct our operations, management and policies on an exclusive basis, and such delegation will be binding on any successor general partner of the partnership. Our partnership

agreement also contains provisions that reduce the standards to which our general partner and directors would otherwise be held by Marshall Islands law. For example, our partnership agreement:

- permits our general partner to make a number of decisions in its individual capacity, as opposed to in its capacity as our general partner. Where our partnership agreement permits, our general partner may consider only the interests and factors that it desires, and in such cases, it has no fiduciary duty or obligation to give any consideration to any interest of, or factors affecting, us, our affiliates or our unitholders. Decisions made by our general partner in its individual capacity will be made by its sole owner, GasLog. Specifically, pursuant to our partnership agreement, our general partner will be considered to be acting in its individual capacity if it exercises its call right, pre-emptive rights or registration rights, consents or withholds consent to any merger or consolidation of the partnership, appoints any directors or votes for the election of any director, votes or refrains from voting on amendments to our partnership agreement that require a vote of the outstanding units, voluntarily withdraws from the partnership, transfers (to the extent permitted under our partnership agreement) or refrains from transferring its units or general partner interest or votes upon the dissolution of the partnership;
- provides that our general partner and our directors are entitled to make other decisions in “good faith” if they reasonably believe that the decision is in our best interests;
- generally provides that transactions with our affiliates and resolutions of conflicts of interest not approved by the conflicts committee of our board of directors and not involving a vote of unitholders must be on terms no less favorable to us than those generally being provided to or available from unrelated third parties or be “fair and reasonable” to us and that, in determining whether a transaction or resolution is “fair and reasonable”, our board of directors may consider the totality of the relationships between the parties involved, including other transactions that may be particularly advantageous or beneficial to us; and
- provides that neither our general partner nor our officers or directors will be liable for monetary damages to us, our limited partners or assignees for any acts or omissions, unless there has been a final and non-appealable judgment entered by a court of competent jurisdiction determining that our general partner or our officers or directors or those other persons engaged in actual fraud or willful misconduct.

In order to become a limited partner of our partnership, a unitholder is required to agree to be bound by the provisions in the partnership agreement, including the provisions discussed above.

Fees and cost reimbursements, which GasLog or its applicable affiliate will determine for services provided to us and our subsidiaries, will be substantial, will likely be higher for future periods than reflected in our results of operations for the year ended December 31, 2018, will be payable regardless of our profitability and will reduce our cash available for distribution to our unitholders.

Pursuant to the ship management agreements, our subsidiaries pay fees for technical and vessel management services provided to them by GasLog LNG Services, and reimburse GasLog LNG Services for all expenses incurred on their behalf. These fees and expenses include all costs and expenses incurred in providing the crew and technical management of the vessels in our fleet to our subsidiaries. In addition, our operating subsidiaries pay GasLog LNG Services a fixed management fee for costs and expenses incurred in connection with providing these services to our operating subsidiaries.

Pursuant to an administrative services agreement, GasLog provides us with certain administrative services. We pay a fixed fee to GasLog for its reasonable costs and expenses incurred in connection with the provision of the services under the administrative services agreement.

Pursuant to the commercial management agreements, GasLog provides us with commercial management services. We pay to GasLog a fixed commercial management fee in U.S. dollars for costs and expenses incurred in connection with providing services.

For a description of the ship management agreements, commercial management agreements and the administrative services agreement, see “Item 7. Major Unitholders and Related Party Transactions—B. Related Party Transactions”. The aggregate fees and expenses payable for services under the ship management agreements, commercial management agreements and administrative services agreement for the year ended December 31, 2018 were \$7.2 million, \$5.0 million and \$10.4 million, respectively. As the fees under the administrative services agreement relate to the *GasLog Gibraltar* and the *Methane Becki Anne* only since their acquisition from GasLog in April and November 2018, respectively, the fees and expenses payable pursuant to this agreement will likely be higher for future periods than reflected in our results of operations for the year ended December 31, 2018. Additionally, these fees and expenses will be payable without regard to our business, results of operation and financial condition. The payment of fees to and the reimbursement of expenses of GasLog or its applicable affiliate, including GasLog LNG Services, could adversely affect our ability to pay cash distributions to our unitholders.

Our partnership agreement contains provisions that may have the effect of discouraging a person or group from attempting to remove our current management or our general partner and, even if public unitholders are dissatisfied, it will be difficult for them to remove our general partner without GasLog’s consent, all of which could diminish the trading price of our common units and Preference Units.

Our partnership agreement contains provisions that may have the effect of discouraging a person or group from attempting to remove our current management or our general partner.

- It is difficult for unitholders to remove our general partner without its consent. The vote of the holders of at least 66⅔% of all outstanding common units, including any units owned by our general partner and its affiliates, voting together as a single class is required to remove the general partner. As of February 21, 2019, GasLog owns 26.1% of our outstanding common units. Common unitholders are entitled to elect only three of the seven members of our board of directors. Our general partner, by virtue of its general partner interest, in its sole discretion, appoints the remaining directors (subject to its right to transfer the power to elect a majority of our directors to the common unitholders).
- The election of the directors by common unitholders is staggered, meaning that the members of only one of three classes of our elected directors will be selected each year. In addition, the directors appointed by our general partner will serve for terms determined by our general partner.
- Our partnership agreement contains provisions limiting the ability of common unitholders to call meetings of unitholders, to nominate directors and to acquire information about our operations as well as other provisions limiting the unitholders’ ability to influence the manner or direction of management.
- Unitholders’ voting rights are further restricted by the partnership agreement provision providing that if any person or group owns beneficially more than 4.9% of any class or series of units (other than the Preference Units) then outstanding, any such units owned by that person or group in excess of 4.9% may not be voted on any matter and will not be considered to be outstanding when sending notices of a meeting of limited partners, calculating required votes (except for purposes of nominating a person for election to our board of directors), determining the presence of a quorum or for other similar purposes, unless required by law. Effectively, this means that the voting rights of any such common unitholders in excess of 4.9% will be redistributed pro rata among the other common unitholders holding less than 4.9% of the voting

power of all classes of units entitled to vote. Our general partner, its affiliates and persons who acquired common units with the prior approval of our board of directors will not be subject to this 4.9% limitation, except with respect to voting their common units in the election of the elected directors.

- There are no restrictions in our partnership agreement on our ability to issue equity securities.

The effect of these provisions may be to diminish the price at which the common units and Preference Units will trade.

The control of our general partner may be transferred to a third party without unitholder consent.

Our general partner may transfer its general partner interest to a third party in a merger or in a sale of all or substantially all of its assets without the consent of the unitholders. In addition, our partnership agreement does not restrict the ability of the members of our general partner from transferring their respective membership interests in our general partner to a third party.

Substantial future sales of our common units in the public market could cause the price of our common units to fall.

We have granted registration rights to GasLog and certain of its affiliates. These unitholders have the right, subject to some conditions, to require us to file registration statements covering any of our common or other equity securities owned by them or to include those securities in registration statements that we may file for ourselves or other unitholders. As of February 21, 2019, GasLog owns 11,843,691 common units and all of the incentive distribution rights. Following their registration and sale under the applicable registration statement, those securities will become freely tradable. By exercising their registration rights and selling a large number of common units or other securities, these unitholders could cause the price of our common units to decline.

GasLog, as the holder of all of the incentive distribution rights, may elect to cause us to issue additional common units to it in connection with a resetting of the target distribution levels related to its incentive distribution rights without the approval of the conflicts committee of our board of directors or holders of our common units. This may result in lower distributions to holders of our common units in certain situations.

GasLog, as the holder of all of the incentive distribution rights, has the right, at a time when it has received incentive distributions at the highest level to which it is entitled (23.0%) for each of the prior four consecutive fiscal quarters, to reset the initial cash target distribution levels at higher levels based on the distribution at the time of the exercise of the reset election. Following a reset election by GasLog, the minimum quarterly distribution amount will be reset to an amount equal to the average cash distribution amount per common unit for the two fiscal quarters immediately preceding the reset election (such amount is referred to as the “reset minimum quarterly distribution”), and the target distribution levels will be reset to correspondingly higher levels based on the same percentage increases above the reset minimum quarterly distribution amount.

In connection with resetting these target distribution levels, GasLog will be entitled to receive a number of common units equal to that number of common units whose aggregate quarterly cash distributions equaled the average of the distributions to it on the incentive distribution rights in the prior two quarters. We anticipate that GasLog would exercise this reset right in order to facilitate acquisitions or internal growth projects that would not be sufficiently accretive to cash distributions per common unit without such conversion; however, it is possible that GasLog could exercise this reset election at a time when it is experiencing, or may be expected to experience, declines in the cash distributions it receives related to its incentive distribution rights and may therefore desire to be issued our common units, rather than retain the right to receive incentive distributions based on the initial target distribution levels. As a result, a reset election may cause our common unitholders to experience

dilution in the amount of cash distributions that they would have otherwise received had we not issued additional common units to GasLog in connection with resetting the target distribution levels related to GasLog's incentive distribution rights. See "Item 8. Financial Information—Our Cash Distribution Policy—Incentive Distribution Rights".

We may issue additional equity securities, including securities senior to the common units, without the approval of our common unitholders, which would dilute the ownership interests of the common unitholders.

We may, without the approval of our common unitholders, issue an unlimited number of additional units or other equity securities. In addition, we may issue an unlimited number of units that are senior to the common units in right of distribution, liquidation and voting. For example, in January 2018, we completed a public offering of 4,600,000 8.200% Series B Preference Units (including 600,000 units issued upon exercise in full by the underwriters of their option to purchase additional Series B Preference Units). Furthermore, in November 2018, we completed a public offering of 4,000,000 8.500% Series C Preference Units.

On May 16, 2017, the Partnership commenced its ATM Programme under which we may, from time to time, raise equity through the issuance and sale of new common units. Following an increase in the size of the ATM Programme completed on November 3, 2017, we can issue up to \$144.0 million in new common units. As of February 21, 2019 5,291,304 common units have been issued through the ATM Programme.

Under the ATM Programme, in the year ended December 31, 2018, GasLog Partners issued and received payment for 2,553,889 common units at a weighted average price of \$23.72 per common unit for total gross proceeds of \$60.6 million and total net proceeds of \$60.0 million, after broker commissions of \$0.2 million and other expenses of \$0.4 million. In connection with the issuance of common units under the ATM Programme during this period, the Partnership also issued 52,121 general partner units to its general partner in order for GasLog to retain its 2.0% general partner interest. The net proceeds from the issuance of the general partner units were \$1.2 million.

Included within the units issued under the ATM Programme, the Partnership agreed to sell 2,250,000 common units to funds managed by Tortoise Capital Advisors L.L.C. ("Tortoise") for gross proceeds of \$53.1 million through the Partnership's ATM Programme on September 26, 2018.

In April 2018, we issued 1,858,975 common units to GasLog in part payment for the purchase of GAS-fourteen Ltd.

The issuance by us of additional common units or other equity securities of equal or senior rank will have the following effects:

- our common unitholders' proportionate economic ownership interest in us will decrease;
- the amount of cash available for distribution on each common unit may decrease;
- the relative voting strength of each previously outstanding common unit may be diminished;
- we may not be able to pay our distributions to common unitholders if we have failed to pay the distributions on our Preference Units; and
- the market price of the common units may decline.

The Preference Units are senior to the common units and as such receive priority over the common units in distributions and liquidation.

Our general partner has a limited call right that may require you to sell your common units at an undesirable time or price.

If at any time our general partner and its affiliates own more than 80% of the common units, our general partner will have the right, which it may assign to any of its affiliates or to us, but not the obligation, to acquire all, but not less than all, of the common units held by unaffiliated persons at a price not less than the then-current market price of our common units. Our general partner is not obligated to obtain a fairness opinion regarding the value of the common units to be repurchased by it upon the exercise of this limited call right. As a result, you may be required to sell your common units at an undesirable time or price and may not receive any return on your investment. You may also incur a tax liability upon a sale of your common units. GasLog, which owns and controls our general partner, owns 26.1% of our outstanding common units.

You may not have limited liability if a court finds that unitholder action constitutes control of our business.

As a limited partner in a partnership organized under the laws of the Marshall Islands, you could be held liable for our obligations to the same extent as a general partner if you participate in the “control” of our business. Our general partner generally has unlimited liability for the obligations of the partnership, such as its debts and environmental liabilities, except for those contractual obligations of the partnership that are expressly made without recourse to our general partner. In addition, the limitations on the liability of holders of limited partner interests for the obligations of a limited partnership have not been clearly established in some jurisdictions in which we do business.

We can borrow money to pay distributions, which would reduce the amount of credit available to operate our business.

Our partnership agreement allows us to make working capital borrowings to pay distributions. Accordingly, if we have available borrowing capacity, we can make distributions on all our units even though cash generated by our operations may not be sufficient to pay such distributions. Any working capital borrowings by us to make distributions will reduce the amount of working capital borrowings we can make for operating our business. For more information, see “Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources—Credit Facilities”.

The price of our common units may be volatile.

The price of our common units may be volatile and may fluctuate due to factors including:

- our payment of cash distributions to our unitholders;
- repurchases by us of our common units pursuant to our unit repurchase programme;
- actual or anticipated fluctuations in quarterly and annual results;
- fluctuations in oil and natural gas prices;
- fluctuations in the seaborne transportation industry, including fluctuations in the LNG carrier market;
- fluctuations in supply of and demand for LNG;
- mergers and strategic alliances in the shipping industry;
- changes in governmental regulations or maritime self-regulatory organizations standards;
- shortfalls in our operating results from levels forecasted by securities analysts;
- announcements concerning us or our competitors or other MLPs;

- the failure of securities analysts to publish research about us, or analysts making changes in their financial estimates;
- general economic conditions including fluctuations in interest rates;
- terrorist acts;
- future sales of our units or other securities, including sales under our ATM Programme;
- investors' perceptions of us, the LNG market and LNG shipping industries;
- significant cash redemptions from funds invested in the MLP sector;
- inclusion or exclusion of our units in equity market indices and exchange traded funds;
- the general state of the securities markets; and
- other developments affecting us, our industry or our competitors.

Securities markets worldwide are experiencing price and volume fluctuations. The market price for our common units may also be volatile. This market volatility, as well as general economic, market or political conditions, could reduce the market price of our common units despite our operating performance.

Increases in interest rates may cause the market price of our common units to decline.

An increase in interest rates may cause a corresponding decline in demand for equity investments in general, and in particular for yield-based equity investments such as our common units. Any such increase in interest rates or reduction in demand for our common units resulting from other relatively more attractive investment opportunities may cause the trading price of our common units to decline.

We are a “foreign private issuer” under NYSE rules, and as such we are entitled to exemption from certain NYSE corporate governance standards, and you may not have the same protections afforded to unitholders of similarly organized limited partnerships that are subject to all of the NYSE corporate governance requirements.

We are a “foreign private issuer” under the securities laws of the United States and the rules of the NYSE. Under the securities laws of the United States, “foreign private issuers” are subject to different disclosure requirements than U.S. domiciled registrants, as well as different financial reporting requirements. Under the NYSE rules, a “foreign private issuer” is subject to less stringent corporate governance requirements. Subject to certain exceptions, the rules of the NYSE permit a “foreign private issuer” to follow its home country practice in lieu of the listing requirements of the NYSE, including (i) the requirement that a majority of the board of directors consists of independent directors and (ii) the requirement that a compensation committee to a nominating/corporate governance committee can be established.

Accordingly, in the future you may not have the same protections afforded to unitholders of similarly organized limited partnerships that are subject to all of the NYSE corporate governance requirements.

Unitholders may have liability to repay distributions.

Under some circumstances, unitholders may have to repay amounts wrongfully returned or distributed to them. Under the Marshall Islands Limited Partnership Act, or the “Marshall Islands Act”, we may not make a distribution to you if the distribution would cause our liabilities to exceed the fair value of our assets. Marshall Islands law provides that for a period of three years from the date of the impermissible distribution, limited partners who received the distribution and who knew at the time

of the distribution that it violated Marshall Islands law will be liable to the limited partnership for the distribution amount. Assignees who become substituted limited partners are liable for the obligations of the assignor to make contributions to the partnership that are known to the assignee at the time it became a limited partner and for unknown obligations if the liabilities could be determined from the partnership agreement. Liabilities to partners on account of their partnership interest and liabilities that are non-recourse to the partnership are not counted for purposes of determining whether a distribution is permitted.

Our Preference Units are subordinated to our debt obligations and investors' interests could be diluted by the issuance of additional preference units and by other transactions.

Our Preference Units are subordinated to all of our existing and future indebtedness. As of December 31, 2018, we had an aggregate of \$1,235.0 million of outstanding indebtedness. Our existing indebtedness restricts, and our future indebtedness may include restrictions on, our ability to pay distributions to unitholders. Our partnership agreement authorizes the issue of an unlimited number of preference units in one or more class of units. The issuance of additional preference units on a parity with or senior to our Preference Units would dilute the interests of the holders of our Preference Units, and any issuance of preference units senior to or on a parity with our Preference Units or of additional indebtedness could affect our ability to pay distributions on, redeem or pay the liquidation preference on our Preference Units. No provisions relating to our Preference Units protect the holders of our Preference Units in the event of a highly leveraged or other transaction, including the sale, lease or conveyance of all or substantially all our assets or business, which might adversely affect the holders of our Preference Units.

Each series of our Preference Units ranks pari passu with any other class or series of units established after the original issue date of such series that is not expressly subordinated or senior to the Preference Units as to the payment of distributions and amounts payable upon liquidation or reorganization. If less than all distributions payable with respect to a series of Preference Units and any parity securities are paid, any partial payment shall be made pro rata with respect to such Preference Units and any parity securities entitled to a distribution payment at such time in proportion to the aggregate amounts remaining due in respect of such units at such time.

Holders of our Preference Units have extremely limited voting rights.

Holders of the Preference Units generally have no voting rights. However, if and whenever distributions payable on a series of Preference Units are in arrears for six or more quarterly periods, whether or not consecutive, holders of such series of Preference Units (voting together as a class with all other classes or series of parity securities upon which like voting rights have been conferred and are exercisable) will be entitled to elect one additional director to serve on our board of directors, and the size of our board of directors will be increased as needed to accommodate such change (unless the size of our board of directors already has been increased by reason of the election of a director by holders of parity securities upon which like voting rights have been conferred and with which the Preference Units voted as a class for the election of such director). The right of such holders of Preference Units to elect a member of our board of directors will continue until such time as all accumulated and unpaid distributions on the applicable series of Preference Units have been paid in full.

The Preference Units represent perpetual equity interests and holders have no right to receive any greater payment than the liquidation preference regardless of the circumstances.

The Preference Units represent perpetual equity interests in us and, unlike our indebtedness, will not give rise to a claim for payment of a principal amount at a particular date. As a result, holders of the Preference Units may be required to bear the financial risks of an investment in the Preference Units for an indefinite period of time. In addition, the Preference Units rank junior to all our

indebtedness and other liabilities, and any other senior securities we may issue in the future with respect to assets available to satisfy claims against us.

The payment due to a holder of any of our Series A Preference Units, Series B Preference Units or Series C Preference Units upon a liquidation is fixed at the redemption preference of \$25.00 per unit plus accumulated and unpaid distributions to the date of liquidation. If, in the case of our liquidation, there are remaining assets to be distributed after payment of this amount, holders of Preference Units will have no right to receive or to participate in these amounts. Furthermore, if the market price for Preference Units is greater than the liquidation preference, holders of Preference Units will have no right to receive the market price from us upon our liquidation.

We distribute all of our available cash to our limited partners and are not required to accumulate cash for the purpose of meeting our future obligations to holders of the Preference Units, which may limit the cash available to make distributions on the Preference Units.

Subject to the limitations in our partnership agreement, we distribute all of our available cash each quarter to our limited partners. “Available cash” is defined in our partnership agreement, and it generally means, for each fiscal quarter, all cash on hand at the end of the quarter (including our proportionate share of cash on hand of certain subsidiaries we do not wholly own):

- less the amount of cash reserves (including our proportionate share of cash reserves of certain subsidiaries we do not wholly own) established by the board of directors to:
 - provide for the proper conduct of our business (including reserves for future capital expenditures and for our anticipated credit needs);
 - comply with applicable law, any debt instruments, or other agreements;
 - provide funds for payments to holders of Preference Units; and/or
 - provide funds for distributions to our limited partners and to our general partner for any one or more of the next four quarters;
- plus all cash on hand (including our proportionate share of cash on hand of certain subsidiaries we do not wholly own) on the date of determination of available cash for the quarter resulting from working capital borrowings made after the end of the quarter. Working capital borrowings are generally borrowings that are made under our credit agreements and in all cases are used solely for working capital purposes or to pay distributions to partners.

As a result, we do not expect to accumulate significant amounts of cash. Depending on the timing and amount of our cash distributions, these distributions could significantly reduce the cash available to us in subsequent periods to make payments on the Preference Units.

The Preference Units have not been rated, and ratings of any other of our securities may affect the trading price of the Preference Units.

We have not sought to obtain a rating for any series of Preference Units, and the units may never be rated. It is possible, however, that one or more rating agencies might independently determine to assign a rating to the Series A, Series B or Series C Preference Units or that we may elect to obtain a rating of our Series A, Series B or Series C Preference Units in the future. In addition, we may elect to issue other securities for which we may seek to obtain a rating. If any ratings are assigned to a series of Preference Units in the future or if we issue other securities with a rating, such ratings, if they are lower than market expectations or are subsequently lowered or withdrawn, or if ratings for such other securities would imply a lower relative value for the Preference Units, could adversely affect the market for, or the market value of, the Preference Units. Ratings only reflect the views of the issuing rating agency or agencies and such ratings could at any time be revised downward or withdrawn entirely at

the discretion of the issuing rating agency. A rating is not a recommendation to purchase, sell or hold any particular security, including the Preference Units. Ratings do not reflect market prices or suitability of a security for a particular investor and any future rating of either the Series A, Series B or Series C Preference Units may not reflect all risks related to us and our business, or the structure or market value of the Preference Units.

Market interest rates may adversely affect the value of our Preference Units.

One of the factors that will influence the price of our Preference Units will be the distribution yield on the Preference Units (as a percentage of the price of our Series A, Series B or Series C Preference Units, as applicable) relative to market interest rates. An increase in market interest rates may lead prospective purchasers of our Preference Units to expect higher distribution yields, and higher interest rates would likely increase our borrowing costs and potentially decrease funds available for distributions. Accordingly, higher market interest rates could cause the market price of our Preference Units to decrease.

The Preference Units are redeemable at our option.

We may, at our option, redeem all or, from time to time, part of the Series A Preference Units on or after June 15, 2027, the Series B Preference Units on or after March 15, 2023 or the Series C Preference Units on or after March 15, 2024. If we redeem your Series A, Series B or Series C Preference Units, you will be entitled to receive a redemption price equal to \$25.00 per unit plus accumulated and unpaid distributions to the date of redemption. It is likely that we would choose to exercise our optional redemption right only when prevailing interest rates have declined, which would adversely affect your ability to reinvest your proceeds from the redemption in a comparable investment with an equal or greater yield to the yield on the applicable series of Preference Units had such series of Preference Units not been redeemed. We may elect to exercise our partial redemption right on multiple occasions.

The historical levels of three-month LIBOR are not an indication of the future levels of three-month LIBOR, and the potential phasing out of LIBOR after 2021 may adversely affect the value of and return on our Preference Units.

The distribution rates for the Series B Preference Units and the Series C Preference Units will be determined based on three-month LIBOR, from and including March 15, 2023 and March 15, 2024, respectively. The distribution rate for the Series A Preference Units will be determined based on three-month LIBOR from and including June 15, 2027. In the past, the level of three-month LIBOR has experienced significant fluctuations. Historical levels, fluctuations and trends of three-month LIBOR are not necessarily indicative of future levels. Any historical upward or downward trend in three-month LIBOR is not an indication that three-month LIBOR is more or less likely to increase or decrease at any time during the floating rate period for a series of Preference Units, and you should not take the historical levels of three-month LIBOR as an indication of its future performance. Although the actual three-month LIBOR on a distribution payment date or at other times during a distribution period with respect to a series of Preference Units may be higher than the three-month LIBOR on the applicable distribution determination date for such series, you will not benefit from the three-month LIBOR at any time other than on the distribution determination date for such distribution period. As a result, changes in the three-month LIBOR may not result in a comparable change in the market value of the Series B Preference Units on or after March 15, 2023, the Series C Preference Units on or after March 15, 2024 or the Series A Preference Units on or after June 15, 2027.

Further, if a LIBOR rate is not available on a distribution determination date during the floating rate period for a series of Preference Units, the terms of such Preference Units will require alternative

determination procedures which may result in distribution payments differing from expectations and could materially affect the value of such Preference Units.

We have been organized as a limited partnership under the laws of the Marshall Islands, which does not have a well-developed body of partnership law.

We are a partnership formed in the Republic of the Marshall Islands, which does not have a well-developed body of case law or bankruptcy law and, as a result, unitholders have fewer rights and protections under Marshall Islands law than under a typical jurisdiction in the United States. As such, in the case of a bankruptcy of the Partnership, there may be a delay of bankruptcy proceedings and the ability of unitholders and creditors to receive recovery after a bankruptcy proceeding. Our partnership affairs are governed by our partnership agreement and by the Marshall Islands Act. The provisions of the Marshall Islands Act resemble provisions of the limited partnership laws of a number of states in the United States, most notably Delaware. The Marshall Islands Act also provides that it is to be applied and construed to make it uniform with the Delaware Revised Uniform Partnership Act and, so long as it does not conflict with the Marshall Islands Act or decisions of the Marshall Islands courts, interpreted according to the non-statutory law (or case law) of the State of Delaware. There have been, however, few, if any, court cases in the Marshall Islands interpreting the Marshall Islands Act, in contrast to Delaware, which has a well-developed body of case law interpreting its limited partnership statute. Accordingly, we cannot predict whether Marshall Islands courts would reach the same conclusions as the courts in Delaware. For example, the rights of our unitholders and the fiduciary responsibilities of our general partner under Marshall Islands law are not as clearly established as under judicial precedent in existence in Delaware. As a result, unitholders may have more difficulty in protecting their interests in the face of actions by our general partner and its officers and directors than would unitholders of a similarly organized limited partnership in the United States.

Because we are organized under the laws of the Marshall Islands, it may be difficult to serve us with legal process or enforce judgments against us, our directors or our management.

We are organized under the laws of the Marshall Islands and substantially all of our assets are located outside of the United States. In addition, our general partner is a Marshall Islands limited liability company, our directors and officers generally are or will be non-residents of the United States, and all or a substantial portion of the assets of these non-residents are located outside the United States. As a result, it may be difficult or impossible for you to bring an action against us or against these individuals in the United States if you believe that your rights have been infringed under securities laws or otherwise. Even if you are successful in bringing an action of this kind, the laws of the Marshall Islands and of other jurisdictions may prevent or restrict you from enforcing a judgment against our assets or the assets of our general partner or our directors or officers.

Our partnership agreement designates the Court of Chancery of the State of Delaware as the sole and exclusive forum, unless otherwise provided for by Marshall Islands law, for certain litigation that may be initiated by our unitholders, which could limit our unitholders' ability to obtain a favorable judicial forum for disputes with our general partner.

Our partnership agreement provides that, unless otherwise provided for by Marshall Islands law, the Court of Chancery of the State of Delaware will be the sole and exclusive forum for any claims that:

- arise out of or relate in any way to the partnership agreement (including any claims, suits or actions to interpret, apply or enforce the provisions of the partnership agreement or the duties, obligations or liabilities among limited partners or of limited partners to us, or the rights or powers of, or restrictions on, the limited partners or us);

- are brought in a derivative manner on our behalf;
- assert a claim of breach of a fiduciary duty owed by any director, officer or other employee of us or our general partner, or owed by our general partner, to us or the limited partners;
- assert a claim arising pursuant to any provision of the Marshall Islands Act; or
- assert a claim governed by the internal affairs doctrine regardless of whether such claims, suits, actions or proceedings sound in contract, tort, fraud or otherwise, are based on common law, statutory, equitable, legal or other grounds, or are derivative or direct claims. Any person or entity otherwise acquiring any interest in our common units or Preference Units shall be deemed to have notice of and to have consented to the provisions described above. This forum selection provision may limit our unitholders' ability to obtain a judicial forum that they find favorable for disputes with us or our directors, officers or other employees or unitholders.

Tax Risks

In addition to the following risk factors, you should read “Item 10. Additional Information—E. Tax Considerations” for a more complete discussion of the expected material U.S. federal and non-U.S. income tax considerations relating to us and the ownership and disposition of our common units and Preference Units.

We may be subject to taxes, which may reduce our cash available for distribution to you.

We and our subsidiaries may be subject to tax in the jurisdictions in which we are organized or operate, reducing the amount of cash available for distribution. In computing our tax obligation in these jurisdictions, we are required to take various tax accounting and reporting positions on matters that are not entirely free from doubt and for which we have not received rulings from the governing authorities. We cannot assure you that upon review of these positions the applicable authorities will agree with our positions. A successful challenge by a tax authority could result in additional tax imposed on us or our subsidiaries, further reducing the cash available for distribution. In addition, changes in our operations or ownership could result in additional tax being imposed on us or our subsidiaries in jurisdictions in which operations are conducted. See “Item 4. Information on the Partnership—B. Business Overview—Taxation of the Partnership”.

U.S. tax authorities could treat us as a “passive foreign investment company” under certain circumstances, which would have adverse U.S. federal income tax consequences to U.S. unitholders.

A non-U.S. entity treated as a corporation for U.S. federal income tax purposes will be treated as a “passive foreign investment company”, or “PFIC”, for U.S. federal income tax purposes if at least 75.0% of its gross income for any tax year consists of “passive income” or at least 50.0% of the average value of its assets produce, or are held for the production of, “passive income”. For purposes of these tests, “passive income” includes dividends, interest, gains from the sale or exchange of investment property and rents and royalties other than rents and royalties that are received from unrelated parties in connection with the active conduct of a trade or business. For purposes of these tests, income derived from the performance of services does not constitute “passive income”. U.S. unitholders of a PFIC are subject to a disadvantageous U.S. federal income tax regime with respect to the income derived by the PFIC, the distributions they receive from the PFIC, and the gain, if any, they derive from the sale or other disposition of their interests in the PFIC.

Based on our past, current and projected methods of operation, and an opinion of our U.S. counsel, Cravath, Swaine & Moore LLP, we believe that we were not a PFIC for any of our previous tax years and that we will not be treated as a PFIC for any future tax year. We have received opinions of our U.S. counsel in support of this position that conclude that the income our subsidiaries earn from

certain of our time-chartering activities should not constitute passive income for purposes of determining whether we are a PFIC. In addition, we have represented to our U.S. counsel that more than 25.0% of our gross income for each of our previous years arose and that we expect that more than 25.0% of our gross income for our current and each future year will arise from such time-chartering activities, and more than 50.0% of the average value of our assets for each such year was or will be held for the production of such non-passive income. Assuming the composition of our income and assets is consistent with these expectations, and assuming the accuracy of other representations we have made to our U.S. counsel for purposes of their opinion, our U.S. counsel is of the opinion that we should not be a PFIC for any of our previous tax years or for our current tax year or any future year. This opinion is based and its accuracy is conditioned on representations, valuations and projections provided by us regarding our assets, income and charters to our U.S. counsel. While we believe these representations, valuations and projections to be accurate, the shipping market is volatile and no assurance can be given that they will continue to be accurate at any time in the future.

Moreover, there are legal uncertainties involved in determining whether the income derived from time-chartering activities constitutes rental income or income derived from the performance of services. In *Tidewater Inc. v. United States*, 565 F.3d 299 (5th Cir. 2009), the United States Court of Appeals for the Fifth Circuit, or the “Fifth Circuit”, held that income derived from certain time-chartering activities should be treated as rental income rather than services income for purposes of a provision of the Code relating to foreign sales corporations. In that case, the Fifth Circuit did not address the definition of passive income or the PFIC rules; however, the reasoning of the case could have implications as to how the income from a time charter would be classified under such rules. If the reasoning of this case were extended to the PFIC context, the gross income we derive or are deemed to derive from our time-chartering activities may be treated as rental income, and we would likely be treated as a PFIC. In published guidance, the Internal Revenue Service, or “IRS”, stated that it disagreed with the holding in *Tidewater*, and specified that time charters similar to those at issue in the case should be treated as service contracts. We have not sought, and we do not expect to seek, an IRS ruling on the treatment of income generated from our time-chartering activities, and the opinion of our counsel is not binding on the IRS or any court. As a result, the IRS or a court could disagree with our position. No assurance can be given that this result will not occur. In addition, although we intend to conduct our affairs in a manner to avoid, to the extent possible, being classified as a PFIC with respect to any tax year, we cannot assure you that the nature of our operations will not change in the future, or that we will not be a PFIC in the future. If the IRS were to find that we are or have been a PFIC for any tax year (and regardless of whether we remain a PFIC for any subsequent tax year), our U.S. unitholders would face adverse U.S. federal income tax consequences. See “Item 10. Additional Information—E. Tax Considerations—Material U.S. Federal Income Tax Considerations—U.S. Federal Income Taxation of U.S. Holders—PFIC Status and Significant Tax Consequences” for a more detailed discussion of the U.S. federal income tax consequences to U.S. unitholders if we are treated as a PFIC.

We may have to pay tax on U.S.-source income, which will reduce our cash flow.

Under the Code, the U.S. source gross transportation income of a ship-owning or chartering corporation, such as ourselves, is subject to a 4% U.S. federal income tax without allowance for deduction, unless that corporation qualifies for exemption from tax under a tax treaty or Section 883 of the Code and the Treasury Regulations promulgated thereunder. U.S. source gross transportation income consists of 50% of the gross shipping income that is attributable to transportation that begins or ends, but that does not both begin and end, in the United States.

We do not expect to qualify for an exemption from such U.S. federal income tax under a tax treaty nor do we expect to qualify for the exemption under Section 883 of the Code during the 2019 tax year, unless our general partner exercises the “GasLog option” described in “Item 4. Information on the Partnership—B. Business Overview—Taxation of the Partnership—U.S. Taxation of Shipping”. Even if

we do not qualify for such an exemption, we do not currently expect any resulting U.S. federal income tax liability to be material or materially reduce the earnings available for distribution to our unitholders. For 2018, the U.S. source gross transportation tax was \$0.6 million. For a more detailed discussion, see the section entitled “Item 4. Information on the Partnership—B. Business Overview—Taxation of the Partnership—United States”.

You may be subject to income tax in one or more non-U.S. jurisdictions as a result of owning our common units or Preference Units if, under the laws of any such jurisdiction, we are considered to be carrying on business there. Such laws may require you to file a tax return with, and pay taxes to, those jurisdictions.

We intend to conduct our affairs and cause each of our subsidiaries to operate its business in a manner that minimizes income taxes imposed upon us and our subsidiaries. Furthermore, we intend to conduct our affairs and cause each of our subsidiaries to operate its business in a manner that minimizes the risk that unitholders may be treated as having a permanent establishment or tax presence in a jurisdiction where we or our subsidiaries conduct activities simply by virtue of their ownership of our common units or Preference Units. However, because we are organized as a partnership, there is a risk in some jurisdictions that our activities or the activities of our subsidiaries may rise to the level of a tax presence that is attributed to our unitholders for tax purposes. If you are attributed such a tax presence in a jurisdiction, you may be required to file a tax return with, and to pay tax in, that jurisdiction based on your allocable share of our income. In addition, we may be required to obtain information from you in the event a tax authority requires such information to submit a tax return. We may be required to reduce distributions to you on account of any tax withholding obligations imposed upon us by that jurisdiction in respect of such allocation to you. The United States may not allow a tax credit for any foreign income taxes that you directly or indirectly incur by virtue of an investment in us.

ITEM 4. INFORMATION ON THE PARTNERSHIP

A. History and Development of the Partnership

GasLog Partners was formed on January 23, 2014 as a Marshall Islands limited partnership. GasLog Partners and its subsidiaries are primarily engaged in the ownership, operation and acquisition of LNG carriers engaged in LNG transportation under multi-year charters. The Partnership conducts its operations through its vessel-owning subsidiaries and, as of February 21, 2019, we have a fleet of 14 LNG carriers, including nine vessels with modern TFDE propulsion technology and five modern Steam vessels.

On May 12, 2014, we completed our IPO and our common units began trading on the NYSE on May 7, 2014 under the ticker symbol “GLOP”. A portion of the proceeds of our IPO was paid as partial consideration for GasLog’s contribution to us of the interests in its subsidiaries which owned the *GasLog Shanghai*, the *GasLog Santiago* and the *GasLog Sydney*. Since the IPO we have completed additional equity offerings as set forth below, the proceeds of which have been used or may be used

(i) to partially fund the acquisition of GasLog vessel owning subsidiaries, (ii) to pay down debt or (iii) for general corporate purposes:

<u>Date of Equity Offering</u>	<u>Equity Offering</u>	<u>Principal Use of Proceeds</u>	<u>Date Vessel Acquisition Completed</u>
November 15, 2018	Preference equity offering, Series C Preference Units		
January 17, 2018	Preference equity offering, Series B Preference Units	Acquisition of the <i>GasLog Gibraltar</i>	April 26, 2018
May 16, 2017 onwards	Common equity offering through our ATM Programme	Acquisition of the <i>Solaris</i>	October 20, 2017
May 15, 2017	Preference equity offering, Series A Preference Units	Acquisition of the <i>GasLog Geneva</i>	July 3, 2017
January 27, 2017	Follow-on common equity offering	Acquisition of the <i>GasLog Greece</i>	May 3, 2017
August 5, 2016	Follow-on common equity offering	Acquisition of the <i>GasLog Seattle</i>	November 1, 2016
June 26, 2015	Follow-on common equity offering	Acquisition of the <i>Methane Alison Victoria, Methane Shirley Elisabeth and Methane Heather Sally</i>	July 1, 2015
September 29, 2014	Follow-on common equity offering	Acquisition of the <i>Methane Rita Andrea and Methane Jane Elizabeth</i>	September 29, 2014

We maintain our principal executive offices at Gildo Pastor Center, 7 Rue du Gabian, MC 98000, Monaco. Our telephone number at that address is +377 97 97 51 15.

We are subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). In accordance with these requirements, we file reports and other information as a foreign private issuer with the SEC. You may obtain copies of all or any part of such materials from the SEC upon payment of prescribed fees. You may also inspect reports and other information regarding registrants, such as us, that file electronically with the SEC without charge at a website maintained by the SEC at <http://www.sec.gov>. These documents and other important information on our governance are posted on our website and may be viewed at <http://www.gaslogmlp.com>.

B. Business Overview

Overview

We are a growth-oriented limited partnership focused on owning, operating and acquiring LNG carriers engaged in LNG transportation under multi-year charters. Our fleet of 14 LNG carriers, which have fixed charter terms expiring between 2019 and 2026, except for one which is operating in the spot market, were contributed to us by, or acquired by us from, GasLog, which controls us through its ownership of our general partner. The charters on two of the vessels expire in 2019, one of which will begin a new one-year time charter with Trafigura, and five further charters will expire in 2020. On redelivery, the vessels may operate in the short-term spot market until we secure new multi-year time charters.

Our fleet consists of 14 LNG carriers, including nine vessels with modern TFDE propulsion technology and five modern Steam vessels. We also have options and other rights under which we may acquire additional LNG carriers from GasLog, as described below. We believe that such options and rights provide us with significant built-in growth opportunities. We may also acquire vessels or other LNG infrastructure assets from shipyards or other owners.

We operate our vessels mainly under multi-year charters with fixed-fee contracts that generate predictable cash flows during the life of these charters. One of our vessels currently operates in the spot market through an LNG carrier pooling arrangement operated by GasLog and Golar LNG Ltd. (the “Cool Pool”). We intend to grow our fleet through further acquisitions of LNG carriers from GasLog and third parties. However, we cannot assure you that we will make any particular acquisition or that, as a consequence, we will successfully grow our distributions per common unit. Among other things, our ability to acquire additional LNG carriers will be dependent upon our ability to raise additional equity and debt financing. For further discussion of the risks that we face, please read “Item 3. Key Information—D. Risk Factors”.

GasLog is, we believe, a leading independent international owner, operator and manager of LNG carriers which provides support to international energy companies as part of their LNG logistics chain. GasLog was founded by its chairman, Peter G. Livanos, whose family’s shipping activities commenced more than 100 years ago. On April 4, 2012, GasLog completed its initial public offering, and its common shares began trading on the NYSE on March 30, 2012, under the ticker symbol “GLOG”. At the time of its initial public offering, GasLog’s wholly owned fleet consisted of ten LNG carriers, including eight newbuildings on order. Since its initial public offering, GasLog has increased by approximately 118% the total carrying capacity of vessels in its fleet, which includes vessels on the water and newbuildings on order. As of February 21, 2019, GasLog’s wholly owned and bareboat fleet includes 21 LNG carriers, including 12 ships on the water and nine LNG carriers on order from Samsung, as well as a 27.5% ownership in the Partnership. See “—Our Fleet”.

Our Fleet

Owned Fleet

The following table presents information about our fleet as of February 21, 2019:

LNG Carrier	Year Built	Cargo Capacity (cbm)	Charterer	Propulsion	Charter Expiration	Optional Period
1 <i>Methane Rita Andrea</i>	2006	145,000	Shell	Steam	April 2020	—
2 <i>Methane Jane Elizabeth</i>	2006	145,000	Shell	Steam	October 2019 ⁽¹⁾	—
3 <i>Methane Alison Victoria</i>	2007	145,000	Shell	Steam	December 2019 ⁽¹⁾	—
<i>Methane Jane Elizabeth</i> or <i>Methane Alison Victoria</i> ⁽¹⁾ . . .	2006/2007	145,000	Trafigura	Steam	November or December 2020	2021 - 2024 ⁽²⁾
4 <i>Methane Shirley Elisabeth</i>	2007	145,000	Shell	Steam	June 2020	—
5 <i>Methane Heather Sally</i>	2007	145,000	Shell	Steam	December 2020	2023 - 2025 ⁽³⁾
6 <i>Methane Becki Anne</i>	2010	170,000	Shell	TFDE	March 2024	2027 - 2029 ⁽³⁾
7 <i>GasLog Shanghai</i>	2013	155,000	Spot Market ⁽⁴⁾	TFDE	—	—
8 <i>GasLog Santiago</i>	2013	155,000	Trafigura	TFDE	December 2021 or January 2022	2022 - 2028 ⁽⁵⁾
9 <i>GasLog Sydney</i>	2013	155,000	Cheniere ⁽⁶⁾	TFDE	June 2020	2020 - 2021 ⁽⁷⁾
10 <i>GasLog Seattle</i>	2013	155,000	Shell	TFDE	June 2021	2025 - 2030
11 <i>Solaris</i>	2014	155,000	Shell	TFDE	June 2021	—
12 <i>GasLog Greece</i>	2016	174,000	Shell	TFDE	March 2026	2031 ⁽⁸⁾
13 <i>GasLog Geneva</i>	2016	174,000	Shell	TFDE	September 2023	2028 - 2031 ⁽⁹⁾
14 <i>GasLog Gibraltar</i>	2016	174,000	Shell	TFDE	October 2023	2028 - 2031 ⁽⁹⁾

⁽¹⁾ GasLog Partners has secured a one-year charter for either the *Methane Jane Elizabeth* or the *Methane Alison Victoria* (as nominated by the Partnership) commencing in either November or December 2019 at the Partnership’s option. The charter

rate for this one-year charter is lower than the current charter rates of either the *Methane Jane Elizabeth* or the *Methane Alison Victoria*.

- (2) Charterer may extend the term of this time charter for a period ranging from one to four years, provided that the charterer gives us advance notice of declaration. The period shown reflects the expiration of the minimum optional period and the maximum optional period.
- (3) Charterer may extend the term of the related charters for one extension period of three or five years, and each charter requires that the charterer gives us advance notice of its exercise of any extension option. The period shown reflects the expiration of the minimum optional period and the maximum optional period.
- (4) The vessel is currently operating in the spot market under the Cool Pool.
- (5) Charterer may extend the term of this time charter for a period ranging from one to seven years, provided that the charterer gives us advance notice of declaration. The period shown reflects the expiration of the minimum optional period and the maximum optional period.
- (6) The vessel began its 18-month charter with Cheniere in December 2018.
- (7) Charterer may extend the term of this time charter for a period ranging from six to twelve months, provided that the charterer gives us advance notice of declaration. The period shown reflects the expiration of the minimum optional period and the maximum optional period.
- (8) Charterer may extend the term of the time charter for a period of five years, provided that the charterer gives us advance notice of declaration.
- (9) Charterer may extend the term of the time charters by two additional periods of five and three years, respectively, provided that the charterer gives us advance notice of declaration. The period shown reflects the expiration of the minimum optional period and the maximum optional period.

The key characteristics of our current fleet include the following:

- each ship is sized at between approximately 145,000 cbm and 174,000 cbm capacity, which places our ships in the medium-size class of LNG carriers; we believe this size range maximizes their operational flexibility, as these ships are compatible with most existing LNG terminals around the world and have competitive levels of LNG boil-off;
- each ship is double-hulled, which is standard in the LNG industry;
- each ship has a membrane containment system incorporating current industry construction standards, including guidelines and recommendations from Gaztransport and Technigaz (the designer of the membrane system) as well as updated standards from our classification society;
- each of our ships is equipped with a modern steam turbine or TFDE propulsion technology;
- Bermuda is the flag state of each ship;
- each of our ships has received an ENVIRO+ notation from our classification society, which denotes compliance with its published guidelines concerning the most stringent criteria for environmental protection related to design characteristics, management and support systems, sea discharges and air emissions; and
- our fleet has an average age of 7.3 years, making it one of the youngest in the industry, compared to a current average age of 9.89 years for the global LNG carrier fleet including LNG carriers of all sizes as of December 31, 2018.

Charter expirations

The *Methane Jane Elizabeth*, the *Methane Alison Victoria*, the *Methane Rita Andrea*, the *Methane Shirley Elisabeth*, the *GasLog Sydney* and the *Methane Heather Sally* are due to come off charter in October 2019, December 2019, April 2020, June 2020, June 2020 and December 2020, respectively, each plus or minus 30 days. GasLog Partners has secured a one-year charter for either the *Methane Jane Elizabeth* or the *Methane Alison Victoria* (as nominated by the Partnership), commencing in either November or December 2019 at the Partnership's option. The charter rate for this one-year charter is lower than the current charter rates of either the *Methane Jane Elizabeth* or the *Methane Alison*

Victoria. GasLog Partners continues to pursue opportunities for new multi-year charters with third parties and, on an interim basis, may consider trading the vessels in the spot market, pursuing the most advantageous redeployment depending on evolving market conditions.

Additional Vessels

Existing Vessel Interests Purchase Options

We currently have the option to purchase from GasLog: (i) the *GasLog Glasgow* within 36 months after GasLog notifies our board of directors of her acceptance by her charterers and (ii) the *GasLog Houston* within 30 days following receipt of notice from GasLog that the vessel has commenced its multi-year charter (being at least five years in length). In each case, our option to purchase is at fair market value as determined pursuant to the omnibus agreement. Our option to acquire the *Methane Julia Louise* expired in March 2018, while the options to acquire the *GasLog Genoa* and the *GasLog Hong Kong* expired in April 2018.

See “Item 7. Major Unitholders and Related Party Transactions—B. Related Party Transactions—Omnibus Agreement—Noncompetition” for additional information on the LNG carrier purchase options.

<u>LNG Carrier</u>	<u>Year Built</u>	<u>Cargo Capacity (cbm)</u>	<u>Charterer</u>	<u>Propulsion</u>	<u>Charter Expiration⁽¹⁾</u>
1 <i>GasLog Glasgow</i>	2016	174,000	Shell	TFDE	June 2026
2 <i>GasLog Houston</i>	2018	174,000	Shell	LP-2S	May 2028

⁽¹⁾ Indicates the expiration of the initial fixed term.

Five-Year Vessel Business Opportunities

GasLog has agreed, and has caused its controlled affiliates (other than us, our general partner and our subsidiaries) to agree, not to acquire, own, operate or charter any LNG carrier with a cargo capacity greater than 75,000 cbm engaged in oceangoing LNG transportation under a charter for five full years or more without, within 30 calendar days after the consummation of the acquisition or the commencement of the operations or charter of such a vessel, notifying us and offering us the opportunity to purchase such vessel at fair market value. We refer to these vessels, together with any related charters, as “Five-Year Vessels”. The seven newbuildings listed below will each qualify as a Five-Year Vessel upon commencement of their respective multi-year charters, and GasLog will be required to offer to us an opportunity to purchase each vessel at fair market value within 30 days of the commencement of its charter. Generally, we must exercise this right of first offer within 30 days following the notice from GasLog that the vessel has been acquired or has become a Five-Year Vessel.

<u>LNG Carrier</u>	<u>Year Built⁽¹⁾</u>	<u>Cargo Capacity (cbm)</u>	<u>Charterer</u>	<u>Propulsion</u>	<u>Estimated Charter Expiration⁽²⁾</u>
1 Hull No. 2131	Q1 2019	174,000	Shell	LP-2S	2029
2 Hull No. 2213	Q2 2020	180,000	Centrica	LP-2S	2027
3 Hull No. 2262	Q3 2020	180,000	Centrica	LP-2S	2027
4 Hull No. 2300	Q4 2020	174,000	Cheniere	LP-2S	2027
5 Hull No. 2301	Q4 2020	174,000	Cheniere	LP-2S	2027
6 Hull No. 2311	Q2 2021	180,000	Cheniere	LP-2S	2028
7 Hull No. 2312	Q3 2021	180,000	Cheniere	LP-2S	2028

⁽¹⁾ Expected delivery quarters are presented.

(2) Charter expiration to be determined based upon actual date of delivery.

Rights of First Offer

In addition, under the omnibus agreement, we will have a right of first offer with regard to any proposed sale, transfer or other disposition of any LNG carriers with cargo capacities greater than 75,000 cbm engaged in oceangoing LNG transportation under a charter of five full years or more that GasLog owns, as discussed elsewhere in this annual report.

Vessel Acquisition Considerations

We are not obligated to purchase any of the vessels from GasLog described in the previous sections and, accordingly, we may not complete the purchase of any such vessels. Furthermore, our ability to purchase any additional vessels, including under the omnibus agreement from GasLog, is dependent on our ability to obtain financing to fund all or a portion of the acquisition costs of these vessels. Following the Series C Preference Units raise completed on November 15, 2018, we have raised additional net proceeds of approximately \$96.3 million which will be used for general partnership purposes, which may include funding future vessel acquisitions. We currently expect that this will include future acquisitions from GasLog. Our ability to acquire additional vessels from GasLog is also subject to obtaining any applicable consents of governmental authorities and other non-affiliated third parties, including the relevant lenders and charterers. Under the omnibus agreement, GasLog will be obligated to use reasonable efforts to obtain any such consents. We cannot assure you that in any particular case the necessary consent will be obtained. See “Item 3. Key Information—D. Risk Factors—Risks Inherent in Our Business” for a discussion of the risks we face in acquiring vessels. See also “Item 7. Major Unitholders and Related Party Transactions—B. Related Party Transactions—Omnibus Agreement”.

Ship Time Charters

We provide the services of all of our ships under multi-year time charters, except for the *GasLog Shanghai* which is trading in the Cool Pool. A time charter is a contract for the use of the ship for a specified term at a daily hire rate. Under a time charter, the ship owner provides crewing and other services related to the ship’s operation, the cost of which is covered by the hire rate, and the customer is responsible for substantially all of the ship voyage costs (including bunker fuel, port charges and canal fees and LNG boil-off).

Our subsidiaries that own the *Methane Rita Andrea*, the *Methane Shirley Elisabeth*, the *Methane Becki Anne* and the *Methane Heather Sally* have entered into separate time charters for each vessel with MSL. Our subsidiaries that own the *GasLog Seattle* and the *Solaris* have entered into separate time charters for the vessels with a subsidiary of Shell. The *Solaris* is also managed and operated by a subsidiary of Shell. The subsidiary that owns the *GasLog Greece* has entered into a master time charter with MSL that also includes the *GasLog Glasgow*, a GasLog vessel. The subsidiaries that own the *GasLog Geneva* and the *GasLog Gibraltar* are party to a master time charter with MSL. A separate confirmation memorandum has been issued for each ship to specify the individual commercial charter terms.

The subsidiaries that own the *GasLog Sydney* and the *GasLog Santiago* have entered into separate time charters with subsidiaries of Cheniere and Trafigura, respectively. If we exercise our option to purchase the *GasLog Glasgow* or the *GasLog Houston*, or, once offered by GasLog, Hull No. 2131, such LNG carriers will be chartered to Shell. If we exercise our option to purchase Hull Nos. 2213 or 2262 once offered by GasLog, such LNG carriers will be chartered to Centrica. If we exercise our option to purchase Hull Nos. 2300, 2301, 2311 or 2312 once offered by GasLog, such LNG carriers will be chartered to Cheniere.

The following discussion describes the material terms of the time charters for our fleet.

Initial Term, Extensions and Redelivery

The initial terms of the time charters for the *Methane Rita Andrea* and the *Methane Jane Elizabeth* began upon their acquisition by GasLog in April 2014 and will terminate in April 2020 plus or minus 30 days and October 2019 plus or minus 30 days, respectively.

The initial terms of the time charters for the *Methane Alison Victoria*, the *Methane Shirley Elisabeth* and the *Methane Heather Sally* began upon their acquisition by GasLog on June 4, 2014, June 11, 2014 and June 25, 2014, respectively, and will terminate in December 2019 plus or minus 30 days, June 2020 plus or minus 30 days and December 2020 plus or minus 30 days, respectively.

The initial term of the time charter for the *GasLog Seattle* began upon delivery of the ship to GasLog in 2013 and will terminate in June 2021. Shell has two consecutive five-year extension options which, if exercised, would extend the charter for a period of either five or ten years beyond the initial charter expiration date. The charter requires that the charterer provide the owner with advance notice of its exercise of any extension option and no such nomination has been received within the required notice period. Accordingly, the *GasLog Seattle* is due to come off charter on June 2021 plus or minus 30 days.

The initial terms of the time charters for the *GasLog Greece*, the *GasLog Geneva* and the *GasLog Gibraltar* began upon delivery of the ships and will terminate in 2026, 2023 and 2023, respectively. For the *GasLog Greece*, MSL has the option to extend the term of the charter for up to five years and, for the *GasLog Geneva* and the *GasLog Gibraltar*, MSL has the option to extend the term of the charter for up to eight years. Each charter requires that the charterer provide the owner with advance notice of its exercise of any extension option.

The term of the time charter for the *Solaris* began upon delivery of the ship to GasLog in 2014 following an initial period during which the ship operated under a maiden voyage time charter, the purpose of which was to facilitate completion by Shell of an operational discharge inspection of the ship. The charter requires that the charterer provides the owner with advance notice of its exercise of any extension option and no such nomination has been received within the required notice period. Accordingly, the *Solaris* is due to come off charter in June 2021 plus or minus 30 days.

The initial term of the time charter for the *Methane Becki Anne* began upon its acquisition by GasLog in 2015 and will terminate in 2024. MSL has the option to extend the term of the time charter for an additional period of either three years beyond the initial charter expiration date.

The term of the time charter of the *GasLog Sydney* began on its delivery to Cheniere in December 2018 and will terminate in June 2020. Cheniere has the option to extend the term of the time charter for two further periods of one hundred and eighty days each at specified rates.

The term of the time charter of the *GasLog Santiago* began on its delivery to Trafigura in August 2018 and will terminate in December 2021. Trafigura has various options to extend the term of the time charter for between one and seven years at specified rates.

A one-year charter for either the *Methane Jane Elizabeth* or the *Methane Alison Victoria* (as nominated by the Partnership) has been secured with Trafigura commencing in either November or December 2019 at the Partnership's option. The charter rate for this one-year charter is lower than the current charter rates of either the *Methane Jane Elizabeth* or the *Methane Alison Victoria*.

The terms and periods for fixtures of the *GasLog Shanghai* vary from charter to charter, as is the nature of trading in the spot market.

Our time charters provide for redelivery of the ship to us at the expiration of the term, as such term may be extended upon the charterer's exercise of its extension options, or upon earlier termination of the charter (as described below), plus or minus 30 days. Under all of our charters, the charterer has the right to extend the term for most periods in which the ship is off-hire. Our charter contracts do not provide the charterers with options to purchase our ships during or upon expiration of the charter term.

Hire Rate Provisions

“Hire rate” refers to the basic payment from the customer for use of the ship. Under all of our time charters, the hire rate is payable to us monthly in advance in U.S. dollars.

The hire rates provided for under the time charters for the *GasLog Greece*, the *GasLog Geneva*, the *GasLog Gibraltar* and the *Methane Becki Anne* include only one component that is a fixed daily amount that increases during any option period.

Under the time charter for the *GasLog Seattle*, the hire rate for an initial period of up to two years, at the charterer's option, was set at the prevailing market rate for a comparable ship, subject to a cap and a floor. Following such initial period, the hire rate is calculated based on three components—a capital cost component, an operating cost component and a ship management fee. The capital cost component is a fixed daily amount, which will increase by a specified amount during any option period. The daily amount of the operating cost component, which is intended to pass-through fully to the charterer the costs of operating the ship, is set annually and adjusted at the end of each year to compensate us for the actual costs we incur in operating the ship. Dry-docking expenses are budgeted in advance and are reimbursed by the charterers immediately following a dry-docking. The ship management fee is a daily amount set in line with industry practice for fees charged by ship managers and is intended to compensate us for management of the ship.

Under the time charter for the *Solaris*, the vessel is managed by a subsidiary of Shell and such entity covers operating costs. Therefore, the hire rate includes only one component that is a fixed daily amount equivalent to the capital cost component.

The hire rates for each of our ships may be reduced if the ship does not perform to certain of its specifications or if we breach our obligations under the charter.

Off-Hire

When a ship is “off-hire”—or not available for service—a time charterer generally is not required to pay the hire rate, and we remain responsible for all costs, including the cost of any LNG cargo lost as boil-off during such off-hire periods. Our time charters provide an annual allowance period for us to schedule preventative maintenance work on the ship. A ship generally will be deemed off-hire under our time charters if there is a specified time outside of the annual allowance period when the ship is not available for the charterer's use due to, among other things, operational deficiencies (including the failure to maintain a certain guaranteed speed), dry-docking for repairs, maintenance or inspection, equipment breakdowns, deficiency of personnel or neglect of duty by the ship's officers or crew, deviation from course, or delays due to accidents, quarantines, ship detentions or similar problems.

All ships are dry-docked at least once every five years for a special survey as required by the ship's classification society. Ships are considered to be off-hire under our time charters during such periods.

Ship Management and Maintenance

Under our time charters, we are responsible for the technical management of the majority of our ships (the *Solaris* is managed by Shell). Technical management includes the engagement and provision of qualified crews, employment of armed guards for transport in certain high-risk areas, maintaining the

ship, arranging supply of stores and equipment, cleaning and painting and ensuring compliance with applicable regulations, including licensing and certification requirements, as well as for dry-docking expenses. We provide these management services through technical management agreements with GasLog LNG Services, a wholly-owned subsidiary of GasLog. See “Item 7. Major Unitholders and Related Party Transactions—B. Related Party Transactions—Ship Management Agreements”.

Termination and Cancellation

Under our existing time charters, each party has certain termination rights which include, among other things, the automatic termination of a charter upon loss of the relevant ship. Either party may elect to terminate a charter upon the occurrence of specified defaults or upon the outbreak of war or hostilities involving two or more major nations, such as the United States or the People’s Republic of China, if such war or hostilities materially and adversely affect the trading of the ship for a period of at least 30 days. In addition, charterers have the option to terminate a charter if the relevant ship is off-hire for any reason other than scheduled dry-docking for a period exceeding 90 consecutive days, or for more than 90 days in any one-year period.

The Cool Pool

On May 18, 2018, the Partnership, through the *GasLog Shanghai*, entered the Cool Pool to market its vessel operating in the LNG shipping spot market. The Cool Pool allows the participating owners to optimize the operation of the pool vessels through improved scheduling ability, cost efficiencies and common marketing. The objective of the Cool Pool is to serve the growing LNG market by providing customers with reliable, flexible and innovative solutions to meet their increasingly complex shipping requirements. As of February 21, 2019, the Cool Pool consists of 16 modern efficient TFDE LNG carriers in the 153,500-170,000 cbm range. The Cool Pool charters the vessels for periods up to one year in duration as agents for the owners, who each remain responsible for the technical and commercial operation of their vessels and performance of the contracts.

The Cool Pool focuses on charters of 12 months’ duration or less. The scheduling of employment opportunities in excess of 12 months will remain the mandate of the respective vessel owner. If a Cool Pool vessel is scheduled by an owner for a charter that exceeds 12 months in duration, such vessel will cease to be part of the Cool Pool. Gross pool revenues represent time charter revenues earned by GasLog vessels participating in the pool under charter agreements where GasLog or GasLog Partners contracts directly with charterers. Revenue is recognised on a monthly basis given that, when the vessel is made available and services are provided to the charterer during the period, the amount can be estimated reliably and collection of the related revenue is reasonably assured.

Voyage expenses and commissions include the net allocation from the pool which represents GasLog’s or GasLog Partners’ share of the net revenues earned from the other pool participants’ vessels less the other participants’ share of the net revenues earned by GasLog’s or GasLog Partners’ vessels included in the pool. Each participant’s share of the net pool revenues is based on the number of pool points attributable to its vessels and the number of days such vessels participated in the pool.

Competition

We operate in markets that are highly competitive and based primarily on supply and demand. Generally, competition for LNG time charters is based primarily on charter party terms including price, ship availability, size, age, technical specifications and condition, LNG shipping experience, quality and efficiency of ship operations, shipping industry relationships and reputation for customer service, and technical ability and reputation for operation of highly specialized ships. In addition, through the *GasLog Shanghai*, we operate in the spot market that covers short-term charters of one year or less. In the future, more of our vessels may operate in the more volatile spot market.

Although we believe that the GasLog Group is one of a small number of large independent owners who focus primarily on newly-built, technically advanced LNG carriers, a growing number of other independent shipping companies also own and operate, and in some cases manage, LNG carriers and have new ships under construction. Several of these other ship owners and managers have decided to enter, or to expand their presence in, the LNG market with newbuilding vessels over the last year, and potentially others may also attempt to participate in the LNG market in the future.

In addition to independent owners, some of the major oil and gas producers own LNG carriers and, in the recent past, they have contracted for the construction of new LNG carriers. Certain national oil and gas and shipping companies also have large fleets of LNG carriers that have expanded and may continue to expand. Some of these companies, as well as other market participants such as trading companies who have LNG shipping capacity contracted on multi-year charters, may compete with independent owners by using their fleets to carry LNG for third parties.

Seagoing and Shore-Based Employees

We do not directly employ any on-shore or seagoing employees. The services of our executive officers and other employees are provided pursuant to the administrative services agreement, under which we pay an annual fee. As of December 31, 2018, GasLog employed (directly and through ship managers) approximately 1,517 seafaring staff who serve on GasLog's owned and managed vessels (including our fleet) as well as 160 shore-based staff. GasLog and its affiliates may employ additional staff to assist us as we grow. GasLog, through certain of its subsidiaries, provides onshore advisory, commercial, technical and operational support to our operating subsidiaries pursuant to the amended ship management agreements, subject to any alternative arrangements made with the applicable charterer. See "Item 7. Major Unitholders and Related Party Transactions—B. Related Party Transactions—Ship Management Agreements".

LNG marine transportation is a specialized area requiring technically skilled officers and personnel with specialized training. We and GasLog regard attracting and retaining motivated, well-qualified seagoing and shore-based personnel as a top priority, and GasLog offers its people competitive compensation packages. As a result, GasLog has historically enjoyed high retention rates. In 2018, GasLog's retention rate was 96% for senior seagoing officers, 98% for other seagoing officers and 94% for shore staff.

Although GasLog has historically experienced high employee retention rates, the demand for technically skilled officers and crews to serve on LNG carriers and FSRUs has been increasing as the global fleet of LNG carriers and FSRUs continues to grow. This increased demand has, and may continue, to put inflationary cost pressure on ensuring qualified and well trained crew are available to GasLog. However, we and GasLog expect that the impact of cost increases would be mitigated to some extent by certain provisions in our time charters, including automatic periodic adjustment and cost review provisions.

Classification, Inspection and Maintenance

Every large, commercial seagoing ship must be "classed" by a classification society. The classification society certifies that the ship is "in class", signifying that the ship has been built and subsequently maintained in accordance with the rules of the classification society and complies with applicable rules and regulations of the ship's country of registry and the international conventions of which that country is a member. In addition, where surveys are required by international conventions and corresponding laws and ordinances of a flag state, the classification society will undertake them on application or by official order, acting on behalf of the authorities concerned. The classification society also undertakes on request other surveys and checks that are required by regulations and requirements of the flag state. These surveys are subject to agreements made in each individual case and/or to the regulations of the country concerned.

To ensure each ship is maintained in accordance with classification society standards and for maintenance of the class certificate, regular and extraordinary surveys of hull and machinery, including the electrical plant, and any special equipment classes are required to be performed periodically. Surveys are based on a five-year cycle that consists of annual surveys, intermediate surveys that are typically completed between the second and third years of every five-year cycle, and comprehensive special surveys (also known as class renewal surveys) that are completed at each fifth anniversary of the ship's delivery.

All areas subject to surveys as defined by the classification society are required to be surveyed at least once per five-year class cycle, unless shorter intervals between surveys are otherwise prescribed. All ships are also required to be dry-docked at least once during every five-year class cycle for inspection of their underwater parts and for repairs related to inspections. If any defects are found, the classification surveyor will issue a "recommendation" which must be rectified by the ship owner within prescribed time limits. We intend to dry-dock our ships at five-year intervals that coincide with the completion of the ship's special surveys. We expect that the dry-docking schedule for the vessels which we have the option to purchase from GasLog will, for the foreseeable future, follow the same schedule as our current fleet.

Most insurance underwriters make it a condition for insurance coverage that a ship be certified as "in class" by a classification society that is a member of the International Association of Classification Societies. The vessels in our fleet are each certified by the American Bureau of Shipping, or "ABS". Each ship has been awarded International Safety Management ("ISM") certification and is currently "in class".

The following table lists the years in which we expect to carry out the next or initial dry-dockings and special surveys for our fleet:

<u>Ship Name</u>	<u>Dry-docking and Special Survey</u>
<i>Solaris</i>	2019
<i>Methane Jane Elizabeth</i>	2019
<i>Methane Alison Victoria</i>	2020
<i>Methane Shirley Elisabeth</i>	2020
<i>Methane Heather Sally</i>	2020
<i>Methane Becki Anne</i>	2020
<i>Methane Rita Andrea</i>	2021
<i>GasLog Greece</i>	2021
<i>GasLog Geneva</i>	2021
<i>GasLog Gibraltar</i>	2021
<i>GasLog Shanghai</i>	2023
<i>GasLog Seattle</i>	2023
<i>GasLog Santiago</i>	2023
<i>GasLog Sydney</i>	2023

Risk of Loss, Insurance and Risk Management

The operation of any ship has inherent risks. These risks include mechanical failure, personal injury, collision, property loss or damage, ship or cargo loss or damage and business interruption due to a number of reasons, including mechanical failure, cyber-attack, political circumstances in foreign countries, hostilities and labor strikes. In addition, there is always an inherent possibility of marine disaster, including collision, explosion, spills and other environmental mishaps, and the liabilities arising from owning and operating ships in international trade.

We maintain hull and machinery insurance on all our ships against marine and war risks in amounts that we believe to be prudent to cover such risks. In addition, we maintain protection and indemnity insurance on all our ships up to the maximum insurable limit available at any given time. We also maintain cyber insurance coverage on all of our ships. The insurance coverage is described in more detail below. While we believe that our insurance coverage will be adequate, not all risks can be insured, and there can be no guarantee that we will always be able to obtain adequate insurance coverage at reasonable rates or at all, or that any specific claim we may make under our insurance coverage will be paid.

Hull & Machinery Marine Risks Insurance and Hull & Machinery War Risks Insurance

We maintain hull and machinery marine risks insurance and hull and machinery war risks insurance on our ships, which cover loss of or damage to a ship due to marine perils such as collisions, fire or lightning, and the loss of or damage to a ship due to war perils such as acts of war, terrorism or piracy. Each of our ships is insured under these policies for a total amount that exceeds what we believe to be its fair market value. We also maintain hull disbursements and increased value insurance policies covering each of our ships, which provide additional coverage in the event of the total or constructive loss of a ship. Our marine risks insurance policies contain deductible amounts for which we will be responsible, but there are no deductible amounts under our war risks policies or our total loss policies.

Loss of Hire Insurance/Delay Insurance

We have obtained loss of hire insurance to protect us against loss of income as a result of the ship being off-hire or otherwise suffering a loss of operational time for events falling under the terms of our hull and machinery/war insurance. Under our loss of hire policy, our insurer will pay us the hire rate agreed in respect of each ship for each day, in excess of a certain number of deductible days, for the time that the ship is out of service as a result of damage, up to a maximum of 180 days. The number of deductible days for the ships in our fleet is 14 days per ship. In addition to the loss of hire insurance, we also place delay insurance which, like loss of hire, covers all owned vessels for time lost due to events falling under the terms of our hull and machinery insurance, plus additional protection and indemnity related incidents. The cover has a deductible of two days with a maximum of 12 days (which takes it up to the loss of hire deductible of 14 days) and the hire rate agreed as per the loss of hire insurance.

Additionally, we buy piracy loss of hire and kidnap and ransom insurance when our ships are ordered to sail through the Indian Ocean to insure against potential losses relating to the hijacking of a ship and its crew by pirates.

Protection and Indemnity Insurance

Protection and indemnity insurance is typically provided by a protection and indemnity association, or “P&I association”, and covers third-party liability, crew liability and other related expenses resulting from injury to or death of crew, passengers and other third parties, loss of or damage to cargo, third-party claims arising from collisions with other ships (to the extent not recovered by the hull and machinery policies), damage to other third-party property, pollution arising from oil or other substances and salvage, towing and other related costs, including wreck removal.

Our protection and indemnity insurance covering our ships is provided by a P&I association that is a member of the International Group of Protection and Indemnity Clubs, or “International Group”. The thirteen P&I associations that comprise the International Group insure approximately 90% of the world’s commercial tonnage and have entered into a pooling agreement to reinsure each association’s liabilities. Insurance provided by a P&I association is a form of mutual indemnity insurance.

Our protection and indemnity insurance is currently subject to limits of \$3 billion per ship per event in respect of liability to passengers and seamen, \$2 billion per ship per event in respect of liability to passengers and \$1 billion per ship per event in respect of liability for oil pollution.

As a member of a P&I association, we will be subject to calls payable to the P&I association based on the International Group's claim records as well as the claim records of all other members of the P&I association of which we are a member.

Cyber Insurance

We have insurance coverage for cyber-related risks. Our policy covers physical damage to any of our vessels up to \$50 million per vessel with a fleet aggregate limit of \$150 million.

Safety Performance

GasLog provides intensive onboard training for its officers and crews to instill a culture of the highest operational and safety standards. During 2018, GasLog's fleet experienced three recordable injuries and six first aid cases.

Permits and Authorizations

We are required by various governmental and quasi-governmental agencies to obtain certain permits, licenses, financial assurances and certificates with respect to our ships. The kinds of permits, licenses, financial assurances and certificates required will depend upon several factors, including the waters in which the ship operates, the nationality of the ship's crew and the age of the ship. We have obtained all permits, licenses, financial assurances and certificates currently required to operate our ships. Additional laws and regulations, environmental or otherwise, may be adopted which could limit our ability to do business or increase the cost of our doing business.

Environmental and Other Regulation

The carriage, handling, storage and regasification of LNG are subject to extensive laws and regulations relating to the protection of the environment, health and safety and other matters. These laws and regulations include international conventions and national, state and local laws and regulations in the countries where our ships now or in the future will operate, or where our ships are registered. Compliance with these laws and regulations may entail significant expenses and may impact the resale value or useful lives of our ships. Our ships may be subject to both scheduled and unscheduled inspections by a variety of governmental, quasi-governmental and private organizations, including the local port authorities, national authorities, harbor masters or equivalent, classification societies, flag state administrations (countries of registry) and charterers. Failure to maintain permits, licenses, certificates or other authorizations required by some of these entities could require us to incur substantial costs or result in the temporary suspension of the operation of one or more of our ships or lead to the invalidation for our insurance coverage reduction.

We believe that our ships are operated in material compliance with applicable environmental laws and regulations and that our ships in operation have all material permits, licenses, certificates or other authorizations necessary for the conduct of our operations. In fact, each of our ships have received an ENVIRO, an ENVIRO+ or a CLEAN notation from our classification societies, which denote compliance with their published guidelines concerning stringent criteria for environmental protection related to design characteristics, management and support systems, sea discharges and air emissions. Because environmental laws and regulations are frequently changed and may impose increasingly strict requirements, however, it is difficult to predict accurately the ultimate cost of complying with these requirements or the impact of these requirements on the resale value or useful lives of our ships. Moreover, additional legislation or regulation applicable to the operation of our ships that may be

implemented in the future, such as in response to a serious marine incident like the 2010 Deepwater Horizon oil spill in the Gulf of Mexico, could negatively affect our profitability.

International Maritime Regulations

The IMO, the United Nations agency for maritime safety and the prevention of pollution by ships, has adopted several international conventions that regulate the international shipping industry, including the International Convention for the Safety of Life at Sea (“SOLAS”), the International Convention on Civil Liability for Oil Pollution Damage, the International Convention on Civil Liability for Bunker Oil Pollution Damage, the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers (“STCW”) and the International Convention for the Prevention of Pollution From Ships (“MARPOL”). Ships that transport gas, including LNG carriers, are also subject to regulations under amendments to SOLAS, including the International Safety Management Code for the Safe Operation of Ships and for Pollution Prevention, or the “ISM Code”. The ISM Code requires, among other things, that the party with operational control of a ship develop an extensive safety management system, including the adoption of a policy for safety and environmental protection setting forth instructions and procedures for operating its ships safely and also describing procedures for responding to emergencies. We rely on GasLog LNG Services for the development and maintenance of a safety management system for our ships that meets these requirements. GasLog LNG Services is also subject to the International Code for Construction and Equipment of Ships Carrying Liquefied Gases in Bulk (the “IGC Code”), which prescribes design and construction standards for ships involved in the transport of gas. Compliance with the IGC Code must be evidenced by a Certificate of Fitness for the Carriage of Liquefied Gases of Bulk. Non-compliance with the IGC Code or other applicable IMO regulations may subject a ship owner or a bareboat charterer to increased liability, may lead to decreases in available insurance coverage for affected ships and may result in the denial of access to, or detention in, some ports.

SOLAS is an international maritime law which sets minimum safety standards in the construction, equipment and operation of merchant ships. The convention requires signatory flag states to ensure that ships flagged by them comply with at least these standards. The current version of SOLAS is the 1974 version, known as SOLAS 1974, which came into force on May 25, 1980. As of January 2019, SOLAS 1974 had 164 contracting states, which flag about 99% of merchant ships around the world in terms of gross tonnage. SOLAS in its successive forms is generally regarded as the most important of all international maritime laws concerning the safety of merchant ships.

STCW 1978 was adopted on July 7, 1978 and entered into force on April 28, 1984. The main purpose of the Convention is to promote safety of life and property at sea and the protection of the marine environment by establishing in common agreement international standards of training, certification and watchkeeping for seafarers. The Manila amendments to the STCW Convention and Code were adopted on June 25, 2010, marking a major revision of the STCW Convention and Code. The 2010 amendments were entered into force on January 1, 2012 under the tacit acceptance procedure and were aimed at bringing the Convention and Code up to date with developments since they were initially adopted and to enable them to address issues that were anticipated to emerge in the foreseeable future.

The MARPOL Convention establishes environmental standards relating to oil leakage or spilling, garbage management, sewage, air emissions, handling and disposal of noxious liquids and the handling of harmful substances in packaged form. In September 1997, the IMO adopted Annex VI to MARPOL to address air pollution from ships. Annex VI came into force on May 19, 2005. It sets limits on sulfur oxide and nitrogen oxide emissions from ship exhausts and prohibits deliberate emissions of ozone depleting substances, such as chlorofluorocarbons. Annex VI also includes a global cap on the sulfur content of fuel oil and allows for special areas to be established with more stringent controls on sulfur emissions. Annex VI has been ratified by many, but not all, IMO member states. In October 2008, the

Marine Environment Protection Committee, or “MEPC”, of the IMO approved amendments to Annex VI regarding particulate matter, nitrogen oxide and sulfur oxide emissions standards. These amendments became effective in July 2010. These requirements establish a series of progressive standards to further limit the sulfur content in fuel oil, which are being phased in between 2012 and 2020, and by establishing new tiers of nitrogen oxide emission standards for new marine diesel engines, depending on their date of installation. Additionally, more stringent emission standards could apply in coastal areas designated as Emission Control Areas, or “ECAs”. For example, “Tier III” emission standards apply in North American and U.S. Caribbean Sea ECAs to all marine diesel engines installed on a ship constructed after January 1, 2016. The European Union Directive 2005/33/EC, which became effective on January 1, 2010, parallels Annex VI and requires ships to use reduced sulfur content fuel for their main and auxiliary engines. Our fleet complies with the relevant legislation and has the relevant certificates, including certificates evidencing compliance with Annex VI of the MARPOL Convention.

Although the United States is not a party, many countries have ratified the International Convention on Civil Liability for Oil Pollution Damage, 1969, as amended, or the “CLC”. Under this convention, a ship’s registered owner is strictly liable for pollution damage caused in the territorial waters of a contracting state by discharge of persistent oil, subject under certain circumstances to certain defenses and limitations. Ships carrying more than 2,000 gross tons of oil, and trading to states that are parties to this convention, must maintain evidence of insurance in an amount covering the liability of the owner. In jurisdictions where the CLC has not been adopted, various legislative schemes or common law impose liability either on the basis of fault or in a manner similar to the CLC. P&I Clubs in the International Group issue the required Bunker Convention (defined below) “Blue Cards” to provide evidence that there is in place insurance meeting the liability requirements. Where applicable, all of our vessels have received “Blue Cards” from their P&I Club and are in possession of a CLC State-issued certificate attesting that the required insurance coverage is in force.

The IMO also has adopted the International Convention on Civil Liability for Bunker Oil Pollution Damage, or the “Bunker Convention”, which imposes liability on ship owners for pollution damage in jurisdictional waters of ratifying states caused by discharges of bunker fuel and requires registered owners of ships over 1,000 gross tons to maintain insurance for pollution damage in an amount equal to the limits of liability under the applicable national or international limitation regime. We maintain insurance in respect of our ships that satisfies these requirements.

Non-compliance with the ISM Code or with other IMO regulations may subject a ship owner or bareboat charterer to increased liability, may lead to decreases in available insurance coverage for affected ships and may result in the denial of access to, or detention in, some ports, including United States and European Union ports. Non-compliance with the ISM Code or other IMO regulations may subject a shipowner or bareboat charterer to increased liability, may lead to decreases in available insurance coverage for affected ships and may result in the denial of access to, or detention in, some ports, including ports in the United States and Europe.

The Maritime Labour Convention (MLC) 2006 was adopted by the International Labour Conference at its 94th (Maritime) Session (2006), establishing minimum working and living conditions for seafarers. The convention entered into force August 20, 2013, whilst amendments were approved by the International Labour Conference at its 103rd Session (2014). The convention establishes a single, coherent instrument embodying as far as possible all up-to-date standards of existing international maritime labour conventions and recommendations, as well as the fundamental principles to be found in other international labour conventions.

United States

Oil Pollution Act and CERCLA

Our operations are subject to the U.S. Pollution Act of 1990, or “OPA”, which establishes an extensive regulatory and liability regime for environmental protection and cleanup of oil spills, and the Comprehensive Environmental Response, Compensation and Liability Act, or “CERCLA”, which imposes liability on owners and operators of ships for cleanup and natural resource damage from the release of hazardous substances (other than oil). Under OPA, ship owners, operators and bareboat charterers are responsible parties who are jointly, severally and strictly liable (unless the spill results solely from the act or omission of a third party, an act of God or an act of war) for all containment and clean-up costs and other damages arising from oil spills from their ships. OPA currently limits the liability of responsible parties with respect to ships over 3,000 gross tons to the greater of \$2,200 per gross ton or \$18,796,800 per double hull ship and permits individual states to impose their own liability regimes with regard to oil pollution incidents occurring within their boundaries. Some states have enacted legislation providing for unlimited liability for discharge of pollutants within their waters. Liability under CERCLA is limited to the greater of \$300 per gross ton or \$5.0 million for ships carrying a hazardous substance as cargo and the greater of \$300 per gross ton or \$0.5 million for any other ship.

These limits of liability do not apply under certain circumstances, however, such as where the incident is caused by violation of applicable U.S. federal safety, construction or operating regulations, or by the responsible party’s gross negligence or willful misconduct. In addition, a marine incident that results in significant damage to the environment, such as the Deepwater Horizon oil spill, could result in amendments to these limitations or other regulatory changes in the future. We maintain the maximum pollution liability coverage amount of \$1 billion per incident for our ships. We also believe that we will be in substantial compliance with OPA, CERCLA and all applicable state regulations in the ports where our ships will call.

OPA also requires owners and operators of ships over 300 gross tons to establish and maintain with the National Pollution Fund Center of the U.S. Coast Guard evidence of financial responsibility sufficient to meet the limit of their potential strict liability under the act. Such financial responsibility can be demonstrated by providing a guarantee from an appropriate guarantor, who can release the required guarantee to the National Pollution Fund Center against payment of the requested premium. We have purchased such a guarantee in order to provide evidence of financial responsibility and have received the mandatory certificates of financial responsibility from the U.S. Coast Guard in respect of each of the vessels included in our fleet. We intend to obtain such certificates in the future for each of our vessels, if required to have them.

Clean Water Act

The U.S. Clean Water Act of 1972, or “CWA”, prohibits the discharge of oil, hazardous substances and ballast water in U.S. navigable waters unless authorized by a duly-issued permit or exemption, and imposes strict liability in the form of penalties for any unauthorized discharges. The CWA also imposes substantial liability for the costs of removal, remediation and damages and complements the remedies available under OPA and CERCLA. Furthermore, most U.S. states that border a navigable waterway have enacted environmental pollution laws that impose strict liability on a person for removal costs and damages resulting from a discharge of oil or a release of a hazardous substance. These laws may be more stringent than U.S. federal law.

The United States Environmental Protection Agency, or “EPA”, has enacted rules requiring ballast water discharges and other discharges incidental to the normal operation of certain ships within United States waters to be authorized under the Ship General Permit for Discharges Incidental to the Normal Operation of Ships, or the “VGP”. To be covered by the VGP, owners of certain ships must submit a

Notice of Intent, or “NOI”, at least 30 days before the ship operates in United States waters. Compliance with the VGP could require the installation of equipment on our ships to treat ballast water before it is discharged or the implementation of other disposal arrangements, and/or otherwise restrict our ships from entering United States waters. In March 2013, the EPA published a new VGP that includes numeric effluent limits for ballast water expressed as the maximum concentration of living organisms in ballast water. The VGP also imposes a variety of changes for non-ballast water discharges including more stringent Best Management Practices for discharges of oil-to-sea interfaces in an effort to reduce the toxicity of oil leaked into U.S. waters. The 2013 VGP was issued with an effective period of December 19, 2013 to December 18, 2018. The Vessel Incidental Discharge Act, or “VIDA”, enacted on December 4, 2018, requires the EPA and Coast Guard to develop new performance standards and enforcement regulations and extends the 2013 VGP provisions until new regulations are final and enforceable. We have submitted NOIs for our fleet and intend to submit NOIs for our ships in the future, where required, and do not believe that the costs associated with obtaining and complying with the VGP will have a material impact on our operations.

Clean Air Act

The U.S. Clean Air Act of 1970, as amended by the Clean Air Act Amendments of 1977 and 1990, or the “CAA”, requires the EPA to promulgate standards applicable to emissions of volatile organic compounds and other air contaminants. Our ships may be subject to vapor control and recovery requirements for certain cargoes when loading, unloading, ballasting, cleaning and conducting other operations in regulated port areas and emission standards for so-called “Category 3” marine diesel engines operating in U.S. waters. The marine diesel engine emission standards are currently limited to new engines beginning with the 2004 model year. On April 30, 2010, the EPA adopted final emission standards for Category 3 marine diesel engines equivalent to those adopted in the amendments to Annex VI to MARPOL.

The CAA also requires states to adopt State Implementation Plans, or “SIPs”, designed to attain national health-based air quality standards in primarily major metropolitan and/or industrial areas. Several SIPs regulate emissions resulting from ship loading and unloading operations by requiring the installation of vapor control equipment. The MEPC has designated as an ECA the area extending 200 miles from the territorial sea baseline adjacent to the Atlantic/Gulf and Pacific coasts and the eight main Hawaiian Islands and the Baltic Sea, North Sea and Caribbean Sea, under the Annex VI amendments. Fuel used by vessels operating in the ECA cannot exceed 0.1% (mass by mass) sulfur. As of January 1, 2016, NOx after-treatment requirements also apply. Our vessels can store and burn low-sulfur fuel oil or alternatively burn natural gas which contains no sulfur. Additionally, burning natural gas will ensure compliance with IMO Tier III NOx emission limitations without the need for after-treatment. Charterers must supply compliant fuel for the vessels before ordering vessels to trade in areas where restrictions apply. As a result, we do not expect such restrictions to have a materially adverse impact on our operations or costs.

Other Environmental Initiatives

U.S. Coast Guard regulations adopted under the U.S. National Invasive Species Act, or “NISA”, impose mandatory ballast water management practices for all ships equipped with ballast water tanks entering U.S. waters, which could require the installation of equipment on our ships to treat ballast water before it is discharged or the implementation of other port facility disposal arrangements or procedures, and/or otherwise restrict our ships from entering U.S. waters. In June 2012, the U.S. Coast Guard rule establishing standards for the allowable concentration of living organisms in ballast water discharged in U.S. waters and requiring the phase-in of Coast Guard approved ballast water management systems, or “BWMS”, became effective. The rule requires installation of Coast Guard approved BWMS by new vessels constructed on or after December 1, 2013 and existing vessels as of

their first dry-docking after January 1, 2016. Several states have adopted legislation and regulations relating to the permitting and management of ballast water discharges.

At the international level, the IMO adopted an International Convention for the Control and Management of Ships' Ballast Water and Sediments in February 2004, or the "BWM Convention". The BWM Convention's implementing regulations call for a phased introduction of mandatory ballast water exchange requirements, to be replaced in time with mandatory concentration limits. The threshold ratification requirements for the convention to enter into force were met in 2016, and the convention became effective on September 8, 2017. All our newly delivered ships from 2016 onwards have compliant equipment installed. We have selected one manufacturer to supply the required equipment to be installed at the first dry-dock of all remaining ships. The programme and required funds have been included in our future planning to ensure the fleet remains compliant at all times.

Our vessels may also become subject to the International Convention on Liability and Compensation for Damage in Connection with the Carriage of Hazardous and Noxious Substances by Sea, 1996 as amended by the Protocol to the HNS Convention, adopted in April 2010, or "HNS Convention", if it is entered into force. The HNS Convention creates a regime of liability and compensation for damage from hazardous and noxious substances, or "HNS", including a two-tier system of compensation composed of compulsory insurance taken out by shipowners and an HNS Fund which comes into play when the insurance is insufficient to satisfy a claim or does not cover the incident. To date, the HNS Convention has not been ratified by a sufficient number of countries to enter into force.

Greenhouse Gas Regulations

The MEPC of IMO adopted two new sets of mandatory requirements to address greenhouse gas emissions from ships at its July 2011 meeting. The Energy Efficiency Design Index requires a minimum energy efficiency level per capacity mile and is applicable to new vessels, and the Ship Energy Efficiency Management Plan is applicable to currently operating vessels. The requirements, which entered into force in January 2013, were fully implemented by GasLog as of December 2012 and have been implemented by the Partnership as well. The IMO is also considering the development of a market-based mechanism for greenhouse gas emissions from ships, but it is difficult to predict the likelihood that such a standard might be adopted or its potential impact on our operations at this time.

The European Union has indicated in the past that it intends to propose an expansion of the existing European Union emissions trading scheme to include emissions of greenhouse gases from marine ships. The EU MRV Regulation (Monitoring, Reporting, Verification), entered into force on July 1, 2015, requires large vessels entering European Union ports to monitor, report and verify their carbon dioxide emissions as of January 1, 2018. In the United States, the EPA has adopted regulations under the CAA to limit greenhouse gas emissions from certain mobile sources, although these requirements do not currently apply to greenhouse gas emissions from ships. In addition, the International Paris Agreement, which entered into force on November 4, 2016, establishes a framework for reducing global greenhouse gas emissions designed to take effect by 2020, with the goal of holding the increase in global average temperature to well below 2 degrees Celsius and pursuing efforts to limit the increase to 1.5 degrees Celsius. Although the Paris Agreement does not specifically require controls on shipping or other industries, it is possible that countries or groups of countries will seek to impose such controls as they implement the Paris Agreement. Any passage of climate control legislation or other regulatory initiatives by the IMO, the European Union, the United States or other countries where we operate, or any treaty adopted or amended at the international level that restricts emissions of greenhouse gases could require us to make significant expenditures that we cannot predict with certainty at this time.

We believe that LNG carriers, which have the inherent ability to burn natural gas to power the ship, and in particular LNG carriers like certain of our vessels that utilize fuel-efficient diesel electric propulsion, can be considered among the cleanest of large ships in terms of emissions.

Ship Security Regulations

A number of initiatives have been introduced in recent years intended to enhance ship security. On November 25, 2002, the Maritime Transportation Security Act of 2002, or “MTSA”, was signed into law. To implement certain portions of the MTSA, the U.S. Coast Guard issued regulations in July 2003 requiring the implementation of certain security requirements aboard ships operating in waters subject to the jurisdiction of the United States. Similarly, in December 2002, amendments to SOLAS created a new chapter of the convention dealing specifically with maritime security. This new chapter came into effect in July 2004 and imposes various detailed security obligations on ships and port authorities, most of which are contained in the newly created International Ship and Port Facilities Security Code, or “ISPS Code”. Among the various requirements are:

- on-board installation of automatic information systems to enhance ship-to-ship and ship-to-shore communications;
- on-board installation of ship security alert systems;
- the development of ship security plans; and
- compliance with flag state security certification requirements.

The U.S. Coast Guard regulations, intended to align with international maritime security standards, exempt non-U.S. ships from MTSA ship security measures, provided such ships have on board a valid “International Ship Security Certificate” that attests to the ship’s compliance with SOLAS security requirements and the ISPS Code. We have implemented the various security measures required by the IMO, SOLAS and the ISPS Code and have approved ISPS certificates and plans certified by the applicable flag state on board all our ships.

Legal Proceedings

We have not been involved in any legal proceedings that we believe may have a significant effect on our business, financial position, results of operations or liquidity, and we are not aware of any proceedings that are pending or threatened that may have a material effect on our business, financial position, results of operations or liquidity. From time to time, we may be subject to legal proceedings and claims in the ordinary course of business, principally property damage and personal injury claims. We expect that these claims would be covered by insurance, subject to customary deductibles. However, those claims, even if lacking merit, could result in the expenditure of significant financial and managerial resources.

Taxation of the Partnership

Marshall Islands

Because we and our subsidiaries do not and will not conduct business or operations in the Republic of the Marshall Islands, neither we nor our subsidiaries will be subject to income, capital gains, profits or other taxation in the Republic of the Marshall Islands under current Marshall Islands law, and we do not expect this to change in the future. As a result, distributions we receive from the operating subsidiaries are not expected to be subject to Marshall Islands taxation.

United States

The following discussion is based on the Code, judicial decisions, administrative pronouncements, and existing and proposed regulations issued by the U.S. Department of the Treasury, all of which are subject to change, possibly with retroactive effect. This discussion does not address any U.S. state or local taxes. You are encouraged to consult your own tax advisor regarding the particular U.S. federal, state and local and foreign income and other tax consequences of acquiring, owning and disposing of our common units or Preference Units that may be applicable to you.

In General

We have elected to be treated as a corporation for U.S. federal income tax purposes. As such, except as provided below, we will be subject to U.S. federal income tax on our income to the extent such income is from U.S. sources or is otherwise “effectively connected” with the conduct of a trade or business in the United States.

U.S. Taxation of Our Subsidiaries

Our subsidiaries have elected to be treated as disregarded entities for U.S. federal income tax purposes. As a result, for purposes of the discussion below, our subsidiaries are treated as branches rather than as separate corporations.

U.S. Taxation of Shipping Income

We expect that substantially all of our gross income will be attributable to income derived from the transportation of LNG pursuant to the operation of our LNG carriers. Gross income attributable to transportation exclusively between non-U.S. ports is considered to be 100% derived from sources outside the United States and generally not subject to any U.S. federal income tax. Gross income attributable to transportation that both begins and ends in the United States, or “U.S. Source Domestic Transportation Income”, is considered to be 100% derived from sources within the United States and generally will be subject to U.S. federal income tax. Although there can be no assurance, we do not expect to engage in transportation that gives rise to U.S. Source Domestic Transportation Income.

Gross income attributable to transportation, including shipping income, that either begins or ends, but that does not both begin and end, in the United States is considered to be 50% derived from sources within the United States (such 50% being “U.S. Source International Transportation Income”). Subject to the discussion of “effectively connected income” below, Section 887 of the Code imposes on us a 4% U.S. income tax in respect of our U.S. Source International Transportation Income (without the allowance for deductions) unless we are exempt from U.S. federal income tax on such income under a tax treaty or the rules contained in Section 883 of the Code. The other 50% of the income described in the first sentence of this paragraph would not be subject to U.S. income tax.

For this purpose, “shipping income” means income that is derived from:

- (i) the use of ships;
- (ii) the hiring or leasing of ships for use on a time, operating or bareboat charter basis;
- (iii) the participation in a pool, partnership, strategic alliance, joint operating agreement or other joint venture we directly or indirectly own or participate in that generates such income; or
- (iv) the performance of services directly related to those uses.

We do not expect to qualify for an exemption from such U.S. federal income tax under a tax treaty nor do we expect to qualify for the exemption under Section 883 of the Code during the 2019 tax year, unless our general partner exercises the “GasLog option”.

Our general partner, which is a wholly owned subsidiary of GasLog, by virtue of its general partner interest, has an option (the “GasLog option”), exercisable at its discretion, to cause our common unitholders to permanently have the right to elect a majority of our directors. If that option were exercised, we might qualify for an exemption from U.S. federal income tax on U.S. Source International Transportation Income under Section 883 of the Code. There is no assurance, however, that GasLog will exercise the GasLog option, which is necessary for us to qualify for such exemption, nor can we assure you that GasLog’s exercise of the GasLog option would be sufficient for us to qualify for the exemption for our current or any future tax year.

For any tax year in which we are not entitled to the exemption under Section 883, we would be subject to the 4% U.S. federal income tax under Section 887 on our U.S. Source International Transportation Income (subject to the discussion of “effectively connected income” below) for those years. For 2018, our U.S. source gross transportation tax was \$0.6 million. In addition, our U.S. Source International Transportation Income that is considered to be “effectively connected” with the conduct of a U.S. trade or business is subject to the U.S. corporate income tax currently imposed at rates of up to 21% (net of applicable deductions). In addition, we may be subject to the 30% U.S. “branch profits” tax on earnings “effectively connected” with the conduct of such trade or business, as determined after allowance for certain adjustments, and on certain interest paid or deemed paid attributable to the conduct of our U.S. trade or business.

Our U.S. Source International Transportation Income would be considered “effectively connected” with the conduct of a U.S. trade or business only if:

- (i) we had, or were considered to have, a fixed place of business in the United States involved in the earning of U.S. source gross transportation income; and
- (ii) substantially all of our U.S. source gross transportation income was attributable to regularly scheduled transportation, such as the operation of a ship that followed a published schedule with repeated sailings at regular intervals between the same points for voyages that begin or end in the United States.

We believe that we will not meet these conditions because we will not have, or permit circumstances that would result in having, such a fixed place of business in the United States or any ship sailing to or from the United States on a regularly scheduled basis.

Taxation of Gain on Sale of Shipping Assets

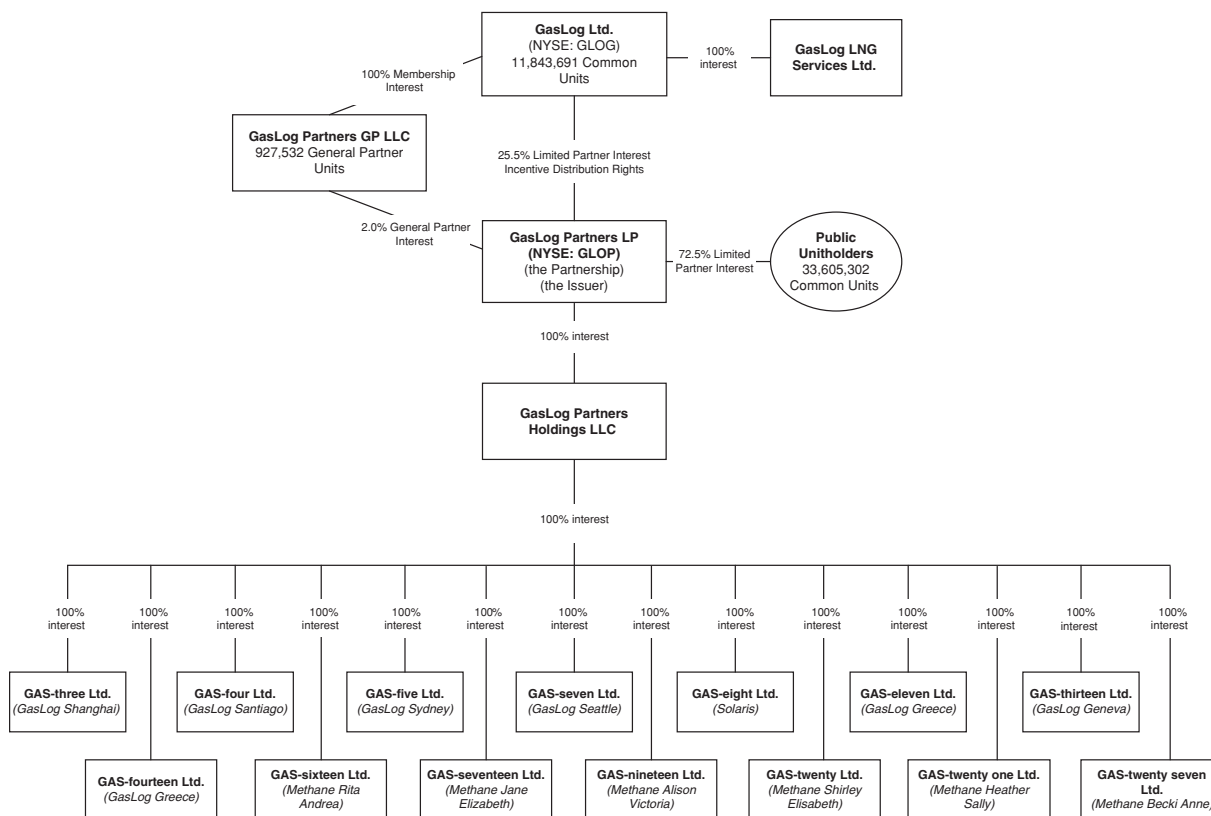
Regardless of whether we qualify for the exemption under Section 883 of the Code, we will not be subject to U.S. income taxation with respect to gain realized on a sale of a ship, provided the sale is considered to occur outside of the United States (as determined under U.S. tax principles). In general, a sale of a ship will be considered to occur outside of the United States for this purpose if title to the ship (and risk of loss with respect to the ship) passes to the buyer outside of the United States. We expect that any sale of a ship will be so structured that it will be considered to occur outside of the United States.

Other Jurisdictions and Additional Information

For additional information regarding the taxation of our subsidiaries, see Note 2 to our audited consolidated financial statements included elsewhere in this annual report.

C. Organizational Structure

GasLog Partners is a publicly traded limited partnership formed in the Marshall Islands on January 23, 2014. The diagram below depicts our simplified organizational and ownership structure as of February 21, 2019.



As of February 21, 2019, we have 15 subsidiaries, one is incorporated in the Marshall Islands and 14 are incorporated in Bermuda. Of our subsidiaries, 14 own vessels in our fleet. Our subsidiaries are wholly owned by us. A list of our subsidiaries is set forth in Exhibit 8.1 to this annual report.

D. Property, Plant and Equipment

Other than our ships, we do not own any material property. Our vessels are subject to priority mortgages, which secure our obligations under our various credit facilities. For information on our vessels, see “Item 4. Information on the Partnership—B. Business Overview—Our Fleet”. For further details regarding our credit facilities, refer to “Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources—Credit Facilities”.

ITEM 4.A. UNRESOLVED STAFF COMMENTS

Not applicable.

ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS

The following discussion of our financial condition and results of operations should be read in conjunction with the financial statements and the notes to those statements included elsewhere in this annual report. This discussion includes forward-looking statements that involve risks and uncertainties. As a

result of many factors, such as those set forth under “Item 3. Key Information—D. Risk Factors” and elsewhere in this annual report, our actual results may differ materially from those anticipated in these forward-looking statements. Please see the section “Forward-Looking Statements” at the beginning of this annual report.

Prior to the closing of the IPO, we did not own any vessels. Our IFRS Common Control Reported Results represent the results of GasLog Partners as an entity under the common control of GasLog. The following discussion assumes that our business was operated as a separate entity prior to its inception. The transfer of the three initial vessels from GasLog to the Partnership at the time of the IPO, the transfer of two vessels from GasLog to the Partnership in September 2014, the transfer of three vessels from GasLog to the Partnership in July 2015, the transfer of one vessel from GasLog to the Partnership in November 2016, the transfer of three vessels from GasLog to the Partnership in May, July and October 2017, respectively, and the transfer of two vessels from GasLog to the Partnership in April and November 2018, respectively, were each accounted for as a reorganization of entities under common control under IFRS. Accordingly, the annual consolidated financial statements and the accompanying discussion under “Results of Operations” include the accounts of the Partnership and its subsidiaries assuming that they are consolidated from the date of their incorporation by GasLog, as they were under the common control of GasLog.

For the periods prior to the closing of the IPO, our financial position, results of operations and cash flows reflected in our financial statements include all expenses allocable to our business, but may not be indicative of those that would have been incurred had we operated as a separate public entity for all years presented or of future results.

We manage our business and analyze and report our results of operations in a single segment.

Overview

We are a growth-oriented limited partnership focused on owning, operating and acquiring LNG carriers engaged in LNG transportation under multi-year charters. Our fleet of 14 LNG carriers, which have fixed charter terms expiring between 2019 and 2026, except for one which is currently operating in the spot market, were contributed to us by, or acquired by us from, GasLog, which controls us through its ownership of our general partner. The charter on two of the vessels expire in 2019, one of which has been rechartered for one year, and five further charters will expire in 2020. On redelivery, the vessels may operate in the short-term spot market until we secure new multi-year time charters.

Our fleet consists of 14 LNG carriers, including nine vessels with modern TFDE propulsion technology and five modern Steam vessels. We also have options and other rights under which we may acquire additional LNG carriers from GasLog, as described below. We believe that such options and rights provide us with significant built-in growth opportunities. We may also acquire vessels or other LNG infrastructure assets from shipyards or other owners.

We operate our vessels mainly under multi-year charters with fixed-fee contracts that generate predictable cash flows during the life of these charters. One of our vessels currently operates in the spot market through the Cool Pool, an LNG carrier pooling arrangement operated by GasLog and Golar LNG Ltd. We intend to grow our fleet through further acquisitions of LNG carriers from GasLog and third parties. However, we cannot assure you that we will make any particular acquisition or that, as a consequence, we will successfully grow our distributions per common unit. Among other things, our ability to acquire additional LNG carriers will be dependent upon our ability to raise additional equity and debt financing.

Items You Should Consider When Evaluating Our Historical Financial Performance and Assessing Our Future Prospects

Our results of operations, cash flows and financial position could differ from those that would have resulted if we operated autonomously or as an entity independent of GasLog in the years for which historical financial data is presented below, and such data may not be indicative of our future operating results or financial performance.

You should consider the following facts when evaluating our historical results of operations and assessing our future prospects:

- ***Our fleet consists of 14 LNG carriers. The charters on two of the vessels expire in 2019, one of which has been rechartered for one year, and five further charters expire in 2020, including four Steam Vessels.*** We continue to pursue opportunities for new multi-year charters with third parties for these vessels, but we may have difficulty in securing new charters at attractive rates and durations. In the interim, we may have exposure to the volatile spot market which is highly competitive and subject to significant price fluctuations. If we are unable to re-deploy a vessel, we will not receive any revenues from that vessel and we will be required to pay expenses necessary to maintain the vessel in proper operating condition as well as to service the debt attached to that vessel.
- ***The size of our fleet continues to change.*** Our historical results of operations, as reported under common control accounting, reflect changes in the size and composition of our fleet due to vessel deliveries and acquisitions. For example, each of the *GasLog Shanghai*, the *GasLog Santiago*, the *GasLog Sydney* and the *GasLog Seattle* were delivered from the shipyard during 2013, and the *Methane Rita Andrea*, the *Methane Jane Elizabeth*, the *Methane Alison Victoria*, the *Methane Shirley Elisabeth* and the *Methane Heather Sally* were acquired by GasLog during 2014 and did not have any historical operations in GasLog prior to that time. In addition, pursuant to the omnibus agreement, (i) we have the option to purchase from GasLog two additional LNG carriers at fair market value as determined in accordance with the provisions of the omnibus agreement, and (ii) GasLog will be required to offer to us for purchase at fair market value, as determined in accordance with the omnibus agreement, any LNG carrier with a cargo capacity greater than 75,000 cbm engaged in oceangoing LNG transportation that GasLog owns or acquires if charters are secured with committed terms of five full years or more. Furthermore, we may grow through the acquisition in the future of other vessels or other LNG infrastructure assets from other parties as part of our growth strategy.
- ***Our future capital needs are uncertain and we may need to raise additional funds in the future.*** We may need to raise additional capital to maintain, replace and expand the operating capacity of our fleet, fund our operations and meet our debt service obligations. Our future funding requirements will depend on many factors, including the cost and timing of vessel acquisitions, the cost of retrofitting or modifying existing ships as a result of technological advances, changes in applicable environmental or other regulations or standards, customer requirements or otherwise. Our ability to obtain bank financing or to access the capital markets for future offerings may be limited by our financial condition at the time of any such financing or offering, as well as by adverse market conditions that are beyond our control. If we raise additional funds by issuing equity or equity-linked securities, our unitholders may experience dilution or reduced distributions per unit. Inability to secure bank financing or access the capital markets could have a material adverse effect on our business, or financial condition, results of operations and cash flows, including cash available for distributions to our unitholders.
- ***Our historical results of operations reflect administrative costs that are not necessarily indicative of future costs.*** The aggregate fees and expenses payable for services under the administrative services agreement, commercial management agreements and ship management agreements for

the year ended December 31, 2018 were \$7.2 million, \$5.0 million and \$10.4 million, respectively. As the fees under the administrative services agreement relate to the *GasLog Gibraltar* and the *Methane Becki Anne* only since their acquisitions from GasLog in April and November 2018, respectively, the fees and expenses payable pursuant to this agreement will likely be higher for future periods than reflected in our results of operations for the year ended December 31, 2018. Additionally, these fees and expenses will be payable without regard to our business, results of operations and financial condition. For a description of the administrative services agreement, commercial management agreements and ship management agreements, see “Item 7. Major Unitholders and Related Party Transactions—B. Related Party Transactions”.

Industry Overview and Trends

Energy Prices

As referenced in “Item 3. Key Information—Risk Factors”, oil prices exhibited significant volatility during the final months of 2018. Oil prices had risen steadily during 2018, pushed higher by an encouraging macroeconomic backdrop and positive supply and demand fundamentals. Oil prices subsequently posted multi-year highs in October 2018. However, oil prices then declined significantly on concerns of a global economic slow down and its potential impact on the oil markets, as well as perceptions of oversupply as a result of growing inventories.

After a period of strength during the third quarter of 2018 following strong demand in both Asia and Europe, global gas prices, as measured by the Title Transfer Facility (“TTF”) and the Japan Korea Marker (“JKM”) price indices in North West Europe and North Asia respectively, were also weaker in the fourth quarter of 2018 as a result of the fall in oil prices, ample gas inventory levels and warmer than normal temperatures at the start of the winter in both regions. On the contrary, spot U.S. natural gas prices rose sharply towards the end of 2018, reflecting inventory drawdowns during a colder than normal start to the winter in the U.S.

The concerns over oil market oversupply and deteriorating macroeconomic fundamentals seen in late 2018 have partially reversed in early 2019, resulting in a modest recovery in oil prices. However, international gas prices have continued to fall due to weaker than normal winter demand, healthy inventory levels in key demand regions and ample supply of both piped gas and LNG. As of February 21, 2019, Brent crude oil was quoted at approximately \$67.1 per barrel compared to approximately \$65.4 per barrel at this time last year, while international natural gas prices were quoted at approximately \$5.9 per million British thermal units (“MMBtu”) for TTF compared to \$5.8 per MMBtu at the same time last year, and at approximately \$6.9 per MMBtu for JKM compared to \$8.3 per MMBtu at the same time last year. In the U.S., spot Henry Hub natural gas price of \$2.7 per MMBtu as of February 21, 2019 was unchanged year-on-year.

We believe that the differential between Asian market gas prices and those in the Atlantic Basin and U.S. markets, where Henry Hub gas pricing averaged (on a volume weighted basis) \$3.26 per MMBtu in 2018, is a significant driver of spot global LNG trade, as the differential incentivizes natural gas marketers and buyers to ship LNG over longer distances, such as between sources of LNG in the Atlantic Basin and markets in Asia. The recent declines in Asian and European gas prices referenced above have resulted in a differential not currently wide enough to incentivize inter-basin trade. However, gas price futures imply that the inter-basin arbitrage opportunity will exist periodically in coming years, potentially leading to longer voyages for LNG cargoes and, all else equal, increasing the demand for spot LNG shipping.

LNG Supply

The global seaborne trade of LNG was 326 mtpa in 2018, with LNG supply projected by Wood Mackenzie to rise 12% to approximately 366 mtpa in 2019. This expected growth is driven by the

ramp-up of new supply commissioned in 2018 and new capacity scheduled onstream in 2019. During the second half of 2018, the Ichthys, Corpus Christi Train 1, Sabine Pass Train 5 and Yamal Train 3 projects were brought onstream with a combined production capacity size of 23.7 mtpa. According to Wood Mackenzie, new supply additions during 2019 will come mainly from the U.S., including Elba Island, Cameron Trains 1 and 2, Freeport Trains 1 and 2 (combined total of 26.5 mtpa), new projects in Australia (Prelude 3.6 mtpa) and Russia (2.2 mtpa).

During 2018, there was renewed momentum in the planning and approval of new LNG production capacity. A total of 21 mtpa of capacity from the LNG Canada, Corpus Christi Train 3 and the Greater Tortue Ahmeyim projects reached a final investment decision (“FID”) in 2018. In February 2019, the Golden Pass (16 mtpa) project in the U.S. also reached FID. Based on Wood Mackenzie data and our estimates, approximately 57 mtpa of new capacity is expected to come onstream between 2020 and 2024. This includes the third trains at both Cameron and Freeport in the U.S., first LNG production from Mozambique’s Coral project, Corpus Christi Train 3, LNG Canada, Tangguh Train 3, Greater Tortue Ahmeyim and Golden Pass.

LNG Demand

Demand for LNG continued to grow strongly in 2018, primarily as a result of economic growth, energy and environmental policy, energy security considerations and declines in domestic natural gas production in certain countries. According to Wood Mackenzie, LNG demand increased by 9%, from 288 mtpa in 2017 to 313 mtpa in 2018. China’s LNG imports registered another year of significant growth, rising by 41% to 54 mtpa in 2018 following 44% growth in 2017. During 2018, China overtook Japan as the largest importer of piped gas and LNG globally. Other established markets where LNG demand grew strongly in 2018 included India, South Korea, Pakistan and Thailand. During 2018, Bangladesh, Panama and Russia (Kaliningrad) also began importing LNG, bringing the total number of LNG importing countries to 43.

The increase in the total number of importing nations has been facilitated by the versatility in energy demand, declining domestic natural gas production in certain countries, energy policies resulting in a switch to natural gas from fuels with higher carbon emissions, a desire to enhance energy security through diversification of supply and the versatility and attractive economics of FSRUs. These are either custom-built vessels or LNG carriers that have been converted to operate as FSRUs and offer cheaper and quicker access to LNG markets. FSRUs remain a growing sector of the LNG trade and they increase the number of potential LNG markets and trade routes. In 2018, Bangladesh inaugurated its first FSRU terminal. Several other countries are steadily progressing FSRU projects, including Greece, Hong Kong and Australia.

According to Poten, there are currently 30 FSRUs on the water, with a further ten being delivered over the next two to three years. However, the availability of on-the-water FSRUs without charters and increasingly competitive tenders have put FSRU charter rates and financial returns under pressure. In addition, newbuild FSRU costs are at historical lows, with a comparable all-in cost to a modern TFDE conversion. While this continues to be the case, the competitive advantage of an FSRU conversion is predominantly ‘speed-to-market’, targeting projects where permanent land-based LNG regasification terminals cannot be delivered in time to meet gas import requirements.

During 2018 there was a significant increase in the number of long-term LNG off-take contracts announced, a positive indicator for future LNG demand. According to Wood Mackenzie and company disclosures, 95 mtpa of long-term (defined as greater than 5 years duration) off-take commitments have been agreed since the beginning of 2018, compared to 25 mtpa in 2017. The nature of the LNG marketplace continued to evolve in 2018. According to the Financial Times, the top three independent commodity traders increased their delivered LNG volumes by almost 40% to 31 million tonnes in 2018,

taking market share from traditional participants such as national oil companies and major integrated oil companies.

The agreements signed in 2018 and early 2019 included Trafigura purchasing 1 mtpa from Cheniere Marketing, LLC for 15 years beginning in 2019. Tokyo Gas Co. Ltd. and Centrica LNG Company Limited entered into a Heads of Agreement for a combined 2.6 mtpa over 20 years from the Area 1 Project in Mozambique. Polish Oil and Gas Company has contracted to receive 2.0 mtpa over 20 years from both Venture Global LNG's proposed Calcasieu Pass and Plaquemines LNG export facilities and Port Arthur LNG, LLC. Taiwan's state owned oil and gas company, CPC Corporation, has contracted to take 2.0 mtpa over 25 years from Cheniere commencing in 2021. In September 2018, Qatargas announced an agreement to sell approximately 3.4 mtpa of LNG to PetroChina International Company Limited over 22 years. Sumitomo Corporation of the Americas contracted to receive 2.2 mtpa over 20 years from the Freeport project (FLNG Liquefaction 4) in the U.S. The partners in the LNG Canada project (Korea Gas Corporation, Mitsubishi Corporation, Petronas, PetroChina Company Limited and Shell) are expected to market LNG production from the project either as portfolio volumes or market for onward sale, with Toho Gas Co., Ltd. and Tokyo Gas signing for a combined 0.9 mtpa over 15 and 13 years, respectively, from Mitsubishi Corporation. Vitpol Asia Pte. Ltd. recently signed for 0.8 mtpa of LNG supply over 15 years from Petronas LNG Ltd., which is primarily expected to be sourced from the LNG Canada project. Petronas LNG Ltd. announced in December 2018 an agreement to purchase 1.1 mtpa from Cheniere Energy Partners, L.P. for a term of 20 years. In late 2018, the Rovuma LNG project offshore Mozambique secured off-take commitments from its joint venture partners, a key milestone ahead of a probable FID in 2019. In early 2019, the Mozambique Area 1 partners announced long-term offtake agreements with CNOOC (1.5 mtpa over 13 years), Shell (2 mtpa for 13 years), Bharat Petroleum (1 mtpa over 15 years) and Pertamina (1 mtpa over 20 years). Finally, the Golden Pass project in the U.S. reached FID in February 2019, with its partners Qatar Petroleum and ExxonMobil expected to market LNG production from the project as portfolio volumes.

Several of these projects and others continue to make progress towards taking FID. Should any further projects take FID, incremental LNG shipping capacity is likely to be required to transport the LNG produced by these projects. Nonetheless, there can be no assurance that any of these projects will take FID or, if one or more FIDs are taken, that incremental shipping will be contracted or that GasLog will be successful in securing renewed or new charters at attractive rates and durations to meet such LNG shipping requirements.

LNG Shipping Rates and Chartering Activity

At the beginning of 2018 spot rates for TFDE LNG carriers, as quoted by Clarksons, stood at \$82,000 per day, displaying continued strength following significant demand for spot LNG cargoes during a colder than anticipated Northern Hemisphere winter and strong demand growth in North Asia, especially China and South Korea. Rates subsequently declined, reaching a low of \$38,000 per day in April 2018, as the seasonal fall in Northern Hemisphere gas demand coincided with new LNG carrier capacity entering the market, unexpected supply outages from existing LNG plants and a delay in commissioning new LNG supply capacity. Spot rates increased counter-seasonally in mid-2018 and strengthened further in the second half of the year. Warmer than anticipated temperatures during the Northern Hemisphere summer led to increased gas demand for power generation, driving an increase in LNG imports. In addition, China sought to front load its LNG imports during the third quarter of 2018 to avoid a repeat of the 2017/2018 winter, when a significant number of LNG cargoes were procured at short notice to meet high demand. The combination of these factors, as well as high levels of utilization across the global LNG fleet, saw an unprecedented spike in rates for available spot LNG vessels in the final months of 2018, resulting in all-time highs of \$190,000 per day for a TFDE carrier. Rates started to moderate late in the year and continued to fall in early 2019 as prompt shipping

availability increased following a weaker than normal winter demand in the later stages of the Northern Hemisphere winter and the delivery of 53 new LNG carriers in 2018. Clarksons currently estimates spot rates for TFDEs at \$60,000/day.

The number of spot charterers increased during 2018, with Poten estimating that 58 companies chartered at least one ship in 2018, compared to 55 in 2017. However, many charterers fixed vessels on multi-month and/or multi-voyage terms ahead of anticipated tightness in LNG shipping markets during the Northern Hemisphere winter. As a result, average charter durations rose from 32 days in 2017 to 45 days in 2018. Consequently, the total number of spot fixtures declined in 2018, with Poten estimating that 326 spot fixtures (defined as 180 days or less in duration) of LNG vessels in the year, compared with 339 in 2017. However, short and medium term fixtures (defined by Poten as 181 days to seven years in duration) increased from 19 in 2017 to 77 in 2018. Structural medium-term tightness in the LNG carrier market combined with a recent increase in spot vessel availability could result in this trend continuing.

Looking ahead, in our view, further LNG demand growth, new sources of supply coming onstream and a slower pace of LNG carrier fleet growth in 2019 compared to 2018 should combine to create the potential for LNG shipping spot rates to stage a strong recovery from recent seasonal falls. However, there is no guarantee that LNG shipping spot rates will stay at or near current levels or return to the levels experienced in the fourth quarter of 2018, which could harm our business, financial condition, results of operations and cash flows, including cash available for distributions to unitholders.

Over the longer term, if construction and commissioning of the new LNG production facilities referenced above in “*LNG Supply*” proceed as expected by Wood Mackenzie, the incremental supply of LNG will increase the demand for LNG shipping capacity. Although some of the shipping required to transport this additional volume has been contracted and is currently under construction, encouraging levels of tendering activity are being noted and consensus LNG demand forecasts continue to suggest a potential shortfall of LNG shipping capacity during the middle of the next decade. However, 2018 newbuild order activity has reduced the potential shortfall in shipping capacity we had previously identified for early in the next decade.

While there is a broad consensus that the LNG shipping market will be tight over the next two to three years, delays to start-up, or unexpected downtime, of LNG supply projects or significant further orders of new LNG carriers may weaken the supply/demand balance for LNG shipping. Reduced demand for LNG or LNG shipping, or any reduction or limitation in LNG production capacity, or significant increases in LNG shipping capacity could have a material adverse effect on our ability to secure future time charters at attractive rates and durations for new ships we may order or acquire, or upon expiration or early termination of our current charter arrangements, which could harm our business, financial condition, results of operations and cash flows, including cash available for distributions to unitholders, as well as our ability to meet certain of our debt covenants. A sustained decline in charter rates could also adversely affect the market value of our ships, on which certain of the ratios and financial covenants with which we are required to comply are based.

Global LNG Fleet

According to Poten, as of February 11, 2019, the global fleet of dedicated LNG carriers (>65,000 cbm) consisted of 493 vessels with 105 LNG carriers on order, of which 66 have long-term charters. Poten estimates that a total of 38 LNG carriers are due to be delivered in 2019, with 24 of these in the first half of the year.

In 2018, 61 orders for LNG carriers were placed, as estimated by Poten. Newbuild ordering saw a significant increase in 2018 relative to previous years, as industry participants reacted to the positive outlook for LNG demand and supply, the increase in long-term chartering activity referenced above, and attractive shipyard prices for newbuild vessels, although these prices have started to increase while

still being relatively low by historical standards. We believe that the growing global demand for natural gas, especially in Asia, increasing supply from the U.S. and other regions, and other LNG market trends, including increased trading of LNG leading to transportation inefficiencies with cargoes spending more time on the water, should support the existing order backlog for vessels and should also drive a need for additional LNG carrier newbuildings. Finally, the scrapping of older and less efficient vessels, the conversion of existing vessels to FSRUs or FSUs and/or employing LNG carriers for short-term storage purposes in order to exploit arbitrage opportunities could reduce the availability of LNG carriers on the water today. However, various factors, including changes in prices of and demand for LNG, can materially affect the competitive dynamics that currently exist and there can be no assurance that this need for additional carriers will materialize or that GasLog will be successful in securing renewed or new charters at attractive rates and durations to meet such LNG shipping requirements.

The statements in this “Industry Overview and Trends” section are forward-looking statements based on management’s current expectations and certain material assumptions and, accordingly, involve risks and uncertainties that could cause actual results, performance and outcomes to differ materially from those expressed herein. See “Item 3. Key Information—D. Risk Factors” of this annual report.

A. Operating Results

Factors Affecting Our Results of Operations

We believe the principal factors that will affect our future results of operations include:

- the supply and demand for LNG shipping services and the number of vessels available in the short-term or spot LNG carrier charter market;
- our ability to secure new multi-year charters, at economically attractive rates, for the six vessels with charters expiring in 2019 and 2020 which includes all five of our Steam vessels;
- our ability to expand our fleet by accessing the drop-down pipeline at GasLog and/or by acquiring LNG infrastructure assets from third parties, and to raise the equity and debt financing required to fund any such acquisition;
- our ability to obtain acceptable financing in respect of our capital and refinancing commitments;
- our ability to maintain good working relationships with our customers and our ability to increase the number of our customers through the development of new working relationships;
- the performance of our charterers;
- the effective and efficient technical and operational management of our ships;
- our ability to obtain and maintain regulatory approvals and to satisfy technical, health, safety and compliance standards that meet our customers’ requirements; and
- economic, regulatory, political and governmental conditions that affect the LNG and LNG shipping industries, which include geopolitical factors such as the imposition of trade tariffs and changes in the number of new LNG importing countries and regions, as well as structural LNG market changes impacting LNG supply and demand.

In addition to the general factors discussed above, we believe certain specific factors have impacted, or will impact, our results of operations. These factors include:

- the hire rate earned by our ships including any of our ships that may trade in the spot market if we are unable to secure new multi-year charters;
- unscheduled off-hire days;

- the level of our ship operating expenses, including the costs of crewing, insurance and maintenance ;
- our level of debt, the related interest expense and the timing of required payments of principal;
- mark-to-market changes in derivative financial instruments and foreign currency fluctuations; and
- the level of our general and administrative expenses, including salaries and costs of consultants.

See “Item 3. Key Information—D. Risk Factors” for a discussion of certain risks inherent in our business.

Principal Components of Revenues and Expenses

Revenues

Our revenues are driven primarily by the number of LNG carriers in our fleet, the amount of daily charter hire that they earn under time charters and the number of operating days during which they generate revenues. These factors, in turn, are affected by our decisions relating to ship acquisitions and disposals, the amount of time that our ships spend in dry-dock undergoing repairs, maintenance and upgrade work, the age, condition and technical specifications of our ships, as well as the relative levels of supply and demand in the LNG carrier charter market. Under the terms of some of our time charter arrangements, the operating cost component of the daily hire rate is intended to correspond to the costs of operating the ship. Accordingly, we will receive additional revenue under such time charters through an annual escalation of the operating cost component of the daily hire rate. We believe these adjustment provisions can provide substantial protection against significant operating cost increases. See “Item 4. Information on the Partnership—B. Business Overview—Ship Time Charters—Hire Rate Provisions” for a more detailed discussion of the hire rate provisions of our charter contracts.

Our LNG carriers are employed through time charter or spot charter contracts. Revenues under our time charters are recognized when services are performed, revenue is earned and the collection of the revenue is reasonably assured. The charter hire revenue is recognized on a straight-line basis over the term of the relevant time charter. We do not recognize revenue during days when the ship is off-hire, unless it is recoverable from insurers. Advance payments under time charter contracts are classified as liabilities until such time as the criteria for recognizing the revenue are met.

Net Pool Allocation

The vessel participating in the Cool Pool receives a net allocation from the pool, which is recognized separately in the consolidated statement of profit or loss and represents GasLog Partners’ share of the net revenues earned from the other pool participants’ vessels less the other participants’ share of the net revenues earned by GasLog Partners’ vessels included in the pool. Each participant’s share of the net pool revenues is based on the number of pool points attributable to its vessels and the number of days such vessels participated in the pool.

Voyage Expenses and Commission

Under our time charter arrangements, charterers bear substantially all voyage expenses, including bunker fuel, port charges and canal tolls, but not commissions. Commissions are recognized as expenses on a pro rata basis over the duration of a time charter. Bunkers’ consumption recognized under Voyage expenses and commissions represents bunkers consumed during vessels’ unavailability and off-hire.

Vessel Operating Costs

We are generally responsible for ship operating expenses, which include costs for crewing, insurance, repairs, modifications and maintenance, lubricants, spare parts and consumable stores, vessel surveys and inspections and other miscellaneous expenses, as well as the associated cost of providing these items and services. However, as described above, the hire rate provisions of our time charters are intended to reflect the operating costs borne by us. The charters on four vessels in our fleet contain provisions that are designed to reduce our exposure to increases in operating costs, including review provisions and cost pass-through provisions. Ship operating expenses are recognized as expenses when incurred.

Depreciation

We depreciate the cost of our ships on the basis of two components: a vessel component and a dry-docking component. The vessel component is depreciated on a straight-line basis over the expected useful life of each ship, based on the cost of the ship less its estimated residual value. We estimate the useful lives of our ships to be 35 years from the date of delivery from the shipyard. Management estimates residual value of its vessels to be equal to the product of its lightweight tonnage (“LWT”) and an estimated scrap rate per LWT, which represents our estimate of the market value of the ship at the end of its useful life.

We must periodically dry-dock each of our ships for inspection, repairs and maintenance and any modifications to comply with industry certification or governmental requirements. All our ships are required to be dry-docked for these inspections at least once every five years. At the time of delivery of a ship, we estimate the dry-docking component of the cost of the ship, which represents the estimated cost of the ship’s first dry-docking based on our historical experience with similar types of ships. The dry-docking component of the ship’s cost is depreciated over five years, in the case of new ships, and until the next dry-docking for secondhand ships, which is performed within five years from the vessel’s last dry-docking unless the Partnership determines to dry-dock the ships at an earlier date. In the event a ship is dry-docked at an earlier date, the unamortized dry-docking component is written off immediately.

General and Administrative Expenses

General and administrative expenses consist primarily of legal and other professional fees, board of directors’ fees, share-based compensation expense, directors’ and officers’ liability insurance, travel and accommodation expenses, commercial management fees and administrative fees payable to GasLog.

Financial Costs

We incur interest expense on the outstanding indebtedness under our credit facilities and the swap arrangements, if any, that qualify for treatment as cash flow hedges for financial reporting purposes, which we include in our financial costs. Financial costs also include amortization of other loan issuance costs incurred in connection with establishing our credit facilities.

Interest expense and amortization of loan issuance costs are expensed as incurred.

Financial Income

Financial income consists of interest income, which will depend on the level of our cash deposits, investments and prevailing interest rates. Interest income is recognized on an accrual basis.

Gain/(Loss) on Derivatives

Any gain or loss derived from the movement in the fair value of the derivatives (interest rate swaps and forward foreign exchange contracts) that have not been designated as hedges, the ineffective portion of changes in the fair value of the derivatives that meet hedge accounting criteria, realized gain/loss on derivatives held for trading, and the amortization of the cumulative unrealized loss for the derivatives in respect of which hedge accounting was discontinued, are presented as gain or loss on derivatives in our consolidated statements of profit or loss.

Results of Operations

Our results set forth below are derived from the annual consolidated financial statements of the Partnership. Prior to the closing of our IPO, we did not own any vessels. The presentation assumes that our business was operated as a separate entity prior to its inception. The transfer of the three initial

vessels from GasLog to the Partnership at the time of the IPO, the transfer of two vessels from GasLog to the Partnership in September 2014, the transfer of three vessels from GasLog to the Partnership in July 2015, the transfer of one vessel from GasLog to the Partnership in November 2016, the transfer of three vessels from GasLog to the Partnership in May, July and October 2017, respectively, and the transfer of two vessels from GasLog to the Partnership in April and November 2018, respectively, were each accounted for as reorganizations of entities under common control under IFRS. The consolidated financial statements include the accounts of the Partnership and its subsidiaries assuming that they are consolidated from the date of their incorporation by GasLog as they were under the common control of GasLog. For the periods prior to the closing of the IPO, our financial position, results of operations and cash flows reflected in our financial statements include all expenses allocable to our business, but may not be indicative of those that would have been incurred had we operated as a separate public entity for all years presented or of future results.

Eight of our LNG carriers, the *GasLog Shanghai*, the *GasLog Santiago*, the *GasLog Sydney*, the *GasLog Seattle*, the *Solaris*, the *Gaslog Greece*, the *GasLog Geneva* and the *GasLog Gibraltar*, were delivered and immediately commenced their time charters in January, March, May and December 2013, July 2014, March, September and October 2016, respectively. The *Methane Rita Andrea* and the *Methane Jane Elizabeth* commenced their time charters upon their acquisition by GasLog in April 2014. The *Methane Alison Victoria*, the *Methane Shirley Elisabeth* and the *Methane Heather Sally* commenced their time charters upon their acquisition by GasLog in June 2014. The *Methane Becki Anne* commenced her time charter upon her acquisition by GasLog in March 2015.

The Partnership's historical results were retroactively restated to reflect the historical results of these acquired entities during the periods they were owned by GasLog.

Certain numerical figures included in the below tables have been rounded. Discrepancies in tables between totals and the sums of the amounts listed may occur due to such rounding.

Year ended December 31, 2017 compared to the year ended December 31, 2018

	IFRS Common Control Reported		
	2017	2018	Change
	Restated ⁽¹⁾		
	(in thousands of U.S. dollars)		
Statement of profit or loss			
Revenues	371,146	352,541	(18,605)
Net pool allocation	—	3,700	3,700
Voyage expenses and commissions	(4,650)	(7,122)	(2,472)
Vessel operating costs	(71,369)	(68,725)	2,644
Depreciation	(81,089)	(81,590)	(501)
General and administrative expenses	(15,311)	(19,369)	(4,058)
Profit from operations	198,727	179,435	(19,292)
Financial costs	(65,122)	(66,287)	(1,165)
Financial income	1,019	2,413	1,394
Gain/(loss) on derivatives	121	(48)	(169)
Profit for the year	134,745	115,513	(19,232)
Profit attributable to Partnership's operations	94,117	102,597	8,480

⁽¹⁾ Restated so as to reflect the historical financial results of GAS-fourteen Ltd. and GAS-twenty seven Ltd. acquired on April 26, 2018 and November 14, 2018, respectively, from GasLog. See Note 1 to our audited consolidated financial statements included elsewhere in this annual report.

During the year ended December 31, 2017, we had an average of 14.0 vessels operating in our owned fleet having 5,091 operating days while during the year ended December 31, 2018, we had an average of 14.0 vessels operating in our owned fleet having 4,910 operating days.

Revenues: Revenues decreased by \$18.6 million, or 5.0%, from \$371.1 million for the year ended December 31, 2017 to 352.5 million for the year ended December 31, 2018. The decrease is mainly attributable to a net decrease of \$13.0 million due to the expiry of the initial charters of the *GasLog Shanghai*, the *GasLog Santiago* and the *GasLog Sydney*, which ended in May, June and September 2018, respectively. Following the expiry of their initial charters, the *GasLog Shanghai* has been trading on the spot market through the Cool Pool, the *GasLog Santiago* began a new, multi-year charter with Trafigura in August 2018 and the *GasLog Sydney* began a new 18-month charter with Cheniere in December 2018. There was also a decrease in net revenues of \$6.0 million due to the increased off-hire days for three scheduled dry-dockings performed during 2018 as opposed to one scheduled dry-docking during 2017, partially set-off by an increase of \$0.4 million from the remaining fleet. As a result, the average daily hire rate decreased from \$72,902 for the year ended December 31, 2017 to \$71,801 for the year ended December 31, 2018.

Net Pool Allocation: Net pool allocation was \$0.0 million during the year ended December 31, 2017 and \$3.7 million during the year ended December 31, 2018. The \$3.7 million of net pool allocation in the year ended December 31, 2018 represents the adjustment of the net results generated by the *GasLog Shanghai* in accordance with the pool distribution formula. GasLog Partners recognized gross revenues and gross voyage expenses and commissions of \$11.5 million and \$0.4 million, respectively, from the operation of the *GasLog Shanghai* which entered the Cool Pool in May 2018 (December 31, 2017: \$0.0 million). GasLog Partners' total net pool performance is presented below:

	For the year ended	
	December 31, 2017	December 31, 2018
<i>Amounts in thousands of U.S. Dollars</i>		
Pool gross revenues (included in Revenues)	—	11,475
Pool gross voyage expenses and commissions (included in Voyage expenses and commissions)	—	(443)
GasLog's adjustment for net pool allocation (included in Net pool allocation)	—	3,700
GasLog Partners' total net pool performance	—	14,732

Voyage Expenses and Commissions: Voyage expenses and commissions increased by \$2.4 million, or 51.1%, from \$4.7 million for the year ended December 31, 2017 to \$7.1 million for the year ended December 31, 2018. The increase in voyage expenses and commissions is attributable to an increase in bunker consumption costs of \$2.8 million for the periods during which the *GasLog Shanghai*, the *GasLog Santiago* and the *GasLog Sydney* were not operating under a time-charter mainly during the second half of 2018, partially offset by a decrease in broker commissions of \$0.4 million.

Vessel Operating Costs: Vessel operating costs decreased by \$2.7 million, or 3.8%, from \$71.4 million for the year ended December 31, 2017 to \$68.7 million for the year ended December 31, 2018. The decrease in vessel operating costs is mainly attributable to a decrease in crew costs, mainly due to decreased crew travelling and training costs, and a decrease in insurance expenses. Daily operating costs per vessel (after excluding calendar days for the *Solaris*) decreased from \$15,041 per day during the year ended December 31, 2017 to \$14,484 per day during the year ended December 31, 2018.

General and Administrative Expenses: General and administrative expenses increased by \$4.1 million, or 26.8%, from \$15.3 million for the year ended December 31, 2017 to \$19.4 million for

the year ended December 31, 2018. The increase in general and administrative expenses is mainly attributable to an increase in administrative expenses of \$3.9 million for services under the administrative services agreement with GasLog due to the increase of the annual administrative fees in 2018 by \$0.2 million per vessel and the incremental fees due to the acquisitions from GasLog of the *GasLog Greece* on May 3, 2017, the *GasLog Geneva* on July 3, 2017, the *Solaris* on October 20, 2017, the *GasLog Gibraltar* on April 26, 2018 and the *Methane Becki Anne* on November 14, 2018.

Financial Costs: Financial costs increased by \$1.2 million, or 1.8%, from \$65.1 million for the year ended December 31, 2017 to \$66.3 million for the year ended December 31, 2018. The increase in financial costs is attributable to a \$2.6 million increase in interest expense on loans, partially set-off by the decrease in amortization of loan fees of \$1.3 million and a decrease in other financial expenses of \$0.1 million. The decrease in amortization of loan fees was mainly driven by a decrease of \$2.0 million relating to the pre-payment of the Junior Tranche of the credit agreements entered into on February 18, 2016 (“Five Vessel Refinancing”) in April 2017 (GAS-twenty seven Ltd.) and January 2018 (GAS-nineteen Ltd., GAS-twenty Ltd. and GAS-twenty one Ltd., partially offset by the \$0.9 million write-off of the unamortized fees associated with the term loan facility with GasLog that was prepaid and terminated in March 2018. During the year ended December 31, 2017, we had an average of \$1,487.2 million of outstanding indebtedness, with a weighted average interest rate of 3.7%, compared to an average of \$1,306.5 million of outstanding indebtedness with a weighted average interest rate of 4.4% during the year ended December 31, 2018.

Gain/(loss) on derivatives: Gain on derivatives decreased by \$0.1 million, from a gain of \$0.1 million for the year ended December 31, 2017 to \$0 for the year ended December 31, 2018. The decrease is attributable to a \$3.6 million decrease in gain from the mark-to-market valuation of the derivatives which were carried at fair value through profit or loss, which reflected a gain of \$2.2 million for the year ended December 31, 2017 as compared to a loss of \$1.4 million for the year ended December 31, 2018, which was partially offset by a decrease of \$3.5 million in realized loss on derivatives held for trading.

Profit for the Year: Profit for the year decreased by \$19.2 million, or 14.3%, from \$134.7 million for the year ended December 31, 2017 to \$115.5 million for the year ended December 31, 2018, as a result of the aforementioned factors.

Profit Attributable to the Partnership: Profit attributable to the Partnership for the year increased by \$8.5 million, or 9.0% from \$94.1 million for the year ended December 31, 2017 to \$102.6 million for the year ended December 31, 2018. The increase is mainly attributable to the increase in revenues of \$66.9 million as a result of the increased operating days (3,764 operating days in the year ended December 31, 2017 as compared to 4,476 operating days in the year ended December 31, 2018), which was partially offset by a \$19.0 million decrease in revenues from the terminated charter parties and the increased off-hire days, an increase of \$14.1 million in net financial costs (comprising financial costs, net of loss on derivatives and financial income), mainly resulting from the increased weighted average outstanding debt and the increased weighted average interest rate, and an increase of \$3.9 million in administrative fees resulting from the acquisitions of the *GasLog Greece* on May 3, 2017, the *GasLog Geneva* on July 3, 2017, the *Solaris* on October 20, 2017, the *GasLog Gibraltar* on April 26, 2018 and the *Methane Becki Anne* on November 14, 2018.

Specifically, the profit attributable to the Partnership was mainly affected by (a) an increase in revenues of \$66.5 million contributed by the *GasLog Greece*, the *GasLog Geneva*, the *Solaris*, the *GasLog Gibraltar* and the *Methane Becki Anne*, partially offset by a decrease in revenues of \$13.0 million from the expiry of the initial charters of the *GasLog Shanghai*, the *GasLog Santiago* and the *GasLog Sydney* and a further decrease of \$6.0 million due to the increased off-hire days from the scheduled dry-dockings of the *GasLog Santiago*, the *GasLog Sydney* and the *GasLog Seattle* as compared to the *GasLog Shanghai* in 2017, (b) an increase in the net pool allocation of \$3.3 million,

(c) an increase in voyage expenses and commissions attributable to the Partnership of \$3.7 million, mainly attributable to the voyage expenses of the vessels operating in the spot market, (d) an increase in operating expenses attributable to the Partnership of \$5.8 million, mainly attributable to the operating expenses of the aforementioned acquired vessels less savings on the remaining vessels and (e) an increase in depreciation expense attributable to the Partnership of \$15.0 million, also resulting primarily from the aforementioned acquisitions.

In addition, the profit attributable to the Partnership was further affected by (a) an increase in general and administrative expenses attributable to the Partnership of \$5.0 million, which is primarily attributable to an increase in administrative fees and (b) an increase in financial costs attributable to the Partnership of \$15.3 million, mainly due to increased financial costs with respect to the aggregate outstanding debt of the *GasLog Greece*, the *GasLog Geneva*, the *Solaris*, the *GasLog Gibraltar* and the *Methane Becki Anne* after their respective drop-downs to the Partnership.

The above discussion of revenues, net pool allocation, voyage expenses and commissions, operating expenses, general and administrative expenses and financial costs in relation to the Profit Attributable to the Partnership are non-GAAP measures that exclude amounts related to vessels currently owned by the Partnership for the periods prior to their respective transfer to GasLog Partners from GasLog. See “Item 3. Key Information—A. Selected Financial Data—A.2. Partnership Performance Results” for further discussion of these “Partnership Performance Results” and a reconciliation to the most directly comparable IFRS reported results (the “IFRS Common Control Reported Results”).

Year ended December 31, 2016 compared to the year ended December 31, 2017

	IFRS Common Control Reported Results		
	2016	2017	Change
	Restated ⁽¹⁾	Restated ⁽¹⁾	
	(in thousands of U.S. dollars)		
Statement of profit or loss			
Revenues	317,489	371,146	53,657
Voyage expenses and commissions	(4,333)	(4,650)	(317)
Vessel operating costs	(63,076)	(71,369)	(8,293)
Depreciation	(70,290)	(81,089)	(10,799)
General and administrative expenses	(13,206)	(15,311)	(2,105)
Profit from operations	166,584	198,727	32,143
Financial costs	(60,247)	(65,122)	(4,875)
Financial income	209	1,019	810
(Loss)/gain on derivatives	(6,837)	121	6,958
Profit for the year	99,709	134,745	35,036
Profit attributable to Partnership’s operations	77,270	94,117	16,847

⁽¹⁾ Restated so as to reflect the historical financial results of GAS-fourteen Ltd. and GAS-twenty seven Ltd. acquired on April 26, 2018 and November 14, 2018, respectively, from GasLog. See Note 1 to our audited consolidated financial statements included elsewhere in this annual report.

During the year ended December 31, 2016, we had an average of 12.2 vessels operating in our owned fleet having 4,411 operating days while during the year ended December 31, 2017, we had an average of 14 vessels operating in our owned fleet having 5,091 operating days.

Revenues: Revenues increased by \$53.6 million, or 16.9%, from \$317.5 million for the year ended December 31, 2016 to \$371.1 million for the year ended December 31, 2017. The increase is mainly

attributable to an increase of \$54.1 million from the deliveries of the *GasLog Greece* on March 29, 2016, the *GasLog Geneva* on September 30, 2016 and the *GasLog Gibraltar* on October 31, 2016, which resulted in an increase in operating days, an increase of \$1.3 million due to the reduced off-hire days from scheduled dry-dockings (during the year ended December 31, 2016 two vessels underwent dry-docking versus only one vessel during the year ended December 31, 2017), partially offset by a decrease of \$1.1 million from the remaining fleet and a decrease of \$0.7 million due to one additional calendar day during the year ended December 31, 2016. The average daily hire rate increased from \$71,977 for the year ended December 31, 2016 to \$72,902 for the year ended December 31, 2017.

Voyage expenses and commissions: Voyage expenses and commissions increased by \$0.4 million, or 9.3%, from \$4.3 million for the year ended December 31, 2016 to \$4.7 million for the year ended December 31, 2017. The increase is mainly attributable to the increased operating days in the year ended December 31, 2017.

Vessel Operating Costs: Vessel operating costs increased by \$8.3 million, or 13.2%, from \$63.1 million for the year ended December 31, 2016 to \$71.4 million for the year ended December 31, 2017. The increase is mainly attributable to the increase in operating days and an increase in crew wages, mainly due to the unfavourable movement of the EUR/USD exchange rate. Daily operating costs per vessel (after excluding calendar days for the *Solaris*) increased from \$14,765 per day during the year ended December 31, 2016 to \$15,041 per day during the year ended December 31, 2017.

Depreciation: Depreciation increased by \$10.8 million, or 15.4%, from \$70.3 million for the year ended December 31, 2016 to \$81.1 million for the year ended December 31, 2017. The increase is attributable to the deliveries of the *GasLog Greece* on March 29, 2016, the *GasLog Geneva* on September 30, 2016 and the *GasLog Gibraltar* on October 31, 2016.

General and Administrative Expenses: General and administrative expenses increased by \$2.1 million, or 15.9%, from \$13.2 million for the year ended December 31, 2016 to \$15.3 million for the year ended December 31, 2017. The increase is mainly attributable to an increase in administrative expenses of \$1.7 million for services under the administrative services agreement with GasLog related to the *GasLog Seattle* acquired from GasLog in November 2016 and the three vessels acquired from GasLog in May, July and October 2017.

Financial Costs: Financial costs increased by \$4.9 million, or 8.1%, from \$60.2 million for the year ended December 31, 2016 to \$65.1 million for the year ended December 31, 2017. The increase is attributable to a \$11.1 million increase in interest expense on loans, partially set off by the decrease in amortization of loan fees of \$6.1 million, mainly driven by a write-off of \$5.6 million of unamortized loan fees associated with the *GasLog Seattle* and the *Solaris* credit facilities that were refinanced in July 2016, and a decrease in other financial expenses of \$0.1 million. During the year ended December 31, 2016, we had an average of \$1,357.1 million of outstanding indebtedness, with a weighted average interest rate of 3.3%, compared to an average of \$1,487.2 million of outstanding indebtedness with a weighted average interest rate of 3.7% during the year ended December 31, 2017.

(Loss)/gain on Derivatives: Loss on derivatives decreased by \$6.9 million, from a loss of \$6.8 million for the year ended December 31, 2016 to a gain of \$0.1 million for the year ended December 31, 2017. The decrease is attributable to a \$3.7 million decrease in loss from the mark-to-market valuation of the interest rate swaps which were carried at fair value through profit or loss, which reflected a loss of \$1.6 million for the year ended December 31, 2016 as compared to a gain of \$2.2 million for the year ended December 31, 2017, a \$2.5 million decrease in recycled loss of cash flow hedges reclassified to profit or loss resulting from the termination of the Partnership's interest rate swaps in July 2016 and a decrease of \$0.7 million in realized loss on interest rate swaps held for trading.

Profit for the Year: Profit for the year increased by \$35.0 million, or 35.1%, from \$99.7 million for the year ended December 31, 2016 to \$134.7 million for the year ended December 31, 2017, as a result of the aforementioned factors.

Profit Attributable to the Partnership: Profit attributable to the Partnership for the year increased by \$16.8 million, or 21.7%, from \$77.3 million for the year ended December 31, 2016 to \$94.1 million for the year ended December 31, 2017. The increase is mainly attributable to the increase in operating days (2,944 operating days in the year ended December 31, 2016 as compared to 3,764 operating days in the year ended December 31, 2017), which was partially offset by an increase of \$17.4 million in net financial costs (comprising financial costs, net of gain on derivatives and financial income), mainly resulting from the aforementioned valuation of the derivatives and the increased weighted average outstanding debt, and an increase of \$1.8 million in administrative fees resulting from the acquisitions of the *GasLog Seattle*, the *GasLog Greece*, the *GasLog Geneva* and the *Solaris*.

Specifically, the acquisitions of the *GasLog Seattle* on November 1, 2016, the *GasLog Greece* on May 3, 2017, the *GasLog Geneva* on July 3, 2017 and the *Solaris* on October 20, 2017 resulted in an increase in profit from operations of \$36.5 million. In addition, the Profit Attributable to the Partnership was further affected by (a) an increase in revenues of \$0.7 million mainly due to the reduced off-hire days from the scheduled dry-dockings of our vessels, partially offset by the one additional calendar day during the year ended December 31, 2016, (b) an increase in vessel operating expenses of \$1.2 million deriving mainly from an increase in crew wages and various repairs and technical certifications, (c) an increase in general and administrative expenses of \$1.8 million due to the administrative fees for the four vessels acquired by the Partnership, (d) an increase in financial costs of \$14.7 million due to the outstanding debt of the acquired vessels after their respective drop-downs to the Partnership and (e) a decrease of \$3.5 million in gain on derivatives signed in November 2016 and July 2017.

The above discussion of revenues, operating expenses, general and administrative expenses, financial costs and gain on derivatives in relation to the Profit Attributable to the Partnership are non-GAAP measures that exclude amounts related to vessels currently owned by the Partnership for the periods prior to their respective transfer to GasLog Partners from GasLog. See “Item 3. Key Information—A. Selected Financial Data—A.2. Partnership Performance Results” for further discussion of these “Partnership Performance Results” and a reconciliation to the most directly comparable IFRS reported results (the “IFRS Common Control Reported Results”).

Customers

For the year ended December 31, 2018, 92% of our revenues derived from subsidiaries of Shell.

Seasonality

Since our vessels are mainly employed under fixed-rate charter arrangements, seasonal trends did not significantly impact our revenues during the year ended December 31, 2018. However, our vessel trading in the spot market is subject to seasonality in spot rates which has been evident in the LNG shipping market during 2018. To the extent that more of our vessels cease to be employed under fixed rate charter arrangements in the future, there may be some additional seasonality in our revenues.

B. Liquidity and Capital Resources

We operate in a capital-intensive industry and we expect to finance the purchase of additional vessels and other capital expenditures through a combination of borrowings from commercial banks, cash generated from operations and debt and equity financings. In addition to paying distributions, our other liquidity requirements relate to paying our operating and general and administrative expenses, servicing our debt, funding investments, funding working capital and maintaining cash reserves against

fluctuations in operating cash flows. Our funding and treasury activities are intended to maximize investment returns while maintaining appropriate liquidity.

On May 16, 2017, GasLog Partners commenced its ATM Programme under which the Partnership may, from time to time, raise equity through the issuance and sale of new common units having an aggregate offering price of up to \$100.0 million in accordance with the terms of an equity distribution agreement (the “Equity Distribution Agreement”) entered into on the same date. Citigroup Global Markets Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Credit Suisse Securities (USA) LLC and Morgan Stanley & Co. LLC have agreed to act as sales agents. On November 3, 2017, the Partnership entered into the Amended and Restated Equity Distribution Agreement to increase the size of the ATM Programme to \$144.0 million and to include UBS Securities LLC as a sales agent. On September 26, 2018, the Partnership agreed to sell 2,250,000 common units to funds managed by Tortoise for gross proceeds of \$53.1 million through the ATM Programme.

From establishment of the ATM Programme through December 31, 2018, GasLog Partners issued and received payment for 5,291,304 common units at a weighted average price of \$23.33 per common unit for total gross proceeds of \$123.4 million and total net proceeds of \$121.2 million, after broker commissions of \$1.0 million and other expenses of \$1.2 million. In connection with the issuance of common units under the ATM Programme during this period, the Partnership also issued 107,987 general partner units to its general partner in order for GasLog to retain its 2.0% general partner interest. The net proceeds from the issuance of the general partner units were \$2.5 million.

Under the ATM Programme, in the year ended December 31, 2018, GasLog Partners issued and received payment for 2,553,889 common units at a weighted average price of \$23.72 per common unit for total gross proceeds of \$60.6 million and total net proceeds of \$60.0 million, after broker commissions of \$0.2 million and other expenses of \$0.4 million. In connection with the issuance of common units under the ATM Programme during this period, the Partnership also issued 52,121 general partner units to its general partner in order for GasLog to retain its 2.0% general partner interest. The net proceeds from the issuance of the general partner units were \$1.2 million.

On January 5, 2018, the Partnership prepaid the remaining \$29.8 million of debt of GAS-nineteen Ltd., the entity that owns the *Methane Alison-Victoria*, GAS-twenty Ltd., the entity that owns the *Methane Shirley Elisabeth*, and GAS-twenty one Ltd., the entity that owns the *Methane Heather Sally*, which would have been originally due in April 2018. The prepaid debt was associated with the Junior Tranche of the Five Vessel Facility, which was terminated on January 5, 2018.

On January 17, 2018, the Partnership completed a public offering of 4,600,000 8.200% Series B Preference Units (including 600,000 units issued upon the exercise in full by the underwriters of their option to purchase additional Series B Preference Units), liquidation preference \$25.00 per unit, at a price to the public of \$25.00 per Preference Unit. The net proceeds from the offering after deducting underwriting discounts, commissions and other offering expenses were \$111.2 million. The Series B Preference Units are listed on the New York Stock Exchange under the symbol “GLOP PR B”.

On March 23, 2018, the \$45.0 million term loan under the New Sponsor Facility with GasLog was prepaid and terminated, which would have been due in March 2022.

On April 26, 2018, in connection with the acquisition of GAS-fourteen Ltd., the entity that owns the *GasLog Gibraltar*, the Partnership paid GasLog \$19.0 million representing the \$207.0 million aggregate purchase price, less the \$45.0 million new privately placed common units issued to GasLog (1,858,975 common units at a price of \$24.21 per common unit) and the \$143.6 million of outstanding indebtedness of the acquired entity assumed by GasLog Partners plus an adjustment of \$0.6 million in order to maintain the agreed working capital position in the acquired entity of \$1.0 million.

On May 23, 2018, the Partnership entered into a new interest rate swap agreement with GasLog with a notional value of \$80.0 million, maturing in 2023. On the same date, the Partnership also

entered into twelve forward foreign exchange contracts with GasLog with a notional value of €24.0 million and staggered maturities until mid-2019 to mitigate its foreign exchange transaction exposure in its operating expenses.

On August 13, 2018, the Partnership entered into three new forward foreign exchange contracts with GasLog with a notional value of €6.0 million and staggered maturities during the third quarter of 2019 to mitigate its foreign exchange transaction exposure in its operating expenses.

On November 14, 2018, in connection with the acquisition of GAS-twenty seven Ltd., the entity that owns the *Methane Becki Anne*, the Partnership paid GasLog \$109.4 million representing the \$207.4 million aggregate purchase price, less the \$93.9 million of outstanding indebtedness of the acquired entity assumed by GasLog Partners less an adjustment of \$4.1 million in order to maintain the agreed working capital position in the acquired entity of \$1.0 million.

On November 15, 2018, the Partnership completed a public offering of 4,000,000 8.500% Series C Preference Units liquidation preference \$25.00 per unit, at a price to the public of \$25.00 per Preference Unit. The net proceeds from the offering after deducting underwriting discounts, commissions and other offering expenses were \$96.3 million. The Series C Preference Units are listed on the New York Stock Exchange under the symbol “GLOP PR C”.

The Partnership has entered into six interest rate swap agreements with GasLog at a notional value of \$625.0 million in aggregate, maturing between 2020 and 2024. As of December 31, 2018, the Partnership has hedged 43.9% of its floating interest rate exposure on its outstanding debt at a weighted average interest rate of approximately 1.9% (excluding margin).

The Partnership has also entered into nine forward foreign exchange contracts with GasLog with a notional value of €18.0 million and staggered maturities during 2019 to mitigate its foreign exchange transaction exposure in its operating expenses.

As of December 31, 2018, we had \$129.1 million of cash and cash equivalents, of which \$85.3 million was held in current accounts and \$43.8 million was held in time deposits with an original duration of less than three months. An amount of \$10.0 million of time deposits with an original duration greater than three months was classified as short-term investments.

As of December 31, 2018, we had an aggregate of \$1,235.0 million of indebtedness outstanding under our credit facilities. An amount of \$429.4 million of outstanding debt is repayable within one year. Current debt includes \$360.0 million from the outstanding indebtedness of GAS-three Ltd., GAS-four Ltd., GAS-five Ltd., GAS-sixteen Ltd., and GAS-seventeen Ltd., due in November 2019. In February 2019, we signed a debt refinancing of up to \$450.0 million with certain financial institutions (described under “Borrowing Activities” below), in order to refinance such indebtedness. In addition, we had unused availability under our revolving credit facilities of \$55.9 million.

Working Capital Position

As of December 31, 2018, our current assets totaled \$166.8 million while current liabilities totaled \$498.0 million, resulting in a negative working capital position of \$331.2 million, mainly attributable to the classification of the \$360.0 million of debt due in November 2019, mentioned above as current debt.

Taking into account generally expected market conditions, we anticipate that cash flow generated from operations will be sufficient to fund our operations, including our working capital requirements, and to make the required principal and interest payments on our indebtedness during the next 12 months.

Cash Flows

Year ended December 31, 2017 compared to the year ended December 31, 2018

The following table summarizes our net cash flows from operating, investing and financing activities for the years indicated:

	Year ended December 31,		
	2017	2018	Change
	Restated ⁽¹⁾		
	(in thousands of U.S. dollars)		
Net cash provided by operating activities	\$ 242,827	\$ 185,107	(57,720)
Net cash provided by/(used in) investing activities	3,381	(31,851)	(35,232)
Net cash used in financing activities	(160,926)	(173,586)	(12,660)

⁽¹⁾ Restated so as to reflect the historical financial results of GAS-fourteen Ltd. and GAS-twenty seven Ltd. acquired on April 26, 2018 and November 14, 2018, respectively, from GasLog. See Note 1 to our audited consolidated financial statements included elsewhere in this annual report.

Net Cash Provided by Operating Activities:

Net cash provided by operating activities decreased by \$57.7 million, from \$242.8 million in the year ended December 31, 2017 to \$185.1 million in the year ended December 31, 2018. The decrease of \$57.7 million is mainly attributable to a \$42.1 million movement in working capital accounts, a decrease of \$18.6 million in revenues and an increase of \$4.1 million in general and administrative expenses, partially offset by an increase of \$3.4 million in realized loss on derivatives and a decrease of \$2.6 million in vessel operating costs.

Net Cash Provided by/(Used in) Investing Activities:

Net cash provided by investing activities decreased by \$35.3 million, from net cash provided by investing activities of \$3.4 million in the year ended December 31, 2017 to net cash used in investing activities of \$31.9 million in the year ended December 31, 2018. The decrease of \$35.3 million is attributable to an increase of net cash used in payments for vessels of \$19.1 million and an increase in net cash used in short-term investments of \$17.5 million, partially offset by an increase in financial income received of \$1.3 million.

Net Cash Used in Financing Activities:

Net cash used in financing activities increased by \$12.7 million, from cash used in financing activities of \$160.9 million in the year ended December 31, 2017 to \$173.6 million in the year ended December 31, 2018. The increase of \$12.7 million is attributable to a decrease in bank loan drawdowns of \$34.1 million, an increase of \$27.8 million in distributions paid, payments for the modification of incentive distribution rights of \$25.0 million and a decrease in net public offering proceeds of \$11.5 million, partially offset by a decrease in cash distributions to GasLog in exchange for contribution of net assets of \$63.7 million, a decrease of \$20.6 million in bank loan repayments and a decrease of \$1.4 million in payments of loan issuance costs.

Year ended December 31, 2016 compared to the year ended December 31, 2017

The following table summarizes our net cash flows from operating, investing and financing activities for the years indicated:

	Year ended December 31,		
	2016	2017	Change
	Restated ⁽¹⁾	Restated ⁽¹⁾	
	(in thousands of U.S. dollars)		
Net cash provided by operating activities	\$ 204,930	\$ 242,827	37,897
Net cash provided (used in)/provided by investing activities	(506,428)	3,381	509,809
Net cash provided by/(used in) financing activities	295,392	(160,926)	(456,318)

⁽¹⁾ Restated so as to reflect the historical financial results of GAS-fourteen Ltd. and GAS-twenty seven Ltd. acquired on April 26, 2018 and November 14, 2018, respectively, from GasLog. See Note 1 to our audited consolidated financial statements included elsewhere in this annual report.

Net Cash Provided by Operating Activities:

Net cash provided by operating activities increased by \$37.9 million, from \$204.9 million in the year ended December 31, 2016 to \$242.8 million in the year ended December 31, 2017. The increase of \$37.9 million is mainly attributable to an increase of \$53.7 million in revenues, an increase of \$15.0 million caused by movements in working capital accounts, partially offset by an increase of \$21.1 million in interest paid and an increase of \$10.7 million in vessel operating costs, voyage expenses and commissions and general and administrative expenses.

Net Cash (Used in)/Provided by Investing Activities:

Net cash used in investing activities decreased by \$509.8 million, from net cash used in investing activities of \$506.4 million in the year ended December 31, 2016 to net cash provided by investing activities of \$3.4 million in the year ended December 31, 2017. The decrease of \$509.8 million is attributable to a decrease of net cash used in payments for vessels of \$497.0 million, an increase in net cash from short-term investments of \$12.0 million and an increase in financial income received of \$0.8 million.

Net Cash Provided by/(Used in) Financing Activities:

Net cash provided by financing activities decreased by \$456.3 million, from net cash provided by financing activities of \$295.4 million in the year ended December 31, 2016 to net cash used in financing activities of \$160.9 million in the year ended December 31, 2017. The decrease of \$456.3 million is attributable to a decrease in borrowings of \$1,153.7 million, an increase of \$124.0 million in cash remittance to GasLog in exchange for contribution of net assets and an increase of \$24.7 million in payments of distributions, partially offset by a decrease of \$572.8 million in bank loan repayments, increased net public offering proceeds of \$228.1 million, a decrease of \$22.8 million in payments of loan issuance costs, a decrease of \$11.8 million in payments for dividends due to GasLog prior to vessels' drop-down to the Partnership and net payments of \$10.6 million related to the termination of our interest rate swap agreements in July 2016.

Borrowing Activities

Credit Facilities

Below is a summary of certain provisions of the Partnership's credit facilities outstanding as of December 31, 2018:

Facility Name	Lender(s)	Subsidiary Party (Collateral Ship)	Outstanding Principal Amount	Interest Rate	Maturity	Payment of Principals Installments Schedule
Facility Agreement dated November 12, 2014 among GAS-three Ltd., GAS-four Ltd., GAS-five Ltd., GAS-sixteen Ltd. and GAS-seventeen Ltd. as borrowers, and the financial institutions party thereto, or the "Partnership Facility"	Citibank, N.A., London Branch, Nordea Bank Finland plc, London Branch, DVB Bank America N.V., ABN Amro Bank N.V., Skandinaviska Enskilda Banken AB (publ), BNP Paribas	GAS-three Ltd. (<i>GasLog Shanghai</i>), GAS-four Ltd. (<i>GasLog Santiago</i>), GAS-five Ltd. (<i>GasLog Sydney</i>), GAS-sixteen Ltd. (<i>Methane Rita Andrea</i>), GAS-seventeen Ltd. (<i>Methane Jane Elizabeth</i>)	\$360.0 million	LIBOR + applicable margin	2019	4 consecutive quarterly installments of \$5.625 million and a balloon payment of \$337.5 million together with the final quarterly payment
New Sponsor Credit Facility	GasLog Ltd.	GasLog Partners LP	Unsecured 5 Year term loan: nil Revolving Credit Facility: nil	Fixed interest rate	2022	Term loan facility: Balloon payment of \$45.0 million due in March 2022 without intermediate payments. On March 23, 2018 the Term Loan was prepaid and cancelled. Revolving facility of \$30.0 million available in minimum amounts of \$2.0 million which are repayable within a period of six months after the respective drawdown date, subject to automatic renewal if not repaid.
Five Vessel Refinancing	ABN Amro Bank N.V., DNB (UK) Ltd., DVB Bank America N.V., Commonwealth Bank of Australia, ING Bank N.V., London Branch, Credit Agricole Corporate and Investment Bank and National Australia Bank Limited	GAS-nineteen Ltd. (<i>Methane Alison Victoria</i>) GAS-twenty Ltd. (<i>Methane Shirley Elisabeth</i>) GAS-twenty one Ltd. (<i>Methane Heather Sally</i>) GAS-twenty seven Ltd. (<i>Methane Becki Anne</i>)	Senior Tranche: \$265.6 million Junior Tranche: nil	LIBOR + applicable margin	2021	Senior Tranche: 10 consecutive quarterly installments of \$6.3 million and a balloon payment of \$202.7 million together with the final quarterly installment. Junior Tranche: On January 5, 2018 the Junior Tranche was prepaid and the tranche was terminated.

<u>Facility Name</u>	<u>Lender(s)</u>	<u>Subsidiary Party (Collateral Ship)</u>	<u>Outstanding Principal Amount</u>	<u>Interest Rate</u>	<u>Maturity</u>	<u>Payment of Principals Installments Schedule</u>
<i>GasLog Seattle</i> and <i>Solaris</i> Term and Revolving Facilities	Citigroup Global Market Limited, Credit Suisse AG, Nordea Bank AB, London Branch, Skandinaviska Enskilda AB (publ), HSBC Bank plc, ING Bank N.V., London Branch, Danmarks Skibskredit A/S, The Korea Development Bank and DVB Bank America N.V.	GAS-seven Ltd. (<i>GasLog Seattle</i>), GAS-eight Ltd. (<i>Solaris</i>)	Term Loan: \$216.2 million Revolving Loan: \$nil	LIBOR + applicable margin	2021	Term Loan: 6 semi-annual installments of \$7.6 million and a balloon payment of \$170.8 million due together with the last installment in July 2021. Revolving Facility: \$25.9 million, currently undrawn can be drawn on a fully revolving basis in minimum amounts of \$5.0 million until 6 months prior to the maturity date in July 2021.
Assumed October 2015 Facility	Citibank, N.A., London Branch, Nordea Bank AB, London Branch, The Export-Import Bank of Korea, Bank of America, National Association, BNP Paribas, Crédit Agricole Corporate and Investment Bank, Credit Suisse AG, HSBC Bank plc, ING Bank N.V., London Branch, KEB HANA Bank, London Branch, KfW IPEX-Bank GmbH, National Australia Bank Limited, Oversea-Chinese Banking Corporation Limited, Société Générale and The Korea Development Bank	GAS-eleven Ltd. (<i>GasLog Greece</i>), GAS-thirteen Ltd. (<i>GasLog Geneva</i>), GAS-fourteen Ltd. (<i>GasLog Gibraltar</i>)	\$410.0 million	LIBOR + applicable margin	2028	GAS-eleven Ltd.: 14 consecutive semi-annual installments of \$5.8 million, a balloon payment due in 2026 of \$36.3 million and thereafter 4 consecutive semi-annual installments of \$4.2 million until March 2028. GAS-thirteen Ltd.: 15 consecutive semi-annual installments of \$5.7 million, a balloon payment due in 2026 of \$35.8 million and thereafter 4 consecutive semi-annual installments of \$4.2 million until September 2028. GAS-fourteen Ltd.: 15 consecutive semi-annual installments of \$5.7 million, a balloon payment due in 2026 of \$35.8 million and thereafter 4 consecutive semi-annual installments of \$4.2 million until September 2028.

Partnership Facility

The Partnership Facility is secured as follows:

- first priority mortgages over the vessels owned by the borrowers;
- guarantees from us and our subsidiary GasLog Partners Holdings;
- a pledge or a negative pledge of the share capital of the borrowers; and
- a first priority assignment of all earnings and insurances related to the vessels owned by the borrowers.

Our Partnership Facility imposes certain operating and financial restrictions on our subsidiaries, which generally limit our subsidiaries' ability to, among other things:

- incur additional indebtedness, create liens or provide guarantees;
- provide any form of credit or financial assistance to, or enter into any non-arms' length transactions with, us or any of our affiliates;
- sell or otherwise dispose of assets, including our ships;
- engage in merger transactions;
- enter into, terminate or amend any charter;
- amend our shipbuilding contracts, if any;
- change the manager of our ships;
- undergo a change in ownership; or
- acquire assets, make investments or enter into any joint venture arrangements outside of the ordinary course of business.

Our Partnership Facility also imposes specified financial covenants that apply to us and our subsidiaries on a consolidated basis. These financial covenants include the following:

- the aggregate amount of all unencumbered cash and cash equivalents must be no less than the higher of 3.0% of total indebtedness or \$15.0 million;
- our total indebtedness divided by our total assets must be less than 60.0%;
- the ratio of EBITDA over our debt service obligations (including interest and debt repayments) on a trailing 12 months' basis must be no less than 110.0%; and
- we are permitted to declare or pay any dividends or distributions subject to no event of default having occurred or occurring as a consequence of the payment of such dividends or distributions.

Our Partnership Facility contains customary events of default, including non-payment of principal or interest, breach of covenants or material inaccuracy of representations, default under other material indebtedness and bankruptcy, as well as an event of default in the event of the cancellation, rescission, frustration or withdrawal of a charter agreement prior to its scheduled expiration. In addition, the Partnership Facility contains covenants requiring that the aggregate fair market value of the vessels securing the facility remains above 120.0% of the aggregate amount outstanding under the facility. In the event that the value of the vessels falls below the threshold, we could be required to provide the lender with additional security or to prepay a portion of the outstanding loan balance, which could negatively impact our liquidity. Compliance with the financial covenants is reported on a semi-annual basis.

New Sponsor Credit Facility

Upon completion of the IPO on May 12, 2014, the Partnership entered into a \$30.0 million revolving credit facility with GasLog (the “Old Sponsor Credit Facility”), to be used for general partnership purposes. The credit facility was for a term of 36 months, unsecured and bore interest at a rate of 5.0% per annum, with no commitment fee for the first year. After the first year, the interest increased to a rate of 6.0% per annum, with an annual 2.4% commitment fee on the undrawn balance.

On April 3, 2017, GasLog Partners signed a deed of termination with respect to the Old Sponsor Credit Facility. On the same date, GasLog Partners entered into the New Sponsor Credit Facility with GasLog for a new unsecured five-year term loan of \$45.0 million and a new five-year revolving credit facility of \$30.0 million. On April 5, 2017, an amount of \$45.0 million under the term loan facility and an amount of \$15.0 million under the revolving credit facility were drawn by the Partnership, with the latter fully repaid on May 22, 2017. On March 23, 2018, the \$45.0 million term loan under the New Sponsor Facility with GasLog was prepaid and terminated. The New Sponsor Credit Facility is unsecured and the revolving credit facility provides for an availability period of five years. Each borrowing under the New Sponsor Credit Facility accrues interest at a rate of 9.125% per annum with an annual 1.0% commitment fee on the undrawn balance.

The New Sponsor Credit Facility contains customary events of default, including non-payment of principal or interest, breach of covenants or material inaccuracy of representations, default under other material indebtedness and bankruptcy. In addition, the New Sponsor Credit Facility covenants require that at all times GasLog must continue to control, directly or indirectly, the affairs or composition of the Partnership’s board of directors and any amendment to our partnership agreement, in the reasonable opinion of the lender, must not be adverse to its interests in connection with the New Sponsor Credit Facility.

Five Vessel Refinancing

On February 18, 2016, subsidiaries of the Partnership and GasLog entered into credit agreements to refinance the debt maturities that were scheduled to become due in 2016 and 2017. The vessels covered by the Five Vessel Refinancing are the Partnership-owned *Methane Alison Victoria*, *Methane Shirley Elisabeth*, *Methane Heather Sally* and *Methane Becki Anne* and the GasLog-owned *Methane Lydon Volney*.

The Five Vessel Refinancing is secured as follows:

- first priority mortgages over the vessels owned by the respective borrowers;
- guarantee from GasLog, guarantees up to the value of the commitments relating to the *Methane Alison Victoria*, *Methane Shirley Elisabeth*, *Methane Heather Sally* and *Methane Becki Anne* from us and GasLog Partners Holdings and a guarantee from GasLog Carriers for up to the value of the commitment on the remaining vessel;
- a share charge over the share capital of the respective borrowers; and
- first priority assignment of all earnings and insurance related to the vessels owned by the respective borrower.

The Five Vessel Refinancing imposes certain operating and financial restrictions on the Partnership and GasLog. These restrictions generally limit the Partnership’s and GasLog’s collective subsidiaries’ ability to, among other things:

- incur additional indebtedness, create liens or provide guarantees;
- provide any form of credit or financial assistance to, or enter into any non-arms’ length transactions with, the Partnership or any of its affiliates;

- sell or otherwise dispose of assets, including ships;
- engage in merger transactions;
- enter into, terminate or amend any charter;
- amend shipbuilding contracts;
- change the manager of ships, or;
- acquire assets, make investments or enter into any joint venture arrangements outside of the ordinary course of business.

The GasLog and the Partnership's guarantees to the Five Vessel Refinancing impose specified financial covenants that apply to the Partnership and GasLog and its subsidiaries on a consolidated basis.

The financial covenants that apply to the Partnership include the following:

- the aggregate amount of all unencumbered cash and cash equivalents must be not less than the higher of 3.0% of total indebtedness or \$15.0 million;
- total indebtedness divided by total assets must be less than 60.0%;
- the ratio of EBITDA over debt service obligations as defined in the Partnership's guarantees (including interest and debt repayments) on a trailing 12 months' basis must be not less than 110.0%; and
- the Partnership is permitted to declare or pay any dividends or distributions, subject to no event of default having occurred or occurring as a consequence of the payment of such dividends or distributions.

The financial covenants that apply to GasLog and its subsidiaries on a consolidated basis include the following:

- net working capital (excluding the current portion of long-term debt) must be not less than \$0;
- total indebtedness divided by total assets must not exceed 75.0%;
- the ratio of EBITDA over debt service obligations as defined in the GasLog guarantees (including interest and debt repayments) on a trailing 12 months basis must be not less than 110.0%;
- the aggregate amount of all unencumbered cash and cash equivalents must be not less than the higher of 3.0% of total indebtedness and \$50.0 million after the first drawdown;
- GasLog is permitted to pay dividends, provided that it holds unencumbered cash and cash equivalents equal to at least 4.0% of total indebtedness, subject to no event of default having occurred or occurring as a consequence of the payment of such dividends; and;
- GasLog's market value adjusted net worth must at all times be not less than \$350.0 million;

The Five Vessel Refinancing also imposes certain restrictions relating to the Partnership and GasLog, and their other subsidiaries, including restrictions that limit the Partnership's and GasLog's ability to make any substantial change in the nature of the Partnership's or GasLog's business or to engage in transactions that would constitute a change of control, as defined in the Five Vessel Refinancing, without repaying all of the Partnership's and GasLog's indebtedness under the Five Vessel Refinancing in full.

The Five Vessel Refinancing contains customary events of default, including non-payment of principal or interest, breach of covenants or material inaccuracy of representations, default under other

material indebtedness and bankruptcy. In addition, it contains covenants requiring the Partnership, GasLog and certain of their subsidiaries to maintain the aggregate of (i) the market value, on a charter exclusive basis, of the mortgaged vessel or vessels and (ii) the market value of any additional security provided to the lenders, at not less than 120.0% of the then outstanding amount under the applicable facility and any related swap exposure. If the Partnership and GasLog fail to comply with these covenants and are not able to obtain covenant waivers or modifications, the lenders could require prepayments or additional collateral sufficient for the compliance with such covenants, otherwise indebtedness could be accelerated.

GasLog Seattle and Solaris Term and Revolving Facilities

Following the acquisition of GAS-seven Ltd., the entity that owns the *GasLog Seattle*, on November 1, 2016, and of GAS-eight Ltd., the entity that owns the *Solaris*, on October 20, 2017, the Partnership assumed \$122.3 million and \$116.5 million, respectively, of outstanding indebtedness of the acquired entities.

On July 19, 2016, GasLog entered into a credit agreement to refinance the existing indebtedness on eight of its on-the-water vessels of up to \$1,050.0 million (the “Legacy Facility Refinancing”) with a number of international banks, extending the maturities of six existing credit facilities to 2021. The vessels covered by the Legacy Facility Refinancing are the *GasLog Savannah*, the *GasLog Singapore*, the *GasLog Skagen*, the *GasLog Seattle*, the *Solaris*, the *GasLog Saratoga*, the *GasLog Salem* and the *GasLog Chelsea*.

The credit agreement is secured as follows:

- first priority mortgages over the ships owned by the respective borrowers;
- guarantee from GasLog, guarantees up to the value of the commitments relating to the *GasLog Seattle* and *Solaris* from us and GasLog Partners Holdings and a guarantee from GasLog Carriers for up to the value of the commitment on the remaining vessels;
- a share security over the share capital of each of the respective borrowers; and
- a first priority assignment of all earnings, excluding the vessels participating in The Cool Pool Limited, and insurance related to the ships owned by the respective borrowers.

The Legacy Facility Refinancing imposes certain operating and financial restrictions on GasLog. These restrictions generally limit GasLog’s ability to, among other things:

- incur additional indebtedness, create liens or provide guarantees;
- provide any form of credit or financial assistance to, or enter into any non-arms’ length transactions with any of GasLog’s affiliates;
- sell or otherwise dispose of assets, including ships;
- engage in merger transactions;
- enter into, terminate or amend any charter;
- amend shipbuilding contracts;
- change the manager of ships, or;
- acquire assets, make investments or enter into any joint venture arrangements outside of the ordinary course of business.

The Legacy Facility Refinancing also imposes specified financial covenants that apply to GasLog and its subsidiaries on a consolidated basis.

- net working capital (excluding the current portion of long-term debt) must be not less than \$0;
- total indebtedness divided by total assets must not exceed 75.0%;
- the ratio of EBITDA over debt service obligations as defined in the Legacy Facility Refinancing (including interest and debt repayments) on a trailing 12 months basis must be not less than 110.0%;
- the aggregate amount of all unencumbered cash and cash equivalents must be not less than the higher of 3.0% of total indebtedness and \$50.0 million after the first drawdown;
- GasLog is permitted to pay dividends, provided that it holds unencumbered cash and cash equivalents equal to at least 4.0% of total indebtedness, subject to no event of default having occurred or occurring as a consequence of the payment of such dividends; and;
- GasLog's market value adjusted net worth must at all times be not less than \$350.0 million;

The Legacy Facility Refinancing also imposes certain customary restrictions relating to GasLog and its subsidiaries, including restrictions that limit GasLog's ability to make any substantial change in the nature of its business or to engage in transactions that would constitute a change of control, as defined in the Legacy Facility Refinancing, without repaying all of GasLog's indebtedness under the Legacy Facility Refinancing in full.

The Legacy Facility Refinancing contains customary events of default, including non-payment of principal or interest, breach of covenants or material inaccuracy of representations, default under other material indebtedness and bankruptcy. In addition, it contains covenants requiring GasLog to maintain the aggregate of (i) the market value, on a charter exclusive basis, of the mortgaged vessels and (ii) the market value of any additional security provided to the lenders at any time at not less than 120.0% of the then outstanding amount plus any undrawn amounts under the applicable facilities. If GasLog fails to comply with these covenants and is not able to obtain covenant waivers or modifications, the lenders could require prepayments or additional collateral sufficient for the compliance with such covenants, otherwise indebtedness could be accelerated.

Assumed October 2015 Facility

In connection with the acquisitions of GAS-eleven Ltd., the entity that owns the *GasLog Greece*, on May 3, 2017, GAS-thirteen Ltd., the entity that owns the *GasLog Geneva*, on July 3, 2017 and GAS-fourteen Ltd., the entity that owns the *GasLog Gibraltar* on April 26, 2018, the Partnership assumed \$151.4 million, \$155.0 million and \$143.6 million of outstanding indebtedness of the respective acquired entities under a debt financing agreement dated October 16, 2015 with 14 international banks, with Citibank N.A. London Branch and Nordea Bank AB, London Branch acting as agents on behalf of the other finance parties. The financing is backed by the Export Import Bank of Korea ("KEXIM") and the Korea Trade Insurance Corporation ("K-Sure"), who are either directly lending or providing cover for over 60% of the facility.

The loan agreement with respect to the *GasLog Greece* provided for four tranches of \$51.3 million, \$25.6 million, \$25.0 million and \$61.1 million, while the loan agreement with respect to each of the *GasLog Geneva* and the *GasLog Gibraltar* provided for four tranches of \$50.5 million, \$25.3 million, \$24.6 million and \$60.3 million, respectively. Under the terms of the agreement, each drawing under the first three tranches would be repaid in 24 consecutive semi-annual equal installments commencing six months after the actual deliveries of the *GasLog Greece*, the *GasLog Geneva* and the *GasLog Gibraltar* according to a 12-year profile. Each drawing under the fourth tranche would be repaid in 20 consecutive semi-annual equal installments commencing six months after the actual deliveries of the relevant vessels according to a 20-year profile, with a balloon payment together with the final installment. On March 22, 2016, \$163.0 million was drawn down to partially finance the delivery of the

GasLog Greece, on September 26, 2016, \$160.7 million was drawn down to partially finance the delivery of the *GasLog Geneva*, and on October 25, 2016, \$160.7 million was drawn to partially finance the delivery of the *GasLog Gibraltar*. Amounts drawn under each applicable tranche bear interest at LIBOR plus a margin.

The obligations under the aforementioned facility are secured by a first priority mortgage over each vessel, a pledge of the share capital of the respective vessel owning companies and a first priority assignment of earnings related to each vessel, including charter revenue, management revenue and any insurance and requisition compensation. Obligations under the facility are guaranteed by GasLog, with the Partnership and its subsidiary GasLog Partners Holdings LLC guaranteeing up to the value of the commitments relating to the *GasLog Greece*, the *GasLog Geneva* and the *GasLog Gibraltar*. The facility includes customary restrictive covenants which include a fair market value covenant pursuant to which an event of default could occur under the facility if the aggregate fair market values of the collateral vessels (without taking into account any charter arrangements) were to fall below 115.0% of the aggregate outstanding principal balances for the first two years after each drawdown and below 120% at any time thereafter.

GasLog, as corporate guarantor for the aforementioned facility, is also subject to specified financial covenants on a consolidated basis. The financial covenants include the following:

- net working capital (excluding the current portion of long-term debt) must be not less than \$0;
- total indebtedness divided by total assets must not exceed 75.0%;
- the ratio of EBITDA over debt service obligations (including interest and debt repayments) on a trailing 12 months basis must be not less than 110.0%;
- the aggregate amount of all unencumbered cash and cash equivalents must be not less than the higher of 3% of total indebtedness or \$50.0 million after the first drawdown;
- GasLog is permitted to pay dividends, provided that it holds unencumbered cash and cash equivalents equal to at least 4.0% of its total indebtedness subject to no event of default having occurred or occurring as a consequence of the payment of such dividends; and
- the market value adjusted net worth of GasLog must at all times be not less than \$350.0 million.

Any failure by GasLog to comply with these financial covenants would permit the lenders under this credit facility to exercise remedies as secured creditors which, if such a default was to occur, could include foreclosing on the *GasLog Greece*, the *GasLog Geneva* and the *GasLog Gibraltar*.

The credit facility also imposes certain restrictions relating to GasLog, including restrictions that limit its ability to make any substantial change in the nature of its business or to engage in transactions that would constitute a change of control, as defined in the relevant credit facility, without repaying all of its indebtedness in full, or to allow its largest shareholders to reduce their shareholding in GasLog below specified thresholds.

2019 GasLog Partners Facility

On February 20, 2019, GAS-three Ltd., GAS-four Ltd., GAS-five Ltd., GAS-sixteen Ltd., GAS-seventeen Ltd., GasLog Partners and GasLog Partners Holdings LLC entered in a loan agreement with Credit Suisse AG, Nordea Bank ABP, filial i Norge and Iyo Bank Ltd., Singapore Branch, each an original lender, Nordea acting as security agent and trustee for and on behalf of the other finance parties mentioned above, for a credit facility for up to \$450.0 million (the “2019 GasLog Partners Facility”) for the purpose of refinancing in full the existing Partnership Facility. Subsequently on the same date, the Development Bank of Japan, Inc. entered the facility as lender via transfer certificate. The vessels covered by the 2019 GasLog Partners Facility are the *GasLog Shanghai*, *GasLog Santiago*, *GasLog Sydney*, *Methane Rita Andrea* and *Methane Jane Elizabeth*.

The agreement provides for an amortising revolving credit facility which can be repaid and redrawn at any time, subject to the outstanding amount immediately after any drawdown not exceeding (i) 75% of the aggregate of the market values of all vessels under the agreement, or (ii) the total facility amount. The total facility amount reduces in 20 equal quarterly amounts of \$7.4 million, with a final balloon amount of \$302.9 million reducing concurrently with the last quarterly reduction in February 2024. The credit facility bears interest at LIBOR plus a margin. The facility is currently undrawn.

The obligations under the 2019 GasLog Partners Facility, are secured by a first priority mortgage over the vessels, a pledge of the share capital of the respective vessel owning companies and a first priority assignment of earnings related to the vessels (excluding the *GasLog Santiago* which participates in the Cool Pool), including charter revenue, management revenue and any insurance and requisition compensation. The obligations under the facility are guaranteed by the Partnership and GasLog Partners Holdings LLC.

The 2019 GasLog Partners Credit Facility is subject to specified financial covenants that apply to GasLog Partners on a consolidated basis. These financial covenants include the following:

- the aggregate amount of cash and cash equivalents, short term investments and available undrawn facilities with remaining maturities of at least six months must be at least \$45.0 million;
- total indebtedness divided by total assets must be less than 65.0%; and
- the Partnership is permitted to declare or pay any dividends or distributions, subject to no event of default having occurred or occurring as a consequence of the payment of such dividends or distributions.

The 2019 GasLog Partners Facility contains customary events of default, including non-payment of principal or interest, breach of covenants or material inaccuracy of representations, default under other material indebtedness and bankruptcy as well as an event of default in the event of the cancellation, rescission, frustration or withdrawal of a charter agreement prior to its scheduled expiration, if certain prepayment and security provisions are not met. In addition, the 2019 GasLog Partners Facility contains covenants requiring us and certain of our subsidiaries to maintain the aggregate of (i) the market value, on a charter exclusive basis, of the mortgaged vessel or vessels and (ii) the market value of any additional security provided to the lenders, at a total value not less than 120.0% of the then outstanding amount under the facility. If GasLog Partners fails to comply with these covenants and is not able to obtain covenant waivers or modifications, its lenders could require it to make prepayments or provide additional collateral sufficient to bring it into compliance with such covenants, and if it fails to do so its lenders could accelerate our indebtedness.

The 2019 GasLog Partners Facility also imposes certain restrictions relating to the Partnership, including restrictions that limit its ability to make any substantial change in the nature of its business or to the partnership structure without approval from the lenders.

Contracted Charter Revenues

The following table summarizes GasLog Partners' contracted charter revenues and vessel utilization as of December 31, 2018:

	For the Year Ending December 31,					
	2019	2020	2021	2022	2023 - 2026	Total
	(in millions of U.S. dollars, except days and percentages)					
Contracted time charter revenues ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾ . . .	\$327.1	\$251.5	\$157.4	\$120.6	\$ 183.6	\$1,040.2
Total contracted days ⁽¹⁾	4,623	3,597	2,072	1,460	2,188	13,940
Total available days ⁽⁵⁾	5,080	5,004	4,960	5,110	20,034	40,188
Total unfixed days ⁽⁶⁾	457	1,407	2,888	3,650	17,846	26,248
Percentage of total contracted days/total available days	91.0%	71.9%	41.8%	28.6%	10.9%	34.7%

⁽¹⁾ Reflects time charter revenues and contracted days for the 14 LNG carriers in our fleet.

⁽²⁾ Our ships are scheduled to undergo dry-docking once every five years. Revenue calculations assume 365 revenue days per ship per annum, with 30 off-hire days when the ship undergoes scheduled dry-docking.

⁽³⁾ For time charters that include a fixed operating cost component subject to annual escalation, revenue calculations include that fixed annual escalation. For time charters that give the charterer the option to set the charter hire rate at prevailing market rates during an initial portion of the time charter's term, revenue calculations assume that the charterer does not elect such option. Revenue calculations for such charters include an estimate of the amount of the operating cost component and the management fee component.

⁽⁴⁾ Revenue calculations assume no exercise of any option to extend the terms of charters.

⁽⁵⁾ Available days represent total calendar days after deducting 30 off-hire days when the ship undergoes scheduled dry-docking.

⁽⁶⁾ Represents available days for the ships after the expiration of the existing charters (assuming charterers do not exercise any option to extend the terms of the charters).

The table above provides information about our contracted charter revenues and ship utilization based on contracts in effect as of December 31, 2018 for the 14 LNG carriers in our fleet. The table reflects only our contracted charter revenues, and it does not reflect the costs or expenses we will incur in fulfilling our obligations under the charters. In particular, the table does not reflect any time charter revenues from any additional ships we may acquire in the future, nor does it reflect the options under our time charters that permit our charterers to extend the time charter terms for successive multi-year periods at comparable charter hire rates. If exercised, the options to extend the terms of our existing charters, would result in an increase in the number of contracted days and the contracted revenue for our fleet in the future. Although the contracted charter revenues are based on contracted charter hire rate provisions, they reflect certain assumptions, including assumptions relating to future ship operating costs. We consider the assumptions to be reasonable as of the date of this report, but if these assumptions prove to be incorrect, our actual time charter revenues could differ from those reflected in the table. Furthermore, any contract is subject to various risks, including performance by the counterparties or an early termination of the contract pursuant to its terms. If the charterers are unable or unwilling to make charter payments to us, or if we agree to renegotiate charter terms at the request of a charterer or if contracts are prematurely terminated for any reason, we would be exposed to prevailing market conditions at the time and our results of operations and financial condition may be materially adversely affected. Please see "Item 3. Key Information—D. Risk Factors". For these reasons, the contracted charter revenue information presented above is not fact and should not be relied upon as being necessarily indicative of future results and readers are cautioned not to place undue reliance on this information. Neither the Partnership's independent auditors, nor any other independent accountants, have compiled, examined or performed any procedures with respect to the information presented in the table, nor have they expressed any opinion or any other form of assurance on such information or its achievability and assume no responsibility for, and disclaim any association with, the information in the table.

Quantitative and Qualitative Disclosures About Market Risk

For information about our exposure to market risks, see “Item 11. Quantitative and Qualitative Disclosures About Market Risk”.

Capital Expenditures in Relation to Vessel Acquisitions

As of December 31, 2018, there are no commitments for capital expenditures related to our fleet with respect to vessel acquisitions. In the event we decide to exercise our options to purchase additional ships from GasLog, we expect to finance the costs with cash from operations and a combination of debt and equity financing.

Critical Accounting Policies

The preparation of the consolidated financial statements in conformity with IFRS requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses recognized in the consolidated financial statements. The Partnership’s management evaluates whether estimates should be made on an ongoing basis, utilizing historical experience, consultation with experts and other methods management considers reasonable in the particular circumstances. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability in the future. Critical accounting policies are those that reflect significant judgments of uncertainties and potentially result in materially different results under different assumptions and conditions. For a description of all our principal accounting policies, see Note 2 to our annual consolidated financial statements included elsewhere in this annual report.

Classification of the Partnership Interests

The interests in the Partnership comprise common units, Preference Units, a general partner interest and incentive distribution rights. Under the terms of the partnership agreement, the Partnership is required to distribute 100% of available cash (as defined in our partnership agreement) with respect to each quarter within 45 days of the end of the quarter to the partners. Available cash can be summarized as cash and cash equivalents less an amount equal to cash reserves established by the board of directors to (i) provide for the proper conduct of the business of the Partnership group (including reserves for future capital expenditures and for anticipated future credit needs of the Partnership group) subsequent to such quarter, (ii) comply with applicable law or any loan agreement, security agreement, mortgage, debt instrument or other agreement or obligation to which any Partnership group member is a party or by which it is bound or its assets are subject and/or (iii) provide funds for certain distributions relating to future periods.

In reaching a judgment as to whether the interests in the Partnership should be classified as liabilities or equity interests, the Partnership has considered the wide discretion of the board of directors to determine whether any portion of the amount of cash available to the Partnership constitutes available cash and that it is possible that there could be no available cash. In the event that there is no available cash, as determined by the board of directors, the Partnership does not have a contractual obligation to make a distribution. Accordingly, the Partnership’s management has concluded that the Partnership interests do not represent a contractual obligation on the Partnership to deliver cash and therefore should be classified as equity within the financial statements.

Impairment of Vessels

We evaluate the carrying amounts of our vessels to determine whether there is any indication that our vessels have suffered an impairment loss by considering both internal and external sources of

information. If any such indication exists, the recoverable amount of vessels is estimated in order to determine the extent of the impairment loss, if any.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. The projection of cash flows related to vessels is complex and requires management to make various estimates including future freight rates, earnings from the vessels and discount rates. All of these items have been historically volatile. In assessing the fair value less cost to sell of the vessel, we obtain vessel valuations from independent and internationally recognized ship brokers on a semi-annual basis or when there is an indication that an asset or assets may be impaired. If an indication of impairment is identified, the need for recognizing an impairment loss is assessed by comparing the carrying amount of the vessels to the higher of the fair value less cost to sell and the value in use.

Our estimates of basic market value assume that the vessels are all in seaworthy condition without a need for repair and, if inspected, would be certified in class without notations of any kind. Our estimates are based on approximate market values for the vessels that have been received from shipbrokers, which are also commonly used and accepted by our lenders for determining compliance with the relevant covenants in our credit facilities. Vessel values can be highly volatile, so the estimates may not be indicative of future basic market value of our vessels or prices that could be achieved if we were to sell them.

The table below sets forth in U.S. dollars (i) the historical acquisition cost of our vessels and (ii) the carrying value of each of our vessels as of December 31, 2017 and December 31, 2018.

Vessel	Acquisition Date	Cargo capacity (cbm)	Acquisition cost	Carrying values ⁽¹⁾ (in thousands of U.S. dollars)	
				December 31, 2017	December 31, 2018
<i>GasLog Shanghai</i> ⁽²⁾⁽³⁾	January 2013	155,000	\$ 189,619	\$ 165,941	\$ 160,516
<i>GasLog Santiago</i> ⁽²⁾⁽³⁾	March 2013	155,000	189,560	165,750	175,365
<i>GasLog Sydney</i> ⁽²⁾⁽³⁾	May 2013	155,000	195,947	172,277	181,678
<i>GasLog Seattle</i> ⁽²⁾⁽³⁾	December 2013	155,000	201,738	178,541	176,175
<i>Solaris</i> ⁽²⁾⁽³⁾	July 2014	155,000	201,849	182,022	176,222
<i>Methane Rita Andrea</i> ⁽⁴⁾⁽⁷⁾	April 2014	145,000	156,613	137,928	132,135
<i>Methane Jane Elizabeth</i> ⁽⁴⁾⁽⁷⁾ . . .	April 2014	145,000	156,613	137,733	132,066
<i>Methane Alison Victoria</i> ⁽⁵⁾⁽⁷⁾ . .	June 2014	145,000	156,610	139,128	133,656
<i>Methane Shirley Elisabeth</i> ⁽⁵⁾⁽⁷⁾ .	June 2014	145,000	156,599	139,266	133,648
<i>Methane Heather Sally</i> ⁽⁵⁾⁽⁷⁾	June 2014	145,000	156,599	139,498	133,975
<i>Methane Becki Anne</i> ⁽⁶⁾⁽⁷⁾	March 2015	170,000	232,334	213,915	206,447
<i>GasLog Greece</i> ⁽²⁾⁽³⁾	March 2016	174,000	209,195	198,665	192,648
<i>GasLog Geneva</i> ⁽²⁾⁽³⁾	September 2016	174,000	203,867	196,308	190,453
<i>GasLog Gibraltar</i> ⁽²⁾⁽³⁾	October 2016	174,000	203,835	196,696	190,840
Total			\$2,610,978	\$2,363,668	\$2,315,824

⁽¹⁾ Our vessels are stated at carrying values (see Note 2 to our consolidated financial statements included elsewhere in this annual report). For the years ended December 31, 2017 and 2018, no impairment was recorded.

⁽²⁾ The construction of these vessels was completed on the acquisition date.

⁽³⁾ The market value of each vessel individually, and all vessels in the aggregate, exceeds the carrying value of that vessel, and all vessels in the aggregate, as of December 31, 2017 and December 31, 2018.

⁽⁴⁾ The vessels were built in 2006.

- (5) The vessels were built in 2007.
- (6) The vessel was built in 2010.
- (7) Indicates vessels for which we believe, as of December 31, 2018, the basic charter-free market value is lower than the vessel's carrying value. We believe that the aggregate carrying value of these vessels exceeds their aggregate basic charter-free market value by \$254.9 million, at December 31, 2018. However, as described below, the value in use for each of the six vessels was higher than the carrying amount of these vessels and, consequently, no impairment loss was recognized.

As of December 31, 2018, for the six vessels with carrying amounts higher than the estimated charter-free market value, we concluded that events and circumstances triggered the existence of potential impairment of these vessels. As a result, we performed the impairment assessment of these vessels by comparing the discounted projected net operating cash flows for these vessels to their carrying values. Our strategy is to charter our vessels under multi-year contracts, providing the Partnership with stable cash flows. The significant factors and assumptions we used in our discounted projected net operating cash flow analysis included, among others, operating revenues, off-hire revenues, dry-docking costs, operating expenses, management fees estimates, residual values and the discount factor. Revenue assumptions were based on contracted time charter rates up to the end of life of the current contract of each vessel as well as the estimated average time charter rates for the remaining life of the vessels after the completion of their current contract. The estimated daily time charter rates used for non-contracted revenue days are based on a combination of (i) recent charter market rates, (ii) conditions existing in the LNG market as of December 31, 2018, (iii) historical average time charter rates based on publications by independent third party maritime research services and (iv) estimated future time charter rates, based on publications by independent third party maritime research services that provide such forecasts. Recognizing that the LNG industry is cyclical and subject to significant volatility based on factors beyond our control, we believe that the use of revenue estimates, based on the combination of factors (i) to (iv) above, to be reasonable as of the reporting date. In addition, we used an annual operating expenses escalation factor and estimates of scheduled and unscheduled off-hire revenues based on historical experience. All estimates used and assumptions made were in accordance with our internal budgets and historical experience of the shipping industry. The value in use for the six vessels calculated as per above was higher than the carrying amount of these vessels and, consequently, no impairment loss was recognized.

In connection with the impairment testing of our vessels as of December 31, 2018, for the six vessels with carrying amounts higher than the estimated charter-free market value, we performed a sensitivity analysis on the most sensitive and/or subjective assumption that has the potential to affect the outcome of the impairment exercise, which is the projected charter hire rate used to forecast future cash flows for non-contracted days. The following table summarizes the average results of the sensitivity analysis that we performed.

<u>Average charter hire rate used⁽¹⁾</u>	<u>Average break-even charter hire rate⁽²⁾</u>	<u>Variance (Amount)</u>	<u>Variance (%)</u>
\$61,025	\$52,404	8,621	14%

(1) The average charter rate used in our impairment testing is the average charter rate based on which we estimated the revenues for the remaining useful life of the respective vessels.

(2) The average break-even charter hire rate is the average of the contracted charter rate and the break-even rechartering hire rate that if used in the discounted projected net operating cash flows of the impairment testing, would result in discounted total cash flows being equal to the carrying value of the vessels.

Recent Accounting Pronouncements

See Note 2 to our consolidated financial statements included elsewhere in this annual report.

C. Research and Development, Patents and Licenses, etc.

Not applicable.

D. Trend Information

See “Item 5. Operating and Financial Review and Prospects—Overview—Industry Overview and Trends”.

E. Off-Balance Sheet Arrangements

As of December 31, 2018, we do not have any transactions, obligations or relationships that should be considered off-balance sheet arrangements.

F. Tabular Disclosure of Contractual Obligations

Our contractual obligations as of December 31, 2018 were:

	Payments Due by Period					
	Total	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years	
		(Expressed in thousands of U.S. dollars)				
Long-term debt obligations	\$1,251,718	\$434,600	\$510,079	\$68,619	\$238,420	
Interest on long-term debt obligations ⁽¹⁾	160,277	42,676	63,012	25,984	28,605	
Amounts due to related parties ⁽²⁾	2,022	2,022	—	—	—	
Amounts due for management, commercial and administrative services fees ⁽³⁾	5,319	5,319	—	—	—	
Purchase of depot spares ⁽⁴⁾	5,340	—	5,340	—	—	
Vessels’ enhancement and conversion contracts	1,520	1,520	—	—	—	
Total	\$1,426,196	\$486,137	\$578,431	\$94,603	\$267,025	

⁽¹⁾ Our interest commitment on our floating long-term debt is calculated based on an assumed applicable interest rate of 4.8%, which takes into account the LIBOR and applicable margin spreads in our credit facilities while 1.0% is used for the commitment fees of our New Sponsor Credit Facility and 0.9% is used for the commitment fees of the *GasLog Seattle* and *Solaris Assumed Revolving Facilities*.

⁽²⁾ Amounts due to related parties represent mainly payments made by GasLog to cover operating expenses. See Note 13 to our consolidated financial statements.

⁽³⁾ This includes the amounts due under our contractual obligations under our amended ship management agreements and our amended commercial management agreements signed with GasLog LNG Services and GasLog, respectively, for their non-terminable periods. In addition, it includes the amounts due under the amended administrative services agreement for its non-terminable period. The amended ship management agreements provide for a monthly management fee of \$46,000 per vessel and the amended commercial management agreements provide for a fixed annual fee of \$360,000 per vessel and may be terminated by either party giving three months’ notice. The administrative services agreement, as amended, provides for a fixed annual fee of \$607,656 per vessel and may be terminated by either party at any time giving the other party not less than three months’ written notice. The contractual obligations table includes ship management services fees, commercial management services fees and administrative services fees for three months.

⁽⁴⁾ Following the acquisition of the *Methane Rita Andrea*, the *Methane Jane Elizabeth*, the *Methane Alison Victoria*, the *Methane Shirley Elisabeth*, the *Methane Heather Sally* and the *Methane Becki Anne*, the Partnership, through its subsidiaries GAS-sixteen Ltd., GAS-seventeen Ltd., GAS-nineteen Ltd., GAS-twenty Ltd., GAS-twenty one Ltd. and GAS-twenty seven Ltd., is the counter guarantor for the acquisition from MSL of 83.33% of depot spares with an aggregate value of \$6.0 million, of which \$0.7 million have been purchased and paid as of December 31, 2018 by GasLog. These spares should be acquired before March 31, 2020.

ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

A. Directors and Senior Management

The following table sets forth information regarding our directors and executive officers. With the exception of Andrew J. Orekar, we rely solely on the executive officers of GasLog or its applicable affiliate who provide executive officer services for our benefit pursuant to the administrative services agreement and who are responsible for our day-to-day management subject to the direction of our board of directors. The business address for each of our directors and executive officers is Gildo Pastor Center, 7 Rue du Gabian, MC 98000, Monaco. The following directors have been determined by our board of directors to be independent under the standards of the NYSE and the rules and regulations of the SEC: Robert B. Allardice III, Daniel R. Bradshaw, Pamela M. Gibson and Michael G. Gialouris. Officers are elected from time to time by vote of our board of directors and hold office until a successor is elected.

<u>Name</u>	<u>Age</u>	<u>Position</u>
Curtis V. Anastasio	62	Chairman of the Board of Directors/Director
Robert B. Allardice III	72	Class I Director
Daniel R. Bradshaw	72	Class III Director
Michael G. Gialouris ⁽¹⁾	55	Director
Pamela M. Gibson	65	Class II Director
Peter G. Livanos	60	Director
Anthony S. Papadimitriou ⁽¹⁾	63	Director
Andrew J. Orekar	42	Director/Chief Executive Officer
Alastair Maxwell	55	Chief Financial Officer
Richard Sadler	61	Chief Operating Officer

⁽¹⁾ On January 31, 2019, Anthony S. Papadimitriou stepped down from the board of directors and Michael G. Gialouris was appointed as a director with effect from February 1, 2019.

Our Class I, Class II and Class III Directors were elected by our common unitholders and will hold office until the 2019, 2020 and 2021 annual meetings of limited partners, respectively. Our other directors were appointed by our general partner in its sole discretion. See “—C. Board Practices”.

Certain biographical information about each of these individuals is set forth below.

Curtis V. Anastasio has been the Executive Chairman of our board of directors since our inception to May 2016 and Non-Executive Chairman from May 2016 to date. From the time he led the initial public offering in April of 2001 to his retirement on December 31, 2013, Mr. Anastasio was the president and chief executive officer of NuStar Energy L. P., a publicly traded MLP based in San Antonio, Texas. Mr. Anastasio was also president and chief executive officer of NuStar GP Holdings, LLC, a position he held since the company’s initial public offering in 2006. In addition, Mr. Anastasio serves as a director and chairman of the Audit Committee of Par Pacific Holdings (previously Par Petroleum Corporation) a growth-orientated company that manages and maintains interests in energy related assets. He also serves on the board of the Federal Reserve Bank of Dallas and in June 2015 was appointed to the board of the Chemours Company. Mr. Anastasio received a Juris Doctorate degree from Harvard Law School in 1981 and a Bachelor of Arts degree, Magna cum Laude, from Cornell University in 1978.

Robert B. Allardice III has been a member of our board of directors since October 2014. Mr. Allardice has had a long career in the financial services industry, having worked for Morgan Stanley in a number of roles for 19 years as well as with Smith Barney and Deutsche Bank Americas Holding Corp. Mr. Allardice currently serves as a director, member of or chairman of the audit committee of a number of companies, including Hartford Financial Group, and Ellington Residential

Mortgage REIT. Mr. Allardice received a Bachelor of Arts with Honors from Yale University in 1968 and an M.B.A. from Harvard Business School in 1974.

Daniel R. Bradshaw has been a director since the closing of our IPO in 2014. Since 1978, Mr. Bradshaw has worked at the law firm of Johnson Stokes & Master, now Mayer Brown, in Hong Kong, from 1983 to 2003 as a partner and since 2003 as a senior consultant. In addition, Mr. Bradshaw is an independent non-executive director of Pacific Basin Shipping Company Limited, an independent non-executive director of IRC Limited, an affiliate of Petropavlovsk PLC and a non-executive director of Euronav NV. Mr. Bradshaw received a Master of Laws degree from the Victoria University of Wellington in 1971.

Michael G. Gialouris was appointed to our board of directors on February 1, 2019. Mr. Gialouris is the President and Managing Director of ASOFIN Management S.A., an Onassis Foundation company. He acts as Group CFO for the Onassis Foundation Group of Companies. His experience dates back to 1987 and combines shipping finance, corporate banking, advisory, investment assessment and asset management. He has been involved in a number of complex transactions including IPOs, M&A transactions, bank debt raising, private equity investments, etc. Mr. Gialouris has served in senior executive positions for Citibank Shipping Bank S.A. in Greece, Attica Enterprises (the holding company of Superfast Ferries S.A. and Blue Star Ferries S.A.) and Magna Marine Inc. (the owner/operator of a dry bulk carrier fleet). He joined ASOFIN Management S.A. and the Onassis Foundation in 2009 and sits on the Board of Directors of a number of Onassis Foundation companies. Mr. Gialouris studied Mechanical Engineering and earned a M.Sc. degree in Shipping, Trade and Finance from City University Business School (now Cass Business School) in 1987.

Pamela M. Gibson has been a director since the closing of our IPO in 2014. Since 1984, Ms. Gibson has worked at the law firm of Shearman & Sterling LLP, from 1990 as a partner and since 2005 as of counsel, advising non-U.S. global companies on capital markets transactions, governance, compliance and other corporate strategic matters with a focus on the oil and gas; metals and mining; and telecom and technology sectors. Ms. Gibson was the managing partner of both the Toronto (1990 to 1995) and London (1995 to 2002) offices and the head of the European and Asian Capital Markets Group (2002 to 2004) at Shearman & Sterling LLP. In addition, Ms. Gibson is an independent non-executive director of Eldorado Gold Corporation. Ms. Gibson received a Bachelor of Arts degree, with distinction, from York University in 1974, a Bachelor of Laws degree from Osgoode Hall Law School in 1977 and a Master of Laws degree from New York University in 1984.

Peter G. Livanos has been a director since the closing of our IPO in 2014. Mr. Livanos is the Chairman of GasLog and a member of GasLog's board of directors. Mr. Livanos founded our affiliate GasLog LNG Services in 2001. He has served as the Chairman since GasLog was incorporated in July 2003 and he held the role of chief executive officer from January 2012 until January 2013. Mr. Livanos is the chairman and sole shareholder of Ceres Shipping Ltd. ("Ceres Shipping"), an international shipping group. He also serves as chairman of several of Ceres Shipping's subsidiaries, including DryLog Ltd., a company engaged in dry bulk shipping investments. In 1989 Mr. Livanos formed Seachem Tankers Ltd., which in 2000 combined with Odfjell ASA (later renamed Odfjell SE). He served on the board of directors of Odfjell SE until 2008. Mr. Livanos was appointed to the board of directors of Euronav NV, an independent owner and operator of oil tankers in 2005 and served until December 2015. Between April 2009 and July 2014, he was appointed Vice-Chairman of Euronav NV and from July 2014 to December 2015 he served as its Chairman. Mr. Livanos is a graduate of Columbia University.

Anthony S. Papadimitriou has been a director since our 2015 annual meeting. Mr. Papadimitriou is a member of GasLog's board of directors. From 1986 until 2005, Mr. Papadimitriou served as legal counsel for Olympic Shipping & Management S.A, an affiliate of the Onassis Foundation, and from 1995 to 2005 he was the coordinator of the Executive Committee of the commercial activities

controlled by the Onassis Foundation. In addition, Mr. Papadimitriou has been a member of the board of directors of the Alexander S. Onassis Public Benefit Foundation since 1988, serving as the president of the board since 2005. Mr. Papadimitriou is the founding partner of A.S. Papadimitriou and Partners Law Firm. Mr. Papadimitriou is a graduate of the Athens University Law School and holds a postgraduate degree in maritime and transport law from the University Aix-en-Provence, a B.Sc. from the London School of Economics and a Ph.D. from the National and Kapodistrian University of Athens. On January 31, 2019, Mr. Papadimitriou stepped down from the board of directors.

Andrew J. Orekar has served as our CEO since the closing of our IPO in 2014 and was appointed a director in May 2016. Prior to joining the Partnership, Mr. Orekar served as Managing Director at Goldman Sachs & Co. LLC, where he advised global natural resources and energy companies on mergers and acquisitions, corporate finance and capital markets transactions. Mr. Orekar joined Goldman Sachs in 1998, was appointed Managing Director in 2009 and held positions of increasing responsibility within the Investment Banking Division during his 15-year career. In addition, Mr. Orekar is an independent director nominee of Tortoise Acquisition Corp., a company formed for the purpose of effecting a merger, capital stock exchange, asset acquisition, stock purchase, reorganization or similar combination with one or more energy businesses. Mr. Orekar received B.S. (Wharton School) and B.A. degrees from the University of Pennsylvania in 1998.

Alastair Maxwell joined GasLog Partners on February 1, 2017 and was appointed Chief Financial Officer (“CFO”) on March 9, 2017. He was appointed CFO of GasLog on the same date. Prior to joining GasLog Partners, Mr. Maxwell worked in the investment banking industry for 29 years, most recently with Goldman Sachs & Co. LLC from 2010 to 2016 where he was a Partner and Co-Head of the Global Energy Group with responsibility for relationships with a wide range of corporate and other clients in the energy sector. Previously, from 1998 to 2010, he was with Morgan Stanley, most recently as Managing Director and Head of Energy in the EMEA region based in London and prior to that as Executive Director and Head of Latin America Utilities based in New York. From 1987 to 1998 he was at Dresdner Kleinwort Benson in a series of roles in the Utilities and M&A Groups based in London, Spain and Brazil. Mr. Maxwell studied Modern Languages (Spanish and Portuguese) at Worcester College, Oxford.

Richard Sadler has served as our Chief Operating Officer (“COO”) since September 20, 2017. He was appointed COO of GasLog on the same date. Mr. Sadler joined GasLog Partners from the Foresight Group, a family company with a strong global presence including Shipping, Offshore Oil Drilling & Engineering, where he served as advisor to the Chairman, family Board members and the senior management. Previously, from 2007 to 2015, Mr. Sadler served as CEO of Lloyd’s Register Group, providing compliance and consultancy services to 60,000 global clients in 78 countries. Prior to that Mr. Sadler worked as a Director of Asset Management for the Royal Bank of Scotland in the Shipping and Offshore Energy Division and held a number of positions at Lloyd’s Register including in Kuwait, Bahrain, Oman and Japan. Mr. Sadler was an Engineering Officer in the Royal Navy prior to studying Naval Architecture at the University of Newcastle-upon-Tyne. Mr. Sadler is a Fellow, Trustee and member of the Audit & Risk Committee of the Royal Academy of Engineering and holds Honorary Doctorates from the University of Southampton and the University of Newcastle-upon-Tyne. He is a visiting Professor at Dalian Maritime University and an elder Brethren and Trustee of Trinity House.

Board Leadership Structure

Our board leadership structure consists of our Chairman and the chairmen of our board committees. Our operational management is headed by our CEO. Mr. Orekar, as CEO, is responsible for the day-to-day operations of the Partnership, which includes decisions relating to the Partnership’s general management and control of its affairs and business, and works with our board in developing our business strategy. The board of directors does not have a policy mandating that the roles of CEO

and Chairman be held by separate individuals, but believes that at this time the separation of such roles is appropriate and beneficial to unitholders.

B. Compensation of Directors and Senior Management

Reimbursement of Expenses of Our General Partner

Our general partner does not receive compensation from us for any services it provides on our behalf, although it is entitled to reimbursement for expenses incurred on our behalf. In addition, our operating subsidiaries reimburse GasLog LNG Services for expenses incurred pursuant to the amended ship management agreements that our operating subsidiaries are party to with GasLog LNG Services. See “Item 7. Major Unitholders and Related Party Transactions—B. Related Party Transactions—Ship Management Agreements”.

Executive Compensation

A subsidiary of GasLog has entered into an employment agreement with Andrew J. Orekar, our CEO. The agreement provides for an annual cash incentive bonus based in part on performance relative to pre-established targets. The services of our executive officers and other employees are provided pursuant to the administrative services agreement, under which we pay an annual fee. For the year ended December 31, 2018, the amount of compensation we paid to our executive officers, including annual and long-term cash incentive compensation, as well as aggregate fees for administrative services provided under the administrative services agreement, totaled \$1,802,340. See “Item 7. Major Unitholders and Related Party Transactions—B. Related Party Transactions—Administrative Services Agreement”. Our officers and employees and officers and employees of our subsidiaries and affiliates of GasLog and our general partner may participate in employee pension and benefit plans and arrangements sponsored by GasLog, GasLog subsidiaries, our general partner or their affiliates, including plans that may be established in the future. We did not set aside or accrue any amounts in the year ended December 31, 2018 to provide pension, retirement or similar benefits to our senior management.

Compensation of Directors

Each non-management director receives cash compensation for being a member of our board of directors, as well as for being a member or chairperson of a committee. During 2018, non-management directors each received a director fee of \$110,000 per year. In addition, members of the audit and conflicts committees each received a committee fee of \$25,000 per year whereas the chairpersons of such committees received a fee of \$50,000 per year. Pursuant to the administrative services agreement, we pay directly to GasLog the director fees for any appointed directors who are also directors of GasLog. Our chairman receives an additional chair fee and received director fees totaling \$260,000 in 2018. In addition, each director is reimbursed for out-of-pocket expenses in connection with attending meetings of the board of directors or committees.

We did not set aside or accrue any amounts in the year ended December 31, 2018 to provide pension, retirement or similar benefits to our directors.

Equity Compensation Plan

In January 2015, our board of directors approved the GasLog Partners LP 2015 Long-Term Incentive Plan (the “Plan”). The purpose of the Plan is to promote the interests of the Partnership and its unitholders by attracting and retaining exceptional directors, officers, employees and consultants and enabling such individuals to participate in the long-term growth and financial success of the Partnership.

The Plan provides for the grant of options to purchase our common units, common unit appreciation rights, restricted common units, phantom performance common units, cash incentive awards and other equity-based or equity-related awards. We have reserved for issuance a total of 241,447 common units under the Plan (equal to approximately 1.68% of the 14,322,358 common units outstanding as of December 31, 2014), subject to adjustment for changes in capitalization as provided in the Plan. The Plan is administered by our board of directors, or such committee of our board of directors as may be designated by our board of directors to administer the Plan.

On April 1, 2018, we granted our executive officers an aggregate of 24,608 restricted common units and 24,608 phantom performance common units, with an aggregate fair value as of the grant date of \$1.1 million. These awards vest on the third anniversary of the grant date, subject to the recipients' continued service; vesting of the phantom stock units is also subject to the achievement of certain performance targets. They may be settled in cash or common units which may be units repurchased by the Partnership from time to time, or newly issued units, or a combination thereof, at our discretion. As of December 31, 2018, we have 241,447 common units reserved for issuance under the Plan (equal to approximately 0.53% of the 45,488,993 common units outstanding).

C. Board Practices

In accordance with our partnership agreement, our general partner has delegated to our board of directors the authority to oversee and direct our operations, management and policies on an exclusive basis, and such delegation will be binding on any successor general partner of the partnership. Our general partner, GasLog Partners GP LLC, is wholly owned by GasLog. Our executive officers, all of whom are employed by GasLog or its applicable affiliate, manage our day-to-day activities consistent with the policies and procedures adopted by our board of directors.

Our board of directors consists of seven members, four of whom are appointed by our general partner in its sole discretion and three of whom are elected by our common unitholders. The directors appointed by our general partner serve until a successor is duly appointed by the general partner. Directors elected by our common unitholders are divided into three classes serving staggered three-year terms. At our 2015 annual meeting, the Class I elected director was elected to serve for a one year term expiring on the date of the succeeding annual meeting, the Class II elected director was elected to serve for a two-year term expiring on the second succeeding annual meeting and the Class III elected director was elected to serve for a three-year term expiring on the third succeeding annual meeting. At each subsequent annual meeting of unitholders, directors will be elected to succeed the class of director whose term has expired by a plurality of the votes of the common unitholders. Directors elected by our common unitholders will be nominated by the board of directors or by any limited partner or group of limited partners that holds at least 10% of the outstanding common units.

If our general partner exercises its right to transfer the power to elect a majority of our directors to the common unitholders, an additional director will thereafter be elected as a Class III director by our common unitholders. Our general partner may exercise this right in order to permit us to claim, or continue to claim, an exemption from U.S. federal income tax under Section 883 of the Code. See "Item 4. Information on the Partnership—B. Business Overview—Taxation of the Partnership".

The Class I, Class II and Class III directors elected by our common unitholders and Mr. Gialouris were determined by our board to be independent under the standards of the NYSE and the rules and regulations of the SEC. The elected directors also qualify as independent of GasLog under our partnership agreement so as to be eligible for membership on our conflicts committee.

Each outstanding common unit is entitled to one vote on matters subject to a vote of common unitholders. However, if at any time, any person or group owns beneficially more than 4.9% of any class or series of units (other than the Preference Units) then outstanding, any such units owned by that person or group in excess of 4.9% may not be voted on any matter and will not be considered to

be outstanding when sending notices of a meeting of limited partners, calculating required votes (except for purposes of nominating a person for election to our board of directors), determining the presence of a quorum or for other similar purposes under our partnership agreement, unless otherwise required by law. This loss of voting rights does not apply to the Preference Units. Effectively, this means that the voting rights of any such common unitholders in excess of 4.9% will be redistributed pro rata among the other common unitholders holding less than 4.9% of the voting power of all classes of units entitled to vote. Our general partner, its affiliates and persons who acquired common units with the prior approval of our board of directors will not be subject to this 4.9% limitation except with respect to voting their common units in the election of the elected directors. This limitation will support our claim of an exemption from U.S. federal income tax under Section 883 of the Code in the event our general partner transfers the power to elect one director to the common unitholders.

There are no service contracts between us and any of our directors providing for benefits upon termination of their employment or service.

We are a “foreign private issuer” under the securities laws of the United States and the rules of the NYSE. Under the securities laws of the United States, “foreign private issuers” are subject to different disclosure requirements than U.S. domiciled registrants, as well as different financial reporting requirements. Under the NYSE rules, a “foreign private issuer” is subject to less stringent corporate governance requirements. Subject to certain exceptions, the rules of the NYSE permit a “foreign private issuer” to follow its home country practice in lieu of the listing requirements of the NYSE, including (i) the requirement that a majority of the board of directors consist of independent directors and (ii) the requirement that a compensation committee or a nominating/corporate governance committee be established. Four of our seven directors qualify as independent. As a result, non-independent directors may, among other things, participate in fixing the compensation of our management, making share and option awards and resolving governance issues regarding our Company. Accordingly, in the future you may not have the same protections afforded to unitholders of similarly organized limited partnerships that are subject to all of the NYSE corporate governance requirements.

Our board of directors meets regularly throughout the year. In 2018, the board met 11 times. As part of our board meetings, our independent directors meet without the non-independent directors in attendance. In addition, the board regularly holds sessions without the CEO and executive officers present.

Committees of the Board of Directors

Audit Committee

We have an audit committee that, among other things, reviews our external financial reporting, engages our external auditors and oversees our internal audit activities and procedures and the adequacy of our internal accounting controls. Our audit committee is comprised of Robert B. Allardice III, Daniel R. Bradshaw and Pamela M. Gibson, with Robert B. Allardice III serving as the chair of the audit committee. Our board of directors has determined that each of Robert B. Allardice III, Daniel R. Bradshaw and Pamela M. Gibson satisfies the independence standards established by the NYSE, and that Robert B. Allardice III qualifies as an “audit committee financial expert” for purposes of SEC rules and regulations.

Conflicts Committee

We also have a conflicts committee that is available at the board of directors’ discretion to review specific matters that the board of directors believes may involve conflicts of interest. The conflicts committee will determine if the resolution of the conflict of interest is fair and reasonable to us. The members of the conflicts committee must meet the independence standards established by the NYSE and the SEC to serve on an audit committee of a board of directors, and may not be any of the

following: (a) officers or employees of our general partner, (b) officers, directors or employees of any affiliate of our general partner (other than the Partnership and its subsidiaries) or (c) holders of any ownership interest in the general partner, its affiliates or the Partnership and its subsidiaries (other than (x) common units or (y) awards granted pursuant to any long-term incentive plan, equity compensation plan or similar plan of the Partnership or its subsidiaries). Any matters approved by the conflicts committee will be conclusively deemed to be fair and reasonable to us, approved by all of our partners and not a breach by our directors, our general partner or its affiliates of any duties any of them may owe us or our unitholders. Our conflicts committee is comprised of Robert B. Allardice III, Daniel R. Bradshaw and Pamela M. Gibson, with Daniel R. Bradshaw serving as chair of the conflicts committee.

Employees of affiliates of GasLog provide services to us under the administrative services agreement. See “Item 7. Major Unitholders and Related Party Transactions—B. Related Party Transactions—Administrative Services Agreement”.

Our officers and the other individuals providing services to us or our subsidiaries may face a conflict regarding the allocation of their time between our business and the other business interests of GasLog or its affiliates. Our officers and such other individuals providing services to us or our subsidiaries intend to devote as much time to the management of our business and affairs as is necessary for the proper conduct of our business and affairs.

Whenever our general partner makes a determination or takes or declines to take an action in its individual capacity rather than in its capacity as our general partner, it is entitled to make such determination or to take or decline to take such other action free of any fiduciary duty or obligation whatsoever to us or any limited partner, and our general partner is not required to act in good faith or pursuant to any other standard imposed by our partnership agreement or under the Marshall Islands Act or any other law. Specifically, our general partner will be considered to be acting in its individual capacity if it exercises its call right, pre-emptive rights, registration rights or right to make a determination to receive common units in a resetting of the target distribution levels related to its incentive distribution rights, consents or withholds consent to any merger or consolidation of the partnership, appoints any directors or votes for the appointment of any director, votes or refrains from voting on amendments to our partnership agreement that require a vote of the outstanding units, voluntarily withdraws from the partnership, transfers (to the extent permitted under our partnership agreement) or refrains from transferring its units, general partner interest or the incentive distribution rights it owns or votes upon the dissolution of the partnership. Actions of our general partner, which are made in its individual capacity, will be made by GasLog as sole member of our general partner.

Corporate Governance

The board of directors and our Partnership’s management engage in an ongoing review of our corporate governance practices in order to oversee our compliance with the applicable corporate governance rules of the NYSE and the SEC.

We have adopted a Code of Business Conduct and Ethics for all directors, officers, employees and agents of the Partnership.

This document and other important information on our governance are posted on our website and may be viewed at <http://www.gaslogmlp.com>. Reference to our website is for informational purposes only; our website is not incorporated by reference in this annual report. We will also provide a paper copy of any of these documents upon the written request of a unitholder at no cost. Unitholders may direct their requests to the attention of our General Counsel, c/o GasLog Monaco S.A.M., Gildo Pastor Center, 7 Rue du Gabian, MC 98000, Monaco.

Exemptions from NYSE Corporate Governance Rules

Because we qualify as a foreign private issuer under SEC rules, we are permitted to follow the corporate governance practices of the Marshall Islands (the jurisdiction in which we are organized) in lieu of certain of the NYSE corporate governance requirements that would otherwise be applicable to us. The NYSE rules do not require a listed company that is a foreign private issuer to have a board of directors that is comprised of a majority of independent directors. Under Marshall Islands law, we are not required to have a board of directors comprised of a majority of directors meeting the independence standards described in the NYSE rules. In addition, the NYSE rules do not require limited partnerships like us to have boards of directors comprised of a majority of independent directors. Accordingly, our board of directors is not required to be comprised of a majority of independent directors.

The NYSE rules do not require foreign private issuers or limited partnerships like us to establish a compensation committee or a nominating/corporate governance committee. Similarly, under Marshall Islands law, we are not required to have a compensation committee or a nominating/corporate governance committee. Accordingly, we do not have a compensation committee or a nominating/corporate governance committee.

D. Employees

We do not directly employ any on-shore employees or seagoing employees. As of December 31, 2018, GasLog employed (directly and through ship managers) approximately 1,517 seafaring staff who serve on its owned and managed vessels (including our fleet) as well as 160 shore-based staff. GasLog and its affiliates may employ additional staff to assist us as we grow. GasLog, through certain of its subsidiaries, provides onshore advisory, commercial, technical and operational support to our operating subsidiaries pursuant to the amended ship management agreements, subject to any alternative arrangements made with the applicable charterer. See “Item 7. Major Unitholders and Related Party Transactions—B. Related Party Transactions—Ship Management Agreements”.

LNG marine transportation is a specialized area requiring technically skilled officers and personnel with specialized training. We and GasLog regard attracting and retaining motivated, well-qualified seagoing and shore-based personnel as a top priority, and GasLog offers its people competitive compensation packages. In addition, GasLog provides intensive onboard and shore-based training for its officers and crews to instill a culture of the highest operational and safety standards. As a result, GasLog has historically enjoyed high retention rates. In 2018, GasLog’s retention rate was 96% for seagoing senior officers, 98% for other seagoing officers and 94% for shore staff.

Although GasLog has historically experienced high employee retention rates, the demand for technically skilled officers and crews to serve on LNG carriers has been increasing as the global fleet of LNG carriers continues to grow. This increased demand has and may continue to put inflationary cost pressure on ensuring qualified and well trained crew are available to GasLog. However, we and GasLog expect that the impact of cost increases would be mitigated to some extent by certain provisions in certain of our time charters, including automatic periodic adjustment provisions and cost review provisions.

In addition, the services of our executive officers and other employees are provided pursuant to the administrative services agreement, under which we pay an annual fee. See “Item 7. Major Unitholders and Related Party Transactions—B. Related Party Transactions—Administrative Services Agreement”.

E. Share Ownership

The common units beneficially owned by our directors and executive officers and/or entities affiliated with these individuals is disclosed in “Item 7. Major Unitholders and Related Party Transactions—A. Major Unitholders” below. For information regarding arrangements for involving the employees in the capital of the company, see “Item 6. Directors, Senior Management and Employees—B. Compensation of Directors and Senior Management”.

ITEM 7. MAJOR UNITHOLDERS AND RELATED PARTY TRANSACTIONS

A. Major Unitholders

The following table sets forth certain information regarding the beneficial ownership of our outstanding common units as of February 21, 2019 held by:

- each of our executive officers;
- each of our directors;
- all our directors and officers as a group; and
- each holder known to us to beneficially own 5% or more of our units;

Beneficial ownership is determined in accordance with SEC rules. Percentage computations are based on an aggregate of 45,448,993 common units outstanding as of February 21, 2019. Each issued and outstanding common unit entitles the unitholder to one vote. Information for certain holders is based on their latest filings with the SEC or information delivered to us. Except as noted below, the address of all unitholders, officers and directors identified in the table and the accompanying footnotes below is in care of our principal executive offices.

Name of Beneficial Owner	Common Units Beneficially Owned	
	Number	Percent
<i>Directors and officers</i>		
Curtis V. Anastasio	*	*
Robert B. Allardice III	*	*
Daniel R. Bradshaw	—	—
Michael G. Gialouris	—	—
Pamela M. Gibson	*	*
Peter G. Livanos	623,147	1.4%
Alastair Maxwell	*	*
Andrew J. Orekar	*	*
Richard Sadler	—	—
All directors and officers as a group	733,559	1.6%
<i>Other 5% beneficial owners</i>		
GasLog Ltd. ⁽¹⁾	11,843,691	26.1%
FMR LLC ⁽⁴⁾	4,469,278	9.83%
OppenheimerFunds, Inc. ⁽²⁾	2,442,539	5.4%
Kayne Anderson Capital Advisors, L.P. & Richard A Kayne ⁽³⁾	2,272,517	5.5%

⁽¹⁾ GasLog Ltd. is effectively controlled by its chairman, Peter G. Livanos, who is deemed to beneficially own, directly or indirectly, 40.09% of the issued and outstanding common shares of GasLog Ltd. Excludes the 2.0% general partner interest held by our general partner, a wholly owned subsidiary of GasLog Ltd.

⁽²⁾ Based on information contained in the Schedule 13G filed with the SEC on January 24, 2019, OppenheimerFunds, Inc. has shared voting and dispositive power over 2,442,539 common units.

- (3) Based on information contained in the Schedule 13G filed with the SEC on February 6, 2018. Kayne Anderson Capital Advisors, L.P. and Richard A. Kayne have shared voting and dispositive power over 2,272,517 common units.
- (4) Based on the information in the Schedule 13G filed with the SEC on February 13, 2019, FMR LLC has sole voting authority over 8,300 common units and sole power to dispose or to direct the disposition over 4,469,278 common units.
- * Less than 1%.

Each outstanding common unit is entitled to one vote on matters subject to a vote of common unitholders. However, to preserve our ability to claim an exemption from U.S. federal income tax under Section 883 of the Code (which we do not expect to qualify for, unless our general partner exercises the “GasLog option” described in “Item 4. Information on the Partnership—B. Business Overview—Taxation of the Partnership—U.S. Taxation of Shipping”), if at any time any person or group owns beneficially more than 4.9% of any class or series of units (other than the Preference Units) then outstanding, any units beneficially owned by that person or group in excess of 4.9% may not be voted on any matter and will not be considered to be outstanding when sending notices of a meeting of limited partners, calculating required votes (except for purposes of nominating a person for election to our board of directors), determining the presence of a quorum or for other similar purposes under our partnership agreement, unless otherwise required by law. Effectively, this means that the voting rights of any such common unitholders in excess of 4.9% will be redistributed pro rata among the other common unitholders holding less than 4.9% of the voting power of all classes of units entitled to vote. Our general partner, its affiliates and persons who acquired common units with the prior approval of our board of directors will not be subject to this 4.9% limitation except with respect to voting their common units in the election of the elected directors.

Holders of our Preference Units generally have no voting rights except (i) in respect of amendments to the partnership agreement which would adversely vary the rights of the Preference Units or, (ii) in the event that the Partnership proposes to issue any parity securities if the cumulative distributions payable on issued and outstanding Preference Units are in arrears or (iii) in the event that the Partnership proposes to issue any securities that are senior to the Preference Units. However, if and whenever distributions payable on a series of Preference Units are in arrears for six or more quarterly periods, whether or not consecutive, holders of such series of Preference Units (voting together as a class with all other classes or series of parity securities upon which like voting rights have been conferred and are exercisable) will be entitled to elect one additional director to serve on our board of directors, and the size of our board of directors will be increased as needed to accommodate such change (unless the size of our board of directors already has been increased by reason of the election of a director by holders of parity securities upon which like voting rights have been conferred and with which the Preference Units voted as a class for the election of such director). The right of such holders of Preference Units to elect a member of our board of directors will continue until such time as all accumulated and unpaid dividends on the applicable series of Preference Units have been paid in full.

As a result of its ownership of the general partner, and the fact that the general partner elects the majority of the Partnership’s directors in accordance with the partnership agreement, GasLog has the ability to control the Partnership’s affairs and policies. See “Item 6. Directors, Senior Management and Employees—C. Board Practices”.

As of February 21, 2019, we had 2 common unitholders of record located in the United States. One of those shareholders was CEDE & CO., a nominee of The Depository Trust Company, which held in aggregate 33,602,902 common units, representing 73.9% of our outstanding common units and a 72.5% ownership interest in us. We believe that the units held by CEDE & CO. include common units beneficially owned by both holders in the United States and non-U.S. beneficial owners.

B. Related Party Transactions

From time to time we have entered into agreements and have consummated transactions with certain related parties. We may enter into related party transactions from time to time in the future. The related party transactions that we have entered into or were party to during the year ended December 31, 2018 are discussed below.

Omnibus Agreement

On May 12, 2014, we entered into an omnibus agreement with GasLog, our general partner and certain of our other subsidiaries. The following discussion describes certain provisions of the omnibus agreement.

Noncompetition; Five-Year Vessel Restricted Business Opportunities

Under the omnibus agreement, GasLog has agreed, and has caused its controlled affiliates (other than us, our general partner and our subsidiaries) to agree, not to acquire, own, operate or charter any LNG carrier with a cargo capacity greater than 75,000 cbm engaged in oceangoing LNG transportation under a charter for five full years or more without, within 30 calendar days after the consummation of the acquisition or the commencement of the operations or charter of such a vessel, notifying us and offering us the opportunity to purchase such a vessel at fair market value. For the purposes of this section, we refer to these vessels, together with any related charters, as “Five Year Vessels” and to all other LNG carriers, together with any related charters, as Non-Five Year Vessels. The restrictions in this paragraph will not prevent GasLog or any of its controlled affiliates (other than us and our subsidiaries) from:

- (1) acquiring, owning, operating or chartering Non-Five-Year Vessels;
- (2) acquiring one or more Five-Year Vessels if GasLog promptly offers to sell the vessel to us for the acquisition price plus any administrative costs (including re-flagging and reasonable legal costs) associated with the transfer to us at the time of the acquisition;
- (3) putting a Non-Five-Year Vessel under charter for five full years or more if GasLog offers to sell the vessel to us for fair market value (x) promptly after the time it becomes a Five-Year Vessel and (y) at each renewal or extension of that charter for five full years or more;
- (4) acquiring one or more Five-Year Vessels as part of the acquisition of a controlling interest in a business or package of assets and owning, operating or chartering those vessels; provided, however, that:
 - (a) if less than a majority of the value of the business or assets acquired is attributable to Five-Year Vessels, as determined in good faith by GasLog’s board of directors, GasLog must offer to sell such vessels to us for their fair market value plus any additional tax or other similar costs that GasLog incurs in connection with the acquisition and the transfer of such vessels to us separate from the acquired business; and
 - (b) if a majority or more of the value of the business or assets acquired is attributable to Five-Year Vessels, as determined in good faith by GasLog’s board of directors, GasLog must notify us of the proposed acquisition in advance. Not later than 30 days following receipt of such notice, we will notify GasLog if we wish to acquire such vessels in cooperation and simultaneously with GasLog acquiring the Non-Five-Year Vessels. If we do not notify GasLog of our intent to pursue the acquisition within 30 days, GasLog may proceed with the acquisition and then offer to sell such vessels to us as provided in (a) above;

- (5) acquiring a non-controlling equity ownership, voting or profit participation interest in any company, business or pool of assets;
- (6) acquiring, owning, operating or chartering any Five-Year Vessel if we do not fulfill our obligation to purchase such vessel in accordance with the terms of any existing or future agreement;
- (7) acquiring, owning, operating or chartering a Five-Year Vessel subject to the offers to us described in paragraphs (2), (3) and (4) above pending our determination whether to accept such offers and pending the closing of any offers we accept;
- (8) providing ship management services relating to any vessel;
- (9) owning or operating any Five-Year Vessel that GasLog owned on the closing date of the IPO and that was not part of our fleet as of such date; or
- (10) acquiring, owning, operating or chartering a Five-Year Vessel if we have previously advised GasLog that we consent to such acquisition, ownership, operation or charter.

If GasLog or any of its controlled affiliates (other than us, our general partner or our subsidiaries) acquires, owns, operates or charters Five-Year Vessels pursuant to any of the exceptions described above, it may not subsequently expand that portion of its business other than pursuant to those exceptions. However, such Five-Year Vessels could eventually compete with our vessels upon their re-chartering.

In addition, under the omnibus agreement we have agreed, and have caused our subsidiaries to agree, to acquire, own, operate or charter Five-Year Vessels only. The restrictions in this paragraph will not:

- (1) prevent us or any of our subsidiaries from owning, operating or chartering any Non-Five-Year Vessel that was previously a Five-Year Vessel while owned by us or any of our subsidiaries;
- (2) prevent us or any of our subsidiaries from acquiring Non-Five-Year Vessels as part of the acquisition of a controlling interest in a business or package of assets and owning, operating or chartering those vessels; provided, however, that:
 - (a) if less than a majority of the value of the business or assets acquired is attributable to Non-Five-Year Vessels, as determined in good faith by us, we must offer to sell such vessels to GasLog for their fair market value plus any additional tax or other similar costs that we incur in connection with the acquisition and the transfer of such vessels to GasLog separate from the acquired business; and
 - (b) if a majority or more of the value of the business or assets acquired is attributable to Non-Five-Year Vessels, as determined in good faith by us, we must notify GasLog of the proposed acquisition in advance. Not later than 30 days following receipt of such notice, GasLog must notify us if it wishes to acquire the Non-Five-Year Vessels in cooperation and simultaneously with us acquiring the Five-Year Vessels. If GasLog does not notify us of its intent to pursue the acquisition within 30 days, we may proceed with the acquisition and then offer to sell such vessels to GasLog as provided in (a) above;
- (3) prevent us or any of our subsidiaries from acquiring, owning, operating or chartering any Non-Five-Year Vessels subject to the offer to GasLog described in paragraph (2) above, pending its determination whether to accept such offer and pending the closing of any offer it accepts; or

- (4) prevent us or any of our subsidiaries from acquiring, owning, operating or chartering Non-Five-Year Vessels if GasLog has previously advised us that it consents to such acquisition, ownership, operation or charter.

If we or any of our subsidiaries acquires, owns, operates or charters Non-Five-Year Vessels pursuant to any of the exceptions described above, neither we nor such subsidiary may subsequently expand that portion of our business other than pursuant to those exceptions.

During the 30-day period after GasLog's notice and offer of an opportunity to purchase a Five-Year Vessel, we and GasLog will negotiate in good faith to reach an agreement on the fair market value (and any applicable break-up costs) of the relevant vessel. If we do not reach an agreement within such 30-day period, a mutually-agreed upon investment banking firm, ship broker or other expert advisor will be engaged to determine the fair market value (and any applicable break-up costs) of the relevant vessel and other outstanding terms, and we will have the option, but not the obligation, to purchase the relevant vessel on such terms. Our ability to consummate the acquisition of such Five-Year Vessel from GasLog will be subject to obtaining any consents of governmental authorities and other non-affiliated third parties and to all agreements existing with respect to such Five-Year Vessel. See "Item 3. Key Information—D. Risk Factors—Risks Inherent in Our Business—We may have difficulty obtaining consents that are necessary to acquire vessels with an existing charter or a financing agreement". Under the omnibus agreement, GasLog will indemnify the Partnership against losses arising from the failure to obtain any consent or governmental permit necessary to own or operate the fleet in substantially the same manner that the vessels were owned and operated by GasLog immediately prior to the Partnership's acquisition of such vessels. See "—Indemnification".

Upon a change of control of us or our general partner, the non-competition provisions of the omnibus agreement will terminate immediately. Upon a change of control of GasLog, the non-competition provisions of the omnibus agreement applicable to GasLog will terminate at the time of the change of control. On the date on which a majority of our directors ceases to consist of directors that were (1) appointed by our general partner prior to our first annual meeting of unitholders and (2) recommended for election by a majority of our appointed directors, the non-competition provisions applicable to GasLog shall terminate immediately.

LNG Carrier Purchase Options

Under the omnibus agreement, we currently have the option to purchase from GasLog: (i) the *GasLog Glasgow* within 36 months after GasLog notifies our board of directors of her acceptance by her charterer, and (ii) the *GasLog Houston* within 30 calendar days following receipt of a notice from GasLog that the vessel has commenced its multi-year charter (being at least five years in length). In each case, our option to purchase is at fair market value as determined pursuant to the omnibus agreement.

In addition, on April 21, 2015, GasLog signed an agreement with MSL for its newbuilding Hull No 2131 to be chartered to MSL upon its delivery in 2019, for initial terms of approximately 9.5 years. Within 30 days of the commencement of each charter, GasLog will be required to offer us an opportunity to purchase the vessel at fair market value as determined pursuant to the omnibus agreement.

On October 20, 2016, GasLog signed an agreement with Centrica for its newbuilding Hull No. 2212 to be chartered to Centrica upon delivery in 2019 for an initial term of seven years. However, GasLog has amended the ship building contract for this newbuilding Hull No. 2212 such that it becomes a 180,000 cbm GTT Mark III Flex Plus Vessel, to be delivered on or before July 31, 2019 and which is currently without charter. Newbuilding Hull No. 2213 becomes a committed Centrica vessel, a 180,000 cbm GTT Mark III Flex Vessel, to be delivered on or before April 1, 2020 for an initial term of seven years. Within 30 days of the commencement of the charter, GasLog will be required to offer us the opportunity to purchase the vessel at fair market value as determined pursuant to the omnibus agreement.

On May 30, 2018, GasLog signed an agreement with Centrica for its newbuilding Hull No. 2262 to be chartered to Centrica upon delivery in 2020 for an initial term of seven years. Within 30 days of the commencement of the charter, GasLog will be required to offer us the opportunity to purchase the vessel at fair market value as determined pursuant to the omnibus agreement.

On August 16, 2018, GasLog signed an agreement with Cheniere for newbuildings Hull Nos. 2300 and 2301 to be chartered to Cheniere upon delivery in 2020 for initial terms of seven years. Within 30 days of the commencement of each of the charters, GasLog will be required to offer us the opportunity to purchase the vessels at fair market value as determined pursuant to the omnibus agreement.

On December 21, 2018, Gaslog signed agreements with Cheniere for newbuildings Hull Nos. 2311 and 2312 to be chartered to Cheniere upon delivery in 2021 for initial terms of seven years. Within 30 days of the commencement of each of the charters, GasLog will be required to offer us the opportunity to purchase the vessels at fair market value as determined pursuant to the omnibus agreement.

If we and GasLog are unable to agree upon the fair market value of any of these optional vessels, the respective fair market values will be determined by a mutually acceptable investment banking firm, ship broker or other expert advisor, and we will have the right, but not the obligation, to purchase the vessel at such price. Our ability to consummate the acquisition of such vessels from GasLog will be subject to obtaining any consents of governmental authorities and other non-affiliated third parties and to all agreements existing as of the closing date in respect of such vessels. See “Item 3. Key Information—D. Risk Factors—Risks Inherent in Our Business—We may have difficulty obtaining consents that are necessary to acquire vessels with an existing charter or a financing agreement”.

On the date on which a majority of our directors ceases to consist of directors that were (1) appointed by our general partner prior to our first annual meeting of unitholders and (2) recommended for election by a majority of our appointed directors, the LNG carrier purchase options shall terminate immediately.

Rights of First Offer

Under the omnibus agreement, we and our subsidiaries have granted to GasLog a right of first offer on any proposed sale, transfer or other disposition of any Five-Year Vessels or Non-Five-Year Vessels owned by us. Under the omnibus agreement, GasLog has agreed (and has caused its subsidiaries to agree) to grant a similar right of first offer to us for any Five-Year Vessels they might own. These rights of first offer will not apply to a (1) sale, transfer or other disposition of vessels between any affiliated subsidiaries or pursuant to the terms of any current or future charter or other agreement with a charter party or (2) merger with or into, or sale of substantially all of the assets to, an unaffiliated third party.

Prior to engaging in any negotiation regarding any vessel disposition with respect to a Five-Year Vessel with an unaffiliated third party or any Non-Five-Year Vessel, we or GasLog, as the case may be, will deliver a written notice to the other relevant party setting forth the material terms and conditions of the proposed transaction. During the 30-day period after the delivery of such notice, we and GasLog, as the case may be, will negotiate in good faith to reach an agreement on the transaction. If we do not reach an agreement within such 30-day period, we or GasLog, as the case may be, will be able within the next 180 calendar days to sell, transfer, dispose or re-charter the vessel to a third party (or to agree in writing to undertake such transaction with a third party) on terms generally no less favorable to us or GasLog, as the case may be, than those offered pursuant to the written notice. Our ability to consummate the acquisition of such Five-Year Vessel from GasLog will be subject to obtaining any consents of governmental authorities and other non-affiliated third parties and to all agreements existing in respect of such Five-Year Vessel. See “Item 3. Key Information—D. Risk

Factors—Risks Inherent in Our Business—We may have difficulty obtaining consents that are necessary to acquire vessels with an existing charter or a financing agreement”.

Upon a change of control of us or our general partner, the right of first offer provisions of the omnibus agreement will terminate immediately. Upon a change of control of GasLog, the right of first offer provisions applicable to GasLog under the omnibus agreement will terminate at the time of the change of control. On the date on which a majority of our directors ceases to consist of directors that were (1) appointed by our general partner prior to our first annual meeting of unitholders and (2) recommended for election by a majority of our appointed directors, the provisions related to the rights of first offer granted to us by GasLog shall terminate immediately.

For purposes of the omnibus agreement, a “change of control” means, with respect to any “applicable person”, any of the following events: (a) any sale, lease, exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the applicable person’s assets to any other person, unless immediately following such sale, lease, exchange or other transfer such assets are owned, directly or indirectly, by the applicable person; (b) the consolidation or merger of the applicable person with or into another person pursuant to a transaction in which the outstanding voting securities of the applicable person are changed into or exchanged for cash, securities or other property, other than any such transaction where (i) the outstanding voting securities of the applicable person are changed into or exchanged for voting securities of the surviving person or its parent and (ii) the holders of the voting securities of the applicable person immediately prior to such transaction own, directly or indirectly, not less than a majority of the outstanding voting securities of the surviving person or its parent immediately after such transaction; and (c) a “person” or “group” (within the meaning of Sections 13(d) or 14(d)(2) of the Securities Exchange Act of 1934, or the “Exchange Act”), other than GasLog or its affiliates with respect to the general partner, being or becoming the “beneficial owner” (as defined in Rules 13d-3 and 13d-5 under the Exchange Act) of more than 50% of all of the then outstanding voting securities of the applicable person, except in a merger or consolidation which would not constitute a change of control under clause (b) above.

Indemnification

Under the omnibus agreement, GasLog will indemnify us after the closing of the IPO for a period of five years (and GasLog will indemnify us for a period of at least three years after our purchase of any vessels subject to purchase options, if applicable) against certain environmental and toxic tort liabilities with respect to the vessels that are contributed or sold to us to the extent arising prior to the time they were contributed or sold to us. Liabilities resulting from a change in law after the closing of the IPO are excluded from the environmental indemnity. There is an aggregate cap of \$5 million on the amount of indemnity coverage provided by GasLog for environmental and toxic tort liabilities. No claim may be made unless the aggregate dollar amount of all claims exceeds \$500,000, in which case GasLog is liable for claims only to the extent such aggregate amount exceeds \$500,000.

GasLog will also indemnify us for liabilities related to:

- certain defects in title to the fleet and any failure to obtain, prior to the time they were contributed to us, certain consents and permits necessary to conduct our business, which liabilities arise within three years after the closing of the IPO; and
- certain tax liabilities attributable to the operation of the assets contributed or sold to us prior to the time they were contributed or sold.

Amendments

The omnibus agreement may not be amended without the prior approval of the conflicts committee of our board of directors if the proposed amendment will, in the reasonable discretion of our board of directors, adversely affect holders of our common units.

Administrative Services Agreement

On May 12, 2014, we entered into an administrative services agreement with GasLog, pursuant to which GasLog provides certain management and administrative services to us. The services provided under the administrative services agreements are required to be provided in a diligent manner, as we may reasonably direct.

The administrative services agreement will continue indefinitely until terminated by us upon 90 days' notice for any reason in the sole discretion of our board of directors. In addition, the administrative services agreement may be terminated by GasLog upon 90 days' notice if:

- there is a change of control of us or our general partner;
- a receiver is appointed for all or substantially all of our property;
- an order is made to wind up our partnership;
- a final judgment or order that materially and adversely affects our ability to perform the agreement is obtained or entered and not vacated, discharged or stayed; or
- we make a general assignment for the benefit of our creditors, file a petition in bankruptcy or liquidation or commence any reorganization proceedings.

Under the administrative services agreement, certain officers of GasLog provide executive officer functions for our benefit. These officers are responsible for our day-to-day management subject to the direction of our board of directors. The services provided by Andrew J. Orekar, our CEO, are provided under the administrative services agreement pursuant to an employment agreement that he has entered into with a subsidiary of GasLog. Our board of directors has the ability to terminate the arrangement with GasLog regarding the provision of executive officer services to us at any time in its sole discretion.

The administrative services provided by GasLog include:

- *bookkeeping, audit and accounting services*: assistance with the maintenance of our corporate books and records, assistance with the preparation of our tax returns and arranging for the provision of audit and accounting services;
- *legal and insurance services*: arranging for the provision of legal, insurance and other professional services and maintaining our existence and good standing in necessary jurisdictions;
- *administrative and clerical services*: assistance with personnel administration, payroll and office space, arranging meetings for our common unitholders pursuant to the partnership agreement, arranging the provision of IT services, providing all administrative services required for debt and equity financings and attending to all other administrative matters necessary to ensure the professional management of our business;
- *banking and financing services*: providing treasury and cash management services including assistance with identifying and accessing sources of capital, preparation of budgets, overseeing banking services and bank accounts, arranging for the deposit of funds and monitoring and maintaining compliance therewith and financial risk management;
- *advisory services*: assistance in complying with United States and other relevant securities laws;

- *client and investor relations*: arranging for the provision of advisory, clerical and investor relations services to assist and support us in our communications with our unitholders; and
- assistance with the integration of any acquired businesses.

For periods through the year ended December 31, 2018, GasLog received a service fee of \$0.8 million per vessel per year in connection with providing services under the administrative services agreement. Amounts payable by us under the administrative services agreement must be paid in advance on a monthly basis by the first working day of each month. The aggregate fees and expenses for services under the administrative services agreement for the year ended December 31, 2018 was \$10.4 million, which related to the five vessels acquired from GasLog in 2014, the three vessels acquired from GasLog in 2015, the vessel acquired from GasLog in 2016, the three vessels acquired in 2017 and the *GasLog Gibraltar* and the *Methane Becki Anne* from their acquisition in April and November 2018, respectively.

In November 2018, the board of directors approved a decrease in the service fee payable to GasLog under the terms of the administrative services agreement. With effect from January 1, 2019 a service fee of \$0.6 million per vessel per year will be payable.

Under the administrative services agreement, we will indemnify GasLog against all actions which may be brought against it as a result of its performance of the administrative services including, without limitation, all actions brought under the environmental laws of any jurisdiction, and against and in respect of all costs and expenses they may suffer or incur due to defending or settling such actions; provided, however, that such indemnity excludes any or all losses to the extent that they are caused by or due to the fraud, gross negligence or willful misconduct of GasLog or its officers, employees and agents.

Ship Management Agreements

All vessels in our fleet have entered into a ship management agreement with GasLog LNG Services, except the *Solaris* which is managed by Shell, pursuant to which certain crew and technical services are provided by GasLog LNG Services. Under these ship management agreements, our operating subsidiaries pay fees to and reimburse the costs and expenses of the manager as described below.

Management services. Each amended ship management agreement requires that GasLog LNG Services and its subcontractors use their best endeavors to perform, among others, the following management services:

- the provision of suitably and adequately qualified crew for the vessel in accordance with the requirements of the owner and the attendance to all matters pertaining to training, labor relations, insurance and amenities of the crew;
- the provision of operational and technical management, including arrangement and supervision of dry-dockings, repairs, alterations and the upkeep of the vessel, arrangement for the victualling and storing of the vessels, appointment of surveyors and technical consultants and development, implementation and maintenance of a Safety Management System in accordance with the ISM Code;
- the provision of applicable documentation of compliance and safety management certificates;
- the provision of an accounting system that meets the requirements of the owner, regular accounting services and regular reports and records, and the maintenance of records of costs and expenditures incurred, as well as data necessary or proper for the settlement of accounts between the parties;

- the procurement of all stores, spares, equipment, provisions, oils, fuels and any other goods, material or services to be supplied to the vessel;
- the handling and settlement of claims relating to the vessel, including any claims involving the charterers;
- the navigation of the vessel, handling of all necessary communication, and management of cargo operations of the vessel; and
- the arrangement, maintenance and preparation for suitable moorings for vessels for lay-up.

Management fee. Pursuant to the amended ship management agreements, the vessel-owning subsidiaries, as owners, will pay a management fee of \$46,000 per month to GasLog LNG Services, as manager, and will reimburse GasLog LNG Services for all expenses incurred on their behalf. The aggregate fees and expenses for services under these management agreements for the year ended December 31, 2018 were \$6.5 million, which related to the five vessels acquired from GasLog in 2014, the three vessels acquired from GasLog in 2015, the vessel acquired from GasLog in 2016, the three vessels acquired in 2017 and the *GasLog Gibraltar* and the *Methane Becki Anne* from their acquisition in April and November 2018, respectively.

The management fee is subject to an annual adjustment. The adjustment will be agreed between the parties in good faith on the basis of general inflation and proof of increases in actual costs incurred by GasLog LNG Services, as manager. Any dispute relating to the annual rate adjustment would be settled by dispute resolution provisions set forth in the applicable ship management agreement.

Term. Each ship management agreement continues indefinitely until terminated by either party as described below.

Automatic termination and termination by either party. Each ship management agreement will be deemed to be terminated if:

- the vessel is sold, becomes a total loss, is declared as a constructive, compromised or arranged total loss or is requisitioned for hire; or
- an order is made or a resolution is passed for the winding up, dissolution, liquidation or bankruptcy of the other party (otherwise than for the purpose of a solvent reconstruction or amalgamation), a receiver or similar officer is appointed or the other party suspends payment, ceases to carry on business or makes any special arrangement or composition with its creditors.

Termination by the manager. Under each ship management agreement, the manager may terminate the ship management agreement with immediate effect by written notice if:

- any money payable to the manager pursuant to the agreement has not been paid within 30 days of payment having been requested in writing by the manager;
- the owner fails to cease employment of the vessel in an unlawful trade or on a voyage, which in the reasonable opinion of the manager, is unduly hazardous, within a reasonable time after receiving notice from the manager;
- the relevant ship management agreement or any of the owner's rights or obligations are assigned to any person or entity without the manager's prior written agreement or approval; or
- the owner elects to provide officers and, for any reason within their control, fails to (i) procure officers and ratings complying with the requirements of STCW 95 or (ii) instruct such officers and ratings to obey all reasonable orders of the managers in connection with the operating of the managers' safety management system.

Termination by the owner. Under each ship management agreement, the owner may terminate the applicable agreement by giving 90 days' written notice in the event that the manager, in the reasonable opinion of the owner, fails to manage the vessel in accordance with first class LNG ship management practice. The owner may also terminate the applicable agreement by giving 90 days' notice if the manager fails to meet any material obligation of the ship management agreement or fails to meet any obligation under the ship management agreement that has a material adverse effect upon the owner, if such default is not capable of being remedied or the manager fails to remedy the default within a reasonable time to the satisfaction of the owner. Notwithstanding the foregoing, the owner may terminate the ship management agreement at any time for any reason by giving the manager not less than three months' written notice.

Additional fees and provisions. Under each ship management agreement, the manager and its employees, agents and subcontractors will be indemnified by the owner against all actions that may be brought against them or incurred or suffered by them arising out of or in connection with their performance under such agreement; provided, however, that such indemnity excludes any or all losses that may be caused by or due to the fraud, gross negligence or willful misconduct of the manager or its employees, agents and subcontractors.

In May 2015, the Ship Management Agreements were amended to delete the annual incentive bonus and superintendent fees clauses, with effect from April 1, 2015.

In April 2016, the Ship Management Agreements were amended to consolidate all ship management related fees into a single fee structure.

Commercial Management Agreements

Our operating subsidiaries have entered into commercial management agreements with GasLog that were amended upon completion of the IPO, pursuant to which GasLog provides certain commercial management services to us. The annual commercial management fee is \$360,000 for each vessel payable quarterly in advance. The aggregate fees and expenses under these commercial management agreements for the year ended December 31, 2018 were \$4.6 million which related to the five vessels acquired from GasLog in 2014, the three vessels acquired from GasLog in 2015, the vessel acquired from GasLog in 2016, the three vessels acquired in 2017 and the *GasLog Gibraltar* and the *Methane Becki Anne* from their acquisition in April and November 2018, respectively.

The amended commercial management agreements require that GasLog use their best endeavors to perform, among others, the following management services:

- the commercial operations, including providing chartering services in accordance with the vessel owners' instructions (including seeking and negotiating employment for the vessels and the execution of charter parties or other contracts relating to the employment of the vessels), arranging payment to the owner's account of all hire and/or freight revenues, calculating hire, freight and other money due from or to the charterer, issuing voyage instructions, appointing agents and surveyors and arranging surveys associated with the commercial operations;
- the administration of invoicing and collection of hire payables; and
- the assessment of the market on specific issues and provision of such consultancy services as the owners may from time to time require.

Contribution Agreement

On May 12, 2014, we entered into a contribution agreement with GasLog and certain of its subsidiaries that effected certain formation transactions in connection with our IPO, including the transfer of the ownership interests in our initial fleet, and the use of the net proceeds of the IPO.

Credit Facilities

On April 3, 2017, we entered into a new unsecured five-year term loan of \$45.0 million and a new five-year revolving credit facility of \$30.0 million with GasLog. For a more detailed description of this credit facility, please read “Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources—Borrowing Activities—Revolving Credit Facility with GasLog”.

In connection with the acquisition of the *Methane Alison Victoria*, the *Methane Shirley Elisabeth* and the *Methane Heather Sally* in July 2015, we and GasLog Partners Holdings entered into a guarantee agreement pursuant to which we and GasLog Partners Holdings guaranteed the obligations of GAS-nineteen Ltd., the owner of the *Methane Alison Victoria*, GAS-twenty Ltd., the owner of the *Methane Shirley Elisabeth*, and GAS-twenty one Ltd., the owner of the *Methane Heather Sally*, under the then existing facility agreement between such entities as borrowers, Citibank N.A., London Branch, as mandated lead arranger, bookrunner and security agent, the financial institutions listed in Schedule 1 thereto as lenders and Citibank International Plc as agent of the other finance parties.

In connection with the acquisition of the *GasLog Seattle* in November 2016, we and GasLog Partners Holdings entered into a guarantee agreement pursuant to which we and GasLog Partners Holdings guaranteed up to the amount of outstanding commitment made available to GAS-seven Ltd., the owner of the *GasLog Seattle*, (\$120.1 million as of December 31, 2018) of the obligations under the \$1,050.0 million Legacy Facility Refinancing. In October 2017, in connection with the acquisition of the *Solaris*, we and GasLog Partners Holdings extended the guarantee agreement to guarantee up to the amount of outstanding commitment made available to GAS-eight Ltd., the owner of the *Solaris*, (\$122.0 million as of December 31, 2018). GasLog provides a guarantee on the Legacy Facility Refinancing, including the commitments made available to GAS-seven Ltd. and GAS-eight Ltd.

On April 5, 2016, we and GasLog Partners Holdings entered into a guarantee pursuant to which we and GasLog Partners Holdings guaranteed up to the amount of outstanding loans available to GAS-nineteen Ltd., the owner of the *Methane Alison Victoria*, GAS-twenty Ltd., the owner of the *Methane Shirley Elisabeth*, and GAS-twenty one Ltd., the owner of the *Methane Heather Sally*, under the Five Vessel Refinancing among GAS-eighteen Ltd., the owner of the *Methane Lydon Volney*, a GasLog owned vessel, GAS-nineteen Ltd., GAS-twenty Ltd., GAS-twenty one Ltd. and GAS-twenty seven Ltd., the owner of the *Methane Becki Anne*, as borrowers and ABN AMRO Bank N.V. and DNB (UK) Ltd. as mandated lead arrangers, original lenders and bookrunners. In November 2018, in connection with the acquisition of the *Methane Becki Anne*, we and GasLog Partners Holdings extended the guarantee agreement to guarantee up to the amount of outstanding commitment made available to GAS-twenty seven Ltd.. As of December 31, 2018, the amount outstanding under the loans available to GAS-nineteen Ltd., GAS-twenty Ltd. and GAS-twenty one Ltd. was \$171.7 million and Gas-twenty seven Ltd. was \$93.9 million. GasLog provides a guarantee on the total obligations under the facilities, including the commitments made available to GAS-nineteen Ltd., GAS-twenty Ltd., GAS-twenty one Ltd. and GAS-twenty seven Ltd.

On May 25, 2017, in connection with the acquisition of the *GasLog Greece*, we and GasLog Partners Holdings entered into a guarantee pursuant to which we and GasLog Partners Holdings guaranteed up to the amount of outstanding loan available to GAS-eleven Ltd. under the Assumed October 2015 Facility among GAS-eleven Ltd., GAS-twelve Ltd., GAS-thirteen Ltd., Gas-fourteen Ltd., GAS-twenty two Ltd., GAS-twenty three Ltd., GAS-twenty four Ltd., GAS-twenty five Ltd., as borrowers, and Citibank, N.A., London Branch, Nordea Bank AB, London Branch, The Export-Import Bank of Korea, Bank of America, National Association, BNP Paribas, Credit Agricole Corporate and Investment Bank, Credit Suisse AG, HSBC Bank plc, ING Bank N.V., London Branch, KEB Hana Bank, London Branch, KfW IPEX-Bank GmbH, National Australia Bank Limited, Oversea-Chinese Banking Corporation Limited, Societe Generale and The Korea Development Bank as mandated lead arrangers with Nordea Bank AB, London Branch as agent, security agent, global co-ordinator and

bookrunner and Citibank N.A., London Branch as export credit agent, global co-ordinator, bookrunner and export credit agent co-ordinator. On June 28, 2017, in connection with the acquisition of the *GasLog Geneva*, we and GasLog Partners Holdings extended the guarantee agreement to guarantee up to the amount of outstanding commitment made available to GAS-thirteen Ltd. In April 2018, in connection with the acquisition of the *GasLog Gibraltar*, we and GasLog Partners Holdings extended the guarantee agreement to guarantee up to the amount of outstanding commitment made available to GAS-fourteen Ltd. As of December 31, 2018, the amount outstanding under the loans available to GAS-eleven Ltd. was \$134.7 million, GAS-thirteen Ltd. was \$137.9 million and GAS-fourteen Ltd. was \$137.9 million.

Indemnification Agreements

We have entered into indemnification agreements with our directors and officers which provide, among other things, that we will indemnify our directors and officers, under the circumstances and to the extent provided for therein, for expenses, damages, judgments, fines, settlements and fees that they may be required to pay in actions or proceedings to which they are or may be made a party by reason of such person's position as a director, officer, employee or other agent of the Partnership, subject to, and to the maximum extent permitted by, applicable law.

Share Purchase Agreements

On October 27, 2016, we entered into a Share Purchase Agreement to purchase from GasLog Carriers, a direct subsidiary of GasLog, 100% of the ownership interest in GAS-seven Ltd., the entity that owned the *GasLog Seattle*, for a purchase price of \$189.0 million. GasLog has operated the *GasLog Seattle* since its delivery in 2013. The acquisition closed on November 1, 2016. In connection with the transaction, the Partnership acquired GAS-seven Ltd. with \$1.0 million of positive net working capital existing at the time of closing.

On March 23, 2017, we entered into a Share Purchase Agreement to purchase from GasLog Carriers, a direct subsidiary of GasLog, 100% of the ownership interest in GAS-eleven Ltd., the entity that owned the *GasLog Greece*, for a purchase price of \$219.0 million. GasLog has operated the *GasLog Greece* since its delivery in 2016. The acquisition closed on May 3, 2017. In connection with the transaction, the Partnership acquired GAS-eleven Ltd. with \$1.0 million of positive net working capital existing at the time of closing.

On June 1, 2017, we entered into a Share Purchase Agreement to purchase from GasLog Carriers, a direct subsidiary of GasLog, 100% of the ownership interest in GAS-thirteen Ltd., the entity that owned the *GasLog Geneva*, for a purchase price of \$211.0 million. GasLog has operated the *GasLog Geneva* since its delivery in 2016. The acquisition closed on July 3, 2017. In connection with the transaction, the Partnership acquired GAS-thirteen Ltd. with \$1.0 million of positive net working capital existing at the time of closing.

On September 19, 2017, we entered into a Share Purchase Agreement to purchase from GasLog Carriers, a direct subsidiary of GasLog, 100% of the ownership interest in GAS-eight Ltd., the entity that owned the *Solaris*, for a purchase price of \$185.9 million. The *Solaris* has been operated and managed by Shell since its delivery in 2014. The acquisition closed on May 3, 2017. In connection with the transaction, the Partnership acquired GAS-eight Ltd. with \$1.0 million of positive net working capital existing at the time of closing.

On April 16, 2018, we entered into a Share Purchase Agreement to purchase from GasLog Carriers, a direct subsidiary of GasLog, 100% of the ownership interest in GAS-fourteen Ltd., the entity that owned the *GasLog Gibraltar*, for a purchase price of \$207 million including \$45.0 million new privately placed common units issued to GasLog (1,858,975 common units at a price of \$24.21 per unit). GasLog has operated the *GasLog Gibraltar* since its delivery in 2016. The acquisition closed on

April 26, 2018. In connection with the transaction, the Partnership acquired GAS-fourteen Ltd. with \$1.0 million of positive net working capital existing at the time of closing.

On October 30, 2018, we entered into a Share Purchase Agreement to purchase from GasLog Carriers, a direct subsidiary of GasLog, 100% of the ownership interest in GAS-twenty seven Ltd., the entity that owned the *Methane Becki Anne*, for a purchase price of \$207.4 million. GasLog has technically managed the *Methane Becki Anne* since its delivery in 2010. The acquisition closed on November 14, 2018.

Exchange Agreement

On November 27, 2018, we entered into an agreement with GasLog to modify the partnership agreement with respect to the general partner's incentive distribution rights. The modification reduced the distributions of cash upon liquidation and the general partner's incentive distribution rights on quarterly distributions above \$0.5625 per unit, each from 48% to 23%. GasLog further agreed to waive incentive distribution right payments resulting from any asset or business acquired by us from a third party (a "Non-GasLog Acquisition"). In exchange for these modifications, we entered into an Exchange Agreement with GasLog and GasLog Partners GP LLC under which we paid \$25.0 million to GasLog, sourced from available cash..

In addition, in connection with the acquisitions described above, the respective vessel owning entities have entered into ship management and commercial management agreements with GasLog. See "Item 7. Major Unitholders and Related Party Transaction—B. Related Party Transactions".

Other Related Party Transactions

As a result of our relationships with GasLog and its affiliates, we, our general partner and our subsidiaries have entered into or will enter into various agreements that will not be the result of arm's length negotiations. We generally refer to these agreements and the transactions that they provide for as "transactions with affiliates" or "related party transactions".

Our partnership agreement sets forth procedures by which future related party transactions may be approved or resolved by our board of directors. Pursuant to our partnership agreement, our board of directors may, but is not required to, seek the approval of a related party transaction from the conflicts committee of our board of directors or from the common unitholders (excluding common units owned by our general partner and its affiliates). Neither our general partner nor our board of directors will be in breach of their obligations under the partnership agreement or their duties stated or implied by law or equity if the transaction is approved by the conflicts committee or the requisite majority of the common unitholders. If approval of the conflicts committee is sought, then the conflicts committee will be authorized to consider any and all factors as it determines to be relevant or appropriate under the circumstances and it will be presumed that, in making its decision, the conflicts committee acted in good faith. In order for a determination or other action to be in "good faith" for purposes of the partnership agreement, the person or persons making such determination or taking or declining to take such other action must reasonably believe that the determination or other action is in our best interests.

Our conflicts committee is comprised of three members of our board of directors. The conflicts committee is available at the board of directors' discretion to review specific matters that the board of directors believes may involve conflicts of interest. The members of the conflicts committee must and do meet the independence standards established by the NYSE and the SEC to serve on an audit committee of a board of directors, and are not and may not be any of the following: (a) officers or employees of our general partner, (b) officers, directors or employees of any affiliate of our general partner (other than the Partnership and its subsidiaries) or (c) holders of any ownership interest in the general partner, its affiliates or the Partnership and its subsidiaries (other than (x) common units or (y) awards granted pursuant to any long-term incentive plan of the Partnership or its subsidiaries).

Transactions with our affiliates that are not approved by the conflicts committee and that do not involve a vote of common unitholders must be on terms no less favorable to us than those generally provided to or available from unrelated third parties or be “fair and reasonable” to us. In determining whether a transaction or resolution is “fair and reasonable”, our board of directors may consider the totality of the relationships between the parties involved, including other transactions that may be particularly advantageous or beneficial to us. If our board of directors does not seek approval by the conflicts committee or the requisite majority of the common unitholders and instead determines that the terms of a transaction with an affiliate are no less favorable to us than those generally provided to or available from unrelated third parties or are “fair and reasonable” to us, it will be presumed that, in making its decision, our board of directors acted in good faith and, in any proceeding brought by or on behalf of any limited partner or the partnership, the person bringing or prosecuting such proceeding will have the burden of overcoming such presumption.

C. Interests of Experts and Counsel

Not applicable.

ITEM 8. FINANCIAL INFORMATION

A. Consolidated Statements and Other Financial Information

See “Item 18. Financial Statements” below.

Legal Proceedings

We have not been involved in any legal proceedings that we believe may have a significant effect on our business, financial position, results of operations or liquidity, and we are not aware of any proceedings that are pending or threatened that may have a material effect on our business, financial position, results of operations or liquidity. From time to time, we may be subject to legal proceedings and claims in the ordinary course of business, principally property damage and personal injury claims. We expect that those claims would be covered by insurance, subject to customary deductibles. However, those claims, even if lacking merit, could result in the expenditure of significant financial and managerial resources.

Our Cash Distribution Policy

Rationale for Our Cash Distribution Policy

Our cash distribution policy reflects a judgment that our common unitholders are better served by our distributing our available cash (after deducting expenses, including estimated maintenance and replacement capital expenditures and reserves) rather than retaining it, because we believe we will generally finance any expansion capital expenditures from external financing sources. Our cash distribution policy is consistent with the terms of our partnership agreement, which requires that we distribute all of our available cash quarterly (after deducting expenses, including estimated maintenance and replacement capital expenditures and reserves).

Limitations on Cash Distributions and Our Ability to Change Our Cash Distribution Policy

There is no guarantee that unitholders will receive quarterly distributions from us. Our distribution policy is subject to certain restrictions and may be changed at any time, including:

- Our common unitholders have no contractual or legal right to receive distributions unless there is available cash at the end of each quarter as defined in our partnership agreement and the Preference Unit distributions have been paid. The determination of available cash is subject to the broad discretion of our board of directors to establish reserves and other limitations.

- We are subject to restrictions on distributions under our financing agreements. Our financing agreements contain material financial tests and covenants that must be satisfied in order to pay distributions. If we are unable to satisfy the restrictions included in any of our financing agreements or are otherwise in default under any of those agreements, as a result of our debt levels or otherwise, we will not be able to make cash distributions to you, notwithstanding our stated cash distribution policy. These financial tests and covenants are described in this annual report in “Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources”.
- We are required to make substantial capital expenditures to maintain and replace our fleet. These expenditures may fluctuate significantly over time, particularly as our vessels near the end of their useful lives. In order to minimize these fluctuations, our partnership agreement requires us to deduct estimated, as opposed to actual, maintenance and replacement capital expenditures from the amount of cash that we would otherwise have available for distribution to our common unitholders. In years when estimated maintenance and replacement capital expenditures are higher than actual maintenance and replacement capital expenditures, the amount of cash available for distribution to common unitholders will be lower than if actual maintenance and replacement capital expenditures were deducted.
- Although our partnership agreement requires us to distribute all of our available cash, our partnership agreement, including provisions contained therein requiring us to make cash distributions, may be amended. Our partnership agreement can be amended with the approval of a majority of the outstanding common units. GasLog owns common units representing a 26.1% ownership interest in us.
- Even if our cash distribution policy is not modified or revoked, the amount of distributions we pay under our cash distribution policy and the decision to make any distribution are determined by our board of directors, taking into consideration the terms of our partnership agreement.
- Under Section 51 of the Marshall Islands Act, we may not make a distribution to you if the distribution would cause our liabilities to exceed the fair value of our assets.
- We may lack sufficient cash to pay distributions to our unitholders due to decreases in total operating revenues, decreases in hire rates, the loss of a vessel, increases in operating or general and administrative expenses, principal and interest payments on outstanding debt, taxes, working capital requirements, maintenance and replacement capital expenditures or anticipated cash needs. See “Item 3. Key Information—D. Risk Factors” for a discussion of these factors.

Our ability to make distributions to our unitholders depends on the performance of our subsidiaries and their ability to distribute cash to us. The ability of our subsidiaries to make distributions to us may be restricted by, among other things, the provisions of existing and future indebtedness, applicable limited partnership and limited liability company laws in the Marshall Islands and other laws and regulations.

Preference Units Distribution Requirements

Distributions on our Preference Units are payable quarterly on each of March 15, June 15, September 15 and December 15, or the next succeeding business day, as and if declared by our board of directors out of legally available funds for such purpose.

For the Series A Preference Units, from and including May 15, 2017 to, but excluding, June 15, 2027, the distribution rate is 8.625% per annum per \$25.00 of liquidation preference per unit (equal to \$2.15625 per annum per unit). From and including June 15, 2027, the distribution rate for the Series A Preference Units will be a floating rate equal to three-month LIBOR plus a spread of 6.31% per annum per \$25.00 of liquidation preference per unit. The distribution rates are not subject to

adjustment. We paid distributions to holders of our Series A Preference Units of \$0.5390625 per unit on March 15, 2018, June 15, 2018, September 17, 2018 and December 17, 2018.

For the Series B Preference Units, from and including January 17, 2018 to, but excluding, March 15, 2023, the distribution rate is 8.200% per annum per \$25.00 of liquidation preference per unit (equal to \$2.05 per annum per unit). From and including March 15, 2023, the distribution rate for the Series B Preference Units will be a floating rate equal to three-month LIBOR plus a spread of 5.839% per annum per \$25.00 of liquidation preference per unit. The distribution rates are not subject to adjustment. We paid distributions to holders of our Series B Preference Units of \$0.33028 per unit on March 15, 2018 and \$0.5125 per unit on June 15, 2018, September 17, 2018 and December 17, 2018.

For the Series C Preference Units, from and including November 15, 2018 to, but excluding, March 15, 2024, the distribution rate is 8.500% per annum per \$25.00 of liquidation preference per unit (equal to \$2.05 per annum per unit). From and including March 15, 2024, the distribution rate for the Series C Preference Units will be a floating rate equal to three-month LIBOR plus a spread of 5.317% per annum per \$25.00 of liquidation preference per unit. The distribution rates are not subject to adjustment.

Our Preference Unit distribution payment obligations impact our future liquidity needs. If we do not pay our Preference Unit distributions, we will not be able to pay distributions to our common unitholders.

Minimum Quarterly Distribution

Common unitholders are entitled under our partnership agreement to receive a quarterly distribution of \$0.375 per unit, or \$1.50 per unit per year, after distributions are made on Preference Units, to the extent we have sufficient cash on hand to pay the distribution after we establish cash reserves and pay fees and expenses. There is no guarantee that we will pay the minimum quarterly distribution on the common units in any quarter. Even if our cash distribution policy is not modified or revoked, the amount of distributions paid under our policy and the decision to make any distribution are determined by our board of directors, taking into consideration the terms of our partnership agreement. We are effectively prohibited from making any distributions to unitholders if it would cause an event of default, or an event of default is then existing, under our financing agreements. See “Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources” for a discussion of the restrictions contained in our financing agreements that may restrict our ability to make distributions.

During the year ended December 31, 2018, the aggregate amount of cash distribution paid to common unitholders was \$91.0 million.

Distributions of Available Cash From Operating Surplus

We will make distributions of available cash from operating surplus after payment of Preference Unit distributions for any quarter in the following manner:

- *first*, 98.0% to all common unitholders, pro rata, and 2.0% to our general partner, until we distribute for each outstanding common unit an amount equal to the minimum quarterly distribution for that quarter; and
- *thereafter*, in the manner described in “—General Partner Interest” and “—Incentive Distribution Rights” below.

The preceding paragraph is based on the assumption that our general partner maintains its 2.0% general partner interest and that we do not issue additional classes of equity securities.

General Partner Interest

Our partnership agreement provides that our general partner initially will be entitled to 2.0% of all distributions that we make prior to our liquidation. Our general partner has the right, but not the obligation, to contribute a proportionate amount of capital to us to maintain its 2.0% general partner interest if we issue additional common units. Our general partner's 2.0% interest, and the percentage of our cash distributions to which it is entitled, will be proportionately reduced if we issue additional common units in the future and our general partner does not contribute a proportionate amount of capital to us in order to maintain its 2.0% general partner interest. Our general partner will be entitled to make a capital contribution in order to maintain its 2.0% general partner interest in the form of the contribution to us of common units based on the current market value of the contributed common units.

Incentive Distribution Rights

Incentive distribution rights represent the right to receive an increasing percentage of quarterly distributions of available cash from operating surplus after deducting Preference Unit distributions after the minimum quarterly distribution and the target distribution levels have been achieved. GasLog currently holds the incentive distribution rights. The incentive distribution rights may be transferred separately from any other interests, subject to restrictions in the partnership agreement. Except for transfers of incentive distribution rights to an affiliate or another entity as part of a merger or consolidation with or into, or sale of substantially all of the assets to, such entity, the approval of a majority of our common units (excluding common units held by our general partner and its affiliates), voting separately as a class, generally is required for a transfer of the incentive distribution rights to a third party prior to March 31, 2019. Any transfer by GasLog of the incentive distribution rights would not change the percentage allocations of quarterly distributions with respect to such rights.

On November 27, 2018, we entered into an agreement with GasLog to modify the partnership agreement with respect to the general partner's incentive distribution rights. The modification reduced distributions of cash upon liquidation and the general partner's incentive distribution rights on quarterly distributions above \$0.5625 per unit, each from 48% to 23%. GasLog further agreed to waive incentive distribution right payments resulting from any Non-GasLog Acquisition. In exchange for these modifications, we paid \$25.0 million to GasLog, sourced from available cash.

The following table illustrates the percentage allocations of the additional available cash from operating surplus following this agreement among the unitholders, our general partner and the holders of the incentive distribution rights up to the various target distribution levels. The amounts set forth under "Marginal Percentage Interest in Distributions" are the percentage interests of the common unitholders, our general partner and the holders of the incentive distribution rights (as reduced pro rata by available cash derived from Non-GasLog Acquisitions, if any) in any available cash from operating surplus. After deducting Preference Unit distributions, we distribute up to and including the corresponding amount in the column "Total Quarterly Distribution Target Amount", until available cash from operating surplus we distribute reaches the next target distribution level, if any. The percentage interests shown for the common unitholders, our general partner and the holders of the incentive distribution rights for the minimum quarterly distribution are also applicable to quarterly distribution amounts that are less than the minimum quarterly distribution. The percentage interests shown for our

general partner include its 2.0% general partner interest only and assume that our general partner has contributed any capital necessary to maintain its 2.0% general partner interest.

Marginal Percentage Interest in Distributions				
	Total Quarterly Distribution Target Amount	Unitholders	General Partner	Holders of Incentive Distribution Rights⁽¹⁾
Minimum Quarterly Distribution	\$0.375	98.0%	2.0%	0%
First Target Distribution	\$0.375 up to \$0.43125	98.0%	2.0%	0%
Second Target Distribution	\$0.43125 up to \$0.46875	85.0%	2.0%	13.0%
Thereafter	Above \$0.46875	75.0%	2.0%	23.0%

⁽¹⁾ The amount of available cash generated and deriving from any Non-GasLog Acquisition will not be included in the calculation of available cash for purposes of determining the amount distributed to holders of the incentive distribution rights, but will instead be distributed pro rata to the other unitholders. As of February 21, 2019, there are no Non-GasLog Acquisitions.

B. Significant Changes

See “Item 18. Financial Statements—Note 20. Subsequent Events” below.

ITEM 9. THE OFFER AND LISTING

Trading on the New York Stock Exchange

Since our IPO in the United States, our common units have been listed on the NYSE under the symbol “GLOP”.

Our Series A Preference Units have been trading on the NYSE under the symbol “GLOP PR A” since May 10, 2017.

Our Series B Preference Units have been trading on the NYSE under the symbol “GLOP PR B” since January 11, 2018.

Our Series C Preference Units have been trading on the NYSE under the symbol “GLOP PR C” since November 15, 2018.

ITEM 10. ADDITIONAL INFORMATION

A. Share Capital

Not applicable.

B. Memorandum of Association

The information required to be disclosed under Item 10.B is incorporated by reference to Exhibit 3.2 of our Current Report on Form 6-K furnished with the SEC on November 27, 2018.

C. Material Contracts

The following is a summary of each material contract, other than contracts entered into in the ordinary course of business, to which we or any of our subsidiaries is a party, for the two years immediately preceding the date of this annual report. Such summaries are not intended to be complete and reference is made to the contracts themselves, which are exhibits to this annual report.

- (a) Form of Contribution Agreement; please see “Item 7. Major Unitholders and Related Party Transactions—B. Related Party Transactions—Registration Rights Agreement”.

- (b) Form of Omnibus Agreement; please see “Item 7. Major Unitholders and Related Party Transactions—B. Related Party Transactions—Omnibus Agreement”.
- (c) Form of Administrative Services Agreement; please see “Item 7. Major Unitholders and Related Party Transactions—B. Related Party Transactions—Administrative Services Agreement”.
- (d) Form of Commercial Management Agreement; please see “Item 7. Major Unitholders and Related Party Transactions—B. Related Party Transactions—Commercial Management Agreements”.
- (e) Form of Ship Management Agreement; please see “Item 7. Major Unitholders and Related Party Transactions—B. Related Party Transactions—Ship Management Agreements”.
- (f) Master Time Charter Party among GAS-one Ltd., GAS-two Ltd., GAS-three Ltd., GAS-four Ltd., GAS-five Ltd., GAS-six Ltd. and Methane Services Limited, dated May 9, 2011; please see “Item 4. Information on the Partnership—B. Business Overview—Ship Time Charters”.
- (g) Form of \$30.0 Million Revolving Credit Agreement by and between GasLog Partners LP and GasLog Ltd.; please see “Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources—Credit Facilities”.
- (h) Form of Indemnification Agreement for the Partnership’s directors and certain officers; please see “Item 7. Major Unitholders and Related Party Transactions—B. Related Party Transactions—Indemnification Agreements”.
- (i) Facility Agreement for up to \$450,000,000 Loan Facility dated November 12, 2014 among GAS-three Ltd., GAS-four Ltd., GAS-five Ltd., GAS-sixteen Ltd. and GAS-seventeen Ltd. as borrowers, Citibank, N.A., London Branch, Nordea Bank Finland Plc, London Branch, DVB Bank America N.V., ABN Amro Bank N.V., Skandinaviska Enskilda Banken AB (Publ) and BNP Paribas, as mandated lead arrangers, the financial institutions listed in Schedule 1 thereto as lenders, Citibank, N.A., London Branch as bookrunner and security agent, and Citibank International Limited as agent and security trustee; please see “Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources—Credit Facilities”.
- (j) Corporate Guarantee between GasLog Partners LP and Citibank, N.A., London Branch, dated November 12, 2014; please see “Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources—Credit Facilities”.
- (k) GasLog Partners LP 2015 Long-Term Incentive Plan; please see “Item 6. Directors, Senior Management and Employees—B. Compensation of Directors and Senior Management—Equity Compensation Plan”.
- (l) Addendum dated April 21, 2015 to the Omnibus Agreement dated May 12, 2014, among GasLog Ltd., GasLog Partners GP LLC and GasLog Partners Holdings LLC; please see “Item 7. Major Unitholders and Related Party Transactions—B. Related Party Transactions—Omnibus Agreement”.
- (m) Facility Agreement for \$325,500,000 Loan Facility dated May 14, 2014 among GAS-nineteen Ltd., GAS-twenty Ltd., GAS-twenty one Ltd., as borrowers, Citibank, N.A., London Branch as arranger, bookrunner and security agent, Citibank International PLC as Agent and the financial institutions listed in Schedule 1 thereto as Lenders: please see “Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources—Credit Facilities”.

- (n) Corporate Guarantee between GasLog Ltd. and Citibank, N.A., London Branch, dated May 14, 2014; please see “Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources—Credit Facilities”.
- (o) Senior Facility Agreement dated February 18, 2016, relating to a \$396,500,000 loan facility among GAS-eighteen Ltd., GAS-nineteen Ltd., GAS-twenty Ltd., GAS-twenty one Ltd. and GAS-twenty seven Ltd. as borrowers, ABN AMRO Bank N.V. and DNB (UK) Ltd. as mandated lead arrangers, original lenders and bookrunners, DVB Bank America N.V. as mandated lead arranger and original lender, Commonwealth Bank of Australia, ING Bank N.V., London Branch, Credit Agricole Corporate and Investment Bank and National Australia Bank Limited as original lenders and DNB Bank ASA, London Branch as agent and security agent: please see “Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources—Credit Facilities”.
- (p) Junior Facility Agreement dated February 18, 2016, relating to a \$180,000,000 loan facility among GAS-eighteen Ltd., GAS-nineteen Ltd., GAS-twenty Ltd., GAS-twenty one Ltd. and GAS-twenty seven Ltd. as borrowers, ABN AMRO Bank N.V. and DNB (UK) Ltd. as mandated lead arrangers, original lenders and bookrunners, DVB Bank America N.V. as mandated lead arranger and original lender, Commonwealth Bank of Australia and ING Bank N.V., London Branch, as original lenders and DNB Bank ASA, London Branch as agent and security agent: please see “Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources—Credit Facilities”.
- (q) Form of Corporate Guarantee between GasLog Partners LP and DNB Bank ASA, London Branch (provided in respect of the Junior Facility Agreement and the Senior Facility Agreement, each dated February 18, 2016): please see “Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources—Credit Facilities”.
- (r) Facilities Agreement dated July 19, 2016, relating to \$1,050,000,000 Term Loan and Revolving Credit Facilities among GAS-one Ltd., GAS-two Ltd., GAS-six Ltd., GAS-seven Ltd., GAS-eight Ltd., GAS-nine Ltd., GAS-ten Ltd. and GAS-fifteen Ltd. as borrowers, Citigroup Global Market Limited, Credit Suisse AG, Nordea Bank AB, London Branch, Skandinaviska Enskilda Banken AB (publ), HSBC Bank plc, ING Bank N.V., London Branch, Danmarks Skibskredit A/S and The Korea Bank as mandated lead arrangers and DVB Bank America N.V. as arranger with Nordea Bank AB, London Branch as agent and security agent: please see “Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources—Credit Facilities”.
- (s) Facilities Agreement for \$1,311,356,340 Loan Facilities dated October 16, 2015 (as supplemented by supplemental deeds dated April 12, 2017, May 2, 2017 and July 3, 2017) between GAS-eleven Ltd., GAS-twelve Ltd., GAS-thirteen Ltd., Gas-fourteen Ltd., GAS-twenty two Ltd., GAS-twenty three Ltd., GAS-twenty four Ltd., GAS-twenty five Ltd., as borrowers, Citibank, N.A., London Branch, Nordea Bank AB, London Branch, The Export-Import Bank of Korea, Bank of America, National Association, BNP Paribas, Credit Agricole Corporate and Investment Bank, Credit Suisse AG, HSBC Bank plc, ING Bank N.V., London Branch, KEB Hana Bank, London Branch, KfW IPEX-Bank GmbH, National Australia Bank Limited, Oversea-Chinese Banking Corporation Limited, Societe Generale and The Korea Development Bank as mandated lead arrangers with Nordea Bank AB, London Branch as agent, security agent, global co-ordinator and bookrunner and Citibank N.A., London Branch as export credit agent, global co-coordinator, bookrunner and export credit agent co-ordinator guaranteed by GasLog Ltd. and GasLog Carriers Ltd.: please see “Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources—Credit Facilities”.

- (t) Exchange Agreement among GasLog Partners LP, GasLog Partners GP LLC and GasLog Ltd. dated November 27, 2018: please see “Item 7. Major Unitholders and Related Party Transactions—B. Related Party Transactions—Exchange Agreement.”
- (u) Facilities Agreement dated February 20, 2019, relating to \$450,000,000 Revolving Credit Facility among GAS-three Ltd., GAS-four Ltd., GAS-five Ltd., Gas-sixteen Ltd., GAS-seventeen Ltd., as borrowers, Credit Suisse AG, Nordea Bank Abp, Filial I Norge, The IyoBank, Ltd. Singapore Branch as the Original Lenders with Nordea Bank Abp, Filial I Norge as agent and the security agent, and Credit Suisse AG as mandated lead arranger, global co-ordinator and bookrunner, guaranteed by GasLog Partners LP and GasLog Partners Holdings LLC.: please see “Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources—Credit Facilities”.

D. Exchange Controls and Other Limitations Affecting Security Holders

We are not aware of any governmental laws, decrees, regulations or other legislation, including foreign exchange controls, in the Republic of the Marshall Islands that may affect the import or export of capital, including the availability of cash and cash equivalents for use by the Partnership, or the remittance of dividends, interest or other payments to non-resident holders of securities.

E. Tax Considerations

Material U.S. Federal Income Tax Considerations

The following is a discussion of the material U.S. federal income tax considerations that may be relevant to prospective unitholders. This discussion is based upon provisions of the Code, Treasury Regulations and current administrative rulings and court decisions, all as in effect or existence on the date of this annual report and all of which are subject to change, possibly with retroactive effect. Changes in these authorities may cause the tax consequences of unit ownership to vary substantially from the consequences described below. Unless the context otherwise requires, references in this section to “we”, “our” or “us” are references to GasLog Partners LP.

The following discussion applies only to beneficial owners of common units or Preference Units that own the common units or Preference Units as “capital assets” within the meaning of Section 1221 of the Code (i.e., generally, for investment purposes) and is not intended to be applicable to all categories of investors, such as unitholders subject to special tax rules (e.g., financial institutions, insurance companies, broker-dealers, tax-exempt organizations, retirement plans or individual retirement accounts or former citizens or long-term residents of the United States), persons who will hold the units as part of a straddle, hedge, conversion, constructive sale or other integrated transaction for U.S. federal income tax purposes, or persons that have a functional currency other than the U.S. dollar, each of whom may be subject to tax rules that differ significantly from those summarized below. If a partnership or other entity classified as a partnership for U.S. federal income tax purposes holds our common units or Preference Units, the tax treatment of its partners generally will depend upon the status of the partner and the activities of the partnership. If you are a partner in a partnership holding our common units or Preference Units, you are encouraged to consult your own tax advisor regarding the tax consequences to you of the partnership’s ownership of our common units or Preference Units.

No ruling has been or will be requested from the IRS regarding any matter affecting us or prospective unitholders. The statements made herein may be challenged by the IRS and, if so challenged, may not be sustained upon review in a court. This discussion does not contain information regarding any U.S. state or local, estate, gift or alternative minimum tax considerations concerning the ownership or disposition of common units or Preference Units. This discussion does not comment on all aspects of U.S. federal income taxation that may be important to particular unitholders in light of their individual circumstances, and each prospective unitholder is encouraged to consult its own tax

advisor regarding the U.S. federal, state, local and other tax consequences of the ownership or disposition of common units or Preference Units.

Election to be Treated as a Corporation

We have elected to be treated as a corporation for U.S. federal income tax purposes. As a result, U.S. Holders (as defined below) will not be directly subject to U.S. federal income tax on our income, but rather will be subject to U.S. federal income tax on distributions received from us and dispositions of units as described below.

U.S. Federal Income Taxation of U.S. Holders

As used herein, the term “U.S. Holder” means a beneficial owner of our common units or Preference Units that owns (actually or constructively) less than 10.0% of our equity and that is:

- an individual U.S. citizen or resident (as determined for U.S. federal income tax purposes);
- a corporation (or other entity that is classified as a corporation for U.S. federal income tax purposes) organized under the laws of the United States, any state thereof or the District of Columbia;
- an estate the income of which is subject to U.S. federal income taxation regardless of its source; or
- a trust if (i) a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust or (ii) the trust has a valid election in effect to be treated as a U.S. person for U.S. federal income tax purposes.

Distributions

Subject to the discussion below of the rules applicable to PFICs, any distributions to a U.S. Holder made by us with respect to our common units or Preference Units generally will constitute dividends to the extent of our current and accumulated earnings and profits, as determined under U.S. federal income tax principles. Distributions in excess of our earnings and profits will be treated first as a nontaxable return of capital to the extent of the U.S. Holder’s tax basis in its common units or Preference Units and thereafter as capital gain. U.S. Holders that are corporations generally will not be entitled to claim a dividend received deduction with respect to distributions they receive from us. Dividends received with respect to our common units or Preference Units generally will be treated as foreign source “passive category income” for purposes of computing allowable foreign tax credits for U.S. federal income tax purposes.

Dividends received with respect to our common units or Preference Units by a U.S. Holder that is an individual, trust or estate, or a “U.S. Individual Holder”, generally will be treated as “qualified dividend income”, which is taxable to such U.S. Individual Holder at preferential tax rates provided that: (i) our common units or Preference Units, as the case may be, are readily tradable on an established securities market in the United States (such as the NYSE on which our common units and Preference Units are currently traded); (ii) we are not a PFIC for the tax year during which the dividend is paid or the immediately preceding tax year (which we do not believe we are, have been or will be, as discussed below under “—PFIC Status and Significant Tax Consequences”); (iii) the U.S. Individual Holder has owned the common units or Preference Units for more than 60 days during the 121-day period beginning 60 days before the date on which the common units or Preference Units become ex-dividend (and has not entered into certain risk limiting transactions with respect to such common units or Preference Units); and (iv) the U.S. Individual Holder is not under an obligation to make related payments with respect to positions in substantially similar or related property. There is no

assurance that any dividends paid on our common units or Preference Units will be eligible for these preferential rates in the hands of a U.S. Individual Holder, and any distributions paid on our common units or Preference Units that are not eligible for these preferential rates will be taxed at ordinary income rates to a U.S. Individual Holder.

Special rules may apply to any amounts received in respect of our common units or Preference Units that are treated as “extraordinary dividends”. In general, an extraordinary dividend is a dividend with respect to a common unit that is equal to or in excess of 10.0% of a unitholder’s adjusted tax basis (or fair market value upon the unitholder’s election) in such common unit (5% in the case of Preference Units). In addition, extraordinary dividends include dividends received within a one-year period that, in the aggregate, equal or exceed 20.0% of a unitholder’s adjusted tax basis (or fair market value). If we pay an “extraordinary dividend” on our common units or Preference Units that is treated as “qualified dividend income”, then any loss recognized by a U.S. Individual Holder from the sale or exchange of such common units or Preference Units will be treated as long-term capital loss to the extent of the amount of such dividend.

Sale, Exchange or Other Disposition of Common units or Preference Units

Subject to the discussion of PFIC status below, a U.S. Holder generally will recognize capital gain or loss upon a sale, exchange or other disposition of our units in an amount equal to the difference between the amount realized by the U.S. Holder from such sale, exchange or other disposition and the U.S. Holder’s adjusted tax basis in such units. The U.S. Holder’s initial tax basis in its units generally will be the U.S. Holder’s purchase price for the units and that tax basis will be reduced (but not below zero) by the amount of any distributions on the units that are treated as non-taxable returns of capital (as discussed above under “Distributions”). Such gain or loss will be treated as long-term capital gain or loss if the U.S. Holder’s holding period is greater than one year at the time of the sale, exchange or other disposition. Certain U.S. Holders (including individuals) may be eligible for preferential rates of U.S. federal income tax in respect of long-term capital gains. A U.S. Holder’s ability to deduct capital losses is subject to limitations. Such capital gain or loss generally will be treated as U.S. source income or loss, as applicable, for U.S. foreign tax credit purposes.

Medicare Tax on Net Investment Income

Certain U.S. Holders, including individuals, estates and trusts, will be subject to an additional 3.8% Medicare tax on, among other things, dividends and capital gains from the sale or other disposition of equity interests. For individuals, the additional Medicare tax applies to the lesser of (i) “net investment income” or (ii) the excess of “modified adjusted gross income” over \$200,000 (\$250,000 if married and filing jointly or \$125,000 if married and filing separately). “Net investment income” generally equals the taxpayer’s gross investment income reduced by deductions that are allocable to such income. Unitholders are encouraged to consult their tax advisors regarding the implications of the additional Medicare tax resulting from their ownership and disposition of our common units or Preference Units.

PFIC Status and Significant Tax Consequences

Adverse U.S. federal income tax rules apply to a U.S. Holder that owns an equity interest in a non-U.S. corporation that is classified as a PFIC for U.S. federal income tax purposes. In general, we will be treated as a PFIC with respect to a U.S. Holder if, for any tax year in which the holder held our units, either:

- at least 75.0% of our gross income (including the gross income of our vessel-owning subsidiaries) for such tax year consists of passive income (e.g., dividends, interest, capital gains from the sale or exchange of investment property and rents derived other than in the active conduct of a rental business); or

- at least 50.0% of the average value of the assets held by us (including the assets of our vessel-owning subsidiaries) during such tax year produce, or are held for the production of, passive income.

Income earned, or treated as earned (for U.S. federal income tax purposes), by us in connection with the performance of services would not constitute passive income. By contrast, rental income generally would constitute “passive income” unless we were treated as deriving that rental income in the active conduct of a trade or business under the applicable rules.

Based on our current and projected methods of operation, and an opinion of counsel, we do not believe that we are or will be a PFIC for our current or any future tax year. We have received an opinion of our U.S. counsel, Cravath, Swaine & Moore LLP, in support of this position that concludes that the income our subsidiaries earn from certain of our present time-chartering activities should not constitute passive income for purposes of determining whether we are a PFIC. In addition, we have represented to our U.S. counsel that we expect that more than 25.0% of our gross income for our current tax year and each future year will arise from such time-chartering activities, and more than 50.0% of the average value of our assets for each such year will be held for the production of such nonpassive income. Assuming the composition of our income and assets is consistent with these expectations, and assuming the accuracy of other representations we have made to our U.S. counsel for purposes of their opinion, our U.S. counsel is of the opinion that we should not be a PFIC for our current tax year or any future year.

Our counsel has indicated to us that the conclusions described above are not free from doubt. While there is legal authority supporting our conclusions, including IRS pronouncements concerning the characterization of income derived from time charters as services income, the Fifth Circuit held in *Tidewater Inc. v. United States*, 565 F.3d 299 (5th Cir. 2009) that income derived from certain marine time charter agreements should be treated as rental income rather than services income for purposes of a “foreign sales corporation” provision of the Code. In that case, the Fifth Circuit did not address the definition of passive income or the PFIC rules; however, the reasoning of the case could have implications as to how the income from a time charter would be classified under such rules. If the reasoning of this case were extended to the PFIC context, the gross income we derive or are deemed to derive from our time-chartering activities may be treated as rental income, and we would likely be treated as a PFIC. The IRS has announced its nonacquiescence with the court’s holding in the *Tidewater* case and, at the same time, announced the position of the IRS that the marine time charter agreements at issue in that case should be treated as service contracts.

Distinguishing between arrangements treated as generating rental income and those treated as generating services income involves weighing and balancing competing factual considerations, and there is no legal authority under the PFIC rules addressing our specific method of operation. Conclusions in this area therefore remain matters of interpretation. We are not seeking a ruling from the IRS on the treatment of income generated from our time-chartering operations, and the opinion of our counsel is not binding on the IRS or any court. Thus, while we have received an opinion of counsel in support of our position, it is possible that the IRS or a court could disagree with this position and the opinion of our counsel. In addition, although we intend to conduct our affairs in a manner to avoid being classified as a PFIC with respect to any tax year, we cannot assure unitholders that the nature of our operations will not change in the future and that we will not become a PFIC in any future tax year.

As discussed more fully below, if we were to be treated as a PFIC for any tax year, a U.S. Holder would be subject to different taxation rules depending on whether the U.S. Holder makes an election to treat us as a “Qualified Electing Fund”, which we refer to as a “QEF election”. As an alternative to making a QEF election, a U.S. Holder should be able to make a “mark-to-market” election with respect to our common units or Preference Units, as discussed below. In addition, if a U.S. Holder owns our common units or Preference Units during any tax year that we are a PFIC, such units owned

by such holder will be treated as PFIC units even if we are not a PFIC in a subsequent year and, if the total value of all PFIC stock that such holder directly or indirectly owns exceeds certain thresholds, such holder must file IRS Form 8621 with your U.S. federal income tax return to report your ownership of our common units or Preference Units.

The PFIC rules are complex, and you are encouraged to consult your own tax advisor regarding the PFIC rules, including the annual PFIC reporting requirement.

Taxation of U.S. Holders Making a Timely QEF Election

If we were to be treated as a PFIC for any tax year, and a U.S. Holder makes a timely QEF election, such holder hereinafter an “Electing Holder”, then, for U.S. federal income tax purposes, that holder must report as income for its tax year its pro rata share of our ordinary earnings and net capital gain, if any, for our tax years that end with or within the tax year for which that holder is reporting, regardless of whether or not the Electing Holder received distributions from us in that year. The Electing Holder’s adjusted tax basis in the common units or Preference Units will be increased to reflect taxed but undistributed earnings and profits. Distributions of earnings and profits that were previously taxed will result in a corresponding reduction in the Electing Holder’s adjusted tax basis in common units or Preference Units and will not be taxed again once distributed. An Electing Holder generally will recognize capital gain or loss on the sale, exchange or other disposition of our common units or Preference Units. A U.S. Holder makes a QEF election with respect to any year that we are a PFIC by filing IRS Form 8621 with its U.S. federal income tax return. If contrary to our expectations, we determine that we are treated as a PFIC for any tax year, we will provide each U.S. Holder with the information necessary to make the QEF election described above. Although the QEF election is available with respect to subsidiaries, in the event we acquire or own a subsidiary in the future that is treated as a PFIC, no assurances can be made that we will be able to provide U.S. Holders with the necessary information to make the QEF election with respect to such subsidiary.

Taxation of U.S. Holders Making a “Mark-to-Market” Election

If we were to be treated as a PFIC for any tax year and, as we anticipate, our units were treated as “marketable stock”, then, as an alternative to making a QEF election, a U.S. Holder would be allowed to make a “mark-to-market” election with respect to our common units or Preference Units, provided the U.S. Holder completes and files IRS Form 8621 in accordance with the relevant instructions and related Treasury Regulations. If that election is made, the U.S. Holder generally would include as ordinary income in each tax year the excess, if any, of the fair market value of the U.S. Holder’s common units or Preference Units at the end of the tax year over the holder’s adjusted tax basis in the common units or Preference Units. The U.S. Holder also would be permitted an ordinary loss in respect of the excess, if any, of the U.S. Holder’s adjusted tax basis in the common units or Preference Units over the fair market value thereof at the end of the tax year, but only to the extent of the net amount previously included in income as a result of the mark-to-market election. A U.S. Holder’s tax basis in its common units or Preference Units would be adjusted to reflect any such income or loss recognized. Gain recognized on the sale, exchange or other disposition of our common units or Preference Units would be treated as ordinary income, and any loss recognized on the sale, exchange or other disposition of the common units or Preference Units would be treated as ordinary loss to the extent that such loss does not exceed the net mark-to-market gains previously included in income by the U.S. Holder. The mark-to-market election generally will not be available with respect to subsidiaries. Accordingly, in the event we acquire or own a subsidiary in the future that is treated as a PFIC, the mark-to-market election generally will not be available with respect to such subsidiary.

Taxation of U.S. Holders Not Making a Timely QEF or Mark-to-Market Election

If we were to be treated as a PFIC for any tax year, a U.S. Holder that does not make either a QEF election or a “mark-to-market” election for that year, such holder hereinafter a “Non-Electing Holder”, would be subject to special rules resulting in increased tax liability with respect to (1) any excess distribution (i.e., the portion of any distributions received by the Non-Electing Holder on our common units or Preference Units in a tax year in excess of 125.0% of the average annual distributions received by the Non-Electing Holder in the three preceding tax years, or, if shorter, the portion of the Non-Electing Holder’s holding period for the common units or Preference Units before the tax year) and (2) any gain realized on the sale, exchange or other disposition of the units. Under these special rules:

- the excess distribution or gain would be allocated ratably over the Non-Electing Holder’s aggregate holding period for the common units or Preference Units;
- the amount allocated to the current tax year and any tax year prior to the tax year we were first treated as a PFIC with respect to the Non-Electing Holder would be taxed as ordinary income; and
- the amount allocated to each of the other tax years would be subject to tax at the highest rate of tax in effect for the applicable class of taxpayers for that year, and an interest charge for the deemed deferral benefit would be imposed with respect to the resulting tax attributable to each such other tax year.

These penalties would not apply to a qualified pension, profit sharing or other retirement trust or other tax-exempt organization that did not borrow money or otherwise utilize leverage in connection with its acquisition of our common units or Preference Units. If we were treated as a PFIC for any tax year and a Non-Electing Holder who is an individual dies while owning our common units or Preference Units, such holder’s successor generally would not receive a step-up in tax basis with respect to such units.

U.S. Federal Income Taxation of Non-U.S. Holders

A beneficial owner of our common units or Preference Units (other than a partnership or an entity or arrangement treated as a partnership for U.S. federal income tax purposes) that is not a U.S. Holder is referred to as a Non-U.S. Holder. If you are a partner in a partnership (or an entity or arrangement treated as a partnership for U.S. federal income tax purposes) holding our common units or Preference Units, you are encouraged to consult your own tax advisor regarding the tax consequences to you of the partnership’s ownership of our common units or Preference Units.

Distributions

Distributions we pay to a Non-U.S. Holder will not be subject to U.S. federal income tax or withholding tax if the Non-U.S. Holder is not engaged in a U.S. trade or business. If the Non-U.S. Holder is engaged in a U.S. trade or business, our distributions will be subject to U.S. federal income tax to the extent they constitute income “effectively connected” with the Non-U.S. Holder’s U.S. trade or business. However, distributions paid to a Non-U.S. Holder that is engaged in a U.S. trade or business may be exempt from taxation under an income tax treaty and, if, required by such income tax treaty, the income arising from the distribution is not attributable to a U.S. permanent establishment maintained by the Non-U.S. Holder.

Disposition of Units

In general, a Non-U.S. Holder is not subject to U.S. federal income tax or withholding tax on any gain resulting from the disposition of our common units or Preference Units provided the Non-U.S.

Holder is not engaged in a U.S. trade or business. A Non-U.S. Holder that is engaged in a U.S. trade or business will be subject to U.S. federal income tax in the event the gain from the disposition of units is “effectively connected” with the conduct of such U.S. trade or business (provided, in the case of a Non-U.S. Holder entitled to the benefits of an income tax treaty with the United States (and required by such income tax treaty), such gain also is attributable to a U.S. permanent establishment). However, even if not engaged in a U.S. trade or business, individual Non-U.S. Holders may be subject to tax on gain resulting from the disposition of our common units or Preference Units if they are present in the United States for 183 days or more during the tax year in which those units are disposed and meet certain other requirements.

Backup Withholding and Information Reporting

In general, payments to a U.S. Individual Holder of distributions or the proceeds of a disposition of common units or Preference Units will be subject to information reporting. These payments to a U.S. Individual Holder also may be subject to backup withholding if the U.S. Individual Holder:

- fails to provide an accurate taxpayer identification number;
- is notified by the IRS that it has failed to report all interest or corporate distributions required to be reported on its U.S. federal income tax returns; or
- in certain circumstances, fails to comply with applicable certification requirements.

Non-U.S. Holders may be required to establish their exemption from information reporting and backup withholding by certifying their status on IRS Form W-8BEN, W-8BEN-E, W-8ECI or W-8IMY, as applicable.

Backup withholding is not an additional tax. Rather, a unitholder generally may obtain a credit for any amount withheld against its liability for U.S. federal income tax (and obtain a refund of any amounts withheld in excess of such liability) by timely filing a U.S. federal income tax return with the IRS.

In addition, individual citizens or residents of the United States holding certain “foreign financial assets” (which generally includes stock and other securities issued by a foreign person unless held in an account maintained by a financial institution) that exceed certain thresholds (the lowest being holding foreign financial assets with an aggregate value in excess of: (1) \$50,000 on the last day of the tax year or (2) \$75,000 at any time during the tax year) are required to report information relating to such assets. Significant penalties may apply for failure to satisfy the reporting obligations described above. Unitholders are encouraged to consult their tax advisors regarding their reporting obligations, if any, that would result from their purchase, ownership or disposition of our units.

Marshall Islands Tax Consequences

The following discussion is based upon the current laws of the Republic of the Marshall Islands applicable to persons who are not residents of, maintain offices in, engage in business in the Republic of the Marshall Islands or who are not citizens of the Marshall Islands.

Because we and our subsidiaries do not and do not expect to conduct business or operations in the Republic of the Marshall Islands, under current Marshall Islands law you will not be subject to Marshall Islands taxation or withholding on distributions, including upon distribution treated as a return of capital, we make to you as a unitholder. In addition, you will not be subject to Marshall Islands stamp, capital gains or other taxes on the purchase, ownership or disposition of common units, and you will not be required by the Republic of the Marshall Islands to file a tax return in the Republic of the Marshall Islands relating to your ownership of common units.

EACH PROSPECTIVE UNITHOLDER IS ENCOURAGED TO CONSULT ITS OWN TAX COUNSEL OR OTHER ADVISOR WITH REGARD TO THE LEGAL AND TAX CONSEQUENCES OF UNIT OWNERSHIP UNDER ITS PARTICULAR CIRCUMSTANCES.

F. Dividends and Paying Agents

Not applicable.

G. Statement by Experts

Not applicable.

H. Documents on Display

We are subject to the informational requirements of the “Exchange Act”. In accordance with these requirements, we file reports and other information as a foreign private issuer with the SEC. You may obtain copies of all or any part of such materials from the SEC upon payment of prescribed fees. You may also inspect reports and other information regarding companies, such as us, that file electronically with the SEC without charge at a web site maintained by the SEC at <http://www.sec.gov>.

I. Subsidiary Information

Not applicable.

ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to various market risks, including interest rate and foreign currency exchange risks. From time to time, we may make use of derivative financial instruments such as derivative contracts to maintain the desired level of exposure arising from these risks.

A discussion of our accounting policies for derivative financial instruments is included in Note 2 to our annual consolidated financial statements included elsewhere in this annual report. Further information on our exposure to market risk is included in Note 15 to our annual consolidated financial statements included elsewhere in this annual report.

ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES

Not applicable.

PART II

ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES

There has been no material default in the payment of principal, interest, sinking or purchase fund installments or any other material default relating to the Partnership's debt. There have been no arrears in payment of dividends on, or material delinquency with respect to, any class of preference shares of the Partnership or any of its subsidiaries.

ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS

On November 27, 2018, we and GasLog entered into an agreement to modify the partnership agreement with respect to the general partner incentive distribution rights. The modification reduced the general partner's incentive distribution rights on quarterly distributions above \$0.5625 per unit from 48% to 23%. GasLog further agreed to waive the incentive distribution payments resulting from any asset or business acquired by us from a third party. In connection with the modification to the incentive distribution rights we entered into a Fifth Amended and Restated Agreement of Limited Partnership which replaced the Fourth Amended and Restated Limited Partnership Agreement in its entirety. Please see our Fifth Amended and Restated Limited Partnership Agreement, filed as an exhibit hereto, for additional information about our incentive distribution rights.

On November 15, 2018, we completed a public offering of our Series C Preference Units, on January 17, 2018, we completed a public offering of our Series B Preference Units and on May 15, 2017, we completed a public offering of our Series A Preference Units. Our Preference Units rank senior to our common units and to each other class or series of limited partner interests or other equity securities established after the original issue of the Preference Units that is not expressly made senior to or on a parity with the Preference Units as to the payment of distributions and amounts payable upon a liquidation event. In connection with the issuance of the Series A Preference Units, we entered into a Second Amended and Restated Agreement of Limited Partnership which replaced the First Amended and Restated Agreement of Limited Partnership in its entirety. In connection with the issuance of the Series B Preference Units, we entered into a Third Amended and Restated Agreement of Limited Partnership which replaced the Second Amended and Restated Agreement of Limited Partnership in its entirety. In connection with the issuance of the Series C Preference Units, we entered into a Fourth Amended and Restated Agreement of Limited Partnership which replaced the Third Amended and Restated Agreement of Limited Partnership in its entirety. Please see our Fourth Amended and Restated Limited Partnership Agreement, filed as an exhibit hereto, for additional information about our units.

In October 2014, our board of directors approved an amendment to the Partnership's First Amended and Restated Agreement of Limited Partnership that (1) increased the number of directors from five to seven, (2) provided that, following the 2015 annual meeting, the board shall consist of four appointed directors (rather than three as provided under the prior partnership agreement) and three elected directors (rather than two as provided under the prior partnership agreement) and (3) established that Class III of the elected directors shall comprise one elected director, or two elected directors following the surrender by the general partner of its right to appoint one appointed director (rather than the Class III seat being empty until such surrender, as provided under the prior partnership agreement).

On May 12, 2014, we closed our IPO, pursuant to which we issued and sold 9,660,000 common units representing limited partner interests at a price of \$21.00 per unit, resulting in gross proceeds of \$202.86 million. GasLog used the net IPO proceeds of \$186.03 million, after deducting underwriting discounts and other offering expenses paid by the Partnership, to (a) prepay \$82.63 million of debt plus accrued interest of \$0.42 million, (b) make a payment of \$2.28 million (including \$0.27 million accrued

interest) to settle the mark-to-market loss on termination of one interest rate swap and reduction of a second interest rate swap in connection with the aforementioned debt prepayment, (c) make a \$65.70 million payment to GasLog in exchange for its contribution of net assets in connection with the IPO. As of the date of this annual report, we have substantially used all of the balance of \$35.00 million for general partnership purposes including working capital and vessel acquisitions.

ITEM 15. CONTROLS AND PROCEDURES

A. Disclosure Controls and Procedures

Our management, with the participation of our CEO and CFO, has evaluated the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act as of December 31, 2018. Based on our evaluation, the CEO and the CFO have concluded that, as of December 31, 2018, our disclosure controls and procedures were effective.

B. Management's Annual Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal controls over financial reporting, as such term is defined in Rule 13a-15(f) and 15d-15(f) of the Exchange Act and for the assessment of the effectiveness of internal control over financial reporting. Our internal controls over financial reporting are designed under the supervision of our CEO and CFO to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with International Financial Reporting Standards.

Our internal control over financial reporting includes those policies and procedures that: (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of our assets; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of our financial statements in accordance with IFRS, and that our receipts and expenditures are being made in accordance with authorizations of our management and directors; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal controls over financial reporting, misstatements may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our management conducted an evaluation of the effectiveness of our internal control over financial reporting using criteria issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in the Internal Control—Integrated Framework (2013 framework). Based on the evaluation, our management concluded that our internal control over financial reporting was effective as of December 31, 2018.

C. Attestation Report of the Registered Public Accounting Firm

The effectiveness of the Company's internal control over financial reporting as of December 31, 2018 has been audited by Deloitte LLP, an independent registered public accounting firm, as stated in their report which appears below.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Unitholders of GasLog Partners LP

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of GasLog Partners LP and subsidiaries (the “Partnership”) as of December 31, 2018, based on criteria established in Internal Control—Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Partnership maintained, in all material respects, effective internal control over financial reporting as of December 31, 2018, based on criteria established in Internal Control—Integrated Framework (2013) issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2018, of the Partnership and our report dated February 26, 2019 expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Partnership’s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management’s Annual Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Partnership’s internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Partnership in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Deloitte LLP

London, United Kingdom

February 26, 2019

D. Changes in Internal Control over Financial Reporting

There were no material changes to the Partnership's internal control over financial reporting that occurred during the period covered by this annual report that have materially affected, or are reasonably likely to materially affect, the Partnership's internal control over financial reporting.

ITEM 16. [RESERVED]

ITEM 16.A. AUDIT COMMITTEE FINANCIAL EXPERT

Robert B. Allardice III, whose biographical details are included in "Item 6. Directors, Senior Management and Employees—A. Directors and Senior Management", qualifies as an "audit committee financial expert". Our board of directors has affirmatively determined that Mr. Allardice meets the definition of "independent director" for purposes of serving on an audit committee under applicable SEC and NYSE rules.

ITEM 16.B. CODE OF ETHICS

We have adopted a Code of Business Conduct and Ethics for all directors, officers, employees and agents of the Partnership, a copy of which is posted on our website and may be viewed at <http://www.gaslogmlp.com>. We will also provide a paper copy of this document upon the written request at no cost. Unitholders may direct their requests to the attention of our General Counsel, GasLog Partners LP, Gildo Pastor Center, 7 Rue du Gabian, MC 98000, Monaco. No waivers of the Code of Business Conduct and Ethics have been granted to any person during the fiscal year ended December 31, 2018.

We have also adopted a Trading Policy that generally prohibits directors, officers, employees, controlling unitholders and their respective related parties ("Covered Persons") from trading in securities of the Partnership while in possession of material non-public information regarding the Partnership, or in securities of any other company while in possession of material non-public information regarding that company, which knowledge was obtained in the course of service to or employment with GasLog. The Trading Policy also imposes certain pre-clearance requirements and quarterly blackout periods. In addition, among other things, the Trading Policy generally prohibits Covered Persons from (i) trading in equity securities of the Partnership on a short-term basis, (ii) purchasing securities of the Partnership on margin, (iii) purchasing or selling derivatives related to securities of the Partnership (except for certain "permitted hedging derivatives", which the Trading Policy defines as any derivative transaction to (x) hedge a position in Partnership securities held by the relevant Covered Person for more than 12 months, (y) with respect to the number of Partnership securities less than or equal to the amount such Covered Person could sell at such time in compliance with Rule 144 under the Securities Act of 1933, as amended, and (z) otherwise in compliance with the terms of the Trading Policy) and (iv) selling Partnership securities short (other than short sales effected by an independent financial institution that is party to a permitted hedging derivative, in accordance with its own standard practices and procedures, for the purpose of hedging its own position as a party to, or facilitating the entry by a Covered Person into, such permitted hedging derivative).

ITEM 16.C. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Deloitte LLP, an independent registered public accounting firm, has audited our annual financial statements acting as our independent auditor for the fiscal years ended December 31, 2016, December 31, 2017 and December 31, 2018.

The table below sets forth the total amount billed and accrued for Deloitte LLP for services performed in 2017 and 2018, respectively, and breaks down these amounts by the category of service.

The fees paid to our principal accountant were approved in accordance with the pre-approval policies and procedures described below.

	<u>2017</u>	<u>2018</u>
	(Expressed in millions of U.S. Dollars)	
Audit fees	\$0.59	\$0.68
Total fees	<u>\$0.59</u>	<u>\$0.68</u>

Audit Fees

Audit fees represent compensation for professional services rendered for the audit of the consolidated financial statements of the Partnership, fees for the review of the quarterly financial information, as well as in connection with the review of registration statements and related consents and comfort letters, and any other services required for SEC or other regulatory filings.

Included in the audit fees for 2017 are fees of \$0.22 million related to the Partnership’s public offerings completed in 2017. Included in the audit fees for 2018 are fees of \$0.20 million related to the Partnership’s public offerings completed in 2018.

Tax Fees

No tax fees were billed by our principal accountant in 2017 and 2018.

Audit-related Fees

No audit-related fees were billed by our principal accountant in 2017 and 2018.

All Other Fees

No other fees were billed by our principal accountant in 2017 and 2018.

Pre-approval Policies and Procedures

Our Audit Committee is responsible for the appointment, compensation, retention and oversight of the work of the independent auditors. The Audit Committee is also responsible for reviewing and approving in advance the retention of the independent auditors for the performance of all audit and lawfully permitted non-audit services.

ITEM 16.D. EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES

None.

ITEM 16.E. PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS

On January 30, 2019, the Partnership announced that its board of directors approved a unit repurchase program of up to \$25 million of the Partnership’s common units covering the period from January 31, 2019 to December 31, 2021. Under the terms of the repurchase program, the Partnership may repurchase common units from time to time, at the Partnership’s discretion, on the open market or in privately negotiated transactions. Any repurchases are subject to market conditions, applicable legal requirements and other considerations. The Partnership is not obligated under the repurchase program to repurchase any specific dollar amount or number of common units, and the repurchase program may be modified, suspended or discontinued at any time or never utilized. Any common units

repurchased by the Partnership under the program will be cancelled. As of February 21, 2019, no common units had been repurchased by the Partnership.

In April 2018, we issued 1,858,975 common units to GasLog in a private placement to partially finance the acquisition of the *GasLog Gibraltar* at a price of \$24.21 per common unit.

ITEM 16.F. CHANGE IN PARTNERSHIP'S CERTIFYING ACCOUNTANT

None.

ITEM 16.G. CORPORATE GOVERNANCE

Statement of Significant Differences Between Our Corporate Governance Practices and the New York Stock Exchange Corporate Governance Standards for U.S. Non-Controlled Issuers

Overview

Pursuant to certain exceptions for foreign private issuers, the Partnership is not required to comply with certain of the corporate governance practices followed by U.S. companies under the NYSE listing standards. However, pursuant to Section 303.A.11 of the NYSE Listed Company Manual and the requirements of Form 20-F, we are required to state any significant ways in which our corporate governance practices differ from the practices required by the NYSE for U.S. companies. We believe that our established practices in the area of corporate governance are in line with the spirit of the NYSE standards and provide adequate protection to our unitholders. The significant differences between our corporate governance practices and the NYSE standards applicable to listed U.S. companies are set forth below.

Independence of Directors

The NYSE rules do not require a listed company that is a foreign private issuer to have a board of directors that is comprised of a majority of independent directors. Under Marshall Islands law, we are not required to have a board of directors comprised of a majority of directors meeting the independence standards described in the NYSE rules. In addition, NYSE rules do not require limited partnerships like us to have boards of directors comprised of a majority of independent directors. Accordingly, our board of directors is not required to be comprised of a majority of independent directors. However, our board of directors has determined that each of Robert B. Allardice III, Daniel R. Bradshaw, Pamela M. Gibson and Michael G. Gialouris satisfies the independence standards established by the NYSE as applicable to us.

Corporate Governance, Nominating and Compensation Committee

The NYSE rules do not require foreign private issuers or limited partnerships like us to establish a compensation committee or a nominating/corporate governance committee. Similarly, under Marshall Islands law, we are not required to have a compensation committee or a nominating/corporate governance committee. Accordingly, we do not have a compensation committee or a nominating/corporate governance committee.

ITEM 16.H. MINE SAFETY DISCLOSURE

Not applicable.

PART III

ITEM 17. FINANCIAL STATEMENTS

Not applicable.

ITEM 18. FINANCIAL STATEMENTS

Reference is made to pages F-1 through F-51 included herein by reference.

ITEM 19. EXHIBITS

<u>Exhibit No.</u>	<u>Description</u>
1.1	Certificate of Limited Partnership of GasLog Partners LP ⁽¹⁾
1.2	Second Amended and Restated Agreement of Limited Partnership of GasLog Partners LP ⁽²⁾
1.3	Third Amended and Restated Agreement of Limited Partnership of GasLog Partners LP ⁽³⁾
1.4	Fourth Amended and Restated Agreement of Limited Partnership of GasLog Partners LP ⁽¹¹⁾
1.5	Fifth Amended and Restated Agreement of Limited Partnership of GasLog Partners LP ⁽¹²⁾
2.1	Certificate of Formation of GasLog Partners GP LLC ⁽¹⁾
2.2	Limited Liability Company Agreement of GasLog Partners GP LLC ⁽¹⁾
4.1	Form of Contribution Agreement ⁽¹⁾
4.2	Form of Omnibus Agreement ⁽¹⁾
4.3	Form of Administrative Services Agreement ⁽¹⁾
4.4	Form of Commercial Management Agreement ⁽¹⁾
4.5	Form of Ship Management Agreement ⁽⁶⁾
4.6	Master Time Charter Party among GAS-one Ltd., GAS-two Ltd., GAS-three Ltd., GAS-four Ltd., GAS-five Ltd., GAS-six Ltd. and Methane Services Limited, dated May 9, 2011 ^{(1)*}
4.7	Form of \$30.0 Million Revolving Credit Agreement by and between GasLog Partners LP and GasLog Ltd. ⁽¹⁾
4.9	Form of Indemnification Agreement for the Partnership's directors and certain officers ⁽⁶⁾
4.10	Facility Agreement for up to \$450,000,000 Loan Facility dated November 12, 2014 among GAS-three Ltd., GAS-four Ltd., GAS-five Ltd., GAS-sixteen Ltd. and GAS-seventeen Ltd. as borrowers, Citibank, N.A., London Branch, Nordea Bank Finland Plc, London Branch, DVB Bank America N.V., ABN Amro Bank N.V., Skandinaviska Enskilda Banken AB (Publ) and BNP Paribas, as mandated lead arrangers, the financial institutions listed in Schedule 1 thereto as lenders, Citibank, N.A., London Branch as bookrunner and security agent, and Citibank International Limited as agent and security trustee ^{(10)*}
4.11	Corporate Guarantee between GasLog Partners LP and Citibank, N.A., London Branch, dated November 12, 2014 ⁽¹⁰⁾
4.12	GasLog Partners LP 2015 Long-Term Incentive Plan ⁽⁴⁾

Exhibit No.	Description
4.13	Addendum dated April 21, 2015 to the Omnibus Agreement dated May 12, 2014, among GasLog Ltd., GasLog Partners LP, GasLog Partners GP LLC and GasLog Partners Holdings LLC ⁽⁵⁾
4.15	Facility Agreement for \$325,500,000 Loan Facility dated May 14, 2014 among GAS-nineteen Ltd., GAS-twenty Ltd., GAS-twenty one Ltd., as borrowers, Citibank, N.A., London Branch as arranger, bookrunner and security agent, Citibank International PLC as Agent and the financial institutions listed in Schedule 1 thereto as Lenders ^{(6)*}
4.16	Corporate Guarantee between GasLog Ltd. and Citibank, N.A., London Branch, dated May 14, 2014 ⁽⁶⁾
4.17	Senior Facility Agreement dated February 18, 2016, relating to a \$396,500,000 loan facility among GAS-eighteen Ltd., GAS-nineteen Ltd., GAS-twenty Ltd., GAS-twenty one Ltd. and GAS-twenty seven Ltd. as borrowers, ABN AMRO Bank N.V. and DNB (UK) Ltd. as mandated lead arrangers, original lenders and bookrunners, DVB Bank America N.V. as mandated lead arranger and original lender, Commonwealth Bank of Australia, ING Bank N.V., London Branch, Credit Agricole Corporate and Investment Bank and National Australia Bank Limited as original lenders and DNB Bank ASA, London Branch as agent and security agent ^{(7)*}
4.18	Junior Facility Agreement dated February 18, 2016, relating to a \$180,000,000 loan facility among GAS-eighteen Ltd., GAS-nineteen Ltd., GAS-twenty Ltd., GAS-twenty one Ltd. and GAS-twenty seven Ltd. as borrowers, ABN AMRO Bank N.V. and DNB (UK) Ltd. as mandated lead arrangers, original lenders and bookrunners, DVB Bank America N.V. as mandated lead arranger and original lender, Commonwealth Bank of Australia and ING Bank N.V., London Branch, as original lenders and DNB Bank ASA, London Branch as agent and security agent ^{(7)*}
4.19	Form of Corporate Guarantee between GasLog Partners LP and DNB Bank ASA, London Branch (provided in respect of the Junior Facility Agreement and the Senior Facility Agreement, each dated February 18, 2016) ⁽⁷⁾
4.20	Facilities Agreement dated July 19, 2016, relating to \$1,050,000,000 Term Loan and Revolving Credit Facilities among GAS-one Ltd., GAS-two Ltd., GAS-six Ltd., GAS-seven Ltd., GAS-eight Ltd., GAS-nine Ltd., GAS-ten Ltd. and GAS-fifteen Ltd. as borrowers, Citigroup Global Market Limited, Credit Suisse AG, Nordea Bank AB, London Branch, Skandinaviska Enskilda Banken AB (publ), HSBC Bank plc, ING Bank N.V., London Branch, Dansmarks Skibskredit A/S and The Korea Bank as mandated lead arrangers and DVB Bank America N.V. as arranger with Nordea Bank AB, London Branch as agent and security agent ^{(8)*}

Exhibit No.	Description
4.21	Facilities Agreement for \$1,311,356,340 Loan Facilities dated October 16, 2015 between GAS-eleven Ltd., GAS-twelve Ltd., GAS-thirteen Ltd., Gas-fourteen Ltd., GAS-twenty two Ltd., GAS-twenty three Ltd., GAS-twenty four Ltd., GAS-twenty five Ltd., as borrowers, Citibank, N.A., London Branch, Nordea Bank AB, London Branch, The Export-Import Bank of Korea, Bank of America, National Association, BNP Paribas, Credit Agricole Corporate and Investment Bank, Credit Suisse AG, HSBC Bank plc, ING Bank N.V., London Branch, KEB Hana Bank, London Branch, KfW IPEX-Bank GmbH, National Australia Bank Limited, Oversea-Chinese Banking Corporation Limited, Societe Generale and The Korea Development Bank as mandated lead arrangers with Nordea Bank AB, London Branch as agent, security agent, global co-ordinator and bookrunner and Citibank N.A., London Branch as export credit agent, global co-coordinator, bookrunner and export credit agent co-ordinator, guaranteed by GasLog Ltd. and GasLog Carriers Ltd., previously filed as an exhibit to GasLog Ltd.'s Annual Report on Form 20-F (File No. 001-35466), filed with the SEC on March 14, 2016, and hereby incorporated by reference to such Report ⁽⁹⁾
4.22	Exchange Agreement by and among GasLog Partners LP, GasLog Partners GP LLC and GasLog Ltd. dated November 27, 2018 ⁽¹³⁾
4.23	Facilities Agreement dated February 20, 2019, relating to \$450,000,000 Revolving Credit Facility among GAS-three Ltd., GAS-four Ltd., GAS-five Ltd., Gas-sixteen Ltd., GAS-seventeen Ltd., as borrowers, Credit Suisse AG, Nordea Bank Abp, Filial I Norge, The IyoBank, Ltd. Singapore Branch as the Original Lenders with Nordea Bank Abp, Filial I Norge as agent and the security agent, and Credit Suisse AG as mandated lead arranger, global co-ordinator and bookrunner, guaranteed by GasLog Partners LP and GasLog Partners Holdings LLC.*
8.1	List of Subsidiaries of GasLog Partners LP
12.1	Rule 13a-14(a)/15d-14(a) Certification of GasLog Partners LP's Chief Executive Officer
12.2	Rule 13a-14(a)/15d-14(a) Certification of GasLog Partners LP's Chief Financial Officer
13.1	GasLog Partners LP Certification of Andrew Orekar, Chief Executive Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the U.S. Sarbanes- Oxley Act of 2002
13.2	GasLog Partners LP Certification of Alastair Maxwell, Chief Financial Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the U.S. Sarbanes-Oxley Act of 2002
13.3	Consent of Deloitte LLP
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema
101.CAL	XBRL Taxonomy Extension Scheme Calculation Linkbase
101.DEF	XBRL Taxonomy Extension Scheme Definition Linkbase
101.LAB	XBRL Taxonomy Extension Scheme Label Linkbase
101.PRE	XBRL Taxonomy Extension Scheme Presentation Linkbase

⁽¹⁾ Previously filed as an exhibit to GasLog Partners LP's Registration Statement on Form F-1 (File No. 333-195109), declared effective by the SEC on May 6, 2014, and hereby incorporated by reference to such Registration Statement.

- (2) Previously filed as Exhibit 4.1 to GasLog Partners LP's Report on Form 6-K, filed with the SEC on May 15, 2017, hereby incorporated by reference to such Report.
- (3) Previously filed as Exhibit 3.2 to GasLog Partners LP's Report on Form 6-K, filed with the SEC on January 17, 2018, hereby incorporated by reference to such Report.
- (4) Previously filed as Exhibit 4.6 to GasLog Partners LP's Registration Statement on Form S-8 (File No. 333-203139), filed with the SEC on March 31, 2015, and hereby incorporated by reference to such Registration Statement.
- (5) Previously filed as Exhibit 99.3 to GasLog Partners LP's Report on Form 6-K, filed with the SEC on April 30, 2015, hereby incorporated by reference to such Report.
- (6) Previously filed as an exhibit to GasLog Partners LP's Annual Report on Form 20-F, filed with the SEC on February 12, 2016, hereby incorporated by reference to such Report.
- (7) Previously filed as an exhibit to GasLog Ltd.'s Annual Report on Form 20-F for the year ended December 31, 2015 (File No. 001-35466), filed with the SEC on March 14, 2016, and hereby incorporated by reference to such Annual Report.
- (8) Previously filed as an exhibit to GasLog Ltd.'s Report on Form 6-K (File No. 001-35466), filed with the SEC on August 4, 2016, and hereby incorporated by reference to such Report.
- (9) Previously filed as an exhibit to GasLog Ltd.'s Annual Report on Form 20-F (file No. 001-35466), filed with the SEC on March 14, 2016, and hereby incorporated by reference to such Report.
- (10) Previously filed as an exhibit to GasLog Partners LP's Annual Report on Form 20-F, filed with the SEC on February 17, 2015, hereby incorporated by reference to such Report.
- (11) Previously filed as Exhibit 3.2 to GasLog Partners LP's Report on Form 6-K, filed with the SEC on November 15, 2018, hereby incorporated by reference to such Report.
- (12) Previously filed as Exhibit 3.2 to GasLog Partners LP's Report on Form 6-K (File No. 001-36433), filed with the SEC on November 27, 2018, hereby incorporated by reference to such Report
- (13) Previously filed as Exhibit 10.1 to GasLog Partners LP's Report on Form 6-K (File No. 001-36433), filed with the SEC on November 27, 2018, hereby incorporated by reference to such Report.

* Confidential material has been redacted and complete exhibits have been separately filed with the SEC.

SIGNATURE

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this annual report on its behalf.

GASLOG PARTNERS LP,

By /s/ ANDREW J. OREKAR

Name: Andrew J. Orekar

Title: *Chief Executive Officer*

Dated: February 26, 2019

GASLOG PARTNERS LP
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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Unitholders of GasLog Partners LP

Opinion on the Financial Statements

We have audited the accompanying consolidated statements of financial position of GasLog Partners LP and subsidiaries (the “Partnership”) as of December 31, 2017 and 2018, the related consolidated statements of profit or loss, comprehensive income or loss, changes in owners’/partners’ equity and cash flows, for each of the three years in the period ended December 31, 2018, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Partnership as of December 31, 2017 and 2018, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2018, in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Partnership’s internal control over financial reporting as of December 31, 2018, based on criteria established in Internal Control—Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 26, 2019 expressed an unqualified opinion on the Partnership’s internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Partnership’s management. Our responsibility is to express an opinion on the Partnership’s financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Partnership in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Deloitte LLP

London, United Kingdom

February 26, 2019

We have served as the Partnership’s auditor since 2014.

GasLog Partners LP
Consolidated statements of financial position
As of January 1, 2017, December 31, 2017 and December 31, 2018
(All amounts expressed in thousands of U.S. Dollars, except unit data)

	Note	January 1, 2017 <i>(restated)</i> ⁽¹⁾	December 31, 2017 <i>(restated)</i> ⁽¹⁾	December 31, 2018
Assets				
Non-current assets				
Other non-current assets		928	—	850
Derivative financial instruments	17	6,008	6,038	5,116
Vessels	3	2,439,092	2,363,668	2,315,823
Total non-current assets		2,446,028	2,369,706	2,321,789
Current assets				
Trade and other receivables	4	5,259	3,765	13,484
Inventories		3,402	3,079	3,169
Due from related parties	13	15,470	—	5,281
Prepayments and other current assets		1,713	1,681	1,175
Derivative financial instruments	17	—	577	4,615
Short-term investments		7,500	—	10,000
Cash and cash equivalents		64,173	149,455	129,125
Total current assets		97,517	158,557	166,849
Total assets		2,543,545	2,528,263	2,488,638
Owners'/partners' equity and liabilities				
Owners'/partners' equity				
Owners' capital	5	277,311	155,554	—
Common unitholders (24,572,358 units issued and outstanding as of January 1, 2017, 41,002,121 units issued and outstanding as of December 31, 2017 and 45,448,993 units issued and outstanding as of December 31, 2018)	5	565,408	752,456	812,863
Subordinated unitholders (9,822,358 units issued and outstanding as of January 1, 2017, nil units issued and outstanding as of December 31, 2017 and December 31, 2018)	5	60,988	—	—
General partner (701,933 units issued and outstanding as of January 1, 2017, 836,779 units issued and outstanding as of December 31, 2017 and 927,532 units issued and outstanding as of December 31, 2018)	5	10,095	11,781	13,289
Incentive distribution rights	5	5,878	6,596	5,176
Preference unitholders (nil units issued and outstanding as of January 1, 2017, 5,750,000 Series A Preference Units issued and outstanding as of December 31, 2017 and 5,750,000 Series A Preference Units, 4,600,000 Series B Preference Units and 4,000,000 Series C Preference Units issued and outstanding as of December 31, 2018)	5	—	139,321	348,331
Total owners'/partners' equity		919,680	1,065,708	1,179,659
Current liabilities				
Trade accounts payable		3,287	5,125	7,490
Due to related parties	13	5,930	9,892	2,022
Derivative financial instruments	17	1,836	269	1,253
Other payables and accruals	7	48,698	46,891	57,774
Borrowings—current portion	6	89,422	121,197	429,437
Total current liabilities		149,173	183,374	497,976
Non-current liabilities				
Derivative financial instruments	17	—	—	3,543
Borrowings—non-current portion	6	1,474,510	1,278,931	805,560
Other non-current liabilities		182	250	1,900
Total non-current liabilities		1,474,692	1,279,181	811,003
Total owners'/partners' equity and liabilities		2,543,545	2,528,263	2,488,638

⁽¹⁾ Restated so as to reflect the historical financial statements of GAS-fourteen Ltd. and GAS-twenty seven Ltd. acquired on April 26, 2018 and November 14, 2018, respectively, from GasLog Ltd. ("GasLog") (Note 1).

The accompanying notes are an integral part of these consolidated financial statements.

GasLog Partners LP
Consolidated statements of profit or loss
For the years ended December 31, 2016, 2017 and 2018
(All amounts expressed in thousands of U.S. Dollars, except per unit data)

	<u>Note</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
		<i>(restated)⁽¹⁾</i>	<i>(restated)⁽¹⁾</i>	
Revenues	8	317,489	371,146	352,541
Net pool allocation	8,13	—	—	3,700
Voyage expenses and commissions	9	(4,333)	(4,650)	(7,122)
Vessel operating costs	11	(63,076)	(71,369)	(68,725)
Depreciation	3	(70,290)	(81,089)	(81,590)
General and administrative expenses	10	(13,206)	(15,311)	(19,369)
Profit from operations		<u>166,584</u>	<u>198,727</u>	<u>179,435</u>
Financial costs	12	(60,247)	(65,122)	(66,287)
Financial income	12	209	1,019	2,413
(Loss)/gain on derivatives	17	(6,837)	121	(48)
Total other expenses, net		<u>(66,875)</u>	<u>(63,982)</u>	<u>(63,922)</u>
Profit for the year		<u>99,709</u>	<u>134,745</u>	<u>115,513</u>
Earnings per unit attributable to the Partnership, basic and diluted:	19			
Common unit (basic)		2.18	2.09	1.77
Common unit (diluted)		2.17	2.09	1.76
Subordinated unit		2.14	0.52	N/A
General partner unit		2.31	2.18	1.83

⁽¹⁾ Restated so as to reflect the historical financial statements of GAS-fourteen Ltd. and GAS-twenty seven Ltd. acquired on April 26, 2018 and November 14, 2018, respectively, from GasLog (Note 1).

The accompanying notes are an integral part of these consolidated financial statements.

GasLog Partners LP
Consolidated statements of comprehensive income or loss
For the years ended December 31, 2016, 2017 and 2018
(All amounts expressed in thousands of U.S. Dollars)

	<u>Note</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
		<i>(restated)</i> ⁽¹⁾	<i>(restated)</i> ⁽¹⁾	
Profit for the year		99,709	134,745	115,513
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss:				
Recycled loss of cash flow hedges reclassified to profit or loss	17	<u>2,527</u>	<u>—</u>	<u>—</u>
Other comprehensive income for the year		<u>2,527</u>	<u>—</u>	<u>—</u>
Total comprehensive income for the year		<u>102,236</u>	<u>134,745</u>	<u>115,513</u>

⁽¹⁾ Restated so as to reflect the historical financial statements of GAS-fourteen Ltd. and GAS-twenty seven Ltd. acquired on April 26, 2018 and November 14, 2018, respectively, from GasLog (Note 1).

The accompanying notes are an integral part of these consolidated financial statements.

GasLog Partners LP
Consolidated statements of changes in owners'/partners' equity
For the years ended December 31, 2016, 2017 and 2018
(All amounts expressed in thousands of U.S. Dollars, except unit data)

	General partner		Common unitholders		Subordinated unitholders		Incentive distribution rights	Preference unitholders		Total Partners' equity	Owners' capital (Note 5)	Total
	Units	Amounts	Units	Amounts	Units	Amounts		Units	Amounts			
Balance as of January 1, 2016 (as restated⁽¹⁾)	645,811	8,842	21,822,358	507,433	9,822,358	59,786	2,117			578,178	199,154	777,332
Capital contributions	—	—	—	—	—	—	—	—	—	—	120,097	120,097
Profit attributable to GasLog's operations (Note 19)	—	—	—	—	—	—	—	—	—	—	22,439	22,439
Other comprehensive income attributable to GasLog's operations	—	—	—	—	—	—	—	—	—	—	2,527	2,527
Total comprehensive income attributable to GasLog's operations	—	—	—	—	—	—	—	—	—	—	24,966	24,966
Cash distribution to GasLog in exchange for net assets contribution to the Partnership	—	—	—	—	—	—	—	—	—	—	(68,142)	(68,142)
Difference between net book value of acquired subsidiary and consideration paid	—	(81)	—	(19)	—	(1,136)	—	—	—	(1,236)	1,236	—
Net proceeds from public offerings of common units and issuances of general partner units (Note 5)	56,122	1,094	2,750,000	52,299	—	—	—	—	—	53,393	—	53,393
Distributions declared (Note 5)	—	(1,312)	—	(44,353)	—	(18,780)	(1,132)	—	—	(65,577)	—	(65,577)
Share-based compensation, net of accrued dividend	—	7	—	162	—	69	103	—	—	341	—	341
Partnership's profit (Note 19)	—	1,545	—	49,886	—	21,049	4,790	—	—	77,270	—	77,270
Partnership's total comprehensive income	—	1,545	—	49,886	—	21,049	4,790	—	—	77,270	—	77,270
Balance as of December 31, 2016 (as restated⁽¹⁾)	701,933	10,095	24,572,358	565,408	9,822,358	60,988	5,878			642,369	277,311	919,680
Capital contributions	—	—	—	—	—	—	—	—	—	—	12,000	12,000
Profit and total comprehensive income attributable to GasLog's operations (Note 19)	—	—	—	—	—	—	—	—	—	—	40,628	40,628
Net proceeds from public offerings of common units and issuances of general partner units (Note 5)	134,846	2,902	6,607,405	139,421	—	—	—	—	—	142,323	—	142,323
Net proceeds from public offering of preference units (Note 5)	—	—	—	—	—	—	—	5,750,000	138,804	138,804	—	138,804
Cash distributions to GasLog in exchange for net assets contributions to the Partnership	—	—	—	—	—	—	—	—	—	—	(192,168)	(192,168)
Difference between net book values of acquired subsidiaries and considerations paid	—	(1,295)	—	(6,167)	—	(10,321)	—	—	—	(17,783)	17,783	—
Distributions declared (Note 5)	—	(1,661)	—	(69,051)	—	(9,724)	(2,612)	—	(7,232)	(90,280)	—	(90,280)
Share-based compensation, net of accrued dividend	—	12	—	451	—	19	122	—	—	604	—	604
Conversion of subordinated units to common units (Note 5)	—	—	9,822,358	46,047	(9,822,358)	(46,047)	—	—	—	—	—	—
Partnership's profit (Note 19)	—	1,728	—	76,347	—	5,085	3,208	—	7,749	94,117	—	94,117
Partnership's total comprehensive income	—	1,728	—	76,347	—	5,085	3,208	—	7,749	94,117	—	94,117
Balance as of December 31, 2017 (as restated⁽¹⁾)	836,779	11,781	41,002,121	752,456	—	—	6,596	5,750,000	139,321	910,154	155,554	1,065,708
Profit and total comprehensive income attributable to GasLog's operations (Note 19)	—	—	—	—	—	—	—	—	—	—	12,916	12,916
Net proceeds from public offerings of common units and issuances of general partner units (Note 5)	90,753	2,171	2,553,899	60,013	—	—	—	—	—	62,184	—	62,184
Net proceeds from public offering of preference units (Note 5)	—	—	—	—	—	—	—	8,600,000	207,501	207,501	—	207,501
Settlement of awards vested during the year (Note 5)	—	—	33,998	—	—	—	—	—	—	—	—	—
Issuance of common units to GasLog in exchange for net assets contributions to the Partnership (Note 5)	—	—	1,858,975	45,000	—	—	—	—	—	45,000	(45,000)	—
Cash distributions to GasLog in exchange for net assets contributions to the Partnership	—	—	—	—	—	—	—	—	—	—	(128,482)	(128,482)
Difference between net book values of acquired subsidiaries and consideration paid	—	(337)	—	(4,675)	—	—	—	—	—	(5,012)	5,012	—
Distributions declared (Note 5)	—	(1,942)	—	(91,022)	—	—	(4,141)	—	(20,989)	(118,094)	—	(118,094)
Share-based compensation, net of accrued dividend	—	14	—	607	—	—	103	—	—	724	—	724
Modification of incentive distribution rights "IDRS" (Note 5)	—	—	—	(25,395)	—	—	—	—	—	(25,395)	—	(25,395)
Partnership's profit (Note 19)	—	1,602	—	75,879	—	—	2,618	—	22,498	102,597	—	102,597
Partnership's total comprehensive income	—	1,602	—	75,879	—	—	2,618	—	22,498	102,597	—	102,597
Balance as of December 31, 2018	927,532	13,289	45,448,993	812,863	—	—	5,176	14,350,000	348,331	1,179,659	—	1,179,659

⁽¹⁾ Restated so as to reflect the historical financial statements of GAS-fourteen Ltd. and GAS-twenty seven Ltd. acquired on April 26, 2018 and November 14, 2018, respectively, from GasLog (Note 1).

The accompanying notes are an integral part of these consolidated financial statements.

GasLog Partners LP
Consolidated statements of cash flows
For the years ended December 31, 2016, 2017 and 2018
(All amounts expressed in thousands of U.S. Dollars)

	Note	2016	2017	2018
		(restated) ⁽¹⁾	(restated) ⁽¹⁾	
Cash flows from operating activities:				
Profit for the year		99,709	134,745	115,513
Adjustments for:				
Depreciation		70,290	81,089	81,590
Financial costs		60,247	65,122	66,287
Financial income		(209)	(1,019)	(2,413)
Unrealized loss/(gain) on derivatives held for trading		1,570	(2,174)	1,411
Recycled loss of cash flow hedges reclassified to profit or loss		2,527	—	—
Share-based compensation		480	850	1,034
		234,614	278,613	263,422
Movements in operating assets and liabilities:				
Decrease/(increase) in trade and other receivables		1,043	1,501	(9,633)
(Increase)/decrease in inventories		(1,086)	323	(90)
Change in related parties, net		(4,013)	19,432	(13,151)
(Increase)/decrease in prepayments and other current assets		(1,230)	32	506
Decrease/(increase) in other non-current assets		2,093	928	(800)
(Decrease)/increase in other non-current liabilities		(139)	—	1,439
(Decrease)/increase in trade accounts payable		(167)	1,289	230
Increase/(decrease) in other payables and accruals		9,781	(2,242)	635
		240,896	299,876	242,558
Interest paid		(35,966)	(57,049)	(57,451)
Net cash provided by operating activities		204,930	242,827	185,107
Cash flows from investing activities:				
Payments for vessels' additions		(502,132)	(5,131)	(24,177)
Financial income received		204	1,012	2,326
Purchase of short-term investments		(7,500)	—	(38,000)
Maturity of short-term investments		3,000	7,500	28,000
Net cash (used in)/provided by investing activities		(506,428)	3,381	(31,851)
Cash flows from financing activities:				
Borrowings drawdowns		1,213,748	60,000	25,940
Borrowings repayments		(791,160)	(218,370)	(197,790)
Payment of loan issuance costs		(24,402)	(1,594)	(153)
Payments for interest rate swaps termination		(10,647)	—	—
Proceeds from public offerings of common units and issuances of general partner units (net of underwriting discounts and commissions)		53,826	144,297	62,516
Proceeds from public offering of preference units (net of underwriting discounts and commissions)		—	139,222	208,394
Payment of offering costs		(454)	(2,033)	(915)
Cash distributions to GasLog in exchange for contribution of net assets		(68,142)	(192,168)	(128,482)
Payments for IDR modification (including third-party fees)		—	—	(25,002)
Distributions paid		(65,577)	(90,280)	(118,094)
Dividend due to GasLog before vessels' drop-down		(11,800)	—	—
Net cash provided by/(used in) financing activities		295,392	(160,926)	(173,586)
(Decrease)/increase in cash and cash equivalents		(6,106)	85,282	(20,330)
Cash and cash equivalents, beginning of the year		70,279	64,173	149,455
Cash and cash equivalents, end of the year		64,173	149,455	129,125
Non-Cash Investing and Financing Activities:				
Payment for vessels through capital contributions before drop-down		49,511	—	—
Capital expenditures included in liabilities at the end of the year	18	1,340	1,874	11,442
Financing costs paid through capital contributions		4,879	—	—
Offering costs included in liabilities at the end of the year	18	5	364	1,067
Loan repayments made through capital contributions		65,707	12,000	—
Issuance of common units to GasLog in exchange for contribution of net assets		—	—	45,000

⁽¹⁾ Restated so as to reflect the historical financial statements of GAS-fourteen Ltd. and GAS-twenty seven Ltd. acquired on April 26, 2018 and November 14, 2018, respectively, from GasLog (Note 1).

The accompanying notes are an integral part of these consolidated financial statements.

GasLog Partners LP

Notes to the consolidated financial statements

For the years ended December 31, 2016, 2017 and 2018

(All amounts expressed in thousands of U.S. Dollars, except unit and per unit data)

1. Organization and Operations

GasLog Partners LP (“GasLog Partners” or the “Partnership”) was formed as a limited partnership under the laws of the Marshall Islands on January 23, 2014, being a wholly owned subsidiary of GasLog for the purpose of initially acquiring the interests in three liquefied natural gas (“LNG”) carriers that were contributed to the Partnership by GasLog in connection with the initial public offering of its common units (the “IPO”).

In connection with the IPO on May 12, 2014, the Partnership acquired from GasLog 100% of the ownership interests in GAS-three Ltd., GAS-four Ltd. and GAS-five Ltd., the entities that own the *GasLog Shanghai*, the *GasLog Santiago* and the *GasLog Sydney* (the “Initial Fleet”). On September 29, 2014, GasLog Partners acquired 100% of the ownership interests in GAS-sixteen Ltd. and GAS-seventeen Ltd., the entities that own two 145,000 cubic meters (“cbm”) LNG carriers, the *Methane Rita Andrea* and the *Methane Jane Elizabeth*, respectively, for an aggregate purchase price of \$328,000.

On July 1, 2015, GasLog Partners acquired 100% of the ownership interests in GAS-nineteen Ltd., GAS-twenty Ltd. and GAS-twenty one Ltd., the entities that own three 145,000 cbm LNG carriers, the *Methane Alison Victoria*, the *Methane Shirley Elisabeth* and the *Methane Heather Sally*, respectively, for an aggregate purchase price of \$483,000.

On November 1, 2016, GasLog Partners acquired 100% of the ownership interests in GAS-seven Ltd., the entity that owns a 155,000 cbm LNG carrier, the *GasLog Seattle*, for an aggregate purchase price of \$189,000.

On May 3, 2017, GasLog Partners acquired 100% of the ownership interests in GAS-eleven Ltd., the entity that owns a 174,000 cbm LNG carrier, the *GasLog Greece*, for an aggregate purchase price of \$219,000. On July 3, 2017, GasLog Partners acquired 100% of the ownership interests in GAS-thirteen Ltd., the entity that owns a 174,000 cbm LNG carrier, the *GasLog Geneva*, for an aggregate purchase price of \$211,000. On October 20, 2017, GasLog Partners acquired 100% of the ownership interests in GAS-eight Ltd., the entity that owns a 155,000 cbm LNG carrier, the *Solaris*, for an aggregate purchase price of \$185,900.

On April 26, 2018, GasLog Partners acquired 100% of the ownership interests in GAS-fourteen Ltd., the entity that owns a 174,000 cbm LNG carrier, the *GasLog Gibraltar*, for an aggregate purchase price of \$207,000. On November 14, 2018, GasLog Partners acquired 100% of the ownership interests in GAS-twenty seven Ltd., the entity that owns a 170,000 cbm LNG carrier, the *Methane Becki Anne*, for an aggregate purchase price of \$207,400.

The above acquisitions were accounted for as reorganizations of companies under common control. The Partnership’s historical results were retroactively restated to reflect the historical results of the acquired entities from their respective dates of incorporation by GasLog. The carrying amounts of assets and liabilities included are based on the historical carrying amounts of such assets and liabilities recognized by the subsidiaries.

As of December 31, 2018, GasLog holds a 27.5% interest in the Partnership. As a result of its 100% ownership of the general partner, and the fact that the general partner elects the majority of the Partnership’s directors in accordance with the Partnership Agreement, GasLog has the ability to control the Partnership’s affairs and policies.

GasLog Partners LP

Notes to the consolidated financial statements (Continued)

For the years ended December 31, 2016, 2017 and 2018

(All amounts expressed in thousands of U.S. Dollars, except unit and per unit data)

1. Organization and Operations (Continued)

The Partnership's principal business is the acquisition and operation of vessels in the LNG market, providing transportation services of LNG on a worldwide basis under multi-year charters. GasLog LNG Services Ltd. ("GasLog LNG Services" or the "Manager"), a related party and a wholly owned subsidiary of GasLog, incorporated under the laws of the Bermuda, provides technical services to the Partnership.

On May 18, 2018, the Partnership through the *GasLog Shanghai* entered the Cool Pool, an LNG carrier pooling arrangement operated by GasLog and Golar LNG Ltd. (the "Cool Pool") to market their vessels operating in the LNG shipping spot market. The Cool Pool allows the participating owners to optimize the operation of the pool vessels through improved scheduling ability, cost efficiencies and common marketing. The objective of the Cool Pool is to serve the growing LNG market by providing customers with reliable, flexible and innovative solutions to meet their increasingly complex shipping requirements. As of December 31, 2018, the Cool Pool consists of 16 modern and efficient tri-fuel diesel electric ("TFDE") LNG carriers in the 155,000-170,000 cbm range. The Cool Pool charters the vessels for periods up to one year in duration as agents for the owners, who each remain responsible for the technical and commercial operation of their vessels and performance of the contracts.

As of December 31, 2018, the companies listed below were 100% held by the Partnership:

Name	Place of incorporation	Date of incorporation	Principal activities	Vessel	Cargo Capacity (cbm)	Delivery Date
GAS-three Ltd.	Bermuda	April 2010	Vessel-owning company	<i>GasLog Shanghai</i>	155,000	January 2013
GAS-four Ltd.	Bermuda	April 2010	Vessel-owning company	<i>GasLog Santiago</i>	155,000	March 2013
GAS-five Ltd.	Bermuda	February 2011	Vessel-owning company	<i>GasLog Sydney</i>	155,000	May 2013
GAS-seven Ltd.	Bermuda	March 2011	Vessel-owning company	<i>GasLog Seattle</i>	155,000	December 2013
GAS-eight Ltd.	Bermuda	March 2011	Vessel-owning company	<i>Solaris</i>	155,000	June 2014
GAS-eleven Ltd.	Bermuda	December 2012	Vessel-owning company	<i>GasLog Greece</i>	174,000	March 2016
GAS-thirteen Ltd.	Bermuda	July 2013	Vessel-owning company	<i>GasLog Geneva</i>	174,000	September 2016
GAS-fourteen Ltd.	Bermuda	July 2013	Vessel-owning company	<i>GasLog Gibraltar</i>	174,000	October 2016
GAS-sixteen Ltd.	Bermuda	January 2014	Vessel-owning company	<i>Methane Rita Andrea</i>	145,000	April 2014
GAS-seventeen Ltd.	Bermuda	January 2014	Vessel-owning company	<i>Methane Jane Elizabeth</i>	145,000	April 2014
GAS-nineteen Ltd.	Bermuda	April 2014	Vessel-owning company	<i>Methane Alison Victoria</i>	145,000	June 2014
GAS-twenty Ltd.	Bermuda	April 2014	Vessel-owning company	<i>Methane Shirley Elisabeth</i>	145,000	June 2014
GAS-twenty one Ltd.	Bermuda	April 2014	Vessel-owning company	<i>Methane Heather Sally</i>	145,000	June 2014
GAS-twenty seven Ltd.	Bermuda	January 2015	Vessel-owning company	<i>Methane Becki Anne</i>	170,000	March 2015
GasLog Partners Holdings LLC	Marshall Islands	April 2014	Holding company	—	—	—

2. Significant Accounting Policies

Statement of compliance

The consolidated financial statements of the Partnership have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board (the "IASB").

GasLog Partners LP

Notes to the consolidated financial statements (Continued)

For the years ended December 31, 2016, 2017 and 2018

(All amounts expressed in thousands of U.S. Dollars, except unit and per unit data)

2. Significant Accounting Policies (Continued)

Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

The principal accounting policies are set out below.

The consolidated financial statements are expressed in U.S. dollars (“USD”), which is the functional currency of the Partnership and each of its subsidiaries because their vessels operate in international shipping markets, in which revenues and expenses are primarily settled in USD and the Partnership’s most significant assets and liabilities are paid for and settled in USD.

In considering going concern, management has reviewed the Partnership’s future cash requirements, covenant compliance and earnings projections. As of December 31, 2018, the Partnership’s current assets totaled \$166,849 while current liabilities totaled \$497,976, resulting in a negative working capital position of \$331,127. Current liabilities include \$360,000 of loans due in November 2019. In February 2019, the Partnership signed a debt refinancing of up to \$450,000 with certain financial institutions (Note 22), in order to refinance such indebtedness.

Management anticipates that the Partnership’s primary sources of funds will be available cash, cash from operations, borrowings under new loan agreements and equity financings. Management believes that these sources of funds will be sufficient for the Partnership to meet its liquidity needs and comply with its banking covenants for at least twelve months from the end of the reporting period and therefore it is appropriate to prepare the financial statements on a going concern basis, although there can be no assurance that the Partnership will be able to obtain future debt and equity financing on terms acceptable to the Partnership.

On February 22, 2019, the Partnership’s board of directors authorized the consolidated financial statements for issuance and filing.

Basis of consolidation

The accompanying consolidated financial statements include the accounts of the Partnership and its subsidiaries assuming that they are consolidated from the date of their incorporation by GasLog, as they were under the common control of GasLog. All intra-group transactions and balances are eliminated on consolidation.

Accounting for (i) revenues and related operating expenses and (ii) voyage expenses and commissions

Revenues comprise revenues from time charters for the charter hire of the Partnership’s vessels earned during the period in accordance with existing contracts and gross pool revenues.

A time charter represents a contract entered into for the use of a vessel for a specific period of time and a specified daily charter hire rate. Time charter revenue is recognized as earned on a straight-line basis over the term of the relevant time charter starting from the vessel’s delivery to the charterer, except for any off-hire period, when a charter agreement exists, the vessel is made available and services are provided to the charterer and collection of the related revenue is reasonably assured. Unearned revenue includes cash received prior to the reporting date relating to services to be rendered

GasLog Partners LP

Notes to the consolidated financial statements (Continued)

For the years ended December 31, 2016, 2017 and 2018

(All amounts expressed in thousands of U.S. Dollars, except unit and per unit data)

2. Significant Accounting Policies (Continued)

after the reporting date. Accrued revenue represents income recognized in advance as a result of the straight-line revenue recognition in respect of charter agreements that provide for varying charter rates.

Under a time charter arrangement, the hire rate per the charter agreement has two components: the lease component and the service component relating to the vessel operating costs. The revenue in relation to the lease component of the agreements is accounted for under IAS 17 *Leases*. The revenue in relation to the service component relates to vessel operating expenses, which include expenses that are paid by the vessel owner such as management fees, crew wages, provisions and stores, technical maintenance and insurance expenses. These costs are essential to operating a charter and the charterers receive the benefit of these when the vessel is used during the contracted time and, therefore, these costs are accounted for in accordance with the requirements of IFRS 15 *Revenue from Contracts with Customers*.

Pool revenues are recognized on a gross basis representing time charter revenues earned by a GasLog Partners vessel participating in the pool under charter agreements where GasLog Partners contracts directly with charterers. Revenue is recognized on a monthly basis, when the vessel is made available and services are provided to the charterer during the period, the amount can be estimated reliably and collection of the related revenue is reasonably assured.

Time charter hires are received monthly in advance and are classified as liabilities until such time as the criteria for recognizing the revenue as earned are met.

Under a time charter arrangement the vessel operating expenses such as management fees, crew wages, provisions and stores, technical maintenance and insurance expenses, as well as broker's commissions, are paid by the vessel owner, whereas the majority of voyage expenses such as bunkers, port expenses, agents' fees and extra war risk insurance are paid by the charterer.

Management believes that mobilization of a vessel from a previous port of discharge to a subsequent port of loading does not result in a separate benefit for charterers and that the activity is thus incapable of being distinct. This activity is considered to be a required set-up activity to fulfill the contract. Consequently, positioning and repositioning fees and associated expenses should be recognized over the period of the contract, and not at a certain point in time following the adoption of IFRS 15 *Revenue from Contracts with Customers*. Consequently, positioning fees, repositioning fees and associated voyage expenses are recognized over the period of each contract, to match the recognition of the respective hire revenues realized. All other voyage expenses and vessel operating costs are expensed as incurred, with the exception of commissions, which are also recognized on a pro-rata basis over the duration of the period of the time charter. Bunkers' consumption included in voyage expenses represents mainly bunkers consumed during vessels' unemployment and off-hire.

Net pool allocation

The Partnership because of its participation in the Cool Pool also receives a net allocation from the pool, which is recognized separately in the consolidated statement of profit or loss under "Net Pool Allocation" and represents GasLog Partners' share of the net revenues earned from the other pool participants' vessels less the other participants' share of the net revenues earned by GasLog Partners'

GasLog Partners LP

Notes to the consolidated financial statements (Continued)

For the years ended December 31, 2016, 2017 and 2018

(All amounts expressed in thousands of U.S. Dollars, except unit and per unit data)

2. Significant Accounting Policies (Continued)

vessels included in the pool. Each participant's share of the net pool revenues is based on the number of pool points attributable to its vessels and the number of days such vessels participated in the pool.

Financial income and costs

Interest income, interest expense, other borrowing costs and realized loss on derivatives are recognized on an accrual basis.

Foreign currencies

Transactions in currencies other than USD are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary assets and liabilities denominated in other currencies are retranslated into USD at the rates prevailing at that date. All resulting exchange differences are recognized in the consolidated statement of profit or loss in the period in which they arise.

Deferred financing costs

Commitment, arrangement, structuring, legal and agency fees incurred for obtaining new loans or refinancing existing facilities are recorded as deferred loan issuance costs and classified contra debt while the fees incurred for the undrawn facilities are classified under non-current assets in the statement of financial position and are classified contra debt on the drawdown dates.

Deferred financing costs are deferred and amortized to financial costs over the term of the relevant loan, using the effective interest method. When the relevant loan is terminated or extinguished, the unamortized loan fees are written-off in the consolidated statement of profit or loss.

Vessels

Vessels are stated at cost less accumulated depreciation and any accumulated impairment loss. The initial cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition.

The cost of a LNG vessel is split into two components, a "vessel component" and a "dry-docking component". Depreciation for the vessel component is calculated on a straight-line basis, after taking into account the estimated residual values, over the estimated useful life of this major component of the value of the vessels. Residual values are based on management's estimation of the amount that the Partnership would currently obtain from disposal of its vessels, after deducting the estimated costs of disposal, if the vessels were already of the age and in the condition expected at the end of their useful life.

The LNG vessels are required to undergo a dry-docking overhaul every five years that cannot be performed while the vessels are operating to restore their service potential and to meet their classification requirements. The dry-docking component is estimated at the time of a vessel's delivery from the shipyard or acquisition from the previous owner and is measured based on the estimated cost of the first dry-docking, subsequent to its acquisition, based on the Partnership's historical experience with similar types of vessels. For subsequent dry-dockings, actual costs are capitalized when incurred.

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2. Significant Accounting Policies (Continued)

The dry-docking component is depreciated over the period of five years in the case of new vessels, and until the next dry-docking for secondhand vessels (which is performed within five years from the vessel's last dry-docking).

Costs that will be capitalized as part of the future dry-dockings will include a variety of costs incurred directly attributable to the dry-dock, and costs incurred to meet classification and regulatory requirements, as well as expenses related to the dock preparation and port expenses at the dry-dock shipyard, general shipyard expenses, expenses related to hull, external surfaces and decks, expenses related to machinery and engines of the vessel, as well as expenses related to the testing and correction of findings related to safety equipment on board. Dry-docking costs do not include vessel operating expenses such as replacement parts, crew expenses, provisions, lubricants consumption, insurance, management fees or management costs during the dry-docking period. Expenses related to regular maintenance and repairs of the vessels are expensed as incurred, even if such maintenance and repair occurs during the same time period as the dry-docking.

The expected useful lives are as follows:

<u>Vessel</u>	
LNG vessel component	35 years
Dry-docking component	5 years

Management estimates the useful life of its vessels to be 35 years from the date of initial delivery from the shipyard. Secondhand vessels are depreciated from the date of their acquisition through their remaining estimated useful life.

The useful lives and the depreciation method are reviewed annually to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from Partnership's vessels. The residual value is also reviewed at each financial period end. If expectations differ from previous estimates, the changes are accounted for prospectively in profit or loss in the period of the change and future periods.

Ordinary maintenance and repairs that do not extend the useful life of the asset are expensed as incurred.

When vessels are sold, they are derecognized and any gain or loss resulting from their disposals is included in profit or loss.

Impairment of vessels

All vessels are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Whenever the carrying amount of a vessel exceeds its recoverable amount, an impairment loss is recognized in the consolidated statement of profit or loss. The recoverable amount is the higher of a vessel's fair value less cost of disposal and "value in use". The fair value less cost of disposal is the amount obtainable from the sale of a vessel in an arm's length transaction less the costs of disposal, while "value in use" is the present value of estimated future cash flows expected to arise from the continuing use of a vessel and from its disposal at the end of its useful life. Recoverable amounts are estimated for individual vessels. Each vessel is

GasLog Partners LP

Notes to the consolidated financial statements (Continued)

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2. Significant Accounting Policies (Continued)

considered to be a single cash-generating unit. The fair value less cost of disposal of the vessels is estimated from market-based evidence by appraisal that is normally undertaken by professionally qualified brokers.

Reimbursable capital expenditures

Costs eligible for capitalization that are contractually reimbursable by our charterers are recognized on a gross basis in the period incurred under “Vessels”. Concurrently, an equal amount is deferred as a liability and amortized to profit or loss as income over the remaining tenure of the charter party agreement.

Provisions

Provisions are recognized when the Partnership has a present obligation (legal or constructive) as a result of a past event, it is probable that the Partnership will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Inventories

Inventories represent lubricants on board the vessel and, in the event of a vessel not being employed under a charter, bunkers on board the vessel. Inventories are stated at the lower of cost calculated on a first-in, first-out basis, and net realizable value.

Financial instruments

Financial assets and liabilities are recognized when the Partnership has become a party to the contractual provisions of the instrument. All financial instruments are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

- **Cash and cash equivalents**

Cash represents cash on hand and deposits with banks which are repayable on demand. Cash equivalents represent short-term, highly liquid investments which are readily convertible into known amounts of cash with original maturities of three months or less at the time of purchase that are subject to an insignificant risk of change in value.

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2. Significant Accounting Policies (Continued)

• Short-term investments

Short-term investments represent short-term, highly liquid time deposits placed with financial institutions which are readily convertible into known amounts of cash with original maturities of more than three months but less than 12 months at the time of purchase that are subject to an insignificant risk of change in value.

• Trade receivables

Trade receivables are carried at the amount expected to be received from the third party to settle the obligation. At each reporting date, all potentially uncollectible accounts are assessed individually for purposes of determining the appropriate allowance for doubtful accounts. Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. Trade receivables are written off when there is no reasonable expectation of recovery. See Note 4 for further information about the Partnership's accounting for trade receivables.

The simplified approach is applied to trade and other receivables and the Partnership recognizes lifetime expected credit losses ("ECLs") on the trade receivables. Under the simplified approach, the loss allowance is always equal to ECLs.

• Borrowings

Borrowings are measured at amortized cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement of the borrowings is recognized in the statement of profit or loss over the term of the borrowings.

• Derivative financial instruments

Derivative financial instruments, such as interest rate swaps or forward foreign exchange contracts, are used to economically hedge the Partnership's exposure to interest rate or foreign exchange rate risks. Derivative financial instruments are initially recognized at fair value and are subsequently remeasured to their fair value at each reporting date. The resulting changes in fair value are recognized in profit or loss immediately, unless the derivative is designated and effective as a hedging instrument, in which case the timing of the recognition in profit or loss depends on the nature of the hedge relationship. Derivatives are presented as assets when their valuation is favorable to the Partnership and as liabilities when unfavorable to the Partnership.

Criteria for classifying a derivative instrument in a hedging relationship include: (1) the hedging instrument is expected to be highly effective in achieving offsetting changes in fair value or cash flows attributable to the hedged risk; (2) the effectiveness of the hedge can be reliably measured; (3) there is adequate documentation of the hedging relationships at the inception of the hedge; and (4) for cash flow hedges, the forecasted transaction that is the hedged item in the hedging relationship must be considered highly probable.

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Notes to the consolidated financial statements (Continued)

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2. Significant Accounting Policies (Continued)

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income. The gain or loss relating to the ineffective portion is recognized immediately in the consolidated statement of profit or loss.

Amounts previously recognized in other comprehensive income and accumulated in equity are reclassified to the consolidated statement of profit or loss in the periods when the hedged item affects the consolidated statement of profit or loss. Hedge accounting is discontinued when the Partnership terminates the hedging relationship, when the hedging instrument expires or is sold, terminated or exercised, or when it no longer qualifies for hedge accounting.

Any gain or loss accumulated in equity at that time remains in equity and is recognized in the consolidated statement of profit or loss when the hedged item affects the consolidated statement of profit or loss. When a forecast transaction designated as the hedged item in a cash flow hedge is no longer expected to occur, the gain or loss accumulated in equity is recycled immediately to the consolidated statement of profit or loss.

Segment information

Each vessel-owning company owns one LNG carrier which is operated under a time charter with similar operating and economic characteristics. Consequently, the information provided to the Chief Executive Officer (the Partnership's chief operating decision maker) to review the Partnership's operating results and allocate resources is on a consolidated basis for a single reportable segment. Furthermore, when the Partnership charters a vessel to a charterer, the charterer is free to trade the vessel worldwide and, as a result, the disclosure of geographic information is impracticable.

Share-based compensation

Share-based compensation to executives and others providing similar services is measured at the fair value of the equity instruments on the grant date. Details regarding the determination of the fair value of share-based transactions are set out in Note 20. The fair value determined at the grant date of the equity-settled share-based compensation is expensed on a straight-line basis over the vesting period, based on the Partnership's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Partnership revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in the consolidated statement of profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share-based compensation reserve.

Critical accounting judgments and key sources of estimation uncertainty

The preparation of the consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses recognized in the consolidated financial statements. The Partnership's management evaluates whether estimates should be made on an ongoing basis, utilizing historical experience, consultation with experts and other methods which management considers reasonable in the particular circumstances. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability in the

GasLog Partners LP

Notes to the consolidated financial statements (Continued)

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2. Significant Accounting Policies (Continued)

future. Critical accounting judgments are those that reflect significant judgments of uncertainties and potentially result in materially different results under different assumptions and conditions.

Critical accounting judgments

In the process of applying the Partnership's accounting policies, management has made the following judgments, apart from those involving estimations, that had the most significant effect on the amounts recognized in the consolidated financial statements.

Classification of the Partnership interests: The interests in the Partnership comprise common units, preference units, a general partner interest and incentive distribution rights. Under the terms of the Partnership Agreement, the Partnership is required to distribute 100% of available cash (as defined in the Partnership Agreement) with respect to each quarter within 45 days of the end of the quarter to the partners. Available cash can be summarized as cash and cash equivalents less an amount equal to cash reserves established by the board of directors to (i) provide for the proper conduct of the business of the Partnership group (including reserves for future capital expenditures and for anticipated future credit needs of the Partnership group) subsequent to such quarter, (ii) comply with applicable law or any loan agreement, security agreement, mortgage, debt instrument or other agreement or obligation to which any Partnership group member is a party or by which it is bound or its assets are subject and/or (iii) provide funds for certain distributions relating to future periods.

In reaching a judgment as to whether the interests in the Partnership should be classified as liabilities or equity interests, the Partnership has considered the wide discretion of the board of directors to determine whether any portion of the amount of cash available to the Partnership constitutes available cash and that it is possible that there could be no available cash. In the event that there is no available cash, as determined by the board of directors, the Partnership does not have a contractual obligation to make a distribution. Accordingly, management has concluded that the Partnership interests do not represent a contractual obligation on the Partnership to deliver cash and therefore should be classified as equity within the financial statements.

Key sources of estimation uncertainty are as follows:

Impairment of vessels: The Partnership evaluates the carrying amounts of each of its vessels to determine whether there is any indication that those vessels have suffered an impairment loss by considering both internal and external sources of information. If any such indication exists, the recoverable amount of vessels is estimated in order to determine the extent of the impairment loss, if any.

Recoverable amount is the higher of fair value less costs to sell and value in use. The Partnership's estimates of recoverable value assume that the vessels are all in seaworthy condition without need for repair and certified in class without notations of any kind. In assessing the fair value less cost to sell of the vessel, the Partnership obtains charter free market values for its vessel from independent and internationally recognized ship brokers on a semi-annual basis, which are also commonly used and accepted by the Partnership's lenders for determining compliance with the relevant covenants in the Partnership's credit facilities. Vessel values can be highly volatile, so the estimates may not be indicative of the future market value of the Partnership's vessels or prices that could be achieved if it were to sell

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2. Significant Accounting Policies (Continued)

them. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. The projection of cash flows related to vessels is complex and requires management to make various estimates including future freight rates, earnings from the vessels and discount rates.

As of December 31, 2018, the carrying amounts of the steam turbine propulsion (“Steam”) vessels the *Methane Rita Andrea*, the *Methane Jane Elizabeth*, the *Methane Alison Victoria*, the *Methane Shirley Elisabeth*, the *Methane Heather Sally* and the TFDE vessel *Methane Becki Anne* were higher than the charter free market values estimated by shipbrokers and the Partnership concluded that events and circumstances triggered the existence of potential impairment of these vessels. As a result, the Partnership performed the impairment assessment of these vessels by comparing the discounted projected net operating cash flows for these vessels to their carrying values. The Partnership’s strategy is to charter its vessels on multi-year contracts, providing the Partnership with contracted stable cash flows. The assumptions which the Partnership has used in its discounted projected net operating cash flow analysis included, among others, operating revenues, utilization, dry-docking costs, operating expenses (including vessel management fees), residual values and the discount factor. The key assumptions are the estimate of charter rates for non-contracted revenue days and the discount rate.

Revenue assumptions were based on contracted time charter rates up to the end of life of the current contract of each vessel, as well as the estimated average time charter rates for the remaining life of the vessel after the completion of its current contract. The revenue assumptions exclude days of scheduled off-hire and assume a utilization rate of 99.5% based on the fleet’s historical performance and internal forecasts. The estimated daily time charter rates used for non-contracted revenue days after the completion of the current time charter are based on a combination of (i) recent charter market rates, (ii) conditions existing in the LNG market as of December 31, 2018, (iii) historical average time charter rates, based on publications by independent third party maritime research services (“maritime research publications”), and (iv) estimated future time charter rates, also based largely on maritime research publications that provide such forecasts. More specifically, for the non-contracted period starting upon the expiration of the firm charter period of each vessel and up to December 31, 2023, the Partnership used the most recent charter market rate for a 5-year time charter agreement based on available data from maritime research publications, which is \$45 per day for the Steam vessels and \$75 per day for the TFDE vessel. Such rates are lower than current spot rates at December 31, 2018.

For the remaining period from January 1, 2024 through the end of each vessel’s useful life, the estimated average time charter rate was based on analysis of future supply and demand for LNG, analysis of future LNG shipping supply and demand balances, internally estimated and market-derived costs of building and financing newbuild LNG vessels, the technical characteristics of each vessel and 5-year historical average 5-year time charter rates based on maritime research publications.

In connection with the impairment testing of our vessels as of December 31, 2018, we performed a sensitivity analysis on the most sensitive and/or subjective assumption that has the potential to affect the outcome of the impairment exercise, which is the projected charter hire rate used to forecast future cash flows for non-contracted days for the Steam vessels. The average charter rate used in our

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2. Significant Accounting Policies (Continued)

impairment exercise for the Steam vessels was \$58 per day while the average break-even charter hire rate, being the average of the contracted charter rate and the break-even re-chartering hire rate, was \$50 per day. Using an average charter rate of \$49 per day or 2% lower than the break-even charter hire rate would result in an aggregate impairment charge of \$19,374.

Recognizing that the LNG industry is cyclical and subject to significant volatility based on factors beyond the Partnership's control, management believes the use of revenue estimates discussed above to be reasonable as of the reporting date. The Partnership does not take into account any growth rate assumptions or inflation factors for determining forecasted time charter rates beyond the contracted charter rate period through the end of a vessel's useful life. In assessing the factors mentioned above for the purposes of determining estimated revenues, the Partnership has placed particular reliance on available third-party maritime research publications and analysis of LNG shipping supply and demand data.

In addition, the Partnership used an annual operating expenses escalation factor equal to 1% based on its historical data and performance, as well as its expectations of future inflation and operating and dry-docking costs. Estimates for the remaining useful lives of the current fleet and residual and scrap values are the same as those used for the Partnership's depreciation policy.

In the Partnership's impairment assessment, the weighted average cost of capital used to discount future estimated cash flows to their present values was approximately 7.0% as of December 31, 2018. This was based on the calculated cost of equity and cost of debt components. All estimates used and assumptions made were in accordance with the Partnership's internal budgets and historical experience of the shipping industry.

The value in use for the six vessels calculated as per above was higher than the carrying amount of these vessels and, consequently, no impairment loss was recognized.

Adoption of new and revised IFRS

(a) Standards and interpretations adopted in the current period

The following standards and amendments relevant to the Partnership were effective in the current year:

In May 2014, the IASB issued IFRS 15 *Revenue from Contracts with Customers*, which applies to all contracts with customers: the main exceptions are leases, financial instruments and insurance contracts. IFRS 15 specifies how and when an IFRS reporter will recognize revenue as well as requiring such entities to provide users of financial statements with more informative, relevant disclosures. The standard supersedes IAS 18 *Revenue*, IAS 11 *Construction Contracts* and a number of revenue-related interpretations. The standard is effective for annual periods beginning on or after January 1, 2018 and was applied by the Partnership using the modified retrospective approach. The adoption of the standard did not have an impact on the Partnership's historical financial statements.

The Partnership assessed that, under the time charter agreements, the hire rate per the charter agreement has two components: the lease component and the service component relating to the vessel's operating costs. The revenue in relation to the lease component of the agreements is accounted for

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2. Significant Accounting Policies (Continued)

under IAS 17 *Leases*. The revenue in relation to the service component relates to vessel operating expenses, which include expenses such as management fees, crew wages, provisions and stores, technical maintenance and insurance expenses that are paid by the vessel owner. These costs are essential to operating a charter and therefore, the charterers receive the benefit of these when the vessel is used during the contracted time and is accounted for in accordance with the requirements of IFRS 15 *Revenue from Contracts with Customers*.

Management believes that mobilization of a vessel from a previous port of discharge to a subsequent port of loading does not result in a separate benefit for charterers and that the activity is thus incapable of being distinct. This activity is considered to be a required set-up activity to fulfill the contract. On that basis, it was concluded that positioning and repositioning fees and associated expenses should be recognized over the period of the contract, and not at a certain point in time.

In July 2014, the IASB issued the complete version of IFRS 9 *Financial Instruments*. IFRS 9 specifies how an entity should classify and measure financial assets and financial liabilities. The new standard requires all financial assets to be subsequently measured at amortized cost or fair value depending on the business model of the legal entity in relation to the management of the financial assets and the contractual cash flows of the financial assets. The standard also requires a financial liability to be classified as either at fair value through profit or loss or at amortized cost. In addition, a new hedge accounting model was introduced, that is designed to be more closely aligned with how entities undertake risk management activities when hedging financial and non-financial risk exposures. The standard, which is effective for annual periods beginning on or after January 1, 2018, did not have an impact on the Partnership's financial statements.

(b) Standards and amendments in issue not yet adopted

At the date of authorization of these consolidated financial statements, the following standard relevant to the Partnership was in issue but not yet effective:

In January 2016, the IASB issued IFRS 16 *Leases*, which sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e. the customer ("lessee") and the supplier ("lessor"). IFRS 16 eliminates the classification of leases by lessees as either operating leases or finance leases and, instead, introduces a single lessee accounting model. Applying that model, a lessee is required to recognise: (a) assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value; and (b) depreciation of lease assets separately from interest on lease liabilities in the statement of profit or loss. Lessors continue to classify their leases as operating leases or finance leases, and to account for those two types of leases differently. IFRS 16 supersedes the previous leases Standard, IAS 17 *Leases*, and related Interpretations. The standard is effective from January 1, 2019. For leases where the Partnership is the lessee, the Partnership has elected to apply the simplified approach, by which comparative information is not restated and any adjustment is recognized at the date of initial application of IFRS 16 *Leases*. The adoption of the standard on January 1, 2019, will result in an increase in total assets of \$1,076, an increase in retained earnings of \$153 and an increase in total liabilities of \$923, which are not considered significant for the Partnership's consolidated financial statements.

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Notes to the consolidated financial statements (Continued)
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2. Significant Accounting Policies (Continued)

The impact of all other IFRS standards and amendments issued but not yet adopted is not expected to be material on the Partnership's financial statements.

3. Vessels

The movement in vessels is reported in the following table:

	<u>Vessels</u>
<u>Cost</u>	
As of January 1, 2017	2,621,435
Additions	5,665
Fully amortized dry-docking component	(2,500)
As of December 31, 2017	2,624,600
Additions	33,745
Fully amortized dry-docking component	(7,500)
As of December 31, 2018	2,650,845
<u>Accumulated depreciation</u>	
As of January 1, 2017	182,343
Depreciation expense	81,089
Fully amortized dry-docking component	(2,500)
As of December 31, 2017	260,932
Depreciation expense	81,590
Fully amortized dry-docking component	(7,500)
As of December 31, 2018	335,022
<u>Net book value</u>	
As of December 31, 2017	2,363,668
As of December 31, 2018	2,315,823

All the vessels have been pledged as collateral under the terms of the Partnership's bank loan agreements (Note 6).

On May 3, 2017, the Partnership acquired from GasLog 100% of the ownership interests in GAS-eleven Ltd., the entity which owns the *GasLog Greece*, for an aggregate purchase price of \$219,000. As consideration for this acquisition, the Partnership paid GasLog \$66,643 representing the difference between the \$219,000 aggregate purchase price and the \$151,423 of outstanding indebtedness of the acquired entity assumed by the Partnership less an adjustment of \$934 in order to maintain the agreed working capital position in the acquired entity of \$1,000 at the time of acquisition.

On July 3, 2017, the Partnership acquired from GasLog 100% of the ownership interests in GAS-thirteen Ltd., the entity which owns the *GasLog Geneva*, for an aggregate purchase price of \$211,000. As consideration for this acquisition, the Partnership paid GasLog \$54,911 representing the difference between the \$211,000 aggregate purchase price and the \$155,005 of outstanding indebtedness

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Notes to the consolidated financial statements (Continued)

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3. Vessels (Continued)

of the acquired entity assumed by the Partnership less an adjustment of \$1,084 in order to maintain the agreed working capital position in the acquired entity of \$1,000 at the time of acquisition.

On October 20, 2017, the Partnership acquired from GasLog 100% of the ownership interests in GAS-eight Ltd., the entity which owns the *Solaris*, for an aggregate purchase price of \$185,900. As consideration for this acquisition, the Partnership paid GasLog \$70,614 representing the difference between the \$185,900 aggregate purchase price and the \$116,518 of outstanding indebtedness of the acquired entity assumed by the Partnership plus an adjustment of \$1,232 in order to maintain the agreed working capital position in the acquired entity of \$1,000 at the time of acquisition.

On April 26, 2018, the Partnership acquired from GasLog 100% of the ownership interests in GAS-fourteen Ltd., the entity which owns the *GasLog Gibraltar*, for an aggregate purchase price of \$207,000. As consideration for this acquisition, the Partnership paid GasLog \$19,085 representing the difference between the \$207,000 aggregate purchase price, \$143,622 of outstanding indebtedness of the acquired entity assumed by the Partnership and \$45,000 of new privately placed common units issued to GasLog (1,858,975 common units at a price of \$24.21 per unit) plus an adjustment of \$707 in order to maintain the agreed working capital position in the acquired entity of \$1,000 at the time of acquisition.

On November 14, 2018, the Partnership acquired from GasLog 100% of the ownership interests in GAS-twenty seven Ltd., the entity which owns the *Methane Becki Anne*, for an aggregate purchase price of \$207,400. As consideration for this acquisition, the Partnership paid GasLog \$109,398 representing the difference between the \$207,400 aggregate purchase price and the \$93,896 of outstanding indebtedness of the acquired entity assumed by the Partnership less an adjustment of \$4,106 in order to maintain the agreed working capital position in the acquired entity of \$1,000 at the time of acquisition.

4. Trade and Other Receivables

Trade and other receivables consisted of the following:

	As of December 31,	
	2017	2018
Due from charterers	1,081	788
VAT receivable	56	103
Accrued income	935	6,546
Insurance claims	75	160
Other receivables	1,618	5,887
Total	3,765	13,484

As of December 31, 2017 and 2018, no receivable balances were past due or impaired and therefore no allowance was necessary.

Accrued income represents net revenues receivable from charterers, which have not yet been invoiced; all other amounts not yet invoiced are included under Other receivables.

GasLog Partners LP**Notes to the consolidated financial statements (Continued)****For the years ended December 31, 2016, 2017 and 2018****(All amounts expressed in thousands of U.S. Dollars, except unit and per unit data)****5. Owners' Capital/Partners' Equity**

As of January 1, 2016, the capital of each of the subsidiaries consisted of 12,000 authorized common shares with a par value of \$1 per share, all of which have been issued and are outstanding, resulting in a total share capital of \$72. Each share was entitled to one vote.

Capital contributions represent capital contributed by the owner of each subsidiary in excess of par value to fund working capital and shipyard installments and capital contributed through contributed services.

The reconciliation of owners' capital is as follows:

	Share capital	Contributed surplus	Cash flow hedging reserve	Retained earnings	Total Owners' capital
Balance as of January 1, 2016	72	191,329	(2,527)	10,280	199,154
Capital contributions	—	120,097	—	—	120,097
Profit attributable to GasLog's operations	—	—	—	22,439	22,439
Other comprehensive income attributable to GasLog's operations	—	—	2,527	—	2,527
Total comprehensive income attributable to GasLog's operations	—	—	2,527	22,439	24,966
Net contribution to the Partnership	(12)	(60,660)	—	(6,234)	(66,906)
Balance as of December 31, 2016	60	250,766	—	26,485	277,311
Capital contributions	—	12,000	—	—	12,000
Profit attributable to GasLog's operations	—	—	—	40,628	40,628
Total comprehensive income attributable to GasLog's operations	—	—	—	40,628	40,628
Net contribution to the Partnership	(36)	(137,817)	—	(36,532)	(174,385)
Balance as of December 31, 2017	24	124,949	—	30,581	155,554
Profit attributable to GasLog's operations	—	—	—	12,916	12,916
Total comprehensive income attributable to GasLog's operations	—	—	—	12,916	12,916
Net contribution to the Partnership	(24)	(124,949)	—	(43,497)	(168,470)
Balance as of December 31, 2018	—	—	—	—	—

On August 5, 2016, GasLog Partners completed an equity offering of 2,750,000 common units at a public offering price of \$19.50 per unit. The net proceeds from this offering after deducting underwriting discounts and other offering expenses, were \$52,299. In connection with the offering, the Partnership issued 56,122 general partner units to its general partner in order for GasLog to retain its 2.0% general partner interest. The net proceeds from the issuance of the general partner units were \$1,094.

On January 27, 2017, GasLog Partners completed an equity offering of 3,750,000 common units at a public offering price of \$20.50 per unit. In addition, the option to purchase additional units was partially exercised by the underwriter on February 24, 2017, resulting in 120,000 additional units being

GasLog Partners LP

Notes to the consolidated financial statements (Continued)

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(All amounts expressed in thousands of U.S. Dollars, except unit and per unit data)

5. Owners' Capital/Partners' Equity (Continued)

sold at the same price. The aggregate net proceeds from this offering, including the partial exercise by the underwriter of the option to purchase additional units, after deducting underwriting discounts and other offering expenses, were \$78,197. In connection with the offering, the Partnership also issued 78,980 general partner units to its general partner in order for GasLog to retain its 2.0% general partner interest. The net proceeds from the issuance of the general partner units were \$1,619.

On May 15, 2017, GasLog Partners completed a public offering of 5,750,000 8.625% Series A Cumulative Redeemable Perpetual Fixed to Floating Rate Preference Units (the "Series A Preference Units"), including 750,000 units issued upon the exercise in full by the underwriters of their option to purchase additional Series A Preference Units, liquidation preference \$25.00 per unit, at a price to the public of \$25.00 per preference unit. The net proceeds from the offering, after deducting underwriting discounts, commissions and other offering expenses, were \$138,804. The Series A Preference Units are listed on the New York Stock Exchange under the symbol "GLOP PR A".

On May 16, 2017, GasLog Partners commenced an "at-the-market" common equity offering programme ("ATM Programme") under which the Partnership may, from time to time, raise equity through the issuance and sale of new common units having an aggregate offering price of up to \$100,000 in accordance with the terms of an equity distribution agreement, entered into on the same date. Citigroup Global Markets Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Credit Suisse Securities (USA) LLC and Morgan Stanley & Co. LLC have agreed to act as sales agents. On November 3, 2017, the Partnership entered into the Amended and Restated Equity Distribution Agreement to increase the size of the ATM Programme to \$144,040 and include UBS Securities LLC as a sales agent.

From establishment of the ATM Programme through December 31, 2017, GasLog Partners had issued and received payment for 2,737,405 common units at a weighted average price of \$22.97 per common unit for total net proceeds, after deducting fees and other expenses, of \$61,224. In connection with the issuance of common units under the ATM Programme during this period, the Partnership also issued 55,866 general partner units to its general partner in order for GasLog to retain its 2.0% general partner interest. The net proceeds from the issuance of the general partner units were \$1,283.

Additionally, on May 16, 2017, the subordination period expired and consequently all 9,822,358 subordinated units held by GasLog converted into common units on a one-for-one basis and now participate pro rata with all other outstanding common units in distributions of available cash.

On January 17, 2018, GasLog Partners completed a public offering of 4,600,000 8.200% Series B Cumulative Redeemable Perpetual Fixed to Floating Rate Preference Units (the "Series B Preference Units"), including 600,000 units issued upon the exercise in full by the underwriters of their option to purchase additional Series B Preference Units, liquidation preference \$25.00 per unit, at a price to the public of \$25.00 per preference unit. The net proceeds from the offering, after deducting underwriting discounts, commissions and other offering expenses, were \$111,194. The Series B Preference Units are listed on the New York Stock Exchange under the symbol "GLOP PR B".

On April 3, 2018, GasLog Partners issued 33,998 common units in connection with the vesting of 16,999 Restricted Common Units ("RCUs") and 16,999 Performance Common Units ("PCUs") under its 2015 Long-Term Incentive Plan (the "2015 Plan") at a price of \$23.55 per unit. Subsequently, on

GasLog Partners LP

Notes to the consolidated financial statements (Continued)

For the years ended December 31, 2016, 2017 and 2018

(All amounts expressed in thousands of U.S. Dollars, except unit and per unit data)

5. Owners' Capital/Partners' Equity (Continued)

April 26, 2018, in connection with the acquisition of GAS-fourteen Ltd., the entity that owns and charters the *GasLog Gibraltar*, GasLog Partners issued 1,858,975 common units to GasLog at a price of \$24.21 per unit. In connection with these common equity issuances and in order for GasLog to retain its 2.0% general partner interest, GasLog Partners also issued 38,632 general partner units to GasLog, for net proceeds of \$935. On November 15, 2018, GasLog Partners completed a public offering of 4,000,000 8.500% Series C Cumulative Redeemable Perpetual Fixed to Floating Rate Preference Units (the "Series C Preference Units, and together with the Series A Preference Units and Series B Preference Units, the "Preference Units"), liquidation preference \$25.00 per unit, at a price to the public of \$25.00 per preference unit. The net proceeds from the offering, after deducting underwriting discounts, commissions and other offering expenses, were \$96,307. The Series C Preference Units are listed on the New York Stock Exchange under the symbol "GLOP PR C".

Under the Partnership's ATM Programme, in the year ended December 31, 2018, GasLog Partners issued and received payment for 2,553,899 common units at a weighted average price of \$23.72 per common unit for total net proceeds, after deducting fees and other expenses, of \$60,013. In connection with the issuance of common units under the ATM Programme during this year, the Partnership also issued 52,121 general partner units to its general partner in order for GasLog to retain its 2.0% general partner interest. The net proceeds from the issuance of the general partner units were \$1,236.

As of December 31, 2018, the Partnership's capital consisted of 45,448,993 outstanding common units, 927,532 outstanding general partner units and 14,350,000 Preference Units.

GasLog Partners LP**Notes to the consolidated financial statements (Continued)****For the years ended December 31, 2016, 2017 and 2018****(All amounts expressed in thousands of U.S. Dollars, except unit and per unit data)****5. Owners' Capital/Partners' Equity (Continued)****Cash distributions**

The Partnership's cash distributions for the years ended December 31, 2016, 2017 and 2018 are presented in the following table:

<u>Declaration date</u>	<u>Type of units</u>	<u>Distribution per unit</u>	<u>Payment date</u>	<u>Amount paid</u>
January 27, 2016	Common	\$ 0.478	February 12, 2016	15,710
April 27, 2016	Common	\$ 0.478	May 13, 2016	15,712
July 27, 2016	Common	\$ 0.478	August 12, 2016	17,077
October 26, 2016	Common	\$ 0.478	November 11, 2016	17,078
Total				\$ 65,577
January 26, 2017	Common	\$ 0.49	February 10, 2017	19,549
April 26, 2017	Common	\$ 0.50	May 12, 2017	20,121
July 26, 2017	Common	\$ 0.51	August 11, 2017	21,001
July 26, 2017	Preference (Series A)	\$ 0.71875	September 15, 2017	4,132
October 25, 2017	Common	\$ 0.5175	November 10, 2017	22,377
November 16, 2017	Preference (Series A)	\$0.5390625	December 15, 2017	3,100
Total				\$ 90,280
January 30, 2018	Common	\$ 0.5235	February 14, 2018	22,845
February 8, 2018	Preference (Series A)	\$0.5390625	March 15, 2018	3,100
February 8, 2018	Preference (Series B)	\$ 0.33028	March 15, 2018	1,519
April 26, 2018	Common	\$ 0.53	May 11, 2018	24,272
May 11, 2018	Preference (Series A)	\$0.5390625	June 15, 2018	3,100
May 11, 2018	Preference (Series B)	\$ 0.5125	June 15, 2018	2,357
July 25, 2018	Common	\$ 0.53	August 10, 2018	24,272
July 25, 2018	Preference (Series A)	\$0.5390625	September 17, 2018	3,100
July 25, 2018	Preference (Series B)	\$ 0.5125	September 17, 2018	2,357
October 24, 2018	Common	\$ 0.53	November 9, 2018	25,716
November 15, 2018	Preference (Series A)	\$0.5390625	December 17, 2018	3,100
November 15, 2018	Preference (Series B)	\$ 0.5125	December 17, 2018	2,356
Total				\$118,094

Voting Rights

The following is a summary of the unitholder vote required for the approval of the matters specified below. Matters that require the approval of a "unit majority" require the approval of a majority of the outstanding common units voting as a single class.

In voting their common units the general partner and its affiliates will have no fiduciary duty or obligation whatsoever to the Partnership or the limited partners, including any duty to act in good faith or in the best interests of the Partnership or the limited partners.

Each outstanding common unit is entitled to one vote on matters subject to a vote of common unitholders. However, to preserve the Partnership's ability to claim an exemption from U.S. federal income tax under Section 883 of the Code, if at any time any person or group owns beneficially more

GasLog Partners LP

Notes to the consolidated financial statements (Continued)

For the years ended December 31, 2016, 2017 and 2018

(All amounts expressed in thousands of U.S. Dollars, except unit and per unit data)

5. Owners' Capital/Partners' Equity (Continued)

than 4.9% of any class or series of units then outstanding, any units beneficially owned by that person or group in excess of 4.9% may not be voted on any matter and will not be considered to be outstanding when sending notices of a meeting of limited partners, calculating required votes (except for purposes of nominating a person for election to the board of directors), determining the presence of a quorum or for other similar purposes under the Partnership Agreement, unless otherwise required by law. Effectively, this means that the voting rights of any such unitholders in excess of 4.9% will be redistributed pro rata among the other common unitholders holding less than 4.9% of the voting power of all classes of units entitled to vote. The general partner, its affiliates and persons who acquired common units with the prior approval of the board of directors will not be subject to this 4.9% limitation except with respect to voting their common units in the election of the elected directors. This loss of voting rights does not apply to the preference units.

The Partnership holds a meeting of the limited partners every year to elect one or more members of the board of directors and to vote on any other matters that are properly brought before the meeting. The general partner retains the right to appoint four of the directors.

Preference unitholders generally have no voting rights. However, the consent of at least two thirds of the outstanding preference units, voting as a single class, is required prior to any amendment to the Partnership Agreement that would have a material adverse effect on the existing terms of the preference units, the issuance of securities that rank *pari passu* to the preference units if distributions are in arrears, or the issuance of securities that rank senior to the preference units. In addition, preference unitholders become entitled to elect one director to the Partnership's board of directors if and whenever distributions payable are in arrears for six or more quarterly periods, whether or not consecutive. In such a case, the general partner will also be entitled to appoint one additional director to the board of directors.

General Partner Interest

The Partnership Agreement provides that the general partner initially will be entitled to 2.0% of all distributions that the Partnership makes prior to its liquidation. The general partner has the right, but not the obligation, to contribute a proportionate amount of capital to the Partnership to maintain its 2.0% general partner interest if the Partnership issues additional units. The general partner's 2.0% interest, and the percentage of the Partnership's cash distributions to which it is entitled, will be proportionately reduced if the Partnership issues additional units in the future and the general partner does not contribute a proportionate amount of capital to the Partnership in order to maintain its 2.0% general partner interest. The general partner will be entitled to make a capital contribution in order to maintain its 2.0% general partner interest in the form of the contribution to the Partnership of common units based on the current market value of the contributed common units.

Incentive Distribution Rights

IDRs represent the right to receive an increasing percentage of quarterly distributions of available cash from operating surplus after the payment of preference unit distributions and after the minimum quarterly distribution and the target distribution levels have been achieved. Since completion of the IPO, GasLog has held 100% of the IDRs. The IDRs may be transferred separately from any other

GasLog Partners LP**Notes to the consolidated financial statements (Continued)****For the years ended December 31, 2016, 2017 and 2018****(All amounts expressed in thousands of U.S. Dollars, except unit and per unit data)****5. Owners' Capital/Partners' Equity (Continued)**

interests, subject to restrictions in the Partnership Agreement. Except for transfers of incentive distribution rights to an affiliate or another entity as part of a merger or consolidation with or into, or sale of substantially all of the assets to, such entity, the approval of a majority of the Partnership's common units (excluding common units held by the general partner and its affiliates), voting separately as a class, is generally required for a transfer of the IDR's to a third party prior to March 31, 2019. Any transfer by GasLog of the IDR's would not change the percentage allocations of quarterly distributions with respect to such right.

On November 27, 2018, the Partnership Agreement was amended to allow for the substitution of the existing IDR's with a new class of IDR's (the "New IDR's", together with the Old IDR's, the "IDR's") with revised rights to distributions. Pursuant to this amendment, the 48.0% tier of distributions to the New IDR's holders was removed, while the definition of available cash from operating surplus for distribution to the New IDR's holders was revised to exclude any available cash from operating surplus generated from third-party (i.e., non-GasLog) acquisitions, as defined in the agreement. In exchange for the waiving of the aforementioned rights, the Partnership paid \$25,000 to GasLog, the holder of the IDR's, sourced from available cash.

The following table illustrates the percentage allocation of the additional available cash from operating surplus after the payment of preference unit distributions, in respect to such rights, until November 27, 2018:

	Marginal Percentage Interest in Distributions			
	Total Quarterly Distribution Target Amount	Unitholders	General Partner	Holders of IDR's
Old IDR's				
Minimum Quarterly Distribution	\$0.375	98.0%	2.0%	0%
First Target Distribution	\$0.375 up to \$0.43125	98.0%	2.0%	0%
Second Target Distribution	\$0.43125 up to \$0.46875	85.0%	2.0%	13.0%
Third Target Distribution	\$0.46875 up to \$0.5625	75.0%	2.0%	23.0%
Thereafter	Above \$0.5625	50.0%	2.0%	48.0%

Effective November 27, 2018, the percentage allocation of the additional available cash from operating surplus after the payment of preference unit distributions and excluding available cash from operating surplus derived from non-GasLog acquisitions, was amended, in respect to such rights, as follows:

	Marginal Percentage Interest in Distributions			
	Total Quarterly Distribution Target Amount	Unitholders	General Partner	Holders of IDR's
New IDR's				
Minimum Quarterly Distribution	\$0.375	98.0%	2.0%	0%
First Target Distribution	\$0.375 up to \$0.43125	98.0%	2.0%	0%
Second Target Distribution	\$0.43125 up to \$0.46875	85.0%	2.0%	13.0%
Thereafter	Above \$0.46875	75.0%	2.0%	23.0%

GasLog Partners LP

Notes to the consolidated financial statements (Continued)

For the years ended December 31, 2016, 2017 and 2018

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5. Owners' Capital/Partners' Equity (Continued)

Subordinated Units

Since the IPO and until May 16, 2017, GasLog held all of the Partnership's subordinated units. The principal difference between the common units and subordinated units was that in any quarter during the subordination period the subordinated units were entitled to receive the minimum quarterly distribution of \$0.375 per unit only after the common units had received the minimum quarterly distribution and arrearages in the payment of the minimum quarterly distribution from prior quarters. Subordinated units did not accrue arrearages. In accordance with the terms of the Partnership Agreement, the subordination period generally would end if the Partnership had earned and paid at least \$0.375 on each outstanding common and subordinated unit and the corresponding distribution on the general partner's 2.0% interest for any three consecutive four-quarter periods ending on or after March 31, 2017.

On May 16, 2017, the subordination period expired and consequently all 9,822,358 subordinated units held by GasLog converted into common units on a one-for-one basis and now participate pro rata with all other outstanding common units in distributions of available cash.

Preference Units

From and including the original issue date to, but excluding, June 15, 2027, distributions on the Series A Preference Units will accrue at 8.625% per annum per \$25.00 of liquidation preference per unit. From and including June 15, 2027, the distribution rate will be a floating rate equal to the three-month LIBOR plus a spread of 6.31% per annum per \$25.00 of liquidation preference per unit of Series A Preference Units.

From and including the original issue date to, but excluding, March 15, 2023, distributions on the Series B Preference Units will accrue at 8.200% per annum per \$25.00 of liquidation preference per unit. From and including March 15, 2023, the distribution rate will be a floating rate equal to three-month LIBOR plus a spread of 5.839% per annum per \$25.00 of liquidation preference per unit of Series A Preference Units.

From and including the original issue date to, but excluding, March 15, 2024, the distribution rate for the Series C Preference Units will accrue at 8.500% per annum per \$25.00 of liquidation preference per unit. From and including March 15, 2024, the distribution rate will be a floating rate equal to the three-month LIBOR plus a spread of 5.317% per annum per \$25.00 of liquidation preference per unit of Series C Preference Units. The initial distribution on the Series C Preference Units is payable on March 15, 2019.

The Preference Units issued are not convertible into common units and have been accounted for as equity instruments based on certain characteristics such as the absolute discretion held by our board of directors over distributions, which can be deferred and accumulated, as well as the redemption rights held only by the Partnership. The Series A, Series B and Series C Preference Units have preference upon liquidation and the holders would receive \$25.00 per unit plus any accumulated and unpaid distributions.

GasLog Partners LP**Notes to the consolidated financial statements (Continued)****For the years ended December 31, 2016, 2017 and 2018****(All amounts expressed in thousands of U.S. Dollars, except unit and per unit data)****6. Borrowings**

Borrowings as of December 31, 2017 and 2018 consisted of the following:

	As of December 31,	
	2017	2018
Amounts due within one year	126,850	434,600
Less: unamortized deferred loan issuance costs	(5,653)	(5,163)
Borrowings—current portion	121,197	429,437
Amounts due after one year	1,296,719	817,119
Less: unamortized deferred loan issuance costs	(17,788)	(11,559)
Borrowings—non-current portion	1,278,931	805,560
Total	1,400,128	1,234,997

Terminated Facilities:**(a) Citibank N.A. London Branch facility**

Following the acquisition of GAS-nineteen Ltd., GAS-twenty Ltd. and GAS-twenty one Ltd., the Partnership assumed \$325,500 of outstanding indebtedness of the acquired entities. The loan agreement was signed by GAS-nineteen Ltd., GAS-twenty Ltd. and GAS-twenty one Ltd., on May 12, 2014 with Citibank N.A. London Branch, acting as security agent and trustee for and on behalf of the other finance parties. The loan has a two-year maturity bearing interest at LIBOR plus a margin and \$108,500 was drawn on each of June 3, 2014, on June 10, 2014 and on June 24, 2014 to partially finance the deliveries of the *Methane Alison Victoria*, the *Methane Shirley Elisabeth* and the *Methane Heather Sally*, respectively. Using the proceeds of the equity offering completed in June 2015, GasLog Partners prepaid \$10,000 of the GAS-nineteen Ltd. tranche on September 4, 2015, \$5,000 of the GAS-twenty Ltd. tranche on December 10, 2015 and \$5,000 of the GAS-twenty one Ltd. tranche on December 29, 2015. On April 5, 2016, the outstanding amount of \$305,500 under the facility was fully repaid.

(b) Credit Suisse AG facility

On January 18, 2012, GAS-seven Ltd. entered into a loan agreement of up to \$144,000 with Credit Suisse AG, for the purpose of financing one of the newbuilding vessels. The loan agreement provided for a single tranche that was drawn on December 4, 2013 for the financing of the *GasLog Seattle*. On July 25, 2016, the outstanding amount of \$124,000 under the facility was fully repaid.

(c) DnB Bank ASA, Commonwealth Bank of Australia, Danish Ship Finance A/S, ING Bank N.V. and Skandinaviska Enskilda Banken AB (publ) facility

On December 23, 2011, GAS-eight Ltd. entered into a loan agreement for a senior secured credit facility of up to \$143,000 with DnB Bank ASA, Commonwealth Bank of Australia, Danish Ship Finance A/S, ING Bank N.V. and Skandinaviska Enskilda Banken AB (publ), for the purpose of financing one of the newbuilding vessels. The loan agreement provided for a single tranche that was

GasLog Partners LP

Notes to the consolidated financial statements (Continued)

For the years ended December 31, 2016, 2017 and 2018

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6. Borrowings (Continued)

drawn on June 24, 2014 for the financing of the *Solaris*. On July 25, 2016, the outstanding amount of \$127,080 under the facility was fully repaid.

(d) ABN Amro Bank N.V., Commonwealth Bank of Australia, Credit Agricole Corporate and Investment Bank, Deutsche Bank AG Filiale Deutschlandgeschäft and DNB Bank ASA, London Branch and ING Bank N.V., London Branch facility

On March 25, 2015, GAS-twenty seven Ltd. entered into a senior secured term loan facility of up to \$162,500 with ABN Amro Bank N.V., Commonwealth Bank of Australia, Credit Agricole Corporate and Investment Bank, Deutsche Bank AG Filiale Deutschlandgeschäft, DNB Bank ASA, London Branch and ING Bank N.V., London Branch, and a subordinated term loan facility of up to \$67,500 with ABN Amro Bank N.V., Credit Agricole Corporate and Investment Bank, Deutsche Bank AG Filiale Deutschlandgeschäft and DNB Bank ASA, London Branch for the purpose of financing the acquisition of the *Methane Becki Anne*. The available amounts were fully drawn on March 31, 2015. Both facilities bore interest at LIBOR plus a margin.

On April 5, 2016, pursuant to the Five Vessel Refinancing (please refer to (b) below), the outstanding balances of \$162,500 under the senior secured term loan facility and \$67,500 under the subordinated term loan facility were fully repaid.

Existing Facilities:

(a) Citibank N.A., London Branch, Nordea Bank Finland PLC London Branch, DVB Bank America N.V., ABN Amro Bank N.V., Skandinaviska Enskilda Banken AB and BNP Paribas facility

On November 12, 2014, GAS-three Ltd., GAS-four Ltd., GAS-five Ltd., GAS-sixteen Ltd., GAS-seventeen Ltd, GasLog Partners LP and GasLog Partners Holdings LLC entered into a loan agreement with Citibank N.A., London Branch, acting as security agent and trustee for and on behalf of the other finance parties mentioned above, for a credit facility for up to \$450,000 (the "Partnership Facility") for the purpose of refinancing in full the existing debt facilities. The agreement provides for a single tranche that was drawn on November 18, 2014. The credit facility bears interest at LIBOR plus a margin. The balance outstanding as of December 31, 2018 is \$360,000 and is repayable in four quarterly installments of \$5,625 and a final balloon payment of \$337,500 together with the last quarterly installment in November 2019. In February 2019, the Partnership signed a debt refinancing of up to \$450,000 with certain financial institutions (Note 22), in order to refinance such indebtedness.

(b) Five Vessel Refinancing

On February 18, 2016, subsidiaries of the Partnership and GasLog entered into credit agreements (the "Five Vessel Refinancing") to refinance the debt maturities that were scheduled to become due in 2016 and 2017. The Five Vessel Refinancing is comprised of a five-year senior tranche facility of up to \$396,500 and a two-year bullet junior tranche of up to \$180,000. The vessels covered by the Five Vessel Refinancing are the Partnership-owned *Methane Alison Victoria*, *Methane Shirley Elisabeth*, *Methane Heather Sally* and *Methane Becki Anne* and the GasLog-owned *Methane Lydon Volney*. ABN AMRO Bank N.V. and DNB (UK) Ltd. were mandated lead arrangers to the transaction. The other banks in the syndicate are: DVB Bank America N.V., Commonwealth Bank of Australia, ING Bank N.V.,

GasLog Partners LP

Notes to the consolidated financial statements (Continued)

For the years ended December 31, 2016, 2017 and 2018

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6. Borrowings (Continued)

London Branch, Credit Agricole Corporate and Investment Bank and National Australia Bank Limited. Following the acquisition of the *Methane Becki Anne* on November 14, 2018, the Partnership assumed \$93,896 of outstanding indebtedness of the acquired entity.

On April 5, 2016, \$323,162 and \$149,792 under the senior and junior tranche, respectively, of the Five Vessel Refinancing were drawn to refinance \$535,500 of the outstanding debt of GAS-nineteen Ltd., GAS-twenty Ltd., GAS-twenty one Ltd and GAS-twenty seven Ltd. The balance outstanding for the entities owned by the Partnership as of December 31, 2018 is \$265,580 under the senior tranche that is repayable in 10 quarterly installments of \$6,290 and a final balloon payment of \$202,680 together with the last quarterly installment in April 2021. Amounts drawn bear interest at LIBOR plus a margin. The balance under the junior tranche was prepaid by the Partnership on April 5, 2017 and January 5, 2018, in amounts of \$120,042 and \$29,750, respectively, with the junior tranche subsequently cancelled.

(c) Citigroup Global Market Limited, Credit Suisse AG, Nordea Bank AB, Skandinaviska Enskilda Banken AB (publ), HSBC Bank Plc, ING Bank N.V., London Branch, Danmarks Skibskredit A/S, Korea Development Bank and DVB Bank America N.V. facility

On July 19, 2016, GasLog entered into a credit agreement to refinance the existing indebtedness on eight of its on-the-water vessels of up to \$1,050,000 (the "Legacy Facility Refinancing") with a number of international banks, extending the maturities of six existing credit facilities to 2021. The vessels covered by the Legacy Facility Refinancing are the *GasLog Savannah*, the *GasLog Singapore*, the *GasLog Skagen*, the *GasLog Seattle*, the *Solaris*, the *GasLog Saratoga*, the *GasLog Salem* and the *GasLog Chelsea*. Citigroup Global Market Limited, Credit Suisse AG and Nordea Bank AB were mandated lead arrangers to the transaction. The other banks in the syndicate are: Skandinaviska Enskilda Banken AB (publ), HSBC Bank Plc, ING Bank N.V., London Branch, Danmarks Skibskredit A/S, Korea Development Bank and DVB Bank America N.V. Nordea Bank AB, London Branch is the agent and security agent for the transaction. The Legacy Facility Refinancing is comprised of a five-year term loan facility of up to \$950,000 and a revolving credit facility of up to \$100,000.

Following the acquisitions of GAS-seven Ltd. and GAS-eight Ltd., the Partnership assumed \$122,292 and \$124,141 of indebtedness drawn on July 25, 2016 under the term loan facility to refinance the existing indebtedness of \$124,000 and \$127,080 for GAS-seven Ltd. and GAS-eight Ltd., respectively. Each aforementioned refinancing was considered an extinguishment of the existing debt facility. Consequently, the unamortized loan fees of \$5,637 were written off to profit or loss for the year ended December 31, 2016. On November 13, 2018, \$25,940 was drawn under the revolving credit facility, which was repaid on December 12, 2018. The balance outstanding for the entities owned by the Partnership as of December 31, 2018 is \$216,169 under the term loan that is repayable in six semi-annual installments of \$7,566 each and a balloon payment of \$170,773 due together with the last installment in July 2021, while the balance outstanding under the revolving credit facility is nil and can be repaid and redrawn at any time until December 31, 2020. Amounts drawn bear interest at LIBOR plus a margin.

GasLog Partners LP

Notes to the consolidated financial statements (Continued)

For the years ended December 31, 2016, 2017 and 2018

(All amounts expressed in thousands of U.S. Dollars, except unit and per unit data)

6. Borrowings (Continued)

(d) GAS-eleven Ltd., GAS-thirteen Ltd. and GAS-fourteen facility

Following the acquisitions of GAS-eleven Ltd. on May 3, 2017, GAS-thirteen Ltd. on July 3, 2017 and GAS-fourteen Ltd. on April 26, 2018, the Partnership assumed \$151,423, \$155,005 and \$143,622 of outstanding indebtedness of the acquired entities, respectively, under a debt financing agreement dated October 16, 2015 with 14 international banks, with Citibank N.A. London Branch and Nordea Bank AB, London Branch acting as agents on behalf of the other finance parties. The financing is backed by the Export Import Bank of Korea (“KEXIM”) and the Korea Trade Insurance Corporation (“K-Sure”), who are either directly lending or providing cover for over 60% of the facility (the “October 2015 Facility”).

The loan agreement with GAS-eleven Ltd., with respect to the *GasLog Greece* provided for four tranches of \$51,257, \$25,615, \$24,991 and \$61,104, while the loan agreements with GAS-thirteen Ltd. and GAS-fourteen Ltd., with respect to the *GasLog Geneva* and the *GasLog Gibraltar*, respectively, each provided for four tranches of \$50,544, \$25,258, \$24,643 and \$60,252. Under the terms of the agreement, each drawing under the first three tranches would be repaid in 24 consecutive semi-annual equal installments commencing six months after the actual deliveries of the *GasLog Greece*, the *GasLog Geneva* and the *GasLog Gibraltar*, respectively, according to a 12-year profile. Each drawing under the fourth tranche would be repaid in 20 consecutive semi-annual equal installments commencing six months after the actual delivery of the relevant vessel according to a 20-year profile, with a balloon payment together with the final installment. On March 22, 2016, \$162,967 was drawn down to partially finance the delivery of the *GasLog Greece*, while on September 26, 2016 and on October 25, 2016, \$160,697 was drawn down on each date to partially finance the deliveries of the *GasLog Geneva* and the *GasLog Gibraltar*, respectively. The aggregate balance outstanding for the entities owned by the Partnership as of December 31, 2018 is \$409,970. Amounts drawn under each applicable tranche bear interest at LIBOR plus a margin.

Securities Covenants and Guarantees

The credit agreements are secured as follows:

- (i) first priority mortgages over the ships owned by the respective borrowers;
- (ii) in the case of the Partnership Facility, guarantees from the Partnership and the Partnership’s subsidiary GasLog Partners Holdings LLC, in the case of the Five Vessel Refinancing, a guarantee from GasLog, guarantees from the Partnership and GasLog Partners Holdings LLC up to the value of the commitments relating to the *Methane Alison Victoria*, the *Methane Shirley Elisabeth*, the *Methane Heather Sally* and the *Methane Becki Anne* and a guarantee from GasLog Carriers Ltd. for up to the value of the commitments on the remaining vessels, in the case of the Legacy Facility Refinancing, a guarantee from GasLog, guarantees from the Partnership and GasLog Partners Holdings LLC up to the value of the commitments relating to the *GasLog Seattle* and the *Solaris* and a guarantee from GasLog Carriers Ltd. for up to the value of the commitments on the remaining vessels, and in the case of the October 2015 Facility, a guarantee from GasLog, guarantees from the Partnership and GasLog Partners Holdings LLC up to the value of the commitments relating to the *GasLog Greece*, the *GasLog*

GasLog Partners LP

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6. Borrowings (Continued)

Geneva and the *GasLog Gibraltar* and a guarantee from GasLog Carriers Ltd. for up to the value of the commitments on the remaining vessels;

- (iii) a pledge or a negative pledge of the share capital of the respective borrower; and
- (iv) a first priority assignment of all earnings, excluding the vessels participating in the spot market, and insurance related to the ships owned by the respective borrower.

Certain of the credit facilities also impose certain restrictions relating to the Partnership and GasLog, and their other subsidiaries, including restrictions that limit the Partnership's and GasLog's ability to make any substantial change in the nature of the Partnership's or GasLog's business or to engage in transactions that would constitute a change of control, without repaying all of the Partnership's and GasLog's indebtedness in full.

The credit facilities contain customary events of default, including non-payment of principal or interest, breach of covenants or material inaccuracy of representations, default under other material indebtedness and bankruptcy. In addition, the credit facilities contain covenants requiring the Partnership and certain of the Partnership's subsidiaries to maintain the aggregate of (i) the market value, on a charter exclusive basis, of the mortgaged vessel or vessels and (ii) the market value of any additional security provided to the lenders, at a value of not less than 120.0% (in the case of the October 2015 Facility, 115.0% for the first two years after each drawdown and 120.0% at any time thereafter) of the then outstanding amount under the applicable facility. If we fail to comply with these covenants and are not able to obtain covenant waivers or modifications, the lenders could require the Partnership to make prepayments or provide additional collateral sufficient to bring the Partnership into compliance with such covenants, and if we fail to do so the lenders could accelerate the indebtedness.

The credit facilities impose certain operating and financial restrictions on the Partnership and GasLog. These restrictions generally limit the Partnership's and GasLog's collective subsidiaries' ability to, among other things: (a) incur additional indebtedness, create liens or provide guarantees, (b) provide any form of credit or financial assistance to, or enter into any non-arms' length transactions with, the Partnership, GasLog or any of their affiliates, (c) sell or otherwise dispose of assets, including ships, (d) engage in merger transactions, (e) enter into, terminate or amend any charter, (f) amend shipbuilding contracts, (g) change the manager of ships, or (h) acquire assets, make investments or enter into any joint venture arrangements outside of the ordinary course of business. In addition, under the Five Vessel Refinancing, the Legacy Facility Refinancing and the October 2015 Facility, the respective vessel-owning entities are also required to maintain at all times minimum liquidity of \$1,500 per entity and are in compliance as of December 31, 2018.

The Partnership, as corporate guarantor for the Partnership Facility and the Five Vessel Refinancing is also subject to specified financial covenants on a consolidated basis. These financial covenants include the following as defined in the agreements:

- (i) the aggregate amount of all unencumbered cash and cash equivalents must be not less than the higher of 3.0% of total indebtedness or \$15,000;
- (ii) total indebtedness divided by total assets must be less than 60.0%;

GasLog Partners LP

Notes to the consolidated financial statements (Continued)

For the years ended December 31, 2016, 2017 and 2018

(All amounts expressed in thousands of U.S. Dollars, except unit and per unit data)

6. Borrowings (Continued)

- (iii) the ratio of EBITDA over debt service obligations as defined in the Partnership's guarantees (including interest and debt repayments) on a trailing 12 months basis must be not less than 110.0%; and
- (iv) the Partnership is permitted to declare or pay any dividends or distributions, subject to no event of default having occurred or occurring as a consequence of the payment of such dividends or distributions.

The Five Vessel Refinancing, the Legacy Facility Refinancing and the October 2015 Facility also impose specified financial covenants that apply to GasLog and its subsidiaries on a consolidated basis:

- (i) net working capital (excluding the current portion of long-term debt) must be not less than \$0;
- (ii) total indebtedness divided by total assets must not exceed 75.0%;
- (iii) the ratio of EBITDA over debt service obligations as defined in the GasLog guarantees (including interest and debt repayments) on a trailing 12 months basis must be not less than 110.0%;
- (iv) the aggregate amount of all unencumbered cash and cash equivalents must be not less than the higher of 3.0% of total indebtedness and \$50,000 after the first drawdown;
- (v) GasLog is permitted to pay dividends, provided that it holds unencumbered cash and cash equivalents equal to at least 4.0% of total indebtedness, subject to no event of default having occurred or occurring as a consequence of the payment of such dividends; and
- (vi) GasLog's market value adjusted net worth must at all times be not less than \$350,000.

GasLog Partners and GasLog were in compliance with all financial covenants as of December 31, 2018.

Loan From Related Parties:

Following the IPO on May 12, 2014, the Partnership entered into a \$30,000 revolving credit facility (the "Old Sponsor Credit Facility") with GasLog to be used for general partnership purposes. The credit facility was unsecured and provided for an availability period of 36 months and bore interest at a rate of 5.0% per annum, with no commitment fee for the first year. After the first year, the interest increased to a rate of 6.0% per annum, with an annual 2.4% commitment fee on the undrawn balance. Each advance drawn was repayable within a period of 6 months after the respective drawdown date but was subject to unconditional right of immediate renewal if no repayment was made. As of December 31, 2015, the outstanding balance of the revolving credit facility was \$15,000. Amounts of \$10,000 and \$5,000 were repaid into the revolving facility on March 31, 2016 and August 17, 2016, respectively, leaving a balance of zero. On November 18, 2016, the Partnership drew \$10,000 which was repaid on December 30, 2016.

GasLog Partners LP

Notes to the consolidated financial statements (Continued)

For the years ended December 31, 2016, 2017 and 2018

(All amounts expressed in thousands of U.S. Dollars, except unit and per unit data)

6. Borrowings (Continued)

On April 3, 2017, the Partnership signed a deed of termination with respect to the Old Sponsor Credit Facility with GasLog. On the same date, GasLog Partners entered into a new unsecured five-year term loan of \$45,000 and a new five-year revolving credit facility of \$30,000 with GasLog (together, the “New Sponsor Credit Facility”). On April 5, 2017, under the New Sponsor Credit Facility, an amount of \$45,000 under the term loan facility and an amount of \$15,000 under the revolving credit facility were drawn by the Partnership and were used on the same date to prepay \$60,125 of the outstanding debt of GAS-nineteen Ltd., GAS-twenty Ltd. and GAS-twenty one Ltd. under the junior tranche of the Five Vessel Refinancing, which would have been originally due in April 2018. The Partnership repaid \$15,000 under the revolving credit facility of the New Sponsor Credit Facility on May 22, 2017. The New Sponsor Credit Facility is unsecured and the revolving credit facility provides for an availability period of five years. Each borrowing under the New Sponsor Credit Facility accrues interest at a rate of 9.125% per annum with an annual 1.0% commitment fee on the undrawn balance.

On March 23, 2018, the outstanding amount of \$45,000 under the New Sponsor Credit Facility was prepaid. On the same date, the term loan facility was terminated and the respective unamortized loan fees of \$900 were written-off to profit or loss. As of December 31, 2018, the outstanding balance of the New Sponsor Credit Facility is nil.

The New Sponsor Credit Facility contains customary events of default, including non-payment of principal or interest, breach of covenants or material inaccuracy of representations, default under other material indebtedness and bankruptcy. In addition, the New Sponsor Credit Facility covenants require that at all times GasLog must continue to control, directly or indirectly, the affairs or composition of the Partnership’s board of directors and any amendment to our Partnership Agreement, in the reasonable opinion of the lender, must not be adverse to its interests in connection with the New Sponsor Credit Facility.

Borrowings Repayment Schedule

The maturity table below reflects the principal repayments of the borrowings outstanding as of December 31, 2018 based on their repayment schedules:

	<u>As of December 31, 2018</u>
Not later than one year	434,600
Later than one year and not later than three years	510,079
Later than three years and not later than five years	68,620
Later than five years	<u>238,420</u>
Total	<u>1,251,719</u>

The weighted average total interest rate for the abovementioned credit facilities as of December 31, 2018 is 4.8% (December 31, 2017: 3.9%).

As the bank facilities bear interest at variable interest rates, their aggregate fair value as of December 31, 2018 was equal to the amount outstanding of \$1,251,719.

GasLog Partners LP**Notes to the consolidated financial statements (Continued)****For the years ended December 31, 2016, 2017 and 2018****(All amounts expressed in thousands of U.S. Dollars, except unit and per unit data)****7. Other Payables and Accruals**

An analysis of other payables and accruals is as follows:

	As of December 31,	
	2017	2018
Unearned revenue	25,236	24,080
Accrued legal and professional fees	597	679
Accrued crew costs	2,409	1,922
Accrued off-hire	1,659	3,108
Accrued payable to charterers	539	610
Accrued purchases	1,893	10,336
Accrued interest	13,273	14,332
Accrued board of directors fees	188	198
Accrued cash distributions	179	277
Other payables and accruals	918	2,232
Total	<u>46,891</u>	<u>57,774</u>

The unearned revenue of \$24,080 represents monthly charter hires received in advance as of December 31, 2018 relating to January 2019 (December 31, 2017: \$25,236).

8. Revenues

The Partnership has recognized the following amounts relating to revenues:

	For the year ended December 31,		
	2016	2017	2018
Revenues from time charters	317,489	371,146	341,066
Revenues from the Cool Pool	—	—	11,475
Total	<u>317,489</u>	<u>371,146</u>	<u>352,541</u>

Revenues from the Cool Pool relate only to the pool revenues received from a GasLog Partners vessel operating in the Cool Pool and do not include the Net pool allocation to GasLog Partners of a gain of \$3,700 for the year ended December 31, 2018 (nil for the years ended December 31, 2017 and December 31, 2016).

GasLog Partners LP

Notes to the consolidated financial statements (Continued)

For the years ended December 31, 2016, 2017 and 2018

(All amounts expressed in thousands of U.S. Dollars, except unit and per unit data)

9. Voyage Expenses and Commissions

An analysis of voyage expenses and commissions is as follows:

	For the year ended December 31,		
	2016	2017	2018
Brokers' commissions on revenues	3,976	4,648	4,296
Bunkers' consumption and other voyage expenses	357	2	2,826
Total	<u>4,333</u>	<u>4,650</u>	<u>7,122</u>

Bunkers' consumption represents mainly bunkers consumed during periods when a vessel is not employed under a charter or off-hire periods.

10. General and Administrative Expenses

An analysis of general and administrative expenses is as follows:

	For the year ended December 31,		
	2016	2017	2018
Administrative fees (Note 13)	4,802	6,547	10,398
Commercial management fees (Note 13)	4,535	5,040	5,040
Share-based compensation (Note 20)	480	850	1,034
Other expenses	3,389	2,874	2,897
Total	<u>13,206</u>	<u>15,311</u>	<u>19,369</u>

11. Vessel Operating Costs

An analysis of vessel operating costs is as follows:

	For the year ended December 31,		
	2016	2017	2018
Crew costs	30,673	36,617	35,764
Technical maintenance expenses	14,879	14,985	15,321
Other operating expenses	17,524	19,767	17,640
Total	<u>63,076</u>	<u>71,369</u>	<u>68,725</u>

GasLog Partners LP**Notes to the consolidated financial statements (Continued)****For the years ended December 31, 2016, 2017 and 2018****(All amounts expressed in thousands of U.S. Dollars, except unit and per unit data)****12. Net Financial Income and Costs**

An analysis of financial income and financial costs is as follows:

	For the year ended December 31,		
	2016	2017	2018
Financial income			
Financial income	209	1,019	2,413
Total financial income	<u>209</u>	<u>1,019</u>	<u>2,413</u>
Financial costs			
Amortization of deferred loan issuance costs	14,297	8,160	6,822
Interest expense on loans	44,882	55,974	58,548
Commitment fees	674	632	522
Other financial costs	394	356	395
Total financial costs	<u>60,247</u>	<u>65,122</u>	<u>66,287</u>

During the year ended December 31, 2016, an amount of \$5,637 representing the write-off of the unamortized deferred loan issuance costs in connection with the repayment of the loan agreement of GAS-seven Ltd. and GAS-eight Ltd. on July 25, 2016 (Note 6) is included in Amortization of deferred loan issuance costs. During the year ended December 31, 2018, an amount of \$900 representing the write-off of the unamortized deferred loan issuance costs in connection with the termination of the term loan facility of the New Sponsor Credit Facility (Note 6) is included in Amortization of deferred loan issuance costs.

13. Related Party Transactions

The Partnership has the following balances with related parties which are included in the consolidated statements of financial position:

	As of December 31,	
	2017	2018
<i>Amounts due from related parties</i>		
Due from the Cool Pool ^(a)	—	5,281
Total	<u>—</u>	<u>5,281</u>

GasLog Partners LP

Notes to the consolidated financial statements (Continued)

For the years ended December 31, 2016, 2017 and 2018

(All amounts expressed in thousands of U.S. Dollars, except unit and per unit data)

13. Related Party Transactions (Continued)

	As of December 31,	
	2017	2018
<i>Amounts due to related parties</i>		
Due to GasLog LNG Services ^(b)	4,916	1,368
Due to GasLog ^(c)	230	654
Due to GasLog Carriers Ltd. (“GasLog Carriers”) ^(d)	4,746	—
Total	<u>9,892</u>	<u>2,022</u>

^(a) As of December 31, 2018, the balance due from the Cool Pool comprises outstanding pool distributions (Note 8).

^(b) The balance as of December 31, 2017 represents mainly payments made by GasLog LNG Services on behalf of the Partnership.

^(c) The balances represent payments made by GasLog on behalf of the Partnership.

^(d) As of December 31, 2017, the balance due to GasLog Carriers, the parent company of GAS-fourteen Ltd. and GAS-twenty seven Ltd., prior to their acquisitions by the Partnership on April 26, 2018 and November 14, 2018, respectively, represented mainly amounts paid directly by GasLog Carriers on behalf of GAS-fourteen Ltd. and GAS-twenty seven Ltd., covering expenses during the construction period. As of December 31, 2018, the outstanding balance had been fully settled.

	As of December 31,	
	2017	2018
<i>Loans due to related parties</i>		
New Sponsor Credit Facility with GasLog	45,000	—
Total	<u>45,000</u>	<u>—</u>

The details of the credit facility with GasLog are disclosed in Note 6.

GasLog Partners LP

Notes to the consolidated financial statements (Continued)

For the years ended December 31, 2016, 2017 and 2018

(All amounts expressed in thousands of U.S. Dollars, except unit and per unit data)

13. Related Party Transactions (Continued)

The Partnership had the following transactions with related parties for the years ended December 31, 2016, 2017 and 2018:

Company	Details	Account	2016	2017	2018
Costs capitalized to vessels' cost					
GasLog LNG Services	Construction supervision fees ⁽ⁱ⁾	Vessels	1,846	—	—
Cost expensed					
GasLog	Commercial management fee ⁽ⁱⁱ⁾	General and administrative expenses	4,535	5,040	5,040
GasLog	Administrative services fee ⁽ⁱⁱⁱ⁾	General and administrative expenses	4,802	6,547	10,398
GasLog LNG Services	Management fees and other vessel management expenses ^(iv)	Vessel operating costs	6,192	7,176	7,176
GasLog LNG Services	Other vessel operating costs	Vessel operating costs	95	127	114
GasLog	Interest on revolving credit facility (Note 6)	Interest expense	413	3,224	935
GasLog	Commitment fee on revolving credit facility (Note 6)	Other financial costs	567	396	304
GasLog	Interest on interest rate swaps (Note 17)	(Loss)/gain on derivatives	549	2,053	(1,772)
GasLog	Realized loss on forward foreign exchange contracts held for trading (Note 17)	(Loss)/gain on derivatives	—	—	409
GasLog	Compensation for lost hire ^(v)	Revenues	—	—	(481)
Cool Pool	Adjustment for net pool allocation	Net pool allocation	—	—	(3,700)

⁽ⁱ⁾ *Shipbuilding Supervision Agreements*

The Manager charged the vessel owning companies shipbuilding supervision fees pursuant to the shipbuilding supervision contracts that were signed on August 1, 2014 with respect to GAS-eleven Ltd., GAS-thirteen Ltd. and GAS-fourteen Ltd. In accordance with the shipbuilding supervision contracts, the Manager was appointed as the supervisor of the construction of the vessels under the relevant shipbuilding contracts and responsible for providing technical consultancy services and attending sea trials and factory acceptance tests until the successful delivery of each vessel. Monthly charge rates for the site inspection team varied from \$12.5 to \$18.5 according to the level of seniority of the inspectors. On November 4, 2015, all agreements were amended to delete the clauses regarding factory acceptance tests and technical consultancy fees.

⁽ⁱⁱ⁾ *Commercial Management Agreements*

Upon completion of the IPO on May 12, 2014, the vessel-owning subsidiaries of the Initial Fleet entered into amended commercial management agreements with GasLog (the "Amended Commercial Management Agreements"), pursuant to which GasLog provides certain commercial management services, including chartering services, consultancy services on market issues and invoicing and collection of hire payables, to the Partnership. The annual commercial management fee under the amended agreements is \$360 for each vessel payable quarterly in advance in lump sum amounts. In December 2013, GAS-seven Ltd. entered into a commercial management agreement with GasLog for an annual commercial management fee of \$540 that was amended to \$360 when the vessel was acquired by the Partnership on November 1, 2016. Additionally, in June 2015, GAS-eight Ltd. entered into a commercial management agreement with GasLog for an annual commercial management fee of \$360.

GasLog Partners LP

Notes to the consolidated financial statements (Continued)

For the years ended December 31, 2016, 2017 and 2018

(All amounts expressed in thousands of U.S. Dollars, except unit and per unit data)

13. Related Party Transactions (Continued)

The same provisions are included in the commercial management agreements that GAS-eleven Ltd., GAS-thirteen Ltd., GAS-fourteen Ltd., GAS-sixteen Ltd., GAS-seventeen Ltd., GAS-nineteen Ltd., GAS-twenty Ltd., GAS-twenty one Ltd. and GAS-twenty seven Ltd. entered into with GasLog upon the deliveries of the *GasLog Greece*, the *GasLog Geneva*, the *GasLog Gibraltar*, the *Methane Rita Andrea*, the *Methane Jane Elizabeth*, the *Methane Alison Victoria*, the *Methane Shirley Elisabeth*, the *Methane Heather Sally* and the *Methane Becki Anne*, respectively, into GasLog's fleet in March 2016, September 2016, October 2016, April 2014, June 2014 and March 2015 (together with the Amended Commercial Management Agreements and the commercial management agreements entered into by GAS-seven Ltd. and GAS-eight Ltd. with GasLog, the "Commercial Management Agreements").

(iii) **Administrative Services Agreement**

Upon completion of the IPO on May 12, 2014, the Partnership entered into an administrative services agreement (the "Administrative Services Agreement") with GasLog, pursuant to which GasLog will provide certain management and administrative services. The services provided under the Administrative Services Agreement are provided as the Partnership may direct, and include bookkeeping, audit, legal, insurance, administrative, clerical, banking, financial, advisory, client and investor relations services. The Administrative Services Agreement will continue indefinitely until terminated by the Partnership upon 90 days' notice for any reason in the sole discretion of the Partnership's board of directors. Until December 31, 2016, GasLog received a service fee of \$588 per vessel per year in connection with providing services under this agreement. For the years ended December 31, 2017 and December 31, 2018, the annual service fee was \$632 and \$812 per vessel per year, respectively. With effect from January 1, 2019, the service fee was amended to \$608 per vessel per year.

(iv) **Ship Management Agreements**

Upon completion of the IPO on May 12, 2014, each of the vessel owning subsidiaries of the Initial Fleet entered into an amended ship management agreement (collectively, the "Amended Ship Management Agreements") under which the vessel owning subsidiaries pay a management fee of \$46 per month to the Manager and reimburse the Manager for all expenses incurred on their behalf. The Amended Ship Management Agreements also provide for superintendent fees of \$1 per day payable to the Manager for each day in excess of 25 days per calendar year for which a superintendent performed visits to the vessels, an annual incentive bonus of up to \$72 based on key performance indicators predetermined annually and contain clauses for decreased management fees in case of a vessel's lay-up. The management fees are subject to an annual adjustment, agreed between the parties in good faith, on the basis of general inflation and proof of increases in actual costs incurred by the Manager. Each Amended Ship Management Agreement continues indefinitely until terminated by either party. The same provisions are included in the ship management agreements that GAS-sixteen Ltd., GAS-seventeen Ltd., GAS-nineteen Ltd., GAS-twenty Ltd., GAS-twenty one Ltd. and GAS-twenty seven Ltd. entered into with the Manager upon the deliveries of the *Methane Rita Andrea*, the *Methane Jane Elizabeth*, the *Methane Alison Victoria*, the *Methane Shirley Elisabeth*, the *Methane Heather Sally* and the *Methane Becki Anne*, respectively, into GasLog's fleet in April 2014, June 2014 and March 2015 (together with the Amended Ship Management Agreements and the ship management agreement that GAS-seven Ltd. entered into with the Manager upon its vessel's delivery from the shipyard in 2013, the "Ship Management Agreements"). In May 2015, the Ship Management Agreements were further amended to delete the annual incentive bonus and superintendent fees clauses and, in the case of GAS-seven Ltd., to also increase the fixed monthly charge to \$46 with effect from April 1, 2015. In April 2016, the Ship Management Agreements were amended to consolidate all ship management related fees into a single fee structure. This single fee structure was already provided for in the ship management agreements that GAS-eleven Ltd., GAS-thirteen Ltd. and GAS-fourteen Ltd. had entered into with GasLog upon the deliveries of the *GasLog Greece* in March 2016, the *GasLog Geneva* in September 2016 and the *GasLog Gibraltar* in October 2016, respectively (with a fixed monthly charge of \$46).

(v) On January 16, 2019, the Partnership entered into an agreement with GasLog, whereby the latter agreed to compensate the Partnership for a delay in the scheduled commencement of the time charter of the *GasLog Sydney* in December 2018. The lost hire was calculated based on the estimated number of days of the delay multiplied by the daily hire rate of the time charter contract.

Omnibus Agreement

Upon completion of the IPO on May 12, 2014, the Partnership entered into an omnibus agreement with GasLog, our general partner and certain of our other subsidiaries. The omnibus agreement governs among other things (i) when and the extent to which the Partnership and GasLog may compete against each other, (ii) the time and the value at which the Partnership may exercise the right to purchase certain offered vessels by GasLog (iii) certain rights of first offer granted to GasLog to purchase any of its vessels on charter for less than five full years from the Partnership and vice versa and (iv) GasLog's provisions of certain indemnities to the Partnership. On September 29, 2014, June 26, 2015, October 27, 2016, March 9, 2017, May 25, 2017, August 30, 2017, March 3, 2018 and October 24, 2018, the Partnership exercised the option

GasLog Partners LP

Notes to the consolidated financial statements (Continued)

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(All amounts expressed in thousands of U.S. Dollars, except unit and per unit data)

13. Related Party Transactions (Continued)

to acquire (i) the *Methane Rita Andrea* and the *Methane Jane Elizabeth*, (ii) the *Methane Alison Victoria*, the *Methane Shirley Elisabeth* and the *Methane Heather Sally*, (iii) the *GasLog Seattle* (iv) the *GasLog Greece*, (v) the *GasLog Geneva*, (vi) the *Solaris*, (vii) the *GasLog Gibraltar* and (viii) the *Methane Becki Anne*, respectively.

14. Commitments and Contingencies

Future gross minimum revenues receivable upon collection of hire under non-cancellable time charter agreements as of December 31, 2018, are as follows (30 off-hire days are assumed when each vessel will undergo scheduled dry-docking; in addition, early delivery of the vessels by the charterers or any exercise of the charterers' options to extend the terms of the charters are not accounted for):

	<u>As of December 31, 2018</u>
<i>Period</i>	
Not later than one year	256,451
Later than one year and not later than three years	322,763
Later than three years and not later than five years	181,181
Later than five years	<u>60,209</u>
Total	<u>820,604</u>

In April and May 2017, GasLog LNG Services entered into agreements in relation to investments in certain of the Partnership and GasLog's vessels, with the aim of enhancing their operational performance. Commitments relating to these agreements for the Partnership, are as follows:

	<u>As of December 31, 2018</u>
<i>Period</i>	
Not later than one year	<u>1,520</u>
Total	<u>1,520</u>

Following the acquisition of (i) the *Methane Rita Andrea* and the *Methane Jane Elizabeth*, (ii) the *Methane Alison Victoria*, the *Methane Shirley Elisabeth* and the *Methane Heather Sally* and (iii) the *Methane Becki Anne*, the Partnership, through its subsidiaries (i) GAS-sixteen Ltd. and GAS-seventeen Ltd., (ii) GAS-nineteen Ltd., GAS-twenty Ltd. and GAS-twenty one Ltd. and (iii) GAS-twenty seven Ltd., respectively, is counter guarantor for the acquisition from BG Group of 83.33% of depot spares with an aggregate value of \$6,000, of which \$660 have been purchased and paid as of December 31, 2018 by GasLog. These spares should be acquired before March 31, 2020.

Additionally, in September 2017 and July 2018, GasLog LNG Services Ltd. entered into maintenance agreements with Wartsila Greece S.A. ("Wartsila") in respect of six of the Partnership's LNG carriers. The agreements ensure dynamic maintenance planning, technical support, security of spare parts supply, specialist technical personnel and performance monitoring.

GasLog Partners LP

Notes to the consolidated financial statements (Continued)

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14. Commitments and Contingencies (Continued)

Various claims, suits and complaints, including those involving government regulations, arise in the ordinary course of the shipping business. In addition, losses may arise from disputes with charterers, environmental claims, agents and insurers and from claims with suppliers relating to the operations of the Partnership's vessels. Currently, management is not aware of any such claims or contingent liabilities requiring disclosure in the consolidated financial statements.

15. Financial Risk Management

The Partnership's activities expose it to a variety of financial risks, including market risk, liquidity risk and credit risk. The Partnership's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Partnership's financial performance. The Partnership makes use of derivative financial instruments such as interest rate swaps and forward foreign exchange contracts to mitigate certain risk exposures.

Market risk

Interest Rate Risk: The Partnership is subject to market risks relating to changes in interest rates because it has floating rate debt outstanding. Significant increases in interest rates could adversely affect the Partnership's results of operations and its ability to service its debt. The Partnership uses interest rate swaps to reduce its exposure to market risk from changes in interest rates. The principal objective of these contracts is to minimize economic risks and costs associated with its floating rate debt and not for speculative or trading purposes. As of December 31, 2018, the Partnership had economically hedged 43.9% of its floating interest rate exposure on its outstanding borrowings (excluding the New Sponsor Credit Facility) by swapping the variable rate for a fixed rate (December 31, 2017: 34.1%).

The aggregate principal amount of the Partnership's outstanding floating rate debt which was not economically hedged as of December 31, 2018 was \$701,719 (December 31, 2017: \$908,569). As an indication of the extent of the Partnership's sensitivity to interest rate changes, an increase or decrease in LIBOR of 10 basis points would have decreased or increased, respectively, the profit during the year ended December 31, 2018 by \$789, based upon its debt level during the period (December 31, 2017: \$1,037 and December 31, 2016: \$1,174).

Interest Rate Sensitivity Analysis: The fair value of the interest rate swaps as of December 31, 2018 was estimated as a net asset of \$5,513 (December 31, 2017: net asset of \$6,346). For the three years ended December 31, 2018, the interest rate swaps were not designated as cash flow hedging instruments (Note 17).

The interest rate swap agreements described below are subject to market risk as they are recorded at fair value in the statement of financial position at year end. The fair value of interest rate swap liabilities increases when interest rates decrease and decreases when interest rates increase. As of December 31, 2018, if interest rates had increased or decreased by 10 basis points with all other variables held constant, the positive/(negative) impact, respectively, on the fair value of the interest rate swaps would have amounted to approximately \$2,021 (December 31, 2017: \$1,774 and December 31, 2016: \$1,766) affecting loss/(gain) on swaps in the respective periods.

GasLog Partners LP

Notes to the consolidated financial statements (Continued)

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15. Financial Risk Management (Continued)

Currency Risk: Currency risk is the risk that the value of financial instruments and/or the cost of commercial transactions will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognized assets and liabilities are denominated in a currency that is not the Partnership's functional currency. The Partnership is exposed to foreign exchange risk arising from various currency exposures primarily with respect to technical maintenance and crew costs denominated in euros. Specifically, for the year ended December 31, 2018, approximately \$51,494 of the operating and administrative expenses were denominated in euros (December 31, 2017: \$39,608 and December 31, 2016: \$35,522). As of December 31, 2018, approximately \$10,445 of the Partnership's outstanding trade payables and accruals were denominated in euros (December 31, 2017: \$4,929).

The Partnership uses forward foreign exchange contracts to reduce its exposure to movements in exchange rates. As an indication of the extent of the Partnership's sensitivity to changes in exchange rate, a 10% increase in the average euro/dollar exchange rate would have decreased its profit and cash flows during the year ended December 31, 2018 by \$5,149, based upon its expenses during the year (December 31, 2017: \$3,961 and December 31, 2016: \$3,552).

Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability but can also increase the risk of losses.

The Partnership manages its liquidity risk by having secured credit lines, by receiving capital contributions to fund its commitments and by maintaining cash and cash equivalents.

The following tables detail the Partnership's expected cash flows for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Partnership can be required to pay. The table includes both interest and

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15. Financial Risk Management (Continued)

principal cash flows. Variable future interest payments were determined based on an average LIBOR plus the margins applicable to the Partnership's loans at the end of each year presented.

	Weighted-average effective interest rate	Less than 1 month	1 - 3 months	3 - 12 months	1 - 5 years	5+ years	Total
December 31, 2018							
Trade accounts payable		7,410	32	48		—	7,490
Due to related parties		—	2,022	—	—	—	2,022
Other payables and accruals*		9,308	17,741	4,914	—	—	31,963
Other non-current liabilities*		—	—	—	264	—	264
Variable interest loans	4.76%	14,558	22,087	442,224	670,072	266,960	1,415,901
Fixed interest loans**		—	75	466	1,014	—	1,555
Total		<u>31,276</u>	<u>41,957</u>	<u>447,652</u>	<u>671,350</u>	<u>266,960</u>	<u>1,459,195</u>
December 31, 2017							
Trade accounts payable		4,982	78	65	—	—	5,125
Due to related parties		—	9,892	—	—	—	9,892
Other payables and accruals*		9,561	9,673	2,421	—	—	21,655
Other non-current liabilities		—	—	—	250	—	250
Variable interest loans	3.71%	44,729	21,152	100,420	1,096,246	308,678	1,571,225
Fixed interest loans**		—	1,102	3,309	59,326	—	63,737
Total		<u>59,272</u>	<u>41,897</u>	<u>106,215</u>	<u>1,155,822</u>	<u>308,678</u>	<u>1,671,884</u>

* *Non-financial liabilities are excluded.*

** *A commitment fee is charged at 2.4% on the available amount of the Old Sponsor Credit Facility and 0.9% on the available amounts of the revolving credit facility of GAS-seven Ltd. and GAS-eight Ltd., respectively.*

The amounts included above for variable interest rate instruments are subject to change if changes in variable interest rates differ from those estimates of interest rates determined at the end of the reporting period.

The following tables detail the Partnership's expected cash flows for its derivative financial instruments. The table has been drawn up based on the undiscounted contractual net cash inflows and outflows on derivative instruments that are settled on a net basis. When the amount payable or receivable is not fixed, the amount disclosed has been determined by reference to the projected interest rates as illustrated by the yield curves existing at the end of the reporting period. The undiscounted

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15. Financial Risk Management (Continued)

contractual cash flows are based on the contractual maturities of the interest rate swaps and forward foreign exchange contracts.

	<u>Less than 1 month</u>	<u>1 - 3 months</u>	<u>3 - 12 months</u>	<u>1 - 5 years</u>	<u>5+ years</u>	<u>Total</u>
December 31, 2018						
Interest rate swaps	773	120	3,194	2,551	(104)	6,534
Forward foreign exchange contracts	<u>103</u>	<u>197</u>	<u>256</u>	<u>—</u>	<u>—</u>	<u>556</u>
Total	<u>876</u>	<u>317</u>	<u>3,450</u>	<u>2,551</u>	<u>(104)</u>	<u>7,090</u>
December 31, 2017						
Interest rate swaps	(292)	—	(1)	7,341	—	7,048
Total	<u>(292)</u>	<u>—</u>	<u>(1)</u>	<u>7,341</u>	<u>—</u>	<u>7,048</u>

The Partnership expects to be able to meet its current obligations resulting from financing and operating its vessels using the liquidity existing at year-end and the cash generated by operating activities. The Partnership expects to be able to meet its long-term obligations resulting from financing its vessels through cash generated from operations.

Credit risk

Credit risk is the risk that a counterparty will fail to discharge its obligations and cause a financial loss. The Partnership is exposed to credit risk in the event of non-performance by any of its counterparties. To limit this risk, the Partnership currently deals exclusively with financial institutions and customers with high credit ratings.

	<u>As of December 31,</u>	
	<u>2017</u>	<u>2018</u>
Cash and cash equivalents	149,455	129,125
Short-term investments	—	10,000
Trade and other receivables	3,765	13,484
Derivative financial instruments, current and non-current portion	6,615	9,731

For the years ended December 31, 2016, December 31, 2017 and December 31, 2018, 100%, 100% and 92%, respectively, of the Partnership's revenue was earned from subsidiaries of Royal Dutch Shell plc ("Shell") and accounts receivable were not collateralized; however, management believes that the credit risk is partially offset by the creditworthiness of the Partnership's principal counterparty and the fact that the hire is being collected in advance. The Partnership did not experience any credit losses on its accounts receivable portfolio during the three years ended December 31, 2018. The carrying amount of financial assets recorded in the consolidated financial statements represents the Partnership's maximum exposure to credit risk. Management monitors exposure to credit risk and believes that there is no substantial credit risk arising from the Partnership's counterparty.

GasLog Partners LP**Notes to the consolidated financial statements (Continued)****For the years ended December 31, 2016, 2017 and 2018****(All amounts expressed in thousands of U.S. Dollars, except unit and per unit data)****15. Financial Risk Management (Continued)**

The credit risk on liquid funds and derivative financial instruments is limited because the direct and indirect counterparties are banks with high credit ratings assigned by international credit rating agencies.

16. Capital Risk Management

The Partnership's objectives when managing capital are to safeguard the Partnership's ability to continue as a going concern and to pursue future growth opportunities. Among other metrics, the Partnership monitors capital using a total indebtedness to total assets ratio (Note 6), which is defined under certain of the Partnership's credit facilities as total debt and derivative financial instruments divided by total assets. The total indebtedness to total assets ratio is as follows:

	As of December 31,	
	2017	2018
Derivative financial instruments—current asset	(577)	(4,615)
Derivative financial instruments—non-current asset	(6,038)	(5,116)
Borrowings—current liability	121,197	429,437
Borrowings—non-current liability	1,278,931	805,560
Derivative financial instruments—current liability	269	1,253
Derivative financial instruments—non-current liability	—	3,543
Total indebtedness	<u>1,393,782</u>	<u>1,230,062</u>
Total assets	<u>2,528,263</u>	<u>2,488,638</u>
Total indebtedness/total assets	55.1%	49.4%

17. Derivative Financial Instruments

The fair value of the derivative assets is as follows:

	As of December 31,	
	2017	2018
Derivative assets carried at fair value through profit or loss (FVTPL)		
Interest rate swaps	6,615	9,731
Total	<u>6,615</u>	<u>9,731</u>
Derivative financial instruments, current asset	577	4,615
Derivative financial instruments, non-current asset	6,038	5,116
Total	<u>6,615</u>	<u>9,731</u>

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17. Derivative Financial Instruments (Continued)

The fair value of the derivative liabilities is as follows:

	<u>As of</u> <u>December 31,</u>	
	<u>2017</u>	<u>2018</u>
Derivative liabilities carried at fair value through profit or loss (FVTPL)		
Interest rate swaps	269	4,218
Forward foreign exchange contracts	—	578
Total	<u>269</u>	<u>4,796</u>
Derivative financial instruments, current liability	269	1,253
Derivative financial instruments, non-current liability	—	3,543
Total	<u>269</u>	<u>4,796</u>

Interest rate swap agreements

The Partnership enters into interest rate swap agreements which convert the floating interest rate exposure into a fixed interest rate in order to hedge a portion of the Partnership’s exposure to fluctuations in prevailing market interest rates. Under the interest rate swaps, the counterparty effects quarterly floating-rate payments to the Partnership for the notional amount based on the three-month U.S. dollar LIBOR, and the Partnership effects quarterly payments to the counterparty on the notional amount at the respective fixed rates.

Interest rate swaps held for trading

The principal terms of the interest rate swaps held for trading were as follows:

<u>Company</u>	<u>Counterparty</u>	<u>Trade Date</u>	<u>Effective Date</u>	<u>Termination Date</u>	<u>Fixed Interest Rate</u>	<u>Notional Amount</u>	
						<u>December 31, 2017</u>	<u>December 31, 2018</u>
GasLog Partners	GasLog	Nov 2016	Nov 2016	July 2020	1.54%	130,000	130,000
GasLog Partners	GasLog	Nov 2016	Nov 2016	July 2021	1.63%	130,000	130,000
GasLog Partners	GasLog	Nov 2016	Nov 2016	July 2022	1.72%	130,000	130,000
GasLog Partners	GasLog	July 2017	July 2017	June 2022	2.19%	80,000	80,000
GasLog Partners	GasLog	May 2018	May 2018	April 2023	3.15%	—	80,000
GasLog Partners	GasLog	Dec 2018	Jan 2019	Jan 2024	3.14%	—	N/A
						<u>470,000</u>	<u>550,000</u>

In July 2016, the Partnership terminated the interest rate swap agreements of GAS-seven Ltd. and GAS-eight Ltd. associated with the Legacy Facility Refinancing (Note 6) paying their fair value on that date. The cumulative loss of \$2,527, relating solely to the GAS-seven Ltd. swap agreements, from the period that hedging was effective was recycled to profit or loss during the year ended December 31, 2016.

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Notes to the consolidated financial statements (Continued)

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17. Derivative Financial Instruments (Continued)

The change in the fair value of the contracts not designated as cash flow hedging instruments for the year ended December 31, 2018 amounted to a loss of \$833 (December 31, 2017: \$2,174 gain and December 31, 2016: \$1,570 loss), which was recognized against earnings in the period incurred and is included in Loss/(gain) on interest rate swaps.

Forward foreign exchange contracts

The Partnership uses non-deliverable forward foreign exchange contracts to mitigate foreign exchange transaction exposures in euros (“EUR”). Under these non-deliverable forward foreign exchange contracts, the counterparties (GasLog and the Partnership) settle the difference between the fixed exchange rate and the prevailing rate on the agreed notional amounts on the respective settlement dates. All forward foreign exchange contracts are considered by management to be part of economic hedge arrangements but have not been formally designated as such.

Forward foreign exchange contracts held for trading

The principal terms of the forward foreign exchange contracts held for trading are as follows:

<u>Company</u>	<u>Counterparty</u>	<u>Trade Date</u>	<u>Settlement Date</u>	<u>Fixed Exchange Rate (USD/EUR)</u>	<u>Notional Amount</u>
GasLog Partners	GasLog	May 2018	Jan 2019	1.199415	€ 2,000
GasLog Partners	GasLog	May 2018	Feb 2019	1.200865	€ 2,000
GasLog Partners	GasLog	May 2018	Mar 2019	1.202315	€ 2,000
GasLog Partners	GasLog	June 2018	Apr 2019	1.19315	€ 2,000
GasLog Partners	GasLog	June 2018	May 2019	1.19645	€ 2,000
GasLog Partners	GasLog	June 2018	June 2019	1.19965	€ 2,000
GasLog Partners	GasLog	August 2018	July 2019	1.1738	€ 2,000
GasLog Partners	GasLog	August 2018	Aug 2019	1.1772	€ 2,000
GasLog Partners	GasLog	August 2018	Sept 2019	1.1809	€ 2,000
				Total	<u>€18,000</u>

The derivative instruments listed above were not designated as cash flow hedging instruments as of December 31, 2018. The change in the fair value of these contracts for the year ended December 31, 2018 amounted to a loss of \$578 (December 31, 2017: nil and December 31, 2016: nil), which was recognized against earnings in the period incurred and is included in Loss/(gain) on interest rate swaps.

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Notes to the consolidated financial statements (Continued)

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17. Derivative Financial Instruments (Continued)

An analysis of Loss/(gain) on derivatives is as follows:

	For the year ended December 31,		
	2016	2017	2018
Realized loss/(gain) on derivatives held for trading	2,740	2,053	(1,363)
Unrealized loss/(gain) on derivatives held for trading	1,570	(2,174)	1,411
Recycled loss of cash flow hedges reclassified to profit or loss	2,527	—	—
Total loss/(gain) on derivatives	6,837	(121)	48

Fair value measurements

The fair value of the Partnership's financial assets and liabilities approximate to their carrying amounts at the reporting date.

The fair value of derivatives at the end of the reporting period is determined by discounting the future cash flows using the interest rate curves at the end of the reporting period, the estimation of the counterparty risk and the Partnership's own risk inherent in the contract. The derivatives met Level 2 classification, according to the fair value hierarchy as defined by IFRS 13 *Fair Value Measurement*. There were no financial instruments in Levels 1 or 3 and no transfers between Levels 1, 2 or 3 during the periods presented. The definitions of the levels, provided by IFRS 13 *Fair Value Measurement*, are based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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18. Cash Flow Reconciliations

The reconciliations of the Partnership's non-cash investing and financing activities for the two years ended December 31, 2018 are presented in the following tables:

A reconciliation of borrowings arising from financing activities is as follows:

	Opening balance	Cash flows	Non-cash items	Deferred financing costs, assets	Total
Borrowings outstanding as of January 1, 2017	1,563,932	—	—	—	1,563,932
Borrowings drawdowns (Note 6)	—	60,000	(12,000)	—	48,000
Borrowings repayments (Note 6)	—	(218,370)	—	—	(218,370)
Additions in deferred loan fees	—	(1,594)	—	—	(1,594)
Amortization of deferred loan issuance costs (Note 12)	—	—	8,160	—	8,160
Borrowings outstanding as of December 31, 2017	<u>1,563,932</u>	<u>(159,964)</u>	<u>(3,840)</u>	<u>—</u>	<u>1,400,128</u>
Borrowings outstanding as of January 1, 2018	1,400,128	—	—	—	1,400,128
Borrowings drawdowns (Note 6)	—	25,940	—	—	25,940
Borrowings repayments (Note 6)	—	(197,790)	—	—	(197,790)
Additions in deferred loan fees	—	(153)	—	50	(103)
Amortization of deferred loan issuance costs (Note 12)	—	—	6,822	—	6,822
Borrowings outstanding as of December 31, 2018	<u>1,400,128</u>	<u>(172,003)</u>	<u>6,822</u>	<u>50</u>	<u>1,234,997</u>

A reconciliation of derivative assets is as follows:

	Opening balance	Non-cash items	Total
Net derivative assets as of January 1, 2017	4,172	—	4,172
Unrealized gain on derivatives held for trading (Note 17)	—	2,174	2,174
Net derivative assets as of December 31, 2017	<u>4,172</u>	<u>2,174</u>	<u>6,346</u>
Net derivative assets as of January 1, 2018	6,346	—	6,346
Unrealized loss on derivatives held for trading (Note 17)	—	(1,411)	(1,411)
Net derivative assets as of December 31, 2018	<u>6,346</u>	<u>(1,411)</u>	<u>4,935</u>

GasLog Partners LP**Notes to the consolidated financial statements (Continued)****For the years ended December 31, 2016, 2017 and 2018****(All amounts expressed in thousands of U.S. Dollars, except unit and per unit data)****18. Cash Flow Reconciliations (Continued)**

A reconciliation of vessels arising from investing activities is as follows:

	Opening balance	Cash flows	Non-cash items	Total
Vessels as of January 1, 2017	2,439,092	—	—	2,439,092
Additions (Note 3)	—	5,131	534	5,665
Depreciation expense (Note 3)	—	—	(81,089)	(81,089)
Vessels as of December 31, 2017	<u>2,439,092</u>	<u>5,131</u>	<u>(80,555)</u>	<u>2,363,668</u>
Vessels as of January 1, 2018	2,363,668	—	—	2,363,668
Additions (Note 3)	—	24,177	9,568	33,745
Depreciation expense (Note 3)	—	—	(81,590)	(81,590)
Vessels as of December 31, 2018	<u>2,363,668</u>	<u>24,177</u>	<u>(72,022)</u>	<u>2,315,823</u>

A reconciliation of equity offerings arising from financing activities is as follows:

	Cash flows	Non-cash items	Total
Proceeds from public offerings of common units and issuances of general partner units (net of underwriting discounts and commissions) (Note 5)	144,297	—	144,297
Proceeds from public offering of preference units (net of underwriting discounts and commissions) (Note 5)	139,222	—	139,222
Offering costs	(2,033)	(359)	(2,392)
Net proceeds from equity offerings in the year ended December 31, 2017	<u>281,486</u>	<u>(359)</u>	<u>281,127</u>
Proceeds from public offerings of common units and issuances of general partner units (net of underwriting discounts and commissions) (Note 5)	62,516	—	62,516
Proceeds from public offering of preference units (net of underwriting discounts and commissions) (Note 5)	208,394	—	208,394
Offering costs	(915)	(703)	(1,618)
Payments for IDRs modification (including fees)	(25,002)	—	(25,002)
Net proceeds from equity offerings/modifications in the year ended December 31, 2018	<u>244,993</u>	<u>(703)</u>	<u>244,290</u>

19. Earnings Per Unit

The Partnership calculates earnings per unit by allocating reported profit for each period to each class of units based on the distribution policy for available cash stated in the Partnership Agreement as generally described in Note 5 above.

In the three years ended December 31, 2018, the Partnership completed equity offerings of common units and issued general partner units to its general partner in order for GasLog to retain its 2.0%, as presented in Note 5. Also, on May 16, 2017, the subordination period expired and

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Notes to the consolidated financial statements (Continued)

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19. Earnings Per Unit (Continued)

consequently all 9,822,358 subordinated units held by GasLog converted into common units on a one-for-one basis (Note 5).

Basic earnings per unit is determined by dividing profit for the year reported at the end of each period after deducting preference unit distributions by the weighted average number of units outstanding during the period. Diluted earnings per unit is calculated by dividing the profit of the period attributable to common unitholders by the weighted average number of potential ordinary common units assumed to have been converted into common units, unless such potential ordinary common units have an antidilutive effect.

	<u>For the year ended December 31,</u>		
	<u>2016</u>	<u>2017</u>	<u>2018</u>
Profit for the year	99,709	134,745	115,513
Less:			
Profit attributable to GasLog's operations*	(22,439)	(40,628)	(12,916)
Partnership's profit	77,270	94,117	102,597
Adjustment for:			
Paid and accrued preference unit distributions	—	(7,749)	(22,498)
Partnership's profit attributable to:	77,270	86,368	80,099
Common unitholders	49,886	76,347	75,879
Subordinated unitholders**	21,049	5,085	N/A
General partner	1,545	1,728	1,602
Incentive distribution rights***	4,790	3,208	2,618
Weighted average units outstanding (basic)			
Common units	22,934,380	36,493,143	42,945,432
Subordinated units**	9,822,358	9,822,358	N/A
General partner units	668,505	790,819	876,255
Earnings per unit (basic)			
Common unitholders	2.18	2.09	1.77
Subordinated unitholders	2.14	0.52	N/A
General partner	2.31	2.18	1.83
Weighted average units outstanding (diluted)			
Common units	22,963,214	36,547,545	43,034,117
Subordinated units**	9,822,358	9,822,358	N/A
General partner units	668,505	790,819	876,255
Earnings per unit (diluted)			
Common unitholders	2.17	2.09	1.76
Subordinated unitholders	2.14	0.52	N/A
General partner	2.31	2.18	1.83

* Includes profits of: (i) GAS-seven Ltd. for the period prior to its transfer to the Partnership on November 1, 2016, (ii) GAS-eleven Ltd. for the period prior to its transfer to the Partnership on May 3, 2017, (iii) GAS-thirteen Ltd. for the period prior to its transfer to the Partnership on July 3, 2017, (iv) GAS-eight Ltd. for the period prior to its transfer to the

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Notes to the consolidated financial statements (Continued)

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19. Earnings Per Unit (Continued)

Partnership on October 20, 2017, (v) GAS-fourteen Ltd. for the period prior to its transfer to the Partnership on April 26, 2018 and (vi) GAS-twenty seven Ltd. for the period prior to its transfer to the Partnership on November 14, 2018. While such amounts are reflected in the Partnership's financial statements because the transfers to the Partnership were accounted for as reorganizations of entities under common control (Note 1), the aforementioned entities were not owned by the Partnership prior to their transfers to the Partnership on the respective dates and accordingly the Partnership was not entitled to the cash or results generated in the period prior to such transfers.

** On May 16, 2017, all 9,822,358 subordinated units converted into common units on a one-for-one basis. As of December 31, 2017, they participated pro rata with all other outstanding common units in distributions of available cash for the three months ended December 31, 2017. Consequently, earnings have been allocated to subordinated units and the weighted average number of subordinated units has been calculated only for the applicable period during which they were entitled to distributions based on the Partnership Agreement, i.e. for the three months ended March 31, 2017.

*** Represent the right to receive an increasing percentage of quarterly distributions of available cash from operating surplus after the minimum quarterly distribution and the target distribution levels have been achieved. GasLog holds the incentive distribution rights following completion of the Partnership's IPO. The IDRs may be transferred separately from any other interests, subject to restrictions in the Partnership Agreement (please refer to Note 5). Based on the nature of such right, earnings attributable to IDRs cannot be allocated on a per unit basis.

20. Share-based Compensation

On April 1, 2015, April 1, 2016, April 3, 2017 and April 2, 2018, the Partnership granted to its executives Restricted Common Units ("RCUs") and Performance Common Units ("PCUs") in accordance with its 2015 Long-Term Incentive Plan (the "2015 Plan"). On April 3, 2018, 16,999 RCUs and 16,999 PCUs vested under the Partnership's 2015 Plan.

The details of the aforementioned awards are presented in the following table:

<u>Awards</u>	<u>Number</u>	<u>Grant date</u>	<u>Expiry date</u>	<u>Fair value at grant date</u>
RCUs	16,999	April 1, 2015	n/a	\$24.12
PCUs	16,999	April 1, 2015	n/a	\$24.12
RCUs	24,925	April 1, 2016	n/a	\$16.45
PCUs	24,925	April 1, 2016	n/a	\$16.45
RCUs	26,097	April 3, 2017	n/a	\$23.85
PCUs	26,097	April 3, 2017	n/a	\$23.85
RCUs	24,608	April 2, 2018	n/a	\$23.40
PCUs	24,608	April 2, 2018	n/a	\$23.40

The RCUs and PCUs vest three years after the grant dates subject to the recipients' continued service; vesting of the PCUs is also subject to the achievement of certain performance targets in relation to total unitholder return. Specifically, the performance measure is based on the total unitholder return ("TUR") achieved by the Partnership during the performance period, benchmarked against the TUR of a selected group of peer companies. TUR above the 75th percentile of the peer group results in 100% of the award vesting; TUR between the 50th and 75th percentile of the peer group results in 50% of award vesting; TUR below the 50th percentile of the peer group results in none of the award vesting. The holders are entitled to cash distributions that are accrued and settled on vesting.

GasLog Partners LP**Notes to the consolidated financial statements (Continued)****For the years ended December 31, 2016, 2017 and 2018****(All amounts expressed in thousands of U.S. Dollars, except unit and per unit data)****20. Share-based Compensation (Continued)**

The awards are settled in cash or in common units at the sole discretion of the board of directors or such committee as may be designated by the board to administer the 2015 Plan. These awards have been treated as equity settled because the Partnership has no present obligation to settle them in cash.

Fair value

The fair value per common unit of the RCUs and PCUs in accordance with the 2015 Plan was determined by using the grant date closing price of \$24.12 for the 2015 grant, \$16.45 for the 2016 grant, \$23.85 for the 2017 grant and \$23.40 for the 2018 grant and was not further adjusted since the holders are entitled to cash distributions.

Movement in RCUs and PCUs during the year

The summary of RCUs and PCUs is presented below:

	<u>Number of awards</u>	<u>Weighted average contractual life</u>	<u>Aggregate fair value</u>
RCUs			
Outstanding as of January 1, 2017	41,924	1.84	820
Granted during the year	26,097	—	622
Forfeited during the year	(546)	—	(13)
Outstanding as of December 31, 2017	67,475	1.38	1,429
Granted during the year	24,608	—	576
Vested during the year	(16,999)	—	(410)
Outstanding as of December 31, 2018	75,084	1.25	1,595
PCUs			
Outstanding as of January 1, 2017	41,924	1.84	820
Granted during the year	26,097	—	622
Forfeited during the year	(546)	—	(13)
Outstanding as of December 31, 2017	67,475	1.38	1,429
Granted during the year	24,608	—	576
Vested during the year	(16,999)	—	(410)
Outstanding as of December 31, 2018	75,084	1.25	1,595

The total expense recognized in respect of share-based compensation for the year ended December 31, 2018 is \$1,034 (\$850 for the year ended December 31, 2017; \$480 for the year ended December 31, 2016). The total accrued cash distribution as of December 31, 2018 is \$542 (December 31, 2017: \$428).

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(All amounts expressed in thousands of U.S. Dollars, except unit and per unit data)

21. Taxation

Under the laws of the countries of the Partnership's incorporation and the vessels' registration, the Partnership is not subject to tax on international shipping income. However, it is subject to registration and tonnage taxes, which are included in vessel operating costs in the consolidated statement of profit or loss.

Under the United States Internal Revenue Code of 1986, as amended (the "Code"), the U.S. source gross transportation income of a ship-owning or chartering corporation, such as the Partnership, is subject to a 4% U.S. Federal income tax without allowance for deduction, unless that corporation qualifies for exemption from tax under Section 883 of the Code and the Treasury Regulations promulgated thereunder. U.S. source gross transportation income consists of 50% of the gross shipping income that is attributable to transportation that begins or ends, but that does not both begin and end, in the United States.

The Partnership did not qualify for this exemption for the three years ended December 31, 2018. During the year ended December 31, 2018, the estimated U.S. source gross transportation tax is \$625 and is included under "Vessel Operating Costs" (December 31, 2017: \$398 and December 31, 2016: \$201).

22. Subsequent Events

On January 29, 2019, the board of directors of GasLog Partners approved and declared a quarterly cash distribution, with respect to the quarter ended December 31, 2018, of \$0.55 per unit. The cash distribution was paid on February 13, 2019, to all common unitholders of record as of February 8, 2019. The aggregate amount of the declared distribution was \$26,929, based on the numbers of units issued and outstanding as of December 31, 2018.

On January 29, 2019, the board of directors of GasLog Partners authorized a unit repurchase programme of up to \$25,000 covering the period January 31, 2019 to December 31, 2021. Under the terms of the repurchase programme, GasLog Partners may repurchase common units from time to time, at its discretion, on the open market or in privately negotiated transactions.

On February 20, 2019, GasLog Partners entered into a credit agreement with Credit Suisse AG, Nordea Bank ABP, filial i Norge and Iyo Bank, Ltd., Singapore Branch, each an original lender, of up to \$450,000 (the "2019 GasLog Partners Facility"), in order to refinance the existing indebtedness due in November 2019 on five of its vessels. Subsequently on the same date, the Development Bank of Japan, Inc. entered the facility as lender via transfer certificate. The agreement provides for an amortising revolving credit facility which can be repaid and redrawn at any time for a period of five years. The total available facility amount will be reduced on a quarterly basis, with a final balloon amount payable concurrently with the last quarterly instalment, if any, in February 2024. The vessels covered by the 2019 GasLog Partners Facility are the *GasLog Shanghai*, the *GasLog Santiago*, the *GasLog Sydney*, the *Methane Rita Andrea* and the *Methane Jane Elizabeth*. The facility is subject to customary conditions precedent.

On February 22, 2019, the board of directors of GasLog Partners approved and declared a distribution on the Series A Preference Units of \$0.5390625 per preference unit, a distribution on the Series B Preference Units of \$0.5125 per preference unit and a distribution on the Series C Preference Units of \$0.7083 per preference unit. The cash distributions are payable on March 15, 2019 to all unitholders of record as of March 7, 2019.

SUBSIDIARIES OF GASLOG PARTNERS LP

The following companies are subsidiaries of GasLog Partners LP:

<u>Name of Subsidiary</u>	<u>Jurisdiction of Incorporation</u>	<u>Proportion of Ownership Interest</u>
GAS-three Ltd.	Bermuda	100%
GAS-four Ltd.	Bermuda	100%
GAS-five Ltd.	Bermuda	100%
GAS-seven Ltd.	Bermuda	100%
GAS-eight Ltd.	Bermuda	100%
GAS-eleven Ltd.	Bermuda	100%
GAS-thirteen Ltd.	Bermuda	100%
GAS-fourteen Ltd.	Bermuda	100%
GAS-sixteen Ltd.	Bermuda	100%
GAS-seventeen Ltd.	Bermuda	100%
GAS-nineteen Ltd.	Bermuda	100%
GAS-twenty Ltd.	Bermuda	100%
GAS-twenty one Ltd.	Bermuda	100%
GAS-twenty seven Ltd.	Bermuda	100%
GasLog Partners Holdings LLC	Marshall Islands	100%

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Andrew J. Orekar, certify that:

1. I have reviewed this annual report on Form 20-F of GasLog Partners LP (the “Partnership”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Partnership as of, and for, the periods presented in this report;
4. The Partnership’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Partnership and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Partnership, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the Partnership’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the Partnership’s internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the Partnership’s internal control over financial reporting; and
5. The Partnership’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Partnership’s auditors and the audit committee of the Partnership’s board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Partnership’s ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Partnership’s internal control over financial reporting.

Dated: February 26, 2019

By: /s/ ANDREW J. OREKAR _____

Name: Andrew J. Orekar

Title: *Chief Executive Officer*

CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Alastair Maxwell, certify that:

1. I have reviewed this annual report on Form 20-F of GasLog Partners LP (the “Partnership”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Partnership as of, and for, the periods presented in this report;
4. The Partnership’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Partnership and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Partnership, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the Partnership’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the Partnership’s internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the Partnership’s internal control over financial reporting; and
5. The Partnership’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Partnership’s auditors and the audit committee of the Partnership’s board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Partnership’s ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Partnership’s internal control over financial reporting.

Dated: February 26, 2019

By: /s/ ALASTAIR MAXWELL

Name: Alastair Maxwell

Title: *Chief Financial Officer*

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the annual report on Form 20-F of GasLog Partners LP, a limited partnership organized under the laws of the Republic of the Marshall Islands (the “Partnership”), for the period ending December 31, 2018, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), the undersigned officer of the Company certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Partnership as of, and for, the periods presented in the report.

The foregoing certification is provided solely for purposes of complying with the provisions of Section 906 of the Sarbanes-Oxley Act of 2002 and is not intended to be used or relied upon for any other purpose.

Date: February 26, 2019

By: /s/ ANDREW J. OREKAR
Name: Andrew J. Orekar
Title: *Chief Executive Officer*

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the annual report on Form 20-F of GasLog Partners LP, a limited partnership organized under the laws of the Republic of the Marshall Islands (the “Partnership”), for the period ending December 31, 2018, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), the undersigned officer of the Partnership certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Partnership as of, and for, the periods presented in the report.

The foregoing certification is provided solely for purposes of complying with the provisions of Section 906 of the Sarbanes-Oxley Act of 2002 and is not intended to be used or relied upon for any other purpose.

Date: February 26, 2019

By: /s/ ALASTAIR MAXWELL
Name: Alastair Maxwell
Title: *Chief Financial Officer*

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statements, No. 333-220736 on Form F-3, and No. 333-203139 on Form S-8, of our reports dated February 26, 2019, relating to the consolidated financial statements of GasLog Partners LP, and the effectiveness of GasLog Partners LP's internal control over financial reporting, appearing in this Annual Report on Form 20-F of GasLog Partners LP for the year ended December 31, 2018.

Deloitte LLP

London, United Kingdom

February 26, 2019

Deloitte LLP is a limited liability partnership registered in England and Wales with registered number OC303675 and its registered office at 1 New Street Square, London EC4A 3HQ, United Kingdom.

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