

# Cheniere Energy Inc (LNG)

FQ3 2026 Earnings Review  
Period ended September 30, 2026  
Reported October 29, 2026

**Scarcity margins converted into contracted visibility; 2026 guidance raised \$850 million at the midpoint**

## 1 | KEY RESULTS VS. CONSENSUS

| Metric                 | Reported        | Consensus       | vs. Cons.     |
|------------------------|-----------------|-----------------|---------------|
| Revenue                | \$6.173 billion | \$4.96 billion  | <b>+24.5%</b> |
| Adjusted EBITDA        | \$1.900 billion | \$1.608 billion | <b>+18.2%</b> |
| Diluted EPS            | \$5.65          | \$4.75          | <b>+18.9%</b> |
| <b>SEGMENT REVENUE</b> |                 |                 |               |
| LNG Revenue            | \$6.099 billion | \$4.53 billion  | <b>+34.6%</b> |
| Regasification Revenue | \$34 million    | \$34 million    | <b>0.0%</b>   |
| Other Revenue          | \$40 million    | \$98.6 million  | <b>-59.4%</b> |

*Adjusted EBITDA and Diluted EPS compare to year ago, not consensus.*

## 2 | GUIDANCE AND OUTLOOK

Full-year 2026 adjusted EBITDA guidance increased to \$8.75 billion-\$9.25 billion from \$7.90 billion-\$8.40 billion, an \$850 million increase at the midpoint, and distributable cash flow guidance increased to \$6.05 billion-\$6.55 billion from \$5.30 billion-\$5.80 billion. Production guidance was unchanged at 53 million-54 million tonnes. Management expects 2027 production of 56 million-58 million tonnes, with about 98% of midpoint output covered by long-term contracts or forward marketing sales. Formal 2027 financial guidance follows in February.

## 3 | EARNINGS ANALYSIS

**A REVENUE BEAT LARGER THAN THE PROFIT BEAT.** Revenue rose 39.0% to \$6.173 billion, \$1.213 billion above the \$4.96 billion consensus. LNG revenue rose 41.8% to \$6.099 billion against a \$4.53 billion estimate, regasification revenue was flat at \$34 million and matched consensus, and other revenue fell to \$40 million against a \$98.6 million estimate. The profit conversion was smaller: variable consideration was 73% of LNG contract revenue, against 64% a year earlier, and adjusted EBITDA rose 18.2% to \$1.900 billion, taking the EBITDA-to-revenue ratio to 30.8% from 36.2%.

**EARNINGS QUALITY NEEDS SEPARATION.** About \$250 million of the guidance increase is cargo recognition pulled from early 2027 into late 2026, and a \$370 million nonrecurring excise-tax credit recognized in the first quarter remains inside annual comparisons. Adjusted net income rose 26.9% to \$750 million after removing \$432 million of noncash derivative gains, and the effective tax rate fell to 10.2% from 18.9%. Distributable cash flow fell 23.6% to \$1.23 billion, primarily on an approximately \$590 million adverse current-tax comparison swing.

**RECORD OPERATIONS, AND A RISING COST BASE.** Cheniere exported a record 188 cargoes carrying 684 TBtu, against 163 cargoes and 586 TBtu a year earlier, and Corpus Christi Stage 3 reached substantial completion ahead of schedule and within budget. A daily production record above 8.33 TBtu evidences technical capability, not an annual forecast. The added trains carry higher costs: operating and maintenance expense rose to \$540 million from \$447 million, depreciation and amortization to \$393 million from \$338 million, and net interest expense to \$285 million from \$236 million.

**2027 MARGINS ARE LARGELY LOCKED IN.** Approximately 4 million tonnes of 2027 marketing volumes have been sold or hedged at approximately \$10/MMBtu, and about 52 million tonnes of expected 2027 production of 56 million-58 million tonnes sit under long-term contracts. Each \$1/MMBtu move in market margin changes 2027 EBITDA by only about \$50 million on the remaining open volume. Long-term contracts of about 4.8 million tonnes per annum with QatarEnergy and Petrobras add fee visibility from the early 2030s, not 2027 earnings.

## 4 | KEY READ-THROUGHS

### INTERNATIONALLY INDEXED CANADIAN GAS HAS MORE DIRECT UPSIDE THAN GENERIC NORTH AMERICAN GAS EXPOSURE

*Tourmaline Oil (TOU) | Positive | Potentially high for the international marketing portfolio*

Tourmaline holds a 15-year Cheniere agreement covering 140,000 MMBtu per day priced against JKM after fixed deductions, so higher international benchmarks transmit directly. Its international exposure is about 220,000 MMBtu per day in 2026, rising to 253,000 by the end of 2027; each \$1/MMBtu is about \$80 million of annualized gross revenue sensitivity before hedging. About 100 MMcf per day is hedged for the rest of 2026, limiting immediate participation.

### COMMERCIAL STARTUP CAN REDUCE MERCHANT EARNINGS EVEN WHILE INTERNATIONAL LNG PRICES REMAIN ELEVATED

*Venture Global (VG) | Negative | High at the transitioning Plaquemines phase*

Long-term Henry Hub-linked FOB cargoes loaded at about \$6/MMBtu while international spot prices were at times above \$30/MMBtu, a spread accruing to the customer once contractual deliveries begin. Plaquemines Phase 1 was expected to start commercial operations on October 31, 2026, moving volumes from merchant commissioning sales toward contracted pricing. Venture Global had contracted 91% of available 2026 cargoes, so exceptional commissioning margins are not a perpetual earnings base.

### BROWNFIELD EXPANSION AND DEBOTTLENECKING FAVOR AN AWARDED EQUIPMENT SUPPLIER, NOT THE ENTIRE EPC UNIVERSE

*Baker Hughes (BKR) | Positive | High for LNG equipment and lifecycle-service visibility*

Cheniere has spent almost \$500 million on engineering and procurement with Bechtel and Baker Hughes ahead of a Sabine Pass expansion above 6 million tonnes per annum, FID targeted around end-2026 or early 2027. Baker Hughes' scope covers 7 turbines driving 15 compressors, the boil-off re-liquefaction unit, and installed-fleet upgrades over 4 years. The \$500 million covers multiple counterparties; it is not Baker Hughes revenue.

### THE EUROPEAN GAS SHOCK STRENGTHENS NORTH AMERICAN NITROGEN'S COST ADVANTAGE

*CF Industries (CF) | Positive | High for relative production economics*

Third-quarter TTF averaged above \$21/MMBtu, European storage began October at about 72%, its lowest for that date since 2011, and Europe's winter LNG requirement is about 7% above last winter. Gas is the ammonia feedstock: at 30 MMBtu per tonne, a \$10/MMBtu move is about \$300 per tonne. CF's North American plants are not repriced to TTF, so higher global nitrogen prices can expand margins against an unchanged feedstock base.