

MARTIN MIDSTREAM PARTNERS LP  
Form 10-Q  
May 07, 2012

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

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FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2012

OR

TRANSITION REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number  
000-50056

MARTIN MIDSTREAM PARTNERS L.P.  
(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of incorporation or organization)

05-0527861  
(IRS Employer Identification No.)

4200 Stone Road  
Kilgore, Texas 75662  
(Address of principal executive offices, zip code)

Registrant's telephone number, including area code: (903) 983-6200

Indicate by check mark whether the registrant: (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 registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted 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 registrant was required to submit and post such files).

Yes

No

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

Large accelerated filer

Accelerated filer

Non-accelerated filer  (Do not check if a smaller reporting company)

Smaller reporting company

Indicated by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes

No

The number of the registrant's Common Units outstanding at May 7, 2012, was 23,116,776.

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	Page
<b><u>PART I – FINANCIAL INFORMATION</u></b>	2
<b><u>Item 1. Financial Statements</u></b>	2
<u>Consolidated and Condensed Balance Sheets as of March 31, 2012 (unaudited) and December 31, 2011 (audited)</u>	2
<u>Consolidated and Condensed Statements of Operations for the Three Months Ended March 31, 2012 and 2011 (unaudited)</u>	3
<u>Consolidated and Condensed Statements of Comprehensive Income for the Three Months Ended March 31, 2012 and 2011 (unaudited)</u>	4
<u>Consolidated and Condensed Statements of Capital for the Three Months Ended March 31, 2012 and 2011 (unaudited)</u>	5
<u>Consolidated and Condensed Statements of Cash Flows for the Three Months Ended March 31, 2012 and 2011 (unaudited)</u>	6
<u>Notes to Consolidated and Condensed Financial Statements</u>	7
<b><u>Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations</u></b>	28
<b><u>Item 3. Quantitative and Qualitative Disclosures about Market Risk</u></b>	47
<b><u>Item 4. Controls and Procedures</u></b>	49
<b><u>PART II. OTHER INFORMATION</u></b>	50
<b><u>Item 1. Legal Proceedings</u></b>	50
<b><u>Item 1A. Risk Factors</u></b>	50
<b><u>Item 5. Other Information</u></b>	50
<b><u>Item 6. Exhibits</u></b>	51
<b><u>SIGNATURE</u></b>	
<b><u>CERTIFICATIONS</u></b>	

Table of Contents

## PART I – FINANCIAL INFORMATION

## Item 1. Financial Statements

MARTIN MIDSTREAM PARTNERS L.P.  
CONSOLIDATED AND CONDENSED BALANCE SHEETS  
(Dollars in thousands)

	March 31, 2012 (Unaudited)	December 31, 2011 (Audited)
<b>Assets</b>		
Cash	\$8,782	\$266
Accounts and other receivables, less allowance for doubtful accounts of \$2,979 and \$3,021, respectively	112,137	126,461
Product exchange receivables	9,213	17,646
Inventories	81,487	78,163
Due from affiliates	9,923	5,968
Fair value of derivatives	675	622
Other current assets	2,001	1,978
Total current assets	224,218	231,104
Property, plant and equipment, at cost	740,978	711,052
Accumulated depreciation	(244,023 )	(233,710 )
Property, plant and equipment, net	496,955	477,342
Goodwill	37,268	37,268
Investment in unconsolidated entities	177,428	170,497
Deferred debt costs	12,640	13,330
Fair value of derivatives	41	—
Other assets, net	19,115	19,568
	\$967,665	\$949,109
<b>Liabilities and Partners' Capital</b>		
Current installments of long-term debt and capital lease obligations	\$198	\$1,261
Trade and other accounts payable	96,107	125,970
Product exchange payables	30,583	37,313
Due to affiliates	14,167	18,485
Income taxes payable	1,156	893
Fair value of derivatives	530	362
Other accrued liabilities	12,131	11,022
Total current liabilities	154,872	195,306
Long-term debt and capital leases, less current maturities	433,684	458,941
Deferred income taxes	7,487	7,657
Other long-term obligations	1,601	1,589
Total liabilities	597,644	663,493

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Partners' capital	369,459	284,990
Accumulated other comprehensive income	562	626
Total partners' capital	370,021	285,616
Commitments and contingencies		
	\$967,665	\$949,109

See accompanying notes to consolidated and condensed financial statements.

Table of Contents

MARTIN MIDSTREAM PARTNERS L.P.  
CONSOLIDATED AND CONDENSED STATEMENTS OF OPERATIONS  
(Unaudited)  
(Dollars in thousands, except per unit amounts)

	Three Months Ended March 31,	
	2012	2011
Revenues:		
Terminalling and storage *	\$20,186	\$18,123
Marine transportation *	20,862	19,399
Sulfur services	2,926	2,850
Product sales: *		
Natural gas services	201,013	167,211
Sulfur services	71,626	56,908
Terminalling and storage	21,673	18,545
	294,312	242,664
Total revenues	338,286	283,036
Costs and expenses:		
Cost of products sold: (excluding depreciation and amortization)		
Natural gas services *	193,180	158,204
Sulfur services *	54,960	&#1