

Teekay LNG Partners L.P.  
Form 6-K  
November 28, 2012  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**WASHINGTON, D.C. 20549**

**FORM 6-K**

**Report of Foreign Private Issuer**

**Pursuant to Rule 13a-16 or 15d-16 of  
the Securities Exchange Act of 1934**

**For the quarterly period ended September 30, 2012**

**Commission file number 1- 32479**

**TEEKAY LNG PARTNERS L.P.**

**(Exact name of Registrant as specified in its charter)**

**4<sup>th</sup> Floor, Belvedere Building**

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**69 Pitts Bay Road**

**Hamilton, HM 08 Bermuda**

(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F       Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1).

Yes       No

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7).

Yes       No

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**TEEKAY LNG PARTNERS L.P. AND SUBSIDIARIES**

**REPORT ON FORM 6-K FOR THE QUARTERLY PERIOD ENDED SEPTEMBER 30, 2012**

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**Table of Contents****ITEM 1 FINANCIAL STATEMENTS****TEEKAY LNG PARTNERS L.P. AND SUBSIDIARIES (Note 1)****UNAUDITED CONSOLIDATED STATEMENTS OF INCOME**

(in thousands of U.S. Dollars, except unit and per unit data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2012 \$	2011 \$	2012 \$	2011 \$
<b>VOYAGE REVENUES</b> (note 9a)	98,723	97,256	294,293	282,722
<b>OPERATING EXPENSES</b>				
Voyage expenses	860	307	1,445	1,362
Vessel operating expenses (note 9a)	21,992	22,366	62,627	66,561
Depreciation and amortization	24,570	23,032	73,876	67,552
General and administrative (note 9a)	6,254	5,804	19,876	18,665
<b>Total operating expenses</b>	<b>53,676</b>	<b>51,509</b>	<b>157,824</b>	<b>154,140</b>
<b>Income from vessel operations</b>	<b>45,047</b>	<b>45,747</b>	<b>136,469</b>	<b>128,582</b>
<b>OTHER ITEMS</b>				
Equity income	21,098	891	49,232	12,395
Interest expense (note 7)	(14,414)	(12,129)	(40,946)	(36,019)
Interest income	850	1,576	2,731	4,852
Realized and unrealized loss on derivative instruments (note 10)	(9,945)	(37,690)	(43,993)	(54,250)
Foreign currency exchange (loss) gain (notes 7 and 10)	(6,248)	29,480	(1,989)	(412)
Other income (expense)	374	133	1,068	(137)
	(8,285)	(17,739)	(33,897)	(73,571)
Net income before income tax (expense) recovery	36,762	28,008	102,572	55,011
Income tax (expense) recovery (note 8)	(679)	176	(550)	(779)
<b>Net income</b>	<b>36,083</b>	<b>28,184</b>	<b>102,022</b>	<b>54,232</b>
Non-controlling interest in net income	3,022	535	6,542	4,731
General Partner's interest in net income	5,538	2,917	15,863	8,084
Limited partners' interest in net income	27,523	24,732	79,617	41,417
Limited partners' interest in net income per common unit (basic and diluted) (note 12)	0.42	0.42	1.22	0.72
Weighted-average number of common units outstanding (basic and diluted)	65,882,450	59,357,900	65,201,910	57,887,847
Cash distributions declared per unit	0.6750	0.6300	1.9800	1.8900

Related party transactions (note 9)

The accompanying notes are an integral part of the unaudited consolidated financial statements.



**Table of Contents****TEEKAY LNG PARTNERS L.P. AND SUBSIDIARIES (Note 1)****UNAUDITED CONSOLIDATED BALANCE SHEETS**

(in thousands of U.S. Dollars)

	As at September 30, 2012 \$	As at December 31, 2011 \$
<b>ASSETS</b>		
<b>Current</b>		
Cash and cash equivalents	91,931	93,627
Restricted cash – current (note 5)	31,361	
Accounts receivable, including non-trade of \$13,146 (2011 – \$10,011) (note 10)	14,773	13,921
Prepaid expenses	4,554	4,916
Current portion of derivative assets (note 10)	16,883	15,608
Current portion of net investments in direct financing leases (note 5)	6,522	6,074
Advances to affiliates (note 9b)	3,338	11,922
<b>Total current assets</b>	<b>169,362</b>	<b>146,068</b>
Restricted cash – long-term (note 5)	496,309	495,634
<b>Vessels and equipment</b>		
At cost, less accumulated depreciation of \$336,151 (2011 – \$291,689)	1,299,621	1,339,571
Vessels under capital leases, at cost, less accumulated depreciation of \$186,488 (2011 – \$163,926)	661,135	681,554
<b>Total vessels and equipment</b>	<b>1,960,756</b>	<b>2,021,125</b>
Investment in and advances to equity accounted joint ventures (notes 9d, 9e and 13)	388,722	191,448
Net investments in direct financing leases (note 5)	398,459	403,467
Advances to joint venture partner (note 6)	14,004	10,200
Other assets	23,664	24,560
Derivative assets (note 10)	150,755	139,651
Intangible assets – net	107,568	114,416
Goodwill – liquefied gas segment	35,631	35,631
<b>Total assets</b>	<b>3,745,230</b>	<b>3,582,200</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current</b>		
Accounts payable (includes nil and \$556 for 2012 and 2011, respectively, owing to related parties) (note 9b)	1,201	3,302
Accrued liabilities (includes nil and \$3,550 for 2012 and 2011, respectively, owing to related parties) (notes 9b and 10)	34,166	46,740
Unearned revenue	10,652	9,988
Current portion of long-term debt (note 7)	85,731	84,722
Current obligations under capital lease (note 5)	168,060	47,203
Current portion of derivative liabilities (note 10)	50,425	43,973
Advances from affiliates (note 9b)	11,072	17,400
<b>Total current liabilities</b>	<b>361,307</b>	<b>253,328</b>

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Long-term debt <i>(note 7)</i>	1,258,308	1,230,509
Long-term obligations under capital lease <i>(note 5)</i>	471,912	599,844
Long-term unearned revenue	37,531	40,003
Other long-term liabilities <i>(notes 5 and 13)</i>	67,616	69,562
Derivative liabilities <i>(note 10)</i>	278,505	249,245
<b>Total liabilities</b>	<b>2,475,179</b>	<b>2,442,491</b>
Commitments and contingencies <i>(notes 5, 7, 10, 11 and 13)</i>		
<b>Equity</b>		
Non-controlling interest	32,434	26,242
Partners' equity	1,237,617	1,113,467
<b>Total equity</b>	<b>1,270,051</b>	<b>1,139,709</b>
<b>Total liabilities and total equity</b>	<b>3,745,230</b>	<b>3,582,200</b>

Consolidation of variable interest entities *(note 11)*

*The accompanying notes are an integral part of the unaudited consolidated financial statements.*

**Table of Contents****TEEKAY LNG PARTNERS L.P. AND SUBSIDIARIES (Note 1)****UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS**

(in thousands of U.S. Dollars)

	Nine Months Ended September 30, 2012 \$	Nine Months Ended September 30, 2011 \$
Cash and cash equivalents provided by (used for)		
<b>OPERATING ACTIVITIES</b>		
<b>Net income</b>	102,022	54,232
Non-cash items:		
Unrealized loss on derivative instruments <i>(note 10)</i>	16,142	23,892
Depreciation and amortization	73,876	67,552
Unrealized foreign currency exchange loss	1,722	304
Equity income, net of dividends received of \$6,500 (2011 \$3,440)	(42,732)	(8,955)
Equity based compensation	28	
Amortization of deferred debt issuance costs and other	771	2,169
Change in operating assets and liabilities	(9,772)	9,346
Accrued interest	(2,125)	(2,148)
Expenditures for dry docking	(5,531)	(12,220)
<b>Net operating cash flow</b>		