

StealthGas Inc.
Form 20-F
April 18, 2013
Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON D.C. 20549

FORM 20-F

.. **REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE
SECURITIES EXCHANGE ACT OF 1934**

OR

x **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2012

OR

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

OR

.. **SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Commission file number 000-51559

STEALTHGAS INC.

(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)

331 Kifissias Avenue, Erithrea 14561 Athens, Greece

(Address of principal executive offices)

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(Name, Telephone, E-mail and/or Facsimile Number and Address of Company Contact Person)

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

Title of each class	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	The Nasdaq Stock Market LLC

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

The number of outstanding shares of each of the issuer's classes of capital or common stock as of December 31, 2012 was:

Common Stock, par value \$0.01 per share	20,627,329 shares
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Indicate by check mark if the registrant 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 registrant 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 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, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act. (Check one):

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

Indicate by check mark which basis of accounting the registrant 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

International Accounting Standards Board

If Other has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow. Item 17 Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Table of Contents**TABLE OF CONTENTS**

<u>FORWARD-LOOKING INFORMATION</u>	1
<u>PART I</u>	2
Item 1. <u>Identity of Directors, Senior Management and Advisers</u>	2
Item 2. <u>Offer Statistics and Expected Timetable</u>	2
Item 3. <u>Key Information</u>	2
Item 4. <u>Information on the Company</u>	29
Item 4A. <u>Unresolved Staff Comments</u>	42
Item 5. <u>Operating and Financial Review and Prospects</u>	43
Item 6. <u>Directors, Senior Management and Employees</u>	60
Item 7. <u>Major Shareholders and Related Party Transactions</u>	65
Item 8. <u>Financial Information</u>	68
Item 9. <u>The Offer and Listing</u>	69
Item 10. <u>Additional Information</u>	70
Item 11. <u>Quantitative and Qualitative Disclosures About Market Risk</u>	84
Item 12. <u>Description of Securities Other than Equity Securities</u>	85
<u>PART II</u>	86
Item 1. <u>Defaults, Dividend Arrearages and Delinquencies</u>	86
Item 2. <u>Material Modifications to the Rights of Security Holders and Use of Proceeds</u>	86
Item 3. <u>Controls and Procedures</u>	86
Item 16A. <u>Audit Committee Financial Expert</u>	89
Item 16B. <u>Code of Ethics</u>	89
Item 16C. <u>Principal Accountant Fees and Services</u>	89
Item 16D. <u>Exemptions from the Listing Standards for Audit Committees</u>	90
Item 16E. <u>Purchases of Equity Securities by the Issuer and Affiliated Purchasers</u>	90
Item 16F. <u>Change in Registrant's Certifying Accountant</u>	90
Item 16G. <u>Corporate Governance</u>	90
Item 16H. <u>Mine Safety Disclosures</u>	90
Item 17. <u>Financial Statements</u>	91
Item 18. <u>Financial Statements</u>	91
Item 19. <u>Exhibits</u>	91

Table of Contents

FORWARD-LOOKING INFORMATION

This Annual Report on Form 20-F includes assumptions, expectations, projections, intentions and beliefs about future events. These statements are intended as forward-looking statements. We caution that assumptions, expectations, projections, intentions and beliefs about future events may and often do vary from actual results and the differences can be material.

All statements in this document that are not statements of historical fact are forward-looking statements as defined in Section 27A of the Securities Act of 1933, as amended (the Securities Act), and Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act). Forward-looking statements include, but are not limited to, such matters as:

future operating or financial results;

global and regional economic and political conditions;

pending or recent acquisitions, business strategy and expected capital spending or operating expenses;

competition in the marine transportation industry;

shipping market trends, including charter rates, factors affecting supply and demand and world fleet composition;

ability to employ our vessels profitably;

performance by the counterparties to our charter agreements;

future liquefied petroleum gas (LPG), refined petroleum product and oil prices and production;

future supply and demand for oil and refined petroleum products and natural gas of which LPG is a byproduct;

our financial condition and liquidity, including our ability to obtain financing in the future to fund capital expenditures, acquisitions and other general corporate activities, the terms of such financing and our ability to comply with covenants set forth in our existing and future financing arrangements; and

expectations regarding vessel acquisitions.

When used in this document, the words anticipate, believe, intend, estimate, project, forecast, plan, potential, may, should and forward-looking statements. Such statements reflect our current views and assumptions and all forward-looking statements are subject to various risks and uncertainties that could cause actual results to differ materially from expectations. The factors that could affect our future financial results are discussed more fully under Item 3. Key Information Risk Factors, as well as elsewhere in this Annual Report on Form 20-F and in our other filings with the U.S. Securities and Exchange Commission (SEC). We caution readers of this Annual Report not to place undue reliance on these forward-looking statements, which speak only as of their dates. We undertake no obligation to publicly update or revise any forward-looking statements.

Table of Contents

PART I

StealthGas Inc. is a Marshall Islands company that is referred to in this Annual Report on Form 20-F, together with its subsidiaries, as StealthGas, the Company, we, us, or our. This Annual Report should be read in conjunction with our consolidated financial statements and the accompanying notes thereto, which are included in Item 18 to this Annual Report.

We use the term cubic meters, or cbm, in describing the size of our liquefied petroleum gas (LPG) carriers and the term deadweight tons, or dwt, in describing the size of our product carriers and crude oil tanker. Unless otherwise indicated, all references to currency amounts in this annual report are in U.S. dollars.

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 Consolidated Financial Data

The following table sets forth our selected consolidated financial data and other operating data shown in U.S. dollars, other than share and fleet data. The table should be read together with Item 5. Operating and Financial Review and Prospects.

Table of Contents

Our audited and consolidated statements of comprehensive income, stockholder's equity and cash flows for the years ended December 31, 2010, 2011, and 2012 and the consolidated balance sheets as of December 31, 2011 and 2012, together with the notes thereto, are included in Item 18. Financial Statements and should be read in their entirety. The selected consolidated income statement data for the years ended December 31, 2008, 2009 and the selected balance sheet data as of December 31, 2008, 2009 and 2010 have been derived from our audited consolidated financial statements which are not included in Item 18. Financial Statements.

	Year ended December 31,				
	2008	2009	2010	2011	2012
INCOME STATEMENT DATA					
Revenues	\$ 112,551,901	\$ 113,045,961	\$ 111,409,623	\$ 118,280,752	\$ 114,848,079
Revenues related party					\$ 4,364,992
Total Revenues	\$ 112,551,901	\$ 113,045,961	\$ 111,409,623	\$ 118,280,752	\$ 119,213,071
Operating expenses:					
Voyage expenses	4,794,987	9,104,549	12,283,131	16,354,725	11,231,340
Voyage expenses related party	1,385,767	1,418,024	1,396,877	1,474,495	1,472,410
Vessels operating expenses	32,178,385	38,001,481	38,338,063	36,350,153	28,674,675
Vessels operating expenses related party				208,000	1,917,302
Dry-docking costs	1,112,992	1,266,455	2,716,378	3,443,491	2,067,393
Management fees	4,618,025	5,230,990	5,184,055	4,760,865	4,315,720
General and administrative expenses	4,772,615	3,564,779	3,031,491	2,646,418	2,838,759
Depreciation	23,283,393	26,766,672	26,624,098	27,562,120	28,776,688
Impairment Loss		9,867,777			
Forfeiture of vessel deposit and contract termination fees		16,500,000			
Charter termination fees		(753,000)	(228,000)		
Net (gain)/loss on sale of vessels	(1,673,321)	791,659	(960,696)	5,654,178	(1,372,409)
Total expenses	70,472,843	111,759,386	88,385,397	98,454,445	79,921,878
Income from operations	42,079,058	1,286,575	23,024,226	19,826,307	39,291,193
Interest and finance costs	(9,962,504)	(9,109,222)	(7,672,848)	(8,510,516)	(9,408,230)
Loss on derivatives	(2,713,055)	(5,478,163)	(6,071,638)	(2,931,404)	(1,086,258)
Interest income	743,193	250,326	315,517	83,059	221,023
Foreign exchange (loss)/ gain	(159,208)	(261,401)	1,497,934	82,345	(59,241)
Other expenses, net	(12,091,574)	(14,598,460)	(11,931,035)	(11,276,516)	(10,332,706)
Net income/(loss)	29,987,484	(13,311,885)	11,093,191	8,549,791	28,958,487
Earnings/(Loss) per share, basic	\$ 1.35	\$ (0.60)	\$ 0.51	\$ 0.41	\$ 1.41
Earnings/(Loss) per share, diluted	\$ 1.34	\$ (0.60)	\$ 0.51	\$ 0.41	\$ 1.41
Weighted (and diluted) average number of shares outstanding	22,182,118	22,219,442	21,539,331	20,909,154	20,552,568
Dividends declared per share, basic and diluted(*)	\$ 0.75	\$ 0.1875	\$ 0.00	\$ 0.00	\$ 0.00

Table of Contents

	2008	2009	As of December 31, 2010	2011	2012
BALANCE SHEET DATA					
Current assets, including cash	\$ 52,458,518	\$ 69,031,753	\$ 45,127,547	\$ 56,521,743	\$ 56,263,407
Total assets	634,347,123	692,497,010	688,376,399	695,710,151	713,039,031
Current liabilities	40,774,931	69,023,455	60,269,033	56,100,855	55,808,714
Derivative liability	12,762,979	10,327,792	11,602,213	9,401,798	5,409,337
Total long-term debt, including current portion	283,693,873	345,822,070	345,085,949	351,068,181	345,352,312
Total stockholders' equity	317,847,325	300,801,931	306,250,752	313,098,027	342,033,442
Capital stock	223,101	223,101	211,042	205,526	206,273
Number of shares of common stock outstanding	22,310,110	22,310,110	21,104,214		