

Capital Product Partners L.P.
Form 20-F
March 27, 2009

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

OR

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

For the fiscal year ended December 31, 2008

OR

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

For the transition period from _____ to _____

OR

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

Date of event requiring this shell company report:

Commission file number: 1-33373

CAPITAL PRODUCT PARTNERS L.P.
(Exact name of Registrant as specified in its charter)

Republic of The Marshall Islands
(Jurisdiction of incorporation or organization)

3 Iassonos Street, Piraeus, 18537 Greece
+30 210 458 4950
(Address and telephone number of principal executive offices)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

| Title of each class registered | Name of each exchange on which registered |
|---------------------------------------------------------|-------------------------------------------|
| Common units representing limited partnership interests | Nasdaq Global |
| Market | |

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Securities registered or to be 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.

24,817,151 Common Units
506,472 General Partner Units

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 is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definitions 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

Indicate by check mark which financial statements 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

CAPITAL PRODUCT PARTNERS L.P.
TABLE OF CONTENTS

| | | Page |
|-------------------|--------------------------------------------------------------------------------------|-----------|
| | <u>Special Note Regarding Forward-Looking Statements</u> | ii |
| <u>PART I</u> | | |
| <u>Item 1.</u> | <u>Identity of Directors, Senior Management and Advisors.</u> | <u>1</u> |
| <u>Item 2.</u> | <u>Offer Statistics and Expected Timetable.</u> | <u>1</u> |
| <u>Item 3.</u> | <u>Key Information.</u> | <u>1</u> |
| <u>Item 4.</u> | <u>Information on the Partnership.</u> | <u>24</u> |
| <u>Item 4A.</u> | <u>Unresolved Staff Comments.</u> | <u>38</u> |
| <u>Item 5.</u> | <u>Operating and Financial Review and Prospects.</u> | <u>39</u> |
| <u>Item 6.</u> | <u>Directors, Senior Management and Employees.</u> | <u>54</u> |
| <u>Item 7.</u> | <u>Major Unitholders and Related Party Transactions.</u> | <u>59</u> |
| <u>Item 8.</u> | <u>Financial Information.</u> | <u>64</u> |
| <u>Item 9.</u> | <u>The Offer and Listing.</u> | <u>67</u> |
| <u>Item 10.</u> | <u>Additional Information.</u> | <u>67</u> |
| <u>Item 11.</u> | <u>Quantitative and Qualitative Disclosures About Market Risk.</u> | <u>75</u> |
| <u>Item 12.</u> | <u>Description of Securities Other than Equity Securities.</u> | <u>75</u> |
| <u>PART II</u> | | |
| <u>Item 13.</u> | <u>Defaults, Dividend, Arrearages and Delinquencies.</u> | <u>76</u> |
| <u>Item 14.</u> | <u>Material Modifications to the Rights of Security Holders and Use of Proceeds.</u> | <u>76</u> |
| <u>Item 15.</u> | <u>Controls and Procedures.</u> | <u>76</u> |
| <u>Item 16A.</u> | <u>Audit Committee Financial Expert.</u> | <u>78</u> |
| <u>Item 16B.</u> | <u>Code of Ethics.</u> | <u>78</u> |
| <u>Item 16C.</u> | <u>Principal Accountant Fees and Services.</u> | <u>78</u> |
| <u>Item 16D.</u> | <u>Exemptions from the Listing Standards for Audit Committees.</u> | <u>78</u> |
| <u>Item 16E.</u> | <u>Purchases of Equity Securities by the Issuer and Affiliated Purchasers.</u> | <u>78</u> |
| <u>Item 16F.</u> | <u>Change in Registrant's Certifying Accountant.</u> | <u>79</u> |
| <u>Item 16G.</u> | <u>Corporate Governance.</u> | <u>79</u> |
| <u>PART III</u> | | |
| <u>Item 17.</u> | <u>Financial Statements.</u> | <u>80</u> |
| <u>Item 18.</u> | <u>Financial Statements.</u> | <u>80</u> |
| <u>Item 19.</u> | <u>Exhibits.</u> | <u>80</u> |
| <u>Signatures</u> | | <u>82</u> |

Table of Contents

FORWARD-LOOKING STATEMENTS

This annual report on Form 20-F (the “Annual Report”) should be read in conjunction with our audited consolidated and combined financial statements and accompanying notes included herein.

Statements included in this Annual Report which are not historical facts (including statements concerning plans and objectives of management for future operations or economic performance, or assumptions related thereto) are forward-looking statements. In addition, we and our representatives may from time to time make other oral or written statements which are also forward-looking statements. Such statements include, in particular, statements about our plans, strategies, business prospects, changes and trends in our business, financial condition and the markets in which we operate, and involve risks and uncertainties. In some cases, you can identify the forward-looking statements by the use of words such as “may”, “could”, “should”, “would,” “expect”, “plan”, “anticipate”, “intend”, “forecast”, “believe”, “estimate”, “propose”, “potential”, “continue” or the negative of these terms or other comparable terminology. Forward-looking statements appear in a number of places and include statements with respect to, among other things:

our ability to make cash distributions on the units;

our future financial condition or results of operations and our future revenues and expenses, including revenues from profit sharing arrangements and required levels of reserves;

future levels of operating surplus and levels of distributions as well as our future cash distribution policy;

the potential results of the early termination of the subordination period;

future charter hire rates and vessel values;

anticipated future acquisition of vessels from Capital Maritime & Trading Corp. (“Capital Maritime” or “CMTC”) or from third parties;

our anticipated growth strategies;

our ability to access debt, credit and equity markets;

the repayment of debt and settling of interest rate swaps;

future refined product and crude oil prices and production;

planned capital expenditures and availability of capital resources to fund capital expenditures;

future supply of, and demand for, refined products and crude oil;

increases in domestic oil consumption;

changes in interest rates;

our ability to maintain long-term relationships with major refined product importers and exporters, major crude oil companies, and major commodity traders;

our ability to maximize the use of our vessels, including the re-deployment or disposition of vessels no longer under long-term time charter;

our ability to leverage to our advantage Capital Maritime's relationships and reputation in the shipping industry;

our continued ability to enter into long-term, fixed-rate time charters with our tanker charterers;

obtaining tanker projects that we or Capital Maritime bid on;

timely purchases and deliveries of newbuilding vessels;

Table of Contents

our ability to compete successfully for future chartering and newbuilding opportunities;

the expected cost of, and our ability to comply with, governmental regulations and maritime self-regulatory organization standards, as well as standard regulations imposed by our charterers applicable to our business;

our anticipated general and administrative expenses and our expenses under the management agreement and the administrative services agreement with Capital Ship Management Corp., a subsidiary of Capital Maritime (“Capital Ship Management”) and for reimbursement for fees and costs of our general partner;

the expected impact of heightened environmental and quality concerns of insurance underwriters, regulators and charterers;

the anticipated taxation of our partnership and distributions to our unitholders;

estimated future maintenance and replacement capital expenditures;

expected demand in the refined product shipping sector in general and the demand for our medium range vessels in particular;

our ability to retain key employees;

customers’ increasing emphasis on environmental and safety concerns;

future sales of our units in the public market; and

our business strategy and other plans and objectives for future operations.

These and other forward-looking statements are made based upon management's current plans, expectations, estimates, assumptions and beliefs concerning future events impacting us and therefore involve a number of risks and uncertainties, including those risks discussed in “Risk Factors.” The risks, uncertainties and assumptions involve known and unknown risks and are inherently subject to significant uncertainties and contingencies, many of which are beyond our control. We caution that forward-looking statements are not guarantees and that actual results could differ materially from those expressed or implied in the forward-looking statements.

We undertake no obligation to update any forward-looking statement or statements to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. 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. You should carefully review and consider the various disclosures included in this Annual Report and in our other filings made with the Securities and Exchange Commission (the “SEC”) that attempt to advise interested parties of the risks and factors that may affect our business, prospects and results of operations.

Table of Contents

PART I

Item Identity of Directors, Senior Management and Advisors.

1. Not Applicable.

Item Offer Statistics and Expected Timetable.

2. Not Applicable.

Item Key Information.

- 3.

Selected Financial Data

We have derived the following selected historical financial and other data for the three years ending December 31, 2008, from our audited consolidated and combined financial statements for the years ended December 31, 2008, 2007 and 2006 (the “Financial Statements”) respectively, appearing elsewhere in this Annual Report. The historical financial data presented for the period from August 27, 2003 (inception) to December 31, 2005 have been derived from audited financial statements not required to be included herein and are provided for comparison purposes only. August 27, 2003 refers to the incorporation date of the vessel-owning subsidiary of the M/T Aktoras and is the earliest incorporation date of any of our vessel-owning subsidiaries.

Our historical results are not necessarily indicative of the results that may be expected in the future. Specifically, our financial statements for the period from August 27, 2003 (inception) to December 31, 2004, and for the years ended December 31, 2005 and 2006, are not comparable to our Financial Statements for the years ended December 31, 2007 and 2008. Our initial public offering on April 3, 2007, and certain other transactions that occurred during 2007 and 2008, including the delivery or acquisition of ten additional vessels, the new charters our vessels entered into, the agreement we entered into with Capital Ship Management for the provision of management and administrative services to our fleet for a fixed fee and certain new financing and interest rate swap arrangements we entered into, have affected our results of operations. Furthermore, for the year ended December 31, 2006, only seven of the vessels in our current fleet had been delivered to Capital Maritime and only two were in operation for the full year. In addition, all the vessels comprising our fleet at the time of our initial public offering as well as the subsequently acquired M/T Attikos and the M/T Aristofanis were under construction during the periods from August 27, 2003 (inception) to December 31, 2004 and during the year ended December 31, 2005. The M/T Attikos and the M/T Aristofanis were delivered to Capital Maritime in January and June 2005, respectively. Consequently, the below table should be read together with, and is qualified in its entirety by reference to, the Financial Statements and the accompanying notes included elsewhere in this Annual Report. The table should also be read together with “Item 5A: Operating and Financial Review and Prospects—Management's Discussion and Analysis of Financial Condition and Results of Operations”.

Our Financial Statements are prepared in accordance with United States generally accepted accounting principles after giving retroactive effect to the combination of entities under common control in 2008 as described in Note 1 (Basis of Presentation and General Information) to the Financial Statements included herein. All numbers are in thousands of U.S. Dollars, except numbers of units and earnings per unit.

Table of Contents

| Year Ended Dec. 31, 2008 | Year Ended Dec. 31, 2007 | Year Ended Dec. 31, 2006 |
|-----------------------------|-----------------------------|-----------------------------|
| (1) | (1) | (1) |