

CHENIERE ENERGY INC
Form 10-Q
May 01, 2014

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

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, 2014

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 No. 001-16383
CHENIERE ENERGY, INC.
(Exact name of registrant as specified in its charter)

Delaware 95-4352386
(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification No.)

700 Milam Street, Suite 800
Houston, Texas 77002
(Address of principal executive offices) (Zip code)
(713) 375-5000
(Registrant's telephone number, including area code)

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 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 the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer
Non-accelerated filer Smaller reporting company

(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

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237,899,730 shares of the registrant's Common Stock, \$0.003 par value, were issued and outstanding as of April 17, 2014.

CHENIERE ENERGY, INC.
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	March 31, 2014 (unaudited)	December 31, 2013
ASSETS		
Current assets		
Cash and cash equivalents	\$914,603	\$960,842
Restricted cash and cash equivalents	520,119	598,064
Accounts and interest receivable	3,886	4,486
LNG inventory	4,106	10,563
Prepaid expenses and other	25,915	17,225
Total current assets	1,468,629	1,591,180
Non-current restricted cash and cash equivalents	330,072	1,031,399
Property, plant and equipment, net	7,132,041	6,454,399
Debt issuance costs, net	302,439	313,944
Non-current derivative assets	71,170	98,123
Goodwill	76,819	76,819

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Intangible LNG assets	3,366	3,366
Other	140,080	104,007
Total assets	\$9,524,616	\$9,673,237
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$6,269	\$10,367
Accrued liabilities	142,275	186,552
Deferred revenue	26,764	26,593
Other	19,561	13,499
Total current liabilities	194,869	237,011
Long-term debt, net		
Long-term deferred revenue	6,578,350	6,576,273
Other non-current liabilities	16,500	17,500
	3,281	2,396
Commitments and contingencies		
Stockholders' equity		
Preferred stock, \$0.0001 par value, 5.0 million shares authorized, none issued	—	—
Common stock, \$0.003 par value		
Authorized: 480.0 million shares at both March 31, 2014 and December 31, 2013		
Issued and outstanding: 237.7 million shares and 238.1 million shares at March 31, 2014 and December 31, 2013, respectively	714	716
Treasury stock: 9.2 million shares and 9.0 million shares at March 31, 2014 and December 31, 2013, respectively, at cost	(187,568) (179,826)
Additional paid-in-capital	2,501,133	2,459,699
Accumulated deficit	(2,198,717) (2,100,907)
Total stockholders' equity	115,562	179,682
Non-controlling interest	2,616,054	2,660,375
Total equity	2,731,616	2,840,057
Total liabilities and equity	\$9,524,616	\$9,673,237

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

CHENIERE ENERGY, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

(in thousands, except per share data)

(unaudited)

	Three Months Ended	
	March 31,	
	2014	2013
Revenues		
LNG terminal revenues	\$66,419	\$66,061
Marketing and trading revenues (losses)	657	(565)
Other	474	410
Total revenues	67,550	65,906
Operating costs and expenses		
General and administrative expense	73,808	85,798
Depreciation, depletion and amortization	15,475	15,113
LNG terminal operating expense	13,687	15,259
LNG terminal development expense	12,112	17,088
Other	80	102
Total operating costs and expenses	115,162	133,360
Loss from operations	(47,612)	(67,454)
Other income (expense)		
Interest expense, net	(40,270	