

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of report (date of earliest event reported): July 31, 2018

MARTIN MIDSTREAM PARTNERS L.P.

(Exact name of Registrant as specified in its charter)

DELAWARE
(State of incorporation
or organization)

000-50056
(Commission file number)

05-0527861
(I.R.S. employer identification number)

4200 STONE ROAD
KILGORE, TEXAS
(Address of principal executive offices)

75662
(Zip code)

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

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).
Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.01 Completion of Acquisition or Disposition of Assets.

On July 31, 2018, Martin Midstream Partners L.P. (the "Partnership") completed the previously announced sale of its 20 percent non-operating interest in West Texas LPG Pipeline L.P. ("WTLPG") to ONEOK, Inc. ("ONEOK"). WTLPG owns an approximate 2,300 mile common-carrier pipeline system that primarily transports NGLs from New Mexico and Texas to Mont Belvieu, Texas for fractionation. A wholly-owned subsidiary of ONEOK, Inc. is the operator of the assets. In consideration of the sale of these assets, the Partnership received cash proceeds of \$195.0 million at closing, before transaction fees and expenses. Pro forma financial information with respect to the sale of assets is provided as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(b) Pro Forma Financial Information

Unaudited Pro Forma Condensed Consolidated Financial Information. See Exhibit 99.1.

(d) Exhibits

Exhibit Number	Description
99.1	Unaudited Pro Forma Condensed Consolidated Financial Information
	Press Release dated July 31, 2018
99.2	

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned hereunto duly authorized.

MARTIN MIDSTREAM PARTNERS L.P.

By: Martin Midstream GP LLC,
Its General Partner

Date: August 6, 2018

By: /s/ Robert D. Bondurant

Robert D. Bondurant
Executive Vice President, Treasurer, Principal Accounting Officer and
Chief Financial Officer

MARTIN MIDSTREAM PARTNERS L.P.
UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION

On July 31, 2018, Martin Midstream Partners L.P. (the "Partnership") completed the previously announced sale of its 20 percent non-operating interest in West Texas LPG Pipeline L.P. ("WTLPG") to ONEOK, Inc. ("ONEOK"). WTLPG owns an approximate 2,300 mile common-carrier pipeline system that primarily transports NGLs from New Mexico and Texas to Mont Belvieu, Texas for fractionation. A wholly-owned subsidiary of ONEOK, Inc. is the operator of the assets. In consideration of the sale of these assets, the Partnership received cash proceeds of \$195.0 million at closing, before transaction fees and expenses.

The following unaudited pro forma condensed consolidated financial information is based upon the historical financial statements of the Partnership, adjusted to reflect the disposition of the investment in WTLPG. Pro forma financial information is presented as of and for the six months ended June 30, 2018 and the years ended December 31, 2017, 2016, and 2015.

The following unaudited pro forma condensed consolidated financial information of the Partnership should be read in conjunction with the related notes and with the historical consolidated financial statements of the Partnership and the related notes included in previous filings with the Securities and Exchange Commission. The unaudited pro forma condensed consolidated balance sheet reflects the disposition of the investment in WTLPG, as if it occurred on June 30, 2018, while the unaudited pro forma condensed consolidated statements of operations give effect to the disposition as if it occurred on January 1, 2015. The pro forma adjustments, described in the related notes, are based on the best available information and certain assumptions that the Partnership's management believes are reasonable.

The unaudited pro forma condensed consolidated financial information is presented for informational purposes only and do not purport to be indicative of the actual operating results or financial position that would have occurred if the transaction described above had occurred as presented in such statements. In addition, future results may vary significantly from the results reflected in such statements. For example, this financial information does not reflect any potential earnings from the use of the proceeds from the disposition or reductions of previously allocated corporate costs.

MARTIN MIDSTREAM PARTNERS L.P.
UNAUDITED PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET
As of June 30, 2018
(Dollars in thousands)

Assets	MMLP Historical	Adjustments for WTLPG	Pro Forma Consolidated
Cash	\$ 610	\$ 195,000 A	\$ 610
		(195,000) C	
Accounts and other receivables, less allowance for doubtful accounts of \$405	60,884	—	60,884
Product exchange receivables	174	—	174
Inventories	113,100	—	113,100
Due from affiliates	21,031	—	21,031
Other current assets	5,368	—	5,368
Assets held for sale	8,158	—	8,158
Total current assets	<u>209,325</u>	<u>—</u>	<u>209,325</u>
Property, plant and equipment, at cost	1,273,392	—	1,273,392
Accumulated depreciation	(450,564)	—	(450,564)
Property, plant and equipment, net	<u>822,828</u>	<u>—</u>	<u>822,828</u>
Goodwill	17,296	—	17,296
Investment in WTLPG	141,114	(141,114) B	—
Other assets, net	28,202	—	28,202
Total assets	<u>\$ 1,218,765</u>	<u>\$ (141,114)</u>	<u>\$ 1,077,651</u>
Liabilities and Partners' Capital			
Trade and other accounts payable	\$ 72,945	\$ —	72,945
Product exchange payables	13,015	—	13,015
Due to affiliates	1,271	—	1,271
Income taxes payable	400	—	400
Fair value of derivatives	572	—	572
Other accrued liabilities	23,093	—	23,093
Total current liabilities	<u>111,296</u>	<u>—</u>	<u>111,296</u>
Long-term debt, net	831,928	(195,000) C	636,928
Other long-term obligations	10,842	—	10,842
Total liabilities	<u>954,066</u>	<u>(195,000)</u>	<u>759,066</u>
Commitments and contingencies			
Partners' capital	264,699	53,886 D	318,585
Total partners' capital	<u>264,699</u>	<u>53,886</u>	<u>318,585</u>
Total liabilities and partners' capital	<u>\$ 1,218,765</u>	<u>\$ (141,114)</u>	<u>\$ 1,077,651</u>

See accompanying notes to unaudited pro forma condensed consolidated financial information.

MARTIN MIDSTREAM PARTNERS L.P.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
Six Months Ended June 30, 2018
(Dollars in thousands, except per unit amounts)

	MMLP Historical	Adjustments for WTLPG	Pro Forma Consolidated
Revenues:			
Terminalling and storage	\$ 48,154	\$ —	\$ 48,154
Marine transportation	24,193	—	24,193
Natural gas services	29,160	—	29,160
Sulfur services	5,574	—	5,574
Product sales:			
Natural gas services	249,806	—	249,806
Sulfur services	70,584	—	70,584
Terminalling and storage	73,304	—	73,304
	<u>393,694</u>	<u>—</u>	<u>393,694</u>
Total revenues	<u>500,775</u>	<u>—</u>	<u>500,775</u>
Costs and expenses:			
Cost of products sold: (excluding depreciation and amortization)			
Natural gas services	230,599	—	230,599
Sulfur services	52,635	—	52,635
Terminalling and storage	66,166	—	66,166
	<u>349,400</u>	<u>—</u>	<u>349,400</u>
Expenses:			
Operating expenses	62,964	—	62,964
Selling, general and administrative	18,240	(157) E	18,083
Depreciation and amortization	40,101	—	40,101
Total costs and expenses	<u>470,705</u>	<u>(157)</u>	<u>470,548</u>
Other operating loss	(492)	—	(492)
Operating income	<u>29,578</u>	<u>157</u>	<u>29,735</u>
Other income (expense):			
Equity in earnings of WTLPG	2,726	(2,726) E	—
Interest expense, net	(26,451)	4,587 F	(21,864)
Total other expense	<u>(23,725)</u>	<u>1,861</u>	<u>(21,864)</u>
Net income before taxes	5,853	2,018	7,871
Income tax expense	(281)	—	(281)
Net income	<u>5,572</u>	<u>2,018</u>	<u>7,590</u>
Less general partner's interest in net income	(111)	(40)	(151)
Less income allocable to unvested restricted units	(2)	(1)	(3)
Limited partners' interest in net income	<u>\$ 5,459</u>	<u>\$ 1,977</u>	<u>\$ 7,436</u>
Net income per limited partner unit - basic and diluted	\$ 0.14	—	\$ 0.19
Weighted average limited partner units - basic	38,828,845	—	38,828,845
Weighted average limited partner units - diluted	38,834,421	—	38,834,421

See accompanying notes to unaudited pro forma condensed consolidated financial information.

MARTIN MIDSTREAM PARTNERS L.P.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
Year Ended December 31, 2017
(Dollars in thousands, except per unit amounts)

	<u>MMLP Historical</u>	<u>Adjustments for WTLPG</u>	<u>Pro Forma Consolidated</u>
Revenues:			
Terminalling and storage	\$ 99,705	\$ —	\$ 99,705
Marine transportation	48,579	—	48,579
Natural gas services	58,817	—	58,817
Sulfur services	10,952	—	10,952
Product sales:			
Natural gas services	473,865	—	473,865
Sulfur services	123,732	—	123,732
Terminalling and storage	130,466	—	130,466
	<u>728,063</u>	<u>—</u>	<u>728,063</u>
Total revenues	<u>946,116</u>	<u>—</u>	<u>946,116</u>
Costs and expenses:			
Cost of products sold: (excluding depreciation and amortization)			
Natural gas services	421,444	—	421,444
Sulfur services	82,338	—	82,338
Terminalling and storage	109,798	—	109,798
	<u>613,580</u>	<u>—</u>	<u>613,580</u>
Expenses:			
Operating expenses	146,874	—	146,874
Selling, general and administrative	38,950	(186) E	38,764
Impairment of long lived assets	2,225	—	2,225
Depreciation and amortization	85,195	—	85,195
Total costs and expenses	<u>886,824</u>	<u>(186)</u>	<u>886,638</u>
Other operating income	523	—	523
Operating income	<u>59,815</u>	<u>186</u>	<u>60,001</u>
Other income (expense):			
Equity in earnings of WTLPG	4,314	(4,314) E	—
Interest expense, net	(47,743)	7,771 F	(39,972)
Other, net	1,101	—	1,101
Total other expense	<u>(42,328)</u>	<u>3,457</u>	<u>(38,871)</u>
Net income before taxes	17,487	3,643	21,130
Income tax expense	(352)	—	(352)
Net income	<u>17,135</u>	<u>3,643</u>	<u>20,778</u>
Less general partner's interest in net income	(343)	(73)	(416)
Less income allocable to unvested restricted units	(42)	(9)	(51)
Limited partners' interest in net income	<u>\$ 16,750</u>	<u>\$ 3,561</u>	<u>\$ 20,311</u>
Net income per limited partner unit - basic and diluted	\$ 0.44		\$ 0.53
Weighted average limited partner units - basic	38,101,583		38,101,583
Weighted average limited partner units - diluted	38,164,901		38,164,901

See accompanying notes to unaudited pro forma condensed consolidated financial information.

MARTIN MIDSTREAM PARTNERS L.P.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
Year Ended December 31, 2016
(Dollars in thousands, except per unit amounts)

	MMLP Historical	Adjustments for WTLPG	Pro Forma Consolidated
Revenues:			
Terminalling and storage	\$ 123,132	\$ —	\$ 123,132
Marine transportation	58,290	—	58,290
Natural gas services	61,133	—	61,133
Sulfur services	10,800	—	10,800
Product sales:			
Natural gas services	330,200	—	330,200
Sulfur services	130,258	—	130,258
Terminalling and storage	113,578	—	113,578
	<u>574,036</u>	<u>—</u>	<u>574,036</u>
Total revenues	<u>827,391</u>	<u>—</u>	<u>827,391</u>
Costs and expenses:			
Cost of products sold: (excluding depreciation and amortization)			
Natural gas services	289,516	—	289,516
Sulfur services	87,963	—	87,963
Terminalling and storage	94,175	—	94,175
	<u>471,654</u>	<u>—</u>	<u>471,654</u>
Expenses:			
Operating expenses	158,864	—	158,864
Selling, general and administrative	34,385	(65) E	34,320
Impairment of long lived assets	26,953	—	26,953
Impairment of goodwill	4,145	—	4,145
Depreciation and amortization	92,132	—	92,132
Total costs and expenses	<u>788,133</u>	<u>(65)</u>	<u>788,068</u>
Other operating income	33,400	—	33,400
Operating income	<u>72,658</u>	<u>65</u>	<u>72,723</u>
Other income (expense):			
Equity in earnings of WTLPG	4,714	(4,714) E	—
Interest expense, net	(46,100)	6,498 F	(39,602)
Other, net	1,106	—	1,106
Total other expense	<u>(40,280)</u>	<u>1,784</u>	<u>(38,496)</u>
Net income before taxes	32,378	1,849	34,227
Income tax expense	(726)	—	(726)
Net income	<u>31,652</u>	<u>1,849</u>	<u>33,501</u>
Less general partner's interest in net income	(8,419)	(37)	(8,456)
Less income allocable to unvested restricted units	(90)	(5)	(95)
Limited partners' interest in net income	<u>\$ 23,143</u>	<u>\$ 1,807</u>	<u>\$ 24,950</u>
Net income per limited partner unit - basic and diluted	\$ 0.65		\$ 0.71
Weighted average limited partner units - basic	35,347,032		35,347,032
Weighted average limited partner units - diluted	35,375,263		35,375,263

See accompanying notes to unaudited pro forma condensed consolidated financial information.

MARTIN MIDSTREAM PARTNERS L.P.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
Year Ended December 31, 2015
(Dollars in thousands, except per unit amounts)

	MMLP Historical	Adjustments for WTLPG	Pro Forma Consolidated
Revenues:			
Terminalling and storage	\$ 132,945	\$ —	\$ 132,945
Marine transportation	78,753	—	78,753
Natural gas services	64,858	—	64,858
Sulfur services	12,270	—	12,270
Product sales:			
Natural gas services	458,302	—	458,302
Sulfur services	157,891	—	157,891
Terminalling and storage	131,825	—	131,825
	<u>748,018</u>	<u>—</u>	<u>748,018</u>
Total revenues	<u>1,036,844</u>	<u>—</u>	<u>1,036,844</u>
Costs and expenses:			
Cost of products sold: (excluding depreciation and amortization)			
Natural gas services	413,795	—	413,795
Sulfur services	114,766	—	114,766
Terminalling and storage	112,836	—	112,836
	<u>641,397</u>	<u>—</u>	<u>641,397</u>
Expenses:			
Operating expenses	183,466	—	183,466
Selling, general and administrative	36,788	(33) E	36,755
Impairment of long lived assets	10,629	—	10,629
Depreciation and amortization	92,250	—	92,250
Total costs and expenses	<u>964,530</u>	<u>(33)</u>	<u>964,497</u>
Other operating loss	<u>(2,161)</u>	<u>—</u>	<u>(2,161)</u>
Operating income	<u>70,153</u>	<u>33</u>	<u>70,186</u>
Other income (expense):			
Equity in earnings of WTLPG	8,986	(8,986) E	—
Interest expense, net	(43,292)	5,723 F	(37,569)
Gain on retirement of senior unsecured notes	1,242	—	1,242
Other, net	1,124	—	1,124
Total other expense	<u>(31,940)</u>	<u>(3,263)</u>	<u>(35,203)</u>
Net income before taxes	38,213	(3,230)	34,983
Income tax expense	<u>(1,048)</u>	<u>—</u>	<u>(1,048)</u>
Income (loss) from continuing operations	37,165	(3,230)	33,935
Income from discontinued operations, net of income taxes	1,215	—	1,215
Net income (loss)	38,380	(3,230)	35,150
Less general partner's interest in net (income) loss	(16,338)	65	(16,273)
Less (income) loss allocable to unvested restricted units	(140)	12	(128)
Limited partners' interest in net income (loss)	<u>\$ 21,902</u>	<u>\$ (3,153)</u>	<u>\$ 18,749</u>
Net income per limited partner unit - basic and diluted	\$ 0.62		\$ 0.53
Weighted average limited partner units - basic	35,308,649		35,308,649
Weighted average limited partner units - diluted	35,371,529		35,371,529

See accompanying notes to unaudited pro forma condensed consolidated financial information.

MARTIN MIDSTREAM PARTNERS L.P.
NOTES TO UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Dollars in thousands)

- (A) To reflect the Partnership's cash proceeds of \$195,000.
- (B) To reflect the disposition of the Investment in WTLPG as set forth in the asset purchase agreement.
- (C) To reflect the application of the Partnership's net cash proceeds from the disposition of the investment in WTLPG to reduce outstanding borrowings under the revolving credit facility.
- (D) To reflect the impact on equity at the time of disposition of approximately \$53,886 from the disposition of the Investment in WTLPG.

Net proceeds	\$	195,000
Less:		
Carrying value of assets sold		141,114
Impact on equity	\$	<u>53,886</u>

- (E) To reflect the removal of the operating results of the Investment in WTLPG as if the transaction occurred on January 1, 2015.
- (F) To reflect the reduction in interest expense due to repayment of borrowings under the revolving credit facility using the net cash proceeds from the disposition of the Investment in WTLPG. The reduction in interest expense was calculated using a weighted average interest rate applicable during the period being presented.

**Martin Midstream Partners L.P. Completes the Previously Announced
Divestiture of the West Texas LPG Pipeline Interest**

Martin Midstream Partners L.P. (NASDAQ:MMLP) (the "Partnership") announces the completion of the divestiture of its 20 percent non-operating partnership interests in the West Texas LPG Pipeline Limited Partnership ("WTLPG") to ONEOK, Inc. The net proceeds of approximately \$193.7 million will be used to reduce outstanding borrowings under the Partnership's revolving credit facility.

Ruben Martin, President and Chief Executive Officer of Martin Midstream GP LLC, the general partner of the Partnership said, "The WTLPG divestiture is reflective of our commitment to improving the Partnership's balance sheet and reducing our leverage ratio to below 4.50 times. On a pro-forma basis this sale represents more than a full turn of leverage improvement, or 4.36 times compared to actual leverage of 5.46 times at June 30, 2018. Furthermore, due to our reduced financial leverage Moody's Investor Services recently revised the Partnership's rating outlook favorably from stable to positive, while affirming the corporate credit rating of (B2) and senior unsecured debt rating of (Caa1).

We believe that with the benefits from this sale, the Partnership is now in a position to take advantage of viable growth opportunities including potential drop-downs from our general partner which could drive our distribution coverage ratio to a target of greater than 1.2 times."

About Martin Midstream Partners (NASDAQ:MMLP)

The Partnership is a publicly traded limited partnership with a diverse set of operations focused primarily in the United States Gulf Coast region. The Partnership's primary business segments include: (1) natural gas services, including liquids transportation and distribution services and natural gas storage; (2) terminalling, storage and packaging services for petroleum products and by-products; (3) sulfur and sulfur-based products processing, manufacturing, marketing and distribution; and (4) marine transportation services for petroleum products and by-products.

Forward-Looking Statements

Statements about the Partnership's outlook and all other statements in this release other than historical facts are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements and all references to financial estimates rely on a number of assumptions concerning future events and are subject to a number of uncertainties and other factors, many of which are outside the Partnership's control, which could cause actual results to differ materially from such statements. While the Partnership believes that the assumptions concerning future events are reasonable, it cautions that there are inherent difficulties in anticipating or predicting certain important factors. A discussion of these factors, including risks and uncertainties, is set forth in the Partnership's annual and quarterly reports filed from time to time with the Securities and Exchange Commission. The Partnership disclaims any intention or obligation to revise any forward-looking statements, including financial estimates, whether as a result of new information, future events, or otherwise except where required to do so by law.

Additional information concerning the Partnership is available on the Partnership's website at www.martinmidstream.com or by contacting:

Sharon Taylor - Head of Investor Relations
(877) 256-6644