

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): August 5, 2019

AmeriGas Partners LP
(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

1-13692
(Commission
File Number)

23-2787918
(I.R.S. Employer
Identification No.)

460 North Gulph Road, King of Prussia, PA 19406
(Address of Principal Executive Offices) (Zip Code)

Registrant's Telephone Number, Including Area Code: 610 337-7000

Not Applicable
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:

- ☐ 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))

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

Title of each class:	Trading Symbol(s):	Name of each exchange on which registered:
Common Units representing limited partner interests	APU	New York Stock Exchange

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 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b of this chapter).

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 2.02 Results of Operations and Financial Condition.

On August 5, 2019, AmeriGas Propane, Inc., the general partner of AmeriGas Partners, L.P. (the “Partnership”), issued a press release announcing financial results for the Partnership for the fiscal quarter ended June 30, 2019. A copy of the press release is furnished as Exhibit 99.1 to this report and is incorporated herein by reference.

Item 7.01 Regulation FD Disclosure.

On August 6, 2019, the Partnership will hold a live Internet Audio Webcast of its conference call to discuss its financial results for the fiscal quarter ended June 30, 2019.

Presentation materials containing certain historical and forward-looking information relating to the Partnership (the “Presentation Materials”) have been made available on the Partnership’s website. A copy of the Presentation Materials is furnished as Exhibit 99.2 to this report and is incorporated herein by reference in this Item 7.01. All information in Exhibit 99.2 is presented as of the particular dates referenced therein, and the Partnership does not undertake any obligation to, and disclaims any duty to, update any of the information provided.

In accordance with General Instruction B.2 of Form 8-K, the information in this report, including Exhibits 99.1 and 99.2, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, and will not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in that filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits. The following exhibits are being furnished herewith:

99.1	Press Release of AmeriGas Partners, L.P. dated August 5, 2019.
99.2	Presentation of AmeriGas Partners, L.P. dated August 6, 2019.

EXHIBIT INDEX

The Following Exhibits Are Furnished:

EXHIBIT NO.	DESCRIPTION
99.1	Press Release of AmeriGas Partners, L.P. dated August 5, 2019.
99.2	Presentation of AmeriGas Partners, L.P. dated August 6, 2019.
101.INS	XBRL Instance - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH	XBRL Taxonomy Extension Schema
101.CAL	XBRL Taxonomy Extension Calculation Linkbase
101.DEF	XBRL Taxonomy Extension Definition Linkbase
101.LAB	XBRL Taxonomy Extension Label Linkbase
101.PRE	XBRL Taxonomy Extension Presentation Linkbase

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.

AmeriGas Partners, L.P.

August 6, 2019

By: /s/ Ann P. Kelly
Name: Ann P. Kelly
Title: Vice President - Finance and Chief Financial Officer of AmeriGas Propane, Inc., the
general partner of AmeriGas Partners, L.P.



AmeriGas Reports Third Quarter Results; Updates Guidance

August 5, 2019

VALLEY FORGE, PA - AmeriGas Propane, Inc., the general partner of AmeriGas Partners, L.P. (the "Partnership," NYSE: APU), today reported financial results for the fiscal quarter ended June 30, 2019.

HIGHLIGHTS

- GAAP net loss of \$49.0 million, compared with GAAP net loss of \$74.4 million in the prior-year period; adjusted net loss of \$43.8 million, compared with adjusted net loss of \$20.2 million in the prior-year period
- Adjusted EBITDA of \$42.5 million, compared with \$67.2 million in the prior-year period
- Current year period includes \$15 million in expenses related to litigation reserves and correction of a prior-period accounting error
- Reduces Adjusted EBITDA guidance range to \$580 million to \$590 million (including the negative impact of aforementioned expense adjustments) for the fiscal year ending September 30, 2019

Hugh J. Gallagher, president and chief executive officer of AmeriGas, said, "Our third quarter results were negatively impacted by April weather that was 30% warmer than the prior-year period and certain expense adjustments. Our Cylinder Exchange and National Accounts programs continue to provide solid growth performance. During the quarter, we launched our cylinder home delivery concept in the Philadelphia area and early customer response has been encouraging. The activities related to the merger with UGI are progressing well, as the Unitholder meeting is scheduled for August 21st and, subject to unitholder approval, the transaction is expected to close shortly thereafter. Finally, we are advancing activities related to driving significant improvements in operating efficiencies and our customer experience, and we expect various initiatives to get underway during our fourth quarter."

Based on the results through the first nine months of the year, and expectations for the fourth quarter, the company now expects Adjusted EBITDA in the range of \$580 million - \$590 million for the fiscal year ending September 30, 2019¹.

KEY DRIVERS OF THIRD QUARTER RESULTS

- Retail volumes sold decreased by 6.7% primarily due to April weather that was significantly warmer than the prior-year period
- Our Cylinder Exchange and National Accounts volume increased 4.5% and 0.6%, respectively, over prior year

¹ See Note on Guidance and Use of Forward-Looking Statements

EARNINGS CALL and WEBCAST

AmeriGas Partners, L.P. will hold a live Internet Audio Webcast of its conference call to discuss third quarter earnings and other current activities at 9:00 AM ET on Tuesday, August 6, 2019. Interested parties may listen to the audio webcast both live and in replay on the Internet at <https://investors.amerigas.com/financial-reports-and-information/events-and-presentations> or at the company website <https://www.amerigas.com> under Investor Relations. A telephonic replay will be available from 2:00 PM ET on August 6th through 11:59 PM on August 13th. The replay may be accessed at (855) 859-2056, and internationally at 1-404-537-3406, conference ID 4089204.

CONTACT INVESTOR RELATIONS

610-337-1000
Brendan Heck, ext. 6608
Alanna Zahora, ext. 1004
Shelly Oates, ext. 3202

ABOUT AMERIGAS

AmeriGas is the nation's largest retail propane marketer, serving over 1.7 million customers in all 50 states from approximately 1,900 distribution locations. UGI Corporation, through subsidiaries, is the sole General Partner and owns 26% of the Partnership and the public owns the remaining 74%. Comprehensive information about AmeriGas is available on the Internet at <https://www.amerigas.com>

USE OF NON-GAAP MEASURES

The Partnership's management uses certain non-GAAP financial measures, including adjusted total margin, EBITDA, Adjusted EBITDA and adjusted net income (loss) attributable to AmeriGas Partners, L.P., when evaluating the Partnership's overall performance. These financial measures are not in accordance with, or an alternative to, GAAP and should be considered in addition to, and not as a substitute for, the comparable GAAP measures.

Management believes earnings before interest, income taxes, depreciation and amortization ("EBITDA"), as adjusted for the effects of gains and losses on commodity derivative instruments not associated with current-period transactions and other gains and losses that competitors do not necessarily have ("Adjusted EBITDA"), is a meaningful non-GAAP financial measure used by investors to (1) compare the Partnership's operating performance with that of other companies within the propane industry and (2) assess the Partnership's ability to meet loan covenants. The Partnership's definition of Adjusted EBITDA may be different from those used by other companies. Management uses Adjusted EBITDA to compare year-over-year profitability of the business without regard to capital structure as well as to compare the relative performance of the Partnership to that of other master limited partnerships without regard to their financing methods, capital structure, income taxes, the effects of gains and losses on commodity derivative instruments not associated with current-period transactions or historical cost basis. In view of the omission of interest, income taxes, depreciation and amortization, gains and losses on commodity derivative instruments not associated with current-period transactions and other gains and losses that competitors do not necessarily have from Adjusted EBITDA, management also assesses the profitability of the business by comparing net income attributable to AmeriGas Partners, L.P. for the relevant periods. Management also uses Adjusted EBITDA to assess the Partnership's profitability because its parent, UGI Corporation, uses the Partnership's Adjusted EBITDA to assess the profitability of the Partnership, which is one of UGI Corporation's industry segments. UGI Corporation discloses the Partnership's Adjusted EBITDA as the profitability measure for its domestic propane segment.

Management believes the presentation of other non-GAAP financial measures, comprised of adjusted total margin and adjusted net income (loss) attributable to AmeriGas Partners, L.P., provide useful information to investors to more effectively evaluate the period-over-period results of operations of the Partnership. Management uses these non-GAAP financial measures because they eliminate the impact of (1) gains and losses on commodity derivative instruments that are not associated with current-period transactions and (2) other gains and losses that competitors do not necessarily have to provide insight into the comparison of period-over-period profitability to that of other master limited partnerships.

Reconciliations of adjusted total margin, EBITDA, Adjusted EBITDA and adjusted net income (loss) attributable to AmeriGas Partners, L.P. to the most directly comparable financial measure calculated and presented in accordance with GAAP are presented at the end of this press release.

NOTE ON GUIDANCE

Because we are unable to predict certain potentially material items affecting net income on a GAAP basis, principally mark-to-market gains and losses on commodity derivative instruments, we cannot reconcile 2019 Adjusted EBITDA, a non-GAAP measure, to net income attributable to AmeriGas Partners, L.P., the most directly comparable GAAP measure, in reliance on the "unreasonable efforts" exception set forth in SEC rules. Adjustments that management can reasonably estimate are provided below.

USE OF FORWARD-LOOKING STATEMENTS

This press release contains certain forward-looking statements that management believes to be reasonable as of today's date only. Actual results may differ significantly because of risks and uncertainties that are difficult to predict and many of which are beyond management's control. You should read the Partnership's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q for a more extensive list of factors that could affect results. Among them are adverse weather conditions, cost volatility and availability of propane, increased customer conservation measures, the capacity to transport propane to our market areas, the impact of pending and future legal proceedings, including, but not limited to, pending litigations relating to the Amerigas Merger, liability for uninsured claims and for claims in excess of insurance coverage, political, economic and regulatory conditions in the U.S. and abroad, the availability, timing and success of our acquisitions, commercial initiatives and investments to grow our business, our ability to successfully integrate acquisitions and achieve anticipated synergies, the interruption, disruption, failure, malfunction or breach of our information technology systems, including due to cyber-attack, the failure to realize the anticipated benefits of the merger transaction, the possible diversion of management time on issues related to the merger transaction, the risk that the requisite approvals to complete the merger transaction are not obtained, and the potential need to address any reviews, investigations or other proceedings by governmental authorities or unitholder actions. The Partnership undertakes no obligation to release revisions to its forward-looking statements to reflect events or circumstances occurring after today.

REPORT OF EARNINGS
AMERIGAS PARTNERS, L.P. AND SUBSIDIARIES
(Thousands, except per unit and where otherwise indicated)
(Unaudited)

	Three Months Ended June 30,		Nine Months Ended June 30,		Twelve Months Ended June 30,	
	2019	2018	2019	2018	2019	2018
Revenues:						
Propane	\$ 414,602	\$ 461,875	\$ 2,057,395	\$ 2,141,128	\$ 2,462,061	\$ 2,520,850
Other	64,132	66,528	213,143	214,903	275,424	280,354
	<u>478,734</u>	<u>528,403</u>	<u>2,270,538</u>	<u>2,356,031</u>	<u>2,737,485</u>	<u>2,801,204</u>
Costs and expenses:						
Cost of sales — propane	192,160	199,652	1,027,432	1,039,647	1,203,401	1,168,377
Cost of sales — other	21,604	24,492	61,419	64,770	83,225	85,105
Operating and administrative expenses	234,429	222,358	719,497	704,146	938,415	925,099
Impairment of tradenames and trademarks	—	75,000	—	75,000	—	75,000
Depreciation and amortization	43,989	46,393	133,967	138,968	180,752	193,709
Other operating income, net	(6,690)	(5,793)	(17,767)	(17,443)	(24,697)	(18,529)
	<u>485,492</u>	<u>562,102</u>	<u>1,924,548</u>	<u>2,005,088</u>	<u>2,381,096</u>	<u>2,428,761</u>
Operating (loss) income	(6,758)	(33,699)	345,990	350,943	356,389	372,443
Interest expense	(41,640)	(40,449)	(126,208)	(122,021)	(167,312)	(161,651)
(Loss) income before income taxes	(48,398)	(74,148)	219,782	228,922	189,077	210,792
Income tax expense	(673)	(624)	(1,779)	(3,658)	(2,336)	(3,563)
Net (loss) income including noncontrolling interest	(49,071)	(74,772)	218,003	225,264	186,741	207,229
Add net loss (deduct net income) attributable to noncontrolling interest	114	376	(3,340)	(3,415)	(3,405)	(3,611)
Net (loss) income attributable to AmeriGas Partners, L.P.	<u>\$ (48,957)</u>	<u>\$ (74,396)</u>	<u>\$ 214,663</u>	<u>\$ 221,849</u>	<u>\$ 183,336</u>	<u>\$ 203,618</u>
General partner's interest in net (loss) income attributable to AmeriGas Partners, L.P.	<u>\$ 10,959</u>	<u>\$ 10,587</u>	<u>\$ 36,488</u>	<u>\$ 36,208</u>	<u>\$ 47,505</u>	<u>\$ 47,354</u>
Limited partners' interest in net (loss) income attributable to AmeriGas Partners, L.P.	<u>\$ (59,916)</u>	<u>\$ (84,983)</u>	<u>\$ 178,175</u>	<u>\$ 185,641</u>	<u>\$ 135,831</u>	<u>\$ 156,264</u>
(Loss) income per limited partner unit (a)						
Basic	<u>\$ (0.64)</u>	<u>\$ (0.91)</u>	<u>\$ 1.92</u>	<u>\$ 2.00</u>	<u>\$ 1.46</u>	<u>\$ 1.68</u>
Diluted	<u>\$ (0.64)</u>	<u>\$ (0.91)</u>	<u>\$ 1.92</u>	<u>\$ 1.99</u>	<u>\$ 1.46</u>	<u>\$ 1.68</u>
Weighted average limited partner units outstanding:						
Basic	<u>93,098</u>	<u>93,042</u>	<u>93,077</u>	<u>93,031</u>	<u>93,072</u>	<u>93,028</u>
Diluted	<u>93,098</u>	<u>93,042</u>	<u>93,121</u>	<u>93,082</u>	<u>93,119</u>	<u>93,081</u>
SUPPLEMENTAL INFORMATION:						
Retail gallons sold (millions)	188.5	202.0	882.4	905.5	1,058.2	1,089.0
Wholesale gallons sold (millions)	12.3	12.1	62.5	49.1	75.7	59.7
Total margin (b)	\$ 264,970	\$ 304,259	\$ 1,181,687	\$ 1,251,614	\$ 1,450,859	\$ 1,547,722
Adjusted total margin (c)	\$ 268,452	\$ 283,959	\$ 1,246,532	\$ 1,261,751	\$ 1,493,094	\$ 1,517,944
EBITDA (c)	\$ 37,345	\$ 13,070	\$ 476,617	\$ 486,496	\$ 533,736	\$ 562,541
Adjusted EBITDA (c)	\$ 42,544	\$ 67,217	\$ 543,480	\$ 570,773	\$ 578,217	\$ 607,307
Adjusted net (loss) income attributable to AmeriGas Partners, L.P. (c)	\$ (43,758)	\$ (20,249)	\$ 281,526	\$ 306,126	\$ 227,817	\$ 248,384
Expenditures for property, plant and equipment:						
Maintenance capital expenditures	\$ 12,852	\$ 13,775	\$ 41,742	\$ 35,342	\$ 59,336	\$ 47,522
Growth capital expenditures	\$ 9,110	\$ 11,922	\$ 36,063	\$ 37,551	\$ 46,837	\$ 49,024
(a) Income per limited partner unit is computed in accordance with accounting guidance regarding the application of the two-class method for determining earnings per share as it relates to master limited partnerships. Refer to Note 2 to the consolidated financial statements included in the AmeriGas Partners, L.P. Annual Report on Form 10-K for the fiscal year ended September 30, 2018.						
(b) Total margin represents "Total revenues" less "Cost of sales — propane" and "Cost of sales — other."						
(c) The Partnership's management uses certain non-GAAP financial measures, including adjusted total margin, EBITDA, Adjusted EBITDA, and adjusted net income attributable to AmeriGas Partners, L.P.						

GAAP / NON-GAAP RECONCILIATION
(Thousands)
(Unaudited)

	Three Months Ended June 30,		Nine Months Ended June 30,		Twelve Months Ended June 30,	
	2019	2018	2019	2018	2019	2018
Adjusted total margin:						
Total revenues	\$ 478,734	\$ 528,403	\$ 2,270,538	\$ 2,356,031	\$ 2,737,485	\$ 2,801,204
Cost of sales — propane	(192,160)	(199,652)	(1,027,432)	(1,039,647)	(1,203,401)	(1,168,377)
Cost of sales — other	(21,604)	(24,492)	(61,419)	(64,770)	(83,225)	(85,105)
Total margin	264,970	304,259	1,181,687	1,251,614	1,450,859	1,547,722
Add net losses (subtract net gains) on commodity derivative instruments not associated with current-period transactions	3,482	(20,300)	64,845	10,137	42,235	(29,778)
Adjusted total margin	<u>\$ 268,452</u>	<u>\$ 283,959</u>	<u>\$ 1,246,532</u>	<u>\$ 1,261,751</u>	<u>\$ 1,493,094</u>	<u>\$ 1,517,944</u>
Adjusted net income (loss) attributable to AmeriGas Partners, L.P.:						
Net (loss) income attributable to AmeriGas Partners, L.P.	\$ (48,957)	\$ (74,396)	\$ 214,663	\$ 221,849	\$ 183,336	\$ 203,618
Add net losses (subtract net gains) on commodity derivative instruments not associated with current-period transactions	3,482	(20,300)	64,845	10,137	42,235	(29,778)
Impairment of Heritage tradenames and trademarks	—	75,000	—	75,000	—	75,000
Merger expenses	1,770	—	2,700	—	2,700	—
Noncontrolling interest in net (losses) gains on commodity derivative instruments not associated with current-period transactions, impairment of Heritage tradenames and trademarks, and merger expenses	(53)	(553)	(682)	(860)	(454)	(456)
Adjusted net (loss) income attributable to AmeriGas Partners, L.P.	<u>\$ (43,758)</u>	<u>\$ (20,249)</u>	<u>\$ 281,526</u>	<u>\$ 306,126</u>	<u>\$ 227,817</u>	<u>\$ 248,384</u>
EBITDA and Adjusted EBITDA:						
Net (loss) income attributable to AmeriGas Partners, L.P.	\$ (48,957)	\$ (74,396)	\$ 214,663	\$ 221,849	\$ 183,336	\$ 203,618
Income tax expense	673	624	1,779	3,658	2,336	3,563
Interest expense	41,640	40,449	126,208	122,021	167,312	161,651
Depreciation and amortization	43,989	46,393	133,967	138,968	180,752	193,709
EBITDA	37,345	13,070	476,617	486,496	533,736	562,541
Add net losses (subtract net gains) on commodity derivative instruments not associated with current-period transactions	3,482	(20,300)	64,845	10,137	42,235	(29,778)
Impairment of Heritage tradenames and trademarks	—	75,000	—	75,000	—	75,000
Merger expenses	1,770	—	2,700	—	2,700	—
Noncontrolling interest in net (losses) gains on commodity derivative instruments not associated with current-period transactions, impairment of Heritage tradenames and trademarks, and merger expenses	(53)	(553)	(682)	(860)	(454)	(456)
Adjusted EBITDA	<u>\$ 42,544</u>	<u>\$ 67,217</u>	<u>\$ 543,480</u>	<u>\$ 570,773</u>	<u>\$ 578,217</u>	<u>\$ 607,307</u>

The following table includes a quantification of interest expense, income tax expense, depreciation and amortization included in the calculation of forecasted Adjusted EBITDA guidance range for the fiscal year ending September 30, 2019:

	Forecast Fiscal Year Ending September 30, 2019			
	(Low End)		(High End)	
Adjusted EBITDA (estimate)	\$	580,000	\$	590,000
Interest expense (estimate)		162,000		162,000
Income tax expense (estimate)		3,500		3,500
Depreciation (estimate)		149,000		149,000
Amortization (estimate)		40,000		40,000



Fiscal 2019
Third Quarter Results

Hugh J. Gallagher
President & CEO, AmeriGas



About this Presentation

This presentation contains certain forward-looking statements that management believes to be reasonable as of today's date only. Actual results may differ significantly because of risks and uncertainties that are difficult to predict and many of which are beyond management's control. You should read AmeriGas's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q for a more extensive list of factors that could affect results. Among them are adverse weather conditions, cost volatility and availability of propane, increased customer conservation measures, liability for uninsured claims and for claims in excess of insurance coverage, political, regulatory and economic conditions in the United States and in foreign countries, the impact of pending and future legal proceedings, including, but not limited to, pending litigation relating to the AmeriGas Merger, the availability, timing and success of our acquisitions, commercial initiatives and investments to grow our business, our ability to successfully integrate acquired businesses and achieve anticipated synergies, and the interruption, disruption, failure, malfunction, or breach of our information technology systems, including due to cyber-attack, the failure to realize the anticipated benefits of the AmeriGas Merger Transaction, the possible diversion of management time on issues related to the AmeriGas Merger Transaction, the risk that the requisite approvals to complete the AmeriGas Merger Transaction are not obtained, the performance of AmeriGas and the potential need to address any reviews, investigations, or other procedures by governmental authorities or shareholder actions. AmeriGas undertakes no obligation to release revisions to its forward-looking statements to reflect events or circumstances occurring after today. In addition, this presentation uses certain non-GAAP financial measures. Please see the appendix for reconciliations of these measures to the most comparable GAAP financial measure.

AmeriGas Third Quarter Recap

Hugh J. Gallagher
President and CEO,
AmeriGas



Third Quarter Earnings Recap



- Weather in Q3 was 8.7% warmer than the prior-year period; April weather averaged 30% warmer than prior year
- Retail volumes decreased 6.7%
- Cylinder Exchange and National Accounts volumes increased 4.5% and 0.6%, respectively, from Q3 2018

Growth Initiatives

Home Delivery

- Launched “Cynch” in the Philadelphia market in June

Cylinder Exchange

- Completed expansion plans with major retailer and large convenience store chain
 - Roll-out underway of “24/7” automated cylinder vending machines

Technology/Scale

- Leverage technology and scale to improve operational efficiency and enhance the customer experience

Merger Transaction

- Proxy Solicitation underway
- Unitholder Meeting scheduled for August 21st
- Transaction expected to close shortly thereafter



Appendix

AmeriGas Supplemental Footnotes

- The enclosed supplemental information contains a reconciliation of earnings before interest expense, income taxes, depreciation and amortization ("EBITDA") and Adjusted EBITDA to Net Income.
- EBITDA and Adjusted EBITDA are not measures of performance or financial condition under GAAP. Management believes EBITDA and Adjusted EBITDA are meaningful non-GAAP financial measures used by investors to compare the Partnership's operating performance with that of other companies within the propane industry. The Partnership's definitions of EBITDA and Adjusted EBITDA may be different from those used by other companies.
- EBITDA and Adjusted EBITDA should not be considered as alternatives to net income (loss) attributable to AmeriGas Partners, L.P. Management uses EBITDA to compare year-over-year profitability of the business without regard to capital structure as well as to compare the relative performance of the Partnership to that of other master limited partnerships without regard to their financing methods, capital structure, income taxes or historical cost basis. Management uses Adjusted EBITDA to exclude from AmeriGas Partners' EBITDA gains and losses that competitors do not necessarily have to provide additional insight into the comparison of year-over-year profitability to that of other master limited partnerships. In view of the omission of interest, income taxes, depreciation and amortization, gains and losses on commodity derivative instruments not associated with current-period transactions, and other gains and losses that competitors do not necessarily have from Adjusted EBITDA, management also assesses the profitability of the business by comparing net income attributable to AmeriGas Partners, L.P. for the relevant periods. Management also uses Adjusted EBITDA to assess the Partnership's profitability because its parent, UGI Corporation, uses the Partnership's Adjusted EBITDA to assess the profitability of the Partnership, which is one of UGI Corporation's business segments. UGI Corporation discloses the Partnership's Adjusted EBITDA as the profitability measure for its domestic propane segment.

AmeriGas EBITDA and Adjusted EBITDA

(Dollars in millions)	Three Months Ended June 30,	
	2019	2018
EBITDA and Adjusted EBITDA:		
Net (loss) income attributable to AmeriGas Partners	\$ (49.0)	\$ (74.4)
Income tax expense (a)	0.7	0.7
Interest expense	41.6	40.4
Depreciation and amortization	44.0	46.4
EBITDA	37.3	13.1
Add net losses (subtract net gains) on commodity derivative instruments not associated with current-period transactions (a)	3.5	(20.3)
Impairment of Heritage tradenames and trademarks	—	75.0
Merger expenses	1.8	—
Noncontrolling interest in net gains and losses on commodity derivative instruments and merger expenses (a)	(0.1)	(0.6)
Adjusted EBITDA	\$ 42.5	\$ 67.2
(a) Certain amounts include the impact of rounding.		

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