FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended December 31, 1997

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 number 1-13692
Commission file number 33-92734-01

AMERIGAS PARTNERS, L.P.
AMERIGAS FINANCE CORP.

(Exact name of registrants as specified in their charters)

Delaware	23-2787918
Delaware	23-2800532
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

460 North Gulph Road, King of Prussia, PA
(Address of principal executive offices)
19406
(Zip Code)
(610) 337-7000

(Registrants' 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 X No

At January 31, 1998, the registrants had units and shares of common stock outstanding as follows:

AmeriGas Partners, L.P.-22,105,993 Common Units
19,782,146 Subordinated Units
AmeriGas Finance Corp. -100 shares

AMERIGAS PARTNERS, L.P.

TABLE OF CONTENTS

AMERIGAS PARTNERS, L.P. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS
(unaudited)
(Thousands of dollars)

	December 31, 1997	September 30, 1997	December 31, 1996
ASSETS			
Current assets:			
Cash and cash equivalents	$ 24,375	$ 4,069	$ 23,689
Accounts receivable (less allowances for doubtful accounts of $8,072, $7,875, and $7,265, respectively)	118,331	78,341	152,313
Inventories	78,746	64,933	93,767
Prepaid expenses and other current assets	11,721	35,748	23,585
Total current assets	233,173	183,091	293,354
Property, plant and equipment (less accumulated depreciation and amortization of $175,832, $167,385, and $147,455, respectively)	444,727	444,677	451,343
Intangible assets (less accumulated amortization of $122,831, $116,557, and $98,343, respectively)	672,123	677,116	685,959
Other assets	13,740	13,777	14,578
Total assets	$1,363,763	$1,318,661	$1,445,234
LIABILITIES AND PARTNERS' CAPITAL			
Current liabilities:			
Current maturities of long-term debt	$ 6,544	$ 6,420	$ 7,098
Bank loans	75,000	28,000	70,000
Accounts payable - trade	53,544	50,055	79,590
Accounts payable - related parties	3,396	4,533	3,200
Other current liabilities	70,177	91,861	81,527
Total current liabilities	208,661	180,869	241,415
Long-term debt	696,263	684,308	691,074
Other noncurrent liabilities	51,784	50,904	48,048
Commitments and contingencies			
Minority interest	5,115	5,043	5,694
Partners' capital	401,940	397,537	459,003
Total liabilities and partners' capital	$1,363,763	$1,318,661	$1,445,234

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

AMERIGAS PARTNERS, L.P. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)
(Thousands of dollars, except per unit)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	1997	1996	1997	1996
Revenues:				
Propane	$ 277,523	$ 331,894	$ 939,829	$ 1,000,055
Other	25,400	28,222	80,803	87,490
	302,923	360,116	1,020,632	1,087,545
Costs and expenses:				
Cost of sales - propane	151,633	191,925	523,667	570,120
Cost of sales - other	11,527	12,783	35,157	41,595
Operating and administrative expenses	80,867	83,607	313,652	324,083
Depreciation and amortization	15,582	15,500	62,086	61,659
Miscellaneous income, net	(723)	(1,398)	(10,641)	(6,949)
	258,886	302,417	923,921	990,508
Operating income	44,037	57,699	96,711	97,037
Interest expense	(16,950)	(16,706)	(65,902)	(63,925)
Income before income taxes	27,087	40,993	30,809	33,112
Income tax (expense) benefit	(340)	(608)	88	91
Minority interest	(296)	(434)	(417)	(441)
Net income	$ 26,451	$ 39,951	$ 30,480	$ 32,762
General partner's interest in net income	$ 265	$ 400	$ 305	$ 328
Limited partners' interest in net income	$ 26,186	$ 39,551	$ 30,175	$ 32,434
Income per limited partner unit	$ 0.63	$ 0.95	$ 0.72	$ 0.78
Average limited partner units outstanding (thousands)	41,881	41,731	41,836	41,728

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

AMERIGAS PARTNERS, L.P. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)
(Thousands of dollars)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	1997	1996	1997	1996
CASH FLOWS FROM OPERATING ACTIVITIES:				
Net income	$ 26,451	$ 39,951	$ 30,480	$ 32,762
Adjustments to reconcile net income to net cash provided (used) by operating activities:				
Depreciation and amortization	15,582	15,500	62,086	61,659
Other, net	1,687	1,570	4,056	(2,714)
	43,720	57,021	96,622	91,707
Net change in:				
Accounts receivable	(41,131)	(67,743)	28,123	(32,942)
Inventories and prepaid propane purchases	8,064	(10,593)	15,547	(26,858)
Accounts payable	1,846	33,345	(26,398)	30,355
Other current assets and liabilities	(19,349)	(21,597)	(1,012)	23
Net cash provided (used) by operating activities	(6,850)	(9,567)	112,882	62,285
CASH FLOWS FROM INVESTING ACTIVITIES:				
Expenditures for property, plant and equipment	(6,987)	(6,553)	(24,904)	(21,260)
Proceeds from disposals of assets	667	743	10,537	4,949
Acquisition of businesses, net of cash acquired	(1,388)	(918)	(12,096)	(21,304)
Net cash used by investing activities	(7,708)	(6,728)	(26,463)	(37,615)
CASH FLOWS FROM FINANCING ACTIVITIES:				
Distributions	(23,246)	(23,184)	(92,923)	(92,736)
Minority interest activity	(237)	(237)	(1,024)	(1,051)
Increase (decrease) in bank loans	47,000	55,000	(2,000)	52,000
Issuance of long-term debt	13,000	7,000	14,131	44,001
Repayment of long-term debt	(1,653)	(717)	(3,943)	(10,778)
Capital contribution from General Partner	-	-	26	-
Net cash provided (used) by financing activities	34,864	37,862	(85,733)	(8,564)
Cash and cash equivalents increase	$ 20,306	$ 21,567	$ 686	$ 16,106
CASH AND CASH EQUIVALENTS:				
End of period	$ 24,375	$ 23,689	$ 24,375	$ 23,689
Beginning of period	4,069	2,122	23,689	7,583
Increase	$ 20,306	$ 21,567	$ 686	$ 16,106

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

AMERIGAS PARTNERS, L.P. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF PARTNERS' CAPITAL
(unaudited)
(Thousands, except unit data)

	Number of units					
	Common	Subordinated	Common	Subordinated	General partner	Total partners' capital
BALANCE SEPTEMBER 30, 1997	22,060,407	19,782,146	$208,253	$ 185,310	$ 3,974	$397,537
Issuance of Common Units in connection with acquisition	45,586		1,198			1,198
Net income			13,813	12,373	265	26,451
Distributions			(12,134)	(10,880)	(232)	(23,246)
BALANCE DECEMBER 31, 1997	22,105,993	19,782,146	$211,130	$ 186,803	$ 4,007	$401,940

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

AMERIGAS PARTNERS, L.P.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)
(Thousands of dollars, except per unit)

1. BASIS OF PRESENTATION

AmeriGas Partners, L.P. (AmeriGas Partners), through its subsidiary AmeriGas Propane, L.P. (the "Operating Partnership"), is the largest retail propane distributor in the United States. The Operating Partnership serves residential, commercial, industrial, motor fuel and agricultural customers from locations in 45 states, including Alaska and Hawaii. AmeriGas Partners and the Operating Partnership are Delaware limited partnerships. AmeriGas Propane, Inc. (the "General Partner") serves as the general partner of AmeriGas Partners and the Operating Partnership. The General Partner holds a 1% general partner interest in AmeriGas Partners and a 1.01% general partner interest in the Operating Partnership. In addition, the General Partner and its wholly owned subsidiary Petrolane Incorporated (Petrolane) own an effective 56.6% limited partner interest in the Operating Partnership.

The condensed consolidated financial statements include the accounts of AmeriGas Partners, the Operating Partnership and their subsidiaries, collectively referred to herein as the Partnership. The General Partner's 1.01% interest in the Operating Partnership is accounted for in the condensed consolidated financial statements as a minority interest. Certain prior-period balances have been reclassified to conform with the current period presentation.

The accompanying condensed consolidated financial statements are unaudited and have been prepared in accordance with the rules and regulations of the U.S. Securities and Exchange Commission. They include all adjustments which the Partnership considers necessary for a fair statement of the results for the interim periods presented. Such adjustments consisted only of normal recurring items unless otherwise disclosed. These financial statements should be read in conjunction with the financial statements and notes thereto included in the Partnership's Report on Form 10-K for the year ended September 30, 1997. Weather significantly impacts demand for propane and profitability because many customers use propane for heating purposes. Due to the seasonal nature of the Partnership's propane business, the results of operations for interim periods are not necessarily indicative of the results to be expected for a full year.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and revenues and expenses during the reporting period. Actual results could differ from these estimates.

AMERIGAS PARTNERS, L.P.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
(unaudited)
(Thousands of dollars, except per unit)

2. DISTRIBUTIONS OF AVAILABLE CASH

A distribution of 55 cents per limited partner unit (the "Minimum Quarterly Distribution" or "MQD") for the quarter ended September 30, 1997 was paid on November 18, 1997 on all Common and Subordinated units. On January 26, 1998, the Partnership declared the MQD on all Common and Subordinated units for the quarter ended December 31, 1997, payable February 18, 1998 to holders of record on February 10, 1998.

3. RELATED PARTY TRANSACTIONS

In accordance with the Amended and Restated Agreement of Limited Partnership of AmeriGas Partners, the General Partner is entitled to reimbursement of all direct and indirect expenses incurred or payments it makes on behalf of the Partnership or otherwise reasonably incurred by the General Partner in connection with the Partnership's business. These costs totaled $49,860 and $47,301 during the three months ended December 31, 1997 and 1996, respectively. During the twelve months ended December 31, 1997 and 1996, such expenses totaled $179,769 and $176,165, respectively. In addition, UGI provides certain financial and administrative services to the General Partner. UGI bills the General Partner for these direct and indirect corporate expenses and the General Partner is reimbursed by the Partnership for these expenses. During the three months ended December 31, 1997 and 1996, such corporate expenses totaled $1,452 and $1,481, respectively. During the twelve months ended December 31, 1997 and 1996, such corporate expenses totaled $6,528 and $7,193, respectively.

On October 14, 1997, the General Partner transferred to the Partnership certain net assets of a corporation which had been acquired by merger by AmeriGas, Inc. on the same date. As consideration for such assets and the retention by the General Partner of certain associated income tax liabilities, AmeriGas Partners issued 45,586 Common Units to the General Partner having a fair value of $1,211.

4. COMMITMENTS AND CONTINGENCIES

The Partnership has succeeded to the lease guarantee obligations of Petrolane, a predecessor company of the Partnership, relating to Petrolane's divestiture of nonpropane operations prior to its 1989 acquisition by QFB Partners. These leases are currently estimated to aggregate approximately $64,000. The leases expire through 2010, and some of them are currently in default. The Partnership has succeeded to the indemnity agreement of Petrolane by which Texas Eastern Corporation (Texas Eastern), a prior owner of Petrolane, agreed to indemnify Petrolane against any liabilities arising out of the conduct of businesses that do not relate to, and are not a part of, the propane business, including lease guarantees. To date, Texas Eastern has directly satisfied defaulted lease obligations without the Partnership's having to honor its guarantee. The Partnership believes the probability that it will be required to directly satisfy such lease obligations is remote.

In addition, the Partnership has succeeded to Petrolane's agreement to indemnify Shell Petroleum N.V. (Shell) for various scheduled claims that were pending against Tropigas de Puerto Rico (Tropigas). This indemnification agreement had been entered into by Petrolane in conjunction with Petrolane's sale of the international operations of Tropigas to Shell in 1989. The Partnership also succeeded to Petrolane's right to seek indemnity on these claims first from International Controls Corp., which sold Tropigas to Petrolane, and then from Texas Eastern. To date, neither the Partnership nor Petrolane has paid any sums under this indemnity, but several claims by Shell, including claims related to certain antitrust actions aggregating at least $68,000, remain pending.

The Partnership has identified environmental contamination at several of its properties. The Partnership's policy is to accrue environmental investigation and cleanup costs when it is probable that a liability exists and the amount or range of amounts can be reasonably estimated. However, in many circumstances future expenditures cannot be reasonably quantified because of a number of factors, including various costs associated with potential remedial alternatives, the unknown number of other potentially responsible parties involved and their ability to contribute to the costs of investigation and remediation, and changing environmental laws and regulations. The Partnership intends to pursue recovery of any incurred costs through all appropriate means, although such recovery cannot be assured.

In addition to these environmental matters, there are various other pending claims and legal actions arising out of the normal conduct of the Partnership's business. The final results of environmental and other matters cannot be predicted with certainty. However, it is reasonably possible that some of them could be resolved unfavorably to the Partnership. Management believes, after consultation with counsel, that damages or settlements, if any, recovered by the plaintiffs in such claims or actions will not have a material adverse effect on the Partnership's financial position but could be material to operating results and cash flows in future periods depending on the nature and timing of future developments with respect to these matters and the amounts of future operating results and cash flows.

AMERIGAS FINANCE CORP.
(a wholly owned subsidiary of AmeriGas Partners, L.P.)

BALANCE SHEETS
(unaudited)

	December 31, 1997	September 30, 1997
ASSETS		
Cash	$ 1,000	$ 1,000
Total assets	$ 1,000	$ 1,000
STOCKHOLDER'S EQUITY		
Common stock, $.01 par value; 100 shares authorized, issued and outstanding	$ 1	$ 1
Additional paid-in capital	999	999
Total stockholder's equity	$ 1,000	$ 1,000

The accompanying note is an integral part of these financial statements.

AMERIGAS FINANCE CORP.
(A WHOLLY OWNED SUBSIDIARY OF AMERIGAS PARTNERS, L.P.)

NOTE TO BALANCE SHEETS

AmeriGas Finance Corp. (AmeriGas Finance), a Delaware corporation, was formed on March 13, 1995 and is a wholly owned subsidiary of AmeriGas Partners, L.P. (AmeriGas Partners). AmeriGas Partners was formed on November 2, 1994 as a Delaware limited partnership. AmeriGas Partners was formed to acquire and operate the propane businesses and assets of AmeriGas Propane, Inc., a Delaware corporation (AmeriGas Propane), AmeriGas Propane-2, Inc. (AGP-2) and Petrolane Incorporated (Petrolane) through AmeriGas Propane, L.P. (the "Operating Partnership"). AmeriGas Partners holds a 98.99% limited partner interest in the Operating Partnership and AmeriGas Propane, Inc., a Pennsylvania corporation and the general partner of AmeriGas Partners (the "General Partner"), holds a 1.01% general partner interest. On April 19, 1995, (i) pursuant to a Merger and Contribution Agreement dated as of April 19, 1995, AmeriGas Propane and certain of its operating subsidiaries and AGP-2 merged into the Operating Partnership (the "Formation Merger"), and (ii) pursuant to a Conveyance and Contribution Agreement dated as of April 19, 1995, Petrolane conveyed substantially all of its assets and liabilities to the Operating Partnership (the "Petrolane Conveyance"). As a result of the Formation Merger and the Petrolane Conveyance, the General Partner and Petrolane received limited partner interests in the Operating Partnership and the Operating Partnership owns substantially all of the assets and assumed substantially all of the liabilities of AmeriGas Propane, AGP-2 and Petrolane. AmeriGas Propane conveyed its limited partner interest in the Operating Partnership to AmeriGas Partners in exchange for 2,922,235 Common Units and 13,350,146 Subordinated Units of AmeriGas Partners and Petrolane conveyed its limited partner interest in the Operating Partnership to AmeriGas Partners in exchange for 1,407,911 Common Units and 6,432,000 Subordinated Units of AmeriGas Partners. Both Common and Subordinated units represent limited partner interests in AmeriGas Partners.

On April 19, 1995, AmeriGas Partners issued $100,000,000 face value of 10.125% Senior Notes due April 2007. AmeriGas Finance serves as a co-obligor of these notes.

AmeriGas Partners owns all 100 shares of AmeriGas Finance Common Stock outstanding.

AMERIGAS PARTNERS, L.P.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

ANALYSIS OF RESULTS OF OPERATIONS

The following analyses compare the Partnership's results of operations for the three months ended December 31, 1997 (1997 three-month period) with the three months ended December 31, 1996 (1996 three-month period) and the twelve months ended December 31, 1997 (1997 twelve-month period) with the twelve months ended December 31, 1996 (1996 twelve-month period). AmeriGas Finance Corp. has nominal assets and does not conduct any operations. Accordingly, a discussion of the results of operations and financial condition and liquidity of AmeriGas Finance is not presented.

1997 THREE-MONTH PERIOD COMPARED WITH 1996 THREE-MONTH PERIOD

Three Months Ended December 31,	1997	1996	Increase (Decrease)	
(Millions of dollars)				
Gallons sold (millions):				
Retail	248.6	251.7	(3.1)	(1.2)%
Wholesale	82.7	68.6	14.1	20.6%
	331.3	320.3	11.0	3.4%
Degree days - % colder (warmer) than normal (a)	4.3%	(1.6)%	-	-
Revenues:				
Retail propane	$240.2	$285.9	$(45.7)	(16.0)%
Wholesale propane	37.3	46.0	(8.7)	(18.9)%
Other	25.4	28.2	(2.8)	(9.9)%
	$302.9	$360.1	$(57.2)	(15.9)%
Total margin	$139.8	$155.4	$(15.6)	(10.0)%
EBITDA (b)	$ 59.6	$ 73.2	$(13.6)	(18.6)%
Operating income	$ 44.0	$ 57.7	$(13.7)	(23.7)%

(a) Based on the weighted average deviation from average degree days during the 30-year period 1961-1990, as contained in the National Weather Service Climate Analysis Center database, for geographic areas in which AmeriGas Partners operates.

(b) EBITDA (earnings before interest expense, income taxes, depreciation and amortization) should not be considered as an alternative to net income (as an indicator of operating performance) or as an alternative to cash flow (as a measure of liquidity or ability to service debt obligations) and is not a measure of performance or financial condition under generally accepted accounting principles.

Retail volumes of propane sold during the 1997 three-month period were slightly lower than in the prior-year period. Wholesale volumes of propane sold were higher in the 1997 three-month period due to increased sales of low margin storage inventories.

Total revenues from retail propane sales decreased $45.7 million during the 1997 three-month period reflecting a $42.2 million decrease as a result of lower average retail propane selling prices and a $3.5 million decrease resulting from the lower volumes sold. Unlike the prior-year period when the Partnership's higher propane prices reflected significantly higher propane product costs, selling prices in the 1997 three-month period reflected significantly lower propane product costs. The spot price of propane at Mont Belvieu, Texas, a major U.S. storage and distribution hub, increased dramatically during the three months ended December 31, 1996, rising to a quarterly high of 75 cents per gallon on December 16, 1996. In contrast to spot market conditions existing during the 1996 three-month period, spot prices at Mont Belvieu during the 1997 three-month period declined closing at a price of 32.5 cents a gallon on December 31, 1997 compared with 40 cents a gallon on September 30, 1997. Notwithstanding the higher 1997 three-month period wholesale volumes, wholesale propane revenues decreased $8.7 million reflecting lower average wholesale propane selling prices. Other revenues decreased $2.8 million in the 1997 three-month period due in part to lower appliance sales revenues.

Total margin decreased $15.6 million in the 1997 three-month period principally reflecting the impact of lower average retail unit margins and, to a much lesser extent, the reduced retail volumes of propane sold. Unit margins were lower in the 1997 three-month period than in the prior-year period which benefitted from fuel supply and pricing strategies that were especially effective as a result of the unique market conditions existing at the time. Although the Partnership's propane product costs were significantly higher in the 1996 three-month period, the Partnership benefitted from favorable fixed-price supply arrangements and, to a lesser extent, derivative commodity instruments.

The decrease in operating income and EBITDA during the 1997 three-month period principally reflects the impact of the lower total margin and a decrease in miscellaneous income partially offset by lower operating expenses. Total operating expenses were $80.9 million in the 1997 three-month period compared with the $83.6 million in the 1996 three-month period. The decrease in operating expenses is primarily a result of a reduction in workers' compensation expense reflecting the benefit of safety improvement programs initiated in 1996. Miscellaneous income in the three months ended December 31, 1997 was $.7 million less than in the prior-year period due principally to lower interest income.

Interest expense was $17.0 million in the 1997 three-month period compared with $16.7 million in the prior-year period reflecting increased interest expense on the Partnership's Revolving Credit and Acquisition facilities principally as a result of higher amounts of debt outstanding.

1997 TWELVE-MONTH PERIOD COMPARED WITH 1996 TWELVE-MONTH PERIOD

Twelve Months Ended December 31,	1997	1996	Increase (Decrease)	
(Millions of dollars)				
Gallons sold (millions):				
Retail	804.3	862.8	(58.5)	(6.8)%
Wholesale	232.7	259.1	(26.4)	(10.2)%
	1,037.0	1,121.9	(84.9)	(7.6)%
Degree days - % colder (warmer) than normal (a)	(3.1)%	1.0%	-	-
Revenues:				
Retail propane	$ 822.5	$ 863.0	$(40.5)	(4.7)%
Wholesale propane	117.3	137.0	(19.7)	(14.4)%
Other	80.8	87.5	(6.7)	(7.7)%
	$1,020.6	$1,087.5	$(66.9)	(6.2)%
Total margin	$ 461.8	$ 475.8	$(14.0)	(2.9)%
EBITDA (b)	$ 158.8	$ 158.7	$ .1	.1%
Operating income	$ 96.7	$ 97.0	$ (.3)	(.3)%

(a) Based on the weighted average deviation from average degree days during the 30-year period 1961-1990, as contained in the National Weather Service Climate Analysis Center database, for geographic areas in which AmeriGas Partners operates.

(b) EBITDA (earnings before interest expense, income taxes, depreciation and amortization) should not be considered as an alternative to net income (as an indicator of operating performance) or as an alternative to cash flow (as a measure of liquidity or ability to service debt obligations) and is not a measure of performance or financial condition under generally accepted accounting principles.

Retail volumes of propane sold decreased in the 1997 twelve-month period principally reflecting the effects of warmer heating-season weather during the period January to March 1997 and price-induced customer conservation efforts. Wholesale volumes of propane sold were lower in the twelve months ended December 31, 1997 principally due to reduced low-margin sales of storage inventories.

Total revenues from retail propane sales decreased $40.5 million reflecting a $58.5 million decrease as a result of the lower volumes sold partially offset by an $18.0 million increase from higher average retail propane selling prices. Wholesale propane revenues decreased $19.7 million in the 1997 twelve-month period reflecting the lower wholesale volumes sold. Other revenues decreased $6.7 million principally reflecting lower hauling and appliance sales revenues.

Total margin was lower in the 1997 twelve-month period principally reflecting the impact of the reduced volumes of propane sold partially offset by higher average retail unit margins. Average unit margins early in the 1996 twelve-month period were lower reflecting, in part, the impact of certain sales and marketing programs.

Although total propane margin was lower in the 1997 twelve-month period, EBITDA and operating income were virtually unchanged from the prior year as a result of lower operating expenses and higher miscellaneous income. Total operating expenses were $313.7 million in the 1997 twelve-month period compared with $324.1 million in the 1996 twelve-month period. The 1996 twelve-month period operating expenses are net of $4.4 million from a refund of insurance premium deposits and $3.3 million from a reduction in accrued environmental costs recorded in the quarter ended March 31, 1996. The $18.1 million decrease in operating expenses during the twelve months ended December 31, 1997, after adjusting for these items, primarily reflects lower required accruals for general and automobile liability and workers' compensation costs and lower customer equipment repairs and maintenance expense as well as reduced sales and marketing expenses and lower fees for professional services. Miscellaneous income increased $3.7 million in the 1997 twelve-month period principally from $4.7 million of income from the sale of the Partnership's 50% interest in Atlantic Energy, Inc., which owns and operates a liquefied petroleum gas storage terminal in Chesapeake, Virginia.

Interest expense was $65.9 million in the twelve months ended December 31, 1997 compared with $63.9 million in the prior-year period. The increase reflects higher interest expense on the Partnership's Revolving Credit and Acquisition facilities principally due to higher amounts outstanding.

AMERIGAS PARTNERS, L.P.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

FINANCIAL CONDITION AND LIQUIDITY

FINANCIAL CONDITION

The Partnership's debt outstanding at December 31, 1997 totaled $777.8 million compared with $718.7 million at September 30, 1997. The increase is principally a result of a $47.0 million seasonal increase in borrowings under the Operating Partnership's Revolving Credit Facility and a $13.0 million increase in borrowings under its Acquisition Facility.

During the three months ended December 31, 1997, the Partnership declared and paid the MQD of 55 cents on all units for the quarter ended September 30, 1997. The MQD for the quarter ended December 31, 1997 will be paid on February 18, 1998 to holders of record on February 10, 1998 of all Common and Subordinated units.

CASH FLOWS

Cash and cash equivalents totaled $24.4 million at December 31, 1997 compared with $4.1 million at September 30, 1997. Due to the seasonal nature of the propane business, cash flows from operating activities are generally strongest during the second and third fiscal quarters of the Partnership when customers pay for propane purchased during the heating season and are typically at their lowest levels during the first and fourth fiscal quarters. Accordingly, cash flows from operations during the three months ended December 31, 1997 are not necessarily indicative of cash flows to be expected for a full year.

OPERATING ACTIVITIES. Cash used by operating activities was $(6.9) million during the three months ended December 31, 1997 compared with $(9.6) million in the comparable prior-year period. Cash flow from operations before changes in working capital was $43.7 million in the three months ended December 31, 1997 compared with $57.0 million during the three months ended December 31, 1996 reflecting a decrease in the Partnership's net income. Changes in operating working capital during the three months ended December 31, 1997 required $50.6 million of operating cash flow principally from a $41.1 million seasonal increase in accounts receivable and a $17.2 million net use of cash from changes in accrued interest and employee benefits partially offset by an $8.1 million decrease in inventories and prepaid propane purchases. During the three months ended December 31, 1996, changes in operating working capital required $66.6 million of operating cash flow.

INVESTING ACTIVITIES. Cash expenditures for property, plant and equipment totaled $7.0 million (including maintenance capital expenditures of $3.6 million) during the three months ended December 31, 1997 compared with $6.6 million (including maintenance capital expenditures of $2.7 million) in the prior-year period. Proceeds from disposals of assets totaled $.7 million during both the three months ended December 31, 1997 and 1996. During the three months ended December 31, 1997, the Partnership acquired several propane businesses for $1.4 million in cash. In conjunction with one such acquisition, the Partnership issued 45,586 Common Units to the General Partner having a fair value of $1.2 million. During the three months ended December 31, 1996, the Partnership made acquisition-related cash payments of $.9 million.

FINANCING ACTIVITIES. During each of the three-month periods ended December 31, 1997 and 1996, AmeriGas Partners declared and paid the MQD on all units and the general partner interest for the quarters ended September 30, 1997 and 1996, respectively. In addition, during each of the three-month periods ended December 31, 1997 and 1996, the Operating Partnership distributed $.2 million to the General Partner in respect of the General Partner's 1.0101% interest in the Operating Partnership. In order to meet seasonal working capital needs, during the three months ended December 31, 1997 the Operating Partnership borrowed $47 million under its Revolving Credit Facility compared with $55 million during the same period in the prior year. The Partnership also borrowed $13 million under its Acquisition Facility during the three months ended December 31, 1997 relating to acquisitions made prior to fiscal 1998. There were borrowings of $7 million under the Acquisition Facility during the same period last year. During the three months ended December 31, 1997, the Partnership made repayments of long-term debt of $1.7 million (including the repayment of $1.2 million of debt assumed in conjunction with an acquisition) compared with $.7 million in the prior-year period.

AMERIGAS PARTNERS, L.P.

PART II OTHER INFORMATION

ITEM 2. CHANGES IN SECURITIES

(c) As of October 14, 1997, AmeriGas Partners, L.P. ("APLP") exchanged 45,586 Common Units ("Common Units"), representing limited partnership interests in APLP, for certain net assets ("Target Assets") of a corporation ("Target") acquired by AmeriGas, Inc. ("AmeriGas"). The Target Assets, which were valued at approximately $1.2 million, were contributed by AmeriGas to AmeriGas Propane, Inc., the general partner of APLP. AmeriGas Propane transferred the Target Assets to APLP in exchange for the Common Units. APLP's issuance of the Common Units was made pursuant to the exemption from registration provided under Section 4(2) of the Securities Act of 1933, as amended, based upon the sale of the subject securities in a privately negotiated transaction to an accredited investor which is an affiliate of APLP and which purchased the Common Units for investment without a view to further distribution.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) List of Exhibits

27.1 Financial Data Schedule of AmeriGas Partners, L.P.

27.2 Financial Data Schedule of AmeriGas Finance Corp.

(b) No Current Report on Form 8-K was filed by either AmeriGas Partners, L.P. or AmeriGas Finance Corp. during the fiscal quarter ended December 31, 1997.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrants have duly caused this report to be signed on their behalf by the undersigned thereunto duly authorized.

AmeriGas Partners, L.P.

(Registrant)
By: AmeriGas Propane, Inc.,
as General Partner

Date: February 13, 1998
By: Martha B. Lindsay

Martha B. Lindsay
Vice President - Finance
and Chief Financial Officer

By: Richard R. Eynon

Richard R. Eynon
Controller and Chief Accounting Officer

AmeriGas Finance Corp.

(Registrant)

Date: February 13, 1998
By: Martha B. Lindsay

Martha B. Lindsay
Vice President - Finance
and Chief Financial Officer

By: Richard R. Eynon

Richard R. Eynon
Controller

AMERIGAS PARTNERS, L.P.

EXHIBIT INDEX

27.1	Financial Data Schedule of AmeriGas Partners, L.P.
27.2	Financial Data Schedule of AmeriGas Finance Corp.

5

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONDENSED CONSOLIDATED BALANCE SHEET AND STATEMENT OF OPERATIONS OF AMERIGAS PARTNERS, LP AS OF AND FOR THE THREE MONTHS ENDED DECEMBER 31, 1997 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS INCLUDED IN AMERIGAS PARTNERS' QUARTERLY REPORT ON FORM 10-Q FOR THE QUARTER ENDED DECEMBER 31, 1997.

0000932628
AMERIGAS PARTNERS, L.P.
1,000

3-MOS
SEP-30-1997
OCT-01-1997
DEC-31-1997
24,375
0
126,403
8,072
78,746
233,173
620,559
175,832
1,363,763
208,661
696,263
0
0
0
401,940
1,363,763
302,923
302,923
163,160
163,160
0
0
16,950
27,087
340
26,451
0
0
0
26,451
.63
.63

5

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE BALANCE SHEET OF AMERIGAS FINANCE CORP. AS OF DECEMBER 31, 1997 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH BALANCE SHEET INCLUDED IN AMERIGAS PARTNERS' QUARTERLY REPORT ON FORM 10-Q FOR THE QUARTER ENDED DECEMBER 31, 1997.

0000945792
AMERIGAS FINANCE CORP.

3-MOS
SEP-30-1997
OCT-01-1997
DEC-31-1997
1,000
0
0
0
0
1,000
0
0
1,000
0
0
0
0
1
999
1,000
0
0
0
0
0
0
0
0
0
0
0
0
0
0
0
0