

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) January 28, 2000  
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STAR GAS PARTNERS, L.P.  
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(Exact name of registrant as specified in its charter)

Delaware 33-98490 06-1437793  
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(State or other jurisdiction (Commission File Number) (IRS Employer  
of incorporation) Identification No.)

2187 Atlantic Street, Stamford, CT 06902  
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(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code (203) 328-7300  
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Not Applicable  
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(Former name or former address, if changed since last report.)

Item 5. Other Events

Star Gas Partners, L.P. a Delaware partnership (the "Reporting Person") is filing pursuant to this form 8-K three historical press releases; Star Gas Partners to acquire certain Midwest propane operations and also signs letter of intent to enter deregulated electric and natural gas markets (Released January 28, 2000), Star Gas Partners, L.P. reports fiscal 2000 first quarter results and announces \$0.575/unit common unit distribution (Released January 24, 2000) and Star Gas Partners, L.P. reports fiscal 1999 year-end and fourth quarter results (Released December 2, 1999).

JANUARY 28, 2000 PRESS RELEASE  
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STAR GAS PARTNERS TO ACQUIRE CERTAIN MIDWEST PROPANE OPERATIONS

ALSO SIGNS LETTER OF INTENT TO ENTER DEREGULATED ELECTRIC AND NATURAL GAS  
MARKETS

STAMFORD, CT (January 28, 2000) -- Star Gas Partners, L.P. ("Star" or the "Partnership") (NYSE: SGU, SGH) today announced the signing of a purchase agreement to acquire certain operations of a privately owned Midwest retail propane distributor, consisting of more than 12.4 million gallons of propane sold annually to over 14,000 customers. More than 75% of this distributor's volume is sold to residential customers. The consummation of this transaction is subject to finalization of financing and certain other conditions.

Separately, Star also announced that the Partnership has signed a letter of intent to invest approximately \$8 million to acquire a controlling interest in a privately owned independent marketer of electricity and natural gas. The consummation of this transaction is subject to the signing of a definitive

agreement, finalization of financing and other normal closing conditions.

Commenting on these developments, Star Gas Chairman and Chief Executive Officer, Irik P. Sevin stated, "We are of course very pleased with these events. The propane acquisition is very attractive given its relatively large size within our existing marketing areas which should allow for significant operational cost savings. It also is in keeping with our strategy of acquiring distributorships that have a large proportion of residential accounts.

"We are also very excited about the prospect of entering the deregulated sale of electricity and natural gas. Not only do we believe that this business can be profitable, but it fits well with our strategy to sell rationally related products, such as electricity, to our existing customers. In addition, this acquisition gives us an opportunity to extend our installation and equipment servicing expertise to electric and natural gas consumers."

Star Gas Partners, L.P. is a leading distributor of home heating oil and propane and has been an active consolidator in these industries. Through its wholly owned Petro subsidiary, Star is the nation's largest retail distributor of home heating oil, serving approximately 335,000 customers in the Northeast and Mid-Atlantic. Star is the nation's seventh largest retail propane distributor, serving approximately 186,000 customers throughout the Midwest and Northeast.

This news announcement contains certain forward-looking information that is subject to certain risks and uncertainties as indicated from time to time in the Company's 10-K, 10-Q, 8-K and other filings with the Securities and Exchange Commission. Included among these risks and uncertainties are the effects of the weather on the Company's financial results, competitive and propane and heating oil pricing pressures and other factors impacting the propane and home heating oil distribution industries.

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JANUARY 24, 2000 PRESS RELEASE  
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STAR GAS PARTNERS, L.P. REPORTS FISCAL 2000 FIRST QUARTER RESULTS AND ANNOUNCES  
\$0.575/UNIT COMMON UNIT DISTRIBUTION  
PRO FORMA NET INCOME INCREASES 77% TO \$0.53 PER UNIT

STAMFORD, CT (January 24, 2000) -- Star Gas Partners, L.P. ("Star") (NYSE: SGU, SGH), today announced results for the fiscal 2000 first quarter ended December 31, 1999, and declared its minimum quarterly distribution of \$0.575/unit on its outstanding common units, payable on February 11, 2000 to unit holders of record February 2, 2000.

On a pro forma basis, including the acquisition of Petroleum Heat and Power Co., Inc. ("Petro") and 9 other propane and home heating oil acquisitions in the first quarter of both fiscal 1999 and 2000, Star's net income rose 75% to \$9.3 million, or \$0.53 per unit in the fiscal 2000 first quarter, compared to net income of \$5.3 million, or \$0.30 per unit, in the fiscal 1999 first quarter.

Despite abnormally warm temperatures and a lower than normal agricultural demand during the fall crop drying season in the fiscal 2000 first quarter, Star's pro forma EBITDA grew 24% to \$24.5 million due to the strong performance of both its propane and heating oil divisions. The propane division's pro forma EBITDA increased 20% due to higher residential and commercial volumes as well as improved gross profit margins, which more than offset the extremely dry fall crop season's impact on propane sales for agricultural purposes. Residential and commercial volumes increased approximately 7%, due primarily to the division's internal marketing programs as well as temperatures, which while 12% warmer than normal, were slightly colder than last year's first quarter. Gross Profit margins increased \$0.025 per gallon, as the division was able to improve those margins despite significantly higher wholesale costs associated with the general increase in propane prices, in an effort to offset the abnormally warm weather.

For the three-month period ended December 31, 1999, the heating oil division's pro forma EBITDA increased approximately 26%, also due to increased volume and gross profit margin improvement, which served to mitigate the effect of unusually warm weather. Home heating oil volume increased approximately 5% due to slightly colder temperatures than in the year-ago quarter, as well as a change in delivery patterns. In addition, Petro's significantly improved operating performance enabled the division to adjust its gross profit margins to higher wholesale home heating oil costs without any discernible impact on

Petro's customer base or marketing efforts. In fact, internal marketing performance improved 50% in the first quarter of fiscal 2000, compared to the fiscal 1999 first quarter.

On an historical basis, Star's net income increased from \$1.3 million in the fiscal 1999 first quarter, which did not include Petro's results, to \$9.4 million in the fiscal 2000 first quarter.

Commenting on these results, Irik P. Sevin, Chairman and Chief Executive Officer said: "We are, of course, very pleased with the performance of both Star divisions. Despite temperatures that were almost 12% warmer than normal in our marketing areas, Star was able to significantly increase all measures of financial performance. The fundamental reasons for this improvement were substantially the same at both divisions. Namely, the Partnership's significantly enhanced operating practices and policies combined with a highly motivated, more enfranchised employee team, enabling us to offset unusually warm weather and high petroleum prices through increased gross profit margin management, without negatively impacting our marketing efforts. This performance also reflects the results of our disciplined acquisition program, which enabled us to purchase nine heating oil and propane companies at what we consider to be very attractive multiples.

"We are pleased that pro forma distributable cash flow covers our annualized minimum quarterly common unit distribution 1.1 times for the 1999 calendar year. While we are pleased with this ratio, given the volatility in weather that has been experienced, the decision was made not to initiate a distribution on Senior Subordinated Units at this time. The Board will reconsider paying a quarterly distribution to the Senior Subordinated Unit holders at next quarter's board meeting."

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This news announcement contains certain forward-looking information that is subject to certain risks and uncertainties as indicated from time to time in the Company's 10-K, 10-Q, 8-K and other filings with the Securities and Exchange Commission. Included among these risks and uncertainties are the effects of the weather on the Company's financial results, competitive and propane and heating oil pricing pressures and other factors impacting the propane and home heating oil distribution industries.

STAR GAS PARTNERS, L.P. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF OPERATIONS  
(IN THOUSANDS, EXCEPT PER UNIT AMOUNTS) (UNAUDITED)

	HISTORICAL		PRO FORMA		
	THREE MONTHS ENDED DECEMBER 31		THREE MONTHS ENDED DECEMBER 31		
	1999	1998	1999 (C)	1998 (B)	(C)
Sales	\$186,886	\$30,237	\$187,223	\$150,712	
Costs and expenses:					
Cost of sales	117,431	11,978	117,694	88,214	
Operating expenses	44,983	11,724	45,031	42,670	
Depreciation and amortization	8,404	3,008	8,450	8,392	
Net gain (loss) on sales of assets	12	(4)	12	(19)	
Operating income	16,080	3,523	16,060	11,417	
Interest expense, net	6,473	2,178	6,495	5,887	
Amortization of debt discount	129	45	129	129	
Income before taxes	9,478	1,300	9,436	5,401	

Income tax expense	113	6	113	81
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Net income	9,365	1,294	9,323	5,320
General Partners' interest in net income	174	26	173	99
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Limited Partners' interest in net income	\$ 9,191	\$ 1,268	\$ 9,150	\$ 5,221
	=====	=====	=====	=====
Basic and diluted net income per Limited Partner unit	\$0.53	\$0.20	\$0.53	\$0.30
	=====	=====	=====	=====
Weighted average number of Limited Partner units outstanding / (d) /	17,200	6,255	17,200	17,200

SUPPLEMENTARY UNAUDITED DATA:

Retail propane gallons sold	32,109	29,400	32,109	32,119
Home heating oil gallons sold	103,968	-	104,146	99,072
Distributable Cash Flow:				
EBITDA / (a) /	\$ 24,472	\$ 6,535	\$ 24,498	\$ 19,828
Less Interest Expense, net	(6,473)	(2,178)	(6,495)	(5,887)
Income Taxes	(113)	(6)	(113)	(81)
Maintenance Capital Expenditures	(760)	(540)	(760)	(1,438)
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Distributable Cash Flow	\$ 17,126	\$ 3,811	\$ 17,130	\$ 12,422
	=====	=====	=====	=====

- (a) EBITDA is defined as operating income (loss) plus depreciation, amortization, restructuring and corporate identity charges, less net gain (loss) on sales of assets. EBITDA 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), but provides additional information for evaluating the Partnership's ability to make the Minimum Quarterly Distribution.
- (b) Pro forma for the effects of the acquisition of Petroleum Heat and Power Co., Inc. on March 26, 1999. For a complete description of this transaction, see page 31 of the partnership's prospectus as filed on March 23, 1999 with the Securities and Exchange Commission.
- (c) Pro forma for the effects of three propane acquisitions completed in fiscal 1999, one propane acquisition completed in fiscal 2000, three heating oil acquisitions completed in fiscal 1999 and two heating oil acquisitions completed in fiscal 2000.
- (d) Pro forma for the issuance of 10.5 million common units including 9.4 million units issued in connection with the Petro acquisition and 1.1 million common units issued in August 1999.

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DECEMBER 2, 1999 PRESS RELEASE

STAR GAS PARTNERS, L.P. REPORTS FISCAL 1999 YEAR-END AND FOURTH QUARTER RESULTS

PRO FORMA NET INCOME OF 8C PER UNIT IN FISCAL 1999, VERSUS PRO FORMA 15C PER UNIT LOSS IN FISCAL 1998 -

STAMFORD, CT (December 2, 1999) -- Star Gas Partners, L.P. ("Star") (NYSE: SGU, SGH), today announced results for the 1999 fiscal year and fourth quarter ended September 30, 1999.

For the year ended September 30, 1999, Star's propane division recorded net income of \$699,000, compared with a \$955,000 net loss for fiscal 1998. On March 26, 1999, Star acquired Petroleum Heat and Power Co., Inc. ("Petro"), whose financial results are included in Star's figures beginning on that date. Petro, like Star, normally incurs a loss during the non-heating season, and from the time of purchase through September 30, 1999, Petro had a net loss of \$30.2 million.

On a pro forma basis, accounting for Petro and all other acquisitions for an entire year in both fiscal 1998 and fiscal 1999, Star's 1999 net income was \$1.4 million, compared to a \$2.7 million net loss in 1998. This represents net income of \$.08 per unit, or a \$.23 per unit increase over the 1998 loss of \$.15 per

unit.

Despite the abnormally warm weather throughout fiscal 1999 and a very dry fall crop season, which significantly impacted propane sales in the fiscal first quarter, Star's pro forma EBITDA grew 1.6% from \$57.5 million in 1998, to \$58.4 million in 1999. This improvement was primarily due to a \$2.4 million increase in Petro's heating oil EBITDA resulting from an approximate \$1.6 million reduction in expenses associated with the division's operating improvement program, as well as a 1.0c per gallon increase in home heating oil gross profit margins.

In fiscal 1999, Star's propane division's volume increased approximately 1.0% as the Partnership's acquisition program and internal growth more than offset a 35% decline in propane volume to agricultural customers in the fiscal first quarter. However, the propane division's EBITDA declined \$1.5 million due to the financial impact of the reduced agricultural sales and increased marketing costs, consisting primarily of employee bonuses, which were earned due to the achievement of 4.5% residential internal growth.

For the 1999 fiscal fourth quarter ended September 30, 1999, which is a non-heating season period in which losses are traditionally sustained, Star's propane division had a net loss of \$4.5 million and the heating oil division recorded a seasonal loss of \$20.4 million.

On a pro forma basis, including Petro and Star's other acquisitions in fiscal 1998 and 1999, the fourth quarter net loss increased from \$30.9 million, or \$1.76 per unit in 1998, to \$34.6 million, or \$1.97 per unit in 1999. This increase was due primarily to a \$2.0 million increase in Petro's EBITDA loss resulting from a return to more normal margins during the fourth quarter 1999, compared to the unusually high levels achieved in the comparable 1998 period. The heating oil division's results were also impacted by increased marketing costs which contributed to a significant 40% improvement in the division's marketing performance.

During the 1999 fourth quarter, propane volume increased 3.1% over 1998 levels due to the Partnership's acquisition and internal growth programs. The propane division's larger size, combined with a return to more normal margins and an increase in marketing expenses led to a \$1.6 million increase in its seasonal EBITDA loss, compared to the fourth quarter of fiscal 1998.

In commenting on these results, Irik P. Sevin, Chairman and Chief Executive Officer said: "While the exceptionally warm and dry weather in 1999 made the year challenging, our organization can take pride in the way it addressed those issues. In particular, it has been gratifying that since the end of the first quarter, results have approximated our own expectations despite the 10% warmer than normal temperatures experienced during that period. This has been made possible by the significant operating, customer service and marketing improvements made at both the propane and heating oil divisions. These improvements not only enabled us to reduce operating expenses below expected levels, but enhanced customer service provided greater pricing flexibility, enabling us to better manage our gross profit margins. This allowed us to both mitigate the impact of weather as well as adjust to higher wholesale costs.

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"While we are encouraged by the progress in our base business, we are also very pleased with our disciplined acquisition program which has resulted in the purchase of eight retail propane and heating oil companies since the Petro transaction. While base business improvements and our acquisition program will hopefully enable the Partnership to continue to progress, we are also exploring ways to capitalize on Star/Petro's account base and improved operating structure to sell other rationally related products and services to our 520,000 customers."

Star Gas Partners, L.P., is a leading distributor of home heating oil and propane and has been an active consolidator in these industries. Through its wholly owned Petro subsidiary, Star is the nation's largest retail distributor of home heating oil, serving approximately 337,000 customers in the Northeast and Mid-Atlantic. Star is the nation's eighth largest retail propane distributor, serving approximately 186,000 customers throughout the Midwest and Northeast.

This news announcement contains certain forward-looking information that is subject to certain risks and uncertainties as indicated from time to time in the

Company's 10-K, 10-Q, 8-K and other filings with the Securities and Exchange Commission. Included among these risks and uncertainties are the effects of the weather on the Company's financial results, competitive and propane and heating oil pricing pressures and other factors impacting the propane and home heating oil distribution industries.

(financial tables follow)

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STAR GAS PARTNERS, L.P. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF OPERATIONS  
(in thousands, except per unit amounts)

	Historical Three Months Ended September 30, (unaudited)		Historical Year Ended September 30, (audited)	
	1999	1998	1999	1998
Sales	\$ 62,590	\$15,714	\$224,020	\$111,685
Costs and expenses:				
Cost of sales	46,527	5,772	131,649	49,498
Operating expenses	36,450	10,581	98,123	43,281
Depreciation and amortization	8,224	2,953	22,713	11,462
Net gain (loss) on sales of assets	13	(58)	(83)	(271)
Operating income (loss)	(28,598)	(3,650)	(28,548)	7,173
Interest expense, net	5,675	2,093	15,435	7,927
Amortization of debt discount	129	41	347	176
Income (loss) before taxes	(34,402)	(5,784)	(44,330)	(930)
Income tax expense (benefit)	(9,456)	6	(14,780)	25
Net income (loss)	(24,946)	(5,790)	(29,550)	(955)
General Partners' interest in net income (loss)	(495)	(116)	(587)	(19)
Limited Partners' interest in net income (loss)	\$ (24,451)	\$ (5,674)	\$ (28,963)	\$ (936)
Basic and diluted net income (loss) per Limited Partner unit	\$ (1.47)	\$ (0.91)	\$ (2.53)	\$ (0.16)
Weighted average number of Limited Partner units outstanding	16,581	6,243	11,447	6,035
SUPPLEMENTARY UNAUDITED DATA:				
Retail propane gallons sold	14,533	14,090	99,457	98,870
Home heating oil gallons sold	22,179	-	74,039	-
Distributable Cash Flow:				
EBITDA / (a) /	\$ (20,387)	\$ (639)	\$ (5,752)	\$ 18,906
Less Interest Expense, net	(5,675)	(2,093)	(15,435)	(7,927)
Income Taxes / (b) /	(122)	(6)	(166)	(25)
Maintenance Capital Expenditures	(1,440)	(411)	(3,922)	(2,626)
Distributable Cash Flow	\$ (27,624)	\$ (3,149)	\$ (25,275)	\$ 8,328

(a) EBITDA is defined as operating income (loss) plus depreciation, amortization, less net gain (loss) on sales of assets. EBITDA 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), but provides additional information for evaluating the Partnership's ability to make the Minimum Quarterly Distribution.

(b) Excludes deferred income tax benefit.

(pro forma table follows)

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STAR GAS PARTNERS, L.P. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF OPERATIONS  
(in thousands, except per unit amounts) (unaudited)

	THREE MONTHS ENDED SEPTEMBER 30,		YEAR ENDED SEPTEMBER 30,	
	1999 (C)	1998 (B) (C)	1999 (B) (C)	1998 (B) (C) (D)
Sales	\$ 63,391	\$ 59,343	\$526,680	\$576,467
Costs and expenses:				
Cost of sales	46,937	40,763	305,593	354,945
Operating expenses	36,784	35,410	162,673	164,005
Depreciation and amortization	8,352	8,267	33,593	33,139
Restructuring and corporate identity charges	-	-	-	3,185
Net gain (loss) on sales of assets	13	(47)	(63)	(48)
Operating income (loss)	(28,669)	(25,144)	24,758	21,145
Interest expense, net	5,676	5,622	22,496	22,904
Amortization of debt discount	129	113	468	453
Income (loss) before taxes	(34,474)	(30,879)	1,794	(2,212)
Income tax expense	122	6	356	500
Net income (loss)	(34,596)	(30,885)	1,438	(2,712)
General Partners' interest in net income (loss)	(643)	(574)	26	(50)
Limited Partners' interest in net income (loss)	\$(33,953)	\$(30,311)	\$ 1,412	\$ (2,662)
Basic and diluted net income (loss) per Limited Partner unit	\$(1.97)	\$(1.76)	\$0.08	\$(0.15)
Weighted average number of Limited Partner units outstanding / (b) (e) /	17,200	17,200	17,200	17,200
SUPPLEMENTARY UNAUDITED DATA:				
Retail propane gallons sold	15,318	15,357	104,588	109,184
Home heating oil gallons sold	22,199	23,447	340,351	353,404
Distributable Cash Flow:				
EBITDA / (a) /	\$(20,330)	\$(16,830)	\$ 58,414	\$ 57,517
Less Interest Expense, net	(5,676)	(5,622)	(22,496)	(22,904)
Income Taxes	(122)	(6)	(356)	(500)
Maintenance Capital Expenditures	(1,466)	(1,065)	(5,220)	(6,961)
Distributable Cash Flow	\$(27,594)	\$(23,523)	\$ 30,342	\$ 27,152

- (a) EBITDA is defined as operating income (loss) plus depreciation, amortization, restructuring and corporate identity charges, less net gain (loss) on sales of assets. EBITDA 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), but provides additional information for evaluating the Partnership's ability to make the Minimum Quarterly Distribution.
- (b) Pro forma for the effects of the acquisition of Petroleum Heat and Power Co., Inc. on March 26, 1999. For a complete description of this transaction, see page 31 of the partnership's prospectus as filed on March 23, 1999 with the Securities and Exchange Commission.
- (c) Pro forma for the effects of seven propane acquisitions completed in fiscal 1998, three propane acquisitions completed in fiscal 1999 and three heating oil acquisitions completed in fiscal 1999.
- (d) Pro forma for the divestiture of Petro's Hartford, CT operations in November 1997.
- (e) Pro forma for the issuance of 10.5 million common units including 9.4 million units issued in connection with the Petro acquisition and 1.1 million common units issued in August 1999.

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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.

Star Gas Partners, L.P.  
By: Star Gas LLC (General Partner)

SIGNATURE TITLE DATE

/s/ Irik P. Sevin Chairman of the Board and January 28, 2000

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Irik P. Sevin

Chief Executive Officer  
Star Gas LLC  
(Principal Executive  
Officer)