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STAR GAS PARTNERS, L.P. REPORTS RECORD SECOND QUARTER RESULTS; DECLARES QUARTERLY DISTRIBUTION ON ALL UNITS

STAMFORD, CT (April 20, 2001) -- Star Gas Partners, L.P. ("Star") (NYSE: SGU, SGH), a diversified home energy distributor and services provider, specializing in heating oil, propane, electricity and natural gas, today reported record results for the second quarter and six months ended March 31, 2001. Star also declared its \$0.575 per unit Minimum Quarterly Distribution on all units for the quarter ended March 31, 2001, payable on May 15, 2001 to unitholders of record on May 4, 2001.

For the fiscal 2001 second quarter ended March 31, 2001, EBITDA increased 28% to \$86.0 million from \$67.1 million in the year ago period. For the six months ended March 31, 2001, EBITDA rose 33% to \$121.9 million from \$91.6 million for the comparable period in fiscal 2000. Excluding the effect of SFAS No. 133, net income per unit for the fiscal second quarter ended March 31, 2001 increased to \$2.90 per unit from \$2.80 per unit for the three months ended March 31, 2000. For the six months ended March 31, 2000, net income per unit increased to \$3.83 per unit from \$3.40 per unit in the year earlier comparable period.

As a result of this performance, Star's Distributable Cash Flow for the twelve months ended March 31, 2001 was \$60.8 million, or \$2.63 per unit on all units outstanding as of March 31, 2001.

During both the three and six months ended March 31, 2001, Star's volume grew approximately 25% with EBITDA increasing approximately 30%. Two-thirds of this growth resulted from the contribution made by Star's ongoing acquisition program which completed the purchase of 24 heating oil and propane companies over the past eighteen months. This performance was also impacted by a return to relatively normal temperatures compared to the 12% warmer than normal weather experienced during the prior year's three months ended March 31, 2000. In addition, the Company's focus on operating excellence and customer service enabled it to continue to improve gross profit margins despite the higher energy cost environment experienced this past year.

During the second quarter of fiscal 2001, Star purchased two propane and heating oil companies for an aggregate purchase price of \$44.5 million. These acquisitions represent 58,000 new customers and 50.2 million gallons of annual volume. Including these purchases, the Company has acquired ten propane and heating oil companies for a total purchase price of \$61.3 million during the first six months of fiscal 2001. These companies account for 76,000 new customers and 68.7 million gallons of annual volume.

In commenting on Star's performance, Chairman, Irik P. Sevin, indicated: "We are very gratified with these results which demonstrate the Partnership's potential when it is not impacted by warmer than normal temperatures. I view this performance as the result of three basic factors: a) the significant attention and resources Star has devoted to developing an organization focused on operating excellence and customer satisfaction, enabling us to improve margins even in a high energy cost environment; b) structuring the Partnership to perform well even under warmer than normal temperatures, enabling it to realize significant benefits from colder weather; and c) Star's active acquisition program which, through 24 acquisitions over the past eighteen months, has not only grown the Partnership's size by approximately 25%, but has done so in a disciplined and profitable manner."

During the second quarter, Star continued its strategy of maintaining financial flexibility through a balanced capital structure. With this in mind, the Partnership raised \$38.1 million of equity through the public sale of 2.2 million common units and undertook a \$29.5 million institutional private placement of debt.

Mr. Sevin continued: "We are also pleased with the Partnership's initial success in selling additional rationally related products and services, especially air conditioning and water conditioning, to its approximately 700,000 customers and are very satisfied with the positive impact the sale of natural gas and electricity is having on our results. We are gratified that this performance demonstrates the benefits of having combined Star's propane and Petro's heating oil businesses. This has given the Partnership two complementary, although independent, sources of income and growth, as well as the advantages of a larger operational size and account base."

Star Gas Partners, L.P., is a leading distributor of home heating oil, propane and deregulated natural gas and electricity. Through its wholly owned Petro subsidiary, Star is the nation's largest retail distributor of home heating oil, serving

approximately 385,000 customers in the Northeast and Mid-Atlantic. Star is the nation's eighth largest retail propane distributor, serving approximately 260,000 customers throughout the Midwest and Northeast. Star owns a controlling 72.7% interest in Total Gas and Electric, which sells natural gas and electricity to approximately 100,000 customers in the Northeast and Mid Atlantic.

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

