



Business Summary: Gas Utilities (MIC: 7.4 SIC: 924 NAIC: 21210)

UGI is a holding company that distributes and markets energy products and related services through its subsidiaries and joint venture affiliates. Co. is a domestic and international distributor of propane and butane, ("LPG"); a provider of natural gas and electric service through regulated local distribution utilities; a generator of electricity through its ownership interests in electric generation facilities; a regional marketer of energy commodities; and a provider of heating and cooling services. Co.'s subsidiaries operate principally in the following five business segments: AmeriGas Propane; International Propane; Gas Utility; Electric Utility; and, Energy Services.

Recent Developments: For the quarter ended Dec 31 2004, net income increased 101.5% to \$78,200 thousand from net income of \$38,800 thousand in the year-earlier quarter. Revenues were \$1,363,100 thousand, up 52.5% from \$893,700 thousand the year before. Operating income was \$175,000 thousand versus an income of \$108,300 thousand in the prior-year quarter, an increase of 61.6%. Total direct expense was \$913,300 thousand versus \$596,900 thousand in the prior-year quarter, an increase of 53.0%. Total indirect expense was \$298,400 thousand versus \$193,900 thousand in the prior-year quarter, an increase of 53.9%.

Prospects: Results are being positively affected by the significant contribution to earnings by Antargaz, which was acquired by Co. in 2004 through the purchase of the remaining 80.5% ownership interests in AGZ Holding. The acquisition of Antargaz is expected to drive long-term earnings growth and boost cash flows from the energy distribution and marketing businesses. Meanwhile, Co. is enjoying top-line growth across all of its operating units, despite unfavorable weather conditions that have hampered results across its service territories. Results are expected to benefit from a return to more normal weather patterns.

Financial Data

(US\$ in Thousands)	3 Mos	09/30/2004	09/30/2003	09/30/2002	09/30/2001	09/30/2000	09/30/1999	09/30/1998
Earnings Per Share	2.99	2.31	2.29	1.80	1.37	1.09	1.16	0.81
Cash Flow Per Share	4.83	5.43	5.90	5.99	4.99	3.24	2.96	3.59
Dividends Per Share	1.222	1.195	1.130	1.083	1.050	1.017	0.980	0.967
Dividend Payout %	40.84	51.73	49.34	60.19	76.46	92.99	84.48	118.85

Income Statement

Total Revenue	1,363,100	3,784,700	3,026,100	2,213,700	2,468,100	1,761,700	1,383,600	1,439,700
EBITDA	191,300	426,100	373,000	326,600	309,000	282,400	274,800	249,100
Depn & Amortn	37,600	131,000	103,000	93,500	105,200	97,500	89,700	87,800
Income Before Taxes	120,200	176,000	160,800	124,000	99,000	86,400	100,500	76,900
Income Taxes	42,000	64,400	60,700	46,900	45,400	40,100	43,200	34,400
Net Income	78,200	111,600	98,900	75,500	56,500	44,700	55,700	40,300
Average Shares	52,600	48,341	43,236	41,907	41,059	40,882	48,024	49,684

Balance Sheet

Net PPE	1,843,000	1,781,900	1,336,800	1,271,900	1,268,000	1,073,200	1,084,100	999,000
Total Assets	4,680,500	4,235,400	2,781,700	2,614,400	2,550,200	2,278,800	2,135,900	2,074,600
Long-Term Obligations	1,561,900	1,547,300	1,158,500	1,127,000	1,196,900	1,029,700	989,600	890,800
Total Liabilities	3,591,700	3,222,900	2,077,300	2,001,100	2,028,400	1,834,500	1,656,800	1,451,000
Stockholders' Equity	919,000	834,100	569,800	317,300	255,600	247,200	249,200	367,100
Shares Outstanding	51,550	51,211	42,699	41,551	40,944	40,490	40,905	49,234

Statistical Record

Return on Assets %	3.90	3.17	3.67	2.92	2.34	2.02	2.65	...
Return on Equity %	19.67	15.86	22.30	26.36	22.47	17.96	18.08	...
EBITDA Margin %	14.03	11.26	12.33	14.75	12.52	16.03	19.86	17.30
Net Margin %	5.74	2.95	3.27	3.41	2.29	2.54	4.03	2.80
PPE Turnover	2.65	2.42	2.32	1.74	2.11	1.63	1.33	...
Asset Turnover	1.10	1.08	1.12	0.86	1.02	0.80	0.66	...
Debt to Equity	1.70	1.86	2.03	3.55	4.68	4.17	3.97	2.43
Price Range	41.12-29.89	37.26-28.93	34.90-23.47	24.43-17.73	19.39-14.46	16.17-12.17	16.79-10.63	19.88-13.88
P/E Ratio	13.75-10.00	16.13-12.52	15.24-10.25	13.57-9.85	14.16-10.55	14.83-11.16	14.48-9.16	24.54-17.13
Average Yield %	3.55	3.68	3.92	5.26	6.24	7.06	6.89	5.49

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Web Site: www.ugicorp.com		Shares: 33,891,528 % Held: 65.74