

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 6, 2003

STAR GAS PARTNERS, L.P.

(Exact name of registrant as specified in its charter)

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

2187 Atlantic Street, Stamford, CT 06902

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code (203) 328-7300

Not Applicable

(Former name or former address, if changed since last report.)

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ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS.

Exhibit 99.1 A copy of the Press Release dated August 6, 2003

ITEM 12. RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

On August 6, 2003, Star Gas Partners, L.P., a Delaware partnership (the "Partnership"), issued a press release describing its financial results for the three and nine-month periods ended June 30, 2003. A copy of the Partnership's press release has been furnished as Exhibit 99.1 to this Current Report on Form 8-K.

The information in this report shall not be treated as "filed" for purposes of the Securities Exchange Act of 1934, as amended.

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.

STAR GAS PARTNERS, L.P.
By: Star Gas LLC (General Partner)

By: /s/ James Bottiglieri

Name: James Bottiglieri
Title: Vice President
Date: August 6, 2003

Star Gas Partners, L.P. Reports 2003 Fiscal Third
Quarter Results, Achieves Record Q3 Sales of
\$235.2 Million and Announces Six Acquisitions

STAMFORD, Conn.--(BUSINESS WIRE)--Aug. 6, 2003--Star Gas Partners, L.P. (the "Partnership" or "Star") (NYSE: SGU, SGH), a diversified home energy distributor and services provider specializing in heating oil, propane, natural gas and electricity, today reported results for the fiscal 2003 third quarter and the nine months ended June 30, 2003. Star also reported that since April 1, 2003 it has completed six acquisitions consisting of 81 million gallons - including the acquisition of Valero's home heating oil business in New England.

For the fiscal 2003 third quarter ended June 30, 2003, Star's sales rose 25% to a record \$235.2 million, versus \$188.7 million in the third quarter of fiscal 2002. This significant rise resulted from higher energy prices, as well as a 6% volume increase. This volume increase was the result of both the impact of colder weather during the early part of the quarter as well as the contribution from 14 acquisitions made since April 1, 2002.

Star's fiscal third quarter is a non-heating period and the operating loss rose from \$20.7 million in 2002 to \$26.4 million in 2003 primarily due to a) the expensing of \$4.4 million tied to the value of previously granted equity-based compensation; and, b) \$2.0 million of reorganization expenses associated with the previously announced heating oil division's Business Process Redesign Improvement Program.

The third quarter seasonal net loss increased to \$37.9 million resulting from the aforementioned operating loss and from increased interest expense largely due to financing higher levels of working capital associated with increased sales. Diluted net loss per limited partner unit rose to \$1.15 per unit in the third quarter of fiscal 2003, from \$1.02 per unit in the third quarter of fiscal 2002. EBITDA for the three months ended June 30, 2003 was a loss of \$13.2 million, versus a loss of \$5.6 million in the fiscal 2002 third quarter. This decrease in EBITDA was primarily due to the same two factors that accounted for the increased operating loss.

For the nine months ended June 30, 2003, sales increased 45% to a record \$1.3 billion, compared to \$886.2 million in the same period in fiscal 2002, due both to volume expansion and higher energy prices. Operating income for the nine months ended June 30, 2003 increased 42% to \$99.0 million, from \$69.8 million in the comparable period in fiscal 2002. This was due primarily to a) an approximate 24% rise in volume largely driven by colder temperatures; b) 19 acquisitions consummated since October 1, 2001; and, c) a 1.3 cent per gallon heating oil and propane gross profit margin increase, notwithstanding historically high energy prices.

Net income for the nine months ended June 30, 2003 increased 47% to \$61.4 million, from \$41.8 million in the comparable period in fiscal 2002. Income before the cumulative effect of the change in accounting principle for the adoption of SFAS No. 142, relating to accounting for goodwill and other intangibles, rose 56% to \$65.3 million, from \$41.8 million in the comparable period of fiscal 2002. This increase was primarily attributable to the operating income increase, offset by higher income taxes and interest expense. Diluted net income per limited partner unit grew to \$1.87 per unit. Income per limited partner unit before the cumulative effect of the change in accounting principles for the adoption of SFAS No. 142 increased 35% to \$1.99, versus \$1.47 in the comparable period in fiscal 2002.

EBITDA for the nine months ended June 30, 2003 rose \$20.1 million to \$133.9 million. Included in EBITDA for that period was a charge of \$3.9 million for the cumulative effect of change in accounting principle for the adoption of SFAS No. 142.

Star also announced that during the period from April 1, 2003 to date, the Partnership has acquired six heating oil and propane companies consisting of approximately 95,000 customers. These acquisitions are expected to add 81 million gallons of annual volume, representing an approximate 13% increase in Star's total volume. The cumulative acquisition purchase price was \$68.5 million, representing a 5.3x anticipated EBITDA multiple. The largest acquisition was the Ultramar New England Home Energy business, a unit of Valero Energy Corporation (NYSE: VLO). The other five companies were SICO Heating

Oil Company of Mount Joy, Pennsylvania; Summit Gas Co., Coventry, Rhode Island; DiFeo Oil & Gas, Brentwood, New Hampshire; Palmyra Service Co., Palmyra, Maine; and, Carlos Leffler, Inc., Richland, Pennsylvania.

Commenting on this performance, Chairman Irik P. Sevin stated, "We are pleased that in the fiscal third quarter, the Partnership performed operationally in-line with expectations. This enabled Star to continue to realize the benefits from a) this past winter's cold temperatures; b) the contribution from our acquisition program; and, c) continued per gallon gross margin expansion. Of possibly even greater long-term significance, however, was the heating oil division's progress this past quarter in commencing the implementation of its Business Process Improvement Program, the results of which we hope to begin realizing in fiscal 2004."

Mr. Sevin went on to note, "We were also gratified with the continuation of Star's active but disciplined acquisition program, highlighted by the Partnership's selection as the purchaser of Valero's home heating properties."

Star Gas Partners, L.P., is a leading distributor of home heating oil, propane and deregulated natural gas and electricity. The Partnership is the nation's largest retail distributor of home heating oil and the nation's seventh largest retail propane distributor. Star, through its wholly owned subsidiary Total Gas & Electric, also sells natural gas and electricity in the Northeast, Mid-Atlantic and Florida.

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, realized savings from the Business Process Improvement Program and other factors impacting the propane, home heating oil, natural gas and electricity distribution industries.

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

	Three Months Ended June 30,	
	2002	2003
Sales	\$188,725	\$235,220
Costs and expenses:		
Cost of sales	127,012	166,411
Operating expenses	67,342	81,993
Depreciation and amortization expenses	15,027	13,248
Operating loss	(20,656)	(26,432)
Interest expense, net	8,767	10,714
Amortization of debt issuance costs	417	606
Loss before income taxes	(29,840)	(37,752)
Income tax expense	98	100
Net loss	\$ (29,938)	\$ (37,852)
General Partner's interest in net loss	\$ (331)	\$ (378)
Limited Partners' interest in net loss	\$ (29,607)	\$ (37,474)
Net loss per Limited Partner Unit:		
Basic	\$ (1.02)	\$ (1.15)

Diluted	\$ (1.02)	\$ (1.15)
	=====	=====
Basic weighted average number of Limited Partner units outstanding	28,957	32,457
	=====	=====
Diluted number of Limited Partner units	28,957	32,457
	=====	=====
Supplementary Data:		
Retail propane gallons sold	22,554	20,608
Home heating oil gallons sold	72,525	79,972
	-----	-----
Total gallons sold	95,079	100,580
	=====	=====
EBITDA (a)	\$ (5,629)	\$ (13,184)
	=====	=====

(a) 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. EBITDA is calculated as follows:

Net loss	\$ (29,938)	\$ (37,852)
Plus:		
Income tax expense	98	100
Amortization of debt issuance costs	417	606
Interest expense, net	8,767	10,714
Depreciation and amortization	15,027	13,248
	-----	-----
EBITDA	\$ (5,629)	\$ (13,184)
	=====	=====

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

	Nine Months Ended June 30,	
	----- 2002	2003 -----
Sales	\$886,233	\$1,289,020
Costs and expenses:		
Cost of sales	563,241	881,019
Operating expenses	209,175	270,034
Depreciation and amortization expenses	44,039	38,981
	-----	-----
Operating income	69,778	98,986
Interest expense, net	28,668	29,722
Amortization of debt issuance costs	1,036	1,597
Loss on redemption of debt	-	181
	-----	-----
Income before income taxes and cumulative effect of change in accounting principle	40,074	67,486
Income tax expense (benefit)	(1,707)	2,235
	-----	-----
Income before cumulative effect of change in accounting principle	41,781	65,251
Cumulative effect of change in accounting principle for adoption of SFAS No. 142	-	3,901
	-----	-----
Net income	\$ 41,781	\$ 61,350
	=====	=====
General Partner's interest in net income	\$ 488	\$ 614
	=====	=====
Limited Partners' interest in net income	\$ 41,293	\$ 60,736

	=====	=====
Net income per Limited Partner Unit:		
Basic	\$ 1.47	\$ 1.87
	=====	=====
Diluted	\$ 1.47	\$ 1.87
	=====	=====
Basic weighted average number of Limited Partner units outstanding	28,068	32,453
	=====	=====
Diluted number of Limited Partner units	28,110	32,561
	=====	=====
Supplementary Data:		
Retail propane gallons sold	118,394	142,747
Home heating oil gallons sold	419,175	524,448
	-----	-----
Total gallons sold	537,569	667,195
	=====	=====
EBITDA (a)	\$113,817	\$ 133,885
	=====	=====

(a) 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. EBITDA is calculated as follows:

Net income	\$ 41,781	\$ 61,350
Plus:		
Income tax expense (benefit)	(1,707)	2,235
Amortization of debt issuance costs	1,036	1,597
Interest expense, net	28,668	29,722
Depreciation and amortization	44,039	38,981
	-----	-----
EBITDA	\$113,817	\$133,885
	=====	=====

STAR GAS PARTNERS, L.P. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands)

	September 30, 2002	June 30, 2003
	-----	-----
		(unaudited)
ASSETS		
Current assets		
Cash and cash equivalents	\$ 61,481	\$ 15,010
Receivables, net of allowance of \$8,282 and \$10,082, respectively	83,452	146,163
Inventories	39,453	35,859
Prepaid expenses and other current assets	37,815	38,913
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Total current assets	222,201	235,945
	-----	-----
Property and equipment, net	241,892	251,771
Long-term portion of accounts receivables	6,672	6,409
Goodwill	264,551	273,923
Intangibles, net	193,370	188,223
Deferred charges and other assets, net	15,080	13,859
	-----	-----
Total Assets	\$ 943,766	\$ 970,130
	=====	=====
LIABILITIES AND PARTNERS' CAPITAL		
Current liabilities		
Accounts payable	\$ 20,360	\$ 25,857
Working capital facility borrowings	26,195	23,000

Current maturities of long-term debt	72,113	23,376
Accrued expenses	69,444	88,547
Unearned service contract revenue	30,549	28,801
Customer credit balances	70,583	24,883
	-----	-----
Total current liabilities	289,244	214,464
	-----	-----
Long-term debt	396,733	490,648
Other long-term liabilities	25,525	26,671
Partners' capital		
Common unitholders	242,696	247,119
Subordinated unitholders	3,105	7,740
General partner	(2,710)	(2,284)
Accumulated other comprehensive loss	(10,827)	(14,228)
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Total Partners' capital	232,264	238,347
	-----	-----
Total Liabilities and Partners' Capital	\$ 943,766	\$ 970,130
	=====	=====

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