

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): JULY 14, 2003

HERITAGE PROPANE PARTNERS, L.P.  
(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction  
of incorporation)

1-11727  
(Commission file number)

73-1493906  
(I.R.S. Employer  
Identification No.)

8801 South Yale Avenue, Suite 310, Tulsa, Oklahoma 74137  
(Address of principal executive offices and zip code)

(918) 492-7272  
(Registrant's telephone number, including area code)

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS.

(c) Exhibits.

Exhibit No. -----	Description -----
Exhibit 99.1	Press Release issued by the registrant dated July 14, 2003.

ITEM 9. REGULATION FD DISCLOSURE.

On July 14, 2003, Heritage Propane Partners, L.P. issued a press release announcing its financial results for the third quarter and nine months ended May 31, 2003. A copy of this press release is being furnished as an exhibit to this report on Form 8-K. The information contained in this report on Form 8-K is being furnished to the U.S. Securities and Exchange Commission (the "Commission") to report information pursuant to Item 12. - Results of Operations and Financial Conditions in accordance with the interim guidance provided by the Commission in Release No. 33-8216.

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.

DATED: July 14, 2003.

HERITAGE PROPANE PARTNERS, L.P.

By: U.S. Propane, L.P.  
(General Partner)

By: U.S. Propane, L.L.C.  
(General Partner)

By: s/ Michael L. Greenwood

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Michael L. Greenwood  
Vice President and Chief  
Financial Officer

## INDEX TO EXHIBITS

The exhibits listed on the following Exhibit Index are furnished as part of this Report. Exhibits required by Item 601 of Regulation S-K, but which are not listed below, are not applicable.

Exhibit Number -----	Description -----
99.1	Press Release issued by the registrant dated July 14, 2003.

[HERITAGE PROPANE LOGO]

## PRESS RELEASE

HERITAGE PROPANE PARTNERS, L.P.  
REPORTS RECORD THIRD QUARTER RESULTS

TULSA, OKLAHOMA - JULY 14, 2003 - Heritage Propane Partners, L.P. (NYSE:HPG) today reported record earnings before interest, taxes, depreciation and amortization (EBITDA) of \$16.7 million for the third quarter of fiscal 2003 ended May 31, 2003, a \$1.4 million, or 9% increase from the \$15.3 million EBITDA for the third quarter of fiscal 2002. The seasonal net loss for the fiscal 2003 third quarter improved to \$3.1 million, or \$(0.20) per limited partner unit, a 28% improvement from the \$4.3 million loss, or \$(0.28) per limited partner unit, recorded for the third quarter of fiscal 2002.

The Partnership established new volume records for the three months ended May 31, 2003 with retail gallons sold of 78.0 million gallons, representing an increase of 3.0 million gallons over the 75.0 million gallons sold during the three months ended May 31, 2002. Total revenues and gross profit for the third quarter of fiscal 2003 also achieved new third quarter records for the Partnership, keeping pace with the record results achieved in the first two quarters of fiscal 2003.

In commenting on the quarterly results, H. Michael Krimbill, President and CEO said, "We continue to benefit from our previous cost improvements and accretive acquisitions that have allowed the Partnership to maintain its record pace for fiscal 2003. The quarterly records for the Partnership were established without favorable weather conditions. We have now reported three consecutive quarters of record quarterly results in volumes, revenues, gross profit, and EBITDA. During the quarter, the Partnership also improved its balance sheet by repaying approximately \$45 million in long-term debt as a result of improved operating cash flows and the proceeds received from a secondary equity offering completed in May 2003. The record financial results combined with the long-term debt reduction has strengthened the Partnership's credit ratios and enhanced its position to access the capital markets to fund future growth. The year-to-date results indicate that fiscal 2003 could prove to be the most profitable year in the Partnership's history."

EBITDA for the first nine months of fiscal 2003 was a record level of \$110.5 million, representing a \$31.3 million, or 40% increase over the EBITDA of \$79.2 million reported for the nine months ended May 31, 2002. Record net income for the nine months ended May 31, 2003 more than doubled to \$47.4 million, or \$2.86 per limited partner unit, a \$26.4 million increase over the net income of \$21.0 million, or \$1.28 per limited partner unit, for the first nine months of fiscal 2002. For the first nine months of fiscal 2003, retail volumes were also at a record level of 321.3 million gallons sold, a 37.1 million gallon increase from the 284.2 million gallons sold during the nine months ended May 31, 2002. The Partnership also established new records for total revenues and gross profit for the nine months ended May 31, 2003.

EBITDA represents a meaningful non-GAAP financial measure used by investors and lenders to evaluate the Partnership's performance. EBITDA should not be considered as an alternative to income from operations, net income, or other measures of cash flow. A table reconciling EBITDA with appropriate GAAP financial measures is included in the notes to the consolidated financial statements included in this release.

Heritage is the fourth largest retail marketer of propane in the United States, serving more than 650,000 customers from nearly 300 customer service locations in 29 states. Operations extend from coast to coast, with concentrations in the western, upper midwestern, northeastern, and southeastern regions of the United States.

This press release may include certain statements concerning expectations for the future that are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Such forward-looking statements are subject to a variety of known and unknown risks, uncertainties, and other factors that are difficult to predict and many of which are beyond management's control. An extensive list of factors that can affect future results are discussed in the Partnership's Annual Report on Form 10-K and other documents filed from time to time with the Securities and Exchange Commission. The Partnership undertakes no obligation to update or revise any forward-looking statement to reflect new information or events.

The Partnership has scheduled a conference call for 10:00 am Central Daylight Time, Tuesday, July 15, 2003, to discuss the fiscal 2003 third quarter results. The dial-in number is 800-230-1092; participant code Heritage Propane.

The information contained in this press release is available on the Partnership's website at [www.heritagepropane.com](http://www.heritagepropane.com). For information, please contact Michael L. Greenwood, Vice President and Chief Financial Officer, at 918-492-7272.

HERITAGE PROPANE PARTNERS, L.P. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF OPERATIONS  
(in thousands, except per unit and unit data)  
(unaudited)

Three Months  
Nine Months  
Ended May 31,  
Ended May 31,  
-----  
-----  
-----

2003 2002  
2003 2002 ---  
-----  
-----  
-----

REVENUES:  
Retail fuel \$  
103,340 \$  
82,312 \$  
400,093 \$  
317,941  
Wholesale  
fuel 9,699  
8,865 41,265  
35,992  
Liquids  
marketing  
22,961 40,113  
163,278  
138,259 Other  
12,444 11,348  
46,334 42,184  
-----  
-----  
-----

Total  
revenues  
148,444  
142,638  
650,970  
534,376 -----  
-----  
-----  
-----

----- COSTS  
AND EXPENSES:  
Cost of  
products sold  
66,781 52,303  
252,221  
209,681  
Liquids  
marketing  
22,705 38,629  
161,963  
138,407  
Operating  
expenses  
39,535 33,823  
118,230  
100,624  
Depreciation  
and  
amortization  
9,579 9,910  
28,291 28,574  
Selling,  
general and  
administrative  
4,603 3,539  
12,451 9,648  
-----  
-----

-----  
-----  
Total costs  
and expenses  
143,203  
138,204  
573,156  
486,934 -----  
-----  
-----  
-----  
-----  
OPERATING  
INCOME 5,241  
4,434 77,814  
47,442 OTHER  
INCOME  
(EXPENSE):  
Interest  
expense  
(8,950)  
(9,205)  
(27,563)  
(27,924)  
Equity in  
earnings of  
affiliates  
504 430 1,687  
1,599 Gain on  
disposal of  
assets 517  
227 672 942  
Other (103)  
(150) (2,649)  
(342) -----  
-----  
-----  
-----  
----- INCOME  
(LOSS) BEFORE  
MINORITY  
INTERESTS AND  
INCOME TAXES  
(2,791)  
(4,264)  
49,961 21,717  
Minority  
interests  
(80) (55)  
(1,021) (685)  
-----  
-----  
-----  
INCOME (LOSS)  
BEFORE TAXES  
(2,871)  
(4,319)  
48,940 21,032  
Income taxes  
199 -- 1,483  
-- -----  
-- -----  
-- -----  
-- NET INCOME  
(LOSS)  
(3,070)  
(4,319)  
47,457 21,032  
GENERAL  
PARTNER'S  
INTEREST IN  
NET INCOME  
(LOSS) 216  
174 1,164 861  
-----  
-----  
-----  
-----  
LIMITED



PARTNERS'  
INTEREST IN  
NET INCOME  
(LOSS) \$  
(3,286) \$  
(4,493) \$  
46,293 \$  
20,171

=====  
=====  
=====  
=====

BASIC NET  
INCOME (LOSS)  
PER LIMITED  
PARTNER UNIT  
\$ (0.20) \$  
(0.28) \$ 2.86  
\$ 1.28

=====  
=====  
=====  
=====

BASIC AVERAGE  
NUMBER OF  
UNITS

OUTSTANDING  
16,574,582  
15,805,847  
16,189,029  
15,713,694

=====  
=====  
=====  
=====

Three Months  
Nine Months  
Ended May  
31, Ended  
May 31, ----

SUPPLEMENTAL  
INFORMATION:

Depreciation  
and  
amortization

8,950 9,205  
27,563

expense 103  
150 2,649

$$\begin{array}{r} 1,232 \ 435 \\ 2,579 \ 1,409 \end{array}$$

Minority  
interest net

Less: Gain  
on disposal

-----

EBITDA \$  
16,674 \$

=====

=====

Capital expenditures:

2,034 \$  
13,773 \$

10,881  
Growth \$  
4,454 \$  
4,029 \$  
30,740 \$  
26,025  
Retail  
gallons sold  
77,997  
74,947  
321,340  
284,196

- (a) EBITDA is defined as earnings before interest, taxes, depreciation and amortization (including the EBITDA of investees, but does not include the EBITDA of the minority interest of MP Energy Partnership or any non-cash compensation expense). EBITDA should not be considered as an alternative to net income, cash flow, or any other financial performance measure presented in accordance with generally accepted accounting principles but provides additional information for evaluating the Partnership's operating results or its ability to make quarterly distributions. Management believes that EBITDA is a meaningful non-GAAP financial measure used by investors and lenders to evaluate the Partnership's operating performance, cash generation, and ability to service debt, as certain of the Partnership's debt covenants include EBITDA as a performance measure. The presentation of EBITDA for the periods described herein is calculated in the same manner as presented by the Partnership in the past, and is intended to allow investors to compare performance with prior periods. The Partnership also believes that EBITDA is sometimes useful to compare the operating results of other companies within the propane industry due to the fact that such information is commonly utilized and eliminates the effects of certain financing and accounting decisions. The Partnership's calculation of EBITDA, however, may differ from similarly titled items reported by other companies.

HERITAGE PROPANE PARTNERS, L.P. AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS  
(in thousands, except unit data)  
(unaudited)

May 31,  
August 31,  
2003 2002 --  
-----

-----  
ASSETS  
CURRENT

ASSETS: Cash  
and cash  
equivalents  
\$ 7,089 \$  
4,596  
Marketable  
securities  
2,294 2,559  
Accounts  
receivable,  
net of  
allowance  
for doubtful  
accounts  
42,688  
30,898  
Inventories  
25,726  
48,187  
Assets from  
liquids  
marketing  
570 2,301  
Prepaid  
expenses and  
other 3,044  
6,846 -----

-----  
- Total  
current  
assets  
81,411  
95,387  
PROPERTY,  
PLANT AND  
EQUIPMENT,  
net 428,747  
400,044  
INVESTMENT  
IN  
AFFILIATES  
9,243 7,858  
GOODWILL,  
net of  
amortization  
prior to  
adoption of  
SFAS No. 142  
157,254  
155,735  
INTANGIBLES  
AND OTHER  
ASSETS, net  
53,751  
58,240 -----

-----  
-- Total  
assets \$  
730,406 \$  
717,264  
=====

=====

LIABILITIES  
AND  
PARTNERS'  
CAPITAL  
CURRENT

LIABILITIES:  
     Working  
     capital  
 facility \$ -  
     - \$ 30,200  
     Accounts  
     payable  
     32,423  
     40,929  
     Accounts  
     payable to  
     related  
     companies  
     7,653 5,002  
 Accrued and  
     other  
     current  
 liabilities  
     22,020  
     23,962  
 Liabilities  
 from liquids  
     marketing  
     552 1,818  
     Current  
     maturities  
 of long-term  
 debt 25,453  
 20,158 -----  
 -----  
     -- Total  
     current  
 liabilities  
     88,101  
     122,069  
 LONG-TERM  
 DEBT, less  
     current  
     maturities  
     385,950  
     420,021  
 MINORITY  
 INTERESTS  
 4,746 3,564  
 -----  
     -----  
     Total  
 liabilities  
     478,797  
 545,654 -----  
 -----  
     ---  
 COMMITMENTS  
 AND  
 CONTINGENCIES  
 PARTNERS'  
 CAPITAL:  
     Common  
 Unitholders  
 (17,947,111  
     and  
     15,815,847  
 units issued  
     and  
     outstanding  
     at May 31,  
     2003 and  
     August 31,  
     2002,  
 respectively)  
     250,747  
     173,677  
     Class C  
 Unitholders  
 (1,000,000  
 units issued  
     and  
     outstanding  
     at May 31,  
     2003 and  
     August 31,

```
2002) -- --
  General
  Partner
2,400 1,585
Accumulated
  other
comprehensive
loss (1,538)
(3,652) ----
-----
  --- Total
  partners'
  capital
  251,609
171,610 ----
-----
  --- Total
  liabilities
  and
  partners'
  capital $
  730,406 $
  717,264
=====
=====
```