

**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): **October 15, 2019**

Ferrellgas Partners, L.P.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation)	001-11331 (Commission File Number)	43-1698480 (I.R.S. Employer Identification No.)
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7500 College Blvd., Suite 1000, Overland Park, Kansas (Address of principal executive offices)	66210 (Zip Code)
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Registrant's telephone number, including area code: **913-661-1500**

n/a

Former name or former address, if changed since last report

Ferrellgas Partners Finance Corp.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation)	333-06693 (Commission File Number)	43-1742520 (I.R.S. Employer Identification No.)
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7500 College Blvd., Suite 1000, Overland Park, Kansas (Address of principal executive offices)	66210 (Zip Code)
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Registrant's telephone number, including area code: **913-661-1500**

n/a

Former name or former address, if changed since last report

Ferrellgas, L.P.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation)	000-50182 (Commission File Number)	43-1698481 (I.R.S. Employer Identification No.)
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7500 College Blvd., Suite 1000, Overland Park, Kansas (Address of principal executive offices)	66210 (Zip Code)
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Registrant's telephone number, including area code: **913-661-1500**

n/a

Former name or former address, if changed since last report

Ferrellgas Finance Corp.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation)	000-50183 (Commission File Number)	14-1866671 (I.R.S. Employer Identification No.)
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7500 College Blvd., Suite 1000, Overland Park, Kansas (Address of principal executive offices)	66210 (Zip Code)
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Registrant's telephone number, including area code: **913-661-1500**

n/a

Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Securities registered pursuant to Section 12(b) of the Act:

Title of each class:	Trading Symbol(s)	Name of each exchange on which registered:
Common Units	FGP	New York Stock Exchange

Item 2.02 Results of Operations and Financial Condition.

The information included in Item 7.01 of this Current Report on Form 8-K is incorporated by reference into this Item 2.02 of this Current Report on Form 8-K.

Item 7.01 Regulation FD Disclosure.

On October 15, 2019, Ferrellgas Partners, L.P. issued a press release regarding its financial results for the fourth fiscal quarter ended July 31, 2019. A copy of this press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

Item 9.01 Financial Statements and Exhibits.

Exhibit 99.1 — Press release of Ferrellgas Partners, L.P. dated October 15, 2019, reporting its financial results for the fourth fiscal quarter ended July 31, 2019.

Limitation on Materiality and Incorporation by Reference

The information in this Current Report on Form 8-K related to Items 2.02 and 7.01, including Exhibit 99.1 furnished herewith, is being furnished to the SEC pursuant to Item 2.02 and Item 7.01 of Form 8-K and is not deemed to be “filed” with the SEC for purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of Section 18. In addition, such information is not to be incorporated by reference into any registration statement of Ferrellgas Partners, L.P., Ferrellgas Partners Finance Corp., Ferrellgas, L.P. or Ferrellgas Finance Corp. or other filings of such entities made pursuant to the Exchange Act or the Securities Act, unless specifically identified as being incorporated therein by reference.

The furnishing of particular information in this Current Report, including Exhibit 99.1 furnished herewith, pursuant to Item 7.01 of Form 8-K is not intended to, and does not, constitute a determination or admission by Ferrellgas Partners, L.P., Ferrellgas Partners Finance Corp., Ferrellgas, L.P. or Ferrellgas Finance Corp. as to the materiality or completeness of any such information that is required to be disclosed solely by Regulation FD of the Exchange Act.

Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release of Ferrelgas Partners, L.P. dated October 15, 2019, reporting its financial results for the fourth fiscal quarter ended July 31, 2019.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrants have duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

FERRELLGAS PARTNERS, L.P.
By Ferrellgas, Inc. (General Partner)

Date: October 15, 2019

By /s/ William E. Ruisinger
Chief Financial Officer

FERRELLGAS PARTNERS FINANCE CORP.

Date: October 15, 2019

By /s/ William E. Ruisinger
Chief Financial Officer and Sole Director

FERRELLGAS, L.P.
By Ferrellgas, Inc. (General Partner)

Date: October 15, 2019

By /s/ William E. Ruisinger
Chief Financial Officer

FERRELLGAS FINANCE CORP.

Date: October 15, 2019

By /s/ William E. Ruisinger
Chief Financial Officer and Sole Director

NOT FOR IMMEDIATE RELEASE

**FERRELLGAS PARTNERS, L.P. REPORTS FULL FISCAL YEAR
AND FOURTH QUARTER 2019 RESULTS**

- **Propane sales volume for the year increased 3 percent leading to almost 3 percent increase in gross margin dollars over the prior year on weather that was 2 percent colder than the prior year**
- **Retail customer growth of 4 percent over prior year**
- **Tank Exchange sale locations now exceed 55,000, up over 1,800 locations from prior year.**

LIBERTY, Mo., October 15, 2019 (GLOBE NEWSWIRE) — Ferrellgas Partners, L.P. (NYSE:FGP) (“Ferrellgas” or the “Company”) today reported financial results for its fiscal year and fourth quarter ended July 31, 2019.

For the fiscal year, the Company reported a net loss attributable to Ferrellgas Partners, L.P. of \$64.2 million, or \$0.65 per common unit, compared to prior year period net loss of \$254.6 million, or \$2.59 per common unit. For the quarter, the net loss attributable to Ferrellgas Partners, L.P. was \$71.0 million, or \$0.72 per common unit, compared prior years fourth quarter net loss of \$215.7 million, or \$2.20 per common unit.

Adjusted EBITDA, a non-GAAP measure, was \$230.0 million compared to \$241.9 million in the prior year. The following table represents the contribution to adjusted EBITDA from ongoing propane operations as well as from assets that were sold during 2018.

<u>(in millions)</u>	<u>Fiscal 2019</u>	<u>Fiscal 2018</u>
Propane Operations and Corporate Support	\$ 230.0	\$ 227.7
Results from Assets Sold in 2018	—	\$ 14.2
Consolidated Adjusted EBITDA	<u>\$ 230.0</u>	<u>\$ 241.9</u>

The Company’s propane operations reported that total gallons sold of 904.8 million were 3 percent higher than prior year. Margin cents per gallon were 1.8¢, or 2.4 percent higher than the prior year despite increased competitive pressures in the tank exchange business. The Company continues its aggressive approach to gaining market share. This strategic focus resulted in over 25,000 new customers, or approximately 4 percent more than prior year. Additionally, the Company’s current Blue Rhino tank exchange sales locations have increased over 3 percent from prior year to over 55,000 locations. Overall, the increase in sales volume growth and margins per gallon resulted in an increase in gross margin dollars of \$21.7 million. The Company’s ongoing commitment to investing in the business led to higher operating

expenses during the quarter which were largely associated with serving nearly 25,000 new customers and 1,800 new tank exchange locations.

For the fourth quarter ended July 31, 2019, the Company reported a net loss attributable to Ferrellgas Partners, L.P. of \$71.0 million, or \$0.72 per common unit reflecting the usual fourth quarter seasonal net loss, compared to prior year period net loss of \$215.7 million, or \$2.20 per common unit, which included non-cash losses stemming from strategic asset sales. Adjusted EBITDA for the fourth quarter was \$4.0 million compared to \$8.2 million in the prior year on propane volumes that were 2.9 percent higher than the prior year period. This decrease stemmed from higher legal fees and settlements related to non-core businesses.

As previously announced, the Company indefinitely suspended its quarterly cash distribution as a result of not meeting the required fixed charge coverage ratio contained in the senior unsecured notes due 2020. Additionally, as the Company continues to evaluate options to address leverage, the Company does not intend to comment further on its progress in this regard or on potential options until further disclosure is appropriate or required by law. For that reason, and in view of the information the Company otherwise makes available in earnings releases and quarterly and annual reports, the Company is suspending the practice of holding conference calls with investors, analysts and other interested parties in connection with periodic reporting of financial results for completed periods.

About Ferrellgas

Ferrellgas Partners, L.P., through its operating partnership, Ferrellgas, L.P., and subsidiaries, serves propane customers in all 50 states, the District of Columbia, and Puerto Rico. Ferrellgas employees indirectly own 22.8 million common units of the partnership, through an employee stock ownership plan. Ferrellgas Partners, L.P. filed a Form 10-K with the Securities and Exchange Commission on October 15, 2019. Investors can request a hard copy of this filing free of charge and obtain more information about the partnership online at www.ferrellgas.com.

Forward Looking Statements

Statements in this release concerning expectations for the future are forward-looking statements. A variety of known and unknown risks, uncertainties and other factors could cause results, performance, and expectations to differ materially from anticipated results, performance, and expectations. These risks, uncertainties, and other factors include those discussed in the Form 10-K of Ferrellgas Partners, L.P., Ferrellgas Partners Finance Corp., Ferrellgas, L.P., and Ferrellgas Finance Corp. for the fiscal year ended July 31, 2019, and in other documents filed from time to time by these entities with the Securities and Exchange Commission.

Contacts

Investor Relations — InvestorRelations@ferrellgas.com

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

ASSETS	<u>July 31, 2019</u>	<u>July 31, 2018</u>
Current Assets:		
Cash and cash equivalents	\$ 11,054	\$ 119,311
Accounts and notes receivable, net (including \$160,145 and \$120,079 of accounts receivable pledged as collateral at July 31, 2019 and July 31, 2018, respectively)	107,596	126,054
Inventories	80,454	83,694
Prepaid expenses and other current assets	42,275	34,862
Total Current Assets	<u>241,379</u>	<u>363,921</u>
Property, plant and equipment, net	596,723	557,723
Goodwill, net	247,195	246,098
Intangible assets, net	108,557	120,951
Other assets, net	69,105	74,588
Total Assets	<u>\$ 1,262,959</u>	<u>\$ 1,363,281</u>
LIABILITIES AND PARTNERS' DEFICIT		
Current Liabilities:		
Accounts payable	\$ 33,364	\$ 46,820
Short-term borrowings	43,000	32,800
Collateralized note payable	62,000	58,000
Current portion of long-term debt (a)	631,756	2,402
Other current liabilities	138,237	139,623
Total Current Liabilities	<u>908,357</u>	<u>279,645</u>
Long-term debt	1,457,004	2,078,637
Other liabilities	36,536	39,476
Contingencies and commitments		
Partners Deficit:		
Common unitholders (97,152,665 units outstanding at July 31, 2019 and July 31, 2018)	(1,046,245)	(978,503)
General partner unitholder (989,926 units outstanding at July 31, 2019 and July 31, 2018)	(70,476)	(69,792)
Accumulated other comprehensive income (loss)	(14,512)	20,510
Total Ferrellgas Partners, L.P. Partners' Deficit	<u>(1,131,233)</u>	<u>(1,027,785)</u>
Noncontrolling interest	(7,705)	(6,692)
Total Partners' Deficit	<u>(1,138,938)</u>	<u>(1,034,477)</u>
Total Liabilities and Partners' Deficit	<u>\$ 1,262,959</u>	<u>\$ 1,363,281</u>

(a) The principal difference between the Ferrellgas Partners, L.P. balance sheet and that of Ferrellgas, L.P., is \$357 million of 8.625% notes which are liabilities of Ferrellgas Partners, L.P. and not of Ferrellgas, L.P.

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

	Three months ended July 31		Twelve months ended July 31	
	2019	2018	2019	2018
Revenues:				
Propane and other gas liquids sales	\$ 264,224	\$ 296,677	\$ 1,608,858	\$ 1,642,976
Midstream operations	—	21,688	—	282,319
Other	14,857	29,156	75,534	147,847
Total revenues	<u>279,081</u>	<u>347,521</u>	<u>1,684,392</u>	<u>2,073,142</u>
Cost of sales:				
Propane and other gas liquids sales	136,460	170,562	902,516	973,414
Midstream operations	—	25,849	—	255,559
Other	2,617	14,315	11,406	68,654
Gross profit	<u>140,004</u>	<u>136,795</u>	<u>770,470</u>	<u>775,515</u>
Operating expense	117,327	120,991	468,868	471,748
Depreciation and amortization expense	19,632	25,230	78,846	101,795
General and administrative expense	17,957	14,668	59,994	54,401
Equipment lease expense	8,476	7,444	33,073	28,272
Non-cash employee stock ownership plan compensation charge	1,005	3,128	5,693	13,859
Asset impairments	—	—	—	10,005
Loss on asset sales and disposals	2,565	140,985	10,968	187,399
Operating income (loss)	<u>(26,958)</u>	<u>(175,651)</u>	<u>113,028</u>	<u>(91,964)</u>
Interest expense	(44,688)	(44,612)	(177,619)	(168,467)
Other income (expense), net	13	(494)	369	928
Loss before income tax benefit	<u>(71,633)</u>	<u>(220,757)</u>	<u>(64,222)</u>	<u>(259,503)</u>
Income tax expense (benefit)	39	(2,960)	323	(2,678)
Net loss	<u>(71,672)</u>	<u>(217,797)</u>	<u>(64,545)</u>	<u>(256,825)</u>
Net loss attributable to noncontrolling interest (b)	(635)	(2,113)	(298)	(2,244)
Net loss attributable to Ferrellgas Partners, L.P.	(71,037)	(215,684)	(64,247)	(254,581)
Less: General partner's interest in net loss	(710)	(2,157)	(642)	(2,546)
Common unitholders' interest in net loss	<u>\$ (70,327)</u>	<u>\$ (213,527)</u>	<u>\$ (63,605)</u>	<u>\$ (252,035)</u>
Loss Per Common Unit				
Basic and diluted net earnings loss per common unitholders' interest	\$ (0.72)	\$ (2.20)	\$ (0.65)	\$ (2.59)
Weighted average common units outstanding - basic	97,152.7	97,152.7	97,152.7	97,152.7

Supplemental Data and Reconciliation of Non-GAAP Items:

	Three months ended July 31		Twelve months ended July 31	
	2019	2018	2019	2018
Net loss attributable to Ferrellgas Partners, L.P.	\$ (71,037)	\$ (215,684)	\$ (64,247)	\$ (254,581)
Income tax expense (benefit)	39	(2,960)	323	(2,678)
Interest expense	44,688	44,612	177,619	168,467
Depreciation and amortization expense	19,632	25,230	78,846	101,795
EBITDA	(6,678)	(148,802)	192,541	13,003
Non-cash employee stock ownership plan compensation charge	1,005	3,128	5,693	13,859
Asset impairments	—	—	—	10,005
Loss on asset sales and disposal	2,565	140,985	10,968	187,399
Other income (expense), net	(13)	494	(369)	(928)
Severance costs \$690 included in operating costs for the twelve months ended period July 31, 2019 and \$910 included in general and administrative costs for the twelve months ended July 31, 2019. Also includes \$358 in operating costs for the twelve months ended period July 31, 2018 and \$1,305 included in general and administrative costs for the twelve months ended July 31, 2018.	—	—	1,600	1,663
Legal fees and settlements related to non-core businesses	7,721	2,658	18,364	6,065
Multi-employer pension plan withdrawal settlement	—	—	1,524	—
Exit costs associated with contracts - Midstream dispositions	—	11,804	—	11,804
Unrealized (non-cash) losses on changes in fair value of derivatives \$1,293 included in midstream operations cost of sales for the twelve months ended July 31, 2018.	—	—	—	1,293
Net loss attributable to noncontrolling interest (b)	(635)	(2,113)	(298)	(2,244)
Adjusted EBITDA (c)	3,965	8,154	230,023	241,919
Net cash interest expense (d)	(41,465)	(45,228)	(164,790)	(160,892)
Maintenance capital expenditures (e)	(1,736)	(8,532)	(46,774)	(27,617)
Cash refund from (paid for) taxes	(120)	(167)	(141)	291
Proceeds from certain asset sales	1,833	4,848	4,249	9,203
Distributable cash flow attributable to equity investors (f)	(37,523)	(40,925)	22,567	62,904
Distributable cash flow attributable to general partner and non-controlling interest	(751)	(819)	451	1,258
Distributable cash flow attributable to common unitholders (g)	(36,772)	(40,106)	22,116	61,646
Less: Distributions paid to common unitholders	—	9,715	9,715	38,861
Distributable cash flow excess/(shortage)	\$ (36,772)	\$ (49,821)	\$ 12,401	\$ 22,785
Propane gallons sales				
Retail - Sales to End Users	99,114	93,420	672,266	636,968
Wholesale - Sales to Resellers	53,310	54,718	232,566	240,210
Total propane gallons sales	<u>152,424</u>	<u>148,138</u>	<u>904,832</u>	<u>877,178</u>

(b) Amounts allocated to the general partner for its 1.0101% interest in the operating partnership, Ferrellgas, L.P.

(c) Adjusted EBITDA is calculated as net loss attributable to Ferrellgas Partners, L.P., less the sum of the following: income tax expense (benefit), interest expense, depreciation and amortization expense, non-cash employee stock ownership plan compensation charge, asset impairments, loss on asset sales and disposal, other income (expense), net, severance expense, legal fees and settlements related to non-core businesses, multi-employer pension plan withdrawal settlement, exit costs associated with contracts - Midstream dispositions, unrealized (non-cash) loss on changes in fair value of derivatives, and net loss attributable to noncontrolling interest. Management believes the presentation of this measure is relevant and useful, because it allows investors to view the partnership's performance in a manner similar to the method management uses, adjusted for items management believes makes it easier to compare its results with other companies that have different financing and capital structures. This method of calculating Adjusted EBITDA may not be consistent with that of other companies and should be viewed in conjunction with measurements that are computed in accordance with GAAP.

(d) Net cash interest expense is the sum of interest expense less non-cash interest expense and other expense, net. This amount includes interest expense related to the accounts receivable securitization facility.

(e) Maintenance capital expenditures include capitalized expenditures for betterment and replacement of property, plant and equipment.

(f) Distributable cash flow attributable to equity investors is calculated as Adjusted EBITDA minus net cash interest expense, maintenance capital expenditures and cash paid for taxes plus proceeds from certain asset sales. Management considers distributable cash flow attributable to equity investors a meaningful measure of the partnership's ability to declare and pay quarterly distributions to equity investors. Distributable cash flow attributable to equity investors, as management defines it, may not be comparable to distributable cash flow attributable to equity investors or similarly titled measurements used by other corporations and partnerships. Items added into our calculation of distributable cash flow attributable to equity investors that will not occur on a continuing basis may have associated cash payments. Distributable cash flow attributable to equity investors may not be consistent with that of other companies and should be viewed in conjunction with measurements that are computed in accordance with GAAP.

(g) Distributable cash flow attributable to common unitholders is calculated as Distributable cash flow attributable to equity investors minus distributable cash flow attributable to general partner and noncontrolling interest. Management considers distributable cash flow attributable to common unitholders a meaningful measure of the partnership's ability to declare and pay quarterly distributions to common unitholders. Distributable cash flow attributable to common unitholders, as management defines it, may not be comparable to distributable cash flow attributable to common unitholders or similarly titled measurements used by other corporations and partnerships. Items added to our calculation of distributable cash flow attributable to common unit holders that will not occur on a continuing basis may have associated cash payments. Distributable cash flow attributable to common unitholders may not be consistent with that of other companies and should be viewed in conjunction with measurements that are computed in accordance with GAAP.