



Investor Presentation – June 2009

Forward Looking Statement Disclaimer


The following information contains, or may be deemed to contain, forward-looking statements. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. The future results of the partnership may vary from the results expressed in, or implied by, the following information, possibly to a material degree. For discussion of some of the important factors that could cause the partnership's results to differ from those expressed in, or implied by, the following information, as well as a discussion of certain other risks, uncertainties and factors, please see the sections "Item 1. Business - Risk Factors" 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, 2008 and "Risk Factors" in the Form 10-Q's of these entities for the fiscal quarters ended October 31, 2008 and January 31, 2009, respectively.

Who Is Ferrellgas?

- ✓ A leading distributor of retail propane and related equipment and supplies primarily in the United States
 - Approximately 1 million customers
 - All 50 states, including the District of Columbia and Puerto Rico
- ✓ Blue Rhino branded tank exchange operations retain largest national market share in the fastest growing segment of the propane industry
 - More than 43,000 points of sale nationwide
- ✓ A publicly traded, master limited partnership since 1994 (NYSE: FGP) founded in 1939
 - Equity market capitalization of more than \$800 million
 - Total enterprise value approaching \$2 billion
- ✓ A proven industry consolidator with a disciplined acquisition strategy

Our Brands Are Household Names In Propane

 = Retail Propane Operations

 = Tank Exchange Operations

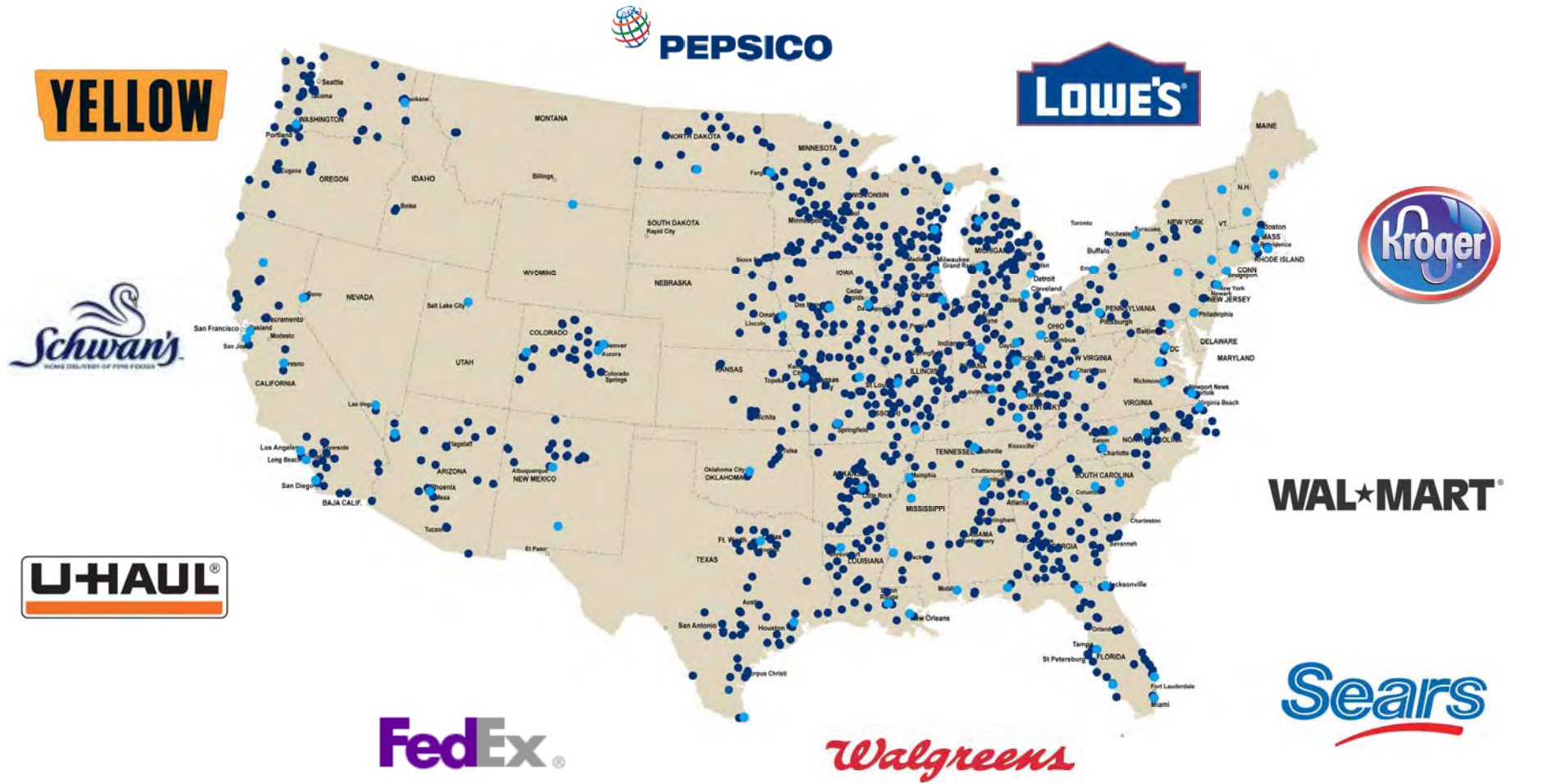
 = Logistics and Wholesale Operations



Ferrellgas' Keys To Continued Success

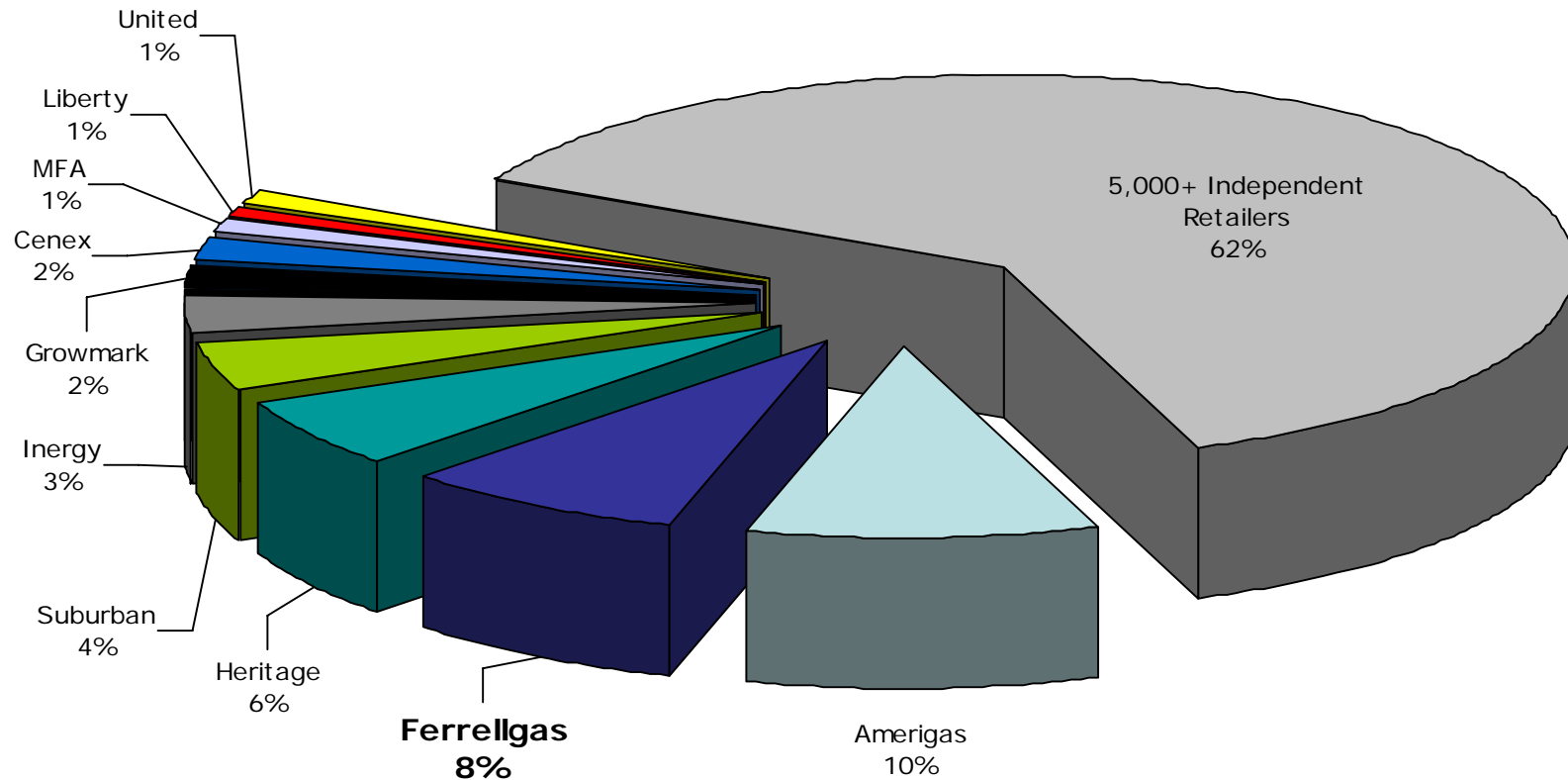
- ✓ Capitalize on national presence and economies of scale
 - Few nationwide propane providers
 - One stop solution for national customers
- ✓ Expand operations through disciplined acquisitions
 - Leverage significant synergy opportunities from existing national footprint
 - Largest 10 retailers have less than 40% market share...opportunity!
- ✓ Achieve operating efficiencies through the utilization of technology
 - Significant improvement in cash flow has already occurred through technology implementation completed in fiscal 2005
 - Scalability of technology platform provides added benefits to organic growth and M&A activity
- ✓ Align employee interest with investors through employee ownership; only MLP with significant company-wide ESOP ownership

Nationwide Footprint – A True Competitive Advantage



 **Ferrellgas**

Retail Propane – An Industry Ripe for Consolidation



Top 10 Propane Retailers control 38% of Market Share⁽¹⁾

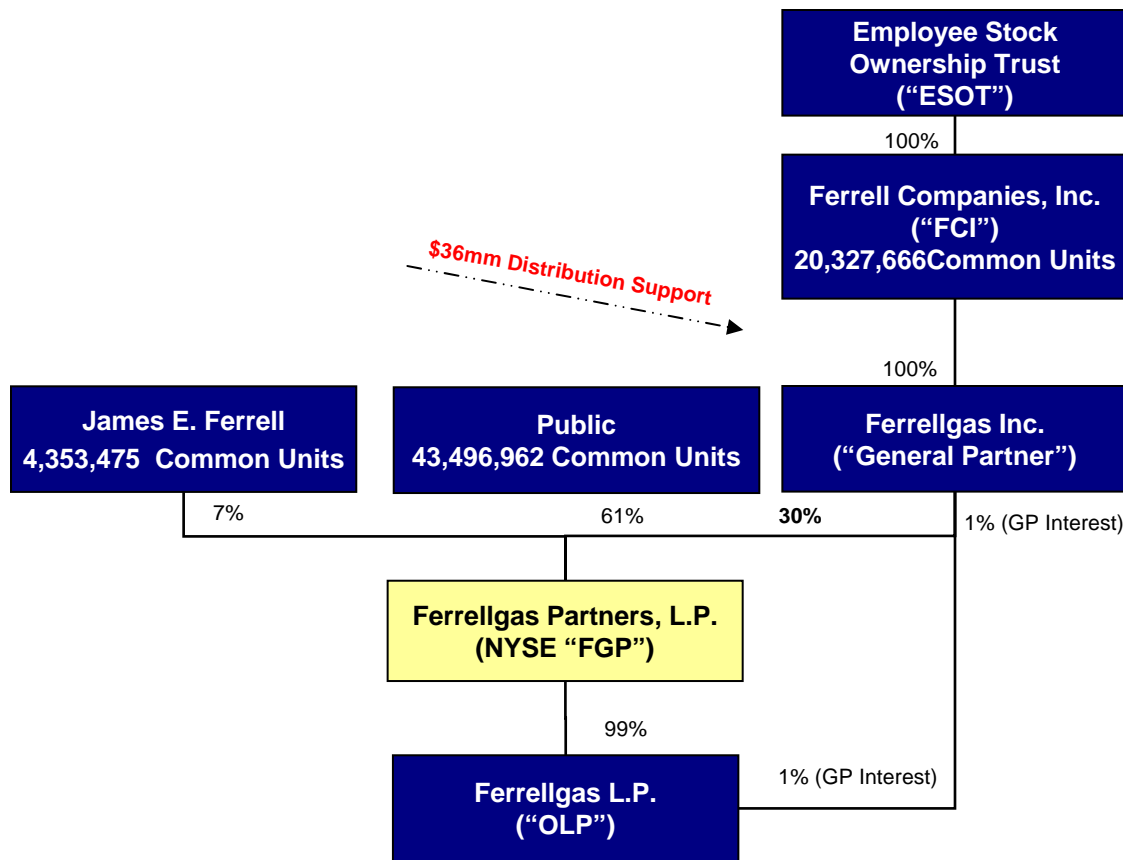
(1) Source: February LPGas Magazine

World Class Logistics and Customer Management - A First in the Retail Propane Industry

- ✓ **Significant earnings improvement post-implementation in fiscal 2005**
 - Improved customer profitability
 - Reduced overhead and distribution costs
- ✓ **Improved customer relationship management**
 - Improved customer retention/satisfaction
- ✓ **Increased sales focus in profitable/emerging markets**
 - Organic growth focused in areas of strong customer retention and performing margins
- ✓ **Industry consolidation through first scalable customer management platform in retail propane**
 - Improved merger synergies
 - A true competitive advantage; few in industry have market share to afford a similar, fully integrated system



Significant Management Ownership; Credit Enhancements To Public Investors



- ✓ 32% employee ownership through ESOP
- ✓ 7% ownership by Chairman and CEO James E. Ferrell
- ✓ Significant distribution support in favor of public unitholder
 - Public TTM DCF Coverage of **1.6x**
 - Total TTM DCF Coverage of **1.1x**
- ✓ General partner/ESOP structure aligns employee and investor interests

Recent Announcements – A String of Successes

- ✓ Strong/improving operational and financial performance
 - 24% improvement in Adjusted EBITDA fiscal ytd January 31
 - 40% improvement in Adjusted EBITDA since fiscal 2005
- ✓ Significantly improved credit statistics through improved performance
 - OLP Financial leverage of 3.1x cash flow (lowest since fiscal 2003)
 - TTM public common unit distribution coverage of 1.6x; more than 1.1x cash flow coverage on all outstanding common units (best since fiscal 2001)
- ✓ Reaffirmation of Standard and Poor's rating
- ✓ In May, declared 59th consecutive quarterly partnership distribution to unit holders since going public in 1994
- ✓ Continued expansion of propane operations
 - 50% expansion in Blue Rhino tank exchange locations since 2004
 - Two retail propane acquisitions in September 2008 in California and Texas; one retail propane acquisition in May 2009 in Kansas; continue to be an active participant in industry consolidation

Recent Announcements (continued)

- ✓ Continued access to the capital markets
 - Issued \$200 million of long-term, high-yield debt in August 2008
 - Raised \$70 million in new equity proceeds in February 2009, which addresses debt maturity in August 2009
- ✓ Successfully renewed the Accounts Receivable Securitization Facility
 - Extended 364 day maturity to April 2010
- ✓ Repaid and terminated the \$150mm term loan due August 2009
 - Early termination made possible through August 2008 debt offering and successful renewal of A/R Facility
- ✓ Since 1985, the company has raised more than \$3.5 billion of capital through more than 20 public and private debt and equity offerings
- ✓ Recent purchases of common units by key officers and directors, including Mr. Ferrell

Strong Financial Results Through Turbulent Markets

(in millions, except cpg's)

	3 months ended January 31, 2009			
	<u>Actual</u>	<u>Prior Year</u>	<u>Fav/(unfav) Var.</u>	<u>% Increase</u>
Propane Gallon Sales :				
Retail - Sales to End Users	245.4	243.4	2.0	
Wholesale - Sales to Resellers	68.1	47.3	20.8	
Total Propane Gallon Sales	313.5	290.7	22.8	7.8%
Gross Profit	\$ 243.5	\$ 211.0	\$ 32.5	
<i>Gross Profit CPG</i>	<i>77.7</i>	<i>72.6</i>	<i>5.1</i>	
Adjusted EBITDA	\$ 121.6	\$ 103.2	\$ 18.4	17.8%
<i>Adjusted EBITDA CPG</i>	<i>38.8</i>	<i>35.5</i>	<i>3.3</i>	

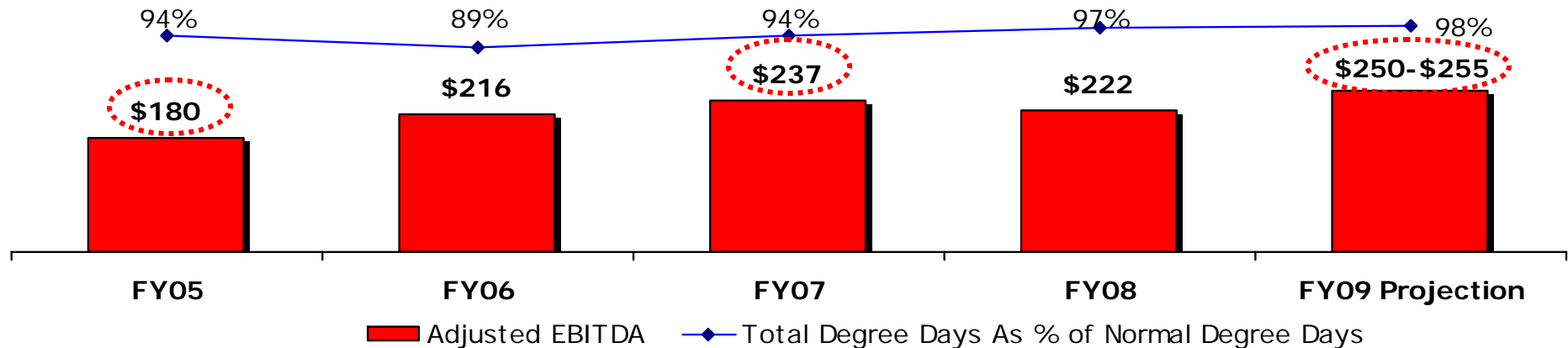
	6 months ended January 31, 2009			
	<u>Actual</u>	<u>Prior Year</u>	<u>Fav/(unfav) Var.</u>	<u>% Increase</u>
Propane Gallon Sales :				
Retail - Sales to End Users	371.9	362.5	9.4	
Wholesale - Sales to Resellers	113.8	84.0	29.8	
Total Propane Gallon Sales	485.7	446.5	39.2	8.8%
Gross Profit	\$ 389.0	\$ 342.5	\$ 46.5	
<i>Gross Profit CPG</i>	<i>80.1</i>	<i>76.7</i>	<i>3.4</i>	
Adjusted EBITDA	\$ 156.7	\$ 126.5	\$ 30.2	23.9%
<i>Adjusted EBITDA CPG</i>	<i>32.3</i>	<i>28.3</i>	<i>3.9</i>	

A strong financial performance drove an Adjusted EBITDA improvement to prior year of 18% for the quarter and 24% YTD!



Earnings Guidance Projects

Another Record Year for Ferrellgas!



- ✓ Adjusted EBITDA growth FY05 – FY07 driven by roll out of new retail operating platform – margin improvement and expense savings
- ✓ Anticipated improvement in fiscal 2009 driven by increased sales efforts, margin enhancements and back-office/lease expense reductions – Another Record Performance!

Why Invest in Ferrellgas?

- ✓ Impressive financial results through challenging operating environment
- ✓ Record earnings projected for fiscal 2009
- ✓ Ongoing operating synergies and growth through technology and national footprint
- ✓ Disciplined acquisition strategy in highly fragmented industry
- ✓ Management/employee interest aligned through significant ownership