

UGI CORP /PA/
Form DEF 14A
December 09, 2010

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
SCHEDULE 14A**

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934 (Amendment No.)

Filed by the Registrant ☐

Filed by a Party other than the Registrant ☐

Check the appropriate box:

- ☐ Preliminary Proxy Statement
- ☐ **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- ☐ Definitive Proxy Statement
- ☐ Definitive Additional Materials
- ☐ Soliciting Material Pursuant to §240.14a-12

UGI Corporation

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- ☐ No fee required.
- ☐ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
 - (1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

- Fee paid previously with preliminary materials.
- Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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Notice of January 20, 2011
Annual Meeting and
Proxy Statement _____

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BOX 858 VALLEY FORGE, PA 19482 610-337-1000

LON R. GREENBERG
Chairman and
Chief Executive Officer

December 9, 2010

Dear Shareholder,

On behalf of our entire Board of Directors, I cordially invite you to attend our Annual Meeting of Shareholders on Thursday, January 20, 2011. At the meeting, we will review UGI's performance for Fiscal 2010 and our expectations for the future.

I would like to take this opportunity to remind you that your vote is important. On December 9, 2010, we mailed our shareholders a notice containing instructions on how to access our 2010 proxy statement and annual report and vote online. Please read the proxy materials and take a moment now to vote online or by telephone as described in the proxy voting instructions. Of course, if you received these proxy materials by mail, you may also vote by completing the proxy card and returning it by mail.

I look forward to seeing you on January 20th and addressing your questions and comments.

Sincerely,

Lon R. Greenberg

460 NORTH GULPH ROAD, KING OF PRUSSIA, PA 19406

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BOX 858 VALLEY FORGE, PA 19482 610-337-1000
December 9, 2010

Notice of
annual meeting of Shareholders

The Annual Meeting of Shareholders of UGI Corporation will be held on Thursday, January 20, 2011, at 10:00 a.m., at The Desmond Hotel and Conference Center, Ballrooms A and B, One Liberty Boulevard, Malvern, Pennsylvania. Shareholders will consider and take action on the following matters:

1. election of nine directors to serve until the next annual meeting of Shareholders;
2. ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for Fiscal 2011; and
3. transaction of any other business that is properly raised at the meeting.

Margaret M. Calabrese

Corporate Secretary

Important Notice Regarding the Availability of Proxy Materials for the Shareholder Meeting to be held on January 20, 2011:

This Proxy Statement and the Company's 2010 Annual Report are available at www.ugicorp.com.

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UGI CORPORATION
460 North Gulph Road
King of Prussia, Pennsylvania 19406
PROXY STATEMENT

Annual Meeting Information

This proxy statement contains information related to the Annual Meeting of Shareholders of UGI Corporation to be held on Thursday, January 20, 2011, beginning at 10:00 a.m., at The Desmond Hotel and Conference Center, Ballrooms A and B, One Liberty Boulevard, Malvern, Pennsylvania and at any postponements or adjournments thereof. Directions to The Desmond Hotel and Conference Center appear on page 65. This proxy statement was prepared under the direction of the Company's Board of Directors to solicit your proxy for use at the Annual Meeting. It was made available to Shareholders on or about December 9, 2010.

Why did I receive a notice in the mail this year regarding the Internet availability of proxy materials instead of printed proxy materials?

The Company has elected to provide access to the proxy materials over the Internet. We believe that this initiative will enable the Company to provide proxy materials to shareholders more quickly, reduce the impact of our Annual Meeting on the environment, and reduce costs.

Who is entitled to vote?

Shareholders of record of our common stock at the close of business on November 15, 2010 are entitled to vote at the Annual Meeting, or any postponement or adjournment of the meeting scheduled in accordance with Pennsylvania law. Each shareholder has one vote per share on all matters to be voted on. On November 15, 2010, there were 110,466,049 shares of common stock outstanding.

What am I voting on?

You will be asked to elect nine nominees to serve on the Company's Board of Directors and to ratify the appointment of our independent registered public accounting firm for Fiscal 2011. The Board of Directors is not aware of any other matters to be presented for action at the meeting.

How does the Board of Directors recommend I vote on the proposals?

The Board of Directors recommends a vote **FOR** the election of each of the nominees for Director and **FOR** the ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for Fiscal 2011.

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How do I vote?

You may vote in one of three ways:

Over the Internet

If your shares are registered in your name: Vote your shares over the Internet by accessing the Computershare proxy online voting website at: www.envisionreports.com/UGI and following the on-screen instructions. You will need the control number that appears on your Notice of Availability of Proxy Materials when you access the web page.

If your shares are held in the name of a broker, bank or other nominee: Vote your shares over the Internet by following the voting instructions that you receive from such broker, bank or other nominee.

By Telephone

If your shares are registered in your name: Vote your shares over the telephone by accessing the telephone voting system toll-free at 1-800-652-8683 and following the telephone voting instructions. The telephone instructions will lead you through the voting process. You will need the control number that appears on your Notice of Availability of Proxy Materials when you call.

If your shares are held in the name of a broker, bank or other nominee: Vote your shares over the telephone by following the voting instructions you receive from such broker, bank or other nominee.

By Mail

If you received these annual meeting materials by mail: Vote by signing and dating the proxy card(s) and returning the card(s) in the prepaid envelope. Also, you can vote online or by using a toll-free telephone number. Instructions about these ways to vote appear on the proxy card. If you vote by telephone, please have your proxy card and control number available.

How can I vote my shares held in the Company's Employee Savings Plans?

You can instruct the trustee for the Company's Employee Savings Plans to vote the shares of stock that are allocated to your account in the UGI Stock Fund. If you do not vote your shares, the trustee will vote them in proportion to those shares for which the trustee has received voting instructions from participants. Likewise, the trustee will vote shares held by the trust that have not been allocated to any account in the same manner.

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How can I change my vote?

You can revoke your proxy at any time before it is voted. Proxies are voted at the Annual Meeting. If you are a shareholder of record and you returned a paper proxy card, you can write to the Company's Corporate Secretary at our principal offices, 460 North Gulph Road, King of Prussia, Pennsylvania 19406, stating that you wish to revoke your proxy and that you need another proxy card. Alternatively, you can vote again, either over the Internet or by telephone. If you hold your shares through a broker, bank or other nominee, you can revoke your proxy by contacting the broker, bank or other nominee and following their procedure for revocation. If you are a shareholder of record and you attend the meeting, you may vote by ballot, which will cancel your previous proxy vote. If your shares are held through a broker, bank or other nominee, and you wish to vote by ballot at the meeting, you will need to contact your bank, broker or other nominee to obtain a legal proxy form that you must bring with you to the meeting to exchange for a ballot. Your last vote is the vote that will be counted.

What is a quorum?

A quorum of the holders of the outstanding shares must be present for the Annual Meeting to be held. A quorum is the presence at the meeting, in person or represented by proxy, of the holders of a majority of the outstanding shares entitled to vote.

How are votes, abstentions and broker non-votes counted?

Abstentions are counted for purposes of determining the presence or absence of a quorum, but are not considered a vote cast under Pennsylvania law.

A broker non-vote occurs when a broker, bank or other nominee holding shares on your behalf does not receive voting instructions from you. If that happens, the broker, bank or other nominee may vote those shares only on matters deemed routine by the New York Stock Exchange, such as the ratification of the appointment of the Company's independent registered public accounting firm. A broker non-vote occurs when a broker has not received voting instructions and either declines to exercise its discretionary authority to vote on routine matters or is barred from doing so because the matter is non-routine. Broker non-votes are counted to determine if a quorum is present, but are not considered a vote cast under Pennsylvania law.

As a result, abstentions and broker non-votes are not included in the tabulation of the voting results on issues requiring approval of a majority of the votes cast and, therefore, do not have the effect of votes in opposition in such tabulation.

What vote is required to approve each item?

The Director nominees will be elected by a plurality of the votes cast at the Annual Meeting. The other matter to be considered at the meeting requires the affirmative vote of a majority of the votes cast at the meeting to be approved.

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Who will count the vote?

Computershare Inc., our Transfer Agent, will tabulate the votes cast by proxy or in person at the Annual Meeting.

What are the deadlines for Shareholders' proposals for next year's Annual Meeting?

Shareholders may submit proposals on matters appropriate for shareholder action as follows:

Shareholders who wish to include a proposal in the Company's proxy statement and proxy for its 2012 annual meeting must comply in all respects with SEC rules relating to such inclusion and must submit the proposals no later than August 10, 2011.

With respect to shareholder proposals that are not intended for inclusion in the Company's proxy materials for the 2012 annual meeting, if such a proposal is raised at the meeting, the proxy holders will have discretionary authority to vote on the matter if the Company does not receive notice of the proposal by October 25, 2011 or, if the proposal is so received by October 25, 2011, either the Company does not include advice on the nature of the matter and how the proxy holders intend to vote on the proposal or the proposal is made in connection with certain proxy contests.

All proposals and notifications should be addressed to the Corporate Secretary.

How much did this proxy solicitation cost?

The Company has engaged Georgeson Inc. to solicit proxies for the Company for a fee of \$7,500 plus reasonable expenses for additional services. We also reimburse banks, brokerage firms and other institutions, nominees, custodians and fiduciaries for their reasonable expenses for sending proxy materials to beneficial owners and obtaining their voting instructions. Certain Directors, officers and regular employees of the Company and its subsidiaries may solicit proxies personally or by telephone or facsimile without additional compensation.

Securities Ownership of Management

The following table shows the number of shares beneficially owned by each Director, Nominee, by each of the executive officers named in the Summary Compensation Table-Fiscal 2010, and by all Directors and executive officers as a group. The table shows their beneficial ownership as of October 1, 2010.

Our subsidiary AmeriGas Propane, Inc. is the General Partner of AmeriGas Partners, L.P. (AmeriGas Partners), one of our consolidated subsidiaries and a publicly-traded limited partnership. The table also shows, as of October 1, 2010, the number of common units of AmeriGas Partners, and phantom units representing common units, beneficially owned by each Director and named executive officer, and by all Directors and executive officers as a group.

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Mr. Greenberg beneficially owns approximately 1.6 percent of the outstanding common stock. Each other person named in the table beneficially owns less than 1 percent of the outstanding common stock and less than 1 percent of the outstanding common units of AmeriGas Partners. Directors and named executive officers as a group own approximately 3 percent of the outstanding common stock and less than 1 percent of the outstanding common units of AmeriGas Partners. For purposes of reporting total beneficial ownership, shares that may be acquired within 60 days of October 1, 2010 through UGI Corporation stock option exercises are included.

Beneficial Ownership of Directors, Nominees and Named Executive Officers

Name	Number of Shares of UGI Common Stock⁽¹⁾	Number of UGI Stock Units Held Under 2004 Plan⁽²⁾	Exercisable Options For UGI Common Stock	Number of AmeriGas Partners, L.P. Common Units	Number of AmeriGas Partners, L.P. Phantom Units⁽³⁾
Stephen D. Ban	16,496	59,110	71,500	0	500
Eugene V. N. Bissell	68,197 ⁽⁴⁾	0	160,000	64,600 ⁽⁴⁾	0
Richard W. Gochnauer	0	0	0	0	0
Richard C. Gozon	32,608	94,602	71,500	5,000	500
Lon R. Greenberg	406,305 ⁽⁵⁾	0	1,315,000	11,000	0
Ernest E. Jones	3,618	26,018	83,500	0	0
Peter Kelly	46,042 ⁽⁶⁾	0	110,000	0	0
Anne Pol	2,950	60,492	65,500	0	0
M. Shawn Puccio	2,350	5,183	17,000	0	0
Marvin O. Schlanger	9,724 ⁽⁷⁾	49,218	83,500	1,000 ⁽⁷⁾	500
Francois Varagne	24,488	0	112,000	0	0
Roger B. Vincent	10,000	13,547	42,500	6,000	0
John L. Walsh	110,249 ⁽⁸⁾	0	511,666	7,000 ⁽⁸⁾	0
Directors and executive officers as a group (15 persons)	812,150	308,170	2,881,331	108,708	1,500

(1) Sole voting and investment power unless otherwise specified.

(2) The UGI Corporation 2004 Omnibus Equity Compensation Plan Amended and Restated as of December 5, 2006 (the 2004 Plan) provides

that stock units will be converted to shares and paid out to Directors upon their retirement or termination of service.

- (3) The AmeriGas Propane, Inc. 2010 Long-Term Incentive Plan on behalf of AmeriGas Partners, L.P. provides that phantom units will be converted to common units and paid out to Directors upon their retirement or termination of service.
- (4) Mr. Bissell's shares and common units are held jointly with his spouse.
- (5) Mr. Greenberg holds 249,848 shares jointly with his spouse.
- (6) Mr. Kelly holds 44,472 shares jointly with his spouse.
- (7) Mr. Schlanger's spouse holds 2,000 shares and all common units shown. Mr. Schlanger

disclaims
beneficial
ownership of
the shares and
common units
owned by his
spouse.

- (8) Mr. Walsh's
shares and
common units
are held jointly
with his spouse.

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Section 16(a) of the Securities Exchange Act of 1934 requires our Directors, certain officers and 10 percent beneficial owners to report their ownership of shares and changes in such ownership to the SEC. Based on our records, we believe that during Fiscal 2010 all of such reporting persons complied with all Section 16(a) reporting requirements applicable to them.

Securities Ownership of Certain Beneficial Owners

The following table shows information regarding each person known by the Company to be the beneficial owner of more than five percent of the Company's common stock. The ownership information below is based on information reported on a Form 13F as filed with the SEC in November 2010 for the quarter ended September 30, 2010.

Securities Ownership of Certain Beneficial Owners			
Title of	Name and Address of	Amount and Nature	Percent
Class	Beneficial Owner	of	of
		Beneficial	Class⁽¹⁾
		Ownership	
Common Stock	Wellington Management Company, LLP 75 State Street Boston, MA 02109	10,941,651 ⁽²⁾	10%

(1) Based on 110,466,049 shares of common stock issued and outstanding at November 15, 2010.

(2) The reporting person, and certain related entities, has sole voting power and sole investment power with respect to 6,951,547 shares, and shared voting and investment power with respect to 1,007,648 shares.

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Item 1 Election of Directors

Nominees

Nine Directors will be elected at the Annual Meeting. Directors will serve until the next annual meeting or until their earlier resignation or removal. If any nominee is not available for election, proxies will be voted for another person nominated by the Board of Directors or the size of the Board will be reduced. Eight members of the Board of Directors elected at last year's annual meeting are standing for re-election this year. Mr. Richard C. Gozon is not eligible for re-election under the Company's bylaws because he has reached retirement age. Mr. Gochnauer is a nominee for the first time.

The nominees are as follows:

Stephen D. Ban

Director since 1991

Age 69

Dr. Ban is currently working as a consultant to private industry. Dr. Ban recently retired as Director of the Technology Transfer Division of the Argonne National Laboratory (science-based Department of Energy laboratory dedicated to advancing the frontiers of science in energy, environment, biosciences and materials) (2001 to 2010). He previously served as President and Chief Executive Officer of the Gas Research Institute (gas industry research and development funded by distributors, transporters, and producers of natural gas) (1987 to 1999). He also served as Executive Vice President. Prior to joining Gas Research Institute in 1981, he was Vice President, Research and Development and Quality Control of Bituminous Materials, Inc. Dr. Ban also serves as a Director of UGI Utilities, Inc.; AmeriGas Propane, Inc., the general partner of AmeriGas Partners, L.P.; and Energen Corporation.

Lon R. Greenberg

Director since 1994

Age 60

Mr. Greenberg has been Chairman of the Board of Directors of UGI since August 1996 and Chief Executive Officer since August 1995. He was formerly President (1994 to April 2005), Vice Chairman of the Board (1995 to 1996), and Senior Vice President - Legal and Corporate Development (1989 to 1994). Mr. Greenberg also serves as a Director of UGI Utilities, Inc.; AmeriGas Propane, Inc., the general partner of AmeriGas Partners, L.P.; and Aqua America, Inc.

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Marvin O. Schlanger

Director since 1998

Age 62

Mr. Schlanger is a Principal in the firm of Cherry Hill Chemical Investments, L.L.C. (management services and capital for chemical and allied industries) (since 1998). Mr. Schlanger also serves as Chairman of the Board of LyondellBasell Industries N.V. (since 2010), Chairman of the Board of CEVA Group, Plc (since 2009), and Vice Chairman of Hexion Specialty Chemicals, Inc. (since 2005). He was previously Chairman and Chief Executive Officer of Resolution Performance Products, Inc. (a manufacturer of specialty and intermediate chemicals) (2000 to 2005), Chairman of Covalence Specialty Materials Corp. (2006 to 2007), and Chairman of Resolution Specialty Materials, LLC (2004 to 2005). Mr. Schlanger also serves as a Director of UGI Utilities, Inc.; AmeriGas Propane, Inc., the general partner of AmeriGas Partners, L.P.; and Momentive Performance Materials Inc.

Anne Pol

*Director 1993 through 1997 and
since December 1999*

Age 63

Mrs. Pol retired in 2005 as President and Chief Operating Officer of Trex Enterprises Corporation (a high technology research and development company), a position she had held since 2001. She previously served as Senior Vice President of Thermo Electron Corporation (environmental monitoring, analytical instruments and a major producer of recycling equipment, biomedical products and alternative energy systems) (1998 to 2001), and Vice President (1996 to 1998). Mrs. Pol also served as President of Pitney Bowes Shipping and Weighing Systems Division, a business unit of Pitney Bowes Inc. (mailing and related business equipment) (1993 to 1996); Vice President of New Product Programs in the Mailing Systems Division of Pitney Bowes Inc. (1991 to 1993) and Vice President of Manufacturing Operations in the Mailing Systems Division of Pitney Bowes Inc. (1990 to 1991). Mrs. Pol also serves as a Director of UGI Utilities, Inc.

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Ernest E. Jones

Director since 2002

Age 66

Mr. Jones is President and Chief Executive Officer of EJonesConsulting, LLC (management consulting to non-profit entities) (since December 1, 2010). He retired in 2010 as President and Chief Executive Officer of Philadelphia Workforce Development Corporation (an agency which funds, coordinates and implements employment and training activities in Philadelphia, Pennsylvania), a position he held since 1998. He served as President and Executive Director of the Greater Philadelphia Urban Affairs Coalition (1983 to 1998) and as Executive Director of Community Legal Services, Inc. (1977 to 1983). Mr. Jones also serves as a Director of the African American Museum in Philadelphia; Thomas Jefferson University; the Philadelphia Contributionship; Vector Security, Inc.; and UGI Utilities, Inc. He previously served as a Director of PARADIGM Global Advisors LLC, ending in 2009.

John L. Walsh

Director since April 2005

Age 55

Mr. Walsh is a Director and President and Chief Operating Officer of UGI Corporation (since April 2005). He is also President and Chief Executive Officer of UGI Utilities, Inc. (since July 2009). In addition, Mr. Walsh serves as Vice Chairman of AmeriGas Propane, Inc. (since April 2005). Previously, Mr. Walsh was the Chief Executive of the Industrial and Special Products Division of the BOC Group plc (industrial gases), a position he assumed in 2001. He was also an Executive Director of BOC (2001 to 2005). He joined BOC in 1986 as Vice President-Special Gases and held various senior management positions in BOC, including President of Process Gas Solutions, North America (2000 to 2001) and President of BOC Process Plants (1996 to 2000). Mr. Walsh also serves as a Director of UGI Utilities, Inc. and AmeriGas Propane, Inc., the general partner of AmeriGas Partners, L.P.

Roger B. Vincent

Director since February 2006

Age 65

Mr. Vincent is President of Springwell Corporation, a corporate finance advisory firm located in New York (since 1989). Mr. Vincent also serves as a Director and Chairman of the Board of Directors of the ING Mutual Funds, ING Asia Pacific High Dividend Equity Income Fund, ING Global Advantage and Premium Opportunity Fund, ING Global Equity Dividend and Premium Opportunity Fund, ING Prime Rate Trust and ING Risk Managed Natural Resources Fund. Mr. Vincent is also a Director of UGI Utilities, Inc. He previously served as a Director of AmeriGas Propane, Inc., the general partner of AmeriGas Partners, L.P., ending in 2006.

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M. Shawn Puccio

Director since January 2009

Age 48

Ms. Puccio is Senior Vice President, Finance of Saint-Gobain Corporation, the North American business of Compagnie de Saint-Gobain, a global manufacturer and distributor of flat glass, building products, glass containers and high performance materials (since 2006). Ms. Puccio was formerly Vice President, Finance (2005 to 2006) and Vice President, Internal Control Services (2002 to 2005) of Saint-Gobain. Prior to joining Saint-Gobain, she was a partner with PricewaterhouseCoopers LLP, a public accounting firm (1997 to 2002), having joined Price Waterhouse in 1984. Ms. Puccio also serves as a Director of UGI Utilities, Inc. and of the Girl Scouts of Eastern Pennsylvania.

Richard W. Gochnauer

Nominee

Age 61

Mr. Gochnauer is Director and Chief Executive Officer of United Stationers Inc. (a wholesale distributor of business products) (since December 2002); he joined United Stationers Inc. in July 2002 as Chief Operating Officer and Director. He previously served as President and Chief Operating Officer and Vice Chairman and President, International, of Golden State Foods Corporation (a food service industry supplier) (1994 to 2002). Prior to that, Mr. Gochnauer served as Executive Vice President of the Dial Corporation, with responsibility for its household and laundry consumer products businesses. Mr. Gochnauer also serves as a Director of AmerisourceBergen Corporation.

Corporate Governance

The business of UGI Corporation is managed under the direction of the Board of Directors. As part of its duties, the Board oversees the corporate governance of the Company for the purpose of creating long-term value for its shareholders and safeguarding its commitment to its other stakeholders: our employees, our customers, our suppliers and creditors, and the communities in which we do business. To accomplish this purpose, the Board considers the interests of the Company's stakeholders when, together with management, it sets the strategies and objectives of the Company. The Board also evaluates management's performance in pursuing those strategies and achieving those objectives.

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In carrying out its responsibilities under the guidelines set forth by the Principles of Corporate Governance, the Board will:

Approve the Company's strategies and objectives and monitor the execution of strategies and the achievement of objectives;

Evaluate the performance, and approve the compensation of, the Chief Executive Officer and senior management;

Review plans for management succession;

Advise and counsel management;

Monitor codes of conduct and policies on corporate governance;

Establish and monitor Board and Committee structure;

Designate a Presiding Director; and

Assess Board and Board Committee performance.

The full text of the Company's Principles of Corporate Governance can be found on the Company's website, www.ugicorp.com, under Investor Relations and Corporate Governance. The Company has also adopted (i) a Code of Ethics for the Chief Executive Officer and Senior Financial Officers that applies to the Company's Chief Executive Officer, Chief Financial Officer and Chief Accounting Officer, and (ii) a Code of Business Conduct and Ethics for Directors, Officers and Employees. Both Codes and the Charters of the Corporate Governance, Audit, and Compensation and Management Development Committees of the Board of Directors are posted on the Company's website, www.ugicorp.com, under Investor Relations and Corporate Governance. All of these documents are also available free of charge by writing to Hugh J. Gallagher, Director, Treasury Services and Investor Relations, UGI Corporation, P.O. Box 858, Valley Forge, PA 19482, or by calling 1-800-844-9453.

Board Leadership Structure and Role in Risk Management

Our Board of Directors determines which leadership structure best serves its needs and those of our shareholders. Currently, Mr. Greenberg serves as both Chairman of the Board of Directors and Chief Executive Officer of the Company. The Board believes that having Mr. Greenberg serve in both capacities has the following advantages for the Company: there is a single source of leadership and authority for the Board; the preparation for Board meetings, in particular the format and content of Board presentations, is very efficient; there is no need to incur additional costs by providing a separate chairman with administrative support and increased compensation; and Mr. Greenberg's unique, in-depth knowledge of the Company's corporate strategy and operating history enhances effective communication between the Board and management. The Board may separate the roles of Chairman and Chief Executive Officer in the future if circumstances change, such as in connection with a transition in leadership.

Mr. Gozon, the Chairman of the Corporate Governance Committee, currently serves as the Board's Presiding Director. Each year, the Board designates an independent, Presiding Director who chairs periodic meetings of the independent Directors and serves as principal liaison between the Chairman and the other Directors on sensitive issues. The Board will select a new Presiding Director immediately following the 2011 Annual Meeting.

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Assessing and managing risk is the responsibility of senior management of the Company. Our Board plays an important role in overseeing management's performance of these functions. The Board has approved the charter of its Audit Committee, and the charter sets out the primary responsibilities of the Audit Committee. Those responsibilities require the Audit Committee to discuss with management, the general auditor and the independent auditors the Company's enterprise risk management policies and risk management processes, including major risk exposures, risk mitigation, and the design and effectiveness of the Company's processes and controls to prevent and detect fraudulent activity.

Our businesses are subject to a number of risks and uncertainties, which are described in detail in our Annual Report on Form 10-K for the year ended September 30, 2010. Throughout the year, in conjunction with its regular business presentations to the Board and its committees, management highlights significant related risks and risk mitigation plans. Management also reports to the Audit Committee and the Board on steps being taken to enhance management processes and controls in light of evolving market, business, regulatory and other conditions. The Chairman of the Audit Committee reports to the entire Board on the Audit Committee's activities and decisions. In addition, on an annual basis, an extended meeting of the Board is dedicated to reviewing the Company's short and long-term strategies and objectives, including consideration of significant risks to the execution of those strategies and the achievement of the Company's objectives.

Our Chairman and Chief Executive Officer is ultimately responsible for the effectiveness of the Company's risk management processes and he is an integral part of our day-to-day execution of those processes. As a result of his dual role, Mr. Greenberg's ability to lead management's risk management program and to assist in the Board's oversight of that program improves the effectiveness of both the Board's leadership structure and its oversight of risk.

Board Independence

The Board of Directors has determined that, other than Messrs. Greenberg and Walsh, no Director has a material relationship with the Company and each Director satisfies the criteria for an independent director under the rules of the New York Stock Exchange. The Board of Directors has established the following guidelines to assist it in determining director independence: (i) if a Director serves as an officer, director or trustee of a non-profit organization, charitable contributions to that organization by the Company and its affiliates in an amount up to \$250,000 per year will not be considered to result in a material relationship between such Director and the Company, and (ii) service by a Director or his immediate family member as an executive officer or employee of a company that makes payments to, or receives payments from, the Company or its affiliates for property or services in an amount which, in any of the last three fiscal years, did not exceed the greater of \$1 million or 2 percent of such other company's consolidated gross revenues, will not be considered to result in a material relationship between such Director and the Company. In making its determination of independence, the Board of Directors considered ordinary business transactions between Ms. Puccio's employer and subsidiaries of the Company which were in compliance with the categorical standards set by the Board of Directors for determining director independence.

The Board of Directors held 8 meetings in Fiscal 2010. All Directors attended at least 75 percent of the meetings of the Board of Directors and Committees of the Board of which they were members. Generally, all Directors attend the Company's Annual Meetings of Shareholders, and each of the Company's Directors attended the 2010 Annual Meeting of Shareholders. Independent Directors of the Board also meet in regularly scheduled sessions without management. These sessions are led by our Presiding Director.

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Board Committees

The Board of Directors has established the Audit Committee, the Compensation and Management Development Committee, the Executive Committee, and the Corporate Governance Committee. All of these Committees are responsible to the full Board of Directors. The functions of and other information about these Committees are summarized below.

Audit Committee

Oversees the accounting and financial reporting processes of the Company and independent audits of the financial statements of the Company.

Oversees the adequacy of the Company's controls relative to financial and business risk.

Monitors compliance with the Company's enterprise risk management policies.

Appoints and approves the compensation of the Company's independent accountants.

Monitors the independence of the Company's independent registered public accounting firm and the performance of the independent accountants and the internal audit function.

Discusses with management, the general auditor and the independent auditor the Company's policies with respect to risk assessment and risk management.

Provides a means for open communication among the Company's independent accountants, management, internal audit staff and the Board.

Oversees compliance with applicable legal and regulatory requirements.

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Audit Committee Members: R.B. Vincent (Chairman), A. Pol, and M.S. Puccio.

The Board of Directors has determined that all of the Audit Committee members Mr. Vincent, Mrs. Pol and Ms. Puccio, qualify as audit committee financial experts in accordance with the applicable rules and regulations of the SEC. Each of the members of the Audit Committee is independent as defined by the New York Stock Exchange listing standards.

Meetings held last Year: 7

Compensation and Management

Development Committee

Establishes executive compensation policies and programs.

Confirms that executive compensation plans do not encourage unnecessary risk-taking.

Recommends to the Board base salaries and target bonus levels for senior executive personnel.

Assists the Board in establishing a succession plan for the positions of Chairman of the Board and Chief Executive Officer.

Reviews the Company's plans for management development and senior management succession.

Reviews and approves corporate goals and objectives relevant to the Chief Executive Officer's compensation, evaluates the Chief Executive Officer's performance in light of those goals and objectives, and together with the other independent Directors on the Board, determines and approves the Chief Executive Officer's compensation based upon this evaluation.

Reviews with management the Compensation Discussion and Analysis included in the Company's proxy statement.

Approves the awards and payments to be made to senior executive personnel of the Company under its long-term compensation plans.

Compensation and Management Development Committee Members: M.O. Schlanger (Chairman), E.E. Jones, and A. Pol.

Each of the members of the Committee is independent as defined by the New York Stock Exchange listing standards.

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Meetings held last year: 3

Compensation Committee Interlocks and Insider Participation

The members of the Compensation and Management Development Committee are Mr. Schlanger, Mr. Jones and Mrs. Pol. None of the members is a former or current officer or employee of the Company or any of its subsidiaries, or is an executive officer of another company where an executive officer of UGI Corporation is a director.

Executive Committee

Has the full power of the Board between meetings of the Board, with specified limitations relating to major corporate matters.

Executive Committee Members: R.C. Gozon (Chairman), L.R. Greenberg, and M.O. Schlanger.

Meetings Held last year: 2

Corporate Governance Committee

Identifies nominees and reviews the qualifications of persons eligible to stand for election as Directors and makes recommendations to the Board on this matter.

Reviews and recommends candidates for committee membership and chairs.

Advises the Board with respect to significant developments in corporate governance matters.

Reviews and assesses the performance of the Board and each Committee.

Reviews and recommends Director compensation.

Reviews Directors and officers indemnification and insurance coverage.

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Selection and Evaluation of Board Candidates

The Corporate Governance Committee seeks director candidates based upon a number of qualifications, including their independence, knowledge, judgment, character, leadership skills, education, experience, financial literacy, standing in the community, and ability to foster a diversity of backgrounds and views and to complement the Board's existing strengths. The Committee seeks individuals who have a broad range of demonstrated abilities and accomplishments in areas of importance to the Company, such as general management, finance, energy distribution, international business, law and public sector activities. Directors should also possess a willingness to challenge and stimulate management and the ability to work as part of a team in a collegial atmosphere. The Committee also seeks individuals who are capable of devoting the required amount of time to serve effectively on the Board and its Committees. With respect to incumbent Directors, the Committee also considers past performance of the Director on the Board. As part of the process of selecting independent Board candidates, the Committee obtains an opinion of the Company's General Counsel that there is no reason to believe that the Board candidate is not independent as defined by the New York Stock Exchange listing standards. The Committee generally relies upon recommendations from a wide variety of its business contacts, including current non-management Directors, executive officers, community leaders, and shareholders as a source for potential Board candidates. The Committee may also use the services of a third-party executive search firm to assist it in identifying and evaluating possible nominees for director. Mr. Gochnauer was recommended to the Committee as a possible nominee by a third-party executive search firm. The Committee conducts an annual assessment of the composition of the Board and Committees and reviews with the Board the appropriate skills and characteristics required of Board members. When considering whether the Board's Directors and nominees have the experience, qualifications, attributes and skills, taken as a whole, to satisfy the oversight responsibilities of the Board, the Committee and the Board considered primarily the information about the backgrounds and experiences of the nominees contained under the caption "Nominees" on pages 7 to 10. In particular, with regard to Dr. Ban, the Board considered his extensive energy industry and emerging energy technologies knowledge and experience, including his experience as Chief Executive Officer of the Gas Research Institute, and his public company directorship and committee experience. With regard to Mr. Greenberg, the Board considered his executive leadership and vision demonstrated in leading the Company's successful growth for more than 15 years, and his extensive industry knowledge and experience. With regard to Mr. Schlanger, the Board considered his senior management experience as Chief Executive Officer, Chief Operating Officer, and Chief Financial Officer of Arco Chemical Company, a large public company, and his experience serving as chairman, director and committee member of the boards of directors of large public and private international companies, including his experience representing a major private equity firm's shareholder interest. With regard to Mrs. Pol, the Board considered her significant experience as a senior executive managing high technology, traditional manufacturing and services businesses, including experience in human resource management, and her insight into government regulatory issues. With regard to Mr. Jones, the Board considered his extensive experience managing government and non-profit organizations as Chief Executive Officer, his public and private company directorship experience and his insight into workforce, regulatory, banking and legal issues. With regard to Mr. Walsh, the Board considered his experience managing the Company as Chief Operating Officer, his prior senior management experience with a global public company, and his broad industry knowledge and insight. With regard to Mr. Vincent, the Board considered his senior executive experience in banking and finance, and his extensive public and private company directorship and committee experience, including his experience as Chairman of the Board of a major mutual fund organization. With regard to Ms. Puccio, the Board considered her senior financial management experience with a global company and her extensive public accounting knowledge and experience. With regard to Mr. Gochnauer, the Board considered his experience as Chief Executive Officer of a large public company, his international business senior management experience, and his public and private company directorship experience.

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Written recommendations by shareholders for director nominees should be delivered to the Corporate Secretary, UGI Corporation, 460 North Gulph Road, King of Prussia, PA 19406. The Company's bylaws do not permit shareholders to nominate candidates from the floor at an annual meeting without notifying the Corporate Secretary 45 days prior to the anniversary of the mailing date of the Company's proxy statement for the previous year's annual meeting. Notification must include certain information detailed in the Company's bylaws. If you intend to nominate a candidate from the floor at an annual meeting, please contact the Corporate Secretary.

Corporate Governance Committee Members: R.C. Gozon (Chairman), E.E. Jones, and M.O. Schlanger.

Each of the members of the Committee is independent as defined by the New York Stock Exchange listing standards. meetings held last year: 2

Communications with the Board

You may contact the Board of Directors or the non-management Directors as a group by writing to them c/o UGI Corporation, P.O. Box 858, Valley Forge, PA 19482. These contact instructions have been posted on the Company's website at www.ugicorp.com under Investor Relations and Corporate Governance.

Any communications directed to the Board of Directors or the non-management Directors as a group from employees or others that concern complaints regarding accounting, internal controls or auditing matters will be handled in accordance with procedures adopted by the Audit Committee of the Board.

All other communications directed to the Board of Directors or the non-management Directors as a group are initially reviewed by the General Counsel. The Chairman of the Corporate Governance Committee is advised promptly of any such communication that alleges misconduct on the part of Company management or raises legal, ethical or compliance concerns about Company policies or practices.

On a periodic basis, the Chairman of the Corporate Governance Committee receives updates on other communications that raise issues related to the affairs of the Company but do not fall into the two prior categories. The Chairman of the Corporate Governance Committee determines which of these communications he would like to see. The Corporate Secretary maintains a log of all such communications that is available for review for one year upon request of any member of the Board.

Typically, we do not forward to our Board of Directors communications from our shareholders or other parties which are of a personal nature or are not related to the duties and responsibilities of the Board, including customer complaints, job inquiries, surveys, polls and business solicitations.

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The table below shows the components of director compensation for Fiscal 2010. A Director who is an officer or employee of the Company or its subsidiaries is not compensated for service on the Board of Directors or on any Committee of the Board.

Director Compensation Table Fiscal 2010

					Change in Pension Value and Nonqualified Deferred Compensation Earnings	All Other Compensation	Total
Name	Fees Earned or Paid in Cash	Stock Awards	Option Awards	Non-Equity Incentive Plan Compensation			
(a)	(\$)(1) (b)	(\$)(2) (c)	(\$)(3) (d)	(\$) (e)	(\$)(4) (f)	(\$) (g)	(\$) (h)
S. D. Ban	67,000	104,623	38,165	0	0	0	209,788
R. C. Gozon	67,000	131,861	38,165	0	0	0	237,026
E. E. Jones	62,000	79,223	38,165	0	771	0	180,159
A. Pol	67,000	105,687	38,165	0	501	0	211,353
M.S. Puccio	67,000	63,258	38,165	0	0	0	168,423
M. O. Schlanger	72,000	97,027	38,165	0	0	0	207,192
R. B. Vincent	72,000	69,668	38,165	0	0	0	179,883

(1) Annual Retainers.

The Company pays its non-management Directors an annual retainer of \$62,000 for Board service and pays an additional annual retainer of \$5,000 to members of the Audit Committee, other than the chairperson. The Company also pays an annual retainer to the

chairperson of each of the Committees, other than the Executive Committee, as follows: Audit, \$10,000; Compensation and Management Development, \$10,000; and Corporate Governance, \$5,000. The Company pays no meeting attendance fees.

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- (2) *Stock Awards.*
All Directors
named above
received 2,550
stock units in
Fiscal 2010 as
part of their
annual
compensation.
The stock units
were awarded
under the
Company's 2004
Plan. Each stock
unit represents
the right to
receive a share
of stock and
dividend
equivalents
when the
Director ends his
or her service on
the Board. Stock
units earn
dividend
equivalents on
each record date
for the payment
of a dividend by
the Company on
its shares.
Accrued
dividend
equivalents are
converted to
additional stock
units annually,
on the last date
of the calendar
year, based on
the closing stock
price for the
Company's
shares on the last
trading day of
the year. All
stock units and

dividend equivalents are fully vested when credited to the Director's account. Account balances become payable 65 percent in shares and 35 percent in cash, based on the value of a share, upon retirement or termination of service. In the case of a change in control of the Company, the stock units and dividend equivalents will be paid in cash based on the fair market value of the Company's common stock on the date of the change in control. The amounts shown in column (c) above represent the fair value of the awards of stock units recognized for financial statement reporting purposes. The assumptions used in the calculation of the amounts shown are included in Note 2 and Note 13 to our audited consolidated

financial statements for Fiscal 2010, which are included in our Annual Report on Form 10-K for the fiscal year ended September 30, 2010. The dollar value shown in column (c) above reflects each Director's annual award, as well as the accumulation of stock units credited upon the conversion of dividend equivalents. The grant date fair value of each Director's annual award of 2,550 stock units was \$61,226. The grant date fair value of the stock units credited upon the conversion of dividend equivalents to stock units in Fiscal 2010 was as follows:

Dr. Ban,
\$43,397;
Mr. Gozon,
\$70,635;
Mr. Jones,
\$17,997;
Mrs. Pol,
\$44,461;
Ms. Puccio,
\$2,032;
Mr. Schlanger,
\$35,801; and

Mr. Vincent,
\$8,442. For the
number of stock
units credited to
each Director's
account as of
September 30,
2010, see
Securities
Ownership of
Management
Beneficial
Ownership of
Directors,
Nominees and
Named
Executive
Officers' Stock
Units Held
Under 2004
Plan.

- (3) *Stock Options.*
All Directors
named above
received 8,500
stock options in
Fiscal 2010 as
part of their
annual
compensation.
The options were
granted under
the Company's
2004 Plan. The
option exercise
price is not less
than 100 percent
of the fair
market value of
the Company's
common stock
on the effective
date of the grant,
which is either
the date of the
grant or a future
date. The term of
each option is
generally
10 years, which

is the maximum allowable term. The options are fully vested on the effective date of the grant. All options are nontransferable and generally exercisable only while the Director is serving on the Board, with exceptions for exercise following retirement, disability or death. If termination of service occurs due to retirement or disability, the option term is shortened to the earlier of the third anniversary of the date of such termination of service, or the original expiration date. In the event of death, the option term will be shortened to the earlier of the expiration of the 12-month period following the Director's death, or the original expiration date. The amounts shown in column (d) above represent the fair value of stock option awards recognized for

financial
statement
reporting
purposes. The
grant date fair
value of each
Director's annual
award of 8,500
stock options
was \$38,165. For
the number of
stock options
held by each
Director as of
September 30,
2010, see
Securities
Ownership of
Management
Beneficial
Ownership of
Directors,
Nominees and
Named
Executive
Officers
Exercisable
Options for UGI
Common Stock.

- (4) The amounts
shown represent
above-market
earnings on
deferred
compensation.
Earnings on
deferred
compensation
are considered
above-market to
the extent that
the rate of
interest exceeds
120 percent of
the applicable
federal
long-term rate.
For purposes of
the Director
Compensation

Table Fiscal
2010, the market
rate on deferred
compensation
most analogous
to the rate at the
time the interest
rate is set under
the deferred
compensation
plan for Fiscal
2010 was
5.02 percent,
which is
120 percent of
the federal
long-term rate
for
December 2009.

Notwithstanding anything to the contrary, the following reports of the Audit Committee and the Compensation and Management Development Committee shall not be deemed incorporated by reference by any general statement incorporating by reference this proxy statement into any filing under the Securities Act of 1933, as amended, or under the Securities Exchange Act of 1934, as amended, except to the extent that the Company specifically incorporates this information by reference, and shall not otherwise be deemed filed under such Acts.

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Report of the Compensation and Management Development Committee of the Board of Directors

The Committee has reviewed and discussed with management the Compensation Discussion and Analysis included in this proxy statement. Based on this review and discussion, the Committee recommended to the Company's Board of Directors, and the Board of Directors approved, the inclusion of the Compensation Discussion and Analysis in the Company's Annual Report on Form 10-K for the year ended September 30, 2010 and the Company's proxy statement for the 2011 Annual Meeting of Shareholders.

*Compensation and Management
Development Committee*

Marvin O. Schlanger, Chairman
Ernest E. Jones
Anne Pol

Report of the Audit Committee of the Board of Directors

The Audit Committee is composed of independent Directors as defined by the rules of the New York Stock Exchange and acts under a written charter adopted by the Board of Directors. As described more fully in its charter, the role of the Committee is to assist the Board of Directors in its oversight of the quality and integrity of the Company's financial reporting process. The Committee also has the sole authority to appoint, retain, fix the compensation of and oversee the work of the Company's independent auditors.

In this context, the Committee has met and held discussions with management and the independent auditors to review and discuss the Company's internal control over financial reporting, the interim unaudited financial statements, and the audited financial statements for Fiscal 2010. The Committee also reviewed management's report on internal control over financial reporting, required under Section 404 of the Sarbanes-Oxley Act of 2002. As part of this review, the Committee reviewed the bases for management's conclusions in that report and the report of the independent registered public accountants on the effectiveness of the Company's internal control over financial reporting. The Committee has also discussed with the independent auditors the matters required to be discussed by Statement on Auditing Standards No. 61, *Communication with Audit Committees*, as amended, as adopted by the Public Company Accounting Oversight Board and the independent auditors' independence. In addition, the Committee has received the written disclosures and the letter from the independent auditors required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent accountant's communications with the Audit Committee concerning independence.

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Management has the primary responsibility for the financial reporting process, including the system of internal controls, and for preparation of consolidated financial statements in accordance with accounting principles generally accepted in the United States of America. The Company's independent auditors are responsible for auditing those financial statements and expressing an opinion as to their conformity with accounting principles generally accepted in the United States of America. The Committee's responsibility is to monitor and review these processes.

The members of the Committee are not professionally engaged in the practice of auditing or accounting. The members of the Committee rely, without independent verification, on the information provided to them and on the representations made by management and the independent auditors. Accordingly, the Committee's considerations and discussions referred to above do not assure that the audit of the Company's financial statements has been carried out in accordance with auditing standards generally accepted in the United States of America, that the financial statements are presented in accordance with accounting principles generally accepted in the United States of America or that our auditors are, in fact, independent.

Based upon the reviews and discussions described in this report, the Committee recommended to the Board that the audited financial statements be included in the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 2010 for filing with the SEC.

Audit Committee

Roger B. Vincent, Chairman

Anne Pol

M. Shawn Puccio

Our Independent Registered Public Accounting Firm

In the course of its meetings, the Audit Committee considered whether the provision by PricewaterhouseCoopers LLP of the professional services described below was compatible with PricewaterhouseCoopers LLP's independence. The Committee concluded that our independent registered public accounting firm is independent from the Company and its management.

Consistent with SEC policies regarding auditor independence, the Audit Committee has responsibility for appointing, setting compensation and overseeing the work of the Company's independent accountants. In recognition of this responsibility, the Audit Committee has a policy of pre-approving all audit and permissible non-audit services provided by the independent accountants.

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Prior to engagement of the Company's independent registered public accounting firm for the next year's audit, management submits to the Audit Committee for approval a list of services expected to be rendered during that year, and fees related thereto. The aggregate fees billed by PricewaterhouseCoopers LLP, the Company's independent registered public accounting firm, in Fiscal 2010 and 2009 were as follows:

	2010	2009
Audit Fees ⁽¹⁾	\$ 3,146,650	\$ 3,460,718
Audit-Related Fees	0	0
Tax Fees ⁽²⁾	600,000	636,345
All Other Fees ⁽³⁾	212,000	164,363
 Total Fees for Services Provided	 \$ 3,958,650	 \$ 4,261,426

(1) Audit Fees were for audit services, including (i) the annual audit of the consolidated financial statements and internal control over financial reporting of the Company, (ii) subsidiary audits, (iii) review of the interim financial statements included in the Quarterly Reports on Form 10-Q of the Company, AmeriGas Partners and UGI Utilities, Inc., and (iv) services that only the independent registered public accounting firm can reasonably

be expected to provide, including the issuance of comfort letters.

- (2) Tax Fees were for the preparation of Substitute Schedule K-1 forms for unitholders of AmeriGas Partners.
- (3) All other fees include (i) fees related to evaluation of the design and operational effectiveness of the information system that supports AmeriGas Partners Order-to-Cash business process, and (ii) software license fees.

Policy for Approval of Related Person Transactions

The Company's Board of Directors has a written policy for the review and approval of Related Person Transactions. The policy applies to any transaction in which (i) the Company or any of its subsidiaries is a participant, (ii) any related person has a direct or indirect material interest, and (iii) the amount involved exceeds \$120,000, except for any such transaction that does not require disclosure under SEC regulations. The Audit Committee of the Board of Directors, with assistance from the Company's General Counsel, is responsible for reviewing, approving and ratifying related person transactions. The Audit Committee intends to approve or ratify only those related person transactions that are in, or not inconsistent with, the best interests of the Company and its shareholders.

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Compensation Discussion and Analysis

Introduction

In this Compensation Discussion and Analysis, we address the compensation paid or awarded to the following executive officers: Lon R. Greenberg, our Chairman and Chief Executive Officer; John L. Walsh, our President and Chief Operating Officer; Peter Kelly, our Vice President Finance and Chief Financial Officer; Eugene V.N. Bissell, the President and Chief Executive Officer of our subsidiary, AmeriGas Propane, Inc.; and François Varagne, the Chairman and Chief Executive Officer of our subsidiary, Antargaz. We refer to these executive officers as our named executive officers for Fiscal 2010.

Compensation decisions for Messrs. Greenberg, Walsh and Kelly were made by the independent members of our Board of Directors, after receiving the recommendations of its Compensation and Management Development Committee. Compensation decisions for Mr. Bissell were made by the independent members of the Board of Directors of AmeriGas Propane, Inc. (AmeriGas Propane), the General Partner of AmeriGas Partners, after receiving the recommendation of its Compensation/Pension Committee. Compensation decisions for Mr. Varagne were approved by the independent members of our Board of Directors after receiving the recommendation of our Compensation and Management Development Committee, as well as by the Board of Directors of Antargaz parent company, AGZ Holding. For ease of understanding, we will use the term we to refer to UGI Corporation, AmeriGas Propane, Inc. and/or AGZ Holding and the term Committee or Committees to refer to the UGI Corporation Compensation and Management Development Committee and/or the AmeriGas Propane, Inc. Compensation/Pension Committee as appropriate in the relevant compensation decisions, unless the context indicates otherwise. We refer to our 2010 and 2009 fiscal years as Fiscal 2010 and Fiscal 2009, respectively.

Compensation Philosophy and Objectives

We believe that our compensation program for our named executive officers is designed to provide a competitive level of total compensation necessary to attract and retain talented and experienced executives. Additionally, our compensation program is intended to motivate and encourage our executives to contribute to our success and reward our executives for leadership excellence and performance that promotes sustainable growth in shareholder and common unitholder value.

In Fiscal 2010, the components of our compensation program included salary, annual bonus awards, long-term incentive compensation (performance unit awards and UGI Corporation stock option grants), perquisites, retirement benefits, and other benefits, all as described in greater detail in this Compensation Discussion and Analysis. We also consider granting discretionary special equity awards from time to time, although no such awards were made to the named executive officers during Fiscal 2010. We believe that the elements of our compensation program are essential components of a balanced and competitive compensation program to support our annual and long-term goals.

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Determination of Competitive Compensation

In determining Fiscal 2010 compensation, the Committees engaged Towers Perrin as their compensation consultant. In early 2010, Towers Perrin merged with Watson Wyatt, another human resources consulting firm, and is now called Towers Watson. Towers Watson supported the Committees in performing their responsibilities with respect to our executive compensation program. The primary duties of Towers Watson were to:

- Provide the Committees with independent and objective market data;
- Conduct compensation analysis;
- Review and advise on pay programs and salary, target bonus and long-term incentive levels applicable to our executives; and
- Review components of our compensation program as requested from time to time by the Committees and recommend plan design changes as appropriate.

Towers Watson also performs other services for us and our affiliates under separate agreements. These services include providing (i) actuarial services for our qualified pension plans, (ii) consulting services with respect to our benefits programs, (iii) non-discrimination testing for our qualified benefit plans, and (iv) assistance in determining the accounting fair value of our equity awards. Towers Watson was selected by the Committees as their compensation consultant independent of any consideration of the services that Towers Watson provides for the Company and its subsidiaries. None of the Towers Watson consultants that provided services to the Committees and none of the Towers Watson executive compensation consultants were involved in any of the actuarial and benefits consulting services provided to the Company and its subsidiaries. Towers Watson has served as the actuary for the Company's qualified pension plans for many years, and its knowledge and experience with our retirement and benefit plans are considered valuable. In Fiscal 2010, we and our affiliates paid Towers Watson \$736,605 for these services. In addition, we paid Towers Watson \$83,234 in Fiscal 2010 for executive compensation-related services, and the Committees approved Towers Watson's fee structure for those services. Management engaged Towers Watson for all other services provided by that firm, and management reviewed and approved all Towers Watson fees.

In July of Fiscal 2010, based on their review of the Towers Watson relationship, and to avoid any appearance of a conflict of interest, the Committees decided to retain Pay Governance LLC as their compensation consultant for Fiscal 2011. Because Pay Governance LLC currently employs the consultant who formerly served the Committees as our lead compensation consultant when he was employed by Towers Perrin, the Committees did not lose the benefit of their lead consultant's knowledge of the Company's compensation policies and programs. We will not engage Pay Governance LLC to provide any additional consulting services.

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In assessing competitive compensation, we referenced market data provided to us in Fiscal 2009 by Towers Watson. For Messrs. Greenberg, Walsh and Kelly, Towers Watson provided us with two reports: the 2009 Executive Cash Compensation Review and the 2009 Executive Long-Term Incentive Review. Each of these reports includes an executive compensation analysis. We utilize similar but separate Towers Watson market data for AmeriGas Propane, including an executive compensation analysis, in determining compensation for Mr. Bissell. For Mr. Varagne, we referenced Towers Watson's database for Top Executive Remuneration in France when assessing his salary and annual bonus awards. We do not benchmark against specific companies in the Towers Watson reports. Our Committees do benchmark, however, by using (through Towers Watson) compensation databases that include numerous companies as a reference point to provide a framework for compensation decisions. Our Committees exercise discretion and also review other factors, such as internal equity (both within and among our business units) and sustained individual and company performance, when setting our executives' compensation.

In order to provide the Committee with market data reflecting the relative sizes of UGI's nonutility and utility businesses, Towers Watson first calculated the market rate for comparable executive positions in each of the Towers Watson General Industry Executive Compensation Database (General Industry Database) and the Towers Watson Energy Services Executive Compensation Database (Energy Services Database). Towers Watson's General Industry Database is comprised of approximately 430 companies from a broad range of industries, including oil and gas, aerospace, automotive and transportation, chemicals, computer, consumer products, electronics, food and beverages, metals and mining, pharmaceutical and telecommunications. The Towers Watson Energy Services Database is comprised of approximately 100 companies, primarily utilities. For the named executive officers, other than Messrs. Bissell and Varagne, Towers Watson weighted the General Industry Database data point 75% and the Energy Services Database data point 25% and added the two. For example, if the relevant market rate for a particular executive position was \$100,000 in the General Industry Database and \$90,000 in the Energy Services Database, Towers Watson would provide us with a market rate of \$97,500 for that position ($\$100,000 \times 75\% = \$75,000$) plus ($\$90,000 \times 25\% = \$22,500$). The impact of weighting the two databases is to obtain a market rate designed to approximate the relative sizes of our nonutility and utility businesses. The different weightings do not have an impact on the Committee's decision-making. For Mr. Bissell, we referenced Towers Watson's General Industry Database exclusively. For Mr. Varagne, we referenced Towers Watson's database for Top Executive Remuneration for France. That database is comprised of approximately 85 companies from a broad range of industries, including chemicals, media, aerospace, telecommunications, healthcare, automotive, oil and gas, real estate, financial services, energy services, industrial materials, consumer products, food and beverage, retail, and pharmaceuticals. The identities of the companies that comprise the Towers Watson databases have not been disclosed to us by Towers Perrin or Towers Watson.

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We generally seek to position a named executive officer's salary grade so that the midpoint of the salary range for his salary grade approximates the 50th percentile of salaries for comparable executives included in the executive compensation database material referenced by Towers Watson. By comparable executive, we mean an executive having a similar range of responsibilities and the experience to fully perform those responsibilities. Towers Watson uses regression analysis on compensation data for the applicable positions in its databases to provide us with information on market rates of compensation. Regression analysis is an objective calculation that identifies a relationship between one variable (in this case, compensation) and another variable that is closely related to it. For utilities and broader general industry companies, revenue provides the firmest relationship to compensation. In other words, a larger company would be more likely to pay a higher amount of compensation for the same position than a smaller company. Using this relationship, market rates are developed for positions comparable to those of our executives, as if the companies in the Executive Compensation, Energy Services and Top Executive Remuneration for France databases had revenues similar to ours. We believe that Towers Watson's regression analysis on the applicable positions in these databases is an appropriate method for establishing market rates. After consultation with Towers Watson, we considered salaries that were within 15 percent of market median salary levels developed by Towers Watson to be competitive.

Elements of Compensation

Salary

Salary is designed to compensate executives for their level of responsibility and sustained individual performance. We pay our executive officers a salary that is competitive with that of other executive officers providing comparable services, taking into account the size and nature of the business of UGI Corporation, AmeriGas Partners or Antargaz, as the case may be.

As noted above, we seek to establish the midpoint of the salary grade for the positions held by our named executive officers at approximately the 50th percentile of salaries for executives in comparable positions as determined in the applicable Towers Watson executive compensation databases. Based on the data provided by Towers Watson, we increased the range of salary in each salary grade for each named executive officer, other than Mr. Greenberg, by 1.5 percent. The Committee established Mr. Greenberg's Fiscal 2010 salary grade midpoint at the market median of comparable executives as identified by Towers Watson's executive compensation databases. For Mr. Greenberg, this resulted in a slight reduction of the midpoint from the prior year.

Historically, individual salaries have been adjusted to reflect merit increases based on subjective performance evaluations and the individual's position within the salary range for his salary grade. For Fiscal 2010, however, in response to the challenging global and domestic economic conditions and period of evolving market dynamics, our named executive officers did not receive base salary increases. Other than Mr. Varagne, all named executive officers received a salary in Fiscal 2010 that was within 86 percent to 106 percent of the midpoint for his salary range. While there is no established salary range for Mr. Varagne, Mr. Varagne's salary is positioned to approximate the 50th percentile of salaries for comparable executives as determined in Towers Watson's database for Top Executive Remuneration in France.

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The following table sets forth each named executive officer's Fiscal 2010 salary. As previously discussed, our named executive officers did not receive a base salary increase in Fiscal 2010.

Name	Salary	Percentage Increase over Fiscal 2009 Salary
Lon R. Greenberg	\$ 1,067,500	0%
John L. Walsh	\$ 648,440	0%
Peter Kelly	\$ 426,400	0%
Eugene V. N. Bissell	\$ 490,000	0%
François Varagne	\$ 455,600 ⁽¹⁾	< 1% ⁽²⁾

(1) Mr. Varagne's salary is paid in euros, and the amount shown reflects conversion based on a monthly average exchange rate in Fiscal 2010 of \$1.36 per euro.

(2) Mr. Varagne's increase is due solely to the difference in the monthly average exchange rate between Fiscal 2009 (\$1.35) and Fiscal 2010 (\$1.36). His salary in both Fiscal 2009 and Fiscal 2010 was 335,000.

Annual Bonus Awards

Our annual bonus plans provide our named executive officers with the opportunity to earn annual cash incentives provided that certain performance goals are satisfied. Our annual cash incentives are intended to motivate our executives to focus on the achievement of our annual business objectives by providing competitive incentive opportunities to those executives who have the ability to significantly impact our financial performance. We believe that basing a meaningful portion of an executive's compensation on financial performance emphasizes our pay for performance philosophy and will result in the enhancement of shareholder or common unitholder value.

In determining each executive position's target award level under our annual bonus plans, we considered information in the Towers Watson executive compensation databases regarding the percentage of salary payable upon achievement of target goals for executives in similar positions at other companies as described above. In establishing the target

award level, we position the amount within the 50th to 75th percentiles for comparable positions. We determined that the 50th to 75th percentile range was appropriate because we believe that the annual bonus opportunities should have a significant reward potential to recognize the difficulty of achieving the annual goals and the significant beneficial impact to the Company of such achievement. For Fiscal 2010, Mr. Greenberg's opportunity was set at the 50th percentile and the other named executive officers' opportunities were set between the 50th and 57th percentiles.

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Messrs. Greenberg, Walsh and Kelly participate in the UGI Corporation Executive Annual Bonus Plan, while Mr. Bissell participates in the AmeriGas Propane, Inc. Executive Annual Bonus Plan. For Messrs. Greenberg, Walsh and Kelly, the entire target award opportunity was based on the Company's earnings per share (EPS). We believe that annual bonus payments to our most senior executives should reflect our overall financial results for the fiscal year and EPS provides a straightforward, bottom line measure of the performance of an executive in a large, well-established corporation. For similar reasons, Mr. Bissell's target award opportunity was principally based on earnings per common unit (EPU) of AmeriGas Partners, with the bonus achieved based on EPU subject to adjustment based on achievement of our customer growth goal, as described below. We believe that customer growth for AmeriGas Partners is an important corollary to EPU because we foresee no growth in total demand for propane in the next several years, and, therefore, customer growth is an important factor in our ability to improve the long-term financial performance of AmeriGas Partners. Additionally, the customer growth adjustment serves to balance the risk of achieving our short-term annual financial goals at the expense of our long-term goal to grow our customer base. For Mr. Varagne, we determined to base his target award entirely on achievement of Antargaz's budgeted earnings before interest, taxes, depreciation and amortization (EBITDA).

The bonus award opportunity for each of Messrs. Greenberg, Walsh and Kelly was structured so that no amounts would be paid unless the Company's EPS was at least 80 percent of the target amount, with the target bonus award being paid out if the Company's EPS was 100 percent of the targeted EPS. The maximum award, equal to 200 percent of the target award, would be payable if EPS equaled or exceeded 120 percent of the EPS target. The targeted EPS for bonus purposes for Fiscal 2010 was established to be in the range of \$2.20 to \$2.30 per share. Each Committee has discretion to adjust performance results for extraordinary items or other events, as the Committee deems appropriate. For Fiscal 2010, the Committee excluded from the calculation of the EPS Leverage Factor all of the gain associated with the divestiture of the Company's indirect subsidiary, Atlantic Energy, due to its unusual nature. The Committee also excluded the loss associated with discontinuance of interest rate hedges by AmeriGas Partners. During Fiscal 2010, AmeriGas Partner's management decided not to issue \$150 million of long-term debt as previously planned due to AmeriGas Partner's strong cash flows and the adequate level of funds available under its revolving loan agreements. Accordingly, AmeriGas Partners discontinued cash flow accounting treatment for interest rate protection agreements associated with the anticipated debt issuance which resulted in a loss. The exclusion of the gain associated with the divestiture of Atlantic Energy resulted in a 27.3 percentage point reduction to the EPS Leverage Factor. The exclusion of the loss associated with the discontinuance of the AmeriGas Partner's interest rate hedges resulted in a 5.5 percentage point increase to the EPS Leverage Factor. Accordingly, for Fiscal 2010, Messrs. Greenberg, Walsh and Kelly each received a bonus payout equal to 107.3 percent of his target award.

We adopted the Antargaz EBITDA target for Mr. Varagne to more closely align his compensation with United States pay practices by providing a bonus opportunity based on Antargaz financial performance. Mr. Varagne's bonus award opportunity was structured so that no amounts would be payable unless Antargaz's EBITDA was at least 75 percent of the target amount. The maximum award, equal to 200 percent of the target award, would be payable if Antargaz's EBITDA exceeded 130 percent of the EBITDA target. The targeted Antargaz EBITDA for bonus purposes for Fiscal 2010 was between \$110.75 million and \$124 million. For Fiscal 2010, the Committee deemed it appropriate to exclude from Antargaz's EBITDA the gain resulting from foreign currency hedges and the beneficial effect of a change in the nature of the French business tax. These adjustments resulted in a 10.5 percentage point reduction in the leverage factor for Mr. Varagne. Accordingly, Mr. Varagne received a bonus payout equal to 238,721 or \$324,661, or 101.8 percent of his target bonus.

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As noted above, Mr. Bissell's target award opportunity was based on EPU of AmeriGas Partners, subject to modification based on customer growth. The targeted EPU for bonus purposes for Fiscal 2010 was established to be in the range of \$2.97 to \$3.14 per common unit. Under the target bonus criteria applicable to Mr. Bissell, no bonus would be paid if the EPU amount was less than approximately 80 percent of the EPU target, while 200 percent of the target bonus might be payable if EPU was approximately 120 percent or more of the target. The percentage of target bonus payable based on various levels of EPU is referred to as the EPU Leverage Factor. The amount of the award determined by applying the EPU Leverage Factor is then adjusted to reflect the degree of achievement of a predetermined customer growth objective (Customer Growth Leverage Factor). For Fiscal 2010, the adjustment ranged from 90 percent if the growth objective was not achieved, to 110 percent if the growth objective exceeded approximately 150 percent of the growth target. The customer growth adjustment for Fiscal 2010 was modified to reflect our assessment of growth prospects after considering current and projected economic and housing market conditions. We believe the Customer Growth Leverage Factor for Fiscal 2010 represented an aggressive but achievable growth target. Once the EPU Leverage Factor and Customer Growth Leverage Factor are determined, the EPU Leverage Factor is multiplied by the Customer Growth Leverage Factor to obtain an adjusted leverage factor. This adjusted leverage factor is then multiplied by the target bonus opportunity to arrive at the bonus award payable for the fiscal year.

For Fiscal 2010, the Committee deemed it appropriate to adjust EPU to exclude the loss associated with the discontinuance of AmeriGas Partner's interest rate hedges for the reasons previously discussed. The discretionary exclusion of this loss from EPU resulted in a 13.8 percentage point increase to the EPU Leverage Factor, which was then modified because the customer growth target was not achieved. Accordingly, Mr. Bissell received a bonus payout equal to 89.2 percent of his target award.

The following annual bonus payments were made for Fiscal 2010:

Name	Percent of Target Bonus Paid	Amount of Bonus
Lon R. Greenberg	107.3%	\$ 1,145,428
John L. Walsh	107.3%	\$ 591,410
Peter Kelly	107.3%	\$ 343,145
Eugene V. N. Bissell	89.2%	\$ 349,664
François Varagne	101.8%	\$ 324,661

Long-Term Compensation Fiscal 2010 Equity Awards

Our long-term incentive compensation is intended to create a strong financial incentive for achieving or exceeding long-term performance goals and to encourage executives to hold a significant equity stake in our company in order to align the executives' interests with shareholder interests. Additionally, we believe our long-term incentives provide us the ability to attract and retain talented executives in a competitive market. We awarded our long-term compensation effective January 1, 2010 for Messrs. Greenberg, Walsh, Kelly and Bissell under the Company's Amended and Restated 2004 Omnibus Equity Compensation Plan (the 2004 Plan). In addition, Mr. Bissell received long-term compensation awards effective December 31, 2009 under the 2000 AmeriGas Propane, Inc. Long-Term Incentive Plan (AmeriGas 2000 Plan). Mr. Varagne's long-term compensation awards were made effective January 1, 2010 under the 2008 Sub-Plan for French Employees and Corporate Officers under the Company's 2004 Plan.

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Our long-term compensation for Fiscal 2010 included UGI Corporation stock option grants and either UGI Corporation or AmeriGas Partners performance unit awards. Messrs. Greenberg, Walsh, Kelly and Varagne were each awarded UGI Corporation performance units tied to the three-year total return performance of the Company's common stock relative to that of the companies in the S&P Utilities Index. Mr. Bissell was awarded AmeriGas Partners performance unit awards tied to the three-year total return performance of AmeriGas Partners common units relative to that of the limited partnerships in the Alerian MLP Index. Each performance unit represents the right of the recipient to receive a share of common stock or a common unit if specified performance goals and other conditions are met.

As is the case with cash compensation and annual bonus awards, we referenced Towers Watson's executive compensation databases in establishing equity compensation for the named executive officers, except for Mr. Varagne, for whom such data was not available. In determining the total dollar value of the long-term compensation opportunity to be provided in Fiscal 2010, we initially referenced (i) market median salary information and (ii) the percentage of the market median base salary for each position to be delivered as a long-term compensation opportunity, both as calculated by Towers Watson. The aforementioned percentage was developed using the applicable executive compensation databases and was targeted to produce long-term compensation opportunity at the 50th percentile level.

We initially applied approximately 50 percent of the amount of the long-term incentive opportunity to stock options and approximately 50 percent to performance units. We have bifurcated long-term compensation in this manner since 2000 and believe it provides a good balance between two related, but discrete goals. Stock options are designed to align the executive's interests with shareholder interests, because the value of stock options is a function of the appreciation or depreciation of our stock price. As explained in more detail below, the performance units are designed to encourage total shareholder return that compares favorably relative to a competitive peer group.

In providing award calculations, Towers Watson valued our stock options by applying a binomial model. The stock price used in the model for January 1, 2010 awards was \$25.11 which was the three-month average UGI stock price from May 10, 2009 through August 10, 2009. The model also assumes 5 percent turnover annually over the vesting period to account for options forfeited by terminating participants. As a result of this analysis, Towers Watson valued the stock options at \$2.27 per underlying share. Based on its valuation, Towers Watson calculated the number of options to be granted to the named executive officers covering a specified number of underlying shares.

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The remaining approximately 50 percent of the long-term compensation opportunity is awarded as performance units. In calculating the number of UGI Corporation performance units to be awarded to each named executive officer, other than Mr. Bissell, who received AmeriGas Partners performance units, Towers Watson established a per performance unit value of \$19.45. This value was computed by taking an average price for the Company's common stock over the three-month period from May 10, 2009 through August 10, 2009, and adjusting the price based on Towers Watson's standard assumptions, including the same 5 percent turnover assumption used in valuing stock options. The number of AmeriGas Partners performance unit awards was computed in a similar fashion, subject to the same 5 percent turnover assumption. The unit price used in the model for December 31, 2009 awards was \$33.46 which was the three-month average AmeriGas Partners common unit price from May 10, 2009 through August 10, 2009. As a result of this analysis, Towers Watson valued the performance unit awards at \$25.92 per underlying unit.

While management used the Towers Watson calculations as a starting point, in accordance with past practice, management recommended adjustments to the aggregate number of the Company's stock options and the Company's and AmeriGas Partners' performance units calculated by Towers Watson. The adjustments were designed to address historic grant practices, internal pay equity (both within and among our business units) and the policy of the Company that the three-year average of the annual number of equity awards made under the Company's 2004 Plan for the fiscal years 2008 through 2010, expressed as a percentage of common shares outstanding at fiscal year-end, will not exceed 2 percent. Mr. Varagne's stock option awards and performance unit awards were recommended by management, based on management's consideration of internal pay equity and recognition that these types of long-term awards are utilized less frequently overseas than in the United States. Despite the significant decrease in the UGI Corporation stock option value between Fiscal 2009 and Fiscal 2010 as calculated by Towers Watson for the purpose of valuing our stock options, management, in response to challenging global and domestic economic conditions, did not recommend increasing the number of stock options granted to Messrs. Greenberg, Varagne and Walsh in Fiscal 2010. In addition, management recommended only modestly increasing the number of stock options granted to the other named executive officers in Fiscal 2010. For purposes of calculating the annual number of equity awards used in this calculation: (i) each stock option granted is deemed to equal one share, and (ii) each performance unit earned and paid in shares of stock and each stock unit granted and expected to be paid in shares of stock is deemed to equal four shares.

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As a result of the Committee's acceptance of management's recommendations, the named executives, other than Mr. Varagne, received between approximately 82 percent and 93 percent of the total dollar value of long-term compensation opportunity recommended by Towers Watson. The total dollar value of the long-term compensation received by the named executive officers in Fiscal 2010 was approximately 29 percent to 39 percent less than the dollar value of long-term compensation awarded in Fiscal 2009. The actual grant amounts are set forth below:

Name	Shares Underlying	Performance
	Stock Options # Granted	Units # Granted
Lon R. Greenberg	300,000	70,000
John L. Walsh	125,000	28,000
Peter Kelly	77,000	17,000
Eugene V. N. Bissell	80,000	17,000 ⁽²⁾
François Varagne ⁽¹⁾	57,000	18,500

(1) Towers Watson made no calculation regarding Mr. Varagne's long-term compensation, which is addressed below.

(2) Constitutes AmeriGas Partners performance units.

While the number of performance units awarded to the named executive officers, other than Mr. Varagne, was determined as described above, the actual number of shares or units underlying performance units that are paid out at the expiration of the three-year performance period will be based upon the Company's comparative total shareholder return (TSR) or AmeriGas Partners' total unitholder return (TUR) over the period from January 1, 2010 to December 31, 2012. Specifically, with respect to the Company's performance units, we will compare the TSR of the Company's common stock relative to the TSR performance of those companies comprising the S&P 500 Utilities Index (S&P Utilities Index) as of the beginning of the performance period. In computing TSR, the Company uses the average of the daily closing prices for its common stock and the common stock of each company in the S&P Utilities Index for the 90 calendar days prior to January 1 of the beginning and end of a given three-year performance period. In addition, TSR gives effect to all dividends throughout the three-year performance period as if they had been reinvested. If a company is added to the S&P Utilities Index during a three-year performance period, we do not include that company in our TSR analysis. We will only remove a company that was included in the S&P Utilities Index at the beginning of a performance period if such company ceases to exist during the applicable performance period. Those companies in the S&P Utilities Index as of December 31, 2009 were as follows:

Allegheny Energy, Inc.

EQT Corporation

PPL Corporation

Ameren Corporation	Exelon Corporation	Progress Energy, Inc.
American Electric Power Company, Inc.	FirstEnergy Corp.	Public Service Enterprise Group Inc.
Centerpoint Energy, Inc.	FPL Group, Inc.	Questar Corporation
CMS Energy Corporation	Integrus Energy Group, Inc.	SCANA Corporation
Consolidated Edison, Inc.	Nicor Inc.	Sempra Energy
Constellation Energy Group, Inc.	NiSource Inc.	TECO Energy, Inc.
Dominion Resources, Inc.	Northeast Utilities	The AES Corporation
DTE Energy Company	PG&E Corporation	The Southern Company
Duke Energy Corporation	Pepco Holdings, Inc.	Wisconsin Energy Corporation
Edison International	Pinnacle West Capital Corp.	Xcel Energy Inc.
Entergy Corporation		

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In computing TUR, we use the average of the daily closing prices for AmeriGas Partners' common units and those of each of the limited partnerships in the Alerian MLP Index for the 90 calendar days prior to January 1 of the beginning and end of a given three-year performance period. In addition, TUR gives effect to all distributions throughout the three-year performance period as if they had been reinvested. For the AmeriGas Partners performance units awarded to Mr. Bissell, we compare the TUR of AmeriGas Partners' common units to the TUR performance of each of the 50 limited partnerships in the Alerian MLP Index. If a partnership is added to the Alerian MLP Index during a three-year performance period, we do not include that partnership in our TUR analysis. We will only remove a partnership that was included in the Alerian MLP Index at the beginning of a performance period if such partnership ceases to exist during the applicable performance period. Prior to Fiscal 2010, we compared the TUR performance of AmeriGas Partners common units to the TUR performance of a peer group consisting of selected publicly-traded limited partnerships engaged in the propane, pipeline and coal industries. We believe using a published index maintained by an independent third party is preferable to using a selected group of partnerships because it lends greater impartiality to the AmeriGas Propane long-term incentive compensation program. The limited partnerships comprising the Alerian MLP Index as of December 31, 2009 were as follows:

Alliance Holdings GP, L.P.	Enterprise GP Holdings LP	Penn Virginia GP Holdings, L.P.
Alliance Resource Partners, L.P.	EV Energy Partners, L.P.	Penn Virginia Resource Partners, L.P.
Boardwalk Pipeline Partners, LP	Ferrellgas Partners, L.P.	Pioneer Southwest Energy Partners L.P.
Buckeye GP Holdings L.P.	Genesis Energy, L.P.	Plains All American Pipeline, L.P.
Buckeye Partners, L.P.	Holly Energy Partners, L.P.	Regency Energy Partners LP
Calumet Specialty Products Partners, L.P.	Inergy, L.P.	Spectra Energy Partners, LP
Copano Energy, L.L.C.	Kinder Morgan Energy Partners, L.P.	Star Gas Partners, L.P.
DCP Midstream Partners, LP	Kinder Morgan Management, LLC	Suburban Propane Partners, L.P.
Dorchester Minerals, L.P.	Legacy Reserves LP	Sunoco Logistics Partners L.P.
Duncan Energy Partners L.P.	Linn Energy, LLC	TC PipeLines, LP
El Paso Pipeline Partners, L.P.	Magellan Midstream Partners, L.P.	Targa Resources Partners LP
Enbridge Energy Management, L.L.C.	Markwest Energy Partners, L.P.	Teekay LNG Partners L.P.
Enbridge Energy Partners, L.P.	Natural Resource Partners L.P.	Teekay Offshore Partners L.P.
Encore Energy Partners LP	Navios Maritime Partners L.P.	Western Gas Partners, LP
Energy Transfer Equity, L.P.	NuStar Energy L.P.	Williams Partners L.P.
Energy Transfer Partners, L.P.	Nustar GP Holdings, LLC	Williams Pipeline Partners L.P.
Enterprise Products Partners L.P.	ONEOK Partners, L.P.	

Each award payable to the named executive officers, other than Mr. Varagne, provides a number of the Company's shares or AmeriGas Partners' common units equal to the number of performance units earned. After the Committee has determined that the conditions for payment have been satisfied, management of the Company or AmeriGas Propane, as the case may be, has the authority to provide for a cash payment to the named executives, other than Mr. Varagne, in lieu of the shares or common units payable. The cash payment is based on the value of the securities at the end of the performance period and is designed to meet minimum statutory tax withholding requirements. In the event that UGI executives earn shares in excess of the target award, the value of the above target shares is paid entirely in cash. For the Company's performance units, the minimum award, equivalent to 50 percent of the number of performance units, will be payable if the Company's TSR rank is at the 40th percentile of the S&P Utilities Index companies. The target award, equivalent to 100 percent of the number of performance units, will be payable if the TSR rank is at the 50th percentile. The maximum award, equivalent to 200 percent of the number of performance units, will be payable if the Company's TSR rank is the highest of all S&P Utilities Index companies. The number of AmeriGas Partners

common units underlying performance units that will be paid out to Mr. Bissell will be based upon AmeriGas Partners TUR rank relative to the Alerian MLP Index partnerships and is computed using an analogous methodology as described above with regard to the Company's TSR ranking.

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All performance units, other than those held by Mr. Varagne, have dividend or distribution equivalent rights, as applicable. A dividend equivalent is an amount determined by multiplying the number of performance units credited to a recipient's account by the per-share cash dividend, or the per-share fair market value of any non-cash dividend, paid by the Company during the performance period on its shares on a dividend payment date. Accrued dividend and distribution equivalents are payable on the number of common shares or AmeriGas Partner's common units payable, if any, at the end of the performance period and are paid in cash.

Mr. Varagne's target award is set differently from that of the other named executive officers to preserve favorable treatment under French tax law, which limits our ability to pay awards in excess of the target amount. Therefore, Mr. Varagne's target award is payable if the Company's TSR rank is the highest of all of the indexed companies, and is reduced below the target award if a lower ranking is achieved. Mr. Varagne's minimum award, equivalent to 25 percent of the number of performance units, will be payable if the Company's TSR rank is at the 40th percentile of the indexed companies; the target award, equivalent to 50 percent of the number of performance units, will be payable if the TSR rank is at the 50th percentile; and the maximum award, equivalent to 100 percent of the number of performance units, will be payable if the Company's TSR rank is the highest of all companies.

Long-Term Compensation Payout of Performance Units for 2007-2009 Period

During Fiscal 2010, we paid out awards to those executives who received performance units in fiscal year 2007 for the period from January 1, 2007 to December 31, 2009. For that period, the Company's TSR ranked 1st relative to the 29 companies in the S&P Utilities Index, placing the Company just above the 58th percentile ranking, resulting in a 121.6 percent payout of the target award. AmeriGas Partners' TUR ranked 6th relative to its peer group of 18 other partnerships, placing AmeriGas Partners just above 72nd percentile ranking, resulting in a 145.4 percent payout of the target award. The performance criteria for the Company's and AmeriGas Partners' performance unit awards during that period was the same as those for the performance units granted for 2009-2011, described above, except that the Partnership's TUR was compared to that of each member of a peer group of publicly-traded limited partnerships in the propane, pipeline and coal industries as of the January 1, 2007 award date. As a result of the foregoing, the payouts on performance unit awards were as follows:

Name	Performance Unit	Performance Unit
	Payout (#)	Value (1) (\$)
Lon R. Greenberg	72,960	1,931,707
John L. Walsh	31,616	837,073
Peter Kelly	12,160	317,558
Eugene V. N. Bissell	20,356	969,149
François Varagne	11,248	272,089

(1) Includes distribution equivalent or dividend equivalent payout.

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Perquisites

We provide limited perquisite opportunities to our executive officers. We provide reimbursement for tax preparation services, certain health maintenance services and limited spousal travel. In addition, Mr. Varagne has a company car. The aggregate cost of perquisites for all named executive officers in Fiscal 2010 was less than \$50,000.

Other Benefits

Our named executive officers participate in various retirement, pension, deferred compensation and severance plans which are described in greater detail in the *Ongoing Plans and Post-Employment Agreements* section of this Compensation Discussion and Analysis. We also provide employees, including the named executive officers, with a variety of other benefits, including medical and dental benefits, disability benefits, life insurance, and paid holidays and vacations. These benefits generally are available to all of our full-time employees.

Ongoing Plans and Post-Employment Agreements

We have several plans and agreements (described below) that enable our named executive officers to accrue retirement benefits as the executives continue to work for us, provide severance benefits upon certain types of termination of employment events or provide other forms of deferred compensation. Except where specifically stated, Mr. Varagne does not participate in the plans described below.

Retirement Income Plan for Employees of UGI Utilities, Inc. (the UGI Pension Plan)

This plan is a tax-qualified defined benefit plan available to, among others, employees of the Company and certain of its subsidiaries. The UGI Pension Plan was closed to new participants as of January 1, 2009. The UGI Pension Plan provides an annual retirement benefit based on an employee's earnings and years of service, subject to maximum benefit limitations. Messrs. Greenberg, Kelly and Walsh participate in the UGI Pension Plan; Mr. Bissell has a vested benefit, but he no longer participates. See Compensation of Executive Officers Pension Benefits Table Fiscal 2010 and accompanying narrative for additional information.

UGI Utilities, Inc. Savings Plan (the UGI Savings Plan)

This plan is a tax-qualified defined contribution plan available to, among others, employees of the Company. Under the plan, an employee may contribute, subject to Internal Revenue Code (the Code) limitations (which, among other things, limited annual contributions in 2010 to \$16,500), up to a maximum of 50 percent of his or her eligible compensation on a pre-tax basis and up to 20 percent of his or her eligible compensation on an after-tax basis. The combined maximum of pre-tax and after-tax contributions is 50 percent of his or her eligible compensation. The Company provides matching contributions targeted at 50 percent of the first 3 percent of eligible compensation contributed by the employee in any pay period, and 25 percent of the next 3 percent. For participants entering the UGI Savings Plan on or after January 1, 2009, who are not eligible to participate in the UGI Pension Plan, the Company provides matching contributions targeted at 100 percent of the first 5 percent of eligible compensation contributed by the employee in any pay period. Amounts credited to an employee's account in the plan may be invested among a number of funds, including the Company's stock fund. Messrs. Greenberg, Kelly and Walsh are eligible to participate in the UGI Savings Plan.

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AmeriGas Propane, Inc. Savings Plan (the AmeriGas Savings Plan)

This plan is a tax-qualified defined contribution plan for AmeriGas Propane employees. Subject to Code limits, which are the same as described above with respect to the UGI Savings Plan, an employee may contribute, on a pre-tax basis, up to 50 percent of his or her eligible compensation, and AmeriGas Propane provides a matching contribution equal to 100 percent of the first 5 percent of eligible compensation contributed in any pay period. Like the UGI Savings Plan, participants in the AmeriGas Savings Plan may invest amounts credited to their account among a number of funds, including the Company's stock fund. Mr. Bissell is eligible to participate in the AmeriGas Savings Plan.

UGI Corporation Supplemental Executive Retirement Plan and Supplemental Savings Plan

UGI Corporation Supplemental Executive Retirement Plan

This plan is a nonqualified defined benefit plan that provides retirement benefits that would otherwise be provided under the UGI Pension Plan, but are restricted from being paid from the UGI Pension Plan by Code limits. The plan also provides additional benefits in the event of certain terminations of employment covered by a change in control agreement. Messrs. Greenberg, Walsh and Kelly participate in the UGI Corporation Supplemental Executive Retirement Plan. See Compensation of Executive Officers' Pension Benefits Table - Fiscal 2010 and accompanying narrative for additional information.

UGI Corporation Supplemental Savings Plan

This plan is a nonqualified deferred compensation plan that provides benefits that would be provided under the qualified UGI Savings Plan in the absence of Code limitations. The Supplemental Savings Plan is intended to pay an amount substantially equal to the difference between the Company matching contribution to the qualified UGI Savings Plan and the matching contribution that would have been made under the qualified UGI Savings Plan if the Code limitations were not in effect. At the end of each plan year, a participant's account is credited with earnings equal to the weighted average return on two indices: 60 percent on the total return of the Standard and Poor's 500 Index and 40 percent on the total return of the Barclays Capital U.S. Aggregate Bond Index. The plan also provides additional benefits in the event of certain terminations of employment covered by a change in control agreement. Messrs. Greenberg, Walsh and Kelly are each eligible to participate in the UGI Corporation Supplemental Savings Plan and each will receive a benefit if his contribution to the UGI Savings Plan satisfies the requirements under the UGI Corporation Supplemental Savings Plan. See Compensation of Executive Officers' Nonqualified Deferred Compensation Table - Fiscal 2010 and accompanying narrative for additional information.

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AmeriGas Propane, Inc. Supplemental Executive Retirement Plan

AmeriGas Propane maintains a supplemental executive retirement plan, which is a nonqualified deferred compensation plan for highly compensated employees of AmeriGas Propane. Under the plan, AmeriGas Propane credits to each participant's account annually an amount equal to 5 percent of the participant's compensation up to the Code compensation limits and 10 percent of excess compensation. In addition, if any portion of AmeriGas Propane's matching contribution under the AmeriGas Savings Plan is forfeited due to nondiscrimination requirements under the Code, the forfeited amount, adjusted for earnings and losses on the amount, will be credited to a participant's account. Participants direct the investment of the amounts in their accounts among a number of mutual funds. Mr. Bissell participates in the AmeriGas Propane, Inc. Supplemental Executive Retirement Plan. See Compensation of Executive Officers' Nonqualified Deferred Compensation Table Fiscal 2010 and accompanying narrative for additional information.

Antargaz Supplemental Retirement Plans

Defined Contribution Plan

This plan provides supplemental retirement income to certain management-level individuals of Antargaz, including Mr. Varagne, who have at least one year of service with Antargaz. Under the plan, Antargaz is obligated to contribute to Mr. Varagne's account 5 percent of his total remuneration that is subject to social security contributions; provided that Antargaz's 5 percent contribution will only apply to Mr. Varagne's remuneration that is less than or equal to six times the Social Security ceiling in France. The ceiling in 2010 was \$34,620. Investment of contributions to the plan is managed by an insurance company. Upon Mr. Varagne's retirement, payment will be made by the insurance company to Mr. Varagne in the form of a life annuity based on the contributions to Mr. Varagne's account. Mr. Varagne is entitled to receive benefits under the plan upon retirement regardless of whether he is a corporate officer of Antargaz at the time of his retirement.

Defined Benefit Plan

This plan provides supplemental retirement income to certain management-level individuals of Antargaz, including Mr. Varagne, who have at least five years of service with Antargaz. Mr. Varagne has satisfied the five-year service requirement. For purposes of accumulating benefits under the plan, benefits began accruing September 1, 2009 and Antargaz is obligated to purchase an annuity annually on behalf of Mr. Varagne. The amount of the annuity is based on Mr. Varagne's length of service with Antargaz (up to a maximum of ten years) and Mr. Varagne's average annual remuneration for the prior three-year period in excess of six times the Social Security annual ceiling in France. The annuity paid may not exceed 15 percent of Mr. Varagne's final average remuneration for the thirty-six month period immediately preceding retirement. The annuity amount is also reduced by any other supplemental retirement income, other than statutory retirement schemes, payable to Mr. Varagne. Mr. Varagne is entitled to receive benefits under the plan upon retirement only if he is a corporate officer of Antargaz at the time of his retirement, is at least 62 years of age, and immediately after retirement begins receiving benefits from the compulsory Social Security retirement system in France.

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AmeriGas Propane, Inc. Nonqualified Deferred Compensation Plan

AmeriGas Propane maintains a nonqualified deferred compensation plan under which participants may defer up to \$10,000 of their annual compensation. Deferral elections are made annually by eligible participants in respect of compensation to be earned for the following year. Participants may direct the investment of deferred amounts into a number of mutual funds. Payment of amounts accrued for the account of a participant generally is made following the participant's termination of employment. Mr. Bissell is eligible to participate in the AmeriGas Propane, Inc. Nonqualified Deferred Compensation Plan. See Compensation of Executive Officers' Nonqualified Deferred Compensation Table Fiscal 2010 and accompanying narrative for additional information.

UGI Corporation 2009 Deferral Plan, As Amended and Restated Effective June 1, 2010

This plan provides deferral options that comply with the requirements of Section 409A of the Internal Revenue Code of 1986, as amended, related to (i) all stock units and phantom units granted to the Company's and AmeriGas Propane's non-employee Directors, (ii) benefits payable under the UGI Corporation Supplemental Executive Retirement Plan, and (iii) benefits payable under the AmeriGas Propane, Inc. Supplemental Executive Retirement Plan. If an eligible participant elects to defer payment under the plan, the participant may receive future benefits after separation from service as (i) a lump sum payment, (ii) annual installment payments over a period between two and ten years or (iii) one to five retirement distribution accounts to be paid in a lump sum in the year specified by the individual. Deferred benefits, other than stock units and phantom units, will be deemed to be invested in investment funds selected by the participant from among a list of available funds. Messrs. Greenberg, Walsh, Kelly and Bissell elected to defer benefits under this plan. The plan also provides newly eligible participants with a deferral election that must be acted upon promptly.

Severance Pay Plans for Senior Executive Employees

The Company and AmeriGas Propane each maintain a severance pay plan that provides severance compensation to certain senior level employees. The plans are designed to alleviate the financial hardships that may be experienced by executive employee participants whose employment is terminated without just cause, other than in the event of death or disability. The Company's plan covers Messrs. Greenberg, Walsh and Kelly, and the AmeriGas Propane plan covers Mr. Bissell. See Compensation of Executive Officers' Potential Payments Upon Termination or Change in Control for further information regarding the severance plans.

Severance Arrangement with Mr. Varagne

Mr. Varagne has an agreement with our French subsidiary, AGZ Holding, which provides severance benefits in the event he is terminated without fault on his part. The agreement provides for a cash payment equal to one year of compensation, based on compensation received in the 12 months prior to the effective date of termination. Mr. Varagne's agreement requires that he execute a release discharging the Company and its subsidiaries from liability in connection with his termination prior to receipt of severance payments. See Potential Payments Upon Termination or Change in Control below for further information regarding Mr. Varagne's severance agreement.

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Change in Control Agreements

The Company has change in control agreements with Messrs. Greenberg, Walsh and Kelly, and AmeriGas Propane has a change in control agreement with Mr. Bissell. Mr. Varagne is entitled to severance compensation under the severance agreement described above. The change in control agreements are designed to reinforce and encourage the continued attention and dedication of the executives without distraction in the face of potentially disturbing circumstances arising from the possibility of the change in control and to serve as an incentive to their continued employment with us. The agreements provide for payments and other benefits if we terminate an executive's employment without cause or if the executive terminates employment for good reason within two years following a change in control of the Company (and, in the case of Mr. Bissell, AmeriGas Propane or AmeriGas Partners). The agreements also provide that if change in control payments exceed certain threshold amounts, we will make additional payments to reimburse the executives for excise and related taxes imposed under the Code. See Compensation of Executive Officers Potential Payments Upon Termination or Change in Control for further information regarding the change in control agreements.

Stock Ownership Guidelines

We seek to align executives' interests with shareholder and unitholder interests through our equity ownership guidelines. We believe that by encouraging our executives to maintain a meaningful equity interest in the Company or, if applicable, AmeriGas Partners, we will enhance the link between our executives and stockholders or unitholders. Under our guidelines, except for Mr. Varagne, an executive must meet 10 percent of the ownership requirement within one year from the date of employment or promotion and must use 10 percent of his gross annual bonus award to purchase stock (or, in the case of Mr. Bissell, partnership common units or stock) until his share ownership requirement is met. In addition, the guidelines require that 50 percent of the net proceeds from a cashless exercise of stock options be used to purchase stock until the ownership requirement is met. Up to 20 percent of the ownership requirement may be satisfied through holdings of UGI Corporation common stock in the executive's account in the relevant savings plan. Mr. Varagne has a ten percent equity retention requirement included in the terms of certain of his outstanding performance unit and stock option awards. None of these equity awards had vested at September 30, 2010.

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Mr. Bissell is permitted to satisfy his requirements through ownership of UGI common stock, AmeriGas Partners common units, or a combination of UGI common stock and AmeriGas Partners common units, with each AmeriGas Partners common unit equivalent to 1.5 shares of UGI common stock. The stock ownership guidelines further permit any Company executive who was formerly employed by AmeriGas Propane to satisfy up to 50 percent of his or her stock ownership requirement with AmeriGas Partners common units. The following table provides information regarding our equity ownership guidelines for, and the number of shares and common units held at September 30, 2010 by our named executive officers:

Name	Required Ownership of UGI Corporation Common Stock	Number of Shares of UGI Corporation Stock Held at 9/30/2010 ⁽¹⁾	Number of AmeriGas Partners Common Units Held at 9/30/2010 ⁽¹⁾
Lon R. Greenberg	250,000	406,305	11,000
John L. Walsh	100,000	110,249	7,000
Peter Kelly	60,000	46,042	0
Eugene V.N. Bissell	60,000	68,197	64,600
François Varagne	(2)	24,488	0

(1) All officers are in compliance with the stock ownership guidelines, which require the accumulation of shares or shares and common units over time.

(2) Mr. Varagne has a ten percent equity retention requirement included in the terms of certain of his outstanding performance unit and stock option awards. None of these equity awards had vested at September 30, 2010.

Stock Option Grant Practices

The Committees approve annual stock option grants to executive officers in the last calendar quarter of each year, effective the following January 1. The exercise price per share of the options is equal to or greater than the closing share price of the Company's common stock on the last trading day of December. A grant to a new employee is generally effective on the later of the date the employee commences employment with us or the date the Committee authorizes the grant. In either case the exercise price is equal to or greater than the closing price per share of the Company's common stock on the effective date of grant. From time to time, management recommends stock option grants for non-executive employees, and the grants, if approved by the Committee, are effective on or after the date of Committee action and have an exercise price equal to or greater than the closing price per share of the Company's common stock on the date of grant. We believe that our stock option grant practices are appropriate and effectively eliminate any question regarding timing of grants in anticipation of material events.

Role of Executive Officers in Determining Executive Compensation

In connection with Fiscal 2010 compensation, Mr. Greenberg, aided by our human resources personnel, provided statistical data and recommendations to the appropriate Committee to assist it in determining compensation levels. Mr. Greenberg did not make recommendations as to his own compensation and was excused from the Committee meeting when his compensation was discussed by the Committee. While the Committees utilized this information, and valued Mr. Greenberg's observations with regard to other executive officers, the ultimate decisions regarding executive compensation were made by the independent members of the appropriate Board of Directors following Committee recommendations.

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Tax Considerations

In Fiscal 2010, we paid salary and annual bonus compensation to named executive officers that was not fully deductible under U.S. federal tax law because it did not meet the statutory performance criteria. Section 162(m) of the Code precludes us from deducting certain forms of compensation in excess of \$1,000,000 paid to the named executive officers in any one year. Our policy generally is to preserve the federal income tax deductibility of equity compensation paid to our executives by making it performance-based. We will continue to consider and evaluate all of our compensation programs in light of federal tax law and regulations. However, we may continue to pay compensation that is not deductible where sound business judgment so requires.

Risks Related to Compensation Policies and Practices

Management conducted a risk assessment of our compensation policies and practices for Fiscal 2010. Based on its evaluation, management does not believe that any such policies or practices create risks that are reasonably likely to have a material adverse effect on the Partnership.

Table of Contents**Compensation of Executive Officers**

The following tables, narrative and footnotes provide information regarding the compensation of our Chief Executive Officer, Chief Financial Officer, and our three other most highly compensated executive officers in Fiscal 2010.

Summary Compensation Table Fiscal 2010

Name and Principal Position	Fiscal Year	Salary (\$)	Bonus (\$)	Stock Awards (\$)(1)	Option Awards (\$)(1)	Change in Pension Value and Non-Equity Nonqualified Incentive		All Compensation Other (\$)(4)	Total (\$)
						Plan Compensation (\$)(2)	Deferred Earnings (\$)(3)		
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
Lon R. Greenberg Chairman and Chief Executive Officer	2010	1,067,500	0	1,590,400	1,347,000	1,145,428	1,971,422	69,853	7,191,603
	2009	1,067,975	0	1,957,200	1,218,000	1,591,643	2,640,022	65,416	8,540,256
	2008	1,026,300	0	2,123,800	1,524,000	964,722	945,498	81,405	6,665,725
John L. Walsh President and Chief Operating Officer	2010	648,440	0	636,160	561,250	591,410	377,873	33,081	2,848,214
	2009	648,202	0	782,880	507,500	821,800	330,768	25,979	3,117,129
	2008	616,933	0	819,180	609,600	493,383	147,550	24,494	2,711,140
Peter Kelly Vice President-Finance and Chief Financial Officer	2010	426,400	0	386,240	345,730	343,145	190,697	20,323	1,712,535
	2009	426,240	0	475,320	284,200	476,822	134,986	5,989	1,803,557
	2008	406,036	0	455,100	279,400	286,255	87,402	0	1,514,193
Eugene V. N. Bissell President and Chief Executive Officer of AmeriGas Propane, Inc.	2010	490,006	0	715,700	359,200	349,664	3,778	85,475	2,003,823
	2009	487,820	0	643,400	304,500	450,800	5,943	97,151	1,989,614
	2008	442,000	0	467,520	330,200	252,960	376	70,200	1,563,256
François Varagne Chairman and Chief Executive Officer Antargaz (5)	2010	455,600	0	189,440	255,930	324,661	159,952	48,936	1,434,519
	2009	452,250	0	234,210	268,470	252,493	62,170	34,185	1,303,778
	2008	490,750	0	254,560	289,560	282,418	0	38,236	1,355,524

(1) The amounts shown in columns (e) and (f) above represent the aggregate fair value

of awards of performance units, and stock options on the date of grant. The assumptions used in the calculation of the amounts shown are included in Note 2 and Note 13 to our audited consolidated financial statements for Fiscal 2010, which are included in our Annual Report on Form 10-K. See the Grants of Plan-Based Awards Table Fiscal 2010 for information on awards of performance units and stock options made in Fiscal 2010.

- (2) The amounts shown in this column represent payments made under the applicable performance-based annual bonus plan.

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- (3) Except for Mr. Varagne, the amounts shown in column (h) of the Summary Compensation Table Fiscal 2010 reflect (i) the change from September 30, 2009 to September 30, 2010 in the actuarial present value of the named executive officer's accumulated benefit under the Company's defined benefit and actuarial pension plans, including the UGI Corporation Supplemental Executive Retirement Plan, and (ii) the above-market portion of earnings, if any, on nonqualified deferred compensation accounts. The change in pension value from year to year as reported in this column is subject to market volatility and may not represent the value that a named executive

officer will actually accrue under the Company's pension plans during any given year. Mr. Bissell has a vested annual benefit of approximately \$3,300 under the Company's defined benefit pension plan, based on prior credited service. Mr. Bissell is not a current participant in the Company's defined benefit retirement plan or in the UGI Corporation Supplemental Executive Retirement Plan. Mr. Varagne is a participant in the Antargaz Supplemental Executive Retirement Plan. Mr. Varagne's benefit under the Antargaz Supplemental Executive Retirement Plan does not vest until his retirement from Antargaz after attaining at least 62 years of age. See Pension Benefits Antargaz Supplemental Executive Retirement Plan.

If Mr. Varagne satisfies requirements for payment of this benefit, it is payable in the form of a lifetime annuity. The material terms of the Company's pension plans and deferred compensation plans are described in the Pension Benefits Table Fiscal 2010 and the Nonqualified Deferred Compensation Table Fiscal 2010, and the related narratives to each. Earnings on deferred compensation are considered above-market to the extent that the rate of interest exceeds 120 percent of the applicable federal long-term rate. For purposes of the Summary Compensation Table Fiscal 2010, the market rate on deferred compensation most analogous to the rate at the time the interest rate is set under the Company's plan for Fiscal 2010 was

5.02 percent,
 which is
 120 percent of
 the federal
 long-term rate
 for
 December 2009.
 Mr. Bissell's
 earnings on
 deferred
 compensation
 are
 market-based,
 and calculated in
 the same manner
 and at the same
 rate as earnings
 on externally
 managed
 investments
 available in a
 broad-based
 qualified plan.
 The amounts
 included in
 column (h) of
 the Summary
 Compensation
 Table Fiscal
 2010 are
 itemized below.

Name	Change in Pension	Above-Market Earnings on Deferred Compensation
	Value (\$)	(\$)
L.R. Greenberg	1,903,027	68,395
J.L. Walsh	369,494	8,379
P. Kelly	190,697	0
E.V.N. Bissell	3,778	0
F. Varagne	159,952	0

(4) The table below
 shows the
 components of
 the amounts
 included for
 each named
 executive
 officer under

column (i), All Other Compensation, in the Summary Compensation Table Fiscal 2010. Other than as set forth below, the named executive officers did not receive perquisites with an aggregate value of \$10,000 or more.

Name	Employer Contribution to UGI Supplemental Savings Plan; AmeriGas Propane, Inc.	Employer Contribution to 401(k) Savings Plan	Supplemental Executive Retirement Plan; Antargaz Defined Contribution Plan	Tax Reimbursement	Perquisites	Total
		(\$)	(\$)	(\$)	(\$)	(\$)
L.R. Greenberg		5,513	54,318	0	10,022	69,853
J.L. Walsh		5,513	27,568	0	0	33,081
P. Kelly		5,513	14,810	0	0	20,323
E.V.N. Bissell		13,758	71,717	0	0	85,475
F. Varagne		N/A	14,498	0	34,438	48,936

The perquisites shown for Mr. Greenberg include spousal travel expenses when attending Company or industry-related events where it is customary that officers

attend with their spouses, tax preparation fees and occasional use of the Company's tickets for sporting events for personal rather than business purposes. The perquisites for Mr. Varagne are for the use of a company vehicle. The incremental cost to the Company for these benefits is based on the actual costs or charges incurred by the Company for the benefits.

- (5) Mr. Varagne, the Chief Executive Officer of our French subsidiary Antargaz, is paid in euros. In calculating the dollar equivalent for disclosure purposes, the Company converts each payment into dollars based on the monthly average exchange rate of \$1.36 per euro for Fiscal 2010; \$1.35 per euro for Fiscal 2009

and \$1.51 per
euro for Fiscal
2008.

Table of Contents***Grants of Plan-Based Awards In Fiscal 2010***

The following table and footnotes provide information regarding equity and non-equity plan grants to the named executive officers in Fiscal 2010.

Grants of Plan-Based Awards Table Fiscal 2010

Name (a)	Grant Date (b)	Board Action Date (c)	Estimated Possible Payouts			Estimated Future Payouts			All Other Stock Options			Grant Date Fair Value of Stock and Option Awards (\$) (m)
			Under			Under Equity Incentive			Awards: Exercise			
			Non-Equity Incentive Plan			Plan			Number of			
			Awards (1)(4)			Awards (2)			Shares of Securities or			
			Board	Thres-		Thres-			Stock	Underlying	Option	
			hold	Target	Maximum	hold	Target	Maximum	Units	Options	Awards	Awards
			(\$)	(\$)	(\$)	(#)	(#)	(#)	(#)	(#) (3)	(\$/Sh)	(\$)
			(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
L.R. Greenberg	10/01/09	11/20/09	640,500	1,067,500	2,135,000							
	01/01/10	11/20/09							0	300,000	24.19	1,347,000
	01/01/10	11/20/09				35,000	70,000	140,000				1,590,400
L. Walsh	10/01/09	11/20/09	330,704	551,174	1,102,348							
	01/01/10	11/20/09							0	125,000	24.19	561,250
	01/01/10	11/20/09				14,000	28,000	56,000				636,160
P. Kelly	10/01/09	11/20/09	191,880	319,800	639,600							
	01/01/10	11/20/09							0	77,000	24.19	345,730
	01/01/10	11/20/09				8,500	17,000	34,000				386,240
E.V.N. Bissell	10/01/09	11/19/09	211,680	392,000	784,000							
	01/01/10	11/19/09							0	80,000	24.19	359,200
	12/31/09	11/19/09				8,500	17,000	34,000				715,700
F. Varagne	10/01/09	11/20/09	223,244	318,920	637,840							
	01/01/10	11/20/09							0	57,000	24.19	255,930
	01/01/10	11/20/09				4,625	9,250	18,500				189,440

(1) The amounts shown under this heading relate to bonus opportunities under the relevant

company's annual bonus plan for Fiscal 2010. See Compensation Discussion and Analysis for a description of the annual bonus plans. Payments for these awards have already been determined and are included in the Non-Equity Incentive Plan Compensation column (column (g)) of the Summary Compensation Table. The threshold amount shown for Messrs. Greenberg, Walsh, and Kelly is based on achievement of 80 percent of the financial goal; for Mr. Varagne the threshold amount shown is based on achievement of 75 percent of the financial goal. The threshold amount shown for Mr. Bissell is based on achievement of 83 percent of the financial goal and the minimum customer growth goal.

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- (2) The awards shown for all officers except Mr. Bissell are performance units under the Company's 2004 Plan, as described in Compensation Discussion and Analysis. Performance units are forfeitable until the end of the performance period in the event of termination of employment, with pro-rated forfeitures in the case of termination of employment due to retirement, death or disability. In the case of a change in control of the Company, for all named executive officers other than Mr. Varagne, outstanding performance units and dividend or distribution equivalents will be paid in cash in an amount equal to the greater of (i) the target award, or (ii) the award amount

that would be paid as if the performance period ended on the date of the change in control, based on the Company's achievement of the performance goal as of the date of the change in control, as determined by the Compensation and Management Development Committee.

For Mr. Varagne, in the case of a change in control, outstanding performance units will be paid in cash in an amount equal to the greater of (i) 50% of the maximum award, or (ii) the award amount that would be paid as if the performance period ended on the date of the change in control, based on the Company's achievement of the performance goal as of the date of the change in control, as determined by the

Compensation and Management Development Committee. In the case of Mr. Varagne's death, his estate is entitled to receive shares of common stock equal to the number of outstanding performance units without regard to the performance criteria.

For Mr. Bissell, the awards shown are performance units under the AmeriGas 2000 Plan, as described in Compensation Discussion and Analysis. Terms of these awards with respect to forfeitures and change in control, as defined in the AmeriGas 2000 Plan, are fashioned in a similar manner to the terms of the performance units granted under the Company's 2004 Plan.

- (3) Options are granted under the Company's 2004 Plan. Under this

Plan, the option exercise price is not less than 100 percent of the fair market value of the Company's common stock on the effective date of the grant, which is either the date of the grant or a specified future date. The term of each option is generally ten years, which is the maximum allowable term. For Mr. Varagne's options, the maximum term is 9 1/2 years from the date of grant. The options become exercisable in three equal annual installments beginning on the first anniversary of the grant date, except for Mr. Varagne's options, which vest in full on the fourth anniversary of the grant date. All options are nontransferable and generally exercisable only while the optionee is employed by the Company or an affiliate, with exceptions for

exercise
following
termination
without cause,
retirement,
disability or
death. For
purposes of the
2004 Plan,
employee
includes a chief
executive officer
or other officer or
person who
performs
management and
policymaking
functions with
respect to a
subsidiary of the
Company located
outside the
United States, but
who is not an
employee of the
subsidiary, such
as Mr. Varagne.
In the case of
termination
without cause,
the option will be
exercisable only
to the extent that
it has vested as of
the date of
termination of
employment and
the option will
terminate upon
the earlier of the
expiration date of
the option or the
expiration of the
13-month period
commencing on
the date of
termination of
employment. If
termination of
employment
occurs due to

retirement or disability, the option term is shortened to the earlier of the third anniversary of the date of such termination of employment, or the original expiration date, and vesting continues in accordance with the original vesting schedule. In the event of death of the optionee while an employee, the option will become fully vested and the option term will be shortened to the earlier of the expiration of the 12-month period following the optionee's death, or the original expiration date. For Mr. Varagne, termination due to retirement, disability or death is treated differently than for U.S. employees. If his termination occurs due to retirement or disability, the option will become exercisable as if he had remained chief executive officer of Antargaz for

48 months after the date of such termination and the option will terminate upon the earlier of the expiration date of the option or the expiration of the 48-month period commencing on the date of termination. In the event of Mr. Varagne's death while chief executive officer of Antargaz, the option will become fully vested and the option will expire six months following the date of death. Options are subject to adjustment in the event of recapitalizations, stock splits, mergers, and other similar corporate transactions affecting the Company's common stock. In the event of a change in control, unvested options become exercisable.

- (4) Mr. Varagne is paid in euros. In calculating the dollar equivalent for disclosure purposes, we converted

amounts in euros
into dollars based
on the monthly
average exchange
rate of \$1.36 per
euro for Fiscal
2010.

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Table of Contents**Outstanding Equity Awards at Year-End**

The following table shows the outstanding stock option and performance unit awards held by the named executive officers at September 30, 2010.

Outstanding Equity Awards at Year-End Table Fiscal 2010

Name	Option Awards				Stock Awards			
	Number of Securities Underlying Unexercised Options	Number of Securities Underlying Unexercisable Options	Exercise Price	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested	Market Value of Shares or Units of Stock That Have Not Vested	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Rights That Have Not Vested	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Rights That Have Not Vested
(a)	(b)	(c)	(e)	(f)	(g)	(h)	(i)	(j)
L.R. Greenberg	135,000 ⁽¹⁾		16.99	12/31/2013	0	0	123,060 ⁽¹⁶⁾	3,520,747
	350,000 ⁽²⁾		20.47	12/31/2014			70,000 ⁽¹⁷⁾	2,002,700
	250,000 ⁽³⁾		20.48	12/31/2015			70,000 ⁽¹⁸⁾	2,002,700
	280,000 ⁽⁴⁾		27.28	12/31/2016				
	200,000 ⁽⁵⁾	100,000 ⁽⁵⁾	27.25	12/31/2017				
	100,000 ⁽⁶⁾	200,000 ⁽⁶⁾	24.42	12/31/2018				
		300,000 ⁽⁷⁾	24.19	12/31/2019				
J.L. Walsh	270,000 ⁽⁸⁾		22.92	03/31/2015	0	0	47,466 ⁽¹⁶⁾	1,358,002
	120,000 ⁽⁴⁾		27.28	12/31/2016			28,000 ⁽¹⁷⁾	801,080
	80,000 ⁽⁵⁾	40,000 ⁽⁵⁾	27.25	12/31/2017			28,000 ⁽¹⁸⁾	801,080
	41,666 ⁽⁶⁾	83,334 ⁽⁶⁾	24.42	12/31/2018				
		125,000 ⁽⁷⁾	24.19	12/31/2019				
P. Kelly	50,000 ⁽⁹⁾		25.74	09/03/2017	0	0	26,370 ⁽¹⁶⁾	754,446
	36,666 ⁽⁵⁾	18,334 ⁽⁵⁾	27.25	12/31/2017			17,000 ⁽¹⁷⁾	486,370
	23,333 ⁽⁶⁾	46,667 ⁽⁶⁾	24.42	12/31/2018			17,000 ⁽¹⁸⁾	486,370
		77,000 ⁽⁷⁾	24.19	12/31/2019				
E.V.N. Bissell	21,667 ⁽³⁾		20.48	12/31/2015	0	0	15,636 ⁽¹⁹⁾	700,649
	70,000 ⁽⁴⁾		27.28	12/31/2016			20,000 ⁽²⁰⁾	896,200
	43,333 ⁽⁵⁾	21,667 ⁽⁵⁾	27.25	12/31/2017			17,000 ⁽²¹⁾	761,770
	25,000 ⁽⁶⁾	50,000 ⁽⁶⁾	24.42	12/31/2018				

		80,000 ⁽⁷⁾	24.19	12/31/2019			
F. Varagne	60,000 ⁽¹⁰⁾		20.47	06/30/2014	0	0	
	52,000 ⁽¹¹⁾		20.48	06/30/2015			18,500 ⁽¹⁶⁾ 529,285
		57,000 ⁽¹²⁾	27.28	06/30/2016			18,500 ⁽¹⁷⁾ 529,285
		57,000 ⁽¹³⁾	28.02	12/16/2017			18,500 ⁽¹⁸⁾ 529,285
		57,000 ⁽¹⁴⁾	26.51	02/12/2019			
		57,000 ⁽¹⁵⁾	24.19	06/30/2019			

Note: Column (d) was intentionally omitted.

(1) These options were granted effective January 1, 2004 and were fully vested on January 1, 2007.

(2) These options were granted effective January 1, 2005 and were fully vested on January 1, 2008.

(3) These options were granted effective January 1, 2006 and were fully vested on January 1, 2009.

(4) These options were granted effective January 1, 2007 and were fully vested on January 1, 2010.

(5) These options were granted effective January 1, 2008. These options vest 33

1/3 percent on
each
anniversary of
the grant date
and will be fully
vested on
January 1, 2011.

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- (6) These options were granted effective January 1, 2009. These options vest 33 1/3 percent on each anniversary of the grant date and will be fully vested on January 1, 2012.
- (7) These options were granted effective January 1, 2010. These options vest 33 1/3 percent on each anniversary of the grant date and will be fully vested on January 1, 2013.
- (8) These options were granted effective April 1, 2005 and were fully vested on April 1, 2008.
- (9) These options were granted effective September 4, 2007 and were fully vested on September 4, 2010.
- (10) These options were granted effective

January 1, 2005
and were fully
vested on
January 1, 2009.

(11) These options
were granted
effective
January 1, 2006
and were fully
vested on
January 1, 2010.

(12) These options
were granted
effective
January 1, 2007
and will be fully
vested on
January 1, 2011.

(13) These options
were granted
effective
June 17, 2008
and will be fully
vested on
June 17, 2012.

(14) These options
were granted
effective
August 13, 2009
and will be fully
vested on
August 13,
2013.

(15) These options
were granted
effective
January 1, 2010
and will be fully
vested on
January 1, 2014.

(16) The amount
shown is an
estimate based
on a target
award of

performance
units effective
January 1, 2008.

The
performance
measurement
period for these
performance
units is
January 1, 2008
through
December 31,
2010. The
estimated
number of
performance
units which may
be earned at the
end of the
performance
period is based
on the
Company's TSR
for the period
January 1, 2008
through
September 30,
2010, relative to
that of each of
the companies
in the S&P
Utilities Index
as of
December 31,
2007, except for
Mr. Varagne.
For
Mr. Varagne,
the actual
number of
performance
units earned
may not exceed
the number
shown, but may
be lower, or
even zero. As of
September 30,
2010, the
Company's TSR
ranking

qualified for
175.8 %
leverage of the
target number of
performance
units originally
granted. The
actual number
of performance
units and
accompanying
dividend
equivalents
earned may be
higher (up to
200% of the
target award,
except for
Mr. Varagne) or
lower than the
amount shown,
based on TSR
performance
through the end
of the
performance
period. See
Compensation
Discussion and
Analysis -
Long-Term
Compensation
Fiscal 2010
Equity Awards
for more
information on
the TSR
performance
goal
measurements.

- (17) These
performance
units were
awarded
January 1, 2009.
The
measurement
period for the
performance
goal is

January 1, 2009 through December 31, 2011. The performance goal is the same as described in footnote 16, but it is measured for a different three-year period. The performance units will be payable, if at all, on January 1, 2012.

- (18) These performance units were awarded January 1, 2010. The measurement period for the performance goal is January 1, 2010 through December 31, 2012. The performance goal is the same as described in footnote 16, but it is measured for a different three-year period. The performance units will be payable, if at all, on January 1, 2013.

- (19) The amount shown is an estimate based on a target award of

restricted units
effective
January 1, 2008.

The
performance
measurement
period for these
restricted units
is January 1,
2008 through
December 31,
2010. The
estimated
number of
restricted units
which may be
earned at the
end of the
performance
period is based
on the
AmeriGas
Partners TUR
for the period
January 1, 2008
through
September 30,
2010, relative to
that of each
member of a
peer group of
publicly-traded
master limited
partnerships in
the propane,
pipeline and
coal industries
as of the award
date. As of
September 30,
2010, the
AmeriGas
Partners TUR
ranking
qualified for
130.3%
leverage of the
target number of
restricted units
originally
granted. The

actual number of restricted units and accompanying distribution equivalents earned may be higher (up to 200% of the target award) or lower than the amount shown, based on TUR performance through the end of the performance period. See Compensation Discussion and Analysis - Long-Term Compensation Fiscal 2010 Equity Awards for more information on the TUR performance goal measurements.

- (20) These restricted units were awarded January 1, 2009. The measurement period for the performance goal is January 1, 2009 through December 31, 2011. The performance goal is the same as described in footnote 19, but it is measured for a different

three-year
period. The
restricted units
will be payable,
if at all, on
January 1, 2012.

- (21) These restricted
units were
awarded
December 31,
2009. The
measurement
period for the
performance
goal is
January 1, 2010
through
December 31,
2012. The
performance
goal is the same
as described in
footnote 19, but
it is measured
for a different
three-year
period and
AmeriGas
Partners TUR is
measured
relative to that
of each of the
master limited
partnerships in
the Alerian
MLP Index as
of December 31,
2009. The
performance
units will be
payable, if at all,
on January 1,
2013.

Table of Contents***Option Exercises and Stock Vested in Fiscal 2010***

The following table sets forth (i) the number of shares of UGI Corporation common stock acquired by the named executive officers in Fiscal 2010 from the exercise of stock options, (ii) the value realized by those officers upon the exercise of stock options based on the difference between the market price for our common stock on the date of exercise and the exercise price for the options, (iii) the number of performance units and stock units previously granted to the named executive officers that vested in Fiscal 2010, and (iv) the value realized by those officers upon the vesting of such units based on the closing market price for shares of our common stock, or for Mr. Bissell, common units of AmeriGas Partners, on the vesting date.

Option Exercises and Stock Vested Table Fiscal 2010

Name	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise (#) (a)	Value Realized on Exercise (\$) (c)	Number of Shares Acquired on Vesting (#) (d)	Value Realized on Vesting (\$) (e)
L.R. Greenberg	150,000	1,522,500	72,960	1,764,902
J.L. Walsh	65,000	428,724	31,616	764,791
P. Kelly	0	0	12,160	294,150
E.V.N. Bissell	0	0	20,356	806,098
F. Varagne	70,000	798,700	11,248	272,089

Table of Contents***Pension Benefits***

The following table shows (i) the number of years of credited service for the named executive officers under the Company's defined benefit retirement plan (which we refer to below as the UGI Utilities, Inc. Retirement Plan), its supplemental executive retirement plan (which we refer to below as the UGI SERP), and the Antargaz Supplemental Executive Retirement Plan, (ii) the actuarial present value of accumulated benefits under those plans as of September 30, 2010, and (iii) any payments made to the named executive officers in Fiscal 2010 under those plans.

Pension Benefits Table Fiscal 2010

Name	Plan Name	Number of Years Credited	Present Value of Accumulated Benefit	Payments During Last Fiscal Year
(a)	(b)	(c)	(d)	(e)
L.R. Greenberg	UGI SERP	30	14,360,305	0
	UGI Utilities, Inc. Retirement Plan	30	1,453,430	0
J.L. Walsh	UGI SERP	5	1,011,343	0
	UGI Utilities, Inc. Retirement Plan	5	195,653	0
P. Kelly	UGI SERP	3	305,448	0
	UGI Utilities, Inc. Retirement Plan	3	107,637	0
E.V.N. Bissell ⁽¹⁾	UGI Utilities, Inc. Retirement Plan	6	32,835	0
F. Varagne	Antargaz Supplemental Executive Retirement Plan	1	222,122	0

(1) Mr. Bissell has a vested annual benefit of approximately \$3,300 under the Company's defined benefit pension plan, based on prior credited service. Mr. Bissell is not a current

participant in
the Company's
defined benefit
retirement plan.

The Company participates in the UGI Utilities, Inc. Retirement Plan, a qualified defined benefit retirement plan (Pension Plan) to provide retirement income to its employees. The Pension Plan pays benefits based upon final average earnings, consisting of base salary or wages and annual bonuses, and years of credited service. Benefits vest after the participant completes five years of vesting service.

The Pension Plan provides normal annual retirement benefits at age 65, unreduced early retirement benefits at age 62 with ten years of service and reduced, but subsidized, early retirement benefits at age 55 with ten years of service. Employees terminating prior to early retirement eligibility are eligible to receive a benefit under the plan formula commencing at age 65 or an unsubsidized benefit as early as age 55, provided they had 10 years of service at termination. Employees who have attained age 50 with 15 years of service and are involuntarily terminated by the Company prior to age 55 are also eligible for subsidized early retirement benefits, beginning at age 55.

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The Pension Plan's normal retirement benefit formula is (A) (B) and is shown below:

A. = The minimum of (1) and (2), where

(1) = 1.9% of five-year final average earnings (as defined in the Pension Plan) multiplied by years of service;

(2) = 60% of the highest year of earnings; and

B. = 1% of the estimated primary Social Security benefit multiplied by years of service.

The amount of the benefit produced by the formula will be reduced by an early retirement factor based on the employee's actual age in years and months as of his early retirement date. The reduction factors range from 65 percent at age 55 to 100 percent (no reduction) at age 62.

The normal form of benefit under the Pension Plan for a married employee is a 50 percent joint and survivor lifetime annuity. Regardless of marital status, a participant may choose from a number of lifetime annuity payments.

The Pension Plan is subject to qualified-plan Code limits on the amount of annual benefit that may be paid, and on the amount of compensation that may be taken into account in calculating retirement benefits under the plan. For 2010, the limit on the compensation that may be used is \$245,000 and the limit on annual benefits payable for an employee retiring at age 65 in 2010 is \$195,000. Benefits in excess of those permitted under the statutory limits are paid from the Company's Supplemental Executive Retirement Plan, described below.

Mr. Greenberg and Mr. Bissell are currently eligible for early retirement benefits under the Pension Plan.

UGI Corporation Supplemental Executive Retirement Plan

The Company's Supplemental Executive Retirement Plan (SERP) is a non-qualified defined benefit plan that provides retirement benefits that would otherwise be provided under the Pension Plan, but are prohibited from being paid from the Pension Plan by Code limits. The benefit paid by the SERP is approximately equal to the difference between the benefits provided under the Pension Plan and benefits that would have been provided by the Pension Plan if not for the limitations of the Employee Retirement Income Security Act of 1974, as amended, and the Code. Benefits vest after the participant completes 5 years of vesting service. The benefits earned under the SERP are payable in the form of a lump sum payment. For participants who attained age 50 prior to January 1, 2004, the lump sum payment is calculated using two interest rates. One rate is for the service prior to January 1, 2004 and the other is for service after January 1, 2004. The rate for pre-January 1, 2004 service is the daily average of Moody's Aaa bond yields for the month in which the participant's termination date occurs, plus 50 basis points, and tax-adjusted using the highest marginal federal tax rate. The interest rate for post-January 1, 2004 service is the daily average of ten-year Treasury Bond yields in effect for the month in which the participant's termination date occurs. The latter rate is used for calculating the lump sum payment for participants attaining age 50 on or after January 1, 2004. Payment is due within 60 days after the termination of employment, except as required by Section 409A of the Code. If payment is required to be delayed by Section 409A of the Code, payment is made within 15 days after expiration of a six-month postponement period following separation from service as defined in the Code. Amounts payable under the SERP may be deferred in accordance with the Company's 2009 Deferral Plan. See Compensation Discussion and Analysis UGI Corporation 2009 Deferral Plan.

Table of Contents**Actuarial Assumptions Used to Determine Values in the Pension Benefits Table Fiscal 2010**

The amounts shown in the Pension Benefits Table above are actuarial present values of the benefits accumulated through September 30, 2010. An actuarial present value is calculated by estimating expected future payments starting at an assumed retirement age, weighting the estimated payments by the estimated probability of surviving to each post-retirement age, and discounting the weighted payments at an assumed discount rate to reflect the time value of money. The actuarial present value represents an estimate of the amount which, if invested today at the discount rate, would be sufficient on an average basis to provide estimated future payments based on the current accumulated benefit. The assumed retirement age for each named executive is age 62, which is the earliest age at which the executive could retire without any benefit reduction due to age. Actual benefit present values will vary from these estimates depending on many factors, including an executive's actual retirement age. The key assumptions included in the calculations are as follows:

	September 30, 2010	September 30, 2009
Discount rate for Pension Plan for all purposes and for SERP, for pre-commencement calculations	5.00 percent	5.50 percent
SERP lump sum rate	3.30 percent	3.60 percent
Discount rate for Antargaz SERP	4.00 percent	5.00 percent
Retirement age	62 (65 for Antargaz SERP)	62 (65 for Antargaz SERP)
Post-retirement mortality for Pension Plan	RP-2000, combined, healthy table projected to 2017 using Scale AA without collar adjustments	RP-2000, combined, healthy table projected to 2015 using Scale AA without collar adjustments
Post-retirement mortality for SERP	1994 GAR Unisex	1994 GAR Unisex
Pre-retirement mortality	None	None
Termination and disability rates	None	None
Form of payment for Pension Plan	Single life annuity	Single life annuity
Form of payment for SERP	Lump sum	Lump sum
Form of payment for Antargaz SERP	Single life annuity	Single life annuity

Table of Contents**Antargaz Supplemental Executive Retirement Plan**

This plan provides supplemental retirement income to certain management-level individuals of Antargaz, including Mr. Varagne, who have at least five years of service with Antargaz. Mr. Varagne has satisfied the five-year service requirement. For purposes of accumulating benefits under the plan, benefits began accruing September 1, 2009 and Antargaz is obligated to purchase an annuity annually on behalf of Mr. Varagne. The amount of the annuity is based on Mr. Varagne's length of service with Antargaz (up to a maximum of ten years) and Mr. Varagne's average annual remuneration for the prior three-year period in excess of six times the Social Security annual ceiling in France. The annuity paid may not exceed 15 percent of Mr. Varagne's final average remuneration for the thirty-six month period immediately preceding retirement. The annuity amount is also reduced by any other supplemental retirement income, other than statutory retirement schemes, payable to Mr. Varagne. Mr. Varagne is entitled to receive benefits under the plan upon retirement only if he is a corporate officer of Antargaz at the time of his retirement, is at least 62 years of age and immediately after retirement begins receiving benefits from the compulsory Social Security retirement system in France.

Nonqualified Deferred Compensation

The following table shows the contributions, earnings, withdrawals and account balances for each of the named executive officers who participate in the Company's Supplemental Savings Plan, the AmeriGas Propane, Inc. Supplemental Executive Retirement Plan (AmeriGas SERP), the AmeriGas Propane, Inc. Nonqualified Deferred Compensation Plan and the Antargaz Defined Contribution Plan.

Nonqualified Deferred Compensation Table Fiscal 2010

Name	Plan Name	Executive	Employer	Aggregate	Aggregate	Aggregate
		Contributions	Contributions	Earnings	Withdrawals/	Balance
		in Last	in Last	in Last	Distributions	at
		Fiscal	Fiscal Year	Fiscal		Last
		Year (\$)	Year (\$)	Year (\$)		Fiscal
	(a)	(b)	(c)	(d)	(e)	Year-End
						(\$) ⁽⁴⁾
L.R. Greenberg	UGI Supplemental Savings Plan	0	54,318 ⁽¹⁾	0	0	665,635
J.L. Walsh	UGI Supplemental Savings Plan	0	27,568 ⁽¹⁾	0	0	102,457
P. Kelly	UGI Supplemental Savings Plan	0	14,810 ⁽¹⁾	0	0	14,810
E.V.N. Bissell	AmeriGas SERP	0	71,717 ⁽²⁾	66,265	0	836,115
	AmeriGas Nonqualified Deferred Compensation Plan	0	0	2,607	0	33,107
F. Varagne	Antargaz Defined Contribution Plan	0	14,498 ⁽³⁾	0	0	14,498

(1) This amount represents the employer contribution to the Company's Supplemental

Savings Plan,
which is also
reported in the
Summary
Compensation
Table Fiscal
2010 in the All
Other
Compensation
column.

(2) This amount
represents the
employer
contribution to
the AmeriGas
SERP, which is
also reported in
the Summary
Compensation
Table Fiscal
2010 in the All
Other
Compensation
column.

(3) This amount
represents the
employer
contribution to
the Antargaz
Defined
Contribution
Plan, which is
also reported in
the Summary
Compensation
Table Fiscal
2010 in the All
Other
Compensation
column.

(4) The aggregate
balances include
the following
aggregate
amounts
previously
reported in the
Summary

Compensation
Table in prior
years:
Mr. Greenberg,
\$592,820;
Mr. Walsh,
\$87,584; Mr.
Bissell,
\$635,662;
Mr. Kelly,
\$14,810; and
Mr. Varagne,
\$0.

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The UGI Corporation Supplemental Savings Plan (SSP) is a nonqualified deferred compensation plan that provides benefits to certain employees that would be provided under the Company s qualified 401(k) Savings Plan in the absence of Code limitations. Benefits vest after the participant completes five years of service. The SSP is intended to pay an amount substantially equal to the difference between the Company matching contribution that would have been made under the 401(k) Savings Plan if the Code limitations were not in effect, and the Company match actually made under the 401(k) Savings Plan. The Code compensation limits for 2008, 2009 and 2010 were \$230,000, \$245,000 and \$245,000, respectively. The Code contribution limits for 2008, 2009 and 2010 were \$46,000, \$49,000 and \$49,000, respectively. Under the SSP, the participant is credited with a Company match on compensation in excess of Code limits using the same formula applicable to contributions to the Company s 401(k) Savings Plan, which is a match of 50 percent on the first 3 percent of eligible compensation, and a match of 25 percent on the next 3 percent, assuming that the employee contributed to the 401(k) Savings Plan the lesser of 6 percent of eligible compensation or the maximum amount permissible under the Code. Amounts credited to the participant s account are credited with interest. The rate of interest currently in effect is the rate produced by blending the annual return on the Standard and Poor s 500 Index (60 percent weighting) and the annual return on the Barclays Capital U.S. Aggregate Bond Index (40 percent weighting). Account balances are payable in a lump sum within 60 days after termination of employment, except as required by Section 409A of the Code. If payment is required to be delayed by Section 409A of the Code, payment is made within 15 days after expiration of a six-month postponement period following separation from service as defined in the Code.

The AmeriGas SERP is a nonqualified deferred compensation plan that is intended to provide retirement benefits to certain AmeriGas Propane employees. Under the plan, AmeriGas Propane credits to each participant s account annually an amount equal to 5 percent of the participant s compensation (salary and annual bonus) up to the Code compensation limit (\$245,000 in 2010) and 10 percent of compensation in excess of such limit. In addition, if any portion of AmeriGas Propane s matching contribution under the AmeriGas Propane, Inc. qualified 401(k) Savings Plan (AmeriGas 401(k) Savings Plan) is forfeited due to nondiscrimination requirements under the Code, the forfeited amount, adjusted for earnings and losses on the amount, will be credited to a participant s account. Benefits vest on the fifth anniversary of a participant s employment commencement date. Participants direct the investment of their account balances among a number of funds, which are generally the same funds available to participants in the AmeriGas 401(k) Savings Plan, other than the Company s stock fund. Account balances are payable in a lump sum within 60 days after termination of employment, except as required by Section 409A of the Code. If payment is required to be delayed by Section 409A of the Code, payment is made within 15 days after expiration of a six-month postponement period following separation from service as defined in the Code. Amounts payable under the AmeriGas SERP may be deferred in accordance with the Company s 2009 Deferral Plan. See Compensation Discussion and Analysis UGI Corporation 2009 Deferral Plan.

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The AmeriGas Propane, Inc. Nonqualified Deferred Compensation Plan is a nonqualified deferred compensation plan that provides benefits to certain employees that would otherwise be provided under the AmeriGas 401(k) Savings Plan. The plan is intended to permit participants to defer up to \$10,000 of annual compensation that would generally not be eligible for contribution to the AmeriGas 401(k) Savings Plan due to Code limitations and nondiscrimination requirements. Participants may direct the investment of deferred amounts into a number of funds. The funds available are the same funds available under the AmeriGas 401(k) Savings Plan, other than the UGI Corporation stock fund. Account balances are payable in a lump sum within 60 days after termination of employment, except as required by Section 409A of the Code. If payment is required to be delayed by Section 409A of the Code, payment is made within 15 days after expiration of a six-month postponement period following separation from service as defined in the Code.

Antargaz Supplemental Retirement Plan

Defined Contribution Plan

This plan provides supplemental retirement income to certain management-level individuals of Antargaz, including Mr. Varagne, who have at least one year of service with Antargaz. Under the plan, Antargaz is obligated to contribute to Mr. Varagne's account 5 percent of his total remuneration that is subject to social security contributions; provided that Antargaz's 5 percent contribution will only apply to Mr. Varagne's remuneration that is less than or equal to six times the Social Security ceiling in France. The ceiling in 2010 was 34,620. Investment of contributions to the plan is managed by an insurance company. Upon Mr. Varagne's retirement, payment will be made by the insurance company to Mr. Varagne in the form of a life annuity based on the contributions to Mr. Varagne's account. Mr. Varagne is entitled to receive benefits under the plan upon retirement regardless of whether he is a corporate officer of Antargaz at the time of his retirement.

Potential Payments Upon Termination or Change in Control

Severance Pay Plan for Senior Executive Employees

Named Executive Officers Employed by UGI Corporation. The UGI Corporation Senior Executive Employee Severance Plan (the "UGI Severance Plan") provides for payment to certain senior level employees of UGI, including Messrs. Greenberg, Walsh, and Kelly, in the event their employment is terminated without fault on their part. Benefits are payable to a senior executive covered by the UGI Severance Plan if the senior executive's employment is involuntarily terminated for any reason other than for just cause or as a result of the senior executive's death or disability. Under the UGI Severance Plan, just cause generally means (i) dismissal of an executive due to misappropriation of funds, (ii) substance abuse or habitual insobriety that adversely affects the executive's ability to perform his or her job, (iii) conviction of a crime involving moral turpitude, or (iv) gross negligence in the performance of duties.

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Except as provided herein, the UGI Severance Plan provides for cash payments equal to a participant's compensation for a period of time ranging from six months to 18 months, depending on length of service (the Continuation Period). In the case of Mr. Greenberg, the Continuation Period is 30 months; for Mr. Walsh, the Continuation Period ranges from 12 months to 24 months, depending on length of service. In addition, a participant receives the cash equivalent of his target bonus under the Annual Bonus Plan, pro-rated for the number of months served in the fiscal year prior to termination. However, if the termination occurs in the last two months of the fiscal year, we have the discretion to determine whether the participant will receive a pro-rated target bonus, or the actual annual bonus which would have been paid after the end of the fiscal year, assuming that the participant's entire bonus was contingent on meeting the applicable financial performance goal, pro-rated for the number of months served. The levels of severance payments were established by the Committee based on competitive practice and are reviewed by management and the Compensation and Management Development Committee from time to time.

Under the UGI Severance Plan, a participant also receives a payment equal to the cost the participant would have incurred to continue medical and dental coverage under the Company's plans for the Continuation Period (less the amount the participant would be required to contribute for such coverage if the participant were an active employee). This amount includes a tax gross-up payment equal to 75 percent of the payment relating to the medical and dental coverage. The maximum period for calculating the payment of such benefits is 18 months (30 months in the case of Mr. Greenberg and 24 months in the case of Mr. Walsh). The UGI Severance Plan also provides for outplacement services for a period of 12 months following a participant's termination of employment, and reimbursement for tax preparation services for the final year of employment. Provided that the participant is eligible to retire, all payments under the UGI Severance Plan may be reduced by an amount equal to the fair market value of certain equity-based awards, other than stock options, payable to the participant after the termination of employment.

In order to receive benefits under the UGI Severance Plan, a participant is required to execute a release which discharges UGI and its subsidiaries from liability for any claims the senior executive may have against any of them, other than claims for amounts or benefits due to the executive under any plan, program or contract provided by or entered into with UGI or its subsidiaries. The UGI Severance Plan also requires a senior executive to ratify any existing post-employment activities agreement (which restricts the senior executive from competing with UGI and its affiliates following termination of employment) and to cooperate in attending to matters pending at the time of termination of employment.

Named Executive Officers Employed by AmeriGas Propane. The AmeriGas Propane, Inc. Senior Executive Employee Severance Plan (the AmeriGas Severance Plan) provides for payment to certain senior level employees of AmeriGas Propane, including Mr. Bissell, in the event their employment is terminated without fault on their part. Specified benefits are payable to a senior executive covered by the AmeriGas Severance Plan if the senior executive's employment is involuntarily terminated for any reason other than for just cause or as a result of the senior executive's death or disability. Under the AmeriGas Severance Plan, just cause generally means (i) dismissal of an executive due to misappropriation of funds, (ii) substance abuse or habitual insobriety that adversely affects the executive's ability to perform his job, (iii) conviction of a crime involving moral turpitude, or (iv) gross negligence in the performance of duties.

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Except as provided herein, the AmeriGas Severance Plan provides for cash payments equal to a participant's compensation for a period of time ranging from six months to 18 months, depending on length of service (the Continuation Period). In the case of Mr. Bissell, the Continuation Period ranges from 12 months to 24 months, depending on length of service. In addition, a participant receives the cash equivalent of his target bonus under the Annual Bonus Plan, pro-rated for the number of months served in the fiscal year. However, if the termination occurs in the last two months of the fiscal year, AmeriGas Propane has the discretion to determine whether the participant will receive a pro-rated target bonus, or the actual annual bonus which would have been paid after the end of the fiscal year, provided that the weighting to be applied to the participant's business/financial goals under the AmeriGas Propane Annual Bonus Plan will be deemed to be 100 percent, pro-rated for the number of months served. The levels of severance payments were established by the Committee based on competitive practice and are reviewed by management and the AmeriGas Propane Compensation/Pension Committee from time to time.

Under the AmeriGas Severance Plan, a participant also receives a payment equal to the cost the participant would have incurred to continue medical and dental coverage under AmeriGas Propane's plans for the Continuation Period (less the amount the participant would be required to contribute for such coverage if the participant were an active employee). This amount includes a tax gross-up payment equal to 75 percent of the payment relating to the medical and dental coverage. The AmeriGas Severance Plan also provides for outplacement services for a period of 12 months following a participant's termination of employment, and reimbursement for tax preparation services for the final year of employment. Provided that the participant is eligible to retire, all payments under the AmeriGas Severance Plan may be reduced by an amount equal to the fair market value of certain equity-based awards, other than stock options, payable to the participant after the termination of employment.

In order to receive benefits under the AmeriGas Severance Plan, a participant is required to execute a release which discharges AmeriGas Propane and its affiliates from liability for any claims the senior executive may have against any of them, other than claims for amounts or benefits due to the executive under any plan, program or contract provided by or entered into with AmeriGas Propane or its affiliates. Each senior executive is also required to ratify any existing post-employment activities agreement (which restricts the senior executive from competing with AmeriGas Partners and its affiliates following termination of employment) and to cooperate in attending to matters pending at the time of termination of employment.

Severance Arrangement for Mr. Varagne

Mr. Varagne has an agreement with our French subsidiary, AGZ Holding, which provides severance benefits in the event that his employment is terminated without cause on his part. Cause in this context is severe or gross negligence in the performance of his duties as Chairman of the Board and General Director of Antargaz. The agreement provides for a cash payment equal to one year of compensation, based on compensation received in the twelve months prior to the effective date of termination. Like the UGI Corporation and AmeriGas Propane, Inc. Executive Severance Plans, Mr. Varagne's agreement requires that he execute a release discharging the Company and its subsidiaries from liability in connection with the termination of his employment prior to receipt of severance payments.

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Change in Control Arrangements

Named Executive Officers Employed by UGI Corporation. Messrs. Greenberg, Walsh, and Kelly each have an agreement with the Company which provides benefits in the event of a change in control. The agreements have a term of three years with automatic one-year extensions beginning May 2011, unless in each case, prior to a change in control, the Company terminates an agreement. In the absence of a change in control or termination by the Company, each agreement will terminate when, for any reason, the executive terminates his employment with the Company. A change in control is generally deemed to occur in the following instances:

Any person (other than certain persons or entities affiliated with the Company), together with all affiliates and associates of such person, acquires securities representing 20 percent or more of either (i) the then outstanding shares of common stock, or (ii) the combined voting power of the Company's then outstanding voting securities;

Individuals, who at the beginning of any 24-month period constitute the Board of Directors (the Incumbent Board) and any new Director whose election by the Board of Directors, or nomination for election by the Company's shareholders, was approved by a vote of at least a majority of the Incumbent Board, cease for any reason to constitute a majority;

The Company is reorganized, merged or consolidated with or into, or sells all or substantially all of its assets to, another corporation in a transaction in which former shareholders of the Company do not own more than 50 percent of, respectively, the outstanding common stock and the combined voting power of the then outstanding voting securities of the surviving or acquiring corporation; or

The Company is liquidated or dissolved.

The Company will provide Messrs. Greenberg, Walsh, and Kelly with cash benefits (Benefits) if we terminate the executive's employment without cause or if the executive terminates employment for good reason at any time within two years following a change in control of the Company. Cause generally includes (i) misappropriation of funds, (ii) habitual insobriety or substance abuse, (iii) conviction of a crime involving moral turpitude, or (iv) gross negligence in the performance of duties, which gross negligence has had a material adverse effect on the business, operations, assets, properties or financial condition of the Company. Good reason generally includes a material diminution in authority, duties, responsibilities or base compensation; a material breach by the Company of the terms of the agreement; and substantial relocation requirements. If the events trigger a payment following a change in control, the Benefits payable to each of Messrs. Greenberg, Walsh, and Kelly will be as specified under his change in control agreement unless payments under the UGI Severance Plan described above would be greater, in which case Benefits would be provided under the UGI Severance Plan.

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Benefits under this arrangement would be equal to three times the executive officer's base salary and annual bonus. Each would also receive the cash equivalent of his target bonus, prorated for the number of months served in the fiscal year. In addition, Messrs. Greenberg, Walsh, and Kelly are each entitled to receive a payment equal to the cost he would incur if he enrolled in the Company's medical and dental plans for three years (less the amount he would be required to contribute for such coverage if he were an active employee). This payment would include a tax gross-up payment equal to 75 percent of the total amount payable. Messrs. Greenberg, Walsh, and Kelly would also have benefits under the Company's Supplemental Executive Retirement Plan calculated as if each of them had continued in employment for three years. In addition, outstanding performance units, stock units and dividend equivalents will be paid in cash based on the fair market value of the Company's common stock in an amount equal to the greater of (i) the target award, or (ii) the award amount that would have been paid if the performance unit measurement period ended on the date of the change in control, as determined by the Compensation and Management Development Committee. For treatment of stock options, see the Grants of Plan - Based Awards Table - Fiscal 2010.

The Benefits are subject to a conditional gross-up for excise and related taxes in the event they would constitute excess parachute payments, as defined in Section 280G of the Code. The Company will provide the tax gross-up if the aggregate parachute value of Benefits is greater than 110 percent of the maximum amount that may be paid under Section 280G of the Code without imposition of an excise tax. If the parachute value does not exceed the 110 percent threshold, the Benefits for each of Messrs. Greenberg, Walsh, and Kelly will be reduced to the extent necessary to avoid imposition of the excise tax on excess parachute payments.

In order to receive benefits under his change in control agreement, each of Messrs. Greenberg, Walsh, and Kelly is required to execute a release which discharges the Company and its subsidiaries from liability for any claims the senior executive may have against any of them, other than claims for amounts or benefits due to the executive under any plan, program or contract provided by or entered into with the Company or its subsidiaries.

Named Executive Officers Employed by AmeriGas Propane, Inc. Mr. Bissell has an agreement with AmeriGas Propane that provides benefits in the event of a change in control. His agreement has a term of three years and is automatically extended for one-year terms beginning May 2011 unless, prior to a change in control, AmeriGas Propane terminates his agreement. In the absence of a change in control or termination by AmeriGas Propane, his agreement will terminate when, for any reason, he terminates his employment with AmeriGas Propane. A change in control is generally deemed to occur in the following instances:

Any person (other than certain persons or entities affiliated with the Company), together with all affiliates and associates of such person, acquires securities representing 20 percent or more of either (i) the then outstanding shares of common stock, or (ii) the combined voting power of the Company's then outstanding voting securities;

Individuals, who at the beginning of any 24-month period constitute the Company's Board of Directors (the Incumbent Board) and any new Director whose election by the Board of Directors, or nomination for election by the Company's shareholders, was approved by a vote of at least a majority of the Incumbent Board, cease for any reason to constitute a majority;

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The Company is reorganized, merged or consolidated with or into, or sells all or substantially all of its assets to, another corporation in a transaction in which former shareholders of the Company do not own more than 50 percent of, respectively, the outstanding common stock and the combined voting power of the then outstanding voting securities of the surviving or acquiring corporation;

AmeriGas Propane, AmeriGas Partners or AmeriGas Propane, L.P. is reorganized, merged or consolidated with or into, or sells all or substantially all of its assets to, another entity in a transaction with respect to which all of the individuals and entities who were owners of the General Partner's voting securities or of the outstanding units of the Partnership immediately prior to such transaction do not, following such transaction, own more than 50 percent of, respectively, the outstanding common stock and the combined voting power of the then outstanding voting securities of the surviving or acquiring corporation, or if the resulting entity is a partnership, the former unitholders do not own more than 50 percent of the outstanding common units in substantially the same proportion as their ownership immediately prior to the transaction;

The Company, AmeriGas Propane, AmeriGas Partners or AmeriGas Propane, L.P. (the Operating Partnership) is liquidated or dissolved;

The Company fails to own more than 50 percent of the general partnership interests of AmeriGas Partners or the Operating Partnership;

The Company fails to own more than 50 percent of the outstanding shares of common stock of AmeriGas Propane; or

AmeriGas Propane is removed as the general partner of AmeriGas Partners or the Operating Partnership.

AmeriGas Propane will provide Mr. Bissell with cash benefits (Benefits) if there is a termination of his employment without cause or if he terminates employment for good reason at any time within two years following a change in control. Cause generally includes (i) misappropriation of funds, (ii) habitual insobriety or substance abuse, (iii) conviction of a crime involving moral turpitude, or (iv) gross negligence in the performance of duties, which gross negligence has had a material adverse effect on the business, operations, assets, properties or financial condition of AmeriGas Propane. Good reason generally includes a material diminution in authority, duties, responsibilities or base compensation; a material breach by AmeriGas Propane of the terms of the agreement; and substantial relocation requirements. If the events trigger a payment following a change in control, the benefits payable to Mr. Bissell will be as specified under his change in control agreement unless payments under the AmeriGas Severance Plan described above would be greater, in which case Benefits would be provided under the AmeriGas Severance Plan.

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Benefits under this arrangement would be equal to three times Mr. Bissell's base salary and annual bonus. Mr. Bissell would also receive the cash equivalent of his target bonus, prorated for the number of months served in the fiscal year. In addition, he is entitled to receive a payment equal to the cost he would incur if he enrolled in AmeriGas Propane's medical and dental plans for three years (less the amount he would be required to contribute for such coverage if he were an active employee). This payment would include a tax gross-up payment equal to 75 percent of the total amount payable. Mr. Bissell would also receive his benefits under the AmeriGas SERP calculated as if he had continued in employment for three years. In addition, outstanding performance units and distribution equivalents will be paid in cash based on the fair market value of AmeriGas Partners common units in an amount equal to the greater of (i) the target award, or (ii) the award amount that would have been paid if the measurement period ended on the date of the change in control, as determined by the AmeriGas Propane Compensation/Pension Committee. For treatment of stock options, see the Grants of Plan-Based Awards Table Fiscal 2010.

The Benefits are subject to a conditional gross-up for excise and related taxes in the event they would constitute excess parachute payments, as defined in Section 280G of the Code. AmeriGas Propane will provide the tax gross-up if the aggregate parachute value of Benefits is greater than 110 percent of the maximum amount that may be paid under Section 280G of the Code without imposition of an excise tax. If the parachute value does not exceed the 110 percent threshold, the Benefits for Mr. Bissell will be reduced to the extent necessary to avoid imposition of the excise tax on excess parachute payments.

In order to receive benefits under his change in control agreement, Mr. Bissell is required to execute a release which discharges AmeriGas Propane and its affiliates from liability for any claims he may have against any of them, other than claims for amounts or benefits due under any plan, program or contract provided by or entered into with AmeriGas Propane or its affiliates.

Potential Payments Upon Termination or Change in Control

The amounts shown in the table below are merely estimates of the incremental amounts that would be paid out to the named executive officers if their termination had occurred on the last day of Fiscal 2010. The actual amounts to be paid out can only be determined at the time of such named executive officer's termination of employment. The amounts set forth in the table below do not include compensation to which each named executive officer would be entitled without regard to his termination of employment, including (i) base salary and short-term incentives that have been earned but not yet paid, and (ii) amounts that have been earned, but not yet paid, under the terms of the plans reflected in the Pension Benefits Table Fiscal 2010 and the Nonqualified Deferred Compensation Table Fiscal 2010. There are no incremental payments in the event of voluntary resignation, termination for cause, disability or upon retirement.

Table of Contents**Potential Payments Upon Termination or Change in Control Table Fiscal 2010**

Name & Triggering Event	Severance Pay	Equity Awards with Accelerated Vesting(3)	Nonqualified Retirement Benefits(4)	Welfare & Other Benefits(5)	Total
L. R. Greenberg					
Death	\$ 0	\$ 8,206,630	\$ 0	\$ 0	\$ 8,206,630
Involuntary Termination Without Cause	\$ 6,405,000(1)	\$ 0	\$ 0	\$ 57,285	\$ 6,462,285
Termination Following Change in Control	\$ 7,771,113(2)	\$ 10,827,497	\$ 6,423,775	\$ 41,142	\$ 25,063,527
J. L. Walsh					
Death	\$ 0	\$ 3,268,423	\$ 0	\$ 0	\$ 3,268,423
Involuntary Termination Without Cause	\$ 2,055,305(1)	\$ 0	\$ 0	\$ 39,571	\$ 2,094,876
Termination Following Change in Control	\$ 4,300,495(2)	\$ 4,316,769	\$ 1,422,597	\$ 3,678,869	\$ 13,718,730
P. Kelly					
Death	\$ 0	\$ 1,894,681	\$ 0	\$ 0	\$ 1,894,681
Involuntary Termination Without Cause	\$ 799,090(1)	\$ 0	\$ 0	\$ 31,669	\$ 830,759
Termination Following Change in Control	\$ 2,733,834(2)	\$ 2,531,178	\$ 1,065,823	\$ 2,347,787	\$ 8,678,622
E. V.N. Bissell					
Death	\$ 0	\$ 2,144,606	\$ 0	\$ 0	\$ 2,144,606
Involuntary Termination Without Cause	\$ 1,874,438(1)	\$ 0	\$ 0	\$ 45,996	\$ 1,920,434
Termination Following Change in Control	\$ 3,038,000(2)	\$ 2,951,186	\$ 227,850	\$ 2,151,443	\$ 8,368,479
F. Varagne(6)					
Death	\$ 0	\$ 2,042,118	\$ 0	\$ 0	\$ 2,042,118
Involuntary Termination Without Cause	\$ 774,520(1)	\$ 0	\$ 0	\$ 0	\$ 774,520
Termination Following Change in Control	\$ 774,520(2)	\$ 2,734,776	\$ 0	\$ 0	\$ 3,509,296

(1) Amounts shown under Severance Pay in the case of involuntary termination without cause are calculated under the terms of the UGI Severance Plan for Messrs. Greenberg, Walsh, and Kelly; the AmeriGas

Severance Plan for Mr. Bissell; and the severance agreement with AGZ Holding for Mr. Varagne. We assumed that 100 percent of the target annual bonus was paid.

- (2) Amounts shown under Severance Pay in the case of termination following a change in control are calculated under the officer's change in control agreement, except for Mr. Varagne, whose estimate is based on his severance agreement with AGZ Holding and the terms of the Company's 2004 Plan.
- (3) In calculating the amounts shown under Equity Awards with Accelerated Vesting we assumed (i) the continuation of the Company's dividend (and AmeriGas Partner's distribution, as applicable) at the rate in effect on September 30, 2010; and (ii) performance at the greater of actual through September 30, 2010 or at target levels with respect to

performance units.

- (4) Amounts shown under Nonqualified Retirement Benefits are in addition to amounts shown in the Pension Benefits Table Fiscal 2010 and the Nonqualified Deferred Compensation Table Fiscal 2010.
- (5) Amounts shown under Welfare and Other Benefits include estimated payments for (i) medical and dental insurance premiums, (ii) outplacement services, (iii) tax preparation services, and (iv) an estimated Code Section 280G tax gross-up payment of \$3,637,727 for Mr. Walsh, \$2,304,440 for Mr. Kelly, and \$2,109,205 for Mr. Bissell in the event of a change in control.
- (6) Mr. Varagne, Chief Executive Officer for our French subsidiary Antargaz, is paid in Euros. In calculating the dollar equivalent for disclosure purposes, the Company converts each payment into

dollars based on the
monthly average
exchange rate of
\$1.36 per Euro for
Fiscal 2010.

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Director and Officer Stock Ownership Policies

The following policies are designed to encourage growth in Shareholder value by closely linking Directors' and executives' risks and rewards with the Company's total Shareholder return.

The Board of Directors has a policy requiring Directors to own Company Common Stock, together with stock units, in an aggregate amount equal to three times the Director's annual cash retainer, and to achieve the target level of Common Stock ownership within five years after joining the Board.

The Company has a policy, approved by the Board of Directors, that requires individuals in key management positions with the Company and its subsidiaries to own significant amounts of Common Stock. See Compensation Discussion and Analysis - Stock Ownership Guidelines.

Market Price of Shares

The closing price of our Stock, as reported on the New York Stock Exchange Composite Tape on November 15, 2010, was \$29.80.

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**Item 2 Ratification of Appointment of
Independent Registered Public Accounting firm**

The Audit Committee of the Board of Directors appointed PricewaterhouseCoopers LLP as our independent registered public accounting firm to examine and report on the consolidated financial statements of the Company for Fiscal 2011 and recommends that the Shareholders ratify the appointment. If the Shareholders do not ratify the appointment of PricewaterhouseCoopers LLP, the Audit Committee will consider the appointment of another independent registered public accounting firm. One or more representatives of PricewaterhouseCoopers LLP will be present at the Annual Meeting. They will have the opportunity to respond to appropriate questions and to make a statement if they wish to do so.

The Board of Directors of UGI Corporation unanimously recommends a vote FOR this proposal.

Item 3 Other Matters

The Board of Directors is not aware of any other matter to be presented for action at the meeting. If any other matter requiring a vote of the Shareholders should arise, the Proxies (or their substitutes) will vote in accordance with their best judgment.

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Directions to The Desmond Hotel and Conference Center

Directions from Philadelphia. Take the Schuylkill Expressway (I-76) West. Follow I-76 West to Route 202 South. Take Route 202 South to the Great Valley/Route 29 North Exit. At the end of the ramp, proceed through the light onto Liberty Boulevard. The Desmond will be on the right.

Directions from South Jersey. Take I-95 South to Route 322 West. Take 322 West to Route 1 South to Route 202 North. Take Route 202 North to Great Valley/Route 29 North Exit. Turn right onto Route 29 North. Turn right at second light onto Liberty Boulevard. The Desmond will be on the left.

Directions from Philadelphia Airport. Take I-95 South to 476 North. Follow 476 North to the Schuylkill Expressway (I-76) West to Route 202 South. Take Route 202 South to the Great Valley/Route 29 North Exit. At the end of the ramp, proceed through the light onto Liberty Boulevard. The Desmond will be on the right.

Directions from Wilmington and Points South (Delaware and Maryland). Take I-95 North to Route 202 North to the Great Valley/Route 29 North Exit. Turn right onto Route 29 North. Turn right at second light onto Liberty Boulevard. The Desmond will be on the left.

Directions from New York and Points North. Take the New Jersey Turnpike South to Exit 6, the Pennsylvania Turnpike extension. Follow the Turnpike West to Exit 326, Valley Forge. Take Route 202 South to the Great Valley/Route 29 North Exit. At the end of the ramp, proceed through the light onto Liberty Boulevard. The Desmond will be on the right.

Directions from Harrisburg and Points West. Take the Pennsylvania Turnpike East to Exit 326, Valley Forge. Take Route 202 South to Great Valley/Route 29 North Exit. At the end of the ramp, proceed through the light onto Liberty Boulevard. The Desmond will be on the right.

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Electronic Voting Instructions

You can vote by Internet or telephone.

Available 24 hours a day, 7 days a week.

Instead of mailing your proxy, you may choose one of the two voting

methods outlined below to vote your proxy.

VALIDATION DETAILS ARE LOCATED BELOW IN THE TITLE BAR.

Proxies submitted by the Internet or telephone must be received by 9:00 a.m., Eastern Standard Time, on January 20, 2011.

Vote by Internet

Log on to the Internet and go to

www.envisionreports.com/UGI

Follow the steps outlined on the secure website.

Vote by telephone

Call toll free 1-800-652-VOTE (8683) within the USA, US territories & Canada any time on a touch tone telephone. There is **NO CHARGE** to you for the call.

Follow the instructions provided by the recorded message.

Using a **black ink** pen, mark your votes with an **X** as shown in this example. Please do not write outside the designated areas.

Annual Meeting Proxy Card

IF YOU HAVE NOT VOTED OVER THE INTERNET OR TELEPHONE, FOLD ALONG THE PERFORATION, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE.

Proposals The Board of Directors recommends that you vote FOR Numbers 1 and 2.

1. Election of Directors:	01 - S.D. Ban	02 - L.R. Greenberg	03 - M.O. Schlanger	+
	04 - A. Pol	05 - E.E. Jones	06 - J.L. Walsh	
	07 - R.B. Vincent	08 - M.S. Puccio	09 - R.W. Gochnauer	

☐ **Mark here to vote FOR all nominees**

☐ **Mark here to WITHHOLD vote from all nominees**

	01	02	03	04	05	06	07	08	09
☐ For All <u>EXCEPT</u> - To withhold a vote for one or more nominees, mark the box to the left and the corresponding numbered box(es) to the right.	☐	☐	☐	☐	☐	☐	☐	☐	☐

For Against Abstain

2. Ratification of Appointment of
PricewaterhouseCoopers LLP as
our independent registered public
accounting firm.

☐ ☐ ☐

Non-Voting Items

Change of Address Please print new address
below.

Comments Please print your comments below.

Authorized Signatures This section must be completed for your vote to be counted. Date and Sign Below

Please sign exactly as name(s) appears hereon. Joint owners should each sign. When signing as attorney, executor,
administrator, corporate officer, trustee, guardian, or custodian, please give full title.

m/dd/yyyy) Please print date below. Signature 1 Please keep signature within the box. Signature 2 Please keep signature within
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IF YOU HAVE NOT VOTED OVER THE INTERNET OR TELEPHONE, FOLD ALONG THE PERFORATION, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE.

Proxy UGI CORPORATION

THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS OF UGI CORPORATION

The undersigned hereby appoints Marvin O. Schlanger, Lon R. Greenberg and Stephen D. Ban, and each of them, with power to act without the other and with power of substitution, as proxies and attorneys-in-fact and hereby authorizes them to represent and vote, as provided on the other side, all the shares of UGI Corporation Common Stock which the undersigned is entitled to vote, and, in their discretion, to vote upon such other business as may properly come before the Annual Meeting of Shareholders of the Company to be held January 20, 2011 or at any adjournment thereof, with all powers which the undersigned would possess if present at the Meeting.

For the participants in the UGI Utilities, Inc. Savings Plan, AmeriGas Propane, Inc. Savings Plan, and the UGI HVAC Enterprises, Inc. Savings Plan (together, the Plans), this Proxy Card will constitute voting instructions to the Trustee under the Plans. As indicated by me on the reverse side, but, if I make no indication as to a particular matter, then as recommended by the Board of Directors on such matter, and in their discretion, upon such other matters as may properly come before the meeting. The Trustee will keep my vote completely confidential. If the Trustee does not receive my executed Proxy by January 17, 2011, I understand the Trustee will vote the shares represented by this Proxy in the same proportion as it votes those shares for which it does receive a properly executed Proxy.

(Continued, and to be marked, dated and signed, on the other side)

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Notice of Annual Meeting of Shareholders

**Important Notice Regarding the Availability of Proxy Materials for the
UGI Corporation Shareholder Meeting to be Held on January 20, 2011**

Under new Securities and Exchange Commission rules, you are receiving this notice that the proxy materials for the annual meeting of shareholders are available on the Internet. Follow the instructions below to view the materials and vote online or request a copy. The items to be voted on and location of the annual meeting are on the reverse side.

Your vote is important!

This communication presents only an overview of the more complete proxy materials that are available to you on the Internet. We encourage you to access and review all of the important information contained in the proxy materials before voting. The proxy statement and annual report to shareholders are available at:

www.envisionreports.com/UGI

Easy Online Access A Convenient Way to View Proxy Materials and Vote

When you go online to view materials, you can also vote your shares.

Step 1: Go to **www.envisionreports.com/UGI** to view the materials.

Step 2: Click on **Cast Your Vote or Request Materials**.

Step 3: Follow the instructions on the screen to log in.

Step 4: Make your selection as instructed on each screen to select delivery preferences and vote.

When you go online, you can also help the environment by consenting to receive electronic delivery of future materials.

Obtaining a Copy of the Proxy Materials If you want to receive a paper or e-mail copy of these documents, you must request one. There is no charge to you for requesting a copy. Please make your request for a copy as instructed on the reverse side on or before January 10, 2011 to facilitate timely delivery.

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Shareholder Meeting Notice

UGI Corporation's Annual Meeting of Shareholders will be held on January 20, 2011 at The Desmond Hotel and Conference Center, Ballrooms A and B, One Liberty Boulevard, Malvern, Pennsylvania 19355, at 10:00 a.m. Eastern Standard Time.

Proposals to be voted on at the meeting are listed below along with the Board of Directors' recommendations. The Board of Directors recommends that you vote FOR Numbers 1 and 2.

- | | | | |
|---------------------------|-------------------|---------------------|---------------------|
| 1. Election of Directors: | 01 - S.D. Ban | 02 - L.R. Greenberg | 03 - M.O. Schlanger |
| | 04 - A. Pol | 05 - E.E. Jones | 06 - J.L. Walsh |
| | 07 - R.B. Vincent | 08 - M.S. Puccio | 09 - R.W. Gochnauer |
2. Ratification of Appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm.

PLEASE NOTE YOU CANNOT VOTE BY RETURNING THIS NOTICE. To vote your shares you must vote online or request a paper copy of the proxy materials to receive a proxy card. If you wish to attend and vote at the meeting, please bring this notice with you.

DIRECTIONS TO THE DESMOND HOTEL AND CONFERENCE CENTER

Directions from Philadelphia. Take the Schuylkill Expressway (I-76) West. Follow I-76 West to Route 202 South. Take Route 202 South to the Great Valley/Route 29 North Exit. At the end of the ramp, proceed through the light onto Liberty Boulevard. The Desmond will be on the right.

Directions from South Jersey. Take I-95 South to Route 322 West. Take 322 West to Route 1 South to Route 202 North. Take Route 202 North to Great Valley/Route 29 North Exit. Turn right onto Route 29 North. Turn right at second light onto Liberty Boulevard. The Desmond will be on the left.

Directions from Philadelphia Airport. Take I-95 South to 476 North. Follow 476 North to the Schuylkill Expressway (I-76) West to Route 202 South. Take Route 202 South to the Great Valley/Route 29 North Exit. At the end of the ramp, proceed through the light onto Liberty Boulevard. The Desmond will be on the right.

Directions from Wilmington and Points South (Delaware and Maryland). Take I-95 North to Route 202 North to the Great Valley/Route 29 North Exit. Turn right onto Route 29 North. Turn right at second light onto Liberty Boulevard. The Desmond will be on the left.

Directions from New York and Points North. Take the New Jersey Turnpike South to Exit 6, the Pennsylvania Turnpike extension. Follow the Turnpike West to Exit 326, Valley Forge. Take Route 202 South to the Great Valley/Route 29 North Exit. At the end of the ramp, proceed through the light onto Liberty Boulevard. The Desmond will be on the right.

Directions from Harrisburg and Points West. Take the Pennsylvania Turnpike East to Exit 326, Valley Forge. Take Route 202 South to Great Valley/Route 29 North Exit. At the end of the ramp, proceed through the light onto Liberty Boulevard. The Desmond will be on the right.

Here's how to order a copy of the proxy materials and select a future delivery preference:

Paper copies: Current and future paper delivery requests can be submitted using the telephone, Internet or email options below.

Email copies: Current and future email delivery requests must be submitted over the Internet following the instructions below.

If you request an email copy of current materials you will receive an email with a link to the materials.

PLEASE NOTE: You must use the number in the shaded bar on the reverse side when requesting a set of proxy materials.

Internet Go to www.envisionreports.com/UGI. Click Cast Your Vote or Request Materials. Follow the instructions to log in and order a paper or email copy of the current meeting materials and submit your preference for email or paper delivery of future meeting materials.

Telephone Call us free of charge at 1-866-641-4276 using a touch-tone phone and follow the instructions to log in and order a paper copy of the materials by mail for the current meeting. You can also submit a preference to receive a paper copy for future meetings.

Email Send an email to investorvote@computershare.com with Proxy Materials UGI Corporation in the subject line. Include in the message your full name and address, plus the number located in the shaded bar on the reverse, and state in the email that you want a paper copy of current meeting materials. You can also state your preference to receive a paper copy for future meetings.

To facilitate timely delivery, all requests for a paper copy of the proxy materials should be made by January 10, 2011.

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