

# Crosstex Energy, Inc. Reports Fourth Quarter and Full Year 2004 Results

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DALLAS, March 10, 2005 /PRNewswire-FirstCall via COMTEX/ -- Crosstex Energy, Inc. (Nasdaq: XTXI) (the Corporation) today reported net income of \$2.4 million for the fourth quarter of 2004, compared to net income of \$1.0 million for the comparable period in 2003. The Corporation's annual income before income taxes, gain on issuance of units of Crosstex Energy, L.P. (Nasdaq: XTEX) (the Partnership) and interest of non-controlling partners in the Partnership's net income was \$22.1 million in 2004 and \$10.4 million in 2003. Net income for the year declined from \$13.4 million in 2003 to \$8.7 million in 2004 due to the inclusion of an \$18.4 million gain on the sale of Partnership units pursuant to a secondary offering in the 2003 results, partially offset by improved operating results in the current year.

The Corporation's share of Partnership distributions, including distributions on its ten million limited partner units, its two percent general partner interest, and the incentive distribution rights, was \$6.5 million in the fourth quarter of 2004, compared to \$4.4 million in the fourth quarter of 2003, an increase of 48 percent. The recently announced increase in the Partnership's distribution increased the Corporation's share of the distribution by \$0.5 million, from \$6.0 million in the third quarter of 2004 to \$6.5 million for the fourth quarter.

## About the Crosstex Energy Companies

Crosstex Energy, Inc. owns the general partner, a 54 percent limited partner interest and the incentive distribution rights of Crosstex Energy, L.P.

Crosstex Energy, L.P., a mid-stream natural gas company headquartered in Dallas, operates over 4,500 miles of pipeline, five processing plants, and over 80 natural gas amine treating plants. Crosstex currently provides services for over 1.9 BCF/day of natural gas.

Additional information about the Crosstex companies can be found at <http://www.crosstexenergy.com>.

(table to follow)

CROSSTEX ENERGY, INC.  
Selected Financial and Operating Data  
(All amounts in thousands except per share numbers)

	Three Months Ended		Twelve Months Ended	
	December 31,		December 31,	
	2004	2003	2004	2003
Revenues				
Midstream	\$620,840	\$244,130	\$1,948,021	\$989,697
Treating	8,163	6,513	30,755	23,966
	629,003	250,643	1,978,776	1,013,663

Cost of Gas				
Midstream	594,580	230,898	1,861,204	946,412
Treating	1,182	1,257	5,274	7,568
	595,762	232,155	1,866,478	953,980
Gross Margin	33,241	18,488	112,298	59,683
Operating Expenses	11,627	4,697	38,197	17,758
General and Administrative	7,058	4,201	21,175	11,593
Impairments	---	---	981	---
Stock Based Compensation	260	696	1,029	5,345
(Gain) Loss on Sale of Property	---	---	(12)	---
(Profit) Loss on Energy Trading Activities	(715)	(414)	(2,507)	(1,905)
Depreciation and Amortization	6,535	4,241	23,034	13,542
Total	24,765	13,421	81,897	46,333
Operating Income	8,476	5,067	30,401	13,350
Interest Expense	(2,949)	(1,124)	(9,115)	(3,103)
Other Income	548	129	802	179
Total Other Income (Expense)	(2,401)	(995)	(8,313)	(2,924)
Income Before Income Taxes and Interest of Non- controlling Partners in the Partnership's Net Income	6,075	4,072	22,088	10,426
Gain on Issuance of Units of the Partnership	---	280	---	18,360
Interest of Non-controlling Partners in the Partnership's Net Income	(2,023)	(2,077)	(8,239)	(5,181)
Income Tax Provision	(1,645)	(1,324)	(5,149)	(10,157)
Net Income	\$2,407	\$951	\$8,700	\$13,448
Preferred Stock Dividends	\$---	\$885	\$132	\$3,584
Net Income Available to Common	\$2,407	\$66	\$8,568	\$9,864
Diluted Earnings per Common Share	\$0.19	\$0.02	\$0.67	\$1.10
Weighted Average Shares Outstanding:				
Diluted	12,932	3,486 (A)	12,899	12,271

(A) Basic shares outstanding only. Excludes the effect of conversion of Preferred shares that are anti-dilutive.

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SOURCE Crosstex Energy, Inc.

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