

FOR IMMEDIATE RELEASE

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## **GENESIS ENERGY, L.P. REPORTS 2007 RESULTS**

Houston, Texas – March 14, 2008 – Genesis Energy, L.P. (AMEX:GEL) reported today a net loss for 2007 of \$13.6 million, or \$0.64 per unit. Contributing to this loss was \$30.1 million of non-cash charges for depreciation and amortization related to the Davison acquisition in 2007. For 2006 Genesis had net income of \$8.4 million, or \$0.59 per unit. Net loss for the fourth quarter of 2007 was \$15.5 million, or \$0.49 per unit. In the fourth quarter of 2006, Genesis had income of \$0.7 million, or \$0.05 per unit.

Grant Sims, CEO said “For the year, we generated Available Cash before Reserves, a non-GAAP measure, of \$28.2 million, which was more than adequate to cover distributions to the holders of our common units and general partner interest for 2007 totaling \$25.6 million or \$1.005 per common unit. Although the economic effective date of the Davison transaction was April 1, 2007, our 2007 results do not include the results of the Davison operations prior to the closing date of July 25, 2007. If our results for the year had included the results of the Davison operations for all of 2007, our Available Cash before Reserves would have been approximately \$42 million. Available Cash before Reserves is a non-GAAP financial measure that is defined and reconciled later in this press release to its most directly comparable GAAP financial measure, net cash provided by operating activities. Net cash provided by operating activities was \$33.9 million for 2007.

“For the fourth quarter, Available Cash before Reserves was \$13.1 million. This was the first full quarter with the assets acquired from the Davison family included. Net cash provided by operating activities was \$8.3 million for the fourth quarter of 2007. It should be noted that we issued \$213.5 million of equity in December of 2007 that reduced our debt by the same amount and for which we paid a full quarter’s distribution on the units issued late in the quarter. Had proceeds from the equity offering been received at the beginning of the quarter, our interest expense would have been lower by \$2.8 million after the offering and our Available Cash before Reserves would have been higher by the same amount.

On February 14, 2008, we paid a total quarterly distribution of \$11.4 million, with \$10.9 million to our common unitholders, or \$0.285 per unit covering the three month period ending December 31, 2007. Such distribution represented a 5.5% increase in the distribution paid relative to the previous quarter and an approximately 36% increase paid over the year previous quarter. This is the ninth consecutive increase in the distribution.

“2007 was truly a transformational year. We completed the Davison acquisition which more than tripled our size. We completed a successful follow-on equity offering in December 2007. We are in the process of executing a successful integration of the Davison businesses. These accomplishments position us to consummate a \$250 million drop down of CO<sub>2</sub> pipelines which we expect to complete soon.”

### *Financial Results*

We recorded a net loss for 2007 of \$13.6 million, or \$0.64 per unit, compared to net income for 2006 of \$8.4 million, or \$0.59 per unit. Results for the 2007 fourth quarter were a loss of \$15.5 million or \$0.49 per unit. For the 2006 fourth quarter, we generated net income of \$0.7 million, or \$0.05 per unit.

Segment margin is defined and reconciled later in this press release to income from continuing operations. The following table presents selected financial information by segment for the three month and annual reporting periods for continuing operations:

	<u>Pipeline Transportation</u>	<u>Refinery Services</u>	<u>Industrial Gases</u>	<u>Supply &amp; Logistics</u>	<u>Total</u>
<u>Three Months Ended December 31, 2007</u>					
Segment margin excluding depreciation and amortization (a)	\$ 4,177	\$13,353	\$ 3,259	\$ 7,344	\$ 28,133
Total capital expenditures	\$ 4,227	\$ 895	\$ 552	\$ 559	\$ 6,233
Maintenance capital expenditures	\$ 703	\$ 200	-	\$ 95	\$ 998
Revenues:					
External Customers	\$ 6,270	\$36,746	\$ 4,342	\$ 412,522	\$ 459,880
Intersegment	923	-	-	-	923
Total revenues of reportable segments	<u>\$ 7,193</u>	<u>\$36,746</u>	<u>\$ 4,342</u>	<u>\$ 412,522</u>	<u>\$ 460,803</u>
<u>Three Months Ended December 31, 2006</u>					
Segment margin excluding depreciation and amortization (a)	\$ 2,564	-	\$ 2,635	\$ 1,292	\$ 6,491
Total capital expenditures	\$ 334	-	\$ 306	\$ 164	\$ 804
Maintenance capital expenditures	\$ 243	-	\$ -	\$ 164	\$ 407
Revenues:					
External Customers	\$ 5,321	-	\$ 3,611	\$ 181,854	\$ 190,786
Intersegment	1,087	-	-	-	1,087
Total revenues of reportable segments	<u>\$ 6,408</u>	<u>-</u>	<u>\$ 3,611</u>	<u>\$ 181,854</u>	<u>\$ 191,873</u>

	<u>Pipeline Transportation</u>	<u>Refinery Services</u>	<u>Industrial Gases</u>	<u>Supply &amp; Logistics</u>	<u>Total</u>
<u>Year Ended December 31, 2007</u>					
Segment margin excluding depreciation and amortization (a)	\$ 13,035	\$21,898	\$12,063	\$ 15,330	\$ 62,326
Total capital expenditures	\$ 6,592	\$ 1,448	\$ 1,104	\$ 1,141	\$ 10,285
Maintenance capital expenditures	\$ 2,880	\$ 469	-	\$ 491	\$ 3,840
Revenues:					
External Customers	\$ 23,226	\$62,095	\$16,158	\$ 1,094,189	\$ 1,195,668
Intersegment	3,985	-	-	-	3,985
Total revenues of reportable segments	<u>\$ 27,211</u>	<u>\$62,095</u>	<u>\$16,158</u>	<u>\$ 1,094,189</u>	<u>\$ 1,199,653</u>
<u>Year Ended December 31, 2006</u>					
Segment margin excluding depreciation and amortization (a)	\$ 12,426	-	\$11,443	\$ 7,366	\$ 31,235
Total capital expenditures	\$ 971	-	\$ 6,058	\$ 356	\$ 7,385
Maintenance capital expenditures	\$ 611	-	\$ -	\$ 356	\$ 967
Revenues:					
External Customers	\$ 25,479	-	\$15,154	\$ 873,268	\$ 913,901
Intersegment	4,468	-	-	-	4,468
Total revenues of reportable segments	<u>\$ 29,947</u>	<u>-</u>	<u>\$15,154</u>	<u>\$ 873,268</u>	<u>\$ 918,369</u>

- (a) Segment margin was calculated as revenues less cost of sales and operating expenses, plus our share of the operating income of our investment in joint ventures. A reconciliation of segment margin to income before income taxes and minority interest is presented for periods presented in the table at the end of this release.

Pipeline transportation segment margin for the 2007 fourth quarter period increased by \$1.6 million or 63%. For the year, segment margin from our pipeline operations was \$13.0 million as compared to \$12.4 million for 2006. Higher tariffs and volumes in Mississippi and Florida added to segment margin as did increased revenues from volumetric gains, most of which resulted from higher crude oil market prices. Partially offsetting the tariff gains were volumetric declines on the Texas System and the natural gas pipeline system.

We acquired our refinery services segment in the Davison transaction. During the fourth quarter of 2007, the refinery services segment contributed \$13.4 million or 47.5% of total segment margin. During the five months that we owned this business, the refinery services segment contributed \$21.9 million. This segment primarily provides a service to refining operations – it processes sour hydrocarbon streams to remove the sulfur and returns the hydrocarbons for further refining or consumption within the refining location. In most instances, we own, maintain and operate the facilities required to perform the services. Typically we receive the by-product of the process, sodium hydrosulfide, or NaHS (commonly pronounced “nash”), as compensation for providing the sour gas processing services. The largest cost component of providing the service is acquiring and delivering caustic soda to our operations. Caustic soda is the scrubbing agent introduced to the sour gas stream to remove the sulfur and generate the by-product NaHS.

Segment margin from industrial gas activities in the 2007 fourth quarter increased \$0.6 million from the prior year period to \$3.3 million. For the annual periods, the industrial gases segment margin was \$12.1 million in 2007 as compared to \$11.4 million in 2006, respectively.

Average daily volumes of CO2 sold increased by 6% and average revenues per Mcf sold increased by 1% between years.

Our supply and logistics segment was previously known as our crude oil gathering and marketing segment. With the acquisition of the Davison businesses, we renamed the segment and included in it the petroleum products, fuel logistics, terminaling and truck transportation activities we acquired from the Davisons. Supply and logistics segment margin increased from \$1.3 million in the 2006 fourth quarter to \$7.3 million in the 2007 period. The portions of the supply and logistics business acquired in the Davison transaction added approximately \$5.6 million to supply and logistics segment margin for the fourth quarter. Supply and logistics segment margin for 2007 was \$15.3 million compared to \$7.4 million for the 2006 period. Our existing crude oil gathering and marketing operations contribution for 2007 was \$0.6 million less than the contribution for 2006.

General and administrative expenses increased from \$3.1 million in the 2006 fourth quarter to \$12.3 million in the 2007 period. For the 2007 year, general and administrative expenses were \$25.9 million, an increase of \$12.3 million over 2006. \$4.6 million of the increase resulted from the businesses acquired in the Davison transaction. \$3.4 million resulted from compensation expense to the management team. \$1.1 million of the increase resulted from transition costs for senior management team changes, bonus plan expenses and stock appreciation rights plan expenses. The remaining increase for 2007 of \$3.2 million is attributable to headcount increases, increased audit, tax, and other consulting fees, additional director fees and costs related to our airplane.

The \$30.8 million increase in our depreciation and amortization expenses between 2007 and 2006 is substantially all attributable to our acquisition of the assets in the Davison transaction. \$1.5 million of the increase is attributable to an impairment expense on our natural gas pipeline operations.

Net interest expense increased from \$1.4 million in 2006 to \$10.1 million in 2007. The acquisition assets in the Davison transaction significantly increased our outstanding debt balance. Interest expense, including commitment fees, increased by \$9.3 million in 2007 since our average outstanding debt balance increased by \$231.3 million over 2006. In December of 2007 we issued new partnership units and used the proceeds to repay part of our outstanding debt, reducing the balance to \$80.0 million at December 31, 2007.

Over the last six quarters, we have increased the distribution rate on our common units by a total of \$0.095 per unit, or 50%.

Distribution for	Payment Date	Distribution Amount per Unit
Fourth Quarter 2007	February 2008	\$ 0.285
Third Quarter 2007	November 2007	\$ 0.27
Second Quarter 2007	August 2007	\$ 0.23
First Quarter 2007	May 2007	\$ 0.22
Fourth Quarter 2006	February 2007	\$ 0.21
Third Quarter 2006	November 2006	\$ 0.20
Second Quarter 2006	August 2006	\$ 0.19

The fourth quarter 2006 distribution was paid February 14, 2008 to unitholders of record on February 7, 2008. We generated Available Cash before reserves (a non-GAAP measure) of \$13.1 million during the fourth quarter of 2007 and \$3.7 million for the 2006 quarter. Net cash flows provided by operating activities were \$4.5 million and \$11.3 million for the fourth quarter and annual periods in 2006, respectively. (Please see the accompanying schedules for a reconciliation of Available Cash before reserves, a non-GAAP measure, to net cash flow provided by operations, the GAAP measure.)

*Available Cash*

Several adjustments to net income are required to calculate Available Cash before reserves. The calculation of Available Cash before reserves for the quarter ended December 31, 2007 is as follows (in thousands):

Net loss	\$ (15,462)
Depreciation, amortization and impairment expense	27,899
Cash received from direct financing leases not included in income	146
Cash effects of sales of certain assets	-
Effects of available cash generated by investments in joint ventures not included in income	311
Denbury contribution toward executive severance	1,412
Cash effects of stock appreciation rights plan	(167)
Non-cash charges	2
Maintenance capital expenditures	(998)
Available Cash before reserves	<u>\$ 13,143</u>

The calculation of Available Cash before reserves for the year ended December 31, 2007 is as follows (in thousands):

Net loss	\$ (13,550)
Depreciation, amortization and impairment expense	40,245
Cash received from direct financing leases not included in income	568
Cash effects of sales of certain assets	195
Effects of available cash generated by investments in joint ventures not included in income	975
Denbury contribution toward executive severance	1,412
Cash effects of stock appreciation rights plan	(1,614)
Non-cash charges	3,788
Maintenance capital expenditures	(3,840)
Available Cash before reserves	<u>\$ 28,179</u>

### *Earnings Conference Call*

We will broadcast our Earnings Conference Call on Friday, March 14, 2008, at 10:00 a.m. Central time. This call can be accessed at [www.genesiscrudeoil.com](http://www.genesiscrudeoil.com). Choose the Investor Relations button. Listeners should go to this website at least fifteen minutes before this event to download and install any necessary audio software. For those unable to attend the live broadcast, a replay will be available beginning approximately one hour after the event and remain available on our website for 30 days. There is no charge to access the event.

Genesis Energy, L.P. is a diversified midstream energy master limited partnership headquartered in Houston, Texas. Genesis engages in four business segments. The Pipeline Transportation Division is engaged in the pipeline transportation of crude oil and, to a lesser extent, natural gas and carbon dioxide. The Refinery Services Division primarily processes sour gas streams to remove sulfur at refining operations, principally located in Texas, Louisiana, and Arkansas. The Supply and Logistics Division is engaged in the transportation, storage and supply of energy products, including crude oil and refined products. The Industrial Gases Division produces and supplies industrial gases such as carbon dioxide and syngas. Genesis' operations are primarily located in Texas, Louisiana, Arkansas, Mississippi, Alabama, and Florida.

This press release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Although we believe that our expectations are based upon reasonable assumptions, we can give no assurance that our goals will be achieved. Important factors that could cause actual results to differ materially from those in the forward looking statements herein include the timing and extent of changes in commodity prices for oil, ability to obtain adequate credit facilities, managing operating costs, completion of capital projects on schedule and within budget, consummation of accretive acquisitions, capital spending, environmental risks, government regulation, our ability to meet our stated business goals and other risks noted from time to time in our Securities and Exchange Commission filings. Actual results may vary materially. We undertake no obligation to publicly update or revise any forward-looking statement.

(tables to follow)

**Genesis Energy, L.P.**  
**Summary Consolidated Statements of Operations - Unaudited**

*(in thousands except per unit amounts and volumes)*

	Three Months Ended December 31, 2007	Three Months Ended December 31, 2006
Revenues	\$ 460,803	\$ 191,873
Cost of sales	433,025	185,594
General and administrative expenses	12,268	3,125
Depreciation and amortization expense	26,401	1,963
Loss from disposal of surplus assets	290	22
Impairment expense	1,498	-
<b>OPERATING (LOSS) INCOME</b>	<b>(12,679)</b>	<b>1,169</b>
Equity in earnings of joint ventures	355	212
Interest expense, net	(4,852)	(729)
<b>(Loss) income before income taxes and minority interest</b>	<b>(17,176)</b>	<b>652</b>
Income tax benefit	1,713	
Minority interest	1	(1)
<b>NET (LOSS) INCOME</b>	<b>\$ (15,462)</b>	<b>\$ 651</b>
 <b>NET (LOSS) INCOME PER COMMON UNIT - BASIC AND DILUTED</b>	 <b>\$ (0.49)</b>	 <b>\$ 0.05</b>
 <b>Volume data:</b>		
Crude oil pipeline barrels per day (total)	61,721	58,918
Mississippi Pipeline System barrels per day	23,882	17,237
Jay Pipeline System barrels per day	14,146	13,440
Texas Pipeline System barrels per day	23,693	28,241
CO <sub>2</sub> sales Mcf per day	80,667	68,452
 <b>Units Data:</b>		
Common units held by Public	22,805,390	12,765,000
Common units held by Davison family	12,618,819	-
Common units held by general partner	2,829,055	1,019,441
<b>Total common units outstanding</b>	<b>38,253,264</b>	<b>13,784,441</b>

**Genesis Energy, L.P.**  
**Summary Consolidated Statements of Operations - Unaudited**

*(in thousands except per unit amounts and volumes)*

	Year Ended December 31, 2007	Year Ended December 31, 2006
Revenues	\$ 1,199,653	\$ 918,369
Cost of sales	1,138,597	888,265
General and administrative expenses	25,920	13,573
Depreciation and amortization expense	38,747	7,963
Loss (gain) from disposal of surplus assets	266	(16)
Impairment expense	1,498	
<b>OPERATING (LOSS) INCOME</b>	<b>(5,375)</b>	<b>8,584</b>
Equity in earnings of joint ventures	1,270	1,131
Interest expense, net	(10,100)	(1,374)
<b>(Loss) income before income taxes and minority interest</b>	<b>(14,205)</b>	<b>8,341</b>
Income tax benefit	654	11
Minority interest	1	(1)
<b>(Loss) income before cumulative effect adjustment</b>	<b>(13,550)</b>	<b>8,351</b>
Cumulative effect adjustment from adoption of new accounting principle	-	30
<b>NET (LOSS) INCOME</b>	<b>\$ (13,550)</b>	<b>\$ 8,381</b>
 <b>NET (LOSS) INCOME PER COMMON UNIT - BASIC AND DILUTED</b>		
(Loss) income before cumulative effect adjustment	\$ (0.64)	\$ 0.59
Cumulative effect adjustment	-	-
<b>Net income per common unit - basic and diluted</b>	<b>\$ (0.64)</b>	<b>\$ 0.59</b>
 <b>Volume data:</b>		
Crude oil pipeline barrels per day (total)	59,335	61,585
Mississippi Pipeline System barrels per day	21,680	16,931
Jay Pipeline System barrels per day	13,309	13,351
Texas Pipeline System barrels per day	24,346	31,303
CO <sub>2</sub> sales Mcf per day	77,309	72,841
 <b>Units Data:</b>		
Common units held by Public	22,805,390	12,765,000
Common units held by Davison family	12,618,819	-
Common units held by general partner	2,829,055	1,019,441
<b>Total common units outstanding</b>	<b>38,253,264</b>	<b>13,784,441</b>

**Genesis Energy, L.P.**  
**Consolidated Balance Sheets - Unaudited**  
*(in thousands)*

	December 31, 2007	December 31, 2006
<b>ASSETS</b>		
Cash	\$ 11,851	\$ 2,318
Accounts receivable	180,099	89,106
Inventories	15,988	5,172
Other current assets	6,302	3,396
<b>Total current assets</b>	214,240	99,992
Net property	102,000	31,316
CO <sub>2</sub> contracts	28,916	33,404
Joint ventures and other investments	18,448	18,226
Net intangible assets	211,050	-
Goodwill	320,708	-
Other assets	14,868	8,149
<b>Total Assets</b>	\$ 910,230	\$ 191,087
<b>LIABILITIES AND PARTNERS' CAPITAL</b>		
Accounts payable	\$ 157,261	\$ 86,692
Accrued liabilities	17,537	9,220
<b>Total current liabilities</b>	174,798	95,912
Long-term debt	80,000	8,000
Deferred tax liabilities	21,794	-
Other liabilities	1,264	991
Minority interest	570	522
Partners' capital	631,804	85,662
<b>Total Liabilities and Partners' Capital</b>	\$ 910,230	\$ 191,087

**Genesis Energy, L.P.**  
**Reconciliations**

**SEGMENT MARGIN EXCLUDING DEPRECIATION AND AMORTIZATION  
RECONCILIATION TO INCOME BEFORE INCOME TAXES AND MINORITY INTEREST**

	Three Months Ended December 31, 2007	Three Months Ended December 31, 2006
	<i>(in thousands)</i>	
Segment margin excluding depreciation and amortization	\$ 28,133	\$ 6,491
General and administrative expenses	(12,268)	(3,125)
Depreciation, amortization and impairment	(27,899)	(1,963)
Net loss from disposal of surplus assets	(290)	(22)
Interest expense, net	(4,852)	(729)
(Loss) income before income taxes and minority interest	<u>\$ (17,176)</u>	<u>\$ 652</u>

	Year Ended December 31, 2007	Year Ended December 31, 2006
	<i>(in thousands)</i>	
Segment margin excluding depreciation and amortization	\$ 62,326	\$ 31,235
General and administrative expenses	(25,920)	(13,573)
Depreciation, amortization and impairment	(40,245)	(7,963)
Net (loss) gain from disposal of surplus assets	(266)	16
Interest expense, net	(10,100)	(1,374)
(Loss) income before income taxes and minority interest	<u>\$ (14,205)</u>	<u>\$ 8,341</u>

## GAAP to Non-GAAP Financial Measure Reconciliation

### AVAILABLE CASH BEFORE RESERVES RECONCILIATION TO NET CASH FLOWS FROM OPERATING ACTIVITIES

	Three Months Ended December 31, 2007	Year Ended December 31, 2007
	<i>(in thousands)</i>	
Net cash flows from operating activities (GAAP measure)	\$ 8,276	\$ 33,929
Adjustments to reconcile net cash flow provided by operating activities to Available Cash before reserves:		
Maintenance capital expenditures	(998)	(3,840)
Proceeds from asset sales	-	195
Amortization and write-off of credit facility issuance costs	(270)	(779)
Effects of available cash from joint ventures not included in operating cash flows	97	400
Denbury contribution toward executive severance	1,412	1,412
Other items affecting Available Cash	142	142
Net effect of changes in operating accounts not included in calculation of Available Cash	4,484	(3,280)
Available Cash before reserves (Non-GAAP measure)	\$ 13,143	\$ 28,179

This press release and the accompanying schedules include a non-generally accepted accounting principle (“non-GAAP”) financial measures of available cash. The accompanying schedule provides a reconciliation of this non-GAAP financial measure to its most directly comparable financial measure calculated in accordance with generally accepted accounting principles in the United States of America (“GAAP”). Our non-GAAP financial measure should not be considered as an alternative to GAAP measures of liquidity or financial performance. We believe that investors benefit from having access to the same financial measures being utilized by management, lenders, analysts and other market participants.

*Available cash.* Available Cash before reserves is a liquidity measure used by management to compare cash flows generated by us to the cash distribution paid to our limited partners and general partner. This is an important financial measure to the public unitholders since it is an indicator of our ability to provide a cash return on their investment. Specifically, this financial measure aids investors in determining whether or not we are generating cash flows at a level that can support a quarterly cash distribution to the partners. Lastly, Available Cash before reserves (also referred to as distributable cash flow) is the quantitative standard used throughout the investment community with respect to publicly-traded partnerships.

We define available cash as net income or loss plus: (1) depreciation and amortization expense; (2) cash proceeds from the sale of certain assets; (3) the addition of losses or subtraction of gains relating to the sale of assets; (4) payments under direct financing leases in excess of the amount recognized as income; (5) the addition of losses or subtraction of gains on derivative financial instruments; (6) available cash generated by equity method investments; (7)

the subtraction of maintenance capital expenditures incurred to replace or enhance partially or fully depreciated assets so as to sustain the existing operating capacity or efficiency of our assets and extend their useful lives; and (8) the addition of losses or subtraction of gains relating to other non-cash amounts affecting net income for the period.

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