



May 4, 2010

Dear Unitholder:

On May 4, 2010, we announced that the board of directors of our general partner had approved a three-for-one split of the partnership units of Inergy Holdings, L.P. (NYSE:NRGP). This action reflects the growth of our partnership and the increase in the value of its common units since our initial public offering in June 2005. The value of our partnership units has more than tripled from the initial public offering price, and we feel this split will make our partnership units more accessible and affordable for investors.

The partnership unit split will be accomplished by distributing two additional partnership units for each partnership unit outstanding. The units will be distributed on or about June 1, 2010, to holders of record as of May 24, 2010. After the three-for-one split of the partnership units, the annual cash distribution rate will be \$1.30 per unit or \$0.325 per unit on a quarterly basis. By way of example, if an investor held 100 units prior to the split and received annual cash distributions of \$390 (100 units * \$3.90 current annualized cash distribution per unit), after the split the same investor will hold 300 units and receive annual cash distributions of \$390 (300 units * \$1.30 annualized cash distribution per unit).

Certificates will be mailed to unitholders currently holding certificates for their units. Electronic transmission of partnership units will be made to street name holders for all unitholders with individual brokerage accounts.

We are advised that for federal income tax purposes no gain or loss is to be reported by unitholders with respect to the additional partnership units received as a result of the three-for-one split. However, each unitholder's federal tax basis of the partnership units held of record on May 24, 2010, should be allocated proportionately between the partnership units held on that date and the additional partnership units received pursuant to the three-for-one split. The holding period of the additional partnership units will be the same as the holding period of the partnership units to which they relate.

We are pleased to take this step to increase the attractiveness of our partnership units. Please call Inergy Investor Relations at (816) 842-8181 if you have any questions.

Sincerely yours,

A handwritten signature in black ink, appearing to read "John J. Sherman", with a long horizontal flourish extending to the right.

John J. Sherman
President and Chief Executive Officer