



Hess Corporation to Receive Cash and Equity from Sale of Hess Infrastructure Partners LP to Hess Midstream Partners LP

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NEW YORK--(BUSINESS WIRE)--Oct. 4, 2019-- Hess Corporation (NYSE: HES) will receive approximately \$275 million in cash and approximately 115 million newly issued units in Hess Midstream Partners LP (NYSE: HESM) as part of a proposed transaction [announced](#) today by HESM.

Under the terms of the proposed transaction, HESM will acquire Hess Infrastructure Partners LP (HIP), a 50/50 joint venture between Hess Corporation and Global Infrastructure Partners, including HIP's 80% interest in HESM's oil and gas midstream assets, HIP's water services business and the outstanding economic general partner interest and incentive distribution rights in HESM. In addition, HESM's organizational structure will convert from a master limited partnership (MLP) into an "Up-C" structure in which HESM's public unitholders will receive newly issued securities in a new public entity to be named "Hess Midstream LP" ("Hess Midstream"). Upon completion of the transaction, Hess Corporation will own approximately 134 million HESM units, or 47 percent of Hess Midstream on a consolidated basis, valued at approximately \$2.6 billion based on the closing price per HESM common unit on Oct. 2, 2019.

Hess Corporation Chief Executive Officer John Hess said: "This transaction is compelling for all parties involved and was unanimously approved by each company's board of directors. It simplifies the ownership structure of Hess Midstream, provides transparency on the value of Hess' midstream interests, and positions Hess Midstream for sustainable growth and value creation as a large-scale, publicly traded midstream company accessible to a broad range of investors."

"Hess Midstream will continue to play an important role in supporting Hess' production growth in the Bakken, where we have a premier acreage position and a 15 year inventory of high return drilling locations. In turn, Hess' production growth in the Bakken along with third parties are expected to drive Hess Midstream's industry leading earnings growth through 2021," Hess said. "Cash proceeds from the transaction will be used to fund our world class investment opportunities in Guyana and the Bakken."

Hess Corporation will continue to provide operational services to Hess Midstream and maintain the same commercial contracts with Hess Midstream as under the current MLP structure. The transaction, which is non-taxable to Hess Corporation, is expected to close in the fourth quarter of 2019, subject to customary closing conditions and regulatory approvals. Morgan Stanley & Co. LLC acted as financial advisor to Hess Corporation on this transaction.

About Hess Corporation

Hess Corporation is a leading global independent energy company engaged in the exploration and production of crude oil and natural gas. More information on Hess Corporation is available at www.hess.com.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of federal securities laws regarding Hess Corporation, HESM and Hess Midstream. These forward-looking statements relate to, among other things, the proposed transaction among HESM, HIP and Hess Midstream and includes expectations with respect to the benefits of the proposed transaction to Hess Corporation and use of proceeds therefrom. You can identify forward-looking statements by words such as "anticipate," "believe," "could," "design," "estimate," "expect," "forecast," "goal," "guidance," "imply," "intend," "may," "objective," "opportunity," "outlook," "plan," "position," "potential," "predict," "project," "prospective," "pursue," "seek," "should," "strategy," "target," "would," "will" or other similar expressions that convey the uncertainty of future events or outcomes. While Hess Corporation believes that the assumptions concerning future events are reasonable, such forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond Hess Corporation's control and are difficult to predict. Factors that could cause actual results to differ materially from those implied in the forward-looking statements include the following: the ability to consummate the proposed transaction among HESM, HIP and Hess Midstream on the proposed terms and timeline; the ability to satisfy various conditions to closing of the proposed transaction, and any conditions imposed on the combined entity in connection with the consummation of the proposed transaction; and the risk that anticipated benefits of the proposed transaction may not be fully realized or may take longer to realize than expected. When considering these forward-looking statements, you should keep in mind the risk factors and other cautionary statements in Hess Corporation's Annual Report on Form 10-K for the year ended December 31, 2018, and those set forth from time to time in Hess Corporation's and HESM's filings with the Securities and Exchange Commission (the "SEC"). Hess Corporation undertakes no obligation and does not intend to update these forward-looking statements to reflect events or circumstances occurring after this press release except as required by applicable law. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release.

No Offer or Solicitation

This press release is for informational purposes only and shall not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any proxy, vote or approval with respect to the proposed transaction or otherwise, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

Additional Information

In connection with the proposed transaction, a registration statement on Form S-4 (the "Registration Statement") will be filed with the SEC by Hess Midstream. INVESTORS AND SECURITY HOLDERS ARE ENCOURAGED TO READ THE REGISTRATION STATEMENT AND ANY OTHER

RELEVANT DOCUMENTS FILED WITH THE SEC, INCLUDING THE PROSPECTUS THAT WILL BE PART OF THE REGISTRATION STATEMENT, WHEN THEY BECOME AVAILABLE, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION. Investors and security holders will be able to obtain the documents free of charge at the SEC's website, www.sec.gov, from HESM at its website, www.hessmidstream.com, or by contacting HESM's Investor Relations at (212) 536-8244.

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Source: Hess Corporation

Investors:

Jay Wilson
(212) 536-8940

Media:

Lorrie Hecker
(212) 536-8250
or
Jamie Tully
Sard Verbinnen & Co.
(312) 895-4700