



Williams to Acquire MountainWest Natural Gas Transmission and Storage Business from Southwest Gas Holdings, Inc.

December 15, 2022

- *Bolt-on acquisition expands Williams' midstream infrastructure footprint while increasing business mix of FERC-regulated natural gas transmission and storage*
- *Expands services to major Rockies demand markets by providing natural gas delivery into Salt Lake City and other demand markets not currently served by Williams*
- *Highly contracted revenues anchored by long-term demand-pull customers with opportunity to provide incremental service offerings such as next generation natural gas through the expanded footprint*

TULSA, Okla.--(BUSINESS WIRE)-- Williams (NYSE: WMB) today announced that it has reached an agreement to acquire MountainWest Pipelines Holding Company (MountainWest) from Southwest Gas Holdings, Inc. (NYSE: SWX), in a transaction including \$1.07 billion of cash and \$0.43 billion of assumed debt, for an enterprise value of \$1.5 billion. MountainWest comprises roughly 2,000-miles of interstate natural gas pipeline systems primarily located across Utah, Wyoming and Colorado, totaling approximately 8 Bcf/d of transmission capacity. MountainWest also holds 56 Bcf of total storage capacity, including the Clay Basin underground storage reservoir, providing valuable service to western markets. The acquisition price represents an approximate 8x estimated 2023 EBITDA multiple.

"Our natural gas focused strategy is anchored in having the right assets in the right places to serve our nation's growing demand for clean, affordable and abundant natural gas. MountainWest is complementary to our current footprint, providing us with infrastructure for natural gas deliveries across key demand markets, including into Salt Lake City," said Alan Armstrong, Williams president and Chief Executive Officer. "We also see this acquisition as an opportunity to bring value to both Williams and MountainWest customers as we integrate business processes and systems, allowing us to potentially offer new flow paths for next generation natural gas that could create additional market optionality for our shippers."

The transaction is expected to close in 2023, following satisfaction of customary closing conditions, including regulatory approvals and the expiration or termination of any applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976.

For additional resources about this announcement please visit the [Williams' Investor Relations website](#).

Advisors

TD Securities and J.P. Morgan served as co-financial advisors to Williams; Moelis & Company and Lazard Freres & Co. LLC served as co-financial advisors to Southwest Gas Holdings. Williams was represented by Davis Polk & Wardwell LLP; Southwest Gas Holdings was represented by Morrison & Foerster LLP.

About Williams

Williams (NYSE: WMB) is committed to being the leader in providing infrastructure that safely delivers natural gas products to reliably fuel the clean energy economy. Headquartered in Tulsa, Oklahoma, Williams is an industry-leading, investment grade C-Corp with operations across the natural gas value chain including gathering, processing, interstate transportation and storage of natural gas and natural gas liquids. With major positions in top U.S. supply basins, Williams connects the best supplies with the growing demand for clean energy. Williams owns and operates more than 30,000 miles of pipelines system wide – including Transco, the nation's largest volume and fastest growing pipeline – and handles approximately 30 percent of the natural gas in the United States that is used every day for clean-power generation, heating and industrial use.

About Southwest Gas Holdings, Inc.

Southwest Gas Holdings, Inc. (NYSE: SWX), through its subsidiaries, engages in the business of purchasing, distributing and transporting natural gas, and providing comprehensive utility infrastructure services across North America. Southwest Gas Corporation, a wholly owned subsidiary, safely and reliably delivers natural gas to over two million customers in Arizona, California and Nevada. The Company's MountainWest subsidiary provides natural gas storage and interstate pipeline services within the Rocky Mountain region.

Portions of this document may constitute "forward-looking statements" as defined by federal law. Although the company believes any such statements are based on reasonable assumptions, there is no assurance that actual outcomes will not be materially different. Any such statements are made in reliance on the "safe harbor" protections provided under the Private Securities Reform Act of 1995. Additional information about issues that could lead to material changes in performance is contained in the company's annual and quarterly reports filed with the Securities and Exchange Commission.



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