



Enterprise Announces Acquisition of Navitas Midstream

January 10, 2022

HOUSTON--(BUSINESS WIRE)--Jan. 10, 2022-- Enterprise Products Partners L.P. (NYSE: EPD) today announced that its affiliate has entered into a definitive agreement to acquire Navitas Midstream Partners, LLC from an affiliate of Warburg Pincus LLC in a debt-free transaction for \$3.25 billion in cash consideration. Navitas Midstream provides natural gas gathering, treating and processing services in the core of the Midland Basin of the Permian. Navitas Midstream's assets include approximately 1,750 miles of pipelines and over 1 billion cubic feet per day of cryogenic natural gas processing capacity with the completion of the Leiker plant, which is expected in the first quarter of 2022.

This acquisition provides Enterprise's natural gas processing and NGL business with an entry point into the Midland Basin, one of the most economic and prolific crude oil regions in the United States. Drilling activity in the Midland Basin currently represents approximately 20 percent of active onshore drilling rigs in the U.S. The system is anchored by long-term contracts and acreage dedications with a diverse group of over forty independent and publicly owned producers.

Navitas Midstream provides visibility to future growth with up to 10,000 drilling locations, or over fifteen years of drilling inventory based on current rig counts, on the dedicated acreage. The system is supported by fee-based contracts that provide additional revenues based on commodity prices.

"We are pleased to announce the acquisition of Navitas Midstream," said A. J. "Jim" Teague, co-chief executive officer of Enterprise's general partner. "The Navitas management team has developed a premier system in the heart of the Midland Basin. The Delaware and Midland Basins are the two most attractive regions in the U.S. in terms of crude oil, natural gas and NGL reserves with each having up to nine geologic horizons. We do not have a natural gas or NGL presence in the Midland Basin other than downstream pipelines. This acquisition will give us an entry point into the basin."

"The system, including its large footprint of low pressure natural gas gathering, is an attractive processing franchise that provides value added services to producers," stated Randy Fowler, co-chief executive officer and chief financial officer of Enterprise's general partner. "We believe this acquisition will be immediately accretive to distributable cash flow per unit. Based on the current outlook for commodity prices in 2023, which would be our first full year of ownership, we believe distributable cash flow accretion will be in the range of \$0.18 to \$0.22 per unit. This investment will provide Enterprise with an attractive return on capital and support additional capital returns to our limited partners through distribution growth and buybacks of common units."

"We are excited to contribute our unique Midland Basin system to Enterprise, one of the premier midstream operators," said R. Bruce Northcutt, CEO of Navitas. "I am proud of what the Navitas team accomplished over the past seven years, and would also like to thank Warburg Pincus for their close partnership along the way."

This transaction is expected to be completed in the first quarter of 2022 subject to customary regulatory approvals. The transaction is expected to be funded using cash on hand and borrowings under the partnership's existing commercial paper and bank credit facilities.

Enterprise Products Partners L.P. is one of the largest publicly traded partnerships and a leading North American provider of midstream energy services to producers and consumers of natural gas, NGLs, crude oil, refined products and petrochemicals. Services include: natural gas gathering, treating, processing, transportation and storage; NGL transportation, fractionation, storage and marine terminals; crude oil gathering, transportation, storage and marine terminals; petrochemical and refined products production, transportation, storage, and marine terminals and related services; and a marine transportation business that operates on key U.S. inland and intracoastal waterway systems. The partnership's assets include approximately 50,000 miles of pipelines; 260 million barrels of storage capacity for NGLs, crude oil, refined products and petrochemicals; and 14 billion cubic feet of natural gas storage capacity. Please visit www.enterpriseproducts.com for more information.

This press release includes "forward-looking statements" as defined by the Securities and Exchange Commission. All statements, other than statements of historical fact, included herein that address activities, events, developments or transactions that Enterprise and its general partner expect, believe or anticipate will or may occur in the future are forward-looking statements. These forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from expectations, including required approvals by regulatory agencies, the possibility that the anticipated benefits from such activities, events, developments or transactions cannot be fully realized, the possibility that costs or difficulties related thereto will be greater than expected, the impact of competition, and other risk factors included in Enterprise's reports filed with the Securities and Exchange Commission. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of their dates. Except as required by law, Enterprise does not intend to update or revise their respective forward-looking statements, whether as a result of new information, future events or otherwise.

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