



Cabot Oil & Gas Corporation Announces Agreement to Divest Non-Core Pipeline Interests for \$256 Million, Provides Update on Share Repurchase Program

September 30, 2019

HOUSTON, Sept. 30, 2019 /PRNewswire/ -- Cabot Oil & Gas Corporation (NYSE: COG) ("Cabot" or the "Company") announced today that it has reached an agreement to sell its 20 percent ownership interest in Meade Pipeline Co LLC ("Meade") to a subsidiary of NextEra Energy Partners, LP (NYSE: NEP) for \$256 million, or over 13 times expected 2019 EBITDAX (non-GAAP). Meade owns approximately 39 percent of the Central Penn Line, the greenfield pipeline segment of the Atlantic Sunrise project. This transaction is expected to close during the fourth quarter of 2019, subject to customary closing conditions and adjustments. Proceeds from this transaction, in addition to the Company's ongoing operating free cash flow, will allow Cabot to continue to enhance shareholder value by returning capital to shareholders through a combination of a growing dividend and an opportunistic share repurchase program.

BMO Capital Markets served as financial advisor to Cabot on this transaction.

Share Repurchase Program Update

During the third quarter of 2019, Cabot repurchased 10.5 million shares at a weighted-average share price of \$18.21. Since reactivating the share repurchase program in the second quarter of 2017, Cabot has reduced its shares outstanding by over 12 percent to 407.9 million shares. The Company currently has 21.0 million remaining shares authorized under its share repurchase program (or approximately five percent of its current shares outstanding). "Based on our year-to-date share repurchases and our anticipated dividend payments for the year, the Company expects to return a minimum of approximately \$490 million of capital to shareholders in 2019, far exceeding our minimum return of capital target of 50 percent of annual free cash flow," stated Dan O. Dinges, Chairman, President and Chief Executive Officer.

Cabot Oil & Gas Corporation, headquartered in Houston, Texas, is a leading independent natural gas producer with its entire resource base located in the continental United States. For additional information, visit the Company's website at www.cabotog.com.

Non-GAAP Financial Measures

EBITDAX is defined as net income plus loss on debt extinguishment, interest expense, other expense, income tax expense, depreciation, depletion and amortization (including property impairments), exploration expense, gain and loss on sale of assets, non-cash gain and loss on derivative instruments, gains and loss on equity method investments, cash distributions received from equity method investment and stock-based compensation expense. EBITDAX is presented based on management's belief that this non-GAAP measure is useful information to investors when evaluating our ability to internally fund exploration and development activities and to service or incur debt without regard to financial or capital structure. EBITDAX is not a measure of financial performance under GAAP and should not be considered as alternative to cash flows from operating activities or net income, as defined by GAAP, or as a measure of liquidity.

Forward-Looking Statements

This press release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The statements regarding future financial and operating performance and results, returns to shareholders, strategic pursuits and goals, market prices, future hedging and risk management activities, and other statements that are not historical facts contained in this report are forward-looking statements. The words "expect", "project", "estimate", "believe", "anticipate", "intend", "budget", "plan", "forecast", "outlook", "predict", "may", "should", "could", "will" and similar expressions are also intended to identify forward-looking statements. Such statements involve risks and uncertainties, including, but not limited to, market factors, market prices (including geographic basis differentials) of natural gas and crude oil, results of future drilling and marketing activity, future production and costs, legislative and regulatory initiatives, electronic, cyber or physical security breaches and other factors detailed herein and in our other Securities and Exchange Commission (SEC) filings. See "Risk Factors" in Item 1A of the Form 10-K and subsequent public filings for additional information about these risks and uncertainties. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual outcomes may vary materially from those indicated. Any forward-looking statement speaks only as of the date on which such statement is made, and the Company does not undertake any obligation to correct or update any forward-looking statement, whether as the result of new information, future events or otherwise, except as required by applicable law.

FOR MORE INFORMATION CONTACT

Matt Kerin (281) 589-4642

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