# UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

# Form 8-K

# CURRENT REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of Earliest Event Reported): October 28, 2020

# **Hess Midstream LP**

(Exact Name of Registrant as Specified in Its Charter)

**DELAWARE** 

(State or Other Jurisdiction of Incorporation)

No. 001-39163

(Commission File Number)

No. 84-3211812

(IRS Employer Identification Number.)

1501 McKinney Street Houston, Texas 77010

(Address of Principal Executive Offices) (Zip Code)

Registrant's Telephone Number, Including Area Code: (713) 496-4200

N/A

(Former Name or Former Address, if Changed Since Last Report)

the follo	Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any or owing provisions:
	Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425) Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12) Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b)) Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
	Securities registered pursuant to Section 12(b) of the Act:
	Title of each class Trading Symbol(s) Name of each exchange on which registered
	Class A shares representing limited partner interests HESM New York Stock Exchange
this cha	Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of pter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).
Emergii	ng growth company $\square$
any new	If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with $v$ or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. $\square$

### Item 2.02. Results of Operations and Financial Condition.

On October 28, 2020, Hess Midstream LP issued a news release reporting estimated results for the third quarter of 2020. A copy of this news release is furnished as Exhibit 99.1 to this report and is incorporated by reference herein.

#### Item 9.01. Financial Statements and Exhibits.

(d) Exhibit

- 99.1 News release dated October 28, 2020 reporting estimated results for the third quarter of 2020.
- 104 Cover Page Interactive Data File (embedded within the Inline XBRL document)

### **SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: October 28, 2020

HESS MIDSTREAM LP (Registrant)

By: HESS MIDSTREAM GP LP, its General Partner

By: HESS MIDSTREAM GP LLC, its General Partner

By: /s/ Jonathan C. Stein

Jonathan C. Stein Chief Financial Officer





# News Release

#### HESS MIDSTREAM LP REPORTS ESTIMATED RESULTS FOR THE THIRD QUARTER OF 2020

#### Third Quarter 2020 Highlights:

- Net income was \$115.8 million. Net cash provided by operating activities was \$149.6 million.
- Net income attributable to Hess Midstream LP was \$5.6 million, or \$0.31 per Class A share, after deduction for noncontrolling interests.
- Adjusted EBITDA<sup>1</sup> was \$181.6 million, DCF<sup>1</sup> was \$156.2 million and free cash flow<sup>1</sup> was \$115.2 million.
- Increased quarterly cash distribution to \$0.4417 per Class A share, an increase of 1.2% compared with the second quarter of 2020, resulting in a 1.2x coverage ratio relative to distributions.
- Throughput volumes increased across all segments compared with the prior-year quarter, including 14% for gas processing and 8% for crude oil terminaling, driven by higher Hess Corporation production and increased gas capture by Hess Midstream LP.

#### **Guidance:**

- Following strong year-to-date results, Hess Midstream LP is raising its full year 2020 guidance for net income to \$465 \$475 million and Adjusted EBITDA to \$725 \$735 million, representing 48% and 33% growth, respectively, at the midpoint compared with full year 2019 results.
- Hess Midstream LP expects approximately 20% growth in Adjusted EBITDA in 2021 compared with newly issued and increased full year 2020 Adjusted EBITDA guidance.
- Hess Midstream LP is reaffirming its previously announced expectation for annual free cash flow in both 2021 and 2022 of approximately \$750 million, with approximately 95% minimum volume commitment revenue protection, fully funding interest and growing distributions without incremental debt or equity.
- Hess Midstream LP is reaffirming its 5% annual distribution per share growth rate target through 2022 with expected distribution coverage of approximately 1.3x in 2020 and 1.4x in 2021 and 2022.

**HOUSTON, October 28, 2020**—Hess Midstream LP (NYSE: HESM) ("Hess Midstream") today reported third quarter 2020 net income of \$115.8 million compared with net income of \$87.4 million for the third quarter of 2019, as recast for the 2019 acquisition of Hess Infrastructure Partners LP ("HIP") by Hess Midstream Operations LP (formerly known as Hess Midstream Partners LP) (the "Partnership"), Hess Midstream's controlled subsidiary. After deduction for noncontrolling interests, net income attributable to Hess Midstream was \$5.6 million, or \$0.31 per Class A share. Hess Midstream generated Adjusted EBITDA of \$181.6 million. DCF for the third quarter of 2020 was \$156.2 million and free cash flow was \$115.2 million.

<sup>1</sup> Adjusted EBITDA, DCF and free cash flow are non-GAAP measures. Definitions and reconciliations of these non-GAAP measures to GAAP reporting measures appear in the following pages of this release.

Commenting on the third quarter 2020 results, John Gatling, President and Chief Operating Officer of Hess Midstream said, "We achieved another strong quarter driven by higher Hess production and increased gas capture by Hess Midstream. We are on track to deliver over 30% Adjusted EBITDA growth this year compared to 2019 and expect another year of Adjusted EBITDA growth in 2021 supported by our contracts. The strength and visibility of our business model is clear even in this period of macro uncertainty."

Hess Midstream's results contained in this release include the historical results of HIP for all periods prior to the closing of the Partnership's acquisition of HIP, incentive distribution rights simplification and conversion from a master limited partnership into an "Up-C" structure on December 16, 2019 (collectively, the "Transaction"), which was accounted for as a business combination of entities under common control. We refer to certain results as "attributable to Hess Midstream LP," which exclude (i) the noncontrolling interests in the Partnership retained by affiliates of Hess Corporation ("Hess") and Global Infrastructure Partners, (ii) the noncontrolling interests in the historical operating subsidiaries of the Partnership, and (iii) historical activity of HIP prior to its acquisition by the Partnership, which is included in "net parent investment."

#### **Ongoing Response to COVID-19**

The safety of our workforce and the communities where we operate continues to be our top priority. A cross-functional response team remains in place to coordinate our COVID-19 response from a health and safety perspective and to ensure that the detailed prevention protocols in place at all Hess Midstream assets are based on the most current recommendations by government and public health agencies.

#### **Financial Results**

Revenues and other income in the third quarter of 2020 were \$264.8 million compared with \$214.9 million in the prior-year quarter. Third quarter 2020 revenues included \$29.3 million of pass-through rail transportation, electricity, produced water trucking and disposal costs and \$7.8 million of shortfall fee payments related to minimum volume commitments ("MVC") compared with \$34.8 million and \$3.0 million, respectively, in the prior-year quarter. Revenues were up primarily attributable to higher throughput volumes, MVC levels and tariff rates. Total costs and expenses in the third quarter of 2020 were \$127.6 million up from \$115.6 million in the prior-year quarter, primarily attributable to higher Little Missouri 4 ("LM4") processing fees, maintenance expenditures on expanded infrastructure and depreciation expense for additional assets placed in service.

Net income for the third quarter of 2020 was \$115.8 million and net cash provided by operating activities for the quarter was \$149.6 million.

Adjusted EBITDA for the third quarter of 2020 was \$181.6 million. Relative to distributions, DCF for the third quarter of 2020 of \$156.2 million resulted in an approximately 1.2x distribution coverage ratio. Free cash flow for the third quarter of 2020 was \$115.2 million.

#### **Operational Highlights**

Throughput volumes were up in all segments in the third quarter of 2020 compared with the third quarter of 2019 driven by higher Hess production and increased gas capture by Hess Midstream. In the gathering segment, throughput volumes increased 17% for gas gathering, 16% for crude oil gathering and 73% for water gathering. In the gas processing segment, throughput volumes increased 14%, and in the crude oil terminaling segment, throughput volumes increased 8%. Third parties comprised approximately 9% of crude oil gathering and 7% of gas gathering volumes for the third quarter of 2020.

#### **Capital Expenditures**

Capital expenditures for the third quarter of 2020 totaled \$66.4 million, including \$62.6 million of expansion capital expenditures and \$3.8 million of maintenance capital expenditures. Capital expenditures in the prior-year quarter were \$122.3 million, including \$110.9 million of expansion capital expenditures, \$10.0 million of equity investments associated with the LM4 gas processing plant, and \$1.4 million of maintenance capital expenditures. Expansion capital expenditures in the third quarter of 2020 were primarily attributable to field construction activities for the planned expansion of the Tioga Gas Plant.

#### **Quarterly Cash Distributions**

On October 26, 2020, our general partner's board of directors declared a cash distribution of \$0.4417 per Class A share for the third quarter of 2020, an increase of 1.2% over the distribution for the prior quarter, which equals a 5% increase on an annualized basis. The distribution is expected to be paid on November 13, 2020 to shareholders of record as of the close of business on November 5, 2020.

# 2020 Guidance

Following strong year-to-date results, Hess Midstream updates its full year 2020 guidance as follows:

		Year Ending December 31, 2020 (Unaudited)
Financials (in millions)	•	405 475
Net income	\$	465 - 475
Adjusted EBITDA	\$	725 - 735
Distributable cash flow	\$	625 - 635
Expansion capital	\$	250
Maintenance capital	\$	10
Free cash flow	\$	465 - 475
		Year Ending December 31, 2020 (Unaudited)
Throughput volumes (in thousands)		(Onadanca)
Gas gathering - Mcf of natural gas per day		315 - 320
Crude oil gathering - barrels of oil per day		135 - 140
Gas processing - Mcf of natural gas per day		300 - 305
Crude terminals - barrels of oil per day		140 - 145
Water gathering - barrels of liquids per day		65 - 70

#### **Investor Webcast**

Hess Midstream will review third quarter financial and operating results and other matters on a webcast today at 12:00 p.m. Eastern Time. The live audio webcast is accessible on the Investor page of our website www.hessmidstream.com. Conference call numbers for participation are 866-395-9624, or 213-660-0871 for international callers. The passcode number is 6679756. A replay of the conference call will be available at the same location following the event.

#### **About Hess Midstream**

Hess Midstream LP is a fee-based, growth-oriented midstream company that operates, develops and acquires a diverse set of midstream assets to provide services to Hess and third-party customers. Hess Midstream owns oil, gas and produced water handling assets that are primarily located in the Bakken and Three Forks Shale plays in the Williston Basin area of North Dakota. More information is available at www.hessmidstream.com.

#### Reconciliation of U.S. GAAP to Non-GAAP Measures

In addition to our financial information presented in accordance with U.S. generally accepted accounting principles ("GAAP"), management utilizes certain additional non-GAAP measures to facilitate comparisons of past performance and future periods. "Adjusted EBITDA" presented in this release is defined as reported net income (loss) before net interest expense, income tax expense, depreciation and amortization and our proportional share of depreciation of our equity affiliates, as further adjusted to eliminate the impact of certain items that we do not consider indicative of our ongoing operating performance, such as transaction costs, other income and other non-cash, non-recurring items, if applicable. "Distributable Cash Flow" or "DCF" is defined as Adjusted EBITDA less net interest, excluding amortization of deferred financing costs, cash paid for federal and state income taxes and maintenance capital expenditures. DCF does not reflect changes in working capital balances. "Free cash flow" is defined as Adjusted EBITDA less capital expenditures, excluding acquisition capital expenditures. We believe that investors' understanding of our performance is enhanced by disclosing these measures as they may assist in assessing our operating performance as compared to other publicly traded companies in the midstream energy industry, without regard to historical cost basis or, in the case of Adjusted EBITDA, financing methods, and assessing the ability of our assets to generate sufficient cash flow to make distributions to our shareholders. These measures are not, and should not be viewed as, a substitute for GAAP net income or cash flow from operating activities and should not be considered in isolation. Reconciliations of Adjusted EBITDA, DCF and free cash flow to reported net income (GAAP) and net cash provided by operating activities (GAAP), are provided below.

Third Quarter (unaudited)

2020

2019(1)

Chambians, except ratio and per-share/inimited partner unit dia)   Proportion of Adjusted EBITDA and   115,   8,   8,   7,   115,   1					
Net income	(in millions, except ratio and per-share/limited partner unit data)				
Net income         \$         115.8         8         8.7           Picy Picy         39.5         30.5         30.5         30.5         30.5         30.5         30.5         10.5         30.5         10.5         <					
PUISE   Proportional share of equity affiliates' depreciation in teres expense, net interest expense, net interest expense (penetity)	Distributable Cash Flow to net income:				
Depreciation expense         395         30.0           Propoprional share of equity affiliates' depreciation         13         0.5           Interest expense, net         136         12.2           Agusted EBITDA         181         30.3           Agusted EBITDA         18.0         3.0           Interest, net         3.8         3.0           Maintenance capital expenditures         3.8         3.0           Distributable cash flow         3.0         3.0           Distributable cash flow         2.0         3.0           Cash interest paid, net         6.0         3.0           Maintenance capital expenditures, net         8.0         3.0           Cash interest paid, net         9.0         3.0           Sitributable Cash flow are previously reported(2)         8.0         3.0           Distributable Cash flow are provided by operating activities         8.0         3.0           Reconciliation of Adjusted EBITDA,         1.9         8.0           Distributable Cash flow are provided by operating activities         8.0         9.0           Changes in assets and flabilities         8.0         9.0           Afforcidation of Adjusted EBITDA         1.3         0.5           Interest expense, net	Net income	\$	115.8	\$	87.4
Proportional share of equity affiliates' depreciation         1.3         0.5           Interest expense, net         2.32         1.24           Income tax expense (benefit)         1.8            Adjusted EBITDA         2.6            Residuated EBITOA         2.6         3.8           Interest, net         2.6         3.8           Distributable cash flow         3.8         3.8           Distributable cash flow         3.8         1.05           Sest         3.8         1.05           Sest state of the parent investment         2.6         0.6           Gash interest pad, net         9.0         2.0           Adminerance capital expenditures, net         9.0         2.0           Reconcilitation of Adjusted EBITDA         8.8         2.5           Distributable Cash flow as previously reported.         8.14         9.0           Distributable Cash flow and free cash flow         1.15         9.0           Che cash provided by operating activities         1.16         9.1           Proportional share of equity affiliates' depreciation         1.16         9.0           Interest specifical propertions of deferred financing costs         1.6         9.0           Distribution from equity	Plus:				
Interest expense (penetr)         1.8         1.24           Income tax expense (penetr)         1.8         1.8           Adjusted EBITDA         1.81         1.8           Interest, net         2.16         1.8           Maintenance capital expenditures         2.16         1.8           Distributable cash flow         2.16         1.8           Usity State EBITDA attributable to noncontrolling interest and net parent investment         2.6         0.3           Cash interest paid, net         8.0         0.3           Distributable cash flow as previously reported(2)         2.5         2.5           Reconcilitation of Adjusted EBITDA, Distributable cash flow and free cash flow         8.14         8.3         3.0           Distributable Cash Flow and free cash flow         8.14         8.3         3.0         3.0           Ceconcilitation of Adjusted EBITDA, Distributable Cash Flow and free cash flow         8.14         8.3         3.0	Depreciation expense		39.5		36.0
Income tax expenses (lenefith)         1.8            Alguised EBITDA         1816         1808           Less:         21.6         28.7           Maintenance capital expenditures         3.8         18.9           Distributable cash flow         5.85         15.0           Cess:           Adjusted EBITDA attributable to noncontrolling interest and net parent investment         9.8         10.9           Cash interest paid, net         9.8         2.5         6.0           Maintenance capital expenditures, net         9.8         2.5         2.5           Reconciliation of Adjusted EBITDA,         5.8         2.5         2.5           Distributable Cash Flow and free cash flow         5.8         1.9         3.0           To start provided by operating activities         8.9         3.7           Proportional share of equity affiliates' depreciation         1.9         9.8         3.7           Almoritzation of deferred financing costs         1.6         1.0         1.0         1.0         1.0         1.0         1.0         1.0         1.0         1.0         1.0         1.0         1.0         1.0         1.0         1.0         1.0         1.0         1.0         1.0	Proportional share of equity affiliates' depreciation		1.3		0.5
Adjusted EBITDA         181.6         136.8         186.8	Interest expense, net		23.2		12.4
Less:         21.6           Maintenance capital expenditures         3.8           Distributable cash flow         \$ 1562           Less:	Income tax expense (benefit)		1.8		-
Less:         21.6           Maintenance capital expenditures         3.8           Distributable cash flow         \$ 1562           Less:	Adjusted EBITDA		181.6		136.3
Mainteanance capital expenditures					
Maintenance capital expenditures         3.8         156.2         150.2			21.6		
Distributable cash flow         \$ 1562           Less:         1000           Adjusted EBITDA attributable to noncontrolling interest and net parent investment         1000           Cash interest paid, net         6         6           Maintenance capital expenditures, net         2         0.33           Distributable Cash flow, as previously reported?         8         2.52           Reconciliation of Adjusted EBITDA, Distributable Cash Flow and free cash flow to teach provided by operating activities         8         8.3           Net cash provided by Operating activities         8         9.3         3.70           Changes in assets and liabilities         8.9         3.70         8.0           Amortization of deferred financing costs         11.3         0.5         1.0 <td>·</td> <td></td> <td></td> <td></td> <td></td>	·				
Page	· · · · ·	\$			
Adjusted EBITDA attributable to noncontrolling interest and net parent investment		<u> </u>	100.2		
109.7					
Again interest paid, net         0.6           Maintenance capital expenditures, net         0.3           Distributable cash flow, as previously reported(²)         2.525.7           Reconciliation of Adjusted EBITDA, Distributable Cash Flow and free cash flow to teash provided by operating activities         3.149.6         8.34.4           Net cash provided by operating activities         8.9         3.70.           Net cash provided by operating activities         8.9         3.70.           Changes in assets and liabilities         8.9         3.70.           Amortization of deferred financing costs         1.13         0.5           Interest expense, net         2.3         1.24.           Capatilizate interest acquity investments         3.0         0.5           Distribution from equity investments         3.0         0.5           Other         0.0         0.3         0.5           Distribution from equity investments         3.0         0.0           Other         2.0         0.0         0.0           Majusted EBITDA         2.1         0.0           Maintenance capital expenditures         2.1         1.0           Radjusted EBITDA attributable to noncontrolling interest         2.5         2.5           Adjusted EBITDA         2.1	· · · · · · · · · · · · · · · · · · ·				100 7
Maintenance capital expenditures, net         0.3         0.3           Distributable cash flow, as previously reported <sup>(2)</sup> 2.5.25.7           Reconciliation of Adjusted EBITDA,         3.0.2.2.2.2.2.2.2.2.2.2.2.2.2.2.2.2.2.2.	·				
Peconciliation of Adjusted EBITDA,   Peconciliation of Adjusted EBITDA,   Peconciliation of Adjusted EBITDA,   Peropertified Substitutes   Peropertified Substitute Su	·				
Reconciliation of Adjusted EBITDA, Distributable Cash Flow and free cash flow to net cash provided by operating activities:  Net cash provided by operating activities  Net cash provided by operating activities  Changes in assets and liabilities  Amortization of deferred financing costs  Amortization of deferred financing costs  Amortization of deguity affiliates' depreciation  Interest expense, net  Capitalized interest  Capitalized in					
Distributable Cash Flow and free cash flow to net cash provided by operating activities         \$ 149.6         \$ 83.4           Net cash provided by operating activities         \$ 9.3         37.0           Changes in assets and liabilities         \$ 16.6         (1.6)         (1.3)           Amortization of deferred financing costs         1.3         0.5           Interest expense, net         23.2         12.4           Capitalized interest         3.6         0.5           Distribution from equity investments         3.6         0.5           Distribution from equity investments         3.6         0.5           Distribution from equity investments         3.6         0.5           Other         (3.0)         3.0         0.5           Distribution equity investments         3.0         0.5           Other         (3.0)         3.0         0.5           Distribution from equity investments         2.16         3.0         0.5           Other         2.10         3.0         0.5         1.0         0.0         1.0         0.0         1.0         0.0         1.0         0.0         1.0         0.0         1.0         0.0         1.0         0.0         1.0         0.0         1.0         0.0<	Distributable cash flow, as previously reported(2)			\$	25.7
Distributable Cash Flow and free cash flow to net cash provided by operating activities         149.6         8.3.4           Net cash provided by operating activities         8.9         37.0           Changes in assets and liabilities         8.9         37.0           Amortization of deferred financing costs         1.6         (1.6)         1.3           Proportional share of equity affiliates' depreciation         1.3         0.5           Interest expense, net         23.2         12.4           Capitalized interest         3.6         0.5           Distribution from equity investments         3.6         0.5           Distribution from equity investments         3.6         0.5           Other         (3.0)         -3.0           Other         (3.0)         -3.0           Other         (3.0)         -3.0           Distributable cash flow         2.16         3.0           Distributable cash flow         2.16         3.0           Distributable cash flow and parent investment         2.1         6.0           Cash interest paid, net         2.5         2.5           Adjusted EBITDA attributable to noncontrolling interest         2.5         2.5           Sustinuitial expenditures, net         3.0         3.0 </td <td></td> <td></td> <td></td> <td></td> <td></td>					
Net cash provided by operating activities         \$ 149.6         \$ 3.70           Changes in assets and liabilities         8.9         3.70           Amortization of deferred financing costs         (1.6)         (1.3)           Proportional share of equity affiliates' depreciation         1.3         0.5           Interest expense, net         2.3         1.4           Earnings from equity investments         3.6         0.5           Distribution from equity investments         (3.0)         0.5           Distribution from equity investments         (3.0)         0.5           Other         (3.0)         0.0         0.0           Adjusted EBITDA         2.0         0.0         0.0           Adjusted Ester expenditures         2.0         0.0         0.0           Maintenance capital expenditures         2.0         0.0         0.0           Distributable cash flow         2.0         3.8         0.0           Suistributable cash flow, as previously reported?         2.0         0.0           Cash interest paid, net         2.0         0.0         0.0           Maintenance capital expenditures, net         2.0         0.0         0.0           Distributable cash flow, as previously reported?         2.0					
Net cash provided by operating activities         8.9         37.0           Changes in assets and liabilities         8.9         37.0           Amortization of deferred financing costs         (1.6)         (1.3)           Proportional share of equity affiliates' depreciation         1.3         0.5           Interest expense, net         2.2         12.4           Capitalized interest         3.6         0.5           Capitalized interest         3.6         0.5           Distribution from equity investments         3.6         0.5           Other         (0.4)         (0.3)           Other         (0.4)         (0.3)           Adjusted EBITDA         \$ 181.6         \$ 136.3           Interest, net         2.1         1.0           Maintenance capital expenditures         \$ 2.6         1.0           Maintenance capital expenditures         \$ 150.2         1.0           Interest, net         \$ 2.5         1.0           Maintenance capital expenditures         \$ 150.2         1.0           Cess:         \$ 2.5         2.5           Less:         \$ 2.5         2.5           Cash interest paid, net         \$ 2.5         2.5           Maintenance capital expenditures, net					
Changes in assets and liabilities         8.9         37.0           Amortization of deferred financing costs         (1.6)         (1.3)           Proportional share of equity affiliates' depreciation         1.3         0.5           Interest expense, net         23.2         12.4           Capitalized interest         -         4.1           Earnings from equity investments         (3.0)         -           Distribution from equity investments         (3.0)         -           Other         (3.0)         0.3           Adjusted EBITDA         \$ 181.6         \$ 186.3           Less:         2.6         4.1           Interest, net         2.6         3.8           Distributable cash flow         \$ 150.2         2.5           Ees:         2.6         4.0         1.0           Interest, net         2.6         3.8         1.0					
Amortization of deferred financing costs         (1.6)         (1.3)           Proportional share of equity affiliates' depreciation         1.3         0.5           Interest expense, net         23.2         12.4           Capitalized interest         3.6         0.5           Earnings from equity investments         3.6         0.5           Distribution from equity investments         (3.0)         -           Other         (0.4)         (0.3)           Adjusted EBITDA         \$ 181.6         \$ 136.3           Less:         21.6         3.8           Distributable cash flow         \$ 15.2         4           Maintenance capital expenditures         \$ 15.2         10.9.7           Cash interest paid, net         \$ 2.6         1.9.7           Maintenance capital expenditures, net         \$ 2.5         2.5           Maintenance capital expenditures, net         \$ 2.5         2.5           Cash interest paid, net         \$ 2.5         2.5           Maintenance capital expenditures, net         \$ 2.5         2.5           Capital expenditures         \$ 2.5         2.5           Capital expenditures         \$ 2.5         2.5           Capital expenditures         \$ 2.6         2.2		\$		\$	
Proportional share of equity affiliates' depreciation         1.3         0.5           Interest expense, net         23.2         12.4           Capitalized interest         3.6         0.5           Earnings from equity investments         3.6         0.5           Distribution from equity investments         (3.0)         -           Other         (0.4)         (0.3)           Adjusted EBITDA         \$ 18.6         \$ 186.3           Less:         21.6         3.8           Distributable cash flow         \$ 15.2         -           Less:         1.09.7         -           Cash interest paid, net         0.6         0.6           Maintenance capital expenditures, net         \$ 2.5         0.6           Maintenance capital expenditures, net         \$ 2.5         0.6           Adjusted EBITDA         \$ 181.6         \$ 136.3           Distributed cash flow, as previously reported(2)         \$ 2.5         2.5           Cash inc	Changes in assets and liabilities		8.9		37.0
Interest expense, net	Amortization of deferred financing costs		(1.6)		(1.3)
Capitalized interest         -         4.1           Earnings from equity investments         3.6         0.5           Distribution from equity investments         (3.0)         (3.0)           Other         (0.4)         (0.3)           Adjusted EBITDA         \$ 181.6         \$ 136.3           Less:         21.6         21.6           Maintenance capital expenditures         3.8         5.5           Distributable cash flow         \$ 156.2         \$ 109.7           Less:         2.0         0.6           Adjusted EBITDA attributable to noncontrolling interest and net parent investment         1.09.7         0.6           Cash interest paid, net         0.6         0.6           Maintenance capital expenditures, net         0.6         0.6           Distributable cash flow, as previously reported(2)         \$ 25.7           Adjusted EBITDA         \$ 181.6         \$ 25.7           Adjusted EBITDA         \$ 181.6         \$ 25.7           Distributed cash flow, as previously reported(2)         \$ 25.7           Case:         6.6.4         1.22.3           Less:         2.0         3.0           Cash flow         \$ 6.6.4         1.22.3           Free cash flow(2)         \$ 1.5 <td>Proportional share of equity affiliates' depreciation</td> <td></td> <td>1.3</td> <td></td> <td>0.5</td>	Proportional share of equity affiliates' depreciation		1.3		0.5
Earnings from equity investments         3.6         0.5           Distribution from equity investments         (3.0)         -           Other         (0.4)         (0.3)           Adjusted EBITDA         \$ 181.6         \$ 186.3           Less:         21.6         3.8           Interest, net         3.8         3.8           Distributable capital expenditures         3.8	Interest expense, net		23.2		12.4
Distribution from equity investments         (3.0)	Capitalized interest		-		4.1
Distribution from equity investments         (3.0)	Earnings from equity investments		3.6		0.5
Other         (0.4)         (0.3)           Adjusted EBITDA         \$ 181.6         \$ 136.3           Less:         21.6         21.6           Interest, net         3.8         3.8           Distributable capital expenditures         3.8         5.8           Distributable cash flow         \$ 156.2         5.8           Less:         4.0         5.8         1.09.7           Cash interest paid, net         9.8         1.09.7         6.6         1.09.7           Maintenance capital expenditures, net         9.0         2.5.7         1.09.7 <td< td=""><td></td><td></td><td>(3.0)</td><td></td><td>-</td></td<>			(3.0)		-
Adjusted EBITDA       \$ 181.6       \$ 136.3         Less:       1 therest, net       21.6       Adjusted expenditures         Maintenance capital expenditures       \$ 156.2       ***         Distributable cash flow       \$ 156.2       ***       ***         Less:       Adjusted EBITDA attributable to noncontrolling interest and net parent investment       \$ 109.7         Cash interest paid, net Maintenance capital expenditures, net Maintenance capital expenditures, net Distributable cash flow, as previously reported(2)       \$ 181.6       \$ 25.7         Adjusted EBITDA       \$ 181.6       \$ 136.3       \$ 25.7         Adjusted EBITDA       \$ 181.6       \$ 136.3       \$ 136.3         Less:       \$ 66.4       122.3         Capital expenditures       66.4       122.3         Free cash flow       \$ 115.2       \$ 14.0         Distributed cash flow(2)       125.6       23.8         Distribution coverage ratio       1.2x       1.1x         Distribution per Class A share/limited partner unit       \$ 0.4417       \$ 0.4112					(0.3)
Less:       21.6         Maintenance capital expenditures       3.8         Distributable cash flow       \$ 156.2         Less:	Adjusted FBITDA	\$		\$	
Interest, net	•	•		•	
Maintenance capital expenditures         3.8         4         4         5         156.2         5         156.2			21.6		
Distributable cash flow         \$ 156.2           Less:         Adjusted EBITDA attributable to noncontrolling interest and net parent investment         109.7           Cash interest paid, net Maintenance capital expenditures, net         0.6           Maintenance capital expenditures, net         \$ 25.7           Distributable cash flow, as previously reported(2)         \$ 181.6         \$ 136.3           Less:         Capital expenditures         66.4         122.3           Free cash flow         \$ 115.2         \$ 14.0           Distributed cash flow(2)         125.6         23.8           Distribution coverage ratio         1.2x         1.1x           Distribution per Class A share/limited partner unit         \$ 0.4417         \$ 0.4112					
Less:       Adjusted EBITDA attributable to noncontrolling interest         Adjusted EBITDA attributable to noncontrolling interest       109.7         Cash interest paid, net       0.6         Maintenance capital expenditures, net       0.3         Distributable cash flow, as previously reported(2)       \$ 25.7         Adjusted EBITDA       \$ 181.6       \$ 136.3         Less:       Capital expenditures       66.4       122.3         Free cash flow       \$ 115.2       \$ 14.0         Distributed cash flow(2)       125.6       23.8         Distribution coverage ratio       1.2x       1.1x         Distribution per Class A share/limited partner unit       \$ 0.4417       \$ 0.4112		\$			
Adjusted EBITDA attributable to noncontrolling interest and net parent investment       109.7         Cash interest paid, net       0.6         Maintenance capital expenditures, net       0.3         Distributable cash flow, as previously reported(2)       \$ 25.7         Adjusted EBITDA       \$ 181.6       \$ 136.3         Less:       Capital expenditures       \$ 66.4       122.3         Free cash flow       \$ 115.2       \$ 14.0         Distributed cash flow(2)       125.6       23.8         Distribution coverage ratio       1.2x       1.1x         Distribution per Class A share/limited partner unit       \$ 0.4417       \$ 0.4112		Ψ	130.2		
and net parent investment       109.7         Cash interest paid, net       0.6         Maintenance capital expenditures, net       0.3         Distributable cash flow, as previously reported(2)       \$ 25.7         Adjusted EBITDA       \$ 181.6       \$ 136.3         Less:       Capital expenditures       66.4       122.3         Free cash flow       \$ 115.2       \$ 14.0         Distributed cash flow(2)       125.6       23.8         Distribution coverage ratio       1.2x       1.1x         Distribution per Class A share/limited partner unit       \$ 0.4417       \$ 0.4112					
Cash interest paid, net       0.6         Maintenance capital expenditures, net       0.3         Distributable cash flow, as previously reported(2)       \$ 25.7         Adjusted EBITDA       \$ 181.6       \$ 136.3         Less:       Table 1       \$ 122.3         Capital expenditures       \$ 115.2       \$ 14.0         Pree cash flow       \$ 115.2       \$ 14.0         Distributed cash flow(2)       125.6       23.8         Distribution coverage ratio       1.2x       1.1x         Distribution per Class A share/limited partner unit       \$ 0.4417       \$ 0.4112					100.7
Maintenance capital expenditures, net         0.3           Distributable cash flow, as previously reported(2)         \$ 25.7           Adjusted EBITDA         \$ 181.6         \$ 136.3           Less:         \$ 25.7           Capital expenditures         \$ 66.4         122.3           Free cash flow         \$ 115.2         \$ 14.0           Distributed cash flow(2)         125.6         23.8           Distribution coverage ratio         1.2x         1.1x           Distribution per Class A share/limited partner unit         \$ 0.4417         \$ 0.4112	·				
Distributable cash flow, as previously reported(2)         \$ 25.7           Adjusted EBITDA         \$ 181.6         \$ 136.3           Less:         \$ 25.7           Capital expenditures         \$ 66.4         122.3           Free cash flow         \$ 115.2         \$ 14.0           Distributed cash flow(2)         125.6         23.8           Distribution coverage ratio         1.2x         1.1x           Distribution per Class A share/limited partner unit         \$ 0.4417         \$ 0.4112	•				
Adjusted EBITDA       \$ 181.6       \$ 136.3         Less:       Capital expenditures       66.4       122.3         Free cash flow       \$ 115.2       \$ 14.0         Distributed cash flow(2)       125.6       23.8         Distribution coverage ratio       1.2x       1.1x         Distribution per Class A share/limited partner unit       \$ 0.4417       \$ 0.4112					
Less:         66.4         122.3           Capital expenditures         \$ 66.4         122.3           Free cash flow         \$ 115.2         \$ 14.0           Distributed cash flow(2)         125.6         23.8           Distribution coverage ratio         1.2x         1.1x           Distribution per Class A share/limited partner unit         \$ 0.4417         \$ 0.4112				\$	
Capital expenditures         66.4         122.3           Free cash flow         \$ 115.2         \$ 14.0           Distributed cash flow(2)         125.6         23.8           Distribution coverage ratio         1.2x         1.1x           Distribution per Class A share/limited partner unit         \$ 0.4417         \$ 0.4112	Adjusted EBITDA	\$	181.6	\$	136.3
Free cash flow         \$ 115.2         \$ 14.0           Distributed cash flow(2)         125.6         23.8           Distribution coverage ratio         1.2x         1.1x           Distribution per Class A share/limited partner unit         \$ 0.4417         \$ 0.4112	Less:				
Distributed cash flow(2)125.623.8Distribution coverage ratio1.2x1.1xDistribution per Class A share/limited partner unit\$ 0.4417\$ 0.4112	Capital expenditures		66.4		122.3
Distributed cash flow(2)125.623.8Distribution coverage ratio1.2x1.1xDistribution per Class A share/limited partner unit\$ 0.4417\$ 0.4112	Free cash flow	\$	115.2	\$	14.0
Distribution coverage ratio  1.2x  Distribution per Class A share/limited partner unit  1.1x  0.4417  0.4112	Distributed cash flow(2)				
Distribution per Class A share/limited partner unit \$ 0.4417 \$ 0.4112					
·		\$		\$	
	· · · · · · · · · · · · · · · · · · ·	*	0.1.11	*	J. 1112

<sup>(1)</sup> Prior period information has been retrospectively adjusted for the acquisition of Hess Infrastructure Partners LP.

<sup>(2)</sup> Distributable cash flow prior to the Transaction is calculated net of any amounts attributable to noncontrolling interest. Subsequent to the Transaction, Hess Midstream will generally make cash distributions to holders of Class A Shares and to holders of noncontrolling interest pro rata. Therefore, distributable and distributed cash flow subsequent to the Transaction includes amounts attributable to noncontrolling interest.

(in millions)	Ye Decen	uidance ar Ending nber 31, 2020 naudited)
(in millions)  Reconciliation of Adjusted EBITDA, Distributable Cash Flow		
and free cash flow to net income:		
Net income	\$	465 - 475
Plus:		
Depreciation expense*		155
Interest expense, net		95
Income tax expense		10
Adjusted EBITDA		725 - 735
Less:		
Interest, net, and maintenance capital expenditures		100
Distributable cash flow		625 - 635
Adjusted EBITDA		725 - 735
Less:		
Capital expenditures		260
Free cash flow		465 - 475
*Includes proportional share of equity affiliates' depreciation		

#### Cautionary Note Regarding Forward-looking Information

This press release contains "forward-looking statements" within the meaning of U.S. federal securities laws. Words such as "anticipate," "estimate," "expect," "forecast," "guidance," "could," "may," "should," "would," "believe," "intend," "project," "plan," "predict," "will," "target" and similar expressions identify forward-looking statements, which are not historical in nature. Our forward-looking statements may include, without limitation: our future financial and operational results; our business strategy; our industry; our expected revenues; our future profitability; our maintenance or expansion projects; our projected budget and capital expenditures and the impact of such expenditures on our performance; and future economic and market conditions in the oil and gas industry.

Forward-looking statements are based on our current understanding, assessments, estimates and projections of relevant factors and reasonable assumptions about the future. Forward-looking statements are subject to certain known and unknown risks and uncertainties that could cause actual results to differ materially from our historical experience and our current projections or expectations of future results expressed or implied by these forward-looking statements. The following important factors could cause actual results to differ materially from those in our forward-looking statements: the direct and indirect effects of the COVID-19 global pandemic and other public health developments on our business and those of our business partners, suppliers and customers, including Hess; the ability of Hess and other parties to satisfy their obligations to us, including Hess' ability to meet its drilling and development plans on a timely basis or at all and the operation of joint ventures that we may not control; our ability to generate sufficient cash flow to pay current and expected levels of distributions; reductions in the volumes of crude oil, natural gas, natural gas liquids ("NGLs") and produced water we gather, process, terminal or store; fluctuations in the prices and demand for crude oil, natural gas and NGLs, including as a result of the COVID-19 global pandemic; changes in global economic conditions and the effects of a global economic downturn on our business and the business of our suppliers, customers, business partners and lenders; our ability to comply with government regulations or make capital expenditures required to maintain compliance, including our ability to obtain or maintain permits necessary for capital projects in a timely manner, if at all, or the revocation or modification of existing permits; our ability to successfully identify, evaluate and timely execute our capital projects, investment opportunities and growth strategies, whether through organic growth or acquisitions; costs or liabilities associated with federal, state and local laws, regulations and governmental actions applicable to our business, including legislation and regulatory initiatives relating to environmental protection and safety, such as spills, releases, pipeline integrity and measures to limit greenhouse gas emissions; our ability to comply with the terms of our credit facility, indebtedness and other financing arrangements, which, if accelerated, we may not be able to repay; reduced demand for our midstream services, including the impact of weather or the availability of the competing third-party midstream gathering, processing and transportation operations; potential disruption or interruption of our business due to catastrophic events, such as accidents, severe weather events, labor disputes, information technology failures, constraints or disruptions and cyber-attacks; any limitations on our ability to access debt or capital markets on terms that we deem acceptable, including as a result of weakness in the oil and gas industry or negative outcomes within commodity and financial markets: liability resulting from litigation; and other factors described in Item 1A—Risk Factors in our Annual Report on Form 10-K and any additional risks described in our other filings with the Securities and Exchange Commission.

As and when made, we believe that our forward-looking statements are reasonable. However, given these risks and uncertainties, caution should be taken not to place undue reliance on any such forward-looking statements since such statements speak only as of the date when made and there can be no assurance that such forward-looking statements will occur and actual results may differ materially from those contained in any forward-looking statement we make. Except as required by law, we undertake no obligation to publicly update or revise any forward-looking statements, whether because of new information, future events or otherwise.

#### For Hess Midstream LP

#### **Investor Contact:**

Jennifer Gordon (212) 536-8244

#### **Media Contact:**

Robert Young (713) 496-6076

	Third Quarter 2020		Q	Third uarter 019 <sup>(1</sup> )	Second Quarter 2020		
Statement of operations		_	' <u>'</u>				
Revenues							
Affiliate services	\$	264.7	\$	214.9	\$	269.8	
Other income		0.1					
Total revenues		264.8		214.9		269.8	
Costs and expenses							
Operating and maintenance expenses		00.0		74.0		05.0	
(exclusive of depreciation shown separately below)		83.9 39.5		71.9 36.0		95.0	
Depreciation expense						38.9 4.1	
General and administrative expenses  Total costs and expenses	-	4.2 127.6	-	7.7 115.6	-	138.0	
•		137.2	-	99.3		131.8	
Income from operations Income from equity investments		3.6		99.3 0.5		0.9	
Interest expense, net		23.2		12.4		23.3	
Gain from sale of property, plant and equipment		25.2		12.4		0.1	
Income before income tax expense (benefit)		117.6		87.4	-	109.5	
Income tax expense (benefit)		1.8		-		1.7	
Net income	\$	115.8	\$	87.4	\$	107.8	
Less: Net income (loss) attributable to net parent investment	<del>*</del>		<u>-</u>	(13.0)	·	-	
Less: Net income attributable to noncontrolling				(==::)			
interest		110.2		81.3		102.5	
Net income attributable to Hess Midstream LP		5.6		19.1		5.3	
Less: General partner's interest in net income		_		1.3		_	
Limited partners' interest in net income	\$	5.6	\$	17.8	\$	5.3	
			-				
Net income attributable to Hess Midstream LP							
per Class A share/limited partner unit:							
Basic	\$	0.31			\$	0.29	
Diluted	\$	0.31			\$	0.29	
Net income attributable to Hess Midstream LP							
per limited partner unit (basic and diluted):			Φ.	0.00			
Common Subordinated			\$ \$	0.33 0.33			
Weighted average Class A shares outstanding			Ф	0.33			
subsequent to December 16, 2019:							
Basic		18.0				18.0	
Diluted		18.1				18.1	
Weighted average limited partner units outstanding prior to December 16, 2019							
Basic:							
Common				27.3			
Subordinated				27.3			
Diluted:				_			
Common				27.5			
Subordinated				27.3			

<sup>(1)</sup> Prior period information has been retrospectively adjusted for the acquisition of Hess Infrastructure Partners LP.

	Nine Months Ended September 30,			
		2020		
Statement of operations				
Revenues				
Affiliate services	\$	825.1	\$	594.5
Other income		0.3		0.3
Total revenues		825.4		594.8
Costs and expenses				
Operating and maintenance expenses				
(exclusive of depreciation shown separately below)		270.8		184.1
Depreciation expense		116.9		105.0
General and administrative expenses		15.9		19.4
Total costs and expenses		403.6		308.5
Income from operations		421.8		286.3
Income from equity investments		7.2		0.5
Interest expense, net		71.3		44.2
Gain on sale of property, plant and equipment		0.1		-
Income before income tax expense (benefit)		357.8		242.6
Income tax expense (benefit)		5.2		_
Net income	\$	352.6	\$	242.6
Less: Net income (loss) attributable to net parent investment	<del></del>		<u>-</u>	(44.0)
Less: Net income attributable to noncontrolling interest		335.2		232.6
Net income attributable to Hess Midstream LP		17.4		54.0
Less: General partner's interest in net income				3.1
Limited partners' interest in net income	\$	17.4	\$	50.9
Limited partners interest in het income	<u> </u>	17.4	Φ	50.9
Net income attributable to Hess Midstream LP				
per Class A share:				
Basic:	\$	0.97		
Diluted:	\$	0.95		
Net income attributable to Hess Midstream LP				
per limited partner unit (basic and diluted):				
Common			\$	0.93
Subordinated			\$	0.93
Weighted average Class A shares outstanding				
subsequent to December 16, 2019				
Basic		18.0		
Diluted		18.1		
Weighted average limited partner units outstanding				
prior to December 16, 2019				
Basic:				
Common				27.3
Subordinated				27.3
Diluted:				
Common				27.5
Subordinated				27.3

<sup>(1)</sup> Prior period information has been retrospectively adjusted for the acquisition of Hess Infrastructure Partners LP.

Third Quarter 2020 **Processing Terminaling** and Interest and Other Gathering Storage and Export Total **Statement of operations** Revenues 142.9 Affiliate services \$ 90.1 \$ 31.7 \$ \$ 264.7 \$ Other income 0.1 0.1 142.9 90.2 31.7 Total revenues 264.8 Costs and expenses Operating and maintenance expenses (exclusive of depreciation shown separately below) 44.1 30.4 9.4 83.9 Depreciation expense 24.2 4.1 39.5 11.2 4.2 2.2 0.2 General and administrative expenses 1.5 0.3 Total costs and expenses 70.5 13.7 127.6 43.1 0.3 Income (loss) from operations 72.4 47.1 18.0 (0.3)137.2 Income from equity investments 3.6 3.6 23.2 23.2 Interest expense, net Income before income tax expense (benefit) 72.4 50.7 18.0 (23.5)117.6 Income tax expense (benefit) 1.8 1.8 Net income (loss) 72.4 50.7 18.0 (25.3)115.8 Less: Net income (loss) attributable to noncontrolling interest 110.2 67.9 47.5 16.9 (22.1)Net income (loss) attributable to Hess Midstream LP 4.5 3.2 1.1 (3.2)\$ 5.6 Third Quarter 2019(1) Processing and Terminaling Interest and Exportand Other **Total** Gathering Storage **Statement of operations** Revenues Affiliate 105.9 74.0 35.0 214.9 Total revenues 105.9 74.0 35.0 214.9 Costs and expenses Operating and maintenance expenses (exclusive of depreciation shown separately below) 71.9 36.1 19.3 16.5 Depreciation expense 20.8 11.2 4.0 36.0 0.2 General and administrative expenses 2.5 3.8 7.7 1.2 31.7 Total costs and expenses 59.4 20.7 3.8 115.6 Income (loss) from operations 46.5 42.3 14.3 99.3 (3.8)Income from equity investments 0.5 0.5 Interest expense, net 12.4 12.4 Net income (loss) 46.5 42.8 14.3 (16.2)87.4 Less: Net income (loss) attributable to net parent investment 1.6 (14.6)(13.0)Less: Net income (loss) attributable to

noncontrolling interest

Net income (loss) attributable to Hess Midstream LP 35.8

9.1

34.0

8.8

11.5

2.8

(1.6)

81.3

19.1

<sup>(1)</sup> Prior period information has been retrospectively adjusted for the acquisition of Hess Infrastructure Partners LP.

		Second Quarter 2020								
	Ga	Processing and Termina		ninaling Export	ng Interest			Total		
Statement of operations										
Revenues										
Affiliate services	\$	136.4	\$	86.8	\$	46.6	\$	<u>-</u>	\$	269.8
Total revenues		136.4		86.8		46.6		-		269.8
Costs and expenses										
Operating and maintenance expenses (exclusive of										
depreciation shown separately below)		39.5		29.0		26.5		-		95.0
Depreciation expense		23.7		11.2		4.0		-		38.9
General and administrative expenses		1.6		1.7		0.2		0.6		4.1
Total costs and expenses		64.8		41.9		30.7		0.6		138.0
Income (loss) from operations		71.6		44.9		15.9		(0.6)		131.8
Income from equity investments		-		0.9		-		-		0.9
Interest expense, net		-		-		-		23.3		23.3
Gain on sale of property, plant and equipment		0.1						-		0.1
Income before income tax expense (benefit)		71.7		45.8		15.9		(23.9)		109.5
Income tax expense (benefit)								1.7		1.7
Net income (loss)		71.7		45.8		15.9		(25.6)		107.8
Less: Net income (loss) attributable to										
noncontrolling interest		67.1		43.0		14.9		(22.5)		102.5
Net income (loss) attributable to										
Hess Midstream LP	\$	4.6	\$	2.8	\$	1.0	\$	(3.1)	\$	5.3

# HESS MIDSTREAM LP SUPPLEMENTAL OPERATING DATA (UNAUDITED) (IN THOUSANDS)

	Third Quarter 2020	Quarter Quarter		
Throughput volumes				
Gas gathering - Mcf of natural gas per day	316	270	307	
Crude oil gathering - bopd	138	119	141	
Gas processing - Mcf of natural gas per day	296	259	289	
Crude terminals - bopd	141	130	144	
NGL loading - blpd	12	16	14	
Water gathering - blpd	78	45	66	
		Nine Months Ended	September 30,	
		2020	2019	
Throughput volumes				
Gas gathering - Mcf of natural gas per day		320	259	
Crude oil gathering - bopd		143	113	
Gas processing - Mcf of natural gas per day		302	244	
Crude terminals - bopd		149	125	
NGL loading - blpd		14	15	
Water gathering - blpd		66	38	