



Southwest Gas[™]

HOLDINGS

Southwest Gas Corporation Announces Receipt of Unsolicited Merger Proposal

February 22, 1999

LAS VEGAS, Feb. 22 /PRNewswire/ -- Southwest Gas Corporation (NYSE: SWX) announced that it has received an unsolicited proposal from Southern Union Company (NYSE: SUG) offering to acquire Southwest Gas for \$32.00 per share in cash. The proposal is preliminary in nature and subject to a number of contingencies and uncertainties.

Southwest Gas is a party to the previously announced merger agreement with ONEOK, Inc. (NYSE: OKE) pursuant to which ONEOK has agreed to pay \$28.50 per share in cash upon consummation of the merger. Under the terms of the agreement with ONEOK, as a result of certain preliminary determinations made by the Board of Directors of Southwest Gas, the Southwest Gas Board of Directors has authorized management to commence substantive discussions with Southern Union regarding its proposal. No assurances can be given that any agreement will be reached with Southern Union.

Southwest Gas does not intend to make any further public announcement regarding its negotiations with Southern Union until an agreement is reached or negotiations are terminated.

The merger agreement with ONEOK remains in full force and effect, and based on the information currently available to it, the Board of Directors of Southwest Gas has not altered its recommendation regarding the merger agreement with ONEOK.

SOURCE Southwest Gas Corporation

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