



Hess Announces Charge Related to Closure of HOVENSA Joint Venture Refinery

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NEW YORK--(BUSINESS WIRE)--Jan. 18, 2012-- Hess Corporation announced today that it will take a \$525 million after-tax charge against its fourth quarter 2011 earnings as a result of the shutdown of the HOVENSA L.L.C. refinery in St. Croix, U.S. Virgin Islands, a joint venture between Hess and Petroleos de Venezuela S.A. Following the shutdown, the complex will operate as an oil storage terminal.

HOVENSA said in a release today that its losses at the refinery have totaled \$1.3 billion in the past three years alone and were projected to continue. HOVENSA's losses have been caused primarily by weakness in demand for refined petroleum products due to the global economic slowdown and the addition of new refining capacity in emerging markets. In the past three years, these factors have caused the closure of approximately 18 refineries in the United States and Europe with capacity totaling more than 2 million barrels of oil per day. In addition, the low price of natural gas in the United States has put HOVENSA, an oil-fueled refinery, at a competitive disadvantage.

HOVENSA said it had explored all available options to keep the refinery operating but severe financial losses left it with no other choice.

Hess Corporation, with headquarters in New York, is a global integrated energy company engaged in the exploration, production, purchase, transportation and sale of crude oil and natural gas, as well as the production and sale of refined petroleum products. More information on Hess Corporation is available at <http://www.hess.com>.

Cautionary Statements

This news release contains projections and other forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These projections and statements reflect the company's current views with respect to future events and financial performance. No assurances can be given, however, that these events will occur or that these projections will be achieved, and actual results could differ materially from those projected as a result of certain risk factors. A discussion of these risk factors is included in the company's periodic reports filed with the Securities and Exchange Commission.

Source: Hess Corporation

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