



Hess Presents at Bank of America Merrill Lynch 2017 Global Energy Conference

November 16, 2017

- **Highlights Company's High Graded Portfolio, Proforma Cash Flow Growth and Prefunding of "Transformative" Guyana Opportunity**
- **Announces \$500 Million Share Repurchase Plan in addition to \$500 Million in Debt Reduction**

NEW YORK--(BUSINESS WIRE)--Nov. 16, 2017-- In a presentation at the Bank of America Merrill Lynch 2017 Global Energy Conference today, Hess Corporation (NYSE:HES) Chief Executive Officer John Hess reviewed the company's progress in executing its strategy to deliver significant value to shareholders.

Financial strength and shareholder focus

This year, the company has announced sales of mature, lower growth assets that will result in proceeds of \$3.4 billion and the release of \$1.3 billion of asset retirement obligations (excluding the sale of its interests in Denmark expected in 2018). The company plans to use these proceeds to:

- Prefund a world class oil development in Guyana
- Increase to a total of six rigs from four rigs currently in the Bakken during 2018, where the company has a robust inventory of high return drilling locations in the core of the play
- Return cash to shareholders through a share repurchase program of up to \$500 million of stock to be completed in 2018
- Reduce Hess Corporation debt (excluding midstream) by \$500 million in 2018

High graded, focused portfolio

"We have moved aggressively to focus and high grade our portfolio with asset sales that exceeded expectations in terms of value and timing," John Hess said. "Investing in our highest return assets and divesting mature, higher cost assets are significantly lowering our cash unit costs and bolstering our company's balance sheet, as well as enabling us to prefund Guyana oil developments, return capital to shareholders and reduce debt."

The company's portfolio will be focused on Guyana and the Bakken as growth engines and Malaysia and deepwater Gulf of Mexico as cash engines. On a pro forma basis, this high graded portfolio is expected to generate capital efficient annual production growth of approximately 10 percent per year through 2020. Assuming a \$50 per barrel oil price (Brent), cash flow is expected to grow at an annual rate of more than 20 percent over the same period.

The high graded portfolio combined with a planned \$150 million annual cost reduction program is expected to drive down cash unit production costs by approximately 30 percent – to less than \$10 per barrel of oil equivalent – by 2020. This improvement will enable the company to generate free cash flow at a \$50 per barrel oil price (Brent) after 2020.

Prefunding Guyana, one of the industry's largest oil discoveries in a decade

Hess has a 30 percent interest in the Stabroek Block offshore Guyana, where gross discovered recoverable resources are currently estimated to be 2.5 billion to 2.8 billion barrels of oil equivalent. The company also sees multi billion barrels of additional unrisks exploration potential on the block.

"The Stabroek Block is a massive world class resource that keeps getting bigger and better," Hess said. "Guyana is an extraordinary oil investment opportunity that is uniquely advantaged by its scale, reservoir quality, cost advantages, rapid cash paybacks and strong financial returns, which we believe will create significant value for our shareholders for many years to come."

A replay of the company's presentation at the Bank of America Merrill Lynch 2017 Global Energy Conference is available via Hess Corporation's website at www.hess.com.

Hess Corporation is a leading global independent energy company engaged in the exploration and production of crude oil and natural gas. More information is available at 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. We use certain terms in this release relating to reserves other than proved, such as unproved resources. Investors are urged to consider closely the disclosure relating to proved reserves in Hess' Form 10-K, File No. 1-1204, available from Hess Corporation, 1185 Avenue of the Americas, New York, New York 10036 c/o Corporate Secretary and on our website at www.hess.com. You can also obtain this form from the SEC on the EDGAR system.

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