



Amerada Hess Reports Results for the Fourth Quarter 2002

January 30, 2003

New York, New York....January 30, 2003....Amerada Hess Corporation (NYSE:AHC) reported a net loss, including special items, of \$371 million for the fourth quarter of 2002 compared with income of \$54 million for the fourth quarter of 2001. For the full year, the net loss was \$218 million compared with income of \$914 million in 2001. Operating earnings, excluding special items, amounted to income of \$145 million for the fourth quarter of 2002 and \$551 million for the year.

The after-tax results by major operating activity in 2002 and 2001 were as follows (in millions, except per share amounts):

	Three months ended December 31		Year ended December 31	
	2002*	2001*	2002*	2001
Exploration and production	\$ 174	\$ 115	\$ 752	\$ 923
Refining and marketing	20	25	40	235
Corporate	(8)	(14)	(63)	(78)
Interest expense	(41)	(41)	(178)	(135)
Operating earnings	145	85	551	945
Special items	(516)	(31)	(769)	(31)
Net income (loss)	\$ (371)	\$ 54	\$ (218)	\$ 914
Net income (loss) per share	\$ (4.20)	\$.61	\$ (2.48)	\$ 10.25

* Unaudited

The Corporation's oil and gas production, on a barrel-of-oil equivalent basis, was 434,000 barrels per day in the fourth quarter of 2002, a decrease of 7% from the fourth quarter of 2001. Full year 2002 production averaged 451,000 barrels per day, an increase of 4% over last year. In the fourth quarter of 2002, the Corporation's average worldwide crude oil selling price, including the effect of hedging, was approximately \$24.70 per barrel, an increase of \$3.65 per barrel from the fourth quarter of 2001. The average crude oil selling price for the full year of 2002 was \$24.80 per barrel, an increase of \$.50 per barrel from 2001. The Corporation's average United States natural gas selling price, including the effect of hedging, was \$4.36 per Mcf in the fourth quarter of 2002, an increase of \$1.49 per Mcf from the fourth quarter of 2001. The average United States natural gas selling price for the full year of 2002 was \$3.65 per Mcf, a decrease of \$.34 per Mcf from 2001.

Refining and marketing results for the year 2002 decreased compared with 2001, principally reflecting lower earnings from refining and retail gasoline station operations.

After-tax special items in 2002 and 2001 are summarized below (in millions):

	Three months ended December 31		Year ended December 31	
	2002	2001	2002	2001
Asset impairments	\$ (530)	\$ --	\$ (786)	\$ --
Net gain from asset sales	14	--	82	--
Charge for increase in United Kingdom income tax rate	--	--	(43)	--
Reduction in carrying value of intangible assets	--	--	(14)	--
Charge related to Enron bankruptcy	--	(19)	--	(19)
Severance accrual	--	(12)	(8)	(12)
	\$ (516)	\$ (31)	\$ (769)	\$ (31)

The Corporation recorded an impairment charge of \$530 million, after-tax, in the fourth quarter of 2002 to reduce the carrying value of the Ceiba field in Equatorial Guinea. The non-cash charge principally results from a reduction in probable reserves and higher field development costs associated with extending the field life. There was no revision to Ceiba's proved crude oil reserves. In the fourth quarter, the Corporation also recorded a gain from

the sale of an interest in two small producing properties in Azerbaijan.

Sales and other operating revenues in the fourth quarter of 2002 amounted to \$3,297 million compared with \$2,881 million in the fourth quarter of 2001. Sales and other operating revenues for the year 2002 were \$11,932 million compared with \$13,413 million in 2001. Capital expenditures for the year 2002 amounted to \$1,534 million, including \$1,404 million for exploration and production activities. Capital expenditures for the year 2001 were \$5,221 million, including \$2,720 for the purchase of Triton Energy Limited.

Consolidated Financial Information

(unaudited)

	Three months ended December 31		Year ended December 31	
	2002	2001	2002	2001
(In millions, except per share amounts)				
Sales and other operating revenues	\$ 3,297	\$ 2,881	\$ 11,932	\$ 13,413
Operating earnings	\$ 145	\$ 85	\$ 551	\$ 945
Special items	(516)	(31)	(769)	(31)
Net income (loss)	\$ (371)	\$ 54	\$ (218)	\$ 914
Net income (loss) per share	\$ (4.20)	\$.61	\$ (2.48)	\$ 10.25
Weighted average number of shares	88.4(*)	88.7	88.2(*)	89.1

(*) Represents basic shares.

Amerada Hess Corporation and Consolidated Subsidiaries

Supplemental Financial Data

(unaudited - in millions)

Line		Fourth Quarter 2002 (A)	Fourth Quarter 2001 (B)	Third Quarter 2002 (C)
INCOME STATEMENT				
No.	REVENUES AND OTHER NON-OPERATING INCOME			
1	Sales and other operating revenues	\$ 3,297	\$ 2,881	\$ 2,818
	Non-operating income			
2	Gain on asset sales	14	--	63
3	Equity in income (loss) of HOVENSA L.L.C.	4	(19)	(6)
4	Other	32	23	20
5	Total revenues and other non-operating income	3,347	2,885	2,895
COSTS AND EXPENSES				
6	Cost of products sold	2,039	1,717	1,629
7	Production expenses	233	189	222
8	Marketing expenses	202	197	144
9	Exploration expenses, including dry holes and lease impairment	110	137	105
10	Other operating expenses	54	61	49
11	General and administrative expenses	61	118	72
12	Interest expense	65	62	64
13	Depreciation, depletion and amortization	309	303	342

14	Asset impairment	<u>706</u>	<u>--</u>	<u>394</u>
15	Total costs and expenses	<u>3,779</u>	<u>2,784</u>	<u>3,021</u>
16	Income (loss) before income taxes	(432)	101	(126)
17	Provision (benefit) for income taxes	<u>(61)</u>	<u>47</u>	<u>10</u>
18	Net income (loss)	<u>\$ (371)</u>	<u>\$ 54</u>	<u>\$ (136)</u>

SEGMENT ANALYSIS

19	Exploration and production	\$ 174	\$ 115	\$ 181
20	Refining and marketing	20	25	3
21	Corporate	(8)	(14)	(23)
22	Interest expense	<u>(41)</u>	<u>(41)</u>	<u>(40)</u>
23	Operating earnings	145	85	121
24	Special items	<u>(516)</u>	<u>(31)</u>	<u>(257)</u>
25	Net income (loss)	<u>\$ (371)</u>	<u>\$ 54</u>	<u>\$ (136)</u>

26	Cash flow from operations (*)	<u>\$ 505</u>	<u>\$ 433</u>	<u>\$ 555</u>
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CAPITAL EXPENDITURES

27	Exploration and production	\$ 303	\$ 488	\$ 323
28	Refining and marketing	<u>23</u>	<u>32</u>	<u>22</u>
29	Total capital expenditures	<u>\$ 326</u>	<u>\$ 520</u>	<u>\$ 345</u>

AT END OF PERIOD

30	Total debt	<u>\$ 4,992</u>	<u>\$ 5,665</u>	<u>\$ 5,083</u>
31	Stockholders' equity	<u>\$ 4,249</u>	<u>\$ 4,907</u>	<u>\$ 4,683</u>

(*) Net income (loss) adjusted for depreciation and amortization, asset impairment, exploratory dry holes, deferred income taxes, undistributed earnings of affiliates and net gain on asset sales.

Amerada Hess Corporation and Consolidated Subsidiaries

Supplemental Financial Data

(unaudited - in millions)

		Year	
Line	<u>INCOME STATEMENT</u>	<u>2002</u> (A)	<u>2001</u> (B)
No.	REVENUES AND OTHER NON-OPERATING INCOME		
1	Sales and other operating revenues	\$ 11,932	\$ 13,413
	Non-operating income		
2	Gain on asset sales	117	--
3	Equity in income (loss) of HOVENSA L.L.C.	(47)	58
4	Other	<u>91</u>	<u>142</u>

5	Total revenues and other non-operating income	<u>12,093</u>	<u>13,613</u>
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COSTS AND EXPENSES

6	Cost of products sold	7,156	8,735
7	Production expenses	822	711
8	Marketing expenses	703	663
9	Exploration expenses, including dry holes and lease impairment	319	368
10	Other operating expenses	199	224
11	General and administrative expenses	256	313
12	Interest expense	269	194
13	Depreciation, depletion and amortization	1,320	967
14	Asset impairment	<u>1,100</u>	<u>—</u>
15	Total costs and expenses	<u>12,144</u>	<u>12,175</u>

16	Income (loss) before income taxes	(51)	1,438
17	Provision for income taxes	<u>167</u>	<u>524</u>
18	Net income (loss)	<u>\$ (218)</u>	<u>\$ 914</u>

19	<u>Cash flow from operations</u>	<u>\$ 2,074</u>	<u>\$ 2,135</u>
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CAPITAL EXPENDITURES

20	Exploration and production	\$ 1,404	\$ 5,061
21	Refining and marketing	<u>130</u>	<u>160</u>
22	Total capital expenditures	<u>\$ 1,534</u>	<u>\$ 5,221</u>

	December 31 <u>2002</u>	December 31 <u>2001</u>
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BALANCE SHEET INFORMATION

23	Current assets	\$ 2,756	\$ 3,946
24	Investments	1,622	1,636
25	Property, plant and equipment - net	7,032	8,165
26	Other assets	<u>1,852</u>	<u>1,622</u>
27	Total assets	<u>\$ 13,262</u>	<u>\$ 15,369</u>

28	Current portion of long-term debt	\$ 16	\$ 382
29	Other current liabilities	2,537	3,336
30	Long-term debt	4,976	5,283
31	Deferred liabilities and credits	1,484	1,461
32	Stockholders' equity excluding other comprehensive income	4,503	4,799
33	Accumulated other comprehensive income (loss)	<u>(254)</u>	<u>108</u>
34	Total liabilities and stockholders' equity	<u>\$ 13,262</u>	<u>\$ 15,369</u>

Amerada Hess Corporation and Consolidated Subsidiaries
Supplemental Operating Data
(in thousands, except for average selling prices)

Line		Fourth Quarter 2002 (A)	Fourth Quarter 2001 (B)	Third Quarter 2002 (C)
No.	OPERATING DATA			
	NET PRODUCTION PER DAY			
	Crude oil - barrels			
1	United States	48	62	53
2	United Kingdom	110	127	112
3	Equatorial Guinea	30	13	39
4	Norway	25	26	26
5	Denmark	28	23	20
6	Colombia	20	26	21
7	Algeria	18	11	15
8	Gabon	9	9	8
9	Indonesia	3	6	4
10	Azerbaijan	4	4	4
11	Total	295	307	302
	Natural gas liquids - barrels			
12	United States	11	15	12
13	United Kingdom	6	7	5
14	Norway	1	1	1
15	Indonesia and Thailand	2	1	3
16	Total	20	24	21
	Natural gas - mcf			
17	United States	320	436	355
18	United Kingdom	284	291	227
19	Denmark	39	45	30
20	Norway	25	27	28
21	Indonesia, Thailand and other	45	21	63
22	Total	713	820	703
23	Barrels of oil equivalent	434	468	441
	AVERAGE SELLING PRICE (including hedging)			
	Crude oil - per barrel			
24	United States	\$ 23.11	\$ 20.66	\$ 26.19
25	Foreign	25.00	21.18	26.25
	Natural gas liquids - per barrel			
26	United States	\$ 20.68	\$ 12.31	\$ 16.31
27	Foreign	21.94	14.97	19.52
	Natural gas - per mcf			

28	United States	\$ 4.36	\$ 2.87	\$ 3.40
29	Foreign	2.52	2.65	2.17

MARKETING AND REFINING - BARRELS PER DAY

30	Refined products sold	<u>402</u>	<u>353</u>	<u>355</u>
31	Refinery runs (net)	<u>196</u>	<u>194</u>	<u>174</u>

Amerada Hess Corporation and Consolidated Subsidiaries

Supplemental Operating Data

(in thousands, except for average selling prices)

		Year	
Line	OPERATING DATA	2002 (A)	2001 (B)
No.	NET PRODUCTION PER DAY		
	Crude oil - barrels		
1	United States	54	63
2	United Kingdom	112	119
3	Equatorial Guinea	37	6
4	Norway	24	25
5	Denmark	23	20
6	Colombia	22	10
7	Algeria	15	13
8	Gabon	9	9
9	Indonesia	4	6
10	Azerbaijan	<u>4</u>	<u>4</u>
11	Total	<u>304</u>	<u>275</u>
	Natural gas liquids - barrels		
12	United States	12	14
13	United Kingdom	6	7
14	Norway	1	1
15	Indonesia and Thailand	<u>2</u>	<u>1</u>
16	Total	<u>21</u>	<u>23</u>
	Natural gas - mcf		
17	United States	373	424
18	United Kingdom	277	291
19	Denmark	37	43
20	Norway	25	25
21	Indonesia, Thailand and other	<u>42</u>	<u>29</u>
22	Total	<u>754</u>	<u>812</u>
23	Barrels of oil equivalent	<u>451</u>	<u>433</u>
	AVERAGE SELLING PRICE (including hedging)		
	Crude oil - per barrel		
24	United States	\$ 24.06	\$ 23.29

25	Foreign	24.94	24.58
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Natural gas liquids - per barrel

26	United States	\$ 16.10	\$ 18.64
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27	Foreign	18.99	18.91
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Natural gas - per mcf

28	United States	\$ 3.65	\$ 3.99
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29	Foreign	2.26	2.54
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MARKETING AND REFINING - BARRELS PER DAY

30	Refined products sold	<u>383</u>	<u>387</u>
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31	Refinery runs (net)	<u>181</u>	<u>202</u>
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