



## Amerada Hess Reports Results For The First Quarter of 2003

April 29, 2003

New York, New York....April 29, 2003...Amerada Hess Corporation (NYSE: AHC) reported net income of \$176 million for the first quarter of 2003 compared with income of \$141 million for the first quarter of 2002. The after-tax results by major operating activity in 2003 and 2002 were as follows (in millions, except per share amounts):

	Three Months Ended March 31 (unaudited)	
	2003	2002(*)
Exploration and production	\$146	\$210
Refining and marketing	136	(22)
Corporate	(20)	(15)
Interest expense	(46)	(45)
Income from continuing operations	216	128
Discontinued operations	(47)	13
Income from cumulative effect of accounting change	7	-
<b>Net income</b>	<b>\$176</b>	<b>\$141</b>
Income per share from continuing operations (diluted)	<u>\$2.43</u>	<u>\$1.44</u>
Net income per share (diluted)	<u>\$1.98</u>	<u>\$1.58</u>

(\*) Restated to conform with current period presentation

The Corporation's oil and gas production, on a barrel-of-oil equivalent basis, was 421,000 barrels per day in the first quarter of 2003, a decrease of 8% from the first quarter of 2002. In the first quarter of 2003, the Corporation's average worldwide crude oil selling price, including the effect of hedging, was \$25.55 per barrel, an increase of \$2.60 per barrel from the first quarter of 2002. The Corporation's average United States natural gas selling price, including the effect of hedging, was \$4.89 per Mcf in the first quarter of 2003, an increase of \$1.46 per Mcf from the first quarter of 2002.

Exploration and production earnings include after-tax gains from asset sales of \$31 million and \$28 million in the first quarters of 2003 and 2002, respectively. The gain in the first quarter of 2003 reflects the sale of the Corporation's 1.5% interest in the Trans Alaska Pipeline System. Results in the first quarter of 2003 included higher exploration expense than the first quarter of 2002.

On February 26, 2003, the Corporation exchanged its crude oil producing properties in Colombia, plus \$10 million in cash, for an additional 25% interest in natural gas reserves in the joint development area of Malaysia and Thailand. This transaction resulted in a net loss from discontinued operations of \$47 million, including \$13 million of operating income from January 1 through the date of disposition. Effective January 1, 2003, the Corporation adopted the provisions of FAS No. 143, Accounting for Asset Retirement Obligations, and recorded a net benefit of \$7 million from the cumulative effect of the accounting change.

Refining and marketing results improved in the first quarter of 2003 compared with the first quarter of 2002, principally reflecting higher refining margins and increased energy marketing earnings due to a colder winter.

Sales and other operating revenues in the first quarter of 2003 amounted to \$4,297 million compared with \$2,958 million in the first quarter of 2002. Capital expenditures in the first quarter of 2003 amounted to \$341 million of which \$321 million related to exploration and production activities. Capital expenditures in the first quarter of 2002 amounted to \$445 million, including \$427 million for exploration and production.

### Consolidated Financial Information (unaudited) (In millions, except per share amounts)

Three Months Ended March 31	
2003	2002

### Income Statement Information

Sales and other operating revenues	<u>\$4,297</u>	<u>\$2,958</u>
Income from continuing operations	\$216*	\$128*
Discontinued operations	(47)	13
Cumulative effect of accounting change	<u>7</u>	<u>-</u>
<b>Net income</b>	<b><u>\$176</u></b>	<b><u>\$141</u></b>
Income per share from continuing operations (diluted)	<u>\$2.43</u>	<u>\$1.44</u>
Net income per share (diluted)	<u>\$1.98</u>	<u>\$1.58</u>
Weighted average number of shares	<u>89.1</u>	<u>88.8</u>

\* Includes net gains from asset sales of \$31 million and \$28 million in the first quarters of 2003 and 2002, respectively.

March 31	December 31
<u>2003</u>	<u>2002</u>

### Balance Sheet Information

Current assets	\$2,968	\$2,756
Investments	1,185	1,622
Property, plant and equipment - net	7,933	7,032
Other assets	<u>1,911</u>	<u>1,852</u>
<b>Total assets</b>	<b><u>\$13,997</u></b>	<b><u>\$13,262</u></b>
Current portion of long-term debt	\$ 15	\$ 16
Other current liabilities	2,771	2,537
Long-term debt	4,834	4,976
Deferred liabilities and credits	1,957	1,484
Stockholders' equity, excluding other comprehensive loss	4,686	4,503
Accumulated other comprehensive loss	<u>(266)</u>	<u>(254)</u>
<b>Total liabilities and stockholders' equity</b>	<b><u>\$13,997</u></b>	<b><u>\$13,262</u></b>

## AMERADA HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES SUPPLEMENTAL FINANCIAL DATA (UNAUDITED) (IN MILLIONS)

Line		First Quarter <u>2003</u> (A)	First Quarter <u>2002(*)</u> (B)	Fourth Quarter <u>2002(*)</u> (C)
	<b>INCOME STATEMENT</b>			
<b>No.</b>	<b>Revenues and Non-operating Income</b>			
1	Sales and other operating revenues	\$4,297	\$2,958	\$3,245
	Non-operating income			
2	Gain on asset sales	47	41	14
3	Equity in income (loss) of HOVENSA L.L.C.	50	(26)	4
4	Other	<u>13</u>	<u>21</u>	<u>28</u>
5	<b>Total revenues and non-operating income</b>	<b>4,407</b>	<b>2,994</b>	<b>3,291</b>

<b>Costs and Expenses</b>				
6	Cost of products sold	3,055	1,923	2,033
7	Production expenses	205	173	229
8	Marketing expenses	170	160	202
9	Exploration expenses, including dry holes and lease impairment	108	54	110
10	Other operating expenses	51	42	43
11	General and administrative expenses	78	63	61
12	Interest expense	74	66	62
13	Depreciation, depletion and amortization	295	283	291
14	Asset impairment	<u>—</u>	<u>—</u>	<u>706</u>
15	<b>Total costs and expenses</b>	<b>4,036</b>	<b>2,764</b>	<b>3,737</b>
16	Income (loss) from continuing operations before income taxes	371	230	(446)
17	Provision (benefit) for income taxes	<u>155</u>	<u>102</u>	<u>(58)</u>
18	Income (loss) from continuing operations	216	128	(388)
19	Income (loss) from discontinued operations, net	(47)	13	17
20	Cumulative effect of change in accounting principle, net	<u>7</u>	<u>—</u>	<u>—</u>
21	<b>Net Income (Loss)</b>	<b>\$176</b>	<b>\$141</b>	<b>\$(371)</b>
<b>Segment Analysis</b>				
22	Exploration and production	\$146	\$210	\$(362)
23	Refining and marketing	136	(22)	20
24	Corporate	(20)	(15)	(8)
25	Interest expense	<u>(46)</u>	<u>(45)</u>	<u>(38)</u>
26	Income (loss) from continuing operations	216	128	(388)
27	Income (loss) from discontinued operations, net	(47)	13	17
28	Cumulative effect of change in accounting principle, net	<u>7</u>	<u>—</u>	<u>—</u>
29	<b>Net Income (Loss)</b>	<b>\$176</b>	<b>\$141</b>	<b>\$(371)</b>
30	<b>Net Cash Provided by Operating Activities</b>	<b>\$488</b>	<b>\$411</b>	<b>\$538</b>
<b>Capital Expenditures</b>				
31	Exploration and production	\$321	\$427	\$303
32	Refining and marketing	<u>20</u>	<u>18</u>	<u>23</u>
33	<b>Total capital expenditures</b>	<b>\$341</b>	<b>\$445</b>	<b>\$326</b>
<b>At End of Period</b>				
34	Total debt	<u>\$4,849</u>	<u>\$5,555</u>	<u>\$4,992</u>
35	Stockholders' equity	<u>\$4,420</u>	<u>\$4,802</u>	<u>\$4,249</u>

(\*) Restated to conform with current period presentation.

**AMERADA HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES  
SUPPLEMENTAL OPERATING DATA**

## (IN THOUSANDS, EXCEPT FOR AVERAGE SELLING PRICES)

		First Quarter 2003 (A)	First Quarter 2002 (B)	Fourth Quarter 2002 (C)
Line	<b><u>Operating Data</u></b>			
No.	<b><u>Net Production Per Day</u></b>			
	<b>Crude oil - barrels</b>			
1	United States	50	59	48
2	United Kingdom	102	112	110
3	Equatorial Guinea	25	30	30
4	Denmark	25	23	28
5	Norway	24	23	25
6	Algeria	20	12	18
7	Gabon	11	9	9
8	Indonesia	4	6	3
9	Azerbaijan	2	4	4
10	Colombia(*)	<u>12</u>	<u>24</u>	<u>20</u>
11	<b>Total</b>	<b><u>275</u></b>	<b><u>302</u></b>	<b><u>295</u></b>
	<b>Natural gas liquids- barrels</b>			
12	United States	11	13	11
13	United Kingdom	6	6	6
14	Norway	1	1	1
15	Indonesia and Thailand	<u>2</u>	<u>2</u>	<u>2</u>
16	<b>Total</b>	<b><u>20</u></b>	<b><u>22</u></b>	<b><u>20</u></b>
	<b>Natural gas - mcf</b>			
17	United States	317	394	320
18	United Kingdom	321	326	284
19	Denmark	34	42	39
20	Norway	26	23	25
21	Indonesia and Thailand	<u>56</u>	<u>28</u>	<u>45</u>
22	<b>Total</b>	<b><u>754</u></b>	<b><u>813</u></b>	<b><u>713</u></b>
23	<b>Barrels of oil equivalent</b>	<b><u>421</u></b>	<b><u>460</u></b>	<b><u>434</u></b>
	<b><u>Average Selling Price (including hedging)</u></b>			
	<b>Crude oil - per barrel</b>			
24	United States	\$25.28	\$21.51	\$23.11
25	Foreign	25.63	23.35	24.88
	<b>Natural gas liquids - per barrel</b>			
26	United States	\$26.81	\$12.90	\$20.68
27	Foreign	27.12	16.36	21.94
	<b>Natural gas - per mcf</b>			
28	United States	\$4.89	\$3.43	\$4.36
29	Foreign	3.04	2.37	2.52

**Marketing and Refining - Barrels Per Day**

30	Refined products sold	<u>463</u>	<u>407</u>	<u>402</u>
31	Refinery runs (net)	<u>198</u>	<u>196</u>	<u>196</u>

**(\*) Reflected as a discontinued operation in the financial statements.**

Contact: Amerada Hess Corporation- C.T. Tursi (212) 536-8593