



Amerada Hess Reports Results for the Third Quarter of 2004

October 27, 2004

NEW YORK--(BUSINESS WIRE)--Oct. 27, 2004--Amerada Hess Corporation (NYSE:AHC) reported net income of \$178 million for the third quarter of 2004 compared with income of \$146 million for the third quarter of 2003. The after-tax results by major operating activity in 2004 and 2003 are as follows:

	Three months ended		Nine months ended	
	September 30 (unaudited)		September 30 (unaudited)	
	2004	2003	2004	2003
(In millions, except per share amounts)				
Exploration and production	\$ 155	\$ 124	\$ 544	\$ 331
Refining and marketing	85	89	358	272
Corporate	(23)	(25)	(49)	(73)
Interest expense	(39)	(42)	(112)	(132)
Income from continuing operations	178	146	741	398
Discontinued operations				
Net gains from asset sales	-	-	-	116
Income from operations	-	-	7	53
Income from cumulative effect of accounting change	-	-	-	7
Net income	\$ 178	\$ 146	\$ 748	\$ 574
Income per share from continuing operations (diluted)	\$1.74	\$1.64	\$7.27	\$4.47
Net income per share (diluted)	\$1.74	\$1.64	\$7.34	\$6.45

Exploration and production earnings were \$155 million in the third quarter of 2004 compared with \$124 million in the third quarter of 2003. The Corporation's oil and gas production, on a barrel-of-oil equivalent basis, was 323,000 barrels per day in the third quarter of 2004, a decrease of 5% from the third quarter of 2003. In the third quarter of 2004, the Corporation's average worldwide crude oil selling price, including the effect of hedging, was \$26.59 per barrel, an increase of \$1.94 per barrel from the third quarter of 2003. The Corporation's average United States natural gas selling price, including the effect of hedging, was \$4.40 per Mcf in the third quarter of 2004, an increase of \$.87 per Mcf from the third quarter of 2003. In the third quarter of 2003, exploration and production earnings included an income tax benefit of \$30 million relating to foreign exploration activities.

Refining and marketing earnings were \$85 million in the third quarter of 2004 compared with \$89 million in the third quarter of 2003. The decrease is primarily due to lower earnings from energy marketing activities and retail gasoline station operations.

Capital expenditures in the third quarter of 2004 amounted to \$356 million of which \$338 million related to exploration and production activities. Capital expenditures in the third quarter of 2003 amounted to \$307 million, including \$298 million for exploration and production.

Consolidated Financial Information (unaudited)

	Three months ended		Nine months ended	
	September 30		September 30	
	2004	2003	2004	2003
(In millions, except per share amounts)				
Income Statement Information				

Sales and other operating revenues	\$3,830	\$3,230	\$12,120	\$10,683
	=====	=====	=====	=====
Income from continuing operations	\$ 178	\$ 146	\$ 741	\$ 398
Discontinued operations				
Net gains from asset sales	-	-	-	116
Income from operations	-	-	7	53
Cumulative effect of accounting change	-	-	-	7
	-----	-----	-----	-----
Net income	\$ 178	\$ 146	\$ 748	\$ 574
	=====	=====	=====	=====
Income per share from continuing operations (diluted)	\$ 1.74	\$ 1.64	\$ 7.27	\$ 4.47
	=====	=====	=====	=====
Net income per share (diluted)	\$ 1.74	\$ 1.64	\$ 7.34	\$ 6.45
	=====	=====	=====	=====
Weighted average number of shares (diluted)	102.4	89.1	101.8	89.1
	=====	=====	=====	=====

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

Line No.	Third Quarter 2004	Third Quarter 2003	Second Quarter 2004
-----	-----	-----	-----
(A)	(B)	(C)	(C)
-----	-----	-----	-----
Income Statement			

Revenues and Non-operating Income			
1	\$ 3,830	\$ 3,230	\$ 3,803
Non-operating income			
2	--	--	3
3	75	43	97
4	25	23	33
	-----	-----	-----
5	3,930	3,296	3,936
	-----	-----	-----
Costs and Expenses			
6	2,742	2,194	2,618
7	202	207	197
8	186	171	174
Exploration expenses, including dry			
9	64	59	63
10	52	44	47
11	81	70	96
12	62	73	60
13	230	253	239
	-----	-----	-----
14	3,619	3,071	3,494
	-----	-----	-----

15	Income from continuing operations before income taxes	311	225	442
16	Provision for income taxes	133	79	161
		-----	-----	-----
17	Income from continuing operations	178	146	281
18	Discontinued operations	--	--	7
		-----	-----	-----
19	Net income	\$ 178	\$ 146	\$ 288
		=====	=====	=====
20	Preferred stock dividends	12	--	12
		-----	-----	-----
21	Net income applicable to common stockholders	\$ 166	\$ 146	\$ 276
		=====	=====	=====

Segment Earnings Analysis

22	Exploration and production	\$ 155	\$ 124	\$ 182
23	Refining and marketing	85	89	160
24	Corporate	(23)	(25)	(24)
25	Interest expense	(39)	(42)	(37)
		-----	-----	-----

26	Income from continuing operations	178	146	281
27	Discontinued operations	--	--	7
		-----	-----	-----
28	Net income	\$ 178	\$ 146	\$ 288
		=====	=====	=====

29	Net Cash Provided by Operating Activities (*)	\$ 817	\$ 99	\$ 438
		=====	=====	=====

Capital Expenditures

30	Exploration and production	\$ 338	\$ 298	\$ 357
31	Refining and marketing	18	9	15
		-----	-----	-----
32	Total capital expenditures	\$ 356	\$ 307	\$ 372
		=====	=====	=====

At End of Period

33	Total debt	\$ 3,836	\$ 4,490	\$ 3,889
		=====	=====	=====
34	Stockholders' equity	\$ 5,261	\$ 4,714	\$ 5,567
		=====	=====	=====

(*) Includes changes in working capital.

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

Nine Months

Line		2004	2003
No.	Income Statement	(A)	(B)
	Revenues and Non-operating Income		
1	Sales and other operating revenues	\$ 12,120	\$ 10,683
	Non-operating income		
2	Gain on asset sales	23	39
3	Equity in income of HOVENSA L.L.C.	223	108
4	Other	63	42
5	Total revenues and non-operating income	12,429	10,872
	Costs and Expenses		
6	Cost of products sold	8,650	7,423
7	Production expenses	586	589
8	Marketing expenses	537	508
9	Exploration expenses, including dry holes and lease impairment	204	253
10	Other operating expenses	147	144
11	General and administrative expenses	253	252
12	Interest expense	179	224
13	Depreciation, depletion and amortization	695	799
14	Total costs and expenses	11,251	10,192
15	Income from continuing operations before income taxes	1,178	680
16	Provision for income taxes	437	282
17	Income from continuing operations	741	398
18	Discontinued operations	7	169
19	Cumulative effect of change in accounting principle, net	--	7
20	Net income	\$ 748	\$ 574
21	Preferred stock dividends	36	--
22	Net income applicable to common stockholders	\$ 712	\$ 574
23	Net Cash Provided by Operating Activities (*)	\$ 1,649	\$ 1,159
	Capital Expenditures		
24	Exploration and production	\$ 1,047	\$ 958
25	Refining and marketing	45	57

26	Total capital expenditures	\$ 1,092	\$ 1,015
		=====	=====
		September	December
		30	31
		2004	2003
		-----	-----
	Balance Sheet Information		

27	Current assets	\$ 4,007	\$ 3,186
28	Investments	1,230	1,095
29	Property, plant and equipment - net	8,274	7,978
30	Other assets	2,224	1,724
		-----	-----
31	Total assets	\$ 15,735	\$ 13,983
		=====	=====
32	Current portion of long-term debt	\$ 50	\$ 73
33	Other current liabilities	4,512	2,596
34	Long-term debt	3,786	3,868
35	Deferred liabilities and credits	2,126	2,106
36	Stockholders' equity excluding other comprehensive income (loss)	6,423	5,690
37	Accumulated other comprehensive income (loss)	(1,162)	(350)
		-----	-----
38	Total liabilities and stockholders' equity	\$ 15,735	\$ 13,983
		=====	=====

(*) Includes changes in working capital.

AMERADA HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES
SUPPLEMENTAL OPERATING DATA
(IN THOUSANDS, EXCEPT FOR AVERAGE SELLING PRICES)

Line No.	Operating Data	Third Quarter 2004	Third Quarter 2003	Second Quarter 2004
		(A)	(B)	(C)
	Net Production Per Day			

	Crude oil - barrels			
1	United States	44	41	41
2	United Kingdom	66	78	77
3	Equatorial Guinea	28	21	27
4	Norway	23	22	27
5	Algeria	22	23	24
6	Denmark	20	24	23
7	Gabon	12	11	11
8	Azerbaijan	2	2	2
9	Indonesia	--	--	1
		-----	-----	-----
10	Total	217	222	233
		=====	=====	=====

	Natural gas liquids - barrels			
11	United States	12	12	12
12	United Kingdom	5	4	4
13	Norway	1	1	1
14	Indonesia and Thailand	2	2	1
		-----	-----	-----
15	Total	20	19	18
		=====	=====	=====
	Natural gas - mcf			
16	United States	164	216	160
17	United Kingdom	224	262	306
18	Norway	25	24	27
19	Denmark	21	30	25
20	Indonesia and Thailand	82	59	83
		-----	-----	-----
21	Total	516	591	601
		=====	=====	=====
22	Barrels of oil equivalent	323	339	351
		=====	=====	=====
	Average Selling Price (including hedging)			

	Crude oil - per barrel			
23	United States	\$28.26	\$24.33	\$25.27
24	Foreign	26.16	24.72	25.87
	Natural gas liquids - per barrel			
25	United States	\$31.73	\$22.00	\$26.33
26	Foreign	29.04	23.33	29.21
	Natural gas - per mcf			
27	United States	\$ 4.40	\$ 3.53	\$ 5.23
28	Foreign	3.65	2.54	3.54
	Marketing and Refining -			

	Barrels Per Day			

29	Refined products sold	394	390	404
		=====	=====	=====
30	Refinery runs (net)	240	241	244
		=====	=====	=====

AMERADA HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES
SUPPLEMENTAL OPERATING DATA
(IN THOUSANDS, EXCEPT FOR AVERAGE SELLING PRICES)

Line No.	Operating Data	Nine Months	
		2004	2003
		-----	-----
		(A)	(B)
	Net Production Per Day		

	Crude oil - barrels		

1	United States	41	45
2	United Kingdom	74	92
3	Equatorial Guinea	26	24
4	Norway	26	23
5	Algeria	22	19
6	Denmark	22	24
7	Gabon	12	10
8	Azerbaijan	2	2
9	Indonesia	--	2
10	Colombia	--	4
		-----	-----
11	Total	225	245
		=====	=====
	Natural gas liquids - barrels		
12	United States	12	11
13	United Kingdom	5	6
14	Norway	1	1
15	Indonesia and Thailand	2	2
		-----	-----
16	Total	20	20
		=====	=====
	Natural gas - mcf		
17	United States	169	266
18	United Kingdom	271	303
19	Norway	27	26
20	Denmark	23	31
21	Indonesia and Thailand	85	54
		-----	-----
22	Total	575	680
		=====	=====
23	Barrels of oil equivalent (*)	340	378
		=====	=====
	Average Selling Price (including hedging)		

	Crude oil - per barrel		
24	United States	\$26.41	\$23.97
25	Foreign	26.41	24.79
	Natural gas liquids - per barrel		
26	United States	\$28.03	\$23.64
27	Foreign	26.98	22.95
	Natural gas - per mcf		
28	United States	\$ 4.95	\$ 4.03
29	Foreign	3.80	2.73
	Marketing and Refining -		

	Barrels Per Day		

30	Refined products sold	427	417
		=====	=====
31	Refinery runs (net)	244	218
		=====	=====

(*) Includes production from properties classified as discontinued operations of 17 thousand barrels of oil equivalent per day in the first nine months of 2003.

CONTACT: Amerada Hess Corporation
J.R. Wilson, 212-536-8940

SOURCE: Amerada Hess Corporation