



Amerada Hess Reports Estimated Results for the First Quarter of 2005

April 27, 2005

NEW YORK--(BUSINESS WIRE)--April 27, 2005--Amerada Hess Corporation (NYSE: AHC) reported net income of \$219 million for the first quarter of 2005 compared with income of \$281 million for the first quarter of 2004. See the following page for a table of items affecting the comparability of earnings between periods. The after-tax results by major operating activity in the first quarter of 2005 and 2004 are as follows:

	Three months ended March 31 (unaudited)	
	2005	2004
	(In millions, except per share amounts)	
Exploration and production	\$263	\$207
Refining and marketing	63	112
Corporate	(69)	(2)
Interest expense	(38)	(36)
Net income	\$219	\$281
Net income per share (diluted)	\$2.12	\$2.77
Weighted average number of shares (diluted)	103.2	101.4

Exploration and production earnings were \$263 million in the first quarter of 2005 compared with \$207 million in the first quarter of 2004. Pre-tax exploration expenses increased by \$55 million to \$133 million in the first quarter of 2005, including \$93 million of dry hole costs associated with the Wembley and Diamondback deepwater Gulf of Mexico wells. The Corporation's oil and gas production, on a barrel-of-oil equivalent basis, was 358,000 barrels per day in the first quarter of 2005, an increase of 3% from the first quarter of 2004. In the first quarter of 2005, the Corporation's average worldwide crude oil selling price, including the effect of hedging, was \$31.31 per barrel, an increase of \$4.48 per barrel from the first quarter of 2004. The Corporation's average United States natural gas selling price was \$6.15 per Mcf in the first quarter of 2005, an increase of \$.95 per Mcf from the first quarter of 2004.

Refining and marketing earnings were \$63 million in the first quarter of 2005 compared with \$112 million in the first quarter of 2004. The fluid catalytic cracking units at HOVENSA and Port Reading, New Jersey were each shutdown for approximately 30 days for scheduled maintenance in the first quarter of 2005. Refining earnings decreased by \$32 million, primarily as a result of these maintenance activities and increased HOVENSA taxes. Lower gasoline margins reduced results from retail gasoline operations and income from trading activities was lower by \$7 million.

The following items, on an after-tax basis, are included in net income in the first quarter of 2005 and 2004 (in millions):

	Three months ended March 31	
	2005	2004
Exploration and production		

Gains from asset sales	\$11	\$19
Legal settlement	11	-
Corporate		

Income tax adjustments	(41)	13
	\$ (19)	\$ 32
	=====	=====

First quarter results include a gain related to the exchange of a mature North Sea oil field for an increased interest in the Pangkah natural gas development in Indonesia. The legal settlement reflects the favorable resolution of contingencies on a prior year asset sale. The corporate tax charge represents the income tax provision related to the repatriation of \$1.3 billion of foreign earnings under the American Jobs Creation Act of 2004.

Capital and exploratory expenditures in the first quarter of 2005 amounted to \$483 million compared with \$393 million in the first quarter of 2004. Of these amounts, \$454 million and \$381 million in the first quarter of 2005 and 2004, respectively, related to exploration and production activities.

	March 31 2005	December 31 2004
	-----	-----
	(unaudited)	
Balance Sheet Information		

Cash and short-term investments	\$844	\$877
Other current assets	3,568	3,458
Investments	1,191	1,254
Property, plant and equipment - net	8,578	8,505
Other assets	2,735	2,218
	-----	-----
Total assets	\$16,916	\$16,312
	=====	=====
Current portion of long-term debt	\$50	\$50
Other current liabilities	5,760	4,647
Long-term debt	3,776	3,785
Deferred liabilities and credits	2,304	2,233
Stockholders' equity, excluding other comprehensive loss	6,825	6,621
Accumulated other comprehensive income (loss)	(1,799)	(1,024)
	-----	-----
Total liabilities and stockholders' equity	\$16,916	\$16,312
	=====	=====

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

	First Quarter 2005	First Quarter 2004	Fourth Quarter 2004
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Income Statement			

Revenues and Non-operating Income			
Sales and other operating revenues	\$ 4,957	\$ 4,488	\$ 4,612
Non-operating income			
Gain on asset sales	18	19	32
Equity in income of HOVENSA L.L.C.	50	51	21
Other	45	4	32
	-----	-----	-----
Total revenues and non-operating income	5,070	4,562	4,697
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Costs and Expenses			
Cost of products sold	3,628	3,288	3,321
Production expenses	225	187	239
Marketing expenses	197	177	200
Exploration expenses, including dry holes			

and lease impairment	133	78	83
Other operating expenses	31	48	48
General and administrative expenses	85	76	90
Interest expense	61	57	62
Depreciation, depletion and amortization	254	226	275
	-----	-----	-----
Total costs and expenses	4,614	4,137	4,318
	-----	-----	-----
Income before income taxes	456	425	379
Provision for income taxes	237	144	150
	-----	-----	-----
Net income	\$ 219	\$ 281	\$ 229
	=====	=====	=====
Preferred stock dividends	12	12	12
	-----	-----	-----
Net income applicable to common stockholders	\$ 207	\$ 269	\$ 217
	=====	=====	=====
Supplemental Income Statement Information			

Foreign currency gains (losses), after-tax	\$ 6	\$ (8)	\$ (1)
Capitalized interest	14	16	13
Cash Flow Information			

Net cash provided by operating activities (a)	\$ 461	\$ 394	\$ 254
Capital and Exploratory Expenditures			

Exploration and Production			
United States	\$ 91	\$ 139	\$ 124
International	363	242	312
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Total Exploration and Production	454	381	436
Refining and Marketing	29	12	42
	-----	-----	-----
Total Capital and Exploratory Expenditures	\$ 483	\$ 393	\$ 478
	=====	=====	=====
Exploration expenses charged to income included above			
United States	\$ 8	\$ 13	\$ 32
International	8	16	17
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	\$ 16	\$ 29	\$ 49
	=====	=====	=====

(a) Includes changes in working capital

EXPLORATION AND PRODUCTION EARNINGS
(UNAUDITED)
(IN MILLIONS)

First Quarter 2005			
	United States International Total		
Sales and other operating revenues	\$279	\$751	\$1,030
Non-operating income (expenses)	(2)	49	47
Total revenues	277	800	1,077
Costs and expenses			
Production expenses, including related taxes	49	176	225
Exploration expenses, including dry holes and lease impairment	109	24	133
General, administrative and other expenses	19	10	29
Depreciation, depletion and amortization	44	197	241
Total costs and expenses	221	407	628
Results of operations before income taxes	56	393	449
Provision for income taxes	22	164	186
Results of operations	\$34	\$229	\$263
=====			
First Quarter 2004			
	United States International Total		
Sales and other operating revenues	\$210	\$658	\$868
Non-operating income	3	9	12
Total revenues	213	667	880
Costs and expenses			
Production expenses, including related taxes	40	147	187
Exploration expenses, including dry holes and lease impairment	38	40	78
General, administrative and other expenses	17	19	36
Depreciation, depletion and amortization	29	184	213
Total costs and expenses	124	390	514
Results of operations before income taxes	89	277	366
Provision for income taxes	32	127	159

Results of operations	\$57	\$150	\$207
	=====	=====	=====
	Fourth Quarter 2004		

	United		
	States International	Total	

Sales and other operating revenues	\$278	\$651	\$929
Non-operating income	28	19	47
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Total revenues	306	670	976
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Costs and expenses			
Production expenses, including related taxes	55	184	239
Exploration expenses, including dry holes and lease impairment	35	48	83
General, administrative and other expenses	8	28	36
Depreciation, depletion and amortization	52	210	262
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Total costs and expenses	150	470	620
	-----	-----	-----
Results of operations before income taxes	156	200	356
Provision for income taxes	50	95	145
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Results of operations	\$106	\$105	\$211
	=====	=====	=====

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

	First	First	Fourth
	Quarter	Quarter	Quarter
	2005	2004	2004
	-----	-----	-----
Operating Data			

Net Production Per Day			

Crude Oil - barrels			
United States	49	40	50
Europe	120	127	114
Africa, Asia and other	69	60	66
	-----	-----	-----
Total	238	227	230
	=====	=====	=====
Natural gas liquids - barrels			
United States	13	12	14
Europe	7	7	6
	-----	-----	-----
Total	20	19	20
	=====	=====	=====
Natural gas - mcf			

United States	165	183	178
Europe	336	333	316
Africa, Asia and other	103	86	82
	-----	-----	-----
Total	604	602	576
	=====	=====	=====
Barrels of oil equivalent	358	346	346
	=====	=====	=====

Average Selling Price (including hedging)

Crude Oil - per barrel			
United States	\$32.18	\$25.49	\$29.92
Europe	31.21	27.19	25.98
Africa, Asia and other	30.92	27.04	27.65

Natural gas liquids - per barrel

United States	\$32.83	\$25.78	\$33.31
Europe	31.69	21.22	37.15

Natural gas - per mcf

United States	\$6.15	\$5.20	\$5.83
Europe	5.41	4.34	4.42
Africa, Asia and other	3.93	3.72	4.19

Average Selling Price (excluding hedging)

Crude Oil - per barrel			
United States	\$45.18	\$33.55	\$43.20
Europe	46.82	32.19	42.55
Africa, Asia and other	44.87	31.64	41.33

Natural gas liquids - per barrel

United States	\$32.83	\$25.78	\$33.31
Europe	31.69	21.22	37.15

Natural gas - per mcf

United States	\$6.15	\$5.19	\$6.08
Europe	5.41	4.34	4.42
Africa, Asia and other	3.93	3.72	4.19

AMERADA HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES
HEDGED PRICES AND VOLUMES

Maturity	WTI		Brent	
	Thousands		Thousands	
	Average Selling Price	of barrels per day	Average Selling Price	of barrels per day
2005				
2nd Quarter	\$33.28	28	\$31.37	118
3rd Quarter	32.65	28	30.82	118
4th Quarter	32.16	28	30.37	118
2006	-	-	28.10	30
2007	-	-	25.85	24
2008	-	-	25.56	24
2009	-	-	25.54	24
2010	-	-	25.78	24
2011	-	-	26.37	24
2012	-	-	26.90	24

Note: In addition to the income statement effects of the open hedge positions indicated above, the Corporation has after-tax deferred realized losses of \$144 million as of March 31 included in other comprehensive income. These after-tax losses will reduce 2005 income as follows: second quarter - \$51 million, third quarter - \$48 million and fourth quarter - \$45 million. There were no natural gas hedges outstanding at March 31.

AMERADA HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES
REFINING AND MARKETING SUPPLEMENTAL FINANCIAL AND OPERATING DATA

	First Quarter 2005 -----	First Quarter 2004 -----	Fourth Quarter 2004 -----
Financial Information (in millions)			

Refining and Marketing Earnings			

Income before income taxes	\$ 102	\$ 137	\$ 139
Provision for income taxes	39	25	46
	-----	-----	-----
Refining and Marketing Earnings	\$ 63	\$ 112	\$ 93
	=====	=====	=====

Summary of Refining and Marketing Earnings			

Refining	\$ 42	\$ 74	\$ 36
Marketing	13	23	64
Trading	8	15	(7)
	-----	-----	-----
Total Refining and Marketing Earnings	\$ 63	\$ 112	\$ 93
	=====	=====	=====

Operating Data (in thousands unless noted)

Refined Product Sales (barrels per day)			

Gasoline	181	188	181
Distillates	166	178	152
Residuals	74	82	56
Other	41	35	41
	-----	-----	-----
Total	462	483	430
	=====	=====	=====

Refinery Throughput (barrels per day)			

HOVENSA - Crude runs	449	495	472
HOVENSA - AHC 50% share	225	248	236
Port Reading	35	57	55

Refinery Utilization	Refinery Capacity (barrels per day)			
HOVENSA				
Crude	500	89.8%	99.0%	94.4%
FCC	150	57.2%(a)	96.4%	86.2%
Coker	58	92.9%	99.8%	84.1%
Port Reading	62	56.5%(a)	91.9%	88.7%

Retail Marketing

Number of retail stations (b)	1,250	1,246	1,254
Convenience store revenue (in millions) (c) \$	218	\$ 213	\$ 228
Average gasoline volume per station			
(gallons per month) (c)	195	183	194

(a) The fluid catalytic cracking units at HOVENSA and Port Reading were each shutdown for approximately 30 days for scheduled maintenance in the first quarter of 2005.

(b) Includes company operated, branded/dealer and Wilco-Hess.

(c) Company operated only.

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SOURCE: Amerada Hess Corporation