

HESS CORPORATION



CREDIT SUISSE ENERGY SUMMIT

FEBRUARY 24, 2016

Forward-looking statements and other information



This presentation 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 presentation 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.

Our Strategy in the Low Oil Price Environment



Preserve Balance Sheet Strength

- Pro forma year-end 2015 cash balance of \$4.3 billion and total liquidity of ~\$9 billion¹
- Pro forma Net Debt / Cap of ~8%¹
- 2016 capital and exploratory budget reduced to \$2.4 billion - 40% below 2015 levels

Preserve Core Operating Capabilities

- Focused, resilient portfolio linked to our top quartile operating capabilities
- Balanced mix of high quality unconventional / conventional, onshore / offshore and US / International assets
- Leveraged to liquids with industry-leading cash margins

Preserve Long-Term Growth Options

- Leading positions in the Bakken and Utica shale plays with significant drilling inventory
- North Malay Basin and Stampede add material production and cash flows in 2017 and 2018, respectively
- Liza discovery offshore Guyana and Sicily discovery in Gulf of Mexico ranked as two largest oil discoveries of 2015

¹ Based on year-end 2015 cash and cash equivalents plus cash from February 4, 2016 equity offering

One of the Strongest Balance Sheets

And liquidity positions among E&P Peers



- **\$9 B of Liquidity Post Equity Offering**

- \$4.3 B Cash
- \$4.0 B Unused Revolver
- \$0.7 B Unused Committed Lines

- **Net Debt-to-Capitalization ratio of approximately 8%**

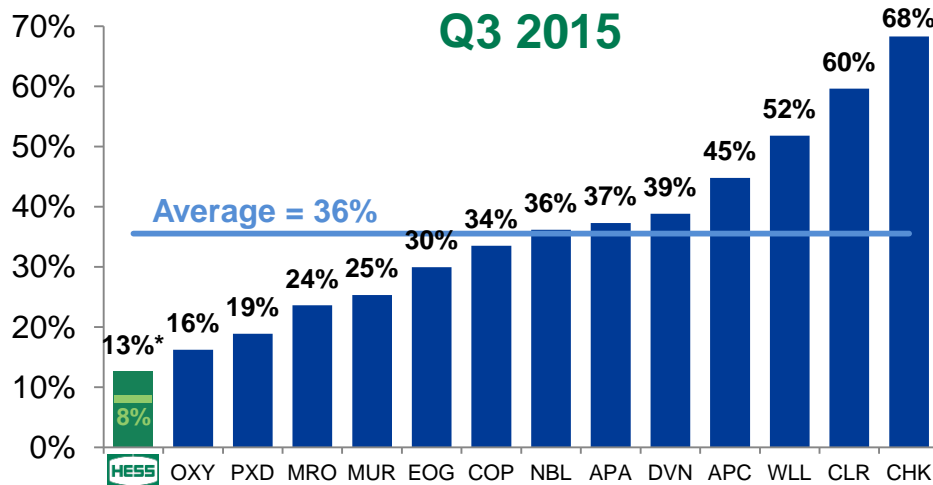
- **2016 E&P Capital & Exploratory Spend of \$2.4 B**

- 40% reduction in spend from 2015 in response to low oil prices

- **Joint Venture funds future Midstream capital expenditures**

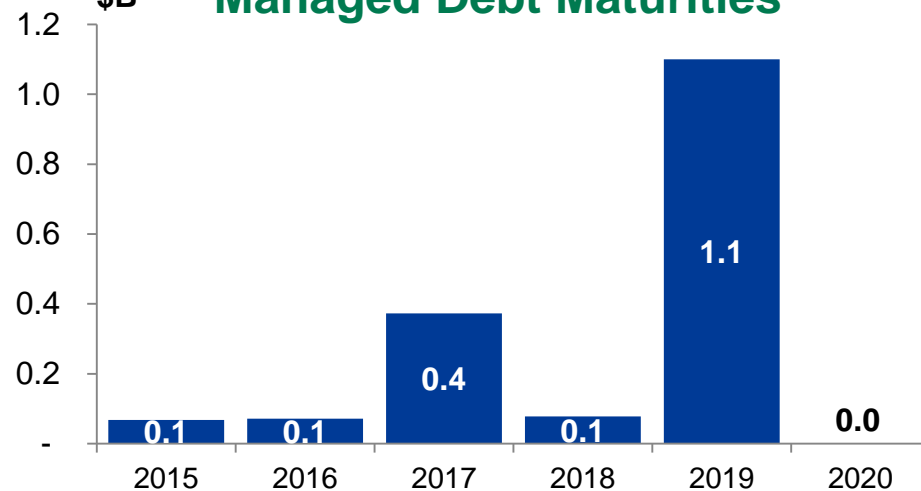
- ~ \$340 million in 2016
- ~ \$175 - 225 million annually over next five years

Peer Net Debt-to-Capital Ratio Q3 2015



*Excludes Hess Infrastructure Partners Note: Hess Net Debt / Capital ratio at 12/31/15, pro forma for 2/4/16 equity offering, was 8%

\$B Managed Debt Maturities



Source: Company filings

Focused Resilient Portfolio

Linked by operating capabilities



2016 Production: 330 - 350 MBOED
P1 Reserves: 1.1 BBOE
6P Resources: ~ 7.4 BBOE

Bakken

30% Prod
28% Res

Utica

7% Prod
2% Res

Valhall & South Arne

13% Prod
25% Res

Onshore USA

- Industry leading Bakken well costs and productivity. Lean manufacturing and advantaged infrastructure
- Utica leveraging Bakken capability and experience

North Sea

- Leveraging industry leading chalk reservoir drilling experience

Deepwater GoM

- Deepwater developments and strong partner relationships
- Industry recognized development and deepwater drilling capability

Equatorial Guinea

10% Prod
3% Res

JDA

10% Prod
10% Res

Deepwater GoM

16% Prod
8% Res

Tubular Bells & Stampede

7% Prod
3% Res

Ghana

North Malay Basin

2% Prod

West Africa

- Industry leading drilling performance, building on EG deepwater experience
- Optimizing value through seismic technology and drilling excellence

SE Asia

- Top quartile offshore project delivery and reservoir management
- Leverage JDA experience and strong partner relationship

★ Base ★ Growth

Located in areas where Hess is competitively advantaged

Net Production: 2016 assumes zero contribution from Libya

Reserves: 2015 Year End Proven, includes Libya

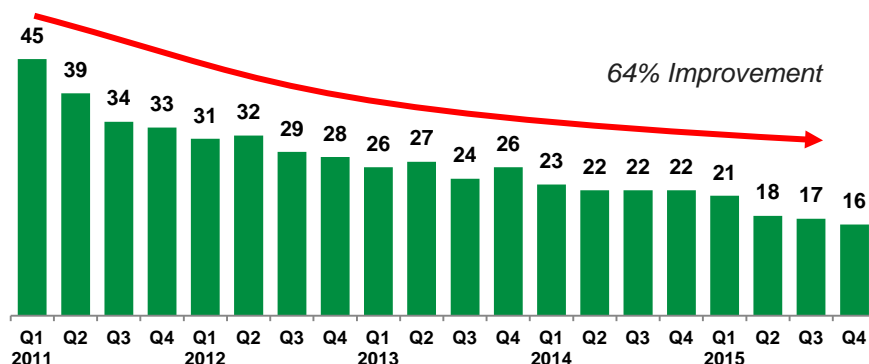
Industry Leading Operating Performance

Unconventionals - Bakken

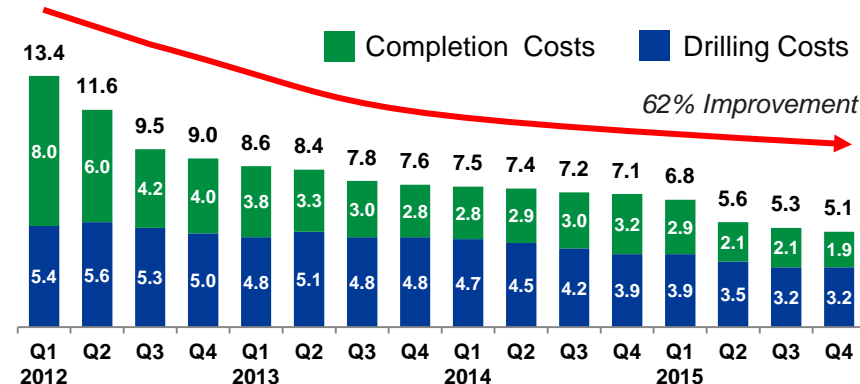


Reducing Well Costs...

Drilling Performance: Spud-to-Spud (Days)

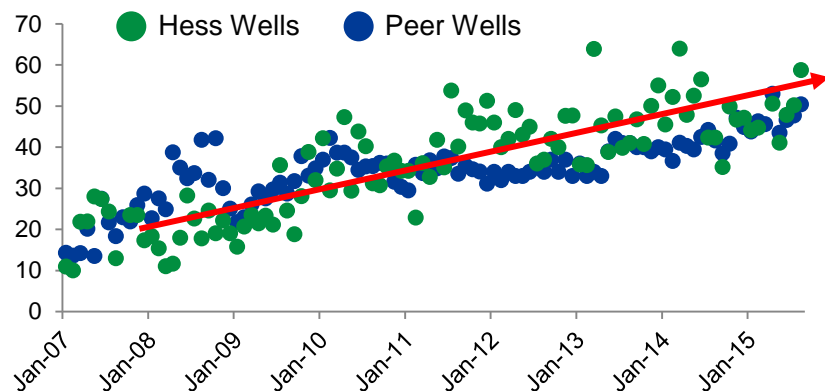


Drilling & Completions Performance: Costs (\$MM)

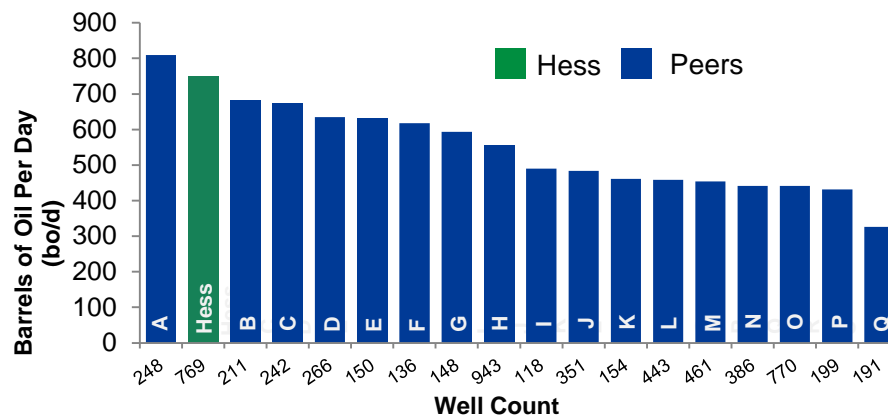


...While Optimizing Well Productivity

Average 90-Day Initial Production (MBO) by Completion Date



Operator Average 30-Day IP Rate (since YE 2012)



Low cost + high productivity = enhanced returns

Industry Leading Operating Capabilities

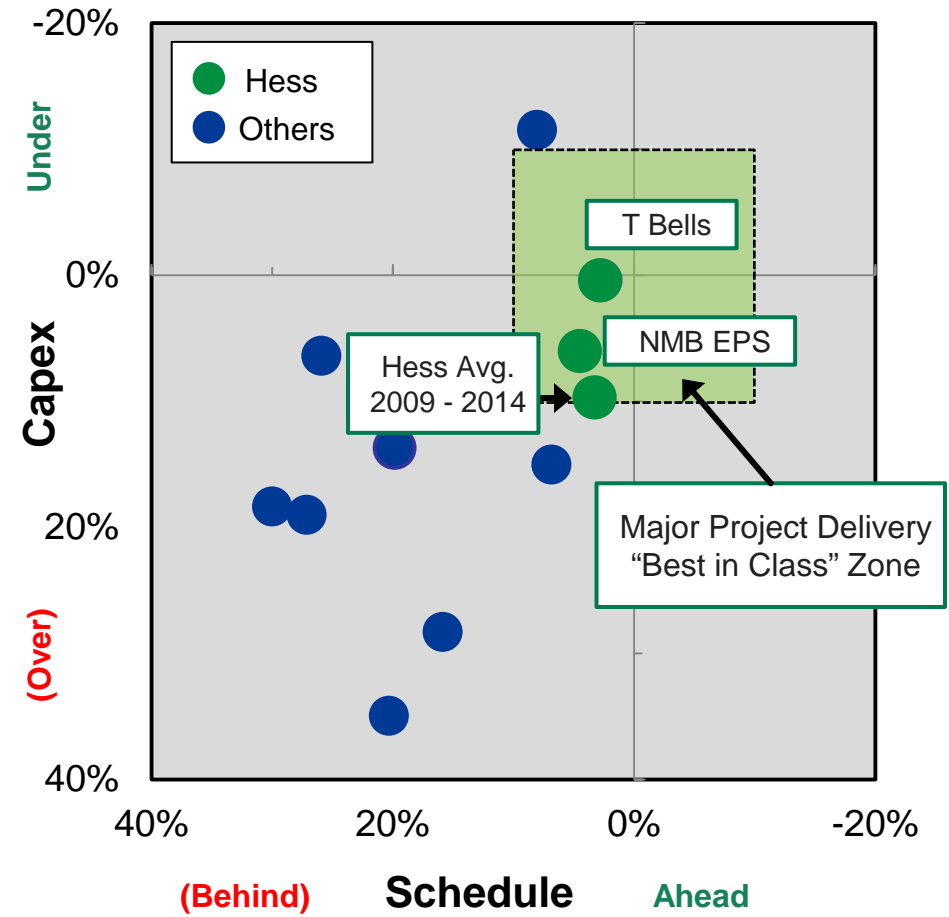
Offshore drilling and project delivery



Drilling Performance Quartile	1 st	2 nd	3 rd	4 th
Ghana	✓			
North Malay Basin	✓			
Tubular Bells	✓			
Equatorial Guinea	✓			
South Arne		✓		

Industry Project Delivery

(IPA Study 2005 - 2013)



Source: Rushmore data 2014

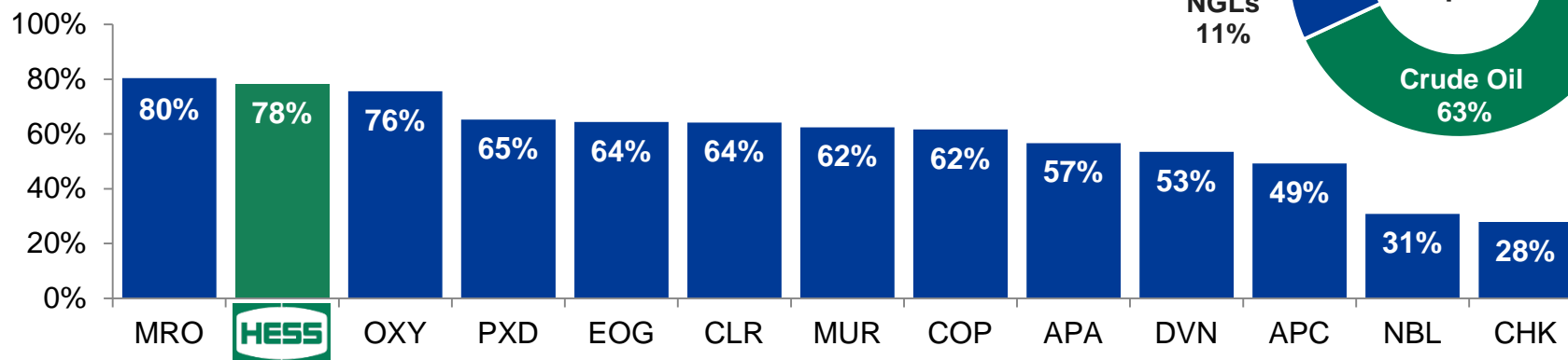
Source: IPA Study (2005 - 13) updated with recent Hess projects

Focused Resilient Portfolio

Leveraged to liquids with industry leading cash margins

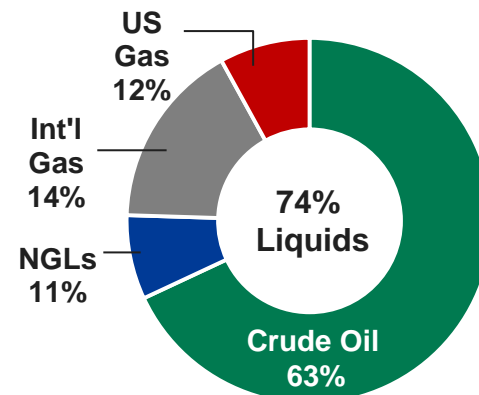


Liquids % of YE 2014 Reserves

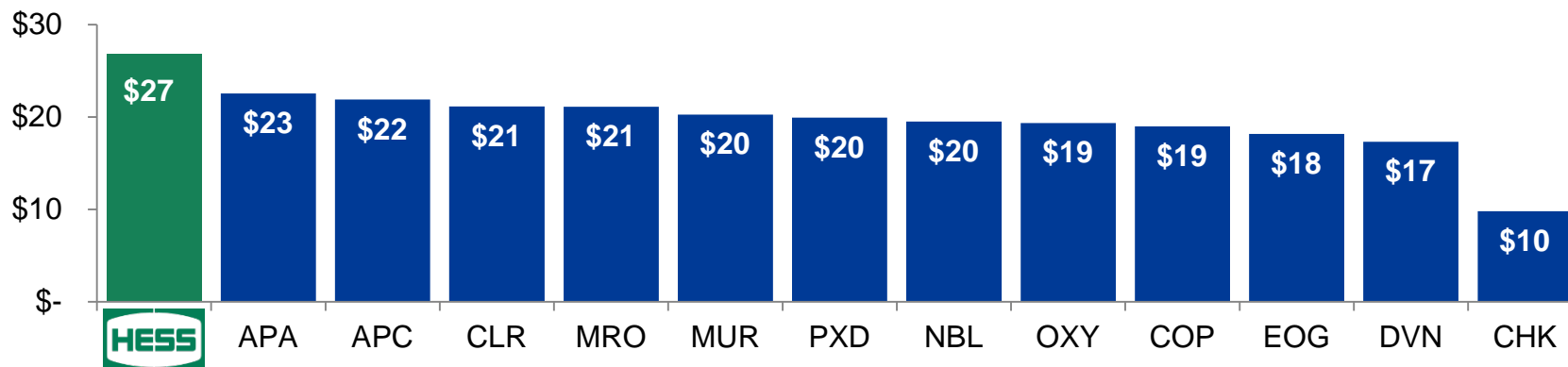


Source: Bloomberg

2015 Hess Production Pro Forma



3Q 2015 Cash Margin

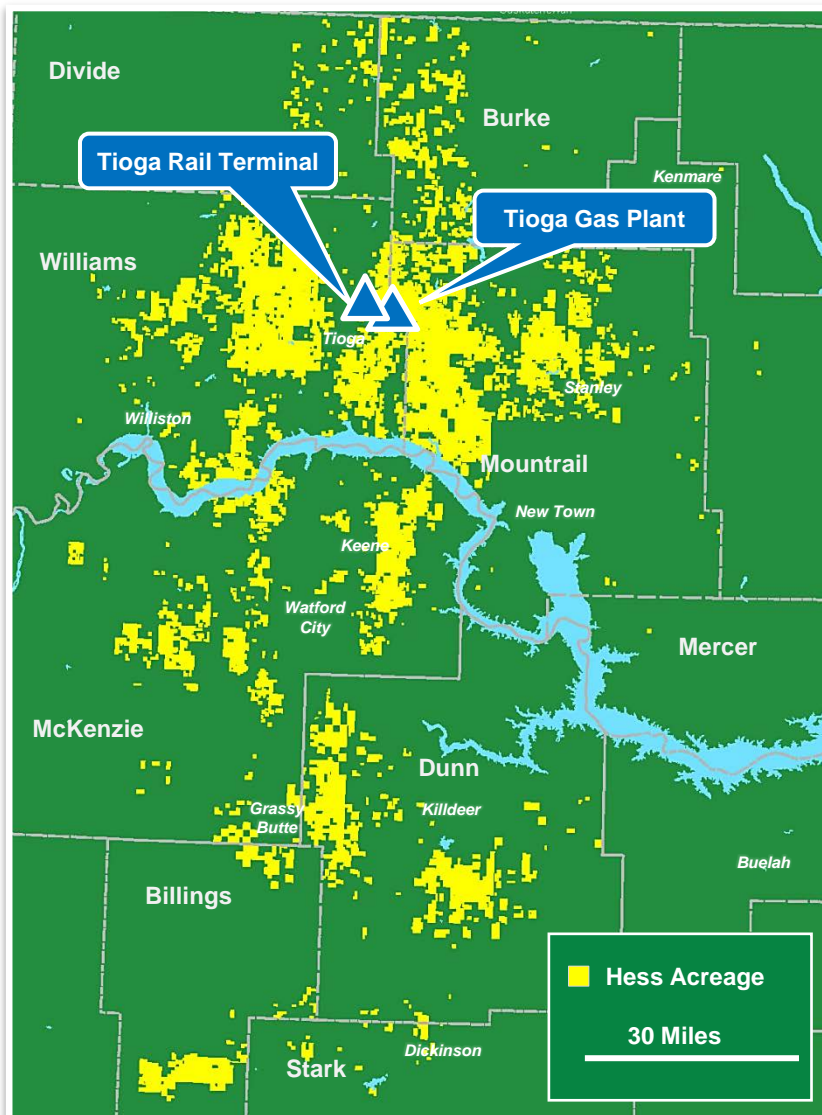


Source: Thomson One (Adjusted Net Income), 3Q 2015 10-Q SEC filings (DD&A, Exploration Expense)

Cash Margin = Adjusted Net Income [excluding special items] + DD&A + Exploration Expense

One of the Best Positions in the Bakken

Competitively advantaged with Lean manufacturing process



• Strategic / Portfolio Context

- Industry leading acreage position in the core of the Middle Bakken and Three Forks
- Top quartile well cost and productivity, delivering some of the highest returns in play
- Advantaged infrastructure enhances netbacks

• Asset Details

- 583,000 net acres; Hess ~ 70% WI, operator
- 2016 net production 95-105 MBOED
- Net Estimated Ultimate Recovery ~1.6 BBOE
- ~3,200 future operated drilling locations
- 30 Day IPs: 800 - 950 BOPD
- Plan 2 rig program in 2016 in response to low oil prices
- 2016 Bakken E&P capex ~ \$425 MM

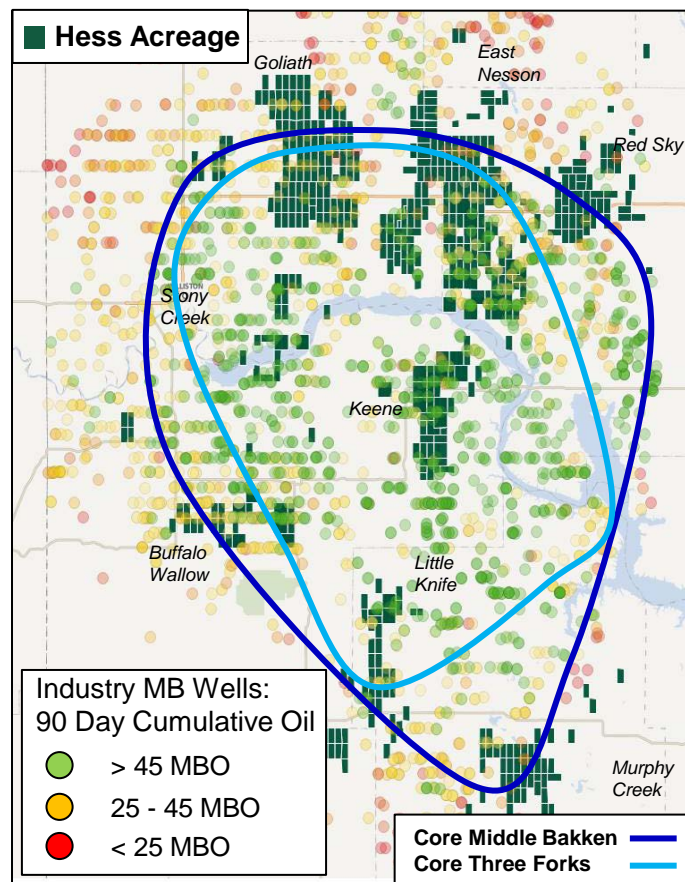
Major contributor to future resource and production growth

One of the Best Positions in the Bakken

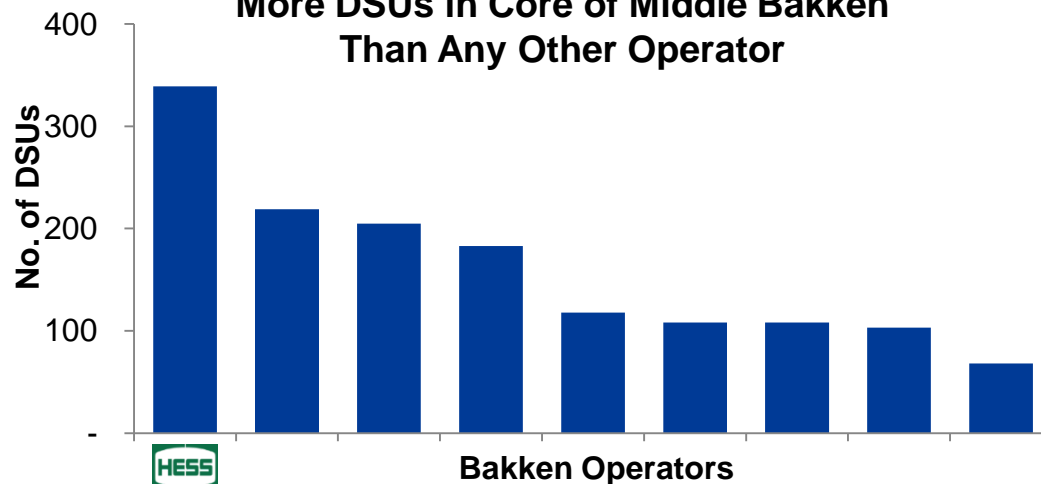
Material position in the core of the Bakken



30+ Stage Wells Since 2012

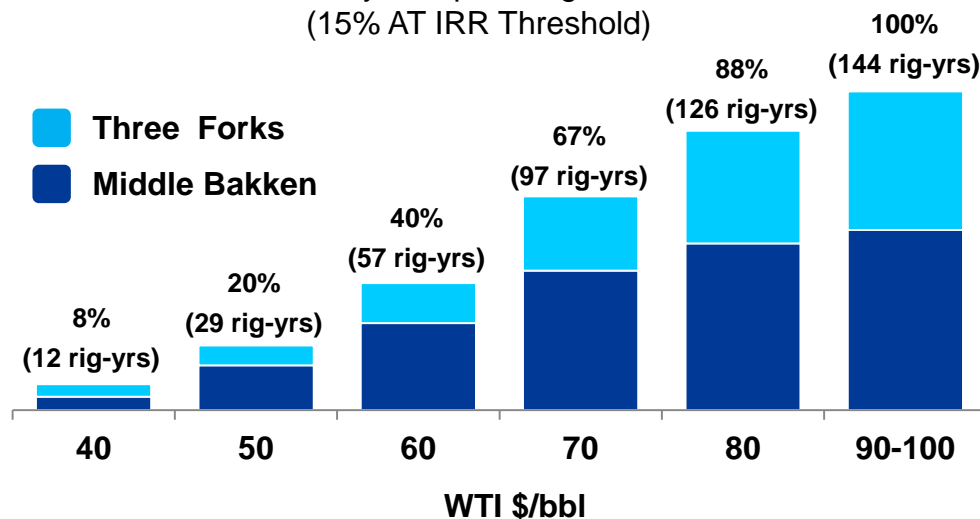


More DSUs in Core of Middle Bakken Than Any Other Operator



~3,200 Future¹ Operated Drilling Locations

% of Total Inventory & Implied Rig-Years vs WTI Price
(15% AT IRR Threshold)



DSU: 1,280 acre Drilling Spacing Unit

Source: NDIC and Hess analysis

¹PF Jan 2016, assumes 22 wells/rig-year

One of the Best Positions in the Bakken

Advantaged infrastructure maximizing value



Tioga Rail Terminal



Tioga Gas Plant

- Hess sold 50% interest in Bakken Midstream assets to GIP for \$2.675 B
- Created new joint venture called Hess Infrastructure Partners
- Total after-tax cash proceeds to Hess of \$3.0 B, including JV debt issuance
- Hess retains operational control of Bakken Midstream assets
- Transaction delivered significant and immediate value to shareholders

Joint Venture committed to pursuing MLP IPO

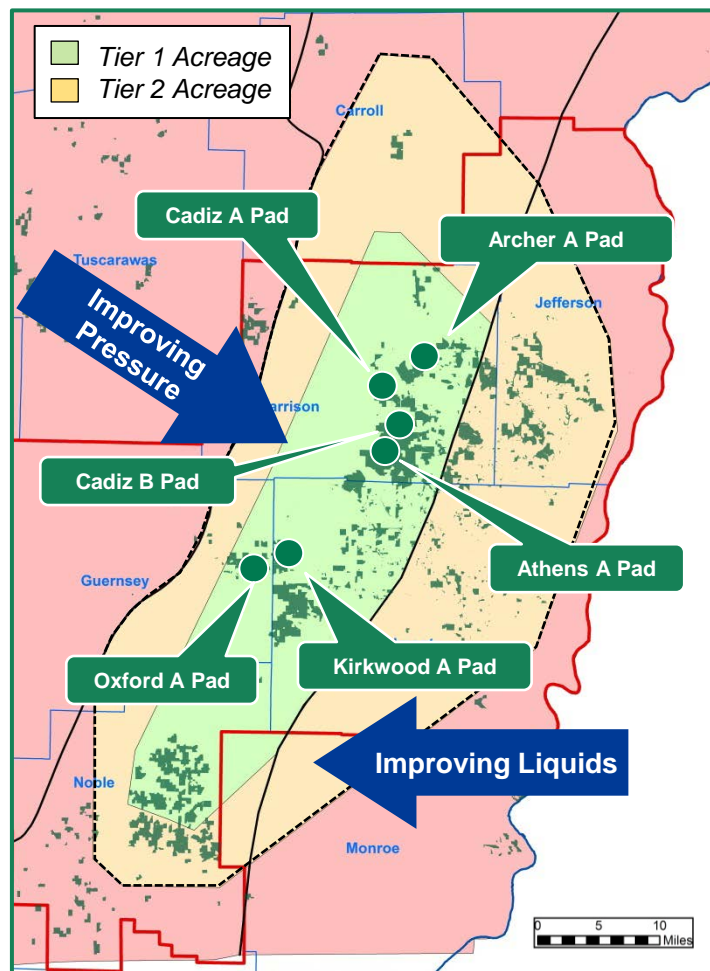
Utica: Material Position in the Wet Gas Window



Acreage in play sweet spot with high NRI

JV Acreage

Optimum Mix of Pressure and Liquid Content



• Strategic / Portfolio Context

- Wells highly productive, high liquids content
- Leveraging Bakken capability to maximize efficiency and reduce costs

• Asset Details

- 50% WI; 95% gross NRI
- 50,000 net acres
- 2016 net production 20 - 25 MBOED
- No drilling planned after 1Q16
- 2016 capex \$45 MM

Core position in prolific Utica Shale play

Deepwater Gulf of Mexico: Tubular Bells

Low cost production leveraging deepwater capability

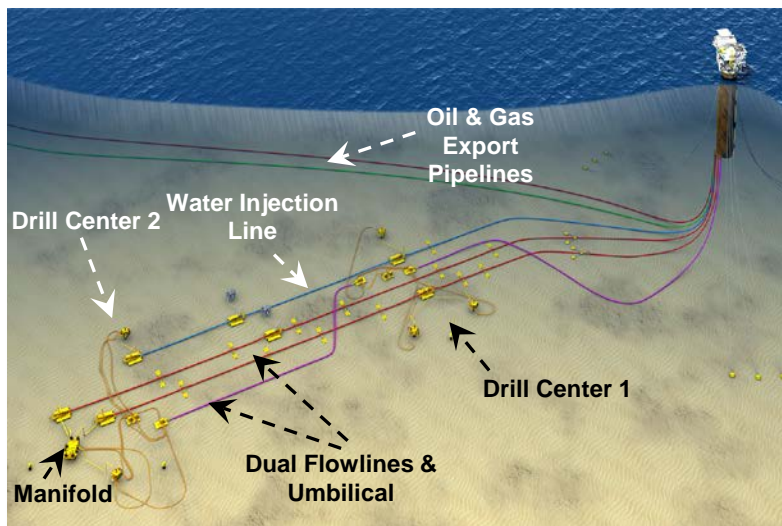


- **Strategic / Portfolio Context**

- Material growth asset
- Key contributor to production and cash flow
- Leverages deepwater capability

- **Asset Details**

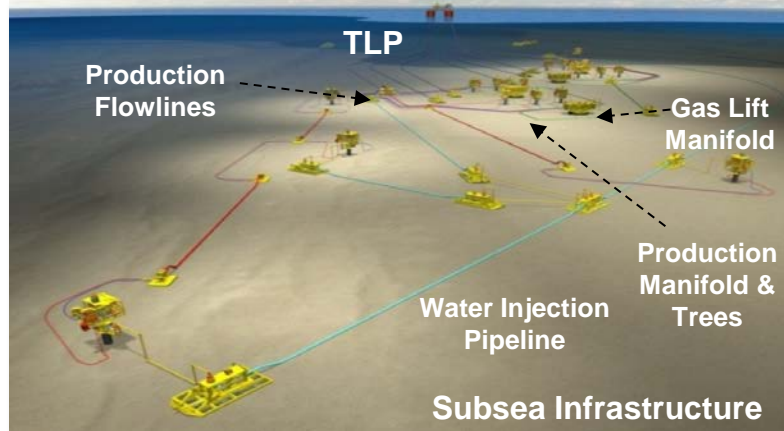
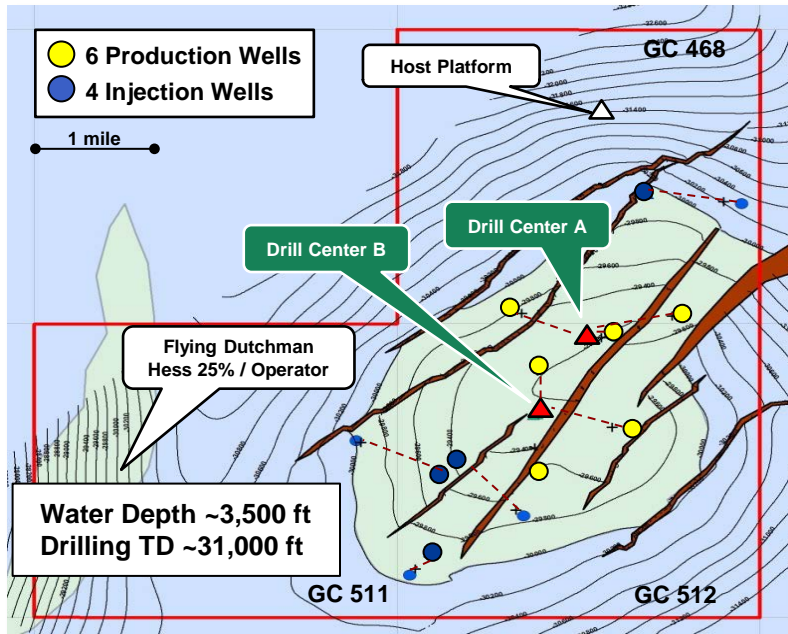
- 57.1% WI, operator
- First oil November 2014
- 2016 net production 20-25 MBOED
- 2015 cash margin \$21 / BOE
- 2016 capex ~\$140 MM



Material production and cash flow

Deepwater Gulf of Mexico: Stampede

Building on Tubular Bells success



• Strategic / Portfolio Context

- Leverages proven deepwater capability
- Material contribution to 2018+ growth
- One of the largest undeveloped fields in GoM (300 - 350 MMBOE gross recoverable)

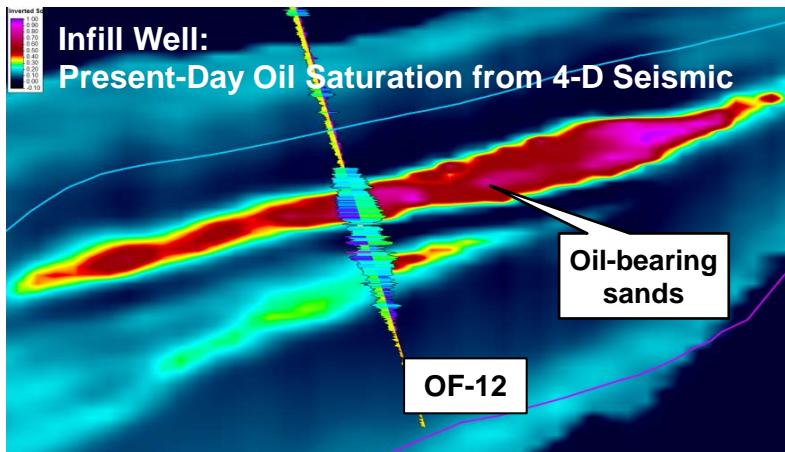
• Asset Details

- 25% WI, operator
- Progressing hull and topsides fabrication
- Plan to commence drilling in 2016; first oil targeted in 2018
- Gross processing capacity of 80 MBOD
- Mature captured near field exploitation
- 2016 capex ~\$325 MM

Adds ~15 MBOED production and becomes material cash generator in 2018

West Africa: Equatorial Guinea

Maximizing value through 4D seismic and drilling excellence



- **Strategic / Portfolio Context**

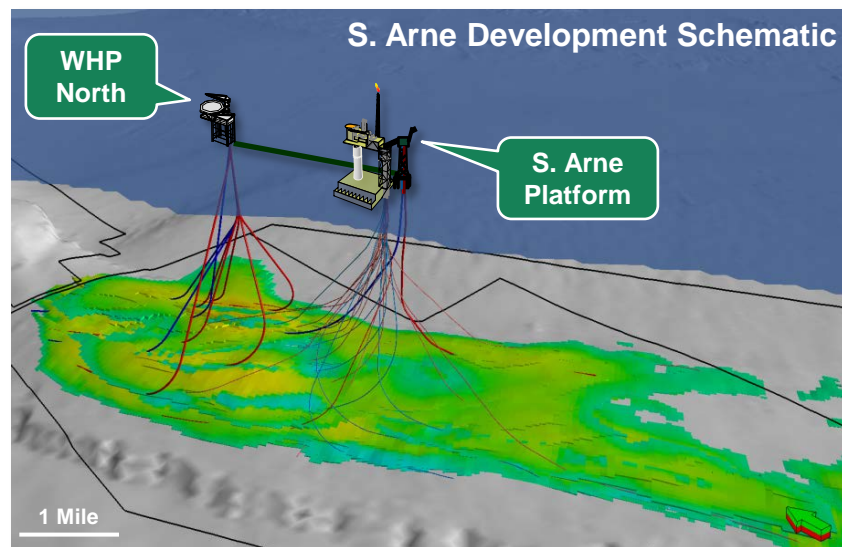
- Material cash flow
- 4D seismic for continuing identification of high value drilling opportunities to maintain production plateau
- Leverages deepwater capability

- **Asset Details**

- 85% WI, operator
- 2016 net production 30 - 35 MBOED
- Process new 4D seismic / mature further exploitation opportunities
- No drilling planned in 2016
- 2015 cash margin \$32 / BOE
- 2016 capex ~\$40 MM

North Sea Chalk: South Arne

Material asset with continuing development potential



• Strategic / Portfolio Context

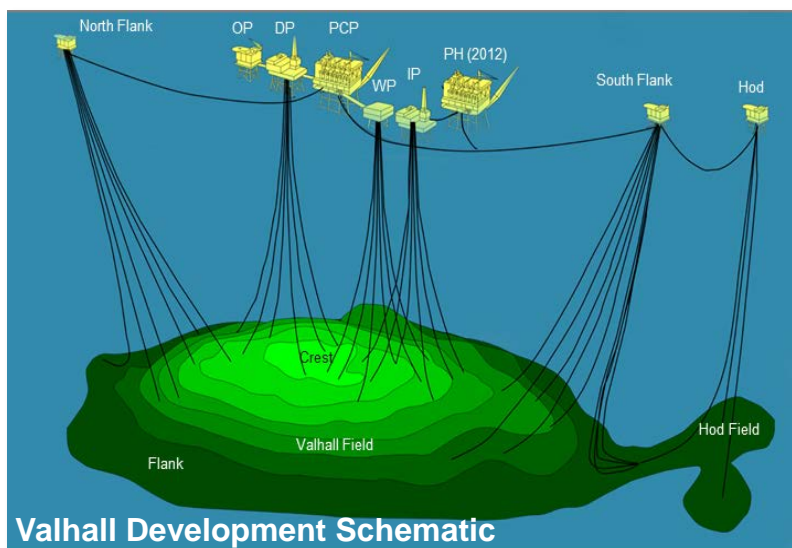
- Growth asset with material cash flow
- Multi year drilling inventory
- Leveraging expertise in horizontal, managed pressure drilling in chalk reservoirs

• Asset Details

- 61.5% WI, operator
- 2016 net production 10-15 MBOED
- No drilling planned after 1Q16
- 2015 cash margin \$31 / BOE
- 2016 capex ~\$80 MM

North Sea Chalk: Valhall

Long life asset with material upside



- **Strategic / Portfolio Context**

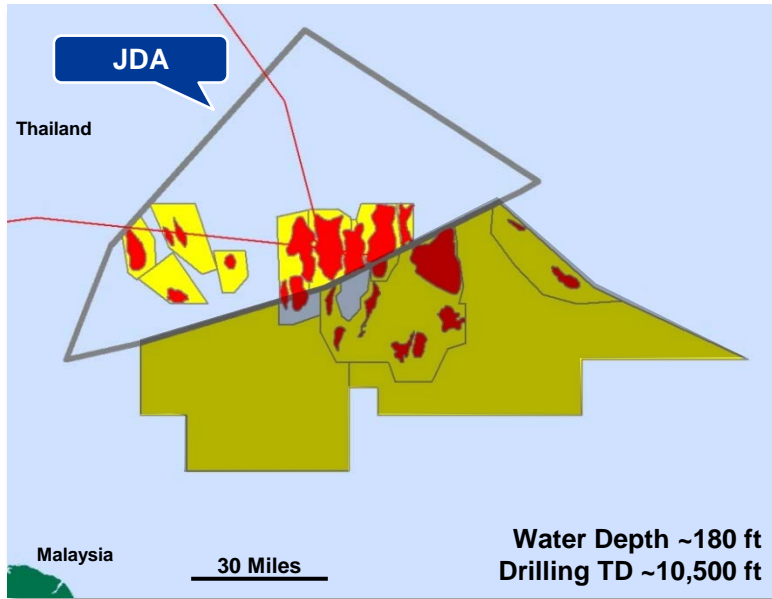
- Long life, material asset
- Underdeveloped chalk reservoir; significant remaining upside
- Working with operator to leverage chalk expertise from South Arne

- **Asset Details**

- 64% WI, operated by BP
- 2016 net production ~30 MBOED
- Redevelopment completed 1Q13, extended life by 40 years
- 2015 cash margin \$25 / BOE
- 2016 capex ~\$60 MM

Malaysia Gas: Joint Development Area

Long term production and material cash flow



- **Strategic / Portfolio Context**

- Low cost, long life gas reserves with oil linked pricing
- Material production, free cash flow
- Leverages shallow water offshore development capabilities

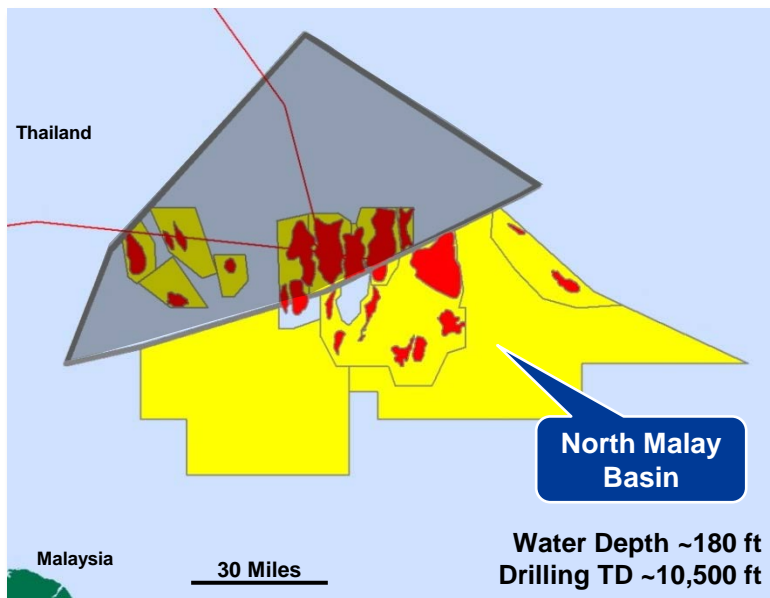
- **Asset Details**

- 50% WI, operated by Carigali-Hess
- 2016 net production ~200 MMSCFED
- PSC through 2029
- 2015 cash margin \$31 / BOE
- 2016 capex ~\$50 MM



Malaysia Gas: North Malay Basin

Low risk, oil linked gas development



• Strategic / Portfolio Context

- Growing Malaysia supply/demand gap
- Low risk development of 9 discoveries
- Material production and cash flow 2017+
- Oil indexed GSA through 2033
- Leverages JDA experience and strong Petronas relationship
- Near field exploration upside

• Asset Details

- 50% WI, operator
- 2016 net production ~40 MMSCFED
- Full Field Development completion 2017; net production up to ~165 MMSCFED
- 2016 capex ~\$375 MM



Adds ~20 MBOED production and becomes long-term cash generator in 2017

Competitively Positioned for Growth

Significant captured growth options



Bakken

- 1.6 BBOE net EUR
- ~3,200 future drilling locations

Utica

- 300 MMBOE net EUR
- >500 drilling locations

North Malay Basin

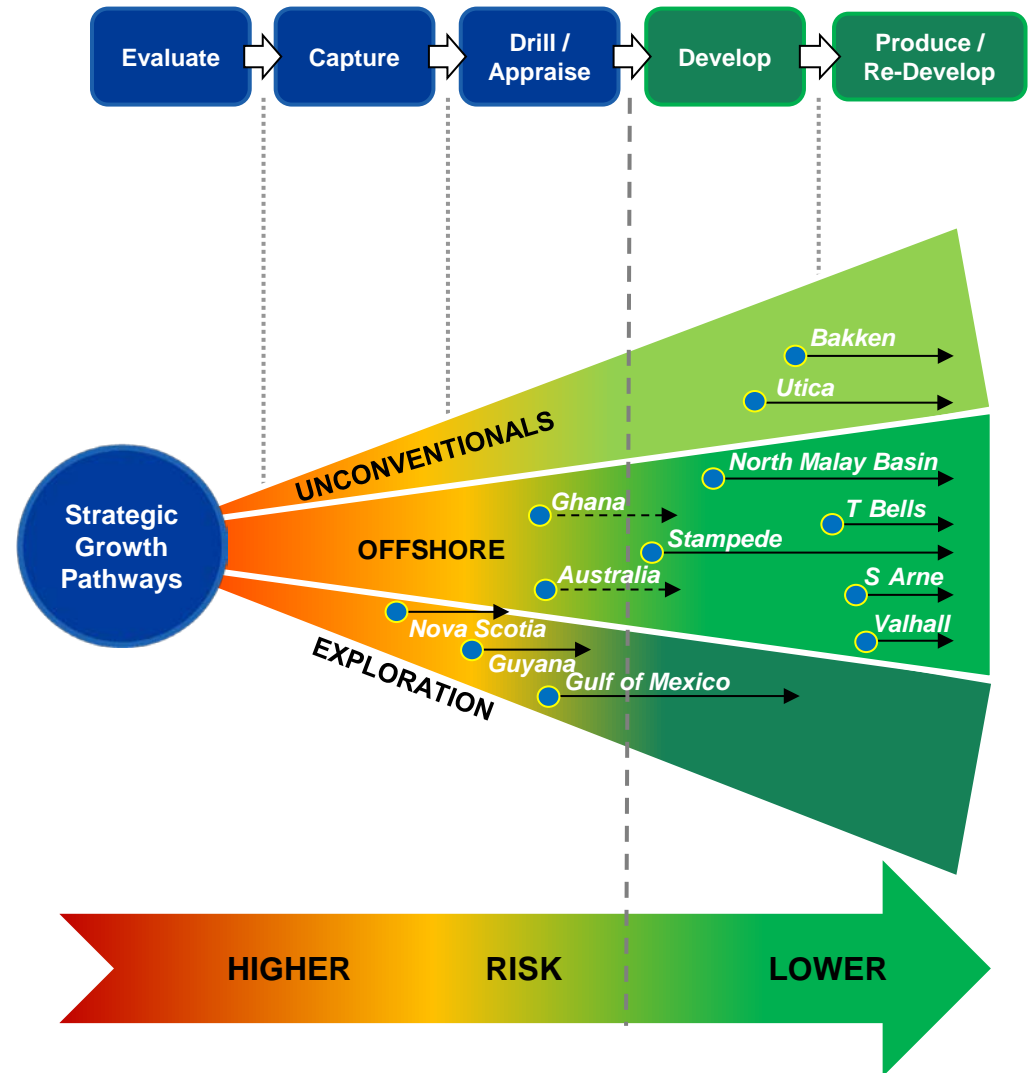
- Full field development underway
- Net production to quadruple to 165 MMSCFED in 2017

Stampede

- First oil targeted in 2018
- Net production ~15 MBOED

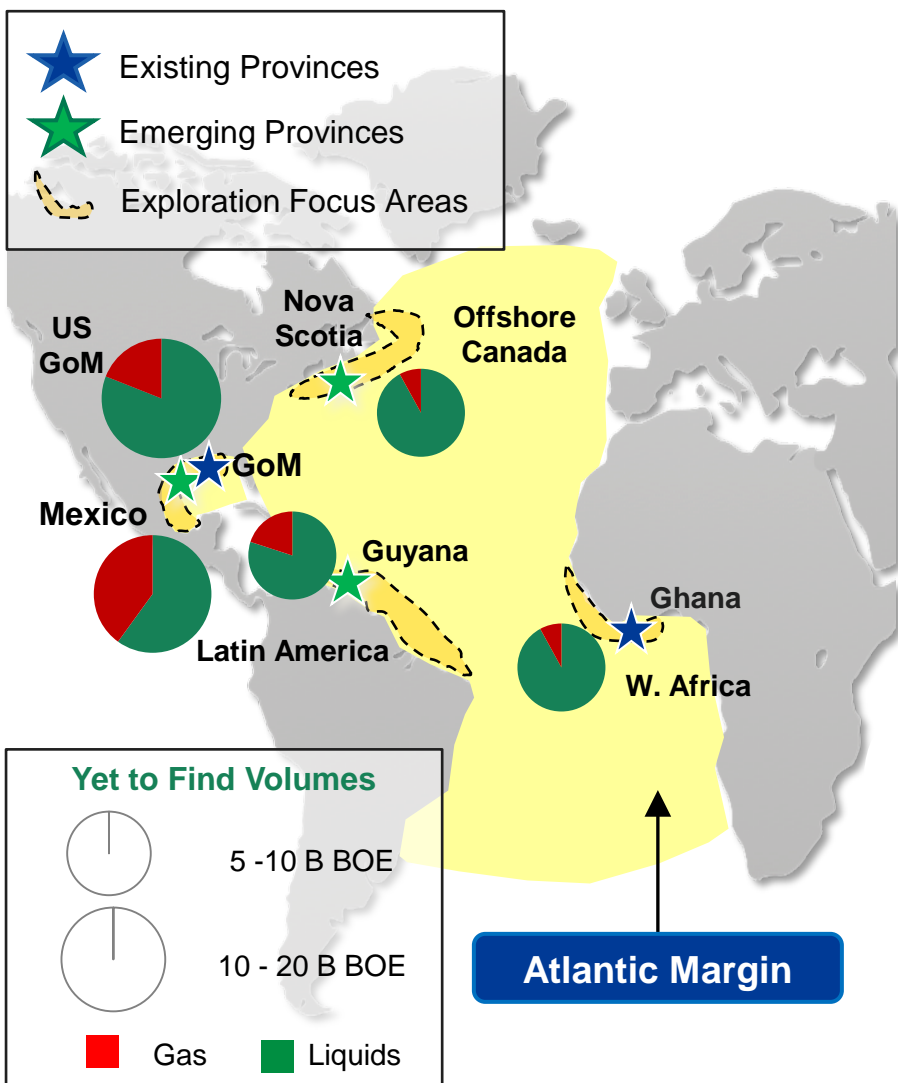
Exploration

- Recent material discoveries in Guyana and the Gulf of Mexico



Competitively Positioned for Growth

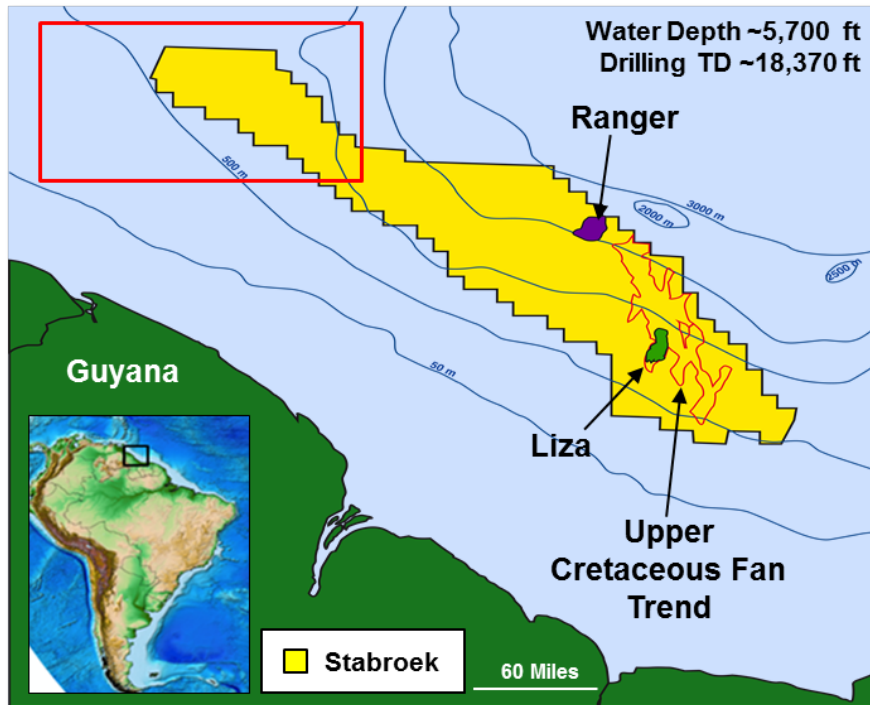
Exploration provides further upside to long term growth



- **Focused strategy to deliver material long term value**
- **Exploration themes:**
 - **Focused:** In basins we understand and that leverage our capabilities
 - **Balanced:** Between both proven and emerging areas
 - **Impactful:** Materiality and running room
 - **Value driven:** Through working interest management, liquids rich areas and attractive fiscal terms
- **Goals**
 - Add 600 - 700 MMBOE resources over 5 years
 - Achieve <\$20 / BOE F&D cost

Offshore Guyana: Stabroek License

Liza-1 significant 2015 oil discovery



 GoM Green Canyon for scale

- **Strategic / Portfolio Context**

- 6.6 MM acres; ~1,150 GoM blocks
- Multiple prospects and play types

- **Forward Plan**

- Liza-1 encountered 295 feet of high-quality oil bearing sandstone reservoirs
- New 17,000 km² 3-D seismic acquisition 98% complete
- Liza-2 well spud February 2016
- Four wells to appraise and further explore the Stabroek Block planned 2016

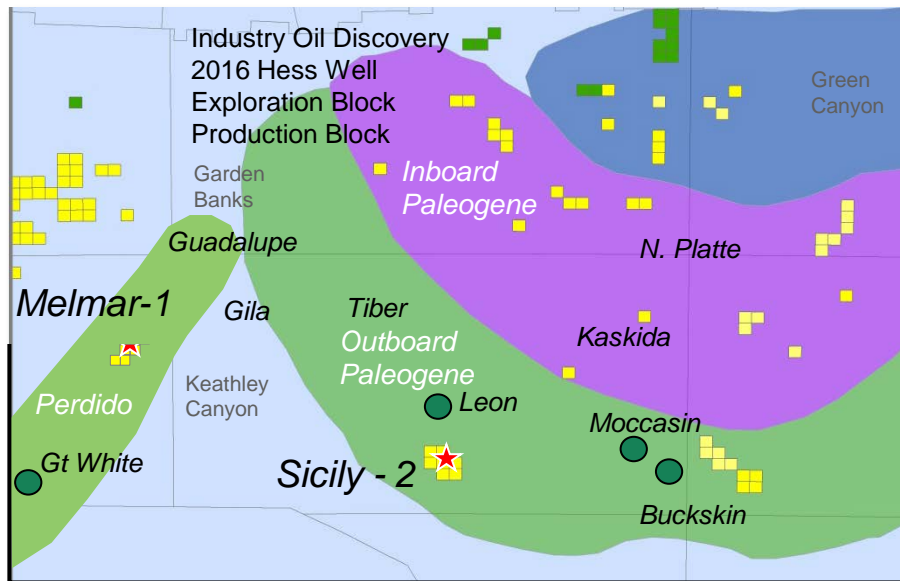
- **Asset Details**

- 30% WI, op. by Esso E&P Guyana Ltd.

Continued exploration of an emerging material deepwater play

Deepwater Gulf of Mexico: Sicily Appraisal

Appraisal of significant 2015 Paleogene oil discovery



• Strategic / Portfolio Context

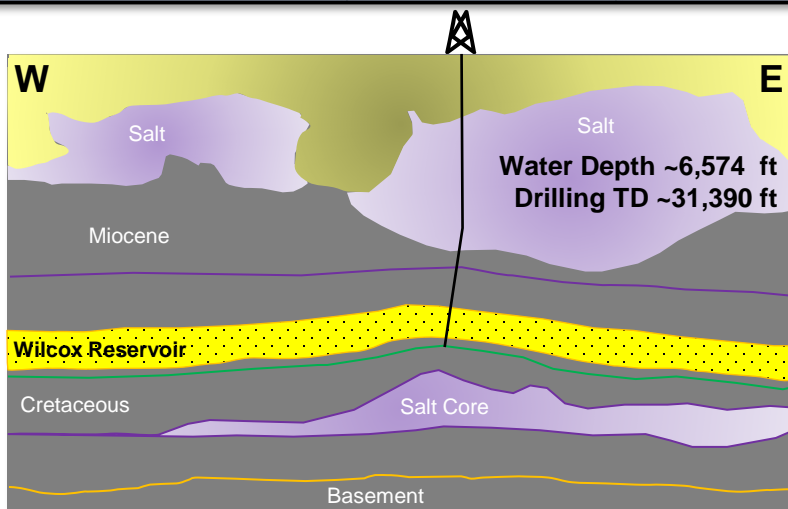
- Large and well imaged 4-way trap
- Strategic partnership with proven operator

• Forward Plan

- Sicily-1 well reached TD April 2015
- Sicily-2 spud December 2015; expect results 2Q16

• Asset Details

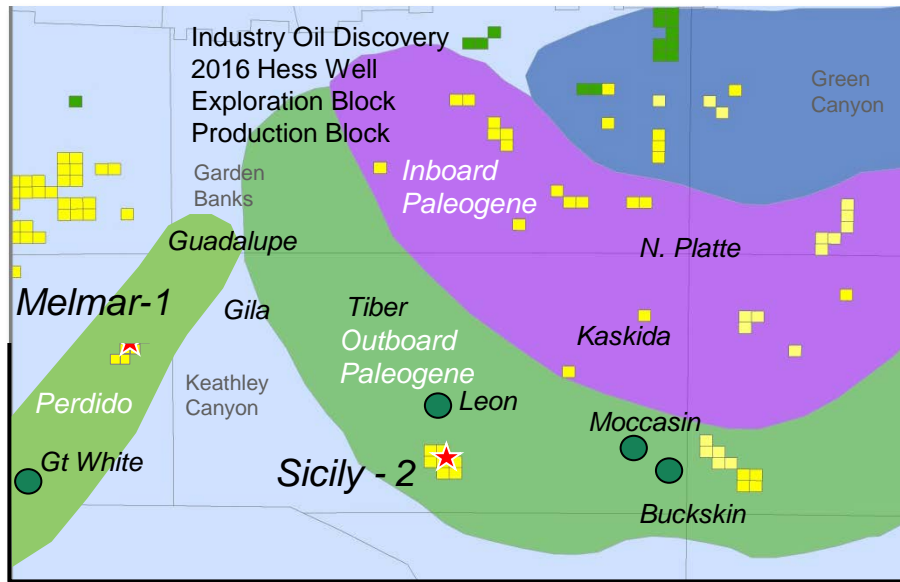
- 25% WI, operated by Chevron



Balanced access via

Deepwater Gulf of Mexico: Melmar

Large well-imaged Paleogene four-way



• Strategic / Portfolio Context

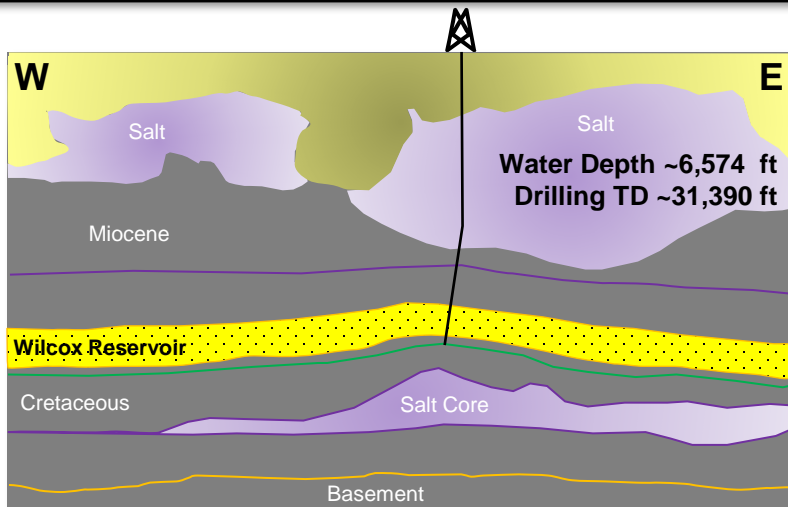
- Largest remaining 4-way in US Perdido
- Low cost access to material opportunity in high deliverability portion of the Paleogene trend

• Forward Plan

- Melmar-1 spud December 2015
- Expect results 2Q16

• Asset Details

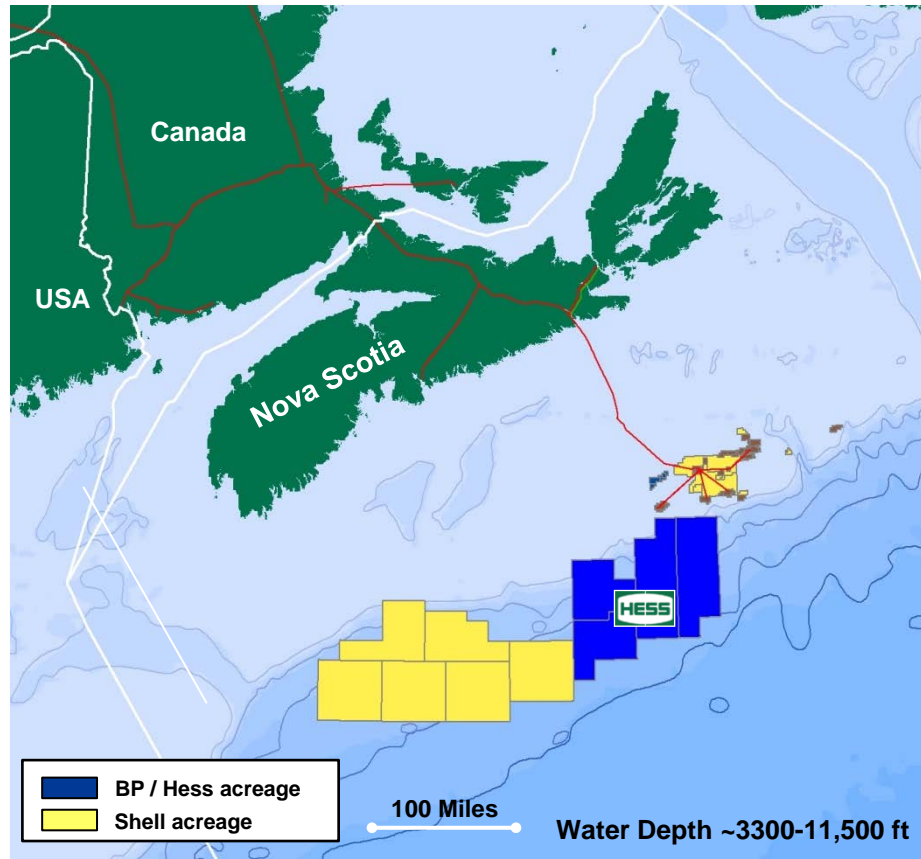
- 35% WI, operated by ConocoPhillips



Balanced access via

Offshore Nova Scotia

Material position in emerging deepwater play



- **Strategic / Portfolio Context**
 - 3.5 MM acres; ~ 600 GoM blocks
 - Multiple leads in sub-salt play
 - 800 MMBOE pre drill net risked resource
 - GoM analogue trap styles
 - Oil prone, Cretaceous reservoirs
- **Forward Plan**
 - Mature the prospect inventory on newly acquired 3D WAZ Seismic
 - Plan first well in 2017
- **Asset Details**
 - 40% WI, operated by BP

Access to a material deepwater Gulf of Mexico analogue

- **Preserve Balance Sheet Strength**
- **Preserve Core Operating Capabilities**
- **Preserve Long-Term Growth Options**

