



HESS CORPORATION

News Release

FOR IMMEDIATE RELEASE

Hess Announces Bakken Midstream Joint Venture Valued at \$5.35 Billion

- ***Hess to Sell 50% Interest in Bakken Midstream Assets for \$2.675 Billion***
- ***Total After-Tax Cash Proceeds to Hess of \$3.0 Billion Including JV Debt Issuance***
- ***Hess to Retain Operational Control of Bakken Midstream Assets***
- ***Transaction to Deliver Significant and Immediate Value to Shareholders***

NEW YORK, June 11, 2015 -- Hess Corporation (NYSE: HES) (the "Company") announced today that it has agreed to sell a 50 percent interest in its Bakken midstream assets to Global Infrastructure Partners, a leading global infrastructure investor with an extensive midstream energy investment track record, for cash consideration of \$2.675 billion. Hess and Global Infrastructure Partners will create a premier midstream joint venture – Hess Infrastructure Partners. Upon closing, the joint venture will incur \$600 million of debt through a 5-year Term Loan A facility with proceeds distributed equally to both partners, resulting in total after-tax cash proceeds, net to Hess, of \$3.0 billion. In addition the joint venture will have independent access to capital including a \$400 million 5-year Senior Revolving Credit Facility, which is fully committed. The joint venture upon closing plans to continue to pursue a proposed initial public offering (IPO) of Hess Midstream Partners LP common units.

John Hess, Chief Executive Officer of Hess Corporation, said, "This transaction delivers significant and immediate value to our shareholders. The joint venture with its strategically located assets will be one of the largest midstream operators in the Bakken. By capitalizing on the financial strength and midstream energy experience of Global Infrastructure Partners, the

joint venture will be in a strong position to fund future energy infrastructure investments and continue to grow its midstream business.”

With the proceeds from this transaction, plus cash on hand and an untapped \$4 billion revolving credit facility, Hess will have a highly advantaged liquidity position compared to its peer group. Consistent with its financial strategy, the company will use proceeds from this transaction to preserve the strength of its balance sheet in the current oil price environment, provide additional financial flexibility for future growth opportunities and continue to repurchase stock on a disciplined basis.

The transaction is subject to customary closing conditions and is expected to be completed early in the third quarter of 2015. The Hess midstream assets to be included in the joint venture are:

- Natural gas processing plant in Tioga, North Dakota;
- Rail loading terminal in Tioga and associated rail cars;
- Crude oil truck and pipeline terminal in Williams County, North Dakota;
- Propane storage cavern and rail and truck transloading facility in Mentor, Minnesota; and
- Crude oil and natural gas gathering systems in North Dakota.

Financial Information

As a result of the joint venture, Hess will begin reporting its Bakken-related midstream operations as a separate midstream segment in its consolidated financial statements and will begin disclosing certain historical and forward-looking financial information for this segment. For the three months ended March 31, 2015, the midstream segment had net income of \$27 million and earnings before interest, taxes, depreciation and amortization (EBITDA) of \$64 million.

Hess expects midstream segment EBITDA for the twelve months ending March 31, 2016 to be \$290 million to \$300 million. Hess also expects capital expenditures to be funded by the joint venture on a 100 percent basis for the same period to be \$325 million to \$350 million.

Joint Venture

The board of directors for Hess Infrastructure Partners will be comprised of six directors, with three members elected by Hess and three by Global Infrastructure Partners. Pursuant to the joint venture agreement, Hess, through its elected directors, will retain control of the midstream assets' operations and annual budgeting process. Other decisions, such as capital structure, debt and equity offerings, and new contracts will require joint approval by both Hess and Global Infrastructure Partners elected directors.

Hess will operate the assets owned by the joint venture as a contract service provider. Employees who work in these assets today will remain Hess employees.

Conference Call Webcast and Presentation

Hess Corporation will hold a conference call webcast today at 9 a.m. Eastern Daylight Time. Please click [here](#) to listen to the call and view related presentation materials. An audio-only option will be available by dialing 1-866-578-5771 and entering the pass code 25002870 after 8:45 a.m. To join the call from outside the United States, parties should dial 1-617-213-8055 and enter the pass code 25002870.

The presentation materials will be available immediately after the call on hess.com. An audio-only replay will be available from 1 p.m. today through June 25, 2015 by dialing 1-888-286-8010 and entering the pass code 81060610. Outside the United States, parties should dial 1-617-801-6888 and enter the pass code 81060610.

About Hess Corporation

Hess Corporation is a global independent energy company engaged in the exploration and production of crude oil and natural gas and a leading operator in the Bakken. More information on Hess Corporation is available at <http://www.hess.com>.

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EBITDA Reconciliation to Net Income

\$ Million	1Q 2015 Actual	Forecast for 12 Months Ended March 31, 2016*
Net Income	27	145 – 155**
Depreciation, Depletion & Amortization	21	90 – 95
Interest Expense	-	15 – 20
Income Tax Expense	16	30 – 35**
EBITDA	64	290 – 300

* Assumes joint venture was effective April 1, 2015

** Income taxes are recorded on Hess share only

Cautionary Statements

This news release 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.

A registration statement related to Hess Midstream Partners LP common units has been filed with the Securities and Exchange Commission but has not yet become effective. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This news release shall not constitute an offer to sell or the solicitation of an offer to buy the securities, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such state or jurisdiction.

Non-GAAP financial measure

The Company has used a non-GAAP financial measure in this news release. "EBITDA" presented in this release is defined as net income (loss) before the subtraction of interest, taxes, depreciation, depletion and amortization. We believe that investors' understanding of our performance is enhanced by disclosing this measure. This measure is not, and should not be viewed as, a substitute for U.S. GAAP net income (loss). A reconciliation of historical and projected net income (loss) attributable to the company's midstream Bakken assets is provided in the release.

For Hess Corporation

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