

HESS CORPORATION



UBS GLOBAL OIL AND GAS CONFERENCE

MAY 24, 2017

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.

This presentation includes certain non-GAAP financial measures, including Net Debt and EBITDA. Non-GAAP financial measures such as Net Debt and EBITDA should be considered only as supplemental to, and not as superior to, financial measures prepared in accordance with GAAP. Please refer to the Appendix of this presentation for a reconciliation of the non-GAAP financial measures included in this presentation to the most directly comparable financial measures prepared in accordance with GAAP.



Positioned for Long Term, Value Driven Growth

Significant Value-Driven Growth Engines

- **Bakken set to resume growth trajectory**
 - Industry leading position – increase rig count from 2 to 6 in 2017
 - Growth trajectory from ~100 to 175 MBOED
- **North Malay Basin and Stampede add ~35 MBOED by 2018**
- **World-class oil discoveries offshore Guyana**
 - Gross recoverable volumes for Liza & Payara ~1.4 - 2.0 BBOE
 - Mid 2017 Liza Phase 1 sanction – 120 MBOD FPSO
 - Progressing additional phases of development
- **Significant future exploration potential**

Focused Portfolio, Balanced for Risk and Leveraged to Oil Prices

- **Positioned for a decade of reserve and production growth**
- **Attractive mix of captured short and long cycle opportunities**
 - Linked to top quartile operating capabilities
- **Strong leverage to recovery in oil prices**

Financial Strength and Flexibility

- **Resilient balance sheet and liquidity position**
 - \$2.7 billion of cash & total liquidity of \$7.2 billion
 - 2017 E&P capital & exploratory budget of \$2.25 billion
- **Goal to deliver cash generative growth over cycle**

Increasing production momentum with lower costs and improving returns

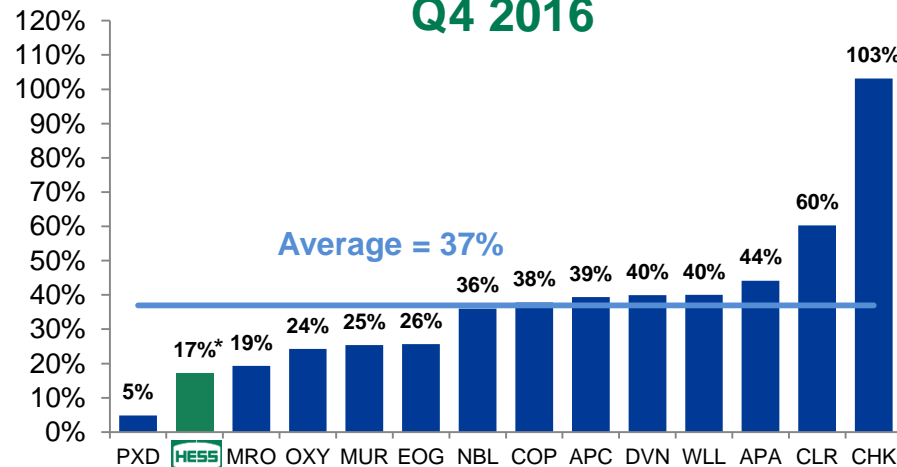
One of the Strongest Balance Sheets

And liquidity positions among E&P Peers

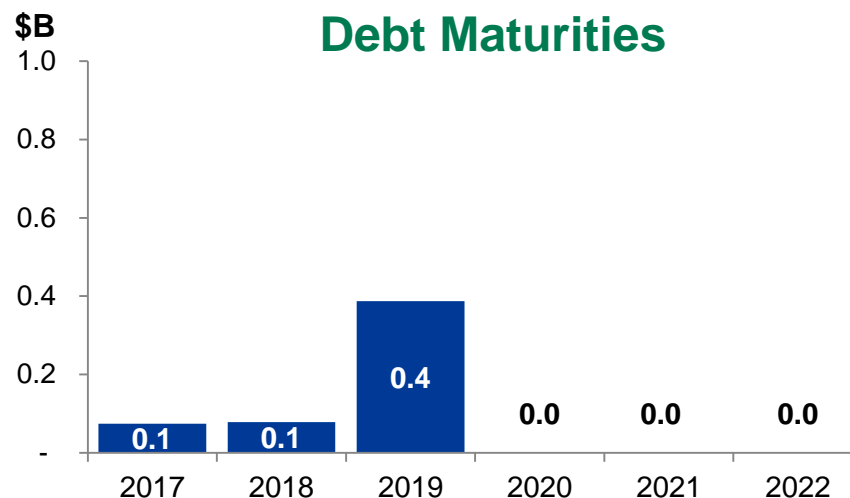


- **\$7.2 B of Liquidity**
 - \$2.7 B Cash
 - \$4.0 B Unused Revolver
 - \$0.5 B Unused Committed Lines
- **Net Debt-to-Capitalization ratio of approximately 18%***
- **No Significant Near-Term Debt Maturities**
- **2017 E&P Capital & Exploratory Spend of \$2.25 B**
 - ~70% focused on growth projects

Peer Net Debt-to-Capital Ratio Q4 2016



*Hess net debt to capitalization ratio was 18% at Mar 31, 2017, excluding Hess Infrastructure Partners



Source: Company filings

* Excludes Hess Infrastructure Partners.

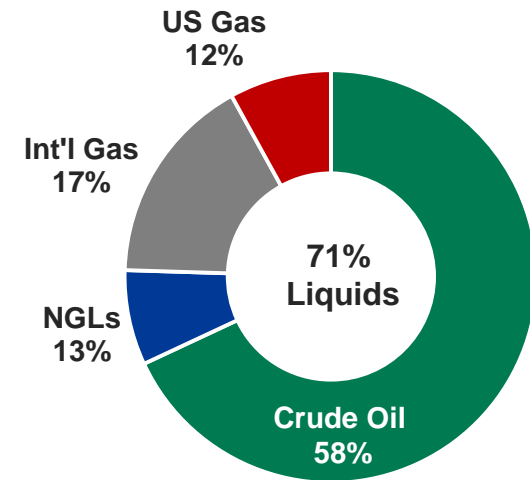
Focused Resilient Portfolio

Strong leverage to recovery in oil prices

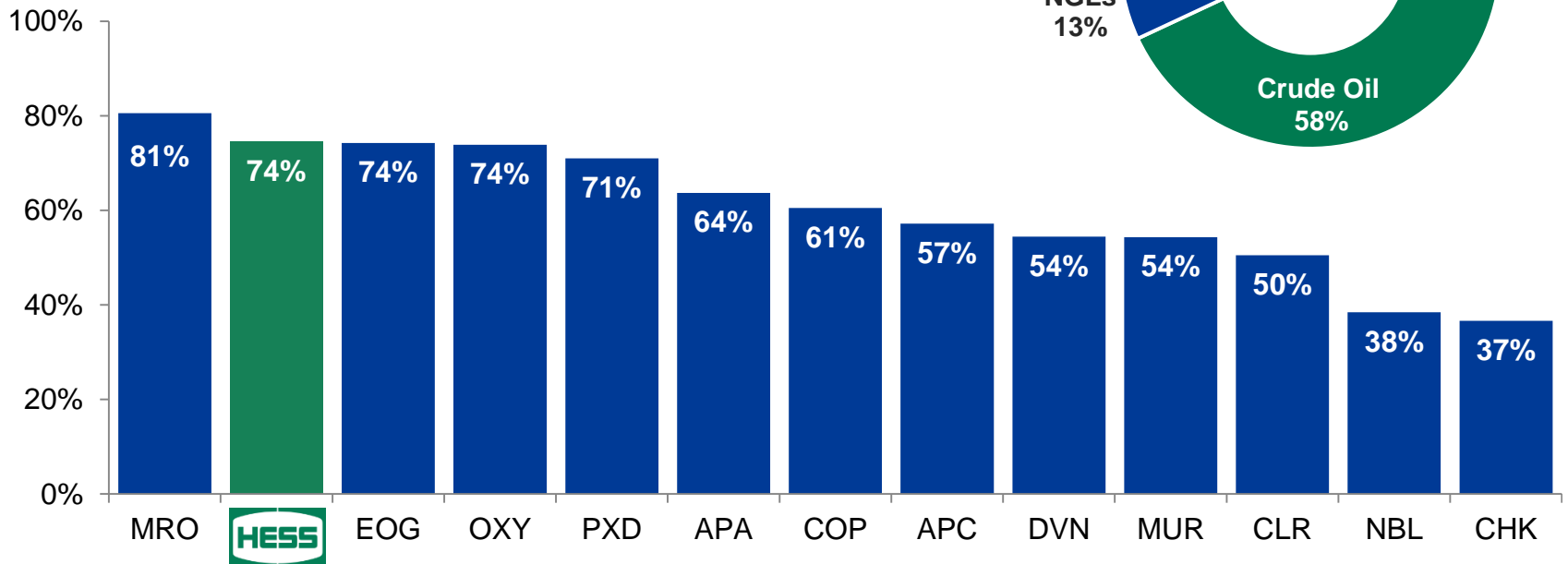


Each \$1 change in oil prices impacts annual after tax cash flow by approximately \$70 million

2017 Forecast Hess Production



Liquids % of YE 2016 Reserves

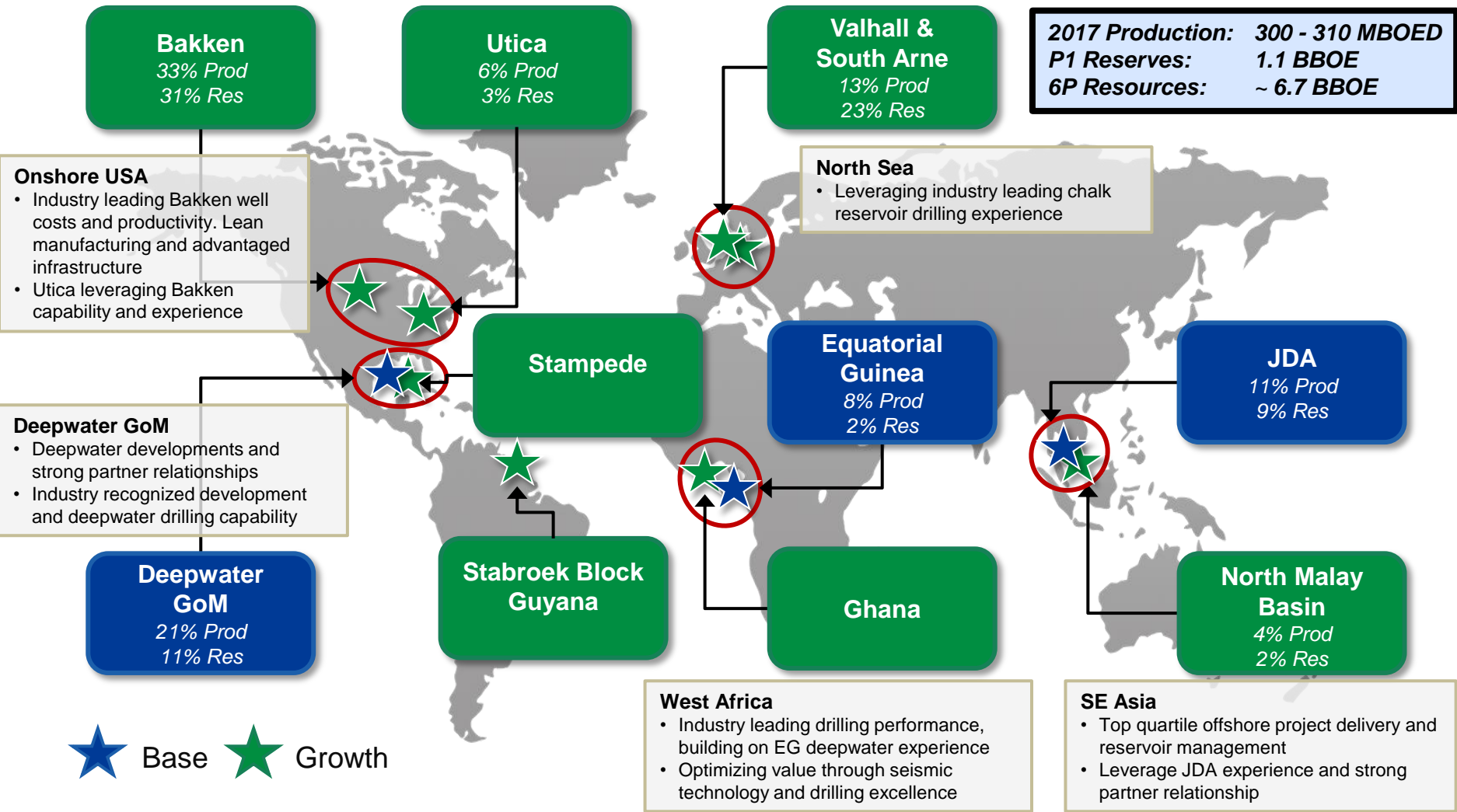


Focused Resilient Portfolio

Linked by operating capabilities



2017 Production: 300 - 310 MBOED
P1 Reserves: 1.1 BBOE
6P Resources: ~ 6.7 BBOE



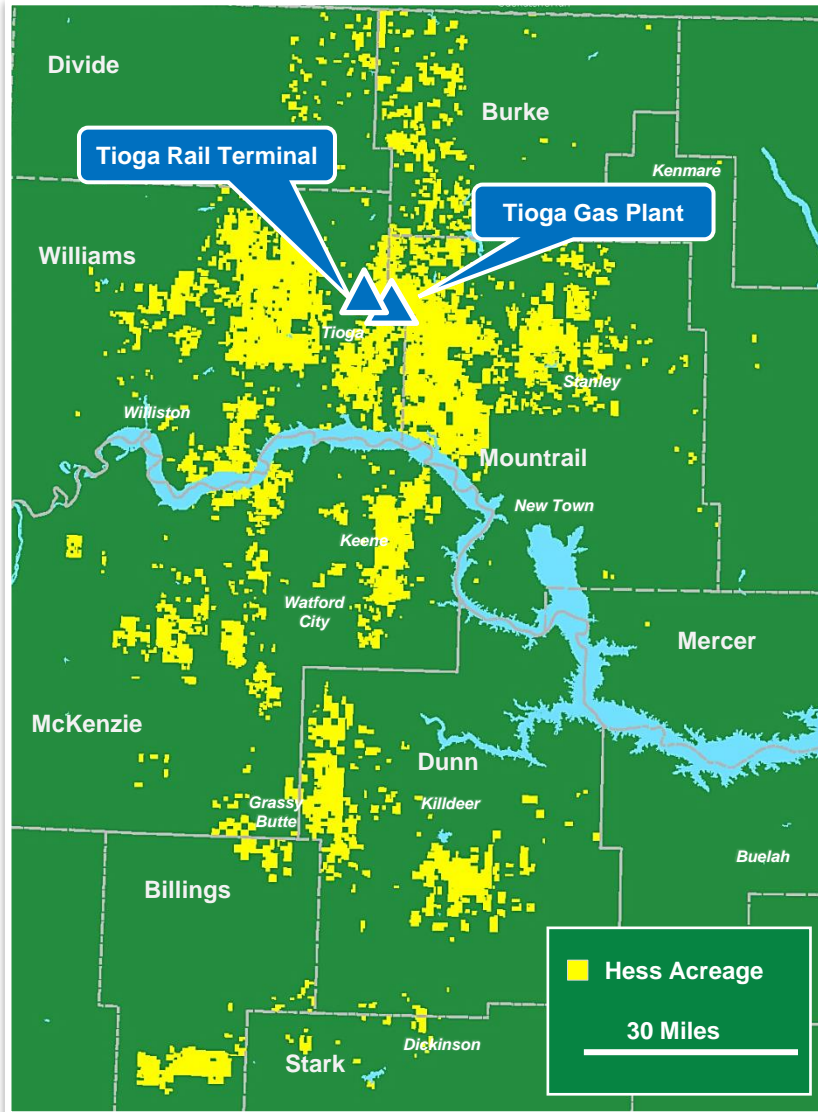
Located in areas where Hess is competitively advantaged

Net Production: 2017 assumes zero contribution from Libya

Reserves: 2016 Year End Proven, includes Libya

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

- ~556,000 net acres; Hess ~75% WI, operator
- 2017 net production 95-105 MBOED
- Potential to grow to ~175 MBOED
- Net Estimated Ultimate Recovery ~1.7 BBOE
- >2,850 future operated drilling locations
- 2017 IP90s: 700 - 750 BOPD
- Plan to increase rig count to 6 by YE 2017
- 2017 Bakken E&P Capex: ~\$675 MM

Major contributor to future reserve and production growth

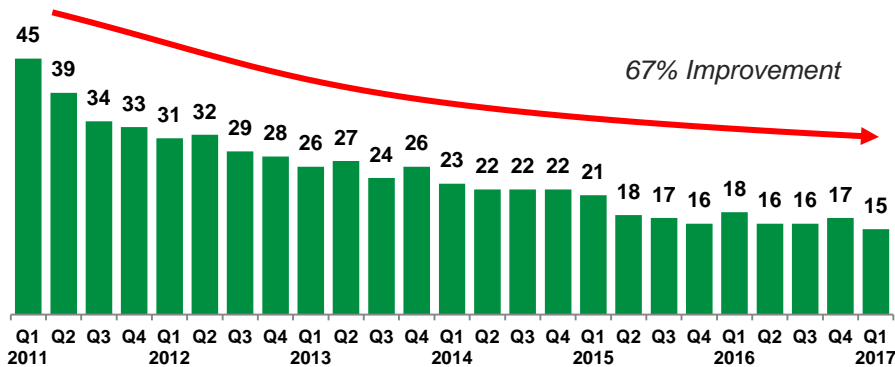
Industry Leading Operating Performance

Unconventionals - Bakken

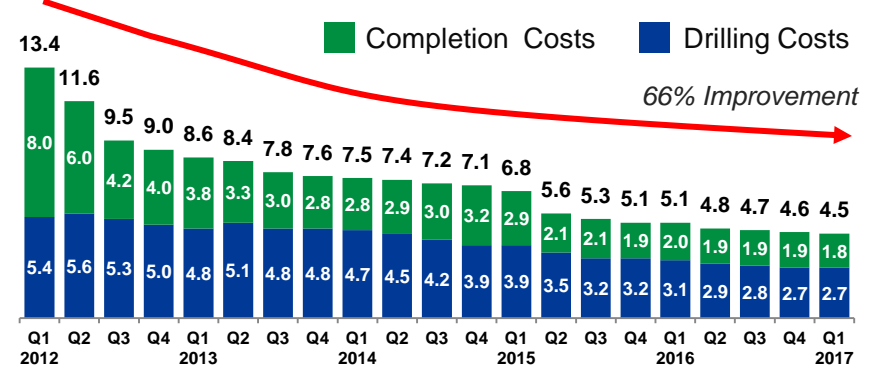


Reducing Well Costs...

Drilling Performance: Spud-to-Spud (Days)



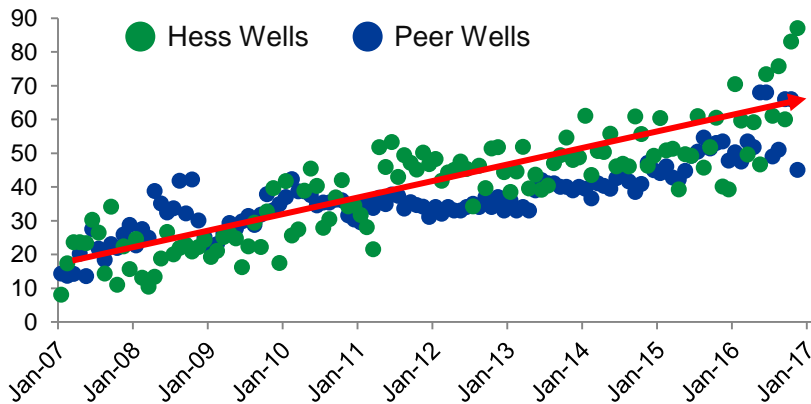
Drilling & Completions Performance: Costs (\$MM)



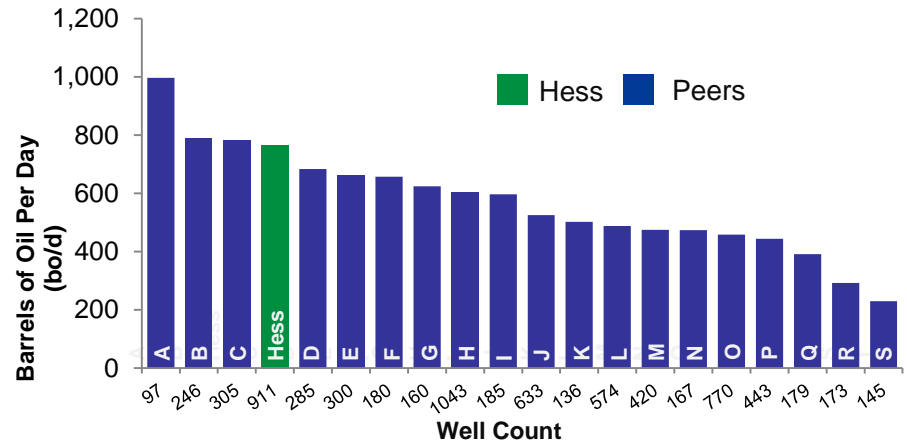
Note: Q1 2017 data reflects standard completion design

...While Optimizing Well Productivity

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



Operator Average 30-Day IP Rate (since 2012)



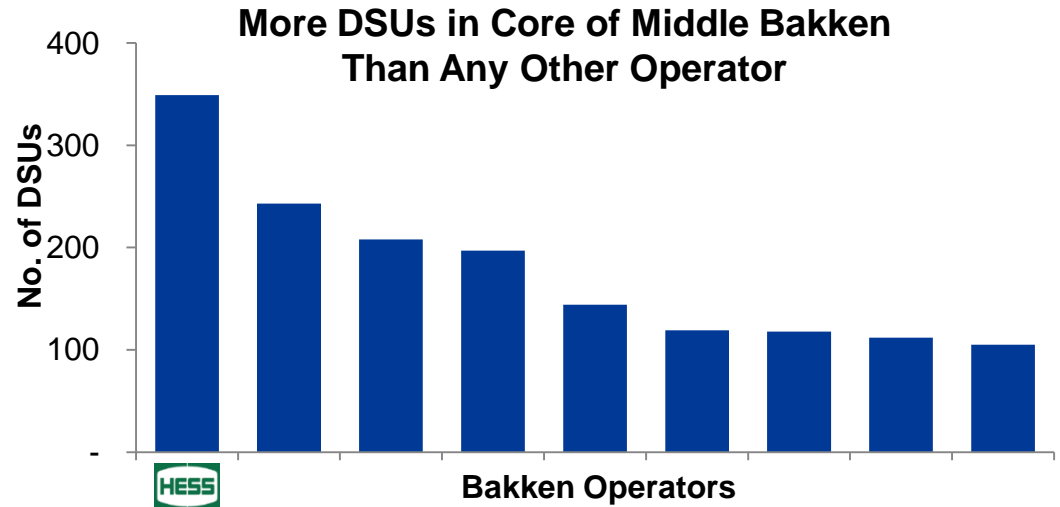
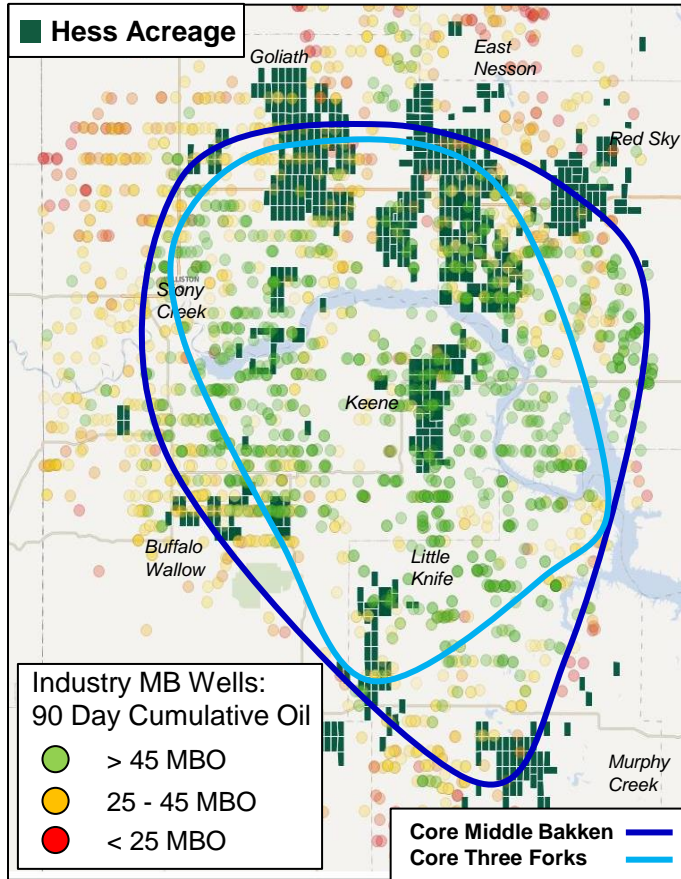
Low cost + high productivity + high margins = high returns

One of the Best Positions in the Bakken

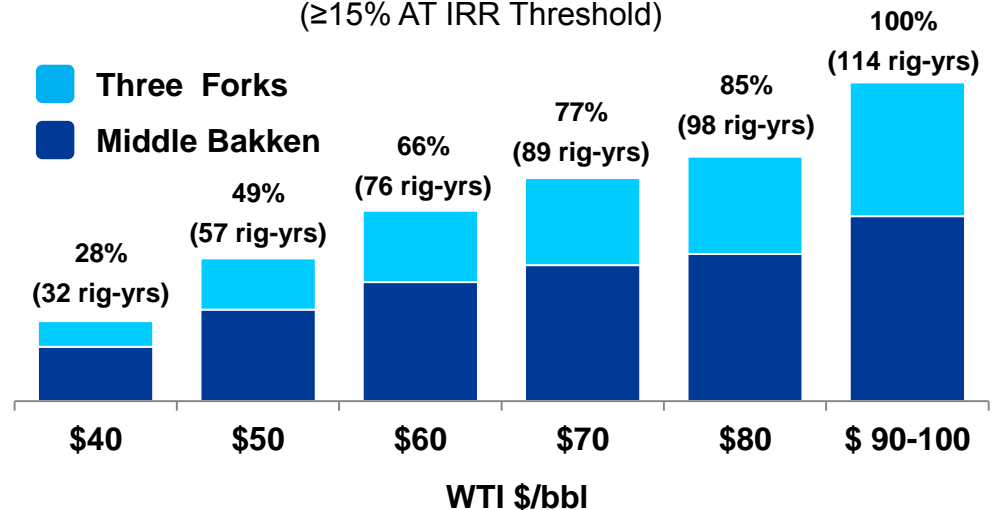
Material position in the core of the play



30+ Stage Wells Since 2012



>2,850 Future Operated Drilling Locations¹
 % 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

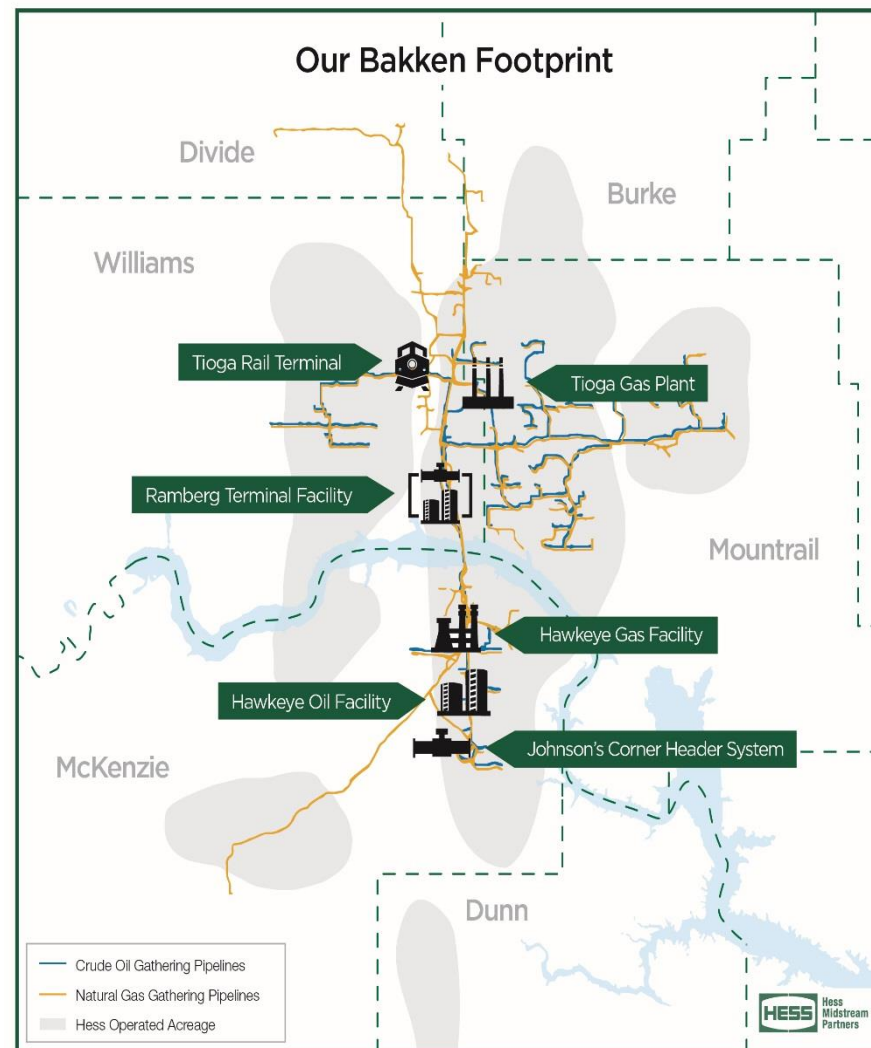
¹PF Jan 2017, assumes 25 wells/rig-year

Unlocking Value in the Midstream Segment

Upsized IPO of HESM with built-in asset drop-downs



- **Upsized IPO of HESM with proceeds of ~\$175 MM net to Hess Corporation**
- **HESM highlights:**
 - Strategically advantaged asset base
 - 100% fee-based contracts with MVCs, inflation escalators and fee redeterminations
 - Significant embedded growth
 - Premier sponsorship with track record of execution
- **Transaction highlights value while Hess retains operational control**
- **HESM accounts for 20% of the Hess Infrastructure Partners (HIP) JV assets; remaining 80% available for future monetization**



Successful HESM IPO highlights midstream value

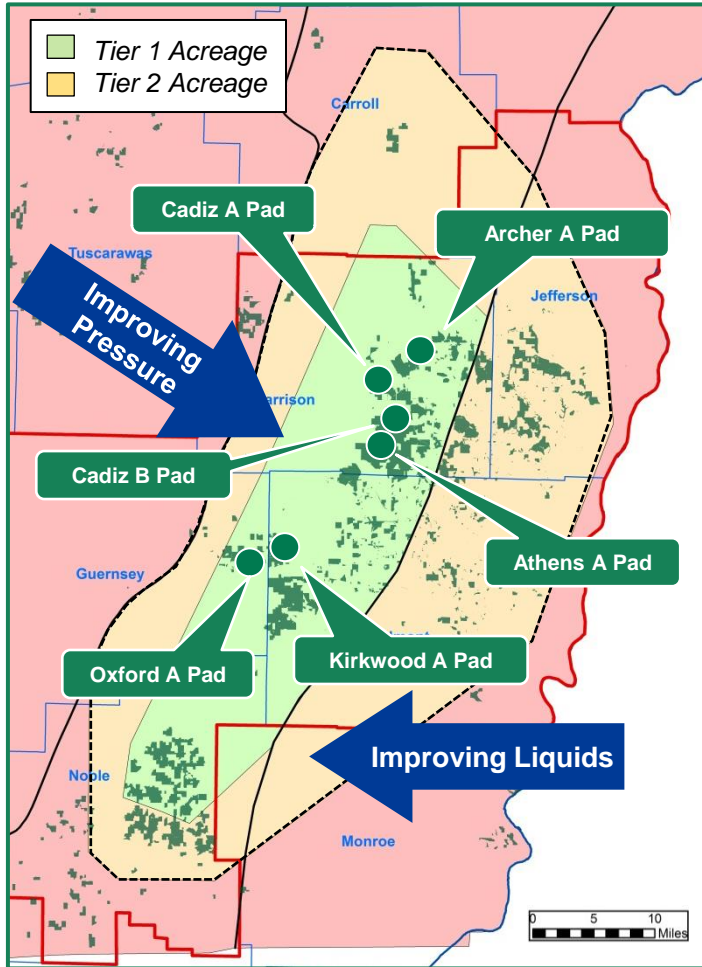
Utica: Material Position in the Wet Gas Window



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 capabilities to maximize efficiency
- Drilling costs per foot reduced by ~75% and completion costs per foot by ~50% since inception

• Asset Details

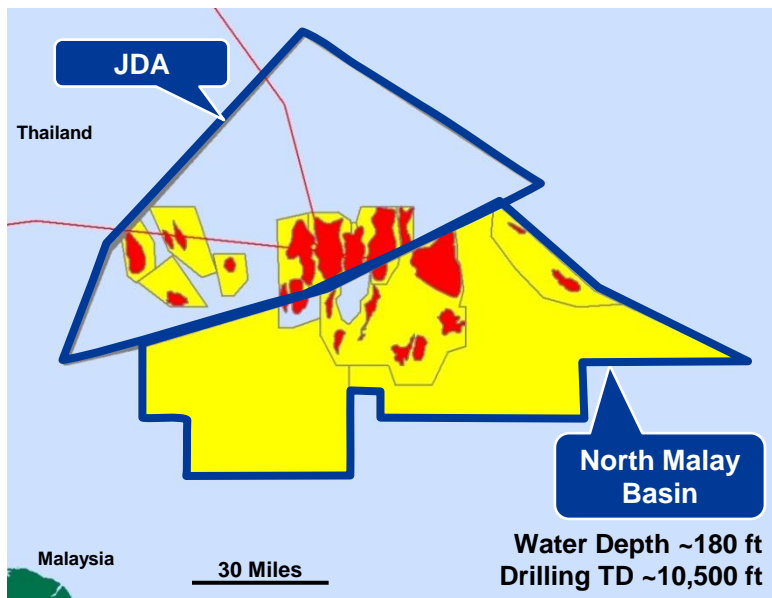
- 50% WI; 95% gross NRI
- 45,000 net acres
- 2017 net production 15-20 MBOED
- Drilling pause until natural gas and NGL price realizations improve
- 2017 capex ~\$25 MM

Core position in prolific Utica Shale play

Malaysia Gas: North Malay Basin & JDA



Long term production and cash flow



• Strategic / Portfolio Context

- Low cost, long life gas reserves with oil linked pricing
- NMB leverages JDA development capabilities and strong Petronas relationship
- Growing pipeline supply/demand gap

• Asset Details: NMB

- Low risk development of 9 discoveries
- Full Field Development completion 2017; net production up to ~165 MMCFD
- 2017 net production ~80 MMSCFED
- 2017 capex ~\$275 MM

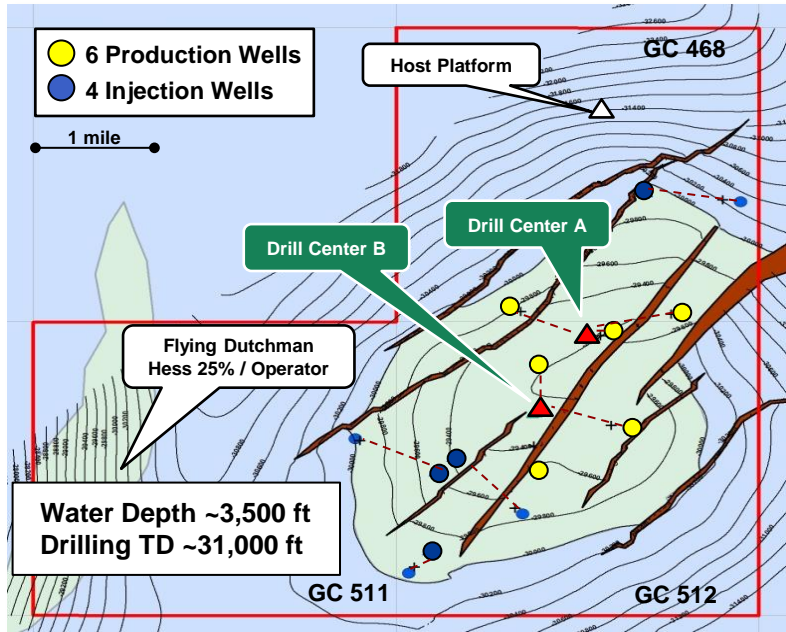
• Asset Details: JDA

- Stable production; free cash flow
- 2017 net production ~210 MMSCFED
- 2017 capex ~\$30 MM



Deepwater Gulf of Mexico: Stampede

Leverages proven deepwater capability

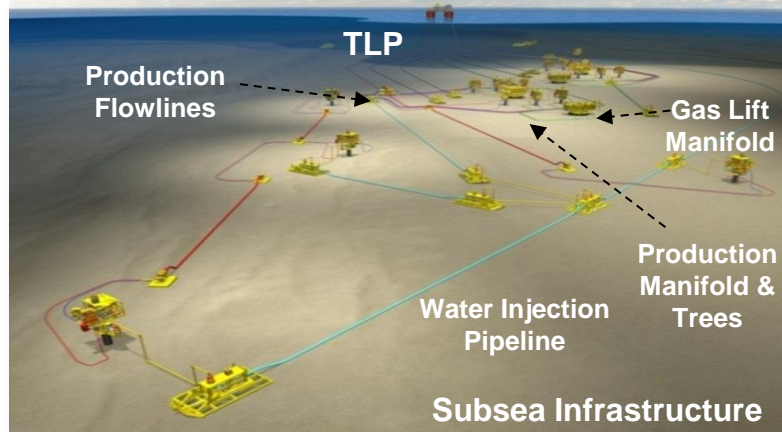


• Strategic / Portfolio Context

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

• Asset Details

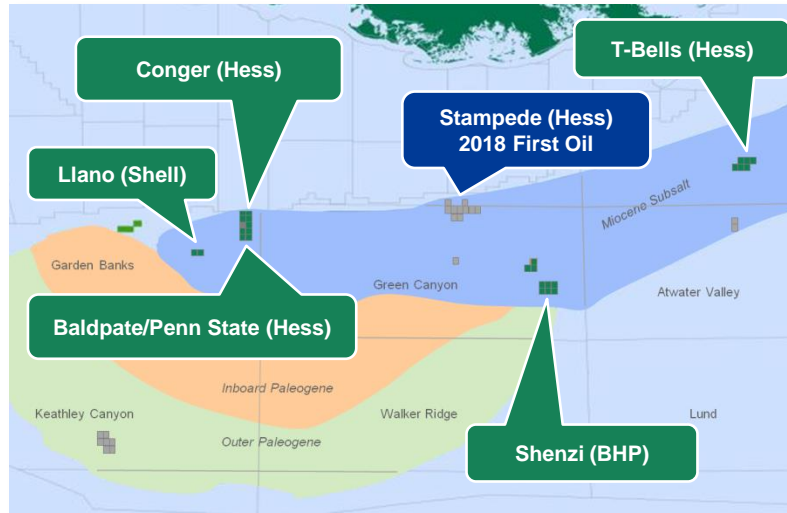
- 25% WI, operator
- Commenced drilling in 2016
- Plan to install TLP and topsides on location and complete subsea-installation in 2017
- First oil 2018; net production ~15 MBOED
- Mature captured near field exploitation
- 2017 capex ~\$425 MM



Adds ~15 MBOED production and becomes a long term cash generator in 2018

Deepwater Gulf of Mexico

Stable production with low cash costs and strong cash flow



• Strategic / Portfolio Context

- Leverages proven deepwater capability
- Inventory of high return infill drilling opportunities around existing hubs

• Asset Details

- Commenced water injection and drilled fifth producer at Tubular Bells in 2016
- New Penn State well planned to be brought on line in 3Q17
- Stampede development on track for first oil in 2018
- 2017 net production ~65 MBOED
- 2017 capex ~\$165 MM

Leveraging proven deepwater capabilities and strong partnerships to deliver profitable growth

West Africa: Equatorial Guinea

Maximizing value through 4D seismic and drilling excellence

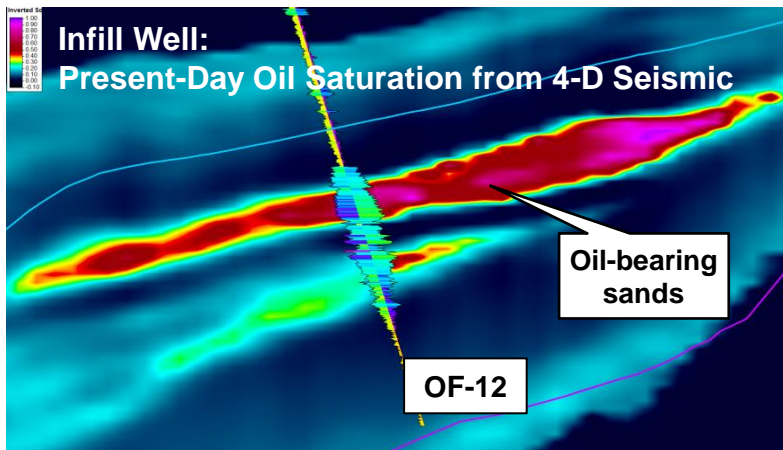


- **Strategic / Portfolio Context**

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

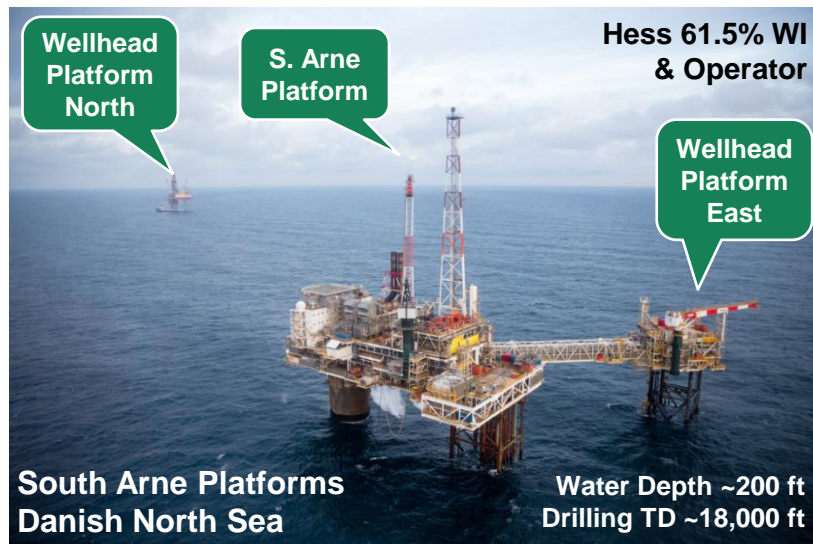
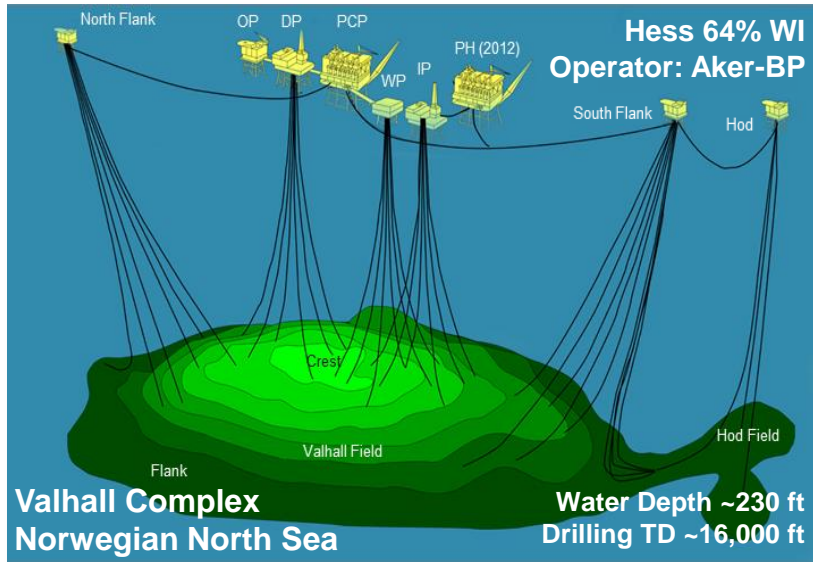
- **Asset Details**

- 85% WI, operator
- 2017 net production ~25 MBOED
- Process new 4D seismic / mature further exploitation opportunities
- No drilling planned in 2017
- 2017 capex ~\$20 MM



North Sea Chalk: Valhall & South Arne

Long life oil assets with running room



• Strategic / Portfolio Context

- Underdeveloped chalk reservoirs; significant remaining upside
- Multi year drilling inventory
- Leveraging expertise in horizontal, managed pressure drilling in chalk reservoirs

• Asset Details: Valhall

- 2017 net production 25 - 30 MBOED
- Resuming drilling from platform rig in 1Q17
- 2017 capex ~\$125 MM

• Asset Details: South Arne

- 2017 net production 10-15 MBOED
- Further infill drilling potential identified with new 4D Ocean Bottom Seismic
- 2017 capex ~\$35 MM

Significant Value Driven Growth Engines

Bakken

- 1.7 BBOE net EUR
- >2,850 future drilling locations

North Malay Basin

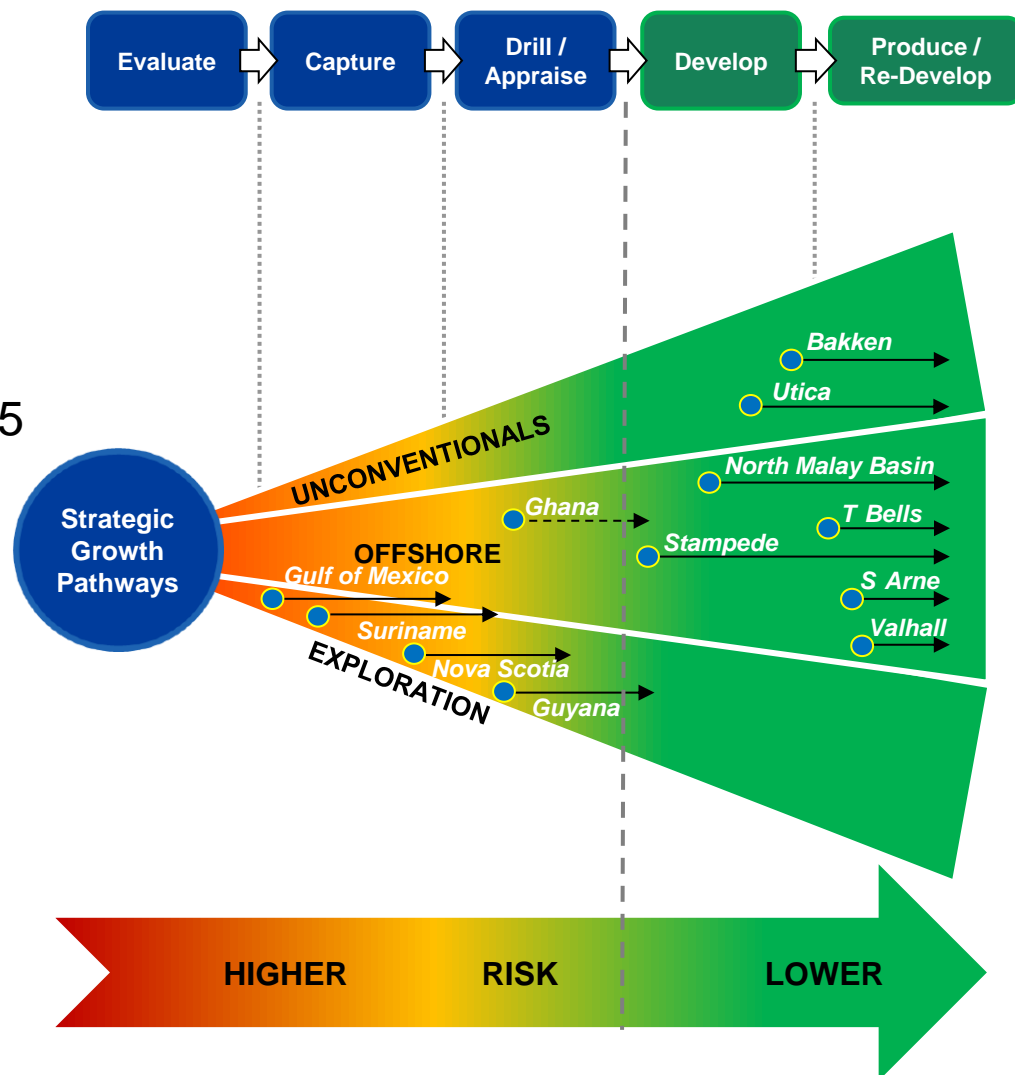
- Full field development underway
- Net production to quadruple to 165 MMSCFED by late 2017

Stampede

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

Guyana

- World class oil discovery offshore Guyana
- One of largest discoveries in the past decade; ~1.4-2.0 BBOE gross



Exploration Drives Long Term Growth & Value



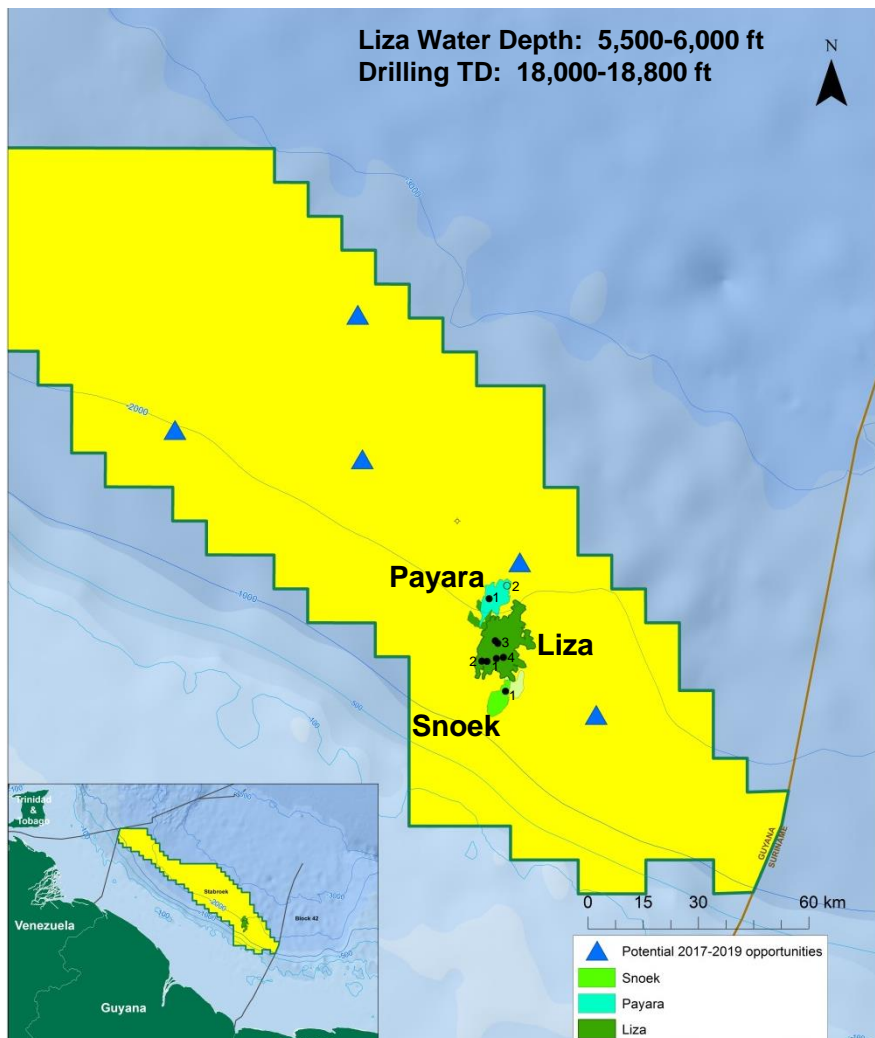
- **Focused strategy to deliver material long term value**
- **Exploration themes:**
 - **Focused:** In basins we understand and that leverage our capabilities
 - **Balanced:** Between both proven and emerging areas
 - **Impactful:** Materiality and running room
 - **Value driven:** Through working interest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

Early access to large oil resources at low costs

Stabroek Guyana: World-Class Emerging Play



Major oil discoveries, continuing exploration program



• Strategic / Portfolio Context

- 6.6 million acres ~1,150 GoM blocks
- Four oil discoveries to date - Liza, Payara, Liza Deep, and Snoek
- Exceptional reservoir quality, low development costs
- ~ 1.4 - 2.0 billion BOE gross recoverable resource for Liza & Payara
- Liza-4 appraisal well TD May 5th, DST in June

• Forward Plan

- Continuing appraisal of Liza area
- Pursue significant exploration potential in multiple prospects & play types

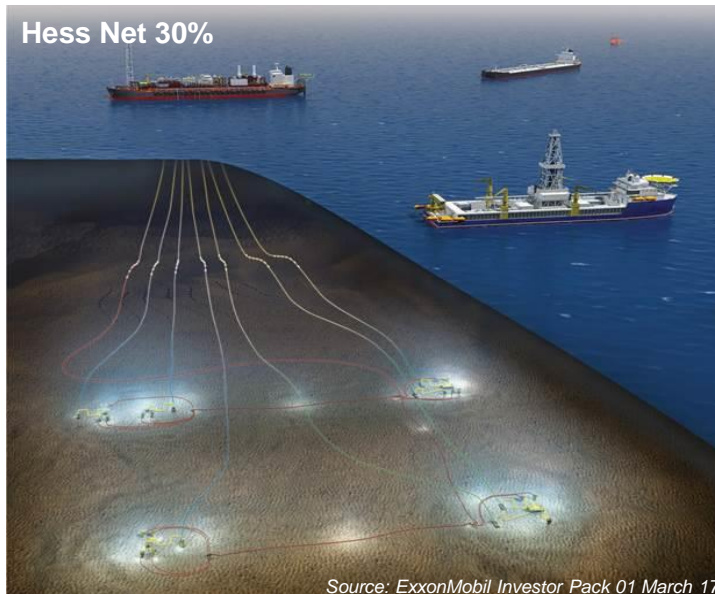
• Asset Details

- Hess 30% WI, operated by Esso E&P Guyana Ltd

Continued exploration and appraisal of a material emerging deepwater play

Offshore Guyana: Liza Area Development

Fast track first production by 2020, advancing additional phases

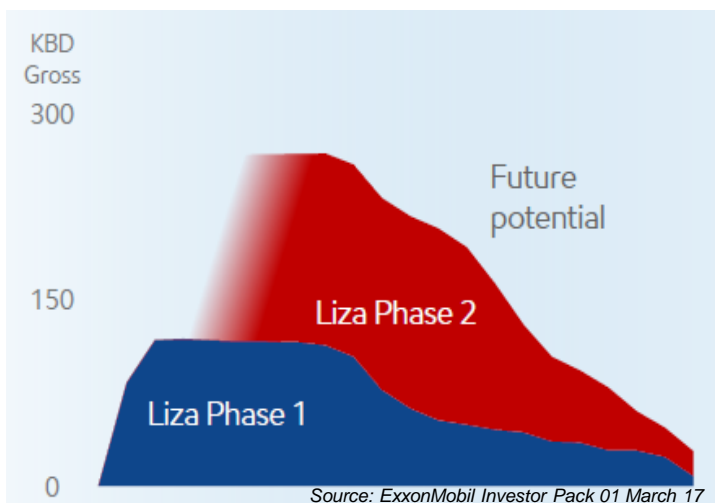


• Strategic Context

- Gross recoverable resource for Liza & Payara ~1.4 - 2.0 billion BOE
- Exceptional quality reservoir; high quality oil
- Phase 1 provides attractive returns at \$40/bbl
- Repeatable, multi-phase development
- Positioned to capture favorable market cost and schedule opportunities

• Forward Plan

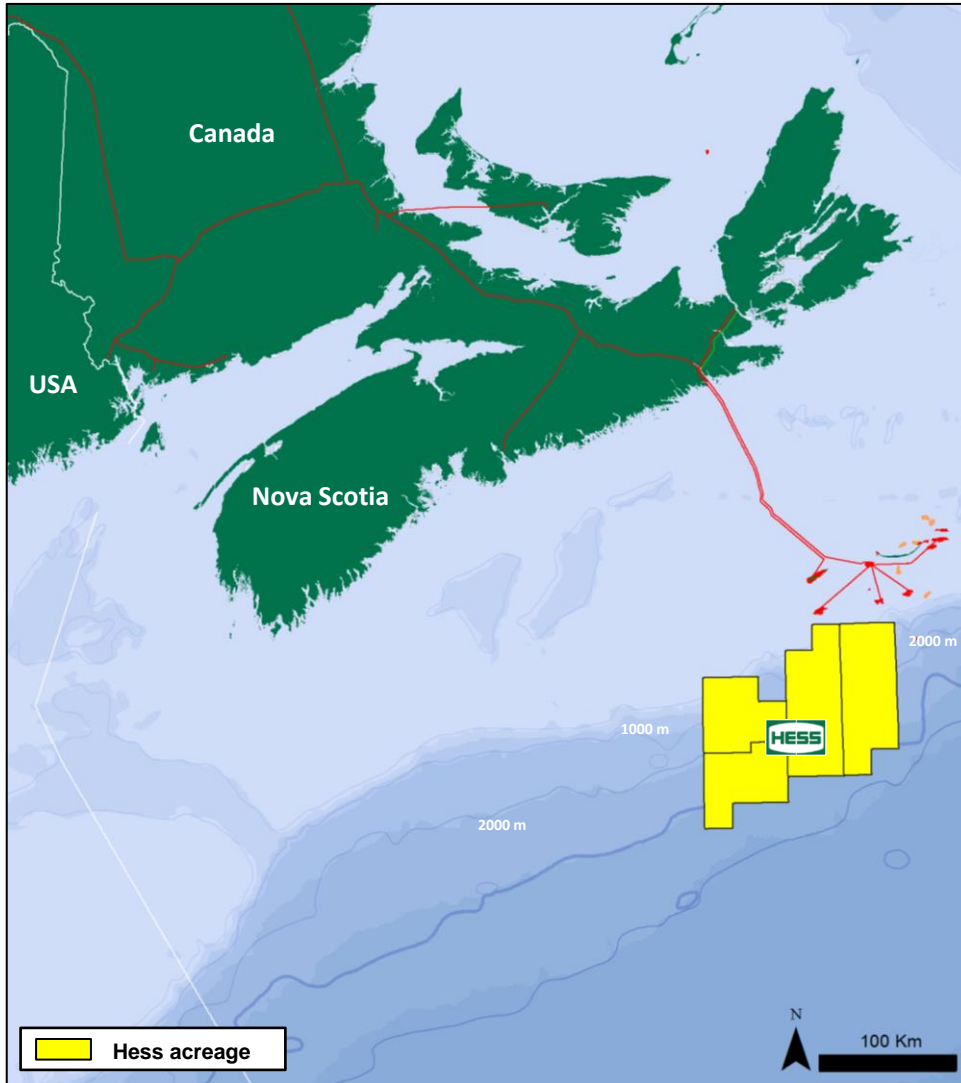
- Liza declaration of commerciality made
- Phase 1 ~120 MBOD gross
- Sanction mid 2017, first oil by 2020, 5 years from initial discovery
- Continuing appraisal drill-out of Liza area
- Provides basis for additional standard-design FPSOs



Growing inventory of material discoveries, strong economics at low prices

Offshore Nova Scotia

Significant position in emerging deepwater salt basin



- **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**

- Finalize well locations and complete environmental impact assessment
- Plan first well in 2Q18

- **Asset Details**

- BP 50% (op), Hess 50% WI

Access to a material deepwater Gulf of Mexico analogue



- **Significant Value Driven Growth Engines**
- **Focused Portfolio, Balanced for Risk and Leveraged to Oil Prices**
- **Financial Strength and Flexibility**

Appendix

Reconciliations of Non-GAAP Measures



Net Debt to Capitalization Ratio

<i>(in millions)</i>	March 31, 2017	
	Hess Consolidated	Hess Pro forma*
Total debt	\$6,785	\$6,054
Less: cash and cash equivalents	\$2,686	\$2,684
Net debt	\$4,099	\$3,370
Total debt	\$6,785	\$6,054
Add: Stockholders' Equity	\$15,233	\$13,063
Capitalization	\$22,018	\$19,117
Net Debt to Capitalization Ratio	19%	18%

* Excludes Hess Infrastructure Partners.

