



**HESS CORPORATION**

**Historical Financial and Operating Results**

*First Quarter 2004 through Fourth Quarter 2007*



**HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES**  
**CONSOLIDATED AFTER-TAX RESULTS BY MAJOR OPERATING ACTIVITY (UNAUDITED)**  
(In millions except per share data)

Appendix I

Income (Expense)	Year 2007	Fourth Quarter 2007	Third Quarter 2007	Second Quarter 2007	First Quarter 2007
<b>Net Income (U.S. GAAP)</b>					
Exploration and Production	\$ 1,842	\$ 583	\$ 414	\$ 505	\$ 340
Marketing and Refining	300	31	46	122	101
Corporate	(150)	(59)	(28)	(32)	(31)
Interest Expense	(160)	(45)	(37)	(38)	(40)
Net Income	<u>\$ 1,832</u>	<u>\$ 510</u>	<u>\$ 395</u>	<u>\$ 557</u>	<u>\$ 370</u>
Net Income Per Share (Diluted)	<u>\$ 5.74</u>	<u>\$ 1.59</u>	<u>\$ 1.23</u>	<u>\$ 1.75</u>	<u>\$ 1.17</u>
<b>Items Affecting Comparability</b>					
Exploration and Production	\$ (74)	(56)	\$ (33)	\$ 15	\$ -
Marketing and Refining	24	24	-	-	-
Corporate	(25)	(25)	-	-	-
Total Items Affecting Comparability	<u>\$ (75)</u>	<u>\$ (57)</u>	<u>\$ (33)</u>	<u>\$ 15</u>	<u>\$ -</u>
<b>Adjusted Earnings (a)</b>					
Exploration and Production	\$ 1,916	\$ 639	\$ 447	\$ 490	\$ 340
Marketing and Refining	276	7	46	122	101
Corporate	(125)	(34)	(28)	(32)	(31)
Interest Expense	(160)	(45)	(37)	(38)	(40)
Adjusted Earnings (a)	<u>\$ 1,907</u>	<u>\$ 567</u>	<u>\$ 428</u>	<u>\$ 542</u>	<u>\$ 370</u>
Adjusted Earnings Per Share (Diluted)	<u>\$ 5.97</u>	<u>\$ 1.76</u>	<u>\$ 1.34</u>	<u>\$ 1.70</u>	<u>\$ 1.17</u>
Weighted Average Number of Shares (Diluted)	<u>319.3</u>	<u>321.6</u>	<u>319.9</u>	<u>318.6</u>	<u>317.3</u>
<b>Year 2006</b>					
<b>Net Income (U.S. GAAP)</b>					
Exploration and Production	\$ 1,763	\$ 350	\$ 206	\$ 501	\$ 706
Marketing and Refining (b)	394	67	152	122	53
Corporate	(110)	(27)	(31)	(29)	(23)
Interest Expense	(127)	(31)	(31)	(28)	(37)
Net Income (b)	<u>\$ 1,920</u>	<u>\$ 359</u>	<u>\$ 296</u>	<u>\$ 566</u>	<u>\$ 699</u>
Net Income Per Share (Diluted)	<u>\$ 6.08</u>	<u>\$ 1.13</u>	<u>\$ 0.94</u>	<u>\$ 1.79</u>	<u>\$ 2.22</u>
<b>Items Affecting Comparability</b>					
Exploration and Production (c)	\$ 173	\$ -	\$ (105)	\$ 32	\$ 186
Marketing and Refining	-	-	-	-	-
Corporate	-	-	-	-	-
Total Items Affecting Comparability	<u>\$ 173</u>	<u>\$ -</u>	<u>\$ (105)</u>	<u>\$ 32</u>	<u>\$ 186</u>
<b>Adjusted Earnings (a)</b>					
Exploration and Production	\$ 1,590	\$ 350	\$ 311	\$ 469	\$ 520
Marketing and Refining (b)	394	67	152	122	53
Corporate	(110)	(27)	(31)	(29)	(23)
Interest Expense	(127)	(31)	(31)	(28)	(37)
Adjusted Earnings (a)	<u>\$ 1,747</u>	<u>\$ 359</u>	<u>\$ 401</u>	<u>\$ 534</u>	<u>\$ 513</u>
Adjusted Earnings Per Share (Diluted)	<u>\$ 5.53</u>	<u>\$ 1.13</u>	<u>\$ 1.27</u>	<u>\$ 1.69</u>	<u>\$ 1.63</u>
Weighted Average Number of Shares (Diluted)	<u>315.7</u>	<u>316.4</u>	<u>316.0</u>	<u>315.5</u>	<u>314.8</u>

(a) Adjusted Earnings is defined as reported net income excluding discontinued operations, cumulative effect of changes in accounting principles, and items identified as affecting comparability of earnings between periods. 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.

(b) Reflects the impact of the retrospective adoption of a new accounting pronouncement related to refinery turnarounds in 2007.

(c) See explanation of items affecting comparability for treatment of the impact of the supplementary tax on petroleum operations in the United Kingdom during 2006.

(Continued)



**HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES**  
**CONSOLIDATED AFTER-TAX RESULTS BY MAJOR OPERATING ACTIVITY (UNAUDITED)**  
(In millions except per share data)

Appendix I

Income (Expense)	Year 2005	Fourth Quarter 2005	Third Quarter 2005	Second Quarter 2005	First Quarter 2005
<b>Net Income (U.S. GAAP)</b>					
Exploration and Production	\$ 1,058	\$ 298	\$ 235	\$ 263	\$ 263
Marketing and Refining (b)	499	229	132	101	37
Corporate	(191)	(41)	(54)	(28)	(69)
Interest Expense	(140)	(34)	(34)	(34)	(38)
Net Income (b)	<u>\$ 1,226</u>	<u>\$ 452</u>	<u>\$ 279</u>	<u>\$ 302</u>	<u>\$ 193</u>
Net Income Per Share (Diluted)	<u>\$ 3.93</u>	<u>\$ 1.44</u>	<u>\$ 0.89</u>	<u>\$ 0.97</u>	<u>\$ 0.62</u>
<b>Items Affecting Comparability</b>					
Exploration and Production	\$ 37	\$ 18	\$ (14)	\$ 11	\$ 22
Marketing and Refining	24	17	-	-	7
Corporate	(98)	(19)	(31)	(7)	(41)
Total Items Affecting Comparability	<u>\$ (37)</u>	<u>\$ 16</u>	<u>\$ (45)</u>	<u>\$ 4</u>	<u>\$ (12)</u>
<b>Adjusted Earnings (a)</b>					
Exploration and Production	\$ 1,021	\$ 280	\$ 249	\$ 252	\$ 241
Marketing and Refining (b)	475	212	132	101	30
Corporate	(93)	(22)	(23)	(21)	(28)
Interest Expense	(140)	(34)	(34)	(34)	(38)
Adjusted Earnings (a)	<u>\$ 1,263</u>	<u>\$ 436</u>	<u>\$ 324</u>	<u>\$ 298</u>	<u>\$ 205</u>
Adjusted Earnings Per Share (Diluted)	<u>\$ 4.05</u>	<u>\$ 1.39</u>	<u>\$ 1.03</u>	<u>\$ 0.96</u>	<u>\$ 0.66</u>
Weighted Average Number of Shares (Diluted)	<u>312.1</u>	<u>314.5</u>	<u>313.2</u>	<u>311.2</u>	<u>309.7</u>
<b>Year 2004</b>					
<b>Net Income (U.S. GAAP)</b>					
Exploration and Production	\$ 755	\$ 211	\$ 155	\$ 182	\$ 207
Marketing and Refining (b)	443	96	79	151	117
Corporate	(85)	(36)	(23)	(24)	(2)
Interest Expense	(151)	(39)	(39)	(37)	(36)
Income from Continuing Operations	962	232	172	272	286
Discontinued Operations	7	-	-	7	-
Net Income (b)	<u>\$ 969</u>	<u>\$ 232</u>	<u>\$ 172</u>	<u>\$ 279</u>	<u>\$ 286</u>
Net Income Per Share (Diluted)	<u>\$ 3.16</u>	<u>\$ 0.75</u>	<u>\$ 0.56</u>	<u>\$ 0.92</u>	<u>\$ 0.94</u>
<b>Items Affecting Comparability</b>					
Exploration and Production	\$ 64	\$ 40	\$ -	\$ 9	\$ 15
Marketing and Refining	12	12	-	-	-
Corporate	-	(13)	-	-	13
Total Items Affecting Comparability	<u>\$ 76</u>	<u>\$ 39</u>	<u>\$ -</u>	<u>\$ 9</u>	<u>\$ 28</u>
<b>Adjusted Earnings (a)</b>					
Exploration and Production	\$ 691	\$ 171	\$ 155	\$ 173	\$ 192
Marketing and Refining (b)	431	84	79	151	117
Corporate	(85)	(23)	(23)	(24)	(15)
Interest Expense	(151)	(39)	(39)	(37)	(36)
Adjusted Earnings (a)	<u>\$ 886</u>	<u>\$ 193</u>	<u>\$ 172</u>	<u>\$ 263</u>	<u>\$ 258</u>
Adjusted Earnings Per Share (Diluted)	<u>\$ 2.89</u>	<u>\$ 0.62</u>	<u>\$ 0.56</u>	<u>\$ 0.86</u>	<u>\$ 0.85</u>
Weighted Average Number of Shares (Diluted)	<u>306.3</u>	<u>308.9</u>	<u>307.2</u>	<u>304.2</u>	<u>304.3</u>

(a) Adjusted Earnings is defined as reported net income excluding discontinued operations, cumulative effect of changes in accounting principles, and items identified as affecting comparability of earnings between periods. 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.

(b) Reflects the impact of the retrospective adoption of a new accounting pronouncement related to refinery turnarounds in 2007.

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**HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES**  
**CONSOLIDATED AFTER-TAX RESULTS BY MAJOR OPERATING ACTIVITY (UNAUDITED)**  
**EXPLANATION OF ITEMS AFFECTING COMPARABILITY**



**Appendix I**  
**Footnotes**

**2007**

**Fourth Quarter**     **Exploration and Production** – Earnings include a charge of \$56 million related to asset impairments at two mature fields in the U.K. North Sea.  
**Marketing and Refining** – Results include income of \$24 million related to the partial liquidation of prior year LIFO inventories.  
**Corporate** – Expenses include a charge of \$25 million related to MTBE litigation.

**Third Quarter**     **Exploration and Production** – Earnings include charges totaling \$33 million for production imbalances resulting from adjustments to meter readings at two offshore fields.

**Second Quarter**   **Exploration and Production** – Earnings include a gain of \$15 million related to the sale of the Corporation's interests in the Scott and Telford fields located in the United Kingdom.

**First Quarter**     None Reported.

**2006**

**Fourth Quarter**     None Reported.

**Third Quarter**     **Exploration and Production** – In July 2006, the United Kingdom increased by 10% the supplementary tax on petroleum operations with an effective date of January 1, 2006. As a result, in the third quarter of 2006 the Corporation recorded a charge of \$105 million consisting of an incremental income tax of \$60 million on operating earnings for the first half of 2006 and \$45 million to adjust the United Kingdom deferred tax liability. For the year ended December 31, 2006, only the one-time adjustment to the deferred tax liability of \$45 million is included as an item affecting comparability between periods.

**Second Quarter**   **Exploration and Production** – Earnings include a gain of \$50 million related to the sale of certain onshore U.S. Gulf Coast oil and gas producing assets and a charge of \$18 million for vacated leased office space in the United Kingdom.

**First Quarter**     **Exploration and Production** – Earnings include a gain of \$186 million related to the sale of certain producing properties located in the Permian Basin in Texas and New Mexico.

**2005**

**Fourth Quarter**   **Exploration and Production** – Results include a gain of \$30 million related to the sale of several non-producing properties in the United Kingdom and incremental costs of \$12 million related to hurricane damage in the Gulf of Mexico.  
**Marketing and Refining** – Results include income of \$25 million from the liquidation of prior year LIFO inventories and a charge of \$8 million resulting from the bankruptcy of a customer in the utility industry.  
**Corporate** – Results include a charge of \$19 million for premiums on bond repurchases.

**Third Quarter**     **Exploration and Production** – Earnings include incremental expenses of \$14 million related to hurricane damage in the Gulf of Mexico.  
**Corporate** – Results include an income tax charge of \$31 million related to the repatriation of foreign earnings under the American Jobs Creation Act of 2004.

**Second Quarter**   **Exploration and Production** – Earnings include income tax benefits of \$11 million, reflecting the effect on deferred income taxes of a reduction in the income tax rate in Denmark and a tax settlement in the United Kingdom.  
**Corporate** – Results include a charge of \$7 million for premiums on bond repurchases.

**First Quarter**     **Exploration and Production** – Results include a gain of \$11 million related to the exchange of a mature North Sea asset for an increased interest in the Pangkah natural gas development in Indonesia and a legal settlement of \$11 million resulting from the favorable resolution of contingencies on a prior year asset sale.  
**Marketing and Refining** – Results include income of \$7 million from the liquidation of prior year LIFO inventories.  
**Corporate** - Results include an income tax provision of \$41 million related to the repatriation of foreign earnings under the American Jobs Creation Act of 2004.

**2004**

**Fourth Quarter**   **Exploration and Production** – Earnings include a gain of \$21 million from the sale of two Gulf of Mexico properties and foreign income tax benefits of \$19 million resulting from a tax law change in Norway and a tax settlement in the United Kingdom.  
**Marketing and Refining** – Results include income of \$12 million resulting from the liquidation of prior year LIFO inventories.  
**Corporate** – Results include insurance costs of \$13 million related to retrospective premiums.

**Third Quarter**     None reported.

**Second Quarter**   **Exploration and Production** – Earnings include a gain of \$15 million from the sale of a non-producing property in Malaysia and a charge of \$6 million for vacated leased office space in the United Kingdom and accrued severance.

**First Quarter**     **Exploration and Production** – Earnings include a gain of \$19 million from the sale of an office building in Scotland and costs of \$4 million primarily incurred for vacated leased office space in the United Kingdom and accrued severance.  
**Corporate** – Results include an income tax benefit of \$13 million resulting from the completion of a prior year United States income tax audit.

**HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES  
CAPITAL AND EXPLORATORY EXPENDITURES  
(IN MILLIONS)**



Appendix II

	Year 2007	Fourth Quarter 2007	Third Quarter 2007	Second Quarter 2007	First Quarter 2007	Year 2006	Fourth Quarter 2006	Third Quarter 2006	Second Quarter 2006	First Quarter 2006
Exploration and Production										
United States	\$ 1,603	\$ 291	\$ 270	\$ 391	\$ 651	\$ 908	\$ 269	\$ 252	\$ 226	\$ 160
International	2,183	577	530	568	508	2,979	715	531	540	1,194
Total Exploration and Production	3,786	868	800	959	1,159	3,887	984	783	766	1,354
Marketing, Refining and Corporate	140	46	38	34	22	169	47	47	42	33
Total Capital and Exploratory Expenditures	<u>\$ 3,926</u>	<u>\$ 914</u>	<u>\$ 838</u>	<u>\$ 993</u>	<u>\$ 1,181</u>	<u>\$ 4,056</u>	<u>\$ 1,031</u>	<u>\$ 830</u>	<u>\$ 808</u>	<u>\$ 1,387</u>
Exploration expenses charged to income included above										
United States	\$ 192	\$ 43	\$ 67	\$ 42	\$ 40	\$ 110	\$ 42	\$ 19	\$ 25	\$ 24
International	156	66	36	19	35	102	28	23	24	27
Total	<u>\$ 348</u>	<u>\$ 109</u>	<u>\$ 103</u>	<u>\$ 61</u>	<u>\$ 75</u>	<u>\$ 212</u>	<u>\$ 70</u>	<u>\$ 42</u>	<u>\$ 49</u>	<u>\$ 51</u>

  

	Year 2005	Fourth Quarter 2005	Third Quarter 2005	Second Quarter 2005	First Quarter 2005	Year 2004	Fourth Quarter 2004	Third Quarter 2004	Second Quarter 2004	First Quarter 2004
Exploration and Production										
United States	\$ 353	\$ 95	\$ 74	\$ 93	\$ 91	\$ 446	\$ 124	\$ 100	\$ 83	\$ 139
International	2,031	654	600	414	363	1,117	312	263	300	242
Total Exploration and Production	2,384	749	674	507	454	1,563	436	363	383	381
Marketing, Refining and Corporate	106	32	25	20	29	87	42	18	15	12
Total Capital and Exploratory Expenditures	<u>\$ 2,490</u>	<u>\$ 781</u>	<u>\$ 699</u>	<u>\$ 527</u>	<u>\$ 483</u>	<u>\$ 1,650</u>	<u>\$ 478</u>	<u>\$ 381</u>	<u>\$ 398</u>	<u>\$ 393</u>
Exploration expenses charged to income included above										
United States	\$ 89	\$ 28	\$ 30	\$ 23	\$ 8	\$ 89	\$ 32	\$ 31	\$ 13	\$ 13
International	60	29	12	11	8	40	17	(6)	13	16
Total	<u>\$ 149</u>	<u>\$ 57</u>	<u>\$ 42</u>	<u>\$ 34</u>	<u>\$ 16</u>	<u>\$ 129</u>	<u>\$ 49</u>	<u>\$ 25</u>	<u>\$ 26</u>	<u>\$ 29</u>

**HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES**  
**EXPLORATION AND PRODUCTION EARNINGS (UNAUDITED)**  
**(IN MILLIONS)**



Appendix III

	Year 2007			Fourth Quarter 2007			Third Quarter 2007			Second Quarter 2007			First Quarter 2007		
	United States	International	Total	United States	International	Total	United States	International	Total	United States	International	Total	United States	International	Total
Sales and other operating revenues	\$ 1,211	\$ 6,287	\$ 7,498	\$ 401	\$ 2,037	\$ 2,438	\$ 296	\$ 1,451	\$ 1,747	\$ 273	\$ 1,529	\$ 1,802	\$ 241	\$ 1,270	\$ 1,511
Non-operating income (expenses)	8	57	65	(1)	14	13	1	29	30	-	28	28	8	(14)	(6)
Total revenues	1,219	6,344	7,563	400	2,051	2,451	297	1,480	1,777	273	1,557	1,830	249	1,256	1,505
Costs and expenses															
Production expenses, including related taxes	280	1,301	1,581	71	392	463	80	314	394	70	307	377	59	288	347
Exploration expenses, including dry holes and lease impairment	302	213	515	122	79	201	79	52	131	51	39	90	50	43	93
General, administrative and other expenses	130	127	257	36	38	74	27	37	64	34	28	62	33	24	57
Depreciation, depletion and amortization	187	1,316	1,503	58	454	512	48	297	345	44	293	337	37	272	309
Total costs and expenses	899	2,957	3,856	287	963	1,250	234	700	934	199	667	866	179	627	806
Results of operations before income taxes	320	3,387	3,707	113	1,088	1,201	63	780	843	74	890	964	70	629	699
Provision for income taxes	125	1,740	1,865	44	574	618	25	404	429	30	429	459	26	333	359
Results of operations	\$ 195	\$ 1,647	\$ 1,842	\$ 69	\$ 514	\$ 583	\$ 38	\$ 376	\$ 414	\$ 44	\$ 461	\$ 505	\$ 44	\$ 296	\$ 340
	Year 2006			Fourth Quarter 2006			Third Quarter 2006			Second Quarter 2006			First Quarter 2006		
	United States	International	Total	United States	International	Total	United States	International	Total	United States	International	Total	United States	International	Total
Sales and other operating revenues	\$ 1,232	\$ 5,292	\$ 6,524	\$ 244	\$ 1,438	\$ 1,682	\$ 314	\$ 1,351	\$ 1,665	\$ 330	\$ 1,295	\$ 1,625	\$ 344	\$ 1,207	\$ 1,551
Non-operating income (expenses)	385	43	428	3	18	21	14	1	15	80	12	92	288	13	301
Total revenues	1,617	5,335	6,952	247	1,456	1,703	328	1,352	1,680	410	1,307	1,717	632	1,220	1,852
Costs and expenses															
Production expenses, including related taxes	221	1,029	1,250	59	299	358	55	268	323	56	247	303	52	213	265
Exploration expenses, including dry holes and lease impairment	353	199	552	94	46	140	164	57	221	34	45	79	62	50	112
General, administrative and other expenses	95	114	209	30	16	46	21	25	46	22	50	72	20	25	45
Depreciation, depletion and amortization	127	1,032	1,159	31	305	336	35	271	306	32	235	267	29	222	251
Total costs and expenses	796	2,374	3,170	214	666	880	275	621	896	144	577	721	163	510	673
Results of operations before income taxes	821	2,961	3,782	33	790	823	53	731	784	266	730	996	469	710	1,179
Provision for income taxes	296	1,723	2,019	12	461	473	20	558	578	97	398	495	167	306	473
Results of operations	\$ 525	\$ 1,238	\$ 1,763	\$ 21	\$ 329	\$ 350	\$ 33	\$ 173	\$ 206	\$ 169	\$ 332	\$ 501	\$ 302	\$ 404	\$ 706

(Continued)

**HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES**  
**EXPLORATION AND PRODUCTION EARNINGS (UNAUDITED)**  
**(IN MILLIONS)**



Appendix III

	Year 2005			Fourth Quarter 2005			Third Quarter 2005			Second Quarter 2005			First Quarter 2005		
	United States	International	Total	United States	International	Total	United States	International	Total	United States	International	Total	United States	International	Total
	Sales and other operating revenues	\$ 1,097	\$ 3,113	\$ 4,210	\$ 274	\$ 826	\$ 1,100	\$ 275	\$ 767	\$ 1,042	\$ 269	\$ 769	\$ 1,038	\$ 279	\$ 751
Non-operating income (expenses)	(1)	95	94	3	28	31	-	16	16	(3)	2	(1)	(2)	49	47
Total revenues	<u>1,096</u>	<u>3,208</u>	<u>4,304</u>	<u>277</u>	<u>854</u>	<u>1,131</u>	<u>275</u>	<u>783</u>	<u>1,058</u>	<u>266</u>	<u>771</u>	<u>1,037</u>	<u>277</u>	<u>800</u>	<u>1,077</u>
Costs and expenses															
Production expenses, including related taxes	253	754	1,007	70	214	284	76	180	256	58	184	242	49	176	225
Exploration expenses, including dry holes and lease impairment	233	164	397	34	52	86	40	51	91	51	36	87	109	24	133
General, administrative and other expenses	74	66	140	21	22	43	13	19	32	18	17	35	19	10	29
Depreciation, depletion and amortization	145	820	965	24	216	240	36	200	236	42	205	247	44	197	241
Total costs and expenses	<u>705</u>	<u>1,804</u>	<u>2,509</u>	<u>149</u>	<u>504</u>	<u>653</u>	<u>165</u>	<u>450</u>	<u>615</u>	<u>169</u>	<u>442</u>	<u>611</u>	<u>221</u>	<u>407</u>	<u>628</u>
Results of operations before income taxes	391	1,404	1,795	128	350	478	110	333	443	97	329	426	56	393	449
Provision for income taxes	141	596	737	43	137	180	41	167	208	34	129	163	22	164	186
Results of operations	<u>\$ 250</u>	<u>\$ 808</u>	<u>\$ 1,058</u>	<u>\$ 85</u>	<u>\$ 213</u>	<u>\$ 298</u>	<u>\$ 69</u>	<u>\$ 166</u>	<u>\$ 235</u>	<u>\$ 63</u>	<u>\$ 200</u>	<u>\$ 263</u>	<u>\$ 34</u>	<u>\$ 229</u>	<u>\$ 263</u>

	Year 2004			Fourth Quarter 2004			Third Quarter 2004			Second Quarter 2004			First Quarter 2004		
	United States	International	Total	United States	International	Total	United States	International	Total	United States	International	Total	United States	International	Total
	Sales and other operating revenues	\$ 909	\$ 2,507	\$ 3,416	\$ 278	\$ 651	\$ 929	\$ 220	\$ 567	\$ 787	\$ 201	\$ 631	\$ 832	\$ 210	\$ 658
Non-operating income (expenses)	26	64	90	28	19	47	3	8	11	(8)	27	19	3	9	12
Total revenues	<u>935</u>	<u>2,571</u>	<u>3,506</u>	<u>306</u>	<u>670</u>	<u>976</u>	<u>223</u>	<u>575</u>	<u>798</u>	<u>193</u>	<u>658</u>	<u>851</u>	<u>213</u>	<u>667</u>	<u>880</u>
Costs and expenses															
Production expenses, including related taxes	198	627	825	55	184	239	55	147	202	49	148	197	40	147	187
Exploration expenses, including dry holes and lease impairment	135	152	287	35	48	83	38	26	64	24	39	63	38	40	78
General, administrative and other expenses	57	93	150	8	28	36	13	17	30	19	27	46	17	19	36
Depreciation, depletion and amortization	147	771	918	52	210	262	31	186	217	35	191	226	29	184	213
Total costs and expenses	<u>537</u>	<u>1,643</u>	<u>2,180</u>	<u>150</u>	<u>470</u>	<u>620</u>	<u>137</u>	<u>376</u>	<u>513</u>	<u>127</u>	<u>405</u>	<u>532</u>	<u>124</u>	<u>390</u>	<u>514</u>
Results of operations before income taxes	398	928	1,326	156	200	356	86	199	285	66	253	319	89	277	366
Provision for income taxes	141	430	571	50	95	145	33	97	130	25	112	137	32	127	159
Results of operations	<u>\$ 257</u>	<u>\$ 498</u>	<u>\$ 755</u>	<u>\$ 106</u>	<u>\$ 105</u>	<u>\$ 211</u>	<u>\$ 53</u>	<u>\$ 102</u>	<u>\$ 155</u>	<u>\$ 41</u>	<u>\$ 141</u>	<u>\$ 182</u>	<u>\$ 57</u>	<u>\$ 150</u>	<u>\$ 207</u>

(Concluded)

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



Appendix IV

	Year 2007	Fourth Quarter 2007	Third Quarter 2007	Second Quarter 2007	First Quarter 2007	Year 2006	Fourth Quarter 2006	Third Quarter 2006	Second Quarter 2006	First Quarter 2006
<b>Operating Data</b>										
<b>Net Production Per Day</b>										
Crude oil - barrels										
United States	31	34	31	31	29	36	29	34	38	41
Europe	93	83	83	96	110	109	111	102	110	113
Africa	115	121	123	115	99	85	89	86	84	82
Asia and other	21	22	20	26	15	12	13	13	12	10
Total	<u>260</u>	<u>260</u>	<u>257</u>	<u>268</u>	<u>253</u>	<u>242</u>	<u>242</u>	<u>235</u>	<u>244</u>	<u>246</u>
Natural gas liquids - barrels										
United States	10	11	11	10	9	10	9	11	10	9
Europe	5	5	3	4	7	5	7	5	4	4
Total	<u>15</u>	<u>16</u>	<u>14</u>	<u>14</u>	<u>16</u>	<u>15</u>	<u>16</u>	<u>16</u>	<u>14</u>	<u>13</u>
Natural gas - mcf										
United States	88	91	87	86	90	110	91	109	117	123
Europe	259	290	188	212	348	283	336	274	244	280
Asia and other	266	300	241	277	243	219	223	226	214	207
Total	<u>613</u>	<u>681</u>	<u>516</u>	<u>575</u>	<u>681</u>	<u>612</u>	<u>650</u>	<u>609</u>	<u>575</u>	<u>610</u>
Barrels of oil equivalent	<u>377</u>	<u>390</u>	<u>357</u>	<u>378</u>	<u>382</u>	<u>359</u>	<u>366</u>	<u>352</u>	<u>354</u>	<u>361</u>
<b>Average Selling Price</b>										
Crude oil - per barrel (including hedging)										
United States	\$ 69.23	\$ 86.22	\$ 73.20	\$ 61.41	\$ 53.19	\$ 60.45	\$ 53.64	\$ 65.41	\$ 64.53	\$ 57.39
Europe	60.99	74.00	62.06	58.94	51.32	56.19	50.01	59.97	60.63	54.98
Africa	62.04	72.85	64.38	58.02	48.17	51.18	49.77	54.52	53.04	45.67
Asia and other	72.17	86.30	70.69	70.73	56.44	61.52	57.09	67.24	68.64	59.04
Worldwide	63.44	76.11	65.26	60.05	50.74	55.31	50.76	58.81	59.00	53.30
Crude oil - per barrel (excluding hedging)										
United States	\$ 69.23	\$ 86.22	\$ 73.20	\$ 61.41	\$ 53.19	\$ 60.45	\$ 53.64	\$ 65.41	\$ 64.53	\$ 57.39
Europe	60.99	74.00	62.06	58.94	51.32	58.46	51.79	62.79	63.27	56.89
Africa	71.71	84.84	73.49	67.04	56.09	62.80	57.11	66.43	67.18	61.61
Asia and other	72.17	86.30	70.69	70.73	56.44	61.52	57.09	67.24	68.64	59.04
Worldwide	67.79	81.87	69.85	63.94	53.75	60.41	54.46	64.73	65.03	58.26
Natural gas liquids - per barrel										
United States	\$ 51.89	\$ 63.51	\$ 51.27	\$ 47.97	\$ 42.44	\$ 46.22	\$ 43.68	\$ 49.17	\$ 47.35	\$ 44.21
Europe	57.20	70.86	48.44	58.26	45.90	47.30	45.19	50.30	47.44	47.16
Worldwide	53.72	66.13	50.58	51.68	43.97	46.59	44.33	49.54	47.38	44.98
Natural gas - per mcf										
United States	\$ 6.67	\$ 6.47	\$ 5.80	\$ 7.24	\$ 7.21	\$ 6.59	\$ 6.27	\$ 5.99	\$ 6.23	\$ 7.73
Europe	6.13	8.92	6.09	4.54	4.74	6.20	5.55	5.37	5.55	8.39
Asia and other	4.71	5.13	4.69	4.42	4.56	4.05	4.39	3.91	3.85	3.89
Worldwide	5.60	6.93	5.38	4.88	5.00	5.50	5.25	4.94	5.06	6.73

(Continued)



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



Appendix IV

	Year 2005	Fourth Quarter 2005	Third Quarter 2005	Second Quarter 2005	First Quarter 2005	Year 2004	Fourth Quarter 2004	Third Quarter 2004	Second Quarter 2004	First Quarter 2004
<u>Operating Data</u>										
<u>Net Production Per Day</u>										
Crude oil - barrels										
United States	44	37	42	47	49	44	50	44	41	40
Europe	110	105	102	117	120	119	114	109	127	127
Africa	67	66	67	68	64	61	62	62	62	55
Asia and other	7	10	7	7	5	4	4	4	4	5
Total	<u>228</u>	<u>218</u>	<u>218</u>	<u>239</u>	<u>238</u>	<u>228</u>	<u>230</u>	<u>219</u>	<u>234</u>	<u>227</u>
Natural gas liquids - barrels										
United States	12	9	11	14	13	12	14	12	12	12
Europe	4	4	2	5	7	6	6	6	5	7
Total	<u>16</u>	<u>13</u>	<u>13</u>	<u>19</u>	<u>20</u>	<u>18</u>	<u>20</u>	<u>18</u>	<u>17</u>	<u>19</u>
Natural gas - mcf										
United States	137	112	125	148	165	171	178	164	160	183
Europe	274	254	218	289	336	319	316	270	358	333
Asia and other	133	147	141	138	103	85	82	82	83	86
Total	<u>544</u>	<u>513</u>	<u>484</u>	<u>575</u>	<u>604</u>	<u>575</u>	<u>576</u>	<u>516</u>	<u>601</u>	<u>602</u>
Barrels of oil equivalent	<u>335</u>	<u>316</u>	<u>312</u>	<u>355</u>	<u>358</u>	<u>342</u>	<u>346</u>	<u>323</u>	<u>351</u>	<u>346</u>
<u>Average Selling Price</u>										
Crude oil - per barrel (including hedging)										
United States	\$ 32.64	\$ 30.95	\$ 34.86	\$ 32.44	\$ 32.18	\$ 27.42	\$ 29.92	\$ 28.26	\$ 25.27	\$ 25.49
Europe	33.13	33.50	34.59	33.22	31.21	26.18	25.98	26.07	25.39	27.19
Africa	32.10	34.08	35.16	28.43	30.06	26.35	26.54	25.84	26.52	26.62
Asia and other	54.71	55.30	62.04	51.78	45.32	38.36	42.78	41.21	36.92	32.39
Worldwide	33.38	34.09	35.74	32.47	31.31	26.70	27.31	26.73	25.83	26.89
Crude oil - per barrel (excluding hedging)										
United States	\$ 51.16	\$ 54.85	\$ 58.32	\$ 47.83	\$ 45.18	\$ 38.56	\$ 43.20	\$ 40.53	\$ 35.54	\$ 33.55
Europe	52.22	53.10	59.47	50.10	46.82	37.57	42.55	42.09	35.39	32.19
Africa	51.70	54.72	59.30	47.27	44.84	37.07	41.22	39.40	34.85	31.58
Asia and other	54.71	55.30	62.04	51.78	45.32	38.36	42.78	41.21	36.92	32.39
Worldwide	51.94	53.99	59.28	49.01	45.83	37.64	42.33	40.88	35.34	32.26
Natural gas liquids - per barrel										
United States	\$ 38.50	\$ 48.67	\$ 40.90	\$ 34.98	\$ 32.83	\$ 29.50	\$ 33.31	\$ 31.73	\$ 26.33	\$ 25.78
Europe	37.13	44.60	36.77	35.49	31.69	27.44	37.15	24.17	27.33	21.22
Worldwide	38.08	47.17	39.92	35.14	32.49	28.81	36.53	29.54	26.68	24.03
Natural gas - per mcf (including hedging)										
United States	\$ 7.93	\$ 11.75	\$ 8.53	\$ 6.47	\$ 6.15	\$ 5.18	\$ 5.83	\$ 4.40	\$ 5.23	\$ 5.20
Europe	5.29	6.91	4.12	4.60	5.41	3.96	4.42	3.58	3.47	4.34
Asia and other	4.02	4.04	4.12	3.95	3.93	3.90	4.19	3.86	3.85	3.72
Worldwide	5.65	7.14	5.26	4.92	5.36	4.31	4.82	3.89	3.99	4.52
Natural gas - per mcf (excluding hedging)										
United States	\$ 7.93	\$ 11.75	\$ 8.53	\$ 6.47	\$ 6.15	\$ 5.53	\$ 6.08	\$ 5.13	\$ 5.76	\$ 5.19
Europe	5.29	6.91	4.12	4.60	5.41	3.96	4.42	3.58	3.47	4.34
Asia and other	4.02	4.04	4.12	3.95	3.93	3.90	4.19	3.86	3.85	3.72
Worldwide	5.65	7.14	5.26	4.92	5.36	4.42	4.90	4.11	4.13	4.51

(Concluded)

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



**Appendix V**

	Year 2007	Fourth Quarter 2007	Third Quarter 2007	Second Quarter 2007	First Quarter 2007	Year 2006 (a)	Fourth Quarter 2006 (a)	Third Quarter 2006 (a)	Second Quarter 2006 (a)	First Quarter 2006 (a)
<b>Financial Information (in millions)</b>										
<b>Marketing and Refining Earnings</b>										
Income before income taxes	\$ 481	\$ 51	\$ 75	\$ 196	\$ 159	\$ 620	\$ 104	\$ 244	\$ 189	\$ 83
Provision for income taxes	181	20	29	74	58	226	37	92	67	30
Marketing and Refining Earnings	<u>\$ 300</u>	<u>\$ 31</u>	<u>\$ 46</u>	<u>\$ 122</u>	<u>\$ 101</u>	<u>\$ 394</u>	<u>\$ 67</u>	<u>\$ 152</u>	<u>\$ 122</u>	<u>\$ 53</u>
<b>Summary of Marketing and Refining Earnings</b>										
Refining	\$ 193	\$ 27	\$ 25	\$ 87	\$ 54	\$ 240	\$ 45	\$ 63	\$ 107	\$ 25
Marketing	83	19	21	-	43	108	17	63	16	12
Trading	24	(15)	-	35	4	46	5	26	(1)	16
Total Marketing and Refining Earnings	<u>\$ 300</u>	<u>\$ 31</u>	<u>\$ 46</u>	<u>\$ 122</u>	<u>\$ 101</u>	<u>\$ 394</u>	<u>\$ 67</u>	<u>\$ 152</u>	<u>\$ 122</u>	<u>\$ 53</u>
<b>Operating Data (in thousands unless noted)</b>										
<b>Refined Product Sales (barrels per day)</b>										
Gasoline	210	205	216	224	194	218	210	212	223	226
Distillates	147	163	134	119	174	144	169	130	112	166
Residuals	62	57	45	52	94	60	57	54	42	85
Other	32	37	42	19	29	37	33	37	35	43
Total	<u>451</u>	<u>462</u>	<u>437</u>	<u>414</u>	<u>491</u>	<u>459</u>	<u>469</u>	<u>433</u>	<u>412</u>	<u>520</u>
<b>Refinery Throughput (barrels per day)</b>										
HOVENSA - Crude runs	454	488	459	397	470	448	469	475	430	420
HOVENSA - Hess 50% share	227	244	230	199	235	224	234	237	215	210
Port Reading	61	63	61	64	55	63	64	62	63	64
<b>Refinery Utilization</b>										
		<b>Refinery Capacity</b> (barrels per day)								
HOVENSA										
Crude	500	90.8%	97.6%	91.9%	79.4% (d)	94.1%	89.7%	93.7%	94.9%	85.9%
FCC	150	87.1%	84.9%	82.4%	87.9%	93.2%	84.3%	91.2%	92.0%	87.3%
Coker	58	83.4%	99.3%	92.6%	53.3% (d)	88.6%	84.3%	89.8%	88.3%	73.2%
Port Reading	65	93.2%	96.3%	93.8%	97.9%	84.7%	97.4%	98.1%	95.8%	96.9%
<b>Retail Marketing</b>										
Number of retail stations (b)	1,371	1,371	1,362	1,351	1,345	1,350	1,350	1,347	1,343	1,343
Convenience store revenue (in millions) (c)	\$ 1,051	\$ 255	\$ 279	\$ 274	\$ 244	\$ 1,015	\$ 253	\$ 271	\$ 258	\$ 233
Average gasoline volume per station (thousands of gallons per month) (c)	215	209	232	228	191	208	202	216	222	195

(a) Financial information reflects the impact of the retrospective adoption of a new accounting pronouncement related to refinery turnarounds in 2007.

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

(c) Company operated only.

(d) The coker and related processing units were shutdown for a scheduled turnaround.

(Continued)

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



**Appendix V**

	Year 2005 (a)	Fourth Quarter 2005 (a)	Third Quarter 2005 (a)	Second Quarter 2005 (a)	First Quarter 2005 (a)	Year 2004 (a)	Fourth Quarter 2004 (a)	Third Quarter 2004 (a)	Second Quarter 2004 (a)	First Quarter 2004 (a)
<b>Financial Information (in millions)</b>										
<b>Marketing and Refining Earnings</b>										
Income before income taxes	\$ 788	\$ 357	\$ 213	\$ 157	\$ 61	\$ 623	\$ 139	\$ 121	\$ 221	\$ 142
Provision for income taxes	289	128	81	56	24	180	43	42	70	25
Marketing and Refining Earnings	<u>\$ 499</u>	<u>\$ 229</u>	<u>\$ 132</u>	<u>\$ 101</u>	<u>\$ 37</u>	<u>\$ 443</u>	<u>\$ 96</u>	<u>\$ 79</u>	<u>\$ 151</u>	<u>\$ 117</u>
<b>Summary of Marketing and Refining Earnings</b>										
Refining	\$ 330	\$ 83	\$ 151	\$ 80	\$ 16	\$ 294	\$ 39	\$ 62	\$ 114	\$ 79
Marketing	136	131	(22)	14	13	112	64	6	19	23
Trading	33	15	3	7	8	37	(7)	11	18	15
Total Marketing and Refining Earnings	<u>\$ 499</u>	<u>\$ 229</u>	<u>\$ 132</u>	<u>\$ 101</u>	<u>\$ 37</u>	<u>\$ 443</u>	<u>\$ 96</u>	<u>\$ 79</u>	<u>\$ 151</u>	<u>\$ 117</u>
<b>Operating Data (in thousands unless noted)</b>										
<b>Refined Product Sales (barrels per day)</b>										
Gasoline	213	218	226	227	181	193	181	198	205	188
Distillates	136	170	104	104	166	140	152	116	113	178
Residuals	64	78	43	59	74	58	56	44	51	82
Other	43	53	37	45	41	37	41	36	35	35
Total	<u>456</u>	<u>519</u>	<u>410</u>	<u>435</u>	<u>462</u>	<u>428</u>	<u>430</u>	<u>394</u>	<u>404</u>	<u>483</u>
<b>Refinery Throughput (barrels per day)</b>										
HOVENSA - Crude runs	461	482	413	500	449	484	472	480	489	495
HOVENSA - Hess 50% share	231	241	206	250	225	242	236	240	245	248
Port Reading	55	64	62	58	35	52	55	40	55	57
<b>Refinery Utilization</b>										
HOVENSA										
Crude	92.2%	96.3%	82.5%	100.1%	89.8%	96.7%	94.4%	95.9%	97.7%	99.0%
FCC	81.9%	87.1%	89.7%	93.3%	57.2%	92.9%	86.2%	93.9%	95.5%	96.4%
Coker	92.8%	85.3%	92.4%	100.9%	92.9%	94.5%	84.1%	94.1%	100.2%	99.8%
Port Reading	85.3%	98.5%	95.5%	89.2%	56.5%	83.4%	89.0%	64.2%	89.2%	91.9%
<b>Retail Marketing</b>										
Number of retail stations (b)	1,354	1,354	1,358	1,352	1,250	1,254	1,254	1,238	1,242	1,246
Convenience store revenue (in millions) (c)	\$ 973	\$ 241	\$ 260	\$ 254	\$ 218	\$ 932	\$ 228	\$ 249	\$ 242	\$ 213
Average gasoline volume per station (thousands of gallons per month) (c)	204	199	211	213	195	191	194	192	197	183

(a) Financial information reflects the impact of the retrospective adoption of a new accounting pronouncement related to refinery turnarounds in 2007.

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

(c) Company operated only.

(Concluded)