



HESS CORPORATION

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News Release

HESS REPORTS ESTIMATED RESULTS FOR THE FIRST QUARTER OF 2008

First Quarter Highlights:

- **Net Income was \$759 million compared with \$370 million in first quarter 2007**
- **Cash flows from operations were \$1,176 million compared with \$639 million in first quarter 2007**
- **Oil and gas production was 391,000 barrels per day, up from 382,000 in first quarter 2007**
- **Debt to capitalization ratio decreased to 26.9 percent at March 31, 2008, from 28.9 percent at December 31, 2007.**

NEW YORK, April 30, 2008 -- Hess Corporation (NYSE: HES) reported net income of \$759 million for the first quarter of 2008 compared with net income of \$370 million for the first quarter of 2007. The after-tax results by major operating activity were as follows:

	Three months ended	
	March 31 (unaudited)	
	2008	2007
	(In millions, except per share amounts)	
Exploration and Production	\$ 824	\$ 340
Marketing and Refining	16	101
Corporate	(39)	(31)
Interest expense	<u>(42)</u>	<u>(40)</u>
Net income	<u>\$ 759</u>	<u>\$ 370</u>
Net income per share (diluted)	<u>\$ 2.34</u>	<u>\$ 1.17</u>
Weighted average number of shares (diluted)	<u>323.8</u>	<u>317.3</u>

Exploration and Production earnings were \$824 million in the first quarter of 2008 compared with \$340 million in the first quarter of 2007. The Corporation's oil and gas production, on a barrel-of-oil equivalent basis, was 391,000 barrels per day in the first quarter of 2008, compared with 382,000 barrels per day in the first quarter of 2007. In the first quarter of 2008, the Corporation's average worldwide crude oil selling price, including the effect of hedging, was \$83.28 per barrel, an increase of \$32.54 per barrel from the first quarter of 2007. The Corporation's average worldwide natural gas selling price, including the effect of hedging, was \$7.06 per Mcf in the first quarter of 2008, an increase of \$2.06 per Mcf from the first quarter of 2007.

Marketing and Refining earnings were \$16 million in the first quarter of 2008 compared with \$101 million in the first quarter of 2007, primarily reflecting lower refining margins and trading results. Refining operations generated a loss of \$3 million in the first quarter of 2008 compared with earnings of \$54 million in the first quarter of 2007. Marketing earnings were \$32 million in the first quarter of 2008 compared with \$43 million in the first quarter of 2007. Trading activities produced a loss of \$13 million in the first quarter of 2008 compared with income of \$4 million in the first quarter of 2007.

Net cash provided by operating activities was \$1,176 million in the first quarter of 2008 compared with \$639 million in the first quarter of 2007. Capital and exploratory expenditures for the first quarter of 2008 amounted to \$970 million, of which \$938 million related to Exploration and Production operations. Capital and exploratory expenditures for the first quarter of 2007 amounted to \$1,181 million, of which \$1,159 million related to Exploration and Production operations.

At March 31, 2008, cash and cash equivalents totaled \$902 million compared with \$607 million at December 31, 2007. Total debt was \$3,960 million at March 31, 2008 and \$3,980 million at December 31, 2007. The Corporation's debt to capitalization ratio at March 31, 2008 was 26.9 percent compared with 28.9 percent at the end of 2007.

Hess Corporation will review first quarter financial and operating results and other matters on a webcast at 10 a.m. today. For details on the event, refer to the Investor Relations section of our website at www.hess.com.

Hess Corporation, with headquarters in New York, is a leading global independent energy company engaged in the exploration for and production of crude oil and natural gas, as well as in refining and marketing refined petroleum products, natural gas and electricity. More information on Hess Corporation is available at www.hess.com.

Forward Looking Statements

Certain statements in this release may constitute "forward-looking statements" within the meaning of Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Forward-looking statements are subject to known and unknown risks and uncertainties and other factors which may cause actual results to differ materially from those expressed or implied by such statements, including, without limitation, uncertainties inherent in the measurement and interpretation of geological, geophysical and other technical data.

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

	First Quarter <u>2008</u>	First Quarter <u>2007</u>	Fourth Quarter <u>2007</u>
<u>Income Statement</u>			
Revenues and Non-operating Income			
Sales (excluding excise taxes) and other operating revenues	\$ 10,667	\$ 7,319	\$ 9,456
Equity in income (loss) of HOVENSA L.L.C.	(10)	56	20
Other, net	<u>63</u>	<u>(1)</u>	<u>24</u>
Total revenues and non-operating income	<u>10,720</u>	<u>7,374</u>	<u>9,500</u>
Costs and Expenses			
Cost of products sold (excluding items shown separately below)	7,718	5,410	6,651
Production expenses	424	347	463
Marketing expenses	233	222	243
Exploration expenses, including dry holes and lease impairment	152	93	201
Other operating expenses	45	33	46
General and administrative expenses	152	131	208
Interest expense	67	64	71
Depreciation, depletion and amortization	<u>452</u>	<u>327</u>	<u>530</u>
Total costs and expenses	<u>9,243</u>	<u>6,627</u>	<u>8,413</u>
Income before income taxes	1,477	747	1,087
Provision for income taxes	<u>718</u>	<u>377</u>	<u>577</u>
Net income	<u>\$ 759</u>	<u>\$ 370</u>	<u>\$ 510</u>
<u>Supplemental Income Statement Information</u>			
Foreign currency gains (losses), after-tax	\$ 11	\$ (4)	\$ 1
Capitalized interest	1	15	1
<u>Cash Flow Information</u>			
Net cash provided by operating activities (*)	\$ 1,176	\$ 639	\$ 806
<u>Capital and Exploratory Expenditures</u>			
Exploration and Production			
United States	\$ 415	\$ 651	\$ 291
International	<u>523</u>	<u>508</u>	<u>577</u>
Total Exploration and Production	938	1,159	868
Marketing, Refining and Corporate	<u>32</u>	<u>22</u>	<u>46</u>
Total Capital and Exploratory Expenditures	<u>\$ 970</u>	<u>\$ 1,181</u>	<u>\$ 914</u>
Exploration expenses charged to income included above			
United States	\$ 62	\$ 40	\$ 43
International	<u>59</u>	<u>35</u>	<u>66</u>
	<u>\$ 121</u>	<u>\$ 75</u>	<u>\$ 109</u>

(*) Includes changes in working capital

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

	March 31, 2008	December 31, 2007
<u>Balance Sheet Information</u>		
Cash and cash equivalents	\$ 902	\$ 607
Other current assets	6,392	6,319
Investments	1,082	1,117
Property, plant and equipment – net	15,132	14,634
Other long-term assets	3,505	3,454
Total assets	\$ 27,013	\$ 26,131
Current maturities of long-term debt	\$ 64	\$ 62
Other current liabilities	7,882	7,962
Long-term debt	3,896	3,918
Other long-term liabilities	4,416	4,415
Stockholders' equity excluding other comprehensive income (loss)	12,407	11,615
Accumulated other comprehensive income (loss)	(1,652)	(1,841)
Total liabilities and stockholders' equity	\$ 27,013	\$ 26,131

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

	First Quarter 2008		
	United States	International	Total
Sales and other operating revenues	\$ 448	\$ 2,159	\$ 2,607
Non-operating income	10	37	47
Total revenues and non-operating income	<u>458</u>	<u>2,196</u>	<u>2,654</u>
Costs and expenses			
Production expenses, including related taxes	70	354	424
Exploration expenses, including dry holes and lease impairment	83	69	152
General, administrative and other expenses	32	31	63
Depreciation, depletion and amortization	55	379	434
Total costs and expenses	<u>240</u>	<u>833</u>	<u>1,073</u>
Results of operations before income taxes	218	1,363	1,581
Provision for income taxes	84	673	757
Results of operations	<u>\$ 134</u>	<u>\$ 690</u>	<u>\$ 824</u>
	First Quarter 2007		
	United States	International	Total
Sales and other operating revenues	\$ 241	\$ 1,270	\$ 1,511
Non-operating income (loss)	8	(14)	(6)
Total revenues and non-operating income	<u>249</u>	<u>1,256</u>	<u>1,505</u>
Costs and expenses			
Production expenses, including related taxes	59	288	347
Exploration expenses, including dry holes and lease impairment	50	43	93
General, administrative and other expenses	33	24	57
Depreciation, depletion and amortization	37	272	309
Total costs and expenses	<u>179</u>	<u>627</u>	<u>806</u>
Results of operations before income taxes	70	629	699
Provision for income taxes	26	333	359
Results of operations	<u>\$ 44</u>	<u>\$ 296</u>	<u>\$ 340</u>
	Fourth Quarter 2007		
	United States	International	Total
Sales and other operating revenues	\$ 401	\$ 2,037	\$ 2,438
Non-operating income (loss)	(1)	14	13
Total revenues and non-operating income	<u>400</u>	<u>2,051</u>	<u>2,451</u>
Costs and expenses			
Production expenses, including related taxes	71	392	463
Exploration expenses, including dry holes and lease impairment	122	79	201
General, administrative and other expenses	36	38	74
Depreciation, depletion and amortization	58	454	512
Total costs and expenses	<u>287</u>	<u>963</u>	<u>1,250</u>
Results of operations before income taxes	113	1,088	1,201
Provision for income taxes	44	574	618
Results of operations	<u>\$ 69</u>	<u>\$ 514</u>	<u>\$ 583</u>

HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES
SUPPLEMENTAL OPERATING DATA (UNAUDITED)

	First Quarter 2008	First Quarter 2007	Fourth Quarter 2007
<u>Operating Data</u>			
<u>Net Production Per Day (in thousands)</u>			
Crude oil - barrels			
United States	36	29	34
Europe	83	110	83
Africa	119	99	121
Asia and other	<u>17</u>	<u>15</u>	<u>22</u>
Total	<u><u>255</u></u>	<u><u>253</u></u>	<u><u>260</u></u>
Natural gas liquids - barrels			
United States	11	9	11
Europe	<u>4</u>	<u>7</u>	<u>5</u>
Total	<u><u>15</u></u>	<u><u>16</u></u>	<u><u>16</u></u>
Natural gas - mcf			
United States	93	90	91
Europe	296	348	290
Asia and other	<u>342</u>	<u>243</u>	<u>300</u>
Total	<u><u>731</u></u>	<u><u>681</u></u>	<u><u>681</u></u>
Barrels of oil equivalent	<u><u>391</u></u>	<u><u>382</u></u>	<u><u>390</u></u>
<u>Average Selling Price</u>			
Crude oil - per barrel (including hedging)			
United States	\$ 92.59	\$ 53.19	\$ 86.22
Europe	82.29	51.32	74.00
Africa	78.83	48.17	72.85
Asia and other	96.53	56.44	86.30
Worldwide	83.28	50.74	76.11
Crude oil - per barrel (excluding hedging)			
United States	\$ 92.59	\$ 53.19	\$ 86.22
Europe	82.29	51.32	74.00
Africa	93.52	56.09	84.84
Asia and other	96.53	56.44	86.30
Worldwide	89.62	53.75	81.87
Natural gas liquids - per barrel			
United States	\$ 64.83	\$ 42.44	\$ 63.51
Europe	76.50	45.90	70.86
Worldwide	67.70	43.97	66.13
Natural gas - per mcf (including hedging)			
United States	\$ 8.53	\$ 7.21	\$ 6.47
Europe	8.96	4.74	8.92
Asia and other	5.01	4.56	5.13
Worldwide	7.06	5.00	6.93
Natural gas - per mcf (excluding hedging)			
United States	\$ 8.53	\$ 7.21	\$ 6.47
Europe	9.05	4.74	8.92
Asia and other	5.01	4.56	5.13
Worldwide	7.10	5.00	6.93

HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES
EXPLORATION AND PRODUCTION SUPPLEMENTAL HEDGING INFORMATION (UNAUDITED)

The following is a summary of the Corporation's outstanding crude oil hedges at March 31, 2008:

	<u>Brent Crude Oil(*)</u>	
	<u>Average Selling Price</u>	<u>Thousands of Barrels per Day</u>
Maturities		
2008	\$ 25.56	24
2009	25.54	24
2010	25.78	24
2011	26.37	24
2012	26.90	24

(*) There were no WTI crude oil hedges outstanding at March 31, 2008.

At March 31, 2008, the Corporation also had outstanding United Kingdom natural gas hedges of 50 thousand Mcf per day through October 2008 at an average selling price of approximately \$10.65 per Mcf.

The after-tax losses from crude oil and natural gas hedges were \$95 million in the first quarter of 2008. The after-tax losses from crude oil hedges were \$39 million in the first quarter of 2007 and \$89 million in the fourth quarter of 2007. At March 31, 2008, the after-tax deferred losses related to crude oil and natural gas hedges that were included in accumulated other comprehensive income amounted to \$1.7 billion.

HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES
MARKETING AND REFINING SUPPLEMENTAL FINANCIAL AND OPERATING DATA (UNAUDITED)

	<u>First Quarter 2008</u>	<u>First Quarter 2007</u>	<u>Fourth Quarter 2007</u>
<u>Financial Information (in millions of dollars)</u>			
<u>Marketing and Refining Earnings</u>			
Income before income taxes	\$ 21	\$ 159	\$ 51
Provision for income taxes	<u>5</u>	<u>58</u>	<u>20</u>
Marketing and Refining Earnings	<u>\$ 16</u>	<u>\$ 101</u>	<u>\$ 31</u>
<u>Summary of Marketing and Refining Earnings</u>			
Refining	\$ (3)	\$ 54	\$ 27
Marketing	32	43	19
Trading	<u>(13)</u>	<u>4</u>	<u>(15)</u>
Total Marketing and Refining Earnings	<u>\$ 16</u>	<u>\$ 101</u>	<u>\$ 31</u>
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<u>Operating Data (barrels and gallons in thousands)</u>			
<u>Refined Product Sales (barrels per day)</u>			
Gasoline	223	194	205
Distillates	168	174	163
Residuals	67	94	57
Other	<u>37</u>	<u>29</u>	<u>37</u>
Total	<u>495</u>	<u>491</u>	<u>462</u>
<u>Refinery Throughput (barrels per day)</u>			
HOVENSA - Crude runs	446	470	488
HOVENSA - Hess 50% share	223	235	244
Port Reading	61	55	63
<u>Refinery Utilization</u>			
HOVENSA	<u>Refinery Capacity</u>		
Crude	500	89.1%	94.1%
FCC	150	74.3%	93.2%
Coker	58	91.5%	88.6%
Port Reading	70 (c)	87.1%	84.7%
		97.6%	99.3%
		84.9%	96.3%
<u>Retail Marketing</u>			
Number of retail stations (a)	1,367	1,345	1,371
Convenience store revenue (in millions of dollars) (b)	\$ 239	\$ 244	\$ 255
Average gasoline volume per station (gallons per month) (b)	195	191	209

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

(b) Company operated only.

(c) Refinery utilization in 2007 is based on capacity of 65 thousand barrels per day.