HESS

HESS CORPORATION

Supplemental Earnings Information

Third Quarter 2012

Reported Net Income, Items Affecting Comparability and Adjusted Earnings by Operating Activity

HESS

$ Millions, Except per Share Data

	3Q 2012	3Q 2011	2Q 2012
Net Income (Loss) Attributable to Hess Corporation (U.S. GAAP)			
Exploration and Production	$ 608	$ 422	$ 644
Marketing and Refining	53	(23)	8
Corporate	(38)	(44)	(39)
Interest Expense	(66)	(57)	(64)
Net Income (Loss) Attributable to Hess Corporation	$ 557	$ 298	$ 549
Net Income (Loss) Per Share (Diluted)	$ 1.64	$ .88	$ 1.61
Items Affecting Comparability - Income (Expense)			
Exploration and Production	$ 62	$ (81)	$ (36)
Marketing and Refining	-	-	-
Corporate	-	-	-
Total Items Affecting Comparability	$ 62	$ (81)	$ (36)
Adjusted Earnings (Loss) (a)			
Exploration and Production	$ 546	$ 503	$ 680
Marketing and Refining	53	(23)	8
Corporate	(38)	(44)	(39)
Interest Expense	(66)	(57)	(64)
Adjusted Earnings	$ 495	$ 379	$ 585
Adjusted Earnings Per Share (Diluted)	$ 1.46	$ 1.11	$ 1.72
Weighted Average Number of Shares (Diluted)	340.0	340.2	340.4

(a) "Adjusted Earnings," presented throughout this supplemental earnings information, is defined as reported net income attributable to Hess Corporation 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.

Items Affecting Comparability Between Periods

(Amounts are after income taxes)

3Q 2012

- **Exploration and Production** – Earnings include:
  - A gain of $349 million from the sale of the Corporation's interests in the Schiehallion Field and associated assets in the United Kingdom North Sea.
  - Impairment charges of $116 million that resulted from increases to the Corporation's estimated abandonment liabilities related to non-producing properties.
  - A charge of $56 million to write off assets in Peru following a decision to cease future appraisal and development activities in the country.
  - A one-time charge of $115 million to reflect the third quarter change in the United Kingdom's supplementary income tax rate to 20 percent from 32 percent applicable to deductions for dismantlement expenditures.

3Q 2011

- **Exploration and Production** – Earnings include:
  - Impairment charges of $140 million that resulted from increases to the Corporation's estimated abandonment liabilities, primarily for non-producing properties.
  - A charge of $44 million as a result of the third quarter enactment of an additional 12 percent supplementary tax on petroleum operations in the United Kingdom with an effective date of March 24, 2011.
  - Gains of $103 million from the sales of the Corporation's interests in the Snorre Field, offshore Norway, and the Cook Field in the United Kingdom North Sea.

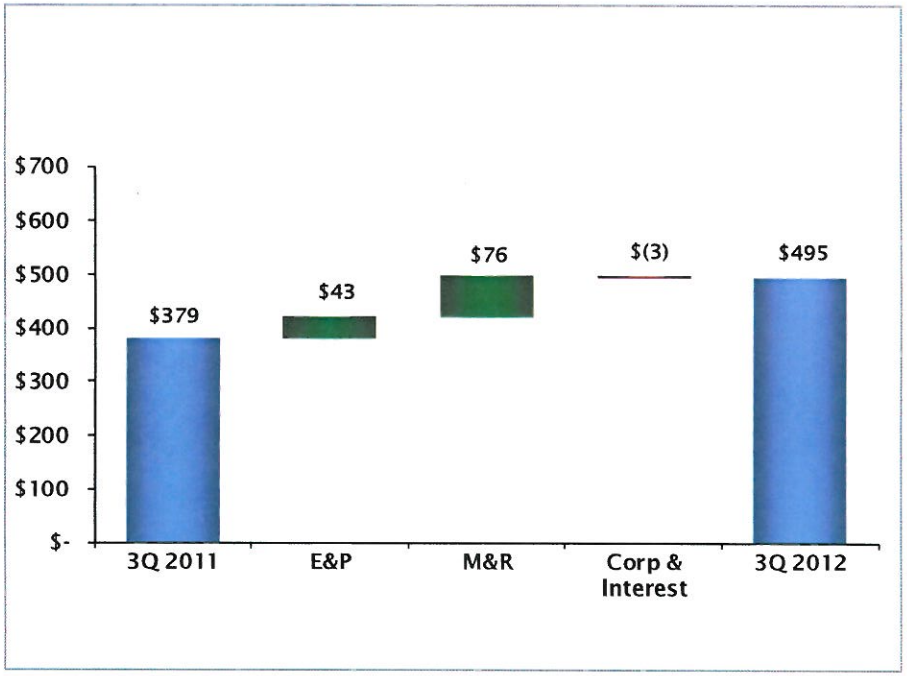
2Q 2012

- **Exploration and Production** – Earnings include an impairment charge of $36 million for certain onshore exploration properties in the United States.

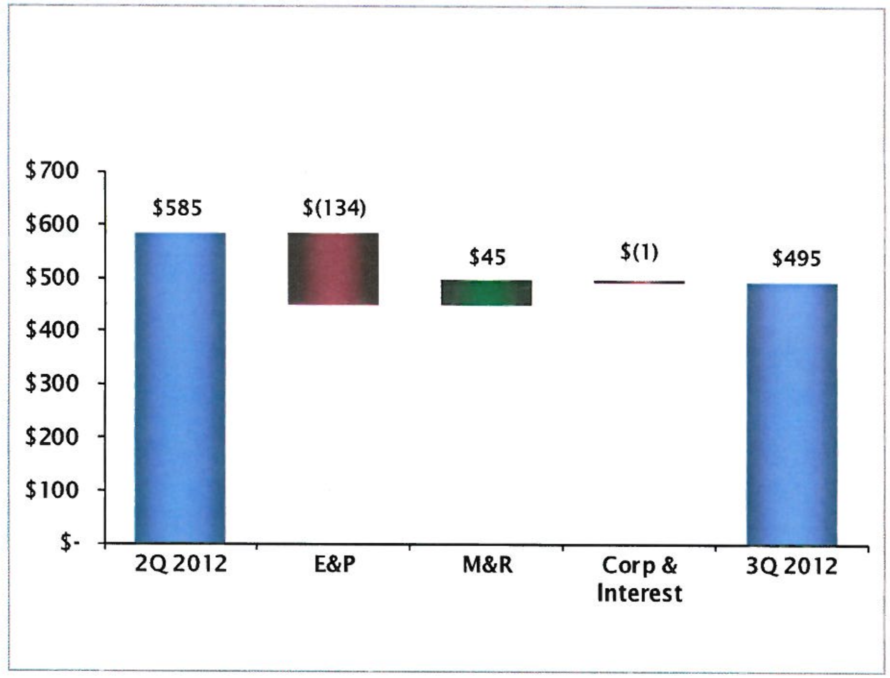
Consolidated Adjusted Earnings

$ Millions

3Q 2012 vs. 3Q 2011



3Q 2012 vs. 2Q 2012



Analysis of Consolidated Adjusted Earnings

3Q 2012 vs. 3Q 2011

- **Exploration and Production** – The increase in earnings is primarily due to higher crude oil sales volumes, partially offset by higher operating costs.

- **Marketing and Refining** – The increase in earnings is primarily due to improved refining and trading results, partially offset by lower marketing earnings which resulted from lower margins. Refining earnings increased as a result of improved margins at the Port Reading and the shutdown of the HOVENSA refinery in the first quarter of 2012.

3Q 2012 vs. 2Q 2012

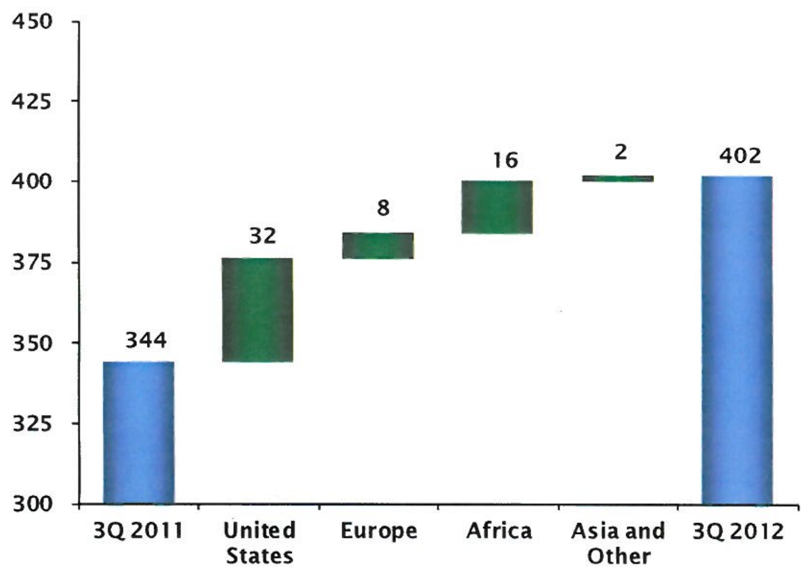
- **Exploration and Production** – The decrease in earnings is primarily due to lower sales volumes and higher operating costs.

- **Marketing and Refining** – The increase in earnings reflects improved trading results and higher refining earnings as a result of higher margins at Port Reading.

Worldwide Oil & Gas Production

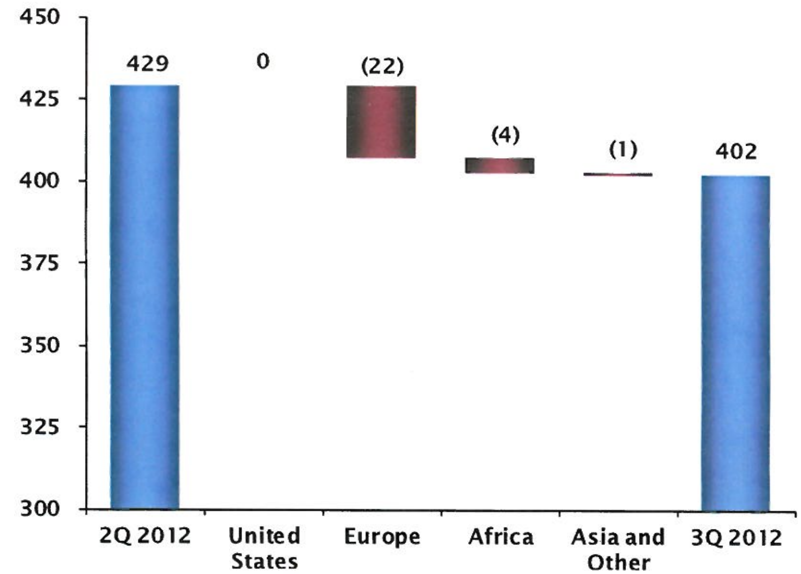
MBOEPD

3Q 2012 vs. 3Q 2011



	3Q 2012	3Q 2011	Incr. / (Decr.)
United States	144	112	32
Europe	88	80	8
Africa	75	59	16
Asia and Other	95	93	2
Total	402	344	58

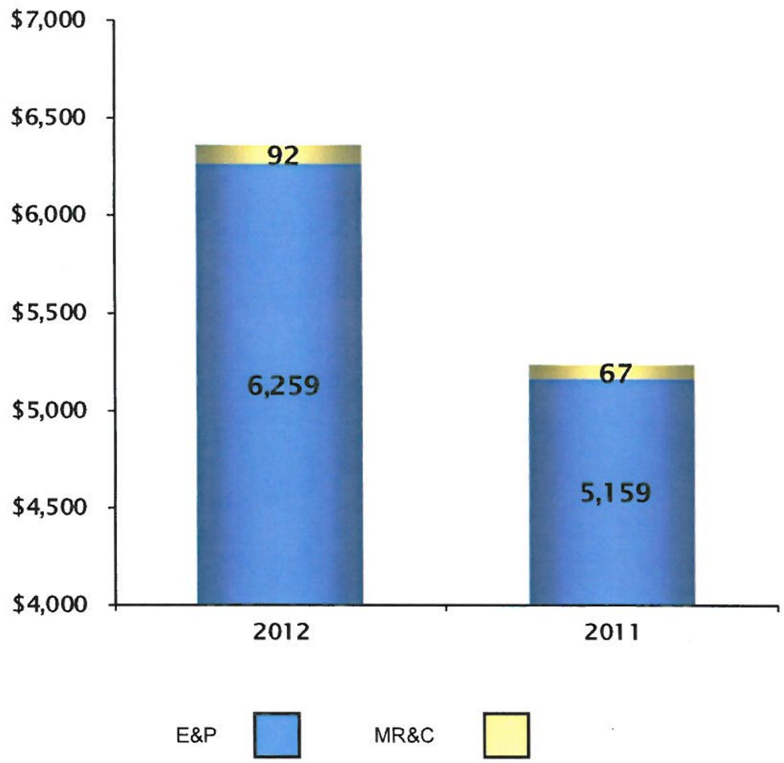
3Q 2012 vs. 2Q 2012



	3Q 2012	2Q 2012	Incr. / (Decr.)
United States	144	144	-
Europe	88	110	(22)
Africa	75	79	(4)
Asia and Other	95	96	(1)
Total	402	429	(27)

Capital and Exploratory Expenditures

$ Millions

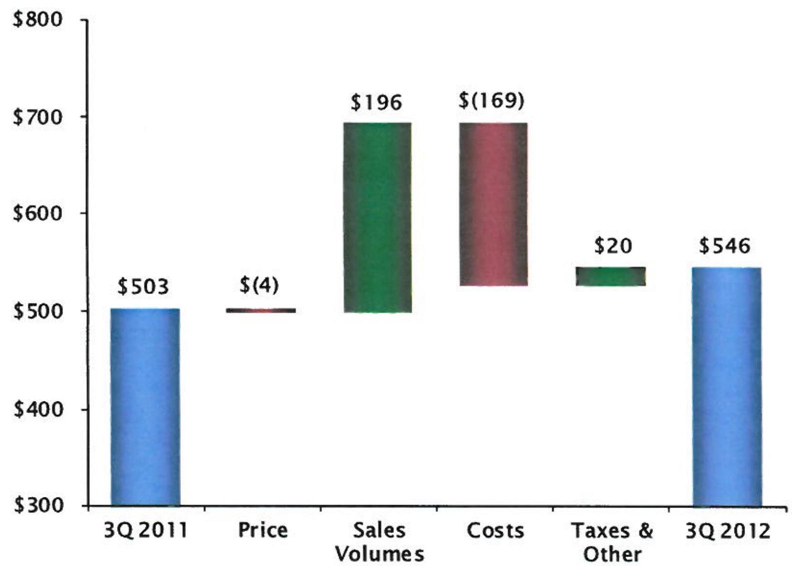


	Nine Months Ended September 30, 2012	2011
Exploration & Production		
United States	$ 3,694	$ 2,933
International	2,565	2,226
Total E&P	6,259	5,159
Marketing, Refining & Corporate	92	67
Total Capital & Exploratory Expenditures	$ 6,351	$ 5,226
Exploration Expenses Included Above		
United States	$ 109	$ 146
International	226	189
Total Exploration Expenses	$ 335	$ 335

Exploration and Production Adjusted Earnings

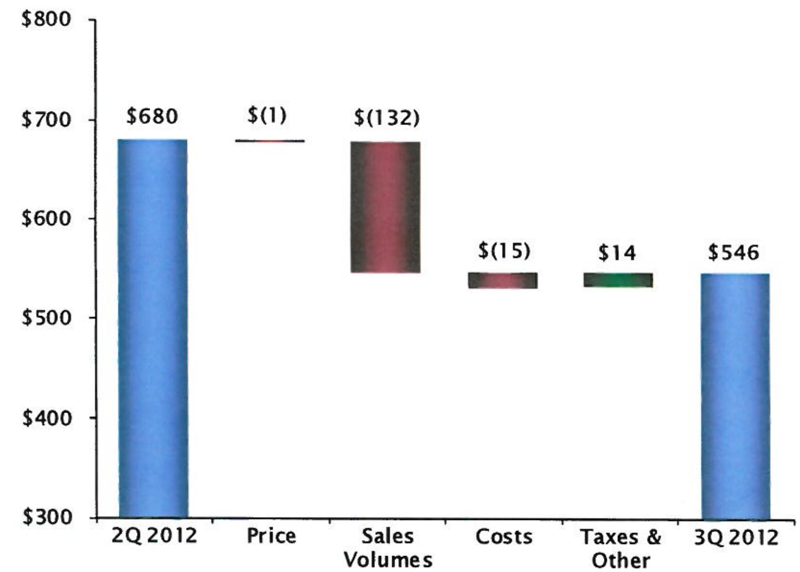
$ Millions

3Q 2012 vs. 3Q 2011



	3Q 2012	3Q 2011	Incr. / (Decr.)
United States	$ 176	$ 173	$ 3
International	370	330	40
Total	$ 546	$ 503	$ 43

3Q 2012 vs. 2Q 2012

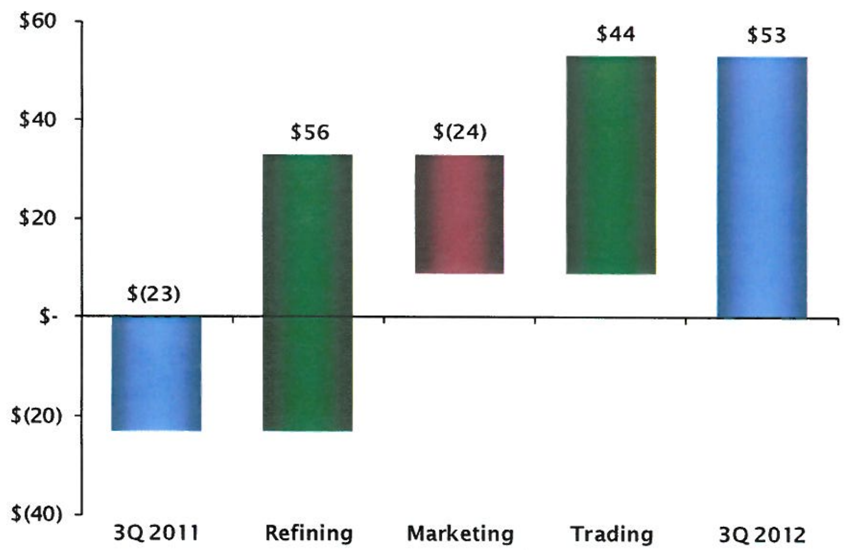


	3Q 2012	2Q 2012	Incr. / (Decr.)
United States	$ 176	$ 196	$ (20)
International	370	484	(114)
Total	$ 546	$ 680	$ (134)

Marketing and Refining Adjusted Earnings

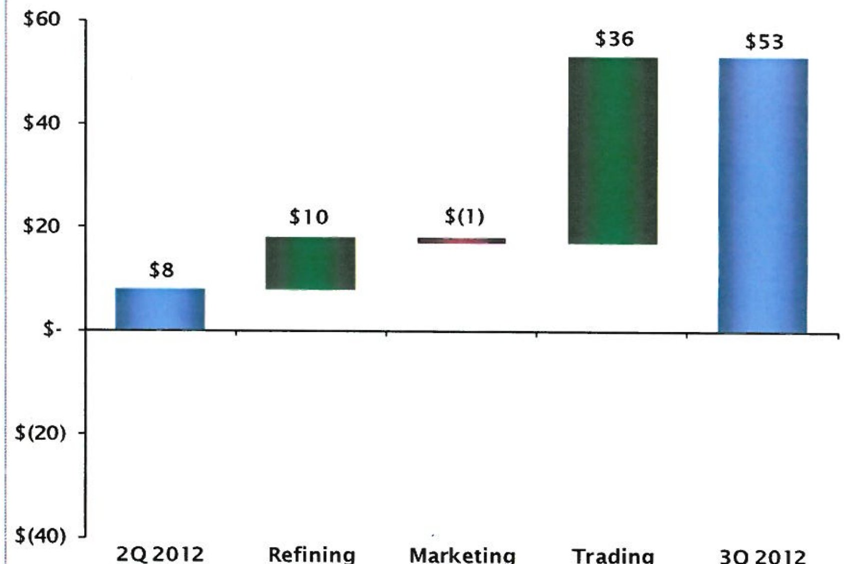
$ Millions: Income (Loss)

3Q 2012 vs. 3Q 2011



	3Q 2012	3Q 2011	Incr. / (Decr.)
Marketing	$ 17	$ 41	$ (24)
Refining	18	(38)	56
Trading	18	(26)	44
Total	$ 53	$ (23)	$ 76

3Q 2012 vs. 2Q 2012



	3Q 2012	2Q 2012	Incr. / (Decr.)
Marketing	$ 17	$ 18	$ (1)
Refining	18	8	10
Trading	18	(18)	36
Total	$ 53	$ 8	$ 45