HESS

HESS CORPORATION

Supplemental Earnings Information

Fourth Quarter 2012

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

HESS

$ Millions, Except per Share Data

	4Q 2012	4Q 2011		3Q 2012
Net Income (Loss) Attributable to Hess Corporation (U.S. GAAP)				
Exploration and Production	$ 517	$ 527		$ 608
Marketing and Refining	159	(561)		53
Corporate	(43)	(40)		(38)
Interest Expense	(67)	(57)		(66)
Net Income (Loss) Attributable to Hess Corporation	$ 566	$ (131)		$ 557
Net Income (Loss) Per Share (Diluted)	$ 1.66	$ (.39)	(b)	$ 1.64
Items Affecting Comparability - Income (Expense)				
Exploration and Production	$ 86	$ -		$ 62
Marketing and Refining	71	(525)		-
Corporate	-	-		-
Total Items Affecting Comparability	$ 157	$ (525)		$ 62
Adjusted Earnings (Losses) (a)				
Exploration and Production	$ 431	$ 527		$ 546
Marketing and Refining	88	(36)		53
Corporate	(43)	(40)		(38)
Interest Expense	(67)	(57)		(66)
Adjusted Earnings	$ 409	$ 394		$ 495
Adjusted Earnings Per Share (Diluted)	$ 1.20	$ 1.16		$ 1.46
Weighted Average Number of Shares (Diluted)	340.5	340.1	(b)	340.0

(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.

(b) For the fourth quarter of 2011, the weighted average number of basic shares of 337.5 million was used to calculate diluted US GAAP earnings per share since there was a net loss for the period.

Items Affecting Comparability Between Periods

(Amounts are after income taxes)

4Q 2012

- **Exploration and Production** – Earnings include:
  - A gain of $172 million from the sale of the Corporation's interests in the Bittern Field and associated assets in the United Kingdom North Sea.
  - An income tax charge of $86 million for a disputed application of an international tax treaty.
- **Marketing and Refining** – Earnings include:
  - Income of $104 million from the partial liquidation of LIFO inventories.
  - Charges totaling $33 million for asset impairments and other charges.

4Q 2011

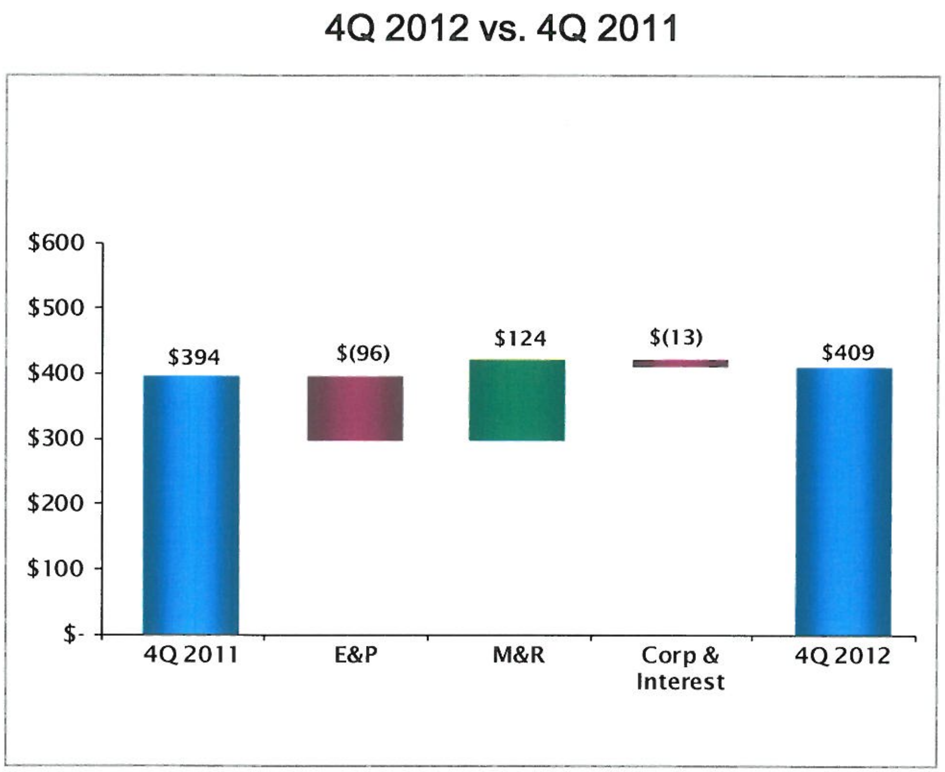
- **Marketing and Refining** – Results include a charge of $525 million related to the Corporation's equity investment in HOVENSA L.L.C. and the shutdown of its refinery in St. Croix, U.S. Virgin Islands.

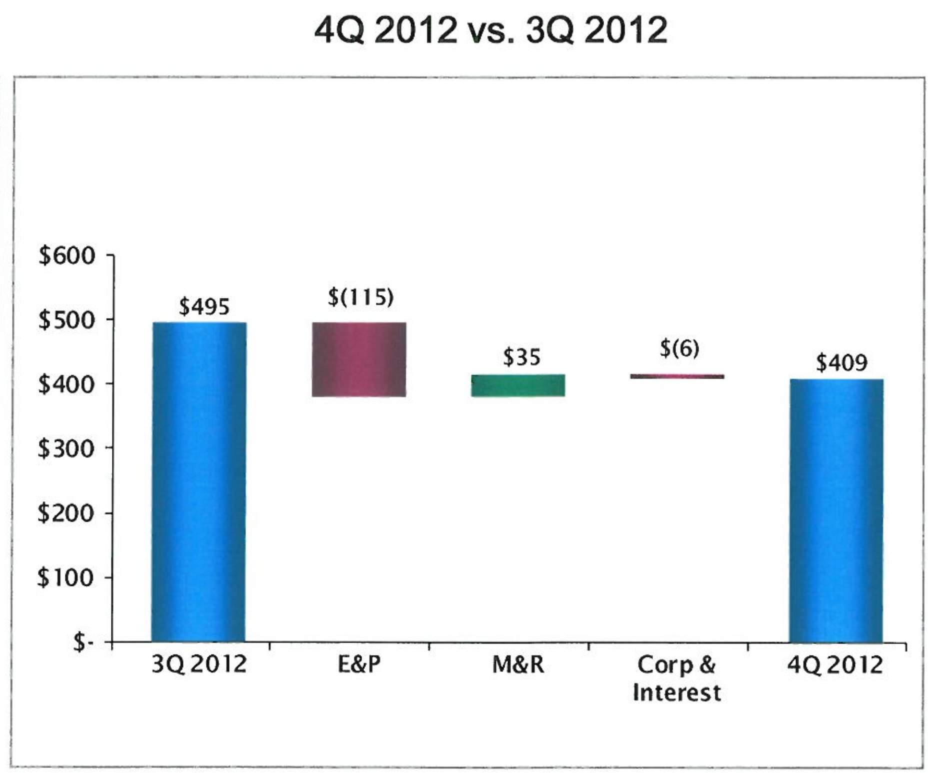
3Q 2012

- **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.
  - An income tax 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.

Consolidated Adjusted Earnings

$ Millions





Analysis of Consolidated Adjusted Earnings

4Q 2012 vs. 4Q 2011

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

- **Marketing and Refining** – The increase in earnings is primarily due to improved refining and marketing results. Refining earnings increased due to the shutdown of the HOVENSA refinery in the first quarter of 2012, together with higher margins at Port Reading. Margins also improved in our Marketing operations.

4Q 2012 vs. 3Q 2012

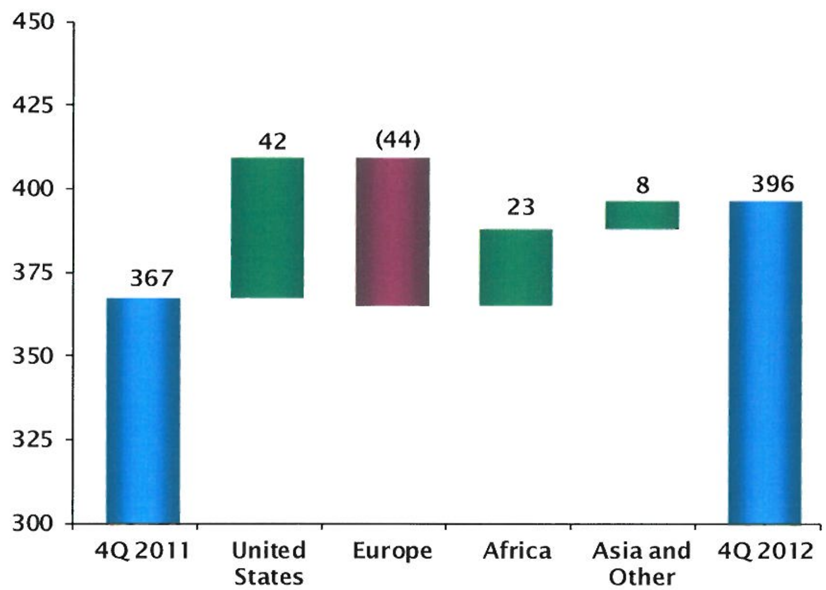
- **Exploration and Production** – The decrease in earnings is primarily due to higher dry hole costs and lower sales volumes, partially offset by an increase in natural gas selling prices.

- **Marketing and Refining** – The increase in earnings reflects higher margins and seasonally higher natural gas and oil volumes in Marketing operations, partially offset by lower refining and trading earnings.

Worldwide Oil & Gas Production

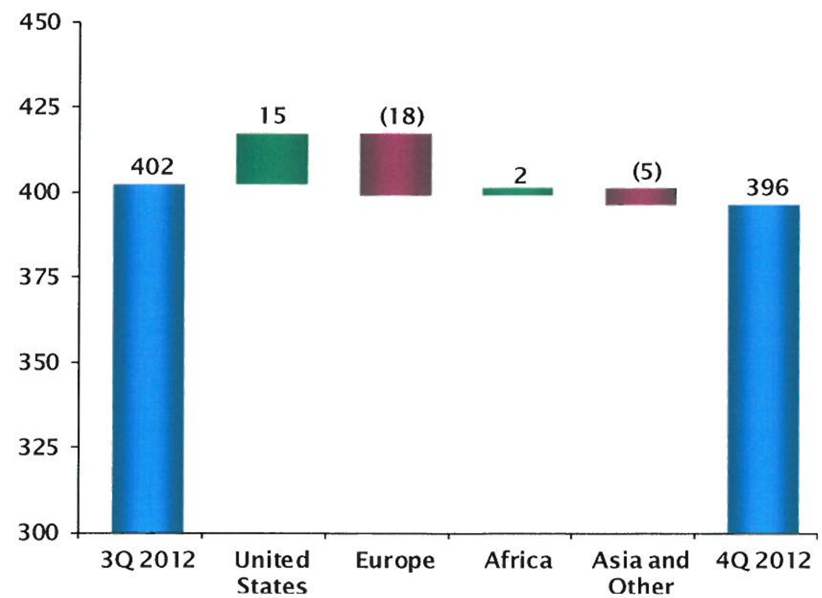
MBOEPD

4Q 2012 vs. 4Q 2011



	4Q 2012	4Q 2011	Incr. / (Decr.)
United States	159	117	42
Europe	70	114	(44)
Africa	77	54	23
Asia and Other	90	82	8
Total	396	367	29

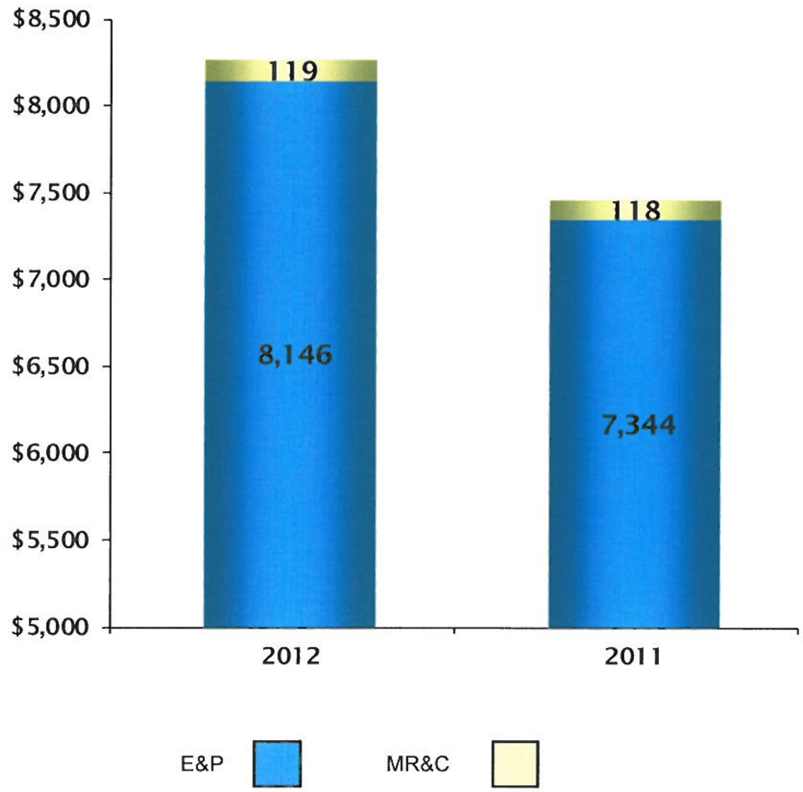
4Q 2012 vs. 3Q 2012



	4Q 2012	3Q 2012	Incr. / (Decr.)
United States	159	144	15
Europe	70	88	(18)
Africa	77	75	2
Asia and Other	90	95	(5)
Total	396	402	(6)

Capital and Exploratory Expenditures

$ Millions

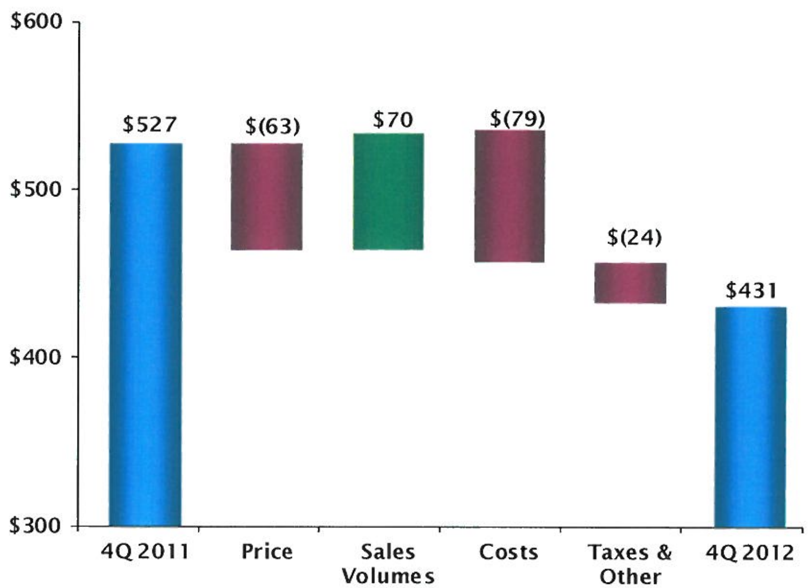


	Years Ended December 31, 2012	Years Ended December 31, 2011
Exploration & Production		
United States	$ 4,763	$ 4,305
International	3,383	3,039
Total E&P	8,146	7,344
Marketing, Refining & Corporate	119	118
Total Capital & Exploratory Expenditures	$ 8,265	$ 7,462
Exploration Expenses Included Above		
United States	$ 142	$ 197
International	328	259
Total Exploration Expenses	$ 470	$ 456

Exploration and Production Adjusted Earnings

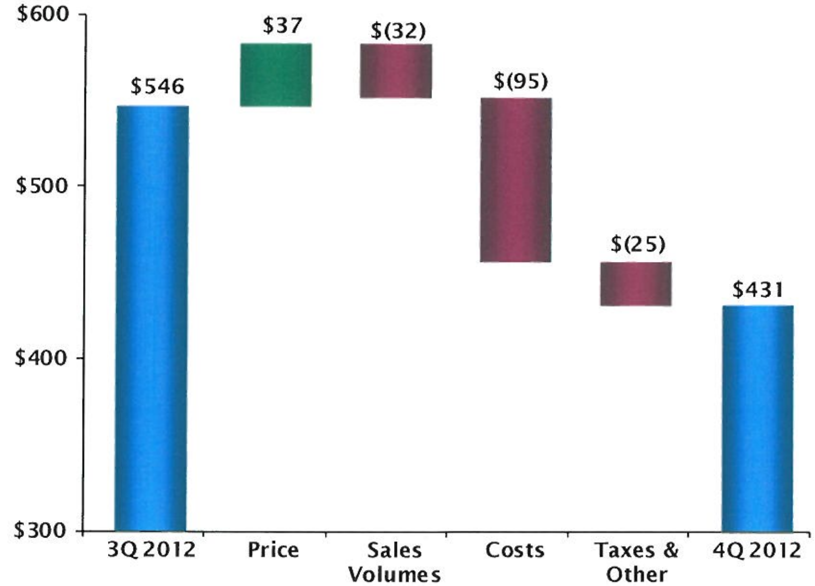
$ Millions

4Q 2012 vs. 4Q 2011



	4Q 2012	4Q 2011	Incr. / (Decr.)
United States	$ 143	$ 200	$ (57)
International	288	327	(39)
Total	$ 431	$ 527	$ (96)

4Q 2012 vs. 3Q 2012

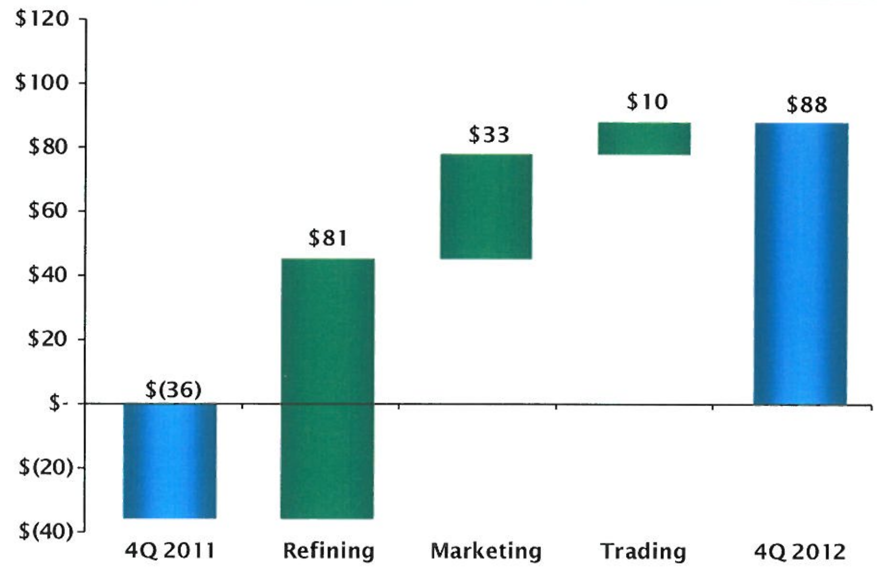


	4Q 2012	3Q 2012	Incr. / (Decr.)
United States	$ 143	$ 176	$ (33)
International	288	370	(82)
Total	$ 431	$ 546	$ (115)

Marketing and Refining Adjusted Earnings

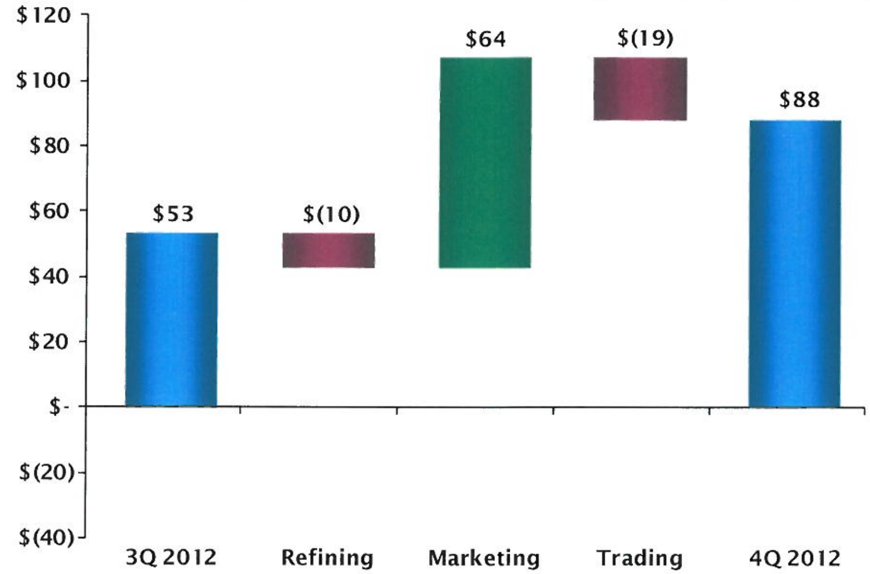
$ Millions: Income (Loss)

4Q 2012 vs. 4Q 2011



	4Q 2012	4Q 2011	Incr. / (Decr.)
Marketing	$ 81	$ 48	$ 33
Refining	8	(73)	81
Trading	(1)	(11)	10
Total	$ 88	$ (36)	$ 124

4Q 2012 vs. 3Q 2012



	4Q 2012	3Q 2012	Incr. / (Decr.)
Marketing	$ 81	$ 17	$ 64
Refining	8	18	(10)
Trading	(1)	18	(19)
Total	$ 88	$ 53	$ 35