



HESS CORPORATION

Supplemental Earnings Information

Third Quarter 2008

Consolidated After-tax Results by Major Operating Activity



\$ Millions, except per share data

Income/(Expense)	3Q 2008	3Q 2007	2Q 2008
<u>Net Income (U.S. GAAP)</u>			
Exploration and Production	\$ 699	\$ 414	\$ 1,025
Marketing and Refining	161	46	(52)
Corporate	(42)	(28)	(33)
Interest	(43)	(37)	(40)
Net Income	<u>\$ 775</u>	<u>\$ 395</u>	<u>\$ 900</u>
Net Income Per Share (Diluted)	<u>\$ 2.37</u>	<u>\$ 1.23</u>	<u>\$ 2.76</u>
<u>Items Affecting Comparability</u>			
Exploration and Production	\$ --	\$ (33)	\$ --
Marketing and Refining	--	--	--
Corporate	--	--	--
Total Items Affecting Comparability	<u>\$ --</u>	<u>\$ (33)</u>	<u>\$ --</u>
<u>Adjusted Earnings (a)</u>			
Exploration and Production	\$ 699	\$ 447	\$ 1,025
Marketing and Refining	161	46	(52)
Corporate	(42)	(28)	(33)
Interest	(43)	(37)	(40)
Adjusted Earnings	<u>\$ 775</u>	<u>\$ 428</u>	<u>\$ 900</u>
Adjusted Earnings Per Share (Diluted)	<u>\$ 2.37</u>	<u>\$ 1.34</u>	<u>\$ 2.76</u>
Weighted Average Number of Shares (Diluted)	<u>327.4</u>	<u>319.9</u>	<u>326.2</u>

(a) "Adjusted Earnings," presented throughout this supplemental earnings information, 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.

Items Affecting Comparability Between Periods



(Amounts are after income taxes)

3Q 2008

- None reported.

3Q 2007

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

2Q 2008

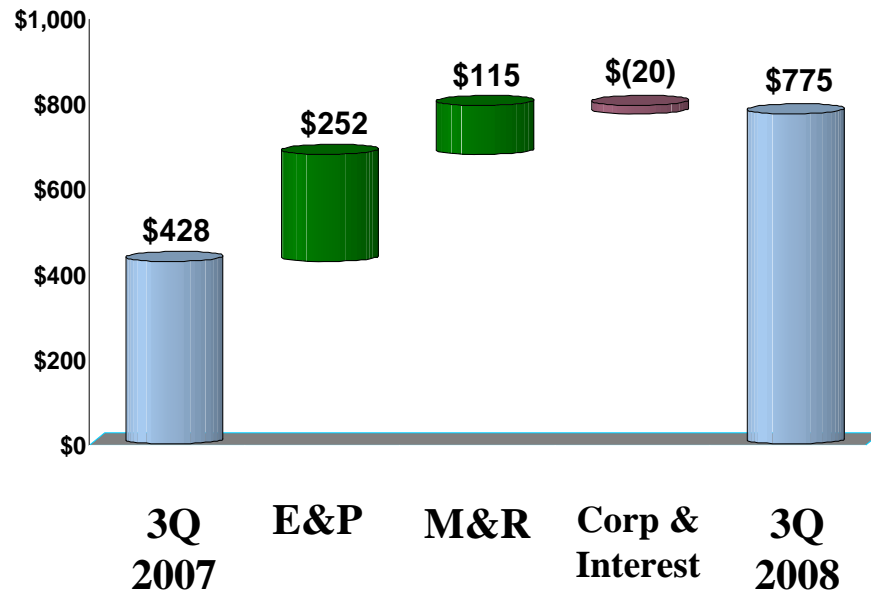
- None reported.

Consolidated Adjusted Earnings

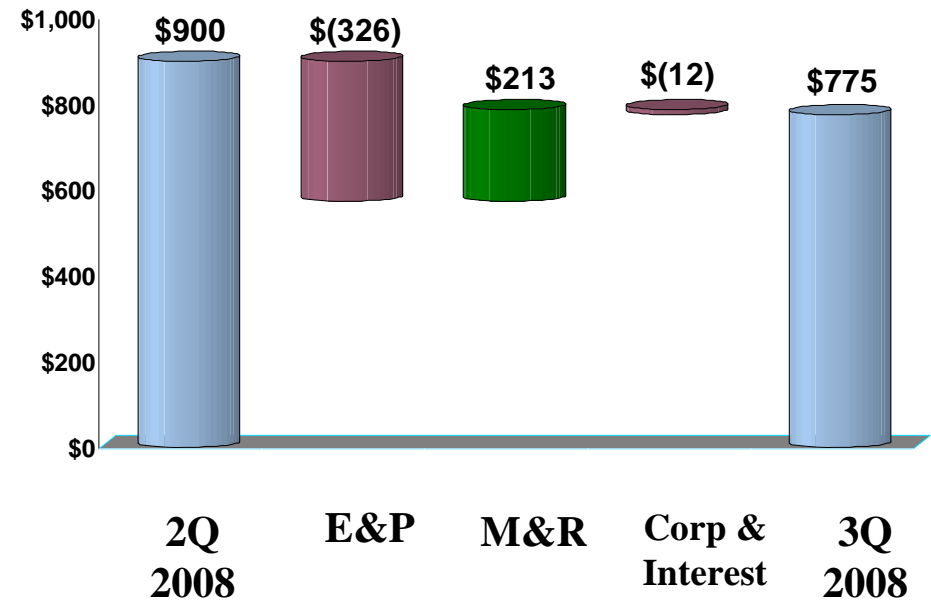


\$ Millions

3Q 2008 vs. 3Q 2007



3Q 2008 vs. 2Q 2008



Analysis of Consolidated Adjusted Earnings



3Q 2008 vs. 3Q 2007

- **Exploration and Production** – The increase in earnings primarily reflects higher realized selling prices partially offset by higher costs.
- **Marketing and Refining** – The increase primarily reflects higher margins and volumes.

3Q 2008 vs. 2Q 2008

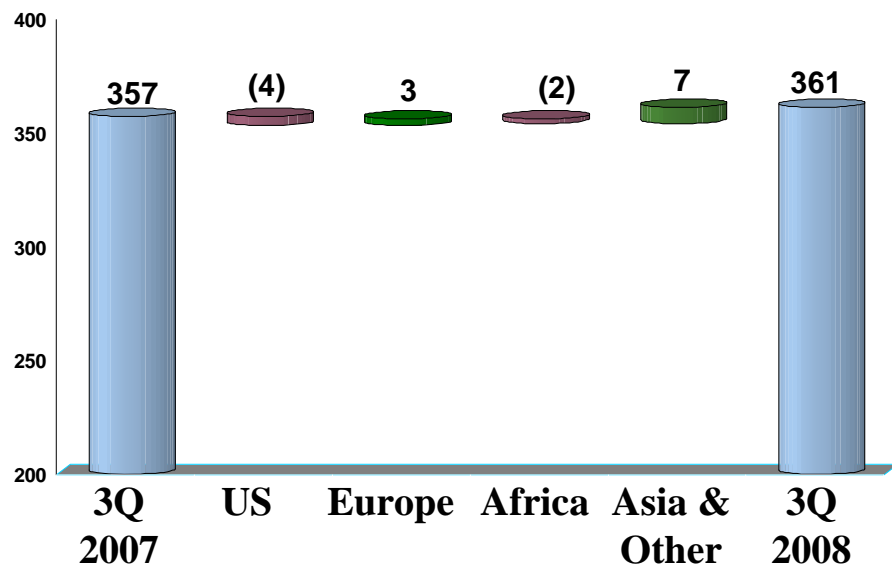
- **Exploration and Production** – The decrease primarily reflects lower selling prices and sales volumes.
- **Marketing and Refining** – The increase primarily reflects higher margins and improved trading results.



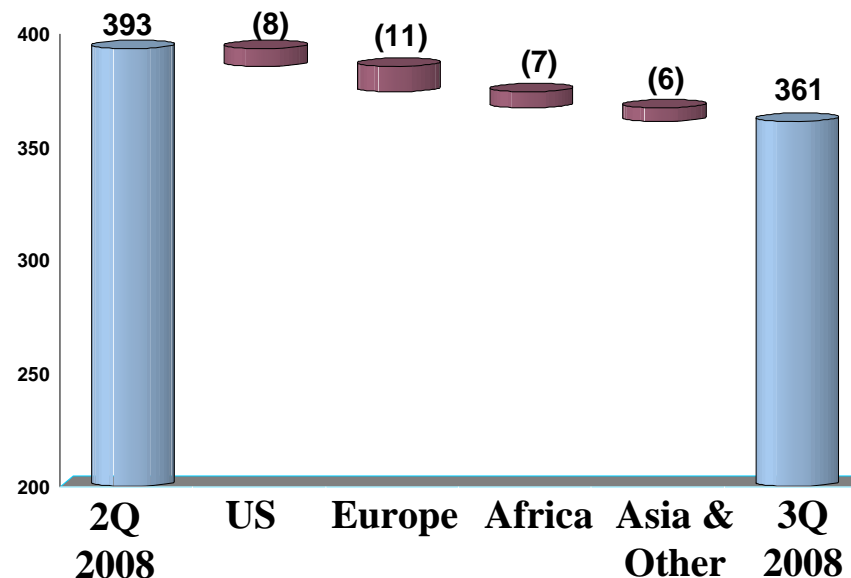
Worldwide Oil & Gas Production

(MBOEPD)

3Q 2008 vs. 3Q 2007



3Q 2008 vs. 2Q 2008



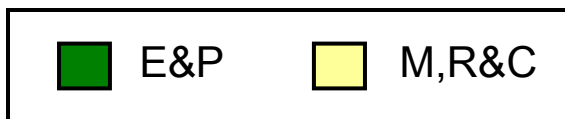
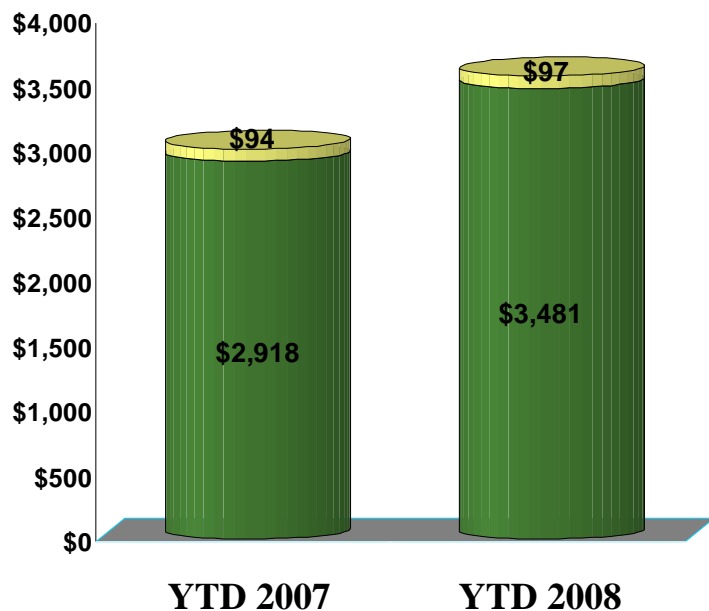
	<u>3Q 2007</u>	<u>3Q 2008</u>	<u>Inc/(Dec)</u>
United States	57	53	(4)
Europe	117	120	3
Africa	123	121	(2)
Asia & Other	<u>60</u>	<u>67</u>	<u>7</u>
Total	<u>357</u>	<u>361</u>	<u>4</u>

	<u>2Q 2008</u>	<u>3Q 2008</u>	<u>Inc/(Dec)</u>
United States	61	53	(8)
Europe	131	120	(11)
Africa	128	121	(7)
Asia & Other	<u>73</u>	<u>67</u>	<u>(6)</u>
Total	<u>393</u>	<u>361</u>	<u>(32)</u>



Capital & Exploratory Expenditures

\$ Millions



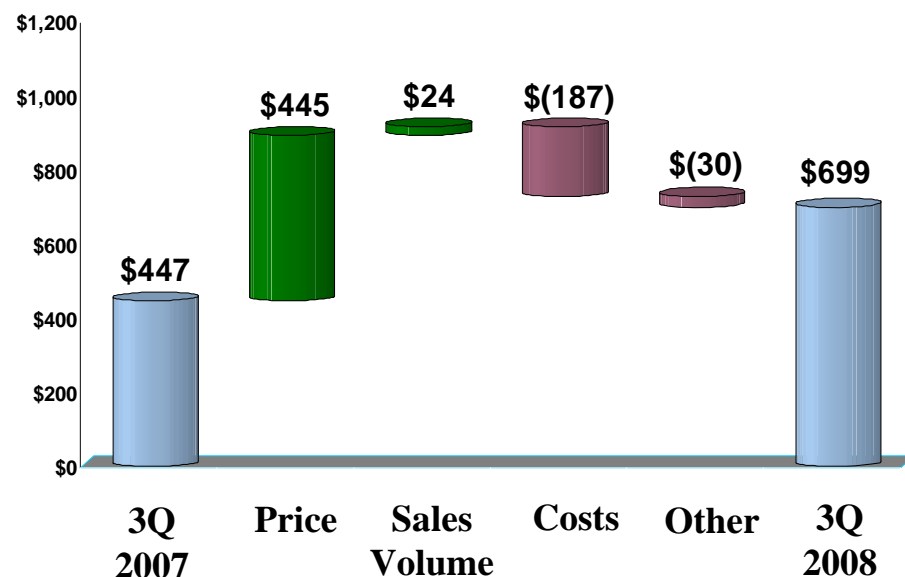
	Year to Date	
	2007	2008
Exploration & Production		
United States	\$ 1,312	\$ 1,645
International	<u>1,606</u>	<u>1,836</u>
Total E&P	2,918	3,481
Marketing, Refining & Corporate		
Total	<u>94</u>	<u>97</u>
Total	<u><u>\$ 3,012</u></u>	<u><u>\$ 3,578</u></u>
Exploration expenses included above:		
United States	\$ 149	\$ 162
International	<u>90</u>	<u>134</u>
Total	<u><u>\$ 239</u></u>	<u><u>\$ 296</u></u>



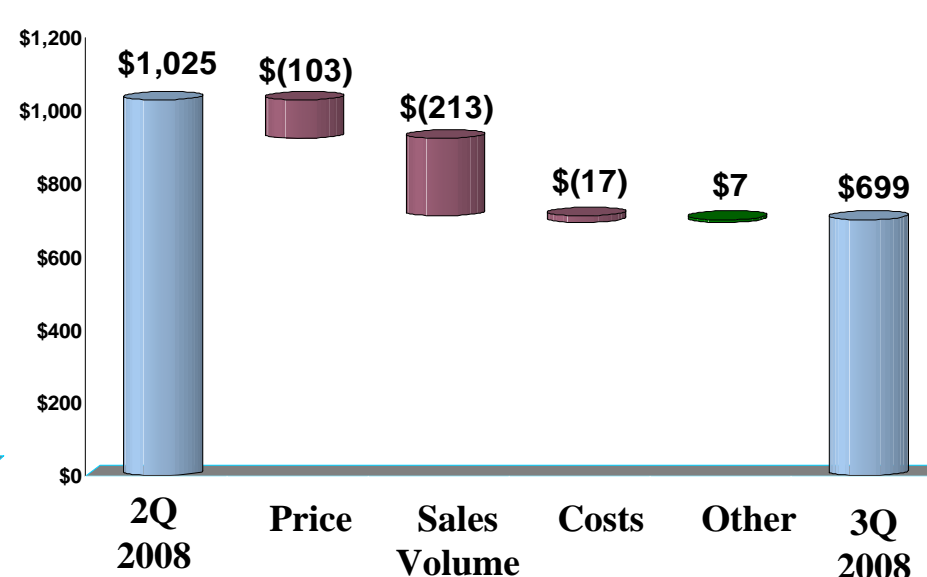
Exploration and Production Adjusted Earnings

\$ Millions

3Q 2008 vs. 3Q 2007



3Q 2008 vs. 2Q 2008



	<u>3Q 2007</u>	<u>3Q 2008</u>	<u>Inc/(Dec)</u>
United States	\$ 38	\$ 110	\$ 72
International	<u>409</u>	<u>589</u>	<u>180</u>
Total	<u>\$ 447</u>	<u>\$ 699</u>	<u>\$ 252</u>

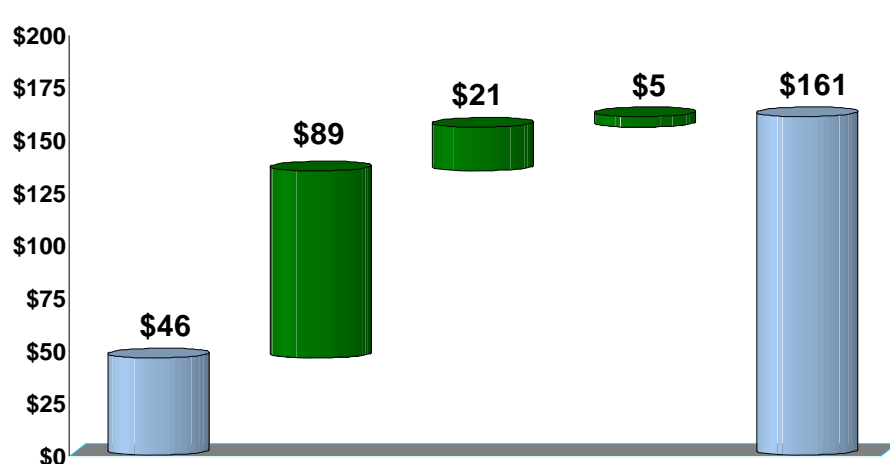
	<u>2Q 2008</u>	<u>3Q 2008</u>	<u>Inc/(Dec)</u>
United States	\$ 177	\$ 110	\$ (67)
International	<u>848</u>	<u>589</u>	<u>(259)</u>
Total	<u>\$ 1,025</u>	<u>\$ 699</u>	<u>\$ (326)</u>



Marketing and Refining Adjusted Earnings

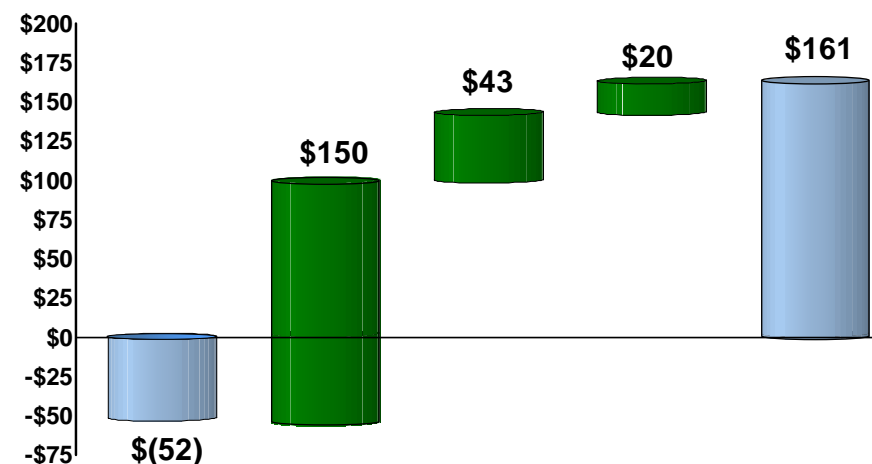
\$ Millions

3Q 2008 vs. 3Q 2007



3Q 2007 Marketing Refining Trading 3Q 2008

3Q 2008 vs. 2Q 2008



2Q 2008 Marketing Refining Trading 3Q 2008

	<u>3Q 2007</u>	<u>3Q 2008</u>	<u>Inc/(Dec)</u>
Marketing	\$ 21	\$ 110	\$ 89
Refining	25	46	21
Trading	-	5	5
Total	\$ 46	\$ 161	\$ 115

	<u>2Q 2008</u>	<u>3Q 2008</u>	<u>Inc/(Dec)</u>
Marketing	\$ (40)	\$ 110	\$ 150
Refining	3	46	43
Trading	(15)	5	20
Total	\$ (52)	\$ 161	\$ 213