

# STATEMENT OF CONSOLIDATED INCOME

Amerada Hess Corporation and Consolidated Subsidiaries

	<i>For the Years Ended December 31</i>		
	<b>2003</b>	2002	2001
<i>Millions of dollars, except per share data</i>			
<b>REVENUES AND NON-OPERATING INCOME</b>			
Sales (excluding excise taxes) and other operating revenues	<b>\$14,311</b>	\$11,551	\$13,052
Non-operating income (expense)			
Gain on asset sales	<b>39</b>	143	—
Equity in income (loss) of HOVENSA L.L.C.	<b>117</b>	(47)	58
Other	<b>13</b>	85	150
<b>Total revenues and non-operating income</b>	<b>14,480</b>	11,732	13,260
<b>COSTS AND EXPENSES</b>			
Cost of products sold	<b>9,947</b>	7,226	8,739
Production expenses	<b>796</b>	736	642
Marketing expenses	<b>709</b>	703	663
Exploration expenses, including dry holes and lease impairment	<b>369</b>	316	347
Other operating expenses	<b>192</b>	165	213
General and administrative expenses	<b>340</b>	253	311
Interest expense	<b>293</b>	256	194
Depreciation, depletion and amortization	<b>1,053</b>	1,118	833
Asset impairments	<b>—</b>	1,024	—
<b>Total costs and expenses</b>	<b>13,699</b>	11,797	11,942
Income (loss) from continuing operations before income taxes	<b>781</b>	(65)	1,318
Provision for income taxes	<b>314</b>	180	502
Income (loss) from continuing operations	<b>467</b>	(245)	816
Discontinued operations			
Net gain from asset sales	<b>116</b>	—	—
Income from operations	<b>53</b>	27	98
Cumulative effect of change in accounting principle	<b>7</b>	—	—
<b>NET INCOME (LOSS)</b>	<b>\$ 643</b>	\$ (218)	\$ 914
Less preferred stock dividends	<b>5</b>	—	—
<b>NET INCOME (LOSS) APPLICABLE TO COMMON SHAREHOLDERS</b>	<b>\$ 638</b>	\$ (218)	\$ 914
<b>BASIC EARNINGS (LOSS) PER SHARE</b>			
Continuing operations	<b>\$ 5.21</b>	\$ (2.78)	\$ 9.26
Net income (loss)	<b>7.19</b>	(2.48)	10.38
<b>DILUTED EARNINGS (LOSS) PER SHARE</b>			
Continuing operations	<b>\$ 5.17</b>	\$ (2.78)	\$ 9.15
Net income (loss)	<b>7.11</b>	(2.48)	10.25

See accompanying notes to consolidated financial statements.