

news release

AMERADA HESS CORPORATION

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FOR IMMEDIATE RELEASE

AMERADA HESS REPORTS ESTIMATED RESULTS FOR THE FOURTH QUARTER OF 2005

New York, New York...January 25, 2006...Amerada Hess Corporation (NYSE: AHC) reported net income of \$452 million for the fourth quarter of 2005 compared with net income of \$229 million for the fourth quarter of 2004. For the full year, net income was \$1,242 million compared with \$977 million in 2004. See the following page for a table of items affecting the comparability of earnings between periods. The after-tax results by major operating activity in 2005 and 2004 were as follows:

	Three months ended		Year ended	
	December 31		December 31	
	2005*	2004*	2005*	2004
	(In millions, except per share amounts)			
Exploration and Production	\$ 298	\$ 211	\$ 1,058	\$ 755
Marketing and Refining	229	93	515	451
Corporate	(41)	(36)	(191)	(85)
Interest expense	(34)	(39)	(140)	(151)
Net income from continuing operations	\$ 452	\$ 229	\$ 1,242	\$ 970
Discontinued operations	-	-	-	7
Net income	\$ 452	\$ 229	\$ 1,242	\$ 977
Net income per share (diluted)	\$ 4.31	\$ 2.22	\$ 11.94	\$ 9.57
Weighted average number of shares (diluted)	104.8	103.0	104.0	102.1

* Unaudited

Exploration and Production earnings were \$298 million in the fourth quarter of 2005 compared with \$211 million in the fourth quarter of 2004. The Corporation's oil and gas production, on a barrel-of-oil equivalent basis, was 316,000 barrels per day in the fourth quarter of 2005 compared with 346,000 barrels per day in the fourth quarter of 2004. Hurricane activity in the Gulf of Mexico reduced fourth quarter 2005 production by approximately 19,000 barrels of oil equivalent per day. The remainder of the production decrease is primarily due to increased maintenance activity in the North Sea.

In the fourth quarter of 2005, the Corporation's average worldwide crude oil selling price, including the effect of hedging, was \$34.09 per barrel, an increase of \$6.78 per barrel from the fourth quarter of 2004. The Corporation's average United States natural gas selling price was \$11.75 per Mcf in the fourth quarter of 2005, an increase of \$5.92 per Mcf from the fourth quarter of 2004.

Marketing and Refining earnings were \$229 million in the fourth quarter of 2005 compared with \$93 million in the fourth quarter of 2004. Refining earnings were \$83 million in the fourth quarter of 2005 compared with \$36 million in the fourth quarter of 2004. The increased Refining earnings reflect higher refined product margins. Marketing operations generated earnings of \$131 million in the fourth quarter of 2005, compared with \$64 million in the same period of 2004, principally reflecting higher margins on refined product sales, increased sales volumes and income of \$25 million (\$40 million before income taxes) from the partial liquidation of prior year LIFO inventories.

The following items, on an after-tax basis, are included in net income in the fourth quarter and full year of 2005 and 2004 (in millions):

	Three months ended		Year ended	
	December 31		December 31	
	2005	2004	2005	2004
<u>Exploration and Production</u>				
Hurricane related costs	\$ (12)	\$ -	\$ (26)	\$ -
Gains from asset sales	30	21	41	54
Income tax adjustments	-	19	11	19
Legal settlement	-	-	11	-
Accrued severance and office costs	-	-	-	(9)
<u>Marketing and Refining</u>				
LIFO inventory liquidation	25	12	32	12
Charge related to customer bankruptcy	(8)	-	(8)	-
<u>Corporate</u>				
Premiums on bond repurchases	(19)	-	(26)	-
Tax on repatriated earnings	-	-	(72)	-
Income tax adjustments	-	-	-	13
Insurance accrual	-	(13)	-	(13)
	<u>\$ 16</u>	<u>\$ 39</u>	<u>\$ (37)</u>	<u>\$ 76</u>

The fourth quarter 2005 asset sales represent the disposal of several non-producing properties in the United Kingdom. Marketing and Refining results in the fourth quarter of 2005 include income from the partial liquidation of prior year LIFO inventories and a charge resulting from the bankruptcy of a customer in the utility industry. In the fourth quarter of 2005, the Corporation repurchased \$497 million of bonds with maturities from 2006 to 2009 at a premium of \$29 million, before income taxes.

Net cash provided by operating activities was \$1,840 million in 2005 compared with \$1,903 million in 2004. Capital and exploratory expenditures for the year 2005 amounted to \$2,490 million of which \$2,384 million related to exploration and production activities. Capital and exploratory expenditures for the year 2004 amounted to \$1,650 million, including \$1,563 million for exploration and production.

At December 31, 2005, cash and short-term investments totaled \$325 million compared with \$877 million at December 31, 2004. The Corporation's debt to capitalization ratio at December 31, 2005 was 37.6% compared with 40.7% at the end of 2004. Total debt was \$3,785 million at December 31, 2005 and \$3,835 million at December 31, 2004.

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

	Fourth Quarter 2005	Fourth Quarter 2004	Third Quarter 2005
<u>Income Statement</u>			
Revenues and Non-operating Income			
Sales and other operating revenues	\$ 7,059	\$ 4,612	\$ 5,769
Non-operating income			
Equity in income of HOVENSA L.L.C.	67	21	151
Gains on asset sales	30	32	--
Other	(10)	32	36
Total revenues and non-operating income	<u>7,146</u>	<u>4,697</u>	<u>5,956</u>
Costs and Expenses			
Cost of products sold	5,367	3,321	4,424
Production expenses	284	239	256
Marketing expenses	238	200	202
Exploration expenses, including dry holes and lease impairment	86	83	91
Other operating expenses	37	48	31
General and administrative expenses	103	90	83
Interest expense	55	62	54
Depreciation, depletion and amortization	258	275	251
Total costs and expenses	<u>6,428</u>	<u>4,318</u>	<u>5,392</u>
Income before income taxes	718	379	564
Provision for income taxes	266	150	292
Net income	<u>\$ 452</u>	<u>\$ 229</u>	<u>\$ 272</u>
Preferred stock dividends	12	12	12
Net income applicable to common stockholders	<u>\$ 440</u>	<u>\$ 217</u>	<u>\$ 260</u>
<u>Supplemental Income Statement Information</u>			
Foreign currency gains, after-tax	\$ 2	\$ (1)	\$ 2
Capitalized interest	23	13	22
<u>Cash Flow Information</u>			
Net cash provided by operating activities (*)	\$ 289	\$ 254	\$ 484
<u>Capital and Exploratory Expenditures</u>			
Exploration and Production			
United States	\$ 95	\$ 124	\$ 74
International	654	312	600
Total Exploration and Production	749	436	674
Marketing and Refining	32	42	25
Total Capital and Exploratory Expenditures	<u>\$ 781</u>	<u>\$ 478</u>	<u>\$ 699</u>
Exploration expenses charged to income included above			
United States	\$ 28	\$ 32	\$ 30
International	29	17	12
	<u>\$ 57</u>	<u>\$ 49</u>	<u>\$ 42</u>

(*) Includes changes in working capital

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

	Year	
	2005	2004
<u>Income Statement</u>		
Revenues and Non-operating Income		
Sales and other operating revenues	\$ 22,747	\$ 16,733
Non-operating income		
Equity in income of HOVENSA L.L.C.	376	244
Gains on asset sales	48	55
Other	84	94
Total revenues and non-operating income	<u>23,255</u>	<u>17,126</u>
Costs and Expenses		
Cost of products sold	17,041	11,971
Production expenses	1,007	825
Marketing expenses	842	737
Exploration expenses, including dry holes and lease impairment	397	287
Other operating expenses	136	195
General and administrative expenses	357	342
Interest expense	224	241
Depreciation, depletion and amortization	1,025	970
Total costs and expenses	<u>21,029</u>	<u>15,568</u>
Income from continuing operations before income taxes	2,226	1,558
Provision for income taxes	984	588
Income from continuing operations	1,242	970
Discontinued operations	--	7
Net income	<u>\$ 1,242</u>	<u>\$ 977</u>
Preferred stock dividends	48	48
Net income applicable to common stockholders	<u>\$ 1,194</u>	<u>\$ 929</u>
<u>Supplemental Income Statement Information</u>		
Foreign currency gains, after-tax	\$ 18	\$ 6
Capitalized interest	80	54
<u>Cash Flow Information</u>		
Net cash provided by operating activities (*)	\$ 1,840	\$ 1,903
<u>Capital and Exploratory Expenditures</u>		
Exploration and Production		
United States	\$ 353	\$ 446
International	2,031	1,117
Total Exploration and Production	2,384	1,563
Marketing and Refining	106	87
Total Capital and Exploratory Expenditures	<u>\$ 2,490</u>	<u>\$ 1,650</u>
Exploration expenses charged to income included above		
United States	\$ 89	\$ 89
International	60	40
	<u>\$ 149</u>	<u>\$ 129</u>

(*) Includes changes in working capital

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

	December 31 2005	December 31 2004
<u>Balance Sheet Information</u>		
Cash and short-term investments	\$ 325	\$ 877
Other current assets	4,965	3,458
Investments	1,389	1,254
Property, plant and equipment - net	9,512	8,505
Other assets	2,924	2,218
Total assets	\$ 19,115	\$ 16,312
Current portion of long-term debt	\$ 26	\$ 50
Other current liabilities	6,421	4,647
Long-term debt	3,759	3,785
Deferred liabilities and credits	2,623	2,233
Stockholders' equity excluding other comprehensive income (loss)	7,813	6,621
Accumulated other comprehensive income (loss)	(1,527)	(1,024)
Total liabilities and stockholders' equity	\$ 19,115	\$ 16,312

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

	Fourth Quarter 2005		
	United States	International	Total
Sales and other operating revenues	\$ 274	\$ 826	\$ 1,100
Non-operating income (expenses)	3	28	31
Total revenues	<u>277</u>	<u>854</u>	<u>1,131</u>
Costs and expenses			
Production expenses, including related taxes	70	214	284
Exploration expenses, including dry holes and lease impairment	34	52	86
General, administrative and other expenses	21	22	43
Depreciation, depletion and amortization	24	216	240
Total costs and expenses	<u>149</u>	<u>504</u>	<u>653</u>
Results of operations before income taxes	128	350	478
Provision for income taxes	43	137	180
Results of operations	<u>\$ 85</u>	<u>\$ 213</u>	<u>\$ 298</u>
	Fourth Quarter 2004		
	United States	International	Total
Sales and other operating revenues	\$ 278	\$ 651	\$ 929
Non-operating income (expenses)	28	19	47
Total revenues	<u>306</u>	<u>670</u>	<u>976</u>
Costs and expenses			
Production expenses, including related taxes	55	184	239
Exploration expenses, including dry holes and lease impairment	35	48	83
General, administrative and other expenses	8	28	36
Depreciation, depletion and amortization	52	210	262
Total costs and expenses	<u>150</u>	<u>470</u>	<u>620</u>
Results of operations before income taxes	156	200	356
Provision for income taxes	50	95	145
Results of operations	<u>\$ 106</u>	<u>\$ 105</u>	<u>\$ 211</u>
	Third Quarter 2005		
	United States	International	Total
Sales and other operating revenues	\$ 275	\$ 767	\$ 1,042
Non-operating income (expenses)	--	16	16
Total revenues	<u>275</u>	<u>783</u>	<u>1,058</u>
Costs and expenses			
Production expenses, including related taxes	76	180	256
Exploration expenses, including dry holes and lease impairment	40	51	91
General, administrative and other expenses	13	19	32
Depreciation, depletion and amortization	36	200	236
Total costs and expenses	<u>165</u>	<u>450</u>	<u>615</u>
Results of operations before income taxes	110	333	443
Provision for income taxes	41	167	208
Results of operations	<u>\$ 69</u>	<u>\$ 166</u>	<u>\$ 235</u>

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

	Year 2005		
	United States	International	Total
Sales and other operating revenues	\$ 1,097	\$ 3,113	\$ 4,210
Non-operating income (expenses)	(1)	95	94
Total revenues	<u>1,096</u>	<u>3,208</u>	<u>4,304</u>
Costs and expenses			
Production expenses, including related taxes	253	754	1,007
Exploration expenses, including dry holes and lease impairment	233	164	397
General, administrative and other expenses	74	66	140
Depreciation, depletion and amortization	145	820	965
Total costs and expenses	<u>705</u>	<u>1,804</u>	<u>2,509</u>
Results of operations before income taxes	391	1,404	1,795
Provision for income taxes	141	596	737
Results of operations	<u>\$ 250</u>	<u>\$ 808</u>	<u>\$ 1,058</u>
	Year 2004		
	United States	International	Total
Sales and other operating revenues	\$ 909	\$ 2,507	\$ 3,416
Non-operating income (expenses)	26	64	90
Total revenues	<u>935</u>	<u>2,571</u>	<u>3,506</u>
Costs and expenses			
Production expenses, including related taxes	198	627	825
Exploration expenses, including dry holes and lease impairment	135	152	287
General, administrative and other expenses	57	93	150
Depreciation, depletion and amortization	147	771	918
Total costs and expenses	<u>537</u>	<u>1,643</u>	<u>2,180</u>
Results of operations before income taxes	398	928	1,326
Provision for income taxes	141	430	571
Results of operations	<u>\$ 257</u>	<u>\$ 498</u>	<u>\$ 755</u>

AMERADA HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES
SUPPLEMENTAL OPERATING DATA
(IN THOUSANDS, EXCEPT FOR AVERAGE SELLING PRICES)

	Fourth Quarter 2005	Fourth Quarter 2004	Third Quarter 2005
<u>Operating Data</u>			
<u>Net Production Per Day</u>			
Crude oil - barrels			
United States	37	50	42
Europe	105	114	102
Africa, Asia and other	76	66	74
Total	<u>218</u>	<u>230</u>	<u>218</u>
Natural gas liquids - barrels			
United States	9	14	11
Europe	4	6	2
Total	<u>13</u>	<u>20</u>	<u>13</u>
Natural gas - mcf			
United States	112	178	125
Europe	254	316	218
Africa, Asia and other	147	82	141
Total	<u>513</u>	<u>576</u>	<u>484</u>
Barrels of oil equivalent	<u>316</u>	<u>346</u>	<u>312</u>
<u>Average Selling Price (including hedging)</u>			
Crude oil - per barrel			
United States	\$ 30.95	\$ 29.92	\$ 34.86
Europe	33.50	25.98	34.59
Africa, Asia and other	36.21	27.65	37.75
Natural gas liquids - per barrel			
United States	\$ 48.67	\$ 33.31	\$ 40.90
Europe	44.60	37.15	36.77
Natural gas - per mcf			
United States	\$ 11.75	\$ 5.83	\$ 8.53
Europe	6.91	4.42	4.12
Africa, Asia and other	4.04	4.19	4.12
<u>Average Selling Price (excluding hedging)</u>			
Crude oil - per barrel			
United States	\$ 54.85	\$ 43.20	\$ 58.32
Europe	53.10	42.55	59.47
Africa, Asia and other	54.77	41.33	59.56
Natural gas liquids - per barrel			
United States	\$ 48.67	\$ 33.31	\$ 40.90
Europe	44.60	37.15	36.77
Natural gas - per mcf			
United States	\$ 11.75	\$ 6.08	\$ 8.53
Europe	6.91	4.42	4.12
Africa, Asia and other	4.04	4.19	4.12

AMERADA HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES
SUPPLEMENTAL OPERATING DATA
(IN THOUSANDS, EXCEPT FOR AVERAGE SELLING PRICES)

	Year	
	2005	2004
<u>Operating Data</u>		
<u>Net Production Per Day</u>		
Crude oil - barrels		
United States	44	44
Europe	110	119
Africa, Asia and other	74	65
Total	<u>228</u>	<u>228</u>
Natural gas liquids - barrels		
United States	12	12
Europe	4	6
Total	<u>16</u>	<u>18</u>
Natural gas - mcf		
United States	137	171
Europe	274	319
Africa, Asia and other	133	85
Total	<u>544</u>	<u>575</u>
Barrels of oil equivalent	<u>335</u>	<u>342</u>
<u>Average Selling Price (including hedging)</u>		
Crude oil - per barrel		
United States	\$ 32.64	\$ 27.42
Europe	33.13	26.18
Africa, Asia and other	34.16	27.19
Natural gas liquids - per barrel		
United States	\$ 38.50	\$ 29.50
Europe	37.13	27.44
Natural gas - per mcf		
United States	\$ 7.93	\$ 5.18
Europe	5.29	3.96
Africa, Asia and other	4.02	3.90
<u>Average Selling Price (excluding hedging)</u>		
Crude oil - per barrel		
United States	\$ 51.16	\$ 38.56
Europe	52.22	37.57
Africa, Asia and other	51.97	37.16
Natural gas liquids - per barrel		
United States	\$ 38.50	\$ 29.50
Europe	37.13	27.44
Natural gas - per mcf		
United States	\$ 7.93	\$ 5.53
Europe	5.29	3.96
Africa, Asia and other	4.02	3.90

AMERADA HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES
HEDGED PRICES AND VOLUMES

<u>Maturity</u>	<u>Brent Crude Oil</u>	
	<u>Average</u> <u>Selling Price</u>	<u>Thousands of</u> <u>barrels per day</u>
2006	\$ 28.10	30
2007	25.85	24
2008	25.56	24
2009	25.54	24
2010	25.78	24
2011	26.37	24
2012	26.90	24

Note: There were no WTI crude oil or natural gas hedges outstanding at December 31, 2005.

AMERADA HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES
MARKETING AND REFINING SUPPLEMENTAL FINANCIAL AND OPERATING DATA

	Fourth Quarter 2005	Fourth Quarter 2004	Third Quarter 2005
<u>Financial Information (in millions)</u>			
<u>Marketing and Refining Earnings</u>			
Income before income taxes	\$ 358	\$ 139	\$ 202
Provision for income taxes	129	46	77
Marketing and Refining Earnings	<u>\$ 229</u>	<u>\$ 93</u>	<u>\$ 125</u>
<u>Summary of Marketing and Refining Earnings</u>			
Refining	\$ 83	\$ 36	\$ 144
Marketing	131	64	(22)
Trading	15	(7)	3
Total Marketing and Refining Earnings	<u>\$ 229</u>	<u>\$ 93</u>	<u>\$ 125</u>

Operating Data (in thousands unless noted)

Refined Product Sales (barrels per day)

Gasoline	218	181	226
Distillates	170	152	104
Residuals	78	56	43
Other	53	41	37
Total	<u>519</u>	<u>430</u>	<u>410</u>

Refinery Throughput (barrels per day)

HOVENSA - Crude runs	482	472	413
HOVENSA - AHC 50% share	241	236	206
Port Reading	64	55	62

Refinery Utilization

	<u>Refinery Capacity</u> (thousands of barrels per day)			
HOVENSA				
Crude	500	96.3%	94.4%	82.5% *
FCC	150	87.1%	86.2%	89.7%
Coker	58	85.3%	84.1%	92.4%
Port Reading	65	98.5%	89.0%	95.5%

* Reflects reduced utilization from scheduled maintenance.

Retail Marketing

Number of retail stations (a)	1,354	1,254	1,358
Convenience store revenue (in millions) (b)	\$ 241	\$ 228	\$ 260
Average gasoline volume per station (gallons per month) (b)	199	194	211

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

(b) Company operated only.

AMERADA HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES
MARKETING AND REFINING SUPPLEMENTAL FINANCIAL AND OPERATING DATA

	Year	
	2005	2004
<u>Financial Information (in millions)</u>		
<u>Marketing and Refining Earnings</u>		
Income before income taxes	\$ 813	\$ 610
Provision for income taxes	298	159
Marketing and Refining Earnings	\$ 515	\$ 451
<u>Summary of Marketing and Refining Earnings</u>		
Refining	\$ 346	\$ 302
Marketing	136	112
Trading	33	37
Total Marketing and Refining Earnings	\$ 515	\$ 451
<hr style="border: 1px solid black;"/>		
<u>Operating Data (in thousands unless noted)</u>		
<u>Refined Product Sales (barrels per day)</u>		
Gasoline	213	193
Distillates	136	140
Residuals	64	58
Other	43	37
Total	456	428
<u>Refinery Throughput (barrels per day)</u>		
HOVENSA - Crude runs	461	484
HOVENSA - AHC 50% share	231	242
Port Reading	55	52
<u>Refinery Utilization</u>		
HOVENSA	<u>Refinery Capacity</u>	
Crude	(thousands of barrels per day)	
FCC	500	92.2% *
Coker	150	81.9% *
Port Reading	58	92.8%
Port Reading	65	85.3% *
		94.5%
		83.4% **
<u>Retail Marketing</u>		
Number of retail stations (a)	1,354	1,254
Convenience store revenue (in millions) (b)	\$ 973	\$ 932
Average gasoline volume per station (gallons per month) (b)	204	191

* Reflects reduced utilization from scheduled maintenance.

** Includes a storm-related interruption.

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

(b) Company operated only.

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