|  | 01 | 0 | $\square$ |  |  |  |  |  | $1.3$ | $\begin{aligned} & \text { P/E } \\ & \text { RAT } \end{aligned}$ | $12 .$ | $7\left(\begin{array}{l} \text { Trailin } \\ \text { Mediai } \end{array}\right.$ | $\begin{aligned} & \text { ng: } 13.8 \\ & \text { an: } 11.0 \end{aligned}$ | $\begin{aligned} & \text { RELAT } \\ & \text { P/E R } \end{aligned}$ | $0.7$ | \|DIV'D |  |  | $\begin{aligned} & \text { ILUE } \\ & \text { INE } \end{aligned}$ |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| TIMELIN | $\text { VESS } 3$ | owered | 8/16/13 | High: Low: | $\begin{array}{r} 41.1 \\ 31.6 \\ \hline \end{array}$ | $\begin{array}{r} 52.1 \\ 39.9 \\ \hline \end{array}$ | 66.0 49.3 | $\begin{aligned} & 79.0 \\ & 55.8 \end{aligned}$ | $\begin{aligned} & 95.3 \\ & 69.0 \end{aligned}$ | $\begin{aligned} & 96.1 \\ & 56.5 \end{aligned}$ | $\begin{aligned} & \hline 82.7 \\ & 61.9 \end{aligned}$ | $\begin{aligned} & 73.7 \\ & 55.9 \end{aligned}$ | $\begin{aligned} & 88.2 \\ & 67.0 \end{aligned}$ | $\begin{aligned} & 93.7 \\ & 77.1 \end{aligned}$ | $\begin{array}{r} 101.7 \\ 84.8 \end{array}$ | $\begin{array}{r} 103.4 \\ 89.3 \end{array}$ |  |  | Target Price | Range 2019 |
| SAFETY <br> TECHNICAL |  | Raised 6 <br> Lowered | 30/95 | $\begin{array}{\|c\|c\|} \hline \text { LEGENE } \\ \hline \cdots \\ \hline \text { R } \end{array}$ | DS ${ }^{\text {¢ }}$ "Cash | N"p sh |  |  |  |  |  |  |  |  |  |  |  |  |  | $-200$ |
| BETA | $90 \quad(1.00=$ | Market) |  | 2-for-1 | Ye $7 / 01$ |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 160 |
|  | 7-19 PRO | JECTI |  | Shad | in | rec |  |  |  |  |  |  |  |  |  |  |  |  |  | 100 |
|  | Price |  | ' Total |  |  |  |  |  |  |  |  |  |  | U11 |  |  |  |  |  | -80 |
| High | Price | $\begin{aligned} & \text { Gain } \\ & .40 \% \end{aligned}$ | turn |  |  |  |  | T |  |  | I! |  |  |  |  |  |  |  |  | 60 |
| Low | 15 | 15\%) | 6\% |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Insider | Decisi | ons |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 40 |
| - | J A S | O N D | J F M |  | + |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 30 |
| to Buy Options to Sell | $\begin{array}{lll} 0 & 0 & 0 \\ 0 & 0 & 0 \\ 0 & 0 & 1 \end{array}$ | $\begin{array}{llll}0 & 0 & 0 \\ 0 & 0 & 0 \\ 0 & 1 & 5\end{array}$ | $\begin{array}{lll} 0 & 0 & 0 \\ 0 & 0 & 0 \\ 0 & 1 & 0 \end{array}$ |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | RETURN | -20 |
| Institu | tional D | ecision |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | THIS VLARITH. |  |
|  | 302013 | 402013 | 102014 | Pe |  |  |  |  |  |  |  |  |  |  |  |  |  |  | STOCK INDEX |  |
| to Buy to Sell | $\begin{aligned} & 673 \\ & 948 \end{aligned}$ | $\begin{aligned} & 783 \\ & 967 \end{aligned}$ | $\begin{array}{r} 684 \\ 1026 \end{array}$ | shares |  |  |  |  |  |  |  |  |  |  |  |  |  | 1 yr. 3 yr. | 18.3 22.9 <br> 25.8 40.2 |  |
| Hid's(000) | 21726672 | 2047342 | 171692 |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 5 yr . | $74.6 \quad 175.8$ |  |
| 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | $\bigcirc$ Q VAL | JE LINE PUB. LLC | 17-19 |
| 20.74 | 23.14 | 29.74 | 27.54 | 26.70 | 32.12 | 41.24 | 53.52 | 58.49 | 66.63 | 85.42 | 58.30 | 68.60 | 91.58 | 93.45 | 90.02 | 93.50 | 99.50 | Sales | rsh ${ }^{\text {A }}$ | 132.45 |
| 2.42 | 2.40 | 3.61 | 3.39 | 2.88 | 3.97 | 5.48 | 7.19 | 8.82 | 9.82 | 11.58 | 6.60 | 9.08 | 11.97 | 11.83 | 11.48 | 12.05 | 12.50 | "Cash F | low" per sh | 16.95 |
| 1.31 | 1.19 | 2.41 | 2.18 | 1.61 | 2.56 | 3.89 | 5.35 | 6.55 | 7.28 | 8.69 | 3.98 | 6.22 | 8.42 | 8.09 | 7.37 | 7.95 | 8.10 | Earning | per sh B | 11.50 |
| . 82 | . 84 | . 88 | . 91 | . 92 | . 98 | 1.06 | 1.14 | 1.28 | 1.37 | 1.55 | 1.66 | 1.74 | 1.85 | 2.18 | 2.46 | 2.70 | 2.88 | Div'ds | Decl'd per sh Ctm | 3.30 |
| 1.72 | 1.56 | 1.22 | 1.47 | 1.71 | 1.96 | 1.87 | 2.26 | 2.70 | 2.86 | 3.88 | 4.76 | 5.40 | 6.54 | 7.61 | 7.77 | 7.00 | 7.15 | Cap'I | ending per sh | 7.50 |
| 8.99 | 9.13 | 10.21 | 10.74 | 11.13 | 13.69 | 15.90 | 18.13 | 19.87 | 22.62 | 22.70 | 23.39 | 29.49 | 32.61 | 36.84 | 40.14 | 43.65 | 47.15 | Book Va | lue per sh | 64.40 |
| 4856.0 | 6954.0 | 6930.0 | 6809.0 | 6700.0 | 6568.0 | 6401.0 | 6133.0 | 5729.0 | 5382.0 | 4976.0 | 4727.0 | 4979.0 | 4734.0 | 4502.0 | 4335.0 | 4225.0 | 4120.0 | Comm | Shs Outst'g D | 3850.0 |
| 26.5 | 32.3 | 17.3 | 18.9 | 23.4 | 14.1 | 11.7 | 10.9 | 10.0 | 11.4 | 9.5 | 17.8 | 10.5 | 9.5 | 10.7 | 12.3 | Bold figu | res ar | Avg A | 'IP/E Ratio | 11.0 |
| 1.38 | 1.84 | 1.12 | . 97 | 1.28 | . 80 | . 62 | . 58 | . 54 | . 61 | . 57 | 1.19 | . 67 | . 60 | . 68 | 69 | Value | Line | Relativ | P/E Ratio | . 70 |
| 2.4\% | 2.2\% | 2.1\% | 2.2\% | 2.4\% | 2.7\% | 2.3\% | 2.0\% | 2.0\% | 1.6\% | 1.9\% | 2.3\% | 2.7\% | 2.3\% | 2.5\% | 2.7\% | estima | ates | Avg Ann | 'I Div'd Yield | 2.6\% |
| CAPITAL STRUCTURE as of $3 / 31 / 14$ Total Debt $\$ 21367$ mill. Due in 5 Yrs $\$ 12275$ mill. LT Debt $\$ 12144$ mill. LT Interest $\$ 280$ mill. (Total interest coverage: over 25.0x) Incl. \$375 mill. of capitalized leases |  |  |  |  |  | 263989 | 328213 | 335086 | 358600 | 425071 | 275564 | 341578 | 433526 | 420714 | 390247 | 395000 | 410000 | Sales | mill) ${ }^{\text {A }}$ | 510000 |
|  |  |  |  |  |  | 17.3\% | 18.1\% | 20.1\% | 19.2\% | 18.1\% | 13.8\% | 16.1\% | 16.1\% | 15.6\% | 14.7\% | 14.5\% | 14.5\% | Operat | g Margin | 16.0\% |
|  |  |  |  |  |  | 9767.0 | 10253 | 11416 | 12250 | 12379 | 11917 | 14760 | 15583 | 15888 | 17182 | 17000 | 17500 | Depre | ation (\$mill) | 20500 |
|  |  |  |  |  |  | 25330 | 33860 | 39090 | 40610 | 45220 | 19280 | 30460 | 41060 | 37380 | 32580 | 34000 | 33800 | Net Pro | it (\$mill) | 44700 |
|  |  |  |  | (6\% of | Cap'l) | 38.6\% | 43.0\% | 42.0\% | 42.4\% | 44.7\% | 43.5\% | 40.7\% | 42.4\% | 43.6\% | 42.0\% | 42.0\% | 42.5\% | Income | Tax Rate | 42.5\% |
| Leases, Uncapitalized Annual rentals \$2.4 bill. |  |  |  |  |  | 9.6\% | 10.3\% | 11.7\% | 11.3\% | 10.6\% | 7.0\% | 8.9\% | 9.5\% | 8.9\% | 8.3\% | 8.6\% | 8.2\% | Net Pro | it Margin | 8.8\% |
| Pension Assets-12/13 $\$ 30.5$ bill. Obligation $\$ 44.7$ bill. |  |  |  |  |  | 17396 | 27035 | 26960 | 27651 | 23166 | 3174.0 | d3649 | d4542 | 321.0 | d12416 | d9500 | d10000 | Worki | Cap'I (\$mill) | d5000 |
|  |  |  |  |  |  | 5013.0 | 6220.0 | 6645.0 | 7183.0 | 7025.0 | 7129.0 | 12227 | 9322.0 | 7928.0 | 6891.0 | 12000 | 12000 | Long-Te | rm Debt (\$mill) | 15000 |
| Pfd Stock None Common Stock 4,294,374,730 shares |  |  |  |  |  | 101756 | 111186 | 113844 | 121762 | 112965 | 110569 | 146839 | 154396 | 165863 | 174003 | 184450 | 194250 | Shr. Eq | ity (\$mill) | 248000 |
|  |  |  |  |  |  | 23.8\% | 28.9\% | 32.6\% | 31.6\% | 37.9\% | 16.8\% | 19.4\% | 25.3\% | 21.7\% | 18.2\% | 17.5\% | 16.5\% | Return | on Total Cap'l | 17.0\% |
| MARKET CAP: \$435 billion (Large Cap) |  |  |  |  |  | 24.9\% | 30.5\% | 34.3\% | 33.4\% | 40.0\% | 17.4\% | 20.7\% | 26.6\% | 22.5\% | 18.7\% | 18.5\% | 17.5\% | Return | on Shr. Equity | 18.0\% |
|  |  |  |  |  |  | 17.9\% | 23.7\% | 27.4\% | 26.9\% | 32.6\% | 9.9\% | 14.8\% | 20.6\% | 16.3\% | 12.3\% | 12.0\% | 11.5\% | Retaine | to Com Eq | 12.5\% |
| $\underset{\substack{\text { CURRENT POSITION } \\ \text { (SMILL.) }}}{ } 2012 \quad 2013$ 3/31/1 |  |  |  |  |  | 28\% | 22\% | 20\% | 19\% | 19\% | 43\% | 29\% | 23\% | 28\% | 34\% | 34\% | 36\% | All Div' | s to Net Prof | 29\% |


| ash Assets |  |  |  |
| :---: | :---: | :---: | :---: |
| Cash Assets | 9923 34987 | 34913 | 5805 32480 |
| Inventory (LIFO) | 14542 | 16135 | 18568 |
| Other | 5008 | 5108 | 8011 |
| Current Assets | 64460 | 59308 | 61864 |
| Accts Payable | 50728 | 48085 | 52109 |
| Debt D | 3653 | 15808 | 9223 |
| Other | 9758 | 7831 | 8776 |
| Current Liab. | 64139 | 71724 | 70108 |
| ANNUAL RATES of change (per sh) | Past 10 Yrs. | Past 5 Yrs. | '17:'19 |
| Sales | 12.5\% | 5.5\% | 6.5\% |
| "Cash Flow" | 13.0\% | 3.0\% | 6.5\% |
| Earnings | 14.0\% | 1.0\% | 6.5\% |
| Dividends | 8.5\% | 9.0\% | 7.5\% |
| Book Value | 12.0\% | 11.0\% | 10.0\% |


| Calendar | QUARTERLY SALES (\$ mill.) ${ }^{\text {A }}$ |  |  |  | Full Year |
| :---: | :---: | :---: | :---: | :---: | :---: |
|  | Mar. 31 | Jun. 30 | Sep. 30 | Dec. 31 |  |
| 2011 | 101335 | 112781 | 111991 | 107419 | 43352 |
| 2012 | 110696 | 104718 | 103417 | 101883 | 420714 |
| 2013 | 96336 | 95301 | 100508 | 98102 | 390247 |
| 2014 | 94344 | 98500 | 100000 | 102156 | 395000 |
| 2015 | 101000 | 102000 | 103000 | 104000 | 41000 |
| $\begin{aligned} & \text { Cal- } \\ & \text { endar } \end{aligned}$ | EARNINGS PER SHARE B |  |  |  | Full Year |
|  | Mar. 31 | Jun. 30 | Sep. 30 | D |  |
| 2011 | 2.14 | 2.18 | 2.13 | 1.97 | 8.42 |
| 2012 | 2.00 | 1.80 | 2.09 | 2.20 | 8.09 |
| 2013 | 2.12 | 1.55 | 1.79 | 1.91 | 7.37 |
| 2014 | 2.10 | 1.90 | 1.95 | 2.00 | 7.95 |
| 2015 | 2.00 | 2.05 | 2.00 | 2.05 | 810 |
|  | QUARTERLY DIVIDENDS PAID C- $\dagger$ |  |  |  | Full |
| endar | Mar. 31 | Jun. 30 | Sep. 30 | Dec. 31 | Year |
| 2010 | . 42 | . 44 | . 44 | . 44 | 1.74 |
| 2011 | . 44 | . 47 | 47 | . 47 | 1.85 |
| 2012 | . 47 | . 57 | . 57 | . 57 | 2.18 |
| 2013 | . 57 | . 63 | . 63 | . 63 | 2.46 |
| 2014 | . 63 | . 69 |  |  |  |

BUSINESS: Exxon Mobil Corp. is the largest publicly traded oil company. Owns $69.6 \%$ of Imperial Oil (Canada). Daily production in 2013: oil, 2.2 mil. barrels ( $+1 \%$ vs. '12); natural gas, 11.8 billion cubic feet (-4\% vs. '12). On an oil-equivalent basis, total production fell $1.5 \%$ in 2013. Daily refinery runs, 4.6 million barrels ( $-9 \%$ vs. '12); product sales, 5.9 mill. bbls ( $-5 \%$ vs. '12). Chemical sales,

## Exxon Mobil's long-term strengths

 have been outweighing its near-term shortcomings of late. That is apparent as investors have pushed the shares to alltime highs, despite flattish earnings and a dip in oil production early in 2014. True, in the scheme of things, the stock has underperformed during the bull market of the past five-plus years. But the returns achieved here have been attained with a reduced degree of risk, owing to Exxon's exceptional market position and finances.Modest full-year earnings improvement in 2014 and 2015 looks to be on tap. There is a good possibility that fullyear refining margins will be somewhat better than in 2013. Spreads in price between foreign and domestic crude oil narrowed considerably at times last year, making it tough to find advantaged feedstock for the company's refineries. The current backdrop isn't shaping up as quite as difficult. Meantime, natural gas price realizations should continue to be much improved. On the downside, combined oil and natural gas production volume could slip a bit. In 2015, we look for slightly higher share net, assuming, all else equal,
24.1 mill. tonnes (flat vs. '12). Reserves as of $12 / 31 / 13$ : 25.2 billion barrels of oil equivalent, $53 \%$ oil, $47 \%$ gas. 10 -year avg. reserve replacement rate: $120 \%$. Acquired XTO Energy, 2010. BlackRock owns $5.4 \%$ of stock (4/14 Proxy). Employs 83,600. Chrmn. and CEO: Rex Tillerson. Inc.: NJ. Address: 5959 Las Colinas Blvd., Irving, TX 75039-2298. Tel.: 972-444-1000. www.exxonmobil.com.

## oil production begins to move higher

Adding value over time is Exxon's formula for success. To that end, the sizable investment program of recent years should pay off with higher oil production, notably from Canada, beginning in 2015. A $\$ 19$ billion liquified natural gas project in Papua New Guinea now shipping its first cargo should be in high gear next year, too. Meantime, Exxon has 18-20 major oil and gas projects starting up within three years, and 30 more within five years. The company can produce more natural gas stateside, too, once prices provide added incentive. As a result, there is the potential for moderately higher volume. Elsewhere, the refining and chemicals lines ought to chip in with higher profits out to 2017-2019, assuming economic growth boosts product demand.
Long-term, conservative investors might like the stock's 3- to 5-year total return potential, That is especially in light of the neutrally ranked shares' top Safety rank. N ote: The quarterly dividend has been hiked 9.5\% and Exxon plans to buy back $\$ 3$ billion in stock this quarter. Robert Mitkowski, J r.

J une 6, 2014

[^0]Company's Financial Strength<br>Stock's Price Stability<br>Price Growth Persistence<br>Earnings Predictability


[^0]:    (A) Net of gasoline excise taxes.
    (B) Based on diluted shares. Excludes non- Next earnings report due late July.
    -Dividend reinvestment plan available. . $\quad \dagger$ Stock Purchase Plan available w/o broker
    

