

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, placement 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

71724 69529 Current Liab. Past Est'd '11-'13 **ANNUAL RATES** Past 5 Yrs. 5.5% 3.0% 1.0% to '17-'19 10 Yrs. 12.5% of change (per sh) 6.5% 6.5% 6.5% Sales "Cash Flow" 13.0% 14.0% Earnings Dividends Book Value 8 5% 12.0% 11.0% 10.0%

64460

50728

3653

9758

64139

59308

48085

15808

7831

64013

52363

9948

Current Assets

Accts Payable Debt Due

Cal-	QUARTERLY SALES (\$ mill.)A				Full
endar	Mar.31	Jun.30	Sep.30	Dec.31	Year
2011	101335	112781	111991	107419	433526
2012	110696	104718	103417	101883	420714
2013	96336	95301	100508	98102	390247
2014	94344	98287	97000	98369	388000
2015	100000	101000	102000	102000	405000
Cal-	EARNINGS PER SHARE B Full				
endar	Mar.31	Jun.30	Sep.30	Dec.31	Year
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	2.05	1.90	1.95	8.00
2015	2.00	2.05	2.00	2.05	8.10
Cal-	QUARTERLY DIVIDENDS PAID C=†				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	.69		

Falling production and an oil market pullback have pushed down Exxon Mobil stock from its recent all-time high. Combined oil and natural gas volume pumped fell more than 5% in the first half of 2014, hurting investor sentiment. Moreover, asset sales pushed up earnings by an estimated \$0.25 in the second quarter (included in our presentation). The combination of those developments has weighed on the stock a bit.

Earnings nevertheless appear to be in a healthy range. Improved performance from the refining sector following a slump in mid-2013 is helping results. In addition, we are assuming oil prices will remain in the \$90-\$100-a-barrel range and \$3 billion of share repurchases per quarter. Those factors should help the company generate healthy returns in 2014 and 2015.

An array of project startups stands to benefit production in the later stages of this year and all of 2014. Facilities ramping up in Papua New Guinea, off-shore Angola, onshore in the United States, Sakhalin Island, and in the Gulf of Mexico suggest better performance in the field is possible soon. What is not clear is

if asset sales will diminish the glow of the undertakings starting up to the point where investors are less excited. In any event, the company's full slate of development projects out to decade's end offers the promise of higher profits down the road, assuming oil prices hold their own and natural gas prices advance somewhat. Refining and chemicals earnings may well trend higher over the long run, as well. Few companies are as well positioned as Exxon Mobil to profit from the rising demand for transportation fuel, lubricants, and chemicals from China, India, and Latin America. The likelihood of greater sales from refining and chemicals from developing markets, combined with Exxon's industry-leading efficiency, augurs well for the bottom line to decade's end.

These shares, among the bluest of the blue chips, offer attractive riskadjusted 3- to 5-year total return potential. Exxon's top-notch finances make the neutrally ranked issue especially suitable for long-term, conservative investors. Note: There has been no noticeable effect yet from sanctions on Russia. Robert Mitkowski, Jr. September 5, 2014

(A) Net of gasoline excise taxes.
(B) Based on diluted shares. Excludes non-recurring gains (losses): '98, (2¢): '99, (7¢); '00, 12¢; '01, 3¢; '02, 7¢; '03, 67¢; '05, 36¢; '05,

'06, 7¢; '12, \$1.61. (C) Dividends historically paid in the second (D) In mill., adjusted for split. week of March, June, Sep., and Dec.

Dividend reinvestment plan available. Stock Purchase Plan available w/o broker. Company's Financial Strength Stock's Price Stability A++ 95 Price Growth Persistence 55 **Earnings Predictability** 60