

# EXXON MOBIL NYSE:XOM

RECENT PRICE **85.35** P/E RATIO **19.4** (Trailing: 12.8; Median: 11.0) RELATIVE P/E RATIO **1.02** DIV'D YLD **3.4%**

**VALUE LINE**

**TIMELINESS** 3 Lowered 8/16/13  
**SAFETY** 1 Raised 6/30/95  
**TECHNICAL** 3 Lowered 5/15/15  
**BETA** .95 (1.00 = Market)

High: 52.1 66.0 79.0 95.3 96.1 82.7 73.7 88.2 93.7 101.7 104.8 93.4  
 Low: 39.9 49.3 55.8 69.0 56.5 61.9 55.9 67.0 77.1 84.8 86.2 82.7

LEGENDS  
 — 7.5 x "Cash Flow" p sh  
 ... Relative Price Strength  
 Options: Yes  
 Shaded area indicates recession

**2018-20 PROJECTIONS**

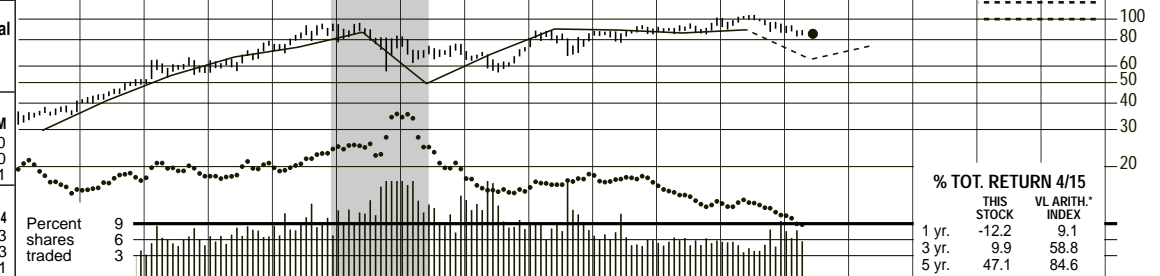
Price	120	Gain	(+40%)	Ann'l Total Return	12%
High	100	Low	(+15%)	7%	

**Insider Decisions**

	J	A	S	O	N	D	J	F	M
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	0	0	0	2	6	0	1	1	1

**Institutional Decisions**

	202014	3Q2014	4Q2014
to Buy	694	717	953
to Sell	1007	1006	913
Hlds(000)	21622702	1349752	109731



1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	© VALUE LINE PUB. LLC	18-20
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	86.83	<b>64.25</b>	<b>78.50</b>	Sales per sh <sup>A</sup>	113.60
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	11.86	<b>8.60</b>	<b>10.05</b>	"Cash Flow" per sh	15.10
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	7.60	<b>4.40</b>	<b>5.50</b>	Earnings per sh <sup>B</sup>	10.00
.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	<b>2.88</b>	<b>2.95</b>	Div'ds Decl'd per sh <sup>C†</sup>	3.30
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	7.84	<b>6.50</b>	<b>6.75</b>	Cap'l Spending per sh	7.50
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	41.51	<b>42.40</b>	<b>44.25</b>	Book Value per sh	58.15
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	4201.0	<b>4170.0</b>	<b>4140.0</b>	Common Shs Outst'g <sup>D</sup>	4050.0
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	12.8	<b>12.5</b>	<b>13.0</b>	Avg Ann'l P/E Ratio	11.0
1.84	1.12	.97	1.28	.80	.62	.58	.54	.61	.57	1.19	.67	.60	.68	.69	.68	<b>6.0</b>	<b>6.0</b>	Relative P/E Ratio	.70
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%	2.8%	<b>2.8%</b>	<b>2.8%</b>	Avg Ann'l Div'd Yield	3.0%

**CAPITAL STRUCTURE as of 3/31/15**  
 Total Debt \$32771 mill. Due in 5 Yrs \$24223 mill.  
 LT Debt \$19494 mill. LT Interest \$350 mill.  
 (Total interest coverage: over 25.0x)  
 Incl. \$375 mill. of capitalized leases

**Leases, Uncapitalized** Annual rentals \$2.0 bill.  
**Pension Assets-12/14** \$33.0 bill.  
**Obligation** \$50.6 bill.

**Pfd Stock** None  
**Common Stock** 4,181,108,290 shares

**MARKET CAP: \$357 billion (Large Cap)**

2013	2014	3/31/15
328213	335086	358600
18.1%	20.1%	19.2%
10253	11416	12250
33860	39090	40610
43.0%	42.0%	42.4%
10.3%	11.7%	11.3%
27035	26960	27651
6220.0	6645.0	7183.0
111186	113844	121762
28.9%	32.6%	31.6%
30.5%	34.3%	33.4%
23.7%	27.4%	26.9%
22%	20%	19%

**SALES (\$MILL) A**

2013	2014	2015	2016
364763	364763	268000	325000
12.5%	13.0%	12.5%	13.0%
17500	18750	18450	22900
35.0%	34.9%	35.0%	42.0%
6.9%	7.0%	6.9%	7.0%
d9000	d8000	20000	21000
174003	174399	176825	183100
9.5%	11.5%	9.5%	11.5%
10.5%	12.5%	10.5%	12.5%
3.5%	6.0%	3.5%	6.0%

**Operating Margin** 16.0%  
**Depreciation (\$mill)** 20500  
**Net Profit (\$mill)** 40500  
**Income Tax Rate** 42.0%  
**Net Profit Margin** 8.8%  
**Working Cap'l (\$mill)** d5000  
**Long-Term Debt (\$mill)** 24000  
**Shr. Equity (\$mill)** 235450  
**Return on Total Cap'l** 15.5%  
**Return on Shr. Equity** 17.0%  
**Retained to Com Eq** 11.5%  
**All Div'ds to Net Prof** 33%

**CURRENT POSITION (SMILL.)**

	2013	2014	3/31/15
Cash Assets	4913	4658	5227
Receivables	33152	28009	25031
Inventory (LIFO)	16135	16678	16102
Other	5108	3565	4298
Current Assets	59308	52910	50658
Accts Payable	48085	42227	38144
Debt Due	15808	17468	13277
Other	7831	4938	4512
Current Liab.	71724	64633	55933

**BUSINESS:** Exxon Mobil Corp. is the largest publicly traded oil company. Owns 69.6% of Imperial Oil (Canada). Daily production in 2014: oil, 2.1 mil. barrels (-4% vs. '13); natural gas, 11.1 billion cubic feet (-5% vs. '13). On an oil-equivalent basis, total production fell 5% in 2014. Daily refinery runs, 4.5 million barrels (-2% vs. '13); product sales, 5.9 mill. bbls (flat vs. '13). Chemical sales, 24.2 mill. tonnes (+1% vs. '13). Reserves as of 12/31/14: 25.3 billion barrels of oil equivalent, 54% oil, 46% gas. 10-year avg. reserve replacement rate: 123%. Acq. XTO Energy, 2010. Vanguard owns 5.9% of stock; BlackRock, 5.7% (4/15 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.

the first quarter, and a similar amount is earmarked for that objective in the June period. Exxon has always emphasized buybacks, although lately this has come at the cost of incurring debt, if low-cost, and nothing the company can't handle. **Essentially, the company is going about its business, strengthening its portfolio for the future and boosting efficiency.** The main difference now is that Exxon has reduced spending, as many drillers have, given the weaker industry backdrop. Even so, global development projects are set to deliver incremental oil volume out to 2018-2020. (So far this year, combined oil and gas production is running 2% higher). Downstream, actions to increase product yields, route cheaper oil to refineries, and make plants more efficient, stand to be a plus for earnings in the coming years. **This blue-chip stock has conservative appeal for its 3- to 5-year total return possibilities.** Exxon Mobil is one of the world's premier resources company, and its shares should benefit as energy demand rises over time.

**ANNUAL RATES of change (per sh)**

	Past 10 Yrs	Past 5 Yrs	Est'd '12-'14 to '18-'20
Sales	10.5%	5.0%	4.0%
"Cash Flow"	11.0%	4.5%	4.5%
Earnings	11.0%	3.0%	4.5%
Dividends	9.5%	10.0%	5.0%
Book Value	11.5%	11.5%	6.5%

**QUARTERLY SALES (\$mill.)<sup>A</sup>**

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2012	110696	104718	103417	101883	420714
2013	96336	95301	100508	98102	390247
2014	94344	98287	96047	76085	364763
2015	59228	<b>68000</b>	<b>70000</b>	<b>70772</b>	<b>268000</b>
2016	<b>78000</b>	<b>80000</b>	<b>82000</b>	<b>85000</b>	<b>325000</b>

**EARNINGS PER SHARE<sup>B</sup>**

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
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	1.89	1.56	7.60
2015	1.17	<b>1.05</b>	<b>1.10</b>	<b>1.08</b>	<b>4.40</b>
2016	<b>1.20</b>	<b>1.30</b>	<b>1.40</b>	<b>1.60</b>	<b>5.50</b>

**QUARTERLY DIVIDENDS PAID<sup>C†</sup>**

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
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	.69	2.70
2015	.69	.73	.73	.73	2.90

**Exxon Mobil's recent results show the havoc wreaked by the steep year-over-year oil price decline.** First-quarter revenues and share earnings fell 37% and 44%, respectively, causing the stock price to retreat to its lowest level since 2013. For all of 2015, we estimate generally poor comparisons, given the notably weaker pricing environment. However, our assumption is that conditions are bottoming out and that profits will start moving back up in 2016 and beyond. That is as less industry spending on drilling initiatives helps to support oil quotations. **The company nevertheless raised the dividend, in a show of financial strength.** Many of its competitors are doing well to maintain their distributions to shareholders, given sharply reduced cash flows. But Exxon Mobil has always maintained a conservative payout ratio with respect to its peers. That gave it room to bump up the quarterly dividend by 5.8% this month. The stock now yields an attractive 3.4%. **Share repurchases are continuing, too.** The company bought back \$1 billion worth of stock to reduce the share count in

the first quarter, and a similar amount is earmarked for that objective in the June period. Exxon has always emphasized buybacks, although lately this has come at the cost of incurring debt, if low-cost, and nothing the company can't handle. **Essentially, the company is going about its business, strengthening its portfolio for the future and boosting efficiency.** The main difference now is that Exxon has reduced spending, as many drillers have, given the weaker industry backdrop. Even so, global development projects are set to deliver incremental oil volume out to 2018-2020. (So far this year, combined oil and gas production is running 2% higher). Downstream, actions to increase product yields, route cheaper oil to refineries, and make plants more efficient, stand to be a plus for earnings in the coming years. **This blue-chip stock has conservative appeal for its 3- to 5-year total return possibilities.** Exxon Mobil is one of the world's premier resources company, and its shares should benefit as energy demand rises over time.

(A) Net of gasoline excise taxes. (B) Based on diluted shares. Excludes non-recurring gains (losses): '99, (7c); '00, 12c; '01, 3c; '02, 7c; '03, 67c; '05, 36c; '06, 7c; '12, \$1.61. Next earnings report due late July. (C) Dividends historically paid in the second week of March, June, Sep., and Dec. (D) In mill., adjusted for split. Dividend reinvestment plan available.

**Company's Financial Strength** A++  
**Stock's Price Stability** 95  
**Price Growth Persistence** 50  
**Earnings Predictability** 60