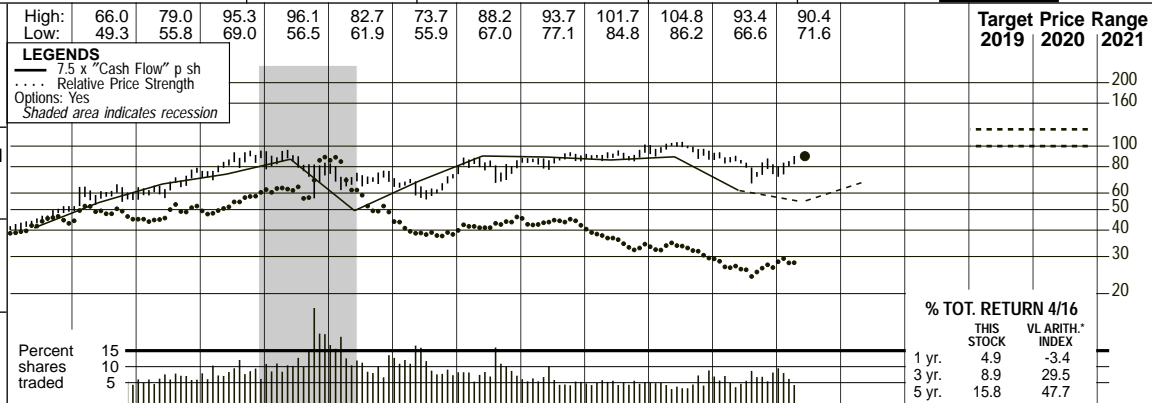


EXXON MOBIL NYSE:XOM

RECENT PRICE **89.67** P/E RATIO **33.8** (Trailing: 28.8; Median: 11.0) RELATIVE P/E RATIO **1.86** DIV'D YLD **3.3%** VALUE LINE

TIMELINESS **4** Lowered 5/13/16
 SAFETY **1** Raised 6/30/95
 TECHNICAL **4** Raised 5/27/16
 BETA .95 (1.00 = Market)



2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	© VALUE LINE PUB. LLC	19-21
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	56.98	49.35	62.55	Sales per sh ^A	100.00
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	8.23	7.25	9.10	"Cash Flow" per sh	13.85
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	3.85	2.65	4.40	Earnings per sh ^B	8.50
.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	2.98	3.06	Div'ds Decl'd per sh ^{C†}	3.40
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	6.37	5.60	5.35	Cap'l Spending per sh	7.00
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	41.10	40.75	42.10	Book Value per sh	53.65
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	4156.0	4156.0	4156.0	Common Shs Outst'g ^D	4150.0
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	21.5	15.8	15.8	Avg Ann'l P/E Ratio	13.0
1.12	.97	1.28	.80	.62	.58	.54	.61	.57	1.19	.67	.60	.68	.69	.67	1.09	1.09	1.09	Relative P/E Ratio	.80
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%	3.5%	3.5%	3.5%	Avg Ann'l Div'd Yield	3.1%

CAPITAL STRUCTURE as of 3/31/16
 Total Debt \$43108 mill. Due in 5 Yrs \$10460 mill.
 LT Debt \$29568 mill. LT Interest \$350 mill.
 (Total interest coverage: over 25.0x)
 Incl. \$375 mill. of capitalized leases

Leases, Uncapitalized Annual rentals \$1.7 bill.
Pension Assets-12/15 \$29.4 bill.
Obligation \$44.7 bill.

Pfd Stock None
Common Stock 4,146,611,352 shares

MARKET CAP: \$372 billion (Large Cap)

CURRENT POSITION 2014 2015 3/31/16 (\$MILL.)

335086	358600	425071	275564	341578	433526	420714	390247	364763	236810	205000	260000	Sales (\$mill) ^A	415000
20.1%	19.2%	18.1%	13.8%	16.1%	16.1%	15.6%	14.7%	14.1%	13.1%	12.5%	14.0%	Operating Margin	16.0%
11416	12250	12379	11917	14760	15583	15888	17182	17297	18048	19050	19500	Depreciation (\$mill)	22000
39090	40610	45220	19280	30460	41060	37380	32580	32520	16150	11075	18400	Net Profit (\$mill)	35500
42.0%	42.4%	44.7%	43.5%	40.7%	42.4%	43.6%	42.0%	34.9%	24.7%	NMF	40.0%	Income Tax Rate	42.0%
11.7%	11.3%	10.6%	7.0%	8.9%	9.5%	8.9%	8.3%	8.9%	6.8%	5.4%	7.1%	Net Profit Margin	8.6%
26960	27651	23166	3174.0	d3649	d4542	321.0	d12416	d11723	d11353	d5000	d8000	Working Cap'l (\$mill)	d5000
6645.0	7183.0	7025.0	7129.0	12227	9322.0	7928.0	6891.0	11653	19925	29500	30500	Long-Term Debt (\$mill)	33500
113844	121762	112965	110569	146839	154396	165863	174003	174399	170811	169400	175000	Shr. Equity (\$mill)	222600
32.6%	31.6%	37.9%	16.8%	19.4%	25.3%	21.7%	18.2%	17.7%	8.5%	5.5%	9.0%	Return on Total Cap'l	14.0%
34.3%	33.4%	40.0%	17.4%	20.7%	26.6%	22.5%	18.7%	18.6%	9.5%	6.5%	10.5%	Return on Shr. Equity	16.0%
27.4%	26.9%	32.6%	9.9%	14.8%	20.6%	16.3%	12.3%	11.9%	2.4%	NMF	3.0%	Retained to Com Eq	9.5%
20%	19%	19%	43%	29%	23%	28%	34%	36%	75%	112%	70%	All Div'ds to Net Prof	40%

BUSINESS: Exxon Mobil Corp. is the largest publicly traded oil company. Daily production in 2015: oil, 2.3 mil. barrels (+11% vs. '14); nat. gas, 10.5 billion cubic feet (-6% vs. '14). On an oil-equivalent basis, total production rose 3.2% in 2015. Daily refinery runs, 4.4 million barrels (-1% vs. '14); product sales, 5.8 mill. bbls (-2% vs. '14). Chemical sales, 24.7 mill. tonnes (+2% vs. '14).

Reserves at 12/31/15: 24.8 billion barrels of oil equivalent, 59% oil, 41% gas. 10-year avg. reserve replacement rate: 115%. Owns 69.6% of Imperial Oil (Canada). Vanguard owns 6.3% of stock; BlackRock, 5.8% (4/16 Proxy). Employs 73,500. Chrmn. and CEO: Rex Tillerson, Inc.: NJ. Addr.: 5959 Las Colinas Blvd., Irving, TX 75039-2298. Tel.: 972-444-1000. www.exxonmobil.com.

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	96336	95301	100508	98102	390247
2014	94344	98287	96047	76085	364763
2015	59228	65395	59866	52321	236810
2016	42290	50000	55000	57710	205000
2017	61000	64000	67000	68000	260000

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
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	1.00	1.01	.67	3.85
2016	.43	.65	.75	.82	2.65
2017	.90	1.10	1.20	1.20	4.40

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
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	2.88
2016	.73	.75			

Exxon Mobil stock is up more than 30% from its 52-week low, and not all that far off the all-time high set in 2014. The bounceback in oil prices from their recent bottom is the primary reason, of course, although the issue's valuation is now extended. But investors appear to be favoring certain large-capitalization stocks that pay good dividends during this prolonged period of ultra-low interest rates. That and expectations for an oil-market recovery are providing support.

Exxon has raised the quarterly dividend by 3%, to \$0.75. That is the smallest increase in a number of years, as oil prices remain well below the \$90-\$100-a-barrel levels of the not-so-distant past. Still, the hike is a sign of confidence in the future. The popular share-repurchase program remains on hold, though, other than to offset stock issued in conjunction with employee benefit plans. That is in view of reduced cash flow from operations.

The company sold \$12 billion in bonds to tide things over. Exxon issued the debt to provide a cushion, as oil prices remain on the low side, despite their renewed vigor. Even with the added obli-

gations, debt levels, and the associated interest expense, remain very manageable.

Oil production is up, but sharply lower price realizations are pressuring profits. Hefty capital spending in recent years is allowing Exxon to pump moderately more oil, as major projects in Canada and Angola have come on line. It's a different story in natural gas, though, where persistently low prices dictate that the company restrict drilling efforts. Over time, Exxon likely has sufficient reserves to modestly boost combined production. But, in 2016, poor oil price comparisons and a narrowing in refining margins may limit earnings to \$2.65 a share. In 2017, a comeback to \$4.40 a share seems within reach, assuming the global oil market continues to recover.

This top-quality stock offers returns in line with the high level of Safety (Rank: 1) provided. We project high-single-digit total returns here out to 2019-2021, predicated on a further recovery in oil prices. Highly conservative, income-minded investors might look closer at the untimely (Rank: 4) stock.

Robert Mitkowski June 3, 2016

(A) Net of gasoline excise taxes. (B) Based on diluted shares. Excludes non-recurring gains (losses): '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 35
 Earnings Predictability 55