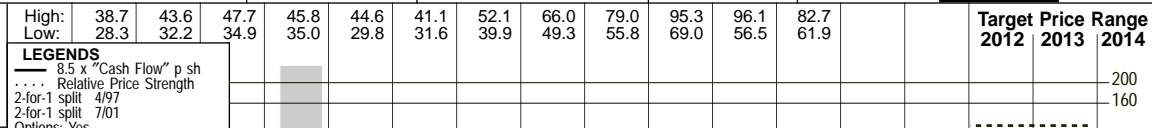


# EXXON MOBIL NYSE:XOM

RECENT PRICE **76.04** P/E RATIO **15.9** (Trailing: 17.8; Median: 14.0) RELATIVE P/E RATIO **0.97** DIV'D YLD **2.2%** VALUE LINE

**TIMELINESS** 4 Lowered 8/21/09  
**SAFETY** 1 Raised 6/30/95  
**TECHNICAL** 3 Lowered 11/27/09  
**BETA** .75 (1.00 = Market)



**LEGENDS**  
 — 8.5 x "Cash Flow" p sh  
 ... Relative Price Strength  
 2-for-1 split 4/97  
 2-for-1 split 7/01  
 Options: Yes  
 Shaded area: prior recession  
 Latest recession began 12/07

**2012-14 PROJECTIONS**  
 Ann'l Total  
 Price Gain Return  
 High 125 (+65%) 15%  
 Low 100 (+30%) 9%

**Insider Decisions**  
 J F M A M J J A S  
 to Buy 0 0 0 0 0 0 0 0 0  
 Options 0 2 1 0 2 4 1 6 3  
 to Sell 0 1 0 0 2 4 0 6 4

**Institutional Decisions**  
 4Q2008 1Q2009 2Q2009  
 to Buy 586 529 601  
 to Sell 985 1001 901  
 Hld's(000)231664523642532296921

1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	© VALUE LINE PUB., INC.	12-14
20.03	20.42	21.72	23.50	24.48	20.74	23.14	29.74	27.54	26.70	32.12	41.24	53.52	58.49	66.63	85.42	<b>58.50</b>	<b>69.95</b>	Sales per sh <sup>A</sup>	<b>97.65</b>
2.03	1.93	2.36	2.47	2.77	2.42	2.40	3.61	3.39	2.88	3.97	5.48	7.19	8.82	9.82	11.58	<b>6.50</b>	<b>8.45</b>	"Cash Flow" per sh	<b>13.20</b>
1.05	.92	1.28	1.40	1.64	1.31	1.19	2.41	2.18	1.61	2.56	3.89	5.35	6.55	7.28	8.69	<b>3.90</b>	<b>5.60</b>	Earnings per sh <sup>B</sup>	<b>9.35</b>
.72	.73	.75	.78	.81	.82	.84	.88	.91	.92	.98	1.06	1.14	1.28	1.37	1.55	<b>1.66</b>	<b>1.70</b>	Div'ds Decl'd per sh <sup>C†</sup>	<b>1.85</b>
1.40	1.34	1.43	1.45	1.50	1.72	1.56	1.22	1.47	1.71	1.96	1.87	2.26	2.70	2.86	3.88	<b>4.75</b>	<b>5.00</b>	Cap'l Spending per sh	<b>5.00</b>
6.87	7.42	8.05	8.71	8.85	8.99	9.13	10.21	10.74	11.13	13.69	15.90	18.13	19.87	22.62	22.70	<b>23.85</b>	<b>26.25</b>	Book Value per sh	<b>38.70</b>
4968.0	4968.0	4968.0	4966.8	4914.0	4856.0	6954.0	6930.0	6809.0	6700.0	6568.0	6401.0	6133.0	5729.0	5382.0	4976.0	<b>4700.0</b>	<b>4575.0</b>	Common Shs Outst'g <sup>D</sup>	<b>4300.0</b>
15.3	16.7	13.9	15.3	18.0	26.5	32.3	17.3	18.9	23.4	14.1	11.7	10.9	10.0	11.4	9.5	<b>7.00</b>	<b>7.50</b>	Avg Ann'l P/E Ratio	<b>12.0</b>
.90	1.10	.93	.96	1.04	1.38	1.84	1.12	.97	1.28	.80	.62	.58	.54	.61	.58	<b>.61</b>	<b>.58</b>	Relative P/E Ratio	<b>.80</b>
4.5%	4.7%	4.2%	3.6%	2.0%	2.4%	2.2%	2.1%	2.2%	2.4%	2.7%	2.3%	2.0%	2.0%	1.6%	1.9%	<b>1.9%</b>	<b>1.9%</b>	Avg Ann'l Div'd Yield	<b>1.6%</b>

**CAPITAL STRUCTURE as of 9/30/09**  
 Total Debt \$9603 mill. Due in 5 Yrs \$5338 mill.  
 LT Debt \$7185 mill. LT Interest \$325 mill.  
 (Total interest coverage: over 25.0x)  
 Incl. \$380 mill. of capitalized leases  
 (6% of Cap'l)  
**Leases, Uncapitalized** Annual rentals \$2.3 bill.  
**Pension Assets-12/08** \$17.9 bill.  
**Obligation** \$33.2 bill.  
**Pfd Stock** None  
**Common Stock** 4,747,283,776 shares  
**MARKET CAP: \$361 billion (Large Cap)**

160883	206083	187510	178909	210959	263989	328213	335086	358600	425071	<b>275000</b>	<b>320000</b>	Sales (\$mill) <sup>A</sup>	<b>420000</b>
11.1%	16.2%	15.4%	12.8%	14.2%	17.3%	18.1%	20.1%	19.2%	18.1%	<b>14.0%</b>	<b>15.0%</b>	Operating Margin	<b>17.0%</b>
8304.0	8130.0	7944.0	8310.0	9047.0	9767.0	10253	11416	12250	12379	<b>11750</b>	<b>12700</b>	Depreciation (\$mill)	<b>16000</b>
8380.0	16910	15105	11011	17030	25330	33860	39090	40610	45220	<b>18900</b>	<b>26000</b>	Net Profit (\$mill)	<b>40675</b>
28.8%	40.6%	37.4%	37.1%	42.7%	38.6%	43.0%	42.0%	42.4%	44.7%	<b>45.0%</b>	<b>45.0%</b>	Income Tax Rate	<b>42.0%</b>
5.2%	8.2%	8.1%	6.2%	8.1%	9.6%	10.3%	11.7%	11.3%	10.6%	<b>6.9%</b>	<b>8.1%</b>	Net Profit Margin	<b>9.7%</b>
d7592	2208.0	5567.0	5116.0	7574.0	17396	27035	26960	27651	23166	<b>5000</b>	<b>7500</b>	Working Cap'l (\$mill)	<b>10000</b>
8402.0	7280.0	7099.0	6655.0	4756.0	5013.0	6220.0	6645.0	7183.0	7025.0	<b>7500</b>	<b>10000</b>	Long-Term Debt (\$mill)	<b>15000</b>
63466	70757	73161	74597	89915	101756	111884	113844	121762	112965	<b>112055</b>	<b>120000</b>	Shr. Equity (\$mill)	<b>166500</b>
12.1%	22.0%	19.2%	13.9%	18.1%	23.8%	28.9%	32.6%	31.6%	37.9%	<b>16.0%</b>	<b>20.0%</b>	Return on Total Cap'l	<b>22.5%</b>
13.2%	23.9%	20.6%	14.8%	18.9%	24.9%	30.5%	34.3%	33.4%	40.0%	<b>17.0%</b>	<b>21.5%</b>	Return on Shr. Equity	<b>24.5%</b>
4.0%	15.2%	12.1%	6.2%	11.2%	17.9%	23.7%	27.4%	26.9%	32.6%	<b>9.5%</b>	<b>15.0%</b>	Retained to Com Eq	<b>19.5%</b>
70%	36%	41%	58%	41%	28%	22%	20%	19%	19%	<b>43%</b>	<b>30%</b>	All Div'ds to Net Prof	<b>20%</b>

**CURRENT POSITION (\$MILL.)**

	2007	2008	9/30/09
Cash Assets	34500	32007	12623
Receivables	36450	24702	26937
Inventory (LIFO)	11089	11646	12585
Other	3924	3911	5179
Current Assets	85963	72266	57324
Accts Payable	45275	36643	42645
Debt Due	2383	2400	2418
Other	10654	10057	7870
Current Liab.	58312	49100	52933

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

	Past 10 Yrs.	Past 5 Yrs.	Est'd '06-'08 to '12-'14
Sales	12.0%	19.5%	5.5%
"Cash Flow"	14.5%	24.0%	4.5%
Earnings	18.0%	29.0%	3.5%
Dividends	5.5%	8.5%	5.0%
Book Value	9.5%	13.0%	10.0%

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

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2006	78653	87813	88504	80116	335086
2007	76890	87249	91160	103301	358600
2008	104791	124238	122758	73284	425071
2009	56222	65951	73285	<b>79542</b>	<b>275000</b>
2010	<b>80000</b>	<b>78000</b>	<b>79000</b>	<b>83000</b>	<b>320000</b>

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

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2006	1.37	1.72	1.77	1.69	6.55
2007	1.62	1.83	1.70	2.13	7.28
2008	2.03	2.22	2.86	1.55	8.69
2009	.92	.81	.98	1.19	3.90
2010	<b>1.25</b>	<b>1.35</b>	<b>1.45</b>	<b>1.55</b>	<b>5.60</b>

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

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2005	.27	.29	.29	.29	1.14
2006	.32	.32	.32	.32	1.28
2007	.32	.35	.35	.35	1.37
2008	.35	.40	.40	.40	1.55
2009	.40	.42	.42	.42	

**BUSINESS:** Exxon Mobil Corp. is the largest publicly traded oil company. Owns 69.6% of Imperial Oil (Canada). Daily production in 2008: crude oil, 2.4 mil. barrels (-8% vs. '07); natural gas, 9.1 bill. cubic feet (-3% vs. '07). Reserves as of 12/31/08, including equity interests: 23.0 billion barrels of oil equivalent, about 52% gas, 48% oil. Est. pretax present value of reserves at 12/31/08: \$83.3 bill.

**Exxon Mobil's performance has eased in conjunction with weaker economic conditions.** Profits are down across the board in oil pumping, refining, and chemicals, as product demand has waned. The hardest-hit segment has been domestic refining and marketing, which lost money the past two calendar quarters. All told, the company is headed for around a 60% profit drop in the year now ending.

**The stock has nevertheless come off its lows on the feeling that an earnings turnaround is approaching.** Oil prices have advanced in recent months as it appears global petroleum demand will rise in 2010 and beyond. Trends in the chemicals segment have been improving as well. That's usually a good leading indicator for the industry. We're maintaining our estimate for earnings per share of \$5.60 in 2010 as a result.

**Exxon's efficiency and the quality of its projects continue to shine through.** The company consistently enjoys higher profit margins than its peers as it works the integrated business model approach notably better than anyone else. There are never any writeoffs here, either, pointing

to the high caliber of the asset base. These attributes should enable Exxon Mobil to stay head and shoulders above the crowd. Finances remain gilt-edged, as well.

**The company's Achilles heel has been growth.** Being as big as it is, boosting volume much on a percentage basis is tough. Exxon's oil and gas production division has also been held back by sector problems, such as security issues in Nigeria, OPEC quota reductions, and the loss of output from Venezuela. Consequently, Exxon doesn't have as much to show for its increased oilfield spending as it might. But volume could still pick up in the years ahead if the recent level of industry disruption abates. Meantime, owners have benefited from growth on a per-share basis, given the company's high-powered stock-repurchase program.

**Exxon Mobil shares carry return potential consistent with the superior level of Safety offered.** Conservative investors with an eye for the long term and interested in an oil stock might look closer. Year-ahead performance is only ranked as Below Average (Timeliness: 4), though.

*Robert Mitkowski, Jr. December 11, 2009*

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