

EXXON MOBIL NYSE:XOM

RECENT PRICE **69.56** P/E RATIO **11.7** (Trailing: 12.3; Median: 14.0) RELATIVE P/E RATIO **0.75** DIV'D YLD **2.5%** VALUE LINE

TIMELINESS 3 Raised 11/12/10
SAFETY 1 Raised 6/30/95
TECHNICAL 3 Lowered 12/10/10
BETA .75 (1.00 = Market)

High: 43.6 47.7 45.8 44.6 41.1 52.1 66.0 79.0 95.3 96.1 82.7 71.9
 Low: 32.2 34.9 35.0 29.8 31.6 39.9 49.3 55.8 69.0 56.5 61.9 55.9

LEGENDS
 — 8.0 x "Cash Flow" p sh
 ... Relative Price Strength
 2-for-1 split 4/97
 2-for-1 split 7/01
 Options: Yes
 Shaded areas indicate recessions

2013-15 PROJECTIONS
 Price Gain Ann'l Total
 High 125 (+80%) 17%
 Low 100 (+45%) 11%

Insider Decisions
 J F M A M J J A S
 to Buy 0 0 0 0 0 0 0 1 0
 Options 0 2 0 0 3 1 0 5 7
 to Sell 0 0 1 0 0 1 0 2 3

Institutional Decisions
 4Q2009 1Q2010 2Q2010
 to Buy 700 680 961
 to Sell 835 860 635
 Hld's(000)227053322278732422485

Percent shares traded: 9, 6, 3

% TOT. RETURN 11/10
 THIS STOCK VL ARITH. INDEX
 1 yr. -4.8 25.9
 3 yr. -16.4 17.2
 5 yr. 33.1 39.4

1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	© VALUE LINE PUB., INC.	13-15
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	58.30	67.60	78.15	Sales per sh ^A	109.50
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	6.60	8.65	9.95	"Cash Flow" per sh	13.75
.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	3.98	5.90	6.50	Earnings per sh ^B	9.35
.73	.75	.78	.81	.82	.84	.88	.91	.92	.98	1.06	1.14	1.28	1.37	1.55	1.66	1.74	1.82	Div'ds Decl'd per sh ^{C†}	2.05
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	4.76	5.00	5.20	Cap'l Spending per sh	5.00
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	23.39	30.55	34.50	Book Value per sh	45.50
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	4727.0	5000.0	4800.0	Common Shs Outst'g ^D	4200.0
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	17.8	16.00	16.50	Avg Ann'l P/E Ratio	12.0
1.10	.93	.96	1.04	1.38	1.84	1.12	.97	1.28	.80	.62	.58	.54	.61	.57	1.17	1.17	1.17	Relative P/E Ratio	.80
4.7%	4.2%	3.6%	2.8%	2.4%	2.2%	2.1%	2.2%	2.4%	2.7%	2.3%	2.0%	2.0%	1.6%	1.9%	2.3%	2.3%	2.3%	Avg Ann'l Div'd Yield	1.8%

CAPITAL STRUCTURE as of 9/30/10
 Total Debt \$18294 mill. Due in 5 Yrs \$8576 mill.
 LT Debt \$15248 mill. LT Interest \$820 mill.
 (Total interest coverage: over 25.0x)
 Incl. \$368 mill. of capitalized leases

Leases, Uncapitalized Annual rentals \$2.4 bill.
Pension Assets-12/09 \$25.3 bill.
Obligation \$37.3 bill.

Pfd Stock None
Common Stock 5,042,556,546 shares

MARKET CAP: \$351 billion (Large Cap)

2008	2009	9/30/10	
206083	187510	178909	210959
16.2%	15.4%	12.8%	14.2%
8130.0	7944.0	8310.0	9047.0
16910	15105	11011	17030
40.6%	37.4%	37.1%	42.7%
8.2%	8.1%	6.2%	8.1%
2208.0	5567.0	5116.0	7574.0
7280.0	7099.0	6655.0	4756.0
70757	73161	74597	89915
22.0%	19.2%	13.9%	18.1%
23.9%	20.6%	14.8%	18.9%
15.2%	12.1%	6.2%	11.2%
36%	41%	58%	41%

2008	2009	9/30/10	
32007	10862	12259	
24702	27645	30244	
11646	11553	14302	
3911	5175	5828	
72266	55235	62633	
36643	41275	48251	
2400	2476	3046	
10057	8310	10443	
49100	52061	61740	

BUSINESS: Exxon Mobil Corp. is the largest publicly traded oil company. Owns 69.6% of Imperial Oil (Canada). Daily production in 2009: crude oil, 2.4 mill. barrels (flat vs. '08); natural gas, 9.3 bill. cubic feet (+3% vs. '08). Average realized 2009 prices (U.S.), oil, \$55.54 per barrel; natural gas, \$3.85 per mill. cubic ft. Reserves as of 12/31/09: 23.3 billion barrels of oil equivalent, 51% oil, 49% gas.

Exxon Mobil put up strong results in 2010, with another year of recovery in sight for 2011. The bottom line has rebounded from 2009's recession lows as oil prices and refining margins have risen, and as combined oil and natural gas production has climbed (see below). Those same factors are likely to have a hand in lifting earnings per share in 2011. Profits are well under the peak they reached in the 2007-2008 period, though, as is reflected in the stock's price.

The volume advances being achieved regarding Exxon. The company's exceptional size normally makes it difficult to achieve material growth rates. But around the middle of the last decade, more rapid global economic growth led the company to boost its capital spending to bring more development projects on line. The trouble was that the large ventures commenced took years to complete, leaving the company open to criticism that it wasn't capitalizing on the need for more product in the market. Lately, rising oil and gas production (helped by an acquisition), and increased chemicals sales have at least partially allayed investor concerns regarding corporate growth here.

Meantime, the heat the company has taken for its acquisition of XTO Energy seems misplaced if one takes the long view. True, the purchase is slightly (about 2%) dilutive to earnings in the first year. But the move opened up a huge new natural gas resource for Exxon using a technology that may be transferable around the globe, with consumer markets close by. That's exactly the sort of asset the company can put its financial muscle behind and make pay off over a number of years. There's a good chance natural gas prices will rise over time as usage grows with economic expansion, and as more gas-fired power plants are constructed. Assuming more normalized rates of GDP growth, the XTO deal should pay off very nicely in the years to come.

The now neutrally ranked stock still offers considerable total return potential to 2013-2015, despite a nice run in recent months. Exxon's sterling finances make it particularly appealing for conservative investors.

Robert Mitkowski, Jr. December 10, 2010

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2007	76890	87249	91160	103301	358600
2008	104791	124238	122758	73284	425071
2009	56222	65951	73285	80106	275564
2010	80222	82747	85181	89850	338000
2011	91500	93500	94000	96000	375000

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
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	1.27	3.98
2010	1.33	1.60	1.44	1.53	5.90
2011	1.45	1.55	1.70	1.80	6.50

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
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	1.66
2010	.42	.44	.44	.44	

(A) Net of gasoline excise taxes. (B) Based on diluted shares. Excludes non-recurring gains (losses): '94, 10c; '95, 2c; '96, 11c; '97, 6c; '98, (2c); '99, (7c); '00, 12c; '01, 3c; '02, 7c; '03, 67c; '05, 36c; '06, 7c. Earnings may not sum due to changes in share count. Next earnings report due late January. (C) Dividends historically paid in the second week of March, June, Sep., and Dec. (D) In mill., adjusted for splits.