

Fourth quarter 2017 earnings call

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ExxonMobil

Cautionary statement

- **Forward-Looking Statements.** Statements of future events or conditions in this presentation or the subsequent discussion period are forward-looking statements. Actual future results, including financial and operating performance; demand growth and mix; ExxonMobil's volume/production growth and mix; the amount and mix of capital expenditures; resource recoveries; production rates; rates of return; development costs; project plans, timing, costs, and capacities; drilling programs and efficiency improvements; product sales and mix; dividend and share purchase levels; cash and debt balances; potential impairment charges; corporate and financing expenses; and the impact of technology could differ materially due to a number of factors; including changes in oil or gas prices or other market or economic conditions affecting the oil, gas, and petrochemical industries and the demand for our products; reservoir performance; the outcome and timeliness of exploration and development projects; war and other political or security disturbances; changes in law or government regulation, including sanctions as well as tax and environmental regulations; the outcome of commercial negotiations; the impact of fiscal and commercial terms; opportunities for investments or divestments that may arise; the actions of competitors and customers; the outcome of future research efforts; unexpected technological developments; unforeseen technical difficulties; and other factors discussed here and under the heading "Factors Affecting Future Results" in the Investors section of our Web site at exxonmobil.com. Forward-looking statements are based on management's knowledge and reasonable expectations on the date hereof, and we assume no duty to update these statements as of any future date.
- **Frequently Used Terms.** References to recoverable resources, oil equivalent barrels, and other quantities of oil, gas or condensate include volumes that are not yet classified as proved reserves under SEC definitions but that we believe will likely be developed and moved into the proved reserves category in the future. Shareholder distributions referred to in this presentation mean cash dividends plus any shares purchased to reduce shares outstanding (excluding anti-dilutive purchases). Unless otherwise indicated, references to rates of return mean discounted cash flow returns based on current company estimates. For definitions and more information regarding resources, reserves, cash flow from operations and asset sales, free cash flow, net investment, and other terms used in this presentation, see the "Frequently Used Terms" posted on the Investors section of our Web site and the additional information in this presentation and the earnings release 8-K filed today. The Financial and Operating Review on our Web site also shows ExxonMobil's net interest in specific projects.
- The term 'project' as used in this presentation can refer to a variety of different activities and does not necessarily have the same meaning as in any government payment transparency reports.

Headlines

Full-year earnings of \$19.7 billion; fourth quarter earnings of \$8.4 billion

Cash flow more than covered net investments¹ and dividends for the year

Advanced strategic opportunities that are foundational to future growth

Favorable non-cash impact from U.S. tax reform partly offset by Upstream impairments



¹Cash flow means cash flow from operations and asset sales; Net investments means additions to property, plant, and equipment and net investments/advances

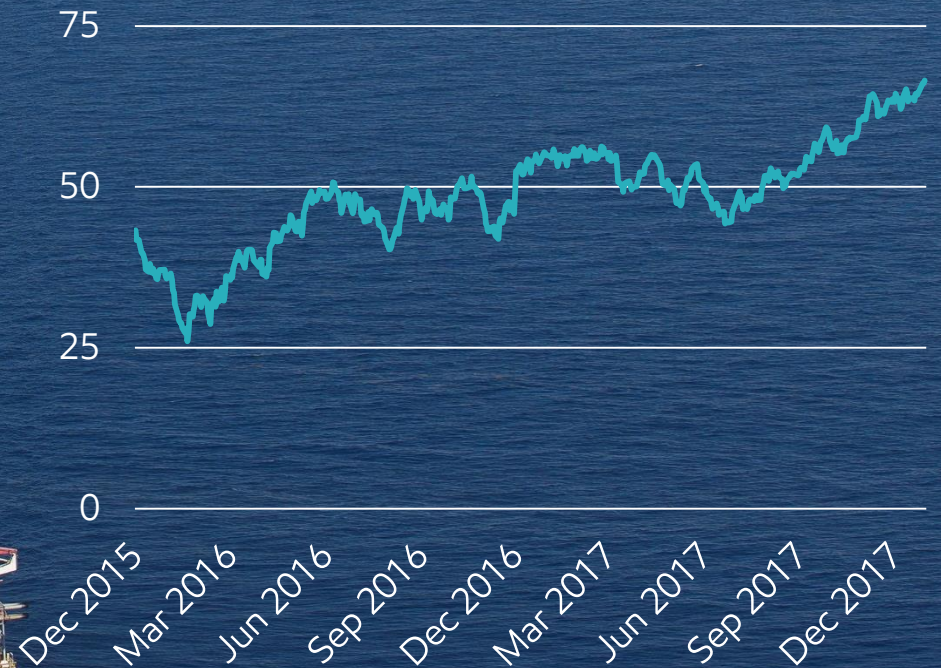
Business environment

Moderate global economic growth in the quarter

- Growth eased in U.S., Eurozone, and Japan
- China growth maintained steady pace
- Oil prices up, gas mixed
- Global rig count steady
- Refining margins decreased
- Chemical margins softened



Brent
\$/Barrel



Source: Platt's

Fourth quarter 2017 financial results

Earnings	8.4
Earnings Per Share – Diluted (<i>dollars</i>)	1.97
Shareholder Distributions	3.3
CAPEX	9.0
Cash Flow from Operations and Asset Sales ¹	8.8
Cash	3.2
Debt	42.3

Billions of dollars unless specified otherwise

¹ Includes Proceeds associated with Asset Sales of \$1.4B



Fourth quarter 2017 sources and uses of cash

Beginning Cash

4.3

Earnings

8.4

Depreciation

5.8

Working Capital / Other

(6.8)

Proceeds Associated with Asset Sales

1.4

Shareholder Distributions

(3.3)

PP&E Adds / Investments and Advances¹

(7.9)

Debt / Other Financing

1.3

Ending Cash

3.2

8.8

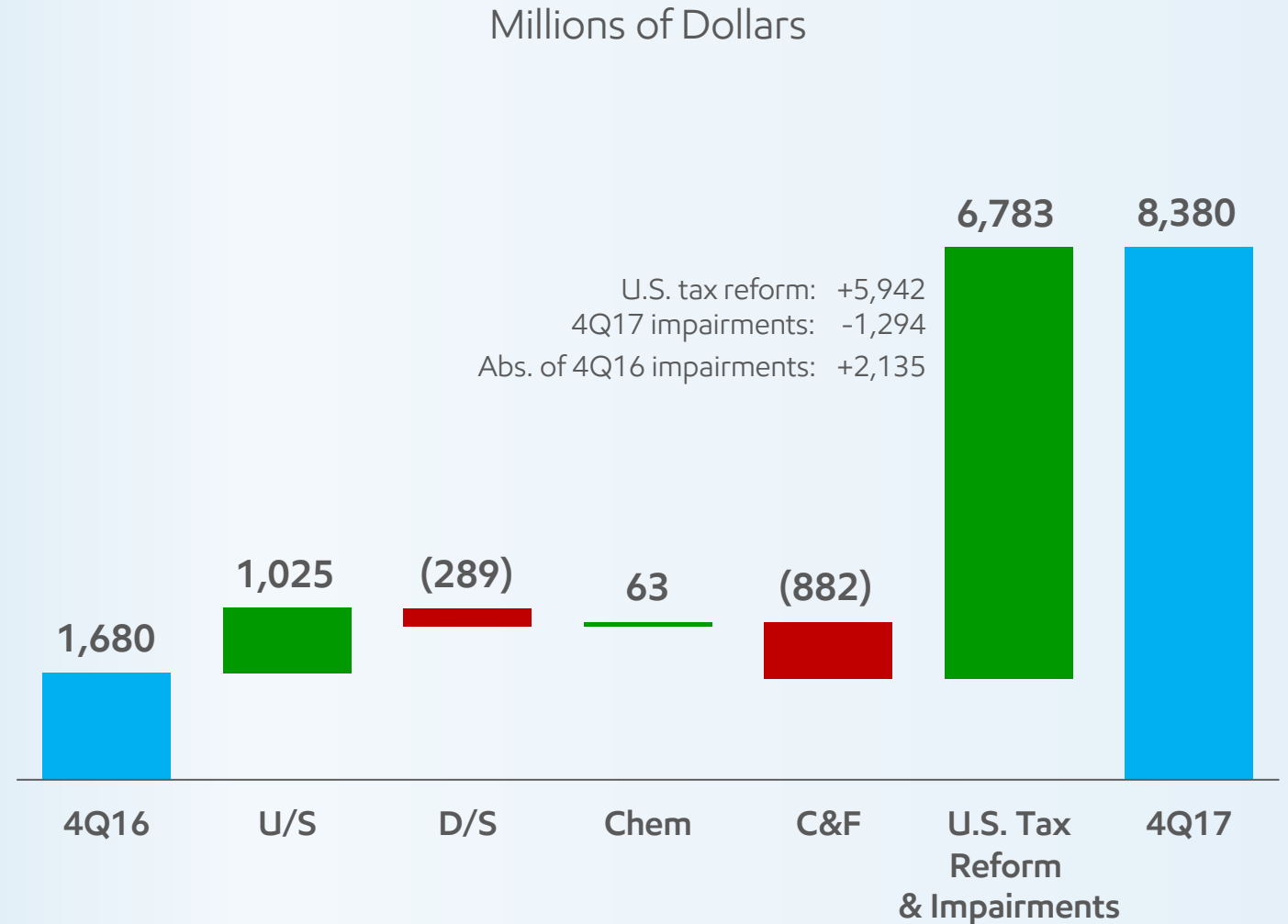
Billions of dollars



¹ Includes PP&E Adds of (\$4.5B) and net investments/advances of (\$3.4B)

Total earnings – 4Q17 vs. 4Q16

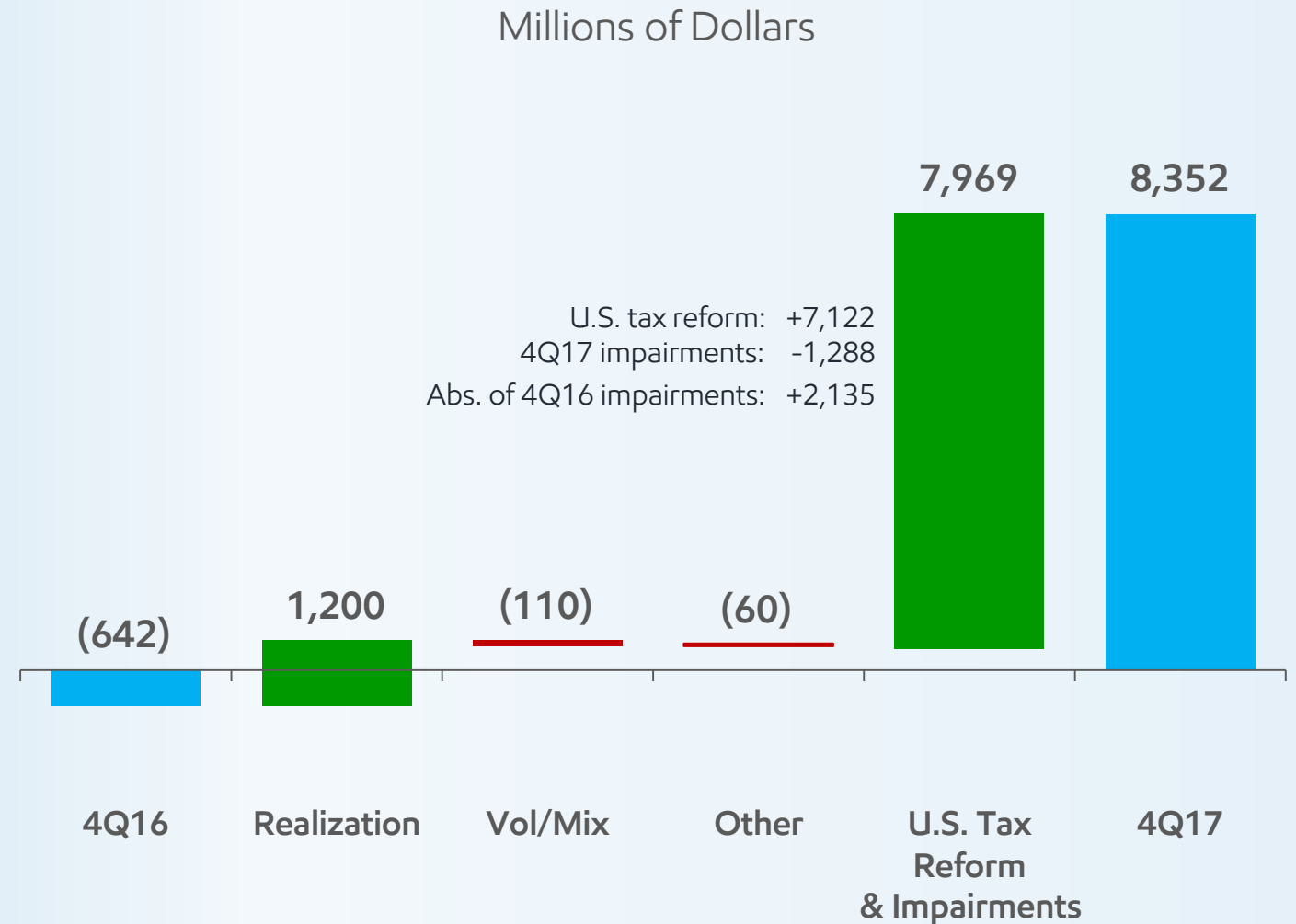
Earnings increased \$6.7 billion due to U.S. tax reform and improved Upstream results



Note: changes in segment earnings adjusted for tax reform and impairments; see back-up for reconciliation

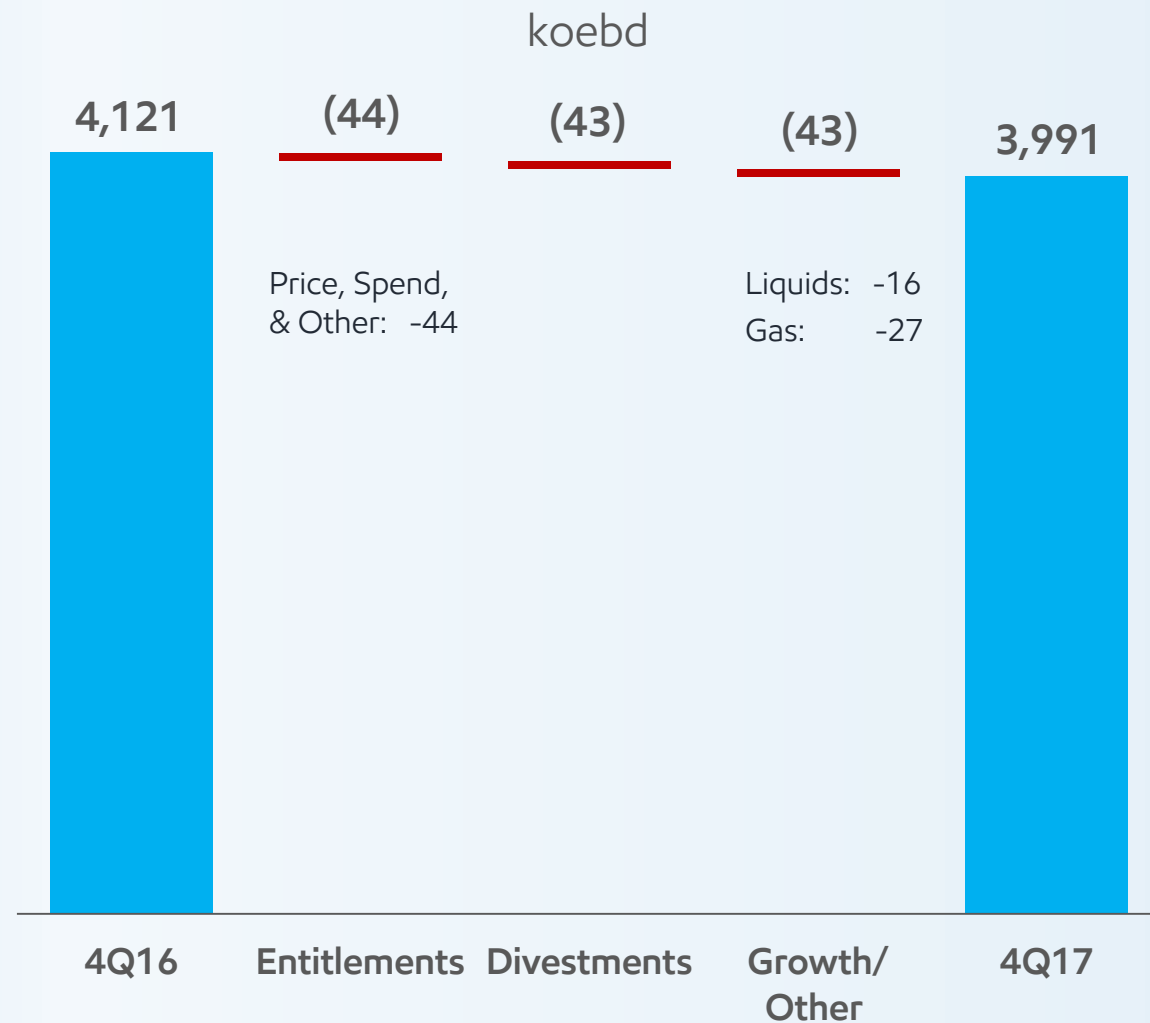
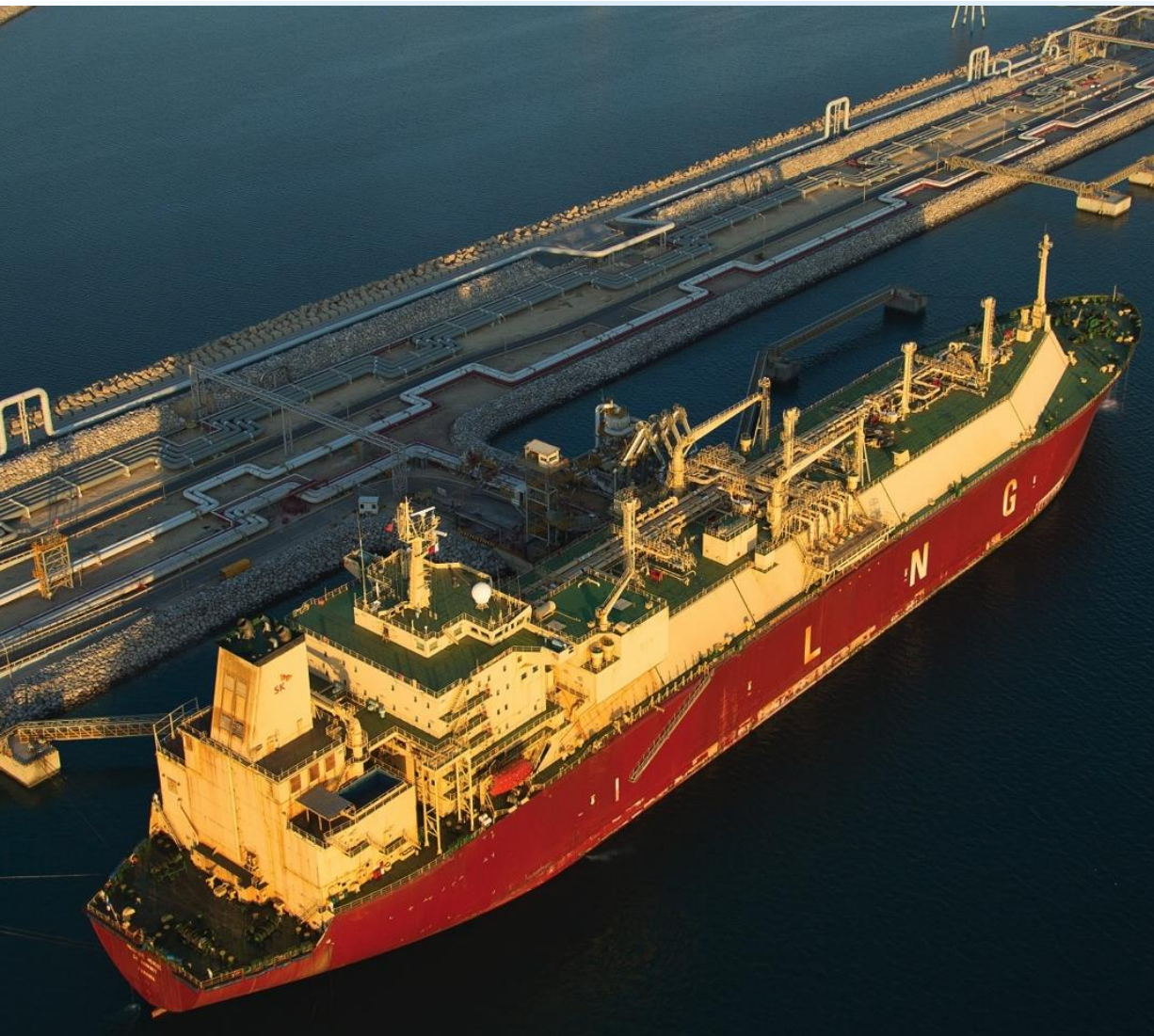
Upstream earnings – 4Q17 vs. 4Q16

Earnings up \$9.0 billion due to U.S. tax reform and higher realizations



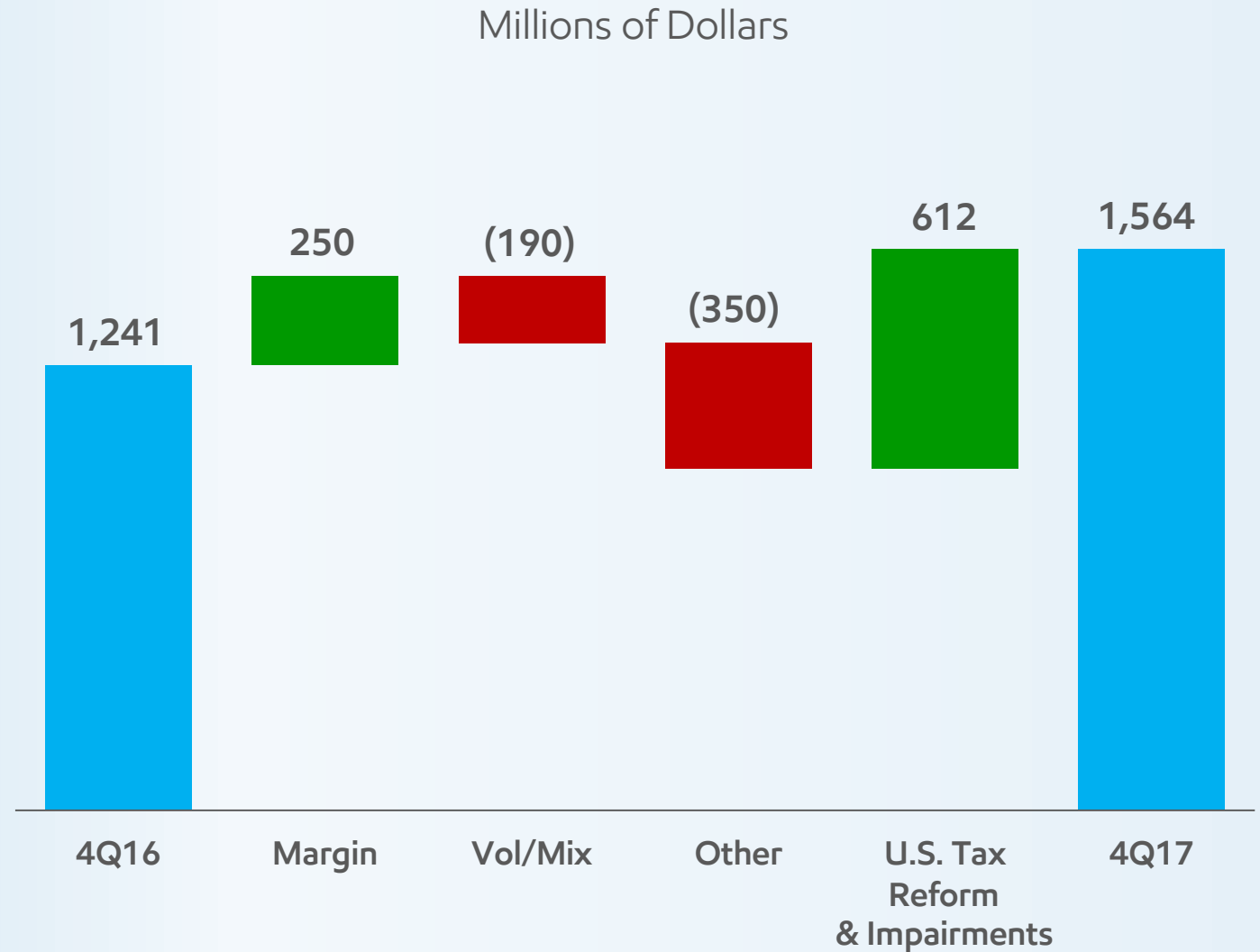
Upstream volumes – 4Q17 vs. 4Q16

Volumes down 3%: Liquids -133 kbd, natural gas +17 mcf



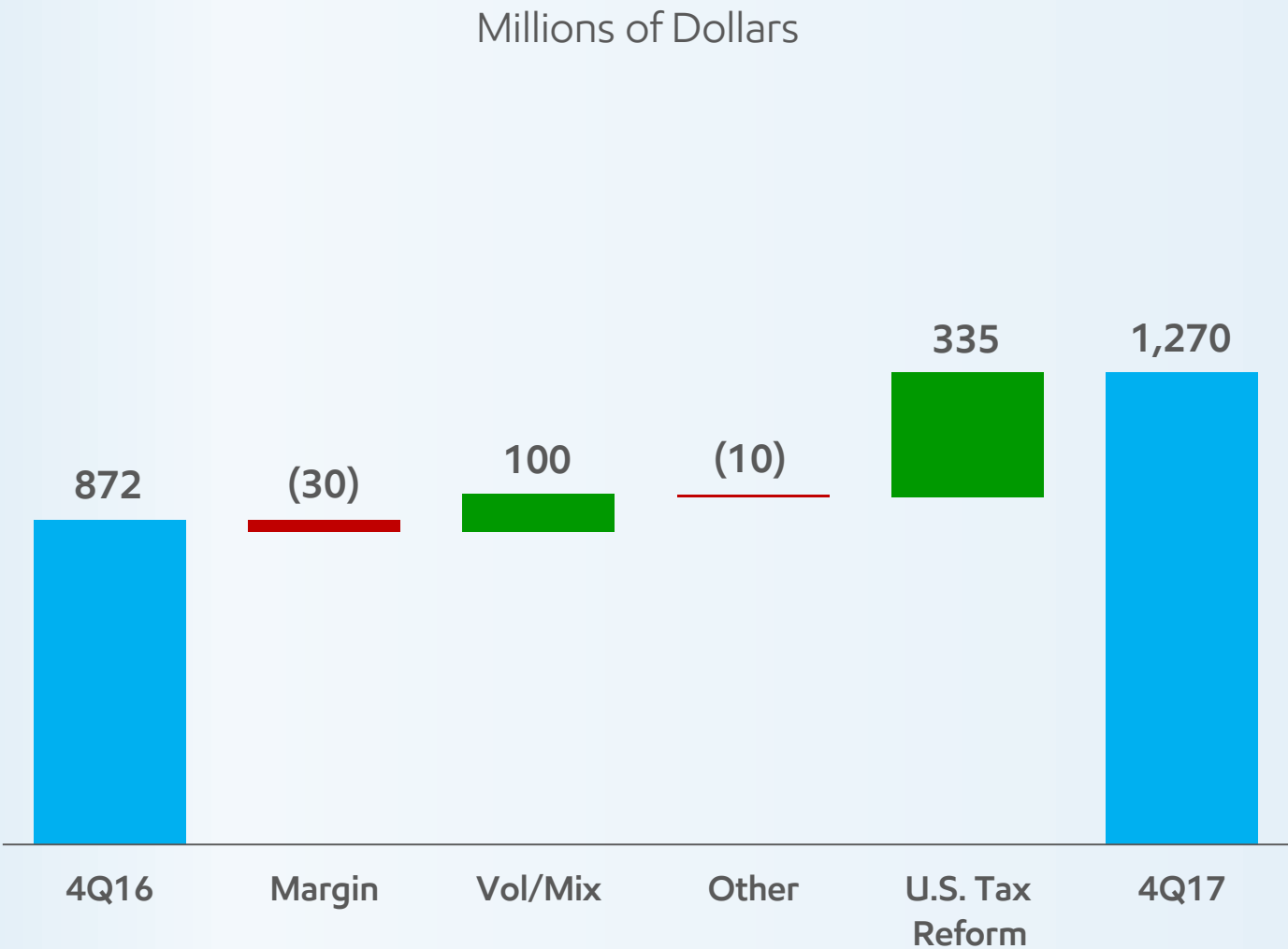
Downstream earnings – 4Q17 vs. 4Q16

Earnings up \$323 million due to U.S. tax reform and higher margins, partly offset by lower asset management gains



Chemical earnings – 4Q17 vs. 4Q16

Earnings increased \$398 million due to U.S. tax reform and higher volumes



2017 financial results

Earnings	19.7
Earnings Per Share – Diluted (<i>dollars</i>)	4.63
Shareholder Distributions	13.0
CAPEX	23.1
Cash Flow from Operations and Asset Sales ¹	33.2
Cash	3.2
Debt	42.3

Billions of dollars unless specified otherwise

¹ Includes Proceeds associated with Asset Sales of \$3.1B



2017 sources and uses of cash

Beginning Cash	3.7	} 33.2
Earnings	19.7	
Depreciation	19.9	
Working Capital / Other	(9.5)	
Proceeds Associated with Asset Sales	3.1	
Shareholder Distributions	(13.0)	
PP&E Adds / Investments and Advances ¹	(18.9)	
Debt / Other Financing ²	(1.8)	
Ending Cash	3.2	

Billions of dollars

¹ Includes PP&E Adds of (\$15.4B) and net investments/advances of (\$3.5B)

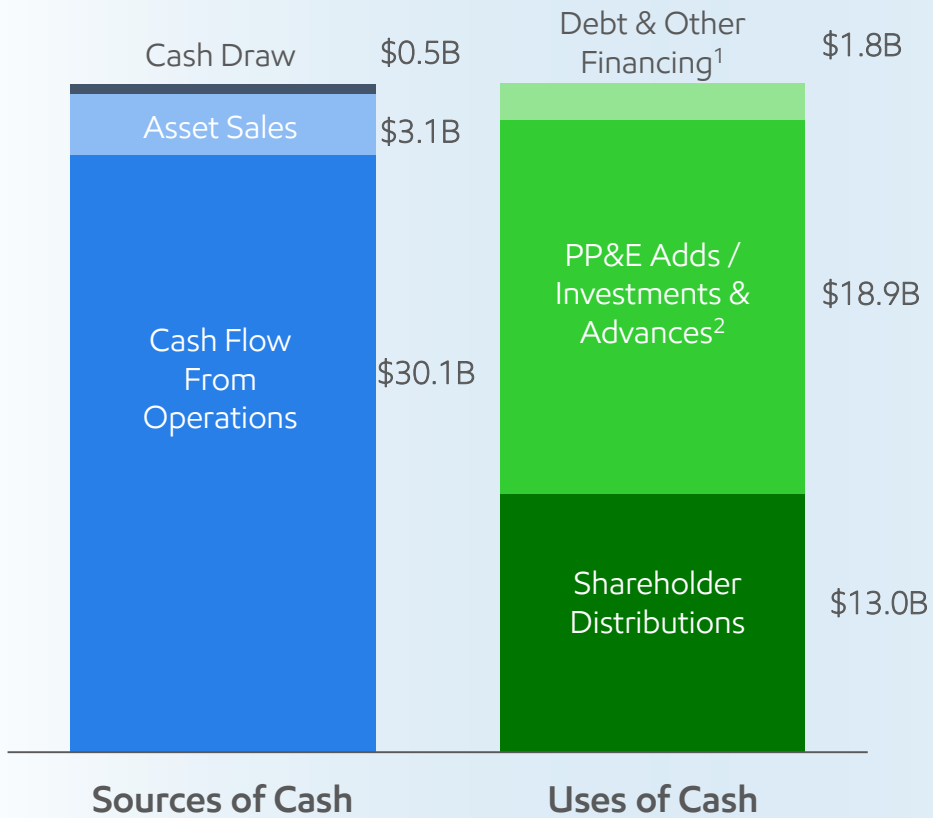
² Includes anti-dilutive purchases of (\$0.5B)



2017 sources and uses of cash

Cash flow fully covers dividends and investments

2017 Sources and Uses of Cash



¹ Includes anti-dilutive purchases of \$0.5B

² Includes PP&E Adds of \$15.4B and net investments/advances of \$3.5B

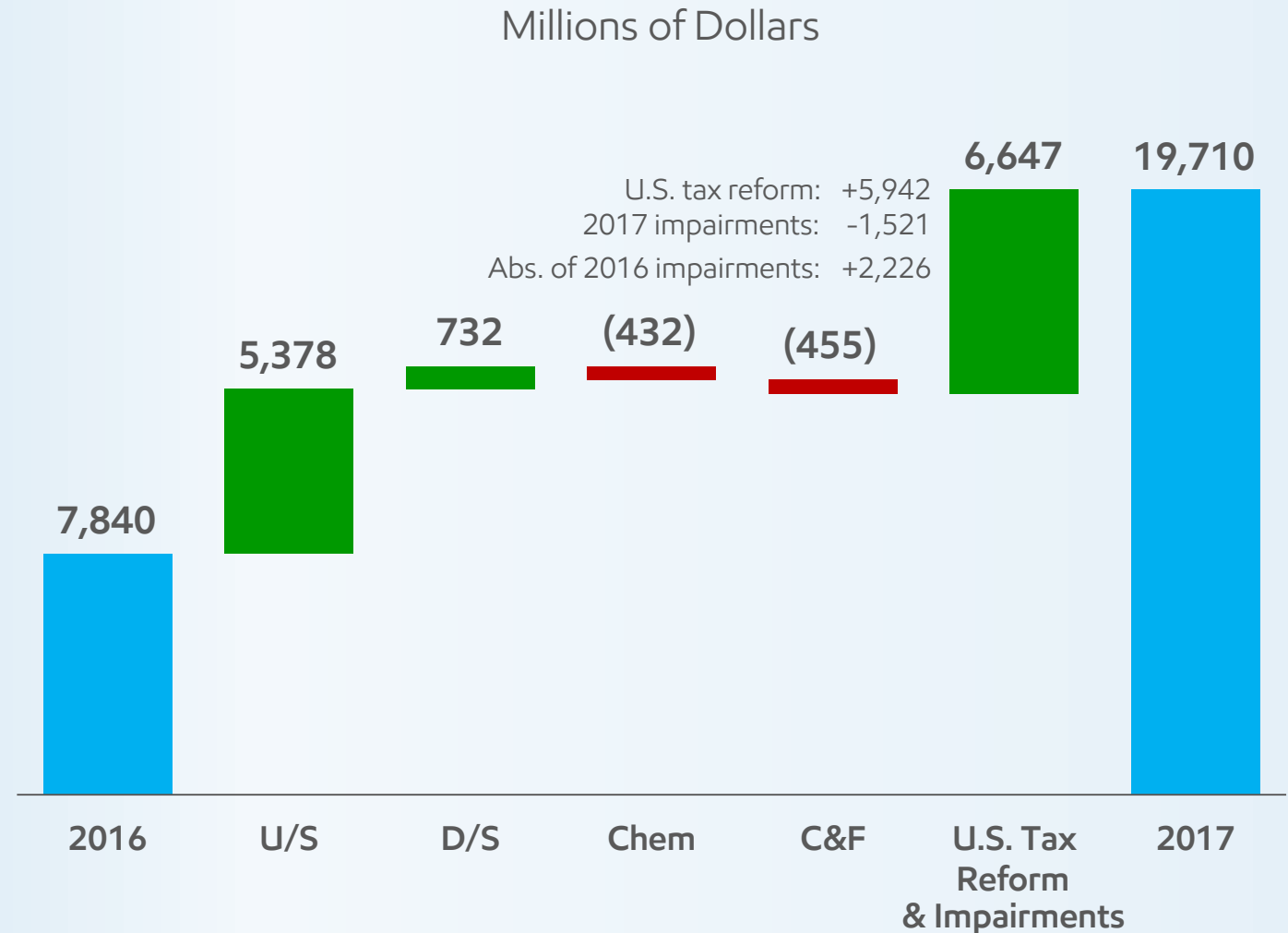
- Financial flexibility to invest in attractive opportunities
- Generated free cash flow of \$14.3 billion³
- Anticipate 2018 CAPEX of about \$24B

³ Calculated as Cash Flow from Operations and Asset Sales \$33.2B less PP&E Adds / Investments and Advances (\$18.9B)



Total earnings – 2017 vs. 2016

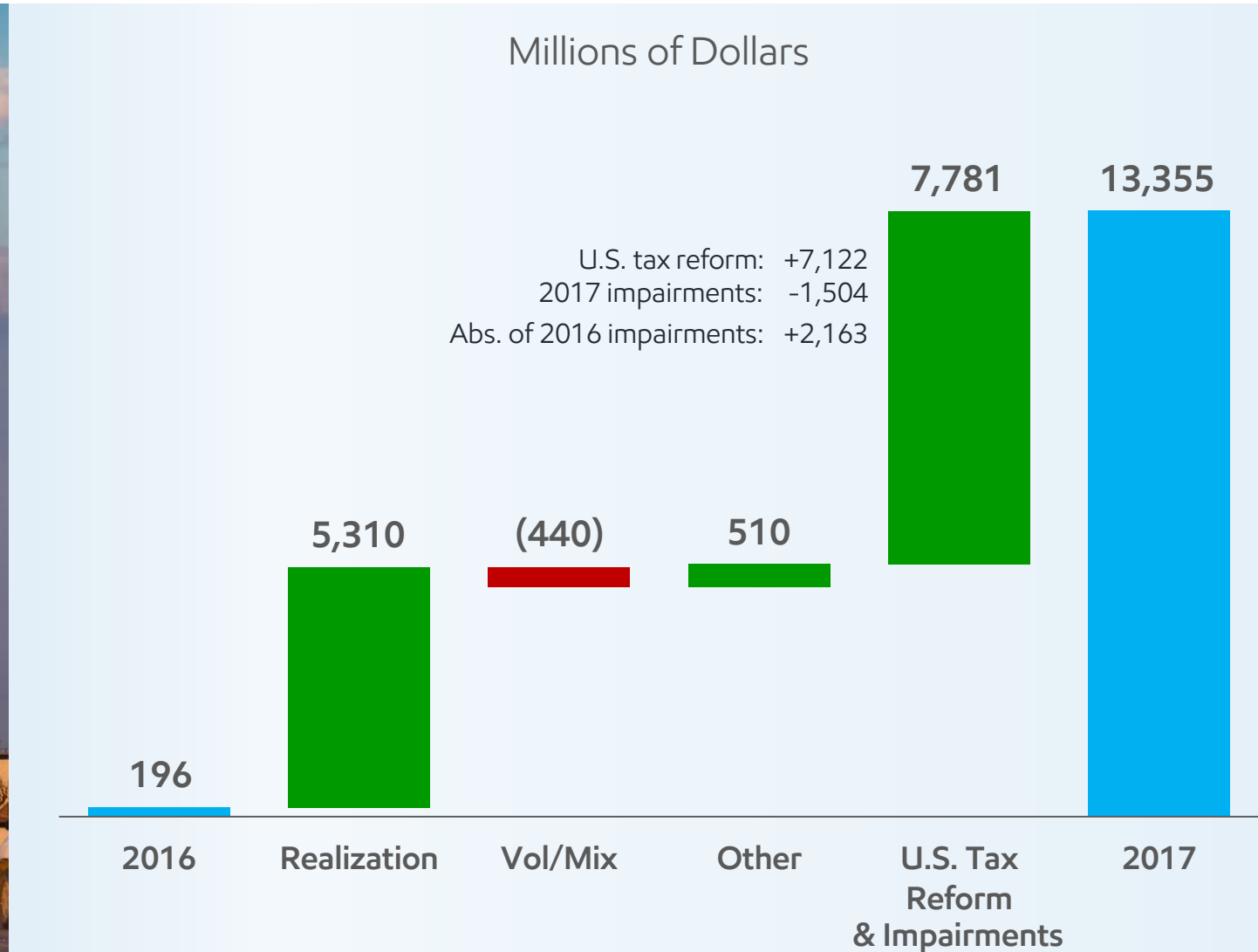
Earnings increased \$11.9 billion due to U.S. tax reform, and higher Upstream realizations and Downstream margins



Note: changes in segment earnings adjusted for tax reform and impairments; see back-up for reconciliation

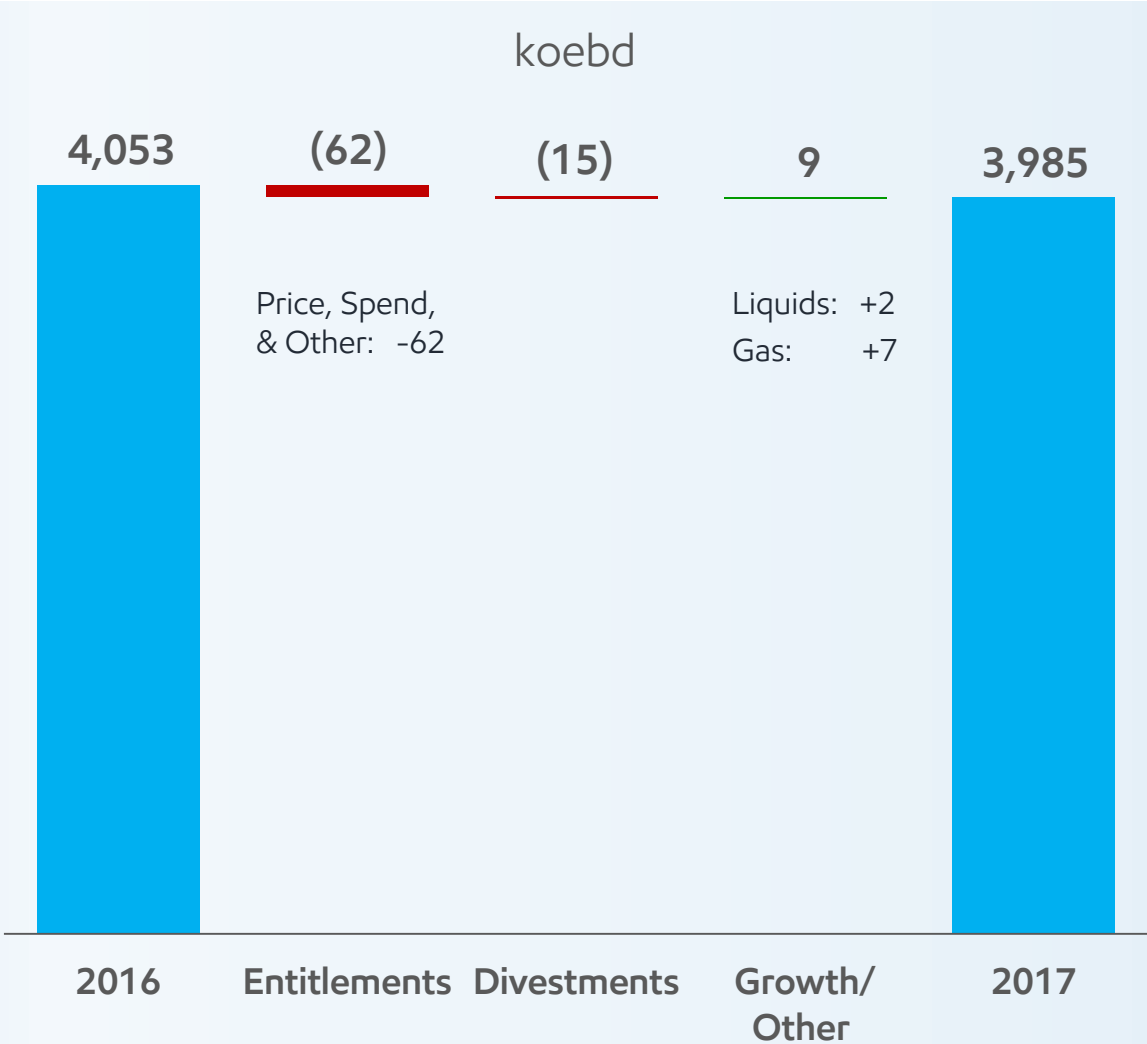
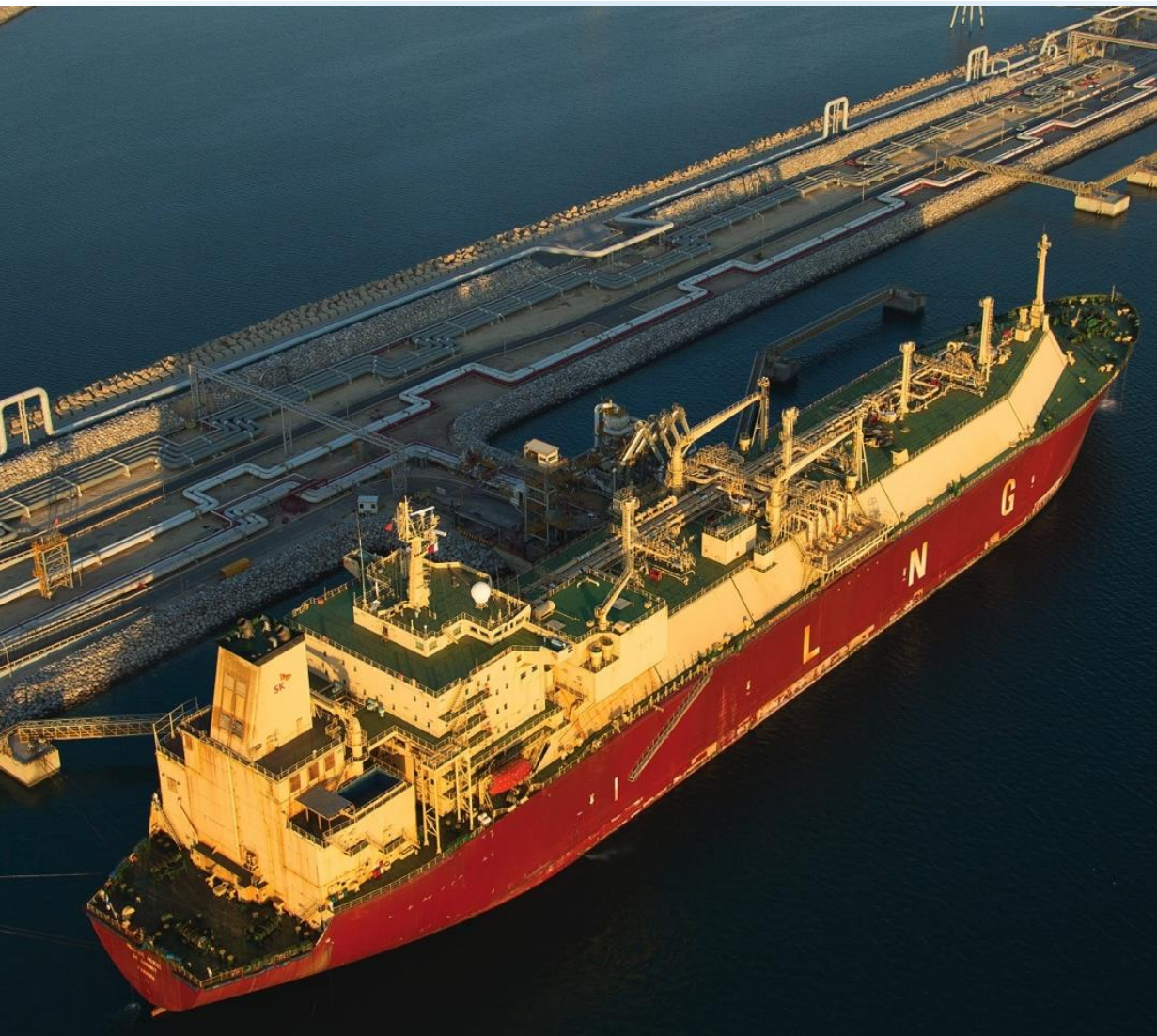
Upstream earnings – 2017 vs. 2016

Earnings up \$13.2 billion due to U.S. tax reform and higher realizations



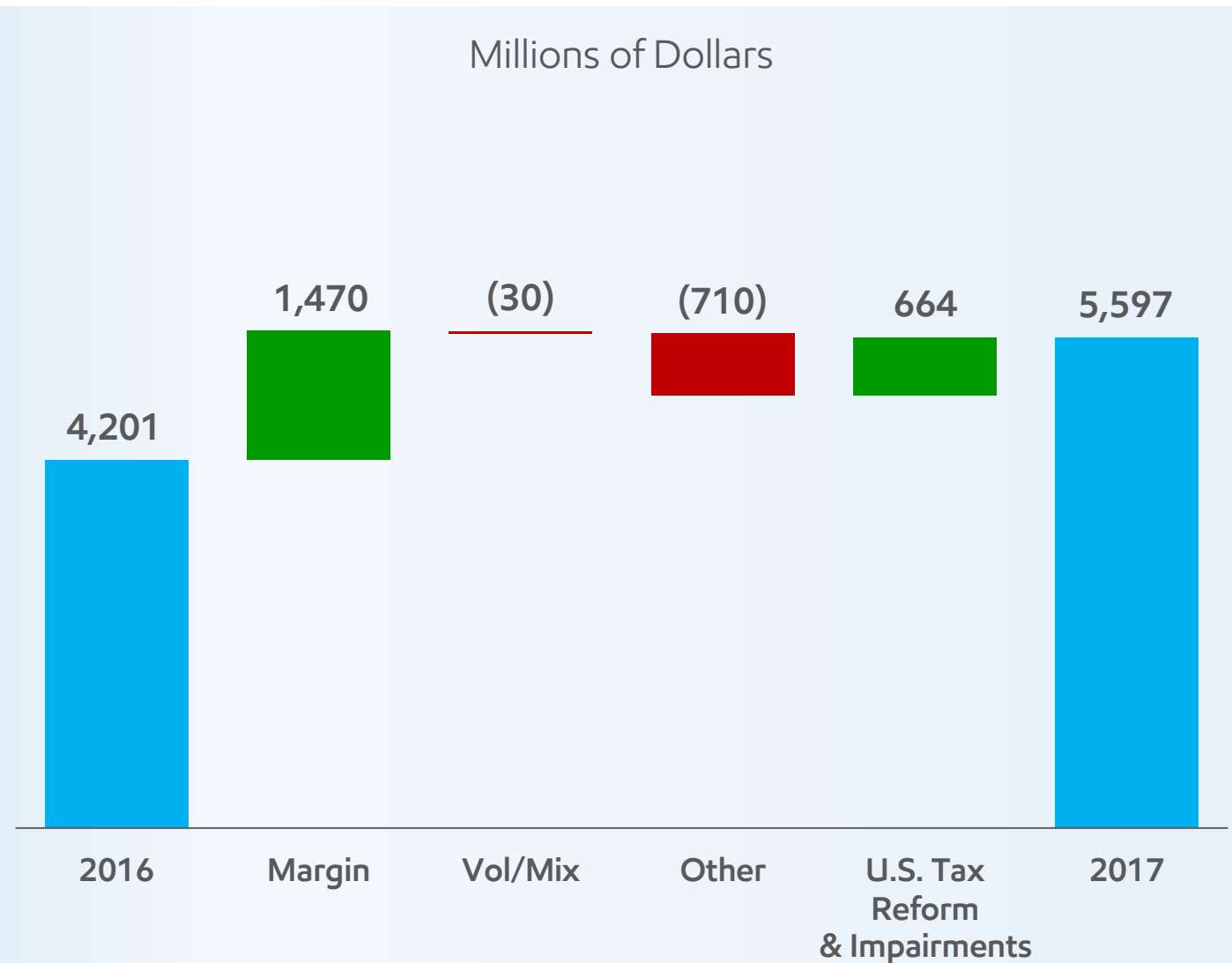
Upstream volumes – 2017 vs. 2016

Volumes down 2%: Liquids -82 kbd, natural gas +84 mcf



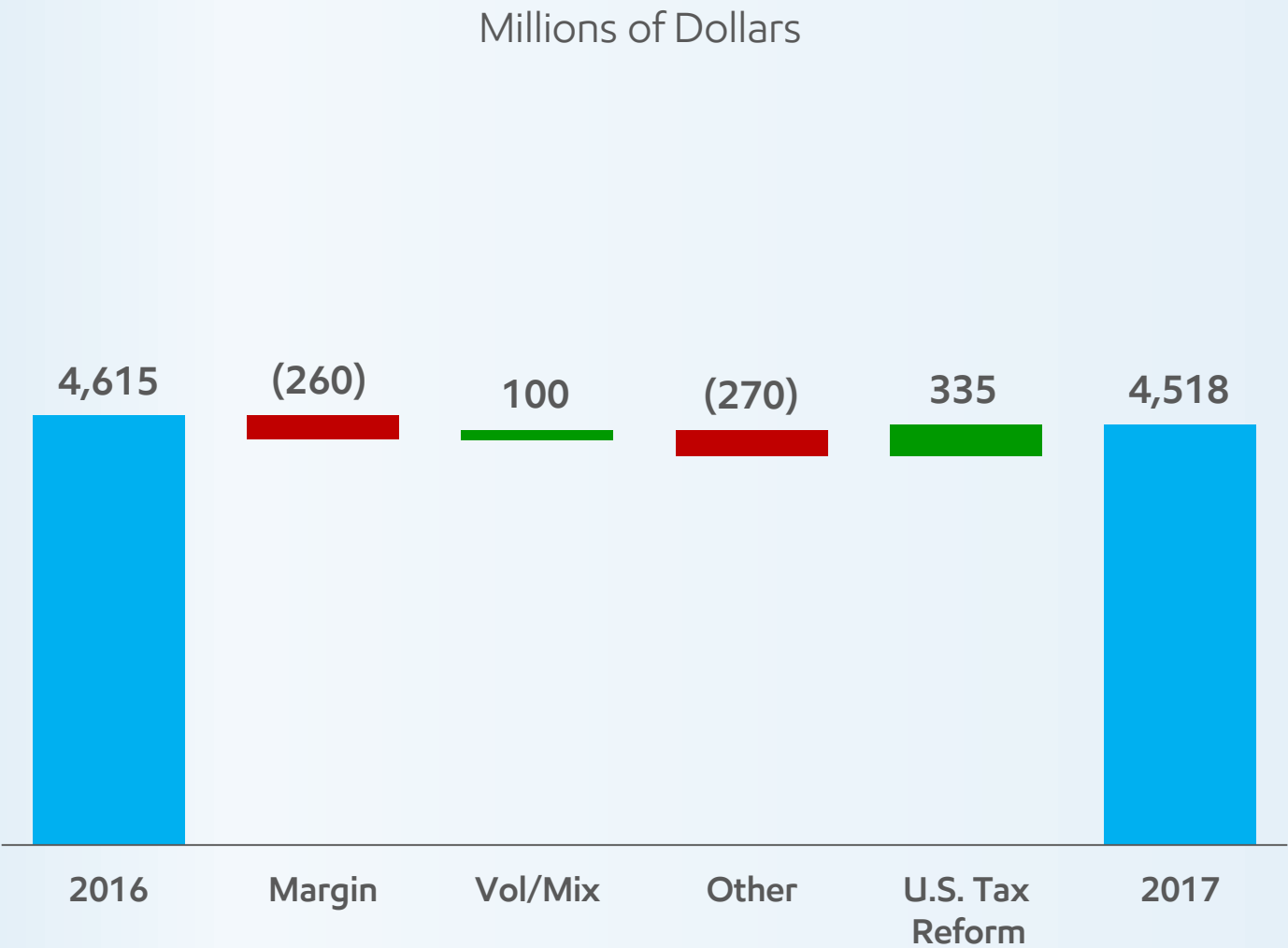
Downstream earnings – 2017 vs. 2016

Earnings up \$1.4 billion driven by higher margins



Chemical earnings – 2017 vs. 2016

Earnings decreased \$97 million due to lower margins and new operations, partly offset by U.S. tax reform



World-class resource growth offshore Guyana

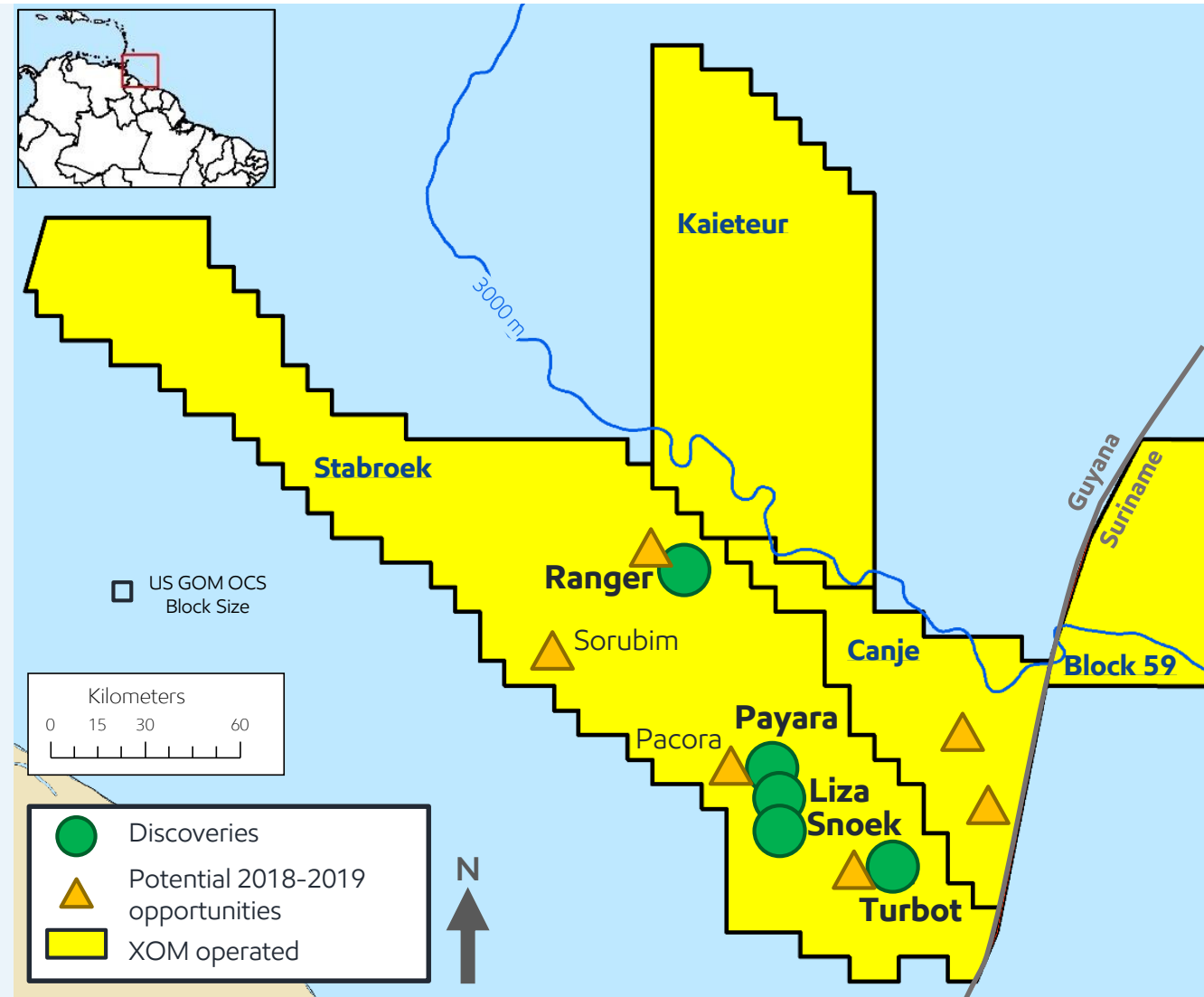
Sixth discovery on Stabroek block; progressing multiple phases of development

Exploration:

- Ranger-1 discovery proves third new play concept
 - 230 feet of oil-bearing carbonate reservoirs
- 3.2 BOEB recoverable resources on Stabroek block
 - Excludes Ranger discovery
- Rig moved to Pacora prospect, near Payara

Development:

- Liza Phase I development drilling beginning 2018
 - First oil March 2020
- Liza Phase II lead concept 220 KBD FPSO
 - Start-up 2022
- Progressing concept selection for Payara
 - Start-up planned 2023/2024



Lowest-cost-of-supply developments

Progressing strategic natural gas investments to meet growing demand

- Closed Mozambique Area 4 acquisition
 - ExxonMobil to lead onshore LNG developments
 - > 40 MTA scope
 - Funded participation in 3.4 MTA Coral FLNG project
- Successful P'nyang appraisal in Papua New Guinea
 - Assessing multi-train development
- Will spud first offshore Cyprus well 4Q18
- Signed PSCs for three blocks offshore Mauritania
 - 8.4 million acres in water depths of 3,300 to 11,500 feet



Successfully started up two major projects

Strong project execution in challenging operating environments

- Hebron first oil November 2017
 - Produce 150 KBD at peak rates
 - 700 MBO recoverable resources
 - On-schedule delivery
- Odoptu Stage 2 started up December 2017
 - Increases field production capacity to 65 KBD
 - On-schedule delivery
- Agreement to increase Upper Zakum to 1 MBD by 2024
 - Modularly expand facilities to maximize capital efficiency and reduce costs



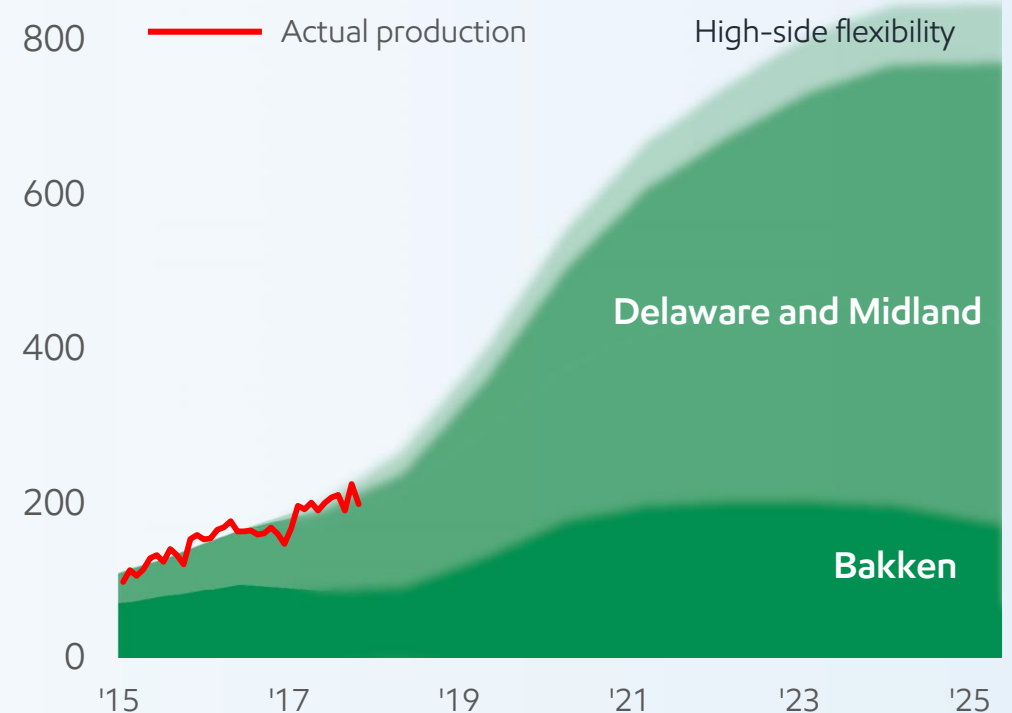
Growing unconventional liquids

Continuing to maximize capital efficiency

- Ramping up drilling in Permian and Bakken
 - 26 rigs growing to 36 by YE18
- Driving industry-leading capital efficiency
 - Optimizing lateral length/completion designs
- Assessing potential in additional Permian stacked pay zones
- \$2 billion planned infrastructure investments

Net production Delaware, Midland, and Bakken

KOEBD



Summary

Focused on value growth

	2017
Cash Flow from Operations and Asset Sales ¹	33.2
Earnings	19.7
Upstream production (MOEBD)	4.0
CAPEX	23.1
Free Cash Flow ²	14.3
Shareholder Distributions	13.0

Billions of dollars unless specified otherwise

¹ Includes Proceeds associated with Asset Sales of \$3.1B

² Calculated as Cash Flow from Operations and Asset Sales of \$33.2B less PP&E Adds / Net Investments & Advances of (\$18.9B)

- Relentless focus on value
- Advanced high-potential opportunities
- Covered net investments and dividends
- Increased shareholder distributions





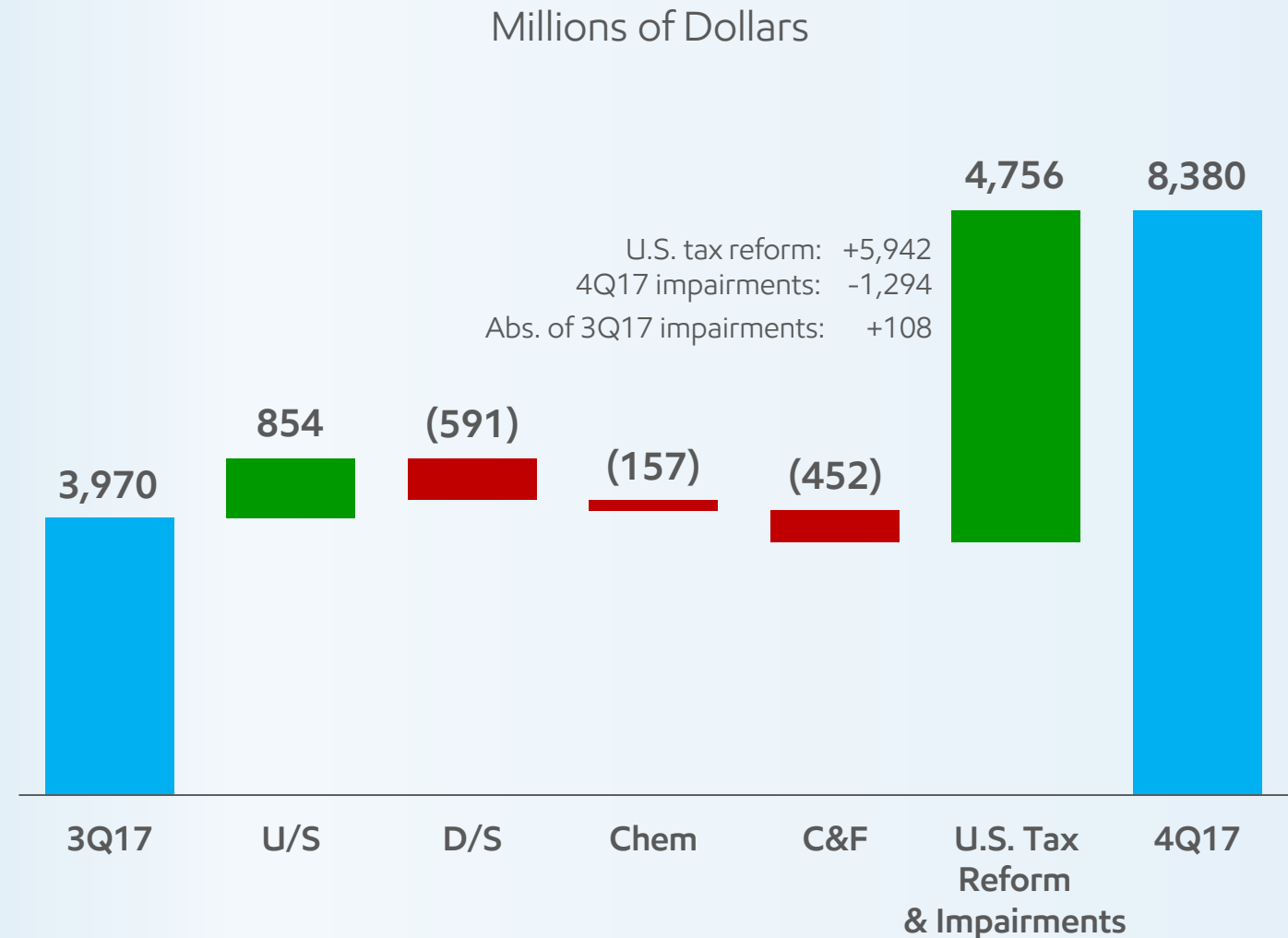
Q&A



Supplemental material

Total earnings – 4Q17 vs. 3Q17

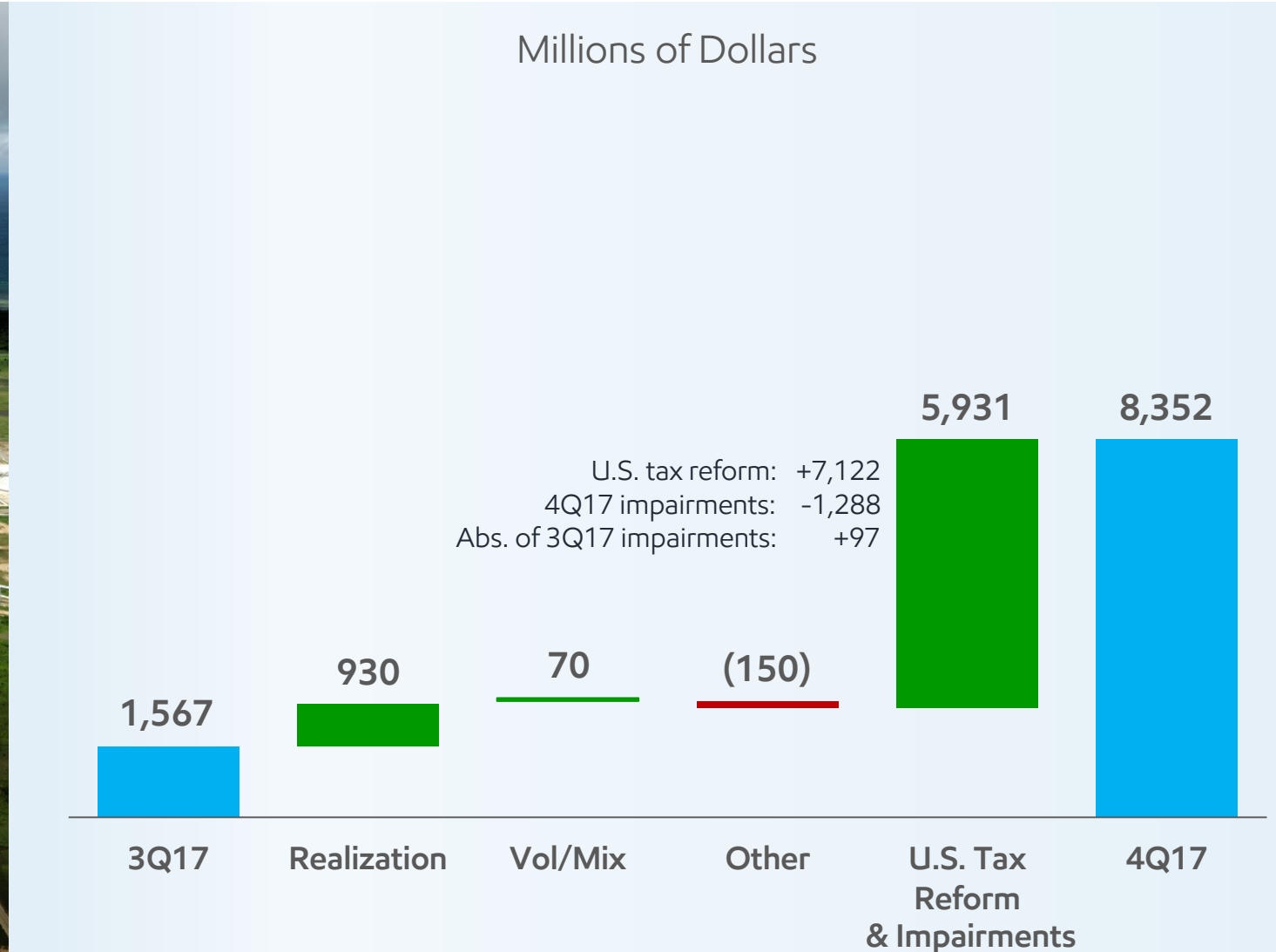
Earnings increased \$4.4 billion due to U.S. tax reform and improved Upstream results



Note: changes in segment earnings adjusted for tax reform and impairments; see back-up for reconciliation

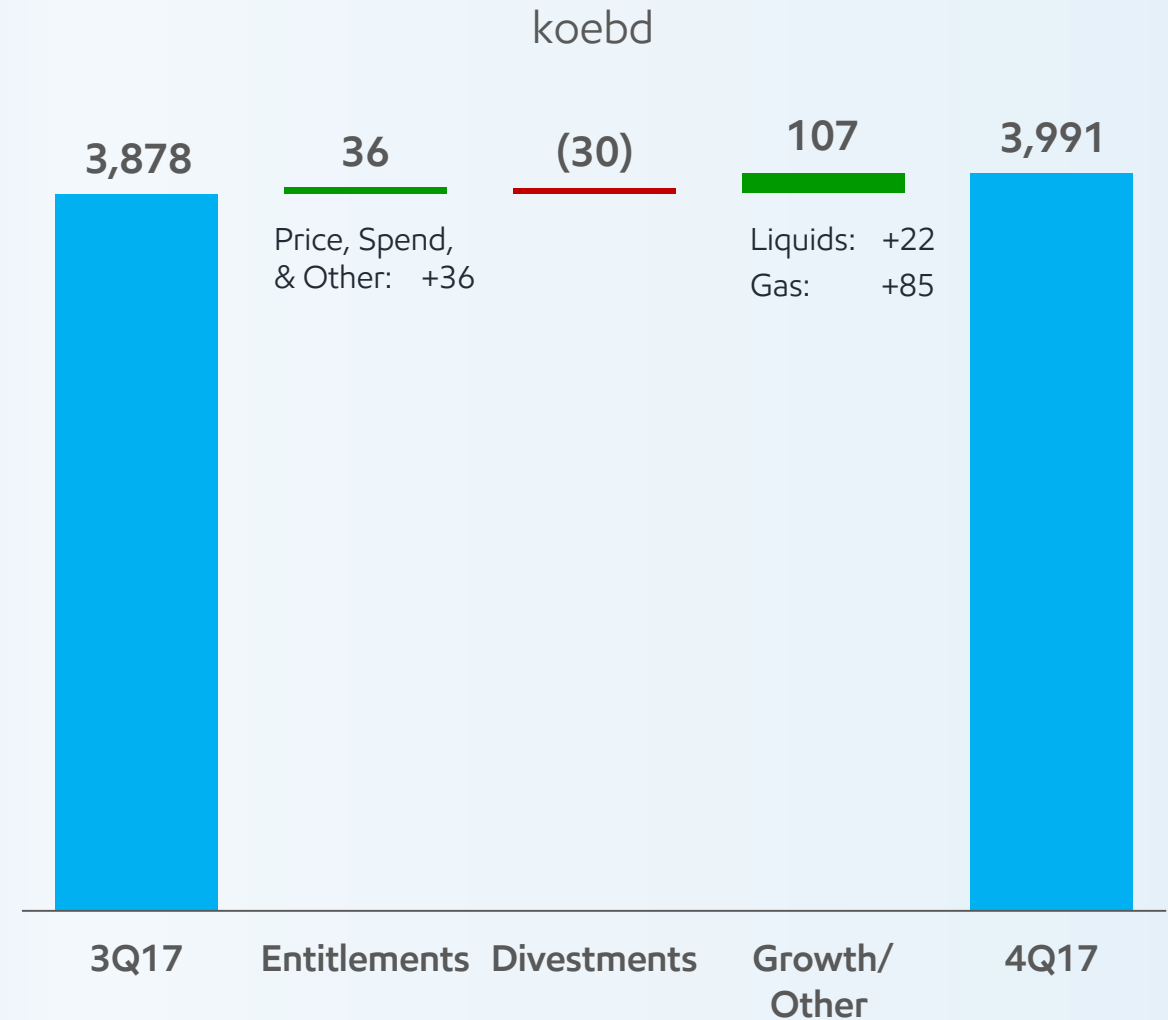
Upstream earnings – 4Q17 vs. 3Q17

Earnings increased \$6.8 billion due to U.S. tax reform and higher realizations



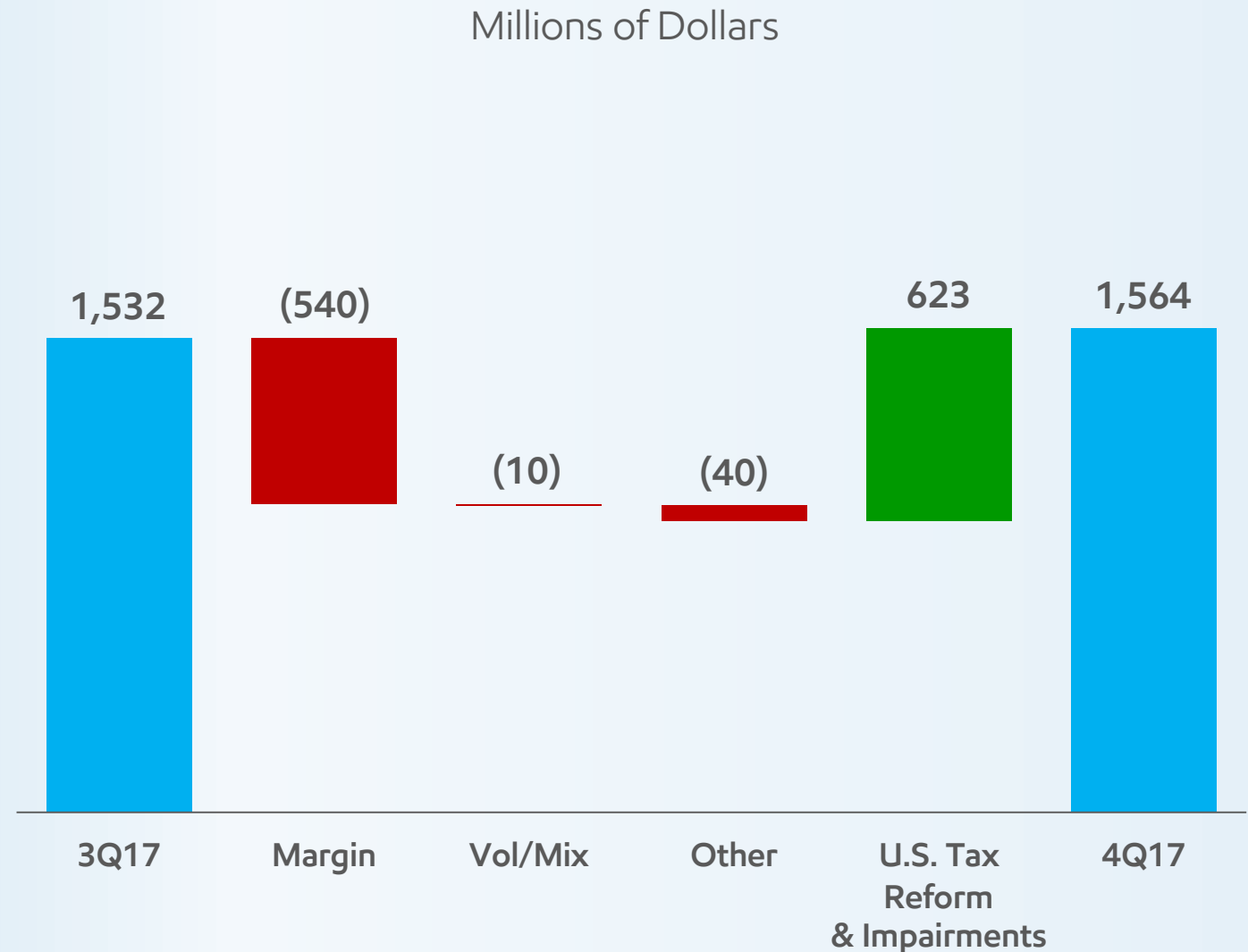
Upstream volumes – 4Q17 vs. 3Q17

Volumes increased 3%: Liquids -29 kbd, natural gas +856 mcf



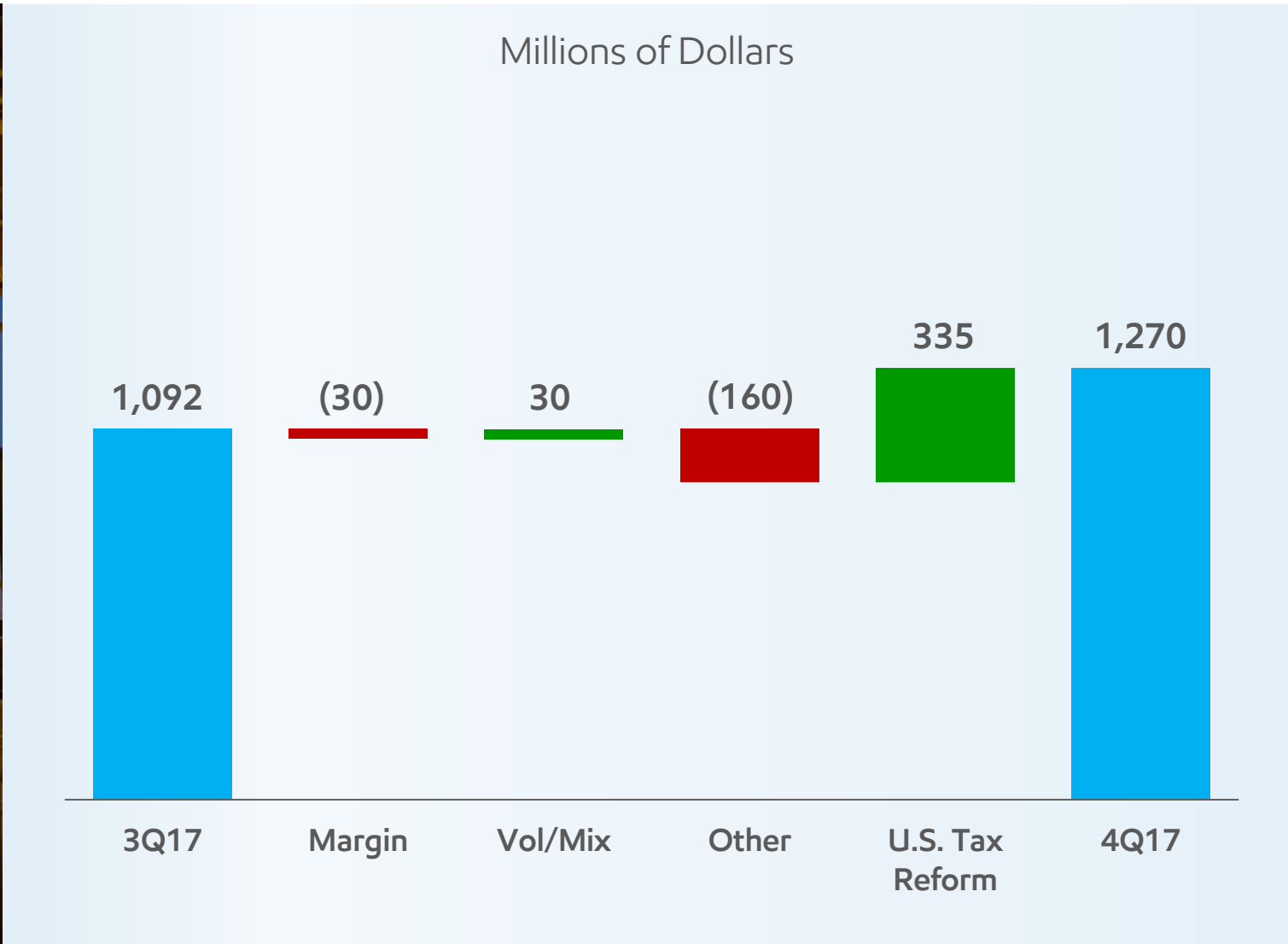
Downstream earnings – 4Q17 vs. 3Q17

Earnings up \$32 million due to U.S. tax reform largely offset by weaker margins



Chemical earnings – 4Q17 vs. 3Q17

Earnings increased \$178 million driven by U.S. tax reform



Reconciliation

Change in earnings (U.S. GAAP) by segment reconciled to slides 7, 15, 27

Millions of dollars

4Q16 vs. 4Q17	Prior period earnings	Current period earnings	Change in earnings	Change in earnings due to		Change in earnings ex-U.S. tax reform & impairments
				U.S. tax reform	Impairments	
Upstream	(642)	8,352	8,994	7,122	847	1,025
Downstream	1,241	1,564	323	618	(6)	(289)
Chemical	872	1,270	398	335	0	63
Corporate and Financing	209	(2,806)	(3,015)	(2,133)	0	(882)
Total	1,680	8,380	6,700	5,942	841	(83)
2016 vs. 2017						
Upstream	196	13,355	13,159	7,122	659	5,378
Downstream	4,201	5,597	1,396	618	46	732
Chemical	4,615	4,518	(97)	335	0	(432)
Corporate and Financing	(1,172)	(3,760)	(2,588)	(2,133)	0	(455)
Total	7,840	19,710	11,870	5,942	705	5,223
3Q17 vs. 4Q17						
Upstream	1,567	8,352	6,785	7,122	(1,191)	854
Downstream	1,532	1,564	32	618	5	(591)
Chemical	1,092	1,270	178	335	0	(157)
Corporate and Financing	(221)	(2,806)	(2,585)	(2,133)	0	(452)
Total	3,970	8,380	4,410	5,942	(1,186)	(346)