

# First 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; finding and development costs; project plans, timing, costs, and capacities; drilling programs; product sales and mix; dividend and share purchase levels; cash and debt balances; asset valuations; corporate and financing expenses; and the impact of technology could differ materially due to a number of factors. These include changes in oil or gas prices or other market conditions affecting the oil, gas, and petrochemical industries; the occurrence and duration of economic recessions; 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; 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](http://exxonmobil.com). The closing of announced acquisition transactions is subject to satisfaction of conditions to closing provided under the applicable agreement. 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 resources, the resource base, barrels of oil, volumes of gas, liquids, condensate, and similar terms include quantities 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). For definitions and more information regarding resources, reserves, cash flow from operations and asset sales, free cash flow, earnings excluding impairment charge, operating costs, 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

First quarter earnings of \$4 billion

Cash flow from operations and asset sales more than covered dividends and net investments

Solid results from all three business segments

Continued focus on managing costs and operating efficiently

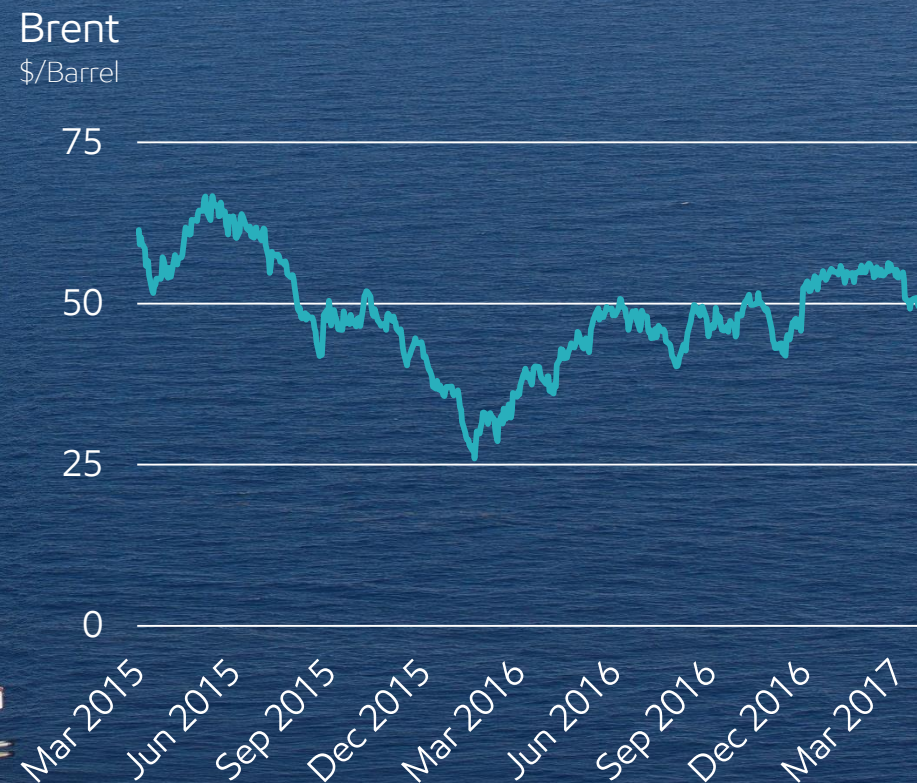
Advancing key initiatives across the value chain for strategic growth



# Business environment

Global economy showed modest growth in the quarter

- Slower expansion in the U.S.
- Stable growth in China and Europe
- Slight improvement in Japan
- Price environment improved
- Global rig count up
- Refining and chemical margins increased



Source: Platt's

# First quarter 2017 financial results

Earnings	4.0
Earnings Per Share – Diluted ( <i>dollars</i> )	0.95
Shareholder Distributions	3.1
CAPEX	4.2
Cash Flow from Operations and Asset Sales <sup>1</sup>	8.9
Cash	4.9
Debt	43.6

*Billions of dollars unless specified otherwise*

<sup>1</sup> Includes Proceeds Associated with Asset Sales of \$0.7B



# First quarter 2017 sources and uses of cash

<b>Beginning Cash</b>	<b>3.7</b>	} <b>8.9</b>
Earnings	4.0	
Depreciation	4.5	
Working Capital / Other	(0.3)	
Proceeds Associated with Asset Sales	0.7	
Shareholder Distributions	(3.1)	
PP&E Adds / Investments and Advances <sup>1</sup>	(4.5)	
Debt / Other Financing <sup>2</sup>	(0.1)	
<b>Ending Cash</b>	<b>4.9</b>	

*Billions of dollars*

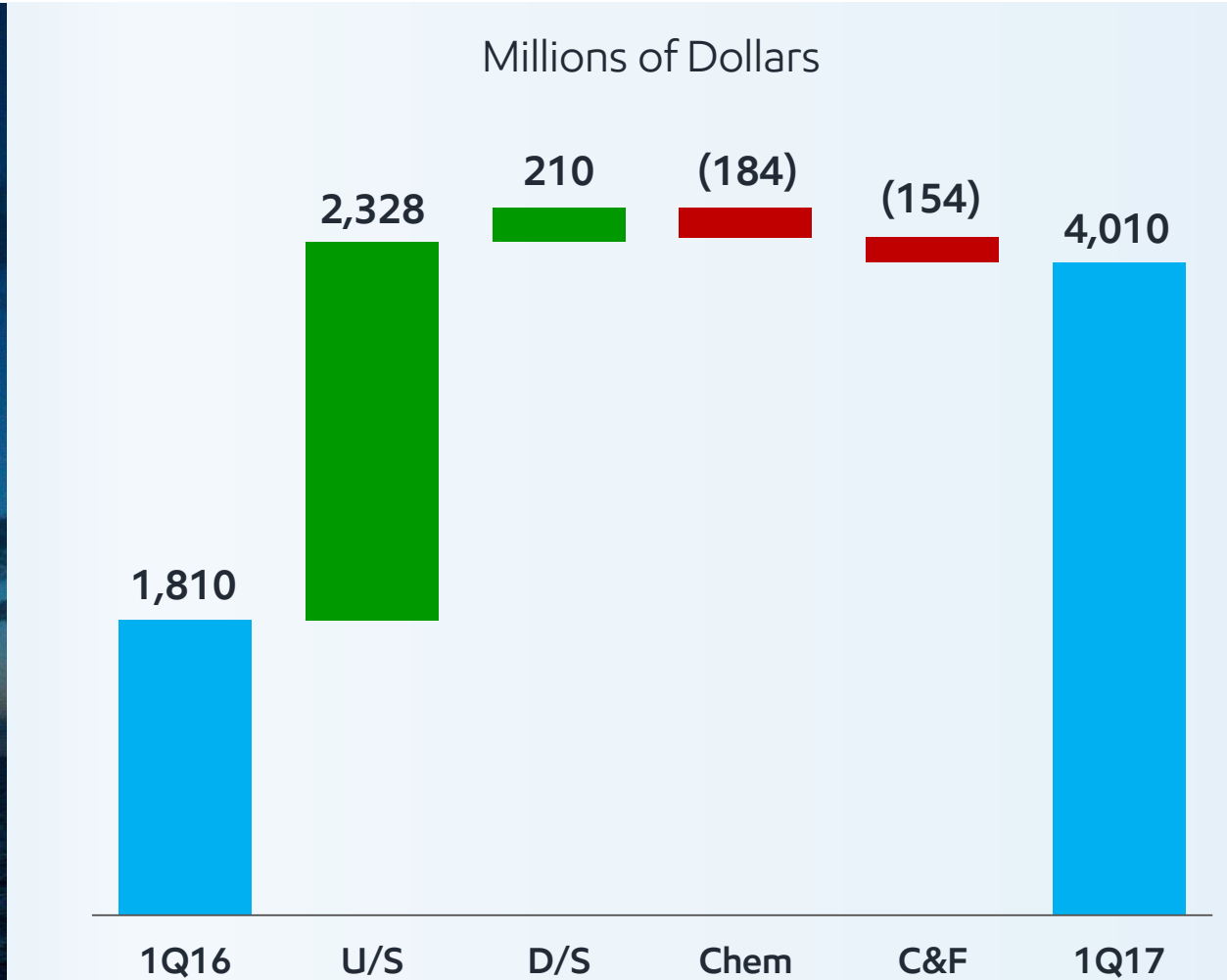
<sup>1</sup> Includes PP&E Adds of (\$2.9B) and net investments and advances of (\$1.6B)

<sup>2</sup> Includes anti-dilutive share purchases of (\$0.5B)



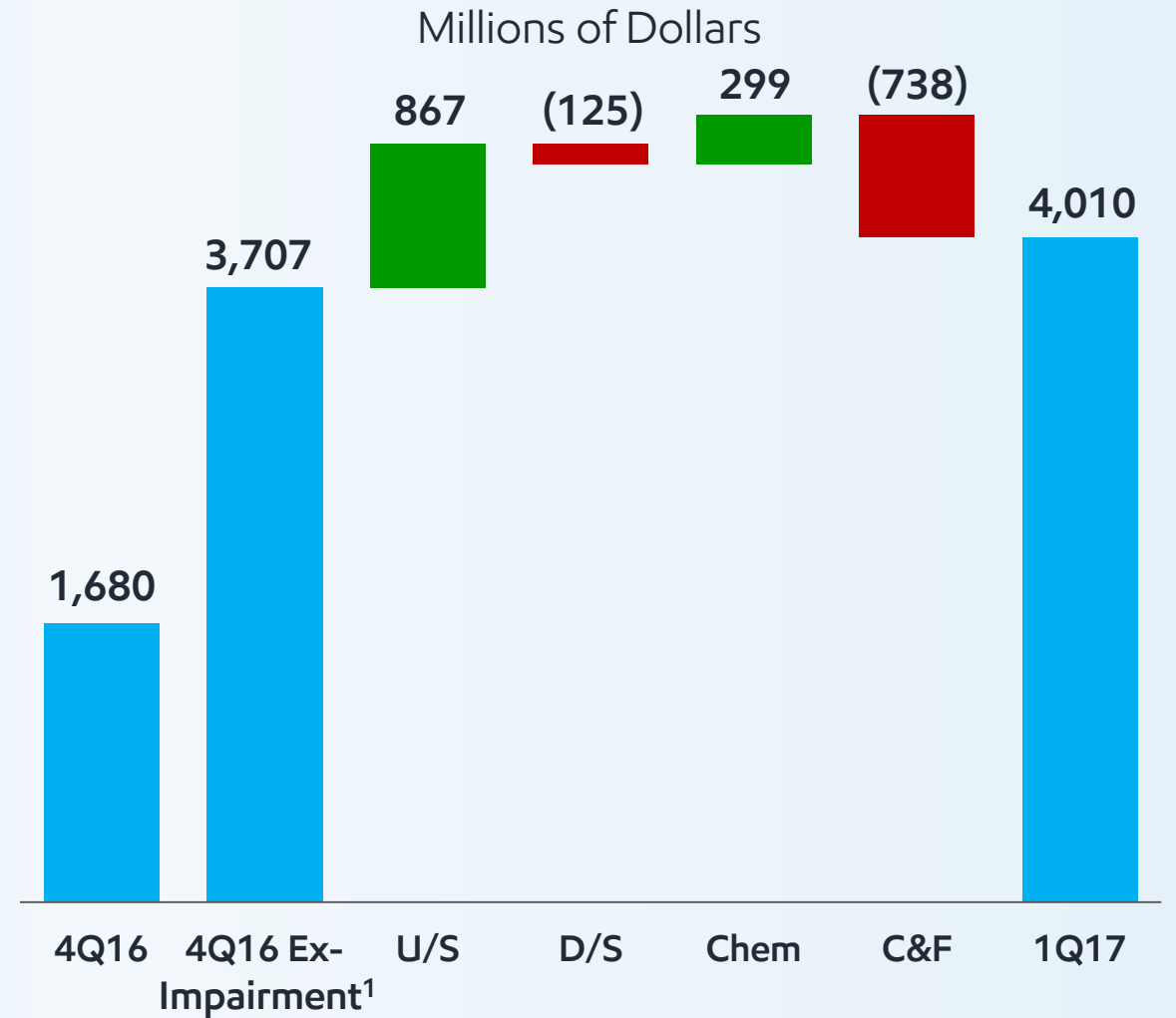
# Total earnings – 1Q17 vs. 1Q16

Earnings increased \$2.2 billion on stronger Upstream results



# Total earnings – 1Q17 vs. 4Q16

Earnings<sup>1</sup> increased \$303 million with stronger Upstream and Chemical results partly offset by higher corporate costs

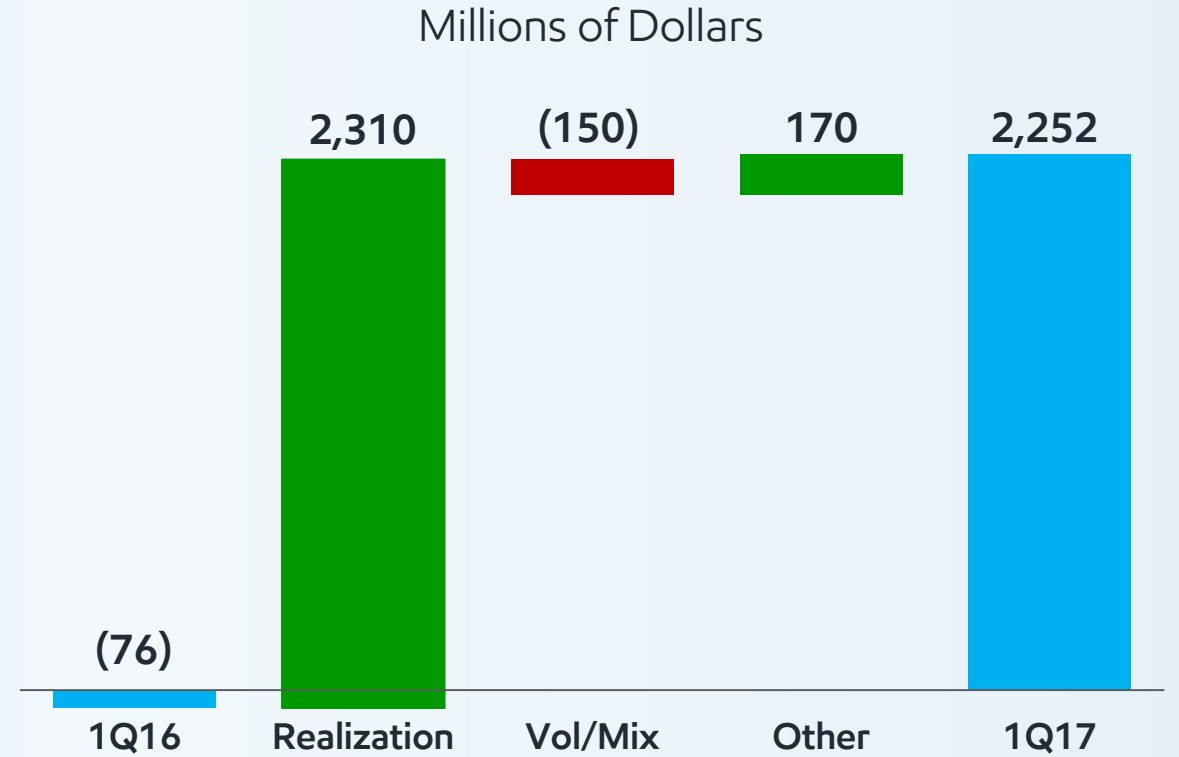


<sup>1</sup> Excluding \$2B 4Q16 Upstream impairment charge



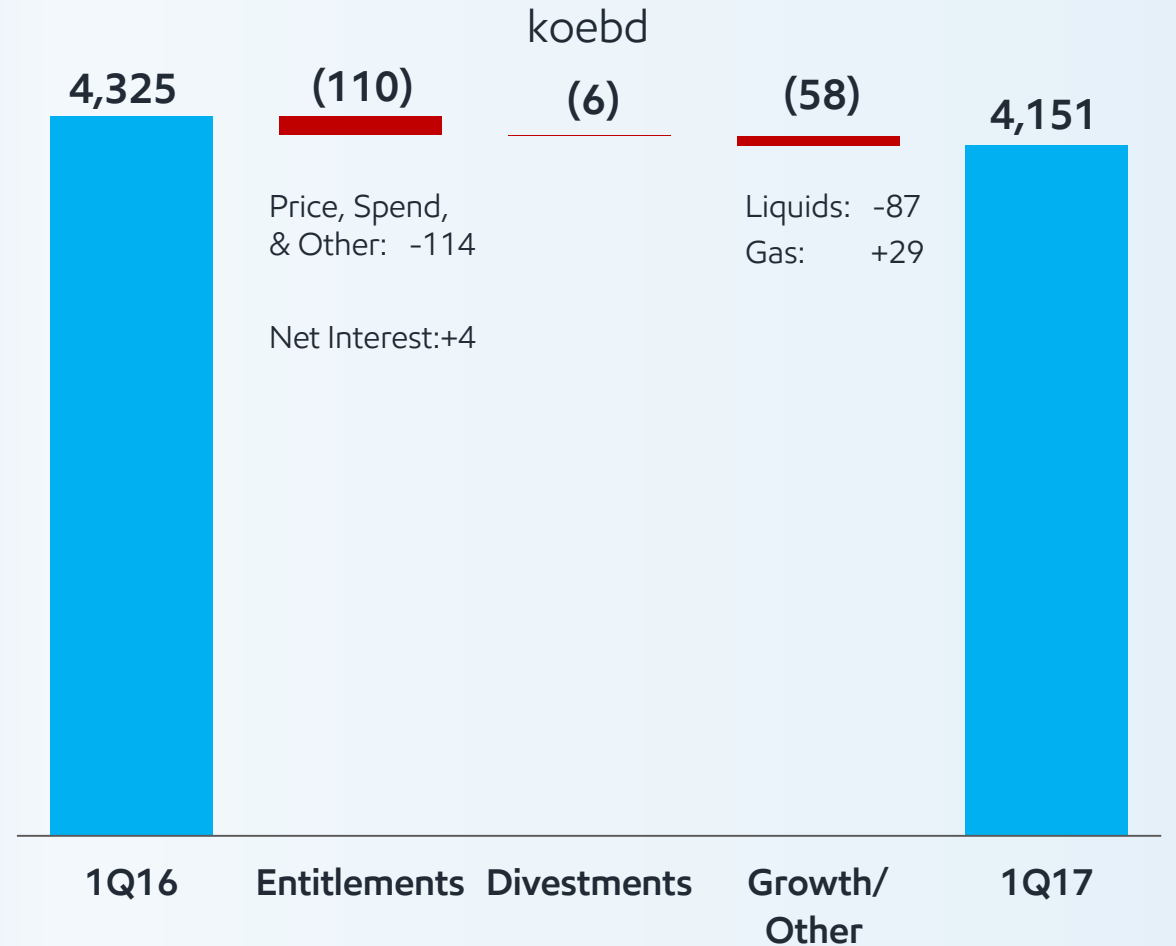
# Upstream earnings – 1Q17 vs. 1Q16

Earnings up \$2.3 billion due to higher realizations



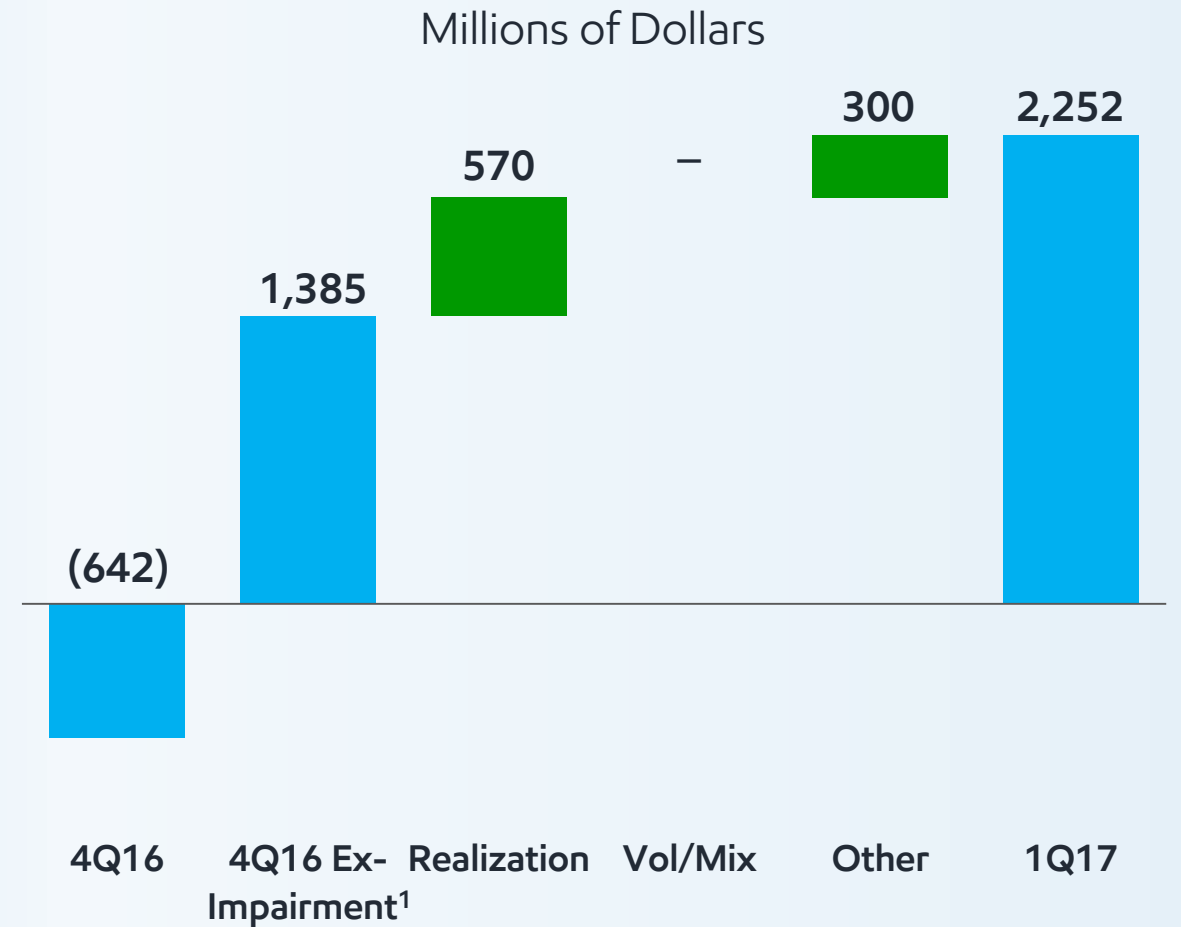
# Upstream volumes – 1Q17 vs. 1Q16

Volumes down 4%: Liquids -205 kbd, natural gas +184 mcf



# Upstream earnings – 1Q17 vs. 4Q16

Earnings<sup>1</sup> increased \$867 million due to higher realizations and lower operating expenses



<sup>1</sup> Excluding \$2B 4Q16 Upstream impairment charge

# Upstream volumes – 1Q17 vs. 4Q16

Volumes increased 1%: Liquids -51 kbd, natural gas +484 mcfd

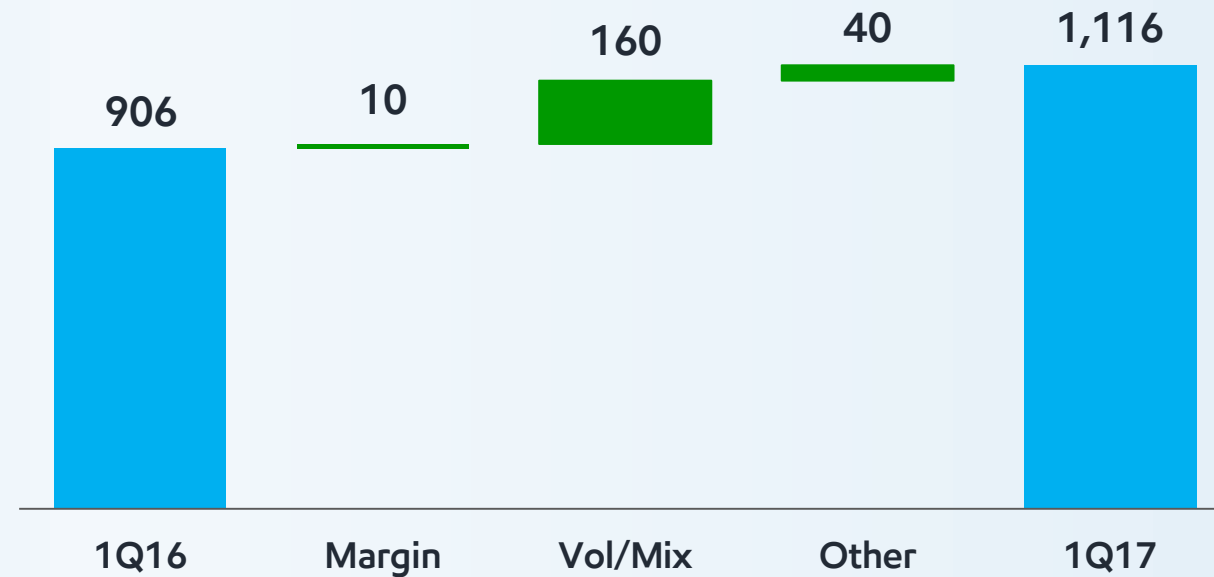


# Downstream earnings – 1Q17 vs. 1Q16

Earnings up \$210 million due to increased operational efficiency

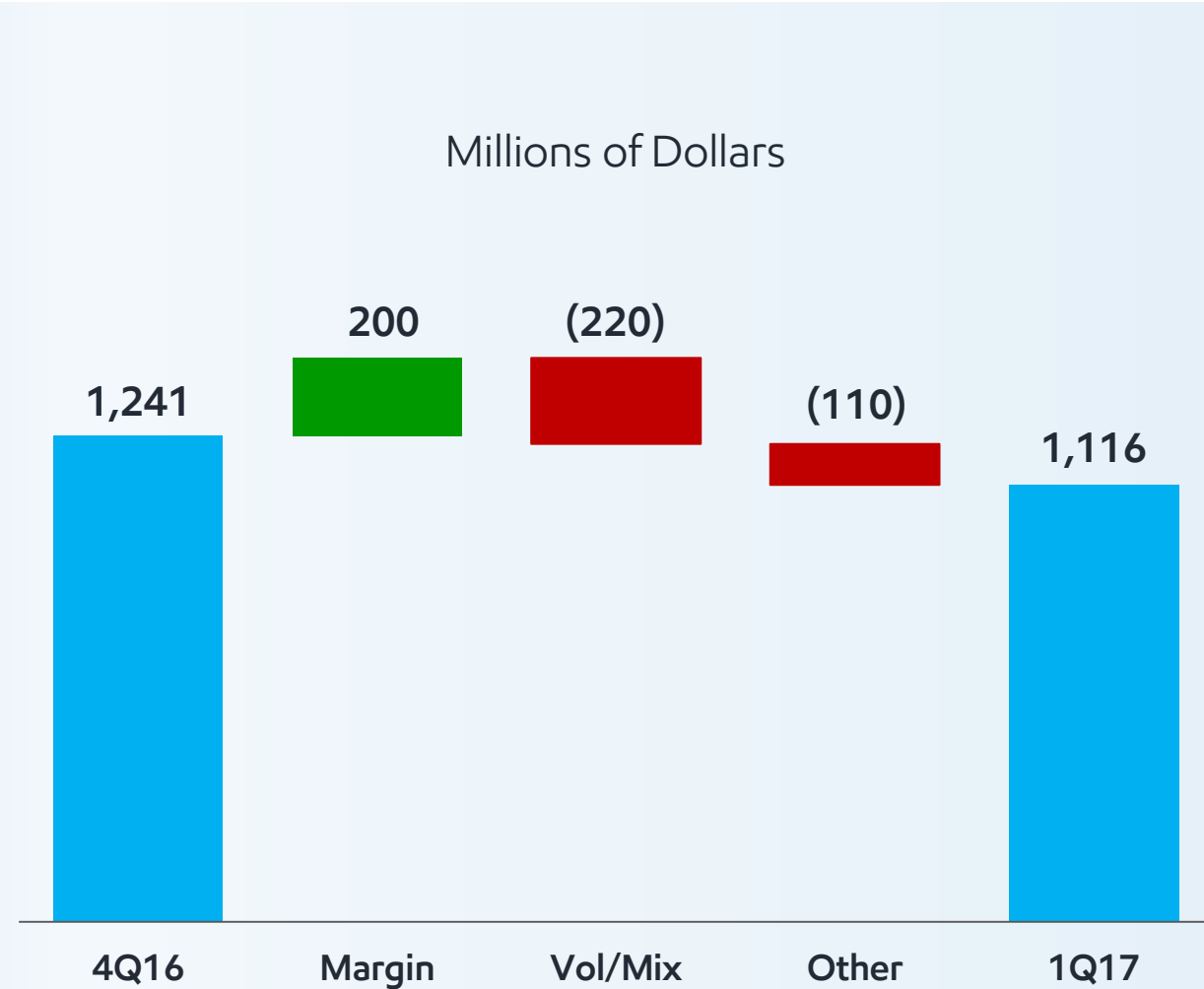


Millions of Dollars



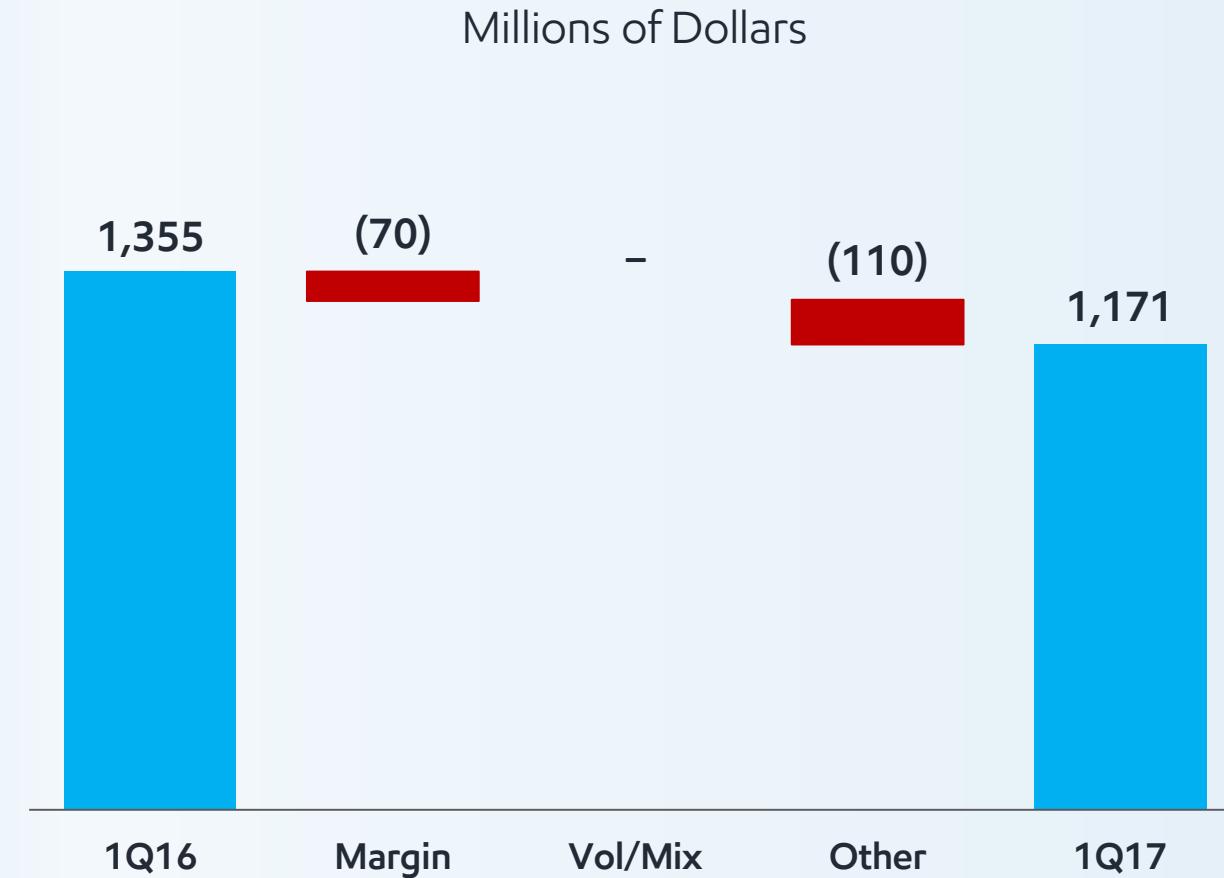
# Downstream earnings – 1Q17 vs. 4Q16

Earnings down \$125 million due to higher planned maintenance and the absence of divestment gains



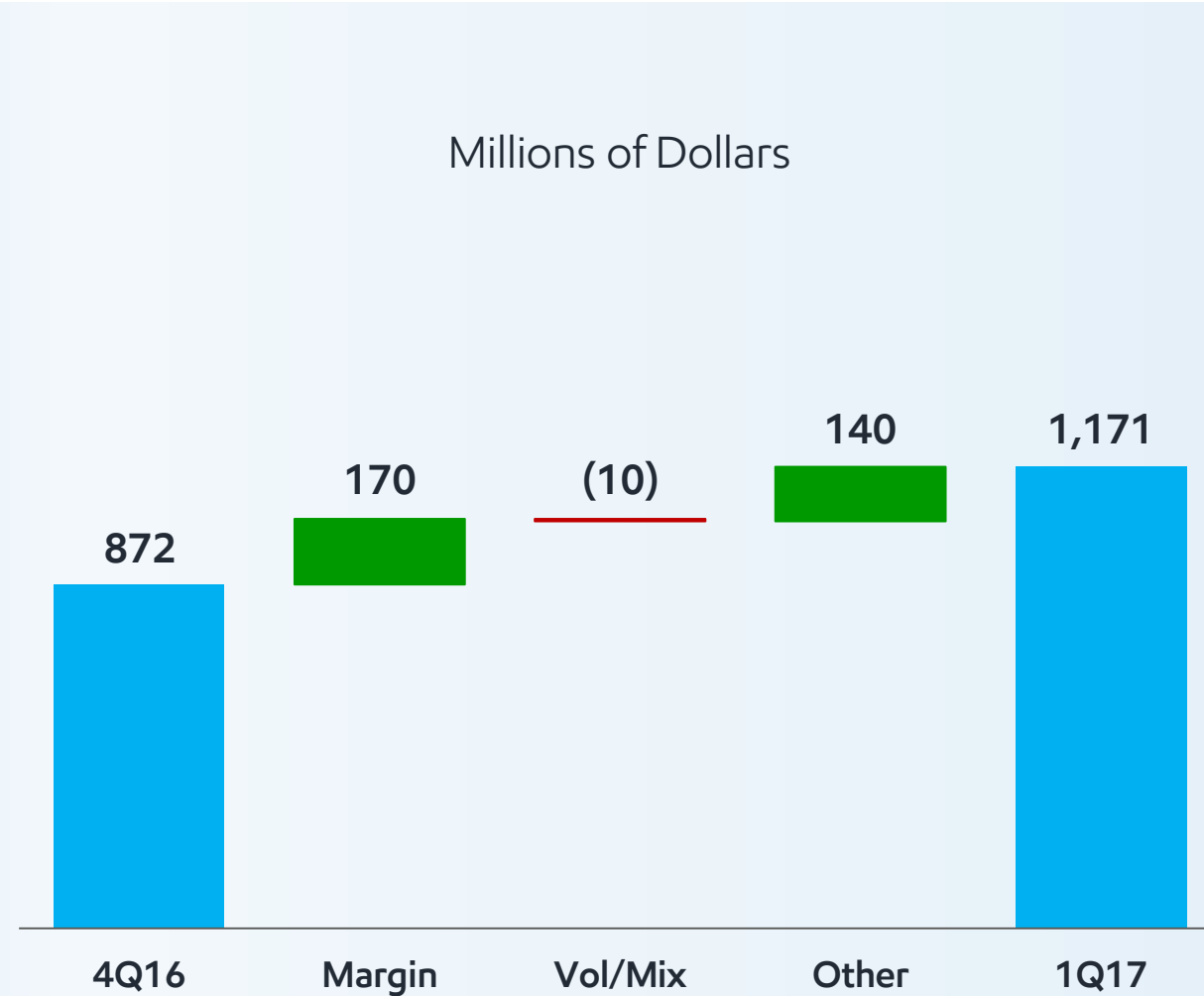
# Chemical earnings – 1Q17 vs. 1Q16

Earnings decreased \$184 million due to lower specialties margins and increased turnaround activities



# Chemical earnings – 1Q17 vs. 4Q16

Earnings increased \$299 million on higher commodity margins and lower operating expenses

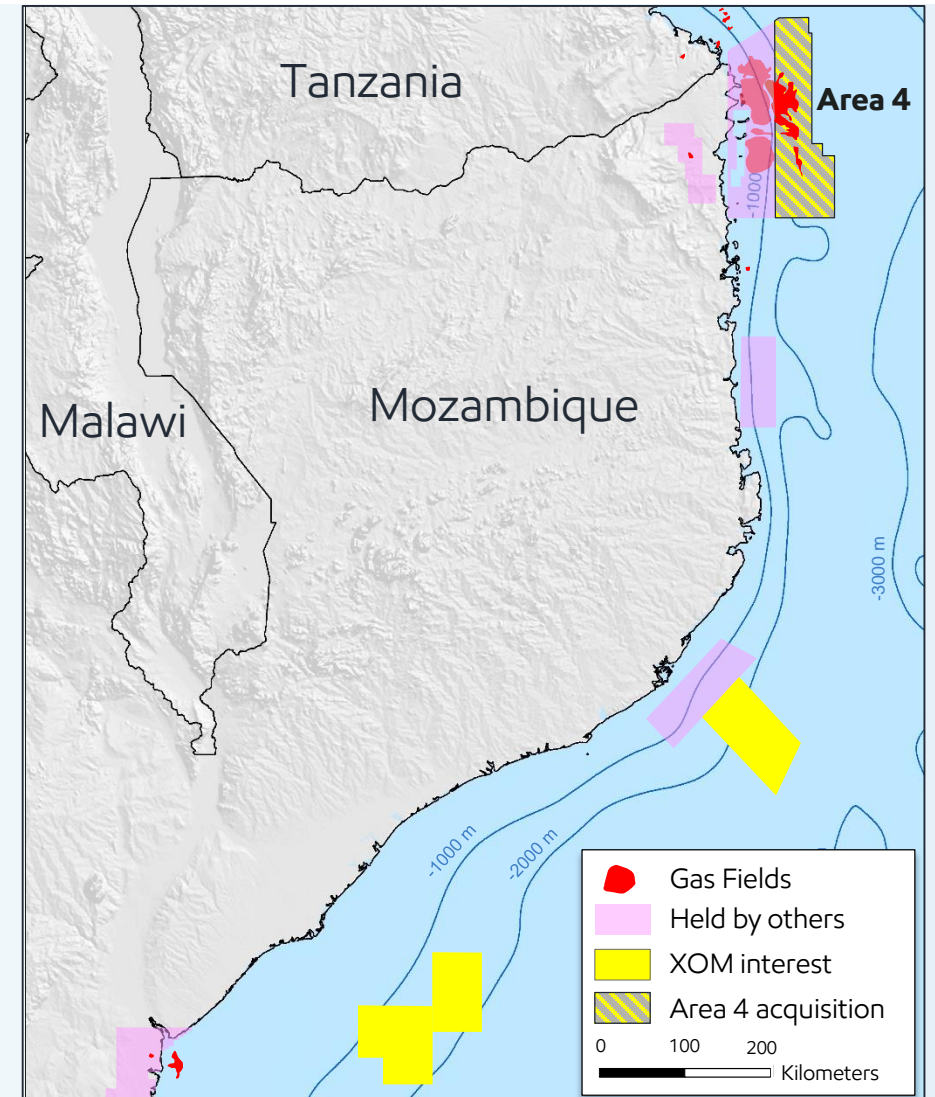




# Mozambique: Strategic portfolio addition

Access to world-class gas resources

- Acquiring 25% interest in Area 4 from Eni for \$2.8 billion cash
  - 6 major discoveries with 85 TCF of gas in-place
  - More than 100 MCFD well deliverability
  - Competitive cost of supply
- ExxonMobil to operate onshore LNG facilities
  - More than 40 MTA of onshore LNG developments
  - Leveraging industry-leading project and operational capabilities
- Ongoing evaluation of 3 high-potential exploration blocks



# Solid project and exploration progress

Advancing high-quality opportunities

- Closed PNG and Permian acquisitions
- 18 Major value chain projects in execution
  - 6 Upstream, 8 Downstream, 4 Chemical
- Australia: Gorgon-Jansz Train 3 start-up
- Focused exploration program
  - Guyana: Snoek discovery
  - U.S.: Apparent high bidder on 19 GoM blocks
  - PNG: Successful farm-in to 2 offshore blocks
  - Cyprus: Executed Block 10 EPSC



# Summary

Focused on value growth

Earnings	4.0
Upstream production (MOEBD)	4.2
CAPEX	4.2
Cash Flow from Operations and Asset Sales <sup>1</sup>	8.9
Free Cash Flow <sup>2</sup>	4.4
Shareholder Distributions	3.1

*Billions of dollars unless specified otherwise*

- Solid business performance
- Investment discipline
- Cash coverage
- Reliable, growing dividend

<sup>1</sup> Includes Proceeds Associated with Asset Sales of \$0.7B

<sup>2</sup> Calculated as Cash Flow from Operations and Asset Sales of \$8.9B less PP&E Adds / Investments & Advances of (\$4.5B)





Q&A