ExxonMobil

2016 Summary Annual Report

COVER PHOTO: **Using proprietary technologies, the Singapore petrochemical complex is the only steam-cracking facility in the global industry with the ability to process crude oil directly into chemical products, providing a unique cost advantage.**

Statements of future events or conditions in this report, including projections, targets, expectations, estimates, and business plans, are forward-looking statements. Actual future financial and operating results, including demand growth and energy source mix; capacity growth; the impact of new technologies; production growth; project plans, dates, costs, and capacities; resource additions, production rates, and resource recoveries; efficiency gains; cost savings; and product sales could differ materially due to, for example, changes in the supply in and demand for crude oil, natural gas, and petroleum and petrochemical products and resulting price impacts; reservoir performance; timely completion of development projects; war and other political or security disturbances; changes in law or government regulation, including environmental regulations and political sanctions; the actions of competitors and customers; unexpected technological developments; general economic conditions, including the occurrence and duration of economic recessions; the outcome of commercial negotiations; the impact of fiscal and commercial terms; unforeseen technical difficulties; unanticipated operational disruptions; and other factors discussed in this report and in Item 1A of ExxonMobil's most recent Form 10-K.

Definitions of "resources" and "resource base," as well as certain financial and operating measures and other terms used in this report, are contained in the section titled "Frequently Used Terms" on pages 44 and 45. In the case of financial measures, such as "Return on Average Capital Employed" and "Cash Flow from Operations and Asset Sales," the definitions also include information required by SEC Regulation G.

"Factors Affecting Future Results" and "Frequently Used Terms" are also available on the "Investors" section of our website.

Prior years' data have been reclassified in certain cases to conform to the 2016 presentation basis.

The term "project" as used in this publication can refer to a variety of different activities and does not necessarily have the same meaning as in any government payment transparency reports.

Enabling modern life

Promoting opportunity and prosperity

Fueling economies

Eliminating energy poverty

Advancing technological solutions

Managing the risks of climate change

Improving energy access and efficiency

Safely and responsibly powering our world

ExxonMobil

Energy lives here™

To Our Shareholders

ExxonMobil is dedicated to generating long-term value for you, our shareholders. We strive to remain the industry leader in safely supplying the energy necessary to support economies and improve the lives of billions of people, while at the same time protecting the environment. This challenge is what drives the thousands of men and women of ExxonMobil to push the frontiers of science and technology, develop new products and resources, optimize our operations, and continually improve.

As you will read, we achieve success through discipline in our capital spending, advantaged project execution, operational excellence, and a relentless focus on business fundamentals. With our strong balance sheet, prudent management, and deep inventory of opportunities, ExxonMobil is uniquely positioned to create value through the commodity price cycle.

ExxonMobil maintains a long-term view and strategic focus in our business plans and investments. Underpinning our investment plans is our *Outlook for Energy*, an annual, long-range energy supply and demand forecast. We anticipate global economic output will double by the year 2040 while the world strives to embrace a future with lower carbon intensity consistent with the Paris Agreement commitments. With population growth, rising economic prosperity, increasing trade, and evolving technology, we project global energy demand will grow by about 25 percent between 2015 and 2040. Meeting the growth in demand will require development of all energy types, as well as new technologies and further gains in energy efficiency.

We strive to remain the industry leader in safely supplying the energy necessary to support economies and improve the lives of billions of people, while at the same time protecting the environment.

As we work to meet this demand, we must also work to reduce the environmental impact of global development and do our part in mitigating the risks of climate change. We recognize that these risks are serious and warrant thoughtful action, requiring large-scale, economic, broad-based solutions implemented around the world. At ExxonMobil, we are working to improve energy efficiency and reduce emissions from our own operations, while also helping consumers use energy more efficiently with the advanced products we manufacture. Since 2000, ExxonMobil has spent nearly $7 billion on researching, developing, and deploying emissions-reducing technologies, such as carbon capture and storage. Our efforts have made us a global leader in this technology with a working interest in about one quarter of the world's current capacity. We announced a new partnership in 2016 to research the use of fuel cells in capturing carbon dioxide that could substantially reduce costs and lead to large-scale application globally. We are also working on energy efficiency initiatives, cogeneration, flare reduction, advanced biofuels, and research on other lower-carbon energy solutions.

We achieve success through discipline in our capital spending, advantaged project execution, operational excellence, and a relentless focus on business fundamentals.

ExxonMobil's 2016 results demonstrate the benefits of our business model in volatile commodity markets. Amid challenging economic and geopolitical conditions, ExxonMobil generated $7.8 billion of earnings and return on capital employed of 3.9 percent. Cash flow from operations and asset sales of $26.4 billion from our integrated businesses allowed us to progress strategic investments across all of our business segments with a focus on growing value over the long term. Capital and exploration expenditures were $19.3 billion, 38 percent less than 2015, reflecting market cost savings, capital efficiencies, and timely completion of major projects.

Very importantly, last year we achieved our best-ever safety performance, reflecting our employees' unrelenting commitment to operational excellence and effective risk management.

We continued to share our success directly with shareholders by distributing dividends totaling $12.5 billion in 2016. Despite a challenging business climate, the annual dividend on ExxonMobil's common stock increased 3.5 percent compared with the prior year, leading industry peers. We have increased our annual per-share dividend payment to shareholders for 34 consecutive years.

Our Upstream business produced 4.1 million oil-equivalent barrels per day, bolstered by five major project start-ups in 2016 which added about 250 thousand oil-equivalent barrels per day of working interest production capacity. We continue to enhance our resource base with several significant discoveries and ongoing asset management activities, including long-term accretive acquisitions.

We are advancing our large inventory of short-cycle onshore opportunities, primarily in the United States in the Permian and Bakken, where we have added attractive acreage and continue to enhance operating efficiency and reduce costs. Looking ahead, the diversity and quality of our project inventory, along with our financial strength, provide the flexibility to advance the most attractive investments. Several long-cycle project start-ups, anticipated in 2017 and 2018, are expected to contribute about 340 thousand oil-equivalent barrels per day of working interest production capacity.

With our strong balance sheet, prudent management, and deep inventory of opportunities, ExxonMobil is uniquely positioned to create value through the commodity price cycle.

Results in our Downstream and Chemical segments highlight the value of our integrated business model. We continue to grow value by leveraging advantaged manufacturing assets and our differentiated portfolio of brands and products. ExxonMobil is selectively investing in attractive opportunities across our fuels, lubricants, and chemical businesses to improve feedstock flexibility, increase higher-value products, enhance operational efficiency, increase logistics capabilities, and optimize our marketing channels. In particular, we continue to expand our manufacturing capacity along the U.S. Gulf Coast, including construction of a world-class ethane cracker and expansion of our polyethylene plants. These projects will leverage supply advantages to manufacture high-performance polyethylene products to meet growing global demand for plastics. Along with other projects in the region, they are expected to create more than 35,000 construction jobs and more than 12,000 full-time jobs.

These are just some of the successes and plans that your investment in ExxonMobil made possible. We appreciate the confidence you have placed in us as we work to expand energy supplies, develop breakthrough technologies, and support global prosperity in a safe, secure, and environmentally responsible way. The men and women of ExxonMobil remain committed to creating long-term value for our shareholders, and we look forward to continued success in the future.

Darren Woods, Chairman and CEO

2016 Financial & Operating Summary

ExxonMobil's long-term strategies and our unwavering commitment to the highest standards of integrity underpin everything we do. The company's core business strategies provide the framework for the organization to deliver on its commitments and create shareholder value through the commodity price cycle.

Results & Highlights

- Strong environmental results and best-ever safety performance
- Earnings of $7.8 billion and return on average capital employed[1] of 3.9 percent
- Cash flow from operations and asset sales[1] of $26.4 billion, demonstrating the resilience of the integrated business
- Annual dividends per share increased 3.5 percent in 2016, the 34th consecutive year of per-share dividend increases
- Total shareholder distributions[1] of $12.5 billion
- Capital and exploration expenditures[1] of $19.3 billion
- Completed five major Upstream projects with working interest production capacity of almost 250 thousand oil-equivalent barrels per day, including projects in Australia, Kazakhstan, and the United States
- Made significant oil discoveries offshore Nigeria and Guyana, and a significant gas discovery onshore Papua New Guinea
- Captured more than 6 million net exploration acres
- Advanced construction of world-scale specialty polymers facilities in Singapore that will produce halobutyl rubber and performance resins
- Progressed construction of a new hydrocracker project at our refinery in Rotterdam, Netherlands, which will use proprietary technology to produce ultra-low sulfur diesel and premium Group II lube basestocks
- Approved projects to increase low-sulfur gasoline and polyethylene production at our integrated site in Beaumont, Texas
- Approved the expansion of our facility in Wales, United Kingdom, to increase production of *Santoprene* high-performance elastomers

(1) See Frequently Used Terms on pages 44 and 45.

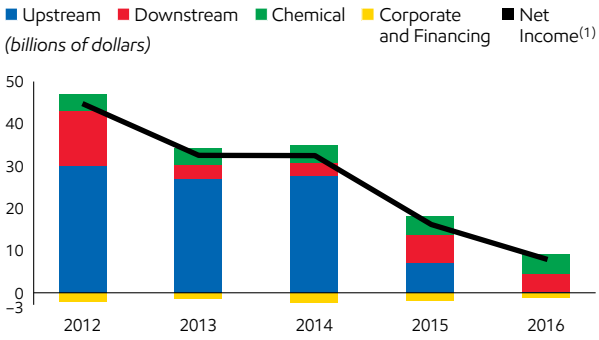
Financial Highlights

(millions of dollars, unless noted)	Earnings after Income Taxes	Average Capital Employed[1]	Return on Average Capital Employed (%)[1]	Capital and Exploration Expenditures[1]
Upstream	196	170,055	0.1	14,542
Downstream	4,201	21,804	19.3	2,462
Chemical	4,615	24,844	18.6	2,207
Corporate and Financing	(1,172)	(4,477)	N.A.	93
Total	**7,840**	**212,226**	**3.9**	**19,304**

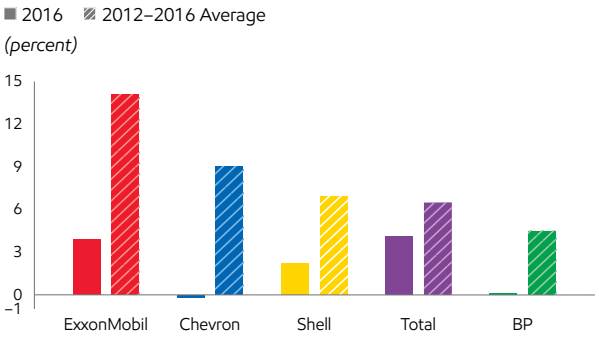
Operating Highlights

Liquids production *(net, thousands of barrels per day)*	2,365
Natural gas production available for sale *(net, millions of cubic feet per day)*	10,127
Oil-equivalent production[2] *(net, thousands of oil-equivalent barrels per day)*	4,053
Refinery throughput *(thousands of barrels per day)*	4,269
Petroleum product sales *(thousands of barrels per day)*	5,482
Chemical prime product sales[1] *(thousands of tonnes)*	24,925

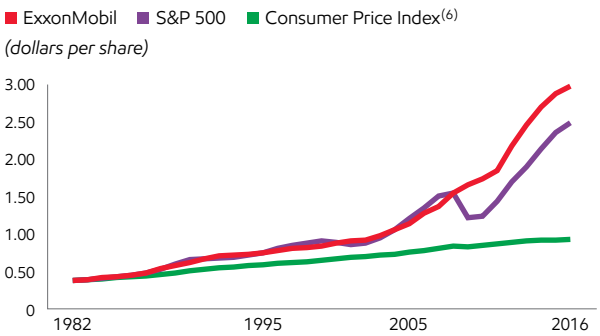
Functional Earnings and Net Income[3]



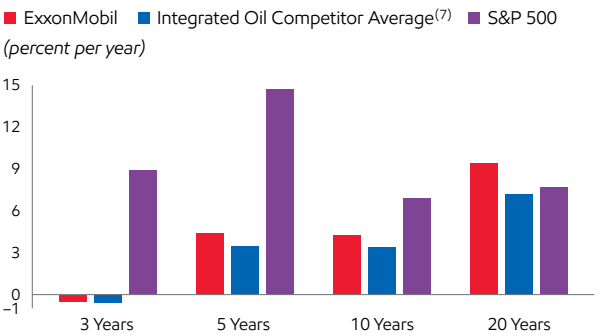
Return on Average Capital Employed[1][4]



34th Consecutive Year of Dividend Growth[5]



Total Shareholder Returns[1]



(1) See Frequently Used Terms on pages 44 and 45.
(2) Natural gas converted to oil-equivalent at 6 million cubic feet per 1 thousand barrels.
(3) Net income attributable to ExxonMobil.
(4) Competitor data estimated on a consistent basis with ExxonMobil and based on public information.
(5) S&P 500 and CPI indexed to 1982 Exxon dividend.
(6) CPI based on historical yearly average from the U.S. Bureau of Labor Statistics.
(7) BP, Chevron, Royal Dutch Shell, and Total. Competitor data estimated on a consistent basis with ExxonMobil and based on public information.

The Outlook for Energy: A View to 2040

The Outlook for Energy **is our global view of energy supply and demand, which guides our long-term investment plans. Our view is based on the fact that energy is fundamental to modern life. We expect energy demand to increase about 25 percent by 2040 with global population growth and improvements in living standards worldwide. Even with substantial energy efficiency gains, pursuit of all economic sources of supply is necessary to meet this growing demand.**

Energy Underpins Economic Growth

Strong economic growth means rising living standards. Around the world, the middle class will more than double in the next 15 years with countries outside of the Organisation for Economic Co-operation and Development (OECD) seeing particularly high levels of economic growth. Energy consumption will rise as global economic output doubles and more people gain access to personal vehicles, better health care, and modern technologies like air conditioning, home appliances, and smart phones.

Energy Demand is Rising

Between 2015 and 2040, global GDP is projected to double, and energy demand will rise about 25 percent even as energy efficiency dramatically improves. All economic energy sources are needed to meet this considerable demand growth. Oil and natural gas will continue to supply about 55 percent of the world's energy needs through 2040, while nuclear energy and renewables will grow about 50 percent to approach 25 percent of the world's energy mix. Diversification of energy supplies reflects technological advancements, market economics, and environmental policies focused on reducing emissions.

Technology Drives Energy Supply Growth

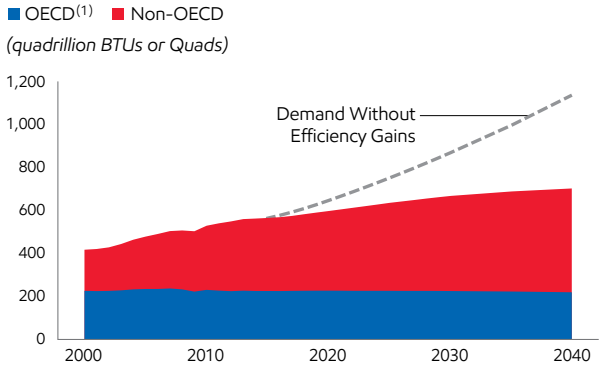
Recent advances in technology have resulted in abundant supply and an unprecedented range of energy choices – from the oil and natural gas in America's shale formations to resources in deepwater fields offshore Africa; from new nuclear reactors in China to wind turbines and solar arrays in nations around the world.

For the next few decades, oil will likely remain the world's primary energy source, supporting transportation needs and chemical production. Demand for natural gas will increase the most among fuel sources due to its abundance and versatility. Nuclear and other modern renewable sources will likely have the highest growth rates, becoming more prominent sources of energy in many countries.

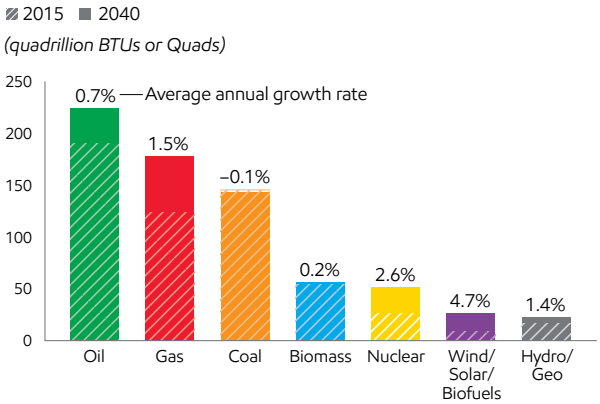
Emissions to Peak During the 2030s

As the fuel mix shifts to less carbon-intensive sources of supply, global energy-related carbon dioxide emissions are likely to peak during the 2030s. This is all the more remarkable given that global GDP is expected to double over the same period.

Energy Growth Driven by Developing Countries



Oil and Gas: Largest Energy Sources in the Future



Source: ExxonMobil, *2017 The Outlook for Energy: A View to 2040*
(1) OECD = Organisation for Economic Co-operation and Development.

Highlight: Ongoing Oil and Gas Development Needed to Meet Growing Demand

Maintaining oil and gas production at current levels will require large investments to offset natural production decline in maturing fields. Looking out to 2040, in the absence of further investment, oil and gas production from existing fields would decline by more than 80 percent from today's levels. Further development to offset this decline is necessary under all scenarios defined by the International Energy Agency (IEA). The scale of the investment required is enormous: The IEA estimates that additional upstream investments will need to average $700 billion per year, with most dollars being deployed to offset natural decline. To meet growing liquids demand, further development of conventional, tight oil, deepwater, and heavy oil resources will be needed. Similarly, meeting growing gas demand will require development of conventional, tight gas, shale gas, as well as coal bed methane resources. The global oil and gas industry continues to demonstrate that through economic investment and innovation, it can keep pace with global energy needs.

PHOTO: Investment across a wide range of resource types, including unconventional resources, will be required to meet growing demand.

Operational Excellence

80

80% reduction in Lost-Time Injuries and Illnesses Rate for employees and contractors since 2000

PHOTO: Across our diverse businesses, including on this drillship operating offshore Guyana, we deploy proven management systems to ensure safe, efficient, reliable, and environmentally sound operations.

Operational Excellence

Maximizing shareholder value requires that we focus relentlessly on operational excellence and effective risk management. ExxonMobil's highly skilled and dedicated workforce rigorously employs proven management systems in all work processes and at all levels. These systems enable us to continuously improve our personnel safety, process safety, security, health, and environmental performance.

Our Commitment to Safety, Security, Health, and the Environment

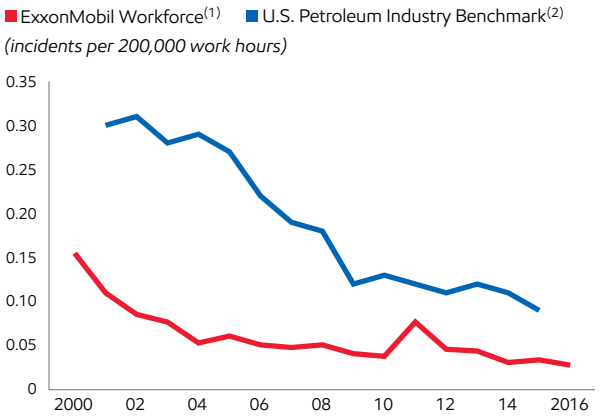
ExxonMobil is committed to conducting business in a manner that is compatible with both the environmental and economic needs of the communities in which we operate, while protecting the safety, security, and health of our employees, contractors, and the public. Operational excellence is the foundation for everything we do.

The safety, security, and health of our workforce are fundamental to the company's success. We aim to ensure each employee and contractor comes home from work each day safe and in good health. As a result, we have significantly reduced injuries over the long term, with lost-time injuries and illnesses 80-percent lower since 2000. We will never stop working toward our goal of *Nobody Gets Hurt*.

Strong environmental management is crucial for our business and for society. Our *Protect Tomorrow. Today* expectations underscore our dedication to improving environmental performance, including reducing emissions and increasing energy efficiency.

Safety Performance

Lost-Time Injuries and Illnesses Rate



(1) Employees and contractors. Includes XTO Energy Inc. data beginning in 2011.
(2) Workforce safety data from participating American Petroleum Institute companies not available for 2000 and industry data for 2016 not available at time of publication.

Culture of Excellence

Achieving strong performance begins with leadership. Personal leadership drives our culture of excellence and the behaviors that sustain high operational standards. We are proud of this culture, which is reflected in our employees' daily accomplishments around the globe. Our culture has been built over decades by men and women dedicated to doing the right things in the right way. This culture also extends to our contractors as we partner and share our vision with them.

Highlight: OIMS Execution

At ExxonMobil, risk management means:

Know the major hazards

Identify major facility-specific hazards

Understand the safeguards

Implement multiple controls, including facilities, systems, and people, to mitigate risks

Maintain and verify performance

Assess and discuss effectiveness of safeguards

PHOTO: OIMS is applied at all locations, including at our Mont Belvieu polyethylene expansion project.

Structured Approach

ExxonMobil's Operations Integrity Management System (OIMS) is the cornerstone of our approach to managing safety, security, health, and environmental risks, as well as to achieving excellence in performance. The OIMS framework includes 11 elements. Each element contains an underlying principle and set of expectations. Application of OIMS is required across all of ExxonMobil, with particular emphasis on facility design, construction, operations, and decommissioning. Management is responsible for ensuring appropriate systems satisfying the OIMS framework are in place, and compliance testing is performed on a regular basis. OIMS also supports our efforts to meet or exceed applicable regulations and relevant industry standards. Our management systems provide a disciplined process for continuous improvement and implementation of best practices.

ExxonMobil employees, such as those at our Singapore integrated site, are trained to operate our facilities using OIMS.

Everything we do contains an element of risk, whether technical, operational, environmental, or financial. We identify the hazards inherent in our businesses, look to understand the associated consequences, and implement safeguards to eliminate or mitigate them to an acceptable level. We focus our efforts on understanding the root cause and potential consequence of each injury, spill, or process safety event. We also assess the effectiveness of our safeguards, including equipment, procedures, personnel training, and execution discipline. We gain insight from actual, near-miss, or potential events and then share learnings across our business. Through analysis of actual or potential events, including industry events, we aim to prevent all incidents, especially those with potentially significant consequences.

As a key component of our OIMS framework, our change management approach enables us to effectively identify, plan for, and mitigate changing conditions and risks. Similarly, our approach to risk management is supported by well-developed and clearly defined policies and procedures to ensure that we have a structured, globally consistent system with the highest standards in place.

Implemented by our highly competent workforce, OIMS helps us do our jobs in a safe, responsible, and efficient manner; sustain ongoing continuous improvement; and ultimately achieve operational excellence.

Highlight: OIMS Framework

ExxonMobil's OIMS framework provides a disciplined and structured approach to operational excellence.

Upstream: Capturing Attractive Opportunities

27 major projects have started up since 2012

PHOTO: PNG LNG supplies liquefied natural gas to key Asian energy markets. Since start-up in 2014, the facility's production has reached levels 20-percent higher than its original design capacity.

Upstream: Capturing Attractive Opportunities

ExxonMobil pursues quality exploration opportunities and development projects to grow high-value production capacity around the globe. By leveraging proprietary technology and focusing on project execution, we achieve lower unit cost of installed capacity. We also maximize the productivity of our existing operations and capture unique opportunities for capital-efficient expansion. This approach enables us to deliver increased shareholder value.

Strategic Exploration

ExxonMobil's exploration program pursues a diverse set of high-quality resource opportunities. We are focused on exploring in areas with high resource potential, such as Guyana, Mozambique, Cyprus, and deepwater offshore Newfoundland and Labrador. We are also focused on areas near our current operations, where discoveries can leverage existing infrastructure, including Papua New Guinea, West Africa, and the Gulf of Mexico.

Recognizing the opportunity presented by current market conditions, we are investing in large-scale seismic acquisition programs. In 2016, we participated in more than 24,000 square miles of 3D seismic surveys covering diverse geological basins around the world, including in Eastern Canada, Mexico, Guyana, Ireland, South Africa, and Mozambique. This data enables us to evaluate recently captured acreage and identify new prospective exploratory drilling locations. Proprietary research in advanced seismic imaging and high-performance computing enhances our ability to extract maximum value from seismic data. Recent large-scale discoveries in Guyana and Nigeria demonstrate the success of these efforts.

Guyana

ExxonMobil holds a 45-percent operating interest in the 6.6-million-acre Stabroek deepwater block offshore Guyana. Leveraging 3D seismic technology, ExxonMobil drilled multiple wells in the Liza prospect, ultimately making a world-class discovery with recoverable resource in excess of 1 billion oil-equivalent barrels. Engineering efforts are under way for an initial 100-thousand-barrel-per-day development, which will include subsea wells tied back to a floating production, storage, and offloading (FPSO) vessel. Building on this success, we made a second significant oil discovery in 2016 with the Payara-1 well, located 10 miles northwest of Liza-1. ExxonMobil has also acquired interests in the adjacent Canje and Kaieteur ultra-deepwater blocks, adding almost 2.2 million net acres to our position in the country. We are committed to exploring these additional areas in a timely manner and have completed the acquisition of more than 6,500 square miles of 3D seismic data over the blocks.

The Stena Carron drillship successfully appraised the Liza prospect, confirming recoverable resource in excess of 1 billion oil-equivalent barrels.

Nigeria

ExxonMobil has a long history of success in Nigeria, most recently completing development drilling at the Erha North Phase 2 project in 2016, which connected three drill centers to the existing Erha FPSO vessel. In 2016, the Owowo-3 well, located approximately 56 miles offshore Nigeria, discovered significant oil resources. This discovery builds on the successful Owowo-2 well drilled in 2012. The results from these wells confirm an oil discovery between 500 million and 1 billion barrels. ExxonMobil is evaluating options to develop this discovery using capital-efficient tie-backs to existing FPSO ullage in surrounding developments. Learning curve benefits from the recent Erha North Phase 2 project will help ExxonMobil and our partners effectively develop this attractive new resource.

Highlight: Improving Subsurface Imaging with Full Wavefield Inversion

ExxonMobil continues to leverage and enhance its next-generation subsurface imaging technology, Full Wavefield Inversion (FWI), to significantly improve subsurface imaging, prediction, and resource characterization. FWI applies sophisticated algorithms that utilize the full seismic wave and maximize the power of high-performance computing to help us quickly evaluate and pursue profitable opportunities. Over the past two years, ExxonMobil's FWI workflow has become three times faster through increased workflow efficiency and integration of key imaging technologies. The integration of the FWI platform and velocity model building has significantly improved our ability to image the reservoir, helping to optimize the placement of a successful exploration well at Owowo in Nigeria and other planned development wells. ExxonMobil's investment in state-of-the-art seismic acquisition and imaging technologies continues to extend our competitive advantage and enable the delivery of attractive resources.

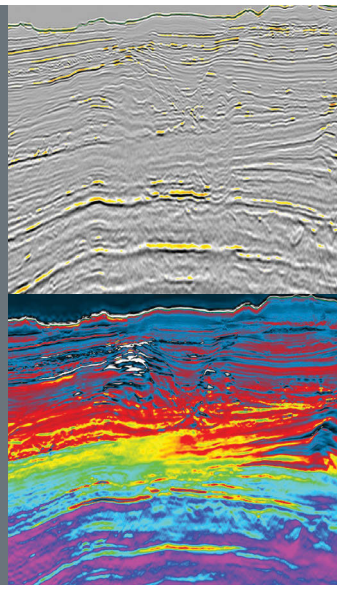


PHOTO: Conventional (top) versus FWI (bottom) pre-drill predictions from recent wells in the Romanian Black Sea.

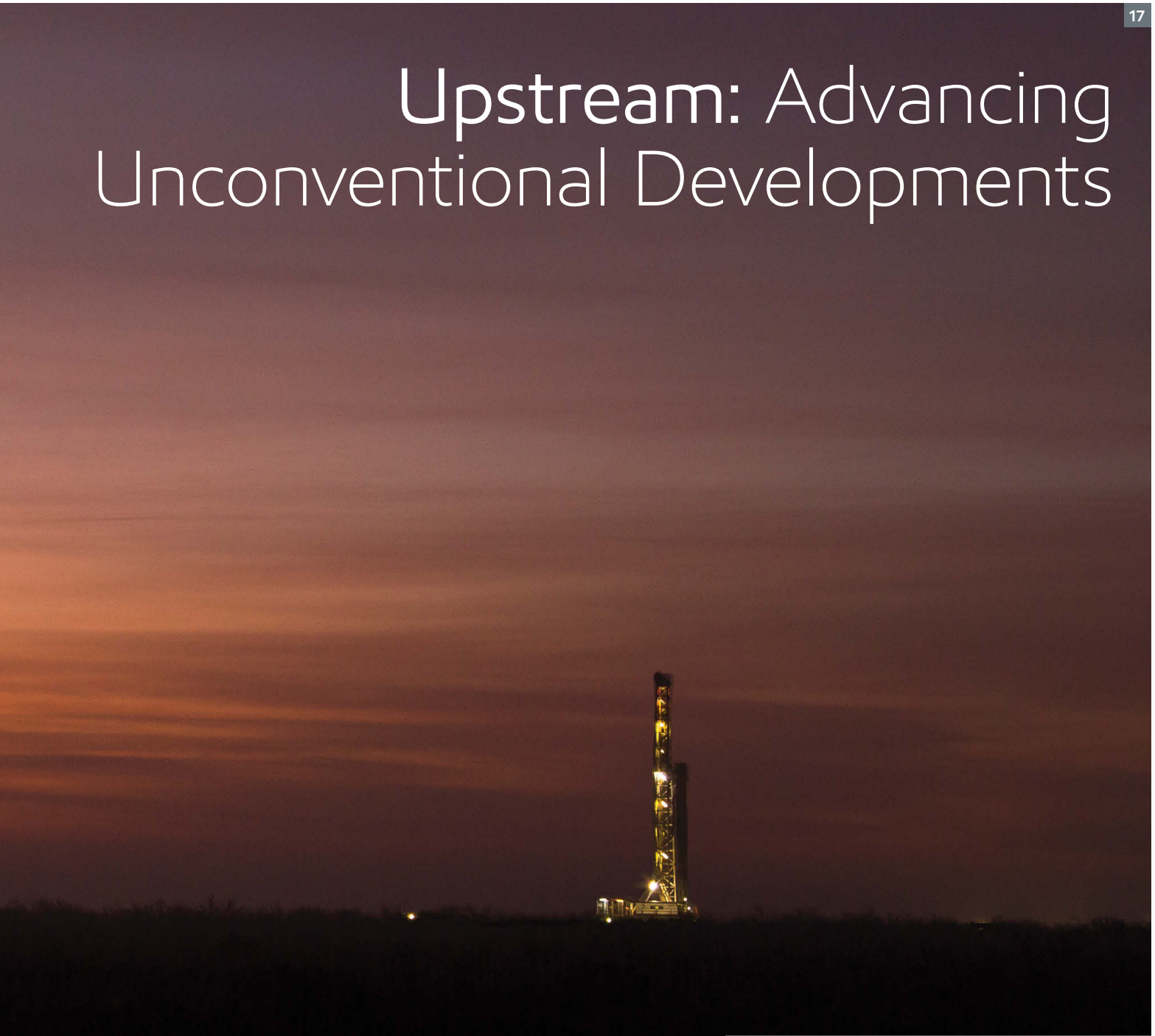
Papua New Guinea LNG

ExxonMobil is one of the leading operators in Papua New Guinea (PNG). The success of our PNG LNG plant demonstrates the company's commitment to operational excellence. As a result of debottlenecking and other reliability efforts, we recently reached production equivalent of 8.3 million tonnes per year, a 20-percent increase over the facility's original design capacity. An independent benchmarking study has shown that PNG LNG is considered among best-in-class for reliability.

In 2016, to build on our strong position in PNG, ExxonMobil signed an agreement to acquire InterOil Corporation. The transaction offers ExxonMobil the potential to capture significant synergies from participation in both PNG LNG and the proposed Papua LNG project. Upon closing in early 2017, the acquisition added more than 3 million net exploration acres across six licenses to ExxonMobil's position. This includes resource in the Antelope field, the anchor for the proposed Papua LNG project.

Further acreage additions in 2016 and early 2017 added about 5.3 million net acres in the Gulf of Papua. A multi-year exploration program is ongoing, leveraging more than 45 miles of 2D seismic data acquired during 2016. We made a new gas discovery with the Muruk 1 well, which will support additional future developments in PNG. Planning is also under way to acquire additional seismic data and identify future exploration drilling opportunities.

Upstream: Advancing Unconventional Developments



Diverse asset base of more than 11 million net acres(1)

PHOTO: We are advancing our large inventory of short-cycle opportunities in the Permian and Bakken where we continue to enhance efficiencies and reduce costs across our large acreage position.

(1) Consists of all XTO Energy Inc. acres, including conventional.

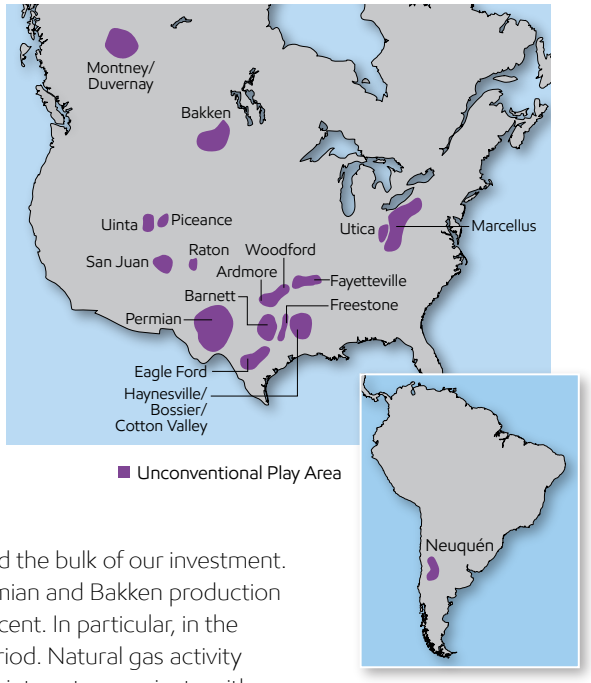
Upstream: Advancing Unconventional Developments

ExxonMobil's success in unconventional development is underpinned by our expertise in drilling, completing, and operating horizontal wells in shale, tight oil, and other unconventional reservoirs. Our quality acreage position, which contains the largest unconventional resource base in the industry, is enhanced by high-impact technologies from our world-class research organization. These competitive strengths enable us to reduce development costs, improve recovery, and grow profits. Our current focus is on liquids-rich plays, primarily in the Permian Basin, Bakken Formation, and Argentina.

Advantaged Position

Covering more than 11 million net acres[1], our diverse asset base includes operations in 14 U.S. states, Western Canada, and Argentina; interests in more than 55,000 producing oil and natural gas wells[1]; and material holdings in virtually every major unconventional play.

Benefiting from expertise built from completing more than 5,000 horizontal wells since Barnett operations began in 2004, we operate about 80 percent of our U.S. unconventional assets, facilitating optimum development. We have a robust and deep inventory of more than 24,000 unconventional oil and gas wells that deliver a greater-than-10-percent rate of return at $60 per barrel oil and $3 per thousand cubic feet of gas. Additionally, we have the ability to quickly adjust activity levels based on market conditions.



Over the past few years, ExxonMobil has generated significant growth from liquids-rich plays, where we have focused the bulk of our investment. For example, since 2014, we have increased gross operated Permian and Bakken production by about 60 thousand barrels of oil per day, or more than 50 percent. In particular, in the Permian, production has increased 70 percent over the same period. Natural gas activity is focused in the Utica and Haynesville plays where we operate joint venture projects with attractive terms. In the Utica, 2016 production increased five-fold over 2015 levels, reaching 250 million cubic feet of gas per day by year end.

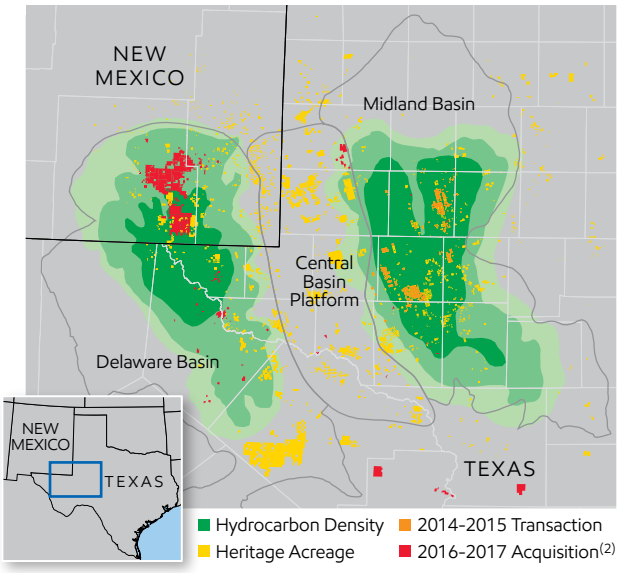
ExxonMobil continues to enhance our acreage position through trades, farm-ins, and acquisitions. Since 2014, we have completed six transactions in the Permian Basin targeting quality acreage in the Midland and Delaware basins.

Expanding Further in the Permian

In January 2017, ExxonMobil announced it will double its resource position in the Permian Basin through the acquisition of a group of privately owned companies. This strategic transaction will add an estimated 3.4 billion barrels of oil-equivalent resource in the highly prolific, oil-prone section of New Mexico's Delaware Basin, increasing ExxonMobil's aggregate resource position in the Permian to 6 billion oil-equivalent barrels. Assets of the acquired companies include about 275,000 acres of leasehold and production of more than 18 thousand net oil-equivalent barrels per day, about 70 percent of which is liquids. This transaction is expected to close in early 2017.

> Since 2014, we have reduced unit development costs by 72 percent in our Midland horizontal program.

The majority of the acquired acreage, approximately 227,000 acres, is in the Delaware Basin. The highly contiguous nature of the acreage will allow ExxonMobil to capitalize on its operational expertise by developing this new resource with some of the longest lateral wells in the play. This approach will reduce development costs and increase reserve capture. Our total Permian horizontal inventory now stands at more than 4,500 wells, with approximately 2,000 of these wells able to generate returns in excess of 30 percent at $40 per barrel oil.



Impact of Technology

Working with operations, ExxonMobil's Upstream Research Company leverages creativity, deep technical knowledge, and strong operational expertise to develop groundbreaking technologies in drilling, completions, and operations that enhance the value of our unconventional business. For example, we are advancing full-physics modeling and next-generation completion designs for unconventional stimulation in order to drill fewer wells and improve recovery. In production operations, we are progressing new artificial lift technologies to improve the economics of marginal gas wells and we are deploying a laptop smart application to wirelessly monitor and control wellhead activity, making our field operations more efficient.

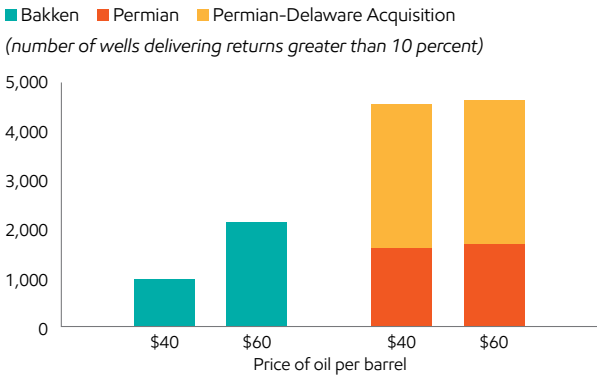
Reducing Costs and Increasing Operational Efficiency

ExxonMobil maintains a relentless focus on reducing costs and improving efficiency. In the Permian, for example, we have doubled footage drilled per day since 2014 in our horizontal Wolfcamp wells and reduced per-foot drilling costs by 71 percent. We are also improving recovery by implementing longer lateral well lengths and optimizing completion designs. Coupled with drilling and completion cost reductions, this has enabled us to decrease unit development costs by 72 percent since 2014. We have successfully reduced cash field expenses in the Permian horizontal program to approximately $5 per barrel[3], a 46-percent reduction since 2014.

Leveraging Capabilities Globally

Leveraging its operational expertise, ExxonMobil is assessing unconventional resource development opportunities in Argentina. Targeting prolific resource potential in the Vaca Muerta reservoir, we have working interest in the Neuquén Basin totaling approximately 330,000 net acres. In 2016, drilling and facilities work began on a five-well pilot project in the Bajo del Choique/La Invernada block, which represents the first phase of activity under the recently approved 35-year Unconventional Exploitation Concession. We also received approval for a three-well pilot program on the Pampa de las Yeguas Block, which will commence following the Bajo del Choique/La Invernada pilot.

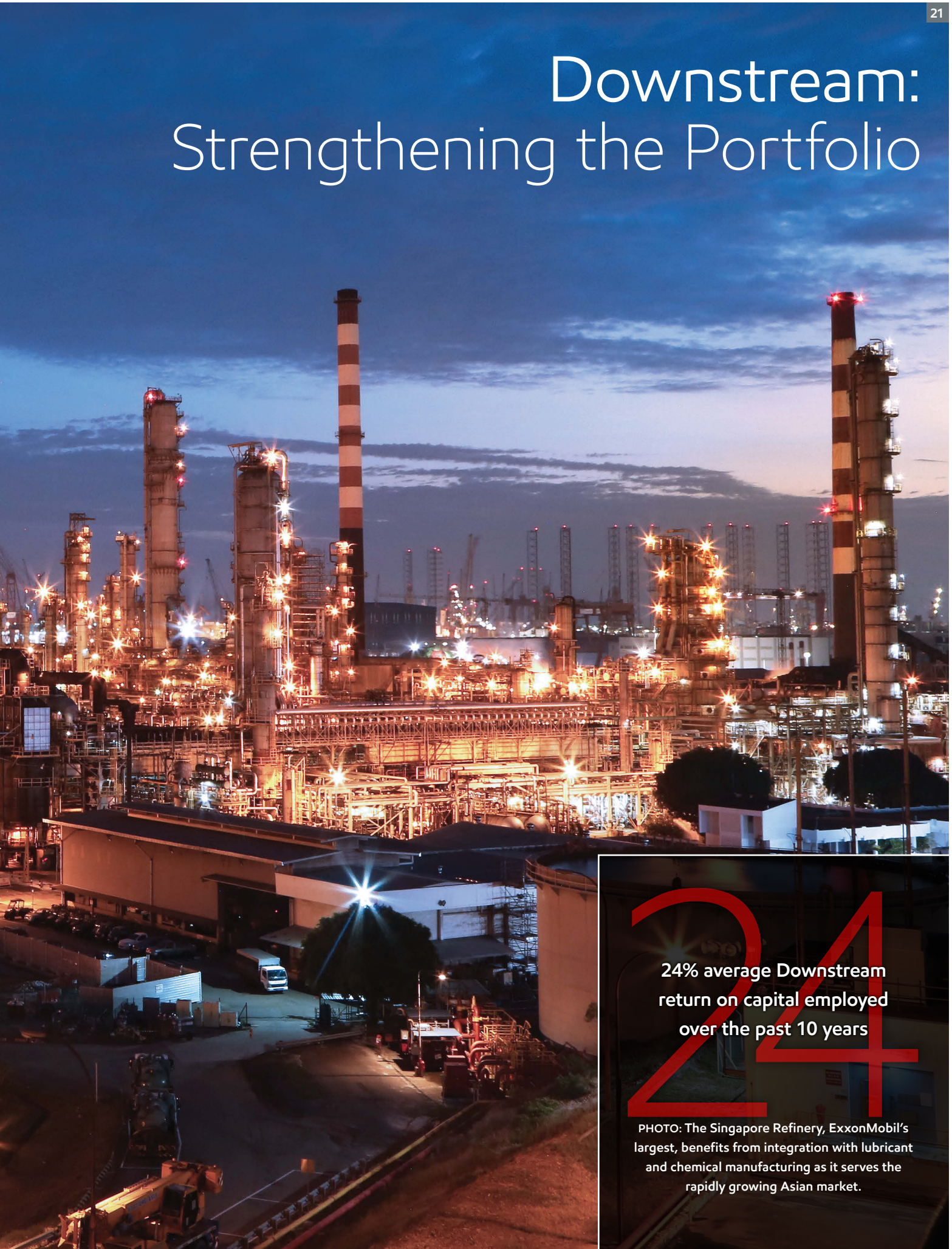
Attractive Inventory in the Permian and Bakken



ExxonMobil's deep inventory of high-quality oil and gas opportunities would take decades to develop even in a fast-paced environment. In a lower-price environment, most of these wells still generate attractive returns, a testament to the strength of the portfolio.

(1) Consists of all XTO Energy Inc. acres and wells, including conventional.
(2) Includes pending Permian-Delaware Acquisition.
(3) Represents costs associated with field operations and the maintenance of wells and excludes energy and production taxes.

Downstream: Strengthening the Portfolio



24% average Downstream return on capital employed over the past 10 years

PHOTO: The Singapore Refinery, ExxonMobil's largest, benefits from integration with lubricant and chemical manufacturing as it serves the rapidly growing Asian market.

Downstream: Strengthening the Portfolio

Investments across the value chain continue to strengthen ExxonMobil's portfolio of refineries and other advantaged manufacturing assets. We continue to increase our feedstock and logistics flexibility, upgrade the value of hydrocarbon molecules we process in our system, and expand volumes of specialty products. Our ability to generate attractive returns across the business cycle is driven by our disciplined investment program, our unrelenting focus on safe and reliable operations, and our unwavering commitment to world-class brands and products.

Proven Approach

ExxonMobil's Downstream segment is meeting our customers' growing need for transportation fuels, lubricants, and specialties. The segment is generating solid cash flow to support shareholder distributions and investments in the business. We are consistently focused on operational excellence, leveraging our global scale and maximizing integration across our businesses to optimize costs and maximize returns. As a result, cash operating costs in our refinery network remain well below the industry average. We also continue to optimize the portfolio. We divested smaller, less-competitive facilities and redeployed resources and capital to our larger, more efficient sites that are integrated with chemical and lubricant manufacturing. Since 2005, these steps have reduced our refining capacity by more than 1.4 million barrels per day.

In 2016, we progressed construction of a hydrocracker project in Rotterdam, Netherlands, to produce premium Group II lube basestocks and ultra-low sulfur diesel.

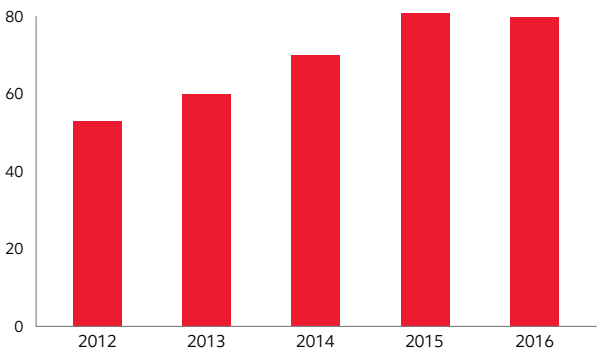
Increasing Feedstock Flexibility and Logistics Capabilities

In the Downstream business, we invest in both technologies and facilities to ensure flexibility to process the highest-margin feedstocks available. Around the world, our refineries have the flexibility to run a wide variety of crude oils, while integration with lubricant and chemical manufacturing allows us to optimize across a broad range of products. In North America, ExxonMobil combines more than 700 thousand barrels per day of mid-continent refining capacity, the largest in the industry, with more than 1.4 million barrels per day of capacity in the Gulf Coast. Our refineries benefit from advantaged North American crude oil supply from both shale and Canadian oil sands. We have increased our capability to process domestic crude oils from approximately 50 percent of refinery inputs in 2012 to about 80 percent in 2016. To further build on this advantage, we recently completed a project at our Beaumont Refinery to expand domestic light crude oil processing and improve product yields in a highly energy-efficient manner.

We are also leveraging strategic midstream assets, such as pipelines and terminals, to access advantaged feedstocks and expand product outlets. Our joint venture with Energy Transfer Partners, which includes pipelines and terminals, will improve access to crude oils from the Permian and Ardmore basins for our U.S. Gulf Coast refineries. In addition, an extension of the Wolverine Pipeline in Michigan will provide additional product outlets for our Joliet Refinery.

ExxonMobil North America Domestic Crude Processing(1)

(percent of total throughput)



(1) Mid-continent and U.S. Gulf Coast refineries.

Upgrading Molecule Value

ExxonMobil is focused on maximizing the value of refinery production. Selective investments are under way at key sites to upgrade lower-value products into higher-value fuels, lubricants, and chemical feedstocks. At the Antwerp Refinery in Belgium, we are constructing a 50-thousand-barrel-per-day delayed coker, with start-up planned in 2017. The new facility will upgrade lower-value bunker

fuel oil into higher-value, ultra-low sulfur diesel. At the Rotterdam Refinery in the Netherlands, we are using proprietary technology to reconfigure the hydrocracker unit to upgrade lower-value vacuum gas oil into higher-value products, including premium lube basestocks and ultra-low sulfur diesel. When complete in 2018, this project will make ExxonMobil the first large-scale producer of Group II lube basestocks in Europe. Along with recently completed expansions at our Baytown, Texas, and Singapore refineries, the project will further enhance our global offer and position as the largest lube basestock producer in the world.

With the completion of a project to increase sulfur-handling capacity in 2016, the Baton Rouge Refinery has greater feedstock flexibility, which reduces costs and improves profitability.

Increasing Specialty Products

To further capture profitable growth in specialty products, we are expanding our high-value lubricants business. ExxonMobil is adding *Mobil 1* lubricant blending facilities at the Singapore Lubricants Plant to meet growing Asian demand. When the project is complete in 2017, Singapore will be the only *Mobil 1* production facility in the Asia Pacific region and will be one of six locations globally producing *Mobil 1*. The new facility will employ innovative manufacturing technologies, demonstrating our commitment to bringing premium products to market. Leveraging the benefits of integration, the plant is strategically located next to ExxonMobil's refining and petrochemical complex in Singapore and adds to the company's growing lubricants and specialties production capacity. Separately, we recently completed investments in lubricants blending and synthetic basestock facilities in Port Allen and Baton Rouge, Louisiana, enhancing our position as a leading supplier of aviation lubricants. These investments included a new, state-of-the-art jet oil manufacturing facility to blend, package, and distribute all *Mobil Jet* oil products.

Global Marketing

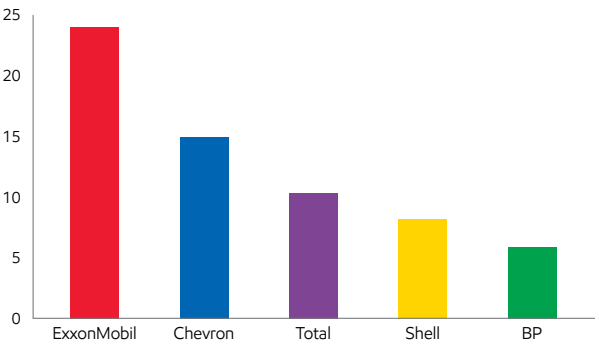
ExxonMobil markets fuels and lubricants around the globe, leveraging our world-class brands, high-value sales channels, and competitive product offerings. Our broad product portfolio and trusted brands represent quality and reliability. In addition, commitment to technology allows us to continue to bring new, high-performance products to market, further grow our brands, and deliver value to our customers. A key example is the *Synergy* fuels program, which launched better-performing gasoline and diesel fuels and strengthened branding at *Exxon*, *Mobil*, and *Esso* retail sites in many markets around the world.

Positioned for Success

Our global presence in crude oil supply, refining, logistics, and marketing allows us to maximize the value of every molecule we produce as industry conditions change and opportunities shift along the value chain. Capturing the highest value for our products, combined with an unwavering focus on operational excellence, disciplined cost management, selective investments, and portfolio optimization, generates superior shareholder returns.

Downstream Return on Average Capital Employed[1][2]

(10-year average, 2007–2016, percent)



(1) See Frequently Used Terms on pages 44 and 45.
(2) Competitor data estimated on a consistent basis with ExxonMobil and based on public information. Due to data availability, Downstream and Chemical are combined beginning with 2012 for Total and in all years for BP and Chevron.

Chemical: Enhancing Value Through Strategic Investments

8.6 million tonnes of annual polyethylene production capacity

PHOTO: Planned expansion at our Beaumont, Texas, integrated site will increase the facility's polyethylene production capacity by 65 percent.

Chemical: Enhancing Value Through Strategic Investments

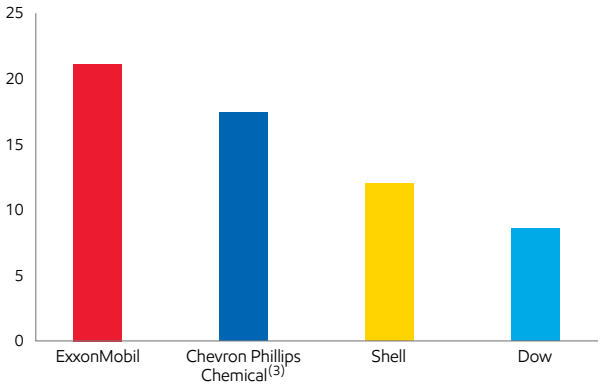
ExxonMobil's Chemical business is strategically investing to capture advantaged feedstocks and increase performance product capacity to supply growing markets worldwide. Using our ability to efficiently produce high-volume commodity chemicals, we continue to add performance and specialty products to our platform. Our refineries and chemical manufacturing sites use advanced technologies to provide benefits to our customers while delivering industry-leading value to our shareholders. ExxonMobil's Chemical business leads the industry in return on capital employed across the cycle.

Building on Strength

ExxonMobil's portfolio of manufacturing assets is geographically diverse, highly integrated with our refining network, and yields a wide range of products. This provides the flexibility to shift our mix of feedstock supply and production as market conditions change. Our strength in operational excellence, efficiency, and process technology allows us to use a higher percentage of advantaged feeds than our competition. We have the ability to process a diverse slate of both gas and liquid feeds, including ethane, refinery gas, and a variety of heavy liquids. For example, by leveraging proprietary technologies, our world-class steam cracker in Singapore can process an unprecedented range of feedstocks, from light gases to heavy liquids, including crude oil. The ability to process crude oil directly into chemicals provides a unique cost advantage over naphtha feedstock, which is the industry standard in Asia. We are building on this strength with a research program focused on developing performance products, deploying lower-cost processes, and processing advantaged feedstocks.

Chemical Return on Average Capital Employed[(1)(2)]

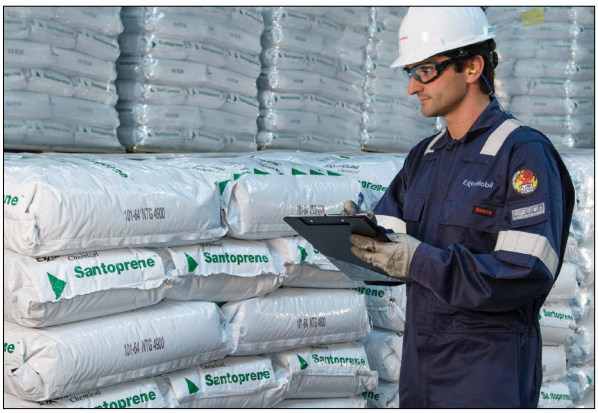
(10-year average, 2007–2016, percent)



(1) Competitor data estimated on a consistent basis with ExxonMobil and based on public information. Chemical segment only for Royal Dutch Shell. Dow Chemical shown on a corporate total basis.
(2) See Frequently Used Terms on pages 44 and 45.
(3) Chevron Phillips Chemical data based on public information available through 2015, estimated on a consistent basis with ExxonMobil.

Selective Investments

As the largest major chemical manufacturer and natural gas producer in the United States, we are progressing projects that unlock value from our unique integration by expanding lower-cost manufacturing of performance products. In Texas, we are constructing a new world-scale steam cracker at our Baytown petrochemical complex that will use advantaged ethane feedstock. We are also building two polyethylene production trains at our Mont Belvieu Plastics Plant to upgrade ethylene produced at Baytown into performance products. When complete, this expansion will be ExxonMobil's largest-ever chemical investment in the United States. It is designed to be one of the world's most competitive new petrochemical projects through its scale, integration with existing manufacturing facilities, and production of performance metallocene polyethylene. In 2016, we announced a companion investment in Beaumont, Texas, that will further increase metallocene polyethylene capacity.



At our specialties plant in Newport, Wales, we are expanding production of *Santoprene* high-performance elastomers used in automotive, industrial, and consumer applications. Leveraging integration, ExxonMobil's *Vistalon* synthetic rubber is a critical raw material in *Santoprene* elastomers. With start-up planned for

ExxonMobil's *Santoprene* elastomers perform like vulcanized rubber and process like plastic for applications in diverse markets.

2017, ExxonMobil's global capacity to manufacture *Santoprene* will increase by 25 percent, further strengthening our leadership position and reflecting our continued commitment to help customers around the world manufacture high-performance products that require both flexibility and durability.

At our Singapore site, we are investing in world-scale specialty polymers facilities to produce halobutyl rubber and performance resins for adhesive applications. The project will utilize proprietary technologies and benefit from the site's feed-flexible steam crackers, integration within the large complex, and supply-chain access to Asian markets. This addition will add 140 thousand tonnes per year of halobutyl rubber capacity, enhancing our position as a major supplier to the global tire industry. The hydrocarbon resin unit, with a capacity of 90 thousand tonnes per year, will be the world's largest and will help meet long-term demand growth for hot-melt adhesives.

Our chemical products are used to make a wide variety of everyday items, including packaging, plastics, diapers, and nonwoven fabrics.

Supplying Global Growth

Demand growth for chemical products is expected to continue to outpace GDP growth by nearly 20 percent per year. More than 80 percent of the increased demand is expected to come from developing economies, particularly in Asia, where the middle class is expanding, urbanization is increasing, and the need for sustainable products is growing. These trends are driving increased demand for chemical products serving large end-use segments such as packaging, automotive, consumer goods, and construction.

Demand for chemical products that reduce environmental impact, support economic growth, and improve quality of life for the rapidly growing global population continues to increase in scale and importance. In developing countries, it is estimated that up to 50 percent of food is wasted due to inadequate means of protection, preservation, and transportation to market. Flexible plastic packaging can help preserve food, significantly extend shelf life, and provide solutions to help address the sustainability challenges of feeding a growing population. In addition, plastic packaging is convenient, lighter in weight, and saves retail shelf storage space compared to rigid alternatives. In general, going from rigid to re-sealable packages leads to a 40-percent reduction in overall packaging cost as well as lower environmental impact.

As the world's economic center of gravity shifts to these developing regions, increased global trade will be required to meet demand. ExxonMobil is well positioned to meet the needs of Asia Pacific, Africa, Latin America, and other growth markets through our world-scale facilities, global supply chain, strategic investments, and commercial and technical resources around the world. Our flexibility and integration allow us to adapt to changing market conditions and outperform competition.

At our Singapore complex, we are expanding halobutyl rubber and performance resins capacity.

Global Operations

As the world's largest publicly held oil and gas company, ExxonMobil has a diverse portfolio of high-quality operations, projects, and new opportunities across our Upstream, Downstream, and Chemical businesses.

Cold Lake, Canada

Joliet, United States

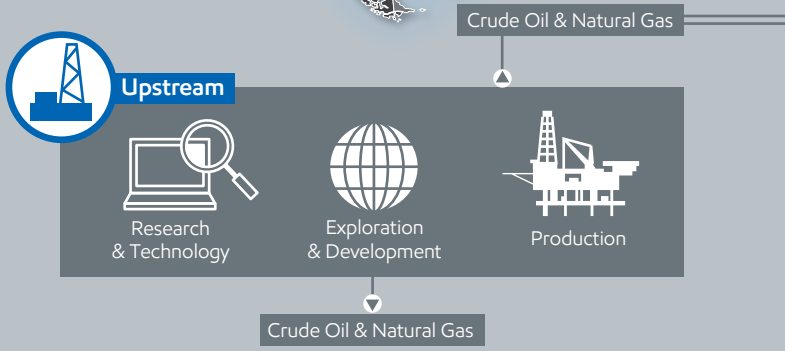
Upstream Our Upstream business encompasses attractive exploration opportunities across all development types and geographies, an industry-leading resource base, a portfolio of world-class projects, and a diverse set of profitable producing assets. We have an active exploration or production presence in 39 countries.

Downstream We are one of the world's largest integrated refiners and manufacturers of lube basestocks, as well as a leading marketer of petroleum products and finished lubricants. ExxonMobil's Downstream portfolio includes refining facilities in 14 countries. Our high-quality products and brands, combined with a strong global refining and distribution network, position us as a premier supplier around the world.

Chemical ExxonMobil Chemical is one of the largest chemical companies in the world with a unique portfolio of commodity and specialty products. We manufacture high-quality chemical products in 16 countries. With a major presence in Asia Pacific, we are well positioned to competitively supply chemical demand growth in the region.

Business Integration

ExxonMobil's integration distinguishes us from our competition. It provides unique manufacturing flexibility to maximize value as market demand changes. Our businesses work together across the value chain to share knowledge, insights, and best practices. This collaboration leads to better-informed decisions, more efficient operations, and higher-quality investments, delivering unique value.



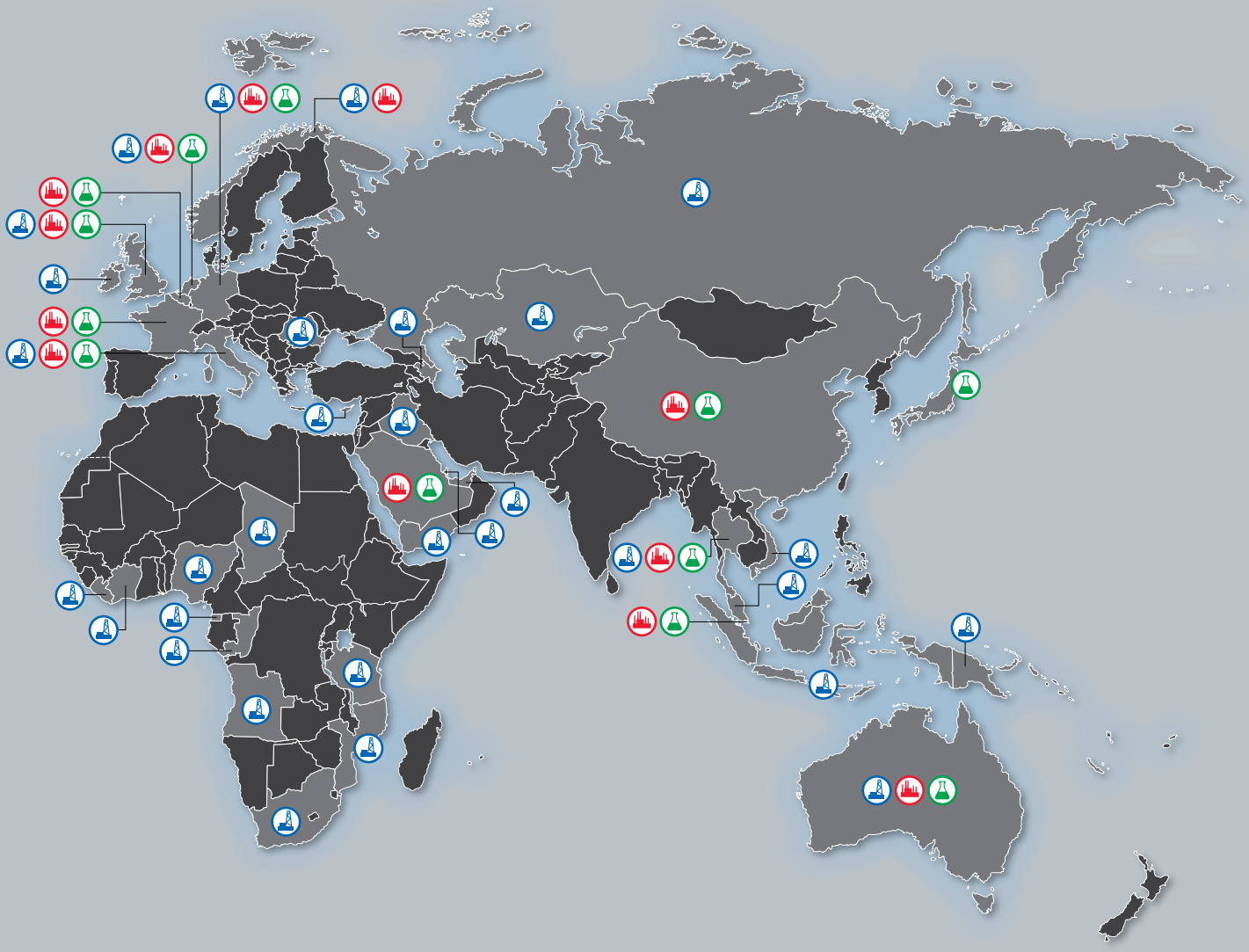
Locations as of December 31, 2016

Fawley, United Kingdom

Al-Jubail, Saudi Arabia

Xiamen, China

Banyu Urip, Indonesia



Downstream

- Research & Technology
- Refining
- Fuels, Lubricants, & Specialties

Chemical

- Research & Technology
- Liquids
- Polymers

Products

Feedstocks

Products

Upstream

2016 Results & Highlights

- Achieved strong safety and operational performance
- Delivered earnings of $0.2 billion and return on average capital employed of 0.1 percent, averaging 22.8 percent over the past 10 years
- Added nearly 2.5 billion net oil-equivalent barrels of new resource and maintained a total resource base of 91 billion oil-equivalent barrels
- Signed agreements that added 229 million net oil-equivalent barrels to the resource base
- Completed five major Upstream projects, contributing about 250 thousand oil-equivalent barrels per day of working interest production capacity, including projects in Australia, Kazakhstan, and the United States
- Confirmed recoverable resource greater than 1 billion barrels at Liza in Guyana, and awarded the contract for front-end engineering and design of a floating production, storage, and offloading (FPSO) vessel
- Made significant oil discoveries at Owowo offshore Nigeria and Payara offshore Guyana, and a significant gas discovery at Muruk onshore Papua New Guinea
- Captured more than 6 million net exploration acres

Strategies

- **Apply effective risk management and safety standards to achieve operational excellence**
- **Pursue productivity and efficiency gains to reduce cost**
- **Exercise a disciplined approach to investing and cost management**
- **Capture significant and accretive resources to highgrade the portfolio of opportunities**
- **Develop and apply high-impact technologies**
- **Capitalize on growing natural gas and power markets**

Upstream Statistical Recap

	2016	2015	2014	2013	2012
Earnings *(millions of dollars)*	**196**	7,101	27,548	26,841	29,895
Liquids production *(net, thousands of barrels per day)*	**2,365**	2,345	2,111	2,202	2,185
Natural gas production available for sale *(net, millions of cubic feet per day)*	**10,127**	10,515	11,145	11,836	12,322
Oil-equivalent production[1] *(net, thousands of barrels per day)*	**4,053**	4,097	3,969	4,175	4,239
Proved reserves replacement ratio[2][3] *(percent)*	**–**	69	111	106	124
Resource additions[2] *(millions of oil-equivalent barrels)*	**2,453**	1,378	3,206	6,595	4,012
Average capital employed[2] *(millions of dollars)*	**170,055**	169,954	164,965	152,969	139,442
Return on average capital employed[2] *(percent)*	**0.1**	4.2	16.7	17.5	21.4
Capital and exploration expenditures[2] *(millions of dollars)*	**14,542**	25,407	32,727	38,231	36,084

(1) Natural gas converted to oil-equivalent at 6 million cubic feet per 1 thousand barrels.
(2) See Frequently Used Terms on pages 44 and 45.
(3) Proved reserves exclude asset sales.

Business Overview

Our Upstream business includes exploration, development, production, natural gas marketing, and research activities.

We maintain a large, diverse portfolio of opportunities that facilitate selective and profitable long-term value growth. We create value by progressing attractive opportunities while maintaining capital discipline. Proven project management systems incorporate best practices developed from our experience of rigorously managing a global project portfolio from the initial discovery phase to production start-up.

Technology is vital to increasing shareholder value. We have a long-standing commitment to apply research and technology to find, develop, and produce lower-cost oil and gas in an environmentally responsible manner. We benefit from an integrated model where technological advances in the Upstream, Downstream, and Chemical businesses are used to generate opportunities across the value chain.

We focus on improving long-term profitability by investing in low-cost, higher-margin barrels, maximizing the value of installed capacity, and reducing costs through productivity and efficiency gains. When appropriate, we engage resource owners to develop mutually beneficial fiscal and contractual terms to promote competitive resource development.

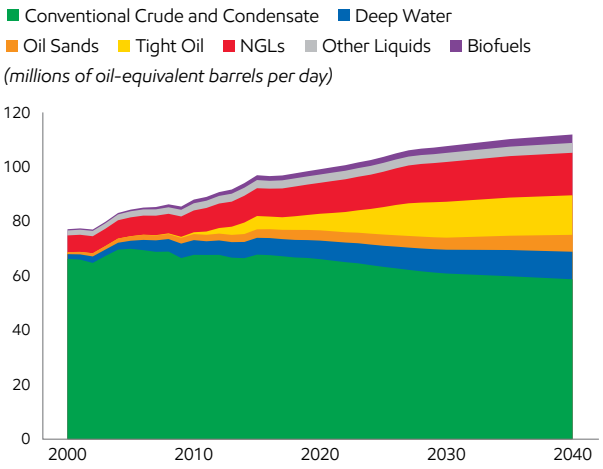
Our Upstream strategies, supported by a relentless focus on effective risk management and safety, are designed to generate industry-leading shareholder value over the long term.

Business Environment

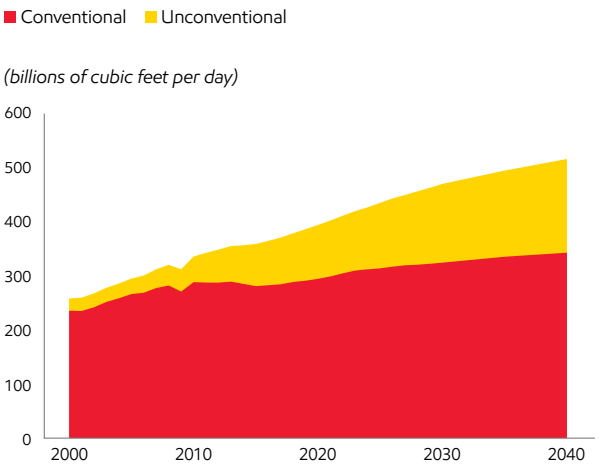
Meeting the world's growing demand for energy presents a tremendous challenge that requires a long-term view, significant investment, and continued innovation.

Over the coming decades, energy sources will continue to evolve and diversify, driven by changes in technology, consumer needs, and public policies. Crude oil is projected to remain the single biggest source of energy, while natural gas will play an increasingly important role in meeting global energy needs. Demand for oil is expected to rise by approximately 20 percent from 2015 to 2040, led by increased commercial transportation activity and petrochemicals. As a result of advances in technology, a growing share of this demand will be met by sources such as deep water, tight oil, and oil sands. As a component of supply, natural gas will be the fastest-growing major energy source through 2040. Global demand for natural gas is expected to rise by close to 45 percent from 2015 to 2040. Gas supplies from unconventional sources are projected to account for about 60 percent of that growth. In addition, liquefied natural gas volumes are expected to be about 2.5 times higher by 2040.

Global Liquids Supply by Type

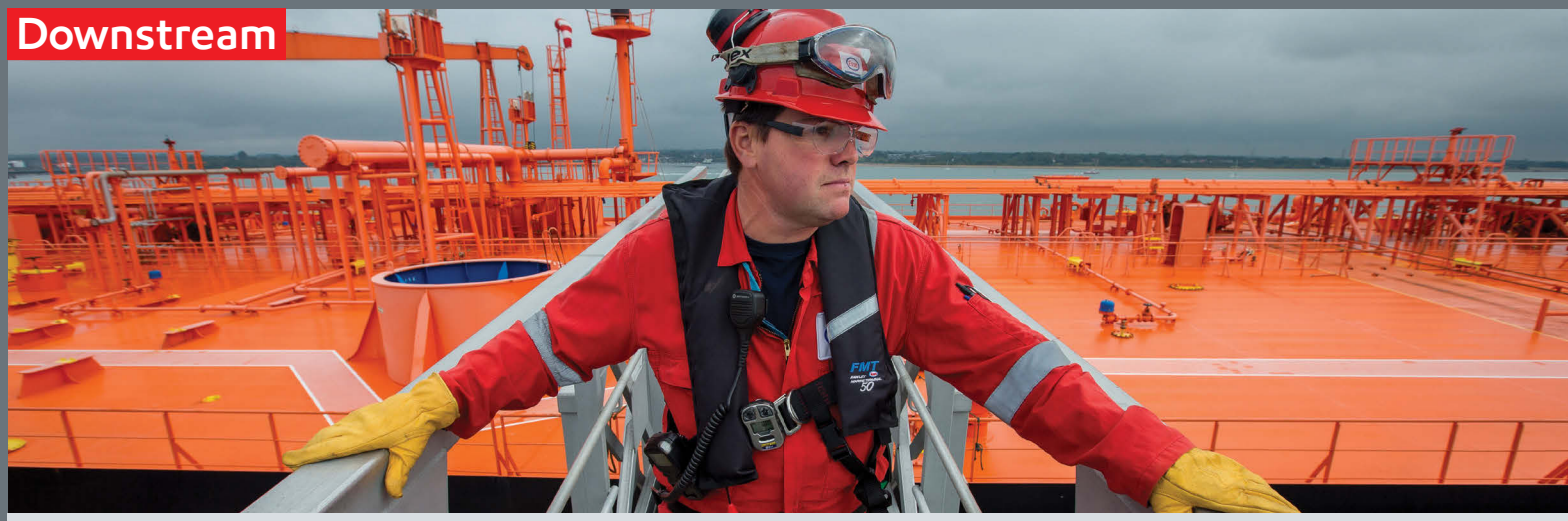


Global Natural Gas Supply by Type



Source: ExxonMobil, *2017 The Outlook for Energy: A View to 2040*

Downstream



2016 Results & Highlights

- Achieved record safety results and improved environmental performance
- Delivered earnings of $4.2 billion and return on average capital employed of 19.3 percent, averaging 24 percent over the past 10 years
- Invested $2.5 billion, focused on higher-value products, feedstock flexibility, logistics, and energy efficiency
- Achieved record sales of our industry-leading synthetic lubricants, including *Mobil 1*
- Strengthened the branded retail site network and progressed conversion to a branded wholesaler model across Europe and Canada
- Progressed construction of a new delayed coker unit at our refinery in Antwerp, Belgium, that will convert lower-value fuel oil into higher-value diesel products, and a new hydrocracker project at our refinery in Rotterdam, Netherlands, that will utilize proprietary technology to produce ultra-low sulfur diesel and premium Group II lube basestocks
- Doubled the capacity of our lubricants plant in Taicang, China, improving our ability to supply premium lubricant products to meet long-term demand growth in China
- Commissioned a new, state-of-the-art aviation lubricants blending, packaging, and distribution facility in Port Allen, Louisiana
- Approved funding to expand production of ultra-low sulfur fuels at our refinery in Beaumont, Texas, by deploying proprietary technology to remove sulfur while minimizing octane loss

Strategies

- **Maintain best-in-class operations**
- **Lead industry in efficiency and effectiveness**
- **Provide quality, valued products and services to our customers**
- **Capitalize on integration across ExxonMobil businesses**
- **Maintain capital discipline**
- **Maximize value from leading-edge technologies**

Downstream Statistical Recap	**2016**	2015	2014	2013	2012
Earnings *(millions of dollars)*	**4,201**	6,557	3,045	3,449	13,190
Refinery throughput *(thousands of barrels per day)*	**4,269**	4,432	4,476	4,585	5,014
Petroleum product sales[1] *(thousands of barrels per day)*	**5,482**	5,754	5,875	5,887	6,174
Average capital employed[2] *(millions of dollars)*	**21,804**	23,253	23,977	24,430	24,031
Return on average capital employed[2] *(percent)*	**19.3**	28.2	12.7	14.1	54.9
Capital expenditures[2] *(millions of dollars)*	**2,462**	2,613	3,034	2,413	2,262

(1) Petroleum product sales data reported net of purchases/sales contracts with the same counterparty.
(2) See Frequently Used Terms on pages 44 and 45.

Business Overview

ExxonMobil's Downstream business has a diverse global portfolio of refining and distribution facilities, lubricant plants, marketing operations, and brands, supported by a world-class research and engineering organization. We are one of the world's largest refiners and lube basestock manufacturers.

ExxonMobil's operating results reflect 22 refineries with distillation capacity of more than 4.9 million barrels per day and lube basestock capacity of 126 thousand barrels per day. Our business model leads the industry with more than 80 percent of our refining capacity integrated with chemical or lube basestock manufacturing facilities, providing unique optimization capabilities across the entire value chain.

Our fuels and lubricants marketing businesses have a global reach, supported by world-renowned brands, including *Exxon*, *Mobil*, and *Esso*. Our long-standing record of technology leadership underpins innovative products and services that deliver superior performance for consumers and long-term value for shareholders.

Business Environment

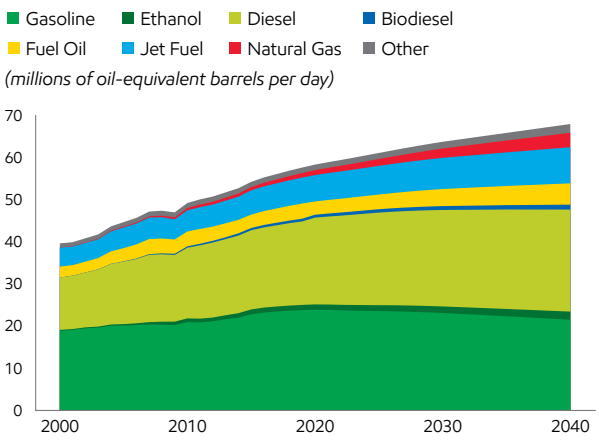
By 2040, demand for transportation fuel is expected to increase by 25 percent versus 2015. This increase will be driven by commercial transportation, primarily in developing countries. The resulting fuel mix will continue to shift from gasoline to diesel. In fact, global transportation demand for diesel is expected to increase by more than 30 percent over the period, with more than half of the growth in Asia Pacific. At the same time, worldwide gasoline demand is expected to be essentially flat, as declining demand from fuel economy improvements in developed countries is offset by growth in developing nations. Stricter emissions standards will reduce demand for high-sulfur fuel oil as the marine sector shifts to cleaner fuels over the coming decade. Natural gas is likely to increase its penetration as a transportation fuel, particularly for heavy-duty vehicles and marine vessels, where its characteristics as a lower-emission fuel may provide significant benefits.

Lubricant demand is also expected to grow with increased economic activity, particularly in Asia Pacific. Within the high-value synthetic lubricants sector, where ExxonMobil has a leading market position, demand is expected to significantly outpace industry growth.

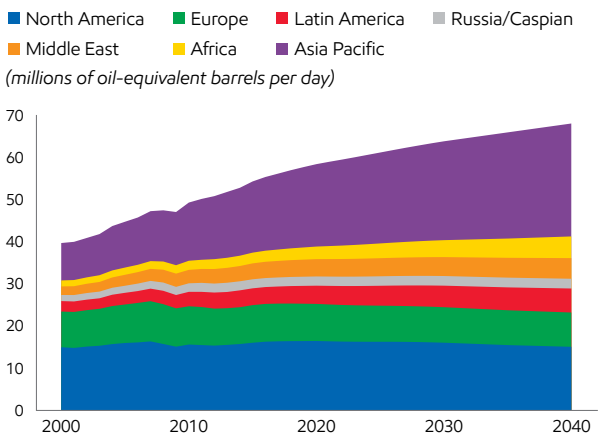
Refining margins can vary significantly across regions. Refineries in North America have benefited from cost-competitive feedstock and energy supplies. European refining remains challenged due to site configurations and declining demand, while Asia Pacific has the highest demand growth. In all regions, ExxonMobil is selectively investing in advantaged sites and value chains to improve long-term competitiveness. Regardless of the industry environment, our integrated business model, world-class assets, and feedstock flexibility position us to be a market leader across the business cycle.

Transportation Fuel Demand

By Fuel Type



By Region



Source: ExxonMobil, *2017 The Outlook for Energy: A View to 2040*

Chemical

2016 Results & Highlights

- Achieved best-ever safety performance with more than three years since last employee lost-time injury
- Delivered earnings of $4.6 billion and return on average capital employed of 18.6 percent, averaging 21.1 percent over the past 10 years
- Sold 24.9 million tonnes of prime products, including record sales of metallocene products
- Invested $2.2 billion, with selective investments in specialty businesses, capturing advantaged feedstocks, high-return efficiency projects, and low-cost capacity debottlenecks

Strategies

- **Consistently deliver best-in-class operational performance**
- **Focus on commodity and specialty businesses that capitalize on our core competencies**
- **Build proprietary technology positions**
- **Capture full benefits of integration across ExxonMobil operations**
- **Selectively invest in advantaged projects**

- Completed start-up of a 400-thousand-tonnes-per-year specialty elastomers plant in Saudi Arabia with our joint venture partner that will supply synthetic rubber and related products
- Advanced construction of major expansions at our Baytown and Mont Belvieu, Texas, facilities, including a new world-scale ethane steam cracker and polyethylene units, to meet rapidly growing demand for performance polymers
- Progressed construction of a new 230-thousand-tonnes-per-year specialty polymers project in Singapore to meet growing demand for synthetic rubber and adhesives in Asia Pacific
- Began construction to expand production of *Santoprene* high-performance elastomers in Wales, United Kingdom
- Approved a project to expand polyethylene production by an additional 650 thousand tonnes per year at our facility in Beaumont, Texas, furthering our commitment to meet rapidly growing demand for high-performance plastics

Chemical Statistical Recap	**2016**	2015	2014	2013	2012
Earnings *(millions of dollars)*	**4,615**	4,418	4,315	3,828	3,898
Prime product sales[1][2] *(thousands of tonnes)*	**24,925**	24,713	24,235	24,063	24,157
Average capital employed[1] *(millions of dollars)*	**24,844**	23,750	22,197	20,665	20,148
Return on average capital employed[1] *(percent)*	**18.6**	18.6	19.4	18.5	19.3
Capital expenditures[1] *(millions of dollars)*	**2,207**	2,843	2,741	1,832	1,418

(1) See Frequently Used Terms on pages 44 and 45.
(2) Prime product sales data reported net of purchases/sales contracts with the same counterparty.

Business Overview

ExxonMobil Chemical is one of the largest chemical companies in the world. Our unique portfolio of commodity and specialty businesses generates annual sales of nearly 25 million tonnes of prime products. We have world-scale manufacturing facilities in all major regions, and our products serve as the building blocks for a wide variety of everyday consumer and industrial products.

We process feedstocks from ExxonMobil's Upstream and Downstream operations, supplemented by market sources, to manufacture chemical products for higher-value end uses. We focus on product lines that capitalize on scale and technology advantages, building on our strengths in advantaged feedstocks, lower-cost processes, and performance products. As a result, we have strong positions in the markets we serve and generate advantaged returns through the business cycle.

Business Environment

Worldwide chemical demand growth remained strong in 2016, supported by growth of the broader economy. Over the next decade, we estimate global chemical demand will grow nearly 45 percent, or about 4 percent per year, which is a faster pace than energy demand and economic growth.

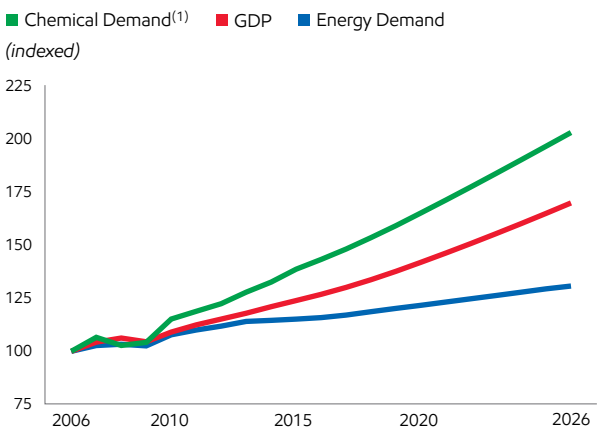
Nearly three-quarters of the increased demand is expected to be in Asia Pacific with rising prosperity and a growing middle class. As middle-class consumers seek higher standards of living and move to cities, they are expected to purchase more packaged goods, appliances, cars, and clothing, many of which are manufactured from the chemicals produced by ExxonMobil.

While chemical demand growth is expected to be driven mainly by developing economies, regions with advantaged feedstocks are participating in supply growth. For example, unconventional natural gas development in the United States has brought significant benefits to domestic chemical producers by providing lower-cost feedstocks and energy.

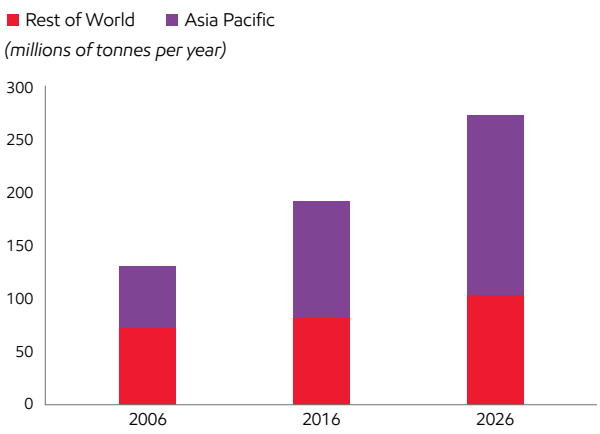
For decades, chemical markets have been supplied from within regions, but global trade in chemicals is increasing. Ten years ago, the volume of chemicals traded between regions totaled about 10 percent of global production. By 2020, trade volumes are expected to be nearly 20 percent, and ExxonMobil projects that by 2025, North America could more than double its exports of major petrochemical products.

ExxonMobil is well positioned to meet the needs of Asia Pacific, Africa, Latin America, and other growth markets through our world-scale facilities, strategic investments, and commercial and technical resources around the globe. While the relative attractiveness of feedstocks changes over time, our feed flexibility, global supply capability, and integration across our operations allow us to adapt to changing market conditions and outperform competition.

Global Industry Demand Growth



Global Chemical Industry Demand(1)



Sources: ExxonMobil, *2017 The Outlook for Energy: A View to 2040*; IHS Chemical; and ExxonMobil estimates
(1) Includes polyethylene, polypropylene, and paraxylene.

PHOTO: Since 2000, ExxonMobil has been a leader in the fight to combat malaria. Between 2010 and 2015, malaria mortality rates decreased by 31 percent in Africa and 29 percent globally. We are proud to continue to contribute to this progress through the research, educational, and treatment programs we support.

Corporate Citizenship

ExxonMobil views good corporate citizenship as a key component of sustainable development. As part of our daily operations, we face the complex challenge of providing the energy needed to support economic growth and improved living standards while balancing impacts on society and the environment. To ensure success, we engage with our shareholders, neighbors, customers, and communities as we work to bring affordable energy to the global market in ways that are safe, efficient, and responsible. We seek to do what is in the best interests of our company and society.

Environment

Careful management of the environment is a fundamental responsibility for our business. We identify where our operations might have an impact on the environment and work to mitigate it, striving to reduce air emissions, fresh water consumption, spills, waste streams, and impacts on ecosystems and biodiversity. We engage local communities and other stakeholders to better understand local perspectives on the environment and to explore opportunities for collaboration.

Managing Climate Change Risks

Society continues to face the dual challenge of meeting the world's growing demand for energy, while managing the risks of climate change. ExxonMobil believes the risks of climate change are serious. It will take business, governments, and individuals working together to make meaningful progress. We are encouraged that the pledges made in the Paris Agreement create an effective framework for all countries to address rising emissions. We forecast emissions reductions consistent with the results of these international commitments.

ExxonMobil is committed to providing affordable energy to support human progress while advancing effective solutions to address climate change. Our climate change risk management strategy includes four components: engaging on climate change policy, developing future technology, mitigating greenhouse gas emissions in our operations, and developing solutions that reduce greenhouse gas emissions for our customers.

One such solution is natural gas, which emits up to 60-percent less carbon dioxide than coal in power generation. ExxonMobil is the largest producer of natural gas in the United States, and has helped reduce U.S. carbon dioxide emissions to their lowest level since the 1990s. Carbon capture and storage (CCS) technology is another promising solution. ExxonMobil currently has interests in approximately one quarter of the world's CCS capacity, and in 2016, we announced a new partnership to research the use of fuel cells in capturing carbon dioxide that could substantially

Highlight: Carbon Capture and Storage

Carbon capture and storage is the process by which carbon dioxide gas that would otherwise be released into the atmosphere is captured, compressed, and injected into underground geologic formations for permanent storage.

In 2016, ExxonMobil and FuelCell Energy, Inc., announced that the James M. Barry Electric Generating Station, a 2.7-gigawatt mixed-use coal- and gas-fired power plant, would host pilot plant tests of CCS technology under development by the companies. The technology uses carbonate fuel cells to concentrate and capture carbon dioxide streams from power plants. This fuel cell carbon capture solution could substantially reduce costs and facilitate large-scale use of CCS around the world.

PHOTO: **Our Shute Creek Gas Plant in Wyoming contributes to the total carbon dioxide ExxonMobil captures for storage each year.**

Corporate Citizenship, continued

reduce costs and lead to large-scale application globally. Since 2000, ExxonMobil has spent nearly $7 billion researching, developing, and deploying emissions-reducing technologies.

Community and Social Impact

We support social and economic progress in the areas where we operate. Maintaining a fundamental respect for human rights, responsibly managing our impact on communities, and making valued social investments are integral to the success and sustainability of our business. ExxonMobil works in communities all over the world, each with its own unique culture, needs, and sensitivities.

We strive to be a good corporate citizen by working with governments, engaging with stakeholders, and partnering with local and international organizations. ExxonMobil strategically invests in programs that are important to our business and align with a country's economic and social goals. Much of our spending is focused on corporate-led initiatives related to improving education, combating malaria, and advancing economic opportunities for women. We concentrate on these three signature initiatives because we believe they help build a foundation for human progress.

We also make local investments tailored to address community-specific social and economic challenges such as workforce development, access to health care, and natural disaster recovery support. We consider the development goals of each community when deciding where, when, and how best to invest. In 2016, we contributed $239 million to communities around the world.

Local Economic Growth and Development

ExxonMobil's local content and supply chain management strategies are designed to deliver lasting and shared value to host countries, local communities, and our business. We align our goals with those of our partners to focus on establishing long-term economic benefits. We develop a local content plan specific to each country or region, taking into account social and economic conditions, the nature of the project, and the community's needs.

Our local content approach focuses on three key areas: employing and training a local workforce, supporting local suppliers and service providers, and improving the livelihoods of community members. This multi-tiered approach, combined with our strategic community investments, allows us to provide sustainable economic benefits, both direct and indirect, to the communities where we operate.

Highlight: Developing Future Technology: Academic Partnerships

As society transitions to energy solutions with lower greenhouse gas emissions, technological advances that change the way we produce and use energy will be instrumental in providing the global economy with the energy it needs. ExxonMobil is pioneering scientific research to discover new, innovative approaches to enhance existing energy sources and develop next-generation supply options.

In addition to in-house research, ExxonMobil partners with more than 80 leading universities around the world, including the Massachusetts Institute of Technology, Princeton University, the University of Texas, and Stanford University. Our joint research projects focus on developing algae-based biofuels, photovoltaic building materials, extended-life batteries, and other technologies.

PHOTO: **ExxonMobil has partnered with Michigan State University to advance biofuels research.**

Financial Information

Report of Independent Registered Public Accounting Firm

To the Shareholders of Exxon Mobil Corporation:

We have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the Consolidated Balance Sheets of Exxon Mobil Corporation and its subsidiaries as of December 31, 2016 and 2015, and the related Consolidated Statements of Income, Comprehensive Income, Changes in Equity, and Cash Flows for each of the three years in the period ended December 31, 2016, and in our report dated February 22, 2017, we expressed an unqualified opinion thereon. The consolidated financial statements referred to above (not presented herein) appear in ExxonMobil's 2016 Financial Statements and Supplemental Information booklet.

In our opinion, the information set forth in the accompanying condensed consolidated financial statements (pages 41-43) is fairly stated, in all material respects, in relation to the consolidated financial statements from which it has been derived.

PricewaterhouseCoopers LLP

Dallas, Texas
February 22, 2017

Summary of Accounting Policies and Practices

The Corporation's accounting and financial reporting fairly reflect its straightforward business model involving the extracting, refining, and marketing of hydrocarbons and hydrocarbon-based products. The preparation of financial statements in conformity with U.S. Generally Accepted Accounting Principles (GAAP) requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues, expenses, and the disclosure of contingent assets and liabilities. Actual results could differ from these estimates.

The summary financial statements include the accounts of those subsidiaries the Corporation controls. They also include the Corporation's share of the undivided interest in certain Upstream assets, liabilities, revenues, and expenses. Amounts representing the Corporation's interest in the net assets and net income of entities that it does not control are included in "Investments, advances, and long-term receivables" on the Balance Sheet and "Income from equity affiliates" on the Income Statement.

The "functional currency" for translating the accounts of the majority of Downstream and Chemical operations outside the United States is the local currency. The local currency is also used for Upstream operations that are relatively self-contained and integrated within a particular country. The U.S. dollar is used for operations in countries with a history of high inflation and certain other countries.

Revenues associated with sales of crude oil, natural gas, petroleum, and chemical products are recognized when the products are delivered and title passes to the customer.

Inventories of crude oil, products, and merchandise are carried at the lower of current market value or cost (generally determined under the last-in, first-out method – LIFO). Inventories of materials and supplies are valued at cost or less.

The Corporation makes limited use of derivative instruments. When derivatives are used, they are recorded at fair value, and gains and losses arising from changes in their fair value are recognized in earnings.

The Corporation's exploration and production activities are accounted for under the "successful efforts" method. Depreciation, depletion, and amortization are primarily determined under either the unit-of-production method or the straight-line method. Unit-of-production rates are based on the amount of proved developed reserves of oil, gas, and other minerals that are estimated to be recoverable from existing facilities. The straight-line method is based on estimated asset service life.

The Corporation incurs retirement obligations for certain assets at the time they are installed. The fair values of these obligations are recorded as liabilities on a discounted basis and are accreted over time for the change in their present value. The costs associated with these liabilities are capitalized as part of the related assets and depreciated. Liabilities for environmental costs are recorded when it is probable that obligations have been incurred and the amounts can be reasonably estimated.

The Corporation recognizes the underfunded or overfunded status of defined benefit pension and other postretirement plans as a liability or asset in the balance sheet with the offset in equity, net of deferred taxes.

A variety of claims have been made against ExxonMobil and certain of its consolidated subsidiaries in a number of pending lawsuits and tax disputes. For further information on litigation and tax contingencies, see Notes 16 and 19 to the Consolidated Financial Statements in ExxonMobil's 2016 Financial Statements and Supplemental Information booklet.

The Corporation awards share-based compensation to employees in the form of restricted stock and restricted stock units. Compensation expense is measured by the price of the stock at the date of grant and is recognized in income over the requisite service period.

Further information on the Corporation's accounting policies, estimates, and practices can be found in ExxonMobil's 2016 Financial Statements and Supplemental Information booklet (Critical Accounting Estimates and Note 1 to the Consolidated Financial Statements).

Financial Information, continued

Financial Highlights

(millions of dollars, unless noted)	**2016**	2015	2014
Net income attributable to ExxonMobil	**7,840**	16,150	32,520
Cash flow from operations and asset sales[1]	**26,357**	32,733	49,151
Capital and exploration expenditures[1]	**19,304**	31,051	38,537
Research and development costs	**1,058**	1,008	971
Total debt at year end	**42,762**	38,687	29,121
Average capital employed[1]	**212,226**	208,755	203,110
Market valuation at year end	**374,438**	323,928	388,398
Regular employees at year end *(thousands)*	**71.1**	73.5	75.3

Key Financial Ratios

	2016	2015	2014
Return on average capital employed[1] *(percent)*	**3.9**	7.9	16.2
Earnings to average ExxonMobil share of equity *(percent)*	**4.6**	9.4	18.7
Debt to capital[2] *(percent)*	**19.7**	18.0	13.9
Net debt to capital[3] *(percent)*	**18.4**	16.5	11.9
Current assets to current liabilities *(times)*	**0.87**	0.79	0.82
Fixed-charge coverage *(times)*	**5.7**	17.6	46.9

Dividend and Shareholder Return Information

	2016	2015	2014
Dividends per common share *(dollars)*	**2.98**	2.88	2.70
Dividends per share growth *(annual percent)*	**3.5**	6.7	9.8
Number of common shares outstanding *(millions)*			
Average	**4,177**	4,196	4,282
Average – assuming dilution	**4,177**	4,196	4,282
Year end	**4,148**	4,156	4,201
Total shareholder return[1] *(annual percent)*	**19.8**	(12.6)	(6.0)
Common stock purchases *(millions of dollars)*	**977**	4,039	13,183
Market quotations for common stock *(dollars)*			
High	**95.55**	93.45	104.76
Low	**71.55**	66.55	86.19
Average daily close	**86.22**	82.83	97.27
Year-end close	**90.26**	77.95	92.45

(1) See Frequently Used Terms on pages 44 and 45.
(2) Debt includes short-term and long-term debt. Capital includes short-term and long-term debt and total equity.
(3) Debt net of cash and cash equivalents, excluding restricted cash.

Summary Statement of Income

(millions of dollars)	**2016**	2015	2014
Revenues and Other Income			
Sales and other operating revenue[1]	**218,608**	259,488	394,105
Income from equity affiliates	**4,806**	7,644	13,323
Other income	**2,680**	1,750	4,511
Total revenues and other income	**226,094**	268,882	411,939
Costs and Other Deductions			
Crude oil and product purchases	**104,171**	130,003	225,972
Production and manufacturing expenses	**31,927**	35,587	40,859
Selling, general and administrative expenses	**10,799**	11,501	12,598
Depreciation and depletion	**22,308**	18,048	17,297
Exploration expenses, including dry holes	**1,467**	1,523	1,669
Interest expense	**453**	311	286
Sales-based taxes[1]	**21,090**	22,678	29,342
Other taxes and duties	**25,910**	27,265	32,286
Total costs and other deductions	**218,125**	246,916	360,309
Income before income taxes	**7,969**	21,966	51,630
Income taxes	**(406)**	5,415	18,015
Net income including noncontrolling interests	**8,375**	16,551	33,615
Net income attributable to noncontrolling interests	**535**	401	1,095
Net income attributable to ExxonMobil	**7,840**	16,150	32,520
Earnings per common share *(dollars)*	**1.88**	3.85	7.60
Earnings per common share – assuming dilution *(dollars)*	**1.88**	3.85	7.60

(1) Sales and other operating revenue includes sales-based taxes of $21,090 for 2016, $22,678 million for 2015, and $29,342 million for 2014.

The information in the Summary Statement of Income (for 2014 to 2016), the Summary Balance Sheet (for 2015 and 2016), and the Summary Statement of Cash Flows (for 2014 to 2016), shown on pages 41 through 43, corresponds to the information in the Consolidated Statement of Income, the Consolidated Balance Sheet, and the Consolidated Statement of Cash Flows in ExxonMobil's 2016 Financial Statements and Supplemental Information booklet. See also Management's Discussion and Analysis of Financial Condition and Results of Operations and other information in ExxonMobil's 2016 Financial Statements and Supplemental Information booklet.

Financial Information, continued

Summary Balance Sheet at Year End

(millions of dollars)	**2016**	2015
Assets		
Current assets		
Cash and cash equivalents	**3,657**	3,705
Cash and cash equivalents – restricted	**–**	–
Notes and accounts receivable, less estimated doubtful amounts	**21,394**	19,875
Inventories		
Crude oil, products and merchandise	**10,877**	12,037
Materials and supplies	**4,203**	4,208
Other current assets	**1,285**	2,798
Total current assets	**41,416**	42,623
Investments, advances and long-term receivables	**35,102**	34,245
Property, plant and equipment, at cost, less accumulated depreciation and depletion	**244,224**	251,605
Other assets, including intangibles, net	**9,572**	8,285
Total assets	**330,314**	336,758
Liabilities		
Current liabilities		
Notes and loans payable	**13,830**	18,762
Accounts payable and accrued liabilities	**31,193**	32,412
Income taxes payable	**2,615**	2,802
Total current liabilities	**47,638**	53,976
Long-term debt	**28,932**	19,925
Postretirement benefits reserves	**20,680**	22,647
Deferred income tax liabilities	**34,041**	36,818
Long-term obligations to equity companies	**5,124**	5,417
Other long-term obligations	**20,069**	21,165
Total liabilities	**156,484**	159,948
Commitments and contingencies	*See footnote 1*	
Equity		
Common stock without par value	**12,157**	11,612
Earnings reinvested	**407,831**	412,444
Accumulated other comprehensive income	**(22,239)**	(23,511)
Common stock held in treasury	**(230,424)**	(229,734)
ExxonMobil share of equity	**167,325**	170,811
Noncontrolling interests	**6,505**	5,999
Total equity	**173,830**	176,810
Total liabilities and equity	**330,314**	336,758

(1) For more information, please refer to Note 16 in ExxonMobil's 2016 Financial Statements and Supplemental Information booklet.

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Summary Statement of Cash Flows

(millions of dollars)	**2016**	2015	2014
Cash Flows from Operating Activities			
Net income including noncontrolling interests	**8,375**	16,551	33,615
Adjustments for noncash transactions			
Depreciation and depletion	**22,308**	18,048	17,297
Deferred income tax charges/(credits)	**(4,386)**	(1,832)	1,540
Postretirement benefits expense in excess of/(less than) net payments	**(329)**	2,153	524
Other long-term obligation provisions in excess of/(less than) payments	**(19)**	(380)	1,404
Dividends received greater than/(less than) equity in current earnings of equity companies	**(579)**	(691)	(358)
Changes in operational working capital, excluding cash and debt			
Reduction/(increase) – Notes and accounts receivable	**(2,090)**	4,692	3,118
– Inventories	**(388)**	(379)	(1,343)
– Other current assets	**171**	45	(68)
Increase/(reduction) – Accounts and other payables	**915**	(7,471)	(6,639)
Net (gain) on asset sales	**(1,682)**	(226)	(3,151)
All other items – net	**(214)**	(166)	(823)
Net cash provided by operating activities	**22,082**	30,344	45,116
Cash Flows from Investing Activities			
Additions to property, plant and equipment	**(16,163)**	(26,490)	(32,952)
Proceeds associated with sales of subsidiaries, property, plant and equipment, and sales and returns of investments	**4,275**	2,389	4,035
Decrease/(increase) in restricted cash and cash equivalents	**–**	42	227
Additional investments and advances	**(1,417)**	(607)	(1,631)
Collection of advances	**902**	842	3,346
Net cash used in investing activities	**(12,403)**	(23,824)	(26,975)
Cash Flows from Financing Activities			
Additions to long-term debt	**12,066**	8,028	5,731
Reductions in long-term debt	**–**	(26)	(69)
Additions to short-term debt	**–**	–	–
Reductions in short-term debt	**(314)**	(506)	(745)
Additions/(reductions) in commercial paper, and debt with three months or less maturity	**(7,459)**	1,759	2,049
Cash dividends to ExxonMobil shareholders	**(12,453)**	(12,090)	(11,568)
Cash dividends to noncontrolling interests	**(162)**	(170)	(248)
Changes in noncontrolling interests	**–**	–	–
Tax benefits related to stock-based awards	**–**	2	115
Common stock acquired	**(977)**	(4,039)	(13,183)
Common stock sold	**6**	5	30
Net cash used in financing activities	**(9,293)**	(7,037)	(17,888)
Effects of exchange rate changes on cash	**(434)**	(394)	(281)
Increase/(decrease) in cash and cash equivalents	**(48)**	(911)	(28)
Cash and cash equivalents at beginning of year	**3,705**	4,616	4,644
Cash and cash equivalents at end of year	**3,657**	3,705	4,616

The information in the Summary Statement of Income (for 2014 to 2016), the Summary Balance Sheet (for 2015 and 2016), and the Summary Statement of Cash Flows (for 2014 to 2016), shown on pages 41 through 43, corresponds to the information in the Consolidated Statement of Income, the Consolidated Balance Sheet, and the Consolidated Statement of Cash Flows in ExxonMobil's 2016 Financial Statements and Supplemental Information booklet. See also Management's Discussion and Analysis of Financial Condition and Results of Operations and other information in ExxonMobil's 2016 Financial Statements and Supplemental Information booklet.

Frequently Used Terms

Listed below are definitions of several of ExxonMobil's key business and financial performance measures and other terms. These definitions are provided to facilitate understanding of the terms and their calculation. In the case of financial measures that we believe constitute "non-GAAP financial measures" under Securities and Exchange Commission Regulation G, we provide a reconciliation to the most comparable Generally Accepted Accounting Principles (GAAP) measure and other information required by that rule.

Total Shareholder Return ▪ Measures the change in value of an investment in stock over a specified period of time, assuming dividend reinvestment. We calculate shareholder return over a particular measurement period by: dividing (1) the sum of (a) the cumulative value of dividends received during the measurement period, assuming reinvestment, plus (b) the difference between the stock price at the end and at the beginning of the measurement period; by (2) the stock price at the beginning of the measurement period. For this purpose, we assume dividends are reinvested in stock at market prices at approximately the same time actual dividends are paid. Shareholder return is usually quoted on an annualized basis.

Capital and Exploration Expenditures (Capex) ▪ Represents the combined total of additions at cost to property, plant and equipment and exploration expenses on a before-tax basis from the Summary Statement of Income. ExxonMobil's Capex includes its share of similar costs for equity companies. Capex excludes assets acquired in nonmonetary exchanges (effective 2013), the value of ExxonMobil shares used to acquire assets, and depreciation on the cost of exploration support equipment and facilities recorded to property, plant and equipment when acquired. While ExxonMobil's management is responsible for all investments and elements of net income, particular focus is placed on managing the controllable aspects of this group of expenditures.

Proved Reserves ▪ Proved reserve figures in this publication are determined in accordance with SEC definitions in effect at the end of each applicable year, except that in statements covering reserve replacement for years prior to 2009, reserves include oil sands and equity company reserves which at the time were excluded from SEC reserves.

Proved Reserves Replacement Ratio ▪ The reserves replacement ratio is calculated for a specific period utilizing the applicable proved oil-equivalent reserves additions divided by oil-equivalent production. See "Proved Reserves" above.

Resources, Resource Base, and Recoverable Resources ▪ Along with similar terms used in this report, these refer to the total remaining estimated quantities of oil and gas that are expected to be ultimately recoverable. ExxonMobil refers to new discoveries and acquisitions of discovered resources as resource additions. The resource base includes quantities of oil and gas that are not yet classified as proved reserves, but which ExxonMobil believes will likely be moved into the proved reserves category and produced in the future. The term "resource base" is not intended to correspond to SEC definitions such as "probable" or "possible" reserves.

Prime Product Sales ▪ Prime product sales are total product sales excluding carbon black oil and sulfur. Prime product sales include ExxonMobil's share of equity company volumes and finished-product transfers to the Downstream.

Exploration Resource Addition Cost	**2016**	2015	2014	2013	2012
Exploration portion of Upstream Capex *(millions of dollars)*	**1,826**	2,680	3,689	7,155	4,740
Exploration resource additions *(millions of oil-equivalent barrels)*	**2,318**	1,138	2,942	5,703	3,734
Exploration resource addition cost per OEB *(dollars)*	**0.79**	2.36	1.25	1.25	1.27

Exploration resource addition cost per oil-equivalent barrel is a performance measure that is calculated using the Exploration portion of Upstream capital and exploration expenditures (Capex) divided by exploration resource additions (in oil-equivalent barrels – OEB). ExxonMobil refers to new discoveries, and the non-proved portion of discovered resources that were acquired, as exploration resource additions. Exploration resource additions include quantities of oil and gas that are not yet classified as proved reserves, but which ExxonMobil believes will likely be moved into the proved reserves category and produced in the future. The impact of the nonmonetary portion of asset exchanges is excluded in 2014 and 2016.

Return on Average Capital Employed (ROCE)	**2016**	2015	2014	2013	2012
(millions of dollars)					
Net income attributable to ExxonMobil	**7,840**	16,150	32,520	32,580	44,880
Financing costs (after tax)					
Gross third-party debt	**(683)**	(362)	(140)	(163)	(401)
ExxonMobil share of equity companies	**(225)**	(170)	(256)	(239)	(257)
All other financing costs – net	**423**	88	(68)	83	100
Total financing costs	**(485)**	(444)	(464)	(319)	(558)
Earnings excluding financing costs	**8,325**	16,594	32,984	32,899	45,438
Average capital employed	**212,226**	208,755	203,110	191,575	179,094
Return on average capital employed – corporate total	**3.9%**	7.9%	16.2%	17.2%	25.4%

ROCE is a performance measure ratio. From the perspective of the business segments, ROCE is annual business segment earnings divided by average business segment capital employed (average of beginning and end-of-year amounts). These segment earnings include ExxonMobil's share of segment earnings of equity companies, consistent with our capital employed definition, and exclude the cost of financing. The Corporation's total ROCE is net income attributable to ExxonMobil excluding the after-tax cost of financing, divided by total corporate average capital employed. The Corporation has consistently applied its ROCE definition for many years and views it as the best measure of historical capital productivity in our capital-intensive, long-term industry, both to evaluate management's performance and to demonstrate to shareholders that capital has been used wisely over the long term. Additional measures, which are more cash flow based, are used to make investment decisions.
See page 5 for segment information relevant to ROCE.

Capital Employed at Year End	2016	2015	2014	2013	2012
(millions of dollars)					
Business Uses: Asset and Liability Perspective					
Total assets	**330,314**	336,758	349,493	346,808	333,795
Less liabilities and noncontrolling interests share of assets and liabilities					
Total current liabilities excluding notes and loans payable	**(33,808)**	(35,214)	(47,165)	(55,916)	(60,486)
Total long-term liabilities excluding long-term debt	**(79,914)**	(86,047)	(92,143)	(87,698)	(90,068)
Noncontrolling interests share of assets and liabilities	**(8,031)**	(8,286)	(9,099)	(8,935)	(6,235)
Add ExxonMobil share of debt-financed equity company net assets	**4,233**	4,447	4,766	6,109	5,775
Total capital employed	**212,794**	211,658	205,852	200,368	182,781
Total Corporate Sources: Debt and Equity Perspective					
Notes and loans payable	**13,830**	18,762	17,468	15,808	3,653
Long-term debt	**28,932**	19,925	11,653	6,891	7,928
ExxonMobil share of equity	**167,325**	170,811	174,399	174,003	165,863
Less noncontrolling interests share of total debt	**(1,526)**	(2,287)	(2,434)	(2,443)	(438)
Add ExxonMobil share of equity company debt	**4,233**	4,447	4,766	6,109	5,775
Total capital employed	**212,794**	211,658	205,852	200,368	182,781

Capital employed is a measure of net investment. When viewed from the perspective of how the capital is used by the businesses, it includes ExxonMobil's net share of property, plant and equipment and other assets less liabilities, excluding both short-term and long-term debt. When viewed from the perspective of the sources of capital employed in total for the Corporation, it includes ExxonMobil's share of total debt and equity. Both of these views include ExxonMobil's share of amounts applicable to equity companies, which the Corporation believes should be included to provide a more comprehensive measure of capital employed.

Free Cash Flow	2016	2015	2014	2013	2012
(millions of dollars)					
Net cash provided by operating activities	**22,082**	30,344	45,116	44,914	56,170
Additions to property, plant and equipment	**(16,163)**	(26,490)	(32,952)	(33,669)	(34,271)
Proceeds associated with sales of subsidiaries, property, plant and equipment, and sales and returns of investments	**4,275**	2,389	4,035	2,707	7,655
Additional investments and advances	**(1,417)**	(607)	(1,631)	(4,435)	(598)
Collection of advances	**902**	842	3,346	1,124	1,550
Free cash flow	**9,679**	6,478	17,914	10,641	30,506

Free cash flow is cash flow from operations and asset sales less additions to property, plant and equipment, and additional investments and advances, plus collection of advances. This measure is useful when evaluating cash available for financing activities, including shareholder distributions, after investment in the business.

Cash Flow from Operations and Asset Sales	2016	2015	2014	2013	2012
(millions of dollars)					
Net cash provided by operating activities	**22,082**	30,344	45,116	44,914	56,170
Proceeds associated with sales of subsidiaries, property, plant and equipment, and sales and returns of investments	**4,275**	2,389	4,035	2,707	7,655
Cash flow from operations and asset sales	**26,357**	32,733	49,151	47,621	63,825

Cash flow from operations and asset sales is the sum of the net cash provided by operating activities and proceeds associated with sales of subsidiaries, property, plant and equipment, and sales and returns of investments from the Summary Statement of Cash Flows. This cash flow reflects the total sources of cash from both operating the Corporation's assets and from the divesting of assets. The Corporation employs a long-standing and regular disciplined review process to ensure that all assets are contributing to the Corporation's strategic objectives. Assets are divested when they are no longer meeting these objectives or are worth considerably more to others. Because of the regular nature of this activity, we believe it is useful for investors to consider proceeds associated with asset sales together with cash provided by operating activities when evaluating cash available for investment in the business and financing activities, including shareholder distributions.

Distributions to Shareholders	2016	2015	2014	2013	2012
(millions of dollars)					
Dividends paid to ExxonMobil shareholders	**12,453**	12,090	11,568	10,875	10,092
Cost of shares purchased to reduce shares outstanding	**–**	3,000	12,000	15,000	20,000
Distributions to ExxonMobil shareholders	**12,453**	15,090	23,568	25,875	30,092
Memo: Gross cost of shares purchased to offset shares or units settled in shares issued under benefit plans and programs	**977**	1,039	1,183	998	1,068

The Corporation distributes cash to shareholders in the form of both dividends and share purchases. Shares are purchased both to reduce shares outstanding and to offset shares or units settled in shares issued in conjunction with company benefit plans and programs. For purposes of calculating distributions to shareholders, the Corporation only includes the cost of those shares purchased to reduce shares outstanding.

Board of Directors, Officers, and Affiliated Companies*

Samuel J. Palmisano
Former Chairman of the Board, International Business Machines Corporation (computer hardware, software, business consulting, and IT services)

Kenneth C. Frazier
Chairman of the Board, President, and Chief Executive Officer, Merck & Company (pharmaceuticals)

Henrietta H. Fore
Chairman of the Board and Chief Executive Officer, Holsman International (manufacturing, consulting, and investments)

Darren W. Woods
Chairman of the Board and Chief Executive Officer

Douglas R. Oberhelman
Chairman of the Board, Caterpillar Inc. (heavy equipment)

Angela F. Braly
Former President and Chief Executive Officer, WellPoint, Inc. (health care)

Standing Committees of the Board

Audit Committee
L.R. Faulkner (Chair), P. Brabeck-Letmathe, U.M. Burns, H.H. Fore, D.R. Oberhelman

Board Affairs Committee
K.C. Frazier (Chair), S.K. Avery, A.F. Braly, S.J. Palmisano, S.S Reinemund, W.C. Weldon

Compensation Committee
S.J. Palmisano (Chair), M.J. Boskin, W.C. Weldon

Finance Committee
D.W. Woods (Chair), P. Brabeck-Letmathe, U.M. Burns, L.R. Faulkner, H.H. Fore, D.R. Oberhelman

Public Issues and Contributions Committee
S.S Reinemund (Chair), S.K. Avery, M.J. Boskin, A.F. Braly, K.C. Frazier

Executive Committee
D.W. Woods (Chair), M.J. Boskin, L.R. Faulkner, S.J. Palmisano, S.S Reinemund

Functional and Service Organizations

Upstream

N.W. Duffin . . . . . *President, ExxonMobil Production Company*[1]

R.S. Franklin . . . . . *President, ExxonMobil Gas & Power Marketing Company*[1]

S.M. Greenlee . . . . . *President, ExxonMobil Exploration Company*[1]

L.M. Mallon . . . . . *President, ExxonMobil Development Company*[1]

S.N. Ortwein . . . . . *President, XTO Energy Inc.*[1]

T.W. Schuessler . . . . . *President, ExxonMobil Upstream Research Company*

Downstream

B.W. Milton . . . . . *President, ExxonMobil Fuels, Lubricants & Specialties Marketing Company*[1]

D.G. Wascom . . . . . *President, ExxonMobil Refining & Supply Company*[1]

T.J. Wojnar, Jr. . . . . . *President, ExxonMobil Research and Engineering Company*

Chemical

N.A. Chapman . . . . . *President, ExxonMobil Chemical Company*[1]

Other

L.D. DuCharme . . . . . *President, ExxonMobil Global Services Company*

Larry R. Faulkner
President Emeritus, The University of Texas at Austin; Former President, Houston Endowment (charitable foundation)

Ursula M. Burns
Chairman of the Board, Xerox Corporation (document solutions and services)

Peter Brabeck-Letmathe
Chairman of the Board, Nestlé (nutrition, health, and wellness)

Steven S Reinemund
Presiding Director; Executive in Residence, Wake Forest University; Retired Executive Chairman of the Board, PepsiCo (consumer food products)

Michael J. Boskin
T.M. Friedman Professor of Economics and Senior Fellow, Hoover Institution, Stanford University

William C. Weldon
Former Chairman of the Board, Johnson & Johnson (pharmaceuticals)

Susan K. Avery
President Emerita, Woods Hole Oceanographic Institution (non-profit ocean research, exploration, and education)

Officers

D.W. Woods . . . . . *Chairman of the Board*(1)
M.W. Albers . . . . . *Senior Vice President*(1)
M.J. Dolan . . . . . *Senior Vice President*(1)
A.P. Swiger . . . . . *Senior Vice President*(1)
J.P. Williams, Jr. . . . . . *Senior Vice President*(1)
N.A. Chapman . . . . . *Vice President*(1)
W.M. Colton . . . . . *Vice President – Corporate Strategic Planning*(1)
B.W. Corson . . . . . *Vice President and President – ExxonMobil Upstream Ventures*(1)
N.W. Duffin . . . . . *Vice President*(1)
R.M. Ebner . . . . . *Vice President and General Counsel*(1)
T.M. Fariello . . . . . *Vice President – Washington Office*
M.A. Farrant . . . . . *Vice President – Human Resources*
R.S. Franklin . . . . . *Vice President*(1)
S.M. Greenlee . . . . . *Vice President*(1)
L.M. Lachenmyer . . . . . *Vice President – Safety, Security, Health & Environment*
S.M. McCarron . . . . . *Vice President – Public and Government Affairs*
B.W. Milton . . . . . *Vice President*(1)
D.S. Rosenthal . . . . . *Vice President and Controller*(1)
R.N. Schleckser . . . . . *Vice President and Treasurer*(1)
J.M. Spellings, Jr. . . . . . *Vice President and General Tax Counsel*(1)
D.G. Wascom . . . . . *Vice President*(1)
J.J. Woodbury . . . . . *Vice President – Investor Relations and Secretary*(1)

* As of March 1, 2017
(1) Required to file reports under Section 16 of the Securities Exchange Act of 1934.

Investor Information

Shareholder Services

Shareholder inquiries should be addressed to ExxonMobil Shareholder Services at Computershare Trust Company, N.A., ExxonMobil's transfer agent:

ExxonMobil Shareholder Services
P.O. Box 30170
College Station, TX 77842-3170

1-800-252-1800
(Within the United States and Canada)

1-781-575-2058
(Outside the United States and Canada)

An automated voice-response system is available 24 hours a day, 7 days a week.

Service representatives are available Monday through Friday 8:00 a.m. to 8:00 p.m. Eastern Time and Saturday 9:00 a.m. to 5:00 p.m. Eastern Time.

Registered shareholders can access information about their ExxonMobil stock accounts via the Internet at *computershare.com/exxonmobil*.

Stock Purchase and Dividend Reinvestment Plan

Computershare Trust Company, N.A., sponsors a stock purchase and dividend reinvestment plan, the Computershare Investment Plan for Exxon Mobil Corporation Common Stock. For more information and plan materials, go to *computershare.com/exxonmobil* or call or write ExxonMobil Shareholder Services.

Dividend Direct Deposit

Shareholders may have their dividends deposited directly into their U.S. bank accounts. If you would like to elect this option, go to *computershare.com/exxonmobil* or call or write ExxonMobil Shareholder Services for an authorization form.

Corporate Governance

Our Corporate Governance Guidelines and related materials are available by selecting "Investors" on our website at *exxonmobil.com*.

Electronic Delivery of Documents

Registered shareholders can receive the following documents online, instead of by mail, by contacting ExxonMobil Shareholder Services:

- Annual Meeting Materials
- Tax Documents
- Account Statements

Beneficial shareholders should contact their bank or broker for electronic receipt of proxy voting materials.

ExxonMobil Publications

The following publications are available without charge to shareholders and can be found on the Internet at *exxonmobil.com*. Requests for printed copies should be directed to ExxonMobil Shareholder Services.

- *Summary Annual Report*
- *Annual Report on Form 10-K*
- *Financial & Operating Review*
- *Corporate Citizenship Report*
- *The Outlook for Energy: A View to 2040*
- *The Lamp*

Exxon Mobil Corporation has numerous affiliates, many with names that include *ExxonMobil*, *Exxon*, *Mobil*, *Esso*, and *XTO*. For convenience and simplicity, those terms and terms such as Corporation, company, our, we, and its are sometimes used as abbreviated references to specific affiliates or affiliate groups. Abbreviated references describing global or regional operational organizations, and global or regional business lines are also sometimes used for convenience and simplicity. Similarly, ExxonMobil has business relationships with thousands of customers, suppliers, governments, and others. For convenience and simplicity, words such as venture, joint venture, partnership, co-venturer, and partner are used to indicate business and other relationships involving common activities and interests, and those words may not indicate precise legal relationships.

Included in this *Summary Annual Report* are financial and operating highlights and summary financial statements. For complete financial statements, including notes, please refer to ExxonMobil's 2016 Financial Statements and Supplemental Information booklet included in the *Summary Annual Report* mailing. The Financial Statements and Supplemental Information booklet also includes Management's Discussion and Analysis of Financial Condition and Results of Operations. The "Investors" section of ExxonMobil's website (*exxonmobil.com*) contains the Proxy Statement and other company publications, including ExxonMobil's *Financial & Operating Review*. These publications provide additional detail about the company's global operations.

General Information

Corporate Headquarters
Exxon Mobil Corporation
5959 Las Colinas Boulevard
Irving, TX 75039-2298

Additional copies may be
obtained by writing or phoning:
Phone: 972-444-1000
Fax: 972-444-1505

Shareholder Relations
Exxon Mobil Corporation
P.O. Box 140369
Irving, TX 75014-0369

Market Information
The New York Stock Exchange is the principal exchange on which Exxon Mobil Corporation common stock (symbol XOM) is traded.

Annual Meeting
The 2017 Annual Meeting of Shareholders will be held at 9:30 a.m. Central Time on Wednesday, May 31, 2017, at:

The Morton H. Meyerson Symphony Center
2301 Flora Street
Dallas, TX 75201

An audio webcast with a slide presentation will be provided on the Internet at *exxonmobil.com*. Information about the webcast will be available one week prior to the event.

ExxonMobil

ExxonMobil on the Internet
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