

First quarter 2018 earnings call

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ExxonMobil



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- **Frequently Used Terms.** References to resources, oil-equivalent barrels, and other quantities of oil and gas include volumes that are not yet classified as proved reserves under SEC definitions but that we believe will likely be developed and moved into the proved reserves category in the future. Shareholder distributions mean cash dividends plus any shares purchased to reduce shares outstanding (excluding anti-dilutive purchases). For information, including information required by Reg. G, regarding free cash flow and 2017 earnings excluding impacts of U.S. tax reform and impairments as well as definitions of the terms "returns" and "projects" see the Supplemental Information at the end of this presentation and slide 6 with respect to cash from operations and asset sales. Additional definitions and information regarding terms used in this webcast are also included in the "Frequently Used Terms" posted on the Investors section of our web site. The Digital Annual Report on our web site shows ExxonMobil's working interest in specific projects.

Headlines

First quarter earnings of \$4.7 billion, cash flow¹ of \$10 billion

- Highest quarterly cash flow¹ since 2014
- Positive U.S. Upstream earnings of \$429 million
- Papua New Guinea resumed production; reduced earnings by \$80 million, volumes by 25 koebd
- Progress on plans to deliver value-growth potential

¹ Cash flow means Cash Flow from Operations and Asset Sales; see slide 6

First quarter 2018 financial results

Earnings	4.7
Earnings Per Share – Diluted (<i>dollars</i>)	1.09
Cash Flow from Operations and Asset Sales ¹	10.0
Shareholder Distributions	3.3
CAPEX	4.9
Debt	40.6
Cash	4.1

Billions of dollars unless specified otherwise

¹ Includes Proceeds associated with Asset Sales of \$1.4B; see slide 6



Quarterly business drivers

Upstream

- Strong liquids and natural gas realizations, dampened by widening WCS spread
- Volumes lower due to entitlements, downtime, and divestments
- Progressing growth activities
- Highgrading portfolio

Downstream

- Refining margins remained strong, especially in North America
- Seasonally lower demand for petroleum products
- Improved manufacturing reliability in the U.S., Joliet back to full capacity in March

Chemical

- Growing to meet demand
 - Integration of Jurong Aromatics progressing as planned
 - Increasing polyethylene out of Mont Belvieu
- Planned turnarounds in Middle East and U.S. Gulf Coast successfully completed

First quarter 2018 sources of cash

Earnings	4.7
Depreciation	4.5
Working Capital	0.4
Other	(1.0)
Cash Flow from Operations	8.6
Proceeds associated with Asset Sales	1.4
Cash Flow from Operations and Asset Sales	10.0

Billions of dollars unless specified otherwise

Key Themes

- Higher earnings¹ than fourth quarter 2017
- “Other” items reflect timing of equity company distributions
- Asset sales in Upstream and Downstream

¹ Excluding the 4Q17 impact of U.S. tax reform and impairments; see Supplemental Information

First quarter 2018 sources and uses of cash

Beginning Cash	3.2
Cash Flow from Operations and Asset Sales	10.0
Shareholder Distributions	(3.3)
PP&E Adds / Investments and Advances ¹	(3.3)
Debt / Other Financing	(2.5)
Ending Cash	4.1

Billions of dollars unless specified otherwise

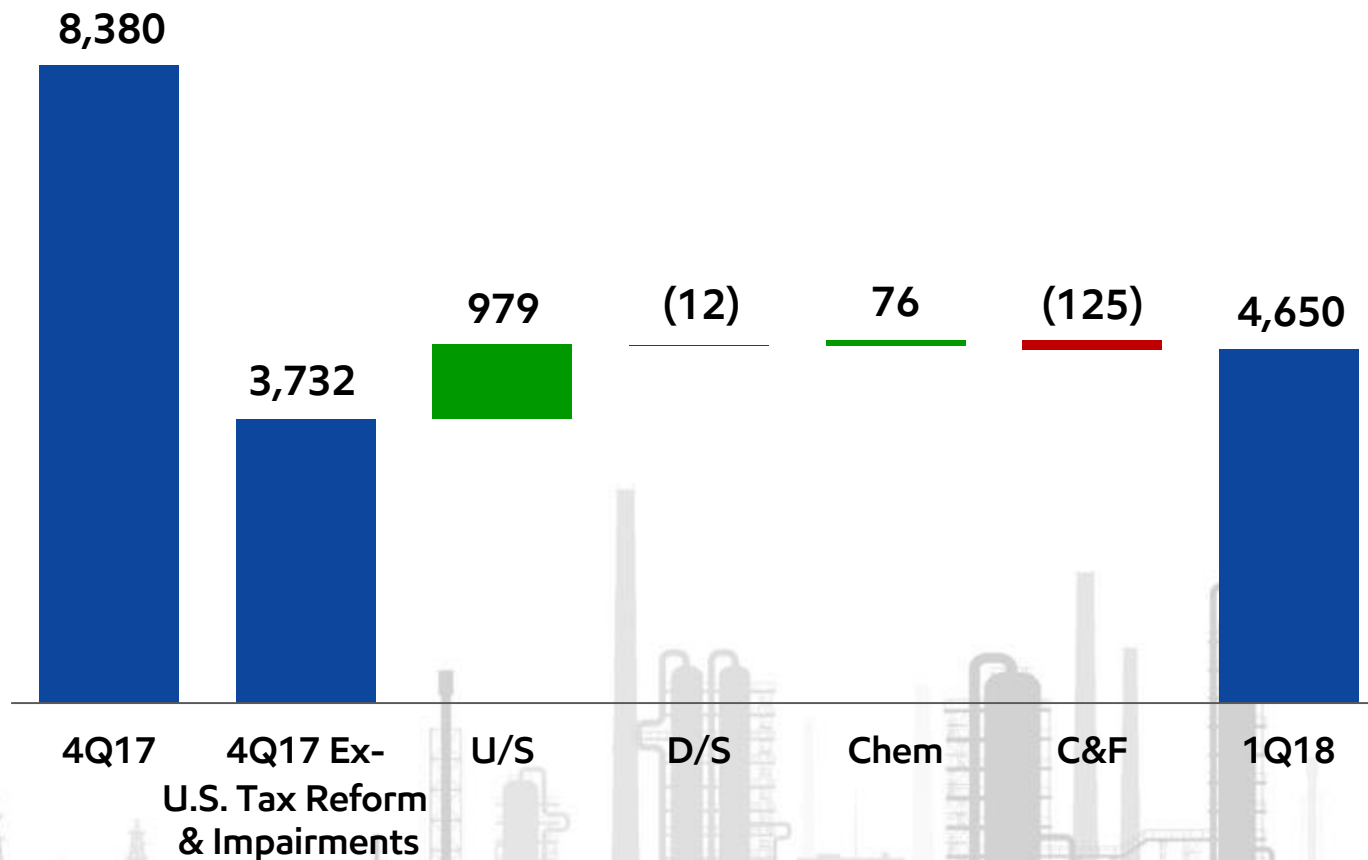
Key Themes

- Increased second quarter dividend 6.5%, marking 36th consecutive year of dividend growth
- Lower PP&E adds reflect absence of acquisitions
- \$1.9 billion debt reduction
- \$0.4 billion in anti-dilutive share purchases

¹ Includes PP&E Adds of (\$3.3B)

Total earnings – 1Q18 vs. 4Q17

Millions of Dollars



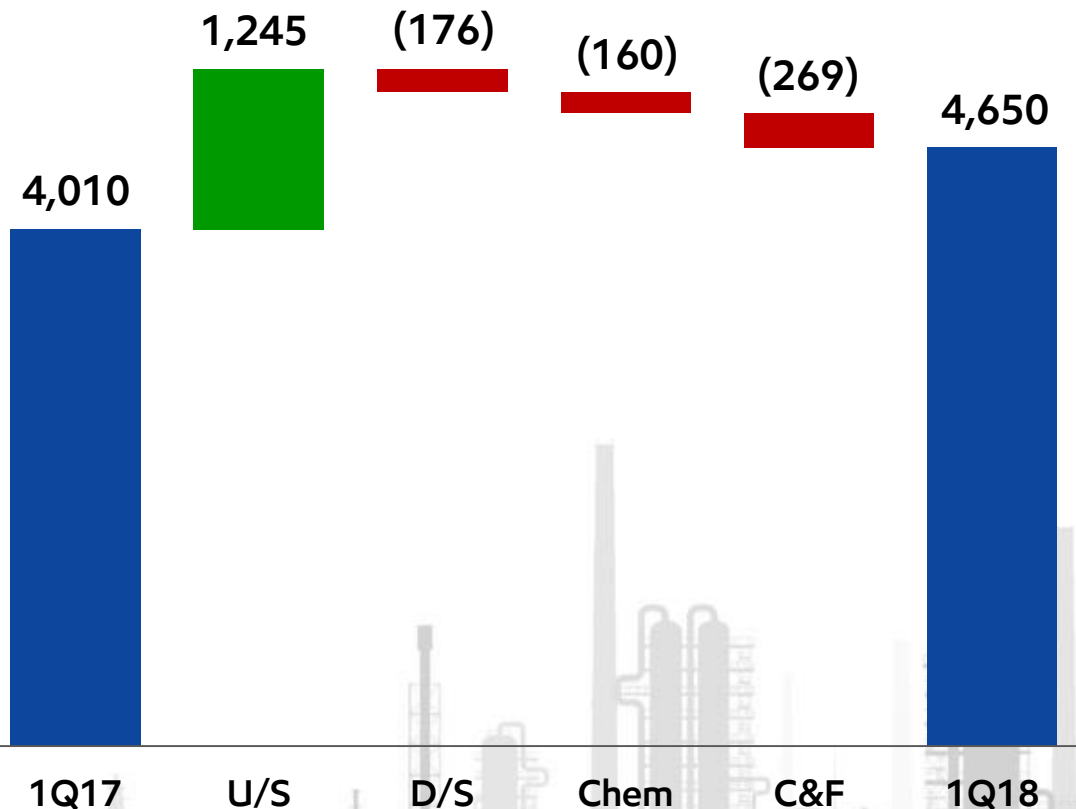
Earnings increased \$918 million¹

- Higher Upstream realizations
- Weaker refining margins
- Lower operating expenses
- Higher corporate and financing due to lower U.S. tax rate and higher pension expenses

¹ Excluding the 4Q17 impact of U.S. tax reform and impairments; see Supplemental Information

Total earnings – 1Q18 vs. 1Q17

Millions of Dollars



Earnings increased \$640 million

- Higher Upstream realizations
- Lower Downstream asset management gains
- Lower Chemical margins
- Higher corporate and financing due to lower U.S. tax rate and higher pension expenses

Progressing growth plans

Guyana exploration

- Pacora-1 discovery; seventh on Stabroek block
- Second rig mobilized for Sorubim well and Liza Phase 1 development wells

PNG expansion

- Increased P'nyang resource 84 percent to 4.36 TCF
- Aligning on 3-train expansion, ~8 MTA

Tight oil ramping up

- 27 operated horizontal rigs in Permian; 4 operated rigs in Bakken
- Permian / Bakken unconventional production up 18% year-over-year

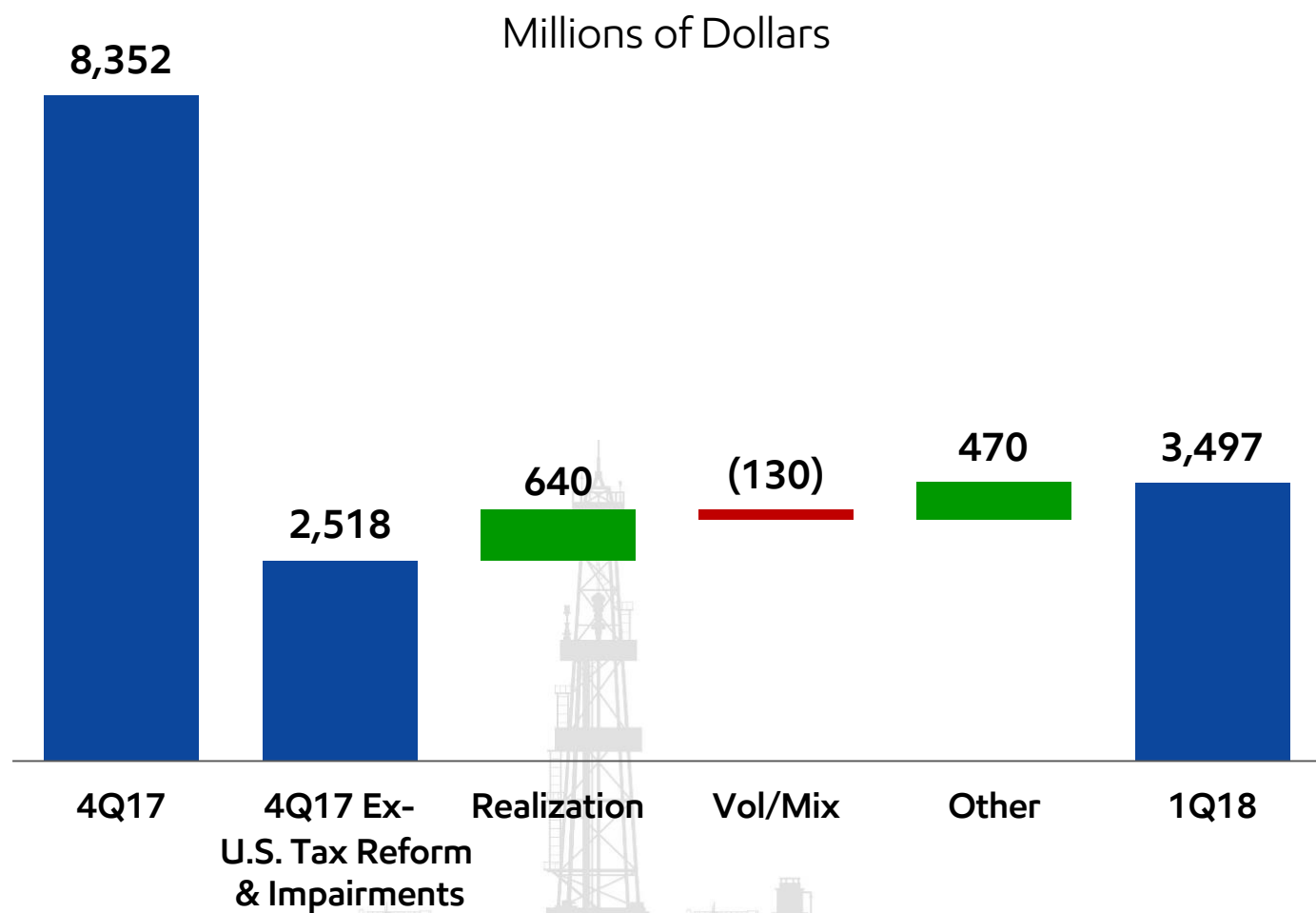
Portfolio enhancement

- Adding 8 blocks offshore Brazil, 1 block each offshore Ghana and Namibia
- Completed sale of Upstream and Downstream assets including Scarborough

Chemical growth

- Commissioning ethane cracker in Baytown for mid-year startup

Upstream earnings – 1Q18 vs. 4Q17

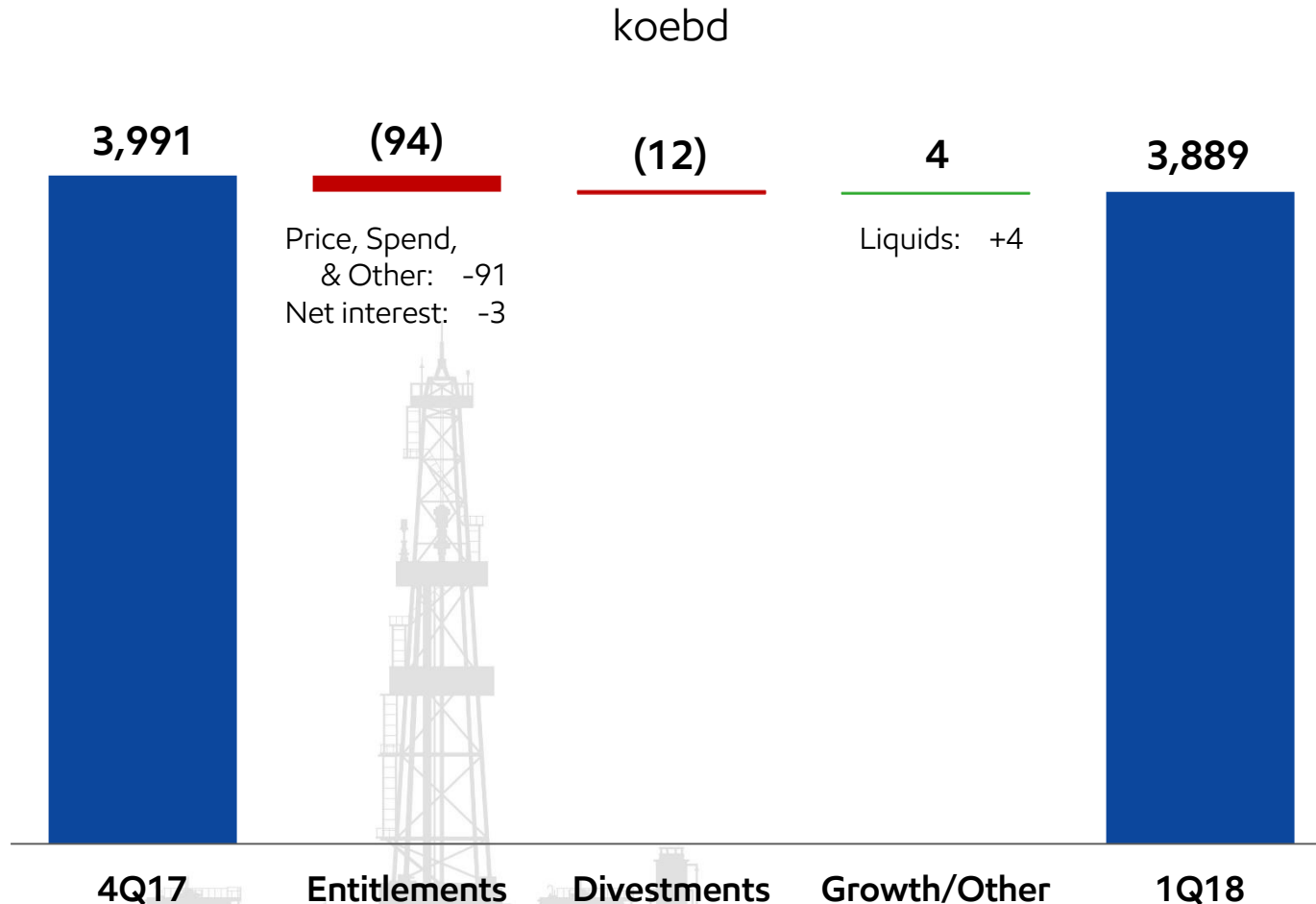


Earnings increased \$979 million¹

- Crude realizations +\$3.00/bbl
- Natural gas realizations +\$0.80/kcf
- Volumes/mix driven by downtime and lower entitlements partly offset by gas demand
- Lower operating expenses
- Positive net asset sales
- 1Q18 earnings of \$10.30 per barrel²

¹ Excluding the 4Q17 impact of U.S. tax reform and impairments; see Supplemental Information
² Excluding the impact of non-controlling interest volumes

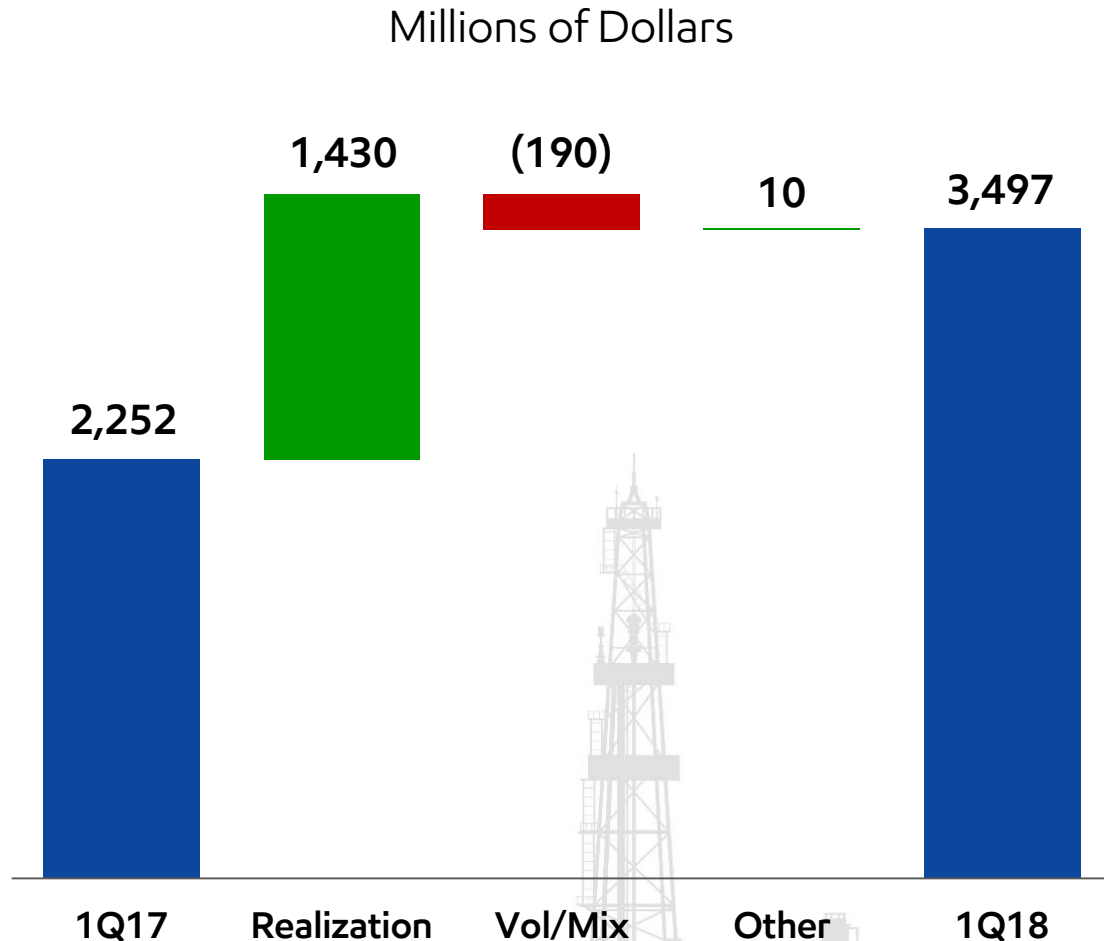
Upstream volumes – 1Q18 vs. 4Q17



Volumes down 3%

- Liquids -35 kbd
- Natural gas -403 mcf
- Lower entitlements with higher prices
- Sale of Norway operated assets in 4Q17
- Project volumes and higher gas demand offset by higher downtime (Canada, PNG)

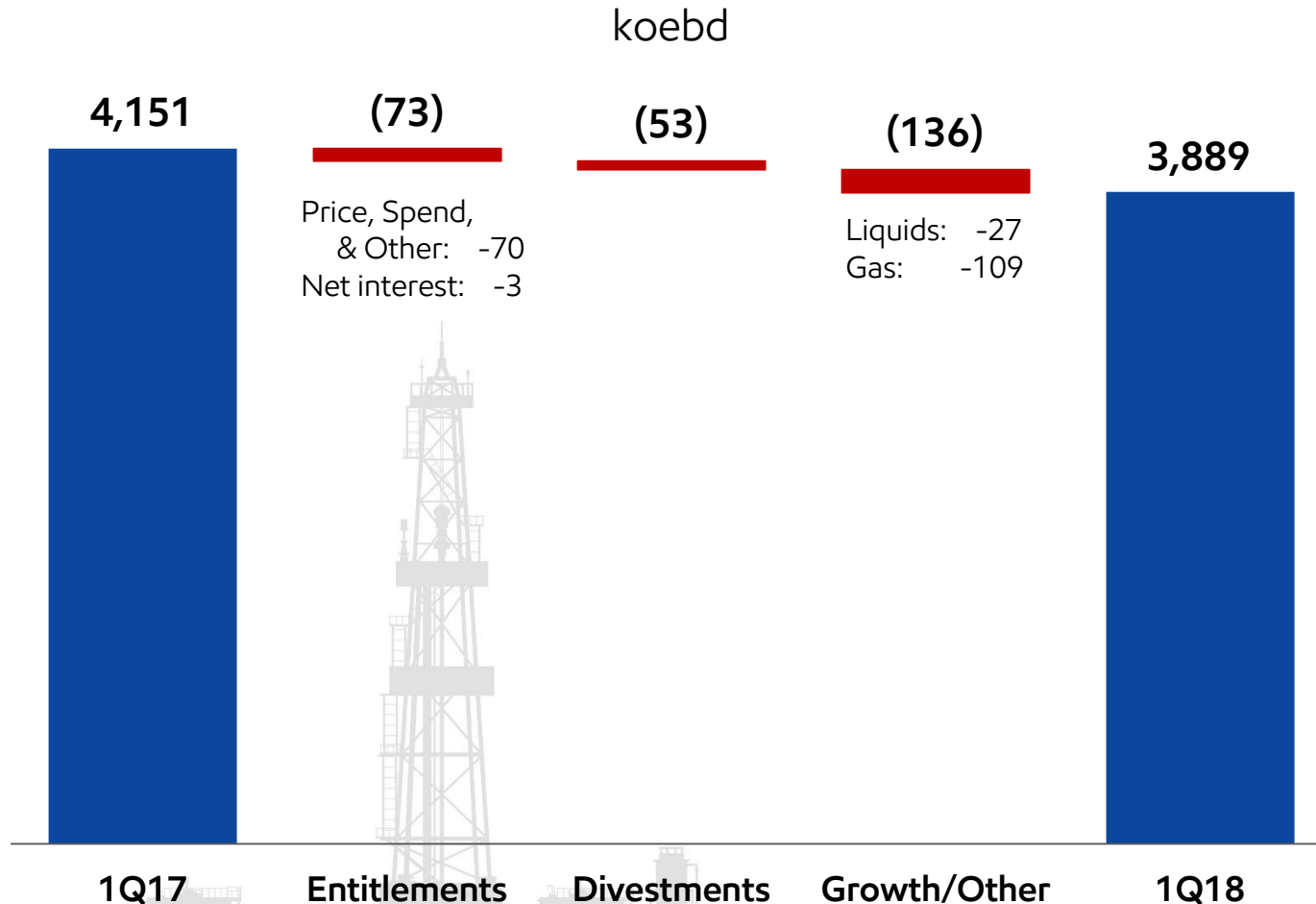
Upstream earnings – 1Q18 vs. 1Q17



Earnings increased \$1.2 billion

- Crude realizations +\$10.80/bbl
- Natural gas realizations +\$0.90/kcf
- Volume/mix impacts from lower entitlements and PNG downtime, partly offset by growth
- Positive net asset sales offset by higher operating expenses

Upstream volumes – 1Q18 vs. 1Q17



Volumes down 6%

- Liquids -117 kbd
- Natural gas -870 mcf
- Lower entitlements with higher prices
- Sale of Norway operated assets in 4Q17
- Higher downtime in Canada, PNG
- Base decline partly offset by project volumes

Responding to Papua New Guinea earthquake

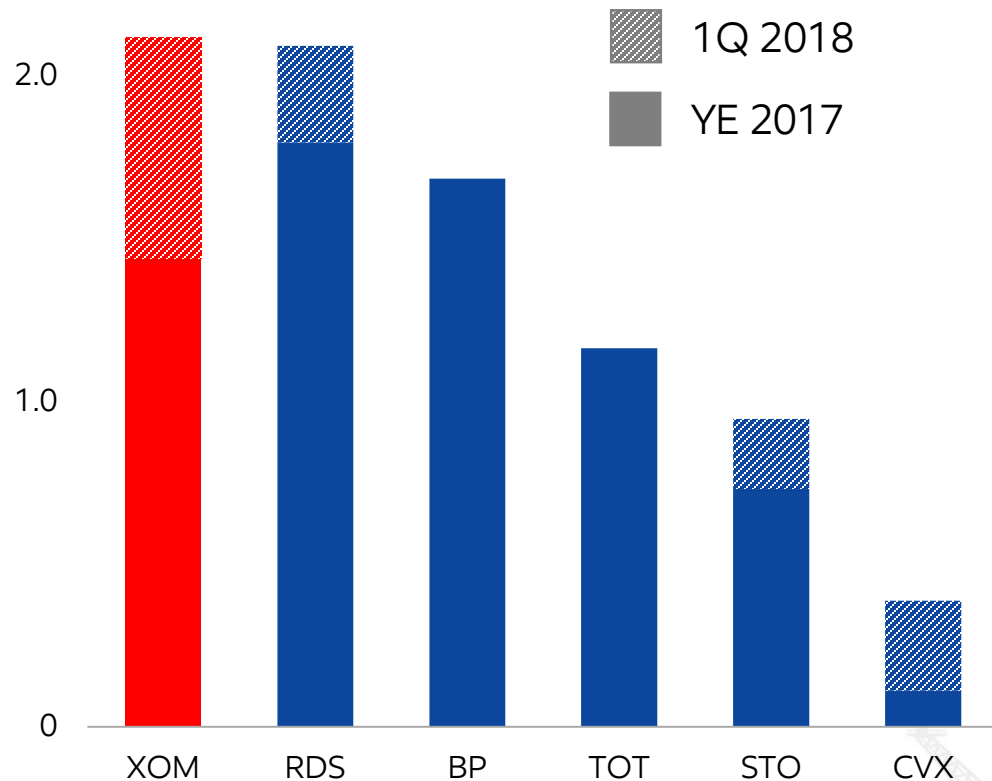


- Operations safely shut down at the LNG plant, gas conditioning plant, and well pads
- Engaged with Government, agencies, and community to support relief effort
- Inspections confirmed facilities withstood the event very well
- LNG production resumed ahead of expectations, ramping up to full capacity

Brazil: high-quality resource potential

Net acreage positions

Million acres

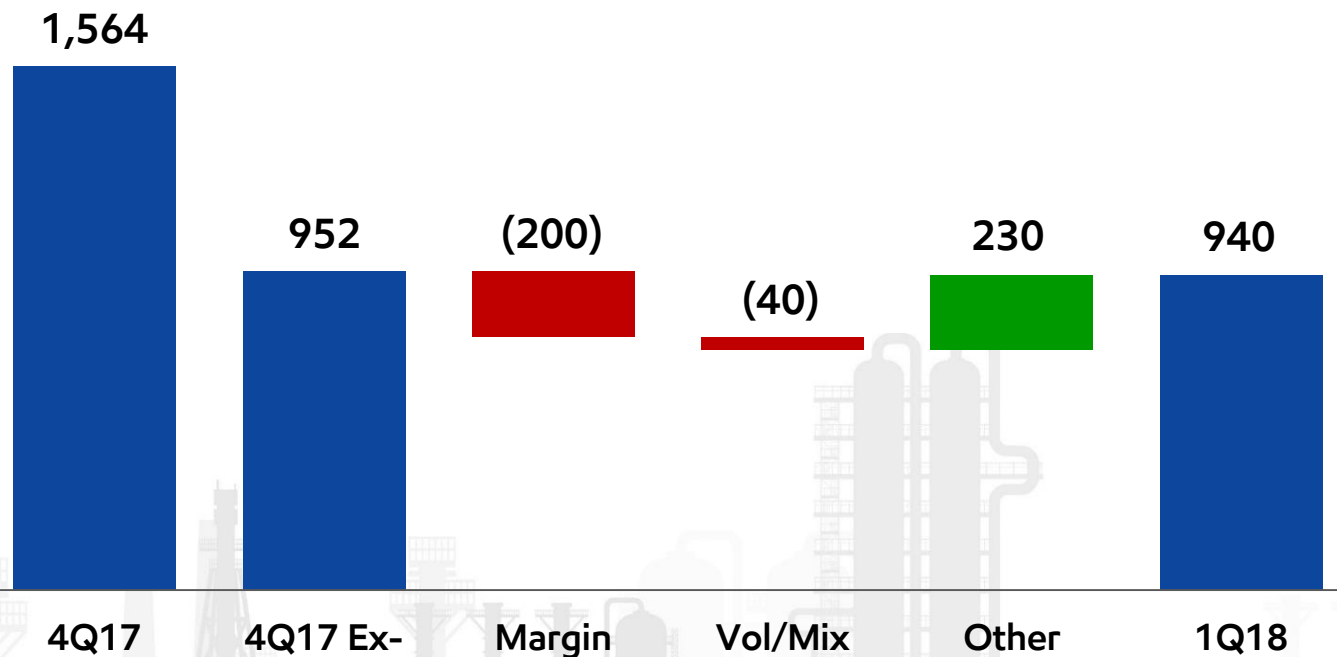


- > 2 BBO gross discovered resource with near-term development plan
- Multi-billion-barrel, pre-salt prospects
- ExxonMobil operates > 60% of acreage position
 - Application of leading, proprietary technology
- > 19,000 km² 3D seismic in 2018
- Multiple wells planned for 2018 and 2019

Source:
Wood Mackenzie
Includes BM-S-8; targeting close
of BM-S-8 farm-in by mid-2018

Downstream earnings – 1Q18 vs. 4Q17

Millions of Dollars



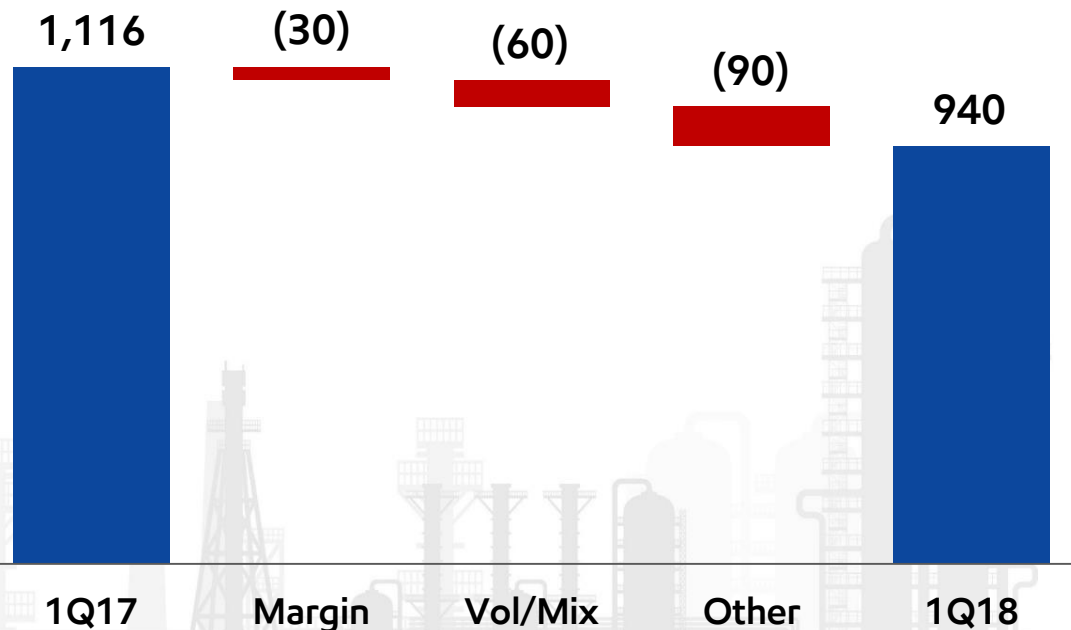
Earnings decreased \$12 million¹

- Weaker refining margins
- Volumes down with lower seasonal demand and higher maintenance activity
- Lower operating expenses
- Absence of Norway retail divestment

¹ Excluding the 4Q17 impact of U.S. tax reform and impairments; see Supplemental Information

Downstream earnings – 1Q18 vs. 1Q17

Millions of Dollars

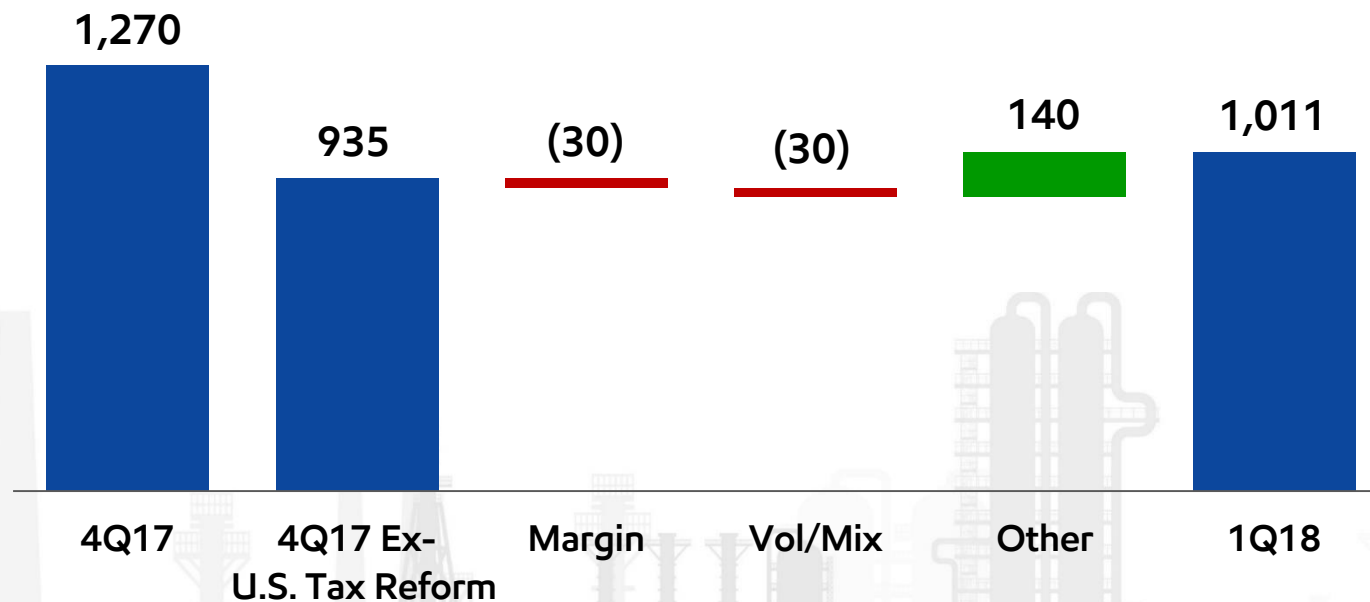


Earnings decreased \$176 million

- Weaker non-U.S. margins, offset by higher U.S. margins
- Reduced volumes due to higher U.S. maintenance activity, mainly Joliet
- Lower asset management gains

Chemical earnings – 1Q18 vs. 4Q17

Millions of Dollars



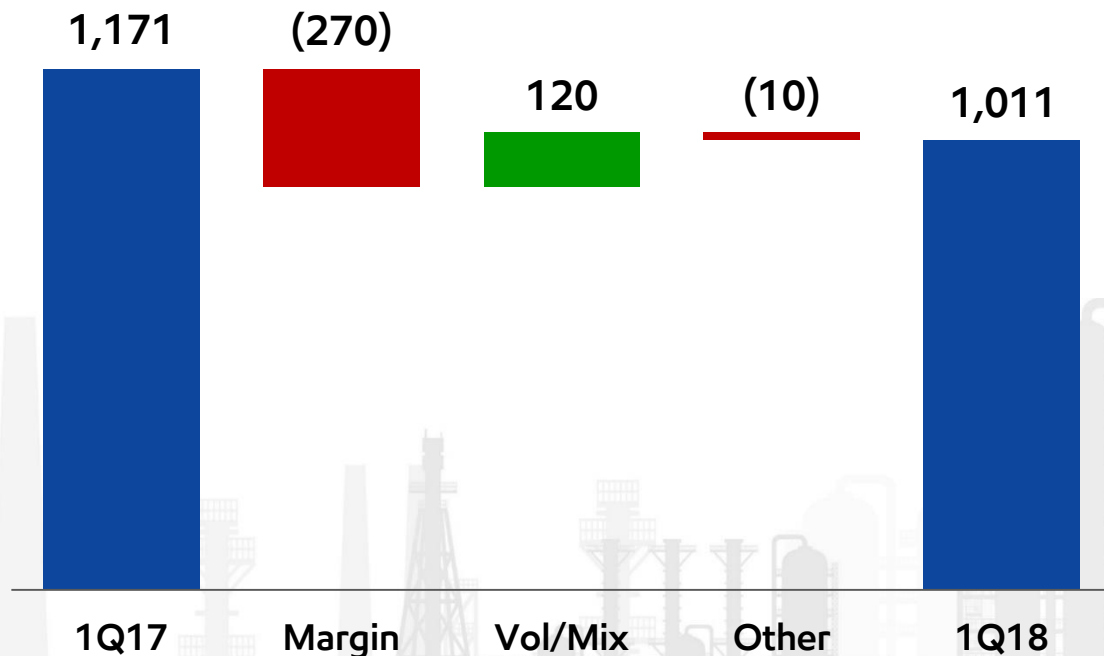
Earnings increased \$76 million¹

- Weaker margins due to higher feedstock costs
- Reduced volumes due to turnaround activity
- Lower operating expenses
- Favorable forex effects

¹ Excluding the 4Q17 impact of U.S. tax reform; see Supplemental Information

Chemical earnings – 1Q18 vs. 1Q17

Millions of Dollars



Earnings decreased \$160 million

- Weaker margins on higher feedstock costs
- Volumes up due to Singapore acquisition, Mont Belvieu start-up and strong demand
- Higher expenses from growth initiatives
- Favorable forex effects

Summary

Earnings	4.7
Cash Flow from Operations and Asset Sales	10.0
Upstream production (MOEBD)	3.9
CAPEX	4.9
Free cash flow ¹	6.7
Shareholder distributions	3.3

Billions of dollars unless specified otherwise

¹ See Supplemental Information

Key Themes

- Solid financial performance
- More than covered net investments and dividends
- Strengthening Upstream portfolio
- Progressing Downstream and Chemical investments
- Reliably growing dividend



Q&A

Supplemental Information

Cash Flow from Operations	8.6
Proceeds associated with Asset Sales	1.4
PP&E Adds / Net Investments & Advances	(3.3)
Free Cash Flow	6.7

Billions of dollars unless specified otherwise

Supplemental Information

	4Q17 Earnings	Earnings Impact from U.S. Tax Reform and Impairments	4Q17 Earnings Excluding U.S. Tax Reform and Impairments
Upstream	8,352	5,834	2,518
Downstream	1,564	612	952
Chemical	1,270	335	935
Corporate and Financing	(2,806)	(2,133)	(673)
Total	8,380	4,648	3,732

Supplemental Information

Definitions

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

Returns, investment returns, project returns. Unless referring specifically to ROCE, references to returns, investment returns, project returns, and similar terms mean discounted cash flow returns based on current company estimates. Future investment returns exclude prior exploration and acquisition costs.