

Rating: Buy
S&P 500: 1494

Exxon Mobil Corporation **Another Record Quarter**

<i>Symbol</i>	XOM	<i>Ebitda Next Twelve Months ending 3/31/08 (US\$mm)</i>	76,900
<i>Rating</i>	Buy	<i>North American Natural Gas/Ebitda (%)</i>	5
<i>Price (\$/sh)</i>	80.55	<i>Natural Gas and Oil Production/Ebitda (%)</i>	67
<i>Pricing Date</i>	4/26/07	<i>Adjusted Reserves/Production NTM</i>	11.5
<i>Shares (mm)</i>	5714	<i>EV/Ebitda</i>	6.3
<i>Market Capitalization (\$mm)</i>	460,000	<i>PV/Ebitda</i>	6.4
<i>Debt (\$mm)</i>	23,000	<i>Undeveloped Reserves (%)</i>	38
<i>Enterprise Value (EV) (\$mm)</i>	484,000	<i>Natural Gas and Oil Ebitda (\$/boe)</i>	33.50
<i>Present Value (PV) (\$mm)</i>	494,000	<i>Present Value Proven Reserves(\$/boe)</i>	15.10
<i>Net Present Value (\$/share)</i>	82	<i>Present Value Proven Reserves(\$/mcf)</i>	2.50
<i>Debt/Present Value</i>	0.05	<i>Earnings Next Twelve Months (US\$/sh)</i>	7.25
<i>McDep Ratio - EV/PV</i>	0.98	<i>Price/Earnings Next Twelve Months</i>	11
<i>Dividend Yield (%/year)</i>	1.7	<i>Indicated Annual Dividend (US\$/sh)</i>	1.40

Note: Estimated cash flow and earnings tied to one-year futures prices for oil and natural gas.

Reported results may vary widely from estimates. Estimated present value per share revised only infrequently.

Estimated present value presumes a long-term price for oil of US\$60 a barrel and natural gas, \$10 a million btu.

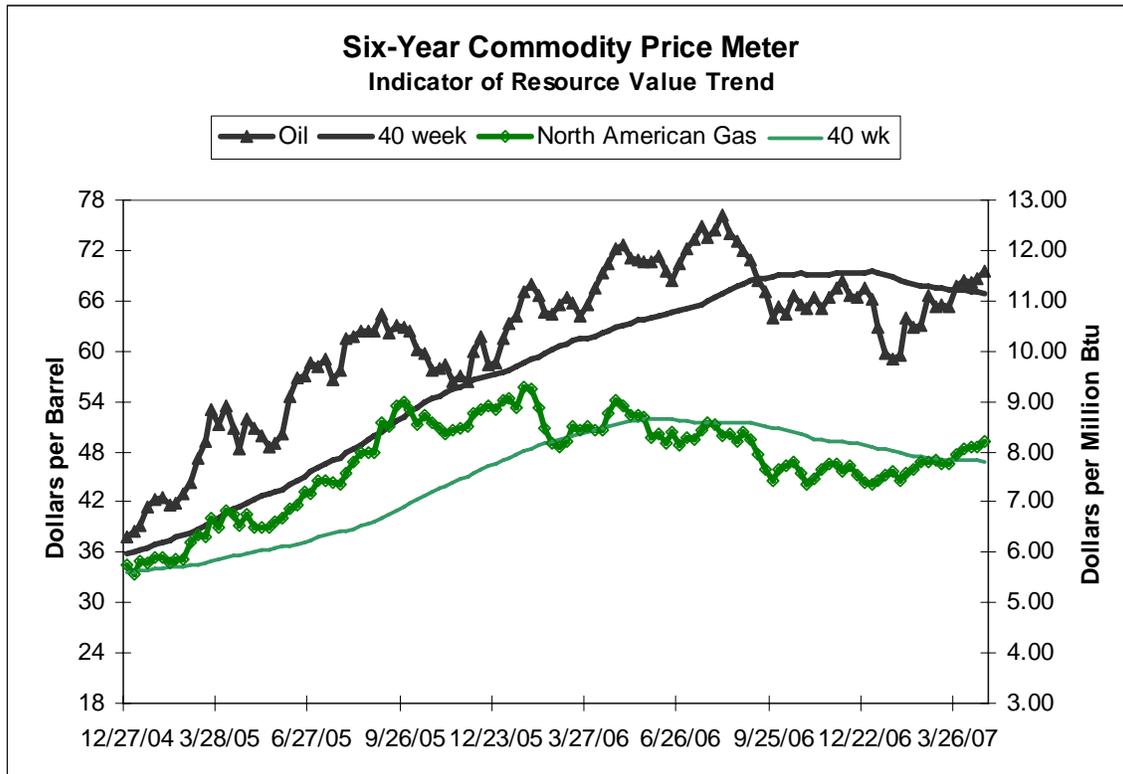
For historical analysis of XOM since 2001 see www.mcdep.com/1xom.htm

Summary and Recommendation

Buy-recommended **Exxon Mobil Corporation (XOM)** reported record results for a calendar first quarter on April 26 as the stock approaches estimated net present value (NPV) of \$82 a share. Six-year oil price is higher than the long-term assumption in NPV and the trend is up for now (see chart [Six-Year Commodity Price Meter](#)). Some 22% of XOM's value is in natural gas where the appreciation potential is higher (see table, [Functional Cash Flow and Present Value](#)). With about 5 billion barrels equivalent, AsiaPacific/Middle East (mostly Qatar) is the largest concentration of reserves in the breakdown the company discloses (see table [Production and Reserves, 2006](#)). Downstream, 26% of NPV, benefits from the strengthening crack spread (see chart [One-Year Refining Crack Meter](#)). That segment accounted for all of the gain in cash flow in the quarter compared to a year ago (see table, [Next Twelve Months Operating and Financial Estimates](#)). We think that continued strong performance justifies a full weighting for XOM stock in our illustrative energy portfolio concentrated on real assets that promise a high return providing clean energy for global growth.

Kurt H. Wulff, CFA

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Exxon Mobil Corporation
Functional Cash Flow and Present Value

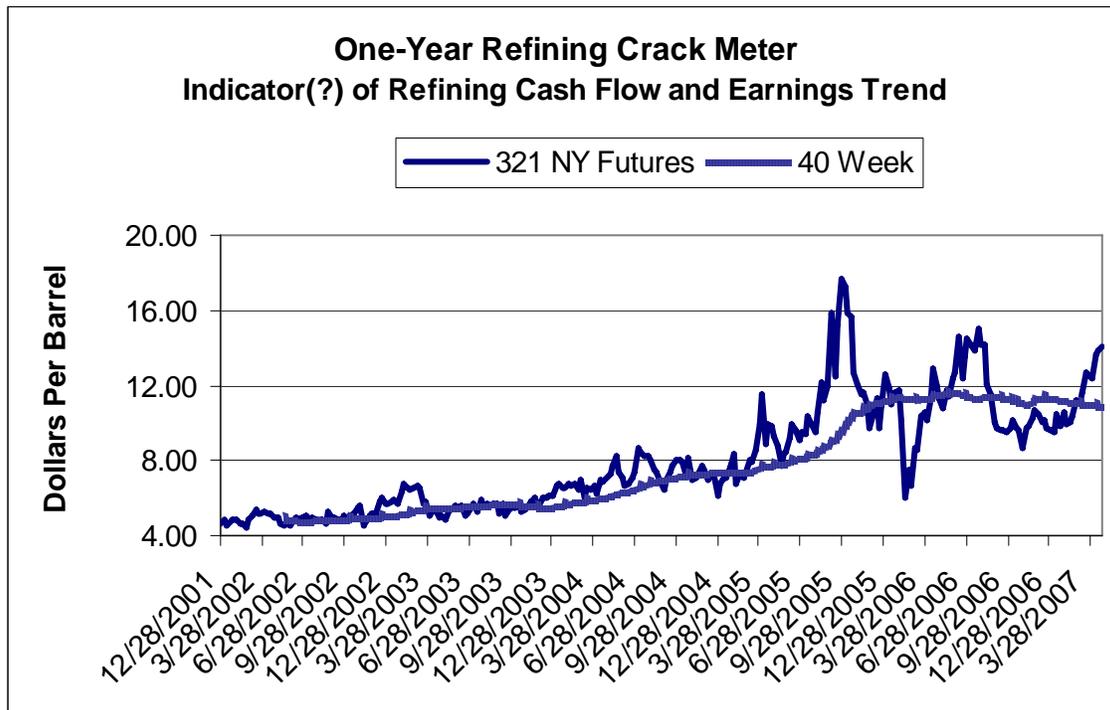
	<i>NTM</i> <u>Ebitda</u>	<i>Adjusted</i> <u>R/P</u>	<i>PV/</i> <u>Ebitda</u>	<i>Present</i> <u>Value</u>	
North American Natural Gas	4,150	13.1	8.9	37,000	7%
Rest of World Natural Gas	9,720	17.5	7.8	76,000	15%
Oil	37,970	8.9	6.6	251,000	51%
Downstream	25,050		5.2	130,000	26%
	76,890	11.5	6.4	494,000	100%
Debt					23,000
Net Present Value (\$mm)					471,000
Shares					5,714
Net Present Value - Standard Estimate (US\$/sh)					82
Net Present Value - Approximation by Correlation (US\$/sh)					84

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Exxon Mobil Corporation
Production and Reserves, 2006

	2006 Production		12/31/2006 Proven Reserves			Weighted Life Index (years)	NTM Adjusted R/P (years)
	(daily)	(annual)	Developed (bcf or mmb)	Undeveloped (bcf or mmb)	Weighted (bcf or mmb)		
North American Natural Gas							
U.S.	1,625	593	7,796	3,707	9,650	16.3	
Canada (100%)	851	311	1,241	299	1,390	4.5	
Total	2,476	904	9,037	4,005	11,040	12.2	13.1
Rest of World Natural Gas							
Europe	4,086	1,491	15,331	4,309	17,486	11.7	
Africa			823	163	905		
Asia Pacific/Middle East	2,596	948	13,788	16,979	22,278	23.5	
Russia/Caspian	92	34	1,258	745	1,631	48.6	
Other	84	31	254	213	361	11.8	
Total	6,858	2,503	31,454	22,409	42,659	17.0	17.5
Oil							
U.S.	414	151	1,777	498	2,026	13.4	
Canada	312	114	692	270	827	7.3	
Europe	520	190	568	192	664	3.5	
Africa	781	285	1,279	810	1,684	5.9	
Asia Pacific/Middle East	485	177	1,720	979	2,210	12.5	
Russia/Caspian	127	46	652	980	1,142	24.6	
Other	42	15	210	223	322	21.0	
Total	2,681	979	6,898	3,952	8,874	9.1	8.9
Total Oil Equivalent	3,114	1,136	9,196	6,782	12,587	11.1	11.5

Weighted Life Index counts undeveloped reserves at half stated value and is computed on latest calendar year volume.
 NTM Adjusted R/P also counts undeveloped reserves at half and is computed on next twelve months production.



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Exxon Mobil Corporation
Next Twelve Months Operating and Financial Estimates

	<i>Q1</i>	<i>Q4</i>	<i>Q1</i>	<i>Q2E</i>	<i>Q3E</i>	<i>Q4E</i>	<i>Year</i>	<i>Q1E</i>	<i>Next Twelve Months</i>
	<i>3/31/06</i>	<i>12/31/06</i>	<i>3/31/07</i>	<i>6/30/07</i>	<i>9/30/07</i>	<i>12/31/07</i>	<i>2007E</i>	<i>3/31/08</i>	<i>3/31/08</i>
Volume									
Natural Gas (mmcf)									
North America	2,589	2,406	2,303	2,303	2,303	2,303	2,303	2,303	2,303
Overseas	8,610	6,895	7,828	6,255	5,711	6,895	6,667	7,828	6,667
Total	11,199	9,301	10,131	8,558	8,014	9,198	8,970	10,131	8,970
Oil (mbd)	2,696	2,678	2,747	2,747	2,747	2,747	2,747	2,747	2,747
Total gas & oil (mbd)	4,563	4,228	4,436	4,173	4,083	4,280	4,242	4,436	4,242
Price									
Natural gas (\$/mcf)									
Henry Hub (\$/mmbtu)	8.97	6.57	6.81	7.60	7.95	8.80	7.79	9.71	8.52
U.S.	8.31	6.22	6.70	7.48	7.82	8.66	7.67	9.56	8.37
International	7.43	7.28	6.60	6.67	6.48	7.28	6.77	6.60	6.77
Total	7.63	7.01	6.62	6.89	6.87	7.63	7.00	7.27	7.18
Oil (\$/bbl)									
WTI Cushing	63.33	59.99	58.08	65.07	67.85	69.47	65.12	70.42	68.20
Worldwide	56.95	55.59	54.65	61.24	63.85	65.38	61.32	66.27	64.18
Total gas & oil (\$/bbl)	52.39	50.62	48.98	54.43	56.44	58.35	54.51	57.65	56.74
NY Harbor 3-2-1 (\$/bbl)	7.40	7.54	11.68	21.91	17.36	11.15	15.53	10.96	15.35
Revenue (\$mm)									
Natural Gas									
U.S.	1,936	1,377	1,389	1,568	1,657	1,835	6,448	1,980	7,040
International	5,758	4,618	4,650	3,797	3,405	4,618	16,469	4,650	16,469
Total	7,694	5,995	6,039	5,364	5,062	6,453	22,917	6,630	23,509
Oil	13,819	13,696	13,512	15,308	16,137	16,522	61,479	16,383	64,350
Other	67,467	70,337	67,672	67,672	67,672	67,672	270,690	67,672	270,690
Total	88,980	90,028	87,223	88,345	88,871	90,647	355,086	90,686	358,548
Expense (\$mm)									
Production	9,809	6,828	7,815	8,476	8,691	9,420	34,402	9,436	36,022
Other	63,171	64,317	61,878	61,637	60,472	61,652	245,639	61,878	245,639
Ebitda (\$mm)									
Exploration and Production	11,704	12,863	11,735	12,197	12,507	13,555	49,994	13,578	51,837
Other	4,297	6,020	5,794	6,035	7,201	6,020	25,051	5,794	25,051
Total Ebitda	16,001	18,884	17,530	18,232	19,708	19,575	75,045	19,372	76,888
Exploration	280	379	271	271	271	271	1,084	271	1,084
Deprec., Deplet., & Amort.	2,644	3,282	2,854	2,854	2,854	2,854	11,416	2,854	11,416
Other non cash	-	-	-	-	-	-	-	-	-
Ebit	13,077	15,223	14,405	15,107	16,583	16,450	62,545	16,247	64,388
Interest	165	101	164	164	164	164	654	164	654
Ebt	12,912	15,122	14,241	14,944	16,419	16,287	61,891	16,084	63,734
Income Tax	4,519	5,293	4,984	5,230	5,747	5,700	21,662	5,629	22,307
Net Income (\$mm)									
Exploration and Production	6,383	6,220	6,041						
Other	2,220	3,202	3,148						
Unallocated	(210)	407	68						
Total	8,393	9,829	9,257	9,713	10,673	10,586	40,229	10,454	41,427
Shares (millions)									
Per share (\$)	6,126	5,816	5,714	5,714	5,714	5,714	5,714	5,714	5,714
Per share (\$)	1.37	1.69	1.62	1.70	1.87	1.85	7.04	1.83	7.25
Ebitda Margin (E&P)	54%	65%	60%	59%	59%	59%	59%	59%	59%
Tax Rate	35%	35%	35%	35%	35%	35%	35%	35%	35%

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