



Rating: Buy
 S&P 500: 1386

Exxon Mobil Corporation World's Safest Investment

<i>Symbol</i>	XOM	<i>Ebitda Next Twelve Months ending 3/31/09 (US\$m)</i>	94,700
<i>Rating</i>	Buy	<i>North American Natural Gas/Ebitda (%)</i>	5
<i>Price (\$/sh)</i>	93.07	<i>Natural Gas and Oil Production/Ebitda (%)</i>	74
<i>Pricing Date</i>	4/30/08	<i>Adjusted Reserves/Production NTM</i>	12.2
<i>Shares (mm)</i>	5362	<i>EV/Ebitda</i>	5.6
<i>Market Capitalization (\$mm)</i>	499,000	<i>PV/Ebitda</i>	6.1
<i>Debt (\$mm)</i>	28,000	<i>Undeveloped Reserves (%)</i>	38
<i>Enterprise Value (EV) (\$mm)</i>	527,000	<i>Natural Gas and Oil Ebitda (\$/boe)</i>	47.90
<i>Present Value (PV) (\$mm)</i>	575,000	<i>Present Value Proven Reserves(\$/boe)</i>	19.40
<i>Net Present Value (\$/share)</i>	102	<i>Present Value Proven Reserves(\$/mcf)</i>	3.20
<i>Debt/Present Value</i>	0.05	<i>Earnings Next Twelve Months (US\$/sh)</i>	9.60
<i>McDep Ratio - EV/PV</i>	0.92	<i>Price/Earnings Next Twelve Months</i>	10
<i>Dividend Yield (%/year)</i>	1.7	<i>Indicated Annual Dividend (US\$/sh)</i>	1.60
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\$80 a barrel and natural gas, \$11 a million btu.			
For historical analysis of XOM since 2001 see www.mcdep.com/1xom.htm			

Summary and Recommendation

Arguably the world's safest investment, buy-recommended **Exxon Mobil Corporation (XOM)** offers unlevered appreciation potential of 9% to estimated net present value (NPV) of \$102 a share. First quarter results reported today met expectations for cash flow and earnings from three months ago although oil and gas revenues were higher than earlier indications. Projected volumes along with current futures prices promise a continuing high level of unlevered cash flow (Ebitda) (see table Next Twelve Months Operating and Financial Estimates). NPV is supported by projected cash flow capitalized at unlevered multiples (PV/Ebitda) related to reserve life (Adjusted R/P) (see table Functional Cash Flow and Present Value). By latest estimates, oil reserves are geographically diversified while natural gas reserves are showing new concentration in Qatar in the Middle East together with long-standing concentration in Europe (see table Production and Reserves, 2007). Oil price continues to trend upward (see chart (Six-Year Commodity Price Meter)). We had thought that inflation-linked government securities were the safest investments to anchor a diversified portfolio, but lagging inflation adjustment and high taxation are driving us to believe that a proportionately large investment in the world's leading corporation is "safer".

Kurt H. Wulff, CFA

McDep LLC
Independent Stock Idea
 May 1, 2008

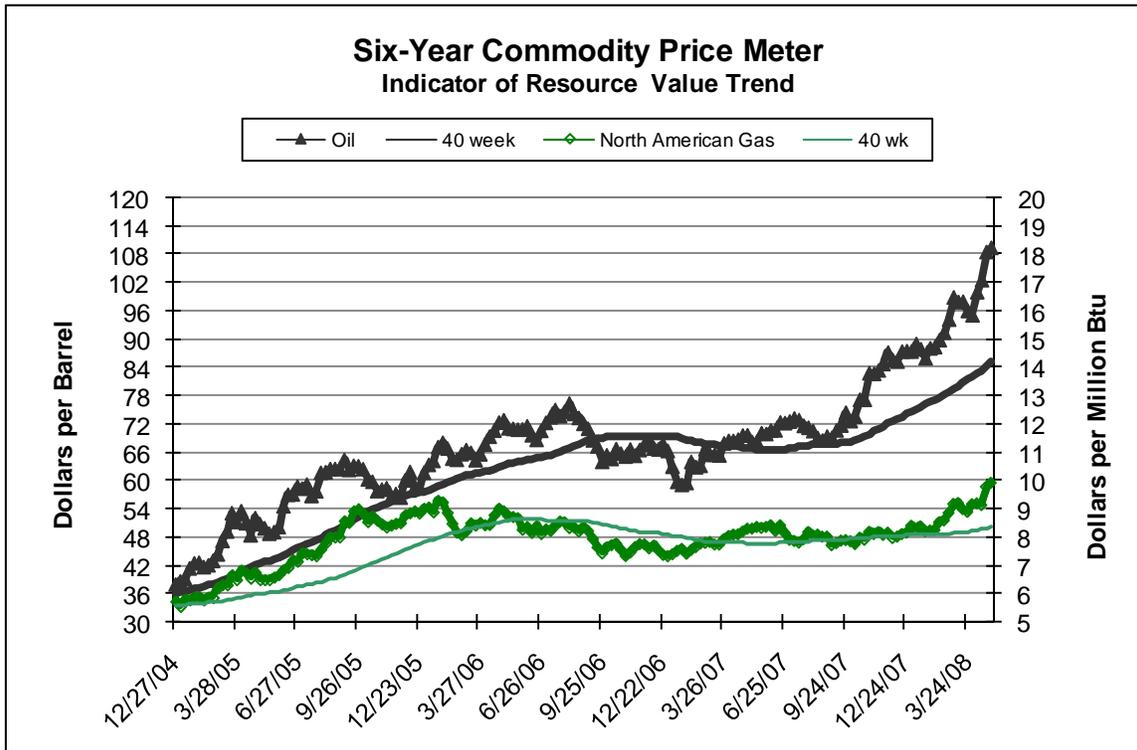


Exxon Mobil Corporation									
Next Twelve Months Operating and Financial Estimates									
									Next Twelve Months
	Q1 3/31/07	Q4 12/31/07	Year 2007	Q1 3/31/08	Q2E 6/30/08	Q3E 9/30/08	Q4E 12/31/08	Year 2008E	3/31/09
Volume									
Natural Gas (mmcf)									
North America	2,303	2,122	2,226	2,000	2,000	2,000	2,000	2,005	2,000
Overseas	7,828	8,292	7,161	8,246	6,400	6,131	8,292	7,287	7,264
Total	10,131	10,414	9,387	10,246	8,400	8,131	10,292	9,292	9,264
Days	90	92	365	91	91	92	92	366	365
Oil (mbd)	2,747	2,517	2,616	2,474	2,474	2,474	2,474	2,474	2,474
Total gas & oil (mmb)	399	391	1,526	381	353	352	385	1,471	1,467
Total gas & oil (mbd)	4,436	4,253	4,181	4,182	3,874	3,829	4,189	4,018	4,018
Price									
Natural gas (\$/mcf)									
Henry Hub (\$/mmbtu)	6.81	6.97	6.87	8.02	10.75	11.49	11.85	10.52	11.58
U.S.	6.70	6.38	6.46	7.95	10.66	11.40	11.75	10.44	11.48
International	6.60	8.19	6.84	9.28	6.00	6.16	8.19	7.59	7.58
Total	6.62	7.82	6.75	9.02	7.11	7.45	8.88	8.20	8.42
Oil (\$/bbl)									
WTI Cushing	58.08	90.67	72.28	97.94	116.85	116.98	115.03	111.70	115.57
Worldwide	54.65	85.04	68.78	93.14	111.11	111.24	109.38	106.24	109.91
Total gas & oil (\$/bbl)	48.98	69.49	58.19	77.20	86.37	87.68	86.41	84.33	87.09
NY Harbor 3-2-1 (\$/bbl)	11.68	8.19	14.37	7.57	13.66	12.76	9.80	10.95	12.07
Revenue (\$mm)									
Natural Gas									
U.S.	1,389	1,246	5,250	1,447	1,940	2,097	2,161	7,645	8,382
International	4,650	6,248	17,867	6,964	3,494	3,475	6,248	20,180	20,104
Total	6,039	7,493	23,117	8,410	5,434	5,571	8,409	27,825	28,486
Oil	13,512	19,693	65,677	20,968	25,015	25,318	24,896	96,199	99,246
Other	67,672	89,456	315,758	87,475	87,475	87,475	87,475	349,900	349,900
Total	87,223	116,642	404,552	116,854	117,924	118,365	120,781	473,924	477,632
Expense (\$mm)									
Production	7,817	11,761	38,071	13,439	13,702	13,900	14,988	56,029	57,479
Other	61,849	83,205	289,927	83,048	79,699	81,494	81,225	325,466	325,466
Ebitda (\$mm)									
Exploration and Production	11,733	15,425	50,723	15,940	16,747	16,989	18,318	67,994	70,253
Other	5,824	6,250	25,831	4,427	7,776	5,981	6,250	24,434	24,434
Total Ebitda	17,557	21,675	76,554	20,367	24,524	22,970	24,568	92,429	94,687
Exploration	271	520	1,489	338	338	338	338	1,352	1,352
Deprec., Deplet., & Amort.	2,942	3,155	12,250	3,155	3,155	3,155	3,155	12,620	12,620
Other non cash			-		1,000		-	1,000	1,000
Ebit	14,344	18,000	62,815	16,874	20,031	19,477	21,075	77,457	79,715
Interest	103	128	400	128	128	128	128	512	512
Ebt	14,241	17,872	62,415	16,746	19,903	19,349	20,947	76,945	79,203
Income Tax	4,984	6,255	21,845	5,861	6,966	6,772	7,332	26,931	27,721
Net Income (\$mm)									
Exploration and Production	6,041	8,204	26,497	8,758					
Other	3,148	3,379	14,136	2,194					
Unallocated	68	34	(64)	(67)					
Total	9,257	11,617	40,570	10,885	12,937	12,577	13,616	50,014	51,482
Shares (millions)									
Per share (\$)	5,714	5,454	5,573	5,362	5,362	5,362	5,362	5,362	5,362
Ebitda Margin (E&P)	60%	57%	57%	54%	55%	55%	55%	55%	55%
Tax Rate	35%	35%	35%	35%	35%	35%	35%	35%	35%



Exxon Mobil Corporation					
Functional Cash Flow and Present Value					
	<i>NTM</i>	<i>Adjusted</i>	<i>PV/</i>	<i>Present</i>	
	<i>Ebitda</i>	<i>R/P</i>	<i>Ebitda</i>	<i>Value</i>	
North American Natural Gas	4,610	14.1	9.8	45,000	8%
Rest of World Natural Gas	11,060	15.9	7.2	80,000	14%
Oil	54,590	10.1	5.8	315,000	55%
Downstream	24,430		5.5	135,000	23%
	94,690	12.2	6.1	575,000	100%
Debt					28,000
Net Present Value (\$mm)					547,000
Shares					5,362
Net Present Value - Standard Estimate (US\$/sh)					102
NPV Approximation by Cash Flow Multiple Depending on Reserve Life (US\$/sh)					99

Exxon Mobil Corporation								
Production and Reserves, 2007								
							<i>NTM</i>	
			<i>12/31/2007 Proven Reserves</i>			<i>Weighted</i>	<i>Adjusted</i>	
	<i>2007 Production</i>		<i>Developed</i>	<i>Undeveloped</i>	<i>Weighted</i>	<i>Life Index</i>	<i>R/P</i>	
	<i>(daily)</i>	<i>(annual)</i>	<i>(bcf or mmb)</i>	<i>(bcf or mmb)</i>	<i>(bcf or mmb)</i>	<i>(years)</i>	<i>(years)</i>	
North American Natural Gas								
U.S.	1,468	536	6,999	4,012	9,005	16.8		
Canada (100%)	808	295	1,175	231	1,291	4.4		
Total	2,276	831	8,174	4,242	10,295	12.4	14.1	
Rest of World Natural Gas								
Europe	3,810	1,391	14,743	4,110	16,798	12.1		
Africa	26	9	773	233	890	93.7		
Asia Pacific/Middle East	3,162	1,154	14,272	17,095	22,820	19.8		
Russia/Caspian	110	40	1,152	1,028	1,666	41.5		
Other								
Total	7,108	2,594	30,940	22,466	42,173	16.3	15.9	
Oil								
U.S.	392	143	1,626	599	1,926	13.5		
Canada	324	118	1,376	257	1,505	12.7		
Europe	480	175	526	173	613	3.5		
Africa	717	262	1,202	856	1,630	6.2		
Asia Pacific/Middle East	518	189	1,797	1,141	2,368	12.5		
Russia/Caspian	185	68	602	919	1,062	15.7		
Total	2,616	955	7,129	3,945	9,102	9.5	10.1	
Total Oil Equivalent	3,143	1,147	13,648	8,396	17,846	15.6	12.2	
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.								



Disclaimer: This analysis was prepared by Kurt Wulff, Manager of McDep LLC as of January 1, 2008. Previously Mr. Wulff was doing business as McDep Associates. The firm used sources and data believed to be reliable, but makes no representation as to their accuracy or completeness. This analysis is intended for informational purposes and is not a solicitation to buy or sell a security. Past performance is no guarantee of future results.

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