

Rating: Buy
 S&P 500: 1310

Exxon Mobil Corporation

Low Risk, High Return

| | | | |
|-------------------------------------|---------|---|--------|
| <i>Symbol</i> | XOM | <i>Ebitda Next Twelve Months ending 3/31/07 (US\$m)</i> | 78,800 |
| <i>Rating</i> | Buy | <i>North American Natural Gas/Ebitda (%)</i> | 6 |
| <i>Price (\$/sh)</i> | 62.42 | <i>Natural Gas and Oil Production/Ebitda (%)</i> | 69 |
| <i>Pricing Date</i> | 4/27/06 | <i>Adjusted Reserves/Production NTM</i> | 11.4 |
| <i>Shares (mm)</i> | 6126 | <i>EV/Ebitda</i> | 5.1 |
| <i>Market Capitalization (\$mm)</i> | 382,000 | <i>PV/Ebitda</i> | 6.0 |
| <i>Debt (\$mm)</i> | 21,000 | <i>Undeveloped Reserves (%)</i> | 36 |
| <i>Enterprise Value (EV) (\$mm)</i> | 404,000 | <i>Natural Gas and Oil Ebitda (\$/boe)</i> | 34.80 |
| <i>Present Value (PV) (\$mm)</i> | 475,000 | <i>Present Value Proven Reserves(\$/boe)</i> | 15.00 |
| <i>Net Present Value (\$/share)</i> | 74 | <i>Present Value Proven Reserves(\$/mcf)</i> | 2.50 |
| <i>Debt/Present Value</i> | 0.04 | <i>Earnings Next Twelve Months (US\$/sh)</i> | 7.01 |
| <i>McDep Ratio - EV/PV</i> | 0.85 | <i>Price/Earnings Next Twelve Months</i> | 9 |
| <i>Dividend Yield (%/year)</i> | 2.1 | <i>Indicated Annual Dividend (US\$/sh)</i> | 1.28 |

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.

Summary and Recommendation

Buy-recommended **Exxon Mobil Corporation (XOM)** offers 17% appreciation potential to estimated net present value (NPV) of \$74 a share. That estimate presumes a long-term oil price of \$50 a barrel compared to a futures price of \$71 for oil delivered over the next six years. NPV is in line with a correlation of present value with adjusted reserve life and next twelve months cash flow taking account of first quarter 2006 results reported on April 27. Present value appears concentrated about a third each on natural gas, oil and downstream. With nearly a half trillion dollars of present value and essentially no debt, the stock may have lower investment risk than long-term U.S. government debt. The stock also has upside considering our vision of a price for light, sweet crude oil of \$150 a barrel in 2010.

Functional Cash Flow and Present Value

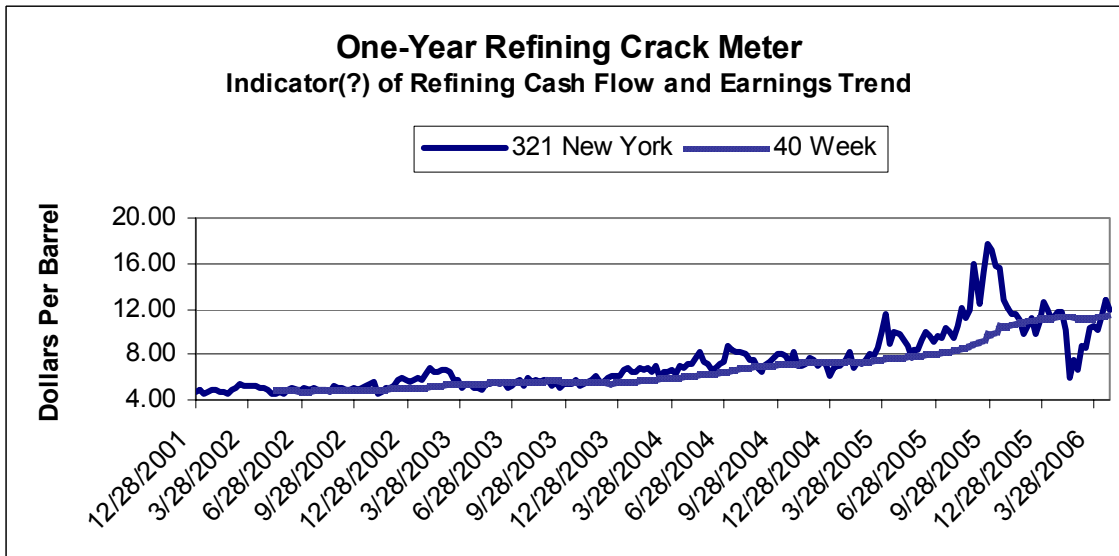
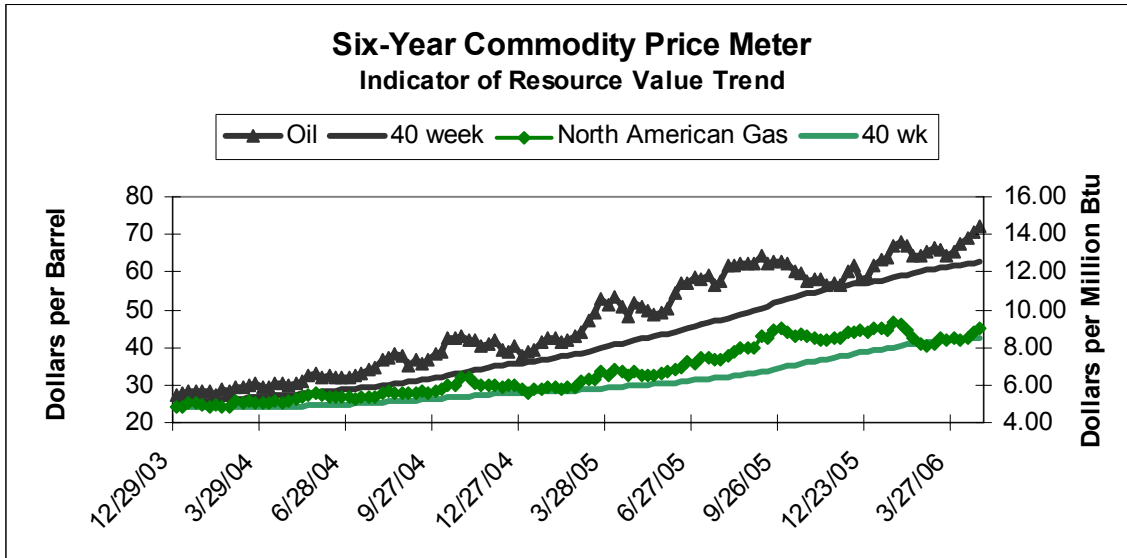
| | <i>NTM</i> <u><i>Ebitda</i></u> | <i>Adjusted</i> <u><i>R/P</i></u> | <i>PV/</i> <u><i>Ebitda</i></u> | <i>Present</i> <u><i>Value</i></u> | |
|--|------------------------------------|--------------------------------------|------------------------------------|---------------------------------------|------|
| North American Natural Gas | 4,420 | 14.6 | 9.0 | 40,000 | 8% |
| Rest of World Natural Gas | 12,100 | 16.8 | 10.7 | 130,000 | 27% |
| Oil | 37,460 | 8.7 | 4.2 | 159,000 | 34% |
| Downstream | 24,800 | | 5.8 | 145,000 | 31% |
| | 78,780 | 11.4 | 6.0 | 474,000 | 100% |
| Debt | | | | 21,000 | |
| Net Present Value (\$mm) | | | | 453,000 | |
| Shares | | | | 6,126 | |
| Net Present Value - Standard Estimate (US\$/sh) | | | | 74 | |
| Net Present Value - Approximation by Correlation (US\$/sh) | | | | 72 | |

Please see disclosures on the final page.

Exxon Mobil Corporation
Next Twelve Months Operating and Financial Estimates

| | <i>Q1</i> | <i>Q4</i> | <i>Year</i> | <i>Q1</i> | <i>Q2E</i> | <i>Q3E</i> | <i>Q4E</i> | <i>Year</i> | <i>Next Twelve Months</i> |
|----------------------------|----------------|-----------------|----------------|----------------|----------------|----------------|-----------------|----------------|-----------------------------------|
| | <i>3/31/05</i> | <i>12/31/05</i> | <i>2005</i> | <i>3/31/06</i> | <i>6/30/06</i> | <i>9/30/06</i> | <i>12/31/06</i> | <i>2006E</i> | <i>3/31/07</i> |
| Volume | | | | | | | | | |
| Natural Gas (mmcf) | | | | | | | | | |
| U.S. (or North America) | 2,804 | 2,532 | 2,648 | 2,589 | 2,589 | 2,589 | 2,589 | 2,589 | 2,589 |
| Overseas (or Int'l) | 7,949 | 7,290 | 6,591 | 8,610 | 5,964 | 5,184 | 7,290 | 6,754 | 6,754 |
| Total | 10,753 | 9,822 | 9,240 | 11,199 | 8,553 | 7,773 | 9,879 | 9,343 | 9,343 |
| Oil (mbd) | 2,543 | 2,629 | 2,521 | 2,696 | 2,696 | 2,696 | 2,696 | 2,696 | 2,696 |
| Total gas & oil (mmb) | 390 | 392 | 1,482 | 411 | 375 | 367 | 400 | 1,552 | 1,552 |
| Price | | | | | | | | | |
| Natural gas (\$/mcf) | | | | | | | | | |
| Henry Hub (\$/mmbtu) | 6.27 | 13.00 | 8.65 | 8.97 | 6.95 | 7.29 | 9.26 | 8.12 | 8.74 |
| U.S. (or North America) | 6.08 | 11.34 | 7.96 | 8.31 | 6.44 | 6.75 | 8.58 | 7.52 | 8.08 |
| Overseas (or Int'l) | 5.74 | 6.99 | 5.99 | 7.43 | 7.80 | 8.19 | 8.60 | 7.98 | 8.48 |
| Total | 5.83 | 8.11 | 6.56 | 7.63 | 7.39 | 7.71 | 8.60 | 7.85 | 8.37 |
| Oil (\$/bbl) | | | | | | | | | |
| WTI Cushing | 49.65 | 60.02 | 56.31 | 63.33 | 70.48 | 73.18 | 74.36 | 70.34 | 73.16 |
| Worldwide | 42.61 | 52.89 | 50.18 | 56.95 | 63.38 | 65.81 | 66.87 | 63.29 | 65.79 |
| Total gas & oil (\$/bbl) | 39.44 | 51.27 | 46.07 | 52.39 | 56.79 | 59.47 | 61.07 | 57.36 | 60.09 |
| NY Harbor 3-2-1 (\$/bbl) | 6.17 | 9.06 | 10.63 | 7.40 | 15.98 | 12.44 | 9.24 | 11.27 | 11.99 |
| Revenue (\$mm) | | | | | | | | | |
| Natural Gas | | | | | | | | | |
| U.S. (or North America) | 1,534 | 2,642 | 7,700 | 1,936 | 1,517 | 1,608 | 2,043 | 7,105 | 7,640 |
| Overseas (or Int'l) | 4,103 | 4,688 | 14,407 | 5,758 | 4,234 | 3,907 | 5,769 | 19,667 | 20,908 |
| Total | 5,638 | 7,330 | 22,107 | 7,694 | 5,751 | 5,515 | 7,812 | 26,772 | 28,547 |
| Oil | 9,752 | 12,793 | 46,182 | 13,819 | 15,549 | 16,324 | 16,586 | 62,278 | 64,739 |
| Other | 66,661 | 79,540 | 302,709 | 67,467 | 67,467 | 67,467 | 67,467 | 269,869 | 269,869 |
| Total | 82,051 | 99,662 | 370,998 | 88,980 | 88,768 | 89,306 | 91,865 | 358,919 | 363,155 |
| Expense (\$mm) | | | | | | | | | |
| Production | 5,774 | 7,497 | 25,933 | 9,922 | 8,816 | 9,085 | 10,365 | 38,188 | 39,306 |
| Other | 62,134 | 73,273 | 281,287 | 63,045 | 61,267 | 61,267 | 61,267 | 246,847 | 245,069 |
| Ebitda (\$mm) | | | | | | | | | |
| Exploration and Production | 9,616 | 12,625 | 42,357 | 11,591 | 12,484 | 12,754 | 14,033 | 50,862 | 53,980 |
| Other | 4,527 | 6,267 | 21,422 | 4,422 | 6,200 | 6,200 | 6,200 | 23,022 | 24,800 |
| Total Ebitda | 14,142 | 18,892 | 63,779 | 16,013 | 18,684 | 18,954 | 20,233 | 73,884 | 78,780 |
| Exploration | 173 | 332 | 969 | 280 | 350 | 350 | 350 | 1,330 | 1,400 |
| Deprec., Deplet., & Amort. | 2,553 | 2,671 | 10,256 | 2,671 | 2,671 | 2,671 | 2,671 | 10,684 | 10,684 |
| Other non cash | - | - | - | - | - | - | - | - | - |
| Ebit | 11,416 | 15,889 | 52,554 | 13,062 | 15,663 | 15,933 | 17,212 | 61,870 | 66,696 |
| Interest | 56 | 123 | 573 | 150 | 150 | 150 | 150 | 600 | 600 |
| Ebt | 11,360 | 15,766 | 51,981 | 12,912 | 15,513 | 15,783 | 17,062 | 61,270 | 66,096 |
| Income Tax | 3,976 | 5,518 | 18,193 | 4,519 | 5,430 | 5,524 | 5,972 | 21,445 | 23,134 |
| Net Income (\$mm) | | | | | | | | | |
| Exploration and Production | 5,054 | 7,038 | 22,729 | 6,383 | | | | | |
| Other | 2,425 | 3,225 | 11,285 | 2,220 | | | | | |
| Unallocated | (95) | (15) | (227) | (210) | | | | | |
| Total | 7,384 | 10,248 | 33,787 | 8,393 | 10,084 | 10,259 | 11,091 | 39,826 | 42,963 |
| Shares (millions) | | | | | | | | | |
| Per share (\$) | 6,421 | 6,211 | 6,315 | 6,126 | 6,126 | 6,126 | 6,126 | 6,126 | 6,126 |
| Ebitda Margin (E&P) | 1.15 | 1.65 | 5.35 | 1.37 | 1.65 | 1.67 | 1.81 | 6.50 | 7.01 |
| Ebitda Margin (E&P) | 62% | 63% | 62% | 54% | 59% | 58% | 58% | 57% | 58% |
| Tax Rate | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% | 35% |

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