



Rating: Buy
 S&P 500: 1384
 Intraday

Exxon Mobil Corporation Global Energy Leader

<i>Symbol</i>	XOM	<i>Ebitda Next Twelve Months ending 12/31/08 (US\$m)</i>	83,900
<i>Rating</i>	Buy	<i>North American Natural Gas/Ebitda (%)</i>	4
<i>Price (\$/sh)</i>	85.99	<i>Natural Gas and Oil Production/Ebitda (%)</i>	69
<i>Pricing Date</i>	2/1/08	<i>Adjusted Reserves/Production NTM</i>	12.0
<i>Shares (mm)</i>	5454	<i>EV/Ebitda</i>	5.9
<i>Market Capitalization (\$mm)</i>	469,000	<i>PV/Ebitda</i>	7.0
<i>Debt (\$mm)</i>	27,000	<i>Undeveloped Reserves (%)</i>	38
<i>Enterprise Value (EV) (\$mm)</i>	496,000	<i>Natural Gas and Oil Ebitda (\$/boe)</i>	39.00
<i>Present Value (PV) (\$mm)</i>	583,000	<i>Present Value Proven Reserves(\$/boe)</i>	18.30
<i>Net Present Value (\$/share)</i>	102	<i>Present Value Proven Reserves(\$/mcf)</i>	3.10
<i>Debt/Present Value</i>	0.05	<i>Earnings Next Twelve Months (US\$/sh)</i>	8.21
<i>McDep Ratio - EV/PV</i>	0.85	<i>Price/Earnings Next Twelve Months</i>	10
<i>Dividend Yield (%/year)</i>	1.6	<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\$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

Buy-recommended **Exxon Mobil Corporation (XOM)** offers unlevered appreciation potential of 18% to estimated net present value (NPV) of \$102 a share. Fourth quarter results reported today met expectations at a high level of unlevered cash flow (Ebitda) while the more volatile downstream (Other) also met expectations (see table Next Twelve Months Operating and Financial Estimates). On December 18 we increased NPV from \$92 a share prompted by an increase in long-term oil price for calculating present value to \$80 from \$66 a barrel. NPV is at a modest premium to that 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). Oil price is in an uptrend with the current quote for the average of futures for the next six-years of \$88 a barrel is above the 40-week average of \$76 (see chart Six-Year Commodity Price Meter).

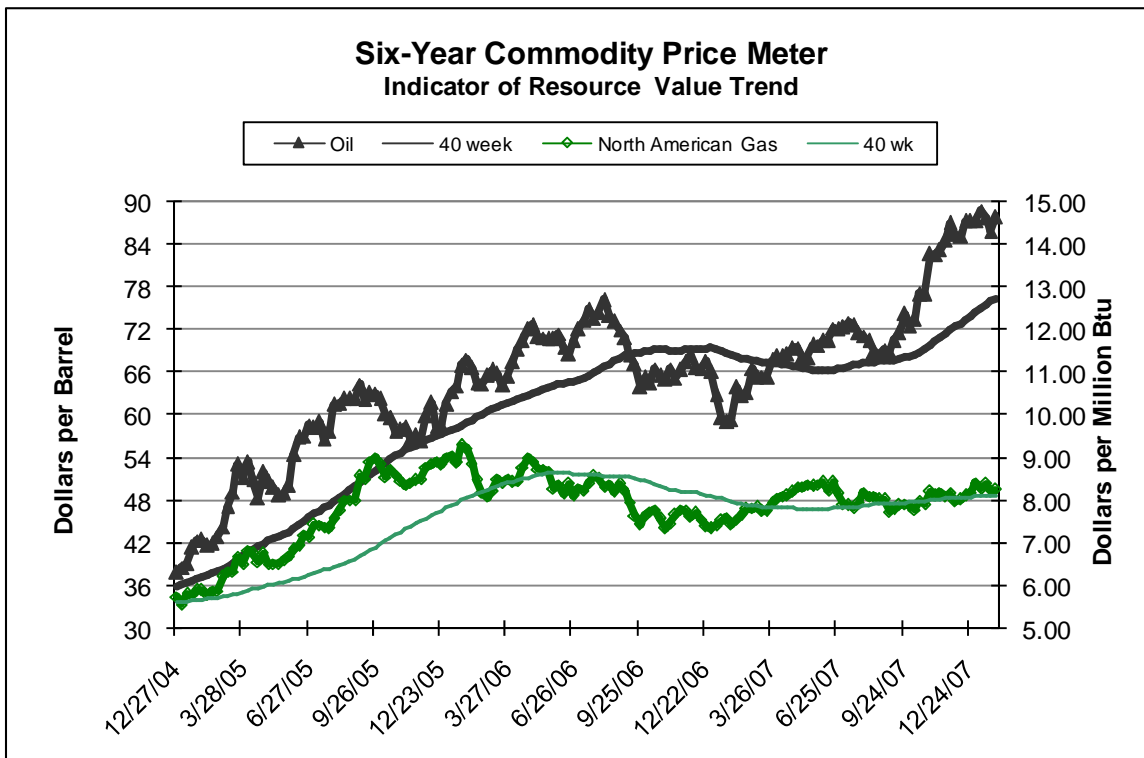
Kurt H. Wulff, CFA



Exxon Mobil Corporation									
Next Twelve Months Operating and Financial Estimates									
									<i>Next</i>
	<i>Q4</i>	<i>Q3</i>	<i>Q4</i>	<i>Year</i>	<i>Q1E</i>	<i>Q2E</i>	<i>Q3E</i>	<i>Q4E</i>	<i>Twelve</i>
	<i>12/31/06</i>	<i>9/30/07</i>	<i>12/31/07</i>	<i>2007</i>	<i>3/31/08</i>	<i>6/30/08</i>	<i>9/30/08</i>	<i>12/31/08</i>	<i>Months</i>
									<i>12/31/08</i>
Volume									
Natural Gas (mmcf)									
North America	2,406	2,171	2,122	2,226	2,122	2,122	2,122	2,122	2,128
Overseas	6,895	6,131	8,292	7,161	7,828	6,400	6,131	8,292	7,183
Total	9,301	8,302	10,414	9,387	9,950	8,522	8,253	10,414	9,310
Oil (mbd)	2,678	2,536	2,517	2,616	2,517	2,517	2,517	2,517	2,517
Total gas & oil (mbd)	4,228	3,920	4,253	4,181	4,175	3,937	3,893	4,253	4,065
Price									
Natural gas (\$/mcf)									
Henry Hub (\$/mmbtu)	6.57	6.16	6.97	6.87	7.76	8.07	8.28	8.63	8.18
U.S.	6.22	5.79	6.38	6.46	7.10	7.39	7.57	7.89	7.49
International	7.28	6.16	8.19	6.84	6.60	6.00	6.16	8.19	6.83
Total	7.01	6.06	7.82	6.75	6.71	6.35	6.52	8.13	6.98
Oil (\$/bbl)									
WTI Cushing	59.99	75.48	90.67	72.28	91.62	90.56	89.92	89.34	90.36
Worldwide	55.59	71.45	85.04	68.78	85.93	84.93	84.34	83.79	84.75
Total gas & oil (\$/bbl)	50.62	59.07	69.49	58.19	67.78	68.03	68.36	69.50	68.43
NY Harbor 3-2-1 (\$/bbl)	7.54	12.64	8.19	14.37	9.18	14.37	13.89	9.82	11.81
Revenue (\$mm)									
Natural Gas									
U.S.	1,377	1,156	1,246	5,250	1,370	1,426	1,478	1,541	5,815
International	4,618	3,475	6,248	17,867	4,701	3,494	3,475	6,248	17,918
Total	5,995	4,631	7,493	23,117	6,072	4,921	4,953	7,789	23,734
Oil	13,696	16,670	19,693	65,677	19,682	19,454	19,529	19,403	78,069
Other	70,337	81,036	89,456	315,758	89,456	89,456	89,456	89,456	357,822
Total	90,028	102,337	116,642	404,552	115,210	113,830	113,938	116,648	459,625
Expense									
Production	6,828	9,220	11,814	38,124	11,074	10,481	10,527	11,693	43,775
Other	64,317	75,056	83,204	289,926	83,632	81,679	83,475	83,204	331,990
Ebitda (\$mm)									
Exploration and Production	12,863	12,081	15,373	50,670	14,680	13,894	13,955	15,500	58,028
Other	6,020	5,981	6,251	25,832	5,824	7,776	5,981	6,251	25,832
Total Ebitda	18,884	18,062	21,624	76,503	20,504	21,670	19,935	21,751	83,860
Exploration	379	351	520	1,489	520	520	520	520	2,080
Deprec., Deplet., & Amort.	3,282	3,159	3,159	12,254	3,159	3,159	3,159	3,159	12,636
Other non cash				-	-	-	-	-	-
Ebit	15,223	14,552	17,945	62,760	16,825	17,991	16,256	18,072	69,144
Interest	101	73	73	345	73	73	73	73	292
Ebt	15,122	14,479	17,872	62,415	16,752	17,918	16,183	17,999	68,852
Income Tax	5,293	5,068	6,255	21,845	5,863	6,271	5,664	6,300	24,098
Net Income (\$mm)									
Exploration and Production	6,220	6,299	8,204						
Other	3,202	3,203	3,379						
Unallocated	407	(91)	34						
Total	9,829	9,411	11,617	40,570	10,889	11,647	10,519	11,699	44,754
Shares (millions)	5,816	5,536	5,454	5,573	5,454	5,454	5,454	5,454	5,454
Per share (\$)	1.69	1.70	2.13	7.28	2.00	2.14	1.93	2.15	8.21
Ebitda Margin (E&P)	65%	57%	57%	57%	57%	57%	57%	57%	57%
Tax Rate	35%	35%	35%	35%	35%	35%	35%	35%	35%



Exxon Mobil Corporation						
Functional Cash Flow and Present Value						
	NTM	Adjusted	PV/	Present		
	<u>Ebitda</u>	<u>R/P</u>	<u>Ebitda</u>	<u>Value</u>		
North American Natural Gas	3,310	14.2	11.5	38,000		7%
Rest of World Natural Gas	10,210	16.3	7.8	80,000		14%
Oil	44,500	9.6	7.8	345,000		59%
Downstream	25,830		4.6	120,000		21%
	83,850	12.0	7.0	583,000		100%
Debt						27,000
Net Present Value (\$mm)						556,000
Shares						5,454
Net Present Value - Standard Estimate (US\$/sh)						102
NPV Approximation by Cash Flow Multiple Depending on Reserve Life (US\$/sh)						90



McDep LLC
Independent Stock Idea
February 1, 2008



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