ExxonMobil

2017 Summary Annual Report

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COVER PHOTO: Jose Jaquez, a maintenance supervisor in our XTO organization, stands by one of our drilling rigs in the Permian, where we plan to increase tight-oil production fivefold by 2025.

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Statements of future events or conditions in this report, including projections, targets, expectations, estimates, and business plans, are forward-looking statements. Actual future financial and operating results, including demand growth and energy source mix; capacity growth; the impact of new technologies; production growth; project plans, dates, costs, and capacities; resource additions, production rates, and resource recoveries; efficiency gains; cost savings; earnings growth; integration and technology benefits; returns; and product sales could differ materially due to, for example, changes in the supply of and demand for crude oil, natural gas, and petroleum and petrochemical products and resulting price impacts; reservoir performance; timely completion of development projects; war and other political or security disturbances; changes in law or government regulation, including environmental regulations and political sanctions; the actions of competitors and customers; unexpected technological developments; general economic conditions, including the occurrence and duration of economic recessions; the outcome of commercial negotiations; the impact of fiscal and commercial terms; unforeseen technical difficulties; unanticipated operational disruptions; and other factors discussed in this report and in Item 1A of ExxonMobil's most recent Form 10-K.

We use non-GAAP concepts and financial measures throughout this publication. These measures may not be comparable to similarly titled measures used by other companies. Definitions of certain financial and operating measures and other terms used in this report – such as "resources" and "resource base" – are contained in the section titled "Frequently used terms" on pages 36 and 37.
In the case of non-GAAP financial measures, such as "Return on Average Capital Employed" and "Cash Flow from Operations and Asset Sales," the definitions also include any reconciliation or other information required by SEC Regulation G. "Factors Affecting Future Results" and "Frequently Used Terms" are also available on the "Investors" section of our website.

As used in this publication, the term "industry" refers to publicly traded international energy companies, and "return(s)" (unless referring to ROCE) mean discounted cash flow returns based on current company estimates. The term "project" can refer to a variety of different activities and does not necessarily have the same meaning as in any government payment transparency reports.

Unless otherwise specified, data shown is for 2017. Prior years' data have been reclassified in certain cases to conform to the 2017 presentation basis.

Energy is essential to improving people's quality of life.

Essential to economies. Essential to mobility. Essential to improving health and education. ExxonMobil has a responsibility to provide affordable, reliable energy.

It's a responsibility we take seriously. But we can't stop there.

There's a dual challenge facing our industry: meeting growing demand for energy, while at the same time reducing environmental impacts – including the risks of climate change. It's a challenge our industry must help solve.

ExxonMobil is committed to doing our part.

ExxonMobil's long-term strategies and our unwavering commitment to the highest standards of integrity underpin everything we do. The company's core business strategies provide the framework for the organization to deliver on its commitments and create shareholder value throughout the commodity price cycle.

safety

Fewest-ever recordable injuries in 2017

$8+ billion

invested in lower-emissions energy solutions since 2000

550 quarts

of *Mobil 1* motor oil are sold every minute

35

years of continued dividend growth for shareholders

technology

Awarded more than 3,300 patents over the past decade

In 2017, ExxonMobil drilled wells totaling more than

1,000 miles

58 million drivers fuel their vehicles at *Exxon*, *Mobil*, or *Esso* stations every month

jobs – we employ nearly **70,000 people**

To our shareholders

Winning in today's energy business takes a company positioned to succeed throughout the commodity price cycle. A company able to capture value across the supply chain. One driven to keep its technological edge. A company that operates safely and responsibly, taking care of people and the environment, and addressing the risks of climate change.

Yours is that company. ExxonMobil is in a prime position to generate strong returns and remain the industry leader, leveraging our strengths and outperforming our competition in growing shareholder value.

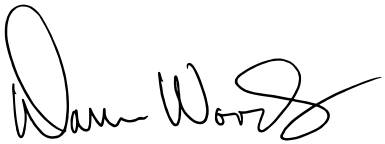
We're investing in advantaged projects to grow our world-class portfolio. Through exploration and strategic acquisitions, we've captured our highest-quality inventory since the Exxon and Mobil merger, including high-impact projects in Guyana and Brazil. In Papua New Guinea and Mozambique, we're adding new low-cost supplies of future LNG. We're also ramping up unconventional production in the U.S. Permian Basin. In our Downstream, we're using our proprietary technology to produce higher-value products. And in our Chemical business, we're investing in capacity and manufacturing new products to meet the needs of growing economies around the world. ExxonMobil is investing for high-value growth.

Integration enables us to capture efficiencies, apply technologies, and create value that our competitors can't. For example, we're connecting our oil and natural gas production in the U.S. Permian Basin with our Gulf Coast refineries and chemical plants, which are producing higher-value fuels and chemicals at a cost below our competition. Our midstream facilities, including a strategic terminal we acquired, ensure our operations remain synchronized and avoid value leakage along the supply chain. The whole of ExxonMobil is worth more than the sum of our parts.

ExxonMobil is uniquely committed to innovation. We employ more than 19,000 scientists and engineers, and we invest more than $1 billion annually in research and development. Our innovations in seismic imaging and advanced reservoir modeling enable us to see and capture high-quality opportunities before others can. Our Downstream investments to produce cleaner, higher-value products are benefiting from unique, proprietary catalysts and processes that drive project returns well above industry norms. Innovative products pioneered in our Chemical business are enabling a growing global middle class to enjoy a higher quality of life. Our innovation is delivering value to our customers, our communities, and you, our shareholders.

Our technology investments are also building a foundation for the future – creating long-term value for society. ExxonMobil is a long-standing leader in the discovery of scalable technologies. This includes research in algae biofuels and carbon capture and storage, where we're making important advances. We've also invested more than $8 billion since 2000 in lower-emissions energy solutions. Innovation underpins our growth – now and in the future.

Your company continues to drive value across our global operations. We're developing exciting, world-class opportunities while meeting the challenge of changing market conditions head-on. I'm proud of our people and confident in their abilities to deliver industry-leading performance. And I'm grateful for the confidence you've put in ExxonMobil.



Darren Woods, Chairman and CEO

2017 results and highlights

$19.7 billion in earnings

$33.2 billion in cash flow from operations and asset sales

9% return on average capital employed

4.0 million net oil-equivalent barrels per day of production

5.5 million barrels per day of petroleum product sales

25.4 million tonnes of chemical product sales

Financial highlights

(millions of dollars, unless noted)	Earnings after income taxes	Average capital employed[1]	Return on average capital employed[1] (%)	Capital and exploration expenditures[1]
Upstream	13,355	174,674	7.6	16,695
Downstream	5,597	22,514	24.9	2,524
Chemical	4,518	27,516	16.4	3,771
Corporate and Financing	(3,760)	(2,073)	N.A.	90
Total	19,710	222,631	9.0	23,080

Operating highlights

Liquids production *(net, thousands of barrels per day)*	2,283
Natural gas production available for sale *(net, millions of cubic feet per day)*	10,211
Oil-equivalent production[2] *(net, thousands of oil-equivalent barrels per day)*	3,985
Refinery throughput *(thousands of barrels per day)*	4,291
Petroleum product sales[3] *(thousands of barrels per day)*	5,530
Chemical prime product sales[3] *(thousands of tonnes)*	25,420

(1) See Frequently used terms on pages 36 and 37.
(2) Natural gas converted to oil-equivalent at 6 million cubic feet per 1,000 barrels.
(3) Sales data reported net of purchases/sales contracts with the same counterparty.
Note: Unless otherwise stated, production rates, project capacities, and acreage values are gross.

Strategies

- Innovative technologies drive success
- Disciplined investments in advantaged, world-class portfolio
- Integration captures value across businesses
- Operational excellence maximizes asset value
- Financial strength provides unmatched flexibility

Business overview

ExxonMobil is the world's largest publicly traded international oil and gas company. We have been an industry leader for more than 135 years. The quality, size, and diversity of our integrated portfolio are evident across all three of our global business segments: Upstream, Downstream, and Chemical.

The integration of these three segments provides a distinct competitive advantage, offering unmatched opportunities to grow shareholder value across business lines. With a commitment to operational excellence, disciplined investment, and technology development, we are maximizing the value of every molecule from the wellhead to the customer.

Business environment

ExxonMobil's *Outlook for Energy* anticipates significant changes through 2040 to boost living standards and accelerate decarbonization of the world's energy system to help address the risks of climate change.

By 2040, the world's population is expected to reach 9.2 billion people. Over that period, the world's economy will likely double, helping billions of people join the middle class.

Energy-efficiency improvements will help curb the growth in global energy demand to about 25 percent over the period to 2040. Efficiency gains, along with changes in the energy mix, will also help reduce the carbon intensity of global GDP by nearly 45 percent, as nuclear and renewables, led by solar and wind, contribute nearly 40 percent of incremental energy supplies to meet demand growth.

Natural gas will grow the most of any energy type; oil will continue to play a leading role in the world's energy mix, even as electric cars become more prevalent. The International Energy Agency estimates cumulative oil and natural gas investment needs may reach approximately $21 trillion between 2017 and 2040.

Innovating to drive our success

"Every day, I come to work and have the opportunity to research new ideas that one day could make a real difference. Innovation is who we are and what we do."

Sona Joseph, research analyst, Upstream Research Company

Every **$1** invested in our research portfolio will generate an expected value of **$5+**

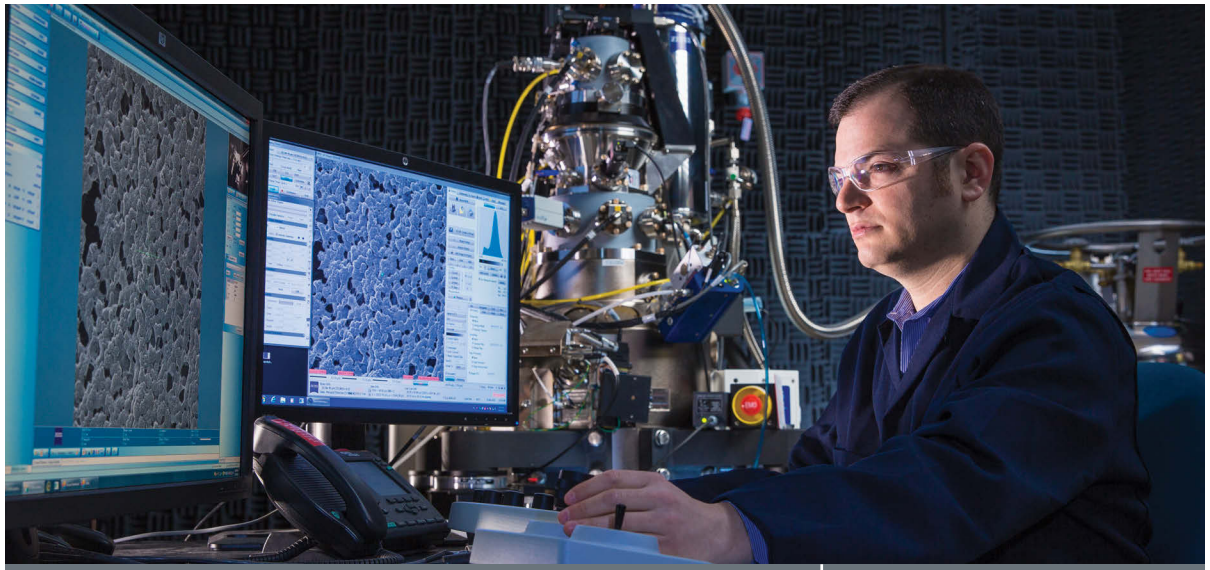
Each year, we generate about **$350 million** through our technology license and usage fees

35+ years of ongoing climate-related research & technology funding

Innovating to drive our success

Technology is the foundation of ExxonMobil's business and a key enabler to grow shareholder value. Our ongoing commitment to innovation, along with our proprietary technologies, provides a unique competitive advantage that reduces costs, improves efficiencies, creates new high-value products, and maximizes our return on projects.

Our focus on innovation is not new: For more than 135 years, we have pioneered the science that enables innovative technologies such as the lithium ion battery, high-octane gasoline, 3D seismic imaging, and many others. These transformational discoveries changed our industry and the world, helping make modern society possible.



$1 billion invested annually in our worldwide research and development programs

Since 2008, ExxonMobil scientists and engineers have received more than 3,300 patents in the United States alone.

Improving operational performance

Our research programs are improving performance by reducing costs, enhancing output, and minimizing environmental impacts. For example, we have developed technologies that reduce corrosion by enabling the dehydration of natural gas inside pipes rather than in costly towers. These technologies are expected to reduce near-term offshore project costs by more than $750 million. We also recently developed a high-manganese "super steel" for our Kearl mining operations that will likely save hundreds of millions of dollars over the life of the asset.

In partnership with the Georgia Institute of Technology, we are exploring the use of reverse osmosis through synthetic molecular membranes to reduce the amount of energy required in our manufacturing operations. If brought to scale, this breakthrough could reduce the industry's annual CO_2 emissions by a level equivalent to the annual energy-related emissions of about 5 million U.S. homes, and reduce global energy costs by up to $2 billion a year.

Partnerships with more than 175 universities over past 10 years

ExxonMobil employs more than 19,000 scientists and engineers

Our investments in proprietary technologies will enable Downstream project returns of greater than 20 percent.

Advancing energy sources and products

In the Upstream, our capabilities in subsurface definition and development are enabling us to find more oil and natural gas, and then recover more from the reservoirs we find. Working with the National Center for Supercomputing Applications, for example, we developed proprietary software that quadruples the number of processors used to model complex oil and natural gas reservoirs, improving exploration and production results. Thanks to this innovation, we can simulate how hydrocarbons flow through the subsurface and plan where to drill new production wells in record time. Analysis that took weeks can now be completed in a single day.

In addition, our proprietary seismic imaging technology helps us see opportunities in the subsurface that others cannot. We successfully used this technology on recent discoveries in the Black Sea and offshore Guyana.

In the Downstream, technology is enabling us to expand our product offerings to meet today's market demands. For example, in Rotterdam, we are building a new, best-in-class hydrocracking unit that will use proprietary technology to create high-value, ultra-low-sulfur fuels and lube basestocks. This is just one example of our investments in new proprietary technologies – roughly $12 billion of projects that are expected to yield returns of more than 20 percent.

Our Chemical business also benefits from research and development, particularly in the area of innovative product development. For example, we developed and commercialized a polypropylene product that enables packaging manufacturers to produce rigid packages (such as plastic food containers) that have thinner walls, without sacrificing toughness. This reduces package weight and cost, and uses less material.

We are also working to identify advanced biofuels – a promising technology with the potential to increase energy supplies and reduce greenhouse gas emissions. We announced a breakthrough in our research with Synthetic Genomics, Inc., involving modification of an algae strain that doubled its oil content without significantly inhibiting the strain's growth – a key milestone in potential scalability of the technology.

ExxonMobil employs more than

2,300 PhDs

Highlight: Capturing carbon dioxide

Since 40 percent of global energy-related carbon emissions come from power generation, we are researching scalable and affordable carbon capture technologies that can benefit power plants and other large industrial facilities.

Capturing carbon dioxide using today's technology is complex, costly, and can reduce the power output by up to 20 percent. ExxonMobil is working with FuelCell Energy, Inc. to reduce CO_2 emissions from natural gas power plants by as much as 90 percent using fuel cells, which create power instead of using it.

ExxonMobil and FuelCell Energy, Inc. are piloting fuel cell technology for carbon capture.

Growing shareholder value
with a world-class portfolio

"The company's dedication to safety, people, and the environment is so far beyond what most people think. That focus really sets us apart from our competition."

Mike Dach, assistant production foreman, Permian Basin

⊕ 9.8 billion oil-equivalent barrels of resource additions worldwide

New investments delivering:

>100,000
barrels per day capacity for high-value fuels and lube basestocks

>200,000
barrels per day of additional Upstream production capacity

500,000
tonnes increase in chemical manufacturing

Growing shareholder value with a world-class portfolio

ExxonMobil sees opportunity in a rapidly changing energy landscape. We are making advantaged investments across our world-class portfolio of businesses.

Our focus on leading-edge technologies, coupled with industry-leading financial capacity, has enabled us to develop our best investment portfolio in decades. These investments leverage our integrated businesses and world-class operations to capitalize on opportunities across the entire value chain.

High-impact new opportunities

In the Upstream, ExxonMobil is pursuing high-quality exploration and production projects. In Guyana, for example, we hold more than 11 million acres offshore, where we have made six discoveries to date. We have identified additional leads, and exploration and development activities will continue throughout 2018.

In Brazil, we acquired interest in the more-than-2-billion-barrel Carcara field. We also captured 10 exploration blocks in bid round 14, including acreage with significant potential in the pre-salt play, one of the fastest-growing deepwater plays in the world. Exploration and development activities are planned to begin in 2018.

In the United States, we are one of the most active operators in the Permian Basin in West Texas and eastern New Mexico. In 2017, we added nearly 275,000 net acres to our position in the Permian Basin through a series of acquisitions and acreage trades, bringing our total Permian resource base to more than 9 billion oil-equivalent barrels. Our Permian position now delivers lower-cost production, which is available as feedstock to our U.S. Gulf Coast refineries and chemical plants.

Our successful exploration campaign offshore Guyana continued through 2017, with six discoveries to date.

$50 billion
investment in the United States over the next five years

Our Upstream growth opportunities are geographically diverse and will yield attractive returns, even in a low-price environment. We achieve this by applying industry-leading capabilities, key technologies, and proprietary practices that improve drilling performance, reduce field development costs, and deliver operational efficiencies.

Our growth opportunities will yield attractive returns, even in a low-price environment.

Capitalizing on LNG expertise

Our global LNG position is unmatched in the industry. We have interest in 17 LNG trains around the world, with net interest capacity of 22 million tonnes annually.

We enhanced our leading LNG position with two major deals in 2017. Our acquisition of InterOil Corporation provides access to multiple discovered fields and additional exploration acreage in Papua New Guinea. These high-quality assets, coupled with growing resource discoveries on existing acreage, provide a foundation for a low-cost, multi-train expansion of existing LNG facilities.

Our entry into the deepwater Area 4 block offshore Mozambique, containing an estimated 85 trillion gross cubic feet of natural gas in-place, was also completed in 2017. This resource will support an ExxonMobil-led, multi-train LNG development, with potential capacity ultimately exceeding 40 million tonnes per year.

Extracting additional value

In the Downstream, we are investing in technology and facilities to produce higher-value products to meet the growing demand for enhanced fuels and premium lubricants. Capturing a larger share of these growing markets enables us to realize higher overall margins from our existing sites.

In 2018, our new coker unit at the Antwerp refinery in Belgium will begin upgrading high-sulfur fuel oil into various forms of cleaner-burning diesel and distillates.

In Rotterdam, a new hydrocracking unit – using our proprietary technology to produce high-value, ultra-low-sulfur fuels and Group II lube basestocks – will also begin operating in 2018. Furthermore, we announced an expansion at our Singapore refinery to produce the company's *EHC* Group II basestocks, which are used across a range of industries. Completion is anticipated in 2019.

We are also enhancing our ability to handle light crude from the Permian at our refineries in Baton Rouge and Baytown.

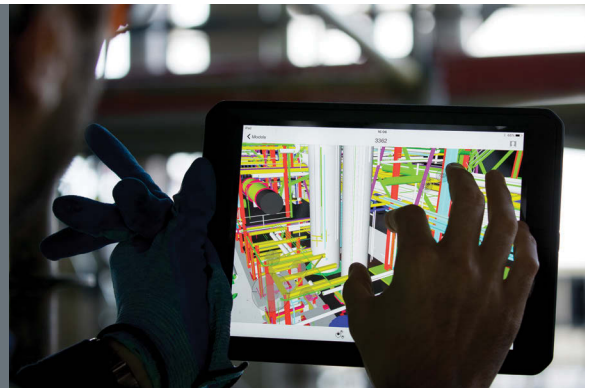
Investing to meet chemical demand

Global demand for chemicals continues to create opportunities for value growth. To meet that demand, we are investing more than $10 billion over the next five years in both new and expanded facilities on the U.S. Gulf Coast, leveraging logistically advantaged oil and natural gas to create the chemical building blocks for end products used around the world.

At our Singapore chemical complex, we are expanding capacity with our recent acquisition of Jurong Aromatics. We are starting up new facilities that will manufacture higher-performance products. These enhancements to our complex enable us to better serve the major growth market in the Asia Pacific region.

Highlight: Optimizing concept selection

Our concept selection process creates development plans that pair the right facility with the right concept to drive down unit cost. We employ this process on all of our projects with the aim to maximize value over a development's life cycle.



Leveraging integration to grow value across businesses

"We make sure every molecule in a barrel of crude is used. Our integrated model means we can get the absolute most out of everything we process. Seeing all along the value chain helps us respond to changes in consumer demands."

Sarah Loh, cat light ends contact engineer, Baton Rouge refinery

~80% of global refining capacity is fully integrated with chemical or lube basestock manufacturing

650,000

barrels per day of refined products upgraded at integrated sites

More than 50% of Downstream earnings come from lubricants and chemical integration

Leveraging integration to grow value across businesses

ExxonMobil's integrated approach proves the adage, "The whole is more than the sum of its parts."

Our Upstream, Downstream, and Chemical businesses work together to create additional value by sharing knowledge, technology, expertise, and best practices across business lines. This collaboration leads to better-informed decisions, more efficient operations, and greater flexibility in responding to changing market conditions.

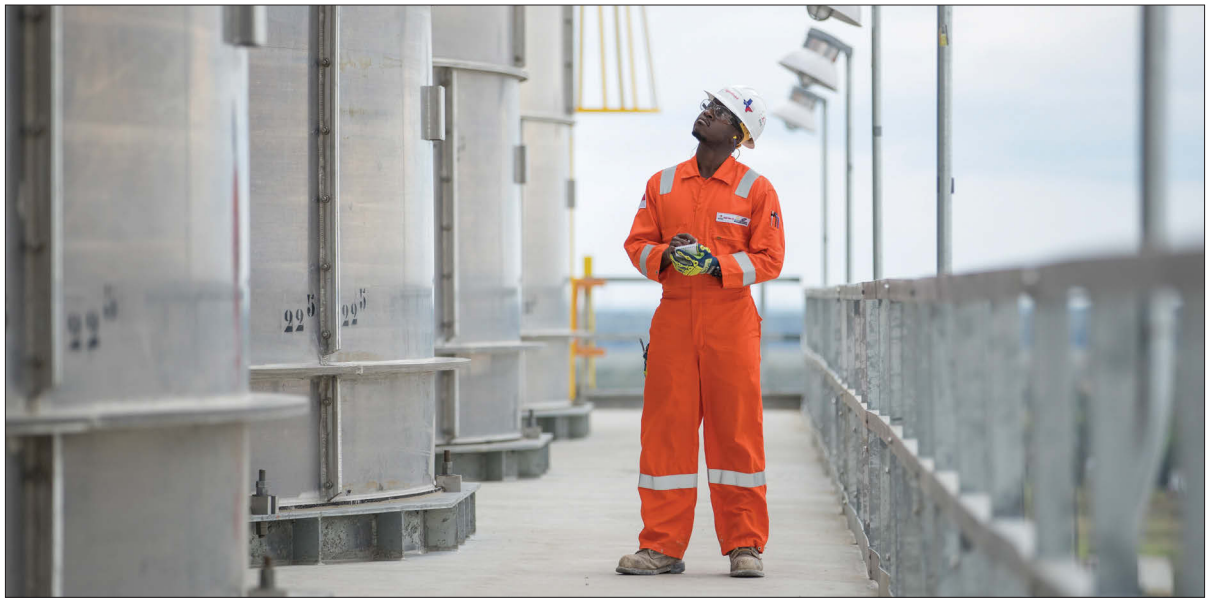
Portfolio spans the value chain

Our U.S. operations demonstrate how integration drives value. Our Upstream businesses produce oil and natural gas in the Permian and other basins. These volumes are transported via our midstream assets to our refineries and chemical complexes along the Gulf Coast and in the Midwest. From there, they are upgraded to higher-value fuels, products, and feedstocks through the fuels, lubricants, and chemical value chains.

By maximizing integration across the full value chain, we are also able to capture incremental value at transfer points or when short-term market opportunities develop. We can take advantage of logistics flexibility to ensure no value is lost to third parties. Simply put, we are uniquely positioned in industry, capturing an additional $700 million of earnings per year through integration.

We also leverage our global knowledge and expertise to inform investment decisions in each business line. For example, insights from our Upstream teams helped guide expansion plans and project designs for our U.S. Gulf Coast chemical facilities – growth supported by the integration with our rapidly growing production in the Permian.

>35,000
employees collaborate at our cross-functional sites worldwide



Our world-class workforce effectively manages the complexity of our advantaged manufacturing facilities.

Integration at ExxonMobil is a competitive advantage that enables us to improve returns by responding quickly to changing market conditions. This level of flexibility is difficult to replicate.

Growing value and capturing savings

Nearly 80 percent of our refining capacity is integrated with chemical or lubricant manufacturing facilities. At these sites, we capture savings by sharing resources, using interconnected facilities, and coordinating operating practices. Integration also increases margins by allowing us to direct feedstocks to the highest-value products.

ExxonMobil leverages project management expertise across all businesses, employing innovative technologies, supporting capital efficiency, and driving best practices.

Our collaborative approach increases margins by lowering the cost of our feedstocks and growing the value of our products. For example, at our Baytown manufacturing complex, lubricants and chemical integration contributes more than 70 percent of earnings.

Another example is at our integrated facility in Singapore, where we have a state-of-the-art steam cracker that produces chemicals directly from crude oil – an industry first. We can also process a range of liquid and natural gas feedstocks at the site, optimizing them for maximum value. In response to growing Asian demand for premium products, we recently added world-scale *Mobil 1* lubricant blending facilities.

136 cross-functional sites located **in 39 countries around the world**

At the LaBarge natural gas field, extensive Downstream experience has been applied to implement a multi-variable control system at the Shute Creek treating facility, increasing production and improving the purity of products. Multivariable control allows the plant to run closer to capacity and specification limits by optimizing across several operational parameters simultaneously.

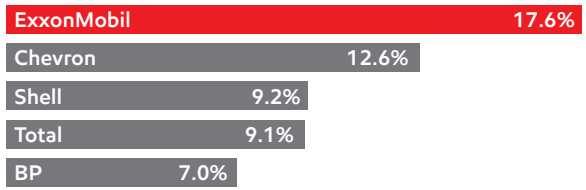
Shared knowledge and capabilities

At our proposed joint venture project with SABIC near Corpus Christi, Texas, we are planning to use an approach our Upstream has implemented with great success in several projects around the world. We are constructing portions of the new facility at other locations and bringing them on site fully built. This process significantly speeds up construction, while also reducing costs by more than $1 billion.

This type of cross-functional sharing enables our project management professionals to influence and learn from large, complex projects, while further strengthening our capabilities and providing flexibility for support of future activities. It also supports standardization and efficiency, ensuring best practices are broadly shared.

Our Houston campus brings together nearly 10,000 of our employees, fostering improved collaboration, creativity, and innovation, and accelerating the discovery of new resources, technologies, and products.

10-year average return on average capital employed[1][2]



(1) See Frequently used terms on pages 36 and 37.
(2) Competitor data estimated on a consistent basis with ExxonMobil and based on public information.

Highlight: Finding opportunities to grow

One benefit of our integration strategy is the ability to capitalize on business opportunities by expanding existing sites, rather than building new ones. This results in significant cost savings and lowers our environmental impact. For example, on the U.S. Gulf Coast, we are expanding manufacturing of high-value products at our existing sites, with a savings of more than $1 billion compared to new construction.

Maximizing asset value
through operational excellence

Leading **safety** performance

>20% **Downstream and Chemical reliability improvement since 2015**

30% more efficient execution of complex Upstream projects vs. competitor average

"ExxonMobil is like a family – and in this environment, it's critical that everyone is looking out for one another to ensure that every job is done safely, each and every day."

Sean Phillips, utilities technician, Mont Belvieu plastics plant

ExxonMobil

Maximizing asset value through operational excellence

Innovation enables us to invest in high-quality opportunities to enhance our asset portfolio. Integration helps us maximize returns across the Upstream, Downstream, and Chemical businesses. Our relentless focus on operational excellence enables us to get the most out of each and every facility, every hour, every day.

Safety is good business

A safe company is a well-run company. Achieving safe and environmentally responsible operations across a global enterprise requires a significant commitment from everyone at all levels of the organization. Success in safety is the result of a disciplined, rigorous approach, which also helps drive more reliable operations and improves financial results.

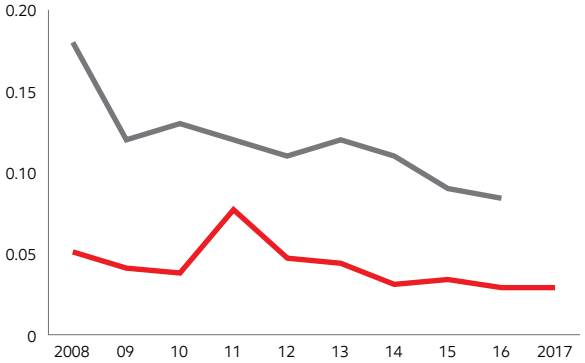
In 2017, we had the fewest recordable injuries in our company's history. Our focus on identifying and eliminating high-potential-consequence events is making a difference. We also continued to achieve outstanding process safety performance, driven by a cross-functional initiative that brought together expertise from all parts of our businesses to build a unique, integrated approach to process safety.

Safety and operations integrity

Lost-time injuries and illnesses rate:

■ ExxonMobil workforce[1] ■ U.S. petroleum industry benchmark[2]

(incidents per 200,000 work hours)



(1) Employees and contractors. Includes XTO Energy Inc. data beginning in 2011.
(2) Workforce safety data from participating American Petroleum Institute companies (2017 industry data not available at time of publication).

Our employees' efforts to maximize facility capacity and improve reliability have increased the capacity of the PNG LNG facility more than 20 percent and made it one of the most reliable plants in the world.

Nobody Gets Hurt

Workers are empowered to take action immediately

We deploy innovative techniques and technologies, many proven in the most challenging conditions and circumstances, to drive improvements.

Our operational guidelines enable field personnel to better understand the most critical safeguards and focus their efforts accordingly. Thanks to this strategy, we have sustained fewer operational upsets and releases to the environment, and we continued to exhibit strong process safety performance in 2017.

Maximizing capacity and minimizing downtime

We apply the same attention, focus, and commitment to reliability as we do safety. In fact, the two go hand in hand. Fewer reliability upsets reduces the potential for safety incidents. Reliability is also a key driver to profitability. Maximizing asset uptime and productivity leads to improved output and higher margins.

For example, introducing a multivariable control system – a technology originally used in our Downstream operations – and removing bottlenecks at our PNG LNG facilities have enabled us to increase production 20 percent above the original facility capacity.

Our Upstream, Downstream, and Chemical businesses are among the industry leaders in reliability.

Project development and execution excellence

Our project management skills – safely staying on time and on budget – are a major competitive advantage, especially in complex environments. We use proven systems and processes to guide the planning, design, and execution of projects, enabling us to reduce costs and cycle times.

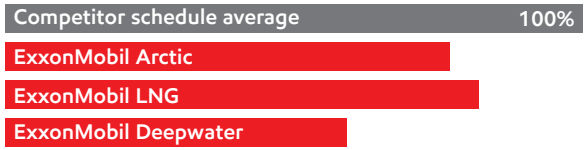
One example is the use of phased developments that help us capture value sooner and apply learning-curve benefits as we advance additional phases of projects.

Premier execution of challenging, complex projects

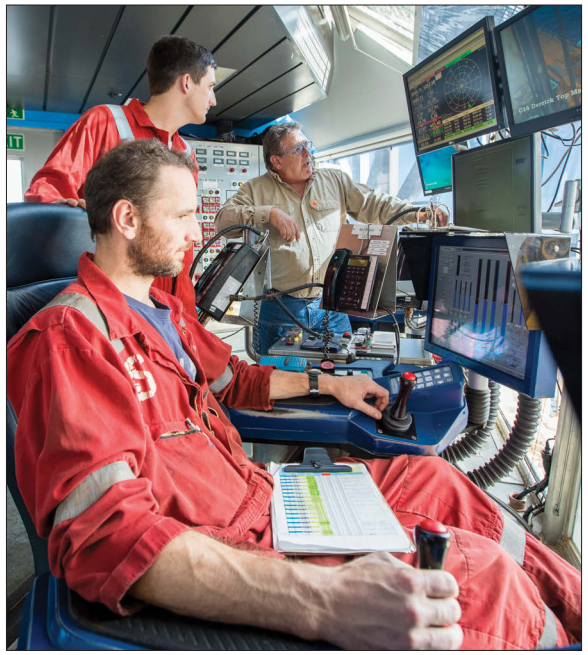
(leading efficiency of major ExxonMobil start-ups over past 15 years)

Development cost per oil-equivalent barrel

Schedule (full funding to start-up)



Source: ExxonMobil and Wood Mackenzie



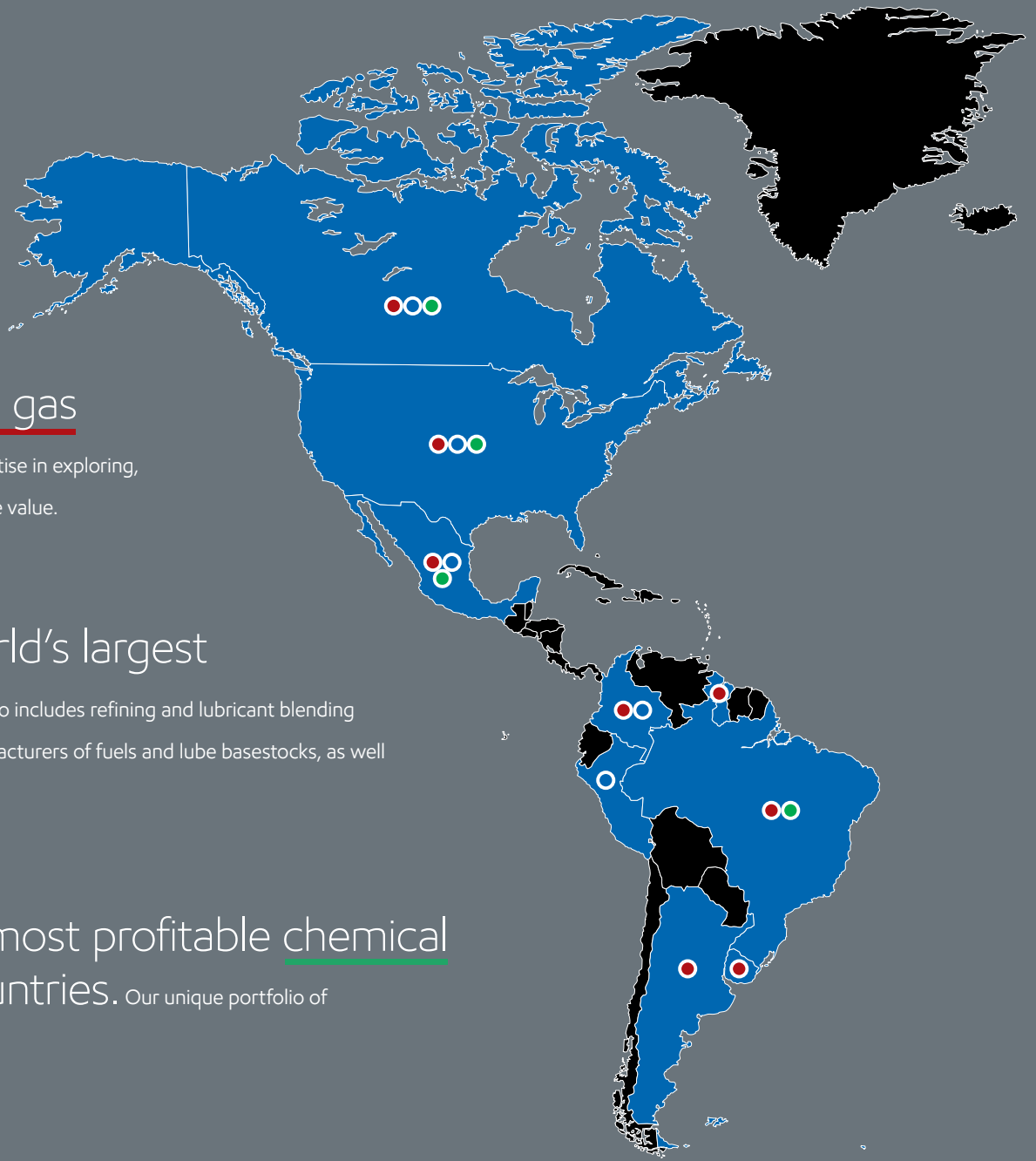
Employees and contractors collaborate to ensure *Nobody Gets Hurt* during drilling operations.

Another example is leveraging existing infrastructure whenever possible, such as using subsea tie-backs to existing platforms to reduce costs, as we do off the coast of West Africa.

Finally, we deploy innovative techniques and technologies, many proven in the most challenging conditions and circumstances. We leverage our project management experience across all businesses to ensure the best people are leading our efforts, and transferring their knowledge and skills to others in the organization.

Global operations

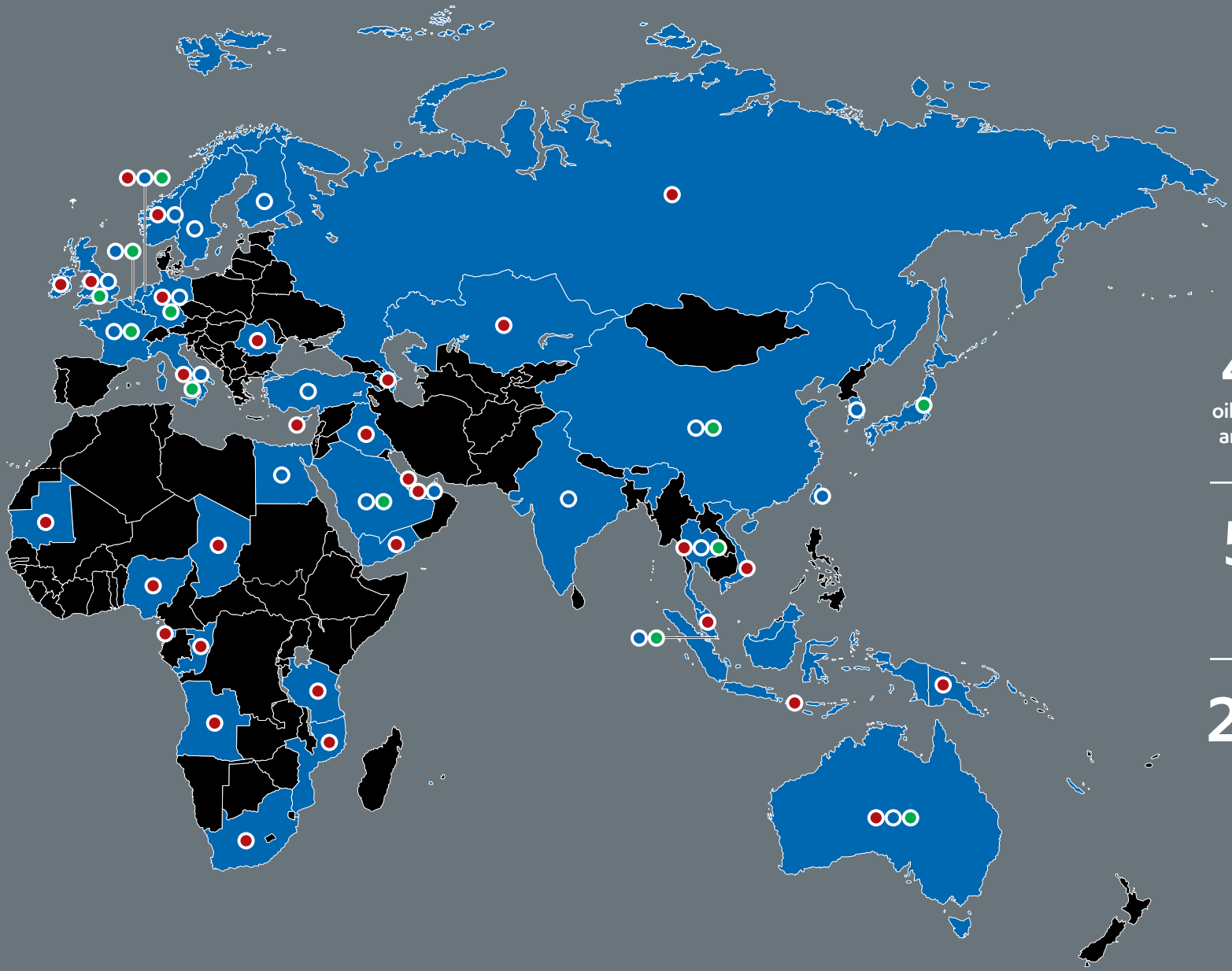
As the world's largest publicly held international oil and gas company, ExxonMobil has a diverse portfolio of high-quality projects and opportunities across our Upstream, Downstream, and Chemical businesses.



Upstream: We have an active oil and gas presence in 38 countries. We use our unique expertise in exploring, developing, marketing, and producing global hydrocarbon resources to maximize value.

Downstream: We are one of the world's largest fuels and lubricants businesses. Our portfolio includes refining and lubricant blending facilities in 25 countries. We are one of the largest integrated refiners and manufacturers of fuels and lube basestocks, as well as a leading manufacturer of petroleum products and finished lubricants.

Chemical: ExxonMobil is one of the most profitable chemical companies, with operations in 16 countries. Our unique portfolio of high-performance products delivers strong returns across the business cycle.



4.0 million
oil-equivalent barrels of net oil and gas production per day[1]

5.5 million
barrels of petroleum product sales per day[2]

25.4 million
tonnes of chemical prime product sales[2]

Countries with ExxonMobil operations Upstream Downstream Chemical

Locations as of December 31, 2017

(1) Natural gas converted to oil-equivalent barrels using 6 million cubic feet per 1,000 barrels.

(2) Sales data reported net of purchases/sales contracts with the same counterparty.

Upstream

$13.4 billion
in earnings

2.8 Boeb
proved reserve additions[1]

More than
20% annual growth
in net tight-oil production since 2010

9.8 billion
oil-equivalent barrels of resource base additions

Major project start-ups added
>200,000 barrels
per day of production capacity

53 million
new exploration acres captured

"We're excited about the potential of the liquids-rich Permian. It's a low-cost resource, and we've built an outstanding position in the basin. Thanks to our strategically located midstream assets and the proximity of our refineries along the U.S. Gulf Coast, we're poised for growth and set up to maximize our return on investment for years to come."

Sara Ortwein, president
XTO Energy Inc.

Upstream statistical recap

	2017	2016	2015	2014	2013
Earnings *(millions of dollars)*	**13,355**	196	7,101	27,548	26,841
Liquids production *(net, thousands of barrels per day)*	**2,283**	2,365	2,345	2,111	2,202
Natural gas production available for sale *(net, millions of cubic feet per day)*	**10,211**	10,127	10,515	11,145	11,836
Oil-equivalent production[2] *(net, thousands of barrels per day)*	**3,985**	4,053	4,097	3,969	4,175
Proved reserves replacement ratio[1][3] *(percent)*	**189**	–	69	111	106
Resource additions[3] *(millions of oil-equivalent barrels)*	**9,763**	2,453	1,378	3,206	6,595
Average capital employed[3] *(millions of dollars)*	**174,674**	170,055	169,954	164,965	152,969
Return on average capital employed[3] *(percent)*	**7.6**	0.1	4.2	16.7	17.5
Capital and exploration expenditures[3] *(millions of dollars)*	**16,695**	14,542	25,407	32,727	38,231

(1) Proved reserves exclude asset sales.
(2) Natural gas converted to oil-equivalent at 6 million cubic feet per 1,000 barrels.
(3) See Frequently used terms on pages 36 and 37.

Strategies

- Enhance industry-leading portfolio
- Deliver lowest-cost-of-supply projects
- Grow tight-liquids production to more than 800 Koebd net by 2025

Business overview

Our Upstream business is a global leader in exploration, development, production, natural gas marketing, and energy research.

We maintain a large, diverse portfolio of opportunities to provide profitable long-term value growth. Between a highly successful exploration program and recent strategic acquisitions, we added 9.8 billion oil-equivalent barrels to our resource base in 2017. We plan to grow our tight-oil production in the U.S. Permian Basin fivefold. We also plan to grow our business in Brazil, with both exploration and development activities planned to start in 2018. We also have LNG that is among the lowest cost in the industry, with developing projects in Mozambique and Papua New Guinea.

Our capital discipline and proven project management systems – incorporating best practices from across our global operations – enable us to create and drive value. From the initial discovery phase through production start-up, we benefit from our extensive multidisciplinary teamwork, industry-leading technology, rigorous management practices, and proven operational expertise.

Business environment

Meeting the world's growing demand for energy presents a tremendous challenge that requires a long-term view, significant investment, and continued innovation. Global demand for oil is expected to rise by about 20 percent from 2016 to 2040, continuing to be the primary source of energy for transportation and as a feedstock for chemicals. Demand for natural gas is expected to grow nearly 40 percent over the same period, led by increasing use to help meet rising electricity demand with lower-emission fuels.

To meet this demand, increased supplies of both oil and natural gas will be needed, much of which will come from unconventional reservoirs. We expect global LNG volumes to more than double by 2040, mainly to supply the Asian and European markets. Our focus is on improving our long-term profitability by investing in low-cost-of-supply, higher-margin barrels, maximizing the value of our current capacity, and reducing costs through productivity and efficiency gains.

Increase Upstream earnings by...

1. increasing Permian tight-oil production fivefold to nearly 600 Koebd net by 2025
2. rapidly progressing three near-term developments in Guyana to deliver ~450 Koebd production by 2025
3. starting up new LNG projects in Mozambique and PNG, with potential to add more than 20 Mta of capacity by 2025

Downstream

$5.6 billion in earnings

130% increase in synthetic lubricants sales in the past decade

2 market entries with branded sales in Mexico and Indonesia

20,000 miles between oil changes using ***Mobil 1 Annual Protection*** synthetic lubricant

25% return on average capital employed

2018 start-ups projected to add 100,000 barrels per day of upgraded products

"Our integrated Fuels & Lubricants organization provides high-value products and services to our customers – backed by our world-class manufacturing and supply chain – which lead the industry in efficiency. Our commitment to innovation, technology, brand, and sustainability continues to deliver greater value for our customers and shareholders."

Bryan Milton, president
ExxonMobil Fuels & Lubricants Company

Downstream statistical recap

	2017	2016	2015	2014	2013
Earnings *(millions of dollars)*	**5,597**	4,201	6,557	3,045	3,449
Refinery throughput *(thousands of barrels per day)*	**4,291**	4,269	4,432	4,476	4,585
Petroleum product sales[1] *(thousands of barrels per day)*	**5,530**	5,482	5,754	5,875	5,887
Average capital employed[2] *(millions of dollars)*	**22,514**	21,804	23,253	23,977	24,430
Return on average capital employed[2] *(percent)*	**24.9**	19.3	28.2	12.7	14.1
Capital expenditures[2] *(millions of dollars)*	**2,524**	2,462	2,613	3,034	2,413

(1) Petroleum product sales data reported net of purchases/sales contracts with the same counterparty.
(2) See Frequently used terms on pages 36 and 37.

Strategies

- Maintain best-in-class operational excellence
- Provide high-quality products and services to our customers
- Capitalize on integration and maximize value from technology

Business overview

Our Downstream business is one of the world's largest refiners and lubricants manufacturers. Our 22 refineries – 17 of which are co-located with chemical or lubricant facilities – enable us to manufacture higher-value fuels, lubricants, and chemical products more efficiently than our competitors.

We are highgrading our product slate to maximize the value of every molecule. Our long-standing record of technology leadership underpins the development of the products our customers demand.

Our integrated business model across the entire value chain enables us to benefit from lower-cost feedstocks than our competitors. Our proprietary process and catalyst technologies help convert those feedstocks into the fuels and lubricants marketed under our world-renowned *Exxon, Mobil, Mobil 1,* and *Esso* brands. That full value-chain integration is expected to generate an additional $1 billion in the U.S. Permian alone.

Business environment

By 2040, demand for transportation fuel is expected to increase by nearly 30 percent, driven by commercial transportation in developing countries. Demand for diesel fuel is expected to increase by more than 30 percent, while worldwide gasoline demand is expected to level off, as declining demand for light-duty transportation fuel in developed countries is offset by growth in developing nations.

Lubricant demand is also expected to grow, particularly in Asia. Within the high-value synthetic lubricants sector, where we have a leading market position, demand is expected to outpace industry growth significantly.

We selectively invest in sites and value chains that generate the highest returns. Our integrated business model, world-class assets, and feedstock flexibility have positioned us to be a market leader across the business cycle.

Increase Downstream earnings by...

1. upgrading 200 Kbd of fuel oil to higher-quality distillates, lube basestocks, and chemicals by 2025
2. growing our industry-leading lube basestock and synthetic lubricant businesses by 2025
3. capturing full value-chain benefits of our Permian and U.S. Gulf Coast facilities by 2025

Chemical

$4.5 billion
in earnings

1.3 million
tonnes of new polyethylene capacity at Mont Belvieu, Texas

$3.8 billion
investment in specialty businesses and advantaged feed

6.8 million
tonnes of performance products sales

16%
return on average capital employed

3.5 million tonnes
Singapore aromatics capacity post-Jurong Aromatics acquisition

"We're accelerating our investments to capitalize on chemical demand growth, much of which is coming from Asia. We will be adding new facilities in North America and Asia with a focus on manufacturing the sustainable performance products our customers want. Our aggressive growth program will leverage the strength of the Corporation in executing large-scale capital projects."

John Verity, president
ExxonMobil Chemical Company

Chemical statistical recap

	2017	2016	2015	2014	2013
Earnings *(millions of dollars)*	**4,518**	4,615	4,418	4,315	3,828
Prime product sales[1] *(thousands of tonnes)*	**25,420**	24,925	24,713	24,235	24,063
Average capital employed[2] *(millions of dollars)*	**27,516**	24,844	23,750	22,197	20,665
Return on average capital employed[2] *(percent)*	**16.4**	18.6	18.6	19.4	18.5
Capital expenditures[2] *(millions of dollars)*	**3,771**	2,207	2,843	2,741	1,832

(1) Prime product sales data reported net of purchases/sales contracts with the same counterparty.
(2) See Frequently used terms on pages 36 and 37.

Strategies

- Strengthen existing businesses and integrated complexes
- Leverage unique competitive position for performance products growth
- Embed sustainability leadership into business

Business overview

Our Chemical business is one of the largest, most successful chemical companies in the world. Investment in technology and new capacity enables us to capitalize on growing chemical demand worldwide.

We are investing in two world-class steam crackers on the U.S. Gulf Coast. We are expanding our capacity in Singapore to meet the needs of growing economies in Asia. Leveraging our strength in technology, we are highgrading our product portfolio to focus on high-performance, high-margin products.

We process feedstock from our Upstream and Downstream operations, and from third parties, with world-scale manufacturing facilities strategically located around the globe. We focus on product lines that benefit from our scale and technology advantages, resulting in lower costs. We have a strong market position in every business line, particularly in high-performance products, and are well positioned to generate attractive returns throughout the business cycle.

Business environment

Global chemical demand has doubled since 2000, well above economic and energy demand. Over the next two to three decades, we expect this demand to continue to grow at about 4 percent annually.

Nearly three-quarters of that increased demand will be in Asia. Rising prosperity and a growing middle class in the region will drive expanded purchases of packaged goods, appliances, cars, and other consumable items, many of which are manufactured from the chemicals we produce.

We are committed to helping our customers reduce their impact on the environment. We are leading the way in the development of advanced polymer materials that make cars lighter and more fuel efficient, and improving plastic packaging that reduces the energy needed to ship goods around the world.

Increase Chemical earnings by...

1. starting up 13 new facilities
   and increasing production by
   10 million tonnes per year by 2025

2. aggressively growing sales of
   high-value performance products by
   50% by 2025

3. expanding technology portfolio
   with a focus on sustainability leadership
   by 2025

Corporate sustainability

At ExxonMobil, we help deliver the energy the world needs. In doing so, we also consider the impact of our operations on local economies, communities, and the environment. Our approach to sustainability is focused on six key areas:

- Safety, health, and the workplace
- Managing climate change risks
- Environmental performance
- Community engagement, human rights, and strategic investments
- Local development and supply chain management
- Corporate governance

As a partner in community health, education, and economic development, we also aim to support many of the areas set forth in the United Nations Sustainable Development Goals.

Environment

We conduct business in a manner that addresses the environmental and economic needs of the communities in which we operate. We work to mitigate risks and improve our environmental performance. Our approach is grounded in a scientific understanding of the environmental effects of our operations and a commitment to develop, maintain, and operate projects using appropriate standards. We support organizations focused on biodiversity protection and land conservation. We also engage with local stakeholders to understand their perspectives.

Climate change

Providing affordable energy to support prosperity while reducing environmental impacts – including the risks of climate change – is our industry's dual challenge. It will take business, government, and individuals working together to make meaningful progress. We support the Paris Agreement as an important framework for addressing this challenge. We continue to take action to mitigate our emissions and help consumers lessen their greenhouse gas impact. Since 2000, our investments that provide lower-emission energy solutions have totaled more than $8 billion. We are deploying energy-efficient technologies such as cogeneration, as well as technologies to reduce methane emissions and flaring. We are also researching next-generation energy sources such as algae biofuels and advanced carbon capture using fuel cells.

> The ExxonMobil Foundation is collaborating with Mercy Corps, Technoserve, and the Center for Global Development to measure the effect of mobile banking and training on women's economic empowerment in Indonesia and Tanzania.

Local economic growth and development

Providing sustainable economic benefits and ensuring local participation in our business are important elements in creating shared value for our host countries and local communities. Our approach focuses on training and employing a local workforce, supporting local suppliers, and improving the livelihood of communities through local investments. In 2017, our supplier diversity program continued to expand globally with women- and indigenous-owned businesses.

Community and social impact

Our multifaceted approach to engaging with communities helps us create and maintain productive relationships with our neighbors. We are committed to managing our social and environmental impacts responsibly, upholding respect for human rights, and making social investments tailored to the needs of individual communities. We focus many of our community investment efforts on three signature initiatives: improving education, combating malaria, and advancing economic opportunities for women.

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of Exxon Mobil Corporation

We have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of Exxon Mobil Corporation and its subsidiaries as of December 31, 2017 and 2016, and the related consolidated statements of income, comprehensive income, changes in equity and cash flows for each of the three years in the period ended December 31, 2017 (not presented herein) appearing in the ExxonMobil 2017 Financial Statements and Supplemental Information booklet enclosed with the proxy materials for the 2018 annual meeting of shareholders of Exxon Mobil Corporation and have issued our report thereon dated February 28, 2018, which included an unqualified opinion on those consolidated financial statements and a paragraph describing the change in the manner in which the Corporation accounts for certain sales and value-added taxes. In our opinion, the information set forth in the accompanying condensed consolidated financial statements (pages 33–35) is fairly stated, in all material respects, in relation to the consolidated financial statements from which it has been derived.

PricewaterhouseCoopers LLP

Dallas, Texas
February 28, 2018

pwc

Summary of Accounting Policies and Practices

The Corporation's accounting and financial reporting fairly reflect its straightforward business model involving the extracting, refining, and marketing of hydrocarbons and hydrocarbon-based products. The preparation of financial statements in conformity with U.S. Generally Accepted Accounting Principles (GAAP) requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues, expenses, and the disclosure of contingent assets and liabilities. Actual results could differ from these estimates.

The summary financial statements include the accounts of those subsidiaries the Corporation controls. They also include the Corporation's share of the undivided interest in certain Upstream assets, liabilities, revenues, and expenses. Amounts representing the Corporation's interest in the net assets and net income of entities that it does not control are included in "Investments, advances, and long-term receivables" on the Balance Sheet and "Income from equity affiliates" on the Income Statement.

The "functional currency" for translating the accounts of the majority of Downstream and Chemical operations outside the United States is the local currency. The local currency is also used for Upstream operations that are relatively self-contained and integrated within a particular country. The U.S. dollar is used for operations in countries with a history of high inflation and certain other countries.

Revenues associated with sales of crude oil, natural gas, petroleum, and chemical products are recognized when the products are delivered and title passes to the customer. Beginning in 2017, for all periods presented, the Corporation reports certain sales and value-added taxes imposed on and concurrent with revenue-producing transactions with customers and collected on behalf of governmental authorities on a net basis in the Consolidated Statement of Income (excluded from both revenues and costs).

Inventories of crude oil, products, and merchandise are carried at the lower of current market value or cost (generally determined under the last-in, first-out method – LIFO). Inventories of materials and supplies are valued at cost or less.

The Corporation makes use of derivative instruments. When derivatives are used, they are recorded at fair value, and gains and losses arising from changes in their fair value are recognized in earnings.

The Corporation's exploration and production activities are accounted for under the "successful efforts" method. Depreciation, depletion, and amortization are primarily determined under either the unit-of-production method or the straight-line method. Unit-of-production rates are based on the amount of proved developed reserves of oil, natural gas, and other minerals that are estimated to be recoverable from existing facilities. The straight-line method is based on estimated asset service life.

The Corporation incurs retirement obligations for certain assets at the time they are installed. The fair values of these obligations are recorded as liabilities on a discounted basis and are accreted over time for the change in their present value. The costs associated with these liabilities are capitalized as part of the related assets and depreciated. Liabilities for environmental costs are recorded when it is probable that obligations have been incurred and the amounts can be reasonably estimated.

The Corporation recognizes the underfunded or overfunded status of defined benefit pension and other postretirement plans as a liability or asset in the balance sheet with the offset in equity, net of deferred taxes.

A variety of claims have been made against ExxonMobil and certain of its consolidated subsidiaries in a number of pending lawsuits and tax disputes. For further information on litigation and tax contingencies, see Notes 16 and 19 to the Consolidated Financial Statements in ExxonMobil's 2017 Financial Statements and Supplemental Information booklet.

The Corporation awards share-based compensation to employees in the form of restricted stock and restricted stock units. Compensation expense is measured by the price of the stock at the date of grant and is recognized in income over the requisite service period.

Further information on the Corporation's accounting policies, estimates, and practices can be found in ExxonMobil's 2017 Financial Statements and Supplemental Information booklet (Critical Accounting Estimates and Note 1 to the Consolidated Financial Statements).

Financial highlights

(millions of dollars, unless noted)	**2017**	2016	2015
Net income attributable to ExxonMobil	**19,710**	7,840	16,150
Cash flow from operations and asset sales[1]	**33,169**	26,357	32,733
Capital and exploration expenditures[1]	**23,080**	19,304	31,051
Research and development costs	**1,063**	1,058	1,008
Total debt at year end	**42,336**	42,762	38,687
Average capital employed[1]	**222,631**	212,226	208,755
Market valuation at year end	**354,561**	374,438	323,928
Regular employees at year end *(thousands)*	**69.6**	71.1	73.5

Key financial ratios

	2017	2016	2015
Return on average capital employed[1] *(percent)*	**9.0**	3.9	7.9
Earnings to average ExxonMobil share of equity *(percent)*	**11.1**	4.6	9.4
Debt to capital[2] *(percent)*	**17.9**	19.7	18.0
Net debt to capital[3] *(percent)*	**16.8**	18.4	16.5
Current assets to current liabilities *(times)*	**0.82**	0.87	0.79
Fixed-charge coverage *(times)*	**13.2**	5.7	17.6

Dividend and shareholder return information

	2017	2016	2015
Dividends per common share *(dollars)*	**3.06**	2.98	2.88
Dividends per share growth *(annual percent)*	**2.7**	3.5	6.7
Number of common shares outstanding *(millions)*			
Average	**4,256**	4,177	4,196
Average – assuming dilution	**4,256**	4,177	4,196
Year end	**4,239**	4,148	4,156
Total shareholder return[1] *(annual percent)*	**(3.8)**	19.8	(12.6)
Common stock acquired *(millions of dollars)*	**747**	977	4,039
Market quotations for common stock *(dollars)*			
High	**91.34**	95.55	93.45
Low	**76.05**	71.55	66.55
Average daily close	**81.86**	86.22	82.83
Year-end close	**83.64**	90.26	77.95

(1) See Frequently used terms on pages 36 and 37.
(2) Debt includes short-term and long-term debt. Capital includes short-term and long-term debt and total equity.
(3) Debt net of cash and cash equivalents, excluding restricted cash.

Summary statement of income

(millions of dollars)	**2017**	2016	2015
Revenues and other income			
Sales and other operating revenue[1]	**237,162**	200,628	239,854
Income from equity affiliates	**5,380**	4,806	7,644
Other income	**1,821**	2,680	1,750
Total revenues and other income	**244,363**	208,114	249,248
Costs and other deductions			
Crude oil and product purchases	**128,217**	104,171	130,003
Production and manufacturing expenses	**34,128**	31,927	35,587
Selling, general and administrative expenses	**10,956**	10,799	11,501
Depreciation and depletion	**19,893**	22,308	18,048
Exploration expenses, including dry holes	**1,790**	1,467	1,523
Interest expense	**601**	453	311
Other taxes and duties	**30,104**	29,020	30,309
Total costs and other deductions	**225,689**	200,145	227,282
Income before income taxes	**18,674**	7,969	21,966
Income taxes	**(1,174)**	(406)	5,415
Net income including noncontrolling interests	**19,848**	8,375	16,551
Net income attributable to noncontrolling interests	**138**	535	401
Net income attributable to ExxonMobil	**19,710**	7,840	16,150
Earnings per common share *(dollars)*	**4.63**	1.88	3.85
Earnings per common share – assuming dilution *(dollars)*	**4.63**	1.88	3.85

(1) Effective December 31, 2017, the Corporation revised its accounting policy election related to the reporting of sales-based taxes. For more information, please refer to Note 2 in ExxonMobil's 2017 Financial Statements and Supplemental Information booklet.

The information in the Summary statement of income (for 2015 to 2017), the Summary balance sheet (for 2016 and 2017), and the Summary statement of cash flows (for 2015 to 2017), shown on pages 33 through 35, corresponds to the information in the Consolidated statement of income, the Consolidated balance sheet, and the Consolidated statement of cash flows in ExxonMobil's 2017 Financial Statements and Supplemental Information booklet. See also Management's discussion and analysis of financial condition and results of operations and Other information in ExxonMobil's 2017 Financial Statements and Supplemental Information booklet.

Summary balance sheet at year end

(millions of dollars)	**2017**	2016
Assets		
Current assets		
Cash and cash equivalents	**3,177**	3,657
Notes and accounts receivable, less estimated doubtful amounts	**25,597**	21,394
Inventories		
Crude oil, products and merchandise	**12,871**	10,877
Materials and supplies	**4,121**	4,203
Other current assets	**1,368**	1,285
Total current assets	**47,134**	41,416
Investments, advances and long-term receivables	**39,160**	35,102
Property, plant and equipment, at cost, less accumulated depreciation and depletion	**252,630**	244,224
Other assets, including intangibles, net	**9,767**	9,572
Total assets	**348,691**	330,314
Liabilities		
Current liabilities		
Notes and loans payable	**17,930**	13,830
Accounts payable and accrued liabilities	**36,796**	31,193
Income taxes payable	**3,045**	2,615
Total current liabilities	**57,771**	47,638
Long-term debt	**24,406**	28,932
Postretirement benefits reserves	**21,132**	20,680
Deferred income tax liabilities	**26,893**	34,041
Long-term obligations to equity companies	**4,774**	5,124
Other long-term obligations	**19,215**	20,069
Total liabilities	**154,191**	156,484
Commitments and contingencies[1]		
Equity		
Common stock without par value	**14,656**	12,157
Earnings reinvested	**414,540**	407,831
Accumulated other comprehensive income	**(16,262)**	(22,239)
Common stock held in treasury	**(225,246)**	(230,424)
ExxonMobil share of equity	**187,688**	167,325
Noncontrolling interests	**6,812**	6,505
Total equity	**194,500**	173,830
Total liabilities and equity	**348,691**	330,314

(1) For more information, please refer to Note 16 in ExxonMobil's 2017 Financial Statements and Supplemental Information booklet.

The information in the Summary statement of income (for 2015 to 2017), the Summary balance sheet (for 2016 and 2017), and the Summary statement of cash flows (for 2015 to 2017), shown on pages 33 through 35, corresponds to the information in the Consolidated statement of income, the Consolidated balance sheet, and the Consolidated statement of cash flows in ExxonMobil's 2017 Financial Statements and Supplemental Information booklet. See also Management's discussion and analysis of financial condition and results of operations and Other information in ExxonMobil's 2017 Financial Statements and Supplemental Information booklet.

Summary statement of cash flows

(millions of dollars)	**2017**	2016	2015
Cash flows from operating activities			
Net income including noncontrolling interests	**19,848**	8,375	16,551
Adjustments for noncash transactions			
Depreciation and depletion	**19,893**	22,308	18,048
Deferred income tax charges/(credits)	**(8,577)**	(4,386)	(1,832)
Postretirement benefits expense in excess of/(less than) net payments	**1,135**	(329)	2,153
Other long-term obligation provisions in excess of/(less than) payments	**(610)**	(19)	(380)
Dividends received greater than/(less than) equity in current earnings of equity companies	**131**	(579)	(691)
Changes in operational working capital, excluding cash and debt			
Reduction/(increase) – Notes and accounts receivable	**(3,954)**	(2,090)	4,692
– Inventories	**(1,682)**	(388)	(379)
– Other current assets	**(117)**	171	45
Increase/(reduction) – Accounts and other payables	**5,104**	915	(7,471)
Net (gain) on asset sales	**(334)**	(1,682)	(226)
All other items – net	**(771)**	(214)	(166)
Net cash provided by operating activities	**30,066**	22,082	30,344
Cash flows from investing activities			
Additions to property, plant and equipment	**(15,402)**	(16,163)	(26,490)
Proceeds associated with sales of subsidiaries, property, plant and equipment, and sales and returns of investments	**3,103**	4,275	2,389
Decrease/(increase) in restricted cash and cash equivalents	**–**	–	42
Additional investments and advances	**(5,507)**	(1,417)	(607)
Other investing activities including collection of advances	**2,076**	902	842
Net cash used in investing activities	**(15,730)**	(12,403)	(23,824)
Cash flows from financing activities			
Additions to long-term debt	**60**	12,066	8,028
Reductions in long-term debt	**–**	–	(26)
Additions to short-term debt	**1,735**	–	–
Reductions in short-term debt	**(5,024)**	(314)	(506)
Additions/(reductions) in commercial paper, and debt with three months or less maturity	**2,181**	(7,459)	1,759
Cash dividends to ExxonMobil shareholders	**(13,001)**	(12,453)	(12,090)
Cash dividends to noncontrolling interests	**(184)**	(162)	(170)
Changes in noncontrolling interests	**(150)**	–	–
Tax benefits related to stock-based awards	**–**	–	2
Common stock acquired	**(747)**	(977)	(4,039)
Common stock sold	**–**	6	5
Net cash used in financing activities	**(15,130)**	(9,293)	(7,037)
Effects of exchange rate changes on cash	**314**	(434)	(394)
Increase/(decrease) in cash and cash equivalents	**(480)**	(48)	(911)
Cash and cash equivalents at beginning of year	**3,657**	3,705	4,616
Cash and cash equivalents at end of year	**3,177**	3,657	3,705

The information in the Summary statement of income (for 2015 to 2017), the Summary balance sheet (for 2016 and 2017), and the Summary statement of cash flows (for 2015 to 2017), shown on pages 33 through 35, corresponds to the information in the Consolidated statement of income, the Consolidated balance sheet, and the Consolidated statement of cash flows in ExxonMobil's 2017 Financial Statements and Supplemental Information booklet. See also Management's discussion and analysis of financial condition and results of operations and Other information in ExxonMobil's 2017 Financial Statements and Supplemental Information booklet.

Frequently used terms

Listed below are definitions of several of ExxonMobil's key business and financial performance measures and other terms. These definitions are provided to facilitate understanding of the terms and their calculation. In the case of financial measures that we believe constitute "non-GAAP financial measures" under Securities and Exchange Commission Regulation G, we provide a reconciliation to the most comparable Generally Accepted Accounting Principles (GAAP) measure and other information required by that rule.

Total shareholder return (TSR) ▪ Measures the change in value of an investment in stock over a specified period of time, assuming dividend reinvestment. We calculate shareholder return over a particular measurement period by: dividing (1) the sum of (a) the cumulative value of dividends received during the measurement period, assuming reinvestment, plus (b) the difference between the stock price at the end and at the beginning of the measurement period; by (2) the stock price at the beginning of the measurement period. For this purpose, we assume dividends are reinvested in stock at market prices at approximately the same time actual dividends are paid. Shareholder return is usually quoted on an annualized basis.

Capital and exploration expenditures (Capex) ▪ Represents the combined total of additions at cost to property, plant and equipment, and exploration expenses on a before-tax basis from the Summary statement of income. ExxonMobil's Capex includes its share of similar costs for equity companies. Capex excludes assets acquired in nonmonetary exchanges (effective 2013), the value of ExxonMobil shares used to acquire assets, and depreciation on the cost of exploration support equipment and facilities recorded to property, plant and equipment when acquired. While ExxonMobil's management is responsible for all investments and elements of net income, particular focus is placed on managing the controllable aspects of this group of expenditures.

Proved reserves ▪ Proved reserve figures in this publication are determined in accordance with SEC definitions in effect at the end of each applicable year, except that in statements covering reserve replacement for years prior to 2009, reserves include oil sands and equity company reserves, which at the time were excluded from SEC reserves.

Proved reserves replacement ratio ▪ The reserves replacement ratio is calculated for a specified period utilizing the applicable proved oil-equivalent reserves additions divided by oil-equivalent production. See "Proved reserves" above.

Resources, resource base, and recoverable resources ▪ Along with similar terms used in this report, these refer to the total remaining estimated quantities of oil and natural gas that are expected to be ultimately recoverable. ExxonMobil refers to new discoveries and acquisitions of discovered resources as resource additions. The resource base includes quantities of oil and natural gas that are not yet classified as proved reserves, but that are expected to be ultimately moved into the proved reserves category and produced in the future. The term "resource base" is not intended to correspond to SEC definitions such as "probable" or "possible" reserves. The term "in-place" refers to those quantities of oil and natural gas estimated to be contained in known accumulations and includes recoverable and unrecoverable amounts.

Exploration resource addition cost	**2017**	2016	2015	2014	2013
Exploration portion of Upstream Capex *(millions of dollars)*	**6,271**	1,826	2,680	3,689	7,155
Exploration resource additions *(millions of oil-equivalent barrels)*	**3,375**	2,318	1,138	2,942	5,703
Exploration resource addition cost per OEB *(dollars)*	**1.86**	0.79	2.36	1.25	1.25

Exploration resource addition cost per oil-equivalent barrel is a performance measure that is calculated using the Exploration portion of Upstream capital and exploration expenditures (Capex) divided by exploration resource additions (in oil-equivalent barrels – OEB). ExxonMobil refers to new discoveries, and the non-proved portion of discovered resources that were acquired, as exploration resource additions. Exploration resource additions include quantities of oil and natural gas that are not yet classified as proved reserves, but which ExxonMobil believes will likely be moved into the proved reserves category and produced in the future. The impact of the nonmonetary portion of asset exchanges is excluded in 2014, 2016, and 2017.

Return on average capital employed (ROCE)	**2017**	2016	2015	2014	2013
(millions of dollars)					
Net income attributable to ExxonMobil	**19,710**	7,840	16,150	32,520	32,580
Financing costs (after tax)					
Gross third-party debt	**(709)**	(683)	(362)	(140)	(163)
ExxonMobil share of equity companies	**(204)**	(225)	(170)	(256)	(239)
All other financing costs – net	**515**	423	88	(68)	83
Total financing costs	**(398)**	(485)	(444)	(464)	(319)
Earnings excluding financing costs	**20,108**	8,325	16,594	32,984	32,899
Average capital employed	**222,631**	212,226	208,755	203,110	191,575
Return on average capital employed – corporate total	**9.0%**	3.9%	7.9%	16.2%	17.2%

ROCE is a performance measure ratio. From the perspective of the business segments, ROCE is annual business segment earnings divided by average business segment capital employed (average of beginning and end-of-year amounts). These segment earnings include ExxonMobil's share of segment earnings of equity companies, consistent with our capital employed definition, and exclude the cost of financing. The Corporation's total ROCE is net income attributable to ExxonMobil, excluding the after-tax cost of financing, divided by total corporate average capital employed. The Corporation has consistently applied its ROCE definition for many years and views it as the best measure of historical capital productivity in our capital-intensive, long-term industry, both to evaluate management's performance and to demonstrate to shareholders that capital has been used wisely over the long term. Additional measures, which are more cash-flow based, are used to make investment decisions. See page 4 for segment information relevant to ROCE.

Capital employed at year end

(millions of dollars)

	2017	2016	2015	2014	2013
Business uses: asset and liability perspective					
Total assets	**348,691**	330,314	336,758	349,493	346,808
Less liabilities and noncontrolling interests share of assets and liabilities					
Total current liabilities excluding notes and loans payable	**(39,841)**	(33,808)	(35,214)	(47,165)	(55,916)
Total long-term liabilities excluding long-term debt	**(72,014)**	(79,914)	(86,047)	(92,143)	(87,698)
Noncontrolling interests share of assets and liabilities	**(8,298)**	(8,031)	(8,286)	(9,099)	(8,935)
Add ExxonMobil share of debt-financed equity company net assets	**3,929**	4,233	4,447	4,766	6,109
Total capital employed	**232,467**	212,794	211,658	205,852	200,368
Total corporate sources: debt and equity perspective					
Notes and loans payable	**17,930**	13,830	18,762	17,468	15,808
Long-term debt	**24,406**	28,932	19,925	11,653	6,891
ExxonMobil share of equity	**187,688**	167,325	170,811	174,399	174,003
Less noncontrolling interests share of total debt	**(1,486)**	(1,526)	(2,287)	(2,434)	(2,443)
Add ExxonMobil share of equity company debt	**3,929**	4,233	4,447	4,766	6,109
Total capital employed	**232,467**	212,794	211,658	205,852	200,368

Capital employed is a measure of net investment. When viewed from the perspective of how the capital is used by the businesses, it includes ExxonMobil's net share of property, plant and equipment and other assets, less liabilities, excluding both short-term and long-term debt. When viewed from the perspective of the sources of capital employed in total for the Corporation, it includes ExxonMobil's share of total debt and equity. Both of these views include ExxonMobil's share of amounts applicable to equity companies, which the Corporation believes should be included to provide a more comprehensive measure of capital employed.

Cash flow from operations and asset sales

(millions of dollars)

	2017	2016	2015	2014	2013
Net cash provided by operating activities	**30,066**	22,082	30,344	45,116	44,914
Proceeds associated with sales of subsidiaries, property, plant and equipment, and sales and returns of investments	**3,103**	4,275	2,389	4,035	2,707
Cash flow from operations and asset sales	**33,169**	26,357	32,733	49,151	47,621

Cash flow from operations and asset sales is the sum of the net cash provided by operating activities and proceeds associated with sales of subsidiaries, property, plant and equipment, and sales and returns of investments from the Summary statement of cash flows. This cash flow reflects the total sources of cash from both operating the Corporation's assets and from the divesting of assets. The Corporation employs a long-standing and regular disciplined review process to ensure that all assets are contributing to the Corporation's strategic objectives. Assets are divested when they are no longer meeting these objectives or are worth considerably more to others. Because of the regular nature of this activity, we believe it is useful for investors to consider proceeds associated with asset sales together with cash provided by operating activities when evaluating cash available for investment in the business and financing activities, including shareholder distributions.

Free cash flow

(millions of dollars)

	2017	2016	2015	2014	2013
Net cash provided by operating activities	**30,066**	22,082	30,344	45,116	44,914
Additions to property, plant and equipment	**(15,402)**	(16,163)	(26,490)	(32,952)	(33,669)
Proceeds associated with sales of subsidiaries, property, plant and equipment, and sales and returns of investments	**3,103**	4,275	2,389	4,035	2,707
Additional investments and advances	**(5,507)**	(1,417)	(607)	(1,631)	(4,435)
Other investing activities including collection of advances	**2,076**	902	842	3,346	1,124
Free cash flow	**14,336**	9,679	6,478	17,914	10,641

Free cash flow is cash flow from operations and asset sales less additions to property, plant and equipment, and additional investments and advances, plus other investing activities, including collection of advances. This measure is useful when evaluating cash available for financing activities, including shareholder distributions, after investment in the business.

Distributions to shareholders

(millions of dollars)

	2017	2016	2015	2014	2013
Dividends paid to ExxonMobil shareholders	**13,001**	12,453	12,090	11,568	10,875
Cost of shares acquired to reduce shares outstanding	**–**	–	3,000	12,000	15,000
Distributions to ExxonMobil shareholders	**13,001**	12,453	15,090	23,568	25,875
Memo: Gross cost of shares acquired to offset shares or units settled in shares issued under benefit plans and programs	**747**	977	1,039	1,183	998

The Corporation distributes cash to shareholders in the form of both dividends and share purchases. Shares are acquired both to reduce shares outstanding and to offset shares or units settled in shares issued in conjunction with company benefit plans and programs. For purposes of calculating distributions to shareholders, the Corporation only includes the cost of those shares acquired to reduce shares outstanding.

Board of Directors, Officers, and Affiliated Companies*

Back row, left to right

Michael J. Boskin *T.M. Friedman Professor of Economics and Senior Fellow, Hoover Institution, Stanford University*

Angela F. Braly *Former Chairman of the Board, President, and Chief Executive Officer, WellPoint, Inc. (health care)*

Steven A. Kandarian *Chairman of the Board, President, and Chief Executive Officer, MetLife Inc. (insurance)*

Samuel J. Palmisano *Former Chairman of the Board, International Business Machines Corporation (computer hardware, software, business consulting, and IT services)*

Darren W. Woods *Chairman of the Board and Chief Executive Officer*

Kenneth C. Frazier *Chairman of the Board, President, and Chief Executive Officer, Merck & Company (pharmaceuticals)*

Douglas R. Oberhelman *Former Chairman of the Board, Caterpillar Inc. (heavy equipment)*

Ursula M. Burns *Former Chairman of the Board, Xerox Corporation (document solutions and services)*

Front row, left to right

Steven S Reinemund *Presiding Director; Executive in Residence, Wake Forest University; Retired Executive Chairman of the Board, PepsiCo (consumer food products)*

Susan K. Avery *President Emerita, Woods Hole Oceanographic Institution (nonprofit ocean research, exploration, and education)*

William C. Weldon *Former Chairman of the Board, Johnson & Johnson (pharmaceuticals)*

* As of February 1, 2018

Standing Committees of the Board

Audit Committee
U.M. Burns (Chair)
D.R. Oberhelman
W.C. Weldon

Board Affairs Committee
K.C. Frazier (Chair)
S.K. Avery
S.J. Palmisano
S.S Reinemund

Compensation Committee
S.J. Palmisano (Chair)
M.J. Boskin
A.F. Braly
K.C. Frazier
S.A. Kandarian

Finance Committee
D.W. Woods (Chair)
U.M. Burns
D.R. Oberhelman
W.C. Weldon

Public Issues and Contributions Committee
M.J. Boskin (Chair)
S.K. Avery
A.F. Braly
S.A. Kandarian
S.S Reinemund

Executive Committee
D.W. Woods (Chair)
M.J. Boskin
K.C. Frazier
S.J. Palmisano
S.S Reinemund

Officers

D.W. Woods	*Chairman of the Board*(1)
M.W. Albers	*Senior Vice President*(1)
N.A. Chapman	*Senior Vice President*(1)
M.J. Dolan	*Senior Vice President*(1)
A.P. Swiger	*Senior Vice President*(1)
J.P. Williams, Jr.	*Senior Vice President*(1)
B.W. Corson	*Vice President and President – ExxonMobil Upstream Ventures*(1)
N.W. Duffin	*Vice President*(1)
R.M. Ebner	*Vice President and General Counsel*(1)
M.A. Farrant	*Vice President – Human Resources*
R.S. Franklin	*Vice President*(1)
S.M. Greenlee	*Vice President*(1)
S.M. McCarron	*Vice President – Public and Government Affairs*
B.W. Milton	*Vice President*(1)
D.S. Rosenthal	*Vice President and Controller*(1)
R.N. Schleckser	*Vice President and Treasurer*(1)
J.M. Spellings, Jr.	*Vice President and General Tax Counsel*(1)
J.R. Verity	*Vice President*(1)
D.G. Wascom	*Vice President – Operational Excellence and Safety, Security, Health & Environment*
T.J. Wojnar, Jr.	*Vice President – Corporate Strategic Planning*(1)
J.J. Woodbury	*Vice President – Investor Relations and Secretary*(1)

Functional and Service Organizations

Upstream

N.W. Duffin	*President, ExxonMobil Production Company*(1)
R.S. Franklin	*President, ExxonMobil Gas & Power Marketing Company*(1)
S.M. Greenlee	*President, ExxonMobil Exploration Company*(1)
L.M. Mallon	*President, ExxonMobil Development Company*(1)
S.N. Ortwein	*President, XTO Energy Inc.*(1)
T.W. Schuessler	*President, ExxonMobil Upstream Research Company*

Downstream

B.W. Milton	*President, ExxonMobil Fuels & Lubricants Company*(1)
B.H. March	*President, ExxonMobil Research and Engineering Company*

Chemical

J.R. Verity	*President, ExxonMobil Chemical Company*(1)

Other

L.D. DuCharme	*President, ExxonMobil Global Services Company*

(1) Required to file reports under Section 16 of the Securities Exchange Act of 1934.

Investor information

Shareholder services

Shareholder inquiries should be addressed to ExxonMobil Shareholder Services at Computershare Trust Company, N.A., ExxonMobil's transfer agent:

ExxonMobil Shareholder Services
c/o Computershare
P.O. Box 505000
Louisville, KY 40233

1-800-252-1800
(Within the United States and Canada)

1-781-575-2058
(Outside the United States and Canada)

An automated voice-response system is available 24 hours a day, 7 days a week.

Service representatives are available Monday through Friday 8:00 a.m. to 8:00 p.m. Eastern Time.

Registered shareholders can access information about their ExxonMobil stock accounts via the Internet at *computershare.com/exxonmobil*.

Stock purchase and dividend reinvestment plan

Computershare Trust Company, N.A., sponsors a stock purchase and dividend reinvestment plan, the Computershare Investment Plan for Exxon Mobil Corporation Common Stock. For more information and plan materials, go to *computershare.com/exxonmobil* or call or write ExxonMobil Shareholder Services.

Dividend direct deposit

Shareholders may have their dividends deposited directly into their U.S. bank accounts. If you would like to elect this option, go to *computershare.com/exxonmobil* or call or write ExxonMobil Shareholder Services for an authorization form.

Corporate governance

Our Corporate Governance Guidelines and related materials are available by selecting "Investors" on our website at *exxonmobil.com*.

Electronic delivery of documents

Registered shareholders can receive the following documents online, instead of by mail, by contacting ExxonMobil Shareholder Services:

- Annual meeting materials
- Tax documents
- Account statements

Beneficial shareholders should contact their bank or broker for electronic receipt of proxy voting materials.

ExxonMobil publications

The following publications are available without charge to shareholders and can be found at *exxonmobil.com*. Requests for printed copies should be directed to ExxonMobil Shareholder Services.

- *Summary Annual Report*
- *Annual Report on Form 10-K*
- *Financial & Operating Review*
- *Corporate Citizenship Report*
- *Outlook for Energy: A View to 2040*
- *Energy & Carbon Summary*

Exxon Mobil Corporation has numerous affiliates, many with names that include *ExxonMobil*, *Exxon*, *Mobil*, *Esso*, and *XTO*. For convenience and simplicity, those terms and terms such as Corporation, company, our, we, and its are sometimes used as abbreviated references to specific affiliates or affiliate groups. Abbreviated references describing global or regional operational organizations, and global or regional business lines are also sometimes used for convenience and simplicity. Similarly, ExxonMobil has business relationships with thousands of customers, suppliers, governments, and others. For convenience and simplicity, words such as venture, joint venture, partnership, co-venturer, and partner are used to indicate business and other relationships involving common activities and interests, and those words may not indicate precise legal relationships.

Included in this *Summary Annual Report* are financial and operating highlights and summary financial statements. For complete financial statements, including notes, please refer to ExxonMobil's 2017 Financial Statements and Supplemental Information booklet included in the *Summary Annual Report* mailing. The Financial Statements and Supplemental Information booklet also includes Management's discussion and analysis of financial condition and results of operations. The "Investors" section of ExxonMobil's website (*exxonmobil.com*) contains the Proxy Statement and other company publications, including ExxonMobil's *Financial & Operating Review*. These publications provide additional detail about the company's global operations.

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The following third-party trademarks or service marks referenced in the text of the report are owned by the entities indicated: *PWC + Design* (The Trustees of the PWC Business Trust).

General information

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Exxon Mobil Corporation
5959 Las Colinas Boulevard
Irving, TX 75039-2298

Additional copies may be
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Phone: 972-940-6000
Fax: 972-940-6748
Email: shareholderrelations@exxonmobil.com

Shareholder relations
Exxon Mobil Corporation
P.O. Box 140369
Irving, TX 75014-0369

Market information
The New York Stock Exchange is the principal exchange on which Exxon Mobil Corporation common stock (symbol XOM) is traded.

Annual meeting
The 2018 Annual Meeting of Shareholders will be held at 9:30 a.m. Central Time on Wednesday, May 30, 2018, at:

The Morton H. Meyerson Symphony Center
2301 Flora Street
Dallas, TX 75201

An audio webcast with a slide presentation will be provided at *exxonmobil.com*. Information about the webcast will be available one week prior to the event.

ExxonMobil on the Internet

A quick, easy way to get information about ExxonMobil

ExxonMobil publications and important shareholder information are available at *exxonmobil.com*:

- Publications
- Stock Quote
- Dividend Information
- Contact Information
- Speeches
- News Releases
- Investor Presentations
- Corporate Governance

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