EXXON MOBIL CORP
Form 10-Q
November 03, 2010
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 20549

FORM 10-Q

x **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended September 30, 2010

or

¨ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from _____ to _____

Commission File Number 1-2256

EXXON MOBIL CORPORATION

(Exact name of registrant as specified in its charter)

NEW JERSEY	**13-5409005**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification Number)**
5959 Las Colinas Boulevard, Irving, Texas	**75039-2298**
(Address of principal executive offices)	**(Zip Code)**

(972) 444-1000

(Registrant s telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No ¨

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes x No ¨

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer	x	Accelerated filer	¨
Non-accelerated filer	¨	Smaller reporting company	¨

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ¨ No x

Indicate the number of shares outstanding of each of the issuer s classes of common stock, as of the latest practicable date.

Class	Outstanding as of September 30, 2010
Common stock, without par value	**5,042,556,546**

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EXXON MOBIL CORPORATION

FORM 10-Q

FOR THE QUARTERLY PERIOD ENDED SEPTEMBER 30, 2010

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

EXXON MOBIL CORPORATION

CONDENSED CONSOLIDATED STATEMENT OF INCOME

(millions of dollars)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2010	2009	2010	2009
REVENUES AND OTHER INCOME				
Sales and other operating revenue *(1)*	$ 92,353	$ 80,090	$ 269,083	$ 214,385
Income from equity affiliates	2,443	1,675	7,224	4,728
Other income	502	495	1,728	1,632
Total revenues and other income	95,298	82,260	278,035	220,745
COSTS AND OTHER DEDUCTIONS				
Crude oil and product purchases	48,875	41,689	144,129	106,386
Production and manufacturing expenses	8,982	8,097	25,793	24,105
Selling, general and administrative expenses	3,707	3,887	10,828	10,854
Depreciation and depletion	3,844	2,927	10,490	8,724
Exploration expenses, including dry holes	500	495	1,593	1,336
Interest expense	54	62	149	512
Sales-based taxes *(1)*	7,172	6,805	20,933	18,927
Other taxes and duties	9,306	9,094	26,488	25,330
Total costs and other deductions	82,440	73,056	240,403	196,174
Income before income taxes	12,858	9,204	37,632	24,571
Income taxes	5,297	4,333	15,750	11,052
Net income including noncontrolling interests	7,561	4,871	21,882	13,519
Net income attributable to noncontrolling interests	211	141	672	289
Net income attributable to ExxonMobil	$ 7,350	$ 4,730	$ 21,210	$ 13,230
Earnings per common share (dollars)	$ 1.44	$ 0.98	$ 4.38	$ 2.72
Earnings per common share - assuming dilution (dollars)	$ 1.44	$ 0.98	$ 4.37	$ 2.71
Dividends per common share (dollars)	$ 0.44	$ 0.42	$ 1.30	$ 1.24
(1)Sales-based taxes included in sales and other operating revenue	*$ 7,172*	*$ 6,805*	*$ 20,933*	*$ 18,927*

The information in the Notes to Condensed Consolidated Financial Statements

is an integral part of these statements.

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EXXON MOBIL CORPORATION

CONDENSED CONSOLIDATED BALANCE SHEET

(millions of dollars)

	Sept. 30, 2010	Dec. 31, 2009
ASSETS		
Current assets		
Cash and cash equivalents	$ 12,244	$ 10,693
Marketable securities	15	169
Notes and accounts receivable - net	30,244	27,645
Inventories		
Crude oil, products and merchandise	11,154	8,718
Materials and supplies	3,148	2,835
Other current assets	5,828	5,175
Total current assets	62,633	55,235
Investments, advances and long-term receivables	33,173	31,665
Property, plant and equipment - net	195,440	139,116
Other assets, including intangibles, net	8,748	7,307
Total assets	$ 299,994	$ 233,323
LIABILITIES		
Current liabilities		
Notes and loans payable	$ 3,046	$ 2,476
Accounts payable and accrued liabilities	48,251	41,275
Income taxes payable	10,443	8,310
Total current liabilities	61,740	52,061
Long-term debt	15,248	7,129
Postretirement benefits reserves	18,012	17,942
Deferred income tax liabilities	35,304	23,148
Other long-term obligations	19,090	17,651
Total liabilities	149,394	117,931
Commitments and contingencies (note 3)		
EQUITY		
Common stock, without par value:		
Authorized: 9,000 million shares		
Issued: 8,019 million shares	9,341	5,503
Earnings reinvested	291,861	276,937
Accumulated other comprehensive income		
Cumulative foreign exchange translation adjustment	4,476	4,402
Postretirement benefits reserves adjustment	(8,968)	(9,863)
Unrealized gain/(loss) on cash flow hedges	153	0

Common stock held in treasury:		
2,976 million shares at September 30, 2010	(151,832)	
3,292 million shares at December 31, 2009		(166,410)
ExxonMobil share of equity	145,031	110,569
Noncontrolling interests	5,569	4,823
Total equity	150,600	115,392
Total liabilities and equity	$ 299,994	$ 233,323

The number of shares of common stock issued and outstanding at September 30, 2010 and December 31, 2009 were 5,042,556,546 and 4,726,922,580, respectively.

The information in the Notes to Condensed Consolidated Financial Statements

is an integral part of these statements.

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EXXON MOBIL CORPORATION

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(millions of dollars)

	Nine Months Ended September 30,	
	2010	**2009**
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income including noncontrolling interests	$ 21,882	$ 13,519
Depreciation and depletion	10,490	8,724
Changes in operational working capital, excluding cash and debt	3,722	(852)
All other items - net	(736)	(1,457)
Net cash provided by operating activities	35,358	19,934
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(19,201)	(15,728)
Sales of subsidiaries, investments, and property, plant and equipment	1,607	1,083
Other investing activities - net	470	(1,352)
Net cash used in investing activities	(17,124)	(15,997)
CASH FLOWS FROM FINANCING ACTIVITIES		
Additions to long-term debt	374	192
Reductions in long-term debt	(2,587)	(27)
Additions/(reductions) in short-term debt - net	(729)	(202)
Cash dividends to ExxonMobil shareholders	(6,286)	(6,031)
Cash dividends to noncontrolling interests	(244)	(238)
Changes in noncontrolling interests	(3)	(126)
Tax benefits related to stock-based awards	47	79
Common stock acquired	(7,335)	(17,331)
Common stock sold	269	296
Net cash used in financing activities	(16,494)	(23,388)
Effects of exchange rate changes on cash	(189)	486
Increase/(decrease) in cash and cash equivalents	1,551	(18,965)
Cash and cash equivalents at beginning of period	10,693	31,437
Cash and cash equivalents at end of period	$ 12,244	$ 12,472
SUPPLEMENTAL DISCLOSURES		
Income taxes paid	$ 13,950	$ 12,142

Cash interest paid	$ 460	$ 723

NON-CASH TRANSACTIONS

The Corporation acquired all the outstanding equity of XTO Energy Inc. in an all-stock transaction valued at $24,659 million in 2010 (see note 10).

The information in the Notes to Condensed Consolidated Financial Statements

is an integral part of these statements.

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EXXON MOBIL CORPORATION

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(millions of dollars)

	ExxonMobil Share of Equity						
	Common Stock	Earnings Reinvested	Accumulated Other Comprehensive Income	Common Stock Held in Treasury	ExxonMobil Share of Equity	Noncontrolling Interest	Total Equity
Balance as of December 31, 2008	$ 5,314	$ 265,680	$ (9,931)	$ (148,098)	$ 112,965	$ 4,558	$ 117,523
Amortization of stock-based awards	521				521		521
Tax benefits related to stock-based awards	61				61		61
Other	(451)				(451)		(451)
Net income for the period		13,230			13,230	289	13,519
Dividends - common shares		(6,031)			(6,031)	(238)	(6,269)
Foreign exchange translation adjustment			3,195		3,195	361	3,556
Postretirement benefits reserves adjustment			(652)		(652)	(38)	(690)
Amortization of postretirement benefits reserves adjustment included in periodic benefit costs			1,008		1,008	34	1,042
Acquisitions at cost				(17,331)	(17,331)	(126)	(17,457)
Dispositions				750	750		750
Balance as of September 30, 2009	$ 5,445	$ 272,879	$ (6,380)	$ (164,679)	$ 107,265	$ 4,840	$ 112,105
Balance as of December 31, 2009	$ 5,503	$ 276,937	$ (5,461)	$ (166,410)	$ 110,569	$ 4,823	$ 115,392
Amortization of stock-based awards	572				572		572
Tax benefits related to stock-based awards	240				240		240
Other	(494)				(494)	12	(482)
Net income for the period		21,210			21,210	672	21,882
Dividends - common shares		(6,286)			(6,286)	(244)	(6,530)
Foreign exchange translation adjustment			74		74	267	341
Postretirement benefits reserves adjustment			(6)		(6)	3	(3)
Amortization of postretirement benefits reserves adjustment included in periodic benefit costs			901		901	39	940
Change in fair value of cash flow hedges			195		195		195
Realized (gain)/loss from settled cash flow hedges included in net income			(42)		(42)		(42)
Acquisitions at cost				(7,335)	(7,335)	(3)	(7,338)
Issued for XTO merger	3,520			21,139	24,659		24,659
Other dispositions				774	774		774
Balance as of September 30, 2010	$ 9,341	$ 291,861	$ (4,339)	$ (151,832)	$ 145,031	$ 5,569	$ 150,600

	Nine Months Ended September 30, 2010			Nine Months Ended September 30, 2009		
Common Stock Share Activity	Issued	Held in Treasury	Outstanding	Issued	Held in Treasury	Outstanding

	(millions of shares)			(millions of shares)		
Balance as of December 31	8,019	(3,292)	4,727	8,019	(3,043)	4,976
Acquisitions		(115)	(115)		(244)	(244)
Issued for XTO merger		416	416			
Other dispositions		15	15		15	15
Balance as of September 30	8,019	(2,976)	5,043	8,019	(3,272)	4,747

The information in the Notes to Condensed Consolidated Financial Statements

is an integral part of these statements.

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EXXON MOBIL CORPORATION

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Summary of Accounting Policies and Basis of Financial Statement Preparation

Basis of Financial Statement Preparation. These unaudited condensed consolidated financial statements should be read in the context of the consolidated financial statements and notes thereto filed with the Securities and Exchange Commission in the Corporation s 2009 Annual Report on Form 10-K. In the opinion of the Corporation, the information furnished herein reflects all known accruals and adjustments necessary for a fair statement of the results for the periods reported herein. All such adjustments are of a normal recurring nature. The Corporation s exploration and production activities are accounted for under the successful efforts method.

Derivative Instruments. The Corporation historically made limited use of derivative instruments. The Corporation does not engage in speculative derivative activities or derivative trading activities, nor does it use derivatives with leveraged features. When the Corporation does enter into derivative transactions, it is to offset exposures associated with interest rates, foreign currency exchange rates and hydrocarbon prices that arise from existing assets, liabilities and forecasted transactions. For derivatives designated as cash flow hedges, the Corporation s activity is intended to manage the price risk posed by physical transactions.

The Corporation records all derivatives on the balance sheet at fair value. The change in fair value of derivatives designated as fair value hedges is recognized in earnings, offset by the change in fair value of the hedged item. The change in fair value of derivatives designated as cash flow hedges is recorded in other comprehensive income and recognized in earnings when the hedged transaction is recognized in earnings. The change in fair value of derivatives not designated as hedging instruments is recognized in earnings. Any ineffectiveness between the derivative and the hedged item is recorded in earnings.

Hedge effectiveness is reviewed at least quarterly and is generally based on the most recent relevant correlation between the derivative and the item hedged. Hedge ineffectiveness is calculated based on the difference between the change in fair value of the derivative and change in cash flow or fair value of the items hedged. If it is determined that a derivative is no longer highly effective, hedge accounting is then discontinued and the change in fair value since inception that is on the balance sheet either as other comprehensive income for cash flow hedges, or the underlying hedged item for fair value hedges, is recorded in earnings.

Fair Value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. Hierarchy Levels 1, 2 or 3 are terms for the priority of inputs to valuation techniques used to measure fair value. Hierarchy Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Hierarchy Level 2 inputs are inputs other than quoted prices included within Level 1 that are directly or indirectly observable for the asset or liability. Hierarchy Level 3 inputs are inputs that are not observable in the market.

Goodwill. Goodwill is the excess of the consideration transferred over the net assets recognized and represents the future economic benefits arising from other assets acquired that could not be individually identified and separately recognized. Goodwill is evaluated for impairment on at least an annual basis.

Stock-Based Awards. The Corporation recognizes compensation expense for stock-based awards through amortization of the grant-date fair value over the requisite service period for each award.

2. Accounting Changes

Effective January 1, 2010, ExxonMobil adopted the authoritative guidance for variable-interest entities (VIEs). The guidance requires the enterprise to qualitatively assess if it is the primary beneficiary of the VIE and, if so, the VIE must be consolidated. The adoption of the guidance did not have a material impact on the Corporation s financial statements.

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3. Litigation and Other Contingencies

Litigation

A variety of claims have been made against ExxonMobil and certain of its consolidated subsidiaries in a number of pending lawsuits. Management has regular litigation reviews, including updates from corporate and outside counsel, to assess the need for accounting recognition or disclosure of these contingencies. The Corporation accrues an undiscounted liability for those contingencies where the incurrence of a loss is probable and the amount can be reasonably estimated. If a range of amounts can be reasonably estimated and no amount within the range is a better estimate than any other amount, then the minimum of the range is accrued. The Corporation does not record liabilities when the likelihood that the liability has been incurred is probable but the amount cannot be reasonably estimated or when the liability is believed to be only reasonably possible or remote. For contingencies where an unfavorable outcome is reasonably possible and which are significant, the Corporation discloses the nature of the contingency and, where feasible, an estimate of the possible loss. ExxonMobil will continue to defend itself vigorously in these matters. Based on a consideration of all relevant facts and circumstances, the Corporation does not believe the ultimate outcome of any currently pending lawsuit against ExxonMobil will have a materially adverse effect upon the Corporation s operations or financial condition.

Other Contingencies

	As of September 30, 2010		
	Equity Company Obligations	Other Third Party Obligations	Total
	(millions of dollars)		
Total guarantees	$ 5,591	$ 3,146	$ 8,737

The Corporation and certain of its consolidated subsidiaries were contingently liable at September 30, 2010, for $8,737 million, primarily relating to guarantees for notes, loans and performance under contracts. Included in this amount were guarantees by consolidated affiliates of $5,591 million, representing ExxonMobil s share of obligations of certain equity companies. These guarantees are not reasonably likely to have a material effect on the Corporation s financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

Additionally, the Corporation and its affiliates have numerous long-term sales and purchase commitments in their various business activities, all of which are expected to be fulfilled with no adverse consequences material to the Corporation s operations or financial condition. The Corporation s outstanding unconditional purchase obligations at September 30, 2010, were similar to those at the prior year-end period. Unconditional purchase obligations as defined by accounting standards are those long-term commitments that are noncancelable or cancelable only under certain conditions, and that third parties have used to secure financing for the facilities that will provide the contracted goods or services.

The operations and earnings of the Corporation and its affiliates throughout the world have been, and may in the future be, affected from time to time in varying degree by political developments and laws and regulations, such as forced divestiture of assets; restrictions on production, imports and exports; price controls; tax increases and retroactive tax claims; expropriation of property; cancellation of contract rights and environmental regulations. Both the likelihood of such occurrences and their overall effect upon the Corporation vary greatly from country to country and are not predictable.

In accordance with a nationalization decree issued by Venezuela s president in February 2007, by May 1, 2007, a subsidiary of the Venezuelan National Oil Company (PdVSA) assumed the operatorship of the Cerro Negro Heavy Oil Project. This Project had been operated and owned by ExxonMobil affiliates holding a 41.67 percent ownership interest in the Project. The decree also required conversion of the Cerro Negro Project into a mixed enterprise and an increase in PdVSA s or one of its affiliate s ownership interest in the Project, with the stipulation that if ExxonMobil refused to accept the terms for the formation of the mixed enterprise within a specified period of time, the government would directly assume the activities carried out by the joint venture. ExxonMobil refused to accede to the terms proffered by the government, and on June 27, 2007, the government expropriated ExxonMobil s 41.67 percent interest in the Cerro Negro Project.

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On September 6, 2007, affiliates of ExxonMobil filed a Request for Arbitration with the International Centre for Settlement of Investment Disputes (ICSID) invoking ICSID jurisdiction under Venezuela s Investment Law and the Netherlands-Venezuela Bilateral Investment Treaty. The ICSID Tribunal issued a decision on June 10, 2010, finding that it had jurisdiction to proceed on the basis of the Netherlands-Venezuela Bilateral Investment Treaty. The ICSID arbitration proceeding is continuing. An affiliate of ExxonMobil has also filed an arbitration under the rules of the International Chamber of Commerce (ICC) against PdVSA and a PdVSA affiliate for breach of their contractual obligations under certain Cerro Negro Project agreements. Hearings on the merits of the case were held during August and September 2010. The parties filed post-hearing briefs in the ICC arbitration on October 25, 2010, with reply briefs due to be filed on November 8, 2010. At this time, the net impact of this matter on the Corporation s consolidated financial results cannot be reasonably estimated. However, the Corporation does not expect the resolution to have a material effect upon the Corporation s operations or financial condition. ExxonMobil s remaining net book investment in Cerro Negro producing assets is about $750 million.

4. Comprehensive Income

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2010	2009	2010	2009
	(millions of dollars)			
Net income including noncontrolling interests	$ 7,561	$ 4,871	$ 21,882	$ 13,519
Other comprehensive income (net of income taxes)				
Foreign exchange translation adjustment	2,705	1,932	341	3,556
Postretirement benefits reserves adjustment (excluding amortization)	(393)	(156)	(3)	(690)
Amortization of postretirement benefits reserves adjustment included in net periodic benefit costs	300	338	940	1,042
Change in fair value of cash flow hedges	115	0	195	0
Realized (gain)/loss from settled cash flow hedges included in net income	(42)	0	(42)	0
Comprehensive income including noncontrolling interests	10,246	6,985	23,313	17,427
Comprehensive income attributable to noncontrolling interests	480	386	981	646
Comprehensive income attributable to ExxonMobil	$ 9,766	$ 6,599	$ 22,332	$ 16,781

5. Earnings Per Share

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2010	2009	2010	2009
EARNINGS PER COMMON SHARE				
Net income attributable to ExxonMobil (millions of dollars)	$ 7,350	$ 4,730	$ 21,210	$ 13,230
Weighted average number of common shares outstanding (millions of shares)	5,076	4,784	4,838	4,859
Earnings per common share (dollars)	$ 1.44	$ 0.98	$ 4.38	$ 2.72
EARNINGS PER COMMON SHARE - ASSUMING DILUTION				
Net income attributable to ExxonMobil (millions of dollars)	$ 7,350	$ 4,730	$ 21,210	$ 13,230
Weighted average number of common shares outstanding (millions of shares)	5,076	4,784	4,838	4,859
Effect of employee stock-based awards	13	19	13	19

Weighted average number of common shares outstanding - assuming dilution	5,089	4,803	4,851	4,878
Earnings per common share - assuming dilution (dollars)	$ 1.44	$ 0.98	$ 4.37	$ 2.71

The anti-dilutive options to purchase shares that have been excluded were de minimis.

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6. Pension and Other Postretirement Benefits

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2010	2009	2010	2009
	(millions of dollars)			
Pension Benefits - U.S.				
Components of net benefit cost				
Service cost	$ 125	$ 116	$ 349	$ 325
Interest cost	199	202	598	606
Expected return on plan assets	(182)	(165)	(545)	(493)
Amortization of actuarial loss/(gain) and prior service cost	132	174	396	521
Net pension enhancement and curtailment/settlement cost	127	122	380	364
Net benefit cost	$ 401	$ 449	$ 1,178	$ 1,323
Pension Benefits - Non-U.S.				
Components of net benefit cost				
Service cost	$ 112	$ 111	$ 348	$ 314
Interest cost	288	287	867	823
Expected return on plan assets	(247)	(227)	(741)	(648)
Amortization of actuarial loss/(gain) and prior service cost	137	184	462	528
Net pension enhancement and curtailment/settlement cost	3	0	4	0
Net benefit cost	$ 293	$ 355	$ 940	$ 1,017
Other Postretirement Benefits				
Components of net benefit cost				
Service cost	$ 26	$ 22	$ 78	$ 72
Interest cost	93	98	304	312
Expected return on plan assets	(9)	(9)	(29)	(27)
Amortization of actuarial loss/(gain) and prior service cost	46	59	154	188
Net benefit cost	$ 156	$ 170	$ 507	$ 545

7. Financial and Derivative Instruments

Financial Instruments

The fair value of financial instruments is determined by reference to observable market data and other valuation techniques as appropriate. The only category of financial instruments where the difference between fair value and recorded book value is of significance is long-term debt. The estimated fair value of total long-term debt, including capitalized lease obligations, was $16.1 billion and $7.7 billion, at September 30, 2010 and December 31, 2009, respectively, as compared to recorded book values of $15.2 billion and $7.1 billion at September 30, 2010 and December 31, 2009, respectively.

Derivative Instruments

The Corporation s size, strong capital structure, geographic diversity and the complementary nature of the Upstream, Downstream and Chemical businesses reduce the Corporation s enterprise-wide risk from changes in interest rates, currency rates and commodity prices. As a result, the Corporation historically made limited use of derivatives to mitigate the impact of such changes. The Corporation does not engage in speculative derivative activities or derivative trading activities nor does it use derivatives with leveraged features.

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When the Corporation does enter into derivative transactions, it is to offset exposures associated with interest rates, foreign currency exchange rates and hydrocarbon prices that arise from existing assets, liabilities and forecasted transactions. For derivatives designated as cash flow hedges, the Corporation s activity is intended to manage the price risk posed by physical transactions.

The estimated fair value of derivative instruments outstanding is summarized below. Derivative instruments of $721 million acquired as a result of the XTO merger are included in September 30, 2010, amounts and once the current positions settle, these programs will be discontinued.

	Not Designated as a Hedge		Fair Value Hedge		Cash Flow Hedge		Total Derivatives	
	Sept. 30, 2010	Dec. 31, 2009	Sept. 30, 2010	Dec. 31, 2009	Sept. 30, 2010	Dec. 31, 2009	Sept. 30, 2010	Dec. 31, 2009
	(millions of dollars)							
Other current assets	$ 83	$ 30	$ 1	$ 20	$ 708	$ 0	$ 792	$ 50
Other assets	1	0	0	0	52	0	53	0
Total assets	84	30	1	20	760	0	845	50
Accounts payable and accrued liabilities	89	54	8	1	39	0	136	55
Other long-term obligations	2	0	0	0	1	0	3	0
Total liabilities	91	54	8	1	40	0	139	55
Total net asset/(liability)	$ (7)	$ (24)	$ (7)	$ 19	$ 720	$ 0	$ 706	$ (5)

The fair value measurement hierarchy level associated with the Corporation s derivative instruments is summarized below.

	September 30, 2010		December 31, 2009	
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
	(millions of dollars)			
Commodity derivative instruments	$ 1	$ 712	$ (23)	$ (2)
Foreign currency exchange instruments	$ 0	$ (7)	$ 0	$ 20

The Corporation s fair value measurement of its derivative instruments includes Level 1 inputs for derivatives that are traded directly on the NYMEX and Level 2 inputs for derivatives that are determined by either market prices on an active market for similar assets or by prices quoted by a broker or other market-corroborated prices.

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The before tax gain or (loss) related to derivative instruments for the three months and nine months ended September 30, 2010 and 2009 is summarized below. The ineffective portion of derivatives designated as hedges is recorded either in Sales and other operating revenue or Crude oil and product purchases and the amounts were de minimis.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2010	2009	2010	2009
	(millions of dollars)			
Not Designated as a Hedge:				
Commodity derivative instruments				
Sales and other operating revenue	$ (7)	$ (1)	$ (3)	$ 4
Crude oil and product purchases	(11)	27	16	(70)
Foreign currency instruments				
Crude oil and product purchases	0	(1)	0	(1)
Fair Value Hedge:				
Commodity derivative instruments				
Sales and other operating revenue	2	(1)	3	(64)
Offsetting physical firm commitment	(2)	1	(2)	64
Foreign currency instruments				
Crude oil and product purchases	(40)	(48)	(64)	(30)
Offsetting physical firm commitment	48	52	73	39
Cash Flow Hedge:				
Commodity derivative instruments				
Sales and other operating revenue	80	0	80	0
Total income statement gain/(loss)	$ 70	$ 29	$ 103	$ (58)

The principal commodity futures contracts and swap agreements acquired as part of the XTO merger that are in place as of September 30, 2010, are summarized below. These derivative contracts are designated and qualify for cash flow hedge accounting. The Corporation will receive the cash flow related to these derivative contracts at the prices indicated below. However, the amount of the income statement gain or loss realized from these contracts will be limited to the change in fair value of the derivative instruments from the acquisition date.

Product	Production Period	Volume	Weighted Average NYMEX Price
		(millions of cubic feet daily)	*(per thousand cubic feet)*
Natural Gas	October - December 2010	1,250	$7.49
	January - December 2011	250	$7.02
		(thousands of barrels daily)	*(per barrel)*
Crude Oil	October - December 2010	70	$95.70

The Corporation believes that there are no material market or credit risks to the Corporation s financial position, results of operations or liquidity as a result of the derivative activities described above.

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8. Disclosures about Segments and Related Information

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2010	2009	2010	2009
	(millions of dollars)			
EARNINGS AFTER INCOME TAX				
Upstream				
United States	$ 999	$ 709	$ 2,955	$ 1,882
Non-U.S.	4,468	3,303	13,662	9,445
Downstream				
United States	164	(203)	544	134
Non-U.S.	996	528	1,873	1,836
Chemical				
United States	676	315	1,900	477
Non-U.S.	553	561	1,946	1,116
All other	(506)	(483)	(1,670)	(1,660)
Corporate total	$ 7,350	$ 4,730	$ 21,210	$ 13,230
SALES AND OTHER OPERATING REVENUE *(1)*				
Upstream				
United States	$ 3,278	$ 833	$ 5,625	$ 2,407
Non-U.S.	5,923	4,987	18,181	15,264
Downstream				
United States	22,787	20,568	68,300	54,614
Non-U.S.	51,850	46,112	150,590	123,335
Chemical				
United States	3,352	2,857	10,174	7,022
Non-U.S.	5,160	4,726	16,202	11,726
All other	3	7	11	17
Corporate total	$ 92,353	$ 80,090	$ 269,083	$ 214,385
INTERSEGMENT REVENUE				
Upstream				
United States	$ 1,716	$ 1,752	$ 5,804	$ 4,571
Non-U.S.	9,270	9,446	28,136	23,272
Downstream				
United States	3,213	2,930	10,247	7,167
Non-U.S.	12,624	10,923	37,835	27,327
Chemical				
United States	2,380	1,980	7,302	5,035
Non-U.S.	2,020	1,941	6,174	4,872
All other	78	70	216	213

(1)Includes sales-based taxes

9. Accounting for Suspended Exploratory Well Costs

The Corporation s capitalized suspended exploratory well costs balance was $2,954 million at September 30, 2010, compared to $2,005 million at December 31, 2009. The increase is mainly a result of additions pending the determination of proved reserves.

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10. Acquisition of XTO Energy Inc.

Description of the Transaction

On June 25, 2010, ExxonMobil acquired XTO Energy Inc. (XTO) by merging a wholly-owned subsidiary of ExxonMobil with and into XTO (the merger), with XTO continuing as the surviving corporation and wholly-owned subsidiary of ExxonMobil. XTO is involved in the exploration for, production of, and transportation and sale of crude oil and natural gas. XTO s asset base, technical capabilities and operating expertise together with ExxonMobil s extensive research and development expertise, project management and operational skills, global scale and financial capacity, should enable effective development of additional supplies of unconventional oil and gas resources.

At the effective time of the merger, each share of XTO common stock was converted into the right to receive 0.7098 shares of common stock of ExxonMobil (the Exchange Ratio), with cash being paid in lieu of any fractional shares of ExxonMobil stock. Also at the effective time, each outstanding option to purchase XTO common stock was converted into an option to purchase a number of shares of ExxonMobil stock based on the Exchange Ratio, and each outstanding restricted stock award and performance stock award of XTO was converted into a restricted stock award or performance stock award, as applicable, of ExxonMobil stock based on the Exchange Ratio.

The components of the consideration transferred follow:

		(millions of dollars)
Consideration attributable to stock issued (1) (2)	$	24,480
Consideration attributable to converted stock options (2)		179
Total consideration transferred	$	24,659

(1) The fair value of the Corporation s common stock on the acquisition date was $59.10 per share based on the closing value on the NYSE. The Corporation issued 416 million shares of stock previously held in treasury. The treasury stock issued, based on the average cost, was valued at $21,139 million. The excess of the fair value of the consideration transferred over the cost of treasury stock issued was $3,520 million and was included in common stock without par value.

(2) The portion of the fair value of XTO converted stock-based awards attributable to pre-merger employee service was part of consideration. The remaining fair value of the awards will be recognized in future periods over the requisite service period.

Recording of Assets Acquired and Liabilities Assumed

The transaction was accounted for using the acquisition method of accounting which requires, among other things, that assets acquired and liabilities assumed be recognized at their fair values as of the acquisition date.

The following table summarizes the assets acquired and liabilities assumed:

		(millions of dollars)
Cash and cash equivalents	$	47
Notes and accounts receivable		925
Inventories		170
Other current assets (1)		911
Investments, advances and long-term receivables		52
Property, plant and equipment (2)		47,300
Identifiable intangible assets (3)		493

Goodwill (4)		39
Other assets (1)		75
Total assets acquired	$	50,012
Notes and loans payable (5)	$	1,026
Accounts payable and accrued liabilities (1) (6)		1,788
Income taxes payable		(199)
Long-term debt (5)		10,574
Postretirement benefits reserves		65
Deferred income tax liabilities (6)		11,204
Other long-term obligations (1)		895
Total liabilities assumed	$	25,353
Net assets acquired	$	24,659

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(1) Derivatives were measured using Level 1 inputs for derivatives that are traded directly on the NYMEX and Level 2 inputs for derivatives that are determined by either market prices on an active market for similar assets or by prices quoted by a broker or other market-corroborated prices.

(2) Property, plant and equipment were measured primarily using an income approach. The fair value measurements of the oil and gas assets were based, in part, on significant inputs not observable in the market and thus represent a Level 3 measurement. The significant inputs included XTO resources, assumed future production profiles, commodity prices (mainly based on observable market inputs), risk adjusted discount rate of 7.0 percent, inflation of 2.0 percent and assumptions on the timing and amount of future development and operating costs. The property, plant and equipment additions were segmented to the Upstream business, with substantially all of the assets in the United States.

(3) Identifiable intangible assets and other assets were measured using a combination of an income approach and a market approach (Level 3). Identifiable intangible assets will be amortized over 20 years.

(4) Goodwill was the excess of the consideration transferred over the net assets recognized and represents the future economic benefits arising from other assets acquired that could not be individually identified and separately recognized. Goodwill was recognized in the Upstream reporting unit. Goodwill is not amortized and is not deductible for tax purposes.

(5) Long-term debt was recognized mainly at market rates at closing (Level 1). Long-term debt at closing was as follows:

		(millions of dollars)
Bank Debt:		
Commercial Paper	$	175
Term loan due April 1, 2013, 0.775%		500
Term loan due February 5, 2013, 0.697%		100
Senior Notes:		
5.000% due 2010 includes premium of $1		251
7.500% due 2012 includes premium of $39		389
5.900% due 2012 includes premium of $51		601
6.250% due 2013 includes premium of $51		451
4.625% due 2013 includes premium of $31		431
5.750% due 2013 includes premium of $66		566
4.900% due 2014 includes premium of $45		545
5.000% due 2015 includes premium of $40		388
5.300% due 2015 includes premium of $53		453
5.650% due 2016 includes premium of $58		458
6.250% due 2017 includes premium of $138		874
5.500% due 2018 includes premium of $108		880
6.500% due 2018 includes premium of $209		1,209
6.100% due 2036 includes premium of $101		692
6.750% due 2037 includes premium of $379		1,778
6.375% due 2038 includes premium of $155		859
Total Debt	$	11,600
Less: Current portion		1,026
Long-term Debt	$	10,574

The amounts of long-term debt maturing in each of the four years after December 31, 2010, in millions of dollars, are: 2011 $0, 2012 $900, 2013 $1,300 and 2014 $500.

During the quarter ended June 30, 2010, the commercial paper was repaid. During the third quarter of 2010, XTO term loans of $600 million were repaid, the XTO 5% senior note due in 2010 matured, and XTO fixed-rate bonds with a book value of $2.6 billion were repurchased via tender offers.

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(6) Deferred income taxes reflect the temporary differences between the amount of assets and liabilities recognized for financial reporting purposes and such amounts recognized for tax purposes. The deferred income taxes recorded as part of the XTO merger were:

	(millions of dollars)
Property, plant and equipment	$ 12,238
Other	367
Total deferred tax liabilities	$ 12,605
Asset retirement obligations	$ (324)
Other	(769)
Total deferred tax assets	$ (1,093)
Net deferred tax liabilities	$ 11,512

Deferred income tax (assets) and liabilities are included in the table summarizing assets acquired and liabilities assumed as shown below.

	(millions of dollars)
Accounts payable and accrued liabilities	$ 308
Deferred income tax liabilities	11,204
Net deferred tax liabilities	$ 11,512

XTO Results and Pro Forma Impact of Merger

The following table presents revenues and earnings for XTO for the periods presented:

	Three Months Ended September 30, 2010	Acquisition Date Through September 30, 2010
	(millions of dollars)	
Revenues	$ 2,231	$ 2,302
Upstream earnings	$ 153	$ 139

Transaction-related costs were expensed as incurred. The Corporation recognized $17 million in transaction costs related to the merger in the nine months ended September 30, 2010.

The following table presents pro forma information for the Corporation as if the merger of XTO had occurred at the beginning of each year presented:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2010	2009	2010	2009
	(millions of dollars, except per share amounts)			

Revenues	$ 95,298	$ 83,786	$ 281,180	$ 225,040
Net income attributable to ExxonMobil	$ 7,350	$ 4,864	$ 21,418	$ 13,410
Earnings per common share (dollars)	$ 1.44	$ 0.93	$ 4.19	$ 2.54
Earnings per common share assuming dilution (dollars)	$ 1.44	$ 0.93	$ 4.18	$ 2.53

The historical financial information was adjusted to give effect to the pro forma events that were directly attributable to the merger and factually supportable. The unaudited pro forma consolidated results are not necessarily indicative of what the consolidated results of operations actually would have been had

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the merger been completed on January 1, 2010, or on January 1, 2009. In addition, the unaudited pro forma consolidated results do not purport to project the future results of operations of the combined company. The unaudited pro forma consolidated results reflect pro forma adjustments for the elimination of deferred gains and losses recognized in earnings for derivatives outstanding at the beginning of the year presented, depreciation expense related to the fair value adjustment to property, plant and equipment acquired, additional amortization expense related to the fair value of identifiable intangible assets acquired, capitalization of interest expense and applicable income tax impacts.

Incentive Program

Under the terms of the merger agreement, outstanding XTO stock-based awards were converted into ExxonMobil stock-based awards based on the merger exchange ratio. The converted XTO awards, granted under XTO s 1998 or 2004 Stock Incentive Plans, include restricted stock awards, stock options and performance stock awards. The grant date for the converted XTO awards is considered to be the effective date of the merger for purposes of calculating fair value. Compensation cost for the converted XTO awards will be recognized in income over the requisite service period. The maximum term of the XTO awards is ten years under the 1998 plan and seven years under the 2004 plan. No additional awards will be issued under either XTO plan. In connection with the closing of the merger, the Corporation also made new grants of restricted stock under the Corporation s 2003 Incentive Program to certain current or former XTO employees as described in more detail below.

Restricted Stock

Long-term incentive awards totaling 4,206 thousand of restricted (nonvested) common stock were granted in association with the XTO merger. This included the granting of 1,423 thousand of restricted common stock awards under the Corporation s 2003 Incentive Program and 2,783 thousand of converted XTO restricted common stock awards. Compensation cost for the restricted stock awards is based on the price of the stock at the date of grant. During the applicable restriction periods, the shares may not be sold or transferred and are subject to forfeiture. Otherwise, holders of restricted stock awards generally have all voting, dividend and other rights of other common stockholders.

The majority of the awards granted under the Corporation s 2003 Incentive Program have graded vesting periods, with 50 percent of the shares in each award vesting after three years and the remaining 50 percent vesting after seven years. In addition, awards granted to certain former senior executives of XTO in connection with consulting agreements negotiated as part of the merger have vesting periods of one year for 50 percent of the award and of two or three years for the remaining 50 percent of the award, depending on the actual term of the consulting engagements.

The majority of the converted XTO awards vest in three installments over a period of three years or three and a half years after the initial grant. The remainder of converted XTO awards which were granted to certain senior XTO employees will vest on the first anniversary of the effective date of the merger.

The following table summarizes information about the merger related restricted stock awards issued.

Restricted Stock	Shares (thousands)	Fair Value at Date of Grant (millions of dollars)	Weighted Average Grant-Date Fair Value per Share
Awards granted under 2003			
Incentive Program	1,423	$ 85	$ 59.67
Converted XTO awards	2,783	$ 165	$ 59.13

Unrecognized compensation cost of $175 million related to the restricted stock awards detailed above is expected to be recognized over a weighted average period of 3.1 years.

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Performance Stock

The Corporation granted 157 thousand of converted XTO performance stock awards. Compensation cost for the performance stock awards is based on the estimated grant date fair values. The XTO performance stock awards vest depending on the achievement of certain XTO common stock price thresholds. Upon conversion of these awards to ExxonMobil performance stock awards in connection with the merger, the performance thresholds were adjusted to equivalent market price thresholds for common stock of the Corporation. The performance stock awards are subject to forfeiture if the performance criteria are not met within the maximum term. Otherwise, holders of performance stock awards generally have all voting, dividend and other rights of other common stockholders. The table below shows the number of shares and vesting prices of these converted performance stock awards.

Performance Stock

Awards (in thousands)	Vesting Price
55	$ 70.45
51	$ 108.49
51	$ 119.76

The following table summarizes information about the merger related performance stock awards issued.

Performance stock	Shares (thousands)	Fair Value at Date of Grant (millions of dollars)	Weighted Average Grant-Date Fair Value per Share
Converted XTO awards	157	$ 5	$ 30.64

Unrecognized compensation cost of $4 million related to the performance stock awards detailed above is expected to be recognized over a weighted average period of 1.2 years.

Stock Options

The Corporation granted 12,393 thousand of converted XTO stock options as a result of the XTO merger. The converted XTO stock option awards are accounted for under current authoritative guidance which requires the measurement and recognition of compensation expense based on estimated grant date fair values. The stock options granted by XTO generally vest and become exercisable ratably over a three-year period, and may include a provision for accelerated vesting when the common stock price reaches specified levels. Some stock option tranches vest only when the common stock price reaches specified levels. Upon conversion of these stock options to ExxonMobil stock options in connection with the merger, the performance thresholds were adjusted to equivalent market price thresholds for common stock of the Corporation. The table below shows the terms under which the converted XTO stock option awards vest.

Unvested Stock Options (in thousands)	Vesting Term/Price
206	Ratably over 3 years
190	$ 70.45
189	$ 76.08
1	$ 77.49
307	$ 126.80

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The following table summarizes information about the merger related stock options issued.

Stock Options	Shares (thousands)	Fair Value at Date of Grant (millions of dollars)	Average Exercise Price	Weighted Average Remaining Contractual Term
Converted XTO awards	12,393	$ 182	$ 55.15	3.6 years
Exercisable	11,500	$ 176	$ 53.36	3.4 years

The intrinsic value for these stock options is $129 million. Unrecognized compensation cost of $3 million related to the non-vested stock options detailed above is expected to be recognized over a weighted average period of 1.3 years.

Estimated Fair Value of Grants

For restricted stock grants, the fair value was equal to the price of the common stock on the grant date. For the converted XTO stock options and performance stock, the Corporation used a Monte Carlo simulation model to estimate fair value. The Monte Carlo simulation model requires inputs for the risk-free interest rate, dividend yield, volatility, contract term, target vesting price, post-vesting turnover rate and suboptimal exercise factor. Expected life, derived vesting period and fair value are outputs of this model.

The risk-free interest rate is based on the constant maturity nominal rates of U.S. Treasury securities with remaining lives throughout the contract term on the day of the grant. The dividend yield is the expected common stock annual dividend yield over the expected life of the option or performance stock, expressed as a percentage of the stock price on the date of grant. The volatility factors are based on a combination of both the historical volatilities of ExxonMobil s stock and the implied volatility of traded options on ExxonMobil common stock. Estimates of fair value are not intended to predict actual future events or the value ultimately realized by certain employees who receive stock option grants, and subsequent events are not indicative of the reasonableness of the original fair value estimates.

The total estimated fair value calculated at acquisition for the converted XTO stock-based awards was $352 million.

Fair values were determined using the following assumptions:

Weighted average expected term (years)	2.5
Range of risk-free interest rates	0.1% - 2.6%
Weighted average risk-free interest rates	0.9%
Dividend yield	3.0%
Weighted average volatility	28.5%
Range of volatility	22.5% - 33.6%

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11. Condensed Consolidating Financial Information Related to Guaranteed Securities Issued by Subsidiaries

Exxon Mobil Corporation has fully and unconditionally guaranteed the deferred interest debentures due 2012 ($2,328 million long-term at September 30, 2010) and the debt securities due 2010-2011 ($13 million long-term and $13 million short-term) of SeaRiver Maritime Financial Holdings, Inc., a 100 percent owned subsidiary of Exxon Mobil Corporation.

The following condensed consolidating financial information is provided for Exxon Mobil Corporation, as guarantor, and for SeaRiver Maritime Financial Holdings, Inc., as issuer, as an alternative to providing separate financial statements for the issuer. The accounts of Exxon Mobil Corporation and SeaRiver Maritime Financial Holdings, Inc. are presented utilizing the equity method of accounting for investments in subsidiaries.

	Exxon Mobil Corporation Parent Guarantor	SeaRiver Maritime Financial Holdings Inc.	All Other Subsidiaries	Consolidating and Eliminating Adjustments	Consolidated
			(millions of dollars)		
Condensed consolidated statement of income for three months ended September 30, 2010					
Revenues and other income					
Sales and other operating revenue, including sales-based taxes	$ 3,835	$	$ 88,518	$	$ 92,353
Income from equity affiliates	6,858	(3)	2,422	(6,834)	2,443
Other income	106		396		502
Intercompany revenue	9,244	1	81,258	(90,503)	
Total revenues and other income	20,043	(2)	172,594	(97,337)	95,298
Costs and other deductions					
Crude oil and product purchases	9,545		127,361	(88,031)	48,875
Production and manufacturing expenses	1,972		8,229	(1,219)	8,982
Selling, general and administrative expenses	693		3,190	(176)	3,707
Depreciation and depletion	410		3,434		3,844
Exploration expenses, including dry holes	35		465		500
Interest expense	67	62	1,020	(1,095)	54
Sales-based taxes			7,172		7,172
Other taxes and duties	8		9,298		9,306
Total costs and other deductions	12,730	62	160,169	(90,521)	82,440
Income before income taxes	7,313	(64)	12,425	(6,816)	12,858
Income taxes	(37)	(23)	5,357		5,297
Net income including noncontrolling interests	7,350	(41)	7,068	(6,816)	7,561
Net income attributable to noncontrolling interests			211		211
Net income attributable to ExxonMobil	$ 7,350	$ (41)	$ 6,857	$ (6,816)	$ 7,350

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	Exxon Mobil Corporation Parent Guarantor	SeaRiver Maritime Financial Holdings Inc.	All Other Subsidiaries	Consolidating and Eliminating Adjustments	Consolidated
			(millions of dollars)		
Condensed consolidated statement of income for three months ended September 30, 2009					
Revenues and other income					
Sales and other operating revenue, including sales-based taxes	$ 3,207	$	$ 76,883	$	$ 80,090
Income from equity affiliates	5,238	1	1,648	(5,212)	1,675
Other income	170		325		495
Intercompany revenue	8,067	1	74,420	(82,488)	
Total revenues and other income	16,682	2	153,276	(87,700)	82,260
Costs and other deductions					
Crude oil and product purchases	8,844		112,285	(79,440)	41,689
Production and manufacturing expenses	1,924		7,681	(1,508)	8,097
Selling, general and administrative expenses	783		3,289	(185)	3,887
Depreciation and depletion	405		2,522		2,927
Exploration expenses, including dry holes	59		436		495
Interest expense	174	55	1,208	(1,375)	62
Sales-based taxes			6,805		6,805
Other taxes and duties	4		9,090		9,094
Total costs and other deductions	12,193	55	143,316	(82,508)	73,056
Income before income taxes	4,489	(53)	9,960	(5,192)	9,204
Income taxes	(241)	(20)	4,594		4,333
Net income including noncontrolling interests	4,730	(33)	5,366	(5,192)	4,871
Net income attributable to noncontrolling interests			141		141
Net income attributable to ExxonMobil	$ 4,730	$ (33)	$ 5,225	$ (5,192)	$ 4,730
Condensed consolidated statement of income for nine months ended September 30, 2010					
Revenues and other income					
Sales and other operating revenue, including sales-based taxes	$ 11,622	$	$ 257,461	$	$ 269,083
Income from equity affiliates	20,445	(3)	7,151	(20,369)	7,224
Other income	403		1,325		1,728
Intercompany revenue	28,330	3	242,859	(271,192)	
Total revenues and other income	60,800		508,796	(291,561)	278,035
Costs and other deductions					
Crude oil and product purchases	29,886		377,952	(263,709)	144,129
Production and manufacturing expenses	5,741		23,882	(3,830)	25,793
Selling, general and administrative expenses	2,159		9,191	(522)	10,828
Depreciation and depletion	1,268		9,222		10,490
Exploration expenses, including dry holes	163		1,430		1,593
Interest expense	199	185	2,949	(3,184)	149
Sales-based taxes			20,933		20,933
Other taxes and duties	23		26,465		26,488
Total costs and other deductions	39,439	185	472,024	(271,245)	240,403
Income before income taxes	21,361	(185)	36,772	(20,316)	37,632
Income taxes	151	(68)	15,667		15,750

Net income including noncontrolling interests	21,210	(117)	21,105	(20,316)	21,882
Net income attributable to noncontrolling interests			672		672
Net income attributable to ExxonMobil	$ 21,210	$ (117)	$ 20,433	$ (20,316)	$ 21,210

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	Exxon Mobil Corporation Parent Guarantor	SeaRiver Maritime Financial Holdings Inc.	All Other Subsidiaries	Consolidating and Eliminating Adjustments	Consolidated
			(millions of dollars)		
Condensed consolidated statement of income for nine months ended September 30, 2009					
Revenues and other income					
Sales and other operating revenue, including sales-based taxes	$ 8,007	$	$ 206,378	$	$ 214,385
Income from equity affiliates	14,261	5	4,658	(14,196)	4,728
Other income	755		877		1,632
Intercompany revenue	21,373	3	191,720	(213,096)	
Total revenues and other income	44,396	8	403,633	(227,292)	220,745
Costs and other deductions					
Crude oil and product purchases	21,429		288,562	(203,605)	106,386
Production and manufacturing expenses	5,803		22,433	(4,131)	24,105
Selling, general and administrative expenses	2,001		9,385	(532)	10,854
Depreciation and depletion	1,133		7,591		8,724
Exploration expenses, including dry holes	191		1,145		1,336
Interest expense	1,132	166	4,102	(4,888)	512
Sales-based taxes			18,927		18,927
Other taxes and duties	(30)		25,360		25,330
Total costs and other deductions	31,659	166	377,505	(213,156)	196,174
Income before income taxes	12,737	(158)	26,128	(14,136)	24,571
Income taxes	(493)	(61)	11,606		11,052
Net income including noncontrolling interests	13,230	(97)	14,522	(14,136)	13,519
Net income attributable to noncontrolling interests			289		289
Net income attributable to ExxonMobil	$ 13,230	$ (97)	$ 14,233	$ (14,136)	$ 13,230

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	Exxon Mobil Corporation Parent Guarantor	SeaRiver Maritime Financial Holdings Inc.	All Other Subsidiaries	Consolidating and Eliminating Adjustments	Consolidated
			(millions of dollars)		
Condensed consolidated balance sheet as of September 30, 2010					
Cash and cash equivalents	$ 386	$	$ 11,858	$	$ 12,244
Marketable securities			15		15
Notes and accounts receivable - net	3,293	38	28,523	(1,610)	30,244
Inventories	1,491		12,811		14,302
Other current assets	463		5,365		5,828
Total current assets	5,633	38	58,572	(1,610)	62,633
Property, plant and equipment - net	18,346		177,094		195,440
Investments and other assets	240,901	469	461,178	(660,627)	41,921
Intercompany receivables	17,553	2,409	467,724	(487,686)	
Total assets	$ 282,433	$ 2,916	$ 1,164,568	$ (1,149,923)	$ 299,994
Notes and loan payables	$ 982	$ 13	$ 2,051	$	$ 3,046
Accounts payable and accrued liabilities	2,988		45,263		48,251
Income taxes payable			12,053	(1,610)	10,443
Total current liabilities	3,970	13	59,367	(1,610)	61,740
Long-term debt	296	2,341	12,611		15,248
Postretirement benefits reserves	9,131		8,881		18,012
Deferred income tax liabilities	960	122	34,222		35,304
Other long-term obligations	4,517		14,573		19,090
Intercompany payables	118,528	382	368,776	(487,686)	
Total liabilities	137,402	2,858	498,430	(489,296)	149,394
Earnings reinvested	291,861	(811)	124,603	(123,792)	291,861
Other ExxonMobil equity	(146,830)	869	535,966	(536,835)	(146,830)
ExxonMobil share of equity	145,031	58	660,569	(660,627)	145,031
Noncontrolling interests			5,569		5,569
Total equity	145,031	58	666,138	(660,627)	150,600
Total liabilities and equity	$ 282,433	$ 2,916	$ 1,164,568	$ (1,149,923)	$ 299,994
Condensed consolidated balance sheet as of December 31, 2009					
Cash and cash equivalents	$ 449	$	$ 10,244	$	$ 10,693
Marketable securities			169		169
Notes and accounts receivable - net	2,050		25,858	(263)	27,645
Inventories	1,202		10,351		11,553
Other current assets	313		4,862		5,175
Total current assets	4,014		51,484	(263)	55,235
Property, plant and equipment - net	18,015		121,101		139,116
Investments and other assets	199,317	473	446,788	(607,606)	38,972
Intercompany receivables	19,637	2,257	442,903	(464,797)	
Total assets	$ 240,983	$ 2,730	$ 1,062,276	$ (1,072,666)	$ 233,323

Notes and loan payables	$ 43	$ 13	$ 2,420	$	$ 2,476
Accounts payable and accrued liabilities	2,779		38,496		41,275
Income taxes payable		2	8,571	(263)	8,310
Total current liabilities	2,822	15	49,487	(263)	52,061
Long-term debt	279	2,157	4,693		7,129
Postretirement benefits reserves	8,673		9,269		17,942
Deferred income tax liabilities	818	151	22,179		23,148
Other long-term obligations	5,286		12,365		17,651
Intercompany payables	112,536	382	351,879	(464,797)	
Total liabilities	130,414	2,705	449,872	(465,060)	117,931
Earnings reinvested	276,937	(694)	109,603	(108,909)	276,937
Other ExxonMobil equity	(166,368)	719	497,978	(498,697)	(166,368)
ExxonMobil share of equity	110,569	25	607,581	(607,606)	110,569
Noncontrolling interests			4,823		4,823
Total equity	110,569	25	612,404	(607,606)	115,392
Total liabilities and equity	$ 240,983	$ 2,730	$ 1,062,276	$ (1,072,666)	$ 233,323

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	Exxon Mobil Corporation Parent Guarantor	SeaRiver Maritime Financial Holdings Inc.	All Other Subsidiaries	Consolidating and Eliminating Adjustments	Consolidated
			(millions of dollars)		
Condensed consolidated statement of cash flows for nine months ended September 30, 2010					
Cash provided by/(used in) operating activities	$ 32,326	$ 2	$ 8,463	$ (5,433)	$ 35,358
Cash flows from investing activities					
Additions to property, plant and equipment	(2,459)		(16,742)		(19,201)
Sales of long-term assets	528		1,079		1,607
Net intercompany investing	(18,096)	(152)	17,894	354	
All other investing, net	7		463		470
Net cash provided by/(used in) investing activities	(20,020)	(152)	2,694	354	(17,124)
Cash flows from financing activities					
Additions to long-term debt			374		374
Reductions in long-term debt			(2,587)		(2,587)
Additions/(reductions) in short-term debt - net	936		(1,665)		(729)
Cash dividends	(6,286)		(5,433)	5,433	(6,286)
Net ExxonMobil shares sold/(acquired)	(7,066)				(7,066)
Net intercompany financing activity			204	(204)	
All other financing, net	47	150	(247)	(150)	(200)
Net cash provided by/(used in) financing activities	(12,369)	150	(9,354)	5,079	(16,494)
Effects of exchange rate changes on cash			(189)		(189)
Increase/(decrease) in cash and cash equivalents	$ (63)	$	$ 1,614	$	$ 1,551
Condensed consolidated statement of cash flows for nine months ended September 30, 2009					
Cash provided by/(used in) operating activities	$ (1,554)	$ 2	$ 21,764	$ (278)	$ 19,934
Cash flows from investing activities					
Additions to property, plant and equipment	(1,999)		(13,729)		(15,728)
Sales of long-term assets	191		892		1,083
Net intercompany investing	22,485	(152)	(22,646)	313	
All other investing, net			(1,352)		(1,352)
Net cash provided by/(used in) investing activities	20,677	(152)	(36,835)	313	(15,997)
Cash flows from financing activities					
Additions to long-term debt			192		192
Reductions in long-term debt			(27)		(27)
Additions/(reductions) in short-term debt - net			(202)		(202)
Cash dividends	(6,031)		(278)	278	(6,031)
Net ExxonMobil shares sold/(acquired)	(17,035)				(17,035)
Net intercompany financing activity			163	(163)	
All other financing, net	79	150	(364)	(150)	(285)

Net cash provided by/(used in) financing activities	(22,987)	150	(516)	(35)	(23,388)
Effects of exchange rate changes on cash			486		486
Increase/(decrease) in cash and cash equivalents	$ (3,864)	$	$ (15,101)	$	$ (18,965)

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EXXON MOBIL CORPORATION

Item 2. Management s Discussion and Analysis of Financial Condition and Results of Operations

FUNCTIONAL EARNINGS SUMMARY

Earnings (U.S. GAAP)	Third Quarter 2010	Third Quarter 2009	First Nine Months 2010	First Nine Months 2009
	(millions of dollars)			
Upstream				
United States	$ 999	$ 709	$ 2,955	$ 1,882
Non-U.S.	4,468	3,303	13,662	9,445
Downstream				
United States	164	(203)	544	134
Non-U.S.	996	528	1,873	1,836
Chemical				
United States	676	315	1,900	477
Non-U.S.	553	561	1,946	1,116
Corporate and financing	(506)	(483)	(1,670)	(1,660)
Net Income attributable to ExxonMobil (U.S. GAAP)	**$ 7,350**	**$ 4,730**	**$ 21,210**	**$ 13,230**
Earnings per common share (dollars)	$ 1.44	$ 0.98	$ 4.38	$ 2.72
Earnings per common share - assuming dilution (dollars)	$ 1.44	$ 0.98	$ 4.37	$ 2.71
Special items included in earnings				
Corporate and financing				
Valdez litigation	$ 0	$ 0	$ 0	$ (140)

References in this discussion to total corporate earnings mean net income attributable to ExxonMobil (U.S. GAAP) from the income statement. Unless otherwise indicated, references to earnings, special items, Upstream, Downstream, Chemical and Corporate and Financing segment earnings, and earnings per share are ExxonMobil s share after excluding amounts attributable to noncontrolling interests.

REVIEW OF THIRD QUARTER 2010 RESULTS

Third quarter earnings were $7,350 million, up 55 percent from third quarter of last year due to higher crude oil and natural gas realizations, improved refining margins, and solid chemical results. Despite continuing economic uncertainty, we had strong quarterly results and continued to advance our robust investment opportunities.

Capital and exploration spending for the first nine months of 2010 was $22.2 billion, up 18 percent from the first nine months of last year.

The Corporation returned over $5 billion to shareholders in the third quarter through dividends and share purchases to reduce shares outstanding.

Earnings in the first nine months of $21,210 million ($4.37 per share) increased $7,980 million from 2009.

Earnings were up 60 percent from 2009. Earnings for 2009 included a special charge of $140 million for interest related to the Valdez punitive damages award. Earnings for the first nine months of 2010 did not include any special items.

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	Third Quarter		First Nine Months	
	2010	2009	2010	2009
	(millions of dollars)			
Upstream earnings				
United States	$ 999	$ 709	$ 2,955	$ 1,882
Non-U.S.	4,468	3,303	13,662	9,445
Total	$ 5,467	$ 4,012	$ 16,617	$ 11,327

Upstream earnings in the third quarter of 2010 were $5,467 million, up $1,455 million from the third quarter of 2009. Higher crude oil and natural gas realizations increased earnings by $1 billion, while higher liquids and gas volumes improved earnings by $270 million.

On an oil-equivalent basis, production increased over 20 percent from the third quarter of 2009. Excluding the impacts of entitlement volumes, OPEC quota effects and divestments, production was up 20 percent.

Liquids production totaled 2,421 kbd (thousands of barrels per day), up 86 kbd or nearly 4 percent from the third quarter of 2009. Excluding the impacts of entitlement volumes, OPEC quota effects and divestments, liquids production was up 3 percent, as increased production from projects in Qatar and the addition of XTO volumes more than offset net field decline.

Third quarter natural gas production was 12,192 mcfd (millions of cubic feet per day), up 4,037 mcfd from 2009, driven by additional U.S. unconventional gas volumes and project ramp-ups in Qatar.

Earnings from U.S. Upstream operations were $999 million, $290 million higher than the third quarter of 2009. Non-U.S. Upstream earnings were $4,468 million, up $1,165 million from last year.

Upstream earnings for the first nine months of 2010 were $16,617 million, up $5,290 million from 2009. Higher crude oil and natural gas realizations increased earnings approximately $5.1 billion. The favorable impact of higher volumes of $590 million was partially offset by higher operating costs of $340 million.

On an oil-equivalent basis, production was up 11 percent compared to the first nine months of 2009. Excluding the impacts of entitlement volumes, OPEC quota effects and divestments, production was up 12 percent.

Liquids production of 2,387 kbd increased 2 kbd compared with 2009. Excluding the impacts of entitlement volumes, OPEC quota effects and divestments, liquids production increased 1 percent compared with 2009, as new volumes from project ramp-ups in Qatar were offset by net field decline.

Natural gas production of 11,304 mcfd increased 2,518 mcfd from 2009, driven by higher volumes from Qatar projects and additional U.S. unconventional gas volumes.

Earnings from U.S. Upstream operations for 2010 were $2,955 million, an increase of $1,073 million from 2009. Non-U.S. earnings were $13,662 million, up $4,217 million from 2009.

	Third Quarter		First Nine Months	
	2010	2009	2010	2009
	(millions of dollars)			
Downstream earnings				

United States	$ 164	$ (203)	$ 544	$ 134
Non-U.S.	996	528	1,873	1,836
Total	$ 1,160	$ 325	$ 2,417	$ 1,970

Third quarter Downstream earnings of $1,160 million were up $835 million from the third quarter of 2009. Higher industry refining margins, partly offset by lower marketing margins increased earnings by $300 million. Volume and product mix effects increased earnings by $150 million while other factors, mainly asset sales and favorable foreign exchange impacts, increased earnings by $390 million. Petroleum product sales of 6,574 kbd were 273 kbd higher than last year s third quarter, mainly reflecting higher demand.

Earnings from the U.S. Downstream were $164 million, up $367 million from the third quarter of 2009. Non-U.S. Downstream earnings of $996 million were $468 million higher than last year.

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Downstream earnings for the first nine months of 2010 of $2,417 million were $447 million higher than 2009. Positive sales volume mix effects increased earnings by $430 million. Negative foreign exchange impacts of $320 million were offset by favorable tax items. Petroleum product sales of 6,359 kbd decreased 48 kbd.

U.S. Downstream earnings were $544 million, up $410 million from 2009. Non-U.S. Downstream earnings were $1,873 million, $37 million higher than last year.

	Third Quarter		First Nine Months	
	2010	2009	2010	2009
	(millions of dollars)			
Chemical earnings				
United States	$ 676	$ 315	$ 1,900	$ 477
Non-U.S.	553	561	1,946	1,116
Total	$ 1,229	$ 876	$ 3,846	$ 1,593

Third quarter 2010 Chemical earnings of $1,229 million were $353 million higher than the third quarter of 2009. Improved margins increased earnings by $370 million. Third quarter prime product sales of 6,558 kt (thousands of metric tons) were 202 kt higher than the prior year primarily due to improved global demand and start-up of the Fujian facility in China.

Chemical earnings of $3,846 million increased $2,253 million from the first nine months of 2009. Improved margins increased earnings by approximately $1.7 billion while higher volumes increased earnings about $370 million. Prime product sales of 19,542 kt were up 1,392 kt from 2009.

	Third Quarter		First Nine Months	
	2010	2009	2010	2009
	(millions of dollars)			
Corporate and financing earnings	$ (506)	$ (483)	$ (1,670)	$ (1,660)
Special items included in earnings				
Corporate and financing				
Valdez litigation	$ 0	$ 0	$ 0	$ (140)

Corporate and financing expenses were $506 million during the third quarter of 2010, up $23 million from the third quarter of 2009.

Corporate and financing expenses were $1,670 million for the first nine months of 2010, up $10 million from 2009 mainly due to a tax charge related to the U.S. health care legislation during the first quarter of 2010 partially offset by the absence of the 2009 Valdez litigation charge.

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LIQUIDITY AND CAPITAL RESOURCES

	Third Quarter		First Nine Months	
	2010	2009	2010	2009
	(millions of dollars)			
Net cash provided by/(used in)				
Operating activities			$ 35,358	$ 19,934
Investing activities			(17,124)	(15,997)
Financing activities			(16,494)	(23,388)
Effect of exchange rate changes			(189)	486
Increase/(decrease) in cash and cash equivalents			$ 1,551	$ (18,965)
Cash and cash equivalents (at end of period)			$ 12,244	$ 12,472
Cash flow from operations and asset sales				
Net cash provided by operating activities (U.S. GAAP)	$ 13,077	$ 8,827	$ 35,358	$ 19,934
Sales of subsidiaries, investments and property, plant and equipment	755	172	1,607	1,083
Cash flow from operations and asset sales	$ 13,832	$ 8,999	$ 36,965	$ 21,017

Because of the ongoing nature of our asset management and divestment program, we believe it is useful for investors to consider asset sales proceeds together with cash provided by operating activities when evaluating cash available for investment in the business and financing activities.

Total cash and cash equivalents of $12.2 billion at the end of the third quarter of 2010 compared to $12.5 billion at the end of the third quarter of 2009.

Cash provided by operating activities totaled $35.4 billion for the first nine months of 2010, $15.4 billion higher than 2009. The major source of funds was net income including noncontrolling interests of $21.9 billion, adjusted for the noncash provision of $10.5 billion for depreciation and depletion, both of which increased. Changes in operational working capital added to cash flows in 2010. All other items net in 2009 included $4.1 billion of pension fund contributions. For additional details, see the Condensed Consolidated Statement of Cash Flows on page 5.

Investing activities for the first nine months of 2010 used net cash of $17.1 billion compared to $16.0 billion in the prior year. Spending for additions to property, plant and equipment increased $3.5 billion to $19.2 billion.

Cash flow from operations and asset sales in the third quarter of 2010 of $13.8 billion, including asset sales of $0.8 billion, increased $4.8 billion from the comparable 2009 period. Cash flow from operations and asset sales in the first nine months of 2010 of $37.0 billion, including asset sales of $1.6 billion, increased $15.9 billion from 2009.

Net cash used in financing activities of $16.5 billion in the first nine months of 2010 was $6.9 billion lower reflecting a lower level of purchases of shares of ExxonMobil stock. The Corporation s acquisition of all the outstanding equity of XTO Energy Inc. in 2010 was a non-cash, all-stock transaction valued at $24.7 billion.

During the third quarter of 2010, Exxon Mobil Corporation purchased 54 million shares of its common stock for the treasury at a gross cost of $3.3 billion. These purchases included $3 billion to reduce the number of shares outstanding, with the balance used to offset shares issued in conjunction with the company s benefit plans and programs. Shares outstanding decreased from 5,092 million at the end of the second quarter to 5,043 million at the end of the third quarter. Purchases may be made in both the open market and through negotiated transactions, and may be increased, decreased or discontinued at any time without prior notice.

The Corporation distributed to shareholders a total of $5.2 billion in the third quarter of 2010 through dividends and share purchases to reduce shares outstanding.

Total debt of $18.3 billion at September 30, 2010, which included $8.0 billion of debt in connection with the XTO acquisition, compared to $9.6 billion at year-end 2009. The Corporation s debt to total capital ratio was 10.8 percent at the end of the third quarter of 2010 compared to 7.7 percent at year-end 2009.

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Although the Corporation issues long-term debt from time to time and maintains a revolving commercial paper program, internally generated funds are expected to cover the majority of its net near-term financial requirements. Effective with the closing of the merger, XTO s long-term debt securities were unconditionally guaranteed by ExxonMobil. The guarantees may be revoked by the Corporation under certain conditions. During the third quarter of 2010, XTO term loans of $600 million were repaid, the XTO 5% senior note due in 2010 matured, and XTO fixed-rate bonds with a book value of $2.6 billion were repurchased via tender offers. The Corporation expects to consider additional opportunities to restructure XTO debt where economic.

The Corporation, as part of its ongoing asset management program, continues to evaluate its mix of assets for potential upgrade. Because of the ongoing nature of this program, dispositions will continue to be made from time to time which will result in either gains or losses.

In accordance with a nationalization decree issued by Venezuela s president in February 2007, by May 1, 2007, a subsidiary of the Venezuelan National Oil Company (PdVSA) assumed the operatorship of the Cerro Negro Heavy Oil Project. This Project had been operated and owned by ExxonMobil affiliates holding a 41.67 percent ownership interest in the Project. The decree also required conversion of the Cerro Negro Project into a mixed enterprise and an increase in PdVSA s or one of its affiliate s ownership interest in the Project, with the stipulation that if ExxonMobil refused to accept the terms for the formation of the mixed enterprise within a specified period of time, the government would directly assume the activities carried out by the joint venture. ExxonMobil refused to accede to the terms proffered by the government, and on June 27, 2007, the government expropriated ExxonMobil s 41.67 percent interest in the Cerro Negro Project.

On September 6, 2007, affiliates of ExxonMobil filed a Request for Arbitration with the International Centre for Settlement of Investment Disputes (ICSID) invoking ICSID jurisdiction under Venezuela s Investment Law and the Netherlands-Venezuela Bilateral Investment Treaty. The ICSID Tribunal issued a decision on June 10, 2010, finding that it had jurisdiction to proceed on the basis of the Netherlands-Venezuela Bilateral Investment Treaty. The ICSID arbitration proceeding is continuing. An affiliate of ExxonMobil has also filed an arbitration under the rules of the International Chamber of Commerce (ICC) against PdVSA and a PdVSA affiliate for breach of their contractual obligations under certain Cerro Negro Project agreements. Hearings on the merits of the case were held during August and September 2010. The parties filed post-hearing briefs in the ICC arbitration on October 25, 2010, with reply briefs due to be filed on November 8, 2010. At this time, the net impact of this matter on the Corporation s consolidated financial results cannot be reasonably estimated. However, the Corporation does not expect the resolution to have a material effect upon the Corporation s operations or financial condition. ExxonMobil s remaining net book investment in Cerro Negro producing assets is about $750 million.

TAXES

	Third Quarter		First Nine Months	
	2010	2009	2010	2009
	(millions of dollars)			
Income taxes	$ 5,297	$ 4,333	$ 15,750	$ 11,052
Effective income tax rate	*45%*	*50%*	*46%*	*48%*
Sales-based taxes	7,172	6,805	20,933	18,927
All other taxes and duties	10,071	9,729	28,664	27,442
Total	$ 22,540	$ 20,867	$ 65,347	$ 57,421

Income, sales-based and all other taxes and duties for the third quarter of 2010 of $22,540 million were higher than 2009. In the third quarter of 2010 income tax expense increased to $5,297 million reflecting the higher level of earnings and the effective income tax rate was 45 percent, compared to $4,333 million and 50 percent, respectively, in the prior year period. Sales-based taxes and all other taxes and duties increased slightly in 2010.

Income, sales-based and all other taxes and duties for the first nine months of 2010 of $65,347 million were higher than 2009. In the first nine months of 2010 income tax expense increased to $15,750 million reflecting the higher level of earnings and the effective income tax rate was 46 percent, compared to $11,052 million and 48 percent, respectively, in the prior year period. Sales-based taxes and all other taxes and duties increased in 2010 reflecting higher prices.

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CAPITAL AND EXPLORATION EXPENDITURES

	Third Quarter		First Nine Months	
	2010	2009	2010	2009
	(millions of dollars)			
Upstream (including exploration expenses)	$ 7,632	$ 4,907	$ 18,520	$ 14,178
Downstream	558	831	1,816	2,294
Chemical	525	747	1,697	2,335
Other	54	8	132	22
Total	$ 8,769	$ 6,493	$ 22,165	$ 18,829

Capital and exploration expenditures in the third quarter 2010 were $8.8 billion, up 35 percent from the third quarter of 2009, primarily related to Upstream projects and acquired XTO properties.

Capital and exploration spending for the first nine months of 2010 was $22.2 billion, up 18 percent from the first nine months of last year. Capital and exploration expenditures for full year 2009 were $27.1 billion. Capital and exploration expenditures are expected to range from $25 billion to $30 billion for the next several years. Actual spending could vary depending on the progress of individual projects.

ACQUISITION OF XTO ENERGY INC.

On June 25, 2010, following approval by the stockholders of XTO Energy Inc. (XTO), ExxonMobil acquired XTO by merging a wholly-owned subsidiary of ExxonMobil with and into XTO (the merger), with XTO continuing as the surviving corporation and wholly-owned subsidiary of ExxonMobil.

FORWARD-LOOKING STATEMENTS

Statements in this report relating to future plans, projections, events or conditions are forward-looking statements. Actual results, including project plans, costs, timing, and capacities; capital and exploration expenditures; and share purchase levels, could differ materially due to factors including: changes in long-term oil or gas prices or other market or economic conditions affecting the oil and gas industry; unforeseen technical difficulties; political events or disturbances; reservoir performance; the outcome of commercial negotiations; wars and acts of terrorism or sabotage; changes in technical or operating conditions; and other factors discussed under the heading Factors Affecting Future Results in the investors section of our website and in Item 1A of ExxonMobil s 2009 Form 10-K and Form 10-Q for the quarterly period ended June 30, 2010. We assume no duty to update these statements as of any future date.

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Item 3. Quantitative and Qualitative Disclosures About Market Risk

Information about market risks for the nine months ended September 30, 2010, does not differ materially from that discussed under Item 7A of the registrant s Annual Report on Form 10-K for 2009. With respect to derivatives activities, the Corporation believes that there are no material market or credit risks to the Corporation s financial position, results of operations or liquidity as a result of the derivatives activities described in Note 7. The Corporation does not engage in speculative derivative activities or derivative trading activities and does not use derivatives with leveraged features. Credit risk associated with the Corporation s derivative position is mitigated by several factors including the number, quality and financial limits placed on derivative counterparties. Additionally, a substantial portion of the XTO derivative contracts will settle by year-end 2010.

Item 4. Controls and Procedures

As indicated in the certifications in Exhibit 31 of this report, the Corporation s chief executive officer, principal financial officer and principal accounting officer have evaluated the Corporation s disclosure controls and procedures as of September 30, 2010. Based on that evaluation, these officers have concluded that the Corporation s disclosure controls and procedures are effective in ensuring that information required to be disclosed by the Corporation in the reports that it files or submits under the Securities Exchange Act of 1934, as amended, is accumulated and communicated to them in a manner that allows for timely decisions regarding required disclosures and are effective in ensuring that such information is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission s rules and forms. There were no changes during the Corporation s last fiscal quarter that materially affected, or are reasonably likely to materially affect, the Corporation s internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

In a Consent Agreement and Final Order filed with the EPA on September 27, 2010, ExxonMobil Oil Corporation agreed to resolve allegations brought by the U.S. Environmental Protection Agency (EPA) relating to a former phosphate mining operation of Mobil Mining and Minerals in Pasadena, Texas. Mobil sold the site to Agrifos Fertilizer, Inc. in 1998, but, under the sales agreement, retained obligations to perform closure and post-closure management of the existing phosphogypsum stacks at the site. EPA alleged that ExxonMobil Oil Corporation had violated Resource Conservation and Recovery Act regulations at Pasadena by improperly managing certain phosphoric acid manufacturing wastes associated with Mobil Mining and Minerals activities, as well as during ExxonMobil s current closure activities at the site on behalf of Agrifos. In the Consent Agreement and Final Order, ExxonMobil agreed to perform closure and post-closure management of the existing gypsum stacks at the site and to pay a civil penalty of $100,000.

Regarding a matter previously reported in the Corporation s Form 10-Q for the first quarter of 2009, the Wyoming Department of Environmental Quality and Exxon Mobil Corporation settled by a consent decree, approved on August 16, 2010, certain alleged violations of the state air permitting and state and federal air quality regulations associated with the operation of the three AGI cogeneration turbines located at the ExxonMobil Shute Creek Treatment facility in LaBarge, Wyoming. The consent decree requires that Exxon Mobil Corporation pay $1,300,000 as a partial penalty payment and $1,100,000 in supplemental environmental projects to resolve the alleged violations. The consent decree also requires ExxonMobil to install and operate selective catalytic reduction NOx emission controls (SCRs) for these turbines. The SCRs must be operational by no later than June 30, 2012.

As previously reported in the Corporation s Form 10-Q for the second quarter of 2010, on December 21, 2009, prior to the Corporation s acquisition of XTO Energy Inc., the Texas Commission on Environmental Quality (TCEQ) issued a Notice of Violation to XTO alleging violations of air emission regulations as a result of an unauthorized flaring of natural gas at XTO facilities in Yoakum County, Texas, between July 29, 2008 and May 4, 2009 and the untimely filing of a report of the event. TCEQ proposed a penalty of $237,247. On August 5, 2010, XTO signed a settlement agreement and paid $118,624 to the TCEQ.

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When the settlement agreement is signed by TCEQ, the remaining $118,623 will be paid to an environmental project designated by TCEQ (Texas Association of Resource Conservation and Development Areas Inc: Clean School Buses, Amarillo-Lubbock).

As previously reported in the Corporation s Form 10-Q for the third quarter of 2008, on August 1, 2008, the Connecticut Department of Environmental Protection (CTDEP) proposed that ExxonMobil Oil Corporation enter into a Consent Order as a result of an alleged June 2007 discharge of gasoline at a Mobil-branded service station in South Windsor, Connecticut. The proposed Consent Order sought a penalty of $180,000. On August 31, 2010, ExxonMobil Oil Corporation and the CTDEP entered into a Consent Order that requires ExxonMobil to pay a penalty of $90,000.

Regarding a matter previously reported in the Corporation s Form 10-Q for the third quarter of 2009, the Corporation has settled allegations brought by the U.S. Environmental Protection Agency (EPA) regarding certain incidents of acid gas flaring at its refinery in Baytown, Texas. The allegations were brought pursuant to the Corporation s 2005 Consent Decree with the EPA, entered by the U.S. District Court for the Northern District of Illinois, relating to the EPA s New Source Review Enforcement Initiative. The Corporation reported these incidents as covered by the force majeure provisions of the Consent Decree, but the EPA responded with a demand for stipulated penalties of $385,000. On September 10, 2010, the Corporation settled this matter with the EPA for a civil payment of $27,500.

Regarding several previously reported matters, on August 25, 2010, ExxonMobil entered into Consent Orders with the New York State Department of Environmental Conservation (NYSDEC) to resolve a number of allegations associated with operation of petroleum bulk storage facilities at service stations by the Corporation or its subsidiary ExxonMobil Oil Corporation between 2002 and 2009. Specifically, ExxonMobil paid a civil penalty of $100,000 to resolve allegations relating to a Mobil-branded service station in Springfield Gardens, New York, previously reported in the Corporation s Forms 10-Q for the first and second quarters of 2004, and $270,000 to resolve allegations with respect to 16 other service station sites, previously reported in the Corporation s Form 10-K for 2004, and 3 additional sites.

Refer to the relevant portions of note 3 on pages 8 and 9 of this Quarterly Report on Form 10-Q for further information on legal proceedings.

Item 1A. Risk Factors

Information about risk factors does not differ materially from the discussion found in Item 1A of the registrant s Annual Report on Form 10-K for 2009, as supplemented by the discussion found in Item 1A of the registrant s Quarterly Report on Form 10-Q for the period ended June 30, 2010.

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Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Issuer Purchase of Equity Securities for Quarter Ended September 30, 2010

Period	Total Number Of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number Of Shares that May Yet Be Purchased Under the Plans or Programs
July, 2010	17,446,605	58.90	17,446,605	
August, 2010	17,827,440	60.35	17,827,440	
September, 2010	19,079,955	61.23	19,079,955	
Total	54,354,000	60.19	54,354,000	(See Note 1)

Note 1 On August 1, 2000, the Corporation announced its intention to resume purchases of shares of its common stock for the treasury both to offset shares issued in conjunction with company benefit plans and programs and to gradually reduce the number of shares outstanding. The announcement did not specify an amount or expiration date. The Corporation has continued to purchase shares since this announcement and to report purchased volumes in its quarterly earnings releases. In its most recent earnings release dated October 28, 2010, the Corporation stated that fourth quarter 2010 share purchases to reduce shares outstanding are anticipated to equal $5 billion. Purchases may be made in both the open market and through negotiated transactions, and purchases may be increased, decreased or discontinued at any time without prior notice.

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Item 6. Exhibits

Exhibit	Description
31.1	Certification (pursuant to Securities Exchange Act Rule 13a-14(a)) by Chief Executive Officer.
31.2	Certification (pursuant to Securities Exchange Act Rule 13a-14(a)) by Principal Financial Officer.
31.3	Certification (pursuant to Securities Exchange Act Rule 13a-14(a)) by Principal Accounting Officer.
32.1	Section 1350 Certification (pursuant to Sarbanes-Oxley Section 906) by Chief Executive Officer.
32.2	Section 1350 Certification (pursuant to Sarbanes-Oxley Section 906) by Principal Financial Officer.
32.3	Section 1350 Certification (pursuant to Sarbanes-Oxley Section 906) by Principal Accounting Officer.
101	Interactive Data Files.

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EXXON MOBIL CORPORATION

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

EXXON MOBIL CORPORATION

Date: November 3, 2010

By: /s/ Patrick T. Mulva
Name: Patrick T. Mulva

Title: Vice President, Controller and Principal Accounting Officer

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