UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2017

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 sl 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 ☑ 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 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 ☑ No ☐

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

Large accelerated filer	☑	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standar provided pursuant to Section 13(a) of the Exchange Act. ☐

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

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 March 31, 2017
Common stock, without par value	**4,237,265,503**

EXXON MOBIL CORPORATION
FORM 10-Q
FOR THE QUARTERLY PERIOD ENDED MARCH 31, 2017

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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 March 31,	
	2017	**2016**
Revenues and other income		
Sales and other operating revenue *(1)*	61,090	47,105
Income from equity affiliates	1,710	1,251
Other income	487	351
Total revenues and other income	63,287	48,707
Costs and other deductions		
Crude oil and product purchases	30,359	20,707
Production and manufacturing expenses	7,845	7,561
Selling, general and administrative expenses	2,599	2,593
Depreciation and depletion	4,519	4,765
Exploration expenses, including dry holes	289	355
Interest expense	146	77
Sales-based taxes *(1)*	5,342	4,815
Other taxes and duties	6,270	6,104
Total costs and other deductions	57,369	46,977
Income before income taxes	5,918	1,730
Income taxes	1,828	(51)
Net income including noncontrolling interests	4,090	1,781
Net income attributable to noncontrolling interests	80	(29)
Net income attributable to ExxonMobil	4,010	1,810
Earnings per common share *(dollars)*	0.95	0.43
Earnings per common share - assuming dilution *(dollars)*	0.95	0.43
Dividends per common share *(dollars)*	0.75	0.73
(1) Sales-based taxes included in sales and other operating revenue	*5,342*	*4,815*

The information in the Notes to Condensed Consolidated Financial Statements is an integral part of these statements.

EXXON MOBIL CORPORATION
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(millions of dollars)

	Three Months Ended March 31,	
	2017	2016
Net income including noncontrolling interests	4,090	1,781
Other comprehensive income (net of income taxes)		
Foreign exchange translation adjustment	1,408	3,340
Postretirement benefits reserves adjustment (excluding amortization)	(25)	(119)
Amortization and settlement of postretirement benefits reserves adjustment included in net periodic benefit costs	256	289
Total other comprehensive income	1,639	3,510
Comprehensive income including noncontrolling interests	5,729	5,291
Comprehensive income attributable to noncontrolling interests	159	354
Comprehensive income attributable to ExxonMobil	5,570	4,937

The information in the Notes to Condensed Consolidated Financial Statements is an integral part of these statements.

EXXON MOBIL CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEET
(millions of dollars)

	Mar. 31, 2017	Dec. 31, 2016
Assets		
Current assets		
Cash and cash equivalents	4,897	3,657
Notes and accounts receivable – net	21,842	21,394
Inventories		
Crude oil, products and merchandise	10,686	10,877
Materials and supplies	4,187	4,203
Other current assets	1,519	1,285
Total current assets	43,131	41,416
Investments, advances and long-term receivables	38,268	35,102
Property, plant and equipment – net	253,147	244,224
Other assets, including intangibles – net	9,663	9,572
Total assets	344,209	330,314
Liabilities		
Current liabilities		
Notes and loans payable	18,483	13,830
Accounts payable and accrued liabilities	32,069	31,193
Income taxes payable	2,822	2,615
Total current liabilities	53,374	47,638
Long-term debt	25,124	28,932
Postretirement benefits reserves	20,584	20,680
Deferred income tax liabilities	34,772	34,041
Long-term obligations to equity companies	5,175	5,124
Other long-term obligations	21,409	20,069
Total liabilities	160,438	156,484
Commitments and contingencies (Note 3)		
Equity		
Common stock without par value		
(9,000 million shares authorized, 8,019 million shares issued)	14,415	12,157
Earnings reinvested	408,707	407,831
Accumulated other comprehensive income	(20,679)	(22,239)
Common stock held in treasury		
(3,782 million shares at March 31, 2017 and		
3,871 million shares at December 31, 2016)	(225,292)	(230,424)
ExxonMobil share of equity	177,151	167,325
Noncontrolling interests	6,620	6,505
Total equity	183,771	173,830
Total liabilities and equity	344,209	330,314

The information in the Notes to Condensed Consolidated Financial Statements is an integral part of these statements.

EXXON MOBIL CORPORATION
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(millions of dollars)

	Three Months Ended March 31,	
	2017	**2016**
Cash flows from operating activities		
Net income including noncontrolling interests	4,090	1,781
Depreciation and depletion	4,519	4,765
Changes in operational working capital, excluding cash and debt	793	(399)
All other items – net	(1,229)	(1,335)
Net cash provided by operating activities	8,173	4,812
Cash flows from investing activities		
Additions to property, plant and equipment	(2,890)	(4,601)
Proceeds associated with sales of subsidiaries, property, plant and equipment, and sales and returns of investments	687	177
Additional investments and advances	(1,738)	(234)
Other investing activities – net	180	309
Net cash used in investing activities	(3,761)	(4,349)
Cash flows from financing activities		
Additions to long-term debt	60	11,963
Additions to short-term debt	1,734	-
Reductions in short-term debt	(2,669)	(28)
Additions/(reductions) in commercial paper, and debt with three months or less maturity *(1)*	1,308	(7,594)
Cash dividends to ExxonMobil shareholders	(3,134)	(3,054)
Cash dividends to noncontrolling interests	(44)	(42)
Common stock acquired	(501)	(726)
Common stock sold	-	5
Net cash used in financing activities	(3,246)	524
Effects of exchange rate changes on cash	74	154
Increase/(decrease) in cash and cash equivalents	1,240	1,141
Cash and cash equivalents at beginning of period	3,657	3,705
Cash and cash equivalents at end of period	4,897	4,846
Supplemental Disclosures		
Income taxes paid	1,970	749
Cash interest paid	368	223

2017 Non-Cash Transactions

During the first quarter, the Corporation completed the acquisitions of InterOil Corporation and of companies that own certain oil and gas properties in the Permian Basin and other These transactions included a significant non-cash component. Additional information is provided in Note 9.

(1) Includes a net addition of commercial paper with a maturity of over three months of $0.1 billion in 2017 and $0.7 billion in 2016. The gross amount of commercial paper maturity of over three months issued was $1.1 billion in 2017 and $1.0 billion in 2016, while the gross amount repaid was $1.0 billion in 2017 and $0.3 billion in 2016.

The information in the Notes to Condensed Consolidated Financial Statements is an integral part of these statements.

EXXON MOBIL CORPORATION
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(millions of dollars)

	ExxonMobil Share of Equity						
	Common Stock	Earnings Reinvested	Accumulated Other Compre- hensive Income	Common Stock Held in Treasury	ExxonMobil Share of Equity	Non- controlling Interests	Tot Equi
Balance as of December 31, 2015	11,612	412,444	(23,511)	(229,734)	170,811	5,999	
Amortization of stock-based awards	211	-	-	-	211	-	
Tax benefits related to stock-based awards	4	-	-	-	4	-	
Other	(2)	-	-	-	(2)	-	
Net income for the period	-	1,810	-	-	1,810	(29)	
Dividends – common shares	-	(3,054)	-	-	(3,054)	(42)	
Other comprehensive income	-	-	3,127	-	3,127	383	
Acquisitions, at cost	-	-	-	(726)	(726)	-	
Dispositions	-	-	-	6	6	-	
Balance as of March 31, 2016	11,825	411,200	(20,384)	(230,454)	172,187	6,311	
Balance as of December 31, 2016	12,157	407,831	(22,239)	(230,424)	167,325	6,505	
Amortization of stock-based awards	264	-	-	-	264	-	
Other	(84)	-	-	-	(84)	-	
Net income for the period	-	4,010	-	-	4,010	80	
Dividends – common shares	-	(3,134)	-	-	(3,134)	(44)	
Other comprehensive income	-	-	1,560	-	1,560	79	
Acquisitions, at cost	-	-	-	(582)	(582)	-	
Issued for acquisitions	2,078	-	-	5,711	7,789	-	
Dispositions	-	-	-	3	3	-	
Balance as of March 31, 2017	14,415	408,707	(20,679)	(225,292)	177,151	6,620	

	Three Months Ended March 31, 2017			Three Months Ended March 31, 2016		
Common Stock Share Activity	Issued	Held in Treasury	Outstanding	Issued	Held in Treasury	Outsta
		(millions of shares)			*(millions of shares)*	
Balance as of December 31	8,019	(3,871)	4,148	8,019	(3,863)	
Acquisitions	-	(7)	(7)	-	(9)	
Issued for acquisitions	-	96	96	-	-	
Dispositions	-	-	-	-	-	
Balance as of March 31	8,019	(3,782)	4,237	8,019	(3,872)	

The information in the Notes to Condensed Consolidated Financial Statements is an integral part of these statements.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. 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 Securit Exchange Commission in the Corporation's 2016 Annual Report on Form 10-K. In the opinion of the Corporation, the information furnished herein reflects all known accru adjustments necessary for a fair statement of the results for the periods reported herein. All such adjustments are of a normal recurring nature. Prior data has been reclassified in cases to conform to the current presentation basis.

The Corporation's exploration and production activities are accounted for under the "successful efforts" method.

2. Recently Issued Accounting Standards

In May 2014, the Financial Accounting Standards Board issued a new standard, *Revenue from Contracts with Customers*. The standard establishes a single revenue recognition m all contracts with customers, eliminates industry specific requirements, and expands disclosure requirements. The standard is required to be adopted beginning January 1, 2018. "Sa Other Operating Revenue" on the Consolidated Statement of Income includes sales, excise and value-added taxes on sales transactions. When the Corporation adopts the st revenue will exclude sales-based taxes collected on behalf of third parties. This change in reporting will not impact earnings. The Corporation expects to adopt the standard us Modified Retrospective method, under which prior years' results are not restated, but supplemental information on the impact of the new standard is provided for 2018 resul Corporation continues to evaluate other areas of the standard, which are not expected to have a material effect on the Corporation's financial statements.

In February 2016, the Financial Accounting Standards Board issued a new standard, *Leases*. The standard requires all leases with an initial term greater than one year be recorded balance sheet as an asset and a lease liability. ExxonMobil is evaluating the standard and its effect on the Corporation's financial statements and plans to adopt it in 2019.

In March 2017, the Financial Accounting Standards Board issued an Accounting Standards Update, *Compensation – Retirement Benefits (Topic 715): Improving the Presentatio Periodic Pension Cost and Net Periodic Postretirement Benefit Cost*. The update requires that the service cost component of net benefit costs be reported in the same line in the statement as other compensation costs and that the other components of net benefit costs be presented separately from the service cost component. Additionally, only the servi component of net benefit costs will be eligible for capitalization. The update is required to be adopted beginning January 1, 2018. ExxonMobil is evaluating the standard and its e the Corporation's financial statements.

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, in updates from corporate and outside counsel, to assess the need for accounting recognition or disclosure of these contingencies. The Corporation accrues an undiscounted liab 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 wi 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 ha 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 unfa 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. For purp our contingency disclosures, "significant" includes material matters as well as other matters which management believes should be disclosed. ExxonMobil will continue to defer 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 against ExxonMobil will have a material adverse effect upon the Corporation's operations, financial condition, or financial statements taken as a whole.

Other Contingencies

The Corporation and certain of its consolidated subsidiaries were contingently liable at March 31, 2017, for guarantees relating to notes, loans and performance under contracts. guarantees for environmental remediation and other similar matters do not include a stated cap, the amounts reflect management's estimate of the maximum potential exposure. 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, li capital expenditures or capital resources.

	As of March 31, 2017		
	Equity Company Obligations *(1)*	Other Third Party Obligations	Total
		(millions of dollars)	
Guarantees			
Debt-related	117	30	147
Other	2,667	4,000	6,667
Total	2,784	4,030	6,814

(1) ExxonMobil share

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 fulfill no adverse consequences material to the Corporation's operations or financial condition.

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 p developments and laws and regulations, such as forced divestiture of assets; restrictions on production, imports and exports; price controls; tax increases and retroactive tax expropriation of property; cancellation of contract rights and environmental regulations. Both the likelihood of such occurrences and their overall effect upon the Corporation vary 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) assum 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 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 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 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 th Negro Project.

On September 6, 2007, affiliates of ExxonMobil filed a Request for Arbitration with the International Centre for Settlement of Investment Disputes (ICSID). The ICSID Tribunal is decision on June 10, 2010, finding that it had jurisdiction to proceed on the basis of the Netherlands-Venezuela Bilateral Investment Treaty. On October 9, 2014, the ICSID Tribunal its final award finding in favor of the ExxonMobil affiliates and awarding $1.6 billion as of the date of expropriation, June 27, 2007, and interest from that date at 3.25% compounded a until the date of payment in full. The Tribunal also noted that one of the Cerro Negro Project agreements provides a mechanism to prevent double recovery between the ICSID aw all or part of an earlier award of $908 million to an ExxonMobil affiliate, Mobil Cerro Negro, Ltd., against PdVSA and a PdVSA affiliate, PdVSA CN, in an arbitration under the rules International Chamber of Commerce.

On February 2, 2015, Venezuela filed a Request for Annulment of the ICSID award. On March 9, 2017, the ICSID Committee hearing the Request for Annulment issued a decision p annulling the award of the Tribunal issued on October 9, 2014. The Committee affirmed the compensation due for the La Ceiba project and for export curtailments at the Cerro Negro but annulled the portion of the award relating to the Cerro Negro Project's expropriation ($1.4 billion) based on its determination that the prior Tribunal failed to adequately explain v cap on damages in the indemnity owed by PdVSA did not affect or limit the amount owed for the expropriation of the Cerro Negro project. As a result, ExxonMobil retains an award f million (including accrued interest). Under the ICSID rules, ExxonMobil may seek to re-arbitrate the issue that was the basis for the annulment in a new ICSID arbitration proceeding.

The United States District Court for the Southern District of New York entered judgment on the ICSID award on October 10, 2014. Motions filed by Venezuela to vacate that judgn procedural grounds and to modify the judgment by reducing the rate of interest to be paid on the ICSID award from the entry of the court's judgment, until the date of paymer denied on February 13, 2015, and March 4, 2015, respectively. On March 9, 2015, Venezuela filed a notice of appeal of the court's actions on the two motions. Oral arguments on this were held before the United States Court of Appeals for the Second Circuit on January 7, 2016.

A stay of the District Court's judgment has continued pending the completion of the Second Circuit appeal. The net impact of these matters on the Corporation's consolidated fi results cannot be reasonably estimated. Regardless, the Corporation does not expect the resolution to have a material effect upon the Corporation's operations or financial conditior

An affiliate of ExxonMobil is one of the Contractors under a Production Sharing Contract (PSC) with the Nigerian National Petroleum Corporation (NNPC) covering the Erha block in the offshore waters of Nigeria. ExxonMobil's affiliate is the operator of the block and owns a 56.25 percent interest under the PSC. The Contractors are in dispute with NNPC re NNPC's lifting of crude oil in excess of its entitlement under the terms of the PSC. In accordance with the terms of the PSC, the Contractors initiated arbitration in Abuja, Nigeria, un Nigerian Arbitration and Conciliation Act. On October 24, 2011, a three-member arbitral Tribunal issued an award upholding the Contractors' position in all material respects and av damages to the Contractors jointly in an amount of approximately $1.8 billion plus $234 million in accrued interest. The Contractors petitioned a Nigerian federal court for enforcemen award, and NNPC petitioned the same court to have the award set aside. On May 22, 2012, the court set aside the award. The Contractors appealed that judgment to the Court of Abuja Judicial Division. On July 22, 2016, the Court of Appeal upheld the decision of the lower court setting aside the award. On October 21, 2016, the Contractors appealed the dec the Supreme Court of Nigeria. In June 2013, the Contractors filed a lawsuit against NNPC in the Nigerian federal high court in order to preserve their ability to seek enforcement of t in the courts if necessary. Following dismissal by this court, the Contractors appealed to the Nigerian Court of Appeal in June 2016. In October 2014, the Contractors filed suit in the States District Court for the Southern District of New York to enforce, if necessary, the arbitration award against NNPC assets residing within that jurisdiction. NNPC has moved to the lawsuit. The stay in the proceedings in the Southern District of New York has been lifted. At this time, the net impact of this matter on the Corporation's consolidated financial cannot be reasonably estimated. However, regardless of the outcome of enforcement proceedings, the Corporation does not expect the proceedings to have a material effect up Corporation's operations or financial condition.

4. Other Comprehensive Income Information

ExxonMobil Share of Accumulated Other **<u>Comprehensive Income</u>**	**Cumulative Foreign Exchange Translation Adjustment**	**Post-retirement Benefits Reserves Adjustment**	**Tot**
	(millions of dollars)		
Balance as of December 31, 2015	(14,170)	(9,341)	
Current period change excluding amounts reclassified from accumulated other comprehensive income	2,962	(116)	
Amounts reclassified from accumulated other comprehensive income	-	281	
Total change in accumulated other comprehensive income	2,962	165	
Balance as of March 31, 2016	(11,208)	(9,176)	
Balance as of December 31, 2016	(14,501)	(7,738)	
Current period change excluding amounts reclassified from accumulated other comprehensive income	1,342	(29)	
Amounts reclassified from accumulated other comprehensive income	-	247	
Total change in accumulated other comprehensive income	1,342	218	
Balance as of March 31, 2017	(13,159)	(7,520)	

Amounts Reclassified Out of Accumulated Other **<u>Comprehensive Income - Before-tax Income/(Expense)</u>**	**Three Months Ended March 31,**	
	2017	**201**
	(millions of dollars)	
Amortization and settlement of postretirement benefits reserves adjustment included in net periodic benefit costs *(1)*	(359)	

(1) These accumulated other comprehensive income components are included in the computation of net periodic pension cost. (See Note 6 – Pension and Other Postretirement Benefits for additional details.)

Income Tax (Expense)/Credit For **<u>Components of Other Comprehensive Income</u>**	**Three Months Ended March 31,**	
	2017	**201**
	(millions of dollars)	
Foreign exchange translation adjustment	(18)	
Postretirement benefits reserves adjustment (excluding amortization)	5	
Amortization and settlement of postretirement benefits reserves adjustment included in net periodic benefit costs	(103)	
Total	(116)	

5. Earnings Per Share

	Three Months Ende March 31,	
	2017	2(
Earnings per common share		
Net income attributable to ExxonMobil *(millions of dollars)*	4,010	
Weighted average number of common shares outstanding *(millions of shares)*	4,223	
Earnings per common share *(dollars) (1)*	0.95	

(1) The calculation of earnings per common share and earnings per common share – assuming dilution are the same in each period shown.

6. Pension and Other Postretirement Benefits

	Three Months Ended March 31,	
	2017	2(
	(millions of dollars)	
Components of net benefit cost		
Pension Benefits - U.S.		
Service cost	197	
Interest cost	199	
Expected return on plan assets	(194)	
Amortization of actuarial loss/(gain) and prior service cost	110	
Net pension enhancement and curtailment/settlement cost	105	
Net benefit cost	417	
Pension Benefits - Non-U.S.		
Service cost	145	
Interest cost	187	
Expected return on plan assets	(239)	
Amortization of actuarial loss/(gain) and prior service cost	127	
Net pension enhancement and curtailment/settlement cost	(5)	
Net benefit cost	215	
Other Postretirement Benefits		
Service cost	26	
Interest cost	72	
Expected return on plan assets	(6)	
Amortization of actuarial loss/(gain) and prior service cost	17	
Net benefit cost	109	

7. 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 instr where the difference between fair value and recorded book value is notable is long-term debt. The estimated fair value of total long-term debt, excluding capitalized lease obligatio $24,219 million at March 31, 2017, and $27,968 million at December 31, 2016, as compared to recorded book values of $23,907 million at March 31, 2017, and $27,707 million at Decer 2016.

The fair value of long-term debt by hierarchy level at March 31, 2017, is: Level 1 $24,028 million; Level 2 $185 million; and Level 3 $6 million. Level 1 represents quoted prices in markets. Level 2 includes debt whose fair value is based upon a publicly available index. Level 3 involves using internal data augmented by relevant market indicators if available.

8. Disclosures about Segments and Related Information

	Three Months Ended March 31,	
	2017	**201**
Earnings After Income Tax	*(millions of dollars)*	
Upstream		
United States	(18)	
Non-U.S.	2,270	
Downstream		
United States	292	
Non-U.S.	824	
Chemical		
United States	529	
Non-U.S.	642	
All other	(529)	
Corporate total	4,010	
Sales and Other Operating Revenue *(1)*		
Upstream		
United States	2,324	
Non-U.S.	3,593	
Downstream		
United States	15,365	
Non-U.S.	32,617	
Chemical		
United States	2,783	
Non-U.S.	4,394	
All other	14	
Corporate total	61,090	

(1) Includes sales-based taxes

Intersegment Revenue		
Upstream		
United States	1,290	
Non-U.S.	5,899	
Downstream		
United States	3,646	
Non-U.S.	5,214	
Chemical		
United States	1,770	
Non-U.S.	1,190	
All other	56	

9. InterOil Corporation and Permian Basin Properties Acquisitions

InterOil Corporation
On February 22, 2017, the Corporation completed the acquisition of InterOil Corporation (IOC) for $2.7 billion. The IOC acquisition was unproved properties in Papua New Consideration included 28 million shares of Exxon Mobil Corporation common stock having a value on the acquisition date of $2.2 billion, a Contingent Resource Payment (CRP) wi value of $0.3 billion and cash of $0.2 billion. The CRP provides IOC shareholders $7.07 per share in cash for each incremental independently certified Trillion Cubic Feet Equivalent of resources above 6.2 TCFE, up to 11.0 TCFE. IOC's assets include a contingent receivable related to the same resource base for volumes in excess of 3.5 TCFE at amounts rangi $0.24 - $0.40 per thousand cubic feet equivalent. The fair value of the contingent receivable was $1.1 billion at the acquisition date. Fair values of contingent amounts were ba assumptions about the outcome of the resource certification, future business plans and appropriate discount rates. Amounts due to the Corporation related to the contingent receiv expected to exceed those payable under the terms of the CRP.

Permian Basin Properties
On February 28, 2017, the Corporation completed the acquisition for $6.2 billion of a number of companies from the Bass family in Fort Worth, Texas, that indirectly own mostly un oil and gas properties in the Permian Basin and other assets. Consideration included 68 million shares of Exxon Mobil Corporation common stock having a value on the acquisition $5.5 billion, together with additional contingent cash payments tied to future drilling and completion activities (up to a maximum of $1.02 billion). The fair value of the contingent p was $0.7 billion as of the acquisition date and is expected to be paid beginning in 2020 and ending no later than 2032 commensurate with the development of the resource. Fair valu contingent payment was based on assumptions including drilling and completion activities, appropriate discount rates and tax rates.

Below is a summary of the net assets acquired for each acquisition.

	IOC	**Permi**
	(billions of dollars)	
Current assets	0.6	
Property, plant and equipment	2.9	
Other	0.6	
Total assets	4.1	
Current liabilities	0.5	
Long-term liabilities	0.9	
Total liabilities	1.4	
Net assets acquired	**2.7**	

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

FUNCTIONAL EARNINGS SUMMARY

	First Three Months	
Earnings (U.S. GAAP)	**2017**	**20**
	(millions of dollars)	
Upstream		
United States	(18)	
Non-U.S.	2,270	
Downstream		
United States	292	
Non-U.S.	824	
Chemical		
United States	529	
Non-U.S.	642	
Corporate and financing	(529)	
Net income attributable to ExxonMobil (U.S. GAAP)	4,010	
Earnings per common share *(dollars)*	0.95	
Earnings per common share - assuming dilution *(dollars)*	0.95	

References in this discussion to corporate earnings mean net income attributable to ExxonMobil (U.S. GAAP) from the consolidated income statement. Unless otherwise indicated, references to earnings, 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 FIRST QUARTER 2017 RESULTS

ExxonMobil's first quarter 2017 earnings were $4 billion, or $0.95 per diluted share, compared with $1.8 billion a year earlier, resulting from improvements in commodity price management and refining operations.

Financial results reflect an increase in commodity prices and highlight our continued focus on controlling costs and operating efficiently. The Corporation continues to make s acquisitions, advance key initiatives and fund long-term growth projects across the value chain.

	First Three Months	
	2017	**20**
	(millions of dollars)	
Upstream earnings		
United States	(18)	
Non-U.S.	2,270	
Total	2,252	

Upstream earnings were $2,252 million, compared to a loss of $76 million in the first quarter of 2016. Higher liquids and gas realizations increased earnings by $2.3 billion. Lower volu mix effects decreased earnings by $150 million. All other items increased earnings by $170 million primarily as a result of lower expenses.

On an oil-equivalent basis, production decreased 4 percent from the first quarter of 2016. Liquids production of 2.3 million barrels per day decreased 205,000 barrels per day due t entitlements and higher maintenance activity mainly in Canada and Nigeria. Natural gas production of 10.9 billion cubic feet per day increased 184 million cubic feet per day from project ramp-up was partly offset by field decline.

U.S. Upstream earnings were a loss of $18 million, compared to a loss of $832 million in the first quarter of 2016. Non-U.S. Upstream earnings were $2,270 million, up $1,514 million f
prior year.

Upstream additional information	**First Quarter**
	(thousands of barrels daily)
Volumes reconciliation (Oil-equivalent production) *(1)*	
2016	4,325
Entitlements - Net Interest	4
Entitlements - Price / Spend / Other	(114)
Quotas	-
Divestments	(6)
Growth / Other	(58)
2017	4,151

(1) Gas converted to oil-equivalent at 6 million cubic feet = 1 thousand barrels.

Listed below are descriptions of ExxonMobil's volumes reconciliation factors which are provided to facilitate understanding of the terms.

Entitlements - Net Interest are changes to ExxonMobil's share of production volumes caused by non-operational changes to volume-determining factors. These factors consis
interest changes specified in Production Sharing Contracts (PSCs) which typically occur when cumulative investment returns or production volumes achieve defined thresholds, c
in equity upon achieving pay-out in partner investment carry situations, equity redeterminations as specified in venture agreements, or as a result of the termination or exp
concession. Once a net interest change has occurred, it typically will not be reversed by subsequent events, such as lower crude oil prices.

Entitlements - Price, Spend and Other are changes to ExxonMobil's share of production volumes resulting from temporary changes to non-operational volume-determining factors
factors include changes in oil and gas prices or spending levels from one period to another. According to the terms of contractual arrangements or government royalty regimes, p
spending variability can increase or decrease royalty burdens and/or volumes attributable to ExxonMobil. For example, at higher prices, fewer barrels are required for ExxonMobil to
its costs. These effects generally vary from period to period with field spending patterns or market prices for oil and natural gas. Such factors can also include other temporary cha
net interest as dictated by specific provisions in production agreements.

Quotas are changes in ExxonMobil's allowable production arising from production constraints imposed by countries which are members of the Organization of the Petroleum Ex
Countries (OPEC). Volumes reported in this category would have been readily producible in the absence of the quota.

Divestments are reductions in ExxonMobil's production arising from commercial arrangements to fully or partially reduce equity in a field or asset in exchange for financial c
economic consideration.

Growth and Other factors comprise all other operational and non-operational factors not covered by the above definitions that may affect volumes attributable to ExxonMobil. Such
include, but are not limited to, production enhancements from project and work program activities, acquisitions including additions from asset exchanges, downtime, market d
natural field decline, and any fiscal or commercial terms that do not affect entitlements.

	First Three Months	
	2017	20
	(millions of dollars)	
Downstream earnings		
United States	292	
Non-U.S.	824	
Total	1,116	

Downstream earnings were $1,116 million, up $210 million from the first quarter of 2016. Higher margins increased earnings by $10 million. Volume and mix effects increased earni $160 million. All other items increased earnings by $40 million. Petroleum product sales of 5.4 million barrels per day were 61,000 barrels per day higher than last year's first quarter.

Earnings from the U.S. Downstream were $292 million, up $105 million from the first quarter of 2016. Non-U.S. Downstream earnings of $824 million were $105 million higher than last y

	First Three Months	
	2017	20
	(millions of dollars)	
Chemical earnings		
United States	529	
Non-U.S.	642	
Total	1,171	

Chemical earnings of $1,171 million were $184 million lower than the first quarter of 2016. Weaker margins decreased earnings by $70 million. All other items, primarily increased turn expenses and unfavorable foreign exchange effects, decreased earnings by $110 million. First quarter prime product sales of 6.1 million metric tons were 101,000 metric tons lower tl year's first quarter.

U.S. Chemical earnings of $529 million were $52 million lower than the first quarter of 2016. Non-U.S. Chemical earnings of $642 million were $132 million lower than last year.

	First Three Months	
	2017	2
	(millions of dollars)	
Corporate and financing earnings	(529)	

Corporate and financing expenses were $529 million for the first quarter of 2017, up $154 million from the first quarter of 2016 due to the absence of favorable tax items.

LIQUIDITY AND CAPITAL RESOURCES

	First Three Months	
	2017	20
	(millions of dollars)	
Net cash provided by/(used in)		
Operating activities	8,173	
Investing activities	(3,761)	
Financing activities	(3,246)	
Effect of exchange rate changes	74	
Increase/(decrease) in cash and cash equivalents	1,240	
Cash and cash equivalents (at end of period)	4,897	
Cash flow from operations and asset sales		
Net cash provided by operating activities (U.S. GAAP)	8,173	
Proceeds associated with sales of subsidiaries, property, plant & equipment, and sales and returns of investments	687	
Cash flow from operations and asset sales	8,860	

Because of the ongoing nature of our asset management and divestment program, 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.

Cash flow from operations and asset sales in the first quarter of 2017 was $8.9 billion, including asset sales of $0.7 billion, an increase of $3.9 billion from the comparable 2016 primarily due to higher earnings.

Cash provided by operating activities totaled $8.2 billion for the first quarter of 2017, $3.4 billion higher than 2016. The major source of funds was net income including noncon interests of $4.1 billion, an increase of $2.3 billion from the prior year period. The adjustment for the non-cash provision of $4.5 billion for depreciation and depletion decreased billion. Changes in operational working capital increased cash flows by $0.8 billion in 2017 versus a reduction of $0.4 billion in 2016. All other items net decreased cash flows by $1.2 in 2017 compared to a reduction of $1.3 billion in 2016. For additional details, see the Condensed Consolidated Statement of Cash Flows on page 6.

Investing activities for the first quarter of 2017 used net cash of $3.8 billion, a decrease of $0.6 billion compared to the prior year. Spending for additions to property, plant and equipi $2.9 billion was $1.7 billion lower than 2016. Proceeds from asset sales of $0.7 billion increased $0.5 billion. Additional investments and advances were $1.7 billion, an increase of $1.5 and reflect the deposit into escrow of the maximum potential contingent consideration payable as a result of the acquisition of InterOil Corporation.

Net cash used by financing activities was $3.2 billion in the first quarter of 2017, compared to net cash provided of $0.5 billion in 2016. The net addition to short and long term debt v billion in 2017 compared to $4.3 billion in 2016.

During the first quarter of 2017, Exxon Mobil Corporation purchased 6 million shares of its common stock for the treasury at a gross cost of $0.5 billion. These purchases were r offset shares or units settled in shares issued in conjunction with the company's benefit plans and programs. Shares outstanding increased from 4,148 million at year-end to 4,237 m the end of the first quarter of 2017, mainly due to shares issued for the acquisitions of InterOil Corporation and of companies that hold acreage in the Permian basin. Purchases made both in the open market and through negotiated transactions, and may be increased, decreased or discontinued at any time without prior notice.

The Corporation distributed a total of $3.1 billion to shareholders in the first quarter of 2017 through dividends.

Total cash and cash equivalents of $4.9 billion at the end of the first quarter of 2017 compared to $4.8 billion at the end of the first quarter of 2016.

Total debt at the end of the first quarter of 2017 was $43.6 billion compared to $42.8 billion at year-end 2016. The Corporation's debt to total capital ratio was 19.2 percent at the en first quarter of 2017 compared to 19.7 percent at year-end 2016.

The Corporation has access to significant capacity of long-term and short-term liquidity. Internally generated funds are expected to cover the majority of financial requir
supplemented by long-term and short-term debt.

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 p dispositions will continue to be made from time to time which will result in either gains or losses. Additionally, the Corporation continues to evaluate opportunities to enhance its bu portfolio through acquisitions of assets or companies, and enters into such transactions from time to time. Key criteria for evaluating acquisitions include potential for future grov attractive current valuations. Acquisitions may be made with cash, shares of the Corporation's common stock, or both.

Litigation and other contingencies are discussed in Note 3 to the unaudited condensed consolidated financial statements.

TAXES

	First Three Months	
	2017	**2016**
	(millions of dollars)	
Income taxes	1,828	(51)
Effective income tax rate	*38 %*	*19 %*
Sales-based taxes	5,342	4,815
All other taxes and duties	6,903	6,731
Total	14,073	11,495

Income, sales-based and all other taxes and duties totaled $14.1 billion for the first quarter of 2017, an increase of $2.6 billion from 2016. Income tax expense increased by $1.9 billion billion reflecting higher pre-tax income. The effective income tax rate was 38 percent compared to 19 percent in the prior year period due to a higher share of earnings in hig jurisdictions. Sales-based taxes and all other taxes and duties increased by $0.7 billion to $12.2 billion as a result of higher sales realizations.

In the United States, the Corporation has various ongoing U.S. federal income tax positions at issue with the Internal Revenue Service (IRS) for tax years beginning in 2006. The asserted penalties associated with several of those positions. The Corporation has not recognized the penalties as an expense because the Corporation does not expect the penalti sustained under applicable law. The Corporation has filed a refund suit for tax years 2006-2009 in a U.S. federal district court with respect to the positions at issue for those Unfavorable resolution of all positions at issue with the IRS would not have a materially adverse effect on the Corporation's net income or liquidity.

CAPITAL AND EXPLORATION EXPENDITURES

	First Three Months	
	2017	**2016**
	(millions of dollars)	
Upstream (including exploration expenses)	3,119	3,979
Downstream	545	528
Chemical	497	611
Other	8	9
Total	4,169	5,127

Capital and exploration expenditures in the first quarter of 2017 were $4.2 billion, down 19 percent from the first quarter of 2016. The Corporation anticipates an investment leve billion in 2017. Actual spending could vary depending on the progress of individual projects and property acquisitions.

In 2014, the European Union and United States imposed sanctions relating to the Russian energy sector. ExxonMobil continues to comply with all sanctions and regulatory l applicable to its affiliates' investments in the Russian Federation.

RECENTLY ISSUED ACCOUNTING STANDARDS

In May 2014, the Financial Accounting Standards Board issued a new standard, *Revenue from Contracts with Customers*. The standard establishes a single revenue recognition m all contracts with customers, eliminates industry specific requirements, and expands disclosure requirements. The standard is required to be adopted beginning January 1, 2018. "Sa Other Operating Revenue" on the Consolidated Statement of Income includes sales, excise and value-added taxes on sales transactions. When the Corporation adopts the st revenue will exclude sales-based taxes collected on behalf of third parties. This change in reporting will not impact earnings. The Corporation expects to adopt the standard us Modified Retrospective method, under which prior years' results are not restated, but supplemental information on the impact of the new standard is provided for 2018 resul Corporation continues to evaluate other areas of the standard, which are not expected to have a material effect on the Corporation's financial statements.

In February 2016, the Financial Accounting Standards Board issued a new standard, *Leases*. The standard requires all leases with an initial term greater than one year be recorded balance sheet as an asset and a lease liability. ExxonMobil is evaluating the standard and its effect on the Corporation's financial statements and plans to adopt it in 2019.

In March 2017, the Financial Accounting Standards Board issued an Accounting Standards Update, *Compensation – Retirement Benefits (Topic 715): Improving the Presentatio Periodic Pension Cost and Net Periodic Postretirement Benefit Cost*. The update requires that the service cost component of net benefit costs be reported in the same line in the statement as other compensation costs and that the other components of net benefit costs be presented separately from the service cost component. Additionally, only the servi component of net benefit costs will be eligible for capitalization. The update is required to be adopted beginning January 1, 2018. ExxonMobil is evaluating the standard and its e the Corporation's financial statements.

FORWARD-LOOKING STATEMENTS

Statements relating to future plans, projections, events or conditions are forward-looking statements. Actual financial and operating results, including project plans, costs, timi capacities; capital and exploration expenditures; asset carrying values; reported reserves; resource recoveries; and share purchase levels, could differ materially due to factors in changes in oil or gas prices or other market or economic conditions affecting the oil and gas industry, including the scope and duration of economic recessions; the outcome of expl and development efforts; changes in law or government regulation, including tax and environmental requirements; the impact of fiscal and commercial terms; changes in tech 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 ExxonMobi Form 10-K. Closing of pending acquisitions is also subject to satisfaction of the conditions precedent provided in the applicable agreement. We assume no duty to updat statements as of any future date.

The term "project" as used in this report can refer to a variety of different activities and does not necessarily have the same meaning as in any government payment transparency re

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Information about market risks for the three months ended March 31, 2017, does not differ materially from that discussed under Item 7A of the registrant's Annual Report on Form 1 2016.

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 evalua Corporation's disclosure controls and procedures as of March 31, 2017. Based on that evaluation, these officers have concluded that the Corporation's disclosure controls and proc 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 amen 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 re 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 Corporatio 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

On February 1, 2017, the U.S. Department of Justice (DOJ) issued a notification concerning potential enforcement and possible settlement to ExxonMobil Oil Corporation (EMOC) re potential violations of the Clean Air Act and various sections of the Environmental Protection Agency's (EPA) Chemical Accident Prevention provisions at EMOC's Beaumont, Refinery. The DOJ and EPA contend that EMOC failed to identify hazards, failed to design and maintain a safe facility, and failed to mitigate the consequences of a claimed acc release related to a flash fire that occurred on April 17, 2013. Additionally, based on an on-site inspection in 2013, the DOJ and EPA claim that EMOC failed to include all covered pro in its risk management program and failed to inspect certain process equipment in a timely fashion. The DOJ and EPA are seeking in excess of $100,000 in penalties and corrective ac resolve the matter. ExxonMobil is in settlement discussions with the DOJ and EPA, and the parties have entered into a tolling agreement to facilitate settlement discussions.

Refer to the relevant portions of Note 3 of this Quarterly Report on Form 10-Q for further information on legal proceedings.

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

Recent Sales of Unregistered Securities

As previously reported in the Corporation's Quarterly Report on Form 10-Q for the quarter ended September 30, 2016, and Annual Report on Form 10-K for the year ended Decen 2016, the Corporation agreed to acquire all of the issued and outstanding common stock of InterOil Corporation (IOC) in exchange for consideration including shares of Exxor Corporation common stock. This acquisition closed on February 22, 2017. In accordance with the pricing formula under the applicable Arrangement Agreement, the number of Exxor Corporation common shares issued at closing was 27,729,974. With respect to this issuance the Corporation relied on the exemption from registration provided by Section 3(a)(10 Securities Act of 1933 in light of court approval of the transaction in Yukon, Canada.

As previously reported in the Corporation's Current Report on Form 8-K filed January 17, 2017, and Annual Report on Form 10-K for the year ended December 31, 2016, the Corp agreed to acquire companies owned by the Bass family of Fort Worth, Texas, that indirectly own certain oil and gas properties in the Permian Basin and certain additional propert related assets in exchange for issuance to the sellers of shares of Exxon Mobil Corporation common stock. This acquisition closed on February 28, 2017. In accordance with the formula under the applicable Purchase and Sale Agreement, the number of Exxon Mobil Corporation common shares issued at closing was 68,191,228. The transaction was structu private placement solely to accredited investors and therefore with respect to this issuance the Corporation relied on the exemption from registration provided by Section 4(a)(2 Securities Act of 1933.

Issuer Purchase of Equity Securities for Quarter Ended March 31, 2017

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 Numbe of Shares that Ma Yet Be Purchased Under the Plans o Programs
January 2017	1,913,661	$86.49	1,913,661	
February 2017	1,844,386	$82.26	1,844,386	
March 2017	2,180,453	$81.98	2,180,453	
Total	5,938,500	$83.52	5,938,500	(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 conjuncti 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 Corporat continued to purchase shares since this announcement and to report purchased volumes in its quarterly earnings releases. In its earnings release dated February 2, 2016, the Corp stated it will continue to acquire shares to offset dilution in conjunction with benefit plans and programs, but had suspended making purchases to reduce shares outstanding e beginning the first quarter of 2016.

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.

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 author

EXXON MOBIL CORPORATION

Date: May 3, 2017	By:	/s/ DAVID S. ROSENTHAL
		David S. Rosenthal Vice President, Controller and Principal Accounting Officer

INDEX TO EXHIBITS

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