the Lamp

Meeting the world's growing demand for energy
An interview with Chairman and CEO Lee Raymond

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Vol. 87 No. 1 2005

An interview with Lee Raymond

Meeting the world's growing demand for energy

This is the second in a series of interviews with Exxon Mobil Corporation Chairman and CEO Lee Raymond. In this session, he discusses the challenges of keeping pace with the world's growing demand for energy.

"The most important thing we do is to provide commodities that are vital to the mobility, comfort and prosperity of people everywhere."

Interview by Kent Lee Barry Photography by Janice Rubin

"The reality is that the cost of energy in real terms is less than it was 25 years ago, even with crude prices at $40 or $50 per barrel."

Q. What prompted the company to begin using "taking on the world's toughest energy challenges" as ExxonMobil's communications theme?

A. Oil companies have many responsibilities, and we affect societies in a large number of ways. We employ people, we help local communities, we earn money for our shareholders, and our operations and products affect the natural environment. But the most important thing we do is to provide commodities that are vital to the mobility, comfort and prosperity of people everywhere — even those who don't use our products directly. For our industry, that is Job 1, and ultimately it is how well we do that job that is of most interest and concern to the public. We are not always successful in communicating to the public how challenging that basic job is. In particular, I do not think that the public has a very good understanding of the size — indeed the immensity — of the energy industry and the global energy market which we serve. This can lead to some serious misperceptions and misunderstandings. Without a sense of the scale of the energy business, people can be led to underestimate the technical and economic challenges that are involved with change, and the very long time frames that will be required for any changes to be developed and deployed. People can forget that for change to be effective and significant, it has ultimately to be applicable on a large scale, and able to benefit societies that are extremely poor as well as those that are economically prosperous.

Q. How do you respond to those who want the United States to make energy independence a strategic priority?

A. I have said many times that the concept of energy independence is a flawed notion when considering strategic priorities for the United States. In a very real sense, it can be both a negative influence and misleading because it implies that there are practical alternatives for this country to become energy independent. As a result, some observers may accept energy independence as a realistic goal, when in fact it is not. The other point I would make is that very few countries around the world are energy independent, and most of the developed or larger countries are major energy importers, including Japan, France, Italy, Germany and, more recently, China.

Q. If energy independence is a flawed notion, what do you suggest as a practical alternative?

A. Many practical options exist for policymakers who understand that the United States will be an energy importer for an extended period into the future. First, it is essential to seek diversity in the supplies to which the United States has access worldwide. Second, the United States should develop its indigenous resources — an undertaking that I am certain would yield economic benefits for both employment and the balance of trade. Third, we should all recognize the need to be more efficient in how energy is used. Every nation in the world draws on the world's energy supplies. It is therefore critical that our global energy resources be used efficiently and responsibly.

Q. You said recently that people in Washington, D.C., are starting to understand that a good deal of future oil supply happens to be in the Middle East. Do the recent events there offer grounds for optimism about the future of that region?

A. The Middle East is an extraordinarily difficult region politically, but we have some large investments there that are doing very well, and we are adding to those investments. We are confident that the legal framework, the physical framework and the stability of the societies where we invest are sound. I am hopeful that the Middle East peace process will achieve positive results. It is a tough challenge, but its future is important to the world.

"People may not understand how much money the private sector and governments everywhere have put into trying to improve the environment. It's a pretty remarkable success story."

Q. You have long advocated developing indigenous resources. Are you including resources many think exist in the Arctic National Wildlife Refuge (ANWR)?

A. The United States has an obligation to understand what the facts are when assessing its resource base. The U.S. Geological Survey (USGS) and others have suggested that there may be several billion barrels there. But as we in the oil business know, until you drill and find it, it is only a geologist's expectation. As we have learned during the past 100 years, such expectations are sometimes not met. I do not know if commercially significant quantities of oil or gas exist in ANWR. But on the other side of the equation, if the USGS is close to being right, it is a significant potential energy resource for the United States.

Some critics have argued that we should not be looking for resources of the size that may exist in ANWR, and that they should be larger. That is a flawed argument because there are not many exploration projects anywhere in the world that we would pursue if they were predicated on such a standard. In fact, though the global supply picture comprises large producers, such as Saudi Arabia, it also includes a large number of much smaller resources developed in many countries all around the world. I'm not going to make the case that the nation's energy supply is substantially at risk if ANWR is not pursued. I don't think we have a basis to say that. However, willful and deliberate ignorance about the country's energy resource base is also not a wise approach.

Q. How do you interpret the intense media focus on alternative energy sources?

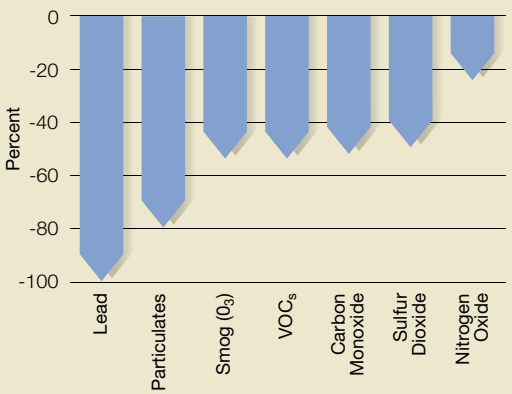
It is very likely that alternative forms of energy will begin to make more of a contribution to energy supply in the coming decades. But here is where an understanding of scale is so important. For example, even with an expected rapid growth rate for wind and solar energy, driven in large measure by public subsidies, their contribution to global energy will still be in the 1 percent range in 2030. That is because they start from a very low base, and because the global energy market is so huge. What all of this means, and without disparaging the importance of working on alternative energy approaches, is that for many decades the key issue in energy will be how to find and produce enough conventional energy to support global economic activity and prosperity for a growing world population.

Q. How has the industry's size affected perceptions about what it will take to produce the world's future energy supplies?

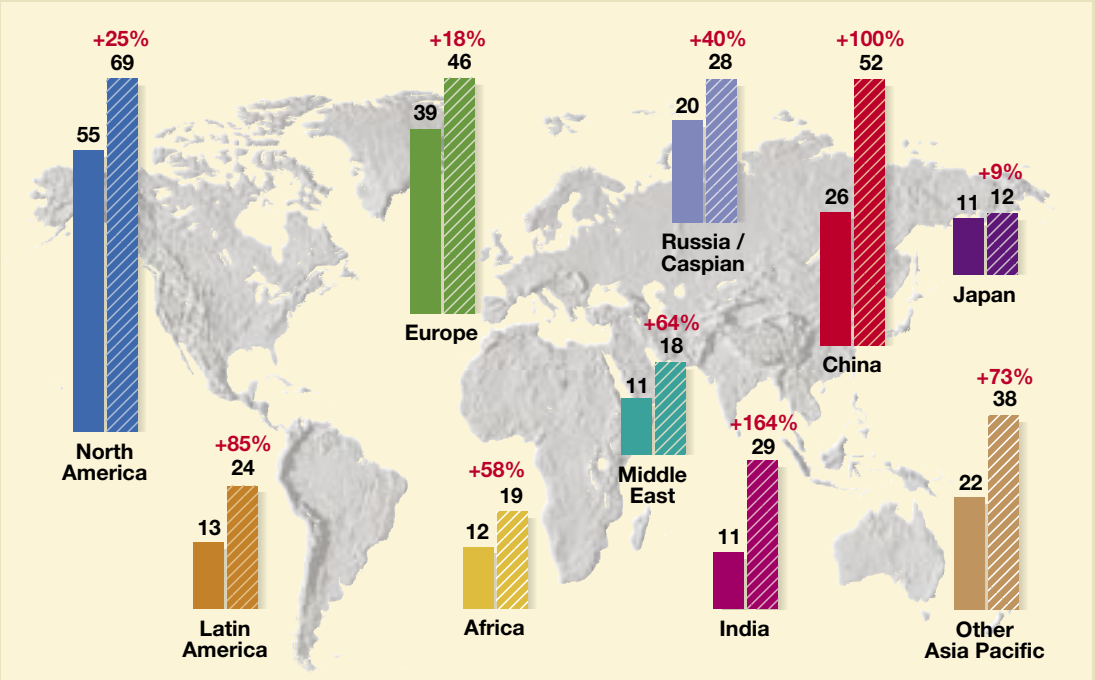
A. One of the difficulties people have, even some who work in this business, is understanding the scale and size of the energy industry. This is important to understand in order to put in perspective what some of the alternatives are and to judge if they are significant in the context of the whole.

There are many alternative forms of energy that people talk about that may be interesting. But they are not consequential on the scale that will be needed, and they may never have a significant impact on the energy balance. To the extent that people focus too much on that — for example, on solar or wind, even though they are not economic — what they are doing is diverting attention from the real issues. And 25 years from now, even with double-digit growth rates, they will still

U.S. air quality measures
(1970 - 2003)



Source: U.S. Environmental Protection Agency,
Clean Air Status Report: Three Decades of Progress



Growing world energy demand
(millions of oil-equivalent barrels per day)

2004 2030 % = Change

be less than 1 percent of the energy supplied to meet worldwide demand. I am more interested in staying focused on the 99 percent than the 1 percent.

Q. Here in the United States, improvements in air and water quality have been very significant in the past 30 years, but many people think things have actually become worse. Why is there such a wide gap between perception and reality in the environmental area?

A. That is a hard question to answer. You are certainly correct to note that air quality and water quality have been greatly improved in recent decades. Part of the confusion may exist because people may not understand how much money the private sector and governments everywhere have invested in improving the environment. It is truly a remarkable success story. But when the facts must compete with the ideological agendas or inflamed rhetoric that often pervades discussions about energy and the envrionment, it is hard to get that success story out to the public. It may not be a headline news story to report that air or water quality is substantially better now than it was 10 or 15 years ago. But I believe we have a duty to help inform and educate people about the facts.

Q. How are the rapid advances in technology shaping ExxonMobil's future?

A. ExxonMobil is driven by technology. One thing we have learned over a long period of time is that there are always opportunities to do things better. We also have long understood that we must have creative skills in the organization and the people to figure out how to develop and use the technology. We work diligently to give everyone the tools necessary to foster scientific progress and technological innovation — the tools of the work environment, access to technology, the ability to collaborate with other outstanding people and the opportunity to bring their ideas to fruition.

We work hard at creating an environment that encourages new and better ways to do things. In a very important sense, that has always been a priority at ExxonMobil. The results are always a little different because time marches on, and what was new five years ago is now embedded in the organization.

So the question is: What's new today? We are always looking for the answer. We're a big organization and a big company. Ultimately, it is the exceptional quality of the people at every location around the world that continues to define ExxonMobil today. We are the premier company in the industry, and we have been from the beginning. And we intend to continue in that position for many years to come. theLamp

Africa Health Initiative targets the scourge of malaria

With its investments in Africa on the rise, ExxonMobil is helping to lead the fight against one of the largest impediments to the continent's social and economic progress — malaria.

Malaria kills over a million people a year in sub-Saharan Africa, and ExxonMobil is significantly stepping up its commitment to combat this preventable disease.

Beginning in 2005, the company plans to spend up to $10 million a year on projects for the prevention, control and treatment of malaria. The effort is part of ExxonMobil's Africa Health Initiative, launched in 2000.

The increased funding complements more than $5 million in ExxonMobil Foundation grants awarded in 2004 to 24 malaria-focused projects in nine African countries, and also supports international research and development and advocacy.

Devastating impact

Africa's relentless malaria epidemic has achieved little international awareness relative to HIV/AIDS or famine. Malaria is a parasitic disease transmitted by the bite of infected mosquitoes. Once the first symptoms appear, malaria can kill very rapidly and often does. Some 300 million acute cases of the disease occur globally every year, resulting in over a million deaths. Nine out of 10 of those deaths occur in sub-Saharan Africa.

According to the World Health Organization, malaria causes more deaths among young children than AIDS, tuberculosis or measles. Economists estimate that malaria erodes gross domestic product in Africa by more than $12 billion annually.

"With major oil and gas production operations in five African countries and petroleum retail marketing and distribution in many more, ExxonMobil is keenly aware of malaria's

(Above) These smiling faces belong to children at an orphanage where mosquito bed nets help protect against malaria transmission.

(Opposite page) ExxonMobil's Fernando Pegado distributes insecticide-treated bed nets to villagers in Angola.

devastating impact on individuals, communities and economies," says Dr. Steven Phillips, ExxonMobil Medical Director for Global Issues and Projects. Phillips adds that some 5,000 employees and as many as 50,000 additional workers are associated with ExxonMobil businesses in Africa. "Malaria inevitably puts many of these people at risk."

Since 2000, ExxonMobil's anti-malaria funding has evolved to focus on drug research and development, advocacy for increased international awareness and resources, and support for on-the-ground community projects to promote malaria prevention, education and treatment.

Today, some 70 percent of the Africa Health Initiative's grants go to community projects run by international and local organizations with proven track records in the delivery of anti-malaria programs at a local level.

Emphasis on prevention

Behind Africa's malaria epidemic is the reality that the disease has become increasingly resistant to previously effective medicines, requiring an even greater emphasis on prevention. One of the simplest and most cost-effective means of malaria prevention in Africa today is the insecticide-treated bed net, which protects people from mosquito bites at night.

"It has been shown that high levels of insecticide-treated bed net coverage can reduce deaths in children by as much as 20 percent," says Phillips.

Several ExxonMobil initiatives are dedicated to educating at-risk populations and getting more bed nets in the hands of the people who need them most.

A better bed net

A to Z Textile Mills in Tanzania has begun producing a long-lasting bed net made of woven polyethylene supplied by ExxonMobil Chemical and infused with an insecticide that will maintain effectiveness for five years. Traditional polyester bed nets require fresh insecticide treatment every six months — which in practice seldom occurs, and without it they lose effectiveness.

In addition to saving lives, the plant is providing employment for some 100 people, mostly women, who are earning better wages in improved working conditions.

Plant production capacity is expected to exceed 7 million bed nets a year by 2006, compared with initial capacity of 400,000 a year when operations began in November 2004.

Henri Frederix, High Density Polyethylene Product Manager for ExxonMobil Chemical's Europe, Africa and Middle East operations, and Dr. Steven Phillips, ExxonMobil Medical Director, Global Issues and Projects, helped with the planning and start-up of the plant following initial conversations with the World Health Organization, Sumitomo Chemical Company and the Acumen Fund.

ExxonMobil also advised A to Z on strategies to hold down production costs and to improve marketability with a broad selection of bed net colors.

"My goal was to help ensure long-lasting success, not just long-lasting nets," says Frederix.

A grant from the ExxonMobil Foundation's Africa Health Initiative has helped UNICEF procure A to Z bed nets for distribution in Cameroon. ExxonMobil also funded bed net distribution in the community surrounding the plant in Tanzania.

(Above) Tanzanian mill employees operate machinery that weaves polyethylene into rolls used to make bed nets.

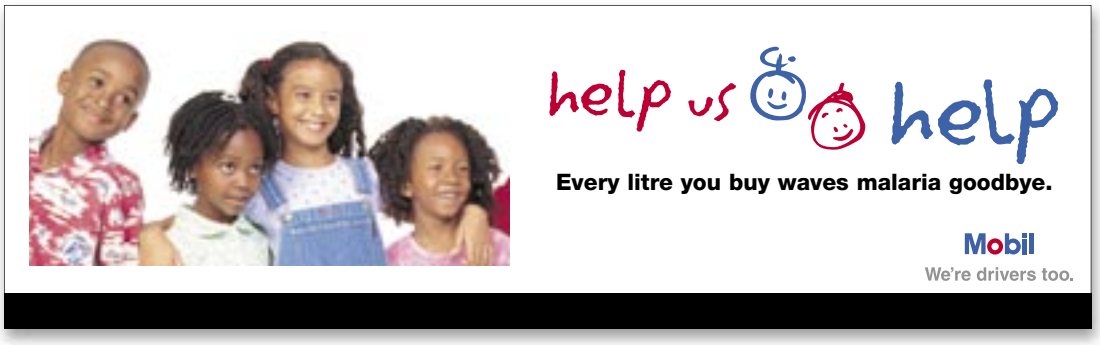
(Below) An African aid worker inspects bales containing bed nets.

One ExxonMobil-supported project piggybacks bed net distribution onto an existing measles-vaccination campaign led by the American Red Cross. Measles ranks second to malaria as a cause of death among African children.

"The measles campaign reaches more than 90 percent of our target group, while bed net coverage for at-risk African children is still less than 5 percent," says Dr. Mark Grabowsky, senior technical advisor, American Red Cross. "We wondered what might happen if the two efforts were combined."

The dual campaign got its first test in 2002 in the impoverished Lawra district of Ghana. Every parent who brought a child under the age of five to the vaccination post received a free bed net. During the one-week campaign, Lawra residents received more than 14,000 bed nets. ExxonMobil supported not only the delivery system but also a process to measure community impact.

"We proved the value of the concept," says Grabowsky, and we have opened the eyes of the public health world to an innovative and highly cost-effective method of saving lives."



Billboards support awareness of the 'Help Us Help' anti-malaria campaign.

▶ **To learn more**
exxonmobil.com/health

This year, ExxonMobil has provided $1.2 million to the American Red Cross to replicate this success in Equatorial Guinea and Chad. Scaled up to nationwide levels, the campaigns may combine up to five interventions — measles vaccines, bed nets, Vitamin A, polio vaccines and de-worming medicines.

'Help Us Help'

The ExxonMobil Africa Fuels Marketing Group has also teamed up with the Academy for Educational Development's (AED) USAID-funded NetMark project to develop a new "Help Us Help" campaign involving the company's retail service station network.

Coupons for the purchase of discount bed nets are distributed to pregnant women through prenatal clinics. The coupons can be redeemed at nearby *Mobil* service stations, which also donate a portion of gasoline sales to provide free bed nets for local orphanages.

"It's more than a bed net program. It engages our customers and communities to take actions regarding their own health," stresses Debora Rice, ExxonMobil's Global Health Issues manager, noting that malaria-education materials are prominently displayed and distributed in *Mobil Mart* convenience stores.

The program was piloted with great success in Zambia in 2003 and expanded in Ghana in 2004. In 2005, the ExxonMobil retail networks in Cameroon and Nigeria will run "Help Us Help" programs, and the Zambian and Ghanaian networks will run a second campaign.

Freeing public resources for the neediest

The NetMark concept represents a development approach that uses public-private partnerships to build a sustainable commercial market for insecticide-treated bed nets, while delivering free or subsidized products to the most vulnerable populations.

"Often those who can afford bed nets would rather buy them than get handouts," says David McGuire, AED's NetMark project director. "Our approach is to encourage the private sector to meet as much of the bed net demand as possible. This will allow the public sector to focus its limited resources on donations to the neediest people."

Monitoring indicates that some 80 percent of the coupons distributed were ultimately redeemed for bed nets, indicating the great success of this approach in getting nets to people who need them.

"There's an ongoing debate in the public health community over which way is better — giving away bed nets or selling them," says Phillips. "The best answer probably is to do it all. We're testing the various models to see how we can achieve the greatest impact."

In the interest of "doing it all," ExxonMobil is even helping to make better bed nets. In the early days of the Africa Health Initiative, the public health community was pleasantly surprised to find a large international corporation knocking at their doors.

"It was groundbreaking," says Phillips. "No companies were supporting anti-malaria programs back then. ExxonMobil has since become a drawing card for other companies to join the fight against this devastating disease." the**Lamp**

A young mother receives tips about proper use and care of bed nets.

Playing to our strengths

Senior Vice President Stuart McGill tells why ExxonMobil is optimistic about the world's energy future.

Concerns that the world doesn't have enough energy to keep pace with rising energy demand have surfaced periodically for much of the industry's nearly 150-year history. And each time, the industry has responded with technology advances and other innovations. Today is no different. Although the task of supplying enough oil and gas to meet demand will be difficult, ExxonMobil has the technology, the financial strength and the largest resource base of all nongovernmental oil companies to get the job done.

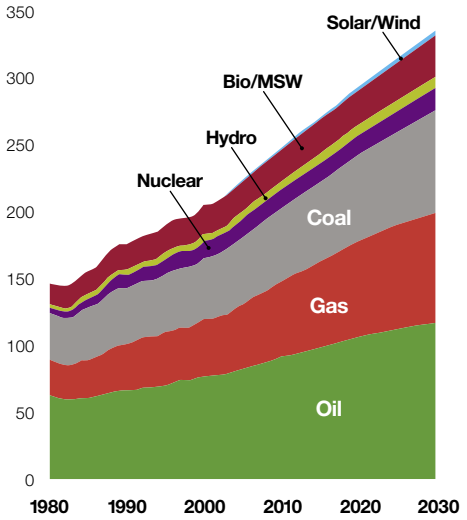
Energy forecasts point to a continuing rise in demand while production from existing oil and gas fields continues to decline. By 2020, the world is expected to need new daily production nearly equal to replacing all of the oil and gas being produced today. For some, it's the proverbial "the sky is falling." For ExxonMobil, it's an enormous opportunity.

ExxonMobil Senior Vice President Stuart McGill, speaking at the Goldman Sachs Global Energy Conference in January, noted that plenty of oil and gas remains around the world. But it will take the best technology as well as the most capable and efficient organizations to produce it. At the same time, publicly owned companies such as ExxonMobil must continue to achieve strong returns for their shareholders.

"ExxonMobil has these characteristics," McGill said, "and our financial capabilities are unmatched."

World Energy Demand Grows 1.7% Per Year

By Fuel
MBDOE



Lots of oil left

McGill said ExxonMobil forecasts that global energy demand will increase 1.7 percent a year (on average) through 2030, with oil demand rising 1.5 percent and gas demand up 2.2 percent annually.

"The ability to meet this demand is dependent, in part, on the assumption that reasonably priced supplies are available," said McGill. "We believe with some confidence

Story by Mike Long and Mindy Charski Photography by Jim Reisch

Stuart McGill sees the continuing rise in global energy demand as an enormous opportunity.

"ExxonMobil's use of new technology has helped cut LNG shipping costs from the Middle East to the United States by more than 20 percent."

Stuart McGill
Senior Vice President
ExxonMobil

that this assumption is indeed reasonable."

Current estimates place the amount of conventional oil in place the world over at between 6 and 8 trillion barrels. Of that, about 40 percent is forecast to be commercially recoverable.

"However, past experience has taught us that the industry keeps underestimating its ability through technology to lower costs and increase the size of the resource base," said McGill. He noted that an increase of only 1 percent in the average recovery factor of the world's conventional oil resource base would increase the recoverable volume by 60 to 80 billion barrels — or more than two years of production at today's rate.

Another reason for McGill's optimism can be found in ExxonMobil's resource base. At 73 billion oil-equivalent barrels, it is the largest in the international oil industry.

"In addition to being large, our resource base is growing," McGill said. "Between 1999 and 2003, it grew by an average of 700 million oil-equivalent barrels a year. That is a testament to the capability of our organization."

With regard to how the company expects to continue both expanding its resource base and increasing production, McGill cited four areas of focus:

- Enhanced recovery of conventional oil
- Production of extra-heavy oil, tar sands and tight gas
- Liquefied natural gas (LNG) and gas-to-liquids technologies
- Deepwater and Arctic operations

All of these steps will involve technological advances that will allow the company to commercialize resources that previously would have been uneconomic.

Doubled oil recovery in West Texas

Enhanced oil recovery (EOR) is one such advance. ExxonMobil is the industry leader in EOR. In its most basic form, EOR involves injecting water, foams, emulsions or other substances into a reservoir so the resource can more easily move to the wellbore and then to the surface.

"This is not a one-size-fits-all business," McGill said. "We take care to choose the most appropriate technology for the specific situation."

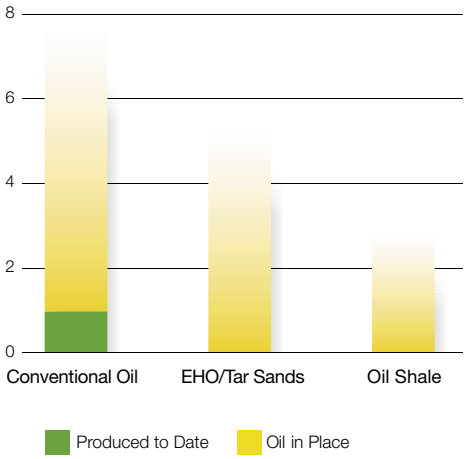
Regarding the potential for EOR to recover more oil, McGill cited ExxonMobil's success in the Means field in West Texas.

Discovered in 1934, the field was expected to have ultimate recovery of about 140 million barrels. However, in 1982, the company applied what were then new technologies to extend field life. Today, ultimate-recovery projections have nearly doubled to 260 million barrels.

"This helps remind us that

Large Oil Resources Exist

Trillions of Barrels - Worldwide



Arctic developments

ExxonMobil is focusing on securing the legislative and fiscal framework it needs to pursue the natural gas resources of Prudhoe Bay and Point Thompson in Alaska and the Mackenzie River Delta in Canada.

Both ventures will be massive and complex. The Alaska project will involve nearly 1,700 miles of 52-inch pipe just to the border of Alberta, Canada, and will be capable of handling 4 to 5 billion cubic feet per day (GCFD). The Mackenzie Valley pipeline will stretch 800 miles, with an initial capacity of 1.2 GCFD, and is expandable to 1.9 GCFD.

"With costs that could exceed $20 billion for the two projects, we are working on technologies that will contribute to cost reductions and that will help the projects reach fruition," McGill said at the 2005 Goldman Sachs Global Energy Conference.

Although not all of the elements are in place to commercialize the area's large gas resources, he said progress is being made.

"That's good news for consumers in North America, who will need gas from both projects in the next decade," McGill said.

ExxonMobil's Arctic activities aren't just about commercializing onshore gas, however. The company also has interests in eight exploration blocks offshore northeastern Canada in the Orphan Basin — one of the few remaining untested basins in the world.

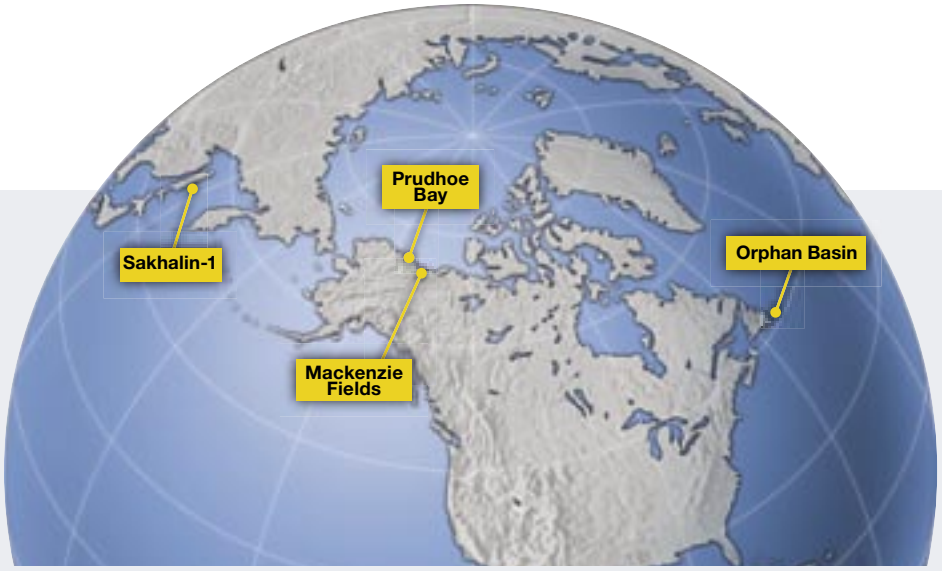
Operating conditions in the basin are often fierce, with water depth exceeding 10,000 feet and pack ice and icebergs from January to June.

"Our primary focus is to determine whether the billion-plus-barrel prospects are oil-bearing or not," McGill said. "And if they are, what is the quality of that oil?"

Another area, offshore Sakhalin Island in Russia, likewise presents daunting weather-related challenges. The area is frozen over with sheet ice up to six feet thick during the winter. However, production at the ExxonMobil-operated Sakhalin-1 project is scheduled to begin on schedule in the third quarter, reaching 250,000 barrels of oil and 200 million cubic feet of gas in late 2006.

The company's proprietary processing and visualization technology, and its detailed reservoir models and simulations, are significant breakthroughs in ExxonMobil's ability to develop Arctic resources as efficiently and cost effectively as possible, McGill said.

"The expertise to pull this off is the result of a focused organization that is able to draw on the knowledge of our current workforce as well as some 80 years of experience in Arctic and cold-weather work."



what we think we know today is imperfect, and that our industry has a history of using technology to obtain ever-greater levels of recovery," McGill said.

Developing extra-heavy oil and tar sands

Other areas will require a greater attention to what are considered recent or emerging technologies.

Examples include techniques for developing resources with difficult physical properties that make them hard to produce, such as extra-heavy oil and tar sands.

ExxonMobil's current resource base of extra-heavy oil and tar sands exceeds 16 billion barrels of oil, including major deposits in Canada and Venezuela.

"In all these extra-heavy oil and tar sands projects, we continue to focus on ways to increase recoveries, lower costs, improve our execution and assess expansion," McGill said.

Unlocking tight gas

Tight gas, which is natural gas trapped in reservoirs that feature very low porosity and permeability, poses a different problem.

The key to unlocking this gas is finding a way to move it to the wellbore faster without producing undesired formation water. To do this, ExxonMobil is playing to its strengths by working on ways to mechanically fracture the reservoir rock using the company's proprietary technology.

Some of the highest-quality tight gas sands in the United States are in the Piceance basin in northwestern Colorado. ExxonMobil has an interest in approximately 300,000 acres, with a recovery potential of more than 35 trillion cubic feet.

Leadership in LNG and GTL

Gas resources remote from world markets are challenging because they must be converted to another form to make them commercial.

> **"The company's deepwater development costs have averaged 15 to 30 percent lower than those of the competition in Angola, Nigeria and the Gulf of Mexico."**
>
> Stuart McGill
> Senior Vice President
> ExxonMobil

▶To learn more
exxonmobil.com/worldenergy

Here, too, ExxonMobil is playing to its strengths and leading the way in the growth of LNG by developing and applying innovative technology that creates economies of scale in production and transportation. For example, the company's use of new technology has helped cut LNG shipping costs from the Middle East to the United States by more than 20 percent. In this process, natural gas is cooled to a liquid form in the exporting country and transported by ship to an importing country, where it is returned to a gaseous state and sold as natural gas.

ExxonMobil has also developed technology to convert natural gas to entirely different products, such as lube basestocks, diesel fuel and chemical feedstocks.

The first step in this gas-to-liquids (GTL) process isn't unique to the company, but ExxonMobil has two proprietary technologies for the next two steps of hydrocarbon synthesis and product upgrading. The company is negotiating the final agreements with Qatar Petroleum to build the world's largest fully integrated GTL plant ($7 billion, gross).

80 deepwater discoveries

ExxonMobil is also developing technology to make it easier to operate in deepwater and Arctic environments.

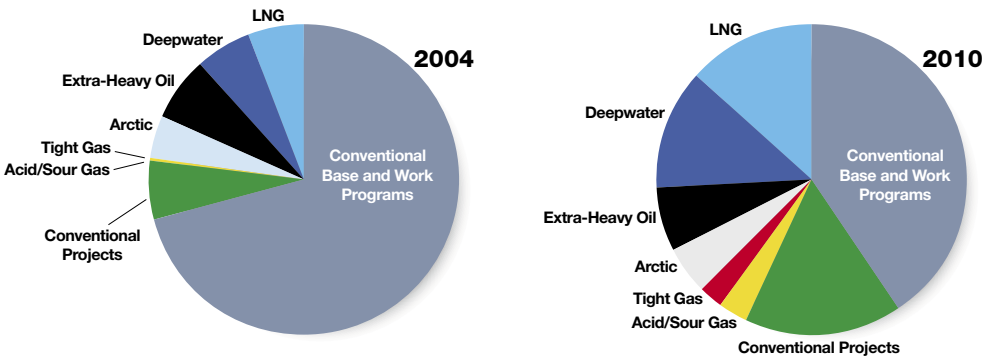
The company has participated in some 80 deepwater discoveries, including nearly 50 in West Africa, with total gross recoverable resources estimated at more than 30 billion oil-equivalent barrels. It is planning to drill an additional 15 to 20 deepwater exploration wells per year in Africa, the Gulf of Mexico and elsewhere over the next several years.

In Africa and the Gulf of Mexico, ExxonMobil's global technology transfer, as well as cost and schedule discipline, have resulted in best-in-class execution results. Development costs are as much as 30 percent lower than those of the competition on projects of similar size in a given region.

McGill said that ExxonMobil clearly has the resource base and technology to meet the challenge of rising energy demand. Equally important, he stressed the need for stable fiscal and commercial frameworks that will deliver an adequate return to shareholders.

"The financial commitments required to commercialize the world's largest resources are enormous. At ExxonMobil, our financial capabilities and technological strength allow us to pursue every good opportunity. We are not opportunity-constrained, but we are patient and disciplined. In fact, we play to our strengths by pursuing and progressing many opportunities before selecting and implementing only the very best." the**Lamp**

Delivering Growth
Production Volume Contribution by Resource Type



Supplier Diversity Program

Supporting women- and minority-owned businesses

Kathy Walton's Pyramid Tubular Products supplies steel alloy casing for ExxonMobil production operations in the United States, West Africa and the North Sea.

Marjorie Rutland and Kathy Walton are two successful Houston businesswomen who found a partner in ExxonMobil and grew their companies. They exemplify the benefits of supplier diversity.

Wholesale Electric Supply Company and Pyramid Tubular Products don't have much in common in terms of the products they sell. What makes these two Houston-based companies alike is that they are women-owned, and each counts ExxonMobil as a major client.

ExxonMobil developed business relationships with the two companies through its Global Procurement Supplier Diversity Program. The program encourages the hiring of women- and minority-owned companies that provide materials and services that are essential to ExxonMobil's businesses.

Laurie Acreman, Procurement Supplier Diversity Executive Sponsor, oversees the program with six full-time employees.

"Supplier diversity is a business strategy that can strengthen ExxonMobil's competitiveness," says Acreman. "It helps expand the economic base of the local markets we serve, and it increases the potential for cost savings."

Acreman notes that minority- and women-owned businesses often are innovative and have different cost structures "that enable them to bring value to customers, including ExxonMobil. In return, our Supplier Diversity Program introduces them to potential buyers that they might not have had the opportunity to meet."

On-site inventory, on-call service

Marjorie Rutland, president and CEO of Wholesale Electric, began her electrical supply company more than 50 years ago. While the company has grown from two employees to more than 300, it remains nimble and successful by tailoring its customer service to meet each client's needs.

Wholesale Electric supplies ExxonMobil with electrical supply materials and maintains on-site inventory management at the Baytown, Texas, refining and chemical complex. Materials not readily available there can be accessed and delivered around the clock from one of eight Wholesale Electric warehouses around Houston.

Rutland recognized early that knowing your customers and putting them first are key principles of business.

"Everyone is competitive on pricing," says Rutland. "What we sell is a superior service to our customers through our knowledge of their industries and our relationships with the manufacturers. Our on-site inventory management and on-call service at ExxonMobil projects allow us to be flexible to meet their needs at a moment's notice."

Working smarter

Kathy Walton, who founded Pyramid Tubular Products in 1984, recognized that developing a relationship with a company as large as ExxonMobil would take some time. Accordingly, she relied on her creativity and an ability to capitalize on an opportunity when she saw it.

She initially began working with ExxonMobil by trading parts and supplies the engineers needed for the company's inventory. Over the years, she continued to identify innovative ways to provide ExxonMobil with a valuable service at a competitive price. That innovation led to a major contract with ExxonMobil to supply alloy casings. Today, much of

To learn more
exxonmobil.com/supplierdiversity

Story by Matt Motley Photography by Paul S. Howell

Marjorie Rutland's Wholesale Electric Supply Company operates eight warehouses in the Houston area.

what Pyramid sells ExxonMobil is used in production operations in West Africa.

Walton attributes much of her success to the advice and counsel of ExxonMobil's Jim Penn, who manages the procurement of drilling materials.

"Working with Jim and ExxonMobil has made us a better company," says Walton. "I think we're working smarter, and we're more focused."

"We are a woman-owned business," adds Walton, "but I want Pyramid Tubular to be known as a capable and competitive business first. Working with ExxonMobil actually works for both of us. By helping local businesses succeed, ExxonMobil succeeds." the**Lamp**

Supplier diversity at work

- ExxonMobil has been active in supplier diversity for decades, having launched formal supplier diversity programs in 1973.
- The programs today support more than 2,700 minority- and women-owned suppliers.
- ExxonMobil funds scholarships for minority suppliers to attend the University of Virginia's Darden Graduate School of Business Administration and Northwestern University's Kellogg Graduate School of Management Executive Program.
- Senior executives, buyers and supplier diversity advocates help train suppliers in negotiations, business plan development and accounting.
- 2004 award recognition
  Houston Minority Business Council — Corporation of the Year

  Women Presidents' Educational Organization — Corporation of the Year

  DiversityBusiness.com — Top 50 Corporations

Qatar

A photo essay

LNG train construction in Doha continues

ExxonMobil and Qatar Petroleum, with other joint-venture partners, are further developing the giant North Field offshore Qatar, the largest nonassociated gas field in the world. The resources to be developed through existing and planned liquefied natural gas (LNG) trains, a gas-to-liquids project and pipeline sales projects exceed 25 billion oil-equivalent barrels (gross). Natural gas from the North Field is competitive for supplying LNG to the Asia Pacific region, Europe and the United States.

(Opposite page) RasGas LNG Train 4 is scheduled for start-up in 2005, with sales targeted primarily for Europe.

(At left) The subtle blending of traditional and modern architectural styles attests to the myriad influences of Qatar's rich cultural heritage and its confident approach to the future.

To learn more
exxonmobil.com/lng

(Above) An aerial view is required to take in the entire scene at the Qatar RasGas Onplot complex, which comprises LNG Trains 1, 2, 3 and the under-construction Train 4.

(Opposite page) Huge cranes tower above the LNG Train 4 work site, dwarfing the pipe fabrication and laydown yard shown in the foreground.

(Opposite page — inset) A worker helps guide a crane operator moving giant steel frameworks near LNG tanks 4 and 5.

(Right) Curving pipes seem to wander in every direction at the LNG Train 4 construction site.

VISTAMAXX
specialty elastomers changing the game

ExxonMobil Chemical's next-generation polymers are providing new solutions for making consumer products.

Demonstrating the stretchability of nonwoven fabric made with *Vistamaxx* specialty elastomers are (from left) Sudhin Datta, one of the product's inventors; Mary Ahner, vice president, Ethylene Elastomers global business unit; and George Racine, product manager, *Vistamaxx* specialty elastomers.

Story by Kevin Gault Images by Janice Rubin and Charles Wiese

"Consumers will benefit from it through nonwoven products that stretch and feel more like fabric."

Mary Ahner
Vice President
Ethylene Elastomers
global business unit

Disposable medical gowns with the same softness as those made of cotton. Surgical masks and diapers that fit better. Product packaging that is more impact-resistant.

All are special qualities made possible with a "next generation" of polymers from ExxonMobil Chemical Company called *Vistamaxx* specialty elastomers.

The new product improves the elasticity, softness, adhesion, strength and durability of a variety of consumer products.

"It improves stretch and impact resistance, and consumers will benefit from it in nonwoven products that stretch and feel more like fabric," says Mary Ahner, vice president, Ethylene Elastomers global business unit.

In addition to diapers and medical products, it has applications in elastic film for packaging and impact-resistant plastics used in molded automobile parts.

Just the beginning

"These are only the initial applications," says Ahner. "We believe there will be many other opportunities to use *Vistamaxx*, and we're working with customers to fully explore them."

"With this new family of products, we've got something that represents the culmination of decades of work in product design — and the product is difficult to duplicate."

Mary Ahner
Vice President
Ethylene Elastomers
global business unit

In addition to improving the quality of existing consumer products, *Vistamaxx* offers customers opportunities to simplify their manufacturing processes and reduce raw material needs.

"Our customers call it 'game-changing,'" says George Racine, product manager, *Vistamaxx* specialty elastomers.

"*Vistamaxx* is compatible with other chemical compounds and easy to process," says Racine. "Manufacturers welcome it because it is designed to be used with their existing equipment. This enables them to integrate the new product into their manufacturing processes faster and without having to modify their technology."

Racine says ExxonMobil Chemical has spent a lot of time consulting with potential customers to give them a clear understanding of what this new product will do for them.

"It doesn't replace one product with another. Rather, it gives their existing products new capabilities that haven't been available to them."

Where it comes from

"*Vistamaxx* polymers are brand new," says Sudhin Datta, senior research associate and one of the product's inventors. "They get their special properties from our control of the propylene molecule, which, when combined with enough ethylene, produces the desired elasticity."

Datta says the combination of ExxonMobil Chemical's proprietary *Exxpol* metallocene-catalyst and manufacturing technologies makes the structure and composition of *Vistamaxx* specialty elastomers possible.

"Our proprietary technology has steadily advanced the capabilities of these catalysts to extend manufacturing control over the molecular structure of polymers. This provides greater strength, better sealing properties and improved clarity and cleanliness."

Years of product design work

Ahner adds that *Vistamaxx* is a direct result of ExxonMobil Chemical's commitment to new-product innovation as well as a significant investment in technology.

"With this new family of products, we've got something that represents the culmination of years of work in product and process design," says Ahner.

Vistamaxx, packaged as free-flowing pellets, is manufactured in Baton Rouge, Louisiana, for worldwide distribution.

"It's still too early to make precise predictions about exactly where the new product will take us," says Ahner, "but the potential benefit is global in scale."

theLamp

Elastic fantastic

The *Vistamaxx* product family is only one asset in ExxonMobil Chemical's portfolio of ethylene elastomers. Four other product groups make up one of the broadest product lines in the industry:

- *Vistalon* rubber has outstanding weather resistance and is ideal for processing. The product is used in automotive radiator hoses, weather seals, gaskets, roofing membranes and cable insulation.
- *Santoprene* thermoplastic elastomers have the properties of vulcanized rubber and are easy to process. *Santoprene* is used in a wide range of applications. It's suitable for many consumer-product and packaging applications that require a soft grip and resistance to heat, oils, chemicals and other fluids.
- *Exact* plastomers have elastic properties at room temperature and can be melted and processed like plastic. They're used in consumer packaging as well as automotive and construction applications.
- *Exxelor* modifiers are used in a wide assortment of engineered thermoplastics and other technical polymers. This product makes nylon tough enough to be used in automobile engines.

ExxonMobil completed construction of its Baton Rouge, Louisiana, metallocene ethylene elastomers plant in 2003. This state-of-the-art facility combines the company's strengths in catalyst technology, product design and process development.

First quarter earnings set another record

Exxon Mobil Corporation earned $7.86 billion in the first quarter 2005, a $2.42 billion increase compared with last year's first quarter. Excluding a one-time gain of $460 million on the sale of the Corporation's stake in China Petroleum and Chemical Corporation (Sinopec), earnings were up $1.96 billion and are the highest first quarter ever for the Corporation.

Upstream earnings were a record $5.05 billion, an increase of $1.04 billion from first quarter 2004 results, reflecting continued strength in crude and natural gas prices.

Downstream earnings were over $1.4 billion, an increase of $449 million from last year, including $310 million for Sinopec, with improved worldwide refining conditions partly offset by weaker marketing margins.

Chemical earnings were a record, at $1.43 billion, up $868 million from the first quarter 2004, reflecting higher margins and $150 million for Sinopec.

ExxonMobil continued its active investment program, spending $3.4 billion in the first quarter on capital and exploration projects, comparable with last year, reflecting continued strong levels of Upstream spending.

ExxonMobil quarterly financial summary

Millions of dollars, except per-share amounts	First Quarter 2005	First Quarter 2004
Functional Earnings		
Upstream	$ 5,054	$ 4,013
Downstream	1,453	1,004
Chemical	1,432	564
Corporate and financing	(79)	(141)
Net income (U.S. GAAP)	$ 7,860	$ 5,440
Net income per common share – assuming dilution	$ 1.22	$ 0.83
Special items	$ 460	$ 0
Earnings excluding special items	$ 7,400	$ 5,440
Other Financial Data		
Total revenues and other income	$ 82,051	$ 67,602
Income and other taxes	$ 23,225	$ 20,791
Capital and exploration expenditures	$ 3,417	$ 3,401
Dividends on common stock	$ 1,728	$ 1,642
Dividends per common share	$ 0.27	$ 0. 25
Thousands of barrels daily, except natural gas and chemical		
Operating Data		
Net production of crude oil and natural gas liquids	2,543	2,635
Natural gas production available for sale (millions of cubic feet daily)	10,753	11,488
Petroleum product sales	8,229	8,126
Refinery throughput	5,749	5,596
Chemical prime product sales (thousands of metric tons)	6,938	6,792

Safe and clean in the North Sea

Consistent with ExxonMobil practices, affiliates in the North Sea have incorporated formalized environmental business plans into their annual business strategies. This companywide practice involves a systematic approach to addressing environmental challenges and identifying steps to improve business performance.

(Below) Production technician Asbjorn Rasmussen (seated) and senior production technician Vidar Sivertsen monitor production of the Ringhorne platform (opposite page) located in the Norwegian area of the North Sea.

The fishing industry in Norway and the United Kingdom is taking note. So are government regulators, nongovernmental organizations and the general public. They're acknowledging ExxonMobil affiliates' commitment to a cleaner and safer environment in the North Sea.

At the heart of that commitment is an environmental business plan that puts a formal, detailed structure around policies and practices that the affiliates have applied for years.

"We've taken our commitment to the environment a major step further by integrating it into our annual business plan and giving every operating group ownership," says Kathy Pepper, ExxonMobil North Sea Production manager.

The Safety, Health and Environment (SHE) function leads the process.

"We ask each of our operating groups for input on current and emerging environmental issues," says Ingvild Skare, SHE advisor and author of the company's environmental business plan in Norway.

"We review our present situation, look for gaps in our performance and discuss opportunities for improvement," says Skare. "The results form the basis of short- and long-term action plans and provide the tools for monitoring progress. And every step of the way, we follow principles of sound science and cost-benefit analysis."

Novel safety-reporting concepts have contributed to good safety results in the North Sea. Here, production technician Geir Grasdal enters data on a safety report.

Proven results in the United Kingdom

Much of the environmental business plan for the United Kingdom focuses on waste management. ExxonMobil is the first UK operator to apply a technology that cleans drill cuttings before they're safely returned to the sea.

"The cleaning process addresses an important issue — that trace contaminants from cuttings at the base of older drilling and production platforms could leach into the sea," says Richard Laing, ExxonMobil's SHE manager in the United Kingdom.

Reducing carbon dioxide and other air emissions is another challenge in older facilities. Yet, from 1995 to 2003, ExxonMobil's UK production and gas processing activities jumped 48 percent, and new technologies cut emissions from those operations by 7 percent.

(Upper right) Bathed in moonlight, the Ringhorne platform showers the night in its own kaleidoscope of lights.

(Below) The semisubmersible production platform for the Kristin field is under construction in Norway. The $3 billion (gross) Kristin project is expected to begin production in 2006.

Also, in 2002, ExxonMobil became one of the first UK operators to remove a decommissioned platform from the North Sea under new strict environmental regulations.

"We addressed the high expectations of regulators and the public," says Laing.

Coexistence in Norway

In Norway, where new business opportunities continue to emerge, the environmental business plan covers the full Upstream cycle: exploration, development, production and decommissioning.

For exploration activities, the focal point is ExxonMobil's commitment to coexistence with Norway's fisheries. Commercial fishing and fish farming play a dominant economic and societal role in Norway.

"Offshore oil and gas companies have always followed a principle of coexistence with other users of the sea and accommodation of their environmental concerns," says Pepper. "Our challenge is to do a better job of communicating the nature of this coexistence to the public."

In June 2004, ExxonMobil won a license to operate on a set of exploration blocks in the Norwegian-Danish basin in the southern part of the Norwegian North Sea. This underexplored area is a so-called "high-risk, high-reward" opportunity, meaning it could potentially contain large volumes of gas. But it also happens to be one of the breeding grounds for the tobis, a tiny sand eel that is an important nutrient for large farmed fish.

"The award of this operatorship to ExxonMobil was a major achievement," says Bjorn Solli Olsen, Exploration supervisor. "We believe our commitment to coexistence with the fishery contributed to the successful outcome of our bid."

Olsen notes that coexistence is not just part of the environmental business plan; "it's also part of the business plan."

(Above) ExxonMobil participated in an extensive maintenance and upgrading program at the Norwegian Sleipner West field (ExxonMobil interest, 32 percent) that will boost the estimated recoverable resources by approximately 35 million oil-equivalent barrels (gross). The program will hold Sleipner West's gas production at its plateau level of around 775 million standard cubic feet per day for another three years.

The "luckiest fish in the world"

At a recent international conference, one delegate told a representative from Norway's Oil Directorate, "You have the luckiest fish in the world."

That's because the UK and Norwegian governments expect continuous improvement in environmental performance no matter how good an energy company's record may already be.

"Our ambition level regarding the environment is very high — among the highest in the world in terms of our focus on the issues," says Gunnar Einang, principal engineer, Norwegian Petroleum Directorate, and a member of the agency's environmental team. "Yet in reaching our ambitions, we try to be good at involving the industry to find the best solutions and the most cost-effective ways to meet conditions."

Both the UK and Norwegian governments engage industry groups and individual companies in research aimed at developing and implementing practical solutions to environmental challenges.

With the encouragement of the UK Department of Trade & Industry, four operators (including ExxonMobil) conducted a joint study to determine the environmental impact of drill cuttings left on the seafloor. According to Richard Laing, SHE manager in the United Kingdom, the department thus far supports the finding that the cuttings are best left undisturbed.

"It shows what can happen when you apply principles of sound science and engage with the regulator," says Laing.

Well in advance of drilling the deepwater Hvitveis exploration well in the Norwegian Sea in 2003, ExxonMobil established a dialogue with coastal communities that were more accustomed to cod fisheries and tourism than petroleum operations.

The effort helped build acceptance and understanding of the Hvitveis drilling operation from the various stakeholders in the local communities. With the Hvitveis well, ExxonMobil delivered an environmentally safe operation with no harmful discharges to the sea.

"Hopefully, prudent operations like Hvitveis will one day contribute to opening areas of the Norwegian continental shelf that remain off limits to petroleum activities," says Olsen.

Zero discharges

The environmental business plan in Norway also calls for continued reduction of air emissions, as well as the reduction of discharges to the sea.

ExxonMobil is striving to achieve zero harmful discharges this year, as called for by Norwegian regulators. The primary procedure for achieving this goal is through injection of produced water back into the producing formations at all ExxonMobil-operated fields in Norway.

For the newer Ringhorne development, which started production in 2003, ExxonMobil captured the cost-efficient opportunity to incorporate best-available technologies during the design phase. These included such improvements as facilities for injection of drilling waste, produced water and drainage water, a closed-flare system and a power generator with low nitrogen oxide emissions.

▶ To learn more
exxonmobil.com/northsea

"ExxonMobil and our industry continue to show commitment, perseverance and creativity in taking on the energy challenges of the future," says Pepper. "Environmental management is a big part of that." theLamp

Four for the road

ExxonMobil introduces a new line of high-endurance motor oils.

ExxonMobil has become the first major oil company to introduce a new line of high-endurance motor oils designed for longer oil-change intervals.

The new oils deliver proven performance and guaranteed long-lasting protection of critical engine parts for 5,000, 7,500 or 15,000 miles.

Two mineral-based oils, *Mobil Clean 5000* oil and *Mobil Clean High Mileage* oil, contain 16 percent more cleaning agent than conventional *Mobil* oil.

Mobil Clean 7500 oil is a synthetic blend, with 18 percent more cleaning agents than the already-improved *Mobil Clean 5000* oil.

And for even longer oil life, *Mobil 1 Extended Performance* oil contains 50 percent more *SuperSyn* additive — a key synthetic component that enhances the company's proprietary anti-wear technology — to deliver up to 15,000 miles of engine protection.

"These new products represent a big innovation in the way consumers think about oil," says Henrik Hansen, Americas marketing manager, ExxonMobil Lubricants & Petroleum Specialties Company. "There has been a lot of confusion about how long motorists can drive before changing oil. The old, conventional wisdom is that you needed an oil change every 3,000 miles. But today, automakers are pushing the numbers up to 5,000 miles or more. Our new oils are a response to consumers' desire for longer change intervals and manufacturers' higher mileage recommendations."

Responding to these market dynamics, ExxonMobil Lubes marketers worked closely with scientists at ExxonMobil Research and Engineering Company to develop these new products.

Testing the new grades

"The goal was to design these oils to perform well in difficult situations such as harsh climate extremes and different types of driving styles," says Bill Buck, section head, Passenger Vehicle Lubrication Development, ExxonMobil Research and Engineering Company.

Starting in the laboratory, ExxonMobil researchers developed a series of relatively basic bench-top experiments to test the new grades. From there the trials progressed to more sophisticated procedures that involved real engines and simulated actual driving conditions. Once the experimental oil earned a passing grade in the lab, more strenuous exercises followed.

Still in a controlled environment, the oils were poured into

The new oils deliver proven performance and guaranteed long-lasting protection of critical engine parts for 5,000, 7,500 or 15,000 miles.

 Story by John Altdorfer

(From left) ExxonMobil Lubricants & Petroleum Specialties Company president Jerry Kohlenberger and team owner Roger Penske look on as *NASCAR* drivers Rusty Wallace, Ryan Newman and Travis Kvapil unveil special paint schemes for the #2, #12 and #77 race cars promoting the new line of *Mobil* high-endurance motor oils. The three specially painted cars competed in the recent UAW-DaimlerChrysler 400, in Las Vegas, Nevada.

the engines of cars placed on a system of rollers. Thanks to an external fuel line that never let the gas tank reach empty, the vehicles ran for 210,000 miles, with short stops every 15,000 miles for oil drains and scheduled light maintenance.

A computer-controlled program replicated some of the worst driving conditions imaginable to further push the lubricant's capabilities. And even then, ExxonMobil scientists looked for further proof that the oils met all requirements.

The toughest test of all

"When we were sure we had gotten it right in the lab," says Buck, "we moved to the 'real' test — taxicabs in Las Vegas, Nevada."

Buck describes Las Vegas as the "gold standard for testing," noting that, "the driving conditions there are some of the most severe in the United States. Most of the cabs run 20 to 22 hours a day, with short downtimes for refueling and a change of drivers. With daytime temperatures that can reach 110 degrees Fahrenheit, the air conditioning runs all day and puts a lot of strain on the engines. And even though most of the trips are short, an average vehicle can put on 8,000 to 10,000 very hard miles a month, with lots of idling and quick starts and stops. So it's a good place to see how your motor oil will stand up to extraordinary punishment."

After extensive testing, all four grades "hit the jackpot." Across the board, the results surpassed expectations, especially in terms of oil thickening, a persistent problem experienced by lesser-quality grades.

"We tested the oils in different cars and with different companies to make sure that they could handle a variety of conditions," says Buck. "They were up to the challenge."

The new products began rolling out in February to key retailers such as *Wal-Mart* and *AutoZone*. The launch is supported by a fully integrated communications campaign that includes television, print and radio advertsing, a new Web site, and market promotions and events leveraging our position as the official lubricant of *NASCAR*.

To learn more
www.mobiloil.com

Tomorrow's trend today

In general, consumers expect longer-lasting performance from nearly every component of their vehicles. For the most part, automakers are meeting those expectations with fan belts, spark plugs and other parts that carry lifetime guarantees. In addition, automatic transmission fluids, coolants and rear-axle fluids are among the one-time factory-fill standard features.

"With their extended-life capabilities," says Hansen, "our new oils will meet a significant demand in the consumer market for high-quality products that protect engines longer." the**Lamp**

Around the world with ExxonMobil

State-of-the-art LNG trains are designed to expand production of Qatar's North Field.

Qatar Petroleum and ExxonMobil announce major activities for Qatargas II Project

Qatar Petroleum and Exxon Mobil Corporation announced that the companies are commencing a number of significant activities to advance the $12 billion Qatargas II project, which will supply LNG from Qatar to the United Kingdom by 2008. It is the largest integrated LNG project ever undertaken.

His Excellency Abdullah bin Hamad Al-Attiyah, Deputy Premier and Minister of Energy and Industry, said the Qatargas II project "is a major achievement that will provide the U.K. a significant additional source of natural gas and strengthen the ties between Qatar and the U.K. Working together with our partner, ExxonMobil, we have been able to significantly reduce the costs of delivering LNG to the U.K."

The Qatargas II project is expected to further develop Qatar's North Field, through the addition of the world's largest (7.8 million tons per year) onshore LNG liquefaction trains. Qatar's North Field has proven natural gas reserves in excess of 900 trillion cubic feet.

ExxonMobil Chemical expanding capacity of its Singapore steam cracker

The Singapore Chemical Plant, one of ExxonMobil Chemical's major manufacturing plants designed to serve the fast-growing demand in the Asia Pacific region, has begun an expansion project (scheduled for completion in late 2006) that will increase its ethylene capacity by 75,000 tons per year to more than 900,000 tons per year.

Asia Pacific Manufacturing Director Lynne Lachenmyer noted that ExxonMobil Chemical continuously seeks opportunities to enhance its manufacturing capability to respond to customers' needs. "The increase in ethylene capacity demonstrates ExxonMobil's commitment to be a reliable global supplier," she said. "At the same time, it further enhances the Singapore Chemical Plant's position as a world-class facility."

Ethylene is a basic building block for a variety of chemicals and plastics, including polyethylene, which is used in applications such as plastic containers and bags. According to Lachenmyer, "This expansion will help position us to continue to meet the growing demand in this region."

Tsunami disaster relief tops $10 million

Exxon Mobil Corporation pledged $5 million for relief efforts for people who have been affected by the recent tsunami disaster. As of March 31, 2005, employees, retirees, surviving spouses, dealers and distributors worldwide have donated more than $2.5 million, which is eligible for matching by ExxonMobil.

Immediately after the disaster, ExxonMobil affiliates began donating air transportation for medical personnel, supplies and other in-kind assistance. ExxonMobil affiliates employ about 5,000 people in India, Indonesia, Malaysia and Thailand.

ExxonMobil was the largest U.S. corporate donor to the United Nations High Commissioner for Refugees' tsunami relief effort in Indonesia. The bulk of our donation went to the provision of temporary shelter for those directly affected by the disaster.

(Above) *Mobil 1* motor oil protected these "Drive Around the World" vehicles as they encountered harsh Siberian temperatures.

Mobil 1 helps expedition drive around the world

With the help of *Mobil 1* motor oil, the *Drive Around the World* team journeyed 41,000 miles across 30 countries and four continents.

ExxonMobil was a key sponsor of the 16-month expedition to raise funds to help cure Parkinson's disease. So far, the organization has raised more than $65,000.

Improved credit cards feature zero fraud liability

ExxonMobil is issuing improved credit cards to more than 7 million current cardholders. The cards, issued through GE Consumer Finance, provide enhanced fraud-deterrent technology, a choice of payment dates and a standardized 16-digit account number. They also feature zero fraud liability with full protection for lost or stolen cards.

ExxonMobil subsidiary signs production sharing agreement for exploration in Africa

Exxon Mobil Corporation announced that its subsidiary, Esso Exploration and Production Nigeria-Sao Tome "One" Limited, has signed a Production Sharing Contract (PSC) with the Nigeria-Sao Tome and Principe Joint Development Authority (JDA) and consortium co-venturers ChevronTexaco and Dangote Energy Equity Resources, to explore for commercial hydrocarbons in Block 1 of the offshore Joint Development Zone (JDZ).

"ExxonMobil appreciates the opportunity to be one of the first companies to work with the JDA in the joint development zone," said Tim Cejka, president of ExxonMobil Exploration Company. "There are large areas around the world with significant hydrocarbon potential that are off-limits because they lie under unresolved international territories. We hope that Nigeria's and Sao Tome and Principe's approach will be emulated by others as growing world energy demand will continue to require new sources of supply."

The block was awarded in April 2004 and is located in 5,700 feet (1,800 meters) of water approximately 190 miles (300 kilometers) north of the city of Sao Tome. ExxonMobil is a leading holder of deepwater acreage in the world's most attractive deepwater regions. In Africa, it has interests in 20 deepwater blocks totaling almost 22 million gross acres.

Former Exxon chairman Lawrence G. Rawl dies at 76

Lawrence G. Rawl, Chairman and Chief Executive Officer of Exxon Corporation from 1987 to 1993, died on February 13 in Fort Worth, Texas.

"Larry was a strong leader for our company and the petroleum industry and a true friend," said Lee Raymond, Chairman and CEO of Exxon Mobil Corporation. "We all mourn his passing and express our deepest sympathy to his family for their loss."

A native of New Jersey, Mr. Rawl enlisted and served in the U.S. Marine Corps at the end of Word War II. Following his military service, he earned a degree in petroleum engineering from the University of Oklahoma prior to joining Humble Oil and Refining Company, the predecessor to Exxon Company USA. During a long and distinguished career, Mr. Rawl was promoted to a series of increasingly responsible positions before being named Exxon's President in 1985. He was elected Chairman and CEO of Exxon Corporation in 1987, a post he held until retiring in 1993.

Throughout his life, Mr. Rawl was committed to philanthropic work, and he served on the boards of numerous organizations dedicated to advancing medical research, education and the interests of children. In 1992, he was inducted into the distinguished Graduates Society of the College of Engineering at the University of Oklahoma. In 1993, the same institution awarded him the honorary degree of Doctor of Humane Letters. With steady resolve and quiet confidence, Lawrence G. Rawl left his distinctive mark on the company while contributing significantly to an already strong business enterprise.

Gas from Qatar's North Field flows through cylinders of steel in this shadowy portrait of eye-popping pipeline perspectivity.

Cover photo by Wayne Eastep

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ExxonMobil

Taking on the world's toughest energy challenges.™

In this issue

the Lamp

We note with special appreciation the significant contributions made by retiring *Lamp* editor Mike A. Long. A journalism graduate from the University of Texas, Mike joined the company in 1985 and managed several publications for Exxon Corporation before being named ExxonMobil's *Lamp* editor in 1996. We bid Mike a fond farewell and extend our gratitude for his exemplary leadership and commitment to excellence.

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