



HISTORICAL COMPARATIVE RESEARCH

XOM / CVX

Integrated Energy Comparative Analysis

EXXONMOBIL (NYSE: XOM) VS CHEVRON (NYSE: CVX)

Capital efficiency, cash conversion, valuation and risk

PUBLICATION DATE December 1, 2025

RESEARCH PERIOD FY2024 financials and 2025 market inputs

STATUS Original research archive; not live coverage

Quality and cash conversion favored ExxonMobil

Originally published December 1, 2025. The report remains relevant as a transparent example of comparative investment research; its company-specific inputs are not live coverage.

HISTORICAL RESEARCH CONCLUSION

The December 1, 2025 analysis preferred ExxonMobil on capital efficiency, liquidity and cash conversion, while viewing Chevron as an income-oriented complement with stronger historical vendor EPS-growth expectations.

AVERAGE ROE 21.2% XOM2022-24CVX	SIMPLIFIED FCF MARGIN* 9.1%7.8% XOMFY2024CVX	DIVIDEND YIELD 3.31%4.31% XOMARCHIVED SNAPSHOTCVX
GROSS MARGIN 29.53%38.37% XOMFY2024CVX	CFO / PP&E ADDITIONS 2.26x1.91x XOMFY2024CVX	EPS CAGR 1.59%13.27% XOM2024-28E - VENDORCVX

Source: Riverson Arc analysis using the December 1, 2025 research record. *CFO less PP&E additions, divided by aligned FY2024 sales; see the cash-flow definition in section 07.

01 Capital efficiency XOM sustained the higher three-year average ROE and held the stronger liquidity profile at FY2024 year-end.	02 Cash support XOM converted a larger share of FY2024 sales into simplified free cash flow.	03 Income and growth CVX offered the higher dividend yield and materially stronger vendor EPS-growth forecast.
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Decision hinge. The historical preference for XOM depended on its capital-efficiency advantage persisting while the DCF's low discount rate and terminal-value exposure remained defensible. If that quality spread had narrowed, CVX's income and growth profile would have become more competitive.

Why it remains relevant. The durable value is the framework: compare return quality, reinvestment burden, liquidity, income and valuation sensitivity before forming a relative view. The company-specific evidence and recommendation remain fixed to December 1, 2025 and should not be treated as a present-day action.

/ FINANCIAL SNAPSHOT

Scale differed; cash conversion was closer than revenue suggested

XOM was materially larger, but both companies generated FY2024 operating cash flow equal to roughly 16% of reported sales.



Source: FY2024 cash flow: company releases [1][2]. Sales and historical ratios: company filings [3] and archived Mergent / Value Line schedules [4]. *CFO less PP&E additions. Each bar-chart row is scaled independently; compare companies within a metric only.

Derived metric	XOM	CVX	Read-through
CFO margin	16.2%	16.3%	Nearly identical cash conversion before capital spending
PP&E additions / sales	7.2%	8.5%	CVX carried the heavier reinvestment burden
Simplified FCF margin	9.1%	7.8%	XOM retained more cash after PP&E additions
CFO / PP&E additions	2.26x	1.91x	Both covered reinvestment; XOM held more headroom

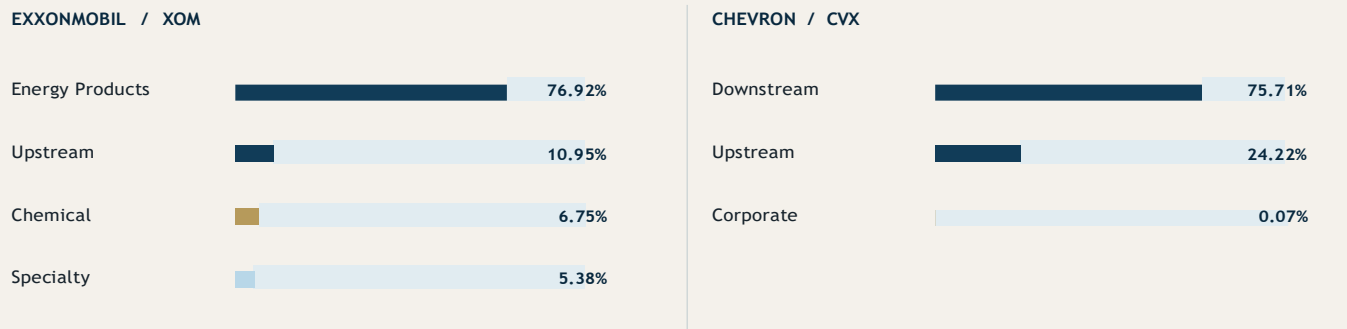
What mattered. Revenue scale alone did not drive the comparative view. The key distinction was the amount of cash left after ongoing capital requirements and the return earned on the equity base.

/ BUSINESS MIX AND SEGMENT ECONOMICS

Integration softened the cycle; segment mix still determined the outcome

Both firms combine upstream production with downstream and product businesses. Their 2024 revenue changes were driven by different parts of the portfolio.

FY2024 revenue mix



Segment growth attribution (\$ millions)

XOM segment	2023	2024	YoY	Contribution
Upstream	\$25,574	\$37,131	45.2%	+3.45 pts
Energy Products	\$268,383	\$260,856	-2.8%	-2.25 pts
Chemical Products	\$22,265	\$22,896	2.8%	+0.19 pts
Specialty Products	\$18,407	\$18,253	-0.8%	-0.05 pts
Total	\$334,629	\$339,136	1.35%	+1.35 pts

CVX segment	2023	2024	YoY	Contribution
Upstream	\$45,742	\$46,848	2.4%	+0.56 pts
Downstream	\$151,038	\$146,434	-3.0%	-2.34 pts
Corporate / other	\$133	\$132	-0.8%	0.00 pts
Total	\$196,913	\$193,414	-1.78%	-1.78 pts

Source: FY2024 segment data: Forms 10-K [3]. Contributions are Riverson Arc calculations using archived schedules [4] and each segment's 2023 sales weight; totals may differ from consolidated revenue definitions.

SEGMENT READ-THROUGH

XOM's consolidated growth was supported by Upstream but restrained by Energy Products. CVX's decline was primarily downstream. Integration diversified the earnings base, but neither company escaped commodity and refining-cycle exposure.

Scale creates resilience, not immunity

The original analysis treated sector structure as a filter for judging return durability, cash conversion and capital discipline - not as a substitute for company-level underwriting.

Competitive pressure map

LOW	HIGH	RISING
Threat of new entrants A global integrated footprint requires exceptional capital, reserves, technology, logistics and regulatory capability.	Rivalry among incumbents Supermajors and national oil companies compete on asset quality, cost structure, execution and capital allocation.	Substitution and regulation Electrification, renewable power, carbon policy and demand uncertainty increase hurdle rates for long-lived assets.

What creates durable advantage

01 Low-cost resource base Supports cash generation and project economics when benchmark prices weaken.	02 Capital discipline Protects returns by rationing growth capital and preserving balance-sheet flexibility.
03 Portfolio integration Balances upstream realizations with refining, product and marketing economics.	04 Financial capacity Sustains investment and distributions through commodity and margin volatility.

Downside transmission

Commodity / margin shock	Operating cash flow	Capital coverage	Equity outcome
Lower realizations or refining margins	Cash generation contracts	Committed projects consume more cash	Buybacks, valuation and flexibility weaken

INVESTMENT IMPLICATION

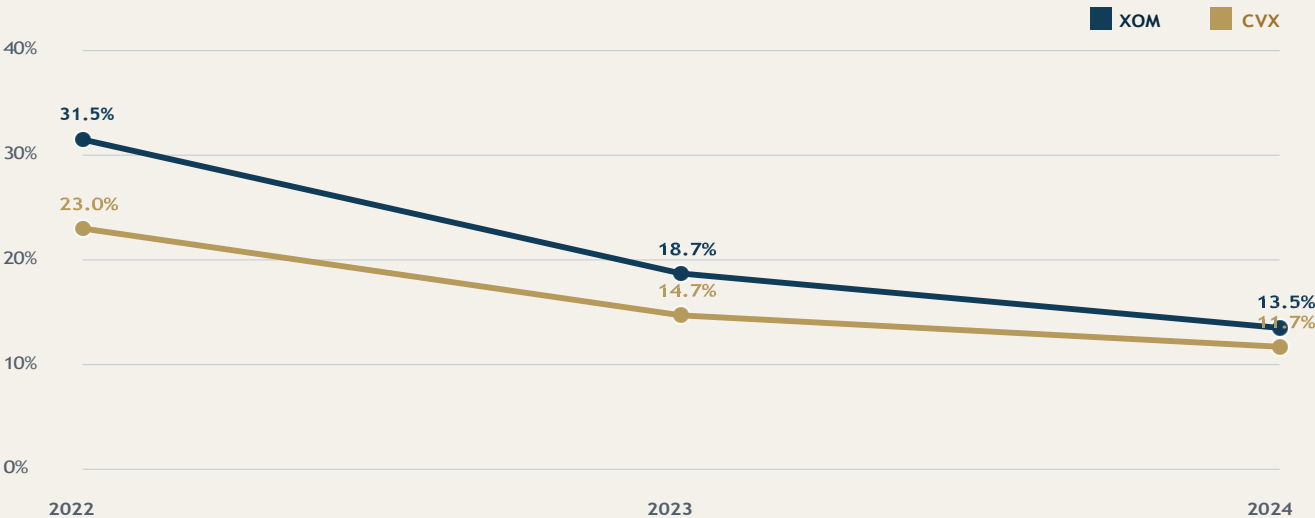
The cycle determines the earnings backdrop; capital efficiency determines who converts scale into durable shareholder value. That is why the December 1, 2025 preference rested on ROE, cash coverage and balance-sheet resilience rather than a single oil-price forecast.

Source: Riverson Arc industry framework, informed by FY2024 company filings and management materials [3][5][6]. Qualitative pressure labels are analyst judgments, not measured scores.

/ PROFITABILITY AND RETURNS

Returns normalized sharply after 2022, but XOM kept the lead

The decline in both companies' ROE reflected lower margins and asset turnover as commodity conditions normalized from the 2022 peak.



Source: FY2024 Forms 10-K [3] and Riverson Arc calculations using archived Mergent-derived DuPont schedules [4]. ROE figures are historical and should not be read as current returns.

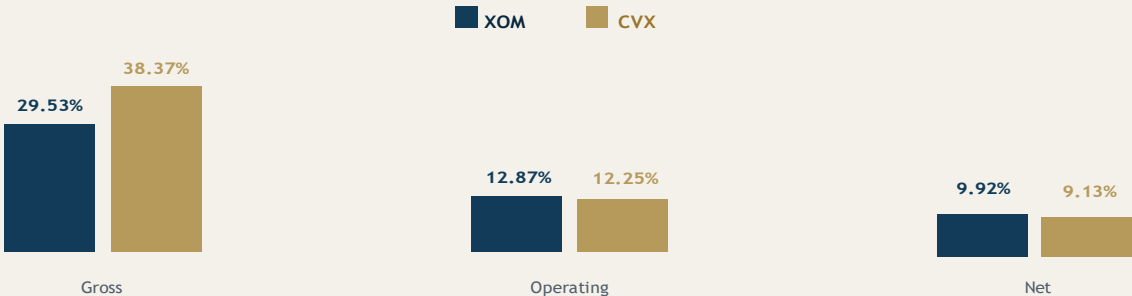
ExxonMobil DuPont

XOM	2022	2023	2024
Net margin	13.97%	10.75%	9.92%
Asset turnover	1.08x	0.89x	0.75x
Equity multiplier	2.09x	1.96x	1.82x
ROE	31.5%	18.7%	13.5%

Chevron DuPont

CVX	2022	2023	2024
Net margin	15.05%	10.85%	9.13%
Asset turnover	0.92x	0.75x	0.75x
Equity multiplier	1.67x	1.80x	1.70x
ROE	23.0%	14.7%	11.7%

FY2024 margin structure



INTERPRETATION GUARDRAIL

CVX led gross margin by 884 bps, but operating margins were broadly similar and XOM retained a modest net-margin edge. Segment mix and reporting classification can affect gross-margin comparisons across integrated energy companies.

Both balance sheets were conservative; XOM held more short-term cushion

Reported FY2024 leverage was similar and modest; year-end liquidity ratios favored XOM.

Liquidity ratio	2022	2023	2024	Trend
XOM current ratio	1.41x	1.48x	1.31x	Above 1.0x; down from 2023
XOM quick ratio	1.06x	1.09x	0.97x	Near 1.0x
CVX current ratio	1.47x	1.27x	1.06x	Narrowed for two years
CVX quick ratio	1.23x	1.01x	0.83x	Below 1.0x

Source: FY2024 Forms 10-K [3] and archived Mergent ratio tables [4].

FY2024 common-size balance sheet	XOM	CVX	Read-through
Current assets / total assets	20.3%	15.9%	XOM held more liquid/current assets
Net PP&E / total assets	66.5%	59.6%	Both remained asset-intensive
Long-term debt / total assets	7.6%	7.8%	Similar debt intensity
Total liabilities / total assets	41.9%	40.7%	Conservative and closely matched
Total equity / total assets	58.2%	59.3%	Equity-heavy capitalization

Source: FY2024 Forms 10-K [3] and Riverson Arc calculations using archived common-size schedules [4]. Rounded figures may not sum because of classification and noncontrolling interests.

FY2024 CAPITAL STRUCTURE / % OF TOTAL ASSETS



DEBT / CAPITAL		CURRENT ASSETS / TOTAL ASSETS		QUICK RATIO	
13.66%	13.88%	20.3%	15.9%	0.97x	0.83x
XOM	CVX	XOM	CVX	XOM	CVX

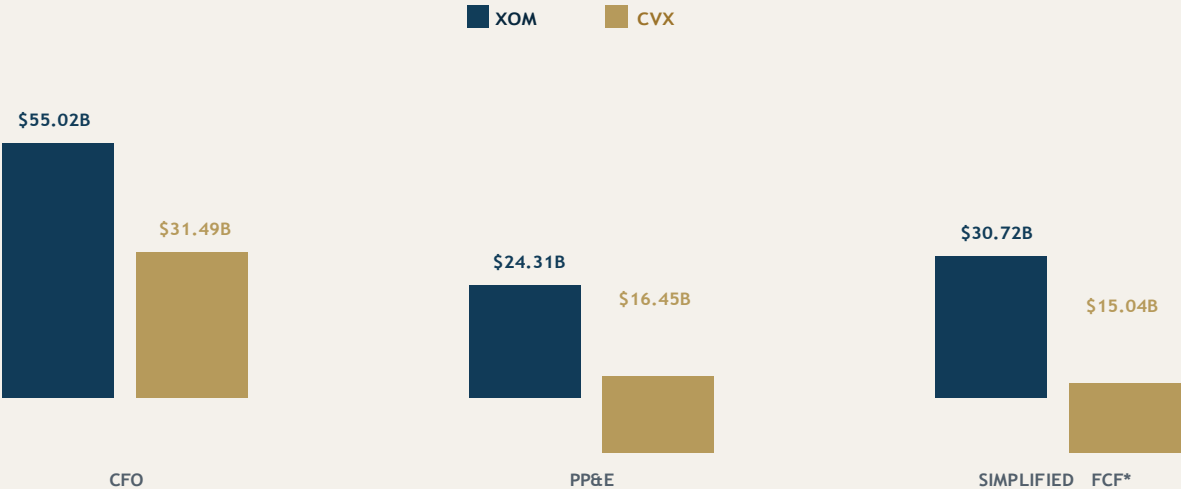
BALANCE-SHEET CONCLUSION

XOM's FY2024 current and quick ratios provided the clearer liquidity edge. CVX's leverage remained modest, so the distinction was resilience at the margin - not solvency risk.

Falsifier. The liquidity advantage would matter less if XOM required materially more working capital or if CVX converted its project pipeline into stronger operating cash flow without increasing leverage.

XOM retained more cash after PP&E additions; CVX offered more income

Operating cash flow margins were nearly identical, but XOM's lower capital intensity created the better post-investment margin in the source year.



Source: Company-reported FY2024 cash flow [1][2]; archived dividend inputs [4]. *Simplified free cash flow equals CFO less capital expenditures. The bridge uses unrounded source-record values; XOM's company-defined non-GAAP free cash flow was \$34.4B [1].

FY2024 metric	XOM	CVX	Historical implication
CFO margin	16.2%	16.3%	Comparable operating cash conversion
Capital intensity	7.2%	8.5%	XOM required less PP&E investment per sales dollar
Simplified FCF margin	9.1%	7.8%	XOM retained more cash after PP&E additions
CFO / PP&E additions	2.26x	1.91x	XOM held more reinvestment headroom
Dividend yield	3.31%	4.31%	CVX offered the stronger income profile

HOW FY2024 OPERATING CASH FLOW WAS ABSORBED



Source: Riverson Arc calculations from FY2024 company-reported CFO and PP&E additions [1][2]. Residual simplified FCF is not the companies' non-GAAP free-cash-flow measure.

CASH-FLOW DEFINITION

Simplified FCF equals cash flow from operations less capital expenditures. A CFO-derived FCFF calculation would also add back after-tax interest; accordingly, simplified FCF and the unlevered DCF are presented separately.

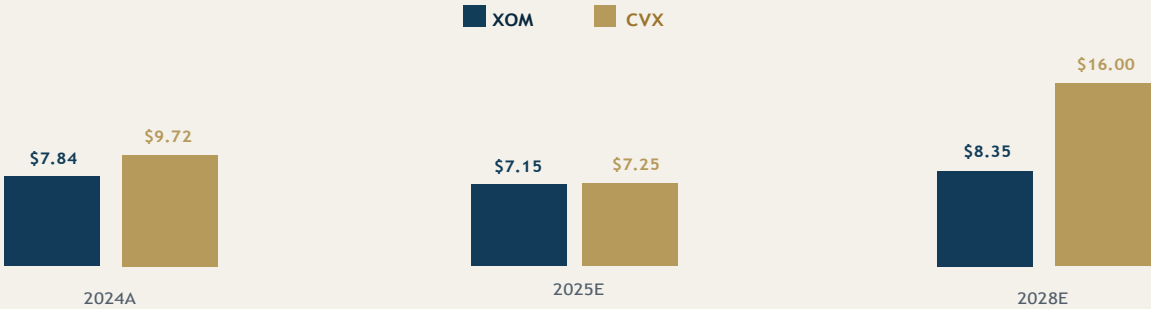
Capital-allocation read-through. XOM's historical advantage came from the combination of cash headroom, buyback capacity and higher returns. CVX's case rested more heavily on dividend income and successful execution of its growth projects.

Period alignment is the key valuation constraint

The table preserves inputs used in the December 1, 2025 analytical model. They are historical reference points, not current consensus or actionable market data.

Historical model input	XOM	CVX	Research read-through
Reference share price	\$115.92	\$151.13	Historical valuation anchor
Market value of equity	\$488.8B	\$265.2B	December 1, 2025 DCF input; CVX is not post-Hess comparable
FY2024 diluted EPS	\$7.84	\$9.72	Company-reported earnings base
2025E EPS	\$7.15	\$7.25	Both forecasts assumed a near-term decline
2028E EPS	\$8.35	\$16.00	CVX carried the stronger recovery path
2024-2028 EPS CAGR	1.59%	13.27%	Growth expectations favored CVX
Annual dividend / share	\$3.84	\$6.52	Income favored CVX
Dividend yield	3.31%	4.31%	CVX paid 100 bps more

EPS path (\$ per share)



Source: FY2024 EPS: company releases [1][2]. Forward EPS, dividends, prices and capital-market inputs: archived Value Line / Mergent schedules [4]. Exact observation dates were not preserved in the source packet; the DCF capital inputs are shown consistently.

COMPARABILITY WARNING

Chevron completed its acquisition of Hess on July 18, 2025 [7]. The model combines FY2024 stand-alone Chevron financials and share count with a November 2025 market-price input that reflected the post-transaction company. The CVX valuation bridge is therefore presented only as a historical scenario output, not as a valid post-Hess fair-value opinion.

Evidence discipline. Forward estimates are third-party vendor inputs documented in the December 1, 2025 research record. They are not presented as current consensus. A present-day conclusion requires updated prices, FY2025 actuals, post-Hess capitalization and operating forecasts, and a rebuilt model.

09 / INTRINSIC VALUATION

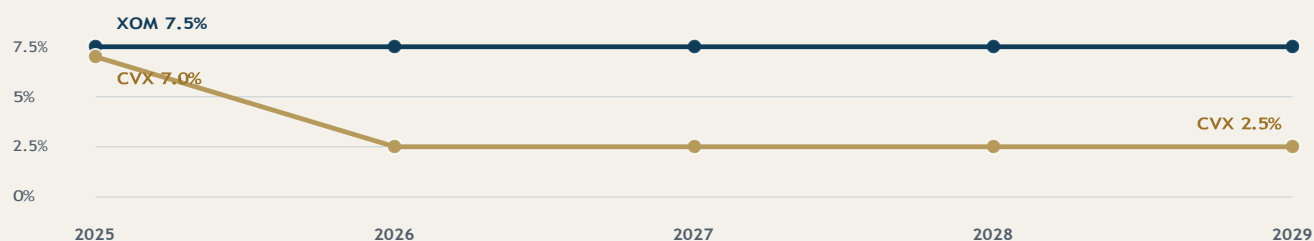
Archived model outputs require careful interpretation

The archived model shows how assumptions drove the historical outputs. Because the companies are not aligned on capitalization and timing, the outputs should not be compared as current fair values.



Source: December 1, 2025 model outputs [4]. Reference prices are archived vendor snapshots; exact observation dates were not preserved in the source packet.

Forecast schedule used in the archived model



Source: Archived model schedule [4]. XOM applied a 7.5% proxy in each forecast year; CVX applied 7.0% in 2025 and 2.5% thereafter. These were analyst-translated growth proxies, not direct revenue guidance.

DCF input / output	XOM	CVX
FY2024 sales base	\$339.2B	\$193.4B
Model growth approach	7.5% annually	7.0% / 2.5% thereafter
Operating margin	12.87%	12.25%
Terminal growth	1.50%	1.50%
WACC	5.77%	7.08%
Net debt	\$18.68B	\$17.76B
Model share count	4.217B	1.755B
PV of terminal value / enterprise value	74.7%	68.7%
Model-implied equity value / share	\$161.68	\$198.10

MODEL-USE BOUNDARY

The DCF is evidence of the original analytical process, not a current price target. The low discount rates, terminal-value concentration, proxy growth assumptions, base-year timing convention and pre-Hess CVX capital structure all require a full rebuild before the outputs can support a new recommendation.

Discount-rate discipline matters more than a single model output

The matrices preserve the December 1, 2025 model mechanics while varying WACC and terminal growth. They are sensitivity exhibits, not refreshed fair-value estimates. Values are approximate dollars per share.

ExxonMobil sensitivity

XOM: WACC / g	1.0%	1.5%	2.0%
4.77%	\$189	\$212	\$245
5.77%	\$148	\$162	\$179
6.77%	\$122	\$130	\$141

Chevron sensitivity

CVX: WACC / g	1.0%	1.5%	2.0%
6.08%	\$224	\$244	\$267
7.08%	\$186	\$198	\$213
8.08%	\$158	\$166	\$176

Source: Riverson Arc reconstruction from the reported FCFF forecasts, net-debt bridges and terminal-value contribution in the December 1, 2025 model [4]. The matrices reproduce the archived model convention and are illustrative only.

Decision hinge	Why it matters	Observable test
Cost of capital	Low WACCs elevate long-duration value	Recalculate with current beta, risk-free rate, ERP and debt cost
Terminal dependence	Most enterprise value sits beyond the explicit forecast	Require a reasonable terminal growth / WACC spread
Cash conversion	The thesis needs forecast growth to translate into sustainable free cash flow	Track CFO, capital spending and working-capital drag
Relative ROE	XOM's quality premium was central to the preference	Compare normalized ROE and ROIC across a full cycle

RESEARCH JUDGMENT

The historical thesis depended on XOM's higher returns and cash conversion remaining durable enough to offset lower forecast EPS growth. The DCF amplified that judgment; it did not replace it.

What would change the view. A sustained narrowing of XOM's ROE and cash-conversion advantage, or evidence that CVX's higher forecast growth could be delivered with no deterioration in returns or leverage, would weaken the historical tilt toward XOM.

11 / RISKS, DISCONFIRMERS AND MONITORING

11

The downside mechanism begins with commodity and execution risk

A credible research note specifies how the thesis can fail, not only why the companies are high quality.

Risk / debate	XOM exposure	CVX exposure	Thesis falsifier / monitoring item
Oil, gas and refining cycle	Lower realizations and margins compress earnings and cash flow	Downstream weakness was already visible in 2024	Test cash breakeven and FCF through a lower-price case
Capital intensity	Permian, Guyana, chemicals and low-carbon execution	Shale, deepwater, LNG and portfolio integration	Sustained deterioration in CFO / capex coverage without a credible value-accretive ramp
Return durability	ROE could normalize below the historical lead	Growth could consume capital without lifting returns	Two-year normalized ROE spread closes or reverses
Transition and regulation	Carbon costs, permitting and long-lived asset risk	Similar policy and asset-duration exposure	Projects fail required-return hurdles under realistic carbon / demand cases
Valuation duration	Low WACC and 74.7% terminal-value share	68.7% terminal-value share	Updated discount rates materially change the original outputs
Forecast credibility	7.5% model growth is assumption-led	13.3% vendor EPS CAGR requires delivery	Estimate revisions or guidance reduce the expected growth path

Monitoring dashboard

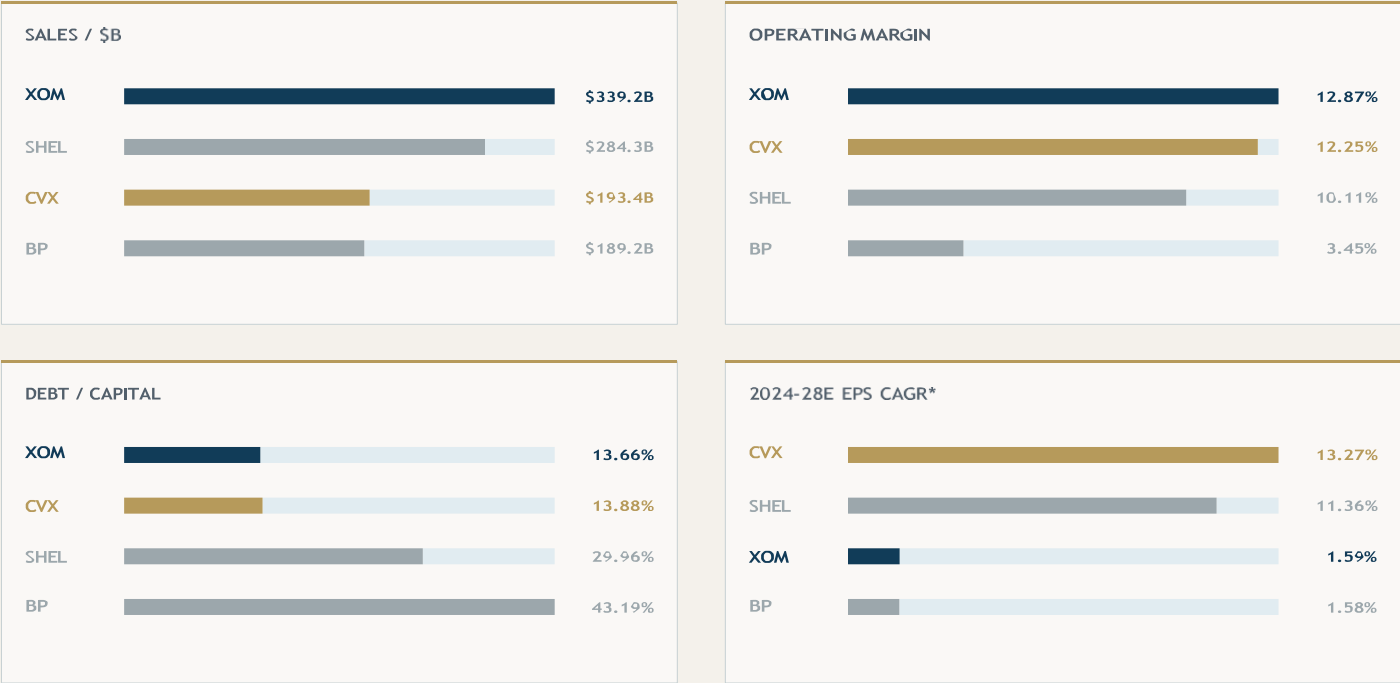
CASH	RETURNS	VALUATION
CFO / capex Track coverage, working capital, asset-sale reliance and cash available for distributions.	ROE / ROIC Separate commodity uplift from structural improvement in margins, turnover and capital efficiency.	Rate / growth reset Refresh beta, risk-free rate, ERP, terminal growth and current share counts before any new target.

Downside mechanism. Lower commodity prices or refining margins reduce operating cash flow; committed capital spending then absorbs a larger share of cash; buybacks and dividend flexibility narrow; a higher cost of capital compounds the equity-value decline. The December 1, 2025 analysis identified these risks qualitatively; a full commodity downside case was outside its scope.

Monitoring priority. Any renewed coverage should begin with FY2025 actuals, current commodity assumptions and a fully rebuilt post-Hess valuation.

XOM and CVX entered the peer set with cleaner leverage

The archived vendor snapshot provides directional context against Shell and BP. It is preserved for completeness, but it is not current market data and its exact observation date was not retained.



Source: Archived Value Line / Mergent comparison in the December 1, 2025 research record [4]. *EPS CAGR is a third-party forecast from that record. Peer values were not refreshed or independently reconstructed for this publication.

Archived vendor metric	XOM	CVX	Shell	BP
Beta	0.38	0.67	1.00	0.85
Dividend yield	3.31%	4.31%	4.0%	5.0%
Financial-strength designation	A+	A++	A+	A

QUALITY	LEVERAGE	GROWTH
Operating resilience XOM held the strongest archived operating margin in the four-company set, with CVX close behind.	Balance-sheet separation XOM and CVX both screened with materially lower debt-to-capital ratios than Shell and BP.	CVX stood out Chevron carried the highest archived EPS-growth estimate, while XOM's case rested more on returns and cash discipline.

USE BOUNDARY

This peer page supports historical positioning, not a present-day ranking. Vendor definitions can differ from filing-derived calculations used elsewhere in the report; current peer work should begin with aligned fiscal periods, refreshed estimates and a common methodology.

A modest XOM tilt balanced quality against CVX income and growth

The December 1, 2025 conclusion combined two high-quality integrated majors while expressing a preference for XOM's historical efficiency and cash profile.

HISTORICAL RELATIVE RECOMMENDATION

Prefer ExxonMobil over Chevron. The December 1, 2025 analysis favored XOM's return efficiency, liquidity and cash coverage while recognizing CVX's stronger income and archived growth profile.

Why XOM led	Why CVX remained attractive
Higher 2022-2024 average ROE	Higher historical dividend yield
Higher simplified FCF margin and coverage	Stronger vendor EPS-growth trajectory
Stronger FY2024 liquidity	Higher reported gross margin
Higher FY2024 CFO / capex coverage	Growth-project and portfolio optionality
Lower FY2024 capital intensity	Complementary income profile

What the report demonstrates. The work integrates business analysis, segment attribution, common-size statements, DuPont ROE, liquidity, capital structure, market expectations and an FCFF-style DCF into one comparative investment view. Recommendation boundary. This is the relative conclusion reached at the December 1, 2025 research cutoff. It is not a current rating, target price, position disclosure or personalized allocation. A new recommendation would require FY2025 actuals, current market data, refreshed estimates and a post-Hess model.

STATUS	CONFIDENCE	NEXT PROOF
Original research publication Published December 1, 2025 and preserved as a demonstration of analytical process and investment judgment.	Moderate Official FY2024 cash metrics were verified; vendor schedules and model logic remain partly dependent on the documented research record.	Re-underwrite Update actuals and build a source-linked model before publishing a current recommendation.

A credible research process is explicit about both the conclusion and the evidence still required. That is the standard Riverson Arc applies in this publication.

Transparent inputs make historical research useful

This publication documents its research cutoff, analytical methods, source hierarchy and comparability limits so readers can separate reported facts, archived vendor inputs and analyst assumptions.

Area	Methodological treatment
Publication date	Original report PDF created December 1, 2025.
Financial base	FY2024 filings and company results; 2025 market and vendor inputs are retained only as historical snapshots.
Comparative methods	Business mix, segment attribution, common-size statements, DuPont ROE, liquidity, cash conversion and risk analysis.
Valuation approach	Archived FCFF schedules reconstructed from the research record and tested across WACC and terminal-growth sensitivities.
Market inputs	Forward EPS, dividends, prices, beta and selected ratios are attributed to archived Value Line and Mergent materials.
Decision framework	Relative quality, cash generation, income, growth, valuation sensitivity, falsifiers and comparability limits.
Current relevance	The framework remains useful for evaluating integrated majors; the company-specific facts, forecasts and recommendation are frozen at the original publication date.
Use limitation	Historical model outputs are not current targets; unmatched snapshot dates and Chevron's pre- / post-Hess capitalization limit comparison.

Sources

Evidence tier	Coverage	Confidence
Primary company materials	FY2024 earnings, operating cash flow, capital spending and company-defined FCF	High
Archived vendor materials	Ratios, forward EPS, historical prices, betas and market multiples	Moderate; dates partly unavailable
Reconstructed historical model	WACC, DCF equity values and sensitivity	Arithmetic reproduced; assumptions not refreshed
Current 2026 investment view	Price, estimates, catalysts and present valuation	Not assessed

Definitions. Sales refers to the revenue line used in the historical comparative schedules. Simplified FCF equals cash flow from operating activities less PP&E additions (company capex). ROE refers to the DuPont -derived return in section 05. Model-implied value is an analytical estimate, not a guaranteed outcome or market forecast.

Rounding. Dollar figures are generally shown in billions or millions and may not sum exactly. Percentages and contributions were recomputed from displayed source values where necessary.

Primary sources, historical vendor inputs and research limitations

Reference	Description
[1] Exxon Mobil Corporation	2024 results release, January 31, 2025. Open primary source
[2] Chevron Corporation	Fourth-quarter and full-year 2024 results, January 31, 2025. Open primary source
[3] SEC filings	ExxonMobil and Chevron FY2024 Forms 10-K. XOM filing CVX filing
[4] Archived research record	Original analyst source packet for the XOM / CVX report (December 1, 2025), including Value Line Investment Survey materials and FTSE Russell-Mergent Online company reports for XOM and CVX. Exact vendor publication / retrieval dates were not preserved.
[5] Exxon Mobil Corporation	2030 Corporate Plan announcement, December 11, 2024. Open primary source
[6] Chevron Corporation	Chevron 2024 Investor Day presentation; archived research source for the production assumptions translated into the CVX growth schedule.
[7] Chevron Corporation	Completion of Hess acquisition, July 18, 2025. Open primary source

Important disclosures

This document is a historical comparative equity research publication prepared by Riverson Arc for informational purposes and originally published December 1, 2025. It uses FY2024 financial statements, 2025 market data and third-party estimates. It has not been updated for subsequent company results, transactions, market prices, estimates or events.

This publication provides general, impersonal information only. Nothing in this document is personalized investment advice, an offer or solicitation to buy or sell a security, or a representation that any investment strategy is appropriate for a particular person. Readers should conduct independent diligence and consult qualified advisers as appropriate.

Forward-looking statements, estimates, scenario values and model-implied prices are uncertain and may differ materially from actual outcomes. The analysis depends on assumptions regarding commodity prices, margins, capital spending, discount rates, terminal growth and management execution. Past performance and historical financial characteristics do not guarantee future results.

Certain ratios, estimates and market inputs were drawn from archived Value Line and Mergent materials in the original source packet. Those inputs were not independently refreshed. The valuation exhibits were reconstructed from preserved schedules and remain illustrative rather than current.

The source model combines pre-Hess FY2024 Chevron fundamentals and share count with a November 2025 market-price input after Chevron completed the Hess acquisition. Its CVX valuation output is presented only as a historical model exhibit and is not a current fair-value conclusion. As of September 4, 2026, neither Dave Daulagupu nor Riverson Arc holds a position in XOM or CVX.

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