



May 28, 2015

Ms. Susan Cospers
Technical Director
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116

Sent by email to director@fasb.org

Re: File Reference No. 2015-240

Mr. Hans Hoogervorst
Chairman
International Accounting Standards Board
30 Cannon Street
London EC4M 6XH
United Kingdom

Sent by email to commentletters@ifrs.org

Re: Exposure Draft ED/2015/2

Ms. Cospers and Mr. Hoogervorst,

Exxon Mobil Corporation appreciates the opportunity to respond to the Proposed Accounting Standards Update, *Revenue from Contracts with Customers (Topic 606) – Deferral of the Effective Date* and the Proposed Amendment, *Effective Date of IFRS 15 – Proposed Amendments to IFRS 15*. We support the Boards' consideration of at least a one year deferral of the effective date and encourage the Boards to consider a two year deferral to allow more time for companies to properly implement this comprehensive judgment-based standard.

ExxonMobil closely monitored the deliberations associated with the revenue recognition project over the past several years and was involved in the standard setting process. However, we were unable to initiate detailed planning for the project or analyze the final standard until it was issued by the Boards about a year ago. To properly assess the impact, we are required to evaluate large numbers of contracts, apply judgment to many areas, and then determine the appropriate accounting and reporting. As you are aware, even though the final standard was significantly delayed versus earlier targets, the Boards did not extend the effective date of the standard prior to its issuance.

Many industries, including our own, face unique challenges that result from practices established by other regulatory agencies, such as the U.S. Securities and Exchange Commission. In order to address these challenges and identify other potential implementation and reporting issues, we are supporting the AICPA Oil and Gas task force and other industry groups. A number of areas remain that need further clarification, some of which the Boards are currently addressing and some that are still in the process of being identified and debated, such as commodity sales. Given the lack of consensus on these issues, the potential exists for inconsistent results and reporting, and preparers are unable to make critical implementation decisions and finalize implementation plans. Due to the sheer volume of revenue transactions, implementation for both accounting and reporting requires a systems solution, which involves considerable lead-time to design. Without at least a one year deferral, a compressed, more costly, and higher risk systems / manual solution would be required. As such, ExxonMobil encourages the Boards to seriously consider a two year deferral while maintaining aligned effective dates for U.S. GAAP and IFRS.

We appreciate the Boards' consideration of these concerns and welcome the opportunity to discuss them.

Sincerely,

A handwritten signature in black ink that reads "David S. Rosenthal". The signature is written in a cursive, flowing style.

David S. Rosenthal
Vice President and Controller
Exxon Mobil Corporation