FORM 10-Q

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

[✓] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2019

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from --- to ---

Commission file number 0-12014

IMPERIAL OIL LIMITED
(Exact name of registrant as specified in its charter)

CANADA (State or other jurisdiction of incorporation or organization)	**98-0017682** (I.R.S. Employer Identification No.)
505 Quarry Park Boulevard S.E. Calgary, Alberta, Canada (Address of principal executive offices)	**T2C 5N1** (Postal Code)

Registrant's telephone number, including area code: 1-800-567-3776

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol	Name of each exchange on which registered
None		None

The registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES ✓ NO ____

The registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

YES ✓ NO ____

The registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definition of "large accelerated filer", "accelerated filer", “smaller reporting company” and “emerging growth company” in Rule 12b-2 of the Exchange Act of 1934).

Large accelerated filer	✓	Smaller reporting company	____
Non-accelerated filer	____	Emerging growth company	____
Accelerated filer	____		

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

The registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act of 1934).

YES ____ NO ✓

The number of common shares outstanding, as of September 30, 2019 was 752,947,924.

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In this report all dollar amounts are expressed in Canadian dollars unless otherwise stated. This report should be read in conjunction with the company's annual report on Form 10-K for the year ended December 31, 2018. Note that numbers may not add due to rounding.

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

In this report, unless the context otherwise indicates, reference to "the company" or "Imperial" includes Imperial Oil Limited and its subsidiaries.

PART I. FINANCIAL INFORMATION

Item 1. Financial statements

Consolidated statement of income (U.S. GAAP, unaudited)

millions of Canadian dollars	Third Quarter 2019	Third Quarter 2018	Nine Months to September 30 2019	Nine Months to September 30 2018
Revenues and other income				
Revenues (a)	**8,687**	9,697	**25,880**	27,113
Investment and other income (note 4)	**49**	35	**99**	96
Total revenues and other income	**8,736**	9,732	**25,979**	27,209
Expenses				
Exploration	**4**	4	**42**	13
Purchases of crude oil and products (b)	**5,399**	6,099	**15,956**	17,416
Production and manufacturing (c)	**1,601**	1,480	**4,911**	4,557
Selling and general (c)	**217**	224	**666**	691
Federal excise tax and fuel charge	**486**	432	**1,343**	1,241
Depreciation and depletion	**419**	410	**1,201**	1,145
Non-service pension and postretirement benefit	**36**	27	**108**	80
Financing (d) (note 6)	**20**	30	**71**	79
Total expenses	**8,182**	8,706	**24,298**	25,222
Income (loss) before income taxes	**554**	1,026	**1,681**	1,987
Income taxes	**130**	277	**(248)**	526
Net income (loss)	**424**	749	**1,929**	1,461
Per share information (Canadian dollars)				
Net income (loss) per common share - basic (note 11)	**0.56**	0.94	**2.51**	1.79
Net income (loss) per common share - diluted (note 11)	**0.56**	0.94	**2.51**	1.79
(a) Amounts from related parties included in revenues.	**2,313**	1,809	**6,269**	4,951
(b) Amounts to related parties included in purchases of crude oil and products.	**717**	1,071	**2,353**	3,337
(c) Amounts to related parties included in production and manufacturing, and selling and general expenses.	**157**	136	**479**	433
(d) Amounts to related parties included in financing, (note 6).	**23**	22	**75**	64

The information in the notes to consolidated financial statements is an integral part of these statements.

Consolidated statement of comprehensive income (U.S. GAAP, unaudited)

millions of Canadian dollars	Third Quarter 2019	Third Quarter 2018	Nine Months to September 30 2019	Nine Months to September 30 2018
Net income (loss)	**424**	749	**1,929**	1,461
Other comprehensive income (loss), net of income taxes				
Postretirement benefits liability adjustment (excluding amortization)	**-**	-	**18**	(19)
Amortization of postretirement benefits liability adjustment included in net periodic benefit costs	**28**	34	**83**	101
Total other comprehensive income (loss)	**28**	34	**101**	82
Comprehensive income (loss)	**452**	783	**2,030**	1,543

The information in the notes to consolidated financial statements is an integral part of these statements.

Consolidated balance sheet (U.S. GAAP, unaudited)

millions of Canadian dollars	As at Sept 30 **2019**	As at Dec 31 2018
Assets		
Current assets		
Cash	**1,531**	988
Accounts receivable, less estimated doubtful accounts (a)	**2,884**	2,529
Inventories of crude oil and products	**989**	1,297
Materials, supplies and prepaid expenses	**606**	541
Total current assets	**6,010**	5,355
Investments and long-term receivables (b)	**912**	857
Property, plant and equipment,	**54,531**	53,944
less accumulated depreciation and depletion	**(20,299)**	(19,719)
Property, plant and equipment, net	**34,232**	34,225
Goodwill	**186**	186
Other assets, including intangibles, net	**567**	833
Total assets	**41,907**	41,456
Liabilities		
Current liabilities		
Notes and loans payable (c)	**197**	202
Accounts payable and accrued liabilities (a) (note 9)	**3,904**	3,688
Income taxes payable	**36**	65
Total current liabilities	**4,137**	3,955
Long-term debt (d) (note 7)	**4,964**	4,978
Other long-term obligations (e) (note 9)	**3,073**	2,943
Deferred income tax liabilities	**4,768**	5,091
Total liabilities	**16,942**	16,967
Shareholders' equity		
Common shares at stated value (f) (note 11)	**1,391**	1,446
Earnings reinvested	**24,990**	24,560
Accumulated other comprehensive income (loss) (note 12)	**(1,416)**	(1,517)
Total shareholders' equity	**24,965**	24,489
Total liabilities and shareholders' equity	**41,907**	41,456

(a) Accounts receivable, less estimated doubtful accounts included net amounts receivable from related parties of $1,121 million (2018 - $666 million).

(b) Investments and long-term receivables included amounts from related parties of $275 million (2018 - $146 million).

(c) Notes and loans payable included amounts to related parties of $75 million (2018 - $75 million).

(d) Long-term debt included amounts to related parties of $4,447 million (2018 - $4,447 million).

(e) Other long-term obligations included amounts to related parties of $0 million (2018 - $15 million).

(f) Number of common shares authorized and outstanding were 1,100 million and 753 million, respectively (2018 - 1,100 million and 783 million, respectively).

The information in the notes to consolidated financial statements is an integral part of these statements.

Consolidated statement of shareholders' equity (U.S. GAAP, unaudited)

millions of Canadian dollars	Third Quarter **2019**	Third Quarter 2018	Nine Months to September **2019**	Nine Months to September 2018
Common shares at stated value (note 11)				
At beginning of period	**1,410**	1,483	**1,446**	1,536
Issued under the stock option plan	**-**	-	**-**	-
Share purchases at stated value	**(19)**	(18)	**(55)**	(71)
At end of period	**1,391**	1,465	**1,391**	1,465
Earnings reinvested				
At beginning of period	**25,056**	24,049	**24,560**	24,714
Net income (loss) for the period	**424**	749	**1,929**	1,461
Share purchases in excess of stated value	**(324)**	(400)	**(1,017)**	(1,490)
Dividends declared	**(166)**	(151)	**(482)**	(438)
At end of period	**24,990**	24,247	**24,990**	24,247
Accumulated other comprehensive income (loss) (note 12)				
At beginning of period	**(1,444)**	(1,767)	**(1,517)**	(1,815)
Other comprehensive income (loss)	**28**	34	**101**	82
At end of period	**(1,416)**	(1,733)	**(1,416)**	(1,733)
Shareholders' equity at end of period	**24,965**	23,979	**24,965**	23,979

The information in the notes to consolidated financial statements is an integral part of these statements.

Consolidated statement of cash flows (U.S. GAAP, unaudited)

Inflow (outflow) millions of Canadian dollars	Third Quarter **2019**	 2018	Nine Months to September 30 **2019**	 2018
Operating activities				
Net income (loss)	**424**	749	**1,929**	1,461
Adjustments for non-cash items:				
Depreciation and depletion	**419**	364	**1,201**	1,099
Impairment of intangible assets (note 3)	**-**	46	**-**	46
(Gain) loss on asset sales (note 4)	**(28)**	(10)	**(34)**	(29)
Deferred income taxes and other	**116**	276	**(359)**	485
Changes in operating assets and liabilities:				
Accounts receivable	**250**	(104)	**(355)**	(17)
Inventories, materials, supplies and prepaid expenses	**264**	(179)	**243**	(356)
Income taxes payable	**8**	(78)	**(29)**	(46)
Accounts payable and accrued liabilities	**(82)**	78	**646**	102
All other items - net (a) (c)	**5**	65	**163**	306
Cash flows from (used in) operating activities	**1,376**	1,207	**3,405**	3,051
Investing activities				
Additions to property, plant and equipment (a)	**(417)**	(327)	**(1,242)**	(1,055)
Proceeds from asset sales (note 4)	**30**	13	**66**	34
Loan to equity company	**(26)**	(38)	**(129)**	(75)
Cash flows from (used in) investing activities	**(413)**	(352)	**(1,305)**	(1,096)
Financing activities				
Reduction in finance lease obligations (note 8)	**(7)**	(7)	**(20)**	(20)
Dividends paid	**(169)**	(155)	**(465)**	(421)
Common shares purchased (note 11)	**(343)**	(418)	**(1,072)**	(1,561)
Cash flows from (used in) financing activities	**(519)**	(580)	**(1,557)**	(2,002)
Increase (decrease) in cash	**444**	275	**543**	(47)
Cash at beginning of period	**1,087**	873	**988**	1,195
Cash at end of period (b)	**1,531**	1,148	**1,531**	1,148

(a) The impact of carbon emission programs are included in additions to property, plant and equipment, and all other items - net.

(b) Cash is composed of cash in bank and cash equivalents at cost. Cash equivalents are all highly liquid securities with maturity of three months or less when purchased.

(c) Included contribution to registered pension plans.	**(57)**	(52)	**(155)**	(153)
Income taxes (paid) refunded.	**35**	(75)	**84**	(85)
Interest (paid), net of capitalization.	**(11)**	(16)	**(41)**	(44)

Non-cash transaction

In 2019, the company removed $570 million of assets and corresponding liabilities associated with the Government of Ontario's revocation of its cap and trade legislation. The impact of this removal was not reflected in "Accounts payable and accrued liabilities" and "All other items - net" lines on the Consolidated statement of cash flows as it was not a cash transaction.

The information in the notes to consolidated financial statements is an integral part of these statements.

Notes to consolidated financial statements (unaudited)

1. Basis of financial statement preparation

These unaudited consolidated financial statements have been prepared in accordance with United States Generally Accepted Accounting Principles (GAAP) and follow the same accounting policies and methods of computation as, and should be read in conjunction with, the most recent annual consolidated financial statements filed with the U.S. Securities and Exchange Commission (SEC) in the company's 2018 annual report on Form 10-K. In the opinion of the company, the information furnished herein reflects all known accruals and adjustments necessary for a fair statement of the results for the periods reported herein. All such adjustments are of a normal recurring nature.

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

The results for the nine months ended September 30, 2019, are not necessarily indicative of the operations to be expected for the full year.

All amounts are in Canadian dollars unless otherwise indicated.

2. Accounting changes

Effective January 1, 2019, Imperial adopted the Financial Accounting Standards Board's standard, *Leases (Topic 842)*, as amended. The standard requires all leases to be recorded on the balance sheet as a right of use asset and a lease liability. The company used a transition method that applies the new lease standard at January 1, 2019. The company applied a policy election to exclude short-term leases from the balance sheet recognition and also elected certain practical expedients at adoption. As permitted, Imperial did not reassess whether existing contracts are or contain leases, the lease classification for any existing leases, initial direct costs for any existing lease and whether existing land easements and right of way, which were not previously accounted for as leases, are or contain a lease. At adoption of the lease accounting change, on January 1, 2019, an operating lease liability of $298 million was recorded and the operating lease right of use asset was $298 million. There was no cumulative earnings effect adjustment.

3. Business segments

Third Quarter	Upstream		Downstream		Chemical	
millions of Canadian dollars	**2019**	2018	**2019**	2018	**2019**	2018
Revenues and other income						
Revenues (a)	**2,185**	2,489	**6,266**	6,880	**236**	328
Intersegment sales	**913**	771	**314**	425	**61**	79
Investment and other income (note 4)	**7**	2	**32**	25	**1**	1
	3,105	3,262	**6,612**	7,330	**298**	408
Expenses						
Exploration	**4**	4	**-**	-	**-**	-
Purchases of crude oil and products	**1,376**	1,566	**5,142**	5,567	**167**	239
Production and manufacturing	**1,087**	1,073	**460**	356	**54**	51
Selling and general	**-**	-	**191**	199	**23**	21
Federal excise tax and fuel charge	**-**	-	**486**	432	**-**	-
Depreciation and depletion (b)	**364**	309	**45**	91	**4**	4
Non-service pension and postretirement benefit	**-**	-	**-**	-	**-**	-
Financing (note 6)	**-**	-	**-**	-	**-**	-
Total expenses	**2,831**	2,952	**6,324**	6,645	**248**	315
Income (loss) before income taxes	**274**	310	**288**	685	**50**	93
Income taxes	**65**	88	**67**	183	**12**	24
Net income (loss)	**209**	222	**221**	502	**38**	69
Cash flows from (used in) operating activities	**392**	872	**900**	281	**75**	79
Capital and exploration expenditures (c)	**302**	257	**124**	105	**4**	8

Third Quarter	Corporate and other		Eliminations		Consolidated	
millions of Canadian dollars	**2019**	2018	**2019**	2018	**2019**	2018
Revenues and other income						
Revenues (a)	**-**	-	**-**	-	**8,687**	9,697
Intersegment sales	**-**	-	**(1,288)**	(1,275)	**-**	-
Investment and other income (note 4)	**9**	7	**-**	-	**49**	35
	9	7	**(1,288)**	(1,275)	**8,736**	9,732
Expenses						
Exploration	**-**	-	**-**	-	**4**	4
Purchases of crude oil and products	**-**	-	**(1,286)**	(1,273)	**5,399**	6,099
Production and manufacturing	**-**	-	**-**	-	**1,601**	1,480
Selling and general	**5**	6	**(2)**	(2)	**217**	224
Federal excise tax and fuel charge	**-**	-	**-**	-	**486**	432
Depreciation and depletion (b)	**6**	6	**-**	-	**419**	410
Non-service pension and postretirement benefit	**36**	27	**-**	-	**36**	27
Financing (note 6)	**20**	30	**-**	-	**20**	30
Total expenses	**67**	69	**(1,288)**	(1,275)	**8,182**	8,706
Income (loss) before income taxes	**(58)**	(62)	**-**	-	**554**	1,026
Income taxes	**(14)**	(18)	**-**	-	**130**	277
Net income (loss)	**(44)**	(44)	**-**	-	**424**	749
Cash flows from (used in) operating activities	**9**	(25)	**-**	-	**1,376**	1,207
Capital and exploration expenditures (c)	**12**	6	**-**	-	**442**	376

(a) Included export sales to the United States of $1,807 million (2018 - $1,741 million). Export sales to the United States were recorded in all operating segments, with the largest effects in the Upstream segment.

(b) In 2018, the Downstream segment included a non-cash impairment charge of $46 million, before tax, associated with the Government of Ontario's revocation of its cap and trade legislation.

(c) Capital and exploration expenditures (CAPEX) include exploration expenses, additions to property, plant and equipment, additions to finance leases, additional investments and acquisitions. CAPEX excludes the purchase of carbon emission credits.

Nine Months to September 30	Upstream		Downstream		Chemical	
millions of Canadian dollars	**2019**	2018	**2019**	2018	**2019**	2018
Revenues and other income						
Revenues (a)	**7,012**	6,796	**18,115**	19,357	**753**	960
Intersegment sales	**2,977**	2,078	**1,249**	1,119	**181**	226
Investment and other income (note 4)	**11**	6	**61**	66	**1**	1
	10,000	8,880	**19,425**	20,542	**935**	1,187
Expenses						
Exploration	**42**	13	**-**	-	**-**	-
Purchases of crude oil and products	**4,764**	4,513	**15,062**	15,664	**531**	657
Production and manufacturing	**3,414**	3,191	**1,315**	1,212	**182**	154
Selling and general	**-**	-	**571**	569	**67**	65
Federal excise tax and fuel charge	**-**	-	**1,343**	1,241	**-**	-
Depreciation and depletion (b)	**1,036**	927	**137**	191	**11**	11
Non-service pension and postretirement benefit	**-**	-	**-**	-	**-**	-
Financing (note 6)	**-**	-	**-**	-	**-**	-
Total expenses	**9,256**	8,644	**18,428**	18,877	**791**	887
Income (loss) before income taxes	**744**	236	**997**	1,665	**144**	300
Income taxes	**(508)**	64	**261**	441	**34**	80
Net income (loss)	**1,252**	172	**736**	1,224	**110**	220
Cash flows from (used in) operating activities	**1,257**	1,199	**2,055**	1,647	**175**	278
Capital and exploration expenditures (c)	**975**	646	**364**	250	**27**	19
Total assets as at September 30 (d) (e)	**35,066**	34,570	**4,433**	5,426	**423**	427

Nine Months to September 30	Corporate and other		Eliminations		Consolidated	
millions of Canadian dollars	**2019**	2018	**2019**	2018	**2019**	2018
Revenues and other income						
Revenues (a)	**-**	-	**-**	-	**25,880**	27,113
Intersegment sales	**-**	-	**(4,407)**	(3,423)	**-**	-
Investment and other income (note 4)	**26**	23	**-**	-	**99**	96
	26	23	**(4,407)**	(3,423)	**25,979**	27,209
Expenses						
Exploration	**-**	-	**-**	-	**42**	13
Purchases of crude oil and products	**-**	-	**(4,401)**	(3,418)	**15,956**	17,416
Production and manufacturing	**-**	-	**-**	-	**4,911**	4,557
Selling and general	**34**	62	**(6)**	(5)	**666**	691
Federal excise tax and fuel charge	**-**	-	**-**	-	**1,343**	1,241
Depreciation and depletion (b)	**17**	16	**-**	-	**1,201**	1,145
Non-service pension and postretirement benefit	**108**	80	**-**	-	**108**	80
Financing (note 6)	**71**	79	**-**	-	**71**	79
Total expenses	**230**	237	**(4,407)**	(3,423)	**24,298**	25,222
Income (loss) before income taxes	**(204)**	(214)	**-**	-	**1,681**	1,987
Income taxes	**(35)**	(59)	**-**	-	**(248)**	526
Net income (loss)	**(169)**	(155)	**-**	-	**1,929**	1,461
Cash flows from (used in) operating activities	**(82)**	(73)	**-**	-	**3,405**	3,051
Capital and exploration expenditures (c)	**34**	19	**-**	-	**1,400**	934
Total assets as at September 30 (d) (e)	**2,298**	1,727	**(313)**	(331)	**41,907**	41,819

(a) Included export sales to the United States of $5,623 million (2018 - $4,509 million). Export sales to the United States were recorded in all operating segments, with the largest effects in the Upstream segment.

(b) In 2018, the Downstream segment included a non-cash impairment charge of $46 million, before tax, associated with the Government of Ontario's revocation of its cap and trade legislation.

(c) Capital and exploration expenditures (CAPEX) include exploration expenses, additions to property, plant and equipment, additions to finance leases, additional investments and acquisitions. CAPEX excludes the purchase of carbon emission credits.

(d) Effective January 1, 2019, Imperial adopted the Financial Accounting Standards Board's standard, *Leases (Topic 842)*, as amended. As at September 30, 2019, Total assets include operating lease right of use assets of $283 million. An election was made not to restate prior periods. See note 8 for additional details.

(e) In 2019, the company removed $570 million from Total assets and corresponding liabilities in the Downstream segment associated with the Government of Ontario's revocation of its cap and trade legislation.

4. Investment and other income

Investment and other income included gains and losses on asset sales as follows:

millions of Canadian dollars	Third Quarter **2019**	Third Quarter 2018	Nine Months to September 30 **2019**	Nine Months to September 30 2018
Proceeds from asset sales	**30**	13	**66**	34
Book value of asset sales	**2**	3	**32**	5
Gain (loss) on asset sales, before tax	**28**	10	**34**	29
Gain (loss) on asset sales, after tax	**25**	6	**31**	21

5. Employee retirement benefits

The components of net benefit cost were as follows:

millions of Canadian dollars	Third Quarter **2019**	Third Quarter 2018	Nine Months to September 30 **2019**	Nine Months to September 30 2018
Pension benefits:				
Current service cost	**57**	59	**171**	179
Interest cost	**81**	76	**243**	227
Expected return on plan assets	**(87)**	(100)	**(262)**	(301)
Amortization of prior service cost	**-**	1	**-**	3
Amortization of actuarial loss (gain)	**37**	43	**112**	130
Net periodic benefit cost	**88**	79	**264**	238
Other postretirement benefits:				
Current service cost	**4**	5	**12**	13
Interest cost	**5**	5	**16**	16
Amortization of actuarial loss (gain)	**-**	2	**(1)**	5
Net periodic benefit cost	**9**	12	**27**	34

6. Financing and additional notes and loans payable information

millions of Canadian dollars	Third Quarter **2019**	Third Quarter 2018	Nine Months to September 30 **2019**	Nine Months to September 30 2018
Debt-related interest	**32**	36	**105**	98
Capitalized interest	**(12)**	(6)	**(34)**	(19)
Net interest expense	**20**	30	**71**	79
Other interest	**-**	-	**-**	-
Total financing	**20**	30	**71**	79

7. Long-term debt

millions of Canadian dollars	As at Sept 30 **2019**	As at Dec 31 2018
Long-term debt	**4,447**	4,447
Finance leases (a)	**517**	531
Total long-term debt	**4,964**	4,978

(a) Maturity analysis of finance lease liabilities is disclosed in note 8.

In September 2019, the company extended the maturity date of its existing long-term, variable-rate, Canadian dollar loan from ExxonMobil to June 30, 2025. All other terms and conditions remain unchanged.

8. Leases

The company generally purchases the property, plant and equipment used in operations, but there are situations where assets are leased, primarily rail cars, marine vessels, storage tanks and other moveable equipment. Right of use assets and lease liabilities are established on the balance sheet for leases with an expected term greater than one year, by discounting the amounts fixed in the lease agreement for the duration of the lease which is reasonably certain, considering the probability of exercising any early termination and extension options. The portion of the fixed payment related to service costs for long-term transportation agreements is excluded from the calculation of right of use assets and lease liabilities. Usually, assets are leased only for a portion of their useful lives and are accounted for as operating leases. In limited situations assets are leased for nearly all of their useful lives and are accounted for as finance leases. In general, leases are capitalized using the company's incremental borrowing rate.

Variable payments under these lease agreements are not significant. Residual value guarantees, restrictions, or covenants related to leases, and transactions with related parties are also not significant. The company's activities as a lessor are not material.

At adoption of the lease accounting change (see note 2), on January 1, 2019, an operating lease liability of $298 million was recorded and the operating lease right of use asset was $298 million. There was no cumulative earnings effect adjustment.

The table below summarizes the total lease cost incurred:

	Third Quarter **2019**		Nine Months to September 30 **2019**	
millions of Canadian dollars	Operating leases	Finance leases	Operating leases	Finance leases
Operating lease cost	39		113	
Short-term and other (net of sublease rental income)	14		54	
Amortization of right of use assets		14		41
Interest on lease liabilities		10		30
Total lease cost	53	24	167	71

The following table summarizes the amounts related to operating leases and finance leases recorded on the Consolidated balance sheet:

	As at September 30 **2019**	
millions of Canadian dollars	Operating leases	Finance leases
Right of use assets		
Included in Other assets, including intangibles, net	283	
Included in Property, plant and equipment, net		560
Total right of use assets	283	560
Lease liability due within one year		
Included in Accounts payable and accrued liabilities	121	27
Included in Notes and loans payable		22
Long-term lease liability		
Included in Other long-term obligations	160	-
Included in Long-term debt		517
Total lease liability	281	566

The maturity analysis of the company's lease liabilities, weighted average remaining lease term and weighted average discount rates applied are summarized below:

	As at September 30 **2019**	
millions of Canadian dollars, unless noted	Operating leases	Finance leases
Maturity analysis of lease liabilities		
2019 remaining months	37	28
2020	114	71
2021	66	50
2022	30	49
2023	13	48
2024	11	47
2025 and beyond	30	1,086
Total lease payments	301	1,379
Discount to present value	(20)	(813)
Total lease liability	281	566
Weighted average remaining lease term (years)	4	40
Weighted average discount rate (percent)	2.5	7.5

In addition to the operating lease liabilities in the table immediately above, at September 30, 2019, additional undiscounted commitments for leases not yet commenced totalled $2 million.

The table below summarizes the cash paid for amounts included in the measurement of lease liabilities and the right of use assets obtained in exchange for new lease liabilities:

	Third Quarter **2019**		Nine Months to September 30 **2019**	
millions of Canadian dollars	Operating leases	Finance leases	Operating leases	Finance leases
Cash paid for amounts included in the measurement of lease liabilities				
Cash flows from operating activities	37	11	110	33
Cash flows from financing activities		7		20
Non-cash right of use assets recorded for lease liabilities				
For January 1 adoption of *Leases (Topic 842)*			298	
In exchange for new lease liabilities during the period			90	

At December 31, 2018, the company held non-cancelable operating leases covering primarily storage tanks, rail cars and marine vessels, with minimum undiscounted lease commitments totaling $291 million as indicated in the following table:

millions of Canadian dollars	As at Dec 31 2018
Payments due by period	
2019	130
2020	82
2021	43
2022	13
2023	11
2024 and beyond	12
Total lease payments under minimum commitments (a)	291

(a) Net rental cost under cancelable and non-cancelable operating leases incurred in 2018 was $221 million (2017 - $206 million, 2016 - $253 million). Related rental income was not material.

9. Other long-term obligations

millions of Canadian dollars	As at Sept 30 **2019**	As at Dec 31 2018
Employee retirement benefits (a)	**1,145**	1,195
Asset retirement obligations and other environmental liabilities (b)	**1,445**	1,435
Share-based incentive compensation liabilities	**94**	78
Operating lease liability (c)	**160**	-
Other obligations	**229**	235
Total other long-term obligations	**3,073**	2,943

(a) Total recorded employee retirement benefits obligations also included $55 million in current liabilities (2018 - $55 million).
(b) Total asset retirement obligations and other environmental liabilities also included $118 million in current liabilities (2018 - $118 million).
(c) Effective January 1, 2019, Imperial adopted the Financial Accounting Standards Board's standard, *Leases (Topic 842)*, as amended. The standard requires all leases to be recorded on the balance sheet as a right of use asset and liability. The long-term lease liability for operating leases is included in Other long-term obligations (see note 8).

10. Financial instruments

The fair value of the company's financial instruments is determined by reference to various market data and other appropriate valuation techniques. There are no material differences between the fair value of the company's financial instruments and the recorded carrying value. At September 30, 2019 and December 31, 2018 the fair value of long-term debt ($4,447 million, excluding finance lease obligations) was primarily a level 2 measurement.

11. Common shares

thousands of shares	As of Sept 30 **2019**	As of Dec 31 2018
Authorized	**1,100,000**	1,100,000
Common shares outstanding	**752,948**	782,565

The current 12-month normal course issuer bid program came into effect June 27, 2019, under which Imperial will continue its existing share purchase program. The program enables the company to purchase up to a maximum of 38,211,086 common shares (5 percent of the total shares on June 13, 2019) which includes shares purchased under the normal course issuer bid and from Exxon Mobil Corporation concurrent with, but outside of the normal course issuer bid. As in the past, Exxon Mobil Corporation has advised the company that it intends to participate to maintain its ownership percentage at approximately 69.6 percent.

The excess of the purchase cost over the stated value of shares purchased has been recorded as a distribution of earnings reinvested.

The company's common share activities are summarized below:

	Thousands of shares	Millions of dollars
Balance as at December 31, 2017	831,242	1,536
Issued under employee share-based awards	2	-
Purchases at stated value	(48,679)	(90)
Balance as at December 31, 2018	782,565	1,446
Issued under employee share-based awards	**-**	**-**
Purchases at stated value	**(29,617)**	**(55)**
Balance as at September 30, 2019	**752,948**	**1,391**

The following table provides the calculation of basic and diluted earnings per common share and the dividends declared by the company on its outstanding common shares:

	Third Quarter		Nine Months to September 30	
	2019	2018	**2019**	2018
Net income (loss) per common share - basic				
Net income (loss) (millions of Canadian dollars)	**424**	749	**1,929**	1,461
Weighted average number of common shares outstanding (millions of shares)	**757.8**	797.6	**767.6**	814.2
Net income (loss) per common share (dollars)	**0.56**	0.94	**2.51**	1.79
Net income (loss) per common share - diluted				
Net income (loss) (millions of Canadian dollars)	**424**	749	**1,929**	1,461
Weighted average number of common shares outstanding (millions of shares)	**757.8**	797.6	**767.6**	814.2
Effect of employee share-based awards (millions of shares)	**2.5**	2.9	**2.4**	2.7
Weighted average number of common shares outstanding, assuming dilution (millions of shares)	**760.3**	800.5	**770.0**	816.9
Net income (loss) per common share (dollars)	**0.56**	0.94	**2.51**	1.79
Dividends per common share - declared (dollars)	**0.22**	0.19	**0.63**	0.54

12. Other comprehensive income (loss) information

Changes in accumulated other comprehensive income (loss):

millions of Canadian dollars	**2019**	2018
Balance at January 1	**(1,517)**	(1,815)
Postretirement benefits liability adjustment:		
Current period change excluding amounts reclassified from accumulated other comprehensive income	**18**	(19)
Amounts reclassified from accumulated other comprehensive income	**83**	101
Balance at September 30	**(1,416)**	(1,733)

Amounts reclassified out of accumulated other comprehensive income (loss) - before-tax income (expense):

	Third Quarter		Nine Months to September 30	
millions of Canadian dollars	**2019**	2018	**2019**	2018
Amortization of postretirement benefits liability adjustment included in net periodic benefit cost (a)	**(37)**	(46)	**(111)**	(138)

(a) This accumulated other comprehensive income component is included in the computation of net periodic benefit cost, (note 5).

Income tax expense (credit) for components of other comprehensive income (loss):

	Third Quarter		Nine Months to September 30	
millions of Canadian dollars	**2019**	2018	**2019**	2018
Postretirement benefits liability adjustments:				
Postretirement benefits liability adjustment (excluding amortization)	**-**	-	**7**	(7)
Amortization of postretirement benefits liability adjustment included in net periodic benefit cost	**9**	12	**28**	37
Total	**9**	12	**35**	30

13. Recently issued accounting standards

Effective January 1, 2020, Imperial will adopt the Financial Accounting Standards Board's update, *Financial Instruments - Credit Losses (Topic 326)*, as amended. The standard requires a valuation allowance for credit losses be recognized for certain financial assets that reflects the current expected credit loss over the asset's contractual life. The valuation allowance considers the risk of loss, even if remote and considers past events, current conditions and expectations of the future. The company does not expect a material change in the credit allowance for trade receivables and continues to evaluate the impact on other financial assets in scope of the standard.

Item 2. Management's discussion and analysis of financial condition and results of operations

Operating results

Third quarter 2019 vs. third quarter 2018

The company's net income for the third quarter of 2019 was $424 million or $0.56 per share on a diluted basis, compared to net income of $749 million or $0.94 per share in the same period of 2018.

Upstream net income was $209 million in the third quarter, compared to net income of $222 million in the same period of 2018. Earnings decreased mainly due to higher operating expenses of about $70 million and higher royalties of about $50 million, partially offset by higher volumes of about $110 million primarily at Syncrude.

West Texas Intermediate (WTI) averaged US$56.44 per barrel in the third quarter of 2019, down from US$69.43 per barrel in the same quarter of 2018. Western Canada Select (WCS) averaged US$44.21 per barrel and US$47.49 per barrel for the same periods. The WTI / WCS differential narrowed during the third quarter of 2019 to average approximately US$12 per barrel for the quarter, compared to around US$22 per barrel in the same period of 2018.

The Canadian dollar averaged US$0.76 in the third quarter of 2019, essentially unchanged from the third quarter of 2018.

Imperial's average Canadian dollar realizations for bitumen increased in the quarter supported primarily by lower diluent costs partially offset by a decrease in WCS. Bitumen realizations averaged $51.12 per barrel in the third quarter of 2019, up from $50.42 per barrel in the third quarter of 2018. The company's average Canadian dollar realizations for synthetic crude declined generally in line with WTI in the quarter, adjusted for changes in exchange rates and transportation costs. Synthetic crude realizations averaged $77.27 per barrel in the third quarter of 2019, compared to $89.70 per barrel in the same period of 2018.

Gross production of Cold Lake bitumen averaged 142,000 barrels per day in the third quarter, compared to 150,000 barrels per day in the same period of 2018.

Gross production of Kearl bitumen averaged 224,000 barrels per day in the third quarter (159,000 barrels Imperial's share), compared to 244,000 barrels per day (173,000 barrels Imperial's share) in the third quarter of 2018. Lower production was mainly due to timing of planned turnaround activity.

The company's share of gross production from Syncrude averaged 69,000 barrels per day, up from 45,000 barrels per day in the third quarter of 2018. Higher production was mainly due to the absence of production impacts from the 2018 power disruption, partially offset by planned turnaround activity.

Downstream net income was $221 million in the third quarter, compared to $502 million in the third quarter of 2018. Earnings were negatively impacted by lower margins of about $230 million and planned turnaround activity of about $70 million.

Refinery throughput averaged 363,000 barrels per day, compared to 388,000 barrels per day in the third quarter of 2018. Capacity utilization was 86 percent, compared to 92 percent in the third quarter of 2018. Reduced throughput was mainly due to planned turnaround activity at Nanticoke and ongoing impacts from the fractionation tower incident at Sarnia which occurred earlier in 2019.

Petroleum product sales were 488,000 barrels per day, compared to 516,000 barrels per day in the third quarter of 2018. Lower petroleum product sales were mainly due to lower refinery throughput.

Chemical net income was $38 million in the third quarter, compared to $69 million from the same quarter of 2018, primarily reflecting lower margins.

Corporate and other expenses were $44 million in the third quarter, unchanged from the same period of 2018.

Nine months 2019 vs. nine months 2018

Net income in the first nine months of 2019 was $1,929 million, or $2.51 per share on a diluted basis, up from net income of $1,461 million or $1.79 per share in the first nine months of 2018. 2019 results include a favourable impact, largely non-cash, of $662 million associated with the Alberta corporate income tax rate decrease. On June 28, 2019, the Alberta government enacted a 4 percent decrease in the provincial tax rate, from 12 percent to 8 percent by 2022.

Upstream net income was $1,252 million for the first nine months of the year, reflecting the favourable impact associated with the decreased Alberta corporate income tax rate of $689 million. Excluding this impact, 2019 net income was $563 million, up from net income of $172 million in the same period of 2018. Improved results reflect higher volumes of about $530 million at Syncrude, Kearl and Norman Wells, as well as the impact of higher crude oil realizations of about $220 million and favourable foreign exchange impacts of about $90 million. Results were negatively impacted by higher operating expenses of about $270 million, higher royalties of about $130 million, and lower Cold Lake volumes of about $70 million.

West Texas Intermediate averaged US$57.10 per barrel in the first nine months of 2019, down from US$66.77 per barrel in the same period of 2018. Western Canada Select averaged US$45.32 per barrel and US$44.98 per barrel for the same periods. The WTI / WCS differential narrowed to average approximately US$12 per barrel in the first nine months of 2019, from around US$22 per barrel in the same period of 2018.

The Canadian dollar averaged US$0.75 in the first nine months of 2019, a decrease of $0.03 from the same period in 2018.

Imperial's average Canadian dollar realizations for bitumen increased in the first nine months of 2019, supported primarily by lower diluent costs. Bitumen realizations averaged $52.44 per barrel, up from $45.04 per barrel from the same period in 2018. The company's average Canadian dollar realizations for synthetic crude declined generally in line with WTI, adjusted for changes in exchange rates and transportation costs. Synthetic crude realizations averaged $74.59 per barrel, compared to $83.66 per barrel from the same period in 2018.

Gross production of Cold Lake bitumen averaged 141,000 barrels per day in the first nine months of 2019, compared to 145,000 barrels per day in the same period of 2018.

Gross production of Kearl bitumen averaged 204,000 barrels per day in the first nine months of 2019 (145,000 barrels Imperial's share), up from 202,000 barrels per day (144,000 barrels Imperial's share) in the same period of 2018.

During the first nine months of 2019, the company's share of gross production from Syncrude averaged 76,000 barrels per day, up from 53,000 barrels per day in the same period of 2018. Higher production was mainly due to the absence of production impacts from the 2018 power disruption.

Downstream net income was $736 million for the first nine months of 2019, compared to $1,224 million for the same period of 2018. Earnings were negatively impacted by lower margins of about $430 million, reliability events of about $140 million, including the fractionation tower incident at Sarnia, and lower sales volumes of about $100 million. These factors were partially offset by lower net turnaround impacts of about $80 million, and favourable foreign exchange effects of about $60 million.

Refinery throughput averaged 363,000 barrels per day in the first nine months of 2019, compared to 386,000 barrels per day in the same period of 2018. Capacity utilization was 86 percent, compared to 91 percent in the same period of 2018. Reduced throughput was mainly due to higher planned turnaround activities and impacts from the Sarnia fractionation tower incident.

Petroleum product sales were 481,000 barrels per day in the first nine months of 2019, compared to 503,000 barrels per day in the same period of 2018. Lower petroleum product sales were mainly due to lower refinery throughput.

Chemical net income was $110 million in the first nine months of 2019, compared to $220 million in the same period of 2018, primarily reflecting lower margins.

Corporate and other expenses were $169 million in the first nine months of 2019, compared to $155 million in the same period of 2018.

Liquidity and capital resources

Cash flow generated from operating activities was $1,376 million in the third quarter, up from $1,207 million in the corresponding period in 2018, primarily reflecting favourable working capital effects, partially offset by lower earnings.

Investing activities used net cash of $413 million in the third quarter, compared with $352 million used in the same period of 2018.

Cash used in financing activities was $519 million in the third quarter, compared with $580 million used in the third quarter of 2018. Dividends paid in the third quarter of 2019 were $169 million. The per share dividend paid in the third quarter was $0.22, up from $0.19 in the same period of 2018. During the third quarter, the company, under its share purchase program, purchased about 9.8 million shares for $343 million, including shares purchased from Exxon Mobil Corporation. In the third quarter of 2018, the company purchased about 10 million shares for $418 million.

The company's cash balance was $1,531 million at September 30, 2019, versus $1,148 million at the end of third quarter 2018.

Cash flow generated from operating activities was $3,405 million in the first nine months of 2019, up from $3,051 million in the same period of 2018, primarily reflecting favourable working capital effects.

Investing activities used net cash of $1,305 million in the first nine months of 2019, compared with $1,096 million used in 2018, primarily reflecting higher additions to property, plant and equipment.

Cash used in financing activities was $1,557 million in the first nine months of 2019, compared with $2,002 million used in the same period of 2018. Dividends paid in the first nine months of 2019 were $465 million. The per share dividend paid in the first nine months of 2019 was $0.60, up from $0.51 in the same period of 2018. During the first nine months of 2019, the company, under its share purchase program, purchased about 29.6 million shares for $1,072 million, including shares purchased from Exxon Mobil Corporation. In the first nine months of 2018, the company purchased about 38.5 million shares for $1,561 million.

In September 2019, the company extended the maturity date of its existing long-term, variable-rate, Canadian dollar loan from ExxonMobil to June 30, 2025. All other terms and conditions remain unchanged.

Recently issued accounting standards

Effective January 1, 2020, Imperial will adopt the Financial Accounting Standards Board's update, *Financial Instruments - Credit Losses (Topic 326)*, as amended. The standard requires a valuation allowance for credit losses be recognized for certain financial assets that reflects the current expected credit loss over the asset's contractual life. The valuation allowance considers the risk of loss, even if remote and considers past events, current conditions and expectations of the future. The company does not expect a material change in the credit allowance for trade receivables and continues to evaluate the impact on other financial assets in scope of the standard.

Forward-looking statements

Statements of future events or conditions in this report, including projections, targets, expectations, estimates, and business plans are forward-looking statements. Disclosure related to the share purchase program and the expected impact from accounting standard changes constitute forward-looking statements. Forward-looking statements are based on the company's current expectations, estimates, projections and assumptions at the time the statements are made. Actual future financial and operating results, including expectations and assumptions concerning demand growth and energy source, supply and mix; commodity prices and foreign exchange rates; production rates, growth and mix; applicable laws and government policies; financing sources; and capital and environmental expenditures could differ materially depending on a number of factors. These factors include changes in the supply of and demand for crude oil, natural gas, and petroleum and petrochemical products and resulting price and margin impacts; transportation for accessing markets; political or regulatory events, including changes in law or government policy; environmental risks inherent in oil and gas exploration and production activities; environmental regulation; currency exchange rates; availability and allocation of capital; unanticipated operational disruptions; project management and schedules; operational hazards and risks; cybersecurity incidents; disaster response preparedness; and other factors discussed in Item 1A risk factors and Item 7 management’s discussion and analysis of financial condition and results of operations of Imperial Oil Limited’s most recent annual report on Form 10-K.

Forward-looking statements are not guarantees of future performance and involve a number of risks and uncertainties, some that are similar to other oil and gas companies and some that are unique to Imperial. Imperial’s actual results may differ materially from those expressed or implied by its forward-looking statements and readers are cautioned not to place undue reliance on them. Imperial undertakes no obligation to update any forward-looking statements contained herein, except as required by applicable law.

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

Item 3. Quantitative and qualitative disclosures about market risk

Information about market risks for the nine months ended September 30, 2019, does not differ materially from that discussed on page 25 of the company's annual report on Form 10-K for the year ended December 31, 2018.

Item 4. Controls and procedures

As indicated in the certifications in Exhibit 31 of this report, the company's principal executive officer and principal financial officer have evaluated the company's disclosure controls and procedures as of September 30, 2019. Based on that evaluation, these officers have concluded that the company's disclosure controls and procedures are effective in ensuring that information required to be disclosed by the company in the reports that it files or submits under the Securities Exchange Act of 1934, as amended, is accumulated and communicated to them in a manner that allows for timely decisions regarding required disclosures and are effective in ensuring that such information is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms.

There has not been any change in the company's internal control over financial reporting during the last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting.

PART II. OTHER INFORMATION

Item 2. Unregistered sales of equity securities and use of proceeds

Issuer purchases of equity securities

	Total number of shares purchased	Average price paid per share (Canadian dollars)	Total number of shares purchased as part of publicly announced plans or programs	Maximum number of shares that may yet be purchased under the plans or programs (a)
July 2019				
(July 1 - July 31)	**3,431,194**	**36.50**	**3,431,194**	**34,779,892**
August 2019				
(August 1 - August 31)	**3,275,232**	**32.84**	**3,275,232**	**31,504,660**
September 2019				
(September 1 - September 30)	**3,119,269**	**35.07**	**3,119,269**	**28,385,391** (b)

(a) On June 21, 2019, the company announced by news release that it had received final approval from the Toronto Stock Exchange for a new normal course issuer bid and will continue its existing share purchase program. The program enables the company to purchase up to a maximum of 38,211,086 common shares during the period June 27, 2019 to June 26, 2020. This maximum includes shares purchased under the normal course issuer bid and from Exxon Mobil Corporation concurrent with, but outside of the normal course issuer bid. As in the past, Exxon Mobil Corporation has advised the company that it intends to participate to maintain its ownership percentage at approximately 69.6 percent. The program will end should the company purchase the maximum allowable number of shares, or on June 26, 2020.

(b) In its most recent quarterly earnings release, the company stated that it currently anticipates exercising its share purchases uniformly over the duration of the program. Purchase plans may be modified at any time without prior notice.

The company will continue to evaluate its share purchase program in the context of its overall capital activities.

Item 6. Exhibits

(31.1) Certification by the principal executive officer of the company pursuant to Rule 13a-14(a).

(31.2) Certification by the principal financial officer of the company pursuant to Rule 13a-14(a).

(32.1) Certification by the chief executive officer of the company pursuant to Rule 13a-14(b) and 18 U.S.C. Section 1350.

(32.2) Certification by the chief financial officer of the company pursuant to Rule 13a-14(b) and 18 U.S.C. Section 1350.

(101) Interactive Data Files (formatted as Inline XBRL).

(104) Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

SIGNATURES

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

Imperial Oil Limited
(Registrant)

Date: November 6, 2019

/s/ Daniel E. Lyons

(Signature)
Daniel E. Lyons
Senior vice-president, finance and administration, and controller
(Principal accounting officer)

Date: November 6, 2019

/s/ Cathryn Walker

(Signature)
Cathryn Walker
Assistant corporate secretary

Exhibit (31.1)

Certification
Pursuant to Securities Exchange Act Rule 13a-14(a)

I, Richard M. Kruger, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Imperial Oil Limited;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 6, 2019

/s/ Richard M. Kruger

Richard M. Kruger
Chairman and
chief executive officer
(Principal executive officer)

Exhibit (31.2)

Certification
Pursuant to Securities Exchange Act Rule 13a-14(a)

I, Daniel E. Lyons, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Imperial Oil Limited;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 6, 2019

/s/ Daniel E. Lyons

Daniel E. Lyons
Senior vice-president, finance and
administration, and controller
(Principal financial officer)

Exhibit (32.1)

Certification of Periodic Financial Report Pursuant to 18 U.S.C. Section 1350

For purposes of 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the *Sarbanes-Oxley Act* of 2002, the undersigned, Richard M. Kruger, the chief executive officer of Imperial Oil Limited (the "company"), hereby certifies that, to his knowledge:

(i) The quarterly report on Form 10-Q of the company for the quarter ended September 30, 2019 as filed with the Securities and Exchange Commission (the "Report"), fully complies with the requirements of section 13(a) or 15(d) of the *Securities Exchange Act* of 1934; and

(ii) The information contained in the report fairly presents, in all material respects, the financial condition and results of operations of the company.

Date: November 6, 2019

/s/ Richard M. Kruger

Richard M. Kruger
Chairman and
chief executive officer
(Principal executive officer)

Exhibit (32.2)

Certification of Periodic Financial Report Pursuant to 18 U.S.C. Section 1350

For purposes of 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the *Sarbanes-Oxley Act* of 2002, the undersigned, Daniel E. Lyons, the chief financial officer of Imperial Oil Limited (the "company"), hereby certifies that, to his knowledge:

(i) The quarterly report on Form 10-Q of the company for the quarter ended September 30, 2019 as filed with the Securities and Exchange Commission (the "Report"), fully complies with the requirements of section 13(a) or 15(d) of the *Securities Exchange Act* of 1934; and

(ii) The information contained in the report fairly presents, in all material respects, the financial condition and results of operations of the company.

Date: November 6, 2019

/s/ Daniel E. Lyons

Daniel E. Lyons
Senior vice-president, finance and
administration, and controller
(Chief financial officer)