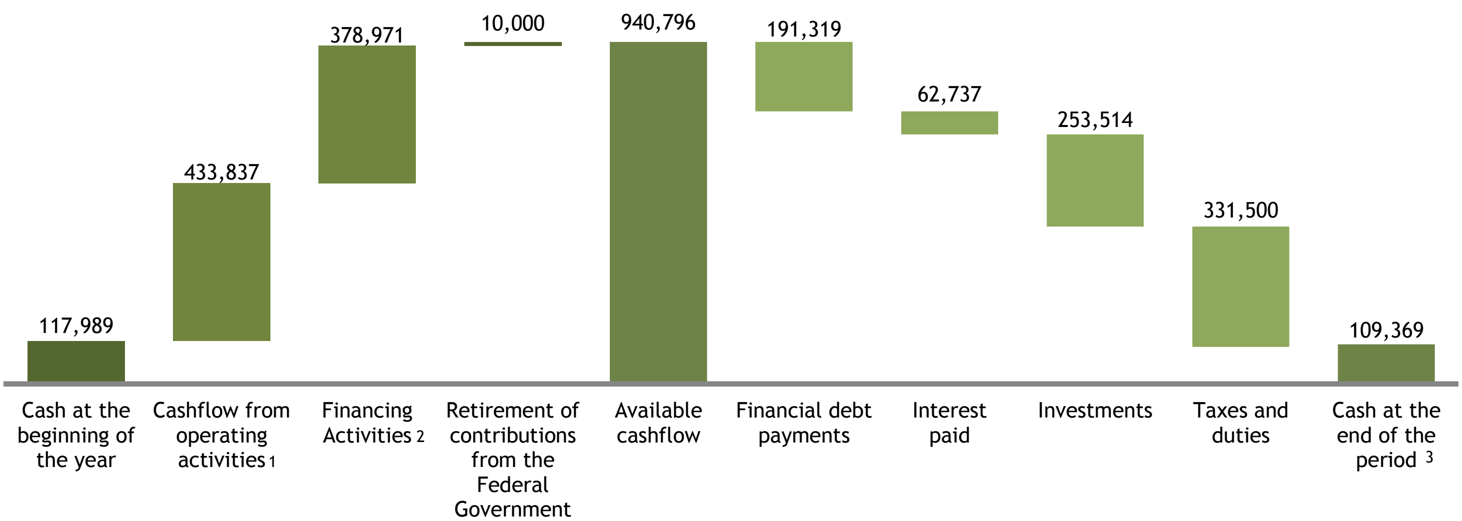
April 30, 2016

Results of PEMEX[1] as of December 31, 2015[2]

Fourth Quarter 2015 (net of IEPS)	2014 (MXN billion)	2015 (MXN billion)	Variation	2015 (USD billion)		Highlights
Total Sales	366.6	264.3	-27.9%	15.4	→	Total hydrocarbons production averaged 3.3 MMboed, and crude oil production decreased by 3.5%
Operating Income	93.1	(299.6)	-421.7%	(17.4)	→	The average price of the Mexican crude oil basket decreased by 46.6%, from USD 64.05 to USD 34.20 per barrel.
Net Income (Loss)	(117.6)	(359.8)	-206.0%	(20.9)	→	EBITDA totaled MXN (416.6) billion or USD (24.2) billion.

Acronyms used: Special Tax on Production and Services (IEPS), thousand (M), million (MM), billion (MMM), thousand barrels per day (Mbd), thousand barrels of oil equivalent per day (Mboed), thousand cubic feet per day (Mcfd), thousand tons (Mt).

Uses and Sources of Funds as of December 31, 2015
(MXN million)



(1) Before taxes and duties. Calculated by adding accrued taxes and duties to revenues from operations from the statement of changes in financial position.
(2) Excludes E&P Financed Public Works Contract Program.
(3) Includes (i) a MXN (5,735) million effect from exploration expenses, investment in shares, dividend revenue and financial instruments available for sale and (ii) change of cash effect of MXN 8,960 million.

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[1] PEMEX refers to Petróleos Mexicanos, its Productive Subsidiary Companies, Affiliates, Subsidiary Entities and Subsidiary Companies.
[2] PEMEX is providing this report to publish its audited financial and operational results for the fourth quarter and year-end of 2015. PEMEX encourages the reader to analyze this report together with the information provided in the Annexes hereto. All comparisons are made against the same period of the previous year unless otherwise specified. Annexes and relevant documents related to this call can be found at www.pemex.com/en/investors.

Operating Results

PEMEX Main Statistics of Production								
	Fourth quarter (Oct.-Dec.)				Year ended Dec. 31,			
	2014	2015	Change		2014	2015	Change	
Upstream								
Total hydrocarbons (Mboed)	3,462	3,327	-3.9%	(135)	3,538	3,321	-6.1%	(217)
Liquid hydrocarbons (Mbd)	2,404	2,319	-3.5%	(85)	2,473	2,308	-6.7%	(165)
Crude oil (Mbd)	2,360	2,277	-3.5%	(83)	2,429	2,267	-6.7%	(162)
Condensates (Mbd)	44	42	-5.1%	(2)	44	41	-6.7%	(3)
Natural gas (MMcfd) (1)	6,568	6,316	-3.8%	(252)	6,532	6,401	-2.0%	(131)
Downstream								
Dry gas from plants (MMcfd) (2)	3,658	3,364	-8.0%	(294)	3,640	3,398	-6.7%	(242)
Natural gas liquids (Mbd)	357	311	-12.7%	(45)	364	328	-9.8%	(36)
Petroleum products (Mbd) (3)	1,226	1,178	-3.9%	(48)	1,321	1,205	-8.8%	(116)
Petrochemical products (Mt)	1,244	849	-31.8%	(396)	5,251	4,505	-14.2%	(746)

(1) Includes nitrogen.

(2) Does not include dry gas produced by Pemex-Refining and used as fuel by this subsidiary entity.

(3) Includes LPG from Pemex-Gas and Basic Petrochemicals, Pemex-Exploration and Production and Pemex-Refining.

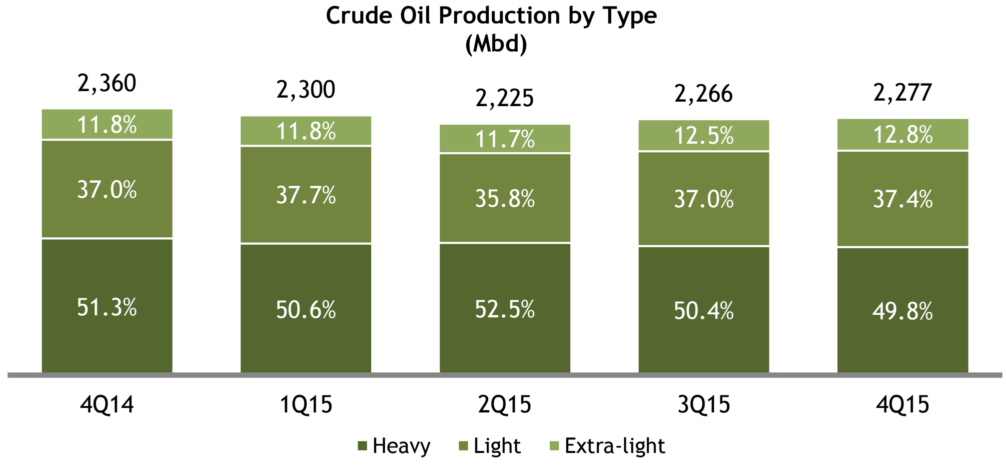
Exploration & Production 4Q15

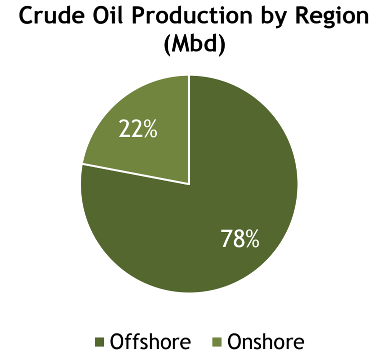
Crude Oil Production

During the fourth quarter of 2015, total crude oil production averaged 2,277 Mbd, a 3.5% decrease as compared to the same period of 2014. This variation was primarily due to:

- a 6.3% decrease in the production of heavy crude oil, as a result of the natural decline in production and an increase in the fractional water flow of wells in highly fractured deposits of the Cantarell business unit; and
- a 2.3% reduction in production of light crude oil, primarily due to a natural decline in production at the fields of the Cantarell and Litoral de Tabasco business units, as well as an increase in the fractional water flow of wells of the Samaria and Kuil fields, in the Samaria-Luna and Abkatún-Pol-Chuc business units, respectively.

The previous was partially offset by a 4.8% increase in extra-light crude oil production, mainly due to a 77.1% increase in production at the Xux field in the Southwestern Marine region that began production in June 2014, and which contributed an average of 62 Mbd to total crude oil production during this quarter.

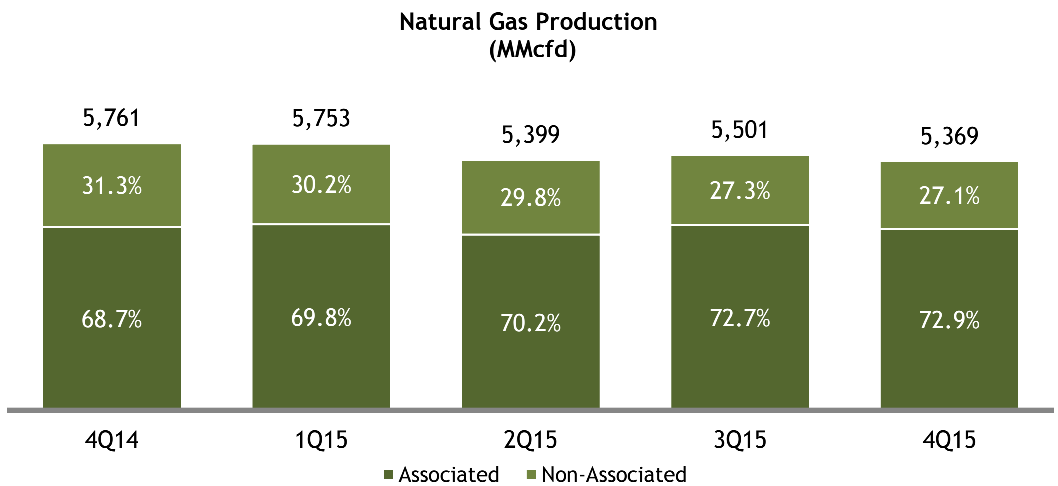




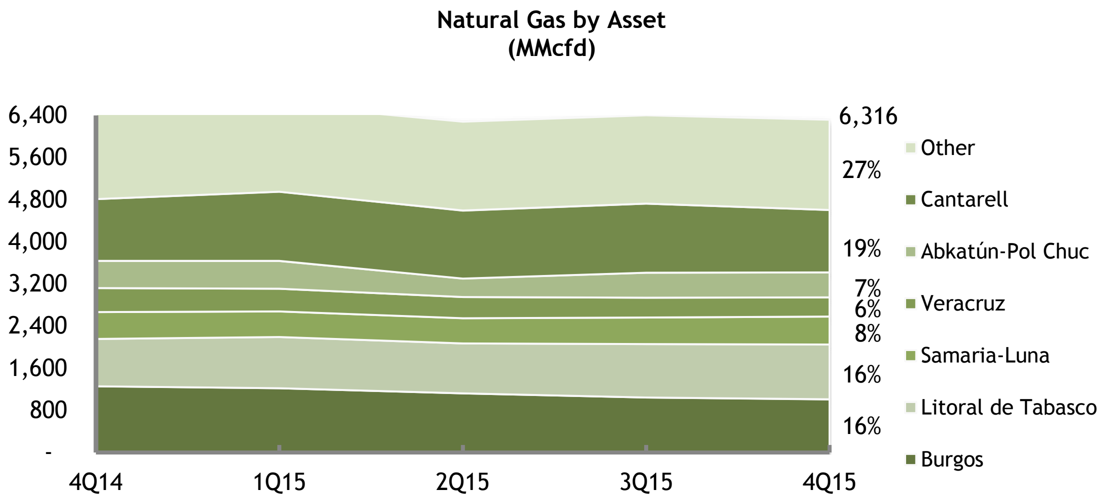
Natural Gas Production

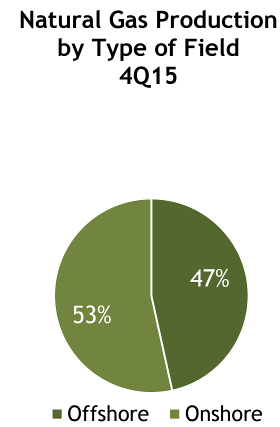
During the fourth quarter of 2015, total natural gas production decreased by 6.8%[3], amounting to 5,369 MMcfd, as a result of:

- a 19.3% reduction in non-associated gas production during the period, mainly due to a scheduled reduction in drilling activities and the completion of wells in the Veracruz and Burgos business units of the Northern region; and
- a 1.1% decline in associated gas production, primarily due to the natural decline in production of crude oil and closing of wells with higher gas-oil ratios at the Akal field of the Cantarell business unit.



3 Does not include nitrogen.

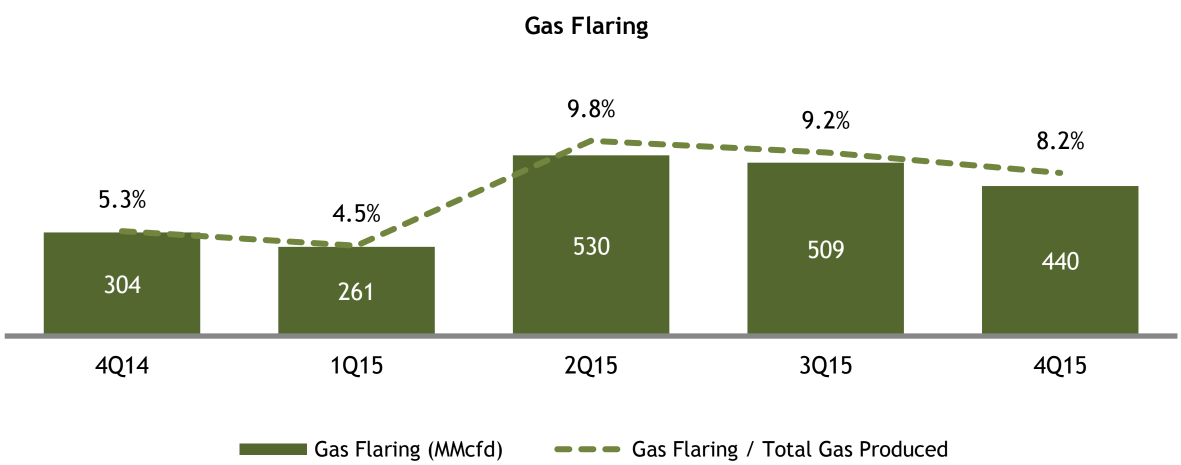




Gas Flaring

During the fourth quarter of 2015, gas flaring increased by 137 MMcfd, primarily as a result of the incident that occurred at the Abkatún-A Permanente platform and delays in the completion of works for gas utilization on marine rigs.

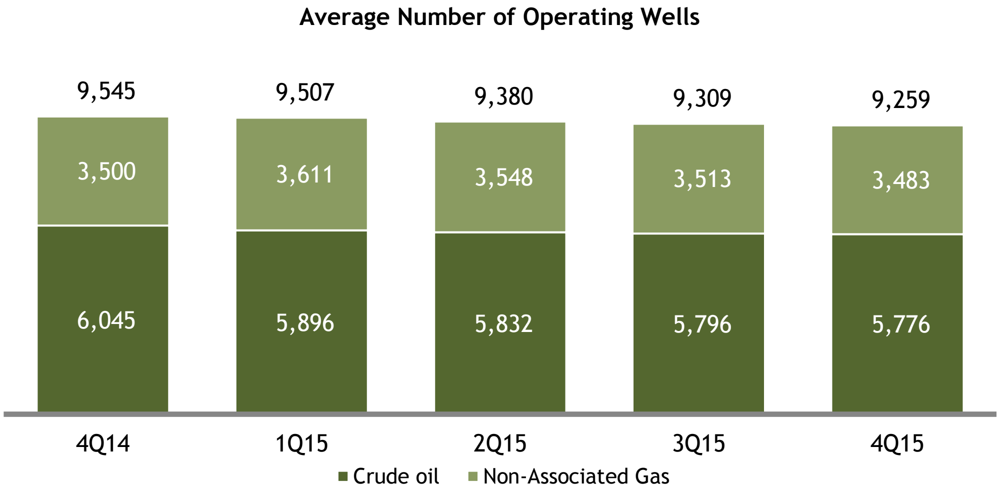
As a result, natural gas use as a percentage of production during the period amounted to 91.8%.

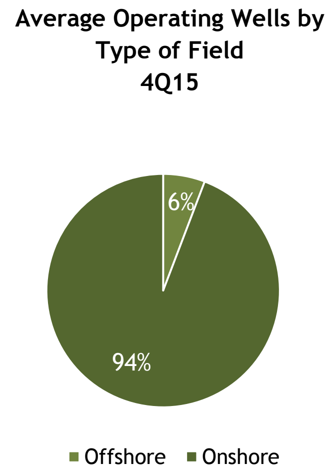


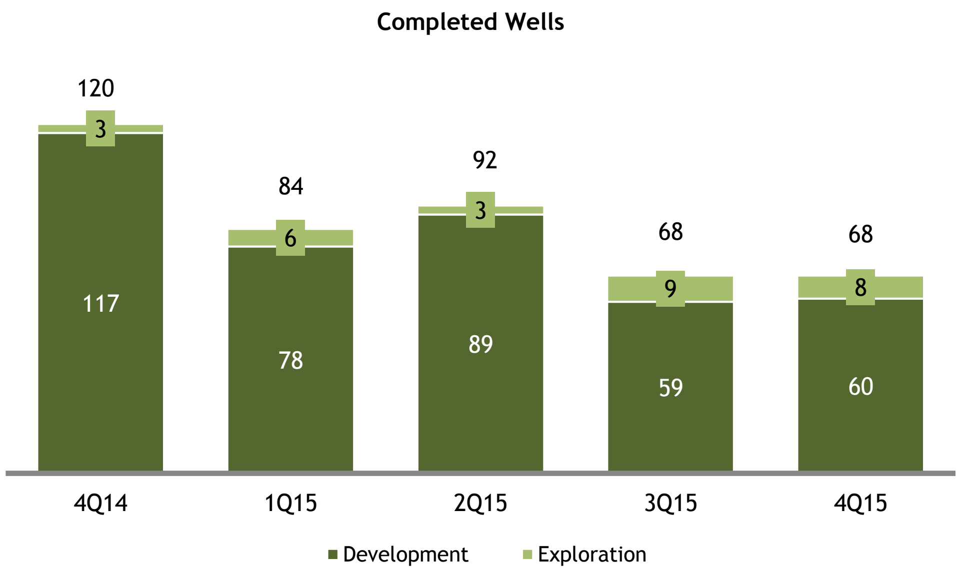
Infrastructure

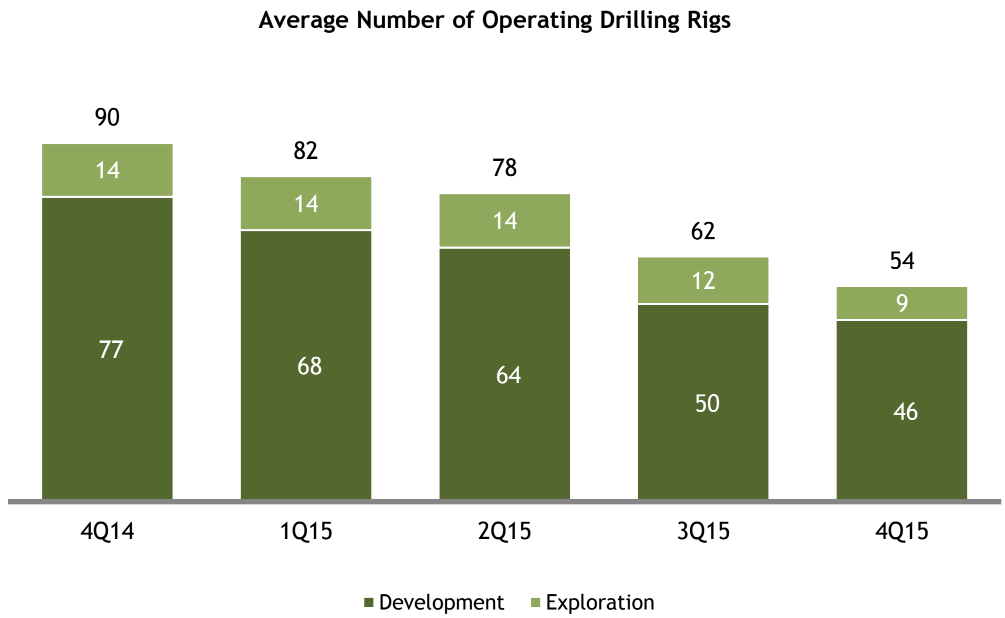
During the fourth quarter of 2015, the average number of operating wells totaled 9,259, a 3.0% decrease as compared to the same period of 2014.

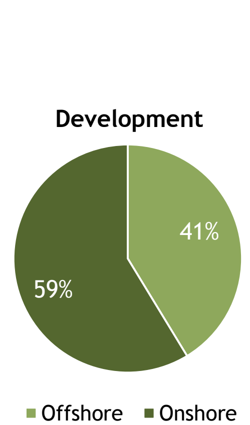
The completion of wells decreased by 43.3%, a decrease of 52 wells, due to a decrease in the completion of development wells. The previous was a result of a scheduled reduction of development activities at the Burgos, Aceite Terciario del Golfo (ATG) and Macuspana-Muspac business units, as a result of the budget adjustments approved by the Board of Directors at the beginning of the year. This decrease was partially offset by the completion of five exploration wells at the Cuencas del Sureste Marino and Aguas Profundas Norte business units during the quarter.

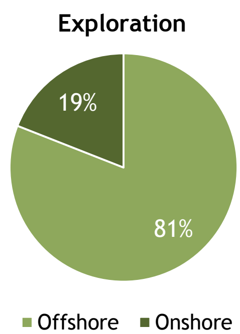

Average Number of Operating Wells
9,545
9,507
9,380
9,309
9,259
3,500
3,611
3,548
3,513
3,483
6,045
5,896
5,832
5,796
5,776
4Q14
1Q15
2Q15
3Q15
4Q15
Crude oil
Non-Associated Gas


Average Operating Wells by Type of Field 4Q15
6%
94%
Offshore
Onshore

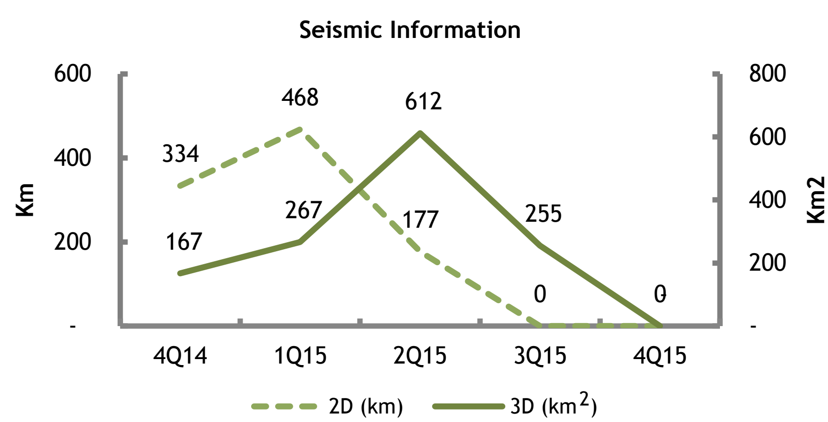

Completed Wells
120
3
117
84
6
78
92
3
89
68
9
59
68
8
60
4Q14
1Q15
2Q15
3Q15
4Q15
Development
Exploration







Seismic Information No additional 2D or 3D seismic data was acquired during the fourth quarter of 2015.



Discoveries

As a result of the exploratory activities carried out during the fourth quarter of 2015, the Tsimin-3DL well, located at the Litoral de Tabasco business unit, expanded the light crude oil exploitation area of the Tsimin field.

Additionally, the Tecoalli-1 and Jaatsul-1 wells, also located at the Litoral de Tabasco business unit, continued to quantify the production potential of the Southeastern basins. We would highlight that these discoveries are located in shallow waters, at water depths between 30 to 40 meters (m) near existing production complexes.

Moreover, the Nat-1DL well from the Litoral de Tabasco business unit led to a better understanding of the production potential of gas formations in the deep waters of the Gulf of Mexico, which allows for initial steps towards defining its exploitation strategy. Finally, the Cratos-1A well in the Perdido Area project, confirmed the existence of gas and condensates, proving the company's ability to develop capabilities in new and highly complex producer regions.

Main Discoveries
As of December 31, 2015

Business Unit	Well	Geologic Age	Initial Production		Water Depth	Type of Hydrocarbons
			Oil & Condensates (bd)	Gas (MMcfd)	Meters	
Litoral de Tabasco	Batsil	Late Cretaceous	1,198	0.48	82	Heavy Crude Oil
Litoral de Tabasco	Hem-1	Mid & Late Miocene	439	29.29	2,601	Wet gas
Litoral de Tabasco	Xikin-1	Late Jurassic Kimmeridgian	4,483	5.094	32	Extra-Light Oil
Litoral de Tabasco	Tecoalli-1001	Early Pliocene	3,965	3.3	33	Light crude oil
Litoral de Tabasco	Nat-1DL	Mid Miocene	412	10.01	2,675	Wet gas
Litoral de Tabasco	Jaatsul-1	Late Jurassic Kimmeridgian	1,664	2.4	42	Light crude oil
Litoral de Tabasco	Tsimin-3DL	Mid & Late Cretaceous	3,636	19.384	20	Light crude oil
Abkatún-Pol-Chuc	Cheek	Cretaceous-Breccia	2,148	1.575	28	Light crude oil
Abkatún-Pol-Chuc	Esah-1	Cretaceous & Jurassic	12,331	3.256	68	Heavy Crude Oil
Cinco Presidentes	Licanto-1	Late Miocene	666	0.319		Extra-Light Oil
Cinco Presidentes	Licayote-1	Late Miocene	82	5.192		Gas & Condensates
Poza Rica-Altamira	Maximino 1DL	Early Eocene, Paleoceno superior	4,547	7.35	3,014	Extra-Light Oil
Poza Rica-Altamira	Cratos 1A	Early Eocene	5,552	46	2,809	Gas & Condensates
Total			**41,123**	**133.7**		

Exploration & Production 2015

Crude Oil Production

During 2015, crude oil production totaled 2,267 Mbd, a decrease of 162 Mbd, or 6.7%, as compared to 2014, primarily due to:

- an 8.9% decrease in production of heavy crude oil due to a natural decline in production of fields located in the Cantarell business unit of the Northeastern Marine region and an increase in the fractional water flow of its wells;
- a 3.0% decline in production of light crude oil, primarily as a result of a natural decline in production of fields located in the Cantarell, Litoral de Tabasco and Bellota-Jujo business units, the increase in the fractional water flow of wells at fields of the Samaria-Luna and Abkatún-Pol-Chuc business units, as well as the production volume deferred at fields of the Abkatún-Pol-Chuc business unit, as a result of the incident occurred at the Abkatún-A Permanente platform in April 2015. The previous was partially offset by a 36.6% increase in production at the Tsimin, Xux, Onel, Xanab, Chuhuk and Homol fields of the Southwestern Marine region and at Kambesah of the Northeastern Marine region. Altogether, these fields contributed an average of 304 Mbd during 2015; and
- a 7.5% decrease in production of extra-light crude oil, primarily due to an increase in the fractional water flow of wells of the Pijije, Sen and Terra fields in the Samaria Luna business unit of the Southern region, as well as a natural decline in production of fields of the Bellota-Jujo and Macuspana-Muspac projects in the South region, and an increase in the fractional water flow with high salt concentration of wells of fields in the Macuspana-Muspac business unit. We would highlight the increase in production at the Xux field in the Southwestern Marine region that began production in June 2014, and contributed an average of 49 Mbd to total crude oil production during this quarter, as compared to the same period of 2014.

Moreover, the production volume that was deferred at fields of the Abkatún-Pol-Chuc business unit as a result of the April 2015 incident at the Abkatún-A Permanente platform was completely restored during the second half of 2015.

Natural Gas

During 2015, natural gas production decreased by 4.4%, totaling 5,504 MMcfd, primarily due to an 8.0% decrease in non-associated gas production during the year caused by a scheduled reduction in drilling activities and the completion of wells at the Burgos and Veracruz business units of the Northern region, and a natural decline in production at fields of the Macuspana-Muspac business unit of the South region.

In addition, associated gas production declined by 2.9%, mainly due to an increase in the fractional water flow of wells of fields located in the Bellota-Jujo and Samaria-Luna business units of the South region, and to production deferrals at fields of the Abkatún-Pol-Chuc business unit, as a result of the incident at the Abkatún-A Permanente platform.

Gas Flaring

During 2015, gas flaring increased by 190 MMcfd, primarily as a result of the incident at the Abkatún-A Permanente platform and delays in the completion of works for gas utilization on marine rigs.

As a result, the natural gas use as a percentage of production was 92.1% during 2015.

Operational Infrastructure

During 2015, the average number of operating wells decreased by 2.0% to 9,365, as compared to 2014.

The completion of wells decreased by 41.7% during 2015, from 535 to 312 wells, mainly due to a decrease in the completion of development wells. The decrease in the completion of development wells resulted primarily from a scheduled reduction of activities at the Poza Rica-Altamira, Veracruz and Burgos business units in the North region. This decrease was partially offset by an increase in the completion of exploration wells at the Cuencas del Sureste Marino business unit during the year.

Seismic Information

During 2015, 2D seismic data acquisition decreased as a result of a reduction in the areas assigned to PEMEX for exploration as part of the Round Zero process. The two-dimensional acquisition efforts were focused on the Sur de Burgos 2D study, which acquired 645 km of 2D seismic data.

Moreover, 3D data acquisition decreased as a result of budgetary reductions and the Round Zero process. PEMEX acquired 485 km^2 of 3D seismic data by focusing its three-dimensional acquisition efforts on the Salsomera NE 3D and the KuMaloob-Zaap 3D 3C studies.

Discoveries

During 2015, PEMEX focused its exploration activities on the following producer prospects:

- Southeastern Basin:
  - the Batsil-1 and Esah-1 (heavy oil), Xikin-1 and Licanto-1 (extra-light oil), Tecoalli-1, Jaatsul-1, Tsimin-3DL, Cheek-1 (light oil) and Licayote-1 (gas and condensates) wells confirmed the production potential of these formations and expanded the exploitation areas of their respective fields.

- Deep Waters of the Gulf of Mexico:
  - Favorable well logs were recorded at the Cratos-1A well, which confirmed the production potential of this region of the deep waters of the Gulf of Mexico, and the Maximino 1-DL well led to a better understanding of the field's structure, which allows for initial steps towards defining its exploitation strategy. It's important to highlight that this well is the deepest extra-light oil well ever drilled in Mexico, located at water depths of 3,000 meters, again demonstrating the company's ability to develop capabilities in new and highly complex producer regions.
  - Moreover, the Nat-1DL and Hem-1 wells continued to quantify the production potential of gas formations in the Catemaco Fold Belt.

Other Information Related to E&P Activities

Abkatún – A Incident

On February 7, 2016, a fire broke out in the compression area of the Abkatún – A platform, in the Campeche Sound. As a result, three people lost their lives[4] and six were wounded. PEMEX deeply regrets the deaths and injuries suffered by workers from the incident.

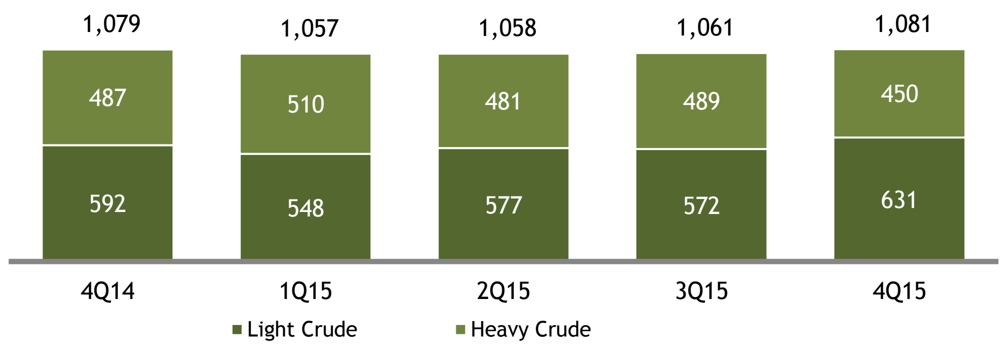
[4] Two PEMEX employees and one employee from Cotemar, the catering and accommodation services provider on PEMEX platforms.

Industrial Transformation 4Q15

Crude Oil Processing

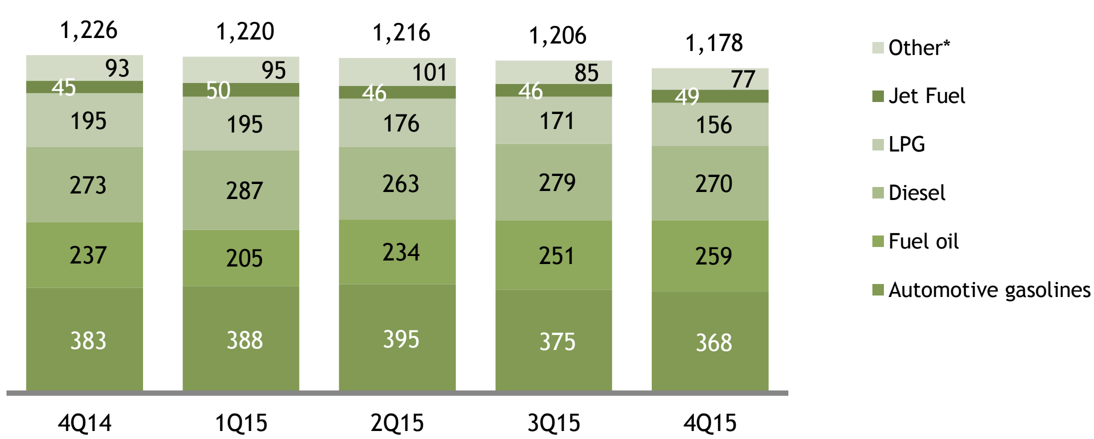
During the fourth quarter of 2015, total crude oil processing increased by 0.2%, primarily due to non-scheduled maintenance and overhaul works and operational problems resulting from the quality of the crude oil supplied by producing areas by year-end 2014. As a result, PEMEX's usage of its primary distillation capacity increased by 1.4 percentage points.

The ratio of heavy crude oil to total crude oil processed by the National Refining System (NRS) decreased by 3.5 percentage points, as part of an effort to optimize the crude oil mix processed in order to maximize refining margins.



Production of Petroleum Products

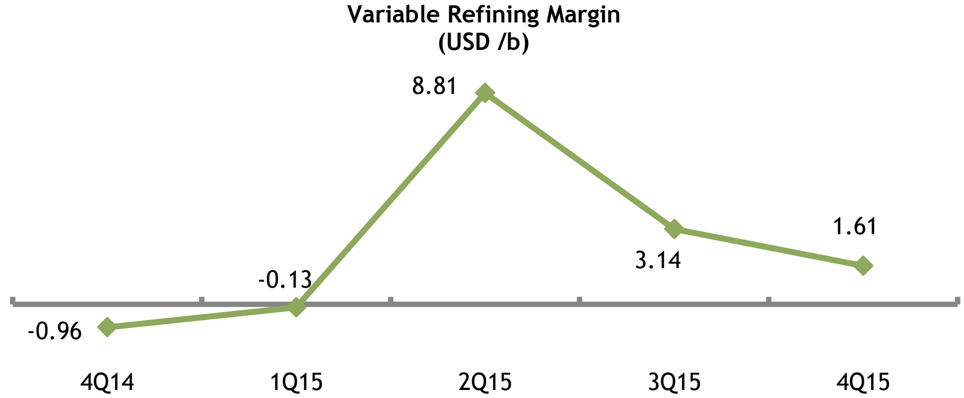
During the fourth quarter of 2015, total petroleum products output decreased by 3.9%, as compared to the same period of 2014, primarily due to non-scheduled maintenance and overhaul works and operational problems resulting from the quality of the crude oil supplied by producing areas by year-end 2014, and to a reduction in the supply of gasoline production inputs, as a result of preventive maintenance works at the continuous catalytic regeneration (CCR) plant of the petrochemical complex Cangrejera.



* Includes paraffins, furfural extract, aeroflex, asphalt, lubricants, coke, cyclical light oil and other gasolines.

Variable Refining Margin

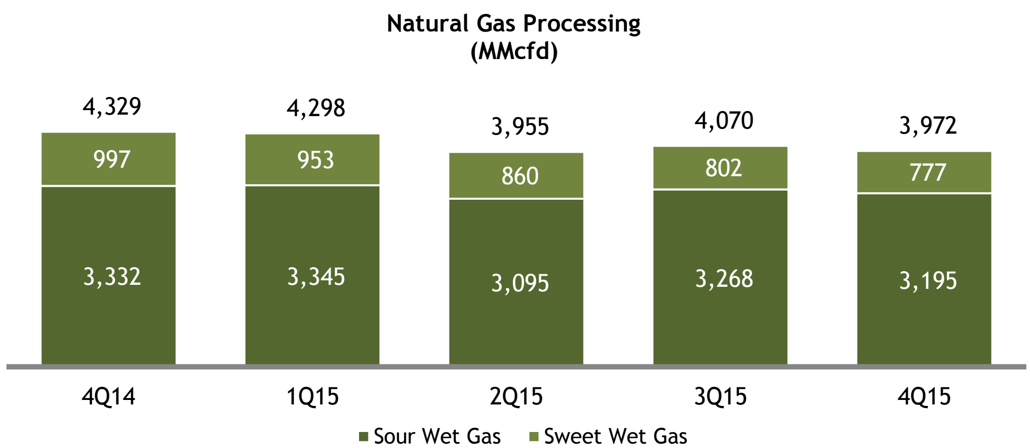
During the fourth quarter of 2015, PEMEX's NRS recorded a positive variable refining margin of USD 1.61 per barrel, a USD 2.57 per barrel increase, as compared to the fourth quarter of 2014, as a result of taking advantage of intermediate streams, better jet fuel and fuel oil yields and the diminished impact on prices of the variation of the inventory of crude oil and refined products.

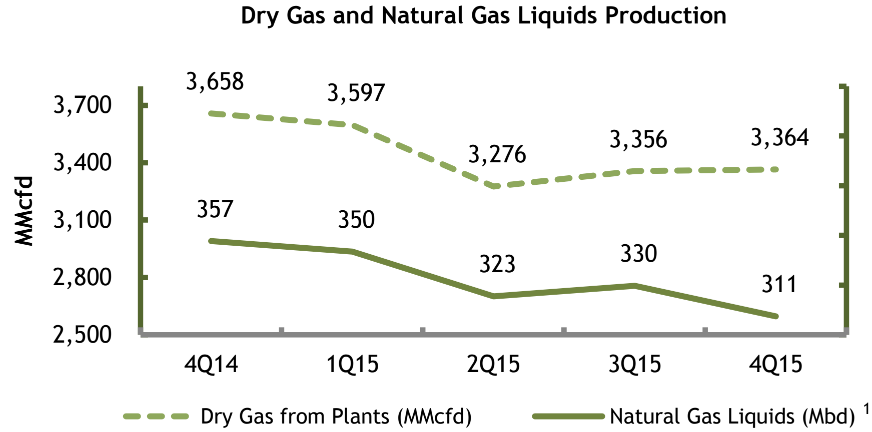


Natural Gas Processing and Production

During the fourth quarter of 2015, natural gas processing decreased by 8.3%, as compared to the same period of 2014, in response to the decreased availability of sour and sweet wet gas from both the offshore and South region. As a result, dry gas and natural gas liquids production decreased by 8.0% and 12.6%, respectively, as compared to the same period of 2014.

Condensates processing decreased by 4.7%, during the fourth quarter of 2015, as compared to the same period of 2014, primarily due to a decline in the supply of sweet condensates from Burgos.



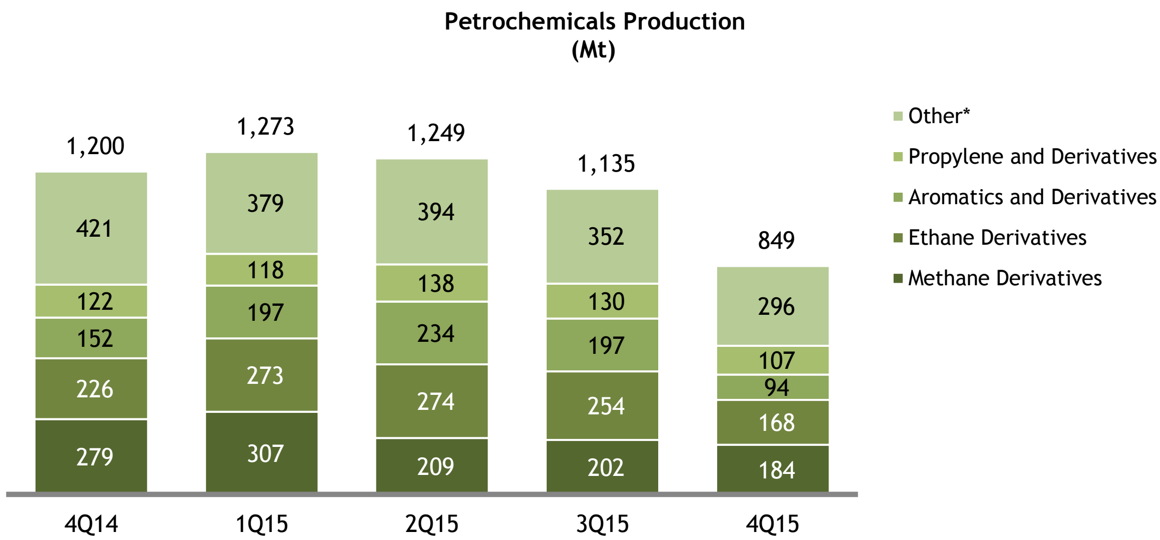


(1) Includes condensates process.

Petrochemicals Production

During the fourth quarter of 2015, the production of petrochemical products decreased by 29.3%, or 352 Mt, as compared to the same period of 2014, primarily due to the following:

- a 95 Mt decrease in production in the methane derivatives chain, due to decreased output of carbon dioxide and ammonia, in response to a reduction in the supply of natural gas;
- a 59 Mt decrease in production in the ethane derivatives chain, due to scheduled maintenance at the ethylene plant of the Morelos complex;
- a 15 Mt decrease in the propylene and derivatives chain, due to lower production of propylene;
- a 58 Mt decrease in production in the aromatics and derivatives chain, largely due to yearly programmed maintenance cycles; and
- an 125 Mt decrease in production of other petrochemicals, primarily due to a decrease in production of hydrogen, BTX liquids, pentane and butane, due to scheduled maintenance works.



*Includes muriatic acid, butadiene, polyethylene wax, petrochemical specialities, BTX liquids, hydrogen, isohexane, pyrolysis liquids, oxygen, CPDI, sulfur, isopropyl alcohol, amorphous gasoline, octane basis gasoline and heavy naphtha.

Industrial Transformation 2015

Crude Oil Processing

During 2015, total crude oil processing totaled 1,065 Mbd, a 7.8% decrease as compared to 2014, primarily explained by scheduled maintenance cycles, non-scheduled maintenance and overhaul works, as well as operational problems resulting from the quality of the crude oil supplied by producing areas by year-end 2014, and a scheduled reduction in processing as a result of the optimization of the NRS.

The ratio of heavy crude oil to total crude oil processed by the NRS increased by 2.2 percentage points, as part of an effort to take advantage of highly specialized equipment to convert residuals and maximize the yields of intermediate distillates.

During 2015, PEMEX's usage of its primary distillation capacity decreased by 5.0 percentage points, as compared to 2014, to 64.1% of its total capacity, due to the maintenance activities and overhaul works described above.

Production of Petroleum Products

During 2015, total petroleum products output decreased by 8.8%, as compared to 2014, as a result of non-scheduled maintenance and overhaul works, operational problems resulting from the quality of crude oil supplied by producing areas by year-end 2014, and to a reduction in supply of gasoline production inputs, as a result of preventive maintenance works at the CCR plant of the petrochemical complex Cangrejera.

It is worth highlighting that operations of the ultra-low sulfur (ULS) diesel and gasoline plants commenced at the Cadereyta and Madero refineries, respectively.

Variable Refining Margin

By the end of 2015, the NRS recorded a variable refining margin of USD 3.35 per barrel, as compared to variable refining margin of USD 1.76 per barrel by the end of 2014. This is broadly a result of the effective utilization of intermediate streams, processing a heavier crude oil mix and better yields in intermediate distillates.

Natural Gas Processing and Production

During 2015, natural gas processing decreased by 6.2%, as compared to 2014, in response to the decreased availability of sweet and sour wet gas from both the offshore and South region, mainly due to the incident at Abkatún, as well as a natural decline in production of fields.

As a result, dry gas production decreased by 6.7%, or 242 MMcfd, while natural gas liquids production recorded a decrease of 9.8%.
Condensates processing decreased by 7.1%, primarily due to a decrease in the supply of sweet condensates in Burgos and sour condensates in the Southern Region.

Petrochemicals Production

During 2015, production of petrochemical products totaled 4,505 Mt, a 14.2% decrease as compared to 2014. This decrease is primarily explained by:

- a 375 Mt decrease in production in the methane derivatives chain, due to decreased output of carbon dioxide and ammonia, in response to operating problems and a reduction in the supply of natural gas;
- a 37 Mt decrease in production in the ethane derivatives chain, mainly due to maintenance and overhaul works. In addition, the production of high- and low-density polyethylene decreased as a result of non-programmed shutdowns of operations;
- a 13 Mt decrease in production in the propylene and derivatives chain, due to decreased availability of propylene, as a result of programmed maintenance works at the Morelos' ethylene plant; and
- a 399 Mt decrease in production of other petrochemicals, primarily due to a decrease in production of sulfur, octane gasoline and raw materials to produce carbon black, and the cancellation of heptane production to focus on the production of hexane.

This decrease was partially offset by a 79 Mt increase in production in the aromatics and derivatives chain, primarily due to the increased production of high octane hydrocarbons.

Other Information Related to Industrial Transformation

Pemex Gas Stations

As of December 31, 2015, a total of 11,210 PEMEX gas stations were registered, a 3.5% decrease as compared to the number registered as of December 31, 2014.

Asset Transfer to CENAGAS

On October 29, 2015, PEMEX and the National Center of Natural Gas Control (CENAGAS) signed a framework agreement for the transfer to CENAGAS of assets associated with the National Gas Pipeline and the distribution contract for the Naco-Hermosillo pipeline system, in compliance with stipulations of the Energy Reform Decree.

PEMEX will transfer approximately 9,000 kilometers of pipelines with a transportation capacity greater than 5,000 MMcf of natural gas per day, to the CENAGAS, whose mission is to ensure the reliable, efficient and secure supply of natural gas throughout the national territory.

Gulf – Center Project

On October 30, 2015, PEMEX announced the initiation of the first phase of the Gulf – Center Project that will supply gasoline and diesel from the port of Tuxpan, Veracruz to the county's central region. The project is financed by a joint investment with BlackRock of an estimated USD 700 million pursuant to the memorandum of understanding signed in May 2015.

This phase involves the construction of a storage and pumping facility with capacity for 750 Mbpd and the construction of two discharge positions in the port of Tuxpan, Veracruz that will connect to the Central Region Storage and Distribution Terminal through a polyduct network.

ICA Flour and Odebrecht

On November 16, 2015, PEMEX signed a contract with ICA Flour and Odebrecht for the development of residuals utilization projects in the Miguel Hidalgo refinery in Tula, with an estimated investment of USD 1.2 billion.

The contracts include the performance of additional engineering, procurement and construction services of the first package of integration works and auxiliary services to increase the production of distillates (such as gasoline and diesel) and reduce the use of fuel oil through the construction of a coking plant, as well as the construction of access roads and external works for the project.

Service Stations in Houston, TX

On December 3, 2015, PEMEX announced the opening of five service stations in Houston, Texas which are to operate as PEMEX franchises.

This franchise program features investment from third parties, who own the service stations and determine the retail price of fuel based on market conditions in Houston. The program is part of PEMEX's strategy to expand into the United States, in accordance with its mandate in the Energy Reform Decree to focus on activities that generate economic value in the competitive environment.

Operation Authorization for Hydrocarbons Transportation and Storage Infrastructure

On December 18, 2015, in accordance with the Secondary Legislation of the Energy Reform Decree, the Energy Regulatory Commission (CRE) granted several permits to PEMEX for the for the operation of transportation and storage infrastructure, including the following:

- 6 oil pipeline systems, with a span of 8.6 km;
- 1 hydrocarbon pipeline system of 5.2 km;
- 1 petrochemical pipeline system of 282.0 km;
- 5 permits for major fleets (16 tankers) and smaller fleets (6 vessels);
- 4 tank truck transport systems that represent 1,456 units that perform daily deliveries to service stations;
- 73 storage terminals with capacity for 17 MMb;
- 7 marine terminal permits; and

- 3 liquefied petroleum gas (LPG) storage permits.

These permits supplement existing ones for 1.6 km of the LPG pipeline system and two LPG storage systems, which had previously been authorized by the CRE.

Clean Fuels

On January 10, 2016, PEMEX announced Phase II of its clean fuels project involving ultra- low sulfur diesel (ULSD) for the refineries of Ciudad Madero, Tamaulipas; Salamanca, Guanajuato; Minatitlán, Veracruz; Tula, Hidalgo; and Salina Cruz, Oaxaca, with an investment close to USD 4.0 billion, of which 58% will come from private investors. These investments are part of the USD 23.0 billion investment program announced by PEMEX and President Peña Nieto in December 2015.

The project includes the construction of 12 new plants and the modernization of 14 existing ones, as well as the installation of additional systems and integration of auxiliary services to the aforementioned refineries.

Clean fuels - ULSD		
Refinery	Estimated investment	Development and implementation
Ciudad Madero, Tamaulipas	USD 1.0 billion	• ICA Flour Daniel
Salamanca, Guanajuato	USD 500.0 million	• Samsung Engineering
Minatitlán, Veracruz	USD 700.0 million	• Treunidas México Ingeniería y Construcción
Tula, Hidalgo	USD 600.0 million	• Avanzia Instalaciones
Salina Cruz, Oaxaca	USD 1.0 billion	• Foster Wheeler - Arendal

Acquisition of Fertinal

On January 29, 2016, PEMEX acquired Grupo Fertinal, S.A. De C.V. (Fertinal) through Pemex Fertilizers.

The project provides for an investment of up to USD 255.0 million for Fertinal's capital, including its existing assets in the Lázaro Cárdenas, Michoacán unit, as well as in the phosphate mine located in San Juan de la Costa, Baja California Sur. Pursuant to this acquisition, Pemex Fertilizers' production of solid fertilizers is expected to increase by up to 1.2 million tons.

Industrial Safety

Frequency Index[5]

During 2015, the accumulated frequency index for PEMEX personnel was 0.47 injuries per million man-hours worked (MMhh), which represents a 25% increase as compared to 2014.

Severity Index[6]

By the end of 2015, the accumulated severity index was 31 days lost per MMhh, a 27.5% decrease as compared to 2014.

To reverse the trend observed in severe accidents, Petróleos Mexicanos implemented Safety, Health and Environmental Protection's (SSPA for its acronym in Spanish) new mandates and functions, to reinforce the actions carried out by the entire personnel in safety departments and reinsure the fulfillment of all 13 guidelines stated by SSPA. Additionally, a new program for audit and advisory services for the effective implementation of the Safety, Health and Environmental Protection and Operational Reliability Systems has been implemented in key working centers of

[5] Refers to the number of accidents with incapacitating injuries per million man-hours worked (MMhh) with risk exposure during the relevant period of time. An incapacitating injury is an injury, functional damage or death that is caused, either immediately or subsequently, by a sudden event at work or during work-related activities. Man-hours worked with risk exposure represent the number of hours worked by all personnel, including overtime hours.
[6] Refers to the total number of days lost per million man-hours worked with risk exposure during the relevant period of time. The number of days lost is based on medical leaves of absence for injuries stemming from accidents at work, plus the number of corresponding days on which compensation is paid for partial or total disability or death.

both, Exploration and Production, and Industrial Transformation.

Additionally, awareness campaigns aimed to increase safety and reduce accidents at work were carried out to also tackle minor and non-severe accident issues.

Environmental Protection

Sulfur Oxide Emissions

During 2015, sulfur oxide emissions increased by 20.7% as compared to 2014, primarily due to emissions produced as a result of the decline in wells that use nitrogen to increase production, which resulted in an increase in the generation of sour gas that is sent for flaring at the Northeastern Marine region, as well as, at the Akal C7/C8 Gas Processing Center. Additionally, maintenance works were carried out at the sulfur plants of the gas processing centers Cactus, Nuevo Pemex and Cd. Pemex.

Water Reuse

During 2015, the reuse of water decreased by 2.7% as compared to 2014, primarily due to the decrease in the utilization rates of residual water treatment plants in the NRS, due to the transfer of residual water treatment plants operated by third parties.

Global Water Development Partners

On November 30, 2015, pursuant to the memorandum of understanding signed on May 12, 2015, PEMEX and Global Water Development Partners agreed to create a joint venture to invest approximately USD 800.0 million in water infrastructure and residual water treatment projects for upstream and downstream facilities in Mexico.

Financial Results

During 2015, PEMEX operated under a new fiscal regime and successfully concluded its corporate restructuring process. PEMEX also managed to overcome the volatility of the financial market, taking advantage of the new tools and instruments provided by the Energy Reform.

Among the elements that had a significant impact on the company's results are: hydrocarbon prices, exchange rates, the National Hydrocarbon Commission's reduction of the economic horizon of oil reserves to 20 years, changes in the interest rates of the Mexican Government bonds and the changes to the company's pension system.

PEMEX
Consolidated Income Statement

	Fourth quarter (Oct.-Dec.)					Year ended Dec. 31,				
	2014	2015	Change		2015	2014	2015	Change		2015
	(MXN million)				(USD million)	(MXN million)				(USD million)
Total sales	**364,190**	**264,227**	**-27.4%**	**(99,963)**	**15,356**	**1,586,728**	**1,166,362**	**-26.5%**	**(420,365)**	**67,786**
Domestic sales	229,288	176,594	-23.0%	(52,694)	10,263	944,998	746,236	-21.0%	(198,762)	43,369
Exports	130,046	84,913	-34.7%	(45,133)	4,935	630,291	407,214	-35.4%	(223,077)	23,666
Services income	4,856	2,720	-44.0%	(2,136)	158	11,439	12,912	12.9%	1,474	750
Cost of sales	**227,046**	**636,184**	**180.2%**	**409,138**	**36,973**	**865,281**	**1,280,836**	**48.0%**	**415,555**	**74,439**
Gross income	**137,144**	**(371,957)**	**-371.2%**	**(509,102)**	**(21,617)**	**721,447**	**(114,473)**	**-115.9%**	**(835,921)**	**(6,653)**
Other revenues (expenses)	**(3,069)**	**(2,845)**	**7.3%**	**224**	**(165)**	**37,552**	**(2,374)**	**-106.3%**	**(39,926)**	**(138)**
IEPS accrued	2,415	87	-96.4%	(2,328)	5	43,109	2,519	-94.2%	(40,590)	146
Other	(5,484)	(2,932)	46.5%	2,552	(170)	(5,556)	(4,893)	11.9%	663	(284)
Transportation and distribution expenses	**9,028**	**(13,914)**	**-254.1%**	**(22,941)**	**(809)**	**32,183**	**12,801**	**-60.2%**	**(19,381)**	**744**
Administrative expenses	**31,913**	**(61,271)**	**-292.0%**	**(93,184)**	**(3,561)**	**111,337**	**24,739**	**-77.8%**	**(86,599)**	**1,438**
Operating income (loss)	**93,135**	**(299,618)**	**-421.7%**	**(392,753)**	**(17,413)**	**615,480**	**(154,387)**	**-125.1%**	**(769,867)**	**(8,973)**
Total interest expense	**(17,792)**	**(18,946)**	**-6.5%**	**(1,154)**	**(1,101)**	**(51,559)**	**(67,774)**	**-31.4%**	**(16,215)**	**(3,939)**
Total interest income	**1,242**	**12,574**	**912.5%**	**11,332**	**731**	**3,014**	**14,991**	**397.3%**	**11,977**	**871**
Income (cost) due to financial derivatives	**(3,794)**	**(4,143)**	**-9.2%**	**(349)**	**(241)**	**(9,439)**	**(21,450)**	**-127.3%**	**(12,011)**	**(1,247)**
Foreign exchange profit (loss)	**(67,494)**	**(18,496)**	**72.6%**	**48,998**	**(1,075)**	**(76,999)**	**(154,766)**	**-101.0%**	**(77,766)**	**(8,995)**
Profit sharing in non-consolidated subsidiaries and affiliates	**(1,871)**	**162**	**108.7%**	**2,033**	**9**	**34**	**2,318**	**6645.0%**	**2,284**	**135**
Income before taxes and duties	**3,426**	**(328,468)**		**(331,894)**	**(19,090)**	**480,532**	**(381,067)**	**-179.3%**	**(861,599)**	**(22,147)**
Taxes and duties	**121,002**	**31,289**	**-74.1%**	**(89,714)**	**1,818**	**746,075**	**331,500**	**-55.6%**	**(414,574)**	**19,266**
Duties	140,811	86,294	-38.7%	(54,517)	5,015	760,912	376,683	-50.5%	(384,229)	21,892
Crude oil income Tax	(21,663)	-		21,663	-	(18,735)	-		18,735	-
Income tax and other	1,854	(55,006)	-3066.6%	(56,860)	(3,197)	3,898	(45,182)	-1259.1%	(49,080)	(2,626)
Net income (loss)	**(117,577)**	**(359,757)**	**-206.0%**	**(242,181)**	**(20,908)**	**(265,543)**	**(712,567)**	**-168.3%**	**(447,025)**	**(41,413)**
Other comprehensive results	**(268,030)**	**78,256**	**129.2%**	**346,286**	**4,548**	**(265,348)**	**88,612**	**133.4%**	**353,960**	**5,150**
Investment in equity securities	(1,550)	(302)	80.5%	1,248	(18)	(765)	(3,206)	-318.9%	(2,441)	(186)
Actuarial losses due to employee benefits	(275,980)	78,557	128.5%	354,536	4,566	(275,962)	78,557	128.5%	354,519	4,566
Conversion effect	9,501	2	-100.0%	(9,499)	0	11,380	13,262	16.5%	1,882	771
Comprehensive income (loss)	**(385,606)**	**(281,501)**	**27.0%**	**104,105**	**(16,360)**	**(530,891)**	**(623,955)**	**-17.5%**	**(93,064)**	**(36,263)**

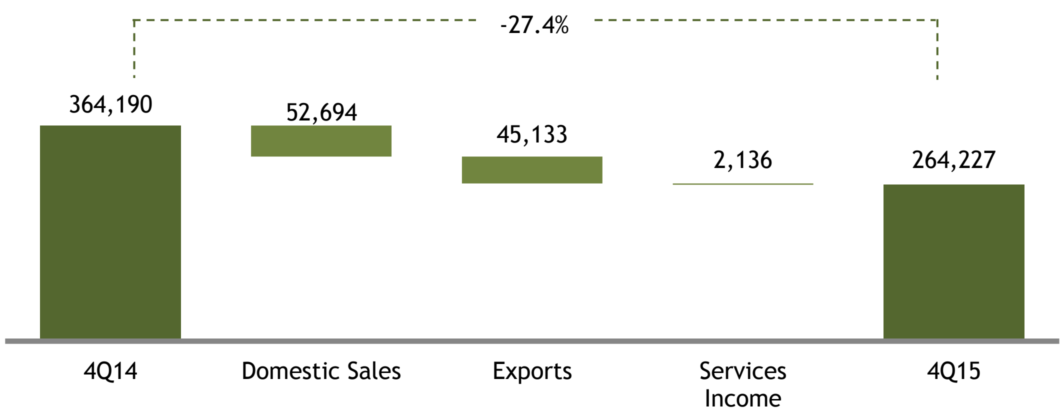
Income Statement from October 1 to December 31, 2015

Sales

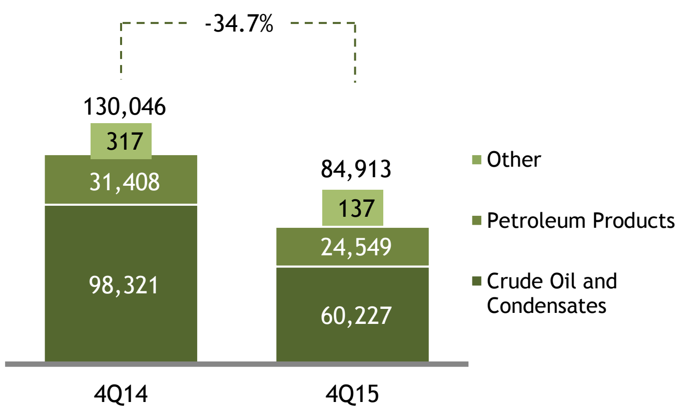
During the fourth quarter of 2015, total sales (including the amount of IEPS credit) decreased by 27.9%, as compared to the same period of 2014, primarily as a result of:

- a 27.3% decrease in domestic sales of gasoline and diesel, net of IEPS. The price effect on the domestic sales of gasoline and diesel had a negative impact of MXN 44.9 billion, while sales volume decreased by MXN 324.1 million;
- a 38.7% decrease in exports of crude oil and condensates, largely due to the steep decline in oil prices. The price effect on exports of oil and condensates had a negative impact of MXN 34.3 billion, and the sales volume decreased by MXN 3.7 billion. The Mexican crude oil basket decreased by USD 29.85, from USD 64.05 to USD 34.20 per barrel;
- a 21.8% decrease in exports of petroleum products, primarily as a result of lower prices. The price effect on the reduction of petroleum products' exports had a negative impact of MXN 3.3 billion, and sales volume decreased by MXN 3.6 billion;
- a 28.3% decrease in domestic sales of fuel oil; and
- a 17.7% decrease in domestic sales of dry gas, mainly due to the decline in the prices of gas, despite a slight increase in sales volume. The Henry Hub price reference used decreased from USD 3.74 to USD 2.10 per million British Thermal Units (MMBtu). The price effect on the domestic sales of dry gas had a negative impact of MXN 3.0 billion, and sales volume increased by MXN 261.6 million.

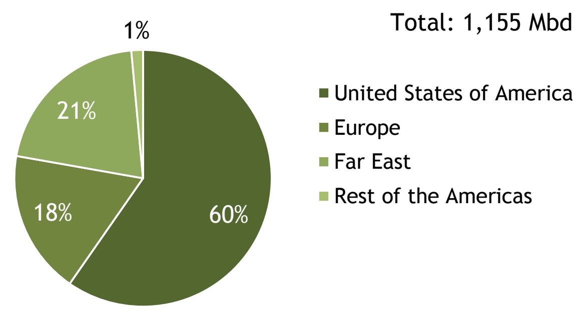
Sales Evolution
(MXN million)

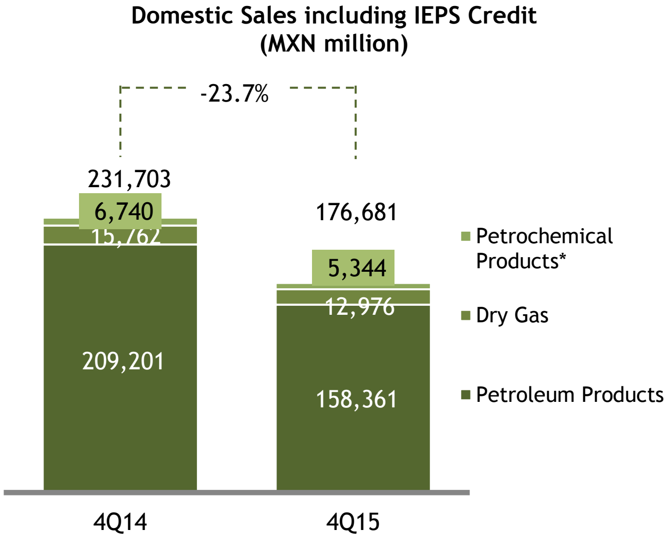


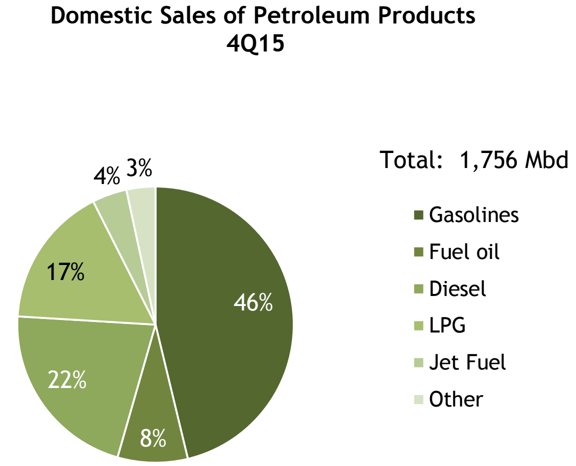
Exports
(MXN million)



Crude Exports by Region
4Q15







* Includes Pemex Fertilizers' and Pemex Ethylene's products.

Gross & Operating Income

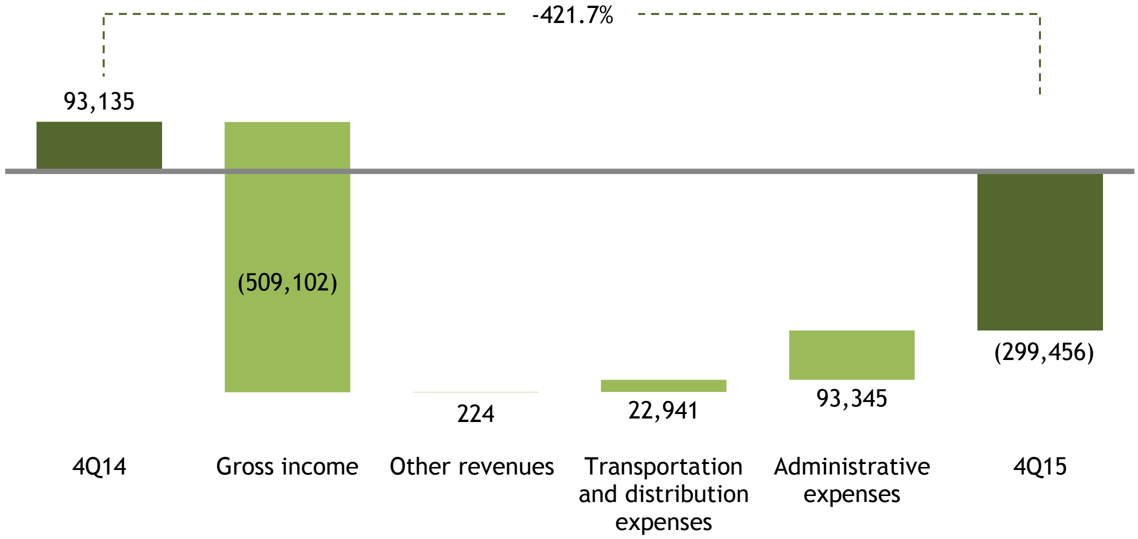
During the fourth quarter of 2015, gross income, net of IEPS, decreased by MXN 509.1 billion, as compared to the same period of 2014. We remind our readers that as of January 1, 2015, PEMEX's tax regime was modified as established in the Hydrocarbons Revenue Law, which sets forth that direct taxes and duties should be recorded under the cost of sales: Hydrocarbon Exploration and Extraction Taxes and Duties.

Operating income decreased by MXN 392.8 billion, primarily due to a MXN 409.1 billion increase in the cost of sales, as a result of the impairment of fixed assets and the reclassification of the hydrocarbon exploration and extraction taxes and duties.

The impairment of fixed assets was mainly due to: (i) the decrease in cash flows as a result of the steep decline in crude oil prices; and (ii) regulation issued by the National Hydrocarbon Commission, effective 2016, which reduces the economic horizon of oil reserves assigned to PEMEX in Round Zero to 20 years.

The cost of sales was positively affected by a MXN 84.5 billion decrease in the net cost of employee benefits of the period, resulting from changes to the company's pension system and by a 28.6% reduction in purchases for resale (mainly gasoline), primarily the result of low hydrocarbon prices.

Operating Income Evolution
(MXN million)
Net of IEPS



Composition of Net Income (Loss)

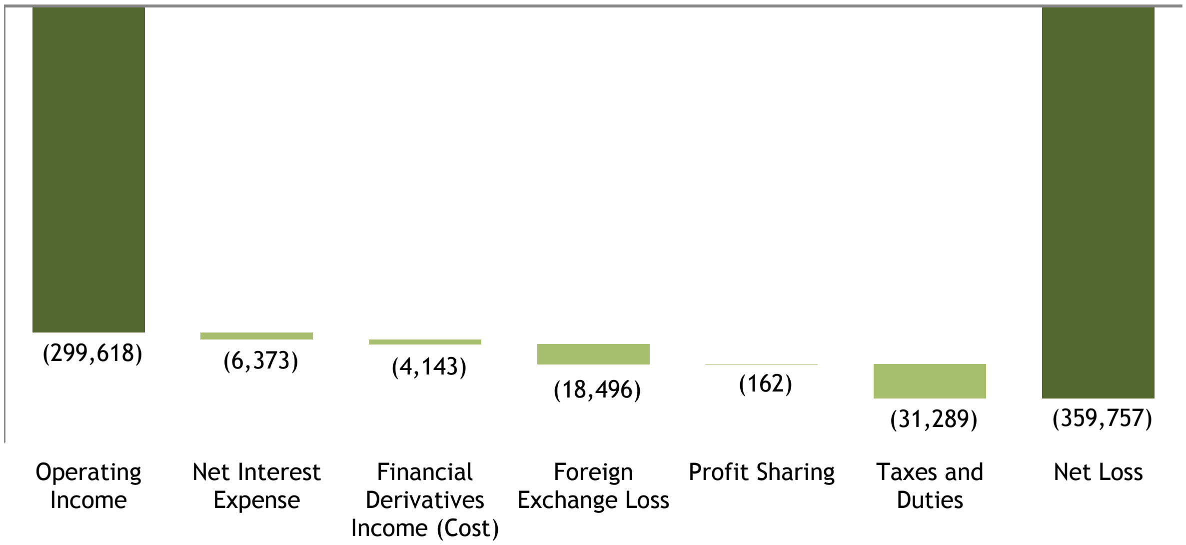
During the fourth quarter of 2015, PEMEX recorded a net loss of MXN 359.8 billion, primarily as a result of:

- operating income of MXN (299.6) billion;
- net interest expense of MXN 6.4 billion;
- costs associated to financial derivatives of MXN 4.1 billion;
- a foreign exchange loss of MXN 18.5 billion; and
- taxes and duties of MXN 31.3 billion.

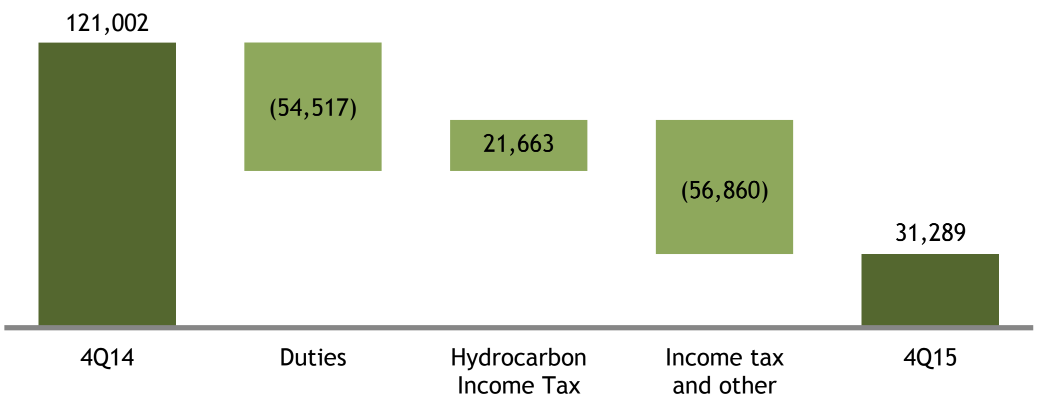
We remind our readers that based on the new fiscal regime applicable as of January 1, 2015, some of the taxes and duties are now recorded under the cost of sales; therefore, operating income between the 2014 and 2015 periods is not entirely comparable. During the fourth quarter of 2015, a total of MXN 11.5 billion paid in the form of hydrocarbon exploration and extraction duties were recorded under the cost of sales.

Although PEMEX, starting in 2015, became subject to a new fiscal regime that is more in line with the rest of the oil and gas industry, it, unlike other companies, is still not able to deduct all of its operating costs and expenses from its calculation of taxes and duties. As a result, taxes and duties paid have consistently been greater than income before taxes and duties and operating income since 1998, other than in 2006, when the cap on permitted deductions was updated.

Composition of Net Income
(MXN million)



Evolution of Taxes and Duties
(MXN million)



Note: As of 2015, Duties refer to Profit Sharing Duty, and Exploration and extraction taxes and duties are registered under the Cost of sales.

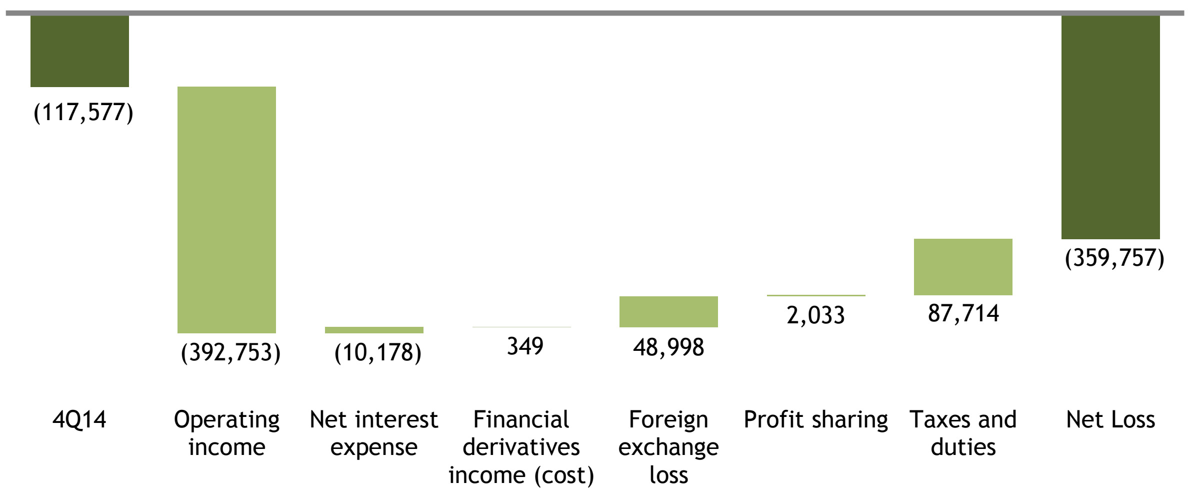
Evolution of Net Income (Loss)

The increase in net loss during the fourth quarter of 2015 is primarily explained by:

- a MXN 392.8 billion decrease in operating income;
- a MXN 10.2 billion decrease in net interest expense;
- a MXN 349.1 billion increase in costs associated to financial derivatives, mainly due to the appreciation of the U.S. dollar against currencies other than the Mexican peso in which Petróleos Mexicanos has entered into cross currency swaps;
- a MXN 49.0 billion foreign exchange loss, as a result of a 1.2% depreciation of the Mexican peso relative to the U.S. dollar during the fourth quarter of 2015, as compared to a 9.4% depreciation of the Mexican peso relative to the U.S. dollar during the same period of 2014; and
- a 74.1% decrease in taxes and duties, due to a decline in the price of the Mexican crude oil basket and to a lower crude oil production.

As a result of the aforementioned, PEMEX recorded a net loss of MXN 359.8 billion during the fourth quarter of 2015, as compared to MXN 117.6 billion during the same period of 2014.

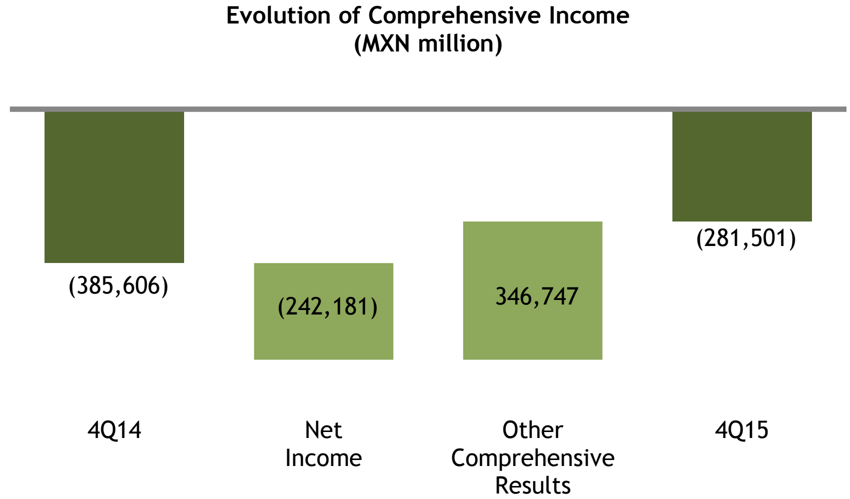
Evolution of Net Income (Loss)
(MXN million)



Comprehensive Income (Loss)

During the fourth quarter of 2015, other comprehensive results increased by MXN 346.3 billion, primarily as a result of a MXN 354.5 billion increase in the actuarial gains due to employee benefits. This increase resulted from an update in the actuarial rates used for employee benefits computation.

In addition, a MXN 1.2 billion increase in investment on assets available for sale was recorded, mainly due to the performance of Repsol shares, and the exchange rate used for calculations. As a result, the comprehensive loss for the fourth quarter totaled MXN 281.5 billion.



Income Statement from January 1 to December 31, 2015

Sales

During 2015, total sales net of IEPS decreased by 28.3%, as compared to 2014, primarily due to a 35.4% decrease in exports. This reduction in exports was primarily due to a MXN 187.1 billion decrease in crude oil and condensates exports, primarily as a result of the 49.4% decrease in the price of the Mexican crude oil basket, from USD 85.48 per barrel during 2014 to USD 43.29 per barrel in 2015. Exports volume increased by 2.6%, from 1,142 Mbd to 1,172 Mbd. Although the volume of exports of petroleum products increased by 2.2% as compared to 2014, export sales of petroleum products decreased by MXP 35.1 billion, due to the drop in oil prices.

Gross & Operating Income

During 2015, gross income decreased by 115.9%, as compared to 2014, primarily due to:

- a MXN 420.4 billion decrease in total sales, primarily due to a MXN 223.1 decrease in exports; and
- a 48.0% increase in cost of sales, primarily as a result of the MXP 455.3 billion fixed asset impairment.

Operating income decreased by 125.1%, to MXN (154.4) billion.

A significant portion of the goods and services related to PEMEX's strategic operations are paid in U.S. dollars or in Mexican pesos indexed to the U.S. dollar. As a result, the depreciation of the Mexican peso against the U.S. dollar has a negative impact on our costs. However, a significant amount of our revenues is also denominated in or referenced to U.S. dollars, such as exports of crude oil and petroleum products, which are priced and payable in U.S. dollars. Moreover, our revenues from domestic sales of gasoline and diesel net of the IEPS tax, petrochemicals and natural gas and its byproducts are related to international U.S. dollar-denominated prices, except for domestic sales of LPG, which are priced in pesos and represent less than 5% of our revenues.

During 2015, costs and operating expenses (cost of sales, transportation and distribution expenses and administrative expenses) increased by 30.7%.

The net cost of employee benefits during the period decreased by 151.4%, due to the revision of the pension system.

Composition of Net Income (Loss)

During 2015, PEMEX recorded a net loss of MXN 712.6 billion, primarily as a result of:

- operating income of MXN 154.4 billion;
- net interest expense of MXN 52.8 billion;
- costs associated to financial derivatives of MXN 21.4 billion;
- a foreign exchange loss of MXN 154.8 billion; and
- taxes and duties of MXN 331.5 billion.

Consolidated Balance Sheet as of December 31, 2015

PEMEX
Consolidated Balance Sheet

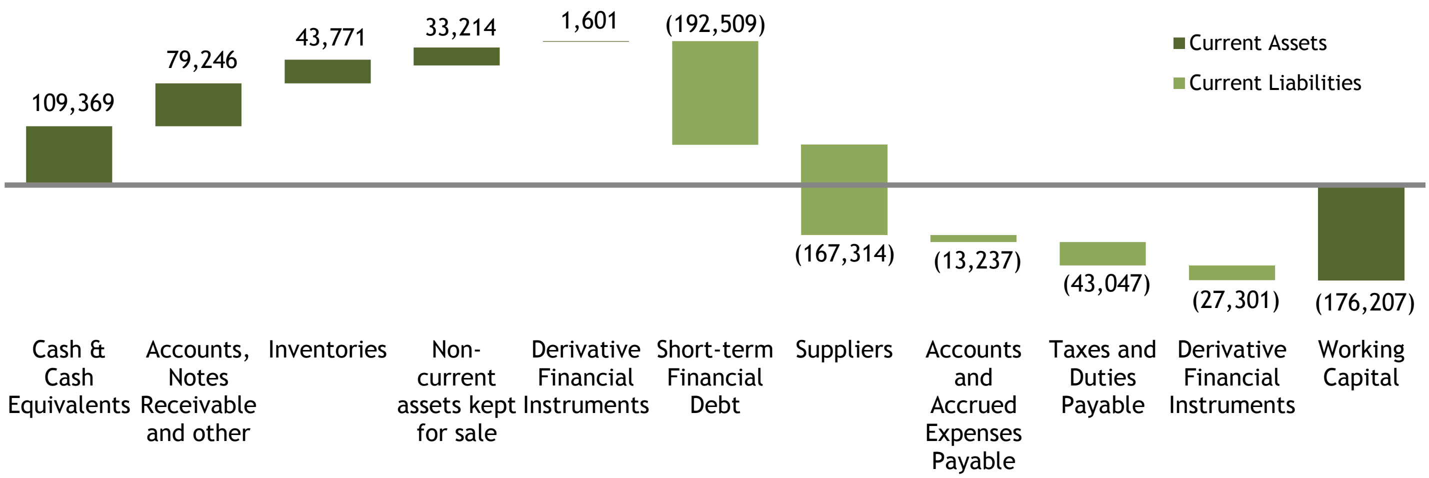
	As of December 31, 2014	As of December 31, 2015	Change		2015
	(MXN million)				(USD million)
Total assets	**2,128,368**	**1,775,654**	**-16.6%**	**(352,714)**	**103,197**
Current assets	**283,913**	**267,200**	**-5.9%**	**(16,712)**	**15,529**
Cash and cash equivalents	117,989	109,369	-7.3%	(8,620)	6,356
Accounts, notes receivable and other	114,423	79,246	-30.7%	(35,177)	4,606
Inventories	49,939	43,771	-12.4%	(6,168)	2,544
Available non-current assets kept for sale	-	33,214	100.0%	33,214	1,930
Derivative financial instruments	1,563	1,601	2.5%	39	93
Permanent investment in shares of associates	22,015	24,166	9.8%	2,151	1,404
Property, plant and equipment	1,783,374	1,344,484	-24.6%	(438,891)	78,138
Deferred taxes	4,143	54,900	1225.3%	50,758	3,191
Restricted cash	6,884	9,247	34.3%	2,363	537
Other assets	22,625	71,713	217.0%	49,087	4,168
Available for sale financial assets	5,415	3,945	-27.1%	(1,470)	229
Total liabilities	**2,896,089**	**3,107,330**	**7.3%**	**211,241**	**180,590**
Current liabilities	**334,159**	**443,408**	**32.7%**	**109,248**	**25,770**
Short-term financial debt	145,866	192,509	32.0%	46,642	11,188
Suppliers	116,178	167,314	44.0%	51,136	9,724
Accounts and accrued expenses payable	12,235	13,237	8.2%	1,002	769
Derivative financial instruments	17,460	27,301	56.4%	9,841	1,587
Taxes and duties payable	42,420	43,047	1.5%	627	2,502
Long-term liabilities	**2,561,930**	**2,663,922**	**4.0%**	**101,993**	**154,821**
Long-term financial debt	997,384	1,300,873	30.4%	303,489	75,604
Reserve for employee benefits	1,474,089	1,279,385	-13.2%	(194,703)	74,355
Reserve for diverse credits	78,423	73,192	-6.7%	(5,231)	4,254
Other liabilities	7,718	8,288	7.4%	570	482
Deferred taxes	4,316	2,184	-49.4%	(2,132)	127
Total equity	**(767,721)**	**(1,331,676)**	**-73.5%**	**(563,955)**	**(77,394)**
Holding	**(768,066)**	**(1,331,929)**	**-73.4%**	**(563,864)**	**(77,408)**
Certificates of contribution "A"	134,605	194,605	44.6%	60,000	11,310
Federal Government Contributions	43,731	43,731	0.0%	-	2,542
Legal Reserve	1,002	1,002	0.0%	-	58
Comprehensive accumulated results	(394,594)	(306,023)	22.4%	88,571	(17,785)
Retained earnings (accumulated losses)	(552,809)	(1,265,244)	-128.9%	(712,435)	(73,533)
From prior years	(287,606)	(552,809)	-92.2%	(265,203)	(32,128)
For the year	(265,203)	(712,435)	-168.6%	(447,232)	(41,405)
Participation of non-holding entities	**345**	**253**	**-26.5%**	**(92)**	**15**
Total liabilities and equity	**2,128,368**	**1,775,654**	**-16.6%**	**(352,714)**	**103,197**

Working Capital

As of December 31, 2015, working capital totaled MXN (176.2) billion, primarily as a result of a MXN 51.1 billion increase in suppliers; a MXN 46.6 billion increase in short-term financial debt; and a MXN 9.8 billion increase in derivative financial instruments.

In addition, financial assets available for sale were reclassified under non-current assets, and available non-current assets kept for sale were added to the current assets. The latter corresponds to the transfer of certain national pipeline system assets from Pemex Gas and Basic Petrochemicals to the National Gas Control Center (CENAGAS) and Pemex Logistics.

Working Capital
(MXN million)



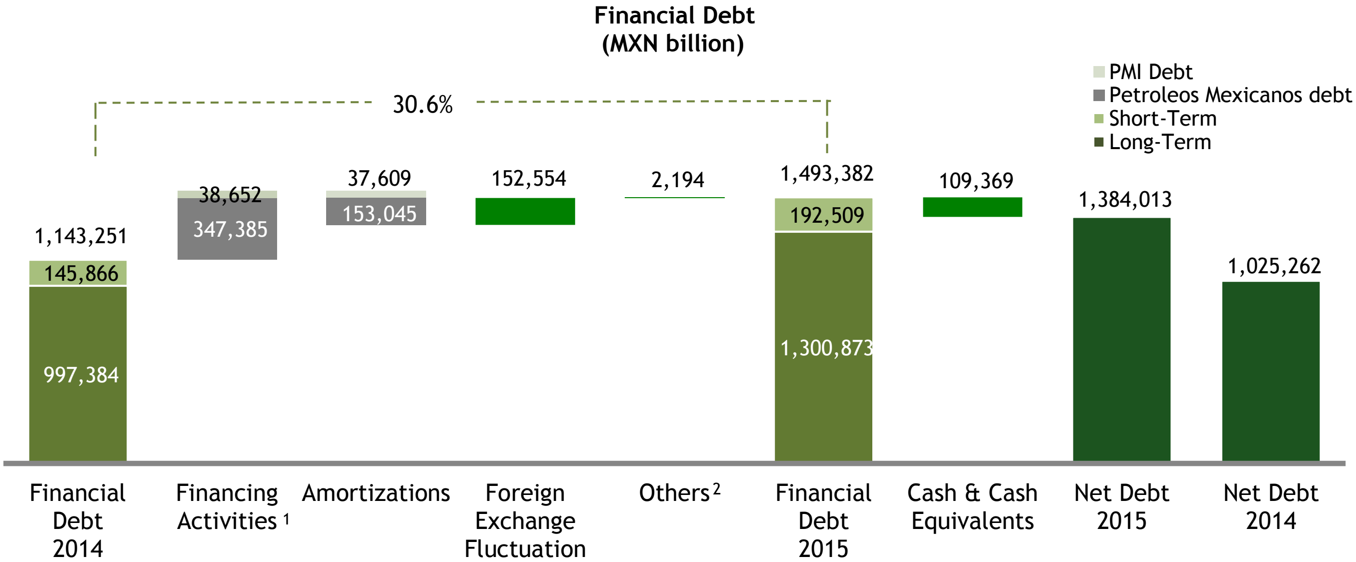
Debt

Total financial debt increased by 30.6%, primarily due to the additional financing activities carried out during the period.

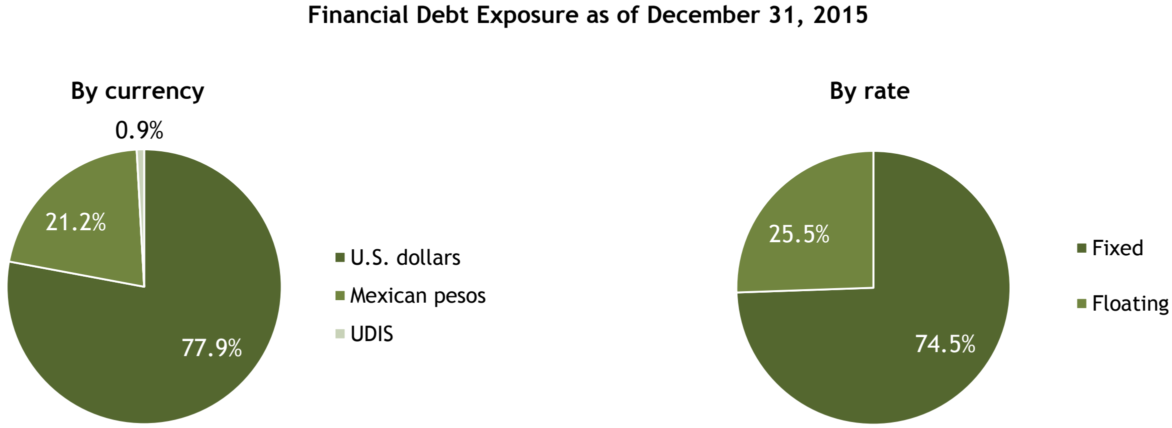
During 2015, Petróleos Mexicanos and PMI's[7] total financing activities amounted to MXN 386.0 billion or USD 22.4 billion. Total debt payments made during the period amounted to MXN 191.2 billion or USD 11.1 billion.

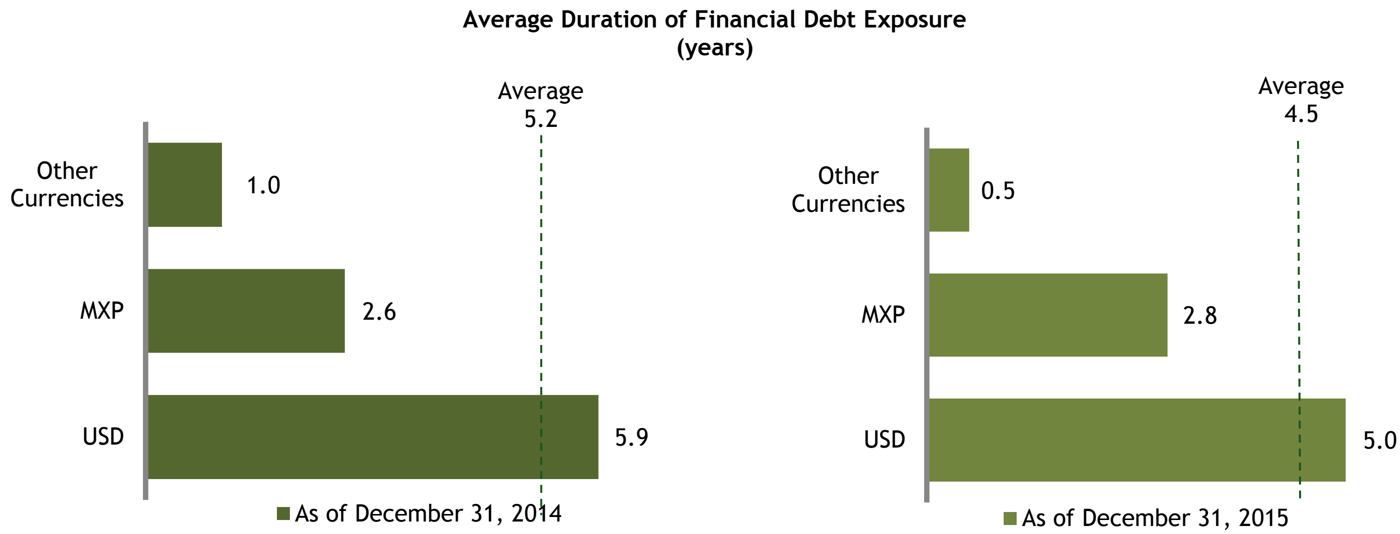
PEMEX's financing strategy is intended to take advantage of financial markets with increased liquidity, maximize efficiencies with respect to reference curves, seize opportunities in select markets and maintain a diversified debt maturity profile.

[7] Refers to P.M.I. Holdings, B.V., P.M.I. Norteamérica, S.A. de C.V., Pemex Finance Ltd and Pro-Agroindustria, S.A. de C.V.



1) Includes Finance Public Works Contracts Program.
2) Includes accrued interests and amortized cost.





Investment Activities

2015 Activity

During 2015, PEMEX spent MXN 306.1 billion (USD 19.3 billion)[8] on investment activities, which represents 99.5% of the total investment of MXN 307.6 billion that were programmed for the year. These investments were allocated as follows:

- MXN 255.8 billion to Pemex Exploration and Production[9], MXN 35.3 billion of which were allocated to exploration;
- MXN 37.4 billion to Pemex Refining;
- MXN 6.6 billion to Pemex Gas and Basic Petrochemicals;
- MXN 2.9 billion to Pemex Petrochemicals;
- MXN 2.2 billion to Petróleos Mexicanos Corporate;
- MXN 0.6 billion to Pemex Logistics;
- MXN 0.4 billion to Pemex Ethylene; and
- MXN 0.2 billion to Pemex Fertilizers.

Original 2016 Budget

The Mexican Congress originally approved a 2016 investment budget for PEMEX of MXN 293.1 billion (USD 18.4 billion[10]) in 2015. These investments were expected to be allocated as follows:

- MXN 216.1 billion to Exploration and Production[11], MXN 29.7 billion of which were allocated to exploration;
- MXN 56.8 billion to Industrial Transformation;
- MXN 8.3 billion to Petróleos Mexicanos Corporate;
- MXN 6.3 billion to Logistics;
- MXN 3.2 billion to Drilling and Services;
- MXN 1.9 billion to Ethylene; and
- MXN 0.5 billion to Fertilizers.

Adjustment to the 2016 Budget

In order to meet the financial balance[12] goal of MXN (149.2) billion established by the Mexican Congress for 2016, a MXN 100.0 billion cut has been made to PEMEX's budget. This adjustment repositions PEMEX to embrace its new role as a state-owned productive company under the Energy Reform framework.

The proposed adjustment has the underlying priority of not affecting the feasibility of the company in the long-term and was designed under the following criteria:

- maintain safety at work and reliability of the company's facilities;
- take advantage of the new instruments and figures provided by the Energy Reform in order to attract third-party investment;
- meet the company's labor and financial obligations; and
- maintain, to the extent possible, the 2016 hydrocarbons production platform, and stabilize production levels in the medium and long-term.

The adjustment will implemented through the following action lines:

- generate efficiencies and reduce costs;
- defer / reconsider investments minimizing the impact on future production; and
- adjust CAPEX and OPEX from average USD 50 to USD 25 per barrel.

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8 Convenience translation has been made at the established exchange average rate for 2014, of MXN 15.8485 = USD 1.00.
9 Includes maintenance expenditures.
10 Convenience translation has been made at the established average exchange rate established in the Economic Package Fiscal Year 2016 of MXN 15.90 = USD 1.00
11 Includes maintenance expenditures.
12 Amount is constructed under Mexican governmental accounting and equivalent to the following items in cash flow: sales minus operating costs and expenses, minus investment expense, minus taxes and duties, and minus financial debt service.

Financing Activities 2015

Capital Markets	From March 26 to December 31, 2015, Petróleos Mexicanos issued a total of MXN 40.0 billion from the short-term certificate program with fixed and variable rates, and made payments for MXN 40.0 billion. • On November 6, 2015 Petróleos Mexicanos issued bonds for EUR 100.0 million at 4.625%, maturing in November 2030. • On December 8, 2015, Petróleos Mexicanos issued bonds for CHF 600.0 million at 1.5%, maturing December 2020.
Bank loans	On December 21, 2015, PEMEX entered into a bank loan for MXN 3.5 billion due in 3.5 years.
Liquidity Management	As of December 31, 2015, Petróleos Mexicanos holds syndicated revolving credit lines for liquidity management in the amounts of USD 4.5 billion and MXN 23.5 billion, of which USD 130.0 million and MXN 9.1 billion are available.

Financing Activities 2016

Capital Markets	On February 4, 2016, Petróleos Mexicanos issued bonds for USD 5.0 billion in three tranches: • USD 750.0 million at 5.50%, maturing February 2019; • USD 1.25 billion at 6.375%, maturing February 2021; and • USD 3.0 billion at 6.875%, maturing August 2026.
Bank loans	On January 29, 2016, PEMEX entered into a bank loan for MXN 7.0 billion due in 1 year.
Liquidity Management	As of February 29, 2016, Petróleos Mexicanos holds syndicated revolving credit lines for liquidity management in the amounts of USD 4.5 billion and MXN 23.5 billion, of which USD 1.5 billion and MXN 9.1 billion are available.

PEMEX Consolidated Statements of Cash Flows					
	As of December 31,				
	2014	2015	Change		2015
	(MXN million)				(USD million)
Operating activities					
Net income (loss)	(265,543)	(712,567)	-168.3%	(447,024)	(41,413)
Items related to investing activities	**192,853**	**689,781**	**257.7%**	**496,928**	**40,088**
Depreciation and amortization	143,075	167,951	17.4%	24,876	9,761
Impairment of properties, plant and equipment	22,646	477,945	2010.5%	455,299	27,777
Unsuccessful wells	12,148	23,214	91.1%	11,065	1,349
Retirement of property, plant and equipment	6,371	24,639	286.7%	18,268	1,432
Profit (loss) from sale of shares in affiliate companies	-	(681)		(681)	(40)
Realized profit (loss) by investments in equity securities	215	-		(215)	-
Profit sharing in non-consolidated subsidiaries and affiliates	(34)	(2,318)	-6645.0%	(2,284)	(135)
Dividends received	(736)	(360)	51.1%	376	(21)
Effects of net present value of reserve for well abandonment	9,169	(608)	-106.6%	(9,777)	(35)
Activities related to financing activities	**130,107**	**218,150**	**67.7%**	**88,044**	**12,678**
Amortization of primes, discounts, profits and debt issuance expenses	312	(2,300)	-836.4%	(2,612)	(134)
Interest expense (income)	50,910	67,774	33.1%	16,864	3,939
Unrealized loss (gain) from foreign exchange fluctuations	78,885	152,676	93.5%	73,792	8,873
Subtotal	**57,417**	**195,364**	**240.3%**	**137,947**	**11,354**
Funds provided by (used in) operating activities	**76,939**	**(93,027)**	**-220.9%**	**(169,967)**	**(5,407)**
Financial instruments for negotiation	16,354	9,802	-40.1%	(6,552)	570
Accounts and notes receivable	9,261	33,003	256.4%	23,742	1,918
Inventories	6,976	6,168	-11.6%	(808)	358
Other assets	(18,985)	(16,602)	12.5%	2,383	(965)
Accounts payable and accrued expenses	(1,960)	1,002	151.2%	2,962	58
Taxes paid	1,131	627	-44.6%	(504)	36
Suppliers	9,433	51,136	442.1%	41,703	2,972
Reserve for diverse credits	357	(9,127)	-2659.5%	(9,483)	(530)
Reserve for employees benefits	78,970	(116,022)	-246.9%	(194,992)	(6,743)
Deferred taxes	(24,598)	(53,014)	-115.5%	(28,417)	(3,081)
Net cash flow from operating activities	134,356	102,337	-23.8%	(32,019)	5,948
Investing activities					
Acquisition of property, plant and equipment	(230,679)	(253,514)	-9.9%	(22,835)	(14,734)
Exploration expenses	(1,594)	(5,699)	-257.6%	(4,105)	(331)
Investment in securities	(3,466)	(36)	99.0%	3,430	(2)
Resources from Divestment of Holdings in Affiliate Companies	-	4,417	100.0%	4,417	257
Dividends received	336			(336)	-
Financial instruments available for sale	12,735			(12,735)	-
Net cash flow from investing activities	(222,668)	(254,832)	-14.4%	(32,164)	(14,810)
Cash needs related to financing activities	(88,311)	(152,495)	-72.7%	(64,183)	(8,863)
Financing activities					
Increase of contributions from the Federal Government	20,000	10,000	-50.0%	(10,000)	581
Retirement of contributions from the Federal Government	(71,583)	-	-100.0%	71,583	-
Loans obtained from financial institutions	423,399	378,971	-10.5%	(44,428)	22,025
Amortization of loans	(207,455)	(191,319)	7.8%	16,137	(11,119)
Interest paid	(47,248)	(62,737)	-32.8%	(15,489)	(3,646)
Net cash flow from financing activities	117,112	134,915	15.2%	17,803	7,841
Net Increase (decrease) in cash and cash equivalents	28,801	(17,580)	-161.0%	(46,381)	(1,022)
Effect of change in cash value	8,442	8,960	6.1%	518	521
Cash and cash equiv. at the beginning of the period	80,746	117,989	46.1%	37,243	6,857
Cash and cash equivalents at the end of the period	117,989	109,369	-7.3%	(8,620)	6,356

Other Relevant Information

Corporate Reorganization

On November 5, 2015, the productive subsidiary company, Pemex Industrial Transformation initiated operations.

On November 13, 2015, the Board of Directors of Petróleos Mexicanos appointed Juan Pablo Newman Aguilar as Corporate Director of Finance, effective January 1, 2016.

On February 8, 2016, President Peña Nieto appointed José Antonio González Anaya as Director General of Petróleos Mexicanos, effective February 9, 2016.

Modification to the Pension System

On November 11, 2015, Petróleos Mexicanos and the Petroleum Workers' Union signed an agreement to modify the pension regime applicable to current and new PEMEX personnel.

The aforementioned agreement set forth the following:

- the retirement age for employees with less than 15 years of service is increased from 55 to 60;
- employees must have at least 30 years of service to be eligible to receive full retirement benefits; and
- new employees will receive individual defined contributions retirement plans.

According to amendments to the PEMEX Law, the Ministry of Finance and Public Credit (SHCP) may assume a portion of the payment obligations related to PEMEX's pensions and retirement plans equivalent to the reduction achieved from the negotiation with the Petroleum Workers' Union.

On December 18, 2015, PEMEX's Director General notified the SHCP that the modification to the pension system represents expected savings of approximately MXN 186.5 billion in pension liabilities.

On December 24, 2015, the SHCP published in the Official Gazette of the Federation the general provisions that establish the terms under which the SHCP will assume a portion of the payment obligations related to PEMEX's pensions and retirement plans, once the calculation, methodology, and maturity profile of the savings have been reviewed by an independent expert.

Derived from said provisions and prior to the conclusion of the independent expert's review, on December 24, 2015, the Mexican Government issued, through the SHCP, a MXN 50.0 billion promissory note due December 31, 2050 payable to Petróleos Mexicanos.

2015 National Oil Company of the Year Award

On November 11, 2015, The Oil & Gas Council, the largest and most influential oil and gas executive network in the world, bestowed the 2015 National Oil Company of the Year award to Petróleos Mexicanos.

The award honors companies and executives with the best performance and that have reached levels of excellence, have been pioneers in reaching new frontiers, have inspired others through their activities, and have achieved growth in complex markets.

Commercialization Service for Round 1.3 Winners

On January 19, 2016, PEMEX announced that it will offer commercialization services through the PMI Group to the companies that are awarded contracts pursuant to the Round 1.3 bidding process, carried out by the National Hydrocarbon Commission.

PEMEX would provide transportation, storage and commercialization services for the hydrocarbons. Prices will be determined based on international market benchmarks accounting for quality conditions and logistics costs, as well as supply and demand.

Moody's lowers PEMEX's Credit

On November 24, 2015, as a result of the review for downgrade announced on August 25, 2015, Moody's Investors Service announced the revision of Petróleos Mexicanos' global

Rating

foreign currency and local currency credit ratings from A3 to Baa1.

In response to global economic difficulties, since 2014, PEMEX has performed an extensive analysis and taken actions to improve its financial situation, some of which include the following:

- adjustment of MXN 62.0 billion to its 2015 budget;
- modifications to the pension and retirement program that will enable it to reduce its pension liabilities by up to MXN 186.5 ;
- divestment from non-strategic assets to focus on activities that generate greater economic value;
- strategic joint ventures to promote new and existing projects along the value chain;
- renegotiation of existing service contracts; and
- incorporation of approximately 350 MMboe in reserves as a result of exploration efforts.

PEMEX reiterates that with the tools available to it following the Energy Reform, it expects to continue implementing measures that will allow it to improve its capital structure.

Supreme Court Rules in Favor of PEMEX

On November 27, 2015, the Mexican Supreme Court dismissed the complaint against PEMEX filed by Saboratto S.A. de C.V. for payment of claimed benefits derived from catering and accommodation service contracts rendered on several platforms in the Campeche Sound. This ruling released PEMEX from all payment obligations, which represents savings of more than MXN 1.4 billion.

Upcoming Investments

On December 8, 2015, PEMEX announced investments of USD 23.0 billion in different projects, including: the reconfiguration of the Tula, Salamanca and Salina Cruz refineries; the clean fuels project; the ultra-low sulfur gasoline project in six refineries; the ultra-low sulfur diesel project; and cogeneration projects in the Tula, Cadereyta and Salina Cruz refineries, as well as in the gas processing complex in Cactus, Chiapas.

Gasoductos de Chihuahua

On December 18, 2015, PEMEX and IEnova announced in a joint statement the resolution from The Federal Economic Competition Commission (COFECE) regarding IEnova's purchase of Pemex's 50% stake in Gasoductos de Chihuahua S. de R.L. de C.V.

COFECE objected to the terms of the transaction as initially structured, and directed PEMEX to carry out a tender process for two of the seven assets included in the initial transaction, Gasoducto San Fernando and LPG Ducto TDF.

The resolution did not indicate that the 50% acquisition of Gasoductos de Chihuahua by IEnova as initially structured posed an antitrust or market concentration risk. Additionally, the resolution does not limit IEnova from participating in the tender process for Gasoducto San Fernando and LPG Ducto TDF.

It is anticipated that the reorganization of the transaction and notification to COFECE will take place during the first half of 2016.

LatinFinance Awards

On January 15, 2016, LatinFinance presented Petróleos Mexicanos with three awards for completing the best financing operations in capital markets during 2015. The Company was recognized as:

- "Corporate Issuer of the Year" for its innovation strategy, diversity and the timing of its financing operations;
- "Quasi-Sovereign Bond of the Year", in recognition of the 6 billion dollar triple-tranche bond sale in January 2015, considered the largest amount ever issued in the Mexican market with an initial demand four times higher than the amount originally announced; and
- "Financing Innovation of the Year", for the 17 billion peso issuance in debt certificates (CEBURES) carried out in February 2015 through Euroclear, the largest

securities settlement platform in the world. This issuance was the first of its kind by a corporate issuer in Mexico, and has helped other Mexican corporations have greater and more diverse sources of funding.

Changes to the Vendor Payment Policy

In response to the current oil price scenario, PEMEX implemented a new vendor payment policy, which provides for up to 180 days to make payments. This policy will not be retroactive, so PEMEX has approached its suppliers to update contracts under these new conditions.

Along with this policy, a number of financing instruments for suppliers have been developed that generally provide greater transparency and clarity.

Corporate Ethics and Integrity Program

On February 4, 2016, the Director General of PEMEX announced the launch of the Corporate Ethics and Integrity Program, which incorporates the highest standards and international practices in ethics, integrity, anti-corruption strategies, conduct and institutional values.

Among the actions to be taken, the following stand out: the update and dissemination of the codes of ethics and conduct; training reinforcement for all staff in the areas of risk management, internal control and integrity; as well as the implementation of mechanisms to identify, evaluate and combat corruption risks, such as the Ethics Hotline and an institutional anti-corruption portal.

Memorandums of Understanding

The following chart contains a brief description of the memoranda of understanding and cooperation, and collaboration agreements recently entered into by PEMEX:

Memorandum of understanding and cooperation		
Counterpart	Date	Subject mater
Mexican Chamber of the Construction Industry (CMIC)	November 14, 2015	• Promote PEMEX's Support Programs for Community and Environment (PACMA) in the regions where the company carries out activities.
Mubadala Petroleum	January 19, 2016	• Joint efforts to explore business opportunities in Mexico's energy sector. • Optimize and expand PEMEX facilities, improve management of the crude process, and cogeneration projects. • Investments upwards of USD 4.0 billion in upstream activities and primary midstream projects, and infrastructure. • Investments upwards of USD 3.0 billion in commercial logistics systems projects in the Salina Cruz area.
ADNOC	January 19, 2016	• Exchange best practice information on human resources, and upstream activities such as,

		exploration, production and field development, enhanced recovery and liquefied natural gas handling, sustainability, internal control and transparency, innovation, process development and cybersecurity.
Saudi Aramco	January 19, 2016	• Share experiences in operational excellence policies, sustainability and energy efficiency, innovation and technology development, as well as operations and support services in upstream and downstream.

If you would like to be included in our distribution list, please email the Investor Relations team at ri@pemex.com or register on http://www.pemex.com/en/investors/Paginas/list-distribution-signup.aspx
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Variations
Cumulative and quarterly variations are calculated comparing the period with the same one of the previous year; unless specified otherwise.

Rounding
Numbers may not total due to rounding.

Financial Information
Excluding budgetary and volumetric information, the financial information included in this report and the annexes hereto is based on unaudited consolidated financial statements prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS"), which PEMEX has adopted effective January 1, 2012. For more information regarding the transition to IFRS, see Note 23 to the consolidated financial statements included in Petróleos Mexicanos' 2012 Form 20-F filed with the Securities and Exchange Commission (SEC) and its Annual Report filed with the Comisión Nacional Bancaria y de Valores (CNBV).

EBITDA is a non-IFRS measure. We show a reconciliation of EBITDA to net income in Table 33 of the annexes to this report. Budgetary information is based on standards from Mexican governmental accounting; therefore, it does not include information from the subsidiary companies or affiliates of Petróleos Mexicanos. It is important to mention, that our current financing agreements do not include financial covenants or events of default that would be triggered as a result of our having negative equity.

Methodology
We might change the methodology of the information disclosed in order to enhance its quality and usefulness, and/or to comply with international standards and best practices.

Foreign Exchange Conversions
Convenience translations into U.S. dollars of amounts in Mexican pesos have been made at the exchange rate at close for the corresponding period, unless otherwise noted. Due to market volatility, the difference between the average exchange rate, the exchange rate at close and the spot exchange rate, or any other exchange rate used could be material. Such translations should not be construed as a representation that the Mexican peso amounts have been or could be converted into U.S. dollars at the foregoing or any other rate. It is important to note that we maintain our consolidated financial statements and accounting records in pesos. As of December 31, 2015, the exchange rate of MXN 17.2065 = USD 1.00 is used.

Fiscal Regime
Starting January 1, 2015, Petróleos Mexicanos' fiscal regime is ruled by the Ley de Ingresos sobre Hidrocarburos (Hydrocarbons Income Law). Since January 1, 2006 and until December 31, 2014, PEP was subject to a fiscal regime governed by the Federal Duties Law, while the tax regimes of the other Subsidiary Entities were governed by the Federal Revenue Law.

The Special Tax on Production and Services (IEPS) applicable to automotive gasoline and diesel is established in the Production and Services Special Tax Law "Ley del Impuesto Especial sobre Producción y Servicios". As an intermediary between the Ministry of Finance and Public Credit (SHCP) and the final consumer, PEMEX retains the amount of the IEPS and transfers it to the Mexican Government. The IEPS rate is calculated as the difference between the retail or "final price," and the "producer price" of products. If the "final price" is higher than the "producer price," the IEPS is paid by the final consumer. If the opposite occurs, the "negative IEPS" amount can be credited against certain of PEMEX's tax liabilities and included in "Other income (expenses)" in its Income Statement.

PEMEX's "producer price" is calculated in reference to that of an efficient refinery operating in the Gulf of Mexico. Until December 31, 2017, the Mexican Government may continue issuing pricing decrees to regulate the maximum prices for the retail sale of gasoline and diesel fuel, taking into account transportation costs between regions, inflation and the volatility of international fuel prices, among other factors. Beginning in 2018, the prices of gasoline and diesel fuel will be freely determined by market conditions. However the Federal Commission for Economic Competition, based on the existence of effective competitive conditions, can declare that prices of gasoline and diesel fuel are to be freely determined by market conditions before 2018.

Hydrocarbon Reserves
In accordance with the Hydrocarbons Law, published in the Official Gazette of the Federation on August 11, 2014, the National Hydrocarbons Commission (CNH) will establish and will manage the National Hydrocarbons Information Center, comprised by a system to obtain, safeguard, manage, use, analyze, keep updated and publish information and statistics related; which includes estimations, valuation studies and certifications.

As of January 1, 2010, the Securities and Exchange Commission (SEC) changed its rules to permit oil and gas companies, in their filings with the SEC, to disclose not only proved reserves, but also probable reserves and possible reserves. Nevertheless, any description of probable or possible reserves included herein may not meet the recoverability thresholds established by the SEC in its definitions. Investors are urged to consider closely the disclosure in our Form 20-F and our Annual Report to the CNBV and SEC, available at http://www.pemex.com/.

Forward-looking Statements
This report contains forward-looking statements. We may also make written or oral forward-looking statements in our periodic reports to the CNBV and the SEC, in our annual reports, in our offering circulars and prospectuses, in press releases and other written materials and in oral statements made by our officers, directors or employees to third parties. We may include forward-looking statements that address, among other things, our:

- *exploration and production activities, including drilling;*
- *activities relating to import, export, refining, petrochemicals and transportation of petroleum, natural gas and oil products;*
- *activities relating to the generation of electrical energy;*
- *projected and targeted capital expenditures and other costs, commitments and revenues, and*
- *liquidity and sources of funding.*

Actual results could differ materially from those projected in such forward-looking statements as a result of various factors that may be beyond our control. These factors include, but are not limited to:

- *changes in international crude oil and natural gas prices;*
- *effects on us from competition, including on our ability to hire and retain skilled personnel;*
- *limitations on our access to sources of financing on competitive terms;*
- *our ability to find, acquire or have the right to access additional hydrocarbons reserves and to develop the reserves that we obtain successfully;*
- *uncertainties inherent in making estimates of oil and gas reserves, including recently discovered oil and gas reserves;*
- *technical difficulties;*
- *significant developments in the global economy;*
- *significant economic or political developments in Mexico, including developments relating to the implementation of the laws that implement the new legal framework contemplated by the Energy Reform Decree (as described in our most recent Annual Report and Form 20-F);*
- *developments affecting the energy sector; and*
- *changes in our legal regime or regulatory environment, including tax and environmental regulations.*

Accordingly, you should not place undue reliance on these forward-looking statements. In any event, these statements speak only as of their dates, and we undertake no obligation to update or revise any of them, whether as a result of new information, future events or otherwise. These risks and uncertainties are more fully detailed in our most recent Annual Report filed with the CNBV and available through the Mexican Stock Exchange (http://www.bmv.com.mx/) and our most recent Form 20-F filing filed with the SEC (http://www.sec.gov/). These factors could cause actual results to differ materially from those contained in any forward-looking statement.