PEMEX[1] Presents Second Quarter Results in 2019

Mexico City , July 26th 2019

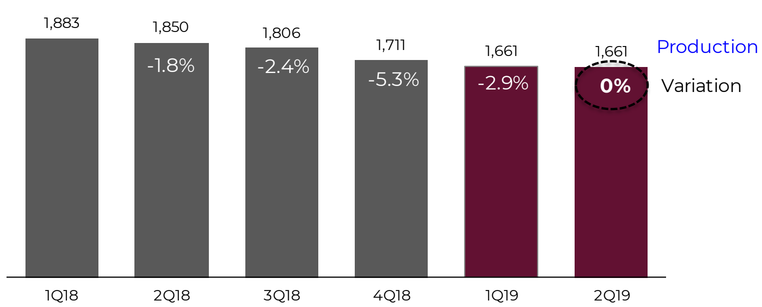
Key Highlights

We have achieved the first objective of the Business Plan 2019-2023: to stabilize production.

On average, production of liquid hydrocarbons during the second quarter of 2019 was 1,661 Mbd, which was the same level as that recorded in the first quarter of the year.

After 14 consecutive years of decline, during June, production recorded an increase of 48.3 Mbd with respect to the average production recorded in January 2019.

Total Crude Oil Production, 2018-2019[1]
Thousand barrels per day



1 PEMEX crude oil and condensates production (does not include commercial partners).

There has been significant progress in the execution of the 20 new development fields. The first wells will begin production in the summer of 2019 and will contribute larger volumes towards the end of the year.

Crude oil processing at refineries is increasing. During the second quarter, average crude oil processing was 595 Mbd, which represents an increase of 35 Mbd with respect to the previous quarter, an increase of 6.3%, and an increase of 90 Mbd with respect to 4Q18.

Selected financial information

(MXN million)

	Second Quarter		
	2018	2019	Var %
Total sales	**436,174**	**376,648**	**-14%**
Domestic sales	254,251	217,573	-14%
Exports	179,670	156,250	-13%
Cost of sales	**280,882**	**286,519**	**2%**
Total expenses	**(35,425)**	**(37,343)**	**5%**
Operating income (loss)	**119,868**	**52,787**	**-56%**
Net income (loss)	**(163,173)**	**(52,790)**	**-68%**
EBITDA	**149,953**	**109,987**	**-27%**

POR EL RESCATE DE LA SOBERANÍA

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Crude Oil Production
1,661 Mbd

Natural gas production
3,634 MMpcd

Crude Oil Processing
595 Mbd

EBITDA
MXN 110.0 billion

Long Term Credit Rating in Foreign Currency

Agency	Rating	Outlook
S&P	BBB+	Negative
Fitch	BB+	Negative
Moody's	Baa3	Negative

[1] PEMEX refers to Petróleos Mexicanos, its Productive Subsidiary Companies, Affiliates, Subsidiary Entities and Subsidiary Companies
Note: From April 1 to June 30, 2019. PEMEX encourages the reader to analyze this document together with the information provided in the annexes to this document, in addition to the transcript of its conference call announcing its quarterly results, to take place on July 26, 2019. Annexes, transcripts and relevant documents related to this call can be found at www.pemex.com/en/investors.

Earnings
During 2Q19, total sales decreased -13.6%, as compared to 2Q18, maninly as a result of a decrease in domestic sales by -14.4% and a decrease of in export sales of -13.0 percent. The most significant factors explaining the decrease in sales are the falling price in the Mexican Oil Export Mix, the reference price of gasoline and diesel, and lower sales volume and volume of exports.

Cost of Sales
For 2Q19, cost of sales decreased 7.3%, mainly due to a decrease in purchases for resale of MXN 22.0 billion and a decrease in non-operational losses of MXN 8.3 billion. Considering impairment, cost of sales increased by 2%, as compared to 2Q18, mainly due to a MXN 4.4 billion impairment, while for 2Q18 there was a MXN 23.3 billion reversal in impairment.

Taxes and Duties
During 2Q19, total taxes and duties decreased by 11.3%, as compared to 2Q18, mainly due to lower hydrocarbon production and lower prices. The amount generated for the Profit Sharing Duty decreased by 9.8%, as compared to 2Q18.

Net Income (loss)
For 2Q19, net loss was reduced by 67.6%, as compared to 2Q18. During 2Q19, a net loss of MXN 52.8 billion was recorded while for 2Q18, the recorded net loss was MXN 163.2 billion.

Financial Debt
Total financial debt decreased by 3.9%, as compared to December 31st, 2018, mainly due to an appreciation in MXN with respect to USD and due to a reclassification of financial leases to a separate item in the balance sheet, due to the adoption of IFRS–16.
The exchange rate recorded as of June 30th, 2019 was MXN 19.1685 per U.S. dollar resulting in a MXN 2,000.9 billion, or USD 104.4 billion financial debt.

Liquidity Management
PEMEX holds syndicated revolving credit lines for liquidity management in the amount of USD 7.45 billion and MXN 29.0 billion.

At June 30th, 2019, USD 2.6 billion and MXN 15 billion, respectively, were available on these credit lines.

EBITDA
Net cost of employee benefits in the period (excluding pensión payments, seniority premium and health service, since they are cash items), depreciation, amortization and impairment of wells, pipelines, property, plant and equipment are added to the operational income.
EBITDA during the 2Q19 amounted to MXN 110 billion.

Budgetary Investment Activities
At June 30th, 2019, PEMEX has disbursed MXN 105.9 billion (USD 5.5 billion[1]) in investment activities.

1 Average USD/MXN exhange rate utilized at 30th June 2019, was MXN 19.1724 = USD 1.00.

Hydrocarbons Production
During 2Q19, PEMEX's total hydrocarbons production (not including partners) amounted to 2,372 thousand barrels of oil equivalent per day (Mboed); total crude oil and condensates reached 1,661 Mbd. Crude oil production decreased by 189 Mbd as compared to the same period of 2018, mainly due to an increase in water-oil contact in wells at Xanab, natural decline of some mature fields, and increase in water flow of wells at some shallow water offshore fields. Heavy crude oil field Ayatsil increased production by 31 Mbd on a yearly basis.

PEMEX's natural gas production (without nitrogen) amounted to 3,634 million cubic feet per day (MMcfd), a 6.0% or 230 MMcfd decrease as compared to 2Q18.

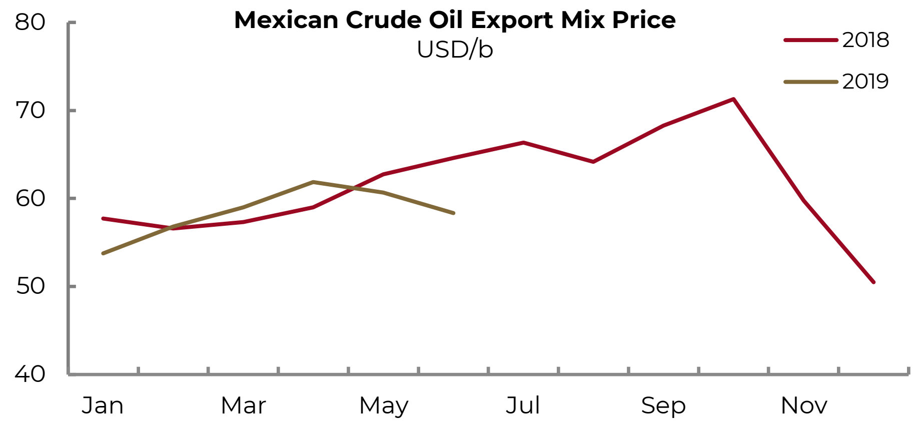
Crude oil processing
During the second quarter of 2019, total crude oil processing averaged 595 Mbd, a 110 Mbd decrease, as compared to crude oil processing recorded in 2Q18. However, this processing level represents a 36 Mbd increase when compared to the previous quarter (1Q19). Consequently, utilization capacity of primary distillation recorded 36.3%. These results reflect the decrease in the processing level at some refineries as compared to the same period of the previous year, but also the restart of the Maya plant at the Minatitlán refinery, and two other plants in the Salamanca refinery, as compared to 1Q19.

Upstream	2Q18	2Q19	Variation
Total Production (Mboed)	2,545	2,372	-6.8%
Crude oil and condensates (Mbd)	1,850	1,661	-10.2%
Natural Gas (MMcfd)	3,864	3,634	-6.0%

Downstream	2Q18	2Q19	Variation
Dry Gas from Plants (MMcfd)	2,451	2,218	-9.5%
Natural Gas Liquids (Mbd)	250	223	-11.0%
Petroleum Products (Mbd)	740	631	-15.1%
Petrochemical Products (Mt)	750	642	14.4%
Variable Refining Margin (USD/b)	5.44	-0.64	USD -6.09 /b

Mexican Crude Oil Export Mix

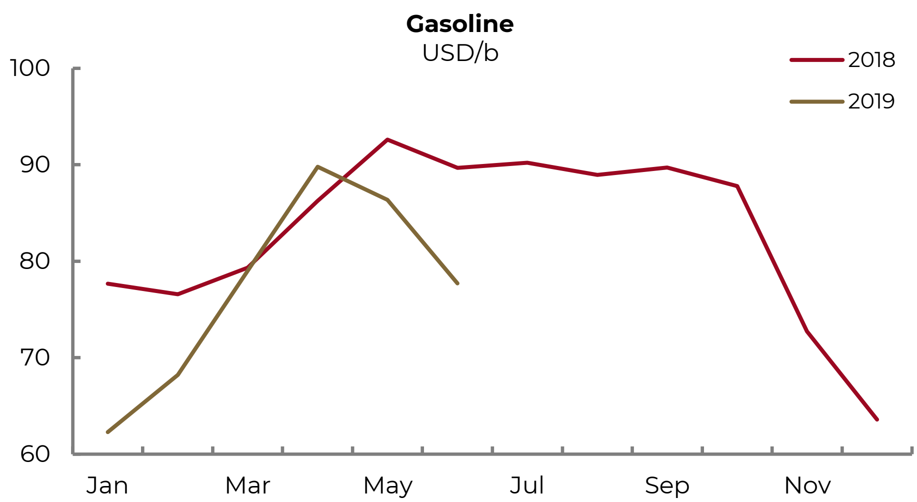
Mexican Crude Oil Export Mix averaged USD 58.5 per barrel during 1H19. This represents a decrease of 1.9%, as compared to the same period of 2018. This was due to the decrease in worldwide oil demand, associated with weaker global economic indicators, combined with stronger growth in supply from the USA. These downward factors prevailed over the upward signals of lower production in Iran and Venezuela, the extension of the OPEC+ agreement and geopolitical conlflicts in the Middle East. In particular, 2Q19 recorded a decrease of 2.7%, equivalent to a decrease of USD 1.8 per barrel, as compared to 2Q18, and a lower value than the variation observed in 1Q19 of -1.0%, as compared to the same quarter of the previous year.



*Source: PEMEX, Petroleum Statistics (www.pemex.com/en).

Gasoline

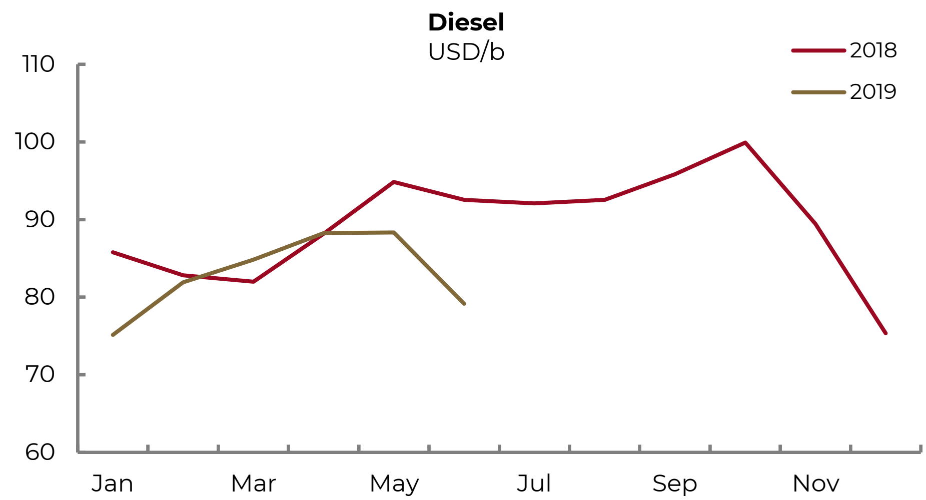
During 1H19, gasoline reference prices decreased by 7.7%, as compared to 1H18. This drop was due to a lower crude oil price and lower refining margins, mainly due to lower gasoline demand during the summer than expected. In 2Q19, the gasoline price decreased by 5.5%, as compared to the same quarter of 2018. In 1Q19, prices were 10.3% lower than during 1Q18.



*Source: U.S. Energy Information Administration (www.eia.gov).

Diesel

From January to June 2019, the diesel reference price was 5.4% lower than that of the same period in 2018. This was due to a decrease in agricultural diesel demand, as consecuence of the flooding in the USA. The drop in the rate of growth of demand also reflected a similar drop in the rate of economic growth. For 2Q19, the diesel price averaged 7.2% below that recorded in 2Q18. This annual variation is greater than the variation of -3.5 % recorded during 1Q19.



*Source: U.S. Energy Information Administration (www.eia.gov).

PEMEX will develop 20 new fields during 2019

To promote the hydrocarbons production platform, PEMEX Exploration and Production has begun the development of 20 new fields.

For these new developments, the entire process of procurement of onshore and offshore infrastructure has been completed.

The first production of the Xikin-A platform is expected during the third quarter. During the months of November and December, it is expected that Esah production will begin, followed by the rest of the new fields to start producing at least one well per development field.

PEMEX Strengthens its Financial Position

On June 28, representatives from Petróleos Mexicanos and a syndicate of banks executed an agreement to refinance USD 8.0 billion of PEMEX's banking debt, which represents the largest banking transaction in the company's history.

This renewal is an important component of the company's financial strategy, as it comprises important liquidity sources and strengthens the financial position of the company. It also allows PEMEX to continue to manage its finances carefully, fulfilling its commitment not to increase net debt.

This agreement is not considered as new debt, since proceeds will allow PEMEX to refinance bank loans up to an amount of USD 2.5 billion and renew two revolving credit facilities up to an amount of USD 5.5 billion.

This transaction was supported by 23 international and national Banks including: J.P. Morgan, Mizuho, HSBC, BBVA, BNP Paribas, MUFG Bank, Sumitomo Mitsui Banking Corporation, Bank of America, Bank of China, Banco Santander, Natixis, Barclays, Scotiabank, Société Générale, Credit Agricole, Citibank, ICBC, Goldman Sachs, Morgan Stanley, Banorte, ING, Banco de Crédito e Inversiones and DZ Bank.

The interest rate agreed in the refinancing is Libor+235 basis points, which represents an annual fixed rate of 4.15% at execution. This rate is favorable, as compared to the debt capital markets conditions with the same maturity.

PEMEX Business Plan 2019-2013

PEMEX's Business Plan was presented to the Board of Directors on July, 2019. This document lays the groundwork to modernize the company, to make PEMEX more competitive and to ensure its long term viability.

The Business Plan establishes measures to address the main structural problems, namely: fiscal burden, debt and underinvestment.

PEMEX foresees achieving a balanced budget by the year 2021 and increasing an average production level up to 2,697 Mbd in 2023.

In addition, the Business Plan outlines the form of direct Federal Government support via reductions in the company's fiscal burden.

These will allow PEMEX to invest in new projects that will lead to higher oil production.

As a result of increased investment in the National Refinery System, a gradual recovery of crude oil processing is expected in the coming years.

Private investment will complement public investment via long-term service contracts (CSIEEs) for exploration and extraction.

Consolidated Income Statement from April 1 to June 30, 2019

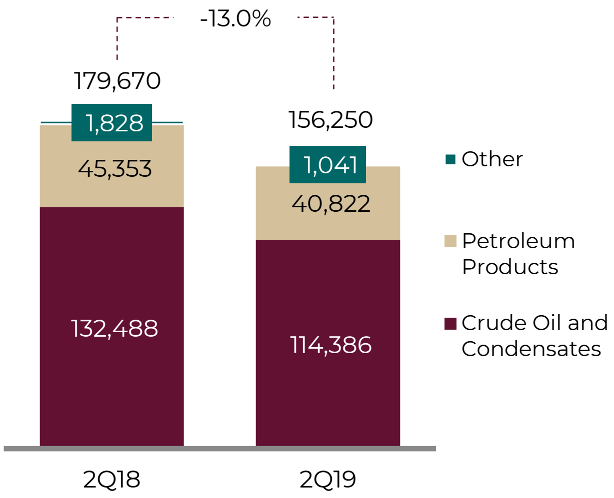
Total Sales

Total revenues from sales and services decreased by 13.6%, as compared to 2Q18. This is mainly due to:

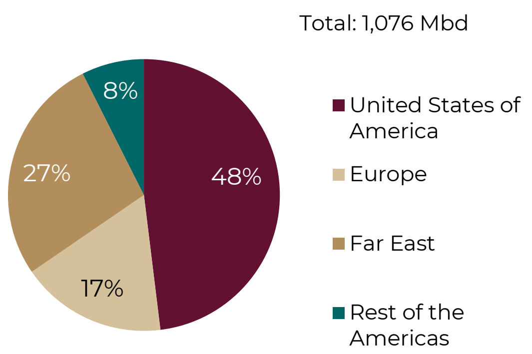
- A decrease of 14.4% in domestic sales , mainly resulting from: (i) a decrease in gasoline and disel prices; and (ii) market share loss due to entry of new competitors ; and
- A decrease of 13.0% in export sales, which corresponds to a 10.3% reduction of exported volume, in addition to a USD 1.8 per barrel decline in the average price of the Mexican Oil Export Mix. Prices per barrel went from an average of USD 62.1 per barrel in 2Q18 to USD 60.3 per barrel in 2Q19.

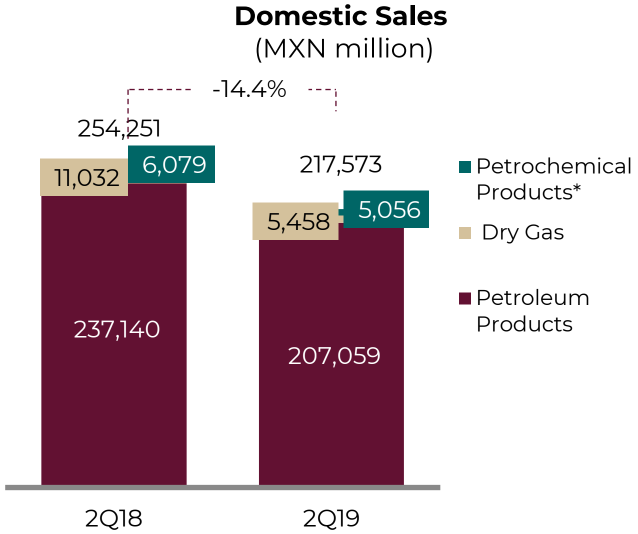
Sales Evolution
(MXN million)

Exports
(MXN million)

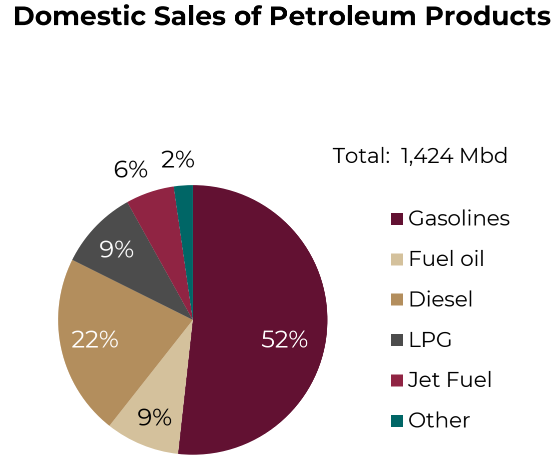


Crude Exports by Region





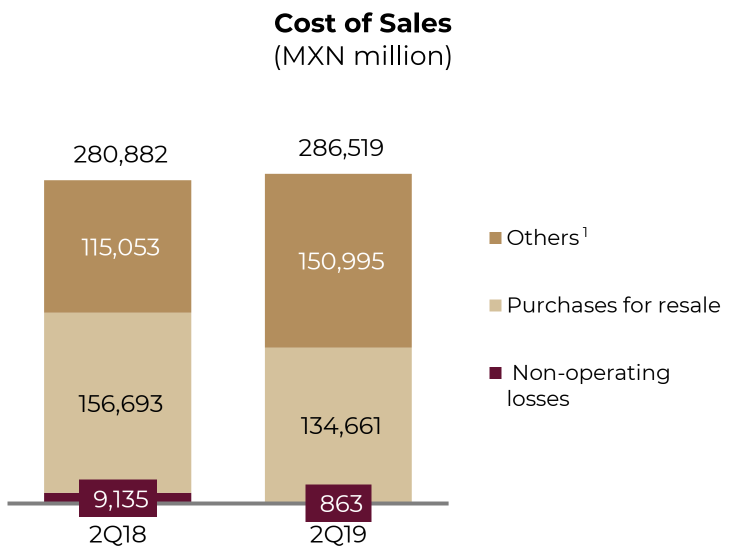
* Includes Pemex Fertilizers' and Pemex Ethylene's



Cost of sales and Operating income

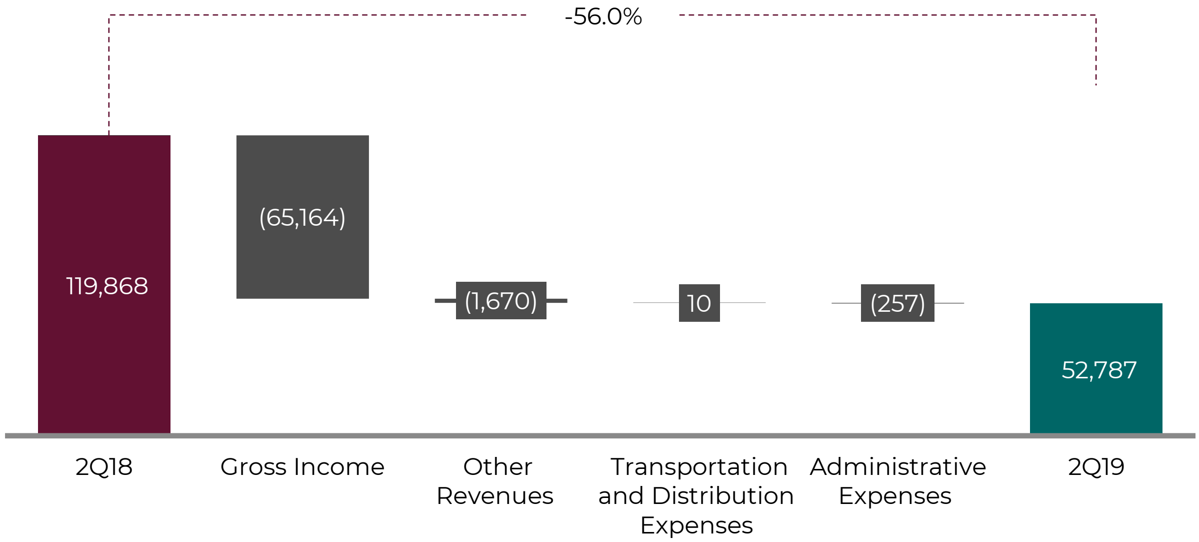
Cost of sales decreased by 7.3%, mainly due to the progress in the implementation of the strategy against fuel theft and the stabilization of the crude process in the National Refining System. Non-Operational losses, which refer to fuel theft and its illegal distribution, recorded a reduction of 90.6%, as compared to 2Q18. Cost of sales increased by 2%, as compared to 2Q18, mainly due to an impairment of MXN 4.4 billion. It is noteworthy to mention that in the same period of 2018 impairment recorded a reversal of MXN23.3 billion.

In addition, purchases for resale decreased by 14.1%, as compared to 2Q18. This was the positive result of an increase in the processing of refined product at PEMEX. As a result, gross income was MXN 90.1 billion. General expenses (administrative, distribution, transportation, sales and other income/expenses) increased by 5.4%, mainly due to the recognition of MXN 1.6 billion in other income/expenses, due to asset retirement. Therefore, operating income totaled MXN 52.8 billion.



1 Includes Depreciation and amortization expenses, Subsidiary entities consolidation net effect, Operating expenses, Hydrocarbon exploration taxes and duties, Preservation and maintenance, Net cost for the period of employee benefits, Exploration expenses and Inventories variation.

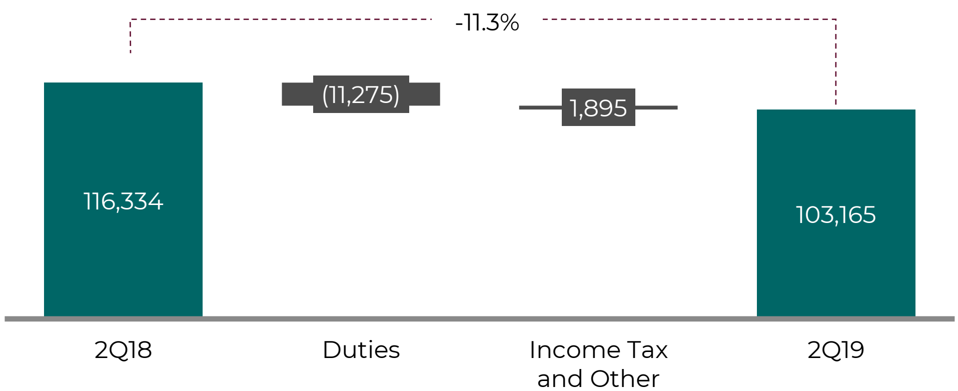
Operating Income Evolution
(MXN million)



Taxes and Duties

During 2Q19, total taxes and duties totaled MXN 103.2 billion, a decrease of 11.3%, as compared to 2Q18, mainly due to lower oil pricse and lower production of hydrocarbons. The Profit Sharing Duty (DUC), the most important duty for the company, decreased by 9.8 percent.

Evolution of Taxes and Duties
(MXN million)



Evolution of Net Income (Loss)

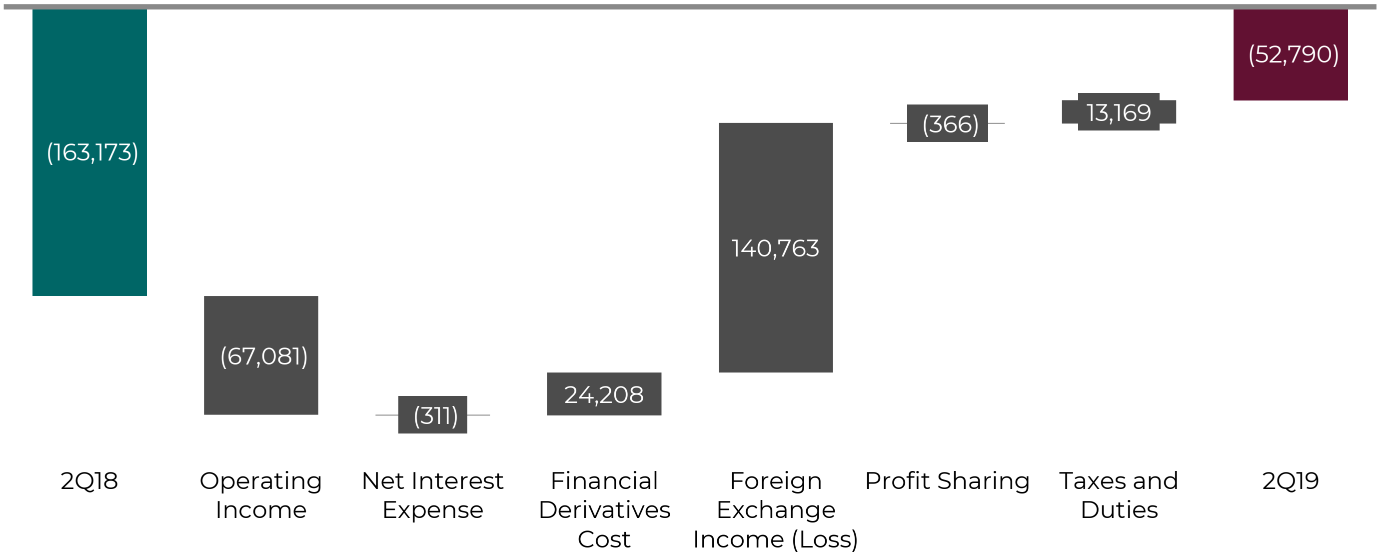
In 2Q19, PEMEX recorded a net loss of MXN 52.8 billion, as compared to a net loss of MXN 163.2 billion in 2Q18.

Among the negative factors that determined the net loss in 2Q19 are: the lower price of the Mexican Oil Export Mix and the references of gasoline and diesel, as well as lower volumes of crude oil as a consequence of the decrease in production. The aforementioned resulted in a decrease in total sales of MXN 59.5 billion.

The positive factors that partially offset the net loss included:

- Lower non-operating losses, from fuel theft, which decreased by 90.6%, as compared to the same quarter of 2018 and represented savings of MXN 8.3 billion.
- Likewise, the reduction of gasoline and diesel imports in the second quarter, as a consequence of a higher production of petroleum products in the National Refining System, led to a reduction in purchases for resale by 14.1%, as compared to the same quarter of 2018, equivalent to MXN 22.0 billion
- A gain in foreign exchange amounting to MXN 22.4 billion in 2Q19, as compared to a foreign exchange loss of MXN 118.3 billion in 2Q18, due to the appreciation of the Mexican peso against the U.S. dollar during the period. The exchange rate went from MXN 19.3793 per USD 1.00 as of December 31, 2018, to MXN 19.1685 per USD 1.00 at June 30, 2019. This represented a variation of 1.1 percent. It is important to note that this is a quasi non-cash item since most of it does not represent cash flow.
- During 2Q19, total taxes and duties amounted to MXN 103.2 billion, a decrease of 11.3% compared to 2Q18. This decrease was mainly due to the effect of lower prices and price references and lower production of hydrocarbons. On the other hand, the Profit Sharing Duty, which represents the greatest amount of taxes and duties paid by PEMEX, decreased by 9.8 percent.
- Income from derivative financial instruments was MXN 3.2 billion in 2Q19, mainly as a result of unrealized gains in exchange rate hedges, due to the depreciation of the U.S. dollar against other currencies in which PEMEX holds debt, and gains of implicit derivatives in crude oil sales transactions, as compared to a derivative financial instruments loss of MXN 21.0 billion in 2Q18, mainly as a result of unrealized losses due to the appreciation of the U.S. dollar against other currencies in which PEMEX holds debt in 2Q18.
- Finally, the company is making an effort in terms of expenditure control and discipline, for example, payroll payments decreased 11.5%, or more than MXN 3 billion, in 2Q19.

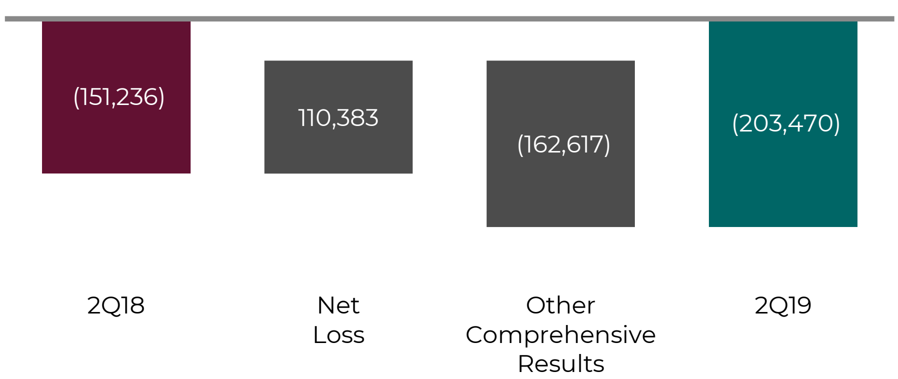
Evolution of Net Income (Loss)
(MXN million)



Comprehensive Loss

A comprehensive loss of MXN 203.5 billion was recorded, mainly as a result of the recognition of MXN 149.0 billion actuarial losses derived from the update of the discount rate from 9.29% as of December 31st, 2018 to 8.18% as of June 30th, 2019.

Evolution of Comprehensive Income (Loss)
(MXN million)

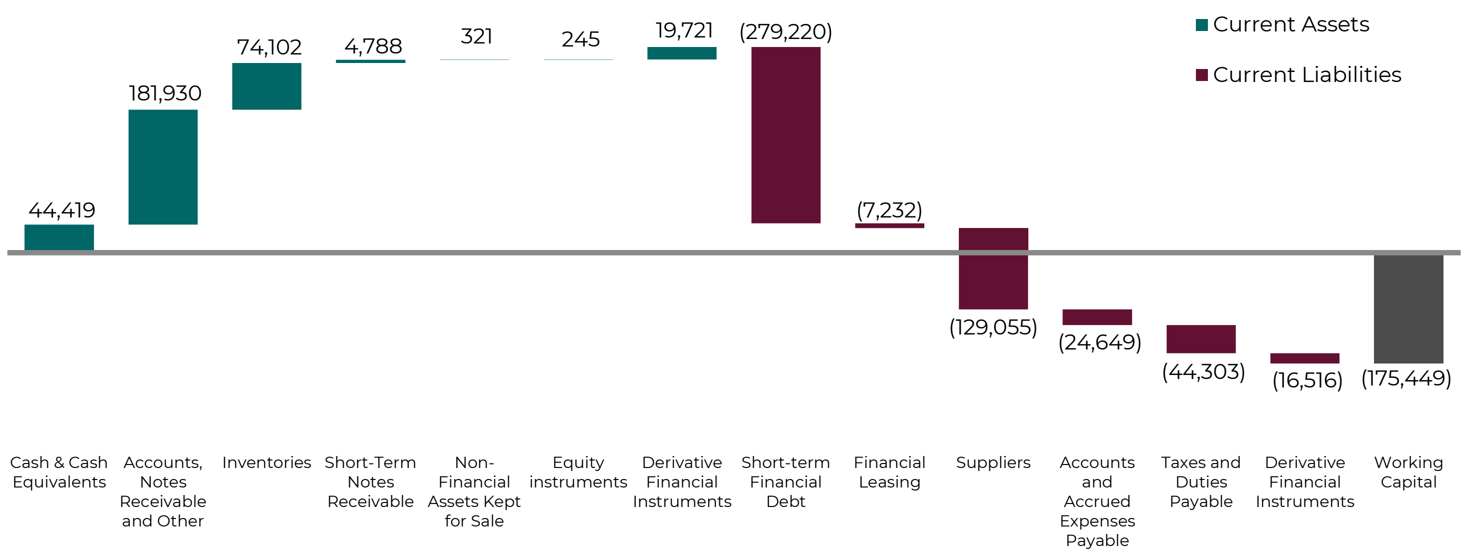


Consolidated Balance Sheet as of June 30, 2019

Working Capital

At June 30th, 2019, PEMEX had a negative working capital of MXN 175.5 billion, compared to a negative working capital of MXN 121.9 billion at the end of 2018. This decrease of 30.5% was mainly due to a reduction of 14.6% in cash and cash equivalents and a higher ratio of short-term liabilities to short-term assets.

Working Capital
(MXN million)



Debt and Financial Leases

Total financial debt decreased 3.9%, as compared to the end of 2018, due to foreign exchange gains and the reclassification of financial leases to a separate item in the balance sheet, in accordance with the adoption of the International Financial Reporting Standard 16.-Leases (IFRS-16).

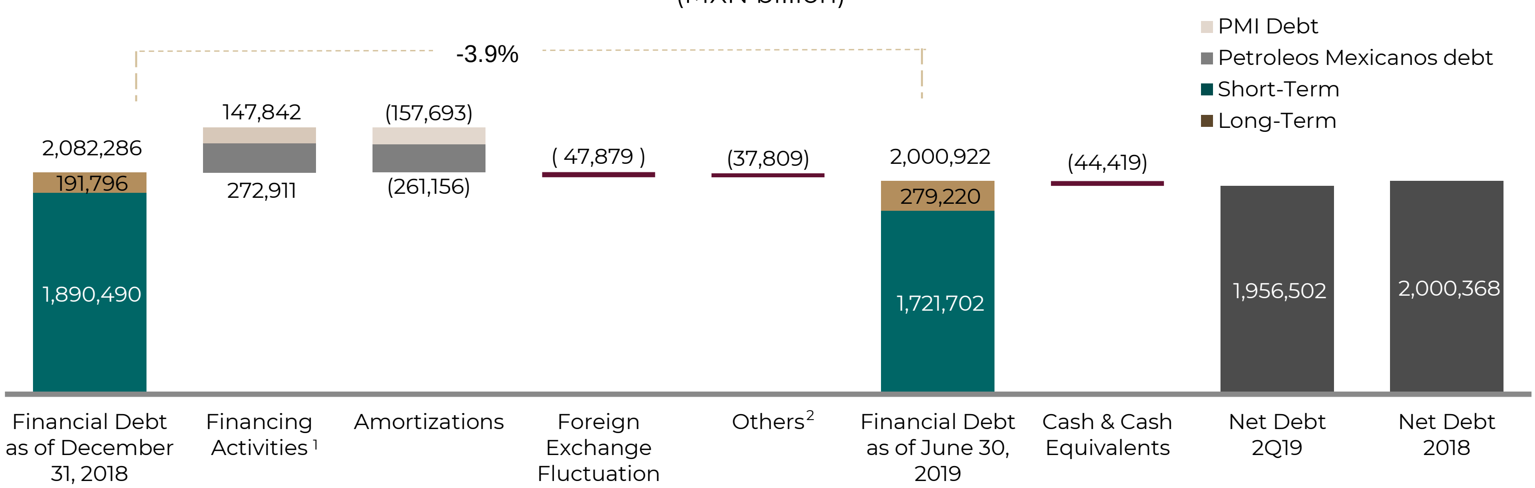
As of June 30th, 2019, financial debt totaled MXN 2,000.9 billion, or USD 104.4 billion, considering a foreign exchange rate of MXN 19.1685 per USD 1.00.

IFRS-16, effective January 1st, 2019, states that if a contract is, or contains, a lease, meaning that if a “contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration”, it must be accounted for by the lessee as a lease, through the recognition of a Right-of-Use Asset and the Lease Liability, both of which are specific items in the balance sheet.
With the adoption of IFRS-16, MXN 35.0 billion of financial leases were reclassified as part of the Lease Liability; as of June 30th, 2019, the Lease Liability item in the balance sheet totaled MXN 99.3 billion.

In the first half of 2019, financing activities of Petróleos Mexicanos and PMI totaled MXN 420.8 billion, or USD 21.9 billion, including short-term bank loans; and amortizations amounted to MXN 418.9 billion, or USD 21.6 billion.

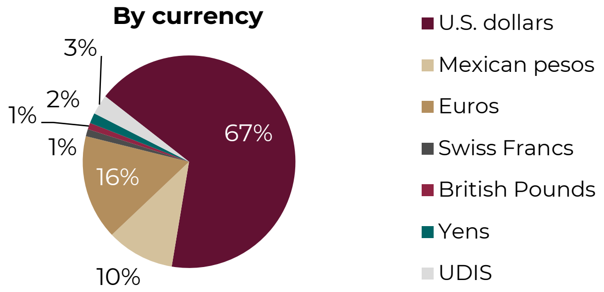
Approximately 87% of PEMEX’s total financial debt is denominated in currencies other than Mexican pesos, mainly U.S. dollars, and for recognition is translated into Mexican pesos at the exchange rate at June 30th, 2019.

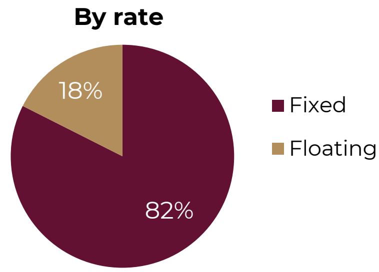
Financial Debt
(MXN billion)



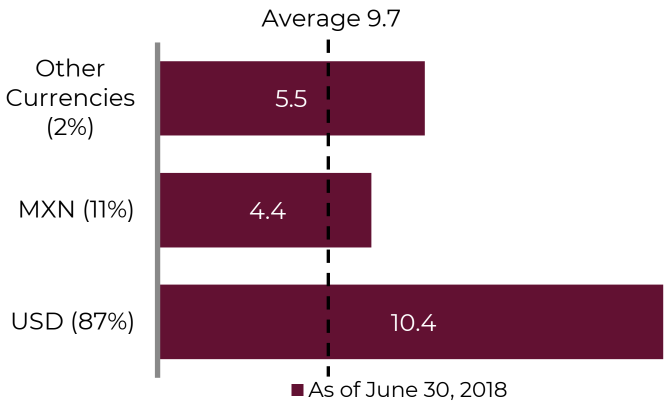
1) Includes Finance Public Works Contracts Program.
2) Includes reclassification of financial leases and accrued interest

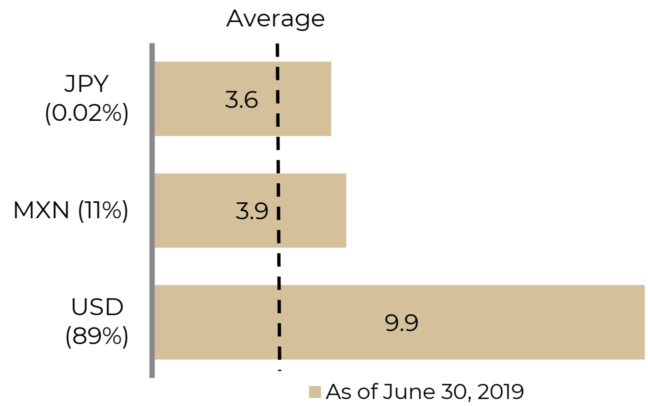
Financial Debt Exposure as of June 30, 2019





Average Life of Financial Debt Exposure
(Years)





Budgetary Investment Activities

At June 30th, 2019, PEMEX had disbursed MXN 105.9 billion (USD 5.5 billion[1]) in investment activities, based on budgetary records.

These investments were allocated as follows:

	Authorized Investment 2019 (MXN billion)	Investment Expenditures As of June 30, 2019 (MXN billion)
Exploration and Production[2]	210.7	94.9
Industrial Transformation	57.5	7.3
Logistics	1.2	1.2
Drilling and Services	2.7	1.5
Corporate	0.1	0.1
Ethylene	0.3	0.2
Fertilizers	0.5	0.7

For the allocation of investment budgetary resources, PEMEX continuously evaluates its project portfolio according to the strategic lines of its business plan, identifying opportunities to optimize profits.

1 Convenience translation has been made at the average exchange as of June 30th, 2019, of MXN 19.1724 = USD 1.00
2 MXN 15.0 billion were allocated to exploration activities. Includes non-capitalizable maintenance expenditures.

Financing Activities

PEMEX financing strategy will follow the guidelines established in the Business Plan: optimize financing sources for the company, subject to the commitment of not increasing net debt. In line with this goal, PEMEX will carry out refinancing transactions and liability management exercises to improve the amortization profile.

The strategy will be executed in two separate phases:

- 2019-2021: Zero net indebtedness in real terms. PEMEX will procure strengthening its own revenue sources with the support of the Federal Government, along with efficient and effective allocation of public resources.

- 2022-2024: Gradual reduction of total debt level from higher cash flows, aided by increased oil production.

PEMEX will continue to diversify its financing sources, which include bank loans, debt capital markets operations, export credit agencies, as well as a diversification of currencies: MXP, USD, EURO, CHF and GBP. PEMEX will also consider alternative financing if conditions are appropriate for the company and may favor a decrease in financing cost, an extension of the investor base and other financing alternatives in scenarios of greater volatility in the global financial markets.

Capital Markets

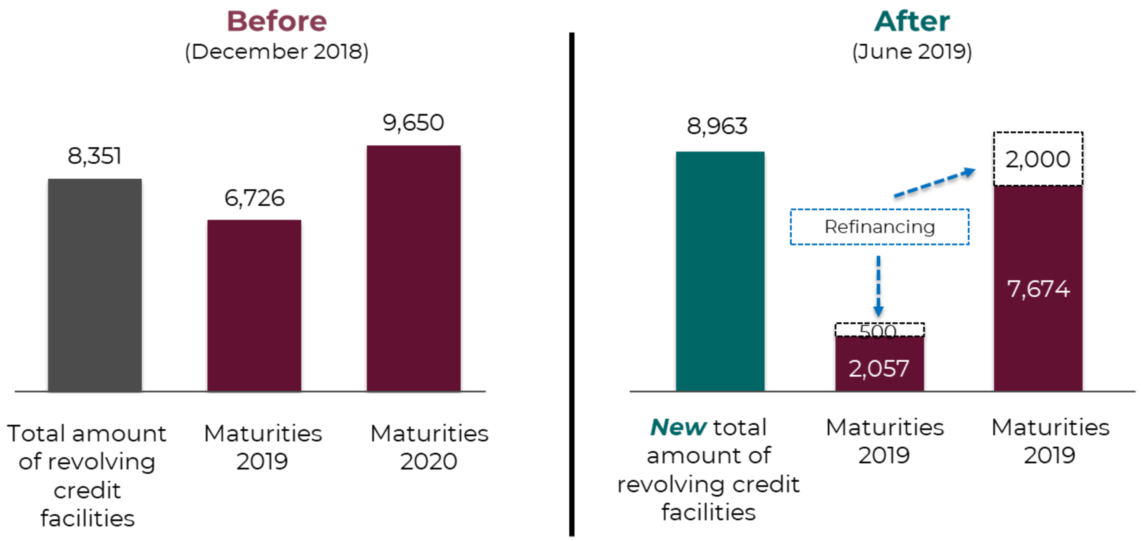
During 2Q19, consistent with the target of net indebtedness of zero, that is, no incremental debt, and in line with a coordinated strategy with the Federal Government, PEMEX did not carry out financing activities in capital markets.

Syndicated Revolving Credit Lines

After the refinancing of USD 8.0 billion of banking debt, the available amount in revolving facilities increased by 11%, or USD 750 million. As a result, PEMEX has revolving facilities for liquidity management in the amounts of USD 7.45 billion and MXN 29.0 billion.

At June 30th, 2019, USD 2.6 billion and MXN 15.0 billion were available.

Renewal of credit lines
Figures in millions of dollars



1. Maturities do not include revolving credit facilities or accrued interest.
2. During 2019, approximately USD 4,169 million have been paid.
3. For reference purposes, conversions of pesos to US dollars have been made at the prevailing exchange rate as of December 31, 2018 of MXN 19.6829 = USD 1.00 as of June 30, 2019 of MXN 19.1685 = USD 1.00.

Relevant Information

Change in Credit Rating

On June 6th, 2019, Fitch Ratings downgraded Petróleos Mexicanos' Long-Term Foreign and Local Currency Issuer Default Ratings (IDRs) to 'BB+' from 'BBB-', and modified the outlook to negative from stable. This rating action follows the downgrade of Mexico's sovereign Foreign and Local Currency Long-Term IDRs to 'BBB' from 'BBB+' and the revision of the sovereign's outlook to stable from negative.

Additionally, Moody's affirmed PEMEX's long term national scale and global scale ratings at Aa3.mx / Baa3; and short-term national scale MX-1. The credit rating agency also changed PEMEX's outlook to negative from stable.

Main Statistics of Production

	Second quarter (Apr.-Jun.)			
	2018	2019	Change	
Upstream				
Total hydrocarbons (Mboed)	2,545	2,372	-6.8%	(173)
Crude oil and condensates[1] (Mbd)	1,869	1,690	-9.6%	(183)
PEMEX's production	1,850	1,661	-10.2%	(189)
Business Partners' production	19	29	51.3%	10
Natural gas (MMcfd)[2]	4,845	4,833	-0.2%	(12)
PEMEX's production	4,794	4,762	-0.7%	(32)
Business Partners' production	52	72	38.9%	20
Downstream				
Dry gas from plants (MMcfd)[3]	2,451	2,218	-9.5%	(233)
Natural gas liquids (Mbd)	250	223	-11.0%	(28)
Petroleum products (Mbd)[4]	740	631	-14.7%	(109)
Petrochemical products (Mt)	750	642	-14.4%	(108)

(1) Condensates produced in fields

(2) Includes nitrogen.

(3) Does not include dry gas used as fuel.

(4) Includes LPG

Hydrocarbon Production

During 2Q19, PEMEX's total hydrocarbon production (without including production from commercial partners or the State) amounted to 2,372 Mboed; crude oil production recorded 1,661 Mbd, which was the same level recorded in 1Q19.

During 2Q19, crude oil production decreased by 189 Mbd or 10.2%, as compared to the same period of 2018. Specifically, light and extra-light crude oil decreased by 168 Mbd, mainly led by increased inflow of water at Xanab, whose production averaged 30 Mbd during 2Q19 as compared to 135 Mbd during 2Q18.

In addition, production was also affected by natural decline in production of mature fields and increased fractional flow of wells at some fields of the South and Shallow Water Blocks.

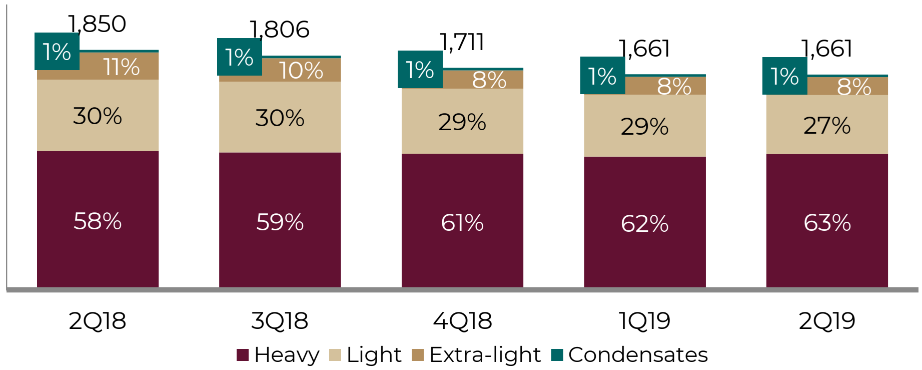
In contrast, the following producing fields recorded production increases as follows:

- Ixtal, Onel and Kax in shallow waters increased by 20 Mbd;
- Ixachi, Bedel and Gasífero within the North Blocks increased by 4.7 Mbd; and
- Edén, Teotleco and Cinco Presidentes within the South Blocks increased by 5.7 Mbd.

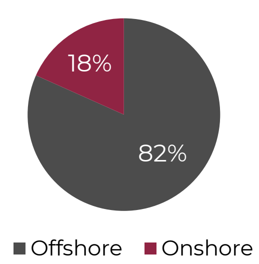
With respect toheavy crude oil, production decreased by 21 Mbd or 2.0%, as compared to the 2Q18. This production level was impacted mainly by the natural decline in some offshore fields such as Ku, Maloob, Zaap and Akal.

Regarding extra heavy crude oil production, it is worth mentioning that the development works in the Ayatsil field continued, resulting in a 32.6 Mdb increase, as compared to 2Q18. The field increased from 39.2 Mbd in 2Q18 to 71.8 Mbd in 2Q19.

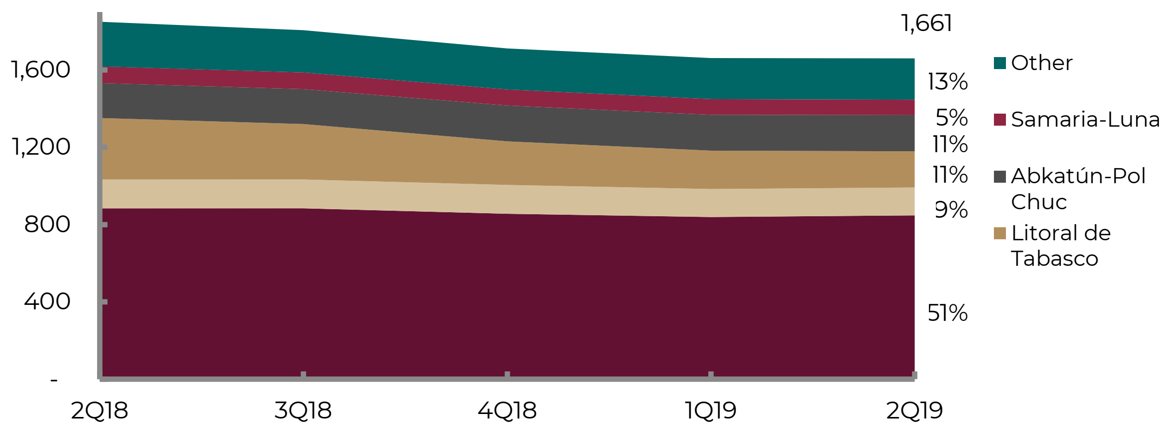
Crude Oil Production by Type
(Mbd)



Crude Oil Production by Region



Crude Oil Production by Asset
(Mbd)

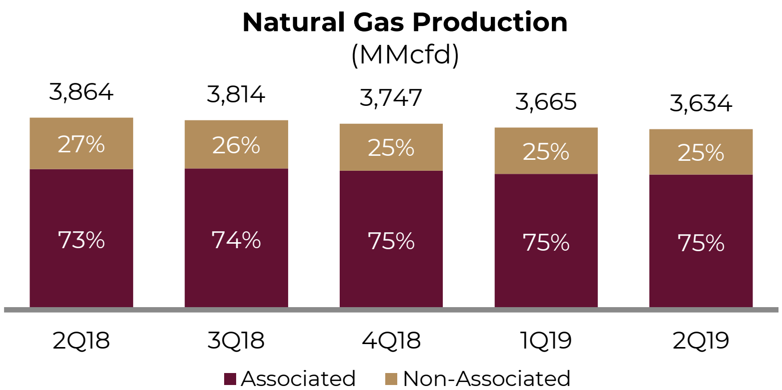


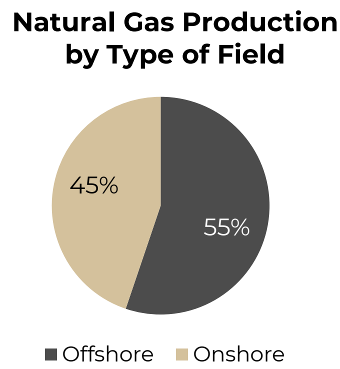
Natural Gas Production

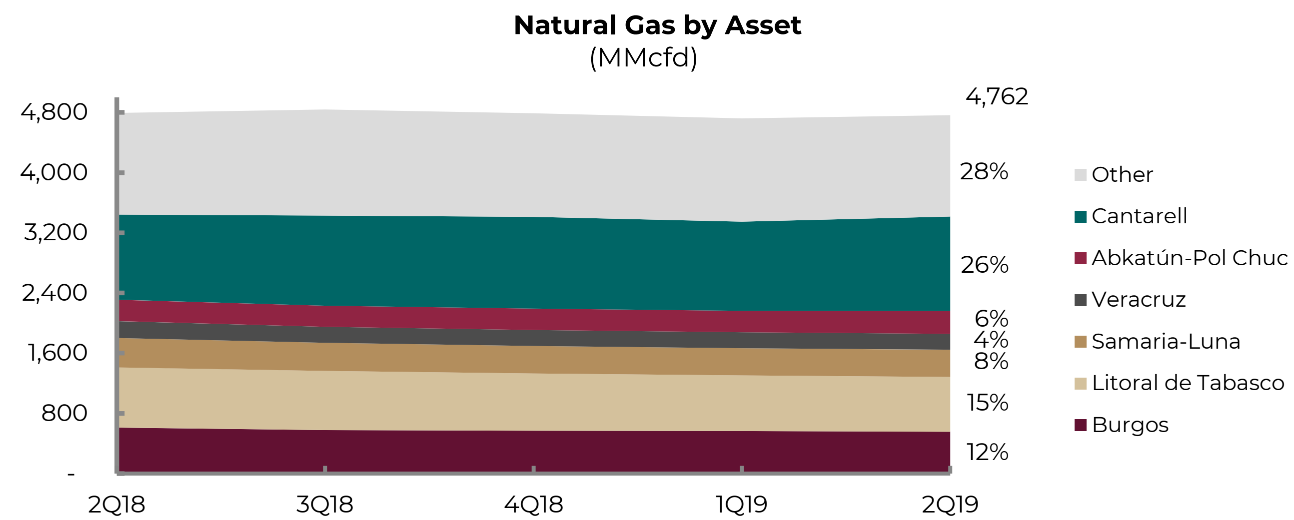
During 2Q19, natural gas production[2] averaged 3,634 MMcfd. As compared to the same quarter of 2018, natural gas production decreased by 6.0%, from 3,864 MMcfd. This quarter's production does not include production from business partners, nor that of the Mexican State.

Associated gas production averaged 2,720 MMcfd, a 109 MMcfd as compared to 2Q18. This decline can be explained by water-oil contact at the Xanab field and natural decline of some mature fields.

Moreover, non-associated gas production decreased by 121 MMcfd, totaling 914 MMcfd. Non-associated production decreased due to reallocation of resources to crude oil producer assets in the Northern Blocks.



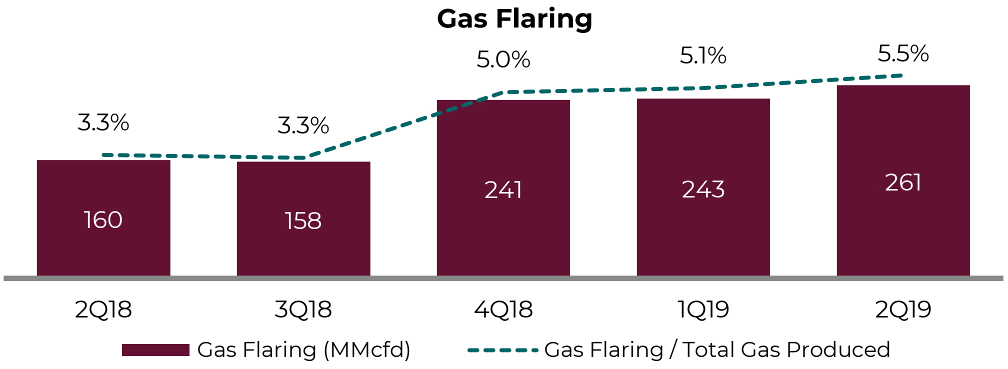




Natural Gas Use and Gas Flaring

During 2Q19, gas flaring totaled 261 MMcfd, explained by high nitrogen content due to operational failures in the nitrogen removal unit, as well as maintenance works at compressing equipment and rejection from gas processing centers due to capacity. Consequently, natural gas use during the period amounted to 94.5%, as compared to 96.7% in the same period of 2018.

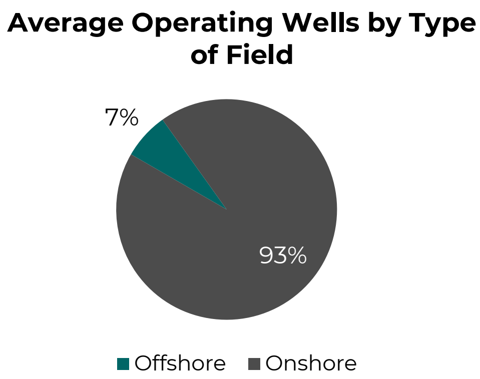
[2] Does not include nitrogen,

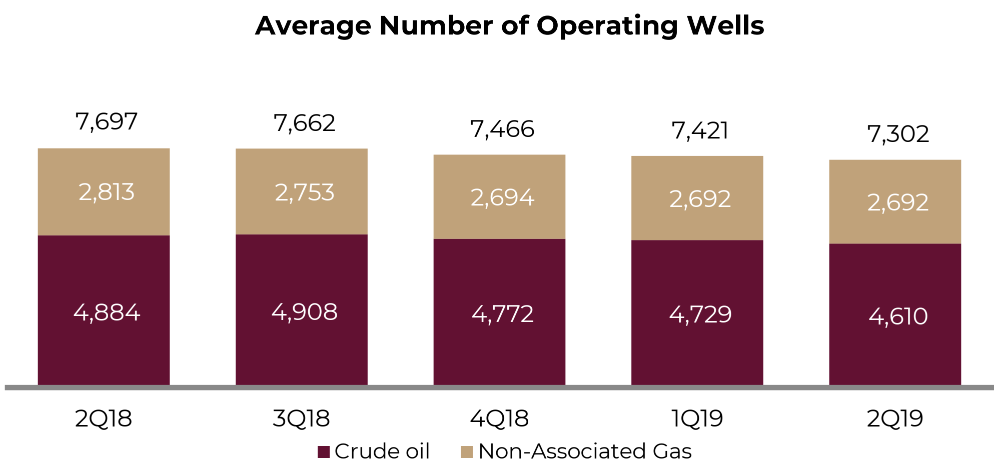


Infrastructure

During 2Q19, the average number of operating wells amounted to 7,302, a decrease of 395 wells, as compared to the same period of 2018. Most wells that halted activity were located at the Burgos area, and their production was not meaningful.

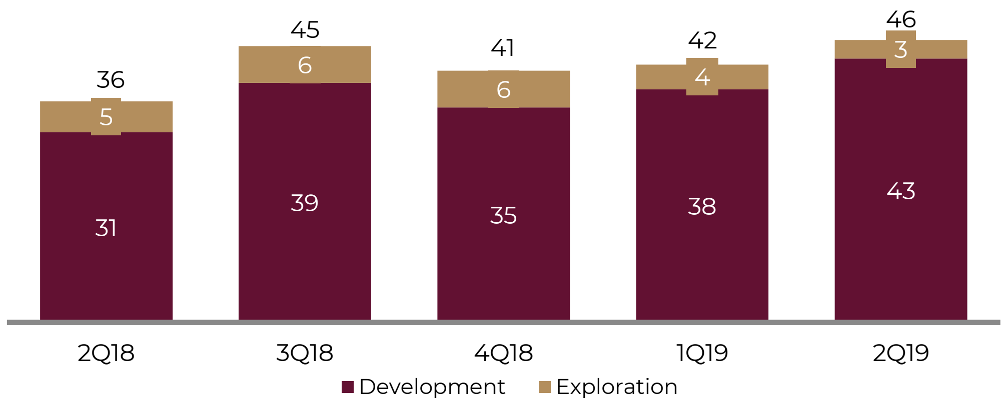
In line with the strategy to stabilize crude oil production, during 2Q19, completion of wells increased by ten. The increase focuses on the completion of 43 wells for the development of fields and three exploratory wells.



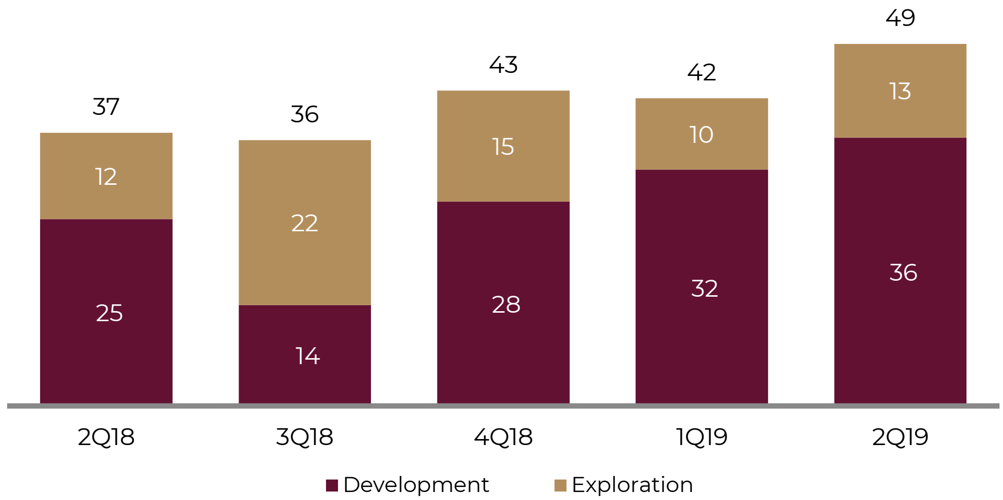


Note: Numbers may not total due to rounding.

Completion of Wells



Average Number of Operating Drilling Rigs



Average Drilling Rigs by Type

Discoveries

During 2Q19, exploration activities yielded favorable results.

At the Comalcalco project in Tabasco, the Quesqui-1 well confirmed the existence of oil and associated gas. Initial production volumes are shown in the chart below.

Studies determined a 3P retrievable reserve volume of 342 million barrels of oil equivalent.

Project	Well	Geologic Era	Initial production		Water Depth Meters	Type of Hydrocarbon
			Liquids bd	Gas MMcfd		
Comalcalco	Quesqui-1	Late Jurassic Kimmeridgian	4,478	16.7	-	Gas & condensates

Additional Information Related to Upstream

Additional Information Related to Upstream

Petróleos Mexicanos reports historical investment record in the development of new production fields

PEMEX implemented a plan to invest in 20 new fields and two existing developments; 18 in shallow waters and four onshore, which are already in execution phase.

For the new fields, the maritime infrastructure contracting process has concluded. It consists of 15 platforms, 17 marine pipelines, seven interconnections with existing platforms, construction of three perforation areas and expansion of nine existing perforation areas, and 13 onshore pipelines (88 km) and installation of a separation battery and update of the existing batteries.

Installation of the contracted offshore platforms will begin during the summer, in addition to the installation of facilities for onshore drilling regarding these new developments. Thus, the Xikin-A platform is expected to come online by the end of August, while Xikin and Esah developments should start production in November and December. The rest of the new fields will follow.

Consequently, a combined 70 thousand barrels per day (Mbd) crude oil production is expected by the end of December 2019. The production of these new fields will gradually increase and will reach approximately 267 Mbd towards the end of 2020 and 320 Mbd by the end of 2021.

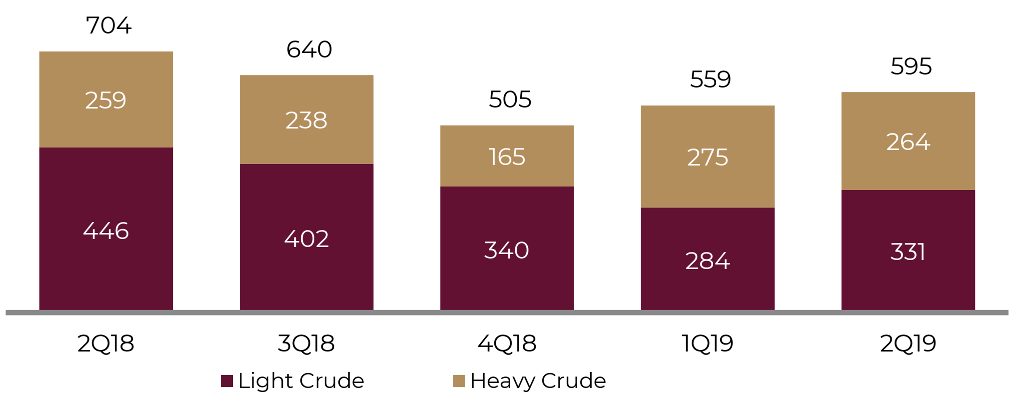
Crude oil processing

During 2Q19, total crude oil processing at the National Refining System (NRS) averaged 595 Mbd, which represents a decrease of 15.6% or 110 Mbd, as compared to the same period of 2018. Nevertheless, by the end of June 2019, crude oil processing averaged 645 thousand barrels per day. This recovery has been achieved due to the stabilization of operations at the Minatitlán and Salamanca refineries.

Heavy crude oil processing at refineries with coker configuration totaled 179 Mbd, which represents a 60 Mbd increase as compared to the same period of 2018. This result is mostly explained by the restart of operations of the combined Maya plant at the Minatitlán refinery.

Atmospheric distillation capacity of the National Refining System totals 1,640 Mbd, therefore, utilization capacity during 2Q19 amounted to 36.3 percent.

Crude Oil Processing
(Mbd)



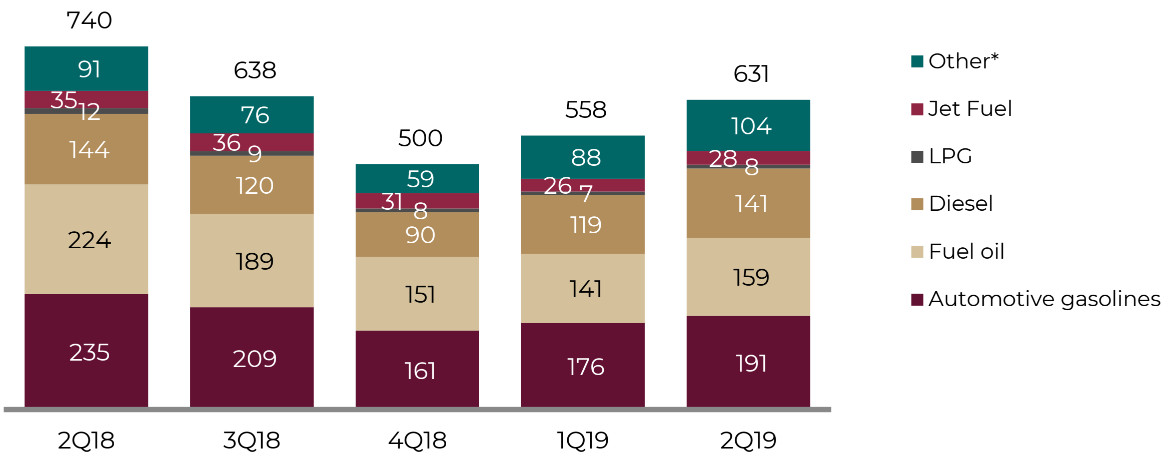
Production of Petroleum Products

Petroleum products output averaged 631 Mbd in the second quarter of 2019. Out of the total, 360 Mbd are high yield distillates, consisting of 191 Mbd of automotive gasolines, 141 Mbd of diesel, 28 Mbd of jet fuel. Other petroleum products and liquefied petroleum gas recorded 271 Mbd. Thus, total production of petroleum products in 2Q19 decreased by 14.7%, or 109 Mbd, as compared to the same period of 2018.

However, if we compare these results to those recorded during the first quarter of 2019, production of automotive gasolines and diesel recorded a combined increase of 36 Mbd.

Crude oil yields depend on the quality of crude and the configuration of the refinery that crude is processed. In this sense, crude yield amounted to 60% during the second quarter of 2019, mainly due to increased heavy crude oil processing at reconfigured refineries.

Petroleum Products Production
(Mbd)



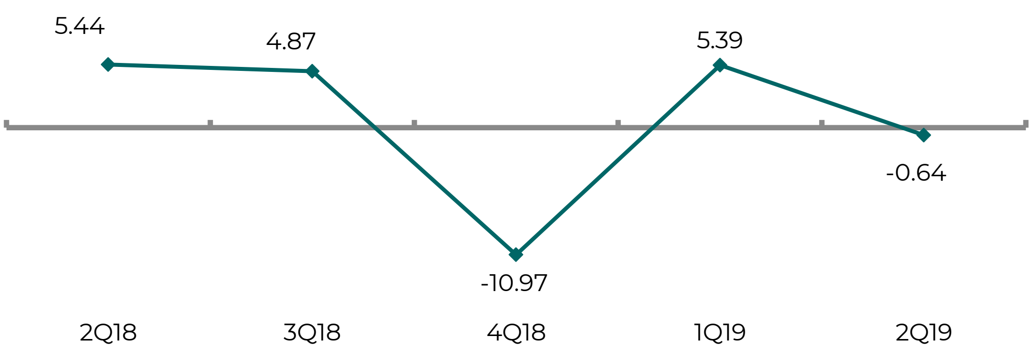
* Includes paraffins, furfural extract, aeroflex, asphalt, lubricants, coke, cyclical light oil and other gasolines.

Variable Refining Margin

Variable refining margin at the NRS in 2Q19 averaged USD -0.64 per barrel, which implies a decrease of USD 6.08 per barrel, as compared to the same period of 2018.

This reduction can be explained mainly by the decrease of reference prices of refined products in the U.S. Gulf of Mexico coastal region during May and June. This effect was partially offset by improvements in the operational performance at the National Refining System, due to increased distillates yield.

Variable Refining Margin
(USD /b)



PEMEX Service Stations

At June 30th, 2019, PEMEX Franchise service stations totaled 9,616; this is a decrease of 15.0%, as compared to 10,782 service stations recorded in 2Q18. From PEMEX's total service stations, 9,116 are private franchises, and 45 are owned by Pemex Industrial Transformation. In addition, there are 1,933 service stations that do not operate under PEMEX's franchise scheme, but their fuel is supplied by PEMEX, either using PEMEX-branded fuel (totaling 490 service stations) or using other brands.

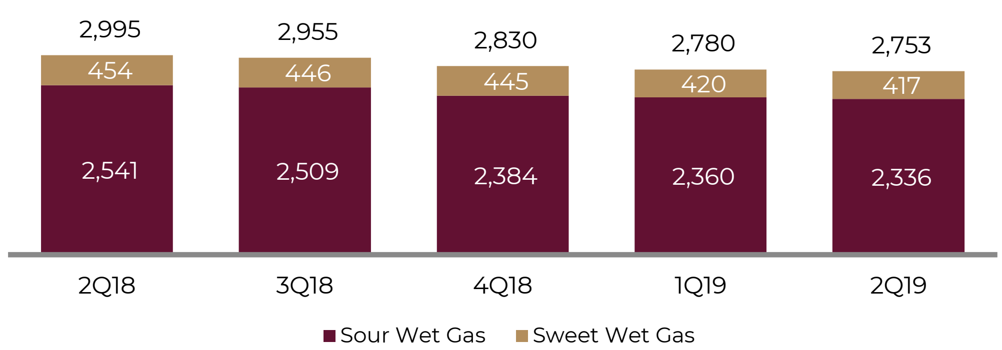
Natural Gas Processing and Production

During 2Q19, natural gas processing averaged 2,753 MMcfd, affected by lower availability of wet gas. This result represents a 242 MMcfd decrease as compared to the same period of 2018. The most affected regions were the offshore region in terms of sour wet gas and the Burgos basin, regarding sweet wet gas.

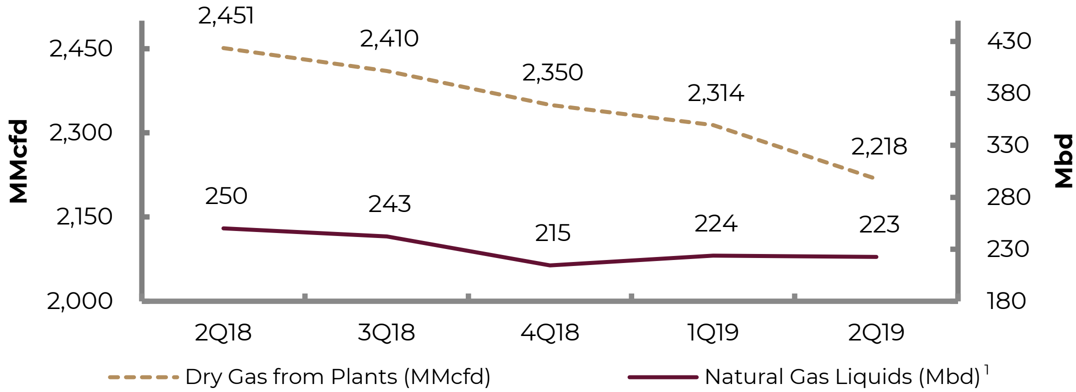
Dry gas production during 2Q19 totaled 2,218 MMcfd, which represents a decrease of 233 MMcfd, as compared to 2Q18, affected by lower availability of wet gas. With regard to natural gas liquids production, it decreased by 11%, or 28 Mbd, as compared to the same quarter of 2018.

Condensate processing averaged 25 Mbd over the second quarter of 2018, a decrease of 5 Mbd, due to lower availability of sour condensates from the Mesozoic.

Natural Gas Processing
(MMcfd)



Dry Gas and Natural Gas Liquids Production



(1) Includes condensates process.

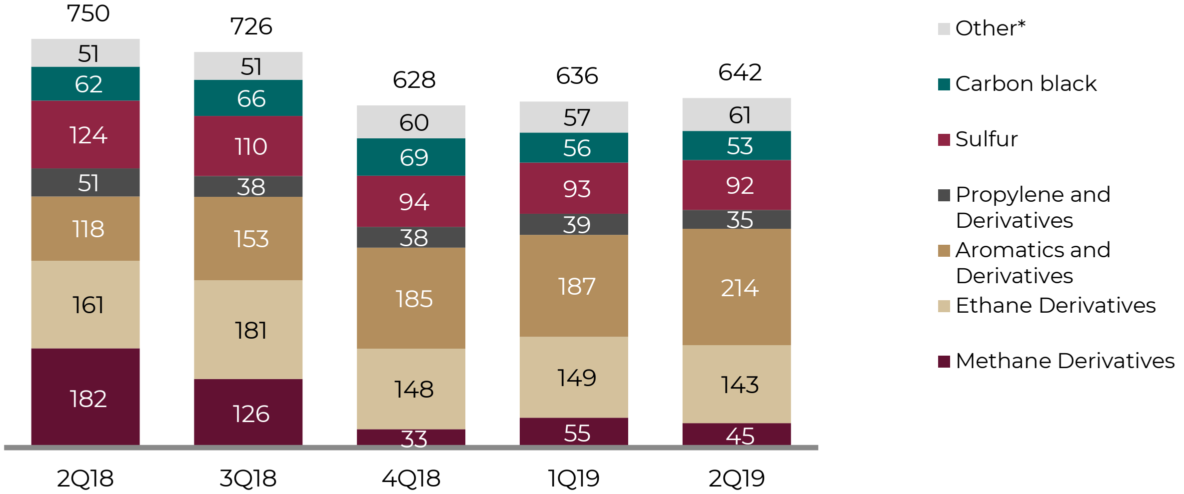
Petrochemicals Production

In 2Q19, petrochemicals production recorded 642 thousand tons (Mt). This is a decrease of 108 Mt, as compared to the same period of 2018. This result is mainly explained by:

- Methanol production at the Independencia Petrochemical Complex totaled 31 thousand tons, which represents a decrease of 14 thousand tons, as compared to the same period of 2018, because the methanol plant was out of operations for three weeks in April, due to high inventories of finished goods.
- Propylene production amounted to 35 thousand tons, that is, a decrease of 17 thousand tons, as compared to the second quarter of 2018, mainly due to lower crude oil processing at the Salina Cruz and Tula refineries.
- Sulfur production decreased by 32 thousand tons, as a result of lower production at the Cactus Gas Processing Complex, due to lower supply of sour wet gas and corrective maintenance works carried out at sulfur plants.

In contrast, production of aromatics and derivatives at the Cangrejera Petrochemical Complex amounted to 214 thousand tons, an increase of 96 thousand tons. as compared to production recorded during the same period of 2019. This result was driven by stable operations of the aromatics train.

Petrochemicals Production
(Mt)



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

Additional Information Related to Downstream and Midstream Activities

Advances in Anti-Fuel Theft Strategy

As a result of the joint strategy between PEMEX and the Federal Government, at June 30th 2019, fuel theft had decreased by 91% as compared to that recorded in 2018.

Industrial Safety

Frequency Index[3]

From January 1st to June 30th 2019, PEMEX's frequency index recorded 0.26 injuries per million man-hours worked (MMhh), which represents a 0.03 increase as compared to the same period of 2018.

It is worth noting that this increase is not material when compared to the same period of 2018, considering that, in that year, PEMEX recorded it's best security performance historically.

Severity Index[4]

From January 1st to June 30th 2019, the severity index totaled 12 lost days per MMhh, a 3-day increase as compared to the same period of 2018.

Environmental Protection

Sulfur Oxide Emissions

During 2Q19, sulfur oxide emissions increased by 53.0% as compared to the same quarter of 2018. This increase is mainly explained by increased burnt acid and sour gas at the Lázaro Cárdenas Refinery in Minatitlán, due to intermittent operations at sulfur recovery plants.

Water Reuse

During 2Q19, water reuse increased by 0.5% as compared to the same period of 2018, mainly due to the decrease in water use in Pemex Fertilizers and Ethylene.

[3] 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.

[4] 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.

Consolidated Income Statement

	Second quarter (Apr.-Jun.)				
	2018	2019	Change		2019
	(MXN million)				(USD million)
Total sales	**436,174**	**376,648**	**-13.6%**	**(59,526)**	**19,649**
Domestic sales	254,251	217,573	-14.4%	(36,678)	11,351
Exports	179,670	156,250	-13.0%	(23,420)	8,151
Services income	2,254	2,826	25.4%	572	147
Cost of sales	280,882	286,519	2.0%	5,638	14,947
Gross income	**155,293**	**90,129**	**-42.0%**	**(65,164)**	**4,702**
Other revenues (expenses)	3,479	1,808	-48.0%	(1,670)	94
Transportation and distribution expenses	5,551	5,541	-0.2%	(10)	289
Administrative expenses	33,353	33,610	0.8%	257	1,753
Operating income (loss)	**119,868**	**52,787**	**-56.0%**	**(67,081)**	**2,754**
Financial Cost	(29,804)	(31,443)	-5.5%	(1,639)	(1,640)
Financial Income	1,850	3,177	71.8%	1,328	166
Income (cost) due to financial derivatives	(20,967)	3,242	115.5%	24,208	169
Foreign exchange profit (loss)	(118,348)	22,415	118.9%	140,763	1,169
Profit sharing in non-consolidated subsidiaries and affiliates	563	196	-65.1%	(366)	10
Income before taxes and duties	**(46,838)**	**50,375**	**207.5%**	**97,213**	**2,628**
Taxes and duties	**116,334**	**103,165**	**-11.3%**	**(13,169)**	**5,382**
Profit Sharing Duties	115,179	103,905	-9.8%	(11,275)	5,421
Income tax and other	1,155	(740)	-164.1%	(1,895)	(39)
Net income (loss)	**(163,173)**	**(52,790)**	**67.6%**	**110,383**	**(2,754)**
Other comprehensive results	**11,936**	**(150,680)**	**-1362.4%**	**(162,617)**	**(7,861)**
Actuarial profits (losses) due to employee benefits	-	(148,968)		(148,968)	(7,772)
Conversion effect	11,936	(1,712)	-114.3%	(13,648)	(89)
Comprehensive income (loss)	**(151,236)**	**(203,470)**	**-34.5%**	**(52,234)**	**(10,615)**

Consolidated Balance Sheet

	As of December 31, 2018	As of June 30, 2019	Change		2019
	(MXN million)				(USD million)
Total assets	**2,075,197**	**2,021,266**	**-2.6%**	**(53,931)**	**105,447**
Current assets	**393,110**	**325,526**	**-17.2%**	**(67,584)**	**16,982**
Cash and cash equivalents	81,912	44,419	-45.8%	(37,493)	2,317
Accounts, notes receivable and other	167,140	181,930	8.8%	14,790	9,491
Inventories	82,023	74,102	-9.7%	(7,921)	3,866
Short-term notes receivable	38,154	4,788	-87.5%	(33,366)	250
Available non-current assets kept for sale	1,254	321	-74.4%	(933)	17
Equity instruments	245	245	0.0%	0	13
Derivative financial instruments	22,382	19,721	-11.9%	(2,661)	1,029
Permanent investment in shares of associates	16,842	16,204	-3.8%	(638)	845
Property, plant and equipment	1,402,486	1,331,325	-5.1%	(71,161)	69,454
Deferred taxes	122,785	123,596	0.7%	811	6,448
Other assets	139,975	135,757	-3.0%	(4,218)	7,082
Right-of-use asset	-	88,859		88,859	4,636
Total liabilities	**3,534,603**	**3,694,275**	**4.5%**	**159,672**	**192,726**
Current liabilities	**447,776**	**500,975**	**11.9%**	**53,199**	**26,135**
Short-term financial debt	191,796	279,220	45.6%	87,424	14,567
Financial leasing	-	7,232		7,232	377
Suppliers	149,843	129,055	-13.9%	(20,788)	6,733
Accounts and accrued expenses payable	24,918	24,649	-1.1%	(269)	1,286
Derivative financial instruments	15,895	16,516	3.9%	621	862
Taxes and duties payable	65,325	44,303	-32.2%	(21,022)	2,311
Long-term liabilities	**3,086,826**	**3,193,300**	**3.4%**	**106,473**	**166,591**
Long-term financial debt	1,890,490	1,721,702	-8.9%	(168,789)	89,819
Financial leasing	-	92,139		92,139	4,807
Reserve for employee benefits	1,080,542	1,265,760	17.1%	185,218	66,033
Reserve for diverse credits	101,753	102,136	0.4%	383	5,328
Other liabilities	9,528	6,674	-30.0%	(2,855)	348
Deferred taxes	4,512	4,889	8.3%	377	255
Total equity	**(1,459,405)**	**(1,673,009)**	**-14.6%**	**(213,603)**	**(87,279)**
Holding	**(1,459,883)**	**(1,673,379)**	**-14.6%**	**(213,496)**	**(87,298)**
Certificates of contribution "A"	356,544	381,544	7.0%	25,000	19,905
Federal Government Contributions	43,731	43,731	0.0%	-	2,281
Legal Reserve	1,002	1,002	0.0%	-	52
Comprehensive accumulated results	71,947	(78,144)	-208.6%	(150,091)	(4,077)
Retained earnings (accumulated losses)	(1,933,107)	(2,021,512)	-4.6%	(88,405)	(105,460)
From prior years	(1,752,732)	(1,933,107)	-10.3%	(180,374)	(100,848)
For the year	(180,374)	(88,405)	51.0%	91,969	(4,612)
Participation of non-holding entities	**477**	**370**	**-22.4%**	**(107)**	**19**
Total liabilities and equity	**2,075,197**	**2,021,266**	**-2.6%**	**(53,931)**	**105,447**

Consolidated Statements of Cash Flows

	As of June 30,		Change		
	2018	2019			2019
	(MXN million)				(USD million)
Operating activities					
Net income (loss)	(49,860)	(88,509)	-77.5%	(38,649)	(4,617)
Items related to investing activities	**50,610**	**94,660**	**87.0%**	**44,050**	**4,938**
Depreciation and amortization	73,734	69,030	-6.4%	(4,704)	3,601
Amortization of Intangibles	191	291	52.1%	100	15
Impairment of properties, plant and equipment	(42,360)	9,598	122.7%	51,958	501
Exploration expenses	9,054	10,923	20.6%	1,869	570
Retirement of property, plant and equipment	9,758	972	-90.0%	(8,785)	51
Amortization of right-of-use	-	3,849		3,849	201
Effects of non-consolidated subsidiaries and affiliates	(848)	15	101.8%	863	1
Effects of net present value of reserve for well abandonment	1,081	(19)	-101.8%	(1,100)	(1)
Activities related to financing activities	**44,757**	**6,653**	**-85.1%**	**(38,103)**	**347**
Interest expense (income)	56,973	61,298	7.6%	4,325	3,198
Accrued interest	(10,970)	(7,079)	35.5%	3,891	(369)
Unrealized loss (gain) from foreign exchange fluctuations	(1,246)	(47,565)	-3716.1%	(46,319)	(2,481)
Subtotal	**45,506**	**12,804**	**-71.9%**	**(32,702)**	**668**
Funds provided by (used in) operating activities	**18,742**	**(12,305)**	**-165.7%**	**(31,047)**	**(642)**
Taxes and duties on profits	225,597	188,389	-16.5%	(37,208)	9,828
Taxes paid	(215,679)	(186,084)	13.7%	29,596	(9,708)
Financial instruments for negotiation	185	3,282	1670.7%	3,097	171
Accounts and notes receivable	(917)	(14,790)	-1513.2%	(13,873)	(772)
Inventories	10,533	7,921	-24.8%	(2,613)	413
Accounts payable and accrued expenses	(1,910)	(269)	85.9%	1,641	(14)
Suppliers	(30,484)	(20,788)	31.8%	9,696	(1,084)
Reserve for diverse credits	6,559	(2,455)	-137.4%	(9,013)	(128)
Reserve for employees benefits	29,472	36,250	23.0%	6,778	1,891
Other taxes and dutys	(4,614)	(23,762)	-415.0%	(19,148)	(1,240)
Net cash flow from operating activities	**64,248**	**499**	**-99.2%**	**(63,749)**	**26**
Investment activities					
Acquisition of property, plant and equipment	(32,524)	(31,132)	4.3%	1,392	(1,624)
Document received by the Federal Government	-	32,312		32,312	1,686
Interest charged for the document received by the Fede	-	6,392		6,392	333
Other documents receivable	10,102	2,792	-72.4%	(7,310)	146
Intangible assets	(8,249)	(10,058)	-21.9%	(1,810)	(525)
Other assets	(4,641)	2,012	143.3%	6,653	105
Net cash flow from investing activities	**(35,312)**	**2,317**	**106.6%**	**37,630**	**121**
Cash needs related to financing activities	**28,936**	**2,817**	**-90.3%**	**(26,119)**	**147**
Financing activities					
Increase of contributions from the Federal Government	-	25,000		25,000	1,304
Amortization and interest payments due to financial leasings	-	(4,243)		(4,243)	(221)
Loans obtained from financial institutions	449,929	420,752	-6.5%	(29,177)	21,950
Amortization of loans	(416,412)	(418,849)	-0.6%	(2,437)	(21,851)
Interest paid	(56,785)	(61,848)	-8.9%	(5,063)	(3,227)
Net cash flow from financing activities	**(23,269)**	**(39,189)**	**-68.4%**	**(15,920)**	**(2,044)**
Net Increase (decrease) in cash and cash equivalents	**5,667**	**(36,372)**	**-741.8%**	**(42,039)**	**(1,897)**
Effect of change in cash value	5,988	(1,121)	-118.7%	(7,109)	(58)
Cash and cash equiv. at the beginning of the period	**97,852**	**81,912**	**-16.3%**	**(15,939)**	**4,273**
Cash and cash equivalents at the end of the period	**109,507**	**44,419**	**-59.4%**	**(65,087)**	**2,317**

POR EL RESCATE DE LA SOBERANÍA

Alberto Velázquez
Chief Financial Officer

Ulises Hernández
Deputy Director of Exploration and
Production, Contracts and Associations
Acting General Director at Pemex Exploration and Production

Reinaldo Wences
Acting Deputy Director of Evaluation and Regulatory Compliance at
Pemex Industrial Transformation

will present the financial and operating results of PEMEX as of June 30, 2019

Friday, July 26, 2019
at 11:00 a.m. (CDT) / 12:00 a.m. (EDT)

A question and answer session will follow the presentation.
Participants will be able to ask questions via telephone and electronically via the webcast interface.

To connect through telephone, dial +1 (847) 585 4405.
From U.S.A. and Canada, dial +1 (888) 771 4371.
Conference passcode: 48867571.

To connect through Internet, access webcast.

The teleconference and webcast replay will be available on July 26, 2019 at 1:00 p.m. (EDT) and until October 25, 2019 through this link. As of August 8, 2019, the conference call replay will be available at Unaudited Financial Results 2019.

Additionally, the Spanish version of the conference call will take place at 10:00 a.m. (CDT) / 11:00 p.m. (EDT), please follow this link to find the instructions to connect: Información Financiera / Calendario financiero / Reporte de Resultados al 30 de junio de 2019.

Investor Relations
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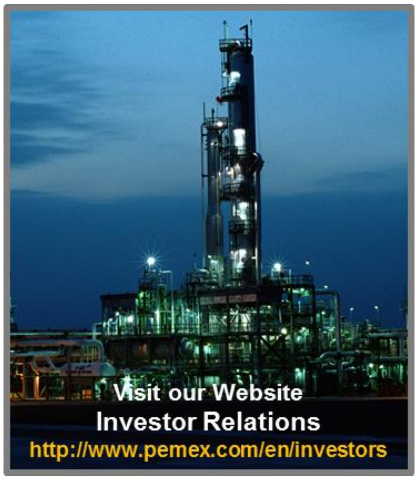
Twitter: @PemexGlobal

Online Institutional Database
Access PEMEX's official operating information database interactively.

SEC Filings
Review the latest 20-F, F-4 and 6-K forms filed by PEMEX with the SEC



Contact the Investor Relations Team 2Q19

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If you would like to contact us, please call us at (52 55) 9126 2940, or send an email to ri@pemex.com.

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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 March 31, 2019, the exchange rate of MXN 19.1685 = USD 1.00 is used.

Fiscal Regime

Starting January 1, 2016, Petróleos Mexicanos' fiscal regime is ruled by the Ley de Ingresos sobre Hidrocarburos (Hydrocarbons Income Law). Since January 1, 2006 and until December 31, 2015, 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.

Production-sharing

In accordance with Production-sharing Agreements signed by Petróleos Mexicanos, due to its participation in bidding rounds organized by the National Hydrocarbons Commission (CNH), in addition to the migration of blocks, Petróleos Mexicanos will disclose only its share of production for blocks Ek-Balam, Block 2 Tampico-Misantla (Round 2.1), Block 8 Southeastern Basins (Round 2.1), Santuario, Misión, Block 16 Tampico-Misantla-Veracruz (Round 3.1), Block 17 Tampico-Misantla-Veracruz (Round 3.1), Block 18 Tampico-Misantla-Veracruz (Round 3.1), Block 29 Southeastern Offshore Basins (Round 3.1), Block 32 Southeastern Basins Marino (Round 3.1), Block 33 Southeastern Offshore Basins (Round 3.1) y Block 35 Southeastern Offshore Basins (Round 3.1).

Hydrocarbon Reserves

In accordance with the Hydrocarbons Law, published in the Official Gazette of the Federation on August 11, 2015, 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.