Investor Presentation

January, 2020
Forward-Looking Statement & Cautionary Note

Variations
If no further specification is included, comparisons are made against the same realized period of the last year.

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 herein 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. Information from prior periods has been retrospectively adjusted in certain cases to make it comparable with the unaudited consolidated financial information under IFRS. For more information regarding the transition to IFRS, see this 23 to the consigned financial statements included in Petróleos Mexicanos' 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 PEMEX’s Results Report as of March 31, 2015. Budgetary information is based on standards from Mexican governmental administration; 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 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 September 30, 2019, the exchange rate of MXN 19.6363 = USD 1.00 is used.

Fiscal Regime
Beginning January 1, 2015, Petróleos Mexicanos’ fiscal regime is governed by the Ley de Ingresos sobre Hidrocarburos (Hydrocarbons Revenue Law), from January 1, 2006 and to 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 Hydrocarbons Law or other decrees.

On April 16, 2018, a decree was published in the Official Gazette of the Federation that authorizes assignment operators to choose between two schemes to calculate the tax cap on permitted deductions applicable to the Profit-Sharing Duty: (i) the scheme established within the Hydrocarbons Revenue Law, based on a percentage of the value of extracted hydrocarbons; or (ii) the scheme proposed by the SHCP, calculated upon established fixed fees, USD 6.1 for shallow water fields and USD 6.3 for onshore fields. The Special Tax on Production and Services (IEPS) applicable to automotive gas 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. In 2016, the SHCP published a decree through which it modified the calculation of the IEPS, based on the past five months of international reference price quotes for gasoline and diesel.

As of January 1, 2016, and until December 31, 2017, the SHCP will establish monthly fixed maximum prices of gasoline and diesel based on the following: maximum prices will be referenced to prices in the U.S. Gulf Coast, plus a margin that includes reliefs, freight, transportation, quality adjustment and management costs, plus the applicable IEPs to automotive fuel, plus other concepts (IEPS tax on fossil fuel, established quotas on the IEPS Law and value added tax). 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 is authorized to 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, has the authority to 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 on August 11, 2014, the National Hydrocarbons Commission (CNBV) 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. On August 13, 2015, the CNBV published the Guidelines that rule the valuation and certification of Mexico’s reserves and the related contingency resources. 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, storage and distribution of petroleum, natural gas and its products;
  - activities relating to our lines of business, including the generation of electricity;
  - projected and targeted capital expenditures and other costs, commitments and revenues;
  - liquidity and sources of funding, including our ability to continue operating as a going concern;
  - strategic alliances with other companies; and
  - the monetization of certain of our assets;

• 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 gain access to additional 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;
  - 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 review 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.bvm.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.
The strategy developed by the new administration is focused on addressing this issues.

1. Fiscal Burden
2. Crude Oil Production Decline
3. Fuel Theft
4. Crude Oil Processing
5. High Debt Maturity Profile
PEMEX’s Main Issues

Achievements

Fiscal Burden
Relief to the Company’s Fiscal Burden

- Gradual scheme that allows federal public finances a transition process to adjust the federal revenues and does not impact the budget equilibrium of the Federal Government.

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Rate</th>
<th>Variation vs previous year</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>65.00%</td>
<td>Previous Rate</td>
</tr>
<tr>
<td>2020</td>
<td>58.00%</td>
<td>7.00%</td>
</tr>
<tr>
<td>2021</td>
<td>54.00%</td>
<td>4.00%</td>
</tr>
</tbody>
</table>

This reduction will yield estimated savings around MXN 47 billion in 2020 and MXN 83 billion in 2021.
PEMEX’s Main Issues

Achievements

2

Crude Oil Production Decline
Crude Oil Production 2004-2018

Million barrels per day

From January 2004 to 2019 crude oil production decline 1,800,000 bpd, this represents a 53% reduction

Source: PEMEX
How to Revert Crude Oil Production Decline?

- Changing the exploration strategy, focusing on investments in conventional shallow-water and onshore fields
- Accelerating the development of new fields by applying international best practices
- Substantially increasing drilling activity in operating fields
- Increasing the recovery factor of mature fields
- Implementing a cost reduction culture in the company
Authorization for Development of New Fields has been Shortened from 3 Years to Less than 3 Months on Average

The development of 20 new fields is already in execution
In a single year, PEMEX invested in 20 new developments, the same number as in almost a decade.
PEMEX has Succeeded to Stabilize and Increase Crude Oil Production

Daily performance of oil production\(^1\)
Thousand Barrels Per Day

Production
1,742 Mbd
As of January 9, 2020

1 Preliminary production figures
Significant Cost Reductions in New Exploration and Production Service Contracts

Vertical and horizontal integration of consortiums based on the nature of the project: activities with different providers were integrated.

Procurement strategy innovation + Transparency and honesty = Cost reductions

An estimated 26% Fees and cost reduction from new contracts

Savings: MXN 24 billion
PEMEX’s Main Issues

3

Achievements

Fuel Theft
Results of the Strategy to Combat Fuel Theft

Fuel theft has decreased by 93% as compared to the average for 2018

Volume of fuel theft (Mbd)¹

Average 2018 | Nov | Dec 01-20 | Average 2019
---|---|---|---
56 | 81 | 74

January | Jan-01 | Jan-02 | Jan-03 | Jan-04 | Jan-05 | Jan-06 | Jan-07 | Jan-08 | Jan-09 | Jan-10 | Jan-11 | Jan-12
5 | 5 | 4 | 6 | 6 | 3 | 5 | 6 | 4 | 5 | 4 | 5 | 4

2020

¹ Source: Comisión Nacional de Seguridad, Informe Seguridad http://www.informeseguridad.cns.gob.mx/
Accumulated value of fuel theft in 2014-2018:

**MXN 101,080 million**

*Without Taxes*

To measure the effect, this figure is equivalent to **78.4%** of total debt maturities in 2019.
Combat Strategy Against Fuel Theft

Official records in the company's income statements

Income Statement / Non-Operating Losses (Fuel Theft)
Real million pesos, 2018=100

<table>
<thead>
<tr>
<th>Year</th>
<th>Fuel Theft Losses</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>36,163</td>
</tr>
<tr>
<td>2019*</td>
<td>3,546</td>
</tr>
</tbody>
</table>

Estimated savings for PEMEX in 2019
$32,617 Million pesos

Equivalent to 22% of total debt maturities in 2020

In the first year, the company’s first structural problem was solved

* Estimated figures. Valuation at PEMEX terminal prices, i.e. does not include taxes (IEPS and VAT)
PEMEX’s Main Issues

Achievements

Crude Oil Processing
The National Refining Plan will allow the NRS -with the six current refineries rehabilitated plus the New Dos Bocas Refinery- to process 1.45 million barrels per day, the highest level of crude oil processing since 1990.
With Scheduled Maintenance, Crude Oil Processing Increased by 10%

- In 3Q19, crude oil processing in the National Refining System increased by 10%, as compared to 2Q19.

- During 3Q19, crude oil processing recorded an increase of 62 Mbd as compared to 2Q19, and 152 Mbd, as compared to the last quarter of 2018.
PEMEX’s Main Issues

Achievements
In recent years the company's debt grew at high levels, only between 2013 and 2016 PEMEX's debt doubled from MXN 1.1 to MXN 2.3 billion in constant terms.

In other words, in the last five years PEMEX's debt grew at an annual rate of 13.8 % in real terms.
Indebtedness and balance 2000 - 2018

Balances at 31 December of each year
(MXN constant billion of 2019)

Note: For the period from 2000 to 2009, this includes the contracting and amortization derived from the PIDIREGAS financing scheme.
E = Estimated figures
Main Challenges and Strategy

• For the new administration, debt management was a major challenge.

• Debt maturities for 2019 amounted to USD 6.7 billion, while the next three years presented an adverse scenario, with debt maturities close to USD 9 billion per year.

• Also, by the end of 2019, revolving bank credit lines with different financial institutions were maturing, both in pesos and in dollars, for an amount exceeding USD 5 billion.

• Petróleos Mexicanos from December 1st, 2018 implemented a policy of zero net indebtedness and worked on a comprehensive strategy to address one of the structural problems of the company: its high indebtedness.

• An ambitious financial rehabilitation program was designed for Petróleos Mexicanos based on a deep financial reengineering to reduce its debt, improve the maturity profile and reduce refinancing risks in international debt markets.
Main Challenges and Strategy

This process was carried out in stages:

- Renegotiate and renew revolving credit lines with banks
- Debt Refinancing in International Markets
In June, PEMEX closed the refinancing of its revolving credit lines with banks for USD 8 billion, the largest in the history of PEMEX and the country.

23 national and international banking institutions backed the operation: JP 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. This group includes 13 of the largest banks in the world.

This agreement did not constitute new debt for PEMEX, it was only a refinancing.

The operation did not require any type of guarantee or collateral.

The interest rate of the operation was closed with reference to the Libor rate + 2.35% equivalent to the moment of the operation at a fixed rate of 4.15%, a level below the funding levels of a new issue in the market.
As part of PEMEX’s financing program authorized for 2019, and in line with the strategy to pay and refinance outstanding debt, the company announced a comprehensive funding and liability management strategy in the international debt capital markets. The objective was to manage of near-term maturities and improve its maturity profile. The strategy considered the Government capitalization of an amount equivalent to USD 5,000 million.

Three major components were considered during the designing process of the strategy:

- **New issue**
- **Repurchase of existing debt**
- **Exchange of existing debt**
The structure was designed by PEMEX for the efficient use of Government support and to improve the company’s financial position, minimizing market financing risk.

**Funding and Liability Management Strategy**

- **DEBT REDUCTION**
  - PEMEX used the capitalization provided by the Federal Government to purchase notes due between 2020–2023. This represented a reduction in outstanding debt balance of USD 5,005.8 million.

- **LIQUIDITY**
  - A new issue in 3 tranches: 7, 10 and 30 years for the refinancing of short-term debt (Revolving Credit Facilities).

- **IMPROVE AMORTIZATION PROFILE**
  - Exchange offer to provide additional support to maturities in the short, intermediate and long part of the curve, in order to improve the company’s amortization profile.

**Improvement of PEMEX’s financial position**

- **Decrease of refinancing risk**

- **Revolving Credit Facilities availability of 97%**
The new issue achieved several important milestones, including:

- **The largest issuance** by any Mexican issuer in history
- Largest orderbook for a PEMEX new issue in history: at its peak, demand reached **USD 38 billion**, which represents an over-subscription of 5.1 times the total issued amount
- The company managed **an important reduction** in the new issue Initial Price

### New Issue Summary Terms

<table>
<thead>
<tr>
<th></th>
<th>USD 7,500 MM</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total issued amount</strong></td>
<td>USD 7,500 MM</td>
</tr>
<tr>
<td><strong>Demand</strong></td>
<td>USD 38,000 MM</td>
</tr>
<tr>
<td><strong>Tranche</strong></td>
<td>7 years, 10 years, 30 years</td>
</tr>
<tr>
<td><strong>Size</strong></td>
<td>USD 1,250 MM, USD 3,250 MM, USD 3,000 MM</td>
</tr>
<tr>
<td><strong>Coupon</strong></td>
<td>6.49%, 6.84%, 7.69%</td>
</tr>
</tbody>
</table>
Repurchase and Exchange of Debt

Repurchase

The strong investor participation allowed PEMEX to cancel debt up to an amount of USD 5,006 million with maturities between 2020 and 2023, a slightly larger amount than the previously established:

<table>
<thead>
<tr>
<th>Maturity</th>
<th>Debt Reduction(^1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>734.3</td>
</tr>
<tr>
<td>2021</td>
<td>2,781.6</td>
</tr>
<tr>
<td>2022</td>
<td>711.1</td>
</tr>
<tr>
<td>2023</td>
<td>778.8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>5,005.8</strong></td>
</tr>
</tbody>
</table>

Exchange

To provide additional support to the amortization profile, PEMEX exchanged USD 3.7 billion of bonds with maturities between 2022 and 2025, and 3.9 billion dollars of bonds with maturities between 2041 and 2046:

<table>
<thead>
<tr>
<th>Maturity</th>
<th>Debt Reduction(^1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2022</td>
<td>1,991.4</td>
</tr>
<tr>
<td>2023</td>
<td>1,069.0</td>
</tr>
<tr>
<td>2024</td>
<td>467.4</td>
</tr>
<tr>
<td>2025</td>
<td>209.0</td>
</tr>
<tr>
<td>2041</td>
<td>1,439.5</td>
</tr>
<tr>
<td>2044</td>
<td>730.5</td>
</tr>
<tr>
<td>2045</td>
<td>1,439.5</td>
</tr>
<tr>
<td>2046</td>
<td>277.2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>7,623.5</strong></td>
</tr>
</tbody>
</table>

\(^1\) Million dollars
• One key result from the transaction was the improvement on the amortization profile, lowering the average amortization to USD 6,000 million for the next year.

Most ambitious liability management exercise undertaken by a LatAm corporate in recent history

The new administration has managed to refinance close to USD 28 billion of debt.

Note: Maturity profile is presented in billion of dollars.
Achievements in Debt Management

Just one year after starting this administration, Petróleos Mexicanos is consolidating its new financial management model.

• A first major step was achieved in the solution of the company's debt problem, with a reduction in the 2019 balance

• A substantial improvement in the repayment profile was also achieved by reducing debt maturities by nearly USD 2.5 billion on average per year over the six-year period

• Short-term credit lines were extended and the risk of refinancing debt in international markets was reduced

• Finally, as a result of the financial re-engineering of Petróleos Mexicanos the company will obtain during 2019 a saving of about MXN 7 billion in financial cost and it is estimated a saving of MXN 6.5 billion for 2020
Next Steps

1. Continue with the implementation of the strategy according to our Business Plan

2. Consolidate the financing strategy in order to boost investment

3. Continue with the implementation of the procurement strategy, under criteria of efficiency and austerity in spending, as well as strict financial discipline
CAPEX Financing¹ 2020-2030 IFRS

1. Considers budgetary investment and private investment complement
2. Considers a reduction in the rate of the Profit-Sharing Duty to reach 58% in 2020 and 54% in 2021

Source: Business Plan 2018-2023

USD billion

<table>
<thead>
<tr>
<th>Year</th>
<th>Own revenues</th>
<th>Fiscal burden reduction</th>
<th>Federal Government support</th>
<th>CSIEES</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>11.5</td>
<td>0.7</td>
<td>3.3</td>
<td>2.3</td>
</tr>
<tr>
<td>2021</td>
<td>13.7</td>
<td>1.9</td>
<td>4.1</td>
<td>5.2</td>
</tr>
<tr>
<td>2022</td>
<td>13.7</td>
<td>1.9</td>
<td>11.9</td>
<td>5.8</td>
</tr>
<tr>
<td>2023</td>
<td>12.6</td>
<td>0.7</td>
<td>9.9</td>
<td>4.1</td>
</tr>
<tr>
<td>2024</td>
<td>12.4</td>
<td></td>
<td>12.4</td>
<td>12.2</td>
</tr>
<tr>
<td>2025</td>
<td>12.2</td>
<td></td>
<td>11.5</td>
<td>9.9</td>
</tr>
<tr>
<td>2026</td>
<td>11.5</td>
<td></td>
<td>8.4</td>
<td>8.4</td>
</tr>
<tr>
<td>2027</td>
<td>9.9</td>
<td></td>
<td>10.0</td>
<td>10.0</td>
</tr>
<tr>
<td>2028</td>
<td>8.4</td>
<td></td>
<td>11.9</td>
<td>11.9</td>
</tr>
</tbody>
</table>

1

2000-2030 IFRS
Business Plan Operational Projections 2018-2030

Crude Oil Production
Mbd

<table>
<thead>
<tr>
<th>Year</th>
<th>PEMEX</th>
<th>Partners</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>1,792</td>
<td>21</td>
</tr>
<tr>
<td>2019</td>
<td>1,682</td>
<td>28</td>
</tr>
<tr>
<td>2020</td>
<td>1,866</td>
<td>14</td>
</tr>
<tr>
<td>2021</td>
<td>2,069</td>
<td>19</td>
</tr>
<tr>
<td>2022</td>
<td>2,321</td>
<td>41</td>
</tr>
<tr>
<td>2023</td>
<td>2,528</td>
<td>65</td>
</tr>
<tr>
<td>2024</td>
<td>2,697</td>
<td>118</td>
</tr>
<tr>
<td>2025</td>
<td>2,832</td>
<td>165</td>
</tr>
<tr>
<td>2026</td>
<td>2,975</td>
<td>177</td>
</tr>
<tr>
<td>2027</td>
<td>2,989</td>
<td>190</td>
</tr>
<tr>
<td>2028</td>
<td>2,891</td>
<td>220</td>
</tr>
<tr>
<td>2029</td>
<td>2,759</td>
<td>239</td>
</tr>
<tr>
<td>2030</td>
<td>2,802</td>
<td>223</td>
</tr>
</tbody>
</table>

Source: Business Plan 2018-2023
Under the assumptions of the Business Plan, a balanced budget would be achieved by 2021.