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 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. Information from prior periods has been retrospectively adjusted in certain accounts to make it comparable with the unaudited consolidated financial information under IFRS. 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 PEMEX’s Results Report as of March 31, 2015. 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, 2018, the exchange rate of MXN 18.3445 = 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 Federal Revenue Law. On April 18, 2016, a decree was published in the Official Gazette of the Federation that allows assignment operators to choose between two schemes to calculate the 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 8.3 for onshore fields. 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. 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 for gasoline and diesel.

As of January 1, 2016, and until December 31, 2017, the SHCP will establish monthly fixed 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 retails, 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 decide 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 Mexican Federal 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. On August 13, 2015, the CNH 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 oil products;
- activities relating to our lines of business, including the generation of electricity; project development and targeted capital expenditures and other capital 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 regulatory or ethical 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.
**PEMEX: Integrated Oil & Gas Company**

**Upstream**
- 8th Crude oil producer¹
- Total hydrocarbon production 2,700 Mboed
- 256 Operating platforms
- 8,008 Operating wells

**Downstream**
- 16th Refining company worldwide¹
- 6 refineries in Mexico with a refining capacity of 1,602 Mbd
- 1 refinery in JV with Shell in Deer Park, Texas (340 Mbd)
- Crude oil process: 767 Mbd
- 9 Gas Processing Complexes (5,912 MMcfd)
- 2 Petrochemical Complexes (1,694 Tpy)

**Midstream**
- Strategically positioned logistic infrastructure: 17,000 km of pipelines
- 74 Storage and distribution terminals
- 16 Marine terminals
- 10 Liquefied gas terminals
- 1,485 Tank trucks
- 17 Ships
- 511 Tank cars
- 56 pumping and compression stations

**Sales**
- 4th largest oil exporter to the USA
- MXN 1.4 trillion annual revenues³
  - Exports MXN 508 billion
  - Domestic sales MXN 877 billion
- Crude oil exports: 1,174 Mbd
- 11,586 Service stations⁴

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1. Source: Petroleum Intelligence Weekly, Top 50 Rankings of the World’s Oil Companies, November 2017
2. Does not include nitrogen
3. Last five years’ average (2013-2017)
4. As of December 31, 2017, retail service stations under the PEMEX brand
PEMEX’s Reserves

- PEMEX holds a vast majority of Mexico’s hydrocarbon reserves

PEMEX’s Hydrocarbon Reserves as of January 1, 2018. 1P reserves have already been validated by the CNH, Mexico’s National Hydrocarbons Commission, while 2P and 3P reserves are still in process.

Prospective resources assigned to PEMEX in Round Zero

<table>
<thead>
<tr>
<th>Basin</th>
<th>Reserves¹</th>
<th>Prospective Resources²</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1P (90%)</td>
<td>2P (50%)</td>
</tr>
<tr>
<td>Southeastern</td>
<td>6.4</td>
<td>10.1</td>
</tr>
<tr>
<td>Tampico Misantla</td>
<td>0.9</td>
<td>3.3</td>
</tr>
<tr>
<td>Burgos</td>
<td>0.2</td>
<td>0.3</td>
</tr>
<tr>
<td>Veracruz</td>
<td>0.2</td>
<td>0.3</td>
</tr>
<tr>
<td>Sabinas</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Deepwater</td>
<td>0.1</td>
<td>0.2</td>
</tr>
<tr>
<td><strong>Total PEMEX</strong></td>
<td><strong>7.7</strong></td>
<td><strong>14.2</strong></td>
</tr>
</tbody>
</table>

MMMboe (billion barrels of oil equivalent)

1. PEMEX’s Hydrocarbon Reserves as of January 1, 2018. 1P reserves have already been validated by the CNH, Mexico’s National Hydrocarbons Commission, while 2P and 3P reserves are still in process.
2. Prospective resources assigned to PEMEX in Round Zero
Achievements (1/2)

1. For the second year in a row, annual crude oil production target was met: 1,948 Mbd

2. Successful implementation of new ventures:
   - Joint venture with Air Liquide for hydrogen supply at the Tula refinery
   - Migration without a partner of the shallow water cluster Ek-Balam
   - Associations with Deutsche Erdoel and Ecopetrol for two blocks in CNH’s Round 2.1
   - First phase of Pemex Logistics’ Open Season
   - Divestment of stake in Los Ramones II Norte pipeline
   - Installation of coker unit at the Tula refinery
   - Signing of first Exploration and Extraction Contract migration of onshore fields Santuario and El Golpe.
   - First two onshore farm-outs: Ogarrio and Cárdenas-Mora
Achievements (2/2)

3. Discovery of the largest onshore reservoir in the last 15 years: Ixachi
   - 3P Reserves of approximately 366 MMboe

4. Uninterrupted fuel supply despite hurricanes and earthquakes

5. Natural gas use growth from 91.2% to 95.7%

6. Implementation of a commercial strategy based on the most profitable markets

7. PEMEX was awarded 4 blocks in CNH’s Round 2.4, and 7 blocks in Round 3.1

8. Migration (entitlement to contracts) of onshore fields (Misión & Olmos)
2017 Financial Performance

- **Decrease in net indebtedness** by 69% compared to 2016 due to cash flow stability

Net Indebtedness
MXN billion

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Indebtedness</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>223.4</td>
</tr>
<tr>
<td>2015</td>
<td>194.8</td>
</tr>
<tr>
<td>2016</td>
<td>231.6</td>
</tr>
<tr>
<td>2017</td>
<td>72.4</td>
</tr>
</tbody>
</table>

- Net indebtedness for 2017 was lower than budgetary financial deficit
- The objective for 2018 is to **limit net indebtedness to the budgetary financial deficit** (MXN 79.4 billion), in line with the Business Plan

- 2017 Budgetary Financial Balance goal was met (MXN -94 billion)
- Strengthened cash flow from operations
- Improved fiscal regime for **fields that were not profitable after taxes**. Positive impact of MXN 7.8 billion
- **Crude Oil Hedging Program** to protect PEMEX’s financial balance from drops in the price of the Mexican Crude Oil Export Mix
- Locked **liquidity sources**: ≈USD 8 billion\(^1\) in committed credit facilities

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\(^1\) USD 6.7 billion and MXN 23.5 billion. MXN / USD = 18.4
1. PEMEX Snapshot
2. Upstream
3. Midstream & Downstream
4. Financial Performance
Current Status and Challenges

- PEMEX continues to be a key player in the O&G industry
- Production has been stabilized and will eventually increase.
- 2017’s production averaged 2,700 Mboed

Hydrocarbon Production

1 Includes Ku-Maloob-Zaap and other assets
2 Includes non-capitalized maintenance
Source: PEMEX 2017
Upstream: Business Plan

- With profitability as its ultimate goal, the Business Plan projects increased production and investment through different types of JVs and farm-outs.

**Business Plan Scenario**

- Focused on assignments that are profitable after taxes

**Improved Scenario**

- Aggressive farm-out program
- **Updated Business Plan will include new service contracts**
- Development of fields that are profitable for the Mexican State and which, under similar fiscal conditions than privates, are profitable for PEMEX after taxes
- Both PEMEX and the Federal Government will benefit from incremental farm-out production

**Crude Oil Production**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Mbd</td>
<td>2,601</td>
<td>2,577</td>
<td>2,533</td>
<td>2,548</td>
<td>2,522</td>
<td>2,429</td>
<td>2,267</td>
<td>2,154</td>
<td>1,948</td>
<td>1,951</td>
<td>1,982</td>
<td>2,017</td>
<td>2,141</td>
</tr>
</tbody>
</table>

1 Includes PEMEX’s production estimates sent to the Ministry of Finance on September 2017- as established in the Business Plan published in November 2016.
Upstream: Competitive Production Cost

- Exploitation strategies focused on shallow waters have allowed PEMEX to maintain very competitive production costs.
- Lower production costs provide greater flexibility, especially under lower crude oil price scenarios.

<table>
<thead>
<tr>
<th>Year</th>
<th>Production Cost before Taxes</th>
<th>Taxes and Duties</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>7.9</td>
<td>0.0</td>
</tr>
<tr>
<td>2014</td>
<td>8.2</td>
<td>0.0</td>
</tr>
<tr>
<td>2015</td>
<td>9.4</td>
<td>2.7</td>
</tr>
<tr>
<td>2016</td>
<td>7.8</td>
<td>2.3</td>
</tr>
<tr>
<td>2017</td>
<td>10.9</td>
<td>3.2</td>
</tr>
</tbody>
</table>

Production Costs (USD / boe)

Production Cost Benchmarking 2017

<table>
<thead>
<tr>
<th>Company</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Statoil</td>
<td>5.2</td>
<td>5.6</td>
<td>7.1</td>
<td>8.5</td>
<td>10.1</td>
</tr>
<tr>
<td>TOTAL</td>
<td>5.2</td>
<td>5.6</td>
<td>7.1</td>
<td>8.5</td>
<td>10.1</td>
</tr>
<tr>
<td>bp</td>
<td>5.2</td>
<td>5.6</td>
<td>7.1</td>
<td>8.5</td>
<td>10.1</td>
</tr>
<tr>
<td>eni</td>
<td>5.2</td>
<td>5.6</td>
<td>7.1</td>
<td>8.5</td>
<td>10.1</td>
</tr>
<tr>
<td>ExxonMobil</td>
<td>10.1</td>
<td>10.6</td>
<td>10.9</td>
<td>11.0</td>
<td>11.3</td>
</tr>
<tr>
<td>Shell</td>
<td>5.2</td>
<td>5.6</td>
<td>7.1</td>
<td>8.5</td>
<td>10.1</td>
</tr>
<tr>
<td>PEMEX</td>
<td>5.2</td>
<td>5.6</td>
<td>7.1</td>
<td>8.5</td>
<td>10.1</td>
</tr>
<tr>
<td>BR PETROBRAS</td>
<td>11.0</td>
<td>11.3</td>
<td>11.3</td>
<td>11.3</td>
<td>11.4</td>
</tr>
<tr>
<td>ConocoPhillips</td>
<td>11.0</td>
<td>11.3</td>
<td>11.3</td>
<td>11.3</td>
<td>11.4</td>
</tr>
<tr>
<td>Chevron</td>
<td>5.2</td>
<td>5.6</td>
<td>7.1</td>
<td>8.5</td>
<td>10.1</td>
</tr>
</tbody>
</table>

1. Nominal values Source: 20-F Form (2010-2017)
Upstream: New Production Frontiers

- New complex frontiers to be explored through associations: investment and risk sharing + technology and know-how exchange
- Mexico has significant shale resources endowment

Deepwater Infrastructure\(^1\)

Shale Potential\(^2\)

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1 Source: National Geographic
2 Source: CNH with information from North Dakota Department of Mineral Resources, Oklahoma Geological Survey, Texas Railroad Commission, Bureau of Ocean Energy Management, Oil & Gas Journal
PEMEX’s Results in CNH’s Rounds

- Investment and risk sharing have proven to be highly successful for PEMEX and its partners
- PEMEX has efficiently prioritized its profitability goals and has leveraged its deep knowledge and expertise in the Mexican hydrocarbons sector

<table>
<thead>
<tr>
<th>Areas</th>
<th>Perdido Area Block 3</th>
<th>Tampico Misantla Block 2</th>
<th>Southeastern Basins Block 8</th>
<th>Perdido Area Block 2</th>
<th>Perdido Area Block 5</th>
<th>Cordilleras Mexicanas Block 18</th>
<th>Cuenca Salina Block 22</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partner(s)</td>
<td>Chevron &amp; INPEX</td>
<td>Deutsche Erdoel AG</td>
<td>Ecopetrol</td>
<td>Shell</td>
<td>-</td>
<td>-</td>
<td>Chevron &amp; INPEX</td>
</tr>
<tr>
<td>Prospective Resources(^1)</td>
<td>485</td>
<td>681</td>
<td>413</td>
<td>76</td>
<td>252</td>
<td>412</td>
<td>101</td>
</tr>
<tr>
<td>Type of Hydrocarbon</td>
<td>Light crude oil</td>
<td>Light crude oil &amp; dry gas</td>
<td>Light crude oil</td>
<td>Light crude oil</td>
<td>Light crude oil</td>
<td>Wet &amp; dry gas</td>
<td>Heavy crude oil</td>
</tr>
<tr>
<td>Type of Field</td>
<td>Deep waters</td>
<td>Shallow waters</td>
<td>Shallow waters</td>
<td>Deep Waters</td>
<td>Deep Waters</td>
<td>Deep Waters</td>
<td>Deep Waters</td>
</tr>
<tr>
<td>Bidding Date</td>
<td>Dec 2016</td>
<td>Jun 2017</td>
<td></td>
<td>Dec 2016</td>
<td>Jan 2018</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

\(^1\) MMboe

Round 2.4 results
## PEMEX's Successful Performance in Round 3.1

<table>
<thead>
<tr>
<th>Areas</th>
<th>Tampico-Misantla-Veracruz</th>
<th>Tampico-Misantla-Veracruz</th>
<th>Tampico-Misantla-Veracruz</th>
<th>Southeastern Basins</th>
<th>Southeastern Basins</th>
<th>Southeastern Basins</th>
<th>Southeastern Basins</th>
</tr>
</thead>
<tbody>
<tr>
<td>Block 16</td>
<td>Block 17</td>
<td>Block 18</td>
<td>Block 29</td>
<td>Block 32</td>
<td>Block 33</td>
<td>Block 35</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Partner(s)</th>
<th>DEA &amp; CEP&lt;sup&gt;2&lt;/sup&gt;</th>
<th>DEA &amp; CEP</th>
<th>CEP</th>
<th>-</th>
<th>Total</th>
<th>Total</th>
<th>Shell</th>
</tr>
</thead>
</table>

| Prospective Resources<sup>1</sup> | 372 | 681 | 643 | 471 | 519 | 253 | 82 |

<table>
<thead>
<tr>
<th>Type of Hydrocarbon</th>
<th>Light crude oil</th>
<th>Light crude oil</th>
<th>Light crude oil</th>
<th>Light crude oil</th>
<th>Heavy crude oil and dry gas</th>
<th>Extra-light crude oil</th>
<th>Extra-heavy crude oil</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Type of Field</th>
<th>Shallow waters</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bidding Date</td>
<td>Mar 2018</td>
</tr>
</tbody>
</table>

1 MMboe
2 DEA: Deutsche Erdoel AG; CEP: Compañía Española de Petróleos
# Farm-outs at a Glance

<table>
<thead>
<tr>
<th>Areas</th>
<th>Trion</th>
<th>Cárdenas-Mora</th>
<th>Ogarrio</th>
<th>Nobilis-Maximino</th>
<th>Ayín-Batsil</th>
<th>7 clusters</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partner</td>
<td>BHP Billiton</td>
<td>Cheiron</td>
<td>Deutsche Erdoel AG</td>
<td>Will be part of a new bidding process</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3P Reserves (MMboe)</td>
<td>485</td>
<td>93</td>
<td>54</td>
<td>1,428(^1)</td>
<td>466(^1)</td>
<td>392</td>
</tr>
<tr>
<td>Production (Mbd)</td>
<td>N.A.</td>
<td>6.3</td>
<td>5.1</td>
<td>N.A.</td>
<td>N.A.</td>
<td>N.A.</td>
</tr>
<tr>
<td>Expected Investment (USD million)</td>
<td>11,000</td>
<td>1,076</td>
<td>450</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
</tr>
<tr>
<td>Type of Hydrocarbon</td>
<td>Light crude oil</td>
<td>Light crude oil</td>
<td>Light crude oil</td>
<td>Light crude oil</td>
<td>Heavy crude oil</td>
<td>Light crude oil</td>
</tr>
<tr>
<td>Type of Field</td>
<td>Deep waters</td>
<td>Onshore</td>
<td>Onshore</td>
<td>Deep waters</td>
<td>Shallow waters</td>
<td>Onshore</td>
</tr>
<tr>
<td>Bidding Date</td>
<td>Dec 2016</td>
<td>Oct 2017</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

\(^1\) Source: CNH. P10 prospective resources
## Migrations at a Glance

<table>
<thead>
<tr>
<th>Areas</th>
<th>Ek-Balam</th>
<th>Santuario &amp; El Golpe</th>
<th>Misión</th>
<th>Olmos</th>
<th>San Ramón-Blasillo</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Type of Project</strong></td>
<td>Migration without a partner</td>
<td>Production Sharing Contract</td>
<td>Production Sharing Contract</td>
<td>EPISC¹</td>
<td>EPISC¹</td>
</tr>
<tr>
<td><strong>Partner</strong></td>
<td>N.A.</td>
<td>Petrofac</td>
<td>Tecpetrol &amp; Grupo R</td>
<td>Lewis Energy</td>
<td>TBD</td>
</tr>
<tr>
<td><strong>3P Reserves (MMboe)</strong></td>
<td>500</td>
<td>126</td>
<td>345</td>
<td>0.6</td>
<td>26.7</td>
</tr>
<tr>
<td><strong>Production (Mbd)</strong></td>
<td>34.1</td>
<td>6.8</td>
<td>59.6 (MMcfd)</td>
<td>117 (MMcfd)</td>
<td>TBD</td>
</tr>
<tr>
<td><strong>Expected Investment (USD million)</strong></td>
<td>6,636</td>
<td>1,590</td>
<td>637</td>
<td>617</td>
<td>TBD</td>
</tr>
<tr>
<td><strong>Type of Hydrocarbon</strong></td>
<td>Heavy crude oil</td>
<td>Light oil &amp; gas associated</td>
<td>Non-associated gas &amp; condensates</td>
<td>Light crude oil &amp; dry gas</td>
<td>Light crude oil &amp; dry gas</td>
</tr>
<tr>
<td><strong>Type of Field</strong></td>
<td>Shallow waters</td>
<td>Onshore</td>
<td>Onshore</td>
<td>Onshore</td>
<td>Onshore</td>
</tr>
<tr>
<td><strong>Migration Date</strong></td>
<td>May 2017</td>
<td>Dec 2017</td>
<td>Mar 2018</td>
<td>Mar 2018</td>
<td>In process</td>
</tr>
</tbody>
</table>

* From Integrated Exploration and Production Contract (CIEP) to a new format of incentivized contract (EPISC)

¹ EPISC: Exploration and Production Integrated Services Contract (In Spanish: Contratos Integrales de Exploración y Producción)
PEMEX leads in CNH’s Rounds

- PEMEX was awarded 14 contracts in the nine Mexican rounds; 11 as part of a consortium, and 3 by itself
- PEMEX has made alliances with 7 international oil and gas companies from 7 countries

PEMEX obtained 20% of 70 blocks awarded
Midstream: Storage and Distribution Opportunities

- Further gasoline storage capacity and pipelines are required in Mexico. The U.S. has 27 times more infrastructure to supply fuel and 45 times more storage terminals than Mexico.

Gasoline Storage Days by Country¹

<table>
<thead>
<tr>
<th>Country</th>
<th>Days</th>
</tr>
</thead>
<tbody>
<tr>
<td>France</td>
<td>99</td>
</tr>
<tr>
<td>USA</td>
<td>90</td>
</tr>
<tr>
<td>China</td>
<td>90</td>
</tr>
<tr>
<td>Japan</td>
<td>70</td>
</tr>
<tr>
<td>South Africa</td>
<td>60</td>
</tr>
<tr>
<td>India</td>
<td>3</td>
</tr>
<tr>
<td>Mexico</td>
<td>2</td>
</tr>
</tbody>
</table>

1 Source: Strategy, PwC 2017
2 Source: Pipeline 101, Where Are Liquids Pipelines Located?
3 Source: EIA 2017

Pipelines in the United States² and in Mexico³

2016
Midstream & Downstream: Upcoming Developments

- The Mexican fuels market is moving towards an open, competitive and market-driven price structure; the entire country liberalized fuel prices on November 30, 2017

Open Season: Pemex Logistics is offering its non-used storage and distribution capacity to third-parties, which will yield additional revenues

Stage 1.2: Northern System Border
Under revision with CRE to be re-auctioned

Stage 2.1: Pacific System Topolobambo

It auctioned 20% of its capacity in Baja California and Sonora, and awarded it to Andeavor (Tesoro)

1 At fees 10% above the minimum required
2 Energy Regulatory Commission
Midstream & Downstream: Business Plan

• The midstream and downstream sectors have been affected by underinvestment, impacting petroleum products output

Pemex Industrial Transformation
- Partnerships in operation of auxiliary services and revamps of refineries
- Operational discipline and reliability
- Timely attention to risk factors
- Cost efficiency and gradual acknowledgment of opportunity costs in transportation prices
- Pipeline custody
- Illicit markets

Pemex Logistics
- Open Season
- Focus on profitable business lines

Impact of the Strategic Initiatives on the Financial Balance\(^1\) until 2025
(MXN billion in cash flow)

- Financial Balance 2025 (Equivalent to -96.3 in 2017)
- Partnerships
- Safe and reliable operations
- Acknowledgment and efficiency in transportation costs
- Stolen Product
- Result

1 The financial balance considers the result from subtracting total expenses (including financing costs) from total revenues.
Operating Income

- Operating income reflects asset impairments

Operating Income
MXN billion

- 727.6
- 615.5
- 424.4
- 104.7
(154.4)

Operating Income without Impairment
MXN billion

- 753.2
- 638.1
- 323.6
- 93.0
- 256.2
Stable Cash Flows

- In 2017, PEMEX’s cash flow generation’s operating capacity had a solid and stable performance, which led to a 72% growth in EBITDA.

**EBITDA**
MXN billion

**EBITDA/Total Sales**

1 EBITDA: Earnings Before Interest, Tax, Depreciation and Amortization
Access to Financial Markets

- **February 2017** – Issuance of EUR 4.25 billion in three tranches:
  - EUR 1.75 billion at 2.50% due in August 2021
  - EUR 1.25 billion at 3.75% due in February 2024
  - EUR 1.25 billion at 4.87% due in February 2028

- **July 2017** – liability management transaction:
  - Reopening of two reference bonds due in 10 and 30 years at 5.75% and 6.90%, respectively. 3x oversubscribed.
  - Repurchase of bonds totaling USD 1,739 million due in 2018 and 2019, to improve the amortization profile and increase the average debt maturity.

- **November 2017**:
  - Issuance of GBP 450 million at 3.75% due in 2025

- **February 2018** – USD 4 billion issuance with a liability management component:
  - Issuance of USD 2.5 billion at 5.35% due in 2028 and USD 1.5 billion at 6.35% due in 2048
  - Repurchase of bonds totaling USD 2.0 billion due in 2019 and 2020
  - Exchange of bonds due 2044 and 2046 for the new 30 year maturity bond totaling USD 1.8 billion

- **May 2018**:
  - Issuance of CHF 365 million at 1.75% due in 2023
Diversified Debt Structure

- PEMEX’s portfolio strategy has prioritized the development of new sources of financing to diversify its investor base and currencies.

Note: As of March 31, 2018. Sums may not total 100% due to rounding.
Credit Rating Agencies Recognize PEMEX’s Strategic Importance for Mexican Economy

2017 PEMEX annual rating revisions highlight:

- Stable finances
- Expectation of improved profitability
- Strong linkage to Mexican Government & fiscal relevance
- Key energy supplier

<table>
<thead>
<tr>
<th>Rating Agency</th>
<th>Last Revision</th>
<th>Global Scale</th>
<th>Outlook</th>
<th>National Scale</th>
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</thead>
<tbody>
<tr>
<td>Fitch</td>
<td>August 2017</td>
<td>BBB+</td>
<td>Stable</td>
<td>AAA(mex)</td>
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<tr>
<td>S&amp;P</td>
<td>August 2017</td>
<td>BBB+</td>
<td>Stable</td>
<td>mxAAC</td>
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<td>April 2018</td>
<td>Baa3</td>
<td>Stable</td>
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<tr>
<td>R&amp;I</td>
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<td>BBB+</td>
<td>Stable</td>
<td>N.A.</td>
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<tr>
<td>HR Ratings</td>
<td>September 2017</td>
<td>HR A- (G)</td>
<td>Stable</td>
<td>HR AAA</td>
</tr>
</tbody>
</table>

Markets Respond Positively to PEMEX’s Strategy

• PEMEX’s efforts and business strategy have yielded tangible results, as shown in the spread between PEMEX’s 10Y benchmark and U.S. Treasuries

Source: Bloomberg
Final Remarks

PEMEX’s 2017 highlights

- Reached annual crude oil production target for the second year in a row
- Budgetary financial balance goal met (MXN -94 billion)
- Decreased net indebtedness: MXN 72 billion
- Sound financial footing and ensured access to locked-in liquidity sources
- Hedge on crude oil prices to guarantee budget stability
- Renewed access to financial markets and active debt management
- 3P Reserves increased by 75%, as compared to 2016
- Successful implementation of farm-outs and associations
- Focus on profitability as the main driver
- Quick adaptation to the new competitive environment

PEMEX’s outstanding results in CNH’s Rounds:

- Growing portfolio of partners that facilitates the adoption of international best practices in the industry
- The company with the most-awarded contracts: 14; 9 in shallow waters and 5 in deep waters
- Partnerships with major oil & gas companies: Chevron, Shell, Total, INPEX, Deutsche Erdoel, Ecopetrol, and Compañía Española de Petróleos
- PEMEX is recognized as a valuable and reliable partner to execute investments in Mexico by international oil & gas companies
Annex: PEMEX’s Associations

Source: PEMEX

EEISC: Exploration and Production Integral Services Contract (In Spanish: Contratos Integrales de Exploración y Producción)