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 32 of the annexes to PEMEX’s Results Report as of March 31, 2018. 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 September 30, 2018, the exchange rate of MXN 18.8120 = 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.

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 includesretails, 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 of the Federation on November 1, 2014, the National Hydrocarbons Commission (CNH) will establish and will manage the National Hydrocarbons Information Center, comprised by a system to obtain, safeguard, manage, use, analyze, keep updated and publish information and statistics related, which includes estimations, valuation studies and certifications. 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;
• 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 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.
Content

1. PEMEX Snapshot
2. Upstream
3. Midstream & Downstream
4. Financial Performance
PEMEX: Integrated Oil & Gas Company

**Upstream**
- 8th Crude oil producer\(^1\)
- Total hydrocarbon production 2,584 Mboed\(^2\)
- 7,725 Operating wells\(^2\)
- 256 Operating platforms\(^3\)

**Downstream**
- 16th Refining company worldwide\(^1\)
- 6 refineries in Mexico with a refining capacity of 1,627 Mbd\(^2\)
- 1 refinery in JV with Shell in Deer Park, Texas (340 Mbd)
- Crude oil process: 648 Mbd\(^2\)
- 9 Gas Processing Complexes (5,912 MMcfd)
- 2 Petrochemical Complexes (1,734 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 revenues\(^3\)
- Exports MXN 508 billion
- Domestic sales MXN 877 billion
- Crude oil exports: 1,174 Mbd\(^3\)
- 10,439 PEMEX franchise service stations plus 1,192 which are supplied by PEMEX \(^2\)

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1. Source: Petroleum Intelligence Weekly, Top 50 Rankings of the World’s Oil Companies, November 2017
2. As of September 30, 2018
3. As of December 31, 2017
PEMEX’s Reserves

PEMEX holds the right to exploit approximately 90% of Mexico’s hydrocarbon proved reserves

**MMMboe (billion barrels of oil equivalent)**

<table>
<thead>
<tr>
<th>Basin</th>
<th>Reserves&lt;sup&gt;1&lt;/sup&gt;</th>
<th>Prospective Resources&lt;sup&gt;2&lt;/sup&gt;</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>

1. PEMEX’s Hydrocarbon Reserves as of January 1, 2018. Reserves have been validated by the CNH, Mexico’s National Hydrocarbons Commission
2. Prospective resources assigned to PEMEX in Round Zero
Achievements (2/2)

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

2. Migration of onshore fields Misión, Olmos & Ébano

3. Divestiture of stake in Petroquímica Mexicana de Vinilo

4. Non-used storage and distribution capacity to third-parties continues

5. Discovery of Manik and Mulach fields with ~180 MMboe of 3P reserves
Achievements (2/2)

1. 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 of onshore fields Santuario and El Golpe
   - First two onshore farm-outs: Ogarrio and Cárdenas-Mora

2. Discovery of the largest onshore reservoir in the last 15 years: Ixachi

3. Uninterrupted fuel supply despite hurricanes and earthquakes

4. Natural gas use increase from 91% to 96%

5. Implementation of a commercial strategy based on the most profitable markets
Key Highlights 3Q18

1. Production:
   - Total hydrocarbons 2,536 Mboed
   - Liquid Hydrocarbons 1,850 Mbd
   - Crude Oil 1,827 Mbd

2. Total sales increased by 33%, mainly due to the recovery of crude oil prices

3. Operating income totaled MXN 54 billion: an 83% increase

4. Net income of MXN 27 billion

5. Quarterly EBITDA amounted to MXN 161 billion, a 39% increase: the highest since 2015

6. Accumulated EBITDA of MXN 450 billion: a 22% increase
Content

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
- 2017’s production averaged 2,700 Mboed

1 Includes Ku-Maloob-Zaap and other assets
2 Includes non-capitalized maintenance
**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 to privates, are profitable for PEMEX after taxes
- Both PEMEX and the Federal Government will benefit from incremental farm-out production

**Crude Oil Production**

- Includes PEMEX’s production as established in the Business Plan published in November 2016, according to estimates sent to the Ministry of Finance on September 2017

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

- Exploitation strategies focused on shallow waters have allowed PEMEX to maintain very competitive production costs in upstream

### Production Costs
(USD / boe)

<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></td>
</tr>
<tr>
<td>2014</td>
<td>8.2</td>
<td>2.7</td>
</tr>
<tr>
<td>2015</td>
<td>6.7</td>
<td>2.3</td>
</tr>
<tr>
<td>2016</td>
<td>5.5</td>
<td>3.2</td>
</tr>
<tr>
<td>2017</td>
<td>7.7</td>
<td>10.9</td>
</tr>
</tbody>
</table>

### Production Cost Benchmarking 2017
(USD / boe)

- Nominal values
- Source: 20-F Form (2010-2017)

1. Nominal values Source: 20-F Form (2010-2017)
2. Source: Companies’ 20-F forms and Wood Mackenzie Exploration Service, Wood Mackenzie Consulting
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 Infrastructure¹

Shale Potential²

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
## Results in CNH’s Rounds

<table>
<thead>
<tr>
<th>Areas</th>
<th>Perdido Fold Belt 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>Operator / PEP Participation</td>
<td>Chevron / 33.3%</td>
<td>PEP / 50%</td>
<td>PEP / 50%</td>
<td>Shell / 50%</td>
<td>PEP / 100%</td>
<td>PEP / 100%</td>
<td>Chevron / 27.5%</td>
</tr>
<tr>
<td>Prospective Resources (MMboe)</td>
<td>2,798(^1)</td>
<td>681(^1)</td>
<td>413(^1)</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>Jan 2018</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

\(^1\) P10 Prospective resources, PEMEX Exploratory Opportunities Database, BDOE 2014
### Successful Performance in Round 3.1

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

<table>
<thead>
<tr>
<th>Partner(s)</th>
<th>DEA &amp; CEP³</th>
<th>DEA &amp; CEP</th>
<th>CEP</th>
<th>Total</th>
<th>Total</th>
<th>Shell</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>DEA / 40%</td>
<td>DEA / 40%</td>
<td>PEP / 80%</td>
<td>PEP / 100%</td>
<td>Total / 50%</td>
<td>Total / 50%</td>
</tr>
</tbody>
</table>

| Prospective Resources¹ (MMboe) | 372 | 279 | 643 | 0 | 519 | 253 | 82 |

<table>
<thead>
<tr>
<th>Type of Hydrocarbon</th>
<th>Light crude oil &amp; dry gas</th>
<th>Light crude oil</th>
<th>Light crude oil</th>
<th>Light crude oil</th>
<th>Heavy crude oil &amp; 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>
</table>

| Bidding Date | Mar 2018 |

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1 P10 Prospective resources, PEMEX Exploratory Opportunities Database, BDOE 2014
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>7 clusters</th>
<th>Nobilis-Maximino</th>
<th>Ayín-Batsil</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partner</td>
<td>BHP</td>
<td>Cheiron¹</td>
<td>Deutsche Erdoel</td>
<td>TBD</td>
<td>Will be part of a new bidding process</td>
<td></td>
</tr>
<tr>
<td>Operator / PEP Participation</td>
<td>BHP / 40%</td>
<td>Cheiron / 50%</td>
<td>DEA / 50%</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
</tr>
<tr>
<td>3P Reserves² (MMboe)</td>
<td>0</td>
<td>71</td>
<td>43</td>
<td>405</td>
<td>1,428³</td>
<td>466³</td>
</tr>
<tr>
<td>Production⁴</td>
<td>Oil (Mbd)</td>
<td>N.A.</td>
<td>5.6</td>
<td>7.0</td>
<td>45.9</td>
<td>N.A.</td>
</tr>
<tr>
<td></td>
<td>Gas (MMcfd)</td>
<td>18.5</td>
<td>25.5</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expected Investment (USD million)</td>
<td>7,424⁵</td>
<td>1,464⁶</td>
<td>568⁶</td>
<td>TBD</td>
<td>TBD</td>
<td></td>
</tr>
<tr>
<td>Type of Hydrocarbon</td>
<td>Light crude oil</td>
<td>Light and extra-light crude oil</td>
<td>Light crude oil &amp; wet gas</td>
<td>Various types</td>
<td>Light crude oil</td>
<td>Heavy crude oil</td>
</tr>
<tr>
<td>Type of Field</td>
<td>Deep waters</td>
<td>Onshore</td>
<td>Onshore</td>
<td>Onshore</td>
<td>Deep waters</td>
<td>Shallow waters</td>
</tr>
<tr>
<td>Bidding Date</td>
<td>Dec 2016</td>
<td>Sep 2017</td>
<td>Feb 2019</td>
<td>TBD</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

³ Source: CNH. P10 prospective resources

¹ Through new company Petrolera Cárdenas Mora, S. de R. L. de C.V.
² As of January 1, 2018
³ Average production in 2017
⁴ Source: Press Release December 5, 2016 (https://rondasmexico.gob.mx)
⁵ Source: Business case
## Migrations at a Glance

<table>
<thead>
<tr>
<th>Areas</th>
<th>Ek-Balam(^1)</th>
<th>Santuario &amp; El Golpe</th>
<th>Misión</th>
<th>Ébano</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Type of Project</strong></td>
<td>Production-sharing Contract</td>
<td>Production-sharing Contract</td>
<td>Production-sharing Contract</td>
<td>Production-sharing Contract</td>
</tr>
<tr>
<td><strong>Partner</strong></td>
<td>N.A.</td>
<td>Petrofac</td>
<td>Tecpetrol &amp; Grupo R(^2)</td>
<td>D&amp;S Petroleum &amp; DS Servicios Petroleros</td>
</tr>
<tr>
<td><strong>Operator / PEP Participation</strong></td>
<td>PEP / 100%</td>
<td>Petrofac / 64%</td>
<td>SMB / 51%</td>
<td>DS Servicios Petroleros / 45%</td>
</tr>
<tr>
<td><strong>3P Reserves(^4) (MMboe)</strong></td>
<td>486</td>
<td>84</td>
<td>73</td>
<td>59.2</td>
</tr>
<tr>
<td><strong>Production</strong>(^5)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Oil (Mbd)</td>
<td>32.2</td>
<td>5.9</td>
<td>---</td>
<td>7.6</td>
</tr>
<tr>
<td>Gas (MMcfd)</td>
<td>5.7</td>
<td>4.9</td>
<td>63.6</td>
<td>0.7</td>
</tr>
<tr>
<td><strong>Expected Investment (USD million)</strong></td>
<td>6,602(^6)</td>
<td>1,565(^7)</td>
<td>539(^7)</td>
<td>669(^7)</td>
</tr>
<tr>
<td><strong>Type of Hydrocarbon</strong></td>
<td>Heavy crude oil</td>
<td>Light crude oil &amp; associated gas</td>
<td>Non-associated gas &amp; condensates</td>
<td>Heavy crude oil &amp; associated gas</td>
</tr>
<tr>
<td><strong>Type of Field</strong></td>
<td>Shallow waters</td>
<td>Onshore</td>
<td>Onshore</td>
<td>Onshore</td>
</tr>
<tr>
<td><strong>Contract Signing Date</strong></td>
<td>May 2017</td>
<td>Dec 2017</td>
<td>Mar 2018</td>
<td>Aug 2018</td>
</tr>
</tbody>
</table>

1. Migration without a partner
2. Through Servicios Múltiples de Burgos, S.A. de C.V.
3. From Integrated Exploration and Production Contract (CIEP) to a new format of incentivized contract (EPISC: Exploration and Production Integrated Services Contract (In Spanish: Contratos Integrales de Exploración y Producción))
4. As of January 1, 2018
5. Average production in 2017
6. Source: Development Plan
7. Source: Business case
PEMEX leads in CNH’s Rounds

- Was awarded 14 contracts in the nine Mexican\(^1\) rounds; 11 as part of a consortium, and 3 by itself.

- Has made alliances with 7 international oil and gas companies from 7 countries.

<table>
<thead>
<tr>
<th>Company</th>
<th>Onshore</th>
<th>Shallow waters</th>
<th>Deep waters</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>PEMEX</td>
<td>9</td>
<td>5</td>
<td>0</td>
<td>14</td>
</tr>
<tr>
<td>JAGUAR</td>
<td>11</td>
<td>0</td>
<td>0</td>
<td>11</td>
</tr>
<tr>
<td>Shell</td>
<td>2</td>
<td>9</td>
<td>0</td>
<td>11</td>
</tr>
<tr>
<td>PETRONAS</td>
<td>1</td>
<td>8</td>
<td>0</td>
<td>9</td>
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<tr>
<td>TOTAL</td>
<td>4</td>
<td>3</td>
<td>0</td>
<td>7</td>
</tr>
<tr>
<td>REPSOL</td>
<td>3</td>
<td>3</td>
<td>0</td>
<td>6</td>
</tr>
<tr>
<td>Sun God</td>
<td>6</td>
<td>0</td>
<td>0</td>
<td>6</td>
</tr>
<tr>
<td>Eni</td>
<td>5</td>
<td>1</td>
<td>0</td>
<td>6</td>
</tr>
</tbody>
</table>

PEMEX obtained 20% of 70 blocks awarded.

\(^1\) CNH’s bidding rounds

Source: National Hydrocarbons Commission and PEMEX
1. PEMEX Snapshot
2. Upstream
3. Midstream & Downstream
4. Financial Performance
Business Plan

- The midstream and downstream strategies aim at increasing investment through the tools provided by the Energy Reform to positively impact 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

**Business Plan scenario**

**Infrastructure**

<table>
<thead>
<tr>
<th>Process Type</th>
<th>Capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td>6 Refineries in Mexico and one in the U.S.A.</td>
<td>1,967 Mbd&lt;sup&gt;2&lt;/sup&gt;</td>
</tr>
<tr>
<td>9 Gas Processing Centers</td>
<td>5,912 MMcfd&lt;sup&gt;3&lt;/sup&gt;</td>
</tr>
<tr>
<td>2 Petrochemical Complexes</td>
<td>1,734 Tpy&lt;sup&gt;4&lt;/sup&gt;</td>
</tr>
</tbody>
</table>

1 From Pemex Industrial Transformation
2 Capacity in Mexico totals 1,627 Mbd, Deer Park capacity is 340 Mbd
3 Million cubic feet per day
4 Tons per year
Domestic Sales Performance

- During 2017 gasolines and diesel revenues increased 32% and 53%, respectively.

### Domestic Sales Revenues

<table>
<thead>
<tr>
<th>Year</th>
<th>Gasolines</th>
<th>Diesel</th>
<th>Various</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>355</td>
<td>228</td>
<td>163</td>
</tr>
<tr>
<td>2016</td>
<td>336</td>
<td>197</td>
<td>137</td>
</tr>
<tr>
<td>2017</td>
<td>443</td>
<td>210</td>
<td>224</td>
</tr>
</tbody>
</table>

### Domestic Sales Distribution 2017

- Gasolines: 50%
- Diesel: 24%
- Other: 1%
- Pemex Petrochemicals: 3%
- Jet fuel: 6%
- Propylene refining: 1%
- Shrinkage, sulfur, hexane, solvent L: 4%
- Fuel oil: 8%
- LPG: 4%

1. Includes dry gas, fuel oil, LPG, jet fuel, petrochemical products and others
2. Includes propylene refining, asphalts, shrinkage, sulfur, hexane, solvent L and others
3. Includes Pemex Petrochemicals, Pemex Fertilizers, Pemex Ethylene and Pemex Fertinal
Optimize Supply and Maximize Uptake of Commercial Margins

Strategies

• Strengthening customer service culture and improving client support

• Developing a value offer by customer and product type

• Maximizing participation in substantial markets

• Relaunching of franchise model:
  ✓ New commercial schemes and new products
  ✓ Commercial loyalty programs for customers
  ✓ Training for franchise holders
  ✓ New additives to improve PEMEX gasolines
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 Country

<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>

Pipelines in the United States and in Mexico

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

- 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

It auctioned 20% of its capacity in Baja California and Sonora, and awarded it to Andeavor (Tesoro)\(^1\)

Assigned capacity
- Will be assigned during 2018

1 At fees 10% above the minimum required
2017 Financial Performance

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

**Net Indebtedness**

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Indebtedness (MXN billion)</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>
<tr>
<td>2018e</td>
<td>49.4</td>
</tr>
</tbody>
</table>

- Net indebtedness for 2017 was lower than budgetary financial deficit
- Financial balance improvement by MXN 30 billion
- The objective for 2018 is to **limit net indebtedness to budgetary financial deficit** (MXN 49.4 billion), in line with 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 prices of hydrocarbons
- Locked **liquidity sources**: ≈USD 8 billion\(^1\) in committed credit facilities
- Improved financial balance due to a more favorable economic environment for the O&G industry and implementation of operative and commercial strategies

---

\(^1\) USD 6.7 billion and MXN 23.5 billion. MXN / USD = 18.4
Operating Income

- Operating income reflects asset impairments under IFRS

### Operating Income

<table>
<thead>
<tr>
<th>Year</th>
<th>Operating Income (MXN billion)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>727.6</td>
</tr>
<tr>
<td>2014</td>
<td>615.5</td>
</tr>
<tr>
<td>2015</td>
<td>(154.4)</td>
</tr>
<tr>
<td>2016</td>
<td>424.4</td>
</tr>
<tr>
<td>2017</td>
<td>104.7</td>
</tr>
<tr>
<td>2018</td>
<td>281.3</td>
</tr>
</tbody>
</table>

### Operating Income without Impairment

<table>
<thead>
<tr>
<th>Year</th>
<th>Operating Income (MXN billion)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>753.2</td>
</tr>
<tr>
<td>2014</td>
<td>638.1</td>
</tr>
<tr>
<td>2015</td>
<td>323.6</td>
</tr>
<tr>
<td>2016</td>
<td>93.0</td>
</tr>
<tr>
<td>2017</td>
<td>256.2</td>
</tr>
<tr>
<td>2018</td>
<td>267.4</td>
</tr>
</tbody>
</table>

1. As of September 30, 2018
Stable Cash Flows

- In 2017 PEMEX’s cash flow generation recorded a solid and stable performance, resulting in a 56% growth in EBITDA

EBITDA
MXN billion

<table>
<thead>
<tr>
<th>Year</th>
<th>EBITDA</th>
<th>Mexican Crude Oil Mix Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>378</td>
<td>43.1</td>
</tr>
<tr>
<td>2016</td>
<td>297</td>
<td>35.6</td>
</tr>
<tr>
<td>2017</td>
<td>462</td>
<td>46.7</td>
</tr>
<tr>
<td>2018</td>
<td>450</td>
<td>61.8</td>
</tr>
</tbody>
</table>

EBITDA / Total Sales

<table>
<thead>
<tr>
<th>Year</th>
<th>EBITDA Margin</th>
<th>Mexican Crude Oil Mix Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>32%</td>
<td>43.1</td>
</tr>
<tr>
<td>2016</td>
<td>28%</td>
<td>35.6</td>
</tr>
<tr>
<td>2017</td>
<td>33%</td>
<td>46.7</td>
</tr>
<tr>
<td>2018</td>
<td>35%</td>
<td>61.8</td>
</tr>
</tbody>
</table>

1 EBITDA: Earnings Before Interest, Tax, Depreciation and Amortization
2 As of September 30, 2018
Access to Financial Markets

- **October 2018:**
  - Issuance of USD 2.0 billion, at 6.5% and due in January 2029

- **May 2018:**
  - Issuance of CHF 365 million at 1.75% due in 2023
  - Issuance of EUR 3.15 billion in four tranches and a liability management transaction:
    - EUR 600 million at 2.50% due in November 2022
    - EUR 650 million at 3-month EUR LIBOR + 2.40% due in August 2023
    - EUR 650 million at 3.625% due in November 2025
    - EUR 1,250 million at 4.75% due in February 2029
    - Repurchase of bonds totaling EUR 406.4 million due in 2019

- **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

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

- **July 2017 – liability management transaction:**
  - Reopening of two reference bonds due in 10 and 30 years at 5.75% and 6.90%, respectively. Three times 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

- **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
Diversified Debt Structure

- PEMEX’s portfolio strategy has prioritized the development of new sources of financing to diversify its investor base and currencies.
Credit Rating Agencies Recognize PEMEX’s Strategic Importance for Mexican Economy

- PEMEX’s 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>
</tr>
</thead>
<tbody>
<tr>
<td>Fitch</td>
<td>October 2018</td>
<td>BBB+</td>
<td>Negative</td>
<td>AAA(mex)</td>
</tr>
<tr>
<td>S&amp;P</td>
<td>August 2018</td>
<td>BBB+</td>
<td>Stable</td>
<td>mxAAA</td>
</tr>
<tr>
<td>Moody’s</td>
<td>April 2018</td>
<td>Baa3</td>
<td>Stable</td>
<td>Aa3.mx</td>
</tr>
<tr>
<td>R&amp;I</td>
<td>April 2018</td>
<td>BBB+</td>
<td>Stable</td>
<td>N.A.</td>
</tr>
<tr>
<td>HR Ratings</td>
<td>October 2018</td>
<td>HR A- (G)</td>
<td>Negative</td>
<td>HR AAA</td>
</tr>
</tbody>
</table>

Final Remarks

- Budgetary financial balance goal was met (MXN -94 billion) in 2017, and for 2018 it is expected to be improved by MXN 30 billion (MXN -49.4 billion)
- Decreased net indebtedness
- Strengthened EBITDA
- 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
- 3P Reserves increased by 75% in 2017, as compared to 2016
- Discoveries of Manik and Mulach
- Successful implementation of farm-outs and associations
- Focus on profitability as the main driver
- Quick adaptation to the new competitive environment
- Digital Modernization Plan
- Compliance and risk-management plans

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 invest in Mexico by international oil & gas companies
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