



Preliminary Results at December 31, 2020

February 26, 2021

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 December 31, 2020, the exchange rate of MXN 19.9487 = 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 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 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 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 (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.

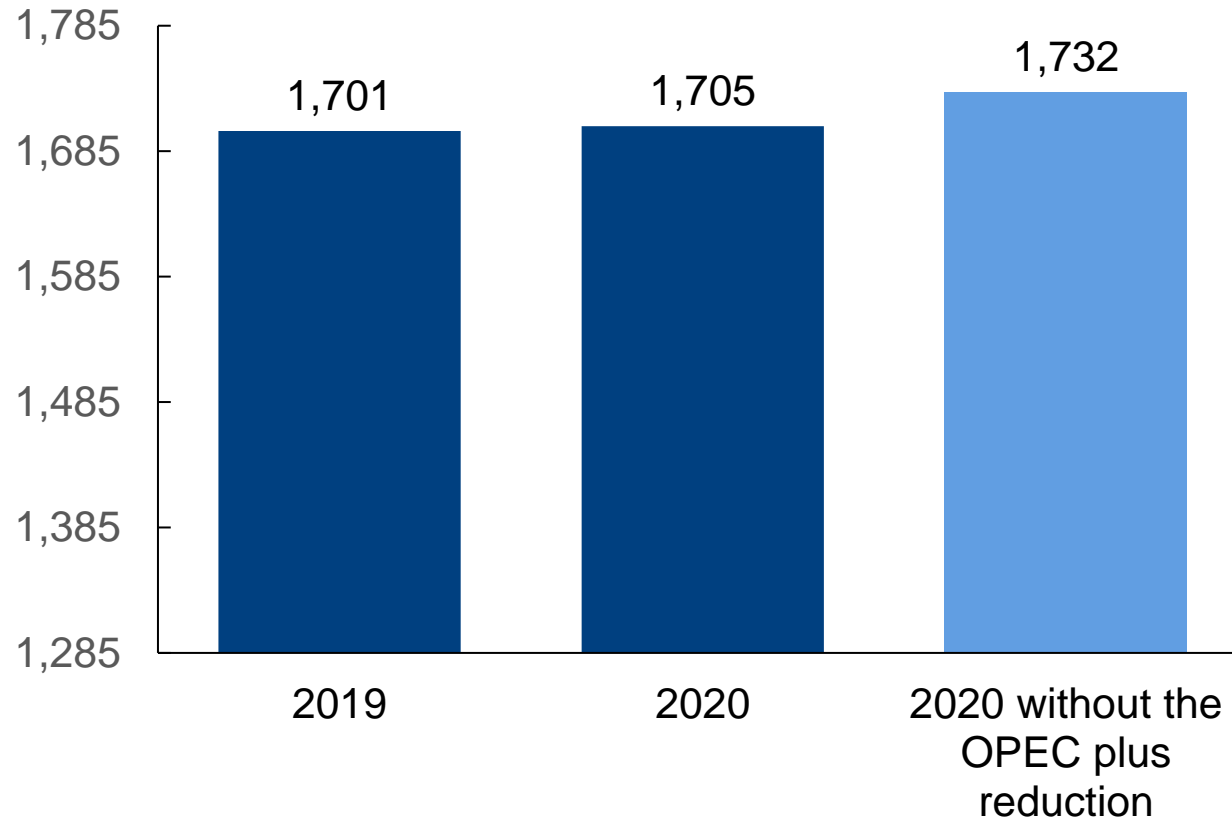
Accordingly, you should not place undue reliance on these forward-looking statements. In any event, these statements speak only as of their dates, and we undertake no obligation to update or revise any of them, whether as a result of new information, future events or otherwise. These risks and uncertainties 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.

Key Highlights



Total Oil Production

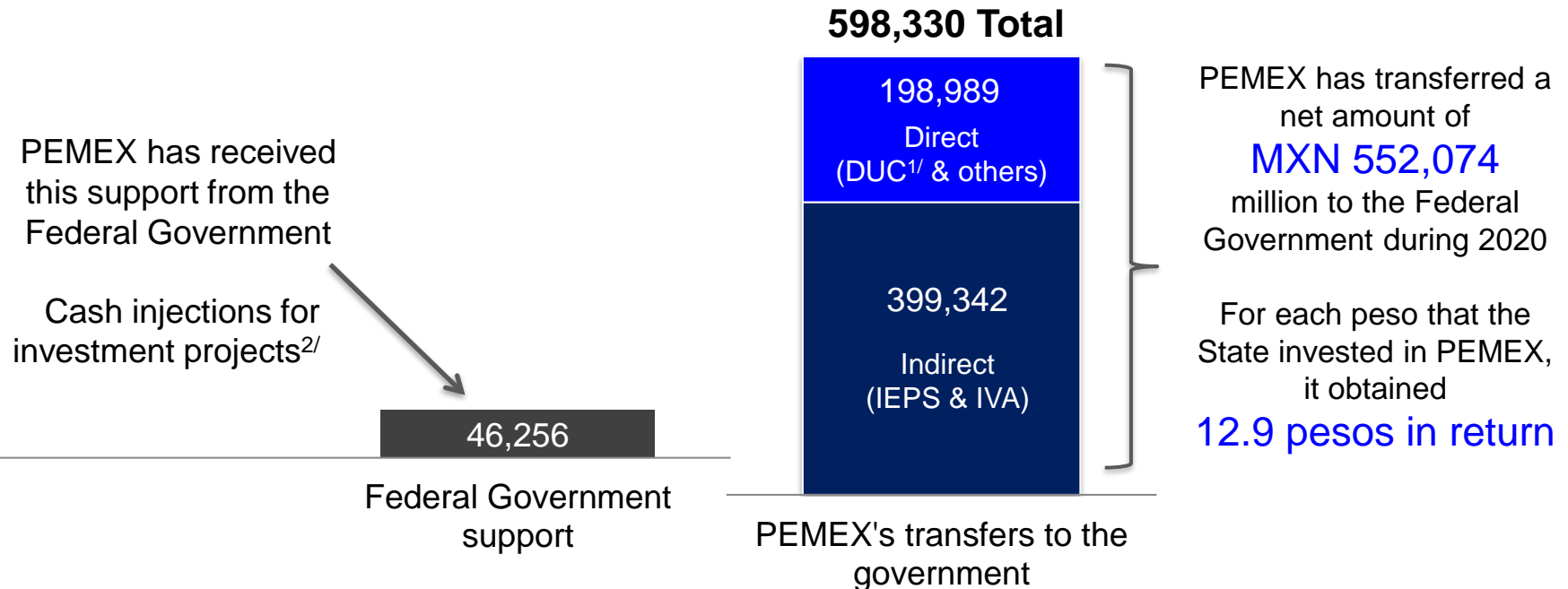
Thousand barrels per day



Transfers from PEMEX to SHCP and support received, January-December 2020

MXN million

Despite the adverse environment, PEMEX has complied with the timely payment of its contributions to the public treasury.



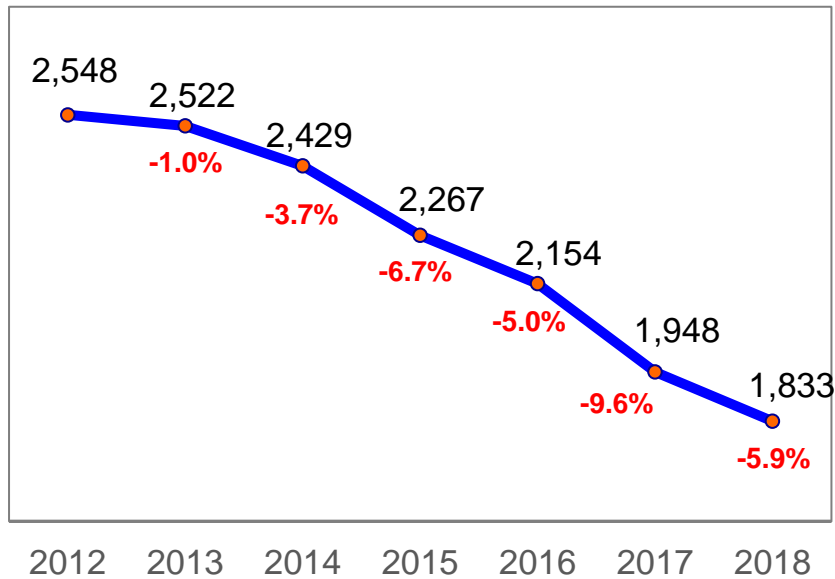
1. Corresponds to the net payment of the Profit-Sharing Duty (DUC), net of tax benefits accrued as of November.

2. Includes 41,257 mdp for the refinery construction and 4,999 mdp for petroleum exploration and production investment.

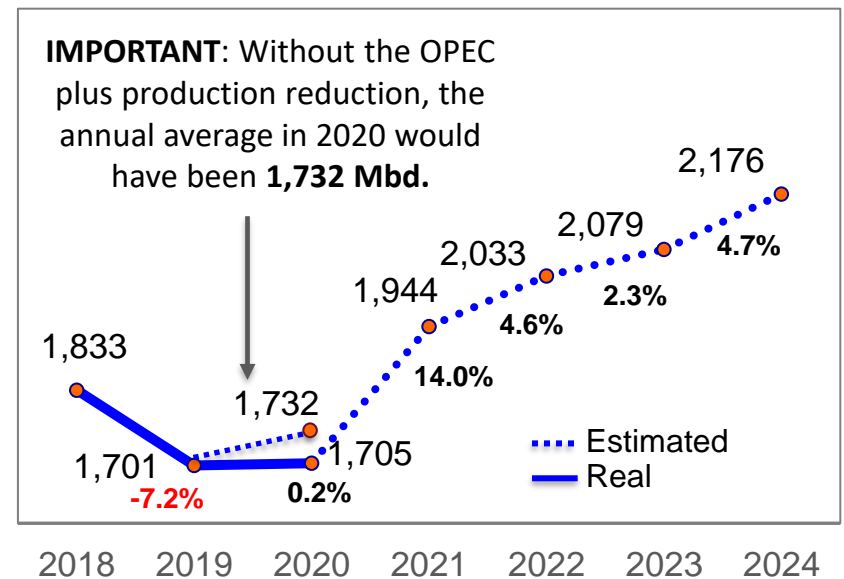
Total Oil Production

Thousand barrels per day

2012-2018

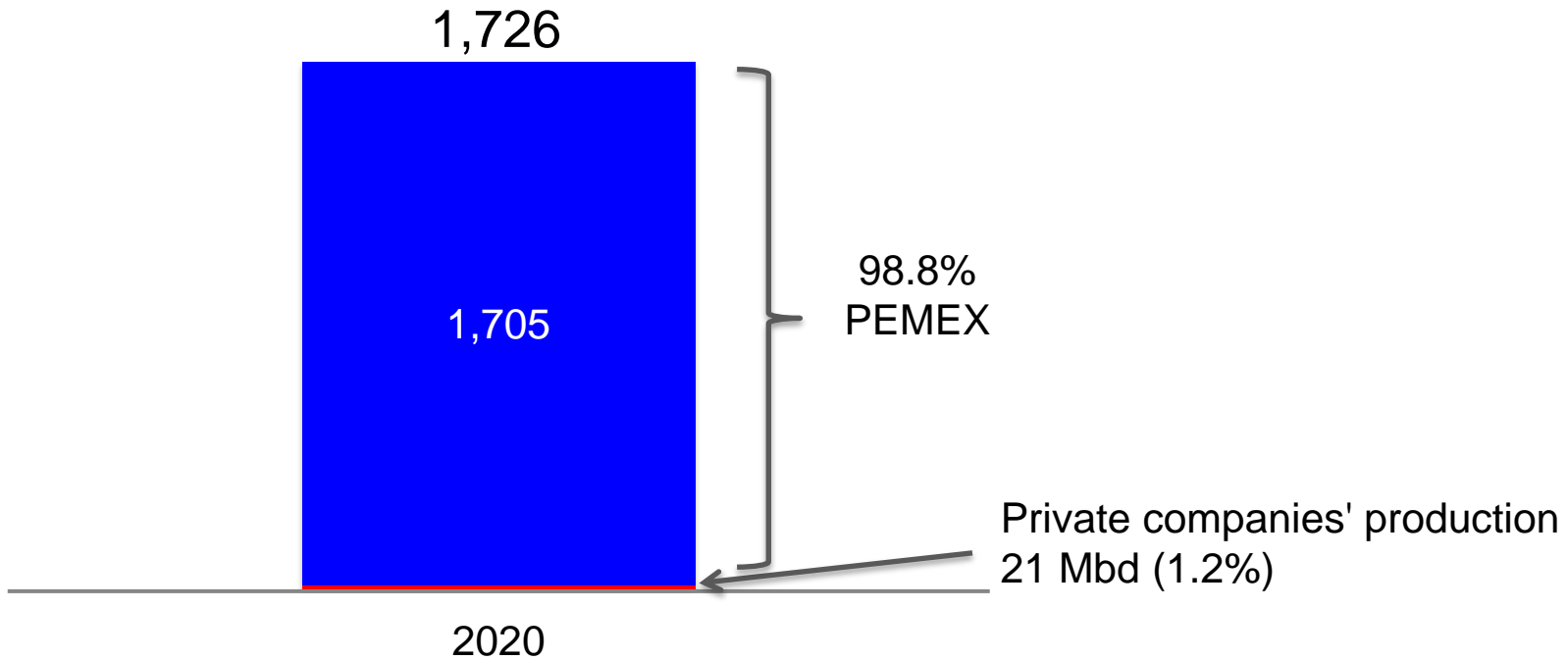


2018-2024



Mexico's Total Oil Production

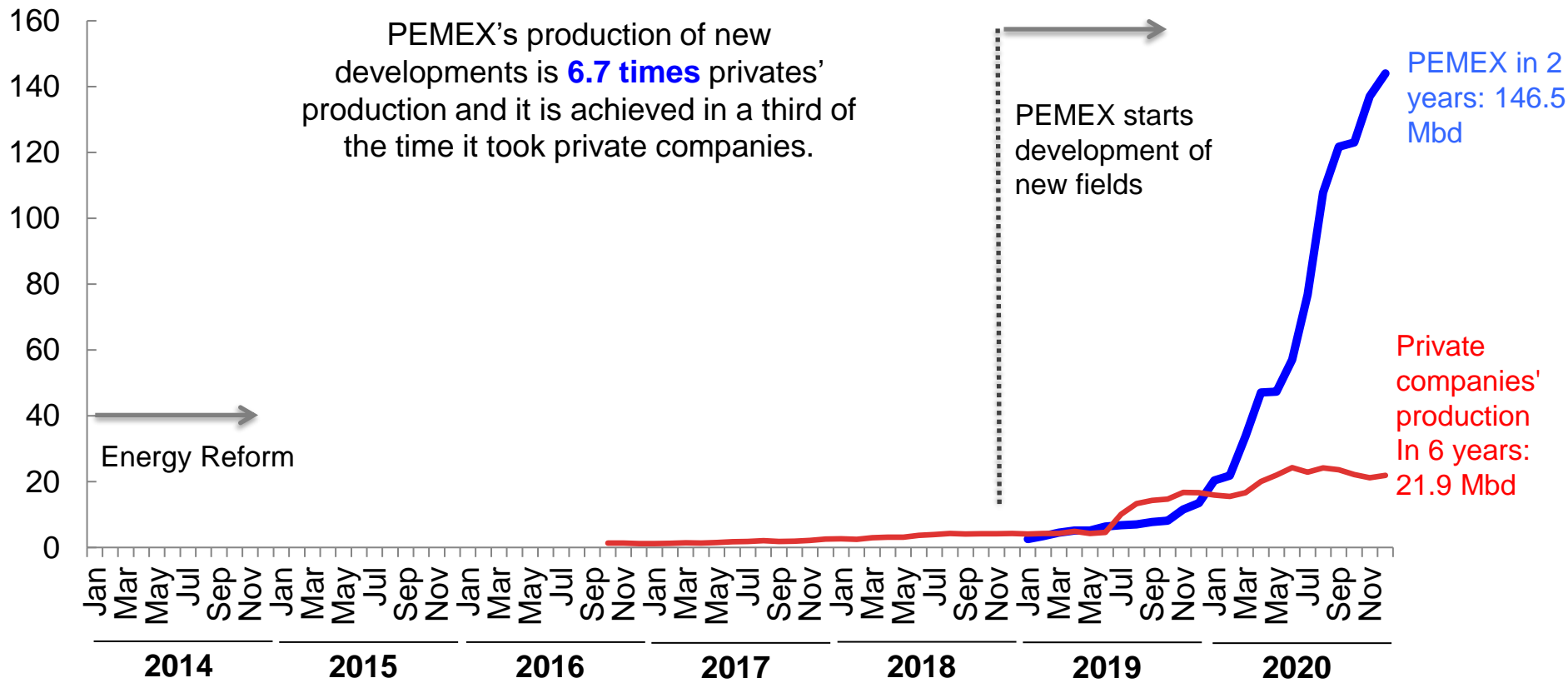
Thousand barrels per day (Mbd)



Note: For PEMEX and partners as of September 2020: PEMEX (1,686 Mbd) + Partners (19 Mbd). For private companies, it corresponds to the January-July average, which is the latest figure published by CNH.

Contribution of PEMEX's New Developments

Thousand barrels per day

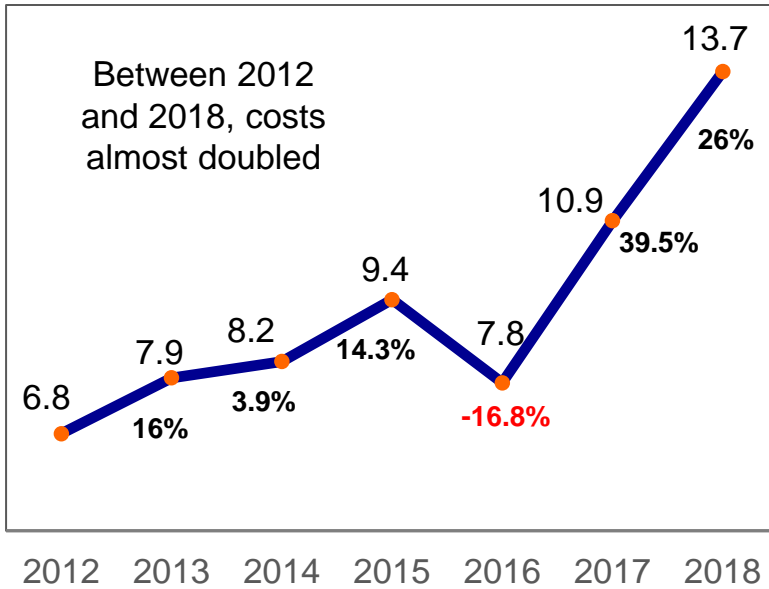


Source: PEMEX production data is provided by Pemex Exploration y Production. Private figures correspond to data published by the National Hydrocarbons Commission, contract production www.cnh.gob.mx.

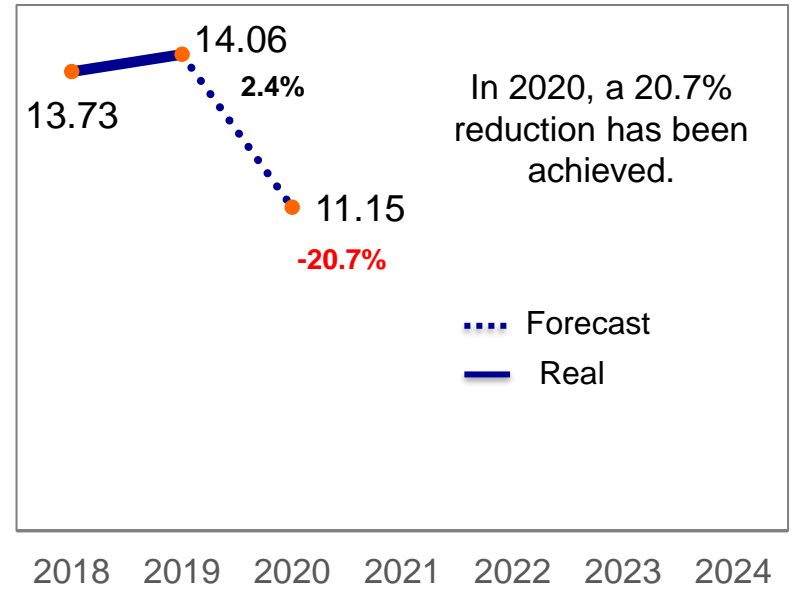
Lifting Cost

USD per barrel

2012-2018

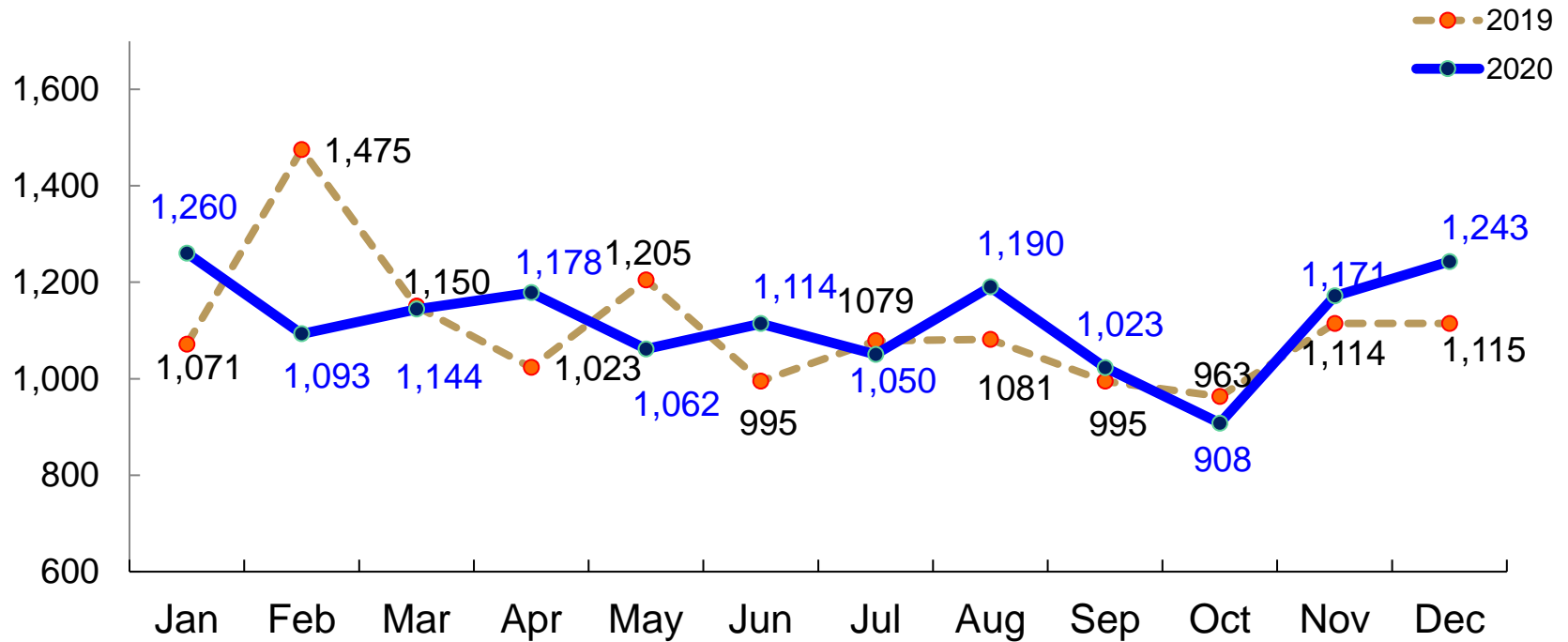


2018-2024



PEMEX Total Crude Oil Exports

Thousand barrels per day



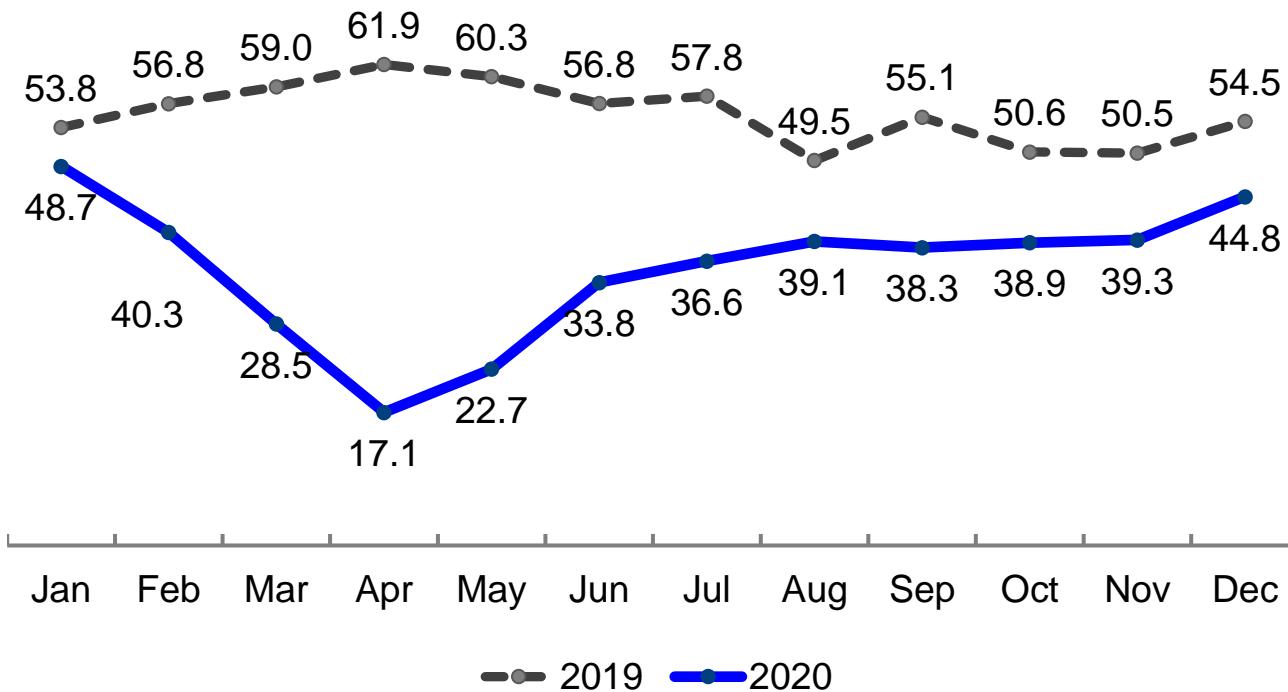
Annual Average

2019: 1,103 mbd

2020: 1,120 mbd

Mexican Crude Oil Mix Export Price

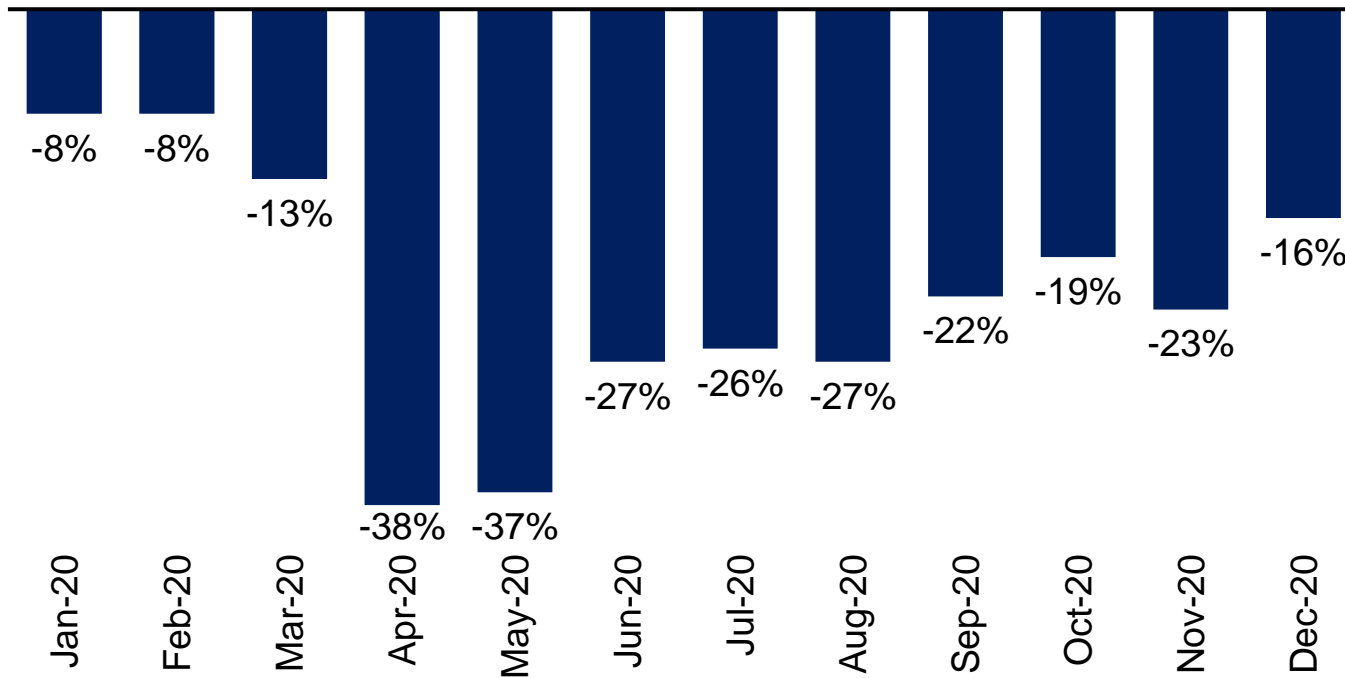
USD/b



- In 2020 the average price of the Mexican export mix recorded **USD 35.82** per barrel. This is 36% below the average of 2019.

Gasoline and Diesel Domestic Sales, 2020-2021

Annual percentage change



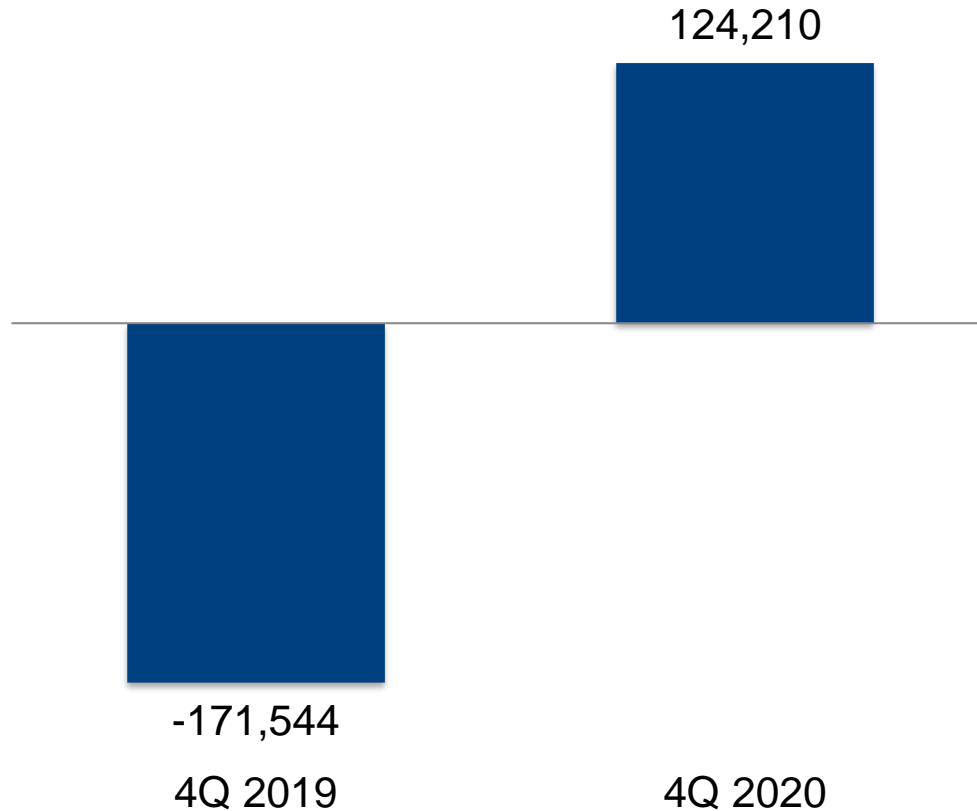
Gasoline and diesel domestic sales are still below pre-pandemic levels.

Financial variables



Net Profit (Loss)

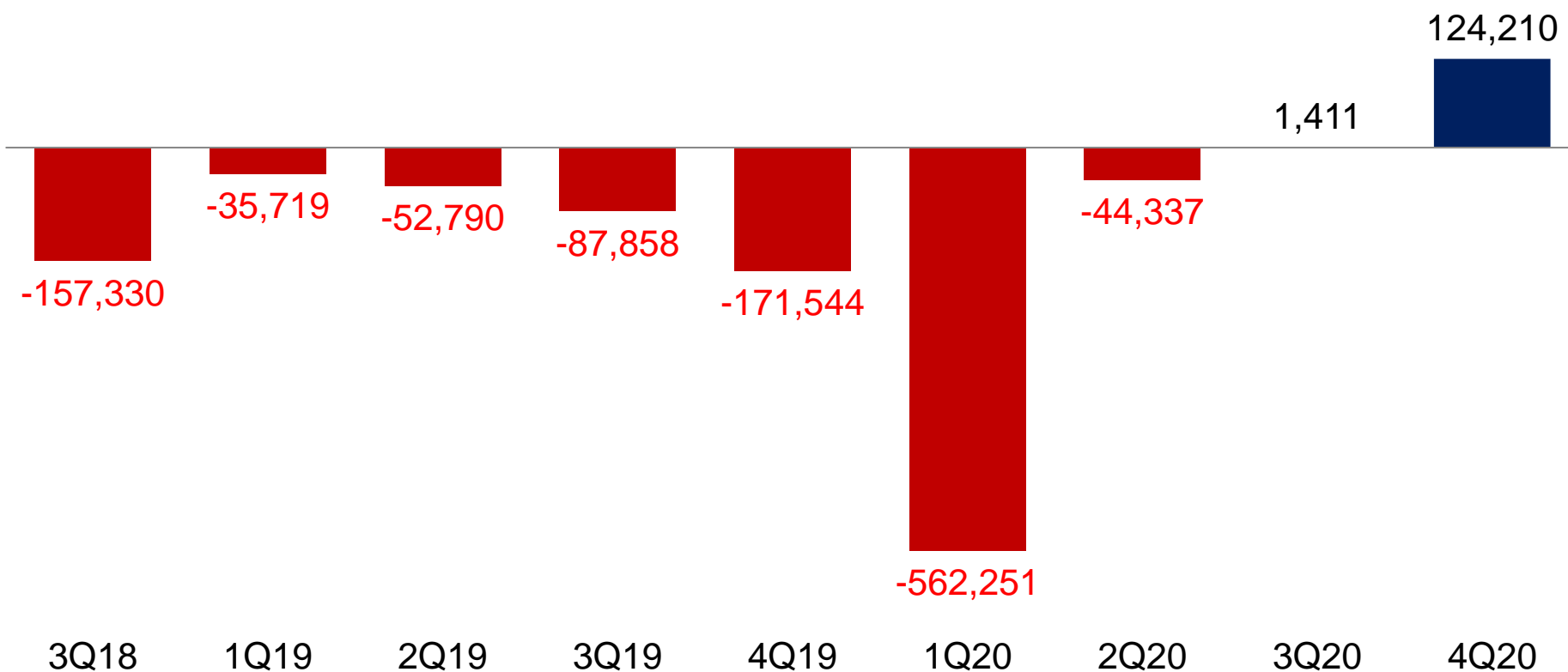
MXN million



- For the fourth quarter of 2020, PEMEX improved its results, as compared to 4Q19 and also compared to the first three quarters of the year.
- A MXN 124,210 million net income was recorded.

Quarterly Net Income/Loss 2018-2020

MXN millions



4Q20 Financial Highlights

MXN million

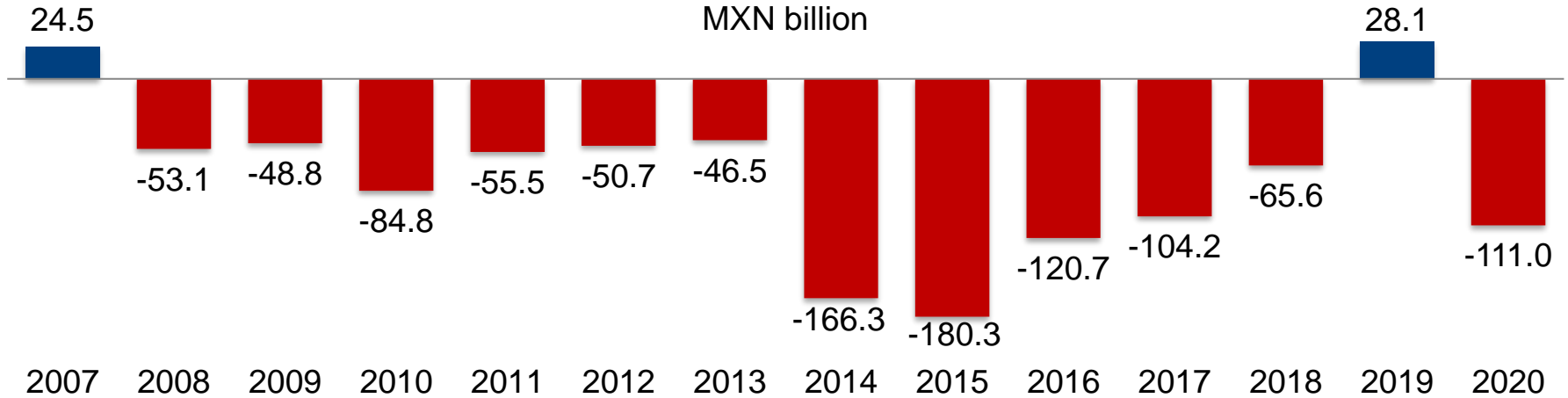
		4Q19	3Q20	4Q20
1	Sales	318,584	239,031	248,896
2	Cost of sales	320,389	189,045	246,022
3	Impairment (reverse)	104,731	(8,186)	26,854
4	Gross Income (loss)	(106,536)	58,172	(23,980)
5	Transportation and distribution expenses	37,416	36,188	38,988
6	Operating income (loss)	(145,019)	24,509	(59,625)
7	Financial cost, income due to financial derivatives	20,416	16,062	9,217
8	Foreign exchange profit	69,624	36,194	254,361
9	Taxes, duties and others	74,615	41,826	59,838
10	Net income (loss)	(171,544)	1,411	124,210

Financial balance 2007-2020¹ & Mexican crude oil mix price

Real 2020 MXN billion

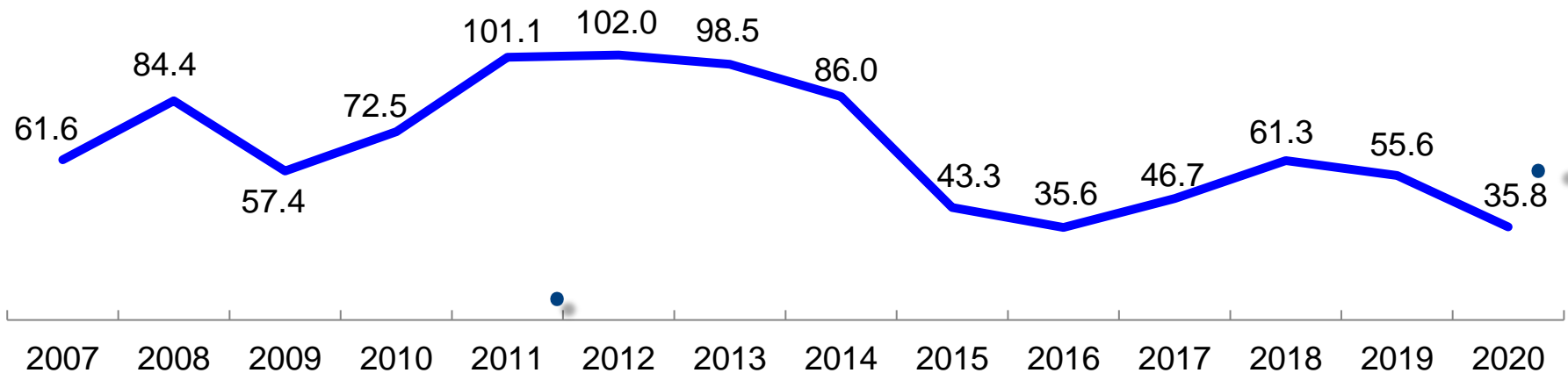
Financial balance 2007-2020

MXN billion



Mexican crude oil mix price

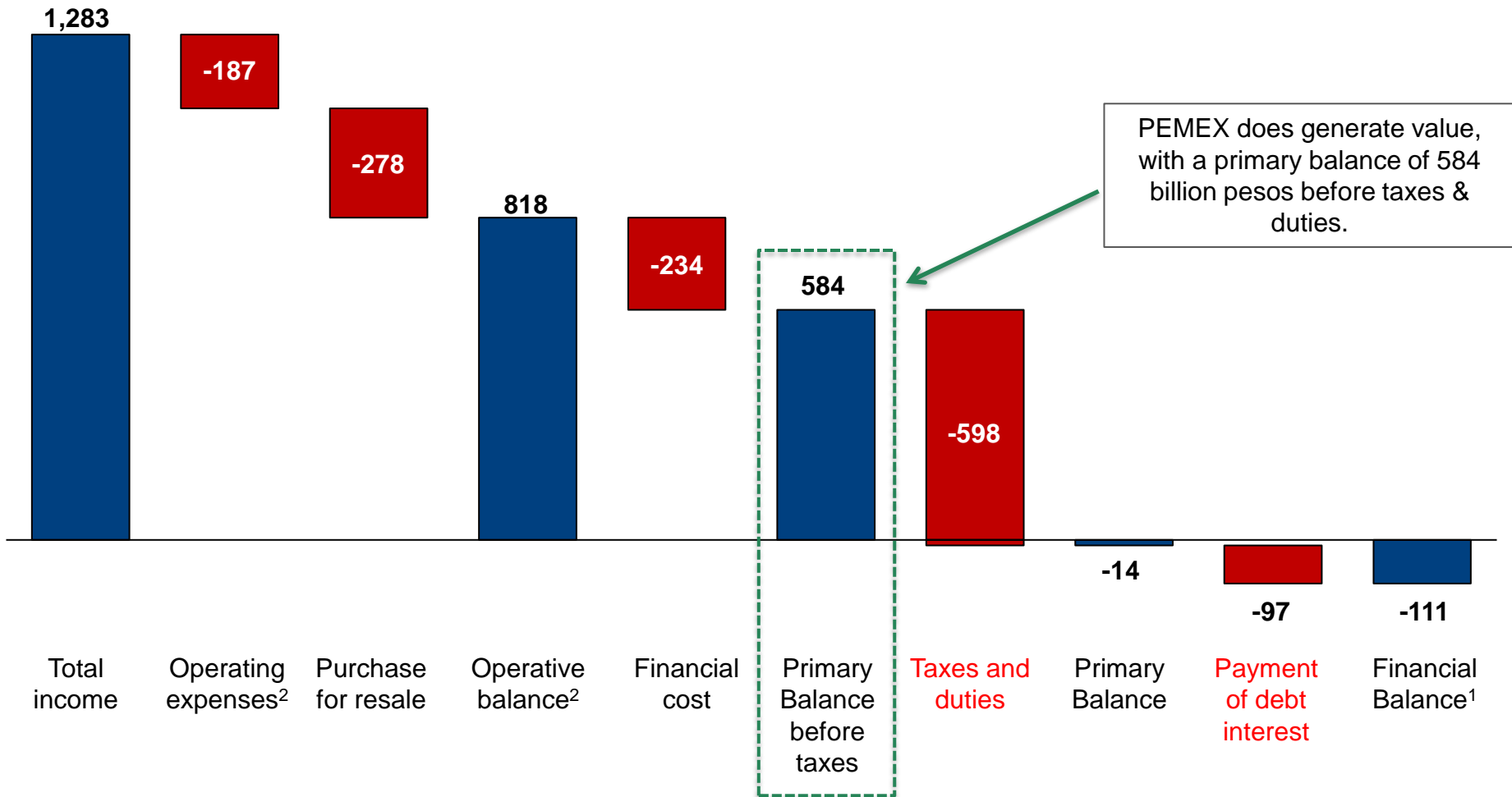
USD / barrel



1. 2020 preliminary figures.

Budgetary financial balance 2020¹

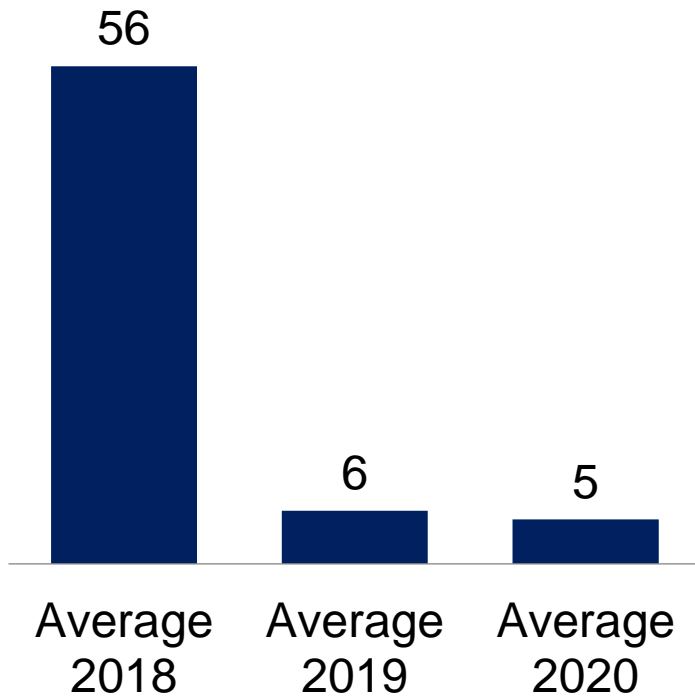
MXN billion



1. Preliminary figures.
 2. Includes net foreign operations.

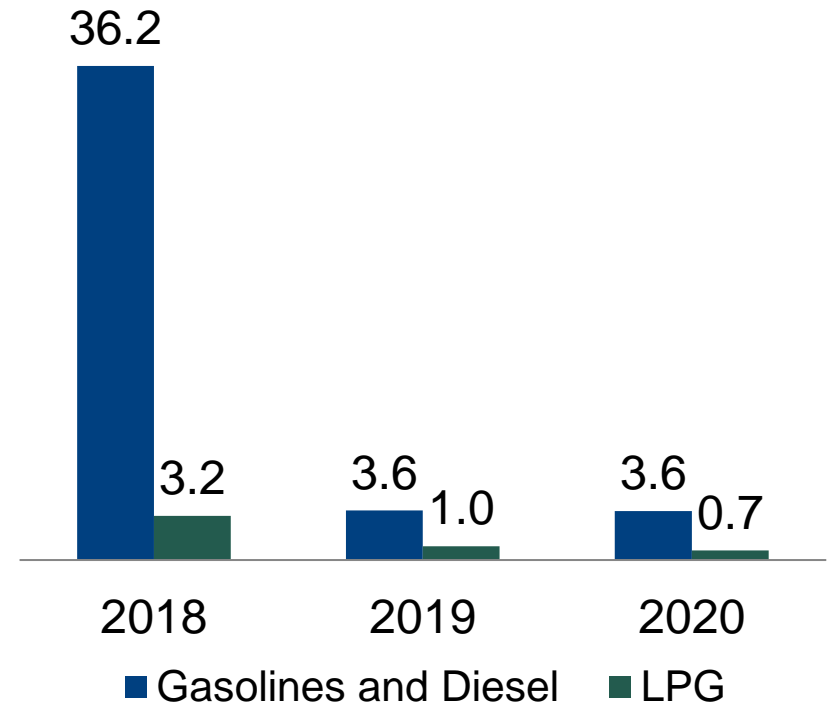
Fuel Theft, 2018-2020

Fuel subtracted
Thousand barrels per day



Fuel theft has decreased by **91%** as compared to the average in 2018

Losses due to Fuel Subtraction
MXN billion

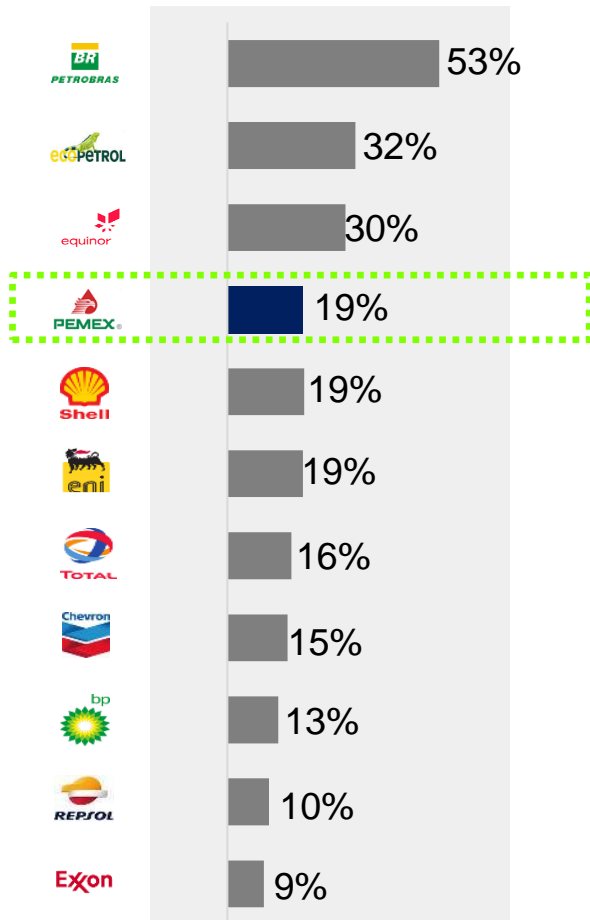


Estimated savings for PEMEX in two years amount to **MXN 69.9 billion²**

1. Prices at storage facilities, does not include taxes (IEPS and IVA)
2. As compared to 2018

PEMEX: a company that creates value

EBITDA Margin,₁ (EBITDA/Sales)¹

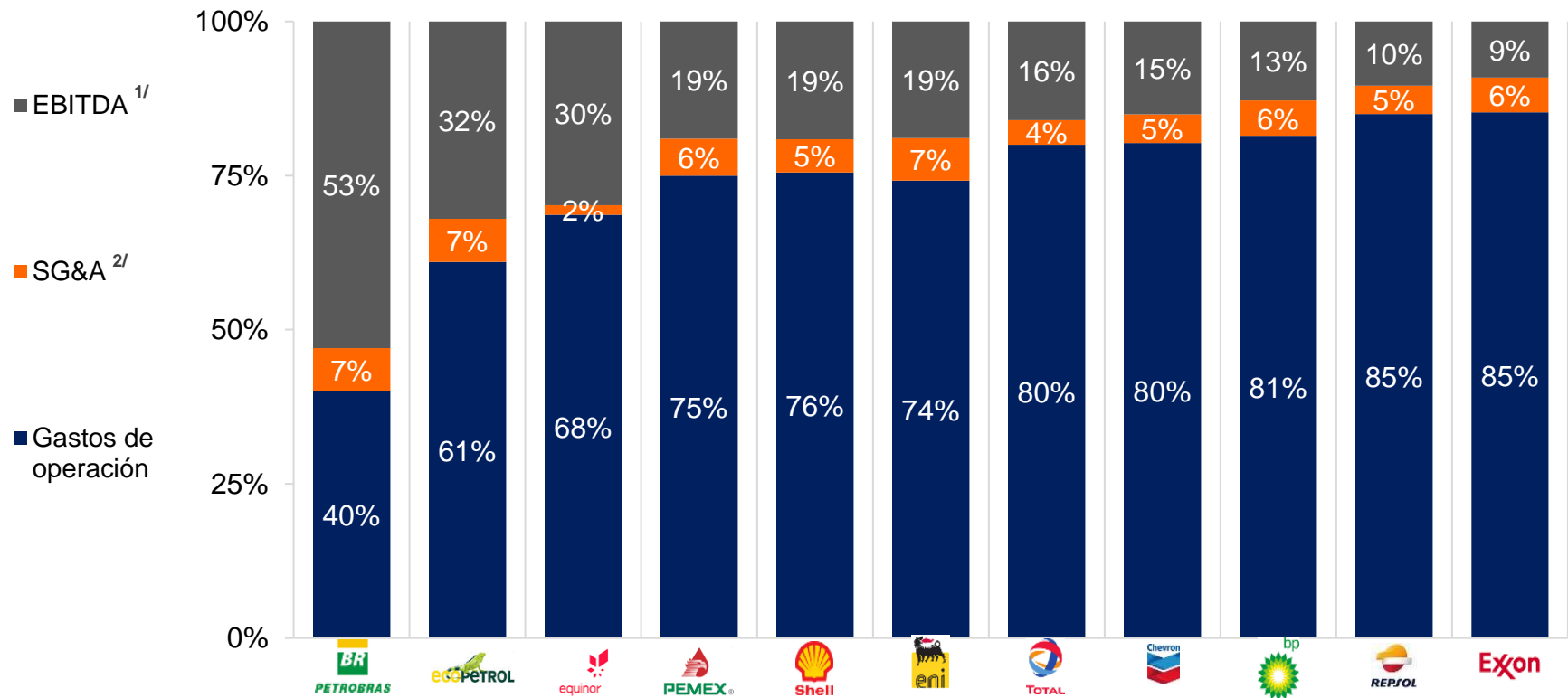


- In 2020, the company upheld its ability to **generate cash flow through its operation** despite the adverse economic environment caused by the pandemic.
- PEMEX maintained its **competitive position** by reporting a 19% EBITDA margin, similar to the average observed by the industry of 22%.
- This result placed it among the top five, even above private companies, which confirms its commitment to **generate value**.

1. Does not include variables that do not generate cash flow. EBITDA for its acronym in English (earnings before interest, taxes, depreciation, and amortization)
Source: Bloomberg and PEMEX Financial Statements under IFRS 2020.

EBITDA and operating expenses peer comparison

PEMEX's efficiency: Operational costs below the average of O&G peers

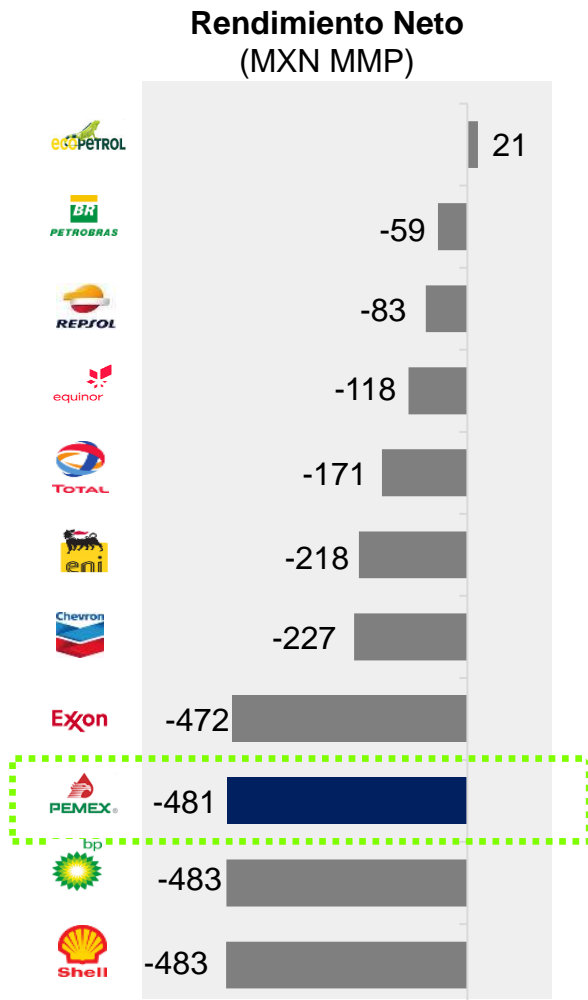


1. PEMEX's EBITDA: Earnings before interest, taxes, depreciation and amortization, impairment, undeveloped wells and net periodic cost of employee benefits net of pension and medical payments

2. Cost of sales, general and administrative expenses

Source: Bloomberg preliminary information and PEMEX financial statements (Equinor and Repsol reports observed information)

O&G industry net income



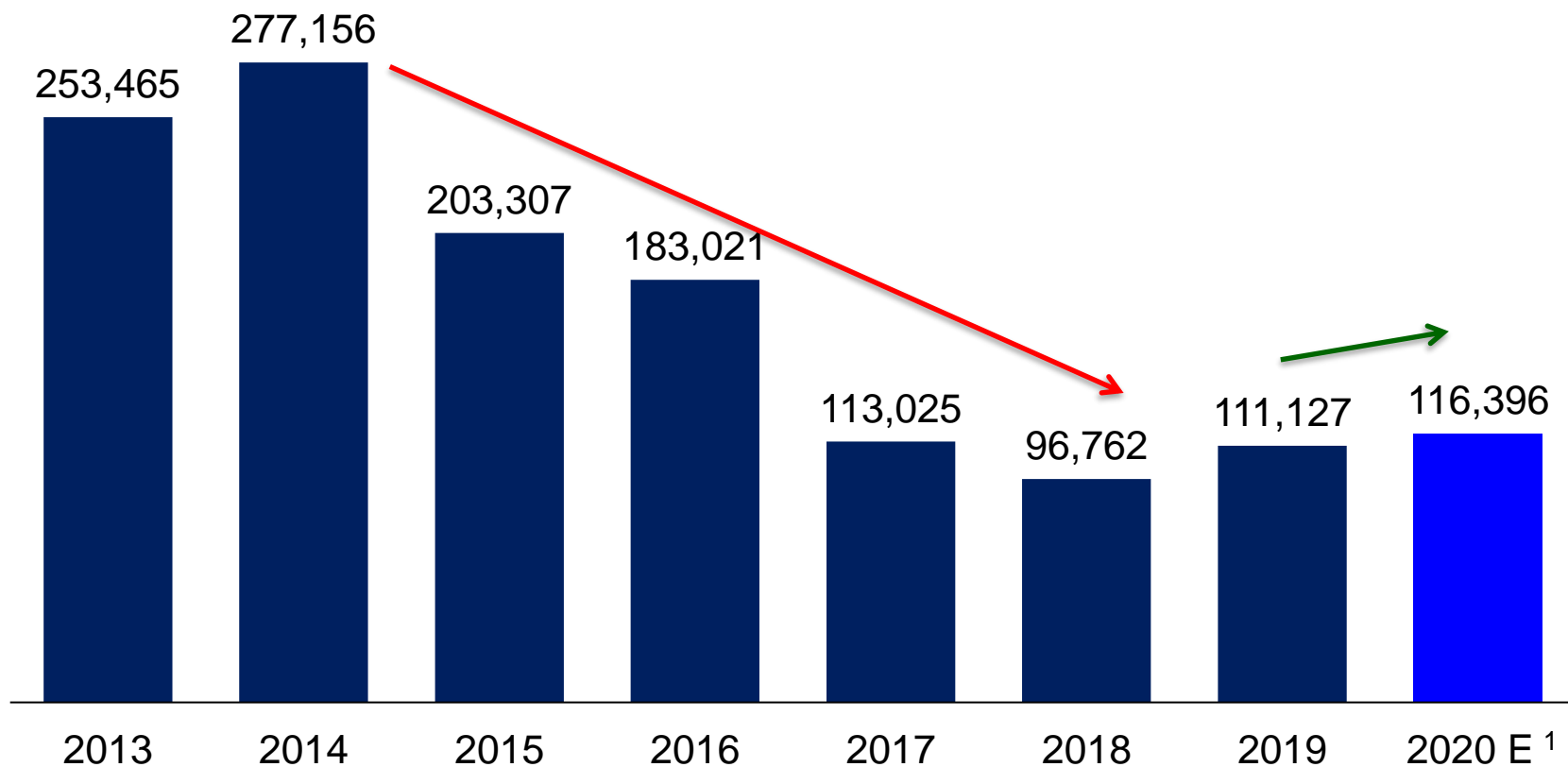
- The oil and gas industry was the most impacted on its results by the effects of the containment of economic activity to counteract the effects of the COVID pandemic.
- The negative impact on results also reflects the asset impairment recognition, recorded in most of the companies due to the uncertainty of future cash flows' generation.
- The effects of the depreciation of the Mexican peso against the U.S. dollar and the tax burden represented 33% of PEMEX's revenues, causing an adverse effect on the 19% EBITDA margin.

Other Relevant Indicators



CAPEX evolution, 2013-2020

MXN million



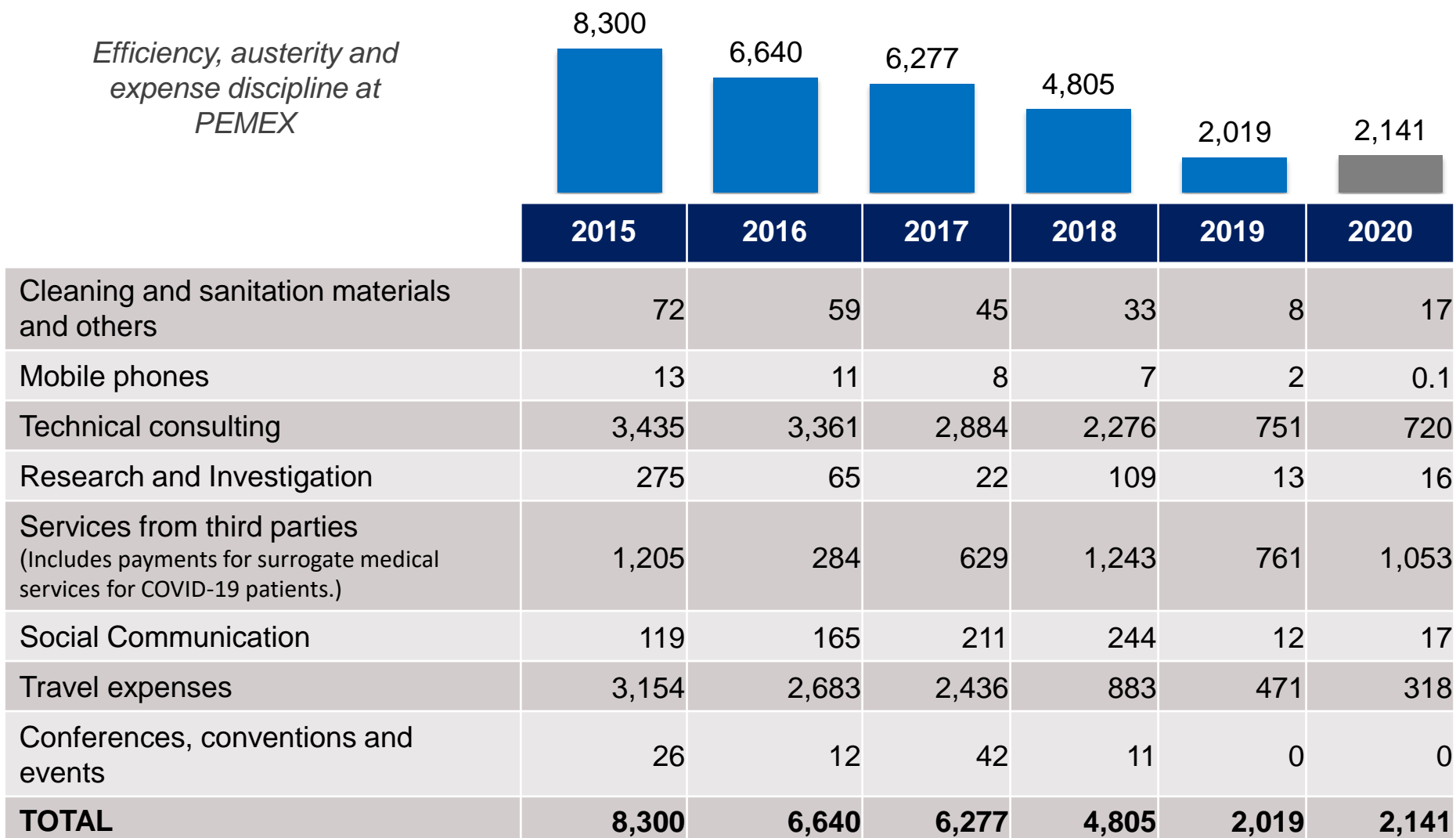
Source: PEMEX 20-F

1. Estimated year-end figures.

Results of Austerity and Expense Discipline 2015-2020

MXN million

*Efficiency, austerity and
expense discipline at
PEMEX*



Federal Government Support 2021

On February 19, 2021, a Decree by which the Mexican Government grants a **MXN 73,280 million** tax benefit applicable to the Profit-Sharing Duty (DUC) was published in the Official Gazette of the Federation for its application during the fiscal year 2021.

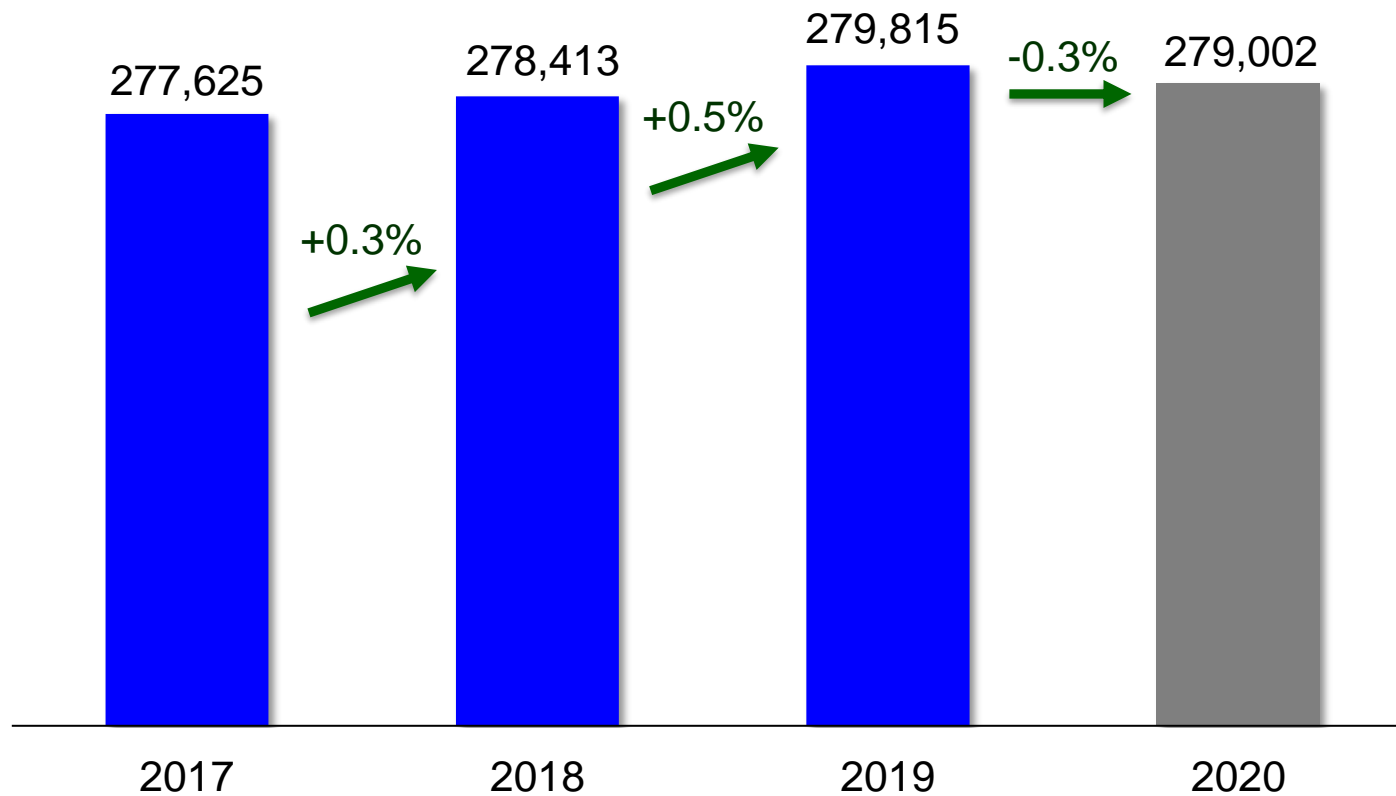
As stated by the Federal Government, Petroleos Mexicanos will be granted equity contributions aligned to its maturity profile during 2021.

- This benefit **is in addition to the four-point reduction in the DUC rate** for 2021. Under the modifications to the Hydrocarbon Revenue Law approved by Congress in 2019, the rate went from **65% effective in 2019 to 58% in 2020 and 54% in 2021.**
- On February 24, a **first MXN 32,062 million transfer was received.**

These measures are just a sample of the Federal Government's commitment to strengthen the financial position of the company.

Payments to suppliers and contractors 2017-2020

MXN million



Acknowledgement of liabilities and accounting provisions

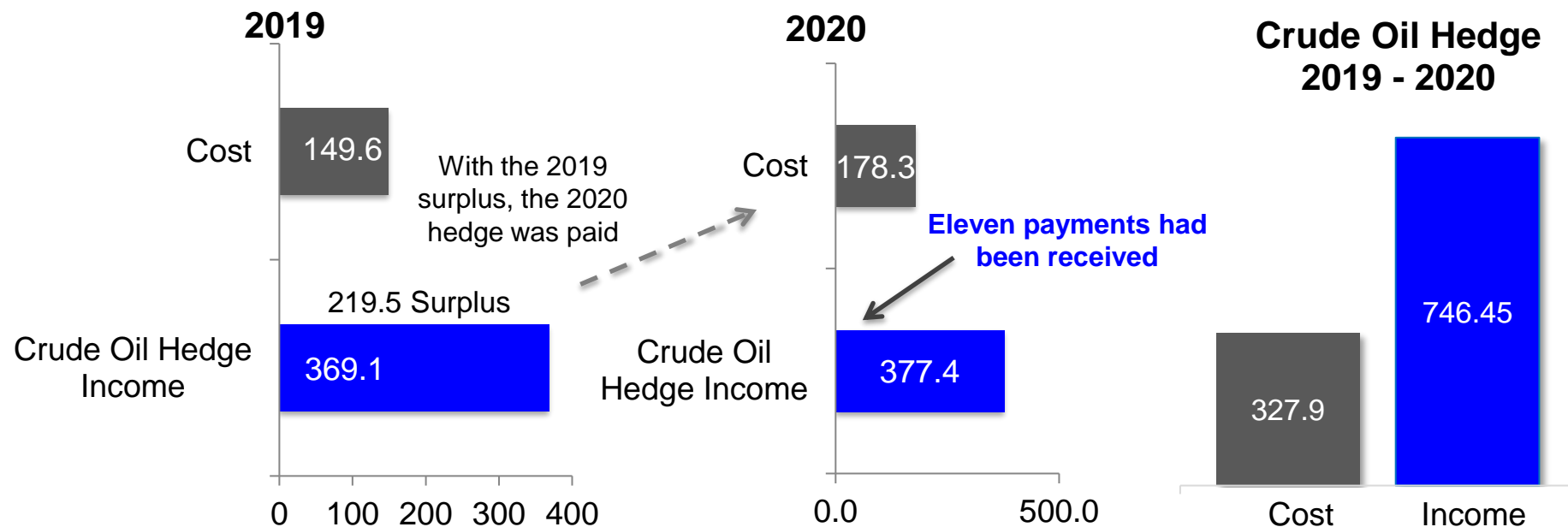
It is worth noting that according to the International Financial Information Standards (IFRS):

- A **liability** must be acknowledged every time there is a legal or contractual obligation.
- A **provision** must be recorded when resource output is likely, and it is possible to make a reliable estimate about it. Environmental and legal provisions are recorded under this criteria.

Therefore, liabilities regarding suppliers are recorded according to the goods and services received by PEMEX under the applicable regulations, since these liabilities derive from a contractual obligation.

Cost & Income of PEMEX's Crude Oil Hedge

USD million



Hedging strategy for **2021 is in implementation process**. To date, a part of the **1H21 exposed volume is hedged**, and we are **implementing the second phase of the 2021 hedging program**, related to the exposure of the 2H21.



Public Debt and Financing Strategy

SHCP's Promissory Notes Monetization

In the last quarter of the year, and in coordination with the Ministry of Finance (SHCP), PEMEX implemented a financing strategy that do not constitute public debt **to bolster company's liquidity:**

- PEMEX and SHCP agreed on the exchange of 16 promissory notes in favor of PEMEX (notes 5 to 20) for 18 series of Mexican government local bonds issued by the United Mexican States.
- PEMEX executed a monetization of the New Securities through a transaction with a financial institution using the New Securities as underlying asset.
- The proceeds received for this transaction were used to pay revolving credit lines.

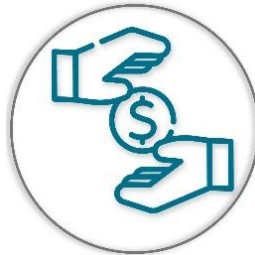
With this finance structure, PEMEX received **MXN 95.6 billion**

Payment to small and medium-sized suppliers and contractors

- In order to continue supporting its suppliers and contractors, Petróleos Mexicanos **strengthened** the *Cadenas Productivas* program for the development of suppliers, contractors or service providers, through the *Cadenas Productivas Pemex Plus* program.
- In a joint collaboration with NAFIN, the program represented an alternative for liquidity of Petróleos Mexicanos' suppliers and contractors, for an amount of **MXN 5 billion**.



Automatical 100%
payment of accounts
receivable



Competitive Interest
rate



No membership cost

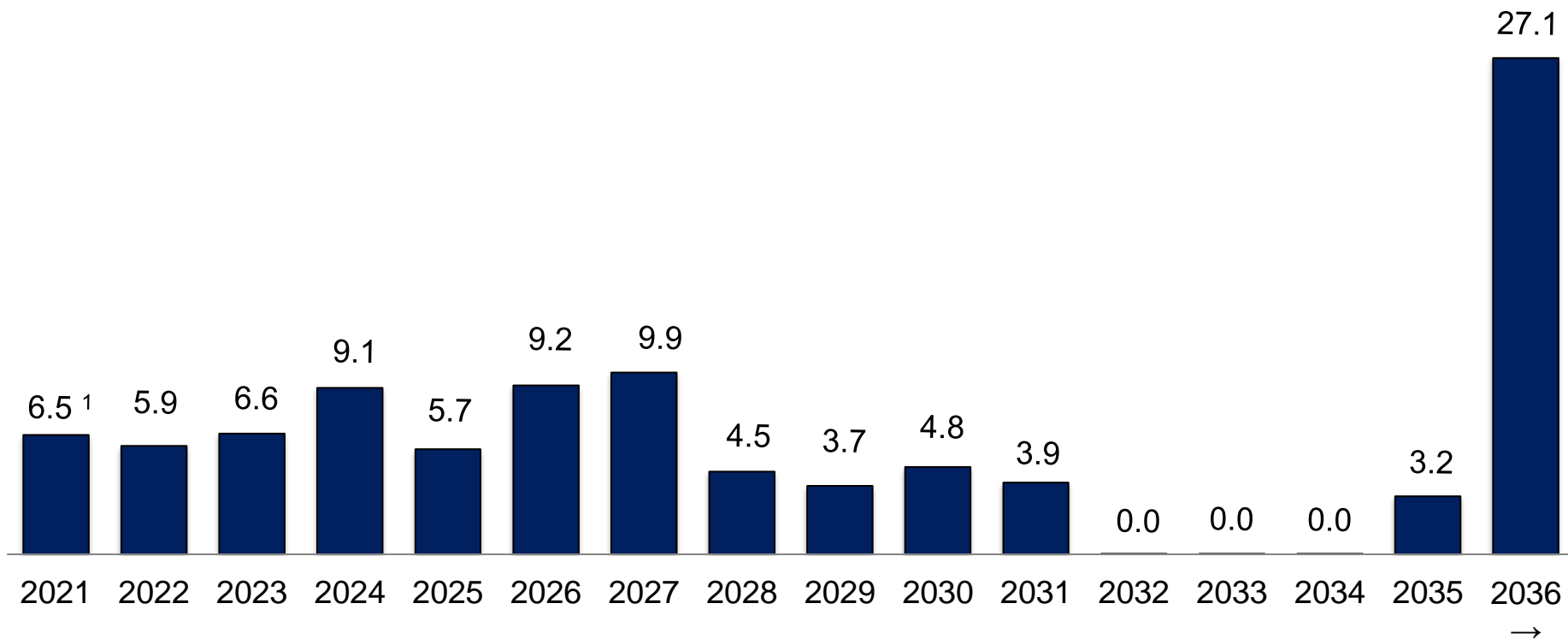
PEMEX 10-year Bond Yield Rate Evolution



The 10-year bond yield shows a downward trend since the 4Q 2020, improving in approximately 110 basis points

Maturity Profile

USD billion



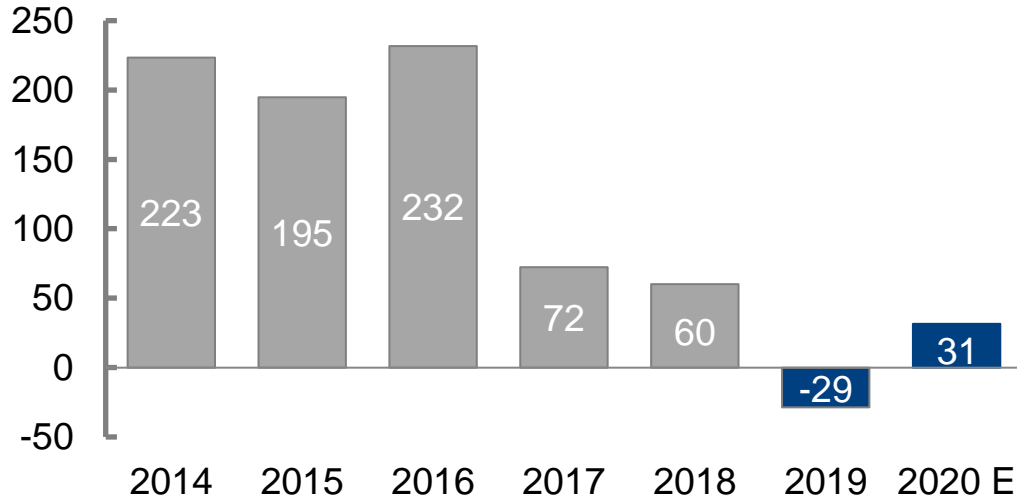
1. 2021 amount outstanding does not consider revolving credit facilities and short-term credits (6 bn), accrued interests (2.1 bn) nor the promissory notes monetization that for accounting reasons was recorded as a short-term liability.

Public Debt 2020

MXN billion

	Approved Net Indebtedness ¹	Observed ²
New debt	176.0	654.3
Amortizations	141.0	622.9
Indebtedness	35.0	31.4

Annual trend - Public net indebtedness



Despite the complex macroeconomic context observed in 2020 caused by the COVID-19 pandemic and the drastic drop in global oil prices, Pemex achieved a public net indebtedness lower than authorized.

1. Net indebtedness approved by Congress in terms of public credit as established in the 2020 Federal Income Law amounted to MXN 10 bn in internal debt and USD 1.25 bn in external debt, which expressed in Mexican pesos, totals MXN 35 bn.

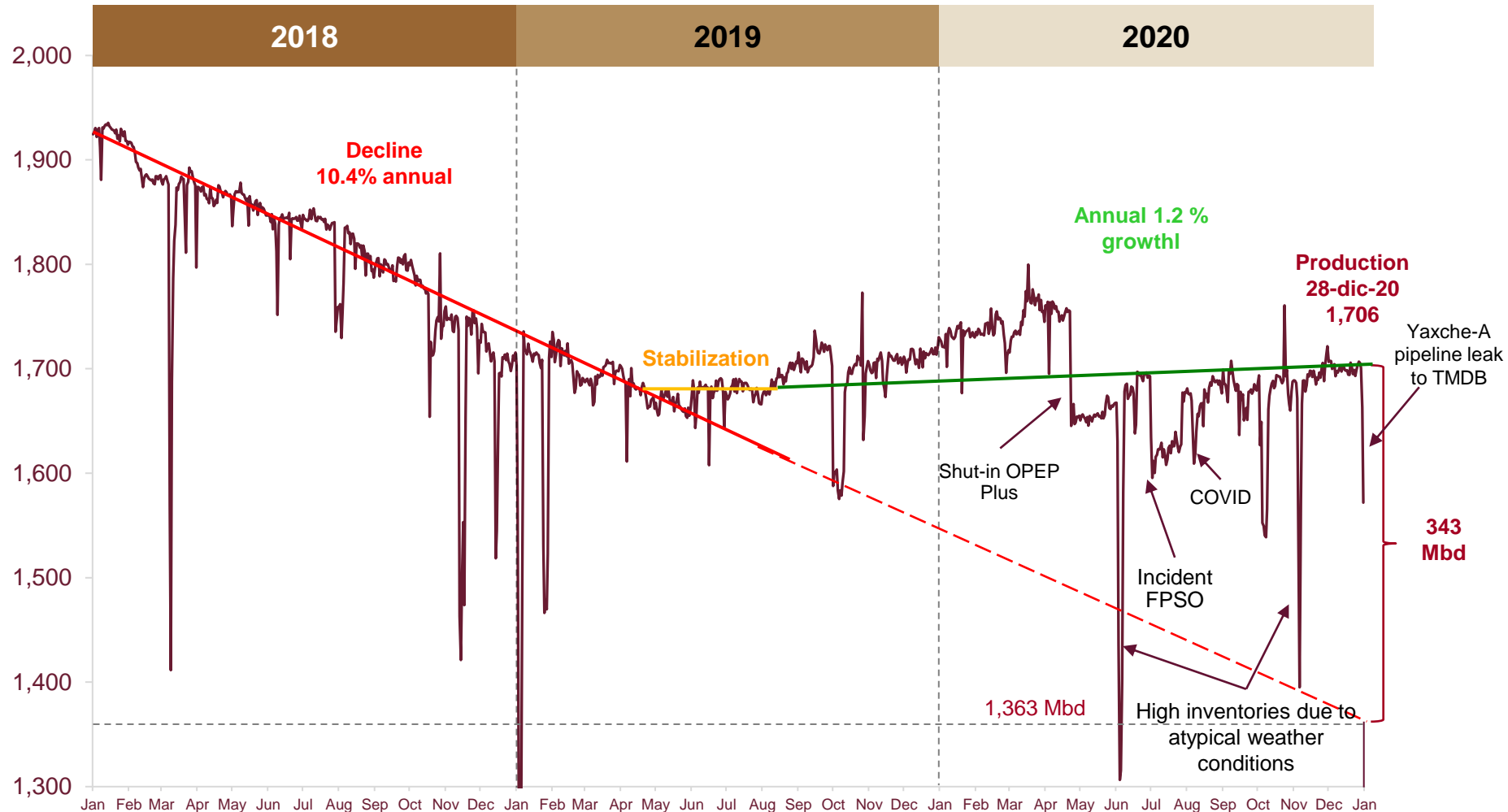
2. Preliminary figures



Exploration & Production

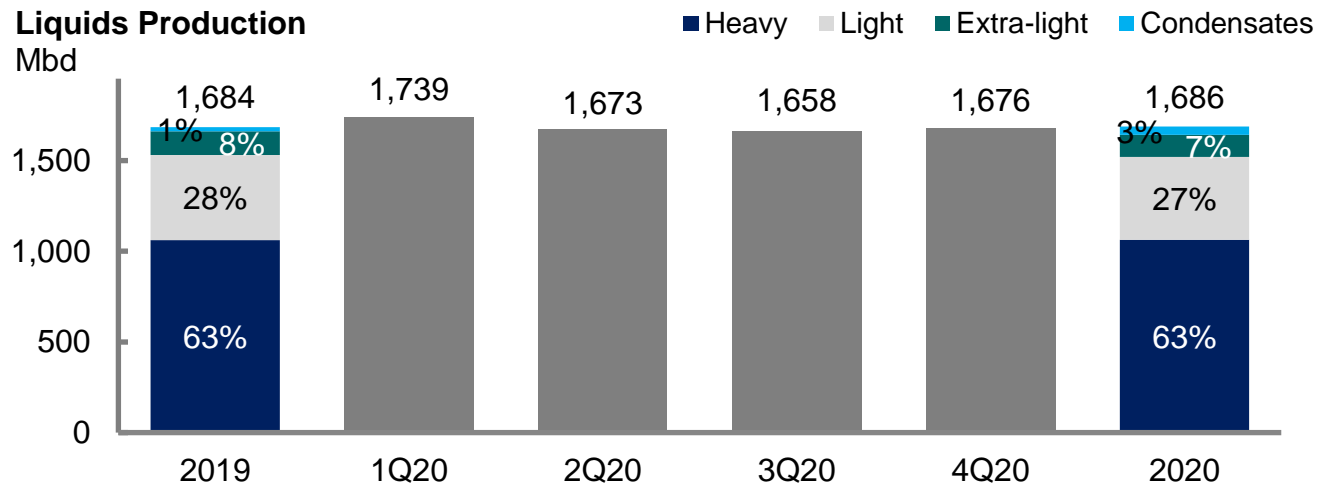
The implemented actions resulted in a 343 Mbd increase above 2018's decreasing trend

Liquids Daily Production
Mbd

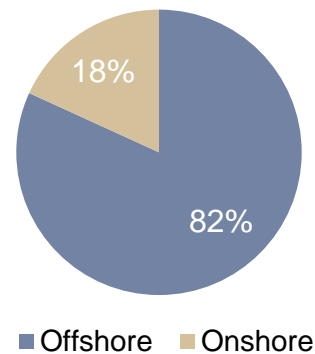


Note: Liquids daily production includes crude oil and condensates without production from commercial partners

Quarterly performance of liquids' production



Crude Oil Production
2020



New fields produced 146 Mbd at the end of 2020

Monthly production from new fields Mbd

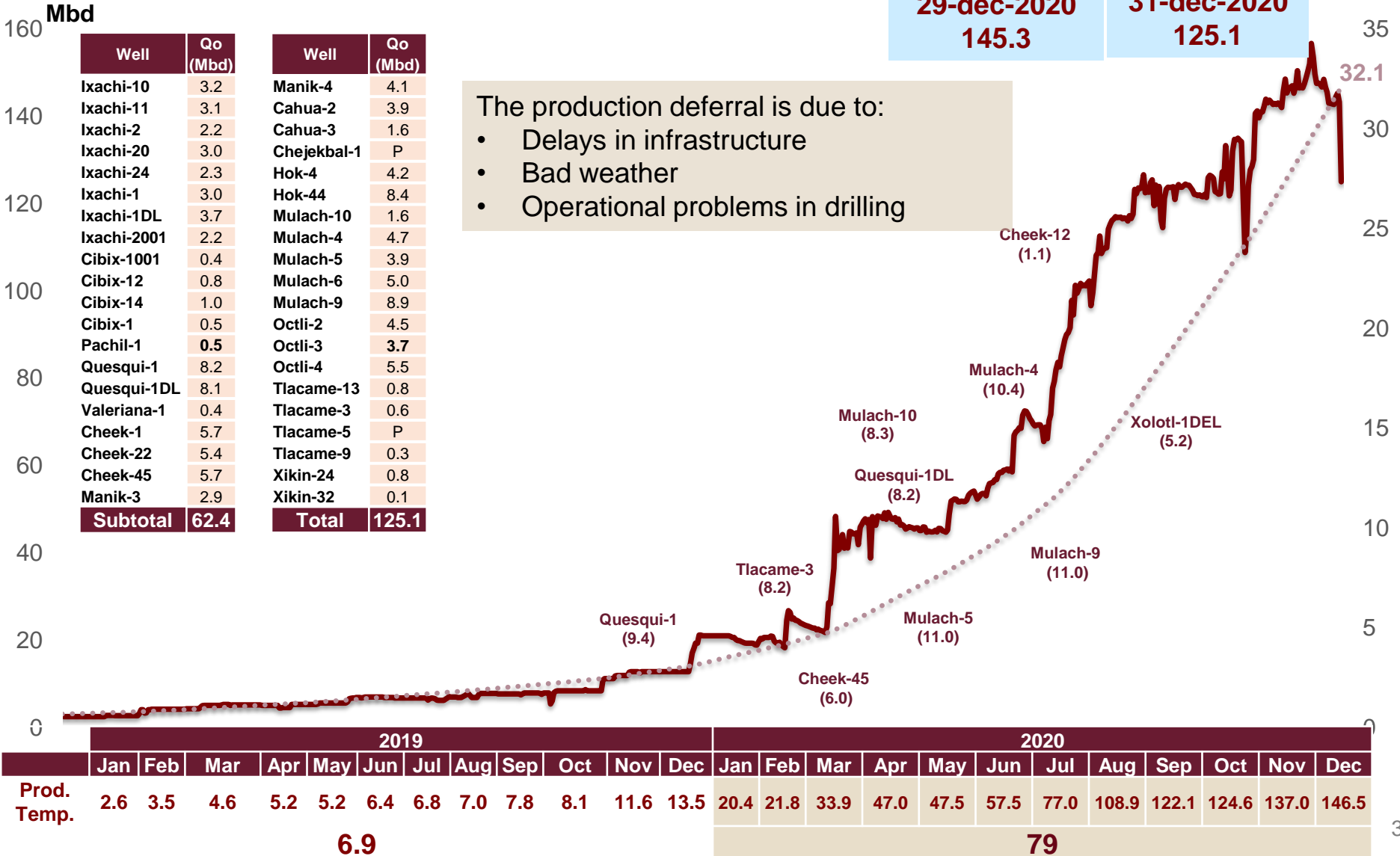
Well	Qo (Mbd)	Well	Qo (Mbd)
Ixachi-10	3.2	Manik-4	4.1
Ixachi-11	3.1	Cahua-2	3.9
Ixachi-2	2.2	Cahua-3	1.6
Ixachi-20	3.0	Chejekbal-1	P
Ixachi-24	2.3	Hok-4	4.2
Ixachi-1	3.0	Hok-44	8.4
Ixachi-1DL	3.7	Mulach-10	1.6
Ixachi-2001	2.2	Mulach-4	4.7
Cibix-1001	0.4	Mulach-5	3.9
Cibix-12	0.8	Mulach-6	5.0
Cibix-14	1.0	Mulach-9	8.9
Cibix-1	0.5	Octli-2	4.5
Pachil-1	0.5	Octli-3	3.7
Quesqui-1	8.2	Octli-4	5.5
Quesqui-1DL	8.1	Tlacame-13	0.8
Valeriana-1	0.4	Tlacame-3	0.6
Cheek-1	5.7	Tlacame-5	P
Cheek-22	5.4	Tlacame-9	0.3
Cheek-45	5.7	Xikin-24	0.8
Manik-3	2.9	Xikin-32	0.1
Subtotal	62.4	Total	125.1

The production deferral is due to:

- Delays in infrastructure
- Bad weather
- Operational problems in drilling

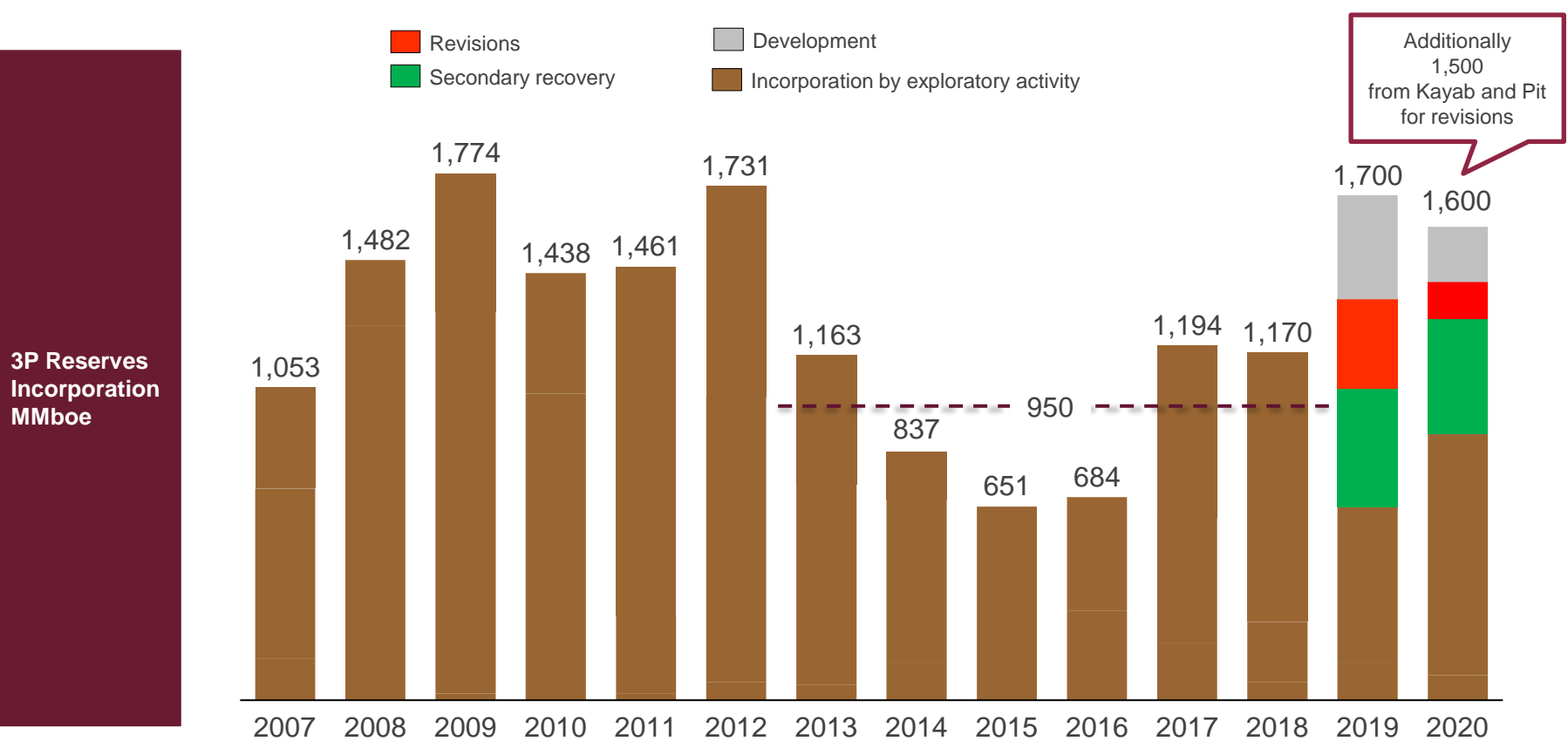
29-dec-2020
145.3

31-dec-2020
125.1

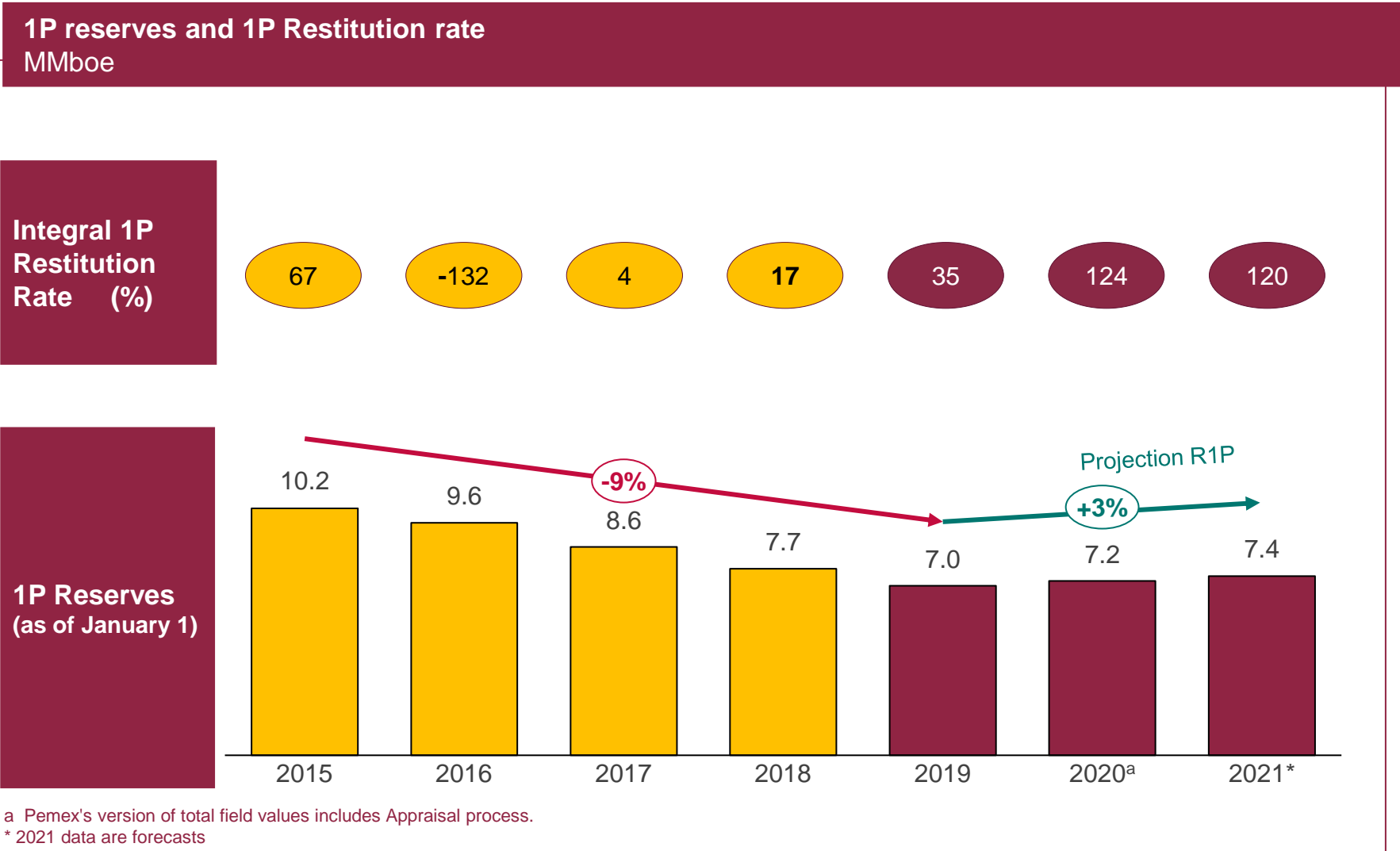


Expected to increase by 1.6 billion barrels of crude oil equivalent of 3P reserves

Evolution of the incorporation of 3P reserves , MMboe

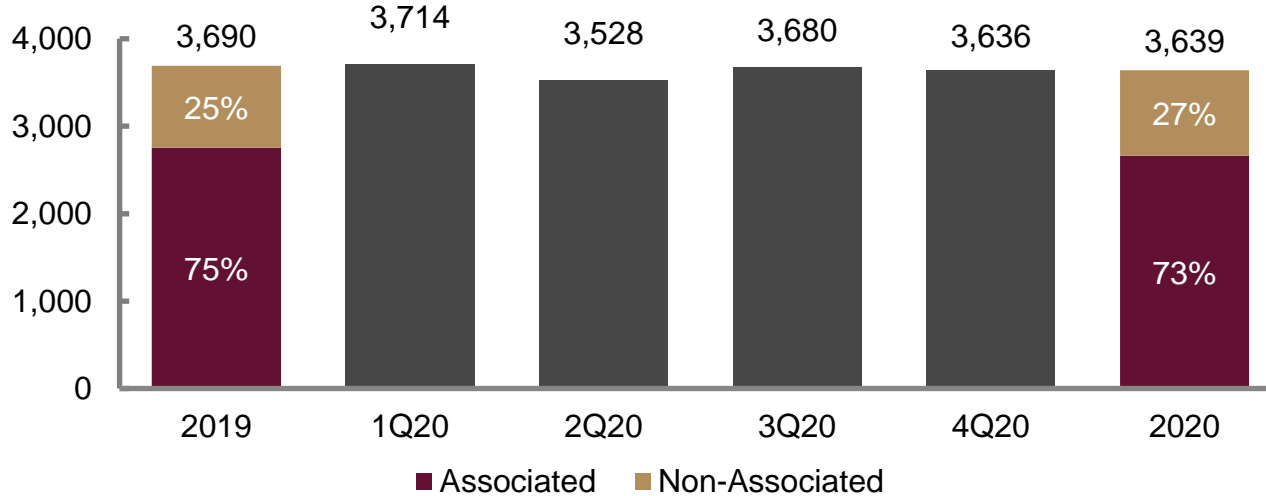


In the last two years, the downward trend in 1P Reserves has been reversed.

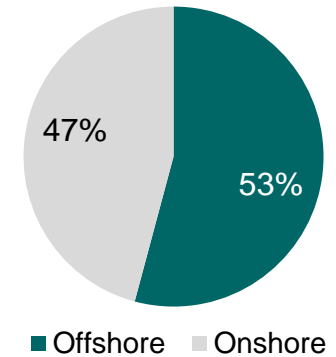


Quarterly performance of natural gas production

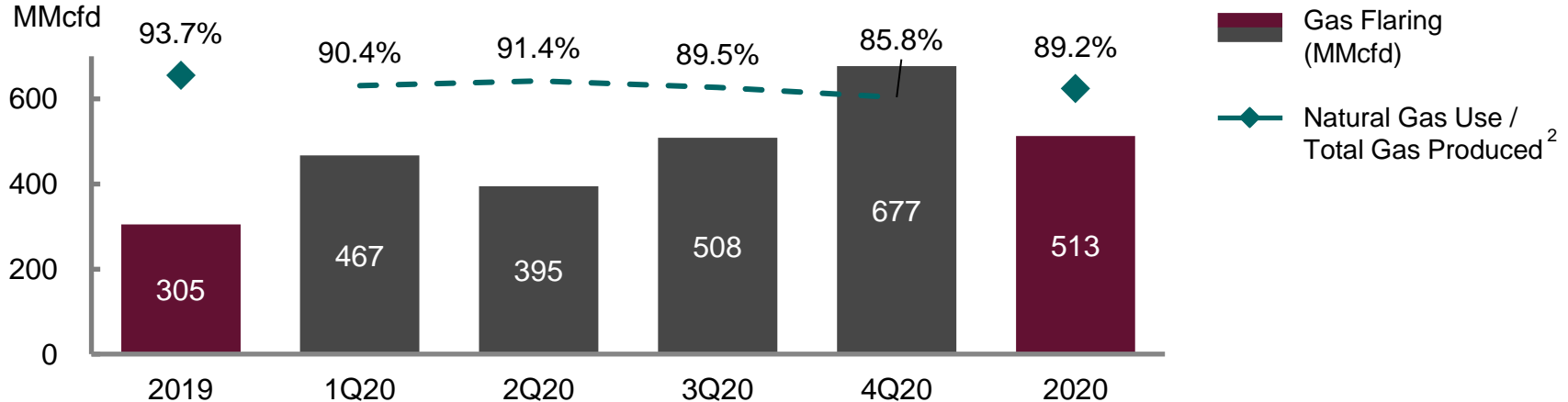
Natural Gas Production¹
MMcfd



Natural Gas Production 2020



Natural Gas Use
MMcfd



1. Does not include nitrogen

2. Includes nitrogen

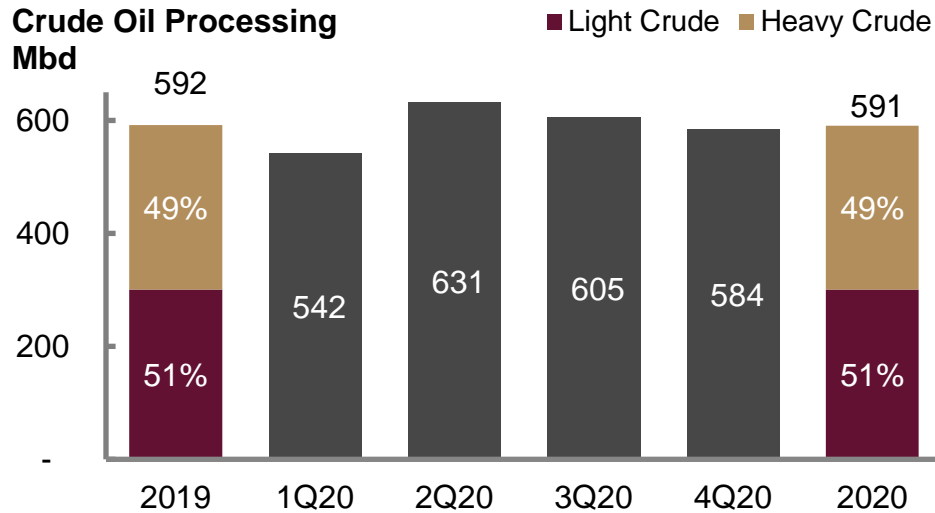
Note: During the 3Q19, the crude oil and condensates series was adjusted to include the proportional part of Ek-Balam's production that is assigned to the State.

Industrial Processes

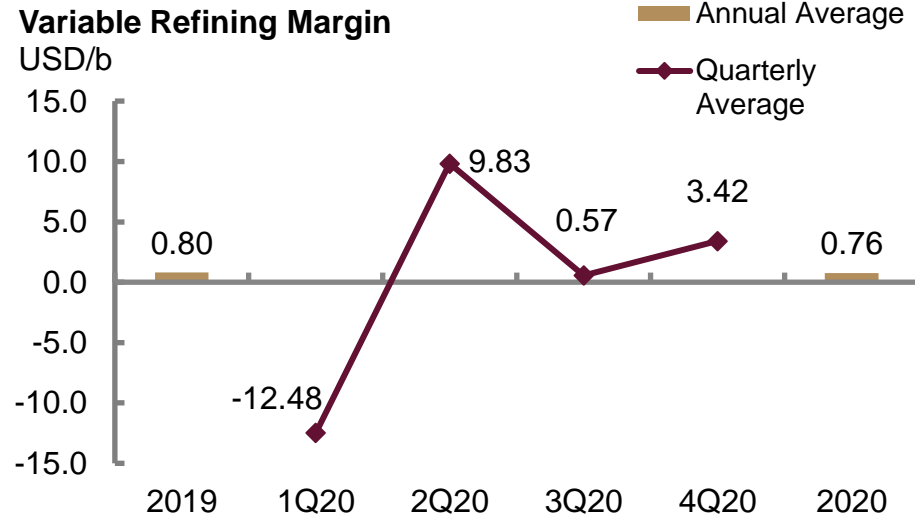


Crude Oil Process and Oil Products Production

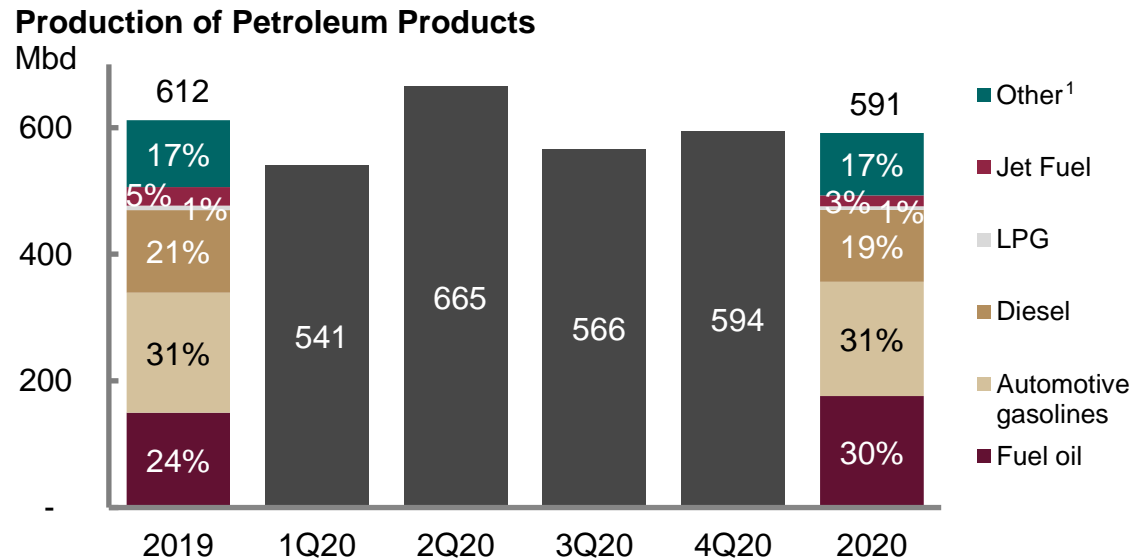
Crude Oil Processing Mbd



Variable Refining Margin USD/b



Production of Petroleum Products Mbd

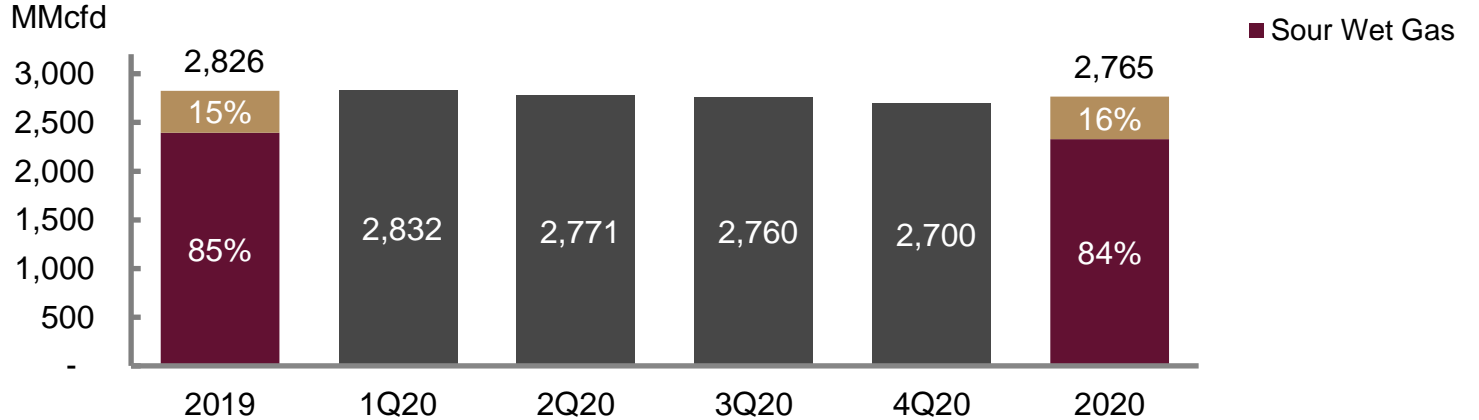


- In 2020, crude processing level was 591 Mbd, similar to the one recorded in 2019, because in both years we executed the rehabilitation program.
- Oil products production averaged 591 Mbd, of which 53% were primary distillates.
- The variable refining margin recorded 0.76 dollars per barrel, slightly below the one recorded in 2019, as a consequence of the effect on prices of the Covid-19 pandemic.

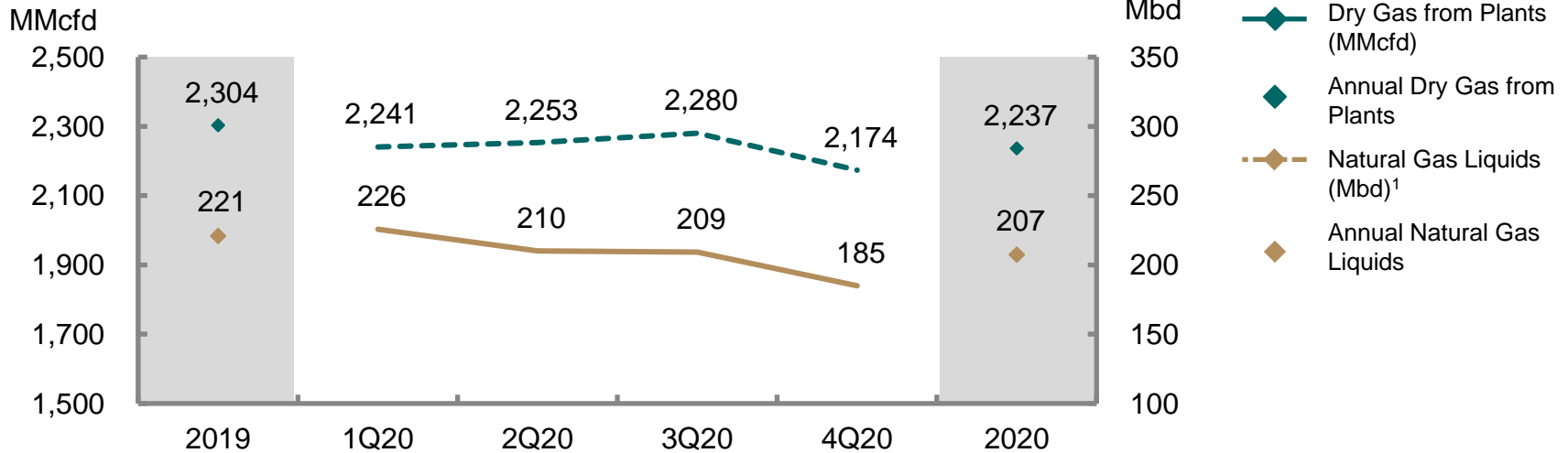
1. Includes dry gas, gasoil, light cyclic oil, aeroflex, asphalts, coke, lubricants and paraffins.

Gas Processing and Production

Wet Gas Processing



Dry Gas and Gas Liquids Production

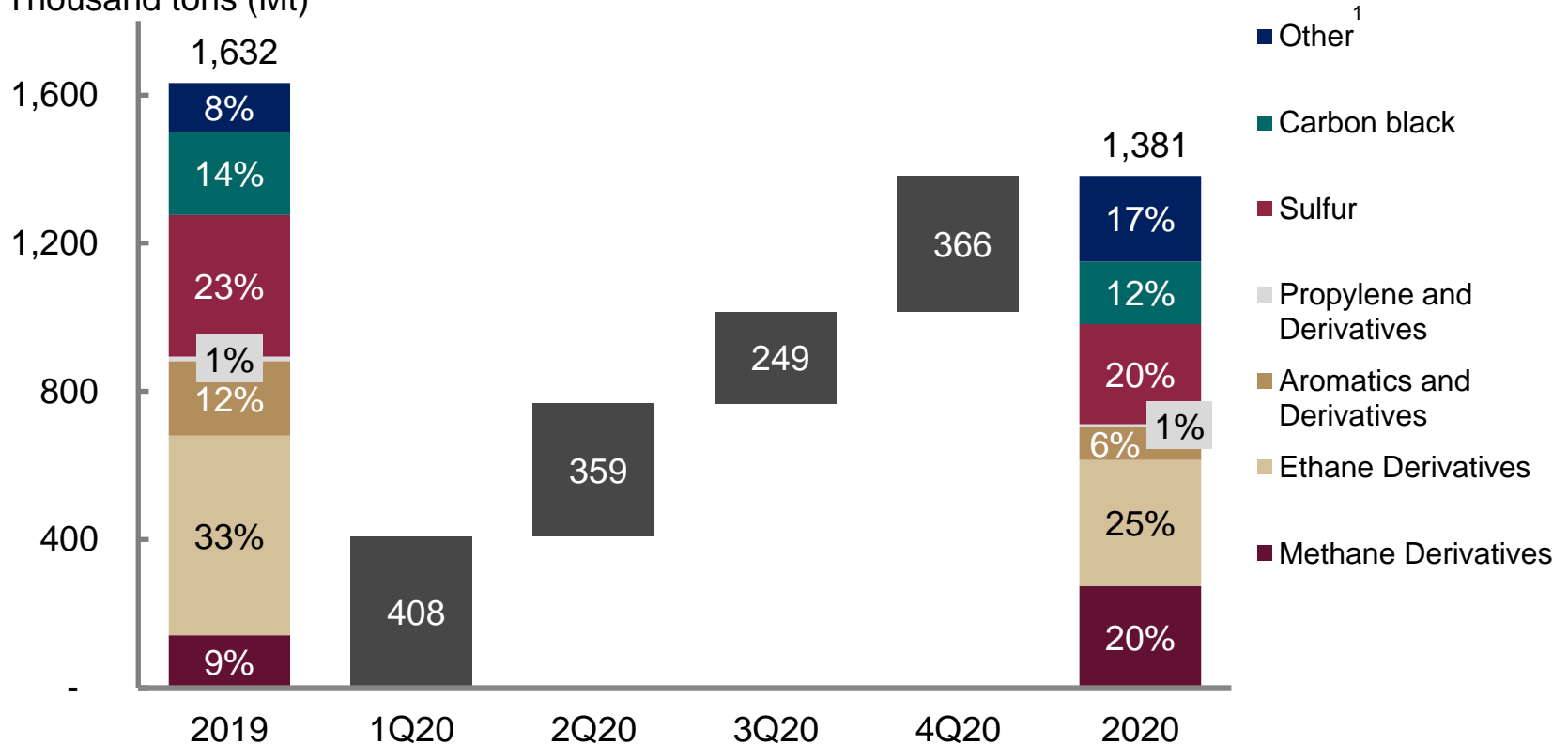


1. Includes fractioning fluents.

Petrochemicals Production

Production of petrochemicals

Thousand tons (Mt)



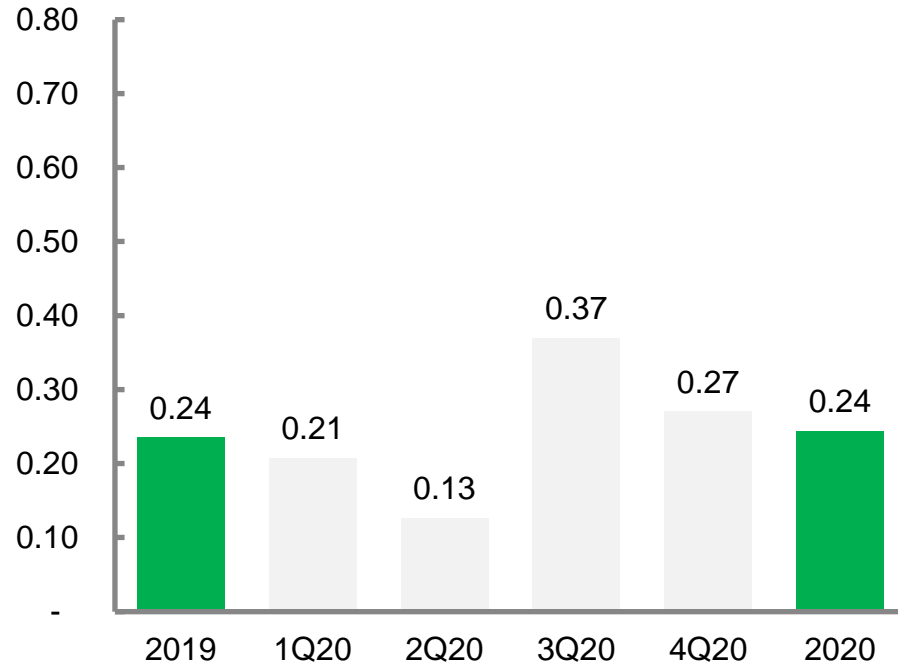
- The higher production in the methane derivatives chain is explained by the reactivation of ammonia production in February 2020, which at the end of the year accumulated 136 thousand tons.
- The 100 thousand tons increase in the other petrochemicals is due to the higher carbon dioxide production at Cosoleacaque petrochemical complex.

1. Includes Carbon dioxide, crude butadiene, polyethylene waxes, CPDI, petrochemicals, heptane, hexane, hydrogen, isopentanes, pyrolysis liquids, nitrogen, oxygen and pentanes.

PEMEX's Industrial Safety Performance

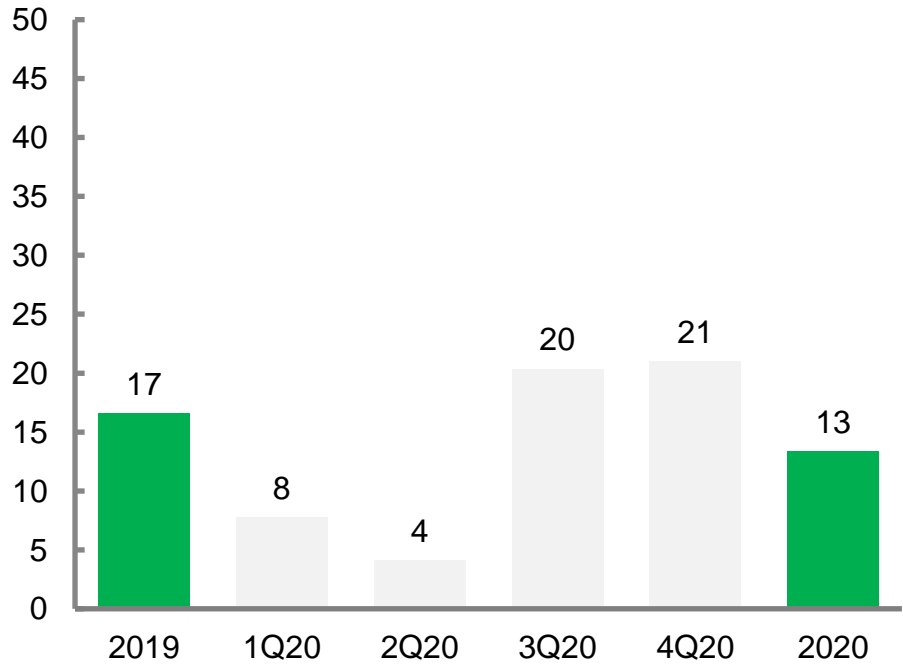
Frequency index

Accident with disabling injuries/ MMhh



Severity Index

Total number of days lost/ MMhh



- Frequency index for PEMEX personnel maintained at 0.24, within the industry benchmark.
- Severity index decreased by 23.5%, due to minor injuries, with a few days of medical disability.

Final Remarks



Questions and Answers



Questions and Answers



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