



**PEMEX**®

**PEMEX**

**September 2008**

# Forward-Looking Statements

---

- This presentation contains forward-looking statements. We may also make written or oral forward-looking statements in our periodic reports to the National Banking and Securities Commission (CNBV) and the U.S. Securities and Exchange Commission (SEC), in our annual report, in our proxy statements, 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:
  - drilling and exploration activities,
  - import and export activities,
  - projected and targeted capital expenditures and other costs, commitments and revenues; and liquidity, etc.
- 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,
  - limitations on our access to sources of financing on competitive terms,
  - significant economic or political developments in Mexico,
  - developments affecting the energy sector, and
  - changes in our regulatory environment.
- 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 PEMEX's most recent PEMEX prospectus filed with the CNBV and available through the Mexican Stock Exchange ([www.bmv.com.mx](http://www.bmv.com.mx)) and the Form 20-F filing, as amended, with the SEC ([www.sec.gov](http://www.sec.gov)). These factors could cause actual results to differ materially from those contained in any forward-looking statement.

## Cautionary Note

---

- **The SEC permits oil and gas companies, in their filings with the SEC, to disclose only proved reserves that a company has demonstrated by actual production or conclusive formation tests to be economically and legally producible under existing economic and operating conditions. We use certain terms in this document, such as total reserves, probable reserves and possible reserves, that the SEC's guidelines strictly prohibit us from including in filings with the SEC. Investors are urged to consider closely the disclosure in our Form 20-F, “File No. 0-99” available from us at [www.pemex.com](http://www.pemex.com) or Marina Nacional 329 Floor 38 Col. Huasteca, Mexico City 11311 or at (52 55) 1944 9700. You can also obtain this Form from the SEC by calling 1-800-SEC-0330.**
- **EBITDA is a non-GAAP measure.**

# Content

---

**PEMEX Overview**

**Financial Highlights**

**Lines of Business**

# National and International Relevance

## Global

- 3<sup>rd</sup> in crude oil production
- 11<sup>th</sup> integrated oil company<sup>(1)</sup>
- 11<sup>th</sup> in crude oil reserves<sup>(1)</sup>
- 14<sup>th</sup> in natural gas production<sup>(1)</sup>
- 13<sup>th</sup> in refining capacity<sup>(1)</sup>
- Major supplier of crude oil to the US
- Largest Latin-American company
- Credit ratings:
  - S&P           BBB+
  - Fitch           BBB
  - Moody's       Baa1

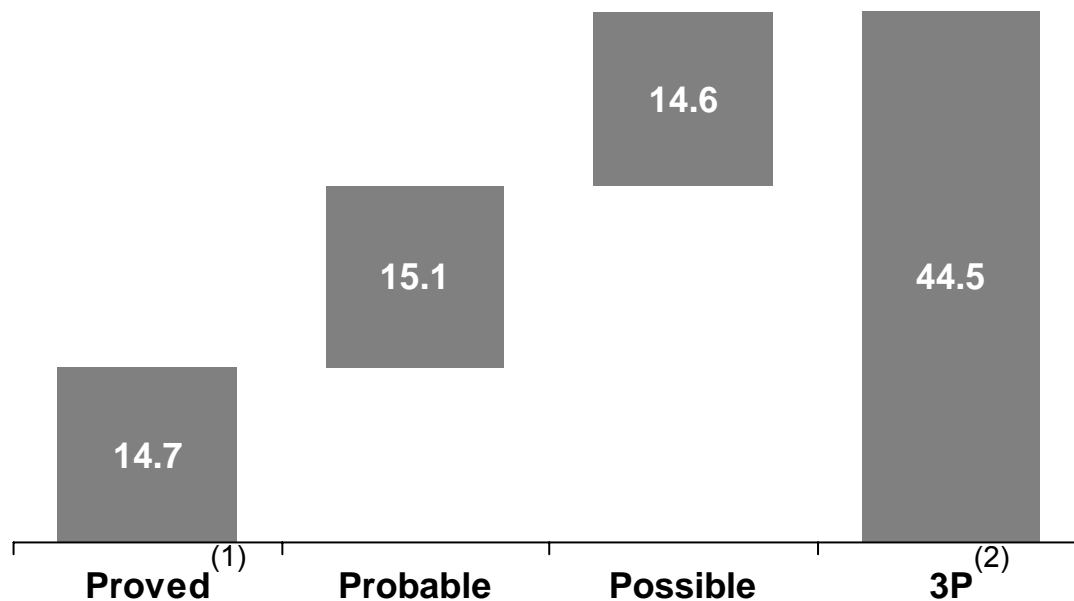
## National

- Sole producer of crude oil, natural gas and refined products
- Sole marketer of refined products
- Most important source of government income
- Sales as percentage of GDP:
  - 2006           12%
  - 2007           11%

(1) PIW 2007 Rankings, December 3, 2007. Petroleum Intelligence Weekly.

# Crude Oil and Natural Gas Reserves

**Reserves as of December 31, 2007**  
**MMMboe**



- Long life of reserves based on 2007 production<sup>(3)</sup>
  - Proved reserves: 9 years
  - 2P reserves: 19 years
- Crude oil represents 71% of proved reserves; 68% is located offshore
- Reserves figures are certified by third parties since 1998

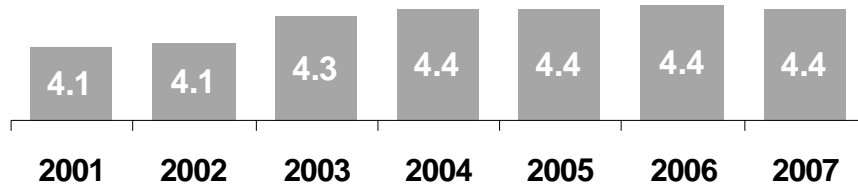
(1) In accordance with the definition of proved reserves under Rule 4.10 (a) of Regulation S-X under the U.S. Securities Act of 1933. Probable and possible reserves were obtained through the difference between 3P reserves and proved reserves.

(2) Figures may not total due to rounding.

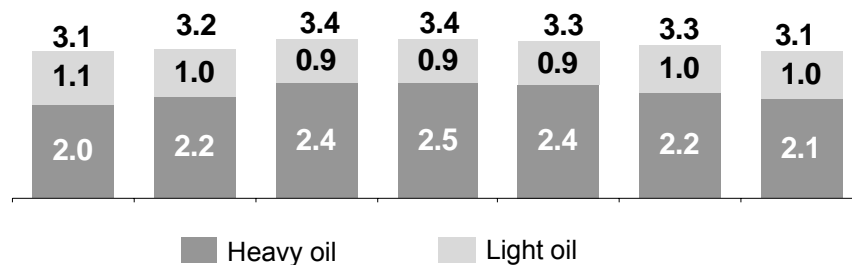
(3) Reserves as of December 31, 2007, and average production in 2007 (1.603 MMMboe).

# Production Profile

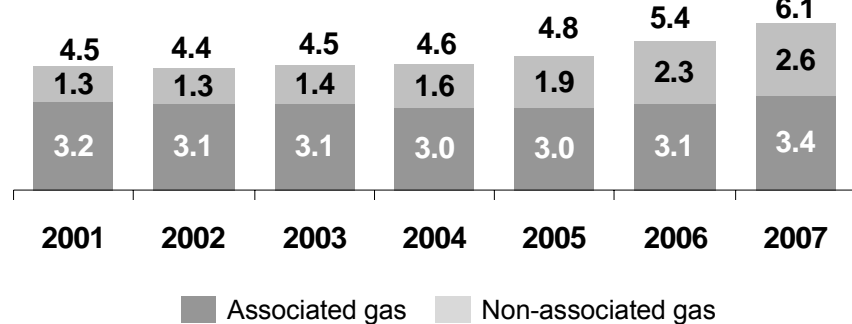
## Total hydrocarbon production (MMboed)



## Crude oil (MMbd)



## Natural gas (MMMcf/d)

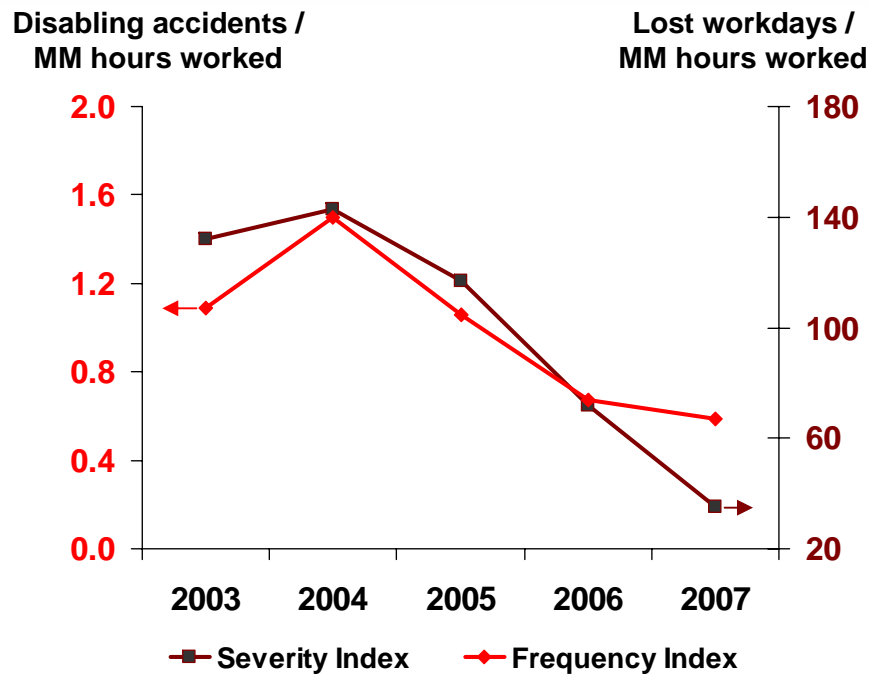


- Increased total production of hydrocarbons and sustained volume since 2004
- Crude oil production has decreased since 2004 due to the natural decline of Cantarell
- Reverted declining trend in natural gas production and increased extraction consistently since 2002

Note: Figures may not total due to rounding.

# Sustainable Development

## Safety



- **PEMEX has a profound commitment to improve the safety of its operations:**
  - In 2006, the Security and Environmental Protection System (SSPA) was implemented
  - In 2007, the Emergency Operation Center (CCA) was created

## Environment

- **During 2007 - 2012 PEMEX expects to invest US\$7 MMM in its environmental development strategy in order to:**
  - Reduce sulfur and greenhouse gas emissions (GEI)
  - Minimize spills and the impact to the environment
- **PEMEX has signed several collaboration agreements to reduce more than 2.3 MMt emissions of greenhouse gases:**

Firm(s)	GEI annual reduction	Number of projects
Credit Suisse, EcoSecurities and Mitsui	1.8 MMt	18
Statoil	0.6 MMt	5
Carbons Solutions	0.2 MMt	2



# Content

---

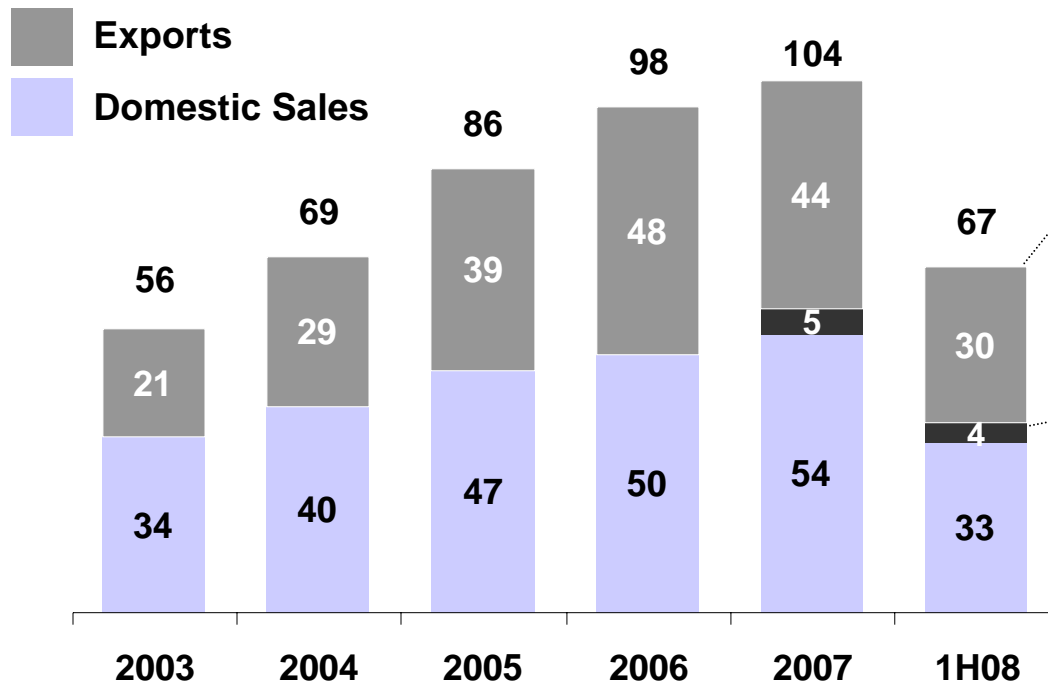
**PEMEX Overview**

**Financial Highlights**

**Lines of Business**

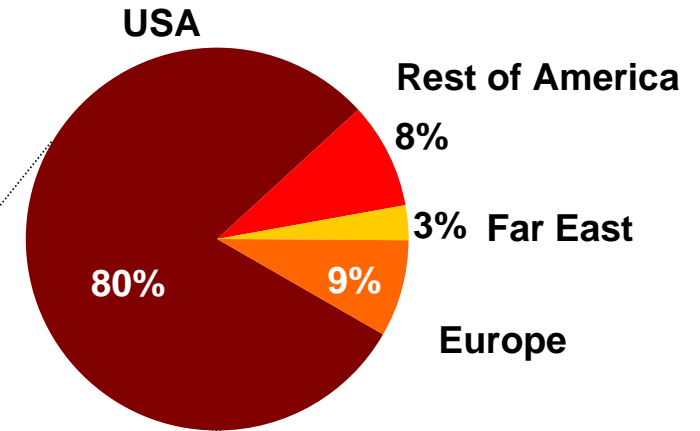
# Revenue Evolution

**By Market**  
**MMMUS\$**



**Crude Oil Exports by Region 1H08**

100% = 1.4 MMbd

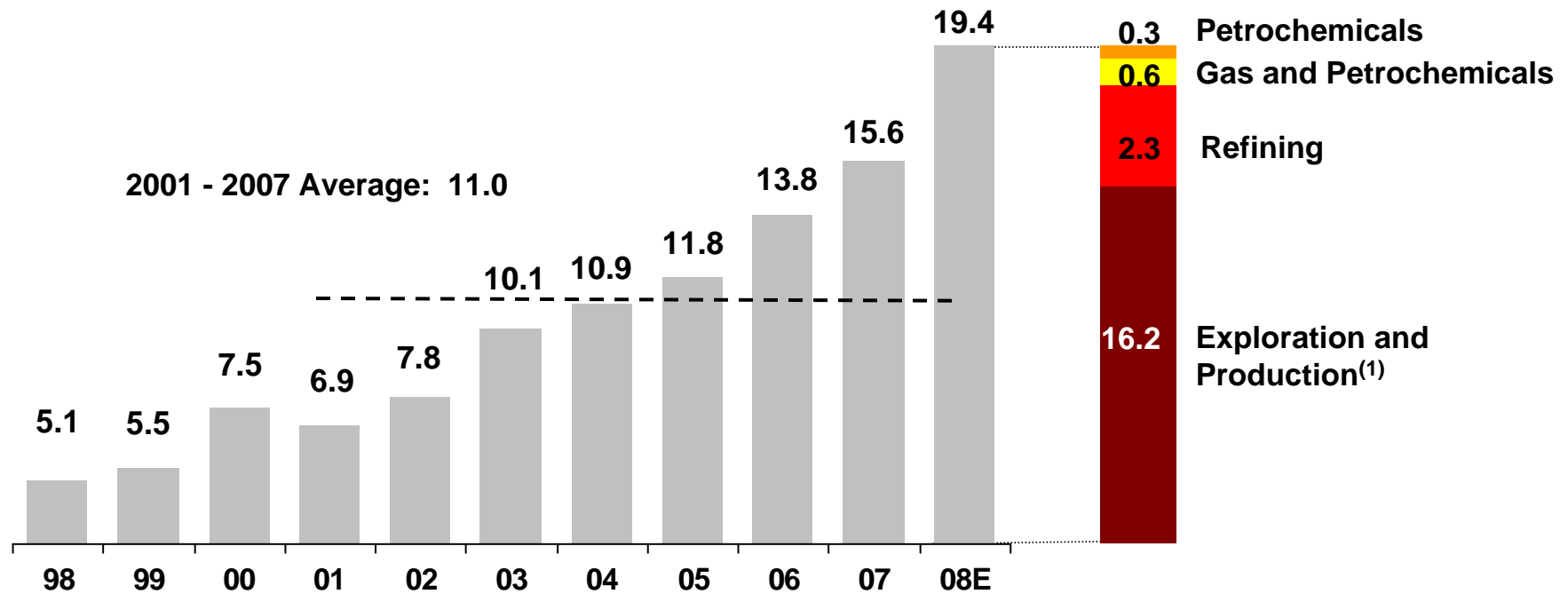


Note: Includes sales taxes (IEPS).

# Investments<sup>(1)</sup>

MMMUS\$

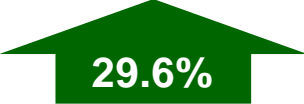
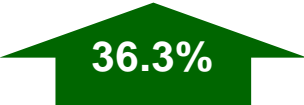

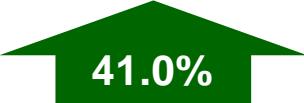
2008E Breakdown



- 2008 investments will be 76% higher than 2001 - 2007 average

(1) Includes upstream maintenance expenditures.  
 (2) Translated at the budgeted 2008 exchange rate of Ps. 11.2 per dollar.

## 2Q08 Financial Highlights

	Billion pesos				Billion dollars
	Apr - Jun 2007	Apr - Jun 2008	Change		Apr - Jun 2008
Total sales	286.8	371.6	84.8	 29.6%	36.1
Income before taxes and duties	182.3	248.4	66.1	 36.3%	24.1
Net income (Loss)	38.3	16.7	(21.6)		1.6
EBITDA <sup>(1)</sup>	215.6	303.9	88.3	 41.0%	29.5

- **Income before taxes and duties increased 36.3%, to 248.4 billion pesos, as compared to the second quarter of 2007.**
- **Net income for the second quarter of 2008 totaled 16.7 billion pesos.**

(1) Earnings before interests, taxes, depreciation and amortization. Excludes IEPS.

(2) Numbers may not total due to rounding.

# Content

---

**PEMEX Overview**

**Financial Highlights**

**Lines of Business**

# Upstream Production Strategy: Short Term



Projects	Injection	Production <sup>(2)</sup> (Mbd)
1. Cantarell	N <sub>2</sub>	1,051
2. Ku-Maloob-Zaap	N <sub>2</sub>	697
3. A. J. Bermúdez	N <sub>2</sub>	158
4. Jujo-Tecominoacán	N <sub>2</sub>	75
5. Poza Rica	H <sub>2</sub> O	85
6. Bellota Chinchorro	GL <sup>(1)</sup>	46
7. Cactus Sitio Grande	GL <sup>(1)</sup>	13

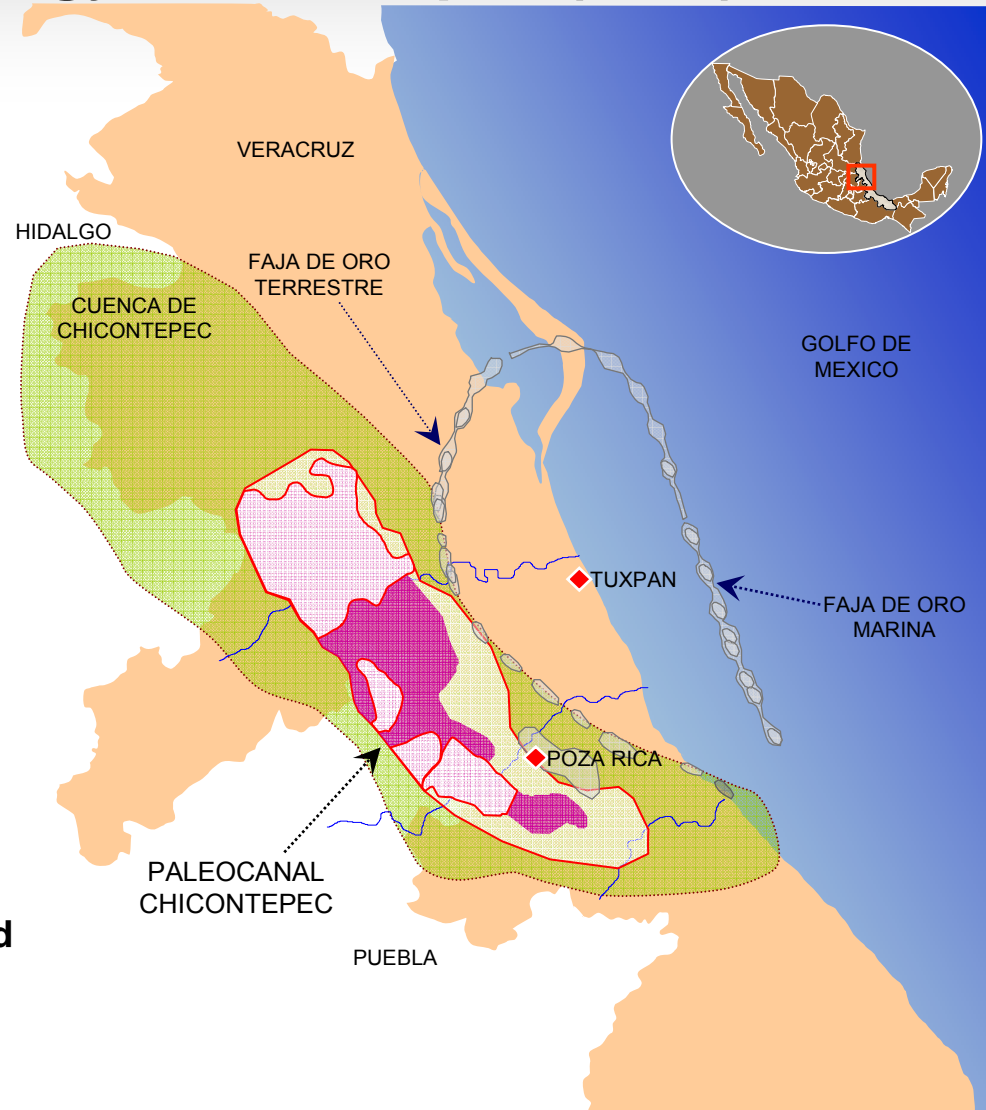
- Extra-heavy and light oil blending at FPSO to export a “Maya” grade crude
- Nitrogen injection in the Bermúdez field started during 2Q08

(1) Gas lift.

(2) Crude oil production for 2Q08.

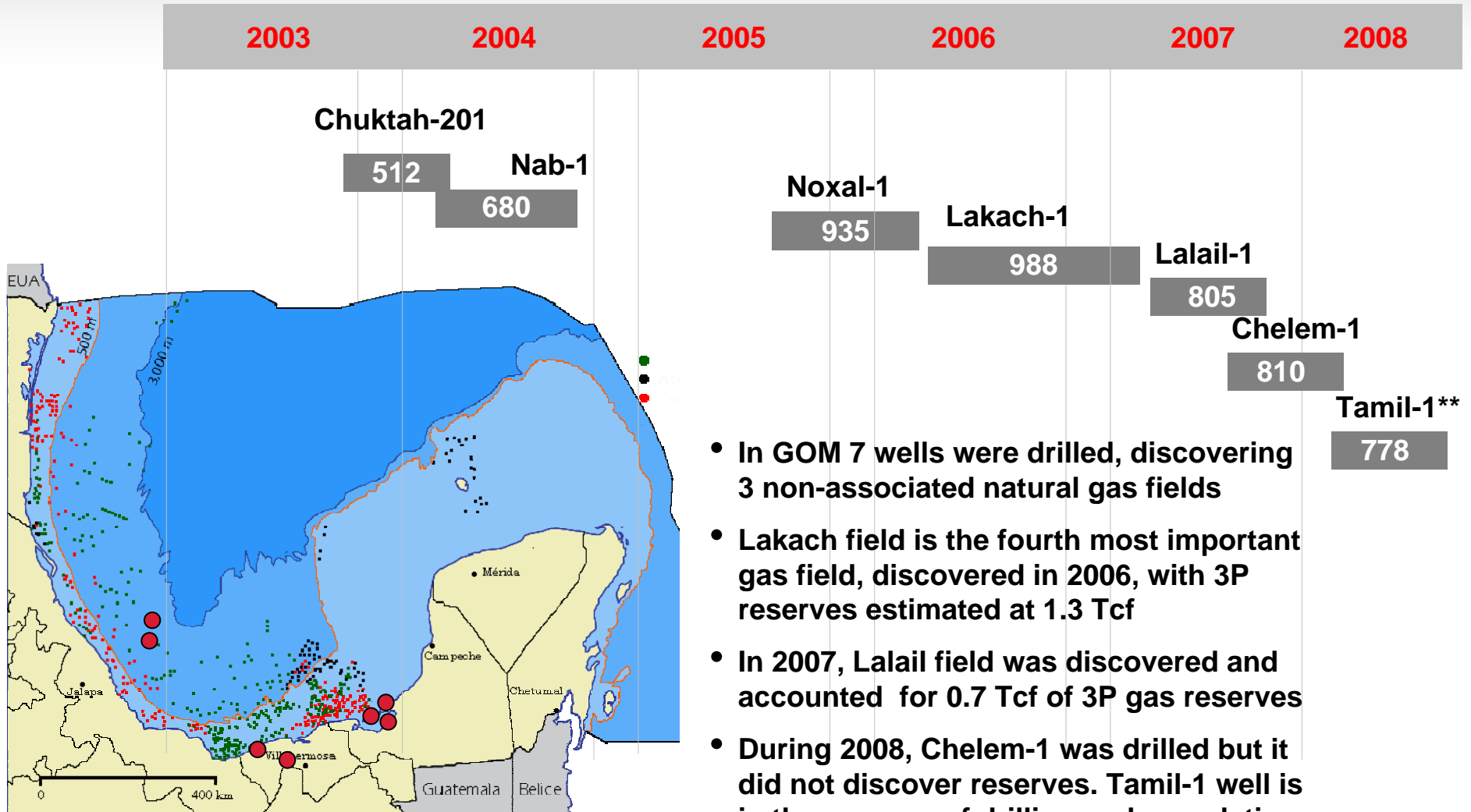
# Upstream Production Strategy: Chicontepec (ATG)

- Discovery: 1926
- Oil gravity: 18-45° API
- Operating wells\*: 634
- Drilled wells\*: 1,451
- Current production: 27.8 Mbd\*
- Target production (2017): 500,000 bd
- Reserves as of January 1, 2008: (MMboe)
  - 1P: 626
  - 2P: 9,189
  - 3P: 17,715
- The project is focused on 3 priority areas:
  - Minimizing environmental impact
  - Improving well productivity
  - Implementing secondary and enhanced recovery processes



\* End of April, 2008

# Upstream Production Strategy: Deepwater\*



- In GOM 7 wells were drilled, discovering 3 non-associated natural gas fields
- Lakach field is the fourth most important gas field, discovered in 2006, with 3P reserves estimated at 1.3 Tcf
- In 2007, Lalail field was discovered and accounted for 0.7 Tcf of 3P gas reserves
- During 2008, Chelem-1 was drilled but it did not discover reserves. Tamil-1 well is in the process of drilling and completion

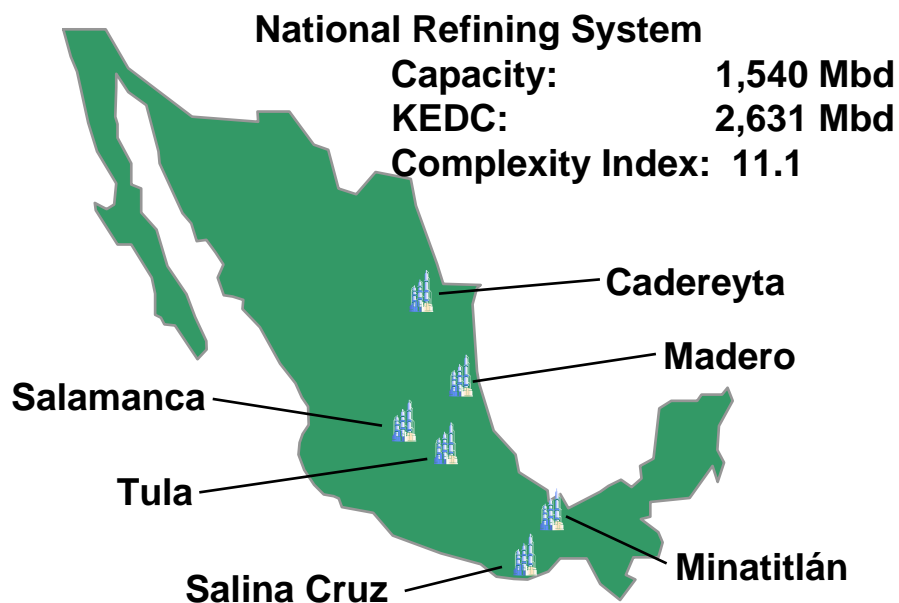
\* Water depth greater than 500 meters. \*\* In the process of drilling



# Downstream Strategy: Refining

## Modernization of the Refining System

- Increase heavy crude processing capacity
- Raise output of high value added products
- Meet sulfur reduction standards for gasoline and diesel
- Real time monitoring of the pipeline system



## Main Projects

### Crude Processing

- Minatitlán refinery reconfiguration
- Sulfur reduction in gasoline and diesel within the entire refining system
- Salina Cruz refinery reconfiguration
- Residual conversion in Tula and Salamanca refineries
- Construction of a new refinery (evaluation phase)

### Distribution

- Real time monitoring (SCADA)
- Modernization of maritime terminals

# Downstream Strategy: Natural Gas

## Gas Processing Centers



Pipelines (km):	9,343
Sweetening plants	
Capacity (MMcfd): <sup>(1)</sup>	4,503
Liquids recovery plants	
Capacity (MMcfd): <sup>(1)</sup>	5,742

## Step Up Processing and Improve Transportation

- Increase processing capacity
- Enhance flexibility of the transportation system

## Main Projects

- Capacity expansion of the processing system in northern Mexico to capture natural gas liquids
- Cogeneration plant in Nuevo Pemex
- New compression stations to increase transport capacity in the Central and South Western Regions of Mexico

(1) 92% of the sweetening capacity and 69% of the liquids recovery capacity is located in Cd. Pemex, Cactus and Nuevo Pemex.

# Downstream Strategy: Petrochemicals

## Petrochemical Centers



## Seize Opportunities

- Invest in profitable petrochemical chains

## Main Projects

- Capacity expansions in ethylene and styrene
- Joint ventures with private sector companies in minority role to integrate the value chains



**PEMEX**

[www.pemex.com](http://www.pemex.com)

**Contact:**

**Investor Relations**  
**(52 55) 1944 9700**  
**[ri@dcf.pemex.com](mailto:ri@dcf.pemex.com)**