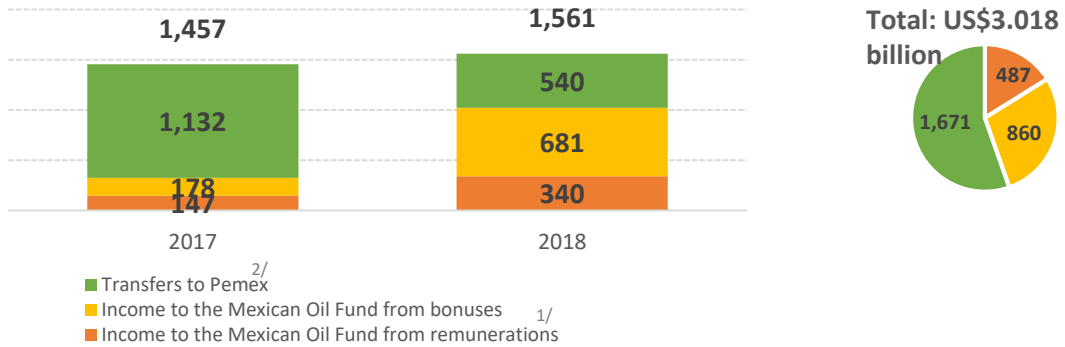




Over the last two years, Exploration and Production Contracts have generated US\$3.018 billion in income to Mexican State

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Income to the State from Hydrocarbon Exploration and Extraction Contracts (million dollars)



- In 2017 and 2018, signed Exploration and Production Contracts represented an income of US\$3.018 billion for the Mexican State equivalent to MXN\$57,580 million pesos*. Of all income received, 45% (US\$1.346 billion) was received by the Mexican Oil Fund (MOF)¹ with the remaining 55% (US\$1.671 billion) received as transfers to Pemex².
- The income to the State via these Contracts represents approximately 31% of the income collected via the IEPS tax on gasoline and diesel sales in 2018, which reached a total of MXN\$187,666 million pesos³.
- Income to the MOF from Contract payments were distributed as follows: contraprestaciones por 506 mmUSD (37%), and signing bonuses for a total of US\$860 million (63%).
 - Of special note are the signing bonuses paid by Australian company BHP Billiton for the signing of the Trion Contract, for US\$62.4 million, and that paid by Germany company Deutsche Erdoel the Ogarrío signing, for US\$30.8 million, as well as that paid by the consortium comprised of Repsol (Spain), PC Carigali (Malaysia), Sierra (Mexico) and PTTEP (Thailand) for Contractual Area 29 in Tender Round 2.4, for US\$151.2 million.
- Transfers to Pemex for US\$1.671 billion were comprised of US\$885 million in tie-breaker bonuses, and US\$786 million in initial fees in the Trion, Cárdenas-Mora and Ogarrío farmouts.

Source: National Hydrocarbons Commission, with information from the Mexican Oil Fund. For more information, please see:

<https://hidrocarburos.gob.mx/media/1473/pagos-por-hidrocarburos.pdf>.

1/ Income to the MOF as remuneration included the following contractual payments: contract fees for the exploration phase, royalties, and net income from the sale of hydrocarbons.

2/ Transfers to Pemex consisted of contractual payments including tie-breaker bonuses and initial contribution fees established in the tender guidelines, as follows:

Trion Contract: the winning bidder transferred to Pemex US\$562 million (90% of bid bonus) and US\$570 million in initial contribution.

Ogarrío contract: the winning bidder transferred to Pemex US\$183 million (86% of bid bonus) and US\$190 million in initial contribution.

Cárdenas-Mora Contract: the winning bidder transferred to Pemex US\$41.5 million (100% of bid bonus) and US\$125 million in initial contribution.

The remaining percent of the bid bonuses were transferred to the MOF, taking into account that these contributions will be used to invest in the Project on behalf of Pemex.

3/ With budgetary information published by the Finance Ministry (Estadísticas Oportunas de Finanzas Públicas), available at:

http://www.shcp.gob.mx/POLITICAFINANCIERA/FINANZASPUBLICAS/Estadisticas_Oportunas_Finanzas_Publicas/Paginas/unica2.asp

* Considering the average yearly exchange rate published by BANXICO.

Figures may vary due to rounding.