



Petróleos Mexicanos

(A Productive State-Owned Company of the Federal Government of the United Mexican States)

€1,250,000,000 4.875% Notes due 2028

Issued Under U.S. \$72,000,000,000 Medium-Term Notes Program, Series C

jointly and severally guaranteed by

**Pemex Exploración y Producción, Pemex Transformación Industrial, Pemex Perforación y Servicios,
Pemex Logística and Pemex Cogeneración y Servicios**

The payment of principal of and interest on the 4.875% Notes due 2028 (the “Notes”) will be unconditionally and irrevocably guaranteed jointly and severally by Pemex Exploración y Producción, Pemex Transformación Industrial, Pemex Perforación y Servicios, Pemex Logística and Pemex Cogeneración y Servicios (each a “Guarantor” and, collectively, the “Guarantors”), each of which is a productive state-owned company of the Federal Government (the “Mexican Government”) of the United Mexican States (“Mexico”). The payment obligations of the Issuer (as defined below) under the Notes, and the payment obligations of the Guarantors under their respective guaranties of the Notes, will at all times rank equally with each other and with all other present and future unsecured and unsubordinated public external indebtedness of the Issuer or such Guarantor. Neither the Notes nor the obligations of the Guarantors constitute obligations of, or are guaranteed by, the Mexican Government or Mexico.

Petróleos Mexicanos (the “Issuer” and, together with the Guarantors and their consolidated subsidiaries, “PEMEX”), a productive state-owned company of the Mexican Government, will pay interest on the Notes on February 21 of each year, commencing on February 21, 2018. Unless previously redeemed or purchased and cancelled, the Notes will mature at their principal amount on February 21, 2028. The Notes are subject to redemption in whole, at par, at the option of the Issuer, at any time, in the event of certain changes affecting Mexican taxes as described under “Description of Notes—Redemption—Tax Redemption” in the accompanying Offering Circular dated February 9, 2017 (the “Offering Circular”). In addition, the Issuer may redeem the Notes in whole or in part, at any time, by paying the principal amount of the Notes plus a “make-whole” amount plus accrued interest. See “Description of Notes—Redemption at the option of the Issuer (other than tax redemption)” in this Final Terms. The Issuer has applied to list the Notes on the Luxembourg Stock Exchange and to have the Notes trade on the Euro MTF Market of the Luxembourg Stock Exchange.

The Notes will contain provisions regarding acceleration and future modifications to their terms that differ from those applicable to certain of the Issuer’s and the Guarantors’ other outstanding public external indebtedness issued prior to October 2004. Under these provisions, which are commonly referred to as “collective action clauses” and are described under “Description of Notes—Modification and Waiver” in the Offering Circular, in certain circumstances, the Issuer may amend the payment and certain other provisions of the Notes with the consent of the holders of 75% of the aggregate principal amount of the Notes.

Investing in the Notes involves risks. See “Risk Factors” beginning on page 12 of the Offering Circular.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”) or any state securities laws and are being offered and sold only outside the United States of America (the “United States”) in accordance with Regulation S (“Regulation S”) under the Securities Act. For a description of certain restrictions on resale and transfer of the Notes, see “Plan of Distribution” in this Final Terms and “Notice to Investors” and “Offering and Sale” in the Offering Circular.

The Notes have not been and will not be registered with the National Securities Registry maintained by the *Comisión Nacional Bancaria y de Valores* (National Banking and Securities Commission of Mexico, or the “CNBV”) and therefore may not be offered or sold publicly in Mexico. The Notes may be offered and sold to qualified and institutional investors in Mexico, pursuant to the private placement exemption set forth under Article 8 of the *Ley del Mercado de Valores* (Securities Market Law). As required under the Securities Market Law, the Issuer will give notice to the CNBV of the offering of the Notes under the terms set forth herein for informational purposes only. The delivery to, and receipt by, the CNBV of such notice does not certify the solvency of the Issuer or the Guarantors, the investment quality of the Notes, or that the information contained in the Offering Circular and this Final Terms is accurate or complete. The Issuer and the Guarantors have prepared the Offering Circular and this Final Terms and are solely responsible for their content, and the CNBV has not reviewed or authorized such content.

ANY OFFER OR SALE OF NOTES IN ANY MEMBER STATE OF THE EUROPEAN ECONOMIC AREA WHICH HAS IMPLEMENTED THE PROSPECTUS DIRECTIVE (AS DEFINED BELOW) MUST BE ADDRESSED TO QUALIFIED INVESTORS (AS DEFINED IN THE PROSPECTUS DIRECTIVE).

(cover continues on following page)

Issue Price of the Notes: 99.135% plus accrued interest, if any, from and including February 21, 2017, the expected delivery date.

The Managers expect to deliver the Notes on or about February 21, 2017.

Joint Lead Managers and Joint Bookrunners

BNP PARIBAS

Crédit Agricole CIB

Deutsche Bank

HSBC

February 14, 2017

This Final Terms is supplemental to the Offering Circular. This document should be read in conjunction with the Offering Circular and all information incorporated therein by reference. Information contained in this Final Terms updates and/or revises comparable information contained in the Offering Circular. Terms defined in the Offering Circular have the same meaning when used in this Final Terms.

The Issuer and the Guarantors are responsible for the information contained and incorporated by reference in this Final Terms and the Offering Circular. None of the Issuer or the Guarantors has authorized anyone to provide you with any other information, nor takes any responsibility for any other information that others may provide to you. None of the Issuer, the Guarantors or the Managers (as defined below in “Plan of Distribution”) is making an offer of these Notes in any jurisdiction where the offer is not permitted. You should not assume that the information contained in this Final Terms and the Offering Circular is accurate as of any date other than the dates on the front of this Final Terms and the Offering Circular.

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This Final Terms and the Offering Circular have been prepared by the Issuer solely for use in connection with the proposed offering of the Notes.

The Managers make no representation or warranty, express or implied, as to the accuracy or the completeness of the information contained in this Final Terms and the Offering Circular. Nothing in this Final Terms or the Offering Circular is, or shall be relied upon as, a promise or representation by the Managers as to the past or future. The Issuer has furnished the information contained in this Final Terms and in the Offering Circular.

Neither the United States Securities and Exchange Commission (the “Commission”), any state securities commission, nor any other U.S. regulatory authority, has approved or disapproved the Notes nor have any of the foregoing authorities passed upon or endorsed the merits of this Final Terms or the Offering Circular. Any representation to the contrary is a criminal offense.

No representation or warranty is made or implied by the Managers or any of their respective affiliates, and neither the Managers nor any of their respective affiliates make any representation or warranty, or accept any responsibility, as to the accuracy or completeness of the information contained in the Offering Circular, as supplemented by this Final Terms. Neither the delivery of the Offering Circular, this Final Terms nor the offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in the Offering Circular, as supplemented by this Final Terms, is true subsequent to the date hereof or that there has been no adverse change in the financial situation of the Issuer or the Guarantors since the date hereof or that any other information supplied in connection with the U.S. \$72,000,000,000 Medium-Term Notes Program, Series C, is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

In making an investment decision, prospective investors must rely on their own examination of the Issuer, the Guarantors and the terms of the offering, including the merits and risks involved. Prospective investors should not construe anything in this Final Terms or the Offering Circular as legal, business or tax advice. Each prospective investor should consult its own advisors as needed to make its investment decision and to determine whether it is legally permitted to purchase the Notes under applicable legal investment or similar laws or regulations. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time.

This Final Terms and the Offering Circular contain summaries believed to be accurate with respect to certain documents, but reference is made to the actual documents for complete information. All such summaries are qualified in their entirety by such references. Copies of documents referred to herein will be made available to prospective investors upon request to the Issuer or the Managers.

Neither this Final Terms nor the Offering Circular constitutes an offer of, or an invitation by or on behalf of the Issuer or the Guarantors to subscribe for or purchase any of the Notes. The distribution of this Final Terms and the Offering Circular and the offering of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Final Terms and the Offering Circular come are required by the Issuer, the Guarantors and the Managers to inform themselves about and to observe any such restrictions. For a description of certain further restrictions on offers and sales of the Notes and distribution of this Final Terms and the Offering Circular, see “Plan of Distribution” in this Final Terms and “Offering and Sale” in the Offering Circular.

All references in this Final Terms to “euros,” “EUR” or “€” are to the single currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty establishing the European Community, as amended, all references to “U.S. dollars,” “USD” or “U.S. \$” are to the lawful currency of the United States and all references to “pesos” or “Ps.” are to the lawful currency of Mexico.

In connection with the issue of the Notes, each Manager that is regulated by the U.K. Financial Conduct Authority confirms that, for the purposes of the rules of the U.K. Financial Conduct Authority, it is not acting for anyone purchasing the Notes and will not be responsible to anyone purchasing the Notes for providing the protections afforded to their clients under the rules of the U.K. Financial Conduct Authority or for providing advice in relation to the offering.

In connection with the issue of the Notes, HSBC Bank plc (the “Stabilizing Manager”) (or any person acting on behalf of the Stabilizing Manager) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilization action may not necessarily occur. Any stabilization action may begin on or after the date on which adequate public disclosure of the final terms of the offer of the Notes is made and, if begun, may be ended at any time, but it must end no later than 30 days after the date on which the Issuer received the proceeds of the issue, or no later than 60 days after the date of the allotment of the relevant Notes, whichever

is the earlier. Any stabilization action or over-allotment must be conducted by the relevant Stabilizing Manager (or any person acting on behalf of the Stabilizing Manager) in accordance with all applicable laws and rules and will be undertaken at the offices of the Stabilizing Manager (or persons acting on their behalf) and on the Euro MTF Market.

NOTICE TO INVESTORS IN THE UNITED KINGDOM

This document is for distribution only to persons who (i) are outside the United Kingdom; or (ii) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the “Order”); or (iii) are persons falling within Article 49(2)(a) to (d) (high net worth companies, unincorporated associations etc.) of the Order; or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as “relevant persons”). This document is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

Prohibition of Sales to Retail Investors: Not Applicable

DESCRIPTION OF NOTES

The following items under this heading “Description of Notes” are the particular terms which relate to the Notes that are the subject of this Final Terms.

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| 1. | Series No.: | 3 |
| 2. | Principal Amount: | €1,250,000,000 |
| 3. | Issue Price: | 99.135%, plus accrued interest, if any, from and including February 21, 2017, the expected delivery date |
| 4. | Issue Date: | February 21, 2017 |
| 5. | Form of Notes: | Registered Notes |
- The Notes are to be issued pursuant to the indenture dated January 27, 2009 (the “Indenture”) between the Issuer and Deutsche Bank Trust Company Americas (the “Trustee”), as supplemented by (i) the first supplemental indenture dated as of June 2, 2009 among the Issuer, the Trustee and Deutsche Bank AG, London Branch, as international paying and authenticating agent, (ii) the second supplemental indenture dated as of October 13, 2009 among the Issuer, the Trustee, Credit Suisse AG, as principal Swiss paying agent and authenticating agent, and BNP Paribas (Suisse) SA, as an additional Swiss paying agent, (iii) the third supplemental indenture dated as of April 10, 2012 among the Issuer, the Trustee and Credit Suisse AG, as Swiss paying agent and authenticating agent, (iv) the fourth supplemental indenture dated as of June 24, 2014 between the Issuer and the Trustee, (v) the fifth supplemental indenture dated as of October 15, 2014 between the Issuer and the Trustee, (vi) the sixth supplemental indenture dated as of December 8, 2015 among the Issuer, the Trustee, BNP Paribas (Suisse) SA, as principal Swiss paying agent and authenticating agent, and Credit Suisse AG, as an additional Swiss paying agent, and (vii) the seventh supplemental indenture dated as of June 14, 2016, among the Issuer, the Trustee, Credit Suisse AG, as principal Swiss paying agent and authenticating agent, and UBS AG, as an additional Swiss paying agent. See “Description of Notes.”
- | | | |
|-----|--|---|
| 6. | Authorized Denomination(s): | €100,000 and integral multiples of €1,000 in excess thereof |
| 7. | Specified Currency: | Euros |
| 8. | Stated Maturity Date: | February 21, 2028 |
| 9. | Interest Basis: | Fixed Rate Notes |
| 10. | Interest Commencement Date (if different from the Issue Date): | N/A |

11. Fixed Rate Notes:

(a) Interest Rate: 4.875% per annum, payable annually in arrear

If interest is required to be calculated for a period of less than one year, it will be calculated on the basis of the actual number of days elapsed (from and including the date from which interest begins to accrue but excluding the date on which it falls due) divided by the actual number of days in the period from and including the immediately preceding Interest Payment Date (or, if none, the Issue Date) to but excluding the next scheduled Interest Payment Date.

(b) Interest Payment Date(s): February 21 of each year, commencing on February 21, 2018

12. Discount Notes: No

**13. Redemption at the Option of the Issuer
(Other than Tax Redemption):**

The Issuer will have the right at its option to redeem, on not less than 30 nor more than 60 days' notice, the Notes, in whole or in part, at any time or from time to time prior to their maturity, at a redemption price equal to the principal amount thereof, plus the Make-Whole Amount (as defined below), plus accrued interest, if any, on the principal amount of the Notes to be redeemed to the date of redemption. "Make-Whole Amount" means the excess of (i) the sum of the present values of each remaining scheduled payment of principal and interest on the Notes to be redeemed (exclusive of interest accrued to the date of redemption), discounted to the redemption date on an annual basis (assuming the actual number of days in a 365- or 366-day year, as applicable) at the applicable Benchmark Rate plus 70 basis points over (ii) the principal amount of such Notes.

"Benchmark Rate" means, with respect to any redemption date, the rate per annum equal to the annual equivalent yield to maturity or interpolated maturity of the Comparable Benchmark Issue (as defined below), assuming a price for the Comparable Benchmark Issue (expressed as a percentage of its principal amount) equal to the Comparable Benchmark Price (as defined below) for such redemption date.

"Comparable Benchmark Issue" means the German Bundesanleihe security or securities selected by an Independent Investment Banker (as defined below) as having an actual or interpolated maturity comparable to the remaining term of the Notes that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of euro-denominated corporate debt securities of a comparable maturity to the remaining term of the Notes.

"Independent Investment Banker" means one of the Reference Dealers (as defined below) appointed by the Issuer.

"Comparable Benchmark Price" means, with respect to any redemption date, (i) the average of the Reference Dealer Quotations (as defined below) for such redemption date, after excluding the highest and lowest such Reference Dealer Quotation, or (ii) if the Trustee obtains fewer than three such Reference Dealer Quotations, the average of all such quotations.

“Reference Dealer” means, each of BNP Paribas, Crédit Agricole Corporate and Investment Bank, Deutsche Bank Aktiengesellschaft and HSBC Bank plc or their affiliates which are German Bundesanleihe securities dealers, and their respective successors; *provided* that if any of the foregoing shall cease to be a German Bundesanleihe securities dealer (a “Dealer”), the Issuer will substitute therefor another Dealer.

“Reference Dealer Quotation” means, with respect to each Reference Dealer and any redemption date, the average, as determined by the Trustee, of the bid and asked prices for the Comparable Benchmark Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Trustee by such Reference Dealer at 3:30 p.m. Frankfurt, Germany time on the third business day preceding such redemption date.

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| 14. | Repayment at the Option of the Holders: | No |
| 15. | Indexed Notes: | No |
| 16. | Registration Rights; Exchange Offer: | N/A |
| 17. | Additional Provisions Relating to the Notes: | The Issuer reserves the right to increase the size of the issue of the Notes, or from time to time, without the consent of the holders of the Notes, create and issue further securities having substantially the same terms and conditions thereof, except for the Issue Price, Issue Date and amount of the first payment of interest, which additional securities may be consolidated and form a single series with the Notes; <i>provided</i> that such additional securities do not have, for purposes of U.S. federal income taxation, a greater amount of original issue discount than the Notes have on the date of issue of such additional securities. |
| 18. | Ranking of the Notes and Guaranties: | The payment obligations of the Issuer under the Notes, and the payment obligations of the Guarantors under their respective guaranties of the Notes, will at all times rank equally with each other and with all other present and future unsecured and unsubordinated public external indebtedness of the Issuer or such Guarantor. |

Other Relevant Terms

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|-----|--------------------------|--|
| 19. | Listing/Trading: | Listing: Luxembourg Stock Exchange Trading: Euro MTF Market of the Luxembourg Stock Exchange |
| 20. | Syndicated: | Yes |
| 21. | If Syndicated: | |
| | (a) Lead Managers: | BNP Paribas Crédit Agricole Corporate and Investment Bank Deutsche Bank AG, London Branch HSBC Bank plc |
| | (b) Stabilizing Manager: | HSBC Bank plc |

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|------------|--|--------------------------------------|
| 22. | Identity of Managers: | See “Plan of Distribution” below |
| 23. | Trustee: | Deutsche Bank Trust Company Americas |
| 24. | Principal Paying and Authenticating Agent: | Deutsche Bank AG, London Branch |
| 25. | Listing Agent: | KBL European Private Bankers S.A. |
| 26. | Provisions for Registered Notes: | |
| | (a) Rule 144A eligible: | No |
| | (b) Regulation S Global Note deposited with or on behalf of DTC: | No |
| | (c) Restricted Global Note deposited with or on behalf of DTC: | No |
| | (d) Regulation S Global Note deposited with Common Depositary: | Yes |
| | (e) Restricted Global Note deposited with Common Depositary: | No |
| 27. | Codes: | |
| | (a) Common Code: | 156888877 |
| | (b) ISIN: | XS1568888777 |
| | (c) CUSIP: | N/A |
| 28. | Use of Proceeds (If Different from Offering Circular): | N/A |

29. Further Information:

For purposes of this Final Terms, all references in the Offering Circular to “Notes” shall be deemed to include, where applicable, the Notes described herein.

The Global Notes will be deposited with a common depository for the account of Euroclear Bank S.A./N.V., as operator of the Euroclear Clearance System plc (“Euroclear”) and Clearstream Banking, *société anonyme* (“Clearstream, Luxembourg”). Investors may hold book-entry interests in the Global Notes through organizations that participate, directly or indirectly, in Euroclear and/or Clearstream, Luxembourg. The distribution of the Global Notes will be carried through Euroclear and Clearstream, Luxembourg. Any secondary market trading of book-entry interests in the Global Notes will take place through participants in Euroclear and Clearstream, Luxembourg and will settle in same-day funds. Owners of book-entry interests in the Global Notes will receive payments relating to their Global Notes in euros. Euroclear and Clearstream, Luxembourg have established electronic securities and payment transfer, processing, depository and custodial links among themselves and others, either directly or through custodians and depositories. These links allow securities to be issued, held and transferred among the clearing systems without the physical transfer of certificates. Special procedures to facilitate clearance and settlement have been established among these clearing systems to trade securities across borders in the secondary market. See “Description of Notes—Global Notes” and “Clearing and Settlement” in the Offering Circular.

RECENT DEVELOPMENTS

The Issuer's Form 20-F filed with the Commission on May 16, 2016 is incorporated by reference in the Offering Circular (the "2015 Form 20-F"). The information included in PEMEX's report furnished to the Commission on Form 6-K on December 6, 2016 (the "December Form 6-K"), including PEMEX's unaudited condensed consolidated results as of and for the nine months ended September 30, 2016, and in PEMEX's report furnished to the SEC on Form 6-K on February 9, 2017 (the "February Form 6-K") is incorporated herein by reference.

In addition, the information contained in the December Form 6-K and the February Form 6-K with respect to certain recent developments set forth therein supplements the information contained in the 2015 Form 20-F.

PLAN OF DISTRIBUTION

Subject to the terms and conditions stated in the terms agreement dated as of February 14, 2017, which incorporates by reference a distribution agreement with respect to the Notes, BNP Paribas, Crédit Agricole Corporate and Investment Bank, Deutsche Bank AG, London Branch and HSBC Bank plc (collectively, the “Managers”) have severally agreed to purchase, and the Issuer has agreed to sell to each Manager, the principal amount of Notes set forth opposite such Manager’s name in the following table.

| <u>Manager</u> | <u>Principal Amount</u> |
|--|--------------------------------|
| BNP Paribas..... | €312,500,000 |
| Crédit Agricole Corporate and Investment Bank..... | €312,500,000 |
| Deutsche Bank AG, London Branch | €312,500,000 |
| HSBC Bank plc | €312,500,000 |
| Total..... | <u>€1,250,000,000</u> |

The terms agreement and distribution agreement provide that the obligations of the Managers to purchase the Notes are subject to various conditions. The Managers must purchase all the Notes if they purchase any of the Notes.

The Issuer has been advised that the Managers propose to resell the Notes initially at the issue price set forth on the cover page of this Final Terms outside the United States in reliance on Regulation S. After the Notes are released for sale, the offering price and other selling terms may from time to time be varied by the Managers.

The Notes have not been and will not be registered under the Securities Act or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except in certain transactions exempt from, or not subject to, the registration requirements of the Securities Act.

The Issuer has been advised by the Managers that the Managers propose to resell the Notes, directly or through their selling agents or any of their affiliates, only outside the United States in reliance on Regulations S. See “Notice to Investors” and “Offering and Sale” in the Offering Circular.

Accordingly, each Manager has agreed that, except as permitted by the terms agreement and the distribution agreement and as set forth in “Notice to Investors” in the Offering Circular, it will not offer, sell or deliver any Notes within the United States or to, or for the account or benefit of, U.S. persons (i) as part of its distribution at any time or (ii) otherwise until 40 days after the later of the commencement of this offering and the original issue date for the Notes, and that it will send to each dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the commencement of this offering, an offer or sale of the Notes within the United States by a dealer that is not participating in this offering may violate the registration requirements of the Securities Act.

Terms used in the four preceding paragraphs have the meanings given to them by Regulation S under the Securities Act.

The Notes will constitute a new issue of securities with no established trading market. The Issuer has applied to list the Notes on the Luxembourg Stock Exchange and to have the Notes trade on the Euro MTF Market of the Luxembourg Stock Exchange. However, the Issuer cannot assure you that the prices at which the Notes will sell in the market after this offering will not be lower than the initial offering price or that an active trading market for the Notes will develop or continue, as applicable, after this offering. The Managers have advised the Issuer that they currently intend to make a market in the Notes. However, they are not obligated to do so and they may discontinue any market-making activities with respect to the Notes at any time without notice. Accordingly, no assurance can be given as to the liquidity of the trading market for the Notes.

In connection with the issue of the Notes, the Stabilizing Manager (or any person acting on behalf of the Stabilizing Manager) may over-allot Notes or effect transactions with a view to supporting the market price of the

Notes at a level higher than that which might otherwise prevail. However, stabilization action may not necessarily occur. Any stabilization action may begin on or after the date on which adequate public disclosure of the final terms of the offer of the Notes is made and, if begun, may be ended at any time, but it must end no later than 30 days after the date on which the Issuer received the proceeds of the issue, or no later than 60 days after the date of the allotment of the relevant Notes, whichever is the earlier. Any stabilization action or over-allotment must be conducted by the relevant Stabilizing Manager (or any person acting on behalf of the Stabilizing Manager) in accordance with all applicable laws and rules and will be undertaken at the offices of the Stabilizing Manager (or persons acting on their behalf) and on the Euro MTF Market.

The Managers may receive offers to buy Notes from certain of their affiliates in Mexico. No assurance can be given that such offers will be received or that the Notes will be sold to such persons by the Managers. Any Notes sold to such affiliates will be sold at the Issue Price.

Sales of the Notes by the Managers outside of the United States may be effected through any of their respective affiliates in accordance with applicable law.

The net proceeds to the Issuer from the sale of the Notes will be approximately €1,236,842,964 excluding accrued interest, if any, and after the deduction of the underwriting discount and the Issuer's share of the expenses in connection with the sale of the Notes. See "Use of Proceeds" in the Offering Circular.

The Managers and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. Certain of the Managers and their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for the Issuer or one or more of the Guarantors, for which they received or will receive customary fees and expenses. Certain of the Managers and/or their affiliates are lenders under the Issuer's existing term loan and revolving credit facility.

In addition, in the ordinary course of their business activities, the Managers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or its affiliates. If any of the Managers or their affiliates has a lending relationship with the Issuer, certain of those Managers or their affiliates routinely hedge, and certain other of those Managers or their affiliates may hedge, their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Managers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in the Issuer's securities, including potentially the Notes offered hereby. Any such short positions could adversely affect future trading prices of the Notes offered hereby. The Managers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

The Issuer and the Guarantors have agreed to indemnify the several Managers against certain liabilities, including liabilities under the Securities Act. The Managers have agreed to reimburse the Issuer for certain of its expenses in connection with the offering of the Notes.

The Notes are offered for sale in those jurisdictions in Canada, Europe, Asia, Latin America and elsewhere where it is lawful to make such offers.

Each of the Managers has represented and agreed that it has not offered, sold or delivered and will not offer, sell or deliver any Notes, directly or indirectly, or distribute this Final Terms, the Offering Circular or any other offering material relating to the Notes in or from any jurisdiction, except under circumstances that will result in compliance with the applicable laws and regulations thereof and that will not impose any obligations on the Issuer except as set forth in the terms agreement and the distribution agreement.

European Economic Area

This Final Terms has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area (each a "Member State") will be made pursuant to an exemption under the Prospectus Directive from the requirement to publish a prospectus for offers of Notes. Accordingly, any person making or intending to make an offer in that Member State of Notes which are the subject of the offering contemplated in this

Final Terms may only do so in circumstances in which no obligation arises for the Issuer, the Guarantors or any of the Managers to publish a prospectus pursuant to Article 3 of the Prospectus Directive, in relation to such offer. Neither the Issuer, the Guarantors nor the Managers have authorized, nor do they authorize, the making of any offer of Notes in circumstances in which an obligation arises for the Issuer, the Guarantors or the Managers to publish a prospectus for such offer. Neither the Issuer, the Guarantors nor the Managers have authorized, nor do they authorize, the making of any offer of Notes through any financial intermediary, other than offers made by the Managers, which constitute the final placement of the Notes contemplated in this Final Terms. The expression Prospectus Directive means Directive 2003/71/EC (as amended), and includes any relevant implementing measure in the Member State.

In relation to each Member State, each Manager has represented and agreed that with effect from and including the date on which the Prospectus Directive, as defined below, was implemented in that Member State (the “Relevant Implementation Date”) it has not made and will not make an offer of the Notes which are the subject of the offering contemplated by this Final Terms to the public in that Member State, except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Member State:

- (a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the Managers; or
- (c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (a) to (c) above shall require the Issuer, any Guarantor or any Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive, or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an “offer of Notes to the public” in relation to any Notes in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression “Prospectus Directive” means Directive 2003/71/EC (as amended) and includes any relevant implementing measure in each Member State.

Each person in a Member State of the European Economic Area who receives any communication in respect of, or who acquires any Notes under, the offers to the public contemplated in this Final Terms will be deemed to have represented, warranted and agreed to and with each Manager and the Issuer that:

- (a) it is a qualified investor within the meaning of the law in that Member State implementing Article 2(1)(e) of the Prospectus Directive; and
- (b) in the case of any Notes acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, (i) the Notes acquired by it in the offer have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Member State other than qualified investors, as that term is defined in the Prospectus Directive, or in circumstances in which the prior consent of the Managers has been given to the offer or resale; or (ii) where Notes have been acquired by it on behalf of persons in any Member State other than qualified investors, the offer of those Notes to it is not treated under the Prospectus Directive as having been made to such persons.

The above selling restrictions are in addition to any other selling restrictions set out below.

United Kingdom

Each Manager has represented, warranted and agreed that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the “FSMA”)) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer or the Guarantors; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

Mexico

The Notes have not been and will not be registered with the National Securities Registry maintained by the CNBV, and therefore may not be offered or sold publicly in Mexico. The Notes may be offered and sold to qualified and institutional investors in Mexico, pursuant to the private placement exemption set forth under Article 8 of the Securities Market Law. As required under the Securities Market Law, the Issuer will give notice to the CNBV of the offering of the Notes under the terms set forth herein for informational purposes only. The delivery to, and receipt by, the CNBV of such notice does not certify the solvency of the Issuer or the Guarantors, the investment quality of the Notes, or that the information contained in the Offering Circular and this Final Terms is accurate or complete.

Brazil

The Notes have not been and will not be issued nor placed, distributed, offered or negotiated in the Brazilian capital markets and, as a result, have not been and will not be registered with the Securities Commission of Brazil (*Comissão de Valores Mobiliários*, or “CVM”). Any public offering or distribution, as defined under Brazilian laws and regulations, of the Notes in Brazil is not legal without prior registration under Law No. 6,385 of December 7, 1976, as amended, and Instruction No. 400, issued by the CVM on December 29, 2003, as amended. Documents relating to the offering of the Notes, as well as information contained therein, may not be supplied to the public in Brazil (as the offering of the Notes is not a public offering of securities in Brazil), or used in connection with any offer for subscription or sale of the Notes to the public in Brazil. Persons wishing to offer or acquire the Notes within Brazil should consult with their own counsel as to the applicability of registration requirements or any exemption therefrom.

Canada

The Notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 *Prospectus Exemptions* or subsection 73.3 (1) of the *Securities Act* (Ontario), and are permitted clients, as defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws in Canada.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if the Offering Circular and this Final Terms (including any amendment thereto and hereto) contains a misrepresentation, *provided* that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province or territory for particulars of these rights or consult with a legal advisor.

The foregoing paragraphs under the heading “Canada” replace the paragraphs under the heading on page 77 of the Offering Circular.

Chile

The Notes are not registered in the Securities Registry (*Registro de Valores*) or subject to the control of the Chilean Securities and Exchange Commission (*Superintendencia de Valores y Seguros de Chile*). The Offering Circular, this Final Terms and other offering materials relating to the offer of the Notes do not constitute a public offer of, or an invitation to subscribe for or purchase, the Notes in the Republic of Chile, other than to individually identified purchasers pursuant to a private offering within the meaning of Article 4 of the Chilean Securities Market Act (*Ley de Mercado de Valores*) (an offer that is not “addressed to the public at large or to a certain sector or specific group of the public”).

Los valores no se encuentran registrados en el Registro de Valores ni están sujetos a la fiscalización de la Superintendencia de Valores y Seguros de Chile. La Circular de la Oferta, los Términos Finales y cualquier otro material relativo a la oferta de los Valores no constituye una oferta pública de, o invitación a suscribir o comprar, los Valores en la República de Chile, es simplemente para identificar de manera individual compradores conforme a una oferta privada dentro de lo establecido en el Artículo 4 de la Ley de Mercado de Valores (una oferta que no está “dirigida al público en general o a un sector o grupo específico del público”).

Dubai International Financial Centre

The Offering Circular and this Final Terms relate to an exempt offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority (“DFSA”). The Offering Circular and this Final Terms are intended for distribution only to persons of a type specified in the Offered Securities Rules of the DFSA. They must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any document in connection with exempt offers. The DFSA has not approved the Offering Circular or this Final Terms nor taken steps to verify the information set forth in any of them and has no responsibility for the Offering Circular or this Final Terms. The Notes to which the Offering Circular and this Final Terms relate may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Notes offered should conduct their own due diligence on the Notes. If you do not understand the contents of the Offering Circular or this Final Terms you should consult an authorized financial advisor.

France

The Offering Circular and this Final Terms have not been prepared in the context of a public offering of financial securities in France within the meaning of Article L. 411-1 of the *Code Monétaire et Financier* and Title I of Book II of the *Règlement Général* of the *Autorité des Marchés financiers* (the French financial markets authority) (the “AMF”) and therefore have not been submitted for clearance to the AMF. Consequently, the Notes may not be, directly or indirectly, offered or sold to the public in France, and offers and sales of the Notes will only be made in France to providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d’investissement de gestion de portefeuille pour le compte de tiers*) and/or to qualified investors (*investisseurs qualifiés*) and/or to a closed circle of investors (*cercle restreint d’investisseurs*) acting for their own accounts, as defined in and in accordance with Articles L. 411-2, D. 411-1 and D. 411-4 of the *Code de Monétaire et Financier*. Neither the Offering Circular, this Final Terms nor any other offering material may be made available or be distributed to the public in France.

Germany

The offer of the Notes is not a public offering in the Federal Republic of Germany. The Notes may only be offered, sold and acquired in accordance with the provisions of the Securities Prospectus Act of the Federal Republic of Germany (*Wertpapierprospektgesetz – WpPG*), as amended (the “Securities Prospectus Act”), the Commission Regulation (EC) No. 809/2004 of April 29, 2004, as amended, and any other applicable German law. No application has been made under German law to permit a public offer of Notes in the Federal Republic of Germany. Neither the Offering Circular nor this Final Terms has been approved for purposes of a public offer of the Notes and accordingly the Notes may not be, and are not being, offered or advertised publicly or by public promotion in Germany. Therefore, the Offering Circular and this Final Terms are strictly for private use and the offer is only being made to recipients to whom the document is personally addressed and does not constitute an offer or advertisement to the public. The Notes will only be available to and the Offering Circular, this Final Terms and any other offering material in relation to the Notes is directed only at persons who are qualified investors (*qualifizierte Anleger*) within the meaning of Section 2, No. 6 of the Securities Prospectus Act. Any resale of the Notes in Germany may only be made in accordance with the Securities Prospectus Act and other applicable laws.

Hong Kong

The Notes may not be offered or sold by means of any document other than (a) in circumstances which do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, or (b) to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made thereunder, or (c) in other circumstances which do not result in the document being a “prospectus” within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, and no advertisement, invitation or document relating to the Notes may be issued, or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made thereunder.

Italy

No action has been or will be taken which could allow an offering of the Notes to the public in the Republic of Italy. Accordingly, the Notes may not be offered or sold directly or indirectly in the Republic of Italy, and neither the Offering Circular and this Final Terms nor any other offering memorandum, prospectus, form of application, advertisement, other offering material or other information relating to the Issuer or the Notes may be issued, distributed or published in the Republic of Italy, except under circumstances that will result in compliance with all applicable laws, orders, rules and regulations. The Notes cannot be offered or sold to any natural persons nor to entities other than qualified investors (according to the definition provided for by the Prospectus Directive) either on the primary or on the secondary market.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (the “FIEL”) and will not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEL and any other applicable laws, regulations and ministerial guidelines of Japan.

The Netherlands

This document has not been and will not be approved by the Netherlands Authority for the Financial Markets (*Autoriteit Financiële Markten*) in accordance with Article 5:2 of the Dutch Act on Financial Supervision (*Wet op het financieel toezicht*). The Notes will only be offered in The Netherlands to qualified investors (*gekwalficeerde beleggers*) as defined in Article 1:1 of the Dutch Act on Financial Supervision.

Peru

The Notes and the information contained in the Offering Circular and this Final Terms have not been, and will not be, registered with or approved by the Superintendency of the Securities Market (*Superintendencia del Mercado de Valores*) or the Lima Stock Exchange (*Bolsa de Valores de Lima*). Accordingly, the Notes cannot be offered or sold in Peru, except if such offering is considered a private offering under the securities laws and regulations of Peru.

Singapore

The Offering Circular and this Final Terms have not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Manager has represented, warranted and agreed that it has not circulated or distributed nor will it circulate or distribute this Final Terms, the Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of any Notes nor has it offered or sold or caused such Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell such Notes or cause such Notes to be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (a) to an institutional investor or other person specified in Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”), (b) to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA, or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 by a relevant person which is: (a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries’ rights and interest in that trust shall not be transferable for six months after that corporation or that trust has acquired the Notes under Section 275 of the SFA except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person (as defined in Section 275(2) of the SFA), or any person pursuant to Section 275(1A) of the SFA, or Section 275 of the SFA; (2) where no consideration is given for the transfer; (3) by operation of law; (4) as specified in Section 276(7) of the SFA; or (5) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

Switzerland

The Notes may not and will not be publicly offered, distributed or redistributed on a professional basis in or from Switzerland, and neither the Offering Circular nor this Final Terms nor any other solicitation for investments in the Notes may be communicated or distributed in Switzerland in any way that could constitute a public offering within the meaning of articles 652a or 1156 of the Swiss Federal Code of Obligations or of Article 3 of the Federal Act on Collective Investment Schemes of June 23, 2006. This Final Terms may not be copied, reproduced, distributed or passed on to others without the Managers' prior written consent. This Final Terms is not a prospectus within the meaning of Articles 1156 and 652a of the Swiss Code of Obligations or a listing prospectus according to article 27 of the Listing Rules of the SIX Swiss Exchange and may not comply with the information standards required thereunder. The Issuer will not apply for a listing of the Notes on any Swiss stock exchange or other Swiss regulated market and this Final Terms may not comply with the information required under the relevant listing rules. The Notes have not been and will not be approved by any Swiss regulatory authority. The Notes have not been and will not be registered with or supervised by the Swiss Federal Banking Commission, and have not been and will not be authorized under the Federal Act on Collective Investment Schemes of June 23, 2006. The investor protection afforded to acquirers of investment fund certificates by the Federal Act on Collective Investment Schemes of June 23, 2006 does not extend to acquirers of the Notes.

See "Offering and Sale" in the Offering Circular for additional restrictions on the offer and sale of the Notes in certain jurisdictions.

VALIDITY OF THE NOTES

The validity under New York law of the Notes, the Guaranties and the Guaranty Agreement will be passed upon by Cleary Gottlieb Steen & Hamilton LLP, New York counsel for the Issuer and the Guarantors, and by Shearman & Sterling LLP as New York counsel for the Managers. Certain legal matters governed by Mexican law will be passed upon by the General Counsel of the Issuer, and by Ritch, Mueller, Heather y Nicolau, S.C., special Mexican counsel for the Managers.

GENERAL INFORMATION

1. Except as disclosed herein, there has been no material adverse change in the consolidated financial position of the Issuer or the Guarantors since September 30, 2016.

2. Except as disclosed herein, none of the Issuer or any of the Guarantors is involved in any litigation or arbitration proceedings relating to claims or amounts which are material in the context of the issue of the Notes. None of the Issuer or any of the Guarantors is aware of any such litigation or arbitration proceeding pending or threatened.

3. The Issuer and the Guarantors accept responsibility for the information contained in this Final Terms. To the best of the knowledge and belief of each of the Issuer and the Guarantors (each of which has taken all reasonable care to ensure that such is the case), the information contained or incorporated by reference in the Offering Circular, as supplemented by this Final Terms, is in accordance with the facts and does not omit anything likely to affect the import of such information.

4. The Issuer has applied to list the Notes on the Luxembourg Stock Exchange and to have the Notes trade on the Euro MTF Market of the Luxembourg Stock Exchange. The Notes are being issued under the program of U.S. \$72,000,000,000 Medium-Term Notes, Series C, of the Issuer, which commenced on January 27, 2009 and was recommenced and updated on February 9, 2017. The Issuer most recently increased the aggregate amount of securities that may be issued from time to time under the Medium-Term Notes Program, Series C, to U.S. \$72,000,000,000 from U.S. \$62,000,000,000 on December 6, 2016.

5. This Final Terms is supplementary to, and should be read in conjunction with, the Offering Circular dated February 9, 2017. Terms used but not defined herein have the same meanings as in the Offering Circular.

Petróleos Mexicanos

(A Productive State-Owned Company of the Federal Government of the United Mexican States)

Medium-Term Notes, Series C

jointly and severally guaranteed by

Pemex Exploración y Producción, Pemex Transformación Industrial, Pemex Perforación y Servicios, Pemex Logística and Pemex Cogeneración y Servicios



FINAL TERMS NO. 3

February 14, 2017

Joint Lead Managers and Joint Bookrunners

BNP PARIBAS

Crédit Agricole CIB

Deutsche Bank

HSBC
