

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER  
PURSUANT TO RULE 13a-16 OR 15d-16 UNDER  
THE SECURITIES EXCHANGE ACT OF 1934

For the month of August, 2007  
Commission File Number 0-99

**PETROLEOS MEXICANOS**

(Exact name of registrant as specified in its charter)

**MEXICAN PETROLEUM**

(Translation of registrant's name into English)

**United Mexican States**

(Jurisdiction of incorporation or organization)

**Avenida Marina Nacional No. 329**

**Colonia Huasteca**

**Mexico, D.F. 11311**

**Mexico**

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F  Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1)

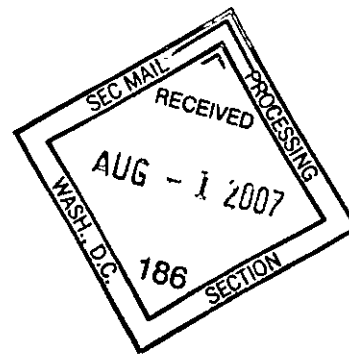
Yes  No

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7)

Yes  No

Indicate by check mark whether the registrant by furnishing the information contained in this form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes  No



PROCESSED

AUG 07 2007

THOMSON  
FINANCIAL



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The following represents an English translation of the audited financial information presented to the Mexican Stock Exchange by Petróleos Mexicanos for the year ended December 31, 2006.

# MEXICAN STOCK EXCHANGE

STOCK EXCHANGE CODE: PMXCB

QUARTER: 4      YEAR: 2006

BANCO J.P. MORGAN S.A., INSTITUCION  
DE BANCA MULTIPLE J.P. MORGAN  
GRUPO FINANCIERO  
AUDITED

BALANCE SHEETS  
AT DECEMBER 31 OF 2006 AND 2005  
(Thousands of Mexican Pesos)

CONSOLIDATED  
Previous Printing

REF S	CONCEPTS	CURRENT YEAR		PREVIOUS YEAR	
		Amount	%	Amount	%
s01	TOTAL ASSETS	1,204,734,456	100	1,084,817,954	100
s02	CURRENT ASSETS	384,923,908	32	304,629,376	28
s03	CASH AND SHORT-TERM INVESTMENTS	188,683,832	16	125,724,053	12
s04	ACCOUNTS AND NOTES RECEIVABLE (NET)	49,808,332	4	43,821,134	4
s05	OTHER ACCOUNTS AND NOTES RECEIVABLE (NET)	82,385,605	7	78,837,250	7
s06	INVENTORIES	59,815,339	5	52,632,561	5
s07	OTHER CURRENT ASSETS	4,230,800	0	3,614,378	0
s08	LONG-TERM	32,530,163	3	27,749,958	3
s09	ACCOUNTS AND NOTES RECEIVABLE (NET)	0	0	0	0
s10	INVESTMENT IN SHARES OF NON-CONSOLIDATED SUBSIDIARIES AND ASSOCIATES	32,386,297	3	27,749,958	3
s11	OTHER INVESTMENTS	143,866	0	0	0
s12	PROPERTY, PLANT AND EQUIPMENT (NET)	710,488,205	59	669,307,823	62
s13	LAND AND BUILDINGS	478,891,710	40	420,674,086	39
s14	MACHINERY AND INDUSTRIAL EQUIPMENT	768,923,249	64	737,238,364	68
s15	OTHER EQUIPMENT	47,822,431	4	46,631,359	4
s16	ACCUMULATED DEPRECIATION	668,178,314	55	608,705,704	56
s17	CONSTRUCTION IN PROGRESS	83,029,129	7	73,469,718	7
s18	OTHER INTANGIBLE ASSETS AND DEFERRED ASSETS (NET)	3,068,327	0	3,359,079	0
s19	OTHER ASSETS	73,723,853	6	79,771,718	7
s20	TOTAL LIABILITIES	1,164,780,692	100	1,112,776,794	100
s21	CURRENT LIABILITIES	169,926,588	15	171,149,259	15
s22	SUPPLIERS	35,758,808	3	32,215,474	3
s23	BANK LOANS	24,277,404	2	31,025,849	3
s24	STOCK MARKET LOANS	39,563,110	3	6,534,135	1
s25	TAXES PAYABLE	43,376,135	4	70,761,756	6
s26	OTHER CURRENT LIABILITIES	26,951,131	2	30,612,045	3
s27	LONG-TERM LIABILITIES	505,474,457	43	521,923,680	47
s28	BANK LOANS	150,037,151	13	176,789,023	16
s29	STOCK MARKET LOANS	355,437,306	31	345,134,657	31
s30	OTHER LOANS	0	0	0	0
s31	DEFERRED LIABILITIES	7,769,245	1	28,813,663	3
s32	OTHER NON CURRENT LIABILITIES	481,610,402	41	390,890,192	35
s33	CONSOLIDATED STOCKHOLDERS' EQUITY	39,953,764	100	(27,958,840)	100
s34	MINORITY INTEREST	0	0	0	0
s35	MAJORITY INTEREST	39,953,764	100	(27,958,840)	100
s36	CONTRIBUTED CAPITAL	327,739,392	820	289,964,600	(1037)
s79	CAPITAL STOCK	327,739,392	820	289,964,600	(1037)
s39	PREMIUM ON ISSUANCE OF SHARES	0	0	0	0
s40	CONTRIBUTIONS FOR FUTURE CAPITAL INCREASES	0	0	0	0
s41	EARNED CAPITAL	(287,785,628)	(720)	(317,923,440)	1137
s42	RETAINED EARNINGS AND CAPITAL RESERVES	(287,785,628)	(720)	(317,923,440)	1137
s44	OTHER ACCUMULATED COMPREHENSIVE RESULT	0	0	0	0
s80	SHARES REPURCHASED	0	0	0	0

# MEXICAN STOCK EXCHANGE

STOCK EXCHANGE CODE: PMXCB

QUARTER: 4      YEAR: 2006

BANCO J.P. MORGAN S.A., INSTITUCION  
DE BANCA MULTIPLE J.P. MORGAN  
GRUPO FINANCIERO

## BALANCE SHEETS

### BREAKDOWN OF MAIN CONCEPTS

CONSOLIDATED

AUDITED

(Thousands of Mexican Pesos)

Previous Printing

REF S	CONCEPTS	CURRENT YEAR		PREVIOUS YEAR	
		Amount	%	Amount	%
s03	CASH AND SHORT-TERM INVESTMENTS	188,683,832	100	125,724,053	100
s46	CASH	92,291,207	49	46,380,413	37
s47	SHORT-TERM INVESTMENTS	96,392,625	51	79,343,640	63
s07	OTHER CURRENT ASSETS	4,230,800	100	3,614,378	100
s81	DERIVATIVE FINANCIAL INSTRUMENTS	4,230,800	100	3,614,378	100
s82	DISCONTINUED OPERATIONS	0	0	0	0
s83	OTHER	0	0	0	0
s18	OTHER INTANGIBLE ASSETS AND DEFERRED ASSETS (NET)	3,068,327	100	3,359,079	100
s48	DEFERRED EXPENSES (NET)	0	0	0	0
s49	GOODWILL	0	0	0	0
s51	OTHER	3,068,327	100	3,359,079	100
s19	OTHER ASSETS	73,723,853	100	79,771,718	100
s84	INTANGIBLE ASSET FROM LABOR OBLIGATIONS	73,723,853	100	79,771,718	100
s85	DERIVATIVE FINANCIAL INSTRUMENTS	0	0	0	0
s50	DEFERRED TAXES	0	0	0	0
s86	DISCONTINUED OPERATIONS	0	0	0	0
s87	OTHER	0	0	0	0
s21	CURRENT LIABILITIES	169,926,588	100	171,149,259	100
s52	FOREIGN CURRENCY LIABILITIES	49,912,069	29	133,520,925	78
s53	MEXICAN PESOS LIABILITIES	120,014,519	71	37,628,334	22
s26	OTHER CURRENT LIABILITIES	26,951,131	100	30,612,045	100
s88	DERIVATIVE FINANCIAL INSTRUMENTS	12,887,695	48	19,804,143	65
s89	INTEREST LIABILITIES	0	0	0	0
s68	PROVISIONS	0	0	0	0
s90	DISCONTINUED OPERATIONS	0	0	0	0
s58	OTHER CURRENT LIABILITIES	14,063,436	52	10,807,902	35
s27	LONG-TERM LIABILITIES	505,474,457	100	521,923,680	100
s59	FOREIGN CURRENCY LIABILITIES	407,616,756	81	412,662,166	79
s60	MEXICAN PESOS LIABILITIES	97,857,701	19	109,261,514	21
s31	DEFERRED LIABILITIES	7,769,245	100	28,813,663	100
s65	NEGATIVE GOODWILL	0	0	0	0
s67	OTHER	7,769,245	100	28,813,663	100
s32	OTHER NON CURRENT LIABILITIES	481,610,402	100	390,890,192	100
s66	DEFERRED TAXES	0	0	0	0
s91	OTHER LIABILITIES IN RESPECT OF SOCIAL INSURANCE	454,577,611	94	390,890,192	100
s92	DISCONTINUED OPERATIONS	0	0	0	0
s69	OTHER LIABILITIES	27,032,791	6	0	0
s79	CAPITAL STOCK	327,739,392	100	289,964,600	100
s37	CAPITAL STOCK (NOMINAL)	221,913,086	68	174,950,497	60
s38	RESTATEMENT OF CAPITAL STOCK	105,826,306	32	115,014,103	40

# MEXICAN STOCK EXCHANGE

STOCK EXCHANGE CODE: PMXCB  
 BANCO J.P. MORGAN S.A., INSTITUCION  
 DE BANCA MULTIPLE J.P. MORGAN  
 GRUPO FINANCIERO  
 AUDITED

QUARTER: 4      YEAR: 2006

BALANCE SHEETS  
 BREAKDOWN OF MAIN CONCEPTS  
 (Thousands of Mexican Pesos)

CONSOLIDATED  
 Previous Printing

REF S	CONCEPTS	CURRENT YEAR		PREVIOUS YEAR	
		Amount	%	Amount	%
s42	RETAINED EARNINGS AND CAPITAL RESERVES	(287,785,628)	100	(317,923,440)	100
s93	LEGAL RESERVE	0	0	0	0
s43	RESERVE FOR REPURCHASE OF SHARES	0	0	0	0
s94	OTHER RESERVES	0	0	0	0
s95	RETAINED EARNINGS	(333,037,804)	116	(238,549,139)	75
s45	NET INCOME FOR THE YEAR	45,252,176	(16)	(79,374,301)	25
s44	OTHER ACCUMULATED COMPREHENSIVE RESULT	0	0	0	0
s70	ACCUMULATED MONETARY RESULT	0	0	0	0
s71	RESULT FROM HOLDING NON-MONETARY ASSETS	0	0	0	0
s96	CUMULATIVE RESULT FROM FOREIGN CURRENCY TRANSLATION	0	0	0	0
s97	CUMULATIVE RESULT FROM DERIVATIVE FINANCIAL INSTRUMENTS	0	0	0	0
s98	CUMULATIVE EFFECT OF DEFERRED INCOME TAXES	0	0	0	0
s99	LABOR OBLIGATION ADJUSTMENT	0	0	0	0
s100	OTHER	0	0	0	0

# MEXICAN STOCK EXCHANGE

STOCK EXCHANGE CODE: PMXCB  
 BANCO J.P. MORGAN S.A., INSTITUCION  
 DE BANCA MULTIPLE J.P. MORGAN  
 GRUPO FINANCIERO

QUARTER: 4      YEAR: 2006

BALANCE SHEETS

OTHER CONCEPTS

CONSOLIDATED

Previous Printing

AUDITED

(Thousands of Mexican Pesos)

REF. ST.	CONCEPTS	CURRENT YEAR	PREVIOUS YEAR
		Amount	Amount
s57	OTHER CURRENT LIABILITIES WITH COST	0	0
s63	OTHER LOANS WITH COST	0	0
s72	WORKING CAPITAL	214,997,320	133,480,117
s73	PENSIONS AND SENIORITY PREMIUMS	0	0
s74	EXECUTIVES (*)	0	0
s75	EMPLOYEES (*)	0	0
s76	WORKERS (*)	0	0
s77	OUTSTANDING SHARES (*)	0	0
s78	REPURCHASED SHARES (*)	0	0
s101	RESTRICTED CASH	0	0
s102	NET DEBT OF NON CONSOLIDATED COMPANIES	0	0

(\*) THESE CONCEPTS ARE STATED IN UNITS

# MEXICAN STOCK EXCHANGE

STOCK EXCHANGE CODE: PMXCB

QUARTER: 4      YEAR: 2006

BANCO J.P. MORGAN S.A., INSTITUCION  
DE BANCA MULTIPLE J.P. MORGAN  
GRUPO FINANCIERO

## STATEMENTS OF INCOME

FROM JANUARY THE 1st TO DECEMBER 31 OF 2006 AND 2005

CONSOLIDATED

AUDITED

(Thousands of Mexican Pesos)

Previous Printing

REF. IR	CONCEPTS	CURRENT YEAR		PREVIOUS YEAR	
		Amount	%	Amount	%
r01	NET SALES	1,062,494,744	100	966,283,662	100
r02	COST OF SALES	403,105,475	38	375,816,940	39
r03	GROSS PROFIT	659,389,269	62	590,466,722	61
r04	OPERATING EXPENSES	78,040,873	7	71,496,251	7
r05	OPERATING INCOME	581,348,396	55	518,970,471	54
r06	INTEGRAL FINANCING COST	22,982,704	2	4,660,887	0
r07	INCOME AFTER INTEGRAL FINANCING COST	558,365,692	53	514,309,584	53
r08	OTHER EXPENSE AND INCOME (NET)	(69,741,475)	(7)	(12,316,877)	(1)
r44	SPECIAL ITEMS	0	0	0	0
r09	INCOME BEFORE INCOME TAXES AND EMPLOYEES' PROFIT SHARING	628,107,167	59	526,626,461	55
r10	PROVISIONS FOR INCOME TAXES AND EMPLOYEES' PROFIT SHARING	582,854,991	55	604,163,940	63
r11	NET INCOME AFTER TAXES AND EMPLOYEES' PROFIT SHARING	45,252,176	4	(77,537,479)	(8)
r12	EQUITY IN NET INCOME OF NON-CONSOLIDATED SUBSIDIARIES AND ASSOCIATES	0	0	0	0
r13	CONSOLIDATED NET INCOME OF CONTINUING OPERATIONS	45,252,176	4	(77,537,479)	(8)
r14	INCOME FROM DISCONTINUED OPERATIONS	0	0	0	0
r15	CONSOLIDATED NET INCOME BEFORE EXTRAORDINARY ITEMS	45,252,176	4	(77,537,479)	(8)
r16	EXTRAORDINARY ITEMS, NET EXPENSE (INCOME)	0	0	0	0
r17	CUMULATIVE EFFECT FROM ACCOUNTING CHANGE, NET	0	0	1,836,822	0
r18	NET CONSOLIDATED INCOME	45,252,176	4	(79,374,301)	(8)
r19	NET INCOME OF MINORITY INTEREST	0	0	0	0
r20	NET INCOME OF MAJORITY INTEREST	45,252,176	4	(79,374,301)	(8)

# MEXICAN STOCK EXCHANGE

STOCK EXCHANGE CODE: PMXCB  
 BANCO J.P. MORGAN S.A., INSTITUCION  
 DE BANCA MULTIPLE J.P. MORGAN  
 GRUPO FINANCIERO  
 AUDITED

QUARTER: 4      YEAR: 2006

STATEMENTS OF INCOME  
 BREAKDOWN OF MAIN CONCEPTS  
 (Thousands of Mexican Pesos)

CONSOLIDATED  
 Previous Printing

REF. R.	CONCEPTS	CURRENT YEAR		PREVIOUS YEAR	
		Amount	%	Amount	%
r01	NET SALES	1,062,494,744	100	966,283,662	100
r21	DOMESTIC	546,737,992	51	525,582,776	54
r22	FOREIGN	515,756,752	49	440,700,886	46
r23	TRANSLATED INTO DOLLARS (***)	0	0	0	0
r06	INTEGRAL FINANCING COST	22,982,704	100	4,660,887	100
r24	INTEREST EXPENSE	47,176,809	205	55,075,928	1182
r42	LOSS (GAIN) ON RESTATEMENT OF UDI'S	0	0	0	0
r45	OTHER FINANCE COSTS	0	0	0	0
r26	INTEREST INCOME	12,292,835	53	15,078,483	324
r46	OTHER FINANCIAL PRODUCTS	0	0	0	0
r25	FOREIGN EXCHANGE LOSS (GAIN) (NET)	2,381,079	10	(18,342,105)	(394)
r28	RESULT FROM MONETARY POSITION	(14,282,349)	(62)	(16,994,453)	(365)
r10	PROVISIONS FOR INCOME TAXES AND EMPLOYEES' PROFIT SHARING	582,854,991	100	604,163,940	100
r32	INCOME TAX	582,854,991	100	604,163,940	100
r33	DEFERRED INCOME TAX	0	0	0	0
r34	EMPLOYEES' PROFIT SHARING EXPENSES	0	0	0	0
r35	DEFERRED EMPLOYEES' PROFIT SHARING	0	0	0	0

(\*\*\*) THOUSANDS OF DOLLARS



# MEXICAN STOCK EXCHANGE

STOCK EXCHANGE CODE: PMXCB  
 BANCO J.P. MORGAN S.A., INSTITUCION  
 DE BANCA MULTIPLE J.P. MORGAN  
 GRUPO FINANCIERO  
 AUDITED

QUARTER: 4      YEAR: 2006

## STATEMENTS OF INCOME

### OTHER CONCEPTS

(Thousands of Mexican Pesos)

CONSOLIDATED

Previous Printing

REF R	CONCEPTS	CURRENT YEAR	PREVIOUS YEAR
		Amount	Amount
r36	TOTAL SALES	1,062,494,744	966,283,662
r37	TAX RESULT FOR THE YEAR	45,252,176	(77,537,479)
r38	NET SALES (**)	1,062,494,744	966,283,662
r39	OPERATING INCOME (**)	581,348,396	518,970,471
r40	NET INCOME OF MAJORITY INTEREST (**)	45,252,176	(79,374,301)
r41	NET CONSOLIDATED INCOME (**)	45,252,176	(79,374,301)
r47	OPERATIVE DEPRECIATION AND ACCUMULATED	63,293,005	54,897,308

(\*\*) RESTATED INFORMATION OF THE LAST TWELVE MONTHS

# MEXICAN STOCK EXCHANGE

STOCK EXCHANGE CODE: PMXCB

QUARTER: 4      YEAR: 2006

BANCO J.P. MORGAN S.A., INSTITUCION  
DE BANCA MULTIPLE J.P. MORGAN  
GRUPO FINANCIERO

## QUARTERLY STATEMENTS OF INCOME

FROM OCTOBER THE 1st TO DECEMBER 31 OF 2006 AND 2005

CONSOLIDATED

AUDITED

(Thousands of Mexican Pesos)

Previous Printing

REF RT	CONCEPTS	CURRENT YEAR		PREVIOUS YEAR	
		Amount	%	Amount	%
r101	NET SALES	240,605,792	100	265,947,000	100
r102	COST OF SALES	106,487,387	44	147,682,381	56
r103	GROSS PROFIT	134,118,405	56	118,264,619	44
r104	OPERATING EXPENSES	24,529,675	10	18,021,160	7
r105	OPERATING INCOME	109,588,730	46	100,243,459	38
r106	INTEGRAL FINANCING COST	2,799,496	1	717,201	0
r107	INCOME AFTER INTEGRAL FINANCING COST	106,789,234	44	99,526,258	37
r108	OTHER EXPENSE AND INCOME (NET)	(8,835,428)	(4)	2,156,984	1
r144	SPECIAL ITEMS	0	0	0	0
r109	INCOME BEFORE INCOME TAXES AND EMPLOYEES' PROFIT SHARING	115,624,662	48	97,369,274	37
r110	PROVISIONS FOR INCOME TAXES AND EMPLOYEES' PROFIT SHARING	119,773,180	50	167,185,897	63
r111	NET INCOME AFTER TAXES AND EMPLOYEES' PROFIT SHARING	(4,148,518)	(2)	(69,816,623)	(26)
r112	EQUITY IN NET INCOME OF NON-CONSOLIDATED SUBSIDIARIES AND ASSOCIATES	0	0	0	0
r113	CONSOLIDATED NET INCOME OF CONTINUING OPERATIONS	(4,148,518)	(2)	(69,816,623)	(26)
r114	INCOME FROM DISCONTINUED OPERATIONS	0	0	0	0
r115	CONSOLIDATED NET INCOME BEFORE EXTRAORDINARY ITEMS	(4,148,518)	(2)	(69,816,623)	(26)
r116	EXTRAORDINARY ITEMS, NET EXPENSE (INCOME)	0	0	0	0
r117	CUMULATIVE EFFECT FROM ACCOUNTING CHANGE, NET	0	0	6,506,900	2
r118	NET CONSOLIDATED INCOME	(4,148,518)	(2)	(76,323,523)	(29)
r119	NET INCOME OF MINORITY INTEREST	0	0	0	0
r120	NET INCOME OF MAJORITY INTEREST	(4,148,518)	(2)	(76,323,523)	(29)

# MEXICAN STOCK EXCHANGE

STOCK EXCHANGE CODE: PMXCB

QUARTER: 4      YEAR: 2006

BANCO J.P. MORGAN S.A., INSTITUCION  
DE BANCA MULTIPLE J.P. MORGAN  
GRUPO FINANCIERO

## QUARTERLY STATEMENTS OF INCOME

BREAKDOWN OF MAIN CONCEPTS  
(Thousands of Mexican Pesos)

CONSOLIDATED

Previous Printing

REF. BT	CONCEPTS	CURRENT YEAR		PREVIOUS YEAR	
		Amount	%	Amount	%
r101	NET SALES	240,605,792	100	265,947,000	100
r121	DOMESTIC	133,019,562	55	142,261,873	53
r122	FOREIGN	107,586,230	45	123,685,127	47
r123	TRANSLATED INTO DOLLARS (***)	0	0	0	0
r106	INTEGRAL FINANCING COST	2,799,496	100	717,201	100
r124	INTEREST EXPENSE	2,852,052	102	12,650,924	1764
r142	LOSS (GAIN) ON RESTATEMENT OF UDI'S	0	0	0	0
r145	OTHER FINANCE COSTS	0	0	0	0
r126	INTEREST INCOME	(9,750,057)	(348)	(239,266)	(33)
r146	OTHER FINANCIAL PRODUCTS	0	0	0	0
r125	FOREIGN EXCHANGE LOSS (GAIN) (NET)	(2,963,290)	(106)	(1,368,537)	(191)
r128	RESULT FROM MONETARY POSITION	(6,839,323)	(244)	(10,804,452)	(1506)
r110	PROVISIONS FOR INCOME TAXES AND EMPLOYEES' PROFIT SHARING	119,773,180	100	167,185,897	100
r132	INCOME TAX	119,773,180	100	167,185,897	100
r133	DEFERRED INCOME TAX	0	0	0	0
r134	EMPLOYEES' PROFIT SHARING EXPENSES	0	0	0	0
r135	DEFERRED EMPLOYEES' PROFIT SHARING	0	0	0	0

(\*\*\*) THOUSANDS OF DOLLARS

# MEXICAN STOCK EXCHANGE

STOCK EXCHANGE CODE: PMXCB  
 BANCO J.P. MORGAN S.A., INSTITUCION  
 DE BANCA MULTIPLE J.P. MORGAN  
 GRUPO FINANCIERO

QUARTER: 4      YEAR: 2006

## QUARTERLY STATEMENTS OF INCOME

CONSOLIDATED

### OTHER CONCEPTS

Previous Printing

AUDITED

(Thousands of Mexican Pesos)

REF.	CONCEPTS	CURRENT YEAR	PREVIOUS YEAR
		Amount	Amount
147	OPERATIVE DEPRECIATION AND ACCUMULATED IMPAIRMENT LOSSES	0	0

# MEXICAN STOCK EXCHANGE

STOCK EXCHANGE CODE: PMXCB

QUARTER: 4      YEAR: 2006

BANCO J.P. MORGAN S.A., INSTITUCION  
DE BANCA MULTIPLE J.P. MORGAN  
GRUPO FINANCIERO  
AUDITED

STATEMENTS OF CHANGES IN FINANCIAL  
POSITION  
FROM JANUARY THE 1st TO DECEMBER 31 OF 2006 AND 2005  
(Thousands of Mexican Pesos)

CONSOLIDATED

Previous Printing

REF. C.	CONCEPTS	CURRENT YEAR	PREVIOUS YEAR
		Amount	Amount
c01	CONSOLIDATED NET INCOME	45,252,176	(79,374,301)
c02	+ (-) ITEMS ADDED TO INCOME WHICH DO NOT REQUIRE USING RESOURCES	136,636,770	119,845,904
c03	RESOURCES FROM NET INCOME FOR THE YEAR	181,888,946	40,471,603
c04	RESOURCES PROVIDED OR USED IN OPERATION	(50,843,041)	19,738,419
c05	RESOURCES PROVIDED BY (USED FOR) OPERATING ACTIVITIES	131,045,905	60,210,022
c06	RESOURCES PROVIDED BY (USED FOR) EXTERNAL FINANCING ACTIVITIES	9,833,241	24,113,896
c07	RESOURCES PROVIDED BY (USED FOR) INTERNAL FINANCING ACTIVITIES	31,163,857	35,346,026
c08	RESOURCES PROVIDED BY (USED FOR) FINANCING ACTIVITIES	40,997,098	59,459,922
c09	RESOURCES PROVIDED BY (USED FOR) INVESTMENT ACTIVITIES	(109,083,224)	(85,201,433)
c10	NET INCREASE (DECREASE) IN CASH AND SHORT-TERM INVESTMENTS	62,959,779	34,468,511
c11	CASH AND SHORT-TERM INVESTMENTS AT THE BEGINNING OF PERIOD	125,724,053	91,255,542
c12	CASH AND SHORT-TERM INVESTMENTS AT THE END OF PERIOD	188,683,832	125,724,053

# MEXICAN STOCK EXCHANGE

STOCK EXCHANGE CODE: PMXCB

QUARTER: 4      YEAR: 2006

BANCO J.P. MORGAN S.A., INSTITUCION  
DE BANCA MULTIPLE J.P. MORGAN  
GRUPO FINANCIERO

STATEMENTS OF CHANGES IN FINANCIAL  
POSITION

CONSOLIDATED

BREAKDOWN OF MAIN CONCEPTS

*Previous Printing*

AUDITED

(Thousands of Mexican Pesos)

REF IC	CONCEPTS	CURRENT YEAR	PREVIOUS YEAR
		Amount	Amount
c02	+ (-) ITEMS ADDED TO INCOME WHICH DO NOT REQUIRE USING RESOURCES	136,636,770	119,845,904
c13	+ DEPRECIATION AND AMORTIZATION FOR THE YEAR	63,293,005	54,930,519
c41	+ (-) OTHER ITEMS	73,343,765	64,915,385
c04	RESOURCES PROVIDED OR USED IN OPERATION	(50,843,041)	19,738,419
c18	+ (-) DECREASE (INCREASE) IN ACCOUNTS RECEIVABLE	(11,985,386)	25,760,411
c19	+ (-) DECREASE (INCREASE) IN INVENTORIES	(2,581,018)	(6,291,227)
c20	+ (-) DECREASE (INCREASE) IN OTHER ACCOUNTS RECEIVABLE	5,490,481	5,555,095
c21	+ (-) INCREASE (DECREASE) IN SUPPLIERS	3,543,335	6,063,519
c22	+ (-) INCREASE (DECREASE) IN OTHER LIABILITIES	(45,310,453)	(11,349,379)
c06	RESOURCES PROVIDED BY (USED FOR) EXTERNAL FINANCING ACTIVITIES	9,833,241	24,113,896
c23	+ BANK FINANCING	61,973,203	14,189,691
c24	+ STOCK MARKET FINANCING	95,900,287	179,876,929
c25	+ DIVIDEND RECEIVED	0	0
c26	+ OTHER FINANCING	0	0
c27	(-) BANK FINANCING AMORTIZATION	(131,741,086)	(58,162,421)
c28	(-) STOCK MARKET FINANCING AMORTIZATION	(3,023,336)	(43,316,597)
c29	(-) OTHER FINANCING AMORTIZATION	0	0
c42	+ (-) OTHER ITEMS	(13,275,827)	(68,473,706)
c07	RESOURCES PROVIDED BY (USED FOR) INTERNAL FINANCING ACTIVITIES	31,163,857	35,346,026
c30	+ (-) INCREASE (DECREASE) IN CAPITAL STOCK	0	0
c31	(-) DIVIDENDS PAID	(15,798,732)	(11,066,866)
c32	+ PREMIUM ON ISSUANCE OF SHARES	0	0
c33	+ CONTRIBUTIONS FOR FUTURE CAPITAL INCREASES	46,962,589	46,412,892
c43	+ (-) OTHER ITEMS	0	0
c09	RESOURCES PROVIDED BY (USED FOR) INVESTMENT ACTIVITIES	(109,083,224)	(85,201,433)
c34	+ (-) DECREASE (INCREASE) IN PERMANENT INVESTMENTS	0	0
c35	(-) ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT	(105,151,156)	(86,332,173)
c36	(-) INCREASE IN CONSTRUCTIONS IN PROGRESS	0	0
c37	+ SALE OF OTHER PERMANENT INVESTMENTS	(3,932,068)	1,130,740
c38	+ SALE OF TANGIBLE FIXED ASSETS	0	0
c39	+ (-) OTHER ITEMS	0	0

# MEXICAN STOCK EXCHANGE

STOCK EXCHANGE CODE: PMXCB  
 BANCO J.P. MORGAN S.A., INSTITUCION  
 DE BANCA MULTIPLE J.P. MORGAN  
 GRUPO FINANCIERO

QUARTER: 4      YEAR: 2006

DATA PER SHARE

AUDITED

CONSOLIDATED INFORMATION

Previous Printing

REF. D	CONCEPTS	CURRENT YEAR	PREVIOUS YEAR
		AMOUNT	AMOUNT
d01	BASIC PROFIT PER ORDINARY SHARE (**)	\$ 0.00	\$ 0.00
d02	BASIC PROFIT PER PREFERRED SHARE (**)	\$ 0.00	\$ 0.00
d03	DILUTED PROFIT PER ORDINARY SHARE (**)	\$ 0.00	\$ 0.00
d04	CONTINUING OPERATING PROFIT PER COMMON SHARE (**)	\$ 0.00	\$ 0.00
d05	EFFECT OF DISCONTINUED OPERATIONS ON CONTINUING OPERATING PROFIT PER SHARE (**)	\$ 0.00	\$ 0.00
d06	EFFECT OF EXTRAORDINARY PROFIT AND LOSS ON CONTINUING OPERATING PROFIT PER SHARE (**)	\$ 0.00	\$ 0.00
d07	EFFECT BY CHANGES IN ACCOUNTING POLICIES ON CONTINUING OPERATING PROFIT PER SHARE (**)	\$ 0.00	\$ 0.00
d08	CARRYING VALUE PER SHARE	\$ 0.00	\$ 0.00
d09	CASH DIVIDEND ACCUMULATED PER SHARE	\$ 0.00	\$ 0.00
d10	DIVIDEND IN SHARES PER SHARE	0.00 shares	0.00 shares
d11	MARKET PRICE TO CARRYING VALUE	0.00 times	0.00 times
d12	MARKET PRICE TO BASIC PROFIT PER ORDINARY SHARE (**)	0.00 times	0.00 times
d13	MARKET PRICE TO BASIC PROFIT PER PREFERENT SHARE (**)	0.00 times	0.00 times

(\*\*) TO CALCULATE THE DATA PER SHARE USE THE NET INCOME FOR THE LAST TWELVE MONTHS.

# MEXICAN STOCK EXCHANGE

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 BANCO J.P. MORGAN S.A., INSTITUCION  
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 GRUPO FINANCIERO

QUARTER: 4      YEAR: 2006

## RATIOS

AUDITED

CONSOLIDATED

Previous Printing

REFR	CONCEPTS	CURRENT YEAR		PREVIOUS YEAR	
	<b>YIELD</b>				
p01	NET INCOME TO NET SALES	4.25	%	(8.21)	%
p02	NET INCOME TO STOCKHOLDERS' EQUITY (**)	113.26	%	283.89	%
p03	NET INCOME TO TOTAL ASSETS (**)	3.75	%	(7.31)	%
p04	CASH DIVIDENDS TO PREVIOUS YEAR NET INCOME	(20.04)	%	(40.74)	%
p05	RESULT FROM MONETARY POSITION TO NET INCOME	31.56	%	(21.41)	%
	<b>ACTIVITY</b>				
p06	NET SALES TO NET ASSETS (**)	0.88	times	0.89	times
p07	NET SALES TO FIXED ASSETS (**)	1.49	times	1.44	times
p08	INVENTORIES TURNOVER (**)	6.73	times	7.14	times
p09	ACCOUNTS RECEIVABLE IN DAYS OF SALES	14.67	days	14.19	days
p10	PAID INTEREST TO TOTAL LIABILITIES WITH COST (**)	4.05	%	4.95	%
	<b>LEVERAGE</b>				
p11	TOTAL LIABILITIES TO TOTAL ASSETS	96.68	%	102.57	%
p12	TOTAL LIABILITIES TO STOCKHOLDERS' EQUITY	29.15	times	(39.80)	times
p13	FOREIGN CURRENCY LIABILITIES TO TOTAL LIABILITIES	39.28	%	49.08	%
p14	LONG-TERM LIABILITIES TO FIXED ASSETS	71.14	%	77.97	%
p15	OPERATING INCOME TO INTEREST PAID	12.32	times	9.42	times
p16	NET SALES TO TOTAL LIABILITIES (**)	0.91	times	0.86	times
	<b>LIQUIDITY</b>				
p17	CURRENT ASSETS TO CURRENT LIABILITIES	2.26	times	1.77	times
p18	CURRENT ASSETS LESS INVENTORY TO CURRENT LIABILITIES	1.91	times	1.47	times
p19	CURRENT ASSETS TO TOTAL LIABILITIES	0.33	times	0.27	times
p20	AVAILABLE ASSETS TO CURRENT LIABILITIES	111.03	%	73.45	%
	<b>STATEMENTS OF CHANGES</b>				
p21	RESOURCES FROM NET INCOME TO NET SALES	17.11	%	4.18	%
p22	RESOURCES FROM CHANGES IN WORKING CAPITAL TO NET SALES	(4.78)	%	2.04	%
p23	RESOURCES GENERATED (USED) IN OPERATING TO INTEREST PAID	2.77	times	1.09	times
p24	EXTERNAL FINANCING TO RESOURCES PROVIDED BY (USED FOR) FINANCING	23.98	%	40.55	%
p25	INTERNAL FINANCING TO RESOURCES PROVIDED BY (USED FOR) FINANCING	76.01	%	59.44	%
p26	ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT TO RESOURCES PROVIDED BY (USED FOR) INVESTMENT ACTIVITIES	96.39	%	101.32	%

(\*\*) IN THESE RATIOS FOR THE DATA TAKE INTO CONSIDERATION THE LAST TWELVE MONTHS.



MEXICAN STOCK EXCHANGE

STOCK EXCHANGE CODE: PMXCB

QUARTER: 4 YEAR: 2006

BANCO J.P. MORGAN S.A., INSTITUCIÓN  
DE BANCA MÚLTIPLE J.P. MORGAN  
GRUPO FINANCIERO

MANAGEMENT'S DISCUSSION AND ANALYSIS OF  
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

PEMEX Audited Financial Results Report as of December 31, 2006

During the fourth quarter of 2006, crude oil production averaged 3,104 Mbd, 6% less than the 3,306 Mbd average for the fourth quarter of 2005. Despite an 11% decrease in heavy crude oil production, light and extra-light crude oil production increased by 4% and by 18%, respectively. Heavy crude oil production decreased primarily as a result of the decline in production at the Cantarell complex, maintenance activities, as well as adverse weather conditions registered during the first 10 days of December. This weather accounted for a deferral of 5.9 million barrels. The increase of 59 Mbd in light and extra-light crude oil production was due to the completion and workover of wells, as well as the commencement of production operations in the Litoral de Tabasco and Abkatún-Pol-Chuc areas, located in the Southwest Marine Region.

Natural gas production increased by 13%, as compared to the fourth quarter of 2005; non-associated gas production increased by 24%, while associated gas production increased by 5%. The increase of 477 MMcfd in non-associated natural gas production was mainly due to an increase of production in the Veracruz and Burgos basins, located in the North Region. The increase of 159 MMcfd in associated natural gas production was a result of the completion and major repair of wells in the Ixtal and Taratunich fields, within the Southwest Marine Region. A natural gas production record of 5,773 MMcfd was reached on December 27, 2006. Likewise, in December a non-associated natural gas production record was reached, averaging a volume of 2,480 MMcfd.

During the fourth quarter of 2006, total on-shore natural gas processing increased by 7%. This increase was attributable to a 306 MMcfd increase in sweet wet gas processing due to higher availability of gas in the Burgos basin. This increase was partially offset, however, by a decrease of 35 MMcfd in sour wet gas processing due to adverse weather conditions during the first ten days of December. As a result of the increase in sweet wet gas and the decrease in sour wet gas processing, in the fourth quarter of 2006, dry gas production increased by 9% and natural gas liquids production decreased by 5%, as compared to the same period of 2005.

During the fourth quarter of 2006, total crude oil processing increased by 4% as compared to the same period of 2005. The processing of heavy crude decreased by 6%, while the processing of light crude increased by 11%. The increase in total crude oil processing was due mainly to programmed maintenance works during the fourth quarter of 2005. The decrease in heavy crude oil processing was a result of the strategy to maximize diesel and gasoline production and minimize fuel oil production.

During the fourth quarter of 2006, total refined products production increased by 4 Mbd to 1,526 Mbd. Gasoline production increased by 5%, due to higher processing of intermediate gasoline inventories. Diesel production increased by 3%, while fuel oil production decreased by 9%, mainly as a result of an increase in Isthmus crude processing in la Cangrejera Complex.

Total petrochemicals production during the fourth quarter of 2006 was 2,741 thousand tons (Mt), representing a 4% increase over total petrochemicals production in the same quarter of 2005. This increase was primarily driven by increased production of ethylene oxide and glycols due to the renovation of a catalyst, increased production of ammonia and carbon dioxide, due to better operational performance, and increased production of methanol caused by the reopening of operations of the methanol plant in 2006, as a result of high natural gas prices. Nevertheless, this increase was offset by a decrease in acrylonitrile production, due to a lower demand caused by the increase in the price of acrylonitrile. In addition, the production of low and high density polyethylene decreased due to the development of greater variety of polyethylene grades as well as equipment downtime.

During the fourth quarter of 2006, PEMEX's crude oil exports averaged 1,663 Mbd, 12% lower than the volume recorded during the fourth quarter of 2005. This decrease was due mainly to adverse weather conditions during the month of December and Cantarell's production decline.

Approximately 83% of total crude oil exports were heavy crude oil (Maya), while the rest consisted of light and extra-light crude oil (Isthmus and Olmeca). 80% of total crude oil exports were delivered to the United States, while the remaining 20% was distributed among Europe (10%), the rest of the Americas (8%) and the Far East (2%). In the fourth quarter of 2006, the weighted average export price of the Mexican crude oil basket was US\$48.6 per barrel, as compared to US\$45.6 per barrel in the fourth quarter of 2005, representing a 7% increase.

MEXICAN STOCK EXCHANGE

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BANCO J.P. MORGAN S.A., INSTITUCIÓN  
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GRUPO FINANCIERO

MANAGEMENT'S DISCUSSION AND ANALYSIS OF  
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Exports of refined products averaged 178 Mbd, 7% lower than in the fourth quarter of 2005. This was due primarily to the processing of *Isthmus crude oil in La Cangrejera* and lower jet fuel exports. The main refined products exported were naphtha and fuel oil.

Petrochemical exports decreased by 4%, or 8 Mt, totaling 184 Mt for the fourth quarter of 2006. This was attributable primarily to lower sulfur sales. The main petrochemical exports were sulfur and low-density polyethylene.

In the fourth quarter of 2006, natural gas imports averaged 352 MMcfd, 24% higher than during the same period in 2005, due to an increase in domestic demand and to fuel oil substitution by Comisión Federal de Electricidad (CFE).

Imports of refined products increased by 1%, from 450 Mbd in the fourth quarter of 2005 to 455 Mbd in the fourth quarter of 2006. This increase was mainly attributable to higher demand for gasolines and diesel.

Imports of petrochemicals decreased by 32%, to 107 Mt, primarily due to lower ethylene, ammonia and methanol requirements. The main imported products were isobutenes and xylenes.

During the fourth quarter of 2006, total sales, including the special tax on production and services, or IEPS tax, decreased by 10% in constant pesos, from Ps. 265.9 billion in the fourth quarter of 2005 to Ps. 240.6 billion in the fourth quarter of 2006. This was primarily due to lower revenue obtained from crude oil exports.

In the fourth quarter of 2006, costs and operating expenses decreased by 21%, or Ps. 34.7 billion, as compared to the fourth quarter of 2005, to Ps. 131.0 billion (US\$12.0 billion). This decrease was primarily due to lower acquisition costs of products.

Operating income in the fourth quarter of 2006 totaled Ps. 109.6 billion (US\$53.4 billion), 9% increase than the comparable figure for the fourth quarter of 2005 of Ps. 100.2 billion. Excluding the IEPS collected by PEMEX in the fourth quarter of 2005, operating income increased by 12%, or Ps. 11.6 billion, to Ps. 109.6 billion (US\$10.1 billion) in the fourth quarter of 2006 from Ps. 98.0 billion in the fourth quarter of 2005.

During the fourth quarter of 2006, comprehensive financing cost increased by Ps. 2.1 billion, from Ps. 0.7 billion to Ps. 2.8 billion (US\$0.3 billion).

In the fourth quarter of 2006, other net revenues totaled a positive Ps. 8.8 billion (US\$0.8 billion), as compared to a negative Ps. 2.2 billion during the fourth quarter of 2005. The increase was primarily due to higher income generated by the IEPS credit, equivalent to a negative tax rate, of Ps. 4.2 billion.

During the fourth quarter of 2006, income before taxes and duties was Ps. 115.6 billion (US\$10.6 billion), as compared to Ps. 97.4 billion during the same period of 2005. The 19% increase was primarily the result of an increase of Ps. 11.0 billion in other net revenues, and an increase of Ps. 9.3 billion in operating income, which were partially offset by an increase of Ps. 2.1 billion in comprehensive financing cost.

During the fourth quarter of 2006, taxes and duties paid decreased by 28%, from Ps. 167.2 billion to Ps. 119.8 billion. Nevertheless, sales only decreased 10%. As a consequence, taxes and duties as a percentage of total sales decreased from 63% to 50% in the fourth quarter of 2006.

Since January 1, 2006, PEMEX has been subject to a new fiscal regime. As a result of this new tax regime taxes and duties as a percentage of total sales decreased from 63% to 55% in 2006. However, this figure still positions PEMEX among the companies with the highest tax burden worldwide. PEMEX Exploration and Production's tax regime is governed by the Federal Duties Law, while the other Subsidiary entities continue to be governed by Mexico's Income Tax Law.

## MEXICAN STOCK EXCHANGE

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QUARTER: 4 YEAR: 2006

BANCO J.P. MORGAN S.A., INSTITUCIÓN  
DE BANCA MÚLTIPLE J.P. MORGAN  
GRUPO FINANCIERO

### MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The most important duty paid by PEMEX Exploration and Production is the ordinary hydrocarbons duty (OHD), the tax base of which is a *quasi* operating profit. In addition to the payment of the OHD, PEMEX Exploration and Production pays the following duties under the new fiscal regime: duty on crude oil extraction, extraordinary duty on crude oil exports, duty on hydrocarbons for the stabilization fund, duty on hydrocarbons for the fund for scientific and technological research on energy, duty on hydrocarbons for fiscal monitoring of oil activities, additional duty (for low crude oil extraction), and excess gains duty.

Under the current fiscal regime, the IEPS, which applies to domestic sales of gasoline and automotive diesel, continues to be regulated by Mexico's Income Tax Law. During 2005 and 2006, the average producer price of gasoline and diesel was higher than the retail price. In 2005, PEMEX absorbed this difference, in accordance with Mexico's 2005 Income Tax Law. In 2006, this difference was credited against the other taxes and duties paid by PEMEX, in accordance to Mexico's 2006 Income Tax Law. The IEPS credit is reflected in "other revenues" in the income statement. During the fourth quarter of 2006, PEMEX recorded a Ps. 4.2 billion IEPS credit against other taxes and duties, as compared to a Ps. 2.3 billion payment in the fourth quarter of 2005.

During the fourth quarter of 2006, PEMEX recorded net loss of Ps. 4.1 billion (US\$0.4 billion), as compared to a net loss of Ps. 76.3 billion during the fourth quarter of 2005. The decrease of Ps. 72.2 billion in net loss is explained by a decrease of Ps. 47.4 billion in taxes and duties, an increase of Ps. 11.0 billion in other net revenues, a decrease of Ps. 9.3 billion in operating income, a Ps. 6.5 billion reduction in 2005 net income due to the initial cumulative effect of the adoption of new accounting standards, which was not repeated in 2006, and an increase of Ps. 2.1 billion in comprehensive financing cost.

As of December 31, 2006, total assets reached Ps. 1,204.7 billion (US\$110.7 billion), representing a 11%, or Ps. 119.9 billion, increase, as compared to total assets as of December 31, 2005.

Total liabilities increased by 5%, to Ps. 1,164.8 billion (US\$107.0 billion). Short-term liabilities decreased by 1%, or Ps. 1.2 billion, to Ps. 169.9 billion (US\$15.6 billion), primarily as a result of a decrease in taxes payable. Long-term liabilities increased by 6%, or Ps. 53.2 billion, to Ps. 994.9 billion (US\$91.4 billion), mainly due to an increase in the reserve for retirement payments, pensions and seniority premiums. The reserve for retirement payments, pensions and seniority premiums increased by 16%, from Ps. 390.9 billion to Ps. 454.6 billion (US\$41.8 billion) according to actuarial studies.

PEMEX's equity increased by Ps. 67.9 billion, from negative Ps. 28.0 billion as of December 31, 2005, to Ps. 40.0 billion (or US\$ 3.7 billion) as of December 31, 2006. The change in equity was mainly due to a payment from the government to PEMEX in the amount of Ps. 47.0 billion in accordance with the Federal Expenditure Budget for the 2006 and 2005 fiscal years, a decrease of Ps. 29.5 billion in cumulative net losses, due to net income generated in 2006, a decrease of Ps. 18.2 billion in the reserve for retirement payments, pensions and seniority premiums, an increase of Ps. 4.6 billion due in the restatement of equity this line item is linked to the restatement of fixed assets, and an increase of Ps. 5.1 billion in comprehensive income due to the application of the Bulletin C-10 "Derivative Financial Instruments and Hedging Operations".

PEMEX is Mexico's national oil and gas company. Created in 1938, it is the exclusive producer of Mexico's oil and gas resources. The operating subsidiary entities are Pemex Exploration and Production, Pemex Refining, Pemex Gas and Basic Petrochemicals and Pemex Petrochemicals. The principal subsidiary company is PMI, its international trading arm.

*Amounts in US dollars are translated at the December 31, 2006 exchange rate of Ps. 10.881 per US dollar.*

*This report 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 and the Securities and Exchange Commission, 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.*

MEXICAN STOCK EXCHANGE

STOCK EXCHANGE CODE: PMXCB

QUARTER: 4 YEAR: 2006

BANCO J.P. MORGAN S.A., INSTITUCIÓN  
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GRUPO FINANCIERO

MANAGEMENT'S DISCUSSION AND ANALYSIS OF  
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*We may include forward-looking statements that address, among other things, our drilling and other exploration activities; import and export activities; projected and targeted capital expenditures and other costs, commitments and revenues; and liquidity.*

*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 Form 20-F filing, as amended, with the US Securities and Exchange Commission ([www.sec.gov](http://www.sec.gov)) and the PEMEX Prospectus filed with the National Banking and Securities Commission (CNBV) and available through the Mexican Stock Exchange ([www.bmv.com.mx](http://www.bmv.com.mx)). These factors could cause actual results to differ materially from those contained in any forward-looking statement.*

*The US Securities and Exchange Commission (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, as amended, "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, free cash-flow and discretionary cash-flow are non-GAAP measures.*

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FINANCIAL STATEMENT NOTES

(Figures in thousands of pesos with the acquisition power of December 31, 2006 and in thousands of dollars)

1. Basis of presentation

The consolidated financial statements of Petróleos Mexicanos, Subsidiary Entities and Subsidiary Companies ("PEMEX"), as of December 31, 2006 are audited. In the Management opinion, all adjustments (mainly consisting in recurrent adjustments) that are necessary for a fair presentation of the consolidated financial statements have been included.

For the purposes of these audited consolidated financial statements, certain information and disclosure that are usually included in the financial statements prepared under Financial Reporting Standard (NIF) in Mexico, have been condensed or omitted.

2. Significant accounting policies

The accompanying consolidated financial statements have been prepared in conformity with NIF as issued by the Consejo Mexicano para la Investigación y Desarrollo de Normas de Información Financiera ("CINIF"). Until 2002, PEMEX recognizes the effects of inflation in accordance with Governmental Rule ("NG") 06-BIS "A" Section A, issued by the Secretaría de Hacienda y Crédito Público (Ministry of Finance or SHCP) and the Secretaría de la Función Pública. In January 2003, the Ministry of Finance authorized PEMEX, since 2003, to recognize the effects of inflation in accordance with Governmental Rule ("NG") 06-BIS "A" Section C, which establishes the obligation of PEMEX to adopt Bulletin B-10 of Mexican GAAP, "Recognition of the Effects of Inflation on Financial Information" ("Bulletin B-10"). All periods presented herein are presented in accordance with Bulletin B-10.

Effective January 1, 2004, the Board of Directors of PEMEX approved a change in the accounting policy for the recognition of well exploration and drilling expenses to the successful-efforts method of accounting. As a result, the oil-field exploration and depletion reserve will be discontinued. As of January 1st, 2004 provisions of Bulletin C-15 were enforced, Impairment of the Value of Long-Lived Assets and their Disposal", issued by the MIPA. On December 31, 2005 PEMEX recognized an impairment in the value of its fixed assets.

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FINANCIAL STATEMENT NOTES

3. Foreign currency position

As of December 31, 2006 and 2005, the consolidated financial statements of PEMEX include monetary assets and liabilities as follows:

		Amounts in foreign currency (Thousands)				
				Asset Position (liability)	Exchange currency	Equivalent in Mexican Pesos
	Assets	Liabilities				
2006:						
American Dollars	20,872,208	(46,944,810)	(26,072,603)	10.8810		(283,695,983)
Japanese Yens	-	(150,040,948)	(150,040,948)	0.0913		(13,698,738)
Sterling Pounds	711	(401,812)	(401,101)	21.3061		(8,545,898)
Euros	23,635	(4,201,854)	(4,178,219)	14.3246		(59,852,151)
Swiss Francs	562,443	(443,338)	119,105	8.9064		1,060,797
Total liability position, before exchange hedging						(364,731,973)
2005:						
American Dollars	14,621,145	(37,879,912)	(23,258,767)	10.7777		(250,676,013)
Japanese Yens	-	(144,171,281)	(144,171,281)	0.091		(13,177,255)
Sterling Pounds	262	(453,455)	(453,193)	18.5247		(8,395,264)
Euros	4,732	(4,240,207)	(4,235,475)	12.7086		(53,824,416)
Austrian chelines	-	(86)	(86)	8.1744		(703)
Swiss francs	-	(41)	(41)	8.1779		(335)
Canadian dollars	2	-	2	9.2330		18
Total liability position, before exchange hedging						(326,073,968)

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FINANCIAL STATEMENT NOTES

4. Cash and cash equivalents

As of December 31, 2006 and 2005 the cash and cash equivalents are as follows:

	2006	2005
Cash in Banks	\$ 92,291,206	\$ 46,380,413
Realizable values	96,392,626	79,343,640
	\$ 188,683,832	\$ 125,724,053

5. Accounts, notes receivable and other

As of December 31, 2006 and 2005 the accounts, notes and other are as follows:

	2006	2005
Trade-domestic	\$ 33,471,153	\$ 36,456,907
Trade-foreign	18,914,468	13,421,256
Negative IEPS pending of crediting Mexican Government – Advance payments on minimum guaranteed dividends	12,888,490	-
Employees and officers	259,245	15,902,901
Funds for specific purposes	3,059,881	2,836,782
Ordinary Hydrocarbons duty paid in excess	34,300,437	27,939,631
Other accounts receivable	1,450,653	-
Less:	30,426,900	28,712,207
Allowance for doubtful accounts	(2,577,290)	(2,611,300)
Total	\$ 132,193,937	\$ 122,658,384

6. Inventories

As of December 31, 2006 and 2005 inventories are as follows:

	2006	2005
Crude oil, refined products, derivatives and petrochemical products	\$ 54,738,456	\$ 45,884,931
Materials and supplies in stock	6,431,400	5,751,079
Materials and products in transit	289,250	2,758,264
Less:		
Allowance for slow-moving inventory and obsolescence reserve	(1,643,767)	(1,761,713)
Total	\$59,815,339	\$ 52,632,561

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7. Properties and equipment

As of December 31, 2006 and 2005 the balances of this concept, net of accumulated depreciation and amortization, are as follows:

	2006	2005
Land	\$ 40,637,328	\$ 41,233,532
Buildings	40,681,076	40,452,191
Wells	397,573,306	350,004,307
Plants	344,419,538	332,328,082
Drilling equipment	21,553,774	21,944,422
Furniture and equipment	33,548,608	32,376,054
Transportation equipment	13,500,746	13,567,567
Offshore platforms	134,179,581	119,387,232
Pipelines	268,770,356	252,562,684
	1,294,864,313	1,203,856,071
Accrued Depreciation	(668,178,314)	(608,705,704)
	626,685,999	595,150,367
Fixed assets to be disposed of	773,077	687,739
Construction in progress	83,029,129	73,469,717
<b>Total</b>	<b>\$ 710,488,205</b>	<b>\$ 669,307,823</b>

The depreciation of fixed assets and amortization of wells at the end of December 31, 2006 and 2005, recognized in cost and operating expenses, was Ps. 63,293,005 and Ps. 54,930,519, respectively.



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8. Long-term debt

Up to December 31, 2006, Petróleos Mexicanos undertook the following financing activities:

Petróleos Mexicanos obtained U.S.\$ 56,241 in purchasing loans and project financings. The purchasing loans and project financings bear interest at a rate of LIBOR plus a spread between 0.225% and 0.50% and are repayable between 2006 and 2011.

Petróleos Mexicanos utilized U.S.\$3,300,000 from its two revolving credit facilities, each in the amount of U.S.\$1.25 billion; both credit facilities may also be used by the Pemex Project Funding Master Trust (the "Master Trust"), subject to prior authorization by the Ministry of Finance.

During the year ended December 31, 2006, the Master Trust obtained U.S.\$ 1,914,184 in loans from financial institutions to finance investments in long-term productive infrastructure projects, which PEMEX refers to as PIDIREGAS. These loans are guaranteed by Petróleos Mexicanos and export credit agencies. PEMEX had a refinancing operation of the Credit Unionized for US\$4,250,000 divided in two tranches US\$1,500,000 and US\$2,750,000 with maturity of 5 and 7 years respectively.

In addition, the Master Trust undertook the following financing activities:

On February 2, 2006, the Master Trust issued U.S.\$1,500,000 aggregate principal amount of Notes, of which U.S.\$750,000 bear interest at a rate of 5.75% and mature in 2015 and U.S.\$750,000 bear interest at a rate of 6.625% and mature in 2035. This issuance was a reopening of the June 8, 2005 issuance, guaranteed by Petróleos Mexicanos, under its Medium-Term Notes Program, Series A.

On June 16, 2006, Fideicomiso F/163 issued publicly-traded notes (certificados bursátiles) in the amount of PS. 10,000,000 (in nominal terms), due in seven years, with a monthly interest rate of Tasa de Interés Interbancaria de Equilibrio (The Mexican Interbank Interest Rate or "TIIE") less 0.07% and guaranteed by Petróleos Mexicanos.

In June, 2006, the Master Trust received the amount of US\$95,265; in August, 2006 the Master Trust received the amount of US\$90,045; in both cases the income was given as result of the payment made by Petróleos Mexicanos in order to cancel its notes for the same amounts and that they were under the custody of the Master Trust, as a result of the notes exchange of Pemex notes for Master notes, that was held on February 13, 2006.

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On September 22, 2006, the Master Trust used US\$1,000,000 of the revolving credit facility contracted in 2004. This was done after Petróleos Mexicanos paid the same amount on the same date. This was done due to the fact that both Petróleos Mexicanos and the Master Trust may use this credit facility, while not exceeding the total amount of the credit facility, which is of US\$1,250,000.

On October 31, 2006, the Master Trust used US\$1,250,000 of the the revolving credit facility contracted in 2006. This was done after Petróleos Mexicanos paid the same amount on the same date. This was done due to the fact that both Petróleos Mexicanos and the Master Trust may use this credit facility, while not exceeding the total amount of the credit facility, which is of US\$1,250,000.

Petróleos Mexicanos drew a total amount of U.S. \$3,300,000 under its revolving credit lines. These credit lines may be utilized by Petróleos Mexicanos and the Master Trust.

On February 13, 2006, the Master Trust completed an exchange offer pursuant to which the Master Trust issued notes with a principal amount totaling U.S.\$185,310 in exchange for an equal principal amount of notes previously issued by Petróleos Mexicanos, through a reopening of an original exchange offer made in December 2004. As a result of this second exchange, the Master Trust issued new notes and subsequently received cash payments from Petróleos Mexicanos upon the cancellation of the Petróleos Mexicanos notes acquired by the Master Trust. The cash payments were made on the following dates and in the following amounts:

June 1, 2006	U.S.\$41,254
June 2, 2006	54,011
August 3, 2006	90,045
Total	U.S\$ 185,310

On December 28, 2006, the Master Trust issued bonds in the amount of US\$3,000,000 under the Program of Medium Term Notes, Series A, guaranteed by Petróleos Mexicanos. Of these bonds, US\$1,000,000 bearing interest at a rate per annum equal to LIBOR for 3 months plus 48 basis points, with maturity in 2011 and US\$2,000,000 bearing interest at a rate per annum equal to LIBOR for 3 months plus 52 basis points, with maturity in 2012.

On December 29, 2006, Petróleos Mexicanos, through the Fideicomiso F/163, issued debt instruments in Mexico in the amount of Ps. 22,000,000 at 91-day Cetes's rate plus 25 basis points, with maturity in 2008.

In 2005, significant financing activities were as follows:

Petróleos Mexicanos obtained US \$59,882 for purchasing loans and project financing, granted by export credit

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agencies. These loans bear interest at fixed and variable rates with various maturity dates through 2013.

Petróleos Mexicanos issued short-term certificates totaling Ps. 16,000,000 (in nominal terms), at several interest rates. This amount, as well as the balance as of December 31, 2004 for Ps. 2,000,000, was repaid in several dates during 2005.

From its US\$1,250,000 syndicated revolving credit line Petróleos Mexicanos used US\$800,000 in two tranches, A and B of US\$400,000 each on October 26, 2005; tranche A at a one month LIBOR plus 0.30%, and tranche B at a one month LIBOR plus 0.45%. Both tranches were renewed on November 25, 2005 and were fully repaid on December 28, 2005, leaving this credit line wholly available for its use in 2006.

In 2005, the Master Trust undertook the following financing activities for PIDIREGAS:

The Master Trust obtained credit lines from export credit agencies totaling US \$1,617,500 and US \$4,250,000 from a syndicated loan.

On February 24, 2005, the Master Trust issued €1,000,000 of 5.50% Notes due 2025, guaranteed by Petróleos Mexicanos, under its Medium-Term Notes Program, Series A;

On June 8, 2005, the Master Trust issued US\$ 1,500,000 under its Medium-Term Note Program, Series A, in two tranches: US\$ 1,000,000 of 5.75% Notes due in 2015 and US\$ 500,000 of 6.625% Notes due in 2035, both guaranteed by Petróleos Mexicanos.

On August 31, 2005, the Master Trust issued US\$175,000 of floating rate notes due 2008; bearing interest at a rate per annum equal to the London Interbank Offered Rate (LIBOR) for a period of one, two, three or six months (at the election of the Master Trust), plus 42.5 basis points, and guaranteed by Petróleos Mexicanos.

On December 1, 2005, the Master Trust issued US\$750,000 of its Floating Rate Notes due 2012 under its Medium-Term Note Program, Series A, at a rate of three month LIBOR plus 60 basis points guaranteed by Petróleos Mexicanos.

In addition the following financing activities were undertaken during 2005:

The payment of Petróleos Mexicanos exchanged notes on December 30, 2004 for Master Trust's notes was made as follows:

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On April 29, 2005, Petróleos Mexicanos paid to the Master Trust	US\$	803,365
On May 20, 2005, Petróleos Mexicanos paid to the Master Trust		678,697
On July 6, 2005, Petróleos Mexicanos paid to the Master Trust		826,099
 Total	 US\$	 2,308,161

From the syndicated loan obtained by Master Trust in March 2005 for U.S.\$4,250,000, only US\$2,020,800 related to new indebtedness, the remaining US\$2,229,200 was used to refinance other syndicated credits.

In June 2005, U.S. \$529,800 from the Notes issued by Master Trust for U.S. \$1,500,000, are considered new indebtedness, since the remaining U.S. \$970,200 were used to refinance the prepaid amount from the Funds Derivative Agreement between Pemex Exploration and Production and the Master Trust.

During 2005, the Fideicomiso F/163 undertook the following financing activities:

On February 1, 2005, Fideicomiso F/163 issued, under its expanded to Ps. 70,000,000 Publicly Traded Notes Program, approved by the "Comisión Nacional Bancaria y de Valores" (the Banking and Securities National Commission) (the "CNBV"), a total of (UDI's 1,697,600 (Ps. 6,000,000) of notes denominated in Unidades de Inversión (Units of Investment, or "UDI's") in the Mexican domestic market, guaranteed by Petróleos Mexicanos.

On February 11, 2005, Fideicomiso F/163 issued, under its expanded to Ps. 70,000,000 Publicly Traded Notes Program, approved by CNBV, a total of Ps. 15,000,000 of notes in the Mexican domestic market, guaranteed by Petróleos Mexicanos, consisting of two tranches: one for Ps. 7,500,000 of notes due February 11, 2010, bearing interest at the 91-day Cetes (Treasury bill) rate plus 51 basis points; and the other one for Ps. 7,500,000 of notes due February 11, 2013, bearing interest at the 182-day Cetes rate plus 57 basis points.

On May 13, 2005, Fideicomiso F/163 issued, under its expanded to Ps. 110,000,000 Publicly Traded Notes Program, approved by CNBV, a total of Ps. 10,000,000 of notes in the Mexican domestic market, guaranteed by Petróleos Mexicanos, consisting of two tranches: one for Ps. 5,012,600 of notes due

February 4, 2010, bearing interest at the 91-day Cetes (Treasury bill) rate plus 51 basis points; and the other one for Ps. 4,987,400 of notes due January 31, 2013, bearing interest at the 182-day Cetes rate plus 57 basis points.

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On June 16, 2006, Fideicomiso F/163 issued Ps.10,000,000 aggregate principal amount of notes in the Mexican domestic market, guaranteed by Petróleos Mexicanos.

On July 29, 2005, Fideicomiso F/163 issued, under its expanded to Ps. 110,000,000 Publicly Traded Notes Program, approved by CNBV, a total of Ps. 5,000,000 of notes due 2015 in the Mexican domestic market, guaranteed by Petróleos Mexicanos, bearing interest at a fixed rate of 9.91 %.

On October 21, 2005, Fideicomiso F/163 issued, under its PS.110,000,000 Publicly Traded Notes Program, Approved by CNVB, a total of Ps. 4,500,000 of notes due 2015 in the Mexican domestic market, guaranteed by Petróleos Mexicanos, bearing interest at fixed rate of 9.91%

On October 21, 2005, Fideicomiso F/163 issued, under its Ps. 110,000,000 Publicly Traded Notes Program, approved by CNBV, a total of Ps. 5,500,000 of notes due 2011 in the Mexican domestic market, guaranteed by Petróleos Mexicanos, bearing interest at the 91-day *Cetes* rate plus 35 basis points.

9. Comprehensive gain (loss)

The comprehensive gain (loss) for the periods ended December 31, 2006 and 2005, is analyzed as follows:

	2006	2005
Net loss for the year	\$45,252,176	\$ (79,374,302)
Effect of restatement of the year - Net	3,917,392	7,887,786
Instrumentos financieros derivados	5,083,038	(6,781,520)
Efecto de la reserva laboral	(18,188,227)	(20,887,498)
Efecto de conversión de subsidiarias en el extranjero	684,369	-
Utilidad (pérdida) integral del ejercicio	\$ 36,748,748	\$ (99,155,534)

10. Commitments

- a. PEMEX has entered into a nitrogen supply contract for the pressure maintenance program at the Cantarell field that expires in 2015. At December 31, 2006 and December 31, 2005, the value of the nitrogen to be supplied during the term of the contract was approximately Ps. 12,892,855 and Ps. 15,755,573, respectively. In the event of the annulment of the contract and depending on the circumstances, PEMEX would be required to purchase the nitrogen production plant in accordance with the terms of the contract.

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The future payments in connection with this contract are estimated as follows:

2007 .....	2,332,301
2008 .....	1,608,217
2009 .....	1,254,243
2010 .....	1,254,243
2011 .....	1,254,242
2012 and thereafter .....	5,189,609
Total .....	12,892,855

b. Since 2003, PEMEX has entered into Multiple Services Contracts (MSCs). In connection with these contracts, the contractor, at his own cost, administers and supports the execution of the works outlined in the MSCs, which are classified in development, infrastructure and maintenance categories. The estimated value of the MSCs, as of December 31, 2006 and December 31, 2005 is as follows:

Date of contracting	Block	December 31, 2006	December 31, 2005
February 9, 2004	Olmos	U.S. \$ 343,574	U.S. \$ 343,574
November 21, 2003	Cuervito	260,072	260,072
November 28, 2003	Misión	1,035,580	1,035,580
November 14, 2003	Reynosa-Monterrey	2,437,196	2,437,196
December 8, 2003	Fronterizo	264,977	264,977
December 9, 2004	Pandura-Anáhuac	900,392	900,392
March 23, 2005	Pirineo	645,295	645,295
Total		U.S. \$ 5,887,086	U.S. \$ 5,887,086

e. At December 31, 2006 and at December 31, 2005, PEMEX had entered into contracts with various contractors for an approximate amount of Ps. 90,229,079 and Ps. 161,531,599, respectively. These contracts are for the development of PIDIREGAS over the next 18 years.

11. Contingencies

a. In the ordinary course of its business, PEMEX is involved in a number of lawsuits of various types. PEMEX evaluates the merit of each claim and assess the likely outcome, accruing a contingent liability when an unfavorable decision is probable and the amount is reasonably estimable. Other than as disclosed below, we do not believe a materially unfavorable outcome is probable for any known or pending lawsuits or threatened litigation for which we have not made any accruals.

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b. PEMEX is subject to the provisions of the Ley General del Equilibrio Ecológico y la Protección al Ambiente ("General Law on Ecological Equilibrium and Environmental Protection"). To comply with this law, environmental audits PEMEX's larger operating, storage and transportation facilities are have been or are being conducted. Following the completion of such audits, PEMEX signed various agreements with the Procuraduría Federal de Protección al Ambiente (Federal Attorney of Environmental Protection, or "PROFEPA") to implement environmental remediation and improve environmental plans. Such plans contemplate remediation for environmental damages, as well as related investments for the improvement of equipment, maintenance, labor and materials.

As of December 31, 2006 and 2005, the reserve for environmental remediation expenses totaled Ps. 3,441,294 and Ps. 1,476,218, respectively. This reserve is included in long-term liabilities in the balance sheet.

c. As of December 31, 2006, PEMEX is involved in various civil, tax, criminal, labor, commercial, arbitration and administrative lawsuits, the final resolution of which is pending as of the date of these financial statements. At December 31, 2006 and December 31, 2005, PEMEX had accrued Ps. 9,716,756 and Ps. 1,642,647 respectively, related to these contingent liabilities.

Based on the information available, the total claim amount for these lawsuits totals approximately Ps. 37,503,000 at December 31, 2006. Among these lawsuits, we find the following:

I. PEMEX is currently involved in arbitration proceeding (11760/KGA) with Conproca, S.A. de C.V. ("Conproca") pursuant to which Conproca is seeking payment of U.S.\$633,100. PEMEX filed a counter-claim against Conproca in the amount of U.S.\$907,000.

On October 13, 2006, the parties filed briefs and submitted evidence for the second liability hearing, which was held in January 2007. On January 20 and 21, 2006, the Cadereyta Refinery, El Tejar pumping station and a cross-section valve located on the border of La Antigua River were inspected by the arbitration panel and its experts. On April 4, 2007, the parties submitted their pleadings in connection with the second hearing. The arbitration panel will issue a partial or provisional award on this matter and once the award is issued, a hearing on damages will be held.

II. Construcciones Industriales del Golfo, S.A. de C.V. filed a civil claim against Pemex-Exploration

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and Production, (exp. 40/2004-VII), for a total amount of Ps. 15,237 plus U.S. \$219,584 for the removal of deposits in the Salamanca refinery. Both parties filed their documentary evidence and a final judgment is still pending.

III. Unión de Sistemas Industriales, S. A. filed a civil claim against Pemex-Refining (exp. 202/2003), for Ps. 393,095. The trial is in the evidentiary stages. As of this date, a third expert opinion is still pending to be issued.

IV. Corporación Mexicana de Mantenimiento Integral, S. de R. L. de C. V. ("COMMISA") filed an arbitration claim before the International Court of Arbitration of the International Chamber of Commerce (the "ICA") against Pemex-Exploration and Production (IPC-01) for breach of a construction agreement in connection with two platforms in the Cantarell complex. Pemex-Exploration and Production has filed a counterclaim against COMMISA.

On November 28, 2006, the ICA issued a preliminary award declaring its jurisdiction. On January 26, 2007, Pemex-Exploration and Production filed a detailed counterclaim seeking U.S. \$125,897 and Ps. 41,513. Pemex-Exploration and Production is required to file a response to the detailed claim filed by COMMISA before June 11, 2007. Based on the detailed claim, COMMISA is seeking U.S. \$292,043 and Ps. 37,537.

V. An arbitration proceeding before the ICA was filed by COMBISA, S. de R. L. de C. V. against Pemex-Exploration and Production (IPC-22) seeking U.S. \$235,770 for the alleged breach of a construction agreement in connection with three platforms in the Cantarell complex. Pemex-Exploration and Production filed a counterclaim seeking approximately U.S. \$12,294.

The arbitral hearing ended December 1, 2006. On January 31, 2007, the parties filed their concluding briefs. A final decision is still pending.

VI. COMMISA filed a claim before the ICA against Pemex-Exploration and Production (IPC-28) seeking approximately U.S. \$142,400 and Ps. 40,199 for, among other things, the breach of a contract related to two vessels named Bar Protector and Castoro 10 in Cantarell complex. Pemex-Exploration and Production filed a counterclaim in the amount of U.S. \$2,057 and Ps. 488. On March 12, 2007, the proceedings to furnish additional evidence concluded. The final decision is still pending.

VII. On March 31, 2006, Petroquímica Cangrejera, S. A. de C. V., Petroquímica Pajaritos, S. A. de C. V.



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and Petroquímica Morelos, S. A. de C. V. (each of which has since been merged into Pemex-Petrochemicals) were notified by the Council of Coatzacoalcos, Veracruz of an alleged underpayment of certain real estate taxes in the amount of approximately Ps. 1,846,691. The companies objected to the assessment before the Tribunal de lo Contencioso Administrativo del Poder Judicial de Veracruz (Contentious Administrative Court of the Judicial Power of the State of Veracruz).

On December 22, 2006, a settlement agreement for the real estate taxes was executed between the parties. The agreement was filed with the court to conclude the administrative proceedings. Pemex-Petrochemicals paid Ps. 76,040 to the Council of Coatzacoalcos, Veracruz.

VIII. A civil claim was filed by Asociación de Transportistas al Servicio de Petróleos Mexicanos, Clientes o Empresas Sustitutos, A. C. against Pemex-Refining (exp. 262/2005-II) seeking approximately Ps. 1,647,629 for damages in connection with the suspension of a tank truck transportation agreement dated March 26, 1993. The trial is in the evidentiary stages. The trial has been suspended due to an appeal filed by Pemex-Refining from a ruling excluding certain documentary evidence filed by Pemex-Refining.

IX. A civil claim was filed by Asociación de Transportistas al Servicio de Petróleos Mexicanos, Clientes o Empresas Sustitutos, A. C. against Pemex-Refining (exp. 271/2005-I) asserting that Pemex-Refining should authorize the plaintiff to replace tank trucks older than ten years in accordance with the tank truck transportation agreement mentioned in paragraph viii. Evidence was filed by the parties, and a final hearing is pending.

X. A request for Constitutional relief known as an amparo was filed by Minera Carbonifera Rio Escondido, S.A. de C.V. and Minerales Monclova, S.A. de C.V. against several officers of PEMEX and Pemex-Exploration and Production, claiming that the construction contract 414105826 is unconstitutional because the officers who executed the agreement did not have the appropriate authority.

Reports and expert opinions were filed as evidence. As of the date of this filing, a third expert's opinion is still pending, as well as the constitutional hearing.

There is an arbitration proceeding before the ICA filed by TEJAS GAS DE TOLUCA, S. de R. L. de C. V. against Gas Natural México S. A. de C. V. ("GNM") and Pemex-Gas and Basic Petrochemicals seeking compliance with a Memorandum of Understanding and its annexes (which was executed for the construction and operation of the Palmillas-Toluca pipeline), as well as for the execution of a

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transportation agreement.

As of this date, the *initial arbitration report* is being prepared to state the claim and counterclaim.

The result of these proceedings is uncertain since their final resolution will be issued by the appropriate authorities.

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12. Business segment information

PEMEX operates in different activities, since it is devoted to the exploration and production of crude oil and natural gas, as well as to the process and distribution of refined and petrochemical products. The principal business segment information without considering the eliminations for the consolidated financial statements effects, is as follows:

	Exploration and Production	Refining	Gas and Basic Petrochemicals	Petrochemicals	Corporate and Subsidiary Companies
As at December 31, 2006					
Trade Income					
External Costumers	\$ -	\$ 392,219,698	\$ 133,663,453	\$ 20,854,842	\$ 515,756,751
Intersegments	857,768,619	44,567,150	80,049,164	9,304,633	161,750,492
Operation Gain (Loss)	665,587,886	(79,906,737)	10,332,374	(11,425,073)	(3,303,282)
Net Gain (Loss)	73,139,088	(34,045,615)	6,083,001	(17,376,521)	52,675,998
Total Assets	1,056,630,895	343,979,223	128,907,567	69,661,160	1,964,854,463
As at December 31, 2005					
Trade Income					
External Costumers	\$ -	367,539,570	139,734,701	21,036,151	437,973,240
Intersegments	745,320,118	39,811,173	85,939,922	9,173,602	127,215,062
Operation Gain (Loss)	546,995,348	(27,855,170)	10,291,780	(9,427,235)	(21,242,770)
Net Gain (Loss)	(18,988,037)	(55,425,471)	6,952,552	(17,204,921)	73,760,858
Total Assets	877,767,205	308,810,976	100,927,807	53,819,901	1,565,875,219

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STOCK EXCHANGE CODE: PMXCB

QUARTER: 4      YEAR: 2006

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## ANALYSIS OF INVESTMENTS IN SHARES SUBSIDIARIES

CONSOLIDATED  
Previous Printing

COMPANY NAME	MAIN ACTIVITIES	NUMBER OF SHARES	% OWNERSHIP
Integrated Trade System Inc.	Serv.de procur. en el mercado internal.	8,860	100.00
Kot Insurance Company, Ltd.	Reaseguradora	7,000,000	100.00
P.M.I. Comercio Internacional, S.A de C.V	Comercializadora Int.de crudo	2,214,241	98.33
P.M.I. Holdings B.V.	Tenedora de acciones	40	100.00
P.M.I. Holdings N.V.	Tenedora de acciones	6,200	100.00
P.M.I. Trading Ltd.	Comercializadora Int. Petrolíferos	4,900	48.51
P.M.I. Marine Ltd.	Compra venta de crudo	230,275	100.00
Mex-Gas Internacional, Ltd.	Comercializadora de gas	1,000	100.00

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## ANALYSIS OF INVESTMENTS IN SHARES

CONSOLIDATED

ASSOCIATES

Previous Printing

COMPANY NAME	MAIN ACTIVITIES	NUMBER OF SHARES	% OWNERSHIP	TOTAL AMOUNT (Thousands of Mexican Pesos)	
				ACQUISITION COST	BOOK VALUE
Repsol YPF	Compañía petrolera	59,404,128	4.94	0	22,352,585
Deer Park Refining Limited	Compañía refinadora	1	0.00	0	5,710,242
Mexicana de Lubricantes, S.A. de C.V. (Mexlub)	Comercializadora de lubricantes	17,879,561	46.85	178,796	151,402
Gasoductos de Chihuahua, S. de R.L. de C.V.	Transportación de gas	393,049,321	50.00	393,579	1,474,436
I.I.I., S.A	Tenedora de activos	62,165,678	100.00	62,167	1,070,406
Cia. Mexicana de Exploraciones, S.A. de C.V.	Exploración de suelos y mares	25,333,847	60.00	8,152	274,166
Pan American Sulphur Company, Ltd.	Almacenaje y distribución de azufre	1,498	99.87	5,271	15,312
Pasco Terminals	Almacenaje de ácido sulfúrico	1,000	100.00	47,325	30,510
Otras inversiones		1	0.00	0	1,491,895
Estimación de Fluctuación en Inversiones		1	0.00	0	(184,657)
TOTAL INVESTMENT IN ASSOCIATES				695,290	32,386,297
OTHER PERMANENT INVESTMENTS					143,866
TOTAL				695,290	32,530,163

NOTES



MEXICAN STOCK EXCHANGE

QUARTER: 4 YEAR: 2006

STOCK EXCHANGE CODE: PMXCB  
 BANCO J.P. MORGAN S.A., INSTITUCION  
 DE BANCA MULTIPLE J.P. MORGAN  
 GRUPO FINANCIERO  
 AUDITED

CREDITS BREAK DOWN  
 (Thousands of Mexican Pesos)

CONSOLIDATED  
 Previous Printing

Entity Name	Date	Maturity (Days)	Periods															
			Unit 1 Year	Unit 3 Year	Unit 5 Year	Unit 7 Year	Unit 10 Year	Unit 15 Year	Unit 20 Year	Unit 25 Year	Unit 30 Year	Unit 35 Year	Unit 40 Year	Unit 45 Year				
EXPORT DEVELOPMENT CANADA (	15/12/2010	5.42	0	217,620	217,620	217,620	217,620	217,620	217,620	217,620	217,620	217,620	217,620	217,620	217,620	217,620	0	372,836
ING CAPITAL LLC (1) (8)	15/06/2016	5.35	0	0	67,788	67,788	67,788	67,788	67,788	67,788	67,788	67,788	67,788	67,788	67,788	67,788	0	13,886
KREDITANSTALT FÜR WIEDERAUFB	31/03/2011	5.38	0	32,881	32,881	32,881	32,881	32,881	32,881	32,881	32,881	32,881	32,881	32,881	32,881	32,881	0	28,939
KREDITANSTALT FÜR WIEDERAUFB	31/12/2012	5.50	0	228,170	193,099	193,099	193,099	193,099	193,099	193,099	193,099	193,099	193,099	193,099	193,099	193,099	0	311,129
MEDIO CREDITO CENTRALE S.P.A.	30/04/2012	5.44	0	51,495	51,495	51,495	51,495	51,495	51,495	51,495	51,495	51,495	51,495	51,495	51,495	51,495	0	77,242
HSBC BANK PLC (1) (7)	11/06/2015	5.45	0	5,482	5,482	5,482	5,482	5,482	5,482	5,482	5,482	5,482	5,482	5,482	5,482	5,482	0	24,669
HSBC BANK PLC (1) (8)	30/06/2017	5.41	0	498,164	498,164	498,164	498,164	498,164	498,164	498,164	498,164	498,164	498,164	498,164	498,164	498,164	0	1,655,259
HSBC BANK, PLC (1) (7)	29/09/2011	5.92	0	87,494	87,494	87,494	87,494	87,494	87,494	87,494	87,494	87,494	87,494	87,494	87,494	87,494	0	53,063
HSBC BANK, PLC (1) (7)	29/10/2007	5.80	0	22,984	22,984	22,984	22,984	22,984	22,984	22,984	22,984	22,984	22,984	22,984	22,984	22,984	0	0
HSBC BANK PLC (1) (8)	17/04/2014	5.40	0	20,835	20,835	20,835	20,835	20,835	20,835	20,835	20,835	20,835	20,835	20,835	20,835	20,835	0	72,923
MATEXIS BANQUE (2) (7)	30/06/2016	2.00	0	758	758	758	758	758	758	758	758	758	758	758	758	758	0	2,727
SOCIETE GENERALE (1) (7)	13/02/2017	4.77	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	905,231
SOCIETE GENERALE (1) (8)	31/01/2012	5.53	0	575,210	469,202	469,202	469,202	469,202	469,202	469,202	469,202	469,202	469,202	469,202	469,202	469,202	0	146,989
SOCIETE GENERALE (1) (8)	13/02/2017	5.38	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	273,819
SOCIETE GENERALE (1) (8)	20/03/2008	5.44	0	13,486	6,743	6,743	6,743	6,743	6,743	6,743	6,743	6,743	6,743	6,743	6,743	6,743	0	0
SOCIETE GENERALE (1) (8)	29/02/2017	5.43	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
STANDARD CHARTERED BANK (1	25/03/2015	5.53	0	984,430	1,051,181	1,051,181	1,051,181	1,051,181	1,051,181	1,051,181	1,051,181	1,051,181	1,051,181	1,051,181	1,051,181	1,051,181	0	379,045
J.P. MORGAN CHASE (1) (8)	06/03/2012	5.42	0	87,303	87,303	87,303	87,303	87,303	87,303	87,303	87,303	87,303	87,303	87,303	87,303	87,303	0	4,149,185
DEUTSCHE BANK (1) (8)	16/12/2013	5.40	0	25,818	25,818	25,818	25,818	25,818	25,818	25,818	25,818	25,818	25,818	25,818	25,818	25,818	0	80,796
TORONTO DOMINION BANK (1)	20/10/2009	5.40	0	102,002	100,079	100,079	100,079	100,079	100,079	100,079	100,079	100,079	100,079	100,079	100,079	100,079	0	62,728
THE BANK OF TOKYO-MITSUBISHI	30/06/2015	5.48	0	724,817	724,817	724,817	724,817	724,817	724,817	724,817	724,817	724,817	724,817	724,817	724,817	724,817	0	0
JAPAN BANK FOR INTERNATIONAL	30/06/2015	4.38	0	23,597	23,597	23,597	23,597	23,597	23,597	23,597	23,597	23,597	23,597	23,597	23,597	23,597	0	3,491,385
JAPAN BANK FOR INTERNATIONAL	06/03/2017	1.80	0	115,232	230,678	230,678	230,678	230,678	230,678	230,678	230,678	230,678	230,678	230,678	230,678	230,678	0	100,165
THE EXPORT-IMPORT BANK OF KO	28/02/2017	4.85	0	217,620	217,620	217,620	217,620	217,620	217,620	217,620	217,620	217,620	217,620	217,620	217,620	217,620	0	1,496,772
MEZUHO CORPORATE BANK, LTD (	14/12/2018	5.38	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	773,392
MEZUHO CORPORATE BANK, LTD (	20/02/2010	1.98	0	1,275,205	1,275,205	1,275,205	1,275,205	1,275,205	1,275,205	1,275,205	1,275,205	1,275,205	1,275,205	1,275,205	1,275,205	1,275,205	0	6,528,800
INTERSEDES DEVENGADOS NO PAG	31/12/2007	0.00	0	780,530	0	0	0	0	0	0	0	0	0	0	0	0	0	0
COMERCIAL BANKS			0	19,262,897	17,987,856	17,987,856	17,987,856	17,987,856	17,987,856	17,987,856	17,987,856	17,987,856	17,987,856	17,987,856	17,987,856	17,987,856	0	87,489,207
OTHER			0	5,014,507	0	0	0	0	0	0	0	0	0	0	0	0	0	12,761,090
TOTAL BANKS			0	19,262,897	17,987,856	17,987,856	17,987,856	17,987,856	17,987,856	17,987,856	17,987,856	17,987,856	17,987,856	17,987,856	17,987,856	17,987,856	0	87,489,207







MEXICAN STOCK EXCHANGE

QUARTER: 4 YEAR: 2006

STOCK EXCHANGE CODE: PMXCB  
 BANCO J.P. MORGAN S.A., INSTITUCION  
 DE BANCA MULTIPLE J.P. MORGAN  
 GRUPO FINANCIERO  
 AUDITED

CREDITS BREAK DOWN  
 (Thousands of Mexican Pesos)  
 CONSOLIDATED  
 Previous Printing

Description	2006						2005					
	Current Year	Unit 1 Year	Unit 2 Year	Unit 3 Year	Unit 4 Year	Unit 5 Year	Current Year	Unit 1 Year	Unit 2 Year	Unit 3 Year	Unit 4 Year	Unit 5 Year
SUPPLIERS	0	0	0	0	0	0	0	0	0	0	0	0
OTROS PROVEEDORES	0.00	35,758,808	0	0	0	0	0	0	0	0	0	0
TOTAL SUPPLIERS	0	35,758,808	0	0	0	0	0	0	0	0	0	0
OTHER CURRENT LIABILITIES AND OTHER CREDITS	0.00	14,063,436	0	0	0	0	0	0	0	0	0	0
OTROS PASIVOS CIRCULANTES	0.00	63,750,669	97,857,701	0	0	0	49,912,069	50,549,856	54,073,990	42,147,440	290,843,499	0
TOTAL	0	63,750,669	97,857,701	0	0	0	49,912,069	50,549,856	54,073,990	42,147,440	290,843,499	0

NOTES

Observaciones:  
 Dólares Americanos 10.8810  
 Yenes Japoneses 0.0913  
 Libras esterlinas 21.3061  
 Francos suizos 8.9064  
 Euros 14.3248

# MEXICAN STOCK EXCHANGE

STOCK EXCHANGE CODE: PMXCB  
 BANCO J.P. MORGAN S.A., INSTITUCION  
 DE BANCA MULTIPLE J.P. MORGAN  
 GRUPO FINANCIERO  
 AUDITED

QUARTER: 4      YEAR: 2006

## MONETARY FOREIGN CURRENCY POSITION

CONSOLIDATED

(Thousands of Mexican Pesos)

Previous Printing

FOREIGN CURRENCY POSITION	DOLLARS (1)		OTHER CURRENCIES		TOTAL THOUSANDS OF PESOS
	THOUSANDS OF DOLLARS	THOUSANDS OF PESOS	THOUSANDS OF DOLLARS	THOUSANDS OF PESOS	
MONETARY ASSETS	20,872,208	227,110,496	492,882	5,363,049	232,473,545
LIABILITIES POSITION	46,944,810	510,806,476	7,940,359	86,399,054	597,205,530
SHORT-TERM LIABILITIES POSITION	14,543,145	158,243,957	1,936,708	21,073,325	179,317,282
LONG-TERM LIABILITIES POSITION	32,401,665	352,562,519	6,003,651	65,325,729	417,888,248
NET BALANCE	(26,072,602)	(283,695,980)	(7,447,477)	(81,036,005)	(364,731,985)

**NOTES**

Observaciones:  
 Dólares Americanos      10.8810  
 Yenes Japoneses          0.0913  
 Libras esterlinas        21.3061  
 Francos suizos          8.9064  
 Euros                      14.3248

# MEXICAN STOCK EXCHANGE

STOCK EXCHANGE CODE: PMXCB  
 BANCO J.P. MORGAN S.A., INSTITUCION  
 DE BANCA MULTIPLE J.P. MORGAN  
 GRUPO FINANCIERO  
 AUDITED

QUARTER: 4      YEAR: 2006

## RESULT FROM MONETARY POSITION

CONSOLIDATED

(Thousands of Mexican Pesos)

Previous Printing

MONTH	MONETARY ASSETS	MONETARY LIABILITIES	(ASSET) LIABILITY MONETARY POSITION	MONTHLY INFLATION	MONTHLY PROFIT AND/(LOSS)
JANUARY	0	0	0	0.00	0
FEBRUARY	0	0	0	0.00	0
MARCH	0	0	0	0.00	0
APRIL	0	0	0	0.00	0
MAY	0	0	0	0.00	0
JUNE	0	0	0	0.00	0
JULY	0	0	0	0.00	0
AUGUST	0	0	0	0.00	0
SEPTEMBER	0	0	0	0.00	0
OCTOBER	0	0	0	0.00	0
NOVEMBER	0	0	0	0.00	0
DECEMBER	0	0	0	0.00	(14,282,349)
RESTATEMENT				0.00	0
CAPITALIZATION				0.00	0
FOREIGN CORP.				0.00	0
OTHER				0.00	0
TOTAL					(14,282,349)

**NOTES**

Petróleos Mexicanos como ente consolidador consideró el resultado por posición monetaria a través del proceso de consolidación de los estados financieros del Corporativo, de sus Organismos Subsidiarios y de sus Compañías Subsidiarias, con un monto acumulado de 14,282,349, motivo por el cual consideramos no aplicable este anexo.

# MEXICAN STOCK EXCHANGE

STOCK EXCHANGE CODE: PMXCB

QUARTER: 4 YEAR: 2006

BANCO J.P. MORGAN S.A., INSTITUCION  
DE BANCA MULTIPLE J.P. MORGAN  
GRUPO FINANCIERO  
AUDITED

DEBT INSTRUMENTS

PAGINA 1  
CONSOLIDATED  
Previous Printing

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FINANCIAL LIMITED BASED IN ISSUED DEED AND/OR TITLE  
NO APLICA DEBIDO A QUE NO EXISTEN LIMITACIONES FINANCIERAS DERIVADAS DE LOS  
FINANCIAMIENTOS OBTENIDOS BAJO ESTE PROGRAMA.

ACTUAL SITUATION OF FINANCIAL LIMITED

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# MEXICAN STOCK EXCHANGE

STOCK EXCHANGE CODE: PMXCB

QUARTER: 4      YEAR: 2006

BANCO J.P. MORGAN S.A., INSTITUCION  
DE BANCA MULTIPLE J.P. MORGAN  
GRUPO FINANCIERO  
AUDITED

PLANTS, COMMERCE CENTERS OR DISTRIBUTION  
CENTERS

CONSOLIDATED

Previous Printing

PLANT OR CENTER	ECONOMIC ACTIVITY	PLANT CAPACITY	UTILIZATION (%)
PEP		0	0.00
Prod. de petróleo crudo (Mbd)		3,350	97.30
Producción de gas (MMpcd)		5,456	98.20
REFINACION		0	0.00
Cap. de dest. atmós. (Mbd)		1,540	84.10
Cadereyta		275	76.30
Madero		190	80.60
Minatitlán		185	91.30
Salamanca		245	80.60
Salina Cruz		330	88.00
Tula		315	87.30
Term. de Almac. y Dist. (Mb)		13,056	100.00
GAS Y PETROQUIMICA BASICA		0	0.00
Endulzamiento de Gas (MMpcd)		4,503	71.10
Cactus		1,960	68.10
Nuevo Pemex		880	84.50
Ciudad Pemex		1,290	71.20
Matapionche		109	68.00
Poza Rica		230	43.50
Arenque		34	94.50
PETROQUIMICA		0	0.00
Capacidad de Producción (Mt)		12,571	52.30
Camargo *		333	0.00
Cangrejera		3,280	82.30
Cosoleacaque		4,975	26.50
Escolín		337	11.40
Independencia		288	34.40
Morelos		2,263	68.60
Pajaritos		1,021	84.70
Tula *		76	0.00
Centros de distribución		0	0.00
Petroquímicos (Mt)		249,251	88.00

# MEXICAN STOCK EXCHANGE

QUARTER: 4

YEAR: 2006

STOCK EXCHANGE CODE: PMXCB

BANCO J.P. MORGAN S.A., INSTITUCION  
DE BANCA MULTIPLE J.P. MORGAN  
GRUPO FINANCIERO

PLANTS, COMMERCE CENTERS OR DISTRIBUTION  
CENTERS

CONSOLIDATED

AUDITED

Previous Printing

PLANT OR CENTER	ECONOMIC ACTIVITY	PLANT CAPACITY	UTILIZATION (%)
-----------------	-------------------	----------------	-----------------

## NOTES

Mbd - miles de barriles diarios

MMpcd - millones de pies cúbicos diarios

Mb - miles de barriles

Mt - miles de toneladas

\* Planta fuera de operación

# MEXICAN STOCK EXCHANGE

STOCK EXCHANGE CODE: PMXCB

QUARTER: 4

YEAR: 2006

BANCO J.P. MORGAN S.A., INSTITUCION  
DE BANCA MULTIPLE J.P. MORGAN  
GRUPO FINANCIERO  
AUDITED

MAIN RAW MATERIALS

CONSOLIDATED

Previous Printing

DOMESTIC	MAIN SUPPLIERS	FOREIGN	MAIN SUPPLIERS	DOM. SUBST.	COST PRODUCTION (%)
CONDENSADOS	PEMEX EXPLORACIÓN Y PRODUCCIÓN				8
GAS HÚMEDO AMARGO	PEMEX EXPLORACIÓN Y PRODUCCIÓN				73
PETROLEO CRUDO	PEMEX EXPLORACIÓN Y PRODUCCIÓN				74
GAS HÚMEDO DULCE	PEMEX EXPLORACIÓN Y PRODUCCIÓN				11

NOTES



# MEXICAN STOCK EXCHANGE

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 BANCO J.P. MORGAN S.A., INSTITUCION  
 DE BANCA MULTIPLE J.P. MORGAN  
 GRUPO FINANCIERO  
 AUDITED

QUARTER: 4 YEAR: 2006

## SALES DISTRIBUTION BY PRODUCT

CONSOLIDATED

SALES

Previous Printing

MAIN PRODUCTS	NET SALES		MARKET SHARE (%)	MAIN	
	VOLUME	AMOUNT		TRADEMARKS	CUSTOMERS
<b>DOMESTIC SALES</b>					
PETROLIFEROS:	0	0	0.0		
COMBUSTOLEO	264	42,511,302	0.0		
DIESEL	345	88,274,872	100.0	PEMEX DIESEL	DISTRIBUIDORES
GAS L.P.	306	52,710,274	0.0		DISTRIBUIDORES
GASOLINA MAGNA SIN	602	181,275,911	100.0	PEMEX MAGNA	DISTRIBUIDORES
GASOLINA PREMIUM	116	40,394,156	100.0	PEMEX PREMIUM	DISTRIBUIDORES
TURBOSINA	61	18,895,200	0.0		
OTROS REFINADOS	69	9,592,443	0.0		
PETROQUÍMICOS:	0	0	0.0		
DERIV. DEL METANO (a)	839	2,703,056	89.0		(e)
DERIV. DEL ETANO (b)	1,066	11,119,195	55.0		(f)
AROMÁT. Y DERIV. (c)	489	5,831,896	41.0		(g)
PROPI. Y DERIV. (d)	30	2,736,133	0.0		(h)
OTROS PETROQUIMICOS	1,402	1,739,931	0.0		(i)
	0	0	0.0		
GAS SECO	2,955	76,362,670	0.0		(j)
IEPS	0	0	0.0		
EFFECTO B-10	0	12,590,953	0.0		
<b>FOREIGN SALES</b>					
PETRÓLEO CRUDO	1,663	379,646,550	0.0		
PRODUCTOS REFINADOS	178	40,099,268	0.0		
PRODUCTOS PETROQUÍMI	184	3,006,245	0.0		
EFFECTO MARGINAL VENT	0	82,206,778	0.0		
EFFECTO B-10	0	10,797,911	0.0		
<b>TOTAL</b>		<b>1,062,494,744</b>			

# MEXICAN STOCK EXCHANGE

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 GRUPO FINANCIERO  
 AUDITED

QUARTER: 4 YEAR: 2006

## SALES DISTRIBUTION BY PRODUCT FOREIGN SALES

CONSOLIDATED

Previous Printing

MAIN PRODUCTS	NET SALES		DESTINATION	MAIN	
	VOLUME	AMOUNT		TRADEMARKS	CUSTOMERS
<b>EXPORT</b>					
PETRÓLEO CRUDO	1,663	379,646,550	(k)		
PRODUCTOS REFINADOS	178	40,099,268			
PRODUCTOS PETROQUÍMI	184	3,006,245			
EFEECTO MARGINAL VENT	0	82,206,778			
EFEECTO B-10	0	10,797,911			
<b>FOREIGN SUBSIDIARIES</b>					
<b>TOTAL</b>		<b>515,756,752</b>			

**NOTES**

- (a) Considera la contribución de Pemex Petroquímica al mercado nacional por los siguientes productos: amoniaco y metanol.
  - (b) Considera la contribución de Pemex Petroquímica al mercado nacional de los siguientes productos: Etileno, Glicoles, PEAD, PEBD, Oxido de etileno, Cloruro de vinilo.
  - (c) Considera la contribución de Pemex Petroquímica por los siguientes productos: Benceno, Estireno, Tolueno, Xilenos, Paraxileno.
  - (d) Considera la contribución de Pemex Petroquímica al mercado nacional por los siguientes productos: Acrilonitrilo y Propileno.
  - (e) UNIVEX, S.A. ; AGROGEN, S.A. DE C.V. ; INTEGRADORA APRODIFER, S.A. DE C.V. ; PRAXAIR MEXICO S.A. DE C.V. ; MASAGRO S.A. DE C.V.
  - (f) INDUSTRIAS DERIVADAS DEL ETILENO, S.A. ; GRUPO PRIMEX, S.A. DE C.V. ; POLIOLES, S.A. DE C.V. ; POLICYD, S.A. DE C.V. ; DISTRIBUIDORA DON RAMIS, S.A. DE C.V.
  - (g) TEREFTALATOS MEXICANOS, S.A. DE C.V. ; RESIRENE, S.A. DE C.V. ; NEGOCIACION ALVI, S.A. DE C.V. ; COMERCIAL MEXICANA DE PINTURAS, S.A. DE C.V. ; NOVIDESA, S.A. DE C.V.
  - (h) DOW INTERNACIONAL MEXICANA, S.A. DE C.V. ; NEGOCIACION ALVI, S.A. DE C.V. ; QUIMI-KAO, S.A. DE C.V. ; COMPLEX QUIMICA, S.A. DE C.V. ; CLARIANT MEXICO, S.A. DE C.V.
  - (i) INDUSTRIA QUIMICA DEL ISTMO S.A. DE C.V. ; PRODUCTOS QUIMICOS LA ANITA, S.A. DE C.V. ; SERVICIOS Y PRODS. QUIMICOS COR VEL, S.A. DE C.V. ; CONSORCIO GUAL, S.A. DE C.V. ; ACIDO DE MEXICO, S.A. DE C.V.
  - (j) CFE, IPP'S Distribuidores, Industriales (ISPAT), L y F del Centro.
  - (k) EL 80% DEL TOTAL DE LAS EXPORTACIONES DE CRUDO FUERON A LOS ESTADOS UNIDOS, MIENTRAS QUE EL 20% RESTANTE FUE DISTRIBUIDO A EUROPA (10%), AL RESTO DEL CONTINENTE AMERICANO (8%) Y AL LEJANO ORIENTE (2%).
- Los volúmenes están en miles de barriles diarios a excepción de los petroquímicos que se expresan en miles de toneladas y el gas seco que se expresa en millones de pies cúbicos diarios.

MEXICAN STOCK EXCHANGE

QUARTER: 4 YEAR: 2006

STOCK EXCHANGE CODE: PMXCB  
 BANCO J.P. MORGAN S.A., INSTITUCION  
 DE BANCA MULTIPLE J.P. MORGAN  
 GRUPO FINANCIERO  
 AUDITED

ANALYSIS OF PAID CAPITAL STOCK

CONSOLIDATED  
 Previous Printing

SERIES	NOMINAL VALUE	VALID COUPON	NUMBER OF SHARES		CAPITAL STOCK	
			FIXED PORTION	VARIABLE PORTION	FIXED	VARIABLE
NA	0.0000	0	0	0	0	327,739,392
TOTAL		0	0	0	0	327,739,392

TOTAL NUMBER OF SHARES REPRESENTING THE PAID IN CAPITAL STOCK ON THE DATE OF SENDING THE INFORMATION

0

NOTES

Pemex cuenta con certificados de aportación patrimonial y no con capital constituido por acciones.

# MEXICAN STOCK EXCHANGE

STOCK EXCHANGE CODE: PMXCB

QUARTER: 4

YEAR: 2006

BANCO J.P. MORGAN S.A., INSTITUCION  
DE BANCA MULTIPLE J.P. MORGAN  
GRUPO FINANCIERO  
AUDITED

PROJECT, AMOUNT EXERCISED AND PROGRESS  
PERCENTAGE

PAGINA 1

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NO APLICA DEBIDO A QUE PEMEX NO HA INFORMADO NINGÚN PROYECTO COMO EVENTO RELEVANTE.

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# MEXICAN STOCK EXCHANGE

STOCK EXCHANGE CODE: PMXCB

QUARTER: 4 YEAR: 2006

BANCO J.P. MORGAN S.A., INSTITUCION  
DE BANCA MULTIPLE J.P. MORGAN  
GRUPO FINANCIERO

INFORMATION RELATED TO BULLETIN B-15  
(FOREIGN CURRENCY TRANSLATION)

PAGINA 1  
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LA CONVERSION A MONEDA NACIONAL DE LAS CIFRAS QUE SE PRESNETAN EN LOS ESTADOS FINANCIEROS DE LAS EMPRESAS QUE REPORTAN EN MONEDA EXTRANJERA SE LLEVA A CABO DE CONFORMIDAD CON LOS LINEAMIENTOS ESTABLECIDOS EN EL BOLETIN B-15 DE LAS NORMAS DE INFORMACIÓN FINANCIERAS (ANTES DENOMINADAS "PRINCIPIOS DE CONTABILIDAD GENERALMENTE ACEPTADOS"), PROCEDIENDO DE LA SIGUIENTE MANERA:

BALANCE GENERAL.- PARA TODOS LOS RENGLONES QUE INTEGRAN EL BALANCE GENERAL SE CONSIDERA EL TIPO DE CAMBIO DE CIERRE, A LA FECHA DEL BALANCE GENERAL.

ESTADO DE RESULTADOS.- PARA TODOS LOS RENGLONES QUE INTEGRAN EL ESTADO DE RESULTADOS, SE CONSIDERA EL TIPO DE CAMBIO PROMEDIO DEL EJERCICIO CORRESPONDIENTE.

LA DIFERENCIA RESULTANTE EN LA CONVERSION DE LOS ESTADOS FINANCIEROS SE REGISTRA DENTRO DEL PATRIMONIO COMO UN RESULTADO POR CONVERSION.

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MEXICAN STOCK EXCHANGE

STOCK EXCHANGE CODE: PMXCB

QUARTER 4 YEAR: 2006

BANCO J.P. MORGAN S.A., INSTITUCION  
DE BANCA MULTIPLE J.P. MORGAN  
GRUPO FINANCIERO  
AUDITED

NOTES TO FINANCIAL STATEMENTS

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(1) EN ESTE ANEXO SE INCLUYE LAS NOTAS CORRESPONDIENTES A LAS CIFRAS DE LOS ESTADOS FINANCIEROS BASICOS, ASI COMO SUS DESGLOSES Y OTROS CONCEPTOS

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Petróleos Mexicanos

By: 

Guadalupe Merino Bañuelos  
Associate Managing Director of  
Finance

Date: August 1, 2007

## FORWARD-LOOKING STATEMENTS

This report contains words, such as "believe", "expects," "anticipate" and similar expressions that identify forward-looking statements, which reflect our views about future events and financial performance. We have made forward-looking statements that address, among other things, our:

- drilling and other exploration activities;
- import and export activities;
- projected and targeted capital expenditures and other costs, commitments and revenues; and
- liquidity.

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.

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