



# Investor Presentation

## Operational and Financial Results as of 1Q 2024

May 7, 2024

# Key Highlights 1Q 2024

Energy sales: 112.1 billion pesos:  3.2%

Fuel Costs 50.5 billion:  -22.1%

EBITDA was 49.8 billion pesos  13.0%

Financial Cost was 25.5 billion pesos  -18.8%

Customer base of 48.4 million  1.6%

99.47% of the Mexican population covered



Source: CFE



# Key Indicators 1Q 2024

**Total Revenue:**  
147.8 billion pesos

**Total Cost:**  
117.5 billion pesos

**Operating Result:**  
30.2 billion pesos

**FX Gain:**  
6.0 billion pesos

**Net Result:**  
1.9 billion pesos

3M 2024 vs. 12M 2023

**Total Costs: -4.5%**

**Total Liabilities: 0.5%**

**Total Assets: 0.9%**

**Equity: 1.8%**

**Generation Capacity:**  
70,392<sup>(1)</sup> MW

**Transmission Grid:**  
110,696 km

**Distribution Grid:**  
896,295 km

**Fiber Optic Grid:**  
62,871 km

**Electricity Generated as of 3M 2024<sup>(2)</sup>: 57.8 TWh**

CFE generated 73% of the electricity in Mexico.

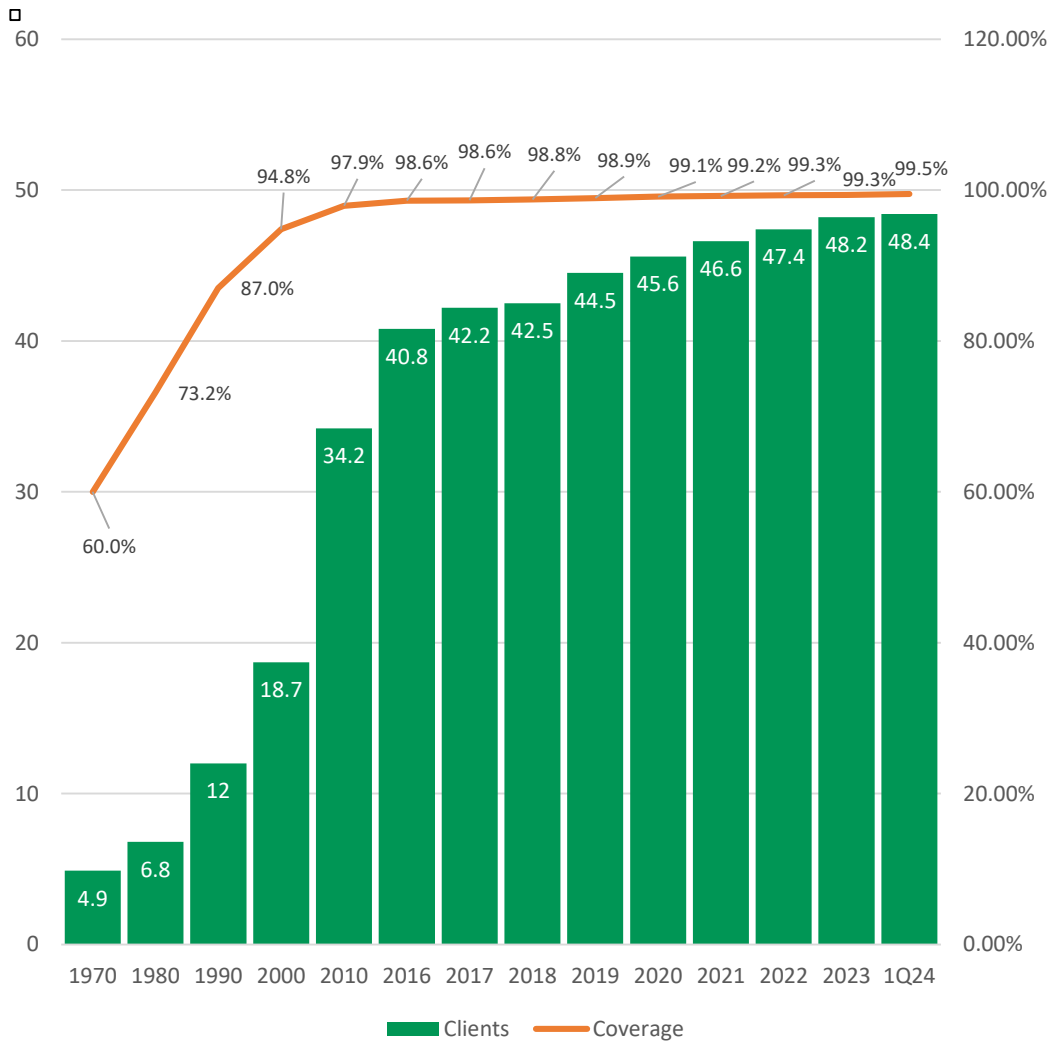
(1) Includes Independent Power Producers (IPPs) and Long Term Auctions (LTA)

(2) Total Electricity generated by CFE from January to March 2024. Includes IPPs and LTAs

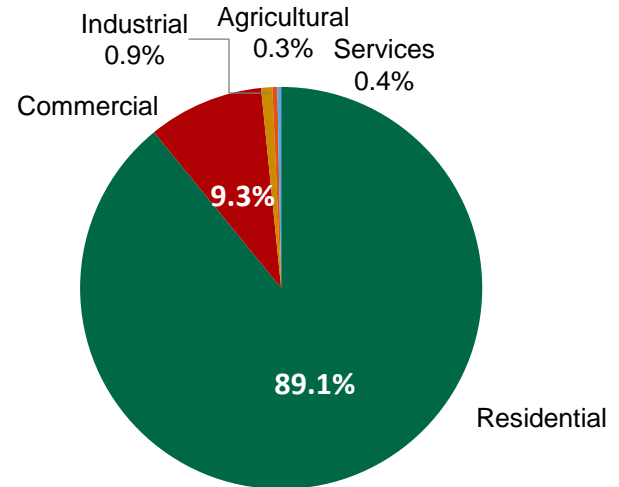
Source: CFE, CFE Generación, CFE Distribución; CFE Transmisión; CFE SSB

# Account Evolution and Breakdown, as of 1Q 2024

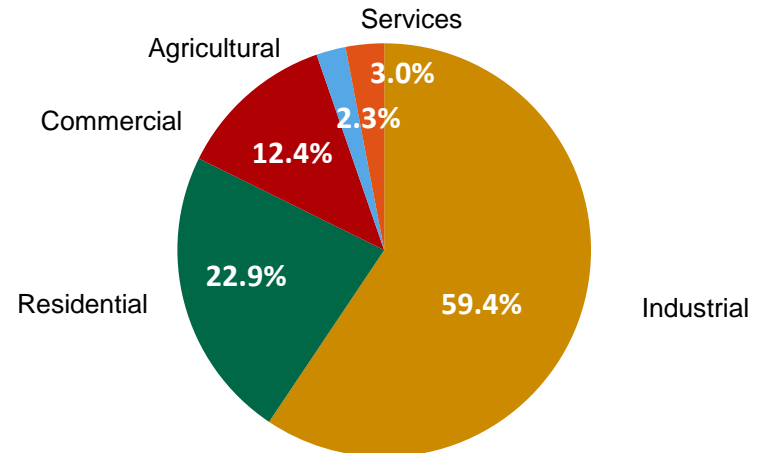
## User Account Evolution (millions)



## Account Breakdown by Sector Percentage



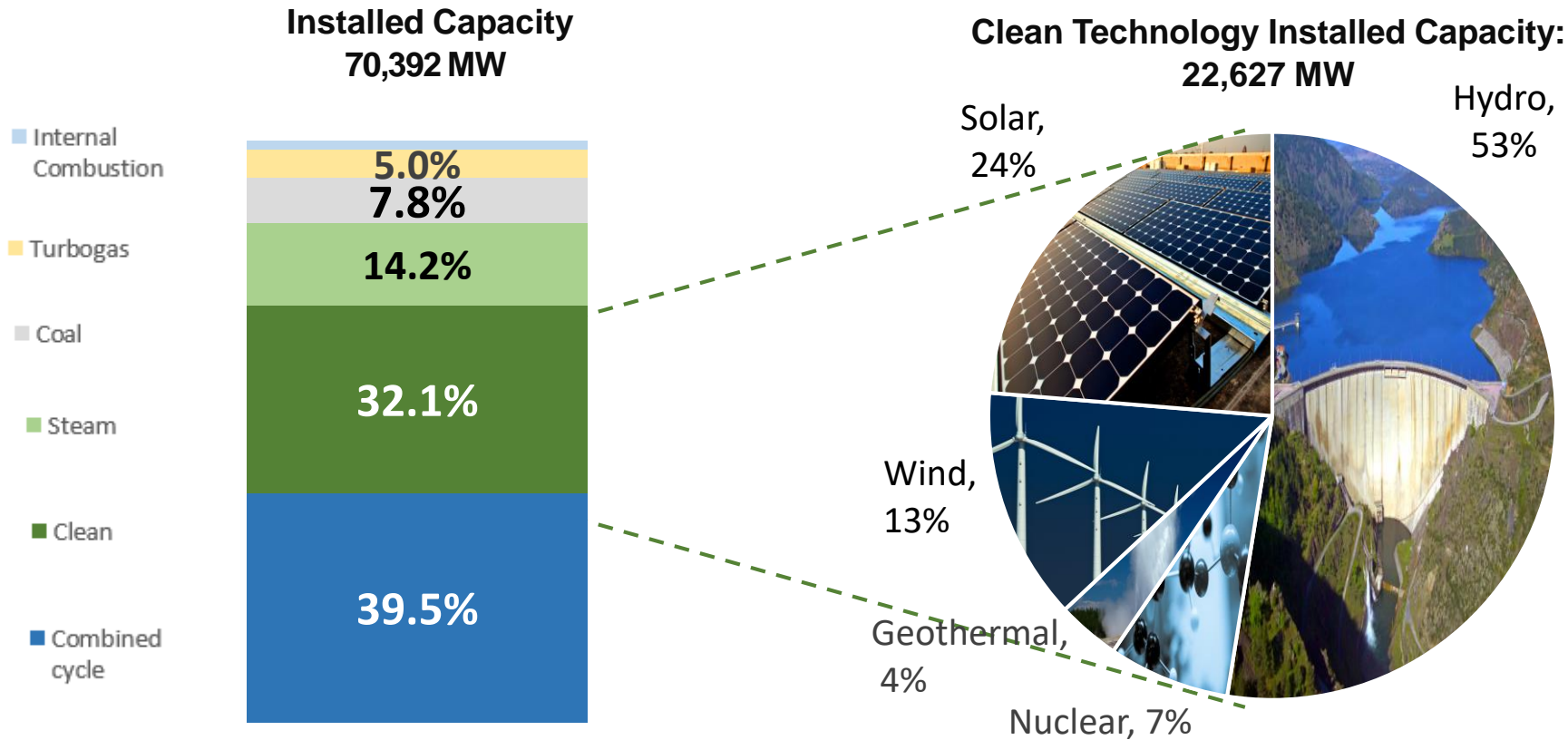
## Revenue Breakdown by Sector Percentage



Source: CFE



# Installed Capacity and Generation as 1Q 2024



**Total Generation 1Q 2024: 57,764 GW/hour**

	Hydroelectric	Nuclear	Geothermal	Wind	Solar
<b>Clean Generation:</b> <b>10,728 GWh</b>	3,055	2,926	974	1,411	2,362

Source: CFE  
Total Electricity generated by CFE from January to March 2024. Includes IPPs and LTAs

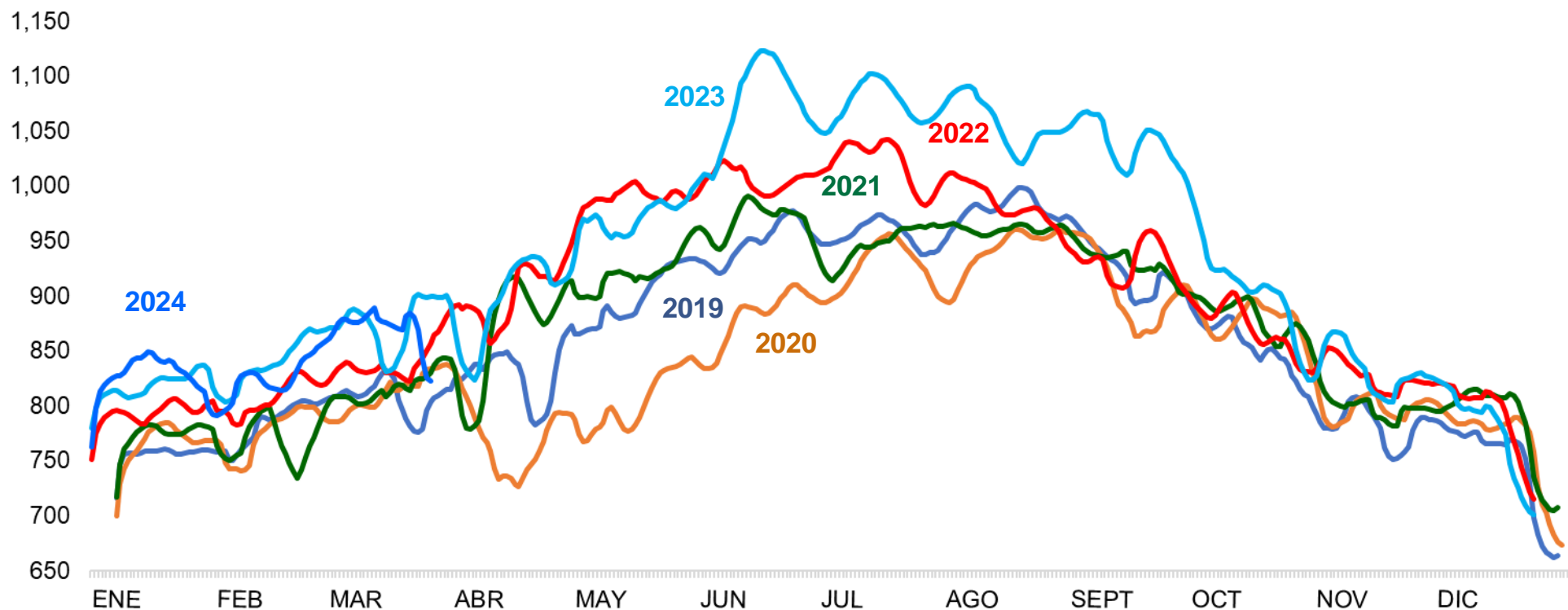




# Electricity Annual Consumption 2019-2024

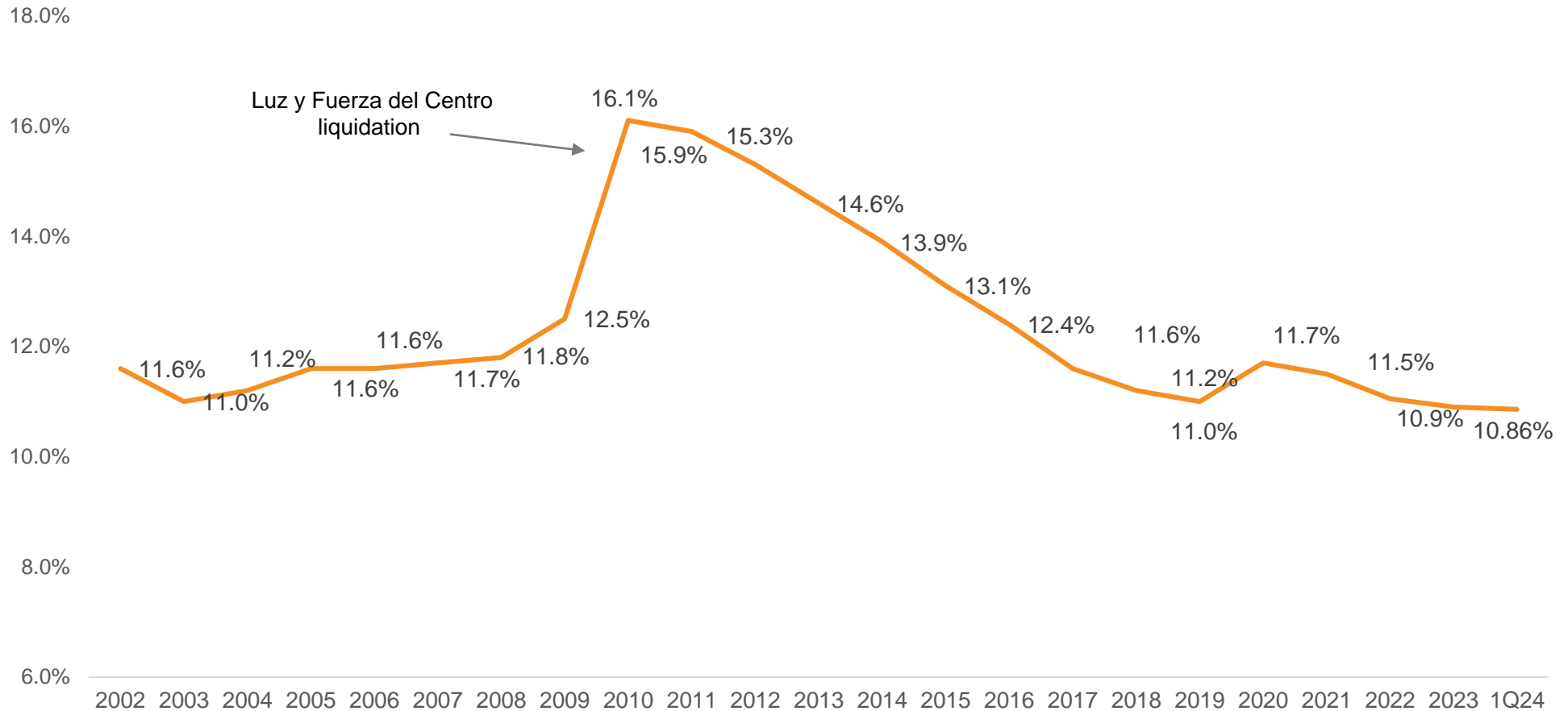
- Electrical energy consumption in Mexico has a high elasticity with respect to GDP growth, as well as a low elasticity in the case of economic contraction.
- The National Electricity System (SEN) is resilient to adverse phenomena such as the SARS-CoV-2 virus pandemic.
- In the last three years, the energy consumed has shown a high growth rate:
- - At the end of the first quarter of 2024, energy consumption in the SEN has exceeded the levels recorded in previous years, with a growth rate of 0.4% compared to 2023.

**Energy consumed in the National Electric System 2019-1Q 2024**  
(7day moving average, GWh)



Source: CENACE

# Evolution of Technical and Non Technical Distribution Losses\*



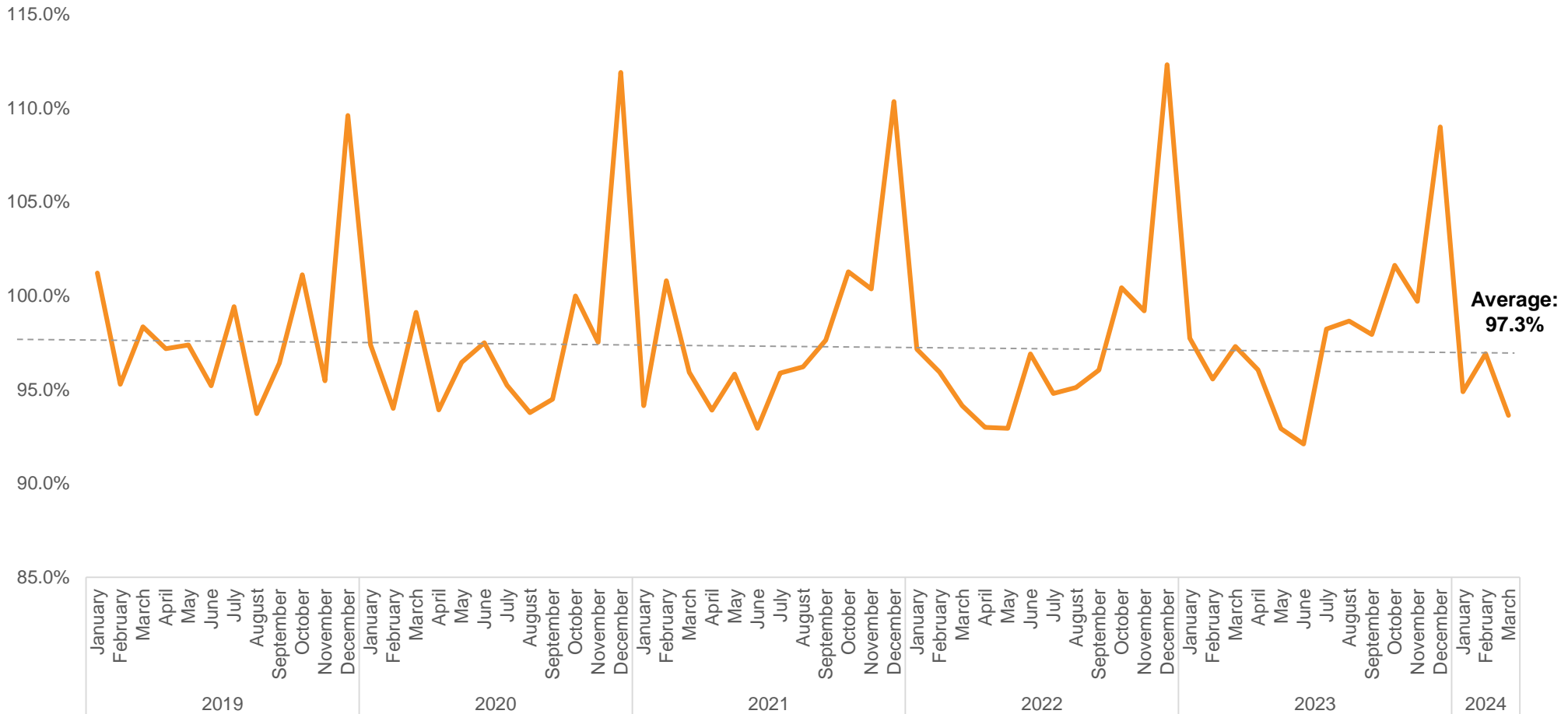
CFE implements a Comprehensive Strategy to reduce technical and non-technical losses in the short and medium terms, such as:

- ✓ investment projects for the modernization and expansion of the electrical distribution infrastructure
- ✓ operational strategies to review facilities
- ✓ replacement of analog meters by digital (SMARTS), among others.

\* Low and medium voltaje, less than 34,500 volts  
 P: proyected  
 Source: CFE Distribución



# Electrical Energy Sales Collection Index 2019-2024<sup>1/</sup>



- Collection Index (IC) which is defined as the percentage of income from energy sales with respect to total billing, has remained stable, with peaks during the last quarters of each year, when workers receive bonuses.
- This reflects the willingness of CFE users to pay, due to the quality of the service provided and the diversity and breadth of means of payment that the company has developed in favor of users.

Source: CFE Suministro Básico

<sup>1/</sup> Energy sales income/ billing



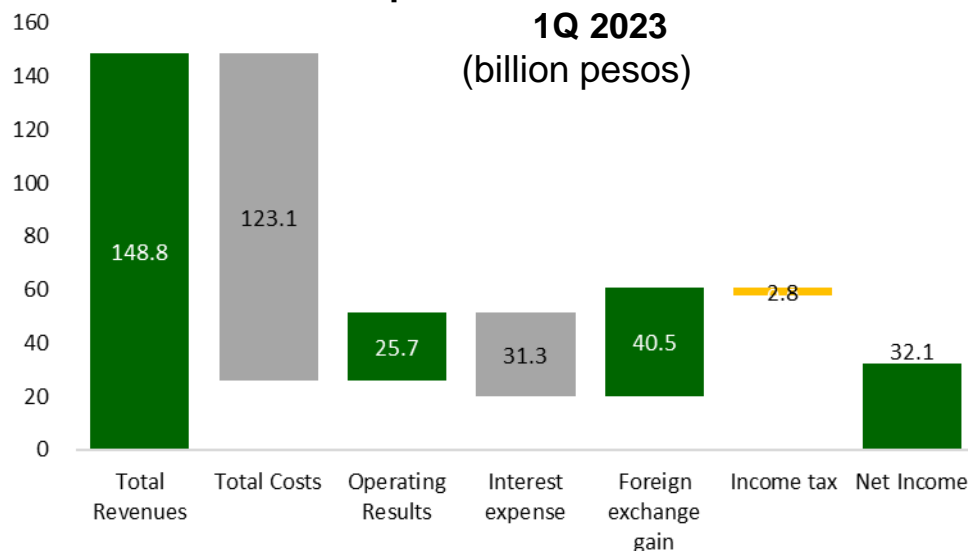


# Financial Results 1Q 2024 vs 1Q 2023

## Comprehensive Income Statement

1Q 2023

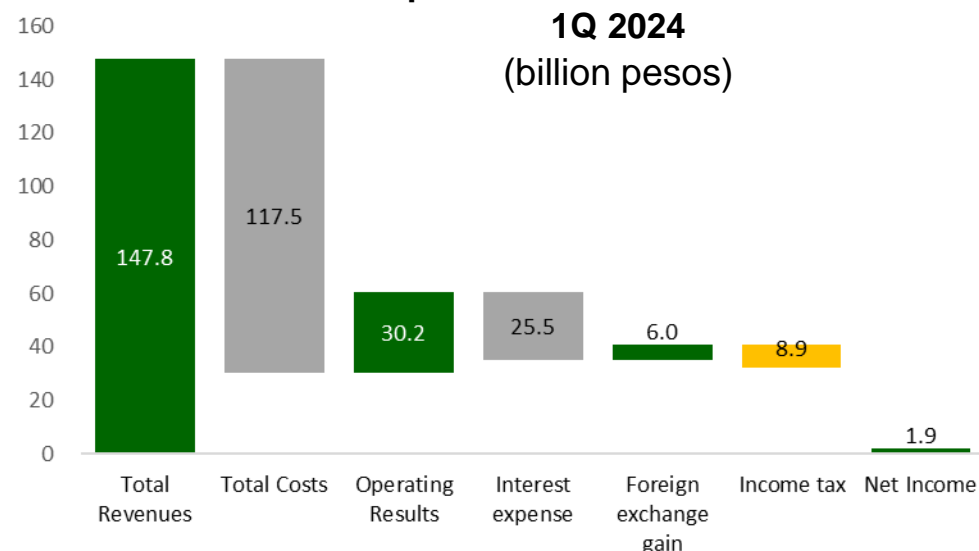
(billion pesos)



## Comprehensive Income Statement

1Q 2024

(billion pesos)



## Financial Position Statement (billion pesos)

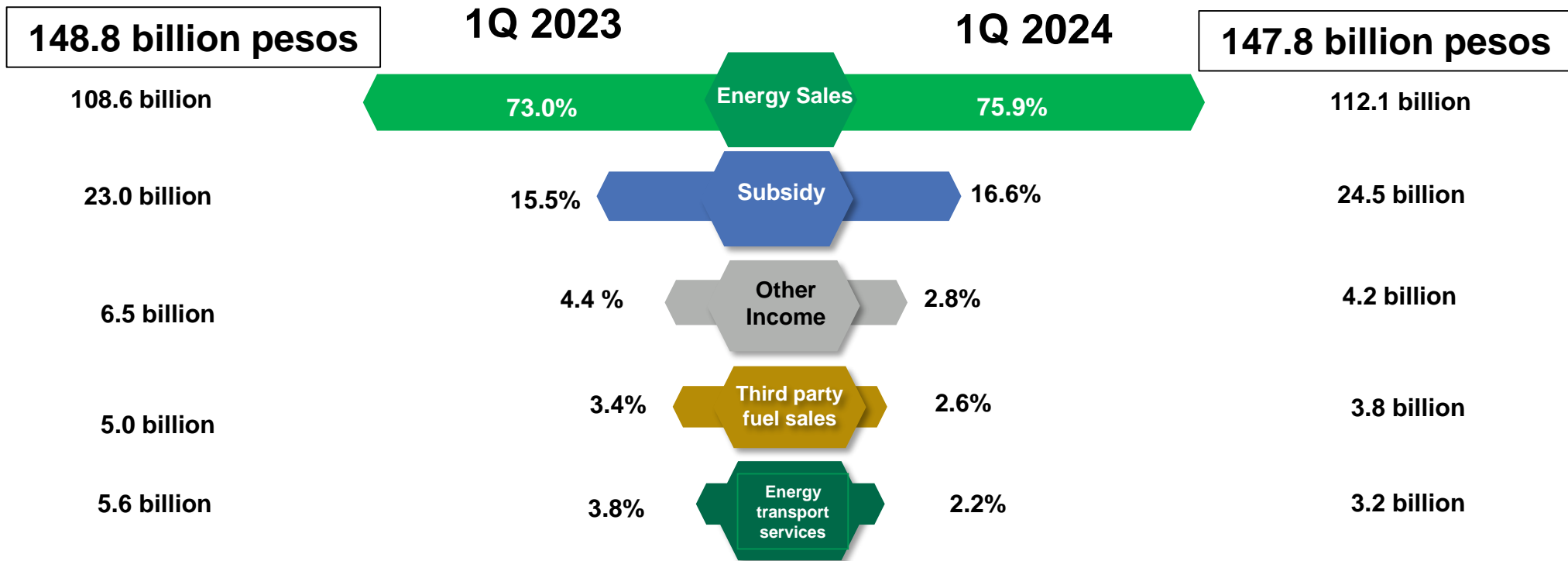
Financial Position Statement	31/12/2023	31/03/2024	Δ Absolute	Δ relative
<b>Assets</b>	2,325.0	2,345.5	20.5	0.9%
<b>Liabilities</b>	1,566.4	1,573.5	7.1	0.5%
<b>Equity</b>	758.6	772	13.5	1.8%

- As of 1Q2024, CFE's Total Revenues maintained a similar trend to 1Q2023. The growth recorded in the items of income from energy sales 3.2% and subsidies 6.5%, almost entirely compensated for the lower income from energy transport and fuels to third parties.
- Total costs registered a reduction of 4.5% due to the decrease in the cost of fuels of 22.1% focused on the price of Natural Gas (decrease of 25%).
- The financial cost decreased 18.8% (5.8 billion pesos) compared to 1Q2023 due to efficiency policies in the management of financial liabilities.
- The exchange rate fluctuation registered a decrease of 34.5 billion pesos as a result of a slower rate of appreciation of the peso compared to the end of the previous year (6.7% in 1Q 2023 vs 1.3% in 1Q 2024).
- A tax provision of 8.9 million pesos was recorded.
- Net Result was 1.9 billion pesos due to Fx and tax effects that do not imply an impact in terms of cash flow generation.

- **Assets:** 0.9% increase due to a higher level of cash and equivalents, plants and facilities and right-of-use assets.
- **Liabilities:** 0.5% increase for short-term refinancing allocated to working capital.
- **Equity:** Strengthening of 1.8% due to the results of previous years and other capital accounts.

Source:CFE, Financial Statements.

# Total Income Breakdown 1Q 2023 vs 1Q 2024

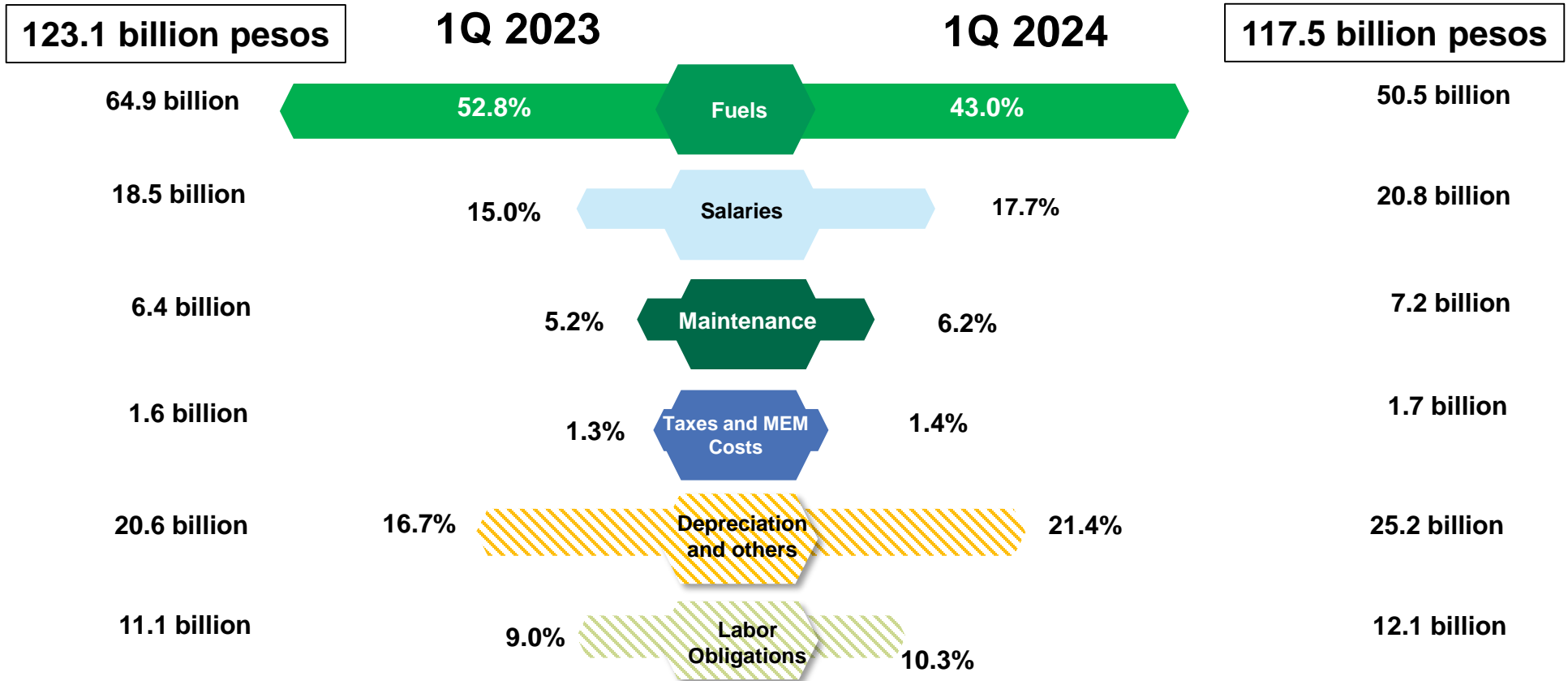


- Income from energy sales represented CFE's main source of income (75.9% of the total), with a growth of 3.2% mainly in the industrial, domestic, commercial and services sectors.
- Subsidy income increased 6.5%, which together with income from energy sales made it possible to offset the combined decrease of 4.7% in income from energy transportation and fuel sales to third parties due to the expectation of volume adjustments in purchase of Natural Gas in the short term by the private sector.
- The item of other income obtained mainly from the provision of telecommunications and civil works services showed a decrease of 35.8% due to the greater degree of progress of works in Federal Government's infrastructure.

Source: CFE, Financial Statements BMV.



# Operating Costs Breakdown 1Q 2023 vs 1Q 2024



- The costs of *Energy and other fuels* decreased 22.1% compared to the same period in 2023, derived from the decrease observed in international prices of Natural Gas (25%).
- *Other Expenses, Salaries and Maintenance* increased by 6.5 thousand million pesos, mainly due to the greater pace of budgetary expenditure allocated to conclude the works in progress.
- *Depreciation* and the *Cost of Labor Obligations* had an increase of 7.6%, which did not imply an outflow of cash.
- *Financing Cost* decreased by 5.8 billion pesos compared to 1Q2023, due to financial liability management policies. However, the effect of exchange fluctuation decreased by 34.5 billion pesos due to the lower appreciation of the peso compared to the previous year. (6.7% in 1Q2023 vs 1.3% in 1Q2024)

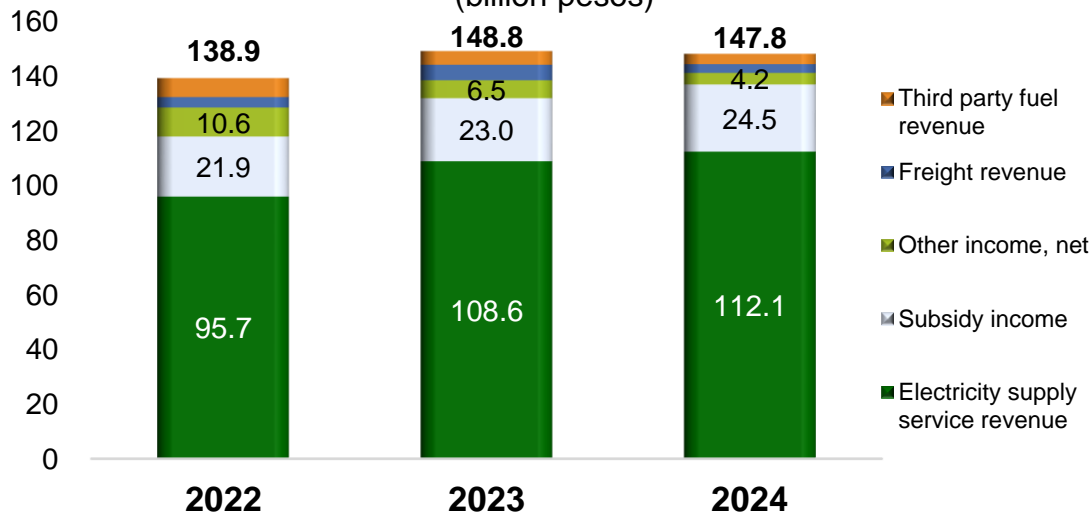
Source: CFE, Financial Statements BMV.



# Financial Information 1Q 2024

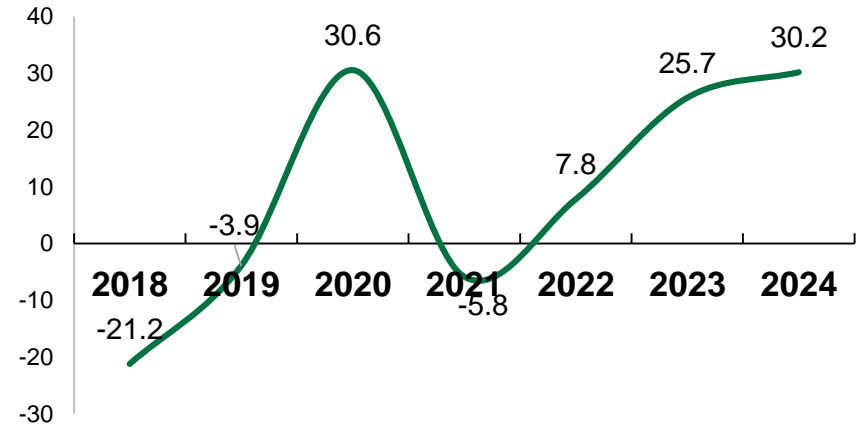
## Total Revenues 1Q

(billion pesos)



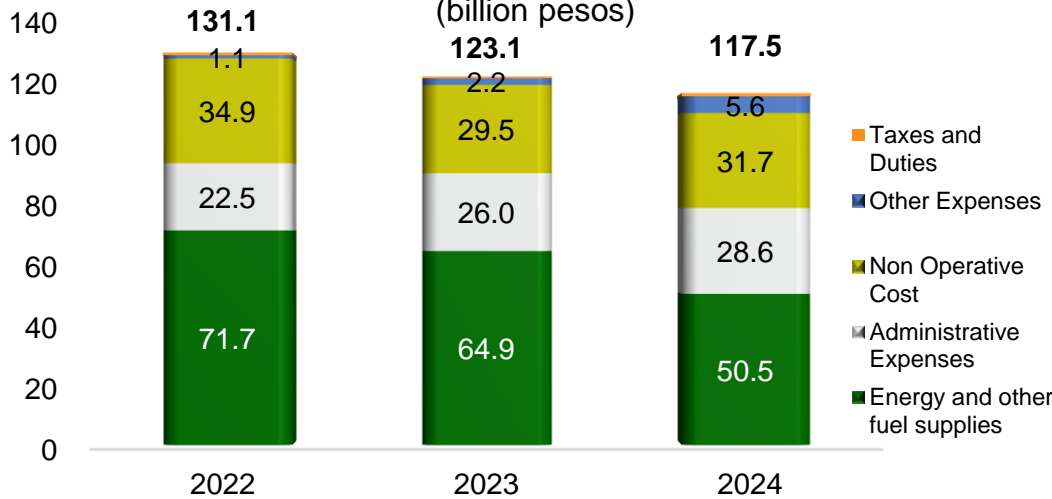
## Operating Results 1Q

(billion pesos)



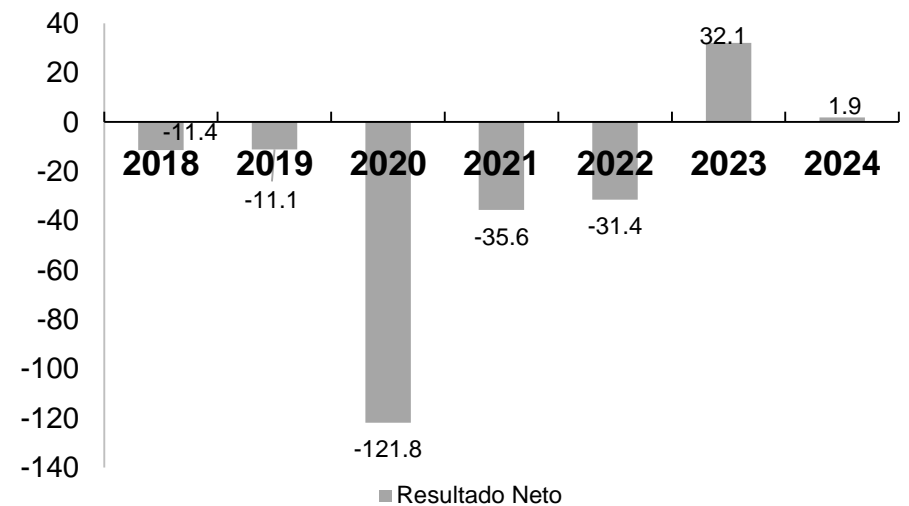
## Operating Costs 1Q

(billion pesos)



## Net Result 1Q

(billion pesos)

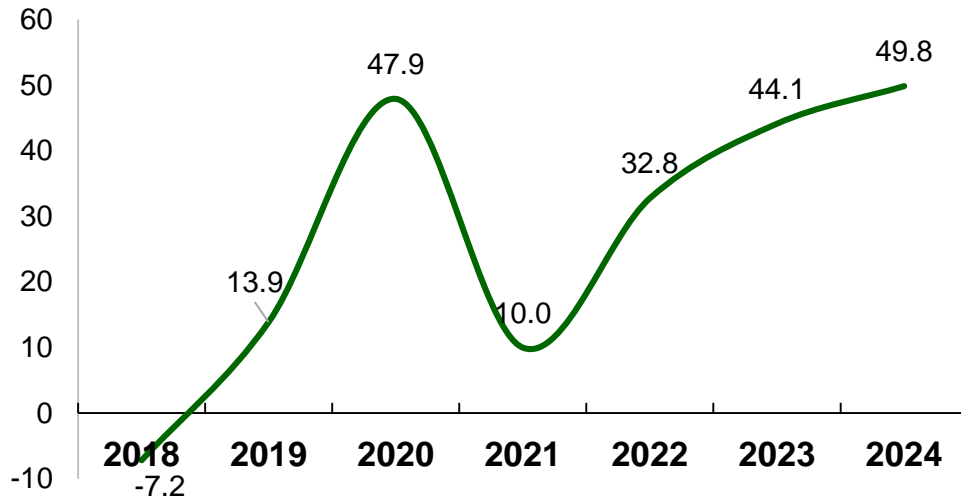


Source: CFE, Financial statements, and CFE Suministro Básico

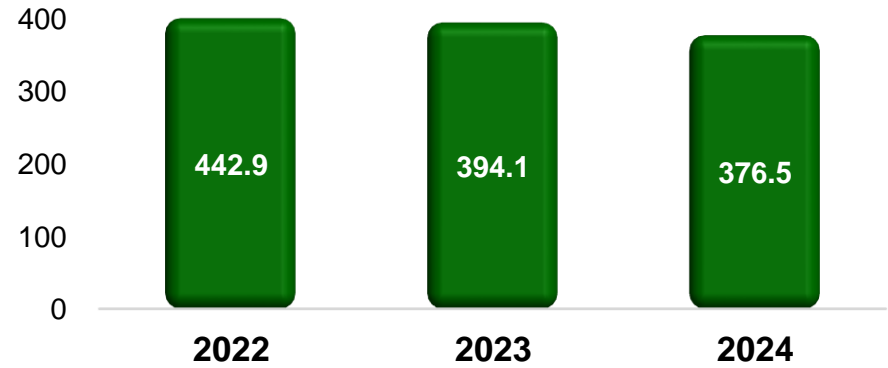


# Financial Indicators 1Q 2024

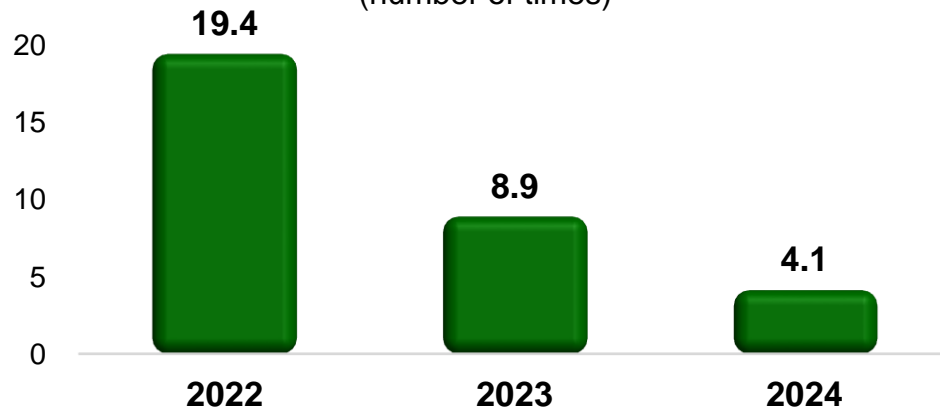
**EBITDA**  
(billion pesos)



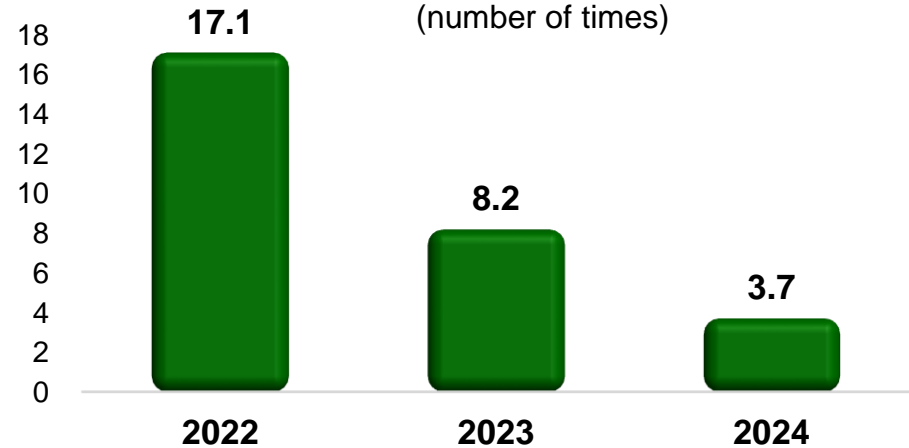
**Financial Debt<sup>1</sup>**  
(billion pesos)



**Debt to EBITDA<sup>2</sup>**  
(number of times)



**Net Debt to EBITDA<sup>2</sup>**  
(number of times)



<sup>1</sup>Does not include investment trust financing

<sup>2</sup>EBITDA adjusted for net labor cost of the period

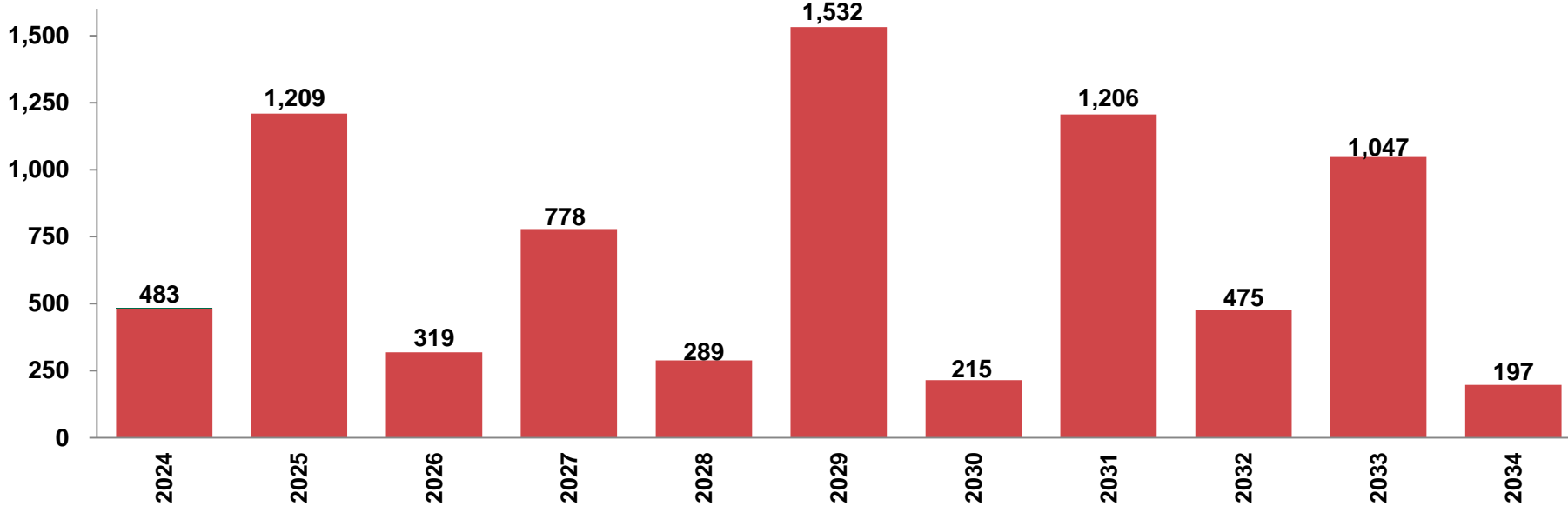
Financial debt to EBITDA annualized for the last 12 months. Includes leases

Source: CFE



# Direct Debt Maturity Profile as of 1Q 2024

Foreign currency direct debt as of March 31, 2024\*  
(millions of dollars)



**MOODY'S**

**Baa2, Stable**

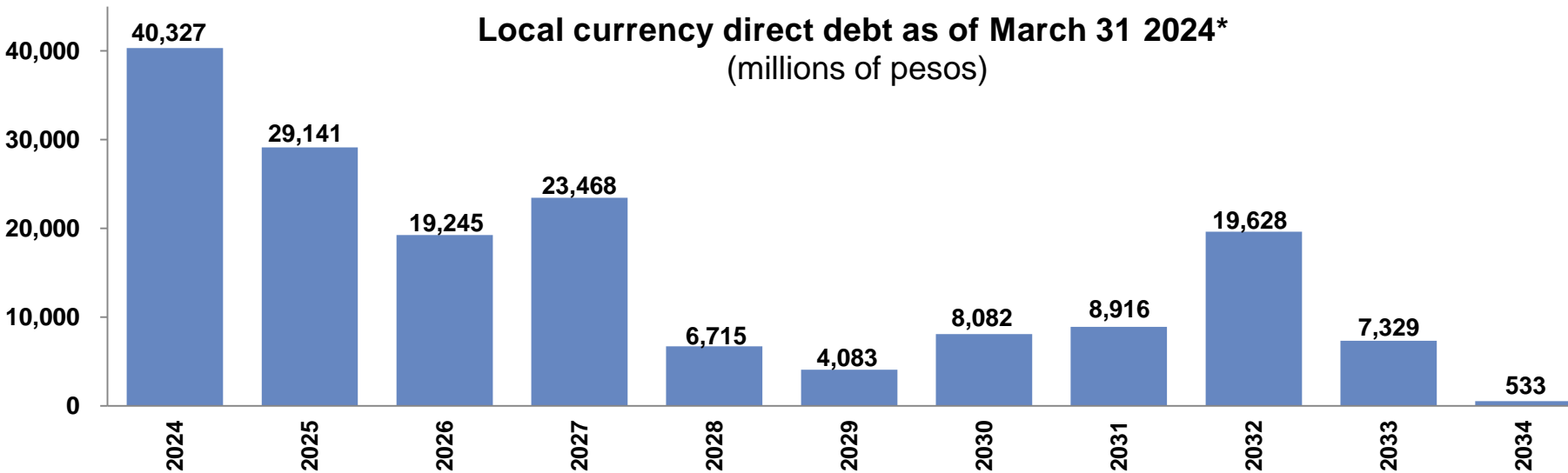
**STANDARD & POOR'S**

**BBB, Stable**

**FitchRatings**

**BBB-, Stable**

Local currency direct debt as of March 31 2024\*  
(millions of pesos)



**MOODY'S**

**AAA.mx, Stable**

**STANDARD & POOR'S**

**mxAAA, Stable**

**FitchRatings**

**AAA, Stable**

Source: CFE

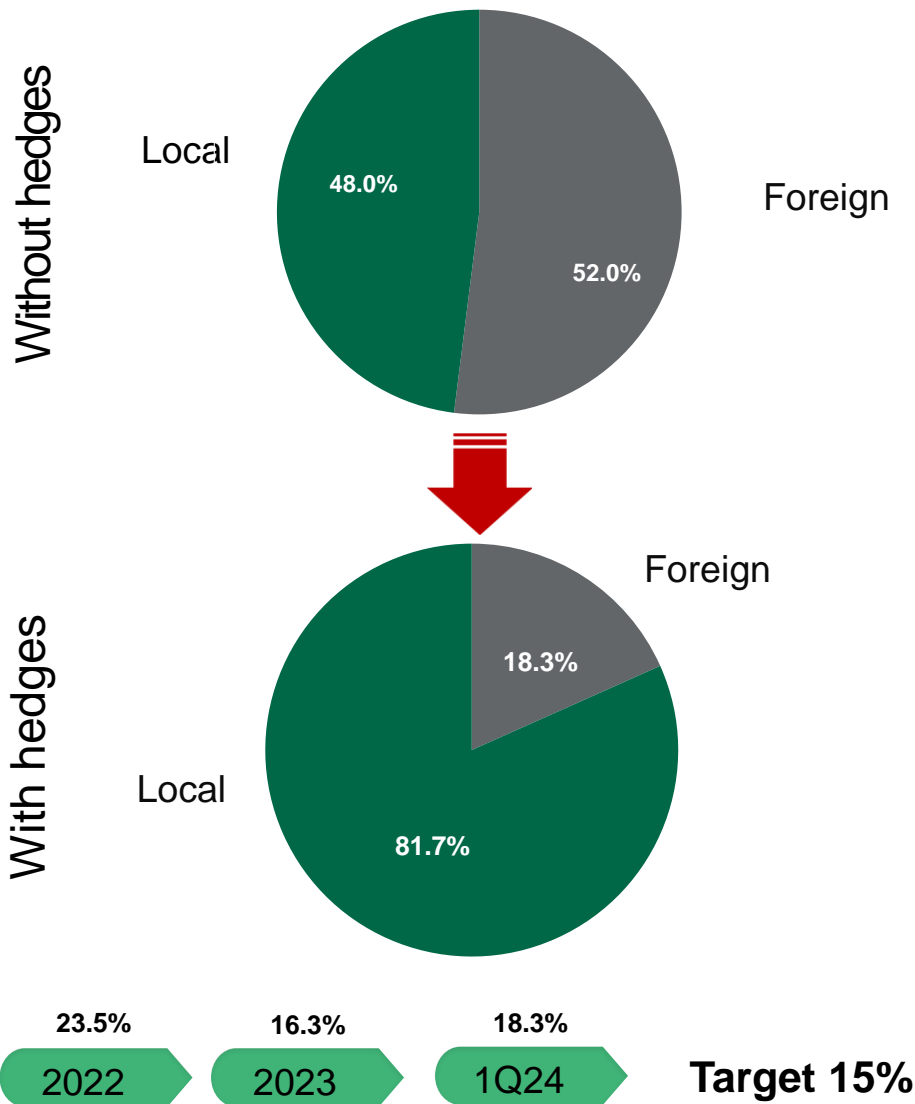
\* Considers Documented and Pidirega direct debt, 1Q2024



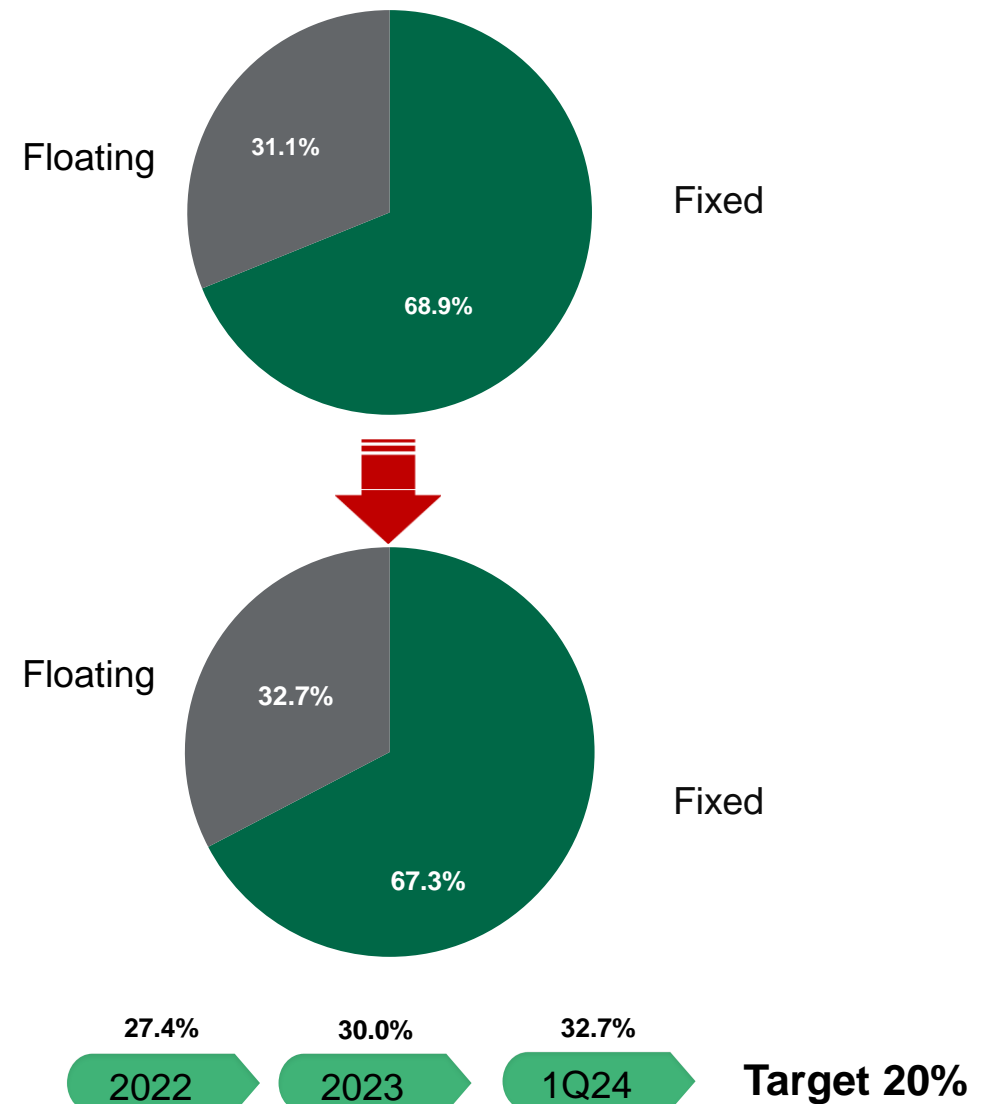


# Financial Hedging as of 1Q 2024

## Debt composition by currency



## Debt composition by interest rate



Source: CFE - SFC



# Commodity Hedging as of 1Q 2024

- The observed prices of natural gas stabilized in 2023. The average price of Gas Daily for the month of March 2024 is similar to that observed in fiscal year 2020 (2.0 vs. 1.9 USD/MMBtu).
- Natural gas hedges reached 36.56% of CFE's annual daily consumption, including part of the 2025 calendar.
- The portfolio is made up of *call* options with *strike* levels ranging from 2.25 to 4.0 USD/MMBtu, which protect against price increases and allow us to benefit when prices decrease.
- Hedging operations are carried out with bank counterparties of the highest credit quality.
- As of 1Q2024, there are 376 current basis index option and swap contracts for the 2024-2025 calendar.

**Natural Gas Price Evolution 2018-2023 (4T2023)**  
(USD/MMBTU)

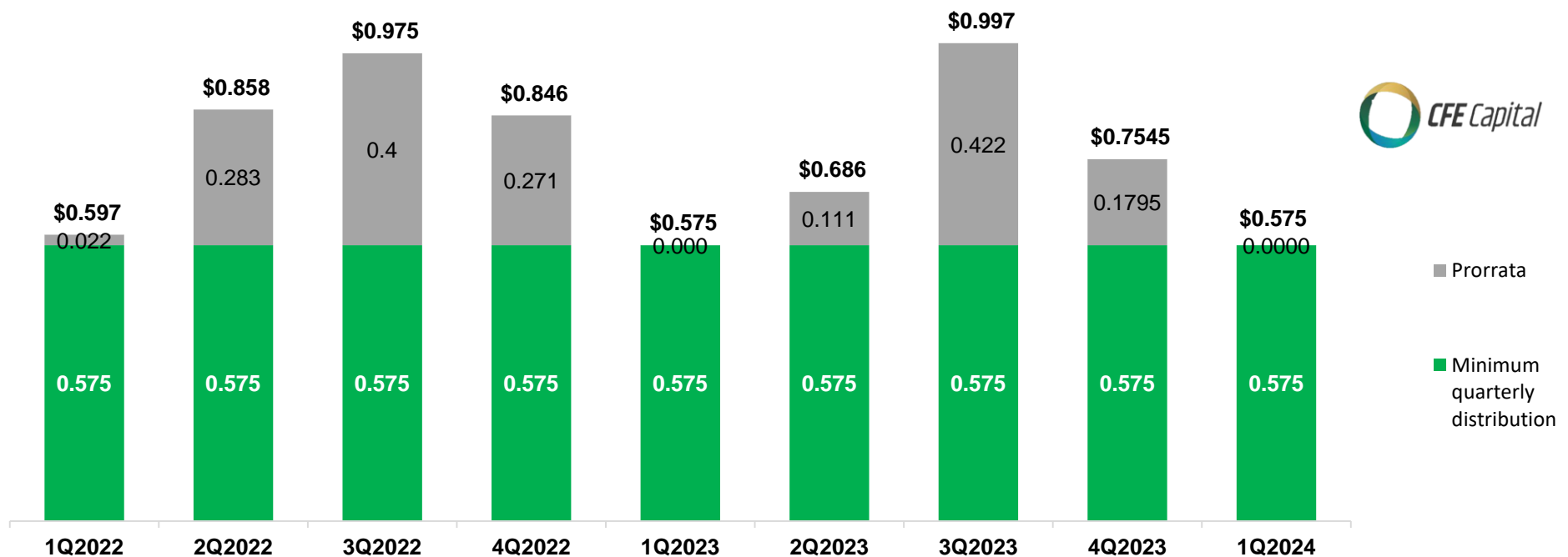


**Natural Gas Curve NYMEX**  
(\$/MMBTU)



# Fibra E Distributions as of 1Q 2024

- 1 As of March 31, 2024, the price of Fibra E Certificates was **26.8** pesos, a figure **1.1%** higher than that registered at the end of December 2023 (26.5 pesos per certificate).
- 2 The distribution of CFE Fibra E was **\$0.575** MXN per certificate; providing an annualized return of **11.12%** to investors.
- 3 This distribution is related to the operation of the transmission of electrical energy in Mexico and corresponds to the months of December 2023, January and February 2024, the period of the year where the lowest demand for electrical energy is recorded in Mexico due to the seasonality of the sector.



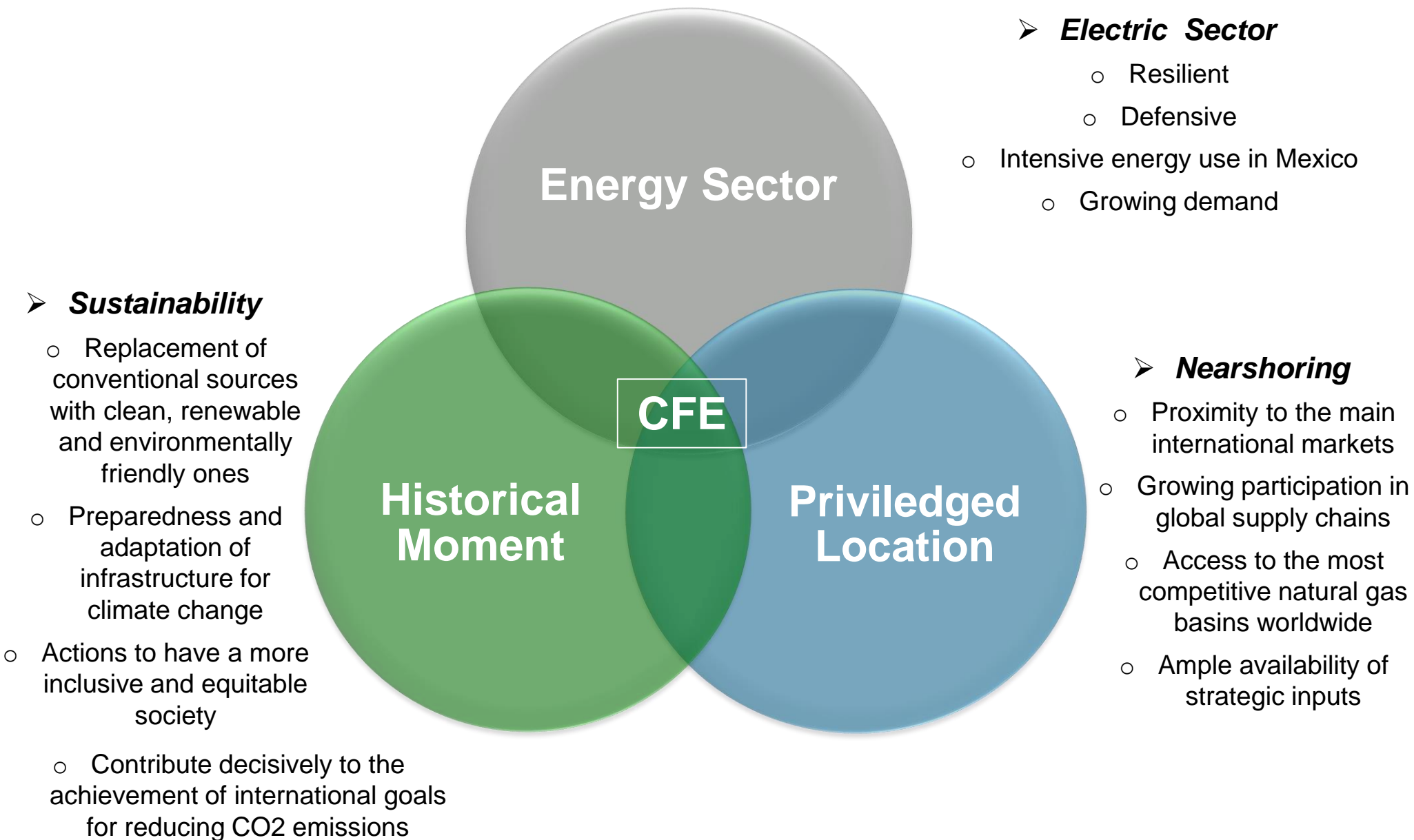
■ Prorrata  
■ Minimum quarterly distribution

\* Certificados bursátiles fiduciarios de inversión en energía e infraestructura. .

Source: CFE Capital



# Strong fundamentals for the Mexican Energy Sector



# Favorable perspectives for development and growth

## Factors driving electricity demand and consumption in Mexico



Sustainable economic growth



Fiscal discipline



North American integration



Nearshoring opportunities



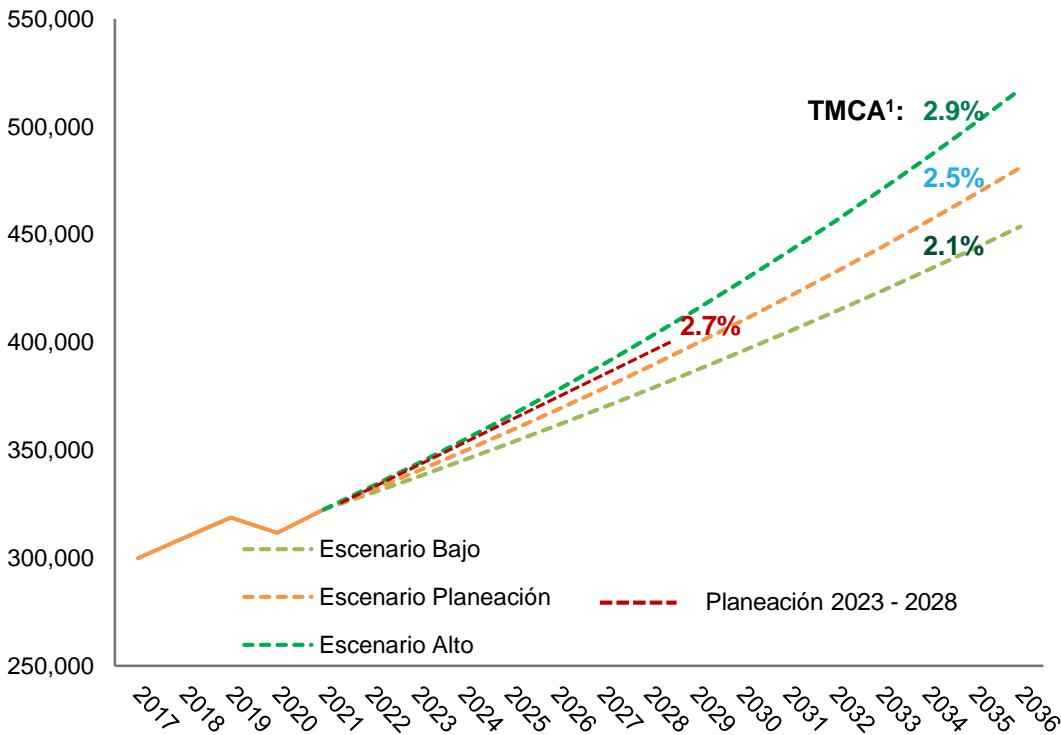
Positive population dynamics



High demand elasticity in respect to GDP

## SEN Net Consumption Forecast 2023-2036

GWh; SEN estimated net consumption with expected TMCA's



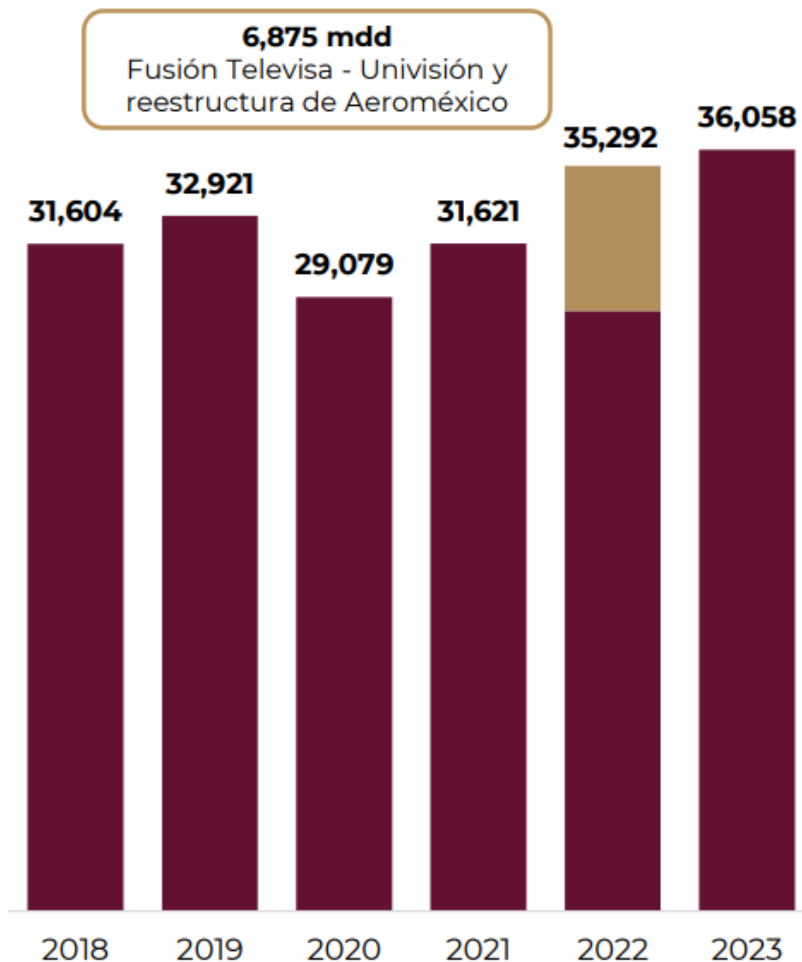
Source: PRODESEN 2023-2027, SENER

## Main destinations of Foreign Direct Investment in Mexico 2023



# Evidence of the *Nearshoring* phenomenon in Mexico

**Foreign Direct Investment in Mexico  
2018-2023**  
(million dollars)



Source: SENER.

**Foreign direct Investment in Mexico  
Year end 2023**  
(relative participation %)

**Top 10 states**  
**Total FDI 2023: 36,058 mdd**

Entidad Federativa	IED	%
<b>Top 10</b>	<b>27,450</b>	<b>76%</b>
Ciudad de México	11,197	31%
Sonora	2,706	8%
Nuevo León	2,537	7%
Jalisco	2,028	6%
Chihuahua	1,980	5%
Estado de México	1,927	5%
Baja California	1,473	4%
Aguascalientes	1,379	4%
San Luis Potosí	1,116	3%
Querétaro	1,107	3%





# ANNEXES



# CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME AS OF MARCH 31, 2024 AND 2023

(millions of pesos)

Concepto	Al 31 de marzo de 2024	Al 31 de marzo de 2023
<b>Ingresos</b>	<b>\$ 147,750,298</b>	<b>148,766,919</b>
Ingresos por venta de energía	112,120,653	108,614,271
Ingresos por venta de combustibles a terceros	3,775,474	5,625,230
Ingresos por transporte de energía	3,190,336	5,011,040
Ingresos por subsidio	24,474,420	22,987,440
Otros ingresos y ganancias	4,189,415	6,528,938
<b>Costos</b>	<b>80,264,148</b>	<b>91,406,369</b>
Energéticos y otros combustibles	45,393,967	59,132,273
Energéticos y otros combustibles a terceros	5,144,928	5,717,772
Remuneraciones	20,812,806	18,498,582
Mantenimiento, materiales y servicios generales	7,242,433	6,429,222
Impuestos y derechos	1,085,613	1,033,488
Costo MEM	584,401	595,032
<b>Resultado antes de otros costos</b>	<b>67,486,150</b>	<b>57,360,550</b>
<b>Otros costos</b>	<b>37,277,739</b>	<b>31,644,768</b>
Costo de obligaciones laborales	12,082,536	11,060,202
Depreciación	19,629,536	18,400,645
Otros gastos	5,565,667	2,183,921
<b>Resultado antes de operación</b>	<b>30,208,411</b>	<b>25,715,782</b>
<b>Costos de financiamiento</b>	<b>19,452,526</b>	<b>(9,158,266)</b>
Intereses a cargo	16,457,487	22,070,772
Gastos financieros, neto	9,007,708	9,275,366
(Utilidad) pérdida cambiaria, neta	(6,012,669)	(40,504,404)
<b>Resultado antes de impuestos</b>	<b>10,755,885</b>	<b>34,874,048</b>
Impuestos a la utilidad	8,886,450	2,760,098
<b>Resultado neto</b>	<b>\$ 1,869,435</b>	<b>32,113,950</b>
<b>Resultado neto del periodo atribuible a:</b>		
Participacion controlada	1,792,459	32,425,875
Participacion no controlada	76,976	(311,925)
	<b>1,869,435</b>	<b>32,113,950</b>
<b>Otros resultados integrales:</b>	<b>11,952,175</b>	<b>19,474,023</b>
<b>Resultado integral del periodo</b>	<b>\$ 13,821,610</b>	<b>51,587,973</b>

Source: CFE, Financial Statements as of September 30, 2023



# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## AS OF DECEMBER 31, 2024 AND DECEMBER 31, 2023

(millions of pesos)

Concepto	Acumulado	
	Al 31 de marzo de 2024	Al 31 de diciembre de 2023
<b>Activo</b>		
<b>Activo circulante</b>	<b>\$ 205,912,358</b>	<b>192,921,741</b>
Efectivo y equivalentes de efectivo	91,052,118	67,487,561
Cuentas por cobrar, neto	91,563,337	99,065,943
Inventario de materiales para operación	23,296,903	26,368,237
Préstamos a los trabajadores	<b>24,594,310</b>	<b>23,778,504</b>
Plantas, instalaciones y equipos, neto	<b>1,496,528,615</b>	<b>1,491,858,464</b>
Instrumentos financieros derivados	1,496,734	1,395,816
Activos intangibles y otros activos	42,017,368	43,639,911
Activo por derecho de uso, neto	477,523,450	475,740,387
Impuesto diferido activo	97,459,122	95,675,192
<b>Total Activo</b>	<b>\$ 2,345,531,957</b>	<b>2,325,010,015</b>
<b>Pasivo</b>		
<b>A corto plazo</b>	<b>\$ 304,111,894</b>	<b>297,152,873</b>
Deuda a corto plazo	114,694,886	100,709,305
Otras cuentas por pagar y pasivos acumulados	133,248,775	136,852,638
Impuestos a la utilidad	12,286,866	13,516,947
Instrumentos financieros	17,402,679	19,134,064
Pasivo por arrendamiento a corto plazo	26,478,688	26,939,919
<b>A largo plazo</b>	<b>1,269,406,747</b>	<b>1,269,294,551</b>
Deuda a largo plazo	311,386,523	311,236,845
Beneficios a los empleados	427,137,624	424,388,155
Otros pasivos a largo plazo	32,562,483	33,009,411
Pasivo por arrendamiento a largo plazo	498,320,117	500,660,140
<b>Total Pasivo</b>	<b>1,573,518,641</b>	<b>1,566,447,424</b>
<b>Patrimonio</b>	<b>772,013,316</b>	<b>758,562,591</b>
Aportaciones recibidas del Gobierno Federal	10,005,251	10,005,251
Aportaciones en especie (Gobierno Federal)	95,111,382	95,111,382
Resultados acumulados	42,480,770	40,688,311
Otras partidas de resultado integral	606,692,916	594,740,741
Participación no controladora	17,722,997	18,016,906
<b>Pasivo + Patrimonio</b>	<b>\$ 2,345,531,957</b>	<b>2,325,010,015</b>

Source: CFE, Financial Statements as of December 31, 2023



**Investor Relations**  
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