



PDVSA Announces Expiration and Final Results for its Offers to Exchange its Outstanding 5.250% Senior Notes due 2017 and 8.50% Senior Notes due 2017 for New 8.50% Senior Secured Notes due 2020

Caracas, Venezuela, October 24, 2016 – Petróleos de Venezuela, S.A. (“PDVSA” or the “Company”) today announced that the offers to exchange (the “Exchange Offers”) up to U.S.\$5,325 million aggregate principal amount (the “Maximum Tender Amount”) of its 5.250% Senior Notes due 2017 (the “April 2017 Notes”) and 8.50% Senior Notes due 2017 (the “November 2017 Notes,” and together with the April 2017 Notes, the “Existing Notes”) for new 8.50% Senior Secured Notes due 2020 (the “New Notes”) expired at 5:00 P.M., New York City time, on October 21, 2016 (the “Expiration Date”).

As total consideration to be paid for the validly tendered Existing Notes pursuant to the Exchange Offers, PDVSA will issue an aggregate principal amount of approximately U.S.\$3,367 million of New Notes on the Settlement Date, subject to rounding adjustments as set forth in the Offering Circular (as defined below) and as adjusted for any delays in processing tender instructions. As of the Expiration Date, holders of the Existing Notes have tendered approximately U.S.\$2,799 million of Existing Notes, which is approximately 52.57% of the Maximum Tender Amount, or approximately 39.43% of the aggregate principal amount outstanding. The Company intends to waive any conditions to the Exchange Offers. The Settlement Date with respect to the Exchange Offers is expected to occur on October 27, 2016.

The breakdown of Existing Notes tendered in connection with the Exchange Offers, which is to be adjusted as needed for any delay in processing tender instructions, is the following:

Title of Existing Notes	CUSIP/ISIN	Outstanding	Principal Amount Tendered and Accepted	Percentage of Principal Amount Tendered and Accepted
5.250% Senior Notes due 2017	N.A. (Rule 144A)/ XS0294364103 (Regulation S)	U.S.\$3,000,000,000	U.S.\$942,103,000	31.40%
8.50% Senior Notes due 2017	716558AB7 (Rule 144A); P7807HAK1 (Regulation S)/ US716558AB79 (Rule 144A); USP7807HAK16 (Regulation S)	U.S.\$4,100,000,000	U.S.\$1,857,169,267	45.30%

The New Notes will be secured by a first-priority security interest on 50.1% of the capital stock of CITGO Holding, Inc. and will be unconditionally and irrevocably guaranteed by PDVSA Petróleo, S.A. Principal payments on the New Notes will be payable annually, in four equal installments, on each anniversary of the Settlement Date of the New Notes.

The Exchange Offers were made pursuant to the Offering Circular dated September 16, 2016, as supplemented by the Supplement dated September 26, 2016 (the “Offering Circular”), which sets forth the terms and conditions of the Exchange Offers. Capitalized terms not defined herein have their meanings set out in the Offering Circular. This press release is neither an offer to purchase nor a solicitation to buy any securities, nor is it a solicitation for acceptance of the Exchange Offers.

D.F. King & Co., Inc. has been appointed as the information agent and the exchange agent for the Exchange Offers. Holders of the Existing Notes may obtain copies of the Offering Circular from D.F. King & Co., Inc. by accessing the website <https://sites.dfkingltd.com/pdvsa>. Holders of the Existing Notes may contact the information agent in New York: (800) 431-9646 (toll free) or (212) 269-5550 (banks and brokerage firms), in London: +44 20 7920-9700 or e-mail at pdvsa@dfkingltd.com.