



# Third quarter 2019 Earnings webcast

October 23, 2019



# About projections and forward-looking statements

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Forward-looking statements speak only as of the date on which they were made, and we undertake no obligation to release publicly any updates or revisions to any forward-looking statements contained herein because of new information, future events or other factors. In light of these limitations, undue reliance should not be placed on forward-looking statements contained in this presentation. Further information concerning risks and uncertainties associated with these forward-looking statements and Vista’s business can be found in Vista’s public disclosures filed on EDGAR ([www.sec.gov](http://www.sec.gov)).

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Accordingly, investors should monitor Vista’s Investor Relations website, in addition to following Vista’s press releases, SEC filings, public conference calls and webcasts.

# 3<sup>rd</sup> quarter 2019 highlights

Consolidated figures in Vista Oil & Gas, S.A.B. de C.V. include operations in Argentina and Mexico

<b>Daily Production<sup>(1)</sup></b>	<b>31.6 Mboe/d</b>	<b>Production growth of</b>  <b>31%</b>  <b>y-o-y</b>
<b>Revenues</b>	<b>105 \$MM</b>	
<b>Adj. EBITDA<sup>(2)</sup></b>	<b>47 \$MM</b>	<b>Vaca Muerta production</b> <b>reached</b>  <b>+ 10,000 boe/d</b>  <b>in Bajada del Palo Oeste</b>
<b>Adj. EBITDA margin</b>	<b>44 %</b>	
<b>Cash at end of period</b>	<b>241 \$MM</b>	
<b>Net debt<sup>(3)</sup></b>	<b>207 \$MM</b>	
<b>Net leverage ratio<sup>(4)</sup></b>	<b>1.2 x</b>	



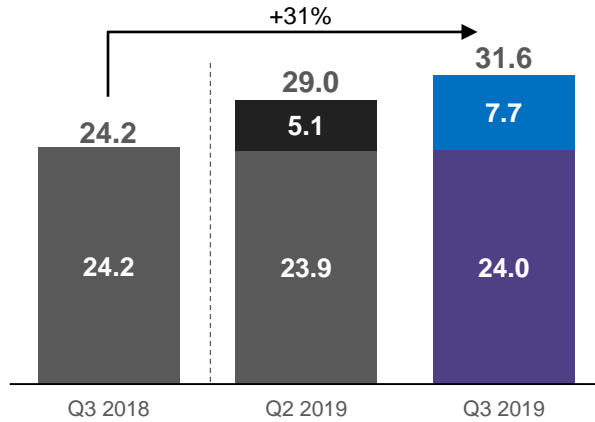
(1) Includes natural gas liquids (NGL) and excludes flared gas, injected gas and gas consumed in operations  
(2) Adj. EBITDA = Net (loss) / profit for the period + Income tax (expense) / benefit + Financial results, net + Depreciation + Restructuring expenses + Other adjustments  
(3) Net Debt: Current borrowings (70.0 \$MM) + Non-current borrowings (378.2 \$MM) – Cash and cash equivalents (241.3 \$MM) = 206.9 \$MM  
(4) Vista's LTM Adj. EBITDA

# Production

Growth continues to be driven by significant shale oil ramp-up

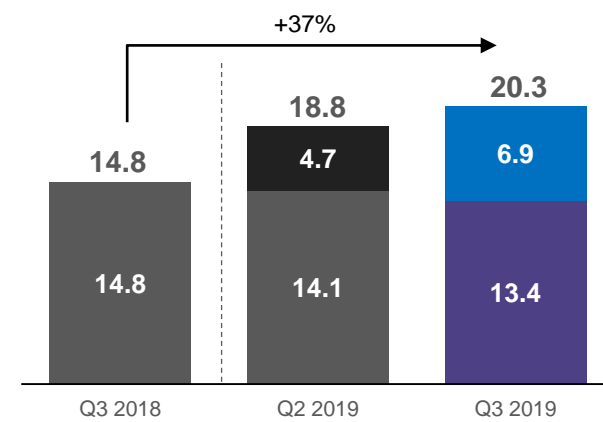
## Total production

Mboe/d



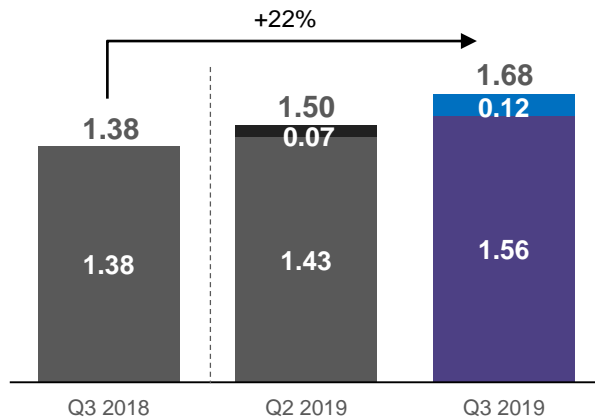
## Oil production

Mboe/d



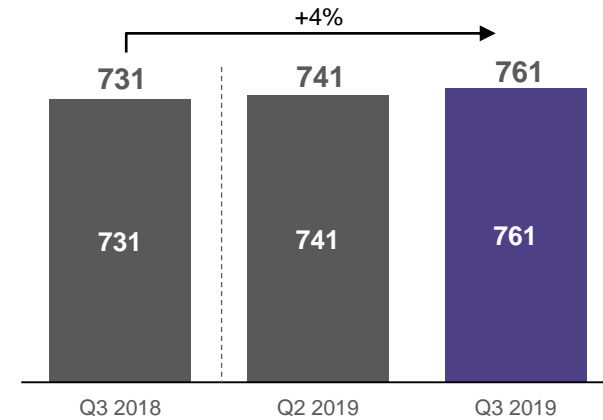
## Natural gas production

MMm3/d



## NGL production

boe/d



■ Previous quarter - conventional

■ Previous quarter - unconventional

■ Q3 2019 - conventional

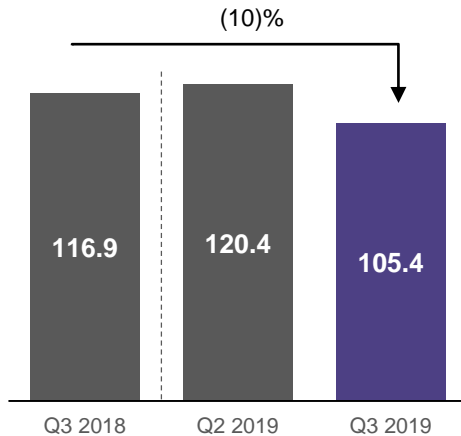
■ Q3 2019 - unconventional

# Revenues and pricing

Production growth offset by lower realized prices

## Revenues

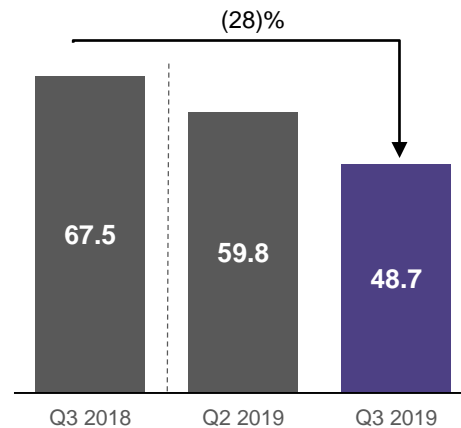
\$MM



- Mainly driven by lower realized prices

## Crude oil average price

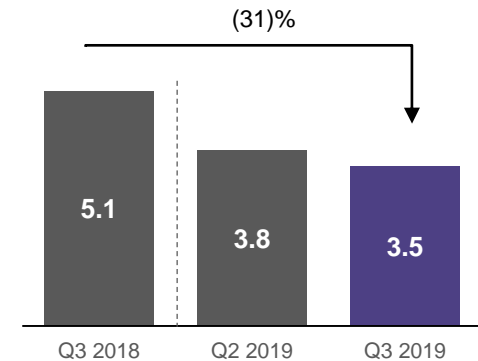
\$/bbl



- During the first half of the quarter realized prices were 55.5 \$/bbl, impacted by a lower Brent price and an export parity based formula
- During the second half of the quarter realized prices were 42.5 \$/bbl as a consequence of the Presidential Decree N° 566

## Natural gas average price

\$/MMBtu



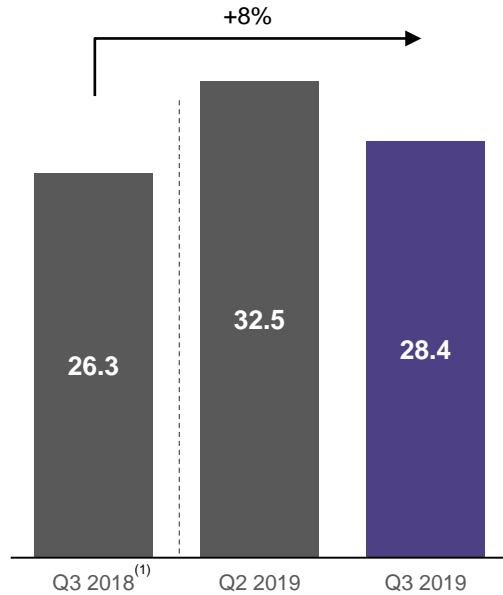
- Realized prices decreased mainly due to an over-supplied domestic gas market and a reduction in the distribution segment prices

# Opex

Strong y-o-y lifting cost reduction

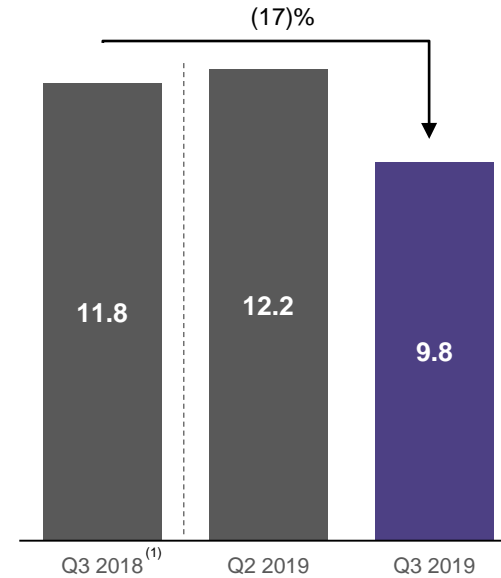
## Total Opex

\$MM



## Opex per boe

\$/boe



- Decrease in lifting cost versus Q3 2018 mainly driven by shale production ramp-up with minimal incremental cost and continued right-sizing of operations
- Impact of Argentine peso devaluation

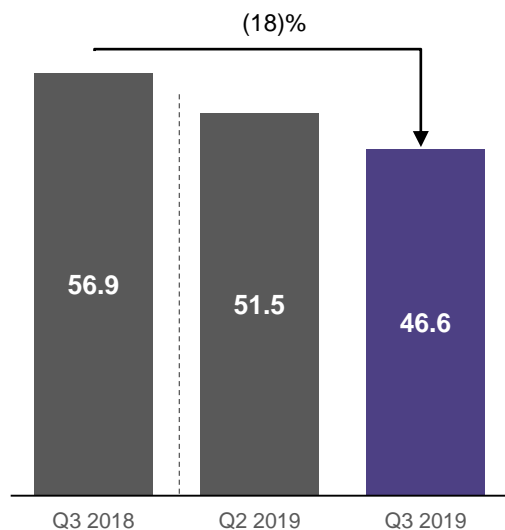
(1) Includes crude oil stock fluctuation for 0.3 \$MM

# Adjusted EBITDA

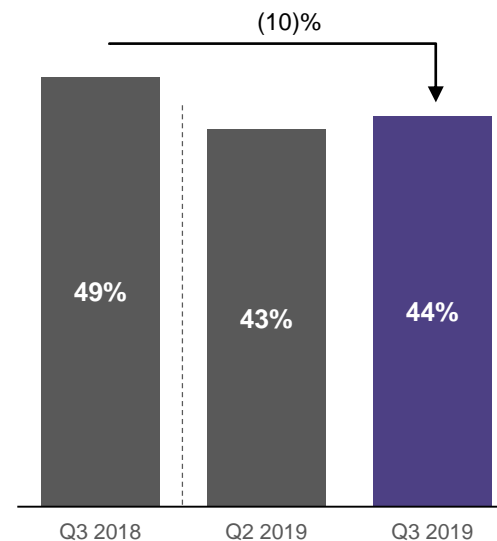
Maintained margins q-o-q in a low realization price environment



**Adj. EBITDA<sup>(1)</sup>**  
\$MM



**Adj. EBITDA Margin**  
%



- Cost efficiencies supported q-o-q margins, which decreased 10% against 18% drop in Adj. EBITDA

(1) Adj. EBITDA = Net (loss) / profit for the period + Income tax (expense) / benefit + Financial results, net + Depreciation + Restructuring expenses + Other adjustments

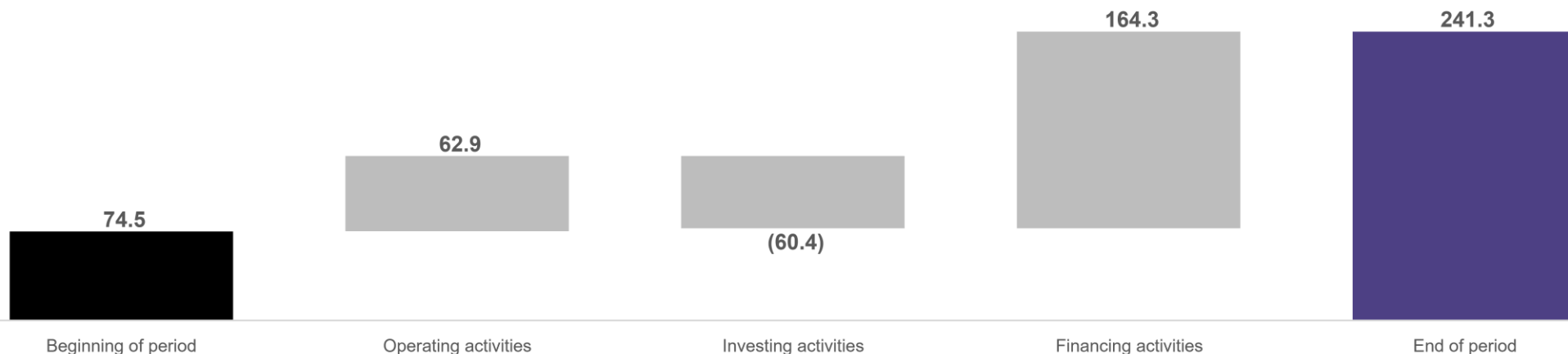
# Financial overview

Solid financial position



## Q3 2019 Vista consolidated cash flow

\$MM



Financial debt breakdown	As of September 30, 2019
5-year unsecured term loan	300.1
Local bonds in Argentina (2 & 3 years maturity)	100.1
Local debt in Argentina (US dollar denominated)	47.9
<b>Total financial debt<sup>(2)</sup></b>	<b>448.1</b>
(-) Cash and cash equivalents	241.3
<b>Net debt</b>	<b>206.9</b>

Quarterly leverage ratios as of September 30, 2019 <sup>(1)</sup>	
Gross leverage ratio	2.6x
Net leverage ratio	1.2x

On September 11, 2019, the Board of Directors of the Overseas Private Investment Corporation (OPIC) approved the provision of up to 300 \$MM in financing to Vista<sup>(3)</sup> for up to 10 years<sup>(4)</sup>.

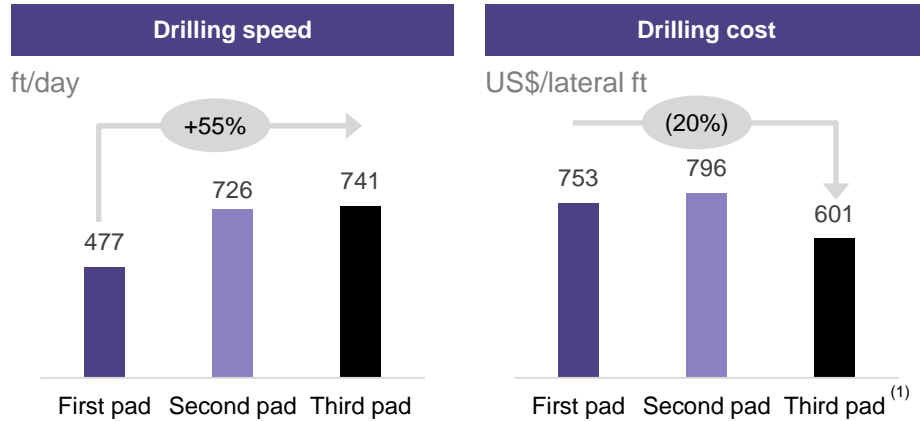
(1) Vista's LTM Adj. EBITDA  
 (2) Current borrowings total 70.0 \$MM while non current borrowings total \$MM 378.2  
 (3) Vista Oil & Gas Argentina S.A.U, a wholly-owned subsidiary of Vista Oil & Gas, S.A.B. de C.V.  
 (4) The financing is subject to the completion of definitive documentation and fulfillment of conditions precedent



# Vaca Muerta development (1/2)

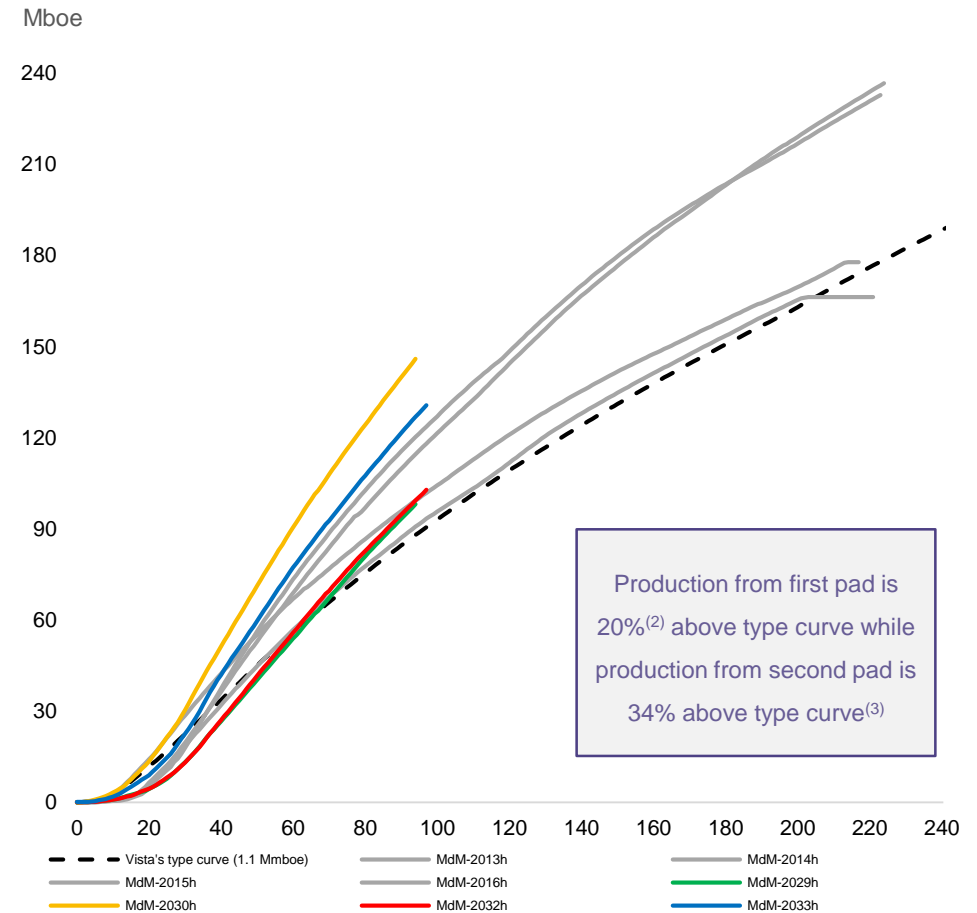
First two pads are producing above expectations while drilling performance is still improving

## Solid drilling performance



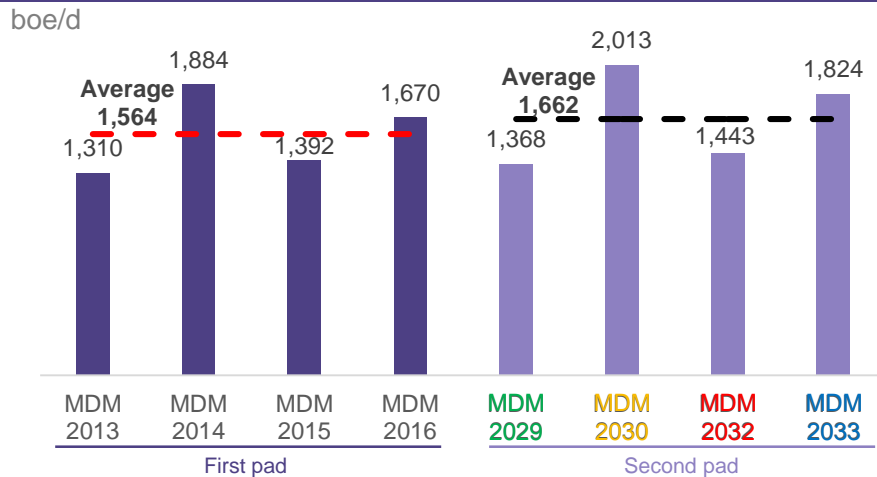
## Strong production performance

### Individual well performance against type curve



## Reduction in frac spacing drove increase in productivity

### Peak IP-30 (average 1,613 boe/d)



(1) Average lateral length of 2,808 meters  
 (2) Average of the 4 wells after +95 days  
 (3) Average of the 4 wells after +215 days

# Vaca Muerta development (2/2)

Producing in line with best operators in the basin

Outstanding productivity from all 8 wells, both from La Cocina and Organic landing zones

Cumulative 90-day oil production of top 150 Vaca Muerta wells<sup>(1)</sup>

Mbbl

120

100

80

60

40

20

0

- All 8 operated Vaca Muerta wells ranked among top 15% in the basin
- 2 of the best 3 wells considering 90-day cumulative production

MDM-2013

MDM-2015

MDM-2029

MDM-2032

MDM-2016

MDM-2014

MDM-2033

MDM-2030

(1) Source: Ninety effective days cumulative oil production, based on Argentine Secretariat of Energy Chapter IV wells declared as horizontal and oil producers MDM-2029 includes 6.64 Mbbl and MDM-2030 7.16 Mbbl of October production, not reported yet, to complete 90 effective days; Information as of October 19, 2019

# Closing remarks

Continued to increase efficiency in Vaca Muerta, both in drilling and productivity

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Significantly reduced lifting cost, leveraging unconventional production ramp-up with current conventional asset base

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Maintained EBITDA margin q-o-q despite lower realized prices

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Reduced capex to minimal amount and refocused on cash preservation. Ready to resume activity when conditions dictate, updating 2019 guidance figures as follows:

	Previous	Updated
Daily production	29.9 Mboe/d	28.0 - 29.0 Mboe/d
Adj. EBITDA	225 \$MM	160 – 180 \$MM
Lifting Cost	13.1 \$/boe	10.5 – 11.5 \$/boe
CAPEX	300 \$MM	225 – 275 \$MM



Thanks!  
Q&A

