



2018

3rd Quarter Results

City of Mexico, October 25th, 2018.
BMV: VISTA

Vista Oil & Gas, S.A.B. de C.V. ("Vista" or the "Company") (BMV: VISTA), the first oil and gas exploration and production company listed on the Mexican Stock Exchange.



Vista Oil & Gas Results 3rd Quarter 2018

Thursday, October 25th, México City, México.

Vista Oil & Gas, S.A.B. de C.V. ("Vista" or the "Company") (BMV: VISTA in the Mexican Stock Exchange), reported today financial and operational results for the third quarter of 2018.

In this document, actual quarterly results are compared with the "guidance", which reflects the figures for the year 2018 presented in the Company's investor presentation for the Shareholder's Meeting of March 22, 2018, apportionated linearly by the number of days of Q3 2018.

3rd quarter 2018 highlights include:

- Production of Q3 2018 was 24,200 barrels of oil equivalent per day (boed) on average, composed by 14,800 barrels of oil per day (bbl), 1.38 million cubic meters per day (mm3d) of natural gas, and 730 boed of natural gas liquids (NGL), exceeding the total production guidance of 24,100 boed by 0.4%. Crude oil production was 100% Medanita light oil.
- Vista's total operated production was 23,800 boed, 0.4% above the previous quarter.
- Adjusted EBITDA reached 57.1 million US dollars (\$MM) in Q3 2018, equivalent to an EBITDA margin of 49%, six percentage points above guidance of 43% and four percentage points above Q2 2018 margin of 45%.
- Average lifting cost for Q3 2018 was 11.8 US dollars per barrel of oil equivalent (\$/boe), 31.8% below guidance of 17.3 \$/boe. Compared to Q2 2018, average lifting cost of 14.1 \$/boe, the reduction was 16.3%.
- Crude oil average realized price was 67.5\$/bbl and natural gas average realized price was 5.1\$/MMBTU, both above guidance.
- During Q3 2018, the Company drilled nine conventional wells and tied in ten wells, and additionally executed ten workovers, all focused on oil fields.
- The Company is on track with the development of its Vaca Muerta Shale Oil project in Bajada del Palo to, and expects to tie in the first 4-well pad in Q1 2019.
- Cash balance at the end of Q3 2018 was 123.3\$MM, with cash generated from operating activities (CFO) of 44.0\$MM. On July 20, 2018, Vista refinanced the existing short-term facility of 260\$MM with a 5-year unsecured term loan of 300\$MM.

Vista Oil & Gas 3rd Quarter 2018 Results

Amounts are expressed in US dollars, unless other currency is indicated, and in accordance with International Financial Reporting Standards (IFRS). All the amounts are unaudited. Amounts may not match with totals, due to rounding up.

Production

Total average net daily production

	Q3 2018	Q2 2018	Guidance	Q3 2018 vs. Guidance
Total	24,200	24,400	24,100	0.4%
Oil	14,800	14,700	14,600	1.0%
Natural	1.38	1.42	1.38	0.0%
NGL	730	744	744	-1.9%

Average daily production during Q3 2018 was 24,200 boed, composed by 14,800 bbld, 1.38 Mm3d of natural gas, and 730 boed of natural gas liquids, exceeding the guidance total production of 24,100 boed by 0.4%.

Total net operated production during Q3 2018 was 23,800 boed, above Q2 2018 total operated production of 23,700 boed by 0.4%, reverting the decline in operated production.

Average net daily production by asset

	Operated blocks			Non-operated blocks
	Entre Lomas - Agua Amarga	Bajada del Palo - Coirón Amargo Norte	Medanito - Jagüel de los Machos	Acambuco - Coirón Amargo Sur Oeste
Total Production (boed)	9,036	6,601	8,113	442
Oil (bbld)	5,452	2,217	6,887	206
Natural Gas (mm3d)	0.47	0.69	0.22	0.004
NGL (bbld)	657	73	-	-

Entre Lomas-Agua Amarga represented 37% of total production, while Medanito-Jagüel de los Machos represented 34% and Bajada del Palo-Coirón Amargo Norte 26% of total production. All of these blocks are operated by Vista. The remaining 3% is represented by non-operated production from the Acambuco, Sur Río Deseado Este and Coirón Amargo Sur Oeste blocks.

Revenues

Product	Revenues		
	Units	Q3 2018	Q2 2018 ⁽¹⁾
Crude Oil	\$MM	91.8	85.3
Natural Gas	\$MM	23.3	22.7
NGL	\$MM	1.8	2.3

(1) Q2 2018 revenues do not include sales corresponding to the production of the first week of the quarter of the Medanito and Jagüel de los Machos blocks. Such production was sold by Pampa Energía S.A. and is included as a credit in other current assets.

Product	Average realized prices				
	Units	Q3 2018	Q2 2018	Guidance	Q3 2018 vs. Guidance
Crude Oil	\$/bbl	67.5	68.0	67.0	0.7%
Natural Gas	\$/MMBTU	5.1	4.8	4.7	7.4%
NGL	\$/tn	408	402	-	N/A

During Q3 2018 total sales were 116.9 \$MM, 4.7 \$MM above the guidance of 112.2\$MM, explained by 1.7 \$MM increase in Crude oil sales (0.7 \$MM volume and 1.0 \$MM price), 1.6 \$MM effect from higher (seasonal) natural gas prices, and NGL and other services with higher revenues of 1.4 \$MM. Compared to last quarter revenues, Q3 was 6.0% higher.

Crude oil sales reached 91.8\$MM in Q3 2018, representing 78.5% of the total sales of the Company. Crude oil was sold to domestic refineries, primarily to Shell, YPF and Trafigura. All the crude oil production of Vista is Medanitotype light crude oil, highly demanded by Argentine refineries.

Total average crude oil realized price of Q3 2018 was 67.5 USD/bbl. Realized prices were at similar level to those of Q2 2018, in spite of the steep depreciation of the Argentine peso.

During Q3 2018, natural gas sales, representing 19.9% of total sales, were 23.3 \$MM, 2.6% above the previous quarter with sales of 22.7\$MM, mainly driven by a seasonal effect as winter season demand pushed prices higher in Q3 2018. Sales were made to a diversified portfolio of industrial clients, representing 94% of total natural gas sales, and the remaining sales were made to the power generation segment through CAMMESA (the administrator of the wholesale electricity market in Argentina) and other gas traders. The majority of the Company's gas sales contracts are set in US Dollars and the Q3 2018 average price was 5.1 USD/MMBTU, 7.4% above the guidance of 4.7 \$/MMBTU (annualized average price) and 5.2% above Q2 2018 average price of 4.8\$/MMBTU.

Natural gas liquids and other services sales were 1.8\$MM during Q3 2018, representing 1.6% of total sales. NGL Volumes were allocated to the Argentinean market at an average price of 408 \$/Tn.

Operating Expenses

	Q3 2018	Q2 2018	Guidance	Var. (%)
Operating Expenses (\$MM)	26.3	31.3	39.3	(33.1%)
<i>Lifting cost (\$/boe)</i>	<i>11.8</i>	<i>14.1</i>	<i>17.3</i>	<i>(31.8%)</i>

During the third quarter of 2018, operational expenses were 26.3\$MM, 33.1% below the guidance of 39.3\$MM. The reduction in operational costs was mainly driven by the renegotiation of contracts, including cost base formulae, tariffs and base currency, and the right-sizing of Operations and Maintenance providers. Peso denominated costs were reduced by the Argentine currency devaluation when expressed in US dollars.

Adjusted EBITDA

Adjusted EBITDA Reconciliation (\$MM)	Q3 2018	Q2 2018
Operating profit	25.0	12.8
Depreciation	29.4	27.8
Restructuring expenses	2.7	6.2
Others adjustments ⁽²⁾	-	2.7
Adjusted EBITDA⁽¹⁾	57.1	49.5
<i>Adjusted EBITDA Margin (%)</i>	<i>49%</i>	<i>45%</i>

(1) Adj. EBITDA = Gross profit + Fix assets depreciation + Other assets depreciation + Extraordinary expenses (Income).

(2) Main adjustments: Q2 initial business combination related adjustments.

Adjusted EBITDA for Q3 2018 was 57.1\$MM, 19.2% above guidance of 47.9\$MM. Adjusted EBITDA Margin was 49%, six percentage points ahead of guidance of 43%.

Net Income

Vista recorded a net loss of 22.3\$MM during Q3. This was mainly due to non-cash charges including: current Income taxes of 13.2\$MM and Deferred Income taxes of 17.8\$MM.

Capital Expenditures

Vista's total capital expenditures were 39.6\$MM during Q3 2018. This included 23.7\$MM in conventional activity for the drilling of nine conventional wells in Jagüel de los Machos and Medanito, and the required completions to tie in a total of 10 wells. Total average cost per well was 1.4\$MM, which represents a significant reduction in drilling cost of 2017 of an estimated 2.4 \$MM. Each well was drilled in approximately 7.4 days, compared to over 12 days in 2017. All of the conventional wells drilled by the Company are currently on production. Conventional activity also included ten well workovers at an average cost of 0.6\$MM.

Capital Expenditures in unconventional activity reached 13.4\$MM, of which 8.7\$MM correspond to the Bajada del Palo Vaca Muerta development operated by Vista and 4.7\$MM correspond to the accrual of the CASO.x-1 well operated by Shell. As of the end of Q3 2018, two rigs were actively drilling in the Bajada del Palo block: one fit-for-purpose walking rig and one spudder rig.

Capital expenditures in facilities were 0.9\$MM in the quarter, mainly corresponding to the revamping of existing oil and gas treatment facilities. Other capital expenditures for 1.6\$MM were used for ongoing IT projects and to refurbish the Company's new headquarters in the City of Neuquén.

Financial overview

As of September 30, 2018, the Company's cash and cash equivalents balance was 123.3\$MM and the financial debt was 300\$MM, corresponding to the 5-year term loan executed on July 20th, used in part to prepay the existing 260\$MM backstop facility drawn in connection with the completion of the acquisition of assets in Argentina. The implied gross leverage ratio, measured by annualizing Q2 2018 plus Q3 2018 Adjusted EBITDA, was 1.4x and the net leverage ratio was 0.8x.

During Q3 2018, cash flow from operations was 44.0\$MM, 39.2% above the 31.6 \$MM of Q2 2018, mainly driven by higher EBITDA and a decrease in income tax effectively paid.

Vista S.A.B. de C.V.
Consolidated Balance Sheet

(Amounts expressed in thousand U.S. dollars)

	As of September 30, 2018	As of June 30, 2018
Cash and cash equivalents	123,312	74,805
Trade and other receivables, net	78,625	64,160
Recoverable taxes	152	325
Inventories	1,550	2,538
Other current assets	2,959	25,061
Total current assets	206,598	166,889
Prepaid expenses	-	1,849
Property, plant and equipment	782,297	634,258
Goodwill	12,579	118,326
Accounts receivable	12,046	16,654
Investments in associate	2,572	2,575
Total non-current assets	809,494	773,662
Total assets	1,016,092	940,550
Trade payables	43,568	44,453
Sundry creditors	-	993
Loans and borrowings	4,529	252,595
Interest payable	-	2,149
Income tax payable	17,098	16,128
Taxes payable other than income tax	8,059	8,561
Salaries and contributions	4,078	-
Provisions	3,272	1,079
Total current liabilities	80,604	325,958
Deferred income tax	157,982	101,013
Labor obligations	3,670	3,603
Loans and borrowings	294,374	-
Provisions	18,688	28,701
Total non-current liabilities	474,714	133,316
Total liabilities	555,318	459,274
Total equity	460,774	481,276
Total liabilities and equity	1,016,092	940,550

Vista S.A.B. de C.V.
Consolidated Income Statement

(Amounts expressed in thousand U.S. dollars)

	July 1, 2018 to September 30 2018	April 1, 2018 to June 30 2018
Revenues	116,947	110,286
Revenues from crude oil sales	91,840	85,329
Revenues from natural gas sales	23,290	22,699
Revenues from gas liquid gas liquids sales	1,817	2,258
Cost of sales	72,856	75,938
Operating expenses	26,279	31,329
Depreciation	29,445	27,772
Royalties	17,133	16,837
Gross profit	44,090	34,349
Commercial expenses	7,207	4,993
Administrative expenses	7,921	7,387
Other operating expenses	3,980	9,154
Operating profit (loss)	24,982	12,816
Interest income	1,320	492
Interest expense	(7,455)	(3,659)
Amortized cost	(9,100)	(4,158)
PV of future decommissioning expense	(498)	-
Foreign exchange loss, net	(118)	(10,455)
Comprehensive financial result	(15,851)	(17,772)
Equity method	(448)	-
Profit (Loss) before income taxes	8,683	(4,956)
Income taxes (deferred and current)	(31,041)	(32,003)
Net loss	(22,358)	(36,959)

Vista S.A.B. de C.V.
Consolidated Statement of Cash Flows

(Amounts expressed in thousand U.S. dollars)

	July 1, 2018 to September 30, 2018	April 1, 2018 to June 30, 2018
Loss before income taxes	8,683	(4,956)
Items not affecting cash flows:		
Depreciation	29,445	27,772
Labor obligations	(82)	83
Foreign exchange loss	118	10,455
Other expenses	(2,337)	0
Provisions	(8,039)	3,836
Stock options	1,650	900
Interest income	(1,320)	(492)
Interest expense	7,455	3,651
Amortization of capitalized offering expenses	9,100	4,158
Trade and other receivables	(3,942)	(26,951)
Trade and other payables	(2,807)	21,833
Prepaid expenses	3,346	(1,649)
Other current assets	1,445	(1,262)
Inventories	991	1,639
Sundry creditors	-	175
Interest rate of liabilities for future decommissioning expenses	498	-
Equity method	448	-
Deferred taxes	(346)	(9,442)
Tax liabilities	(338)	1,892
Net cash flow from operating activities	43,968	31,642
Acquisitions, net of cash acquired	5,283	(679,944)
Other current assets	-	(15,000)
Acquisitions of non-controlling interest	-	(1,307)
Investment in property, plant and equipment	(41,218)	(11,457)
Net cash flows used in investing activities	(35,935)	(707,708)
Capital contribution (net of offering expenses)	-	70,566
Class A common stock redemptions	(1,215)	(203,375)
Loans and borrowings	294,084	248,850
Payment of borrowings	(248,850)	-
Private investment net issue cost	861	-
Interest income	1,320	492
Interest expense	(5,074)	(2,717)
Net cash flows from financing activities	41,126	113,816
Net (decrease) increase in cash and cash equivalents from operating, investing and financing activities	49,159	(562,250)
Difference in cash and equivalents due to changes in foreign exchange rate	(652)	(17,420)
Initial cash and cash equivalents	74,805	654,475
Total cash at the end of the period	123,312	74,805

DISCLAIMER

This document has been prepared by Vista Oil & Gas S.A.B. de C.V. (“Vista” or the “Company”) and cannot be reproduced or distributed to any other person. Neither this document, nor its contents constitute foundation for a binding agreement of any nature. Recipients of this document must not interpret its contents as legal, tax, or investment advisory, and must therefore consult with their own advisors to such effect. This document includes projections and subjective analysis, as well as assertions. Certain information contained herein results from sources prepared by third parties. While such information has been deemed reliable for purposes of this document, we make no declaration, guarantee or assume any express or implied obligations regarding the sufficiency, precision, or reliability of such information, or of the projections, and assertions contained herein, nothing contained in this document should be considered as an expectation, promise, or declaration on past, present, or future performance. Neither Vista nor its managers, employees, members, partners, shareholders, agents and advisors make any statement or guarantee the precision of the aforementioned information. This document includes, and conversations around it might mention “forward-looking statements”. Forward-looking statements may constitute information regarding potential operational results, as well as a description of our business strategies and plans. The words “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “intends,” “may,” “might,” “plan,” “possible,” “potential,” “predict,” “project,” “should,” “would” and similar expressions may identify forward-looking statements. Forward-looking statements are not historical facts and are based on expectations, beliefs, forecasts and projections, as well as on beliefs by Vista’s management team, which are uncertain by nature and beyond our control. Such expectations, beliefs, forecasts and projections are included on a good faith basis in the understanding that the management team deems them to be reasonable. However, we cannot guarantee that the expectations, beliefs, forecasts and projections of the management team will be fulfilled, and therefore real results may materially differ from what is indicated as forward-looking statements. Forward-looking statements are subject to risks and uncertainties that may result in material differences in performance and results from those indicated as forward-looking statements. Forward-looking statements are limited to the date in which they are made. Vista assumes no obligation to update forward-looking statements in order for them to reflect real results, further events or circumstances, or other changes which may affect the information provided as forward-looking statements, unless and as long as such updates are required by applicable regulation. Certain information within this document is based on forecasts by the management team and reflects the prevailing market conditions as well as vision from the management team on such conditions, which may be subject to change. Forward-looking statements in this document may include, for example, statements about: our capacity to complete any potential transaction, benefits from such transaction, our financial and operating performance after completing such transaction, changes in Vista’s reserves and operational results, and expansion opportunities and plans.

No declaration regarding past tendencies or activities should be considered as a declaration that such tendencies or activities will continue to happen in the future. Consequently, such tendencies or declarations should not be relied upon. Vista and its affiliates, advisors, or representatives will not be liable (as a result of negligence or any other motive) should any losses or damages result from the use of this document or its contents, or in any other way related to this document. Any recipient of this document, upon receiving it, recognizes that the contents of this document are merely informative and do not cover or pretend to cover all the information that is necessary to evaluate an investment, make an investment decision or recommend an investment to a third party, and therefore such persons waive any right they might have or that might result from, or related to the information contained herein. This document is not aimed at, or destined to be distributed or used by any person or entity that is a citizen or resident in any state, country or other jurisdiction in which its use or distribution are prohibited by law or where any additional registration or license is required. Neither the National Banking and Securities Commission (“CNBV”), nor any other authority have approved or disapproved the information herein, as well as its accuracy or sufficiency.

Additional information about Vista oil and gas can be found in the “Investor Information” section on the website at www.vistaoilandgas.com.

INVESTORS CONTACT:

ir@vistaoilandgas.com

Phone in Argentina +5411 3754-8532

Phone in Mexico +5255 1167-8250