



Investor Presentation

Grupo Rotoplas S.A.B. de C.V.

Forward Looking Statements

This presentation contains certain forward-looking statements and information relating to Grupo Rotoplas S.A.B. de C.V. and its subsidiaries (collectively, "ROTOPLAS") that are based on its knowledge of present facts, expectations and projections, circumstances and assumptions about future events. Many factors could cause the actual results, performance or achievements of ROTOPLAS to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including, among others, changes in general economic, political, governmental, and business conditions globally and in the countries in which ROTOPLAS operates, ROTOPLAS' ability to continue developing innovative solutions, changes in interest rates, changes in inflation rates, changes in exchange rates, the cyclical activity of the water sector generally, changes in demand, consumer preferences, and prices of our solutions, ROTOPLAS' ability to execute its corporate strategies to new markets and regions, changes in raw material and energy prices, changes in business strategy, changes in the prevailing regulatory framework, competition, natural disasters and other unforeseen events and various other factors. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated, expected or targeted. Forward-looking statements are made as of the date hereof, and ROTOPLAS does not intend, nor is it obligated, to update these forward-looking statements, whether as a result of new information, future events or otherwise.

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Why Rotoplas?

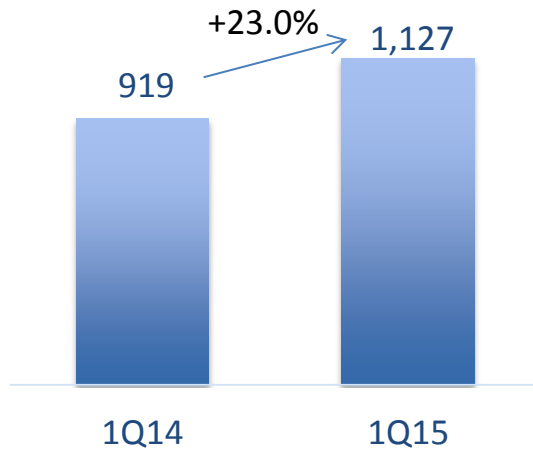
1. Solutions Provider for Pressing Water and Sanitation Needs
2. Revolutionizing Markets Through Disruptive Innovation
3. Leading Water Solutions Platform with an Unmatched Brand Recognition
4. Entrepreneurial Management Team with Proven Execution Capabilities
5. Clearly Identified Growth Opportunities



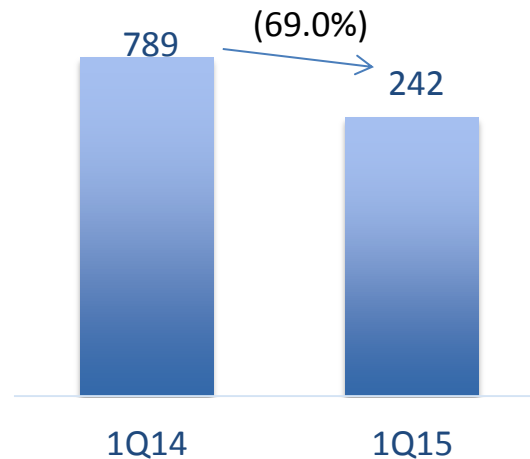
1Q15 Results



Individual Solutions*

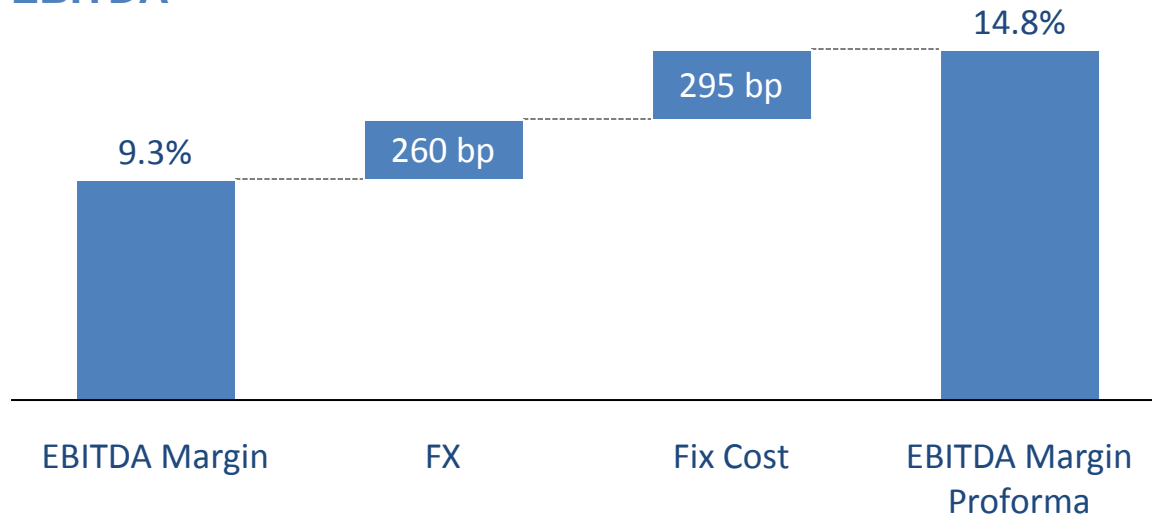


Integrated Solutions*



- Brazil's economic and political crisis delayed projects and contracts that the government had already signed with Rotoplas
 - 2015 budget approval delayed by 120 days
- Mexican government bids for additional public contracts deferred until the second half of the year.

EBITDA



- EBITDA margin affected by FX volatility (260 bp) on raw materials costs and the Company's ability to absorb fixed costs (295 bp)

*Ex- sales to the Brazilian government

Second half of the year

- Expected improvement during the second half of the year:
 - Speed up deliveries on already signed backlogged solutions in Brazil
 - Integrated solutions recovery in Mexico
 - Strong individual solutions growth in all Countries.



Current WATER Opportunities

- Brazil is currently experiencing the **worst drought in 84 years**, with various cities (including São Paulo) at risk of **running out of water**
 - Has caused **consumers to seek solutions to store and manage water**
- Mexican government passed legislation and a related tax discouraging consumption of sodas and sugared beverages to **combat high rates of diabetes and obesity in children**
- California has been facing a severe drought **for the last 4 years**
 - Given the low reservoir water levels, the local government requires a **25% reduction in water consumption** as compared to 2013 levels



Clearly Identified Growth Opportunities

- **Rainwater Harvesting Systems**

- ~5mm households living in semi-arid regions of Brazil
- In Mexico 3.4mm households lack water coverage



- **Water Fountains**

- New Mexican law requires that **all schools must offer potable drinking water by 2017**
- Aims to discourage consumption of sodas and sugary drinks in order to combat high rates of diabetes and **childhood obesity**
- **Rotoplas uniquely positioned** to install and service equipment



Clearly Identified Growth Opportunities

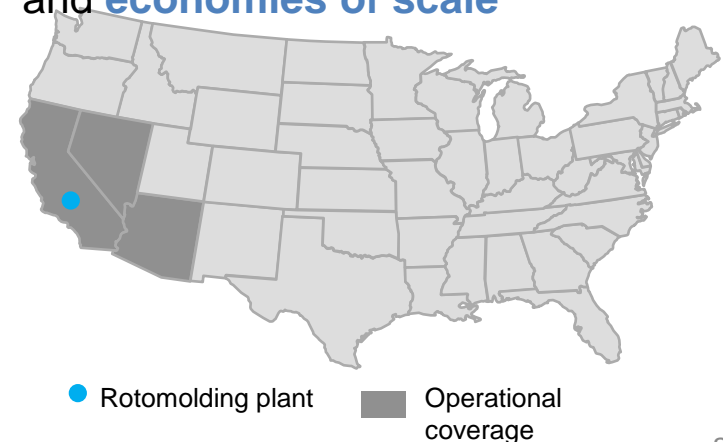
- **Outdoor Composting Bathrooms**

- **22% of the Mexican population** does not have sewer system
- **Almost half of the Brazilian population** is without proper sanitation systems
- Mexico success story: **11,150+** systems installed in **3 months** in remote parts of the country
- Only **87% of the urban population** and **63% of the rural** population in Latin America have access to improved sanitation



- **United States**

- Severe **droughts and massive water and sanitation investment needs**
- Rotoplas is a market leader with 25% market share while rest of market is **highly fragmented**
- Business plan to establish **several operating plants** over the next few years
- Rotoplas able to leverage **its expertise and economies of scale**



From a Water Tanks Company to a Water Solutions Company



20 Years Ago

- **1** country
- **800** direct clients
- **500** employees
- **3,000** points of sale
- **2** product lines
- **8** factories
- Revenue: **MXN500mm**
- EBITDA: **MXN70mm**



Today

- **12** countries **(12x)**
- **6,850+** direct clients **(9x)**
- **2,703+** employees **(6x)**
- **23,000+** points of sale **(8x)**
- **17** product lines **(9x)**
- **22** factories **(3x)**
- 12M 1Q15 Revenue: **MXN6,213mm (CAGR: 14.0%)**
- 12M 1Q15 EBITDA: **MXN742mm (CAGR: 13.0%)**



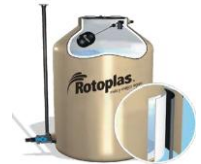
Revolutionizing Markets Through Disruptive Innovation

Before Rotoplas

Asbestos
Water Tanks



Polyethylene
Water Tanks



Cement
Cisterns



Polyethylene
Cisterns



Metal & CPVC
Pipes



Polypropylene
Pipes



Latrines



Outdoor
Composting
Bathroom



Rainwater
Storage



Rainwater
Harvesting
Systems



Sugary
Carbonated
Drinks








Purified Water
Fountain



Diversified Market Leading Water Solutions Platform

- Individual Solutions Market Position

	Water Storage		Water Flow	Water Treatment	
	<u>Tanks</u>	<u>Cisterns</u>	<u>Hydraulic Pipes</u>	<u>Biodigesters</u>	<u>Filters</u>
	#1	#1	#1	#1	#1
	#2	#1	Opportunity	#1	Opportunity
	#2	#1	Opportunity	#1	#1
Central America ⁽¹⁾	#1	#1	Opportunity	#1	#1
	#1	#1	Opportunity	#1	#1
	Opportunity		Opportunity	Opportunity	

- Integrated Solutions

Market leading provider of water solutions

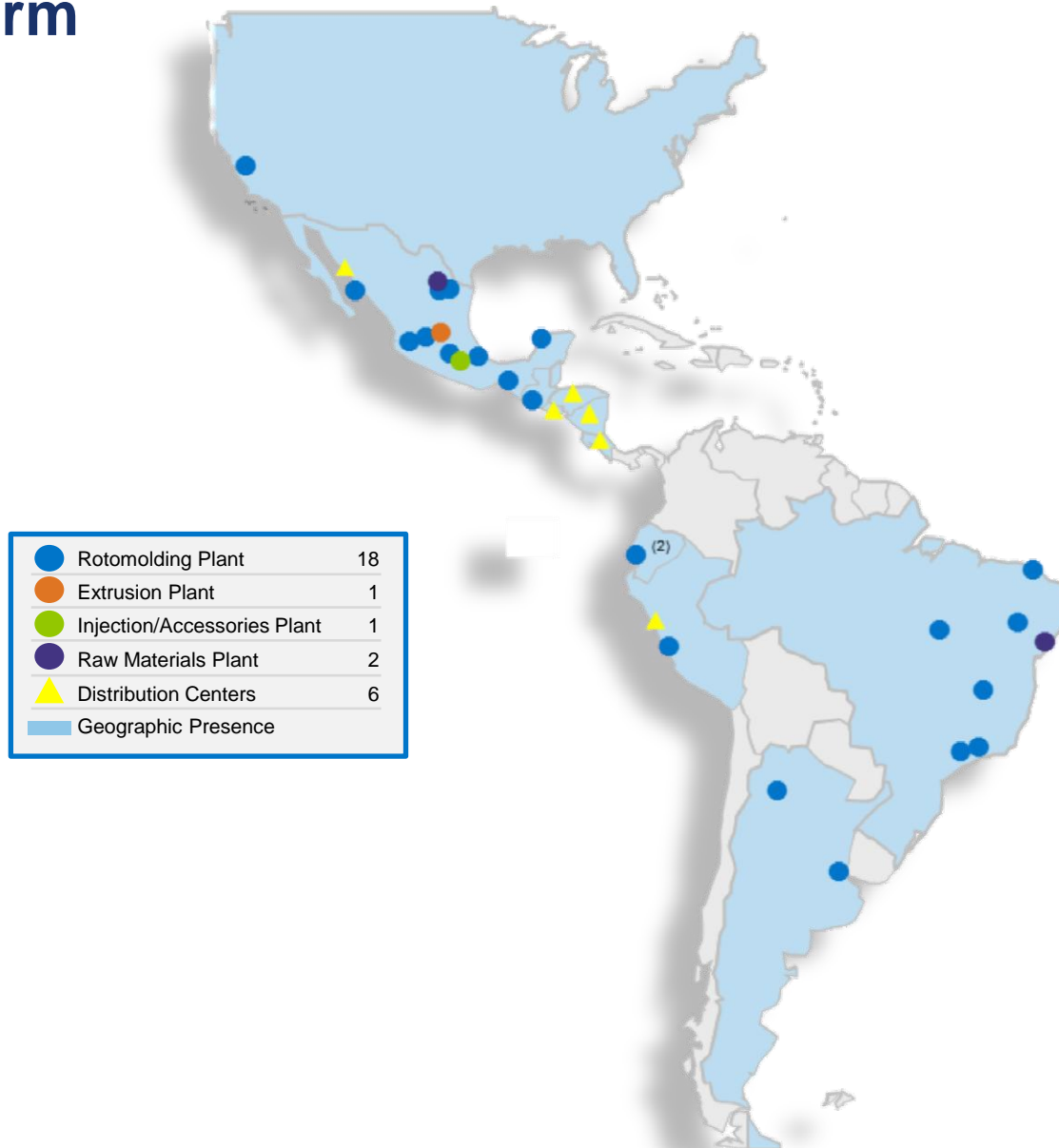
Only producer of **outdoor composting bathrooms solution**

Source: Company.

(1) Includes Guatemala, Honduras, Belize, Costa Rica and Nicaragua.

(2) Through a joint venture with Dalkasa S.A. (49.9%).

Diversified Market Leading Water Solutions Platform



Broad Logistics and Distribution Network Serving Multiple Channels Efficiently



• Key Distributors and Clients

- Efficient and strategic **distribution network is a high barrier to entry** as others do not have the same ability to deploy and reach customers in all areas
- Direct training for **key decision influencers** such as plumbers and store staff
- Recognized as a **highly-trusted quality supplier** across the different channels served

Private	Public
       	       

• Key Highlights

+6,850 Clients and ~50,000 Invoices Per Month

23,000+ Points of Sale

No Material Client Concentration

15,000+ Purchase Orders by Governments Since 2011

0% Delinquency Rate from Government Entities

5,000 plumbers trained yearly and 7,000+ in our database

World-Class Corporate Governance and Processes Adopted



**Board of
Directors**

Carlos Rojas Mota Velasco
Chairman & CEO

**Audit
Committee**

- Composed of 3 independent members

**Corporate
Practices
Committee**

- Composed of 3 members
- 2 independent

**Compensation
Committee**

- Composed of 2 independent members

- All committees are composed by independent directors
- 50% of our BOD is independent, significantly above the required 25%



Established Processes and Systems Support Growth

Solid **operating, administrative, sales and business processes** that have allowed us to grow rapidly

Evolved from a family-owned business, into a well-established and **institutional company**

Developed **centralized shared services practices** across the Company



Highly Efficient Business Support Infrastructure



- Successful implementation of **SAP processes since 2008**



- **BSC** since 2005



- Since 2012



- Since 2003



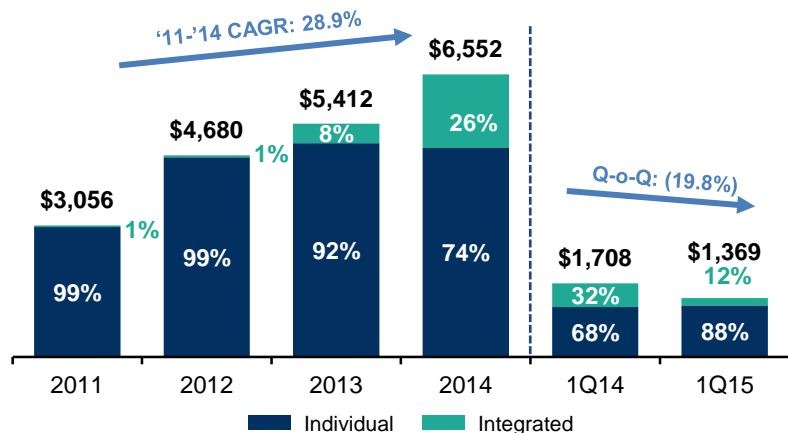
- Since 2007



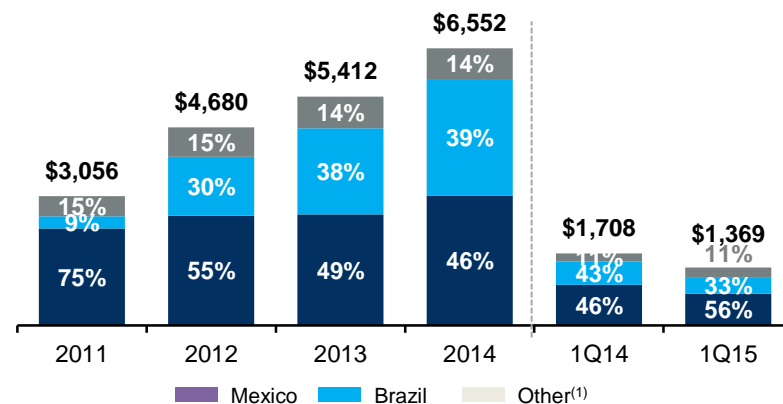
Financial Summary

Proven Growth and Profitability

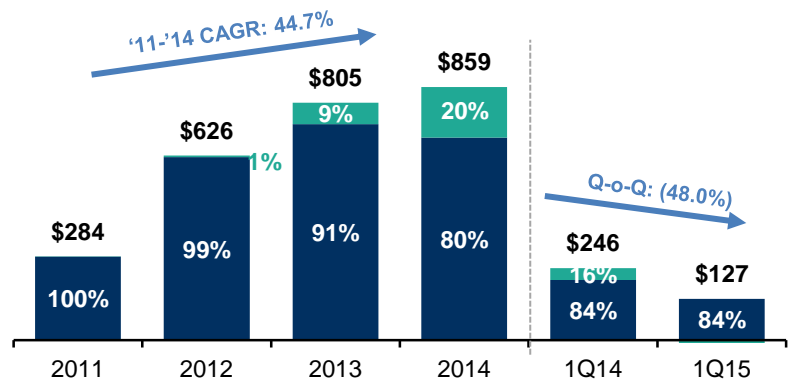
• Revenue by Solution (MXN mm)



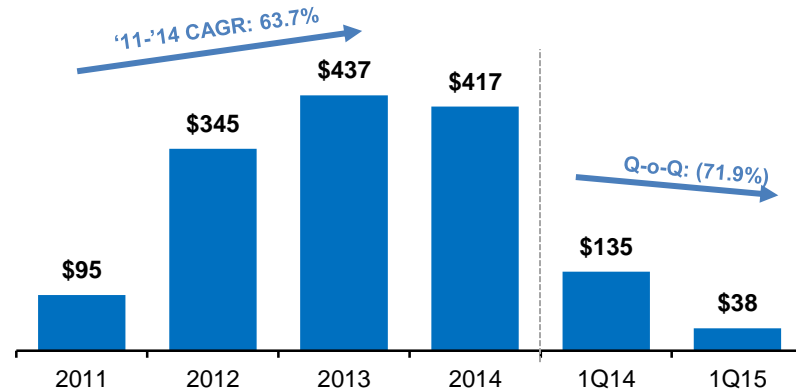
• Revenue by Country (MXN mm)



• EBITDA by Solution (MXN mm)



• Net Income (MXN mm)

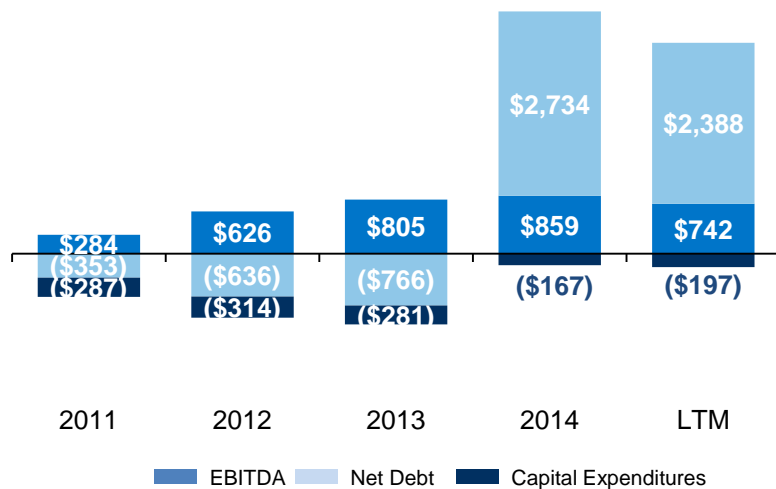


Margin	9.4%	13.4%	14.8%	14.2%	17.5%	11.7%
Margin	0.2%	12.1%	16.2%	10.1%	7.3%	(7.5%)
Margin	9.3%	13.4%	14.9%	13.1%	14.4%	9.3%

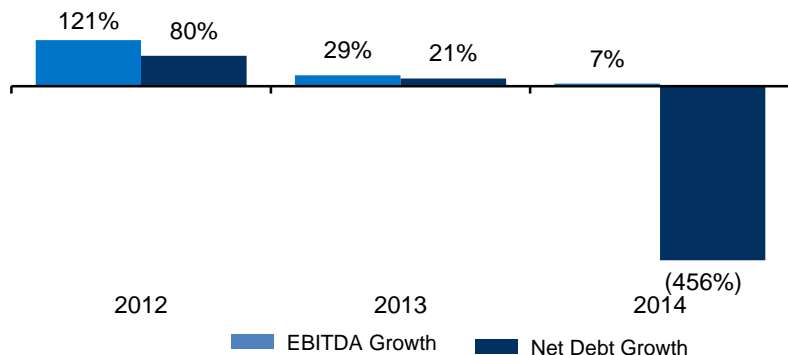
(1) Includes Central America, Argentina and Peru and U.S.

Solid Cash Flow Generation and Returns

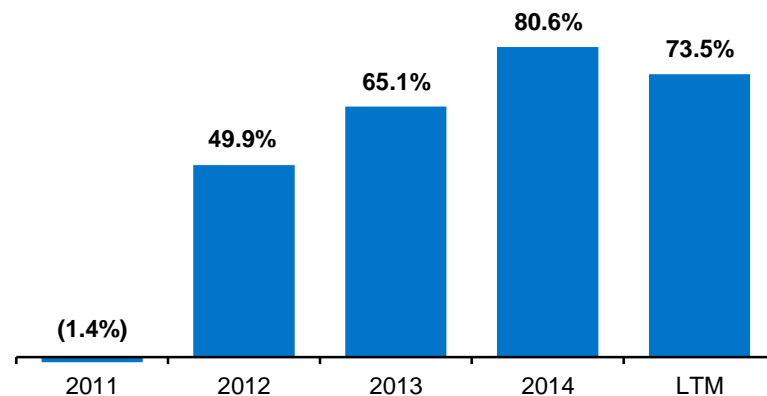
- Value Generation



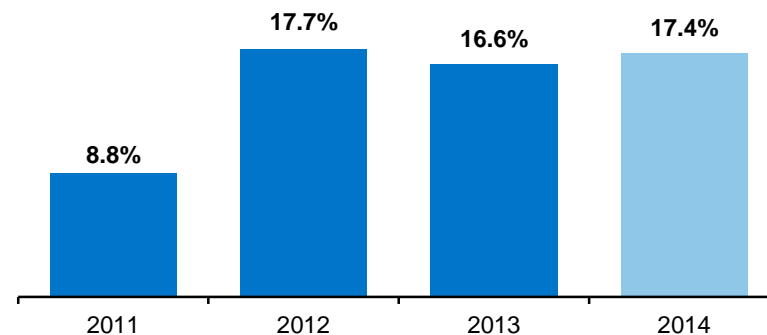
- Capital Deployment (Y-o-Y)



- Operating Free Cash Flow Conversion ⁽¹⁾



- Return on Invested Capital Pre IPO ⁽²⁾



Note: For the LTM 1Q15.

(1) $(\text{EBITDA} - \text{Capex}) / \text{EBITDA}$.

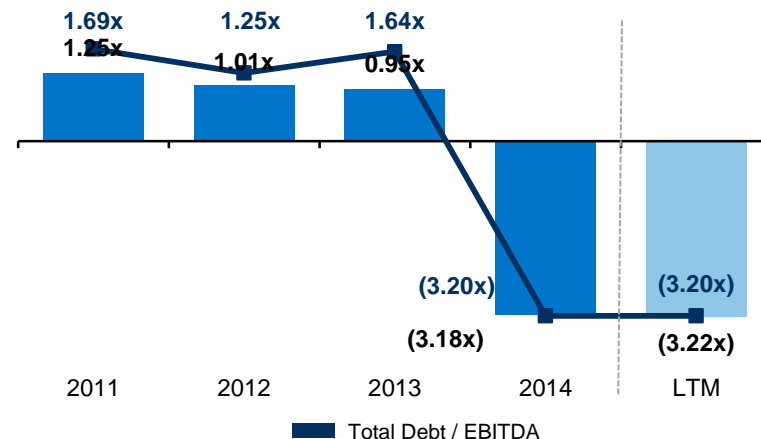
(2) $\text{Effective Tax Effected EBIT} / (\text{Total Debt} + \text{Shareholder's Equity})$.

Solid Balance Sheet to Support Growth

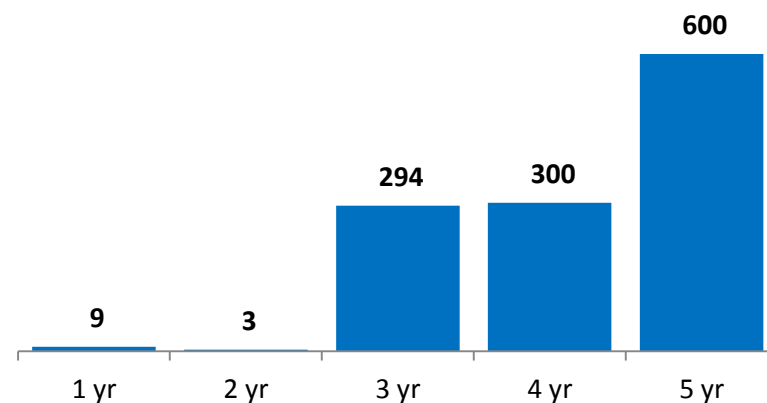
- Selected Balance Sheet Items (MXN mm)

	1Q15
Cash and Equivalents	\$3,595
Other Assets	\$2,983
Total Assets	\$6,578
Debt	\$1,207
Other Liabilities	\$957
Total Liabilities	\$2,164
Equity	\$5,988
Liabilities(+)Equity	\$8,152

- Net Debt / EBITDA



- Debt Maturity Schedule (MXN mm)





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01800 506 3000



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