



Investor Presentation

Bank of America
November 2015

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

Forward Looking Statements

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Why Rotoplas?

1. Pioneering Solutions for Pressing Water and Sanitation Needs Drive Exponential Growth
2. Significant and Expanding Market Opportunities
3. Transforming the Water Industry
4. Market Leading Water Solutions Platform with Unmatched Brand Recognition
5. Entrepreneurial Management Team, Proven Execution Capabilities



From a Water Tank Company to a Leading Water Solutions Company in the Americas



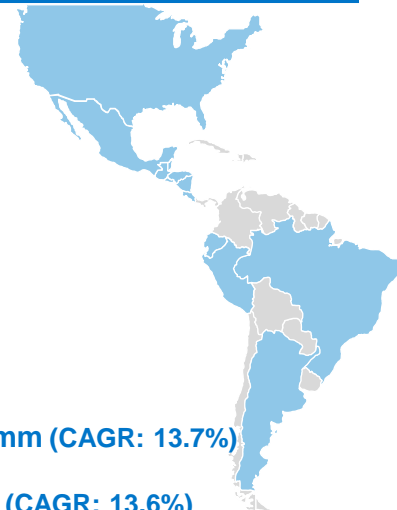
20 Years Ago

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



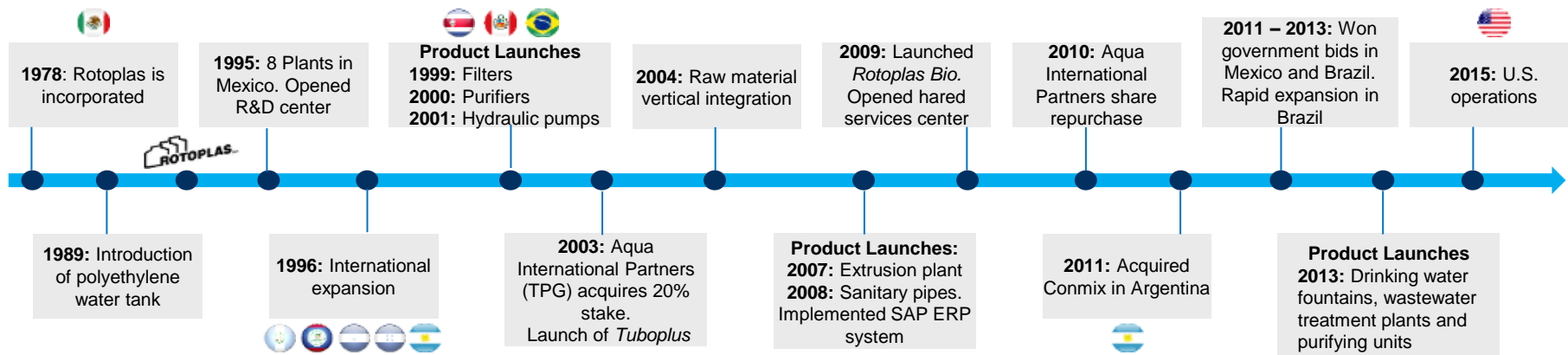
Today

- 12 countries (12x)
- 7,794+ direct clients (10x)
- 2,515+ employees (4x)
- 23,000+ points of sale (8x)
- 17 product lines (9x)
- 21 factories (3x)
- 12M 3Q15 Revenue: **MXN5,900mm (CAGR: 13.7%)**
- 12M 3Q15 EBITDA: **MXN811mm (CAGR: 13.6%)**



Water Tanks Company

Water Solutions Company



Global Water Supply and Demand Imbalance

Water and Sanitation – Large Market with Solid Long-Term Fundamentals

1.1 bn people do not have access to water and **2.6 bn** people lack access to basic sanitation services

The global water industry is a **US\$600 billion** dollar market growing at a **7% CAGR**

Water distribution is uneven, with **10 countries** having **60%** of the global freshwater supply

\$1 U.S. dollar of investment in water and sanitation saves **US\$4-US\$12** in avoided health care costs

More people have a mobile phone than a **toilet**; **15%** of the global population practices **open defecation**

Supply and Demand Imbalance

Water Scarcity



Increasing Demand



Climate Change



Lack of Infrastructure



Deteriorating Water Quality



Limited Access to Freshwater and Sanitation



Global Water Sector, Particularly the Americas, Present Significant Growth Opportunities

120 million people lack access to any sanitation and **40 million people** have no access to safe drinking water in Latin America

Water use, droughts and extreme weather conditions have put additional **stress on freshwater resources in the U.S.**

Brazil is currently amidst the **worst drought in 84 years**, with various cities (including São Paulo) at risk of **running out of water**

Mexican government passed legislation to discourage consumption of sodas to combat **high rates of diabetes** and **childhood obesity**



Individual Solutions Portfolio

Shortage of Water Service



Sanitation & Healthcare



No Drinking Water



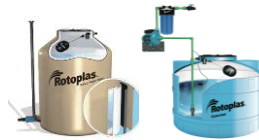
- **78% of Revenue** for the LTM period ended Sep. 30, 2015
- **15.1% Revenue CAGR** for the last three years
- **Opportunity to tap** current markets with existing portfolio

Individual Solutions – Product Suite



Water Storage

- Water Tanks
- Cisterns
- Industrial Tanks
- Accessories



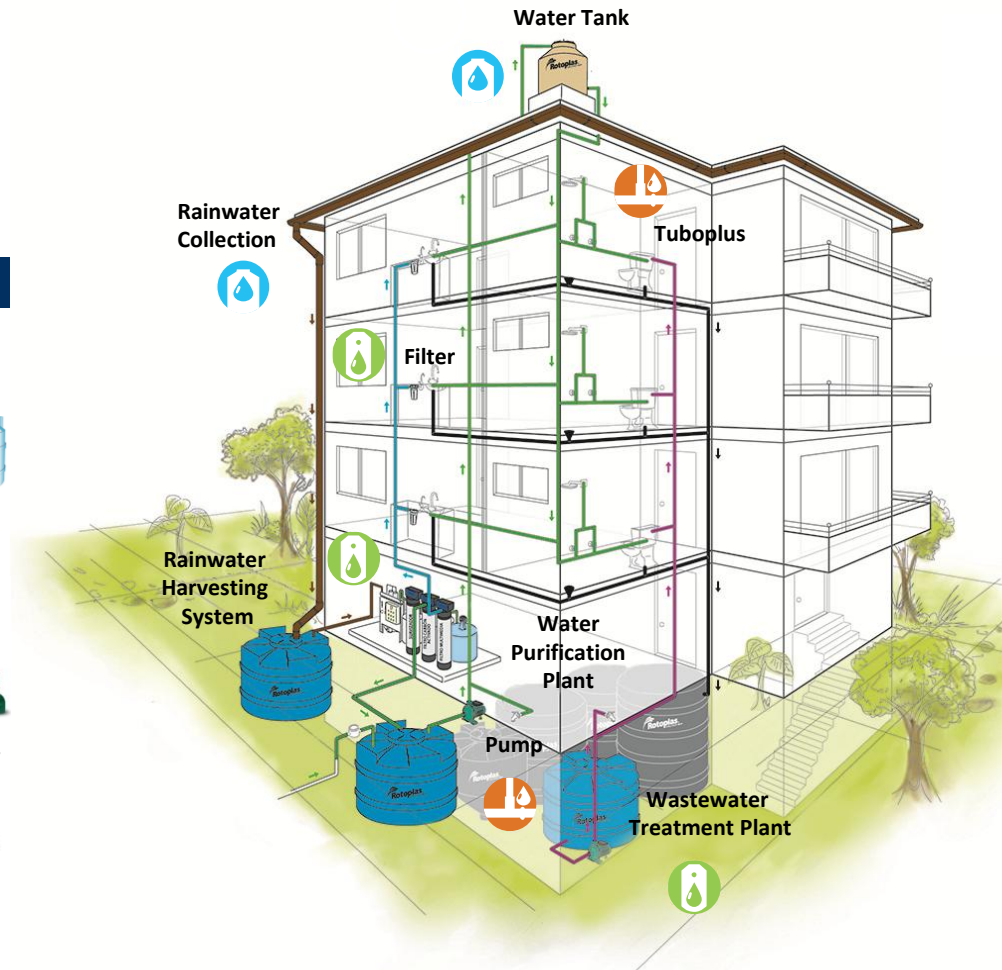
Water Flow

- Hydraulic Pumps
- Sanitary Catch Pits
- Hydraulic Piping
- Sanitary Piping



Water Treatment

- Biodigesters
- Water Filters
- Water Purifiers
- Solar Heaters



Value-Added Integrated Solutions Portfolio

Sanitation & Healthcare



No Drinking Water



No Water



Description

Units Installed

Opportunity
Identification

- Proactive market research to identify consumer needs

Rainwater
Harvesting
Systems



315,000+

Integrated
Solutions

- Solutions that require a more sophisticated marketing and sales effort

Outdoor
Composting
Bathrooms



170,000+

New Solutions

Wastewater
Treatment
Plants



20

Installation

- Provides installation services

Water
Purifying
Units



24

Post-sale
Services

- Servicing and ongoing maintenance

Water
Fountains



403

Rotoplas' Vertical Integration Towards End Consumer

Proven R&D Capabilities to Develop Bespoke Solutions with Cutting-Edge Technology

- Over **two decades of R&D of new technologies** and product line improvement
- Focused on **highly-innovative** and **high-return projects**
- Rotoplas invests **1% of sales** in R&D



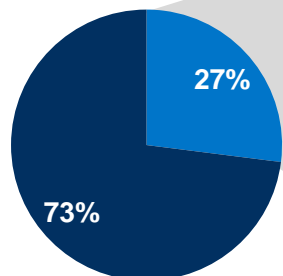
R&D Capabilities



Contribution of Recent Products Launched in the Last 5 Years



LTM Revenue Breakdown



- New Products Launched (Previous 5 Years)
- Existing Products

Source: Company.

Note: LTM for the period ended September 30, 2015.

Diversified Market Leading Water Solutions Platform

Individual Solutions Market Position

	Water Storage		Water Flow	Water Treatment	
	Tanks	Cisterns	Hydraulic Pipes	Biodigesters	Filters
	#1	#1	#1	#1	#1
	#2	#1	Opportunity	#1	Opportunity
	#1	#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%).

Broad Logistics and Distribution Network Serving Multiple Channels Efficiently

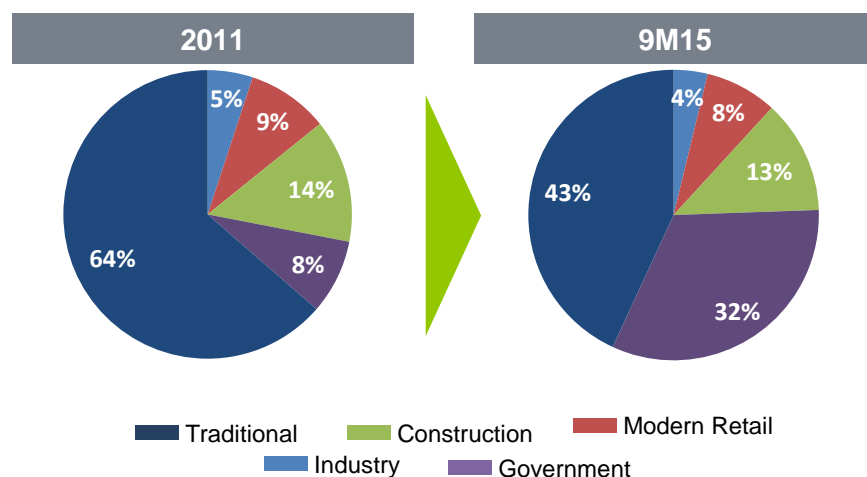
Efficient and strategic **distribution network is a high barrier to entry** as others do not have the same ability to deploy and reach customers in all areas

Direct training for **key decision influencers** such as plumbers and store staff

Recognized as a **highly-trusted quality supplier** across the different channels served



Sales by Channel



Source: Company.

Key Distributors and Clients

Private	Public

Key Highlights

- +7,794 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
- +10,000 plumbers trained yearly

Unmatched Brand Recognition

Brand Attributes

Value



Quality



Social Responsibility



Reliability



Given Rotoplas' highly regarded and **reputable brand** associated with a **premium product**, the Company is able to **establish benchmark prices**

To **maintain brand awareness** the company has invested **~3% of revenues in marketing** efforts over the last three years

“Rotoplas Way” – A Common Platform Combining Processes, Systems and Talent



Unified management to guarantee the organization's **growth and profitability** under a systemic approach



Integral execution to quickly deploy initiatives and **attend market needs**



Collaboration across countries working with an innovative focus **and leveraging synergies** across areas



Focused on a **single strategy** to take advantage of **business opportunities**

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

Focused on Four Core Growth Opportunities

✓ Tapping the US market:

- Severe **droughts and massive water and sanitation investment needs.**
- Leading company currently owns 25% market share while rest of market is **highly fragmented (Market size US\$ 1 bn).**
- Rotoplas able to leverage **expertise** and **economies of scale.**
- **New manufacturing facilities in Dallas and Atlanta** will add to Rotoplas' already successful first steps in California.



✓ Integrated water treatment and sanitation solutions:

- **Highest tariffs in fresh and waste water** for hotels, commercial and industrial.
- **Less than 14% of wastewater is processed in treatment plants**
- **Market opportunity US\$ 4 bn.**
- **3 out of 10 people in Mexico and 5 out of 10 people in Brazil in rural areas do not have sewer service ~12 million families.**
- **Market opportunity US\$ 24 bn.**



Focused on Four Core Growth Opportunities

✓ Increased demand for drinking water in Mexico:

- Recently enacted law in Mexico whereas **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**
- **Unique capability** to install and service equipment
- **Market opportunity US\$ 1 bn.**



✓ Rainwater Harvesting Systems:

- **~5mm households** living in semi-arid regions in Brazil
- In Mexico **3.4mm** households lack water coverage
- **Market opportunity US\$ 16 bn.**

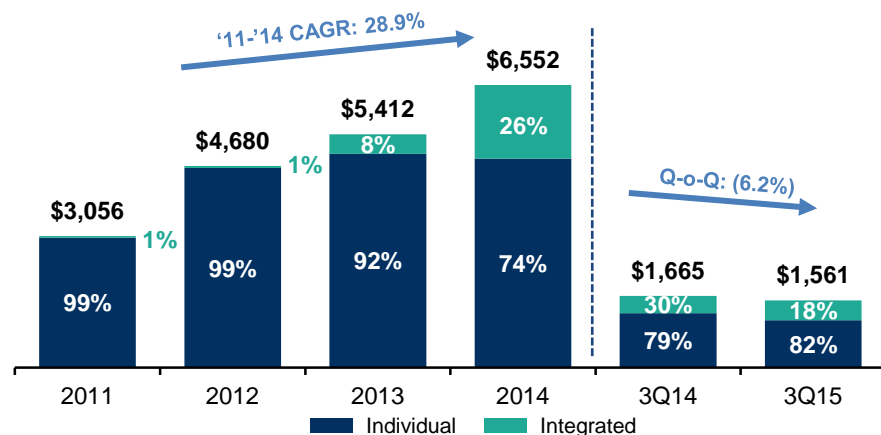




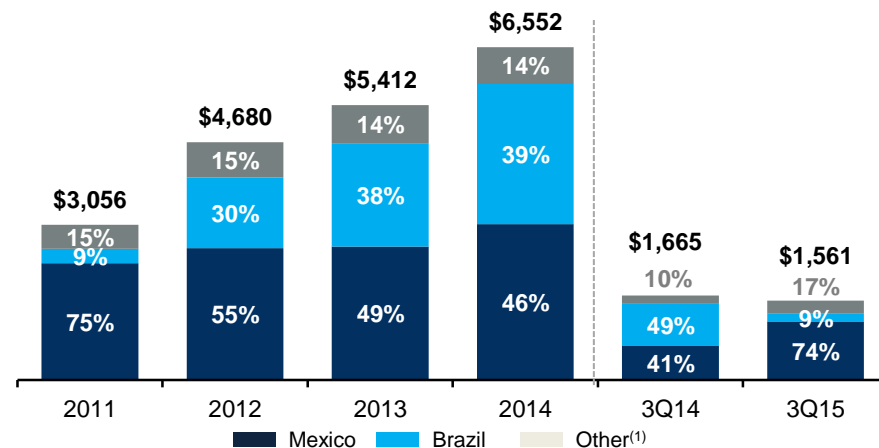
Financial Review

Track record of Growth and Profitability

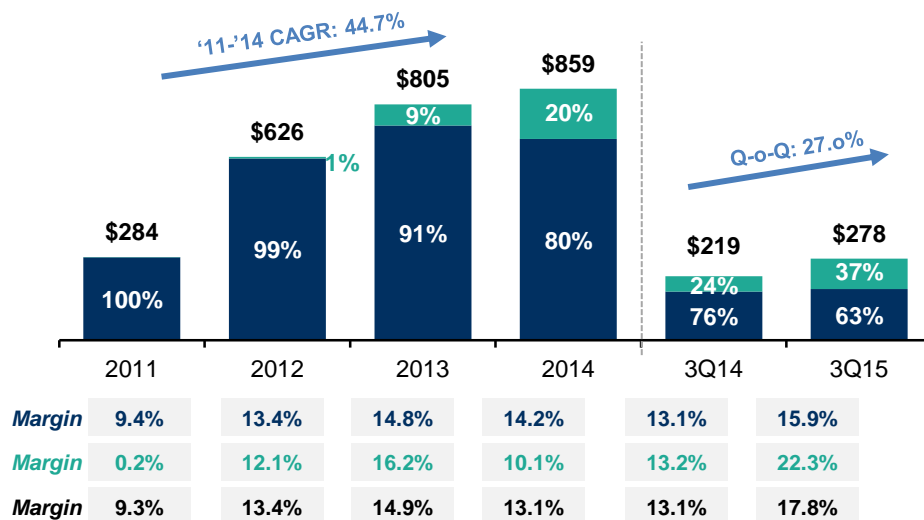
• Revenue by Solution (MXN mm)



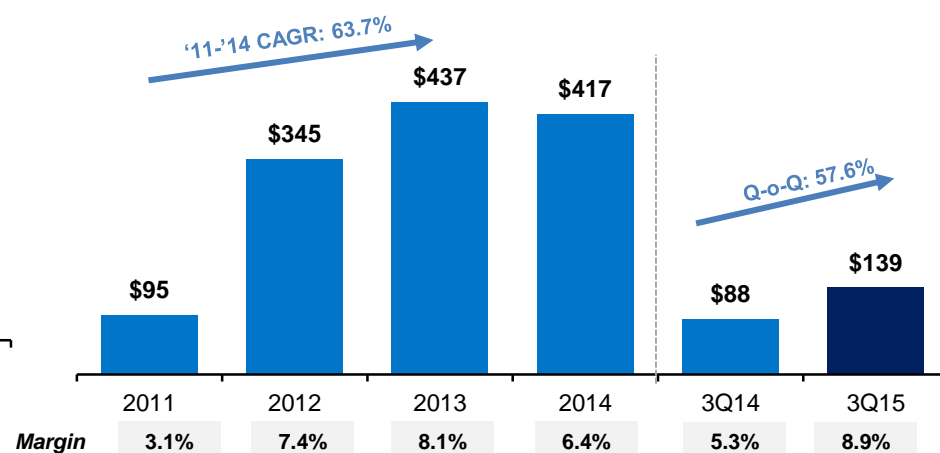
• Revenue by Country (MXN mm)



• EBITDA by Solution (MXN mm)



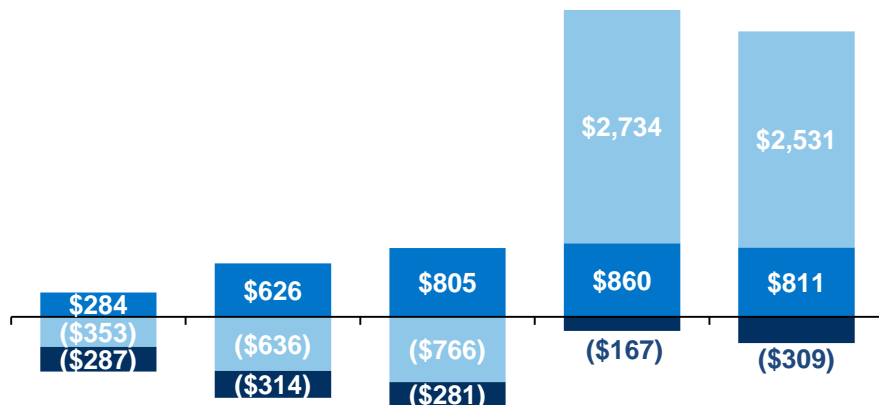
• Net Income (MXN mm)



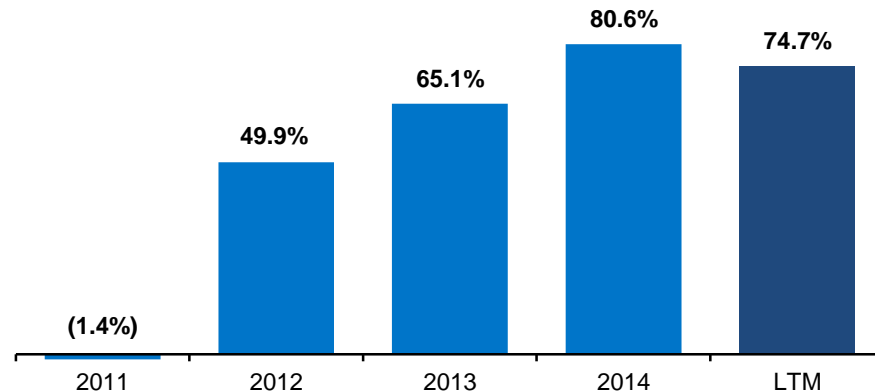
(1) Includes Central America, Argentina and Peru and U.S.

Solid Cash Flow Generation and Returns

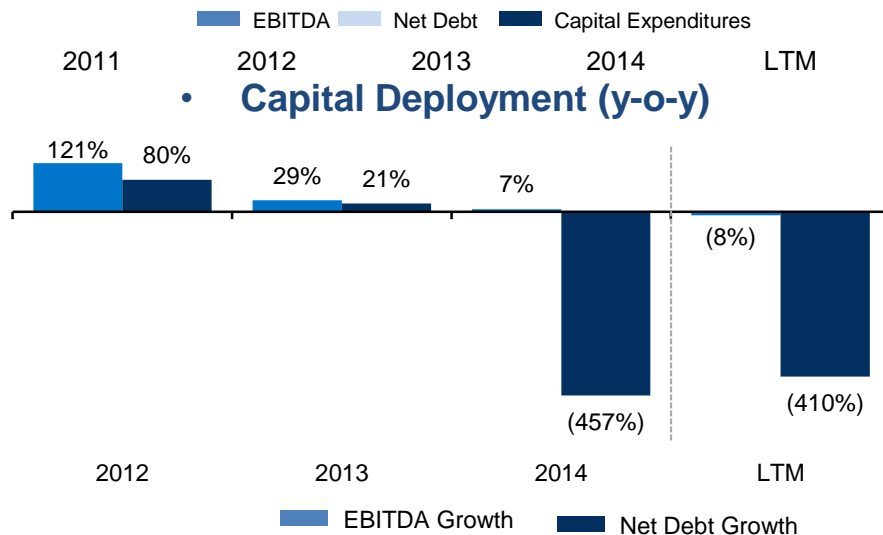
- Value Generation



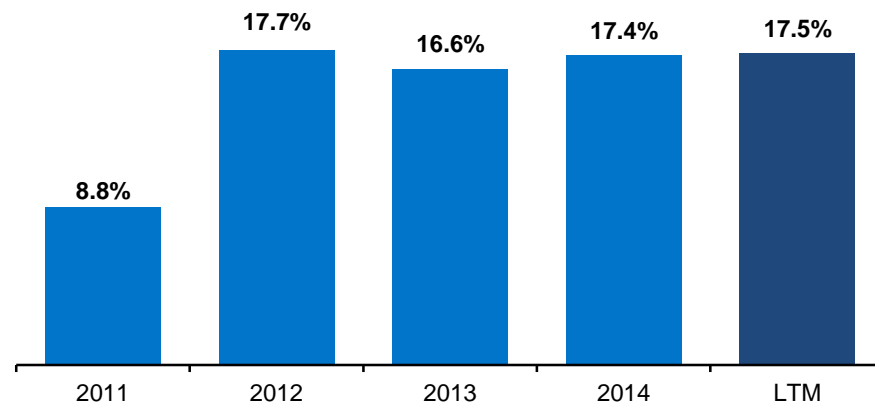
- Operating Free Cash Flow Conversion ⁽¹⁾



- Capital Deployment (y-o-y)



- Return on Invested Capital Pre IPO ⁽²⁾



Note: For the LTM 2Q15.

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

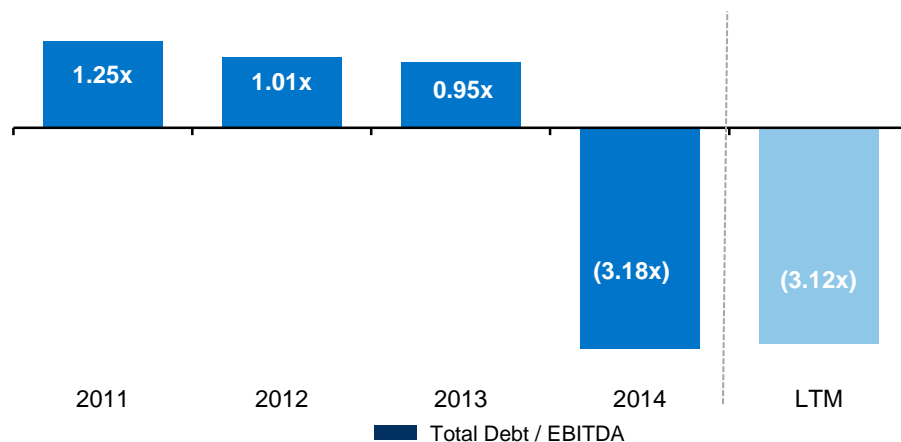
(2) $\text{Effective Tax Effected EBIT} / (\text{Total Debt} + \text{Shareholder's Equity})$.

Strong Balance Sheet to Support Expansion

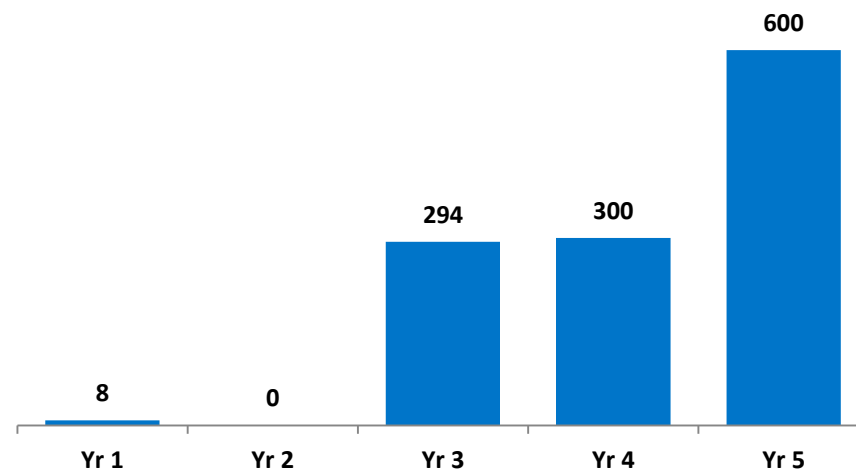
- Selected Balance Sheet Items (MXN mm)

	3Q15
Cash and Equivalents	\$3,733
Other Assets	\$4,674
Total Assets	\$8,407
Debt	\$1,202
Other Liabilities	\$1,183
Total Liabilities	\$2,385
Equity	\$6,027
Liabilities(+)Equity	\$8,407

- Net Debt / EBITDA

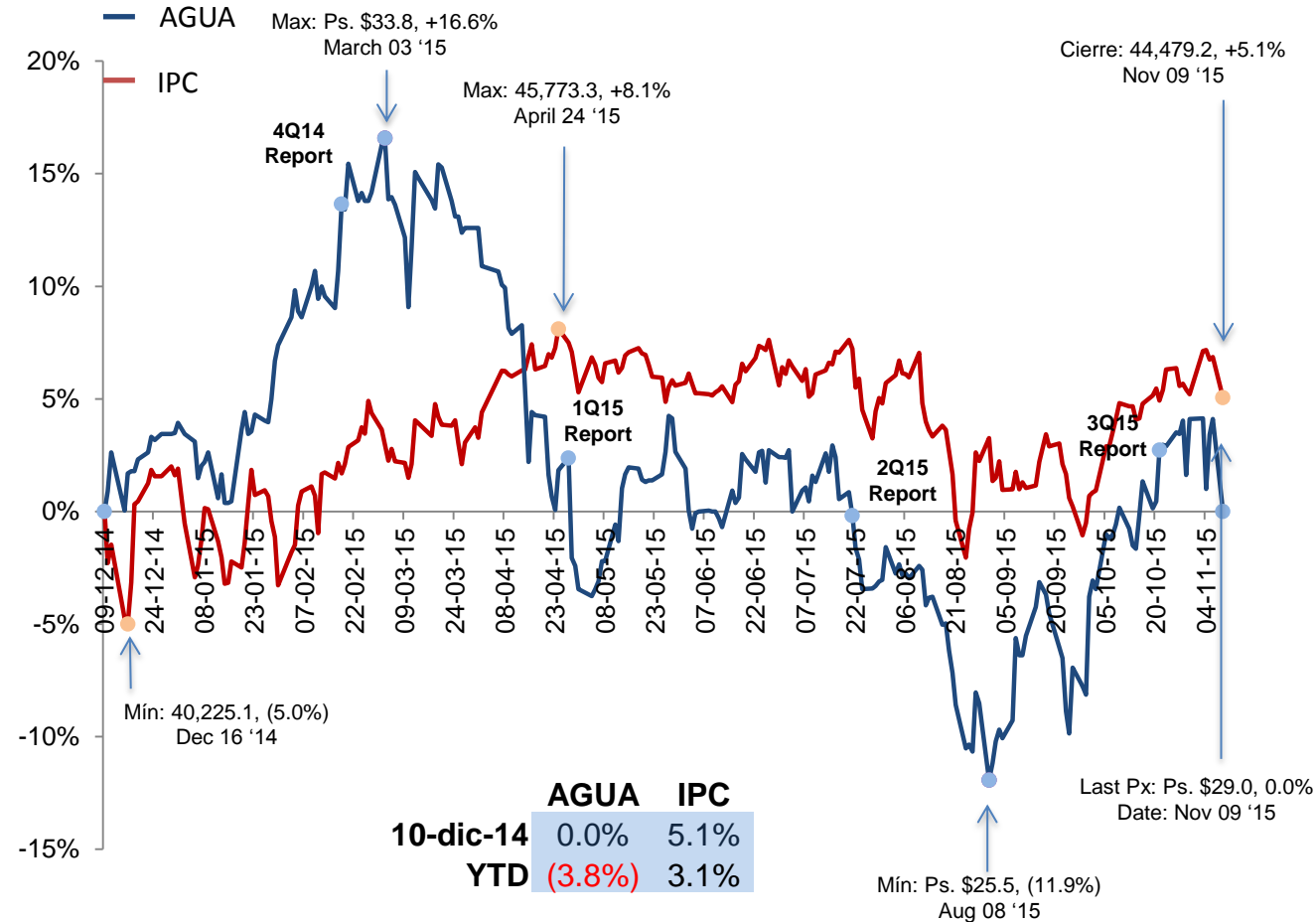


- Debt Maturity Schedule (MXN mm)



AGUA vs IPC

335 trading days



• Total trade volume:

121 million shares | 84% of IPO

• Average trade volume:

527 thousand shares

• Medium Liquidity

• Index:

- MSCI México Index
- MSCI LatAm Index
- MSCI 25/50 Index

BMV

- IMC 30
- IPC CompMx
- IPC SmallCap



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01800 506 3000

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