

Investor Presentation

UBS Conference

December 2015

Looking Forward 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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Key Global Trends in the Industry



▶ World's population will continue to grow over the next few decades



▶ People moving from country side to cities



▶ General living standards are improving, leading to more intensified water consumption

The Global Water Industry

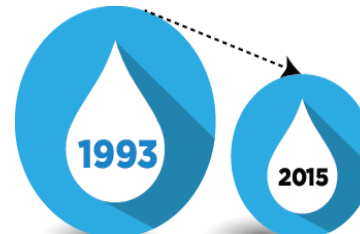
▶ **1.2
billion**

people are living in areas
of water scarcity



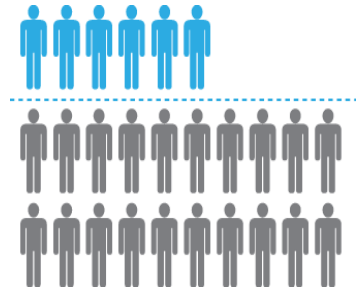
▶ **40%
decline**

of renewable water per
capita in the last 22 years



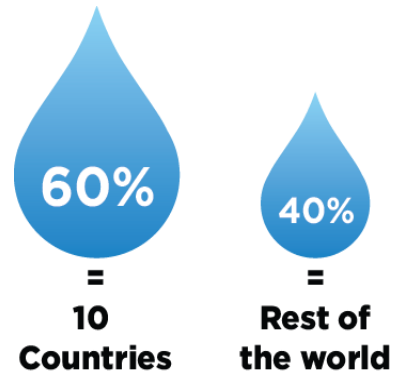
▶ **2.5
billion**

people worldwide have
no access to adequate
sanitation



The Global Water Industry

Uneven water distribution



10 countries have 60% of the
global freshwater supply

Water supply & sewer
systems of

60 – 80
years old



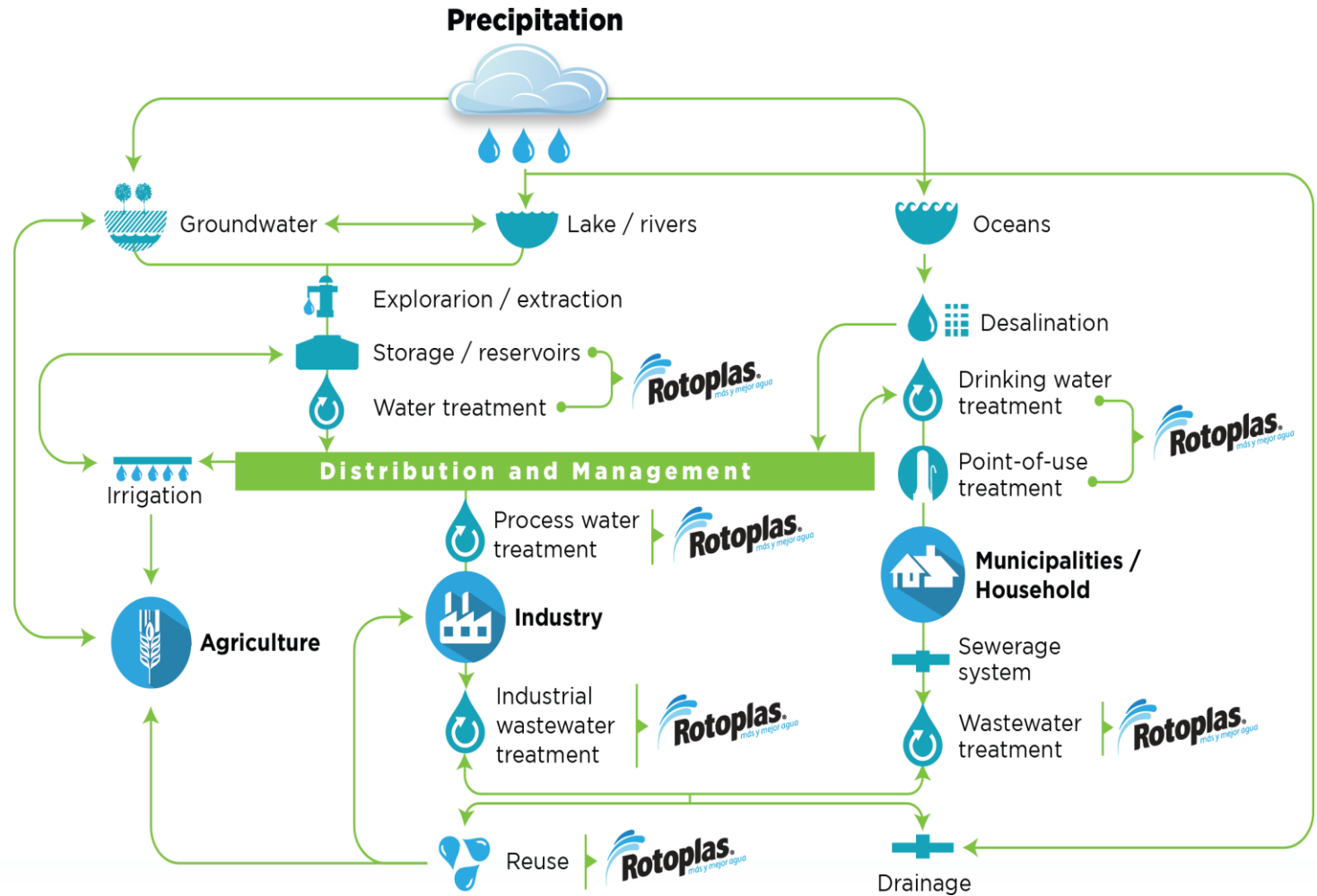
in many cases have reached
the end of their useful lives

USD
1 trillion



market
opportunity
by 2025

The Global Water Industry





Within the 6 segment that Rotoplas is focused are growing annually more than 10% worldwide

01

Storage & reservoirs

02

Water treatment

03

Process water treatment

04

Industrial wastewater treatment




05

Point-of-use treatment

06

Wastewater treatment

Individual Solutions Portfolio

-  Shortage of Water Service
-  Sanitation & Healthcare
-  No Drinking Water

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



- 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

Integrated Solutions Portfolio

Solutions that require a more sophisticated marketing and sales effort

► Rural

Rainwater Harvesting Systems

315,000+
Units installed



Outdoor Composting Bathrooms

170,000+
Units installed



► Urban



Sanitation & Healthcare



No Drinking Water



No Water

Water Purifying Units

20
Units installed



Wastewater Treatment Plants

24
Units installed



Water Fountains

403
Units installed



Rotoplas

Competitive Advantages

Strong brand recognition

Value



Social Responsibility



Quality



Reliability



Entrepreneurial management team with more than
20 years experience in the
water industry

All committees are composed by independent directors

50% of our Board of Directors is independent

Unmatched distribution platform



with more than 25,000 point of sale in the Americas

+10,000 plumbers trained yearly

Continuous product innovation



Focused on highly-innovative and high-return projects

Rotoplas invests 1% of sales in R&D

Rotoplas Going Forward 2019

▶ **01**

Continue to **pioneer** in solutions for pressing **water and sanitation** needs in the Americas.

▶ **02**

Positioned to capitalize on significant growth **opportunities** in rural and urban areas.

▶ **03**

Transforming the water industry with **individual and integrated** solutions.

▶ **04**

Market leading water solutions platform with **unmatched brand** recognition.

▶ **05**

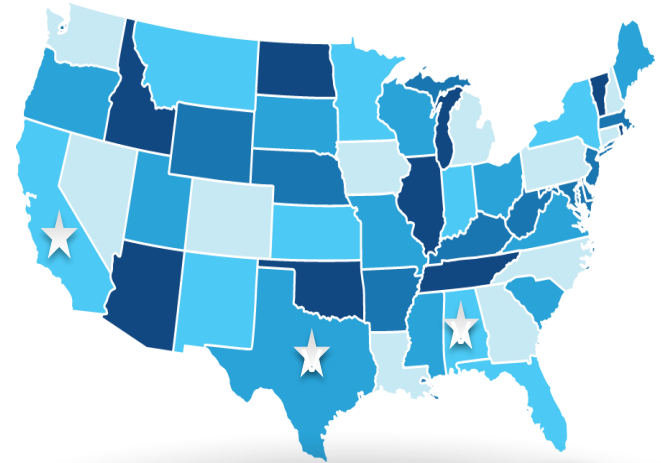
Continue delivering **added value** to our stake and share holders.

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**.
- ✓ 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.

Market size
US\$ 1 bn.



Focused on Four Core Growth Opportunities

Integrated water treatment and sanitation solutions:

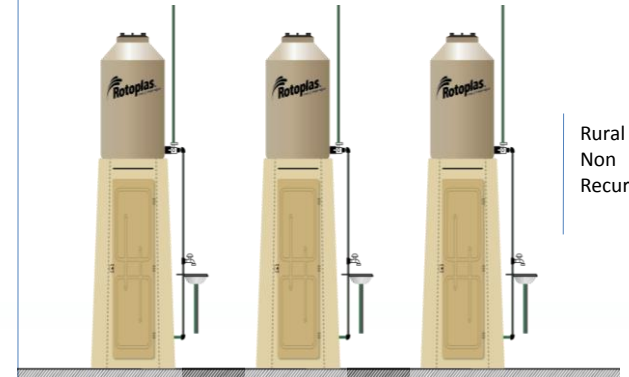
- ✓ **Highest tariffs in fresh and waste water** for hotels, commercial and industrial.
- ✓ **Less than 14% of wastewater is processed in treatment plants**
- ✓ **Market opportunity US\$ 4 bn.**
- ✓ **3 out of 10 people in Mexico and 5 out of 10 people in Brazil in rural areas do not have sewer service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

Market opportunity
US\$ 4 bn



Urban
Recurrent

Market opportunity
US\$ 24 bn



Rural
Non
Recurrent

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\$ 200 m



Urban
Recurrent

Focused on Four Core Growth Opportunities

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.



Rural
Non
Recurrent

Financial Information

Year to Date Highlights

► **+23%**

Sales 9M ex Brazil

Growth in our individual and integrated water solutions in all countries ex - Brazil



► **3 plants in the US**
by the end of 2015



► **13%**

9M EBITDA margin

- ✓ Adequate measures taken in Brazil to avoid profitability lost
- ✓ Zero base budget + Zero based organization
- ✓ Raw materials cost tailwind



► **Urban integrated solutions accelerating**

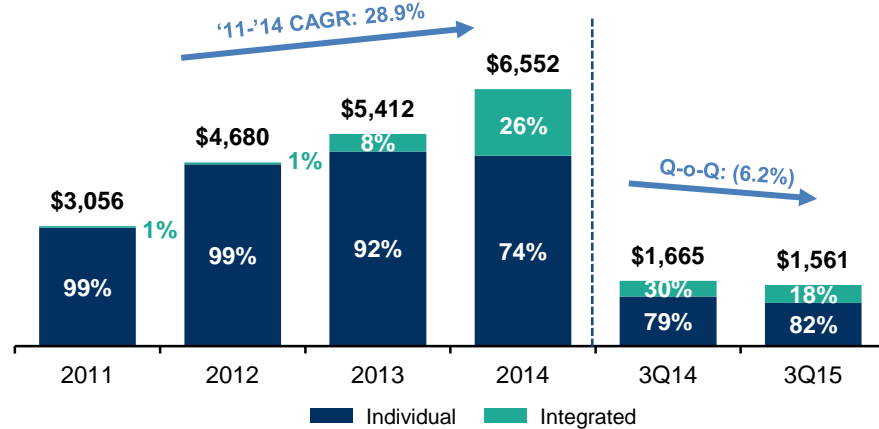


Track record of Growth and Profitability



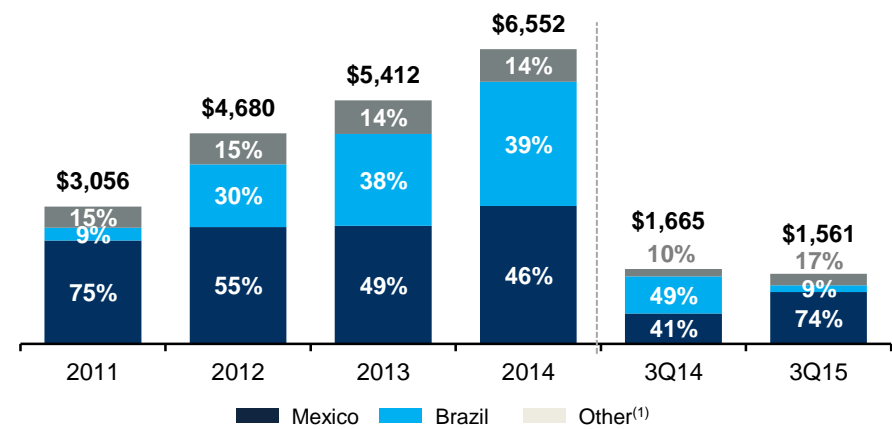
► Revenue by Solution

MXN mm



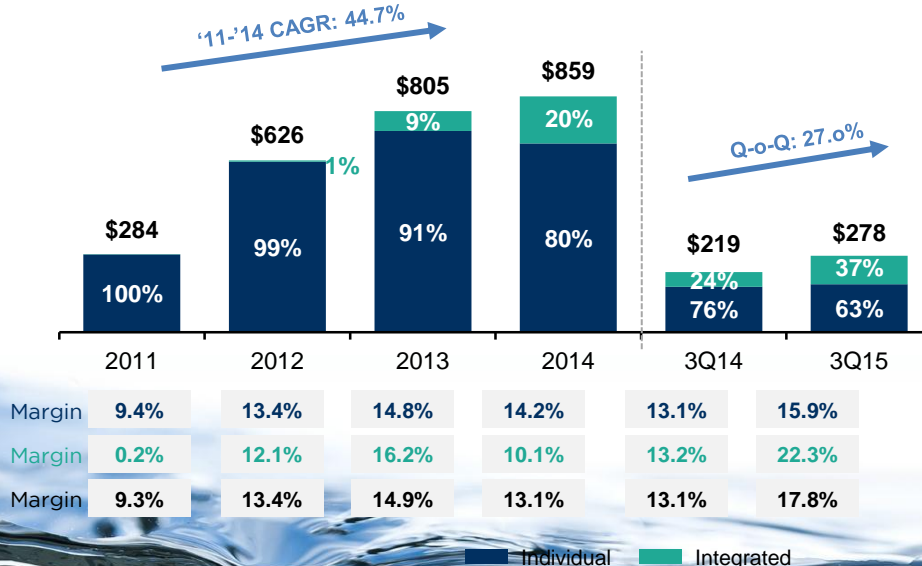
► Revenue by Country

MXN mm



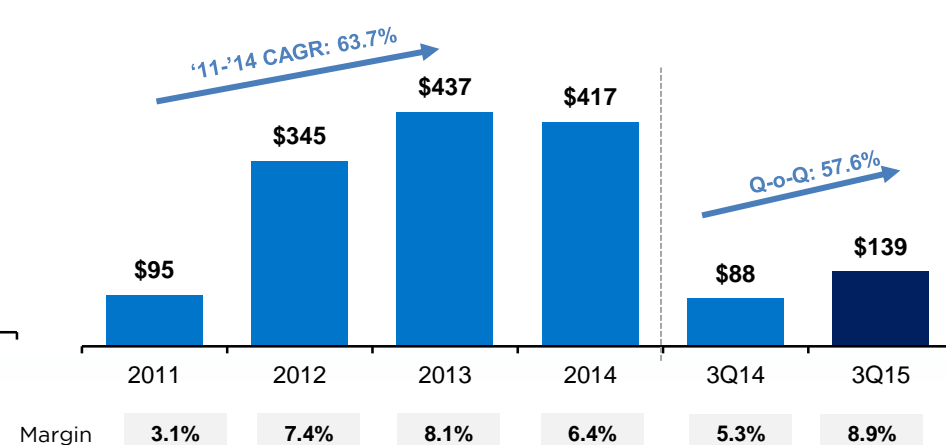
► EBITDA by Solution

MXN mm



► Net Income

MXN mm



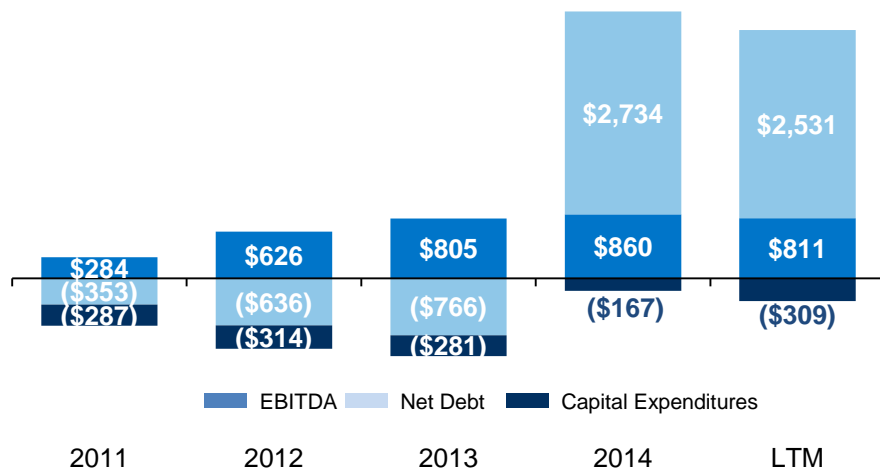
(1) Includes Central America, Argentina and Peru and U.S.

Solid Cash Flow Generation and Returns

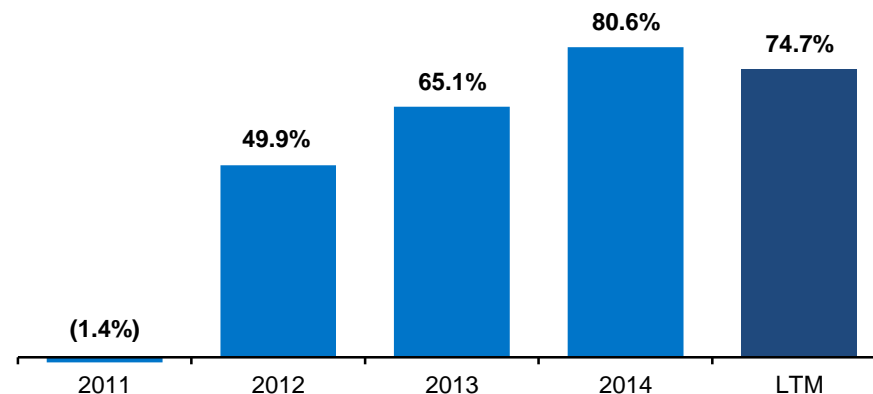


► Value Generation

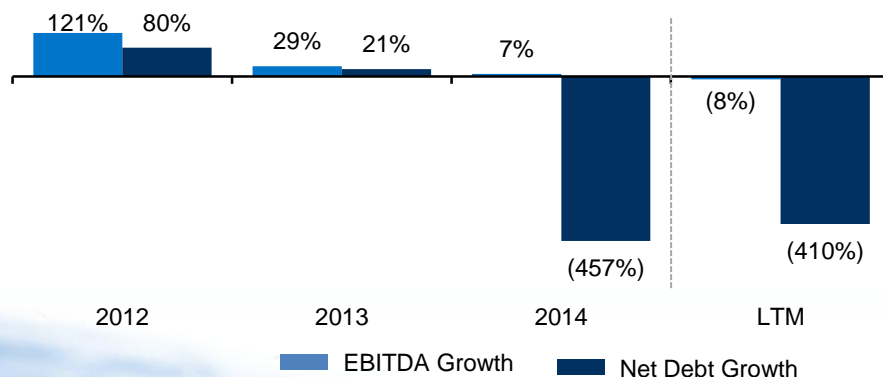
MXN mm



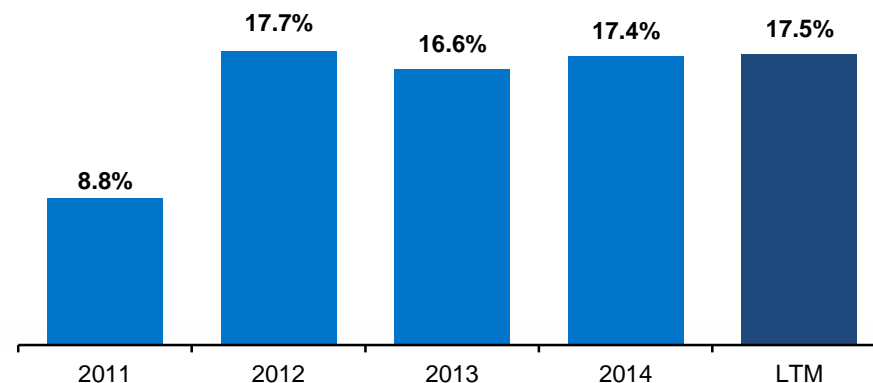
► Operating Free Cash Flow Conversion ⁽¹⁾



► Capital Deployment (y-o-y)



► Return on Invested Capital Pre IPO ⁽²⁾



Note: For the LTM 3Q15.

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

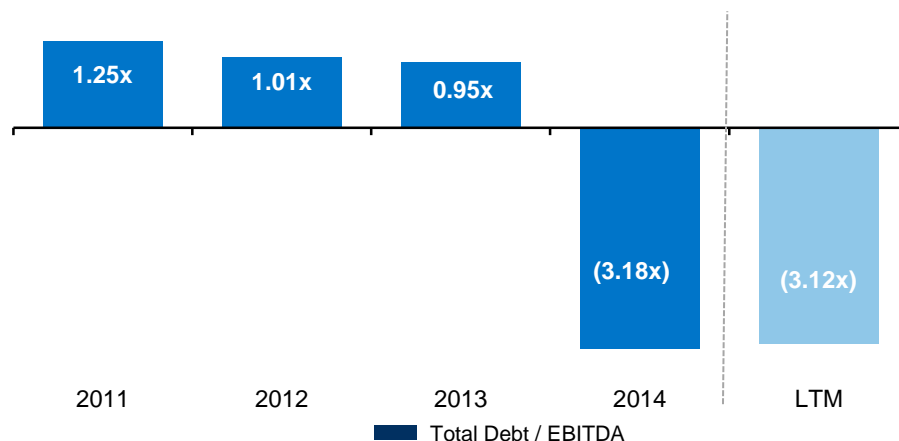
(2) $\text{Effective Tax Effected EBIT} / (\text{Total Debt} + \text{Shareholder's Equity})$.

Strong Balance Sheet to Support Expansion

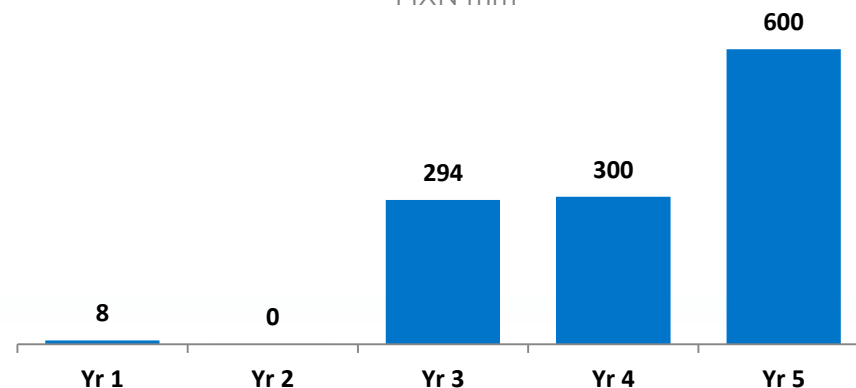
► Selected Balance Sheet Items MXN mm

	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





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