



Investor Presentation



Disclaimer



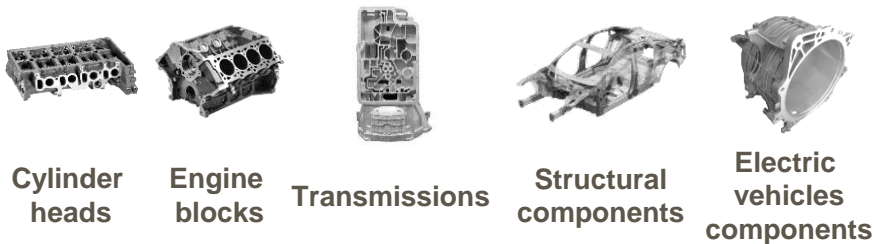
During this presentation management may discuss certain forward-looking statements concerning Nemak's future performance that should be considered as good faith estimates made by the Company. These forward-looking statements reflect management expectations and are based upon currently available data. Actual results are subject to future events and uncertainties, which could materially impact Nemak's actual performance.

Nemak overview

Company highlights

- Leading global supplier of complex, high-tech aluminum automotive components
- Began operations in 1981
- Global footprint across 15 countries through 35 modern facilities
- Diversified product portfolio and customer base
 - More than 50 customers worldwide
 - Supplying ~650 / 1,200 vehicle platforms
- Sole source supplier in ~85% of volume in 2014
- Experienced management team

Product portfolio



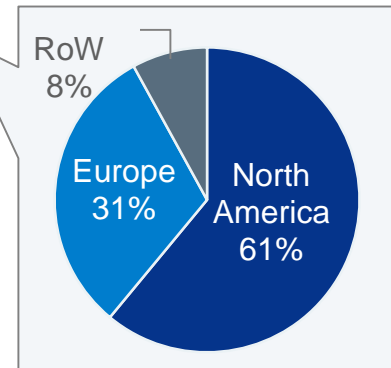
Financial highlights (2014A) (US\$)

Revenue

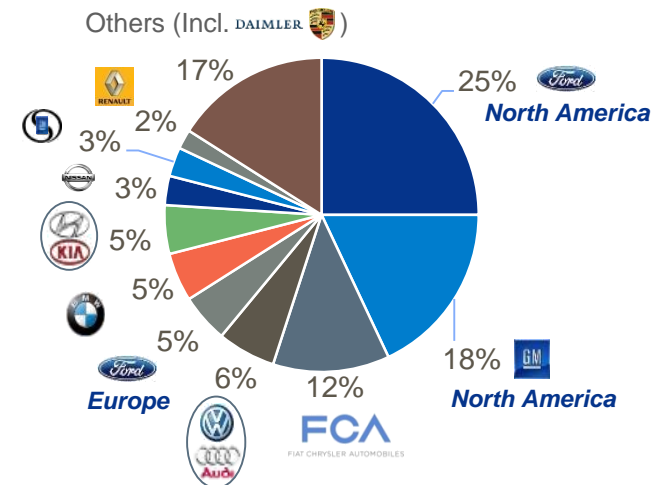
\$4.6bn

Adj. EBITDA / Margin

\$700mm / 15%



Volume by customer (2014A)



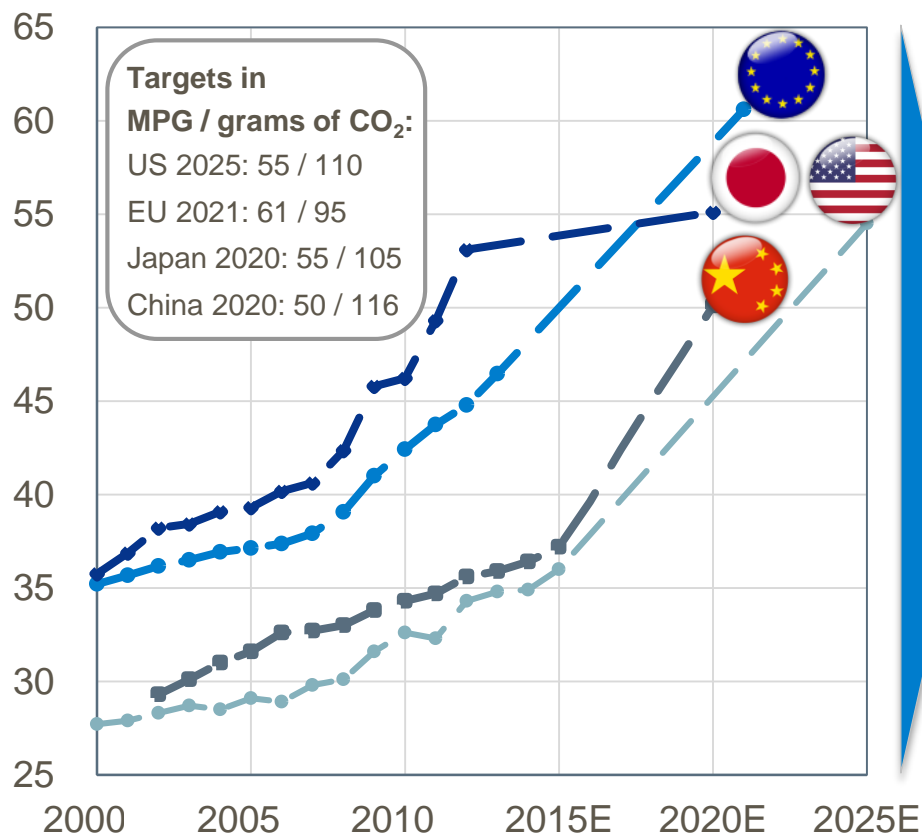
We believe 1 out of 4 light vehicles sold worldwide has a Nemak component

Note: Percentages rounded to nearest percent. Financials converted to US\$ at average exchange rate for the year as published by Banco de Mexico (2014: 13.30 Ps. / US\$); Please refer to the disclaimer for the definition of Adjusted EBITDA

Light-weighting trend driven by CO2 / MPG regulations

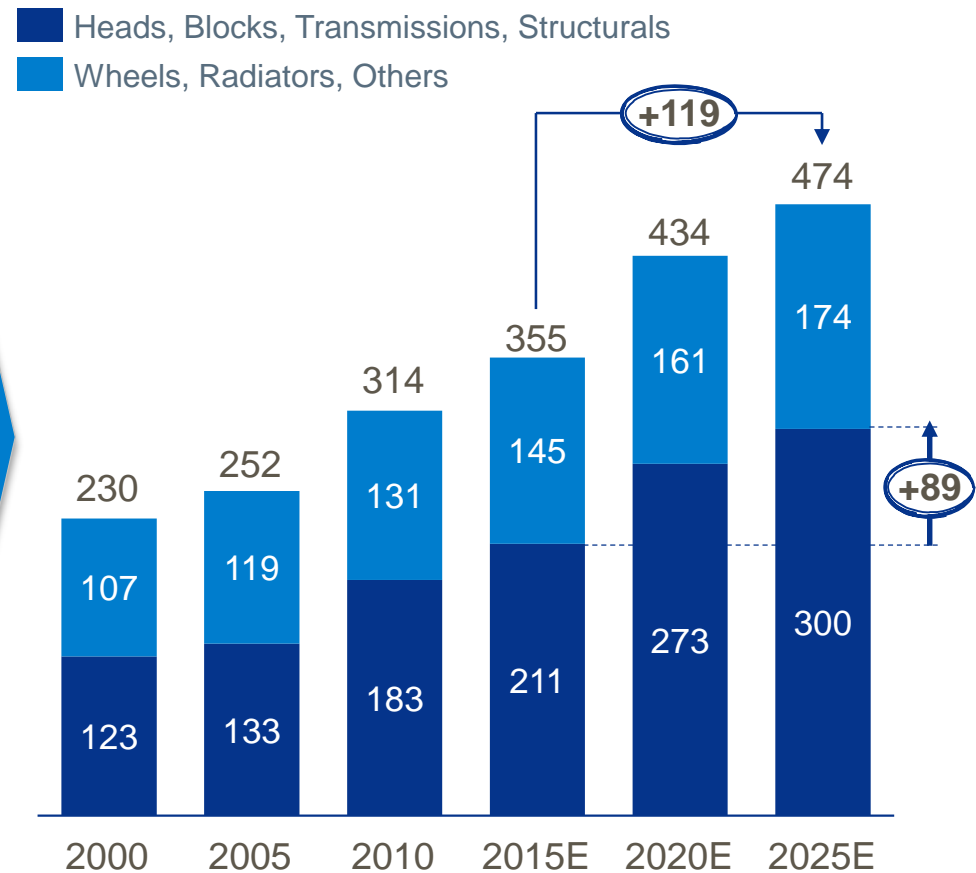
Strict emission & fuel economy standards have driven up aluminum content per vehicle...

Fuel Economy – Normalized to US Standards (MPG)



...and growth in Nemak's product categories is poised to capture 75% of all market growth ⁽¹⁾

(pounds of aluminum per vehicle)



Denotes growth in pounds per vehicle

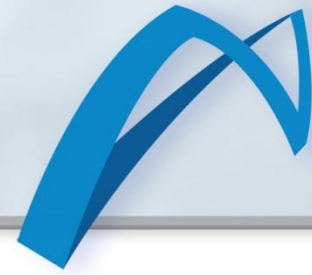
Source: International Council of Clean Transportation

Note: MPG stands for miles per gallon

(1) Based on expected growth in pounds of aluminum per vehicle from 2015-2025

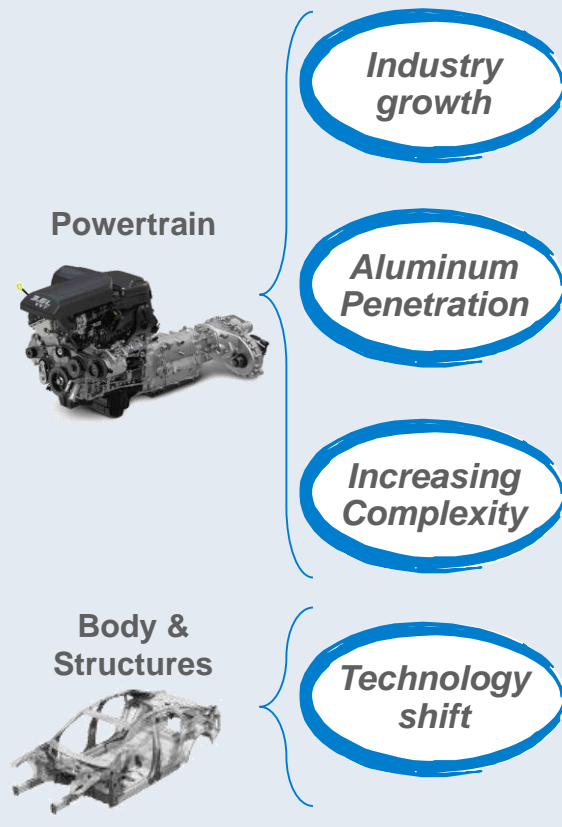
Source: Ducker Worldwide

Nemak's growth strategy developed to capitalize on light-weighting trend



Nemak Growth Drivers

Portfolio positioned for growth



Presence in fast-growing markets



Mexico is becoming a key hub in the global auto market



Recovery in Europe⁽¹⁾ is driving demand

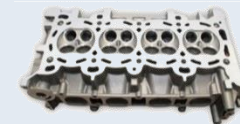


China has become the world's largest auto market

~15 million additional vehicles by 2020E ⁽²⁾

Vertical integration initiatives

As cast



Machining

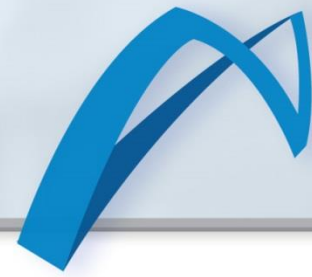
Significant margin expansion opportunities

Leading market position in heads, blocks and transmission components

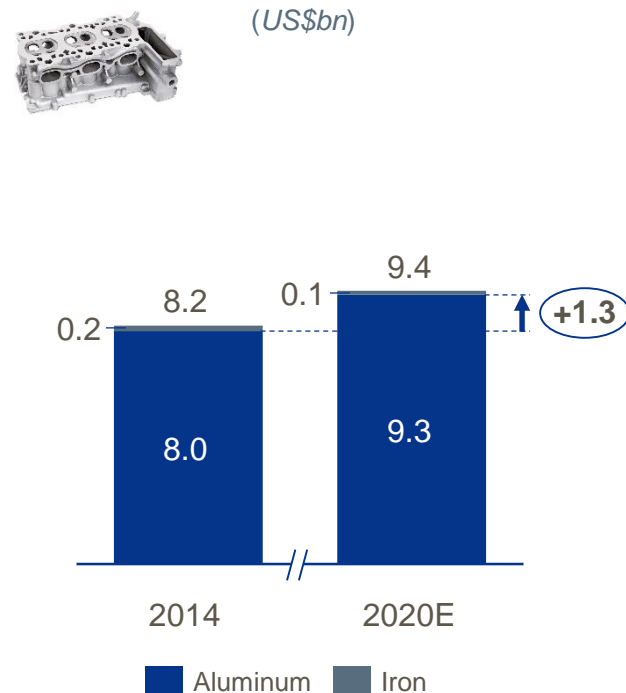
(1) Europe includes Western and Eastern Europe and Russia

(2) Source: IHS Automotive, refers to additional vehicles produced globally in 2020 vs. 2014

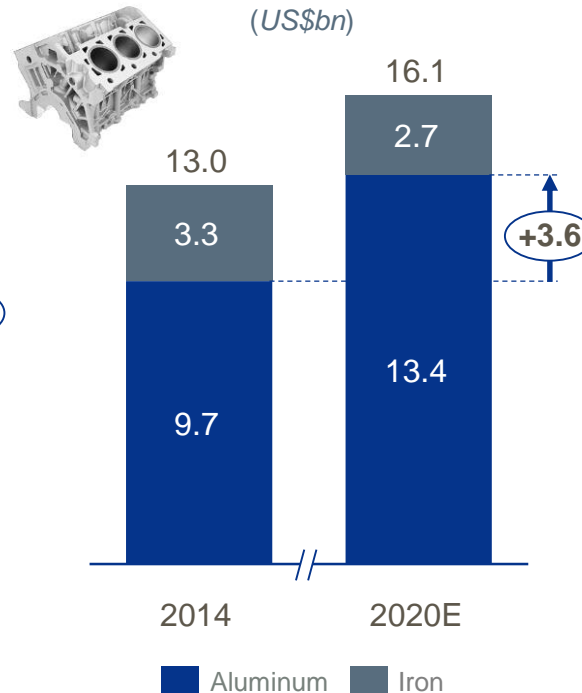
Nemak Growth Drivers – Significant opportunity to grow existing core business



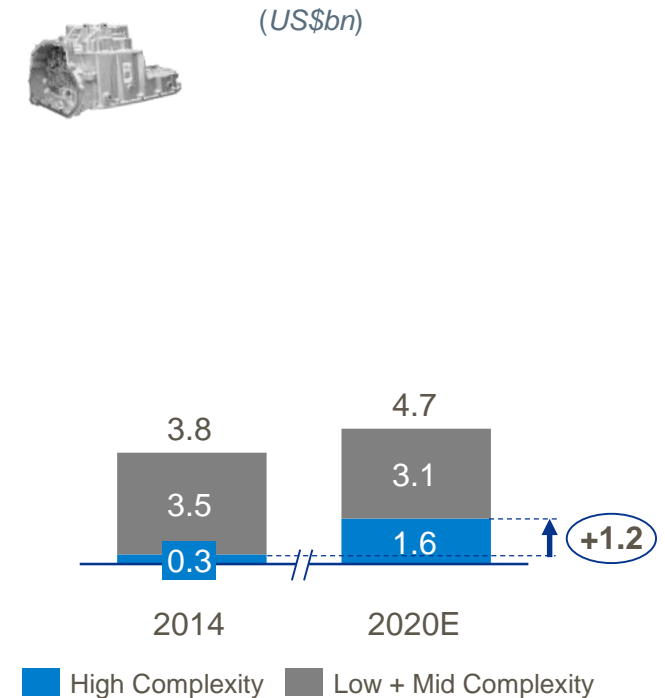
Cylinder heads ⁽¹⁾



Engine blocks ⁽¹⁾



Automatic transmissions ⁽¹⁾



Position & strategy

Extend leadership position

Continue to capitalize aluminum penetration

Capitalize on leading position in complex transmissions

○ Denotes increase in US\$bn

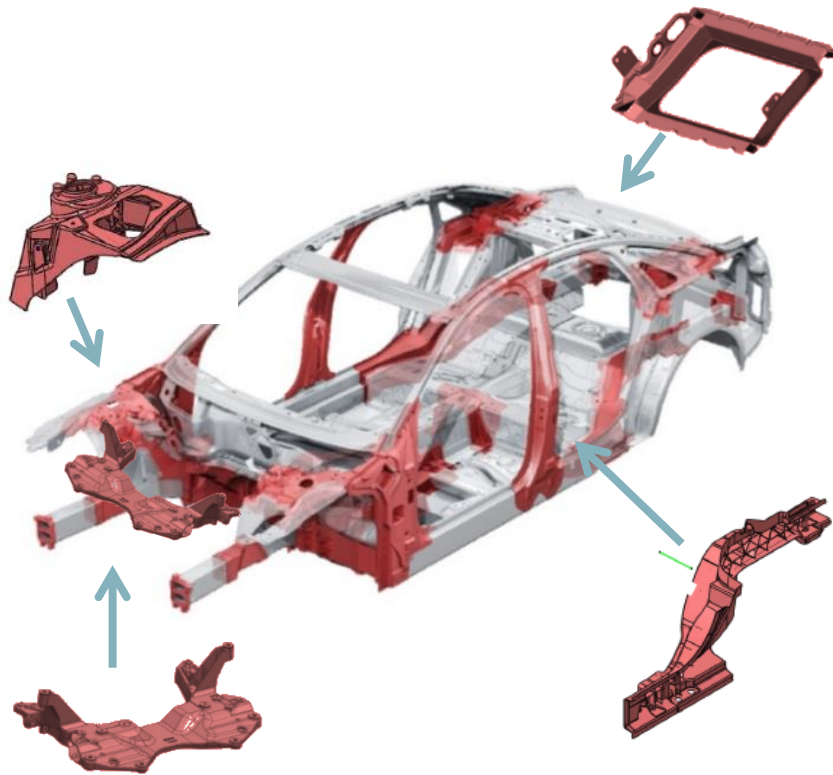
Source: IHS Automotive and Nemak research

(1) Refers to global market. Calculated with an average price of 84 US\$ / aluminum head, 179 US\$ / aluminum block, 65 US\$ / iron head, 104 US\$ / iron block, 48 US\$ / transmission case and 30 US\$ / torque converter housing

Nemak Growth Drivers – Structural components is a key growth avenue

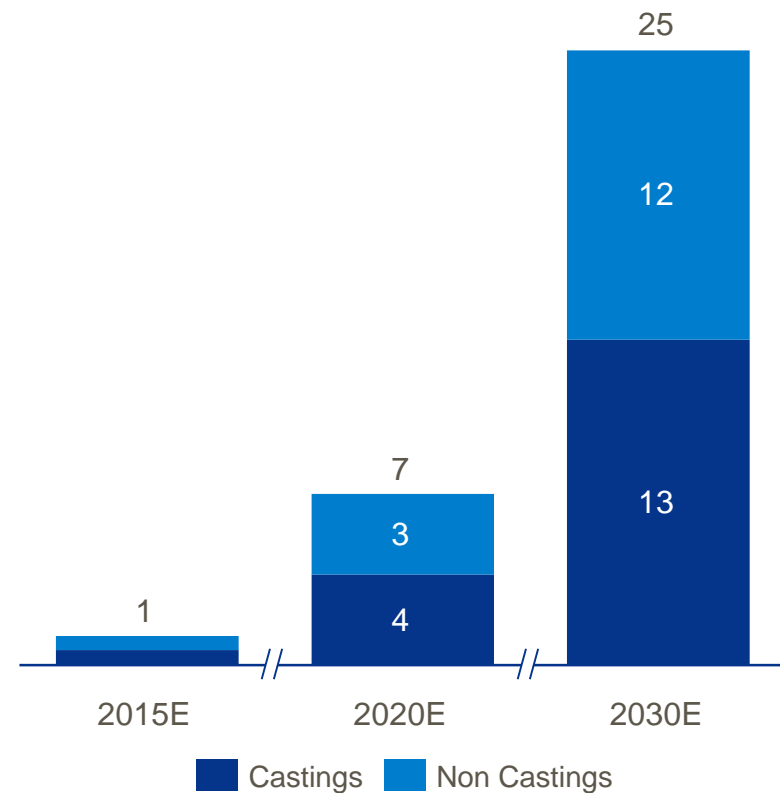


Nemak has already secured five long-term contracts in less than a year...



...while the structural components market continue with high growth prospects

Aluminum structural components demand (US\$bn) ⁽¹⁾



Recently awarded contracts worth over US\$140mm / year with 4 premium OEMs

Source: Nemak research, IHS Automotive

(1) Refers to demand in North America, Europe and China

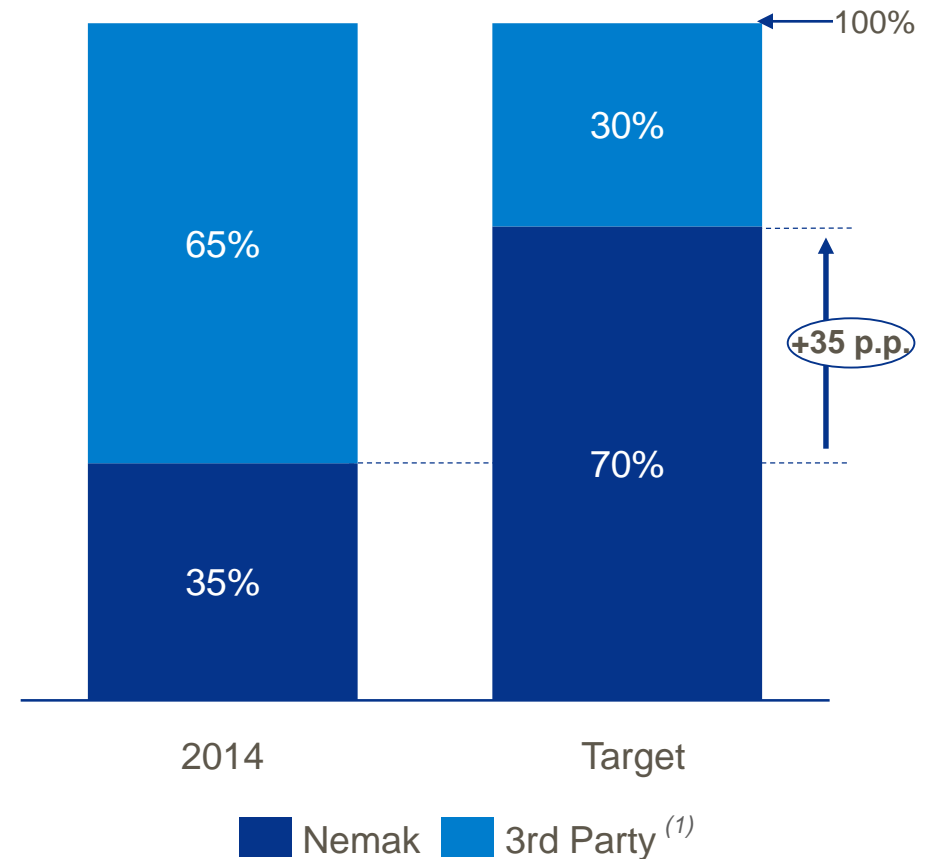
Nemak Growth Drivers – Machining offers significant EBITDA expansion potential

Strategic rationale

- Vertical integration allows to increase more value added to the product
- Improves competitive position
 - Increases entry barriers
 - Improves quality, logistics and working capital costs
 - Protect Tier-1 position
- Machining business offers equal or greater profitability than casting



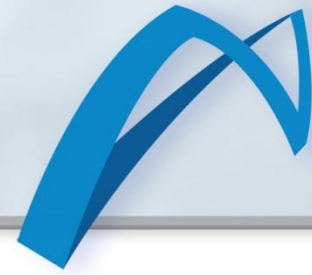
Nemak heads and blocks machining volume (%)



In-house machining target of 70%

Note: Percentages rounded to the nearest percent
(1) Volume outsourced by Nemak to Tier II suppliers

Compelling equity story



1

Leading position in fast-growing markets

2

Broad portfolio of leading casting technologies focused on complex and high value-added products

3

Leading product development capabilities supported by skilled workforce

4

Solid customer relationships with diversified revenue streams

5

Global footprint with modern facilities near key customer sites

6

Proven track record of profitable growth and financial resilience

7

Experienced management team

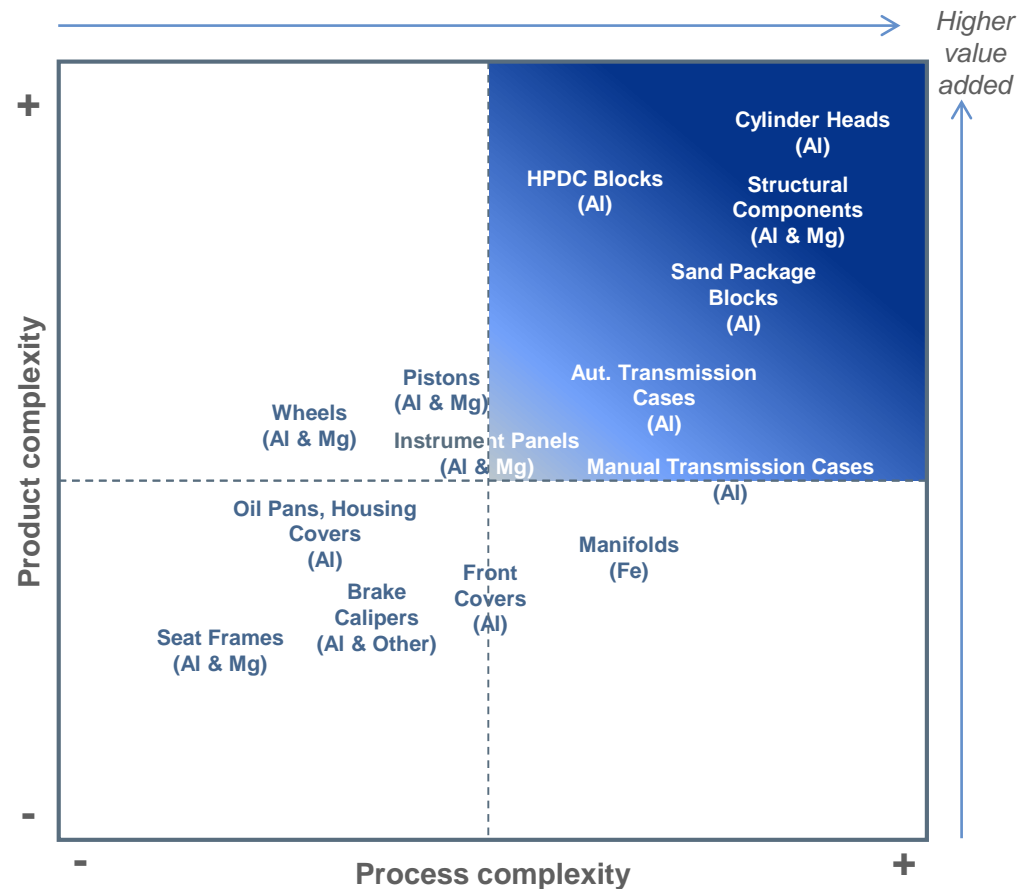
Broad portfolio of leading casting technologies focused on complex and high value-added products

Nemak Casting Technologies ⁽¹⁾

Regions	GSPM	Sand Package	HPDC	Rotacast®	Lost Foam
NA, SA, EU, Asia	✓	✓	✓	✓	✓

- Advanced production capabilities and casting processes globally
- Well-positioned to partner with OEMs to co-design, engineer and test components
- Increasingly complex products under development
- High barriers to entry & switching costs
 - Product lifecycle of six to eight years

Product portfolio focused on complex components



We believe most of our competitors focus on just one or two major casting technologies

Note: OEMs stands for Original Equipment Manufacturers

(1) GSPM stands for Gravity Semi-Permanent Mold, a casting process used to produce cylinder heads, Sand Package refers to a casting technology used to produce engine blocks, HPDC refers to High Pressure Die Casting and refers to a casting process used to produce engine blocks, transmission parts and other components, ROTACAST™ refers to a casting technology used to produce cylinder heads and engine blocks, Lost Foam refers to a casting technology used to produce engine blocks and bed plates

Solid customer relationships with diversified revenue streams – average OEM relationship of 20+ years

Diversified revenue streams



OEM	Years of Relationship	Number of Vehicle Platforms ⁽¹⁾
	30+	72
	30+	110
	30+	80
	20+	104
	20+	13
	15+	19
	15+	37
	15+	80
	10+	50
Others		80
Total		645

Nemak supplies engine & transmission components for ~650 out of 1,200 vehicle platforms worldwide

Source: IHS Automotive and Nemak research

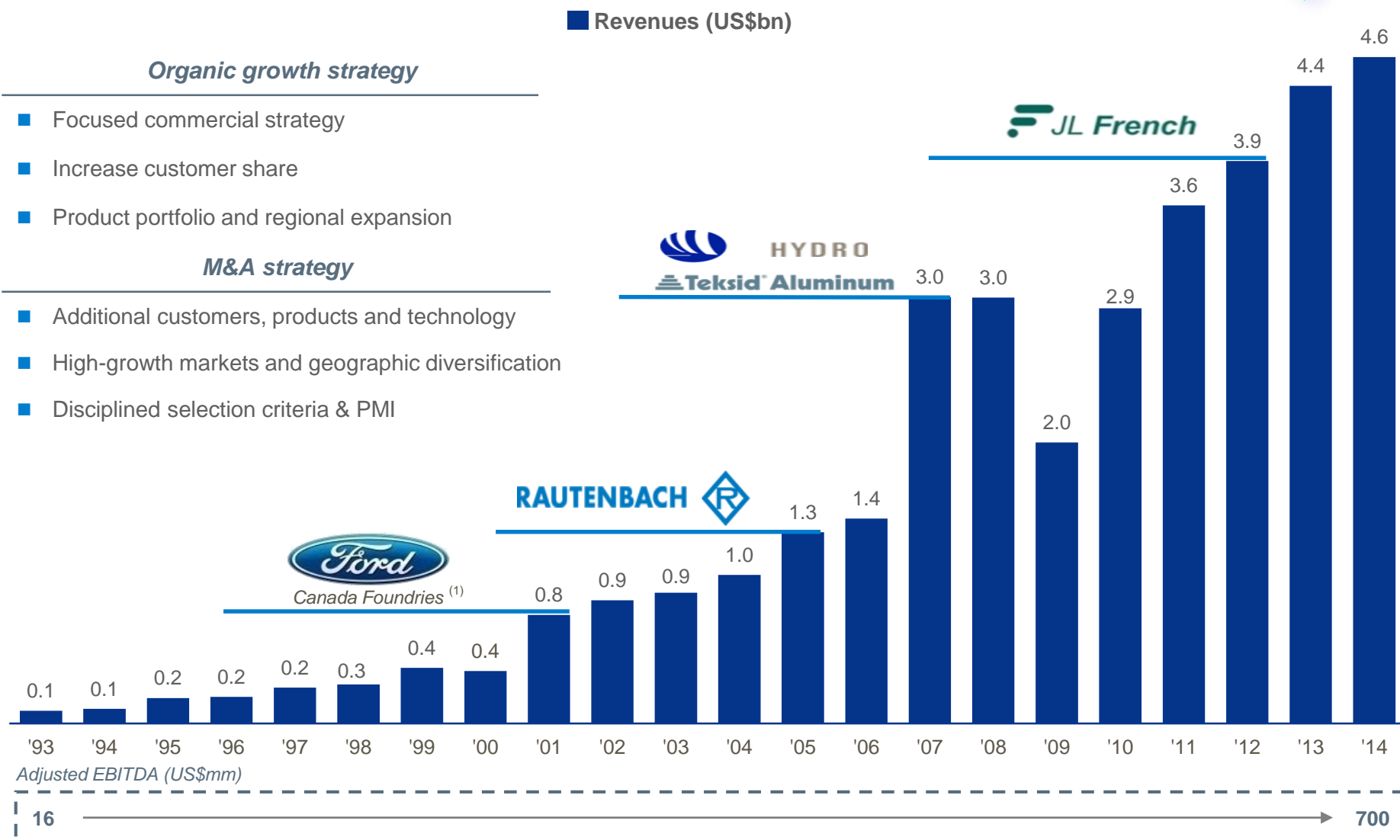
(1) Platforms refer to vehicle nameplates

Global footprint with modern manufacturing facilities ⁽¹⁾



(1) Considers manufacturing facilities

Proven track record of profitable growth...



From 1993-2014, both revenues and EBITDA have grown at a CAGR of ~20%

Source: Nematik Audited Financial Statements with an average FX for each year, as published by Banco de Mexico

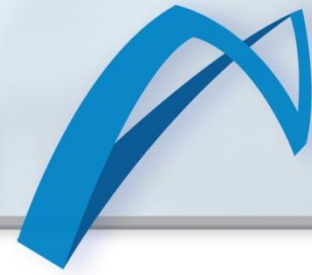
(1) Acquisition made during the fourth quarter of 2000. Started consolidating in 2001

Experienced management team



21 years' average experience in the aluminum casting industry

Compelling equity story



1

Leading position in fast-growing markets

2

Broad portfolio of leading casting technologies focused on complex and high value-added products

3

Leading product development capabilities supported by skilled workforce

4

Solid customer relationships with diversified revenue streams

5

Global footprint with modern facilities near key customer sites

6

Proven track record of profitable growth and financial resilience

7

Experienced management team

