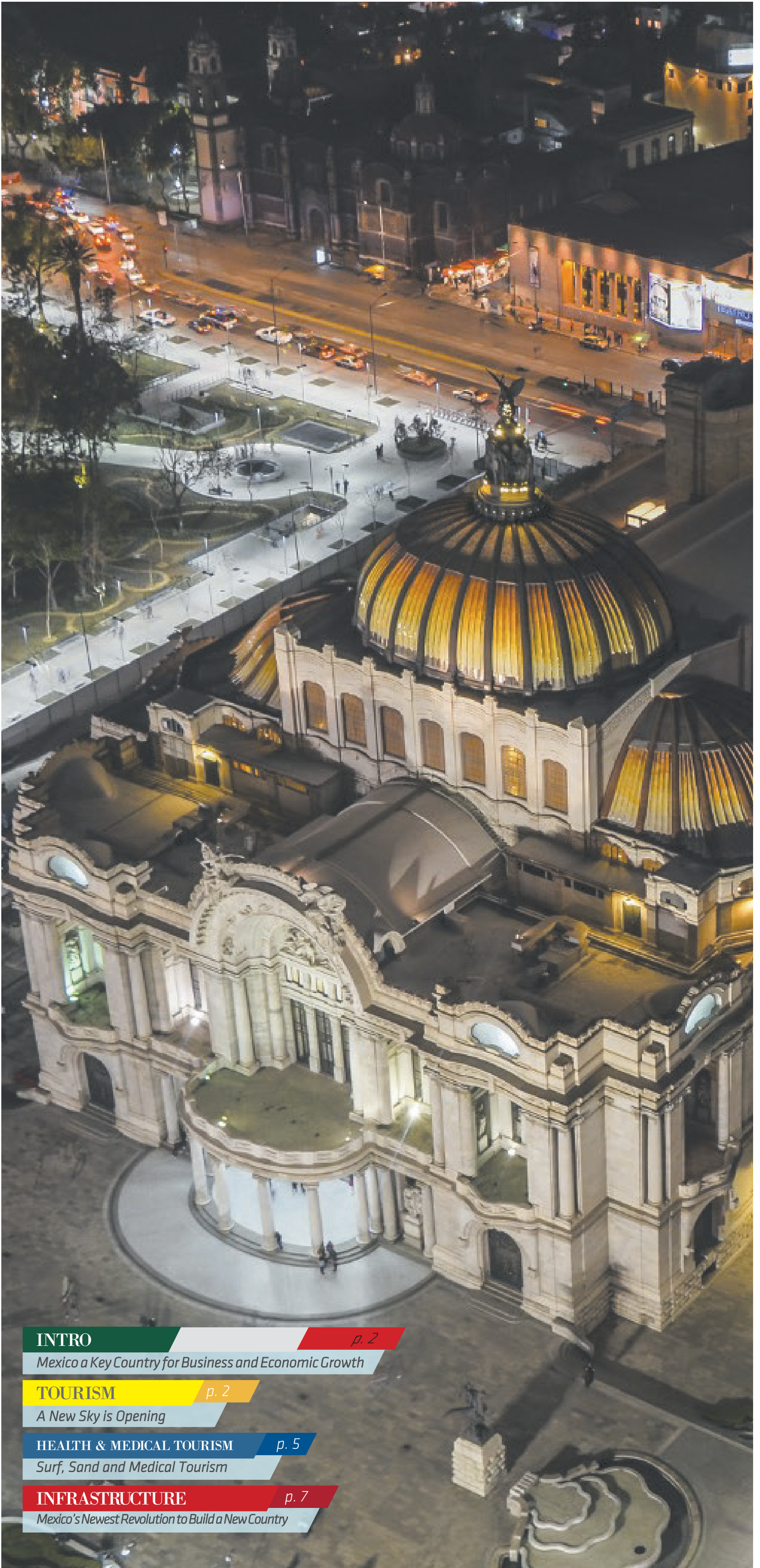


MEXICO



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Special Report



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Mexico's Newest Revolution to Build a New Country

Mexico a Key Country for Business and Economic Growth

From the rocky beaches of the Pacific coast to the warm waters of the Gulf of Mexico, plus all the quaint towns in between, Mexico is a large and diverse country that offers something of interest to nearly every visitor. If you're considering taking a trip to Mexico, you might have several reasons for doing so. Whether you're looking to spend a few peaceful days in a large beachfront resort, or travel through small towns, visiting ancient ruins and sampling the piquant local fare, Mexico is ready to welcome you.

Mexico's coasts attract visitors looking to relax and enjoy a sunny beachfront vacation. Large resorts line many of Mexico's beaches, offering a laid-back getaway to sand- and surf-seeking travelers. Choose from the calm, sandy beaches of the Mexican Riviera that line the Gulf of Mexico, where you can splash in the surf or partake in some snorkeling or jet-skiing, right from the shore. Or, opt for a trip to Mexico's western coast and stay in a resort perched atop the rocky cliffs overlooking the Pacific Ocean, where you can enjoy fishing trips and scuba diving in the deep, cool waters.

Mexico has the second-largest economy in Latin America and is a major oil producer and exporter. Though production has fallen in the last few years, about one-third of government revenue still comes from the industry. Much of the crude is bought by the US.

Mexico is much more than beaches, sunsets

and relax. Mexico is a country where modern manufacturing plants can be seen from ancient cities, where the next desert dune gives way to a beautiful beach, where rituals and craft making skills have been passed down for centuries.

The capital city, one of the largest cities in the world, is built directly over an entire ancient city. Telephone repairmen and construction workers are constantly discovering artifacts from Aztec times under the streets of Mexico City. Contrasts such as this are the norm in Mexico, not the exception.

Mexico is quickly becoming one of the world's manufacturing giants. A strategic geographical location and a relatively cost effective labor base are major factors. Business travelers will likely be visiting Mexico City, Guadalajara or Monterrey, where 90 percent of Mexico's businesses have their headquarters. Mexico City is the home of Mexico's government and the major power center of the entire country. We have put together a few pages of information for the business traveler that offer some insight into these three cities and also a special page of links to even more information for business travelers.

Now is the time for Mexico. The country has a historic opportunity to make a profound change that allows underpin its development in the coming decades. In this context, the conditions are perfect to transform Mexico and move forward; towards a future full of opportunities.

In just a decade, Mexico has managed to provide medical coverage to 89% of its population, a higher percentage of US.

With an investment of close to 6% of GDP, the country has managed to increase life expectancy to well above the average of OECD levels. The prestige of the Mexican medical professionals has resulted in the so-called health tourism. More Americans travel to Mexico in search of quality treatments at much lower prices than at home, which underscores the confidence that awakens the country's health system.

Tourism in Mexico is a key pillar of the Mexican economy, accounts for 9% of GDP. Mexico has become the first destination for ecotourism in Latin America and the second in the world in biodiversity. Not surprisingly, ranks first in archaeological reserves, the second destination for luxury travel and world travel first relaxation & spa. Over 23 million foreign tourists visited Mexico in 2011. Mexico wants to become the fifth largest tourist destination in the world by 2018.

Education is the cornerstone for sustained growth of any country and therefore Mexico is aware that education is the main social equalizer, for about 5% of its GDP on education, a similar percentage to that dedicates the largest economy world, the US. Mexico has more than 1,400 institutions of higher education. The National Autonomous University of Mexico (UNAM) has been considered the largest campus in the Americas and the main institutions of the country are recognized internationally, with reference to the teaching of Spanish as the language of business. Moreover, UNICEF has praised the efforts the country is developing for education.

In the energy sector Mexico is the fourth largest oil producer in the world with 2.5 million barrels per day and is estimated to be the third for reservations. The value of the sector is such that it represents 15% of the country's export income and around 35% of its budget. Moreover Mexico intends that 35% of the total energy consumed in 2024 comes from sustainable sources.

Today, Mexico offers a variety of opportunities, thanks to the commitment of the President Enrique Peña Nieto to promote reforms that will improve the economic environment of the country and boost the different sectors in the country. For this reason, the federal government has outlined five key objectives: building a peaceful Mexico, Mexico to promote a more inclusive, more quality education, more prosperous and consolidate the country as a responsible global player.



TOURISM



MR. JUAN CARLOS DIAZ VELAZQUEZ
CEO GRUPO CÓDIGO Y AEROMEXICO SKYTEAM

Mexico is one of the countries with the most airports in the world (85 airports, 59 of which are international). Commercial aviation has had an excellent record in matters of safety during the last 20 years, as no accidents during commercial flights have been registered since 1988. In a little more than two decades, more than 250 million passengers have flown with Mexican airlines, and the safety levels helped the growth of both commercial and private aviation in Mexico.

According to the National Chamber for Aero transport, between 2000 and 2013 the traffic and passenger flow increased by 63%. Twelve years ago, 21.5 million passengers traveled by airplane; at the end of 2013, this amount increased to over 55.5 million. 50% of the flights are national; 57 national and 97 international destinations are available. This is a result of the stability of the Mexican economy.

During the last decade, the increasing efficiency of Mexican airlines has benefited from the introduction of Low Cost Carriers, which compete with traditional airlines.

Private aviation in Mexico also shows a constant growth of up to 10%; this figure being very favorable to the industry. The country owns one of the most significant aviation industries in the world, particularly in the general aviation field. Up to date, there are around 300 enterprises, which translates into more than five thousand general aviation aircrafts, including air taxis, private planes, and government and recreational taxis.

The aviation industry accounts for only 2.4 % of Gross Domestic Product (GDP) in the national economy, which contributes in total 50.2 billion pesos and generates 127,000 direct jobs and 635,000 little more indirect, but these figures should increase as in the United States 3 of 10 people traveling by plane while in Spain the figure only one person out of every 10 citizens is reduced. In August last year, the Director General of Tourism Promotion of Mexico, Rodolfo Lopez Negrete announced that the federal government would push open skies policy to increase competitiveness in the tourism sector.

We need a boost internationally to publicize our destinations and do extensive tourist promotion and detail. We need to clear the insecurity and the bad news that roam around the world. Mexicans are people of warmth, quality people who can provide first-class services and first class. We have places to compete globally: beaches, deserts, mountains and cities. We have many advantages and benefits and we must work to change the negative image the world has of Mexico.

Aeroméxico is debuting in the aviation sector, the international airline of Mexico, serving more than

A New Sky is Opening: Mexico Offers International Aviation Opportunities

50 destinations in Mexico and the main cities of the United States, Canada, Central and South America and Europe. Moreover, it is the only airline in Latin America to offer their customers regular and direct flights to Asia. Also a founding member of Sky Team and in most of its flights, offers Premier Class, its first-class service / Business Class, through which travelers with unparalleled service and a relaxed atmosphere that allows them to work or relax with the comfort.

Aeroméxico operates over 250 daily flights from its main hub located in the Mexico City International Airport.

Aeroméxico remains bullish on the untapped potential for air travel that lies within the country's growing middle class.

In order to ensure it maintains a competitive edge in capturing its fair share of latent demand for air travel, Aeroméxico is working to distance itself from its rivals by leveraging its network strength and improving its cost and revenue management.

Grupo Código was consolidated with a shared dream to work directly for Aeroméxico. Code group today has become one of the strongest franchises in Mexico. In recent years it has been chosen number one in sales at district and national levels. They are an airline passenger accepts all are welcome and strive to serve them in the best way from a passenger to a complete corporate. Aeroméxico is a founding partner of Sky team.

Grupo Código is consolidated and saw grow the franchise Puerto Vallarta is not only filling the role of franchise but also of Aeroméxico representative office in the area. They are looking to grow our dream, working with corporate DND, allowing us to consolidate Aeroméxico franchises in the provision of transmitters and receivers in Puerto Vallarta. They are about to launch a package that allows us to cover the part of business, personal part and the tourism sector, for young people who like to travel and learn.

While the fast rate of Aeroméxico's international capacity expansion has impacted its yield and profitability it is likely these are only short term issues given how small its market share is. A 15% share for any flag carrier in its home market is miniscule. There are huge opportunities for Mexican airlines to improve their position in the international market. Aeroméxico in particular should benefit as it is Mexico's only full-service airline and only wide body operator.

Overall the group's market share in Mexico has been on the rise despite the intense competition with its LCC competitors. Emerging markets typically see full-service airline market shares steadily slide as LCCs expand. Mexico has been an exception with Aeroméxico steadily expanding its overall share of the Mexican market over the past 18 months.

The reforms currently announced by the President Peña Nieto, is welcomed by the members involved in tourism but want to emphasize the political part of state and local governments, because not only the federal government is the

rightful do all the work. The government must disseminate and speak well of our destinations, our products and our services. The tourism sector can be broader sector, the sector spear point to allow growth and development.

Juan Carlos Diaz Velazquez, CEO of Grupo Código and Aeroméxico Sky team, shares the different investments opportunities that Mexico and that the tourist sector have: **"We have a very big in the tourism sector in the Hotel, Restaurant and services industry opportunity. North American friends have a lot of vision for service delivery have quality control systems that may be useful in Mexico. If experience and monetary investment in our country combined, I can assure you in 2-3 years we could see a recovery of the economy of Mexico."**

"Mexico is the best choice because we are a growing country, we are a young country, right now we have Chinese investors, Japanese and North American for a big growth." cambiar a "Mexico is the best choice because we are a growing country, we are a young country and right now we have Chinese investors, Japanese and North American investors looking for a big growth" The Grupo Código has investors and partners, one is Chinese business Mexico and want to form an alliance with a company outside the United States to bring more investment and tourism to the country. We are a company that is focused on inbound tourism, we can offer one night of hotel to a private plane, beach walks, private vehicles and a wedding on the beach or town.



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Health Sector: Surf, Sand and Medical Tourism

Nowadays in Mexico we have a lot of potential in the health sector, but also there is a considerable demand on the health tourism sector. Initially we had this demand due to the operation costs in the area where they were more accessible and people traveled to the country to realize some procedure such as: plastic surgery and special treatments. In Mexico in medicine we have multiple lines and one that has been placed as one of the most important is the functional medicine, alternative and holistic therapies. In the US this type of medicine is very restricted, what generates a search there to other countries like Mexico. In Mexico medicine is ambiguous and has different techniques that are not prohibited and pursued on a wide acceptance and excellent response.

Mexico strives to be among the top destinations for health and wellness tourism in the world, and its close proximity and cost savings of up to and even over 50% for surgeries and medical procedures when compared to the same procedures in the US make it a popular destination indeed. It also boasts more than 100 certified hospitals by international standards of the Joint Commission International, alternative medicine such as hydrotherapy and thalassotherapy, amongst others. This led the government and private companies to invest during the review period in hospitals and hotels in main cities such as Monterrey, Puebla, Puerto Vallarta, Querétaro, San Luis Río Colorado, Riviera Maya, Tijuana and Mexico City. The purpose is to increase and improve infrastructure to offer high-quality services in order to attract more health and wellness tourism and increase its permanence in the country. Some of these projects are known as Health City or Medical City and include all services that patients and their families would need (accommodation, transportation and attractions, amongst others).

International visitors appreciate Mexican destinations for their diversity of experiences to every style of traveler. Tourists from all over the world who have visited Mexico, have also discovered that health care and medical treatments provided in our country comply with world class standards, high quality personal service and very competitive prices compared to those in countries such as the United States of America and Canada. National and international medical and health institutions have certified the infrastructure of hospitals and qualifications of healthcare professionals in Mexican medical destinations.

Patients around the world are traveling to Mexico to receive high quality treatments, particularly in orthopedic, cardiology, dental and plastic surgery procedures, which are

conducted at internationally accredited hospitals, equipped with the latest technology and staffed by medical professionals with different specialties and high experience and recognition.

Mexico has more than a dozen destinations specialized in medical tourism, where touristic providers join medical care of the highest quality to meet the fields of oncology, orthopedics, cardiology, general surgery, plastic surgery and gastroenterology.

The International Joint Commission has accredited 7 hospitals in our country. In turn, the Federal Ministry of Health has provided certification for 105 hospitals, 98 of which are equivalent to international standards.

Medical Tourism in Mexico is staffed by highly qualified doctors and nurses to provide care and service with worldwide quality through an extensive infrastructure with cutting-edge medical technology.

Medical checkups, preventive care, specialized surgery and the recovery process of our tourists, are promoted and monitored with warmth and professionalism of our service during your entire trip, making your stay comfortable and safe in our country. To complete the process in optimal conditions, we have the best conditions for total recovery: different climates by region, from warm to temperate, with healthy and regulated environments, hotels and touristic destinations internationally recognized for its diversity and appeal.

More than one million international retirees have chosen Mexican picturesque destinations for extended stays or permanent residence. Not only because of the beauty of Mexican landscapes, lakes, beaches and colonial cities, but also because of the infrastructure available: residences, villas, apartments and hotels, as well as clinics and hospitals. Mexico has a wide variety of properties, houses and assisted living facilities, at very competitive costs and with great benefits. Our first advocates as retirement destinations are precisely those retirees and their communities. We have often heard comments such as: **"We prefer Mexican destinations because of the friendliness of their people, great weather conditions, incomparable attractions and very tempting costs"**.

Medical professionals in Mexico are highly trained and up to date on specialty techniques in dentistry, ophthalmology and aesthetic treatments. They offer to their patients a wide variety of medical services in prevention, specialty and surgical procedures.

"Mexico: Your new destination for Medical Tourism in Latin America. Mexico's Health sector offers new techniques to restore and cure your health"



CHRISTINA LIMA DA COSTA
CEO MEDICA LIMA

Nowadays in Mexico has a lot of potential in the health sector, but also there is a considerable demand on the health tourism sector. Initially this demand was caught due to the operation costs in the area where they were more accessible and people traveled to the country to realize some procedure such as: plastic surgery and special treatments.

Mexico's medicine has multiple lines and one of the most important is the functional medicine, alternative and holistic therapies. In the US this type of medicine is very restricted, what generates a search there to other countries like Mexico.

In Mexico medicine is ambiguous and has different techniques that are not prohibited and pursued on a wide acceptance and excellent response.

The health sector in Mexico have experienced a

radical transformation in the last years. Some years back in Mexican people did not care about the welfare and health. Today there are different opportunities and new alternatives, Mexico currently offers different business from the health industry are taking advantage. Medica Lima Wellness Center, is a business that started in Monterrey, Mexico with innovating ideas.

Medica Lima Wellness Center is creating a comprehensive program that can turn around the health status of the patient, who is looking for a new alternative to heal thanks to allopathic medicine, this will reduce a symptom but it will never cure the disease. There are many natural alternatives to treat various diseases such as cancer or some others of the immune system and people show a special interest in our alternative since it is generally tired of going through so much aggression medication and body. Their main goal is to teach people through functional medicine how to prevent any kind of disease. Medica Lima Wellness Center has been growing positively and is considering the option to open a second and third center in Polanco and Miami.

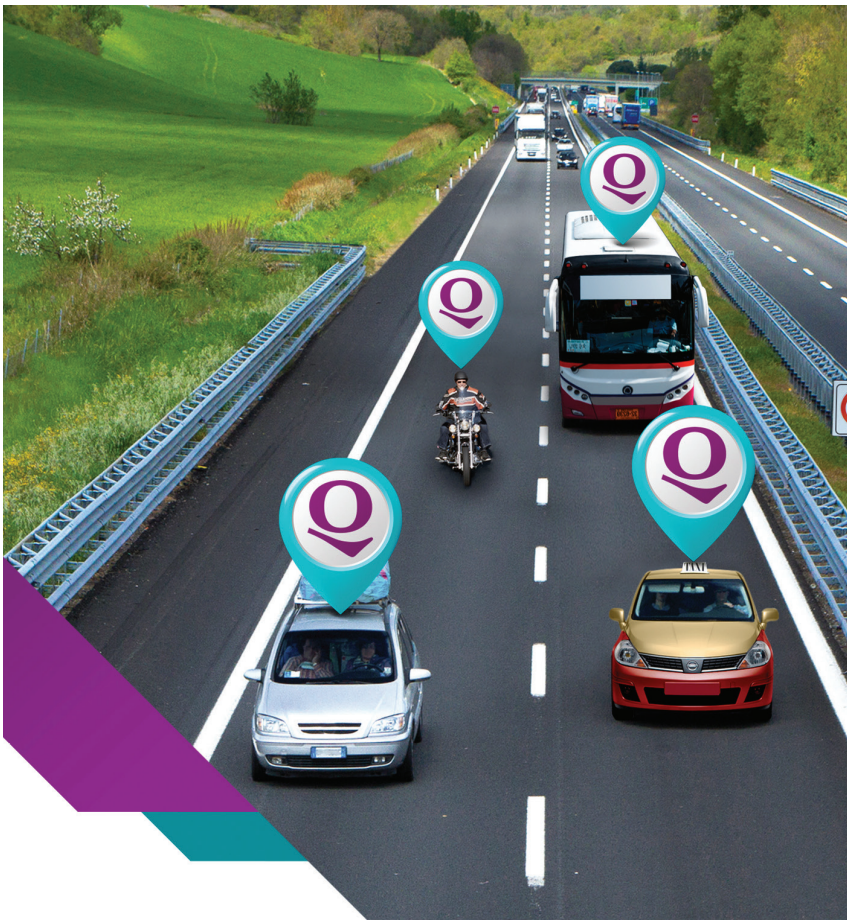
When they work with holistic medicine they go deeply into the patient's psychology: What is really going on in that person in life? It is not easy to have a fast growth, because the method cannot be played in an automated way, invaluable and spiritual people is required to connect with that patient and learn what that person is living or going through. In Polanco they are currently doing a Wellness Center combined with 4 people who have extensive experience in the Wellness industry, where will balance a comprehensive integrated power, diet changing habits, adapting to a new lifestyle and physical activity to generate a positive result.

The type of food will change according to the type of person and routine. If the patient is doing exercise or not, they need to check if is a person with arthritis or any degenerative disease.

They have been attending patients in Miami for over 2 years now and has grown so popular that with other business associates are opening a center where they will have the facility to offer the same services that offer in Mexico: esthetics with appliances edge and everything related to Functional Medicine.

Christina Lima Da Costa, Ceo Medicalima Wellness Center, shares her thoughts about how Mexico has potential in the health tourism and what it needs to be done in order to attract this type of tourism back to Mexico: **"We have to start first by the nutritional education. There is no sense for a person to undergo to an operation, or to a generic program of food and sessions if the person doesn't know how to eat. To learn how to eat you must go to a nutritionist, a specialist in custom cell power supply or with a coach to have a real and objective guide."**

Today Mexico is a country that has many people devote to teaching a healthy lifestyle and as a country it has everything in terms of agriculture, which is one of the main resources needed to start making food consciousness. As people become more aware of eating healthy will increase demand. Health tourism has grown so much in the part of detoxification programs and holistic medicine, because we have hotels, beach, woods, focused on providing these activities with trained staff where they mix the thousand and functional alternative medicine with a more affordable price than elsewhere."



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"The insurance for the automotive sector with a very positive vision for the future. Car sales will grow double and the opportunity to secure them will grow is as well in the upcoming years"

The private sector in Mexico plays an important role and is the engine that drives the country, being the main generator of jobs and investment. However, although the private sector is an engine of economic growth in Mexico this potential has not been properly used. Economic growth has been moderate and Mexico has remained in an average position regarding to the ranking of competitiveness WEF, standing again at position 60 of 134 countries, while other countries such as Brazil and Hungary have overtaken us.

The private sector in Mexico is a strong, operational and vigorous sector. I think we need certain laws such as the anti-corruption law that undoubtedly will be helpful and make things better. It is very difficult for a country to grow when things do not run well. At the end if we want things to change and improve in the country we must end corruption.

Quálitas is specialized in car insurance, with geographical coverage in the national Mexican territory. Mexico's Quálitas operates as a mono line insurer specializing in auto insurance products. Founded in 1993, the firm started commercial operations in 1994 and currently operates 165 branches in every single Mexican state.

The insurance sector is very difficult sector, especially when you need to invent something because almost is everything done. Quálitas is in an industry that is very mature and to cause substantive changes or differences is very difficult. The company assures to agreed values and not to market values in order to let the clients know how much value their cars have and when something happens, avoid discussions. They are always looking to have competitive advantages for their product, in the operation, to make it is easy to work with them and have the tools to be more efficient.

Quálitas has a very positive vision for the future, and are very optimistic for several reasons. First of all, only 29% of the cars circulating in the country are insured, meaning that they have 70% more to secure. The opportunity to enter to that missing market is a reality, something important



JOAQUIN-BROCKMAN
FOUNDER AND CEO QUÁLITAS

is that Mexico is a young country, where the average age of Mexicans is 28-29 years old and we have a critical mass of people working that aims to buy a car.

Car sales will grow double and the opportunity to secure them will grow as well in the upcoming years.

Mr. Joaquin Brockman, Founder and Chairman of the Board of Quálitas, express his thoughts about the importance of social responsibility and how Quálitas contribute with the growth of the country: **"For us this has been a very important part, we have a committee that is dedicated exclusively to developing this area. We are of much help to our employees but also we want to be an environmentally responsible company, maximize the natural resources such as rainwater that falls on our buildings and save energy. Something we have very clear is that we must show solidarity with our people and support them when they have an emergency."**

What I look for in people is people who wants to progress, people that really have a desire to make things go better. People that are willing to work longer hours and do it without complaining and with the desire to grow and progress."

President Enrique Peña Nieto with these new reforms intended to boost the national economy and generate economic competition. All reforms have a positive effect on the economy of the country. Although the reform that will generate a greater benefit is the energy one. In this country the energy and oil have been owned by the state. Finally this is a step that had to be done, there is no country in the world where they can have efficient monopolies.

In the country we have the equipment and we have the gear but we need in the country the oil and oil is the element that makes all the rules work properly, that makes justice work, to have good infrastructure and the have a more competitive country.

United States of America is the largest foreign investor in Mexico, representing more than half of all foreign direct investment (56%). The great fortune of Mexico, is having the US as neighbor who is a very important asset and we have to take advantage of it.

The United States is the world's largest market and having it close definitely is a huge advantage. Today it is Mexico's most important market and will remain so for many years. Opportunities for American investors there are in almost all sectors.

Mexico is a great country to invest in a long term, a stable economy that has been steadily growing in recent years. If we want this growth to continue we must solve the problems of insecurity. If we solve this Mexico will become a better country, bigger and its economy will grow strongly.

Quálitas is the first specialist insurance company in the automotive sector and they are a company with a deeply culture of service and that's why Quálitas is the company that provides the best service and the best personalized attention.

Energy reform: Mexico's Newest Revolution to Build a New Country

The electricity sector is federally owned, with the Federal Electricity Commission (CFE) essentially controlling the whole sector; private participation and foreign companies are allowed to operate in the country only through specific service contracts. Attempts to reform the sector have traditionally faced strong political and social resistance in Mexico, where subsidies for residential consumers absorb substantial fiscal resources.

The electricity sector in Mexico relies heavily on thermal sources (75% of total installed capacity), followed by hydropower generation (19%). Although exploitation of solar, wind, and biomass resources has a large potential, geothermal energy is the only renewable source (excluding hydropower) with a significant contribution to the energy mix (2% of total generation capacity). Expansion plans for the period 2006-2015 estimate the addition of some 14.8 GW of new generation capacity by the public sector, with a predominance of combined cycles.

Mexico's historic energy reform is completely restructuring the Mexican energy sector, opening the oil & gas industry to private participation, revamping the electricity sector, and generating numerous opportunities across the entire energy sector. Driven by the need to support expanded oil and gas production, supply gas to new power plants, and deliver more affordable electricity, the reform also presents important investment opportunities for new entrants and industry stakeholders.

Mexico is undertaking a complete transformation of its energy sector. In December 2013, Mexico's Congress approved a series of constitutional amendments that will end the 75-year state oil monopoly and open oil and gas exploration and production to foreign investment. Just last August, Mexico's Congress approved secondary legislation implementing the necessary reforms for the liberalization of the energy sector (the Secondary Legislation).

The energy reforms transform Pemex into a "productive state enterprise" with more autonomy and a lower tax burden than before, but make it subject to competition with private investors. They create different types of contracts for private companies interested in investing in Mexico, including production-sharing and licensing; allow companies to post reserves for accounting purposes; establish a sovereign wealth fund; and create new regulators.

The impetus for Mexico's energy reform is clear: the government seeks private investment to boost oil and gas exploration and production, which have been in decline for the past 10 years. In particular, the government hopes that private investors will assist the state-owned petroleum company PEMEX to exploit future fields, including Mexico's promising shale oil and gas fields and its deep-water oil resources.

The opening of Mexico's oil and natural gas sector could expand U.S.-Mexico energy trade and provide

opportunities for U.S. companies involved in the hydrocarbons sector, as well as infrastructure and other oil field services. The electricity sector is federally owned, with the Federal Electricity Commission (CFE) essentially controlling the whole sector; private participation and foreign companies are allowed to operate in the country only through specific service contracts. Attempts to reform the sector have traditionally faced strong political and social resistance in Mexico, where subsidies for residential consumers absorb substantial fiscal resources.

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Contributing to Mexico's Economic Growth



MR. JAUN CARLOS TAPIA VARGAS
CEO CONSTRUCCIONES INDUSTRIALES TAPIA

México is one of the most competitive countries in the world for productive investment due to its macroeconomic and political stability, low inflation, size and strength of its domestic market, economic growth rate and capacity to produce advanced manufacturing (high-tech products).

Mexico is an open economy that guarantees access to international markets through a network of free trade agreements. The country boasts a strategic geographic location and competitive costs to service global markets. It also has an important pool of young and highly-skilled human capital.

Moreover, Mexico's commercial openness has benefited Mexicans by both creating jobs, and promoting their products and services in international markets. Mexico's industrial sector has also benefited from the free trade and economic complementarity agreements the country has signed in recent years.

At present, Mexico offers countless opportunities thanks to the commitment of President Enrique Peña Nieto's government to promote reforms that foster the country's economic outlook. For this reason, the government has set five major goals: to have a peaceful, inclusive, well-educated, prosperous and globally-responsible Mexico.

This is Mexico's moment. The country has a historic opportunity to undertake a profound national transformation to help trigger its integral development in the coming decades. Within this context, the conditions are set to transform and move Mexico forward, towards a future that is ripe with opportunities.

Grupo Industrial Tapia is a 100% Mexican company that for many years has been contributing to the growth of the Mexican economy. The private sector in Mexico plays an important role and is the engine that drives the country, since it is the main generator of jobs and investment. The real growth is for both national and for foreign companies, because reforms are being totally partial due to the basic need that has been marked in Mexico to have contact with technology, innovation, engineering and investment.

It's a snap to move forward with the country, definitely Grupo Industrial Tapia needs certain sectors to have a sustained growth in the national economy and without doubt, energy is one of the most important sectors. Grupo Industrial Tapia is preparing themselves as a Mexican company, innovating and strengthening to give the service Mexico requires. They support these national and foreign companies that have

a skilled workforce and good service. In fact they are ready to create synergies with them and this is the way to reach a sustainable growth in the Mexican private sector.

Grupo Industrial Tapia is a construction company that began in 1997 with four machines. Today they drove approximately four thousand workers, they have a strong commitment to support the community and society, supporting young people and the growth of my country, the people, the state and family.

Grupo Industrial Tapia focus on the execution of industrial projects for the energy sector, projects of high quality, safety and importance. They are key projects that are required to further advance in the development of Mexico. For those projects, preparation is needed, discipline and to be a responsible and committed company.

All companies of the world could come and work with Grupo Industrial Tapia. They like to work with prestigious and respectful companies. They provide to their clients, high capacity of production in our more than 495,000m² that they own in their warehouses for each of their projects. They currently have workshops in Hidalgo and Veracruz and they are leaders in the execution of industrial projects in the energy and oil and gas sector. They have a range of services cover from engineering workshop, manufacture and assembly of steel structure, enabled and pipe installation, steel fabrication work, corrosion and thermal coatings, manufacture of pressure vessels, maintenance work teams and tanks among others. All of their projects are implemented in adherence to specifications and contractual terms, codes, rules and procedures of our quality system.

Mr. Juan Carlos Vargas Tapia, Managing Director of Grupo Industrial Tapia, talks about the importance of being a socially responsible and sustainable company and how they contribute to the growth of Mexico: "Nowadays both unions and mayors are in search of young people that don't study and do not work, in order to help them get their papers and start training them to reduce crime and poverty. Moreover we are preparing for mobile trainings, we

are present in several indigenous towns of Mexico in the state of Hidalgo and Estado de México. We have 60 mobile units to begin the training. We always have been participating with donations in educational institutions at all levels, sports units, training young people for their first job, Mexican red cross, Telethon, churches of all religions, health Centers, playgrounds, foundations and social work at the municipalities of the region."

In terms of the reforms, it was something that México had been seeking for many years. The reforms will provide great benefits to the private sector because in some sectors monopolies are being destroyed and with this action it will increase competitiveness in the country and a more diversified growth in all sectors. However until they really start implementing these reforms, we will feel this positive effect. For example the shoemaker, the automotive industry and all sectors in México, will be more competitive because we will have competitive power, competitive gas, diesel and competitive gasoline. All domestic producers will be more competitive nationally and internationally.

Mr. Juan Carlos Vargas Tapia describes what the top priorities are right now and the different challenges they face as Grupo Industrial Tapia: "The main objectives or priorities is to work together with the companies, chambers and the federal government. To start to train our youth and educate them as they will be the future of the country. We would like to bring them the opportunity to have a degree. For example the industrial builder engineering degree, in which the next year we will have the first engineering graduates. We are training them with the Technological University to come to work safely and reliably. We are doing these projects with the goal of having quality work force available in the future. The challenges are the same: education and social equality. Educating today's youth as they will be the country's future. The vision for our group is to continue growing, diversifying in some sectors, innovate and continue to serve the country with the best quality, qualified human resources and service."



CONSTRUCCIONES INDUSTRIALES

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“Our focus is our Human Capital and our Guests Experience”.

Best Family Owned Hotel in Puerto Rico; CasaBlanca, located in Old San Juan and owned by Economist and Aerospace Engineer, Joyce and Rafael, has made its way to the big leagues. Voted #6 on TripAdvisor out of 45 Hotels in San Juan, Puerto Rico for three consecutive years! We have asked them what is their secret? **“...our focus is our human capital and our guests’ experience”** said Joyce.

Plans never end at CasaBlanca, they are currently installing a panoramic elevator that overlooks the San Cristobal Fort and have plans to add more than 20 rooms for 2016. This expansion will also include event space for weddings and meetings of up to 100 guests. The location is in the heart of Old San Juan where you can enjoy from many local restaurants and attractions all walking distance. Also in the area is Villa Herencia Hotel a magnificent Villa with eight rooms which they manage since late 2014. And their newest acquisition is The Wave Hotel opening in March 2016 in the area of Condado near the beach with more than 40 guest rooms. **“We wish for our guests to share their stays between two amazing locations and have an all-around experience with the best hospitality service we offer”** said Joyce.

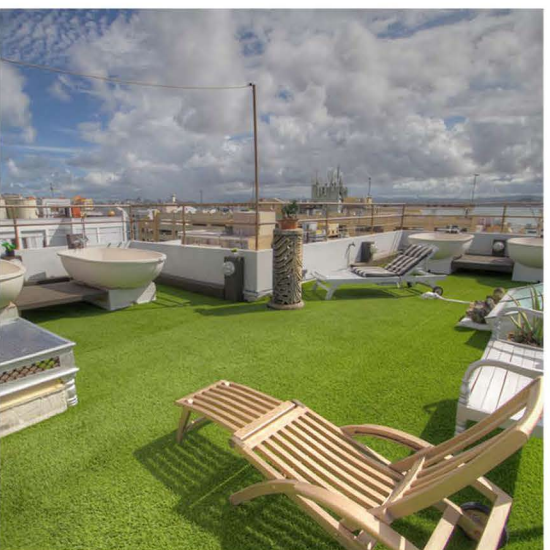
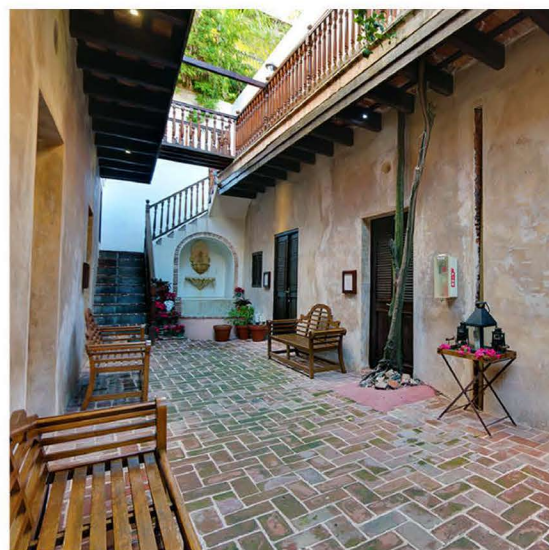
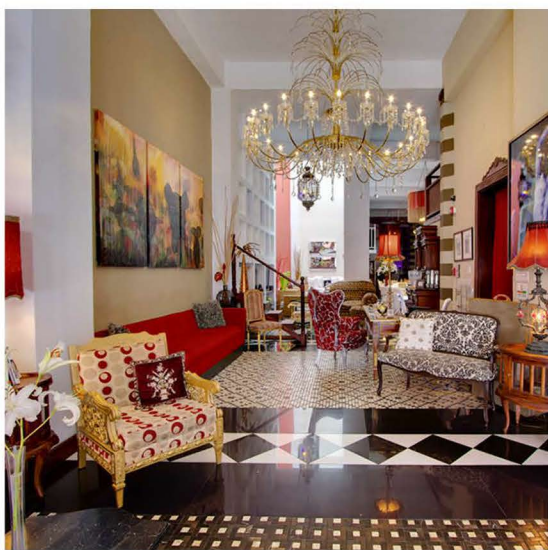
This couple has applied standard economics theory to optimize their prices and engineering strategies to optimize their operations, the result, a highly efficient Company called SOFO Hotels LLC that hosts over 25,000 guests since early 2013 with CasaBlanca alone and sustains more than 35 local families. **“We do not believe in low season layoffs, keeping our employees all year round was the first goal of our organization”** said Joyce, and she continued: **“We learned that low season was created by a lack of market share in our tourism from other countries. Currently the U.S. represented 85% of our customer base. We have seen a steady diversification of tourism since 2015 by great efforts of the Tourism Company of Puerto Rico along with new airport and cruise operators increasing for example, direct flights to new destinations like Mexico and Norway. Efforts like this should be of major focus from our Government as tourism could represent a much higher share of our GDP.”**

“With the recent inauguration of Pier 4, for larger cruise ships we have seen an increase of at least 15% in new passengers in 2014-2015” added Rafael. He continued, **“there is great potential for tourism in the Island to attract new investors as there is so much yet to be done, not just in this sector, but also in others like agriculture and manufacture. Puerto Rico used to be one of the largest sugar cane exporters of the World. The proximity, opportunity and beauty allows for a perfect combination of business and pleasure”**

Of all the Islands and Countries in the World, why Puerto Rico? **“It is safe, hospitable like no other place on Earth, truly a natural wonder and easy to travel to”** said Joyce. Well now book your flight to Puerto Rico and be ready to enjoy a relaxing vacation. Don't forget CasaBlanca Hotel, this themed concept is a great option for you, be sure to ask for this lovely couple while there and enjoy! Safe travels.



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