Ultrapar Participações S.A.

Investors Annual Meeting

Comments on the company's 3Q16 / 9M16 performance and outlook

11.11.2016



Considerations

Forward-looking statements

- ✓ This document may include "forward-looking statements" within the meaning of the "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as "anticipate," "believe," "expect," "estimate," "plan," "outlook," "project" and other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. Investors are cautioned that such forward-looking statements with respect to revenues, earnings, performance, strategies, prospects and other aspects of the business of Ultrapar Participações S.A. ("Ultrapar") are based on current expectations that are subject to risks and uncertainties that could cause actual results or outcomes to differ materially from those indicated by such forward-looking statements. Ultrapar is under no obligation to (and expressly disclaims any such obligation to) update or alter its forward-looking statements whether as a result of new information, future events or otherwise. For this reason, readers should not place undue emphasis on these forward-looking statements.

Standards and criteria adopted in preparing the information

- ✓ The financial information presented in this document has been prepared according to International Financial Reporting Standards (IFRS). The financial information of Ultrapar corresponds to the company's consolidated information. The financial information of Ipiranga, Oxiteno, Ultragaz, Ultracargo and Extrafarma is reported without elimination of intercompany transactions. Therefore, the sum of such information may not correspond to the consolidated financial information of Ultrapar. In addition, the financial and operational information presented in this document is subject to rounding off and, consequently, the total amounts presented in the tables and charts may differ from the direct sum of the amounts that precede them.

- ✓ EBITDA — Earnings Before Interest, Taxes, Depreciation and Amortization, and EBIT— Earnings Before Interest and Taxes, are presented in accordance with CVM Instruction No. 527, issued by CVM on October 4, 2012.

Agenda

- Ultrapar and strategy of its businesses.....p.06
- Performance.....p.13
- Outlook and priorities.....p.20

Ultrapar – Multi-business company



- ✓ **2nd largest fuel distributor** in Brazil
- ✓ 7,394 service stations
- ✓ **Largest convenience store network** in Brazil



- ✓ **Leader** in **specialty chemicals** derived from ethylene oxide in Latin America
- ✓ 12 production facilities in 5 countries



- ✓ **The largest LPG distributor** in Brazil
- ✓ Network of 5 thousand independent resellers
- ✓ 11 million households attended
- ✓ 55 thousand customers in the bulk segment



- ✓ **The largest provider of storage for liquid bulk** in Brazil
- ✓ 6 terminals located in the main Brazilian ports
- ✓ 630 thousand m³ of storage capacity



- ✓ **Sixth largest drugstore chain in Brazil**
- ✓ 293 stores in 10 different states
- ✓ 2 distribution centers
- ✓ **Leadership** in NO and NE regions

Ultrapar is the **4th largest Brazilian group** in terms of revenues[1]

15 thousand employees

Market capitalization of **R$ 40 billion**

[1] Source: Valor 1000 September 2016 edition

Ultrapar – Our investments and results were leveraged by the attributes of our businesses



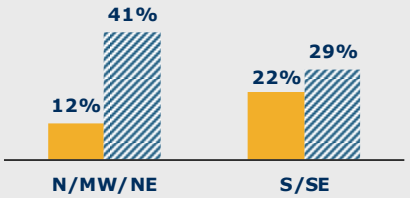
Corporate governance designed to sustainable value creation

Ultrapar and strategy of its businesses

Ipiranga – Constant investments in the service station network and logistics infrastructure

Investments to capture the market growth potential, focused on N/MW/NE regions...

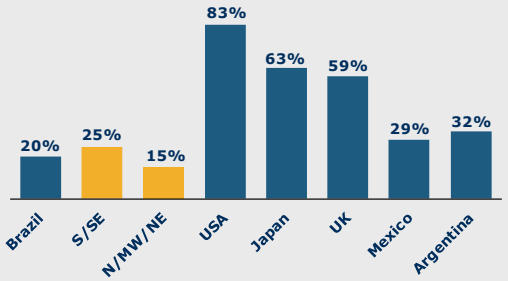
% of unbranded service stations vs. Ipiranga's



Ipiranga

Unbranded service stations

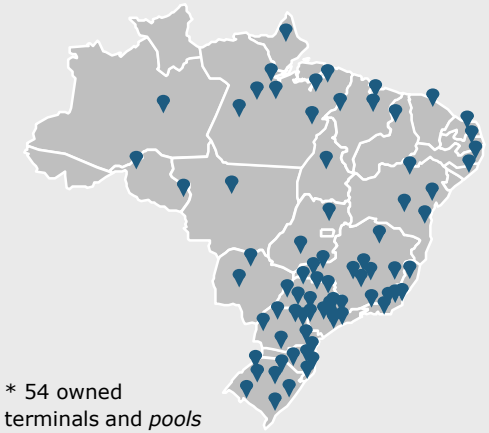
Car penetration by country (as a % of population)



14,000 (34%) service stations in Brazil
27% of total sales volume

Source: Sindicom's 2016 Annual Report and ANFAVEA's 2016 Annual Report

...and on the expansion of the logistics infrastructure

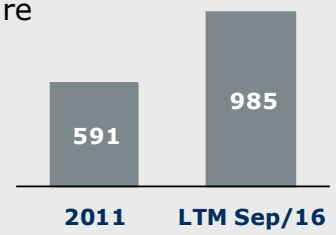


* 54 owned terminals and *pools*

- ✓ **79 logistics facilities*** across Brazil
- ✓ **R$ 600 million** CAPEX for expansion and construction of terminals since 2011

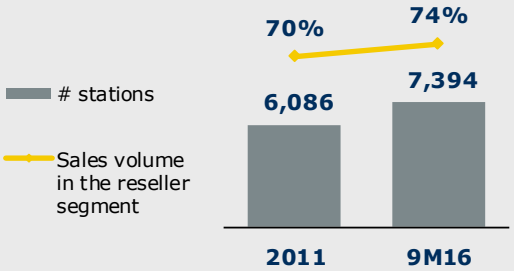
...resulted in the company's growth

1 Investment in the service station network and logistics infrastructure



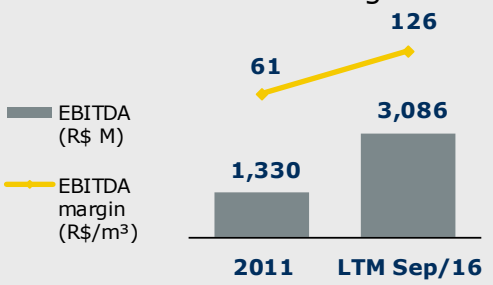
CAGR 11%

2 Growth in the number of service stations and sales mix



CAGR # stations 4%

3 EBITDA and EBITDA margin



CAGR margin 16%

CAGR EBITDA 18%

4 Future inorganic growth: Ale and JV with Chevron in lubricants

Ipiranga – Differentiation in convenience and services

Diversification of products and services at Ipiranga service stations, with constant innovation

- ✓ 2,007 stores
- ✓ 602 bakeries
- ✓ 308 Beer Cave
- ✓ 4 DCs in operation

Brazil's largest loyalty program

- ✓ ~23 million members

JV with Itaú

- ✓ 765 thousand tags

- ✓ 1,262 franchises
- ✓ 249 Jet Oil Motos

Reduced environmental impacts and costs

- ✓ 1,179 stations

As of Sep/16

Strongest brand in the fuel market[1]

- Relationship with resellers and final customers
  - ✓ *Clube do Milhão* } Incentive programs
  - ✓ *Clube VIP* }
  - ✓ *Km de Vantagens*, loyalty program

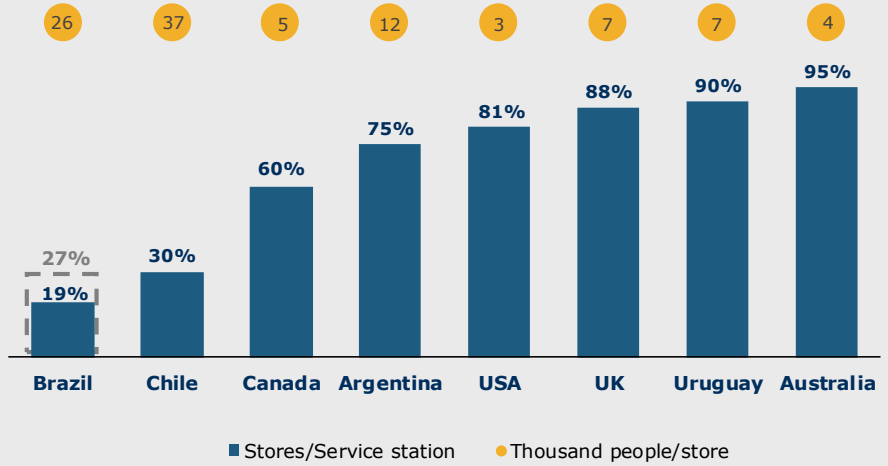


- Marketing campaigns
  - ✓ "Ask at the Ipiranga's service station"
  - ✓ Marketing plan
- Novelties
  - ✓ "Abastece Aí" app
  - ✓ DT Clean premium gasoline



[1] Source: Valor Econômico, January, 18, 2016 (CVA Solutions consultants)

Convenience stores penetration



am/pm is the **largest** convenience store network in Brazil present in 27% of Ipiranga's service stations

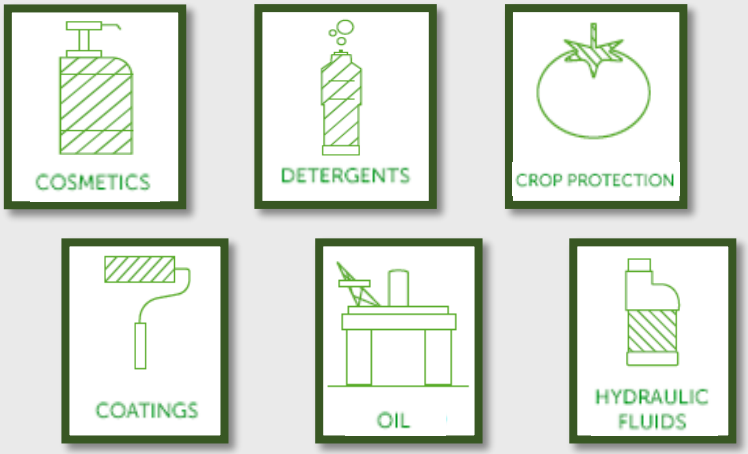
Source: Sindicom's 2016 Annual Report

Oxiteno – Investments in innovation and international expansion to strengthen the company

Leadership position

- **Sole producer** of ethylene oxide in Brazil and oleo-chemicals in Latin America, with production capacity ahead of domestic demand
- Deep knowledge of **surfactants technology**
- **Scale** comparable to the largest players in the world
  - ✓ **3rd largest ethoxylation company in the world**
  - ✓ Camaçari unit: one of the world's largest producer of ethylene oxide

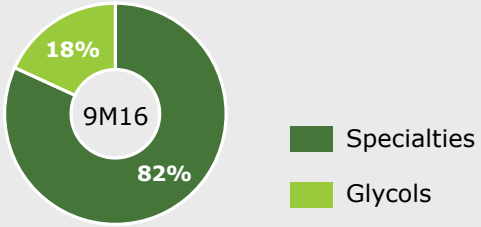
Wide presence in several segments of the economy



Strategy

- Differentiation in **technology and innovation**
  - ✓ ~80 new products launched in the last 3 years
  - ✓ 4 R&D centers
- Strong **production capacity expansion** cycle made between 2007 and 2011
- Focus on higher **value-added products**

Sales Mix



Investments in the U.S.

- Diversification of feedstock base
- More competitive costs
- Access to the world's largest ethoxylates market
- Beginning of pre-marketing sales
- After ramp up: 10-15% of Oxiteno's EBITDA

Ultragaz – Differentiation through commercial initiatives

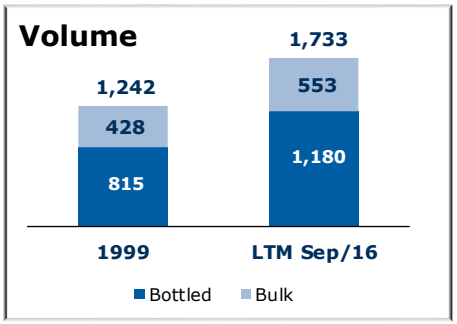
79 years of tradition and commitment to the market

- Pioneer in the Brazilian LPG market
- Excellence in services provided
- Close relationship with costumers

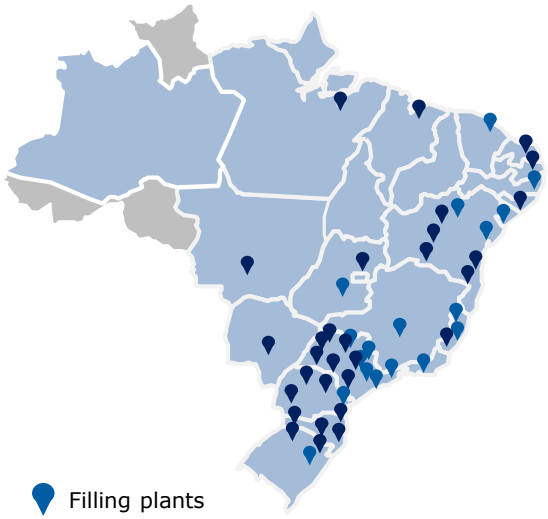
Expanding scale, geographical coverage and capillarity

4.9 thousand resellers

>55 thousand customers in the bulk segment



Geographical footprint



Focus on services differentiation, boosted by Ultra partnerships

Bottled

UltraTop

- ✓ Sales team training program
- ✓ 5.2 thousand registered salespersons

Ultragaz Connect

- ✓ App for the costumer
- ✓ 100 thousand downloads

E-Vale

- ✓ Supermarkets as a sales channel of LGP bottled
- ✓ ~800 thousand vouchers sold per year

Ultra synergies

- ✓ Loyalty program: KMV
- ✓ Integrated store: Ultragaz and Extrafarma (CE)
- ✓ Vouchers sold in pharmacies

Bulk

- Digital intelligence in new clients prospecting
- Ultrapronto: 1/3 of time reduction in the installation process
  - ✓ ~500 new installations in 2016
- Diversification: solutions for different uses of LPG
  - ✓ Synergies among Ultra's businesses: car wash at Ipiranga service stations
  - ✓ Asphalt producers

As of Sep/16

Ultracargo – Strengthen port operations of bulk terminals

Competitive advantages

1 The largest provider of storage for liquid bulk in Brazil

2 Operational excellence

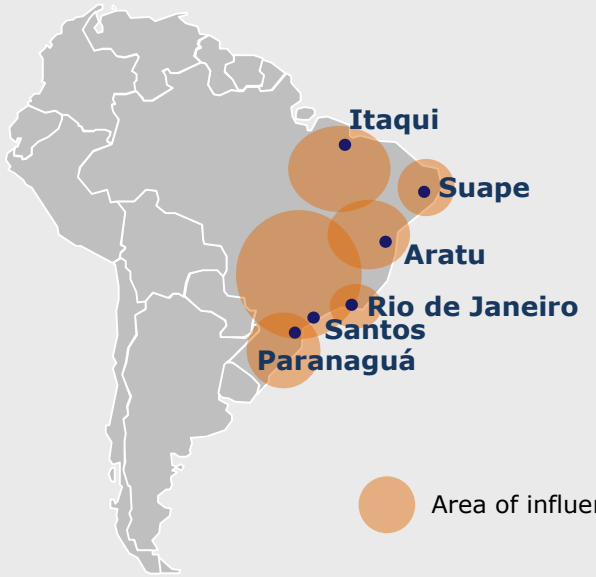
- ✓ Flexibility
- ✓ Agility
- ✓ Quality

3 Strategic Focus

- ✓ **Increase scale**
- ✓ **Expand geographical coverage**

Positioning in strategic locations

- ✓ Storage capacity of 630 thousand m³
- ✓ Handling of liquid bulk ~5.5 million ton in Sep/16 LTM
  - 41% of chemicals/corrosives
  - 45% of fuels
- ✓ Presence in the main Brazilian ports



Port of Santos

- ✓ The largest handling port in Latin America
- ✓ Approximately 30% of Brazilian exports and imports

Port of Aratu

- ✓ Approximately 60% of all cargo handled in maritime modal in Bahia
- ✓ Serves the petrochemical Camaçari complex

Port of Itaqui

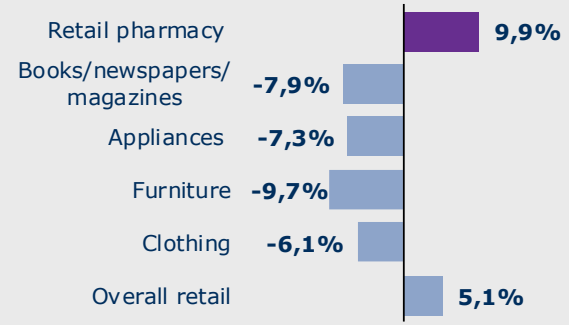
- ✓ Third largest Brazilian port in handling of liquid bulk, with approximately 15% share

Source: Brazilian Ministery of Foreign Trade and ABTL

Extrafarma – Initiatives in retail pharmacy management and accelerated stores opening

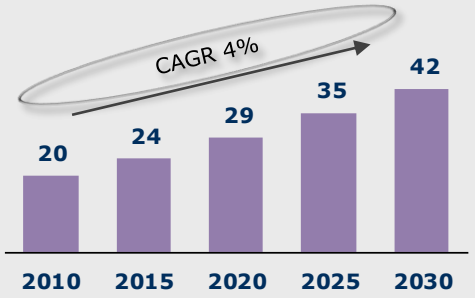
Network expansion in a market with high growth potential

High market growth – Revenues
(9M16 vs. 9M15)

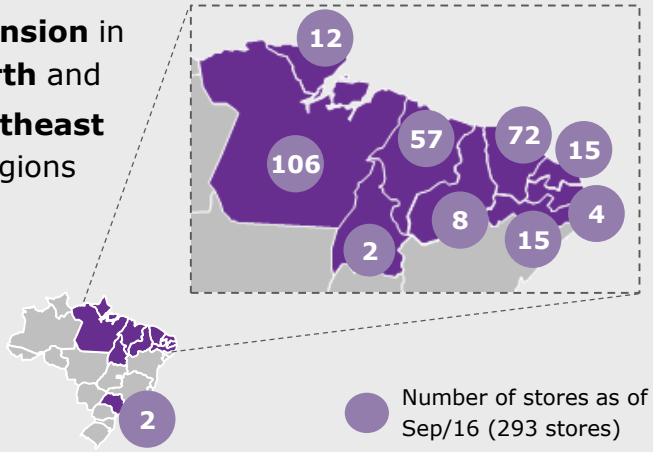


Source: IBGE

Aging population
in millions of people >60 years old



Expansion in **North** and **Northeast** regions



Number of stores as of Sep/16 (293 stores)

Initiatives to raise stores quality standards

Launch of the **new brand** and **new** stores **model**







clubeextrafarma

- ✓ Customer receptiveness
- ✓ Cost reduction
- ✓ Partnership opportunities with the industry

Category management









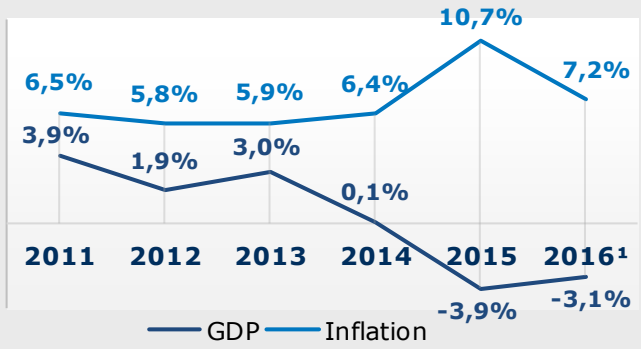
¹ Over the Counter Medicines

Performance

Ultrapar – Track record through different economic cycles

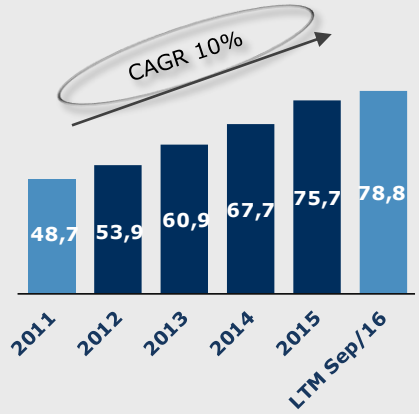
Earnings growth in different macroeconomic scenarios

GDP and inflation rates

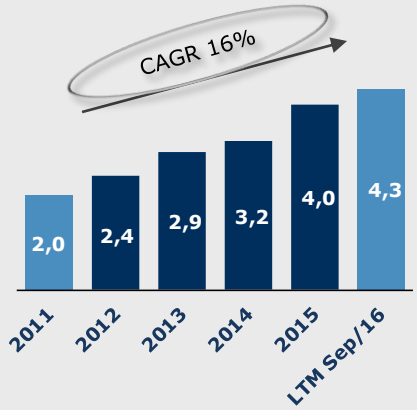


Source: Brazil Central Bank
¹ Focus report projection, as of Sep/16

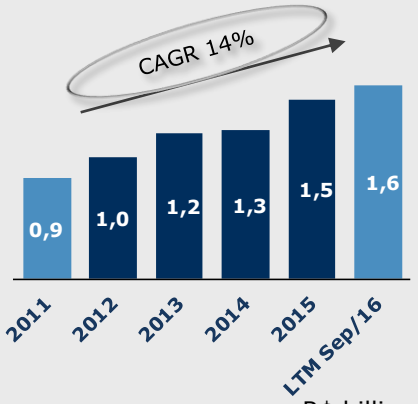
Revenue



EBITDA



Net earnings



R$ billion

Strong performance of Ultrapar's shares since the IPO...

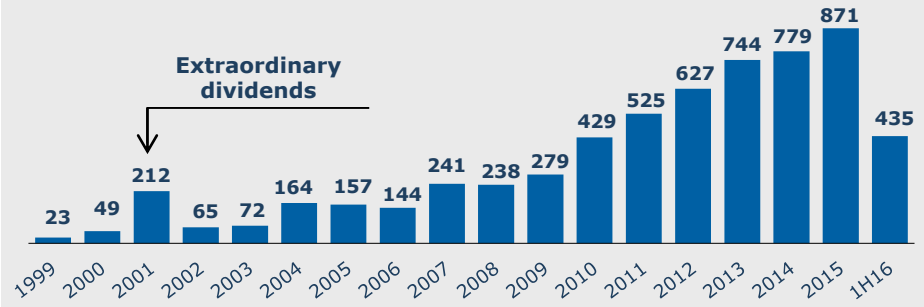
CAGR 1999 – LTM Sep/16

22%aa	Ultrapar shares, with dividends reinvested
10%aa	Ibovespa
14%aa	Average interest rate in the period - CDI

...with growing dividends

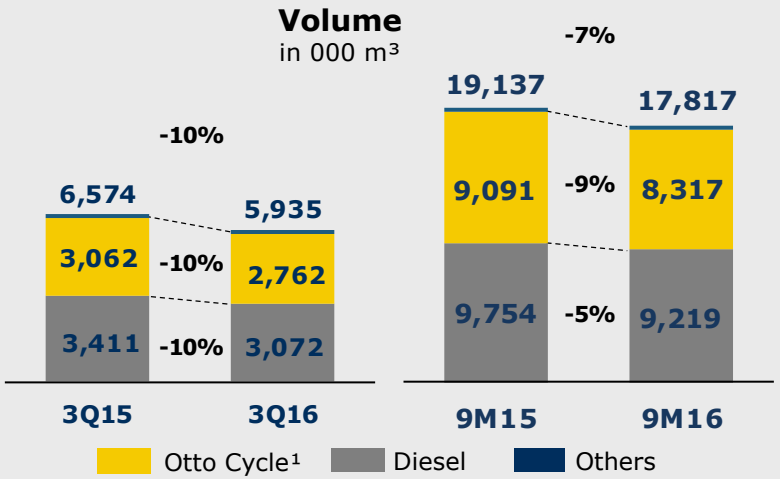
Dividends

R$ million

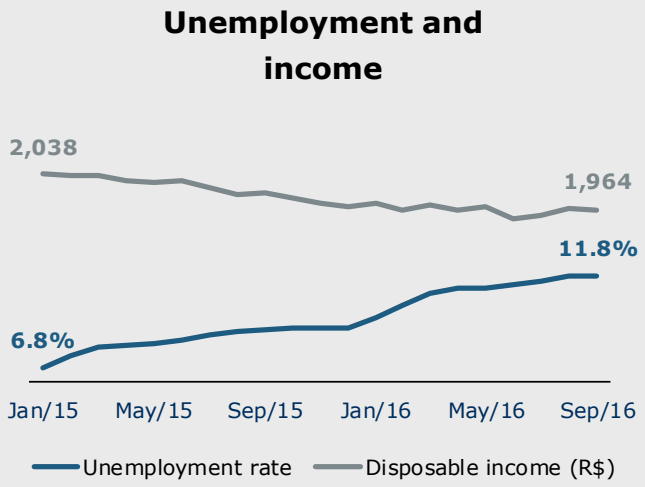


Ipiranga – 3Q16 and 9M16 performance

Effect of the current recessive scenario still impacting volumes...



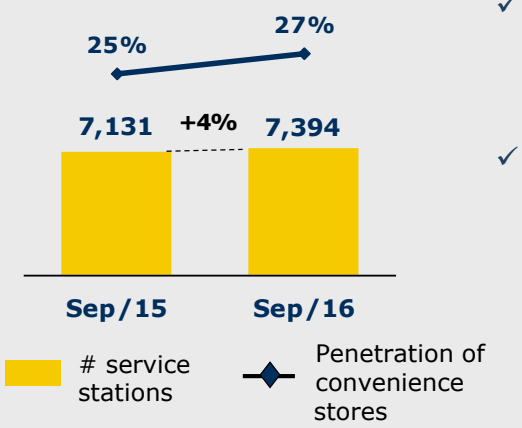
¹ Gasoline, ethanol and NGV



Source: IBGE

- ✓ Worsening of **unemployment rates**
- ✓ **Fuel prices** versus **disposable income** relation worsened the scenario
- ✓ Strong **recession in Brazil**
- ✓ Imports by independents

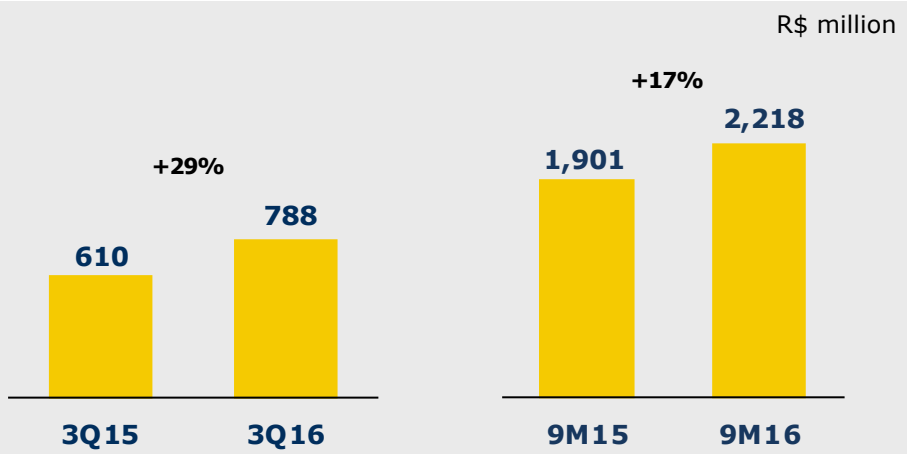
...but with continuous investments in the network



- ✓ Investments to **expand and strengthen** the service station network
- ✓ Increased **flow, customer satisfaction and loyalty**

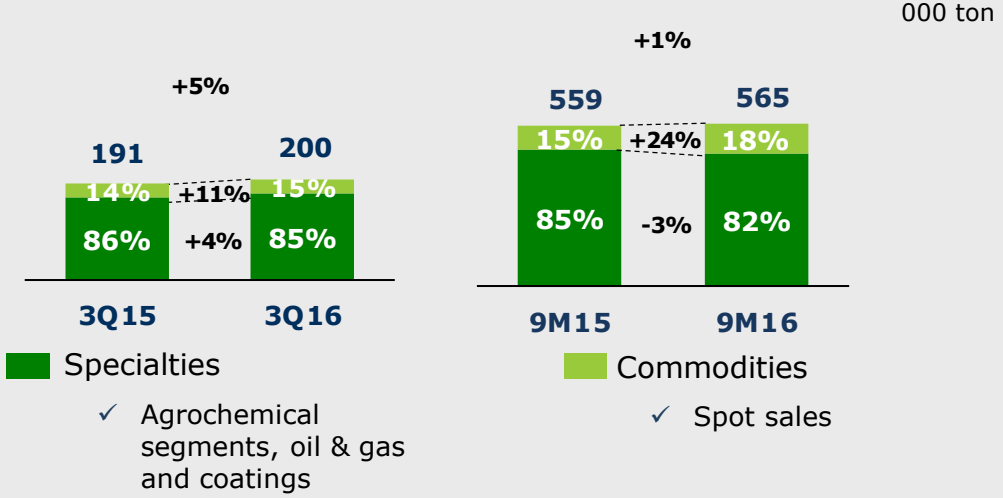
"Ask at the Ipiranga service station"

EBITDA

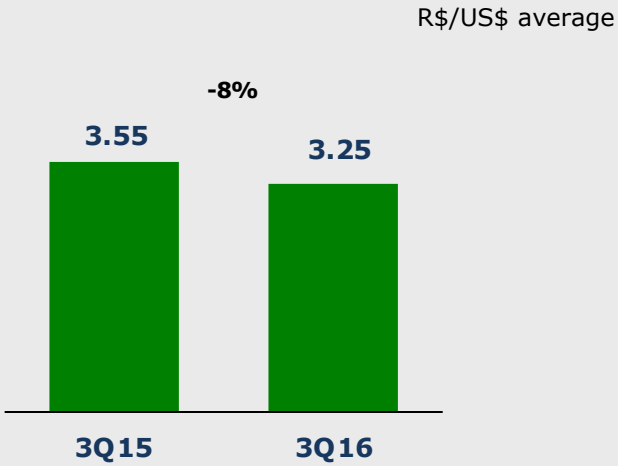


Oxiteno – 3Q16 and 9M16 performance

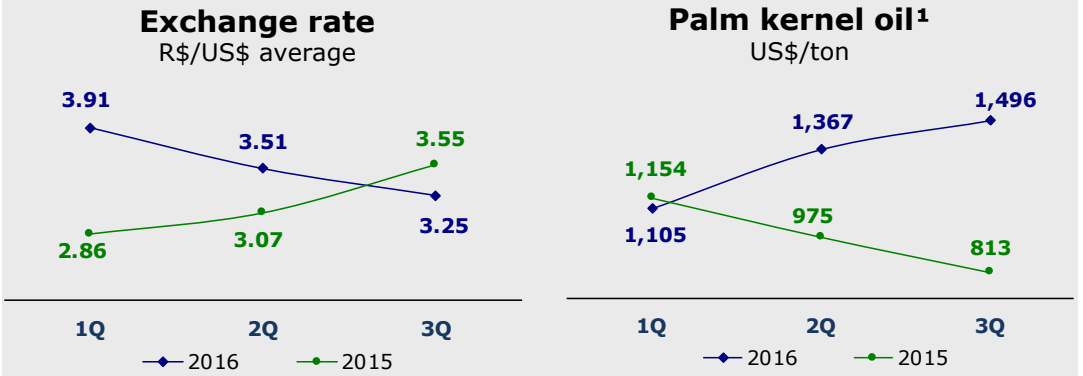
Volume growth indicating a possible stabilization and gradual recovery of the Brazilian economy



Stronger BRL

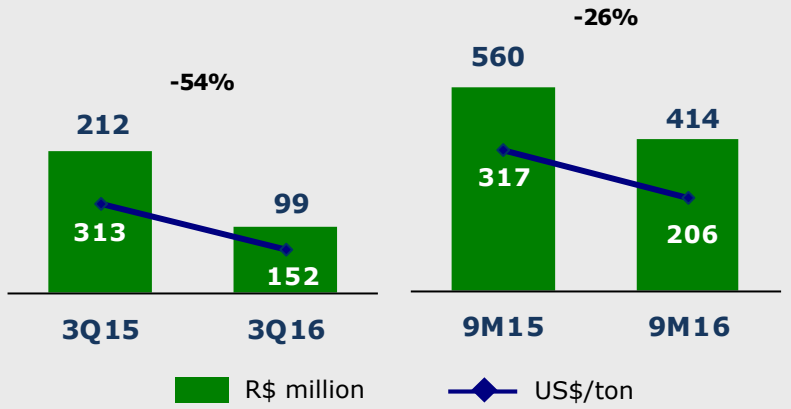


Opposite trends of exchange rates and costs of raw materials



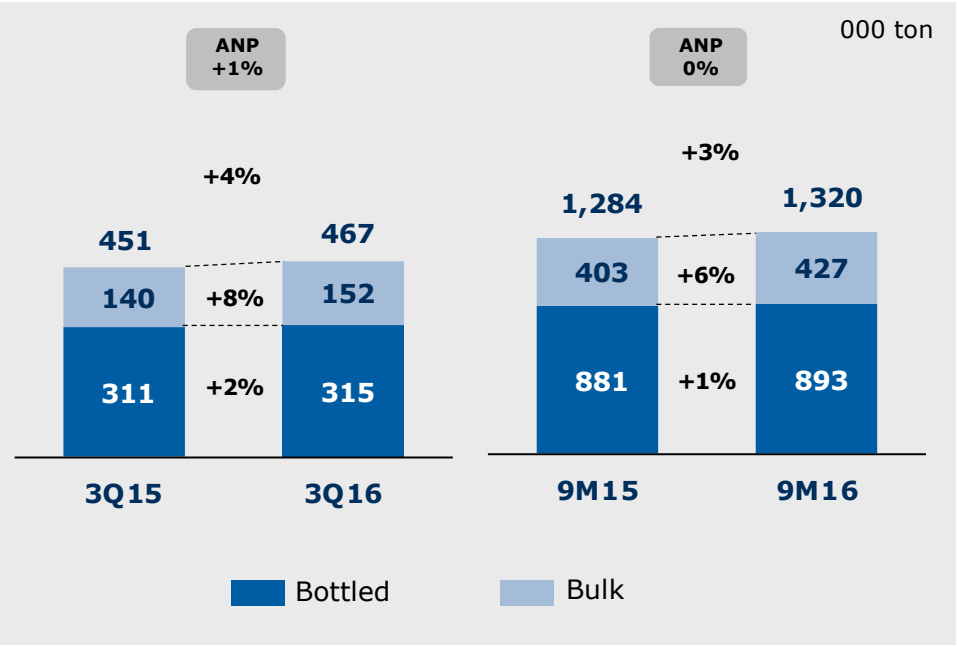
¹ Source: Malaysian Palm Oil Board

EBITDA

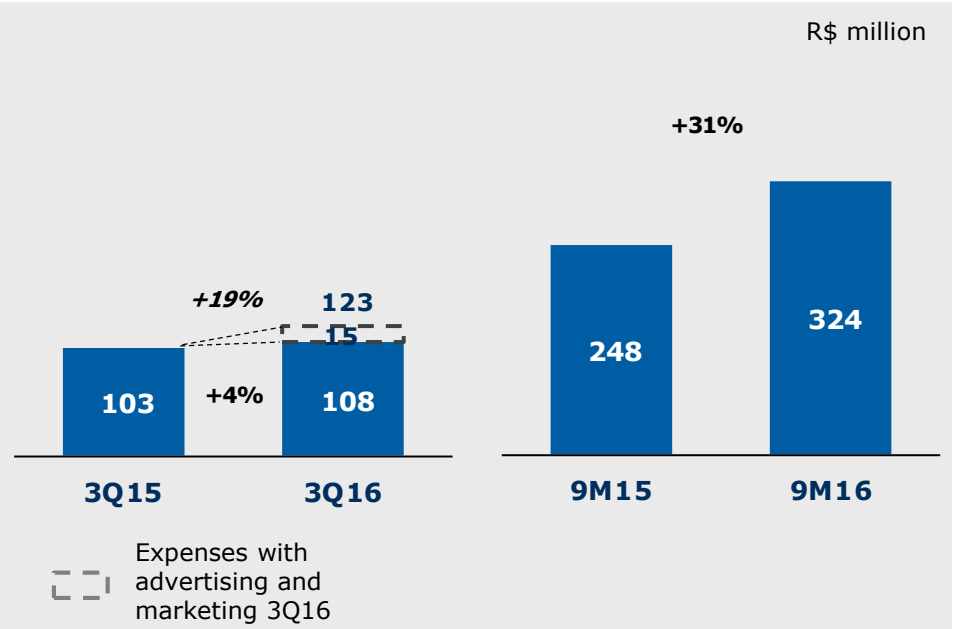


Ultragaz – 3Q16 and 9M16 performance

Volume



EBITDA



Volume

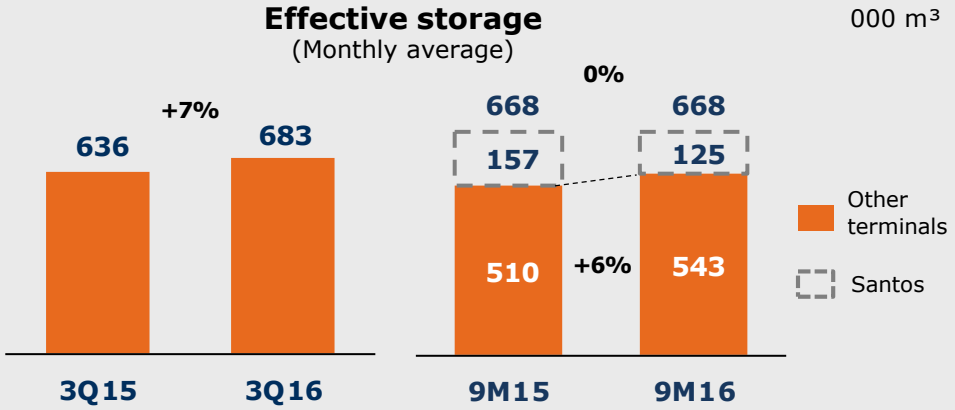
- Bulk: new industrial customers and small- and medium companies
- Bottled: new resellers

EBITDA

- Increased sales volume
- Strategy of differentiation and innovation
- Partially offset by expenses with advertising and marketing and with studies and projects

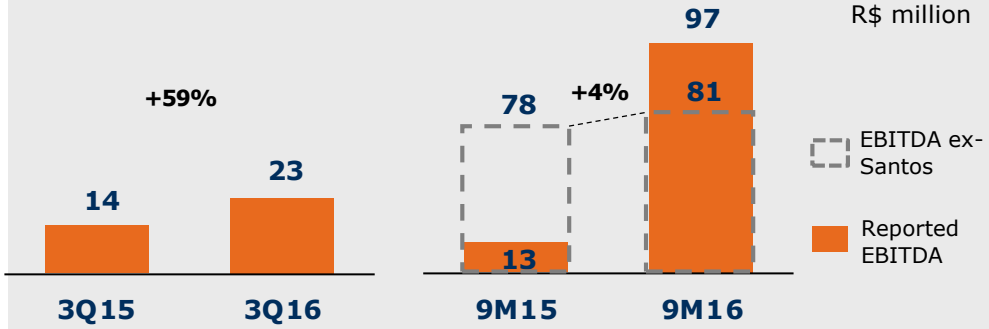
Ultracargo – 3Q16 and 9M16 performance

Volume



- Increased handling of fuels

EBITDA



- Growth in average storage
- Tariff adjustment in all terminals
- Higher expenses related to the fire in Santos in 3Q15

Fire at Santos terminal update

Summary

- April/15: fire in part of Ultracargo's terminal in Santos affects 6 tanks (total capacity of 34 thousand m³)
- September/16: 150,000 m³ of capacity remains unavailable

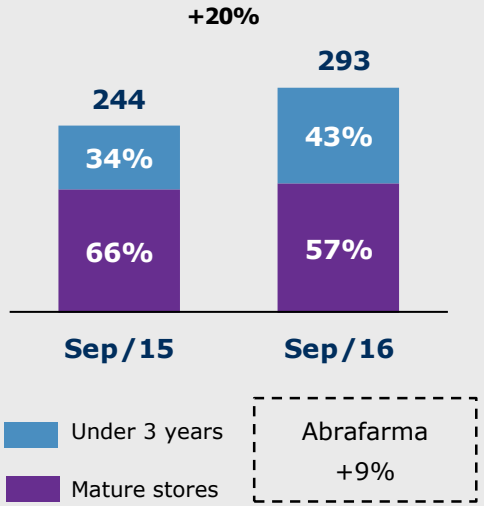


Recent events

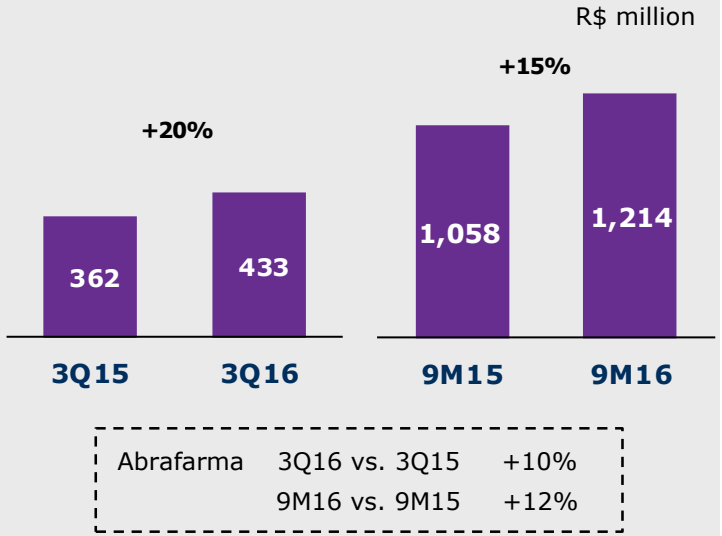
- Decommissioning completed in August 2016
- Initiation of the terminal's rehabilitation
- Operational license request process in progress with the authorities
- Negotiations underway with insurers
- Resumption of operations planned for mid-2017

Extrafarma – 3Q16 and 9M16 performance

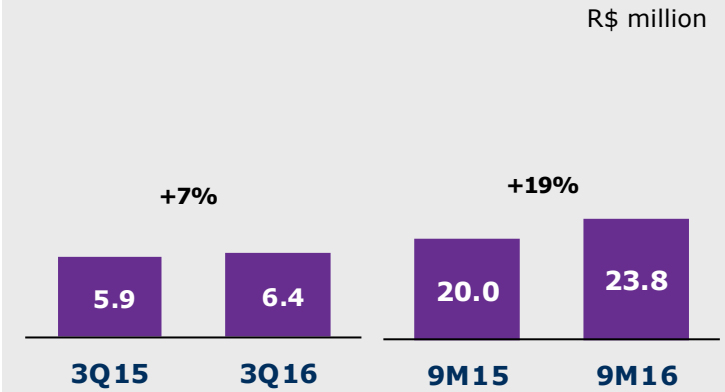
Number of stores



Gross revenues



EBITDA



Gross revenues

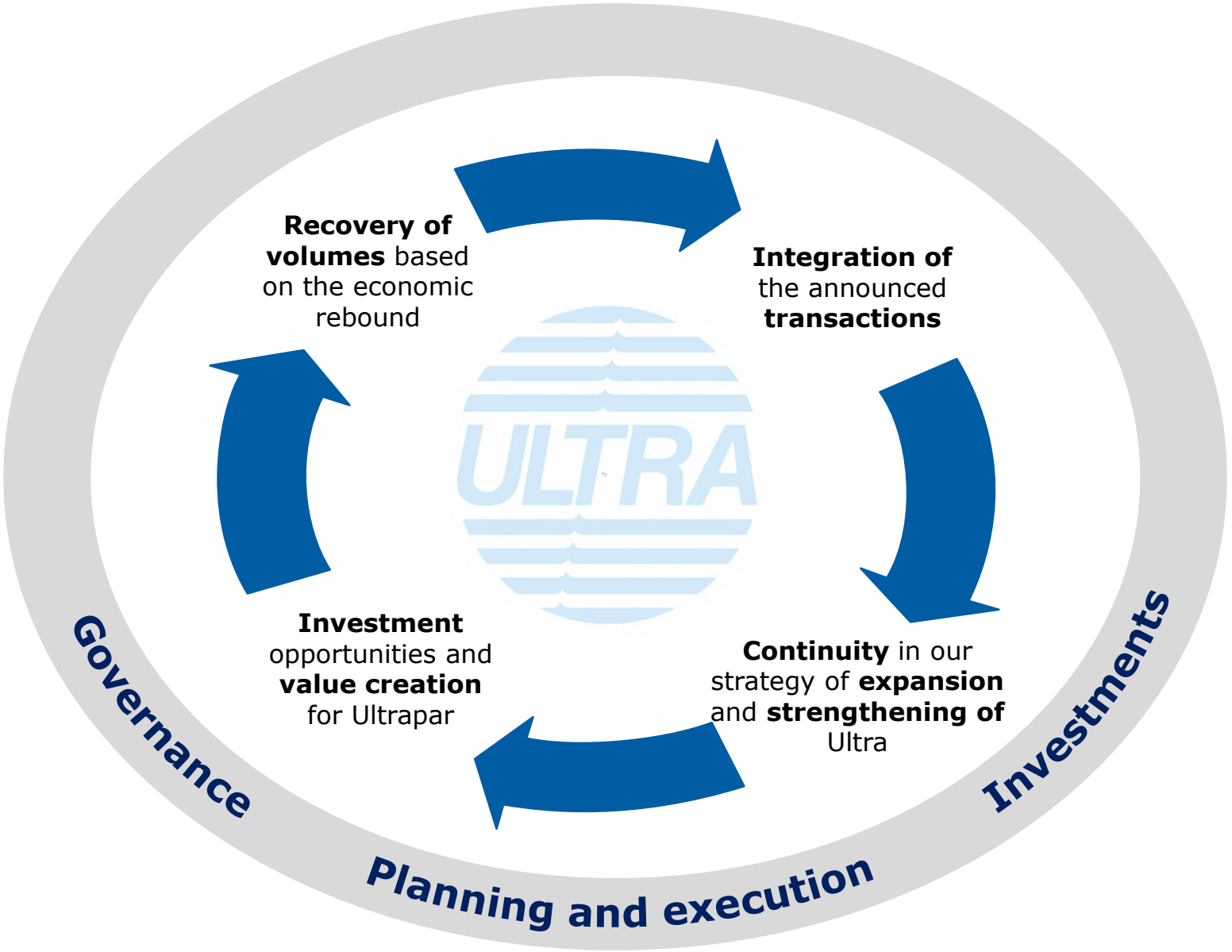
- ↑ 28% growth in retail sales, excluding mobile phone sales
  - ✓ Increased number of stores +20%
  - ✓ SSS ex-mobile phones: +20%
  - ✓ Initiatives to improve management standards in the retail pharmacy network
- ↓ Despite the worsening of the economic scenario and reduction in consumer income

EBITDA

- ↑ Revenues growth
- ↑ Initiatives to improve management standards in the retail pharmacy
- ↓ Increased share of new stores still maturing
- ↓ Expenses with the launch of the new brand

Outlook and priorities

Ultrapar – Priorities



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